



Centro Retail Trust Outperforms PDS Forecast



Centro Retail Trust
Inaugural Annual Results June 2006

Inaugural Annual Results Highlights



- ✓ Outstanding Development Yields
- ✓ Solid Property Performance
- ✓ Significant Revaluation Gains
- ✓ Substantial NTA Uplift
- ✓ Strong Financial & Capital Risk Management Focus



1. Outperforming PDS Forecast

- Shane Dudley – CER Fund Manager

2. Outstanding Developments & Property Performance

- Graham Terry – Chief Operating Officer

3. Strong Financial & Capital Management

- Romano Nenna – Chief Financial Officer



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Outperforming PDS Forecast

- Shane Dudley – CER Fund Manager



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CER Outperforms PDS Forecast



| | | Actual | PDS |
|-------|--------------------------------|---------------|------------|
| ↑ 18% | Portfolio Value | \$2.21b | \$1.87b |
| ↑ 28% | NTA per Security | \$1.92 | \$1.50 |
| ↓ 8% | Gearing Ratio | 52.9% | 57.8% |
| ↑ 4% | Market Capitalisation | \$0.81b | \$0.78b |
| ✓ | Operating Distributable Profit | \$54.2m | \$54.2m |
| ✓ | Distribution Per Security | 12.0¢ | 12.0¢ |

Solid Financial Performance



| Financial Performance for period ended 30 June 2006 | Actual A\$'000 | PDS ¹ A\$'000 | Variance |
|--------------------------------------------------------|-------------------|-----------------------------|---------------|
| Australian Property Investment Income | 60,997 | 60,560 | 0.7% |
| US Property Investment Income | 60,653 | 58,677 | 3.4% |
| Total Income | 121,650 | 119,237 | 2.0% |
| Management Fees & Other Expenses | 12,337 | 11,762 | 4.9% |
| EBIT | 109,313 | 107,475 | 1.7% |
| Interest Expense ² | 55,133 | 53,295 | 3.4% |
| Operating Distributable Profit | 54,180 | 54,180 | 0.0% |
| Revaluation Gains | 145,942 | | |
| Financial Instruments | 30,617 | | |
| Other AIFRS Adjustments | (2,779) | | |
| Net Profit | 227,960 | 54,180 | 320.7% |
| Distribution Per Security (¢) | 12.0 | 12.0 | |

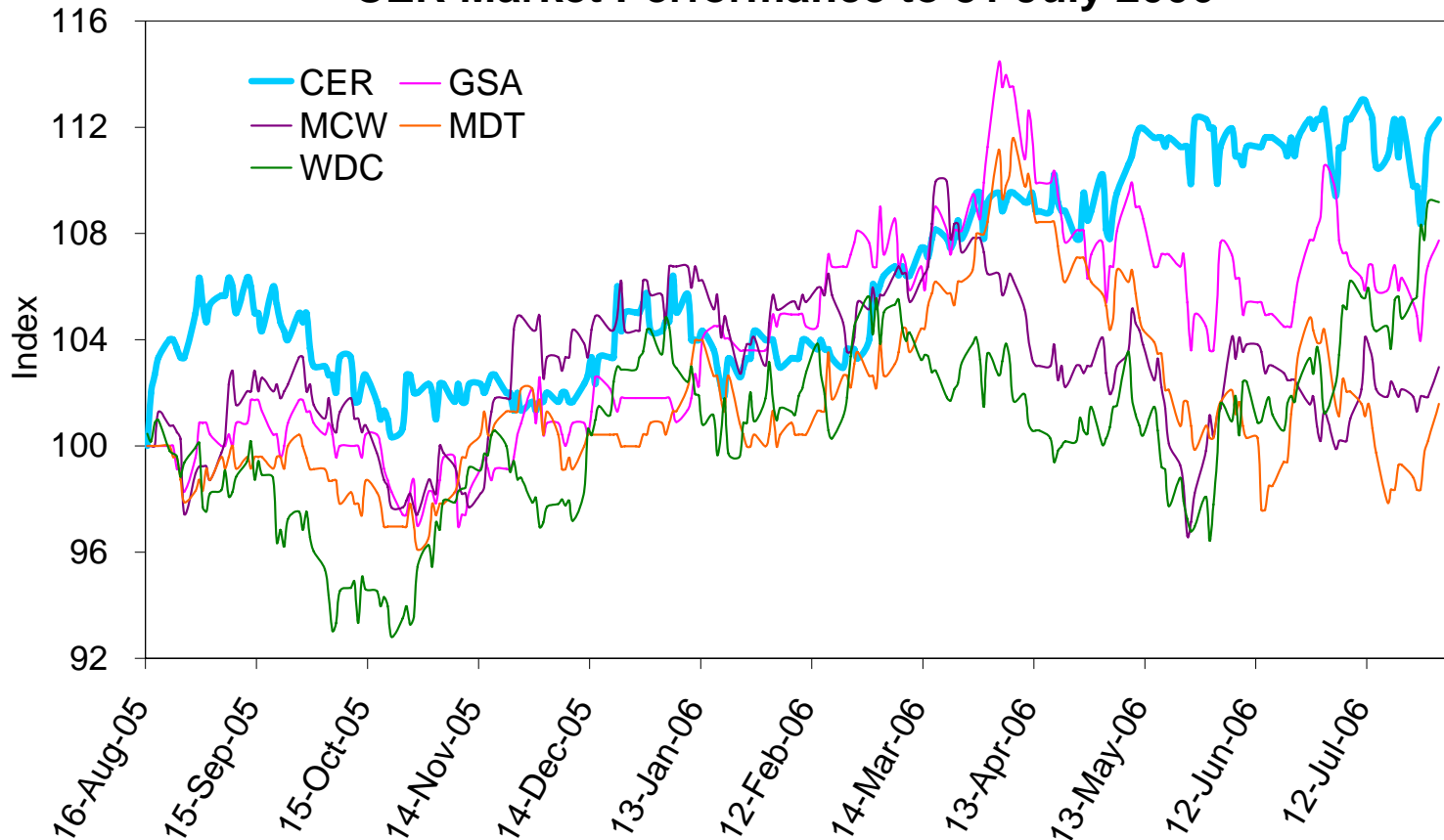
¹ Adjusted to reflect that the Trust was listed from 17 August 2005

