



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 31 December 2016, CRT’s portfolio comprises 11 quality retail properties (the “Properties”) located across Japan with an aggregate net lettable area (“NLA”) of approximately 426,219.4 sqm and the occupancy rates as at 31 December 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% |
| Feeal Asahikawa | Japan / Hokkaido | 27 May 2016 | 20,426.5 | 94.8% |
| Fuji Grand Natalie | Japan / Hiroshima | 18 Apr 2016 | 31,064.6 | 100% |
| Luz Omori | Japan / Tokyo | 6 Mar 2014 | 9,285.2 | 96.2% |
| Mallage Saga | Japan / Saga | 27 May 2016 | 46,618.6 | 98.1% |
| Mallage Shobu | Japan / Saitama | 10 May 2013 | 68,074.6 | 98.1% |
| One’s Mall | Japan / Chiba | 16 Oct 2014 | 52,848.6 | 99.0% |
| Torius | Japan / Fukuoka | 16 Oct 2015 | 76,870.6 | 94.1% |

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.

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. For purposes of this financial results announcement, CRT (and its subsidiaries and the TMKs) and the TM Share Trust collectively form the “CRT Group” .

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 2Q 2017 vs 2Q 2016 and 1H 2017 vs 1H 2016

| | Note | 2Q 2017 | 2Q 2016 | Variance | 1H 2017 | 1H 2016 | Variance |
|--|------|---|---|--------------------------------|---|---|--------------------------------|
| | | 1 Oct 2016 to 31 Dec 2016 (JPY'000) | 1 Oct 2015 to 31 Dec 2015 (JPY'000) | Increase/ (Decrease) (%) | 1 Jul 2016 to 31 Dec 2016 (JPY'000) | 1 Jul 2015 to 31 Dec 2015 (JPY'000) | Increase/ (Decrease) (%) |
| Gross Revenue | | 3,180,943 | 2,433,621 | 30.7% | 6,306,615 | 4,440,220 | 42.0% |
| Gross rental income | | 2,497,582 | 1,999,368 | 24.9% | 4,924,731 | 3,679,729 | 33.8% |
| Utilities income | | 322,422 | 249,025 | 29.5% | 697,480 | 500,274 | 39.4% |
| Other income | (a) | 360,939 | 185,228 | 94.9% | 684,404 | 260,217 | 163.0% |
| Property Operating Expenses | | (1,495,929) | (1,065,707) | 40.4% | (3,025,272) | (1,839,532) | 64.5% |
| Property management expenses | (b) | (355,537) | (246,705) | 44.1% | (717,406) | (342,315) | 109.6% |
| Building management expenses | | (216,411) | (177,501) | 21.9% | (440,475) | (324,464) | 35.8% |
| Repair expenses | (c) | (51,890) | (23,386) | 121.9% | (85,892) | (38,580) | 122.6% |
| Utilities expenses | | (354,856) | (270,274) | 31.3% | (796,262) | (553,746) | 43.8% |
| Property tax expenses | | (181,133) | (119,864) | 51.1% | (362,456) | (225,774) | 60.5% |
| Insurance expenses | | (5,851) | (4,408) | 32.7% | (11,861) | (7,390) | 60.5% |
| Sales and promotion expenses | | (152,356) | (112,371) | 35.6% | (253,077) | (186,954) | 35.4% |
| Other expenses | (d) | (177,895) | (111,198) | 60.0% | (357,843) | (160,309) | 123.2% |
| Net Property Income | | 1,685,014 | 1,367,914 | 23.2% | 3,281,343 | 2,600,688 | 26.2% |
| Finance income | | 2,303 | 1,376 | 67.4% | 4,337 | 3,654 | 18.7% |
| Finance costs | | (351,980) | (269,792) | 30.5% | (670,150) | (529,471) | 26.6% |
| Other administrative expenses | (e) | (126,501) | (28,650) | 341.5% | (192,670) | (44,850) | 329.6% |
| Trustee-Manager's fees | (f) | - | (155,345) | (100.0%) | (121,654) | (296,527) | (59.0%) |
| Japan Asset Manager's fees | | (28,938) | (24,343) | 18.9% | (57,405) | (46,172) | 24.3% |
| Other trust expenses | (g) | (57,089) | (32,418) | 76.1% | (448,262) | (68,228) | 557.0% |
| Foreign exchange gains/ (losses) | (h) | 96,412 | (5,100) | (1990.4%) | (83,409) | (21,759) | 283.3% |
| Profit before changes in fair value | | 1,219,221 | 853,642 | 42.8% | 1,712,130 | 1,597,335 | 7.2% |
| Fair value gains on investment properties | | - | 52,718 | (100.0%) | - | 52,718 | (100.0%) |
| Fair value gains/ (losses) on derivative financial instruments | (i) | 1,012,679 | 135,641 | 646.6% | 1,026,659 | (447,864) | (329.2%) |
| Profit before tax | | 2,231,900 | 1,042,001 | 114.2% | 2,738,789 | 1,202,189 | 127.8% |
| Income tax expenses | | | | | | | |
| Current tax | | (134,442) | (102,752) | 30.8% | (235,300) | (161,323) | 45.9% |
| Deferred tax | | (138,939) | (145,165) | (4.3%) | (283,116) | (260,516) | 8.7% |
| Profit after tax | (j) | 1,958,519 | 794,084 | 146.6% | 2,220,373 | 780,350 | 184.5% |
| Other comprehensive income | | | | | | | |
| <i>Items that may be reclassified subsequently to profit or loss</i> | | | | | | | |
| Net gains/ (losses) on fair value changes on cash flow hedge | (k) | 168,612 | (31,170) | (640.9%) | 316,634 | (137,493) | (330.3%) |
| Total other comprehensive income | | 168,612 | (31,170) | (640.9%) | 316,634 | (137,493) | (330.3%) |
| Total comprehensive income for the period | | 2,127,131 | 762,914 | 178.8% | 2,537,007 | 642,857 | 294.6% |

