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

Unless otherwise indicated in this announcement, all conversions from Japanese Yen amounts into Singapore Dollar amounts in this announcement are based on an exchange rate of JPY 83.0 : S\$ 1.

- I. **PROPOSED ACQUISITION OF ONE’S MALL**
- II. **LAUNCH OF PRIVATE PLACEMENT TO RAISE BETWEEN S\$70.2 MILLION AND S\$72.6 MILLION TO PARTIALLY FUND THE PROPOSED ACQUISITION OF ONE’S MALL**
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**”), is pleased to announce that the Trustee-Manager has today, through Durian 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 a conditional purchase and sale agreement with Tozai Select One YK (the “**Purchase and Sale Agreement**”), to acquire trust beneficiary interests (“**TBI**”) in respect of One’s Mall, a completed retail property in Japan (the “**Property**”) and the acquisition of TBI in One’s Mall, the “**Acquisition**”).

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

¹ The shareholders of Durian TMK are, as at the date of this announcement, (i) Durian Ippan Shadan Hojin, which holds 75% of the specified equity and (ii) Durian 1 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 Durian TMK will issue preferred equities to Durian 1 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 Acquisition. Please refer to the announcement dated 25 June 2014 and the prospectus of CRT dated 2 May 2013 for further information on the TMK structure.

The Trustee-Manager also wishes to announce the launch of a private placement (the “**Private Placement**”) of 78,900,000 new units in CRT (“**New Units**”) at an issue price of between S\$0.890 and S\$0.920 per New Unit (both figures inclusive) (the “**Issue Price Range**”) to raise gross proceeds of between S\$70.2 million and S\$72.6 million to partially fund the Acquisition.

Based on an illustrative issue price of S\$0.905, which represents the mid-point of the Issue Price Range (the “**Illustrative Issue Price**”), and the number of New Units, the gross proceeds from the Private Placement will amount to S\$71.4 million (the “**Illustrative Gross Proceeds**”) and the net proceeds from the Private Placement will amount to S\$69.4 million, after deducting the underwriting and selling commission and other estimated fees and expenses (including professional fees and expenses) incurred in connection with the Private Placement.

2. THE ACQUISITION

2.1 Information on the Property

One’s Mall is an income-producing large-scale retail shopping complex with 52 tenants across a net lettable area of approximately more than 52,000 sqm. Opened in 2000, it is one of the largest retail facilities in Chiba Prefecture. The property is situated in Inage Ward, one of six wards within Chiba City and located within a suburban residential area with a high population density.

One’s Mall is conveniently accessible, being well-served by four railway lines including the JR Sobu Honsen Line, JR Keiyo Line, Keisei Chiba Line and the Chiba Urban Monorail. Importantly, it has a frontage along the National Road Route 16, a major arterial road of the Chiba Prefecture, providing easy visibility and accessibility to customers by car.

The scale and diversified tenant mix of One’s Mall allows it to provide a wide variety of shopping, entertainment and dining experience, and caters well to the demands of families with children as well as health conscious persons in the area.

The table below sets out a summary of the key information of One’s Mall:

Property	One’s Mall
Location	Chiba, Japan
Type	Large-scale retail
Title	Freehold
Year of Completion	November 2000
Carpark Lots	1,534
Occupancy Rate as at 30 Jun 2014	99.4%
Number of Floors	6 above ground
Land Area (sq m)	41,399
Net Lettable Area (“NLA”) (sq m) as at 30 Jun 2014	52,844

Gross Floor Area (sq m)	83,751
WALE by NLA (years) as at 30 Jun 2014	5.8
Number of Tenancies as at 30 Jun 2014	52
Key Tenants	Daiei, Central Sports, Toys 'R' Us, Nitori, Sports DEPO
Appraised Value by DTZ Debenham Tie Leung K.K. (as at 31 July 2014)	JPY11,600 million (SGD139.8 million)
Probable Maximum Loss (%)⁽¹⁾	12.1

Note:

- (1) "Probable Maximum Loss" means the probable maximum loss (i.e. repair and reprocurement expenses) that would be incurred should the largest earthquake that has a 10% probability of occurring during a 50 year assumed service life of a building (i.e. an earthquake of the type that has a probability of occurrence once every 475 years) occur. Probable Maximum Loss is commonly utilised in the Japanese real estate industry for the purpose of asset securitisation. Traditionally in the J-REIT industry, unless Probable Maximum Loss is in excess of 15%, buildings are not insured for earthquake due to the relatively high insurance premium and the high deductible amount.

2.2 Valuation and Purchase Consideration for the Property

The purchase consideration for the Acquisition is JPY11,000 million (approximately SGD132.5 million) (the "**Purchase Consideration**"). The Purchase Consideration 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 Property by DTZ Debenham Tie Leung K.K. ("**DTZ**") as at 31 July 2014, commissioned by the Trustee-Manager to assess the open market value of the Property. The valuation was derived by DTZ using the direct capitalisation, discounted cash flow and replacement cost methods. The purchase consideration of JPY11,000 million is at a 5.2% discount to the valuation of the Property of JPY 11,600 million by DTZ as at 31 July 2014.

