

OFFER INFORMATION STATEMENT DATED 7 MAY 2009

(Lodged with the Monetary Authority of Singapore on 7 May 2009)

THIS DOCUMENT IS IMPORTANT. IF YOU ARE IN ANY DOUBT AS TO THE ACTION YOU SHOULD TAKE, YOU SHOULD CONSULT YOUR LEGAL, FINANCIAL, TAX OR OTHER PROFESSIONAL ADVISER.

A copy of this offer information statement (the “**Offer Information Statement**”), together with the Application Form for Rights Units (as defined herein) with Warrants (as defined herein) (the “**ARS**”) and excess Rights Units with Warrants (the “**ARE**”) have been lodged with the Monetary Authority of Singapore (the “**Authority**”). The Authority assumes no responsibility for the contents of this Offer Information Statement, the ARE and the ARS. Lodgment of this Offer Information Statement with the Authority does not imply that the Securities and Futures Act, Chapter 289 of Singapore, or any other legal or regulatory requirements, have been complied with. The Authority has not, in any way, considered the merits of the Rights Units, the Warrants and the New Units (as defined herein) being offered for investment.

Approval in-principle has been obtained from Singapore Exchange Securities Trading Limited (“**SGX-ST**”) for the listing and quotation of the Rights Units, the Warrants and the New Units on the Official List of SGX-ST. The Rights Units, the Warrants and the New Units will be admitted to the Official List of SGX-ST and the official listing and quotation of the Rights Units, the Warrants and the New Units will commence after all the certificates relating thereto (where applicable) have been issued and the allotment letters from The Central Depository (Pte) Limited (“**CDP**”) have been despatched.

In the event that permission is not granted by SGX-ST for the listing and quotation of the Rights Units, the Warrants and/or the New Units for any reason, including an inadequate spread of holdings for the Warrants to provide for an orderly market in the trading of the Warrants, holders of Rights Units and/or Warrants will not be able to trade their Rights Units, Warrants and/or the New Units (as the case may be) on SGX-ST.

The SGX-ST assumes no responsibility for the correctness of any of the statements made, reports contained or opinions expressed in this Offer Information Statement. Approval in-principle granted by SGX-ST for admission to the Official List of SGX-ST and the listing and quotation of the Rights Units, the Warrants and the New Units on the Official List of SGX-ST is not to be taken as an indication of the merits of the Rights cum Warrants Issue and Saizen Real Estate Investment Trust (“**Saizen REIT**”).

No Rights Units and/or Warrants shall be allotted or allocated on the basis of this Offer Information Statement later than six (6) months after the date of lodgment of this Offer Information Statement



SAIZEN REAL ESTATE INVESTMENT TRUST

(a real estate investment trust constituted under the laws of the Republic of Singapore pursuant to a trust deed dated 27 September 2007 (as amended))

RENOUNCEABLE NON-UNDERWRITTEN RIGHTS ISSUE OF UP TO 497,185,362 NEW UNITS IN SAIZEN REAL ESTATE INVESTMENT TRUST (THE “RIGHTS UNITS”) AT AN ISSUE PRICE OF S\$0.09 EACH, WITH UP TO 497,185,362 FREE DETACHABLE AND TRANSFERABLE WARRANTS (THE “WARRANTS”), EACH WARRANT CARRYING THE RIGHT TO SUBSCRIBE FOR 1 NEW UNIT IN SAIZEN REAL ESTATE INVESTMENT TRUST (THE “NEW UNIT”) AT AN EXERCISE PRICE OF S\$0.09 FOR EACH NEW UNIT, SUCH WARRANT TO EXPIRE ON THE DATE IMMEDIATELY PRECEDING THE THIRD (3rd) ANNIVERSARY OF THE DATE OF ISSUE OF THE WARRANTS, ON THE BASIS OF 11 RIGHTS UNITS FOR EVERY 10 EXISTING UNITS IN SAIZEN REAL ESTATE INVESTMENT TRUST (THE “UNITS”) HELD BY UNITHOLDERS OF SAIZEN REAL ESTATE INVESTMENT TRUST (THE “UNITHOLDERS” AND EACH, A “UNITHOLDER”) AS AT THE BOOKS CLOSURE DATE, AND 1 WARRANT FOR EVERY RIGHTS UNIT SUBSCRIBED, FRACTIONAL ENTITLEMENTS TO BE DISREGARDED (THE “RIGHTS CUM WARRANTS ISSUE”)

IMPORTANT DATES AND TIMES

Last date and time for acceptance and payment	:	25 May 2009 at 5.00 p.m.
Last date and time for renunciation and payment	:	25 May 2009 at 5.00 p.m.
Last date and time for excess application and payment	:	25 May 2009 at 5.00 p.m.

Capitalised terms used below which are not otherwise defined herein shall have the meanings ascribed to them under "Definitions" of this Offer Information Statement **by 9.30pm on 25 May 2009.**

For Entitled Unitholders, acceptances of the Rights Units with Warrants and/or (if applicable) applications for excess Rights Units with Warrants may be made through CDP or by way of Electronic Application at any ATM of a Participating Bank.

The existing Units of Saizen REIT are quoted on the Official List of SGX-ST.

Persons wishing to subscribe for the Rights Units with Warrants offered by this Offer Information Statement should, before deciding whether to so subscribe, carefully read this Offer Information Statement in its entirety in order to make an informed assessment, *inter alia*, of the assets and liabilities, profits and losses, financial position, performance, risk factors and prospects of Saizen REIT and the Group, and the rights and liabilities attaching to the Rights Units and the Warrants (*inter alia* its risk factors and liquidity). They should make their own independent enquiries and investigations of any bases and assumptions, upon which financial projections, if any, are made or based, and carefully consider this Offer Information Statement in the light of their personal circumstances (including financial and taxation affairs). It is recommended that such persons seek professional advice from their stockbroker, bank manager, solicitor, accountant and/or other professional adviser before deciding whether to acquire the Rights Units with Warrants or invest in Saizen REIT.

No person has been authorised to give any information or to make any representations other than those contained in this Offer Information Statement in connection with the Rights cum Warrants Issue or the issue of the Rights Units with Warrants and, if given or made, such information or representations must not be relied upon as having been authorised by the Manager (as defined herein). Save as expressly stated in this Offer Information Statement, nothing contained herein is, or may be relied upon as, a promise or representation as to the future performance or policies of Saizen REIT or the Group. Neither the delivery of this Offer Information Statement, nor the issue of the Rights Units, the Warrants and/or the New Units shall, under any circumstances, constitute a continuing representation, or give rise to any implication, that there has been no change in the affairs of Saizen REIT or the Group, or any of the information contained herein since the date hereof. Where such changes occur after the date hereof and are material, or are required to be disclosed by law and/or SGX-ST, the Manager may make an announcement of the same to SGX-ST and, if required, lodge a supplementary or replacement document with the Authority. All Entitled Unitholders and their renounees should take note of any such announcement and, upon the release of such announcement or lodgment of such supplementary or replacement document, as the case may be, shall be deemed to have notice of such changes.

The Manager is not making any representation to any person regarding the legality of an investment in the Rights Units with Warrants, the Warrants, the New Units and/or the Units, by such person under any investment or any other laws or regulations. No information in this Offer Information Statement should be considered to be business, legal or tax advice. Each prospective investor should consult his own professional or other advisor for business, legal or tax advice regarding an investment in the Rights Units, the Warrants, the New Units and/or the Units.

Nothing in this Offer Information Statement or its accompanying documents shall be construed as a recommendation to accept or purchase the Rights Units, the Warrants and/or the New Units. Prospective subscribers of the Rights Units, the Warrants and/or the New Units should rely on their own investigation of the financial condition and affairs, appraisal and determination of the merits of investing in Saizen REIT and the Group and shall be deemed to have done so.

This Offer Information Statement and its accompanying documents have been prepared solely for the purpose of the acceptance and subscription of the Rights Units with Warrants under the Rights cum Warrants Issue and may not be relied upon by any persons, other than the Entitled Unitholders (and their renounees) to whom it is despatched by the Manager, or for any other purpose.

This Offer Information Statement, including the ARE and the ARS, may not be used for the purpose of, and does not constitute, an offer, invitation or solicitation to anyone in any jurisdiction or under any circumstances in which such an offer, invitation or solicitation is unlawful or not authorised or to any person to whom it is unlawful to make such an offer, invitation or solicitation.

The distribution of this Offer Information Statement and/or its accompanying documents may be prohibited or restricted (either absolutely or subject to various securities requirements, whether legal or administrative, being complied with) in certain jurisdictions under the relevant securities laws of those jurisdictions. Notwithstanding the above, Unitholders or any other person having possession of this Offer Information Statement and/or its accompanying documents are advised by the Manager to inform themselves of and observe such prohibitions and restrictions.

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DEFINITIONS

In this Offer Information Statement, the following definitions shall apply throughout unless the context otherwise requires or unless otherwise stated:-

- “Act” or “Companies Act”* : Companies Act (Chapter 50) of Singapore, as amended or modified from time to time
- “Announcement”* : The announcement made by the Manager on 31 December 2008 in relation to the Rights cum Warrants Issue
- “ARE”* : Application and acceptance form for the Rights Units with Warrants and excess Rights Units with Warrants to be issued to Entitled Unitholder in respect of their provisional allotment of Rights Units with Warrants under the Rights cum Warrants Issue
- “ARS”* : Application and acceptance form for the Rights Units with Warrants to be issued to the purchasers of the Rights cum Warrants Entitlements traded on SGX-ST under the book-entry (scripless) settlement system during the provisional allotment trading period. Please refer to Appendix I, in particular paragraph (d) of *“Mode of Acceptance and Application”* for further details on the ARS
- “ASM”* : Argyle Street Management Limited
- “ASML Group”* : ASM and the Concert Parties
- “ASMHRF”* : ASM Hudson River Fund
- “ASMAR(M)F”* : ASM Asia Recovery (Master) Fund
- “Asset Manager”* : KK Tenyu Asset Management as the asset manager of Saizen REIT
- “ATM”* : Automated teller machine
- “Audit Committee”* : The audit committee of Saizen REIT, comprising Mr. Soh Yew Hock, Mr. Dennis Lam Siu Sun and Mr Harold Sun Dai Hoe, all of whom are independent non-executive Directors.
- “Authority” or “MAS”* : The Monetary Authority of Singapore
- “Available Rights Units”* : The Rights Units available for subscription as a result of any Unitholders not taking up or declining to take up or not taking up fully their respective entitlements to the Rights cum Warrants Entitlements and after taking into account the subscription by other Unitholders for excess Rights Units. Such Available Rights Units shall exclude any Rights Units not taken up by any of the Undertaking Unitholders in relation to their respective portions of Rights cum Warrants Entitlements as set out in Part X paragraph 1(f) of this Offer Information Statement
- “Books Closure Date”* : 5.00 p.m. on 6 May 2009 being the time and date at and on which the register of Unitholders and the Unit transfer books of Saizen REIT will be closed to determine the provisional allotments of the Entitled Unitholders under the Rights cum Warrants Issue
- “CDP”* : The Central Depository (Pte) Limited

DEFINITIONS

“Circular”	:	The circular to Unitholders dated 1 April 2009
“Closing Date”	:	5.00 p.m. on 25 May 2009 or such other time(s) and/or date(s) as may be determined by the Manager, being the last time and date for acceptance and/or excess application and payment, and renunciation and payment of, the Rights Units with Warrants under the Rights cum Warrants Issue or 9.30pm on 25 May 2009 or such other time(s) and/or date(s) as may be determined by the Manager, being the last time and date for acceptance and/or excess application and payment of the Rights cum Warrants Issue through an ATM of a Participating Bank
“CMBS”	:	Has the meaning as ascribed to it in paragraph 7 of Part IV of this Offer Information Statement
“CMBS Loans”	:	Has the meaning as ascribed to it in paragraph 7 of Part IV of this Offer Information Statement
“Code”	:	The Singapore Code on Take-overs and Mergers
“Commitment Fee”	:	Has the meaning as ascribed to it in paragraph 1(f) of part X of this Offer Information Statement
“Concert Parties”	:	Person deemed to be acting in concert with ASM, comprising Argyle Street Management Holdings Limited, ASMHRF, ASM Asia Recovery Fund (“ ASMARF ”), ASMAR(M)F, Central-Top Properties Limited, Japan Opportunities Fund Limited, Kin Chan and his spouse Seow Shu Ping Jo-Ann, Li Yick Yee Angie and Yeh V-Nee
“Controlling Unitholder”	:	A person who (a) holds directly or indirectly 15% or more of the nominal amount of all units in Saizen REIT (subject to the discretion of SGX-ST to determine that such a person is not a controlling Unitholder), or (b) in fact exercises control over a company
“CPF”	:	Central Provident Fund
“Deed Poll”	:	The deed poll to be executed by the Manager constituting the Warrants and containing, <i>inter alia</i> , provisions for the protection of the rights and interests of the Warrantholders
“Desktop Valuation”	:	The desktop valuation produced by the Manager, and incorporating information from the desktop valuations as at 31 January 2009 conducted by the Independent Valuers, for the purposes of Part VII and Appendix IV of this Offer Information Statement
“Directors” or “Board of Directors”	:	The directors of the Manager as at the date of this Offer Information Statement
“EGM”	:	The extraordinary general meeting of Saizen REIT held at Pan Pacific Singapore Hotel, Meeting Room Ocean 4, Level 2, 7 Raffles Boulevard Marina Square, Singapore 039595 on 20 April 2009 at 10.30 a.m.

DEFINITIONS

<i>“Electronic Application”</i>	:	Acceptance of the Rights Units with Warrants and (if applicable) application for excess Rights Units with Warrants made through an ATM of one of the Participating Banks in accordance with the terms and conditions of this Offer Information Statement and the relevant procedures for electronic application at ATMs as set out in this Offer Information Statement or on the ATM screens of the relevant Participating Banks
<i>“Entitled Depositor(s)” or “Entitled Unitholder(s)”</i>	:	Unitholders with Units standing to the credit of their Securities Accounts and whose registered addresses with CDP are in Singapore as at the Books Closure Date or who have, at least five (5) Market Days prior to the Books Closure Date, provided CDP with addresses in Singapore for the service of notices and documents
<i>“EPS”</i>	:	Earnings per Unit
<i>“Exercise Price”</i>	:	The sum payable in respect of each New Unit to which the Warrantholders will be entitled to subscribe upon the exercise of the Warrants which shall be S\$0.09 subject to certain adjustments in accordance with the terms and conditions of the Warrants as set out in the Deed Poll
<i>“Existing Units”</i>	:	451,986,693 Units in issue as at the Latest Practicable Date
<i>“Expiration Dates”</i>	:	The respective dates on which the Warrants (as defined herein) will expire
<i>“Foreign Unitholders”</i>	:	Unitholders whose registered addresses with the Manager or CDP, as the case may be, are outside Singapore as at the Books Closure Date, and who have not, at least five (5) Market Days prior to the Books Closure Date, provided to CDP or the Manager, as the case may be, addresses in Singapore for the service of notices and documents
<i>“FY”</i>	:	The financial year ended or ending 30 June, as the case may be
<i>“Group”</i>	:	Saizen REIT and its subsidiaries
<i>“Independent Unitholders”</i>	:	Unitholders other than the ASML Group and parties acting in concert with them and parties not independent of them (including the Undertaking Unitholders and Undertaking Placees)
<i>“Independent Valuers”</i>	:	Asset Research Corporation and Real Value Inc.
<i>“Intermediary(ies)”</i>	:	Finance companies or Depository Agents who hold Units on behalf of Unitholders
<i>“Introduction Fee”</i>	:	Has the meaning as defined in paragraph 1(f) of part X of this Offer Information Statement
<i>“Irrevocable Undertakings”</i>	:	The irrevocable undertakings given by the Undertaking Unitholders and the Undertaking Placees to the Manager and the Trustee as described in paragraph 1(f) of Part X of this Offer Information Statement
<i>“Issue Price”</i>	:	The issue price of S\$0.09 for each Rights Unit with Warrants

DEFINITIONS

<i>“Latest Practicable Date”</i>	:	28 April 2009, being the latest practicable date prior to the printing of this Offer Information Statement
<i>“Letters of Undertaking”</i>	:	The letters of undertaking given by the Undertaking Unitholders and the Undertaking Placees in relation to the Irrevocable Undertakings
<i>“Listing”</i>	:	The listing of Saizen REIT on the mainboard of the SGX-ST on the 9 November 2007
<i>“Listing Manual”</i>	:	The listing manual of SGX-ST, as amended, modified or supplemented from time to time
<i>“Listing Rules”</i>	:	The listing rules for the time being applicable to the listing of Saizen REIT as an investment fund on the SGX-ST, as the same may be modified, amended, supplemented, revised or replaced from time to time
<i>“Manager”</i>	:	Japan Residential Assets Manager Limited
<i>“Management Team”</i>	:	The Manager and the Asset Manager
<i>“Market Day”</i>	:	A day on which SGX-ST is open for securities trading
<i>“NAV”</i>	:	Net asset value
<i>“New Units”</i>	:	New Units in Saizen REIT issued upon exercise of the Warrants
<i>“Offer Information Statement”</i>	:	This offer information statement dated 7 May 2009 referred to in section 277 of the SFA, together with the ARE and the ARS and all other accompanying documents including, where the context so admits, any supplementary or replacement documents to be issued by the Manager in connection with the Rights cum Warrants Issue
<i>“Participating Banks”</i>	:	The banks listed in Appendix III to this Offer Information Statement
<i>“Purchaser”</i>	:	A purchaser of any provisional allotment of Rights Units with Warrants and (if applicable) the excess Rights Units with Warrants
<i>“Register of Unitholders”</i>	:	Register of Unitholders
<i>“Register of Warranholders”</i>	:	Register of Warranholders
<i>“Rights cum Warrants Entitlements”</i>	:	The provisional allotments of Rights Units with Warrants to Entitled Unitholders under the Rights cum Warrants Issue
<i>“Rights Units”</i>	:	Up to 497,185,362 new Units, to be allotted and issued by the Manager pursuant to the Rights cum Warrants Issue
<i>“Saizen REIT”</i>	:	Saizen Real Estate Investment Trust
<i>“Securities Account”</i>	:	A securities account maintained by a Depositor with CDP, but does not include a securities sub-account maintained with a Depository Agent

DEFINITIONS

<i>“Securities and Futures Act” or “SFA”</i>	:	Securities and Futures Act (Chapter 289) of Singapore, as amended or modified from time to time
<i>“SGX-ST”</i>	:	Singapore Exchange Securities Trading Limited
<i>“SIC”</i>	:	Securities Industry Council
<i>“Substantial Unitholders”</i>	:	Persons who each hold directly and/or indirectly 5% or more of the total issued Units of Saizen REIT
<i>“TK Interest Transfer Agreements”</i>	:	The agreements entered into between the Trustee, the relevant initial TK Operators, and the relevant vendors namely, Central-Top Properties Limited, Japan High Yield Property Fund Limited or Japan High Yield Property Fund (II) Limited for the transfer of interests in certain properties
<i>“TK Operators”</i>	:	YK Shinzan, YK JOF, YK Kokkei, YK Shintoku, YK Shingen, YK Keizan, GK Chosei, GK Choan and GK Chogen
<i>“Trustee”</i>	:	HSBC Institutional Trust Services (Singapore) Limited, in its capacity as trustee of Saizen REIT
<i>“Trust Deed”</i>	:	The trust deed dated 27 September 2007 constituting Saizen REIT, as supplemented by the first supplemental deed dated 3 October 2007, the second supplemental deed dated 29 October 2007 and the third supplemental deed dated 5 May 2009, all entered into between the Manager and the Trustee, as may be amended, modified or supplemented from time to time
<i>“Undertaken Excess Applications”</i>	:	Has the meaning as ascribed to it in paragraph 1(f) of Part X of this Offer Information Statement
<i>“Undertaking Places”</i>	:	Amherst Holdings Limited and Equal Chances Limited
<i>“Undertaking Unitholders”</i>	:	ASM as the investment manager of ASMHRF and ASMAR(M)F, Arnold Ip Tin Chee, Chang Sean Pey, Raymond Wong Kin Jeon, Yeh V-Nee, Richard Lo, Terry Fok Kwong Hang, HC Capital Limited and Pioneer Industries (Holdings) Limited
<i>“Unit”</i>	:	A unit representing an undivided interest in Saizen REIT and “Units” shall be construed accordingly
<i>“Unitholder(s)”</i>	:	Registered holders of Units, except that where the registered holder is CDP, the term “Unitholders” shall, in relation to such Units and where the context admits, mean the Depositors whose Securities Accounts are credited with the Units
<i>“Unitholdings”</i>	:	The unitholdings of the respective Unitholder
<i>“Unit Registrar”</i>	:	Boardroom Corporate & Advisory Services Pte. Ltd.
<i>“Warrant Agent”</i>	:	Boardroom Corporate & Advisory Services Pte. Ltd.
<i>“Warrantholders”</i>	:	Registered holders of Warrants, except that where the registered holder is CDP, the term “Warrantholders” shall, in relation to such Warrants and where the context admits, mean the Depositors whose Securities Accounts are credited with the Warrants

DEFINITIONS

<i>“Whitewash Resolution”</i>	:	The resolution approved by way of a poll by a majority of the Independent Unitholders present and voting at the EGM to waive their rights to receive a mandatory general offer for Saizen REIT from the ASML Group pursuant to Rule 14 of the Code in relation to the Rights cum Warrants Issue
<i>“Whitewash Waiver”</i>	:	The waiver granted by the SIC of the requirements for the ASML Group to make mandatory general offers for Saizen REIT under Rule 14 of the Code arising from the acquisition by the ASML Group of the undertaken Rights Units with Warrants, excess Rights Units with Warrants and New Units (upon exercise of the Warrants) pursuant to the Rights cum Warrants Issue, subject to the satisfaction of certain conditions as described in paragraph 5.2 of the Circular
<i>“Singapore cents”</i>	:	Singapore cent(s)
<i>“S\$” and “\$”</i>	:	Singapore dollar(s)
<i>“%” or “per cent.”</i>	:	Per centum or percentage

Unless stated otherwise, the exchange rate of S\$1 = JPY62.7 shall be applied throughout this Offer Information Statement.

The terms “Depositor”, “Depository Agent” and “Depository Register” shall have the meanings ascribed to them respectively in section 130A of the Companies Act.

Words importing the singular shall, where applicable, include the plural and *vice versa*, and words importing the masculine gender shall, where applicable, include the feminine and neuter genders. References to persons shall, where applicable, include corporations.

Any reference in this Offer Information Statement to any enactment is a reference to that enactment as for the time being amended or re-enacted. Any word defined in the Companies Act, the Listing Manual, the Code or any modification thereof and used in this Offer Information Statement shall have the meaning assigned to it under the Companies Act, the Listing Manual, the Code or any modification thereof, as the case may be, unless the context otherwise requires.

Any discrepancies in tables included herein between the amounts and the totals thereof are due to rounding; accordingly, figures shown as totals in certain tables may not be an arithmetic aggregation of the figures that precede them.

Any reference to a time of day in this Offer Information Statement shall be a reference to Singapore time, unless otherwise stated.

EXPECTED TIMETABLE OF KEY EVENTS

Units traded ex-rights	:	4 May 2009
Books Closure Date	:	6 May 2009
Despatch of Offer Information Statement, ARE and ARS (as the case may be) to Entitled Unitholders	:	11 May 2009
Commencement of trading of "nil-paid" rights	:	11 May 2009
Trading of "nil-paid" rights ceases	:	19 May 2009 at 5.00 p.m.
Last date and time for acceptance and payment of Rights Units with Warrants	:	25 May 2009 at 5.00 p.m.*
Last date and time for renunciation and payment of Rights Units with Warrants	:	25 May 2009 at 5.00 p.m.
Last date and time for application and payment of excess Rights Units with Warrants	:	25 May 2009 at 5.00 p.m.*
Expected date for issuance of Rights Units and Warrants	:	3 June 2009
Expected date for commencement of trading of Rights Units	:	4 June 2009
Expected date for commencement of trading of Warrants	:	5 June 2009

* 25 May 2009 at 9.30 p.m. for Electronic Applications

As at the Latest Practicable Date, the Manager does not expect the above timetable to be modified. However, the Manager may, upon consultation with its advisers and SGX-ST, modify the timetable subject to any limitation under any applicable laws. In that event, the Manager will publicly announce the same through a SGXNET announcement to be posted on SGX-ST website at <http://www.sgx.com> and Saizen REIT's website at <http://www.saizenreit.com.sg>.

ELIGIBILITY OF HOLDERS TO PARTICIPATE IN THE RIGHTS CUM WARRANTS ISSUE

1. Entitled Unitholders

Entitled Unitholders will be entitled to participate in the Rights cum Warrants Issue and to receive this Offer Information Statement together with the ARE and/or ARS, as the case may be, and its accompanying documents at their respective Singapore addresses. Entitled Unitholders who do not receive this Offer Information Statement and the AREs may obtain them from CDP or the Unit Registrar for the period up to the Closing Date.

Entitled Unitholders will be provisionally allotted the Rights Units with Warrants under the Rights cum Warrants Issue on the basis of their Unitholdings as at the Books Closure Date. Entitled Unitholders are at liberty to accept, decline, renounce or trade on SGX-ST in part or in full (during the provisional allotment trading period prescribed by SGX-ST) their provisional allotment of Rights Units with Warrants, and are eligible to apply for additional Rights Units with Warrants in excess of their provisional allotments under the Rights cum Warrants Issue.

Entitled Unitholders should note that all correspondences and notices will be sent to their last registered addresses with CDP. Entitled Unitholders are reminded that any request to effect any change in address must reach CDP not later than five (5) Market Days before the Books Closure Date.

All dealings in and transactions of the provisional allotments of Rights Units with Warrants through SGX-ST will be effected under the book-entry (scripless) settlement system.

2. Foreign Unitholders

This Offer Information Statement and its accompanying documents relating to the Rights cum Warrants Issue have been lodged with the MAS. This Offer Information Statement and its accompanying documents have not been and will not be lodged, registered or filed in any other jurisdiction other than Singapore. The distribution of this Offer Information Statement and its accompanying documents may be prohibited or restricted (either absolutely or subject to various relevant securities requirements, whether legal or administrative, being complied with) in certain jurisdictions under the relevant securities laws of those jurisdictions. For practical reasons and in order to avoid any violation of the securities legislation applicable in countries other than Singapore, the Offer Information Statement and its accompanying documents will not be despatched to Foreign Unitholders.

Accordingly, Foreign Unitholders will not be entitled to participate in the Rights cum Warrants Issue. No provisional allotment of the Rights Units with Warrants has been made to Foreign Unitholders and no purported acceptance thereof or application thereof by Foreign Unitholders will be valid.

Foreign Purchasers who wish to accept the provisional allotment of the Rights Units with Warrants should make the necessary arrangements with their Depository Agents or stockbrokers in Singapore.

The Manager further reserves the right to reject any acceptances of the Rights Units with Warrants and/or applications for excess Rights Units with Warrants where it believes, or has reason to believe, that such acceptances and/or applications may violate the applicable legislation of any jurisdiction. The Manager reserves the right to treat as invalid any ARE or ARS which (a) appears to the Manager or its agents to have been executed in any jurisdiction outside Singapore which may violate the applicable legislation of such jurisdiction, (b) provides an address outside Singapore for the receipt of the certificate(s) of the Rights Unit and/or Warrants (where applicable) or which requires the Manager to despatch the Unit certificate(s) and/or warrant certificate(s) to an address in any jurisdiction outside Singapore (where applicable), or (c) purports to exclude any deemed representation or warranty.

ELIGIBILITY OF HOLDERS TO PARTICIPATE IN THE RIGHTS CUM WARRANTS ISSUE

If it is practicable to do so, arrangements may, at the discretion of the Manager, be made for the provisional allotment of Rights Units with Warrants which would otherwise have been provisionally allotted to Foreign Unitholders to be sold “nil-paid” on SGX-ST as soon as practicable after dealings in the provisional allotments of Rights Units with Warrants commence. Such sales may, however, only be effected if the Manager, in its absolute discretion, determines that a premium can be obtained from such sales, after taking into account the relevant expenses to be incurred in relation thereto.

The net proceeds from all such sales, after deduction of all expenses therefrom, will be pooled and thereafter distributed to Foreign Unitholders in proportion to their respective Unitholdings or, as the case may be, the number of Units entered against their names in the Depository Register as at the Books Closure Date and sent to them by means of a crossed cheque drawn on a bank in Singapore and sent by ordinary post at their own risk or in such other manner as they may have agreed with CDP for the payment of any cash distributions. If the amount of net proceeds to be distributed to any single Foreign Unitholder is less than S\$10.00, the Manager shall be entitled to retain or deal with such net proceeds as the Manager may, in its absolute discretion, deem fit in the interests of Saizen REIT and no Foreign Unitholder shall have any claim whatsoever against the Manager, the Trustee, the Unit Registrar or CDP in connection therewith.

Where such provisional allotment of Rights Units with Warrants are sold “nil-paid” on the SGX-ST, they will be sold at such price or prices as the Manager may, in its absolute discretion, decide and no Foreign Unitholder shall have any claim whatsoever against the Manager, the Trustee, the Unit Registrar or CDP in respect of such sales or the proceeds thereof, the provisional allotment of Rights Units with Warrants or the Rights Units with Warrants represented by such provisional allotments.

If such provisional allotments cannot be or are not sold on SGX-ST as aforesaid for any reason by such time as SGX-ST shall have declared to be the last day for trading in the provisional allotment of Rights Units with Warrants, the Rights Units with Warrants represented by such provisional allotments will be issued and allotted to satisfy excess applications or disposed of or dealt with in such manner as the Manager may, in its absolute discretion, deem fit for the benefit of Saizen REIT and no Foreign Unitholder shall have any claim whatsoever against the Manager, the Trustee, the Unit Registrar or CDP in connection therewith.

Unitholders should note that the special arrangements described above will apply only to Foreign Unitholders.

Notwithstanding the above, Unitholders and any other person having possession of this Offer Information Statement and its accompanying documents are advised to inform themselves of and to observe any legal requirements applicable thereto. No person in any jurisdiction outside Singapore receiving this Offer Information Statement and/or its accompanying documents may treat the same as an offer, invitation or solicitation to subscribe for any Rights Units with Warrants unless such offer, invitation or solicitation can lawfully be made without violating any regulatory or legal requirements in such jurisdictions.

The Rights Units with Warrants which are not otherwise taken up or allotted for any reason shall be used to satisfy excess Rights Units with Warrants applications as the Manager may, in its absolute discretion, deem fit. Fractional entitlements to the Rights Units with Warrants will be disregarded in arriving at Unitholders’ allotments and will together with provisional allotments which are not taken up or allotted for any reasons be aggregated and used to satisfy excess Rights Units with Warrants applications as the Manager may, in its absolute discretion, deem fit. In the allotment of excess Rights Units with Warrants, preference will be given to Unitholders for rounding of odd lots and Substantial Unitholders and Directors will rank last in priority. Such allotment of excess Rights Units with Warrants shall be dealt with in such manner as the Manager may, in its absolute discretion, deem fit for the benefit of Saizen REIT, to the extent permissible.

