



(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)

ACQUISITION OF LUZ OMORI AND NIS WAVE I

1. Introduction

Croesus Retail Asset Management Pte. Ltd., as trustee-manager of Croesus Retail Trust (“**CRT**”, and the trustee-manager of CRT, the “**Trustee-Manager**”), refers to its announcement dated 27 December 2013 and wishes to announce that the Trustee-Manager has today, through Persimmon TMK¹, a special purpose *tokutei mokuteki kaisha* (“**TMK**”) incorporated under the Japan Law Regarding Securitisation of Assets (No. 105 of 1998 as amended) for investment holding purposes, entered into two 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 Luz Omori and NIS Wave I (collectively, the “**Properties**”). The TBI in respect of Luz Omori will be acquired indirectly from Marubeni Corporation, a strategic partner of CRT, through Godo Kaisha Omori Kaihatsu, while the TBI in respect of NIS Wave I will be acquired from Godo Kaisha Wave I, a third-party vendor which is unrelated to the Trustee-Manager and CRT (collectively, the “**Acquisitions**”).

2. Details of the Properties

Luz Omori is an income-producing retail property located in Ota Ward, the third most populated ward in Tokyo due to its convenient location in commuting to central Tokyo and Yokohama as well as its relatively large area. It is located at the intersection of a traditional shopping street and a retail street with strong shopper traffic that leads directly to the JR Omori Station. Luz Omori with its large tenant base of service offerings caters well to families in the residential neighbourhood and complements the retail areas nearby.

DBS Bank Ltd. and Citigroup Global Markets Singapore Pte. Ltd. were the joint global coordinators, issue managers, bookrunners and underwriters to the initial public offering (the “**Joint Issue Managers**”). The Joint Issue Managers assume no responsibility for the contents of this announcement.

¹ The shareholders of Persimmon TMK are, as at the date of this announcement, (i) Persimmon Ippan Shadan Hojin, which holds 75% of the specified equity and (ii) Croesus TMK Holding Pte. Ltd., a wholly-owned subsidiary of CRT, which holds 25% of the specified equity. 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 Persimmon TMK will issue preferred equities to Croesus TMK Holding Pte. Ltd. and the Tokyo branch of another wholly-owned subsidiary of CRT in the proportions 49% and 51%, respectively, by the completion date of the Acquisitions. Please refer to the announcement dated 30 December 2013 and the prospectus of CRT dated 2 May 2013 for further information on the TMK structure.

NIS Wave I is an income-producing retail property located in Tachikawa City, Tokyo, which was ranked the third most desirable city to live in due to its easy access to central Tokyo² and is directly connected to the JR Tachikawa Station. NIS Wave I's leisure and food and beverage-oriented tenant mix appeals to commuters travelling through the JR Tachikawa Station as well as an increasing number of residents who are moving into Tachikawa City.

The table below sets out a summary of the key information of the Properties:

Property	Luz Omori	NIS Wave I
Location	Tokyo, Japan	Tokyo, Japan
Type	Public/ Retail	Retail
Title	Freehold (Building)/ Leasehold (Land) ⁽¹⁾	Freehold (Building)/ Leasehold (Land) ⁽²⁾
Year of Completion	February 2011	June 2007
Carpark Lots	100	44
Occupancy Rate as at 31 Dec 2013	97.2%	100%
Number of Floors	8 above ground and 2 basement	8 above ground and 3 basement
Land Area (sq m)	2,559	1,239
Net Lettable Area ("NLA") (sq m) as at 31 Dec 2013	9,285	7,141
Gross Floor Area (sq m)	13,295	10,534
WALE by NLA (years) as at 31 Dec 2013	16.6	4.8
Number of Tenancies as at 31 Dec 2013	30	11
Key Tenants	Ota Ward, Docomo, Daiso	Nexus Holdings, Sumitomo Mitsui Trust Bank
Appraised Value by DTZ Debenham Tie Leung K.K. (as at 18 September 2013)	JPY3,560 million (SGD 44.0 million) ⁽³⁾	JPY11,400 million (SGD141.0 million) ⁽³⁾
Probable Maximum Loss (%) ⁽⁴⁾	1.7	3.1

Note:

- (1) Luz Omori's entire land is leasehold with an expiry of July 2059.
- (2) NIS Wave I comprises 4 plots of amalgamated land. 3 parcels are freehold while 1 parcel is leasehold with an expiry of Dec 2029.
- (3) Based on the exchange rate of JPY 80.85 : S\$ 1.
- (4) "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

² Source: Property Report: NIS Wave I prepared by CBRE Consulting as of September 2013

securitisation. Traditionally in the J-REIT industry, unless Probably Maximum Loss is in excess of 15%, buildings are not insured due to the relatively high insurance premium and the high deductible amount.

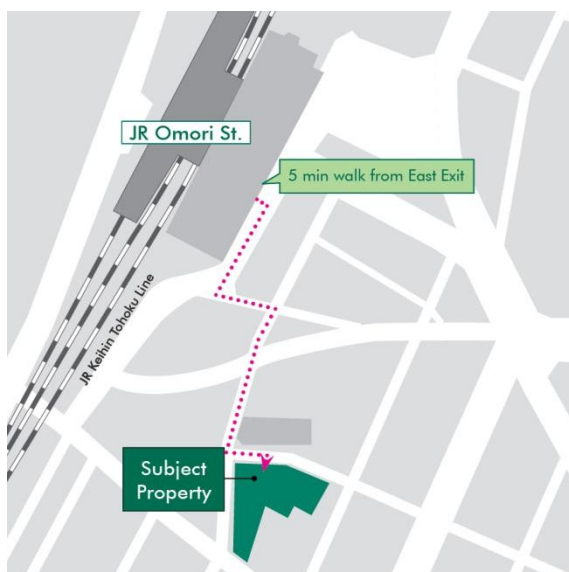
3. Rationale

The Trustee-Manager believes that the Acquisitions will bring the following six key benefits to unitholders of CRT (“Unitholders”):

3.1 Strategic Acquisitions to Grow CRT’s Existing Portfolio

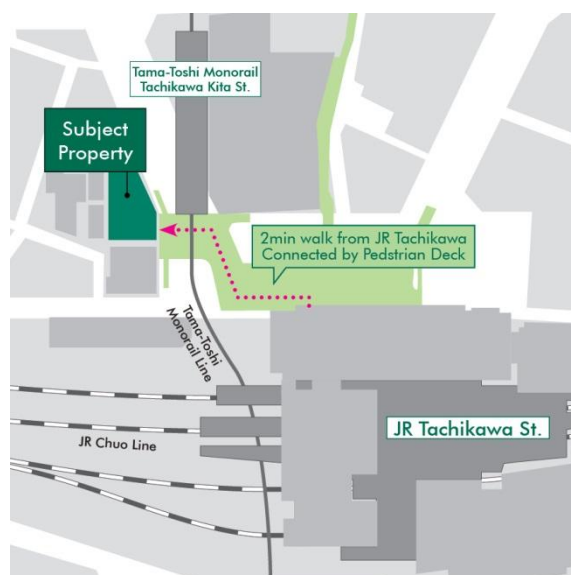
a) Properties are Strategically Located with Excellent Connectivity