2.3 Estimated Total Cost of the Acquisition

The current estimated total cost of the Acquisition (the "**Total Acquisition Cost**") is approximately JPY11,675 million (approximately SGD140.7 million), comprising:

- (i) the Purchase Consideration of JPY11,000 million (approximately SGD132.6 million);
- (ii) the acquisition fee payable to the Trustee-Manager, being 1.0% of the Purchase Consideration, which amounts to approximately JPY110 million (approximately SGD1.3 million); and
- (iii) the estimated professional and other transaction fees and expenses incurred or to be incurred by CRT in connection with the Acquisition² (inclusive of financing and equity fund raising related expenses, due diligence costs, brokerage fee³ and costs to be incurred in relation to the valuation report) of

² Excludes Japan consumption tax of approximately JPY650 million (approximately SGD7.8 million) which will be refunded to CRT within 12 months from the date of completion of the Acquisition.

³ A brokerage fee is payable to a third party broker for sourcing the Property for the the acquisition by CRT.

approximately JPY565 million (approximately SGD6.8 million).

2.4 Principal Terms of the Acquisition

On 1 September 2014, the Trustee-Manager, through Durian TMK, entered into the Purchase and Sale Agreement with Tozai Select One YK to acquire the TBI in the Property for JPY11,000 million (excluding taxes) (approximately SGD132.5 million) (the “**Purchase and Sale Agreement**”).

Among others, the Purchase and Sale Agreement contains representations and warranties in respect of the Property, including that (i) Tozai Select One YK 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 Tozai Select One YK with respect to the execution and delivery of any related agreements to be entered into by and between Durian TMK and Tozai Select One YK in connection with the Purchase and Sale Agreement and the accomplishment by Tozai Select One YK 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 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 20 October 2014, unless otherwise agreed in writing by the parties to the Purchase and Sale Agreement.

The property management agreement and the asset management agreement in respect of the Property will be entered into at a later stage and the Trustee-Manager will make a separate announcement on the material terms thereof.

3. METHOD OF FINANCING THE ACQUISITION AND DETAILS OF THE PRIVATE PLACEMENT

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

- (i) debt financing in the form of a draw down from a new Japanese local bank debt of approximately JPY6,150 million (approximately SGD74.1 million), which includes an amount for the payment of consumption tax of JPY650 million (SGD7.8 million) (which is to be repaid within 12 months from the date of completion of the Acquisition as the consumption tax is expected to be refunded to CRT within within the same period abovementioned);
- (ii) approximately JPY500 million (approximately SGD6.0 million) from the issuance of S\$100,000,000 in principal amount of Fixed Rate Notes due 2017 (the “**Fixed Rate Notes**”) issued on 23 January 2014 pursuant to CRT’s U.S.\$500,000,000 Euro Medium Term Note Programme established on 3 January 2014; and
- (iii) equity financing in the form of the proposed Private Placement (see below for further details).

3.1 Details of the Private Placement

The Trustee-Manager has appointed DBS Bank Ltd. as the sole bookrunner and underwriter (the “**Sole Bookrunner and Underwriter**”) in relation to the Private Placement.

The Trustee-Manager has today entered into a placement agreement with the Sole Bookrunner and Underwriter (the “**Placement Agreement**”), pursuant to which the Sole Bookrunner and Underwriter has been appointed to procure subscriptions for or place out, as applicable, and failing which, to subscribe and pay for, the New Units to be issued pursuant to the Private Placement at an issue price per New Unit (the “**Issue Price**”) to be determined within the Issue Price Range, on the terms and subject to the conditions of the Placement Agreement.

The Issue Price Range of between S\$0.890 and S\$0.920 per New Unit (both figures inclusive) represents a discount of between 2.7% and 5.9% to the adjusted volume weighted average price⁴ of S\$0.9455 per Unit, for trades in the Units done on Singapore Exchange Securities Trading Limited (the “**SGX-ST**”) for the full Market Day⁵ on 1 September 2014.

The Issue Price will be determined by the Trustee-Manager and the Sole Bookrunner and Underwriter following a book-building process. The Trustee-Manager will make an announcement via SGXNET once the Issue Price has been determined, which is currently expected to be no later than 2 September 2014.

The Private Placement shall be subject to certain conditions precedent, more particularly set out in the Placement Agreement, including the approval in-principle of the SGX-ST for the listing of and quotation for the New Units on the Main Board of the SGX-ST.

3.2 Use of proceeds from the Private Placement

Subject to relevant laws and regulations, the Trustee-Manager intends to use the Illustrative Gross Proceeds of S\$71.4 million from the Private Placement in the following manner:

- (i) approximately S\$62.2 million (which is equivalent to 87.1% of the Illustrative Gross Proceeds of the Private Placement) to partially fund the Acquisition;
- (ii) approximately S\$6.2 million (which is equivalent to 8.7% of the Illustrative Gross Proceeds of the Private Placement) to pay the estimated fees and expenses, including professional fees and expenses, incurred or to be incurred by CRT in connection with the proposed Acquisition and the Private Placement; and
- (iii) approximately S\$3.0 million (which is equivalent to 4.2% of the Illustrative Gross Proceeds of the Private Placement) for general corporate and working capital purposes.

⁴ The adjusted volume weighted average price is computed based on the volume weighted average price of all trades in the Units on the SGX-ST for the full Market Day on 1 September 2014, and subtracting the Cumulative Distribution (as defined herein). The Cumulative Distribution stated herein is an estimate only based on information currently available to the Trustee-Manager and the actual Cumulative Distribution may differ.

