

5 January 2010

## Centro announces new Group Chief Executive Officer

Centro Properties Group (**Centro**) announced today that it has appointed current non-executive Director Robert Tsenin as its new Group Chief Executive Officer (CEO) and Managing Director subject to finalisation of an employment agreement.

Robert Tsenin will formally commence his duties as Group CEO in Centro's head office in Melbourne on 1 March 2010 and he will become Group CEO designate on 5 February 2010 to ensure an orderly handover from current Group CEO Glenn Rufrano.

Centro Chairman Paul Cooper said: "We are delighted to appoint someone with Robert's depth of experience to lead the Centro group into the future. Robert will bring to the role more than 30 years experience in real estate, corporate finance, and mergers and acquisitions, both in Australia and abroad, including six years at Lend Lease (1997 – 2003) as Finance Director. The Board believes Robert has the requisite experience and knowledge of the group to provide the leadership essential for us to achieve our longer term goals."

"The appointment of a new Group CEO and the recent appointment of co-advisers to undertake an assessment of a potential restructure are further steps toward restoring value to the Centro group," Mr Cooper said.

The Centro group made significant progress in 2009: the completion of the debt stabilisation agreement; the regeneration of the Centro Executive Committee; and the renewal and separation of the Centro and Centro Retail Trust (**CER**) Boards.

"These achievements, in conjunction with actively managing our properties and funds, have delivered a solid platform from which Robert can lead the group into the future," Mr Cooper said.

Incoming Group CEO Robert Tsenin said: "I am delighted to have been given the opportunity and challenge to lead the management team at Centro as we continue the process of rebuilding value in the group. The Centro group has quality assets that have continued to perform well despite the difficult environment in which it has been operating in the past two years."

"The debt stabilisation agreement has given the group time to explore restructuring options that will be in all stakeholders' interests and I take this role at a time when both Boards and the management team are re-energised and committed to rebuilding value," Mr Tsenin said.

"I am not underestimating the challenges that lie ahead. However, I am confident that through teamwork, dedication and the restructuring of the group taking into account current market realities we can continue the rebuilding process that Glenn Rufrano and Tony Clarke have so ably overseen in the past 12 months."



Centro announced Robert's appointment to the Centro Board as a non-executive Director in June 2009 and he will remain on the Centro Board as Managing Director but will relinquish his associated Board committee positions.

"The Board would like to thank outgoing Group CEO Glenn Rufrano and Australian CEO Tony Clarke for the work they have done in steering the Centro group through the most challenging of times. Glenn and Tony, who will leave Centro in February, have played an integral role in stabilising the group and through their focus and leadership have created the platform for future growth we have today. The important contributions Glenn and Tony have made to Centro cannot be overstated and the Board wishes them well for the future," Mr Cooper said.

Robert Tsenin's biography and a summary of the terms of his employment arrangements are attached.

#### **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 [centro.com.au](http://centro.com.au).

#### **For further information**

##### **Media:**

Andrew Scannell  
Corporate Communications Manager  
+61 3 8847 1890  
[andrew.scannell@centro.com.au](mailto:andrew.scannell@centro.com.au)

##### **Analysts:**

Adam Soffer  
Centro Fund Manager  
+61 3 8847 0932  
[adam.soffer@centro.com.au](mailto:adam.soffer@centro.com.au)

##### **Investors:**

Centro Investor Services  
In Australia: 1800 802 400  
International: +61 3 8847 1802  
[investor@centro.com.au](mailto:investor@centro.com.au)

## **Robert Tsenin Biography**

---

Robert Tsenin has over 30 years experience in investment banking (in corporate finance and mergers and acquisitions) and senior roles in real estate (in development, construction and funds management) in Australia, the US and the UK.

Mr Tsenin's recent roles include Managing Director of Goldman Sachs (Australia) Limited and Finance Director of Lend Lease Corporation Limited.

Mr Tsenin has served as a non-executive director of major Australian and overseas companies and a number of real estate funds.

### **Current Directorships**

- **Australian Infrastructure Fund** – *Non-Executive Director*
- **Matrix European Real Estate Investment Trust** (Guernsey) – *Non-Executive Director*
- **Metrix Capital Partners** – *Non-Executive Director*

### **Past Non-Executive Directorships, Advisory Roles and Executive Positions**

- **Telstra Corporation** – *Non-Executive Director*
- **AXA Asia Pacific Holdings** – *Non-Executive Director*
- **Global Properties Fund** (Luxembourg) – *Non-Executive Director*
- **International Distressed Debt Fund** (Luxembourg) – *Non-Executive Director*
- **Lazard plc** (UK) – *Senior Adviser*
- **Lend Lease Corporation** – *Finance Director*
- **Waco** (South Africa) – *Non-Executive Director*
- **SAGASCO Holdings** – *Non-Executive Director*
- **Goldman Sachs Australia** – *Managing Director*
- **Sistema Hals JSC** (Moscow) – *Non-Executive Director*
- **GLL Real Estate Advisors (Luxembourg)** - *Non-Executive Director*

## **Appointment of Mr Robert Tsenin**

### **Group Chief Executive Officer, Centro Properties Group**

---

#### **Principal terms of employment**

*Commencement Date:* 1 March 2010

*Term:* Three years, subject to 12 month's notice by the group and six months' notice by Mr Tsenin. Centro may terminate Mr Tsenin's employment without notice under certain conditions including serious or wilful misconduct or serious negligence in the performance of his duties.

*Total Fixed Remuneration:* \$1,210,000 reviewed annually

*Short Term Incentive:* An annual opportunity of up to a maximum of 150% of the sum of Total Fixed Remuneration plus the value of the annual relocation allowance subject to achieving performance targets to be determined in advance by the Board.

*Long Term Incentive:* A maximum entitlement of \$5,500,000 cash over the three year term of the employment agreement. Payment would be made within 30 days of the completion of a restructure or the release of the results for the group for the half-year ending 31 December 2012 unless the Board determines that payment be made on an earlier date. Performance measures will be as follows:

An interim award of up to 25% of the maximum LTI award subject to acceptance by the Board (expected by 31 December 2010) of a restructure plan for the group.

An interim award of up to 25% of the maximum LTI award subject to the achievement of a successful extension to the Australian debt facilities as determined by the Board.

A final award of up to 50% of the maximum LTI award subject to a successful restructure of the group taking into consideration such factors as the Board determines including the group's financial results over the term of the agreement up to and including the half-year ending 31 December 2012.

*Payment on termination:* In the event that Mr Tsenin's employment is terminated by the Company without cause, Mr Tsenin is entitled to a payment up to a maximum of 12 months' Total Fixed Remuneration (inclusive of any payment in lieu of notice) subject to the maximum termination payment permitted by the *Corporations Act 2001* (Cth). In addition, Mr Tsenin will remain entitled to be considered for an STI award for the relevant year, subject to the assessment of the agreed performance conditions, and payment, at the appropriate time, unless the Board determines otherwise.

*Relocation:* Provision of appropriate relocation support plus a relocation allowance of \$90,000 per annum for the first two years of the contract.

**Appointment of Mr Robert Tsenin**

**Group Chief Executive Officer - Designate, Centro Properties Group**

**Principal terms of employment**

*Commencement Date:* 5 February 2010

*Term:* Until 28 February 2010.

*Total Fixed Remuneration:* \$1,210,000 per annum (pro rata basis)