Location of Luz Omori



Source: CBRE

Location of NIS Wave I



Source: CBRE

Luz Omori and NIS Wave I are two completed retail properties located in Tokyo, Japan, which

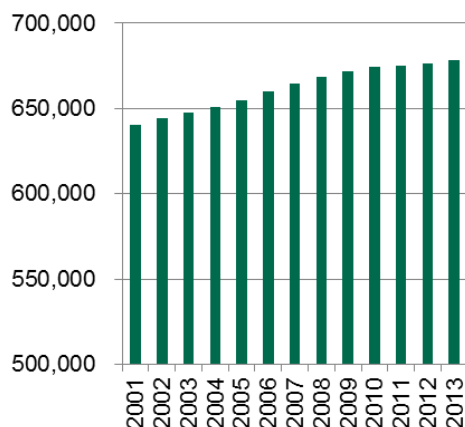
are conveniently accessible through major transportation nodes.

- Luz Omori is located within 5 minutes' walking distance from the JR Omori Station which is along the JR Keihin Tohoku Line, connecting to Shinagawa Station (one of the largest train hubs in Tokyo and a stop for Shinkansen), Tokyo Station, Yokohama Station and Kawasaki Station.
- NIS Wave I is directly connected to JR Tachikawa Station and Tachikawa Kita Station of Tama Monorail. The JR Tachikawa Station is along the JR Chuo Line connecting to Tokyo Station and Shinjuku Station and JR Nambu Line connecting to Kawasaki Station. The station had the highest number of passengers daily among the JR stations on the Chuo Line in 2012. The Tama Monorail runs north to south with 19 stops covering regional cities and schools such as Chuo University, Meisei University and Teikyo University.

The Properties are located in growing residential areas in Tokyo.

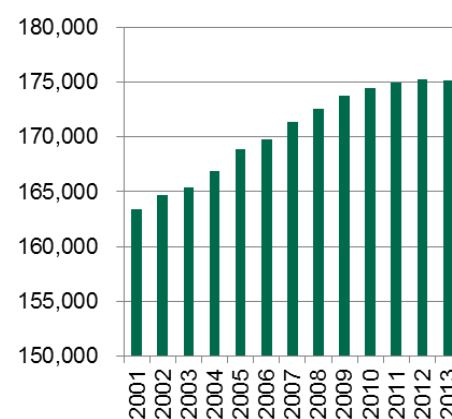
- Luz Omori is located on the intersection of a traditional shopping street and a retail street with strong shopper traffic that leads directly to the JR Omori Station. The property is located in the Ota Ward, which is the third most populated ward in Tokyo as it offers convenience in commuting to central Tokyo and Yokohama. Ota Ward has seen a 5.9% increase in population since 2001.
- NIS Wave I is located in Tachikawa City, which was ranked the third most desirable city to live in due to its easy access to central Tokyo. Due to Tachikawa Station's growing importance as a transportation hub and new affordable residential developments in close proximity to the station, the city has seen a 7.2% increase in population since 2001, higher than the general Tokyo area, and the number of households has increased by 16.4%.

Population Trend for Ota Ward (2001-2013)



Source: CBRE

Population Trend for Tachikawa (2001-2013)



Source: CBRE

The Properties comprise a good mix of tenants to meet the demands of the catchment population's daily needs.

- Luz Omori caters well to families in the residential neighbourhood and is unique as its anchor tenants include a public library and government branch office.

- NIS Wave I's leisure and food and beverage-oriented tenant mix appeals to commuters travelling through Tachikawa Station and people that are moving into Tachikawa City.

Furthermore, the Properties benefit from strong competitive position and robust market dynamics.

- There is no direct competition for Luz Omori due to its unique tenant mix. In addition, there is currently no future retail development in the pipeline.
- No future supply of large-scale retail area in NIS Wave I's catchment area is expected until 2015. However, NIS Wave I is poised to benefit from increased shopper footfall due to its proximity to the development pipeline.

b) Resilient Properties with Multiple Layers of Stability

The following characteristics of the Properties offer multiple layers of stability to CRT:

- *High occupancy:* As at 31 December 2013, the occupancy rate for Luz Omori and NIS Wave I were 97.2% and 100.0% respectively.
- *Well-spread lease expiry profile with long weighted average lease expiry ("WALE"):* The WALE of Luz Omori and NIS Wave I are 16.6 years and 4.8 years respectively, compared to the Existing Portfolio³ WALE of 10.3 years as at 31 December 2013.
- *Diversified tenant base:* The Properties comprise 41 tenants across various segments. No single tenant contributes more than 17.4% and 37.3% of gross rental income for Luz Omori and NIS Wave I respectively for the month of December 2013.

c) Acquisition of Quality Assets

The Properties are relatively new with building ages of approximately 2.9 and 6.5 years for Luz Omori and NIS Wave I respectively, compared to 6.0 years for the Existing Portfolio as at 31 December 2013. Post-Acquisitions, the weighted average building age for the Enlarged Portfolio⁴ will be reduced to 5.9 years.

In addition, the Probable Maximum Loss of Luz Omori and NIS Wave I are 1.7% and 3.1% respectively. Comparatively, the Probable Maximum Loss for the Existing Portfolio ranges between 1.0% and 7.2%.

3.2 Yield Accretion

Unitholders are also expected to enjoy a higher distribution per Unit ("**DPU**") as a result of the Acquisitions being made with a purchase consideration which is reflective of levels of cash flows which the Properties are expected to generate, together with an optimal capital structure.

Unitholders are expected to enjoy an increase in DPU approximately from 7.01 Singapore cents to 7.41 Singapore cents, which is an increase of approximately 5.7% for the 12-month period ending 30 June 2014, as if the Acquisitions had been completed on 1 March 2014 (the "**Forecast Year 2014**") after the Acquisitions.

3.3 Exposure to Attractive Retail Sector Prospects in Tokyo

Japan's economy has seen a recovery in 2013 with the implementation of "Abenomics",

³ "Existing Portfolio" means the existing portfolio of properties comprised in CRT's portfolio as of the date of this announcement, being Aeon Town Suzuka, Aeon Town Moriya, Mallage Shobu and Luz Shinsaibashi.

⁴ "Enlarged Portfolio" means the enlarged portfolio of properties to be comprised in CRT's portfolio following the completion of the Acquisitions, being those properties in its Existing Portfolio and the Properties.

leading to general optimism and expectations of continued economic improvement. According to CBRE, Japan's GDP is expected to grow 3.2% from JPY488 trillion in 2012 to JPY504 trillion in 2014.

The Acquisitions will provide geographical diversification to the Existing Portfolio to Tokyo's retail real estate sector and attractive demographics.

For 2010, Tokyo ranks first in terms of GDP per capita amongst the various prefectures in Japan.

