

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))

**Valuation for 40 Properties of
Saizen REIT's Property Portfolio**

The Board of Directors of Japan Residential Assets Manager Limited, the manager (“**Manager**”) of Saizen Real Estate Investment Trust (“**Saizen REIT**”), is pleased to announce that out of the 166 properties in Saizen REIT’s property portfolio as at the date hereof, valuation of 40 properties have been conducted recently.

The valuations of these 40 properties were conducted by independent valuers namely, Asset Research Corporation (“**AR**”), Chuo Real Estate Appraisal Co., Ltd. (“**Chuo**”), Prime Appraisal Institute Co., Ltd. (“**Prime**”), Real Value Inc. (“**RV**”), Rich Appraisal Institute Company Limited (“**RH**”), KK Sakura Business Partners (“**Sakura**”), KK Soken (“**Soken**”), and Tokyo Asset Research Inc. (“**TKAR**”).

The latest aggregate valuation of these 40 properties amounts to JPY12,039.7 million (S\$188.1 million¹) as at 1 April 2009, representing a decrease of: (i) 10.3% to their 2008 annual valuation of JPY13,417.0 million (S\$209.6 million) as at 30 June 2008, and (ii) 1.3% to their desktop valuation of JPY12,197.0 million (S\$190.6 million) as at 31 January 2009.

Outlook of Japanese economy continues to be uncertain in the near term. 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, which has adverse impact on the overall market sentiment. The volume of real estate transactions has reduced, and capital values have weakened.

Whilst the leasing environment in certain cities has been more 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.

In relation to the initial public offering of Saizen, 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.

¹ Based on exchange rate of S\$1.00 to JPY64.0, which is applied throughout this announcement.

Details of the latest valuations are set out in the table below.

No.	Property Name	Location	Valuer	Latest valuation as at 1 April 2009 (JPY million)	Valuer	Desktop valuation as at 31 January 2009 (JPY million)	Valuer	Valuation as at 30 June 2008 (JPY million)
1	Towa Kotoni	Sapporo	AR	293.0	RV	316.0	AR	327.0
2	Towa Kita 7 Jyo	Sapporo	AR	334.0	RV	343.0	AR	355.0
3	Residence Shiroishi ABCD	Sapporo	AR	534.0	RV	518.0	AR	535.0
4	Grand Polestone Fujimi	Hiroshima	AR	175.0	RV	192.0	AR	207.0
5	Fujimicho Building	Hiroshima	AR	341.0	RV	375.0	AR	429.0
6	Wing Nakahirodori	Hiroshima	AR	726.0	RV	731.0	AR	812.0
7	Relief Ohori Nishi	Fukuoka	AR	119.0	RV	122.0	AR	130.0
8	Rise Heiseiekimae	Kumamoto	Sakura	198.0	RV	184.0	AR	215.0
9	Abitare Korimoto	Kagoshima	Prime	268.0	RV	275.0	AR	310.0
10	Abitare Shimoarata 1	Kagoshima	TKAR	276.0	RV	275.0	AR	315.0
11	Sec' As Blue II	Sapporo	RV	338.0	RV	355.0	Kokudo	361.0
12	Liesse Wakabayashi	Sendai	RH	132.0	RV	135.0	RH	139.0
13	Grand Polestone Tsurumi	Hiroshima	RH	384.0	RV	364.0	RH	440.0
14	La Finesse Hakataeki Minami	Fukuoka	Soken	450.0	RV	436.0	RH	519.0
15	Maison d'Etoile II	Sendai	Prime	85.7	RV	91.0	RH	102.0
16	Orion Heim	Fukuoka	RH	213.0	RV	191.0	RH	226.0
17	Grand Polestone Otemachi	Hiroshima	TKAR	520.0	RV	523.0	RH	611.0
18	Grand Polestone Higashi Hiratsuka	Hiroshima	TKAR	416.0	RV	409.0	RH	494.0
19	Grand Polestone Otemachi II	Hiroshima	TKAR	376.0	RV	383.0	RH	457.0
20	Floreecer Miyagino	Sendai	Prime	258.0	RV	263.0	RH	272.0
21	Arioso Phrase	Koriyama	RH	461.0	AR	444.0	RV	491.0
22	Royal Hills Komatsushima	Sendai	RV	132.0	RV	140.0	RV	157.0
23	Casa Motomachi	Sapporo	RV	295.0	RV	295.0	TAR	299.0
24	GEO Kamiokawamaedori 3	Niigata	TKAR	380.0	RV	410.0	TAR	423.0
25	Hills Kawabata	Niigata	TKAR	276.0	RV	293.0	TAR	306.0
26	Hills Nogizaka	Niigata	TKAR	316.0	RV	334.0	TAR	358.0
27	Fantage Yaotome	Sendai	Prime	213.0	RV	224.0	TAR	235.0
28	Estate 18 Shinonome	Hiroshima	RH	263.0	RV	254.0	TKAR	272.0
29	Shinonome Heights	Hiroshima	RH	174.0	RV	169.0	TKAR	181.0
30	Royal Shinonome	Hiroshima	RH	344.0	RV	301.0	TKAR	321.0
31	Senboku Heim I	Morioka	TKAR	163.0	RV	163.0	TKAR	180.0
32	Senboku Heim II	Morioka	TKAR	82.3	RV	100.0	TKAR	109.0
33	Le Pied Hirao	Fukuoka	RH	260.0	RV	253.0	TKAR	296.0
34	Abitare Shinyashiki	Kagoshima	TKAR	249.0	RV	234.0	TKAR	301.0
35	VOGA Minami Kannon	Hiroshima	RH	199.0	RV	182.0	TKAR	191.0

No.	Property Name	Location	Valuer	Latest valuation as at 1 April 2009 (JPY million)	Valuer	Desktop valuation as at 31 January 2009 (JPY million)	Valuer	Valuation as at 30 June 2008 (JPY million)
36	Villa Kaita	Hiroshima	RH	320.0	RV	314.0	TKAR	314.0
37	Dear Misono	Sapporo	TKAR	44.3	RV	45.0	TKAR	46.0
38	Kusatsu Higashi Heights	Hiroshima	RH	207.0	RV	221.0	TKAR	232.0
39	Romaage Kamidori Namikizaka	Kumamoto	Soken	681.0	AR	702.0	AR	764.0
40	Quest Tower Noboricho	Hiroshima	Chuo	543.4	RV	638.0	RH	685.0
			Total:	12,039.7		12,197.0		13,417.0

The valuation reports are available for inspection at the Manager's registered office at 72A Duxton Road, Singapore 089531, during business hours for three months from the date hereof.

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

Chang Sean Pey (Mr.)
Chief Executive Officer

14 May 2009

Important Notice

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

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

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