² Interest expense includes payment to Centro for period 1 to 16 August 2005

CER Outperforms Peer Group



CER Market Performance to 31 July 2006

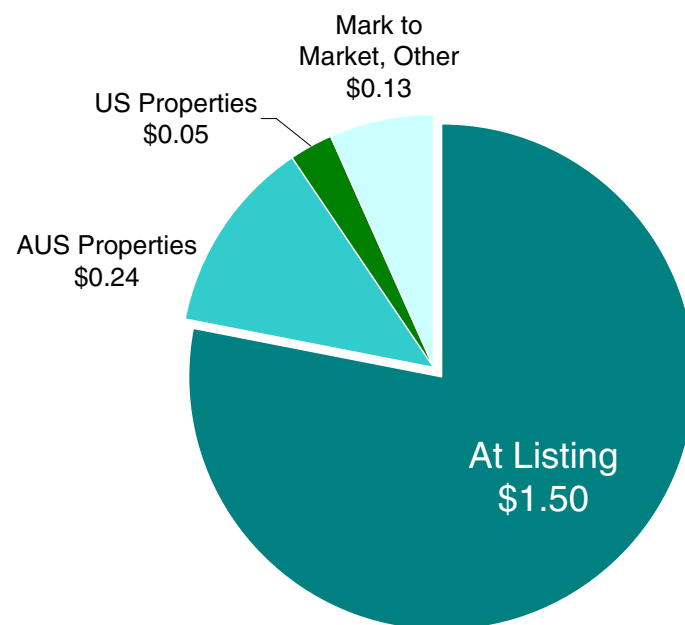


- CER's Total Return of 12.7% to 30 June 06

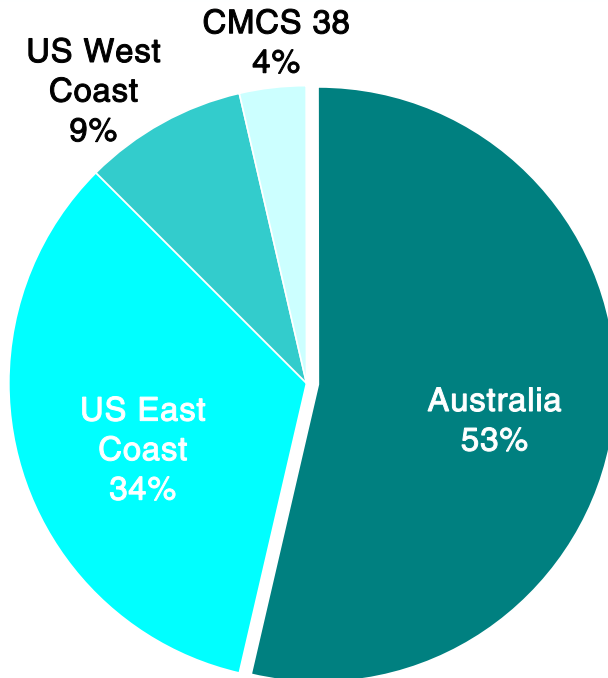
Impressive Portfolio Growth

- Substantial \$193m of Developments Deliver Impressive Portfolio Growth
- Significant \$153m or 8.2% Valuation Gain
- Strong NTA Uplift of 28% to \$1.92
- Firming Cap. Rates
 - AUS portfolio, 0.51% to 6.13%
 - US portfolio, 0.24% to 6.42%

