

Croesus Retail Trust

Croesus Retail Trust ("CRT") is the first Asia-Pacific retail business trust with an initial portfolio located in Japan listed on Singapore Exchange Securities Trading Limited (the "SGX-ST").

CRT's principal investment strategy is to invest in a diversified portfolio of predominantly retail real estate assets located in Japan and across the Asia-Pacific region and real estate-related assets relating to the foregoing. The initial portfolio is located in Japan in order to create a core portfolio of stable income generating assets. This core portfolio would serve as a foundation for CRT to pursue development and acquisition opportunities in the Asia-Pacific region, including Japan, to generate long-term capital value and long-term returns.

As at 30 September 2016, CRT's portfolio comprises 11 quality retail properties (the "Properties") located across Japan with an aggregate net lettable area ("NLA") of approximately 426,314.1 sqm and the occupancy rates as at 30 September 2016 are as follows.

Properties	Country / Prefecture	Acquisition Date	NLA (sqm)	Occupancy rate
Aeon Town Moriya	Japan / Ibaraki	10 May 2013	68,046.8	100%
Aeon Town Suzuka	Japan / Mie	10 May 2013	43,500.7	100%
Croesus Shinsaibashi	Japan / Osaka	10 May 2013	2,342.4	100%
Croesus Tachikawa	Japan / Tokyo	6 Mar 2014	7,140.8	100%
Luz Omori	Japan / Tokyo	6 Mar 2014	9,285.2	95.9%
Mallage Shobu	Japan / Saitama	10 May 2013	68,074.6	99.0%
One's Mall	Japan / Chiba	16 Oct 2014	52,848.6	98.7%
Torius	Japan / Fukuoka	16 Oct 2015	76,870.6	94.6%
Fuji Grand Natalie	Japan / Hiroshima	18 Apr 2016	31,064.6	100%
Mallage Saga	Japan / Saga	27 May 2016	46,650.0	97.4%
Feeeal Asahikawa	Japan / Hokkaido	27 May 2016	20,489.8	88.9%

The Properties are held by Croesus Retail Asset Management Pte. Ltd. (in its capacity as trustee-manager of CRT, the "Trustee-Manager") through a tokutei mokuteki kaisha ("TMK") structure. The TMK is one of the common structures adopted for investment in real estate in Japan. The TMK may either acquire legal ownership rights of real properties or, as in the case of CRT's investment in the Properties, may hold the trust beneficiary interest ("TBI") in the Properties. In the case of CRT, the legal title to each of the Properties is held in trust by a trustee, which is typically a bank while the TBIs are held by the TMK. The TMK may obtain financing by issuing equity securities (preferred and specified equities) and debt securities (such as specified bonds), as well as by borrowing from entities which qualify as "Qualified Institutional Investors" under the Financial Instruments and Exchange Law of Japan. The TBIs in respect of the acquisition in the listing date of May 2013, March 2014, October 2014, October 2015 and April to May 2016 are held through Mangosteen TMK, Persimmon TMK, Durian TMK, Apple TMK and Orange TMK, respectively.

CROESUS RETAIL TRUST ANNOUNCEMENT OF RESULT FOR THE FIRST QUARTER ENDED 30 SEPTEMBER 2016



On 31 August 2016, CRT completed the internalisation of the Trustee-Manager. With the completion of the internalisation, all of the issued shares of the Trustee-Manager have been acquired and are held by a trust known as the "Trustee-Manager Share Trust" (the "TM Share Trust"). The TM Share Trust was constituted as part of the internalisation of the Trustee-Manager by a declaration of trust by Perpetual (Asia) Limited (as trustee of the TM Share Trust) (the "TM Share Trustee") on 12 June 2016 and was established for the principal purpose of holding all the issued shares of the Trustee-Manager to provide additional benefits to CRT and, to this end, the unitholders of CRT from time to time.

CRT is managed by the Trustee-Manager. The Trustee-Manager's key objectives are to deliver a competitive return on investment to unitholders of CRT through (i) regular and growing distributions and (ii) long-term capital value growth of CRT's portfolio of assets.

Distribution Policy

CRT distributed 100% of its income available for distribution from its listing date of 10 May 2013 to 30 June 2016. CRT will continue to do the same for the period from 1 July 2016 to 30 June 2017, and at least 90% of its income available for distribution thereafter.

CRT 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 the said dates.



