

27 December 2006



Centro Acquires \$71m WA Shopping Centre

Centro Properties Group ("Centro") today announced the acquisition of the Perth City Central shopping centre in Western Australia for a purchase price of \$71.3m reflecting a 6.5% yield.

Mr Andrew Scott, Centro Chief Executive Officer said, "Centro remains keen to expand its Australian shopping centre portfolio, particularly in the fast growing Western Australian market. Importantly, this domestic property acquisition reinforces Centro's ability to source appropriate quality domestic shopping centres. Australia has a limited supply of quality retail property available for sale, so to successfully complete this acquisition of a well performing, developed asset at a 6.5% yield is pleasing."

City Central comprises a five level retail and office development, located between the Murray Street pedestrian mall and Wellington Street in the Perth CBD. The first three levels are retail, with the remaining two floors providing office space. The building comprises a total GLA of 13,587m² with a land area of 3,740m². Car parking for 27 cars is provided at basement level.

"This acquisition represents an opportunity to acquire a well performing retail property that is adjacent to a current Centro managed asset. City Central adjoins the Centro MCS28 owned David Jones Perth and we are pleased that Centro MCS28 has agreed to acquire a 50% interest in this centre. The other 50% interest is being acquired by another Centro managed fund, further demonstrating the continued demand for quality retail property investment", Mr Scott added.

The centre is currently 100% occupied and comprises quality retailers including a Woolworths supermarket and Fitness First gym as well as 18 specialties and five office tenancies. The office tenancies are leased to government departments including the Department of Immigration and Centrelink, all of which have a large public interface and generate significant traffic flow to the centre.

Settlement is expected to occur on 1 February 2007.

For Further Information:

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About Centro Properties Group (ASX: CNP)

Centro Properties Group specialises in the ownership, management and development of shopping centres. Centro has a market capitalisation of \$7.2 billion and funds under management of \$15.8 billion, comprised of retail property holdings in Australasia and the United States. Centro continues to maximise returns to investors through its customer focused and value adding team based approach. Please visit www.centro.com.au