



(a business trust constituted on 7 May 2012 under the laws of the Republic of Singapore)  
Managed by Croesus Retail Asset Management Pte. Ltd. (Registration Number 201205175K)

Unless otherwise indicated in this announcement, all conversions from Japanese Yen amounts into Singapore Dollar amounts in this announcement are based on an exchange rate of JPY82.00 : S\$1.00.

## PROPOSED ACQUISITIONS OF MALLAGE SAGA AND FEEEAL ASAHIKAWA

### 1. INTRODUCTION

Croesus Retail Asset Management Pte. Ltd., in its capacity as trustee-manager of Croesus Retail Trust (“**CRT**”, and as trustee-manager of CRT, the “**Trustee-Manager**”), wishes to announce that the Trustee-Manager has today, through Orange *tokutei mokuteki kaisha* (“**Orange TMK**”)<sup>1</sup>, a special purpose *tokutei mokuteki kaisha* incorporated under the Japan Law Regarding Securitisation of Assets (No. 105 of 1998 as amended) for investment holding purposes, entered into two separate purchase and sale agreements (the “**Purchase and Sale Agreements**”), to acquire the trust beneficiary interests (“**TBI**”) in respect of two income-producing retail properties in Japan, namely Mallage Saga and Feeeal Asahikawa (collectively, the “**Properties**”). The TBI in respect of Mallage Saga will be acquired from a third-party vendor (the “**Mallage Saga Vendor**”)<sup>2</sup>, the TBI in respect of Feeeal Asahikawa will be acquired indirectly from GK Feeeal Shogyo Kaihatsu (the “**Feeeal Asahikawa**

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1 The shareholders of Orange TMK are, as at the date of this announcement, (i) Orange *ippan shadan hojin* (“**Orange ISH**”), which holds 75.0% of the specified equity (which are like common shares) and (ii) Orange 1 TMK Holding Pte. Ltd. (“**Orange HoldCo 1**”), a Singapore incorporated company, which holds 25.0% of the specified equity. The holder of the voting rights in Orange ISH is a certified public accountant retained by the Trustee-Manager and the Trustee-Manager will have practical but not legal control over Orange ISH.

As announced by the Trustee-Manager on 30 March 2016, the Trustee-Manager had acquired the entire issued share capital of Orange HoldCo 1 and Orange 2 TMK Holding Pte. Ltd. (“**Orange HoldCo 2**”) from Croesus Merchants International Pte. Ltd. Orange TMK, Orange HoldCo 1 and Orange HoldCo 2 form part of CRT’s assets.

The Trustee-Manager intends to use a holding structure similar to the holding structure of the initial portfolio of CRT at the initial public offering of CRT and expects that Orange TMK will issue preferred equities to Orange HoldCo 1 and the Tokyo branch of Orange HoldCo 2 in the proportions 49% and 51%. Please refer to the prospectus of CRT dated 2 May 2013 and the announcement dated 30 December 2013 for further information on the TMK structure.

2 The Trustee-Manager is not able to disclose the name of the Mallage Saga Vendor as the Trustee-Manager was not able to obtain approval from the Mallage Saga Vendor for such information to be disclosed in the Announcement due to confidentiality obligations under the purchase and sale agreement for Mallage Saga.

Vendor”) (collectively, the “Acquisitions”). The aggregate purchase consideration for the Acquisitions is JPY6,110.0 million (approximately S\$74.5 million).

## 2. THE ACQUISITIONS

### 2.1 Details of the Properties

#### *Information on Mallage Saga*

Mallage Saga is an income-producing sub-urban shopping mall located in Saga City, the capital city of Saga Prefecture in the northwest region of Kyushu, Japan.

Train access to Saga City is via JR Nagasaki Mainline, which connects Tosu City in the north of Saga Prefecture to Sasebo City in Nagasaki Prefecture, west of Saga City. Major roads in Saga City include the Nagasaki Expressway as well as several prefectural routes that provide access within the city. Mallage Saga has excellent road frontage – being strategically located at the intersection of Prefectural Road 51, Kanjo Higashi Dori and Prefectural Road 264, which makes it very accessible and convenient for drivers. The main access to the property is by car, which has ample parking space with 2,032 car park lots.

Mallage Saga is the second largest shopping mall in Saga City. It comprises north and south sections with a diversified tenant mix of 132 tenants in food & beverage, interior goods, ladies’ and men’s fashion and entertainment. Key tenants include Mr. Max (discount store), Food Way (supermarket), 109 Cinemas and Sanki (fashion retailer).

As at 31 December 2015, Mallage Saga has an occupancy rate of 97.7% and serves as a one-stop shopping, dining and leisure destination in the property’s catchment trade area. 109 Cinemas is one of the anchor tenants, advancing the competitiveness and attractiveness of the property.

#### *Information on Feeeal Asahikawa*

Feeeal Asahikawa is an income-producing large scale shopping centre with office space located in Asahikawa City, the second largest city in Hokkaido, Japan. Asahikawa City is in the centre of Hokkaido and is served by the Hokkaido Expressway, which connects the city with Hakodate City in the south and Wakkanai City in the north. The city is well covered by four major train lines – the Hakodate Honsen Line, Soya Main Line, Sekihoku Main Line and Furano Line.

The property is approximately 4 minutes’ walking distance from JR Asahikawa Station on the JR Hokodate Honsen Line and is situated along the Heiwa-dori Kaimono Koen Shopping Street of Asahikawa City, which is a major commercial and shopping area in the city. The property enjoys significant street frontage with high visibility and is considered an established shopping destination for residents of Asahikawa City and its neighbouring areas.

Feeeal Asahikawa is widely recognised by the local community as the leading fashion shopping mall with a wide range of fashion goods for shoppers of all ages. There are two office tenants and 62 retail tenants providing a mix of food and groceries, fashion and accessories, education services and financial/insurance advisory services. The top four floors are mainly occupied by the Asahikawa City government, which operates an indoor children’s playground, administrative office and community centre, as well as Bell System 24, which operates a call centre. The presence of office tenants within the building is an advantage as their employees provide a source of stable foot traffic into the property.

As at 31 December 2015, Feeeal Asahikawa has an occupancy rate of 97.9%.

The table below sets out a summary of the key information of Mallage Saga and Feeeal Asahikawa:

Details	Mallage Saga	Feeeal Asahikawa
Location	Saga City, Saga Prefecture, Japan	Asahikawa City, Hokkaido, Japan
Type	Sub-urban Shopping Mall	Large Scale Shopping Centre with Office
Title	Freehold + Leasehold <sup>(1)</sup>	Freehold
Year of Completion	Completed in stages between March 2003 and November 2006	Completed in stages between November 1978 and September 1992
Land Area (sq m)	82,436	4,149
Gross Floor Area (sq m)	75,396	36,479
Net Lettable Area (“NLA”) (sq m) as at 31 Dec 2015	46,650	19,763
Number of Floors	Two buildings with three floors above ground and four single storey buildings (additional three buildings of non-leaseable area)	Nine floors above ground and two basement floors
Carpark Lots	2,032	Nil
Occupancy Rate as at 31 Dec 2015	97.7%	97.9%
Number of Tenants as at 31 Dec 2015	132	62 Retail Tenants and 2 Office Tenants
Weighted average lease expiry (“WALE”) by NLA (years) as at 31 Dec 2015	4.5 years	1.7 years

Key Tenants	Mr. Max, 109 Cinema, Food Way and Sanki	Junkudo, Asahikawa City and Bell System 24
Pro forma NPI for the financial year ended 30 June 2015 ("FY2015")	JPY 329.5 million	JPY 129.1 million
Purchase Consideration	JPY 3,610.0 million (approximately S\$44.0 million)	JPY 2,500.0 million (approximately S\$30.5 million)
Appraised Value by Cushman & Wakefield K.K. ("C&W") (as at 15 April 2016)	JPY 4,200.0 million (approximately S\$51.2 million)	JPY 2,500.0 million (approximately S\$30.5 million)
Probable Maximum Loss (%) <sup>(2)</sup>	7.7%	1.7%

Notes:

- (1) The leasehold interest in respect of the parcel of land on which Mallage Saga is located (comprising a land area of 70,831.68 sq m) expires on 18 March 2033. The Purchase and Sale Agreement for Mallage Saga contains a condition that the Mallage Saga Vendor has to obtain a 40-year extension as at the completion date of the acquisition of Mallage Saga.
- (2) "Probable Maximum Loss" means the probable maximum loss (i.e. repair and reprourement expenses) that would be incurred should the largest earthquake that has a 10% probability of occurring during a 50 year assumed service life of a building (i.e. an earthquake of the type that has a probability of occurrence once every 475 years) occur. Probable Maximum Loss is commonly utilised in the Japanese real estate industry for the purpose of asset securitisation. Traditionally in the Japanese real estate investment trust industry, unless Probable Maximum Loss is in excess of 15%, buildings are not insured for earthquake due to the relatively high insurance premium and the high deductible amount.