Japan Prefecture GDP per Capita (Nominal GDP)

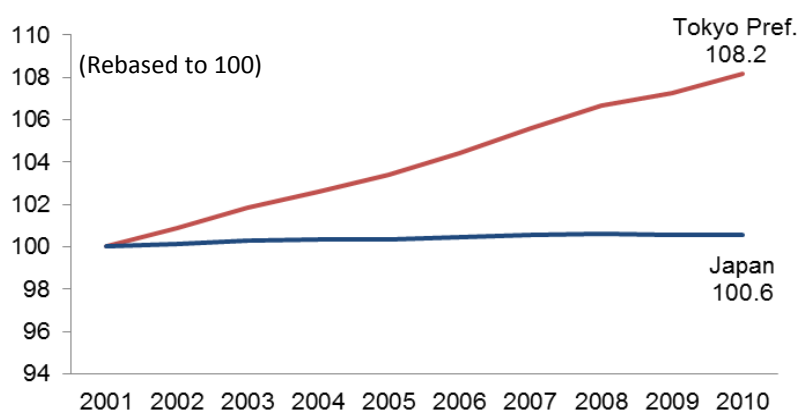
(in JPY '000)	2010	2010 Ranking
Japan	3,870	-
Tokyo	6,926	1
Nagoya	4,270	2
Osaka	4,104	5
Fukuoka	3,557	22
Miyagi	3,426	26
Hokkaido	3,347	30

Source: CBRE

In October 2013, Tokyo's Consumer Price Index ("CPI") increased 0.5% year-on-year due to positive sentiments towards the Japanese economy and incentives provided to corporations which increases salaries. Monthly average consumption expenditure in Tokyo also increased 4.1% from 2011 to Q2 2013. Positive movement in CPI is expected to continue, in line with economic improvement.

From 2001 to 2010, Tokyo's population increased 8.2% from 12.2 million to 13.2 million, 7.6% higher than the national population growth rate of 0.6% for the same period.

Population Trend in Tokyo Prefecture and Japan from 2001 to 2010



Source: CBRE

3.4 Greater Income and Tenant Diversification

The Properties are expected to contribute approximately 8.5% of the aggregate net property income (“NPI”) (during the four months period from 1 March 2014 to 30 June 2014) of the Enlarged Portfolio for the Forecast Year 2014. With the Acquisitions, concentration risk to CRT’s income stream from any single property would be reduced and the maximum NPI contribution for any single property would be lower, from approximately 40.4% to 37.0% for the Forecast Year 2014.

The Enlarged Portfolio will have a larger tenant base and enjoy improved tenant diversification. Upon completion of the Acquisitions, the top 10 tenants will account for 52.7% of CRT’s gross rental income for the month of December 2013, lower than the initial 56.5%. Aeon Town’s (the master lessee of Aeon Town Moriya and Aeon Town Suzuka) contribution to CRT’s gross rental income will correspondingly decrease from 35.4% to 28.4%.

3.5 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.

3.6 Alignment with Trustee-Manager’s Investment Strategy

The Acquisitions are in line with the Trustee-Manager’s strategy to increase CRT’s exposure to Japan retail sector. The Acquisitions will increase CRT’s NLA in Japan by approximately 9.0% from 181,722 sqm to 198,148 sqm. CRT’s Japan portfolio value will also increase by approximately 28.3% from JPY52,870 million to JPY67,830 million.

4. Purchase Consideration and Valuation

The aggregate purchase consideration for the Acquisitions is approximately JPY14,250 million (approximately SGD176.3 million)⁵, comprising approximately JPY3,450 million (approximately SGD42.7 million)⁶ for Luz Omori and JPY10,800 million (approximately SGD133.6 million)² for NIS Wave I. The purchase consideration of the Acquisitions is payable by CRT in Japanese Yen in cash and was arrived at on a willing-buyer willing-seller basis after taking into account the independent valuation of the Properties by DTZ Debenham Tie Leung K.K. (“DTZ”) as at 18 September 2013, commissioned by the Trustee-Manager to assess the open market values of the Properties. The valuation was derived by DTZ using the direct capitalisation and discounted cash flow methods. The aggregate purchase consideration of JPY14,250 million is at a 4.7% discount to the aggregate valuation of the Properties of JPY14,960 million⁷.

5. Principal Terms of the Acquisitions

5.1 Purchase and Sale Agreement for Luz Omori

On 26 February 2014, the Trustee-Manager, through Persimmon TMK, entered into the Purchase and Sale Agreement with Godo Kaisha Omori Kaihatsu to acquire the TBI in Luz Omori for JPY3,450 million (excluding taxes) (approximately SGD42.7 million)⁸ (the “**Luz Omori Purchase and Sale Agreement**”).

⁵ Based on the exchange rate of JPY 80.85 : S\$1.

⁶ Based on the exchange rate of JPY 80.85 : S\$1.

⁷ Based on appraised values by DTZ Debenham Tie Leung K.K. as at 18 September 2013.

⁸ Based on the exchange rate of JPY 80.85 : S\$1.

Among others, the Luz Omori Purchase and Sale Agreement contains representations and warranties in respect of Luz Omori, including that (i) Godo Kaisha Omori Kaihatsu has obtained all permissions, consents, authorizations, notices and orders from judicial or governmental bodies and agencies or any other third-party which are required to be obtained by Godo Kaisha Omori Kaihatsu with respect to the execution and delivery of any related agreements to be entered into by and between Godo Kaisha Omori Kaihatsu and Persimmon TMK in connection with the Luz Omori Purchase and Sale Agreement and the accomplishment by Godo Kaisha Omori Kaihatsu of the transactions contemplated under such agreements, (ii) the property shall not be subject to any encumbrances at the closing date except for the existing land lease agreement, the existing building lease agreement and other encumbrances expressly set forth in the Purchase and Sale Agreement, (iii) there is no litigation, arbitration or administrative procedures with respect to the trust or the TBI and (iv) no petition seeking provisional attachment, preservative attachment or attachment has been filed by a third-party against all or part of the TBI.

The closing date shall be no later than 31 March 2014, unless otherwise agreed in writing by the parties to the Luz Omori Purchase and Sale Agreement.

5.2 Purchase and Sale Agreement for NIS Wave I

On 26 February 2014, the Trustee-Manager, through Persimmon TMK, entered into the Purchase and Sale Agreement with Godo Kaisha Wave I to acquire the TBI in NIS Wave I for JPY10,800 million (excluding taxes) (approximately SGD133.6 million)⁹ (the “**NIS Wave I Purchase and Sale Agreement**”).

Among others, the NIS Wave I Purchase and Sale Agreement contains representations and warranties in respect of NIS Wave I, including that (i) Godo Kaisha Wave I has obtained all permissions, consents, authorizations, notices and orders from judicial or governmental bodies and agencies or any other third-party which are required to be obtained by Godo Kaisha Wave I with respect to the execution and delivery of any related agreements to be entered into by and between Godo Kaisha Wave I and Persimmon TMK in connection with the NIS Wave I Purchase and Sale Agreement and the accomplishment by Godo Kaisha Wave I of the transactions contemplated under such agreements, (ii) the property shall not be subject to any encumbrances at the closing date except for the encumbrances which will be cancelled at the closing date, (iii) to the best of Godo Kaisha Wave I’s knowledge, there is no litigation, arbitration or administrative procedures with respect to the trust or the TBI and (iv) to the best of Godo Kaisha Wave I’s knowledge, no petition seeking provisional attachment, preservative attachment or attachment has been filed by a third-party against all or part of the TBI.

