CENTRO MCS DIRECT PROPERTY

ANNUAL REVIEW **2011**

Centro MCS
DIRECT PROPERTY

CONTENTS

SYNDICATE DIRECTORY
AND PORTFOLIO SUMMARY

Syndicate	Net Asset Backing (NAB) as at 30 June 2011(1)	Forecast 2012 Distribution Return on Original Equity(2)	Forecast 2012 Distribution Return on Current NAB	Forecast Tax Advantaged Portion for 2012(3)	Gearing Ratio as at 30 June 2011	Page
Centro MCS 4	$2.03	6.00%	2.96%	72.00%	66.5%	20
Centro MCS 5	$2.43	12.20%	5.02%	100%	40.9%	22
Centro MCS 6(4)	$1.59	12.30%	7.74%	85.00%	41.2%	24
Centro MCS 8	$0.91 (5)	Nil	Nil	0.00%	50.5%	26
Centro MCS 9	$1.03	Nil	Nil	0.00%	57.1%	28
Centro MCS 10	$0.89	2.00%	2.25%	100%	51.2%	30
Centro MCS 11	$2.12	17.50%	8.25%	100%	36.7%	32
Centro MCS 12	$1.48	9.00%	6.08%	20.00%	43.3%	34
Centro MCS 14	$1.10	4.50%	4.09%	15.00%	30.5%	36
Centro MCS 15	$1.33	8.60%	6.47%	8.00%	12.2%	38
Centro MCS 16	$0.52	Nil	Nil	0.00%	87.3%	40
Centro MCS 17	$1.20	8.00%	6.67%	60.00%	18.7%	42
Centro MCS 18	$1.10	5.50%	5.00%	100%	17.0%	44
Centro MCS 19 NZ/I	$0.97	4.00%	4.12%	90.00%	2.1%	46
Centro MCS 19 UT	$1.09	4.75%	4.35%	0.00%	31.7%	48
Centro MCS 20	$1.00	8.00%	8.00%	0.00%	45.5%	50
Centro MCS 21	$1.97	5.00%	2.53%	0.00%	47.2%	52
Centro MCS 22	$2.01	33.00%	16.42%	40.00%	39.5%	54
Centro MCS 23(6)	$0.68	48.00%	7.06%	30.00%	58.0%	56
Centro MCS 25	$1.87	6.00%	3.21%	13.00%	48.2%	58
Centro MCS 26	$1.81	12.00%	6.63%	5.00%	36.4%	60
Centro MCS 27	$1.15	Nil	Nil	0.00%	61.1%	62
Centro MCS 28	$0.98	2.00%	2.04%	100%	54.7%	64
Centro MCS 32	$0.02 (7)	Nil	Nil	N/A	N/A	-
Centro MCS 33	$0.73	3.00%	4.11%	0.00%	59.1%	66
Centro MCS 34	$0.89	5.00%	5.62%	0.00%	64.9%	68
Centro MCS 35	$0.01 (7)	Nil	Nil	N/A	N/A	-
Centro MCS 36	$0.01 (7)	Nil	Nil	N/A	N/A	-
Centro MCS 37	$0.64	4.25%	6.64%	100%	64.0%	70
Centro MCS 38	$0.01 (7)	Nil	Nil	N/A	N/A	-
Woodlands	$1.43	9.00%	6.29%	35.00%	57.8%	72

(1) Net Asset Backing (NAB) based on the original $1.00 investment.

(2) Net return forecast to be paid to investors (i.e. the cash distribution). The forecast net return is based on the original $1.00 invested at the commencement of the Syndicate unless stated otherwise in these Explanatory Notes. For the majority of Syndicates the FY12 distribution forecast is subject to a successful debt refinancing during FY12 on terms generally in line with those used for preparing the distribution forecasts.

(3) The forecast tax advantaged component is based on the net return forecast to be paid to investors. For further details, please refer to Page 18.

(4) The NAB and forecast distribution return on Original Equity is based on a lot value of $0.80 following the capital return of $0.20 after the sale of Big Top Showrooms in 1999.

(5) NAB following the capital return of $1.05 in December 2010.

(6) The NAB and forecast distribution return on Original Equity is based on a lot value of $0.10 following the capital return of $0.90 after the sale of Whitsunday Shopping Centre in 2005.

(7) This figure represents the forecast final payment to be made to investors in December 2011, following the return of capital payment in July 2011.

PROPERTY **PORTFOLIO MAP** AS AT 30 JUNE 2011

AUSTRALIAN/NZ PROPERTIES

WESTERN AUSTRALIA
Regional Office: Perth
11 Properties

SOUTH AUSTRALIA
Regional Office: Adelaide
7 Properties

QUEENSLAND
Regional Office: Brisbane
16 Properties

NEW SOUTH WALES
Regional Office: Sydney
17 Properties

VICTORIA/TASMANIA
Regional Office: Melbourne
13 Properties

NEW ZEALAND
2 Properties

FUNDS MANAGEMENT **REPORT**

CENTRO RESTRUCTURING MILESTONE AND ITS IMPACT ON SYNDICATES

Centro announced on 9 August 2011, that an Implementation Agreement was signed between Centro, a majority of Centro's senior lenders and certain Centro managed funds to aggregate assets to form a new listed Australian retail property vehicle (A-REIT). The proposed A-REIT will comprise a $4.4 billion portfolio of high quality retail properties, as well as investments in and the management of the Centro MCS Syndicate business. Centro MCS will continue to be Australia's largest retail Syndicate fund manager comprising approximately $2.5 billion of shopping centre assets, after the proposed aggregation.

The aggregation is still subject to numerous conditions that must be satisfied, however, the completion and launch of the new A-REIT is expected to occur in late 2011.

This is a final step in restructuring Centro which we believe will bring strong benefits to all Centro MCS investors. Some of these benefits include:

- Continued access to an experienced and proven fund and property management team which has effectively managed the Syndicate property portfolio during recent difficult market conditions and continued to achieve strong property income growth over the past three years.
- A large Australian wide property leasing platform, which is important to maintain relationships with key retailers and to achieve the benefits of dealing with those retailers on a national basis.
- The Responsible Entities managing the Syndicates will no longer be exposed to potential Centro insolvency, which could then trigger a review event of Syndicate secured debt.
- Improved ability to negotiate advantageous terms on Syndicate loan refinancing.
- The rights and obligations under the Flexible Exit Mechanism (FEM) provisions which exist in some Syndicates being transferred to the new A-REIT (subject to investor approval), providing investors in those Syndicates more certain liquidity events at the end of Syndicate terms.
- Further improvements to the Syndicate governance structure; ultimately resulting in a new Responsible Entity and Board being appointed for all of the Centro MCS Syndicates.

Further immediate benefits to specific Centro MCS Syndicates are as follows:

Centro MCS 4, 14 and 25 – proposed sale of CSIF-A investment – as part of the proposed aggregation, these Syndicates have agreed to sell their investment in the Centro Syndicate Investment Fund (CSIF-A) to the A-REIT for a cash consideration. This is important for these particular Syndicates as CSIF-A currently does not pay distributions and has no liquidity mechanism. The cash received from the sale of the CSIF-A units will be used to repay debt or fund ongoing capital expenditure works at the Centro MCS 4, 14 and 25 Syndicate properties.

Centro MCS 33 – proposed sale of 50% interest in Centro Arndale – as part of the proposed aggregation, Centro MCS 33 has agreed to sell its 50% interest in Centro Arndale to the A-REIT for a total cash consideration of $48.5 million, equal to the average of two independent valuations at 30 June 2011. This will be the first asset sale in Centro MCS 33 since investors approved a 15 month extension of the Syndicate term to 30 September 2012. Proceeds from the sale will be used to repay Syndicate debt.

CHANGE OF SYNDICATE RESPONSIBLE ENTITY

The Centro MCS Syndicate business currently has two responsible entities that operate the Syndicates. They are CPT Manager Limited and Centro MCS Manager Limited. Under the proposed aggregation (as discussed above), Centro MCS Manager Limited will be acquired by the A-REIT but CPT Manager Limited will remain with what will be left of Centro given it is also the responsible entity of the Centro Property Trust. Due to the different treatment of these two companies, at the direction of Centro's lenders under the aggregation, there are some ongoing insolvency risks associated with CPT Manager Limited remaining as the responsible entity of the Syndicates.

In order to provide Syndicate Investors with protection from some of the risks associated with Centro's debt position during the aggregation process and to ensure seamless management of the Syndicates should aggregation occur, a change of responsible entity is required from CPT Manager Limited to Centro MCS Manager Limited. Centro MCS Manager Limited is already the current responsible entity for the majority of Centro MCS Syndicates and this responsible entity change is only proposed for Centro MCS 21, 22, 23, 25, 26, 27, 28, 32 and 33.

FUNDS MANAGEMENT **REPORT**

The Australian Securities and Investments Commission (ASIC) have agreed to allow for the proposed responsible entity change without the requirement for an investor meeting. However, as a requirement under the ASIC relief, investors in these Syndicates have an opportunity to request an investor meeting to vote on the appointment of Centro MCS Manager Limited as the replacement responsible entity. As investors have not requested a meeting, the change in responsible entity has now been effected in accordance with the terms of the ASIC relief for all these Syndicates except for Centro MCS 28 and 33. Investors in these two Syndicates are yet to receive the correspondence detailing the recommended change in responsible entity, which they can expect to receive in October 2011.

SALE OF US PROPERTIES AND WIND-UP OF US SYNDICATES

As previously announced to the market, Centro and its managed funds entered into a conditional contract on 1 March 2011 with BRE Retail Holdings, Inc, an affiliate of Blackstone Real Estate Partners VI, L.P. (Blackstone) to sell all US assets. The US properties were sold at an average 1.3% discount to their 31 December 2010 book values. Centro MCS 32, 35, 36 and 38 were involved in this transaction.

Settlement of the sale occurred on 29 June 2011 and the US dollar denominated Syndicate net sale proceeds were converted to Australian dollars at an AUD/USD exchange rate of 1.058. Approximately 90% of the sale proceeds were distributed to Syndicate investors on 21 July 2011. The remaining proceeds will be retained until December 2011 and will be distributed following the completion of the Syndicate audits and the subsequent Syndicate wind-ups.

Despite the properties being sold 1.3% below book value and the net proceeds returned to investors significantly below the original $1.00 invested, we believe the sale of the US properties and the eventual wind-up of the Syndicates was in investors' best interests.

The Syndicate Directory and Portfolio Summary on Page 1 show for Centro MCS 32, 35, 36 and 38 the forecast final cash distribution that investors can expect to be paid in December 2011. There will be no interim income distributions paid on these funds in FY12. The wind-up of each of these Syndicates is expected to occur in FY12, and further tax information will be provided once the Syndicates are wound-up.

For further details on the sale process and the distribution of proceeds, please refer to the investor letters for Centro MCS 32, 35, 36 and 38 which can be found on the Centro MCS website at www.centromcs.com.au

AUSTRALIAN RETAIL MARKET

At 30 June 2011, the Centro MCS Australian portfolio comprised of 64 centres valued at $2.7 billion. The portfolio valuation increased $35.4 million (or 1.3%) between December 2010 and June 2011 on a comparable basis (excluding asset sales) and 4.8% between June 2010 and June 2011 on a comparable basis.

The portfolio performed very well in FY11 despite consumers continuing to show spending caution and some retailers experiencing difficulties in challenging economic conditions. Some of the key property portfolio highlights for the financial year included:

- Portfolio net income growth of 3.4%;
- Maintaining near full occupancy (99.6% occupancy rate) which has driven both income and valuation growth;
- Strong rental growth achieved on lease renewals of 6.1% for FY11;
- Annual retail sales growth has remained positive at 3.9%;
- Our low debtors level of 0.9% of total rental, which is a strong result considering the challenging economic conditions;
- Material savings in land tax due to successful appeal of statutory valuations; and
- Continuation of a cost saving programme portfolio-wide to maintain controllable property operating costs.

Retail spending was subdued in FY11, with consumers concerned about both global and local economic conditions. Despite evidence demonstrating that consumers are saving more than they have in decades, we have achieved annual retail sales growth of 3.9% across the Centro MCS property portfolio. Most of this increase can be attributed to the non-discretionary retail nature of the portfolio properties. We find that consumers, although more cautious, are not reducing spending on necessities such as groceries, fresh food, essential clothing items and services.

In FY11, several high profile retailers became victims of difficult trading conditions and changing consumer shopping habits, including Borders, Angus & Robertson and Colorado. The impact on the Centro MCS property portfolio was minimal, and the small number of stores which were vacated have largely been re-leased. Importantly, the Centro MCS team is committed to reviewing all tenancies on a regular basis and proactively working with retailers who find themselves in economic difficulty.

The growth in retail sales in FY11 was primarily driven by supermarkets and mini major stores. Supermarket sales continue to be driven by strong competition between Woolworths and Coles, with both retailers offering new products and services which are well accepted by Australian consumers. We expect this positive impact to continue in the coming years as both supermarkets aggressively battle for market share. Sales at department stores were flat and marginally fell across the discount department store category. Both department stores and discount department stores have been challenged due to a more conservative consumer sentiment, as well as a lack of government stimulus in FY11 compared to recent years.

Our strategy for FY12 is to continue to build on the strong fundamentals of the Syndicate property portfolio, and to continue to search for opportunities to drive net property income and asset valuations. With most Syndicates now having built up strong cash balances and debt becoming more available than recent years, we now have the opportunity to undertake value adding projects such as tenancy reconfigurations and small redevelopments that will position our properties well for future growth and protect them from competitive threats.

FY12 SYNDICATE DISTRIBUTION OUTLOOK

In FY12 around half of the Australian Syndicates (13 Syndicates) are forecast to increase their distributions, with the majority of the other Syndicate distributions forecast to remain unchanged. Distributions for Centro MCS 8 have been cancelled due to the scheduled wind-up of the Syndicate and distributions in Centro MCS 27 have been suspended in FY12 to fund important capital expenditure works. Distributions remain suspended in FY12 for Centro MCS 9 and Centro MCS 16.

Please note that the distribution forecasts in this Annual Review are not guaranteed and are based upon a number of assumptions. In particular, a number of the Centro MCS Syndicates have debt facilities which expire around December 2011. The distribution forecasts in this Annual Review are based on the assumption that each of those debt facilities will be refinanced on terms no less favourable than those used in preparing the forecasts.

If those debt facilities are not able to be refinanced, then an event of default may occur under those finance facilities which may result in the financiers charging default interest rates, refusing to allow Centro MCS to make any distributions to investors and enforcement of the financier's security. In those circumstances the distribution forecasts in this Annual Review would need to be revised and the revised distribution forecasts may be materially different from the distribution forecasts in this Annual Review.

No income distributions will be paid from US Syndicates in FY12. A final capital distribution, forecast to be equal to the NAB at 30 June 2011, is expected to be paid in December 2011.

FUNDS MANAGEMENT **REPORT**

The common reasons for distributions increasing are as follows:

- **Lower Forecast Floating Interest Rates** – Global economic uncertainty and softening economic conditions in Australia has led to markets assuming interest rates domestically will remain flat and may possibly decrease in FY12. This is a major change from FY10 and early FY11 when interest rates increased significantly and were expected to continue to rise. The benefits from lower floating interest rates have been offset partially by continued high loan facility margins (on top of official interest rates), which have stabilised but are still significantly higher than five years ago.
- **Improved Property Performance** – Many Syndicates continue to forecast net property income growth for the majority of their assets compared with FY11. Despite tough trading conditions, we continue to improve net property income through sourcing quality retailers who are supported by our strong property management platform.
- **Less Requirement for Retained Cash** – Over the past couple of years many Syndicates have been building cash reserves to ensure obligations can be met on a timely basis. A number of Syndicates can now divert earnings from retaining cash to distributions.

SYNDICATE RETAIL SALES UPDATE

Sales performance within the Centro MCS Australian Syndicate portfolio has remained steady in FY11, recording a retail sales growth of 3.9% for the 12 months to 30 June 2011.

Sales growth by retailer category was:

- Department Stores: +0.8%
- Mini Majors: +5.5%
- Specialty Stores: +3.3%
- Supermarkets: +5.0%
- Discount Department Stores: -1.1%

SYNDICATE LEASING UPDATE

The Centro MCS property management and leasing teams have completed over 600 specialty leasing deals across the Centro MCS Australian and New Zealand (NZ) Syndicate portfolio for the 12 months to June 2011, leveraging off strong national retailer relationships in Australia and NZ.

Leasing results for the period are shown below:

Category	Australia/NZ
Number of Specialty Deals (excluding Major Retailers)	644
Renewal Rental Growth for Specialty Retailers	6.1%
Lease Renewal Rate for Specialty Retailers	76.3%
Portfolio Occupancy	99.6%
Lease Expiry Profile (weighted by income)	4.66 years

The majority of Centro MCS shopping centres are focused on non-discretionary spending (i.e. supermarkets, fresh food, essential clothing items and services) rather than discretionary spending (i.e. electronics and high end fashion). Despite some high profile store closures in Australia (i.e. Borders, Angus & Robertson and Colorado), we are still finding a number of non-discretionary and quality discretionary retailers expanding and looking for new sites. This has contributed to us achieving a 6.1% increase in rental income upon lease renewals across the Syndicate portfolio.

Even though there was both local and global economic uncertainty in FY11, the occupancy of the Australian/NZ portfolio remains practically fully leased, increasing slightly from 99.5% at 30 June 2010 to 99.6% at 30 June 2011.

PROPERTY REVALUATIONS OVERVIEW

Each property in the Centro MCS portfolio is usually independently valued on an annual basis, alternating between Independent and Directors' valuations every six months. At 30 June 2011, virtually all of the properties were independently valued to assist with the refinancing of external debt facilities.

As property managers, we continue to positively influence the Net Operating Income (NOI), retailer quality and mix, occupancy and condition of the properties. On a day-to-day basis our management teams concentrate on leasing, marketing and maintaining our properties to a high standard to drive both retail sales and property income. This management focus assists in protecting the value of Syndicate properties which ultimately underpins the value of the Syndicate investments.

AUSTRALIAN VALUATION RESULTS

At 30 June 2011, 97% of the Australian Syndicate property portfolio was valued independently with a Directors' valuation completed for Centro Hollywood (due to the current sale process). On a comparative basis (excluding properties that were sold during the 12 month period the Australian portfolio value increased by 4.8% to A$2.7 billion and the portfolio weighted average capitalisation rate remained static at 8.08%. The portfolio NOI growth for the 12 months to 30 June 2011 was 3.4%.

For details on the NZ property valuation results please refer to the Centro MCS 20 Syndicate report on Page 50.

NET ASSET BACKING (NAB) AND TOTAL ANNUAL RETURNS

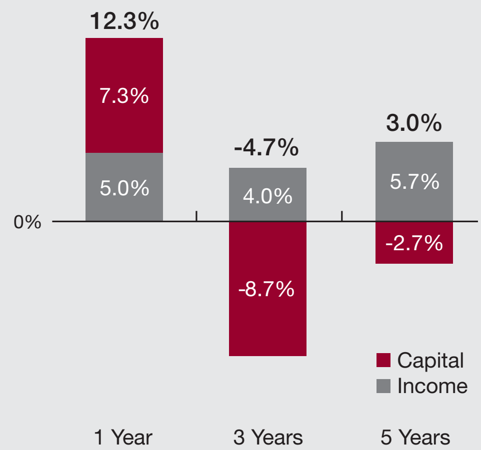
The weighted average Australian/NZ NAB across the Syndicate portfolio increased $0.06 (or 5.1%) to $1.24 per unit during the 12 month period from 1 July 2010 to 30 June 2011. The NAB of each Syndicate is highlighted in the table on Page 1, as well as in the individual Syndicate commentaries.

TOTAL ANNUAL RETURNS

The average Total Annual Return for the Australian/NZ Syndicates for the year to 30 June 2011 was 12.3% (based on an equal investment in each Syndicate), reflecting steady income and capital returns.

CENTRO MCS AUSTRALIAN/NZ SYNDICATE PERFORMANCE

TO 30 JUNE 2011



Source: Centro. Based on net returns to investors from an asset weighted investment in each Centro MCS Australian/NZ Syndicate with published NABs for the period of performance for one year, three years and five years.

For the past three and five financial years, the average Total Annual Return for the Australian/NZ Syndicate portfolio has been negative 4.7% and positive 3.0% per annum respectively.

The average Total Annual Returns reflect the combined return from income and capital growth (or decline) over a given period and assumes that distribution income received during the period was reinvested at the same return rate.

FUNDS MANAGEMENT **REPORT**

ASSET SALES UPDATE

Between January and June 2011 four Australian shopping centres were sold for a combined value of $77.2 million. In addition to these sales, another four Australian shopping centres were sold since 1 July 2011 for an additional $74.8 million. All sales are detailed in the table below.

Property	Syndicate	Sale Price ($m)	Sale Date	Reason for Sale
Centrepoint Shopping Centre	Centro MCS 19 UT	$9.85	January 2011	To assist refinancing
Centro St Agnes	Centro MCS 12	$35.45	February 2011	To fund proposed unit redemption for rollover / restructure
Centro Cat & Fiddle	Centro MCS 19 UT & 19 NZ	$25.00	February 2011	Strategic
Elizabeth Plaza (50%)	Centro MCS 19 UT	$6.90	February 2011	Strategic
Wallaby Tavern	Centro MCS 17	$6.05	July 2011	To assist refinancing
Centro Launceston	Centro MCS 5	$29.60	August 2011	To fund unit redemption for rollover / restructure
Centro New Town	Centro MCS 5	$23.15	August 2011	To fund unit redemption for rollover / restructure
Centro Whites Hill (including adjoining residential house)	Centro MCS 37	$16.03	September 2011	To assist refinancing
Total		**$152.03**		

FINANCIAL BORROWINGS AND DEBT

The Syndicates are geared between 2% and 87%, with the majority less than 50%. We believe that gearing of 40 – 50% is most appropriate in the current economic environment. Decreasing property values over past years have pushed the gearing for several Syndicates higher than our preferred range and in these instances we are pursuing a range of available options to reduce gearing, which may include selling assets.

We will continue to work proactively with our financiers when gearing levels approach or exceed acceptable levels, as asset sales may not always provide the best outcome for the financiers and investors.

Many Syndicates have debt facility expiries in FY12. Discussions are well advanced with new and existing lenders for the majority of Syndicates and it is expected refinancing will be achieved for those facilities that require refinancing in December 2011. Securing new debt or extending existing facilities continues to be challenging, but currently more liquidity is available in the debt markets than 12 months ago. Despite increased liquidity, refinancing costs (i.e. up-front payments and loan facility margins) are still significantly higher than five years ago.

Each Syndicate has its own external senior debt facilities, and as previously advised, some Syndicates have subordinated loans from Centro. For details regarding each Syndicate's debt profile, please refer to the individual Syndicate commentaries in this report.

RISKS

Syndicates are not immune from risks including potential impacts from maturing debt and other risk factors such as those highlighted in the Product Disclosure Statement (PDS) for each Syndicate.

HEDGING

Many of the Centro MCS Syndicates historically entered into hedging contracts with Centro because Centro was able to source hedges from the external market at rates more favourable than those which could have been achieved by individual Syndicates. For Australian Syndicates, these hedges have all been for interest rate exposures (interest rate hedges).

Syndicates that no longer have any interest rate hedges or fixed rate debt and are fully exposed to fluctuations in variable interest rates include Centro MCS 4, 5, 6, 8, 11, 12, 14, 16, 17, 19 NZ, 19 UT, 20, 27, and Woodlands. A number of Syndicates which currently have hedging in place will see their hedging profile expire during FY12.

REGULATORY GUIDE 46

IMPROVING DISCLOSURE FOR UNLISTED PROPERTY SCHEMES

In September 2008, the Australian Securities & Investments Commission (ASIC) released Regulatory Guide 46 (RG 46) setting out eight principles for improved disclosure to help retail investors compare risks and returns across investments in the unlisted property sector.

Centro MCS will continue to use its website (centromcs.com.au) to provide this disclosure to investors. Pages detailing RG 46 disclosure for each Syndicate will be updated on the Centro MCS website based on 30 June 2011 information. In addition, many of the items are discussed in the Centro MCS half yearly and annual reviews, investor correspondence and the *Investor News* newsletter.

