



Centro Properties Group

Half Year Results

26 February 2009

Agenda

- Group Update
 - Glenn Rufrano, Chief Executive Officer
- Results for HY09
 - Managed Property Portfolio
 - US - Glenn Rufrano, Chief Executive Officer
 - Australia - Graham Terry, Chief Operating Officer
 - Financial Results
 - Services Business and Managed Funds – Philippa Kelly, General Manager, Institutional Funds Management
 - Financials – Tony Clarke, Chief Financial Officer
- Conclusion
 - Glenn Rufrano, Chief Executive Officer

Group Update

1. Stabilisation Agreement
2. Management Update
3. Litigation Update
4. General Economic Conditions
5. Asset Dispositions

1. Stabilisation Agreement

As announced on 16 January 2009:

- Completed refinancing and debt stabilisation agreement:
 - Three year extension on senior headstock debt
 - Creation of \$1.05bn Hybrid Security
 - Two year extension of Super LLC debt
 - Removal of lending guarantees to Super LLC
 - Working capital and liquidity facilities for Australia and US
 - Agreement for extension of debt facilities and improved covenants for Centro's managed funds

- Agreement secures long term viability of Centro by maximising cash flow and minimising asset sale requirements

2. Management Update

- Glenn Rufrano: 12 month contract extension
- Tony Clarke: CEO - Centro Australia
- Michael Carroll: CEO – Centro US

3. Litigation Update

- Centro continues to vigorously defend two class action claims
- Parties to seek resolution through mediation

4. General Economic Conditions

- This is no ordinary recession
- Government stimulus intended to aid financial sector and consumer confidence
- Similarities and differences between Australia and US

5. Asset Dispositions

Centro FUM Asset Sales for six months ended 31 December 2008				
	US (US\$m) ¹	Australia / NZ (A\$m) ¹	Total (A\$m) ²	Gain/(loss) to 30 June 08 book value
Centro - Super LLC	92.8	0.0	134.0	-6.9%
Centro - Other	0.0	0.0	0.0	n/a
CER - Super LLC	0.8	0.0	1.1	-5.0%
CER - Other	69.2	75.6	175.6	-5.6%
CMCS	0.0	93.9	93.9	-12.7%
CAWF	0.0	34.0	34.0	-9.9%
JVs	30.3	0.0	43.8	2.3%
Total	193.1	203.6	482.4	-7.1%
Weighted average cap rates	8.4%	8.4%		

- 36 US and 6 Australian/NZ properties sold during half year
- Sales only where specific reasons exist for relevant fund
- Weighted cap rates broadly in line with portfolio valuations

¹ All dollar figures represent ownership value for relevant fund

² Totals - All US\$ figures converted at A\$1 = US\$0.6928

Managed Property Portfolio Overview

- US Portfolio – Glenn Rufrano
- Australasian Portfolio – Graham Terry

Managed Property Portfolio Overview

	Dec-08	Dec-07
Property Portfolio Value ¹	A\$25.6bn	A\$24.9bn
US Property Portfolio Value	US\$12.1bn	US\$13.6bn
Australasian Property Portfolio Value	A\$8.2bn	A\$9.5bn
Number of Properties	756	803
Number of US Properties	633	674
Number of Aust Properties	123	129

¹ The calculation of property funds under management is now based on the 31-Dec-08 spot rate of A\$1 = US\$0.6928, while previously this figure was based on the 31-Dec-07 spot rate of A\$1 = US\$0.8816.