1 (a) Consolidated statement of comprehensive income and distribution statement for 1Q 2017 vs 1Q 2016

		1Q 2017	1Q 2016	Variance
	Note	1 Jul 2016 to 30 Sep 2016 (JPY"000)	1 Jul 2015 to 30 Sep 2015 (JPY"000)	Increase/ (Decrease) (%)
Gross Revenue Gross rental income Utilities income		3,125,672 2,427,149 375,058	2,006,599 1,680,361 251,249	55.8% 44.4% 49.3%
Other income	(a)	323,465	74,989	331.3%
Property Operating Expenses Property management expenses Building management expenses Repair expenses Utilities expenses Property tax expenses Insurance expenses Sales and promotion expenses Other expenses	(b)	(1,529,343) (361,869) (224,064) (34,002) (441,406) (181,323) (6,010) (100,721) (179,948)	(773,825) (95,610) (146,963) (15,194) (283,472) (105,910) (2,982) (74,583) (49,111)	52.5% 123.8% 55.7% 71.2% 101.5% 35.0%
Net Property Income Finance income Finance costs Other administrative expenses Trustee-Manager's fees Japan Asset Manager's fees Other trust expenses	(d) (e)	1,596,329 2,034 (318,170) (66,169) (121,654) (28,467) (391,173)	1,232,774 2,278 (259,679) (16,200) (141,182) (21,829) (35,810)	29.5% (10.7%) 22.5% 308.5% (13.8%) 30.4% 992.4%
Foreign exchange losses Profit before changes in fair value	(f)	(179,821) 492,909	(16,659) 743,693	979.4%
Fair value gains/ (losses) on derivative financial instruments Profit before tax Income tax expenses Current tax Deferred tax	(g) (h)	13,980 506,889 (100,856) (144,177)	(583,505) 160,188 (58,571) (115,351)	216.4%
Profit/ (loss) after tax	(i)	261,856	(13,734)	(2006.6%)
Other comprehensive income Items that may be reclassified subsequently to profit or loss Net gains/ (losses) on fair value changes on cash flow hedge Total other comprehensive income	(j)	148,022 148,022	(106,323) (106,323)	(239.2%) (239.2%)
Total comprehensive income for the period		409,878	(120,057)	(441.4%)



1 (a) Consolidated statement of comprehensive income and distribution statement for 1Q 2017 vs 1Q 2016 (Cont'd)

Consolidated distribution statement

		1Q 2017	1Q 2016	Variance
	Note	1 Jul 2016 to 30 Sep 2016 (JPY"000)	1 Jul 2015 to 30 Sep 2015 (JPY"000)	Increase/ (Decrease) (%)
Reconciliation of profit after tax to income				
available for distribution				
Profit/ (loss) after tax Adjustment for:		261,856	(13,734)	(2006.6%)
Trustee-Manager's fees paid/payable in				
Units		173,922	130,408	33.4%
Amortisation of upfront costs		83,417	74,544	11.9%
Fair value (gains)/ losses on derivative				
financial instruments	(g)	(13,980)	583,505	(102.4%)
Deferred tax expense		144,177	115,351	25.0%
Expenses for the acquisition of the Trustee-Manager Others	(e)	353,736 149,075	28,463	100.0% 423.8%
Income available for distribution		1,152,203	918,537	25.4%

- (a) The increase in other income is due mainly to the income contribution from Torius acquired on 16 October 2015.
- (b) The increase in property management expenses is due mainly to the expense contribution from Torius acquired on 16 October 2015.
- (c) The increase in other expenses is due mainly to land lease expenses from newly acquired properties, such as Torius and Mallage Saga acquired on 16 October 2015 and 27 May 2016, respectively.
- (d) The increase in other administrative expenses is due mainly to the operating expenses of the Trustee-Manager arising from the acquisition of all the issued shares of the Trustee-Manager.
- (e) The increase in other trust expenses is due mainly to the professional and other fees and expenses incurred in connection with the acquisition of all the issued shares of the Trustee-Manager.
- (f) The increase in foreign exchange losses is due mainly to unrealised foreign exchange losses from cash and bank balances.
- (g) Fair value gains/ (losses) on derivative financial instruments arose from mark to market of forward currency contracts (in accordance with FRS 39) used to hedge distributions.



1 (a) Consolidated statement of comprehensive income and distribution statement for 1Q 2017 vs 1Q 2016 (Cont'd)

Consolidated distribution statement (Cont'd)

Notes: (Cont'd)

- (h) The increase in current tax expenses is due mainly to the contributions from newly acquired properties, such as Torius, Fuji Grand Natalie and Mallage Saga/Feeeal Asahikawa acquired on 16 October 2015, 18 April 2016 and 27 May 2016, respectively and the acquisition of all the issued shares of the Trustee-Manager on 31 August 2016, the adjustment made in 1Q 2016 for tax over provision.
- (i) Included in profit after tax is the Trustee-Manager's profit after tax of JPY 29,980 thousand.
- (j) Net gains/ (losses) on fair value changes on cash flow hedge arose from re-measurement of cross currency swap and interest rate swaps entered into to hedge the interest rate risk and currency risk on borrowings.