ELIGIBILITY OF HOLDERS TO PARTICIPATE IN THE RIGHTS CUM WARRANTS ISSUE

The procedures for, and the terms and conditions applicable to, acceptances, renunciation and/or sales of the provisional allotments of Rights Unit with Warrants and for the application for excess Rights Units with Warrants, including the different modes of acceptances, application, renunciation or payment are contained in Appendices I of this Offer Information Statement and in the ARE and the ARS.

3. Allotment of Excess Rights Units with Warrants

As required by the Listing Rules, in the allotment of any excess Rights Units with Warrants, preference will be given to the rounding of odd lots, and Directors and Substantial Unitholders will rank last in priority.

In the event that a Unitholder or Purchaser is a Substantial Unitholder or a Director, he will also need to inform the Intermediary(ies) through whom he is making the application for Rights Units with Warrants (including the excess Rights Units with Warrants). The Intermediary(ies) will be required to provide the Manager with (i) a list of such Unitholder or Purchasers who have identified themselves as a Substantial Unitholder or Director and (ii) the amount of excess Rights Units with Warrants these Unitholders or Purchasers have separately applied for. Anyone who deliberately attempts to misrepresent, conceal or falsify any of the information required to establish the priority in allocation of excess Rights Units with Warrants may be subject to legal, civil, criminal or regulatory sanctions.

TRADING

1. Listing and Quotation of Rights Units, Warrants and New Units

Approval-in-principle has been obtained from SGX-ST on 18 March 2009 for the listing and quotation of the Rights Units, Warrants and New Units on SGX-ST. However, it should be noted that the Warrants may not be listed and quoted on SGX-ST if there is an inadequate spread of holdings for the Warrants to provide for an orderly market in the trading of the Warrants. In such event, Warranholders will not be able to trade their Warrants on SGX-ST. The approval in-principle of SGX-ST is not to be taken as an indication of the merits of the Rights cum Warrants Issue and Saizen REIT.

Upon listing and quotation on the official list of SGX-ST, the Rights Units, the Warrants and the New Units will be traded under the book-entry (scripless) settlement system. All dealings in, and transactions (including transfers) of the Rights Units, the Warrants and the New Units effected through SGX-ST and/or CDP shall be made in accordance with CDP's "**Terms and Conditions for Operation of Securities Accounts with CDP**" and the "**Terms and Conditions for CDP to act as Depository for the Warrants**", as the same may be amended from time to time. Copies of the above are available at CDP.

2. Arrangements for Scripless Trading

Entitled Unitholders and their renounees who wish to accept the Rights Units with Warrants provisionally allotted to them and (if applicable) apply for excess Rights Units with Warrants, and who wish to trade the Rights Units with Warrants issued to them on SGX-ST under the book entry (scripless) settlement system, should open and maintain Securities Accounts with CDP in their own names if they do not already maintain such Securities Accounts in order that the number of Rights Units with Warrants and, if applicable, the excess Rights Units with Warrants that may be allotted to them may be credited by CDP into their Securities Accounts.

If an Entitled Unitholder's address stated in the ARE/ARS is different from his address registered with CDP, he must inform CDP of his updated address promptly, failing which the notification letter on successful allotment and other correspondence will be sent to his address last registered with CDP.

3. Trading of Odd Lots

All fractional entitlements to the Rights Units with Warrants will be disregarded in arriving at the entitlements of the Entitled Unitholders and will, together with entitlements not allotted or taken up for any reason, be aggregated and issued to satisfy applications, if any, for excess Rights Units with Warrants or otherwise disposed of or dealt with in such manner as the Manager may, in its absolute discretion, deem fit in the interests of Saizen REIT. Unitholders should note that the Rights Units and Warrants are quoted on SGX-ST in board lot sizes of 1,000 each. Following the Rights cum Warrants Issue, Unitholders who hold odd lots of the Rights Units and/or Warrants and who wish to trade in odd lots on SGX-ST should note that the Unit Share Market of SGX-ST has been set to allow trading of odd lots.

CAUTIONARY NOTE ON FORWARD-LOOKING STATEMENTS

All statements contained in this Offer Information Statement, statements made in press releases and oral statements that may be made by the Manager or its Directors, officers or employees acting on its behalf, that are not statements of historical fact, constitute “forward-looking statements”. Some of these statements can be identified by words such as, without limitation, “anticipate”, “believe”, “could”, “estimate”, “expect”, “forecast”, “if”, “intend”, “may”, “plan”, “possible”, “probable”, “project”, “should”, “will” and “would” or other similar words. However, these words are not the exclusive means of identifying forward-looking statements. All statements regarding the Group’s expected financial position, operating results, business strategies, plans and prospects are forward-looking statements. These forward-looking statements, including but not limited to statements as to the Group’s revenue and profitability, prospects, future plans and other matters discussed in this Offer Information Statement regarding matters that are not historical facts, are only predictions. These forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause the Group’s actual results, performance or achievements to be materially different from any future results, performance or achievements expected, expressed or implied by such forward-looking statements.

Given the risks, uncertainties and other factors that may cause the Group’s actual future results, performance or achievements to be materially different from that expected, expressed or implied by the forward-looking statements in this Offer Information Statement, undue reliance must not be placed on these statements. The Group’s actual results, performance or achievements may differ materially from those anticipated in these forward-looking statements. Neither the Manager, the Trustee nor any other person represents or warrants that the Group’s actual future results, performance or achievements will be as discussed in those statements.

Further, the Manager disclaims any responsibility to update any of those forward-looking statements or publicly announce any revisions to those forward-looking statements to reflect future developments, events or circumstances for any reason, even if new information becomes available or other events occur in the future. Where such developments, events or circumstances occur and are material, or are required to be disclosed by law and/or SGX-ST, the Manager may make an announcement of the same to SGX-ST and, if required, lodge a supplementary or replacement document with SGX-ST. The Manager is also subject to the provisions of the Listing Manual regarding corporate disclosure.

TAKE-OVER LIMITS

The Code regulates the acquisition of ordinary Units and applies to public companies and trusts, including Saizen REIT. Unless exempted, any person acquiring an interest, either on his own or together with parties acting in concert with him, in 30% or more of the voting rights in Saizen REIT or if such person holds, either on his own or together with parties acting in concert with him, between 30% to 50% (both inclusive) of the voting rights in Saizen REIT, and acquires more than one per cent. (1%) of the voting rights in Saizen REIT in any six (6) month period, must extend a take-over offer for the remaining Units in Saizen REIT in accordance with the provisions of the Code.

The ASML Group, as at the Latest Practicable Date, collectively hold about 12.8% of the total issued Units of Saizen REIT. Therefore, the exercise of the Rights cum Warrants Issue may trigger an obligation for the mandatory offer under the Code.

Assuming that (i) only the Undertaking Unitholders (including the ASML Group and parties acting in concert with them) subscribe in full for their respective Rights cum Warrants Issue entitlements, (ii) none of the other Unitholders subscribe for their respective Rights cum Warrants Issue entitlements, and (iii) each of the Undertaking Unitholders (and whereby the Undertaking Placees subscribe for Available Rights Units in the manner as further stipulated in paragraph 1(f) of Part X of this Offer Information Statement) subscribe for their respective excess applications under the Undertaken Excess Applications (the “**Maximum Subscription Scenario**”), the Unitholdings of the ASML Group and parties acting in concert with them will increase in the following manner:

- (a) the Unitholding interests of the ASML Group and parties acting in concert with them will increase from an aggregate of approximately 12.8% to approximately 33.9%, on the basis that the ASML Group and parties acting in concert with them and the remaining Undertaking Parties exercise all their rights to subscribe for Rights Units pursuant to all their Rights cum Warrants Issue entitlements and Undertaken Excess Applications; and
- (b) the Unitholding interests of the ASML Group and parties acting in concert with them will increase from an aggregate of approximately 12.8% to approximately 48.2%, on the basis that the event as contemplated above in paragraph (a) above has occurred and thereafter, only the ASML Group and parties acting in concert with them exercise in full their respective rights to subscribe for New Units pursuant to the exercise of their respective Warrants, and none of the other Undertaking Parties subscribe for New Units through the exercise of their respective Warrants.

Pursuant to the Rights cum Warrants Issue and in the Maximum Subscription Scenario, the aggregate Unitholding of the ASML Group and parties acting in concert with them will increase to more than 30%. In this event, the ASML Group and parties acting in concert with them will then be required under the Code to make a mandatory general offer (“**Mandatory Offer**”) for the Units not already owned by them pursuant to Rule 14.1(a) of the Code, unless the said obligation is waived by the SIC.

For the avoidance of doubt, the other Undertaking Unitholders (not including the ASML Group and parties acting in concert with them) will not be subject to Rule 14 of the Code to make a Mandatory Offer for the remaining Units not already owned or controlled by them as their aggregate Unitholding will not exceed 30% of the issued Units in Saizen REIT as a result of them subscribing for the Rights Units with Warrants and the excess Rights Units with Warrants, and/or exercising, from time to time, their right to subscribe for new Units under their Warrants entitlements in respect of the Rights Units acquired pursuant to the Irrevocable Undertakings and Excess Application Undertakings.

However, the SIC on 13 February 2009 waived the requirement for the ASML Group to make a mandatory offer for Saizen REIT under the Code from the acquisition of Rights Units with Warrants, excess Rights Units with Warrants and/or New Units (upon exercise of the Warrants) pursuant to the Rights cum Warrants Issue, subject to certain conditions, including, *inter alia*, the adoption of the Whitewash Resolution by Independent Unitholders of Saizen REIT at the EGM.

The Independent Unitholders have since approved the Whitewash Resolution at the EGM.

TAKE-OVER LIMITS

Unitholders who are in doubt as to their obligations, if any, to make a mandatory take-over offer under the Code as a result of any acquisition of Rights Units with Warrants pursuant to the Rights cum Warrants Issue, the acceptance of the provisional allocation of Rights Units with Warrants, the application for excess Rights Units with Warrants or the exercise of the Warrants, should consult the SIC and/or their professional advisers immediately.

PART II (IDENTITY OF DIRECTORS, ADVISERS AND AGENTS)

Directors

1. Provide the names and addresses of each of the directors or equivalent persons of the Manager.
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BOARD OF DIRECTORS

Name of Directors	Address	Position
Arnold Ip Tin Chee	A1 Brewin Court, 5-7 Brewin Path, Hong Kong	Chairman
Chang Sean Pey	54 East Coast Terrace #02-04, Singapore 458949	Chief Executive Officer
Raymond Wong Kin Jeon	A2-21/F, Villa Monte Rosa, 41A Stubbs Road, Hong Kong	Executive Director
Soh Yew Hock	100 Arthur Road, Singapore 439831	Independent Non-Executive Director
Dennis Lam Siu Sun	Flat B, 3/F, The Somerset, 67 Rupulse Bay, Hong Kong	Independent Non-Executive Director
Harold Sun Dai Hoe	15 Ardmore Park, #07-04, Singapore 259959	Independent Non-Executive Director

Advisers

2. Provide the names and addresses of:

- (a) the issue manager to the offer, if any;
- (b) the underwriter to the offer, if any; and
- (c) the legal adviser for or in relation to the offer, if any.

Issue Manager	:	NIL
Underwriter	:	NIL
Legal Adviser to the Rights cum Warrants Issue	:	Stamford Law Corporation 9 Raffles Place #32-00 Republic Plaza Singapore 048619

PART II (IDENTITY OF DIRECTORS, ADVISERS AND AGENTS)

Registrars and Agents

3. Provide the names and addresses of the registrars, transfer agents and receiving bankers for the securities being offered, where applicable.

Unit Registrar : Boardroom Corporate & Advisory Services Pte. Ltd.
3 Church Street
#08-01 Samsung Hub
Singapore 049483

Unit Transfer Agent N.A

Receiving Banker : The Hongkong and Shanghai Banking Corporation Limited
21 Collyer Quay #06-01 HSBC Building
Singapore 049320

PART III (OFFER STATISTICS & TIMETABLE)

Offer Statistics

1. For each method of offer, state the number of securities being offered.

Method of Offer	:	Renounceable non-underwritten rights issue of Rights Units with Warrants
Basis of Allotment	:	Eleven (11) Rights Units for every ten (10) Units of Saizen REIT held as at Books Closure Date, and one (1) free detachable and transferable Warrant for every Rights Unit subscribed, fractional entitlements to be disregarded
Number of Rights Units	:	Up to 497,185,362
Number of Warrants	:	Up to 497,185,362

Method and Timetable

2. Provide the information referred to in paragraphs 3 to 7 of this Part to the extent applicable to:

- (a) the offer procedure; and
- (b) where there is more than one group of targeted potential investors and the offer procedure is different for each group, the offer procedure for each group of targeted potential investors.

Please refer to paragraphs 3 to 7 of Part III of this Offer Information Statement.

3. State the time at, date on, and period during which the offer will be kept open, and the name and address of the person to whom the purchase or subscription applications are to be submitted. If the exact time, date or period is unknown on the date of lodgment of the offer information statement, describe the arrangements for announcing the definitive time, date or period. State the circumstances under which the offer period may be extended or shortened, and the duration by which the period may be extended or shortened. Describe the manner in which any extension or early closure of the offer period shall be made public.

Entitled Unitholders who have been provisionally allotted Rights Units with Warrants are at liberty to accept, decline, renounce or trade their provisional allotments on SGX-ST.

Please refer to the section entitled "*Expected Timetable of Key Events*" of this Offer Information Statement for further details.

Acceptances should be made in the manner set out in this Offer Information Statement as well as the applicable ARE or ARS to the persons named therein, which is:

- (a) in the case of Entitled Unitholders, by hand to **JAPAN RESIDENTIAL ASSET MANAGER LIMITED C/O THE CENTRAL DEPOSITORY (PTE) LIMITED, 4 SHENTON WAY #02-01 SGX CENTRE 2, SINGAPORE 068807**, or by post, at the Unitholder's OWN RISK, in the enclosed self-addressed envelope to **JAPAN RESIDENTIAL ASSET MANAGER LIMITED C/O THE CENTRAL DEPOSITORY (PTE) LIMITED, ROBINSON ROAD P.O. BOX 1597, SINGAPORE 903147**.

For the procedures as well as terms and conditions applicable to Electronic Applications through an ATM of one of the Participating Banks, please refer to Appendix II.

PART III (OFFER STATISTICS & TIMETABLE)

Please refer to Appendices I and II of this Offer Information Statement, the ARE and the ARS for details of the procedures for, and the terms and conditions applicable to, acceptance, renunciation and/or sale of the provisional allotments of Rights Units with Warrants, and payment and excess application of the Rights Units with Warrants under the Rights cum Warrants Issue.

As at the Latest Practicable Date, the Manager does not expect the timetable to be modified. However, the Manager may, with the approval of the SGX-ST, modify the timetable subject to any limitation under any applicable laws and regulations. In that event, the Manager will publicly announce the same through a SGXNET announcement to be posted on the SGX-ST website at <http://www.sgx.com> and Saizen REIT's website at <http://www.saizenreit.com.sg>.

4. State the method and time limit for paying up for the securities and, where payment is to be partial, the manner in which, and dates on which, the amounts are to be paid.

All payments for the Rights Units with Warrants and excess Rights Units with Warrants must be made either:

- (a) by way of Electronic Application through an ATM of a Participating Bank in the case of Entitled Unitholders;
- (b) if the application for Rights Units with Warrants and/or excess Rights Units with Warrants, as the case may be, is made by sending the relevant completed ARE or ARS to Japan Residential Asset Manager Limited c/o CDP, then remittance must be attached to the completed ARE or ARS, as the case may be, in Singapore dollars in the form of a cashier's order or banker's draft drawn on a bank in Singapore for the full amount payable to "**CDP – SAIZEN RIGHTS CUM WARRANTS ISSUE ACCOUNT**" and crossed "**NOT NEGOTIABLE, A/C PAYEE ONLY**". The applicant's or the Entitled Unitholder's name and Securities Account number must be clearly written in block letters on the reverse side of the cashier's order or banker's draft, as the case may be, in the case of Entitled Unitholders; or
- (c) in any other manner as prescribed in this Offer Information Statement.

The Rights Units with Warrants are payable in full upon acceptance and/or application. The last date and time for acceptances, applications for excess Rights Units with Warrants and payments for Rights Units with Warrants and/or excess Rights Units with Warrants is on **25 May 2009 at 5.00 p.m or in the case of acceptance of Rights Units and/or application for Excess Rights Units and payment through an ATM of a Participating Bank, is on 25 May 2009 at 9.30pm.**

Please refer to the section entitled "*Expected Timetable of Key Events*" of this Offer Information Statement for further details.

The detailed procedures for, and the terms and conditions applicable to, acceptances, renunciations and/or sales of the provisional allotments of Rights Units with Warrants and for the application for excess Rights Units with Warrants, including the different modes of acceptances or application and payment are contained in Appendices I to this Offer Information Statement and in the ARE and the ARS.

5. State where applicable, the methods of and time limits for:

- (a) **the delivery of the documents evidencing title to the securities being offered (including temporary documents of title, if applicable) to subscribers or purchasers; and**
 - (b) **the book-entry transfers of the securities being offered in favour of subscribers or purchasers.**
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PART III (OFFER STATISTICS & TIMETABLE)

- (a) As the Units are traded under the electronic book-entry clearance and settlement system of CDP, there are no documents evidencing title to the Units to be delivered to subscribers.
- (b) The Rights Units with Warrants will be allotted to Entitled Unitholders on or about 8 May 2009 by crediting the Rights Units with Warrants to the Securities Accounts of Entitled Unitholders.

All Units issued will be represented by entries in the Register of Unitholders kept by the Manager or the agent appointed by the Manager in the name of, and deposited with CDP for and on behalf of Unitholders who maintain, either directly or through Depository Agents, Securities Accounts with CDP. In the case of Entitled Unitholders with valid acceptances of Rights Units with Warrants and/or successful applications for excess Rights Units with Warrants, and their renounees, who have furnished valid Securities Account numbers in the ARE or ARS (as the case may be), the Trustee or agent appointed by the Trustee shall, not later than ten (10) Market Days after the Closing Date, issue to CDP a confirmation note confirming the date of issue and the number of Units so issued. Such confirmation note shall be deemed to be a certificate evidencing title to the Units issued. CDP will thereafter credit such number of Rights Units with Warrants, and/or the excess Rights Units with Warrants, as the case may be, to the Securities Accounts of such Entitled Unitholders and their renounees. CDP will then send notification letters to the relevant Unitholders stating the number of Rights Units with Warrants, and/or the excess Rights Units with Warrants, as the case may be, that have been credited to their Securities Accounts.

Please refer to Appendices I and II of this Offer Information Statement for further details.

6. In the case of any pre-emptive rights to subscribe for or purchase the securities being offered, state the procedure for the exercise of any right of pre-emption, the negotiability of such rights and the treatment of such rights which are not exercised.

Not applicable as no pre-emptive rights have been offered.

7. Provide a full description of the manner in which results of the allotment or allocation of securities are to be made public and, where appropriate, the manner for refunding the excess amounts paid by applicants (including whether interest will be paid).

The Manager will publicly announce the results of the allotment or allocation of the Rights Units with Warrants, as soon as practicable after the Closing Date via a SGXNET announcement to be posted on the SGX-ST website at <http://www.sgx.com>.

Where any acceptance for Rights Units with Warrants and/or excess application is invalid or unsuccessful, the amount paid on acceptance and/or application will be returned or refunded to such applicants without interest or any share of revenue or other benefit arising therefrom within 14 days after the Closing Date by

- (a) means of a crossed cheque drawn on a bank in Singapore (where the acceptance and/or application is through CDP) and sent by ordinary post at their own risk to their mailing addresses as maintained with CDP or in such other manner as they may have agreed with CDP for the payment of any cash distributions; or
- (b) crediting their bank accounts with the relevant Participating Banks (where acceptance and/or application is through Electronic Application) at their own risk, the receipt by such bank being a good discharge by the Manager and CDP of their obligations.

Please refer to Appendices I and II to this Offer Information Statement for further details on refunding excess amounts paid by the applicants.

PART IV (KEY INFORMATION)

Use of Proceeds from the Offer and Expenses Incurred

1. In the same section, provide the information set out in paragraphs 2 to 7 of this Part.

Please refer to paragraphs 2 to 7 of Part IV of this Offer Information Statement.

2. Disclose the estimated amount of the proceeds from the offer (net of the estimated amount of expenses incurred in connection with the offer) (referred to in this paragraph and paragraph 3 of this Part as the net proceeds). Where only a part of the net proceeds will go to the relevant entity, indicate the amount of the net proceeds that will be raised by the relevant entity. If none of the proceeds will go to the relevant entity, provide a statement of that fact.

Assuming that 497,185,362 Rights Units are fully subscribed, the estimated gross proceeds of the Rights cum Warrants Issue will be approximately S\$44.7 million. The estimated net proceeds of the Rights cum Warrants Issue, after deducting estimated expenses of approximately S\$3.6 million, is expected to be approximately S\$41.1 million (the “**Rights Proceeds**”).

In the event that all the Warrants are exercised, there will be further gross proceeds to Saizen REIT amounting to approximately S\$44.7 million (the “**Warrants Proceeds**”).

The Rights Proceeds and the Warrants Proceeds shall collectively be known as the Proceeds.

The estimated amount of expenses incurred in connection with the Rights cum Warrants Issue of S\$3.6 million, is based on the following principal expenses:-

Expenses	Estimated Amount (S\$ '000)
SGX-ST Processing Fees	8
Commitment Fee	2,620
Introduction Fee	566
Professional Fees	330
Miscellaneous	76
Total:	3,600

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3. Disclose how the net proceeds raised by the relevant entity from the offer will be allocated to each principal intended use. If the anticipated proceeds will not be sufficient to fund all of the intended uses, disclose the order of priority of such uses, as well as the amount and sources of other funds needed. Disclose also how the proceeds will be used pending their eventual utilisation for the proposed uses. Where specific uses are not known for any portion of the proceeds, disclose the general uses for which the proceeds are proposed to be applied. Where the offer is not fully underwritten on a firm commitment basis, state the minimum amount which, in the reasonable opinion of the directors or equivalent persons of the relevant entity, must be raised by the offer of securities.
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PART IV (KEY INFORMATION)

The Manager intends to utilise the net Proceeds of S\$85.8 million (assuming the Warrants are exercised in full) to repay part of the CMBS Loans of YK Shingen and YK Keizan, as detailed in paragraph 7 below, which in aggregate amounted to approximately JPY6.16 billion (S\$98.2 million). Any shortfall therein will be satisfied by operational cash flows and/or proceeds from short term bridging facilities. The Manager will announce any material disbursements of the net Proceeds via SGXNET as and when such disbursements occur.

In the event where there are excess from the Proceeds after all CMBS loans have been repaid, such excess amounts shall be utilized for working capital or distributed to Unitholders as dividends as the Manager may, in its absolute discretion, deem appropriate and to the extent permissible.

Pending the deployment of the Proceeds, such proceeds may be deposited with banks and/or financial institutions, invested in short-term money market instruments and/or marketable securities, or used for any other purpose on a short-term basis, as the Manager may, in its absolute discretion, deem appropriate in the interests of the Group.

The Rights Proceeds of about S\$41.1 million to be raised from the Rights cum Warrants Issue, in the reasonable opinion of the Manager, represent the minimum amount that Saizen REIT requires under this equity fund raising exercise. The Manager has considered other alternatives involving financial institutions and underwriters but due to the continuing difficult market conditions, was unable to obtain any underwriting commitment. Hence, the Rights cum Warrants Issue will proceed on a non-underwritten basis. To ensure its success, the Manager has obtained the Irrevocable Undertakings.

Please refer to paragraph 1(f) of Part X of this Offer Information Statement for further details of the Irrevocable Undertakings.

4. For each dollar of the proceeds from the offer that will be raised by the relevant entity, state the estimated amount that will be allocated to each principal intended use and the estimated amount that will be used to pay for expenses incurred in connection with the offer.

Based on the intended use of the Rights Proceeds of S\$44.7 million (on the assumption that all the Rights Units with Warrants to be issued are subscribed for, before exercise of any Warrants and before the deduction of expenses) or the Proceeds of S\$89.4 million (on the assumption that all the Rights Units with Warrants to be issued are subscribed for, all Warrants are exercised in full and before the deduction of expenses), for each dollar of the gross proceeds from the Rights cum Warrants Issue, the estimated amount that will be allocated for each principal intended use and the estimated amount that will be used to pay for expenses incurred in connection with the Rights cum Warrants Issue are as follows:

For each dollar of gross proceeds raised	Based on the intended use of the Rights Proceeds of S\$44.7 million (on the assumption that all the Rights Units with Warrants to be issued are subscribed for, before exercise of any Warrants and before the deduction of expenses)	Based on the intended use of the Proceeds of S\$89.4 million (on the assumption that all the Rights Units with Warrants to be issued are subscribed for, and all Warrants are exercised in full and before the deduction of expenses)⁽¹⁾
Repayment of CMBS Loans	S\$0.92	S\$0.96
Estimated expenses	S\$0.08	S\$0.04

PART IV (KEY INFORMATION)

Notes:

- (1) Please note that in the event where there are excess from the Proceeds after all CMBS loans have been repaid, such excess amounts shall be utilized for working capital or distributed to Unitholders as dividends as the Manager may, in its absolute discretion, deem appropriate and to the extent permissible.

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- 5. If any of the proceeds to be raised by the relevant entity will be used, directly or indirectly, to acquire or refinance the acquisition of an asset other than in the ordinary course of business, briefly describe the asset and state its purchase price. If the asset has been or will be acquired from an interested person of the relevant entity, identify the interested person and state how the cost to the relevant entity is or will be determined.**
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The Proceeds will not be used, directly or indirectly, to acquire or refinance the acquisition of an asset other than in the ordinary course of business.

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- 6. If any of the proceeds to be raised by the relevant entity will be used to finance or refinance the acquisition of another business, briefly describe the business and give information on the status of the acquisition.**
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The Proceeds will not be used to finance or refinance the acquisition of another business.

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- 7. If any material part of the proceeds to be raised by the relevant entity will be used to discharge, reduce or retire the indebtedness of the relevant entity or, if the relevant entity is the holding company or holding entity of a group, of the group, describe the maturity of such indebtedness and, for indebtedness incurred within the past year, the uses to which the proceeds giving rise to such indebtedness were put.**
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As disclosed in paragraph 3 of Part IV of this Offer Information Statement, the Manager intends to utilise the Proceeds for the repayment of part of the CMBS Loans.

The purpose of the Rights cum Warrants Issue is to increase the equity capital base of Saizen REIT so as to facilitate the refinancing and repayment of all its loans (with the exception of the loans from GK Chosei, GK Choan and GK Chogen, repayment of such loans which shall be negotiated at a date closer to loan maturity, as further described in the table below) (the "CMBS Loans") funded by commercial mortgage-backed securities ("CMBS"). With the Rights cum Warrants Issue, the Manager aims to immediately protect close to 90% of the net asset value ("**NAV**") of Saizen REIT from CMBS Loans refinancing risk.

The Management Team is currently working on four different fronts, including (i) the securing of short-term bridging facilities; (ii) arrangement of a syndicated loan financing with the assistance of the financial adviser, Société Générale; (iii) a bilateral loan with a Japanese regional bank; and (iv) negotiation with holders of a CMBS for possible extension of loan maturity. The Rights cum Warrants Issue is imperative in facilitating items (i) and (ii) above, and the Management Team believes that Saizen REIT's ability to negotiate on each of the remaining fronts will be greatly improved by the completion of the Rights cum Warrants Issue.

More importantly, with the proceeds of the Rights cum Warrants Issue, short-term bridging facilities and the stable operational cash flow conserved, Saizen REIT can fully repay five out of the six CMBS Loans outstanding (save for the CMBS Loan of YK Shintoku); thereby unencumbering about JPY21.32 billion (S\$340.0 million) worth of property assets from the CMBS Loans. The remaining CMBS Loans relating to YK Shintoku is non-recourse in nature and is not cross-collateralised against any other assets within Saizen REIT; and even in the worst case scenario of a default, approximately 88.7% of the rights adjusted NAV (as defined herein) of Saizen REIT will not be affected. This highlights the importance of the Rights cum Warrants Issue in protecting a substantial portion of the value of Saizen REIT.

PART IV (KEY INFORMATION)

The NAV of Saizen REIT as at 31 December 2008 was JPY29.43 billion (S\$469.4 million). Adjusting for the reduction in value of investment properties from JPY49.15 billion (S\$783.9 million) to JPY43.77 billion (S\$698.1 million) pursuant to the Desktop Valuation, the adjusted NAV of Saizen REIT will be JPY24.05 billion (S\$383.6 million). Taking into account the net proceeds from the Rights cum Warrants Issue, the adjusted NAV will increase to JPY26.62 billion (S\$424.6 million) (“**Rights Adjusted NAV**”).

Following completion of the Rights cum Warrants Issue, and in the event where the refinancing of the YK Shintoku loan is not successful, Saizen REIT may give up the assets and the corresponding liabilities of YK Shintoku, amounting to approximately JPY11.14 billion (S\$177.7 million) (adjusted for the Desktop Valuation) as at 31 December 2008, and JPY8.13 billion (S\$129.7 million) respectively. The net result is that the Rights Adjusted NAV will be reduced by JPY3.01 billion (S\$48.0 million) or 11.3% to JPY23.61 billion (S\$376.6 million), or in other words, 88.7% of the Rights Adjusted NAV will not be affected. Given the non-recourse nature of its loans, the Management Team believes that Saizen REIT’s ability to operate as a going concern will not be impacted even in the above scenario.

Loan maturity profile and repayment/ refinancing plans

A summary of the borrowings of Saizen REIT as at 31 December 2008 and updates of their current status in respect of repayment and refinancing plans is as follows:

TK Operators	Maturity date	Loan Amount ¹		Collateral value (based on property value as at 30 June 2008)		Collateral value (property value based on Desktop Valuation)		Current repayment and refinancing plans
		(JPY million)	(SGD million)	(JPY million)	(SGD million)	(JPY million)	(SGD million)	
YK Shinzan	January 2009	3,916.0	62.5	5,673.0	90.5	4,894.0	78.1	Loan has been fully repaid at maturity using cash resources
YK JOF	April 2009	1,340.1	21.4	2,559.0	40.8	2,320.0	37.0	Loan has been fully repaid at maturity using cash resources
YK Kokkei	November 2009	808.4	12.9	1,657.0	26.4	1,495.0	23.8	Loan to be fully repaid at maturity using cash resources
YK Shintoku	November 2009	7,953.0	126.8	11,673.5	186.2	10,301.0	164.3	Appointed financial advisor for refinancing of this loan through possible syndicated loan financing
YK Shingen	December 2009	4,620.0	73.7	10,901.4	173.9	9,705.0	154.8	Loan to be fully repaid at maturity using proceeds from Rights cum Warrants Issue and operational cash flow
YK Keizan	January 2010	1,536.3	24.5	3,181.4	50.7	2,907.0	46.4	Loan to be fully repaid at maturity using proceeds from Rights cum Warrants Issue, operational cash flow and proceeds from short term bridging facilities
GK Chosei	May 2011	477.6	7.6	685.0	10.9	587.0	9.4	To be negotiated closer to loan maturity

PART IV (KEY INFORMATION)

TK Operators	Maturity date	Loan Amount ¹		Collateral value (based on property value as at 30 June 2008)		Collateral value (property value based on Desktop Valuation)		Current repayment and refinancing plans
		(JPY million)	(SGD million)	(JPY million)	(SGD million)	(JPY million)	(SGD million)	
GK Choan	July 2011	5,900.0	94.1	11,968.0	190.9	10,857.0	173.2	To be negotiated closer to loan maturity
GK Chogen	March 2023	336.5	5.4	764.0	12.2	702.0	11.2	To be negotiated closer to loan maturity
Total		26,887.9	428.9	49,062.3	782.5	43,768.0	698.2	

Notes:

(1) Actual loan amount, being borrowings per unaudited balance sheet as at 31 December 2008 adding back borrowing costs capitalised.

