

MONTHLY VALUATION OF ASSETS AND UTILISATION OF CASH IN ACCORDANCE WITH RULE 1018(1) OF THE LISTING MANUAL OF THE SINGAPORE EXCHANGE SECURITIES TRADING LIMITED (“SGX-ST”)

The Board of Directors (the “**Board**”) of Japan Residential Assets Manager Limited, as the manager (the “**Manager**”) of Saizen Real Estate Investment Trust (“**Saizen REIT**”) refers to the circular to unitholders of Saizen REIT dated 5 February 2016 (the “**Circular**”), the announcement dated 3 March 2016 and titled “Waiver and approval from the SGX-ST granted in relation to compliance with Rule 1018(1) of the Listing Manual”, the announcement dated 4 March 2016 and titled “Completion of the Proposed Transaction in relation to Saizen REIT’s entire portfolio of real estate assets in Japan”, the announcement dated 1 April 2016 and titled “Disposal of Saizen REIT’s entire portfolio of real estate assets in Japan – final adjustments”, and the announcement dated 6 June 2016 and titled “Expiry of liability claim period and update on post-transaction plans”. Unless otherwise defined, all capitalised terms used in this announcement shall bear the same meaning as ascribed thereto in the Circular.

Pursuant to Rule 1018(1) of the SGX-ST Listing Manual, the Board wishes to announce the following updates:

1. The estimated total cash of Saizen REIT at liquidation⁽¹⁾ is as follows:

	<u>S\$ per Unit</u>
Net asset value as at 30 June 2016	0.1106
Estimated expenses up to liquidation	(0.0119)
Estimated total cash at liquidation	<u><u>0.0987⁽²⁾⁽³⁾</u></u>

Notes:

- (1) Please refer to paragraph 4 below for an update on post-transaction developments.
- (2) Save for foreign currency cash holdings which have been set aside for the settlement of (i) the Forward Contract (as defined below); and (ii) expected budgeted expenses, the remaining cash holdings of Saizen REIT are substantially denominated in S\$.
- (3) The increase in estimated total cash at liquidation from S\$0.0979 per Unit as at 31 May 2016 to S\$0.0987 per Unit as at 30 June 2016 was due to an increase in goods and services tax receivable, which relates mainly to input tax claimable for expenses incurred in relation to the disposal of Saizen REIT’s entire portfolio of properties.

2. The assets and liabilities of Saizen REIT as at 30 June 2016 are as follows:

	<u>JPY'000</u>
Assets	
Cash and cash equivalents	2,444,226
Other receivables ⁽¹⁾	18,670
Prepayments	1,407
	<hr/> 2,464,303 <hr/>
Liabilities	
Other current liabilities ⁽²⁾	27,164
Derivative financial instrument ⁽³⁾	14,500
	<hr/> 41,664 <hr/>
Net assets	<hr/> 2,422,639 <hr/>
Net assets (S\$'000) ⁽⁴⁾	31,748
Net asset value per Unit (S\$) ⁽⁵⁾	0.1106

Notes:

- (1) This includes goods and services tax receivable, which relates mainly to input tax claimable for expenses incurred in relation to the disposal of Saizen REIT's entire portfolio of properties.
- (2) This relates mainly to accruals for operating expenses.
- (3) This relates to a forward contract previously entered into to partially hedge Saizen REIT's distribution payment in September 2016 at an exchange rate of JPY83.056/S\$ (the "**Forward Contract**").
- (4) Based on an exchange rate of JPY76.3077/S\$ as at 30 June 2016.
- (5) Based on 287,024,902 Units in issue.

3. Saizen REIT's utilisation of cash in the month of June 2016 is as follows:

	<u>JPY'000</u>
Opening cash and cash equivalents at 1 June 2016	2,572,562
<u>Add:</u>	
Interest income	1,032
Amount received from Triangle TMK in respect of post-Completion adjustments	9,061
<u>Less:</u>	
Legal and professional fees	(7)
Manager's cost recovery ⁽¹⁾	(12,583)
Administration and miscellaneous expenses	(1,499)
Translation difference	(124,340)
Closing cash and cash equivalents as at 30 June 2016	<u>2,444,226</u>

Note:

- (1) This relates to operational expenses of the Manager (comprising mainly staff remuneration, director fees, office rental and administrative expenses), which are claimed from Saizen REIT on a cost-recovery basis.

4. Quarterly updates of milestones in obtaining a new business

As set out in the announcement dated 5 July 2016 and titled "Receipt of Written Proposal", the Manager has received a written proposal in relation to a transaction, and is reviewing and evaluating the merits of this proposal. No definitive agreements have been entered into and there is no assurance that any transaction will materialise. In the event that a transaction does not materialise, the Manager intends to commence liquidation proceedings for Saizen REIT as soon as practicable. The Manager will keep Unitholders informed if there is any material development in this regard by making the appropriate announcement(s) in compliance with the Listing Manual.

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

Joey Goh (Mr.)
Chief Executive Officer

15 July 2016

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. 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.