

Cromwell European Real Estate Investment Trust

Unaudited Financial Statements Announcement for the financial period since listing from 30 November 2017 to 31 March 2018

Table of Contents:

Introduction

Cromwell European REIT Results Overview

1(A)(i)(ii)	Consolidated Statement of Total Return and Distribution Statement
1(B)(i)	Consolidated Balance Sheets
1(B)(ii)	Aggregate Amount of Borrowings and Debt Securities
1(C)	Consolidated Statement of Cash Flows
1(D)(i)	Consolidated Statement of Changes in Unitholders' Funds
1(D)(ii)	Details of Changes in Units
1(D)(iii)	Total Number of Issued Units
1(D)(iv)	Sales, Transfers, Cancellation and/or Use of Treasury Units
1(D)(v)	Sales, Transfers and/or Disposal of Subsidiary Holdings
2	Audit
3	Auditors' Report
4	Accounting Policies
5	Changes in Accounting Policies
6	Consolidated Earnings per Unit and Distribution per Unit
7	Net Asset Value ("NAV")
8	Review of Performance
9	Variance between Actual and Forecast/Projection
10	Outlook and Prospects
11	Distributions
12	Statement regarding Declared/Recommended Distributions
13	Interested Person Transactions
14	Confirmation pursuant to Rule 720(1) of the SGX-ST Listing Manual

Confirmation by the Board

DBS Bank Ltd., Goldman Sachs (Singapore) Pte. and UBS AG, Singapore Branch are the Joint Issue Managers to the initial public offering of Cromwell European REIT (the "Offering"). DBS Bank Ltd., Goldman Sachs (Singapore) Pte. and UBS AG, Singapore Branch are the Joint Global Coordinators to the Offering. DBS Bank Ltd., Goldman Sachs (Singapore) Pte., UBS AG, Singapore Branch, Daiwa Capital Markets Singapore Limited and CSLA Singapore Pte Ltd are the Joint Bookrunners and Underwriters to the Offering.

Introduction

The Cromwell European Real Estate Investment Trust (“CEREIT”) was constituted by the Trust Deed dated 28 April 2017 (as amended and restated) between Cromwell EREIT Management Pte. Ltd. as the Manager of CEREIT (the “Manager”) and Perpetual (Asia) Limited as Trustee of CEREIT (the “Trustee”). CEREIT was listed on the Main Board of the Singapore Exchange Securities Trading Limited (“SGX-ST”) on 30 November 2017 (“Listing Date”).

CEREIT is the first Singaporean real estate investment trust with a pan-European portfolio and was established with the principal strategy of investing, directly or indirectly, in a diversified portfolio of income-producing real estate assets across Europe used primarily for office and light industrial purposes.

CEREIT’s key objectives are to provide Unitholders with regular and stable distributions, and to achieve long-term growth in distributions per unit (“DPU”) and net asset value (“NAV”) per unit, while maintaining an appropriate capital structure.

The initial portfolio of CEREIT (the “IPO Portfolio”) comprised 74 properties located in France, Italy, Netherland, Germany and Denmark with an aggregate lettable area of approximately 1.1 million square metres and an acquisition value of €1,311 million. The table below provides an overview of the IPO Portfolio:

	France	Italy	Netherlands	Germany	Denmark	Total
Properties	21	14	15	11	13	74
Type	Light Industrial	Office, Light Industrial, Others	Office, Light Industrial	Light Industrial	Light Industrial	Office, Light Industrial, Others
Lettable Area (sqm)	333,031	289,363	206,108	166,466	151,468	1,146,436
Acquisition Price (€’000)	283,800	404,900	454,465	91,254	76,089	1,310,508
% of IPO Portfolio	22%	31%	34%	7%	6%	100%

Three Dutch office properties were acquired by CEREIT in June 2017 for €209,765,000 while CEREIT was a private trust 100% owned by the Sponsor, Cromwell Property Group. 70 properties were acquired by CEREIT on Listing Date for €1,083,393,000, while one Italian property located in, Firenze located in Italy was acquired on 1 February 2018 for €17,350,000.

As disclosed in the Prospectus, SGX-ST has granted CEREIT a waiver from preparing full year financial statements and an annual report for the period from Listing Date to 31 December 2017. Instead, CEREIT is announcing its first quarter results of 122 days from the Listing Date to 31 March 2018 (“first financial period”) in this announcement.

Cromwell European REIT Results Overview

Actual vs Forecast Summary

	30-Nov-17 to 31-Dec-17 €'000	1-Jan-18 to 31-Mar-18 €'000	Total for the period 31-Mar-18 €'000	IPO Forecast 30-Nov-17 to 31-Mar-18 ⁽¹⁾ €'000	Change %
Gross Revenue					
<i>By Asset Class:</i>					
Office	3,954	11,222	15,176	15,780	(3.8%)
Light Industrial	5,300	15,319	20,619	19,874	3.7%
Other	1,444	3,794	5,238	5,039	3.9%
Total	10,698	30,335	41,033	40,693	0.8%
<i>By Country:</i>					
Netherlands	2,998	8,482	11,480	12,302	(6.7%)
Italy	3,236	8,423	11,659	11,075	5.3%
France	2,591	8,598	11,189	10,689	4.7%
Germany	945	2,326	3,271	3,285	(0.4%)
Denmark	928	2,506	3,434	3,341	2.8%
Total	10,698	30,335	41,033	40,693	0.8%
Net Property Income					
<i>By Asset Class:</i>					
Office	2,709	7,856	10,565	10,673	(1.0%)
Light Industrial	3,576	9,154	12,730	11,911	6.9%
Other	968	2,741	3,709	3,677	0.9%
Total	7,253	19,751	27,004	26,261	2.8%
<i>By Country:</i>					
Netherlands	2,696	5,841	8,537	8,410	1.5%
Italy	2,273	6,116	8,389	7,791	7.7%
France	1,474	4,798	6,272	6,066	3.4%
Germany	316	1,574	1,890	2,107	(10.3%)
Denmark	494	1,422	1,916	1,887	1.5%
Total	7,253	19,751	27,004	26,261	2.8%
Income available for distribution			22,797	22,024	3.5%
Annualised distribution yield (%)			7.86	7.63	3.0%

⁽¹⁾ Based on IPO forecast and quarterly projections used to calculate the annual projection for calendar year 2018 as disclosed in the Prospectus.