The closing date shall be no later than 31 March 2014, unless otherwise agreed in writing by the parties to the NIS Wave I Purchase and Sale Agreement.

5.3 Estimated total cost of the Acquisitions

The current estimated total acquisition cost of the Properties is approximately JPY14,428 million (approximately SGD178.5 million)¹⁰, comprising:

- (a) the Purchase Consideration of JPY14,250 million (approximately SGD176.3 million)¹¹;

⁹ Based on the exchange rate of JPY 80.85 : S\$1.

¹⁰ Based on the exchange rate of JPY 80.85 : S\$1.

¹¹ Based on the exchange rate of JPY 80.85 : S\$1.

- (b) the Acquisition Fee payable to the Trustee-Manager, being 1.0% of the Purchase Consideration, which amounts to approximately JPY143 million (approximately SGD1.8 million)¹²; and
- (c) the estimated professional and other fees and expenses incurred by CRT in connection with the Acquisitions which amount to approximately JPY35 million (approximately SGD0.4 million)¹³.

5.4 Property Management Agreement for Luz Omori

The term of the existing property management agreement for Luz Omori, which will be amended upon the acquisition of the TBI by Persimmon TMK, commenced from 28 February 2011 and expires on 27 February 2015 with an option to renew for a further term of two years for each subsequent expiry on the same terms and conditions.

The base fee payable to Marubeni Community Co., Ltd., the property management company under the property management agreement for Luz Omori is equivalent to 2.8% (excluding tax) of the base rent, common area fees maintenance and variable rent based on tenants' sales for the relevant month (excluding consumption tax, etc.) per month. In addition to the base fee, certain other fees like fees for construction, procuring new tenants and renewing leases are also payable.

5.5 Property Management Agreement for NIS Wave I

The term of the existing Property Management Agreement for NIS Wave I commenced from 31 January 2011 and expires on 30 January 2015 with an option to renew for a further term of one year for each subsequent expiry on the same terms and conditions.

The base fee payable to AIM CREATE Co., Ltd., the property management company under the property management agreement for NIS Wave I is JPY 700,000 monthly provided, however, that the fee for the month in which the property management agreement for NIS Wave I is cancelled or otherwise terminated shall be prorated based on the number of elapsed days in such month. In addition to the base fee, certain other fees like fees for supervising construction, procuring new tenants and renewing leases are also payable.

5.6 Asset Management Agreement for Luz Omori and NIS Wave I

The term of the asset management agreement for Luz Omori and NIS Wave I (the "**Asset Management Agreement**") commences from 3 March 2014 and expires on 3 March 2019 and shall be automatically renewed for one or more additional terms of two years unless Persimmon TMK or Marubeni Asset Management Co., Ltd., (the "**Japan Asset Manager**") as asset manager, gives a written notice of non-renewal to the counterparty not less than 90 days prior to the termination date. Tozai Asset Management Co., Ltd. will be appointed as sub asset manager under a sub-asset management agreement ("**Sub Asset Management Agreement**") entered into with the Japan Asset Manager to manage TBI and Properties. The Japan Asset Manager shall pay the sub asset management fee in its sole discretion and at its own cost and liability to Tozai Asset Management Co., Ltd. under the Sub Asset Management Agreement.

Pursuant to the Asset Management Agreement, the Japan Asset Manager is entitled to an asset servicing and administration fee, an acquisition fee and a disposition fee as set out below:

¹² Based on the exchange rate of JPY 80.85 : S\$1.

¹³ Based on the exchange rate of JPY 80.85 : S\$1.

- (a) an asset servicing and administration fee comprising a property operation management fee and an incentive fee:
- (i) Property Operation Management Fee: Market Price of the TBI x 0.00075, where “Market price of the TBI” means the aggregate of the appraisal value of the TBI held by the Persimmon TMK (being its latest appraisal value as determined by an independent valuer as at the first date of the relevant fiscal year), provided, that, in the case where each of the TBIs or the Properties is disposed, the Property Operation Management Fee shall be prorated based on the number of elapsed days where the Japan Asset Manager performs the asset management services and the disposed TBI or Property is not included in the Market price of the TBI after the date of such disposal; and
- (ii) Incentive Fee: Net Property Income of the TBI x 0.0045;
- (b) an acquisition fee calculated through the purchase price of a new trust beneficiary interest or a new property (excluding consumption tax thereon) x 0.0028, payable by the Persimmon TMK within 30 days of the invoice date and which shall not be refunded in any event.
- (c) a disposition fee calculated through the sales price of the TBI (excluding consumption tax thereon) x 0.0014, payable by the Persimmon TMK within 30 days of the invoice date and which shall not be refunded in any event.

Other than as set out above, there are no other fees payable to the Japan Asset Manager under the Asset Management Agreement. The Trustee-Manager’s fees will also be reduced by the fees payable to the Japan Asset Manager.

6. 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(c) of the Listing Manual is as follows:

Comparison of:	Market Capitalisation of CRT	Aggregate Consideration for the Acquisitions	Relative Percentage
Aggregate value of consideration against market capitalisation (S\$ million)	378.8 ⁽¹⁾	176.3 ⁽²⁾	46.5

Notes:

- (1) The market capitalisation of CRT has been calculated on the basis of 428,698,000 Units in issue by the volume weighted average price of the Units transacted on 25 February 2014.
- (2) Based on an aggregate consideration of JPY14,250 million for the Acquisitions and exchange rate of JPY 80.85 : S\$1.

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.

The relative figure for Rule 1006(b) of the Listing Manual cannot be computed as CRT is unable to obtain the relevant net profits figures attributable to the Properties from the

respective vendors.

The Trustee-Manager is of the view that the Acquisitions are in the ordinary course of CRT's business as the Properties being indirectly acquired are within the investment and growth strategy of CRT and does not change the risk profile of CRT. Specific approval of Unitholders for the Acquisitions is therefore not required even though the relative figure above exceeds 20.0%.

7. Method of Financing

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

- (i) net debt proceeds from new 5-year Japanese onshore debt of JPY8,300 million (approximately SGD102.7 million)¹⁴; and
- (ii) proceeds of JPY6,128 million (approximately SGD75.8 million)¹⁵ from the issuance of S\$100,000,000 in principal amount of Fixed Rate Notes due 2017 pursuant to its U.S.\$500,000,000 Euro Medium Term Note Programme established on 3 January 2014.¹⁶

8. Profit Forecast

The following table summarise CRT's forecast statement of total return for Forecast Year 2014:

(JPY'000)	Forecast Year 2014		
	Existing Portfolio	Acquisitions	Enlarged Portfolio after Acquisitions
Income distributable to Unitholders	2,479,948	144,035	2,623,983
Weighted average number of Units in issue ('000)	430,178	-	430,358
Distribution per Unit (JPY)	5.76	-	6.10
Distribution per Unit (SGD)	7.01	-	7.41

The Profit Forecast has been examined by the Independent Accountants and should be read together with their report contained in Appendix C of this announcement as well as the assumptions set out in Appendix A and sensitivity analysis set out in Appendix B of this announcement.

