

CFS Retail Property Trust (CFX)

Annual results to 30 June 2010

17 August 2010

Agenda

2

- Overview
- Highlights
- Financial results
- Capital management
- Portfolio overview
- Development update
- Australian retail property market
- Strategy
- Outlook and summary
- Appendices

Overview State of the market

3

Economy

- Australian economy exceeded expectations
- Economic growth¹ of 2.7% for the year to 31 March 2010
- Strong labour market with unemployment rate at 5.3% in July 2010

Capital markets

- European sovereign debt crisis clouded recovery
- Volatility returned to debt and capital markets
- Reserve Bank of Australia increased official cash rate to 4.5%
- Greater access to debt sources but margins remain above historical averages

A-REIT sector

- Reduction in extreme price volatility
- Stabilisation in valuation metrics and increased buyer demand for quality assets
- Lower gearing levels maintained across the sector

Retail

- Retail sales growth affected by 2009 fiscal stimulus cash payments
- High occupancy levels maintained
- New international retailers entering Australia
- Positive indications for the second half of the 2011 financial year

1. Gross domestic product.

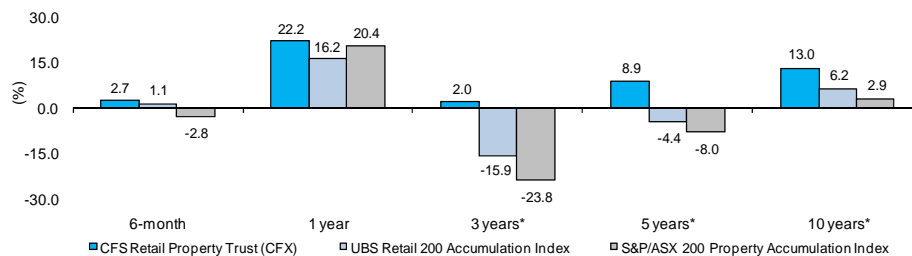
Overview CFS Retail Property Trust (CFX)

4

- Achieved a strong result for the 2010 financial year
- Continued strong outperformance
- A solid foundation to further improve the quality and scale of the portfolio

CFX relative return

For the period ending 30 June 2010



*Annual compound returns.
Source: UBS Australia 2010.

Highlights

5

- Completed \$850 million (CFX share \$525 million) of key developments and commenced new projects in \$1.4 billion development pipeline
- Achieved strong total sales growth
- Maintained full occupancy of 99.8%
- Achieved significant valuation increase on the acquisition of Northgate Shopping Centre



Chadstone Shopping Centre, VIC

Financial results Highlights as at 30 June 2010

6

Key metrics	12-month change
Distributable income ¹	↑ 4.8%
Distribution per unit of 12.50 cents	↔ stable
Like-for-like distribution ² per unit	↑ 3.1%
Net property income ³ \$465.7 million	↑ 10.1%
Like-for-like net property income ⁴	↑ 3.5%
Gross assets \$7.7 billion	↑ 5.2%
Net tangible asset backing (NTA) \$2.02 per unit	↔ stable
Gearing ⁵ at 30 June 2010	29.5%

1. Distributable income equals profit excluding: net gains on revaluations of investment properties and associate; net losses on revaluations of derivatives; the effect of straight-lining fixed rental increases; the movement in fair value of unrealised performance fees; non-cash convertible notes interest expense; and adjustments for other items.
2. CFX distribution policy changed, effective 1 July 2009, ceasing the add back of performance fee.
3. Excluding flowback.
4. Including those assets owned for both 12-month comparison periods and excluding the impact of developments.
5. Gearing equals borrowings to total assets. For this calculation, total assets exclude the fair value of derivatives and borrowings is the amount drawn down as per Note 12 of the Financial report, adjusted for the fair value of cross currency swaps.

