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Attention **Company Announcements Office**
Company **Australian Stock Exchange**
Fax No. **1300 135 638**

Our Ref MD
File No. 011455620

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From **Michael Dodge**
Date **22 December 2011**
Subject **Notice of initial substantial holding**

Total pages 7



MELBOURNE
SYDNEY

Dear Sirs

Notice of initial substantial holding

Attached is a Form 603 - Notice of initial substantial holder and Annexure which is lodged on behalf of Värde Partners, Inc. and the other persons named as substantial holders in the Form 603.

Yours faithfully

Michael Dodge
Partner

If you do not receive this message in full, please notify by telephoning 61 3 9229 9999.

This facsimile contains privileged and confidential information. Intended only for the addressee.

If you are not the addressee, or the person responsible for delivering it to the addressee, you may not copy or deliver this facsimile to anyone else or use or disseminate any of the information contained in this facsimile.

If you receive this facsimile by mistake, please notify us immediately by telephone and return the original facsimile and all copies thereof to us by post.

We will reimburse any reasonable costs you incur in notifying us and in returning the facsimile to us.

Thank you.

Form **603**
Corporations Act 2001
Section 671B

Notice of initial substantial holder

To: Company Name/Scheme **Centro Retail Australia (comprising Centro Retail Limited (ACN 114 757 783) and Centro MCS Manager Limited (in its capacity as responsible entity of Centro Retail Trust (ARSN 104 931 928), Centro Australia Wholesale Fund (ARSN 122 223 974) and Centro DPF Holding Trust (ARSN 153 269 759)))**

ACN/ARSN **as above**

1. Details of substantial holder ⁽¹⁾

Name **Värde Partners, Inc. and its associates as listed in part 1 of Annexure A**

ACN/ARSN (if applicable) **N/A**

The holder became a substantial holder on **20 December 2011**

2. Details of voting power

The total number of votes attached to all the voting shares in the company or voting interests in the scheme that the substantial holder or an associate⁽²⁾ had a relevant interest⁽³⁾ in on the date the substantial holder became a substantial holder are as follows:

Class of securities ⁽⁴⁾	Number of securities	Persons' votes ⁽⁵⁾	Voting power ⁽⁶⁾
Fully paid ordinary quadruple stapled securities	79,207,910	79,207,910	5.91%

3. Details of relevant interests

The nature of the relevant interest the substantial holder or an associate had in the following voting securities on the date the substantial holder became a substantial holder are as follows:

Holder of relevant interest	Nature of relevant interest ⁽⁷⁾	Class and number of securities
Refer to part 2 of Annexure A		

4. Details of present registered holders

The persons registered as holders of the securities referred to in paragraph 3 above are as follows:

Holder of relevant interest	Registered holder of securities	Person entitled to be registered as holder ⁽⁸⁾	Class and number of securities
Refer to part 3 of Annexure A			

5. Consideration

The consideration paid for each relevant interest referred to in paragraph 3 above, and acquired in the four months prior to the day that the substantial holder became a substantial holder is as follows:

Holder of relevant interest	Date of acquisition	Consideration ⁽⁹⁾		Class and number of securities
		Cash	Non-cash	
Refer to part 4 of Annexure A				

6. Associates

The reasons the persons named in paragraph 3 above are associates of the substantial holder are as follows:

Name and ACN/ARSN (if applicable)	Nature of association
Each substantial holder listed in part 1 of Annexure A	As described in paragraph 3

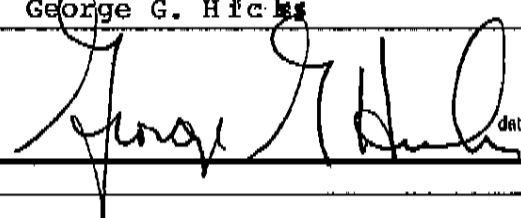
7. Addresses

The addresses of persons named in this form are as follows:

Name	Address
Refer to part 1 of Annexure A	

Signature

print name George G. Hickey capacity Authorised Representative

sign here  date 22 December 2011

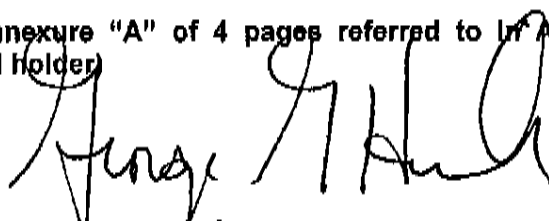
DIRECTIONS

- (1) If there are a number of substantial holders with similar or related relevant interests (eg a corporation and its related corporations, or the manager and trustee of an equity trust), the names could be included in an annexure to the form. If the relevant interests of a group of persons are essentially similar, they may be referred to throughout the form as a specifically named group if the membership of each group, with the names and addresses of members is clearly set out in paragraph 7 of the form.
- (2) See the definitions of "associate" in section 9 of the Corporations Act 2001.
- (3) See the definition of "relevant interest" in sections 608 to 671B(7) of the Corporations Act 2001.
- (4) The voting shares of a company constitute one class unless divided into separate classes.
- (5) The total number of votes attached to all the voting shares in the company or voting interests in the scheme (if any) that the person or an associate has a relevant interest in.
- (6) The person's votes divided by the total votes in the body corporate or scheme multiplied by 100.
- (7) Include details of:
 - (a) any relevant agreement or other circumstances by which the relevant interest was acquired. If subsection 671B(4) applies, a copy of any document setting out the terms of any relevant agreement, and a statement by the person giving full and accurate details of any contract, scheme or arrangement, must accompany this form, together with a written statement certifying this contract, scheme or arrangement; and
 - (b) any qualification of the power of a person to exercise, control the exercise of, or influence the exercise of, the voting powers or disposal of the securities to which the relevant interest relates (indicating clearly the particular securities to which the qualification applies).

See the definition of "relevant agreement" in section 9 of the Corporations Act 2001.
- (8) If the substantial holder is unable to determine the identity of the person (eg. if the relevant interest arises because of an option) write "unknown".
- (9) Details of the consideration must include any and all benefits, money and other, that any person from whom a relevant interest was acquired has, or may, become entitled to receive in relation to that acquisition. Details must be included even if the benefit is conditional on the happening or not of a contingency. Details must be included of any benefit paid on behalf of the substantial holder or its associate in relation to the acquisitions, even if they are not paid directly to the person from whom the relevant interest was acquired.

This is Annexure "A" of 4 pages referred to in ASIC Form 603 (Notice of Initial substantial holder)

Signature:



Name: George G. Hicks

Position: Authorised Representative of the substantial holders named in part 1 of Form 603

Date: 22 December 2011

Part 1 – Details of substantial holders

Substantial holder	Address
George G. Hicks	c/o 8500 Normandale Lake Blvd, Suite 1500, Minneapolis, MN 55437, USA
Marcia L. Page	as above
Gregory S. McMillan	as above
Värde Partners, Inc.	as above
Värde Partners, L.P.	as above
Värde Fund V GP, LLC	as above
Värde Investment Partners G.P., LLC	as above
Värde Fund VIII G.P., LLC	as above
Värde Fund IX G.P., LLC	as above
The Värde Fund X GP, LLC	as above
The Värde Fund, L.P.	as above
The Värde Fund V-B, L.P.	as above
The Värde Fund VI-A, L.P.	as above
The Värde Fund VII-B, L.P.	as above
Värde Investment Partners, L.P.	as above
Värde Investment Partners (Offshore) Master, L.P.	as above
The Värde Fund VIII, L.P.	as above
The Värde Fund IX, L.P.	as above
The Värde Fund IX-A, L.P.	as above
The Värde Fund X (Master), L.P.	as above

