

28 August 2007

MULTIPLEX ACUMEN PROPERTY FUND NORMALISED NET PROFIT UP 7.0%

For the year to 30 June 2007, the consolidated Multiplex Acumen Property Fund ("the Fund") is pleased to release the following summary of key performance figures in comparison to the previous year:

- Net profit of \$29.8* million, up 1.7%;
- Earning per unit (EPU) of 15.02 cents, down 4.0%;
- Distributions per unit (DPU) of 10.72 cents, up 4.1%;
- Total assets of \$401.9 million, up 31.4%;
- Net Tangible Assets (NTA) per unit of \$1.43, up 21.2%;
- Undistributed income (realised and unrealised) of \$34.9 million (17.34 cents per unit), up 31.2%; and
- Total ASX return of 25.5%.

The table below contains a reconciliation of actual (AIFRS) net profit and EPU to normalised net profit and EPU:

	2007 Consolidated '000	2006 Consolidated '000
Net profit for the period	\$29,810	\$29,266
Adjustments:		
Share of net profit of investments accounted for using the equity method	(\$10,310)	(\$27,650)
Impairment loss on investment in associate	-	\$5,612
Distributions from equity accounted investments	\$4,947	\$5,018
Finance costs - distribution to unitholders	-	\$9,478
Realised net gains from listed investment valuations	-	\$1,015
Hedging	-	\$11
Normalised net profit for the period	\$24,447	\$22,750
Realised undistributed income – opening balance	\$10,351	\$7,021
Current year normalised profit	\$24,447	\$22,750
Less: distribution paid	(\$21,462)	(\$19,420)
Realised undistributed income – closing balance	\$13,336	\$10,351
Increase in realised undistributed income	\$2,985	\$3,330
Realised undistributed income	\$13,336	\$10,351
Unrealised undistributed income	\$21,604	\$16,241
Undistributed income closing balance	\$34,940	\$26,592
Normalised EPU (cents)	12.32	12.16
Normalised EPU excluding brokerage (cents)	10.96	10.86
DPU (cents)	10.72	10.30

Adjusting for the items noted above in the current and previous year**, for the year to 30 June 2007, the Fund's:

- **Normalised net profit was \$24.4 million, up 7.0%** on last year, driven by higher distribution income from the Fund's underlying investment portfolio; and reflecting this
- **Normalised EPU was 12.32 cents, up 1.3%** on last year. Importantly, normalised EPU excluding brokerage income was 10.96 cents, which was 0.9% above last year and 2.2% above annualised DPU of 10.72 cents.

Commenting on the result, Mr Rob Rayner, Divisional Director – Funds Management said “The 2007 results illustrate the Fund’s robust financial position, which allowed a sixth consecutive increase in distribution since listing in July 2003. The results reflect the strength of the Fund’s business model, which produced very strong NTA growth driven by increases in the value in the majority of the Fund’s 61 underlying property investments which were in turn driven by increases in rental income and cap rate compression.

Security of income for Fund unitholders is also evident in the Fund’s level of realised undistributed income of \$13.3 million (6.61 cents per unit), an increase of 27.9% on last year. Also, the Fund’s weighted average interest rate is 6.9% (including margins), with interest rates fixed on 90% of borrowings for an average duration of 3.9 years. Fund gearing is a conservative 21.2%, up marginally on 19.5% last year (and is now 20.9% (unaudited) post balance date).”

Mr Rayner also said “The Fund generated a total return for unitholders of 25.5% in the year to June 2007, comprising a 9.5% income yield and 16.0% growth in unit price. This is a great result when compared to the S&P/ASX 200 Property Accumulation Index’s 25.9% total return, which includes LPTs with sources of income other than just rental income.

The Fund’s closing price on 24 August of \$1.29 and the current annualised DPU of 10.80 cents equates to an attractive prospective yield of 8.4%, which is circa 240 basis points above the prospective yield on the S&P/ASX200 LPT Index.

The Fund is pleased to report on the successful launch of the Income Fund on 13 March 2007. Inflows of \$9.6 million were received up until 30 June 2007. By 27 August 2007 total inflows of \$17.9 million had been received. This demonstrates the Income Fund’s high level of appeal to investors looking for an income-secure, capital-stable, highly diversified property investment.