From April 2008 and up to the Latest Practicable Date, each of GK Choan, GK Chosei and GK Chogen has obtained an aggregate of JPY6.73 billion (S\$107.3 million) loan from Société Générale and two Japanese financial institutions. Details are set out as follows:

TK Operator	Loan date	Loan amount		Use of proceeds
		(JPY million)	(SGD million)	
GK Chosei	May 2008	480.0	7.7	Fully deployed for the investment in Quest Tower Noboricho (previously known as Kaminobori-cho Mansion) in Hiroshima
GK Choan	July 2008	5,900.0	94.1	Fully deployed for the refinancing of a portfolio of 38 properties
GK Chogen	April 2008	350.0	5.6	Fully deployed for the investment in Romauge Kamidori-Namikizaka in Kumamoto
Total		6,730.0	107.4	

- 8. In the section containing the information referred to in paragraphs 2 to 7 of this Part or in an adjoining section, disclose the amount of discount or commission agreed upon between the underwriters or the other placement or selling agents in relation to the offer and the persons making the offer. If it is not possible to state the amount of discount or commission, the method by which it is to be determined must be explained.**

Not applicable. No underwriters or placement or selling agents have been appointed in relation to the Rights cum Warrants Issue.

Please refer to paragraph 1(f) of Part X of this Offer Information Statement for further details of the Irrevocable Undertakings.

PART IV (KEY INFORMATION)

Information on the Relevant Entity

9. Provide the following information:

- (a) **the address and telephone and facsimile numbers of the relevant entity's registered office and principal place of business (if different from those of its registered building).**

Registered office address : 72A Duxton Road
Singapore 089531

Principal place of business : 72A Duxton Road
Singapore 089531

Telephone : (65) 6327 8163

Facsimile : (65) 6327 8092

- (b) **the nature of the operations and principal activities of the relevant entity or, if it is the holding company or holding entity of a group, of the group**

Saizen REIT is a Singapore-based real estate investment trust that was constituted on 27 September 2007 and was listed on the Official List of the SGX-ST on 9 November 2007. Saizen REIT was established with the investment objective of owning and investing in a diversified portfolio of income-producing real estate located in Japan which is used primarily for residential and residential-related purposes, and real estate-related assets in connection with the foregoing.

Saizen REIT's property portfolio as at the date hereof comprises 166 residential property blocks located in 13 regional cities in Japan. There are 5,995 residential units, 112 commercial and retail units and 1,930 car parking spaces.

Japan Residential Assets Manager Limited is the manager of Saizen REIT and was incorporated in Singapore under the Companies Act on 5 July 2007. The Manager is one of the largest operators in the Japanese regional residential property markets.

- (c) **the general development of the business from the beginning of the period comprising the 3 most recent completed financial years to the Latest Practicable Date, indicating any material change in the affairs of the relevant entity or the group, as the case may be, since—**

(i) **the end of the most recent completed financial year for which financial statements of the relevant entity have been published; or**

(ii) **the end of any subsequent period covered by interim financial statements, if interim financial statements have been published;**

The financial year-end of Saizen REIT is 30 June.

General Developments in FY2008

At the time of listing, Saizen REIT's portfolio consisted of 147 properties in 12 cities. During the financial year ended 30 June 2008, it made investments in a further 19 properties, mostly being properties it had committed to invest at the time of listing and majority of these investments were completed in December 2007.

PART IV (KEY INFORMATION)

Since listing, the global markets have experienced substantial turmoil and the Management Team has significantly slowed down its investment pace. The credit crisis adversely affected the availability of financing, especially those in the form of CMBS Loans, from major foreign investment banks which Saizen REIT has been working with. Consequently, Saizen REIT has to delay the refinancing of two loans which it originally intended to conduct in December 2007. The Management Team has focused on replacing its CMBS Loans with traditional loans from commercial banks and financial institutions. To this end, the Manager has been successful in obtaining two loans from Japanese financial institutions during this financial year.

The adverse market environment resulted in weakening asset prices and significant reduction in market liquidity. Amidst this credit crunch, potential buyers face difficulties in financing acquisitions while distressed sellers look to divest their real estate holdings. The portfolio properties of Saizen REIT, valued at JPY49.1 billion (S\$783.1 million) as at 30 June 2008, recorded a revaluation loss of JPY4.7 billion (S\$75.0 million) for the financial year ended 30 June 2008 based on valuations performed by independent valuers.

Notwithstanding the above, property operations have meanwhile remained stable as the Management Team responded to the increased leasing competition in certain cities with various leasing strategies. Consequently, occupancy rate (by revenue) improved from 89.4% as at 31 December 2007 to 91.4% as at 30 June 2008.

General Developments in the 6-month period ended 31 December 2008

With investment activities on hold, efforts were focused on optimizing property operations as well as financing activities. On the financing front, the Manager successfully secured a loan of JPY 5.9 billion (S\$94.1 million) from Société Générale in July 2008 which together with the two loans from Japanese financial institutions mentioned above constituted approximately 25% of Saizen REIT's outstanding debt. This process of progressively replacing the CMBS Loans was however interrupted when the credit market deteriorated further since September 2008 with the collapse of several prominent financial institutions.

To increase Saizen REIT's financing options and to improve the likelihood of its refinancing plans, the Rights cum Warrants Issue was proposed. With a view of conserving cash, the Manager has also proposed the suspension of cash distributions in the interim.

During this 6-month period, property operations have remained stable. Occupancy rates (by revenue) declined marginally to 90.4% as at 31 December 2008 as the fall/ winter months are not typical leasing seasons.

General Developments from 31 December 2008 to the Latest Practicable Date

Since the beginning of 2009, the Management Team has continued to work on the refinancing needs of Saizen REIT. It appointed Société Générale as its financial adviser and has commenced discussions with various potential lenders on possible syndicated loan financing. Other efforts on refinancing plans are elaborated in Paragraph 7 of part IV of the Offer Information Statement.

Despite the onset of the economic crisis in Japan, property operations of Saizen REIT have not been adversely affected. While increased competition had been observed during the recent leasing season from February to April, the leasing strategies implemented were able to improve occupancy rate (by revenue) from 90.4% as at 31 December 2008 to 91.8% as at 31 March 2009. Overall rental reversions have remained stable notwithstanding the need for rental reductions in certain specific properties. There has also not been significant increase in delinquency rates.

PART IV (KEY INFORMATION)

(d) **the equity capital and the loan capital of the relevant entity as at the Latest Practicable Date, showing—**

(i) **in the case of the equity capital, the issued capital; or**

(ii) **in the case of the loan capital, the total amount of the debentures issued and outstanding, together with the rate of interest payable thereon;**

As at the Latest Practicable Date, the equity and loan capital of Saizen REIT were as follows:

Issued Unit Capital : JPY35,342,039,600 (or equivalent to S\$563,668,893) divided into 451,986,693 Units

Loan Capital : N/A

(e) **where—**

(i) **the relevant entity is a corporation, state the number of Units of the relevant entity owned by each substantial Unitholder as at the Latest Practicable Date; or**

(ii) **the relevant entity is not a corporation, state the amount of equity interests in the relevant entity owned by each substantial interest-holder as at the Latest Practicable Date**

As at the Latest Practicable Date, the Substantial Unitholders of Saizen REIT and the number of Units they hold as set out below are based on the disclosure of interests notifications filed by the Substantial Unitholders and all information known to the Manager:

Name	Direct Interest		Indirect Interest		Total	
	No. of Units	% ⁽¹⁾	No. of Units	% ⁽¹⁾	No. of Units	% ⁽¹⁾
Substantial Unitholders						
ASMHRF ⁽²⁾	—	—	13,217,309	2.93	13,217,309	2.93
ASMAR(M)F ⁽²⁾	—	—	38,764,227	8.58	38,764,227	8.58
ASM Asia Recovery Fund (“ASMARF”) ⁽³⁾	—	—	38,764,227	8.58	38,764,227	8.58
ASM ⁽⁴⁾	—	—	51,981,536	11.50	51,981,536	11.50
Argyle Street Management Holdings Ltd (“ASMHL”) ⁽⁵⁾	—	—	51,981,536	11.50	51,981,536	11.50
Yeh V-Nee ⁽⁶⁾	—	—	56,947,583	12.60	56,947,583	12.60
Kin Chan ⁽⁷⁾	—	—	52,727,231	11.66	52,727,231	11.66
Cube Capital Limited (“Cube Capital”) ⁽⁸⁾	—	—	27,178,008	6.01	27,178,008	6.01

Notes:

(1) Based on the 451,986,693 Existing Units of Saizen REIT as at the Latest Practicable Date.

(2) Please refer to the footnotes of the table under paragraph 1(f) of Part X of this Offer Information Statement for further details on ASMHRF.

(3) ASMARF is the beneficial holder of more than 50% of the issued share capital of ASMAR(M)F. Pursuant to the Companies Act, ASMARF is deemed to be interested in the 38,764,227 Units which ASMAR(M)F is deemed to be interested in.

PART IV (KEY INFORMATION)

- (4) ASM is the beneficial owner of more than 20% of the voting shares of ASMHRF and more than 20% of the voting shares of ASMARF. Accordingly, pursuant to the Companies Act, ASM is deemed to be interested in the 13,217,309 Units owned by ASMHRF and the 38,764,227 Units owned by ASMAR(M)F. Please refer to the footnotes of the table under paragraph 1(f) of Part X of this Offer Information Statement for further details on ASM's Unitholding Interests.
- (5) ASMHL is the beneficial holder of more than 50% of the voting shares of ASM. Pursuant to the Companies Act, ASMHL is deemed to be interested in the 51,981,536 Units which ASM is deemed to be interested in. See Note 4 above for further details on ASM's Unitholding interests.
- (6) Yeh V-Nee is the beneficial holder of more than 20% of the issue share capital of ASMHL. Pursuant to the Companies Act, Yeh V-Nee is deemed to be interested in the 51,981,536 Units which ASMHL is deemed interested in. See Note 5 above for further details on ASMHL's Unitholding interests. Yeh V-Nee is also deemed to be interested in the 4,966,047 Units held by his nominee, HSBC (Singapore) Nominees Pte. Ltd.
- (7) Kin Chan is the beneficial holder of more than 20% of the issued share capital of ASMHL. Pursuant to the Companies Act, Kin Chan is deemed to be interested in the 51,981,536 Units which ASMHL is deemed to be interested in. See Note 5 above for further details on ASMHL's Unitholding interests. Kin Chan is also deemed interested in the 745,695 Units held by his spouse, Seow Shu Ping Jo-Ann.
- (8) Based on its latest notification filed with the Manager, Cube Asia Fund ("CAF"), Cube Asia Real Estate Securities Fund ("CARE") and Mr. Francois Buclez have acquired an aggregate of 27.18 million Units, through a series of purchases via their nominees, namely Fortis Global Custody Services N.V., Citibank Nominees Singapore Pte Ltd, and HSBC (Singapore) Nominees Pte. Ltd. respectively. As Cube Capital controls CAF and CARE, it is therefore deemed to be interested in the Units acquired by CAF and CARE. Mr Francois Buclez is a director of Cube Capital. Cube Capital is therefore also deemed to be interested in the Units indirectly held by Mr. Francois Buclez.

Litigation

- (f) **any legal or arbitration proceedings, including those which are pending or known to be contemplated, which may have, or which have had in the 12 months immediately preceding the date of lodgment of the offer information statement, a material effect on the financial position or profitability of the relevant entity or, where the relevant entity is a holding company or holding entity of a group, of the group**
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As at the Latest Practicable Date and to the best of the Manager's knowledge and belief, there are no legal or arbitration proceedings, including those which are pending or known to be contemplated, the outcome of which, in the opinion of the Manager, may have or have had in the last 12 months preceding the date of this Offer Information Statement, a material effect on the financial position or profitability of the Group taken as a whole.

- (g) **Where any securities or equity interests of the relevant entity have been issued within the 12 months immediately preceding the Latest Practicable Date:**
 - (i) **If the securities or equity interests have been issued for cash, state the prices at which the securities have been issued and the number of securities or equity interests issued at each price; or**
 - (ii) **if the securities or equity interests have been issued for services, state the nature and value of the services and give the name and address of the person who received the securities or equity interests;**
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PART IV (KEY INFORMATION)

At the time of the listing of Saizen REIT (9 November 2007) on the SGX-ST (the “**Listing**”), Japan Opportunities Fund Limited (“**JOF**”), Japan High Yield Property Fund Limited (“**JHYP**”) and Japan High Yield Property Fund (II) Limited (“**JHYP-II**”) (collectively the “**Vendors**”) received Units in exchange for injecting their respective property portfolio into Saizen REIT. Under the underwriting agreements, these Units were subject to lock-up (the “**Lock-Up**”) and would be released to the Vendors in three equal tranches. As at the Latest Practicable Date, all of the 250,999,000 Units subject to the Lock-Up have been released as follows:

- (a) the first release (“**First Release**”) comprising 83,666,333 Units have been released on 21 October 2008, after the announcement of Saizen REIT’s financial results for the year ended 30 June 2008;
- (b) the second release (“**Second Release**”) comprising 83,666,332 Units have been released on 17 December 2008, after the announcement of Saizen REIT’s financial results for the quarter ended 30 September 2008; and
- (c) the third release (“**Third Release**”) comprising 83,666,335 Units have been released on 26 February 2009, after the announcement of Saizen REIT’s financial results for the quarter ended 31 December 2008 (collectively the “**Releases**”).

All of the Vendors are close-ended investment funds. They no longer conduct any investment activities and their only investments were the Units which were subject to the Lock-Up. After the Releases, each Vendor has distributed in-specie, at no consideration, all the Units that they received pursuant to the Releases to their investors based on their pro-rata shareholding in JOF, JHYP and JHYP-II.

The Manager has issued new Units within the 12 months immediately preceding the Latest Practicable Date. On 7 July 2008, (i) 576,224 Units have been issued to the Manager at between S\$0.7073 and S\$0.7585 per Unit as management fees for the period from 1 April 2008 to 30 June 2008; and (ii) 261,402 Units have been issued to the Manager at S\$0.6983 per Unit as acquisition fees in relation to the completion of investments in Romange Kamidori Nomikizaka located in Kumamoto in April 2008 and Quest Tower Noboricho located in Hiroshima in May 2008.

Apart from as disclosed above, neither the Manager nor the Trustee has, on behalf of Saizen REIT, issued any securities or equity interests within the last 12 months immediately preceding the Latest Practicable Date.

As at the Latest Practicable Date, the Manager held 1,884,693 Units, representing about 0.42% of the total number of Units in issue.

Material Contracts

- (h) **Provide a summary of each material contract, other than a contract entered into in the ordinary course of business, to which the relevant entity or, if the relevant entity is the holding company or holding entity of a group, any member of the group is a party, for the period of 2 years before the date of lodgment of the offer information statement, including the parties to the contract, the date and general nature of the contract, and the amount of any consideration passing to or from the relevant entity or any other member of the group, as the case may be.**
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PART IV (KEY INFORMATION)

Neither the Manager nor the Trustee has entered into any material contracts (not being contracts entered into in the ordinary course of business) within the past two (2) years immediately preceding the date of this Offer Information Statement save for:

- (i) the Letters of Undertaking dated 11 December 2008, given by the Undertaking Unitholders (with the exception of Pioneer Industries (Holdings) Limited) and the Undertaking Placees to the Manager and the Trustee in relation to the Rights cum Warrants Issue and the Irrevocable Undertakings;
- (ii) the Letter of Undertaking dated 31 December 2008, given by Pioneer Industries (Holdings) Limited to the Manager and the Trustee in relation to the Rights cum Warrants Issue and the Irrevocable Undertakings;
- (iii) the seven TK Interest Transfer Agreements each dated 28 September 2007; and
- (iv) the right of first refusal to invest agreement dated 4 October 2007 entered into between the Trustee and GK Chosei, pursuant to which GK Chosei granted to the Trustee a right of first refusal to invest in certain properties.

PART V OPERATING RESULTS

1. Provide selected data from—
 - (a) the audited income statement of the relevant entity or, if the relevant entity is the holding company or holding entity of a group, the audited consolidated income statement of the relevant entity or the audited combined income statement of the group, for each financial year (being one of the 3 most recent completed financial years) for which that statement has been published; and
 - (b) any interim income statement of the relevant entity or, if the relevant entity is the holding company or holding entity of a group, any interim consolidated income statement of the relevant entity or interim combined income statement of the group, for any subsequent period for which that statement has been published,
2. The data referred to in paragraph 1 of this Part shall include the line items in the audited income statement, audited consolidated income statement, audited combined income statement, interim income statement, interim consolidated income statement or interim combined income statement, as the case may be, and in addition include the following items:
 - (a) dividends declared per Unit in both the currency of the financial statements and the Singapore currency, including the formula used for any adjustment to dividends declared;
 - (b) earnings or loss per Unit; and
 - (c) earnings or loss per Unit, after any adjustment to reflect the sale of new securities.

The first audited financial statement of the Group is for the financial year ended 30 June 2008. The selected financial data is extracted from the audited consolidated financial statements of the Group for the financial year ended 30 June 2008 (the “**Group FY2008 Audited Financial Statements**”) and unaudited consolidated financial statements announcement of the Group for the period ended 31 December 2008 (the “**Group 2QFY2009 Unaudited Financial Statements**”).

Such selected financial data should be read together with the relevant notes to the full financial statements, which are available on the website of the SGX-ST at www.sgx.com and the website of Saizen REIT at www.saizenreit.com.sg, and are also available for inspection during normal business hours at the registered office of the Manager at 72A Duxton Road, Singapore 089531, from the date of this Offer Information Statement up to and including the date falling six months after the date of the Offer Information Statement.

Significant accounting policies

Saizen REIT consolidates the financial statements of the TK operators for reporting purposes.

Upon the initial formation of Saizen REIT, as part of the acquisition of its interest in the properties, the Manager and the Trustee had entered into agreements with vendors of the properties, being Central-Top Properties Ltd, a wholly-owned subsidiary of Japan Opportunities Fund Limited (“**JOF**”), Japan High Yield Property Fund Limited (“**JHYP**”) and Japan High Yield Property Fund (II) Limited (“**JHYP II**”) (together the “**Vendors**”) to acquire from them all rights and obligation of the Vendors (the “**TK interest**”) under the TK agreements, which were entered into among the Vendors and the respective TK operators (the “**Acquisition**”).

For the purpose of preparation of the financial statements, the Acquisition has been accounted for as a reverse acquisition. The three TK operators of JHYP, as a combining entity, have been identified as the acquirer for accounting purposes (the “**Accounting Acquirer**”), and are treated as having acquired the TK operators of JOF and JHYP II as well as Saizen REIT (the “**Accounting Acquirees**”).

PART V OPERATING RESULTS

Under this accounting policy adopted, the financial statements have been prepared as a reverse acquisition and:

- (a) represent a continuation of the financial statements of the Accounting Acquirer. Hence, the assets and liabilities of the Accounting Acquirer are recognised and measured in the financial statements at their pre-combination carrying amounts; and
- (b) reflect the fair values of the assets, liabilities and contingent liabilities of the Accounting Acquirees. Therefore, the cost of the business combination or the Acquisition is allocated to the identifiable assets, liabilities and contingent liabilities of the Accounting Acquirees that satisfy the recognition criteria at their fair values as at 9 November 2007 (being the completion date of the Acquisition which is also the date of the Listing).

With the adoption of the above accounting policy, the implications on the Statement of Total Return and the definition of the “Group” include, *inter alia*, the following:

- (a) in respect of FY2008, it comprises (i) those of the three TK operators of JHYP from 1 July 2007 (as the case may be) up to 8 November 2007 with income and expense items at the TK operators’ level only; and (ii) thereafter from 9 November 2007 (being the completion date of the Acquisition which is also the date of Listing) to 30 June 2008, those of all the TK operators under Saizen REIT (i.e. those TK operators previously under the Vendors prior to the Acquisition and two new TK operators) with income and expense items at both the TK operators’ level and Saizen REIT level; and
- (b) in respect of 1 July 2008 up to 31 December 2008 (“**YTD December 2008**”), it comprises those of all the TK operators under Saizen REIT (i.e. those TK operators previously under the Vendors prior to the Acquisition and two new TK operators) with income and expense items at both the TK operators’ level and Saizen REIT level throughout the period.

Statements of Total Return

The statements of total return of the Group FY2008 Audited Financial Statements and Group 2QFY2009 Unaudited Financial Statements are set out below. Such statements should be read together with the relevant notes to the full financial statements.

	Audited FY2008 (JPY'000)	Unaudited YTD December 2008 (JPY'000)
Gross revenue	3,578,346	2,125,015
Property operating expenses	(1,091,638)	(632,230)
Net property income	2,486,708	1,492,785
Interest income	27,559	8,849
Other administrative expenses	(138,526)	(74,885)
Manager’s management fees	(169,609)	(124,153)
Asset management fees	(26,080)	(11,731)
Trustee’s fees	(11,612)	(4,128)
Other trust expenses	(76,585)	(26,536)
Finance costs	(1,222,111)	(778,555)
Issue expenses	(807,488)	–
Net income from operations	62,256	481,646
Fair value gain/(loss) on financial derivatives	559	(73,835)
Net fair value losses on investment properties	(4,663,766)	–
Total (loss)/return for the year/period before income tax	(4,600,951)	407,811
Negative goodwill	350,047	–
Income tax	517,091	(78,263)

PART V OPERATING RESULTS

	Audited FY2008 (JPY'000)	Unaudited YTD December 2008 (JPY'000)
Total (loss)/return for the year/period after income tax before distribution	(3,733,813)	329,548
Less: Distribution to previous TK investor	(223,929)	-
Total (loss)/return for the year/period	<u>(3,957,742)</u>	<u>329,548</u>
Attributable to:		
Unitholders	(3,870,121)	324,711
Minority Interests	(87,621)	4,837
	<u>(3,957,742)</u>	<u>329,548</u>

Distribution per Unit and Earnings or Loss per Unit

Financial data relating to distribution per Unit, earnings or loss per Units and earnings or loss per Unit after any adjustment to reflect the sale of Rights cum Warrants issue from the Group FY2008 Audited Financial Statements and Group 2QFY2009 Unaudited Financial Statements is also set out below.

	Audited FY2008	Unaudited YTD December 2008
(a) Distribution per Unit (Singapore cents)	4.67	— ⁽¹⁾
(b) (Loss)/earnings per Unit		
- JPY	(10.51)	0.72
- Singapore cents	(13.70) ⁽²⁾	1.01 ⁽³⁾
(c) (Loss)/earnings per Unit, after adjustments of:		
(i) number of Units issued after the Rights cum Warrants issue but before exercise of the Warrants ⁽⁴⁾		
- JPY	(4.32)	0.34
- Singapore cents	(5.63) ⁽²⁾	0.48 ⁽³⁾
(ii) number of Units issued after the Rights cum Warrants issue and the exercise of all Warrants ⁽⁵⁾		
- JPY	(2.72)	0.22
- Singapore cents	(3.55) ⁽²⁾	0.31 ⁽³⁾

Notes:

- (1) No distribution has been made for YTD December 2008.
- (2) Based on S\$/JPY average exchange rate of 76.7 between 1 July 2007 to 30 June 2008.
- (3) Based on S\$/JPY average exchange rate of 71.0 between 1 July 2008 to 31 December 2008.
- (4) Adjusted for 497,185,362 Rights Units that are assumed to have been issued on the first day of the respective financial year/period.
- (5) Adjusted for 994,370,724 New Units that are assumed to have been issued on the first day of the respective financial year/period.

PART V OPERATING RESULTS

Review of Past Performance

3. In respect of—

(a) each financial year (being one of the 3 most recent completed financial years) for which financial statements have been published; and

(b) any subsequent period for which interim financial statements have been published,

provide information regarding any significant factor, including any unusual or infrequent event or new development, which materially affected profit or loss before tax of the relevant entity or, if the relevant entity is the holding company or holding entity of a group, of the group, and indicate the extent to which such profit or loss before tax of the relevant entity or group, as the case may be, was so affected. Describe any other significant component of revenue or expenditure necessary to understand the profit or loss before tax for each of these financial periods.

Audited FY2008

Due to the adoption of the reverse acquisition accounting policy, the income statement for FY2008 comprises only those of the three TK operators of JHYP for the period from 1 July 2007 to 8 November 2007.

At the time of listing, Saizen REIT's portfolio consisted of 147 properties in 12 cities. During FY2008, it made investments in a further 19 properties, mostly being properties it had committed to invest at the time of listing and majority of these investments were completed in December 2007.

During this financial year, Saizen REIT experienced weakening asset prices and significant reduction in market liquidity. Amidst the global credit crunch, potential buyers face difficulties in financing acquisitions while distressed sellers look to divest their real estate holdings. The portfolio properties of Saizen REIT, valued at JPY49.1 billion (S\$783.1 million) as at 30 June 2008, recorded a revaluation loss of JPY4.7 billion (S\$75.0 million) during FY2008 based on valuations performed by independent valuers. These net fair value losses were recognized in the statements of total return. During FY2008, Saizen REIT also recognized one-off issue expenses relating to its listing of JPY807.5 million (S\$12.9 million).

Unaudited YTD December 2008

Saizen REIT did not conduct any investment and divestment activities during the period of Unaudited YTD December 2008 and property operations had remained stable. There was no change to the fair values of the investment properties.

Financial Position

(4) Provide selected data from the balance sheet of the relevant entity or, if it is the holding company or holding entity of a group, the group as at the end of:

(a) the most recent completed financial year for which audited financial statements have been published; and

(b) if interim financial statements have been published for any subsequent period, that period,

(5) The data referred to in paragraph 4 of this Part shall include the line items in the audited or interim balance sheet of the relevant entity or the group, as the case may be, and shall in addition include the following items:

(a) number of Units after any adjustment to reflect the sale of new securities;

PART V OPERATING RESULTS

- (b) net assets or liabilities per Unit; and
- (c) net assets or liabilities per Unit after any adjustment to reflect the sale of new securities.

Balance Sheets

The balance sheets of the Group FY2008 Audited Financial Statements and Group 2QFY2009 Unaudited Financial Statements are set out below. Such balance sheets should be read together with the relevant notes to the full financial statements.

	Audited As at 30 June 2008 (JPY'000)	Unaudited As at 31 December 2008 (JPY'000)
ASSETS		
Current assets		
Cash and cash equivalents	5,609,118	2,154,374
Deposits with cash management agents	2,639,772	6,605,835
Trade and other receivables	100,544	31,593
Other current assets	46,914	50,341
	8,396,348	8,842,143
Non-current assets		
Derivative financial instruments	559	83
Investment properties	49,062,300	49,150,155
	49,062,859	49,150,238
Total assets	57,459,207	57,992,381
LIABILITIES		
Current liabilities		
Rental deposits	741,997	718,403
Rental received in advance	264,504	263,942
Borrowings	5,314,479	18,582,916
Other current liabilities	455,415	308,071
Current tax liabilities	169,244	197,268
	6,945,639	20,070,600
Non-current liabilities		
Rental deposits	22,289	24,168
Borrowings	19,472,617	8,051,389
Derivative financial instruments	–	66,435
Deferred tax liabilities	325,589	347,215
	19,820,495	8,489,207
Total liabilities	26,766,134	28,559,807
Net assets	30,693,073	29,432,574

PART V OPERATING RESULTS

	Audited As at 30 June 2008 (JPY'000)	Unaudited As at 31 December 2008 (JPY'000)
Represented by:		
Unitholders	30,662,438	29,397,102
Minority interests	30,635	35,472
	30,693,073	29,432,574
Number of Units in issue ('000)	451,149	451,987
Net asset value per Unit attributable to Unitholders (JPY)	67.97	65.04

Pro forma Net Asset Value per Units

The pro forma financial effects of the Rights cum Warrants Issue presented below is purely for illustration purpose and were prepared based on the Group 2QFY2009 Unaudited Financial Statements as well as certain assumptions, including but not limited to, the followings:

- (i) the Rights cum Warrants Issue was fully subscribed and the Rights Units and New Units were fully allotted and issued on 31 December 2008;
- (ii) net proceeds of approximately S\$41.1 million were raised under the Rights cum Warrants Issue (before the exercise of Warrants), being the gross proceeds of approximately S\$44.7 million less the estimated expenses of the Rights cum Warrants Issue of about S\$3.6 million;
- (iii) net proceeds of approximately S\$44.7 million were raised upon fully exercise of Warrants, with no additional expense; and
- (iv) the S\$/JPY exchange rate was 62.7 as at 31 December 2008.

The pro forma financial effect of the Rights cum Warrants Issue has been prepared on the basis of, and is consistent with, the accounting policies set out in the Group FY2008 Audited Financial Statements.

	As at 31 December 2008		
	Unaudited	Adjusted for the effects of the Rights Units only	Adjusted for the effects of the Rights Units and New Units
NAV (JPY'000)	29,397,102	31,964,038 ⁽¹⁾	34,755,560 ⁽²⁾
Units in issue as at 31 December 2008 ('000)	451,987	949,172	1,446,357
NAV per Unit (JPY)	65.04	33.68	24.03
NAV per Unit (S\$)	1.04	0.54	0.38

Notes:

- (1) Rights Proceeds of approximately S\$41.1 million were used to repay JPY2.58 billion borrowings on 31 December 2008 and unamortized borrowing transaction costs of approximately JPY12.96 million were written off.
- (2) The Proceeds of approximately S\$85.8 million were used to repay JPY5.39 billion borrowings on 31 December 2008 and unamortized borrowing transaction costs of approximately JPY27.06 million were written off.

PART V OPERATING RESULTS

Liquidity and Capital Resources

- (6) Provide an evaluation of the material sources and amounts of cash flows from operating, investing and financing activities in respect of:
- (a) the most recent completed financial year for which financial statements have been published; and
- (b) if interim financial statements have been published for any subsequent period, that period.

Consolidated Cash Flow Statements

The consolidated cash flow statements of the Group FY2008 Audited Financial Statements and Group 2QFY2009 Unaudited Financial Statements are set out below. Such statements should be read together with the relevant notes to the full financial statements.

