



## **PRESS RELEASE**

### **CONTINUES TO GROW ASSET PORTFOLIO WITH IPO WAR CHEST**

### **VOLUNTARILY POSTPONES REFINANCING PLANS AMIDST CREDIT MARKET UNCERTAINTIES**

**Singapore, 8 January 2008** – Japan Residential Assets Manager Limited (the “Manager”), manager of Saizen Real Estate Investment Trust (“Saizen REIT”), Singapore’s first REIT with purely Japanese regional residential properties, is pleased to provide an update on recent developments of Saizen REIT.

#### *Asset portfolio continues to grow*

In its announcements on 29 November 2007 and 8 January 2008, Saizen REIT has announced, following its listing in November 2007, the completion of investments in 17 properties for a total consideration of JPY 5.8 billion (S\$ 76.2 million). With the completion of these acquisitions, Saizen REIT’s portfolio now comprises 164<sup>1</sup> properties located in 13 cities in Japan with an estimated appraised value of JPY 52.7 billion (S\$ 691.9 million), a total gross floor area of 251,238 square metres and a total net lettable area of 220,495 square metres.

Said Mr. Chang Sean Pey, Chief Executive Officer of the Manager, “We are pleased to have successfully completed investments in 14 properties which we have targeted to invest at the time of listing. Also, we have invested in 3 additional properties which will further accrete to Saizen REIT’s distribution per unit.”

#### *Postponement in Saizen REIT’s refinancing plans*

The Manager also announces the voluntary postponement in Saizen REIT’s refinancing plans, originally intended in December 2007. The intention of the refinancing plans was to refinance certain existing borrowings at more favourable terms. Nevertheless, the availability of financing and their terms have been affected amidst uncertainties of the global credit markets. While the Manager reassesses the credit markets in light of recent developments, it has slowed down Saizen REIT’s investment pace.

The Manager added that the leasing activities and operations of Saizen REIT’s property investments have remained stable and not been affected. It does not expect the postponement in refinancing plans to have a material impact on the distributions of Saizen REIT.

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<sup>1</sup> Excludes Kaminobori-cho Mansion, which is currently under construction and is expected to be completed in or around the second quarter of 2008.

Mr. Chang said, “In view of recent developments in the global credit markets, we find that now is not an optimal time to conduct the refinancing and shall wait for the markets to improve. We wish to highlight the fact that the refinancing plan is entirely voluntary and no existing borrowings are falling due in the near term while at the same time, Saizen REIT currently maintains a cash balance equivalent to approximately JPY 4.1 billion (S\$ 53.9 million) and holds properties with value of JPY 6.1 billion (S\$ 80.1 million) on an unencumbered basis. In fact, with its low gearing and war chest built from the listing exercise, Saizen REIT is poised to take advantage of attractive investment opportunities under current market conditions.”

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**For media queries, please contact:**

Sharon Seetho, Gavin Anderson & Company, Tel: (65) 6339 9110 / Mob: (65) 9009 8495

**About Saizen REIT**

Saizen REIT was listed on the Main Board of the Singapore Exchange on 9 November 2007. It is a Singapore-based real estate investment trust established with the principle objective of 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. Through investing in assets with attractive cash flow growth and capital gains prospects, Saizen REIT aims to deliver regular and stable distributions to Unitholders and achieve long-term growth in distributions and NAV per Unit.

Morgan Stanley is the Financial Adviser to the Offering and, together with Credit Suisse, is Joint Bookrunner and Underwriter. Nomura Singapore Limited is the Sub-underwriter and UOB Asia Limited is the Co-ordinator of the Public Offer in Singapore.

**About The Sponsor**

Japan Regional Assets Manager Limited is an investment management company specialising in the investment management of real estate assets in regional cities across Japan. It is one of the largest operators in the Japanese regional residential property market. Over the last three years, the property portfolio managed by its key personnel has grown from 25 as at 30 June 2004 to more than 200 today.

**About The Manager**

Japan Residential Assets Manager Limited is a wholly-owned subsidiary of the Sponsor, responsible for Saizen REIT's investment and financing strategies, asset acquisition and divestment policies, and the overall management of Saizen REIT's real estate and real estate-related assets. The Management Team possesses extensive experience and expertise in managing investments in the Japanese regional residential property markets.