

Multiplex Property Income Fund
Interim financial report
For the half year ended
31 December 2011

Multiplex Property Income Fund

ARSN 117 674 049

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Multiplex Property Income Fund

For the half year ended 31 December 2011

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Directory

Multiplex Property Income Fund

For the half year ended 31 December 2011

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

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 35, Suncorp Building
259 George Street
Sydney NSW 2000

Location of Share Registry

Boardroom Pty Limited
GPO Box 3993
Sydney NSW 2001
Telephone: +61 1300 737 760
Facsimile: + 61 1300 653 459

Auditor

Deloitte Touche Tohmatsu
The Barrington
Level 10, 10 Smith Street
Parramatta NSW 2150
Telephone: + 61 2 9840 7000
Facsimile: + 61 2 9840 7001

Directors' Report

Multiplex Property Income Fund

For the half year ended 31 December 2011

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 2011 and the Independent Auditor's Review Report thereon.

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.

Review of operations

The Consolidated Entity has recorded a net loss of \$2,960,000 for the six month period ended 31 December 2011 (2010: net profit of \$775,000). The reported net loss includes \$4,131,000 in impairment losses (2010: \$460,000).

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

- total revenue and other income of \$1,304,000 (2010: \$1,245,000);
- distributions to income unitholders of \$1,016,000 and distributions per unit (DPU) of 1.9252 cents per unit (2010: \$873,000 and 1.6532 cents per unit);
- net assets of \$36,668,000 (30 June 2011: \$40,973,000);
- ASX listed security portfolio value of \$4,733,000 (30 June 2011: \$4,678,000);
- unlisted security portfolio value of \$27,057,000 (30 June 2011: \$33,203,000); and
- net tangible assets (NTA) per income unit was \$0.69 (30 June 2011: \$0.78).

The major contributors to the decline in NTA at 31 December 2011 compared to 30 June 2011 were in investments in the APN Champion Retail Fund which contributed \$3.0 million (equating to 5.66 cents per unit) and P-REIT which contributed \$0.7 million (equating to 1.34 cents per unit).

The Consolidated Entity has 52,791,450 income units on issue at the reporting date. Under the terms of the Fund's Product Disclosure Statement, income unitholders have a targeted monthly priority distribution payment (PDP) which is calculated with reference to a margin of 2.5% per annum above the distribution yield on the S&P/ASX 200 Property Trust Index (with a minimum distribution of 7.5% per annum and a maximum of 8.5% per annum).

In circumstances where the Consolidated Entity does not meet the PDP to its income unitholders, Brookfield Australian Opportunities Fund (BAO), the Consolidated Entity's ordinary unitholder, will be prevented from making distributions to its unitholders unless the shortfall has been met within 12 months of the end of the month in which the shortfall occurred.

As the Consolidated Entity distributed less than the PDP for the period January 2011 to December 2011, BAO will be prevented from making a distribution to its unitholders until the shortfall has been met. This distribution stopper will remain in place until any shortfall in the PDP for the preceding 12 months is, or has been, paid to income unitholders of the Fund. At 31 December 2011, the shortfall totalled \$2,277,000 (31 December 2010: \$2,104,000).

The issue and redemption price of income units is \$1.00 per unit and is not determined by reference to the value of the Fund's and Consolidated Entity's assets. In practical terms, any increase in value above \$1.00 will accrue to the ordinary unitholder as will any decrease in value, unless the value falls below the amount contributed by income unitholders. At 31 December 2011, the value of the Consolidated Entity's assets is below the value contributed by income unitholders by \$16,292,000 (30 June 2011: deficiency of \$11,987,000). At 31 December 2011 and at the date of this report, the Fund remains closed to new applications and redemptions.

Acquisition of Consolidated Entity assets

During the period, the Directors of BCML as Responsible Entity of the Fund received a conditional offer from BCML as responsible entity of BAO to buy 8 investments in unlisted property funds and 1 investment listed on the Bendigo Stock Exchange as held by the Consolidated Entity. Following a unitholder vote on 22 November 2011, the offer was rejected by the unitholders of the Fund and the assets remain with the Consolidated Entity.

