

Responsible Entity
CPT Manager Limited
ABN 37 054 494 307



Centro Properties Limited
ABN 45 078 590 682
Centro Property Trust
ARSN 091 043 793

26 June 2008

Companies Announcement Office
Australian Stock Exchange Limited
10th Floor, 20 Bond Street
Sydney NSW 2000

Dear Sir

Centro Properties Group (Centro) (ASX:CNP) – 30 June 2008 Coupon Payment on Exchangeable Notes

In May 2007, Centro raised US\$500m through the issue of Exchangeable Notes. The coupon on these notes is payable half yearly on 30 June and 31 December. The coupon rate is 5.5% per annum, of which 2% per annum accrues and is therefore added to the principal amount of the Exchangeable Notes. In relation to the remaining 3.5% per annum, Centro has the right, at its sole election, to either:

Option 1: Pay it in cash; or

Option 2: Elect not to make the payment, which has the consequence described below.

In the past, Centro has elected to take Option 1; however, Centro advises that, to conserve liquidity and against a background of Centro declaring a nil distribution to ordinary securityholders on 19 June 2008 for the six months to 30 June 2008, it has today resolved to take Option 2 for the 30 June 2008 coupon. As a result of electing this option, a "capital and distribution stopper" will be triggered. This means that Centro will be prohibited from making any distributions to ordinary stapled securityholders until such time as the missed 3.5% per annum payment amounting to US\$8.75 million has been paid.

The non-payment of the cash component of the coupon is not an event of default under the Exchangeable Notes, any of Centro's financing facilities or those of Centro Retail Trust or any of Centro's managed funds.

Yours faithfully

Elizabeth Hourigan
Company Secretary