



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

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

PROPOSED ACQUISITION OF FUJI GRAND NATALIE

1. INTRODUCTION

Croesus Retail Asset Management Pte. Ltd., in its capacity as trustee-manager of Croesus Retail Trust (“**CRT**”, and as trustee-manager of CRT, the “**Trustee-Manager**”), wishes to announce that the Trustee-Manager has today, through Orange 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 purchase and sale agreement with Grand Natalie Property TMK (“**Grand Natalie TMK**”, and the purchase and sale agreement, the “**Purchase and Sale Agreement**”), to acquire trust beneficiary interests (“**TBI**”) in respect of the completed retail property known as “Fuji Grand Natalie” located in Hatsukaichi City, Hiroshima Prefecture, Japan (the “**Fuji Grand Natalie**”) for a purchase consideration of JPY3,300.0 million (approximately S\$40.2 million) (the “**Purchase Consideration**”, and the acquisition of the TBI in Fuji Grand Natalie, the “**Acquisition**”).

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

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

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

2. THE ACQUISITION

2.1 Information on Fuji Grand Natalie

Fuji Grand Natalie is a prominent and well established income-producing large scale suburban retail shopping mall located in Hatsukaichi City, one of 12 cities in Hiroshima Prefecture in the Chugoku region of Japan. It is located approximately 14 km southwest of Hiroshima City and approximately 30 minutes driving distance away.

Fuji Grand Natalie is one minute walking distance from Hiroden Ajina Station of Miyajima Line and two minutes walking distance from JR Ajina Station of Sanyo Line. Fuji Grand Natalie is next to Prefectural Road 2, a major road access between Hiroshima City and Kyushu. Fuji Grand Natalie is also accessible by bus and boat.

Completed in 1999, Fuji Grand Natalie is master leased to Fuji Co., Limited (“**Fuji**”, and the master lease to Fuji, the “**Master Lease**”), a retail chain established in 1967 with 98 stores across Japan and listed on the Tokyo Stock Exchange. As at 6 April 2016, Fuji has a market capitalisation of JPY78.3 billion (approximately S\$954.4 million) and strong long-term issuer rating of BBB+. Fuji’s core business includes operating shopping malls, general merchandise stores and supermarkets under the brands of Fuji and Fuji Grand. There are 53 sub-tenants which provide a wide retail mix including supermarket, fashion, goods, services, food, fitness and amusement centre.

The scale and diversified tenant mix of Fuji Grand Natalie allows it to function as a one stop shopping, dining and leisure destination in its catchment trade area. With Fuji as an anchor tenant, Fuji Grand Natalie is viewed as one of the most established shopping centre in Hatsukaichi City.

The table below sets out a summary of the key information of Fuji Grand Natalie:

Details	Fuji Grand Natalie
Location	Hatsukaichi City, Hiroshima Prefecture, Japan
Type	Large-scale suburban retail
Title	Freehold
Year of Completion	June 1999
Land Area (sq m)	21,084
Gross Floor Area (sq m)	29,434
Net Lettable Area ⁽¹⁾ (“NLA”) (sq m) as at 31 Dec 2015	31,065
Number of Floors	3 Floors (Main Building) and 2 Floors (2

	Annexes)
Carpark Lots	760
Occupancy Rate as at 31 Dec 2015	100%
WALE by NLA (years) as at 31 Dec 2015	8.2
Number of Tenants as at 31 Dec 2015	1 master lessee with 53 sub-tenants
Key Tenants / Sub-tenants	Fuji, Daiso, Tsutaya, Namco, MaxHouse, Shoe Plaza, Edion
Pro forma NPI for the financial year ended 30 June 2015 (“FY2015”)	JPY208.7 million
Purchase Consideration	JPY3,300.0 million (SGD40.2 million)
Appraised Value by Cushman & Wakefield K. K. (“C&W”) (as at 31 March 2016)	JPY3,520.0 million (SGD42.9 million)
Probable Maximum Loss (%) ⁽²⁾	Less than 1%

Note:

- (1) NLA represents the area leased to Fuji under the Master Lease which comprises certain areas in the building that are not included in the Gross Floor Area set out in the property registry.
- (2) “Probable Maximum Loss” means the probable maximum loss (i.e. repair and reprourement expenses) that would be incurred should the largest earthquake that has a 10% probability of occurring during a 50 year assumed service life of a building (i.e. an earthquake of the type that has a probability of occurrence once every 475 years) occur. Probable Maximum Loss is commonly utilised in the Japanese real estate industry for the purpose of asset securitisation. Traditionally in the Japanese real estate investment trust industry, unless Probable Maximum Loss is in excess of 15%, buildings are not insured for earthquake due to the relatively high insurance premium and the high deductible amount.

2.2 Valuation and Purchase Consideration for Fuji Grand Natalie

The purchase consideration for the Acquisition is JPY3,300.0 million (approximately SGD40.2 million) (the “Purchase Consideration”). The Purchase Consideration is payable by CRT in JPY in cash and was arrived at on a willing-buyer willing-seller basis after taking into account the independent valuation of Fuji Grand Natalie by C&W as at 31 March 2016, commissioned by the Trustee-Manager to assess the open market value of Fuji Grand Natalie.

The valuation was derived by C&W using the direct capitalisation, discounted cash flow and replacement cost methods. The Purchase Consideration of JPY3,300.0 million is at a 6.3% discount to the independent valuation of Fuji Grand Natalie of JPY3,520.0 million by C&W as at 31 March 2016.