¹⁴ Based on the exchange rate of JPY 80.85 : S\$1.

¹⁵ Based on the exchange rate of JPY 80.85 : S\$1.

¹⁶ CRT has entered into a swap transaction to swap the Singapore Dollar proceeds into Japanese Yen proceeds of JPY 8,177 million at the forward exchange rate of JPY 81.77 : S\$1.

9. Interests of Directors and Controlling Unitholders

Based on the information available to the Trustee-Manager as at the date of this announcement, none of the Directors or the controlling Unitholders (other than in his capacity as a director or Unitholder) has an interest, direct or indirect, in the Acquisitions.

10. Director's 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.

11. Documents for Inspection

Copies of the following documents are available for inspection by Unitholders from 9.00 a.m. to 5.30 p.m. at the registered office of the Trustee-Manager at 10 Collyer Quay #40-00 Ocean Financial Centre, Singapore 049315 from the date of this announcement up to and including the date falling three months thereafter:

- (i) the Purchase and Sale Agreements; and
- (ii) the full valuation reports of the Properties.

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)

27 February 2014

Important Notice

This announcement is for information purposes only and does not constitute or form part of an offer, solicitation or invitation of any offer, to buy or subscribe for any securities of CRT in Singapore, the United States, Canada, Japan or any other jurisdiction, nor should it 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, the Sponsor, the Joint Global Coordinators, Joint Issue Managers, Joint Bookrunners and Joint Underwriters or any of their respective 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.

This announcement may contain forward-looking statements that involve risks and uncertainties. Actual future performance, outcomes and results may differ materially from those expressed in these 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. You are cautioned not to place undue reliance on these forward-looking statements, which are based on the Trustee-Manager's current view of future events.

PROFIT FORECAST

Statements contained in this section which are not historical facts may be forward-looking statements. Such statements are based on the assumptions set forth in this section and are subject to certain risks and uncertainties which could cause actual results to differ materially from those forecasted. Under no circumstances should the inclusion of such information herein be regarded as a representation, warranty or prediction with respect to the accuracy of the underlying assumptions by the Trustee-Manager or any other person nor that these results will be achieved or are likely to be achieved.

The following table sets out Croesus Retail Trust's ("**CRT**") forecast statement of total return for the period from 1 March 2014 to 30 June 2014 for the Acquisitions (the "**Forecast Period**" or "**Profit Forecast**"), which has been prepared in accordance with the accounting policies adopted by Croesus Retail Trust for the financial period from 7 May 2012, being the date of its constitution to 31 December 2013. In the preparation of the forecast statement of total return for the Forecast Period, specific non-tax deductible items which have no impact on distributable income have been excluded in the presentation of the distributable income to Unitholders. The Profit Forecast has been examined by the Independent Accountants and should be read together with their report contained in Appendix C of this announcement, as well as the assumptions set out in Appendix A and sensitivity analysis set out in Appendix B of this announcement.

The forecast Distribution per Unit ("**DPU**") for the Existing Portfolio set out in the table below is based on the income distributable to Unitholders of CRT for the Forecast Year 2014 as disclosed in the prospectus registered with the Monetary Authority of Singapore on 2 May 2013. (the "**Prospectus**"), and adjusted for (i) finance cost due to the interest associated with the Fixed Rate Notes issued on 23 January 2014 ("**Notes**") that were raised in anticipation of the Acquisitions and the remaining amount that is not applied towards the Acquisitions which will be used towards general corporate and working capital purposes, and (ii) the revised JPYSGD currency exchange rate to convert distributable income from Japanese Yen to Singapore Dollar based on forward foreign currency exchange contracts that CRT has entered into for the Forecast Year 2014. The assumptions made in preparing the Profit Forecast for the Existing Portfolio are set out in the Prospectus.

The forecast statement of total return for the Acquisitions is based on the Forecast Period assuming the completion of the Acquisitions on 1 March 2014 ("**Completion Date**"), and the drawdown of bank borrowings and use of Notes towards the total cost of the acquisitions on the Completion Date. The forecast statement of total return and resulting DPU will vary accordingly if the Completion Date is not 1 March 2014.

The latest practicable date of this announcement is 25 February 2014 ("**Latest Practicable Date**")

Existing Portfolio	Acquisitions
<ul style="list-style-type: none"> • Aeon Town Moriya • Aeon Town Suzuka • Luz Shinsaibashi • Mallage Shobu 	<ul style="list-style-type: none"> • Luz Omori • NIS Wave I

CROESUS RETAIL TRUST'S FORECAST STATEMENT OF TOTAL RETURN FOR THE ACQUISITIONS

	Forecast Period 1 March 2014 to 30 June 2014
(JPY' 000)	Acquisitions
Gross Revenue	457,835
Property Operating Expenses	(169,055)
Net Property Income	288,780
Other administrative expenses	(14,520)
Trustee-Manager's fees	(42,846)
Japan Asset Manager's fees	(5,151)
Other trust expenses	(40,000)
Adjusted Net Income	186,263
Interest income	717
Finance costs	(165,156)
Net finance expense	(164,439)
Fair value gain on investment properties ⁽¹⁾	411,941
Profit before tax	433,765
Tax expense	(96,887)
Profit after tax	336,878
Adjustments for:	
Trustee-Manager's fee in Units	38,398
Amortisation of upfront costs	35,470
Interest accretion on rental deposits and asset retirement obligations	3,409
Fair value gain on investment properties, net of tax	(321,994)
Others ⁽²⁾	51,874
Income distributable to Unitholders of Croesus Retail Trust	144,035

Notes:

(1) As the purchase price of the investment properties (including acquisition-related costs) are less than the independent valuations of the investment properties, and the investment properties are recorded at fair value on CRT's balance sheet, a one-off fair value gain is recognised during the Forecast Period on the assumption the independent valuation remains the same as at 30 June 2014.

"Others" comprises amortisation of prepaid property tax and land rent, amortisation of lease incentives and recognition of deferred income.

CROESUS RETAIL TRUST'S FORECAST STATEMENT OF TOTAL RETURN FOR THE FORECAST YEAR 2014

	Forecast Year 2014	
	Existing Portfolio	Enlarged Portfolio
(JPY'000)		After Acquisitions
Income distributable to Unitholders of Croesus Retail Trust	2,479,948⁽¹⁾	2,623,983
Weighted average number of Units in issue ⁽²⁾ ('000)	430,178	430,358
Distribution per Unit		
– JPY	5.76	6.10
– SGD (in cent) ⁽³⁾	7.01	7.41

Notes:

- (1) Adjusted for the increased finance cost due to the interest associated with the Notes that were raised in anticipation of the Acquisitions and the remaining amount that is not applied towards the Acquisitions which will be used towards general corporate and working capital purposes.
- (2) Weighted average number of Units in issue at the end of 30 June 2014 includes the forecast number of Units and the assumed number of New Units (as the case may be) to be issued as part payment of the Trustee-Manager's base and performance fees for the Forecast Year 2014 which is assumed to be paid in the form of Units.
- (3) CRT has entered into forward foreign currency exchange contracts to hedge the currency risk for distribution to Unitholders in the Forecast Year 2014. The distribution per Unit in SGD is computed after taking such contracts into consideration.

