



Centro Watt Enters Mall Business; US Platform Well-Positioned to Continue Growth

LOS ANGELES – BUSINESS WIRE – May 11, 2006 -- Centro Properties Group (ASX:CNP) announced today that has entered into contracts to acquire interests in six enclosed regional malls and one power center for US\$524 million. The centers will be managed by Centro's US joint venture, Centro Watt.

The assets are in six states and contain over 5 million square feet of gross leasable area (GLA). The centers are:

Name	City	State	Square Feet
Eagle Rock Plaza	Los Angeles	CA	456,375
Enfield Mall	Enfield	CT	723,722
Independence Mall	Wilmington	NC	1,002,796
Midway Mall	Elyria	OH	1,104,162
Richland Mall	Mansfield	OH	723,676
West Park Mall	Cape Girardeau	MO	502,350
Westland Towne Centre	Lakewood	CO	537,588

The transaction is expected to settle within 30 days.

"We are excited to continue the expansion of our retail property base by the addition of these centers with the Centro Watt platform managing assets of US\$2.5billion to become the 25th largest owner/manager of retail space within the US." stated Jim Maginn, president of Centro Watt. "The addition of regional malls to our portfolio will allow us to have broader offerings to our retailer customers across the country."

Fully Integrated US Platform Provides Solid Foundation

The company announced last week that it has completed the integration of Kramont Realty Trust ("Kramont") just one year after it was acquired. Through this integration process, the company has evolved a national, unified operating structure that was announced last week.

Mark Wilson has been promoted from managing director to newly created role of chief operating officer. Mr. Wilson, who is also a member of Centro's executive committee, has played a key role in integrating the Kramont and Centro Watt operations.

"Mark is well placed to assume primary responsibility for the day-to-day operations of Centro Watt," stated Andrew Scott, chief executive officer of Centro. "He will continue to drive Centro's risk managed growth in the US."

In the next phase of the evolution of the US national platform, Centro Watt also announced the promotion of key management team members into national roles.

Michael Moss has been promoted to lead the national leasing team as vice president and director of leasing. Mr. Moss joined Centro Watt as part of the Kramont team and has over ten years of national leasing experience. Bob Steiner recently joined the Centro Watt leasing team as vice president of anchor leasing.

Dennis Connolly has joined the company as vice president of development. Mr. Connolly has an extensive retail development background with over 20 years of experience including long-term positions at The Rouse Company, Disney and The Mills Corporation.

"I am very pleased that we have also been able to promote key existing staff into national leadership roles in legal, marketing and information technology," stated Mr. Wilson.

Centro Watt Portfolio Update

Over the past year, the Centro Watt portfolio has been refined through strategic acquisitions and dispositions. With the seven assets announced today, the Centro Watt portfolio has 103 shopping centers in 18 states comprising nearly 20 million square feet of gross leasable area.

About Centro Watt

Centro Watt is a joint-venture between Centro Properties Group (ASX:CNP) of Melbourne, Australia and Watt Commercial Realty, a privately held real estate company in Los Angeles. The joint-venture made its first purchase of 14 neighborhood, community and power centers in California in 2003 followed by its acquisition of Philadelphia-based Kramont Realty Trust a year ago in April 2005.

About Centro Properties Group

Centro Properties Group is a retail investment organization specializing in the ownership, management and development of retail shopping centers. Centro manages both listed and unlisted property and has an extensive portfolio of shopping centers across Australia, New Zealand and the United States. With funds under management now exceed AUS\$10.6 billion, Centro continues to maximize returns to its investors through its customer-focused and value-adding team based approach.

About Watt Commercial Properties

Watt Commercial Properties is one of the most experienced and largest owners, developers, and managers of commercial real estate in California. With more than 40 years of experience, Watt has a proven track record in providing real estate services to institutional investors, high net worth investors, and real estate partners. The company's core services include: property management, leasing, asset management, acquisition, development and reporting for all types of commercial real estate. Watt provides a spectrum of expertise in real estate services to investors of office, multi-family, industrial and retail properties.