2.3 Estimated Total Cost of the Acquisition

The current estimated total cost of the Acquisition (the “Total Acquisition Cost”) is approximately JPY3,631.5 million (approximately S\$44.3 million), comprising:

- (i) the Purchase Consideration of JPY3,300.0 million (approximately S\$40.2 million);
- (ii) Japan consumption tax of approximately JPY155.3 million (approximately S\$1.9 million) which will be refunded to CRT within 12 months from the date of completion of the Acquisition;
- (iii) the acquisition fee payable to the Trustee-Manager, being 1.0% of the Purchase Consideration, which amounts to approximately JPY33.0 million (approximately S\$0.4 million); and
- (iv) the estimated professional and other transaction fees and expenses incurred or to be incurred in connection with the Acquisition (including due diligence costs, brokerage fee¹ and costs to be incurred in relation to the valuation report) of approximately JPY143.2 million (approximately S\$1.8 million).

2.4 Principal Terms of the Acquisition

On 7 April 2016, Orange TMK, entered into the Purchase and Sale Agreement with Grand Natalie Property TMK to acquire the TBI in Fuji Grand Natalie for the Purchase Consideration of JPY3,300.0 million (approximately S\$40.2 million).

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

The settlement date for the Acquisition shall be 18 April 2016, unless otherwise agreed by the parties to the Purchase and Sale Agreement. The Acquisition is on an "as is" basis at the time of the completion of the Acquisition, (i) with Orange TMK's assumption of risks as to the legal and physical condition of the property that are customary for transactions of this nature and (ii) with the Orange TMK's right to terminate the Purchase and Sale Agreement

¹ A brokerage fee is payable to a third party broker for sourcing Fuji Grand Natalie for acquisition by CRT.

in the event of destruction in whole or in part that makes impossible to achieve the objectives of the Purchase and Sale Agreement.

An asset management agreement in respect of Fuji Grand Natalie will be entered into at a later stage and Fuji Grand Natalie will continue to be managed by the current property manager under terms which is intended to be substantially the same as the existing property management agreement. The Trustee-Manager will make a separate announcement on the material terms thereof.

2.5 Certain information on the Master Lease

Under the Master Lease, Fuji Grand Natalie is leased to Fuji until end-March 2024, with the Master Lease to be renewed automatically upon expiry for additional one-year terms unless either party sends a written notice of objection within the specified time period before the expiration date. The rent payable by Fuji under the Master Lease is a fixed monthly rent.

3. Method of Financing the Acquisition

The Trustee-Manager proposes to finance the Acquisition wholly by way of equity funding using a part of the net proceeds from the private placement of 70,000,000 new units in CRT (“**New Units**”, and the private placement of New Units, the “**Private Placement**”) at an issue price of S\$0.750 per New Unit which raised gross proceeds of S\$52.5 million. The Private Placement was launched on 23 March 2016 and closed on 24 March 2016.

(Please see the announcements dated 23 March 2016 and 24 March 2016 for further details on the Private Placement.)

Please refer to Paragraph 6 below for the pro forma financial effects of the Acquisition on the basis that the Acquisition is wholly financed with the net proceeds from the Private Placement.

Notwithstanding the foregoing, the Trustee-Manager is currently evaluating further potential acquisitions of income-producing retail assets located in Japan (the “**Potential Acquisitions**”), subject to completion of negotiations with the vendors and satisfactory due diligence. As such, the Trustee-Manager is also in the process of concurrently adopting and implementing an optimal financing plan for CRT for purposes of funding any such Potential Acquisitions, or other asset enhancement initiatives (“**AEI**”) of existing and/or to-be acquired assets, or for general corporate and working capital purposes. In connection with such plans, the Trustee-Manager is currently in the process of securing debt financing in the form of a Japanese local bank loan and/or an issuance of new Japanese onshore 5-year specified bonds which when drawn down, would be applied towards such purposes.

Accordingly, for the information of unitholders of CRT (“Unitholders”), a further set of pro forma financial effects of the Acquisition has been prepared for **illustrative purposes only** and set out in Paragraph 6.3 below. Such pro forma financial information has been prepared based on the assumptions set out in Paragraph 6.3, including that the Acquisition was financed through a combination of debt and equity financing in the ratio of 62% : 38%.

Unitholders and potential investors of CRT should note that there is no assurance of any such plans or Potential Acquisitions materialising or that the Japanese debt will be secured. Accordingly, Unitholders and potential investors are advised to refrain from taking any action in respect of their units in CRT (“Units”) which may be prejudicial to their interests and should exercise caution when trading in the Units. Persons who are in doubt as to the action they should take should consult their legal, financial, tax or other professional advisers. In accordance with the requirements under the Listing Manual of the SGX-ST (the “Listing Manual”), the Trustee-Manager will make further announcements to update Unitholders should there be any material developments.

4. RATIONALE FOR THE ACQUISITION

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

4.1 Attractive and Accretive Acquisition which Improves DPU to Unitholders

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

For **illustrative purposes** only, assuming Fuji Grand Natalie was acquired by CRT on 1 July 2014 and held for FY2015, Fuji Grand Natalie’s *pro forma* NPI yield would be approximately 6.3%¹ which compares favourably to the *pro forma* NPI yield of the Existing Portfolio² of approximately 5.5%³ for FY2015.

