



Croesus Retail Trust

Croesus Retail Trust (“CRT”) is the first Asia-Pacific retail business trust with an initial portfolio located in Japan listed on Singapore Exchange Securities Trading Limited (the “SGX-ST”).

CRT’s principal investment strategy is to invest in a diversified portfolio of predominantly retail real estate assets located in Japan and across the Asia-Pacific region and real estate-related assets relating to the foregoing. The initial portfolio is located in Japan in order to create a core portfolio of stable income generating assets. This core portfolio would serve as a foundation for CRT to pursue development and acquisition opportunities in the Asia-Pacific region, including Japan, to generate long-term capital value and long-term returns.

As at 30 September 2015, CRT’s portfolio comprises 7 quality retail properties (the “Properties”) located across Japan with an aggregate net lettable area (“NLA”) of approximately 251,125.7 sqm and the occupancy rates as at 30 September 2015 are as follows.

Properties	Country / Prefecture	NLA (sqm)	Occupancy rate
Aeon Town Moriya	Japan / Ibaraki	68,046.8	100%
Aeon Town Suzuka	Japan / Mie	43,500.7	100%
Croesus Shinsaibashi	Japan / Osaka	2,342.4	100%
Croesus Tachikawa	Japan / Tokyo	7,140.8	88.4% ¹
Luz Omori	Japan / Tokyo	9,285.1	97.7%
Mallage Shobu	Japan / Saitama	67,961.3	96.5% ¹
One’s Mall	Japan / Chiba	52,848.6	99.8%

The acquisition of 4 properties, namely Aeon Town Moriya, Aeon Town Suzuka, Croesus Shinsaibashi and Mallage Shobu (the “Initial Portfolio”) was completed on 10 May 2013 (“Listing Date”), the day on which CRT was listed on the SGX-ST, while the further acquisition of 2 properties, namely Luz Omori and Croesus Tachikawa, was completed on 6 March 2014 and the acquisition of One’s Mall was completed on 16 October 2014.

The Properties are held by Croesus Retail Asset Management Pte. Ltd. (in its capacity as trustee-manager of CRT, the “Trustee-Manager”) through a tokutei mokuteki kaisha (“TMK”) structure. The TMK is one of the common structures adopted for investment in real estate in Japan. The TMK may either acquire legal ownership rights of real properties or, as in the case of CRT’s investment in the Properties, may hold the trust beneficiary interest (“TBI”) in the Properties. In the case of CRT, the legal title to each of the Properties is held in trust by a trustee, which is typically a bank while the TBIs are held by the TMK. The TMK may obtain financing by issuing equity securities (preferred and specified equities) and debt securities (such as specified bonds), as well as by borrowing from entities which qualify as “Qualified Institutional Investors” under the Financial Instruments and Exchange Law of Japan. The TBIs in respect of the Initial Portfolio are held through Mangosteen TMK, while the TBIs in respect of the acquisition in March 2014 and October 2014 are held through Persimmon TMK and Durian TMK, respectively.

¹ As at 11 November 2015, the occupancy rate of Croesus Tachikawa and Mallage Shobus is 100% and 98.3% respectively.

On 28 September 2015, the Trustee-Manager, through Apple TMK, entered into a purchase and sale agreement to acquire TBI in respect of Torius (the “Acquisition of Torius”), a completed retail property in Fukuoka, Japan. The Acquisition of Torius was completed on 16 October 2015 and was financed through a combination of debt financing and equity financing in the form of an underwritten and renounceable rights issue (the “Rights Issue”)¹.

CRT is managed by the Trustee-Manager which is a wholly-owned subsidiary of Evertrust Asset Management Pte. Ltd. (“Evertrust”).

Evertrust is owned by Croesus Partners Pte. Ltd. and CRT’s strategic partners, Daiwa House Industry Co. Ltd and Marubeni Corporation (together, the “Strategic Partners”) in the proportion of 80%, 10% and 10%, respectively. The Trustee-Manager’s key objectives are to deliver a competitive return on investment to unitholders of CRT through (i) regular and growing distributions and (ii) long-term capital value growth of CRT’s portfolio of assets. The Trustee-Manager targets acquisition of properties in markets with stable and high growth potential and had negotiated rights of first refusal from Croesus Merchants International Pte. Ltd. and the Strategic Partners.