Financial results

Composition of distribution per unit

7

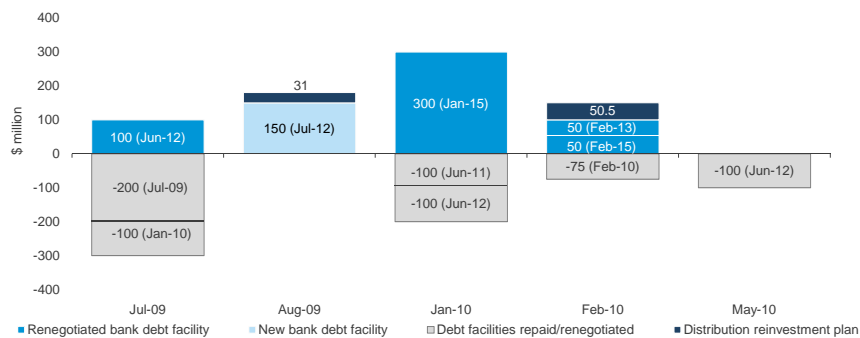
CFS Retail Property Trust	Year ended 30 June 2010	
	\$m	cpu
Profit	315.0	
<i>Adjustments for unrealised impacts</i>		
deduct net profit from properties revaluations	(49.2)	
add back net loss from derivatives revaluations	23.2	
deduct straight-lining rental revenue	(6.9)	
deduct movement in the fair value of unrealised performance fees	(2.2)	
add back non-cash convertible notes interest expense	10.6	
<i>Adjustments for project and other items</i>	21.7	
Distribution	312.2	12.50

Capital management

8

- Access to an increased mix of debt funding sources with increased tenor
 - Domestic corporate bond and bank debt margins reduced but are above historical averages
- Interest savings achieved through termination of \$100 million in bank debt facilities

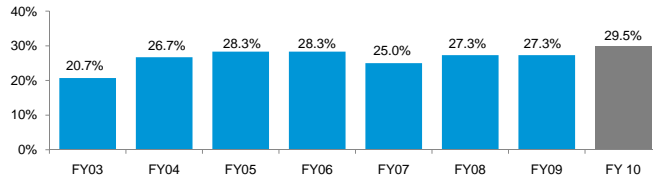
Capital management activities



Capital management

- All debt facilities senior and unsecured
- S&P 'A' credit rating, the highest of any A-REIT

Gearing history



Key debt covenants

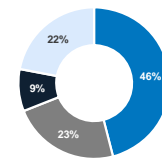
	Threshold	As at 30 June 2010
Loan to value ratio (LVR) ¹	Not to exceed 50%	34%
Interest cover ratio ²	Not to fall below 1.8 times	2.7 times ³

1. Calculated as total liabilities divided by total assets.
2. Calculated as earnings before interest and tax divided by net interest expense. For the purposes of this calculation, earnings represents profit excluding all fair value adjustments, straight-lining revenue, borrowing costs and net interest expense on interest rate swaps. Interest expense is the sum of borrowing costs, net interest expense on interest rate swaps, and capitalised interest, less non-cash convertible notes interest expense.
3. Interest cover ratio (ICR) including capitalised interest expense (excluding capitalised interest ICR is 3.2 times).

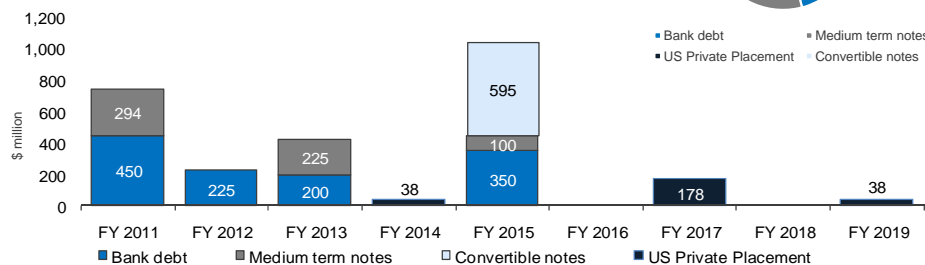
Capital management Debt profile

- Weighted average interest rate 6.8%¹
- Weighted average duration of debt 2.8 years
- Undrawn debt facilities \$431 million