## 2.2 Valuation and Aggregate Purchase Consideration for the Acquisitions

The aggregate purchase consideration for the Acquisitions is JPY6,110.0 million (approximately S\$74.5 million), comprising JPY3,610.0 million (approximately S\$44.0 million) for Mallage Saga (the "**Mallage Saga Purchase Consideration**") and JPY2,500.0 million (approximately S\$30.5 million) for Feeeal Asahikawa (the "**Feeeal Asahikawa Purchase Consideration**"), and together the Mallage Saga Purchase Consideration and Feeeal Asahikawa Purchase Consideration, the "**Purchase Consideration**"). The Purchase Consideration is payable by CRT in JPY in cash and was arrived at on a willing-buyer willing-seller basis after taking into account the independent valuation of the Properties by C&W as at 15 April 2016, commissioned by the Trustee-Manager to assess the open market value of the Properties.

The valuation was derived by C&W using the direct capitalisation, discounted cash flow and replacement cost methods. The Purchase Consideration of JPY6,110.0 million is at a 8.8% discount to the aggregate independent valuation of the Properties of JPY6,700.0 million by C&W as at 15 April 2016.

## 2.3 Estimated Total Cost of the Acquisitions

The current estimated total cost of the Acquisitions (the “**Total Acquisition Cost**”) is approximately JPY7,032.9 million (approximately S\$85.8 million), comprising:

- (i) the Purchase Consideration of JPY6,110.0 million (approximately S\$74.5 million), comprising the Mallage Saga Purchase Consideration and the Feeeal Asahikawa Purchase Consideration;
- (ii) Japan consumption tax of approximately JPY415.0 million (approximately S\$5.1 million) which will be refunded to CRT within 12 months from the date of completion of the Acquisitions;
- (iii) the deposit payable by CRT in connection with the land lease of Mallage Saga of JPY130.7 million (approximately S\$1.6 million)<sup>1</sup>;
- (iv) the acquisition fee payable to the Trustee-Manager, being 1.0% of the Purchase Consideration, which amounts to JPY61.1 million (approximately S\$0.7 million); and
- (v) the estimated professional and other transaction fees and expenses incurred or to be incurred in connection with the Acquisitions (including due diligence costs, brokerage fee<sup>2</sup> and costs to be incurred in relation to the valuation report) of approximately JPY316.1 million (approximately S\$3.9 million).

## 2.4 Principal Terms of the Acquisitions

### (i) Purchase and Sale Agreement for Mallage Saga

On 13 May 2016, the Trustee-Manager, through Orange TMK, entered into the Purchase and Sale Agreement with the Mallage Saga Vendor to acquire the TBI in Mallage Saga for the Mallage Saga Purchase Consideration of JPY3,610.0 million (approximately S\$44.0 million) (the “**Mallage Saga Purchase and Sale Agreement**”).

Among others, the Mallage Saga Purchase and Sale Agreement contains representations and warranties in respect of Mallage Saga, including that (i) the TBI belongs solely to the Mallage Saga Vendor and there are no other beneficiary interests with Mallage Saga as their trust assets and the Mallage Saga Vendor

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1 The deposit is payable to the owner of the land in connection with the land lease for Mallage Saga. In the event that Mallage Saga is sold to another party, the amount equivalent to such deposit will be refunded to CRT by the purchaser.

2 A brokerage fee is payable to a third party broker for sourcing Mallage Saga and Feeeal Asahikawa for acquisition by CRT.

possesses all authority to dispose of the TBI (conditional on approval from trustee) as of the closing date, (ii) Mallage Saga shall not be subject to any encumbrances at the closing date except for the existing building lease agreements and other encumbrances expressly set forth in the Mallage Saga Purchase and Sale Agreement, (iii) there is no litigation, arbitration or administrative procedures with respect to Mallage Saga and (iv) the buildings within Mallage Saga are not subject to any provisional attachment, preservative attachment or attachment. In addition, the Mallage Saga Purchase and Sale Agreement contains a condition that the Mallage Saga Vendor has to obtain a 40-year extension for the leasehold interest in respect of the parcel of land on which Mallage Saga is located (comprising a land area of 70,831.68 sq m) that expires on 18 March 2033, as at the completion date of the Acquisition of Mallage Saga.

The settlement date shall be 27 May 2016, unless otherwise agreed in writing by the parties to the Mallage Saga Purchase and Sale Agreement.

The Mallage Saga Vendor owes defect liability with respect to Mallage Saga and the TBI for two years from the settlement date. In addition, the acquisition of Mallage Saga is subject to Orange TMK's right to terminate the Mallage Saga Purchase and Sale Agreement if the property is materially damaged and Orange TMK determines that the purpose of the Mallage Saga Purchase and Sale Agreement is unable to be accomplished due to such damages.

(ii) **Purchase and Sale Agreement for Feeeal Asahikawa**

On 13 May 2016, the Trustee-Manager, through Orange TMK, entered into the Purchase and Sale Agreement with the Feeeal Asahikawa Vendor to acquire the TBI in Feeeal Asahikawa for the Feeeal Asahikawa Purchase Consideration of JPY2,500.0 million (approximately S\$30.5 million) (the "**Feeeal Asahikawa Purchase and Sale Agreement**").

Among others, the Feeeal Asahikawa Purchase and Sale Agreement contains representations and warranties in respect of Feeeal Asahikawa, including that (i) the TBI belongs solely to the Feeeal Asahikawa Vendor and there are no other beneficiary interests with Feeeal Asahikawa as their trust assets and the Feeeal Asahikawa Vendor possesses all authority to dispose of the TBI (conditional on approval from trustee) as of the closing date, (ii) Feeeal Asahikawa shall not be subject to any encumbrances at the closing date except for the existing building lease agreements and other encumbrances expressly set forth in the Feeeal Asahikawa Purchase and Sale Agreement, (iii) there is no litigation, arbitration or administrative procedures with respect to Feeeal Asahikawa and (iv) the buildings within Feeeal Asahikawa are not subject to any provisional attachment, preservative attachment or attachment.

The settlement date shall be 27 May 2016, unless otherwise agreed in writing by the parties to the Feeeal Asahikawa Purchase and Sale Agreement.

The acquisition of Feeeal Asahikawa is on an “as is” basis at the time of the completion of the acquisition, (i) with Orange TMK’s assumption of risks as to the legal and physical condition of the property that are customary for transactions of this nature and (ii) with Orange TMK’s right to terminate the Feeeal Asahikawa Purchase and Sale Agreement if the property is materially damaged or Orange TMK reasonably determines that the purpose of the Feeeal Asahikawa Purchase and Sale Agreement is unable to be accomplished due to such damages.

## 2.5 Asset Management Agreements in respect of the Properties

The asset management agreements in respect of each of the Properties will be finalised at a later stage. In the meantime, Mallage Saga will continue to be managed by the Mallage Saga Vendor and Feeeal Asahikawa will continue to be managed by its current property manager under terms which are intended to be substantially the same as the existing property management agreement. The Trustee-Manager will make a separate announcement on the material terms thereof.

## 3. Method of Financing the Acquisitions

The Trustee-Manager intends to adopt an optimal financing plan to finance the Acquisitions through a combination of:

- (i) net proceeds of approximately JPY4,672.5 million (approximately S\$57.0 million) from the issuance of new Japanese onshore 5-year specified bonds of JPY4,705.0 million<sup>1</sup> (approximately S\$57.4 million) as well as a consumption tax loan of JPY570.3 million<sup>2</sup> (approximately S\$7.0 million);
- (ii) net proceeds of approximately JPY1,244.4 million (approximately S\$15.2 million) from the issuance of S\$60,000,000 5.0% fixed rate notes due 2020 (the “Notes”) under the U.S.\$500,000,000 Euro Medium Term Note Programme established by the Trustee-Manager on 3 January 2014 (the “EMTN Programme”). The launch relating to the Notes was 4 April 2016 and the issuance was 13 April 2016; and

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1 Of the JPY4,705.0 million specified bonds, approximately JPY4,672.5 million will be used to partially fund the Acquisitions and the remainder of the specific bonds will be used for debt upfront fees and expenses in relation to the issuance.

2 Consumption tax loan is expected to be repaid within 12 months from the date of completion of the Acquisitions as the consumption tax arising from the Acquisitions is expected to be refunded to CRT within the same period abovementioned.