Distribution Policy

Notwithstanding CRT’s commitment to distribute 100% of its Distributable Income (as stated in CRT’s prospectus dated 2 May 2013) from 1 July 2014 to 30 June 2015, CRT will continue to do the same for the period from 1 July 2015 and 30 June 2016, and at least 90% of its Distributable Income thereafter.

CRT will make distributions to unitholders on a semi-annual basis with the amount calculated as at 30 June and 31 December each year for the six-month period ending on each of the said dates.

¹ Please refer to CRT’s announcements on the SGX-ST dated 28 September 2015 and 16 October 2015 for further details.

1 (a) Consolidated statement of comprehensive income and distribution statement for 1Q 2016 vs 1Q 2015

	Note	1Q 2016	1Q 2015	Variance
		1 Jul 2015 to 30 Sep 2015 (JPY'000)	1 Jul 2014 to 30 Sep 2014 (JPY'000)	Increase/ (Decrease) (%)
Gross Revenue		2,006,599	1,712,482	17.2%
Gross rental income		1,680,361	1,395,947	20.4%
Utilities income		251,249	193,618	29.8%
Other income		74,989	122,917	(39.0%)
Property Operating Expenses		(773,825)	(599,024)	29.2%
Property management expenses		(95,610)	(78,256)	22.2%
Building management expenses		(146,963)	(93,456)	57.3%
Repair expenses		(15,194)	(8,771)	73.2%
Utilities expenses		(283,472)	(228,875)	23.9%
Property tax expenses		(105,910)	(86,083)	23.0%
Insurance expenses		(2,982)	(3,551)	(16.0%)
Sales and promotion expenses		(74,583)	(52,890)	41.0%
Other expenses		(49,111)	(47,142)	4.2%
Net Property Income		1,232,774	1,113,458	10.7%
Finance income		2,278	939	142.6%
Finance costs		(259,679)	(234,739)	10.6%
Other administrative expenses		(16,200)	(11,057)	46.5%
Trustee-Manager's fees		(141,182)	(135,048)	4.5%
Japan Asset Manager's fees		(21,829)	(18,010)	21.2%
Other trust expenses		(35,810)	(32,872)	8.9%
Foreign exchange (losses)/gains		(16,659)	6,851	(343.2%)
Profit before changes in fair value		743,693	689,522	7.9%
Fair value (losses)/gains on derivative financial instruments	(a)	(583,505)	165,928	(451.7%)
Profit before tax		160,188	855,450	(81.3%)
Income tax expenses				
Current tax		(58,571)	(91,613)	(36.1%)
Deferred tax		(115,351)	(90,198)	27.9%
(Loss)/profit after tax		(13,734)	673,639	(102.0%)
Other comprehensive income				
<i>Items that may be reclassified subsequently to profit or loss</i>				
Net (losses)/gains on fair value changes on cash flow hedge	(b)	(106,323)	25,214	(521.7%)
Total other comprehensive income		(106,323)	25,214	(521.7%)
Total comprehensive income for the period		(120,057)	698,853	(117.2%)

1 (a) Consolidated statement of comprehensive income and distribution statement for 1Q 2016 vs 1Q 2015

Consolidated distribution statement

	Note	1Q 2016	1Q 2015	Variance
		1 Jul 2015 to 30 Sep 2015 (JPY"000)	1 Jul 2014 to 30 Sep 2014 (JPY"000)	Increase/ (Decrease) (%)
<u>Reconciliation of (loss)/profit after tax to income available for distribution</u>				
(Loss)/profit after tax		(13,734)	673,639	(102.0%)
<u>Adjustment for:</u>				
Trustee-Manager's fees paid/payable in Units		130,408	122,446	6.5%
Amortisation of upfront costs		74,544	64,787	15.1%
Amortisation of prepaid property tax	(c)	-	17,466	(100.0%)
Fair value losses/(gains) on derivative financial instruments	(a)	583,505	(165,928)	(451.7%)
Deferred tax expense		115,351	90,198	27.9%
Others		28,463	(11,613)	(345.1%)
Income available for distribution		918,537	790,995	16.1%