Debt funding sources



Debt maturity profile



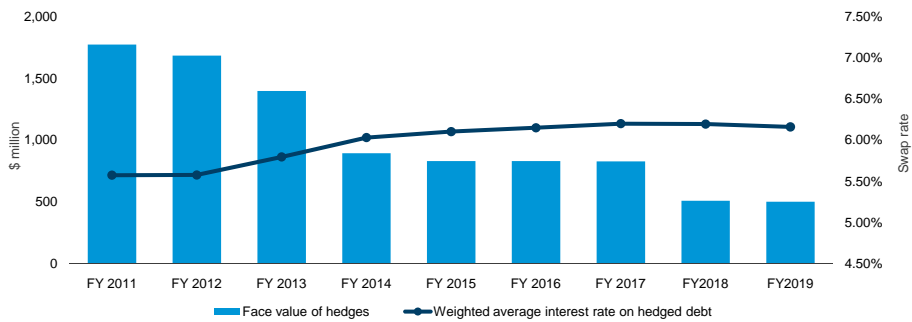
1. Including margins and fees. Convertible notes have investor put option in August 2012.

Capital management Hedging profile

11

- Amount of debt hedged 88%
- Weighted average interest rate on hedged debt 5.7%¹
- Weighted average duration of hedged debt 5.0 years

Hedge maturity profile



1. Excluding margins and fees and includes convertible notes.

Portfolio overview

12



Chatswood Chase Sydney, NSW

Chadstone Shopping Centre, VIC

QueensPlaza, QLD

Portfolio overview

Key portfolio metrics

13

	30 June 2010	30 June 2009	Change
Number of retail assets	25	24	↑ 1
Investment properties (\$m)	7,577	7,198	↑ 379
Retail sales (\$m)	6,628	6,234	↑ 394
Number of tenants	3,634	3,331	↑ 303
Occupancy ¹ (%)	99.8	99.9	↔ Stable
Number of vacancies	19	7	↑ 12

1. By gross lettable area.

Portfolio overview

Sales performance

14

Category	Comparable ¹		Actual	
	MAT 30 June 2010 \$m	MAT growth %	MAT 30 June 2010 \$m	MAT growth %
Department stores	306.2	(1.0)	695.3	(0.5)
Discount department stores	607.9	(3.3)	796.4	(0.7)
Supermarkets	1,146.9	3.2	1,452.7	6.1
Mini majors	377.1	1.5	710.0	12.5
Retail specialty stores	1,405.1	(1.3)	2,510.7	8.8
Non-retail specialty stores ²	334.9	4.5	463.3	9.6
Total	4,178.1	0.3	6,628.4	6.4
Occupancy costs ³		15.6		16.8
Specialty stores sales (MAT / sqm)		7,682		8,558

1. Shopping Centre Council of Australia (SCCA) definition of comparable centres refers to those centres that are not undergoing or have not undergone substantial redevelopment in the past 24 months.
2. Non-retail specialty stores are sales reporting tenancies under 400 sqm including travel agents, auto accessories, Lotto and other entertainment and non-retail stores.
3. Retail specialty store occupancy costs. SCCA definition includes GST and marketing levy.

