

30 August 2013

Dear Investor

Multiplex Property Income Fund (Fund) - Investor Update

Brookfield Capital Management Limited (BCML), as Responsible Entity of the Fund, provides an update to investors for the full year ended 30 June 2013.

Wind-up

Unitholders approved the wind-up of the Fund on 18 December 2012 and since then BCML has commenced selling the Fund's investments and returning cash to investors.

Financial Results

The value of the Fund's underlying investment portfolio decreased by 38% to \$21.3 million and reflects a net tangible asset (NTA) of \$0.37 per Income Unit.

The decline in NTA from 30 June 2012 is largely due to capital distribution payments made during the period of ~\$0.25 per unit and a write down in the APN Vienna Property Fund investments to nil carrying value contributing (\$0.02) per unit. There were no other major movements in the underlying investments.

A summary of the Fund's performance is as follows:

	As at 30 June 2013	As at 30 June 2012	Movements
Total asset (\$'000)	21,333	34,493	38% decrease
Total liabilities (\$'000)	1,816	244	644% increase
Net assets (\$'000)	19,517	34,249	43% decrease
Number of Income Units ('000)	52,791	52,791	No Change
Number of Ordinary Units ('000)	30,076	30,076	No Change
NTA Income Units (\$)	0.37	0.65	43% decrease
NTA Ordinary Units (\$)	nil	nil	n/a
	For the year ended 30 June 2013	For the year ended 30 June 2012	Variance
Total revenue (\$'000)	3,128	2,357	33% increase
Total expenses (\$'000)	746	7,047	89% decrease
Net profit / (loss) for the period (\$'000)	2,382	(4,690)	151% increase
Distributions and return of capital (cents per unit)	29.5232	3.9812	642% increase

Distribution Payments

During the financial year, approximately \$15.6 million was paid in distributions which equates to 29.5232 cents per unit.

Since financial year end, the Fund made two additional distribution payments on 3 July 2013 and 9 August 2013 totalling \$4.8 million or 9.1 cents per unit. The distribution paid on 3 July 2013 of approximately 3.3 cents per unit was declared prior to 30 June and is therefore reflected in the NTA at that date.

The distribution of approximately 5.8.cents per unit paid to investors on 9 August 2013 was not declared prior to 30 June 2013 and therefore the NTA of the Fund has reduced to approximately 31 cents per unit.

The Fund will continue to pay income distributions when it receives distributions from its underlying investments. This is likely to occur on a quarterly basis.

Investment Portfolio Update

In determining the Fund NTA, the carrying value of unlisted investments is assessed using the net asset value provided as at 30 June 2013, or where this has not been provided, the latest available net asset value for each underlying investment. The three remaining A-REITs are shown at the ASX closing price on 30 June 2013.

Below is information relevant to the underlying investments:

- **APN Vienna Property Fund (APNVPF)**
APN is currently in the process of marketing the sale of a shopping centre held by APNVPF. The latest offer price suggests a net liabilities position for APNVPF. To be prudent, the Fund has revised its carrying value for this investment to nil.
- **Arena REIT (formerly Arena Child Care Property Fund)**
Arena Childcare Property Fund listed on the ASX on 13 June 2013 and changed its name to Arena REIT. At 30 June 2013 the Fund disposed of 0.6 million units in Arena REIT at circa \$1.05 per unit and realised net proceeds of ~\$0.6 million. A staged sell down of the investment is continuing.
- **Australian Unity Diversified Property Fund (AUDPF)**
In June 2013, the Fund redeemed ~ 0.06 million units when AUDPF made a withdrawal offer to investors. The Fund received redemption proceeds of ~\$0.05 million.

AUDPF sold its interest in a number of properties and used part of the proceeds to reduce debt and funded a special distribution payment. The Fund received ~\$0.02 million from this special distribution. The level of gearing in AUDOF is expected to have a positive impact on future distributions.
- **Australian Unity Fifth Commercial Trust (AUFCT)**
AUFCT paid a special distribution 48 cents per unit post the sale of AUFCT's 50% interest in 80 Stirling Street, Perth. The Fund received ~\$0.9 million from the distribution payment.
- **Australian Unity Office Property Fund (AUOPF)**
The Fund redeemed ~0.17 million units and received ~\$0.16 million when AUOPF made redemptions available in November 2012. The Fund also, redeemed a further ~0.22 million units for ~\$0.21 million when AUOPF made redemptions available in May 2013.