Directors' Report continued

Multiplex Property Income Fund

For the half year ended 31 December 2011

Rounding of amounts

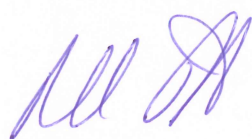
The Consolidated Entity is of a kind referred to in ASIC Class Order 98/100, dated 10 July 1998 (updated by CO 05/641 effective 28 July 2005 and CO 06/51 effective 31 January 2006), and in accordance with that Class Order, all financial information presented in Australian dollars has been rounded to 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 2011.

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

Dated at Sydney this 24th day of February 2012.



Russell Proutt

Director

Brookfield Capital Management Limited

Auditor's Independence Declaration

Multiplex Property Income Fund

For the half year ended 31 December 2011

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Auditor's Independence Declaration

Condensed Consolidated Interim Statement of Comprehensive Income

Multiplex Property Income Fund

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For the half year ended 31 December 2011

| | Note | Consolidated | |
|--|------|--|--|
| | | Half year ended 31 December 2011 \$'000 | Half year ended 31 December 2010 \$'000 |
| Revenue and other income | | | |
| Distribution income from ASX listed and unlisted property trusts | | 1,238 | 1,078 |
| Gain on disposal of ASX listed and unlisted property trusts | | – | 52 |
| Interest income | | 66 | 115 |
| Total revenue and other income | | 1,304 | 1,245 |
| Expenses | | | |
| Loss on disposal of ASX listed and unlisted property trusts | | 18 | – |
| Impairment expense | 6 | 4,131 | 460 |
| Other expenses | | 115 | 10 |
| Total expenses | | 4,264 | 470 |
| Net (loss)/profit for the period | | (2,960) | 775 |
| Other comprehensive income | | | |
| Changes in fair value of available for sale financial assets | | (329) | 1,715 |
| Other comprehensive (loss)/income for the period | | (329) | 1,715 |
| Total comprehensive (loss)/income for the period | | (3,289) | 2,490 |
| Net profit/(loss) attributable to: | | | |
| Ordinary unitholders | | – | – |
| Income unitholders | | (2,960) | 775 |
| Net (loss)/profit for the period | | (2,960) | 775 |
| Total comprehensive income/(loss) attributable to: | | | |
| Ordinary unitholders | | – | – |
| Income unitholders | | (3,289) | 2,490 |
| Total comprehensive (loss)/income for the period | | (3,289) | 2,490 |

The Condensed Consolidated Interim Statement of 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 2011

| | Note | Consolidated 31 December 2011 \$'000 | 30 June 2011 \$'000 |
|----------------------------------|------|---|---------------------------|
| Assets | | | |
| Current assets | | | |
| Cash and cash equivalents | | 4,485 | 2,809 |
| Trade and other receivables | | 489 | 488 |
| Investments – available for sale | 6 | 4,733 | 4,678 |
| Total current assets | | 9,707 | 7,975 |
| Non-current assets | | | |
| Investments – available for sale | 6 | 27,057 | 33,203 |
| Total non-current assets | | 27,057 | 33,203 |
| Total assets | | 36,764 | 41,178 |
| Liabilities | | | |
| Current liabilities | | | |
| Trade and other payables | | 96 | – |
| Distribution payable | | – | 205 |
| Total current liabilities | | 96 | 205 |
| Total liabilities | | 96 | 205 |
| Net assets | | 36,668 | 40,973 |
| Equity | | | |
| Units on issue – Ordinary units | 7 | 30,076 | 30,076 |
| Units on issue – Income units | 7 | 52,960 | 52,960 |
| Reserves | | 4,245 | 4,574 |
| Undistributed losses | | (50,613) | (46,637) |
| Total equity | | 36,668 | 40,973 |