Portfolio overview

Sales performance for retail specialty store categories



15

Retail specialty store category	Comparable ¹		Actual	
	MAT 30 June 2010 \$m	MAT growth %	MAT 30 June 2010 \$m	MAT growth %
Food retail	114.2	(1.3)	172.7	5.6
Food catering	226.7	(0.5)	352.6	10.5
Apparel	394.5	(1.2)	887.4	12.8
Jewellery	119.3	1.0	204.8	21.3
Leisure	132.1	(13.0)	200.4	(7.5)
General retail ²	170.2	1.2	247.0	8.5
Homewares	69.8	(3.8)	181.1	0.9
Mobile phones	59.6	3.0	82.0	3.5
Retail services	118.7	5.2	182.7	9.4
Total retail specialty stores	1,405.1	(1.3)	2,510.7	8.8

1. Comparable centres are those centres that are not undergoing or have not undergone substantial redevelopment in the past 24 months. Comparable centres exclude Chadstone Shopping Centre, Chatswood Chase Sydney, Northland Shopping Centre and Rockingham Shopping Centre.

2. General retail comprises giftware, pharmacy and cosmetics, pets, discount variety, florists and toys.

Portfolio overview

Revaluations for 12 months to 30 June 2010



16

- Entire portfolio independently revalued twice
- \$56.1 million¹ revaluation gain
- Reflects completion of a number of key redevelopments and higher property income

Portfolio capitalisation rate movement

Period ending	31 Dec 07	30 Jun 08	31 Dec 08	30 Jun 09	31 Dec 09	30 Jun 10
Weighted average capitalisation rate ²	5.74%	5.77%	6.09%	6.45%	6.59%	6.57%
NTA per unit	\$2.26	\$2.32	\$2.14	\$2.02	\$1.99	\$2.02

1. Represents CFX share of the revalued assets and excludes the impact of straight-lining rental revenue.

2. Excluding 15 Bowes Street, Woden and Myer Melbourne.

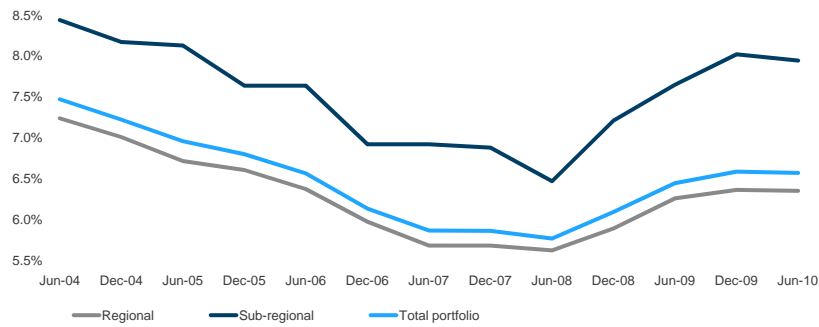
Portfolio overview

Trend for capitalisation rates

17

- Capitalisation rates for CFX regional shopping centres have stabilised
- Inherent supply fundamentals of larger Australian shopping centres will continue to drive asset values

CFX historical capitalisation rates
Regional, sub-regional centres and total portfolio



Portfolio overview

Acquisition of Northgate Shopping Centre

18

- Second largest shopping centre in Tasmania
- Excellent supply and demand fundamentals
- Sub-regional centre over two levels
- Accretive to earnings
- Opportunities to re-mix and improve income
- Since acquisition achieved a 25% value uplift

	Asset value	Capitalisation rate
Acquisition	\$70.1 million ¹	9.25%
30 June 2010 revaluation	\$88.1 million	8.25%



Northgate Shopping Centre, TAS

1. Excluding acquisition costs.

Portfolio overview

Flowback

19

- The property asset management division of Colonial First State Global Asset Management provides dual benefits
 - Continues to add value across the CFX portfolio
 - Provides the Trust with a share of its distributable income
- Reduction from the previous year due to the completion of development projects in the first half of the year

	CFSGAM asset management division 30 June 2010	CFX 30 June 2010
Retail assets under management (\$ billion)	11.9	7.6
Development pipeline (\$ billion)	2.6	1.4
Distributable income (\$ million)	28.8	9.6