	Audited FY2008 (JPY'000)	Unaudited YTD December 2008 (JPY'000)
Operating activities		
Total (loss)/return for the year/period after income tax before distribution	(3,733,813)	329,548
Adjustments for:		
Income tax	(517,091)	78,263
Negative goodwill	(350,047)	-
Interest income	(27,559)	(8,849)
Interest expenses	898,334	724,437
Fair value (gain)/loss on financial derivatives	(559)	73,835
Net fair value losses on investment properties	4,663,766	-
Operating profit before working capital changes	933,031	1,197,234
Changes in working capital		
Deposit with cash management agents	(62,775)	(3,966,063)
Trade and other receivables	(22,910)	60,514
Other current assets	188,349	(3,427)
Other current liabilities	270,528	(99,907)
Rental received in advance	50,947	(562)
Rental deposits	80,853	(21,715)
Cash generated from operations	1,438,023	(2,833,926)
Income tax paid	(250)	(28,613)
Cash flows provided by/(used in) operating activities	1,437,773	(2,862,539)
Investing activities		
Purchase of/additions to investment properties	(8,613,295)	(87,855)
Net cash effect on acquisition of subsidiaries	203,064	-
Cash flows used in investing activities	(8,410,231)	(87,855)

PART V OPERATING RESULTS

	Audited FY2008 (JPY'000)	Unaudited YTD December 2008 (JPY'000)
Financing activities		
Issue of new Units at initial public offering	15,400,394	–
Issue expenses	(862,027)	–
Bank borrowings obtained	1,340,000	5,900,000
Repayment of bank borrowings	(3,049,223)	(3,990,081)
Distribution to Unitholders	–	(1,637,520)
Distribution to previous TK investor	(223,929)	–
Return of capital to previous TK investor	(18,335)	–
Interest received	19,121	17,285
Interest paid	(779,190)	(794,034)
Cash flows provided by financing activities	11,826,811	(504,350)
Net increase/(decrease) in cash and cash equivalents	4,854,353	(3,454,744)
Cash and cash equivalent at beginning of the year/period	754,765	5,609,118
Cash and cash equivalent at end of the year/period	5,609,118	2,154,374

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- 7. Provide a statement by the directors or equivalent persons of the relevant entity whether, in their reasonable opinion, the working capital available to the relevant entity or, if the relevant entity is the holding company of a group, to the group, as at the date of lodgment of the offer information statement, is sufficient for present requirements and, if insufficient, how the additional working capital thought by the directors or equivalent persons to be necessary, is proposed to be provided.**

As at the date of this Offer Information Statement, the Directors are of the opinion that, barring unforeseen circumstances, after taking into consideration the estimated Rights Proceeds, the working capital available to the Group is sufficient to meet its present requirements and to enable Saizen REIT to continue to operate as a going concern.

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- 8. If the relevant entity or any other entity in the group is in breach of any of the terms and conditions or covenants associated with any credit arrangement or bank loan which could materially affect the relevant entity's financial position and results or business operations, or the investments by holders of securities in the relevant entity, provide:**
- (a) a statement of that fact;**
 - (b) details of the credit arrangement or bank loan;**
 - (c) any action taken or to be taken by the relevant entity or other entity in the group, as the case may be, to rectify the situation (including the status of any restructuring negotiations or agreement, if applicable).**

To the best knowledge of the Manager as at the Latest Practicable Date, the Manager is not aware of any breach by any entity in the Group of any terms and conditions or covenants associated with any credit arrangement or bank loan, which could materially affect the Group's financial position and results or business operations, or the investments by holders of securities in the Group.

PART V OPERATING RESULTS

Trend Information and Profit Forecast or Profit Estimate

9. Discuss, for at least the current financial year, the business and financial prospects of the relevant entity or, if it is the holding company of a group, the group, as well as any known trends, uncertainties, demands, commitments or events that are reasonably likely to have a material effect on net sales or revenues, profitability, liquidity or capital resources, or that would cause financial information disclosed in the offer information statement to be not necessarily indicative of the future operating results or financial condition. If there are no such trends, uncertainties, demands, commitments or events, provide an appropriate statement to that effect.
-

PROSPECTS

Save as disclosed below and in this Offer Information Statement, the Manager is not aware of any trends, uncertainties, demands, commitments or events which are reasonably likely to have a material effect on net sales or revenues, profitability, liquidity or capital resources, or that would cause financial information disclosed in this Offer Information Statement to be not necessarily indicative of the future operating results or financial condition.

Economic Outlook

The near term outlook of the Japanese economy continues to be uncertain. It was reported that GDP shrank by 4.6% on a year-on-year basis in the quarter ended 31 December 2008 while unemployment rate in March 2009 increased to 4.8% from 4.4% in the previous month. The Bank of Japan Tankan Survey shows that the business confidence across most sectors has continued to worsen.

Property Operations

Whilst the deteriorating economic condition is expected to cause leasing environment in certain cities to be competitive, the satisfactory outcome in terms of occupancy and rental reversions during the past leasing season in February and March 2009 shows that the negative factors can be mitigated by pro-active asset management and leasing initiatives. Overall, property operations are expected to be stable and will continue to generate satisfactory cash flow to Saizen REIT in the remaining period of the year.

Loan maturities and refinancing plans

As discussed in paragraph 7 of part IV of the Offer Information Statement, refinancing plans will be the key focus of the Management Team in the remaining year. Saizen REIT will continue with the process of deleveraging; that is to continue to pay down its debts with internal cash resources until the global credit environment improves.

Investment activities

Saizen REIT will not resume its investment activities until its loan refinancing issues are resolved and the global credit environment improves.

PART V OPERATING RESULTS

RISK FACTORS

RISK RELATED TO OUR BUSINESS AND OPERATIONS

The Group may require additional financing in the future

The Group may require additional financing in the future. The timing and amount of such capital requirements cannot be accurately predicted. Accordingly, the Group may from time to time need to obtain additional capital through debt or equity financing to fund its business operations. Financing through the issue of new equity securities may result in dilution to the Unitholders and such new equity securities may have rights, preferences or privileges senior to those of existing Unitholders. Additional debt financing, if obtained, may expose the Group and/or Saizen REIT to the covenants imposed by the financial institutions or lenders.

Failure to raise the required capital in the future on acceptable terms, or at all, will affect the Group's ability to plan for, or react to, changes in its business and its industry.

Saizen REIT's ability to make distributions to Unitholders

In order to meet its payment obligations and to make distributions to Unitholders, Saizen REIT will rely on direct receipt of distributions from the Saizen TK Operators. There can be no assurance that the Saizen TK Operators will have sufficient distributable or realized profits or surplus in any future period to pay dividends, make distributions, pay interest, or make advances. The level of profit or surplus of the Saizen TK Operators available to pay dividends, interest or other distributions may be affected by a number of factors including, among other things:

- their business and financial position;
- the level of cash flows received by the Saizen TK Operators from the properties held by Saizen REIT;
- applicable laws and regulations restricting the payment of distributions;
- operating losses incurred in any financial quarter;
- changes in accounting standards (including standards in respect of depreciation policies relating to real estate investment properties), taxation laws and regulations, laws and regulations in respect of foreign exchange and repatriation of funds, corporation laws and regulations in Japan and/or Singapore;
- trapped cash in the Saizen TK Operators (as a result of cash reserves which may be required under loan covenants) which cannot be effectively utilized; and
- the terms of agreements to which they are, or may become, a party to.

The occurrence of these or other factors that affect the ability of the Saizen TK Operators to pay distributions to Saizen REIT would adversely affect the Manager's ability to pay distributions to Unitholders.

The ability of the Manager to make distributions to the Unitholders may also be adversely affected due to the current economic situation and the credit and operating environment. Accordingly, there is no assurance that the Manager will be able to continue with its dividend distribution policies and Unitholders may not receive expected dividend distributions.

The Group is exposed to foreign exchange fluctuations

The Group has investments in Japan, which are held in foreign currencies. As a result, the Group is exposed to movements in foreign currency exchange rates arising from normal trading transactions. The Group does not have a policy to hedge its exposure to foreign exchange risk.

PART V OPERATING RESULTS

The Manager on behalf of Saizen REIT may engage in hedging activities, which can limit gains and increase exposure to losses

The Manager on behalf of Saizen REIT may enter into hedging transactions to mitigate the effects of interest rate and currency exchange fluctuations on floating rate debt and also to protect Saizen REIT's portfolio from interest rate and currency exchange fluctuations on floating rate debt and also to protect Saizen REIT's portfolio from interest rate and prepayment fluctuations. Hedging transactions may include entering into interest rate hedging instruments, purchasing or selling futures contracts, purchasing put and call options or entering into forward agreements. Hedging activities may not have the desired beneficial impact on the results of operations or financial condition of Saizen REIT and may not completely insulate Saizen REIT from the risks associated with changes in interest rates and exchange rates. Moreover, interest rate hedging could fail to protect Saizen REIT or even affect it adversely because, among other factors:

- available interest rate hedging may not completely address the interest rate risks which Saizen REIT is exposed to;
- the hedge counterparty may default on its obligation to pay;
- the credit quality of the hedge counterparty may be downgraded to such an extent that the value of the hedge is adversely affected, impairing the Manager's ability to sell or assign Saizen REIT's side of the hedging transaction, requiring the Manager to enter into additional hedging transactions; and
- the value of the derivatives used for hedging may be adjusted from time to time in accordance with accounting rules to reflect changes in fair value. Downward adjustments would reduce the NAV of Saizen REIT.

Hedging involves risks and typically involves costs, including transaction costs, which may reduce overall returns. These costs increase as the period covered by the hedging increases and during periods of rising and volatile interest rates. These costs will also limit the amount of cash available for distributions to the Unitholders. The Manager will regularly monitor the feasibility and value of engaging in hedging transactions, taking into account the costs involved.

Saizen REIT depends on certain key personnel, and the loss of any key personnel may adversely affect its operations

Saizen REIT's performance depends, in part, upon the continued service and performance of members of the Manager's senior management team and certain key senior personnel. These key personnel may in future leave the Manager or compete with the Manager and Saizen REIT. The loss of any of these individuals, or of one or more of the Manager's other key employees could have a material adverse effect on Saizen REIT's financial condition and results of operations.

Saizen REIT may not be able to control or exercise any influence over entities in which it has minority interests

Saizen REIT may, in the course of future acquisitions, acquire minority interests in investment entities. There can be no assurance that Saizen REIT will be able to control such entities or exercise any influence over the assets of such entities or their distributions to Saizen REIT. Such entities may develop objectives which are different from those of Saizen REIT and may not be able to make anticipated levels of distributions to Unitholders. The management of such entities may also make decisions which could adversely affect the operations of Saizen REIT and its ability to make distributions to Unitholders.

PART V OPERATING RESULTS

Future acquisitions may not yield the returns expected, resulting in disruption to Saizen REIT's business, straining of management resources and dilution of holdings

Saizen REIT's external growth strategy and its market selection process may not ultimately be successful and may not provide positive returns to Unitholders. Future acquisitions made by Saizen REIT will be required to be integrated with its existing portfolio. The acquired properties may turn out to be less comparable to Saizen REIT's growth strategy than originally anticipated and may cause disruptions to Saizen REIT's operations and divert the Manager's attention away from day-to-day operations, any or all of which may have an adverse effect on the operations and financial condition of Saizen REIT.

Saizen REIT's Unit price may fluctuate

There is no assurance that the market price for the Units will not fluctuate significantly and rapidly as a result of certain factors, some of which are beyond the Manager's control. Examples of such factors include, *inter alia*, (i) variations of its operating results; (ii) changes in securities analysts' estimates of the Group's financial performance; (iii) additions or departures of key personnel; (iv) fluctuations in stock market prices and volume; (v) involvement in litigation; (vi) general changes in rules/regulations with regard to the industries that the Group operates in, including those that affect demand for the Group's products and services; and (vii) general economic, stock and credit market conditions.

Liquidity of the Units

Active and liquid trading for securities generally result in lower volatilities in price and more efficient execution of buy and sell orders for investors. Generally, the liquidity of the market for a particular Unit is dependent on, amongst others, the size of the free float, the price of each board lot, institutional interests, and the business prospects of the Group as well as the prevailing market sentiment. There is no assurance that the liquidity of the Units or the volume of the Units as traded on SGX-ST may not change or decline after the Rights cum Warrants Issue.

The Manager may not be able to implement its investment strategy

The Manager's investment strategy includes investment in a diversified portfolio of income-producing real estate located in Japan which is used primarily for residential and residential-related purposes, and real estate-related assets in connection with the foregoing, in order to provide stable distributions to the Unitholders. There can be no assurance that the Manager will be able to implement its investment strategy successfully or that it will be able to expand Saizen REIT's portfolio at any specified rate, to any specified size or at all. The Manager may also be unable to ensure investments or acquisitions on favourable terms in a desired time frame.

The Manager will rely on external sources of funding to expand Saizen REIT's portfolio, which may not be available on favourable terms or at all. Even if Saizen REIT were able to complete additional property investments successfully, there can be no assurance that Saizen REIT will achieve its intended return on such investments. Since the amount of debt Saizen REIT can incur to finance investments is limited, such investments will be dependent on the Manager's ability to raise equity capital, which may result in a dilution of the Unitholders' holdings. Potential vendors may also view the necessity of raising equity capital to fund any such purchase negatively and may prefer other potential purchasers,

Furthermore, there may be significant competition for attractive investment opportunities from other property investors including commercial property development companies and private investment funds. There can be no assurance that Saizen REIT will be able to compete effectively against such entities.

PART V OPERATING RESULTS

Saizen REIT is exposed to various types of taxes in Japan and Singapore

The income and gains derived by Saizen REIT, directly or indirectly, from its investments in real estate in Japan are exposed to various types of taxes in Japan and Singapore. These include income tax, withholding tax, capital gains taxes and other taxes specifically imposed for the ownership of such assets. While the Manager intends to manage the taxation in each of these countries efficiently, there can be no assurance that the desired tax outcome will necessarily be achieved. In addition, the level of taxation in each of these countries is subject to change in laws and regulations and such changes, if any, may lead to an increase in tax rates or the introduction of new taxes. All these factors could adversely affect and erode the returns from Saizen REIT's investments and hence the amount of distributions to the Unitholders.

Saizen REIT may be affected by the introduction of new or revised legislation, regulations, guidelines or directions affecting real estate investment trusts

Saizen REIT may be affected by the introduction of new or revised legislations, regulations, guidelines or directions affecting real estate investment trusts. There is no assurance that the MAS or any other relevant authority will not introduce new legislation, regulations, guidelines or directions which would adversely affect real estate investment trusts generally, or Saizen REIT specifically.

Valuation of Saizen REIT's properties

The valuations were generally conducted using the income approach (which includes the direct capitalization method of valuation and discounted cash flow method of valuation). Property valuations may include a subjective determination of certain factors relating to the relevant properties, such as their relative market positions, their financial and competitive strengths and their physical conditions. The market values of the properties owned by Saizen REIT may therefore differ from the values of the properties as determined by independent valuers.

The values of the properties owned by Saizen REIT (as determined by the Independent Valuers) are not an indication of, and do not guarantee, a sale price at that value at present or in the future. The price at which Saizen REIT may sell a property may be lower than its value as determined by independent valuers.

RISKS RELATING TO JAPAN

The Group is exposed to the general and political risks associated with doing businesses in Japan

The Group's principal investments are in Japan. There are risks inherent in doing business overseas including unexpected changes on rules in profit repatriation, legal uncertainties regarding legal liability or enforcement of legal rights, and political and social risks, which when materialised, can adversely affect the Group's operations, and consequently its financial performance.

The property market in Japan may be volatile

In particular, Saizen REIT is subject to property market conditions in Japan generally. Many social, economic, political and other factors may affect the development of the property market.

The Japanese property market may sometimes be volatile and may experience oversupply and property price fluctuations. Changes in the Japanese government's policies may result in a change of market conditions, including price instability and imbalance of supply and demand, which may materially and adversely affect the business and financial conditions and the results of operations of Saizen REIT. There is also no assurance that there will not be any over-development in the property sector in the areas where the Japanese properties under the management of Saizen REIT are located and other parts of Japan in the future. Any future over-development in the property sector in the areas where such Japanese properties are located and other parts of Japan may result in an oversupply of properties, including residential properties, and a fall in property prices as well as rental rates, which could adversely affect the business and financial conditions and the results of operations of Saizen REIT.

PART V OPERATING RESULTS

Japan has experienced a number of major natural catastrophes over the years, most notably earthquakes which, were they to recur, may materially disrupt and adversely affect the business and operations of the properties held by Saizen REIT

Severe weather conditions and natural disasters such as earthquakes may affect the operations of the properties held by Saizen REIT. These events may cause substantial structural and physical damage to the properties held by Saizen REIT in Japan, resulting in the incurrence of expenses in order to repair the damage caused.

Furthermore, such environmental conditions may result in a decreased demand for the properties held by Saizen REIT in Japan, in particular those located in regions prone to such environmental conditions. This affects the market value of those properties, as well as their ability to attract high rental rates.

The environmental conditions may also cause disruptions, affect investments and result in various other adverse effects on the Japanese economy in general. This may lead to a decreased demand for such properties, and the market value and ability of these properties to attract high rental rates may also be adversely and materially affected. This could materially and adversely affect the business and financial conditions and the results of operations of Saizen REIT.

RISKS RELATING TO THE INDUSTRY

The Manager's strategy of investing primarily in residential assets may entail a higher level of risk compared to unit trusts with a different investment strategy

The Manager's principal strategy is to invest in a diversified portfolio of income-producing real estate located in Japan, used primarily for residential and residential-related purposes, as well as real estate-related assets in connection with the foregoing.

As such, Saizen REIT will be subject to risks inherent in concentrating on investments in a single industry as well as a single type of asset. The level of risk could be higher compared to unit trusts with a different investment strategy.

A concentration of investments in a portfolio of such specific real estate assets in Japan exposes Saizen REIT to both a downturn in the real estate market or the economy in Japan. Any economic slowdown in Japan could negatively affect the performance of the residential market. A lagging economy could lead to retrenchment and job losses, which in turn, would lead to a change in the trend of demand for residential properties. The renewal of leases in Saizen REIT's operating residential properties will depend, in part, upon the financial stability of the tenants. Any decline in the financial stability of tenants may cause higher levels of non-renewals of leases or vacancies as a result of defaults by tenants or the market pressures exerted by an increase in available residential space. There can be no assurance that the existing tenants of Saizen REIT's operating residential properties will renew their leases or that the terms of the renewed leases will be as favourable as the existing leases. In the event that a lease is not renewed, a replacement tenant or tenants would need to be identified, which could subject Saizen REIT's operating residential properties to periods of vacancy, during which periods Saizen REIT could experience a reduction in rental income.

Such downturns may have an adverse impact on distributions to the Unitholders and/or the results of operations and the financial condition of Saizen REIT.

Saizen REIT may be adversely affected by the illiquidity of real estate investments

Investments in real estate involve a higher level of risk as compared to a portfolio which has a diverse range of investments. Real estate investments, particularly investments in high value properties such as those in which the Manager has invested in or may invest in the future, are relatively illiquid. Such illiquidity may affect the Manager's ability to vary Saizen REIT's investment portfolio or liquidate part of Saizen REIT's assets in response to changes in economic, real estate market or other conditions. For example, the Manager may be unable to liquidate Saizen REIT's assets on short notice or may be forced to give a substantial reduction in the price that may

PART V OPERATING RESULTS

otherwise be sought for such assets in order to ensure a quick sale. Moreover, Saizen REIT may face difficulties in securing timely and commercially favourable financing in asset-based lending transactions secured by real estate due to the illiquid nature of real estate assets. These factors could have an adverse effect on Saizen REIT's financial condition and results of operations, with a consequential adverse effect on Saizen REIT's ability to make expected distributions to Unitholders.

Occurrences such as acts of God, war and terrorist attacks may adversely and materially affect the business and operations of the properties held by Saizen REIT

Acts of God, such as natural disasters, are beyond the control of Saizen REIT, the Manager and the Asset Manager and may materially and adversely affect the economy, infrastructure and livelihood of the local population in cities where the assets of Saizen REIT are situated. Saizen REIT's business and income available for distribution may be materially and adversely affected should such acts of God occur. Moreover, there can be no assurance that any war, terrorist attack or other hostilities in any part of the world, potential, threatened or otherwise, will not, directly or indirectly, have a material and adverse effect on the business and operations of the properties held by Saizen REIT and correspondingly have a material and adverse effect on Saizen REIT's income available for distribution.

RISKS RELATING TO OWNERSHIP OF THE WARRANTS

The listing of Warrants is subject to a sufficient spread of holdings

In the event that permission is not granted by SGX-ST for the listing and quotation of the Warrants due to an inadequate spread of holdings of the Warrants to provide for an orderly market in the trading of the Warrants, the Manager shall nevertheless proceed and complete the Rights cum Warrants Issue. Accordingly, Warrantheolders will not be able to trade their Warrants on SGX-ST.

Warrants may expire worthless

The Warrants issued pursuant to the Rights cum Warrants Issue have to be exercised within the Exercise Period. In the event that the Warrants are not exercised by the end of the Exercise Period and/or the prevailing price of the Units are below that of the Exercise Price of the Warrants during the Exercise Period, the Warrants will expire worthless.

Potential dilution in the event the Warrants are not exercised

In the event that an Entitled Unitholder does not take up his entitlement under the Rights cum Warrants Issue or does not exercise any Warrants taken up under the Rights cum Warrants Issue while the other Warrants issued are exercised, such Entitled Unitholder's interest in Saizen REIT may be diluted or varied.

Warrantheolders have no participating rights in further issues of Units

Subject to the terms and conditions of the Warrants as set out in the Deed Poll, the Manager may propose that Units be issued for cash or as a bonus distribution on a pro rata basis and further subscription rights upon such terms and conditions as the Manager sees fit, but the Warrantheolders shall not have any participating rights in such further issues unless otherwise resolved by the Unitholders in a general meeting.

Fluctuations in price and trading volume

The demand for the Warrants and its accompanying price fluctuations as well as trading volume may vary from that of the Units.

Saizen REIT's Warrants may not be traded regularly

There is no assurance that there will be an active trading market for Saizen REIT's Warrants subsequent to the Rights cum Warrants Issue and even if there is, there is no assurance that an active trading market for the Warrants will be sustained.

PART V OPERATING RESULTS

- 10. Where a profit forecast is disclosed, state the extent to which projected sales or revenues are based on secured contracts or orders, and the reasons for expecting to achieve the projected sales or revenues and profit, and discuss the impact of any likely change in business and operating conditions on the forecast.**
-

Not applicable as no profit forecast has been disclosed.

- 11. Where a profit forecast or profit estimate is disclosed, state all principal assumptions, if any, upon which the directors or equivalent persons of the relevant entity have based their profit forecast or profit estimate, as the case may be.**
-

Not applicable as no profit forecast or profit estimate has been disclosed.

- 12. Where a profit forecast is disclosed, include a statement by an auditor of the relevant entity as to whether the profit forecast is properly prepared on the basis of the assumptions referred to in paragraph 11 of this Part, is consistent with the accounting policies adopted by the relevant entity, and is presented in accordance with the accounting standards adopted by the relevant entity in the preparation of its financial statements.**
-

Not applicable as no profit forecast has been disclosed.

- 13. Where a profit forecast disclosed is in respect of a period ending on a date not later than the end of the current financial year of the relevant entity, provide in addition to the statement referred to in paragraph 12 of this Part:**

- (a) a statement by the issue manager to the offer, or any other person whose profession or reputation gives authority to the statement made by him, that the profit forecast has been stated by the directors or equivalent persons of the relevant party after due and careful enquiry and consideration; or**
 - (b) a statement by an auditor of the relevant party, prepared on the basis of his examination of the evidence supporting the assumptions referred to in paragraph 11 of this Part and in accordance with the Singapore Standards on Auditing or such other auditing standards as may be approved in any particular case by the Authority, to the effect that no matter has come to his attention which gives him reason to believe that the assumptions do not provide reasonable grounds for the profit forecast.**
-

Not applicable as no profit forecast has been disclosed.

- 14. Where the profit forecast disclosed is in respect of a period ending on a date after the end of the current financial year of the relevant entity, provide in addition to the statement referred to in paragraph 12 of this Part:**

- (a) a statement by the issue manager to the offer, or any other person whose profession or reputation gives authority to the statement made by him, prepared on the basis of his examination of the evidence supporting the assumptions referred to in paragraph 11 of this Part, to the effect that no matter has come to his attention which gives him reason to believe that the assumptions do not provide reasonable grounds for the profit forecast; or**

PART V OPERATING RESULTS

- (b) a statement by an auditor of the relevant entity, prepared on the basis of his examination of the evidence supporting the assumptions referred to in paragraph 11 of this Part and in accordance with the Singapore Standards on Auditing or such other auditing standards as may be approved in any particular case by the Authority, to the effect that no matter has come to his attention which gives him reason to believe that the assumptions do not provide reasonable grounds for the profit forecast.

Not applicable as no profit forecast has been disclosed.

Significant Changes

15. Disclose any event that has occurred from the end of:

- (a) the most recent completed financial year for which financial statements have been published; or
- (b) If interim financial statements have been published for any subsequent period, that period, to the latest practicable date which may have a material effect on the financial position and results of the relevant party or, if it is the holding company or holding entity of a group, the group, or, if there is no such event, provide an appropriate negative statement

Meaning of “published”

16. In this Part, “published” includes publication in a prospectus, in an annual report or on the SGXNET.

Save as disclosed in this Offer Information Statement and in all public announcements made by the Manager, the Manager is not aware of any event which has occurred since 31 December 2008 and up to the Latest Practicable Date which may have a material effect on the financial position and results of the Group.

PART VI (THE OFFER AND LISTING)

1. **Indicate the price at which the securities are being offered and the amount of any expense specifically charged to the subscriber or purchaser. If it is not possible to state the offer price at the date of lodgment of the offer information statement, the method by which the offer price is to be determined must be explained.**
-

The issue price for each Rights Unit with Warrants is S\$0.09, payable in full on acceptance and/or application, and the expenses incurred in the Rights cum Warrants Issue will not be specifically charged to subscribers or purchasers of the Rights Units with Warrants.

The Exercise Price for each Warrant is S\$0.09, payable in full upon exercise of the Warrants (subject to any adjustment under certain circumstances as provided in the Deed Poll).

2. **If there is no established market for the securities being offered, provide information regarding the manner of determining the offer price, the exercise price or conversion price, if any, including the person who establishes the price or is responsible for the determination of the price, the various factors considered in such determination and the parameters or elements used as a basis for determining the price.**
-

The Units are traded on SGX-ST. Approval-in-principle was obtained from SGX-ST on 18 March 2009 for the listing and quotation of the Rights Units, the Warrants and the New Units on SGX-ST, subject to certain conditions, including, *inter alia*, an adequate spread of holdings for the Warrants to provide for an orderly market in the trading of Warrants.

The Issue Price and the Exercise Price were arrived at after taking into account the recent trading price trends of the Units prior to the signing of the Letters of Undertakings and with reference to recent similar transactions.

Both the Issue Price and the Exercise Price represent (i) a discount of approximately 30.8% to the price of S\$0.13 per Unit on the SGX-ST on 31 December 2008, being the last transacted price prior to the Announcement and (ii) a discount of approximately 40.0% from the price of S\$0.15 per Unit, being the last transacted price traded on SGX-ST on the Latest Practicable Date.

3. **If—**
- (a) **any of the relevant entity's Unitholders or equity interest-holders have pre-emptive rights to subscribe for or purchase the securities being offered; and**
 - (b) **the exercise of the rights by the Unitholder or equity interest-holder is restricted, withdrawn or waived, indicate the reasons for such restriction, withdrawal or waiver, the beneficiary of such restriction, withdrawal or waiver, if any, and the basis for the offer price.**
-

None of the Unitholders has pre-emptive rights to subscribe for the Rights Units with Warrants.

For practical reasons and as there may be prohibitions or restrictions against the offering of Rights Units and/or Warrants in certain jurisdictions, only Entitled Unitholders are eligible to participate in the Rights cum Warrants Issue. Please refer to the section entitled "*Eligibility of Unitholders to Participate in the Rights cum Warrants Issue*" of this Offer Information Statement for further information.

PART VI (THE OFFER AND LISTING)

4. If securities of the same class as those securities being offered are listed for quotation on any securities exchange:
- (a) in a case where the first-mentioned securities have been listed for at least 12 months immediately preceding the latest practicable date, disclose the highest and lowest market prices of the first-mentioned securities:
 - (i) for each of the 12 calendar months immediately preceding the calendar month in which the latest practicable date falls; and
 - (ii) for the period from the beginning of the calendar month in which the latest practicable date falls to the latest practicable date; or
 - (b) in a case where the first-mentioned securities have been listed for quotation on the securities exchange for less than 12 months immediately preceding the latest practicable date, disclose the highest and lowest market prices of the first-mentioned securities:
 - (i) for each calendar month immediately preceding the calendar month in which the latest practicable date falls; and
 - (ii) for the period from the beginning of the calendar month in which the latest practicable date falls to the latest practicable date;
 - (c) disclose any significant trading suspension that has occurred on the securities exchange during the 3 years immediately preceding the latest practicable date or, if the securities have been listed for quotation for less than 3 years, during the period from the date on which the securities were first listed to the latest practicable date; and
 - (d) disclose information on any lack of liquidity, if the securities are not regularly traded on the securities exchange.

-
- (a) The range and volume of the Units traded on SGX-ST for the last 12 months immediately preceding the Latest Practicable Date and for the period from the beginning of the calendar month in which the Latest Practicable Date falls to the Latest Practicable Date, are as follows:

	Volume of Units traded	Highest price (S\$)	Lowest price (S\$)
February 2008	3,354,000	0.825	0.790
March 2008	1,554,000	0.805	0.720
April 2008	1,994,000	0.770	0.735
May 2008	2,711,000	0.765	0.715
June 2008	6,039,000	0.770	0.685
July 2008	398,000	0.700	0.675
August 2008	5,975,000	0.695	0.500
September 2008	8,694,000	0.540	0.385
October 2008	9,103,000	0.500	0.130
November 2008	6,248,000	0.240	0.145
December 2008	32,362,000	0.170	0.125
January 2009	64,813,000	0.120	0.090
February 2009	10,352,000	0.105	0.095
March 2009	18,847,000	0.130	0.090
April 2009 (up to 28 April 2009)	28,860,000	0.185	0.120

PART VI (THE OFFER AND LISTING)

- (b) Not applicable as the Units have been listed and quoted for more than 12 months immediately preceding the Latest Practicable Date.
- (c) On 2 April 2009, trading of the Units was halted pending the release of an announcement in relation to the clarification on a news article in The Business Times and the announcement of the rating downgrade by Moody's Investors Services. Trading of the Units resumed on 3 April 2009 at 9:00a.m.

Save for the above, there has not been any significant trading suspension that has occurred on the securities exchange during the three (3) years immediately preceding the Latest Practicable Date.

- (d) It is noted that the trading volume in July 2008 was relatively low. However, the Manager is not aware of any reason constituting the lack of liquidity during July 2008.

5. Where the securities being offered are not identical to the securities already issued by the relevant entity, provide—

- (a) **A statement of the rights, preferences and restrictions attached to the securities being offered; and**
- (b) **an indication of the resolutions, authorisations and approvals by virtue of which the entity may create or issue further securities, to rank in priority to or *pari passu* with the securities being offered.**

The Rights Units with Warrants will, upon allotment and issue, rank *pari passu* in all respects with the then existing Units save for any dividends, rights, allotments or other distributions, the record date for which falls before the date of issue of the Rights Units with Warrants.

The New Units, when issued upon the exercise of the Warrants, will rank *pari passu* in all respects with the then existing Units, save for any dividends, rights, allotments or other distributions, the record date for which falls before the relevant exercise date of the Warrants.

Please refer to paragraph 1 of Part X of this Offer Information Statement for information on the rights, preferences and restrictions attached to the Warrants. The Rights Units with Warrants and New Units are issued pursuant to the specific approval obtained from Unitholders at the EGM.