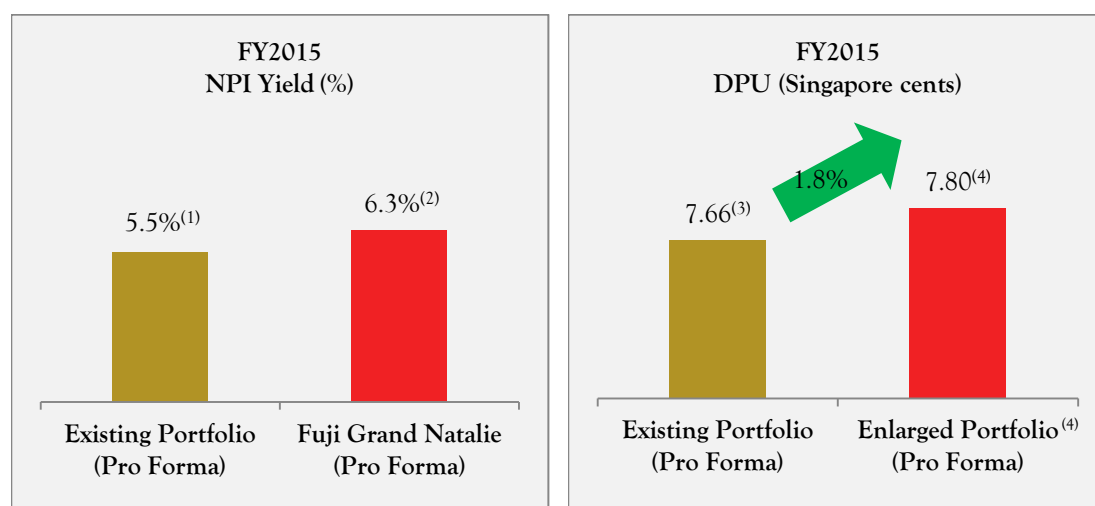
1 Based on the pro forma NPI of Fuji Grand Natalie for FY2015 divided by the Purchase Consideration of JPY3,300.0 million.

2 “Existing Portfolio” means the existing portfolio of properties comprised in CRT’s portfolio as of the date of this announcement, being Aeon Town Suzuka, Aeon Town Moriya, Mallage Shobu, Croesus Shinsaibahi, Luz Omori, Croesus Tachikawa, One’s Mall and Torius.

3 Based on the actual NPI of the Existing Portfolio for FY2015 (derived from the FY2015 Audited Financial Statements) and including the pro forma NPI of Torius for FY2015 as disclosed in the announcement dated 28 September 2015 divided by the appraised value of the Existing Portfolio of JPY96,230 million as at 31 December 2015. Note that One’s Mall was acquired on 16 October 2014 and accounts for only a 258-day period in FY2015.

For the same FY2015 period, the pro forma DPU of the Enlarged Portfolio¹ would increase to approximately 7.80² Singapore cents compared to the *pro forma* DPU of the Existing Portfolio of approximately 7.66³ Singapore cents.

The *pro forma* NPI yield and pro forma DPU of the Existing Portfolio and the pro forma NPI yield of Fuji Grand Natalie and pro forma DPU of the Enlarged Portfolio are set out in the charts below.



Notes:

- (1) Based on the actual NPI of the Existing Portfolio for FY2015 (derived from the FY2015 Audited Financial Statements) and including the pro forma NPI of Torius for FY2015 as disclosed in the announcement dated 28 September 2015 divided by the appraised value of the Existing Portfolio of JPY96,230 million as at 31 December 2015. Note that One's Mall was acquired on 16 October 2014 and accounts for only a 258-day period in FY2015.
- (2) Based on the pro forma NPI of Fuji Grand Natalie for FY2015 divided by the Purchase Consideration of JPY3,300.0 million.
- (3) Taking into account the Torius Acquisition and the 2015 Rights Issue (each as defined herein).
- (4) For the Enlarged Portfolio, the *pro forma* DPU is calculated taking into account the Alternative Transactions and based on the **illustrative** assumptions as set out in paragraph 6.3 in respect of the *pro forma* financial effects of the Acquisition.

- 1 "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 Fuji Grand Natalie.
- 2 For the Enlarged Portfolio, the *pro forma* DPU is calculated taking into account the Alternative Transactions (as defined herein) and based on the **illustrative** assumptions as set out in paragraph 6.3 in respect of the *pro forma* financial effects of the Acquisition.
- 3 Taking into account the Torius Acquisition and the 2015 Rights Issue (each as defined herein).

4.2 Attractive Acquisition to Grow CRT's Existing Portfolio

(i) *Fuji Grand Natalie is Well-Located with Good Accessibility*

Fuji Grand Natalie is located in Hatsukaichi City, one of 12 cities in Hiroshima Prefecture in the Chugoku region of Japan. It is located approximately 14 km southwest of Hiroshima City and approximately 30 minutes driving distance away. Hatsukaichi City is home to Itsukushima Shrine – a UNESCO World Heritage Site on the island of Itsukushima (also known as Miyajima) and one of the three most beautiful sites in Japan.

Hatsukaichi City is highly accessible from Hiroshima City via 2 major train lines – JR West Sanyo Line and Miyajima Line, as well as boats and buses. In particular, Fuji Grand Natalie is one minute walking distance from Hiroden Ajina Station of Miyajima Line and two minutes walking distance from JR Ajina Station of Sanyo Line. Fuji Grand Natalie is next to Prefectural Road 2, a major road access between Hiroshima City and Kyushu.

Fuji Grand Natalie has excellent access via car, bus or train. It is surrounded by many residential houses and commercial buildings and the primary catchment trade area would be those residing within a 10 km radius.