Portfolio overview

Sustainability and responsible investment

20

- Chadstone Shopping Centre, Stage 33, first shopping centre to be certified 5-star Green Star¹
- Conducted NABERS Energy and Water self assessments on entire portfolio
- In July 2010, Grand Plaza Shopping Centre recognised as first Australian shopping centre to achieve NABERS Energy and Water certifications

Environmental performance

Intensity indicator	% change ²
Greenhouse gas emissions intensity	↓ 5.1%
Energy use intensity	↓ 1.0%
Water use intensity	↓ 10.2%

1. Retail centre design v1.
2. 2007 – 2009 calendar year total percentage change.



Development update

21



Development update

A year of record development completions

22

Key redevelopment completions in year to 30 June 2010

Key project completions	Total cost ¹ \$m	Sales growth ² %	GLA growth ² %
Rockingham	95	14	7
Chatswood Chase Sydney	192	17	6
Northland	94	32	18
Chadstone (Stage 33)	139	28	14
Total	520	24	12

1. CFX share.
2. June 2010 monthly figures compared to June 2009 monthly figures.

Development update Current projects

25

Current projects as at 30 June 2010

Current projects	Total cost ¹ \$m	To be spent \$m	Forecast yield %	Leased %	Expected completion Date
Elizabeth DHS ² facility	22	5	10.0	100	Sep 2010
Myer Melbourne	685	254 ³	6.0	22 ⁴	Mid 2013
Bayside Shopping Centre	36	34	7.7	14	Aug 2011
Forest Hill Chase	25	23	8.0	39	Jun 2011
Roxburgh Park Shopping Centre	60	57			
Other	60	60			
Total current projects	888	433			

1. CFX share.

2. Department of Health Services.

3. For Myer Melbourne, Bourke Street comprises approximately \$25 million to be spent and the Lonsdale Street precinct comprises approximately \$229 million to be spent.

4. 100% of Bourke Street (Myer department store) income secured, leasing has not commenced on Lonsdale Street (Emporium Melbourne).

Development update Leasing environment

26

- Current flat sales environment expected to improve by Christmas
- Luxury and value apparel segments are performing well
- Strong demand from supermarkets and mini-majors
- Several international retailers identified to expand into the Australian market
 - International specialty retailer GAP will open its first Australian store at Chadstone Shopping Centre in late August



New GAP store being fitted out at Chadstone Shopping Centre, VIC

Development update

Elizabeth Shopping Centre – DHS¹ Facility

27

Key development metrics

Total cost	\$22 million
Forecast initial yield	10.0%
Forecast IRR	14%
Leased	100%
Project commenced	October 2009
Project to be complete	September 2010

- Post 30 June 2010, CFX entered into a contract to sell the DHS Facility on completion



DHS Facility, Elizabeth Shopping Centre, SA

1. Department of Health Services.

Development update

Bayside Shopping Centre – Aldi and fashion remix

28

Key development metrics

Total cost	\$36 million
Forecast initial yield	7.7%
Forecast IRR	11%
Leased	14%
Project commenced	April 2010
Project to be complete	August 2011



Artist's impression of Bayside Shopping Centre, VIC

Development update

Forest Hill Chase – new leisure precinct/Best & Less

29

Key development metrics	
Total cost	\$25 million
Forecast initial yield	8.0%
Forecast IRR	12%
Leased	39%
Project commenced	July 2010
Project to be complete	June 2011



Artist's impression of Forest Hill Chase, Forest Hill, VIC

Development update

Myer Melbourne

30



Artist's impression of Myer Melbourne, VIC

Myer Melbourne, VIC (under construction)

Development update Myer Melbourne

31

Development scope	Development progress
Bourke Street (Myer department store)	Bourke Street (Myer department store)
Total reconstruction of Bourke Street store, including restoration of heritage façade	Five floors handed over to Myer for fit-out (over 50% of total floor space)
41,000 sqm Myer department store	Staged handover of floors until completion
Lonsdale Street (Emporium Melbourne)	Construction works to be complete in second half of 2010
Retention and restoration of the Heritage façade	Lonsdale Street (Emporium Melbourne)
Demolition of the remainder of the site	Demolition works have commenced
6,750 sqm for Myer department store, and 37,500 sqm of large-format and specialty stores	Leasing to commence in first half of 2011

- As each stage has different ownership structures, they are treated separately in the Trust's Financial report. Income and interest expense from the Myer Melbourne Bourke Street store will be included in distributable income post completion in early 2011.