US Portfolio Statistics

Managed Portfolio Statistics	Dec-08	Dec-07
Number of Properties	633	674
Total Portfolio Value (US\$)	\$12.1bn	\$13.6bn
Gross Lettable Area (million sqf)	102.8	106.5
Comparable NOI Growth – Stabilised	-2.8%	2.0%
Comparable NOI Growth – Incl. Developments	-2.3%	4.4%
Portfolio Occupancy Rate – Stabilised	90.7%	92.9%
Portfolio Occupancy Rate – Developments	78.3%	80.6%
Weighted Average Lease Expiry by Income	5.3yrs	6.2yrs
Leasing Deals YTD	942	836
Rental Income Growth	5.6%	11.1%
Specialty Lease Renewal Rate	72.1%	82.2%

US Portfolio Assessment Overview

- Centro is largely comprised of community centers (64 percent) and has an average shopping center size of 163,366 square feet
- 38 percent of Centro's portfolio was redeveloped in 2000 or later
- 62 percent of Centro's GLA is grocery-anchored
- Centro's 2007 average sales per square foot for grocers of \$561 exceeded the sales per square foot for the US average grocer in 2007 by 22 percent
- For shopping centers that have been redeveloped over the past five years, the 2007 average sales per square foot for grocers is \$580
- Centro's income demographics, including an average household income of \$72,524, are higher than the national averages, while its average population density is 174,771
- 64 percent of Centro's ABR is derived from properties located in metro markets with populations greater than one million

Summary Demographics¹

Total Portfolio	1-Mile	3-Mile	5-Mile
Average Population Density (2007)	10,062	74,740	174,771
% Population Growth (2007 - 2012)	4.9%	4.7%	4.8%
Average Household Income (2007)	\$70,545	\$71,408	\$72,524
Median Household Income (2007)	\$61,537	\$60,788	\$60,722
Per Capita Income (2007)	\$28,583	\$27,745	\$27,867

(1) Demographic data weighted by ABR.
Source: Applied Graphics Solutions and MapInfo Corporation.
Source: US Bureau of Economic Analysis.

US Valuations

US Property Values - Comparable Portfolio Analysis

Centre Type	US\$bn		
	30-Jun-08 ¹	31-Dec-08	% Change
Centro FUM ²	12.73	12.06	-5.3%
Centro Look Through	7.93	7.51	-5.3%

US Capitalisation Rates - Comparable Portfolio Analysis

Centre Type	Cap Rate	
	30-Jun-08	31-Dec-08
Centro FUM ³	7.23%	7.49%
Centro Look Through	7.27%	7.54%

- Valuation decline from June to December, on a comparable basis, after adjusting for capex is \$670m or 5.3%
- Over 18 months property values are down 13.6%

¹ Prior values have been adjusted for capital expenditure incurred during the period

² Based on a comparable analysis of 632 properties held over the 6 month period

³ Based on a comparable analysis of 546 properties held over the 6 month period

US Development Pipeline

Property	Expected Total Project Cost (US\$m)	Quarter Commenced	Expected Completion Quarter	Expected Development Yield
Westgate	75.2	Jun-05	Dec-09	8.4%
the Shoppes at Cinnamonson	63.1	Sep-06	Dec-09	8.3%
Pointe Orlando	51.9	Sep-05	Dec-09	7.6%
Mall at 163rd Street	21.0	Dec-07	Sep-09	8.2%
Liberty Plaza	18.4	Sep-05	Dec-09	8.7%
Hillcrest	13.9	Sep-06	Dec-09	9.3%
Surrey Square Mall	13.4	Dec-05	Dec-09	9.0%
Rising Sun Towne Centre	12.3	Dec-05	Jun-09	10.0%
Southland Shopping Center	11.7	Mar-07	Mar-09	9.8%
Germantown Square	11.6	Mar-06	Dec-09	9.3%
Total Top 10 Developments	292.5			8.5%
Other 16 Properties	83.8			9.5%
Total Redev'ts and New Dev'ts	376.3			8.7%

Australasian Portfolio Statistics

Portfolio Statistics	Dec-08	Dec-07
Number of Properties	123	129
Total Portfolio Value	A\$8.2bn	A\$9.5bn
Gross Lettable Area (million sqm)	2.1	2.1
Comparable NOI Growth – Stabilised	2.5%	4.8%
Comparable NOI Growth – Incl. Developments	4.2%	5.7%
Portfolio Occupancy Rate – Stabilised	99.2%	99.6%
Portfolio Occupancy Rate – Developments	n.a.	99.8%
Average Specialty Occupancy Cost	13.8%	13.8%
Weighted Average Lease Expiry by Income	4.8yrs	4.8yrs
Leasing Deals YTD	711	626
Rental Income Growth	6.5%	9.9%
Specialty Lease Renewal Rate	78.1%	84.4%