- (iii) equity funding of approximately JPY545.7 million (approximately S\$6.6 million), which is the remainder of the net proceeds from the private placement of 70,000,000 new units in CRT (“**New Units**”, and the private placement of New Units, the “**Private Placement**”) issued at an issue price of S\$0.750 per New Unit which raised gross proceeds of S\$52.5 million. The Private Placement was launched on 23 March 2016 and closed on 24 March 2016.

(Please see the announcements dated 4 April 2016 and 13 April 2016 for further details on the EMTN Programme and the announcements dated 23 March 2016 and 24 March 2016 for further details on the Private Placement.)

Upon completion of the Acquisitions and including the Fuji Grand Natalie Acquisition as announced by CRT on 7 April 2016, CRT’s aggregate leverage ratio as at 31 December 2015, on a *pro forma* basis, would be 48.4%.

#### 4. RATIONALE FOR THE ACQUISITIONS

The Trustee-Manager believes that the Acquisitions will provide the following key benefits to the Unitholders:

##### 4.1 Attractive and Accretive Acquisitions which are expected to improve DPU to Unitholders

The Acquisitions are consistent with the Trustee-Manager’s objective of delivering a competitive return on investment to Unitholders through regular and growing distributions by pursuing accretive acquisition opportunities of retail assets.

The aggregate *pro forma* FY2015 NPI yield for the Properties and Fuji Grand Natalie is 7.1%<sup>1</sup> which compares favourably to the *pro forma* FY2015 NPI yield of CRT’s Pre-Acquisitions Portfolio<sup>2</sup> of 5.5%<sup>3</sup>.

For **illustrative purposes** only, assuming the Properties were acquired by CRT on 1 July

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1 Based on the sum of the aggregate *pro forma* FY2015 NPI of the Properties and Fuji Grand Natalie, divided by the purchase consideration of Fuji Grand Natalie of JPY3,300.0 million, the Mallage Saga Purchase Consideration of JPY3,610.0 million and the Feeeal Asahikawa Purchase Consideration of JPY2,500.0 million.

2 “**Pre-Acquisitions Portfolio**” means the portfolio of properties comprised in CRT’s portfolio as at 31 March 2016, being Aeon Town Suzuka, Aeon Town Moriya, Mallage Shobu, Croesus Shinsaibahi, Luz Omori, Croesus Tachikawa, One’s Mall, and Torius. For the avoidance of doubt, Fuji Grand Natalie is not included in the Pre-Acquisitions Portfolio as it was recently acquired on 18 April 2016 and intended by the Trustee-Manager to be viewed as an aggregated transaction with the Acquisitions.

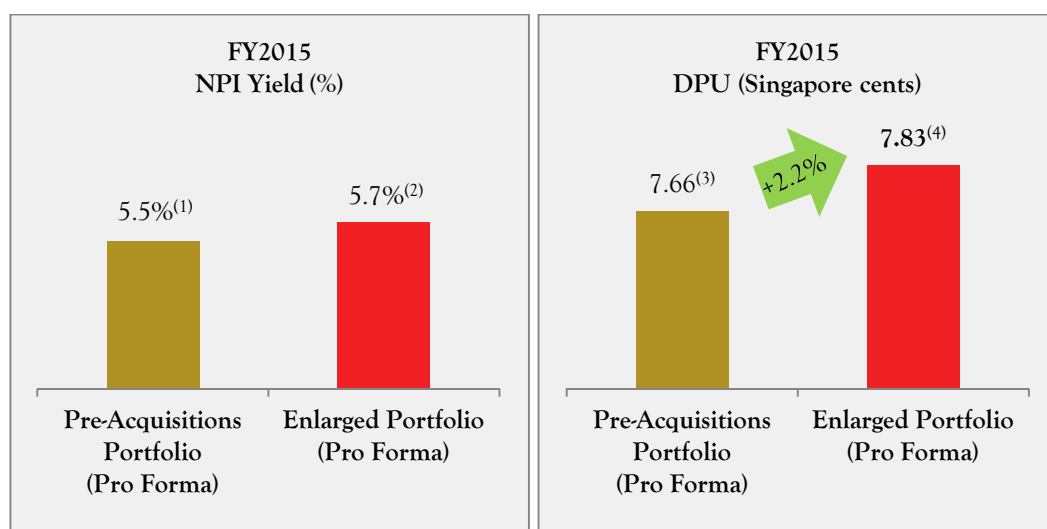
3 Based on the *pro forma* NPI of the Pre-Acquisitions Portfolio for FY2015 (derived from the FY2015 Audited Financial Statements and including the *pro forma* NPI of Torius for FY2015 as disclosed in the announcement dated 28 September 2015) divided by the appraised value of the Pre-Acquisitions Portfolio of JPY96,230 million as at 31 December 2015.



2014 and held throughout FY2015, the *pro forma* NPI yield of the Enlarged Portfolio<sup>1</sup> would be approximately 5.7%<sup>2</sup> respectively, which compares favourably to the *pro forma* NPI yield of the Pre-Acquisitions Portfolio of approximately 5.5%<sup>3</sup> for FY2015.

For the same FY2015 period, the *pro forma* DPU of the Enlarged Portfolio would increase to approximately 7.83<sup>4</sup> Singapore cents, approximately 2.2% higher compared to the *pro forma* DPU of the Pre-Acquisitions Portfolio of approximately 7.66<sup>5</sup> Singapore cents.

The *pro forma* NPI yield and *pro forma* DPU of the Pre-Acquisitions Portfolio as well as the *pro forma* NPI yield and *pro forma* DPU of the Enlarged Portfolio are set out in the charts below.



- 1 "Enlarged Portfolio" means the enlarged portfolio of properties in CRT following the completion of the Acquisitions, comprising those properties in its existing portfolio as of the date of this announcement, being Aeon Town Suzuka, Aeon Town Moriya, Mallery Shobu, Croesus Shinsaibahi, Luz Omori, Croesus Tachikawa, One's Mall, Torius, Fuji Grand Natalie (the "Existing Portfolio") and the Properties.
- 2 Based on the NPI of the Enlarged Portfolio for FY2015 (derived from the FY2015 Audited Financial Statements, the *pro forma* NPI of Torius for FY2015 as disclosed in the announcement dated 28 September 2015, the *pro forma* NPI of Fuji Grand Natalie as disclosed in the announcement dated 7 April 2016 and the *pro forma* NPI of Mallery Saga and Feeeal Asahikawa for FY2015) divided by the sum of the appraised value of the Pre-Acquisitions Portfolio (as defined herein) of JPY96,230.0 million as at 31 December 2015, the purchase consideration of Fuji Grand Natalie of JPY3,300.0 million, the Mallery Saga Purchase Consideration of JPY3,610.0 million and the Feeeal Asahikawa Purchase Consideration of JPY2,500.0 million.
- 3 Based on the *pro forma* NPI of the Pre-Acquisitions Portfolio for FY2015 (derived from the FY2015 Audited Financial Statements and including the *pro forma* NPI of Torius for FY2015 as disclosed in the announcement dated 28 September 2015) divided by the appraised value of the Pre-Acquisitions Portfolio of JPY96,230 million as at 31 December 2015.
- 4 For the Enlarged Portfolio, the *pro forma* DPU is calculated taking into account the aggregate effects of the acquisition of Fuji Grand Natalie and the Acquisitions, and based on the assumptions as set out in paragraph 6 of this Announcement in respect of the *pro forma* financial effects.
- 5 Based on the Pre-Acquisitions Portfolio which takes into account the Torius Acquisition and the 2015 Rights Issue (each as defined herein).

**Notes:**

- (1) Based on the *pro forma* NPI of the Pre-Acquisitions Portfolio for FY2015 (derived from the FY2015 Audited Financial Statements and the *pro forma* NPI of Torius for FY2015 as disclosed in the announcement dated 28 September 2015) divided by the appraised value of the Pre-Acquisitions Portfolio of JPY96,230 million as at 31 December 2015.
- (2) Based on the *pro forma* NPI of the Enlarged Portfolio for FY2015 (derived from the FY2015 Audited Financial Statements, the *pro forma* NPI of Torius for FY2015 as disclosed in the announcement dated 28 September 2015, the *pro forma* NPI of Fuji Grand Natalie as disclosed in the announcement dated 7 April 2016 and the *pro forma* NPI of Mallage Saga and Feeeal Asahikawa for FY2015) divided by the sum of the appraised value of the Pre-Acquisitions Portfolio (as defined herein) of JPY96,230.0 million as at 31 December 2015, the purchase consideration of Fuji Grand Natalie of JPY3,300.0 million, the Mallage Saga Purchase Consideration of JPY3,610.0 million and the Feeeal Asahikawa Purchase Consideration of JPY2,500.0 million.
- (3) Based on the Pre-Acquisitions Portfolio taking into account the Torius Acquisition and the 2015 Rights Issue (each as defined herein).
- (4) For the Enlarged Portfolio, the *pro forma* DPU is calculated taking into account the aggregate effects of the acquisition of Fuji Grand Natalie and the Acquisitions, and based on the assumptions as set out in paragraph 6 of this Announcement in respect of the *pro forma* financial effects.