Development update Myer Melbourne

32



Myer department store, Melbourne, VIC (under construction)

Development update Myer Melbourne

33

Key development metrics

Total cost	\$1.49 billion
CFX share (44%)	\$685 million
Target initial yield	6.0%
Target IRR	8%-9%
Leased	
- Bourke Street	100%
- Lonsdale Street (Emporium)	leasing from 2011
Project commenced	February 2008
Project to be complete	Mid 2013



Myer department store, Melbourne, VIC

Development update Myer Melbourne

34



Artist's impression of Lonsdale Street, Emporium Melbourne, VIC

Australian retail property market Outlook

35

Metrics for quality retail assets	12-month outlook
Capitalisation rates	↓ Firming
Asset values	↑ Increasing
Buyer demand	↑ Increasing
Tenant demand	↑ Increasing
Supply	↔ Limited
Vacancy rates	↔ Stable
Retail sales	↑ Improving



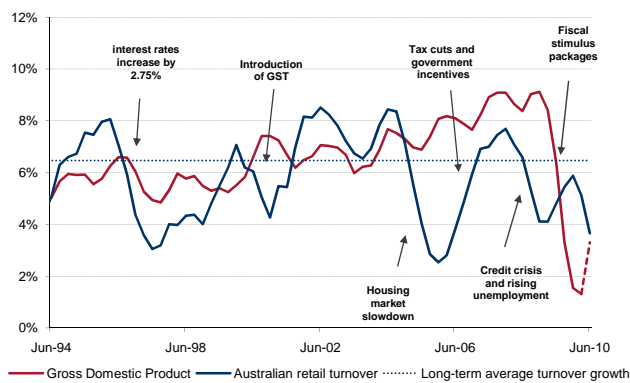
Rockingham Shopping Centre, QLD

Australian retail property market Outlook

36

Australian retail turnover versus economic growth

Annual nominal growth rates, quarterly rests ending June 2010



GST: Goods and Services Tax introduced in June 2000.

Source: Australian Bureau of Statistics and CFSGAM Research

Strategy

Opportunities for future growth

37

- Intensive asset management
 - Re-mixing existing centres
- Development
 - \$1.4 billion redevelopment pipeline
- Acquisition of quality Australian assets
 - Properties with income and development upside
- Active and disciplined capital management



Chatswood Chase Sydney, NSW

Outlook and summary

38

- Positive retail sales outlook
- Expect continued volatility in financial markets and debt costs to remain above historical averages
- Expect moderate net property income growth
- Distribution¹ guidance of 12.60 to 12.70 cents per unit for the 12 months ending 30 June 2011



Chatswood Chase Sydney, NSW

1. Assuming performance fee is payable for the full 12-month period and there is no unforeseen material deterioration to existing economic conditions.

Appendices

Financial results Reconciliation of profit/(loss) to distribution

40

CFS Retail Property Trust	Year ended 30 June 2010		Year ended 30 June 2009	
	\$'000	cpu	\$000	cpu
Profit/(loss)	315,028		(366,881)	
<i>Adjustments for unrealised impacts</i>				
Net (profit)/loss from properties revaluations	(49,228)		548,627	
Net (profit)/loss from derivatives revaluations	23,172		84,810	
Movement in fair value of unrealised performance fees	(2,167)		7,169	
Straight-lining rental revenue	(6,888)		1,312	
Non-cash convertible notes interest expense	10,551		9,836	
<i>Adjustments for project and other items</i>	21,697		12,692	
Distributable income	312,165	12.50	297,835	12.13
add back of performance fee ¹	n.a.		9,165	
Distribution	312,165	12.50	307,000	12.50

1. Performance fee is no longer added back to distributable income as per the change to the distribution policy effective 1 July 2009.