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 2011

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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 | |
| Consolidated Entity | | | | | | | | | |
| Opening equity - 1 July 2011 | 30,076 | (30,076) | - | - | 52,960 | (16,561) | 4,574 | 40,973 | 40,973 |
| Changes in fair value of available for sale financial assets | - | - | - | - | - | - | (329) | (329) | (329) |
| Other comprehensive loss for the period | - | - | - | - | - | - | (329) | (329) | (329) |
| Net loss for the period | - | - | - | - | - | (2,960) | - | (2,960) | (2,960) |
| Total comprehensive loss for the period | - | - | - | - | - | (2,960) | (329) | (3,289) | (3,289) |
| Transactions with unitholders in their capacity as unitholders: | | | | | | | | | |
| Distributions paid | - | - | - | - | - | (1,016) | - | (1,016) | (1,016) |
| Total transactions with unitholders in their capacity as unitholders | - | - | - | - | - | (1,016) | - | (1,016) | (1,016) |
| Closing equity - 31 December 2011 | 30,076 | (30,076) | - | - | 52,960 | (20,537) | 4,245 | 36,668 | 36,668 |

Condensed Consolidated Interim Statement of Changes in Equity continued

Multiplex Property Income Fund

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For the half year ended 31 December 2011

| 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 | |
| Opening equity - 1 July 2010 | 30,076 | (30,076) | - | - | 52,960 | (15,647) | 1,933 | 39,246 | 39,246 |
| Changes in fair value of available for sale financial assets | - | - | - | - | - | - | 1,715 | 1,715 | 1,715 |
| Other comprehensive income for the period | - | - | - | - | - | - | 1,715 | 1,715 | 1,715 |
| Net profit for the period | - | - | - | - | - | 775 | - | 775 | 775 |
| Total comprehensive income for the period | - | - | - | - | - | 775 | 1,715 | 2,490 | 2,490 |
| Transactions with unitholders in their capacity as unitholders: | | | | | | | | | |
| Distributions paid | - | - | - | - | - | (873) | - | (873) | (873) |
| Total transactions with unitholders in their capacity as unitholders | - | - | - | - | - | (873) | - | (873) | (873) |
| Closing equity - 31 December 2010 | 30,076 | (30,076) | - | - | 52,960 | (15,745) | 3,648 | 40,863 | 40,863 |

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 2011

| | Consolidated | |
|---|--|--|
| | Half year ended 31 December 2011 \$'000 | Half year ended 31 December 2010 \$'000 |
| Cash flows from operating activities | | |
| Cash receipts in the course of operations | 1,238 | 1,024 |
| Cash payments in the course of operations | (18) | – |
| Interest received | 64 | 125 |
| Net cash flows from operating activities | 1,284 | 1,149 |
| Cash flows from investing activities | | |
| Payments for purchase of available for sale assets | – | (2,748) |
| Proceeds from sale of available for sale assets | 1,613 | 359 |
| Net cash flows from/(used in) investing activities | 1,613 | (2,389) |
| Cash flows from financing activities | | |
| Distributions paid | (1,221) | (1,154) |
| Net cash flows used in financing activities | (1,221) | (1,154) |
| Net increase/(decrease) in cash and cash equivalents | 1,676 | (2,394) |
| Cash and cash equivalents at the beginning of the period | 2,809 | 3,590 |
| Cash and cash equivalents at 31 December | 4,485 | 1,196 |

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 2011

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 2011 comprises the Fund and its subsidiaries (together referred to as the Consolidated Entity).

2 Basis of preparation

Statement of compliance

The consolidated interim financial report is a general purpose financial report which has been prepared in accordance with AASB 134 *Interim Financial Reporting*. The consolidated interim financial report does not include all the information required for a full year report and should be read in conjunction with the annual financial statements of the Consolidated Entity as at and for the year ended 30 June 2011.

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.

3 Significant accounting policies

The accounting policies applied in this consolidated interim financial report are the same as those applied in the consolidated financial report as at and for the year ended 30 June 2011, except for the impact of the new or revised Standards and Interpretations that are first effective in the current reporting period, as described below.