1 (a) Consolidated statement of comprehensive income and distribution statement for 2Q 2017 vs 2Q 2016 and 1H 2017 vs 1H 2016 (Cont'd)

Consolidated distribution statement

| | Note | 2Q 2017 | 2Q 2016 | Variance | 1H 2017 | 1H 2016 | Variance |
|--|------|---|---|--------------------------------|---|---|--------------------------------|
| | | 1 Oct 2016 to 31 Dec 2016 (JPY'000) | 1 Oct 2015 to 31 Dec 2015 (JPY'000) | Increase/ (Decrease) (%) | 1 Jul 2016 to 31 Dec 2016 (JPY'000) | 1 Jul 2015 to 31 Dec 2015 (JPY'000) | Increase/ (Decrease) (%) |
| <u>Reconciliation of profit after tax to income available for distribution</u> | | | | | | | |
| Profit after tax | | 1,958,519 | 794,084 | 146.6% | 2,220,373 | 780,350 | 184.5% |
| <u>Adjustment for:</u> | | | | | | | |
| Trustee-Manager's fees paid/payable in Units | | 181,692 | 135,957 | 33.6% | 355,614 | 266,365 | 33.5% |
| Amortisation of upfront costs | | 89,514 | 77,361 | 15.7% | 172,931 | 151,905 | 13.8% |
| Fair value gains on investment properties, net of tax | | - | (41,844) | (100.0%) | - | (41,844) | (100.0%) |
| Fair value (gains)/ losses on derivative financial instruments | (i) | (1,012,679) | (135,641) | 646.6% | (1,026,659) | 447,864 | (329.2%) |
| Deferred tax expense | | 138,939 | 134,292 | 3.5% | 283,116 | 249,643 | 13.4% |
| Expenses for the acquisition of the Trustee-Manager | (g) | - | - | - | 353,736 | - | 100.0% |
| Others | | (174,851) | 9,109 | (2019.5%) | (25,769) | 37,572 | (168.6%) |
| Income available for distribution | | 1,181,134 | 973,318 | 21.4% | 2,333,342 | 1,891,855 | 23.3% |

Notes:

- (a) The increase in other income is due mainly to compensation from a tenant in Mallage Shobu for early termination of its lease contract and the income contribution from Torius and Mallage Saga acquired on 16 October 2015 and 27 May 2016, respectively.
- (b) The increase in property management expenses is due mainly to the expenses from newly acquired properties, such as Torius and Mallage Saga/Feeal Asahikawa on 16 October 2015 and 27 May 2016, respectively.
- (c) The increase in repair expenses is due mainly to the expenses from refurbishment works in One's Mall, Torius and Mallage Saga and tenant replacement in Feeal Asahikawa.
- (d) 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.
- (e) 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.
- (f) The decrease in Trustee-Manager's fees is due to the acquisition of all the issued shares of the Trustee-Manager.
- (g) 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.
- (h) The increase/(decrease) in foreign exchange gains/(losses) is due mainly to unrealised foreign exchange gains/(losses) from cash and bank balances.

1 (a) Consolidated statement of comprehensive income and distribution statement for 2Q 2017 vs 2Q 2016 and 1H 2017 vs 1H2016 (Cont'd)

Consolidated distribution statement (Cont'd)

Notes: (Cont'd)

