MULTIPLEX NEW ZEALAND PROPERTY FUND

HALF YEAR REPORT
31 DECEMBER 2005

ARSN 110 281 055

Index	Page

Responsible Entity
Multiplex Capital Limited
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Sydney NSW 2000
Telephone: (02) 9256 5000
Facsimile: (02) 9256 5001

Directors of Multiplex Capital Limited
Ian O'Toole
Robert Rayner
Peter Morris
Robert McCuaig
Michael Hodgetts
Andrew Roberts (Resigned 14 September 2005)

Company secretary of Multiplex Capital Limited
Alex Carrodus

Location of unit registry
Registries (Victoria) Pty Limited
PO Box R67
Royal Exchange
Sydney NSW 1223
Telephone: (02) 9290 9600
Facsimile: (02) 9279 0664

Custodian
Multiplex Funds Management Limited
C/- Multiplex Capital Limited
1 Kent Street
Sydney NSW 2000
Telephone: (02) 9256 5000
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Auditor
KPMG
10 Shelley Street
Sydney NSW 2000
Telephone: (02) 9335 7000
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Introduction
The Directors of Multiplex Capital Limited (ABN: 32 094 936 866), the Responsible Entity of the Multiplex New Zealand Property Fund (the "Fund"), present their report for the half year ended 31 December 2005 ("the half year") and the Auditors' report thereon.

Responsible Entity
The Responsible Entity of Multiplex New Zealand Property Fund is Multiplex Capital Limited, which has been the Responsible Entity since the inception of the Fund.

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

Name	
Robert Rayner	
Michael Hodgetts	
Robert McCuaig	
Peter Morris	
Ian O'Toole	
Andrew Roberts	Resigned 14 September 2005

Distributions
Distributions paid to unitholders or declared were as follows:

	Cents per unit	Total amount $'000	Date of payment
Ordinary units			
December 2005 distribution	2.3945	4,955	27 January 2006
September 2005 distribution	2.3945	4,263	2 November 2005
Total distribution 31 December 2005	**4.7890**	**9,218**	
December 2004 distribution*	3.1808	3,105	7 February 2005
Total distribution 31 December 2004	**3.1808**	**3,105**	

* The December 2004 distribution payment was for the period 25 August 2004 to 31 December 2004.

Review of operations
Key highlights over the period include:

- Net income after tax and before distributions to unitholders for the half year ended 31 December 2005 was $5,295,458 [period ended December 2004: $2,077,750].
- As at 31 December 2005, the Fund had issued 102,385,976 units as part of the May 2005 capital raising, resulting in increased capital of $98,741,582 net of issue costs.
- The portfolio was revalued as at 30 November 2005 resulting in a net revaluation increment of NZ$56.7 million.

  This increment contributed to the increase in net tangible asset backing per unit from $0.96 to $1.28.
- On 23 September 2005, exchange for the sale of 76 Symonds Street, Auckland was completed. Consideration was NZ$6.7 million resulting in a net profit to book value after costs of NZ$916,000. Settlement occurred on 15 December 2005.

Review of operations (continued)

- The Hub was acquired with exchange on 4 November 2005 and settled on 21 December 2005. Monthly progress payments are forecasted to be made until August 2006.

- The Valley Mega Centre was acquired with exchange on 21 December 2005 and settled on 27 January 2006 with monthly progress payments forecast to be made until September 2006.

- The Wellington properties were acquired with exchange on 15 December 2005 with settlement due to occur in two stages being April 2006 and February 2007. The ANZ Business Centre exchanged on 23 December 2005 and, subject to receipt of consent from the Overseas Investment Office, is due to settle in February 2006.

- The Stage 4 acquisitions will be almost entirely debt funded. Once the final settlement has occurred (forecast to be February 2007), the additional amount of debt is forecast to be NZ$212.1m. As of 31 December 2005, debt of NZ$14.2 million has been drawn down to fund the purchase of the Stage 4 properties.

Rounding of amounts
The Fund is of a kind referred to in Class Order 98/0100, issued by the Australian Securities and Investments Commission, relating to the "rounding off" of amounts in the Directors' Report and the Financial Report. Amounts in the Directors' Report and 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.

Auditors independence declaration
A statement of independence has been provided by our auditor, KPMG, and is attached to the Directors' report on page 5.

Dated at Sydney this 1st day of March 2006

Signed in accordance with a resolution the Directors:

Robert Rayner
Director
Multiplex Capital Limited

KPMG

Lead Auditor's Independence Declaration under Section 307C of the Corporations Act 2001

To: the directors of Multiplex Capital Limited as Responsible Entity of Multiplex New Zealand Property Fund.

I declare that, to the best of my knowledge and belief, in relation to the review for the half-year ended 31 December 2005 there have been:

(i) no contraventions of the auditor independence requirements as set out in the Corporations Act 2001 in relation to the review; and

(ii) no contraventions of any applicable code of professional conduct in relation to the review.

