



Multiplex SITES Trust ARSN 111 903 747

Annual Report 2005

Step-up

Income-distributing

Trust-issued

Exchangeable

Securities

SITES Trust Report

MULTIPLY

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Chairman's Letter

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Dear Multiplex SITES holder

Welcome to the first Annual Report for Multiplex SITES Trust (the Trust), a registered managed investment scheme established by Multiplex Funds Management Limited.

On 19 January 2005 Multiplex SITES Trust issued 4,500,000 Step-up Income-distributing Trust-issued Exchangeable Securities (Multiplex SITES) with a face value of \$100 each.

In accordance with the Product Disclosure Statement (PDS) dated 29 November 2004, the funds raised from the issue of Multiplex SITES were used by the Trust to apply for units in Multiplex Hybrid Investment Trust. This investment in units in Multiplex Hybrid Investment Trust is the sole investment made by the Trust.

Multiplex SITES commenced trading on the Australian Stock Exchange (ASX) on 20 January 2005 under the code "MXUPA". Indicative market prices for your investment in Multiplex SITES can be found on our website at www.multiplex.biz.

Since issue, Multiplex SITES have paid distributions for the periods ended 31 March 2005 and 30 June 2005. The distribution rate is set at the start of each quarter and represents the three month bank bill rate determined on the first business day of each relevant distribution period plus a margin of 1.90%.

In accordance with the PDS, the funds raised by the Trust were ultimately applied to refinance acquisition finance facilities relating to Multiplex Group's joint bid for Duelguide plc, a public limited company in the United Kingdom.

The recent profit revisions issued by Multiplex Group arising out of the operations of Multiplex Group in the United Kingdom are not expected to impact on holders of Multiplex SITES. Multiplex SITES are expected to continue to pay quarterly distributions as contemplated in the PDS.

If you have any queries in relation to your investment please contact the Multiplex SITES registry, ASX Perpetual Registrars on 1800 685 455.

Yours faithfully,



Allan McDonald
Chairman
Multiplex Funds Management Limited



This section outlines the main corporate governance practices that are currently in place for Multiplex Funds Management Limited (the Company) in its capacity as responsible entity for Multiplex SITES Trust (the Trust). The Company as responsible entity of the Trust is committed to maintaining the highest standards of corporate governance.

As a wholly owned subsidiary of Multiplex Limited the Company aims to make best use of the existing governance expertise and framework within Multiplex Group as it applies to the Trust's operations wherever possible.

Best Practice Principles

The Australian Stock Exchange (ASX) has established best practice guidelines that are embodied in ten principles (the Principles). The Board is supportive of the Principles and has applied these Principles to the extent relevant to the Trust. The Board's approach has been guided by the Principles and practices which are in the best interests of investors while ensuring compliance with legal requirements. In pursuing its commitment to best practice governance standards, the Board will continue to review and improve its governance practices.

The Principles as set out by the Corporate Governance Council are intended only as guidelines. Due to the investment structure of the Trust with its only investment being units in Multiplex Hybrid Investment Trust, there are several Principles that are neither relevant nor practically applicable to the Trust. The ASX Listing Rules require listed companies (or in the case of a listed trust, the responsible entity of that trust) to include in their annual report a statement disclosing the extent to which they have followed the Principles during the financial period.

The Principles have been adopted, where appropriate, to ensure that the Company as responsible entity of the Trust continues to protect stakeholder interests. This Corporate Governance Statement sets out each Principle and provides details of how these Principles have been addressed by the Company as responsible entity of the Trust for the period from 19 January 2005, the date the Trust became a disclosing entity, to 30 June 2005.

Principle 1: Lay Solid Foundations for Management and Oversight

It is the responsibility of the Board to ensure that the foundations for management and oversight of the Trust are established and appropriately documented.

Role of the Board

The Board has formalised its role and responsibilities in a charter (The Board Charter). The Board Charter clearly defines the matters reserved for the Board. The Board determines and monitors the Trust's policies and considers its future strategic direction. The Board is also responsible for presenting a balanced and understandable assessment of the Trust's position and, where appropriate, its prospects in annual reports and other forms of public reporting. It monitors and reviews the investor base of the Trust and marketing and investor communication strategies, and evaluates the performance of all service providers, with input from its committees where appropriate. The role of the Board is to act as the guardian of securityholder value for the Trust's investors. The Board as a whole is collectively responsible for promoting the success of the Trust by directing and supervising the Trust's affairs.

The role of the Board is summarised as follows:

- provision of guidance on and approval of the strategy and performance of the Trust;
- monitoring the progress of the financial situation of the Trust and other objectives;
- approving and monitoring the progress of major investments;
- oversight and approval of the risk, control and accountability systems;
- monitoring compliance with legal, constitutional and ethical standards; and
- ensuring effective communications with holders of Multiplex SITES and other stakeholders.

In essence, the Board Charter identifies the role of the Board, its committees and the powers reserved for the Board.

Principle 2: Structure the Board to Add Value

The ASX views independence of Board members as a key element of an effective corporate governance regime. It recommends that a majority of the Board be deemed independent, that the Chairman be independent, that the roles of Chairman and Chief Executive be split and further that the Board establish a Nomination Committee with a charter in line with best practice recommendations.

The Board believes that sound corporate governance is crucial to protecting the interests of investors. The Board has a broad range of relevant financial and other skills, experience and expertise to meet its objectives. The Board meets formally at least ten times per year and whenever deemed necessary to deal with specific matters needing attention between scheduled meetings. The Board currently consists of ten Directors. Profiles of each of the Directors including age and length of service may be found on pages 6 to 8.

Independence

The Board has assessed the independence of its non-executive Directors in accordance with ASX best practice guidelines and concluded that four of the ten members of the Board are independent. The Board identified all four Non-executive Directors being Peter Dransfield, Allan McDonald, John Poynton AM and Barbara Ward as being independent. In assessing independence the Board adopted materiality tests using both quantitative and qualitative bases. An amount of over 5% of annual turnover of the Group or 5% of the individual Director's net worth is considered material for these purposes.

A majority of the Board is not independent and this results in a departure from the ASX Best Practice Principle. This departure is considered appropriate in the circumstances where John C Roberts AO, the Roberts family and senior management have overseen the success and growth of the Group for the past 43 years. Additionally, the Roberts family still holds a significant equity interest in Multiplex Group. The independence of each Director is considered on a continuing basis.

In accordance with the Corporations Act the Company has also established a Compliance Committee. The Compliance Committee comprises two external members and one internal member. The Compliance Committee is governed by a formal Charter which includes a Compliance Plan that sets out a number of general matters relating to the operation of the Compliance Committee and its members. Broadly, the functions of the Compliance Committee are to:

- monitor to what extent the responsible entity complies with the Compliance Plan and report its findings to the Board;
- as soon as practicable report any breach of the Corporations Act involving the Trust, or a provision of the Trust's Constitution of which it becomes aware or that it suspects; and
- regularly review the adequacy of the Compliance Plan.

The Company relies upon the Compliance Committee, which has a majority of external members, to monitor and ensure that compliance with all laws and regulations are upheld and by reporting its findings directly to the Board.

The Board does not have a separate Nomination Committee as the selection and appointment process for Directors is undertaken by Multiplex Limited. Due to the Company's role as responsible entity of the Trust the Board have deemed that the operations do not warrant a separate Nomination Committee.

Access to information and advice

All Directors have unrestricted access to records of the Company and Trust and receive regular detailed financial and operational reports from senior management to enable them to carry out their duties. The Board collectively, and each Director individually, have the right to seek independent professional advice at the Trust's expense to help them carry out their responsibilities.

Principle 3: Promote Ethical and Responsible Decision Making

The Board has established both a Code of Conduct and a Security Trading Policy.

