



22 November 2011

Stakeholders approve Centro Group restructure

Key points:

- All necessary stakeholder approvals for Centro Group restructure were achieved today
- Restructure remains subject to Court approval on 24 November and outstanding conditions being completed satisfactorily
- Subject to Court approval:
 - Senior Lenders to CNP will cancel CNP senior debt for substantially all CNP's Australian assets and interests
 - CNP securityholders, hybrid holders and convertible bond holders will receive their share of the \$100 million junior stakeholder consideration
 - CNP securityholders are expected to receive their 5.03 cents per CNP security in approximately four weeks
- CNP to be suspended from trading on the ASX

Centro Properties Group (**CNP**) announces that it has now received all necessary stakeholder approvals to effect its restructure. CNP's securityholders, Convertible Bondholders, Hybrid Lenders and Senior Lenders have voted to approve the restructure, and Centro Retail Trust (**CER**) securityholders have voted in favour of its restructure.

The outcome remains subject to Court approval, with the hearing scheduled to occur on 24 November 2011. PricewaterhouseCoopers has indicated that it proposes to oppose Court approval being granted, and it is possible that there will be other objectors who will oppose Court approval of the restructure.

If the Senior Debt Scheme of Arrangement is approved by the Court, and all other conditions are achieved, CNP's \$2.7 billion Senior Debt which matures on 15 December 2011 will be cancelled in return for substantially all of CNP's Australian assets and interests.

CNP Securityholders, Convertible Bondholders and Hybrid Lenders would then receive their relevant proceeds, allocated as follows:

- 5.03 cents per CNP security or \$48,925,082 in total to CNP securityholders;
- 5 cents¹ in the dollar or \$21,074,918 in total to convertible bondholders;
- \$20,000,000 in total to secured hybrid holders ; and
- \$10,000,000 would be set aside for potential contingent creditors, on the basis that any surplus not used would be returned to the Senior Lenders.

¹ Rounded to the nearest cent and based on US\$444m of face value in current A\$ terms (A\$427m) based on a FX rate of US\$1:A\$1.04



CNP Chairman Paul Cooper said, “This is a major achievement for Centro and its stakeholders. We are extremely pleased that CNP stakeholders have approved the proposal, which, if all outstanding conditions and approvals, including Court approval, are achieved, will result in CNP securityholders receiving 5.03 cents per CNP security.”

In a separate request to ASX, CNP has sought to be suspended from trading on the ASX.

Australian funds aggregation

Subject to Court approval of the Scheme, CNP managed funds including CER, Centro Australia Wholesale Fund (**CAWF**) and Centro Direct Property Fund (**DPF**) will aggregate their respective portfolios to create a new listed Australian retail property trust (**Centro Retail Australia “CRF”**). CNP will contribute its Australian assets (including its funds and property management business (**Services Business**)) to CRF, in exchange for scrip in CRF. That scrip, combined with the CRF scrip which CNP would hold as a result of its investments in the above funds would result in CNP’s ownership of CRF being approximately 74%. On implementation of aggregation, CNP’s scrip in CRF will be distributed to the Senior Lenders, and dispersed amongst the lenders on a pro-rata basis to their senior debt holdings, as part of the Senior Debt Scheme.

CNP securityholders will not receive any securities in CRF. CNP securityholder approval only provides an opportunity to receive 5.03 cents per security.

Outstanding conditions and approvals required

A number of approvals and conditions are required to be satisfied for the completion of the restructure including:

- Regulatory approvals including approvals or relief as required from the Court, ASIC and ASX;
- Satisfaction or waiver of conditions precedent detailed in the Implementation Agreement; and
- Other conditions as detailed in the Implementation Agreement.

For further information

Media:

Miche Paterson
Kreab Gavin Anderson
+61 3 9659 3000
mpaterson@kreabgavinanderson.com

Analysts:

Adam Soffer
Centro Fund Manager
+61 3 8847 0932
adam.soffer@centro.com.au

Investors:

Centro Investor Services
In Australia: 1800 802 400
International: +61 3 8847 1802
investor@centro.com.au