KPMG

KPMG

Andrew Dickinson
Partner

Sydney, NSW

29 June 2006

CONSOLIDATED INCOME STATEMENT

MULTIPLEX NEW ZEALAND PROPERTY FUND

FOR THE HALF YEAR ENDED 31 DECEMBER 2005

	Note	1 July 2005 – 31 December 2005 Consolidated $'000	28 July 2004 – 31 December 2004 Consolidated $'000
Rental income		29,595	9,666
Less: Property related expenses		(5,885)	(1,363)
Net property income		**23,710**	**8,303**
Interest income		376	115
Gain on sale of property		856	-
Other Fund expenses:			
Finance costs – external		(13,749)	(4,222)
Finance costs – distribution to unitholders*	3	(9,218)	-
Responsible Entity fees		(2,096)	(653)
Other expenses		(163)	(135)
Net income before income tax		**(284)**	**3,408**
Income tax expense		(3,639)	(1,330)
Net income after tax before distributions to unitholders and changes in unitholders interests		**(3,923)**	**2,078**
Net gain from investment property valuations	4	52,809	-
Net gain on revaluation of financial derivatives		14,035	-
Net profit attributable to unitholders		**62,921**	**2,078**
Distributions to unitholders*	3	-	(3,105)
Change in net assets attributable to unitholders		**62,921**	**(1,027)**
Earnings per unit			
Basic earnings per ordinary unit	8	32.68**	2.13
Diluted earnings per ordinary unit	8	32.68**	2.13

* Due to the requirements of AIFRS, distributions for the current year of $9.218 million have been classified as a finance cost. The comparative year distribution of $3.105 million was shown as an equity distribution.

** Due to the requirements of AIFRS, distributions paid to unitholders during the period totalling $9.218 million have been classified as finance costs and are therefore included in the earnings per unit calculation. When these distributions are added back to the period result, the earnings per unit is 37.47 cents.

The above consolidated income statement should be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF DISTRIBUTION

MULTIPLEX NEW ZEALAND PROPERTY FUND

FOR THE HALF YEAR ENDED 31 DECEMBER 2005

	Note	1 July 2005 – 31 December 2005 Consolidated $'000	28 July 2004 – 31 December 2004 Consolidated $'000
Undistributed income brought forward		282	-
Net profit attributable to unitholders of Multiplex New Zealand Property Fund		72,139	2,078
Total income available for distribution		**72,421**	**2,078**
Adjusted for:			
Net (gain)/loss from investment property revaluations		(52,809)	-
Amortisation of lease related expenditure		20	12
Unrealised (gain)/loss on valuation of fair value hedges		(14,035)	-
Amortisation of finance costs		235	50
Income tax expense		3,639	1,330
Total income available for distribution		**9,471**	**3,470**
Less: Undistributed income carried forward		(253)	(365)
Distribution paid and payable	3	**9,218**	**3,105**
Distribution per unit (cents)	3	**4.7890**	**3.1808**

The above consolidated statement of distribution should be read in conjunction with the accompanying notes.

CONSOLIDATED BALANCE SHEET

MULTIPLEX NEW ZEALAND PROPERTY FUND

AS AT 31 DECEMBER 2005

	Note	31 December 2005 Consolidated $'000	30 June 2005 Consolidated $'000
Assets			
Current assets			
Cash and cash equivalents		22,071	12,439
Trade and other receivables		3,708	3,387
Other		8,111	454
Total current assets		**33,890**	**16,280**
Non-current assets			
Investment properties	4	650,326	552,425
Other		3,511	-
Fair value of financial derivatives		11,410	-
Total non-current assets		**665,247**	**552,425**
Total assets		**699,137**	**568,705**
Liabilities			
Current liabilities			
Trade and other payables		19,646	25,837
Interest bearing loan and borrowings		-	18,658
Financial liability to unitholders - distribution	3	4,955	3,066
Deferred Settlement		25,327	-
Total current liabilities (excluding unitholders' interests)		**49,928**	**47,561**
Non-current liabilities			
Interest bearing liabilities		364,165	345,031
Deferred income tax liability		8,279	4,512
Total non-current liabilities (excluding unitholders' interests)		**372,444**	**349,543**
Total liabilities (excluding unitholders' interests)		**422,372**	**397,104**
Net assets attributable to unitholders	2(u)	**276,765**	**171,601**
Unitholders' interests represented by			
Units on issue	5	201,690	160,766
Reserves		1,014	(2,874)
Undistributed income	6	74,061	13,709
Total unitholders' interests		**276,765**	**171,601**

The above consolidated balance sheet should be read in conjunction with the accompanying notes.

