



4 November 2010

Centro restructure and recapitalisation update

Centro Properties Group (CNP) and its managed funds (together Centro or the Group) are continuing to review potential restructure and recapitalisation initiatives for the Group.

A number of parties have approached the Group with a variety of indicative expressions of interest in respect of Centro's businesses and assets. Accordingly a process designed to allow CNP and its managed funds to jointly evaluate these expressions of interest through a formal competitive market process will commence. In addition, the responsible entities of the Group and the Boards of CNP and Centro Retail Trust (CER) anticipate interest may emerge from other parties during the competitive process.

Centro Chairman, Paul Cooper, said "The significant interest in Centro's businesses over recent months has been encouraging. Commencing this process is seen as the logical next step in fully exploring all options available to the Group."

Centro Group Chief Executive Officer and Managing Director, Robert Tsenin, said "The process has been designed to maximise value for all stakeholders in the Centro Group. It is not possible to predict the eventual outcome of this competitive process as it could include the sale of all or part of the businesses, an investment in, or possibly a recapitalisation of, all or part of Centro."

CNP cautions that there can be no assurance that any definitive agreement for any such options will be reached. "In view of CNP's current negative equity position, we do not underestimate the challenge of delivering value to securityholders through this process," said Mr Tsenin.

Governance protocols and memoranda of understanding have been established between CNP and its managed funds which set out governance and due diligence measures to ensure the best interests of the funds are served and to manage conflicts.

CNP's previously announced initiatives regarding its syndicate platform will be run in parallel with this process.

CNP will continue to update securityholders as appropriate.



About Centro Properties Group (ASX: CNP)

Centro Properties Group specialises in the ownership, management and development of shopping centres. Centro is Australia's largest manager of retail property investment syndicates and is a manager of direct property funds and wholesale funds which invest in Centro's quality retail properties in Australasia and the United States. For more information, please visit centro.com.au.

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