In particular, the guide covers the following disclosure requirements:

- **Disclosure Principle 1** – Gearing Ratio – indicates the extent to which a Syndicate's assets are funded by external liabilities. Ongoing disclosure will continue to be provided in the individual Syndicate commentary in the half year and annual reviews.
- **Disclosure Principle 2** – Interest Cover – indicates the Syndicate's ability to meet interest payments from earnings. This disclosure is covered in the individual Syndicate commentary in the half year and annual reviews.
- **Disclosure Principle 3** – Syndicate Borrowing – provides information on the Syndicate's borrowing, maturity and any associated risks including breaches of loan covenants. This information will continue to be provided in the financial accounts with relevant disclosure in investor letters and in the individual Syndicate commentary in the half year and annual reviews.
- **Disclosure Principle 4** – Portfolio Diversification – addresses the Syndicate's investment practices and portfolio risks. Various portfolio metrics are included in the half year and annual Syndicate reports. Relevant portfolio risks are covered in the Syndicate prospectus or subsequent Explanatory Memoranda or through ongoing investor communication.
- **Disclosure Principle 5** – Valuation Policy – assesses the reliability of the valuations. The Centro MCS valuation policy covering property and Syndicate NAB valuations is outlined on the Centro MCS website. Syndicate portfolio valuation commentary is provided on Pages 6 and 7 of this report and in the individual Syndicate reports.
- **Disclosure Principle 6** – Related Party Transactions – for the Syndicates, a related party transaction refers to transactions such as investments, loans, fee agreements or guarantees with other Centro entities. This information will be provided in the RG 46 section of the Centro MCS website.
- **Disclosure Principle 7** – Distribution Practices – discloses whether distributions have been made solely from realised income or from a combination of realised income and a return of capital funded by borrowings or retained earnings from a prior financial year. The September 2011 edition of *Investor News* provided significant disclosure on each Syndicate's distributions. The existing Centro MCS distribution methodology is that distributions will generally not be supplemented with a return of capital component funded by cash reserves or new debt funding.
- **Disclosure Principle 8** – Withdrawal Arrangements – discloses whether a Syndicate has withdrawal rights. If applicable, these rights are disclosed in the PDS, prospectus or subsequent Explanatory Memoranda contained on the Centro MCS website. Further disclosure on Syndicate withdrawal arrangements will be provided in the RG 46 section of the Centro MCS website.

Centro MCS fully supports the disclosure requirements under this guide which we believe will provide ongoing and meaningful information for investors.

INVESTOR COMMUNICATION

Through its various publications and website (centromcs.com.au), Centro MCS continues to keep investors informed about the performance of their investments and how they are being impacted by broader property and financial market developments. Investors may also receive correspondence on specific matters relating to their investments such as rollovers, asset sales, development updates or other strategic proposals.

INVESTOR SERVICES TEAM

Our Investor Services Team is available to answer questions investors may have about their Centro MCS investments.

Please call the toll free number during business hours to speak to one of our Centro MCS Investor Services Officers or alternatively you can access information from the website.

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investor@centro.com.au

ADVISER SERVICES TEAM

The Centro Adviser Services Team is available to answer queries from Financial Planners and Authorised Representatives through a dedicated phone and email service in addition to providing timely and valuable information updates and client reports. The Centro Adviser Services Team can be contacted during Australian business hours.

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FUNDS **MANAGEMENT TEAM**

CENTRO MCS – THE TEAM

The Centro MCS Syndicate Funds Management team is responsible for the ongoing management of 27 Australian/ NZ retail property Syndicates.

With Australian / NZ funds under management of $2.7 billion, the team oversees a total of 66 shopping centres across all the Syndicates.

Expertise within the team covers a broad spectrum including acquisitions, centre management, development, investment management, accounting and valuations.

The team itself, which includes three executives from the original MCS Property business, has over 65 years of combined property experience.

GERARD CONDON

BBus(Prop), GradDipAppFin/Inv

General Manager – Syndicate Funds Management

Gerard has 21 years experience in the property industry. Gerard's role as the team's General Manager sees him bearing ultimate responsibility for all Syndicates. Gerard oversees the Syndicate, retail distribution and investor services teams.

Gerard was previously the Syndicate Fund Manager and commenced with Centro in 2003 following five years with MCS Property. Gerard had nine years experience in valuations prior to joining MCS Property.

ANDREW LAMONT

BBus(Prop Mgmt & Val), ANZIV

Syndicate Fund Manager – Syndicates 4, 6, 10, 20, 28 & Woodlands

Andrew is responsible for the day-to-day management of the team in addition to managing the above Syndicates.

He first joined MCS Property as an Asset Manager in 2001 before going on to undertake various senior management roles within Centro. His property industry experience spans 17 years, some of them abroad.

ALASTAIR MCINTOSH

BEng, BSc, MAppFin,

Syndicate Portfolio Manager – Syndicates 9, 15, 19 NZ/I, 19 UT, 23, 32 & 35

Alastair joined the Centro MCS team in July 2006. Prior to this he spent two years with Carson Group. There, he was a Project Manager serving the building and property industries.

CHRIS BROCKETT

BBus(Acc & Bus Law), CA, SA Fin

Syndicate Portfolio Manager – Syndicates 8, 14, 21, 22, 25, 34 & 36

Chris spent two years in London in investment banking before joining Centro in December 2005 as a Senior Financial Accountant. He then went on to join the Centro MCS team in December 2006.

WARREN TAYLOR

BComm, GradDipAppFin/Inv, CPA, SA Fin

Syndicate Portfolio Manager – Syndicates 11, 12, 16, 17, 26, 33 & 38

Warren's experience in portfolio management stems from a three year role as Development Analyst with Colonial First State Global Asset Management. He joined the Centro MCS team in January 2007.

VANESSA VISENJOUX

BBus(Acc), CPA

Syndicate Portfolio Manager – Syndicates 5, 18, 27, 37, 39 & 40

Vanessa first joined the Centro MCS team as a Syndicate Accountant in 1999. Before going on to undertake the role of Manager - Financial Accountant - Syndicates, she was responsible for the management and statutory reporting for all Centro MCS Syndicates.

Vanessa joined the Syndicate Funds Management team in September 2009.

FUNDS **MANAGEMENT TEAM**

CENTRO PROPERTIES GROUP EXECUTIVE COMMITTEE

Robert Tsenin, Group CEO & Managing Director

Chris Nunn, Group Chief Financial Officer

Mark Wilson, General Manager – Property Operations Australia

Dimitri Kiriacoulacos, Group General Counsel and Company Secretary

Gerard Condon, General Manager – Syndicate Funds Management

Paul Belcher, General Manager – Finance

Michael Benett, Deputy CEO and Chief Restructuring Officer – CER

Sue Smith, Group General Manager – Human Resources

CORPORATE **GOVERNANCE**

The Boards of CPT Manager Limited and Centro MCS Manager Limited, the managers of the Syndicates, operate under a set of well-established corporate governance policies which comply with the principles and requirements of the Corporations Act *2001* (Cth) (the Act). The Boards review and, as necessary, update their corporate governance policies as the corporate governance environment and good practice evolve.

This statement outlines the main corporate governance practices in place throughout the Financial Year.

A number of charters and policies are available in the corporate governance section of the Centro website at centro.com.au.

Each of the Centro MCS Syndicates is a registered Managed Investment Scheme under the Act.

RESPONSIBLE ENTITIES

CPT Manager Limited and Centro MCS Manager Limited are wholly-owned subsidiaries of Centro Properties Limited (Centro or the Group), which forms part of the listed entity, Centro Properties Group. CPT Manager Limited and Centro MCS Manager Limited are the responsible entities (the Responsible Entities) of the Managed Investment Schemes registered under the Act that constitute each Syndicate (the Schemes).

Each Responsible Entity is managed by a Board of Directors, accountable to the members of the Schemes. The Responsible Entities are responsible for the overall Corporate Governance of the Schemes, including the protection of members' interests, developing strategic direction, establishing goals for management and monitoring the achievement of these goals. The Responsible Entities have also established a framework for the management of the Schemes, including a system of internal controls, a business risk management process and the establishment of appropriate ethical standards.

PRIMARY DUTIES AND OBLIGATIONS

The primary duties and obligations of the Responsible Entities include:

- Exercising all due diligence and vigilance in carrying out their duties and in protecting the rights and interests of Scheme members, and in performing their functions and exercising their powers under the Schemes' constitutions in the best interests of all members;
- Keeping or causing to be kept proper books of account, ensuring the financial reports are audited annually by an independent registered auditor and sending a financial report and a copy of the auditors' report to those Scheme members who have so requested each year; and
- Ensuring that the affairs of the Responsible Entities are carried on and conducted in a proper and efficient manner.

Under the Schemes' constitutions, the Responsible Entities are also responsible for the day-to-day operations of the Schemes including:

- Ongoing management, research and selection of property investments and disposals; and
- Preparing all notices and reports to be issued to members.

BOARD COMPOSITION AND MEMBERSHIP

Board composition and the independence of directors is determined using the principles adopted in the Board Charter.

The Boards support the appointment of independent directors who bring a range of business skills and relevant experience to the Responsible Entities.

CPT MANAGER LIMITED

The Board is responsible for the overall Corporate Governance of CPT Manager Limited. The Board meets at a minimum on a monthly basis, and is required to discuss pertinent business developments and issues and review the operations and performance of the Schemes.

Over the reporting period, the Board consisted of six Directors. These Directors were Paul Cooper (Chair), Anna Buduls, Jim Hall, Robert Tsenin, Susan Oliver, and Rob Wylie.

CORPORATE **GOVERNANCE**

The Board includes a majority of independent non-executive directors, and the Chair of the Board, Paul Cooper, is an independent non-executive Director. As Centro Group Chief Executive Officer, Robert Tsenin is the only executive Director of the Board and is therefore not considered to be an independent Director.

CENTRO MCS MANAGER LIMITED

The Board is responsible for the overall Corporate Governance of Centro MCS Manager Limited. This Board also meets at a minimum on a monthly basis, and is required to discuss pertinent business developments and issues and review the operations and performance of the Schemes.

Over the reporting period the Board consisted of a maximum of six Directors. Until 15 November 2010, these Directors were Peter Day (Chair), Bill Bowness, Jim Hall, Paul Cooper, Michael Humphris; and Fraser MacKenzie.

At that time, Jim Hall retired and Anna Buduls was appointed to replace him.

All of the Directors are independent non-executive directors.

BOARD COMMITTEES

The Responsible Entities have established a number of committees to assist with the implementation of their Corporate Governance practices, including:

- Audit Committee
- Finance Committee
- Independent Directors Committee
- Managed Investments Compliance Committee
- Nomination Committee
- Risk Committee

These committees are outlined below and have written charters and operating procedures that are reviewed on a regular basis. The effectiveness of each committee is also constantly monitored.

AUDIT COMMITTEES

The Audit Committee for CPT Manager Limited consists of three of the non-executive Directors of the Board, being Jim Hall, Anna Buduls and Rob Wylie. The Committee was chaired by Mr Jim Hall during the reporting period.

The Committee for Centro MCS Manager Limited consists of three of the non-executive Directors of the Board. Until 15 November 2010 these Directors were Fraser MacKenzie, Jim Hall and Michael Humphris. At that time when Jim Hall retired from the Board, Anna Buduls was appointed to replace him. The Committee was chaired by Mr Fraser MacKenzie during the reporting period.

The Chief Executive Officer, Chief Financial Officer, Group Financial Accounting Manager, Compliance Officer, Group Internal Audit Manager and External Auditor also attend committee meetings by invitation. The committee regularly reports to the Boards in respect of matters within its responsibilities.

The Boards have adopted an Audit Committee Charter which sets out the objectives, responsibilities and functions of the committee in relation to audit matters and identifying and managing commercial risks. The Charter also sets out the procedures for the selection and appointment of the external auditor and for the rotation of the external audit managing partner.

The Chief Executive Officer and Chief Financial Officer have reported to the Boards that the Responsible Entities' risk management and internal compliance and control system is operating efficiently and effectively in all material respects.

FINANCE COMMITTEE

The Committee for CPT Manager Limited consists of three of the non-executive Directors of the Board being Rob Wylie, Jim Hall and Susan Oliver. Mr Wylie also chairs the Committee.

The Committee for Centro MCS Manager Limited consists of three of the non-executive Directors of the Board. Until 14 November 2010 these Directors were Fraser MacKenzie, Jim Hall and Michael Humphris. At that time Jim Hall retired and Anna Buduls was appointed to replace him. The Committee was chaired by Mr Michael Humphris during the reporting period.

A Finance Committee Charter has been adopted which sets out the purpose and powers of the Committee.

MANAGED INVESTMENTS COMPLIANCE COMMITTEE

The Responsible Entities have adopted a compliance plan, lodged with the Australian Securities and Investments Commission (ASIC), which sets out the procedures and systems used to ensure the Responsible Entities compliance with their obligations under the Act and the Schemes' constitutions. The Responsible Entities must operate in accordance with the Compliance Plan which is monitored by both a specially constituted Managed Investments Compliance Committee and the Compliance Plan auditor.

The Committee is responsible for ensuring the Responsible Entities compliance with the Compliance Plan.

The Committee for CPT Manager Limited consists of three of the Group's Directors, being Anna Buduls, who also chairs the Committee, Susan Oliver and Paul Cooper. The Committee for Centro MCS Manager Limited consists of three of the Fund's Directors, being Bill Bowness, who also chairs the Committee, Paul Cooper and Michael Humphris.

Through maintaining a separate committee, Directors acknowledge the importance of the financial services industry's regulatory regime and their responsibilities in protecting the interests of Investors.

The Committee meets at least quarterly to monitor compliance and review the adequacy of the compliance plan. In addition, the Group's Compliance Officer is required to confirm monthly to the Chair of the Committee that no material breaches have occurred that could cause financial disadvantage to any investor.

NOMINATION COMMITTEE

The Nomination Committee is responsible for establishing criteria for Board membership, reviewing Board membership and identifying and nominating directors.

The Committee for CPT Manager Limited consists of three of the non-executive Directors of the Board being Paul Cooper, Susan Oliver and Rob Wylie. Mr Cooper also chairs the Committee.

The Committee for Centro MCS Manager Limited consists of three of the non-executive Directors of the Board being Peter Day, who also chairs the Committee, Bill Bowness and Paul Cooper.

A Nomination Committee Charter has been adopted which sets out the purpose and powers of the Committee.

The Nomination Committee also makes recommendations to the Board for the remuneration of non-executive Directors based on the advice received from independent consultants and market surveys and is always within the level of the aggregate fees limit approved by securityholders in general meeting.

RISK COMMITTEE

The Risk Committee for CPT Manager Limited consists of three of the non-executive directors of the Board, being Susan Oliver, Anna Buduls and Jim Hall. The Committee was chaired by Ms Susan Oliver during the reporting period. The Chief Executive Officer, Group Chief Financial Officer, Group Risk and Internal Audit Manager also attend committee meetings by invitation. The Committee regularly reports to the Boards in respect of matters within its responsibilities.

The Committee for Centro MCS Manager Limited consists of three of the non-executive Directors of the Board. Until 15 November 2010 these Directors were Jim Hall, Fraser MacKenzie and Bill Bowness. At that time Jim Hall retired and Anna Buduls was appointed to replace him. The Committee was chaired by Mr Hall until he retired and by Ms Buduls from that time on.

The Chief Executive Officer, Group Chief Financial Officer, Group Risk Manager and Group Risk and Internal Audit Manager also attend committee meetings by invitation. The committee regularly reports to the Boards in respect of matters within its responsibilities.

The Boards have adopted a Risk Committee Charter which sets out the objectives, responsibilities and functions of the committee in relation to risk management matters, and identifying and managing material business risks. The Committee oversees the risk management and internal control framework and reviews its effectiveness.

DIVERSITY AND INCLUSION POLICY STATEMENT

The Responsible Entities do not have formal diversity policies as they have no employees. The Board's of CPT Manager Limited and Centro MCS Manager Limited are satisfied that, as the RE's are wholly owned subsidiaries of the Group, the Diversity Policy of the Group ensures that the executives involved in managing the business of the Responsible Entities are subject to an appropriate Diversity Policy.

RISK MANAGEMENT AND INTERNAL CONTROL FRAMEWORK

The Boards and management recognise that effective risk management and internal controls are an integral part of sound management practice and good corporate governance as they improve decision making and enhance outcomes and accountability.

The Boards are responsible for the overall Risk Management and Internal Control Framework of the Responsible Entities which includes the following activities:

• MATERIAL RISKS REGISTER

The Boards and management recognise that the Responsible Entities must have a robust Risk Management Framework in which material risks are proactively identified, communicated and managed. The Material Risk Register is an effective management tool that is used to identify and communicate material risks. It is updated on a quarterly basis and is reported to the Executive Committee and the Boards via the Risk Committee. It is also used to monitor material risks and risk mitigation strategies. It covers broad risk categories including business continuity, strategic objectives, financial, people and occupational health and safety, reputation, infrastructure, assets and systems, legal and regulatory. Management has reported to the Boards as to the effectiveness of the company's management of its material business risks.

• INTERNAL AUDIT

The Internal Audit function provides independent objective assurance and makes recommendations to assist the Responsible Entities in improving their Risk Management and Internal Control Framework. It also tests compliance with internal controls. The Audit Committee and Risk Committee review and approve the risk based Strategic Internal Audit Program each financial year. The Committees also review the outcomes of Internal Audits performed to ensure that appropriate actions are taken to mitigate identified risks.

• MANAGED INVESTMENTS COMPLIANCE PLAN

The Managed Investments Compliance Plan applies to all of the registered managed investment schemes in the Group and provides a framework to review and monitor the investment risk for investors in those schemes. The Compliance Officer is responsible for performing periodic reviews of the Group's compliance with the provisions of the compliance plan.

• CONTINUOUS DISCLOSURE

The Responsible Entities have a policy that all Scheme members have equal access to the relevant Scheme's information. All material information is posted to the Group's website.

• FINANCIAL REPORTING

There is a comprehensive budgeting system with an annual budget approved by the Directors of the Responsible Entities. Monthly actual results are reported against budget and revised forecasts for the year are prepared regularly. The Responsible Entities report to Scheme members six-monthly.

• PERSONNEL QUALITY & INTEGRITY

The Responsible Entities' policies are detailed in a Policies and Procedures Manual. Formal appraisals are conducted at least annually for all employees. In addition, Centro has in place a Code of Conduct which sets out the standards of behaviour expected from all employees. This Code can be accessed on Centro's website.

CONFLICTS OF INTEREST

In accordance with the Act, the compliance plans of the Schemes and the constitutions of the Responsible Entities and the Schemes, Directors of the Responsible Entities must keep the Boards advised, on an ongoing basis, of any interest that could potentially conflict with those of the Responsible Entities. The Responsible Entities have adopted a Related Party Transactions and Conflicts of Interest Policy to assist directors to disclose potential conflicts of interest.

DIRECTOR EDUCATION

The Responsible Entities have adopted a process to educate Directors about the nature of the Responsible Entities' business, current issues, the corporate strategy and the expectations of the Responsible Entities concerning the directors' performance. Directors of the Responsible Entities also have the opportunity to visit the Syndicate properties and meet with management to gain a better understanding of business operations.

INDEPENDENT PROFESSIONAL ADVICE

Each Director has the right to seek independent professional advice at the expense of the Responsible Entities. However, prior approval of the respective Chair is required, which is not to be unreasonably withheld.

ETHICAL STANDARDS

All Directors, managers and employees of Centro are expected to act with the utmost integrity and objectivity, and to endeavour at all times to enhance the reputation and performance of the Responsible Entities. Centro's Code of Conduct sets out the standards of behaviour expected from all employees. In addition the Group has adopted a Whistleblower Policy to ensure that concerns regarding unethical, unlawful or improper conduct may be raised without fear of reprisal.

Under the policy, employees are encouraged to report any genuine matter or behaviour that they honestly believe contravenes Centro's Code of Conduct, policies or the law.

COMPLAINTS PROCESS

The Responsible Entities have implemented a Complaints Handling Policy that has been prepared in accordance with Australian Standard. In addition, the Responsible Entities remain members of an external Complaints Resolution Scheme. The Managed Investments Compliance Committee monitors compliance with the Responsible Entities' Complaints Handling Policy.

COMPANY SECRETARY

The Company Secretary is Ms Elizabeth Hourigan, LLB. Elizabeth is also the Compliance Officer and Senior Legal Counsel of the Group. Elizabeth joined Centro in 2003 and was appointed to the position of Company Secretary in November 2005.

Mr Dimitri Kiriacoulacos was appointed a Company Secretary on 1 April 2010 and Mr Paul Flanigan continues as Assistant Company Secretary.

NOTES ON THE INDIVIDUAL SYNDICATE REPORTS

- **Net Asset Backing (NAB) Policy** – For a full copy of the Centro MCS NAB policy, please refer to the Centro MCS website (centromcs.com.au).
- **Total Annual Returns (since inception)** – Reflect the combined return from income and capital growth over a given period and assumes that dividend income received during the period was reinvested at the same return rate. Total Annual Returns are only provided for those Syndicates that have been in existence for more than three years.
- **FY12 Distribution Forecast** – Investors should be aware that while it is Centro MCS's current expectation that the income of Syndicates will be sufficient to meet the forecasts, changes in economic and trading conditions may influence these expectations.

  Please note that the distribution forecasts in this Annual Review are not guaranteed and are based upon a number of assumptions. In particular, a number of the Centro MCS Syndicates have debt facilities which expire around December 2011. The distribution forecasts in this Annual Review are based on the assumption that each of those debt facilities will be refinanced on terms no less favourable than those used in preparing the forecasts.

  If those debt facilities are not able to be refinanced, then an event of default may occur under those finance facilities which may result in the financiers charging default interest rates, refusing to allow Centro MCS to make any distributions to investors and enforcement of the financier's security. In those circumstances the distribution forecasts in this Annual Review would need to be revised and the revised distribution forecasts may be materially different from the distribution forecasts in this Annual Review.
- **Distribution Return on Initial Equity / Distribution Return on the original $1.00 invested** – Unless otherwise specified, this distribution rate is based on the original $1.00 invested at commencement of the Syndicate.
- **Distribution Return on Net Asset Backing (NAB)** – The Distribution Return on NAB is based on the current 30 June 2011 NAB of the Syndicate.
- **Tax Advantaged Portion** – The Tax Advantaged Portion reported is only an indication of investors' forecast tax advantaged position in relation to their cash distribution. Where the investment in a Syndicate has borrowings associated with it (and the borrowings are managed on investors' behalf by the Responsible Entity), the Tax Advantaged Portion quoted in this report refers to the effective non taxable amount of the cash distribution received by investors each year (after claiming interest deductions).

  Investors should note that the actual tax advantaged portion can vary from the forecast provided due to a number of factors that may change during the forecast period, including but not limited to:

  - The sale of property
  - Variance in capital expenditure
  - Variance in Syndicate earnings
  - Variance in forecast distributions
  - Variance in interest repayments on investor loans
  - Rollover or termination fees

  It is also important that investors understand that this is not the amount (or the rate) that should be used to determine the reduction to the Capital Gains Tax (CGT) cost base. The reduction to your CGT cost base is advised on your Annual Taxation Statement under the heading 'Tax Deferred Income'. Investors should refer to the Centro MCS Direct Property Annual Tax Return Guide on the Centro MCS website (centromcs.com.au). Investors who have queries in relation to this information should contact Centro's Investor Services Team or speak to their tax accountant.
- **Equivalent Pre-tax Return on Initial Equity / Equivalent Pre-tax Return on the Original $1.00 Invested** – The equivalent pre-tax return is based on a 46.5% marginal rate.
- **Syndicate Review Date** – This date or range of dates is the maximum permitted term of the Syndicate as governed by the individual Syndicate constitutions.
- **Top Retailers** – Disclosure has been provided for any Syndicate tenants that contribute 5% or more of net property income.
- **Property Portfolio Statistics** – We have included historical annual portfolio results as at 30 June 2008, 2009, 2010 and 2011.

- **Gearing Ratio** – The gearing ratio has been calculated in accordance with ASIC RG 46 which states that entities should disclose a gearing ratio for the scheme calculated using the following formula:

  $$\text{Gearing Ratio} = \frac{\text{Total interest bearing liabilities}}{\text{Total assets}}$$

  Investors should note that external financier gearing ratio covenants are generally based on the external financier drawn debt as a proportion of the latest independent valuation for the secured property assets.

- **Interest Cover Ratio** – The interest cover ratio has been calculated for the financial year in accordance with ASIC RG46 which states that the schemes interest cover should be disclosed and calculated using the following formula:

  $$\text{Interest Cover} = \frac{\text{EBITDA – unrealised gains + unrealised losses}}{\text{Interest expense}}$$

  EBITDA = earnings before interest, tax, depreciation and amortisation.

  Investors should note that external financier interest cover covenants are generally based on the above formula although there are a number of exceptions under certain external Syndicate loans e.g. completing a calculation based on net property income instead of EBITDA and completing a six or 12 month test at a particular point in time.

  Additional terms are defined in the Glossary starting on Page 74 of this report.

- **Debt Maturity Profile** – This section provides disclosure on external financier and Centro Property Trust related party loan terms, average interest rates as at 30 June 2011 and interest rate hedging profiles for Syndicates with interest rate hedges in place.

CENTRO **MCS 4**

Total Annual Return
since Inception: **16.67%**

FY12 Distribution Forecast
on Initial Equity: **6.00%**

NAB Change

Jun '11	$2.03
Dec '10	$2.08
Jun '10	$2.00

SYNDICATE UPDATE

- **Proposed CSIF-A Investment Sale** – As advised in our letter dated 9 August 2011, Centro MCS 4 has agreed to sell its investment in the Centro Syndicate Investment Fund (CSIF-A) to Centro's proposed new listed Australian retail property vehicle (A-REIT) for a total cash consideration of $10.8 million. The sale price is based on the 30 June 2011 CSIF-A unit price of $0.432. The sale is expected to occur in late 2011, provided the proposal to create the A-REIT is approved by the relevant parties and the A-REIT is formed. The Syndicate will use the proceeds from the CSIF-A investment sale to retire debt and reduce the Syndicate's interest cost. Importantly, the sale may allow the Syndicate to increase distributions in which case, investors will be informed in writing of the new distribution rate.
- **Syndicate NAB Reduces from $2.08 to $2.03** – Although the value of the Syndicate's CSIF-A investment did improve by $1.28 million from December 2010 to June 2011, the value of Centro Seven Hills decreased by $2.3 million over the same six month period. As a result, the Syndicate NAB declined by five cents from $2.08 to $2.03 at 30 June 2011.
- **Debt Refinancing Update** – The Syndicate's external debt facility expires on 15 December 2011 and discussions are well advanced with a new lender to refinance this facility.
- **Seven Hills Performance Review** – Ongoing leasing improvements and steady retail sales growth has resulted in Centro Seven Hills achieving full occupancy at June 2011. In FY11, 28 leasing deals were successfully completed, annual retail sales growth of 2.2% was recorded and the net property income increased by 3.0%. Investors should note that as the Syndicate review date commences during 2012, a sale of Centro Seven Hills and a Syndicate wind-up may be considered in the next calendar year.