⁵ “**Market Day**” refers to a day on which the SGX-ST is open for securities trading.

Notwithstanding its current intentions, the Trustee-Manager may, at its discretion and subject to applicable laws and regulations, use the net proceeds from the Private Placement for other purposes.

The Trustee-Manager will make periodic announcements on the utilisation of the net proceeds from the Private Placement via SGXNET as and when such funds are materially disbursed and whether such a use is in accordance with the stated use and in accordance with the percentage allocated. Where there is any material deviation from the stated use of proceeds, the Trustee-Manager will announce the reasons for such deviation.

Pending the deployment of the net proceeds from the Private Placement, the net proceeds may, subject to relevant laws and regulations, be deposited with banks and/or financial institutions or used for any other purpose on a short-term basis as the Trustee-Manager may, in its absolute discretion, deem fit.

3.3 Eligibility to participate in the Private Placement

The offer of New Units under the Private Placement will be made to institutional and other investors.

The New Units have not been and will not be registered under the Securities Act or the securities laws of any state or jurisdiction of the United States and may not be offered or sold within the United States except pursuant to an applicable exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. The New Units are being offered and sold in offshore transactions as defined in and in reliance on Regulation S under the Securities Act.

The Trustee-Manager, along with the Sole Bookrunner and Underwriter, reserves the absolute discretion in determining whether to allow such participation as well as the persons who may be allowed to do so.

3.4 Authority to issue New Units

The New Units will be issued pursuant to the general mandate which Unitholders are deemed to have given to the Trustee-Manager to issue Units (the “**Unit Issue Mandate**”) by subscribing for Units pursuant to or in connection with the Offering. Pursuant to the Unit Issue Mandate, the Trustee-Manager may, during the period from 10 May 2013 until (i) the conclusion of the first annual general meeting of CRT or (ii) the date by which the first annual general meeting of CRT is required by law to be held, whichever is the earlier, issue Units whether by way of rights, bonus or otherwise and/or make or grant offers, agreements or options (collectively, “**Instruments**”) that might or would require Units to be issued, including but not limited to the creation and issue of (as well as adjustments to) securities, warrants, debentures or other instruments convertible into Units, provided that the aggregate number of Units to be issued pursuant to the Unit Issue Mandate (including Units to be issued in pursuance of Instruments made or granted pursuant to the Unit Issue Mandate) must not exceed 50.0% of the total number of issued Units as at 10 May 2013 (excluding treasury Units, if any) (the “**Base Figure**”), of which the aggregate number of Units to be issued other than on a *pro rata* basis to existing Unitholders must not exceed 20.0% of the Base Figure.

As at 10 May 2013, the number of Units in issue was 425,320,000 and the number of Units that can be issued under the Unit Issue Mandate for a non *pro rata* issuance is

85,064,000.

Taking into account the 6,118,000 Units which have been issued under the Unit Issue Mandate as payment for the Trustee-Manager's fees for the period from 10 May 2013 to 30 June 2014, the balance number of Units that can be still be issued under the Units Issue Mandate on a non *pro rata* basis is 78,946,000. Therefore, the number of 78,900,000 New Units to be issued pursuant to the Private Placement is within the number of Units that can be issued pursuant to the Unit Issue Mandate on a non *pro rata* basis. Accordingly, the prior approval of the Unitholders is not required for the issue of the New Units under the Private Placement.

3.5 Status of the New Units

Other than the Cumulative Distribution (see below) to which the New Units will not be entitled, the New Units issued pursuant to the Private Placement will, upon issue, rank *pari passu* in all respects with the Existing Units, including the right to any distributable income from 11 September 2014 to 31 December 2014 as well as all distributions thereafter, other than in respect of the Cumulative Distribution.

4. CUMULATIVE DISTRIBUTION

CRT's policy is to distribute its distributable income on a semi-annual basis to Unitholders. On 28 August 2014, the Trustee-Manager announced a semi-annual distribution of 3.74 cents per Unit for the period from 1 January 2014 to 30 June 2014 ("**2H FY2014 Distribution**").

In connection with the Private Placement, the Trustee-Manager intends to declare in respect of the Units in issue on the day immediately prior to the date on which the New Units are issued (the "**Existing Units**"), an advance distribution for the period from 1 July 2014 to the day immediately prior to the date on which the New Units will be issued under the Private Placement (the "**Advance Distribution**", and together with the 2H FY2014 Distribution, the "**Cumulative Distribution**").

The New Units are expected to be issued on 11 September 2014. The current expectation of the Trustee-Manager is that the quantum of the distribution per Unit ("**DPU**") under the Cumulative Distribution will be approximately 5.40 cents per Unit⁶, based on an estimated DPU of approximately 1.66 cents per Unit under the Advance Distribution. A further announcement on the actual amount of Cumulative Distribution, based on the finalised amount of Advance Distribution (which may differ from the estimate above) will be made by the Trustee-Manager in due course.

The next distribution following the Cumulative Distribution will comprise CRT's distributable income for the period from 11 September 2014 to 31 December 2014. Semi-annual distributions will resume thereafter.

