

Multiplex Property Income Fund  
Interim financial report  
For the half year ended  
31 December 2012

# Multiplex Property Income Fund

ARSN 117 674 049

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# Directory

## Multiplex Property Income Fund

For the half year ended 31 December 2012

### **Responsible Entity**

Brookfield Capital Management Limited  
Level 22, 135 King Street  
Sydney NSW 2000  
Telephone: +61 2 9322 2000  
Facsimile: +61 2 9322 2001

### **Directors of Brookfield Capital Management Limited**

F. Allan McDonald  
Brian Motteram  
Barbara Ward  
Russell Proutt  
Shane Ross

### **Company Secretary of Brookfield Capital Management Limited**

Neil Olofsson

### **Registered Office of Brookfield Capital Management Limited**

Level 22, 135 King Street  
Sydney NSW 2000  
Telephone: +61 2 9322 2000  
Facsimile: +61 2 9322 2001

### **Custodian**

JP Morgan Chase Bank N.A. (Sydney Branch)  
Level 18, JPMorgan House  
85 Castlereagh Street  
Sydney NSW 2000

### **Location of Share Registry**

Boardroom (Victoria) Pty Limited  
Level 14, 140 William Street  
Melbourne VIC 3000

All correspondence to:

GPO Box 3993  
Sydney NSW 2001  
Telephone: 1300 737 760  
Facsimile: 1300 653 459  
International  
T: +61 2 9290 9600  
F: +61 2 9279 0664  
[www.boardroomlimited.com.au](http://www.boardroomlimited.com.au)

### **Auditor**

Deloitte Touche Tohmatsu  
Eclipse Tower  
Level 19  
60 Station Street  
Parramatta  
NSW 2150  
Telephone: +61 2 9840 7000  
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# Directors' Report

## Multiplex Property Income Fund

For the half year ended 31 December 2012

### Introduction

The Directors of Brookfield Capital Management Limited (BCML) (ABN 32 094 936 866), the Responsible Entity of Multiplex Property Income Fund (ARSN 117 674 049) (Fund), present their report together with the condensed consolidated interim financial statements of the Consolidated Entity, being the Fund and its subsidiaries, for the six months ended 31 December 2012 and the Independent Auditor's Review Report thereon.

The Fund was constituted on 21 December 2005.

### Responsible Entity

The Responsible Entity of the Fund is Brookfield Capital Management Limited (BCML). The registered office and principal place of business of the Responsible Entity is Level 22, 135 King Street, Sydney NSW 2000.

### Directors

The following persons were Directors of the Responsible Entity at any time during or since the end of the financial period:

Name	Capacity
F. Allan McDonald (appointed 1 January 2010)	Non-Executive Independent Chairman
Brian Motteram (appointed 21 February 2007)	Non-Executive Independent Director
Barbara Ward (appointed 1 January 2010)	Non-Executive Independent Director
Russell Proutt (appointed 1 January 2010)	Executive Director
Shane Ross (appointed 16 May 2011)	Executive Director

### Principal activities

The principal activity of the Consolidated Entity is the investment in Australian Securities Exchange (ASX) listed and unlisted property securities.

### Wind up of the Fund

On 18 December 2012, two resolutions were passed at a meeting of Fund unitholders which resulted in the Fund entering into wind up. As part of the wind up process, the majority of the Fund's ASX listed investments were sold and two initial returns of capital were paid to unitholders on 21 December 2012 totalling \$7,760,000 and on 3 January 2013 totalling \$4,762,000. The Responsible Entity will continue to realise the remaining Fund assets on an orderly basis with a view to maximising value for unitholders over a period expected to be a number of years.

Income unitholders are entitled to receive up to \$1 per unit (plus accrued income) during the course of the wind up. Ordinary unitholders have an entitlement to any excess capital distributed during the course of the wind up. At 31 December 2012, the value of the Consolidated Entity's assets, plus the amount returned to income unitholders during the course of the wind up to date, is below the income unitholders' maximum entitlement by an amount of \$19,097,000 (\$0.36 per income unit) (30 June 2012: \$18,711,000 or \$0.35 per income unit).