KEY SYNDICATE STATISTICS

Year Ending 30 June	Actual 2008	Actual 2009	Actual 2010	Actual 2011	Forecast 2012(1)
Distribution Return on Initial Equity	21.75%	6.75%	7.00%	Nil	6.00%
Distribution Return on Net Asset Banking (NAB)	4.99%	3.18%	3.50%	Nil	2.96%
Tax Advantaged Portion	100%	100%	100%	0.00%	72.00%
Equivalent Pre-tax Return on Initial Equity	40.65%	12.62%	13.08%	Nil	9.75%
NAB	$4.36	$2.12	$2.00	$2.03	-
Syndicate Commencement Date			May 1996, rollovers occurred March 2002 and August 2007		
Syndicate Review Date					September 2012 – August 2014

(1) The FY12 distribution forecast is subject to a successful debt refinancing at December 2011 on terms generally in line with those used for preparing the distribution forecasts.

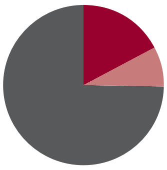
PROPERTY PORTFOLIO STATISTICS

Property	State	Centre Sales Growth	Occupancy Rate (by area)	30 June 2011 Valuation[1]	30 June 2011 Capitalisation Rate	% Valuation Change (comparable from 30 June 2010)	Weighted Average Lease Expiry (by income)
Centro Seven Hills	NSW	2.2%	100%	$91,500,000	8.25%	-1.61%	5.39 years
CSIF-A Investment[2]	Various	4.7%	99.6%	$10,796,175	8.55%	15.90%	5.43 years
TOTAL		**3.5%**	**99.8%**	**$102,296,175**	**8.28%**	**-0.02%**	**5.41 years**
FY10 TOTAL		5.1%	99.7%	$102,315,231	8.26%	-1.81%	5.56 years
FY09 TOTAL		1.8%	99.6%	$104,200,000	8.02%	-23.9%	5.88 years
FY08 TOTAL[3]		1.5%	98.0%	$114,000,000	6.25%	-1.26%	6.02 years

(1) Independent valuation undertaken by m3property.
(2) Equity investment into Centro Syndicate Investment Fund (CSIF-A). For further information on CSIF-A refer to the Fact Sheet on the Centro MCS website under Syndicate Portfolio & RG46 Disclosures for Centro MCS 4.
(3) Historical statistics are for Centro Seven Hills only.

TOP RETAILERS

Total % of Income **25.4%**



- Woolworths **17.3%**
- Coles **8.1%**
- Other **74.6%**

DEBT INFORMATION

All Syndicate debt at 30 June 2011 was at a variable (floating) interest rate of 7.30% p.a. (including weighted average margin) and the Syndicate had not breached any loan covenants.

Period Ending	30 June 2008	30 June 2009	30 June 2010	30 June 2011
Gearing Ratio[1]	43.7%	65.7%	66.7%	66.5%
Interest Cover Ratio	1.7 times	1.4 times	1.6 times	1.3 times

(1) For external financier debt loan covenant purposes, Centro Property Trust debt is not included.

DEBT MATURITY PROFILE

Financier	Loan Facility Amount	Undrawn Amount	Loan Maturity[1]
External Financier	$39.77 million	Nil	15 December 2011
Centro Property Trust	$29.65 million	Nil	Payable at reasonable notice
TOTAL	**$69.42 million**	**Nil**	**0.69 years**

(1) Centro Property Trust loan calculated at 12 months loan maturity.

CENTRO **MCS 5**

Total Annual Return
since Inception: **16.40%**

FY12 Distribution Forecast
on Initial Equity: **12.20%**

NAB Change

Jun '11	$2.43
Dec '10	$2.39
Jun '10	$2.17

SYNDICATE UPDATE

- **Syndicate Restructure** – On 26 August 2011, a *Notice of Meeting and Explanatory Memorandum* was issued to investors, proposing a Syndicate Restructure/Rollover and the introduction of a Redemption Mechanism. The Redemption Mechanism will allow those investors who wish to exit to do so, while accommodating others who wish to remain in the restructured Syndicate for a further term.
- **Portfolio Sale Results** – As forecast in our *Explanatory Memorandum* issued on 26 August 2011, the sale of both Centro New Town and Centro Launceston successfully settled in August 2011. The sale price of $23.15 million for Centro New Town was 5.2% above the 30 June 2011 independent valuation of $22 million, and the sale price for Centro Launceston of $29.6 million was 0.3% above the 30 June 2011 independent valuation of $29.5 million. Sale proceeds from both transactions were used to fully retire both the senior debt facility ($49.224 million) and the related party loan ($2.13 million).
- **Steady Centre Results** – Positive annual sales results were recorded for all Syndicate properties. Centro Kurralta continues to perform well, with annual sales growth of 4.7% underpinned by Coles sales increase of 5.1%. Moderate sales growth of 0.5% was recorded at Belmont Shopping Village reflecting the increased competition from the nearby free standing Aldi store and Coles Supermarket. Solid net property income growth of 4.5% and 2.9% were recorded in 2011 for Centro Kurralta and Belmont Shopping Village respectively.
- **Syndicate Full Occupancy Achieved** – The Syndicate properties are 99.8% leased. During FY11, 11 lease renewals and three new leases were completed at an average rental of 12.4% above the prior rental levels. Over 70% of the Syndicate income is secured by Wesfarmers through their Coles supermarket and Kmart discount department store leases.

KEY SYNDICATE STATISTICS

Year Ending 30 June	Actual 2008	Actual 2009	Actual 2010	Actual 2011	Forecast 2012(1)
Distribution Return on Initial Equity	15.75%	12.00%	15.50%	12.00%	12.20%
Distribution Return on Net Asset Backing (NAB)	5.65%	5.71%	7.17%	4.94%	5.02%
Tax Advantaged Portion	0.34%	32.95%	0.00%	0.00%	100%
Equivalent Pre-tax Return on Initial Equity	15.80%	15.44%	15.50%	12.00%	22.80%
NAB	$2.79	$2.10	$2.17	$2.43	-
Syndicate Commencement Date			December 1996, rollover occurred October 2003		
Syndicate Review Date					31 October 2010(2)

(1) The FY12 distribution forecast is subject to a successful debt refinancing at December 2011 on terms generally in line with those used for preparing the distribution forecasts.
(2) A Notice of Meeting and Explanatory Memorandum was sent to investors on 26 August 2011, proposing a Syndicate restructure and rollover from 31 December 2011.

PROPERTY PORTFOLIO STATISTICS

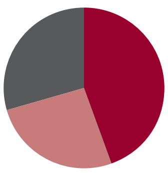
Property	State	Centre Sales Growth	Occupancy Rate (by area)	30 June 2011 Valuation[1]	30 June 2011 Capitalisation Rate	% Valuation Change (comparable from 30 June 2010)	Weighted Average Lease Expiry (by income)
Belmont Shopping Village	VIC	0.5%	100%	$38,000,000	7.75%	2.70%	5.47 years
Centro Launceston[2]	TAS	2.5%	100%	$29,600,000	9.00%	8.83%	4.40 years
Centro Kurralta	SA	4.7%	100%	$30,175,000	7.50%	11.39%	7.86 years
Centro New Town[2]	TAS	1.8%	99.2%	$22,000,000	9.00%	4.76%	8.10 years
TOTAL		**2.2%**	**99.8%**	**$119,650,000**	**8.23%**	**6.55%**	**6.26 years**
FY10 TOTAL		7.3%	99.4%	$112,290,000	8.23%	1.34%	1.66 years
FY09 TOTAL		0.5%	100%	$110,800,000	8.02%	-15.55%	2.22 years
FY08 TOTAL		3.1%	100%	$131,200,000	6.97%	5.47%	3.16 years

(1) Average of two Independent valuations undertaken by Savills and Urbis at Belmont Shopping Village and Jones Lang LaSalle and Urbis at Centro Kurralta. Independant valuation undertaken by Colliers International at Centro Launceston and Centro New Town.

(2) Sale price for Centro Launceston and Centro New Town.

TOP RETAILERS

Total % of Income **70.8%**



- Kmart **44.5%**
- Coles **26.3%**
- Other **29.2%**

DEBT INFORMATION

All Syndicate debt at 30 June 2011 was at a variable (floating) interest rate of 7.07% p.a. (including weighted average margin) and the Syndicate had not breached any loan covenants.

Period Ending	30 June 2008	30 June 2009	30 June 2010	30 June 2011
Gearing Ratio[1]	36.0%	44.2%	43.8%	40.9%
Interest Cover Ratio	2.4 times	2.4 times	2.8 times	2.2 times

(1) For external financier debt loan covenant purposes, Centro Property Trust debt is not included.

DEBT MATURITY PROFILE

Financier	Loan Facility Amount	Undrawn Amount	Loan Maturity[1]
External Financier	$49.22 million	Nil	15 December 2011
Centro Property Trust	$2.13 million	Nil	Payable at reasonable notice
TOTAL	**$51.35 million**	**Nil**	**0.46 years**

(1) Centro Property Trust loan calculated at 12 months loan maturity.

CENTRO **MCS 6**

Total Annual Return
since Inception: **15.08%**

FY12 Distribution Forecast
on Initial Equity: **12.30%**

NAB Change

Jun '11	$1.59
Dec '10	$1.55
Jun '10	$1.42

SYNDICATE UPDATE

- **Rollover Process Ongoing** – On 23 June 2011, investors were mailed information on the Syndicate rollover opportunity available to them. Investors had until 27 August 2011 to elect whether they wished to exit or remain in the Syndicate for a further term of five to six years. The payment date for exiting investors is expected to occur on or around 31 December 2011, allowing the Responsible Entity sufficient time to arrange for the acquisition of exiting investors' units. If buyers cannot be found for all exiting investors' units, then the Syndicate rollover will not occur, the Responsible Entity will sell Centro Brandon Park and wind-up the Syndicate. We will write to investors in late 2011 to provide a further update.
- **Rollover Distribution Forecast and NAB Confirmed** – The distribution forecast for the 2012 financial year is confirmed at 12.3% per annum on original equity invested (adjusted for a $0.20 per unit capital return in 1999) and the 30 June 2011 Syndicate NAB is $1.59.
- **Debt Refinancing Update** – As noted in the Syndicate rollover *Information Memorandum*, discussions are well advanced with a new lender to refinance both the Syndicate's external debt facility which expires on 15 December 2011 and the Centro related party loan, on the basis that a Syndicate rollover occurs.
- **Steady Centre Results** – Centro Brandon Park continues to perform well, with near full occupancy and 3.7% net property income growth forecast for FY12. For the 12 months to June 2011, 14 leasing deals were completed, achieving an average rental growth of 11.2%. We are continuing to negotiate new lease terms with Kmart and are confident an agreement will be reached prior to their December 2011 lease expiry.

KEY SYNDICATE STATISTICS

Year Ending 30 June	Actual 2008	Actual 2009	Actual 2010	Actual 2011	Forecast 2012(1)
Distribution Return on Initial Equity(2)	13.30%	9.50%	12.00%	10.00%	12.30%
Distribution Return on Net Asset Backing (NAB)(2)	6.49%	6.74%	8.45%	6.29%	7.74%
Tax Advantaged Portion	27.19%	50.55%	13.02%	12.00%	85.00%
Equivalent Pre-tax Return on Initial Equity	16.44%	13.67%	13.36%	11.04%	21.39%
NAB	$2.05	$1.41	$1.42	$1.59	-
Syndicate Commencement Date	June 1997, rollover occurred August 2004				
Syndicate Review Date	August 2009 – August 2011				

(1) The FY12 distribution forecast is subject to a successful debt refinancing at December 2011 on terms generally in line with those used for preparing the distribution forecasts.
(2) The forecast Distribution Return on Initial Equity and NAB is based on a lot value of $0.80 following the capital return of $0.20 after the sale of Big Top Showrooms in 1999.

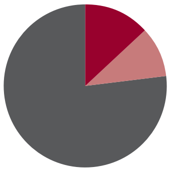
PROPERTY PORTFOLIO STATISTICS

Property	State	Centre Sales Growth	Occupancy Rate (by area)	30 June 2011 Valuation(1)	30 June 2011 Capitalisation Rate	% Valuation Change (comparable from 30 June 2010)	Weighted Average Lease Expiry (by income)
Centro Brandon Park	**VIC**	**-1.3%**	**99.3%**	**$109,500,000**	**7.75%**	**6.31%**	**3.06 years**
FY10 TOTAL		4.0%	100%	$103,000,000	8.00%	2.59%	3.57 years
FY09 TOTAL		-1.4%	100%	$100,400,000	7.75%	-19.49%	3.79 years
FY08 TOTAL		6.7%	100%	$124,700,000	6.50%	1.30%	3.80 years

(1) Average of two independent valuations undertaken by Savills and Colliers International.

TOP RETAILERS

Total % of Income **23.3%**



- Kmart **13.3%**
- Coles **10.0%**
- Other **76.7%**

DEBT INFORMATION

All Syndicate debt at 30 June 2011 was at a variable (floating) interest rate of 7.08% p.a. (including weighted average margin) and the Syndicate had not breached any loan covenants.

Period Ending	30 June 2008	30 June 2009	30 June 2010	30 June 2011
Gearing Ratio(1)	30.1%	43.0%	43.6%	41.2%
Interest Cover Ratio	2.5 times	2.5 times	3.1 times	2.3 times

(1) For external financier debt loan covenant purposes, Centro Property Trust debt is not included.

DEBT MATURITY PROFILE

Financier	Loan Facility Amount	Undrawn Amount	Loan Maturity(1)
External Financier	$44.34 million	Nil	15 December 2011
Centro Property Trust	$2.06 million	Nil	Payable at reasonable notice
TOTAL	**$46.40 million**	**Nil**	**0.48 years**

(1) Centro Property Trust loan calculated at 12 months loan maturity.

CENTRO **MCS 8**

Total Annual Return
since Inception: **14.07%**

FY12 Distribution Forecast
on Initial Equity: **Nil**

NAB Change

Jun '11	$0.91
Dec '10	$0.95
Jun '10	$1.99

SYNDICATE UPDATE

- **Sale of Centro Northgate and Centro Albany** – We are pleased to advise that sale contracts are now signed for Centro Northgate and Centro Albany. The sale of Centro Albany will settle on or around 30 September 2011 for $40.13 million and the sale of Centro Northgate will settle on or around 28 October 2011 for $46.5 million. Collectively these sale prices are 0.43% below the 30 June 2011 book value.
- **Syndicate Wind-up and Final Distributions** – Following the property settlements, investors are forecast to receive a final Net Asset Backing of $0.91 (subsequent to the capital return of $1.05 already paid in December 2010) which equates to total Syndicate wind-up proceeds of $1.96 per unit. The sale proceeds are expected to be paid to investors by mid December 2011 and there will be no further quarterly distributions paid to investors, due to the pending sales. We will write to investors once the sale process has concluded.

KEY SYNDICATE STATISTICS

Year Ending 30 June	Actual 2008	Actual 2009	Actual 2010	Actual 2011	Forecast 2012
Distribution Return on Initial Equity	12.25%	11.00%	12.50%	12.00%	Nil
Distribution Return on Net Asset Backing (NAB)	5.24%	6.12%	6.28%	13.19%	Nil
Tax Advantaged Portion	18.85%	29.39%	0.00%	94.00%	Nil
Equivalent Pre-tax Return on Initial Equity	14.26%	13.81%	12.50%	21.80%	Nil
NAB	$2.34	$1.80	$1.99	$0.91(1)	-
Syndicate Commencement Date					February 1998, rollover occurred May 2003
Syndicate Review Date					May 2010

(1) NAB following the capital return of $1.05 in December 2010.

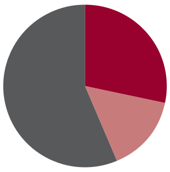
PROPERTY PORTFOLIO STATISTICS

Property(1)	State	Centre Sales Growth	Occupancy Rate (by area)	30 June 2011 Valuation(2)	30 June 2011 Capitalisation Rate	% Valuation Change (comparable from 30 June 2010)	Weighted Average Lease Expiry (by income)
Centro Northgate	WA	10.0%	100%	$46,500,000	8.25%	2.20%	3.33 years
Centro Albany	QLD	7.5%	100%	$40,500,000	8.25%	-0.61%	7.70 years
TOTAL		**8.8%**	**100%**	**$87,000,000**	**8.25%**	**0.87%**	**5.33 years**
FY10 TOTAL(3)		6.9%	100%	$93,360,000	8.03%	0.93%	3.82 years
FY09 TOTAL(4)		4.9%	99.8%	$137,100,000	8.11%	-13.68%	4.24 years
FY08 TOTAL(4)		8.0%	100%	$158,835,000	7.17%	2.98%	4.49 years

(1) Centro Croydon was sold in June 2010 for $31.5 million and the Four Hotels were sold in June and September 2010 for a combined $26.16 million.
(2) Independent valuation undertaken by m3property at Centro Northgate and Urbis at Centro Albany.
(3) Historical statistics include one of the Four Hotels, being Mansfield Tavern which was sold in September 2010.
(4) Historical statistics include Centro Croydon and the Four Hotels.

TOP RETAILERS

Total % of Income **43.7%**



- Coles **28.4%**
- Target **15.3%**
- Other **56.3%**

DEBT INFORMATION

All Syndicate debt at 30 June 2011 was at a variable (floating) interest rate of 7.07% p.a. (including weighted average margin) and the Syndicate had not breached any loan covenants.

Period Ending	30 June 2008	30 June 2009	30 June 2010	30 June 2011
Gearing Ratio(1)	35.5%	42.5%	35.5%	50.5%
Interest Cover Ratio	2.3 times	2.4 times	2.9 times	2.1 times

(1) For external financier debt loan covenant purposes, Centro Property Trust debt is not included.

DEBT MATURITY PROFILE

Financier	Loan Facility Amount	Undrawn Amount	Loan Maturity(1)
External Financier	$43.13 million	Nil	15 December 2011
Centro Property Trust	$1.77 million	Nil	Payable at reasonable notice
TOTAL	**$44.90 million**	**Nil**	**0.48 years**

(1) Centro Property Trust loan calculated at 12 months loan maturity.

CENTRO **MCS 9**

Total Annual Return
since Inception: **8.51%**

FY12 Distribution Forecast
on Initial Equity: **Nil**

NAB Change

Jun '11	$1.03
Dec '10	$1.07
Jun '10	$1.01

SYNDICATE UPDATE

- **End of Syndicate Term in November 2011** – The current Syndicate term ends in November 2011. Investors will receive further information on a proposed Syndicate rollover and restructure opportunity in October 2011 and will have the opportunity to elect to remain in the Syndicate for a further term or to exit the Syndicate. If a successful restructure and rollover occurs the Syndicate will continue for a further term holding Centro Gympie, a quality sub regional shopping centre.
- **Sale Negotiations for Centro Hollywood and Centro Dianella** – Centro Hollywood and Centro Dianella were marketed for sale from July 2011, due to the end of the Syndicate term approaching. We have granted the successful bidder for each property a period of exclusive due diligence to thoroughly assess each property and to negotiate the sale contracts. We will write to investors with an update on the sales as they progress.
- **Debt Refinancing Update** – The Syndicate's external debt facility expires on 15 December 2011 and discussions are ongoing with the existing financier to provide a loan extension in order to complete the sales of Centro Hollywood and Centro Dianella. A new debt facility will then be negotiated on the basis that a successful rollover occurs.
- **Centre Occupancy Maintained** – The property portfolio occupancy has increased from 98.4% in June 2010 to 99.7% at June 2011. The leasing team successfully completed 42 lease deals over the past 12 months, comprising 16 new lease deals and 26 lease renewals.

KEY SYNDICATE STATISTICS

Year Ending 30 June	Actual 2008	Actual 2009	Actual 2010	Actual 2011	Forecast 2012
Distribution Return on Initial Equity	9.50%	Nil	Nil	Nil	Nil
Distribution Return on Net Asset Backing (NAB)	6.21%	Nil	Nil	Nil	Nil
Tax Advantaged Portion	73.76%	Nil	Nil	Nil	Nil
Equivalent Pre-tax Return on Initial Equity	15.59%	Nil	Nil	Nil	Nil
NAB	$1.53	$0.95	$1.01	$1.03	-
Syndicate Commencement Date					October 1998
Syndicate Review Date					November 2010 – November 2011

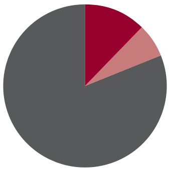
PROPERTY PORTFOLIO STATISTICS

Property	State	Centre Sales Growth	Occupancy Rate (by area)	30 June 2011 Valuation(1)	30 June 2011 Capitalisation Rate	% Valuation Change (comparable from 30 June 2010)	Weighted Average Lease Expiry (by income)
Centro Hollywood	SA	-1.0%	100%	$77,000,000	8.75%	-7.17%	3.65 years
Centro Gympie	QLD	2.6%	99.6%	$61,500,000	7.75%	2.67%	6.57 years
Centro Dianella	WA	N/A(2)	99.5%	$58,500,000	8.50%	1.74%	4.38 years
TOTAL		**0.6%**	**99.7%**	**$197,000,000**	**8.36%**	**-1.67%**	**4.69 years**
FY10 TOTAL		2.4%	98.4%	$200,350,000	8.24%	2.38%	5.47 years
FY09 TOTAL		10.9%	99.0%	$195,700,000	7.99%	-17.04%	5.61 years
FY08 TOTAL(3)		12.9%	99.3%	$295,000,000	6.96%	2.43%	6.18 years

(1) Independent valuation undertaken by Savills at Centro Gympie and Centro Dianella, and Directors' valuation at Centro Hollywood.
(2) Non-comparable sales due to bankruptcy of Good Furniture in FY10.
(3) Historical statistics include Hamilton Central which was sold on 19 December 2008 for $17.25 million and Raintrees Shopping Centre which was sold on 22 December 2008 for $29.0 million.

TOP RETAILERS

Total % of Income **19.1%**



DEBT INFORMATION

The average interest rate for all Syndicate debt (including weighted average margin) at 30 June 2011 was 9.18% p.a. and the Syndicate had not breached any loan coventants.

Period Ending	30 June 2008	30 June 2009	30 June 2010	30 June 2011
Gearing Ratio[1]	57.9%	61.9%	59.5%	57.1%
Interest Cover Ratio	1.6 times	1.4 times	1.3 times	1.2 times

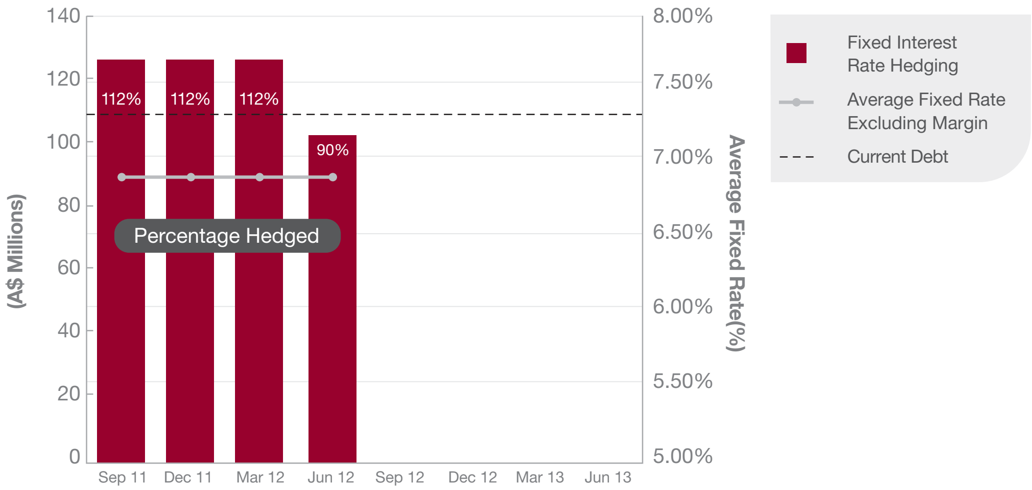
(1) For external financier debt loan covenant purposes, Centro Property Trust debt is not included.

DEBT MATURITY PROFILE

Financier	Loan Facility Amount	Undrawn Amount	Loan Maturity[1]
External Financier	$103.87 million	$3.85 million	15 December 2011
Centro Property Trust	$15.65 million[2]	Nil	Payable at reasonable notice
TOTAL	**$119.52 million**	**$3.85 million**	**0.53 years**

(1) Centro Property Trust loan calculated at 12 months loan maturity.
(2) Includes $1.34 million of interest bearing trade debt.

