



# MULTIPLEX ACUMEN PROPERTY FUND

## INTERIM REPORT 2005

ACUMEN CAPITAL SECURITIES LIMITED  
ACN 103 736 081

**MULTIPLEX**  
CAPITAL

James Fielding Retail Portfolio - Mt Sheridan Plaza



APN Regional Property Fund - Honeysuckle House Stage 1



Multiplex New Zealand Property Fund - ASB Bank Centre



## FINANCIAL SNAPSHOT

	31 December 2004	Prior period*	Change (%)
Market capitalisation (\$m)	159.36	95.97	66
Total assets (\$m)	198.01	118.66	67
Total revenue (\$m)	23.37	2.41	871
Net profit (\$m)	8.59	2.08	312
Earnings per unit (cents)**	8.17	3.22	154
Distribution per unit (cents)	4.94	4.56	8
Net tangible assets (NTA) per unit (\$)	1.04	0.98	6
Fund gearing (net debt to total assets) (%)	10.09	14.69	-31

## FUND SNAPSHOT

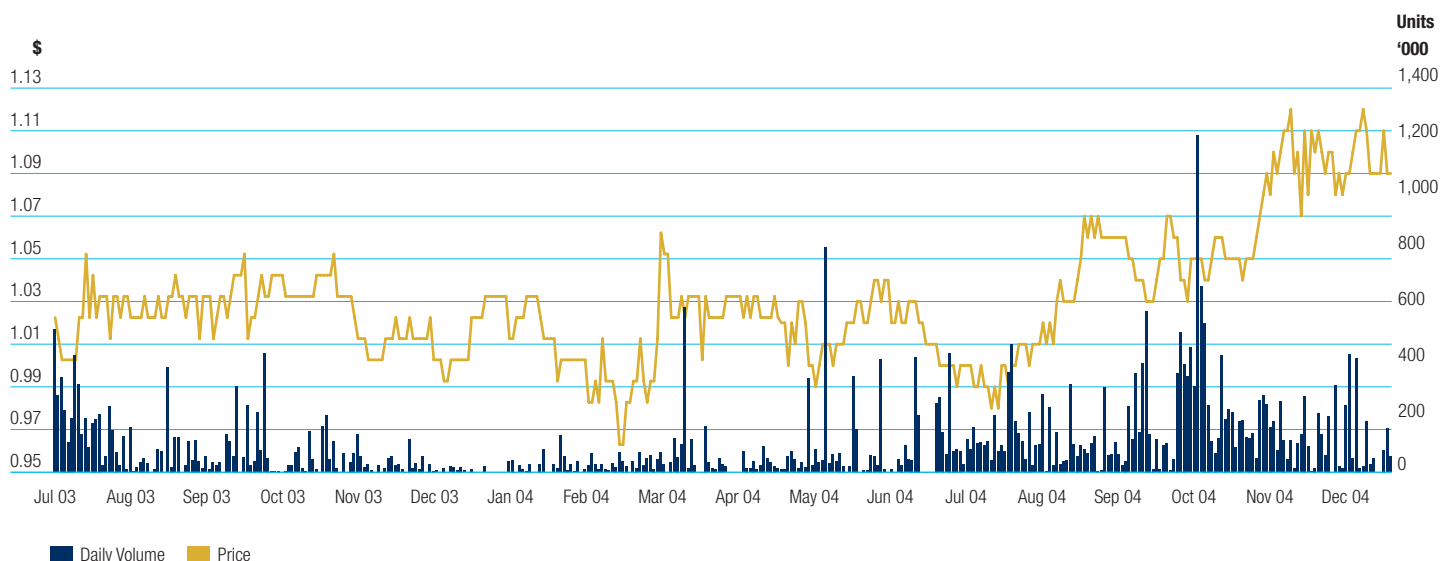
Portfolio weighted average property yield	8.8%
Portfolio weighted average lease term	7.2 years
Management fee	0.5% (including GST) of gross asset value
Performance fee	20% of benchmark*** outperformance
Management expense ratio (MER)	0.70%
Tax advantaged distributions	At least 50%
Distributions paid	Quarterly

\* The fund was registered with ASIC on 17 April 2003. The comparative period for the statement of financial performance is 17 October 2003. The comparative period for the statement of financial position is 30 June 2004.

\*\* Weighted average number of Units on issue during the period.

\*\*\* S&P/ASX 200 Property Accumulation Index.