Code of Conduct

Neither the Trust nor the Company employs individuals. However, all Directors, managers and employees involved in the operation of the Trust and the Company are employees of Multiplex Limited and, along with all other employees in Multiplex Group, are required to act honestly and with integrity. The Board acknowledges that all Multiplex Group employees are subject to a Code of Conduct that governs workplace and human resource practices, risk management and legal compliance. This Code of Conduct therefore applies to all Directors, managers and employees of Multiplex Limited involved in the operation of the Trust and the Company. The Code is aligned to Multiplex Group's core values of teamwork, integrity and performance and is fully supported by the Board.

Security Trading Policy

All Directors of the Company and Multiplex Group employees are subject to restrictions under the law relating to dealing in certain financial products, including securities in a company, if they are in possession of inside information. The Multiplex Group Security Trading Policy has been formally adopted by the Board and specifically lists securities issued by the Trust as restricted securities for the purposes of the policy. A summary of the Security Trading Policy is available at www.multiplex.biz under the heading of Multiplex SITES – Corporate Governance.

Principle 4: Safeguard Integrity in Financial Reporting

The approach adopted by the Board is consistent with the Principle that the Board requires the Chief Executive and Chief Financial Officer to provide a written statement that the financial statements of the Trust present a true and fair view, in all material aspects, of the financial position and operational results.

Audit and Risk Committee

The Board has established an Audit and Risk Committee with its own charter (the Charter) which applies to the Trust. The purpose of the Audit and Risk Committee is to oversee, on behalf of the Board, the integrity of the financial reporting controls and procedures and the effectiveness of the risk control framework utilised by the Company as responsible entity of the Trust.

It achieves this by:

- assessing the risk and control environment;
- overseeing financial reporting to ensure balance, transparency and integrity; and
- evaluating and monitoring the effectiveness of the external audit function.

The Charter sets out the Audit and Risk Committee's role and responsibilities, composition, structure and membership requirements. The current members of the Audit and Risk Committee are set out below:

Name	Position	Number of Meetings in Period	Attendance
Barbara Ward	Chairman	1	1
Peter Dransfield	Member	1	1
Allan McDonald	Member	1	1
John Poynton AM	Member	1	1

None of the committee members are involved in the day-to-day operation or management of the Company or the Trust and therefore are deemed independent. A summary of the Audit and Risk Committee's charter is available at www.multiplex.biz under the heading of Multiplex SITES – Corporate Governance.

Principle 5: Make Timely and Balanced Disclosure

The Company is committed to the promotion of investor confidence by providing full and timely information to all investors about the Trust's activities and by complying with the continuous disclosure obligations, contained in the *Corporations Act 2001* and the ASX Listing Rules. The Board has adopted a Continuous Disclosure Policy which governs how the Company as responsible entity communicates with investors and the market. This policy applies to all Directors, managers and employees of the Multiplex Group involved in the operation of the Trust and the Company.

There are likely to be few events that are discloseable for the Trust as its only investment is in the units of the Multiplex Hybrid Investment Trust.

Principle 6: Respect the Rights of Multiplex SITES Trust Holders

In addition to its statutory reporting obligations, the Trust and the Company are committed to timely and ongoing communication with Multiplex SITES holders. The Company's communication strategy is incorporated into the Multiplex Communications Policy which can be found on the Multiplex internet site www.multiplex.biz.

The Company also seeks to accomplish ongoing communication through the distribution of the annual and half-yearly reports each year and through updates to all investors whenever significant developments occur.

It should be noted that under best practice principles it states that in the event of a general meeting of Multiplex SITES holders the external auditor should be requested to attend and, if necessary, answer questions. However, there is no requirement under the Trust's Constitution to hold general meetings except in prescribed circumstances.

Principle 7: Recognise and Manage Risk

An important role of the Company is to effectively manage the risks inherent in its business while supporting the reputation, performance and success of the Trust. The Board regularly reviews procedures in respect of compliance with the maintenance of statutory, legal, ethical and environmental obligations through the Audit and Risk Committee. As risks are primarily concerned with compliance rather than an operational nature, the existing risk management approach will continue to be enforced.

The procedures adopted by the Company are consistent with those in Principle 7, that the Chief Executive and the Chief Financial Officer should approve the sign-off of financial statements based upon a sound system of risk management and that the internal compliance and control system is operating efficiently in all material respects, as provided for under Principle 4.

As noted above, the Board has also established a Compliance Committee.

Principle 8: Encourage Enhanced Performance

Due to the structure of the Trust, the Company does not receive a management fee for its services and as such there are no performance related criteria or measures to assess performance. However, management are employees of Multiplex Limited, and therefore all senior management responsible for the operation of the Trust are subject to Multiplex Group's own performance evaluation procedures.

Principle 9: Remunerate Fairly and Responsibly

Principle 9 suggests that the Company should establish a dedicated Remuneration Committee. As neither the Trust nor the Company have employees of their own no Remuneration Committee has been established.

Principle 10: Recognise the Legitimate Interests of Stakeholders

The Board are committed to recognising the interests of investors and other stakeholders as well as all staff involved in the management and operation of the Company and Trust. The Board has adopted a Code of Conduct (see Principle 3) in line with this Principle 10.

With the exception of the departures from the ASX Corporate Governance Guidelines detailed above, the Company as responsible entity of the Trust believes that it has followed the best practice recommendations set by ASX.

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Introduction

The Directors of Multiplex Funds Management Limited (ACN 105 371 917), the responsible entity (the Responsible Entity) of the Multiplex SITES Trust (the Trust) present their report together with the financial report of the Trust, for the period from registration on 12 November 2004 to 30 June 2005 (the Period) and the independent auditors' report thereon.

Directors

The following persons were Directors of the Responsible Entity at the date of this report:

Mr F Allan McDonald
Mr John A Corcoran
Mr Peter J Dransfield
Mr Ross A McDiven
Mr Ian R O'Toole
Mr John H Poynton AM
Mr Andrew T Roberts
Mr John C Roberts AO
Mr Timothy A Roberts
Ms Barbara K Ward

On 31 May 2005, Ms Denby Macgregor resigned as an alternate director for John C Roberts and Timothy A Roberts.

Information on Directors

Director	Experience	Special Responsibilities
Non-Executive Chairman		
F Allan McDonald B.Ec, FCPA, FAIM, FCIS	<p>Allan McDonald was appointed to the Board at the time of listing in December 2003 and was appointed Non-Executive Chairman of Multiplex in May 2005. Allan has had extensive experience in the role of Chairman and is presently associated with a number of companies as a consultant and company director. Allan's other directorships of listed companies are Babcock & Brown Japan Property Management Limited (responsible entity of Babcock & Brown Japan Property Trust) (appointed November 2004), Billabong International Limited (appointed July 2000), Brambles Industries Limited (appointed August 2001), Brambles Industries plc (appointed August 2001), DCA Group Limited (appointed May 1988), Multiplex Limited (appointed October 2003) and Ross Human Directions Limited (appointed April 2000). Age 65.</p> <p>During the past three years Allan has also served as a Director of the following other listed companies: Australian Leisure and Hospitality Group Limited (October 2003 to November 2004) and TAB Limited (October 1997 to July 2004).</p>	Non-Executive Chairman
Other Non-Executive Directors		
Peter J Dransfield	<p>Peter Dransfield has formerly worked in executive roles at Australand Holdings Limited, Long Corporation and as the Director of Housing for the New South Wales State Government. Peter also serves on the board of the trustee for the Grant Samuel Development Trust, is a member of the Investment Committee of the St Hilliers Enhanced Property Trust as well as Independent Chairman of two Landcom joint ventures. Peter has over 30 years experience in the industrial, retail and residential property development sectors across Australia and in the United States. Age 56.</p> <p>Peter is also a Non-Executive Director of Multiplex Limited (appointed October 2003). There are no other listed companies of which Peter has served as a director during the past three years.</p>	
John H Poynton AM B.Com, FSIA, FAIM, FAICD	<p>John Poynton AM is executive Chairman of Azure Capital, a merchant bank based in Perth. He is a director of Austal Limited (appointed April 1998), Alinta Limited (appointed October 2000) and Burswood Limited. John is also a member of the Payments Systems Board of the Reserve Bank of Australia. He is Chair of the Western Australian Museum Foundation and a member of the Business School at the University of Western Australia. John previously served as a director of the Australian Stock Exchange Limited and as Chairperson of the Australian Stock Exchange in Perth. Age 53.</p> <p>John is also a Non-Executive Director of Multiplex Limited (appointed October 2003). There are no other listed companies of which John has served as a director during the past three years.</p>	
Barbara K Ward B.Econ, M.Pol.Econ, MAICD	<p>Barbara Ward has pursued a career as a non-executive director since 1998. During this time, she has served on a number of private sector and government boards. Barbara is Chairman of Country Energy, a director of Commonwealth Bank of Australia (appointed September 2004) and Lion Nathan Limited (appointed February 2003). Barbara is also a director of Record Investments Limited (appointed April 2005) and acts as Chairperson of the Record Investments Audit, Finance and Risk Committee. In addition, Barbara is a trustee of the Sydney Opera House Trust and a director of the Australia Day Council of New South Wales. Age 51.</p> <p>Barbara is also a Non-Executive Director of Multiplex Limited (appointed October 2003). There are no other listed companies of which Barbara has served as a director during the past three years.</p>	Chairman of the Audit and Risk Committee