6. Indicate the amount, and outline briefly the plan of distribution, of the securities that are to be offered otherwise than through underwriters. If the securities are to be offered through the selling efforts of any broker or dealer, describe the plan of distribution and the terms of any agreement or understanding with such entities. If known, identify each broker or dealer that will participate in the offer and state the amount to be offered through each broker or dealer.

Up to 497,185,362 Rights Units and up to 497,185,362 Warrants are offered pursuant to the Rights cum Warrants Issue. The Rights cum Warrants Issue is made on a renounceable non-underwritten basis at the Issue Price with each Warrant carrying the right to subscribe for one (1) New Unit at the Exercise Price for each New Unit, on the basis of eleven (11) Rights Units for every ten (10) Existing Units held by Entitled Unitholders as at the Books Closure Date, and one (1) Warrants for every one (1) Rights Unit subscribed, fractional entitlements to be disregarded.

Disregarded fractional entitlements of Rights Units with Warrants will be aggregated with entitlements to the Rights Units with Warrants which are not taken up or allotted for any reason and shall be used to satisfy excess applications for Rights Units with Warrants (if any) or otherwise disposed of or dealt with in such manner as the Manager may, in its absolute discretion, deem fit in the interests of Saizen REIT. In the allotment of excess Rights Units with Warrants, preference will

PART VI (THE OFFER AND LISTING)

be given to the rounding of odd lots, and Substantial Unitholders and Directors will rank last in priority. Such allotment of excess Rights Units with Warrants shall be dealt with in such manner as the Manager may, in its absolute discretion, deem fit for the benefit of Saizen REIT, to the extent permissible.

Entitled Unitholders will be at liberty to accept (in full or in part), decline or otherwise renounce or trade their provisional allotments of Rights Units with Warrants and will be eligible to apply for additional Rights Units with Warrants in excess of their provisional allotments under the Rights cum Warrants Issue.

Provisional allotments which are not taken up for any reason shall be aggregated and used to satisfy excess applications (if any) or otherwise dealt with in such manner as the Manager may, in its absolute discretion, deem fit for the benefit of Saizen REIT.

For practical reasons and in order to avoid any violation of the securities legislations applicable in countries other than Singapore, only Entitled Unitholders are eligible to participate in the Rights cum Warrants Issue. Please refer to the section entitled "*Eligibility of Unitholders to Participate in the Rights cum Warrants Issue*" of this Offer Information Statement for further details.

As the Manager was not able to obtain any underwriting commitment due to the prevailing difficult market conditions, the Manager has decided to proceed with the Rights cum Warrants Issue on a non-underwritten basis and no placement or selling agents have been appointed in relation to the Rights cum Warrants Issue. The Manager has however obtained Irrevocable Undertakings. (Please refer to paragraph 1(f) of Part X of this Offer Information Statement for further details of the Irrevocable Undertakings.)

As the Rights cum Warrants Issue is on a non-underwritten basis, Rights cum Warrants Issue will not be withdrawn after commencement of ex-rights trading pursuant to Rule 820(1) of the Listing Manual.

7. Provide a summary of the features of the underwriting relationship together with the amount of securities being underwritten by each underwriter.

Not applicable as the Rights cum Warrants issue is not underwritten. However, please refer to paragraph 1(f) of Part X of this Offer Information Statement for further details of the Irrevocable Undertakings.

PART VII (ADDITIONAL INFORMATION)

Statements by Experts

- 1. Where a statement or report attributed to a person as an expert is included in the offer information statement, provide such person's name, address and qualifications.**

Valuation of properties

The following Independent Valuers prepared the desktop valuation of the properties of Saizen REIT:

Valuer: Asset Research Corporation
Address: 601 Kinoshita Bldg, 1-17-3, Shibuya Shibuya-ku, Tokyu, 150-0002, Japan
Qualification: Registered real estate appraisal firm and transaction agent with the Governor of Tokyo

Valuer: Real Value Inc.
Address: 21-16, Kamitoda 1-chome, Toda-city Saitama, 335-0022, Japan
Qualification: Registered real estate appraisal firm with the Governor of Saitama

- 2. Where the offer information statement contains any statement (including what purports to be a copy of, or extract from, a report, memorandum or valuation) made by an expert—**
 - (a) State the date on which the statement was made;**
 - (b) State whether or not it was prepared by the expert for the purpose of incorporation in the offer information statement; and**
 - (c) Include a statement that the expert has given, and has not withdrawn, his written consent to the issue of the offer information statement with the inclusion of the statement in the form and context in which it is included in the offer information statement.**

The Independent Valuers had prepared desktop valuations of the 166 properties of Saizen REIT as at 31 January 2009 for the purpose of, among others, incorporation in this Offer Information Statement. The Independent Valuers have given and have not, before the lodgement of this Offer Information Statement, withdrawn their written consent to the issue of this Offer Information Statement with the inclusion of their names and all references to their names in the form and context in which they are included in this Offer Information Statement. Please refer to Appendix IV of this Offer Information Statement for further information.

- 3. The information referred to in paragraphs 1 and 2 of this Part need not be provided in the offer information statement if the statement attributed to the expert is a statement to which the exemption under regulation 26(2) or (3) applies.**

Please refer to paragraph 1 and 2 of Part VII of this Offer Information Statement.

Consents from Issue Managers and Underwriters

- 4. Where a person is named in the offer information statement as the issue manager or underwriter (but not a sub-underwriter) in the offer, include a statement that the person has given, and has not withdrawn, his written consent to being named in the offer information statement as the issue manager or underwriter, as the case may be, to the offer.**

Not applicable. No issue manager or underwriter has been appointed for the Rights cum Warrants Issue.

PART VII (ADDITIONAL INFORMATION)

Other Matters

5. include particulars of any other matters not disclosed under any paragraph of this Schedule which could materially affect, directly or indirectly—
- (a) the relevant entity's business, operations or financial position or results; or
 - (b) investments by holders of securities in the relevant entity.

Save as disclosed in this Offer Information Statement and to the Manager's best knowledge and belief, there are no other matters which could materially affect, directly or indirectly:

- (a) Saizen REIT's business, operations or financial position or results; or
 - (b) investments by holders of securities in Saizen REIT.
-

**PART VIII (ADDITIONAL INFORMATION REQUIRED FOR OFFER
OF DEBENTURES OR UNITS OF DEBENTURES)**

Not applicable.

**PART IX (ADDITIONAL INFORMATION REQUIRED FOR
CONVERTIBLE DEBENTURES)**

Not applicable.

**PART X (ADDITIONAL INFORMATION REQUIRED FOR OFFER OF SECURITIES
BY WAY OF RIGHTS ISSUE)**

1. Provide—

(a) the particulars of the rights issue;

Principal Terms of the Rights Units

Number of Rights Units	:	Up to 497,185,362 Rights Units (with up to 497,185,362 Warrants) to be allotted and issued.
Basis of provisional allotment	:	Eleven (11) Rights Units for every ten (10) Existing Units held by Entitled Unitholders as at the Books Closure Date, fractional entitlements to be disregarded.
Issue Price	:	S\$0.09 for each Rights Unit with Warrants, payable in full on acceptance and/or application.
Listing of the Rights Units	:	Approval-in-Principle for the listing and quotation of the Rights Units on SGX-ST was granted on 18 March 2009, subject to certain conditions, details of which are set out in Part X paragraph 1(e) of this Offer Information Statement. The Approval-in-Principle is not to be taken as an indication of the merits of the Rights cum Warrants Issue and Saizen REIT.
Trading of the Rights Units	:	Upon the listing and quotation of the Rights Units on SGX-ST, the Rights Units will be traded on SGX-ST under the book-entry (scripless) settlement system. For the purpose of trading on SGX-ST, each board lot of Rights Units will consist of 1,000 Units or such number as may be notified by the Manager.
Acceptance, excess applications and payment procedures	:	Provisional allotments which are not taken up for any reason shall be aggregated and used to satisfy excess applications (if any) or otherwise dealt with in such manner as the Manager may, in its absolute discretion, deem fit for the benefit of Saizen REIT. In the allotment of excess Rights Units with Warrants, first preference will be given to the rounding of odd lots and Substantial Unitholders and Directors will rank last in priority. Such allotment of Excess Rights Units with Warrants shall be dealt with in such manner as the Manager may, in its absolute discretion, deem fit for the benefit of Saizen REIT, to the extent permissible.
Status of the Rights Units	:	The Rights Units, when allotted and issued, will rank <i>pari passu</i> in all respects with the then existing Units, save for any dividends, rights, allotments or other distributions, the Record Date for which falls before the date of issue of the Rights Units.

**PART X (ADDITIONAL INFORMATION REQUIRED FOR OFFER OF SECURITIES
BY WAY OF RIGHTS ISSUE)**

Eligibility to participate in the Rights cum Warrants Issue : Please refer to the section entitled “*Eligibility of Unitholders to Participate in the Rights cum Warrants Issue*” of this Offer Information Statement.

Use of CPF funds : Unitholders under the CPF Investment Scheme – Ordinary Account may use their CPF account savings (subject to the availability of investible savings) (“**CPF Funds**”) for the payment of the Issue Price to subscribe for their provisional allotments of Rights Units with Warrants and/or apply for excess Rights Units with Warrants.

Such Unitholders who wish to accept the provisional allotments of Rights Units with Warrants and (if applicable) apply for excess Rights Units with Warrants using CPF Funds will need to instruct their respective approved banks, where they hold their CPF Investment Accounts, to accept and (if applicable) apply for the Rights Units with Warrants on their behalf in accordance with the terms and conditions of the Offer Information Statement. CPF Funds may not, however, be used for the purchase of the Rights Units with Warrants directly from the market.

Non-underwritten : The Rights cum Warrants Issue is not underwritten.

Governing law : Laws of the Republic of Singapore.

Principal Terms of the Warrants

Number of Warrants to be issued : Up to 497,185,362 Warrants.

The actual number of Warrants to be issued will depend on the level of the subscriptions or the valid acceptances for the provisional allotments of the Rights Units and the valid applications for the excess Rights Units.

Basis of provisional allotment : One (1) Warrant for every one (1) Rights Unit subscribed.

Exercise Price : S\$0.09 in cash, being the price at which each New Unit may be subscribed for upon the exercise of a Warrant, subject to adjustments under certain circumstances pursuant to the terms and conditions of the Warrants to be set out in the Deed Poll.

Status of the New Units : The New Units, when allotted and issued upon exercise of the Warrants, will rank *pari passu* in all respects with existing Units for any dividends, rights, allotments or other distributions, the Record Date for which falls on or after the relevant exercise date of the Warrants.

**PART X (ADDITIONAL INFORMATION REQUIRED FOR OFFER OF SECURITIES
BY WAY OF RIGHTS ISSUE)**

- Listing of the Warrants and the New Units : SGX-ST has granted approval-in-principle for the listing and quotation of the Warrants and the New Units on SGX-ST, subject to certain conditions, details of which are set out in Part X paragraph 1(e) of this Offer Information Statement. The Approval-in-Principle is not to be taken as an indication of the merits of the Rights cum Warrants Issue and Saizen REIT.
- Detachability and trading : The Warrants will be detached from the Rights Units on allotment and issue and subject to there being sufficient spread of holdings for the Warrants (and subject to compliance with Rule 826 of the Listing Manual which states that as a guide, the SGX-ST expects there to be at least 100 Warrantholders of the same class) upon the listing and quotation of the Warrants on SGX-ST, the Warrants will be traded under the book-entry (scripless) settlement system. For the purpose of trading on SGX-ST, each board lot of Warrants will consist of 1,000 Warrants or such number as may be notified by the Manager.
- Form and subscription rights : The Warrants, to be constituted by the Deed Poll, will be issued in registered form. Subject to the terms and conditions of the Warrants as set out in the Deed Poll, each Warrant shall entitle the Warrantholder to subscribe for one (1) New Unit at the Exercise Price at any time during the Exercise Period (as defined below). Warrants remaining unexercised at the expiry of the Exercise Period shall lapse and cease to be valid for any purpose.
- Exercise period (the “**Exercise Period**”) : The Warrants may be exercised at any time during the period commencing on and including the date of issue of the Warrants and expiring at 5.00 p.m. on the date immediately preceding the third (3rd) anniversary of the date of issue of the Warrants, unless such date is a date on which the Register of Unitholders is closed or is not a Market Day, in which event the Warrants shall expire on the date prior to the closure of the Register of Unitholders or the immediately preceding Market Day, as the case may be (but excluding such period(s) during which the register of Warrantholders may be closed), subject to the terms and conditions of the Warrants to be set out in the Deed Poll. Warrants remaining unexercised at the expiry of the Exercise Period shall lapse and cease to be valid for any purpose. The right to exercise the Warrants will not be extended beyond the Exercise Period.

Notice of expiry of the Warrants shall be sent to all Warrantholders of Saizen REIT at least one (1) month before the respective Expiration Dates, and the appropriate announcement of the respective Expiration Dates shall also be made on SGXNET.

**PART X (ADDITIONAL INFORMATION REQUIRED FOR OFFER OF SECURITIES
BY WAY OF RIGHTS ISSUE)**

Payment of Exercise Price : Warrantheolders must pay the full amount of the Exercise Price payable in respect of the Warrants exercised, by way of:

- (i) a remittance in Singapore currency by banker's draft or cashier's order drawn on a bank operating in Singapore; or
- (ii) subject, *inter alia*, to the Warrants being listed on SGX-ST, by debiting the relevant Warrantheolder's CPF Investment Account (as defined in the Deed Poll) with the CPF approved bank as specified in the Exercise Notice (as defined in the Deed Poll); or
- (iii) subject to the Warrants being listed on SGX-ST, partly in the form of remittance and/or partly by debiting such Warrantheolder's CPF Investment Account with the CPF approved bank as specified in the Exercise Notice (as defined in the Deed Poll),

to the specified office of the Warrant Agent (as defined in the Deed Poll).

Transfer and transmission : The Warrants shall be transferable in lots entitling Warrantheolders to subscribe for whole numbers of Units. A Warrant may only be transferred in the manner prescribed in the terms and conditions of the Warrants set out in the Deed Poll including, *inter alia*, the following:

- (i) lodgment of certificates and transfer forms - a Warrantheolder whose Warrants are registered in his own name (the "**Transferor**") shall lodge, during normal business hours on any Market Day at the specified office of the Warrant Agent, the Transferor's Warrant certificate(s) together with an instrument of transfer (the "**Transfer Form**"), in the form approved by the Manager duly completed and signed by or on behalf of the Transferor and the transferee and duly stamped in accordance with any applicable law for the time being in force relating to stamp duty and accompanied by the fees and expenses set out in the Deed Poll provided that the Manager and the Warrant Agent may dispense with requiring CDP to sign as transferee any Transfer Form for the transfer of Warrants to CDP. A Transferor shall be deemed to remain a Warrantheolder of the Warrants until the name of the transferee is entered in the register of Warrantheolders by the Warrant Agent or the Depository Register by CDP, as the case may be;

**PART X (ADDITIONAL INFORMATION REQUIRED FOR OFFER OF SECURITIES
BY WAY OF RIGHTS ISSUE)**

- (ii) the executors and administrators of a deceased Warranthead whose Warrants are registered otherwise than in the name of CDP (not being one of several joint holders) and, in the case of death of one or more of several registered joint holders, the survivor or survivors of such joint holders, shall be the only persons recognised by the Manager and the Warrant Agent as having title to Warrants registered in the name of the deceased Warranthead. Such persons shall, on producing to the Warrant Agent such evidence as may be reasonably required by the Warrant Agent to prove their title and on the payment of such fees and expenses set out in the Deed Poll, be entitled to be registered as a holder of the Warrants or to make such transfer as the deceased Warranthead could have made; and
- (iii) where the Warrants are registered in the name of CDP and the Warrants are to be transferred between Depositors, such Warrants must be transferred in the Depository Register by CDP by way of book-entry. A Depositor shall be deemed to remain a Warranthead until the name of the transferee is entered in the Depository Register by CDP.

Termination : If Saizen REIT is terminated, all Warrants which have not been exercised at the date of the passing of such resolution for the termination of Saizen REIT shall lapse and the Warrants shall cease to be valid for any purpose.

A Warranthead shall have no rights upon the termination of Saizen REIT.

Adjustments : The Exercise Price and the number of Warrants to be held by each Warranthead will be subject to adjustments under certain circumstances to be provided for in the Deed Poll. Such circumstances include, without limitation, consolidation or subdivision of the Units, capitalisation issues, rights issues and certain capital distributions. Any additional warrants issued pursuant to such adjustments shall rank *pari passu* with the Warrants and will for all intents and purposes be part of the same series.

Any such adjustments shall (unless otherwise provided under the rules of SGX-ST from time to time) be announced by the Manager on SGXNET

**PART X (ADDITIONAL INFORMATION REQUIRED FOR OFFER OF SECURITIES
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Modification of Terms of Warrants : The Manager may without the consent of the Warrantholders but in accordance with the terms and conditions of the Warrants to be set out in the Deed Poll, effect any modification to the terms of the Warrants or the Deed Poll which, in the opinion of the Manager is (i) not materially prejudicial to the interests of the Warrantholders; (ii) of a formal, technical or minor nature or to correct a manifest error or to comply with mandatory provisions of Singapore law or the rules and regulations of SGX-ST; and/or (iii) to vary or replace provisions relating to the transfer or exercise of the Warrants including the issue of New Units arising from the exercise thereof or meetings of the Warrantholders in order to facilitate trading in or the exercise of the Warrants or in connection with the implementation and operation of the book-entry (scripless) settlement system in respect of trades of Saizen REIT's securities on SGX-ST, provided that such modification is not materially prejudicial to the interests of the Warrantholders.

Notwithstanding the above, and except where the alterations are made pursuant to the conditions of the Deed Poll, the Manager shall not:

- (i) extend the Exercise Period;
- (ii) issue new warrants to replace the Warrants;
- (iii) change the Exercise Price; or
- (iv) change the exercise ratio of the Warrants.

Any such modification shall be binding on the Warrantholders and all persons having an interest in the Warrants and shall be notified to them in accordance with the terms and conditions of the Warrants as set out in the Deed Poll, as soon as practicable thereafter.

Without prejudice to any other provisions to be set out in the Deed Poll, any material alteration to the terms of the Warrants after the issue thereof to the advantage of the Warrantholders and prejudicial to Unitholders must be approved by the Unitholder in general meeting, except where the alterations are made pursuant to the terms and conditions of the Warrants to be set out in the Deed Poll. Any modification of, or amendment or addition to the Deed Poll, may be effected only by deed, executed by the Manager and expressed to be supplemental to the Deed Poll.

The Manager will make an immediate announcement on SGX-ST upon any material alterations made to the terms of the Warrants.

**PART X (ADDITIONAL INFORMATION REQUIRED FOR OFFER OF SECURITIES
BY WAY OF RIGHTS ISSUE)**

Further issues	:	Subject to the terms and conditions of the Warrants as set out in the Deed Poll, the Manager shall be at liberty to issue Units to Unitholders either for cash or as a bonus distribution and further subscription rights upon such terms and conditions as the Manager sees fit but the Warrantholders shall not have any participating rights in such issues of Units by the Manager unless in the event of a takeover offer to acquire the Units.
Use of CPF funds	:	CPF unitholders may use their savings in the CPF Ordinary Account (subject to the availability of investable savings) for the payment of the Exercise Price upon exercise of the Warrants (in which case the New Units arising therefrom will be held through the CPF Investment Account). CPF unitholders are NOT permitted to use the CPF monies to: <ul style="list-style-type: none">(i) purchase the "nil-paid" rights traded on SGX-ST; and/or(ii) purchase the Warrants traded on SGX-ST (the listing thereof subject to there being a sufficient spread of holdings).
Warrant Agent	:	Boardroom Corporate & Advisory Services Pte. Ltd.
Governing law	:	Laws of the Republic of Singapore.

(b) the last day and time for splitting of the provisional allotment of the securities to be issued pursuant to the rights issue;

Not applicable as there are no Unit certificates.

(c) the last day and time for acceptance and payment for the securities to be issued pursuant to the rights issue;

25 May 2009 at 5.00 p.m (9.30 p.m. for Electronic Applications).

(d) the last day and time for renunciation of and payment by the renounce for the securities to be issued pursuant to the rights issue;

25 May 2009 at 5.00 p.m. (9.30 p.m. for Electronic Applications).

(e) the terms and conditions of the offer of securities to be issued pursuant to the rights issue;

On 18 March 2009, SGX-ST granted in-principle approval for the listing and quotation of the Rights Units, the Warrants and the New Units on SGX-ST, subject to, *inter alia*, the following conditions:

- (i) compliance with the SGX-ST's continuing listing requirements;

**PART X (ADDITIONAL INFORMATION REQUIRED FOR OFFER OF SECURITIES
BY WAY OF RIGHTS ISSUE)**

- (ii) Unitholders' approval being obtained in a general meeting to be convened for the Rights cum Warrants Issue;
- (iii) submission of confirmation from the Manager that it will comply with Rule 830 of the Listing Manual to announce any adjustment of the terms of the Warrants made pursuant to Rule (829)(1) of the Listing Manual;
- (iv) preference being given to the rounding of odd lots in the allotment of any excess Rights Units with Warrants and Directors and Substantial Unitholders to rank last in priority in the allotment of any excess Rights Units with Warrants;
- (v) submission of notification in Rule 864(4) of the Listing Manual, if applicable, upon any significant changes affecting the matter in the application;
- (vi) submission of confirmation from the Manager that upon completion of the Rights cum Warrants Issue, there is sufficient spread of holdings (at least 100 Warrantholders) prior to the listing of the Warrants, to provide for an orderly market in the Warrants as required by Rule 826 of the Listing Manual;
- (vii) submission of undertakings from the Manager to (i) make periodic announcements on the use of proceeds arising from the Rights cum Warrants Issue and the New Units as and when the fund are materially disbursed; and (ii) provide a status report on the use of the proceeds from the Rights cum Warrant Issue and the New Units in Saizen REIT's annual report;
- (viii) Unitholders' approval being obtained in a general meeting to be convened for the Placement Exercise; and
- (ix) submission of confirmation(s) from financial institutions that the Undertaking Unitholders and Placees have the necessary financial resources to subscribe for the portion of the Rights Units with Warrants that they have undertaken to subscribe under the Rights cum Warrants Issue and pursuant to the Letters of Undertaking.

Unitholders should note that the Approval-in-Principle is not to be taken as an indication of the merits of the Rights cum Warrants Issue or Saizen REIT. SGX-ST assumes no responsibility for the correctness of any of the statements made, reports contained or opinions expressed in this Offer Information Statement.

In addition, the Manager has also undertaken and confirmed with SGX-ST to:

- (i) make periodic announcements on the use of the Proceeds as and when the funds from the Rights cum Warrants Issue are materially disbursed;
- (ii) provide a status report on the use of the Proceeds in Saizen REIT's annual report for so long as the Proceeds remain unutilised;
- (iii) comply with Rule 830 of the Listing Manual to announce any adjustment of the terms of the Warrants made pursuant to Rule 829(1) of the Listing Manual; and
- (iv) give preference to the rounding of odd lots and ensure that the substantial Shareholders and Directors rank last in priority in the allotment of any excess Rights Shares with Warrants.

PART X (ADDITIONAL INFORMATION REQUIRED FOR OFFER OF SECURITIES BY WAY OF RIGHTS ISSUE)

The allotment and issue of the Rights Shares and Warrants are governed by the terms and conditions as set out in this Offer Information Statement, in particular, Appendices I to III to this Offer Information Statement and in the ARE and the ARS.

-
- (f) **the particulars of any undertaking from the Substantial Unitholders or substantial equity interest holders, as the case may be, of the relevant entity to subscribe for their entitlements; and**
-

The Undertaking Unitholders

The Manager has obtained irrevocable undertakings from the Undertaking Unitholders who, for the purposes of assisting the Manager in raising sufficient funds, has irrevocably undertaken to, *inter alia*:

- (a) vote or to procure votes in respect of all the Units held by them (directly or indirectly) respectively, in favour of the Rights cum Warrants Issue at the EGM;
- (b) subscribe or to procure to be subscribed in full, their respective Rights cum Warrants entitlements as set out in the table further below in this paragraph; and
- (c) subscribe and pay for the entirety of their purchase of the Maximum Number of Available Rights Units (as defined below in this paragraph), in the manner as further described below.

The Undertaking Unitholders in their sole capacity as Unitholders are prepared to subscribe for more than their respective direct or indirect entitlements to the Rights cum Warrants Issue entitlements and have therefore further irrevocably undertaken to make or give instructions to be made, excess applications for the Available Rights Units (in the case of ASM, such excess applications shall be made for and on behalf of ASMHRF and ASMAR(M)F). Such excess applications will be made by the Undertaking Unitholders for such number of Available Rights Units (the “**Undertaken Excess Applications**”) in the proportion of the maximum number of Available Rights Units attributable to the respective Undertaking Unitholder relative to the total number of the maximum number of Available Rights Units (the “**Maximum Number of Available Rights Units**”) as set out in the table below.

The Undertaking Placees

In a separate exercise to the above paragraph in relation to the Undertaking Unitholders, to ensure that sufficient funds are raised for Saizen REIT’s purposes, the Manager has recommended placing out Available Rights Units to non-Unitholders, in the event that insufficient funds are raised solely from the Rights cum Warrants Issue.

PART X (ADDITIONAL INFORMATION REQUIRED FOR OFFER OF SECURITIES BY WAY OF RIGHTS ISSUE)

The Manager has therefore obtained irrevocable undertakings from the Undertaking Placees to, inter alia, enter into respective Placement Agreements with the Manager as soon as practicable after the Approval-in-Principle is granted for the Rights cum Warrants Issue, and to subscribe for such number of Available Rights Units (as the Manager may require) and up to their respective Maximum Number of Available Rights Units, in the proportions as set out in the table below.

Name	Respective Portions of Rights cum Warrants Entitlement under the Irrevocable Undertakings (Units)	Maximum Number of Available Rights Units ¹² (to be taken up pursuant to the Undertaken Excess Applications) (Units)	Total (Units)
Directors and Existing Unitholders			
Arnold Ip Tin Chee ¹	1,914,271	Approximately 3,054,271	Approximately 4,968,542
Raymond Wong Kin Jeon ²	3,936,552	Approximately 22,562,334	Approximately 26,498,886
Chang Sean Pey ³	187,000	Approximately 144,236	Approximately 331,236
Existing Unitholders			
Yeh V-Nee ⁴	5,657,149	Approximately 10,904,655	Approximately 16,561,804
Richard Lo ⁵	1,877,280	Approximately 8,059,803	Approximately 9,937,083
Terry Fok Kwong Hang ⁶	847,307	Approximately 15,714,497	Approximately 16,561,804
ASM (as investment manager of ASMHRF and ASMAR(M)F) ⁷	57,179,687	Approximately 188,763,105	Approximately 245,942,792
HC Capital Limited ⁸	3,270,608	Approximately 29,853,000	Approximately 33,123,608
Pioneer Industries (Holdings) Limited ⁹	6,559,892	Approximately 20,767,085	Approximately 27,326,977
Sub –Total	81,429,746	Approximately 299,822,986	Approximately 381,252,733
Non-Unitholders			
Amherst Holdings Limited ¹⁰	–	Approximately 82,809,021	Approximately 82,809,021
Equal Chances Limited ¹¹	–	Approximately 33,123,608	Approximately 33,123,608
Sub – Total	–	Approximately 115,932,629	Approximately 115,932,629
Grand Total of Rights cum Warrants Entitlement	81,429,746	Approximately 415,755,615	Approximately 497,185,362¹³

**PART X (ADDITIONAL INFORMATION REQUIRED FOR OFFER OF SECURITIES
BY WAY OF RIGHTS ISSUE)**

Name	Respective Portions of Rights cum Warrants Entitlement under the Irrevocable Undertakings (Units)	Maximum Number of Available Rights Units ¹² (to be taken up pursuant to the Undertaken Excess Applications) (Units)	Total (Units)
Directors and Existing Unitholders			
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Sub –Total	81,429,746	Approximately 299,822,986	Approximately 381,252,733
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Amherst Holdings Limited ¹⁰	–	Approximately 82,809,021	Approximately 82,809,021
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Sub – Total	–	Approximately 115,932,629	Approximately 115,932,629
Grand Total of Rights cum Warrants Entitlement	81,429,746	Approximately 415,755,615	Approximately 497,185,362¹³

Notes:

- (1) Arnold Ip Tin Chee is the chairman of the Manager. His entitlements are calculated pursuant to his indirect interests which are derived through the entitlements to be renounced or transferred by the Manager to Mr. Ip or his dedicated Depository Agent, and his interests in Greenery Limited and Starich Resources Limited, both of which are 80% indirectly owned by a trust namely The General Trust Company Limited, of which Arnold Ip Tin Chee is one of the beneficiaries.

PART X (ADDITIONAL INFORMATION REQUIRED FOR OFFER OF SECURITIES BY WAY OF RIGHTS ISSUE)

- (2) Raymond Wong Kin Jeon is a director of the Manager. His entitlements are calculated pursuant to his indirect interests which are derived through his nominees namely HSBC (Singapore) Nominees Pte. Ltd. and Citibank Nominees Singapore Pte. Ltd, his interests in Beagle Capital Limited (“**Beagle**”), interests in Saizen REIT held by his spouse, as well as the entitlements to be renounced or transferred by the Manager to Mr. Wong or his dedicated Depository Agent. As Raymond Wong Kin Jeon has a controlling interest in Beagle, he is deemed to be interested in the Units held by Beagle. As at the Latest Practicable Date, Raymond Wong Kin Jeon holds 50% of the shareholdings of Beagle which holds 2,008,350 Units (which includes Units purchased subsequent to the Announcement), representing 0.44% of Saizen REIT.
- (3) Chang Sean Pey is the chief executive officer of the Manager. His entitlements are calculated pursuant to his direct interests.
- (4) Yeh V-Nee’s entitlements are calculated pursuant to his indirect interests which are derived through his nominees, namely HSBC (Singapore) Nominees Pte. Ltd., and the entitlements to be renounced or transferred by the Manager to Mr. Yeh or his dedicated Depository Agent.
- (5) Richard Lo is a director of the Asset Manager. His entitlements are calculated pursuant to his indirect interests which are derived through his interests in Ardian International Limited (“**Ardian International**”), Ardian Holdings Limited (“**Ardian Holdings**”), as well as the entitlements to be renounced or transferred by the Manager to Mr. Lo or his dedicated Depository Agent. As at the Latest Practicable Date, Richard Lo holds 50% and 100% in Ardian International and Ardian Holdings respectively. Ardian International and Ardian Holdings respectively owned 1,027,614 Units and 381,000 Units representing 0.23% and 0.08% of Saizen REIT. As Mr. Lo has the controlling interests in Ardian International and Ardian Holdings, he is deemed to be interested in the Units held by Ardian International and Ardian Holdings.
- (6) Terry Fok Kwong Hang’s entitlements are calculated pursuant to his direct interests.
- (7) ASM is the investment manager of ASMHRF and ASMAR(M)F. ASM specialises in special situations investments and has assets under management of approximately US\$787 million as at 31 December 2008. Its entitlements are calculated pursuant to ASMHRF and ASMAR(M)F’s interests in Saizen REIT held through their nominee, namely HSBC (Singapore) Nominees Pte. Ltd.
- (8) HC Capital Limited’s entitlements are calculated pursuant to its interests held through its nominees, namely HSBC (Singapore) Limited and BNP Paribas Noms S’pore PL 8270817. HC Capital is an indirect wholly-owned subsidiary of Hsin Chong International Holdings Limited (“**HCIH**”), a company incorporated in Bermuda which is an investment holding company. Mr. Yeh V-Nee is one of the beneficiaries of GHY HK Trust (“**GHYHK Trust**”). GHYHK Trust is a discretionary trust which owns not more than 20% of HCIH.
- (9) Pioneer Industries (Holdings) Limited is a subsidiary of Pioneer Global Group Limited, which is listed on the Stock Exchange of Hong Kong. Its entitlements are calculated pursuant to its interests in Saizen REIT held through its nominee, UOB Kay Hian Pte Ltd.
- (10) Amherst Holdings Limited is a private investment company incorporated in the British Virgin Islands and is wholly-owned by Mr. James Chen Yue Jia.
- (11) Equal Chances Limited is a private investment company incorporated in the British Virgin Islands and is wholly-owned by Mr. Lim Hong Seh. Equal Chances Limited has invested in public equities, private equities and real estates.
- (12) Please refer to the section of this paragraph titled “*Maximum Number of Available Rights Units*” below for further details on how the maximum number of Available Rights Units were derived.
- (13) The discrepancy in the approximate total is due to rounding.