## FUND PERFORMANCE



## MANAGING DIRECTOR'S REPORT

The Multiplex Acumen Property Fund has had a positive and exciting first 6 months of the 2005 financial year. The period was characterised by significant earnings and distribution growth, strongly supported capital raisings and a reduction in fund gearing.

Underscoring the strength of its business model, the Fund was able to source quality, long term investments in a competitive market and secure strong rental and commission income, adding an additional \$3.5m to the Fund's bank of retained earnings. Compared to the previous corresponding period, net profit increased 312% to \$8.6m and earnings per unit increased 154% to 8.17 cents per unit.

The Fund continues to outperform original expectations at the time of listing in July 2003. The strong underlying performance in the Fund's portfolio warranted the third consecutive increase in distribution to an annualised 10.0 cents per unit, from the December 2004 quarter onwards. This represents an 11% increase in annualised distribution since listing.

As you would be aware, the Multiplex Group moved from 72% to 100% ownership of the Fund's Responsible Entity during the period. As a further sign of Multiplex Group's commitment to the Fund, it also made an investment in February 2005 of approximately \$27m through a placement of units in the Fund at \$1.07 per unit. Unitholders will now benefit from the full resources of Multiplex, resulting in greater capital management efficiencies and growth. Consistent with this, we believe the new name for the Fund, 'Multiplex Acumen Property Fund', will assist in generating increased market awareness as the Fund leverages the strength and profile of the Multiplex brand.

As a result of high demand for institutional grade listed property securities, the Fund was able to raise \$14.4m of capital in October 2004 and \$38.3m in December 2004. Compared to the previous corresponding period, the market capitalisation of the Fund has grown 66% to \$159.4m, while Net Tangible Assets (NTA) has grown 6% to \$1.04 per unit.

In addition to a strongly diversified property investment portfolio yielding 8.8%, the Fund earned commission income of \$2.8m during the half year (bringing the total since listing to \$5.8m or 3.95 cents per unit). Combined with distributions from Fund investments, this income (and any underwriting fees, profits from the sale of investments and interest income) is available to be distributed to Fund investors.

During the period, the Fund's \$9.5m debt facility was refinanced from the Commonwealth Bank to the Fund's established bankers, the National Australia Bank. In doing so, more favourable financing terms were achieved, as well as more generous and flexible covenant and reporting requirements. This demonstrates the National Australia Bank's commitment and confidence in the Fund's business model and provides increased funding flexibility for growth. At the end of the period, the Fund's net gearing had reduced to 10%, down from 15% in the previous corresponding period.

Moving forward, the Fund's investments, increased size and diversity are expected to stimulate additional investor interest in the Fund. We also believe this will increase liquidity in the trading of the Fund's units on the ASX and create potential for re-inclusion in the S&P/ASX 300 Property Index.

With strong financial capacity and demonstrated growth, the Fund is now in a position to expand its investments to provide stronger risk adjusted returns than the traditional returns from property ownership. In making these investments, the Board is committed to keeping the exposure to development vehicles and non-traditional property asset classes at no greater than 15% of total assets respectively.

The Fund has earmarked a number of suitable investments which will see the funds raised in the December and February placements fully invested over the next few weeks.

Overall, the Multiplex Acumen Property Fund is well on track to meet full year expectations and continue providing investors with exposure to strong returns, highly tax-advantaged distributions and liquidity.