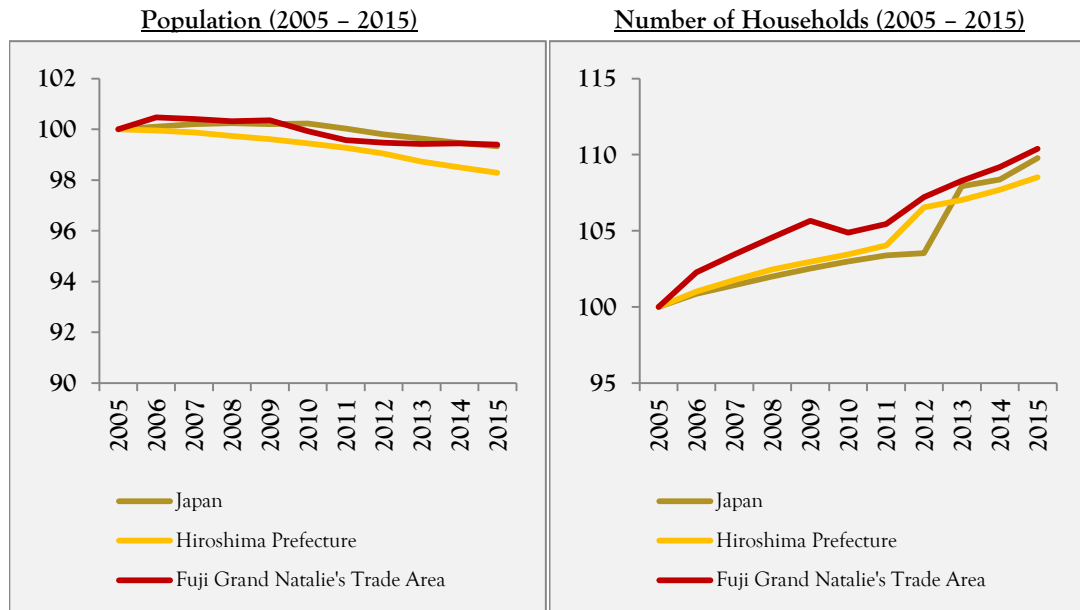
The diagrams below set out the location of Fuji Grand Natalie.





(ii) *Favourable Demographics of Fuji Grand Natalie's Catchment Trade Area*

The primary catchment trade area of Fuji Grand Natalie comprise of residents living within a 10 km radius. For the period from 2005 to 2015, the catchment trade area's population was relatively stable with higher growth in number of households, compared to the national and prefectural average. In general, the catchment trade area has a well-balanced demographic structure comprising large household size (three- and four-persons household) with the proportion of residents below 20-years old being above national and prefecture average.



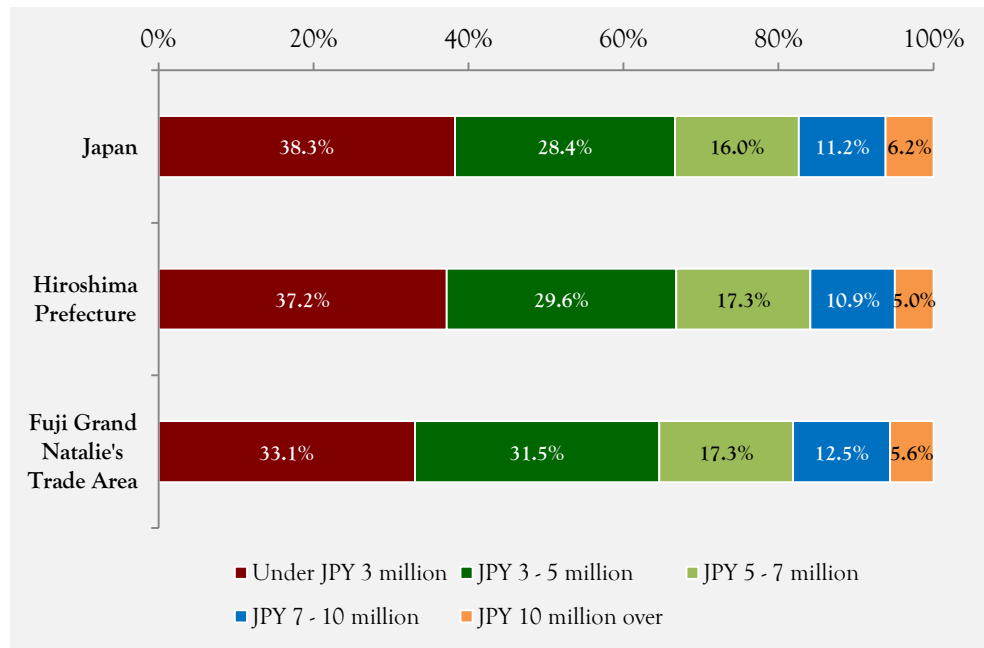
Source: Cabinet Office of Japan, Hiroshima Prefectural Government

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

In addition, the percentage of households with annual household income of between JPY3 million and JPY7 million in the catchment trade area is 48.8% which is higher than figures for the national and prefecture level of 44.4% and 46.9% respectively.

As the majority of households falls within the middle and lower-middle income groups, Fuji Grand Natalie's tenant mix is reflective of this and caters well to such income groups. The tenant mix also caters very well to the younger demographic group of the catchment trade area who require affordable goods and services such as tuition centres, language centre in easy access.

Annual Household Income for Fuji Grand Natalie's Catchment Trade Area (2013)



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

Note: The Ministry of Land, Infrastructure, Transport and Tourism of Japan (the “Ministry”) has not provided its consent to the inclusion of the information extracted from the relevant report published by it and therefore is not liable for such information. While the Trustee-Manager has taken reasonable actions to ensure that the information from the relevant report published by the Ministry is reproduced in its proper form and context, and that the information is extracted accurately and fairly from such report, none of the Trustee-Manager or any other party has conducted an independent review of the information contained in such report or verified the accuracy of the contents of the relevant information.