Notes:

- (a) Fair value (losses)/gains on derivative financial instruments arose from mark to market of forward currency contracts (in accordance with FRS 39) used to hedge distributions.
- (b) Net (losses)/gains on fair value changes on cash flow hedge arose from re-measurement of cross currency swap and interest rate swaps entered into to hedge the interest rate risk and currency risk on borrowings.
- (c) Property tax is prepaid upon acquisition to the property vendors together with the acquisition cost for a period from the date of acquisition to the end of the same calendar year. The amortization of prepaid property tax has no impact on distribution.

1 (b) (i) Balance sheets

Note	30 Sep 2015		30 Jun 2015	
	CRT (JPY'000)	CRT Group (JPY'000)	CRT (JPY'000)	CRT Group (JPY'000)
Non-current assets				
	-	87,950,456	-	87,930,000
	29,026,687	-	29,837,901	-
	8,154,856	-	8,536,696	-
	-	97,679	-	97,242
(a)	113,655	113,655	885,548	885,548
	-	301,540	-	300,279
	-	3,855,276	-	3,767,811
	-	6,745	-	11,990
	37,295,198	92,325,351	39,260,145	92,992,870
Current assets				
	1,111,606	1,945,954	1,115,077	2,941,662
	144,105	585,504	278,495	491,358
(a)	39,684	39,684	353,744	353,744
	-	193,023	-	321,059
	-	3,172,761	-	3,300,260
	1,295,395	5,936,926	1,747,316	7,408,083
	38,590,593	98,262,277	41,007,461	100,400,953
Total assets				
Current liabilities				
	-	649,536	-	646,873
	81,534	1,018,080	37,026	1,219,328
(a)	83,805	83,951	-	298
	39,624	200,475	65,841	255,408
	-	617,044	40,023	658,761
	204,963	2,569,086	142,890	2,780,668
Non-current liabilities				
	8,364,472	46,125,859	9,137,533	46,840,340
	-	3,324,001	-	3,250,321
(a)	179,356	593,953	-	363,732
	129,131	578,041	128,546	580,868
	-	3,108,968	-	2,998,862
	8,672,959	53,730,822	9,266,079	54,034,123
	8,877,922	56,299,908	9,408,969	56,814,791
Total liabilities				
Net assets attributable to unitholders				
	29,712,671	41,962,369	31,598,492	43,586,162
Equity attributable to unitholders				
	36,625,376	36,609,869	36,502,257	36,486,750
	(6,859,943)	5,820,004	(4,906,613)	7,460,593
	(52,762)	(467,504)	2,848	(361,181)
	29,712,671	41,962,369	31,598,492	43,586,162

Notes:

- (a) Derivative financial instruments relate to fair value of forward currency contracts, interest rate swaps and cross currency swap.

1 (b) (ii) Gross borrowings as at 30 September 2015

	Note	Maturity	30 Sep 2015 CRT Group (JPY'000)	30 Jun 2015 CRT Group (JPY'000)
Amount payable within one year				
Specified bonds	(b)	2015	649,536	646,873
			649,536	646,873
Amount payable after one year				
Specified loans	(a)	2018-2019	28,978,382	28,933,726
Specified bonds	(b)	2018-2019	8,783,005	8,769,081
Medium Term Note	(c)	2017	8,364,472	9,137,533
			46,125,859	46,840,340
			46,775,395	47,487,213
Total loans and borrowings			46,775,395	47,487,213

Notes:

Details of borrowings and collaterals

(a) Specified loans

Specified loans are secured by mortgages over certain investment properties of the Group. The interest rates range from 3-month Libor + 0.40% to 3-month Libor + 0.45% per annum. The loans are repayable upon maturity. The Group has entered into interest rate swaps to convert the floating interest rates to fixed interest rates.