The Cumulative Distribution is intended to ensure that the distributable income accrued by CRT up to the day immediately preceding the date of issue of the New Units (which at this point, will be entirely attributable to the Existing Units) is only distributed in respect of the Existing Units, and is being proposed as a means to ensure fairness to

⁶ The estimated distribution for the period from 1 July 2014 to the day immediately prior to the date on which the New Units will be issued pursuant to the Private Placement is based on the Trustee-Manager's pro-rated estimate of CRT's revenue and expenses for the relevant period. This amount is only an estimate based on information currently available to the Trustee-Manager, and the actual Cumulative Distribution may differ.

holders of the Existing Units.

For the avoidance of doubt, holders of the New Units will not be entitled to participate in the distribution of any distributable income accrued by CRT prior to the date of issue of the New Units.

5. RATIONALE FOR THE ACQUISITION AND PRIVATE PLACEMENT

The Trustee-Manager believes that the Acquisition and the Private Placement will provide the following key benefits to the Unitholders:

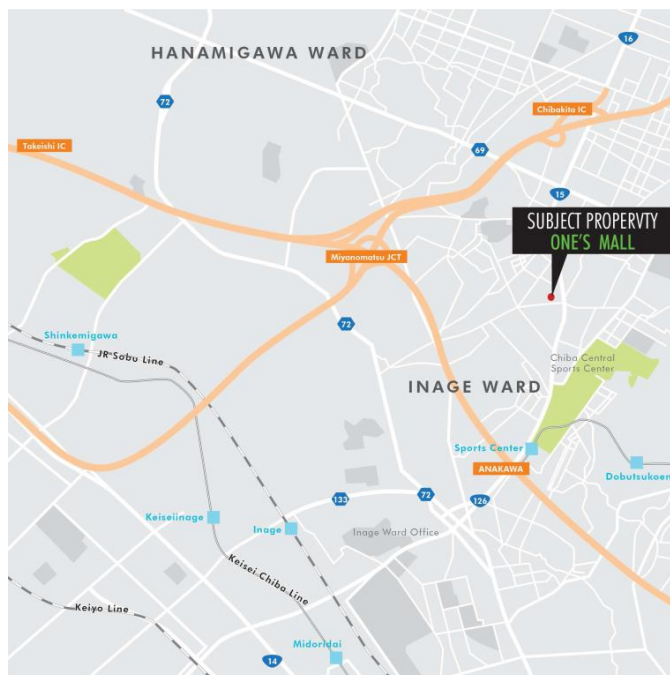
5.1 Strategic Acquisition to Grow CRT's Existing Portfolio

a) One's Mall is Strategically Located with Excellent Connectivity

One's Mall is located in Inage Ward within Chiba City, Chiba Prefecture. It is approximately 40 km from central Tokyo, and accessible within a 40 minute train ride.

Within a 5km radius of the property, the area is served by four railway lines – the JR Sobu Honsen Line, JR Keiyo Line and Keisei Chiba Line which provide access into Chiba Prefecture from Tokyo, and Chiba Urban Monorail which provides access within Chiba City. It is located approximately 4 km north east of JR Inage Station on the JR Sobu Honsen Line and 1.6 km north of the Sports Centre Station on the Chiba Urban Monorail.

Importantly, One's Mall has a frontage along the National Road Route 16, a major arterial road of Chiba Prefecture, providing easy visibility and accessibility to customers by car. With more than 1,500 car park spaces available, One's Mall caters well to customers who arrive by car, which is the common mode of transport for customers who patronise such large-scale retail property.

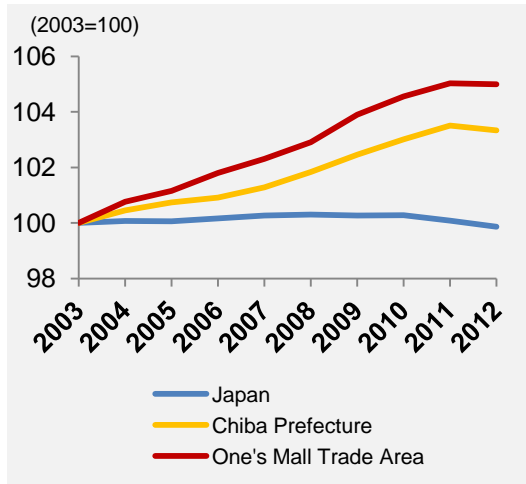


Source: CBRE

b) Favourable Demographics of the Trade Area

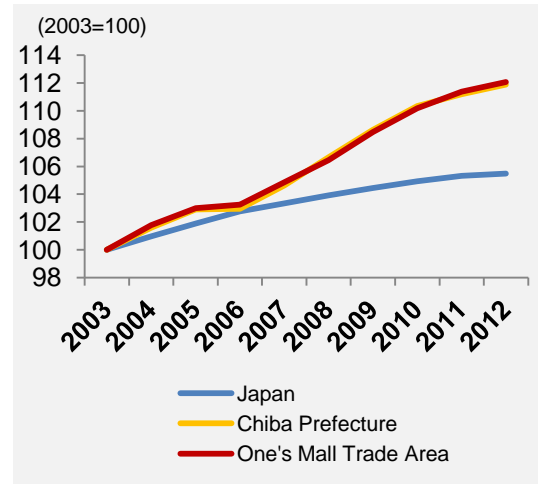
One's Mall is located in Inage Ward with a population of approximately 157,000 and with an estimate of 68,000 households⁷. It is located in a trade area which has a relatively higher population and household growth than the national and prefecture average. In addition, the percentage of households earning JPY8 million or more in the trade area is higher than the national and prefecture average.

