

17 December 2007



## **Centro Retail Trust Announces Interim Extension of A\$1.2 billion in Maturing Facilities**

Centro MCS Manager Limited, as responsible entity for Centro Retail Trust ("CER") is continuing to negotiate the refinancing of A\$1.2 billion in maturing facilities, and has obtained an interim extension until 15 February 2008 of all facilities maturing prior to that date.

Tightened credit conditions have, however, had the effect that negotiation of a comprehensive refinancing package of these short term facilities has not yet occurred.

It has become clear that to secure longer term financing in illiquid credit markets, CER will need to move to reduce its gearing level over time.

CER's property portfolio is performing in line with expectations, reflective of the strong cash flows and defensive characteristics of non-discretionary food and convenience based retail property.

### **Impact on Earnings**

Unforecast increased margins on the refinancing, and costs associated with the extension of the funding facilities, will have an adverse effect on CER's earnings and forecast distributions.

As a result, CER's forecast distributable profit per security has been revised downward from 14.23 cents per security to 13.50 cents per security for the year ended 30 June 2008. This represents an increase of 6.3% on the FY07 DPS of 12.70 cents per security.

For reasons of prudence, given the uncompleted refinancing, CER will not declare any distribution for the half year ending 31 December 2007, at least until long term refinancing is finalised.

### **Property Portfolio Continues to Perform Strongly**

CER's underlying business remains strong with its shopping centre portfolio performing well.

The defensive nature of CER's retail property has enabled expected property portfolio income and growth to be exceeded.

Conditions within CER's Australian portfolio remain robust with occupancy levels in excess of 99% and property income growth for FY08 on target to be in excess of 4%.

CER's US portfolio is performing well and in line with expectations. Despite some commentary and market noise there has been no evidence of a significant change in property capitalisation rates or experience of diminishing property performance. The performance is reflective of the non-discretionary nature of CER's shopping centres and the security of income from leases to tenants such as Kroger, TJ Maxx and Wal-Mart.

**About CER Retail Trust (ASX: CER)**

Centro Retail Trust (CER) is a pure property trust specialising in the ownership of shopping centres. CER has an interest in over 450 properties in six Australasian and 39 US states.

Please visit the Centro Retail Trust website at [www.centro.com.au/centroretailtrust](http://www.centro.com.au/centroretailtrust)

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