FIXED INTEREST RATE HEDGE SUMMARY



CENTRO **MCS 10**

Total Annual Return
since Inception: **9.06%**

FY12 Distribution Forecast
on Initial Equity: **2.00%**

NAB Change

Jun '11	$0.89
Dec '10	$0.90
Jun '10	$0.87

SYNDICATE UPDATE

- **FY12 Distribution Forecast Maintained** – The Syndicate distribution rate for the 2012 financial year is forecast at 2.0% per annum, in line with the actual distribution rate for FY11. Distributions continue to be impacted by poor performance at Maitland Hunter Mall, reflecting the impact of increased competition over the years, which has affected the market share of many of the Centre's retailers. This in turn has reduced the Centre's net operating income.
- **Portfolio Valuation Results** – Independent valuations were completed for the Syndicate properties as at 30 June 2011. The valuation for Maitland Hunter Mall remains unchanged at $12.0 million, while the Centro Lennox valuation increased by $4.0 million over the 12 month period (accounting for the $3.1 million cost to complete the Woolworths supermarket expansion). The Syndicate NAB is now $0.89, marginally lower than the December 2010 NAB.
- **Potential Sale of Maitland Hunter Mall** – We are in discussions with a potential purchaser of Maitland Hunter Mall who has plans to redevelop and reposition the asset. If a successful sale can be negotiated the proceeds will be used to retire Syndicate debt and to reinvest into further development opportunities at Centro Lennox.
- **Debt Refinancing Update** – The Syndicate's external debt facility expires on 21 December 2011 and discussions are well advanced with a new lender to refinance this facility.

KEY SYNDICATE STATISTICS

Year Ending 30 June	Actual 2008	Actual 2009	Actual 2010	Actual 2011	Forecast 2012
Distribution Return on Initial Equity	10.50%	8.50%	5.00%	2.00%	2.00%
Distribution Return on Net Asset Backing (NAB)	7.00%	8.59%	5.75%	2.25%	2.25%
Tax Advantaged Portion	54.51%	45.99%	100%	100%	100%
Equivalent Pre-tax Return on Initial Equity	15.47%	11.90%	9.35%	3.74%	3.74%
NAB	$1.50	$0.99	$0.87	$0.89	-
Syndicate Commencement Date					April 1999, rollover occurred June 2006
Syndicate Review Date					July 2011 – June 2013

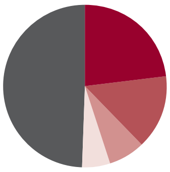
PROPERTY PORTFOLIO STATISTICS

Property[1]	State	Centre Sales Growth	Occupancy Rate (by area)	30 June 2011 Valuation[2]	30 June 2011 Capitalisation Rate	% Valuation Change (comparable from 30 June 2010)	Weighted Average Lease Expiry (by income)
Centro Lennox	NSW	N/A[3]	99.4%	$48,500,000	7.75%	8.99%	5.05 years
Maitland Hunter Mall	NSW	N/A[3]	99.5%	$12,000,000	9.75%	0.00%	3.20 years
TOTAL		**N/A**	**99.5%**	**$60,500,000**	**8.15%**	**7.08%**	**4.47 years**
FY10 TOTAL		-0.5%	98.5%	$56,500,000	8.44%	-6.77%	4.81 years
FY09 TOTAL[4]		1.4%	99.4%	$77,000,000	8.65%	-18.43%	3.50 years
FY08 TOTAL[4]		3.9%	99.0%	$94,400,000	7.39%	-4.07%	4.27 years

(1) Kmart Alice Springs was sold on 15 June 2010 for $15.85 million and adjoining vacant land was sold on 21 September 2009 for $700,000.
(2) Independent valuations undertaken by Colliers International at Centro Lennox and m3property at Maitland Hunter Mall.
(3) Centre sales growth is not comparable due to Woolworths supermarket expansion at Centro Lennox and Foodworks supermarket downsizing at Maitland Hunter Mall.
(4) Historical statistics include Kmart Alice Springs.

TOP RETAILERS

Total % of Income **50.8%**



- Woolworths **23.3%**
- Kmart **14.7%**
- Aldi **7.1%**
- Millers Fashion Club **5.7%**
- Other **49.2%**

DEBT INFORMATION

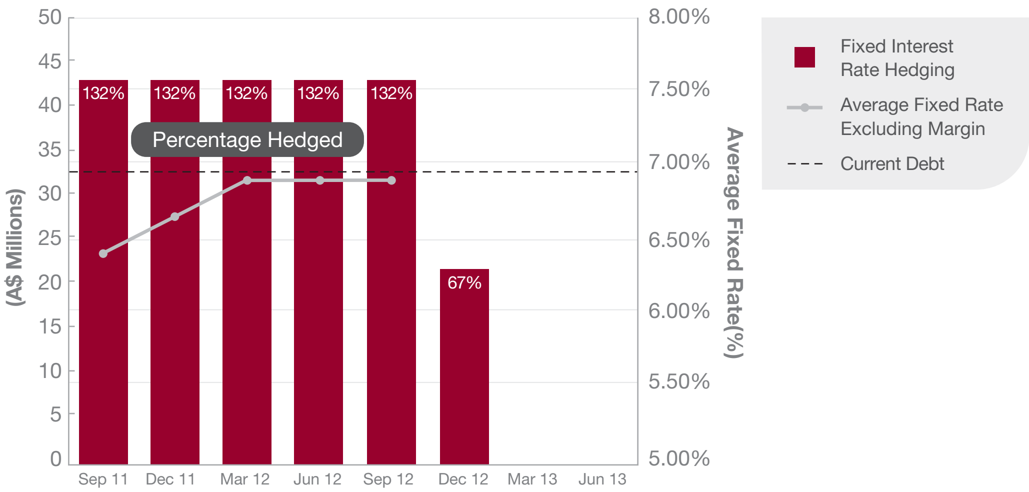
The average interest rate for all Syndicate debt (including margin) at 30 June 2011 was 10.35% p.a. and the Syndicate had not breached any loan covenants.

Period Ending	30 June 2008	30 June 2009	30 June 2010	30 June 2011
Gearing Ratio	46.1%	56.6%	51.6%	51.2%
Interest Cover Ratio	2.0 times	1.9 times	1.7 times	1.2 times

DEBT MATURITY PROFILE

Financier	Loan Facility Amount	Undrawn Amount	Loan Maturity
External Financier	$32.53 million	Nil	21 December 2011

FIXED INTEREST RATE HEDGE SUMMARY



CENTRO **MCS 11**

Total Annual Return
since Inception: **15.97%**

FY12 Distribution Forecast
on Initial Equity: **17.50%**

NAB Change

Jun '11	$2.12
Dec '10	$2.11
Jun '10	$2.14

SYNDICATE UPDATE

- **Rollover Progress** – The Gold Coast property market is still yet to improve since we rejected a sale offer for Centro Surfers Paradise in 2010. We are continuing discussions with external parties who are interested in acquiring a large parcel of units in the Syndicate which would allow us to propose a restructure/rollover resolution. The proposed resolution would benefit both the large number of investors who wish to remain in the Syndicate as well as providing an exit opportunity for those investors requesting liquidity. If a rollover/restructure proposal does not proceed, it is likely that Centro Surfers Paradise will be marketed for sale again early in the 2012 calendar year.
- **FY12 Distribution Forecast at 17.50%** – Investors are forecast to receive a 17.50% distribution rate for FY12, up from 17.00% in FY11. The forecast distribution rate increase is largely due to increased rental income from Centro Surfers Paradise, as well as a more favourable forecast interest rate environment.
- **Leasing Activity Remains Robust Despite the Tough Market Conditions** – Tourist numbers on the Gold Coast are significantly lower than the previous years due to the high Australian Dollar and the uncertain global economic environment. Combined with the impact of new retail space openings in Cavill Avenue at the Soul and Hilton redevelopments, Centre sales were down 3.4% in the 12 month period to 30 June 2011. Despite the difficult conditions, 27 lease deals were completed in FY11 for an average rental increase of 6.0%. Retailers continue to be attracted to Centro Surfers Paradise due to its enviable location on the waterfront and Cavill Avenue which draws a significant amount of tourist traffic.
- **Debt Refinancing Update** – The Syndicate's external debt facility expires on 15 December 2011 and discussions are ongoing with both the existing financier and other bank lenders. Given the Syndicate has a relatively conservative loan gearing ratio of 37% and the quality of Centro Surfers Paradise, we expect financing will be secured.

KEY SYNDICATE STATISTICS

Year Ending 30 June	Actual 2008	Actual 2009	Actual 2010	Actual 2011	Forecast 2012(1)
Distribution Return on Initial Equity	12.75%	13.25%	16.50%	17.00%	17.50%
Distribution Return on Net Asset Backing (NAB)	4.26%	5.24%	7.71%	8.02%	8.25%
Tax Advantaged Portion	1.96%	29.32%	19.31%	8.00%	100%
Equivalent Pre-tax Return on Initial Equity	12.97%	16.63%	19.27%	18.18%	32.71%
NAB	$2.99	$2.53	$2.14	$2.12	-
Syndicate Commencement Date					March 2000
Syndicate Review Date					March 2010(2)

(1) The FY12 distribution forecast is subject to a successful debt refinancing at December 2011 on terms generally in line with those used for preparing the distribution forecasts.
(2) Syndicate strategy may involve a further extension or a continuation of the property sale process.

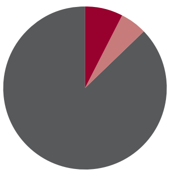
PROPERTY PORTFOLIO STATISTICS

Property	State	Centre Sales Growth	Occupancy Rate (by area)	30 June 2011 Valuation[1]	30 June 2011 Capitalisation Rate	% Valuation Change (comparable from 30 June 2010)	Weighted Average Lease Expiry (by income)
Centro Surfers Paradise	**QLD**	**-3.4%**	**100%**	**$183,000,000**	**8.62%**	**-1.13%**	**4.37 years**
FY10 TOTAL		-0.90%	99.7%	$185,100,000	8.25%	-11.18%	5.07 years
FY09 TOTAL		8.7%	98.3%	$208,400,000	7.50%	-9.39%	3.74 years
FY08 TOTAL		13.7%	100%	$230,000,000	6.50%	1.10%	3.46 years

(1) Independent valuation undertaken by m3property.

TOP RETAILERS

Total % of Income **12.9%**



- Timezone **7.5%**
- Surfers Paradise Tavern **5.4%**
- Other **87.1%**

DEBT INFORMATION

All Syndicate debt at 30 June 2011 was at a variable (floating) interest rate of 7.05% p.a. (including weighted average margin). and the Syndicate had not breached any loan covenants.

Period Ending	30 June 2008	30 June 2009	30 June 2010	30 June 2011
Gearing Ratio[1]	29.2%	32.7%	36.4%	36.7%
Interest Cover Ratio	2.5 times	2.9 times	3.6 times	3.0 times

(1) For external financier debt loan covenant purposes, Centro Property Trust debt is not included.

DEBT MATURITY PROFILE

Financier	Loan Facility Amount	Undrawn Amount	Loan Maturity[1]
External Financier	$68.20 million	Nil	15 December 2011
Centro Property Trust	$1.86 million	Nil	Payable at reasonable notice
TOTAL	**$70.06 million**	**Nil**	**0.47 years**

(1) Centro Property Trust loan calculated at 12 months loan maturity.

CENTRO **MCS 12**

Total Annual Return
since Inception: **12.14%**

FY12 Distribution Forecast
on Initial Equity: **9.00%**

NAB Change

Jun '11	$1.48
Dec '10	$1.42
Jun '10	$1.16

SYNDICATE UPDATE

- **Successful Roll Over for Further Term** – We are pleased to announce that Centro MCS 12 will continue for a further investment term of between five to six years from 1 July 2011 with Centro Oakleigh and Centro Glenorchy forming the Syndicate. All investors who elected to exit the Syndicate have now been paid in full, through a redemption process.
- **FY12 Distribution Increased to 9.0%** – The FY12 distribution rate will be increased to 9.0% per annum on original equity invested, representing an increase on the FY12 distribution forecast of 8.50% previously provided in the *Explanatory Memorandum* which outlined the restructure/rollover proposal. The increase in distribution has been possible due to the strong performance of Centro Oakleigh and lower forecast interest rates and loan facility margin.
- **Debt Refinancing Update** – The Syndicate's external debt facility expires on 15 December 2011 and discussions are well advanced with a new lender to refinance this facility.
- **Net Asset Backing (NAB) Valuation Growth** – Strong valuation growth of 8.03% was recorded for the 12 months to June 2011 for Centro Oakleigh and Centro Glenorchy. Combined with the 15.6% premium achieved on the sale of Centro St Agnes in February 2011, the Syndicate NAB has increased 27.5% from $1.16 to $1.48 over the same 12 month period.
- **Strong Sales Growth at Centro Oakleigh** – Centro Oakleigh continues to perform very strongly, with sales growth of 18.4% recorded for the 12 month period to 30 June 2011. The strong sales growth was largely attributable to the refurbishment of both Coles and Woolworths supermarkets and the introduction of new specialty retailers at the Centre.

KEY SYNDICATE STATISTICS

Year Ending 30 June	Actual 2008	Actual 2009	Actual 2010	Actual 2011	Forecast 2012(1)
Distribution Return on Initial Equity	10.00%	7.00%	8.00%	7.50%	9.00%
Distribution Return on Net Asset Backing (NAB)	6.49%	6.61%	6.90%	5.07%	6.08%
Tax Advantaged Portion	39.16%	56.22%	22.35%	0.00%	20.00%
Equivalent Pre-tax Return on Initial Equity	13.40%	10.42%	9.55%	7.50%	10.56%
NAB	$1.54	$1.06	$1.16	$1.48	-
Syndicate Commencement Date					April 2000, rollover occurred June 2011
Syndicate Review Date					June 2017

(1) The FY12 distribution forecast is subject to a successful debt refinancing at December 2011 on terms generally in line with those used for preparing the distribution forecasts.

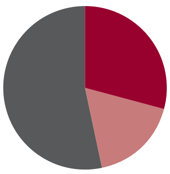
PROPERTY PORTFOLIO STATISTICS

Property	State	Centre Sales Growth	Occupancy Rate (by area)	30 June 2011 Valuation[1]	30 June 2011 Capitalisation Rate	% Valuation Change (comparable from 30 June 2010)	Weighted Average Lease Expiry (by income)
Centro Oakleigh	VIC	18.4%	100%	$41,500,000	8.50%	10.67%	5.06 years
Centro Glenorchy	TAS	-3.8%	100%	$19,000,000	8.75%	2.70%	9.63 years
TOTAL		**11.0%**	**100%**	**$60,500,000**	**8.58%**	**8.03%**	**6.50 years**
FY10 TOTAL[2]		5.1%	99.4%	$86,675,000	8.66%	2.45%	6.27 years
FY09 TOTAL[2]		6.9%	99.9%	$84,600,000	8.55%	-15.23%	5.78 years
FY08 TOTAL[2]		4.2%	98.1%	$99,800,000	7.15%	5.72%	2.77 years

(1) Independent valuations undertaken by Savills at Centro Oakleigh and Centro Glenorchy.
(2) Historical statistics include Centro St Agnes which was sold in February 2011 for $35.4 million.

TOP RETAILERS

Total % of Income **46.7%**



- Coles **29.2%**
- Woolworths **17.5%**
- Other **53.3%**

DEBT INFORMATION

All Syndicate debt at 30 June 2011 was at a variable (floating) interest rate of 7.36% p.a. (including weighted average margin) and the Syndicate had not breached any loan covenants.

Period Ending	30 June 2008	30 June 2009	30 June 2010	30 June 2011
Gearing Ratio[1]	44.3%	55.1%	53.7%	43.3%[2]
Interest Cover Ratio	2.2 times	2.2 times	2.4 times	1.9 times

(1) For external financier debt loan covenant purposes, Centro Property Trust debt is not included.
(2) In July 2011, the gearing ratio increased to 58.9% following the Syndicate rollover.

DEBT MATURITY PROFILE

Financier	Loan Facility Amount	Undrawn Amount	Loan Maturity[1]
External Financier	$29.88 million	Nil	15 December 2011
Centro Property Trust	$7.80 million	Nil	Payable at reasonable notice
TOTAL	**$37.68 million**	**Nil**	**0.57 years**

(1) Centro Property Trust loan calculated at 12 months loan maturity.

CENTRO **MCS 14**

Total Annual Return
since Inception: **8.82%**

FY12 Distribution Forecast
on Initial Equity: **4.50%**

NAB Change

Jun '11	$1.10
Dec '10	$1.07
Jun '10	$1.03

SYNDICATE UPDATE

- **Steady Sales Growth at Centro Stirlings** – Centro Stirlings continues to experience steady annual sales growth of 4.1%, underpinned by Woolworths (up 3.5%) as well as the specialty retailers which collectively reported sales growth of 8.4%.
- **100% Occupancy at Centro Stirlings and Centro Kalamunda** – Both centres are now fully occupied following very successful leasing activity in FY11. Since 31 December 2010, Centro Kalamunda filled its two remaining vacancies by introducing a local café operator and a massage therapist to its retailer mix. The opening of Strandbags, a national retailer, has resulted in Centro Stirlings being fully leased.
- **Debt Refinancing** – The Syndicate's senior debt facility matures on 30 September 2011. Management is currently speaking to a number of potential financiers about refinancing this debt and is confident that a longer term refinance will be achieved.
- **Proposed CSIF-A Investment Sale** – As advised in our letter dated 9 August 2011, Centro MCS 14 has agreed to sell its investment in the Centro Syndicate Investment Fund (CSIF-A) to Centro's proposed new listed Australian retail property vehicle (A-REIT) for a total cash consideration of $3.02 million. The sale price is based on the 30 June 2011 CSIF-A unit price of $0.432 and is expected to occur in late 2011, provided the proposal to create the A-REIT is approved by the relevant parties and the A-REIT is formed. The Syndicate will use the proceeds from the CSIF-A investment sale to fund ongoing capital expenditure works at the Syndicate properties. Importantly, this may allow the Syndicate to increase its FY12 distribution rate in which case, investors will be informed in writing of the new distribution rate.

KEY SYNDICATE STATISTICS

Year Ending 30 June	Actual 2008	Actual 2009	Actual 2010	Actual 2011	Forecast 2012[1]
Distribution Return on Initial Equity	9.35%	2.35%	4.00%	3.50%	4.50%
Distribution Return on Net Asset Backing (NAB)	5.81%	2.32%	3.88%	3.18%	4.09%
Tax Advantaged Portion	100%	0.00%	57.42%	7.00%	15.00%
Equivalent Pre-tax Return on Initial Equity	17.48%	2.35%	6.00%	3.71%	5.09%
NAB	$1.61	$1.01	$1.03	$1.10	-
Syndicate Commencement Date					January 2001, rollover occurred August 2007
Syndicate Review Date					September 2012 – August 2014

(1) The FY12 distribution forecast is subject to a successful debt refinancing at April 2012 on terms generally in line with those used for preparing the distribution forecasts.

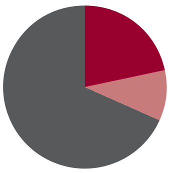
PROPERTY PORTFOLIO STATISTICS

Property[1]	State	Centre Sales Growth	Occupancy Rate (by area)	30 June 2011 Valuation[1]	30 June 2011 Capitalisation Rate	% Valuation Change (comparable from 30 June 2010)	Weighted Average Lease Expiry (by income)
Centro Stirlings	WA	4.1%	100%	$28,100,000	8.50%	2.55%	3.50 years
Centro Kalamunda	WA	0.5%	100%	$22,600,000	8.75%	4.15%	2.84 years
CSIF-A Investment[2]	Various	4.7%	99.6%	$3,022,929	8.55%	15.90%	5.43 years
Chapman Way	WA	0.0%	100%	$1,600,000	N/A	0.00%	0.00 years
TOTAL		**3.1%**	**99.9%**	**$55,322,929**	**8.61%**	**3.78%**	**3.64 years**
FY10 TOTAL		4.3%	99.4%	$53,308,265	8.36%	-0.89%	4.95 years
FY09 TOTAL[3]		8.5%	99.6%	$84,286,000	8.01%	-17.96%	3.53 years
FY08 TOTAL[3][4]		12.5%	98.0%	$126,540,000	6.96%	6.24%	3.97 years

(1) Independent valuations undertaken by m3property.
(2) Equity investment into Centro Syndicate Investment Fund (CSIF-A). For further information on CSIF-A refer to the Fact Sheet on the Centro MCS website under Syndicate Portfolio & RG46 Disclosures for Centro MCS 14.
(3) Historical statistics include Centro Kincumber and Centro Warringal which were sold in June 2009 and September 2009 respectively.
(4) Historical statistics exclude CSIF-A investment.

TOP RETAILERS

Total % of Income **31.7%**



- Woolworths **21.7%**
- Coles **10.0%**
- Other **68.3%**

DEBT INFORMATION

All Syndicate debt at 30 June 2011 was at a variable (floating) interest rate of 8.33% p.a. (including weighted average margin) and the Syndicate had not breached any loan covenants.

Period Ending	30 June 2008	30 June 2009	30 June 2010	30 June 2011
Gearing Ratio[1]	53.7%	55.5%	31.6%	30.5%
Interest Cover Ratio	1.8 times	1.5 times	2.2 times	2.5 times

(1) For external financier debt loan covenant purposes, Centro Property Trust debt is not included.

DEBT MATURITY PROFILE

Financier	Loan Facility Amount	Undrawn Amount	Loan Maturity[1]
External Financier	$17.2 million	Nil	30 September 2011
Centro Property Trust	$0.36 million	Nil	Payable at reasonable notice
TOTAL	**$17.56 million**	**Nil**	**0.27 years**

(1) Centro Property Trust loan calculated at 12 months loan maturity.

CENTRO **MCS 15**

Total Annual Return
since Inception: **11.60%**

FY12 Distribution Forecast
on Initial Equity: **8.60%**

NAB Change

Jun '11	$1.33
Dec '10	$1.26
Jun '10	$1.21

SYNDICATE UPDATE

- **Centro Meadow Mews Valuation Growth** – The Centro Meadow Mews valuation improved 9.5% to $37.0 million over the 12 months to June 2011 due to strong annual property income growth of 6.0%, compounded by a 25 basis point firming in the capitalisation rate to 8.25%. The Syndicate Net Asset Backing increased by seven cents to $1.33.
- **End of Syndicate Term in April 2012** – The Syndicate is approaching the end of its current investment term and must either be extended, rolled over or wound-up. We are currently working through the options available for the Syndicate and aim to write to investors with our proposed strategy early in the new year.
- **Strong Centro Meadow Mews Results** – Centro Meadow Mews continues to perform strongly with annual sales growth of 9.3%, underpinned by the Coles supermarket performance (up 11.9%). The centre remains at full occupancy, with nine leasing deals completed over the past 12 months.

KEY SYNDICATE STATISTICS

Year Ending 30 June	Actual 2008	Actual 2009	Actual 2010	Actual 2011	Forecast 2012
Distribution Return on Initial Equity	10.00%	11.88%(1)	7.50%	7.50%	8.60%
Distribution Return on Net Asset Backing (NAB)	6.10%	9.98%	6.20%	5.64%	6.47%
Tax Advantaged Portion	91.59%	0.00%	11.04%	17.00%	8.00%
Equivalent Pre-tax Return on Initial Equity	17.96%	11.88%	8.22%	8.35%	9.20%
NAB	$1.64	$1.19	$1.21	$1.33	-
Syndicate Commencement Date					April 2001
Syndicate Review Date					April 2012

(1) Includes a special distribution of 2.375 cents per unit resulting from the sale of Centro Ringwood.

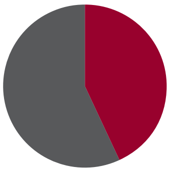
PROPERTY PORTFOLIO STATISTICS

Property	State	Centre Sales Growth	Occupancy Rate (by area)	30 June 2011 Valuation(1)	30 June 2011 Capitalisation Rate	% Valuation Change (comparable from 30 June 2010)	Weighted Average Lease Expiry (by income)
Centro Meadow Mews	**TAS**	**9.3%**	**100%**	**$37,000,000**	**8.25%**	**9.47%**	**3.43 years**
FY10 TOTAL		6.9%	99.5%	$33,800,000	8.50%	2.42%	3.85 years
FY09 TOTAL		7.0%	100%	$33,000,000	8.25%	-12.47%	3.87 years
FY08 TOTAL(2)		4.2%	100%	$88,000,000	7.11%	-2.98%	3.23 years

(1) Independent valuation undertaken by Savills at Centro Meadow Mews.
(2) Historical statistics include Centro Ringwood which was sold on 27 February 2009 for $39.0 million.

TOP RETAILERS

Total % of Income **43.2%**



- Coles **43.2%**
- Other **56.8%**

DEBT INFORMATION

All Syndicate debt at 30 June 2011 was at a fixed interest rate of 9.10% p.a. (including weighted average margin) and the Syndicate had not breached any loan covenants.