(iii) ***Compelling Tenant Characteristics Providing Stable Rental Income***

- ***Stable rental income:*** Fuji Grand Natalie is 100% occupied, being master-leased to Fuji with a weighted-average lease expiry (“WALE”) of 8.2 years as at 31 December 2015. The Master Lease provides a stable rental income to CRT during the lease period.
- ***Diversified and competitive tenant mix:*** The scale and diversified tenant mix of Fuji Grand Natalie allows it to function as the one stop shopping, dining and leisure destination in Fuji Grand Natalie’s catchment trade area. Having Fuji as the anchor tenant, Fuji Grand Natalie is viewed as the most established shopping centre in Hatsukaichi City.

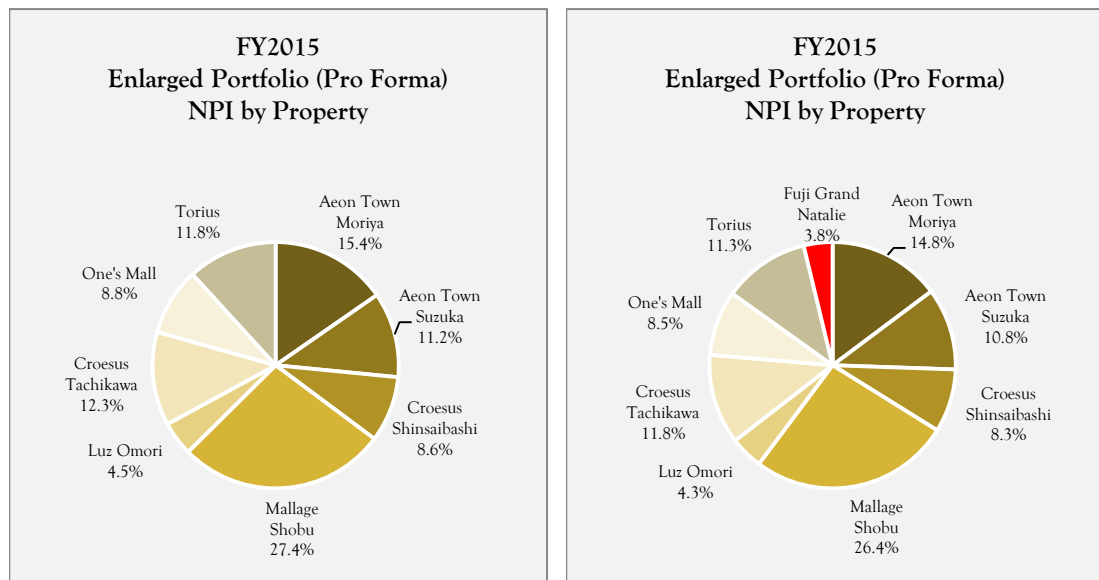
There are 53 sub-tenants which provide a wide retail mix including supermarket, fashion, goods, services, food, fitness and amusement centre. The tenant mix of Fuji Grand Natalie caters well to the general and specific needs of the population in the catchment trade area.

By continuing to improve and reinforce its market positioning as the shopping and leisure destination, and providing a wide variety of shopping, entertainment and dining experience, Fuji Grand Natalie is considered to be well suited to maintain its competitiveness in its catchment trade area.

4.3 Improves CRT's Income and Tenant Diversification

Assuming Fuji Grand Natalie was acquired by CRT on 1 July 2014, it would contribute (on a *pro forma* basis) approximately 3.8% towards the aggregate *pro forma* NPI of the Enlarged Portfolio for FY2015¹.

This would reduce the concentration risk to CRT's income stream from any single property and the maximum *pro forma* NPI contribution of any single property in CRT's portfolio would be lower, decreasing (on a *pro forma* basis) to 26.4% from approximately 27.4% for FY2015.



The Enlarged Portfolio will have a larger tenant base and will enjoy improved tenant diversification. Post-Acquisition, the percentage of CRT's gross rental income from its top 10 tenants will decrease (on a *pro forma* basis) to 48.6% from 53.0%² in respect of the month of June 2015. Correspondingly, Aeon Town's (the master lessee of Aeon Town Moriya and

1 Based on the actual NPI of the Existing Portfolio for FY2015 (derived from the FY2015 Audited Financial Statements) and taking into account the Torius Acquisition and the *pro forma* NPI of Torius for FY2015 as disclosed in the announcement dated 28 September 2015.

2 Based on the actual gross rental income of the Existing Portfolio for FY2015 (derived from the FY2015 Audited Financial Statements).

Aeon Town Suzuka) contribution to CRT’s gross rental income (on a *pro forma* basis) will decrease to 20.0% from 24.6%¹ in respect of the month of June 2015.

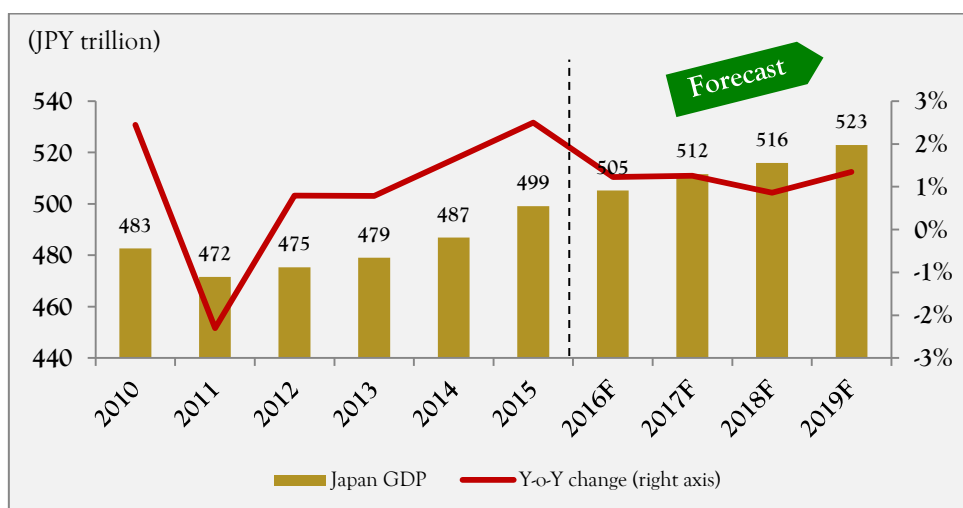
4.4 Alignment with Trustee-Manager’s Investment Strategy to Increase Exposure to the Attractive Retail Sector Prospects in Japan