Australasian Valuations

Australasian Property Values - Comparable Portfolio Analysis

Centre Type	A\$bn		% Change
	30-Jun-08 ¹	31-Dec-08	
Centro FUM ²	9.14	8.22	-10.1%
Centro Look Through	4.10	3.69	-10.1%

Australasian Capitalisation Rates - Comparable Portfolio Analysis

Centre Type	Cap Rate	
	30-Jun-08	31-Dec-08
Centro FUM ³	6.42%	7.16%
Centro Look Through	6.28%	7.01%

- Valuation decline from June to December, on a comparable basis, after adjusting for capex is \$920m or 10.1%
- Over 18 months property values are down 12.0%

¹ Prior values have been adjusted for capital expenditure incurred during the period

² Based on a comparable analysis of 123 properties held over the 6 month period

³ Based on a comparable analysis of 122 properties held over the 6 month period

Australian Sales

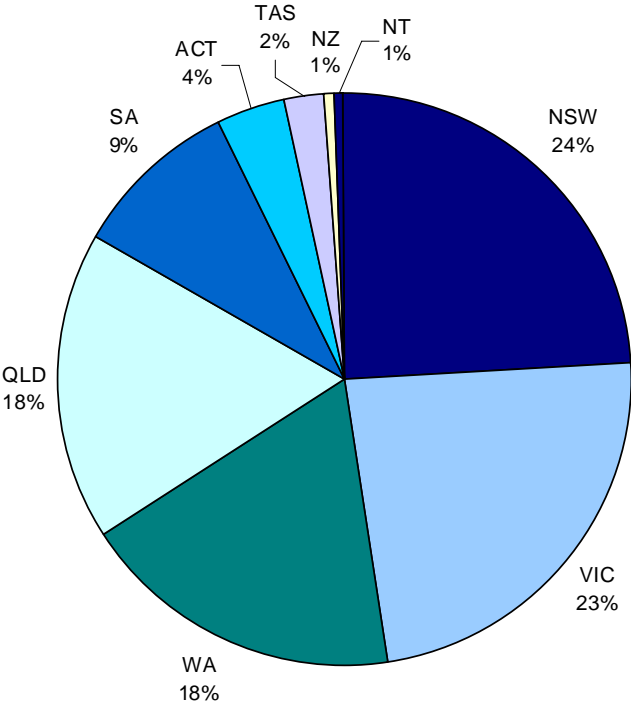
Centro Managed Australian Centre Sales Dec 07 – Dec 08				
Category	MAT ¹ \$m	Composition	MAT Change per SCCA Standards ²	Dec-08 Monthly Change per SCCA Standards
Supermarkets	4,683.6	43.7%	4.4%	3.7%
Discount Department Stores	1,515.6	14.1%	3.8%	3.0%
Department Stores	380.6	3.6%	-1.1%	-9.9%
Total Majors	6,579.9	61.4%	4.0%	2.6%
Specialties	3,148.4	29.4%	10.1%	11.5%
Mini Majors	492.3	4.6%	8.5%	6.5%
Others	499.3	4.7%	12.4%	-4.5%
Total	10,720.0	100.0%	6.2%	5.1%