Director	Experience	Special Responsibilities
Executive Directors		
John A Corcoran B.Econ, LLB	<p>John Corcoran joined Multiplex in 1996 following a period of 15 years in investment banking. John is responsible for the finance, accounting, treasury and assurance functions of Multiplex Group and is closely involved with the development and implementation of group strategy. Age 47.</p> <p>John is a director of Multiplex Limited (appointed March 1999) and is currently Chairman of Greenwich Resources plc (appointed December 2001) (a company listed on the London Stock Exchange). John also serves as Chairman of Danae Resources NL (appointed December 1998) and as a director of MTM Funds Management Limited (appointed May 1998) (responsible entity for the MTM Entertainment Trust). There are no other listed companies of which John has served as a director during the past three years.</p>	
Ross A McDiven B.Com	<p>Ross McDiven is Deputy Managing Director of Multiplex Group and Chairman of the Development division. Ross has over 36 years experience with Multiplex and is a key member of the core management team of Multiplex Group. Since 1986, Ross has overseen significant growth of Multiplex's development operations and is now responsible for the Group's development business worldwide. Age 56.</p> <p>Ross is a director of Multiplex Limited (appointed January 1986). There are no other listed companies of which Ross has served as a director during the past three years.</p>	
Ian R O'Toole Assoc.Dip.Val.	<p>Ian O'Toole is Managing Director of the Multiplex Group Property Funds Management division. The Property Funds Management division is responsible for the execution and implementation of Multiplex Property Trust's investment strategies, including acquisitions, disposals, asset and debt management, and investor relations. Ian has over 23 years experience in funds management and real estate and was previously responsible for the capital transactions and asset management of the ING Industrial Fund and the ING Office Fund. Age 46.</p> <p>There are no other listed companies of which Ian has served as a director during the past three years.</p>	
Andrew T Roberts B.Com, MBA	<p>Andrew Roberts is Managing Director and Chief Executive of Multiplex. During more than 20 years with Multiplex, Andrew has been directly involved in all operations of the business. Through his position as Managing Director and Chief Executive Andrew provides strategic and managerial leadership for the Multiplex Group executive team. Andrew is also a director of Danae Resources NL (appointed December 1998), Greenwich Resources plc (appointed December 2001) (a company listed on the London Stock Exchange), Burswood Limited and a Board member of the University of Western Australia Business School. Age 38.</p> <p>Andrew was appointed a director of Multiplex Limited in May 1997. Andrew also serves as a director of MTM Funds Management Limited (appointed May 1998) (responsible entity of MTM Entertainment Trust). There are no other listed companies of which Andrew has served as a director during the past three years.</p>	Managing Director and Chief Executive
John C Roberts AO	<p>John Roberts AO is the founder of Multiplex. In 1988, John was awarded an Order of Australia for his contribution to the construction industry. The Australian Constructors' Association have also recognised John's contribution to the industry and in 1999 awarded John a lifetime achievement award. John provides extensive experience in the construction and development sectors to the Board and represents the Group's interests worldwide. Age 72.</p> <p>John is a director of Multiplex Limited (appointed July 1962). There are no other listed companies of which John has served as a director during the past three years.</p>	
Timothy A Roberts	<p>Tim Roberts has over 17 years experience in the construction and property industry, working both overseas and throughout Australia. Tim is part responsible for strategic and operational leadership within the Development division throughout Australia. Tim has also been involved in a number of major developments such as the Perth Convention and Exhibition Centre, the Raffles Hotel redevelopment, the Sydney based King St Wharf project along with the roll out of the land syndication business. Age 34.</p> <p>Tim is also a director of Multiplex Limited (appointed May 1997). There are no other listed companies of which Tim has served as a director during the past three years.</p>	
Company Secretary		
Mark Wilson B.Com, LLB, ASIA	<p>Mark Wilson was appointed Company Secretary of Multiplex Funds Management Limited in 2003. He joined Multiplex in 1997 and has held various positions in Multiplex Group including director, secretary and managing director of various group entities. Prior to joining Multiplex, Mark was with one of the major accounting firms specialising in corporate finance. Age 38.</p>	

Directors' meetings

The number of Directors' meetings (including meetings of committees of Directors) for the Responsible Entity, and the number of meetings attended by each of the Directors during the financial period were:

Director	Board Meetings		Audit & Risk Committee Meetings	
	A	B	A	B
Multiplex Funds Management Limited				
Mr F A McDonald	9	9	1	1
Mr J A Corcoran	8	9	*	*
Mr P J Dransfield	9	9	1	1
Mr R A McDiven	9	9	*	*
Mr I R O'Toole	9	9	*	*
Mr J H Poynton AM	6	9	1	1
Mr A T Roberts	9	9	*	*
Mr J C Roberts AO	2	9	*	*
Mr T A Roberts	9	9	*	*
Ms B K Ward	9	9	1	1
Ms D Macgregor (alternate)	1	7	*	*

A – Number of meetings attended.

B – Number of meetings held during the time the Director held office during the year.

* – Not a member of the relevant committee.

Principal activities

The Trust is a registered managed investment scheme domiciled in Australia and is listed on the Australian Stock Exchange.

The investment activities of the Trust continue to be in accordance with the policies outlined in the original Product Disclosure Statement for the Trust, dated 29 November 2004. During the period the Trust invested in units of the Multiplex Hybrid Investment Trust.

Neither the Trust nor the Responsible Entity had any employees during the Period.

Review of operations

During the Period the Trust's share of net profits of associates and partnerships accounted for using the equity method was \$15,181,000.

Total quarterly distributions paid to SITES holders in respect of the period was \$15,181,000.

The Trust's only activity is an investment in the units of the Multiplex Hybrid Investment Trust, there were no other relevant operations during the Period.

Significant changes in state of affairs

On 27 May 2005, the Trust was placed in a trading halt at the request of the Directors pending a review of Multiplex Group's operations. The trading halt was lifted on 30 May 2005 when Multiplex Group announced its revised forecast Aggregated Group Profit After Tax for the year end. It was announced that the forecast result was \$170 million compared to previous guidance of \$235 million, and was attributed to increased costs for the Wembley Project and the accounting impact of Multiplex Group's investment in Duellguide.

In the opinion of the Directors of the Responsible Entity, there were no other significant changes in the state of affairs of the Trust that occurred during the financial period under review.

Matters subsequent to the end of the financial year

There has not arisen in the interval between the end of the financial period and the date of this report any matter or circumstance that is likely, in the opinion of the Directors, to affect significantly the operations of the Trust, the results of those operations, or the state of affairs of the Trust in future financial years.

