

**ASX/MEDIA RELEASE****25 August 2010****EDT ANNOUNCES 2010 FULL YEAR FINANCIAL RESULTS**

EDT Retail Trust (“EDT” or “the Trust”) today announced its financial results for the year ended 30 June 2010.

## Key highlights:

- Core earnings of \$28.4 million, or 2.61 cents per unit<sup>1</sup>
- Net operating income (NOI) of US\$99.8 million on a consolidated basis, down 22% on pcp
- Statutory net loss of \$3.4 million, taking into account certain unrealised, non-cash or non-recurring items including asset valuation movements and repayment of all unsecured liabilities
- Net tangible assets (NTA) of 11.6 cents per unit
- Look through gearing 65.6%<sup>1</sup>, down 10.5% from pcp
- Weighted average debt maturity increased to 2.7 years, up 0.4 years on pcp<sup>2</sup>
- During the year leased 1.3 million sqft, or 12.2% of the shopping centre portfolio

EDT Retail Trust’s Chief Executive Officer, Mr Luke Petherbridge, said: “We have made significant progress over the past 12 months to achieve our stated goals of stabilising our balance sheet and enhancing the operations and value of our assets. Notwithstanding the continued uncertainty in global equity markets, the operational results of our portfolio are solid and leasing activity remains strong.”

**Capital management initiatives**

During the year the Trust has undertaken various capital management initiatives which has simplified the Trust’s structure and stabilised its balance sheet. Specifically:

- In October 2009, the Trust completed the redemption of Developers Diversified Realty Corporation’s (DDR) ownership in the largest of its three joint ventures. This transaction was an important step towards simplifying the ownership structure of the Trust and providing increased flexibility to undertake selected asset disposals and repay debt;

<sup>1</sup> Excludes Single Box (Ex-Mervyns) Portfolio

<sup>2</sup> Post the completion of the Longhorn II refinancing

## EDT Retail Management Limited

- During the year the Trust sold 10 non-core assets for combined gross proceeds of US\$127 million, with all proceeds used to retire debt and deleverage the balance sheet;
- In June 2010, the Trust undertook a recapitalisation which involved raising A\$208 million through the Placement and Entitlement Offer and included the introduction of strategic investor, EPN GP LLC (**EPN**). The proceeds were used to repay all unsecured debt facilities and unsecured derivative contracts, totalling US\$107.2 million and to reduce the Revolver debt facility to US\$207.9 million; and
- The Trust has extended, repaid or refinanced approximately US\$460 million of near-term debt liabilities since June 2009.

### Debt update

In financial year 2011 the Trust has two non-recourse debt facilities which are due to mature, specifically:

- The Longhorn II CMBS loan is due to mature on October 5, 2010. The Trust is in advanced negotiations with new lenders and has entered into a non-binding signed term sheet to refinance the existing facility with a long-term facility, which will be secured against the Longhorn II assets. It is anticipated that the new loan will close prior to the maturity date of the existing Longhorn II facility; and
- The Bison CMBS loan matures in June 2011 and has a current loan to value of 59%. The Trust is currently reviewing various options available to refinance this with longer term debt.

### Leasing and valuation update

As at 30 June 2010, the Trust's Shopping Centre Portfolio, consisting of 48 assets covering 10.9 million sqft, was 88.5% leased and the weighted average lease maturity was 5.1 years. During the financial year the Trust successfully leased 1,335,663 sqft, or 12.2% of the portfolio.

The weighted average rental decrease on new leases and renewals was 7.6% for the year, with rental spreads returning to positive in the most recent quarter. Although rental rates on new leases are at lower levels than that paid by prior tenants, the Trust's key focus remains on stabilising its leased rate and portfolio net operating income to enhance the overall value of the portfolio.

Asset revaluations as at 30 June 2010 resulted in a 0.6% increase in portfolio value to US\$1.419 billion, up from US\$1.410 billion as at 31 December 2009.

### Outlook

The Trust continues to focus on managing its near-term debt maturities while seeking to preserve and enhance the value of the individual portfolios.

The Trust will continue focus on progressively deleveraging its balance sheet and investing capital into leasing initiatives. As such, the Board have determined that distributions will remain on hold in the short-term until the Trust has successfully refinanced its near term liabilities.

Key Trust Data	Full year to 30 June 2010
<b>Operational<sup>3</sup></b>	
No. of Shopping Centre properties	48
Average capitalisation rate	8.6%
Leased rate	88.5%
Weighted average lease expiry	5.1 years
<b>Financial</b>	
Core earnings <sup>3</sup>	\$28.4m
Core earnings per unit	2.61 cents
Distributions per unit	-
	<b>As at 30 June 2010</b>
Total assets (Look-through) <sup>3</sup>	A\$1,677m
Total debt (Look-through) <sup>3</sup>	A\$1,100m
Trust gearing (Debt: Total Assets)	65.6%
Interest cover ratio <sup>4</sup>	2.1x
Net Tangible Assets per unit	11.6 cents
Units on issue	4,700m

For more information on recent announcements of EDT Retail Trust go to [www.edtretail.com](http://www.edtretail.com)

**For further information, please contact:**

**Luke Petherbridge**

Chief Executive Officer

Phone: +61 2 8232 4078

**About EDT Retail Trust**

*EDT Retail Trust, formerly known as Macquarie DDR Trust, is a listed real estate investment trust focused on investing predominantly in US community shopping centres giving investors exposure to a premium quality portfolio of US retail real estate in the value and convenience sector. It currently holds interests in 73 retail assets covering approximately 12.8 million square feet.*

*EDT Retail Management Limited, formerly known as Macquarie DDR Management Limited and the Responsible Entity of the Trust, is wholly owned by EDT Management LLC which is owned by Developers Diversified Realty Corporation (DDR) and EPN GP LLC (EPN). DDR is a self-administered and self-managed REIT operating as a fully integrated real estate company listed on the NYSE which operates and manages over 640 retail properties covering 140 million square feet. EPN is a real estate investment venture jointly formed by Elbit Plaza USA, L.P. (a subsidiary of Elbit Imaging Ltd. and Plaza Centers N.V.) and Eastgate Property LLC.*

<sup>3</sup> Excludes Single Box Portfolio (27 properties)

<sup>4</sup> Based on a pro forma recapitalised basis excluding Single Box Portfolio