

Saizen Real Estate Investment Trust

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

CLARIFICATION OF A NEWS ARTICLE IN THE BUSINESS TIMES AND ANNOUNCEMENT ON RATING REVIEW BY MOODY'S

News Article in The Business Times

The board of directors (the "**Board**") of Japan Residential Assets Manager Limited (the manager of Saizen Real Estate Investment Trust ("**Saizen REIT**"))(the "**Manager**") refers to the article entitled "Saizen REIT aims to resume dividend payments in June 2010" in the Company News section on page 4 of The Business Times dated 2 April 2009 (the "**Article**").

In the Article, it was reported that "SAIZEN Real Estate Investment Trust (Reit), which recently suspended dividend payments to unitholders to conserve cash, hopes to resume payments by June 2010 at the latest".

Pursuant to the announcement of Saizen REIT dated 31 December 2008 and the quarterly financial results announcement dated 13 February 2009, in view of the current uncertain credit environment, the Board has taken a prudent approach temporarily suspending dividend payment in form of cash and stated that Saizen REIT would resume dividend payment in form of cash once the refinancing issues are resolved.

The Board would like to clarify that Saizen REIT has not determined a definite time to resume dividend payments due to the uncertain credit environment, but aims to do so as soon as possible.

Rating Review by Moody's Investors Service

The Manager wishes to announce that Moody's Investors Service has downgraded Saizen REIT's corporate family rating to Ba3 from Ba1. The rating remains on review for possible downgrade.

In order to enhance Saizen REIT's refinancing situation, the Management Team is working on four different fronts, including: (i) the securing of short-term bridging facilities; (ii) arrangement of a syndicated loan financing with Société Générale, as financial adviser of the Manager; (iii) a bilateral loan with a Japanese regional bank; and (iv) negotiation with holders of a commercial mortgage-backed securities loan for possible extension of loan maturity.

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

The Manager believes that the proposed Rights cum Warrants Issue (as defined in the circular of Saizen REIT dated 1 April 2009) would facilitate Saizen REIT's position in negotiations with the financial institutions and lenders as mentioned above.

BY ORDER OF THE BOARD OF DIRECTORS

Chang Sean Pey (Mr.)
Chief Executive Officer

Japan Residential Assets Manager Limited
(Company Registration No. 200712125H)
As Manager of Saizen Real Estate Investment Trust
2 April 2009

Important Notice

The value of Units and the income derived from them, if any, may fall or rise. Units are not obligations of, deposits in, or guaranteed by, the Manager, or any of its affiliates. An investment in

Units is subject to investment risks, including the possible loss of the principal amount invested.

Investors should note that they have no right to request the Manager to redeem their Units while the Units are listed. It is intended that Unitholders may only deal in their Units through trading on the SGX-ST. Listing of the Units on the SGX-ST does not guarantee a liquid market for the Units.

This publication is for information only and does not constitute an invitation or offer to acquire, purchase or subscribe for the Units. The past performance of Saizen is not necessarily indicative of the future performance of Saizen REIT.