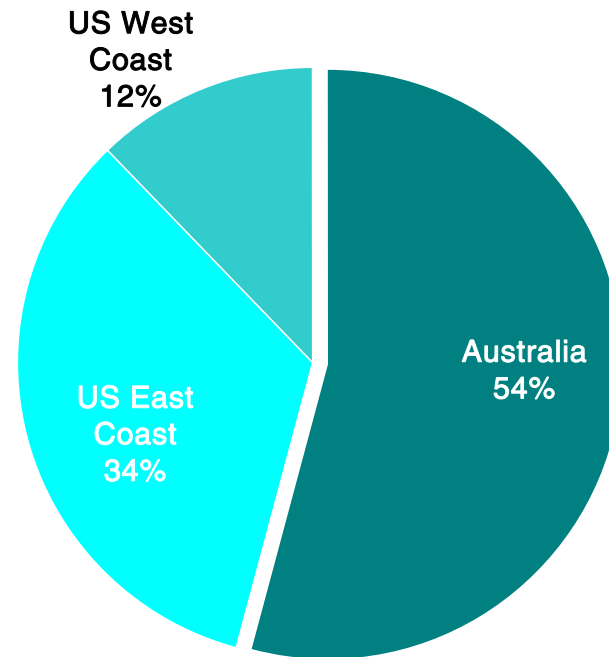
NTA Growth to \$1.92



Well Balanced and Highly Diversified Portfolio



Balanced Geographic Portfolio



Diverse Income Exposure

- Centro MCS 38 Investment Further Diversifies Portfolio
- International Exposure to 67 Assets Across five AUS & 14 US States
- Top Four Australian Regional Centres Comprise 28% of Portfolio
- US Properties Predominantly Located in Strong Retail Catchments

High Quality Retail Property Portfolio



| Property Portfolio | Australia | US West Coast | US East Coast | Centro MCS 38 ¹ |
|---------------------|--------------|---------------|---------------|----------------------------|
| Property Value | A\$1.2b | A\$0.4b | A\$0.7b | A\$0.2b |
| No. of Centres | 16 | 14 | 17 | 20 |
| No. of Retailers | 1,050 | 306 | 342 | 550 |
| Occupancy | 99.8% | 96.7% | 98.0% | 93.9% |
| Capitalisation Rate | 6.13% | 6.38% | 6.44% | 7.06% |
| Income Lease Expiry | 5.3 years | 6.5 years | 6.4 years | 5.6 years |

¹ Acquired 28 June 2006

- \$2.5b High Quality Retail Property Portfolio
- Strong 98.3% Average Occupancy Rate
- Secure Income Streams with Avg. Lease Expiry > 5 years
- Firm Capitalisation Rates Evidence Portfolio Quality



Outstanding Developments & Property Performance

- Graham Terry – Chief Operating Officer



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Successful Developments To Deliver Portfolio Growth



| | Project Expenditure ¹ | Stabilised Yield ² |
|-------------------------------------|----------------------------------|-------------------------------|
| Centro Colonnades (Stage 1) | \$72.0m | 8.7% |
| Centro Mildura | \$39.1m | 9.2% |
| Centro Goulburn | \$26.8m | 7.4% |
| Ocean Heights - US East Coast | \$13.2m | 10.0% |
| Centro Buranda | \$11.8m | 8.6% |
| Centro The Glen | \$11.4m | 9.2% |
| Whitehall Square - US East Coast | \$6.2m | 10.0% |
| Centro Cranbourne | \$5.5m | 10.2% |
| Centro Tweed | \$3.5m | 8.5% |
| Centro Southport | \$3.4m | 7.8% |
| Total Developments Completed | \$192.9m | 8.8% |

¹ Represents 100% of project expenditure, CER ownership interest is 50% for Australian and 97% for US East Coast assets