Financial Review

The net property income, including gross rent, service charge income and expense, non-recoverable property expenses and property management fees, from CERIT's European property portfolio for the period ending from IPO to 31 March 2018 was 2.8% above forecast and projection at IPO. Distributable income (DPU) was 3.5% above IPO forecast and projection as a result of the higher property income and a lower than forecast current income tax charge.

The main contributor for the better than expected result was CERIT's pan-European light industrial portfolio which recorded net property income EUR 819,000 above expectations, while CERIT's office portfolio and portfolio of other asset classes were largely in line with expectations.

Office

CEREIT's office portfolio comprises five office buildings located in the three major cities of the Netherlands (Amsterdam, Rotterdam and The Hague), that contributed 58% of CEREIT's office portfolio's net property income, and eight office buildings in Italy located mainly in Italy's main two cities (Milan and Rome), that contributed 42% of CEREIT's office portfolio net property income.

Gross revenue and net property income of the Dutch office assets were slightly down on forecast and projections due to lower than expected CPI indexation of rents for 2018. Additionally, there were some further IFRS straight-lining adjustments to rental revenue which do not, however, affect distributable income. As a result the overall net property income for the Netherlands, to which the office portfolio contributes 78%, was 5% below IPO forecast and projections, however the DPU contribution of the Netherlands was only 0.5% below IPO forecast and projections, once IFRS rent straight-lining effects on results are eliminated.

The Italian office portfolio performed better than expected due to an Italy specific adjustment to the number of leasing days charged to tenants for the period and savings for letting fees that were assumed at IPO but were not required to be paid.

Subsequent to period end, CEREIT announced the acquisition of an additional office asset located in the city of Ivrea (approximately 45 km north-east of Turin), for EUR 16,900,000 with an expected completion date by 30 June 2018. This asset complements the current office portfolio of CEREIT in Italy in terms of the length of the lease term, further enhancing the stability of the CEREIT portfolio's cash flows in an accretive way and adds diversification to the tenant base with Vodafone as a blue-chip tenant.

Light Industrial

CEREIT's light industrial portfolio comprises 21 properties in France, 13 properties in Denmark, 11 properties in Germany, 10 properties in the Netherlands and one property in Italy. The better than expected result of 6.9% net property income above forecast is mainly attributable to the light industrial portfolios in France and the Netherlands while the portfolios in all other countries performed largely in line with expectations.

The light industrial portfolio in France benefitted from some better than expected leasing outcomes in particular for the largest property Parc des Docks where a tenant was expected to vacate the property at the beginning of the year and has now extended the lease for a further 6 months as well as better than expected rental income across most properties.

The light industrial portfolio in Denmark performed as per expectations. The major tenant of the Naverland 12 properties located near Copenhagen, however, vacated the property which is expected to have a negative impact on the performance of Danish portfolio going forward.

The German portfolio recorded net property income was below IPO expectations, while the Dutch portfolio recorded net property income above IPO expectations due to lower property costs.

Other

Other property assets consist of three government let campuses, one retail asset and one hotel all located in Italy. All of these assets are 100% let on long-term leases and have performed in line with IPO expectations.

Financial Position

	Actual as at 31-Mar 2018	Pro-forma Prospectus Balance Sheet	Change %
Gross asset value ("GAV") (€'000)	1,441,275	1,374,886	4.8%
Net tangible assets ("NTA") (€'000)	879,368	837,167	5.0%
Gross borrowings before unamortised debt issue costs (€'000)	494,055	494,375	(0.1%)
Gearing (%)	34.3%	36.0%	(1.7%)
Statutory gearing including deferred consideration (%) ⁽¹⁾	35.1%	36.8%	(1.7%)
Net gearing including deferred consideration (%) ⁽¹⁾⁽²⁾	31.4%	35.0%	(3.6%)
Units issued ('000)	1,573,990	1,573,990	-
NTA per unit (cents)	55.9	53.2	5.1%

⁽¹⁾ Including the deferred consideration of €12 million which is retained by CEREIF in respect of Parc des Docks.

⁽²⁾ Calculated as gross borrowings less cash and cash equivalents divided by GAV less cash and cash equivalents.

The entire CEREIF property portfolio was externally valued as at quarter-end 31 March 2018 resulting in a valuation increase of EUR 49,000,000 (3.7%) on the carrying value of the properties and EUR 50,944,000 (3.9%) on the purchase price of the properties.

Valuation movements compared to the purchase price of CEREIF's portfolio of EUR 1,310,508,000 were as follows:

Country	Valuation €'000	Purchase Price €'000	Change €'000	Change %
Netherlands	469,550	454,465	15,085	3.3%
Italy	401,050	404,900	(3,850)	(1.0%)
France ⁽¹⁾	301,650	283,800	17,850	6.3%
Germany	107,800	91,254	16,546	18.1%
Denmark	81,402	76,089	5,313	7.0%
Total	1,361,452	1,310,508	50,944	3.9%

⁽¹⁾ The valuation amount for CEREIF's French industrial portfolio is shown inclusive of the deferred consideration for Parc des Docks of EUR 12,000,000, that is the valuation amount of the property is EUR 12,000,000 higher.

The valuation increase of CEREIF's property portfolio resulted in an increase net tangible assets (NTA) per unit by 2.7 cents (5.1%) since IPO and a reduction in CEREIF's statutory gearing from 36.8% at IPO to 35.1% at period end. Gross borrowings before unamortised debt issue cost at period are as per IPO prospectus. The small movement is due to a currency movement in the Danish Krona denominated borrowing facility for CEREIF's Denmark property portfolio.

No new units have been issued in CEREIF since IPO. At period-end there were 4,035,000 units issuable for Manager base fees and property manager fees.



