

Appendix 3B

New issue announcement, application for quotation of additional securities and agreement

Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.

Introduced 1/7/96. Origin: Appendix 5. Amended 1/7/98, 1/9/99, 1/7/2000, 30/9/2001, 11/3/2002, 1/1/2003, 24/10/2005.

Name of entity

Centro Properties Limited (ABN 45 078 590 682)
CPT Manager Limited (ABN 37 054 494 307) as responsible entity for Centro
Property Trust

ABN

45 078 590 682
37 054 494 307

We (the entity) give ASX the following information.

Part 1 - All issues

You must complete the relevant sections (attach sheets if there is not enough space).

- | | |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------|
| 1 +Class of +securities issued or to be issued | 1. Hybrid Securities
2. Fully paid ordinary stapled securities. |
| 2 Number of +securities issued or to be issued (if known) or maximum number which may be issued | 1. 1,054,691 Hybrid Securities each with a \$1,000 face value.
2. 124,904,301 fully paid ordinary stapled securities. |
| 3 Principal terms of the +securities (eg, if options, exercise price and expiry date; if partly paid +securities, the amount outstanding and due dates for payment; if +convertible securities, the conversion price and dates for conversion) | 1. See Attachment A.
2. Securities will rank pari passu with existing ordinary stapled securities |

4	<p>Do the +securities rank equally in all respects from the date of allotment with an existing +class of quoted +securities?</p> <p>If the additional securities do not rank equally, please state: the date from which they do the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment</p>	<p>1. See section 4 of Attachment A.</p> <p>2. Yes.</p>				
5	Issue price or consideration	<p>1. Hybrid Securities described in Attachment A represent a continuation of approximately A\$1.05 billion in senior debt with amended terms.</p> <p>2. A\$14,076,714.72.</p>				
6	Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)	See attached announcement.				
7	Dates of entering +securities into uncertificated holdings or despatch of certificates	16 January 2009				
8	Number and +class of all +securities quoted on ASX (including the securities in clause 2 if applicable)	<table><tr><th>Number</th><th>+Class</th></tr><tr><td>970,020,269</td><td>Fully paid ordinary stapled securities</td></tr></table>	Number	+Class	970,020,269	Fully paid ordinary stapled securities
Number	+Class					
970,020,269	Fully paid ordinary stapled securities					

+ See chapter 19 for defined terms.

	Number	+Class
9	Number and +class of all +securities not quoted on ASX (including the securities in clause 2 if applicable)	
	5,000	Convertible Bonds (exchangeable notes)
	5,000	Options (exchangeable notes)
	1,054,691	Hybrid Securities
	4,713,766	Employee options
	NIL	Special tracking unit (cancelled 14.1.09)
10	Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)	N/A

Part 2 - Bonus issue or pro rata issue

11	Is security holder approval required?	N/A
12	Is the issue renounceable or non-renounceable?	N/A
13	Ratio in which the +securities will be offered	N/A
14	+Class of +securities to which the offer relates	N/A
15	+Record date to determine entitlements	N/A
16	Will holdings on different registers (or subregisters) be aggregated for calculating entitlements?	N/A
17	Policy for deciding entitlements in relation to fractions	N/A
18	Names of countries in which the entity has +security holders who will not be sent new issue documents Note: Security holders must be told how their entitlements are to be dealt with. Cross reference: rule 7.7.	N/A

19	Closing date for receipt of acceptances or renunciations	N/A
20	Names of any underwriters	N/A
21	Amount of any underwriting fee or commission	N/A
22	Names of any brokers to the issue	N/A
23	Fee or commission payable to the broker to the issue	N/A
24	Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of +security holders	N/A
25	If the issue is contingent on +security holders' approval, the date of the meeting	N/A
26	Date entitlement and acceptance form and prospectus or Product Disclosure Statement will be sent to persons entitled	N/A
27	If the entity has issued options, and the terms entitle option holders to participate on exercise, the date on which notices will be sent to option holders	N/A
28	Date rights trading will begin (if applicable)	N/A
29	Date rights trading will end (if applicable)	N/A
30	How do +security holders sell their entitlements <i>in full</i> through a broker?	N/A

+ See chapter 19 for defined terms.

