

23 March 2011

Dear Securityholder

There have been a number of developments affecting Centro Retail Trust ("CER") recently and I am pleased to be able to write to you to provide an update on these exciting achievements.

You may be aware that on 1 March 2011, CER announced a major achievement in its restructure and recapitalisation process. The key points of this announcement are summarised as follows:

US\$4.3 Billion US Portfolio Sale

- Blackstone to acquire the entire Centro Group US platform
 - CER's US investments to be sold for approximately US\$4.3 billion
 - Represents a 1.3% discount to property book value at 31 December 2010
- CER's net proceeds of sale are approximately US\$500 million, including US\$38 million recovery from its investment in Super LLC
- Proceeds intended to retire Australian debt resulting in CER's gearing reducing from 75% to approximately 43%
- CER's Net tangible assets post US sale to remain unchanged at 41c per security

Discussions commenced on potential Australian Funds Amalgamation

- Agreement reached to commence discussions with Centro Properties Group and certain Centro Australian managed funds around a potential amalgamation of the Australian investment portfolios

Further details on each of these achievements are set out below.

US\$4.3 Billion Portfolio Sale

On 4 November 2010, CER, in conjunction with Centro, announced the commencement of a competitive market process to evaluate expressions of interest received in respect of its assets and investments. Following the completion of this competitive market process, the Centro Group (including CER, Centro Properties Group ("Centro") and the other relevant Centro managed funds) have entered into a binding stock purchase agreement (subject to conditions customary for a transaction of this nature) with BRE Retail Holdings, Inc, an affiliate of Blackstone Real Estate Partners VI, L.P. ("Blackstone") to sell all of their US assets and platform for an enterprise value of approximately US\$9.4 billion. The value ascribed to CER's property portfolio (including Super LLC) was \$US4.3 billion.

After careful consideration of alternatives and multiple bids for the platform and individual portfolios, the offer from Blackstone was compelling and its acceptance was deemed to be in the best interests of CER securityholders. The completion of the sale will be a significant step for CER in its restructure and will significantly simplify its business model by becoming an Australian-only REIT with a high quality investment portfolio. The sale unlocks significant financial capacity which will be used to recapitalise CER.

The value ascribed to CER's property portfolio (including Super LLC) was US\$4.3 billion, representing a 1.3% discount to property book value. Notwithstanding this discount, Net tangible assets has remained unchanged largely due to the recovery of \$US38 million from the investment in Super LLC which had previously been impaired to nil value.

CER's net proceeds of approximately US\$500 million are intended to be utilised to retire a significant portion of CER's maturing 2011 Australian debt facilities. As a result of these debt repayments, CER is forecast to reduce its current high book gearing of 75% to approximately 43% following the sale.

The sale is expected to close around the middle of 2011.

Discussions commenced on potential amalgamation of CER's remaining investments with Centro's Australian asset owning Managed Funds

CER has entered into discussions with Centro, Centro's senior lenders and other Centro Australian managed funds to work together towards agreeing an amalgamation of their respective portfolios to create a retail property portfolio of high quality, largely 100% owned Australian regional and sub regional shopping centres.

We look forward to discussions regarding a potential amalgamation of CER with other Centro-managed funds. The end result of an amalgamation could be the creation of a very attractive portfolio of high quality Australian assets and represents an exciting potential opportunity for all parties involved to unlock value through the creation of a simplified entity and removing the constraints arising from owning assets in a complex co-ownership structure.

Substantial further work is required around a potential amalgamation and at this stage there can be no certainty that it will occur.

I appreciate that these transactions are complex. Should you have further questions, please do not hesitate to contact our Investor Services team on 1800 802 400 or investor@centro.com.au.

Further updates around a potential amalgamation will be provided to all securityholders in due course.

Yours faithfully,

A handwritten signature in black ink, appearing to read 'Peter Day', with a long horizontal stroke extending to the right.

Peter Day
Chairman