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**RESPONSES TO SGX-ST'S QUERIES REGARDING THE FY2011 RESULTS  
ANNOUNCEMENT**

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The board of directors of Japan Residential Assets Manager Limited (the “**Manager**”), as manager of Saizen Real Estate Investment Trust (“**Saizen REIT**”), refers to the queries of the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”) dated 25 August 2011 in relation to the unaudited financial statements announcement of Saizen REIT for the fourth quarter and full year ended 30 June 2011 made on 23 August 2011. The queries and responses are as follows:

**Query 1:** It is stated on page 17 of the results announcement that the increase in asset management fees of 24.1% was mainly due to fees relating to the management of the YK Shintoku portfolio during the period from the maturity default of YK Shintoku's loan in November 2009 to the full repayment of the loan in May 2011. Given the divestment of properties during this period, why did the fees increase? Please provide a breakdown of the major items contributing to the increase in asset management fees.

**Response:** Asset management fees had increased by JPY 6.4 million, or 24.1%, from JPY 26.7 million in FY2010 to JPY 33.1 million in FY2011. This increase was mainly due to a one-time asset management fee of JPY 8.6 million charged in FY2011 relating to YK Shintoku for a period of more than one year, from November 2009 to May 2011. Comparatively, no asset management fee in respect of YK Shintoku was incurred in FY2010 as the Asset Manager had refrained from charging YK Shintoku any asset management fees for this period.

Excluding the above-mentioned fees relating to YK Shintoku, the asset management fees for FY2011 would have been JPY 24.5 million, which represents a decrease of 9.2%. This is in line with the decrease in profits, due mainly to the divestment of properties in FY2011.

**Query 2:** We note that other current liabilities increased by 53%, from JPY394.5 million as at 30 June 2010 to JPY603.6 million as at 30 June 2011. In this respect, please provide the following information:  
a) A breakdown of the major items under “Other current liabilities”; and  
b) The reasons for the significant increase.

- Response:
- a) Other current liabilities comprised mainly accrued interest payable, accruals and other payables (for operational expenses), asset tax payable and consumption tax payable.
  - b) The increase in other current liabilities of JPY 209.1 million was mainly due to an increase in consumption tax payable of JPY 180.3 million relating to the divestment of properties in 4Q FY2011.

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.)  
Co-Chief Executive Officer

25 August 2011

### **Important Notice**

The value of units in 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 may only deal in their Units through trading on Singapore Exchange Securities Trading Limited (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 REIT is not necessarily indicative of the future performance of Saizen REIT.