² Development is fully leased and established within its retail hierarchy

- **Substantial \$193m of Developments Completed** – Delivering significant portfolio growth and NTA uplift
- **Outstanding 8.8% Development Income Returns** – Value adding developments generate strong returns and add 43,000m² GLA
- **Further \$100m Redevelopments Currently Planned or Underway**

Quality Shopping in Adelaide

- **Centro Colonnades – Mar 06 (Stage 1)**
 - New Big W and Woolworths
 - New mall with mini majors, specialties and kiosks
 - Creation of Diners Life and Fresh Life precincts
 - Reconfiguration of the existing Harris Scarfe
 - Extensive building and vegetation waste recycling throughout project



| | |
|------------------|----------------------------------------------|
| Project Cost | \$72.0m (Stage 1) |
| Stabilised Yield | 8.7% |
| GLA Increase | 18,538m ² |
| New Specialties | 60 (Stage 1) |
| Completion Date | Stage 1: March 2006 Stage 2: 2nd Qtr FY07 |



■ Centro Mildura – Dec 05

- Relocated and refurbished the existing Target DDS
- Expansion of existing Woolworths supermarket
- New mini majors and specialty retailers
- Creation of Diners Life and Fresh Life precincts
- Refurbishment of malls
- Largest fashion offer in the Sunraysia region

| | |
|------------------|---------------------|
| Project Cost | \$39.1m |
| Stabilised Yield | 9.2% |
| GLA Increase | 3,879m ² |
| New Specialties | 37 |
| Completion Date | December 2005 |



■ Centro Goulburn – Feb 06

- Centre successfully expanded and modernised
- Attracted new mini-major (Best & Less)
- Added food court, serviced by 8 retailers
- Increased parking space by 28% with new undercroft carpark
- Increased number of national retailers, incl. Angus & Robertson, OPSM & Katies



| | |
|------------------|---------------------|
| Project Cost | \$26.8m |
| Stabilised Yield | 7.4% |
| GLA Increase | 4,228m ² |
| New Specialties | 26 |
| Completion Date | February 2006 |

- **Centro Buranda – Feb 06**
 - Improved aesthetic appeal
 - Expanded major Woolworths floor template and refurbished Target
 - Introduced 1,000m² new speciality shopping space



| | |
|------------------|---------------------|
| Project Cost | \$11.8m |
| Stabilised Yield | 8.6% |
| GLA Increase | 1,983m ² |
| New Specialties | 13 |
| Completion Date | February 2006 |



Strong Performing Centres

| Portfolio | Net Property Income (A\$) | Growth | Continuing Growth |
|----------------------------|---------------------------|--------|-------------------|
| Australia | \$61.0m | 5.3% | 2.5% |
| US West Coast | \$14.9m | 2.1% | 2.1% |
| US East Coast ¹ | \$41.3m | n/a | n/a |

¹ Portfolio acquired in April 2005 and comparable growth not available

- **Developments Generate Strong Income Returns** - Centro Buranda (+49.9%), Centro Goulburn (+36.4%), Centro Mildura (+22.2%), Centro Colonnades (+10.8%)
- **Healthy Continuing Australian Properties** - Centro Warriewood (+8.1%), Centro Taigum (+3.7%), Centro Mornington (+3.6%)
- **Solid US Property Performance** - Pacoima Centre (+7.7%), California Oaks Centre (+7.4%), Ocean View Plaza (+5.6%)

Healthy Domestic Retail Environment



| CER Australian Centre Sales - 12 months to 30 June 2006 | | | |
|---------------------------------------------------------|----------------------------|------------------|-------------------------------|
| Category | MAT ¹ \$'000 | Composition % | SCCA Growth ² % |
| Department Stores | 136,408 | 5.9% | 1.6% |
| DDS | 402,485 | 17.4% | 1.7% |
| Supermarkets | 773,657 | 33.4% | (0.4%) |
| Total Majors | 1,312,550 | 56.6% | 0.5% |
| Mini Majors | 103,094 | 4.4% | 9.1% |
| Specialties | 786,605 | 33.9% | 3.9% |
| Others | 115,301 | 5.0% | 2.0% |
| Total | 2,317,550 | 100.0% | 2.2% |

¹ Reflects 100% of centres' sales, CER's ownership interest is 50%

² Shopping Centre Council of Australia standards include stable properties only. Mini Majors includes all non-majors over 400m², Other includes travel agency and lotto sales

- **Solid 2.2% Sales Growth** – Growth understated under SCCA reporting due to significant number of developments in portfolio excluded
- **Excellent Mini Major and Specialty Growth** – Best performing specialties include fresh food, sporting goods and pharmacies
- **Buoyant Leasing Market** – Continued demand reflected in completion of 327 maintenance leasing deals with 82% lease renewal rate
- **Strong 7.0% Rental Growth** – On maintenance leasing evidences healthy retail environment

