

11 July 2008

## **Centro MCS 24 – Distribution and Development Update**

Dear Investor

I write to you on behalf of CPT Manager Limited, the Responsible Entity ("RE") of Centro MCS 24 Investment Trust, ARSN 090 930 742 and Centro MCS 24 Property Trust, ARSN 090 931 230 (the "Syndicate").

### **Development Update**

The development of Centro Lake Macquarie is now largely complete, with only four of the 17 specialty tenancies that formed part of the development remaining to be leased. Negotiations are proceeding well for these remaining vacant tenancies with new deals expected to be finalised over the next three months. The refurbished and expanded Woolworths supermarket is trading exceptionally well with sales having increased on average by around 38% over pre development sales levels. Big W is also trading to expectations out of their new refurbished store.

### **Distribution Update**

For the financial year ended 30 June 2008, the Syndicate was forecast to pay a distribution which equated to approximately 133% of earnings supported by additional borrowings through the development period. This level of distributions is no longer sustainable or prudent given current high debt costs.

In order to bring distributions in line with current earnings the RE has determined that no distribution will be payable for the FY2008 June quarter. This means the full year distribution will now be 6.01% (as Syndicate investors have already received the September 2007, December 2007 and March 2008 quarter distributions) rather than 8.0% as previously forecast. Centro MCS apologises for any inconvenience caused.

Investors will be advised on the forecast distribution rate for the June 2009 financial year ("FY2009") no later than September 2008.

### **Investor Communication**

Please do not hesitate to contact Centro MCS Investor Services on 1800 802 400 or email [investor@centro.com.au](mailto:investor@centro.com.au) if you have any queries on the above.

Yours Faithfully



Gerard Condon  
General Manager – Centro MCS Syndicates