¹ Reflects 100% of centres' sales to 31 December 2008

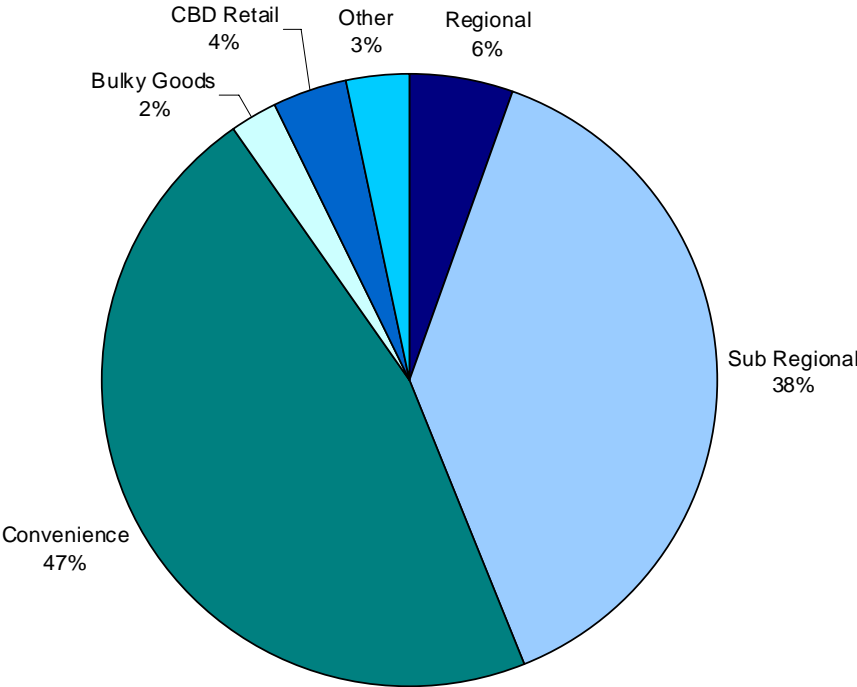
² SCCA Standards include only stable properties

Australian Portfolio Diversification

Australasian State Diversification by ABR



Australasian Centre Type Diversification by Number



Australian Portfolio Diversification

Top 10 Aus Companies by ABR ¹	
Wesfarmers	13.9%
Woolworths Ltd	11.0%
Specialty Fashion Group	1.5%
Myer	1.4%
David Jones	1.3%
Metcash Trading Ltd	1.1%
Luxottica	0.9%
Brazin	0.8%
Priceline	0.8%
Just Group	0.8%
Top 10 Total	33.5%

Retailer Environment

- Specialty occupancy costs remain steady at 13.8%
- Retailer challenges
 - Australian Discount Retail
 - Shoo Biz
 - Ezy DVD
 - Starbucks
- Increasing interest in franchising opportunities
- Polarised retail environment

Services Business & Managed Funds

- Philippa Kelly

Services Business Income

Income Statement for six months ended	Dec 08	Dec 07	
	\$m	\$m	Change
Property Management Income	57.4	49.0	17.1%
Development Management & Leasing Income	18.5	25.6	-27.7%
Funds Management Income - RE Fees & Recoveries	67.9	71.9	-5.6%
Funds Management Income - Rollover & Performance Fees	2.7	68.4	-96.1%
Services Business Income	146.5	214.9	-31.8%

Unlisted Funds Status

- Improvements to funds' debt facilities
- Centro MCS
 - Revised distribution policy
 - Selective asset sales where appropriate
 - Reduced reliance on Centro as hedging counterparty
 - Strong investor support for Centro as Responsible Entity
- CAF operating on a stabilised basis with no asset sales
- CAWF stable and undertaking selective asset sale process
- DPF/DPFI
 - Remain suspended but distributions continue
 - Simplification initiatives being worked through
- Funds maintaining investor relationships and frequent communication

Centro Results

- Tony Clarke

Income Statement

(based on equity accounting)