1 (b) (i) Balance sheets

		30 Sep 2016		30 Jun	30 Jun 2016	
	Note	CRT (JPY"000)	CRT Group (JPY"000)	CRT (JPY"000)	CRT Group (JPY"000)	
Non-current assets Investment properties Property, plant and equipment Intangible assets Investment in subsidiaries Loan to subsidiaries Other receivables Prepayments Restricted cash Deferred tax assets	(a)	38,124,451 8,349,886	112,955,711 50,016 4,006,139 472,111 409,589 5,416,642 9,354	39,187,987 8,410,746	112,640,000 - - - 437,341 593,270 5,584,205 13,601	
Current assets		46,474,337	123,319,562	47,598,733	119,268,417	
Cash and short-term deposits Trade and other receivables Derivative financial instruments Prepayments Restricted cash	(b)	1,529,063 142,519 127,251	2,480,418 1,497,768 127,251 265,345 4,997,070 9,367,852	3,500,730 276,537 94,907	5,385,095 1,654,787 94,907 484,390 4,287,146	
Total assets		1,798,833 48,273,170	9,367,852	3,872,174 51,470,907	11,906,325 131,174,742	
Current liabilities Loans and borrowings Trade and other payables Derivative financial instruments Income tax payable Other liabilities	(c)	7,458,085 28,197 1,386,839 44,892 264,010 9,182,023	8,234,472 2,134,448 1,386,839 254,929 807,508 12,818,196	7,734,059 32,570 1,109,698 53,109 51,583 8,981,019	8,337,184 2,150,697 1,109,698 242,681 760,034 12,600,294	
Non-current liabilities Loans and borrowings Trade and other payables Derivative financial instruments Other liabilities Deferred tax liabilities	(c)	4,421,098 - 1,021,257 628,668 - 6,071,023	51,012,868 4,779,518 1,544,607 1,146,048 4,663,990 63,147,031	4,527,265 - 947,056 628,412 - 6,102,733	51,057,438 4,937,428 1,594,315 1,150,387 4,521,444 63,261,012	
Total liabilities	•	15,253,046	75,965,227	15,083,752	75,861,306	
Net assets attributable to unitholders		33,020,124	56,722,187	36,387,155	55,313,436	
Equity attributable to unitholders Units in issue Accumulated (losses)/profits Fair value adjustment reserve Other reserve	(d) (e)	49,364,873 (12,141,670) (103,079) (4,100,000)	49,349,366 7,999,248 (626,427)	47,348,544 (10,834,198) (127,191)	47,333,037 8,754,848 (774,449)	
		33,020,124	56,722,187	36,387,155	55,313,436	



1 (b) (i) Balance sheets (Cont'd)

Notes:

(a) The intangible assets pertain to goodwill arising from the acquisition of all the issued shares of the Trustee-Manager on 31 August 2016. The goodwill represents the excess of the cost of acquisition over the fair value of the net tangible assets as at the date of acquisition.

The fair value of the identifiable assets and liabilities of the Trustee-Manager as at the acquisition date were:

	Fair Value
	Recognised on
	Acquisition
	(JPY"000)
Property, plant and equipments	51,386
Trade and other receivables	384,781
Cash and cash equivalents	53,557
	489,724
Trade and other payables	(115,798)
Other liabilities	(56,994)
Loans and borrowings	(202,427)
Income tax payables	(18,028)
Deferred tax liabliities	(2,616)
	(395,863)
Total identifiable net assets at fair value	(93,861)
Goodwill arising from the acquisition	4,006,139
Total consideration	4,100,000

- (b) The decrease in cash and short-term deposits is due mainly to the net cash outflow for the acquisition of all the issued shares of the Trustee-Manager and distribution paid in September 2016, offsetting the proceeds from the preferential offering.
- (c) Derivative financial instruments relate to fair value of forward currency contracts, interest rate swaps and cross currency swaps. JPY 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, resulting in liabilities on the fair value of derivative financial instruments.
- (d) CRT issued 27,682,070 units pursuant to the preferential offering on 25 August 2016. The proceeds from the preferential offering were used to partially finance the acquisition of all the issued shares of the Trustee-Manager on 31 August 2016.
- (e) Other reserve pertains to the distributions of returns. Please refer to the note (b) in the statement of changes in unitholders' fund.



