

26 February 2006



Centro Awarded for Value Creating Transaction and Financing Innovation

Centro Properties Group (“Centro”) is pleased to announce that it has been recently recognised as a market leader in value creating growth for its investors and for financing innovation. Centro was awarded third most value creating deal in 2006 by Mainsheet Corporate for the \$4.3 billion acquisition of Heritage Property Investment Trust (“Heritage”), the US shopping centre group it acquired in October 2006. Centro also received the 2006 Deal of the Year – Australia by the respected Thomson Financial International Securitisation Report for the establishment of Australia’s first non-bank conduit vehicle and largest ever Commercial Mortgage Backed Securities (“CMBS”) issuance.

Mr Andrew Scott, Centro Chief Executive Officer, said, “It is very pleasing that Centro has been recognised for its ability to add value for investors. The \$4.3 billion acquisition of Heritage was another landmark transaction which established Centro Watt, Centro’s US joint venture, as the ninth largest retail property owner/manager in the US. For the calendar year 2006, Centro investors received a 66.0% total return, largely as a result of the sustainable growth and substantial platforms generated by the Heritage acquisition.”

The Mainsheet Corporate Report evaluated the value creation to shareholders of large transactions by measuring cumulative excess returns. This was calculated by measuring the return on the share price from one month before the announcement of the acquisition to one month after and deducting the market index return over the same period. On this basis, Centro investors received a 5% cumulative excess return or “value creation” from the Heritage acquisition.

“Centro’s strength and experience in acquiring large platforms in both Australia (MCS, 2003) and the US (Kramont, 2005) greatly assisted in the successful acquisition and integration of Heritage. With a staff retention rate of 88% and further development of significant national US scale and presence, the acquisition has created significant value to Centro beyond immediate investor returns,” said Mr Scott.

“Centro’s launch of the conduit and completion of Australia’s largest CMBS transaction has been recognised as 2006 Deal of the Year – Australia by the International Securitisation Report for “establishing the country’s first multi-borrower CMBS conduit and paving the way for future property development transactions.”

Ms Philippa Kelly, Centro General Manager – Institutional Funds Management, said, “The Centro Conduit, the first non-bank CMBS conduit in the Australian market, is an exciting and important capital access opportunity for Centro and its managed funds. The International Securitisation Report award is valuable recognition for the Centro Conduit which provides Centro’s managed funds and investors with enhanced funding diversification as well as

contributing to future financial performance, through the provision of more cost effective financing.”

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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 with over 80% market share as well as being a leading manager of direct property funds and wholesale funds which invest in Centro’s quality retail properties in Australasia and the United States. Centro has a market capitalisation of \$7.9 billion and funds under management of \$15.6 billion. Centro continues to maximise returns to investors through its customer focused and value adding team based approach.

Please visit www.centro.com.au