- (i) 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.
- (j) Included in profit after tax is the Trustee-Manager's profit after tax of JPY 88,051 thousand in 2Q 2017 and JPY 118,031 thousand in 1H 2017.
- (k) 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

| | Note | 31 Dec 2016 | | 30 Jun 2016 | |
|---|------|------------------|------------------------|------------------|------------------------|
| | | CRT (JPY"000) | CRT Group (JPY"000) | CRT (JPY"000) | CRT Group (JPY"000) |
| Non-current assets | | | | | |
| Investment properties | | - | 113,141,514 | - | 112,640,000 |
| Property, plant and equipment | | - | 45,630 | - | - |
| Intangible assets | (a) | - | 4,006,139 | - | - |
| Investment in subsidiaries | | 38,124,708 | - | 39,187,987 | - |
| Loan to subsidiaries | | 8,245,126 | - | 8,410,746 | - |
| Other receivables | | - | 474,007 | - | 437,341 |
| Derivative financial instrument | (b) | 489,278 | 489,278 | - | - |
| Prepayments | | - | 406,202 | - | 593,270 |
| Restricted cash | | - | 5,399,767 | - | 5,584,205 |
| Deferred tax assets | | - | 11,082 | - | 13,601 |
| | | 46,859,112 | 123,973,619 | 47,598,733 | 119,268,417 |
| Current assets | | | | | |
| Cash and short-term deposits | | 4,194,487 | 6,186,106 | 3,500,730 | 5,385,095 |
| Trade and other receivables | (c) | 410,175 | 960,943 | 276,537 | 1,654,787 |
| Derivative financial instruments | (b) | 206,590 | 206,590 | 94,907 | 94,907 |
| Prepayments | | - | 80,417 | - | 484,390 |
| Restricted cash | | - | 5,029,021 | - | 4,287,146 |
| | | 4,811,252 | 12,463,077 | 3,872,174 | 11,906,325 |
| Total assets | | 51,670,364 | 136,436,696 | 51,470,907 | 131,174,742 |
| Current liabilities | | | | | |
| Loans and borrowings | (d) | 7,413,193 | 7,459,062 | 7,734,059 | 8,337,184 |
| Trade and other payables | | 18,501 | 1,833,502 | 32,570 | 2,150,697 |
| Derivative financial instruments | (b) | 295,077 | 295,077 | 1,109,698 | 1,109,698 |
| Income tax payable | | 61,158 | 381,404 | 53,109 | 242,681 |
| Other liabilities | | 215,181 | 662,157 | 51,583 | 760,034 |
| | | 8,003,110 | 10,631,202 | 8,981,019 | 12,600,294 |
| Non-current liabilities | | | | | |
| Loans and borrowings | (e) | 8,811,381 | 55,456,023 | 4,527,265 | 51,057,438 |
| Trade and other payables | | - | 4,792,579 | - | 4,937,428 |
| Derivative financial instruments | (b) | 265,307 | 623,354 | 947,056 | 1,594,315 |
| Other liabilities | | 628,925 | 1,126,398 | 628,412 | 1,150,387 |
| Deferred tax liabilities | | - | 4,804,658 | - | 4,521,444 |
| | | 9,705,613 | 66,803,012 | 6,102,733 | 63,261,012 |
| Total liabilities | | 17,708,723 | 77,434,214 | 15,083,752 | 75,861,306 |
| Net assets attributable to unitholders | | | | | |
| | | 33,961,641 | 59,002,482 | 36,387,155 | 55,313,436 |
| Equity attributable to unitholders | | | | | |
| Units in issue | (f) | 49,518,037 | 49,502,530 | 47,348,544 | 47,333,037 |
| Accumulated (losses)/profits | | (11,356,629) | 9,957,767 | (10,834,198) | 8,754,848 |
| Fair value adjustment reserve | | (99,767) | (457,815) | (127,191) | (774,449) |
| Other reserve | (g) | (4,100,000) | - | - | - |
| | | 33,961,641 | 59,002,482 | 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 |
| | <u>489,724</u> |
| Trade and other payables | (115,798) |
| Other liabilities | (56,994) |
| Loans and borrowings | (202,427) |
| Income tax payables | (18,028) |
| Deferred tax liabilities | (2,616) |
| | <u>(395,863)</u> |
| Total identifiable net assets at fair value | <u>(93,861)</u> |
| Goodwill arising from the acquisition | <u>4,006,139</u> |
| Total consideration | <u>4,100,000</u> |