Yours sincerely



Rob Rayner  
Managing Director



## INVESTMENTS IN UNLISTED PROPERTY FUNDS

	Investment Allocation (%)	Value at Market (\$)	Yield On Cost (%)	Number of Properties	Ownership of Investment Vehicle (%)	Weighted Average Lease Expiry* (years)	Tax- Advantaged* (%)
<b>Unlisted</b>							
Deutsche - Abbotsford Property Trust	0.3	584,040	10.8	1	6.3	3.5	32
Deutsche - Gordon Property Trust	1.5	2,820,712	10.2	1	7.5	3.5	9
Deutsche - Northgate Property Trust	3.1	6,063,200	10.5	1	13.0	3.5	17
Centro - Kidman Park Property Trust	1.2	2,351,421	8.4	1	11.2	11.0	30
Centro - Roselands Property Trust	4.7	9,005,792	10.2	1	13.6	5.9	73
Centro Property Syndicate No 8	1.7	3,330,000	8.2	2	2.2	2.7	68
Investa - Collins Property Trust	1.9	3,641,450	4.0	1	24.1	2.6	100
Investa - Brisbane Commercial Trust	1.7	3,372,300	11.0	2	15.4	4.5	77
Investa - North Sydney Property Trust	0.2	471,684	5.6	1	2.7	3.7	100
Investa - Fourth Commercial Trust	0.0	25,480	10.0	3	0.1	6.9	100
Investa - Fifth Commercial Trust	4.6	8,872,200	9.4	4	19.1	5.2	79
Investa - Sixth Commercial Trust	4.5	8,645,000	9.1	4	20.3	4.3	90
Investa - First Industrial Trust	0.7	1,266,300	8.0	6	5.3	3.5	50
Investa - Second Industrial Trust	0.7	1,290,760	10.0	5	5.2	3.3	68
FAL Property Trust	8.5	16,400,000	8.4	6	20.3	9.0	100
Trafalgar - Platinum Fund No 12	4.5	8,630,120	8.8	3	23.0	10.2	100
James Fielding Industrial Fund	0.4	800,000	9.1	3	4.9	3.7	72
James Fielding Childcare Fund Series One	0.5	900,000	9.8	31	7.4	8.6	69
APN National Storage	1.0	2,000,000	9.2	20	3.2	14.0	82
Acumen Capital - 186 St George's Terrace	0.3	566,500	10.0	1	9.5	8.1	100
Cromwell Diversified Property Trust	5.2	10,000,000	9.0	14	5.9	7.4	100
Multiplex NZ Property Fund	14.7	28,423,579	9.0	11	25.0	10.7	95
James Fielding Retail Portfolio	1.6	3,000,000	8.5	6	16.5	7.0	66
APN Regional Property Fund	1.6	3,000,000	8.4	5	10.2	9.5	95
Multiplex Development and Opportunity Fund	5.2	10,000,000	8.0	17	7.2	na	100
SAITeysMcMahon Child Care Fund	2.6	5,000,000	9.0	80	12.8	8.1	99
<b>Unlisted Property</b>	<b>72.8</b>	<b>140,460,537</b>	<b>8.8</b>	<b>213</b>	<b>16.6</b>	<b>7.5</b>	<b>83</b>

## INVESTMENTS IN LISTED PROPERTY SECURITIES

<b>Listed</b>							
Australand Property Group	1.7	3,372,030	11.2	26	0.2	7.5	12
Investa Property Group	1.8	3,480,400	8.5	40	0.1	3.9	35
Galileo Shopping America Trust	0.8	1,474,701	9.6	50	0.4	7.6	68
Macquarie DDR Trust	1.1	2,096,150	8.9	22	0.3	8.1	85
Macquarie Pro-Logis	1.1	2,038,400	9.8	88	0.3	4.6	60
Valad Property Group	1.7	3,374,560	8.4	10	1.0	4.1	15
AMP NZ Office Trust	2.5	4,902,000	8.9	11	1.5	6.4	0
DB RREEF Trust	2.6	4,996,200	7.9	77	0.1	4.7	44
Macquarie Office Trust	2.6	4,960,050	8.2	25	0.2	5.4	52
<b>Listed Property</b>	<b>15.9</b>	<b>30,694,491</b>	<b>8.8</b>	<b>617</b>	<b>0.5</b>	<b>5.6</b>	<b>36</b>
<b>Cash</b>	<b>11.3</b>	<b>21,812,329</b>					
<b>Total Portfolio</b>	<b>100.0</b>	<b>192,967,357</b>	<b>8.8</b>	<b>830</b>	<b>13.7</b>	<b>7.2</b>	<b>74</b>

\* Latest stated or Manager estimate

## INVESTMENT UPDATE

During the first half of the 2005 financial year, the Fund made investments totalling \$49.7m into unlisted property securities and \$19.5m into listed property securities.

The unlisted and listed investments enhanced the Fund's:

- Exposure to proven property investment managers across property sector (from 9 to 15);
- High weighted average portfolio yield (8.8%);
- Long portfolio weighted average lease term (7.2 years); and
- Sectoral, geographic and managerial diversification (see graphs).

### UNLISTED PROPERTY SECURITIES

Investments made were with approved and experienced managers and were in line with the Fund's strict investment criteria which stipulate exposure restrictions to individual managers, investments and tenants.

#### Multiplex New Zealand Property Fund

The Multiplex New Zealand Property Fund is a \$274m, unlisted property fund with eleven New Zealand retail, office and industrial assets. The investment exhibits strong investment fundamentals such as a strong 9.0% initial yield, geographic and sector diversity, high occupancy rates, strong tenant profiles and a long unexpired lease term of 11.0 years.