Maximum Number of Available Rights Units

The basis of the number of Maximum Number of Available Rights Units is determined on an arbitrary basis, which is based on: (i) each of the Undertaking Unitholders’ further commitment to the Rights cum Warrants Issue apart from subscribing for their own entitlements; and (ii) each of the Undertaking Placees’ commitment to the Rights cum Warrants Issue.

PART X (ADDITIONAL INFORMATION REQUIRED FOR OFFER OF SECURITIES BY WAY OF RIGHTS ISSUE)

The Commitment and Introduction Fees and Escrow Costs

In consideration of the irrevocable undertakings as described in the sections of this paragraph titled “The Undertaking Unitholders” and “The Undertaking Placees” above (the “**Irrevocable Undertakings**”), the Undertaking Unitholders and the Undertaking Placees shall be entitled to receive a fee of 7% (the “**Commitment Fee**”) of the value of the Maximum Number of Available Rights Units (as set out beside their names in the table above), determined by multiplying such Maximum Number of Available Rights Units by the price per Rights Unit. The Commitment Fee is being paid only in relation to the excess applications that the Undertaking Unitholders and the Undertaking Placees have undertaken to make pursuant to the Irrevocable Undertakings.

The amount of Commitment Fee payable to the Undertaking Unitholders is 7% of the sum of 299,822,986 Units multiplied by the Issue Price. The Commitment Fee payable to the Undertaking Unitholders is therefore approximately S\$1.89 million. Out of this sum of S\$1.89 million, approximately S\$162,293 is being paid to Arnold Ip Tin Chee, Raymond Wong Kin Jeon and Chang Sean Pey, who are Undertaking Unitholders as well as Directors of the Manager.

The amount of Commitment Fee payable to the Undertaking Placees is 7% of the sum of 115,932,629 Units multiplied by the Issue Price. The Commitment Fee payable to the Undertaking Placees is therefore approximately S\$730,375.

In addition, ASM shall be entitled to an introduction fee of S\$565,732 (the “**Introduction Fee**”) for introducing and assisting in forming the group of Undertaking Unitholders and Undertaking Placees.

Prior to obtaining the Irrevocable Undertakings and agreeing to the Commitment Fee and Introduction Fee, the Manager has considered other alternatives involving financial institutions and underwriters but due to the continuing difficult market conditions, it was unable to obtain any underwriting commitment for the Rights cum Warrants Issue.

When considering the payment of the Commitment Fee and Introduction Fee, the Manager took into consideration the following:

- (a) the Irrevocable Undertakings ensure the success of the Rights cum Warrants Issue given the difficulties in securing underwriting commitment as described above, and will enable Saizen REIT to raise gross proceeds of S\$44.7 million which is critical to Saizen REIT’s overall refinancing and loan repayment plans;
- (b) the Irrevocable Undertakings are firm and are not subject to force majeure and other provisions which allow a typical underwriter to terminate its underwriting obligations. This is important to Saizen REIT especially in the midst of the current uncertain market environment; and
- (c) the Commitment Fee and Introduction Fee (which is only relevant for ASM) took into account the Undertaking Unitholders’ and Undertaking Placees’ opportunity costs of having to set aside funds for the subscription of the Units for a relatively lengthy period of time, especially in the current uncertain market environment.

The Irrevocable Undertakings are subject to, inter alia, the Whitewash Waiver having been granted by the SIC, the Whitewash Resolution having been passed by the Independent Unitholders by way of poll at the EGM and the payment of the Commitment Fee and Introduction Fee. The SIC had on 13 February 2009, granted to the ASML Group the Whitewash Waiver subject to the satisfaction of certain conditions.

**PART X (ADDITIONAL INFORMATION REQUIRED FOR OFFER OF SECURITIES
BY WAY OF RIGHTS ISSUE)**

The Undertaking Unitholders (with the exception of ASM as the investment manager of ASMHRF and ASMAR(M)F, HC Capital Limited and Yeh V-Nee) and Undertaking Placees have entered into escrow arrangements with the Manager and The Hongkong and Shanghai Banking Corporation Limited (the “**Escrow Agent**”), pursuant to which the Undertaking Unitholders (with the exception of ASM as the investment manager of ASMHRF and ASMAR(M)F, HC Capital Limited and Yeh V-Nee) and Undertaking Placees have deposited the required subscription amounts to enable them to subscribe for the portion of the Rights Units with Warrants that they have undertaken to subscribe under the Rights cum Warrants Issue and pursuant to the Letters of Undertaking, into escrow accounts maintained with the Escrow Agent. The costs of these escrow arrangements (the “**Escrow Costs**”) shall be borne by Saizen REIT.

Pursuant to the escrow arrangements as described above, the Manager has received letters from the Escrow Agent confirming that the Undertaking Unitholders (with the exception of ASM as the investment manager of ASMHRF and ASMAR(M)F, HC Capital Limited and Yeh V-Nee) and Undertaking Placees respectively have deposited with the Escrow Agent pursuant to the escrow arrangements the required subscription amounts in relation to the portion of the Rights Units with Warrants that they have respectively undertaken to subscribe under the Rights cum Warrants Issue and pursuant to the respective Letters of Undertaking.

ASM, HC Capital Limited and Yeh V-Nee

The Manager has received letters from independent third party financial institutions confirming that ASM as the investment manager of ASMHRF and ASMAR(M)F, HC Capital Limited and Yeh V-Nee have the required subscription amount to subscribe for the portion of the Rights Units with Warrants that they have undertaken to subscribe under the Letters of Undertaking in relation to the Rights cum Warrants Issue.

**PART X (ADDITIONAL INFORMATION REQUIRED FOR OFFER OF SECURITIES
BY WAY OF RIGHTS ISSUE)**

Dilution effect of the Rights cum Warrants Issue

Based on the effective interests of the ASML Group, Directors of the Manager, and Substantial Unitholders as at the Latest Practicable Date, the dilution effects of the Rights cum Warrants Issue on the Unitholdings of Undertaking Unitholders, Undertaking Placees and the remaining Unitholders in the Maximum Subscription Scenario are set out below:

Unitholders	As at the Latest Practicable Date		After Rights Units with Warrants are issued (before exercise of any Warrants entitlements and assuming that only the Undertaking Unitholders and Undertaking Placees have taken up their entitlements and the Undertaken Excess Applications under the Irrevocable Undertakings and none of the other Unitholders take up their Rights Units with Warrants)		After Rights Units with Warrants are issued (after exercise of Warrants entitlements and assuming that only the Undertaking Unitholders and Undertaking Placees have exercised their Warrants entitlements obtained under the Irrevocable Undertakings and none of the other Unitholders exercise their Warrants entitlements)		After Rights Units with Warrants are issued (after exercise of Warrants entitlements and assuming that only the ASML Group and parties acting in concert with them have exercised their Warrants entitlements and none of the other Unitholders exercise their Warrants entitlements)	
	Units	%	Units	%	Units	%	Units	%
ASML Group:	51,981,536	11.50	297,924,329	31.39	543,867,122	37.60	543,867,122	44.81
ASM (as investment manager of ASMHRF and ASMAR(M)F) ⁽¹⁾								
Argyle Street Management Holdings Limited ("ASMHL") ⁽²⁾	–	–	–	–	–	–	–	–
ASMARF(3)	–	–	–	–	–	–	–	–
Central-Top Properties Limited	–	–	–	–	–	–	–	–
Japan Opportunities Fund Limited	–	–	–	–	–	–	–	–
Kin Chan ⁽⁴⁾	–	–	–	–	–	–	–	–
Seow Shu Ping Jo-Ann (spouse of Kin Chan)	745,695	0.16	745,695	0.08	745,695	0.05	2,386,224	0.20
Li Yick Yee, Angie	152,835	0.03	152,835	0.02	152,835	0.01	489,072	0.04
Yeh V-Nee ⁽⁵⁾	5,133,785	1.14	21,695,589	2.29	38,257,393	2.65	38,257,393	3.15
Directors:								
Arnold Ip Tin Chee ⁽⁶⁾	1,699,446	0.37	6,667,988	0.70	11,636,530	0.80	6,667,988	0.55
Raymond Wong Kin Jeon ⁽⁷⁾	4,526,341	1.00	31,025,227	3.27	57,524,113	3.98	31,025,227	2.56
Chang Sean Pey ⁽⁸⁾	220,000	0.05	551,236	0.06	882,472	0.06	551,236	0.05
Soh Yew Hock	–	–	–	–	–	–	–	–
Dennis Lam Siu Sun	188,000	0.04	188,000	0.02	188,000	0.01	188,000	0.01
Harold Sun Dai Hoe	–	–	–	–	–	–	–	–

**PART X (ADDITIONAL INFORMATION REQUIRED FOR OFFER OF SECURITIES
BY WAY OF RIGHTS ISSUE)**

Unitholders	As at the Latest Practicable Date		After Rights Units with Warrants are issued (before exercise of any Warrants entitlements and assuming that only the Undertaking Unitholders and Undertaking Placees have taken up their entitlements and the Undertaken Excess Applications under the Irrevocable Undertakings and none of the other Unitholders take up their Rights Units with Warrants)		After Rights Units with Warrants are issued (after exercise of Warrants entitlements and assuming that only the Undertaking Unitholders and Undertaking Placees have exercised their Warrants entitlements obtained under the Irrevocable Undertakings and none of the other Unitholders exercise their Warrants entitlements)		After Rights Units with Warrants are issued (after exercise of Warrants entitlements and assuming that only the ASML Group and parties acting in concert with them have exercised their Warrants entitlements and none of the other Unitholders exercise their Warrants entitlements)	
	Units	%	Units	%	Units	%	Units	%
Substantial Unitholder:								
Cube Capital Limited	27,178,008	6.01	27,178,008	2.86	27,178,008	1.88	27,178,008	2.24
Undertaking Placees:								
Amherst Holdings Limited ⁽⁹⁾	–	–	82,809,021	8.72	165,618,042	11.45	82,809,021	6.82
Equal Chances Limited	–	–	33,123,608	3.49	66,247,216	4.58	33,123,608	2.73
Other Unitholders:								
Pioneer Industries (Holdings) Limited	5,963,538	1.32	33,290,515	3.51	60,617,492	4.20	33,290,515	2.74
HC Capital Limited	2,973,280	0.66	36,096,888	3.80	69,220,496	4.79	36,096,888	2.97
Richard Lo	1,691,318	0.37	11,628,401	1.23	21,565,484	1.49	11,628,401	0.96
Terry Fok Kwong Hang	770,279	0.17	17,332,083	1.83	33,893,887	2.34	17,332,083	1.43
Public	348,762,632	77.16	348,762,632	36.74	348,762,632	24.11	348,762,632	28.74
Total	451,986,693	100.00	949,172,055	100.00	1,446,357,417	100.00	1,213,653,418	100.00

Notes:

- (1) ASM does not hold any direct interests in Saizen REIT. ASM is however the beneficial owner of more than 20% of the voting shares of ASMHRF and more than 20% of the voting shares of ASMARF. Accordingly, pursuant to the Companies Act, ASM is deemed to be interested in the 13,217,309 Units owned by ASMHRF and the 38,764,227 Units owned by ASMAR(M)F (Please refer to the footnote 7 of the above table under paragraph headed "The Undertaking Placees") for further details on ASM's Unitholding interests).
- (2) ASMHL does not hold any direct interests in Saizen REIT. ASMHL is however the beneficial holder of more than 50% of the voting shares of ASM. Pursuant to the Companies Act, ASMHL is deemed to be interested in the 51,981,536 Units which ASM is deemed to be interested in.
- (3) ASMARF does not hold any direct interests in Saizen REIT. ASMARF is however the beneficial holder of more than 50% of the issued share capital of ASMAR(M)F. Pursuant to the Companies Act, ASMARF is deemed to be interested in the 38,764,227 Units owned by ASMAR(M)F.
- (4) Kin Chan does not hold any direct interests in Saizen REIT. Kin Chan is however the beneficial holder of more than 20% of the issued share capital of ASMHL. Pursuant to the Companies Act, Kin Chan is deemed to be interested in the 51,981,536 Units which ASMHL is deemed to be interested in. See note 2 above for further details on ASMHL's Unitholding interests. Kin Chan is also deemed interested in the 745,695 Units owned by his spouse, Seow Shu Ping Jo-Ann.

PART X (ADDITIONAL INFORMATION REQUIRED FOR OFFER OF SECURITIES BY WAY OF RIGHTS ISSUE)

- (5) Yeh V-Nee is the beneficial holder of more than 20% of the issue share capital of ASMHL. Pursuant to the Companies Act, Yeh V-Nee is deemed to be interested in the 51,981,536 Units which ASMHL is deemed interested in. See note 2 above for further details on ASMHL's Unitholding interests. The 5,133,785 Units stated herein include the 4,966,047 Units held by his nominee, HSBC (Singapore) Nominees Pte. Ltd. for Yeh V-Nee and the rights entitlements to be renounced or transferred by the Manager to Mr. Yeh or his dedicated Depository Agent.
- (6) See footnote 1 of the above table under paragraph headed "The Undertaking Placees" for details.
- (7) Subsequent to the Announcement, Beagle Capital Limited ("**Beagle**") and Raymond Wong Kin Jeon's spouse have purchased an aggregate of 960,000 Units, representing 0.21% of Existing Units. Raymond Wong Kin Jeon therefore has interests in a total of 4,526,341 Units, representing 1.00% of Existing Units as at the Latest Practicable Date, including the entitlements to be renounced or transferred by the Manager to Mr. Wong or his dedicated Depository Agent. Nevertheless, pursuant to the irrevocable undertaking given by Raymond Wong Kin Jeon in relation to the Rights cum Warrants Issue, Raymond Wong Kin Jeon is only obliged to subscribe for his own entitlement as at the date of the undertaking letter of 3,936,553 Units and up to 22,562,334 Available Rights Units.
- (8) Subsequent to the Announcement, Chang Sean Pey has purchased an aggregate of 50,000 Units, representing 0.01% of Existing Units. Chang Sean Pey therefore has interests in a total of 220,000 Units, representing 0.05% of Existing Units as at the Latest Practicable Date. Nevertheless, pursuant to the irrevocable undertaking given by Chang Sean Pey in relation to the Rights cum Warrants Issue, Chang Sean Pey is only obliged to subscribe for his own entitlement as at the date of the undertaking letter of 187,000 Units and up to 144,236 Available Rights Units.
- (9) Under the scenarios presented in this paragraph 6, Amherst Holdings Limited will become a substantial Unitholder pursuant to the Rights cum Warrants Issue, but for ease of reference, it has only been included under the heading of Undertaking Placees.

(g) if the rights issue is or will not be underwritten, the reason for not underwriting the issue.

In view of the prevailing market conditions, the difficulties in securing underwriting commitments from financial institutions and the Irrevocable Undertakings which will ensure that Saizen REIT is able to raise S\$44.75 million, the Manager has decided to proceed with the Rights cum Warrants Issue on a non-underwritten basis.

Prior to obtaining the Irrevocable Undertakings and agreeing to the Commitment Fee and Introduction Fee, the Manager has considered other alternatives involving financial institutions and underwriters but due to the current difficult market conditions, was unable to obtain any underwriting commitment for the Rights cum Warrants Issue.

**ADDITIONAL DISCLOSURE REQUIREMENTS FOR RIGHTS ISSUES UNDER
APPENDIX 8A OF THE LISTING MANUAL**

Working Capital

Provide a review of the working capital for the last financial year and the latest half year, if applicable.

The total current assets, total current liabilities and working capital of Saizen REIT for the last financial year and for the period ended 31 December 2008 are as follows:

(JPY'000)	Audited As at 30 June 2008	Unaudited As at 31 December 2008
Total current assets	2,589,065	977,018
Total current liabilities	268,546	191,330
Working capital	2,320,519	785,688

The total current assets, total current liabilities and working capital of the Group for the last financial year and the period ended 31 December 2008 are as follows:

(JPY'000)	Audited As at 30 June 2008	Unaudited As at 31 December 2008
Total current assets	8,396,348	8,842,143
Total current liabilities	6,945,639	20,070,600
Working capital	1,450,709	(11,228,457)

As at 31 December 2008, the Group is at a net liability of approximately JPY11.2 billion (S\$178.6 million), of which the CMBS Loans falling due within one year amounted to approximately JPY18.6 billion (S\$296.7 million). With the proceeds from the Rights cum Warrants Issue, short term bridging facilities and the stable operational cash flow conserved, Saizen REIT can fully repay five out of the six CMBS Loans outstanding, thereby unencumbering about JPY21.32 billion (S\$340.0 million) worth of property assets from the CMBS Loans. The remaining CMBS Loans relating to YK Shintoku is non-recourse in nature and is not cross-collateralised against any other assets within Saizen REIT, and even in the worst case scenario of a default, approximately 88.7% of the Rights Adjusted NAV of Saizen REIT will not be affected. The Rights cum Warrants Issue is therefore important in protecting a substantial portion of the value of Saizen REIT.

Convertible Securities

- (i) Where the rights issue or bought deal involves an issue of convertible securities, such as company warrants or convertible debt, the information in Rule 832.**
- (ii) Where the rights issue or bought deal is underwritten and the exercise or conversion price is based on a price-fixing formula, to state that the exercise or conversion price must be fixed and announced before trading of nil-paid rights commences.**

ADDITIONAL DISCLOSURE REQUIREMENTS FOR RIGHTS ISSUES UNDER APPENDIX 8A OF THE LISTING MANUAL

- (i) Information required under Rule 832 of the Listing Manual:
- (1) *The maximum number of the underlying securities which would be issued or transferred on exercise or conversion of Saizen REIT warrants or other convertible securities*
 - (2) *The period during which Saizen REIT warrants or other convertible securities may be exercised and the dates when this right commences and expires*
 - (3) *The amount payable on the exercise of Saizen REIT warrants or other convertible securities*
 - (4) *The arrangements for transfer or transmission of Saizen REIT warrants or other convertible securities*
 - (5) *The rights of the holders on the liquidation of the issuer*
 - (6) *The arrangements for the variation in the subscription or purchase price and in the number of company warrants or other convertible securities in the event of alterations to the Unit capital of the issuer*
 - (7) *The rights (if any) of the holders to participate in any distributions and/or offers of further securities made by the issuer*
 - (8) *A summary of any other material terms of Saizen REIT warrants or other convertible securities*

For further information in relation to the disclosures required under Rules 832(1) – (8) of the Listing Manual, please refer to “Principal Terms of the Warrants” under paragraph 1 of Part X of this Offer Information Statement.

- (9) *The purpose for and use of proceeds of the issue, including the use of future proceeds arising from the conversion/exercise of Saizen REIT warrants or other convertible securities*

The Manager proposes to undertake the Rights cum Warrants Issue to raise proceeds and strengthen the capital base of Saizen REIT.

The Manager intends to utilise the net Rights Proceeds of S\$41.1 million and the Warrant Proceeds of S\$44.7 million (assuming all of the Warrants are exercised in full) for the repayment of part of the CMBS Loans. Details are set out in Part IV, paragraph 7 of this Offer Information Statement.

In the event where there is excess from the Proceeds after all CMBS loans have been repaid, such excess amounts shall be utilized for working capital or distributed to Unitholders as dividends as the Manager may, in its absolute discretion, deem appropriate, and to the extent permissible.

- (10) *Financial Effects of the Rights cum Warrants Issue*

Assuming that the Rights cum Warrants Issue is fully subscribed and the Rights cum Warrants Issue had been completed on 5 June 2009 (unless otherwise stated), based on the latest unaudited financial statements and consolidated financial statements of Saizen REIT and the Group respectively, for the period ended 31 December 2008, the financial effects of the Rights cum Warrants Issue on Saizen REIT and the Group are set out below.

ADDITIONAL DISCLOSURE REQUIREMENTS FOR RIGHTS ISSUES UNDER APPENDIX 8A OF THE LISTING MANUAL

The pro forma financial effects of the Rights cum Warrants Issue on the Existing Units, the pro forma distribution per Unit (“DPU”), the pro forma net asset value (“NAV”) per Unit, the pro forma capitalisation and aggregate leverage of the Group presented below are strictly for illustrative purposes only and does not purport to be indicative or a projection of the results and financial position of Saizen REIT and the Group immediately after the completion of the Rights cum Warrants Issue.

The following pro forma financial effects of the Rights cum Warrants Issue were prepared based on the Group FY2008 Audited Financial Statements and the Group 2QFY2009 Unaudited Financial Statements as well as certain assumptions, including but not limited to, the followings (the “Assumptions”):

- (i) the Rights cum Warrants Issue is fully subscribed and the Rights Units and New Units were fully allotted and issued;
- (ii) net proceeds of approximately S\$41.1 million were raised under the Rights cum Warrants Issue (before the exercise of Warrants), being the gross proceeds of approximately S\$44.7 million less the estimated expenses of the Rights cum Warrants Issue of about S\$3.6 million; and
- (iii) net proceeds of approximately S\$44.7 million were raised upon full exercise of the Warrants, with no additional expense.

The effects of the Rights cum Warrants Issue on the Existing Units

The effects of the Rights cum Warrants Issue, assuming full exercise of the Warrants, on the Existing Units are as follows:

	No. of Units
Existing Units before the Rights cum Warrants Issue	451,986,693
Add: Rights Units to be issued	497,185,362
Enlarged total number of Units issued after the Rights cum Warrants Issue, but before exercise of the Warrants	949,172,055
Add: New Units after all Warrants issued were exercised ⁽¹⁾	497,185,362
Enlarged total number of Units issued after the Rights cum Warrants Issue and exercise of all Warrants	1,446,357,417

Note:

- (1) Assuming that there are no adjustments to the number of Warrants and that all Warrants issued were exercised.

**ADDITIONAL DISCLOSURE REQUIREMENTS FOR RIGHTS ISSUES UNDER
APPENDIX 8A OF THE LISTING MANUAL**

Pro forma DPU

In addition to the Assumptions, the following pro forma financial effects on the DPU for FY2008 are prepared based on the Group FY2008 Audited Financial Statements taking into account and assuming that: (i) the S\$/JPY exchange rate was 80.5 as at 1 July 2007; and (ii) the Rights cum Warrants Issue was completed on 1 July 2007:

	As at 30 June 2008		
	Audited	Adjusted for the effects of the Rights Units only	Adjusted for the effects of the Rights Units and New Units
Distributable income (JPY'000)	1,697,164	1,800,510 ⁽¹⁾	1,912,911 ⁽²⁾
Units in issue ('000)	451,149	948,334 ⁽³⁾	1,445,520 ⁽⁴⁾
DPU (JPY)	3.76	1.90	1.32
DPU (Singapore cents) ⁽⁵⁾	4.90	2.48	1.72

Notes:

- (1) Rights Proceeds of approximately S\$41.1 million were used to repay JPY 3.31 billion borrowings with an average interest cost of 3.12% per annum on 1 July 2007 and resulted in interest savings of approximately S\$1.28 million or approximately JPY103.35 million.
- (2) The Proceeds of approximately S\$85.8 million were used to repay JPY 6.91 billion borrowings with an average interest cost of 3.12% per annum on 1 July 2007 and resulted in interest savings of approximately S\$2.68 million or approximately JPY215.75 million.
- (3) 497,185,362 Rights Units were issued upon completion of the Rights cum Warrants Issue (before the exercise of any Warrants).
- (4) 497,185,362 Rights Units were issued upon completion of the Rights cum Warrants Issue and 497,185,362 New Units were issued upon full exercise of Warrants.
- (5) Based on S\$/JPY average exchange rate of 76.7 between 1 July 2007 and 30 June 2008.

The pro forma financial effect on the DPU for 2QFY2009 has not been shown as there is no distribution for 2QFY2009.

ADDITIONAL DISCLOSURE REQUIREMENTS FOR RIGHTS ISSUES UNDER APPENDIX 8A OF THE LISTING MANUAL

Pro forma NAV

In addition to the Assumptions, the following pro forma financial effects on the NAV per Unit as at 31 December 2008 are prepared based on the Group 2QFY2009 Unaudited Financial Statements taking in account and assuming that: (i) the S\$/JPY exchange rate was 62.7 as at 31 December 2008; and (ii) the Rights cum Warrants Issue was completed on 31 December 2008:

	As at 31 December 2008		
	Unaudited	Adjusted for the effects of the Rights Units only	Adjusted for the effects of the Rights Units and the New Units
NAV (JPY'000)	29,397,102	31,964,038 ⁽¹⁾	34,755,560 ⁽²⁾
Units in issue as at 31 December 2008 ('000)	451,987	949,172	1,446,357
NAV per Unit (JPY)	65.04	33.68	24.03
NAV per Unit (S\$) ⁽³⁾	1.04	0.54	0.38

Notes:

- (1) Rights Proceeds of approximately S\$41.1 million were used to repay JPY 2.58 billion borrowings on 31 December 2008 and unamortized borrowing transaction costs of approximately JPY 12.96 million were written off.
- (2) The Proceeds and New Units of approximately S\$85.8 million were used to repay JPY 5.39 billion borrowings on 31 December 2008 and unamortized borrowing transaction costs of approximately JPY27.06 million were written off.
- (3) Based on S\$/JPY exchange rate of 62.7 as at 31 December 2008.

Pro forma capitalisation

In addition to the Assumptions, the pro forma capitalisation of the Group as at 31 December 2008 taking into account and assuming that (i) the S\$/JPY exchange rate was 62.7 as at 31 December 2008; (ii) the Rights cum Warrants Issue was completed on 31 December 2008 and (iii) certain borrowings were repaid on 31 December 2008, is as follows:

	As at 31 December 2008		
	Unaudited (JPY'000)	Adjusted for the effects of the Rights Units only (JPY'000)	Adjusted for the effects of the Rights Units and the New Units (JPY'000)
Secured borrowing:⁽¹⁾			
Short-term	18,582,916	16,015,980	13,224,458
Long-term	8,051,389	8,051,389	8,051,389
Total debt:	26,634,305	24,067,369	21,275,847
Net assets attributable to Unitholders	29,397,102	32,189,758	34,981,280
Expenses relating to the Rights Issue	–	(225,720)	(225,720)
Total net assets attributable to Unitholders	29,397,102	31,964,038	34,755,560
Total Capitalisation	56,031,407	56,031,407	56,031,407

Note:

- (1) Balance includes unamortized borrowing transaction cost.

ADDITIONAL DISCLOSURE REQUIREMENTS FOR RIGHTS ISSUES UNDER APPENDIX 8A OF THE LISTING MANUAL

Aggregate leverage

In addition to the Assumptions, the following pro forma financial effects on the aggregate leverage are prepared based on the Group 2QFY2009 Unaudited Financial Statements taking into account and assuming that: (i) the S\$/JPY exchange rate was 62.7 as at 31 December 2008; and (ii) the Rights cum Warrants Issue was completed on 31 December 2008.

As at 31 December 2008

	Unaudited (JPY'000)	Before the Rights cum Warrants Issue ⁽¹⁾ (JPY'000)	Adjusted for the effects of the Rights Units only ⁽³⁾ (JPY'000)	Adjusted for the effects of the Rights Units and the New Units ⁽⁴⁾ (JPY'000)
Total interest-bearing loans ⁽²⁾	26,887,751	22,971,751	20,391,854	17,586,237
Total assets	57,992,381	54,076,381	54,076,381	54,076,381
Aggregate leverage (%)	46.36	42.48	37.71	32.52

Notes:

- (1) Adjusted for the repayment of loan amounting to JPY3,916 million in January 2009 using internal cash resources.
- (2) Balance adding back unamortized borrowing transaction cost capitalized.
- (3) Rights Proceeds of approximately S\$41.1 million were used to repay JPY 2.58 billion borrowings on 31 December 2008.
- (4) The Proceeds and New Units of approximately S\$85.8 million were used to repay JPY 5.39 billion borrowings on 31 December 2008.

The Manager is of the view that the Rights cum Warrants Issue will strengthen the balance sheet of the Group by reducing its aggregate leverage, which in turn could further strengthen the Group's credit profile and enhance its ability to secure or negotiate debt facilities in the future.

A statement by the issue manager that, to the best of its knowledge and belief, the document constitutes full and true disclosure of all material facts about the issue, the issuer and its subsidiaries, and that the Sponsor is not aware of any facts the omission of which would make any statement in the document misleading; and where the document contains a profit forecast, that it is satisfied that the profit forecast has been stated by the directors after reasonable enquiry.

Not applicable as there is no issue manager for the Rights cum Warrants Issue.

APPENDIX I – PROCEDURES FOR ACCEPTANCE, PAYMENT AND EXCESS APPLICATION BY ENTITLED UNITHOLDERS

Introduction

Entitled Unitholders are entitled to receive this Offer Information Statement and the ARE which forms part of this Offer Information Statement.

The provisional allotments of Rights Units with Warrants are governed by the terms and conditions of this Offer Information Statement and the enclosed ARE. The number of Rights Units with Warrants provisionally allotted to each Entitled Unitholders is indicated in the ARE (fractional entitlements to a Rights Unit with Warrant (if any) having been disregarded). The Securities Accounts of Entitled Unitholders have been credited by CDP with provisional allotments of Rights Units with Warrants as indicated in the ARE. Entitled Unitholders may accept their provisional allotments of Rights Units with Warrants in whole or in part. Full instructions for the acceptance of and payment for the provisional allotments of Rights Units with Warrants are set out in the Offer Information Statement as well as the ARE and the ARS.

If an Entitled Unitholders wishes to accept his provisional allotment of Rights Units with Warrants specified in the ARE, in full or in part, and (if applicable) apply for excess Rights Units with Warrants in addition to the Rights Units with Warrants he has been provisionally allotted, he may do so by completing the relevant portions of the ARE or by way of an Electronic Application. An Entitled Unitholders should ensure that the ARE is accurately and correctly completed, failing which the acceptance of the provisional allotment of Rights Units with Warrants and (if applicable) application for excess Rights Units with Warrants may be rejected.

