

## ANNUAL VALUATION OF SAIZEN REIT'S PROPERTY PORTFOLIO

Japan Residential Assets Manager Limited (the “**Manager**”), the manager of Saizen Real Estate Investment Trust (“**Saizen REIT**”), is pleased to announce that the annual valuation (the “**Annual Valuation**”) of Saizen REIT’s property portfolio for the financial year ended 30 June 2013 (“**FY2013**”) has been completed.

A total of 139 properties held by Saizen REIT as at 30 June 2013 were subjected to the Annual Valuation.

The Annual Valuation was conducted by independent valuers namely, Real Estate Appraisal Aota Jimusho (“**Aota**”), Asset Research Inc. (“**AR**”), Prime Appraisal Institute Co, Ltd (“**Prime**”), Rich Appraisal Institute Co., Ltd (“**RH**”), Real Value Inc. (“**RV**”), KK Sakura Business Partners (“**Sakura**”), KK Soken (“**Soken**”), Success Solution Inc. (“**SS**”), Kokudo Kantei Research Institute Co., Ltd (“**Kokudo**”) and International Appraisals Incorporated (“**IAI**”).

Based on the Annual Valuation, the aggregate value of Saizen REIT’s 139 properties amounted to JPY 41,177.5 million (S\$525.9 million<sup>1</sup>). Of these 139 properties, 132 properties were held by Saizen REIT since the previous financial year ended 30 June 2012 (the “**Previously Acquired Properties**”), while 7 properties were acquired in FY2013 (the “**Newly Acquired Properties**”).

	No. of properties	Valuation as at 30 June 2013 (JPY)	Valuation as at 30 June 2012 (JPY)	Change
Previously Acquired Properties	132	37,123,500,000	36,329,100,000	+ 2.19%

	No. of properties	Valuation as at 30 June 2013 (JPY)	Valuation at acquisition (JPY)	Change
Newly Acquired Properties	7	4,054,000,000	4,027,000,000	+ 0.67%

The increase in the fair value of Saizen REIT’s Previously Acquired Properties is in line with the improvement as observed in the overall property market, augmented by the compression of average capitalisation rates in many cities. The increase in property valuation had been more pronounced in cities such as Fukuoka, Hiroshima and Sendai. On the other hand, valuations had been weighed down by an overall marginal 0.5% decrease in rental reversion of new contracts entered into in FY2013 (notwithstanding improvements observed in the second half of FY2013) as well as increases in renovation expenses for older properties.

<sup>1</sup> Based on an exchange rate of S\$1.00 to JPY 78.3 as at 30 June 2013.

Details of the Annual Valuation are set out in the table below. These valuations will be reflected in the financial statements of Saizen REIT for FY2013.