Financial results

Reconciliation of net property income to distribution



41

CFS Retail Property Trust	Year ended 30 June 2010		Year ended 30 June 2009	
	\$'000	cpu	\$'000	cpu
Net property income ¹	474,650		428,414	
Interest and other income	2,157		1,535	
Total operating income	476,807		429,949	
Net interest expense	118,202		86,818	
Base fee	34,045		33,368	
Performance fee	9,315		9,165	
Other expenses	3,080		2,763	
Total operating expenses	164,642		132,114	
Distributable income	312,165	12.50	297,835	12.13
add back of performance fee ²	n.a.		9,165	
Distribution	312,165	12.50	307,000	12.50

1. Net property income includes alignment fee income, share of net profit from associate before fair value adjustments, adjustments for other items and excludes straight-lining rental revenue.
 2. Performance fee is no longer added back to distributable income as per the change to the distribution policy effective 1 July 2009.

Capital management



42

Hedging profile

	FY 11	FY 12	FY 13	FY 14	FY 15	FY 16	FY 17	FY 18	FY 19
Face value of hedges	1,773	1,684	1,398	893	830	830	827	508	500
Weighted average interest rate on hedged debt	5.57%	5.57%	5.79%	6.03%	6.10%	6.15%	6.20%	6.19%	6.16%
Average % hedged over FY	73%	64%	53%	35%	34%	34%	33%	21%	20%

Portfolio overview

Sales performance cycling tough comparable periods

43

– Impact of Federal Government stimulus cash payments in 2008 - 2009

Australian Federal Government handout measures in 2008 - 2009

Payment (A\$ billion)	Dec-08	Mar-09	Apr-09	Jul-09	Total
Pensioner payment	4.9				4.9
Tax bonus			6.6	1.1	7.7
Family tax payment	3.9	1.2		0.1	5.2
Back to school bonus		2.3		0.3	2.6
Training and learning bonus		0.4		0.1	0.5
Total	8.8	3.9	6.6	1.6	20.9

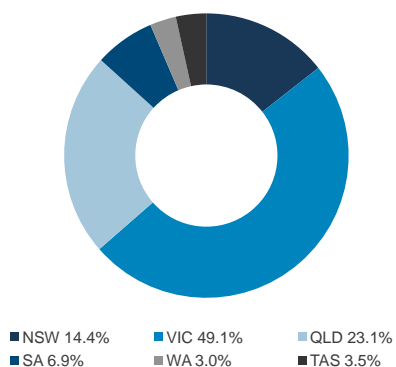
Source: Treasury Department, Citi Investment Research and Analysis.

Portfolio overview

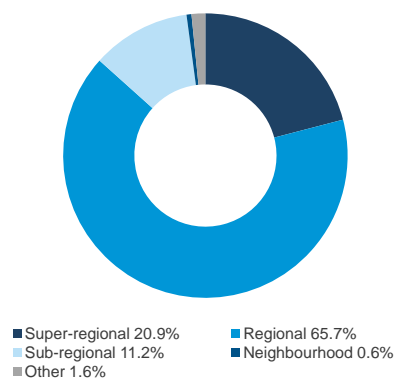
Geographic diversification and centre type

44

Portfolio geographic diversification (by value)