#### **4.2 Well-Located Assets with Good Accessibility and Expansion of CRT's Geographical Footprint**

*The properties are conveniently accessible via major transportation nodes such as major roads and train stations*

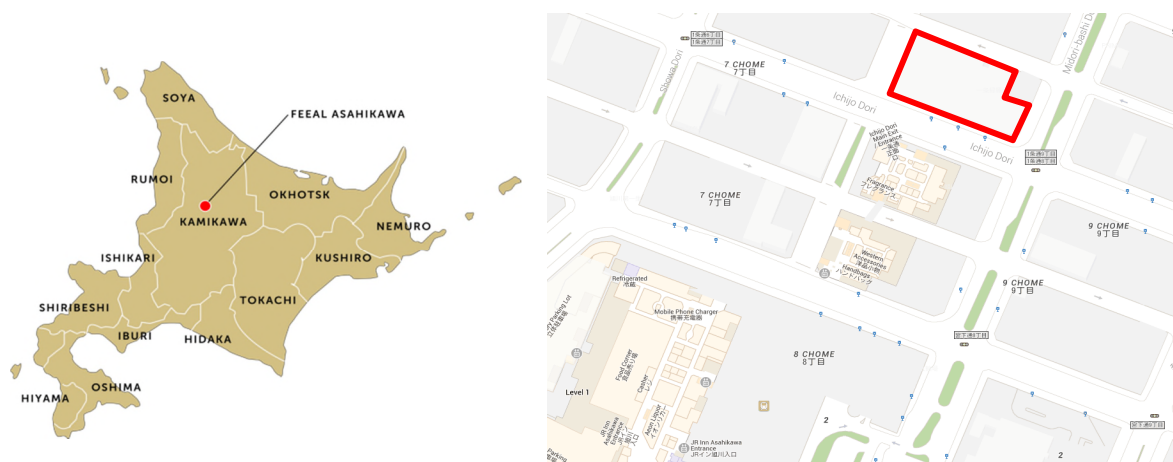
Mallage Saga is located in Saga City, the capital city of Saga Prefecture in the northwest of Kyushu, Japan. Train access to Saga City is via JR Nagasaki Mainline which connects Tosu City in the north of Saga Prefecture to Sasebo City in Nagasaki Prefecture, west of Saga City. Major roads in Saga City include Nagasaki Expressway as well as several prefectural routes that provide access within the city. Mallage Saga has excellent road frontage, being strategically located at the intersection of Prefectural Road 51, Kanjo Higashi Dori and Prefectural Road 264, which makes it very accessible and convenient for drivers. The main access to the property is by car. There are ample parking spaces of 2,032 car park lots.

The map below sets out the location of Mallage Saga.



Feeal Asahikawa is located in Asahikawa City, the second largest city in Hokkaido, Japan. Asahikawa City is in the centre of Hokkaido and is served by Hokkaido Expressway which connects the city with Hakodate City in the south and Wakkanai City in the north. The city is well covered by four major train lines - Hakodate Honsen Line, Soya Main Line, Sekihoku Main Line and Furano Line. The property is approximately 4 minutes' walking distance from JR Asahikawa Station on the JR Hokodate Honsen Line and is situated along Heiwa-dori Kaimono Koen Shopping Street of Asahikawa City, which is a major commercial and shopping area in the city. The property enjoys significant street frontage with high visibility and is considered an established shopping destination for residents of Asahikawa City and its neighbouring areas.

The map below sets out the location of Feeal Asahikawa.

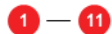


*Strategic additions to broaden CRT's geographical footprint*

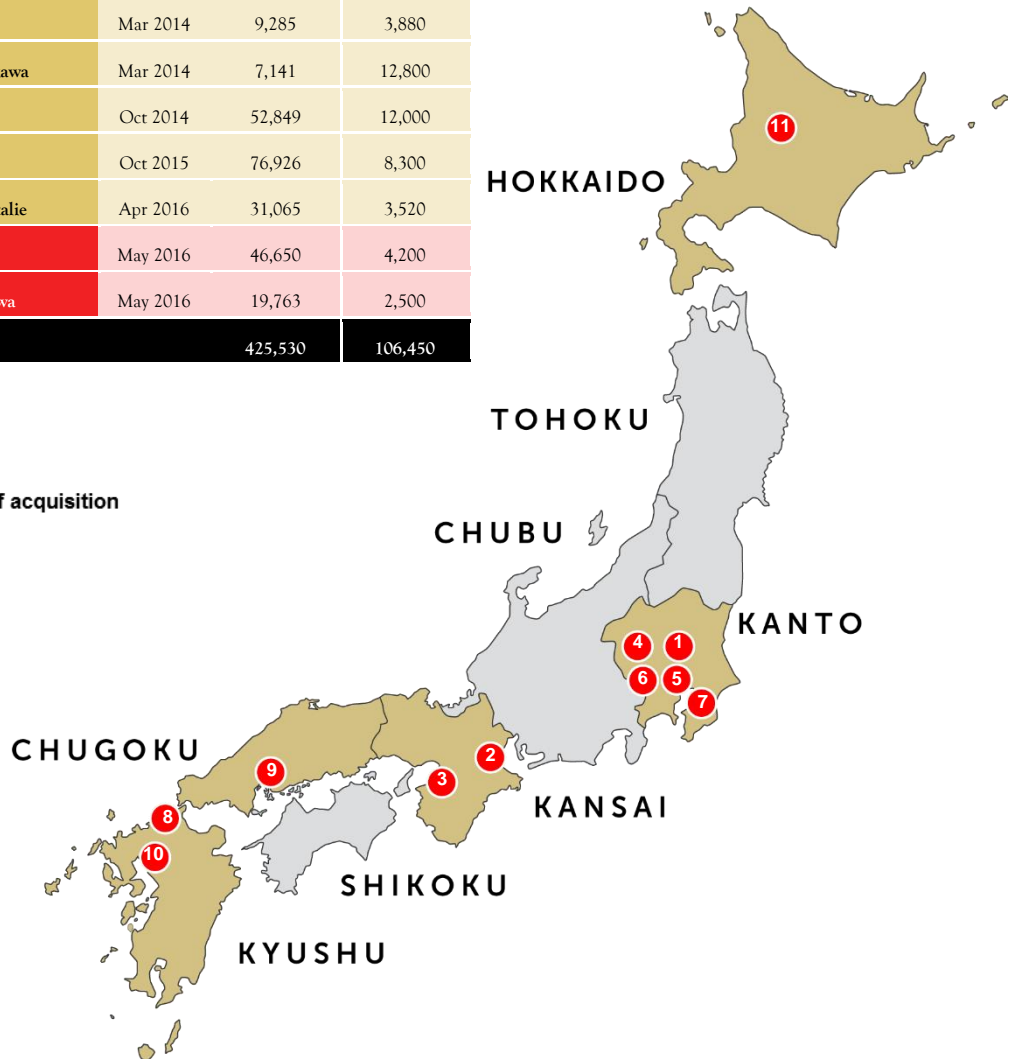
The Acquisitions demonstrate the Trustee-Manager's ability to continue to acquire attractive assets. These Properties were strategically selected to complement CRT's existing portfolio and broaden its geographical footprint across Japan. Upon completion of the Acquisitions, CRT's enlarged portfolio will comprise 11 well-located and geographically diversified urban and sub-urban assets across Japan.

The diagram below sets out the location of CRT's portfolio across Japan.