(b) Specified bonds

Specified bonds are secured with general lien on certain assets of the Group. The interest rate range from 3-month Libor + 0.30% to 3-month Libor + 0.70% per annum. The bonds are repayable upon maturity. The Group has entered into interest rate swaps to convert the floating interest rates to fixed interest rates.

(c) Medium Term Notes at interest cost of 4.6% per annum

The S\$100,000,000 in principal amount of 4.60% Fixed Rate Notes due 2017 ("MTN") was issued in January 2014 pursuant to CRT's U.S. \$500,000,000 Euro Medium Term Note Programme established on 3 January 2014. This is unsecured and is repayable on 23 January 2017. CRT entered into a cross currency swap agreement to convert the principal and interest of the MTN from Singapore Dollar to Japanese Yen. The principal amount and interest were fixed at JPY 8,176,796,000 at 3.83% per annum.

1 (c) Consolidated cash flow statements

	Note	1Q 2016	1Q 2015
		1 Jul 2015 to 30 Sep 2015 (JPY'000)	1 Jul 2014 to 30 Sep 2014 (JPY'000)
Operating activities			
Profit before tax		160,188	855,450
Adjustment for:			
Changes in fair value of derivative financial instruments		583,505	(165,928)
Finance income		(2,278)	(939)
Finance costs		259,679	234,739
Trustee-Manager's fees paid in units		(7,290)	3,771
Trustee-Manager's fees payable in units		130,408	122,446
Amortisation of property tax		-	17,466
Unrealised foreign exchange losses		31,731	4,803
		1,155,943	1,071,808
<u>Changes in working capital</u>			
Restricted cash		40,034	(1,087,876)
Prepayments		126,775	(89,596)
Trade and other receivables		47,074	337,372
Trade and other payables		(144,841)	139,359
Other liabilities		(94,503)	(44,549)
		1,130,482	326,518
Finance income received		2,278	939
Finance costs paid		(194,121)	(193,800)
Income taxes paid		(255,162)	(182,913)
Net cash flows generated from/(used in) operating activities		683,477	(49,256)
Investing activity			
Subsequent expenditure on investment properties		(20,456)	(5,200)
Net cash flows used in investing activity		(20,456)	(5,200)
Financing activities			
Proceeds from issuance of units	(a)	-	6,085,912
Payment of issue costs		-	(174,232)
Distribution to unitholders	(b)	(1,626,855)	(1,984,063)
Net cash flow (used in)/generated from financing activities		(1,626,855)	3,927,617
Net decrease in cash and cash equivalents		(963,834)	3,873,161
Cash and cash equivalents at beginning of the financial period		2,941,662	2,754,421
Effect of exchange rate change on cash and cash equivalents		(31,874)	(4,803)
Cash and cash equivalents at end of the financial period		1,945,954	6,622,779

Notes:

- (a) On 11 September 2014, CRT issued 78,900,000 units at S\$0.915 each. These proceeds were mainly used for the acquisition of One's Mall on 16 October 2014.
- (b) In 1Q 2015, CRT made distributions for the period from 1 January 2014 to 30 June 2014 and advanced distributions for the period from 1 July 2014 to 10 September 2014.

In 1Q 2016, CRT made distributions for the period from 1 January 2015 to 30 June 2015.

1 (d) (i) Statement of changes in unitholders' fund

	Note	CRT		CRT Group	
		1Q 2016 (JPY'000)	1Q 2015 (JPY'000)	1Q 2016 (JPY'000)	1Q 2015 (JPY'000)
Units in issue					
Balance at beginning of the period		36,502,257	29,876,815	36,486,750	29,861,308
- Issue of new units		121,771	6,208,089	121,771	6,208,089
- Management fees payable in units	(a)	1,348	4,041	1,348	4,041
- Issue costs		-	(174,232)	-	(174,232)
Balance at end of the period		36,625,376	35,914,713	36,609,869	35,899,206
Accumulated (losses)/profit					
Balance at beginning of the period		(4,906,613)	(2,386,145)	7,460,593	2,982,183
- Net (loss)/profit for the period		(326,475)	329,630	(13,734)	673,639
- Distribution to unitholders		(1,626,855)	(1,984,063)	(1,626,855)	(1,984,063)
Balance at end of the period		(6,859,943)	(4,040,578)	5,820,004	1,671,759
Fair value adjustment reserve					
Balance at beginning of the period		2,848	(1,904)	(361,181)	(449,957)
- Net (losses)/gains on fair value changes on cash flow hedge		(55,610)	(3,171)	(106,323)	25,214
Balance at end of the period		(52,762)	(5,075)	(467,504)	(424,743)
Equity attributable to unitholders		29,712,671	31,869,060	41,962,369	37,146,222