Population (2003 – 2012)



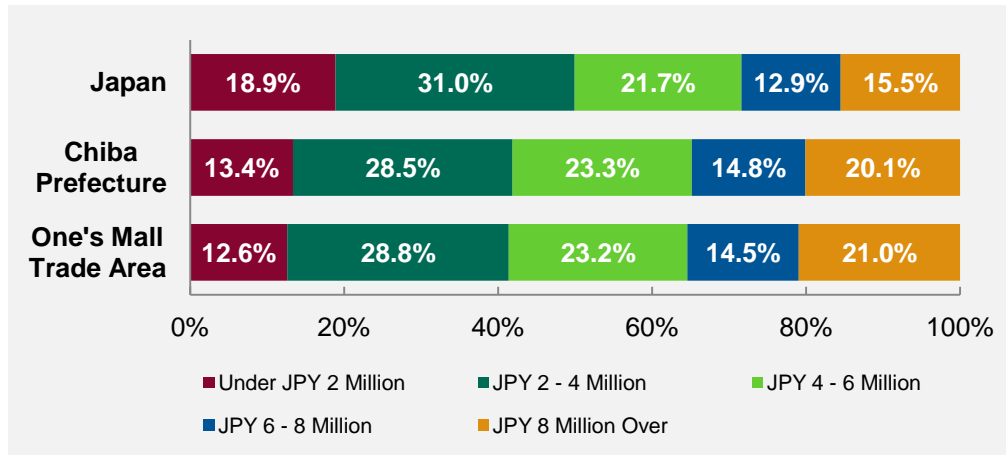
Source: CBRE

Number of Households (2003 – 2012)



Source: CBRE

Annual Household Income for One's Mall Trade Area



Source: CBRE

c) Attractive and Compelling Property Tenant Characteristics which Offers Multiple Layers of Stability

One's Mall has the following property tenant characteristics which offer multiple layers of stability to CRT:

- *Superior tenant mix:* The key tenants of One's Mall includes a supermarket, sports club with spa, furniture store and a toy store which caters well to the general and specific needs of the catchment residential population. It is the

⁷ As of 2012.

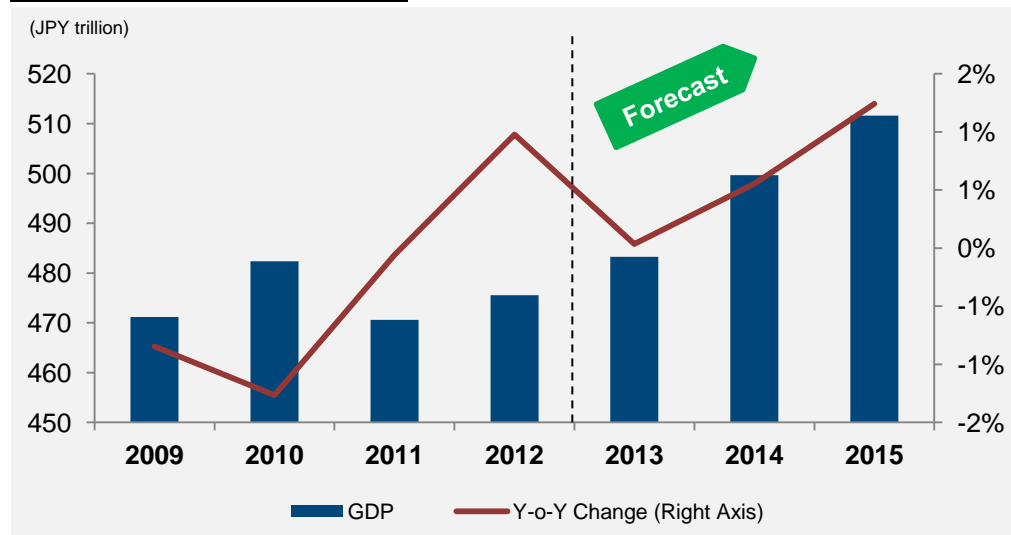
only facility in the trade area that houses a sports club with spa, and provides a wide variety of services and retail experience under one roof. The unique tenant mix of One's Mall is also especially suitable to cater to the demands of families with children and health conscious persons in the area.

- *Diversified tenant base:* The Property comprise 52 tenants across various segments. No single tenant contributes more than 36.8% of gross rental income for One's Mall for the month of June 2014.
- *High occupancy:* As at 30 June 2014, the occupancy rate for One's Mall was 99.4%, higher than the average occupancy rate of the Existing Portfolio⁸.
- *Well-spread lease expiry profile with relatively shorter weighted average lease expiry ("WALE"):* The WALE of One's Mall is 5.8 years as at 30 June 2014. Post-acquisition, the WALE of the Enlarged Portfolio⁹ would be reduced to 9.1 years. CRT's investors may be able to benefit from an earlier potential rental reversion.
- *No direct and immediate competition:* According to CBRE Consulting, due to the size and unique tenant mix of One's Mall, there is no direct competition currently or in the pipeline within a 3 km radius.