Period Ending	30 June 2008	30 June 2009	30 June 2010	30 June 2011
Gearing Ratio	45.8%	13.2%	13.2%	12.2%
Interest Cover Ratio	1.8 times	2.0 times	8.1 times	6.1 times

DEBT MATURITY PROFILE

Financier	Loan Facility Amount	Undrawn Amount	Loan Maturity
External Financier	$5.00 million	$0.30 million	7 October 2018

CENTRO **MCS 16**

Total Annual Return
since Inception: **4.12%**

FY12 Distribution Forecast
on Initial Equity: **Nil**

NAB Change

Jun '11	$0.52
Dec '10	N/A
Jun '10	$0.69

SYNDICATE UPDATE

- **Sales Campaign Update** – At the completion of the sales campaign in early 2011, we were unable to secure a firm offer for Centro Toormina. The uncertainty surrounding the lease tenure to Coles supermarket, the unknown costs of capital works/incentives in order to secure a new Coles lease and the preference of bidders to not manage the required Coles tenancy works program were the contributing factors to not attracting a suitable offer. We have since removed this uncertainty by securing a new Coles lease (see below) and we have just recently agreed a conditional contract to sell the property to a previous bidder who is now undertaking due diligence on the property.
- **New Coles Lease Secured** – A new 15 year lease has been secured with the Coles supermarket at Centro Toormina. The new lease reflects market terms and conditions and is subject to the completion of a Coles tenancy upgrade and a cash contribution to Coles to assist with their store refurbishment. The $4.0 million cost will be met from existing cash reserves and the deferral of Centro management fees and Centro related party loan interest payments.
- **Debt Covenant Breach and Refinancing** – We continue to work with the Syndicate's external financier to rectify a breach of the Syndicate's loan to value ratio (LVR) at 30 June 2011 (67.9% Syndicate LVR against the 65.0% financier covenant). We are also in discussions with the Syndicate's external financier to extend the current debt facility beyond the 15 December 2011 expiry date.

KEY SYNDICATE STATISTICS

Year Ending 30 June	Actual 2008	Actual 2009	Actual 2010	Actual 2011	Forecast 2012
Distribution Return on Initial Equity	12.00%	Nil	Nil	Nil	Nil
Distribution Return on Net Asset Backing (NAB)	8.28%	Nil	Nil	Nil	Nil
Tax Advantaged Portion	100%	Nil	Nil	Nil	Nil
Equivalent Pre-tax Return on Initial Equity	22.43%	Nil	Nil	Nil	Nil
NAB	$1.45	$0.80	$0.69	$0.52	-
Syndicate Commencement Date					May 2001
Syndicate Review Date					May 2011[1]

(1) Initial Syndicate term ended 31 May 2011. It is likely that Centro Toormina will be sold and the Syndicate wound or the Syndicate term will be extended to allow for Centro Toormina to be sold at a later date.

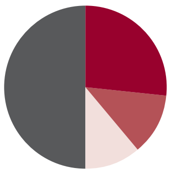
PROPERTY PORTFOLIO STATISTICS

Property	State	Centre Sales Growth	Occupancy Rate (by area)	30 June 2011 Valuation[1]	30 June 2011 Capitalisation Rate	% Valuation Change (comparable from 30 June 2010)	Weighted Average Lease Expiry (by income)
Centro Toormina	**NSW**	**6.4%**	**100%**	**$63,500,000**	**8.50%**	**-6.62%**	**5.81 years**
FY10 TOTAL		N/A[2]	99.4%	$68,000,000	8.00%	-4.23%	7.04 years
FY09 TOTAL		N/A[2]	99.3%	$71,000,000	7.50%	10.25%	7.93 years
FY08 TOTAL		N/A[2]	N/A[3]	$64,251,000	6.75%	74.24%	7.30 years

(1) Independent valuation undertaken by m3property at Centro Toormina.
(2) Sales Growth for Centro Toormina not comparable due to redevelopment.
(3) Occupancy rate is not available for FY08 during redevelopment of Centre.

TOP RETAILERS

Total % of Income **50.2%**



DEBT INFORMATION

The average interest rate for all Syndicate debt (including weighted average margin) at 30 June 2011 was 7.02% p.a..
Please note the Syndicate has breached its LVR covenant as at 30 June 2011.

Period Ending	30 June 2008	30 June 2009	30 June 2010	30 June 2011
Gearing Ratio(1)	42.5%	80.0%	82.1%	87.3%
Interest Cover Ratio	2.8 times	1.5 times	1.5 times	1.1 times

(1) For external financier debt loan covenant purposes, Centro Property Trust debt is not included.

DEBT MATURITY PROFILE

Financier	Loan Facility Amount	Undrawn Amount	Loan Maturity(1)
External Financier	$43.12 million	Nil	15 December 2011
Centro Property Trust	$15.23 million	Nil	Payable at reasonable notice
TOTAL	**$58.35 million**	**Nil**	**0.60 years**

(1) Centro Property Trust loan calculated at 12 months loan maturity.

CENTRO **MCS 17**

Total Annual Return
since Inception: **10.30%**

FY12 Distribution Forecast
on Initial Equity: **8.00%**

NAB Change

Jun '11	$1.20
Dec '10	$1.20
Jun '10	$1.25

SYNDICATE UPDATE

- **Syndicate Wind-up** – In April 2011, we proposed a restructure and rollover of the Syndicate, where investors were asked to elect whether they wished to exit the Syndicate or remain in the Syndicate for a further term. Although investors voted overwhelmingly in favour of the restructure proposal, we did not have the capital required to meet all of the redemption requests. As a result the remaining Syndicate properties have been marketed for sale and once sold, the Syndicate will be wound up. We will provide investors with updates on the sales as they progress.
- **Sale of Wallaby Hotel** – The last remaining Liquorland Outlet, the Wallaby Hotel, was sold on 21 July 2011 for $6.05 million. The proceeds from the sale were used to repay Syndicate debt, reducing the total outstanding loans to $10.0 million.

KEY SYNDICATE STATISTICS

Year Ending 30 June	Actual 2008	Actual 2009	Actual 2010	Actual 2011	Forecast 2012
Distribution Return on Initial Equity	9.05%	7.00%	6.00%	6.00%	8.00%
Distribution Return on Net Asset Backing (NAB)	6.20%	6.09%	4.80%	5.00%	6.67%
Tax Advantaged Portion	50.82%	49.18%	0.00%	0.00%	60.00%
Equivalent Pre-tax Return on Initial Equity	13.05%	9.99%	6.00%	6.00%	12.17%
NAB	$1.46	$1.15	$1.25	$1.20	-
Syndicate Commencement Date					October 2001
Syndicate Review Date					October 2007 – October 2011

PROPERTY PORTFOLIO STATISTICS

Property	State	Centre Sales Growth	Occupancy Rate (by area)	30 June 2011 Valuation[1]	30 June 2011 Capitalisation Rate	% Valuation Change (comparable from 30 June 2010)	Weighted Average Lease Expiry (by income)
Wallaby Hotel	QLD	N/A	100%	$6,450,000	9.50%	-12.84%	4.55 years
Centro Townsville	QLD	6.3%	100%	$35,525,000	8.38%	-2.40%	5.12 years
Centro Newcomb	VIC	1.1%	100%	$26,550,000	8.00%	2.12%	7.68 years
Centro Albion Park	NSW	4.0%	99.0%	$15,200,000	8.63%	-1.30%	5.61 years
TOTAL		**4.2%**	**99.8%**	**$83,725,000**	**8.39%**	**-18.32%**	**5.91 years**
FY10 TOTAL[2]		1.2%	99.6%	$102,500,000	8.13%	1.13%	5.22 years
FY09 TOTAL[3]		7.2%	99.8%	$137,800,000	7.91%	-12.29%	6.08 years
FY08 TOTAL[3]		7.6%	99.4%	$157,100,000	6.74%	3.08%	6.90 years

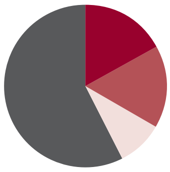
(1) Average of two Independant valuations undertaken by m3property and Urbis at Centro Albion Park, Savills and Urbis at Centro Newcomb and Colliers International and Savills at Centro Townsville.

(2) Historical statistics include Runaway Bay Tavern which was sold in December 2010 for $17.4 million.

(3) Historical statistics also include Runaway Bay Tavern ($17.4 million), and also Aspley Hotel, Browns Plain Hotel, Moreyfield Tavern, Newnham Hotel, the Sands Hotel and Koala Tavern which were sold for a total of $39.7 million during FY10.

TOP RETAILERS

Total % of Income **42.7%**



DEBT INFORMATION

The average interest rate for all Syndicate debt (including weighted average margin) at 30 June 2011 was 8.85% p.a. and the Syndicate had not breached any loan covenants.

Period Ending	30 June 2008	30 June 2009	30 June 2010	30 June 2011
Gearing Ratio	40.3%	49.7%	29.3%	18.7%
Interest Cover Ratio	2.1 times	2.0 times	2.0 times	2.0 times

DEBT MATURITY PROFILE

Financier	Loan Facility Amount	Undrawn Amount	Loan Maturity(1)
External Financier	$5.00 million	Nil	17 December 2018
External Financier	$5.00 million	Nil	17 December 2018
External Financier	$6.00 million(1)	Nil	28 February 2014
TOTAL	**$16.00 million**	**Nil**	**5.67 years**

(1) Proceeds from sale of Wallaby Hotel were used to repay facility in full in August 2011.

CENTRO **MCS 18**

Total Annual Return
since Inception: **8.14%**

FY12 Distribution Forecast
on Initial Equity: **5.50%**

NAB Change

Jun '11	$1.10
Dec '10	$1.08
Jun '10	$1.04

SYNDICATE UPDATE

- **Portfolio Valuation Results** – The portfolio valuation for The Gateway Shopping Village and Centro Hilton increased by 1.6% over the six months to 30 June 2011 and 4.6% over the 12 month period. As a result the Syndicate Net Asset Backing improved from $1.08 at 31 December 2010 to $1.10 at 30 June 2011.
- **Solid Property Sale Results** – The Gateway Shopping Village continues to perform well with recorded sales growth of 20.5% for the year, underpinned by Coles and a number of specialty store sales increases. Centro Hilton recorded more moderate annual sales growth of 2.2% for the year.
- **High Occupancy** – The Syndicate is 98.5% occupied with only four vacancies across the portfolio. During FY11, 12 lease renewals and two new lease deals were completed at an average rental of 11.4% above the prior rental levels. As reported in the *Centro MCS Half Yearly Review December 2010*, we continue to negotiate with a new anchor retailer to replace the Rivers Clearance Store at The Gateway Shopping Village which currently occupies a large 1,400 square metre tenancy under a short-term lease arrangement.
- **End of Syndicate Term** – The Syndicate will reach the end of its investment term on 8 March 2012, at which time it will either be rolled over for a further term or wound-up. We will write to investors later this year to outline our intention for the Syndicate.

KEY SYNDICATE STATISTICS

Year Ending 30 June	Actual 2008	Actual 2009	Actual 2010	Actual 2011	Forecast 2012
Distribution Return on Initial Equity	8.00%	6.50%	5.20%[1]	5.00%	5.50%
Distribution Return on Net Asset Backing (NAB)	6.84%	6.50%	5.00%	4.55%	5.00%
Tax Advantaged Portion	47.98%	46.63%	0.00%	18.00%	100%
Equivalent Pre-tax Return on Initial Equity	11.34%	9.13%	5.20%	5.78%	10.28%
NAB	$1.17	$1.00	$1.04	$1.10	-
Syndicate Commencement Date					March 2002
Syndicate Review Date					April 2008 – March 2012

(1) Includes a special distribution of 1.20 cents per unit following the sale of Centro Meadow Heights.

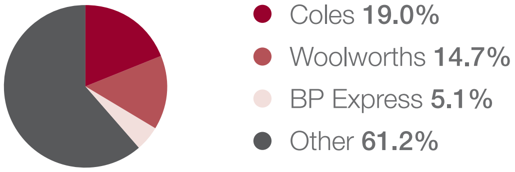
PROPERTY PORTFOLIO STATISTICS

Property	State	Centre Sales Growth	Occupancy Rate (by area)	30 June 2011 Valuation[1]	30 June 2011 Capitalisation Rate	% Valuation Change (comparable from 30 June 2010)	Weighted Average Lease Expiry (by income)
The Gateway Shopping Village	VIC	20.5%	100%	$26,500,000	8.50%	1.92%	2.53 years
Centro Hilton	SA	2.2%	95.0%	$18,200,000	7.25%	8.66%	5.01 years
TOTAL		**12.4%**	**98.5%**	**$44,700,000**	**7.99%**	**4.56%**	**3.36 years**
FY10 TOTAL		14.9%	96.7%	$42,750,000	8.11%	1.79%	3.84 years
FY09 TOTAL[2]		5.5%	99.7%	$66,100,000	8.30%	-9.70%	3.70 years
FY08 TOTAL[2]		3.3%	99.5%	$73,200,000	7.49%	-0.54%	3.59 years

(1) Independent valuation undertaken by Savills at The Gateway Shopping Village and Jones Lang LaSalle at Centro Hilton.
(2) All historical statistics include Centro Rosebud which was sold on 21 September 2009 for $13.15 million and Centro Meadow Heights which was sold on 13 May 2010 for $12.30 million.

TOP RETAILERS

Total % of Income **38.8%**



DEBT INFORMATION

The average interest rate for all Syndicate debt (including margin) at 30 June 2011 was 12.25% p.a. and the Syndicate had not breached any loan covenants.

Period Ending	30 June 2008	30 June 2009	30 June 2010	30 June 2011
Gearing Ratio	41.7%	48.0%	16.9%	17.0%
Interest Cover Ratio	2.2 times	2.0 times	2.0 times	3.1 times

DEBT MATURITY PROFILE

Financier	Loan Facility Amount	Undrawn Amount	Loan Maturity
External Financier	$10.00 million	$2.10 million	16 December 2013

FIXED INTEREST RATE HEDGE SUMMARY

CENTRO **MCS 19 NZ/I**

Total Annual Return
since Inception: **7.79%**

FY12 Distribution Forecast
on Initial Equity: **4.00%**

NAB Change

Jun '11	$0.97
Dec '10	$0.99
Jun '10	$1.00

SYNDICATE UPDATE

- **Syndicate Wind-up** – As stated in our letter to investors in June 2011, the Responsible Entity of Centro MCS 19 NZ/I determined that it was in investors' best interests to market the 30% interest in Centro Warners Bay and Centro Gladstone for sale (in conjunction with Centro MCS 19 UT, the 70% co-owner) and then to wind-up the Syndicate. It is envisaged that these sales should complete by early 2012, and following the repayment of Syndicate debt and liabilities, the net sale proceeds will be distributed to investors and the Syndicate wound-up. We will write to investors with an update on the sales as they progress.
- **Sales Growth Across Syndicate Portfolio** – The Syndicate portfolio recorded sales growth of 5.7% over the 12 months to 30 June 2011. Strong sales growth of 14.1% at Centro Gladstone was underpinned by our Woolworths supermarket (up 10.5%) and specialty retailer sales growth of 28.2%. Centro Warners Bay recorded a decline in sales of 0.7%, resulting from a decline of 1.4% in Coles supermarket sales.

KEY SYNDICATE STATISTICS

Year Ending 30 June	Actual 2008	Actual 2009	Actual 2010	Actual 2011	Forecast 2012(1)
Distribution Return on Initial Equity	8.80%	7.50%	7.50%	4.00%	4.00%
Distribution Return on Net Asset Backing (NAB)	6.99%	7.50%	7.50%	4.12%	4.12%
Tax Advantaged Portion	35.84%	26.50%	52.09%	0.00%	90.00%
Equivalent Pre-tax Return on Initial Equity	11.80%	9.23%	10.90%	4.00%	7.13%
NAB	$1.26	$1.00	$1.00	$0.97	-
Syndicate Commencement Date					November 2002
Syndicate Review Date					July 2009 – July 2011

(1) The FY12 distribution forecast is subject to a successful debt refinancing at November 2011 on terms generally in line with those used for preparing the distribution forecasts.

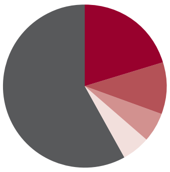
PROPERTY PORTFOLIO STATISTICS

Property	State	Centre Sales Growth	Occupancy Rate (by area)	30 June 2011 Valuation(1)	30 June 2011 Capitalisation Rate	% Valuation Change (comparable from 30 June 2010)	Weighted Average Lease Expiry (by income)
Centro Warners Bay (30%)	NSW	-0.7%	99.1%	$7,050,000	8.25%	1.29%	5.31 years
Centro Gladstone (30%)	QLD	14.1%	97.9%	$4,980,000	8.75%	3.36%	3.26 years
TOTAL		**5.7%**	**98.4%**	**$12,030,000**	**8.46%**	**2.14%**	**4.41 years**
FY10 TOTAL(2)		3.71%	98.4%	$19,878,000	8.41%	0.11%	4.39 years
FY09 TOTAL(2)		0.2%	98.7%	$19,857,000	8.34%	-13.36%	3.55 years
FY08 TOTAL(2)		5.2%	99.4%	$22,920,000	7.55%	-3.29%	4.00 years

(1) Independent valuations undertaken by Urbis at Centro Gladstone and Jones Lang LaSalle at Centro Warners Bay.
(2) Historical statistics include Centro Cat and Fiddle which was sold in February 2011 for $25.0 million (Syndicate owned a 30% share equal to $7.5 million).

TOP RETAILERS

Total % of Income **42.0%**



DEBT INFORMATION

All of the Syndicate debt at 30 June 2011 was at a variable (floating) interest rate of 7.92% p.a. (including margin) and the Syndicate had not breached any loan covenants.

Period Ending	30 June 2008	30 June 2009	30 June 2010	30 June 2011
Gearing Ratio	31.5%	36.6%	36.5%	2.1%
Interest Cover Ratio	3.2 times	3.5 times	4.4 times	3.0 times

DEBT MATURITY PROFILE

Financier	Loan Facility Amount	Undrawn Amount	Loan Maturity
External Financier	$0.26 million	$0.00 million	30 November 2011

CENTRO **MCS 19 UT**

Total Annual Return
since Inception: **8.94%**

FY12 Distribution Forecast
on Initial Equity: **4.75%**

NAB Change

Jun '11	$1.09
Dec '10	$1.06
Jun '10	$1.06

SYNDICATE UPDATE

- **Syndicate Wind-up** – As stated in our letter to Investors in June 2011, the Responsible Entity of the Syndicate has decided to wind-up Centro MCS 19 UT as it has reached the end of its investment term. Consequently, all six remaining Syndicate properties will be marketed for sale via a staged sale process so as to secure the optimum price for the properties. We may reassess the position of the Syndicate towards the end of 2011, and if considered to be in the best interests of investors, a Syndicate restructure and rollover opportunity may be proposed. This would then provide an alternative liquidity solution for exiting investors and allow those investors who wished to remain in the Syndicate for a further term to also be satisfied.
- **Asset Sale Update** – Centro Gladstone, Centro Warners Bay, Deniliquin Plaza and Altone Park were marketed for sale during July and August 2011. We are in varying stages of negotiations with regard to these sales and we will write to investors with an update on the sales as they progress.
- **Debt Refinancing Negotiations** – The Syndicate's external debt facility matures on 30 November 2011, and we are currently negotiating with the external financier on the terms of a short extension of the debt facility, should the property sales not settle prior to the debt facility maturity date.
- **Sales Growth Across Syndicate Portfolio** – The Syndicate portfolio recorded sales growth of 7.4% over the 12 months to 30 June 2011. Significant sales growth of 14.1% was recorded at Centro Gladstone, which was underpinned by Woolworths supermarket sales (up 10.5%) and specialty retailer sales growth of 28.2%. Centro Melville and Deniliquin Plaza also recorded sales growth of 10.4% and 8.5% respectively, driven by the performance of their Coles supermarkets. Centro Warners Bay recorded a decline in sales of 0.7%, resulting from a decline of 1.4% in Coles supermarket sales.

KEY SYNDICATE STATISTICS

Year Ending 30 June	Actual 2008	Actual 2009	Actual 2010	Actual 2011	Forecast 2012(1)
Distribution Return on Initial Equity	8.60%	8.00%	8.00%	4.75%	4.75%
Distribution Return on Net Asset Backing (NAB)	7.05%	7.62%	7.55%	4.36%	4.36%
Tax Advantaged Portion	36.01%	28.11%	17.65%	0.00%	0.00%
Equivalent Pre-tax Return on Initial Equity	11.29%	9.95%	9.23%	4.75%	4.75%
NAB	$1.22	$1.05	$1.06	$1.09	-
Syndicate Commencement Date					June 2002
Syndicate Review Date					June 2010 – June 2011

(1) The FY12 distribution forecast is subject to a successful debt refinancing at November 2011 on terms generally in line with those used for preparing the distribution forecasts.

PROPERTY PORTFOLIO STATISTICS

Property	State	Centre Sales Growth	Occupancy Rate (by area)	30 June 2011 Valuation(1)	30 June 2011 Capitalisation Rate	% Valuation Change (comparable from 30 June 2010)	Weighted Average Lease Expiry (by income)
Melville Plaza Shopping Centre	WA	10.4%	100%	$24,300,000	8.25%	6.67%	3.28 years
Centro Kiama	NSW	5.5%	98.4%	$24,200,000	8.00%	2.98%	3.24 years
Centro Warners Bay (70%)	NSW	-0.7%	99.1%	$16,450,000	8.25%	1.29%	5.31 years
Altone Park Shopping Centre	WA	N/A(2)	100%	$15,700,000	9.25%	2.61%	5.50 years
Centro Gladstone (70%)	QLD	14.1%	97.9%	$11,620,000	8.75%	3.36%	3.26 years

PROPERTY PORTFOLIO STATISTICS (CONTINUED)

Property	State	Centre Sales Growth	Occupancy Rate (by area)	30 June 2011 Valuation(1)	30 June 2011 Capitalisation Rate	% Valuation Change (from 30 June 2010)	Weighted Average Lease Expiry (by income)
Deniliquin Plaza Shopping Centre	NSW	8.5%	96.5%	$8,000,000	9.00%	6.67%	4.69 years
TOTAL		**7.4%**	**98.9%**	**$100,270,000**	**8.46%**	**3.84%**	**4.07 years**
FY10 TOTAL(3)		5.0%	99.4%	$132,212,000	8.53%	0.95%	4.21 years
FY09 TOTAL(3)		3.8%	99.1%	$130.963,000	8.29%	-9.61%	4.24 years
FY08 TOTAL(3)		8.8%	99.6%	$144,880,000	7.47%	-2.27%	4.46 years

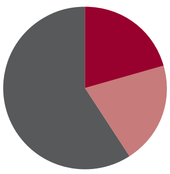
(1) Independent valuations undertaken by Urbis at Centro Gladstone, Melville Plaza, Altone Park and Centro Kiama, and Jones Lang LaSalle at Centro Warners Bay and Deniliquin Plaza.

(2) Non-comparable sales due to the bankruptcy of Altone Continental supermarket during FY10 (since replaced by an IGA supermarket).

(3) Historical statistics include Centro Cat and Fiddle which was sold in February 2011 for $25.0 million (Syndicate owned a 70% share equal to $17.5 million), Elizabeth Plaza which was sold in February 2011 for $13.8 million (Syndicate owned a 50% share equal to $6.9 million) and Centrepoint Shopping Centre which was sold in January 2011 for $9.85 million.

TOP RETAILERS

Total % of Income **40.9%**



- Coles **20.6%**
- Woolworths **20.3%**
- Other **59.1%**

DEBT INFORMATION

All Syndicate debt at 30 June 2011 was at a variable (floating) interest rate of 7.92% p.a. (including weighted average margin).

Period Ending	30 June 2008	30 June 2009	30 June 2010	30 June 2011
Gearing Ratio(1)	45.8%	48.9%	48.4%	31.7%
Interest Cover Ratio	2.2 times	2.5 times	2.9 times	2.9 times

(1) For external financier debt loan covenant purposes, Centro Property Trust debt is not included. As at 30 June 2011, the Syndicate was within its LVR covenant.

DEBT MATURITY PROFILE

Financier	Loan Facility Amount	Undrawn Amount	Loan Maturity(1)
External Financier	$31.18 million	$0.00 million	30 November 2011
Centro Property Trust	$1.79 million	Nil	Payable at reasonable notice
TOTAL	**$32.97 million**	**$0.00 million**	**0.45 years**

(1) Centro Property Trust loan calculated at 12 months loan maturity.

CENTRO **MCS 20**

Total Annual Return
since Inception: **8.16%**

FY12 Distribution Forecast
on Initial Equity: **8.00%**

NAB Change

Jun '11	$1.00
Dec '10	$0.93
Jun '10	$0.94

SYNDICATE UPDATE

- **FY12 Distribution Forecast at 8.0%** – Investors are forecast to receive an 8.0% distribution rate for FY12, in line with FY11. Distributable income remains relatively high due to a continuing low interest rate environment in New Zealand, together with increased rental income under a new Countdown supermarket lease at Kelston Shopping Centre.
- **Net Asset Backing (NAB) Valuation Growth** – Steady property valuation growth averaging 5.4% was recorded for the 12 months to June 2011 resulting in an increase in the Syndicate NAB from $0.94 to $1.00 over the period. The valuation gains were mainly driven by firmer (lower) valuation capitalisation rates at both properties.
- **Debt Refinancing Update** – The Syndicate's external debt facility expires on 15 December 2011 and discussions are ongoing with both the existing financier and other lenders. Given the Syndicate has a relatively conservative loan to value ratio of 47% we expect that refinancing will be secured.
- **Property Portfolio Update** – Retail sales at Kelston Shopping Centre grew 0.6% for the 12 months to June 2011, underpinned by Countown supermarket sales growth of 1.1%. Notwithstanding this moderate retail sales growth, the new Countdown fit out has significantly improved the store's appearance and recent sales growth was recorded of 8.1% and 9.2% for the months of May and June 2011 respectively. Porirua MegaCentre remains fully leased at June 2011, however, we have received notice from two retailers who intend to vacate prior to December 2011, and our leasing team is now focusing on filling these upcoming vacancies.