Note:

- (a) These are additional units to be issued to the Trustee-Manager as partial consideration of Trustee-Manager's fees incurred for the period ended 30 September 2015 and 30 September 2014. The Trustee-Manager has opted to receive 80% of the fees in units.

1 (d) (ii) Details of any changes in the units

	Note	1Q 2015	Year 2015
		1 Jul 2015 to 30 Sep 2015	1 Jul 2014 to 30 Jun 2015
Balance at beginning of the period		517,513,989	429,988,000
- Trustee-Manager's fees paid in units		1,680,000	6,000,000
- Private placement		-	78,900,000
- Distribution reinvestment plan		-	2,625,989
Issued units at the end of the period		519,193,989	517,513,989
Units to be issued			
- Trustee-Manager's fees payable in units	(a)	1,820,000	1,680,000
Balance at end of the period		521,013,989	519,193,989

Note:

- (a) These are additional units to be issued to the Trustee-Manager as partial consideration of Trustee-Manager's fees incurred for the period ended 30 September 2015 and 30 June 2015. The Trustee-Manager has opted to receive approximately 80% of the fees in units. The price of the units to be issued will be computed based on the volume weighted average price of a unit for the period of ten business days immediately preceding the relevant business day of the issue of such units.

- 2 **Whether the figures have been audited or reviewed, and in accordance with which auditing standard or practice.**

The figures have not been audited or reviewed by our auditor.

- 3 **Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of matter).**

Not applicable.

- 4 **Whether the same accounting policies and methods of computation as in the issuer's most recent audited annual financial statements have been applied.**

Same as described in paragraph 5, CRT has applied the same accounting policies and methods of computation with those applied in the audited financial statements for the financial year ended 30 June 2015.

- 5 **If there are any changes in the accounting policies and methods of computation, what has changed, as well as the reasons for, and effect of the change.**

There is no change in the accounting policies and methods of computation compared with the audited financial statements as at 30 June 2015 except for the adoption of new or revised FRS that are mandatory for financial year beginning on 1 July 2015. The adoption of those FRS has no significant impact to the financial position or performance of CRT for the current financial period.

- 6 **Group earnings per unit ("EPU") and income available for distribution per unit ("DPU") for 1Q 2016 vs 1Q 2015**

Group earnings per unit

	1Q 2016		1Q 2015	
	Note	1 Jul to 30 Sep 2015	1 Jul to 30 Sep 2014	
Weighted average number of units	(a)	518,080,076	447,660,283	
Earnings for the period (JPY'000)		(13,734)	673,639	
EPU for the period based on the weighted average number of units in issue (JPY)		(0.03)	1.50	

Notes:

- (a) The weighted average number of units is weighted for 1Q 2016 and 1Q 2015 respectively. The diluted EPU is the same as the basic EPU as no dilutive instruments were in issue during the respective reporting periods.

6 Group earnings per unit (“EPU”) and income available for distribution per unit (“DPU”) for 1Q 2016 vs 1Q 2015 (cont’d)

Group distribution per unit

	Note	1Q 2016	1Q 2015
		1 Jul to 30 Sep 2015	1 Jul to 30 Sep 2014
Number of units issued and to be issued at end of period entitled to distribution	(a)	521,013,989	511,888,000
Income available for distribution for the period (JPY'000)		918,537	790,995
DPU for the period based on the number of units entitled to distribution (Singapore cent)	(b)	2.08	2.08

Notes:

(a) The computation of DPU for the period is based on the number of units entitled to distribution. This comprises:

(i) The number of units in issue as at 30 September 2015 and 30 September 2014 of 519,193,989 and 510,338,000, respectively; and

(ii) The estimated number of units to be issued to the Trustee-Manager as partial consideration of the Trustee-Manager’s fees payable for the period from 1 July 2015 to 30 September 2015 and for the period from 1 July 2014 to 30 September 2014 of 1,820,000** and 1,550,000 (as reflected in the results announcement on 12 November 2014), respectively.