- (b) Derivative financial instruments relate to fair value of forward currency contracts, interest rate swaps and cross currency swaps. JPY has generally weakened against the rates at which the forward currency contracts and cross currency swaps were entered into, resulting in a net gain on the fair value of derivative financial instruments at the CRT and CRT Group levels, resulting in the non-current and current assets under derivative financial instruments to be recorded as an increase and the current and non-current liabilities under derivative financial instruments to be recorded as a decrease. While interest rates in Japan have generally decreased from the rate at which the interest rate swaps were entered into, the interest rates in Japan have increased from 30 June 2016, thereby also resulting in the current and non-current liabilities under derivative financial instruments to be recorded as a decrease at the CRT Group level.
- (c) The decrease of trade and other receivables in the CRT Group is due mainly to refund of consumption tax for acquisition of Fuji Grand Natalie and Mallage Saga/Feeal Asahikawa acquired on 18 April 2016 and 27 May 2016, respectively.
- (d) CRT purchased and cancelled SGD 9.75 million of the SGD 100 million in aggregate principal amount of 4.6% fixed rate notes due 2017 ("Series 001 Notes") on 18 November 2016 (the "Early Cancellation").
- (e) CRT issued SGD 50 million 5.0% fixed rate notes due 2020 under the USD 500 million euro medium term note programme (the "EMTN Programme") on 6 October 2016.
- (f) 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.
- (g) 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 | 31 Dec 2016 CRT Group (JPY"000) | 30 Jun 2016 CRT Group (JPY"000) |
|---------------------------------------|------|-----------|---------------------------------------|---------------------------------------|
| Amount payable within one year | | | | |
| Specified bonds | (a) | 2017 | 35,278 | 603,125 |
| Medium-term notes | (b) | 2017 | 7,413,193 | 7,734,059 |
| Obligations under finance lease | (c) | 2017 | 10,591 | - |
| | | | 7,459,062 | 8,337,184 |
| Amount payable after one year | | | | |
| Specified loans | (d) | 2018-2019 | 29,202,872 | 29,111,950 |
| Specified bonds | (a) | 2018-2021 | 17,438,163 | 17,418,223 |
| Medium-term notes | (b) | 2020 | 8,811,381 | 4,527,265 |
| Obligations under finance lease | (c) | 2018 | 3,607 | - |
| | | | 55,456,023 | 51,057,438 |
| Total loans and borrowings | | | 62,915,085 | 59,394,622 |

Notes:

Details of borrowings and collaterals

(a) Specified bonds

Specified bonds are secured with general lien on certain assets of the CRT 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. Entities of the CRT Group have entered into interest rate swaps to convert the floating interest rates to fixed interest rates.

(b) Medium-term notes

The medium-term notes are unsecured and issued by CRT pursuant to the EMTN Programme established on 3 January 2014. The aggregate balance amounted to SGD 200.25 million and consists of:

- (i) Outstanding principal amount of SGD 90.25 million of the Series 001 Notes payable on 23 January 2017 with an interest rate of 4.60% per annum; and
- (ii) SGD 110 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.

(c) 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.

(d) Specified loans

Specified loans are secured by mortgages over certain investment properties of the CRT 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. Entities of the CRT Group have entered into interest rate swaps to convert the floating interest rates to fixed interest rates.

1 (c) Consolidated cash flow statements for 2Q 2017 vs 2Q 2016 and 1H 2017 vs 1H 2016

| Note | 2Q 2017 | 2Q 2016 | 1H 2017 | 1H 2016 |
|--|---|---|---|---|
| | 1 Oct 2016 to 31 Dec 2016 (JPY'000) | 1 Oct 2015 to 31 Dec 2015 (JPY'000) | 1 Jul 2016 to 31 Dec 2016 (JPY'000) | 1 Jul 2015 to 31 Dec 2015 (JPY'000) |
| Operating activities | | | | |
| Profit before tax | 2,231,900 | 1,042,001 | 2,738,789 | 1,202,189 |
| Adjustment for: | | | | |
| Changes in fair value of investment properties | (a) - | (52,718) | - | (52,718) |
| Changes in fair value of derivative financial instruments | (1,012,679) | (135,641) | (1,026,659) | 447,864 |
| Finance income | (2,303) | (1,376) | (4,337) | (3,654) |
| Finance costs | 351,980 | 269,792 | 670,150 | 529,471 |
| Trustee-Manager's fees paid in units | 175,632 | 129,905 | 177,647 | 122,615 |
| Trustee-Manager's fees payable in units | - | 13,343 | - | 143,751 |
| Depreciation of property plant and equipment | 4,385 | - | 5,756 | - |
| Unrealised foreign exchange losses | (87,449) | (7,219) | 56,318 | 24,512 |
| | 1,661,466 | 1,258,087 | 2,617,664 | 2,414,030 |
| Changes in working capital | | | | |
| Restricted cash | (15,075) | (1,211,650) | (557,436) | (1,171,616) |
| Prepayments | 188,317 | 112,128 | 591,043 | 238,903 |
| Trade and other receivables | 466,907 | (1,580,576) | 1,148,919 | (1,533,502) |
| Trade and other payables | (310,263) | 791,605 | (622,403) | 646,764 |
| Other liabilities | (168,828) | 147,347 | (249,787) | 52,844 |
| | 1,822,524 | (483,059) | 2,928,000 | 647,423 |
| Finance income received | 2,303 | 1,376 | 4,337 | 3,654 |
| Finance costs paid | (182,431) | (78,706) | (373,936) | (272,827) |
| Income taxes paid | 60,051 | 48,964 | (221,566) | (206,198) |
| Net cash flows generated from/ (used in) operating | 1,702,447 | (511,425) | 2,336,835 | 172,052 |
| Investing activity | | | | |
| Acquisition of investment properties | (a) - | (8,247,282) | - | (8,247,282) |
| Subsequent expenditure on investment properties | (185,803) | (67,725) | (501,514) | (88,181) |
| Net cash outflow for the acquisition of all the issued shares of the Trustee-Manager | (b) - | - | (4,046,443) | - |
| Net cash flows used in investing activities | (185,803) | (8,315,007) | (4,547,957) | (8,335,463) |
| Financing activities | | | | |
| Proceeds from issuance of units | (c) - | 5,845,581 | 2,034,250 | 5,845,581 |
| Payment of issue costs | (22,469) | (247,368) | (42,404) | (247,368) |
| Distribution to unitholders | - | - | (1,017,454) | (1,626,855) |
| Proceeds from loans and borrowings | (d) 3,725,000 | 4,560,000 | 3,725,000 | 4,560,000 |
| Payment of upfront costs of loans and borrowings | (64,143) | (69,844) | (64,143) | (69,844) |
| Repayment of loans and borrowings | (e) (1,536,793) | (650,000) | (1,566,798) | (650,000) |
| Net cash flow generated from financing activities | 2,101,595 | 9,438,369 | 3,068,451 | 7,811,514 |
| Net increase/ (decrease) in cash and cash equivalents | 3,618,239 | 611,937 | 857,329 | (351,897) |
| Cash and cash equivalents at beginning of the financial period | 2,480,418 | 1,945,954 | 5,385,095 | 2,941,662 |
| Effect of exchange rate change on cash and cash equivalents | 87,449 | 7,421 | (56,318) | (24,453) |
| Cash and cash equivalents at end of the financial period | 6,186,106 | 2,565,312 | 6,186,106 | 2,565,312 |