CONSOLIDATED CASH FLOW STATEMENT

MULTIPLEX NEW ZEALAND PROPERTY FUND

FOR THE HALF YEAR ENDED 31 DECEMBER 2005

	1 July 2005 – 31 December 2005 Consolidated $'000	28 July 2004 – 31 December 2004 Consolidated $'000
Cash flows from operating activities		
Cash receipts in the course of operations	28,710	9,915
Cash payments in the course of operations	(7,088)	(1,937)
Interest received	376	115
Borrowing costs paid	(11,733)	(1,564)
Net cash flows from operating activities	**10,265**	**6,529**
Cash flows from investing activities		
Proceeds from sale of investment property	6,040	-
Deposits on investment properties	(6,892)	-
Payments for purchase of, and additions to investment properties	(15,528)	(275,741)
Net cash flows used in investing activities	**(16,380)**	**(275,741)**
Cash flows from financing activities		
Proceeds from issues of units	36,371	109,158
Issue costs paid	(7,193)	(5,187)
Repayment of interest bearing liabilities	(18,533)	-
Proceeds from interest bearing liabilities	13,298	174,832
Debt establishment costs paid	(867)	(750)
Distributions paid	(7,329)	-
Net cash flows from financing activities	**15,747**	**278,053**
Net increase in cash and cash equivalents	9,632	8,841
Cash and cash equivalents at 1 July	12,439	-
Cash and cash equivalents at 31 December	**22,071**	**8,841**

The above consolidated cash flow statement should be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF CHANGES IN UNITHOLDERS' INTEREST

MULTIPLEX NEW ZEALAND PROPERTY FUND

FOR THE HALF YEAR ENDED 31 DECEMBER 2005

	31 December 2005 Consolidated $'000	31 December 2004 Consolidated $'000
Opening balance of unitholders' interests	171,601	-
Net loss on revaluation of financial derivatives	(2,569)	-
Units on issue		
September 2004 capital raising	-	109,158
September 2004 capital raising costs on issue	-	(11,180)
May 2005 capital raising	41,458	-
May 2005 capital raising costs on issue	(534)	-
Foreign currency translation reserve	3,888	(867)
Distribution paid	-	(3,105)
Net adjustments recognised directly in unitholders' interests	213,844	94,006
Net profit attributable to unitholders	62,921	2,078
Closing balance of unitholders' interests	276,765	96,084

The above consolidated statement of changes in unitholders' interest should be read in conjunction with the accompanying notes.

1 SCHEME INFORMATION

Multiplex New Zealand Property Fund is an Australian registered managed investment scheme. Multiplex Capital Limited, the Responsible Entity of the Fund, is incorporated and domiciled in Australia.

The financial report of Multiplex New Zealand Property Fund ("the Fund") for the half year ended 31 December 2005 was authorised for issue in accordance with a resolution of the Directors of the Responsible Entity on 1 March 2006.

The registered office and principal place of business of the Responsible Entity is located at 1 Kent Street, Sydney, NSW, 2000.

The nature of the operations and principal activities of the Fund are described in the Directors' report.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of preparation

The half year financial report is a general purpose financial report, which has been prepared in accordance with the Fund Constitution and the requirements of the Corporations Act 2001, including applicable Accounting Standards AASB 134 "Interim Financial Reporting". Other mandatory professional reporting requirements (Urgent Issues Group Interpretations) have also been complied with.

The half year financial report has been prepared on a historical cost convention except for investment properties, including interests in controlled trusts and associates, certain land and buildings occupied by the Fund and derivative financial instruments which are carried at fair value.

The half year financial report is presented in Australian dollars and all values have been rounded to the nearest thousand dollars ($'000) unless otherwise stated under the option available to the Fund in accordance with ASIC Class Order 98/0100. The Fund is an entity to which the Class Order applies.

The half year financial report does not include all notes of the type normally included within the annual financial report and therefore cannot be expected to provided as full an understanding of the income statement, balance sheet and financing and investing activities of the consolidated entity as the full financial report.

The half year financial report should be read in conjunction with the most recent annual financial report which was prepared based on Australian Accounting Standards applicable before 1 January 2005.

(b) Statement of compliance

The half year financial report complies with Australian Accounting Standards, which include Australian equivalents to International Financial Reporting Standards ('AIFRS'). Compliance with AIFRS ensures that the financial report, comprising the financial statements and notes thereto, complies with International Financial Reporting Standards ('IFRS').

This is the first financial report prepared based on AIFRS. The date of transition of AIFRS is 1 July 2004, accordingly the financial information for the half year ended 31 December 2004 and year ended 30 June 2005 have been restated. Note 2(u) includes reconciliations between previously reported Australian Generally Accepted Accounting Principles ("AGAAP") as at 30 June 2005 to AIFRS including:

- A reconciliation between AGAAP to AIFRS equity as at 30 June 2005; and
- A reconciliation between AGAAP to AIFRS profit for the half year ended 31 December 2004 and full year ended 30 June 2005.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(c) Principles of consolidation

The consolidated financial statements include the financial statements of Multiplex New Zealand Property Fund and its controlled entities. The Fund and its controlled entities are referred to as "the Consolidated Entity".

The financial statements of controlled entities are prepared for the same reporting period as the Fund, using consistent accounting policies.