ASSUMPTIONS

The major assumptions made in preparing the Profit Forecast for the Acquisitions are set out below. The Trustee-Manager considers these assumptions to be appropriate and reasonable at the date of this announcement.

The forecast contributions of each Property to the Net Property Income are set out below.

Contribution to Net Property Income

Forecast Period

1 March 2014 to 30 June 2014

	(JPY'000)
Luz Omori	71,386
NIS Wave I	217,394
Acquisitions	288,780

(A) Gross Revenue

Gross Revenue comprises Gross Rental Income and all other income accruing or resulting from the operation of the Properties, including utilities income, parking charges, and other revenues. A summary of the assumptions which have been used in calculating Gross Revenue is set out below:

(i) Gross Rental Income

Gross Rental Income consists of Base Rent (as defined herein), Variable Rent, carpark income, common area maintenance fees ("CAM"), signage and billboard fees, and other rental income. The following table summarises the existing tenancy agreements for the Acquisitions.

Property	Lease
Luz Omori	There are 30 tenants with fixed rent leases with a remaining lease term of 0.2 – 45.5 years as at 31 Dec 2013. The lease to Ota Ward comprises approximately 28.4% of Luz Omori's NLA and expires in 30 June 2059. 4.5% of Luz Omori NLA is expiring on 28 Feb 2014 and the Manager is currently undergoing negotiations with the tenant to renew the contract
NIS Wave I	There are 11 tenants with fixed rent leases with a remaining lease term of between 0.5 – 8.6 years as at 31 Dec 2013.

(a) Base Rent

Base Rent is rental income due from tenancies but excludes Variable Rent. Rents paid under CRT's lease agreements are generally fixed for a period of 3 to 48 years.

The forecast Base Rent is based on contracted rents (excluding Variable Rent) payable under current lease agreements and the Trustee-Manager's expectations for any changes on renewals or expiry of leases and the potential for any loss of rent between lease expiry and lease renewal and early termination of leases. Factors

taken into account in assessing the expected rental income include estimated effect of competing properties, assumed tenant retention rates on lease expiry, likely market conditions, inflation levels and tenant demand levels.

(b) Variable Rent

Variable Rent is rental income due from tenancies that are based on a percentage of gross turnover. In some cases, Variable Rent may be subject to certain thresholds before it is payable and/or the applicable percentage may vary with the turnover achieved. For the Acquisitions, Luz Omori has leases with variable rent components.

In addition, some tenancies with variable rent components have guaranteed minimum rents in which the tenants have to pay certain amount of rental even though the actual turnover is lower than the minimum thresholds.

The Trustee-Manager and Japan Asset Manager have forecast Variable Rent based on current and expected future lease agreements and expectations of gross turnover, while taking into account expected tenant turnover and level of competition. The percentage contribution of Variable Rent to Gross Rental Income for the Forecast Period is set out in the following table.

Contribution of Variable Rent to Gross Rental Income	Forecast Period	
	1 March 2014 to 30 June 2014	
Luz Omori	18.8%	
Contribution of Variable Rent to Gross Rental Income	6.3%	

The level of Variable Rent for the Acquisitions for the Forecast Period is set out below.

Variable Rent	Forecast Period	
	1 March 2014 to 30 June 2014	
	(JPY'000)	(%)
Luz Omori	27,221	100.0%
Acquisitions	27,221	100.0%

(c) Other rental income

Other rental income includes CAM, seasonal carpark income, and signage and billboard fees. The Trustee-Manager and Japan Asset Manager have forecast other rental income based on existing and expected future contracts.

(d) Occupancy rate

The forecast occupancy rates for the Acquisitions are as follow:

Forecast Occupancy	Forecast Period	
	1 March 2014 to 30 June 2014	
Luz Omori	96.8%	

NIS Wave I	100.0%
Acquisitions	98.2%

(e) Renewal rate

None of the existing leases will expire in the Forecast Period and there are no renewal assumptions.

(ii) Other revenues

Other revenues include utilities income, parking charges, and vending machine income and other revenues from the operation of the Properties. The assessment of other revenues is based on existing agreements and the Trustee-Manager's and Japan Asset Manager's assessment of the expected performance of the Properties.

(B) Property operating expenses

Property operating expenses consist of property management ("PM") expenses, building management ("BM") expenses, repair expenses, utilities expenses, insurance expenses, sales and promotion expenses, property tax (including depreciable property tax) and other costs, but exclude depreciation of real properties.

(i) PM expenses

PM expenses include PM fees and other fees payable to the Property Managers. The assumptions for PM fees are set out in the following table.

Property	PM Fee
Luz Omori	2.8% of monthly Base Rent, Variable Rent and CAM
NIS Wave I	JPY 700,000 per month

In addition to the base fees set out above, certain other fees like fees for supervising repair and renovation, procuring new tenants, renewing leases and building maintenance are also payable to each of the third-party Property Managers¹ under the relevant Property Management Agreements.

Note:

(1) The existing fee structures and the bases for determining the fees are set out in each of the Property Management Agreements. The Trustee-Manager believes that such additional fees payable to each of the third-party Property Managers are in line with market practice in the Japanese retail property industry. The existing fee structures which are currently in place are set out in the Property Management Agreements.

(ii) Other property operating expenses

BM expenses

BM expenses include maintenance and cleaning costs, security costs, waste disposal costs, and other miscellaneous costs incurred in relation to managing the buildings. BM expenses are based on the existing service and maintenance agreements with the service providers.

Utilities expenses

Utilities expenses include expenses for electricity, water or gas and are estimated based on the Trustee-Manager's and Japan Asset Manager's expectations, taking into account certain increment, if applicable.

Repair expenses

Repair expenses are estimated based on the conditions of each Property taking into the Trustee-Manager's and Japan Asset Manager's expectations.

Insurance expenses

Insurance costs are estimated based on current assessed insurance premium. The Trustee-Manager has assumed that the assessed insurance premium will remain the same in the Forecast Period.

Property tax

Property tax consists of fixed property tax and city planning tax for each Property. It is estimated based on the Trustee-Manager's and Japan Asset Manager's expectations. Trustee-Manager has assumed that the assessed property taxes will remain the same in the Forecast Period. It is further assumed that property tax for the Acquisitions will be prepaid on the Completion Date.

Other costs

Other costs mainly consist of monthly land lease rental payments to the freehold owners of the land on which the buildings of the Acquisitions are sited.