AUOPF paid a special distribution of 7.0 cents per unit from the sale of AUOPF's 50% interest in 80 Stirling Street, Perth. The Fund received ~\$0.16 million from this special distribution.
- **Centro MCS22**
Net proceeds from the sale of Kidman Park Distribution Centre were distributed to investors in July and September 2012. A final residual distribution was paid in June 2013, at which time Centro MCS 22 syndicate was officially wound up and the Fund's units cancelled.

- **Charter Hall Diversified Property Fund (CHDPF)**

Charter Hall is proceeding with an orderly termination of CHDPF. The property at 53 Berry Street North Sydney was sold in July 2013. Proceeds will be used to repay the NAB debt facility in full and a capital return is forecast to be made during the September 2013 quarter. Negotiations for the sale of 400 Kent Street, Sydney are well advanced.

The industrial property at Tullamarine comprises three leasehold assets. Negotiations are continuing regarding a lease extension which will then facilitate the sale of the asset.

- **Charter Hall Umbrella Fund (CHUF)**

The Fund redeemed ~0.77 million units and received ~\$0.5 million when CHUF made \$17 million available for redemptions in May 2013. CHUF anticipates that it will have capacity for a further withdrawal offer during in October 2013.

- **MAB Diversified Property Trust (MAB)**

MAB was placed into wind-up in September 2010 and six properties remained to be sold. The asset sales process continues and no indication has been provided on likely completion of the wind-up.

- **Multiplex New Zealand Property Fund (MNZPF)**

NTA increased over the year from A\$0.57 to A\$0.59 per unit largely reflecting depreciation of the Australian dollar against the New Zealand dollar.

MNZPF is in wind-up and has commenced a process to sell its properties. To date, two properties have been sold in excess of their carrying value as at 31 December 2012. Six office assets remain to be sold and distributions are expected to be made by MNZPF once the debt facility has been fully repaid. The carrying value of the portfolio is NZ\$201.6 million and outstanding debt is NZ\$39.1 million.

- **PREIT**

During the quarter ending 30 June 2013, the Fund disposed of 1.2 million units in PREIT at \$0.15 per unit and realised net proceeds of ~\$0.18 million.

- **Retail Direct Property 21 (previously Centro MCS 21)**

The sale of Roselands Shopping Centre settled on 28 June 2013 and the majority of sales proceeds have been distributed to investors. The Fund received ~\$1.1 million and is expected to receive a residual balance of ~\$0.02 million prior to the 2014 financial year end at which time the syndicate is expected to wind-up.

- **Stockland Direct Office Trust No. 3 (SDOT3)**

SDOT3 completed the sale of its property portfolio in May 2013. The Fund received ~\$0.48 million for the return of capital paid in June 2013, which is equivalent to \$0.50 per unit. SDOT3 intends to pay a final distribution prior to December 2013.

The Fund's investment portfolio as at 30 June 2013 is as follows:

Listed Property Securities	Investment Value \$ million	Percentage of total investment (%)
BlackWall Property Funds Limited	0.09	1.0
P-REIT	0.56	3.0
Arena REIT	1.42	9.0
Unlisted Property Securities		
APN Champion Retail Fund	0.00	0.0
APN National Storage Property Trust	1.09	7.0
APN Regional Property Fund	0.52	3.0
APN UKA Poland Retail Fund	0.00	0.0
APN UKA Vienna Retail Fund	0.00	0.0
Australian Unity Office Property Fund	1.90	12.0
Australian Unity Diversified Property Fund	0.35	2.0
Australian Unity Fifth Commercial Trust	2.27	14.0
BGP Holdings Beneficial Interest Share	0.00	0.0
BlackWall Telstra House Trust	0.33	2.0
Charter Hall Diversified Property Fund	2.59	16.0
Charter Hall Umbrella Fund	1.05	6.0
MAB Diversified Property Trust	1.26	8.0
Multiplex New Zealand Property Fund	0.66	4.0
Pengana Credo European Property Trust	0.00	0.0
PFA Diversified Property Trust	1.64	10.0
Retail Direct RHT 21	0.02	0.0
Rimcorp Property Trust No.3	0.55	3.0
Stockland Direct Office Trust No.3	0.10	1.0
Total Investment Value	16.40	100

Further information and financial results as at 30 June 2013

The Fund's financial report for the year ended 30 June 2013 is available at www.au.brookfield.com and we recommend that investors review this document.

BCML will continue to provide updates via the website regarding Fund earnings as well as timing and quantum of distributions.

Yours sincerely



Sue Ly
Fund Manager
Multiplex Property Income Fund