Income Statement for six months ended	Dec 08 \$m	Dec 07 \$m	Change
Australian Property Investment Income	1.6	4.1	-61.0%
Offshore Property Investment Income	(5.4)	25.3	-121.3%
Property Securities Investment Income	135.0	170.0	-20.6%
Property Investment Income	131.2	199.4	-34.2%
Services Business Income	146.5	214.9	-31.8%
Overheads	(78.8)	(85.0)	-7.3%
EBIT	198.9	329.3	-39.6%
Interest expense	(108.2)	(125.9)	-14.1%
Distribution accrual on Preference Units and OEI	(19.1)	(17.5)	9.1%
Underlying Earnings	71.6	185.9	-61.5%
Attributable to Ordinary Securityholders			
Asset Revaluations	(1,007.0)	(548.4)	n/a
Impairments	-	(578.2)	n/a
Derivative MTM's	(274.5)	(238.0)	n/a
FX	(1,112.6)	88.6	n/a
Restructuring Costs & bank extension fees	(64.1)	(10.6)	n/a
Other Net AIFRS Adjustments	(12.5)	(11.7)	n/a
Net Profit/(Loss)	(2,399.1)	(1,112.4)	n/a
Attributable to Ordinary Securityholders			

CNP Headstock Cash Flow

CNP Headstock Cashflow	
6 months ended 31 Dec 2008	A\$m
Cash Flow from Operating Activities	
Property Investments	86.4
Property Management	22.3
Development Management & Leasing	2.1
Funds Management	49.2
Overheads	(26.7)
Total cash flow from Operating Activities	133.3
Cash Flow from Investing Activities	
Capex	(29.7)
Disposals/capital returns	18.7
Total cash flow from Investing Activities	(11.0)
Cash Flow from Financing Activities	
Net interest cost	(86.3)
Derivatives	(89.5)
Restructure costs	(33.8)
Related party loan repayments	27.0
Other	0.5
Liquidity facility drawdowns	77.5
Total cash flow from Financing Activities	(104.6)
Net Increase /(Decrease) in Cash Held	17.7
Cash at 1 July 2008	41.3
Cash at 31 December 2008	59.0

CNP Headstock Cash Flow Analysis

CNP Headstock Cashflow Analysis			
6 months ended 31 Dec 2008			
	A\$m	A\$m	A\$m
Opening Cash as at 1 July 2008			41.3
Plus operating cash flow			
EBIT for the 6 months ended 31 Dec 08		198.9	
Less EBIT not distributed:			
DPF	(5.8)		
DPFI	(16.5)		
CER	(25.9)		
CAWF	4.7		
CAF	(1.8)		
Other Investment	0.2		
US Services	(23.7)		
AUS Services	1.7		
Overheads	1.3	(65.7)	
		133.3	
Less financing and investing cash flow			
Restructuring Costs	(33.8)		
Capital expenditure	(29.7)		
Asset Sales	18.7		
Related party loan repayments	27.0		
Debt Servicing Obligations			
Interest	(86.3)		
Derivatives	(89.5)		
Other	0.5	(193.1)	
Net cash flow			(59.8)
Liquidity facility drawdowns			77.5
Closing cash			59.0

Statutory Balance Sheet

Balance Sheet	31-Dec-08 \$m	30-Jun-08 \$m
Total Assets	23,958	20,577
Financed by:		
Borrowings	19,740	15,036
Other Liabilities	2,562	1,398
Equity attributable to minority interests	2,002	2,852
Equity attributable to members	(346)	1,290
Proforma adjustment should Hybrid Securities convert	1,050	n/a
Adjusted equity attributable to members	704	1,290
 Ratios		
Gearing (book)	82.2%	72.8%
Net tangible assets per security (\$) ¹	(1.23)	0.69

Centro & Managed Funds Debt Stabilisation

- Renegotiation of facilities across the Group on 16 January resulted in \$9.5bn of debt moving from current to non-current
- Centro Term Loans of \$3.9bn extended to 15 December 2011
- \$1.05bn Hybrid Securities with maturity date 15 January 2016
- Super LLC facilities extended to 31 December 2010
- Improvements to funds' debt facilities