No.	Property Name	Location	Valuer	Annual Valuation (JPY'000)	Valuation Point
1.	Arati Hakata South	Fukuoka	Soken	342,000,000	30-Jun-13
2.	AS Residence Hakataekiminami	Fukuoka	RV	585,000,000	30-Jun-13
3.	Central Court Tenjin Higashi	Fukuoka	Soken	122,000,000	30-Jun-13
4.	Chic Takaramachi	Fukuoka	Soken	208,000,000	30-Jun-13
5.	Gold Mansion Nakao	Fukuoka	Soken	109,000,000	30-Jun-13
6.	La Finesse Hakataeki Minami	Fukuoka	Soken	457,000,000	30-Jun-13
7.	Le Pied Hirao	Fukuoka	Soken	241,000,000	30-Jun-13
8.	Orion Heim	Fukuoka	Soken	204,000,000	30-Jun-13
9.	Relief Ohorinishi	Fukuoka	Soken	105,000,000	30-Jun-13
10.	Saumur Meinohama II	Fukuoka	Sakura	50,400,000	30-Jun-13
11.	Wing Befu	Fukuoka	Soken	104,000,000	30-Jun-13
12.	Matsukaze Building	Hakodate	AR	224,000,000	30-Jun-13
13.	Estate 18 Shinonome	Hiroshima	RV	254,000,000	30-Jun-13
14.	Fujimicho Building	Hiroshima	RH	346,000,000	30-Jun-13
15.	Grand Polestone Fujimi	Hiroshima	RH	162,000,000	30-Jun-13
16.	Grand Polestone Higashi Hiratsuka	Hiroshima	Soken	390,000,000	30-Jun-13
17.	Grand Polestone Kinya	Hiroshima	RV	136,000,000	30-Jun-13
18.	Grand Polestone Otemachi	Hiroshima	RV	462,000,000	30-Jun-13
19.	Grand Polestone Otemachi II	Hiroshima	Soken	354,000,000	30-Jun-13
20.	Grand Polestone Takeya	Hiroshima	Soken	510,000,000	30-Jun-13
21.	Grand Polestone Tsurumi	Hiroshima	RV	348,000,000	30-Jun-13
22.	Grand Polestone Tsurumi II	Hiroshima	RH	671,000,000	30-Jun-13
23.	Kusatsu Higashi Heights	Hiroshima	RV	205,000,000	30-Jun-13
24.	Matoba Meijibashi II	Hiroshima	RV	271,000,000	30-Jun-13
25.	Quest Tower Noboricho	Hiroshima	Soken	643,000,000	30-Jun-13
26.	Royal Shinonome	Hiroshima	RV	316,000,000	30-Jun-13
27.	Shinonome Heights	Hiroshima	RV	159,000,000	30-Jun-13
28.	Villa Kaita	Hiroshima	RV	315,000,000	30-Jun-13
29.	VOGA Minami Kannon	Hiroshima	RH	184,000,000	30-Jun-13
30.	Wing Nakahirodori	Hiroshima	Soken	686,000,000	30-Jun-13
31.	Abitare Korimoto	Kagoshima	RH	249,000,000	30-Jun-13
32.	Abitare Shimoarata I	Kagoshima	RH	255,000,000	30-Jun-13
33.	Abitare Shinyashiki	Kagoshima	RH	240,000,000	30-Jun-13
34.	Yamamoto Mansion	Kagoshima	RH	561,000,000	30-Jun-13
35.	Alte Heim Kokura	Kitakyushu	Prime	58,100,000	30-Jun-13
36.	Alte Heim Kokura II	Kitakyushu	Prime	372,000,000	30-Jun-13
37.	Alte Heim Kokura IV	Kitakyushu	Prime	83,800,000	30-Jun-13
38.	Alte Heim Mojekimae	Kitakyushu	Prime	151,000,000	30-Jun-13
39.	Chalet Aoyama	Kitakyushu	Sakura	236,000,000	30-Jun-13
40.	Chalet Einomaru II	Kitakyushu	RH	101,000,000	30-Jun-13
41.	Chalet Harunomachi	Kitakyushu	Prime	324,000,000	30-Jun-13
42.	Chalet Kanda II	Kitakyushu	Prime	209,000,000	30-Jun-13
43.	Chalet Kishinoura	Kitakyushu	RH	295,000,000	30-Jun-13
44.	Chalet Matsuo II	Kitakyushu	Prime	48,700,000	30-Jun-13
45.	Chalet Numahon Machi II	Kitakyushu	Prime	160,000,000	30-Jun-13