	Acquired	NLA (sq m)	Valuation (JPY mm)	
1.	Aeon Town Moriya	May 2013	68,047	14,400
2.	Aeon Town Suzuka	May 2013	43,501	9,650
3.	Croesus Shinsaibashi	May 2013	2,342	10,700
4.	Mallage Shobu	May 2013	67,961	24,500
5.	Luz Omori	Mar 2014	9,285	3,880
6.	Croesus Tachikawa	Mar 2014	7,141	12,800
7.	One's Mall	Oct 2014	52,849	12,000
8.	Torius	Oct 2015	76,926	8,300
9.	Fuji Grand Natalie	Apr 2016	31,065	3,520
10.	Mallage Saga	May 2016	46,650	4,200
11.	Feeceal Asahikawa	May 2016	19,763	2,500
<b>Total</b>		<b>425,530</b>	<b>106,450</b>	



Denotes order of acquisition



#### 4.3 Diversified and Suitable Tenant Mix Providing Resilient and Recurring Rental Income

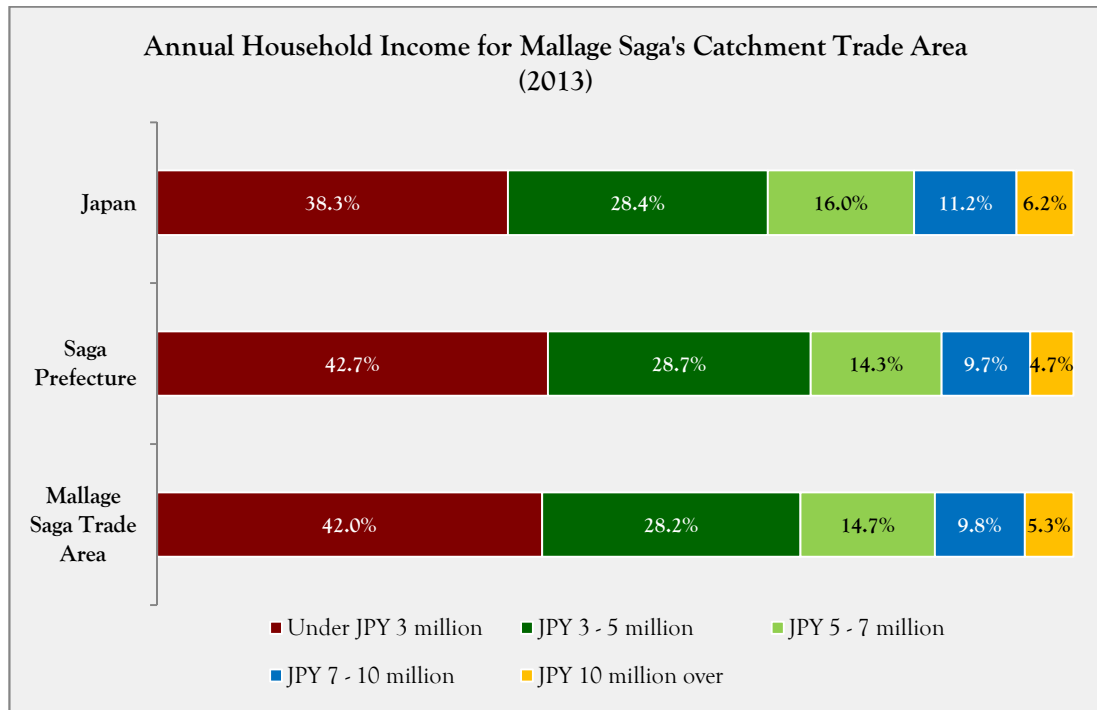
##### *The Properties each have an attractive and diversified tenant mix*

Mallage Saga is the second largest shopping mall in Saga City, comprising north and south sections with a diversified tenant mix comprising 132 tenants in food & beverage, interior goods, ladies' and men's fashion and entertainment. Key tenants include Mr. Max (discount store), Food Way (supermarket), 109 Cinemas and Sanki (fashion retailer). It serves as a one-stop shopping, dining and leisure destination in the property's catchment trade area. 109 Cinemas is one of the anchor tenants, advancing the competitiveness and attractiveness of the property. No single tenant occupies more than 18.0% of the NLA of Mallage Saga for the month of December 2015.

Feeal Asahikawa is widely recognised by the local community as the leading fashion shopping centre with a wide range of fashion goods for all ages. There are two office tenants and 62 retail tenants providing a mix of food and groceries, fashion and accessories, education centres and financial/insurance advisory services. The top four floors are mainly occupied by the Asahikawa City government which operates an indoor children playground, administrative office and community centre as well as Bell System 24, which operates a call centre. The presence of office tenants within the building are an advantage as their employees provide a source of stable foot traffic into the property. No single tenant occupies more than 20.0% of the NLA of Feeal Asahikawa for the month of December 2015.

##### *The tenant mix of each Property caters well to the unique demographics of the Property's catchment trade area*

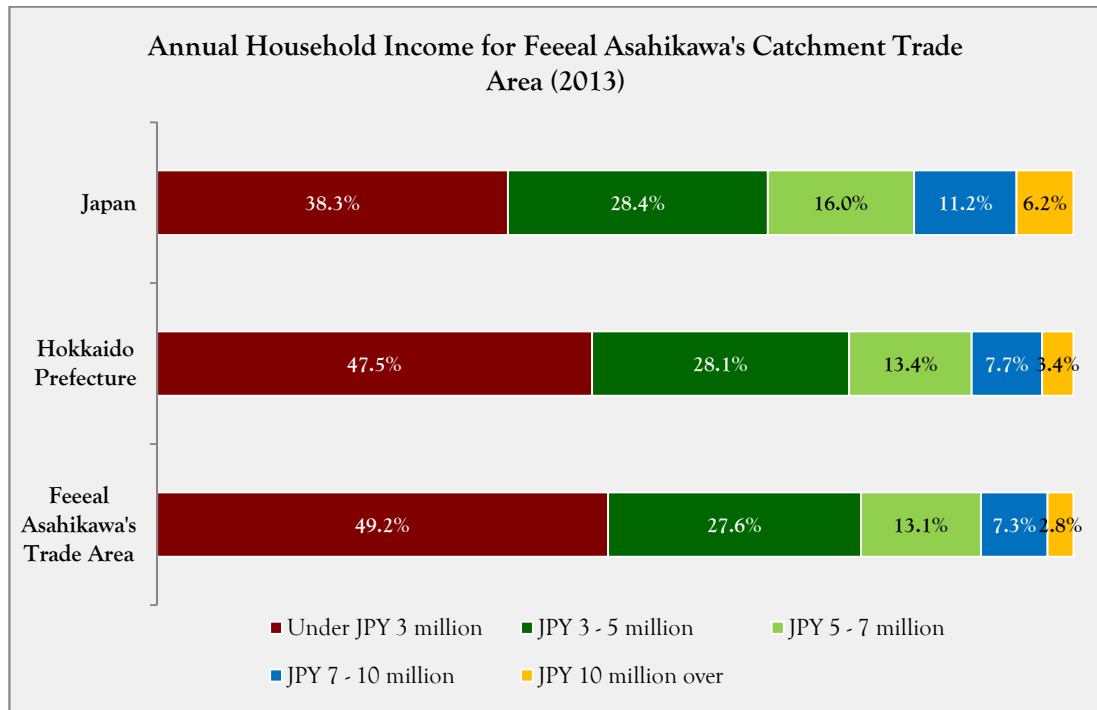
The catchment trade area of Mallage Saga exhibits a demographic structure comprising residents in the age group of between 30 and 50 years old and family units of larger households in the middle and lower-middle income groups. A large number of households, representing 42.9%, have an annual income level of between JPY3 million and JPY7 million. Mallage Saga's tenant mix, comprising of a discount store, supermarket, cinema and various tenants in the goods, fashion and service segment, is considered to be attractive to the general and specific needs of the population in the property's catchment trade area.



**Source:** Ministry of Land, Infrastructure, Transport and Tourism of Japan (2013 Housing and Land Survey)

**Note:** The Ministry of Land, Infrastructure, Transport and Tourism of Japan (the “Ministry”) 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 relevant report published by the Ministry is reproduced in its proper form and context, and that the information is extracted accurately and fairly from such report, none of the Trustee-Manager or any other party has conducted an independent review of the information contained in such report or verified the accuracy of the contents of the relevant information.

For Feeeal Asahikawa, its catchment trade area exhibits a demographic structure comprising smaller households with young children and a large proportion of residents aged between 40 and 69 years old (representing 42% of the total population). A majority of households, representing 76.8% of the total, falls within the lower and middle annual household income group of under JPY5 million. Feeeal Asahikawa’s tenants include retailers which offer reasonably priced goods, Junkudo (bookstore) which caters to readers of all ages and income levels, tenants in the service sector such as language and music schools, the Asahikawa City government which provides a free children indoor playground, a senior learning centre, a matchmaking agency and a large space for international exchange, and is overall suitable for the population in the property’s catchment trade area.



**Source:** Ministry of Land, Infrastructure, Transport and Tourism of Japan (2013 Housing and Land Survey)

**Note:** The Ministry of Land, Infrastructure, Transport and Tourism of Japan (the “Ministry”) 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 relevant report published by the Ministry is reproduced in its proper form and context, and that the information is extracted accurately and fairly from such report, none of the Trustee-Manager or any other party has conducted an independent review of the information contained in such report or verified the accuracy of the contents of the relevant information.