(C) Other administrative expenses

Other administrative expenses consist of fees to trustees of the TBI of the Properties, accounting and legal fees¹, and other miscellaneous administrative expenses incurred by the TMK, Singapore Holding Companies, and Japan Branches. The forecast administrative expenses are as follow:

(in JPY'000)	Forecast Period
Other administrative expenses	14,520

Note:

- (1) Accounting and legal fees captured under the Other Administrative Expenses include accounting and legal fees incurred by the TMKs, Japan branches and Singapore SPVs. Annual expenses for the above entities consist mainly of statutory audit fees for individual legal subsidiary entity, bookkeeping and Japanese tax filing fees and trust fees for the TMKs.

(D) Trustee-Manager's fees

Under the Trust Deed, the Trustee-Manager is entitled to receive a management fee comprising a Base Fee and a Performance Fee as follows:

- (i) The Base Fee which the Trustee-Manager is entitled to receive is calculated at a rate in accordance with the formula below:
- (a) if the value of the Trust Property is less than JPY100 billion, the Base Fee will be 0.60% per annum of the value of the Trust Property, subject to a cap on the Base Fee of JPY0.5 billion; and

(b) if the value of the Trust Property is equal to or greater than JPY100 billion, the Base Fee will be 0.50% per annum of the value of the Trust Property.

(ii) The Performance Fee which the Trustee-Manager is entitled to receive is at 3.0% per annum of Net Property Income.

The Trustee-Manager's Base Fee and the Performance Fee are payable in the form of cash and/or Units (as the Trustee-Manager may elect). Such fees are accrued daily and paid monthly based on the value of CRT's total Trust Property and Net Property Income as at the end of each month.

It is assumed that 80%¹ of the Trustee-Manager's fees for the Forecast Period will be paid in the form of Units. It is also assumed that these Units are issued at the Unit Price of CRT on the Latest Practicable Date.

Note:

(1) The Trustee-Manager has announced that it will receive approximately 80.0% of its Management Fee in the form of Units. The Trustee-Manager may, at its sole discretion, elect to receive up to 90.0% of its Management Fee in Unit for each of those periods.

(E) Japan Asset Manager's fees

It is assumed that the Persimmon TMK pays the asset servicing and administration fees to the Japan Asset Manager comprising of:

- an acquisition fee of 0.0028 of the purchase price of the TBI; and
- a property operation and administration fee of 0.00075 of the market value of the TBI, where market price of the TBI means the latest appraisal value of the TBI held by the Persimmon TMK (being its latest value as determined by an independent valuer as at the first date of the relevant fiscal year); and
- an incentive fee of 0.0045 of the net property income of the TBI (together, the "Japan Asset Manager's Fees"); and
- a disposition fee of 0.0014 of the sales price of the TBI.

The Japan Asset Manager's Fees will be paid in cash by the Persimmon TMK and will partly offset the Management Fee, so as to reduce the Management Fee paid to the Trustee-Manager.

(F) Trust expenses

Trust expenses consist of audit, legal¹ and tax advisory fees, valuation fees, annual listing fees, registry and depository charges, printing and stationery costs, costs associated with the preparation of annual reports, investor relations costs, and other miscellaneous expenses. The forecast trust expenses are as follow:

(in JPY'000)	Forecast Period
Other trust expenses	40,000

Note:

(1) Accounting and legal fees captured under Trust expenses include accounting and legal fees incurred at the Trust level. These annual trust expenses consist mainly of business trust audit fees, internal audit fees, costs incurred for investor relations, registry and listing costs.

(G) Interest income

Interest income comprises the assumed interest that will be earned on the SGD cash balances held by CRT at the rate of 0.10% per annum.

(H) Finance costs

Finance costs comprise interests on amounts drawn down on CRT's external borrowings ("**Credit Facilities**"), consisting of the Notes, the bank borrowings and amortisation of related upfront fees and transaction costs relating to the Credit Facilities. The Credit Facilities will be used to finance the Acquisitions.

On 23 January 2014, CRT issued S\$100,000,000 in principal amount of 4.6% Fixed Rate Notes due 2017 (the "**Notes**") pursuant to the U.S.\$500,000,000 Euro Medium Term Note Programme established on 3 January 2014. CRT has entered into swap transaction to swap the Singapore Dollar proceeds of the Notes into Japanese Yen proceeds of JPY 8,176,795,580 at the forward exchange rate of JPY 81.768 to SGD 1 at a JPY fixed interest rate of 3.83% per annum.

Pursuant to the Acquisitions, the Trustee-Manager will enter into a bank borrowing agreement with Mizuho Bank, Ltd. for a 5-year debt facility of JPY8,660 million with an interest rate of 3 months LIBOR + 0.45%. The Trustee-Manager intends to enter into an interest rate swap to fully fix the interest rate of this facility.

The assumed effective interest rate on the Credit Facilities for the Forecast Period is approximately 2.96% per annum respectively.

(I) Tax expense

Tax expense comprises:

- (i) Japan withholding taxes of 5% and 20.42% incurred on preferred dividends paid to Croesus TMK Holding and the Persimmon TMK Holdings Tokyo branch respectively;
- (ii) Local inhabitant taxes of approximately JPY2.0 million per annum (including corporate income tax on local tax expense) and JPY1.2 million per annum for the Persimmon TMK and Persimmon TMK Holdings Tokyo branch respectively;
- (iii) Business scale taxation (per capita levy) of approximately 0.21% per annum of stated capital and capital surplus of Persimmon TMK Holdings;
- (iv) Effective Japan corporate income tax of 38.01% applicable to the Persimmon TMK Holdings Tokyo branch for the Forecast Period. The Japan withholding tax levied on preferred dividends received by the Persimmon TMK Holdings Tokyo branch is creditable against the Japan corporate income tax or refundable if the withholding tax exceeds the corporate income tax amount; and
- (v) Japan withholding tax of 10% incurred on interest paid by the Persimmon TMK Holdings Tokyo branch to CRT, and Singapore corporate income tax of 17% applicable to the same interest income received by CRT. The Japan withholding tax is creditable against the Singapore corporate income tax.

(K) Capital expenditure

Certain forecast capital expenditure has been included based on the Trustee-Manager's budget. The budgeted capital expenditure is intended to fund maintenance capital expenditure and tenant improvements.

(JPY'000)	Forecast Period
Capital expenditure	1,600

It has been assumed that such capital expenditure will be funded by capital expenditure provisions and borrowings under CRT's existing Credit Facilities. Capital expenditure incurred is capitalized as part of the value of the property and has no impact on the forecast income statement or distributions other than interest incurred on borrowings and increasing the value of CRT's Deposited Property for the purpose of computing the Trustee-Manager's fees.

(L) Properties

The Trustee-Manager has assumed an aggregate value of the Acquisitions on the Completion Date was JPY14.96 billion based on the independent valuation undertaken for each of the Properties. For purposes of the Profit Forecast, the Trustee-Manager has assumed that the value of the Properties will increase by the amount of forecast and projected capital expenditure described in paragraph K above.