No.	Property Name	Location	Valuer	Annual Valuation (JPY'000)	Valuation Point
46.	Chalet Shiragane	Kitakyushu	RH	217,000,000	30-Jun-13
47.	Chalet Suwamachi	Kitakyushu	Prime	266,000,000	30-Jun-13
48.	Chalet Tsudashin Machi	Kitakyushu	Prime	126,000,000	30-Jun-13
49.	City Room Nakai III	Kitakyushu	Sakura	150,000,000	30-Jun-13
50.	Cosmos Kokura Eki Mae	Kitakyushu	AR	762,000,000	30-Jun-13
51.	Katano Residential Building	Kitakyushu	Prime	314,000,000	30-Jun-13
52.	Shinko Kokura Kogane Sky Mansion	Kitakyushu	prime	179,000,000	30-Jun-13
53.	Arioso Phrase	Koriyama	Aota	445,000,000	30-Jun-13
54.	Leggiero Viola	Koriyama	Aota	276,000,000	30-Jun-13
55.	Maestoso Figur	Koriyama	Aota	351,000,000	30-Jun-13
56.	EMYU Heisei Keyakidori Mansion	Kumamoto	Sakura	676,000,000	30-Jun-13
57.	EMYU Honjo	Kumamoto	AR	877,000,000	30-Jun-13
58.	EMYU Shinmachi	Kumamoto	AR	605,000,000	30-Jun-13
59.	EMYU Suizenji	Kumamoto	AR	1,028,000,000	30-Jun-13
60.	Flour Mansion Jyosei	Kumamoto	Sakura	951,000,000	30-Jun-13
61.	KC Heights	Kumamoto	AR	105,000,000	30-Jun-13
62.	Mon Palais Toroku	Kumamoto	AR	192,000,000	30-Jun-13
63.	Rise Fujisaki Dai	Kumamoto	Sakura	309,000,000	30-Jun-13
64.	Rise Heiseiekimae	Kumamoto	Sakura	193,000,000	30-Jun-13
65.	Rise Kuhonji II	Kumamoto	AR	370,000,000	30-Jun-13
66.	Rise Kumamoto Station South	Kumamoto	Sakura	153,000,000	30-Jun-13
67.	Rise Oe	Kumamoto	Sakura	233,000,000	30-Jun-13
68.	Rise Shimodori	Kumamoto	AR	283,000,000	30-Jun-13
69.	Rise Shinoe	Kumamoto	RV	286,000,000	30-Jun-13
70.	Rise Yotsugibashi	Kumamoto	RV	425,000,000	30-Jun-13
71.	Romaug Kamidori Namikizaka	Kumamoto	Sakura	643,000,000	30-Jun-13
72.	Gardenia Kurashiki	Kurashiki	Soken	109,000,000	30-Jun-13
73.	K2 Mansion Morioka	Morioka	RV	294,000,000	30-Jun-13
74.	Senboku Heim I	Morioka	RV	163,000,000	30-Jun-13
75.	Senboku Heim II	Morioka	RV	79,200,000	30-Jun-13
76.	GEO Kamiokawamaedori 3	Niigata	RH	381,000,000	30-Jun-13
77.	Hills Kawabata	Niigata	RH	282,000,000	30-Jun-13
78.	Hills Nogizaka	Niigata	RH	317,000,000	30-Jun-13
79.	Taisei Building III	Oita	Soken	262,000,000	30-Jun-13
80.	Aster Yamahana	Sapporo	AR	128,000,000	30-Jun-13
81.	Bibress Tsukisamu Chuo Station	Sapporo	SS	597,000,000	30-Jun-13
82.	Casa Motomachi	Sapporo	SS	297,000,000	30-Jun-13
83.	Chateau 24	Sapporo	SS	381,000,000	30-Jun-13
84.	Chateau Nakanoshima	Sapporo	AR	195,000,000	30-Jun-13
85.	Dear Misono	Sapporo	RV	38,900,000	30-Jun-13
86.	Dominion Yamanote	Sapporo	SS	132,000,000	30-Jun-13
87.	Ebisu Building III	Sapporo	RH	66,000,000	30-Jun-13
88.	Estella 24-ken A	Sapporo	AR	68,700,000	30-Jun-13
89.	First Kotake Building	Sapporo	RH	834,000,000	30-Jun-13
90.	Glance Nishimachi	Sapporo	SS	327,000,000	30-Jun-13
91.	Heart Inn Hongou	Sapporo	RH	68,000,000	30-Jun-13
92.	Infinity Higashi Sapporo	Sapporo	RH	145,000,000	30-Jun-13
93.	Jeunes 23	Sapporo	AR	230,000,000	30-Jun-13
94.	Kohatsu 88	Sapporo	AR	43,900,000	30-Jun-13