Part 2 – Details of relevant interests

Holder of relevant interest	Nature of relevant interest	Class and number of securities
Part 2(i) - registered holders of CRF securities		
Värde Investment Partners, L.P.	Registered holder of the relevant securities	Fully paid ordinary quadruple stapled securities 79,207,910
Part 2(ii) - persons entitled to be registered as holders of CRF securities		
The Värde Fund, L.P.	Beneficial owner of the relevant securities	Fully paid ordinary quadruple stapled securities 2,220,390
The Värde Fund V-B, L.P.	Beneficial owner of the relevant securities	Fully paid ordinary quadruple stapled securities 265,036
The Värde Fund VI-A, L.P.	Beneficial owner of the relevant securities	Fully paid ordinary quadruple stapled securities 1,764,515
The Värde Fund VII-B, L.P.	Beneficial owner of the relevant securities	Fully paid ordinary quadruple stapled securities 123,127

Värde Investment Partners (Offshore) Master, L.P.	Beneficial owner of the relevant securities	Fully paid ordinary quadruple stapled securities 3,565,257
The Värde Fund VIII, L.P.	Beneficial owner of the relevant securities	Fully paid ordinary quadruple stapled securities 5,400,988
The Värde Fund IX, L.P.	Beneficial owner of the relevant securities	Fully paid ordinary quadruple stapled securities 32,563,346
The Värde Fund IX-A, L.P.	Beneficial owner of the relevant securities	Fully paid ordinary quadruple stapled securities 4,435,361
The Värde Fund X (Master), L.P.	Beneficial owner of the relevant securities	Fully paid ordinary quadruple stapled securities 21,214,832
Part 2(iii) - general partners of Värde funds		
Värde Partners, L.P.	In its capacity as the general partner of The Värde Fund, L.P.	Fully paid ordinary quadruple stapled securities 2,220,390
Värde Fund V GP, LLC	In its capacity as the general partner of The Värde Fund V-B, L.P.	Fully paid ordinary quadruple stapled securities 285,036
Värde Investment Partners G.P., LLC	In its capacity as the general partner of The Värde Fund VI-A, L.P., The Värde Fund VII-B, L.P., Värde Investment Partners, L.P. and Värde Investment Partners (Offshore) Master, L.P.	Fully paid ordinary quadruple stapled securities 13,107,957
Värde Fund VIII G.P., LLC	In its capacity as the general partner of The Värde Fund VIII, L.P.	Fully paid ordinary quadruple stapled securities 5,400,988
Värde Fund IX G.P., LLC	In its capacity as the general partner of The Värde Fund IX, L.P. and The Värde Fund IX-A, L.P.	Fully paid ordinary quadruple stapled securities 36,998,707
The Värde Fund X GP, LLC	In its capacity as the general partner of The Värde Fund X (Master), L.P.	Fully paid ordinary quadruple stapled securities 21,214,832
Part 2(iv) - persons with control over Värde entities		
Värde Partners, L.P.	In its capacity as an entity whose voting power in the entities listed in Part (iii) is greater than 20%	Fully paid ordinary quadruple stapled securities 79,207,910
Värde Partners, Inc.	In its capacity as general partner of Värde Partners, L.P.	Fully paid ordinary quadruple stapled securities 79,207,910
George G. Hicks	In his capacity as a person whose voting power in Värde Partners, Inc. is greater than 20%	Fully paid ordinary quadruple stapled securities 79,207,910
Marcia L. Page	In her capacity as a person whose voting power in Värde Partners, Inc. is greater than 20%	Fully paid ordinary quadruple stapled securities 79,207,910
Gregory S. McMillan	In his capacity as a person whose voting power in Värde Partners, Inc. is greater than 20%	Fully paid ordinary quadruple stapled securities 79,207,910