Likely developments and expected results of operations

Information on likely developments in the operations of the Trust in future financial years and the expected results of those operations has not been included in this report because the Directors believe that to do so would be likely to result in unreasonable prejudice to the Trust.

Environmental regulation

The Trust has systems in place to manage its environmental obligations. Based upon the results of inquiries made, the Board is not aware of any significant breaches or non-compliance issues during the period covered by this report.

Distributions

Distributions per Multiplex SITES paid or declared by the Trust during the financial period were as follows:

	\$'000's
Quarterly distribution for the period from 19 January 2005 to 31 March 2005 of 7.3067% per annum and paid on 15 April 2005	6,486
Quarterly distribution for the period from 1 April 2005 to 30 June 2005 of 7.75% per annum and paid on 15 July 2005	8,695
Total	15,181

On 1 July 2005, the forecast distribution rate for the period from 1 July 2005 to 30 September 2005 was announced at 7.5467% per annum.

Remuneration Report

Director and Executive Disclosures

The following persons were Directors of the Responsible Entity for the financial period.

Name	Capacity	Title
Mr F A McDonald	Non-executive Chairman	
Mr P J Dransfield	Non-executive Director	
Mr J H Poynton AM	Non-executive Director	
Ms B K Ward	Non-executive Director	
Mr J A Corcoran	Executive Director	
Ms D Macgregor (resigned as an alternate director 31 May 2005)	Executive Director	
Mr R A McDiven	Executive Director	
Mr I R O'Toole	Executive Director	
Mr A T Roberts	Executive Director	Managing Director and Chief Executive
Mr J C Roberts AO	Executive Director	
Mr T A Roberts	Executive Director	

The Trust has no employees.

Directors' and executives' emoluments

As the Responsible Entity is a wholly owned subsidiary of Multiplex Limited, the remuneration framework of the Responsible Entity falls under the responsibility of the Multiplex Limited Remuneration Committee. The Multiplex Limited Remuneration Committee reviews, evaluates and makes recommendations to the Multiplex Limited Board regarding remuneration policy.

Multiplex Limited has adopted four key guiding principles which underpin the executive remuneration structure:

- Remuneration should result in an alignment of interests of all executives with the interests of securityholders through the creation of value for securityholders. As for most organisations, Multiplex Limited's remuneration strategy evolves in line with contemporary market practice;
- Remuneration should be market based and competitive. Multiplex Limited periodically reviews the components of the remuneration system such as salary competitiveness, short-term incentive plans, and equity ownership;
- Remuneration should enable Multiplex Limited to attract and retain talented executives, and
- Remuneration structures should be transparent and readily understood. As Multiplex Group changes, important aspects such as remuneration need to similarly develop.

The Remuneration Committee of the Board sets Multiplex Limited's remuneration arrangements. The current members of the Multiplex Limited Remuneration Committee are Peter Dransfield (Chairman from 28 May 2005), Barbara Ward (Chairman until 27 May 2005), Allan McDonald, and John Poynton AM. All members of the Remuneration Committee are independent Non-Executive Directors. The Chief Executive, though not a member of the Committee, may attend by invitation.

Remuneration Table 2005 continued

All amounts shown are in Australian Dollars.

	Employment Benefits							Special Terms	End of Contract Payments 1 with cause; 2 without cause; 3 voluntary.	
	Base Salary and Fees	Short-term Incentive ¹	Non-monetary Benefits	EOP Loan Benefits	Post-employment Superannuation	Retirement Benefits	Total Employment Benefits Contract Terms			
All Directors	\$	\$	\$	\$	\$	\$	\$			
Specified Directors										
Non-Executive										
Mr F A McDonald Non-Executive Chairman	138,415	-	-	-	11,585	-	150,000	Ongoing role.	None	At each AGM one-third of the Directors and any Director who has held office for three years or more must retire from office; they may stand for re-election assuming they are eligible under the Corporations Act.
Mr P J Dransfield Non-Executive Director	91,743	-	-	-	8,257	-	100,000	Ongoing role.	None	At each AGM one-third of the Directors and any Director who has held office for three years or more must retire from office; they may stand for re-election assuming they are eligible under the Corporations Act.
Mr J H Poynton AM Non-Executive Director	91,743	-	-	-	8,257	-	100,000	Ongoing role.	None	At each AGM one-third of the Directors and any Director who has held office for three years or more must retire from office; they may stand for re-election assuming they are eligible under the Corporations Act.
Ms B K Ward Non-Executive Director	91,743	-	-	-	8,257	-	100,000	Ongoing role.	None	At each AGM one-third of the Directors and any Director who has held office for three years or more must retire from office; they may stand for re-election assuming they are eligible under the Corporations Act.
Executive										
Mr J A Corcoran Chief Financial Officer	562,500	200,000	-	357,217	2,167	-	1,121,884	Ongoing employment contract. STI: 50% of fixed pay; KPIs: 20% qualitative including teamwork, 40% profit of Multiplex Group vs. budget; 40% Earnings Per Share (EPS) growth.	None	1: statutory entitlements; 2: 12 months' notice; 3: 6 months' notice.

1 These Short Term Incentives were paid wholly in cash in accordance with the framework set out in this Remuneration Report.

Directors' Report continued

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Remuneration Table 2005 continued
All amounts shown are in Australian Dollars.

	Employment Benefits							Special Terms	End of Contract Payments 1 with cause; 2 without cause; 3 voluntary.
	Base Salary and Fees	Short-term Incentive ¹	Non-monetary Benefits	EOP Loan Benefits	Post-employment Superannuation	Retirement Benefits	Total Employment Benefits		
All Directors	\$	\$	\$	\$	\$	\$	\$		
Ms D Macgregor² (resigned as an alternate Director 31 May 2005)	148,414	43,000	-	-	11,585	-	202,999	Ongoing employment contract. STI potential 25% of base; KPIs: 20% group profit vs. group budget; 20% Developments profit v budget; 60% Ms Macgregor's project profit v budget.	None 1: statutory entitlements; 2: reasonable notice; 3: reasonable notice.
Mr R A McDiven Deputy Managing Director and Chairman of Property Development Division	788,718	100,000	-	1,643,339	11,585	-	2,543,642	Ongoing employment contract. STI: Target is 45% of fixed pay. KPIs: 20% qualitative including teamwork, 20% profit of Multiplex Group vs. budget; 60% profit of Developments vs. budget	None 1: statutory entitlements; 2: reasonable notice; 3: reasonable notice.
Mr I R O'Toole Managing Director of Property Funds Management Division	339,103	200,000	-	285,795	11,585	-	836,483	Ongoing employment contract. STI potential 166% of base; KPIs: 20% group profit vs. group budget; 80% Multiplex Funds performance including specified growth in Funds Under Management, agreed outperformance of ASX Property Index, agreed net profit targets, agreed Divisional contribution to group net profit.	At sign-on, Multiplex provided an interest free loan of \$500,000. 1: statutory entitlements; 2: 12 months' notice; 3: 6 months' notice.
Mr A T Roberts Managing Director & Chief Executive	985,327	-	550,647	-	11,585	-	1,547,559	Ongoing employment contract. STI: Target is 50% of fixed pay. KPIs: 20% qualitative including teamwork, 80% profit of group vs. budget.	The costs of relocation, accommodation and additional work-related assignment expenses are reimbursed for the additional financial and tax burdens incurred as a result of UK tax residency. 1: statutory entitlements; 2: 12 months; 3: 9 months' notice.
Mr J C Roberts AO Founding Chairman	78,214	-	3,883	-	10,428	-	92,525	Ongoing role.	None 1: statutory entitlements; 2: reasonable notice; 3: reasonable notice.
Mr T A Roberts Managing Director of Property Development Division	402,064	100,000	-	-	13,936	-	516,000	Ongoing employment contract. STI: Target is 100% of fixed pay. KPIs: 20% qualitative including teamwork, 80% profit of Developments vs. budget.	None 1: statutory entitlements; 2: reasonable notice; 3: reasonable notice.
Total	3,717,984	643,000	554,530	2,286,351	109,227	-	7,311,092		

² Total remuneration of \$172,680 was attributable for the period served as a Director by D Macgregor.