#### James Fielding Retail Portfolio

The James Fielding Retail Portfolio is an unlisted property trust with total assets in excess of \$48m. Major features include a high 8.5% yield, exposure to the strong retail sector via investment in six shopping centres and geographic diversification.

#### APN Regional Property Fund

The APN Regional Property Fund is an unlisted property trust with total assets in excess of \$62m. Major features of this investment include retail and office sector diversification, long average lease term of 9.8 years secured by national tenants, initial yield of 8.5% and direct exposure to regional properties and two associated developments.

#### Multiplex Development and Opportunity Fund

Multiplex Development and Opportunity Fund has total assets of \$145m spread across 17 current development projects. The Fund is designed to generate a strong income stream outside the traditional income from property ownership in the unlisted property trust sector. The major features of this investment are access to 'turbo-charged' income without a commensurate increase in risk (the Multiplex Group is guaranteeing a minimum pre-tax yield of 8.0% pa until June 2008, with targeted returns of at least 15.0%) and co-investment into a range of development opportunities with the Multiplex Group.

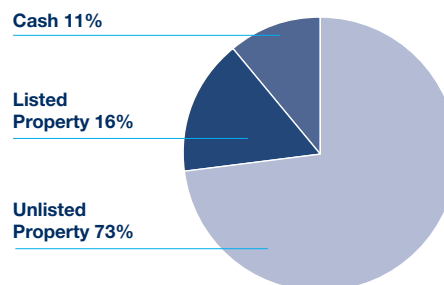
#### SAITeysMcMahon Childcare Fund

SAITeysMcMahon Childcare Fund is a specialised unlisted property trust with total assets in excess of \$80m. This investment offers a strong forecast yield of 9.3% (including extra trail commission), security of rental income through triple-net, 10-year leases with fixed rental reviews resulting in an average lease term to expiry of 8.2 years, and Parent Company lease guarantee by ABC Learning Centres Limited (ASX market capitalisation of circa \$1.1b).

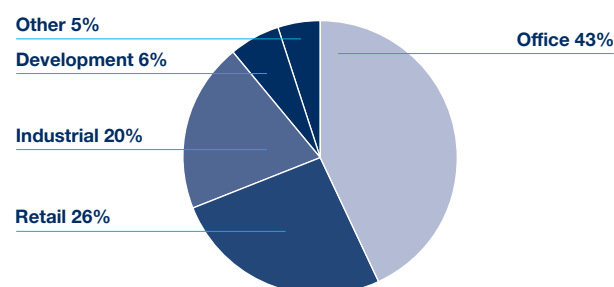
### LISTED PROPERTY SECURITIES

In line with its mandate to actively manage its \$31m listed property security portfolio, the Fund generated \$1.5m in profits via a sell down of selected listed property stocks towards the end of the period. Further re-investments were made into a select number of listed property securities, enabling the Fund to maintain the targeted levels of managerial, sectoral and geographic diversification as well as portfolio weighted average yield, lease term, and gearing.

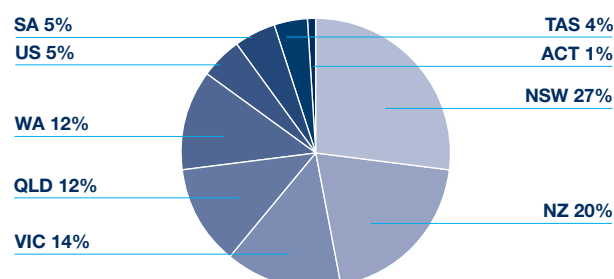
### ASSET TYPE



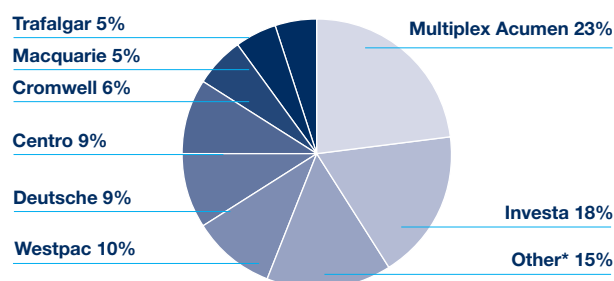
### SECTOR



### LOCATION



### TOP 8 TRUST MANAGERS



\*Other Managers include Australand, James Fielding, APN, Valad, Galileo and SAITeysMcMahon.