### Review of operations

The Consolidated Entity has recorded a net profit of \$1,607,000 for the six month period ended 31 December 2012 (2011: net loss of \$2,960,000). The reported net profit is largely attributable to the net gain recorded on disposal of ASX listed and unlisted property trusts.

Some of the significant events during the period are as follows:

- total revenue and other income of \$2,156,000 (2011: \$1,304,000);
- net profit attributable to income unitholders totalled \$1,607,000 (2011: net loss \$2,960,000)
- distributions to income unitholders of \$815,000 and distributions per unit (DPU) of 1.5431 cents per unit (2011: \$1,016,000 and 1.9252 cents per unit);
- net assets of \$21,341,000 (30 June 2012: \$34,249,000);
- ASX listed portfolio value of \$641,000 (30 June 2012: \$5,063,000);
- unlisted security portfolio value of \$20,104,000 (30 June 2012: \$22,299,000); and
- net tangible assets (NTA) per income unit was \$0.40 (30 June 2012: \$0.65).

The Fund is in wind up. The strategy of the Fund is to realise the remaining Fund assets on an orderly basis with a view to maximising value for unitholders.

During the period, the Brookfield Australian Opportunities Fund (BAO) was wound up on 30 October 2012. Prior to that date, BAO held 100% of the ordinary units in MPIF. As part of the BAO wind up process, BAO made a payment directly to MPIF income unitholders for the priority distribution payment (PDP) totalling \$3,011,000 on 22 October 2012. This had the effect of releasing the distribution stopper in place. The subsequent wind up of BAO and the consequent transfer of MPIF ordinary units to BAO Trust means that MPIF income unitholders will not receive any further payments from BAO.

# Directors' Report continued

## Multiplex Property Income Fund

For the half year ended 31 December 2012

### **Review of operations** continued

As BAO has been wound up no further payments will be made to MPIF income unitholders by BAO. Management fees for MPIF will be waived for as long as an entity controlled by Brookfield Asset Management Inc. remains as responsible entity of MPIF.

### **Rounding of amounts**

The Consolidated Entity is of a kind referred to in ASIC Class Order 98/100, dated 10 July 1998 (updated by CO 05/641 effective 28 July 2005 and CO 06/51 effective 31 January 2006), and in accordance with that Class Order, all financial information presented in Australian dollars has been rounded to the nearest thousand dollars, unless otherwise stated.

### **Lead auditor's independence declaration under Section 307C of the Corporations Act 2001**

The lead auditor's independence declaration is set out on page 6 and forms part of the Directors' Report for the half year ended 31 December 2012.

Signed in accordance with a resolution of the Directors made pursuant to Section 306(3) of the *Corporations Act 2001*.

Dated at Sydney this 22nd day of February 2013.

**Shane Ross**

Director

Brookfield Capital Management Limited

# Auditor's Independence Declaration

## Multiplex Property Income Fund

For the half year ended 31 December 2012

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### **Auditor's Independence Declaration**

# Condensed Consolidated Interim Statement of Profit or Loss and Other Comprehensive Income

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## Multiplex Property Income Fund