KEY SYNDICATE STATISTICS

Year Ending 30 June	Actual 2008	Actual 2009	Actual 2010	Actual 2011	Forecast 2012(1)
Distribution Return on Initial Equity	9.00%	4.00%	9.50%(2)	8.00%	8.00%
Distribution Return on Net Asset Backing (NAB)	9.00%	4.40%	10.11%	8.00%	8.00%
Tax Advantaged Portion	72.67%	7.80%	0.00%	0.00%	0.00%
Equivalent Pre-tax Return on Initial Equity	15.37%	4.27%	9.50%	8.00%	8.00%
NAB	$1.00	$0.91	$0.94	$1.00	-
Syndicate Commencement Date					May 2003
Syndicate Review Date					May 2009 – May 2013

(1) The FY12 distribution forecast is subject to a successful debt refinancing at December 2011 on terms generally in line with those used for preparing the distribution forecasts.
(2) Includes a special distribution of 2.0 cents per unit following an equity hedge close out in July 2010.

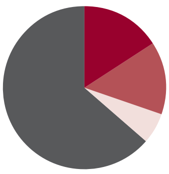
PROPERTY PORTFOLIO STATISTICS

Property	State	Centre Sales Growth	Occupancy Rate (by area)	30 June 2011 Valuation[1]	30 June 2011 Capitalisation Rate	% Valuation Change (comparable from 30 June 2010)	Weighted Average Lease Expiry (by income)
Porirua MegaCentre Stages 2, 3 & 4	NZ	N/A[2]	100%	$32,700,000	9.00%	3.81%	2.40 years
Kelston Shopping Centre	NZ	0.6%	99.1%	$23,800,000	8.50%	7.69%	7.28 years
TOTAL		**0.6%**	**99.7%**	**$56,500,000**	**8.79%**	**5.41%**	**4.42 years**
FY10 TOTAL		4.5%	98.4%	$53,600,000	9.15%	2.10%	5.22 years
FY09 TOTAL		4.5%	99.0%	$52,500,000	9.44%	-5.75%	2.70 years
FY08 TOTAL		5.0%	99.0%	$55,700,000	8.10%	-12.28%	2.75 years

(1) Independent valuations completed by CB Richard Ellis expressed in $NZ.
(2) Sales are not reported at Porirua MegaCentre.

TOP RETAILERS

Total % of Income **36.5%**



- Countdown **15.9%**
- The Warehouse **14.4%**
- Briscoes **6.2%**
- Other **63.5%**

DEBT INFORMATION

All Syndicate debt at 30 June 2011 was at a variable (floating) interest rate of 4.70% p.a. (including margin) and the Syndicate had not breached any loan covenants.

Period Ending	30 June 2008	30 June 2009	30 June 2010	30 June 2011
Gearing Ratio	52.5%	52.3%[1]	47.2%	45.5%
Interest Cover Ratio	2.0 times	2.0 times	3.4 times	2.8 times

(1) Gearing Ratio restated to include mark to market value of derivatives in gross assets.

DEBT MATURITY PROFILE

Financier	Loan Facility Amount	Undrawn Amount	Loan Maturity
External Financier	NZ$26.46 million	Nil	15 December 2011

CENTRO **MCS 21**

Total Annual Return
since Inception: **13.86%**

FY12 Distribution Forecast
on Initial Equity: **5.00%**

NAB Change

Jun '11	$1.97
Dec '10	$1.76
Jun '10	$1.71

SYNDICATE UPDATE

- **Syndicate Termination** – As advised in our letter dated 30 June 2011, management have concluded that it is in the best interests of investors to sell the Syndicate's 50% interest in Centro Roselands and wind-up the Syndicate. The sale of the Syndicate's interest in Centro Roselands will occur by either:
  - a sale of the Syndicate's 50% interest to the Centre's co-owner, Centro Australia Wholesale Fund (CAWF) or the new Centro A-REIT under the existing co-ownership agreement, or
  - the joint sale of a 100% interest in Centro Roselands together with the co-owner.

  Either outcome is considered to be more favourable to investors than attempting to sell the Syndicate's 50% interest in isolation. We expect the sale process to be completed on or around July 2012.
- **Active Leasing Maintains Full Occupancy** – Strong leasing activity during the 12 months to 30 June 2011 resulted in the successful negotiation of 36 lease deals, including 13 new leases and 23 lease renewals. This leasing activity has contributed to maintaining the 100% occupancy rate.
- **Steady Growth in Centre Sales** – Retailers at Centro Roselands generally reported positive sales results for FY11, with an increase of 1.7% in total sales. Coles, Flight Centre and The Reject Shop all recorded particularly strong growth of 8.6%, 13.1% and 2.7% respectively. However, this growth was partly offset by negative sales growth of 6.5% and 2.6% by Myer and Target respectively in FY11.

KEY SYNDICATE STATISTICS

Year Ending 30 June	Actual 2008	Actual 2009	Actual 2010	Actual 2011	Forecast 2012[(1)]
Distribution Return on Initial Equity	10.80%	7.50%	4.50%	1.50%	5.00%
Distribution Return on Net Asset Backing (NAB)	5.05%	4.69%	2.63%	0.76%	2.54%
Tax Advantaged Portion	33.44%	3.58%	15.00%	100%	0.00%
Equivalent Pre-tax Return on Initial Equity	13.94%	7.73%	5.09%	2.80%	5.00%
NAB	$2.14	$1.62	$1.71	$1.97	-
Syndicate Commencement Date					July 1998, rollover occurred June 2004
Syndicate Review Date					June 2009 – June 2011

(1) The FY12 distribution forecast is subject to a successful debt refinancing at December 2011 on terms generally in line with those used for preparing the distribution forecasts.

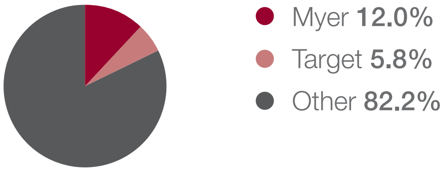
PROPERTY PORTFOLIO STATISTICS

Property	State	Centre Sales Growth	Occupancy Rate (by area)	30 June 2011 Valuation[(1)]	30 June 2011 Capitalisation Rate	% Valuation Change (comparable from 30 June 2010)	Weighted Average Lease Expiry (by income)
Centro Roselands (50% interest)	**NSW**	**1.7%**	**100%**	**$162,935,000**	**7.00%**	**6.84%**	**4.37 years**
FY10 TOTAL		3.5%	100%	$152,500,000	7.25%	1.67%	4.86 years
FY09 TOTAL		1.4%	100%	$150,000,000	7.00%	-13.04%	4.94 years
FY08 TOTAL		8.2%	99.6%	$172,500,000	6.00%	-1.43%	5.36 years

(1) Independent valuation undertaken by Savills.

TOP RETAILERS

Total % of Income **17.8%**



DEBT INFORMATION

The average interest rate for all Syndicate debt (including weighted average margin) at 30 June 2011 was 9.45% p.a. and the Syndicate had not breached any loan covenants.

Period Ending	30 June 2008	30 June 2009	30 June 2010	30 June 2011
Gearing Ratio(1)	42.4%	50.5%	50.0%	47.2%
Interest Cover Ratio	1.8 times	1.9 times	1.6 times	1.3 times

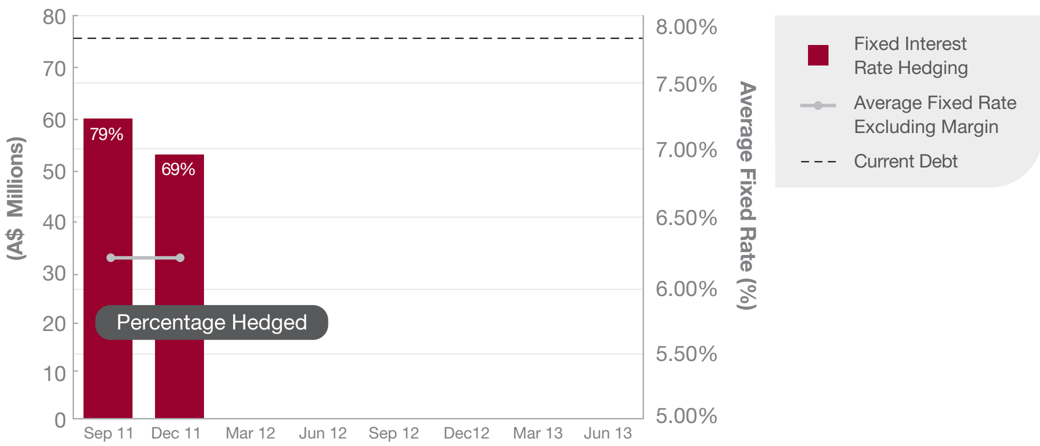
(1) For external financier debt loan covenant purposes, Centro Property Trust debt is not included.

DEBT MATURITY PROFILE

Financier	Loan Facility Amount	Undrawn Amount	Loan Maturity(1)
External Financier	$73.64 million	Nil	21 December 2011
Centro Property Trust	$2.48 million	Nil	Payable at reasonable notice
TOTAL	**$76.12 million**	**Nil**	**0.49 years**

(1) Centro Property Trust loan calculated at 12 months loan security.

FIXED INTEREST RATE HEDGE SUMMARY



CENTRO **MCS 22**

Total Annual Return
since Inception: **21.96%**

FY12 Distribution Forecast
on Initial Equity: **33.00%**

NAB Change

Jun '11	$2.01
Dec '10	$2.08
Jun '10	$2.12

SYNDICATE UPDATE

- **Syndicate Nears End of Second Term** – Centro MCS 22 is approaching the end of its second term and we have evaluated various strategies for the Syndicate. Selling Kidman Park Distribution Centre and winding-up the Syndicate is considered to be the optimum strategy and as a result, the property is being marketed for sale. We will write to investors in due course with an update on the sale process.
- **Debt Refinancing** – The Syndicate's debt facility matures on 21 December 2011 and we are currently in discussions with several financiers about refinancing this debt. The refinance strategy is being considered in conjunction with the property sale strategy mentioned above.

KEY SYNDICATE STATISTICS

Year Ending 30 June	Actual 2008	Actual 2009	Actual 2010	Actual 2011	Forecast 2012[1]
Distribution Return on Initial Equity	26.50%	28.50%	33.00%	33.00%	33.00%
Distribution Return on Net Asset Backing (NAB)	11.94%	13.77%	15.57%	16.42%	16.42%
Tax Advantaged Portion	9.12%	7.31%	11.71%	11.00%	40.00%
Equivalent Pre-tax Return on Initial Equity	28.60%	30.31%	36.36%	36.16%	44.47%
NAB	$2.22	$2.07	$2.12	$2.01	-
Syndicate Commencement Date					April 1998, rollover occurred March 2005
Syndicate Review Date					Mar 2010 – Mar 2012

(1) The FY12 distribution forecast is subject to a successful debt refinancing at December 2011 on terms generally in line with those used for preparing the distribution forecasts.

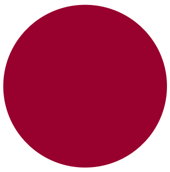
PROPERTY PORTFOLIO STATISTICS

Property	State	Centre Sales Growth	Occupancy Rate (by area)	30 June 2011 Valuation[1]	30 June 2011 Capitalisation Rate	% Valuation Change (comparable from 30 June 2010)	Weighted Average Lease Expiry (by income)
Kidman Park Distribution Centre	**SA**	**N/A**	**100%**	**$39,000,000**	**10.25%**	**-3.70%**	**4.51 years**
FY10 TOTAL		N/A	100%	$40,500,000	10.00%	1.00%	5.51 years
FY09 TOTAL		N/A	100%	$40,100,000	10.25%	-6.74%	6.51 years
FY08 TOTAL		N/A	100%	$43,000,000	9.50%	2.38%	7.51 years

(1) Independent valuation undertaken by Jones Lang LaSalle.

TOP RETAILERS

Total % of Income **100%**



● Metcash Trading **100.0%**

DEBT INFORMATION

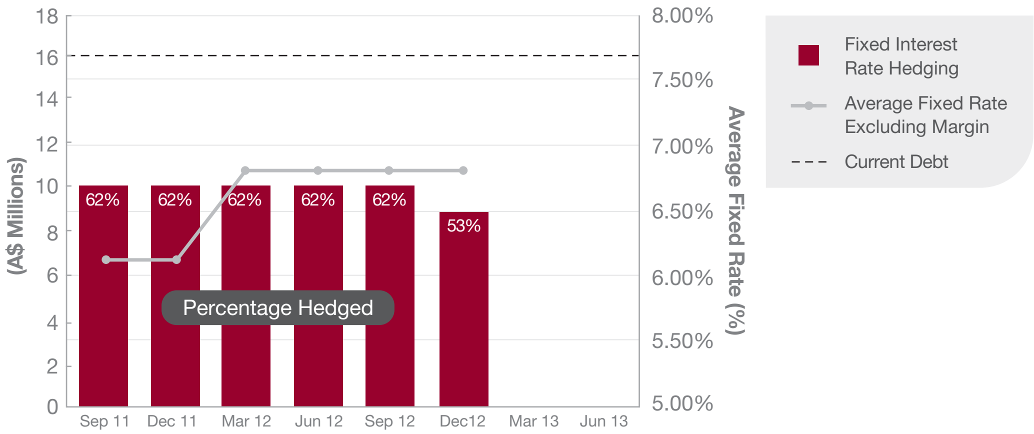
The average interest rate for all Syndicate debt (including margin) at 30 June 2011 was 6.35% p.a. and the Syndicate had not breached any loan covenants.

Period Ending	30 June 2008	30 June 2009	30 June 2010	30 June 2011
Gearing Ratio	36.0%	37.5%	37.7%	39.5%
Interest Cover Ratio	4.1 times	4.4 times	5.0 times	4.7 times

DEBT MATURITY PROFILE

Financier	Loan Facility Amount	Undrawn Amount	Loan Maturity
External Financier	$16.22 million	Nil	21 December 2011
TOTAL	**$16.22 million**	**Nil**	**0.48 years**

FIXED INTEREST RATE HEDGE SUMMARY



CENTRO **MCS 23**

Total Annual Return
since Inception: **19.17%**

FY12 Distribution Forecast
on Initial Equity: **48.00%**

NAB Change

Jun '11	$0.68
Dec '10	$0.71
Jun '10	$0.70

SYNDICATE UPDATE

- **Centro Dubbo Sale Update** – Centro Dubbo was marketed for sale in July 2011, however, acceptable offers for the Centre were not received. As a result, Centro Dubbo has been taken off the market and will likely be marketed for sale again during 2012. Alternatively, investors may be requested to approve a short extension of the Syndicate term.
- **Debt Refinancing Update** – The Syndicate's external debt facility expires on 20 December 2011 and discussions are underway with new financiers to extend this debt. This will allow us time to re-market Centro Dubbo for sale in 2012 or to potentially propose a Syndicate term extension.
- **Sales Growth at Centro Dubbo** – Centro Dubbo has experienced a 0.5% increase in sales over the 12 months to June 2011, underpinned by sales growth of 1.0% and 4.1% by Coles supermarket and the specialty retailers respectively. This growth was partially offset by a 5.5% decline in sales at Target. The performance of Target reflects the current national trend of softening sales across the discount department store category.

KEY SYNDICATE STATISTICS

Year Ending 30 June	Actual 2008	Actual 2009	Actual 2010	Actual 2011	Forecast 2012(1)
Distribution Return on Initial Equity(2)	49.00%	30.00%	35.00%	35.00%	48.00%
Distribution Return on Net Asset Backing (NAB)	5.05%	3.95%	5.00%	4.93%	N/A
Tax Advantaged Portion	37.36%	47.95%	5.75%	15.00%	30.00%
Equivalent Pre-tax Return on Initial Equity	64.91%	42.52%	36.75%	39.56%	60.52%
NAB	$0.97	$0.76	$0.70	$0.68	-
Syndicate Commencement Date					May 1999, rollover occurred May 2005
Syndicate Review Date					April 2010 – April 2011

(1) The FY12 distribution forecast is subject to a successful debt refinancing at December 2011 on terms generally in line with those used for preparing the distribution forecasts.
(2) The annual distribution return is based on the remaining original equity of $0.10 following the return of capital in 2005 of $0.90 after the sale of Whitsunday Shopping Centre.

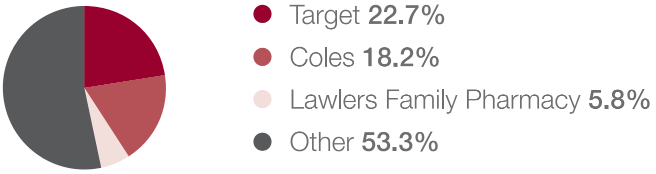
PROPERTY PORTFOLIO STATISTICS

Property	State	Centre Sales Growth	Occupancy Rate (by area)	30 June 2011 Valuation(1)	30 June 2011 Capitalisation Rate	% Valuation Change (comparable from 30 June 2010)	Weighted Average Lease Expiry (by income)
Centro Dubbo	**NSW**	**0.5%**	**99.7%**	**$37,000,000**	**8.25%**	**-0.54%**	**2.53 years**
FY10 TOTAL		3.4%	100%	$37,200,000	8.25%	- 3.38%	3.07 years
FY09 TOTAL		5.8%	100%	$38,500,000	8.00%	-10.26%	3.57 years
FY08 TOTAL		6.7%	99.4%	$42,900,000	7.00%	-0.23%	4.06 years

(1) Independent valuation undertaken by Jones Lang LaSalle.

TOP RETAILERS

Total % of Income **46.7%**



DEBT INFORMATION

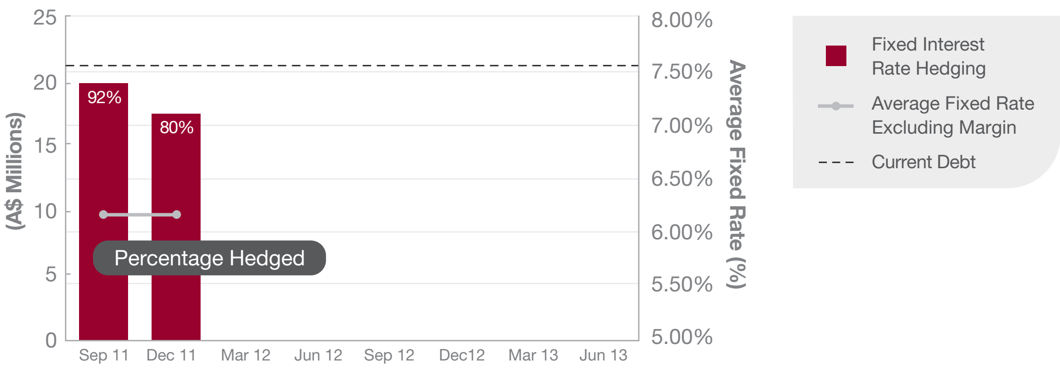
The average interest rate for all Syndicate debt (including margin) at 30 June 2011 was 6.74% p.a. and the Syndicate had not breached any loan covenants.

Period Ending	30 June 2008	30 June 2009	30 June 2010	30 June 2011
Gearing Ratio	49.4%	55.4%	57.0%	58.0%
Interest Cover Ratio	1.6 times	1.6 times	1.7 times	1.5 times

DEBT MATURITY PROFILE

Financier	Loan Facility Amount	Undrawn Amount	Loan Maturity
External Financier	$21.73 million	Nil	20 December 2011

FIXED INTEREST RATE HEDGE SUMMARY



CENTRO **MCS 25**

Total Annual Return
since Inception: **14.27%**

FY12 Distribution Forecast
on Initial Equity: **6.00%**

NAB Change

Jun '11	$1.87
Dec '10	$1.75
Jun '10	$1.64

SYNDICATE UPDATE

- **Steady Syndicate Sales Growth** – Sales performance remained steady with annual growth across the portfolio of 6.8%:
  - At Centro Karratha, annual sales growth of 5.8% was due to strong performances from Coles and Woolworths, up 14.4% and 2.8% respectively.
  - Woolworths, Thirsty Camel and Amcal Pharmacy underpinned the growth at Centro Oxenford, with annual sales growth of 6%, 31.6% and 10.8% respectively.
  - Centro Emerald Village's annual sales growth of 21% was predominately due to the closure of Centro Emerald Market after sustaining significant water damage following the Queensland floods in January 2011. The main contributor to the sales growth of Centro Emerald Village was Woolworths (up 20.1%) which benefited from the temporary closure of Coles at Centro Emerald Market.
- **Centro Emerald Market Re-opens** – Centro Emerald Market re-opened for business at the end of June 2011. To date, centre sales have been outstanding. During recovery works to sanitise, dehumidify and dry out the Centre, Coles utilised the opportunity to undertake a full refurbishment, in line with their latest store design currently being rolled out across Australia.
- **6.3% Increase in Annual Property Valuation** – Valuation growth of 6.3% across the portfolio in the 12 months to 30 June 2011 was underpinned by a strong 6.8% increase in net property income. As a result of the valuation growth, the Syndicate's Net Asset Backing increased by 14% to $1.87.
- **Proposed CSIF-A Investment Sale** – As advised in our letter dated 9 August 2011, Centro MCS 25 has agreed to sell its investment in the Centro Syndicate Investment Fund (CSIF-A) to Centro's proposed new listed Australian retail property vehicle (A-REIT) for a total cash consideration of $8.64 million. The sale price is based on the 30 June 2011 CSIF-A unit price of $0.432 and is expected to occur in late 2011, provided the proposal to create the A-REIT is approved by the relevant parties and the A-REIT is formed. The Syndicate will use the proceeds from the CSIF-A investment sale to retire debt which will reduce the Syndicate's interest cost. A portion of the sale proceeds will also be used to fund ongoing capital expenditure works at the properties which are currently being funded from the Syndicate's earnings. Importantly, this may allow the Syndicate to increase its FY12 distribution rate in which case, investors will be informed in writing of the new distribution rate.

KEY SYNDICATE STATISTICS

Year Ending 30 June	Actual 2008	Actual 2009	Actual 2010	Actual 2011	Forecast 2012[1]
Distribution Return on Initial Equity	12.00%	6.00%	5.00%	5.00%	6.00%
Distribution Return on Net Asset Backing (NAB)	5.66%	3.80%	3.05%	2.67%	3.21%
Tax Advantaged Portion	77.46%	100%	58.16%	0.00%	13.00%
Equivalent Pre-tax Return on Initial Equity	20.08%	11.21%	7.53%	5.00%	6.68%
NAB	$2.12	$1.60	$1.64	$1.87	-
Syndicate Commencement Date					July 2001, rollover occurred June 2007
Syndicate Review Date					June 2012 – June 2014

(1) The FY12 distribution forecast is subject to a successful debt refinancing at December 2011 on terms generally in line with those used for preparing the distribution forecasts.

PROPERTY PORTFOLIO STATISTICS

Property	State	Centre Sales Growth	Occupancy Rate (by area)	30 June 2011 Valuation[1]	30 June 2011 Capitalisation Rate	% Valuation Change (comparable from 30 June 2010)	Weighted Average Lease Expiry (by income)
Centro Karratha (50%)	WA	5.8%	99.4%	$47,000,000	7.75%	8.67%	4.08 years
Centro Raymond Terrace	NSW	-0.3%	100%	$27,000,000	9.00%	3.45%	5.27 years

PROPERTY PORTFOLIO STATISTICS (CONTINUED)

Property	State	Centre Sales Growth	Occupancy Rate (by area)	30 June 2011 Valuation[1]	30 June 2011 Capitalisation Rate	% Valuation Change (comparable from 30 June 2010)	Weighted Average Lease Expiry (by income)
Centro Oxenford	QLD	8.1%	100%	$21,600,000	8.00%	2.86%	4.52 years
Centro Emerald Village (50%)	QLD	21.0%	100%	$12,650,000	8.75%	5.42%	5.87 years
CSIF-A Investment[2]	Various	4.7%	99.6%	$8,636,940	8.55%	15.90%	5.43 years
Centro Emerald Market (50%)	QLD	N/A[3]	100%	$7,500,000	8.50%	3.45%	4.55 years
TOTAL		**6.8%**	**99.7%**	**$124,386,940**	**8.27%**	**6.27%**	**4.89 years**
FY10 TOTAL		5.7%	99.5%	$117,052,185	8.14%	0.53%	5.98 years
FY09 TOTAL		15.7%	99.7%	$116,435,000	7.94%	-13.17%	5.68 years
FY08 TOTAL[4]		12.0%	99.5%	$134,100,000	7.23%	2.22%	5.96 years

(1) Independent valuation undertaken by Savills at Centro Karratha, Jones Lang LaSalle at Centro Raymond Terrace and Urbis at Centro Oxenford, Centro Emerald Village and Centro Emerald Market.

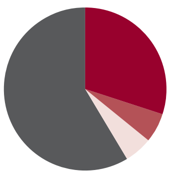
(2) Equity investment into Centro Syndicate Investment Fund (CSIF-A). For further information on CSIF-A refer to the Fact Sheet on the Centro MCS website under Syndicate Portfolio & RG46 Disclosures for Centro MCS 25.