1 Unaudited Results for the Financial Period 30 November 2017 (Listing Date) to 31 March 2018

The Directors of Cromwell EREIT Management Pte. Ltd., as Manager of CEREIT, present the unaudited results of CEREIT for the financial period ended 31 March 2018.

1A(i) Consolidated Statement of Total Return

	Notes	Actual 30-Nov-17 to 31-Mar-18 €'000	IPO Forecast 30-Nov-17 to 31-Mar-18 ⁽¹⁾ €'000	Change %
Gross revenue	(a)	41,033	40,693	0.8%
Property operating expense	(b)	(14,029)	(14,432)	(2.8%)
Net property income		27,004	26,261	2.8%
Net finance costs	(c)	(3,724)	(3,388)	9.9%
Manager's fees	(d)	(1,080)	(1,055)	2.4%
Trustee fees		(66)	(69)	(4.3%)
Trust expenses	(e)	(1,120)	(826)	35.6%
Net income before tax and fair value change in investment properties		21,014	20,923	0.4%
Fair value gain / (loss) – investment properties		25,748	(6,338)	(506.3%)
Fair value gain / (loss) – derivative financial instruments		(265)	-	N.M.
Total return for the period before tax		46,497	14,585	218.8%
Income tax expense		(15,837)	(1,828)	766.4%
Total return for the period attributable to Unitholders		30,660	12,757	140.3%

1A(ii) Distribution Statement

	Notes	Actual 30-Nov-17 to 31-Mar-18 €'000	IPO Forecast 30-Nov-17 to 31-Mar-18 ⁽¹⁾ €'000	Change %
Total return for the period attributable to Unitholders		30,660	12,757	140.3%
Distribution adjustments	(f)	(7,863)	9,267	(184.9%)
Income available for distribution to Unitholders		22,797	22,024	3.5%
Distribution to Unitholders	(g)	-	-	-

⁽¹⁾ The prospectus of Cromwell European REIT dated 22 November 2017 ("Prospectus") disclosed a 1-month profit forecast for the period from 1 December 2017 to 31 December 2017 ("December 2017 Forecast"), and a full-year profit projection from 1 January 2018 to 31 December 2018 (the "FY2018 Projection"). The FY2018 Projection disclosed in the Prospectus was derived from four separate quarterly projections which in aggregate formed the FY2018 Projection. The "IPO forecast" figures referred to in this presentation were, where not expressly disclosed in the Prospectus, derived from the December 2017 Forecast and the first quarterly projection for the period from 1 January 2018 to 31 March 2018 which had been used by the Manager to form the FY2018 Projection.

N.M. – Not meaningful

Notes

(a) Gross Revenue

Gross revenue includes the following items:

	Actual 30-Nov-17 to 31-Mar-18 €'000	IPO Forecast 30-Nov-17 to 31-Mar-18 €'000	Change %
Gross rental income	35,429	34,255	3.4%
Service charge income	5,535	6,426	(13.9%)
Other property related income ⁽¹⁾	69	12	475.0%
Total gross revenue	41,033	40,693	0.8%

⁽¹⁾ Other Income comprises advertising billboards and signage, kiosks and other income attributable to the operation of the properties.

(b) Property operating expense

Property operating expenses comprises service charge expenses and non-recoverable expenses.

Service charge expenses are generally offset and recoverable by service charge income, and include where applicable, insurance, provision of utilities, land tax, and maintenance and service of common equipment and common areas. Service charge expenses may exceed service charge income due to vacancies within the properties.

Non-recoverable expenses include property insurance, maintenance and repairs, marketing costs, property taxes, leasing costs and property management fees. Leasing costs include payments to third-party brokers and/or the property manager. Property management fees are payable to the property manager. Property management fees are based on 0.67% of deposited property and 40% of the property management fees are paid in units as disclosed in the Prospectus.

Property operating expenses include the following items:

	Actual 30-Nov-17 to 31-Mar-18 €'000	IPO Forecast 30-Nov-17 to 31-Mar-18 €'000	Change %
Service charge expenses and non-recoverable expenses	10,884	11,358	(4.2%)
Property management fees	3,145	3,074	2.3%
Total property operating expense	14,029	14,432	(2.8%)

(c) Net finance costs

Net finance costs include interest expense on CEREIT's borrowings and amortisation of debt issuance costs as follows:

	Actual 30-Nov-17 to 31-Mar-18 €'000	IPO Forecast 30-Nov-17 to 31-Mar-18 €'000	Change %
Interest expense	2,966	2,659	11.5%
Amortisation of debt issuance costs	766	729	5.1%
Interest income	(8)	-	N.M.
Net finance costs	3,724	3,388	9.9%

N.M. – Not meaningful

(d) *Manager's fees*

Pursuant to the Trust Deed, the Manager is entitled to a base fee of 0.23% of the deposited property and a performance fee of 25.0% of the difference in DPU in a financial year with the DPU in the preceding financial year (calculated before accounting for the performance fee in each financial year) multiplied by the weighted average number of units in issue for such financial year.

For the 2018 financial year, the performance fee is calculated based on the difference between actual distributable income per unit (DPU) and projected DPU as per the Prospectus.

100% of base and performance fees due to the Manager are paid in CEREIT units at least to the end of the 2019 financial year as disclosed in the Prospectus.

	Actual 30-Nov-17 to 31-Mar-18 €'000	IPO Forecast 30-Nov-17 to 31-Mar-18 €'000	Change %
Manager's base fees	1,080	1,055	2.4%
Manager's performance fees ⁽¹⁾	-	-	-
Total manager's fees	1,080	1,055	2.4%

⁽¹⁾ Performance fees are calculated annually and accrued for, if applicable, in the full year result of each financial year.

(e) *Trust expenses*

Trust expenses include recurring trust expenses such as annual listing fees, valuation fees, legal fees, registry and depository charges, corporate secretarial, accounting, audit and tax adviser's fees, postage, printing and stationery costs, costs associated with the preparation of annual reports, investor communications costs and other miscellaneous expenses.