For the half year ended 31 December 2012

	Note	Consolidated	
		Half year ended 31 December 2012 \$'000	Half year ended 31 December 2011 \$'000
<b>Revenue and other income</b>			
Distribution income from ASX listed and unlisted property trusts		794	1,238
Net gain on disposal of ASX listed and unlisted property trusts		1,219	–
Interest income		143	66
<b>Total revenue and other income</b>		<b>2,156</b>	<b>1,304</b>
<b>Expenses</b>			
Net loss on disposal of ASX listed and unlisted property trusts		–	18
Impairment expense	5	380	4,131
Other expenses		169	115
<b>Total expenses</b>		<b>549</b>	<b>4,264</b>
<b>Net profit /(loss) for the period</b>		<b>1,607</b>	<b>(2,960)</b>
<b>Other comprehensive income</b>			
<b>Items that may be reclassified subsequently to profit or loss</b>			
Change in fair value of available for sale financial assets		(1,178)	(329)
<b>Other comprehensive loss for the period, net of income tax</b>		<b>(1,178)</b>	<b>(329)</b>
<b>Total comprehensive income/(loss) for the period</b>		<b>429</b>	<b>(3,289)</b>
Net profit/(loss) attributable to:			
Ordinary unitholders		–	–
Income unitholders		1,607	(2,960)
<b>Net profit/(loss) for the period</b>		<b>1,607</b>	<b>(2,960)</b>
Total comprehensive income/(loss) attributable to:			
Ordinary unitholders		–	–
Income unitholders		429	(3,289)
<b>Total comprehensive income/(loss) for the period</b>		<b>429</b>	<b>(3,289)</b>

The Condensed Consolidated Interim Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the Notes to the Condensed Consolidated Interim Financial Statements.

# Condensed Consolidated Interim Statement of Financial Position

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## Multiplex Property Income Fund

As at 31 December 2012

	Note	Consolidated 31 December 2012 \$'000	30 June 2012 \$'000
<b>Assets</b>			
<b>Current assets</b>			
Cash and cash equivalents		5,187	5,661
Trade and other receivables		302	1,470
Investments – available for sale	5	–	5,063
<b>Total current assets</b>		<b>5,489</b>	<b>12,194</b>
<b>Non-current assets</b>			
Investments – available for sale	5	20,745	22,299
<b>Total non-current assets</b>		<b>20,745</b>	<b>22,299</b>
<b>Total assets</b>		<b>26,234</b>	<b>34,493</b>
<b>Liabilities</b>			
<b>Current liabilities</b>			
Trade and other payables		131	93
Distribution payable		–	151
Return of capital payable		4,762	–
<b>Total current liabilities</b>		<b>4,893</b>	<b>244</b>
<b>Total non-current liabilities</b>		<b>–</b>	<b>–</b>
<b>Total liabilities</b>		<b>4,893</b>	<b>244</b>
<b>Net assets</b>		<b>21,341</b>	<b>34,249</b>
<b>Equity</b>			
Units on issue – Ordinary units	6	30,076	30,076
Units on issue – Income units	6	40,438	52,960
Reserves		3,464	4,642
Undistributed losses		(52,637)	(53,429)
<b>Total equity</b>		<b>21,341</b>	<b>34,249</b>

The Condensed Consolidated Interim Statement of Financial Position should be read in conjunction with the Notes to the Condensed Consolidated Interim Financial Statements.



# Condensed Consolidated Interim Statement of Changes in Equity

## Multiplex Property Income Fund

For the half year ended 31 December 2012

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	Attributable to Ordinary unitholders of the Fund				Attributable to Income unitholders of the Fund				Total equity \$'000
	Ordinary units \$'000	Undistributed profits/(losses) \$'000	Reserves \$'000	Total \$'000	Income units \$'000	Undistributed profits/(losses) \$'000	Reserves \$'000	Total \$'000	
<b>Consolidated Entity</b>									
<b>Opening equity - 1 July 2012</b>	<b>30,076</b>	<b>(30,076)</b>	<b>-</b>	<b>-</b>	<b>52,960</b>	<b>(23,353)</b>	<b>4,642</b>	<b>34,249</b>	<b>34,249</b>
Change in fair value of available for sale financial assets	-	-	-	-	-	-	(1,178)	(1,178)	(1,178)
<b>Other comprehensive loss for the period</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(1,178)</b>	<b>(1,178)</b>	<b>(1,178)</b>
Net profit for the period	-	-	-	-	-	1,607	-	1,607	1,607
<b>Total comprehensive income/(loss) for the period</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,607</b>	<b>(1,178)</b>	<b>429</b>	<b>429</b>
<b>Transactions with unitholders in their capacity as unitholders:</b>									
Return of capital paid/payable	-	-	-	-	(12,522)	-	-	(12,522)	(12,522)
Distributions paid / payable	-	-	-	-	-	(815)	-	(815)	(815)
<b>Total transactions with unitholders in their capacity as unitholders</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(12,522)</b>	<b>(815)</b>	<b>-</b>	<b>(13,337)</b>	<b>(13,337)</b>
<b>Closing equity - 31 December 2012</b>	<b>30,076</b>	<b>(30,076)</b>	<b>-</b>	<b>-</b>	<b>40,438</b>	<b>(22,561)</b>	<b>3,464</b>	<b>21,341</b>	<b>21,341</b>