Directors' and specified executives' equity interests

Director	Multiplex SITES held at the start of the Period	Changes during the Period	Multiplex SITES held at the end of the Period
Mr F A McDonald	0	705	705

As at the date of this Remuneration Report, no other Directors of the Responsible Entity had a relevant interest in the securities of the Trust.

The numbers of Multiplex Group stapled securities held during the period 1 July 2004 to 30 June 2005 (inclusive) by each Director of the Responsible Entity, including their personally-related entities, are set out below.

	Non-EOP securities held at the start of the Period	EOP securities held at the start of the Period	Changes during the Period	Balance at the end of the Period
Non-executive Directors				
Mr F A McDonald	29,692	0	40,000	69,692
Mr P J Dransfield	40,000	0	30,000	70,000
Mr J H Poynton AM	425,078	0	95	425,173
Ms B K Ward	20,000	0	0	20,000
Executive Directors				
Mr J A Corcoran	493,827	123,457	18,172	635,456
Ms D Macgregor (resigned as an alternate director 31 May 2005) ¹	214,625,570	0	0	214,625,570
Mr R A McDiven	419,753	567,902	0	987,655
Mr I R O'Toole	14,500	98,766	0	113,266
Mr A T Roberts ¹	214,625,570	0	0	214,625,570
Mr J C Roberts AO ¹	214,625,570	0	0	214,625,570
Mr T A Roberts ¹	214,625,570	0	0	214,625,570

¹ Interest is held by Roberts Family Nominees Pty Limited, in which the Director holds a relevant interest.

Multiplex Limited loan scheme

At the time of Multiplex Group's IPO, and subject to certain conditions Australian based permanent employees were eligible to participate in loan schemes established for executives and employees.

Eligible employees could apply for interest-free loans from Multiplex Limited of varying amounts to acquire stapled securities in Multiplex Group's IPO. The amount of the loans varied depending on seniority and length of service. Under the terms of the loans, eligible employees are not liable for any amount by which the value of the securities falls short of the loan balance upon demand for repayment and are not required to make loan repayments except on termination of employment before 1 January 2007.

Under the terms of the schemes interest-free loans were granted to executives to acquire stapled securities. The schemes stipulated that executives could have some or all of their loans forgiven progressively over a period of three years. Depending on the seniority of the recipient, the waiver of the loan is at the absolute discretion of the Multiplex Limited Board. The Multiplex Limited Board may also subject loans to such conditions as that Board determines.

Upon termination of employment from Multiplex Group before 1 January 2007, participants may either repay the loan balance and keep the securities or transfer the securities to the plan manager in full repayment of the loan. The plan manager will then arrange to sell the securities, repay the loan balance and the remainder (if any) is distributed to the participant after the deduction of any sale costs. The full benefits received by Directors are noted in the table above.

Trust performance

As the Responsible Entity is not paid any fees for its services as responsible entity of the Trust the performance of the Trust through the Period is not taken into account when determining the remuneration framework of the Directors.

Options

There are presently no options on issue and no option scheme in place.

Indemnification and insurance of Officers and auditors

Multiplex Limited has entered into deeds of access and indemnity with certain key executives including each of its Directors, Company Secretary and other nominated officers. The terms of the deed are in accordance with the provisions of the *Corporations Act 2001* and will indemnify these executives (to the extent permitted by law) for up to seven years after serving as an officer against legal costs incurred in defending civil or criminal proceedings against the executives, except where proceedings result in unfavourable decisions against the executives, and in respect of reasonable legal costs incurred by the executives in good faith in obtaining legal advice in relation to any issue relating to the executives being an officer of Multiplex Group.

Under the deeds of access and indemnity, Multiplex Limited has agreed to indemnify these persons (to the extent permitted by law) against:

- liabilities incurred as a Director or officer of Multiplex Limited, the Responsible Entity or a company in the Multiplex Group, except for those liabilities incurred in relation to the matters set out in section 199A(2) of the *Corporations Act 2001*; and
- reasonable legal costs incurred in defending an action for a liability or alleged liability as a Director or officer, except for costs incurred in relation to the matters set out in section 199A(3) of the *Corporations Act 2001*. Multiplex Limited has also agreed to effect, maintain and pay the premium on a Directors' and Officers' insurance policy. This policy does not seek to insure against liabilities (other than for legal costs) arising out of:
 - conduct involving a wilful breach of duty in relation to Multiplex Limited, the Responsible Entity or a company in the Multiplex Group; or
 - a contravention of sections 182 or 183 of the *Corporations Act 2001*.

The obligation to effect, maintain and pay the premium on a policy continues for a period of seven years after the Director or officer has left office.

Indemnification of auditors

During the financial year, Multiplex Limited agreed to indemnify KPMG, as external auditors of the Trust, against any claims by a third party arising from a breach by Multiplex Limited or the Responsible Entity of their obligations as set out in the terms and conditions of KPMG's Engagement Letter agreement.

Contract of insurance

Multiplex Limited has paid or agreed to pay a premium in respect of a contract insuring the Directors and Officers of the Responsible Entity against a liability. The Directors have not included details of the nature of the liabilities covered or the amount of the premium paid in respect of this contract, as such disclosure is prohibited under the terms of the contract.

Auditor independence and non-audit services

Independence

The Directors received the following declaration from the auditor of the Trust.



Multiplex SITES Trust

Directors' Report

Lead auditor's independence declaration under section 307C of the Corporations Act 2001

To: the directors of Multiplex Funds Management Limited (the responsible entity of Multiplex SITES Trust)

I declare that, to the best of my knowledge and belief, in relation to the audit for the financial year ended 30 June 2005 there have been:

- no contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the audit; and
- no contraventions of any applicable code of professional conduct in relation to the audit.

A handwritten signature in black ink that reads 'KPMG'.

KPMG

A handwritten signature in black ink, appearing to read 'Andrew Dickinson'.

Andrew Dickinson
Partner

Sydney
1 September 2005



KPMG, an Australian partnership, is a member of KPMG International, a Swiss non-operating association.

Non-audit services

During the year, there were no amounts paid to KPMG for the provision of non-audit services.

KPMG continues in office in accordance with section 327 of the *Corporations Act 2001*.

This Report is signed in accordance with a resolution of the Board of Directors, and for and on behalf of the Directors.



Andrew Roberts
Managing Director and Chief Executive
Multiplex Funds Management Limited



F Allan McDonald
Chairman
Multiplex Funds Management Limited

1 September 2005

Statement of Financial Performance

Multiplex SITES Trust

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For the period ended 30 June 2005	Note	2005 \$'000
Revenue from ordinary activities		
Total revenue from ordinary activities		-
Borrowing cost – interest paid and payable to Multiplex SITES holders	2	(15,181)
Share of net profit of associates accounted for using the equity method	3	15,181
Profit from ordinary activities before income tax expense		
Income tax expense relating to ordinary activities		-
Net profit attributable to unitholders		
-		
Total changes in equity attributable to unitholders other than those resulting from transactions with owners as owners		
-		
Earnings per unit		
-		

The above Statement of Financial Performance should be read in conjunction with the accompanying notes.

Statement of Financial Position

Multiplex SITES Trust

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As at 30 June 2005	Note	2005 \$'000
Non-current assets		
Investments accounted for using the equity method	3	458,695
Total non-current assets		458,695
Total assets		458,695
Current liabilities		
Payables	4	8,695
Total current liabilities		8,695
Non-current liabilities		
Interest bearing liabilities	5	450,000
Total non-current liabilities		450,000
Total liabilities		458,695
Net assets		-
Equity		-

The above Statement of Financial Position should be read in conjunction with the accompanying notes.