Multiplex Development and Opportunity Fund - Latitude Retail and Car Park



Centro Property Syndicate No. 8 - Centro Bankstown



Trafalgar Platinum Fund No. 12 - Melbourne Broadcast Centre



## MULTIPLEX ACUMEN PROPERTY FUND

### STATEMENT OF FINANCIAL PERFORMANCE

For the half year ended 31 December 2004

	31 December 2004 \$'000	17 October 2003 \$'000
<b>Investment income</b>		
Commissions	2,776	712
Distribution income	5,223	1,490
Interest income	466	206
Proceeds from disposal of investment	14,364	-
Share of profit from associate	544	-
<b>Total investment income</b>	23,373	2,408
<b>Expenses from ordinary activities</b>		
Performance fees	-	207
Responsible entity fees	382	84
Borrowing costs expense	1,396	-
Other expenses from ordinary activities	210	35
Cost of investment	12,797	-
<b>Total expenses from ordinary activities</b>	14,785	326
<b>Net profit from ordinary activities</b>	8,588	2,082
Increase/(decrease) in asset revaluation reserve from fair value adjustments	3,619	94
<b>Total revenues, expenses and valuation adjustments attributable to members of Multiplex Acumen Property Fund and recognised directly in equity</b>	3,619	94
<b>Total changes in equity other than those resulting from transactions with unitholders as owners</b>	12,207	2,176
<b>Statement of distribution</b>		
Distributions paid/payable	5,064	1,456
<b>Basic earnings per unit</b>	\$0.0817	\$0.0322

A full set of half year financial statements has been lodged with the Australian Stock Exchange and the Australian Securities and Investments Commission on 25 February 2005 and is available on the Multiplex website at [www.multiplexcapital.biz](http://www.multiplexcapital.biz)

James Fielding Retail Portfolio - Lanyon Market Place



FAL Property Trust - Foodland Distribution Centre



Multiplex New Zealand Property Fund - Mangere Distribution Centre



## MULTIPLEX ACUMEN PROPERTY FUND

### STATEMENT OF FINANCIAL POSITION

As at 31 December 2004

	31 December 2004 \$'000	30 June 2004 \$'000
<b>Assets</b>		
<b>Current</b>		
Cash assets	21,812	4,373
Receivables	5,046	3,467
<b>Total current assets</b>	26,858	7,840
<b>Non-current</b>		
Investments	171,155	110,818
<b>Total non-current assets</b>	171,155	110,818
<b>Total assets</b>	198,013	118,658
<b>Liabilities</b>		
<b>Current</b>		
Payables	1,520	1,816
Provision for distributions	2,759	1,831
Interest bearing liabilities	12,300	13,600
<b>Total current liabilities</b>	16,579	17,247
<b>Non-current</b>		
Interest bearing liabilities	29,500	8,200
<b>Total non-current liabilities</b>	29,500	8,200
<b>Total liabilities</b>	46,079	25,447
<b>Net assets</b>	151,934	93,211
<b>Unitholders' funds</b>		
Contributed equity	142,568	90,987
Reserves	3,874	255
Undistributed income	5,492	1,969
<b>Unitholders' funds</b>	151,934	93,211
Net tangible asset backing per unit (\$)	1.04	0.98

A full set of half year financial statements has been lodged with the Australian Stock Exchange and the Australian Securities and Investments Commission on 25 February 2005 and is available on the Multiplex website at [www.multiplexcapital.biz](http://www.multiplexcapital.biz)



## CORPORATE DIRECTORY



### **Company Secretary**

Mr Mark Pitts, B Bus CA

### **Registered Office**

1 Kent Street  
Sydney NSW 2000  
Telephone: (02) 9256 5700  
Facsimile: (02) 9256 5001

### **Unit Registry**

Computershare Investor Services Pty Limited  
Level 2, 45 St George's Terrace  
Perth WA 6000

GPO Box D182  
Perth WA 6840  
Telephone: (08) 9323 2000

### **Fund**

Multiplex Acumen Property Fund  
ARSN 104 341 988

### **Responsible Entity**

Acumen Capital Securities Limited  
1 Kent Street  
Sydney NSW 2000  
Telephone: (02) 9256 5700  
Facsimile: (02) 9256 5001

### **Auditor**

KPMG  
The KPMG Centre  
10 Shelley Street  
Sydney NSW 2000  
Telephone: (02) 9335 7000  
Facsimile: (02) 9299 7077

### **Stock Exchange**

The Fund is listed on the Australian Stock Exchange under the ASX code MPF.