1 (b) (ii) Gross borrowings

	Note	Maturity	30 Sep 2016 CRT Group (JPY"000)	30 Jun 2016 CRT Group (JPY"000)
Amount payable within one year				
Specified bonds	(b)	2017	612,151	603,125
Medium-term notes	(c)	2017	7,458,085	7,734,059
Bank loans	(d)	2016	153,731	
Obligations under finance lease	(e)	2017	10,505	
			8,234,472	8,337,184
Amount payable after one year				
Specified loans	(a)	2018-2019	29,157,320	29,111,950
Specified bonds	(b)	2018-2021	17,428,163	17,418,223
Medium-term notes	(c)	2020	4,421,098	4,527,265
Obligations under finance lease	(e)	2018	6,287	
			51,012,868	51,057,438
Total loans and borrowings			59,247,340	59,394,622

Notes:

Details of borrowings and collaterals

(a) Specified loans

Specified loans are secured by mortgages over certain investment properties of the CRT Group (the "Group"). The interest rates range from 3-month Libor + 0.40% to 3-month Libor + 0.45% per annum. The loans are repayable upon maturity. The Group has entered into interest rate swaps to convert the floating interest rates to fixed interest rates.

(b) Specified bonds

Specified bonds are secured with general lien on certain assets of the Group. The variable interest rate range from 3-month Libor + 0.35% to 3-month Libor + 0.70% per annum and the fixed interest rate is 0.50% per annum. The bonds are repayable upon maturity. The Group has entered into interest rate swaps to convert the floating interest rates to fixed interest rates.

(c) Medium-term notes

The medium-term notes are unsecured and issued by CRT pursuant to the USD 500 million Euro Medium-Term Note Programme established on 3 January 2014. The aggregate balance amounted to SGD 160 million and consists of:

(i) SGD 100 million notes payable on 23 January 2017 with an interest rate of 4.60% per annum; and (ii) SGD 60 million notes payable on 13 April 2020 with an interest rate of 5.00% per annum.

CRT entered into cross currency swaps to convert the principal and the interest of the medium-term notes from Singapore Dollar to Japanese Yen.

(d) Bank loans

Bank loans are secured by units of CRT held by Croesus Merchants International Pte. Ltd.. The interest rates range from 2.00% to 3.34% per annum. The loans are repayable upon maturity.

(e) Obligations under finance leases

These obligations are secured by a charge over the leased assets. The average discount rate implicit in the leases is 3.56% per annum. These obligations are denominated in JPY.



1 (c) Consolidated cash flow statements for 1Q 2017 vs 1Q 2016

		1Q 2017	1Q 2016
	Note	1 Jul 2016 to 30 Sep 2016 (JPY"000)	1 Jul 2015 to 30 Sep 2015 (JPY"000)
Operating activities			
Profit before tax		506,889	160,188
Adjustment for: Changes in fair value of derivative financial instruments Finance income Finance costs Trustee-Manager's fees paid in units Trustee-Manager's fees payable in units Depreciation of property plant and equipment		(13,980) (2,034) 318,170 2,015	583,505 (2,278) 259,679 (7,290) 130,408
Unrealised foreign exchange losses		143,767	31,731
Changes in working capital		956,198	1,155,943
Restricted cash Prepayments Trade and other receivables Trade and other payables Other liabilities		(542,361) 402,726 682,012 (312,138) (80,959)	40,034 126,775 47,074 (144,841) (94,503)
_		1,105,478	1,130,482
Finance income received		2,034	2,278
Finance costs paid		(191,505)	(194,121)
Income taxes paid Net cash flows generated from operating activities		(281,617) 634,390	(255,162) 683,477
Investing activity Subsequent expenditure on investment properties Net cash outflow for the acquisition of all the issued shares of the Trustee-Manager Net cash flows used in investing activities	(a)	(315,711) (4,046,443) (4,362,154)	(20,456)
		(1,302,131)	(20, 130)
Financing activities Proceeds from issuance of units Payment of issue costs Distribution to unitholders Payment of upfront costs of loans and borrowings	(b)	2,034,250 (19,937) (1,017,456) (30,003)	(1,626,855)
Net cash flow generated from /(used in) financing activities		966,854	(1,626,855)
Net decrease in cash and cash equivalents Cash and cash equivalents at beginning of the		(2,760,910)	(963,834)
financial period Effect of exchange rate change on cash and cash		5,385,095	2,941,662
equivalents		(143,767)	(31,874)
Cash and cash equivalents at end of the financial period		2,480,418	1,945,954



1 (c) Consolidated cash flow statements for 1Q 2017 vs 1Q 2016 (Cont'd)

Notes:

(a) The net cash outflow for the acquisition of all the issued shares of the Trustee-Manager consists of the purchase consideration for the acquisition of all the issued shares of the Trustee-manager net of cash and cash equivalents acquired.