** As provided for in the trust deed dated 7 May 2012 constituting CRT, as amended (the “Trust Deed”), the price of the units issued shall be computed based on the volume weighted average price of a unit for the period of ten business days immediately preceding the relevant business day of the issue of such units. Therefore, the actual number of units to be issued may deviate from the above illustrative number of units.

(b) CRT had entered into forward currency contracts to hedge the currency risk on distributions to the unitholders. The distribution per unit for the period from 1 July 2015 to 30 September 2015 is computed based on an average SGD/JPY exchange rate of 84.81. The average exchange rate takes into consideration the forward currency contracts rate and spot rate at the end of the period.

7 Group net asset value (“NAV”) per unit based on existing units in issue and to be issued as at 30 September 2015

	Note	As at 30 Sep 2015	As at 30 Jun 2015
Number of unit issued and to be issued at end of period entitled to distribution	(a)	521,013,989	519,193,989
NAV as at end of period (JPY"000)		41,962,369	43,586,162
Net asset value per unit (JPY)		80.54	83.95

Notes:

(a) The number of units used to compute net asset value per unit as at 30 September 2015 and 30 June 2015 is 521,013,989 and 519,193,989, respectively. This comprises:

(i) The number of units in issue as at 30 September 2015 and 30 June 2015 of 519,193,989 and 517,513,989, respectively; and

(ii) The estimated number of units to be issued to the Trustee-Manager as partial consideration of the Trustee-Manager’s fees payable for the period from 1 July 2015 to 30 September 2015 and for the period from 1 April 2015 to 30 June 2015 of 1,820,000** and 1,680,000 (as reflected in the results announcement on 12 November 2014), respectively.

** As provided for in the Trust Deed, the price of the units issued shall be computed based on the volume weighted average price of a unit for the period of ten business days immediately preceding the relevant business day of the issue of such units. Therefore, the actual number of units to be issued may deviate from the above illustrative number of units.

8 Review of performance

8 (a) Statement of net property income and distribution

1Q 2016 vs 1Q 2015

	1Q 2016 1 Jul to 30 Sep 2015	1Q 2015 1 Jul to 30 Sep 2014	Variance (%)
Gross revenue (JPY"000)	2,006,599	1,712,482	17.2%
Net property income (JPY"000)	1,232,774	1,113,458	10.7%
Income available for distribution (JPY"000)	918,537	790,995	16.1%
Income available for distribution per unit (Singapore cent)	2.08	2.08	0.0%

8 (b) **Review of performance (Actual to Actual)**

1Q 2016 actual compared to 1Q 2015 actual

Gross revenue for 1Q 2016 was JPY 2,007 million, 17.2% higher than 1Q 2015. This positive variance is due mainly to the acquisition of One's Mall on 16 October 2014 and the tenants renewal exercise at Mallage Shobu. However, the increase is partially offset by the absence of a one-off income at Mallage Shobu recorded in 1Q2015.

Net property income for 1Q 2016 was JPY 1,233 million, 10.7% higher than 1Q 2015 due to the addition of property stated above and saving in property operating expenses.

Income available for distribution for 1Q 2016 is JPY 919 million, 16.1% higher than 1Q 2015. The higher positive variance compared to the net property income is due mainly to realised foreign exchange gain and decrease in income tax expense.

The total number of units for 1Q 2016 increased as compared to 1Q 2015. The increase in units is due to the private placement exercise of 78,900,000 units on 11 September 2014 and the units issued for the Trustee-Manager's fees paid in units. The average SGD/JPY foreign exchange rate of 1Q 2016 DPU computation is 84.81 and the average exchange rate is higher than 1Q 2015.

Overall, the income available for distribution per unit for 1Q 2016 is 2.08 Singapore cents.