Statement of Cash Flows

Multiplex SITES Trust

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For the period ended 30 June 2005	2005 \$'000
Cash flows from operating activities	
Dividends and distributions received	6,486
Borrowing costs paid to Multiplex SITES holders	(6,486)
Net cash (outflow)/inflow from operating activities	-
Cash flows from investing activities	
Payments for investments	(450,000)
Net cash (outflow)/inflow from investing activities	(450,000)
Cash flows from financing activities	
Proceeds from issues of Multiplex SITES	450,000
Net cash inflow/(outflow) from financing activities	450,000
Net increase in cash held	-
Cash at the start of the financial period	-
Cash at the end of the financial period	-

The above Statement of Cash Flows should be read in conjunction with the accompanying notes.

Notes to the Financial Statements

Multiplex SITES Trust

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For the period ended 30 June 2005

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1 Summary of Significant Accounting Policies

The Multiplex SITES units of the Multiplex SITES Trust (the Trust) have been listed on the Australian Stock Exchange (ASX) and are guaranteed by Multiplex Funds Management Limited (the Responsible Entity) and Multiplex Property Trust (the Guarantors).

The significant accounting policies which have been adopted in the preparation of this financial report are:

(a) Basis of preparation

This general purpose financial report has been prepared in accordance with the recognition and measurement requirements of applicable Australian Accounting Standards Board (AASB) standards, Urgent Issues Group Consensus Views, other authoritative pronouncements of the AASB and the *Corporations Act 2001*.

This financial report should be read in conjunction with the Multiplex Group Product Disclosure Statement issued and lodged with the Australian Securities and Investments Commission (ASIC) on 29 November 2004 and the Supplementary Product Disclosure Statement issued and lodged with ASIC on 9 December 2004 and any public announcements by the Multiplex Group during the period in accordance with continuous disclosure obligations arising under the *Corporations Act 2001*.

The financial report has been prepared using the historical cost convention. Except where stated, it does not take into account changing money values or current valuations of non-current assets.

Under Australian generally accepted accounting principles, the Multiplex SITES units are classified as debt and as such any return to securityholders is treated as interest expense.

(b) Principles of consolidation

Associates

An associate is an entity over which the Trust exercises significant influence and where the investment in that entity has not been acquired with a view to disposal in the near future.

In the financial statements, investments in associates are accounted for using the equity method. Investments in associates are carried at the lower of the equity accounted amount and recoverable amount. The Trust's share of the associates' net profit or loss after tax is recognised in the Statement of Financial Performance after adjustments for:

- revisions in depreciation of depreciable assets and amortisation of goodwill arising from notional adjustments made as at the date of acquisition;
- dissimilar accounting policies; and
- the elimination of unrealised profits and losses on transactions between the associate and the Trust.

(c) Rounding of amounts

The Trust is of a kind referred to in Class Order 98/0100, issued by ASIC, relating to the "rounding off" of amounts in the financial report.

Amounts in the financial report have been rounded off in accordance with that Class Order to the nearest thousand dollars, or in certain cases, to the nearest dollar.

(d) Investments

Investments in associates are accounted for as set out in Note 1(b).

(e) Interest bearing liabilities and payables

Loans are carried at their principal amounts, subject to set-off arrangements. Interest is accrued over the period it becomes due and is recorded as part of other creditors.

Notes to the Financial Statements continued

Multiplex SITES Trust

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For the period ended 30 June 2005

2 Borrowing Costs

2005	Cents per unit	Total Amount \$'000	Date of Payment
Multiplex SITES			
Interest paid for period ended 31 March 2005	144.13	6,486	15 April 2005
Interest payable for period ended 30 June 2005	193.22	8,695	15 July 2005
Total interest paid/payable	337.35	15,181	

Interest on Multiplex SITES is payable at the greater of 5.40% per annum or the three month bank bill rate on the issue date plus a margin of 1.90%.

2005
\$'000

3 Investments Accounted for Using the Equity Method (Non-current)

Units in unlisted associates	450,000
Share of profit	15,181
Distributions received	(6,486)
	458,695

The Responsible Entity's valuation of unlisted units in controlled entities was based on the book value of net assets of the Trust. Net asset value is equal to the fair value per the Directors of the Responsible Entity's assessment. The valuation was made in accordance with a policy of regular revaluation.

Investments in associates

Details of material interests in associates are as follows:

Name	Principal Activities	Voting Interest %	Investment Carrying Amount \$'000
Multiplex Hybrid Investment Trust	Investment	25	458,695
			458,695

The balance date of all associates is 30 June.

Movements in carrying amount of investments in associates

Investment	450,000
Share of profit from ordinary activities	15,181
Distribution received	(6,486)
Balance at end of period	458,695

This balance is split as follows:

Current	–
Non-current	458,695
	458,695

2005
\$'000

4 Payables (Current)

Interest payable on Multiplex SITES	8,695
-------------------------------------	-------

5 Interest Bearing Liabilities (Non-current)

Unsecured	
Amounts owing to Multiplex SITES holders	450,000

Multiplex SITES represent Step-up Income-distributing Trust-issued Securities. A fully paid security in Multiplex SITES Trust is entitled to interest that is derived by Multiplex SITES Trust being a non-cumulative, floating priority distribution payment, payable quarterly in arrears.

Holder Redemption

Holders have the right to initiate redemption of Multiplex SITES, by issue of a holder realisation notice, in the following limited circumstances:

- a breach of the restrictions imposed on stapled securities, where a priority distribution payment is not paid in full; or
- the occurrence of a winding-up event, with respect to either of the Guarantors, the Trust (for as long as the Responsible Entity of Multiplex SITES Trust is a member of the Multiplex Group) or Multiplex Hybrid Investment Trust (MHIT) (for as long as MHIT Trustee is a member of the Multiplex Group).

The request for redemption is effective and will be implemented if made by holders who cumulatively hold 5% or more of Multiplex SITES on issue.

Upon redemption, holders will receive the aggregate of \$100 plus the unpaid distribution amount in cash.

Issuer Redemption

Subject to the approval of the Responsible Entity and the Multiplex Group, the Issuer may initiate redemption of all or some of the Multiplex SITES for cash, by sending a realisation notice to holders, in the following circumstances:

- the step-up date or the last day of each distribution period after the step-up date;
- an increased costs event;
- an accounting event;
- where the Responsible Entity of the Trust is no longer a member of the Multiplex Group;
- a change of control event; or
- there are less than \$50 million of Multiplex SITES remaining on issue.

Holder Exchange

Holders have no right to request exchange.

Issuer Exchange

Subject to the approval of Responsible Entity and the Multiplex Group, the issuer may initiate exchange of all or some Multiplex SITES for stapled securities in the same circumstances as those where the issuer may initiate redemption.

The exchange process will be effected on the realisation date.

If the issuer initiates one of more of redeem or exchange, then, if they do not redeem or exchange all Multiplex SITES then on issue, they may do so in such proportions as they determine as long as they treat all holders equally.

Exchange ratio

The exchange ratio is used to calculate the number of stapled securities received by a holder on exchange of each Multiplex SITES. It is calculated by dividing:

- the aggregate of the face value plus the unpaid distribution amount; by
- the average of the daily volume weighted average sales prices of stapled securities sold on the ASX during the 20 business days immediately before the realisation date, reduced by the exchange discount of 2.5%.

In the case of a change of control event, the face value plus the unpaid distribution amount will generally be divided by 97.5% of the offer price under the takeover bid or scheme of arrangement.

6 Segment Information

The Trust invests in and derives income from MHIT.

Notes to the Financial Statements continued

Multiplex SITES Trust

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For the period ended 30 June 2005

7 Director and Executive Disclosures

Directors' and Specified Executives' Remuneration

Disclosures relating to the remuneration of Directors and Specified Executives are set out in the Remuneration Report included in the Directors' Report.