Effect of the acquisition on cash flows	(JPY"000)
Total consideration	4,100,000
Cash and cash equivalents of TM	(53,557)
Net cash outflow for the acquisition of the Trustee-Manager	4,046,443

(b) In 1Q 2017, CRT issued 27,682,070 new units pursuant to the preferential offering at an issue price of S\$0.797 per new unit on 25 August 2016. These proceeds were used to partially finance the acquisition of all the issued shares of the Trustee-Manager.



1 (d) (i) Statement of changes in unitholders' fund

		CRT		CRT (
		1Q 2017	1Q 2016	1Q 2017	1Q 2016
	Note	1 Jul 2016 to 30 Sep 2016 (JPY"000)	1 Jul 2015 to 30 Sep 2015 (JPY"000)	1 Jul 2016 to 30 Sep 2016 (JPY"000)	1 Jul 2015 to 30 Sep 2015 (JPY"000)
**					
Units in issue Balance at beginning of the period - Issue of new units		47,348,544	36,502,257	47,333,037	36,486,750
Issue of new unitsManagement fees payable in units	(a)	2,201,272 (165,006)	121,771 1,348	2,201,272 (165,006)	121,771 1,348
- Issue costs	(a)	(19,937)	1,540	(19,937)	1,540
Balance at end of the period		49,364,873	36,625,376	49,349,366	36,609,869
buttered at end of the period		17,301,013	30,023,310	12,312,300	30,007,007
Accumulated (losses)/profits					
Balance at beginning of the period		(10,834,198)	(4,906,613)	8,754,848	7,460,593
- Net (losses)/ profits for the period		(286,861)	(326,475)	261,856	(13,734)
- Distribution to unitholders		(1,020,611)	(1,626,855)	(1,017,456)	(1,626,855)
Balance at end of the period		(12,141,670)	(6,859,943)	7,999,248	5,820,004
Fair value adjustment reserve Balance at beginning of the period		(127,191)	2,848	(774,449)	(361,181)
- Net gains/ (losses) on fair value					
changes on cash flow hedge		24,112	(55,610)	148,022	(106,323)
Balance at end of the period		(103,079)	(52,762)	(626,427)	(467,504)
Other reserve Balance at beginning of the period					
- Distribution of returns	(b)	(4,100,000)			
Balance at end of the period		(4,100,000)	-		•
- Paris		(,,===,e=e)			
Equity attributable to unitholders		33,020,124	29,712,671	56,722,187	41,962,369

Notes:

- These are additional units to be issued to the Trustee-Manager as partial consideration of the Trustee-Manager's fees incurred for the period ended 30 September 2015. The management fees payable in units are reclassified to issue of new units when the management fees are paid in units.
- The distribution of returns was an implementational step for the internalisation of the Trustee-Manager which involved the acquisition of all the issued shares of the Trustee-Manager by the TM Share Trustee. In relation to the internalisation of the Trustee-Manager, the Trustee-Manager declared a distribution of returns where the equitable interests in the shares of the Trustee-Manager held under the TM Share Trust were distributed to unitholders of CRT. The TM Share Trust was established for the principal purpose of holding all the issued shares of the Trustee-Manager to provide additional benefits to CRT and, to this end, the unitholders of CRT from time to time. With the completion of the internalisation, all of the issued shares of the Trustee-Manager are now held by the TM Share Trustee under the TM Share Trust.



1 (d) (ii) Details of any changes in the units

Balance at beginning of the period

- Trustee-Manager's fees paid in units
- Private placement
- Distribution reinvestment plan
- Rights issue
- Preferential offering

Issued units at the end of the period

Units to be issued

- Trustee-Manager's fees payable in units

Balance at end of the period

	1Q 2017	Year 2016
Note	1 Jul 2016 to 30 Sep 2016	1 Jul 2015 to 30 Jun 2016
	716,965,618 2,590,000	517,513,989 7,890,000
	5,005,533	70,000,000 7,338,952
	27,682,070	114,222,677
	752,243,221	716,965,618
(a)	2,680,000	2,590,000
	754,923,221	719,555,618

Note:

- (a) These are additional units to be issued to the Trustee-Manager as partial consideration of the Trustee-Manager's fees incurred for the period ended 30 September 2016 and 30 June 2016. The Trustee-Manager has opted to receive approximately 80% of the fees in units. As provided for in the trust deed dated 7 May 2012 constituting CRT, as amended (the "Trust Deed"), the price of the units to be issued will be computed based on the volume weighted average price of a unit for the period of ten business days immediately preceding the relevant business day of the issue of such units.
- Whether the figures have been audited or reviewed, and in accordance with which auditing standard or practice.

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

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

Not applicable.

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

Same as described in paragraph 5, CRT has applied the same accounting policies and methods of computation with those applied in the audited financial statements for the financial year ended 30 June 2016.



If there are any changes in the accounting policies and methods of computation, what has changed, as well as the reasons for, and effect of the change.