9 **Variance between the forecast and actual results**

CRT has not disclosed any forecast to the market.

10 **Commentary on the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months**

Japan's gross domestic product (GDP) shrank an annualised 1.2% in the second quarter of 2015 and fell 0.3% on a quarter-on-quarter basis. It is the first quarter of contraction for the economy following 6-months of expansion since October 2014. Private consumption dropped 0.7% compared to first quarter of 2015, reflecting the temporary effects of poor weather. Analyst¹ expects the economy to reaccelerate in third quarter of 2015 due to an increase in exports and private consumption led by the US economic recovery and a gradual rise in real wages.

The Bank of Japan maintains its quantitative easing policies, causing Japanese Yen to weaken against other currencies and 3 month JPY TIBOR to drop below 0.20%. This is expected to lead to further rise in real estate prices in Japan. The aggregate value of CRT's seven properties as at 30 June 2015 increased 7.9% as compared to prior valuation.

¹ The source is Barclays Economics Research Report dated 17 August 2015. Barclays has not provided its consent to the inclusion of the information extracted from the relevant report published by it and therefore is not liable for such information. While the Trustee-Manager has taken reasonable actions to ensure that the information from the respective reports published by Barclays is reproduced in its proper form and context, and that the information is extracted accurately and fairly from such report, neither the Trustee-Manager nor any other party has conducted an independent review of the information contained in such report nor verified the accuracy of the contents of the relevant information.

10 Commentary on the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months (cont'd)

The competition for acquiring real estate assets in Japan has been keen in recent quarters. Notwithstanding the aforementioned, on 16 October 2015, CRT successfully completed the Acquisition of Torius. CRT is continuously looking into opportunities for further acquisition and asset enhancement of the portfolio

CRT had financed the acquisitions with five year Japanese Yen debt maturing in 2018 to 2020 and Singapore Dollar 4.6% Fixed Rate Notes due 2017 (the "Notes") pursuant to its U.S.\$500,000,000 Euro Medium Term Note Programme as well as equity fund raising. In order to hedge its interest rate and foreign currency exposure, CRT has entered into interest rate swaps for each of the Japanese Yen debt and has entered into swap transaction to swap the Singapore dollar proceeds of the Notes into Japanese Yen at a JPY fixed interest rate of 3.83% per annum.

CRT receives its distributable income in Japanese Yen but pays out distributions in Singapore Dollars to its unitholders semi-annually. To minimize the exposure to fluctuations in exchange rates, CRT has hedged close to 100% of the distribution up to June 2017.

Barring any unforeseen circumstances, CRT's properties are expected to continue generating robust and stable cash flows in the next reporting period and in the next 12 months.

Subsequent Events

On 16 October 2015, CRT completed the Acquisition of Torius which was partially financed through the Rights Issue¹.

On 2 November 2015, CRT issued 114,222,677 Rights Units pursuant to the Rights Issue at an Issue Price of S\$0.610 per Rights Unit².

11 Distributions

(a)	Current financial period	
	Any distribution declared for the current financial period?	No.
(b)	Corresponding period of the immediately preceding year	
	Any distributions declared for the corresponding period of the immediate preceding financial period?	Not applicable.
(c)	Date Payable	Not applicable.
(d)	Books closure date	Not applicable.

¹ As stated in CRT's announcements dated 28 September 2015, 3 November 2015 and in the offer information statement of CRT dated 6 October 2015, due to the timeline of the Rights Issue and the completion of the Acquisition of Torius being prior to the receipt of the proceeds from the Rights Issue, the Trustee-Manager had partially pre-funded the Acquisition of Torius by way of a bridge loan facility.

² Please refer to CRT's announcement on the SGX-ST dated 2 November 2015 and the offer information statement of CRT dated 6 October 2015 for further details.

12 If no distribution has been declared (recommended), a statement to that effect

Refer to paragraph 11.