Controlled entities

The financial statements of controlled entities are included in the consolidated financial statements from the date control commences until the date control ceases. The balances and effects of transactions between controlled entities including unrealised profits arising from intra-entity transactions, included in the consolidated financial statements have been eliminated in full.

(d) Revenue recognition

Revenue from rents, interest and distributions is recognised to the extent that it is probable that the economic benefits will flow to the entity and the revenue can be reliably measured. Revenue brought to account but not received at balance date is recognised as a receivable.

Contingent rentals are recognised as income in the financial year in which they are earned. Fixed rental increases which do not represent direct compensation for underlying cost increases or capital expenditure are recognised on a straight-line basis over the term of the lease until the next market review date.

Incidental revenues (and related costs) derived from an investment property undergoing construction or development, but not directly related to bringing the asset to the location and working condition of an investment property, are recognised in operating profit for the period, and included in their respective classifications of income and expense in the Income Statement.

(e) Taxation

Income Tax

Under current income tax legislation the Fund is not subject to income tax in Australia, as its taxable income (including assessable realised capital gains) is distributed in full to unit holders. Tax allowances for buildings, plant and equipment are distributed to unitholders in the form of a tax deferred component of the distributions.

The wholly-owned sub-Trust of the Fund which owns properties in New Zealand is liable to pay tax under New Zealand tax legislation at the current corporate rate of 33%. Tax effect accounting procedures are followed whereby the income tax expense of the subsidiary is matched with the accounting profit after allowing for temporary differences. The future tax benefit relating to tax losses will be carried forward as an asset only when the benefit is probable of realisation. Income tax on cumulative timing differences is set aside to the deferred income tax or future income tax benefit account at the rates which are expected to apply when those timing differences reverse.

Goods and Services Tax

Revenues, expenses and assets (with the exception of receivables) are recognised net of the amount of Goods and Services Tax (GST) to the extent that the GST is recoverable from the taxation authority. Where GST is not recoverable, it is recognised as part of the cost of acquisition, or as an expense.

Receivables and payables are stated inclusive of GST. The net amount of GST recoverable from, or payable to the taxation authority is included in the Balance Sheet as a receivable or payable.

Cash flows are included in the Cash Flow Statement on a gross basis. The GST component of cash flows arising from investing and financing activities, which is recoverable from, or payable to, the taxation authority are classified as operating cash flows.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(f) Cash and cash equivalents

For the purpose of the statement of cash flows, cash includes cash on hand, at call deposits in banks and money market investments with less than 14 days to maturity, net of bank overdrafts.

(g) Trade and other receivables

Receivables are recognised and carried at original amount, less a provision for any uncollectible debts. An estimate for doubtful debts is made when collection of the full amount is no longer probable. Bad debts are written off when identified.

Receivables from related parties are recognised and carried at the nominal amount due. Interest and rent is taken up as income on an accrual basis.

(h) Investment properties

Initially, investment properties are measured at cost including all transaction costs. Subsequent to initial recognition investment properties are stated at fair value, which has been determined based on valuations performed by suitably qualified property valuers. Gains or losses arising from changes in the fair value of investment properties are included in the income statement in the year in which they arise.

Investment properties are derecognised when they have either been disposed of or when the investment property is permanently withdrawn from use and no future benefit is expected from its disposal. Any gains or losses on the derecognition of an investment property are recognised in the income statement in the year of derecognition.

Independent valuations of investment properties are obtained at intervals of not more than three years from suitably qualified valuers. Such valuations are reflected in the financial statements of the Fund. Notwithstanding, the directors of the Responsible Entity assess the carrying value of each investment property at each reporting date to ensure that its carrying value does not materially differ from its fair value. Where the carrying value differs from fair value, that asset is adjusted to its fair value.

In determining fair value, the expected net cash flows have been discounted to their present value using a market determined risk-adjusted discount rate applicable to the respective asset.

Where assets have been revalued, the potential effect of the capital gains tax on disposal has not been taken into account in the determination of the revalued carrying amount because the Fund does not expect to be ultimately liable for capital gains tax in respect of the assets.

Expenditure capitalised to properties includes the cost of acquisition, capital and refurbishment additions, and during development, includes financing charges, related professional fees incurred and other directly attributable transaction costs.

(i) Recoverable amount of non-current assets

The carrying amounts of non-current assets valued on the cost basis are reviewed to determine whether they are in excess of their recoverable amount at reporting date. If the carrying amount of a non-current asset exceeds its recoverable amount, the asset is written down to the lower amount. The write-down is expensed in the reporting period in which it occurs.

In assessing recoverable amounts of non-current assets, the relevant cash flows have not been discounted to their present value.

(j) Trade and other payables

These amounts are carried at cost and represent liabilities for goods and services provided to the Fund prior to the end of the period and which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition.

(k) Provision for distribution

A provision for distribution is recognised in the Balance Sheet if the distribution has been declared prior to balance date.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(l) Interest bearing loans and borrowings
All loans and borrowings are initially recognised at cost, being the fair value of the consideration received net of issue costs associated with the borrowing.