Unitholders who participated in the CPF investment scheme (collectively, the “**IS Unitholders**”) may use, subject to applicable CPF rules and regulations, monies standing to the credit of their respective CPF Investment Accounts (the “**CPF Funds**”) for the payment of the Issue Price to subscribe for the Rights Units with Warrants and (if applicable) apply for excess Rights Units with Warrants. IS Unitholders who wish to accept their provisional allotments of Rights Units with Warrants and (if applicable) apply for excess Rights Units with Warrants using CPF Funds will need to instruct their respective approved banks, where such IS Unitholders hold their CPF Investment Accounts, to accept the provisional allotment of Rights Units with Warrants and (if applicable) apply for the excess Rights Units with Warrants on their behalf in accordance with this Offer Information Statement. CPF Funds may not, however, be used for the purchase of the provisional allotments of Rights Units with Warrants directly from the market.

With regard to any application which does not conform strictly to the instructions set out under this Offer Information Statement, the ARE, the ARS, and/or any other application form for the Right Units with Warrants in relation to the Rights cum Warrants Issue or which does not comply with the instructions for Electronic Application, or where the “Free Balance” of the Entitled Depositor’s Securities Account is not credited with or is credited with less than the relevant number of Rights Units accepted as at the last date and time for acceptance of and application and payment for Rights Units and/or excess Rights Units, or with the terms and conditions of this Offer Information Statement, or in the case of an application by the ARE, the ARS, and/or any other application form for the Rights Units with Warrants in relation to the Rights cum Warrants Issue which is illegible, incomplete, incorrectly completed or which is accompanied by an improperly or insufficiently drawn remittance, the Manager and CDP may, at its absolute discretion, reject or treat as invalid any such application or present for payment or other processes all remittances at any time after receipt in such manner as it may deem fit.

The Manager and CDP shall be entitled to process each application submitted for the acceptance of Rights Units with Warrants, and where applicable, application of excess Rights Units with Warrants in relation to the Rights cum Warrants Issue and the payment received in relation thereto, pursuant to such application, by an Entitled Unitholder, on its own, without regard to any other application and payment that may be submitted by the same Entitled Unitholder. For the avoidance of doubt, insufficient payment for an application may render the application invalid; evidence of payment (or overpayment) in other applications shall not constitute, or be construed as, an affirmation of such invalid application and (if applicable) application for excess Rights Units with Warrants.

APPENDIX I – PROCEDURES FOR ACCEPTANCE, PAYMENT AND EXCESS APPLICATION BY ENTITLED UNITHOLDERS

Unless expressly provided to the contrary in this Offer Information Statement, the ARE and/or the ARS, a person who is not a party to any contracts made pursuant to this Offer Information Statement, the ARE or ARS has no rights under the Contracts (Rights of Third Parties) Act, Chapter 53B of Singapore, to enforce any term of such contracts. Notwithstanding any term contained herein, the consent of any third party is not required for any subsequent agreement by the parties hereto to amend or vary (including any release or compromise of any liability) or terminate such contracts. Where third parties are conferred rights under such contracts, those rights are not assignable or transferable.

An Entitled Unitholder may accept his provisional allotment of Rights Units with Warrants specified in his ARE and (if applicable) apply for excess Rights Units with Warrants either through CDP or by way of Electronic Application through an ATM of a Participating Bank as described below.

Mode of Acceptance and Application

(a) Acceptance/Application through CDP

To accept the provisional allotment of Rights Units with Warrants and (if applicable) apply for excess Rights Units with Warrants through CDP, the duly completed ARE, must be accompanied by a **SINGLE REMITTANCE** for payment in full for the relevant number of Rights Units with Warrants accepted and (if applicable) excess Rights Units with Warrants applied for and submitted by hand to **JAPAN RESIDENTIAL ASSET MANAGER LIMITED C/O THE CENTRAL DEPOSITORY (PTE) LIMITED, at 4 SHENTON WAY, #02-01 SGX CENTRE 2, SINGAPORE 068807** or by post in the self-addressed envelope provided, at the sender's own risk, to **JAPAN RESIDENTIAL ASSET MANAGER LIMITED C/O THE CENTRAL DEPOSITORY (PTE) LIMITED, ROBINSON ROAD P.O. BOX 1597, SINGAPORE 903147**, so as to arrive not later than **5.00 p.m. on 25 May 2009**. The payment must be made in Singapore currency in the form of a Banker's Draft or Cashier's Order drawn on a bank in Singapore and made payable to "**CDP – SAIZEN RIGHTS CUM WARRANTS ISSUE ACCOUNT**" for the Rights Units with Warrants and crossed "**NOT NEGOTIABLE, A/C PAYEE ONLY**" with the name of the Cashier's Order or Banker's Draft and Securities Account number of the Entitled Unitholder clearly written on the reverse side. **NO COMBINED BANKER'S DRAFT OR CASHIER'S ORDER FOR DIFFERENT SECURITIES ACCOUNTS OR OTHER FORM OF PAYMENT (INCLUDING THE USE OF A PERSONAL CHEQUE, POSTAL ORDER OR MONEY ORDER ISSUED BY A POST OFFICE IN SINGAPORE) WILL BE ACCEPTED.**

(b) Acceptance/Application by way of Electronic Application through an ATM of a Participating Bank

Instructions for Electronic Applications through ATMs of Participating Banks to accept the Rights Units with Warrants provisionally allotted or (if applicable) to apply for excess Rights Units with Warrants will appear on the ATM screens of the respective Participating Banks. Please refer to Appendix II of this Offer Information Statement for the additional terms and conditions for Electronic Application through an ATM of a Participating Bank.

(c) Acceptance of Part of Provisional Allotments of Rights Units with Warrants and Trading of Provisional Allotments of Rights Units with Warrants

If an Entitled Depositor makes an Electronic Application through an ATM of a Participating Bank, he would have irrevocably authorised the Participating Bank to deduct the full amount payable from his bank account with such Participating Bank in respect of such application. In the case of an Entitled Depositor who has accepted the Rights Units by way of the ARE and/or the ARS and/or has applied for Excess Rights Units by way of the ARE and also by way of an Electronic Application through an ATM of a Participating Bank, the Manager and/or CDP shall be authorised and entitled to accept his instructions in whichever mode or combination as the Company and/or CDP may, in their absolute discretion, deem fit.

APPENDIX I – PROCEDURES FOR ACCEPTANCE, PAYMENT AND EXCESS APPLICATION BY ENTITLED UNITHOLDERS

An Entitled Unitholder may choose to accept his provisional allotment of Rights Units with Warrants specified in the ARE in full or in part. If an Entitled Unitholder wishes to accept part of his provisional allotment of Rights Units with Warrants and trade the balance of his provisional allotment of Rights Units with Warrants on SGX-ST, he should:-

- (1) complete the ARE for the number of Rights Units with Warrants provisionally allotted which he wishes to accept and submit the ARE together with payment in the prescribed manner as described above to CDP; or
- (2) subscribe for that part of his provisional allotment of Rights Units with Warrants by way of Electronic Application in the prescribed manner.

The balance of his provisional allotment of Rights Units with Warrants may be sold as soon as dealings therein commence on SGX-ST.

Entitled Unitholders who wish to trade all or part of their provisional allotments of Rights Units with Warrants on SGX-ST during the provisional allotment trading period should note that the provisional allotments of Rights Units with Warrants will be tradable in board lots, each board lot comprising provisional allotments of 1,000 Rights Units with Warrants, as the case may be, or any other board lot size which SGX-ST may require. Entitled Unitholders who wish to trade in lot sizes other than mentioned above may do so in the Unit Share Market during the provisional allotment trading period. Such Entitled Unitholders may start trading in their provisional allotments of Rights Units with Warrants as soon as dealings therein commence on SGX-ST.

(d) Purchasers of Provisional Allotments of Rights Units with Warrants

The AREs need not be forwarded to the purchasers of the provisional allotments of Rights Units with Warrants (“**Purchasers**”) as arrangements will be made by CDP for separate ARSs to be issued to the Purchasers. Purchasers should note that CDP will, on behalf of the Manager, send the ARSs, accompanied by this Offer Information Statement, by ordinary post and at the Purchasers’ own risk, to their respective Singapore addresses as recorded with CDP. Purchasers should ensure that their ARSs are accurately and correctly completed, failing which the acceptance of the provisional allotment of Rights Units may be rejected. Purchasers who do not receive the ARSs accompanied by this Offer Information Statement may obtain the ARSs accompanied by this Offer Information Statement from CDP, the Unit Registrar or any stockbroking firm for the period up to 5.00 p.m. on 25 May 2009.

This Offer Information Statement and its accompanying documents will not be despatched to purchasers whose registered addresses with CDP are not in Singapore (“**Foreign Purchasers**”). Foreign Purchasers who wish to accept the provisional allotments of Rights Units with Warrants credited to their Securities Accounts should make the necessary arrangements with their Depository Agents or stockbrokers in Singapore.

Purchasers should inform their finance company/Depository Agent if their purchases of such provisional allotments are settled through these intermediaries. In such instances, if the Purchasers wish to accept the Rights Units with Warrants represented by the provisional allotments purchased, they will need to go through these intermediaries, who will then subscribe for the Rights Units with Warrants on their behalf.

APPENDIX I – PROCEDURES FOR ACCEPTANCE, PAYMENT AND EXCESS APPLICATION BY ENTITLED UNITHOLDERS

Illustrative Examples

As an illustration, if an Entitled Unitholder has 1,000 Units standing to the credit of his Securities Account as at the Books Closure Date, the Entitled Unitholder will be provisionally allotted 1,100 Rights Units with Warrants as set out in his ARE. The Entitled Unitholder's alternative courses of action, and the necessary procedures to be taken under each course of action, are summarised below:-

Alternatives Procedures to be taken

- (a) Accept his entire provisional allotment of Rights Units with Warrants and (if applicable) apply for excess Rights Units with Warrants
- (i) **By way of Electronic Application.** Accept his entire provisional allotment of 1,100 Rights Units with Warrants and (if applicable) apply for excess Rights Units with Warrants by way of an Electronic Application through an ATM of a Participating Bank as described herein not later than **9.30 p.m. on 25 May 2009**; or
- (ii) **Through CDP.** Complete and sign the ARE in accordance with the instructions contained therein for the full provisional allotment of 333 Rights Units with Warrants and (if applicable) the number of excess Rights Units with Warrants applied for and forward the ARE together with a single remittance for S\$99 (or, if applicable, such higher amount in respect of the total number of Rights Units with Warrants accepted and excess Rights Units with Warrants applied for) by way of a Banker's Draft or Cashier's Order drawn in Singapore currency on a bank in Singapore and made payable to "**CDP – SAIZEN RIGHTS CUM WARRANTS ISSUE ACCOUNT**" for the Rights Units with Warrants and crossed "**NOT NEGOTIABLE, A/C PAYEE ONLY**" for the full amount due on acceptance, by hand to **JAPAN RESIDENTIAL ASSET MANAGER LIMITED C/O THE CENTRAL DEPOSITORY (PTE) LIMITED, at 4 SHENTON WAY, #02-01 SGX CENTRE 2, SINGAPORE 068807** or by post, at his own risk, in the self-addressed envelope provided to **JAPAN RESIDENTIAL ASSET MANAGER LIMITED C/O THE CENTRAL DEPOSITORY (PTE) LIMITED, ROBINSON ROAD P.O. BOX 1597, SINGAPORE 903147** so as to arrive not later than **5.00 p.m. on 25 May 2009** and with the name and Securities Account number of the Entitled Unitholder written on the reverse side. **NO COMBINED BANKER'S DRAFT OR CASHIER'S ORDER FOR DIFFERENT SECURITIES ACCOUNTS OR OTHER MODE OF PAYMENT WILL BE ACCEPTED.**

APPENDIX I – PROCEDURES FOR ACCEPTANCE, PAYMENT AND EXCESS APPLICATION BY ENTITLED UNITHOLDERS

- (b) Accept a portion of his provisional allotment of Rights Units with Warrants, for example his entitlement to 200 provisionally allotted Rights Units with Warrants, and reject the balance
- (i) **By way of Electronic Application.** Accept the provisional allotment of 200 Rights Units with Warrants by way of an Electronic Application through an ATM of a Participating Bank as described herein not later than **9.30 p.m. on 25 May 2009**; or
- (ii) **Through CDP.** Complete and sign the ARE in accordance with the instructions contained therein for the provisional allotment of 200 Rights Units with Warrants and forward the ARE together with a single remittance for S\$18 in the prescribed manner described in alternative (a)(ii) above to CDP so as to arrive not later than **5.00 p.m. on 25 May 2009**.
- The balance of the provisional allotment of 900 Rights Units with Warrants which is not accepted by the Entitled Unitholder will automatically lapse and cease to be available for acceptance by that Entitled Unitholder if an acceptance is not made through an ATM of a Participating Bank by **9.30 p.m. on 25 May 2009** or if an acceptance is not made through CDP by **5.00 p.m. on 25 May 2009**.
- (c) Accept a portion of his provisional allotment of Rights Units with Warrants, for example his entitlement to 200 provisionally allotted Rights Units with Warrants and trade the balance on SGX-ST
- (i) **By way of Electronic Application.** Accept the provisional allotment of 200 Rights Units with Warrants by way of an Electronic Application through an ATM of a Participating Bank as described here in not later than **9.30 p.m. on 25 May 2009**; or
- (ii) **Through CDP.** Complete the ARE in accordance with the instructions contained therein for the provisional allotment of 200 Rights Units with Warrants, and forward the ARE together with a single remittance for S\$18 in the prescribed manner described in alternative (a)(ii) above to CDP, so as to arrive not later than **5.00 p.m. on 25 May 2009**.
- The balance of the provisional allotments of 900 Rights Units with Warrants may be traded on SGX-ST during the provisional allotment trading period. **Entitled Unitholders should note that the provisional allotments of Rights Units with Warrants will be tradable in the ready market, with each board lot comprising provisionally allotments of 1,000 Rights Units with Warrants, and or any other board lot which SGX-ST may require during the provisional allotment trading period. Entitled Unitholders who wish to trade in lot sizes other than mentioned above may do so in the Unit Share Market of the SGX-ST during the provisional allotment trading period.**

APPENDIX I – PROCEDURES FOR ACCEPTANCE, PAYMENT AND EXCESS APPLICATION BY ENTITLED UNITHOLDERS

Timing

THE LAST TIME AND DATE FOR ACCEPTANCES AND (IF APPLICABLE) EXCESS APPLICATIONS AND PAYMENT FOR THE RIGHTS UNITS WITH WARRANTS UNDER THE RIGHTS CUM WARRANTS ISSUE IS:-

- 1. 9.30 P.M. ON 25 May 2009 IF ACCEPTANCE AND (IF APPLICABLE) EXCESS APPLICATION AND PAYMENT FOR THE RIGHTS UNITS WITH WARRANTS IS MADE THROUGH AN ATM OF A PARTICIPATING BANK; OR**
- 2. 5.00 P.M. ON 25 May 2009 IF ACCEPTANCE AND (IF APPLICABLE) EXCESS APPLICATION AND PAYMENT FOR THE RIGHTS UNITS WITH WARRANTS IS MADE THROUGH CDP.**

If acceptance and payment for the Rights Units with Warrants in the prescribed manner as set out in the ARE or ARS (as the case may be) and this Offer Information Statement is not received through an ATM of a Participating Bank by **9.30 p.m. on 25 May 2009** or through CDP by **5.00 p.m. on 25 May 2009** from any Entitled Unitholder or Purchaser, the provisional allotments of Rights Units with Warrants shall be deemed to have been declined and shall forthwith lapse and become void, and such provisional allotments not so accepted will be used to satisfy excess applications, if any, or otherwise dealt with in such manner as the Manager may, in its absolute discretion, deem fit. All monies received in connection therewith will be returned by CDP on behalf of the Manager to the Entitled Unitholders or the Purchasers, as the case may be, without interest or any Unit of revenue or other benefit arising therefrom, (where acceptance is through CDP) by means of a crossed cheque drawn in a bank in Singapore and sent by ordinary post to their mailing address as maintained by CDP or in such other manner as the Entitled Unitholders or the Purchasers may have agreed with CDP for the payment of any cash distributions or (where acceptance is through Electronic Application at the ATMs) by crediting their accounts with the Participating Banks and at the Entitled Unitholder's or the Purchaser's own risk.

An Entitled Unitholder should note that:-

- (a) by accepting his provisional allotment of Rights Units with Warrants or applying for excess Rights Units with Warrants, he acknowledges that, in the case where:-
 - (i) the amount of remittance payable to the Manager as per the instructions received by CDP whether under the ARE, the ARS or in any other application form for Rights Units with Warrants differs from the amount actually received by CDP; or
 - (ii) the amounts as stated in the ARE, the ARS or in any other application form for Rights Units with Warrants differs from the amount received by CDP, or otherwise payable by him in respect of his acceptance of the Rights Units with Warrants and (if applicable) in respect of his application for the excess Rights Units with Warrants,

The Manager and CDP will be entitled to determine and appropriate all amounts received by CDP on the Manager's behalf for each application on its own whether under the ARE, the ARS or any other application form for Rights Units with Warrants: firstly, towards payment of all amounts payable in respect of his acceptance of the Rights Units with Warrants; and secondly, (if applicable) towards payment of all amounts payable in respect of his application for excess Rights Units with Warrants. The determination and appropriation by the Manager and CDP will be conclusive and binding; and

APPENDIX I – PROCEDURES FOR ACCEPTANCE, PAYMENT AND EXCESS APPLICATION BY ENTITLED UNITHOLDERS

- (b) in the event that the Entitled Unitholder accepts the Rights Units with Warrants by way of the ARE or the ARS or has applied for excess Rights Units with Warrants by way of ARE and also by way of an Electronic Application, the Manager and CDP will be authorized and entitled to accept his instructions in whichever mode or combination as the Manager and CDP may, in their absolute discretion, deem fit. Without prejudice to the generality of the foregoing, in such a case, the Entitled Unitholder will be regarded as having irrevocably authorized the Manager and CDP to apply all amounts received whether under the ARE, the ARS or any other acceptance or application for excess Rights Units with Warrants (including an Electronic Application) in whichever mode or combination as the Manager and CDP may, in their absolute discretion, deem fit.

If any Entitled Unitholder or Purchaser is in any doubt as to the action he should take, he should consult his stockbroker, bank manager, solicitor, accountant or other professional advisers immediately.

Application for Excess Rights Units with Warrants

The excess Rights Units with Warrants are available for application subject to the terms and conditions contained in the ARE and this Offer Information Statement and (if applicable) the Trust Deed. Applications for excess Rights Units with Warrants will, at the Manager's absolute discretion, be satisfied from such Rights Units with Warrants which are not validly taken up by Entitled Unitholders, the original allottee(s) or their respective renounee(s) or the Purchaser(s) of the provisional allotments (including the aggregated fractional entitlements and any unsold "nil-paid" provisional allotment of Rights of Foreign Unitholders) in accordance with the terms and conditions contained in the ARE and this Offer Information Statement. In the event that applications are received by the Manager for more excess Rights Units with Warrants than are available, the excess Rights Units with Warrants available will be allotted in such manner as the Manager may, in its absolute discretion, deem fit. In the allotment of excess Rights Units with Warrants, preference shall be given to Unitholders for rounding of odd lots and that the Directors and Substantial Unitholders shall rank last in priority. Such allotment of excess Rights Units with Warrants shall be dealt with in such manner as the Manager may, in its absolute discretion, deem fit for the benefit of Saizen REIT, to the extent permissible. The Manager reserves the right to refuse any application for excess Rights Units with Warrants in whole or in part without assigning any reason whatsoever thereof. CDP takes no responsibility for any decision that the Manager may make.

As required by the listing rules of the Singapore Exchange Securities Trading Limited, in the allotment of any excess Rights Units with Warrants, preference will be given to the rounding of odd lots, and, accordingly, directors of the Manager and substantial unitholders of Saizen REIT will rank last in priority.

In the event that a Unitholder or Purchaser is a substantial unitholder or a director of the Manager, he will also need to inform the Intermediary(ies) through whom he is making the application for Rights Units with Warrants (including the excess Rights Units with Warrants). The Intermediary(ies) will be required to provide the Manager with (i) a list of such Unitholder or Purchasers who have identified themselves as substantial unitholder or director and (ii) the amount of excess Rights with Warrants these Unitholders or Purchasers have separately applied for. Anyone who deliberately attempts to misrepresent, conceal or falsify any of the information required to establish the priority in allocation of excess Rights Units with Warrants may be subject to legal, civil, criminal or regulatory sanctions.

APPENDIX I – PROCEDURES FOR ACCEPTANCE, PAYMENT AND EXCESS APPLICATION BY ENTITLED UNITHOLDERS

Deadlines

If no excess Rights Units with Warrants are allotted or if the number of excess Rights Units with Warrants allotted is less than that applied for, the amount paid on application or the surplus application monies, as the case may be, will be refunded to such Entitled Unitholders without interest or any Unit of revenue or other benefit arising therefrom within 14 days after the Closing Date, by crediting their accounts with the relevant Participating Banks at their own risk (if they accept by way of an Electronic Application), the receipt by such bank being a good discharge to the Manager and CDP for their obligations, if any, thereunder, or by means of a crossed cheque drawn on a bank in Singapore and sent to them by ORDINARY POST and at their own risk or in such other manner as the Entitled Unitholders or the Purchasers may have agreed with CDP for the payment of any cash distributions (if they accept through CDP).

It should be particularly noted that unless:-

1. acceptance of the provisional allotment of Rights Units with Warrants is made by the Entitled Unitholders or the Purchasers (as the case may be) by way of an Electronic Application through an ATM of a Participating Bank and payment of the full amount payable for such Rights Units with Warrants is effected by **9.30 p.m. on 25 May 2009**; or
2. acceptance and payment in Singapore currency by Banker's Draft or Cashier's Order drawn on a bank in Singapore and made out in favour of "**CDP – SAIZEN RIGHTS ISSUE CUM WARRANTS ACCOUNT**" for the Rights Units with Warrants and crossed "**NOT NEGOTIABLE, A/C PAYEE ONLY**" for the full amount due on acceptance and with the names and Securities Account numbers of the Entitled Unitholders or the Purchasers (as the case may be) clearly written on the reverse side is submitted by hand to **JAPAN RESIDENTIAL ASSET MANAGER LIMITED C/O THE CENTRAL DEPOSITORY (PTE) LIMITED, at 4 SHENTON WAY, #02-01 SGX CENTRE 2, SINGAPORE 068807** or by post in the self-addressed envelope provided, at the sender's own risk, to **JAPAN RESIDENTIAL ASSET MANAGER LIMITED, C/O THE CENTRAL DEPOSITORY (PTE) LIMITED, ROBINSON ROAD P.O. BOX 1597, SINGAPORE 903147**, by **5.00 p.m. on 25 May 2009**,

the provisional allotment of Rights Units with Warrants will be deemed to have been declined and shall forthwith lapse and become void. All monies received in connection therewith will be returned to the Entitled Unitholders or the Purchasers (as the case may be) without interest or Unit of revenue or other benefit arising therefrom by means of a crossed cheque drawn on a bank in Singapore and sent to them at their own risk BY ORDINARY POST or in such other manner as the Entitled Unitholders or the Purchasers may have agreed with CDP for the payment of any cash distributions (where acceptance is through CDP) or by crediting their accounts with the Participating Banks (where acceptance is through Electronic Application at the ATMs), and at the Entitled Unitholders' or the Purchasers' (as the case may be) own risk within 14 days after the Closing Date.

ACCEPTANCES ACCOMPANIED BY ANY OTHER FORM OF PAYMENT (INCLUDING THE USE OF A PERSONAL CHEQUE, POSTAL ORDER OR MONEY ORDER ISSUED BY A POST OFFICE IN SINGAPORE) WILL NOT BE ACCEPTED.

APPENDIX II – ADDITIONAL TERMS AND CONDITIONS FOR ELECTRONIC APPLICATIONS THROUGH ATMS OF PARTICIPATING BANKS

The procedures for Electronic Applications at ATMs of the Participating Banks are set out on the ATM screens of the relevant Participating Banks (the “Steps”). Please read carefully the terms and conditions of this Offer Information Statement, the Steps and the terms and conditions for Electronic Applications set out below before making an Electronic Application. An ATM card issued by one Participating Bank cannot be used to accept and (if applicable) apply for Rights Units with Warrants at an ATM belonging to other Participating Banks. Any Electronic Application which does not strictly conform to the instructions set out on the screens of the ATM through which the Electronic Application is made will be rejected.

Any reference to the “**Applicant**” in the terms and conditions for Electronic Applications and the Steps shall mean the Entitled Unitholder or the purchaser of the provisional allotment who accepts or (as the case may be) who applies for the Rights Units with Warrants through an ATM of the Participating Banks. An Applicant must have an existing bank account with and be an ATM cardholder of one of the Participating Banks before he can make an Electronic Application at the ATM of that Participating Bank. The actions that the Applicant must take at ATMs of the Participating Banks are set out on the ATM screens of the relevant Participating Banks. Upon the completion of his Electronic Application transaction, the Applicant will receive an ATM transaction slip (“**Transaction Record**”), confirming the details of his Electronic Application. The Transaction Record is for retention by the Applicant and should not be submitted with any ARE and/or ARS.

An Applicant, including one who has a joint bank account with a Participating Bank, must ensure that he enters his own Securities Account number when using the ATM Card issued to him in his own name. Using his own Securities Account number with an ATM Card which is not issued to him in his own name will render his acceptance or (as the case may be) application liable to be rejected.

An Applicant may accept his provisional allotment of Rights Units with Warrants and if applicable, may apply for excess Rights Units with Warrants by way of separate Electronic Applications to accept and subscribe for his provisional allotment of Rights Units with Warrants, and if applicable, apply for excess Rights Units with Warrants.

The Electronic Application shall be made on, and subject to, the terms and conditions of this Offer Information Statement including, but not limited to, the terms and conditions appearing below:-

- (1) In connection with his Electronic Application for the Rights Units with Warrants, the Applicant is required to confirm statements to the following effect in the course of activating the ATM for his Electronic Application:-
 - (a) **that he has received a copy of this Offer Information Statement and has read, understood and agreed to all the terms and conditions of acceptance and (as the case may be) application for the Rights Units with Warrants under the Rights cum Warrants Issue and this Offer Information Statement prior to effecting the Electronic Application and agrees to be bound by the same; and**
 - (b) **that he consents to the disclosure of his name, NRIC/passport number, address, nationality, CDP Securities Account number, CPF Investment Account number and application details (the “Relevant Particulars”) from his account with that Participating Bank to the Unit Registrar, Securities Clearing And Computer Services Pte Ltd, CDP, CPF Board, SGX-ST and the Manager (the “Relevant Parties”).**

His application will not be successfully completed and cannot be recorded as a completed transaction in the ATM unless he presses the “**Enter**” or “**OK**” or “**Confirm**” or “**Yes**” key. By doing so, the Applicant shall be treated as signifying his confirmation of each of the two statements above. In respect of statement 1(b) above, his confirmation, by pressing the “**Enter**” or “**OK**” or “**Confirm**” or “**Yes**” key, shall signify and shall be treated as his written permission, given in accordance with the relevant laws of Singapore including Section 47(2) and the Third Schedule of the Banking Act, Chapter 19 of Singapore, to the disclosure by that Participating Bank of the Relevant Particulars to the Relevant Parties.

APPENDIX II – ADDITIONAL TERMS AND CONDITIONS FOR ELECTRONIC APPLICATIONS THROUGH ATMS OF PARTICIPATING BANKS

- (2) An Applicant may make an Electronic Application at an ATM of any Participating Bank for the Rights Units with Warrants using cash only by authorising such Participating Bank to deduct the full amount payable from his account with such Participating Bank.
- (3) The Applicant irrevocably agrees and undertakes to subscribe for and to accept up to the aggregate of the number of Rights Units with Warrants provisionally allotted and excess Rights Units with Warrants applied for as stated on the Transaction Record. In the event that the Manager decides to allot any lesser number of excess Rights Units with Warrants or not to allot any number of excess Rights Units with Warrants to the Applicant, the Applicant agrees to accept the decision as final.
- (4) If the Applicant's Electronic Application is successful, his confirmation (by his action of pressing the "Enter" or "OK" or "Confirm" or "Yes" key on the ATM) of the number of Rights Units with Warrants accepted and/or excess Rights Units with Warrants applied for shall signify and shall be treated as his acceptance of the number of Rights Units with Warrants accepted and/or excess Rights Units with Warrants applied for that may be allotted to him.
- (5) In the event that the Applicant accepts the Rights Units with Warrants both by way of ARE and/or ARS (as the case may be) and by Electronic Application through an ATM of a Participating Bank, the Manager and CDP shall be authorised and entitled to accept the Applicant's instructions in whichever mode or a combination thereof as it may, in its absolute discretion, deem fit. In determining the number of Rights Units with Warrants which the Applicant has validly given instructions to accept, the Applicant shall be deemed to have irrevocably given instructions to accept the lesser of the number of provisionally allotted Rights Units with Warrants which are standing to the credit of the "Free Balance" of his Securities Account as at the Closing Date and the aggregate number of Rights Units with Warrants which have been accepted by the Applicant by way of ARE and/or ARS (as the case may be) and by Electronic Application through an ATM, and the Manager and/or CDP, in determining the number of Rights Units with Warrants which the Applicant has validly given instructions to accept, shall be authorised and entitled to have regard to the aggregate amount of payment received for the acceptance of Rights Units with Warrants, whether by way of Banker's Draft or Cashier's Order drawn on a bank in Singapore accompanying the ARE and/or ARS or by way of the acceptance through Electronic Application through an ATM of a Participating Bank.
- (6) If applicable, in the event that the Applicant applies for excess Rights Units with Warrants both by way of ARE and by Electronic Application through an ATM of a Participating Bank, the Manager and/or CDP shall be authorised and entitled to accept the Applicant's instructions in whichever mode or a combination thereof as it may, in its absolute discretion, deem fit. In determining the number of excess Rights Units with Warrants which the Applicant has validly given instructions for the application of, the Applicant shall be deemed to have irrevocably given instructions to apply for and agreed to accept such number of excess Rights Units with Warrants not exceeding the aggregate number of excess Rights Units with Warrants for which he has applied by way of ARE and by Electronic Application through an ATM of a Participating Bank. The Manager and/or CDP, in determining the number of excess Rights Units with Warrants which the Applicant has given valid instructions for the application, shall be authorised and entitled to have regard to the aggregate amount of payment received for the application of the excess Rights Units with Warrants, whether by way of Banker's Draft or Cashier's Order drawn on a bank in Singapore accompanying the ARE or by way of Electronic Application through an ATM of a Participating Bank.