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 9.5% to 359,117 sq m from 328,052 sq m. CRT’s portfolio value will also increase by approximately 3.7% to JPY99,750 million from JPY96,230 million.

In January 2016, the Bank of Japan implemented a negative interest rate policy in an aggressive monetary stimulus, which further promoted the uptick in Japan’s growth that began in 2012 under the beneficial effects of Abenomics. The Japanese economy has seen dramatic changes under the policy combination of aggressive monetary easing, fiscal spending and structural reforms.

The monetary easing program in particular has been widely received as a success, as reflected in Japan’s growing gross domestic product (“GDP”). According to the International Monetary Fund, Japan’s GDP is expected to grow 1.2% in 2016 and an average of 1.2% per annum between 2016 and 2019.

Japan GDP (IMF Forecast, Nominal)



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

Note: Neither the Cabinet Office of Japan nor the International Monetary Fund (“IMF”) have provided their consent to the inclusion of the information extracted from the relevant report published by them and therefore are not liable for such information. While the Trustee-Manager has taken reasonable actions to ensure that the information from the relevant report published by the Cabinet Office of Japan and/or the IMF is reproduced in its proper form and context,

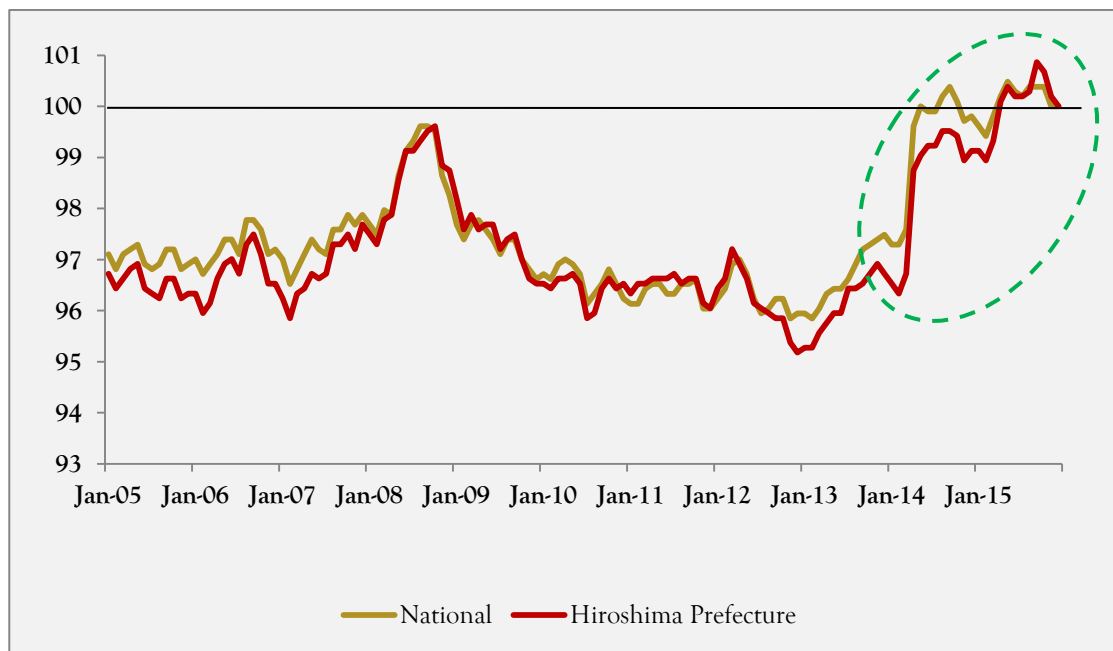
¹ Based on the actual gross rental income of the Existing Portfolio for FY2015 (derived from the FY2015 Audited Financial Statements).

and that the information is extracted accurately and fairly from such report, none of the Trustee-Manager or any other party has conducted an independent review of the information contained in such report or verified the accuracy of the contents of the relevant information.

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

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

National and Hiroshima Prefecture CPI (All Items, Base = Dec 2015)



Source: Ministry of Internal Affairs and Communication, Statistics Bureau

Note: The Ministry of Internal Affairs and Communication, Statistics Bureau (“Statistics Bureau”) has not provided its consent to the inclusion of the information extracted from the relevant report published by it and therefore is not liable for such information. While the Trustee-Manager has taken reasonable actions to ensure that the information from the relevant report published by the Statistics Bureau is reproduced in its proper form and context, and that the information is extracted accurately and fairly from such report, none of the Trustee-Manager or any other party has conducted an independent review of the information contained in such report or verified the accuracy of the contents of the relevant information.