# Condensed Consolidated Interim Statement of Changes in Equity continued

## Multiplex Property Income Fund

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For the half year ended 31 December 2012

Consolidated Entity	Attributable to Ordinary unitholders of the Fund				Attributable to Income unitholders of the Fund				Total equity \$'000
	Ordinary units \$'000	Undistributed profits/(losses) \$'000	Reserves \$'000	Total \$'000	Income units \$'000	Undistributed profits/(losses) \$'000	Reserves \$'000	Total \$'000	
<b>Opening equity - 1 July 2011</b>	<b>30,076</b>	<b>(30,076)</b>	<b>-</b>	<b>-</b>	<b>52,960</b>	<b>(16,561)</b>	<b>4,574</b>	<b>40,973</b>	<b>40,973</b>
Change in fair value of available for sale financial assets	-	-	-	-	-	-	(329)	(329)	(329)
<b>Other comprehensive loss for the period</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(329)</b>	<b>(329)</b>	<b>(329)</b>
Net loss for the period	-	-	-	-	-	(2,960)	-	(2,960)	(2,960)
<b>Total comprehensive loss for the period</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(2,960)</b>	<b>(329)</b>	<b>(3,289)</b>	<b>(3,289)</b>
<b>Transactions with unitholders in their capacity as unitholders:</b>									
Distributions paid / payable	-	-	-	-	-	(1,016)	-	(1,016)	(1,016)
<b>Total transactions with unitholders in their capacity as unitholders</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(1,016)</b>	<b>-</b>	<b>(1,016)</b>	<b>(1,016)</b>
<b>Closing equity - 31 December 2011</b>	<b>30,076</b>	<b>(30,076)</b>	<b>-</b>	<b>-</b>	<b>52,960</b>	<b>(20,537)</b>	<b>4,245</b>	<b>36,668</b>	<b>36,668</b>

The Condensed Consolidated Interim Statement of Changes in Equity should be read in conjunction with the Notes to the Condensed Consolidated Interim Financial Statements.

# Condensed Consolidated Interim Statement of Cash Flows

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## Multiplex Property Income Fund

For the half year ended 31 December 2012

	Consolidated	
	Half year ended 31 December 2012 \$'000	Half year ended 31 December 2011 \$'000
<b>Cash flows from operating activities</b>		
Cash receipts in the course of operations	1,008	1,238
Cash payments in the course of operations	(121)	(18)
Interest received	165	64
<b>Net cash flows from operating activities</b>	<b>1,052</b>	<b>1,284</b>
<b>Cash flows from investing activities</b>		
Payments for purchase of available for sale assets	(46)	–
Proceeds from sale of available for sale assets	7,246	1,613
<b>Net cash flows from investing activities</b>	<b>7,200</b>	<b>1,613</b>
<b>Cash flows from financing activities</b>		
Distributions paid to income unitholders	(966)	(1,221)
Return of capital to income unitholders	(7,760)	–
<b>Net cash flows used in financing activities</b>	<b>(8,726)</b>	<b>(1,221)</b>
Net (decrease)/increase in cash and cash equivalents	(474)	1,676
Cash and cash equivalents at the beginning of the period	5,661	2,809
<b>Cash and cash equivalents at 31 December</b>	<b>5,187</b>	<b>4,485</b>

The Condensed Consolidated Interim Statement of Cash Flows should be read in conjunction with the Notes to the Condensed Consolidated Interim Financial Statements.