5.2 Continued Exposure to Attractive Retail Sector Prospects in Japan

Japan's economy has seen a recovery in 2013 with the implementation of "Abenomics", leading to general optimism and expectations of continued economic improvement. According to CBRE, Japan's GDP is expected to grow 5.9% from JPY483 trillion in 2013 to JPY512 trillion in 2015.

National GDP and IMF Forecast



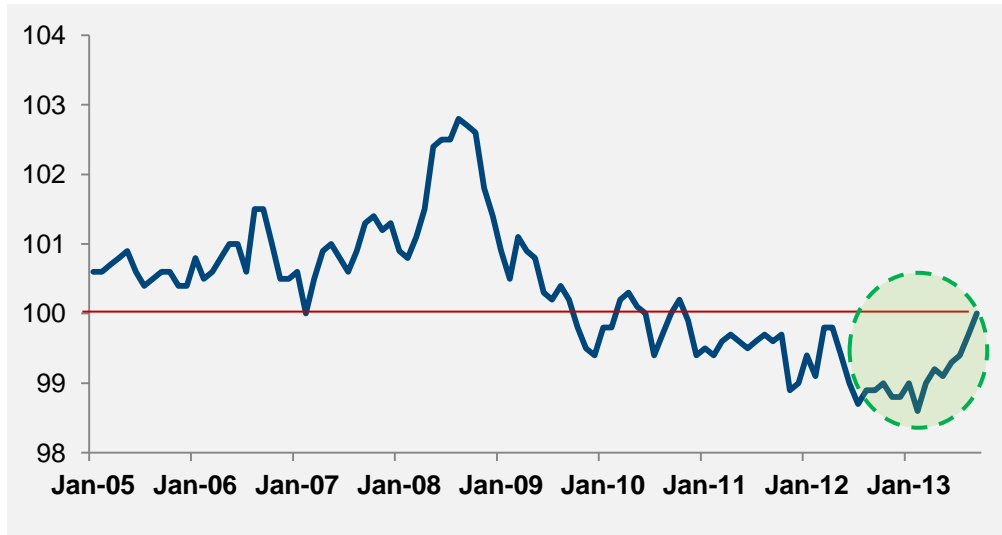
Source: CBRE

⁸ "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 Tow Moriya, Mallage Shobu, Croesus Shinsaibahi, Luz Omori and NIS Wave I.

⁹ "Enlarged Portfolio" means the enlarged portfolio of properties to be comprised in CRT's portfolio following the completion of the Acquisition, being those properties in its Existing Portfolio and the Property.

The consumer price index (“CPI”) in the Chiba prefecture has also seen consistent improvement since January 2013 stemming from the positive sentiment toward the Japanese economy and tax incentives provided to corporations which increase salary of its employees. Positive movement in CPI is expected to continue as the economy continues to improve.

Chiba Prefecture CPI (All Items, Base = September 2013)

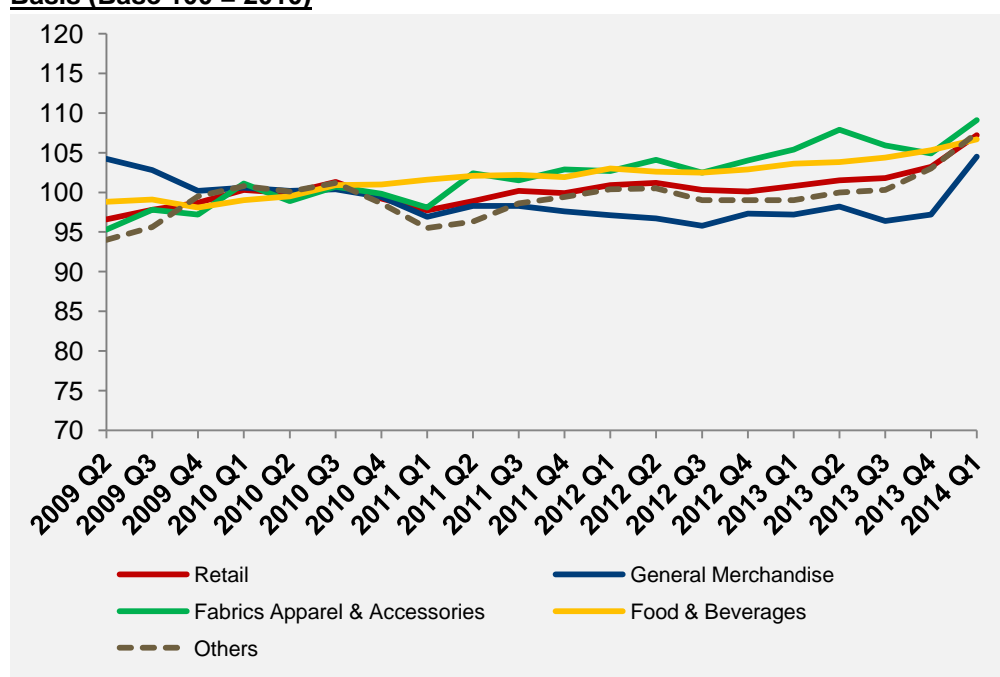


Source: CBRE

According to DTZ, retail sales in Japan in 2013 increased by 1.0% year-on-year to JPY138,897 billion, an increase for the second consecutive year. Consumer spending per household in Q1 2014 increased by 1.5% year-on-year to JPY260,827 for the first time in two quarters. Furthermore, the growing number of large-scale retail properties has resulted in shoppers tending to shop more frequently at such locations. In 2013, sales of large-scale retailers increased by 0.6% to JPY19,777 billion, an increase for the first time in 6 years. As the largest large-scale retail mall in its trade area¹⁰, the Trustee-Manager believes that One’s Mall can capitalise on this trend.