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the effective interest method. Amortised cost is calculated by taking into account any issue costs, and any discount or premium on settlement.

Gains and losses are recognised in net profit or loss when the liabilities are derecognised or impaired, as well as through the amortisation process.

Financing costs are recognised as an expense in the period in which they are incurred.

(m) Derivative financial instruments
The Fund uses derivative financial instruments such as foreign currency contracts and interest rate swaps to hedge its risks associated with interest rate and foreign currency fluctuations. Such derivative financial instruments are stated at fair value and recognised as an asset or liability in the balance sheet.

The fair value of forward exchange contracts is calculated by reference to current forward exchange rates for contracts with similar maturity profiles. The fair value of interest rate swap contracts is determined by reference to market values for similar instruments.

Any gains or losses arising from changes in fair value on derivatives that do not qualify for hedge accounting are taken directly to net profit or loss for the year.

(n) Issue costs
All costs related to the issue of new units are to be offset against the proceeds raised.

(o) Foreign currencies

Translation of foreign currency transactions

The functional and presentation currency of Multiplex New Zealand Property Fund is the Australian Dollar.

Transactions in foreign currencies are initially recorded in the functional currency at the exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the rate of exchange ruling at the balance sheet date.

All differences in the consolidated financial report are taken to the income statement with the exception of differences on foreign currency borrowings that provide a hedge against a net investment in a foreign entity. These are taken directly to equity until the disposal of the net investment, at which time they are recognised in the income statement.

A non-monetary item that is measured in terms of historical cost in a foreign currency is translated using the exchange rate at the date of the transaction.

A non-monetary item that is measured at fair value in a foreign currency is translated using the exchange rates at the date when the fair value was determined.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(o) Foreign currencies (continued)

Translation of financial reports of overseas operations

The functional currency of the overseas operations is New Zealand dollars.

As at the reporting date, the asset and liabilities of these overseas subsidiaries are translated into the presentation currency of the Fund at the rate of exchange ruling at the balance sheet date and the income statements are translated at the weighted average exchange rates for the year. The exchange differences arising on the retranslation are taken directly to the foreign currency translation reserve.

On disposal of a foreign operation, the deferred cumulative amount recognised in equity relating to that particular foreign operation shall be recognised in the income statement.

(p) Units on issue

Issued and paid up units are recognised at the fair value of the consideration received by the Fund.

Any transaction costs arising on the issue of ordinary units are recognised directly in equity as a reduction of the unit proceeds received.

(q) Earnings per unit

Basic and diluted EPU is calculated as net income after tax before distributions to unitholders and changes in unitholders interests, divided by the weighted average number of ordinary units.

(r) Leases

Leases are classified at their inception as either operating or finance leases based on the economic substance of the agreements so as to reflect the risks and benefits incidental to ownership.

Operating Leases

The minimum rental revenues of operating leases, where the lessor effectively retains substantially all of the risks and benefits of ownership of the leased item, are recognised as income on a straight line basis over the lease term, which is considered to best represent the time pattern in which use benefit derived from the leased asset is diminished.

(s) Leasing fees

Leasing fees in relation to the initial leasing of the property after a redevelopment are capitalised to the carrying value of the property and amortised over the period to which the lease relates.

Costs that are directly associated with negotiating and executing the on-going renewal of tenant lease agreements (including commissions, legal fees and costs of preparing and processing documentation for new leases) are also capitalised as part of the carrying value of the property and amortised over the lease term in proportion to the rental revenue recognised in each financial year.

(t) Leasing incentives

Lease incentives which may take the form of up-front payments, contributions to certain lease costs, relocation costs and fit-outs and improvements are recognised as part of the carrying value of the investment properties. The aggregate cost of incentives is recognised as a reduction of rental income over the lease term.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(u) Impact of adoption of AIFRS

The Fund has made its election to the transitional exemptions allowed by AASB 1 "First-time Adoption of Australian Equivalents to International Financial Reporting Standards" as follows:

(i) AASB 3 "Business Combinations" was not applied retrospectively to business combinations undertaken before the date of transition to AIFRS.

(ii) The Fund has elected to defer the application of AASB 132 "Financial Instruments: Presentation and Disclosure" and AASB 139 "Financial Instruments: Recognition and Measurement". As a result of the deferral, the opening retained earnings at 1 July 2005 has been adjusted to account for the application of AASB 132 "Financial Instruments: Presentation and Disclosure" and AASB 139 "Financial Instruments: Recognition and Measurement" as at that date. Refer note 2(u)(iii) for the reconciliation between 30 June 2005 closing balance and 1 July 2005 opening balance.

The impacts of adopting AIFRS on the total equity and profit from continuing operations as reported under previous Australian Generally Accepted Accounting Principles ("AGAAP") are illustrated below.

