

5 December 2008

Centro Direct Property Fund (DPF) – Non Resident/Custodian Withholding Tax Information (Fund Payment) Summary - 9 December 2008

A new withholding tax regime for income years commencing 1 July 2007, and subsequently revised on 1 July 2008, applies to distributions made by managed investment trusts. This regime requires distributions of various types of Australian source income paid by managed investment trusts (i.e. DPF) to non residents (either directly or indirectly) be subject to a flat withholding tax rate, of 22.5% for a foreign investor who is resident in a jurisdiction with which Australia has an effective Exchange Of Information (EOI) agreement, otherwise a 30% withholding tax rate will apply.

The rate of withholding for residents of EOI countries will fall to 15% for the year commencing 1 July 2009 and then 7.5% for years commencing 1 July 2010 and thereafter.

A "Fund Payment" made by DPF to a custodian (i.e. an entity that conducts a business that predominantly consists of custodial or depository services) who then pays this income to a non resident is subject to withholding tax. In this instance the custodian is the party who is responsible to undertake the withholding obligations. If the non resident investor invests directly into DPF, then the Responsible Entity of the DPF is required to deduct the withholding tax.

A notice must be supplied by the Responsible Entity of the DPF to the custodian in respect of the Fund Payment amount on or before the receipt of the payment, or be made available on a website when or before the payment is made. The information contained within the notice will assist the custodian to calculate the relevant amount of withholding tax applicable to the payment it then makes to any non resident investor.

Please note that the "Fund Payment" amount is not necessarily the same as the distribution amount.

The following table set outs the Fund Payment amounts for the DPF for the special distribution payable 9 December 2008.

DPF 9 December 2008 Special Distribution - Fund Payment Summary

Entity	Fund Payment Amount (cents per unit) ¹
DPF	0.75

Note 1:

For the purpose of Section 12-395 of Schedule 1 of the Taxation Administration Act 1953 (CTH), (the Act), the above represents the "Fund Payment" amount as defined in Section 12-405 in the Act, in respect of the year ended 30 June 2009.

The "Fund Payment" amount is only used to determine the amount of withholding tax applicable to any direct or indirect investment in the DPF ultimately held by a non resident.