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

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

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

Comparison of	Fuji Grand Natalie	CRT	Relative figure (%)
<u>Rule 1006(b)</u> Net Property Income ⁽¹⁾ (JPY ‘000)	208,681	4,681,121 ⁽²⁾	4.5
<u>Rule 1006(c)</u> Purchase consideration compared with CRT’s market capitalisation	JPY3,300.0 million (approximately S\$40.2 million)	Approximately JPY47,476.1 million ⁽³⁾ (approximately S\$579.0 million)	7.0

Notes:

- (1) In the case of CRT, the net property income is a close proxy to the net profits attributable to its assets.
- (2) Based on the FY2015 Audited Financial Statements.
- (3) The market capitalisation of CRT has been calculated on the basis of 714,785,618 Units in issue and listed on the SGX-ST as at 6 April 2016 multiplied by the closing price of S\$0.810 per Unit on 6 April 2016.

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. As the relative figure under Rule 1006(c) exceeds 5.0% but does not exceed 20.0%, the Acquisition is a “discloseable transaction” under Chapter 10 of the Listing Manual and the specific approval of Unitholders is not required for the Acquisition.

6. PRO FORMA FINANCIAL EFFECTS OF THE ACQUISITION

6.1 Assumptions

The *pro forma* financial effects of the Acquisition on the DPU and Net Asset Value (“NAV”) per Unit of CRT presented below are strictly for illustrative purposes and were prepared based on the audited financial statements of CRT for FY2015 (the “FY2015 Audited Financial Statements”) taking into account: (i) the acquisition of the Torius which for

purposes of the *pro forma* financial effects set out below, is assumed to be completed on 1 July 2014¹ (the “**Torius Acquisition**”); (ii) the 114,222,677 Units issued pursuant to the underwritten and renounceable rights issue to existing Unitholders on a *pro rata* basis which closed on 23 October 2015 (the “**2015 Rights Issue**”); and (ii) the 70,000,000 New Units issued under the Private Placement (collectively with the Torius Acquisition and the 2015 Rights Issue, the “**Transactions**”) and assuming that:

- (i) the Total Acquisition Cost of approximately JPY3,631.5 million (approximately S\$44.3 million) is fully funded by part of the net proceeds raised from the Private Placement which raised S\$52.5 million of gross proceeds and S\$50.9 million of net proceeds;
- (ii) the remaining net proceeds of S\$6.6 million will be held as cash balance by CRT which will be applied towards partially funding Potential Acquisitions as and when such acquisitions materialise and/or AEI of existing and/or to-be acquired assets, or for general corporate and working capital purposes;
- (iii) the exchange rate between Japanese Yen and Singapore Dollar is JPY82.00 : S\$1.00.

6.2 Pro Forma Financial Effects for FY2015

(i) Pro Forma DPU

FOR ILLUSTRATIVE PURPOSES ONLY: The pro forma financial effects of the Transactions on the DPU for FY2015, as if CRT had completed the Torius Acquisition and Acquisition on 1 July 2014 and held and operated Torius and Fuji Grand Natalie through to 30 June 2015, are as follows:

	Before the Transactions (FY2015 Audited Financial Statements)	After the Torius Acquisition and 2015 Rights Issue only (Pro Forma)	After the Transactions (Pro Forma)
Distributable Income (JPY '000)	3,358,177 ⁽¹⁾	3,921,788	4,113,295
Issued Units	519,193,989 ⁽²⁾	635,287,408 ⁽³⁾	705,290,807 ⁽⁴⁾
DPU (Singapore cents)	8.08	7.66	7.30

Notes:

- (1) Based on the FY2015 Audited Financial Statements.

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

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

(ii) Pro Forma NAV

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

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

Notes:

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

6.3 Further set of *pro forma* financial effects based on the assumption that the Acquisition is funded by a mix of equity and debt financing

FOR ILLUSTRATIVE PURPOSES ONLY, the Trustee-Manager has prepared a further set of *pro forma* financial effects of the Acquisition on the DPU and NAV per Unit of CRT to illustrate the financial effects of the Acquisition if the Acquisition had been funded by a mix of equity and debt financing.

The *pro forma* financial effects of the Acquisition set out below were prepared based on the FY2015 Audited Financial Statements, taking into account: (i) the Torius Acquisition; (ii) the 2015 Rights Issue; and (iii) the 23,800,000 Units to be issued under an illustrative private placement exercise (undertaken based on the illustrative basis set out in paragraph 6.3(iii) below) (collectively, with the Torius Acquisition and the 2015 Rights Issue, the “**Alternative Transactions**”) and assuming that:

- (i) the Total Acquisition Cost of approximately JPY3,631.5 million (approximately S\$44.2 million) is illustratively funded by debt financing comprising Japanese local bank debt/Japanese onshore 5-year specified bonds of JPY2,273.1 million, a consumption tax loan of JPY150.0 million and equity financing from part of the net proceeds from the illustrative private placement exercise;
- (ii) the effective interest rate of the Japanese local bank debt/Japanese onshore 5-year specified bonds and consumption tax loan is 0.6% per annum;
- (iii) an **illustrative** 23,800,000 Units were issued at an issue price S\$0.750 under the illustrative private placement exercise to raise gross proceeds of S\$17.9 million of which:
 - (a) approximately S\$14.7 million (JPY1,208.4 million) will be used to partially fund the Total Acquisition Cost; and
 - (b) the remaining proceeds of approximately S\$3.2 million will be used to pay the estimated fees and expenses, including professional fees and expenses, incurred or expected to be incurred by CRT in connection with the illustrative private placement exercise¹ and/or set aside as cash balance for AEI, general corporate and working capital purposes;
- (iv) the exchange rate between Japanese yen and Singapore dollar is JPY82.00 : S\$1.00.