	30 June 2005 Consolidated $'000
(i) Reconciliation of total equity as presented under previous AGAAP to that under AIFRS	
Total equity under previous AGAAP	171,744
Lease incentive adjustment to asset revaluation reserve	(143)
Total equity under AIFRS	171,601

(ii) Reconciliation of profit from continuing operations under previous AGAAP to that under AIFRS	30 June 2005 Consolidated $'000	31 December 2004 Consolidated $'000
Prior year profit from continuing operations as previously reported	5,213	2,078
Lease incentives (A)	(143)	-
Fair value movement in investment properties (B)	17,305	-
Prior year profit from continuing operations under AIFRS	22,375	2,078

(A) Amortisation of leasing incentives included within carrying value of investment property. The corresponding reduction in the carrying value of the underlying asset has been offset by an increase in the valuation uplift.
(B) Fair value movements in investment properties are charged to the income statement under AASB 140 'Investment Property', but were taken to the asset revaluation reserve under previous AGAAP. The gain from the fair value adjustment caused an increase in profit for the year.

(iii) Reconciliation of total equity opening balance upon adoption of AASB 132 and 139 on 1 July 2005	1 July 2005 Consolidated $'000
Total equity under AIFRS at 30 June 2005	171,601
Adjusted for adoption of AASB 132 and 139:	
Fair value of derivative financial instruments	(2,569)
Liabilities attributable to unitholders	(169,032)
Total equity under AIFRS at 1 July 2005	-

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(iv) Explanation of material adjustments to the cash flow statements

There are no material differences between the cash flow statement presented under AIFRS and the cash flow statement presented under previous AGAAP.

3 DISTRIBUTIONS

Distributions paid to unitholders or declared were as follows:

	Cents per unit	Total amount $'000	Date of payment
Ordinary units			
December 2005 distribution	2.3945	4,955	27 January 2006
September 2005 distribution	2.3945	4,263	2 November 2005
Total distribution 31 December 2005	**4.7890**	**9,218**	
December 2004 distribution*	3.1808	3,105	7 February 2005
Total distribution 31 December 2004	**3.1808**	**3,105**	

* The December 2004 distribution payment was for the period 25 August 2004 to 31 December 2004.

4 INVESTMENT PROPERTIES

(a) Details of property investments

	31 December 2005 Consolidated $'000	30 June 2005 Consolidated $'000
Investment properties	650,326	552,425

Description	Title	Cost including additions * $'000	Valuation date	Valuation $'000 (1)	December 2005 Book value $'000	June 2005 Book value $'000
Retail						
South City Shopping Centre	Freehold	38,539	Nov 2005	43,434	43,434	39,424
Countdown Botany	Freehold	14,051	Nov 2005	17,280	17,280	13,753
Countdown Lynfield	Freehold	11,488	Nov 2005	13,917	13,917	11,690
Woolworths Grey Lynn	Freehold	8,260	Nov 2005	10,368	10,368	8,343
Countdown Porirua	Freehold	6,171	Nov 2005	7,426	7,426	6,143
Woolworths Papakura	Freehold	3,703	Nov 2005	4,624	4,624	3,759
Foodtown Hamilton	Leasehold	2,677	Nov 2005	3,082	3,082	2,659
Howick Shopping Centre	Freehold	10,090	Nov 2005	10,461	10,461	10,315
Woolworths Dargaville	Freehold	4,938	Nov 2005	4,717	4,717	4,814
Foodtown Pukekohe	Freehold	7,801	Nov 2005	7,893	7,893	7,702
Woolworths Paeroa	Freehold	2,778	Nov 2005	2,615	2,615	2,705
Woolworths Putaruru	Freehold	2,426	Nov 2005	2,242	2,242	2,320
Woolworths Te Awamutu	Freehold	5,204	Nov 2005	4,950	4,950	5,134
Woolworths New Plymouth	Freehold	7,116	Nov 2005	6,819	6,819	7,014
Woolworths Wanganui	Leasehold	4,034	Nov 2005	3,876	3,876	3,759
Woolworths Marton	Freehold	1,313	Nov 2005	1,252	1,252	1,430
Countdown Oamaru	Freehold	3,568	Nov 2005	3,503	3,503	3,484
Woolworths Invercargill	Freehold	3,396	Nov 2005	3,269	3,269	3,346
The Hub – Whakatane (3)	Freehold	39,726	-	-	39,726	-
		177,279		**151,728**	**191,454**	**137,794**
Office						
ASB Bank Centre	Freehold	108,164	Nov 2005	120,587	120,399	106,528
Geni-Tower	Freehold	61,037	Nov 2005	68,840	68,840	61,245
Telecom House	Freehold	53,090	Nov 2005	56,977	56,977	54,185
AIA Building	Freehold	23,600	Nov 2005	26,247	26,247	23,196
SAP Centre	Freehold	18,527	Nov 2005	20,829	20,829	19,987
Uniservices House	Freehold	16,713	Nov 2005	18,027	18,027	16,503
The Telco Building	Freehold	14,141	Nov 2005	16,813	16,813	15,220
The Plaza	Freehold	10,028	Nov 2005	10,742	10,742	10,360
University Building	Freehold	9,143	Nov 2005	11,209	11,209	9,994
12 Whitaker Place	Freehold	688	Nov 2005	747	747	642
Farmer's Carpark	Freehold	1,352	Nov 2005	1,653	1,653	1,421
		316,483		**352,671**	**352,483**	**319,281**
Industrial						
Mangere Distribution Centre	Freehold	52,691	Nov 2005	69,214	69,214	55,927
Wiri Distribution Centre	Leasehold	19,462	Nov 2005	22,604	22,604	19,941
Christchurch Distribution Centre	Freehold	14,621	Nov 2005	14,571	14,571	14,394
		86,774		**106,389**	**106,389**	**90,262**
Property sold						
76 Symonds St (2)	Freehold	-	Apr 2005	-	-	5,088
		580,536		**610,788**	**650,326**	**552,425**

