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(a business trust constituted on 7 May 2012 under the laws of the Republic of Singapore)

Registration Number: 2013004

Managed by Croesus Retail Asset Management Pte. Ltd. (Registration Number: 201205175K)

RESPONSE TO QUERY FROM SGX-ST ON THE ANNOUNCEMENT OF RESULT FOR THE FINANCIAL YEAR ENDED 30 JUNE 2016

*All capitalised terms that are not defined in this announcement have the same meanings given to them in the announcement dated 26 August 2016 in relation to the result for the financial year ended 30 June 2016 (the “**Announcement**”).*

The board of Directors (the “**Board**”) of Croesus Retail Asset Management Pte. Ltd., in its capacity as trustee-manager of Croesus Retail Trust (“**CRT**”, and the trustee-manager of CRT, the “**Trustee-Manager**”) refers to the Announcement on which the Trustee-Manager has received a query from Singapore Exchange Securities Trading Limited (“**SGX-ST**”) on 2 September 2016. The Board sets out its response to the query below:

SGX-ST Query

Please provide an explanation for the increase in the balance of the derivative financial instrument at the CRT Group Level.

Response to Query

It was disclosed in the annual report of CRT for the financial year ended 30 June 2015 (the “**Annual Report 2015**”) that CRT had entered into forward currency contracts for its distributions to unitholders of CRT. In addition, CRT has entered into: (i) interest rate swaps for each of its Japanese Yen debts, and (ii) cross currency swaps in order to swap its Singapore Dollar proceeds from the euro medium term notes issued into Japanese Yen, as well as to swap its Singapore Dollar interest obligations into Japanese Yen interest obligations.

In the financial year ended 30 June 2016 (“**FY2016**”), CRT has entered into: (i) new forward currency contracts to hedge close to 100% of its expected distributable income until the end of the financial year ending 30 June 2018, (ii) new interest rate swaps for its Japanese Yen debt, and (iii) new cross currency swaps for the euro medium term notes issued in FY2016.

As the Japanese Yen has generally strengthened against the rates at which the forward currency contracts and cross currency swaps were entered into, and the interest rates in Japan have also generally decreased from the rate at which the interest rate swaps were entered into, it has resulted in a net loss on the fair value of derivative financial instruments at the CRT group level. As a result of such unrealised mark-to-market losses as at 30 June 2016, it has resulted in the current liabilities under derivative financial instruments to be recorded as an increase from JPY 298,000 as at 30 June 2015 to JPY 1,109,698,000 as at 30 June 2016 and for non-current liabilities under derivative financial instruments to be recorded as an increase from JPY 363,732,000 as at 30 June 2015 to JPY 1,594,315,000 as at 30 June 2016.

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)

7 September 2016

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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 of CRT, the Sole Bookrunner and Underwriter, 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. The past performance of CRT is not necessarily indicative of the future performance of CRT.

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