(3) Non-comparable sales due to Queensland floods closing the centre from January to June 2011.

(4) Historical statistics exclude CSIF-A investment.

TOP RETAILERS

Total % of Income **41.5%**



- Woolworths **30.0%**
- Coles **6.1%**
- Kmart **5.4%**
- Other **58.5%**

DEBT INFORMATION

The average interest rate for all Syndicate debt (including margin) at 30 June 2011 was 6.52% p.a. and the Syndicate had not breached any loan covenants.

Period Ending	30 June 2008	30 June 2009	30 June 2010	30 June 2011
Gearing Ratio	45.5%	52.1%	51.7%	48.2%
Interest Cover Ratio	2.0 times	1.8 times	1.9 times	2.0 times

DEBT MATURITY PROFILE

Financier	Loan Facility Amount	Undrawn Amount	Loan Maturity
External Financier	$62.36 million	Nil	21 December 2011

FIXED INTEREST RATE HEDGE SUMMARY

CENTRO **MCS 26**

Total Annual Return
since Inception: **14.30%**

FY12 Distribution Forecast
on Initial Equity: **12.00%**

NAB Change

Jun '11	$1.81
Dec '10	$1.75
Jun '10	$1.68

SYNDICATE UPDATE

- **FY12 Distribution Forecast at 12.0%** – We are pleased to announce that FY12 Syndicate distribution forecast will increase to 12.0% on original equity invested. This represents an 18% increase over the actual distribution rate of 10.1% in FY11 (which included the payment of a one-off special distribution of 1.1 cents in August 2011). The Syndicate has been able to increase distributions due to higher income from Syndicate properties and more favourable interest rate forecasts.
- **Agreement to Purchase Minority Interest in Centro Maddington** – The Syndicate has entered into an agreement to purchase the 24% minority interest in Centro Maddington from an external co-owner, resulting in 100% ownership of the Centre. This purchase, which is expected to be completed later this year, will provide the Syndicate with more opportunities to add value at the Centre than was possible under the current joint venture arrangement. The acquisition, which has been agreed at a discount to the current valuation, will have a positive impact on Syndicate income and should deliver Centro MCS 26 investors an immediate uplift in their net asset backing.
- **Debt Refinancing Update** – The Syndicate's external debt facility expires on 15 December 2011, and commercial terms have been agreed with a new financier for a three year facility which will refinance the existing external debt, provide funding to purchase the minority interest in Centro Maddington and repay the existing Centro related party loan. Following this refinancing the Syndicate's loan to value ratio is forecast to remain at an acceptable level of approximately 46%.
- **Property Portfolio Update** – The Syndicate's property portfolio is performing well, with the average occupancy level of approximately 99% and steady sales growth of 2.2% per annum. Centro Indooroopilly's sales were impacted by the recent Queensland floods. Despite softening capitalisation rates across the property portfolio, successful tenancy reconfigurations and strong rental increases on lease renewals has led to an 8.42% average increase in property valuations over the past 12 months.

KEY SYNDICATE STATISTICS

Year Ending 30 June	Actual 2008	Actual 2009	Actual 2010	Actual 2011	Forecast 2012(1)
Distribution Return on Initial Equity	10.50%	7.97%	9.23%	10.10%	12.00%
Distribution Return on Net Asset Backing (NAB)	5.00%	4.95%	5.49%	5.58%	6.63%
Tax Advantaged Portion	69.93%	10.73%	0.07%	0.00%	5.00%
Equivalent Pre-tax Return on Initial Equity	16.88%	8.71%	9.24%	10.10%	12.52%
NAB	$2.10	$1.61	$1.68	$1.81	-
Syndicate Commencement Date					February 2002, rollover occurred April 2008
Syndicate Review Date					March 2013 – March 2015

(1) The FY12 distribution forecast is subject to a successful debt refinancing at December 2011 on terms generally in line with those used for preparing the distribution forecasts.

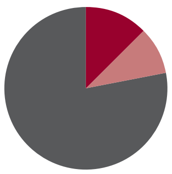
PROPERTY PORTFOLIO STATISTICS

Property	State	Centre Sales Growth	Occupancy Rate (by area)	30 June 2011 Valuation(1)	30 June 2011 Capitalisation Rate	% Valuation Change (comparable from 30 June 2010)	Weighted Average Lease Expiry (by income)
Centro Maddington (76%)	WA	3.8%	99.1%	$69,551,300	8.50%	6.78%	5.08 years
Centro Indooroopilly	QLD	-3.1%	98.5%	$44,150,000	8.75%	-0.11%	3.20 years
Woolworths Tweed Heads	NSW	1.7%	100%	$14,500,000	7.00%	5.07%	16.68 years
TOTAL		**2.2%**	**98.9%**	**$128,201,300**	**8.42%**	**4.11%**	**5.41 years**
FY10 TOTAL		13.7%	99.5%	$123,135,080	8.17%	0.18%	5.09 years
FY09 TOTAL		5.0%	99.7%	$122,916,880	8.16%	-15.49%	4.81 years
FY08 TOTAL		7.7%	100%	$145,449,960	6.72%	7.99%	5.28 years

(1) Independent valuation undertaken by Savills at Centro Maddington and Centro Indooroopilly and Jones Lang Lasalle at Tweed Supermarket.

TOP RETAILERS

Total % of Income **22.2%**



DEBT INFORMATION

The average interest rate for all Syndicate debt (including weighted average margin) at 30 June 2011 was 7.00% p.a. and the Syndicate had not breached any loan covenants.

Period Ending	30 June 2008	30 June 2009	30 June 2010	30 June 2011
Gearing Ratio(1)	30.2%	37.0%	36.7%	36.4%
Interest Cover Ratio	2.6 times	2.5 times	2.6 times	2.4 times

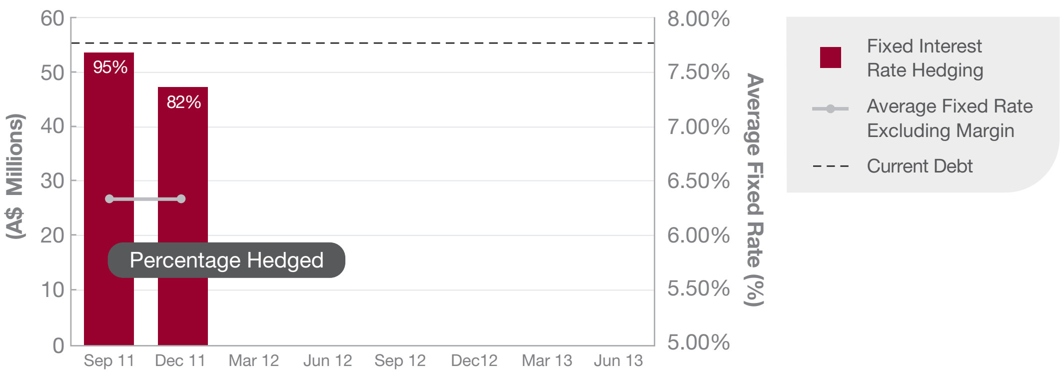
(1) For external financier debt loan covenant purposes, Centro Property Trust debt is not included. Gearing ratio is for CMCS 26 Group which includes 100% of Centro Maddington.

DEBT MATURITY PROFILE

Financier	Loan Facility Amount	Undrawn Amount	Loan Maturity(1)
External Financier	$54.42 million	Nil	20 December 2011
Centro Property Trust	$2.47 million	Nil	Payable at reasonable notice
TOTAL	**$56.89 million**	**Nil**	**0.48 years**

(1) Centro Property Trust loan calculated at 12 months loan maturity.

FIXED INTEREST RATE HEDGE SUMMARY



CENTRO **MCS 27**

Total Annual Return
since Inception: **16.14%**

FY12 Distribution Forecast
on Initial Equity: **Nil**

NAB Change

Jun '11	$1.15
Dec '10	$1.12
Jun '10	$1.10

SYNDICATE UPDATE

- **Valuation Increase Improves Net Asset Backing (NAB)** – The valuation of Sunshine Marketplace increased by 1.71% over the last six months and 2.30% over the last 12 months. This valuation increase has contributed to a NAB increase of 2.7% to $1.15 from $1.12 at 31 December 2010. The property valuation increase is largely due to increased rental income from new lease deals and lease renewals.
- **Property Performance Update** – Sunshine Marketplace has recorded annual sales growth for the past 12 months of 1.71%, underpinned by Big W, the Village Cinemas and the newly introduced JB HiFi. The Centre is 98.7% occupied and eight lease renewals and four new leases have been completed over the year, at an annual average rental of 5.1% above the prior rental levels.
- **No Syndicate Distribution** – The Syndicate is forecasting to cease paying distributions in the short to medium term as a result of a number of lease expiries occurring in the coming months. Instead, the Syndicate's earnings will be put towards value adding capital expenditure and tenant incentives required to secure long term lease deals in order to preserve the Centre's capital value. Once these lease deals have been completed we propose to reinstate Syndicate distributions, in which case investors will be informed in writing of the new distribution rate and the first payment date.

KEY SYNDICATE STATISTICS

Year Ending 30 June	Actual 2008	Actual 2009	Actual 2010	Actual 2011	Forecast 2012
Distribution Return on Initial Equity	8.50%	7.00%	5.50%	3.00%	Nil
Distribution Return on Net Asset Backing (NAB)	5.48%	6.09%	5.04%	2.61%	Nil
Tax Advantaged Portion	43.38%	15.19%	19.00%	82.00%	0.00%
Equivalent Pre-tax Return on Initial Equity	11.70%	7.92%	5.83%	5.14%	Nil
NAB	$1.55	$1.15	$1.10	$1.15	-
Syndicate Commencement Date					April 1999, rollover occurred April 2006
Syndicate Review Date					May 2011 – April 2013

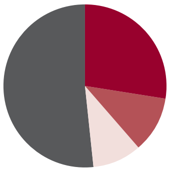
PROPERTY PORTFOLIO STATISTICS

Property	State	Centre Sales Growth	Occupancy Rate (by area)	30 June 2011 Valuation(1)	30 June 2011 Capitalisation Rate	% Valuation Change (comparable from 30 June 2010)	Weighted Average Lease Expiry (by income)
Sunshine Marketplace	**VIC**	**1.7%**	**98.7%**	**$89,000,000**	**8.00%**	**2.30%**	**5.33 years**
FY10 TOTAL		-4.8%	100%	$87,000,000	8.00%	-4.39%	5.81 years
FY09 TOTAL		10.5%	100%	$91,000,000	7.75%	-13.33%	6.02 years
FY08 TOTAL		8.8%	100%	$105,000,000	6.50%	2.94%	6.37 years

(1) Independent valuation undertaken by Jones Lang LaSalle.

TOP RETAILERS

Total % of Income **48.6%**



- Village Cinemas **27.7%**
- Woolworths **11.1%**
- Big W **9.8%**
- Other **51.4%**

DEBT INFORMATION

The average interest rate for all Syndicate debt (including weighted average margin) at 30 June 2011 was 8.21% p.a. and the Syndicate had not breached any loan covenants.

Period Ending	30 June 2008	30 June 2009	30 June 2010	30 June 2011
Gearing Ratio(1)	50.9%	59.5%	61.9%	61.1%
Interest Cover Ratio	1.7 times	1.9 times	1.9 times	1.3 times

(1) For external financier debt loan covenant purposes, Centro Property Trust debt is not included.

DEBT MATURITY PROFILE

Financier	Loan Facility Amount	Undrawn Amount	Loan Maturity(1)
External Financier	$55.00 million	Nil	15 December 2013
Centro Property Trust	$0.88 million	Nil	Payable at reasonable notice
TOTAL	**$55.88 million**	**Nil**	**2.46 years**

(1) Centro Property Trust loan calculated at 12 months loan maturity.

CENTRO **MCS 28**

Total Annual Return
since Inception: **6.12%**

FY12 Distribution Forecast
on Initial Equity: **2.00%**

NAB Change

Jun '11	$0.98
Dec '10	$0.82
Jun '10	$0.76

SYNDICATE UPDATE

- **End of Syndicate Term Strategy** – The Syndicate review date is 30 June 2012, having been extended for three years following a successful investor vote during 2008. We are focusing on providing a liquidity solution for all Centro MCS 28 investors during 2012 which will likely involve a sale of the properties and a wind-up of the Syndicate. At this stage it is anticipated that in conjunction with our co-owner, the Syndicate's 50% interest in Perth City Central will be marketed for sale. We are planning to sell our 50% interest in Centro Bankstown to Centro's proposed new A-REIT, on the basis the proposal to create the A-REIT is approved by the relevant parties and the new A-REIT is formed. Given that the Syndicate's 50% interest in Centro Bankstown is a non-controlling interest, this proposed outcome is considered to be more favourable to the Syndicate (and therefore to investors) than attempting to sell the Syndicate's 50% interest in isolation.
- **FY12 Distributions Forecast at 2.0%** – We are forecasting FY12 distributions of 2.0%, in line with distributions paid during FY11. Distributions remain low mainly due to portfolio capital expenditure of $3.9 million forecast for FY12 to be funded from Syndicate earnings and prior year cash reserves, as well as a high fixed interest rate structure averaging 8.48% (including weighted average margin) at 30 June 2011.
- **Strong Portfolio Valuation Gains** – Valuation growth of 6.9% or $18.75 million was recorded for the 12 months to 30 June 2011. This strong result was underpinned by annual property income growth of 4.8% and a firmer (lower) valuation capitalisation rate at Centro Bankstown; and successful office leasing at Perth City Central.
- **Portfolio Update** – Centro Bankstown continues to perform well with annual sales growth of 1.1% recorded to 30 June 2011 and a high occupancy rate of 99.6%. Property income growth of 4.9% is forecast for FY12 assisted by the opening of a new Dan Murphys store in September 2011. As previously reported Perth City Central was impacted last financial year by vacancies to its upper level offices, however, we are now pleased to report that a blue chip tenant has been secured for the vast majority of this vacant office space under a new long term lease to commence from late 2011.
- **Debt Refinancing Update** – The Syndicate's external debt facility expires on 15 December 2011 and discussions are well advanced with new lenders to refinance this facility.

KEY SYNDICATE STATISTICS

Year Ending 30 June	Actual 2008	Actual 2009	Actual 2010	Actual 2011	Forecast 2012[(1)]
Distribution Return on Initial Equity	6.35%	2.52%	1.00%	2.00%	2.00%
Distribution Return on Net Asset Backing (NAB)	4.89%	3.55%	1.32%	2.04%	2.04%
Tax Advantaged Portion	100%	100%	0.00%	18.00%	100%
Equivalent Pre-tax Return on Initial Equity	12.00%	4.71%	1.00%	2.31%	3.74%
NAB	$1.30	$0.71	$0.76	$0.98	-
Syndicate Commencement Date					January 2003
Syndicate Review Date					June 2012

(1) The FY12 distribution forecast is subject to a successful debt refinancing at December 2011 on terms generally in line with those used for preparing the distribution forecasts.

PROPERTY PORTFOLIO STATISTICS

Property	State	Centre Sales Growth	Occupancy Rate (by area)	30 June 2011 Valuation[1]	30 June 2011 Capitalisation Rate	% Valuation Change (comparable from 30 June 2010)	Weighted Average Lease Expiry (by income)
Centro Bankstown (50%)	NSW	1.1%	99.6%	$277,500,000	6.75%	6.73%	4.24 years
Perth City Central (50%)	WA	-7.7%	72.8%	$28,350,000	8.50%	4.61%	4.01 years
TOTAL		**0.04%**	**96.1%**	**$305,850,000**	**6.91%**	**6.53%**	**4.21 years**
FY10 TOTAL		-6.5%[2]	94.9%	$287,100,000	7.14%	-0.14%	5.27 years
FY09 TOTAL[3]		5.8%	95.7%	$402,040,000	7.17%	-16.15%	4.58 years
FY08 TOTAL[3]		7.5%	98.7%	$482,869,077	6.25%	4.99%	4.79 years

(1) Independent valuations undertaken by Savills at Centro Bankstown and Urbis at Perth City Central.
(2) Excludes Centro Bankstown sales growth as this was not comparable due to previous development.
(3) Historical statistics include David Jones Perth which was sold on 20 January 2010 for $114.5 million.

DEBT INFORMATION

The average interest rate for all Syndicate debt (including weighted average margin) at 30 June 2011 was 8.48% p.a. and the Syndicate had not breached any loan covenants.

Period Ending	30 June 2008	30 June 2009	30 June 2010	30 June 2011
Gearing Ratio[1]	57.1%	68.0%	58.3%	54.7%
Interest Cover Ratio	1.6 times	1.7 times	1.3 times	1.4 times

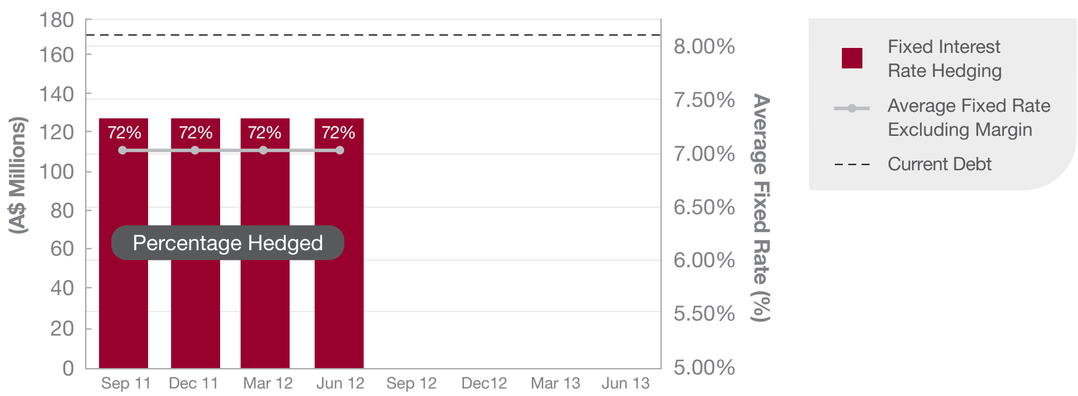
(1) For external financier debt loan covenant purposes, Centro Property Trust debt is not included.

DEBT MATURITY PROFILE

Financier	Loan Facility Amount	Undrawn Amount	Loan Maturity[1]
External Financier	$171.90 million	Nil	15 December 2011
Centro Property Trust	$0.90 million	Nil	Payable at reasonable notice
TOTAL	**$172.8 million**	**Nil**	**0.46 years**

(1) Centro Property Trust loan calculated at 12 months loan maturity.

FIXED INTEREST RATE HEDGE SUMMARY



CENTRO **MCS 33**

Total Annual Return
since Inception: **3.08%**

FY12 Distribution Forecast
on Initial Equity: **3.00%**

NAB Change

Jun '11	$0.73
Dec '10	$0.70
Jun '10	$0.71

SYNDICATE UPDATE

- **Syndicate Term Extended to September 2012** – At a meeting of Investors on 27 June 2011, Centro MCS 33 Investors overwhelmingly approved the extension of the Syndicate term to 30 September 2012. This short term extension was proposed to allow sufficient time for the orderly marketing and sale of the Syndicate properties and a Syndicate wind-up. A further extension or an alternative liquidity event may be proposed, subject to investor approval, if all properties are not sold by this date.
- **Sale of Centro Arndale** – The Syndicate has agreed to sell its 50% interest in Centro Arndale to the new listed Australian retail property vehicle (A-REIT) for a total cash consideration of $48.5 million, which is equal to the average of two independent valuations as at 30 June 2011. The sale is expected to occur when the A-REIT is formed late in the 2011 calendar year, with sale proceeds used to retire existing Syndicate debt.
- **Kmart Lease Secured at Centro Keilor** – We are pleased to announce that Kmart have committed to a new ten year lease at Centro Keilor. The Kmart tenancy will be downsized to meet the requirements of Kmart's new trading format. The space vacated by Kmart will be utilised for new external tenancies.
- **Major Capital Expenditure in FY12** – The Syndicate is forecasting to incur $4.6 million of capital expenditure in FY12, enabling the Responsible Entity to address a number of key property related issues prior to the sale of each asset to achieve optimised sale prices. The major capital expenditure comprises $1.75 million for the Kmart downsize at Centro Keilor, $0.7 million for structural remediation works at Centro Milton and $0.7 million at both Centro Burnie and Centro Flinders for tenant associated costs.
- **Distribution Rate of 3.0% Maintained in FY12** – The Syndicate distribution rate for the 2012 financial year is forecast at 3.0% per annum, in line with the actual distribution rate for FY11. Excess Syndicate earnings will be used to fund capital expenditure outlined above.

KEY SYNDICATE STATISTICS

Year Ending 30 June	Actual 2008	Actual 2009	Actual 2010	Actual 2011	Forecast 2012(1)
Distribution Return on Initial Equity	8.00%	6.75%	3.00%	3.00%	3.00%
Distribution Return on Net Asset Backing (NAB)	7.08%	8.43%	4.23%	4.11%	4.11%
Tax Advantaged Portion	77.30%	66.00%	76.00%	4.00%	0.00%
Equivalent Pre-tax Return on Initial Equity	13.37%	10.62%	4.98%	3.10%	3.00%
NAB	$1.13	$0.80	$0.71	$0.73	-
Syndicate Commencement Date					June 2004
Syndicate Review Date					September 2012(2)

(1) The FY12 distribution forecast is subject to a successful debt refinancing at December 2011 on terms generally in line with those used for preparing the distribution forecasts.
(2) As approved by meeting of Investors on 27 June 2011.

PROPERTY PORTFOLIO STATISTICS

Property	State	Centre Sales Growth	Occupancy Rate (by area)	30 June 2011 Valuation(1)	30 June 2011 Capitalisation Rate	% Valuation Change (comparable from 30 June 2010)	Weighted Average Lease Expiry (by income)
Centro Keilor	VIC	1.2%	100%	$60,500,000	8.25%	1.94%	3.04 years
Centro Arndale (50%)	SA	N/A(2)	99.7%	$48,500,000	8.50%	1.04%	3.38 years
Centro Lutwyche (50%)	QLD	1.9%	100%	$30,000,000	7.75%	0.00%	4.77 years
Centro Burnie	TAS	-1.1%	99.8%	$18,000,000	9.75%	-3.23%	1.97 years
Centro Flinders	WA	13.8%	100%	$18,000,000	8.25%	5.88%	8.98 years
Centro Milton	QLD	3.2%	98.5%	$17,000,000	8.00%	-1.45%	3.66 years

PROPERTY PORTFOLIO STATISTICS (CONTINUED)

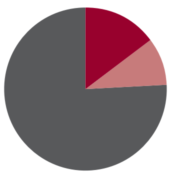
Property	State	Centre Sales Growth	Occupancy Rate (by area)	30 June 2011 Valuation(1)	30 June 2011 Capitalisation Rate	% Valuation Change (comparable from 30 June 2010)	Weighted Average Lease Expiry (by income)
TOTAL		**3.5%**	**99.8%**	**$192,000,000**	**8.35%**	**0.95%**	**3.91 years**
FY10 TOTAL		2.7%	99.6%	$190,200,000	8.29%	-5.53%	3.60 years
FY09 TOTAL		4.5%	98.8%	$201,325,000	8.10%	-16.57%	3.66 years
FY08 TOTAL		4.7%	99.9%	$241,300,000	6.85%	0.25%	3.84 years

(1) Independent valuations undertaken by Colliers at Centro Burnie, Urbis at Centro Lutwyche and Centro Milton, Savills at Centro Flinders and m3property at Centro Keilor. The average of two independent valuations by Colliers and Urbis were used to derive the value of Centro Arndale.

(2) Sales growth not available for Centro Arndale due to impending redevelopment.

TOP RETAILERS

Total % of Income **24.3%**



- Coles **14.8%**
- Kmart **9.5%**
- Other **75.7%**

DEBT INFORMATION

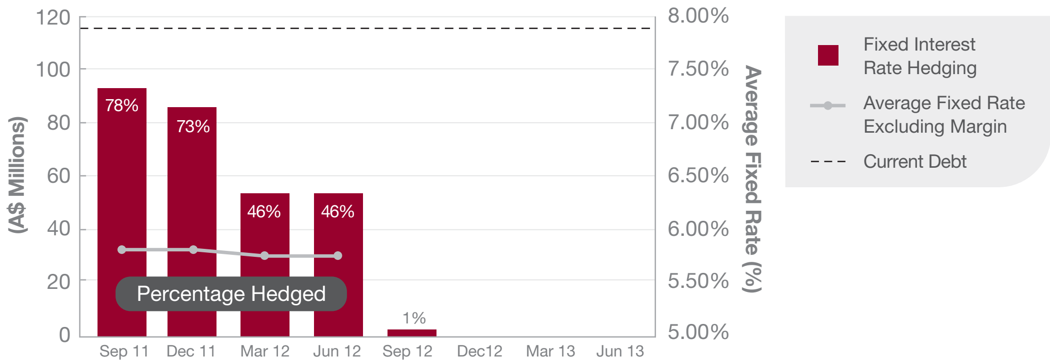
The average interest rate for all Syndicate debt (including margin) at 30 June 2011 was 7.64% p.a. and the Syndicate had not breached any loan covenants.