31	How do +security holders sell <i>part</i> of their entitlements through a broker and accept for the balance?	N/A
32	How do +security holders dispose of their entitlements (except by sale through a broker)?	N/A
33	+Despatch date	N/A

Part 3 - Quotation of securities

You need only complete this section if you are applying for quotation of securities

- 34 Type of securities
(tick one)
- (a) ☒ Securities described in Part 1 (ordinary stapled securities only)
- (b) ☐ All other securities
Example: restricted securities at the end of the escrowed period, partly paid securities that become fully paid, employee incentive share securities when restriction ends, securities issued on expiry or conversion of convertible securities

Entities that have ticked box 34(a)

Additional securities forming a new class of securities

Tick to indicate you are providing the information or documents

- 35 ☐ If the +securities are +equity securities, the names of the 20 largest holders of the additional +securities, and the number and percentage of additional +securities held by those holders
- 36 ☐ If the +securities are +equity securities, a distribution schedule of the additional +securities setting out the number of holders in the categories
1 - 1,000
1,001 - 5,000
5,001 - 10,000
10,001 - 100,000
100,001 and over
- 37 ☐ A copy of any trust deed for the additional +securities

Entities that have ticked box 34(b)

38	Number of securities for which +quotation is sought	N/A	
39	Class of +securities for which quotation is sought	N/A	
40	Do the +securities rank equally in all respects from the date of allotment with an existing +class of quoted +securities? If the additional securities do not rank equally, please state: the date from which they do the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment	N/A	
41	Reason for request for quotation now Example: In the case of restricted securities, end of restriction period (if issued upon conversion of another security, clearly identify that other security)	N/A	
42	Number and +class of all +securities quoted on ASX (<i>including</i> the securities in clause 38)	Number N/A	+Class

+ See chapter 19 for defined terms.

Quotation agreement

1 +Quotation of our additional +securities is in ASX's absolute discretion. ASX may quote the +securities on any conditions it decides.

2 We warrant the following to ASX.

- The issue of the +securities to be quoted complies with the law and is not for an illegal purpose.
- There is no reason why those +securities should not be granted +quotation.
- An offer of the +securities for sale within 12 months after their issue will not require disclosure under section 707(3) or section 1012C(6) of the Corporations Act.

Note: An entity may need to obtain appropriate warranties from subscribers for the securities in order to be able to give this warranty

- Section 724 or section 1016E of the Corporations Act does not apply to any applications received by us in relation to any +securities to be quoted and that no-one has any right to return any +securities to be quoted under sections 737, 738 or 1016F of the Corporations Act at the time that we request that the +securities be quoted.
- If we are a trust, we warrant that no person has the right to return the +securities to be quoted under section 1019B of the Corporations Act at the time that we request that the +securities be quoted.

3 We will indemnify ASX to the fullest extent permitted by law in respect of any claim, action or expense arising from or connected with any breach of the warranties in this agreement.

4 We give ASX the information and documents required by this form. If any information or document not available now, will give it to ASX before +quotation of the +securities begins. We acknowledge that ASX is relying on the information and documents. We warrant that they are (will be) true and complete.

Sign here: Date:

Company secretary for
Centro Properties Limited
Company secretary for CPT Manager Limited
(as responsible entity for the Centro Property Trust)

Print name:

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+ See chapter 19 for defined terms.

Attachment A – Terms of Hybrid Securities

1 Form and Denomination

The Hybrid Securities will be issued in registered form in denominations of A\$1,000 per Hybrid Security (or equivalent US\$662.40 per Hybrid Security)

2 Status

The Hybrid Securities constitute A\$/US\$ denominated, cumulative deferrable, interest bearing, secured notes of Centro, without any preference among themselves.

3 Security

Guarantees and fixed and floating charges provided by all wholly owned Centro entities involved in the services business or that has a direct or indirect interest in real property.

4 Ranking

Centro instruments, including the Hybrid Securities, will rank in the following order:

- first, all fees of, and costs and expenses incurred by relevant security trustees in respect of the restructured debt;
- second, the senior lenders in accordance with the terms of the debt restructure as set out in the attached announcement;
- third, the Hybrid Securityholders in respect of the Hybrid Securities;
- fourth, unsecured debt of Centro; and
- fifth, the obligations of Centro in respect of the Exchangeable Notes.
- sixth, ordinary stapled securityholders.

+ See chapter 19 for defined terms.

5 Interest

The Hybrid Securities provide Hybrid Securityholders with cumulative, gross, interest payments on each Hybrid Security at the following interest rate:

- until 14 January 2012, 5% per annum; and
- thereafter, 7.5% per annum; or
- if, after 5 years, a holder requests redemption and Centro does not redeem their Hybrid Securities, 10% per annum.