No.	Property Name	Location	Valuer	Annual Valuation (JPY'000)	Valuation Point
95.	Kotoni 1-6 Mansion	Sapporo	SS	252,000,000	30-Jun-13
96.	Les Chambres	Sapporo	RV	65,000,000	30-Jun-13
97.	Luna Heights	Sapporo	AR	221,000,000	30-Jun-13
98.	Maison Towa	Sapporo	RH	153,000,000	30-Jun-13
99.	Matsui 53	Sapporo	AR	150,000,000	30-Jun-13
100.	Matsui 82	Sapporo	SS	292,000,000	30-Jun-13
101.	Misono	Sapporo	RH	291,000,000	30-Jun-13
102.	Park Crystal	Sapporo	AR	222,000,000	30-Jun-13
103.	Plaza Nakajima Park	Sapporo	SS	252,000,000	30-Jun-13
104.	Residence Shiroishi ABCD	Sapporo	SS	451,000,000	30-Jun-13
105.	S. Heim	Sapporo	RH	92,000,000	30-Jun-13
106.	Sec' As Blue II	Sapporo	RV	334,000,000	30-Jun-13
107.	Suien	Sapporo	AR	88,800,000	30-Jun-13
108.	Sun City	Sapporo	RV	297,000,000	30-Jun-13
109.	Three Tower	Sapporo	SS	783,000,000	30-Jun-13
110.	TOA Mansion	Sapporo	SS	574,000,000	30-Jun-13
111.	Towa Kita 7 Jo	Sapporo	RH	356,000,000	30-Jun-13
112.	Towa Kotoni	Sapporo	SS	294,000,000	30-Jun-13
113.	Treasure 15	Sapporo	SS	127,000,000	30-Jun-13
114.	Urban Yamahana	Sapporo	SS	99,000,000	30-Jun-13
115.	Aisho Plaza Hachiman	Sendai	Aota	178,000,000	30-Jun-13
116.	Castle Kano	Sendai	RH	184,000,000	30-Jun-13
117.	Clio Court	Sendai	RH	190,000,000	30-Jun-13
118.	Core Life	Sendai	RH	457,000,000	30-Jun-13
119.	Etoile Higashi Sendai	Sendai	Aota	98,200,000	30-Jun-13
120.	Exceed Tsuchitai	Sendai	Aota	81,000,000	30-Jun-13
121.	Fantage Yaotome	Sendai	Kokudo	224,000,000	30-Jun-13
122.	Floreceer Miyagino	Sendai	Kokudo	296,000,000	30-Jun-13
123.	High Grace II	Sendai	Aota	312,000,000	30-Jun-13
124.	Liesse Wakabayashi	Sendai	RV	147,000,000	30-Jun-13
125.	Lively Kamisugi	Sendai	Aota	68,600,000	30-Jun-13
126.	Maison d'Etoile II	Sendai	RH	116,000,000	30-Jun-13
127.	Niken Chaya Grand Heights	Sendai	Aota	376,000,000	30-Jun-13
128.	Royal Hills Katagiri	Sendai	RV	153,000,000	30-Jun-13
129.	Royal Hills Komatsushima	Sendai	RV	140,000,000	30-Jun-13
130.	Sun Hills Asahigaoka	Sendai	Aota	52,200,000	30-Jun-13
131.	Sun Port 6	Sendai	Aota	148,000,000	30-Jun-13
132.	Sun Rise Kashiwagi	Sendai	Aota	169,000,000	30-Jun-13
133.	Sun Vario Shinden Eki Mae	Sendai	RH	406,000,000	30-Jun-13
134.	Urban Hills Dainohara	Sendai	Aota	126,000,000	30-Jun-13
135.	YSK Co-op Saiwaicho	Sendai	RH	420,000,000	30-Jun-13
136.	AMS Hatchobori I	Tokyo	RH	1,190,000,000	30-Jun-13
137.	Clair Court Roka Koen	Tokyo	RH	732,000,000	30-Jun-13
138.	Cosmo Reveur Sangenjaya	Tokyo	AR	593,000,000	30-Jun-13
139.	The Palms Denenchofu	Tokyo	IAI	566,000,000	30-Jun-13

The valuation reports are available for inspection at the Manager's registered office at 3 Anson Road, #34-01 Springleaf Tower, Singapore 079909, 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.)  
Co-Chief Executive Officer

22 August 2013

### **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**"). The 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.