AASB 2010-4 *Further Amendments to Australian Accounting Standards arising from the Annual Improvements Project* (effective for annual reporting periods beginning on or after 1 January 2011)

AASB 2010-4 amends a number of pronouncements as a result of the International Accounting Standards Board's (IASB's) 2008-2010 cycle of annual improvements. Key amendments include clarification of content of statement of changes in equity, financial instrument disclosures and significant events and transactions in interim reports.

AASB 2010-5 *Amendments to Australian Accounting Standards* (effective for annual reporting periods beginning on or after 1 January 2011)

AASB 2010-5 makes numerous editorial amendments to a range of Australian Accounting Standards and Interpretations, including amendments to reflect changes made to the text of IFRSs by the IASB.

AASB 2010-6 *Amendments to Australian Accounting Standards – Disclosures on Transfers of Financial Assets* (effective for annual reporting periods beginning on or after 1 July 2011)

AASB 2010-6 makes amendments to AASB 7 *Financial Instruments: Disclosures* to introduce additional disclosures in respect of risk exposures arising from transferred financial assets. The amendments will affect, in particular, entities that sell, factor, securitise, lend or otherwise transfer financial assets to other parties.

Revised AASB 124 *Related Party Disclosures* and AASB 2009-12 *Amendments to Australian Accounting Standards*

The amendment clarifies the definition of a related party and includes an explicit requirement to disclose commitments involving related parties.

The adoption of the above amendments have not resulted in any material changes to the Consolidated Entity's accounting policies or adjustments to amounts reported in the current or prior periods.

4 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 2011

5 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 |
|---|-------------------|---------------------------|--------------------|
| Income units | | | |
| 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 |
| Total distribution for the six months ended 31 December 2011 | 1.9252 | 1,016 | |
| Income units | | | |
| July 2010 distribution | 0.2289 | 121 | 20 August 2010 |
| August 2010 distribution | 0.3119 | 165 | 20 September 2010 |
| September 2010 distribution | 0.6455 | 341 | 20 October 2010 |
| October 2010 distribution | 0.2678 | 141 | 22 November 2010 |
| November 2010 distribution | 0.1991 | 105 | 20 December 2010 |
| Total distribution for the six months ended 31 December 2010 | 1.6532 | 873 | |

The Consolidated Entity has 52,791,450 income units on issue at the reporting date. Under the terms of the Fund's Product Disclosure Statement, income unitholders have a targeted monthly priority distribution payment (PDP) which is calculated with reference to a margin of 2.5% per annum above the distribution yield on the S&P/ASX 200 Property Trust Index (with a minimum distribution of 7.5% per annum and a maximum of 8.5% per annum).

In circumstances where the Consolidated Entity does not meet the PDP to its income unitholders, Brookfield Australian Opportunities Fund (BAO), the Consolidated Entity's ordinary unitholder, will be prevented from making distributions to its unitholders unless the shortfall has been met within 12 months of the end of the month in which the shortfall occurred.

As the Consolidated Entity distributed less than the PDP for the period from January 2011 to December 2011, BAO will be prevented from making a distribution to its unitholders until the shortfall has been met. This distribution stopper will remain in place until any shortfall in the PDP for the preceding 12 months is, or has been, paid to income unitholders of the Fund. At 31 December 2011, the shortfall totalled \$2,277,000 (31 December 2010: \$2,104,000).

| | Consolidated | |
|---|---|---|
| | Half year ended 31 December 2011 \$'000 | Half year ended 31 December 2010 \$'000 |
| 6 Investments – available for sale | | |
| ASX listed investments | | |
| Carrying amount as at beginning of period | 4,678 | 1,838 |
| Movement due to acquisitions, disposals and return of capital | 922 | 2,527 |
| Changes in fair value recognised in reserves | 138 | 17 |
| Impairments recognised during the period | (1,005) | (44) |
| Carrying amount at end of period | 4,733 | 4,338 |
| Unlisted investments | | |
| Carrying amount as at beginning of period | 33,203 | 33,621 |
| Movement due to acquisitions, disposals and return of capital | (2,553) | (310) |
| Changes in fair value recognised in reserves | (467) | 1,698 |
| Impairments recognised during the period | (3,126) | (416) |
| Carrying amount at end of period | 27,057 | 34,593 |
| Total investments - available for sale | 31,790 | 38,931 |

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

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For the half year ended 31 December 2011

6 Investments – available for sale continued

Impairment

During the period, the Consolidated Entity recognised an impairment expense in accordance with accounting standards of \$4,131,000 in relation to its available for sale investments (2010: \$460,000).