¹⁰ By retail space in square metres.

Indices of Retail Sales Value by Type of Business on a Seasonally Adjusted Basis (Base 100 = 2010)



Source: DTZ

5.3 Greater Income and Tenant Diversification

On a pro forma basis and assuming the Property was acquired by CRT on 6 March 2014, it would have contributed approximately 4.8% towards the aggregate net property income (“NPI”) of the Enlarged Portfolio for the Pro Forma Financial Year 2014. With the Acquisition, 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, down from approximately 39.9% to 38.0% for the Pro Forma Financial Year 2014.

The Enlarged Portfolio will have a larger tenant base and enjoy improved tenant diversification. Upon completion of the Acquisition, the top 10 tenants will account for 51.0% of CRT’s gross rental income for the month of June 2014, lower than the initial 53.0%. 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 28.5% to 24.1%.

5.4 Operating Synergies

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

5.5 Alignment with Trustee-Manager’s Investment Strategy

The Acquisition is in line with the Trustee-Manager’s strategy to increase CRT’s exposure to Japan retail sector. The Acquisition will increase CRT’s NLA in Japan by approximately 26.7% from 198,168 sqm to 251,013 sqm. CRT’s portfolio value will also increase by approximately 16.6% from JPY69,870 million to JPY81,470 million.

5.6 Strengthen CRT's Balance Sheet and Capital Structure

CRT's Aggregate Leverage¹¹ is expected to decrease from 51.7% as at 30 June 2014 to 50.5% immediately after the Private Placement based on the assumptions set out in paragraph 7.1 of this announcement and assuming that the Acquisition was completed on 30 June 2014.

5.7 Possible increase in trading liquidity of Units

The New Units to be issued pursuant to the Private Placement will increase the number of Units in issue by 78,900,000, which is an increase of 18.3% of the total number of Units currently in issue.

This increase in the total number of Units in issue is expected to improve the level of trading liquidity of the Units.

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(b) and Rule 1006(c) of the Listing Manual is as follows:

Comparison of:	Group	The Acquisition	Relative Percentage
Net profits attributable to the assets acquired, compared to CRT's net profits	JPY4,793 million ⁽¹⁾	JPY512 million ⁽²⁾	10.7%
Aggregate value of consideration against market capitalisation	S\$430.0 million ⁽³⁾	JPY11,000 million (S\$132.5 million)	30.8%

Notes:

- (1) Based on the unaudited financial statements of CRT for the period from 10 May 2013 to 30 June 2014.
- (2) Relates to an estimated net profits of the Property from 10 May 2013 to 30 June 2014.
- (3) The market capitalisation of CRT has been calculated on the basis of 429,988,000 Units in issue and listed on the SGX-ST (which excludes the 1,450,000 Units issued to the Trustee-Manager on 29 August 2014 as part payment of the Trustee-Manager's management fees) by the volume weighted average price of the Units transacted on 29 August 2014.

Rule 1006(d) of the Listing Manual does not apply in relation to the Acquisition as no Units will be issued as consideration for the Acquisition.

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

¹¹ "Aggregate Leverage" is defined in the trust deed of CRT as the total borrowings and deferred payments (including deferred payments for assets whether to be settled in cash or Units) of CRT. CRT has voluntarily adopted an Aggregate Leverage limit of 60.0% of the value of its assets.

7. FINANCIAL EFFECTS OF THE ACQUISITION

7.1 Assumptions

The pro forma financial effects of the Acquisition on the DPU and Net Assets Value (“NAV”) per Unit of CRT presented below are strictly for illustrative purposes and were prepared based on the unaudited financial statements of CRT for the financial period from 10 May 2013 to 30 June 2014 taking into account the Purchase Consideration and assuming that:

- (i) the Purchase Consideration is approximately 50% funded by Japanese local bank debt, and the remaining of the Purchase Consideration, consumption tax and acquisition and transaction costs are funded by a JPY650 million consumption tax loan, proceeds of approximately JPY500 million from the Fixed Rate Notes and proceeds from the Private Placement;
- (ii) the effective interest rate of the Japanese local bank debt and consumption tax loan is 1.29% per annum;
- (iii) 78,900,000 new Units are issued based on the Illustrative Issue Price of S\$0.905 pursuant to the Private Placement; and
- (iv) the exchange rate between Japanese yen and Singapore dollar is JPY83.0 : S\$1.00.