(f) *Distribution adjustments*

Included in distribution adjustments were the following items:

	Actual 30-Nov-17 to 31-Mar-18 €'000	IPO Forecast 30-Nov-17 to 31-Mar-18 €'000	Change %
Trustee fees	66	69	(4.3%)
Straight-line rent adjustments	(344)	(409)	(15.9%)
Property Manager fees paid in units	1,258	1,230	2.3%
Manager base fees paid in CEREIT units	1,080	1,055	2.4%
Amortisation of debt issuance costs	766	729	5.1%
Fair value adjustments – investment properties	(25,748)	6,338	(506.3%)
Fair value adjustments – derivative financial instruments	265	-	N.M.
Net foreign exchange gain	(7)	-	N.M.
Deferred tax expense	14,758	-	N.M.
Tax losses utilised	43	255	(83.1%)
Total distribution adjustments	(7,863)	9,267	(184.9%)

(g) *Distribution to Unitholders*

CEREIT's distribution policy is to distribute 100% of CEREIT's annual distributable income for the period from the Listing Date to the end of the 2019 financial year. Thereafter, CEREIT will distribute at least 90% of its annual distributable income for each financial year. The actual level of distribution will be determined at the Manager's discretion.

Statement of Total Returns – Period Breakdown

As disclosed in the Prospectus, SGX-ST has granted CEREIT a waiver from preparing full year financial statements and an annual report for the period from Listing Date to 31 December 2017. Instead, CEREIT is announcing its first quarter results of 122 days from the Listing Date to 31 March 2018 (“first financial period”) in this announcement.

The table below provides a breakdown of the Consolidated Statement of Total Return for the period from Listing Date to 31 December 2017 corresponding to the 2017 forecast period as per prospectus and for the calendar quarter from 1 January 2018 to 31 March 2018 corresponding to the 2018 projection period as per prospectus.

	Month 30-Nov-17 to 31-Dec-17 €'000	Quarter 1-Jan-18 to 31-Mar-18 €'000	Total period 30-Nov-17 to 31-March-18 €'000
Gross revenue	10,698	30,335	41,033
Property operating expense	(3,445)	(10,584)	(14,029)
Net property income	7,253	19,751	27,004
Net finance costs	(867)	(2,857)	(3,724)
Manager’s fees	(267)	(813)	(1,080)
Trustee fees	(9)	(57)	(66)
Trust expenses	(166)	(954)	(1,120)
Net income before tax and fair value change in investment properties	5,944	15,070	21,014
Fair value gain / (loss) – investment properties	(22,994)	48,742	25,748
Fair value gain / (loss) – derivative financial instruments	(30)	(235)	(265)
Total return for the period before tax	(17,080)	63,577	46,497
Income tax expense	(5,212)	(10,625)	(15,837)
Total return for the period attributable to Unitholders	(22,292)	52,952	30,660

Distribution Statement – Period Breakdown

	Month 30-Nov-17 to 31-Dec-17 €'000	Quarter 1-Jan-18 to 31-Mar-18 €'000	Total period 30-Nov-17 to 31-March-18 €'000
Total return for the period attributable to Unitholders	(22,292)	52,952	30,660
Distribution adjustments	28,726	(36,589)	(7,863)
Income available for distribution to Unitholders	6,434	16,363	22,797
Distribution to Unitholders	-	-	-

1B(i) Consolidated Balance Sheets

	Notes	Group			Trust		
		As at 31-Mar 2018 €'000	As at 31-Dec- 2017 €'000	Increase (Decrease) %	As at 31-Mar 2018 €'000	As at 31-Dec- 2017 €'000	Increase (Decrease) %
Current assets							
Cash and cash equivalents		60,119	74,155	(18.9%)	6,127	16,707	(63.6%)
Receivables		13,604	25,967	(47.6%)	9,268	3,544	161.5%
Current tax assets		319	189	68.8%	-	-	-
Total current assets		74,042	100,311	(26.2%)	15,395	20,251	(21.3%)
Non-current assets							
Investment properties	(a)	1,356,695	1,289,395	5.2%	-	-	-
Investments in subsidiaries	(b)	-	-	N.M.	509,957	498,533	2.3%
Receivables		779	806	(3.3%)	-	-	-
Loans to subsidiaries	(c)	-	-	N.M.	375,003	375,003	-
Derivative financial instruments	(d)	58	23	152.2%	-	-	-
Deferred tax assets		9,701	9,744	(0.4%)	-	-	-
Total non-current assets		1,367,233	1,299,968	5.2%	884,960	873,536	1.3%
Total assets		1,441,275	1,400,279	2.9%	900,355	893,787	0.7%
Current liabilities							
Payables		24,999	49,688	(49.7%)	22,131	15,318	44.5%
Current tax liabilities		1,644	1,236	33.0%	-	-	-
Derivative financial instruments	(d)	37	164	(77.4%)	-	-	-
Other current liabilities		17,088	22,347	(23.5%)	-	-	-
Total current liabilities		43,768	73,435	(40.4%)	22,131	15,318	44.5%
Non-current liabilities							
Payables		1,814	2,124	(14.6%)	-	-	-
Borrowings		487,855	481,038	1.4%	32,333	32,222	0.3%
Derivative financial instruments	(d)	229	2	11,350.0%	-	-	-
Deferred tax liabilities		15,309	5,224	193.1%	-	-	-
Other non-current liabilities		12,932	12,037	7.4%	-	-	-
Total non-current liabilities		518,139	500,425	3.5%	32,333	32,222	0.3%
Total liabilities		561,907	573,860	(2.1%)	54,464	47,540	14.6%
Net assets attributable to Unitholders		879,368	826,419	6.4%	845,891	846,247	(0.0%)
Represented by:							
Unitholders' funds		879,368	826,419	6.4%	845,891	846,247	(0.0%)

N.M. – Not meaningful

Notes

(a) Investment properties

The investment properties are stated at their fair value based on independent valuations performed by Cushman & Wakefield LLP and Colliers International LLP as at 31 March 2018. The carrying amount of CERET's investment properties as at period-end and movements in the carrying amount since IPO were as follows:

	France €'000	Italy €'000	Netherlands €'000	Germany €'000	Denmark €'000	Total €'000
Independent valuation	313,650	401,050	469,550	107,800	81,402	1,373,452
At period-end						
<i>Adjustments to carrying amount:</i>						
Parc des Docks deferred consideration ⁽¹⁾						(12,000)
Finance lease liability ⁽²⁾						5,092
Unspent vendor funded capital expenditure ⁽³⁾						(11,954)
Other						2,105
Total adjustments						(16,757)
Carrying amount at period-end						1,356,695
<i>Movements during the period:</i>						
Pre-IPO portfolio ⁽⁴⁾	-	-	212,866	-	-	212,866
Acquisition price	283,800	387,550	244,700	91,254	76,089	1,083,393
Acquisition costs	3,727	12,908	20,930	5,202	1,094	43,861
Acquisition accounting adjustments	(15,126)	(798)	(6,160)	(2,785)	(3,024)	(27,893)
<i>Capital expenditure:</i>						
Property improvements	-	-	-	-	-	-
Lifecycle	-	-	-	10	66	76
Rent straight lining	-	-	86	-	-	86
Net gain / (loss) from fair value adjustments	11,709	(12,908)	(18,031)	(3,996)	232	(22,994)
Balance at 31-Dec 2017	284,110	386,752	454,391	89,685	74,457	1,289,395
Acquisition price	-	17,350	-	-	-	17,350
Acquisition costs	-	342	-	-	-	342
<i>Capital expenditure:</i>						
Property improvements	-	-	-	-	-	-
Lifecycle	209	75	205	94	25	608
Rent straight lining	-	-	258	-	-	258
Net gain / (loss) from fair value adjustments	16,965	(4,192)	14,571	16,106	5,292	48,742
Balance at 31-Mar 2018	301,284	400,327	469,425	105,885	79,774	1,356,695

⁽¹⁾ As disclosed in the Prospectus the deferred consideration amount for the Parc des Docks property of EUR 12,000,000 has been deducted from the independent valuation amount.

⁽²⁾ In accordance with International Financial Reporting Standards (IFRS) future ground rent payments for leasehold properties are accounted for as finance lease liability with an equal increase of the investment property carrying amount.

⁽³⁾ As disclosed in the Prospectus the vendors CERET's investment property portfolio have provided funding for any budgeted capital expenditure that was budgeted in the 2017 year and had not been incurred at IPO.

⁽⁴⁾ Includes the CECIF portfolio of three Dutch office building acquired by CERET pre-IPO at EUR 209,765,000 plus pre-IPO movements of EUR 3,101,000.

(b) *Investments in subsidiaries*

Investments in subsidiaries relates to five wholly-owned companies constituted in Singapore. In the Cromwell European Real Estate Investment Trust's (the "Trust") separate financial statements investments in subsidiaries are carried at cost less impairment losses.

(c) *Loans to subsidiaries*

Loans to subsidiaries relate to shareholder loans between the Trust's and subsidiaries to the Trust. Loans held by the Trust are carried at amortised cost using the effective interest rate method.

(d) *Derivative financial instruments*

Derivative financial instruments relate to interest rate swap and cap contracts entered into by CEREIF to fix interest on floating rate borrowings. As at 31 March 2018, 79.5% (31 December 2017: 57.9%) of CEREIF's total gross borrowings were fixed at a weighted average hedge strike rate of 0.05% (Listing Date: 0.05%) / capped at a weighted average of 0.84% (Listing Date: 0.84%) fixed and capped weighted average of 0.28% (Listing Date: 0.28%). At 31 March 2018, the notional principal amounts and period of expiry of CEREIF's interest rate swap and cap contracts were as follows:

	As at 31-Mar 2018 €'000	As at 31-Dec 2017 €'000
Less than 1 year	-	-
1 – 2 years	296,300	152,569
2 – 3 years	-	-
3 – 4 years	47,373	47,373
4 years and longer	82,375	82,375
	426,048	282,317

1B(ii) Aggregate Amount of Borrowings and Debt Securities

	As at 31-Mar 2018 €'000	As at 31-Dec 2017 €'000
<i>Secured – non-current</i>		
Property level financing facilities	461,055	454,808
<i>Unsecured – non-current</i>		
Revolving credit facility ("RCF")	33,000	33,000
Less: Unamortised debt issuance costs	(6,200)	(6,770)
Total non-current borrowings	487,855	481,038

Borrowing details

Facility	Note	Secured	Maturity	31-Mar 2018		31-Dec 2017	
				Facility €'000	Utilised €'000	Facility €'000	Utilised €'000
Parc	(a)	Yes	Nov-20	50,000	50,000	50,000	50,000
EHI Denmark	(b)	Yes	Nov-20	26,180	26,180	26,202	26,202
EHI Residual	(c)	Yes	May-21	95,000	95,000	95,000	95,000
CNDP	(d)	Yes	Nov-20	57,500	57,500	57,500	57,500
CECIF	(e)	Yes	Dec-26	82,375	82,375	82,375	82,375
Italian AIF	(f)	Yes	Nov-20	150,000	150,000	150,000	143,731
RCF	(g)	No	Sep-19	75,000	33,000	75,000	33,000
Total borrowing facilities				536,055	494,055	536,077	487,808

Property level financing facilities

All property level financing facilities are secured by first-ranking mortgages over the relevant properties as well as pledges over the receivables of the property holding SPVs, pledges over the entire share capital of the property-holding SPVs, pledges over the receivables of any lease agreements and insurance proceeds pertaining to the relevant properties, a first priority account pledge over all bank accounts of the property-holding SPVs and a pledge over all hedging receivables in relation to the relevant property level financing facility.

(a) Parc

The Parc facility is secured over 11 French light industrial properties with an aggregate carrying amount of €129,000,000. Interest is payable quarterly in arrears at variable rates based on the EURIBOR 3 months swap rate plus a loan margin. The EURIBOR 3 months swap rate at 31 March 2018 was -0.33%.