Directors' and Specified Executives' Equity Interests

	Multiplex SITES held at start of period	Changes during period	Multiplex SITES held at end of period
Director			
Mr F A McDonald	0	705	705

As at the date of this report no other Directors of the Responsible Entity had a relevant interest in the securities of the Trust.

The numbers of Multiplex stapled securities held during the period 1 July 2004 to 30 June 2005 (inclusive) by each Director of the Multiplex Group, including their personally-related entities, are set out below.

	Non-EOP securities held at start of period	EOP securities held at start of period	Changes during period	Balance at end of period
Non-Executive Directors				
Mr F A McDonald	29,692	0	40,000	69,692
Mr P J Dransfield	40,000	0	30,000	70,000
Mr J H Poynton AM	425,078	0	95	425,173
Ms B K Ward	20,000	0	0	20,000
Executive Directors				
Mr J A Corcoran	493,827	123,457	18,172	635,456
Ms D Macgregor (resigned as an alternate director 30 May 2005) ¹	214,625,570	0	0	214,625,570
Mr R A McDiven	419,753	567,902	0	987,655
Mr I R O'Toole	14,500	98,766	0	113,266
Mr J C Roberts AO ¹	214,625,570	0	0	214,625,570
Mr A T Roberts ¹	214,625,570	0	0	214,625,570
Mr T A Roberts ¹	214,625,570	0	0	214,625,570

¹ Interest is held by Roberts Family Nominees Pty Limited, in which the Director holds a relevant interest.

Multiplex Limited Loan Scheme

At the time of the Multiplex Group's Initial Public Offering (IPO), and subject to certain conditions Australian based permanent employees were eligible to participate in loan schemes established for executives and employees.

Eligible employees could apply for interest free loans from Multiplex Limited of varying amounts to acquire stapled securities in Multiplex Group's IPO. The amount of the loans varied depending on seniority and length of service. Under the terms of the loans, eligible employees are not liable for any amount by which the value of the securities falls short of the loan balance upon demand for repayment and are not required to make loan repayments except on termination of employment before 1 January 2007.

Under the terms of the IPO interest-free loans were granted to executives to acquire stapled securities. The IPO stipulated that executives could have some or all of their loans forgiven progressively over a period of three years. Depending on the seniority of the recipient, the waiver of the loan is at the absolute discretion of the Multiplex Limited Board. The Multiplex Limited Board may also subject loans to such conditions as that Board determines.

Upon termination of employment from the Multiplex Group before 1 January 2007, participants may either repay the loan balance and keep the securities or transfer the Securities to the plan manager in full repayment of the loan. The plan manager will then arrange to sell the securities, repay the loan balance and the remainder (if any) is distributed to the participant after the deduction of any sale costs.

Other transactions with Director related entities

Other than those items disclosed elsewhere there have been no transactions with entities associated with the Directors during the period.

Other transactions with Specified Executive related entities

Other than those items disclosed elsewhere there have been no transactions with entities associated with the Specified Executives during the period.

8 Remuneration of Auditors

During the period, all amounts paid to the auditor of the Trust were borne by the Responsible Entity.

9 Contingent Liabilities and Contingent Assets

There are not any contingent liabilities or contingent assets requiring recognition.

10 Related Parties

Directors and Specified Executives

Disclosures relating to Directors and Specified Executives are set out in Note 7.

Transactions between Multiplex SITES Trust and Multiplex Hybrid Investment Trust

- (i) An investment in Multiplex Hybrid Investment Trust of \$450,000,000; and
- (ii) A distribution received of \$6,486,000.

Responsible Entity

The Responsible Entity of the Trust is Multiplex Funds Management Limited whose immediate and ultimate parent entity is Multiplex Limited.

Notes to the Financial Statements continued

Multiplex SITES Trust

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For the period ended 30 June 2005

2005
\$'000

11 Reconciliation of Profit From Ordinary Activities After Income Tax to Net Cash Inflow/Outflow From Operating Activities

Profit from ordinary activities	-
Change in operating assets and liabilities, net of effects from purchase and disposal of controlled entities:	
(Increase) in other assets	(458,695)
Increase in other operating liabilities	458,695
Net cash inflow/(outflow) from operating activities	-

12 International Financial Reporting Standards

For reporting periods beginning on or after 1 January 2005 the Trust must comply with the Australian equivalents of International Financial Reporting Standards (AIFRS) as issued by the AASB.

The Trust will report for the first time in compliance with AIFRS when the results for the half-year ending 31 December 2005 are released.

An initial assessment has been performed to determine the potential impacts on the current key accounting policies of the Trust. No material impacts have been identified.

13 Events Occurring After Reporting Date

There have been no significant events or transactions that have arisen since the end of the financial period, which in the opinion of the Directors, would affect significantly the operations of the Trust, the results of those operations, or the state of affairs of the Trust.

Directors' Declaration

Multiplex SITES Trust

In the opinion of the Directors of Multiplex Funds Management Limited as the Responsible Entity of Multiplex SITES Trust:

- (a) the financial statements and notes, including the remuneration disclosures that are contained in the Remuneration Report of the Directors' Report, set out on pages 17 to 26, are in accordance with the *Corporations Act 2001*, including:
 - (i) giving a true and fair view of the financial position of the Trust as at 30 June 2005 and of its performance, as represented by the results of its operations and its cash flows, for the period ended on that date; and
 - (ii) complying with Accounting Standards in Australia and the Corporations Regulations 2001; and
- (b) the Trust has operated during the financial period in accordance with the provisions of the Trust Constitution dated 12 November 2004 (as amended); and
- (c) there are reasonable grounds to believe that the Trust will be able to pay its debts as and when they become due and payable.

The Directors have been given the declarations by the Chief Executive and Chief Financial Officer required by section 295A of the *Corporations Act 2001*.

This declaration is made in accordance with a resolution of the Directors.



Andrew Roberts
Managing Director and Chief Executive
Multiplex Funds Management Limited



F Allan McDonald
Chairman
Multiplex Funds Management Limited

1 September 2005



Scope

The financial report and Directors' responsibility

The financial report comprises the statement of financial position, statement of financial performance, statement of cash flows, accompanying notes 1 to 13 in the financial statements, the disclosures made by the Multiplex SITES Trust as required by AASB 1046 *Director and Executive Disclosures by Disclosing Entities* in the "Remuneration report" in the Directors' report ("remuneration disclosures") and the directors' declaration for Multiplex SITES Trust (the "Trust") for the period ended 30 June 2005.

The Remuneration report also contains information not required by Accounting Standard AASB 1046 *Director and Executive Disclosures by Disclosing Entities*, which is not subject to our audit.

The Directors of Multiplex Funds Management Limited are responsible for the preparation and true and fair presentation of the financial report in accordance with the *Corporations Act 2001*. This includes responsibility for the maintenance of adequate accounting records and internal controls that are designed to prevent and detect fraud and error, and for the accounting policies and accounting estimates inherent in the financial report.

Audit approach

We conducted an independent audit in order to express an opinion to the members of the Trust. Our audit was conducted in accordance with Australian Auditing Standards in order to provide reasonable assurance as to whether the financial report is free of material misstatement and the remuneration disclosures comply with Accounting Standard AASB 1046 and the *Corporations Regulations 2001*. The nature of an audit is influenced by factors such as the use of professional judgement, selective testing, the inherent limitations of internal control, and the availability of persuasive rather than conclusive evidence. Therefore, an audit cannot guarantee that all material misstatements have been detected.

We performed procedures to assess whether in all material respects the financial report presents fairly, in accordance with the *Corporations Act 2001*, Australian Accounting Standards and other mandatory financial reporting requirements in Australia, a view which is consistent with our understanding of the Trust's financial position, and of its performance as represented by the results of its operations and cash flows and whether the remuneration disclosures comply with Accounting Standard AASB 1046 and the *Corporations Regulations 2001*.