The following *pro forma* financial effects of the Acquisition is presented purely for **illustrative** and **information** purposes as the Trustee-Manager is currently in the process of

¹ Computed on a proportionate basis based on the fees and expenses incurred or expected to be incurred by CRT in connection with the actual Private Placement.

concurrently adopting and implementing an optimal financing plan for CRT for purposes of funding any Potential Acquisitions, or other AEI of existing and/or to-be acquired assets, or for general corporate and working capital purposes and in connection with the foregoing, is in the process of securing debt financing in the form of a Japanese local bank loan and/or an issuance of new Japanese onshore 5-year specified bonds.

Accordingly, the Trustee-Manager is of the view that the further disclosure of the below *pro forma* financial information set out in this paragraph 6.3 presents a more complete and meaningful picture to Unitholders of the *pro forma* financial effects of the Acquisition as it would show Unitholders what the *pro forma* financial effects of the Acquisition would be if the Acquisition had been funded in line with the optimal financing plan being put in place by the Trustee-Manager, being a mix of equity and debt financing.

6.3.1 Illustrative Pro Forma DPU

	Before the Alternative Transactions (FY2015 Audited Financial Statements)	After the Torius Acquisition and 2015 Rights Issue only (Pro Forma)	After the Alternative Transactions (Pro Forma)
Distributable Income (JPY '000)	3,358,177 ⁽¹⁾	3,921,788 ⁽³⁾	4,103,015
Issued Units	519,193,989 ⁽²⁾	635,287,408 ⁽⁴⁾	659,429,199 ⁽⁵⁾
DPU (Singapore cents)	8.08	7.66	7.80

Notes:

- (1) Based on FY2015 Audited Financial Statements.
- (2) Based on the number of Units in issue as at 30 June 2015 and adjusted to include 1,680,000 new Units issued to the Trustee-Manager on 31 August 2015 as payment of 80% of the Trustee-Manager's management fees for the period from 1 April 2015 to 30 June 2015.
- (3) Based on the FY2015 Audited Financial Statements and assuming that Torius was acquired on 1 July 2014, as announced in the offer information statement dated 6 October 2015 relating to the Rights Issue.
- (4) Includes 114,222,677 Units issued pursuant to the Rights Issue in accordance with the offer information statement dated 6 October 2015, as well as Units that would have been issued to the Trustee-Manager as payment of 80% of the Trustee-Manager's management fees for the period from 1 July 2014 to 30 June 2015 and Units that would have been issued pursuant to CRT's Dividend Reinvestment Plan for the period from 11 September 2014 to 31 December 2014, both as a result of the acquisition of Torius and the Rights Issue.
- (5) Adjustments to include an illustrative 23,800,000 new Units which would have been issued pursuant to the illustrative private placement exercise as well as Units that would have been issued to the Trustee-Manager as payment of 80% of the Trustee-Manager's management fees for the period from 1 July 2014 to 30 June 2015, as a result of the Acquisition.

6.3.2 Illustrative Pro Forma NAV

	Before the Alternative Transactions (FY2015 Audited Financial Statements)	After the Torius Acquisition and 2015 Rights Issue only (Pro Forma)	After the Alternative Transactions (Pro Forma)
NAV (JPY '000)	43,586,162 ⁽¹⁾	49,257,767 ⁽³⁾	50,763,880
Issued Units	519,193,989 ⁽²⁾	633,416,666 ⁽⁴⁾	657,216,666 ⁽⁵⁾
NAV per Unit (JPY)	83.95	77.77	77.24

Notes:

- (1) Based on the FY2015 Audited Financial Statements.
- (2) Based on the number of Units in issue as at 30 June 2015 and adjusted to include 1,680,000 new Units issued to the Trustee-Manager on 31 August 2015 as payment of 80% of the Trustee-Manager's management fees for the period from 1 April 2015 to 30 June 2015.
- (3) Based on the FY2015 Audited Financial Statements and assuming that Torius was acquired on 1 July 2014, as announced in the offer information statement dated 6 October 2015 relating to the Rights Issue.
- (4) Based on the number of Units in issue as at 30 June 2015 and adjusted to include 1,680,000 new Units issued to the Trustee-Manager on 31 August 2015 as payment of 80% of the Trustee-Manager's management fees for the period from 1 April 2015 to 30 June 2015 and includes 114,222,677 Rights Units issued pursuant to the Rights Issue in accordance with the offer information statement dated 6 October 2015.
- (5) Adjustment to include an illustrative 23,800,000 new Units which would have been issued pursuant to an illustrative private placement exercise.

7. INTERESTS OF DIRECTORS AND CONTROLLING UNITHOLDERS

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

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

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

8. DIRECTORS' 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.

9. DOCUMENTS FOR INSPECTION

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

- (i) the Purchase and Sale Agreement; and
- (ii) the full valuation report of Fuji Grand Natalie by C&W.

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

By Order of the Board

Kim Yi Hwa

Company Secretary

Croesus Retail Asset Management Pte. Ltd.

(Registration No. 201205175K)

(as trustee-manager of Croesus Retail Trust)

7 April 2016

Important Notice

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

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

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

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

This release may contain forward-looking statements that involve risks and uncertainties. Actual future performance, outcomes and results may differ materially from those expressed in forward-looking statements as a result of a number of risks, uncertainties and assumptions. Representative examples of these factors include (without limitation) general industry and economic conditions, interest rate trends, cost of capital and capital availability, competition from other companies and venues for the sale or distribution of goods and services, shifts in customer demands, customers and partners, changes in operating expenses (including employee wages, benefits and training costs), governmental and public policy changes and the continued availability of financing in the amounts and the terms necessary to support future business. Investors are cautioned not to place undue reliance on these forward-looking statements, which are based on the Trustee-Manager's current view on future events.