There is no change in the accounting policies and methods of computation compared with the audited financial statements as at 30 June 2016 except for the adoption of new or revised FRS that are mandatory for financial year beginning on 1 July 2016. The adoption of those FRS has no significant impact to the financial position or performance of CRT for the current financial period.

Group earnings per unit ("EPU") and income available for distribution per unit ("DPU") for 1Q 2017 vs 1Q 2016

Group earnings per unit

Weighted average number of units

Earnings for the period (JPY"000)

EPU for the period based on the weighted average number of units in issue (IPY)

	1Q 2017	1Q 20	016
Note	1 Jul 2016 to 30 Sep 2016	1 Jul 2015 to 30 Sep 2015	As restated (b)
(a)	728,422,069	518,080,076	642,833,975
	261,856	(13,734)	(13,734)
	0.36	(0.03)	(0.02)

- (a) The weighted average number of units is weighted for 1Q 2017 and 1Q 2016 respectively. The diluted EPU is the same as the basic EPU as no dilutive instruments were in issue during the respective reporting periods.
- (b) The weighted average number of units and EPU have been adjusted to reflect the effect of 114,222,677 units issued pursuant to the renounceable rights issue on 2 November 2015 and 27,682,070 units issued pursuant to the preferential offering on 25 August 2016.



Group earnings per unit ("EPU") and income available for distribution per unit ("DPU") for 1Q 2017 vs 1Q 2016 (Cont'd)

Group distribution per unit

Number of units issued and to be issued at end of period entitled to distribution

Income available for distribution for the period (JPY"000)

DPU for the period based on the number of units entitled to distribution (Singapore cent)

	1Q 2017	1Q 20	016
Note	1 Jul 2016 to 30 Sep 2016	1 Jul 2015 to 30 Sep 2015	As restated (b)
(a)	754,923,221	521,013,989	662,918,736
	1,152,203	918,537	918,537
(c)	1.79	2.08	1.63

- (a) The computation of DPU for the period is based on the number of units entitled to distribution. This comprises:
 - (i) The number of units in issue as at 30 September 2016 and 30 September 2015 of 752,243,221 and 519,193,989, respectively; and
 - (ii) The estimated number of units to be issued to the Trustee-Manager as partial consideration of the Trustee-Manager's fees payable for the period from 1 July 2016 to 30 September 2016 and for the period from 1 July 2015 to 30 September 2015 of 2,680,000** and 1,820,000 respectively.
 - ** As provided for in the Trust Deed, the price of the units issued shall be computed based on the volume weighted average price of a unit for the period of ten business days immediately preceding the relevant business day of the issue of such units. Therefore, the actual number of units to be issued may deviate from the above illustrative numbers of units.
- (b) The 'number of units issued and to be issued at the end of period' and 'DPU for the period based on the number of units entitled to distribution' have been restated to reflect the effect of 114,222,677 units issued pursuant to the renounceable rights issue on 2 November 2015 and 27,682,070 units issued pursuant to the preferential offering on 25 August 2016.
- (c) CRT had entered into forward currency contracts to hedge the currency risk on distributions to the unitholders. The distribution per unit for the period from 1 July 2016 to 30 September 2016 and for the period from 1 July 2015 to 30 September 2015 are computed based on an average SGD/JPY exchange rate of 85.24 and 84.81 respectively. The average exchange rate takes into consideration the forward currency contracts rate and spot rate at the end of the period.



7 Group net asset value ("NAV") per unit based on existing units in issue and to be issued

Number of units issued and to be issued at end of period

NAV as at end of period (JPY"000)

Net asset value per unit (JPY)

Note	As at 30 Sep 2016	As at 30 Jun 2016		
(a)	754,923,221	719,555,618		
	56,722,187	55,313,436		
	75.14	76.87		

- (a) The number of units used to compute net asset value per unit as at 30 September 2016 and 30 June 2016 are 754,923,221 and 719,555,618, respectively. This comprises:
 - (i) The number of units in issue as at 30 September 2016 and 30 June 2016 of 752,243,221 and 716,965,618 respectively; and
 - (ii) The estimated number of units to be issued to the Trustee-Manager as partial consideration of the Trustee-Manager's fees payable for the period from 1 July 2016 to 30 September 2016 and for the period from 1 April 2016 to 30 June 2016 of 2,680,000** and 2,590,000 (as reflected in the results announcement on 26 August 2016), respectively.
 - ** As provided for in the Trust Deed, the price of the units issued shall be computed based on the volume weighted average price of a unit for the period of ten business days immediately preceding the relevant business day of the issue of such units. Therefore, the actual number of units to be issued may deviate from the above illustrative numbers of units.