*The following characteristics of the Properties offer multiple layers of stability and potential growth to CRT*

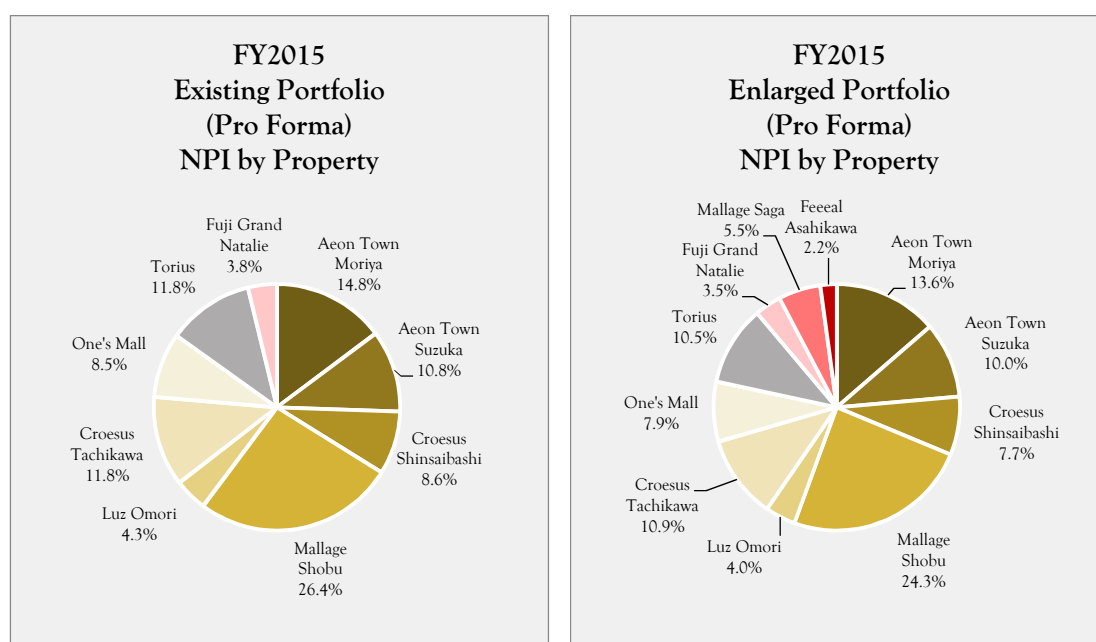
- Resilient and stable rental income:** Mallage Saga and Feeeal Asahikawa cater mainly to the provision of basic and daily essential types of goods and services for the local catchment trade area and can be expected to attract a regular and stable footfall and patronage spending regardless of macroeconomic conditions. These assets were strategically selected by the Trustee-Manager to provide a resilient and recurring source of rental income to CRT.
- High occupancy rates:** Both Mallage Saga and Feeeal Asahikawa have high occupancy rates of 97.7% and 97.9% respectively as at 31 December 2015. These are comparable to CRT’s Existing Portfolio’s *pro forma* occupancy rate of 98.4% as at 31 December 2015.

- Relatively shorter WALE:** The WALE (by NLA) of Mallage Saga and Feeeal Asahikawa is 4.5 years and 1.7 years respectively as at 31 December 2015. Upon completion of the Acquisitions, the *pro forma* WALE (by NLA) of the Enlarged Portfolio would be reduced to 7.3 years from 8.0 years<sup>1</sup> as at 31 December 2015. Due to the shortened WALE of the Enlarged Portfolio, investors of CRT may be able to benefit earlier from potential rental reversions upon lease expiry. In particular, Feeeal Asahikawa has a relatively shorter WALE of 1.7 years which represents a potential near-term opportunity to enhance the property's operating performance.

#### 4.4 Improves CRT's Income and Tenant Diversification

Assuming the Properties were acquired by CRT on 1 July 2014, Mallage Saga and Feeeal Asahikawa would each contribute (on a *pro forma* basis) approximately 5.5% and 2.2% respectively towards the aggregate *pro forma* NPI of the Enlarged Portfolio for FY2015<sup>2</sup>.

Accordingly, the Acquisitions would reduce the concentration risk to CRT's income stream from any single property and the maximum *pro forma* NPI contribution of any single property in CRT's portfolio would be lower, decreasing (on a *pro forma* basis) to 24.3% from approximately 26.4% for the Existing Portfolio for FY2015.



1 Based on the Existing Portfolio.

2 Based on the *pro forma* NPI of the Enlarged Portfolio for FY2015 (derived from the FY2015 Audited Financial Statements, the *pro forma* NPI of Torius for FY2015 as disclosed in the announcement dated 28 September 2015, the *pro forma* NPI of Fuji Grand Natalie for FY2015 as disclosed in the announcement dated 7 April 2016, as well as the *pro forma* NPI of Mallage Saga and Feeeal Asahikawa for FY2015).



The Enlarged Portfolio will have a larger tenant base and will enjoy improved tenant diversification. Post-Acquisitions, the percentage of CRT's gross rental income from its top 10 tenants will decrease (on a *pro forma* basis) to 41.4% from 48.6%<sup>1</sup> in respect of the month of June 2015. Correspondingly, Aeon Town's (the master lessee of Aeon Town Moriya and Aeon Town Suzuka) contribution to CRT's gross rental income (on a *pro forma* basis) will decrease to 17.0% from 20.0%<sup>1</sup> in respect of the month of June 2015.

#### **4.5 Alignment with Trustee-Manager's Investment Strategy to Increase Exposure to the Attractive Retail Sector Prospects in Japan**

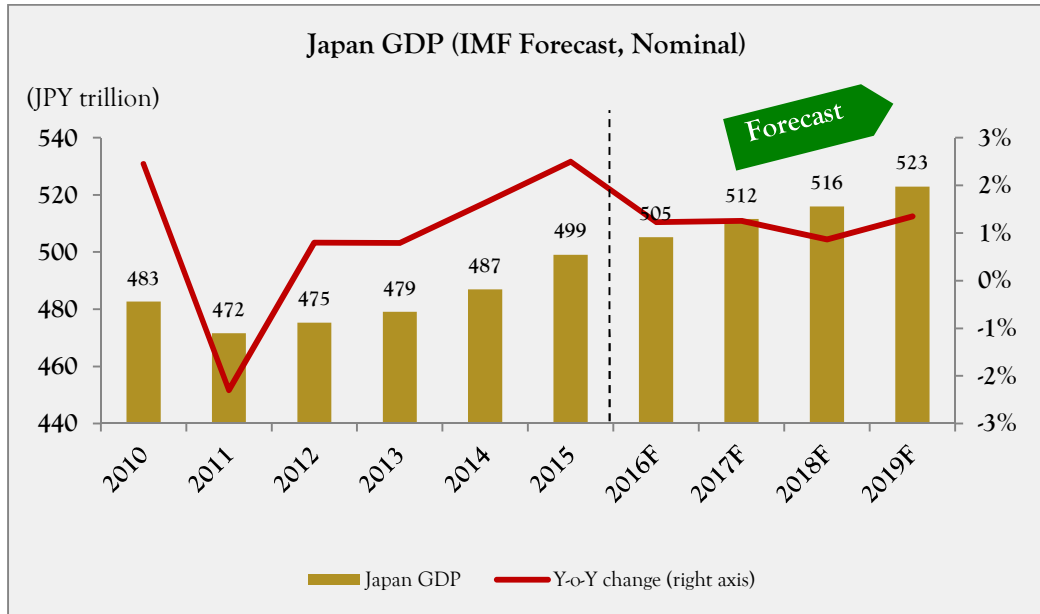
The Acquisitions are in line with the Trustee-Manager's strategy to increase CRT's exposure to the Japan retail sector. The Acquisitions will increase CRT's NLA in Japan by approximately 18.5% to 425,530 sq m from 359,117 sq m. CRT's portfolio value will also increase by approximately 6.7% to JPY106,450 million from JPY99,750 million.

In January 2016, the Bank of Japan implemented a negative interest rate policy in an aggressive monetary stimulus intended to boost the domestic economy and strengthen corporate sentiment amid increasing uncertainty in the global financial markets. This further promoted the uptick in Japan's growth that began in 2012 under the beneficial effects of Abenomics.

Overall, the Japanese economy has seen dramatic changes under the policy combination of aggressive monetary easing, fiscal spending, structural reforms and Bank of Japan's aggressive asset purchasing program. The policy consequence is reflected in Japan's growing gross domestic product ("GDP"). According to the International Monetary Fund, Japan's GDP is expected to grow 1.2% in 2016 and an average of 1.2% per annum between 2016 and 2019.