Centro & Group Debt Maturity Profile

post stabilisation

A\$m ¹								
Fund	Entity	Six months ending 30 Jun 2009	Six months ending 31 Dec 2009	12 months ending 31 Dec 2010	Beyond	Total	Centro beneficial ownership look-through interest	
CNP	Centro	-	-	-	4,974*	4,974		
	Super	8	325	2,153	1,357	3,843		
	US REITs	-	1	24	92	117		
CNP Total		8	326	2,177	6,424	8,934	100.0%	8,934
CER	Australia	-	600	302	337	1,238		
	CSF REIT	57	235	250	1,195	1,739		
	Super	21	550 [#]	1,493	746	2,810		
	US REITs	-	18	33	604	655		
CER Total		79	1,404	2,078	2,882	6,442	44.2%	2,845
CAWF		-	150	150	617	917	78.0%	715
CAF		-	-	-	604	604	86.1%	520
CMCS AUS		365	257	64	1,077	1,762	23.8%	419
CMCS US	US REITs	-	-	184	1,696	1,880		
	Super	-	-	172	509	680		
CMCS US Total		-	-	355	2,205	2,560	70.5%	1,805
Other Managed		1	26	118	731	876	19.8%	174
Grand Total		453	2,162	4,942	14,539	22,096	69.7%	15,411

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¹ US\$ denominated debt converted at A\$1 = US\$0.6928

* Includes Hybrid Securities of \$1.05 billion

Includes \$522 million with an option to extend by 12 months from September 2009

Management of Centro Headstock Financial Risks

- Protection of cash flows
 - Interest rates on Centro debt is fixed for a period of three years
 - Centro agreed with many of its managed funds to close out certain hedges such that no net negative cashflows on derivatives are forecast on the remaining hedges
 - Forecast foreign income 100% naturally hedged
- Protection of balance sheet
 - Foreign equity partly hedged

Centro and Managed Funds Hedging

- Centro agreed with many of its managed funds:
 - To close out certain interest rate swaps and forward currency contracts
 - To close out equity hedges when mark-to-market values reach zero
 - Managed funds can now directly manage their ongoing hedging with external parties
- Centro has “mirrored” its related party and external cross currency swap principal exchanges for CER derivatives