(b) EHI Denmark

The EHI Denmark facility, which is denominated in Danish Krone is secured over 13 Danish light industrial properties with an aggregate carrying amount of €76,089,000. Interest is payable quarterly in arrears at variable rates based on the EURIBOR 3 months swap rate plus a loan margin.

(c) EHI Residual

The EHI Residual facility is secured over 31 light industrial properties located in France, the Netherlands and Germany with an aggregate carrying amount of €316,054,000. Interest is payable quarterly in arrears at variable rates based on the EURIBOR 3 months swap rate plus a loan margin.

(d) CNDP

The CNDP facility is secured over two Dutch office properties with an aggregate carrying amount of €174,700,000. Interest is payable quarterly in arrears at variable rates based on the EURIBOR 3 months swap rate plus a loan margin.

(e) CECIF

The CECIF facility is secured over three Dutch office properties with an aggregate carrying amount of €209,765,000. Interest is payable quarterly in arrears at variable rates based on the EURIBOR 3 months swap rate plus a loan margin.

(f) Italian AIF

The Italian AIF facility is secured over 14 Italian office and other type properties with an aggregate carrying amount of €404,900,000. At IPO €143,731,000 of the facility was drawn to acquire the initial 13 properties of the portfolio. The 14th property, located in Firenze, was acquired in February 2018. At that point, the remaining amount available under facility was drawn to partially fund the acquisition of that property. Interest is payable quarterly in arrears at variable rates based on the EURIBOR 3 months swap rate plus a loan margin.

Revolving Credit Facility ("RCF")

The RCF is unsecured and was put in place to provide CEREIF with additional financing flexibility, working capital and support distribution payments in case of timing differences of distributions from European property SPVs.

1C Consolidated Statement of Cash Flows	Actual 30-Nov-17 to 31-Mar-18 €'000
Cash flows from operating activities	
Total return for the financial period	30,660
<i>Adjustments for:</i>	
Amortisation of lease costs and incentives	(1,810)
Effect of recognising rental income on a straight-line basis over the lease term	(344)
Amortisation of debt issuance costs	766
Manager's fees paid in CEREIT units	1,080
Property manager's fees paid in CEREIT units	1,258
Income tax expense	15,839
Tax paid	332
Change in fair value of investment properties	(25,748)
Change in fair value of derivative financial instruments	265
Net foreign exchange loss / (gain)	(7)
<i>Changes in operating assets and liabilities:</i>	
(Increase) / decrease in:	
Receivables	(12,161)
Other assets	5,220
Increase / (decrease) in:	
Payables	15,342
Other liabilities	3,190
Net cash from operating activities	33,882
Cash flows from investing activities	
Payments for acquisitions of subsidiaries, net of cash	(374,647)
Payments for acquisition of investment properties	(417,455)
Payments for capital expenditure on investment properties	(684)
Net cash used in investing activities	(792,786)
Cash flows from financing activities	
Proceeds from IPO issuance of CEREIT units ⁽¹⁾	757,978
Proceeds from bank borrowings	255,556
Repayment of bank borrowings	(183,066)
Payment of equity issue transaction costs	(17,783)
Payment for debt issuance costs	(5,419)
Payment to acquire derivative financial instruments	(57)
Payment for settlement of derivative financial instruments	(964)
Net cash provided by financing activities	806,245
Net increase in cash and cash equivalents	47,341
Cash and cash equivalents at Listing Date	12,776
Effects of exchange rate changes on cash and cash equivalents	2
Cash and cash equivalents at 31 March 2018	60,119

⁽¹⁾ IPO proceeds have been used as disclosed in the prospectus, being the acquisition of the properties and/or target corporate entities which directly or indirectly own the IPO properties and transaction costs.

1D(i) Consolidated Statement of Changes in Unitholder Funds

Group	Units on issue €'000	Reserves €'000	Retained earnings €'000	Total €'000
At Listing Date⁽¹⁾	101,164	-	2,327	103,491
<i>Operations</i>				
Total return for the period	-	-	(22,292)	(22,292)
Net increase in Unitholder funds resulting from operations	-	-	(22,292)	(22,292)
<i>Unitholders' transactions</i>				
Issue of units	764,531	-	-	764,531
Issue expenses	(19,427)	-	-	(19,427)
Net increase in Unitholder funds resulting from Unitholder transactions	745,104	-	-	745,104
<i>Reserves</i>				
Foreign currency translation movement for the period	-	116	-	116
Net increase in Unitholder funds resulting from movements in reserves	-	116	-	116
As at 31-Dec 2017	846,268	116	(19,965)	826,419
<i>Operations</i>				
Total return for the period	-	-	52,952	52,952
Net increase in Unitholder funds resulting from operations	-	-	52,952	52,952
<i>Reserves</i>				
Foreign currency translation movement for the period	-	(3)	-	(3)
Net increase in Unitholder funds resulting from movements in reserves	-	(3)	-	(3)
As at 31-Mar 2018	846,268	113	32,987	879,368

⁽¹⁾ CERIT was established on 28 April 2017 as a private trust wholly owned by the sponsor Cromwell Property Group. On 20 June 2017, CERIT acquired the CECIF portfolio of properties comprising three Dutch office properties. The acquisition of the CECIF portfolio was 100% funded through the issuance of units. Unitholder funds as at Listing Date reflect the CECIF acquisition unit issue and trading result of the CECIF properties to Listing Date.