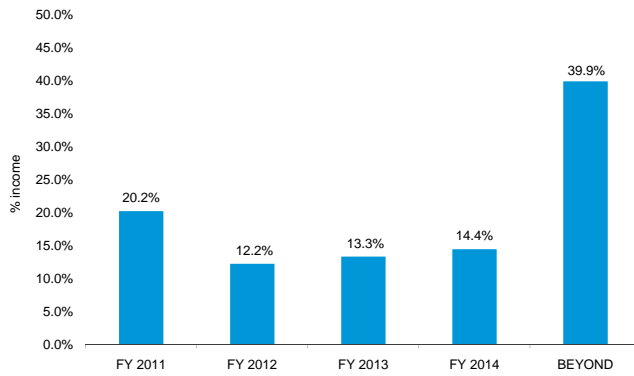
Portfolio by centre type (by value)



Portfolio overview
Lease expiry profile as at 30 June 2010

45

Retail specialty store lease expiry (by gross lettable area)



Portfolio overview
Top 15 tenants by income

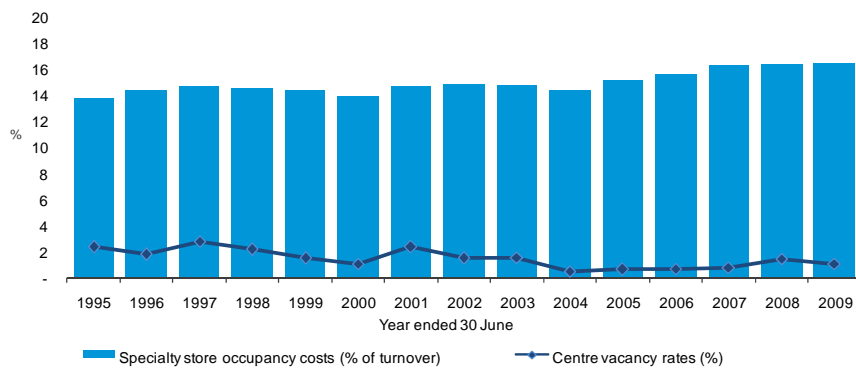
46

Tenant	% of income
1. Wesfarmers	8.8
2. Woolworths	4.9
3. Myer	4.0
4. David Jones	3.6
5. Just Group	1.4
6. Hoyts	1.2
7. Luxottica Retail	1.1
8. Specialty Fashion Group	1.1
9. Priceline	1.0
10. Angus & Coote	1.0
11. Commonwealth Bank	1.0
12. BB Retail Capital	0.9
13. Best & Less	0.8
14. Sussan Group	0.8
15. Westpac	0.8
Top 15	32.4

Australian retail property market Regional vacancy rates and occupancy costs

47

Specialty occupancy costs vs centre vacancy rates
Regional shopping centre averages



Source: Urbis

Disclaimer

48

Neither Commonwealth Bank of Australia (the 'Bank') ABN 48 123 123 124 nor any of its subsidiaries guarantees or in any way stands behind the performance of the CFS Retail Property Trust ARSN 090 150 280 (CFX) or the repayment of capital by CFX. Investments in CFX are not deposits or other liabilities of the Bank or its subsidiaries, and investment-type products are subject to investment risk including possible delays in repayment and loss of income and principal invested.

The information contained in this presentation (the 'Presentation') is intended to provide general advice only and does not take into account your individual objectives, financial situation or needs. You should assess whether the Presentation is appropriate for you and consider talking to a financial adviser or consultant before making an investment decision.

All reasonable care has been taken in relation to the preparation and collation of the Presentation. Except for statutory liability which may not be excluded, no person, including Commonwealth Managed Investments Limited (the 'Responsible Entity') ABN 33 084 098 180, Colonial First State Property Retail Pty Limited ABN 19 101 384 294 or any other member of the Bank's group of companies, accepts responsibility for any loss or damage howsoever occurring resulting from the use of or reliance on the Presentation by any person. Past performance is not indicative of future performance and no guarantee of future returns is implied or given.

Copyright and confidentiality

The copyright of this Presentation and the information contained therein is vested in the Responsible Entity, the Bank and the Bank's group of companies. This Presentation should not be copied, reproduced or redistributed without prior consent.