8 Review of performance

8 (a) Statement of net property income and distribution

1Q 2017 vs 1Q 2016

	1Q 2017	1Q 2016		
	1 Jul 2016 to 30 Sep 2016	1 Jul 2015 to 30 Sep 2015	As restated (a)	Variance (%)
Gross revenue (JPY"000)	3,125,672	2,006,599	2,006,599	55.8%
Net property income (JPY"000)	1,596,329	1,232,774	1,232,774	29.5%
Income available for distribution (JPY"000)	1,152,203	918,537	918,537	25.4%
Income available for distribution per unit (Singapore cent)	1.79	2.08	1.63	9.8%

Note:

(a) The income available for distribution per unit has been restated to reflect the effect of 114,222,677 units issued pursuant to the renounceable rights issue on 2 November 2015 and 27,682,070 units issued pursuant to the preferential offering on 25 August 2016.

8 (b) Review of performance (Actual to Actual)

1Q 2017 actual compared to 1Q 2016 actual

Gross revenue for 1Q 2017 was JPY 3,126 million, 55.8% higher than 1Q 2016. The increase is due mainly to acquisition of Torius on 16 October 2015, Fuji Grand Natalie on 18 April 2016 and Mallage Saga and Feeeal Asahikawa on 27 May 2016.

Net property income for 1Q 2017 was JPY 1,596 million, 29.5% higher than 1Q 2016 as a result of net property income contribution from newly acquired properties. The increase is lower than gross revenue due mainly to higher expense ratios in newly acquired properties such as Torius, Mallage Saga and Feeeal Asahikawa.

Income available for distribution for 1Q 2017 was JPY 1,152 million, 25.4% higher than 1Q 2016. The increase is lower than the net property income due mainly to finance costs incurred from the issuance of the medium-term notes in April 2016.



8 Review of performance (Cont'd)

8 (b) Review of performance (Actual to Actual) (Cont'd)

The total number of units for 1Q 2017 increased as compared to 1Q 2016. The increase in units is due to the 114,222,677 units issued pursuant to the renounceable rights issue on 2 November 2015, the units issued for the Trustee-Manager's fees paid in units, 70,000,000 units issued pursuant to the private placement exercise on 4 April 2016 and 27,682,070 units issued pursuant to the preferential offering on 25 August 2016. The average SGD/JPY foreign exchange rates for the 1Q 2017 DPU and 1Q 2016 DPU computation are 85.24 and 84.81, respectively.

Overall, the income available for distribution per unit for 1Q 2017 was 1.79 Singapore cents, 9.8% higher than 1Q 2016 (as restated to reflect the effect of the 114,222,677 units issued pursuant to the renounceable rights issue on 2 November 2015 and 27,682,070 units issued pursuant to the preferential offering on 25 August 2016).

9 Variance between the forecast and actual results

CRT has not disclosed any forecast.

10 Commentary on 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

The prospect of a post-Brexit reality triggered a wave of uncertainty globally, igniting interest in traditionally safer investments such as the JPY, which saw its value appreciate sharply over the past quarter. (1)

However, as CRT receives its distributable income in JPY and pays out distributions in SGD, it continues to hedge close to 100% of its expected distributable income up to December 2018, to mitigate against currency fluctuations.

On 1 November 2016, the Bank of Japan announced plans to call off further stimulus plans, but assured that a near-zero interest rate of 0.1% for charges relating to financial institutions will be maintained. The central bank also indicated that it will continue to buy 10-year Japanese government bonds at a controlled annual pace of 80 trillion yen. (2) These bonds yield an average coupon of close to zero per cent.

The Japanese economy posted an annualised growth of $0.7\%^{(3)}$ for the April-June 2016 quarter, exceeding earlier estimates of $0.2\%^{(3)}$ likewise, consumer spending improved with September 2016's consumer price index up 0.2% from August 2016 at 99.8.⁽⁴⁾ However, though there were improvements in key economic indicators, the pace of expansion slowed despite the government's efforts to stimulate overall consumption and business sentiment.

With regards to real estate, commercial land prices in Tokyo, Nagoya and Osaka have continued to appreciate. In particular, property prices in Osaka have risen significantly due to an increase of foreign visitors, driving cap rate compressions even further. This has given rise to greater competition among Japanese real estate investment trusts and property players, for retail property in prime locations.

On 6 October 2016, CRT issued a \$\$50 million medium term notes tapping on its existing 4-year 5.0% Fixed Rate Notes (previously launched in April 2016) under the euro medium term note programme ("MTN"). The proceeds therefrom will be used to refinance part of the 3-year \$\$100 million 4.6% Fixed Rate Notes ("Notes") that is maturing in January 2017. The Trustee-Manager will continue to work on refinancing the remaining \$\$50 million balance of the Notes in the coming quarter. CRT also achieved a lower average interest rate of 2.80%, by swapping the SGD proceeds from the two MTN tranches into JPY – as compared to a fixed interest rate of 3.83% of the Notes.



