



11 November 2011

Hybrid lenders scheme of arrangement

As referred to in the Hybrid Lenders Explanatory Statement dated 5 October 2011 (and released to ASX on 21 October 2011), the Intercreditor Deed empowers the Senior Agent (on behalf of the Senior Lenders) to give voting instructions to the Hybrid Bondholders on, among other things, a scheme of arrangement. If the Senior Agent does so, the Hybrid Bondholders are bound not to vote or influence the voting process other than in accordance with the instructions of the Senior Agent, except to the extent that the instructions would unfairly compromise the rights of the Hybrid Bondholders in a manner beyond what is contemplated in the Intercreditor Deed.

J P Morgan Chase Bank N.A., a Hybrid Bondholder, commenced proceedings in the Supreme Court of New South Wales seeking a declaration that an instruction from the Senior Agent to J P Morgan to vote in favour of the Hybrid Lenders Schemes of Arrangement would unfairly compromise the rights of J P Morgan in a manner beyond what is contemplated in the Intercreditor Deed.

The Supreme Court of New South Wales today granted the declaration sought by J P Morgan, so that the Senior Lenders cannot instruct J P Morgan to vote in favour of the Hybrid Lenders Schemes of Arrangement. The court confirmed that J P Morgan is entitled to vote against the Hybrid Lenders Scheme of Arrangement, without obtaining the consent of the Senior Agent. The court noted that it approached its decision as a question of construction of the Intercreditor Deed and did not consider the matter of the value of the Hybrid Bonds (in particular whether they today have any remaining economic worth).

CNP is not aware of how J P Morgan intends to vote in respect of the Hybrid Lenders Scheme of Arrangement.

The directors of CNP consider that it is in the interests of all stakeholders junior to the Senior Lenders, including the Hybrid Bondholders and the CNP securityholders to vote in favour of the restructure. CNP notes that the \$100 million will only be available to the junior stakeholders if all junior stakeholders vote in favour of the restructure.

The meetings in respect of the restructure, including the meetings of Hybrid Bondholders and the CNP securityholders, will be held on 22 November 2011.

For further information

Media:
Miche Paterson
Kreab Gavin Anderson
+61 3 9659 3000

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