7.2 Pro Forma Financial Effects for the Financial Period from 6 March 2014 to 30 June 2014

(i) Pro Forma DPU¹²

FOR ILLUSTRATIVE PURPOSES ONLY: The pro forma financial effects of the Acquisition on the DPU for the period ended 30 June 2014, as if CRT had completed the Acquisition on 6 March 2014¹³ and held and operated the Property through to 30 June 2014, are as follows:

	Before the Acquisition	After the Acquisition
Net Income of CRT ('000)	JPY4,792,539 ⁽¹⁾	JPY5,084,584
Distributable Income ('000)	JPY3,179,716 ⁽¹⁾	JPY3,355,155
Issued Units	431,438,000 ⁽²⁾	510,664,000 ⁽³⁾
DPU (Singapore cents)	8.98	9.00

Notes:

- (1) Based on the unaudited financial statements of CRT for the period from 10 May 2013 to 30 June 2014.
- (2) Based on the number of Units in issue as at 30 June 2014 and adjusted to include 1,450,000 new Units issued to the Trustee-Manager on 29 August 2014 as payment of 80% of the Trustee-Manager's management fees for the period from 1 April 2014 to 30 June 2014.

¹² For illustrative purposes only, the pro forma financial effects of the Acquisition on the DPU for the financial year ended 30 June 2014, as if CRT had completed the Acquisition on 10 May 2013 (being the listing date of CRT) and held and operated the Property through to 30 June 2014, are as follows.

- Net Income after the Acquisition: JPY5,304 million
- Distributable Income after the Acquisition: JPY3,765 million
- DPU after the Acquisition: 8.97 Singapore cents

¹³ Please see below for the reasons for the Trustee-Manager's view that it is more meaningful to present the pro forma financial effects of the Acquisition on the DPU for the period ended 30 June 2014, as if CRT had completed the Acquisition on 6 March 2014 and held and operated the Property through to 30 June 2014.

- (3) Include adjustments to include 78,900,000 New Units to be issued pursuant to the Private Placement and 326,000 Units that would have been issued to the Trustee-Manager as payment of 80% of the Trustee-Manager's management fees for the period from 6 March 2014 to 30 June 2014..

(ii) Pro Forma NAV

FOR ILLUSTRATIVE PURPOSES ONLY: The pro forma financial effects of the Acquisition on the NAV per Unit as at 30 June 2014, as if the Acquisition were completed on 30 June 2014, are as follows:

	Before the Acquisition	After the Acquisition
NAV ('000)	JPY32,393,534 ⁽¹⁾	JPY38,354,617
Issued Units	431,438,000 ⁽²⁾	510,338,000 ⁽³⁾
NAV per Unit	JPY75.08	JPY75.16

Notes:

- (1) Based on the unaudited financial statements of CRT for the period from 10 May 2013 to 30 June 2014.
- (2) Based on the number of Units in issue as at 30 June 2014 and adjusted to include 1,450,000 new Units issued to the Trustee-Manager on 29 August 2014 as payment of 80% of the Trustee-Manager's management fees for the period from 1 April 2014 to 30 June 2014.
- (3) Include adjustments to include 78,900,000 New Units to be issued pursuant to the Private Placement.

The Trustee-Manager is of the view that it is more meaningful to present the pro forma financial effects of the Acquisition on the DPU for the period ended 30 June 2014, as if CRT had completed the Acquisition on 6 March 2014 and held and operated the Property through to 30 June 2014 for the following reasons:

- (i) it is assumed that Acquisition had been effected on 6 March 2014 so as to align the date of the Acquisition with the date of commencement of the operating performance of Luz Omori and NIS Wave I, which were each acquired by CRT on 6 March 2014¹⁴; and
- (ii) had it been assumed that the Acquisition had been effected on the listing date of CRT, the comparative periods between the Acquisition and the operating period of Luz Omori and NIS Wave I (being between 6 March 2014 and 30 June 2014) will be different and could mislead investors as to the impact of the Acquisition on the current portfolio of CRT.

8. INTERESTS OF DIRECTORS AND CONTROLLING UNITHOLDERS

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

- (i) Mr Jim Chang Cheng-Wen is the Chief Executive Officer and an Executive Director of the Trustee-Manager and has a deemed interest in 7,109,000 Units; and

¹⁴ CRT completed its acquisition of Luz Omori and NIS Wave I on 6 March 2014. Please refer to the announcements dated 27 February 2014 and 6 March 2014 for further details.

- (ii) Mr Yong Chao Hsien Jeremy is a Non-Executive Director of the Trustee-Manager and has a deemed interest in 7,109,000 Units.

Save as disclosed above and based on the information available to the Trustee-Manager as at the date of this announcement, none of the Directors or the controlling Unitholders (other than in his capacity as a director or Unitholder) has an interest, direct or indirect, in the Acquisition and the Private Placement.

9. DIRECTOR'S SERVICE CONTRACTS

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

10. DOCUMENTS FOR INSPECTION

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

- (i) the Purchase and Sale Agreement; and
- (ii) the full valuation reports of the Property.

11. APPLICATION TO THE SGX-ST FOR APPROVAL IN-PRINCIPLE

The Trustee-Manager will make a formal application to the SGX-ST for the listing of, dealing in, and quotation of, the New Units on the Main Board of the SGX-ST. An appropriate announcement will be made upon the receipt of such in-principle approval from the SGX-ST.

The Private Placement is subject to certain conditions precedent more particularly set out in the Placement Agreement, including the approval in-principle of the SGX-ST for the listing of, dealing in, and quotation of, the New Units on the Main Board of the SGX-ST.

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)

1 September 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 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.

This announcement is not to be distributed or circulated outside of Singapore. Any failure to comply with this restriction may constitute a violation of United States securities laws or the laws of other jurisdictions.

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