Conclusion

- Glenn Rufrano

Question & Answer

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Important Note

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Appendix

Super LLC

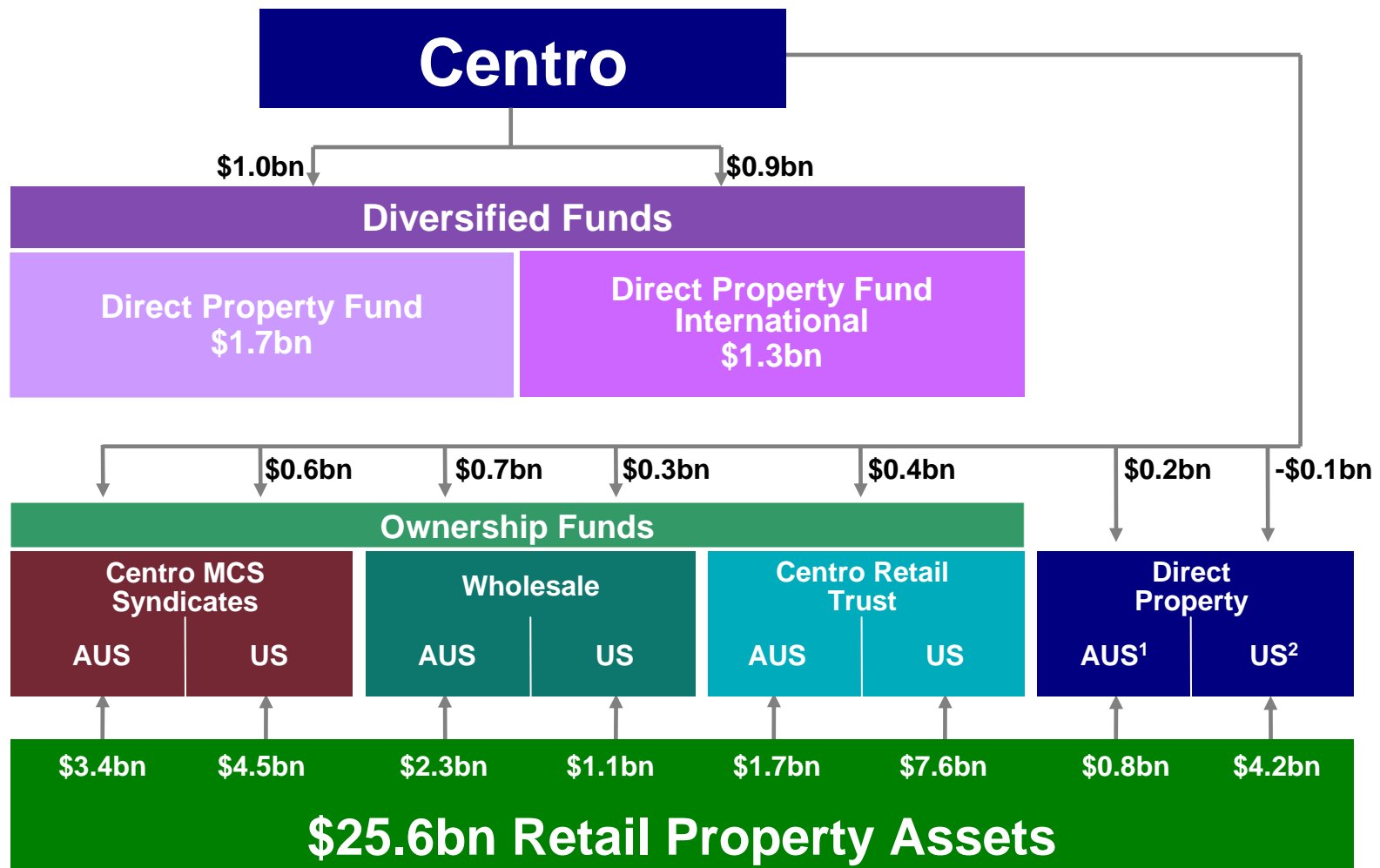
31 December 08 A\$bn	CNP	CER	CMCS40	Total
Assets	2.88	3.99	1.20	8.07
Liabilities	3.84	2.82	0.68	7.34
Equity	(0.96)	1.17	0.52	0.73
Services Business	0.38			0.38
Equity (after services business)	(0.58)	1.17	0.52	1.11
Impairment Value*		(0.55)		
Equity (after impairment)		0.62		
LVR	118%	82%	57%	87%

A\$1 = US\$0.6928

*Impairment at long term average A\$1 = US\$0.7212

Centro's Property Investment Position

at 31 December 2008



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Property values have been converted at A\$1 = US\$0.6928

¹ Includes Joint Venture, directly owned properties and CSIF A

² Includes directly owned properties, Centro's Super LLC properties, minority interests and Joint Venture properties. Excludes value of Super LLC intangible assets

Centro's Property Investment Position at 31 Dec 08

Diversified Funds	Total FUM A\$bn	Equity A\$bn	Equity Interests %				
			CNP	DPF	DPFI	CER	External
DPF	1.7	1.7	56	0	0	0	44
DPFI	1.3	1.3	67	27	0	0	6
Ownership Funds							
CMCS AUS	3.4	1.6	3	33	0	0	64
Closed CMCS US	1.0	0.4	0	0	49	0	51
CMCS 38	1.0	0.4	13	0	50	20	17
CMCS 39 & 40	2.5	1.1	50	0	35	15	0
CAWF	2.3	1.4	50	50	0	0	0
CAF	1.1	0.5	47	0	50	0	3
CER	9.3	1.6	25	7	19	0	49
Aust JVs	0.4	0.4	0	0	0	0	100
US JVs	0.9	0.3	20	0	0	0	80
Centro Direct Aust	0.4	0.2	76	0	0	0	24
Centro Direct US	0.6	0.4	100	0	0	0	0
Centro US (Super LLC)	2.7	-0.6	100	0	0	0	0
Total	25.6	7.7					