

15 July 2008



Centro Announces Agreement to Sell CAF Portfolio

Centro Properties Group (Centro) today announced that it has entered into an agreement to sell 29 of the 31 properties in the Centro America Fund ("CAF"), a wholesale fund managed by the Centro group, to a private real estate investment advisor. Centro's direct interest in CAF is 46.65%, excluding Centro's holding in the Centro Direct Property Funds.

The 29 properties aggregate 5.1 million square feet and span 15 states. The agreement excludes CAF's partial share of Independence Mall, located in Wilmington, North Carolina, and Elk Park Center, located in Elk River, Minnesota, which will continue to be held by the fund. In connection with the sale, Centro will provide management and leasing services for the 29 assets for a minimum of one year in exchange for market fees.

The contract price of US\$714 million represents a 10% discount to previous book value. Centro expects to use the net proceeds to pay down outstanding indebtedness. The agreement has been approved by CAF's investors and is subject to certain closing conditions, including a due diligence period and lender consent, and there can be no assurance that the transaction will be consummated. Settlement is scheduled to occur in late September to October 2008.

"As we have previously advised, the sale of the CAF portfolio is a key step in providing liquidity to our balance sheet," said Glenn J. Rufrano, Centro's Chief Executive Officer.

About Centro Properties Group (ASX: CNP)

Centro Properties Group specialises in the ownership, management and development of shopping centres. Centro is Australia's largest manager of retail property investment syndicates and is a manager of direct property funds and wholesale funds which invest in Centro's quality retail properties in Australasia and the United States. For more information, please visit www.centro.com.au.

For further information

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