1D(i) Consolidated Statement of Changes in Unitholder Funds

Trust	Units on issue €'000	Reserves €'000	Retained earnings €'000	Total €'000
At Listing Date⁽¹⁾	101,164	-	-	101,164
<i>Operations</i>				
Total return for the period	-	-	(137)	(137)
Net increase in Unitholder funds resulting from operations	-	-	(137)	(137)
<i>Unitholders' transactions</i>				
Issue of units	764,531	-	-	764,531
Issue expenses	(19,427)	-	-	(19,427)
Net increase in Unitholder funds resulting from Unitholder transactions	745,104	-	-	745,104
<i>Reserves</i>				
Foreign currency translation movement for the period	-	116	-	116
Net increase in Unitholder funds resulting from movements in reserves	-	116	-	116
As at 31-Dec 2017	846,268	116	(137)	846,247
<i>Operations</i>				
Total return for the period	-	-	(356)	(356)
Net increase in Unitholder funds resulting from operations	-	-	(356)	(356)
<i>Reserves</i>				
Foreign currency translation movement for the period	-	-	-	-
Net increase in Unitholder funds resulting from movements in reserves	-	-	-	-
As at 31-Mar 2018	846,268	116	(493)	845,891

⁽¹⁾ CEREIF was established on 28 April 2017 as private Trust wholly owned by the sponsor Cromwell Property Group. On 20 June 2017 CEREIF acquired the CECIF portfolio of properties comprising of three Dutch office properties. The acquisition of the CECIF portfolio was 100% funded through issue of units. Unitholder funds as at Listing Date reflect the CECIF acquisition unit issue and trading result of the CECIF properties to Listing Date.

1D(ii) Detail of Changes in CERET Units

	Actual 30-Nov-17 to 31-Mar-18 '000
Units on issue prior Listing Date	183,934
<i>On Listing Date:</i>	
Issue of Sponsor units	367,788
Issue of units under the Offering and to cornerstone investors	1,010,354
Acquisition fees paid in units	11,914
Units on issue at the end of the period	1,573,990
Units to be issued:	
Manager's base fee payable in units	1,864
Property Manager's management fee payable in units	2,171
Total issuable units at the end of the period	4,035
Total units issued and to be issued at the end of the period	1,578,025

1D(iii) Total Number of Issued Units

CEREIT did not hold any treasury units as at 31 March 2018.

	As at 31-Mar-18 '000
Total units on issue	1,573,990

1D(iv) Sales, Transfers, Cancellation and/or Use of Treasury Units

Not applicable.

1D(v) Sales, Transfers and/or Disposal of Subsidiary Holdings

Not applicable.

2 Audit

Whether the figures have been audited or reviewed, and in accordance with which audit standard (e.g. the Singapore Standard on Review Engagements 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", or an equivalent standard).

The figures have not been audited or reviewed by the auditors.

3 Auditors' Report

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

Not applicable.

4 Accounting Policies

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

All balances and transactions of CEREIT are recognised and recorded in accordance with International Financial Reporting Standards (IFRS) and interpretations adopted by the International Accounting Standards Board.

The accounting policies and methods of computation have been consistently applied by CEREIT during the current reporting period. As at Listing Date 30 November 2017, CEREIT has early adopted the new International Financial Reporting Standards ("IFRS") IFRS 9 *Financial Instruments*, IFRS 15 *Revenue from Contracts with Customers* and revised IFRS (including consequential amendments) and interpretations that are effective for annual financial periods beginning 1 January 2018.

5 Changes in Accounting Policies

The adoption of these new accounting standards, revised standards and interpretations did not result in material changes to CEREIT's accounting policies.

6 Consolidated Earnings per Unit and Distribution per Unit

	Actual 30-Nov-17 to 31-Mar-18
Earnings per unit ("EPU")	
Weighted average number of units ⁽¹⁾	1,574,749
Total return for the period (€'000)	30,660
EPU (basis and diluted) (cents)	1.95

⁽¹⁾ The actual weighted average number of units was based on the number of units on issue at 31 March 2018 and units issuable to the Manager and Property Manager.

	Actual 30-Nov-17 to 31-Mar-18
Distribution per unit ("DPU")	
Total units on issue at the end of the period	1,573,990
Income available for distribution to Unitholders (€'000)	22,797
DPU (cents) ⁽²⁾	1.45

⁽²⁾ DPU was calculated based on the number of units on issue and entitled to distributions at the end of the period. The annualised DPU was 4.35 cents for the period (7.9% based on a IPO issue price of 0.55 cents).



7 Net Asset Value ("NAV")

	Group As at 31-Mar 2018	Trust As at 31-Mar 2018	Group As at 31-Dec 2017	Trust As at 31-Dec 2017
NAV ⁽¹⁾ at the end of the period (€'000)	879,368	845,891	826,419	846,247
Number of units on issue at the end of the period ('000)	1,573,990	1,573,990	1,573,990	1,573,990
NAV per unit (cents)	55.9	53.7	52.5	53.8
Adjusted NAV per unit (excluding distributable income) (cents)	54.4	53.7	52.1	53.8

⁽¹⁾ NAV equals net tangible assets ("NTA") as no intangible assets are carried by CEREIF.

8 Review of Performance

Please refer to section 9 on the review of actual results for the first period ending 31 March 2018 against the forecast and projection as disclosed in the Prospectus.

9 Variance between Actual and Forecast/Projection

The Statement of Total Return, Distribution Statement have been presented above in comparison to the forecast and quarterly projections used to calculate the annual projection for calendar year 2018 as disclosed in the Prospectus.

Discussion

Net property income for the four months from IPO to period end was 2.8% above forecast and projection. For a detailed country by country discussion refer to the Results overview at the beginning of this report.

Net finance costs were EUR 336,000 above forecast and projection. This is a result of an additional temporary drawdown on the unsecured Revolving Credit Facility (RCF) during the period to fund CEREIF costs until cash could be repatriated from the European subsidiaries. The additional drawdown was repaid prior to period end.

Manager base fees and Trustee fees were materially in line with the IPO forecast and projections.

Trust expenses were EUR 294,000 higher for the period than forecast and projected at IPO. This is mainly a result of some expenses, such as audit and tax advisory cost being incurred earlier. However, this should normalise over the 2018 financial year.

Income tax expense was significantly higher than forecast and projected which is due to deferred tax expenses recognised on the valuation increase of investment properties. Excluding this deferred income tax expense current tax expense was below IPO forecast at EUR 1,079,000.