Part 3 – Details of present registered holders

Holder of relevant interest	Registered holder of securities	Person entitled to be registered as holder	Class and number of securities
Värde Investment Partners, L.P. Värde Investment Partners G.P., LLC Värde Partners, L.P. Värde Partners, Inc. George G. Hicks Marcia L. Page Gregory S. McMillan	Värde Investment Partners, L.P.	Värde Investment Partners, L.P.	Fully paid ordinary quadruple stapled securities 7,655,058
The Värde Fund, L.P. Värde Investment Partners, L.P. Värde Investment Partners G.P., LLC Värde Partners, L.P. Värde Partners, Inc. George G. Hicks Marcia L. Page Gregory S. McMillan	Värde Investment Partners, L.P.	The Värde Fund, L.P.	Fully paid ordinary quadruple stapled securities 2,220,390
The Värde Fund V-B, L.P. Värde Fund V GP, LLC Värde Investment Partners, L.P. Värde Investment Partners G.P., LLC Värde Partners, L.P. Värde Partners, Inc. George G. Hicks Marcia L. Page Gregory S. McMillan	Värde Investment Partners, L.P.	The Värde Fund V-B, L.P.	Fully paid ordinary quadruple stapled securities 265,036
The Värde Fund VI-A, L.P. Värde Investment Partners, L.P. Värde Investment Partners G.P., LLC Värde Partners, L.P. Värde Partners, Inc. George G. Hicks Marcia L. Page Gregory S. McMillan	Värde Investment Partners, L.P.	The Värde Fund VI-A, L.P.	Fully paid ordinary quadruple stapled securities 1,784,515
The Värde Fund VII-B, L.P. Värde Investment Partners, L.P. Värde Investment Partners G.P., LLC Värde Partners, L.P. Värde Partners, Inc. George G. Hicks Marcia L. Page Gregory S. McMillan	Värde Investment Partners, L.P.	The Värde Fund VII-B, L.P.	Fully paid ordinary quadruple stapled securities 123,127
Värde Investment Partners (Offshore) Master, L.P. Värde Investment Partners, L.P. Värde Investment Partners G.P., LLC Värde Partners, L.P. Värde Partners, Inc. George G. Hicks Marcia L. Page Gregory S. McMillan	Värde Investment Partners, L.P.	Värde Investment Partners (Offshore) Master, L.P.	Fully paid ordinary quadruple stapled securities 3,565,267

The Vårde Fund VIII, L.P. Vårde Fund VIII G.P., LLC Vårde Investment Partners, L.P. Vårde Investment Partners G.P., LLC Vårde Partners, L.P. Vårde Partners, Inc. George G. Hicks Marcia L. Page Gregory S. McMillan	Vårde Investment Partners, L.P.	The Vårde Fund VIII, L.P.	Fully paid ordinary quadruple stapled securities 5,400,988
The Vårde Fund IX, L.P. Vårde Fund IX G.P., LLC Vårde Investment Partners G.P., LLC Vårde Investment Partners, L.P. Vårde Partners, L.P. Vårde Partners, Inc. George G. Hicks Marcia L. Page Gregory S. McMillan	Vårde Investment Partners, L.P.	The Vårde Fund IX, L.P.	Fully paid ordinary quadruple stapled securities 32,583,346
The Vårde Fund IX-A, L.P. Vårde Fund IX G.P., LLC Vårde Investment Partners, L.P. Vårde Investment Partners G.P., LLC Vårde Partners, L.P. Vårde Partners, Inc. George G. Hicks Marcia L. Page Gregory S. McMillan	Vårde Investment Partners, L.P.	The Vårde Fund IX-A, L.P.	Fully paid ordinary quadruple stapled securities 4,435,361
The Vårde Fund X (Master), L.P. The Vårde Fund X GP, LLC Vårde Investment Partners, L.P. Vårde Investment Partners G.P., LLC Vårde Partners, L.P. Vårde Partners, Inc. George G. Hicks Marcia L. Page Gregory S. McMillan	Vårde Investment Partners, L.P.	The Vårde Fund X (Master), L.P.	Fully paid ordinary quadruple stapled securities 21,214,832

Part 4 – Consideration

Holder of relevant Interest	Date of acquisition	Consideration	Class and number of securities
Vårde Investment Partners, L.P. Vårde Investment Partners G.P., LLC Vårde Partners, L.P. Vårde Partners, Inc. George G. Hicks Marcia L. Page Gregory S. McMillan	20 December 2011	Forgiveness of Vårde Investment Partners, L.P.'s pro rata proportion of senior debt owed by Centro Properties Group, pursuant to the CNP Senior Lenders schemes of arrangement which became effective on 2 December 2011.	Fully paid ordinary quadruple stapled securities 79,207,910