

Brookfield Multiplex Capital Management Limited
(ACN 094 936 866)

Multiplex Prime Property Fund
(ARSN 110 096 663)

ASX Announcement

24 August 2009

Multiplex Prime Property Fund (ASX: MAFCA) \$50 million Fully Underwritten Capital Raising

Brookfield Multiplex Capital Management Limited (BMCML), the Responsible Entity of Multiplex Prime Property Fund (MAFCA or the Fund), today announces that it intends to conduct a capital raising of \$50 million by way of a rights offering of ordinary partly paid units to all unitholders (Entitlement Offer). The Entitlement Offer will be fully underwritten by Brookfield Multiplex Capital Securities Limited as trustee of a wholly owned subtrust of Brookfield Multiplex Property Trust.

The decision to proceed with the fully underwritten capital raising was taken by the Board of BMCML following a recommendation by Independent Directors after evaluating a number of alternatives for the Fund in consultation with their advisers and after discussions with the Fund's financiers. The decision to proceed with the capital raising was determined by the Independent Directors to be in the best interests of all unitholders based on a range of criteria including the need to provide certainty to unitholders in relation to the Fund's current financial position.

Key messages in this announcement are:

- \$50 million capital raising will be used to reduce debt and stabilise the capital position of the Fund;
- the Entitlement Offer has in principle support of the Fund's financiers (subject to credit approval); and
- it is expected that the Entitlement Offer will be launched in mid September 2009 subject to receipt of regulatory approvals (FIRB, ASX and ASIC approvals).

Overview of the Entitlement Offer

Details

Under the proposed capital raising, eligible unitholders (being unitholders with a registered address in Australia, New Zealand and any other eligible jurisdictions) will be invited to participate on a pro-rata basis to their existing holdings to acquire ordinary partly paid units issued at a price of 0.1 cents payable on application and a further 0.2237 cents payable on the same terms as the final instalment of the existing units currently due in June 2011. The Entitlement Offer will allow eligible unitholders to purchase another 178 units for every 1 unit they currently own.

Subject to regulatory approvals, the Entitlement Offer will be renounceable so that those unitholders who do not wish to take up their entitlement will have the capacity to sell that entitlement on the ASX via traditional rights trading.

As part of this Entitlement Offer, if it is successfully completed, the final instalment obligation in relation to existing units (which is currently 40 cents per unit) will be reduced by 99.4% to 0.2237 cents per unit (so that all units on issue carry the same obligations to pay the final instalment). As a result, the aggregate amount the Fund raises as a result of calling the final instalment will be unchanged at \$112.8 million but will be spread across a greater number of units.

Whilst the Entitlement Offer will be fully underwritten, BMCML has reserved the right to seek other parties to act as joint underwriters prior to formal launch of the Entitlement Offer.

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Cash-out Facility

As part of the Entitlement Offer, the Underwriter has agreed that under certain conditions, it will provide unitholders with an opportunity to exit their investment in the Fund if they wish to do so. This will be implemented by granting unitholders on the register at the record date for the Entitlement Offer with a cash-out facility in relation to their existing units. The price under the cash-out facility will be 0.1 cents per unit. The cash-out facility is subject to certain conditions including formal launch of the Entitlement Offer, despatch of the offer materials, completion of the Entitlement Offer and receipt of necessary approvals and regulatory relief.

Finance Arrangements

The Fund's financiers have given indicative support to the capital raising. The Fund understands that the financiers are seeking credit approval to terms including the following:

- that the net proceeds of the capital raising will be applied to reduce the Fund's senior debt and cure the Fund's covenant breaches as at 30 June 2009. This will remove the potential for the instalment payment to be accelerated as a result of those breaches.
- the Fund's LVR covenants on the direct property portfolio increasing from 67.5% to 75.0% (for the term tranche) and from 85.0% to 95.0% (for the aggregate term and partly paid tranche) prior to 30 June 2010.

The Fund's financiers have agreed to extend the waiver granted in relation to the 30 June 2009 covenant breaches to 30 September 2009 to allow the Fund to launch the Entitlement Offer (and all conditions precedent under the equity underwriting arrangements must, unless waived, be satisfied by this date). A further extension has been sought from the financiers of the Fund to allow sufficient time to complete the Entitlement Offer.

The Entitlement Offer will be formally launched subject to receipt of these and other approvals, expected to be in mid September. Further details of the Entitlement Offer structure (including an application form which unitholders will need to complete in order to subscribe for further units) will be released on receipt of those approvals. Unitholders should consider the information provided at that point in deciding whether to participate in the capital raising. There can, however, be no assurance that satisfactory approvals will be received, that a termination event under the underwriting arrangements will not occur or that the capital raising will proceed.

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