The Fund’s investment in 100% of the ordinary equity of the Income Fund returned 9.5% to the Fund for the period 13 March 2007 to 30 June 2007. The Income Fund enhanced the Fund’s return on equity for the benefit of the Fund’s existing capital base through additional earnings and capital growth opportunities.

As a result of the successful introduction of the Income Fund, the Fund will suspend the dividend reinvestment plan (DRP) as of 11 September 2007.

During the year we welcomed Lawrence Wong as the Fund’s dedicated Financial Analyst. Lawrence has over 5 years’ experience in corporate finance. The Fund also has at its disposal the considerable experience and skills of the 60-strong Multiplex Capital team, the senior members of which have an average of over 14 years experience covering all areas of the property sector.”

Regarding the outlook for the Fund, Mr Rayner said “Looking to the future, the Fund is well positioned to add to its proven track record in making accretive investments for unitholders. We expect commercial property markets continue to display healthy fundamentals, driven by both the demand for space and the demand for asset ownership. Further, many listed property security fund managers continue to recycle capital and expand their unlisted property funds management operations.

The Fund itself is in a strong financial position with \$13.3 million in realised undistributed income that is available to be paid to investors and a further \$71.8 million of unrealised gains on its investment portfolio. It is extremely pleasing to see the Fund continuing to meet its original strategy of providing investors with attractive income returns, liquidity, portfolio diversification and capital growth through exposure to an expansive portfolio of underlying property assets.

For financial year 2008, we will continue to invest in opportunities that complement the Fund’s existing investment portfolio, in order to grow profits and enhance total returns. The pipeline of future investment opportunities, the Fund’s strong balance sheet and the success of the Income Fund auger well for further success in the financial year ahead.”

The Fund’s 2007 Annual Report and Tax Statements will be sent to unitholders in early September.

(cont.)

Notes:

* For the year to 30 June 2007, actual net profit of \$29.8 million includes the following significant items:

- \$9.1 million in unrealised fair value adjustments through property revaluation gains which are included in share of net profit of investments accounted for using the equity method, down 69.8% on last year, as a result of comparatively lower revaluation gains in the current period in the Fund's largest investment (Multiplex New Zealand Property Fund), rather than a lower number of revaluations; and
- \$21.7 million in distribution income from unlisted and listed property securities investments, up 31.9% on last year, driven by an increase in the number of investments and an increase in the level of distributions from these investments.

**In addition, the previous year's profit figure included the following significant items:

- Due to AIFRS requirements, prior year Fund distributions of \$9.5 million (4.86 cents per unit) were classified as a finance cost. The Fund's current year distribution is shown as an equity distribution, reflecting changes in the constitution that have ensured that all subsequent distributions are classified as equity distributions;
- \$5.6 million in impairment costs in the prior year, which was the difference between the carrying amount of the Fund's investment in the Multiplex New Zealand Property Fund and its percentage ownership of net assets of the associate. This resulted from the share of associate's net profit not being reduced by the equity issue costs included within net assets of the associate, thereby inflating the equity accounted cost of the investment; and
- \$2.9 million in unrealised and realised gains from the valuation of listed securities in the prior year, which was included in net profit of \$32.2 million for the year to 30 June 2006. Due to a reclassification of investments in accordance with AASB 139, the unrealised gains from listed securities are now taken directly to the available for sale reserve in equity as opposed to the Income Statement. This ensures alignment with the accounting treatment of unlisted investments.

About the Fund

Multiplex Acumen Property Fund is a listed property trust that predominately invests into unlisted property securities. MPF provides investors with exposure to strong returns from high yielding direct property and tax-advantaged distributions with the liquidity benefits of an ASX listing. MPF is strongly diversified across three asset classes, five property sectors, 11 geographic locations and 27 managers. MPF's property investments of circa \$400 million are spread over a portfolio of 61 different property investments that provide indirect exposure to over 3,000 properties that reflect an average lease term to expiry of circa 6 years.

For more information please contact:

Rob Rayner	Tim Spencer	Lawrence Wong
Divisional Director – Funds Management	Fund Manager	Fund Analyst
(02) 9256 5937	(02) 9256 5734	(02) 9256 5013