1 (c) Consolidated cash flow statements for 2Q 2017 vs 2Q 2016 and 1H 2017 vs 1H 2016 (Cont'd)

Notes:

- (a) CRT completed the acquisition of Torius on 16 October 2015. The property was revalued to the fair value of the properties.
- (b) 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.

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

- (c) In 1H 2017, CRT issued 27,682,070 new units pursuant to the preferential offering at an issue price of SGD 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.

In 1H 2016, CRT issued 114,222,667 rights units pursuant to the right issue at an issue price of SGD 0.610 each on 2 November 2015. These proceeds were used mainly for the acquisition of Torius.

- (d) CRT issued specified bonds amounting to JPY 4,560 million on 16 October 2015 and medium-term notes amounting to SGD 50 million, equivalent to approximately JPY 3,725 million, on 6 October 2016.
- (e) CRT purchased and cancelled SGD 9.75 million of the Series 001 Notes on 18 November 2016 and repaid JPY 577 million of specified bond for consumption tax on 28 November 2016.

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

| | Note | CRT | | CRT Group | |
|---|------|---|---|---|---|
| | | 2Q 2017 | 1H 2017 | 2Q 2017 | 1H 2017 |
| | | 1 Oct 2016 to 31 Dec 2016 (JPY"000) | 1 Jul 2016 to 31 Dec 2016 (JPY"000) | 1 Oct 2016 to 31 Dec 2016 (JPY"000) | 1 Jul 2016 to 31 Dec 2016 (JPY"000) |
| Units in issue | | | | | |
| | | 49,364,873 | 47,348,544 | 49,349,366 | 47,333,037 |
| | | 175,633 | 2,376,904 | 175,633 | 2,376,904 |
| | (a) | - | (165,007) | - | (165,007) |
| | | (22,469) | (42,404) | (22,469) | (42,404) |
| | | 49,518,037 | 49,518,037 | 49,502,530 | 49,502,530 |
| Accumulated (losses)/profits | | | | | |
| | | (12,141,670) | (10,834,198) | 7,999,248 | 8,754,848 |
| | | 785,041 | 498,180 | 1,958,519 | 2,220,373 |
| | | - | (1,020,611) | - | (1,017,454) |
| | | (11,356,629) | (11,356,629) | 9,957,767 | 9,957,767 |
| Fair value adjustment reserve | | | | | |
| | | (103,079) | (127,191) | (626,427) | (774,449) |
| | | 3,312 | 27,424 | 168,612 | 316,634 |
| | | (99,767) | (99,767) | (457,815) | (457,815) |
| Other reserve | | | | | |
| | | (4,100,000) | - | - | - |
| | (b) | - | (4,100,000) | - | - |
| | | (4,100,000) | (4,100,000) | - | - |
| Equity attributable to unitholders | | 33,961,641 | 33,961,641 | 59,002,482 | 59,002,482 |