13 Interested person transactions (“IPT”)

The Trustee-Manager’s fees payable by CRT under the Trust Deed, which constitute interested person transactions, are deemed to have been specifically approved by the unitholders upon subscription of the units at IPO and are therefore not subject to Rule 905 and 906 of the Listing Manual of the SGX-ST (the “Listing Manual”) to the extent that there is no subsequent change to the rates and/or bases of the fees charged thereunder which will adversely affect CRT.

14 If the Group has obtained a general mandate from unitholders for IPT, the aggregate value of such transactions are required under Rule 920(1)(a)(ii). If not IPT mandate has been obtained, a statement to that effect

CRT has not obtained a general mandate from unitholders for IPTs other than the fees and charges payable by CRT under the Trust Deed, which are not subject to Rules 905 and 906 of the Listing Manual to the extent that there is no subsequent change to the rates and/or bases of the fees charged thereunder which will adversely affect CRT, as disclosed in the Prospectus.

15 Negative confirmation pursuant to Rule 705 (5)

Pursuant to Listing Rule 705(5) of the Listing Manual, the Board of Directors of Trustee-Manager confirms that, to the best of the knowledge of the directors, nothing has come to their attention which may render these financial results for the period from 1 July 2015 to 30 September 2015 to be false or misleading in any material respect.

16 Use of proceeds

(i) Use of IPO proceeds raised on Listing Date

A summary of the utilisation of proceeds from the initial public offer has been reported on Page 59 of the Annual Report 2014.

As at 30 September 2015, an aggregate of approximately JPY136.8 million has been utilised for the trust expenses of CRT and asset enhancement initiatives carried or to be carried out at Mallage Shobu. The remaining amount of approximately JPY615.5 million for such asset enhancement initiatives is expected to be disbursed from time to time over the coming 12-month period.

The Trustee-Manager will make a further announcement when the remaining IPO Proceeds of approximately JPY615.5 million has been fully disbursed for the intended tenant replacements and asset enhancement initiatives at Mallage Shobu.

16 Use of proceeds (cont'd)

(ii) Use of placement proceeds raised on 11 September 2014

A summary of the utilisation of proceeds from the placement has been reported on Page 58 of the Annual Report 2015.

As at 30 September 2015, JPY 373,414,000 remains available for general corporate and working capital purposes by CRT.

The Trustee-Manager will make the appropriate announcements on any material development on the use of the placement proceeds in compliance with the listing requirement of the SGX-ST, as and when required.

(iii) Use of Rights Issue proceeds raised on 3 November 2015

Do note that the Trustee-Manager had on 28 September 2015 launched the Rights Issue of 114,222,677 Rights Units and had on 3 November 2015 made an announcement in respect of the use of proceeds from the Rights Issue.

The Trustee-Manager will make the appropriate announcements on any material development on the use of the Rights Issue proceeds in compliance with the listing requirements of the SGX-ST, as and when required.

On behalf of the Board

Croesus Retail Asset Management Pte. Ltd.

(as trustee-manager of Croesus Retail Trust)

Lim Teck Leong, David

Chairman

Chang Cheng-Wen, Jim

Chief Executive Officer and Executive Director

11 November 2015

This release may contain forward-looking statements that involve risks and uncertainties. Actual future performance, outcomes and results may differ materially from those expressed in forward-looking statements as a result of a number of risks, uncertainties and assumptions. Representative examples of these factors include (without limitation) general industry and economic conditions, interest rate trends, cost of capital and capital availability, competition from similar developments, shifts in expected levels of property rental income, changes in operating expenses, including employee wages, benefits and training, property expenses and governmental and public policy changes and the continued availability of financing in the amounts and the terms necessary to support future business. You are cautioned not to place undue reliance on these forward looking statements, which are based on current view of management on future events.

This release may include market and industry data and forecasts that have been obtained from internal surveys, reports and studies, where appropriate, as well as market research, publicly available information and industry publications. Industry publications, surveys and forecasts generally state that the information they contain has been obtained from sources believed to be reliable, but there can be no assurance as to the accuracy or completeness of such information. While the Trustee-Manager has taken reasonable steps to ensure that the information is extracted accurately and in its proper context, the Trustee-Manager has not independently verified any of the data from third party sources or ascertained the underlying economic assumptions relied upon therein.