# Notes to the Condensed Consolidated Interim Financial Statements Multiplex Property Income Fund

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For the half year ended 31 December 2012

## 1 Reporting entity

Multiplex Property Income Fund (Fund) is an Australian registered managed investment scheme under the *Corporations Act 2001*. Brookfield Capital Management Limited (BCML), the Responsible Entity of the Fund, is incorporated and domiciled in Australia. The consolidated interim financial report of the Fund as at and for the six months ended 31 December 2012 comprises the Fund and its subsidiaries (together referred to as the Consolidated Entity).

## 2 Significant accounting policies

### Statement of compliance

The consolidated interim financial report is a general purpose financial report which has been prepared in accordance with the *Corporations Act 2001* and AASB 134 *Interim Financial Reporting*. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 34 *Interim Financial Reporting*. The consolidated interim financial report does not include notes of the type normally included in annual financial statements and should be read in conjunction with the most recent annual financial statements of the Consolidated Entity as at and for the year ended 30 June 2012.

### Basis of preparation

The financial statements are presented in Australian dollars, which is the Fund's presentation and functional currency.

The Consolidated Entity is of a kind referred to in ASIC Class Order 98/100, dated 10 July 1998 (updated by CO 05/641 effective 28 July 2005 and CO 06/51 effective 31 January 2006), and in accordance with that Class Order, all financial information presented in Australian dollars has been rounded to the nearest thousand dollars, unless otherwise stated.

The accounting policies and methods of computation adopted in the preparation of the consolidated interim financial report are consistent with those adopted and disclosed in the consolidated financial report as at and for the year ended 30 June 2012, except for the impact of the Standards and Interpretations described below. These accounting policies are consistent with Australian Accounting Standards and with International Financial Reporting Standards.

*AASB 2011-9 Amendments to Australian Accounting Standards – Presentation of Items of Other Comprehensive Income* introduces new terminology for the statement of comprehensive income and income statement and groups items in other comprehensive income and associated tax on the basis of whether items are potentially reclassifiable to profit and loss subsequently. Under the amendments to AASB 101, the statement of comprehensive income is renamed as a statement of profit or loss and other comprehensive income and the income statement is renamed as a statement of profit or loss.

The adoption of the above revised Standards and Interpretations has not resulted in any changes to the accounting policies and has no effect on the amounts reported for the current or prior periods. However, the application of AASB 2011-9 has resulted in changes to the presentation and disclosure.

### Going concern

The financial statements have been prepared on a going concern basis which assumes the Consolidated Entity will be able to realise its assets and discharge its liabilities in the normal course of business.

On 18 December 2012, two resolutions were passed at a meeting of Fund unitholders which resulted in the Fund entering into wind up. As part of the wind up process, the majority of the Fund's ASX listed investments were sold and two initial returns of capital were paid to unitholders on 21 December 2012 totalling \$7,760,000 and on 3 January 2013 totalling \$4,762,000. The approval of resolution 2 to alter the Fund's constitution has permitted the Responsible Entity to undertake a progressive sale of assets during the course of the Fund wind up and realising investments over a number of years where that is considered to be in the best interest of unitholders.

Based on the above, the Directors of the Responsible Entity believe it is appropriate to adopt the going concern basis for this set of financial statements. The financial statements do not include adjustments relating to the recoverability and classification of recorded asset amounts, nor to the amounts and classification of liabilities that might be necessary should the Fund and Consolidated Entity not continue as a going concern.

## 3 Estimates

The preparation of the consolidated interim financial report requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expense. Actual results may differ from those estimates.

