

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))

OUTCOME OF STRATEGIC REVIEW

Further to previous announcements relating to the strategic review of options (the “**Strategic Review**”) undertaken by Saizen Real Estate Investment Trust (“**Saizen REIT**”), the Board of Directors (the “**Board**”) of Japan Residential Assets Manager Limited, the manager (“**Manager**”) of Saizen REIT, wishes to announce that the Strategic Review has been completed. Deloitte & Touche Corporate Finance Pte Ltd (“**DTCF**”), the independent adviser appointed in December 2013 in connection with the Strategic Review, has submitted its report and recommendations to the Board (the “**DTCF Report**”).

This Strategic Review has provided the Board with the opportunity to deliberate the future strategic direction of Saizen REIT, as well as to review existing practices and programmes with the aim of enhancing Unitholder value. Taking into consideration its own deliberations on a broad range of options, including the practicalities of execution of each of those options and the recommendations of the DTCF Report, the Board has decided that, as a matter of priority, focus will be placed on Saizen REIT’s capital structure, in particular, its cash management and levels of leverage. As funds are made available as the capital structure is optimised, the Board will continue to seek opportunities to expand its property portfolio in line with the principal investment strategies of Saizen REIT. The Board may also consider a buy-back of Units of Saizen REIT at times of Unit price weakness, as a useful signaling mechanism and provided that is deemed as an effective use of capital at that time. Following capital structure optimisation, more ambitious growth strategies can be explored, subject to availability, compatibility, returns and execution considerations.

The Board has examined a broad range of issues under the Strategic Review and believes that the strategy outlined above will best achieve the objective of enhancing Unitholder value through long-term growth in distributions and net asset value per Unit. The Board will also be mindful to implement this strategy in a prudent manner. For example, any increase in leverage from the current level of 38% will be underpinned by stable financing on reasonable terms.

BY ORDER OF THE BOARD OF DIRECTORS

Chang Sean Pey (Mr.)

Co-Chief Executive Officer
Japan Residential Assets Manager Limited
(Company Registration No. 200712125H)
As Manager of Saizen Real Estate Investment Trust

9 June 2014

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.