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

| | Note | CRT | | CRT Group | |
|--------------------------------------|------|---|---|---|---|
| | | 2Q 2016 | 1H 2016 | 2Q 2016 | 1H 2016 |
| | | 1 Oct 2015 to 31 Dec 2015 (JPY"000) | 1 Jul 2015 to 31 Dec 2015 (JPY"000) | 1 Oct 2015 to 31 Dec 2015 (JPY"000) | 1 Jul 2015 to 31 Dec 2015 (JPY"000) |
| Units in issue | | | | | |
| | | 36,625,376 | 36,502,257 | 36,609,869 | 36,486,750 |
| | | 5,975,486 | 6,097,257 | 5,975,486 | 6,097,257 |
| | (a) | 13,342 | 14,690 | 13,342 | 14,690 |
| | | (247,368) | (247,368) | (247,368) | (247,368) |
| | | 42,366,836 | 42,366,836 | 42,351,329 | 42,351,329 |
| Accumulated (losses)/profit | | | | | |
| | | (6,859,943) | (4,906,613) | 5,820,004 | 7,460,593 |
| | | (123,718) | (450,193) | 794,084 | 780,350 |
| | | - | (1,626,855) | - | (1,626,855) |
| | | (6,983,661) | (6,983,661) | 6,614,088 | 6,614,088 |
| Fair value adjustment reserve | | | | | |
| | | (52,762) | 2,848 | (467,504) | (361,181) |
| | | (19,470) | (75,080) | (31,170) | (137,493) |
| | | (72,232) | (72,232) | (498,674) | (498,674) |
| | | 35,310,943 | 35,310,943 | 48,466,743 | 48,466,743 |
| | | | | | |

Notes:

- (a) Management fees payable in units represents additional units to be issued to the Trustee-Manager as partial consideration of the Trustee-Manager's fees incurred for the period ended 31 December 2015. The management fees payable in units are reclassified to issue of new units when the management fees are paid in units.
- (b) 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

| Note | 2Q 2017 | 1H 2017 | Year 2016 |
|---|------------------------------|---|------------------------------|
| | 1 Oct 2016 to 31 Dec 2016 | 1 Jul 2016 to 31 Dec 2016 (JPY'000) | 1 Jul 2015 to 30 Jun 2016 |
| Balance at beginning of the period | 752,243,221 | 716,965,618 | 517,513,989 |
| - Trustee-Manager's fees paid in units | 2,690,000 | 5,280,000 | 7,890,000 |
| - Private placement | - | - | 70,000,000 |
| - Distribution reinvestment plan | - | 5,005,533 | 7,338,952 |
| - Rights issue | - | - | 114,222,677 |
| - Preferential offering | - | 27,682,070 | - |
| Issued units at the end of the period | 754,933,221 | 754,933,221 | 716,965,618 |
| Units to be issued | | | |
| - Trustee-Manager's fees payable in units | (a) 2,600,000 | 2,600,000 | 2,590,000 |
| Balance at end of the period | 757,533,221 | 757,533,221 | 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 31 December 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.

2 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.

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

Not applicable.

4 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.

- 5 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.

- 6 Group earnings per unit (“EPU”) and income available for distribution per unit (“DPU”) for 2Q 2017 vs 2Q 2016 and 1H 2017 vs 1H 2016

Group earnings per unit

| | Note | 2Q 2017 | 2Q 2016 | |
|---|------|------------------------------|------------------------------|-----------------|
| | | 1 Oct 2016 to 31 Dec 2016 | 1 Oct 2015 to 31 Dec 2015 | As restated (b) |
| Weighted average number of units | (a) | 753,412,786 | 592,079,155 | 661,973,953 |
| Earnings for the period (JPY'000) | | 1,958,519 | 794,084 | 794,084 |
| EPU for the period based on the weighted average number of units in issue (JPY) | | 2.60 | 1.34 | 1.20 |

| | Note | 1H 2017 | 1H 2016 | |
|---|------|------------------------------|------------------------------|-----------------|
| | | 1 Jul 2016 to 31 Dec 2016 | 1 Jul 2015 to 31 Dec 2015 | As restated (b) |
| Weighted average number of units | (a) | 740,917,428 | 555,079,615 | 652,403,964 |
| Earnings for the period (JPY'000) | | 2,220,373 | 780,350 | 780,350 |
| EPU for the period based on the weighted average number of units in issue (JPY) | | 3.00 | 1.41 | 1.20 |

Notes:

- (a) The weighted average number of units is weighted for 2Q 2017, 2Q 2016, 1H 2017 and 1H 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.

6 Group earnings per unit (“EPU”) and income available for distribution per unit (“DPU”) for 2Q 2017 vs 2Q 2016 and 1H 2017 vs 1H 2016 (Cont’d)