Active US Property Management



| US Portfolio Leasing Statistics | US West Coast | US East Coast | Total US |
|---------------------------------|---------------|---------------|----------|
| Leasing Deals | 96 | 71 | 167 |
| Growth on Maintenance Leasing | 13% | 8% | 11% |
| Lease Renewal Rate | 77% | 56% | 69% |

- **Solid Rental Income Growth** – Synergies of Centro Watt’s national platform generate excellent rental growth
- **Retailer Remixing Enhance US Portfolios** – Significant new leases enhance quality of CER retailer mix
- **Healthy US Sales Performance**
 - National Retail Federation reported 6.7% retail sales growth
 - 11.0% annual growth for Trader Joe’s at Ocean View Plaza
 - Strong performing chains include department stores, chemists and wholesale outlets



Strong Financial & Capital Management

- Romano Nenna



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Solid Financial Position

| Financial Position | 30 Jun 06 A\$'000 | PDS A\$'000 | Change % |
|---------------------------------------------------|----------------------|----------------|--------------|
| Assets | | | |
| Australian Property Investments | 1,185.4 | 999.4 | 18.6 |
| US Property Investments | 1,020.6 | 875.0 | 16.6 |
| Other | 114.8 | - | n/a |
| Total Assets | 2,320.8 | 1,874.4 | 23.8 |
| Liabilities | | | |
| Borrowings | 1,260.4 | 1,073.0 | 17.5 |
| Other | 50.3 | - | n/a |
| Total Liabilities | 1,310.7 | 1,073.0 | 22.2 |
| Equity Attributable to Members of CER | 1,000.6 | 780.0 | 28.3 |
| Net Tangible Asset Value per Security (\$) | 1.92 | 1.50 | 28.0% |

- **24% Total Asset Growth** – From substantial development program and healthy retail property market
- **28% NTA Growth** – From impressive valuation gains
- **Improved Gearing Ratios** – Enhanced financial risk profile

CER's Financial Risk Management Focus



- **Active Financial Risk Management** – Priority focus on actively managing financial risk for more stable and sustainable investor returns
- **Separate Management of Financial Risks** – Comprehensive, Board approved Financial Risk Management (“FRM”) policies deal separately with each of the identified financial risks
- **FRM Policies** – Range from maintaining appropriate maximum target gearing to funding, interest rate and FX hedging, with minimum average maturities and staggered profiles to smooth out re-pricing risk

Active Financial Risk Management



- **US East Coast Refinancing** – US\$240m long term CMBS refinancing completed
- **AUD Refinancing** – A\$630m bank facilities achieved, A\$ long term CMBS refinancing underway
- **Gearing Well Below Policy Limits**

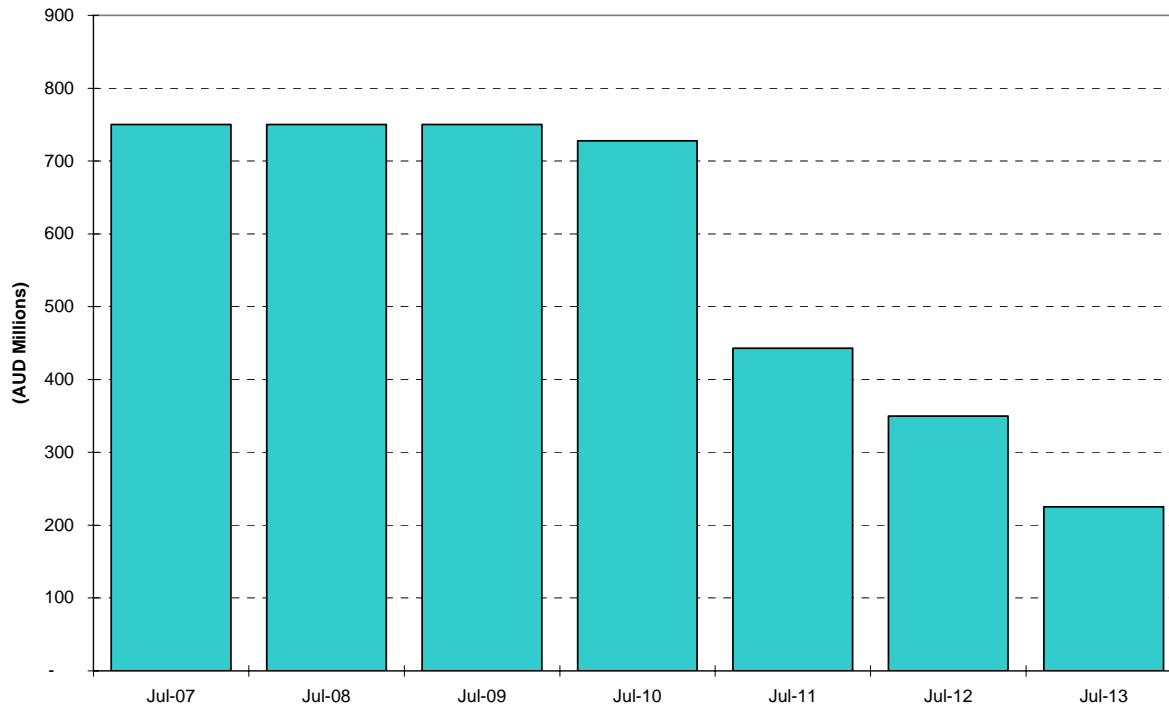
| Gearing Ratio | Policy | Listing Aug 05 | 30 June 06 ¹ |
|------------------------------------|---------------|----------------|-------------------------|
| Balance Sheet Gearing ² | Less than 60% | 57.8% | 52.9% |
| Look Through Gearing ³ | 50 - 65% | 61.8% | 58.5% |