We formed our audit opinion on the basis of these procedures, which included:

- examining, on a test basis, information to provide evidence supporting the amounts and disclosures in the financial report, and
- assessing the appropriateness of the accounting policies and disclosures used and the reasonableness of significant accounting estimates made by the directors.

While we considered the effectiveness of management's internal controls over financial reporting when determining the nature and extent of our procedures, our audit was not designed to provide assurance on internal controls.

Audit opinion

In our opinion, the financial report including the remuneration disclosures included in the Remuneration report in the Directors' report of Multiplex SITES Trust is in accordance with:

- (a) the *Corporations Act 2001*, including:
 - (i) giving a true and fair view of the Trust's position as at 30 June 2005 and of its performance for the financial period ended on that date; and
 - (ii) complying with Accounting Standards in Australia, including AASB 1046 *Director and Executive Disclosures by Disclosing Entities*, and the *Corporations Regulations 2001*; and
- (b) other mandatory financial reporting requirements in Australia.

KPMG



KPMG, an Australian partnership, is a member of KPMG International, a Swiss non-operating association.

A Dickinson
Partner

Sydney
1 September 2005

Information on Securityholders

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Multiplex SITES Trust securities trade on Australian Stock Exchange under the symbol "MXUPA". The securities were first listed on 19 January 2005 with the home exchange being Sydney.

Number of issued securities **4,500,000**
Securityholder distribution ranges (as at 16 August 2005)

Range	No. of Holders	No. of Securities	Percentage of Issued Securities
1 – 1,000	4,852	1,202,519	26.72
1,001 – 5,000	204	470,730	10.46
5,001 – 10,000	22	174,593	3.88
10,001 – 100,000	27	1,056,457	23.48
100,001 and Over	6	1,595,701	35.46
Total	5,111	4,500,000	100.00

There are no investors holding less than a marketable parcel of six securities (\$95.00 on 16 August 2005).

Top 20 securityholdings (as at 16 August 2005)

Name	No. of Securities	Percentage of Issued Securities
J P Morgan Nominees Australia Limited	646,660	14.37
UBS Private Clients Australia Nominees Pty Ltd	354,802	7.88
Cogent Nominees Pty Limited	226,083	5.02
AMP Life Limited	128,817	2.86
Westpac Custodian Nominees Limited	123,773	2.75
Westpac Financial Services Limited	115,566	2.57
Brispot Nominees Pty Ltd	100,000	2.22
RBC Global Services Australia Nominees Pty Ltd	100,000	2.22
RBC Global Services Australia Nominees Pty Ltd	97,000	2.16
National Nominees Limited	88,525	1.97
ANZ Nominees Limited	84,872	1.89
Equity Trustees Limited	63,066	1.40
Goldman Sachs JB Were Capital Markets Ltd	50,000	1.11
Australian Executor Trustees Limited	49,174	1.09
Cogent Nominees Pty Limited	45,684	1.02
Share Direct Nominees Pty Ltd	42,161	0.94
RBC Global Services Australia Nominees Pty Ltd	30,171	0.67
CSFB Fourth Nominees Pty Ltd	30,000	0.67
Citicorp Nominees Pty Limited	28,245	0.63
Brencorp Pty Limited	26,700	0.59
Citicorp Nominees Pty Limited	22,718	0.50
Total	2,454,017	54.53

Substantial securityholding notices have been received by Multiplex SITES Trust from:

Name	No. of Securities	Percentage of Issued Securities
AMP Limited	354,900	7.89
Westpac Banking Corporation	229,396	5.10

Securityholder domicile report (as at 16 August 2005)

Domicile	No. of Holders	No. of Securities	Percentage of Issued Securities
ACT	393	100,248	2.23
NSW	1,539	2,491,165	55.35
NT	3	350	0.01
QLD	617	208,367	4.63
SA	258	105,198	2.34
TAS	160	45,006	1.00
VIC	1,707	1,417,223	31.49
WA	409	105,114	2.34
Overseas	25	27,329	0.61
Total	5,111	4,500,000	100.00

On-market buy-back

There is no current on-market buy-back program.

Use of cash and assets

From the listing on 19 January 2005 (at which point Multiplex SITES Trust became a disclosing entity) until the end of the financial period ended 30 June 2005, Multiplex SITES Trust used the cash and assets in a form readily convertible to cash, that it had at the time of admission, in a manner consistent with its business objectives as contemplated by the Multiplex SITES Product Disclosure Statement dated 29 November 2004.

Electronic Investors

Multiplex Group continually strives to improve its environmental performance and, this year, securityholders were encouraged to assist with this effort. The electronic investor service allows investors to receive half-yearly and annual reports electronically. Electronic investors will be notified by email when the Half-Year Report and Annual Report become available for them to view on-line at www.multiplex.biz. This option reduces our impact on the environment by minimising paper usage, while also providing investors with a cost effective, user-friendly alternative.

If you would like to elect to become an electronic investor, simply visit the security registrars in the "Multiplex SITES" section of our website (www.multiplex.biz) to update your details online or contact our security registrars, ASX Perpetual Registrars Limited, by telephone on 1800 685 455 within Australia or by mail at Locked Bag A14, Sydney South, NSW, 1235.

On-line Access

You are able to access information about your Multiplex SITES holding via our website at www.multiplex.biz which provides a wide variety of holding information, to update your details on-line or to download a range of additional forms (including Change of Name or Address forms).

Services available on-line include:

- Check your current and previous holding balances
- Choose your preferred annual report option
- Update your address details¹
- Update your bank details¹
- Confirm whether you have lodged your Tax File Number (TFN), Australian Business Number (ABN) or exemption
- Enter your email address and update your communications preferences
- Subscribe to email announcements
- Check transaction history
- Check the security price
- Download a variety of instruction forms

Security Registrars Contact Details

If you have any queries regarding your investment, please contact our security registrars:

ASX Perpetual Registrars Limited
Locked Bag A14
Sydney South NSW 1235
(Hand deliveries to Level 8, 580 George Street, Sydney)

Telephone: 1800 685 455
International: +61 2 8280 7141

Facsimile: +61 2 9287 0303
International: +61 2 9287 0303

Email: registrars@asxperpetual.com.au

Unclaimed Distributions

Distribution cheques that are not banked are required to be handed over to the State Trustee under the Unclaimed Monies Act so you are reminded to bank cheques immediately.

Direct Credit Election

By electing for direct credit of distributions you can have immediate access to your distribution payments. Distribution payments can be credited directly into any nominated bank, building society or credit union account in Australia. Distributions paid by direct credit reach your account as cleared funds, allowing you to access them on the payment date.

If you would like to receive your future distributions by direct credit please access your information securely on-line via our website or our security registry website www.asxperpetual.com.au using your Securityholder Reference Number (SRN) or Holder Identification Number (HIN) as well as your surname (or company name) and postcode (which must be the postcode recorded on your holding record).

Once you have accessed your information you can print and complete a form to amend your payment instructions.

¹ Issuer sponsored holders only.

Multiplex SITES Trust**Registered Office**

Multiplex Funds Management Limited
Level 4, 1 Kent Street
Millers Point NSW 2000
Telephone + 61 2 9256 5000
Facsimile + 61 2 9256 5001

Multiplex SITES Security Registrars

ASX Perpetual Registrars Limited
Level 8, 580 George Street
Sydney NSW 2000
Locked Bag A14
Sydney South NSW 1235
Telephone + 61 2 8280 7111

Responsible Entity for Multiplex SITES Trust

Multiplex Funds Management Limited
Level 4, 1 Kent Street
Millers Point NSW 2000
Telephone + 61 2 9256 5000
Facsimile + 61 2 9256 5001

Company Secretary

Mark Wilson

Auditor

KPMG
10 Shelley Street
Sydney NSW 2000

Website

www.multiplex.biz

Develop Build Own Manage