(M) Foreign exchange rate

The Trustee-Manager has assumed the following exchange rates for the Profit Forecast

Foreign Exchange Rate	Forecast Period
JPY/SGD	80.85

(N) Accounting standards

The Trustee-Manager has assumed that there is no significant change in applicable accounting standards or other financial reporting requirements during the Forecast Period that may have a material bearing on the forecast distributable income for CRT.

(O) Other assumptions

The Trustee-Manager has made the following additional assumptions in preparing the Profit Forecast:

- (i) there will be no material change to the assumptions for the Existing Portfolio as set out in the Prospectus which could affect its distributable income except for the finance costs associated with the Notes and the exchange rate used to convert distributable income from Japanese Yen to Singapore Dollar based on forward foreign currency exchange contracts entered;
- (ii) the GFA and NLA of the Enlarged Portfolio remains as expected for Forecast Period;
- (iii) other than the acquisition of the Property, the property portfolio remains unchanged;
- (iv) there will be no material change to the respective carrying value of the Enlarged Portfolio held by CRT;
- (v) other than for the purposes mentioned in the announcement, there will be no further capital raised during the Forecast Period;
- (vi) there will be no material change to the taxation legislation or other legislation;
- (vii) the leases are enforceable and will be performed in accordance with their terms;

- (viii) there will be no pre-termination of any committed leases;
- (ix) 100.0% of CRT's distributable income will be distributed for the Forecast Period;
- (x) the respective debt facilities and Credit Facilities are in force and available throughout the Forecast Period at the same disclosed rates; and
- (xi) where derivative financial instruments are undertaken to hedge against interest rate movements and distributions, there is no change to the fair value of such instruments during the Forecast Period.

SENSITIVITY ANALYSIS FOR THE ACQUISITIONS

The Profit Forecast for the Acquisitions is based on a number of key assumptions that have been outlined in Appendix A.

Unitholders should be aware that future events cannot be predicted with certainty and deviations from the figures forecast in this announcement are to be expected. To assist Unitholders in assessing the impact of these assumptions, the sensitivity of Distribution per Unit (“**DPU**”) of the Enlarged Portfolio in Forecast Year 2014 to changes in the key assumptions are set out below.

The sensitivity analysis is intended to serve as a guide only and variations in actual performance could exceed the ranges shown below. Movement in other variables may offset or compound the effect of a change in any variable beyond the extent shown.

Unless otherwise stated, the sensitivity analysis has been prepared using the same assumptions as those set out in Appendix A.

(A) Gross Rental Income

Changes in Gross Rental Income of the Acquisitions will impact Net Property Income of CRT and consequently the DPU.

The effects of variations in Gross Rental Income on the DPU for the Forecast Year 2014 are set out below.

	Distribution per Unit
	Forecast Year 2014
Gross Rental Income	(JPY)
5.0% above estimate	6.15
Base case	6.10
5.0% below estimate	6.04

(B) Property operating expenses

Changes in property operating expenses of the Acquisitions will impact Net Property Income of CRT and consequently, the DPU.

The effects of variations in property operating expenses of the Acquisitions on DPU for the Forecast Year 2014 are set out below.

	Distribution per Unit
	Forecast Year 2014
Property operating expenses	(JPY)
5.0% above estimate	6.08
Base case	6.10
5.0% below estimate	6.11

(C) Foreign exchange rate

Changes in foreign exchange rate will impact the distributable income of CRT and consequently, the DPU.

The effects of variations in the JPYSGD (as defined herein) rate on the DPU for the Forecast Year 2014 are set out below.

	Distribution per Unit
	Forecast Year 2014
JPYSGD rate	(SGD)
10.0% above estimate	7.38
Base case	7.41
10.0% below estimate	7.45

(D) Interest rate

Changes in notional interest rate of the bank borrowings to finance the Acquisitions will impact the distributable income of CRT and consequently, the DPU.

The effects of variations in notional interest rates of the bank borrowings to finance the Acquisitions on the DPU for the Forecast Year 2014 are set out below.

	Distribution per Unit
	Forecast Year 2014
Notional interest rate	(JPY)
100 bps above estimate	6.03
Base case	6.10
100 bps below estimate	6.13

INDEPENDENT ACCOUNTANTS' REPORT ON THE PROFIT FORECAST

27 February 2014

The Board of Directors

Croesus Retail Asset Management Pte. Ltd.

(in its capacity as Trustee-Manager of Croesus Retail Trust)

#40-00 Ocean Financial Centre

10 Collyer Quay

Singapore 049315

Dear Sirs

Letter from the Independent Accountant on the Forecast Statement of Total Return for the Acquisitions for the period of 1 March 2014 to 30 June 2014 (the "Profit Forecast")

This letter has been prepared for inclusion in the Announcement dated 27 February 2014 (the "Announcement") to be issued by Croesus Retail Trust ("CRT") in connection with, among other things, for the proposed acquisition of NIS WAVE I and LUZ OMORI (the "Proposed Acquisition").

The board of directors of Croesus Retail Asset Management Pte. Ltd. (the "Board"), in its capacity as Trustee-Manager of CRT, are responsible for the preparation and presentation of the Forecast Statement of Total Return for the Acquisitions for the period of 1 March 2014 to 30 June 2014 (the "Profit Forecast"), as set out on pages A-2 to A-11 of the Announcement, which have been prepared on the basis of the assumptions as set out on pages A-4 to A-11 of the Announcement (the "Assumption").

We have examined the Profit Forecast as set out on page A-2 of the Announcement in accordance with Singapore Standards on Assurance Engagements applicable to the examination of prospective financial information and confirmed that we have reviewed the bases and assumptions, accounting policies and calculations for the Profit Forecast as set out on pages A-3 to A-11 of the Announcement.

The Board is solely responsible for the Profit Forecast including the Assumptions on which the Profit Forecast is based.

Based on our examination of the evidence supporting the Assumptions, nothing has come to our attention which causes us to believe that these Assumptions do not provide a reasonable basis for the Profit Forecast. Further, in our opinion, the Profit Forecast, so far as the accounting policies and calculations are concerned, is

- (a) properly prepared on the basis of the Assumptions,
- (b) consistent with the accounting policies normally adopted by Trustee-Manager in respect of CRT, and

(c) presented in accordance with Singapore Financial Reporting Standards (but not all the required disclosures), which is the accounting framework adopted by Trustee-Manager in the preparation of CRT's financial statements.

Events and circumstances frequently do not occur as expected. Even if the events anticipated under the hypothetical assumptions described above occur, actual results are still likely to be different from the Profit Forecast since other anticipated events frequently do not occur as expected and the variation may be material. The actual results may therefore differ materially from the Profit Forecast. For these reasons set out above, we do not express any opinion as to the possibility of achievement of the Profit Forecast.

Attention is drawn, in particular, to the sensitivity analysis of the Board's Profit Forecast as set out on pages B-1 to B-2 of the Announcement.

Yours faithfully,

ERNST & YOUNG LLP
Public Accountants and
Chartered Accountants
Singapore

Partner- in-charge: Nelson Chen