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<sup>1</sup> Based on the *pro forma* gross rental income of the Existing Portfolio for FY2015 (derived from the FY2015 Audited Financial Statements, the *pro forma* gross rental income of Torius for FY2015 based on the announcement dated 28 September 2015 and the *pro forma* gross rental income of Fuji Grand Natalie for FY2015 as disclosed in the announcement dated 7 April 2016).

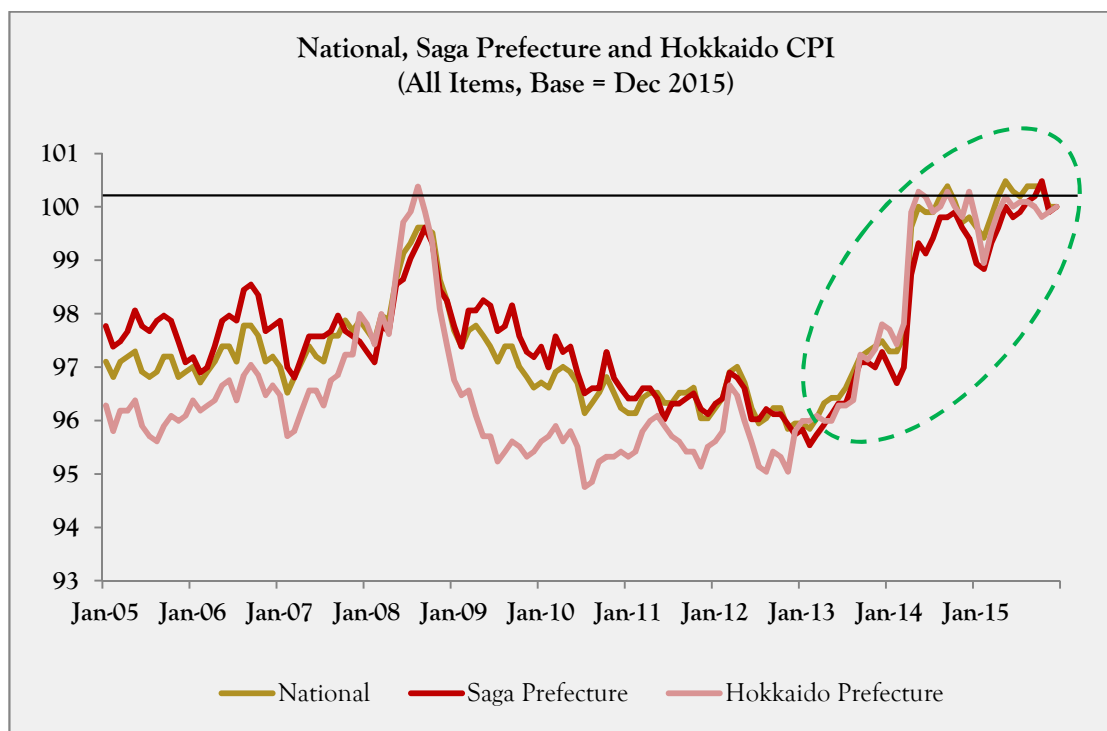


Source: 2003-2015 Cabinet Office of Japan, 2016-2019 International Monetary Fund (updated in Oct 2015)

Note: Neither the Cabinet Office of Japan nor the International Monetary Fund (“IMF”) have provided their consent to the inclusion of the information extracted from the relevant report published by them and therefore are not liable for such information. While the Trustee-Manager has taken reasonable actions to ensure that the information from the relevant report published by the Cabinet Office of Japan and/or the IMF is reproduced in its proper form and context, and that the information is extracted accurately and fairly from such report, none of the Trustee-Manager or any other party has conducted an independent review of the information contained in such report or verified the accuracy of the contents of the relevant information.

The consumer price indices (“CPI”) in Japan, Saga Prefecture and Hokkaido have seen consistent improvement in the last two years, reflecting the government’s economic policies and the positive sentiments towards the Japanese economy.

According to the Cabinet Office of Japan, consumer prices are rising moderately while private consumption holds firm with employment conditions improving as of February 2016.



**Source:** Ministry of Internal Affairs and Communication, Statistics Bureau

**Note:** The Ministry of Internal Affairs and Communication, Statistics Bureau (“Statistics Bureau”) 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 relevant report published by the Statistics Bureau is reproduced in its proper form and context, and that the information is extracted accurately and fairly from such report, none of the Trustee-Manager or any other party has conducted an independent review of the information contained in such report or verified the accuracy of the contents of the relevant information.

#### 4.6 Operating Synergies

CRT will benefit from the Acquisitions as fixed operating costs would be spread over a larger portfolio, thus achieving greater economies of scale in operations.

#### 5. RELATIVE FIGURES COMPUTED ON THE BASES IN RULE 1006 OF THE LISTING MANUAL

The relative figure computed on the basis set out in Rule 1006(b) and Rule 1006(c) of the Listing Manual is as follows:

- (i) the net profits attributable to the assets acquired compared with CRT’s net profits; and
- (ii) the aggregate value of the consideration given compared with CRTs market capitalisation.

Comparison of	The Acquisitions	CRT	Relative figure (%)
<u>Rule 1006(b)</u> Net Property Income <sup>(1)</sup> (JPY '000)	458,644	4,681,121 <sup>(2)</sup>	9.8
<u>Rule 1006(c)</u> Purchase consideration compared with CRT's market capitalisation	JPY6,110.0 million (approximately S\$74.5 million)	Approximately JPY48,648 million <sup>(3)</sup> (approximately S\$593.3 million)	12.6

Notes:

- (1) In the case of CRT, the net property income is a close proxy to the net profits attributable to its assets.
- (2) Based on the FY2015 Audited Financial Statements.
- (3) The market capitalisation of CRT has been calculated on the basis of 714,785,618 Units in issue and listed on the SGX-ST as at 12 May 2016 multiplied by the closing price of S\$0.830 per Unit on 12 May 2016.

Rule 1006(d) of the Listing Manual does not apply in relation to the Acquisitions as no Units will be issued as consideration for the Acquisitions. As the relative figure under Rule 1006(c) exceeds 5.0% but does not exceed 20.0%, the Acquisitions is a “discloseable transaction” under Chapter 10 of the Listing Manual and the specific approval of Unitholders is not required for the Acquisitions.

## 6. PRO FORMA FINANCIAL EFFECTS OF THE ACQUISITIONS

### 6.1 Assumptions

The *pro forma* financial effects of the Acquisitions on the DPU and Net Asset Value (“NAV”) per Unit of CRT presented below are strictly for illustrative purposes and were prepared based on the audited financial statements of CRT for FY2015 (the “**FY2015 Audited Financial Statements**”) taking into account: (i) the acquisition of Torius which for purposes of the *pro forma* financial effects set out below, is assumed to be completed on 1 July 2014<sup>1</sup> (the “**Torius Acquisition**”); (ii) the 114,222,677 Units issued pursuant to the underwritten and renounceable rights issue to existing Unitholders on a *pro rata* basis which closed on 23 October 2015 (the “**2015 Rights Issue**”), but for purposes of the *pro forma* financial effects set out below, is assumed to be completed on 1 July 2014; (iii) the 70,000,000 New Units issued under the Private Placement which closed on 24 March 2016 but for purposes of the *pro forma* financial effects set out below, is assumed to be completed on 1 July 2014; and (iv) the acquisition of Fuji Grand Natalie which for purposes of the *pro*

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1 The actual completion of the acquisition of Torius was on 16 October 2015.

*forma* financial effects set out below, is assumed to be completed on 1 July 2014<sup>1</sup> (the “**Fuji Grand Natalie Acquisition**”) and assuming that:

- (i) the Total Acquisition Cost of approximately JPY7,032.9 million (approximately S\$85.8 million) is funded by (a) net proceeds of approximately JPY4,672.5 million (approximately S\$57.0 million) from the issuance of new Japanese onshore 5-year specified bonds of JPY4,705.0 million (approximately S\$57.4 million) as well as a consumption tax loan of JPY570.3 million<sup>2</sup> (approximately S\$7.0 million), (b) net proceeds of approximately JPY1,244.4 million (approximately S\$15.2 million) from the issuance of the Notes and (c) equity financing of approximately JPY545.7 million (approximately S\$6.6 million), being part of the net proceeds raised from the Private Placement which raised S\$52.5 million of gross proceeds and S\$50.9 million of net proceeds;
- (ii) the effective interest rate of the Japanese onshore 5-year specified bonds and consumption tax loan is 0.6% per annum;
- (iii) the remaining net proceeds of approximately JPY3,562.4 million (approximately S\$43.4 million) from the issuance of the Notes will be held as cash balance by CRT which will be used for TMK cash reserve deposit<sup>3</sup> as well as applied towards partially funding potential acquisitions as and when such acquisitions materialise and/or asset enhancement initiatives of existing and/or to-be acquired assets, or for general corporate and working capital purposes; and
- (iv) the exchange rate between Japanese Yen and Singapore Dollar is JPY82.00 : S\$1.00.