# Notes to the Condensed Consolidated Interim Financial Statements continued Multiplex Property Income Fund

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For the half year ended 31 December 2012

## 4 Distributions

During the current and prior periods, no distributions were paid by the Fund to Ordinary unitholders.

Distributions paid/payable to Income unitholders were as follows:

	Cents per unit	Total amount \$'000	Date of payment
<b>Income units</b>			
July 2012 distribution	0.3172	168	20 August 2012
August 2012 distribution	0.3162	167	20 September 2012
September 2012 distribution	0.4474	236	19 October 2012
October 2012 distribution	0.2957	156	19 November 2012
November 2012 distribution	0.1666	88	21 December 2012
<b>Total distribution for the six months ended 31 December 2012</b>	<b>1.5431</b>	<b>815</b>	
<b>Income units</b>			
July 2011 distribution	0.4590	242	19 August 2011
August 2011 distribution	0.7371	389	20 September 2011
September 2011 distribution	0.3375	178	20 October 2011
October 2011 distribution	0.0353	19	21 November 2011
November 2011 distribution	0.3563	188	20 December 2011
<b>Total distribution for the six months ended 31 December 2011</b>	<b>1.9252</b>	<b>1,016</b>	

Returns of capital to income unitholders were also made during the period. Refer to note 6 for details.

## 5 Investments – available for sale

	Consolidated Half year ended 31 December 2012 \$'000	Half year ended 31 December 2011 \$'000
<b>ASX listed investments</b>		
Carrying amount as at beginning of period	5,063	4,678
Movement due to acquisitions, disposals and return of capital	(5,076)	922
Changes in fair value recognised in reserves	694	138
Impairments recognised during the period	(40)	(1,005)
<b>Carrying amount at end of period</b>	<b>641</b>	<b>4,733</b>
<b>Unlisted investments</b>		
Carrying amount as at beginning of period	22,299	33,203
Movement due to acquisitions, disposals and return of capital	(1,483)	(2,553)
Changes in fair value recognised in reserves	(372)	(467)
Impairments recognised during the period	(340)	(3,126)
<b>Carrying amount at end of period</b>	<b>20,104</b>	<b>27,057</b>
<b>Total investments - available for sale</b>	<b>20,745</b>	<b>31,790</b>

## Impairment

During the period, the Consolidated Entity recognised an impairment loss in accordance with accounting standards of \$380,000 in relation to its available for sale investments (2011: \$4,131,000).

The impairment loss recognised during the period in relation to available for sale investments represents the difference between the cost of the investments and their market value as at 31 December 2012, less any previously recorded impairment losses and reductions to accumulated reserves.

The Responsible Entity has determined there is objective evidence at the date of this report that the value of the Consolidated Entity's ASX listed and unlisted property trust portfolio is impaired. This determination has arisen due to the significant and prolonged decline in value of some ASX listed and unlisted property trusts during the period and market conditions within the property sector generally.

# Notes to the Condensed Consolidated Interim Financial Statements continued Multiplex Property Income Fund

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For the half year ended 31 December 2012

## 5 Investments – available for sale *continued*

### Investment in unlisted property securities

The Consolidated Entity invests directly in 24 unlisted property securities funds. Due to a lack of liquidity in the underlying investment portfolios, or due to the initial structure of the Fund as detailed in their original product disclosure statements and constitutions, 4 have suspended redemptions, 12 have always been closed to redemptions due to the investment structure as outlined in their original constitutions, 3 investments were listed on the ASX but are now deemed insolvent and 5 have limited liquidity features, meaning that the Consolidated Entity, should it want to, has limited ability to realise these investments due to limited or no redemption options available through these structures.

Consistent with 30 June 2012, the Consolidated Entity has generally valued its investments in each of the underlying unlisted property securities funds based on the net asset value provided as at 31 December 2012, or where this has not been provided, the latest available net asset value. In circumstances where the latest available net asset value has not been obtained, an assessment of the appropriateness of the value has been made based on knowledge of valuation and transactional movements in the underlying investment's structure as compared to similar portfolios. Although the Directors of the Responsible Entity consider this value to represent fair value as at the reporting date, uncertainty exists as to the likely unit price of each of the unlisted property securities funds when these funds re-commence acceptance of redemptions.