* Included in the cost of investment properties is $12,472,783 of acquisition costs.

4 INVESTMENT PROPERTIES (CONTINUED)

(a) Details of property investments (continued)

(1) The portfolio was revalued as at 30 November 2005 resulting in a net revaluation increment of NZ$56.7 million.

(2) On 23 September 2005, exchange for the sale of 76 Symonds Street, Auckland was completed. Consideration was NZ$6.7 million resulting in a net profit to book value after costs of NZ$916,000. Settlement occurred on 15 December 2005.

(3) The Hub was exchanged on 4 November 2005 and settled on 21 December 2005. The Hub was purchased for NZ$42.5 million including acquisition costs of NZ$2.0 million. Monthly progress payments totaling NZ$27.1 million are forecast to be made until August 2006. Additional debt of NZ$14.2 million was drawn down in order to fund the purchase of the Hub.

(b) Reconciliation of carrying amounts

	31 December 2005 Consolidated $'000	30 June 2005 Consolidated $'000
Reconciliation		
Reconciliation of the carrying amount of investment properties is set out below:		
Investment properties		
Carrying amount at beginning of period	552,425	-
Acquisition of investment property	37,887	524,865
Sale of investment property	(5,184)	-
Other costs	343	7
Acquisition costs	1,708	10,686
Net gains from fair value adjustments to investment properties	52,809	17,305
Rent support	-	(284)
Foreign currency translation exchange adjustment	10,338	(154)
Carrying amount at end of period	**650,326**	**552,425**

Assets pledged as security
The security provided for the debt facility is a first registered fixed and floating charge over all assets and an undertaking by Multiplex Capital Limited (as Responsible Entity for the Multiplex New Zealand Property Fund), Multiplex Albert Street Investment Pty Ltd (in its capacity and as trustee for the Albert Street Investment Trust), the Borrower (in its capacity, as trustee for the Albert Street Landowning Trust) and the Custodian (as custodian for each of the Multiplex New Zealand Property Fund, the Albert Street Investment Trust, and the Albert Street Landowning Trust,) in favour of the Security Trustee.

Annual rent receivable by the Fund under current leases from tenants is from commercial, industrial, retail and car park assets held. The average lease term is 8 years and rent reviews are generally performed on a three yearly basis and are based on market rent.

5 UNITS ON ISSUE

Date	Details	Units	Issue price	$
28 July 2004	Opening balance	-	-	-
	September 2004 capital raising	114,385,247	1.00	114,385,247
	September 2004 capital raising costs on issue			(11,225,107)
	May 2005 capital raising	63,639,444	1.07	68,094,205
	May 2005 capital raising costs on issue			(10,488,845)
30 June 2005	**Closing balance**	**178,024,691**		**160,765,500**
	May 2005 capital raising	38,746,532	1.07	41,458,789
	May 2005 capital raising costs on issue			(533,881)
31 December 2005	**Closing balance**	**216,771,223**		**201,690,408**

The May 2005 capital raising, as detailed in the Product Disclosure Statement dated May 2005 and supplementary Product Disclosure Statement dated August 2005, closed in November 2005. As at 31 December 2005, 102,385,976 units were issued at a price of $1.07. The funds from the capital raising were used to finance the acquisition of the second stage assets consisting of 11 office properties (acquired in May 2005), and the third stage assets consisting of 11 retail properties (acquired in May and June 2005). Refer to note 4 for details of acquisitions.

Ordinary units
Ordinary units entitle the holder to participate in distributions and the proceeds on winding up of the Fund in proportion to the number of units held. On a show of hands every holder of units present at a meeting of unitholders in person or by proxy, is entitled to one vote, and upon a poll each unit is entitled to one vote.

6 UNDISTRIBUTED INCOME

	31 December 2005 $'000	30 June 2005 $'000
Opening balance	13,709	-
Net loss on revaluation of financial derivative	(2,569)	-
Change in net assets attributable to unitholders	62,921	22,375
Distributions provided for or paid	-	(8,666)
Closing balance	74,061	13,709

7 COMMITMENTS AND CONTINGENT ASSETS AND LIABILITIES

The Valley Mega Centre exchanged on 21 December 2005 and settled on 27 January 2006 with monthly progress payments forecast to be made until September 2006.

