

## 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))

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### YK KEIZAN LOAN UPDATE

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The Board of Directors of Japan Residential Assets Manager Limited, as manager (the “**Manager**”) of Saizen Real Estate Investment Trust (“**Saizen REIT**”), wishes to provide an update on the JPY 1.54 billion (S\$23.9 million<sup>1</sup>) commercial mortgage-backed securities (“**CMBS**”) loan of YK Keizan (the “**YK Keizan Loan**”).

It was previously announced in November 2009 that “it is expected that with the current cash balance (which includes proceeds of the Rights Issue) and operational cash flow conserved up to January 2010, the loans of YK Kokkei, YK Shingen and YK Keizan can be fully repaid when they come due. Depending on the cash balance at such time, a short term bridging loan, which the Manager is currently in the process of arranging, may be drawn down”.

The loans of YK Kokkei and YK Shingen have since been fully repaid. We are pleased to announce that pursuant to an agreement between YK Keizan and its lender on 25 January 2010, the YK Keizan Loan has been amended. As a result, YK Keizan shall first repay JPY 950.0 million (S\$14.8 million) in January 2010, while the balance of JPY 586.25 million (S\$9.1 million) shall be repaid on 25 April 2010. The interest rate remains unchanged at 3.63% per annum.

This arrangement eliminates the need to draw down a short term bridging loan, which would have entailed a significantly higher interest rate.

It is expected that the balance of the YK Keizan Loan can be fully repaid in April 2010 with internal cash resources. As previously announced, it is expected that Saizen REIT will start accumulating cash for distribution in the last quarter (April 2010 to June 2010) of the current financial year ending 30 June 2010, and will resume distribution for the current financial year.

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

25 January 2010

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<sup>1</sup> Based on exchange rate of S\$1.00 to JPY64.4 as at 25 January 2010

**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 announcement 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.