## 6.2 Pro Forma Financial Effects for FY2015

### (i) Pro Forma DPU

**FOR ILLUSTRATIVE PURPOSES ONLY:** The *pro forma* financial effects of the issuance of the Notes under the EMTN Programme, the issuance of new Japanese onshore 5-year specified bonds, the consumption tax loan and the Acquisitions (collectively the “**Transactions**”) on the DPU for FY2015, as if CRT had completed the Torius Acquisition, Fuji Grand Natalie Acquisition and the Acquisitions on 1 July 2014 and held and operated Torius, Fuji Grand Natalie and the Properties through to 30 June 2015, are as follows:

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- 1 The actual completion of the acquisition of Fuji Grand Natalie was on 18 April 2016.
  - 2 Consumption tax loan is expected to be repaid within 12 months from the date of completion of the Acquisitions as the consumption tax arising from the Acquisitions is expected to be refunded to CRT within the same period abovementioned.
  - 3 TMK cash reserve deposit due to Mallage Saga, Feeeal Asahikawa and Fuji Grand Natalie is JPY665.9 million (approximately S\$8.1 million).

	Before the Torius Acquisition, 2015 Rights Issue, the Private Placement, Fuji Grand Natalie Acquisition and the Transactions (FY2015 Audited Financial Statements)	After the Torius Acquisition and 2015 Rights Issue only (Pro Forma)	After the Torius Acquisition, 2015 Rights Issue, the Private Placement and Fuji Grand Natalie Acquisition only (Pro Forma)	After the Torius Acquisition, 2015 Rights Issue, the Private Placement, Fuji Grand Natalie Acquisition and the Transactions (Pro Forma)
Distributable Income (JPY '000)	3,358,177 <sup>(1)</sup>	3,921,788	4,113,295	4,419,470
Issued Units	519,193,989 <sup>(2)</sup>	635,287,408 <sup>(3)</sup>	705,290,807 <sup>(4)</sup>	706,533,455 <sup>(5)</sup>
DPU (Singapore cents)	8.08	7.66	7.30	7.83

Notes:

- (1) Based on the FY2015 Audited Financial Statements.
- (2) Based on the number of Units in issue as at 30 June 2015 and adjusted to include 1,680,000 Units issued to the Trustee-Manager on 31 August 2015 as payment of 80% of the Trustee-Manager's management fees for the period from 1 April 2015 to 30 June 2015.
- (3) Includes 114,222,677 Units issued pursuant to the Rights Issue in accordance with the offer information statement dated 6 October 2015, as well as Units that would have been issued to the Trustee-Manager as payment of 80% of the Trustee-Manager's management fees for the period from 1 July 2014 to 30 June 2015 and Units that would have been issued pursuant to CRT's Dividend Reinvestment Plan for the period from 11 September 2014 to 31 December 2014, both as a result of the Torius Acquisition and the Rights Issue.
- (4) Includes the 70,000,000 New Units issued as part of the Private Placement as well as Units that would have been issued to the Trustee-Manager as payment of 80% of the Trustee-Manager's management fees for the period from 1 July 2014 to 30 June 2015 as a result of the Fuji Grand Natalie Acquisition.
- (5) Includes Units that would have been issued to the Trustee-Manager as payment of 80% of the management fees for the period 1 July 2014 to 30 June 2015 as a result of the Acquisitions.

(ii) **Pro Forma NAV**

**FOR ILLUSTRATIVE PURPOSES ONLY:** The *pro forma* financial effects of the Transactions on the NAV per Unit as at 30 June 2015, as if the Torius Acquisition, Fuji Grand Natalie Acquisition and the Acquisitions were completed on 30 June 2015, are as follows:

	Before the Torius Acquisition, 2015 Rights Issue, the Private Placement, Fuji Grand Natalie Acquisition and the Transactions (FY2015 Audited Financial Statements)	After the Torius Acquisition and 2015 Rights Issue only (Pro Forma)	After the Torius Acquisition, 2015 Rights Issue, the Private Placement and Fuji Grand Natalie Acquisition only (Pro Forma)	After the Torius Acquisition, 2015 Rights Issue, the Private Placement, Fuji Grand Natalie Acquisition and the Transactions (Pro Forma)
NAV (JPY '000)	43,586,162 <sup>(1)</sup>	49,257,767 <sup>(3)</sup>	53,469,243	53,418,006
Issued Units	519,193,989 <sup>(2)</sup>	633,416,666 <sup>(4)</sup>	703,416,666 <sup>(5)</sup>	703,416,666
NAV per Unit (JPY)	83.95	77.77	76.01	75.94

**Notes:**

- (1) Based on the FY2015 Audited Financial Statements.
- (2) Based on the number of Units in issue as at 30 June 2015 and adjusted to include 1,680,000 new Units issued to the Trustee-Manager on 31 August 2015 as payment of 80% of the Trustee-Manager's management fees for the period from 1 April 2015 to 30 June 2015.
- (3) Based on the FY2015 Audited Financial Statements and assuming that Torius was acquired on 1 July 2014, as announced in the offer information statement dated 6 October 2015 relating to the Rights Issue.
- (4) Includes 114,222,677 Rights Units issued pursuant to the Rights Issue in accordance with the offer information statement dated 6 October 2015.
- (5) Includes the 70,000,000 New Units issued as part of the Private Placement.

## 7. INTERESTS OF DIRECTORS AND CONTROLLING UNITHOLDERS

As at the date of this announcement, the interests of the directors of the Trustee-Manager (the "Directors") are as follows:

- (i) Mr Lim Teck Leong David is the Chairman and Independent Director of the Trustee-Manager and has a deemed interest in 1,769,000 Units;
- (ii) Mr Jim Chang Cheng-Wen is the Chief Executive Officer and an Executive Director of the Trustee-Manager and has a deemed interest in 7,280,080 Units; and
- (iii) Mr Yong Chao Hsien Jeremy is a Non-Executive Director of the Trustee-Manager and has a deemed interest in 7,280,080 Units.

Save as disclosed above and based on the information available to the Trustee-Manager as at the date of this announcement, none of the Directors or the controlling Unitholders has an interest, direct or indirect, in the Acquisitions.

#### 8. DIRECTORS' SERVICE CONTRACTS

No person is proposed to be appointed as a director as a result of the Acquisitions or any other transactions contemplated in relation to the Acquisitions.

#### 9. DOCUMENTS FOR INSPECTION

Copies of the following documents are available for inspection by Unitholders from 10.00 a.m. to 5.00 p.m. at the registered office of the Trustee-Manager at 50 Raffles Place #25-03 Singapore Land Tower Singapore 048623 from the date of this announcement up to and including the date falling three months thereafter:

- (i) the Mallage Saga Purchase and Sale Agreement;
- (ii) the Feeeal Asahikawa Purchase and Sale Agreement; and
- (ii) the full valuation report of the Properties by C&W.

The Trust Deed will also be available for inspection at the registered office of the Trustee-Manager for so long as CRT continues to be in existence.

By Order of the Board

Kim Yi Hwa

Company Secretary

**Croesus Retail Asset Management Pte. Ltd.**

(Registration No. 201205175K)

(as trustee-manager of Croesus Retail Trust)

13 May 2016



## **Important Notice**

This announcement is for information purposes only and does not, or any part of it, form the basis of, or be relied on in connection with, any contract or commitment whatsoever.

The value of the Units and the income derived from them may fall as well as rise. The Units are not obligations of, deposits in, or guaranteed by, the Trustee-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 have no right to request the Trustee-Manager to redeem or purchase their Units while the Units are listed. It is intended that Unitholders may only deal in their Units through trading on the SGX-ST. Listing of the Units on the SGX-ST does not guarantee a liquid market for the Units.

The past performance of CRT is not necessarily indicative of the future performance of CRT.

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 other companies and venues for the sale or distribution of goods and services, shifts in customer demands, customers and partners, changes in operating expenses (including employee wages, benefits and training costs), governmental and public policy changes and the continued availability of financing in the amounts and the terms necessary to support future business. Investors are cautioned not to place undue reliance on these forward-looking statements, which are based on the Trustee-Manager's current view on future events.