The Wellington properties exchanged on 15 December 2005 with settlement due to occur in two stages being April 2006 and February 2007.

The ANZ Business Centre exchanged on 23 December 2005 and, subject to receipt of consent from the Overseas Investment Office, is due to settle in February 2006.

7 COMMITMENTS AND CONTINGENT ASSETS AND LIABILITIES (CONTINUED)

As of 31 December 2005, the commitments related to the purchase of these properties are as follows:

Property	Commitment ($'000)
Valley Mega Centre	20,932
ANZ Business Centre	23,670
EDS House	23,160
180 Molesworth Street	31,594
IRD Building	4,259
Telecom Tower	16,860
Kaitiaki Building	32,033
	152,508

The Fund has no contingent assets or liabilities.

8 EARNINGS PER UNIT

	31 December 2005 Consolidated	31 December 2004 Consolidated
Earnings per unit (cents)	32.68	2.13
Weighted average number of ordinary units used as the denominator (number)	192,511,929	97,530,486
Net profit attributable to unitholders ($'000)	62,921	2,078

Earnings per unit is determined by dividing net profit attributable to unitholders by the weighted average number of ordinary units outstanding during the period.

Due to the requirements of AIFRS, distributions paid to unitholders during the period totalling $9.218 million have been classified as finance costs and are therefore included in the earnings per unit calculation. When these distributions are added back to the period result, the earnings per unit is 37.47 cents.

The Fund did not have any potential securities outstanding during the period and, as such, diluted earnings per unit are the same as basic earnings per unit.

9 SEGMENT INFORMATION

Business segment
The business segments have been identified on the basis of grouping individual investments subject to similar risks and returns. The Multiplex New Zealand Property Fund operates in a single, primary business segment being direct investment in property assets.

Geographical segment
The Fund is registered in Australia, however it operates only in one geographical segment being New Zealand.

10 EVENTS OCCURRING AFTER REPORTING DATE

The Valley Mega Centre settled on 27 January 2006 with monthly progress payments forecast to be made until September 2006.

The ANZ Business Centre, EDS House, 180 Molesworth Street, and IRD Building have now settled.

Other than the settlements mentioned 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 Fund, the results of those operations, or the state of affairs of the Fund in subsequent financial years.

Multiplex New Zealand Property Fund
Directors' Declaration

In the opinion of the Directors of Multiplex Capital Limited, the Responsible Entity of Multiplex New Zealand Property Fund:

(a) the financial statements and notes, set out on pages 6 to 22, are in accordance with the Corporations Act 2001, including:

  (i) giving a true and fair view of the financial position of the Fund and the Consolidated Entity as at 31 December 2005 and of their 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 Fund has operated during the financial year in accordance with the provisions of the Trust Constitution dated 28 July 2004.

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

Robert Rayner
Director
Multiplex Capital Limited

Sydney
1 March 2006

KPMG

Independent review report to the unitholders of Multiplex New Zealand Property Fund

Scope

We have reviewed the financial report of Multiplex New Zealand Property Fund ("the Fund") for the half-year ended 31 December 2005, consisting of the income statement, statement of changes in unitholders interest, balance sheet, cash flow statement, accompanying notes and the directors' declaration set out on pages 6 to 23. The directors of the responsible entity, Multiplex Capital Limited ("the Responsible Entity), are responsible for the half-year financial report including the relevant reconciling information regarding the adjustments required under Australian Accounting Standard AASB 1 *First-time Adoption of Australian Equivalents to International Financial Reporting Standards.*

We have performed an independent review of this financial report in order to state whether, on the basis of the procedures described, anything has come to our attention that would indicate that the financial report is not presented fairly in accordance with Australian Accounting Standard AASB 134 *Interim Financial Reporting* other mandatory financial reporting requirements in Australia and statutory requirements so as to present a view which is consistent with our understanding of the Fund's financial position, and performance as represented by the results of its operations and its cash flows, and in order for the Responsible Entity to lodge the financial report with the Australian Securities and Investments Commission.

Our review has been conducted in accordance with Australian Auditing Standards applicable to review engagements. A review is limited primarily to inquiries of the Responsible Entity, and analytical procedures applied to the financial data. The procedures do not provide all the evidence that would be required in an audit, thus the level of assurance provided is less than given in an audit. We have not performed an audit and, accordingly, we do not express an audit opinion.

Statement

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of Multiplex New Zealand Property Fund is not in accordance with:

a) the Corporations Act 2001, including:

   i. giving a true and fair view of the Scheme's financial position as at 31 December 2005 and of its performance for the half-year ended on that date; and

   ii. complying with Australian Accounting Standard AASB 134 *Interim Financial Reporting* and the Corporations Regulations 2001; and

b) other mandatory financial reporting requirements in Australia.

KPMG

KPMG

Andrew Dickinson
Partner

Place: Sydney
Date: 29 June 2006