10 Commentary on 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 (Cont'd)

In the area of asset enhancement initiatives, the Trustee-Manager is currently considering the construction of a new building at Torius to boost the property's net lettable area. A tenant replacement exercise is being carried out at Feeeal Asahikawa, with the Trustee-Manager planning to approach several reputable tenants from neighbouring departmental stores that are exiting the location as well as urban retail buildings.

The acquisition of all the issued shares of the Trustee-Manager was completed on 31 August 2016. Going forward, the acquisition is expected to help CRT realise greater cost savings.

Barring any unforeseen circumstances, CRT's properties are expected to continue generating robust and stable cash flows over the next 12 months.

- (1) As reported in The Wall Street Journal news article dated 16 June 2016 titled "Yen Surges to Almost Two Year High as 'Brexit' Storm Gathers Force"
- (2) Based on Bank of Japan's Statement on Monetary Policy as at 1 November 2016
- (3) Based on Japan Times news article titled, "GDP revised upward to 0.7% for April-June" published on 8 September 2016
- (4) Refer to statistics released from Statistics Bureau, Ministry of Internal Affairs and Communications on 28 October 2016
- (5) Based on Colliers International, Japan Investment Outlook report for Q3 2016



11 Distributions

(a) Current financial period

Any distribution declared for the current financial period? No.

(b) Corresponding period of the immediately preceding year

Any distributions declared for the corresponding period of the Not applicable.

immediate preceding financial period?

(c) Date Payable Not applicable.

(d) Books closure date Not applicable.

12 If no distribution has been declared (recommended), a statement to that effect

Refer to paragraph 11.

If the Group has obtained a general mandate form unitholders for 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

CRT has not obtained a general mandate from unitholders for IPTs other than the fees and charges payable by CRT under the Trust Deed, which are not subject to Rules 905 and 906 of the Listing Manual to the extent that there is no subsequent change to the rates and/or bases of the fees charged thereunder which will adversely affect CRT, as disclosed in CRT's prospectus dated 2 May 2013.

14 Negative confirmation pursuant to Rule 705 (5)

Pursuant to Listing Rule 705(5) of the Listing Manual, the Board of Directors of the Trustee-Manager confirms that, to the best of the knowledge of the directors, nothing has come to their attention which may render these financial results for the period from 1 July 2016 to 30 September 2016 to be false or misleading in any material respect.

15 Confirmation that the issuer has procured undertakings from all of its directors and executive officers (in the format set out in appendix 7.7) under rule 720(1)

CRT confirms that it has procured undertakings from all of its directors and executive officers in the format set out in Appendix 7.7 of the Listing Manual.



16 Use of proceeds

(i) Use of placement proceeds raised on 11 September 2014

A summary of the utilisation of proceeds from the placement has been reported on Page 71 of the Annual Report 2016.

As at 30 September 2016, JPY 373,414,000 remains available for general corporate and working capital purposes by CRT.

The Trustee-Manager will make the appropriate announcements on any material development on the use of the placement proceeds in compliance with the listing requirement of the SGX-ST, as and when required.

(ii) Use of renounceable rights issue proceeds raised on 3 November 2015

A summary of the utilisation of proceeds from the placement has been reported on Page 71 of the Annual Report 2016.

As at 30 September 2016, JPY 520,127,000 remains available for general corporate and working capital purposes by CRT.

The Trustee-Manager will make the appropriate announcements on any material development on the use of the proceeds from the renounceable rights Issue in compliance with the listing requirements of the SGX-ST, as and when required.

(iii) Use of preferential offering proceeds raised on 26 August 2016

As announced on 31 August 2016, the entire of the gross proceeds of approximately SGD 22.1 million from the preferential offering were utilised and disbursed to partially finance the acquisition of all the issued shares of the Trustee-Manager.

Following the announcement dated 31 August 2016, the preferential offering proceeds have been fully utilised and disbursed.



On behalf of the Board

Croesus Retail Asset Management Pte. Ltd.

(as trustee-manager of Croesus Retail Trust)

Lim Teck Leong, David Chairman Chang Cheng-Wen, Jim

Chief Executive Officer and Executive Director

11 November 2016

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 similar developments, shifts in expected levels of property rental income, changes in operating expenses, including employee wages, benefits and training, property expenses and governmental and public policy changes and the continued availability of financing in the amounts and the terms necessary to support future business. You are cautioned not to place undue reliance on these forward looking statements, which are based on current view of management on future events.

This release may include 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 is extracted accurately and in its 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.