¹ June 06 DRP of \$24 million (payable in August 2006) deducted from borrowings

² Reflects the ratio of net borrowings to total assets

³ Reflects the ratio of net borrowings to total assets adjusted for relevant borrowings of equity accounted investments

Prudent AUS Interest Rate Maturity

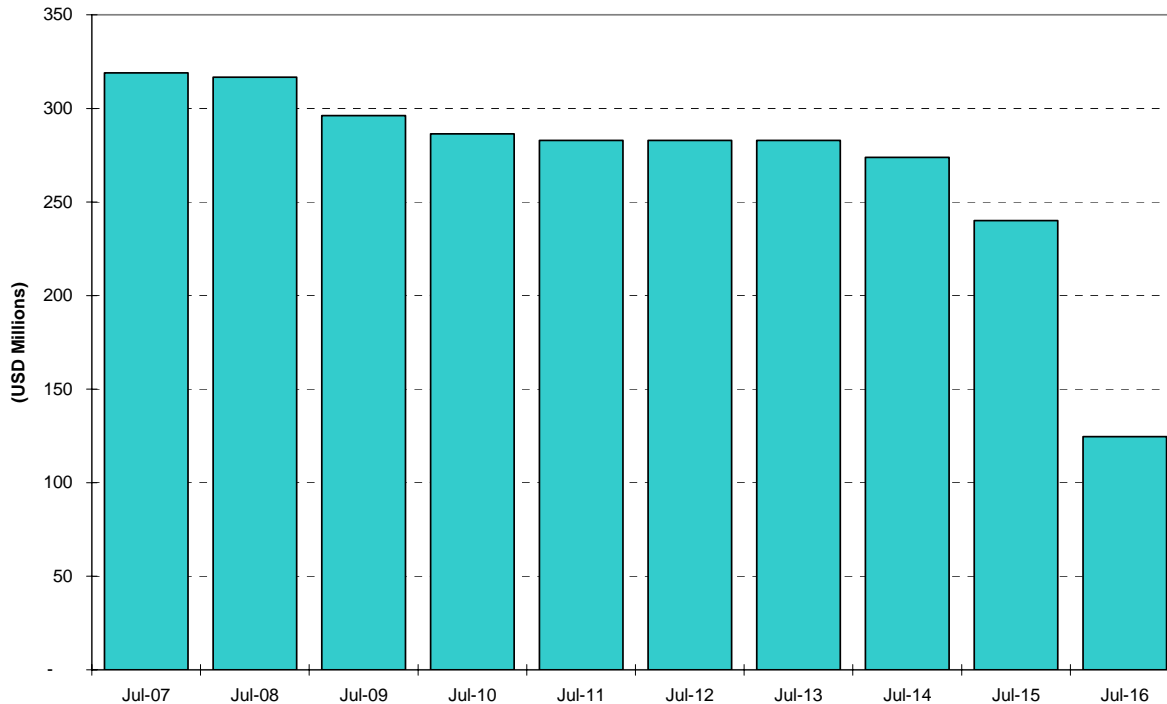


| | |
|---------------------------------|--------------------|
| Total Borrowings | A\$0.83b |
| % Hedged | 90% |
| Average Maturity | 5.3 years |
| Avg. Fixed Interest Rate | 5.15% ¹ |