Centro must defer payment of interest on the Hybrid Securities until the full and final payment or repayment of (and no right of redraw on) the Term Loans. After the Term Loans have been repaid, Centro has the option to defer any interest payment until the Maturity Date (as defined in Section 7 below) if Centro determines, prior to an interest payment date, that Centro will not have sufficient cash or cash equivalents on hand to make the aggregate interest payment in respect of that interest payment date.

Deferral of interest is not an event of default.

6 Interest Payment Dates

15 January and 15 July of each year.

7 Maturity Date

15 January 2016.

8 Conversion rights

The number of stapled securities to be issued on conversion of a Hybrid Security will be equal to the **Conversion Number**, being enough to take the Hybrid Securityholders to 90.1% of Centro's ordinary equity, on a fully diluted basis and taking into account the number of stapled securities issued in accordance with the Appendix 3B attached. The Conversion Number is subject to adjustment in the case of consolidation or new equity issues or similar to maintain this 90.1% position.

Conversion is subject to various conditions including ordinary stapled security holder approval and (other than in respect of conversion on the Maturity Date) that the outstanding amount of the Hybrid Securities on conversion is equal to or less than market value, and independent expert certified value, of the stapled securities that would be issued on conversion.

If 75% of the Hybrid Securityholders (by exposure) elect to convert their Hybrid Securities into stapled securities, then all holders may be obliged to convert their Hybrid Securities into stapled securities (i.e., a drag-along right).

+ See chapter 19 for defined terms.

9 Redemption

9.1 At Centro's election

Centro may redeem all of the Hybrid Securities in cash at any time with 30 days notice, subject to the election of any of the Lenders to retain the Hybrid Securities. Centro could only exercise this right once it has repaid the term loans.

9.2 At the election of the Hybrid Securityholders

Once the Hybrid Securities have been on issue for 5 years, Hybrid Securityholders may give Centro notice requesting redemption in cash at the Cash Redemption Amount (as defined in Section 10) for the Hybrid Security.

The right can only be exercised in respect of:

- at least 20% in principal amount of the Hybrid Securities held by the relevant holder; or
- at least A\$20,000,000 in principal amount of Hybrid Securities (or the US\$ equivalent).

The Cash Redemption Amount which is otherwise due and payable may be deferred by Centro until the Maturity Date if a conversion condition is not met or waived and the directors of Centro determine that Centro will not have sufficient cash or cash equivalents to make the payment and, if required by the Bond Manager (as defined in Section 14), these determinations have been found to be reasonable by an independent financial advisor.

This deferral is not an event of default.

10 Cash Redemption Amount

The Cash Redemption Amount of a Hybrid Security shall be the greatest of:

- the 'current market price' (based on a volume weighted average price at the relevant time) of a stapled security multiplied by the Conversion Number;
- the 'net value' per stapled security (based on an independent valuation of Centro's properties and services business) on the Calculation Date multiplied by the Conversion Number, where the **Calculation Date** is either the fifth trading day prior to the redemption or conversion date or the date of notice given to the Bond Manager upon an Event of Default;
- if a recommended or successful offer for control for Centro has been made or occurred within 180 days prior to the Calculation Date, an amount equal to the 'implied net value' per stapled security on the Calculation Date for the Hybrid Security multiplied by the Conversion Number; and
- an amount equal to the outstanding amount of the Hybrid Security as at the redemption date, which includes accrued but unpaid interest.

+ See chapter 19 for defined terms.

11 Distribution and Capital Stopper

Whilst there is unpaid interest or whilst there is an unpaid deferred Cash Redemption Amount, Centro must not pay interest or dividends, return capital or otherwise distribute value to any equal or lower ranking security holder.

However, Centro shall be permitted to:

- pay interest on the senior debt;
- convert the Exchangeable Notes to stapled securities; and
- restructure Centro's holding of CER securities on behalf of Centro Direct Property Fund and Centro Direct Property Fund International, and make distributions under that structure.

12 Change of Control

Hybrid Securityholders will have the right to require Centro to redeem the Hybrid Securities at the Cash Redemption Amount if any person or group of persons acting in concert gain direct or indirect control of Centro.

13 Stamp duty and taxes

Centro must pay any taxes, stamp, issue and registration duties payable in respect of the stapled securities on conversion of a Hybrid Security.

14 Bond Manager

Australia and New Zealand Banking Group Limited.

+ See chapter 19 for defined terms.