

Responsible Entity
Centro MCS Manager Limited
ABN 69 051 908 984



Centro Direct Property Fund
ARSN 099 728 971
Centro Direct Property Fund
International
ARSN 114 635 657

22 November 2011

Dear DPF Unitholder,

Centro Direct Property Fund Redemption Opportunity

Changes to Consider

On 25 October 2011, I wrote to you about a redemption opportunity for the Direct Property Fund (DPF) and provided you with a Unit Redemption Brochure. As part of the package of documents, you should also have received a Disclosure Document dated 5 October 2011 which included further details of the proposed Aggregation of various Centro funds to form Centro Retail Australia (CRF). These documents may also be downloaded from www.centro.com.au/dpf.

On 11 November 2011, I wrote to you and attached a Supplementary Disclosure Document dated 4 November 2011, which included an update on progress made in relation to the refinancing of, as well as further details about, the borrowing facilities of CRF and the Centro MCS Syndicates.

Attached to this letter is a further Supplementary Disclosure Document dated 21 November 2011 which contains details of some changes to the terms of the Centro group Aggregation. You should consider these changes when deciding whether you wish to redeem any or all of your Units in DPF and if you elect redemption whether you wish to elect to receive New Stapled Securities and CATS or cash.

The changes relate to:

- (a) An adjustment to the Aggregation Ratios amongst the Aggregating Funds the effect of which will mean that DPF will receive approximately 527 million New Stapled Securities on Aggregation compared to the 520 million stated on page 12 of the Unit Redemption Brochure. This equates to approximately 0.32 New Stapled Securities for each DPF Unit (compared to the 0.31 stated on page 12 of the Unit Redemption Brochure). This is a positive outcome for the DPF and reflects the improved terms of aggregation negotiated and announced on 18 November 2011 by Centro Retail Trust ("CRT") and Centro Retail Limited ("CRL") (together "CER"). As DPF has around 15.5% of its assets exposed directly and indirectly to CER, this will result in DPF receiving more New Stapled Securities as a result of this change.
- (b) Amendments to the terms of the Class Action True-Up Securities (CATS) to reduce the cap on the number of New Stapled Securities that could be issued should a Crystallisation Event occur from 20% to 6.91% of the number of New Stapled Securities on issue immediately after Aggregation Implementation. There is a corresponding reduction in the cash cap for the CATS. Taken in isolation this is an adverse change for DPF investors. The effect of the

reduction in the cap is that potentially fewer New Stapled Securities will be issued (or less cash will be payable) to holders of CATS should a Crystallisation Event occur. So, the holders of CATS will not be compensated to the extent that the aggregate liability (if any) in respect of the CER Class Action Litigation is greater than 6.91% of the number of New Stapled Securities that will be on issue immediately following the Aggregation Implementation Date (or a corresponding cash amount) which is a reduction of 13.09% from the original 20%.

You should read the attached Supplementary Disclosure Document together with the Disclosure Document and earlier Supplementary Disclosure Document which you previously received in making your assessment as to whether you wish to redeem your DPF units, and if so, the form of the redemption.

If you have already lodged your Redemption Request and wish to vary or cancel your request, please call our Investor Services team, who will send you a Redemption Request Amendment Form.

Please note the deadline to provide us with your Redemption Request (and any withdrawal or amendments you may wish to make) for the Initial Redemption Offer is 6 December 2011. Please act promptly if you want to make changes to your Redemption Request. Unless we receive your changes by 6 December 2011 to vary or cancel a Redemption Request that you have already lodged, it may not be possible for us to give effect to your variation or cancellation and your original request will be effected.

Please note your completed Redemption Request Forms and / or Redemption Amendment Forms should be mailed to Link Market Services Limited, Locked Bag A14, Sydney South NSW 1235, Australia or hand delivered to Link Market Services, Level 12, 680 George Street, Sydney, NSW 2000.

Whether Aggregation occurs depends in part on necessary approvals and advice being obtained from the Supreme Court of New South Wales. DPF currently intends to seek certain advice and an application by DPF for such advice has been listed for hearing at 10.00am on Thursday 24 November 2011 at the Supreme Court of New South Wales, Queens Square, Sydney NSW. Should you wish to make submissions to the Supreme Court in relation to the granting of that advice, you are requested to notify Kate Fitzgerald of Johnson Winter & Slattery, solicitors for DPF, on (02) 8274 9555 by 4.00pm AEST on 23 November 2011.

If you have any questions in relation to the Aggregation or redeeming your units, or would like a Redemption Request Form or a Redemption Request Amendment Form please call Investor Services on 1800 802 400, email investor@centro.com.au and/or visit the DPF website at www.centro.com.au/dpf.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'W. Peter Day', with a long horizontal stroke extending to the right.

W. Peter Day
Chairman