

## Tax Information Per Unit

## First Quarter Report 2018

	MONTHLY DISTRIBUTIONS PAID ON: (\$/UNIT EXCEPT COST DEPLETION FACTORS)			
	February 14, 2018	March 14, 2018	April 13, 2018	Total
Gross Income .....	\$ 0.153753	\$ 0.195043	\$ 0.117703	\$ 0.466499
Less Severance Taxes .....	(0.031475)	(0.039921)	(0.015520)	(0.086916)
Interest Income .....	0.000181	0.000197	0.000199	0.000577
Less Administration Expenses .....	(0.015318)	(0.013744)	(0.012718)	(0.041780)
Reconciling Items .....	0.000000	0.000000	0.000000	0.000000
<b>NET CASH DISTRIBUTION .....</b>	<b>\$ 0.107141</b>	<b>\$ 0.141575</b>	<b>\$ 0.089664</b>	<b>\$ 0.338380</b>
Cost Depletion Factors:				
Texas - 90% .....	0.003626	0.003207	0.002615	0.009448
Oklahoma - 90% .....	0.011190	0.012954	0.012673	0.036817
New Mexico - 90% .....	0.008253	0.010208	0.003594	0.022055
Texas - 75% .....	0.000000	0.000000	0.000000	0.000000
Oklahoma - 75% .....	0.005406	0.005609	0.007112	0.018127

Unitholders owning units in nominee name may obtain monthly tax information from the trustee upon request or from the Trust's web site at [www.crt-cross timbers.com](http://www.crt-cross timbers.com).

Cross Timbers Royalty Trust PO Box 470727, Fort Worth, TX 76147  
855.588.7839 ■ Simmons Bank, Trustee ■ [www.crt-cross timbers.com](http://www.crt-cross timbers.com)



# Cross Timbers Royalty Trust

1<sup>st</sup>  
Quarter Report  
2018

## To Unitholders:

For the quarter ended March 31, 2018, net profits income was \$2,277,499 compared to \$1,624,671 for first quarter 2017. This 40% increase in net profits income is primarily the result of increased oil and gas prices (\$0.6 million).

After considering interest income of \$3,460 and administration expense of \$250,679, distributable income for the quarter ended March 31, 2018 was \$2,030,280, or \$0.338380 per unit of beneficial interest. Administration expense for the quarter increased \$8,441 from the prior year quarter. For first quarter 2017, distributable income was \$1,383,420, or \$0.230570 per unit. Distributions to unitholders for the quarter ended March 31, 2018 were:

RECORD DATE	PAYMENT DATE	PER UNIT
January 31, 2018	February 14, 2018	\$ 0.107141
February 28, 2018	March 14, 2018	0.141575
March 29, 2018	April 13, 2018	0.089664
<b>TOTAL</b>		<b>\$ 0.338380</b>

This letter, and all communications to unitholders, includes information provided to the Trustee by XTO Energy Inc.

**Cross Timbers Royalty Trust**  
By: **Simmons Bank, Trustee**



By: **Lee Ann Anderson**  
**Senior Vice President**

## Cross Timbers Royalty Trust Financial Statements

### Condensed Statements of Assets, Liabilities and Trust Corpus (Unaudited)

	March 31, 2018	December 31, 2017
<b>Assets</b>		
Cash and Short-Term Investments .....	\$ 1,536,792	\$ 1,469,830
Interest to be Received .....	1,192	960
Net Profits Interests in Oil and Gas Properties – Net.....	9,120,594	9,311,334
	<b>\$10,658,578</b>	<b>\$10,782,124</b>
<b>Liabilities and Trust Corpus</b>		
Distribution Payable to Unitholders.....	\$ 537,984	\$ 470,790
Expense Reserve <sup>(a)</sup> .....	1,000,000	1,000,000
Trust Corpus (6,000,000 Units of Beneficial Interest Authorized and Outstanding).....	9,120,594	9,311,334
	<b>\$10,658,578</b>	<b>\$10,782,124</b>

(a) Expense reserve allows Trustee to pay its obligations should it be unable to pay them out of the net profits income. As of March 31, 2018, the reserve currently established by the Trustee is fully funded at \$1,000,000.

### Condensed Statements of Distributable Income (Unaudited)

	Three Months Ended March 31, 2018	Three Months Ended March 31, 2017
Net Profits Income .....	\$ 2,277,499	\$ 1,624,671
Interest Income.....	3,460	987
<b>TOTAL INCOME</b> .....	<b>2,280,959</b>	<b>1,625,658</b>
Administration Expense.....	250,679	242,238
Cash Reserves Withheld for Trust Expenses.....	—	—
Distributable Income.....	<b>\$ 2,030,280</b>	<b>\$ 1,383,420</b>
Distributable Income per Unit (6,000,000 Units).....	<b>\$ 0.338380</b>	<b>\$ 0.230570</b>

### Condensed Statements of Change in Trust Corpus (Unaudited)

	Three Months Ended March 31, 2018	Three Months Ended March 31, 2017
Trust Corpus, Beginning of Period .....	\$ 9,311,334	\$ 9,903,800
Amortization of Net Profits Interests .....	(190,740)	(117,260)
Distributable Income.....	2,230,280	1,383,420
Distributions Declared .....	(2,230,280)	(1,383,420)
Trust Corpus, End of Period .....	<b>\$ 9,120,594</b>	<b>\$ 9,786,540</b>

These Condensed Financial Statements should be read in conjunction with the Condensed Financial Statements and notes thereto included in the Trust's Form 10-Q filing for the quarterly period ending March 31, 2018.