Fair value adjustments could not be projected at IPO date.

10 Outlook and Prospects

A commentary at the date of announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months.

European macro-economic outlook

- According to Oxford Economics, robust economic performance of the Eurozone economy is expected to continue in 2018 at 2.4%. Moderate inflation of 1.4% anticipated in 2018, causing an expected pick-up in real income growth.
- On inflation & rates, the ECB's Draghi stated on 26/4, "Overall, an ample degree of monetary stimulus remains necessary for underlying inflation pressures to continue to build up and support headline inflation developments over the medium term."
- The positive economic outlook across Europe, with a "solid, broad based expansion" (ECB's Draghi) expected to drive occupier demand for business space in 2018 - the shortage of high quality options, particularly in markets such as Berlin & Amsterdam, will place further upward pressure on rentals.
- Depending on the Brexit outcome, it is our view there is some capacity for companies leaving London to boost demand for office space in other main European cities (e.g. Paris, Frankfurt, and Amsterdam).

Netherlands office sector outlook and trends

- We expect 2018 trading volumes likely to be below 2017, but above the long-term average, potentially held back by the lack of quality product to satisfy investor demand. As prime product becomes scarcer, investors will need to look beyond the traditional core markets and sectors for opportunities and we also expect a greater number of overseas lenders providing competitive debt for real estate deals. Strong occupier demand will continue to drive vacancy down, and against a backdrop of limited development, office rents remain under upward pressure – speculative development is a real option.

Italy office sector outlook and trends

- We expect the office sector to remain active across 2018, with sharpening yields and rising prices driving investors to alternative opportunities, seeking higher returns, and this will cascade into the well-connected secondary locations, or those that have a deeper pool of tenants. Urban areas and obsolete buildings will undergo redevelopment and conversion, with development activity picking-up in both committed and speculative projects, albeit predominantly in Milan and Rome, but will transfer to smaller cities. This will lead to an uplift in capital values and a subsequent increase in appetite from global equity and debt investors.

Pan European Industrial & Logistics Sector outlook and trends

- Based on data from CBRE, 2017 was the highest year on record for investment volumes in the logistics & industrial sector in Europe, due to large deals and new entrants such as Asian investors and this demand will continue in 2018 & 2019. We expect Asian & global investment flows into the European Logistics sector will increasingly be driven by a stronger focus on Belt & Road Initiative (BRI) countries such as Poland, Czech, Germany, the Netherlands, France, Spain and Belgium.
- Strong demand growth has reduced large-scale modern industrial options, with vacancy tightening to 3% and below in the main European logistic hubs, with Germany and Denmark (Copenhagen) now with very low availability. Copenhagen Coupled with strong e-commerce related growth this will support further rental increases.
- Further yield compression is anticipated, albeit in smaller increments and more likely in the secondary or non-core markets. Fierce competition in the core segment will draw the attention of many investors to products outside the top locations and to existing stock with greater upside potential in the form of higher vacancies and/or shorter WALTs, capturing the expected rental growth coming through.



11 Distributions

	Distribution type	Distribution per unit	Total distribution €'000	Book closure date	Payment date
2018					
30-Nov-17 to 31-Mar-18	Not applicable	-	-	Not applicable	Not applicable
Total distributions		-	-		
2017					
Not applicable					

CEREIT was listed on the Main Board of the Singapore Exchange Securities Trading Limited ("SGX-ST") on 30 November 2017. Accordingly, there are no distributions in prior periods.

CEREIT's distribution policy is to distribute 100% of CEREIT's annual distributable Income for the period from the Listing Date to the end of the 2019 financial year. CEREIT will make distributions to Unitholders on a semi-annual basis, with the amount calculated as at 30 June and 31 December each year for the six-month period ending on each of these dates. CEREIT's first distribution will be for the period from the Listing Date to 30 June 2018 and will be paid by the Manager on or before 28 September 2018.

12 Statement regarding Declared/Recommended Distributions

No distribution has been declared / recommended.

13 Interested Person Transactions

If the Group has obtained general mandate from unitholders for Interested Person Transactions ("IPT"), the aggregate value of such transactions are required under Rule 920(1)(a)(ii) If no IPT mandate has been obtained, a statement to that effect.

CEREIT has not obtained a general mandate from Unitholders for interested person transactions.

14 Confirmation pursuant to Rule 720(1) of the SGX-ST Listing Manual

The Board of Directors of the Manager hereby confirms that the undertakings from all its directors and executive officers as required in the format as set out in Appendix 7.7 under Rule 720(1) of the Listing Manual were procured.

Confirmation pursuant to Rule 705(5) of the Listing Manual

The Board of Directors of Cromwell EREIT Management Pte. Ltd. (as manager of Cromwell European Real Estate Investment Trust) (the "Manager") hereby confirms that, to the best of their knowledge, nothing has come to the attention of the Board of Directors of the Manager which may render the unaudited financial results of Cromwell European Real Estate Investment Trust for the period from 30 November 2017 (Listing Date) to 31 March 2018, to be false or misleading, in any material aspect.

On behalf of the Board
Cromwell EREIT Management Pte. Ltd.
As Manager of Cromwell European Real Estate Investment Trust
(Company Registration No: 201702701N)

Lim Swe Guan
Chairman

Philip Levinson
CEO



Important Notice

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 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 costs), property expenses, 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 Manager's current view on future events.

The value of Units and the income derived from them, if any, may fall or rise. Units are not obligations of, deposits in, or guaranteed by, the Manager or any of its affiliates. An investment in Units is subject to investment risks, including the possible loss of the principal amount invested.

Investors should note that they have no right to request the Manager to redeem their Units while the Units are listed. It is intended that Unitholders may only deal in their Units through trading on the SGX-ST. Listing of the Units on the SGX-ST does not guarantee a liquid market for the Units.

This announcement is for information only and does not constitute an invitation or offer to acquire, purchase or subscribe for the Units. The past performance of Cromwell European REIT and the Manager is not necessarily indicative of the future performance of Cromwell European REIT and the Manager.