Period Ending	30 June 2008	30 June 2009	30 June 2010	30 June 2011
Gearing Ratio	46.9%	56.9%	59.9%	59.1%
Interest Cover Ratio	1.8 times	2.1 times	1.7 times	1.6 times

DEBT MATURITY PROFILE

Financier	Loan Facility Amount	Undrawn Amount	Loan Maturity
External Financier	$123.00 million	$5.05 million	15 December 2011

FIXED INTEREST RATE HEDGE SUMMARY



CENTRO **MCS 34**

Total Annual Return
since Inception: **4.68%**

FY12 Distribution Forecast
on Initial Equity: **5.00%**

NAB Change

Jun '11	$0.89
Dec '10	$0.83
Jun '10	$0.79

SYNDICATE UPDATE

- **Positive Sales Growth Across the Portfolio** – Sales performance remains healthy with annual growth across the portfolio of 8.7%:
  - Centro Woodcroft's annual sales growth of 12.1% was underpinned by the strong performance of Coles, up 10.9%.
  - Coles and Terry White Chemist, up 11.3% and 4.8% respectively, largely contributed to the annual sales growth at Centro Port Pirie.
  - Centro Emerald Village's annual sales growth of 21% was predominately due to the closure of Centro Emerald Market which had to be closed after sustaining significant water damage following the Queensland floods in January 2011. The main contributor to the sales growth of Centro Emerald Village was Woolworths (up 20.1%) which benefited from the temporary closure of Coles at Centro Emerald Market.
- **Centro Emerald Market Re-opens** – Centro Emerald Market re-opened for business at the end of June 2011. To date, centre sales have been outstanding. During recovery works to sanitise, dehumidify and dry out the Centre, Coles utilised the opportunity to undertake a full refurbishment, in line with their latest store design currently being rolled out across Australia.
- **Sale of Centro Lismore and Coles Morwell** – Some of the Syndicate properties were marketed for sale throughout May and June 2011 and sale contracts have now been signed for Centro Lismore and Coles Morwell. The sale of Centro Lismore will settle at the end of September 2011 for $23.5 million whilst the sale of Coles Morwell will settle in late November 2011 for $9.05 million. Collectively these sales are 28.1% above the 30 June 2011 book value, which is an outstanding result for Syndicate investors resulting in an 11 cent increase in the 30 June 2011 NAB to $1.00. Proceeds from the sale will be used to retire Syndicate debt.
- **Syndicate Review Date in December 2011** – The Syndicate's Review Date ends on 31 December 2011 and the Responsible Entity has now elected to terminate the Syndicate. At this stage we anticipate the sale process will be completed prior to 30 September 2012. Please note that an alternative strategy may be proposed for the Syndicate during 2012 (subject to investor approval) which would still allow an exit opportunity for investors.

KEY SYNDICATE STATISTICS

Year Ending 30 June	Actual 2008	Actual 2009	Actual 2010	Actual 2011	Forecast 2012[1]
Distribution Return on Initial Equity	8.25%	4.50%	4.00%	3.00%	5.00%
Distribution Return on Net Asset Backing (NAB)	6.55%	5.92%	5.06%	3.37%	5.62%
Tax Advantaged Portion	71.37%	75.42%	5.33%	0.00%	0.00%
Equivalent Pre-tax Return on Initial Equity	13.37%	7.45%	4.19%	3.00%	5.00%
NAB	$1.26	$0.76	$0.79	$0.89	-
Syndicate Commencement Date					December 2004
Syndicate Review Date					December 2009 – December 2011

(1) The FY12 distribution forecast is subject to a successful debt refinancing at December 2011 on terms generally in line with those used for preparing the distribution forecasts.

PROPERTY PORTFOLIO STATISTICS

Property	State	Centre Sales Growth	Occupancy Rate (by area)	30 June 2011 Valuation[1]	30 June 2011 Capitalisation Rate	% Valuation Change (comparable from 30 June 2010)	Weighted Average Lease Expiry (by income)
Centro Pinelands	QLD	5.3%	100%	$28,100,000	8.50%	0.36%	4.27 years
Centro Port Pirie	SA	7.6%	98.2%	$23,700,000	8.75%	2.60%	7.97 years

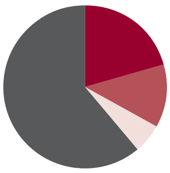
PROPERTY PORTFOLIO STATISTICS (CONTINUED)

Property	State	Centre Sales Growth	Occupancy Rate (by area)	30 June 2011 Valuation[1]	30 June 2011 Capitalisation Rate	% Valuation Change (comparable from 30 June 2010)	Weighted Average Lease Expiry (by income)
Centro Woodcroft	NSW	12.1%	96.4%	$21,600,000	8.25%	9.64%	3.26 years
Centro Lismore	NSW	0.3%	100%	$15,900,000	9.50%	-3.64%	3.55 years
Centro Emerald Village (50%)	QLD	21.0%	100%	$12,650,000	8.75%	5.42%	5.87 years
Coles Morwell	VIC	5.5%	100%	$9,500,000	9.25%	4.40%	1.90 years
Centro Emerald Market (50%)	QLD	N/A	100%	$7,500,000	8.50%	3.45%	4.55 years
TOTAL		**8.7%**	**99.3%**	**$118,950,000**	**8.72%**	**2.85%**	**4.71 years**
FY10 TOTAL		5.2%	98.9%	$115,650,000	8.65%	-0.47%	4.79 years
FY09 TOTAL		11.2%	99.4%	$116,200,000	8.49%	-17.55%	4.45 years
FY08 TOTAL		6.9%	99.1%	$140,927,510	7.17%	5.11%	3.07 years

(1) Independent valuation undertaken by Colliers at Centro Pinelands, m3property at Centro Woodcroft, Jones Lang LaSalle at Centro Port Pirie, Savills at Coles Morwell and Urbis at Centro Lismore, Centro Emerald Village and Centro Emerald Market.

TOP RETAILERS

Total % of Income **38.9%**



- Coles **20.8%**
- Woolworths **12.3%**
- Kmart **5.8%**
- Other **61.1%**

DEBT INFORMATION

The average interest rate for all Syndicate debt (including weighted average margin) at 30 June 2011 was 7.14% p.a. and the Syndicate had not breached any loan covenants.

Period Ending	30 June 2008	30 June 2009	30 June 2010	30 June 2011
Gearing Ratio[1]	54.3%	68.4%	67.8%	64.9%
Interest Cover Ratio	1.8 times	1.7 times	1.6 times	1.6 times

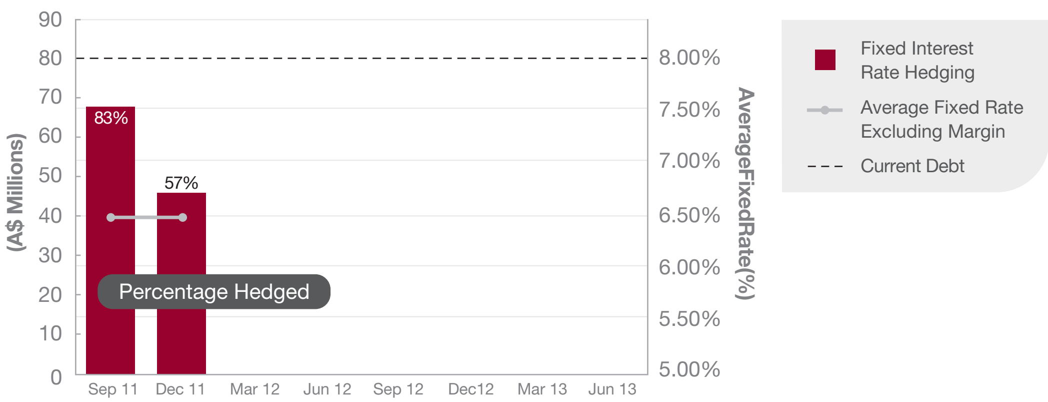
(1) For external financier debt loan covenant purposes, Centro Property Trust debt is not included.

DEBT MATURITY PROFILE

Financier	Loan Facility Amount	Undrawn Amount	Loan Maturity[1]
External Financier	$72.50 million	Nil	21 December 2011
Centro Property Trust	$7.74 million	Nil	Payable at reasonable notice
TOTAL	**$80.24 million**	**Nil**	**0.53 years**

(1) Centro Property Trust loan calculated at 12 months loan maturity.

FIXED INTEREST RATE HEDGE SUMMARY



CENTRO **MCS 37**

Total Annual Return
since Inception: **-2.37%**

FY12 Distribution Forecast
on Initial Equity: **4.25%**

NAB Change

Jun '11	$0.64
Dec '10	$0.57
Jun '10	$0.56

SYNDICATE UPDATE

- **Valuation Increase Improves Net Asset Backing (NAB)** – The value of the Syndicate property portfolio increased by 3.9% over the six month period to June 2011 and 5.4% over the 12 month period. Centro Albury, Centro Newton, Centro Gladstone Home and Centro Whites Hill all achieved valuation growth since December 2010, while Centro Monier remained static. The valuation increase is reflective of the tightening (lowering) of valuation capitalisation rates as well as annual net property income growth averaging 3.6% across the portfolio. The property valuation gains have contributed to an increase in the NAB from $0.57 at 31 December 2011 to $0.64.
- **Asset Sales Update** – Centro Whites Hill and adjacent residential property were sold on 31 August 2011 for $16.03 million, 1.46% above the 30 June 2011 valuation. Centro Newton was placed on the market during July/August 2011 and we are currently in contract negotiations with an interested party for a sale price higher than the 30 June 2011 valuation. We anticipate this property will be sold prior to the end of the year. All net proceeds from the sale of both assets will be used to repay debt in order to reduce the Syndicate's leverage to under 50%, thereby placing the Syndicate in a strong position to be refinanced ahead of the current loan facility expiry in December 2011.
- **Property Performance and Sales Update** – The Centro MCS 37 portfolio sales increased by 5.7% during the 12 months to 30 June 2011, underpinned by sales growth of 22.1% and 5.8% at Centro Gladstone Home and Centro Albury respectively. In particular Harvey Norman at Centro Gladstone Home continues to perform well with sales growth of 9.9%, while the specialty retailers also continue to experience strong sales growth. The Coles supermarket at Centro Albury has recorded sales growth of 10% for the year, following the recent introduction of online shopping and home delivery. All the centres in the Syndicate, apart from Centro Monier are fully leased. Centro Monier has three current vacancies and an occupancy rate of 94.2%.

KEY SYNDICATE STATISTICS

Year Ending 30 June	Actual 2008	Actual 2009	Actual 2010	Actual 2011	Forecast 2012(1)
Distribution Return on Initial Equity	7.05%	4.00%	4.00%	4.00%	4.25%
Distribution Return on Net Asset Backing (NAB)	7.67%	6.78%	7.14%	6.25%	6.64%
Tax Advantaged Portion	100%	100%	100%	100%	100%
Equivalent Pre-tax Return on Initial Equity	13.18%	7.48%	7.48%	7.48%	7.94%
NAB	$0.92	$0.59	$0.56	$0.64	-
Syndicate Commencement Date					May 2006
Syndicate Review Date					May 2011 – May 2013

(1) The FY12 distribution forecast is subject to a successful debt refinancing at December 2011 on terms generally in line with those used for preparing the distribution forecasts.

PROPERTY PORTFOLIO STATISTICS

Property	State	Centre Sales Growth	Occupancy Rate (by area)	30 June 2011 Valuation(1)	30 June 2011 Capitalisation Rate	% Valuation Change (comparable from 30 June 2010)	Weighted Average Lease Expiry (by income)
Centro Albury	NSW	5.8%	100%	$54,400,000	8.00%	7.94%	3.49 years
Centro Newton	SA	3.5%	100%	$32,600,000	7.75%	9.76%	5.13 years
Centro Gladstone Home	QLD	22.1%	100%	$26,200,000	8.50%	0.77%	5.50 years
Centro Whites Hill	QLD	0.8%	100%	$15,800,000	7.75%	1.61%	6.69 years
Centro Monier Village	QLD	-4.1%	94.2%	$12,800,000	8.00%	2.40%	6.27 years
TOTAL		**5.7%**	**99.6%**	**$141,800,000**	**8.01%**	**5.70%**	**4.77 years**

PROPERTY PORTFOLIO STATISTICS (CONTINUED)

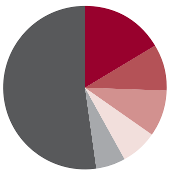
Property	State	Centre Sales Growth	Occupancy Rate (by area)	30 June 2011 Valuation(1)	30 June 2011 Capitalisation Rate	% Valuation Change (comparable from 30 June 2010)	Weighted Average Lease Expiry (by income)
FY10 TOTAL		1.8%	100%	$134,150,000	8.10%	-0.89%	5.35 years
FY09 TOTAL(2)		4.8%	95.0%	$141,550,000	7.88%	-13.16%	4.78 Years
FY08 TOTAL(2)		6.1%	99.3%	$163,000,000	6.90%	-1.20%	5.35 years

(1) Independant valuation undertaken by Savills at Centro Albury, m3property at Centro Newton, Colliers International at Gladstone Home and Urbis at Centro Whites Hill and Centro Monier Village.

(2) Historical statistics include Samuel Village which was sold in September 2009 for $6.2 million.

TOP RETAILERS

Total % of Income **47.9%**



- Kmart **16.6%**
- Woolworths **9.2%**
- Target **9.0%**
- Bunnings Warehouse **7.3%**
- Foodland **5.8%**
- Other **52.1%**

DEBT INFORMATION

The average interest rate for all Syndicate debt (including margin) at 30 June 2011 was 5.94% p.a. and the Syndicate had not breached any loan covenants.

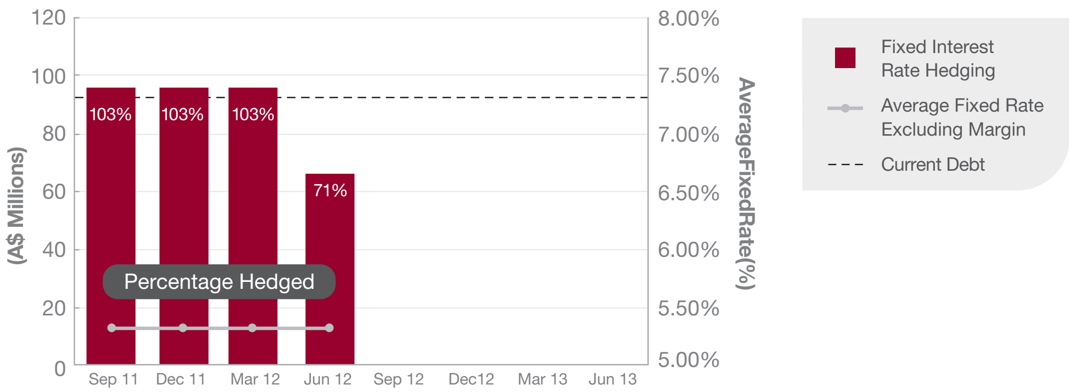
Period Ending	30 June 2008	30 June 2009	30 June 2010	30 June 2011
Gearing Ratio	59.6%	68.4%(1)	67.5%	64.0%
Interest Cover Ratio	1.9 times	1.8 times	1.9 times	1.7 times

(1) Gearing Ratio restated to include mark to market value of derivatives in gross assets.

DEBT MATURITY PROFILE

Financier	Loan Facility Amount	Undrawn Amount	Loan Maturity
External Financier	$92.68 million	Nil	20 December 2011

FIXED INTEREST RATE HEDGE SUMMARY



WOODLANDS

Total Annual Return since Inception: **N/A**

FY12 Distribution Forecast on Initial Equity: **9.00%**

NAB Change

Jun '11	$1.43
Dec '10	$1.89
Jun '10	$1.69

SYNDICATE UPDATE

- **Centro Woodlands Sales Campaign** – As reported in the *December 2010 Half Yearly Review*, Centro Woodlands was marketed for sale during March/April 2011 largely due to the potential impact of increased competition planned for the trade area. This initial sale campaign was unsuccessful with the majority of potential purchasers concerned with the uncertainty regarding the future competition. At this stage we are monitoring the performance of the recently opened Stockland North Shore shopping centre and we expect construction of a new Coles anchored shopping centre on an adjacent site to Centro Woodlands to commence prior to December 2011. A new property sale campaign may be reconsidered for Centro Woodlands during 2012.
- **Property and Net Asset Backing (NAB) Devaluation** – The Centro Woodlands property valuation reduced by 8.2% over the 12 months to 30 June 2011 largely due to the potential impact of increased competition which has resulted in the valuation capitalisation rate softening (increasing) to reflect this risk. This property devaluation amplified by the Syndicate's gearing ratio of 58% has resulted in the Syndicate NAB declining from $1.69 to $1.43 over the 12 month period.
- **Performance Update and FY12 Distributions** – Centro Woodlands recorded a 0.9% decline in annual sales for FY11 and property income growth of 1.2% compared to the prior 12 month period. We are now budgeting for a 4.1% reduction in property income, off this high FY11 base and Syndicate interest costs are anticipated to increase due to a higher interest rate margin. Notwithstanding these factors, we are forecasting to maintain the FY12 Syndicate distribution rate at 9.0%.
- **Syndicate Debt Refinancing Extension** – Commercial terms have been agreed to extend the Syndicate's debt facility with the existing financier for a further period to 30 April 2012. Debt repayments of $400,000 were also made prior to 31 July 2011 which has reduced the Syndicate debt facility to $9.35 million. During FY12 we will continue to review Syndicate refinance opportunities however, we may determine it is in investors' best interest to sell Centro Woodlands and wind-up the Syndicate.

KEY SYNDICATE STATISTICS

Year Ending 30 June	Actual 2008	Actual 2009	Actual 2010	Actual 2011	Forecast 2012[1]
Distribution Return on Initial Equity	9.60%	9.00%	11.00%	9.00%	9.00%
Distribution Return on Net Asset Backing (NAB)	4.47%	5.42%	6.51%	6.29%	6.29%
Tax Advantaged Portion	100%	100%	81.58%	22.00%	35.00%
Equivalent Pre-tax Return on Initial Equity	17.94%	16.82%	18.80%	10.72%	11.74%
NAB	$2.15	$1.66	$1.69	$1.43	-
Syndicate Commencement Date					August 1995, rollover occurred August 2007
Syndicate Review Date					August 2012 – August 2014

(1) The FY12 distribution forecast is subject to a successful debt refinancing at April 2012 on terms generally in line with those used for preparing the distribution forecasts.

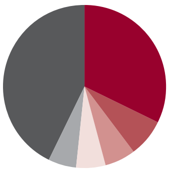
PROPERTY PORTFOLIO STATISTICS

Property	State	Centre Sales Growth	Occupancy Rate (by area)	30 June 2011 Valuation(1)	30 June 2011 Capitalisation Rate	% Valuation Change (comparable from 30 June 2010)	Weighted Average Lease Expiry (by income)
Centro Woodlands	**QLD**	**-0.9%**	**100%**	**$15,600,000**	**8.50%**	**-8.24%**	**3.26 years**
FY10 TOTAL		6.0%	100%	$17,000,000	8.00%	1.80%	4.22 years
FY09 TOTAL		9.7%	100%	$16,700,000	8.00%	-13.25%	4.85 years
FY08 TOTAL		18.4%	100%	$19,250,000	7.00%	4.34%	5.71 years

(1) Independent valuation undertaken by m3property.

TOP RETAILERS

Total % of Income **57.4%**



- Woolworths **32.3%**
- Woodlands Newsagency **7.5%**
- Calanna Pharmacy Woodlands **6.1%**
- Woodlands Surgery **5.8%**
- Woolworths Plus Petrol **5.7%**
- Other **42.6%**

DEBT INFORMATION

All Syndicate debt at 30 June 2011 was at a variable (floating) interest rate of 8.30% p.a. (including margin) and the Syndicate had not breached any loan covenants.

Period Ending	30 June 2008	30 June 2009	30 June 2010	30 June 2011
Gearing Ratio	44.8%	55.3%	53.8%	57.8%
Interest Cover Ratio	1.9 times	1.8 times	2.2 times	1.8 times

DEBT MATURITY PROFILE

Financier	Loan Facility Amount	Undrawn Amount	Loan Maturity
External Financier	$9.50 million(1)	Nil	30 April 2012

(1) Loan facility amount was reduced to $9.35 million in July 2011.

GLOSSARY

ABN – Australian Business Number.

A$ – Australian Dollars.

Anchor Tenant – Typically a retailer (often a supermarket, department store or discount department store) with a lettable area greater than 1,000m^2.

ASIC – Australian Securities & Investments Commission – ASIC enforces and regulates company and financial services laws to protect consumers, investors and creditors.

Assets – The resources owned by a company, fund or person. Assets can be tangible, e.g. cash, investments, property and equipment, or intangible, for example goodwill, patents.

Capitalisation Rate – The capitalisation rate is the percentage number used to determine the current value of a property based on assessed market net operating income. This is therefore the investor's yield on their investment.

Centro (CNP) – Centro Properties Group being Centro Properties Limited (ABN 45 078 590 682) and Centro Property Trust (ARSN 091 043 793) and all other entities controlled by each of them.

Centro MCS – The direct property division of Centro, consisting of Centro MCS Manager Limited (ABN 69 051 908 984) and CPT Manager Limited (ABN 37 054 494 307).

CMBS – Commercial Mortgage Backed Securities.

CSIF – Centro Syndicate Investment Fund.

Distributions – Income payments made by Centro's managed funds to investors.

Foreign Exchange (FX) – System of trading in and converting the currency of one country into that of another.

Gearing Ratio – The gearing ratio is generally expressed as a percentage and is calculated as the proportion of total fund debt to fund assets.

Hedge – A strategy used to offset financial risks such as movements in interest rates or foreign currency exchange (FX) rates. Common hedging strategies adopted by Centro MCS include the use of interest rate swaps, FX rate forwards and cross currency swaps, which are effectively used to fix interest rates or foreign currency exchange rates for the life of the swap. These swaps are generally independent of the debt facilities, so a swap maturity date may be different to the term of the debt facility.

ICR – Interest Cover Ratio – A ratio used to determine how easily an entity can pay interest on outstanding debt. The interest cover ratio is calculated by dividing the entity's earnings before interest and taxes (EBIT) of one period by the entity's interest expense of the same period.

Initial Syndicate Term – The first term of the Syndicate, usually being anywhere between seven and ten years.

LVR – Loan to Value Ratio.

Major (tenant or retailer) – Generally a supermarket, department store or a discount department store tenant with a lettable area greater than 1,000m^2.

Mini Major – A retailer with a large national chain that occupies a smaller Net Lettable Area than the major stores.

NAB – The NAB (or Net Asset Backing) is the measure used to reflect the fair value of a Syndicate or fund investment. The use of a NAB methodology differs somewhat from the accounting norm of a Net Tangible Assets (NTA) figure (NTA being simply the total tangible assets of a company or trust on a per unit basis). Though NAB is quite closely aligned with NTA, it is adjusted for several factors such as actual or likely property acquisition costs, structuring and establishment costs, exit and success fees and selling costs. All of these adjustments ensure that the NAB measure is best able to reflect the illiquid fixed term nature of Syndicates.

Neighbourhood Centre – A neighbourhood centre features a supermarket as the anchor tenant in addition to specialty retailers that focus on the day-to-day needs of the immediate neighbourhood. The typical size of a neighbourhood centre is 5,000-6,000m^2.

NOI – Net Operating Income – Property revenues less property expenses, excluding debt service and depreciation.

Specialty Retailer – Typically a retailer with a lettable area of less than 1,000m^2.

Subordinated Debt – Debt that is either unsecured or has a lower priority than that of another debt claim on the same asset or property.

Syndicate – A direct property investment vehicle whereby investors' funds are pooled over a set group of properties for a fixed term. This is normally administered by a responsible entity with ownership vested with a custodian on behalf of investors.

Tax advantaged – The non-assessable distribution component received by investors. This amount generally does not form part of an investor's taxable income in the year of receipt. It normally comprises of tax deferred income attributable to depreciation and capital allowances that will reduce the investor's CGT cost base in the units and tax free amounts relating to the capital gains discount that will not affect the CGT cost base.

US$ – US Dollars.

DIRECTORY

RESPONSIBLE ENTITY

CPT MANAGER LIMITED

ABN 37 054 494 307

BOARD OF DIRECTORS

Paul Cooper (Chairman)
Robert Tsenin (Group Chief Executive Officer & Managing Director)
Anna Buduls
Susan Oliver
Jim Hall
Rob Wylie

Centro MCS 21
Centro MCS 22
Centro MCS 23
Centro MCS 25
Centro MCS 26
Centro MCS 27
Centro MCS 28
Centro MCS 32
Centro MCS 33

RESPONSIBLE ENTITY

CENTRO MCS MANAGER LIMITED

ABN 69 051 908 984

BOARD OF DIRECTORS

W Peter Day (Chairman)
Paul Cooper
Anna Buduls
Michael Humphris
Fraser MacKenzie
Bill Bowness

Centro MCS 4
Centro MCS 5
Centro MCS 6
Centro MCS 8
Centro MCS 9
Centro MCS 10
Centro MCS 11
Centro MCS 12
Centro MCS 14
Centro MCS 15
Centro MCS 16
Centro MCS 17
Centro MCS 18
Centro MCS 19 UT
Centro MCS 19 NZ/I
Centro MCS 20
Centro MCS 34
Centro MCS 35
Centro MCS 36
Centro MCS 37
Centro MCS 38
Woodlands

COMPANY SECRETARY

Elizabeth Hourigan
Dimitri Kiriacoulacos

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Centro MCS
DIRECT PROPERTY