¹ Excluding margin
Note: At July 2006

- Long Dated Hedging Profiles
- A\$100m Additional Hedging Recently Completed

Conservative US Interest Rate Maturity



| | |
|-------------------------------------|--------------------|
| Total Borrowings¹ | US\$0.32b |
| % Hedged | 100% |
| Average Maturity | 8.5 years |
| Avg. Fixed Interest Rate | 4.25% ² |

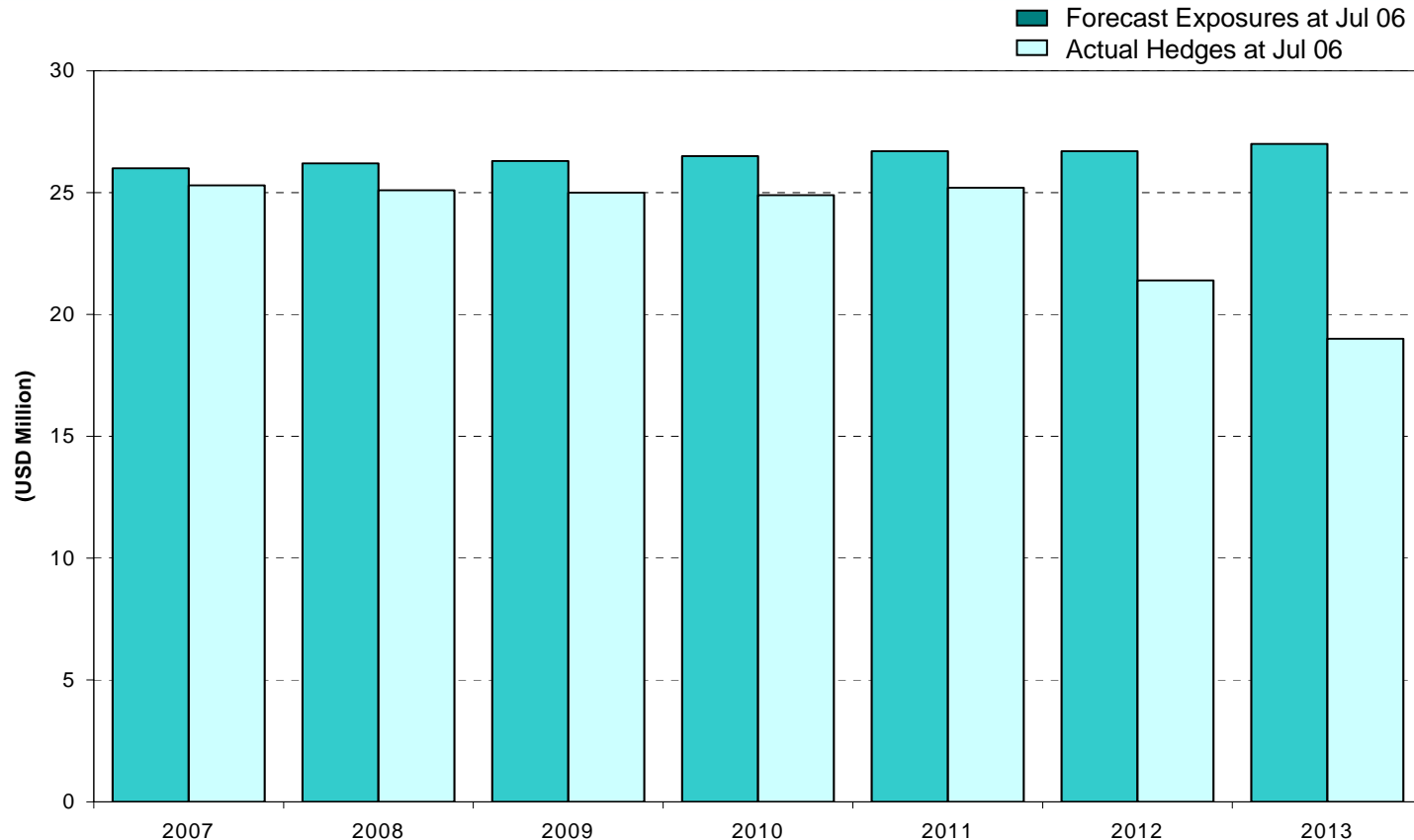
¹ East Coast portfolio

² Excluding margin

Note: At July 2006

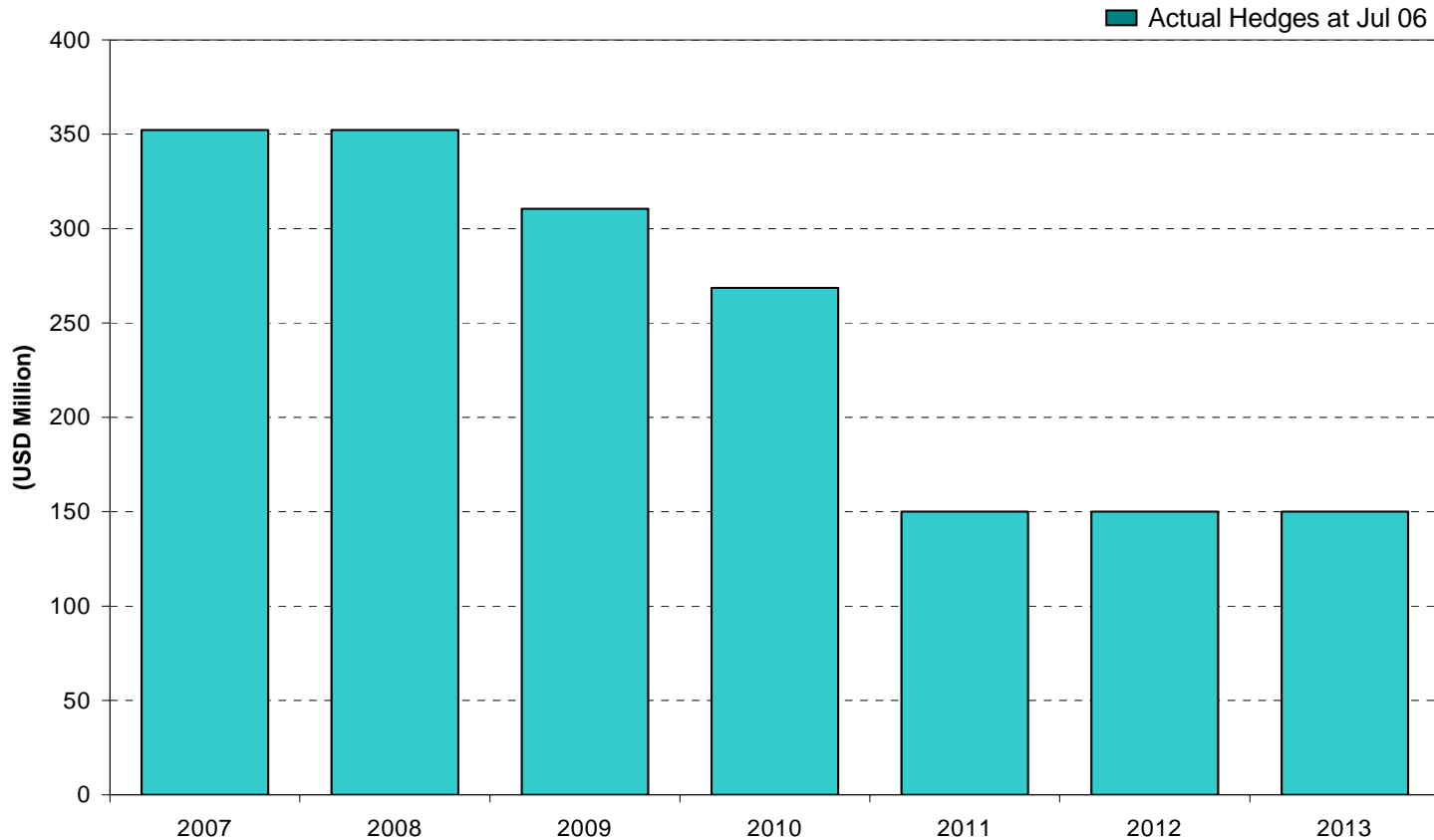
- Long Dated Hedging Profiles
- Resilience to Short Term Market Movements

Significant FX Income Hedging



- Additional Hedging Recently Completed
- 89% of US Income Now Hedged Until 2013
- 5.9 Years Average Maturity

Long Term FX Equity Hedging



- Long Dated Hedging Profiles
- Additional Hedging Recently Undertaken
- 5.0 Years Average Maturity

Strong CER Outlook



- **Solid Investment** – Quality properties, significant NTA increase, developments adding value, strong capital management profile
- **A\$130m Syndicate Investment** – Accretive investment in Centro Syndicates recently announced
- **Sequoia Asset Substitution** – Sale pending, potentially completed late August 2007
- **5% DPU Growth Forecast in FY07** – Forecast 12.60 cents DPU

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