The impairment expense 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 2011, 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 ASX listed and unlisted property trusts during the period, their further subsequent decline in value after year end and market conditions within the property sector generally.

Investment in unlisted property securities

The Consolidated Entity invests directly in 25 unlisted property securities funds. Due to a lack of liquidity in the underlying investment portfolios, 5 have suspended redemptions, 14 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 3 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 2011, the Consolidated Entity has valued its investments in each of the underlying unlisted property securities funds based on the net asset value provided as at 31 December 2011, 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. As the Consolidated Entity is not seeking to sell its assets in the near term, an additional discount would not normally be applied.

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.

Acquisition of Consolidated Entity assets

During the period, the Directors of BCML as Responsible Entity of the Fund received a conditional offer from BCML as responsible entity of BAO to buy 8 investments in unlisted property funds and 1 investment listed on the Bendigo Stock Exchange as held by the Consolidated Entity. Following a unitholder vote on 22 November 2011, the offer was rejected by the unitholders of the Fund and the assets remain with the Consolidated Entity.

| | Half year ended 31 December 2011 \$'000 | Half year ended 31 December 2011 units | Year ended 30 June 2011 \$'000 | Year ended 30 June 2011 Units |
|-------------------------|--|---|--------------------------------------|-------------------------------------|
| 7 Units on issue | | | | |
| Ordinary units | | | | |
| Opening balance | 30,076 | 30,075,871 | 30,076 | 30,075,871 |
| Closing balance | 30,076 | 30,075,871 | 30,076 | 30,075,871 |
| Income units | | | | |
| Opening balance | 52,960 | 52,791,450 | 52,960 | 52,791,450 |
| Closing balance | 52,960 | 52,791,450 | 52,960 | 52,791,450 |

The issue and redemption price of income units is \$1.00 per unit and is not determined by reference to the value of the Fund's and Consolidated Entity's assets. In practical terms, any increase in value above \$1.00 will accrue to the ordinary unitholder as will any decrease in value, unless the value falls below the amount contributed by income unitholders. At 31 December 2011, the value of the Consolidated Entity's assets is below the value contributed by income unitholders by \$16,292,000 (30 June 2011: deficiency of \$11,987,000). At 31 December 2011 and at the date of this report, the Fund remains closed to new applications and redemptions.

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

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For the half year ended 31 December 2011

8 Related parties

Acquisition of Consolidated Entity assets

During the period, the Directors of BCML as Responsible Entity of the Fund received a conditional offer from BCML as responsible entity of BAO to buy 8 investments in unlisted property funds and 1 investment listed on the Bendigo Stock Exchange as held by the Consolidated Entity. Following a unitholder vote on 22 November 2011, the offer was rejected by the unitholders of the Fund and the assets remain with the Consolidated Entity. Costs of this proposal were borne by 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 2011.

9 Contingent liabilities and assets

No contingent liabilities or assets existed at 31 December 2011 (30 June 2011: nil).

10 Capital and other commitments

There were no capital or other commitments at 31 December 2011 (30 June 2011: nil).

11 Events subsequent to the reporting date

Subsequent to 31 December 2011 period end, a distribution to income unitholders for the December 2011 month was declared. The distribution was for \$172,000 or 0.3252 cents per unit and was paid on 20 January 2012.

Other than the matters disclosed above, 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.

Independent Auditor's Review Report
Multiplex Property Income Fund
For the half year ended 31 December 2011

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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 2011