Group distribution per unit (Cont’d)

| | Note | 2Q 2017 | 2Q 2016 | |
|---|------|---------------------------|---------------------------|-----------------|
| | | 1 Oct 2016 to 31 Dec 2016 | 1 Oct 2015 to 31 Dec 2015 | As restated (b) |
| Number of units issued and to be issued at end of period entitled to distribution | (a) | 757,533,221 | 637,446,666 | 665,128,736 |
| Income available for distribution for the period (JPY'000) | | 1,181,134 | 973,318 | 973,318 |
| DPU for the period based on the number of units entitled to distribution (Singapore cent) | (c) | 1.81 | 1.79 | 1.72 |

| | Note | 1H 2017 | 1H 2016 | |
|---|------|---------------------------|---------------------------|-----------------|
| | | 1 Jul 2016 to 31 Dec 2016 | 1 Jul 2015 to 31 Dec 2015 | As restated (b) |
| Number of units issued and to be issued at end of period entitled to distribution | (a) | 757,533,221 | 637,446,666 | 665,128,736 |
| Income available for distribution for the period (JPY'000) | | 2,333,342 | 1,891,855 | 1,891,855 |
| DPU for the period based on the number of units entitled to distribution (Singapore cent) | (c) | 3.60 | 3.50 | 3.35 |

Notes:

(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 31 December 2016 and 31 December 2015 of 754,933,221 and 635,246,666, 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 October 2016 to 31 December 2016 and for the period from 1 October 2015 to 31 December 2015 of 2,600,000** and 2,200,000 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.

6 Group earnings per unit (“EPU”) and income available for distribution per unit (“DPU”) for 2Q 2017 vs 2Q 2016 and 1H 2017 vs 1H 2016 (Cont’d)

Group distribution per unit (Cont’d)

Notes: (Cont’d)

- (b) The restated 2Q 2016 and 1H 2016 DPU was adjusted to reflect an enlarged unit base, taking into consideration the 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 31 December 2016 and for the period from 1 July 2015 to 31 December 2015 are computed based on an average SGD/JPY exchange rate of 85.49 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

| | Note | As at 31 Dec 2016 | As at 30 Jun 2016 |
|--|------|----------------------|----------------------|
| Number of units issued and to be issued at end of period | (a) | 757,533,221 | 719,555,618 |
| NAV as at end of period (JPY'000) | | 59,002,482 | 55,313,436 |
| Net asset value per unit (JPY) | | 77.89 | 76.87 |

Notes:

- (a) The number of units used to compute net asset value per unit as at 31 December 2016 and 30 June 2016 are 757,533,221 and 719,555,618, respectively. This comprises:
- (i) The number of units in issue as at 31 December 2016 and 30 June 2016 of 754,933,221 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 October 2016 to 31 December 2016 and for the period from 1 April 2016 to 30 June 2016 of 2,600,000** 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.

8 Review of performance

8 (a) Statement of net property income and distribution

2Q 2017 vs 2Q 2016

| | 2Q 2017 | 2Q 2016 | | Variance (%) |
|---|---------------------------|---------------------------|-----------------|--------------|
| | 1 Oct 2016 to 31 Dec 2016 | 1 Oct 2015 to 31 Dec 2015 | As restated (a) | |
| Gross revenue (JPY"000) | 3,180,943 | 2,433,621 | 2,433,621 | 30.7% |
| Net property income (JPY"000) | 1,685,014 | 1,367,914 | 1,367,914 | 23.2% |
| Income available for distribution (JPY"000) | 1,181,134 | 973,318 | 973,318 | 21.4% |
| Income available for distribution per unit (Singapore cent) | 1.81 | 1.79 | 1.72 | 5.2% |

Note:

- (a) The income available for distribution per unit has been restated to reflect the effect of 27,682,070 units issued pursuant to the preferential offering on 25 August 2016.

1H 2017 vs 1H 2016

| | 1H 2017 | 1H 2016 | | Variance (%) |
|---|---------------------------|---------------------------|-----------------|--------------|
| | 1 Jul 2016 to 31 Dec 2016 | 1 Jul 2015 to 31 Dec 2015 | As restated (a) | |
| Gross revenue (JPY"000) | 6,306,615 | 4,440,220 | 4,440,220 | 42.0% |
| Net property income (JPY"000) | 3,281,343 | 2,600,688 | 2,600,688 | 26.2% |
| Income available for distribution (JPY"000) | 2,333,342 | 1,891,855 | 1,891,855 | 23.3% |
| Income available for distribution per unit (Singapore cent) | 3.60 | 3.50 | 3.35 | 7.5% |

Note:

- (a) The income available for distribution per unit has been restated to reflect the effect of 27,682,070 units issued pursuant to the preferential offering on 25 August 2016.

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

2Q 2017 actual compared to 2Q 2016 actual

Gross revenue for 2Q 2017 was JPY 3,181 million, 30.7% higher than 2Q 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. On the top of that, higher variable rent from better tenant sales in Mallage Shobu and a compensation from a tenant for early termination contributed to the increase in gross revenue.

Net property income for 2Q 2017 was JPY 1,685 million, 23.2% higher than 2Q 2016. The increase is due to the same factors contributed to the increase in gross revenue. 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 2Q 2017 was JPY 1,181 million, 21.4% higher than 2Q 2016. The increase is due mainly to the same factors contributed to the increase in net property income. Also, the cost savings arising from the internalisation of the Trustee-Manager (being the excess cash from the Trustee-Manager's income (after deducting the costs of operating the Trustee-Manager)) contributed to the increase in income available for distribution. 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 and in October 2016.