## 6 Units on issue

	Half year ended 31 December 2012 \$'000	Half year ended 31 December 2012 units	Year ended 30 June 2012 \$'000	Year ended 30 June 2012 Units
<b>Ordinary units</b>				
Opening balance	30,076	30,075,871	30,076	30,075,871
<b>Closing balance</b>	<b>30,076</b>	<b>30,075,871</b>	<b>30,076</b>	<b>30,075,871</b>
<b>Income units</b>				
Opening balance	52,960	52,791,450	52,960	52,791,450
Return of capital	(12,522)	–	–	–
<b>Closing balance</b>	<b>40,438</b>	<b>52,791,450</b>	<b>52,960</b>	<b>52,791,450</b>

In accordance with the Fund's constitution, each income unitholder is entitled to receive distributions as declared from time to time. Each ordinary unit represents a right to a share in the Fund's equity in excess of the value of the issued income units.

The Fund is in wind up. Income unitholders are entitled to receive up to \$1 per unit (plus accrued income) during the course of the wind up. Ordinary unitholders have an entitlement to any excess capital distributed during the course of the wind up. At 31 December 2012, the value of the Consolidated Entity's assets, plus the amount returned to income unitholders during the course of the wind up to date, is below the income unitholders' maximum entitlement by an amount of \$19,097,000 (\$0.36 per income unit) (30 June 2012: \$18,711,000 or \$0.35 per income unit).

The \$4,762,000 return of capital accrued at period end was paid to income unitholders on 3 January 2013.

## 7 Related parties

During the period, the Brookfield Australian Opportunities Fund (BAO) was wound up on 30 October 2012. Prior to that date, BAO held 100% of the ordinary units in MPIF. As part of the BAO wind up process, BAO made a payment directly to MPIF income unitholders for the priority distribution payment (PDP) totalling \$3,011,000 on 22 October 2012. This had the effect of releasing the distribution stopper in place. The subsequent wind up of BAO and the consequent transfer of MPIF ordinary units to BAO Trust means that MPIF income unitholders will not receive any further payments from BAO.

Other than the above there have been no significant changes to the related party transactions as disclosed in the annual report for the period ended 30 June 2012.

# Notes to the Condensed Consolidated Interim Financial Statements continued Multiplex Property Income Fund

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For the half year ended 31 December 2012

## **8 Contingent liabilities and assets**

No contingent liabilities or assets existed at 31 December 2012 (30 June 2012: nil).

## **9 Events subsequent to the reporting date**

There are no matters or circumstances which have arisen since the end of the financial period which significantly affected or may significantly affect the operations of the Consolidated Entity, the results of those operations, or the state of affairs of the Consolidated Entity in subsequent financial periods.

# Directors' Declaration

## Multiplex Property Income Fund

For the half year ended 31 December 2012

In the opinion of the Directors of Brookfield Capital Management Limited, the Responsible Entity of Multiplex Property Income Fund:

- a The condensed consolidated interim financial statements and notes, set out in pages 7 to 15, are in accordance with the *Corporations Act 2001*, including:
  - i giving a true and fair view of the financial position of the Consolidated Entity as at 31 December 2012 and of its performance for the six month period ended on that date; and
  - ii complying with Australian Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*;
- b There are reasonable grounds to believe that the Fund will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of the Directors of Brookfield Capital Management Limited.

Dated at Sydney this 22nd day of February 2013

**Shane Ross**

Director

Brookfield Capital Management Limited



Independent Auditor's Review Report  
Multiplex Property Income Fund  
For the half year ended 31 December 2012

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# Independent Auditor's Review Report continued

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## Multiplex Property Income Fund

For the half year ended 31 December 2012