APPENDIX II – ADDITIONAL TERMS AND CONDITIONS FOR ELECTRONIC APPLICATIONS THROUGH ATMS OF PARTICIPATING BANKS

- (7) The Applicant irrevocably requests and authorises the Manager to:-
- (a) register, or to procure the registration of the Rights Units with Warrants allotted to the Applicant in the name of CDP for deposit into his Securities Account;
 - (b) return (without interest or any Unit of revenue or other benefit arising therefrom) the acceptance/application monies, should his Electronic Application in respect of the Rights Units with Warrants be accepted and/or excess Rights Units with Warrants applied for not be accepted by the Manager for any reason, by automatically crediting the Applicant's bank account with his Participating Bank with the relevant amount within 14 days after the Closing Date; and
 - (c) return (without interest or any Unit of revenue or other benefit arising therefrom) the balance of the application monies, should his Electronic Application for excess Rights Units with Warrants be accepted in part only, by automatically crediting the Applicant's bank account with his Participating Bank with the relevant amount within 14 days after the Closing Date.
- (8) **BY MAKING AN ELECTRONIC APPLICATION, THE APPLICANT CONFIRMS THAT HE IS NOT ACCEPTING/APPLYING FOR THE RIGHTS AS NOMINEE OF ANY OTHER PERSON.**
- (9) The Applicant irrevocably agrees and acknowledges that his Electronic Application is subject to risks of electrical, electronic, technical and computer-related faults and breakdowns, fires, acts of God, mistakes, losses and theft (in each case whether or not within the control of CDP, the Participating Banks, the Unit Registrar and/or the Manager) and any events whatsoever beyond the control of CDP, the Participating Banks and the Manager and if, in any such event, CDP and/or the Participating Banks and/or the Unit Registrar and/or the Manager do not record or receive the Applicant's Electronic Application by the last date and time for acceptance, excess application and payment for the Rights Units with Warrants, or such data or the tape containing such data is lost, corrupted, destroyed or not otherwise accessible, whether wholly or partially for whatever reason, the Applicant shall be deemed not to have made an Electronic Application and the Applicant shall have no claim whatsoever against CDP, the Participating Banks, the Unit Registrar and the Manager for any purported acceptance thereof and (if applicable) excess application thereof, or for any compensation, loss or damage in connection therewith or in relation thereto.
- (10) Electronic Applications may only be made at the ATMs of the Participating Banks from Mondays to Saturdays between **7.00 a.m. to 9.30 p.m.** (excluding public holidays).
- (11) Electronic Applications shall close at **9.30 p.m. on 25 May 2009** or such other time as the Manager may, in its absolute discretion, decide.
- (12) All particulars of the Applicant in the records of his Participating Bank at the time he makes his Electronic Application shall be deemed to be true and correct and the relevant Participating Bank and the Relevant Parties shall be entitled to rely on the accuracy thereof. If there has been any change in the particulars of the Applicant after the time of the making of his Electronic Application, the Applicant shall promptly notify his Participating Bank.
- (13) The Applicant must have sufficient funds in his bank account(s) with his Participating Bank at the time he makes his Electronic Application, failing which his Electronic Application will not be completed. Any Electronic Application made at the ATMs of Participating Banks which does not strictly conform to the instructions set out on the ATM screens of such Participating Banks will be rejected.

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- (14) Where an Electronic Application is not accepted, it is expected that the full amount of the acceptance/application monies will be refunded in Singapore dollars (without interest or any Unit of revenue or other benefit arising therefrom) to the Applicant by being automatically credited to the Applicant's account with the relevant Participating Bank within 14 days after the Closing Date. An Electronic Application may also be accepted in part, in which case the balance amount of acceptance/application monies will be refunded on the same terms.
- (15) In consideration of the Manager arranging for the Electronic Application facility through the ATMs of the Participating Banks and agreeing to close the Rights cum Warrants Issue at **9.30 p.m. on 25 May 2009** or such later time or date as the Manager may, in its absolute discretion, decide, and by making and completing an Electronic Application, the Applicant agrees that:-
- (a) his Electronic Application is irrevocable (whether or not the form and/or content of this Offer Information Statement is modified (as may be determined by the Authority), or it is amended, supplemented, replaced and/or re-lodged with the Authority);
 - (b) his Electronic Application, the acceptance by the Manager and the contract resulting therefrom shall be governed by and construed in accordance with the laws of Singapore and he irrevocably submits to the exclusive jurisdiction of the Singapore courts;
 - (c) neither the Manager nor the Participating Banks shall be liable for any delays, failures or inaccuracies in the recording, storage or in the transmission or delivery of data relating to his Electronic Application to the Manager or CDP due to a breakdown or failure of transmission, delivery or communication facilities or any risks referred to in paragraph 9 above or to any cause beyond their respective control;
 - (d) he will not be entitled to exercise any remedy of rescission or misrepresentation at any time after acceptance of the provisionally allotted Rights Units with Warrants and (if applicable) acceptance of his application for excess Rights Units with Warrants;
 - (e) in respect of the Rights Units with Warrants for which his Electronic Application has been successfully completed and not rejected, acceptance of the Applicant's Electronic Application shall be constituted by written notification by or on behalf of the Manager and not otherwise, notwithstanding any payment received by or on behalf of the Manager; and
 - (f) unless expressly provided to the contrary in this Offer Information Statement or the Electronic Application, a person who is not a party to any contracts made pursuant to this Offer Information Statement or the Electronic Application has no rights under the Contracts (Rights of Third Parties) Act, Chapter 53B, of Singapore, to enforce any term of such contracts. Notwithstanding any term contained herein, the consent of any third party is not required for any subsequent agreement by the parties hereto to amend or vary (including any release or compromise of any liability) or terminate such contracts. Where third parties are conferred rights under such contracts, those rights are not assignable or transferable.
- (16) The Applicant should ensure that his personal particulars as recorded by both CDP and the relevant Participating Banks are correct and identical; otherwise, his Electronic Application may be liable to be rejected. The Applicant should promptly inform CDP of any change in his address, failing which the notification letter on successful allotment and other correspondence will be sent to his address last registered with CDP.
- (17) The existence of a trust will not be recognised. Any Electronic Application by an Applicant must be made in his own name and without qualification. The Manager will reject any application by any person acting as nominee.

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- (18) In the event that the Applicant accepts or subscribes for the provisionally allotted Rights Units with Warrants or (if applicable) applies for excess Rights Units with Warrants, as the case may be, by way of ARE and/or ARS or by way of Electronic Application through any ATM of the Participating Banks, the provisionally allotted Rights Units with Warrants and/or excess Rights Units with Warrants will be allotted in such manner as the Manager or CDP may, in their absolute discretion, deem fit and the surplus acceptance and (if applicable) application monies, as the case may be, will be refunded, without interest or any Unit of revenue or other benefit arising therefrom, within 14 days after the Closing Date by any one or a combination of the following:-
- (a) by means of a crossed cheque drawn on a bank in Singapore and sent by ordinary post at his own risk to his mailing address as maintained with CDP or by such other manner as he may have agreed with CDP for the payment of any cash distributions if he accepts and (if applicable) applies through CDP; and/or
 - (b) by crediting the Applicant's bank account with the Participating Bank at his own risk if he accepts and (if applicable) applies through an ATM of that Participating Bank, the receipt by such bank being a good discharge to the Manager and CDP of their obligations, if any, thereunder.
- (19) The Applicant hereby acknowledges that, in determining the total number of Rights Units with Warrants represented by the provisional allotment of Rights Units with Warrants which he can validly accept, the Manager and CDP are entitled and the Applicant hereby authorises the Manager and CDP to take into consideration:-
- (a) the total number of Rights Units with Warrants represented by the provisional allotment of Rights Units with Warrants which the Applicant has validly accepted, whether under the ARE or any other form of application (including Electronic Application through an ATM) for the Rights Units with Warrants;
 - (b) the total number of Rights Units with Warrants represented by the provisional allotment of Rights Units with Warrants standing to the credit of the "Free Balance" of the Entitled Unitholder's Securities Account which is available for acceptance; and
 - (c) the total number of Rights Units with Warrants represented by the provisional allotment of Rights Units with Warrants which has been disposed of by the Applicant.

The Applicant hereby acknowledges that CDP's and the Manager's determination shall be conclusive and binding on him.

- (20) The Applicant irrevocably requests and authorises CDP to accept instructions from the Participating Bank through whom the Electronic Application is made in respect of the provisional allotment of Rights Units with Warrants accepted by the Applicant and (if applicable) the excess Rights Units with Warrants which the Applicant has applied for.

With regard to any application which does not conform strictly to the instructions set out under this Offer Information Statement, the ARE, the ARS and/or any other application form for the Right Units with Warrants in relation to the Rights cum Warrants Issue or which does not comply with the instructions for Electronic Application or with the terms and conditions of this Offer Information Statement, or in the case of an application by the ARE, the ARS and/or any other application form for the Rights Units with Warrants in relation to the Rights cum Warrants Issue which is illegible, incomplete, incorrectly completed or which is accompanied by an improperly or insufficiently drawn remittance, the Manager may, at its absolute discretion, reject or treat as invalid any such application or present for payment or other processes all remittances at any time after receipt in such manner as it may deem fit.

**APPENDIX II – ADDITIONAL TERMS AND CONDITIONS FOR ELECTRONIC
APPLICATIONS THROUGH ATMS OF PARTICIPATING BANKS**

The Manager and CDP shall be entitled to process each application submitted for the acceptance of Rights Units with Warrants, and where applicable, application of excess Rights Units with Warrants in relation to the Rights cum Warrants Issue and the payment received in relation thereto, pursuant to such application, by an Entitled Unitholder, on its own, without regard to any other application and payment that may be submitted by the same Entitled Unitholder. For the avoidance of doubt, insufficient payment for an application may render the application invalid; evidence of payment (or overpayment) in other applications shall not constitute, or be construed as, an affirmation of such invalid application and (if applicable) application for excess Rights Units with Warrants.

APPENDIX III – LIST OF PARTICIPATING BANKS

PARTICIPATING BANKS FOR ELECTRONIC APPLICATIONS THROUGH AN ATM:-

DBS Bank Ltd (including POSB)

Oversea-Chinese Banking Corporation Limited

United Overseas Bank Limited and its subsidiary, Far Eastern Bank Limited

APPENDIX IV – DESKTOP VALUATION

TK Operator	Location	Property	Name of valuer	Property value as at 30 June 2008		Property value based on Desktop Valuation prepared by the Independent Valuer as at 31 January 2009	
				(JPY)	(\$\$) ⁽⁷⁾	(JPY)	(\$\$) ⁽⁷⁾
YK JOF							
1	Sapporo	Three Tower	Real Value Inc ("RV")	960,000,000	15,311,005	849,000,000	13,540,670
2	Sapporo	Luna Heights	RV	257,000,000	4,098,884	239,000,000	3,811,802
3	Sapporo	Matsui 53	RV	191,000,000	3,046,252	169,000,000	2,695,375
4	Sapporo	Plaza Nakajima Park	RV	340,000,000	5,422,648	309,000,000	4,928,230
5	Sapporo	Chateau 24	RV	561,000,000	8,947,368	525,000,000	8,373,206
6	Sapporo	Chateau Nakanoshima	RV	250,000,000	3,987,241	229,000,000	3,652,313
				2,559,000,000	40,813,397	2,320,000,000	37,001,595
YK Kokkei							
7	Sapporo	Glance Nishimachi	RV	427,000,000	6,810,207	397,000,000	6,331,738
8	Sapporo	Matsui 82	RV	410,000,000	6,539,075	362,000,000	5,773,525
9	Sapporo	Urban Yamahana	RV	131,000,000	2,089,314	118,000,000	1,881,978
10	Sapporo	Maison Towa	RV	199,000,000	3,173,844	181,000,000	2,886,762
11	Sapporo	Misono	RV	319,000,000	5,087,719	289,000,000	4,609,250
12	Fukuoka	Wing Befu	RV	171,000,000	2,727,273	148,000,000	2,360,447
				1,657,000,000	26,427,432	1,495,000,000	23,843,700
YK Keizan							
13	Sapporo	Dominion Yamanote	RV	164,000,000	2,615,630	156,000,000	2,488,038
14	Sapporo	Treasure 15	RV	173,000,000	2,759,171	161,000,000	2,567,783
15	Sapporo	Infinity Higashi Sapporo	RV	226,000,000	3,604,466	207,000,000	3,301,435
16	Fukuoka	Arati Hakata South	RV	413,000,000	6,586,922	396,000,000	6,156,300
17	Sapporo	First Kotake Building	RV	996,000,000	15,885,167	902,000,000	14,385,965
18	Sapporo	Park Crystal	RV	269,000,000	4,290,271	255,000,000	4,066,986
19	Fukuoka	Chic Takaramachi	RV	221,000,000	3,524,721	197,000,000	3,141,946
20	Sapporo	Matsui 38	RV	162,000,000	2,583,732	148,000,000	2,360,447
21	Sapporo	Sun City	RV	356,000,000	5,677,831	316,000,000	5,039,872
22	Sapporo	Les Chambres	RV	81,400,000	1,298,246	76,000,000	1,212,121
23	Sapporo	S. Heim	RV	120,000,000	1,913,876	109,000,000	1,738,437
				3,181,400,000	50,740,032	2,913,000,000	46,459,330

APPENDIX IV – DESKTOP VALUATION

TK Operator	Location	Property	Name of valuer	Property value as at 30 June 2008		Property value based on Desktop Valuation prepared by the Independent Valuer as at 31 January 2009	
				(JPY)	(\$\$) ⁽⁷⁾	(JPY)	(\$\$) ⁽⁷⁾
YK Shintoku							
1	Hakodate	Matsukaze Building	RV	307,000,000	4,896,332	261,000,000	4,162,679
2	Fukuoka	Johnan Building III	RV	406,000,000	6,475,279	336,000,000	5,358,852
3	Fukuoka	Gold Mansion Nakao	RV	168,000,000	2,679,426	139,000,000	2,216,906
4	Sapporo	Kohatsu 88	RV	57,400,000	915,470	54,000,000	861,244
5	Sapporo	Lumiere et vent	RV	58,500,000	933,014	54,000,000	861,244
6	Hiroshima	Residence II Yasuda	RV	108,000,000	1,722,488	101,000,000	1,610,845
7	Hiroshima	Sun Park Yokokawa	RV	75,400,000	1,202,552	67,000,000	1,068,581
8	Fukuoka	Central Court Tenjin Higashi	RV	189,000,000	3,014,354	162,000,000	2,583,732
9	Hakodate	Legions Yunokawa	RV	130,000,000	2,073,365	117,000,000	1,866,029
10	Sendai	Aisho Plaza Hachiman	Asset Research Corporation ("AR")	229,000,000	3,652,313	200,000,000	3,189,793
11	Sendai	Exceed Tsuchitoi	AR	112,000,000	1,786,284	93,000,000	1,483,254
12	Sendai	Sun Hills Asahigaoka	AR	68,000,000	1,084,530	60,000,000	956,938
13	Sendai	Sun Port 6	AR	176,000,000	2,807,018	159,000,000	2,535,885
14	Sapporo	Estaille S12	RV	219,000,000	3,492,823	198,000,000	3,157,895
15	Sendai	Sun Rise Kashiwagi	AR	236,000,000	3,763,955	198,000,000	3,157,895
16	Hiroshima	Funairi Honmachi 54	RV	211,000,000	3,365,231	191,000,000	3,046,252
17	Sapporo	Ebisu Building III	RV	80,700,000	1,287,081	69,000,000	1,100,478
18	Sapporo	Escort South 11	RV	55,000,000	877,193	49,000,000	781,499
19	Hakodate	Villa Kaigancho	RV	319,000,000	5,087,719	277,000,000	4,417,863
20	Hiroshima	Alpha Shinonome	RV	108,000,000	1,722,488	98,000,000	1,562,998
21	Hiroshima	Global Matsukawa Building	RV	271,000,000	4,322,169	230,000,000	3,668,262
22	Sapporo	Heart Inn Hongou	RV	74,200,000	1,183,413	67,000,000	1,068,581
23	Hakodate	Crestage Tayacho	RV	111,000,000	1,770,335	99,000,000	1,578,947
24	Sendai	Lively Kamisugi	AR	82,800,000	1,320,574	73,000,000	1,164,274
25	Sendai	Mansion Lilac	AR	61,700,000	984,051	53,000,000	845,295
26	Hiroshima	Higashi Hakushima Y Building	RV	202,000,000	3,221,691	176,000,000	2,807,018
27	Hiroshima	Kamei Five	RV	118,000,000	1,881,978	111,000,000	1,770,335
28	Hiroshima	Kinyacho Grande	RV	557,000,000	8,883,573	473,000,000	7,543,860
29	Hiroshima	Kinyacho Y Building	RV	231,000,000	3,684,211	200,000,000	3,189,793
30	Hiroshima	Matoba Y Building	RV	212,000,000	3,381,180	184,000,000	2,934,609
31	Hiroshima	Otemachi Y Building	RV	222,000,000	3,540,670	204,000,000	3,253,589
32	Hiroshima	U.I. Building	RV	324,000,000	5,167,464	290,000,000	4,625,199
33	Kitakyushu	KN 7 Kirigaoka	RV	409,000,000	6,523,126	383,000,000	6,108,453
34	Kitakyushu	KN 21 Shiragane	RV	270,000,000	4,306,220	258,000,000	4,114,833

APPENDIX IV – DESKTOP VALUATION

TK Operator	Location	Property	Name of valuer	Property value as at 30 June 2008		Property value based on Desktop Valuation prepared by the Independent Valuer as at 31 January 2009	
				(JPY)	(\$\$) ⁽⁷⁾	(JPY)	(\$\$) ⁽⁷⁾
YK Shintoku							
35	Kitakyushu	Urban KN 2 Kumamoto	RV	94,000,000	1,499,203	88,000,000	1,403,509
36	Sendai	Etoile Higashi Sendai	AR	116,000,000	1,850,080	98,000,000	1,562,998
37	Kitakyushu	Shinko Kokura Kogane Sky Mansion	RV	243,000,000	3,875,598	229,000,000	3,652,313
38	Fukuoka	Saumur Meinohama II	RV	67,000,000	1,068,581	63,000,000	1,004,785
39	Sapporo	Reef Suite	RV	174,000,000	2,775,120	154,000,000	2,456,140
40	Sendai	Urban Hills Dainohara	AR	158,000,000	2,519,936	140,000,000	2,232,855
41	Kitakyushu	Chalet Aoyama	RV	262,000,000	4,178,628	247,000,000	3,939,394
42	Kitakyushu	City Room Nakai III	RV	190,000,000	3,030,303	162,000,000	2,583,732
43	Sapporo	Art Side Terrace	RV	595,000,000	9,489,633	509,000,000	8,118,022
44	Sendai	High Grace II	AR	387,000,000	6,172,249	326,000,000	5,199,362
45	Kitakyushu	Katano Residential Building	RV	465,000,000	7,416,268	401,000,000	6,395,534
46	Morioka	K2 Mansion Morioka	RV	329,000,000	5,247,209	309,000,000	4,928,230
47	Sendai	Niken Chaya Grand Heights	AR	459,000,000	7,320,574	377,000,000	6,012,759
48	Hakodate	Jewel Town Suehiro	RV	172,000,000	2,743,222	156,000,000	2,488,038
49	Sapporo	Estella 24-ken A	RV	73,000,000	1,164,274	73,000,000	1,164,274
50	Sapporo	Kotoni 1-6 Mansion	RV	330,000,000	5,263,158	290,000,000	4,625,199
51	Sendai	River City Kimachi	AR	154,000,000	2,456,140	133,000,000	2,121,212
52	Sapporo	Aster Yamahana	RV	169,000,000	2,695,375	153,000,000	2,440,191
53	Fukuoka	Patios Ohashi	RV	134,000,000	2,137,161	118,000,000	1,881,978
54	Morioka	K1 Mansion Morioka	RV	71,800,000	1,145,136	68,000,000	1,084,530
55	Kumamoto	Mon Palais Toroku	RV	271,000,000	4,322,169	252,000,000	4,019,139
56	Kumamoto	Rise Gofuku	RV	301,000,000	4,800,638	271,000,000	4,322,169
				11,673,500,000	186,180,223	10,301,000,000	164,290,271
YK Shingen							
96	Sendai	Sun Vario Shinden Eki Mae	AR	484,000,000	7,719,298	402,000,000	6,411,483
97	Sendai	Royal Hills Katagiri	AR	184,000,000	2,934,609	161,000,000	2,567,783
98	Sapporo	TOA Mansion	RV	684,000,000	10,909,091	615,000,000	9,808,612
99	Sendai	Castle Kano	AR	229,000,000	3,652,313	198,000,000	3,157,895
100	Hiroshima	Aistage Ushita Minami	RV	349,000,000	5,566,188	301,000,000	4,800,638
101	Sapporo	Suien	RV	93,100,000	1,484,848	93,000,000	1,483,254
102	Kumamoto	Rise Fujisaki Dai	RV	298,000,000	4,752,791	276,000,000	4,401,914
103	Kumamoto	Rise Kumamoto Station South	RV	170,000,000	2,711,324	160,000,000	2,551,834
104	Sendai	Clio Court	AR	232,000,000	3,700,159	206,000,000	3,285,486
105	Sendai	Core Life	AR	512,000,000	8,165,869	484,000,000	7,719,298

APPENDIX IV – DESKTOP VALUATION

TK Operator	Location	Property	Name of valuer	Property value as at 30 June 2008		Property value based on Desktop Valuation prepared by the Independent Valuer as at 31 January 2009	
				(JPY)	(\$) ⁽¹⁾	(JPY)	(\$) ⁽¹⁾
YK Shingen							
106	Kurashiki	Gardenia Kurashiki	RV	144,000,000	2,296,651	131,000,000	2,089,314
107	Sendai	YSK Co-op Saiwaicho	AR	500,000,000	7,974,482	428,000,000	6,826,156
108	Kitakyushu	Club House Kikugaoka	RV	307,000,000	4,896,332	245,000,000	3,907,496
109	Sapporo	Jeunes 23	RV	290,000,000	4,625,199	263,000,000	4,194,577
110	Sapporo	Studio City	RV	240,000,000	3,827,751	214,000,000	3,413,078
111	Oita	Taisei Building III	RV	307,000,000	4,896,332	280,000,000	4,465,710
112	Fukuoka	Wealth Meinohama	RV	70,600,000	1,125,997	65,000,000	1,036,683
113	Hiroshima	Matoba Meijibashi II	RV	312,700,000	4,987,241	280,000,000	4,465,710
114	Kitakyushu	Alte Heim Kokura	RV	101,000,000	1,610,845	95,000,000	1,515,152
115	Kitakyushu	Alte Heim Kokura II	RV	495,000,000	7,894,737	466,000,000	7,432,217
116	Kitakyushu	Alte Heim Kokura IV	RV	109,000,000	1,738,437	102,000,000	1,626,794
117	Kitakyushu	Alte Heim Mojiekimae	RV	185,000,000	2,950,558	167,000,000	2,663,477
118	Kitakyushu	Alte Heim Orio	RV	335,000,000	5,342,903	315,000,000	5,023,923
119	Kumamoto	EMYU Heisei Keyakidori Mansion	RV	789,000,000	12,583,732	708,000,000	11,291,866
120	Kumamoto	EMYU Suizenji	RV	1,070,000,000	17,065,391	978,000,000	15,598,086
121	Kumamoto	Rise Kumadai Hospital II	RV	563,000,000	8,979,266	491,000,000	7,830,941
122	Kumamoto	Rise Oe	RV	251,000,000	4,003,190	218,000,000	3,476,874
123	Hiroshima	Grand Polestone Takeya	AR	636,000,000	10,143,541	514,000,000	8,197,767
124	Hiroshima	Grand Polestone Kinya	AR	171,000,000	2,727,273	139,000,000	2,216,906
125	Kohriyama	Maestoso Figur	AR	441,000,000	7,033,493	393,000,000	6,267,943
126	Kohriyama	Leggiero Viola	AR	349,000,000	5,566,188	317,000,000	5,055,821
				10,901,400,000	173,866,029	9,705,000,000	154,784,689
YK Shinzan							
80	Kitakyushu	Chalet Kishinoura	RV	348,000,000	5,550,239	296,000,000	4,720,893
81	Kitakyushu	Chalet Numahon Machi II	RV	222,000,000	3,540,670	179,000,000	2,854,864
82	Kitakyushu	Chalet Suwamachi	RV	345,000,000	5,502,392	283,000,000	4,513,557
83	Kitakyushu	Chalet Tsudashin Machi	RV	175,000,000	2,791,069	148,000,000	2,360,447
84	Kitakyushu	Chalet Einomaru II	RV	134,000,000	2,137,161	111,000,000	1,770,335
85	Kitakyushu	Chalet Kanda II	RV	320,000,000	5,103,668	269,000,000	4,290,271
86	Kitakyushu	Chalet Matsuo II	RV	75,000,000	1,196,172	60,000,000	956,938
87	Kitakyushu	Chalet Harunomachi	RV	459,000,000	7,320,574	386,000,000	6,156,300
88	Kitakyushu	Chalet Shiragane	RV	283,000,000	4,513,557	242,000,000	3,859,649
89	Kumamoto	EMYU Honjo	RV	944,000,000	15,055,821	865,000,000	13,795,853
90	Kumamoto	EMYU Shinmachi	RV	653,000,000	10,414,673	588,000,000	9,377,990
91	Kumamoto	KC Heights	RV	136,000,000	2,169,059	121,000,000	1,929,825

APPENDIX IV – DESKTOP VALUATION

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				(JPY)	(S\$) ⁽¹⁾	(JPY)	(S\$) ⁽¹⁾
YK Shinzan							
92	Kumamoto	Rise Kojo Horibata	RV	99,000,000	1,578,947	86,000,000	1,371,611
93	Kumamoto	Rise Kuhonji II	RV	440,000,000	7,017,544	375,000,000	5,980,861
94	Kumamoto	Rise Shimodori	RV	330,000,000	5,263,158	281,000,000	4,481,659
95	Kagoshima	Yamamoto Mansion	RV	710,000,000	11,323,764	604,000,000	9,633,174
				5,673,000,000	90,478,469	4,894,000,000	78,054,226
GK Choan							
127	Sapporo	Sec' As Blue II	RV	361,000,000	5,757,576	355,000,000	5,661,882
128	Hiroshima	Wing Nakahirodori	RV	812,000,000	12,950,558	731,000,000	11,658,692
129	Kagoshima	Abitare Shimoarata I	RV	315,000,000	5,023,923	275,000,000	4,385,965
130	Kagoshima	Abitare Shinyashiki	RV	301,000,000	4,800,638	234,000,000	3,732,057
131	Sendai	Royal Hills Komatsushima	RV	157,000,000	2,503,987	140,000,000	2,232,855
132	Morioka	Senboku Heim I	RV	180,000,000	2,870,813	163,000,000	2,599,681
133	Morioka	Senboku Heim II	RV	109,000,000	1,738,437	100,000,000	1,594,896
134	Sendai	Liesse Wakabayashi	RV	139,000,000	2,216,906	135,000,000	2,153,110
135	Sapporo	Dear Misono	RV	46,000,000	733,652	45,000,000	717,703
136	Sapporo	Casa Motomachi	RV	299,000,000	4,768,740	295,000,000	4,704,944
137	Hiroshima	Grand Polestone Tsurumi	RV	440,000,000	7,017,544	364,000,000	5,805,423
138	Fukuoka	La Finesse Hakataeki Minami	RV	519,000,000	8,277,512	436,000,000	6,953,748
139	Kumamoto	Rise Heiseiekimae	RV	215,000,000	3,429,027	184,000,000	2,934,609
140	Sendai	Maison d'Etoile II	RV	102,000,000	1,626,794	91,000,000	1,451,356
141	Kagoshima	Abitare Korimoto	RV	310,000,000	4,944,179	275,000,000	4,385,965
142	Fukuoka	Orion Heim	RV	226,000,000	3,604,466	191,000,000	3,046,252
143	Hiroshima	Fujimicho Building	RV	429,000,000	6,842,105	375,000,000	5,980,861
144	Hiroshima	Grand Polestone Fujimi	RV	207,000,000	3,301,435	192,000,000	3,062,201
145	Hiroshima	Grand Polestone Otemachi	RV	611,000,000	9,744,817	523,000,000	8,341,308
146	Hiroshima	Kusatsu Higashi Heights	RV	232,000,000	3,700,159	221,000,000	3,524,721
147	Hiroshima	VOGA Minami Kannon	RV	191,000,000	3,046,252	182,000,000	2,902,711
148	Fukuoka	Le Pied Hirao	RV	296,000,000	4,720,893	253,000,000	4,035,088
149	Sapporo	Residence Shiroishi ABCD	RV	535,000,000	8,532,695	518,000,000	8,261,563
150	Niigata	GEO Kamiokawamaedori 3	RV	423,000,000	6,746,411	410,000,000	6,539,075
151	Niigata	Hills Kawabata	RV	306,000,000	4,880,383	293,000,000	4,673,046
152	Niigata	Hills Nogizaka	RV	358,000,000	5,709,729	334,000,000	5,326,954
153	Hiroshima	Grand Polestone Otemachi II	RV	457,000,000	7,288,676	383,000,000	6,108,453

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				(JPY)	(S\$) ⁽¹⁾	(JPY)	(S\$) ⁽¹⁾
GK Choan							
154	Hiroshima	Grand Polestone Higashi Hiratsuka	RV	494,000,000	7,878,788	409,000,000	6,523,126
155	Sendai	Floreceer Miyagino	RV	272,000,000	4,338,118	263,000,000	4,194,577
156	Hiroshima	Shinonome Heights	RV	181,000,000	2,886,762	169,000,000	2,695,375
157	Hiroshima	Estate 18 Shinonome	RV	272,000,000	4,338,118	254,000,000	4,051,037
158	Hiroshima	Royal Shinonome	RV	321,000,000	5,119,617	301,000,000	4,800,638
159	Hiroshima	Villa Kaita	RV	314,000,000	5,007,974	314,000,000	5,007,974
160	Kohriyama	Arioso Phrase	AR	491,000,000	7,830,941	444,000,000	7,081,340
161	Sendai	Fantage Yaotome	RV	235,000,000	3,748,006	224,000,000	3,572,568
162	Sapporo	Towa Kita 7 Jo	RV	355,000,000	5,661,882	343,000,000	5,470,494
163	Sapporo	Towa Kotoni	RV	327,000,000	5,215,311	316,000,000	5,039,872
164	Fukuoka	Relief Ohorinishi	RV	130,000,000	2,073,365	122,000,000	1,945,774
				11,968,000,000	190,877,193	10,857,000,000	173,157,895
GK Chogen							
165	Kumamoto	Romaugé Kamidori Namikizaka	AR	764,000,000	12,185,008	702,000,000	11,196,172
				764,000,000	12,185,008	702,000,000	11,196,172
GK Chosei							
166	Hiroshima	Quest Tower Noboricho	RV	685,000,000	10,925,040	587,000,000	9,362,041
				685,000,000	10,925,040	587,000,000	9,362,041
Total				49,062,300,000	782,492,823	43,774,000,000	698,149,920

Note:

(1) Based on S\$/ JPY exchange rate of 62.7 as at 31 December 2008

The Manager confirms that, having made all reasonable enquiries, to the best of its knowledge and belief, the facts stated and the opinions expressed in this Offer Information Statement are fair and accurate in all material aspects as at the date of this Offer Information Statement, the statements in this Offer Information Statement are not misleading and that there are no material facts the omission of which would make any statement in this Offer Information Statement misleading. Where information has been extracted or reproduced from published or otherwise publicly available sources, the sole responsibility of the Manager has been to ensure that such information is accurately extracted from such sources or, as the case may be, reflected or reproduced in this Offer Information Statement.

Dated this _____ day of _____ 2009

For and on behalf of

**JAPAN RESIDENTIAL ASSETS MANAGER LIMITED
(AS THE MANAGER OF SAIZEN REAL ESTATE INVESTMENT TRUST)**

ARNOLD IP TIN CHEE
(Chairman)

CHANG SEAN PEY
(Chief Executive Officer)

RAYMONG WONG KIN JEON
(Executive Director)

SOH YEW HOCK
(Lead Independent Director)

HAROLD SUN DAI HOE
(Independent Director)

DENNIS LAM SIU SUN
(Independent Director)