The total number of units for 2Q 2017 increased as compared to 2Q 2016. The increase in units is due mainly to 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 2Q 2017 DPU and 2Q 2016 DPU computation are 85.49 and 84.81, respectively

Overall, the income available for distribution per unit for 2Q 2017 was 1.81 Singapore cents, 5.2% higher than 2Q 2016 (as restated to reflect the effect of the 27,682,070 units issued pursuant to the preferential offering on 25 August 2016).

1H 2017 actual compared to 1H 2016 actual

Gross revenue for 1H 2017 was JPY 6,307 million, 42.0% higher than 1H 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. On the top of that, higher variable rent from better tenant sales in Mallage Shobu and a compensation from a tenant for early termination contributed to the increase in gross revenue.

Net property income for 1H 2017 was JPY 3,281 million, 26.2% higher than 1H 2016. The increase is due to the same factors contributed to the increase in gross revenue. 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 1H 2017 was JPY 2,333 million, 23.3% higher than 1H 2016. The increase is due mainly to the same factors contributed to the increase in net property income. Also, the cost savings arising from the internalisation of the Trustee-Manager (being the excess cash from the Trustee-Manager's income (after deducting the costs of operating the Trustee-Manager)) contributed to the increase in income available for distribution. 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 and in October 2016.

The total number of units for 1H 2017 increased as compared to 1H 2016. The increase in units is due mainly to 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 1H 2017 DPU and 1H 2016 DPU computation are 85.49 and 84.81, respectively

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

1H 2017 actual compared to 1H 2016 actual (Cont'd)

Overall, the income available for distribution per unit for 1H 2017 was 3.60 Singapore cents, 7.5% higher than 1H 2016 (as restated to reflect the effect of the 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**

As of 1 February 2017, the Bank of Japan (“BOJ”) announced that its stimulus plans and inflation forecast will remain status quo as it adopts a wait and see move in view of the recent weakening of the yen and policies of US President Donald Trump’s administration⁽¹⁾. BOJ also upgraded its economic growth forecast for 2017 to 1.5% from 1.3% growth previously. The central bank also upped its forecast for 2018 to 1.1% from 0.9%⁽¹⁾.

However, as CRT receives its distributable income in JPY and pays out distributions in SGD, it has hedged close to 100% of its expected distributable income up to December 2018 to mitigate its foreign currency exposure.

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⁽²⁾. This has given rise to greater competition among Japanese real estate investment trusts and property players, for retail property in prime locations.

On 23 January 2017, CRT completed the redemption of the outstanding principal amount of the Series 001 Notes. The purchase and redemption of the full principal amount of the Series 001 Notes (including the Early Cancellation) was financed by two sources: (i) proceeds from the S\$50 million 5.0% fixed rate notes due 2020 issued on 13 April 2016, under the EMTN Programme, and (ii) proceeds from a JPY 5,000 million loan secured by a second mortgage on certain properties taken out by CRT on 6 January 2017. As a result of the refinancing exercise, CRT is expected to enjoy lower recurring interest expense of approximately JPY 152 million per annum⁽³⁾.

In the area of asset enhancement initiatives, the Trustee-Manager is in the process of negotiating with potential tenants for the new building plans at Torius. The Trustee-Manager has successfully replaced several tenants at Feeeal Asahikawa in Q2 2017 and will carry on with its approach to pursue 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 by the TM Share Trustee was completed on 31 August 2016 in connection with the internalisation of the Trustee-Manager. Going forward, the internalisation of the Trustee-Manager 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.

Notes:

- (1) Based on CNBC news article dated 30 January 2017, “Bank of Japan raises economic growth forecasts, keeps policy unchanged”
- (2) Based on Colliers International, Japan Investment Outlook report for Q3 2016

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)**

- (3) The cost savings are expected to result from the lower overall recurring interest rate costs involved in the sources of funds as compared to the recurring interest rate on the Series 001 Notes (assuming no Early Cancellation and excluding the costs of all upfront fees and swap costs on the respective tranches of financing).

11 **Distributions**

(a) **Current financial period**

Any distribution declared for the current financial period? 3.60 cents for the period from 1 July 2016 to 31 December 2016.

(b) **Corresponding period of the immediately preceding year**

Any distributions declared for the corresponding period of the immediate preceding financial period? 3.50 cents for the period from 1 July 2015 to 31 December 2015.

(c) **Date Payable**

31 March 2017

(d) **Books closure date**

22 February 2017

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

Refer to paragraph 11.

13 **If the group has obtained a general mandate from 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 31 December 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

The Trustee-Manager had on 28 December 2016 made an announcement in respect of the use of proceeds from the placement.

As at 31 December 2016, JPY 187,548,000 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 renounceable rights issue has been reported on Page 71 of the Annual Report 2016.

As at 31 December 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.

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

14 February 2017

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.