

Multiplex European Property Fund  
Interim financial report  
For the half year ended  
31 December 2016

# Multiplex European Property Fund

ARSN 124 527 206

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# Directory

## Multiplex European Property Fund

For the half year ended 31 December 2016

### **Responsible Entity**

Brookfield Capital Management Limited  
Level 22, 135 King Street  
Sydney NSW 2000  
Telephone: +61 2 9322 2000  
Facsimile: +61 2 9322 2001

### **Directors of Brookfield Capital Management Limited**

F. Allan McDonald  
Barbara Ward  
Shane Ross

### **Company Secretary of Brookfield Capital Management Limited**

Men (Mandy) Chiang (appointed 15 November 2016)  
Neil Olofsson

### **Registered Office of Brookfield Capital Management Limited**

Level 22, 135 King Street  
Sydney NSW 2000  
Telephone: +61 2 9322 2000  
Facsimile: +61 2 9322 2001

### **Custodian**

Brookfield Funds Management Limited  
Level 22, 135 King Street  
Sydney NSW 2000  
Telephone: +61 2 9322 2000  
Facsimile: +61 2 9322 2001

### **Stock Exchange**

The Fund delisted from the Australian Securities Exchange (ASX) from the close of trading on 17 September 2015. Prior to that, the Fund was listed on the ASX under the code of MUE.

### **Location of Share Registry**

Link Market Services Limited  
Level 12, 680 George Street  
Sydney NSW 2000  
Telephone: +61 1800 685 455  
Facsimile: +61 2 9287 0303

### **Auditor**

Deloitte Touche Tohmatsu  
Grosvenor Place  
225 George Street  
Sydney NSW 2000  
Telephone: + 61 2 9322 7000  
Facsimile: + 61 2 9322 7001

# Directors' Report

## Multiplex European Property Fund

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For the half year ended 31 December 2016

### Introduction

The Directors of Brookfield Capital Management Limited (BCML) (ABN 32 094 936 866), the Responsible Entity of Multiplex European Property Fund (ARSN 124 527 206) (Fund), present their report together with the condensed consolidated interim financial statements of the Consolidated Entity, being the Fund and its subsidiaries, for the six months ended 31 December 2016 and the Independent Auditor's Review Report thereon.

The Fund was constituted on 16 November 2006 and it was registered as a Managed Investment Scheme on 3 April 2007.

All amounts quoted in this report are in Australian dollars, unless otherwise noted.

### Responsible Entity

The Responsible Entity of the Fund is Brookfield Capital Management Limited (BCML). BCML has been the Responsible Entity since inception of the Fund. The registered office and principal place of business of the Responsible Entity is Level 22, 135 King Street, Sydney NSW 2000.

### Directors

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

Name	Capacity
F. Allan McDonald	Non-Executive Independent Chairman
Barbara Ward	Non-Executive Independent Director
Shane Ross	Executive Director

### Principal activities

The principal activity of the Consolidated Entity was the investment in direct properties in Europe.

### Wind up of the Fund

At a meeting of unitholders held on 27 July 2015, an ordinary resolution was passed by unitholders to wind up the Fund in accordance with its Constitution and the *Corporations Act 2001*. The Responsible Entity continues to take steps consistent with those detailed in the Notice of Meetings and Explanatory Memorandum dated 1 July 2015. It is expected that the wind up process will take more than 12 months to complete.

As a part of the wind up process, a withdrawal agreement was signed by Multiplex German Investments GmbH, Multiplex Luxembourg General Partner S.a.r.l and Multiplex Luxembourg 1 S.a.r.l on 23 December 2016. With effect as of 31 December 2016, these German Partnerships were dissolved. All assets and liabilities of the German Partnerships were transferred to Multiplex Luxembourg Ltd Partner S.a.r.l. by way of accretion.

### Review of operations

The Consolidated Entity recorded a net loss after tax of \$679,000 for the half year ended 31 December 2016 (2015: net loss after tax \$3,671,000).

Some of the significant events during the period are detailed below.

- total revenue and other income of \$18,000 (2015: \$5,267,000); and
- net assets of \$18,923,000 and net asset per unit of \$0.08 (30 June 2016: \$26,576,000 and net asset per unit of \$0.11).

### Tax

#### Re-assessment of tax year 2007 onwards from German tax authority

As previously advised the Trade Tax audit by the German Tax office concluded in August 2016, that the Fund's subsidiaries have no liability to Trade Tax. A residual issue relevant to corporate income tax continues to be considered by the German Tax office. Final assessments were re-issued for 2007 with no tax to pay and advisors are seeking information in relation to any potential liability for later years. Present expectation is that no material liability will arise for the Fund.

#### VAT Audit

In September 2016, the Fund was notified that the German tax office is conducting a special VAT audit on one of the German partnership covering the period from 1 January 2015 until 31 December 2015. The audit did not affect the implementation of the withdrawal of the German partnership. The audit is still ongoing.

# Directors' Report continued

## Multiplex European Property Fund

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For the half year ended 31 December 2016

### Events subsequent to the reporting date

On 18 January 2017, an amount of €0.5 million (A\$0.7 million) placed in escrow has been released to the Fund's wholly owned German entities.

There are no other matters or circumstances which have arisen since the end of the financial half year period which significantly affected or may significantly affect the operations of the Consolidated Entity, the results of those operations, or the state of affairs of the Consolidated Entity in subsequent financial years.

### Returns of capital

The following returns of capital were declared by the Fund to its unitholders during the current period.

	Cents per unit	Total amount \$'000	Date of payment
<b>Ordinary units</b>			
August 2016 distribution	1.6	3,951	19 August 2016
December 2016 distribution	1.0	2,470	30 December 2016
<b>Total distributions and returns of capital for the half year ended 31 December 2016</b>	<b>2.6</b>	<b>6,421</b>	

During the period ended 31 December 2015, no distributions or returns of capital were declared to unitholders.

### Rounding of amounts

The Consolidated Entity is an entity of the kind referred to in Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191, dated 24 March 2016, and in accordance with that Corporations Instrument amounts in the Directors' Report and the financial statements are rounded off to the nearest thousand dollars, unless otherwise indicated.

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

The lead auditor's independence declaration is set out on page 6 and forms part of the Directors' Report for the half year ended 31 December 2016.

Dated at Sydney this 24th day of February 2017.

Signed in accordance with a resolution of the Directors made pursuant to Section 306(3) of the *Corporations Act 2001*.



**Shane Ross**

Director

Brookfield Capital Management Limited

Deloitte Touche Tohmatsu  
A.C.N. 74 490 121 060

Grosvenor Place  
225 George Street  
Sydney NSW 2000  
PO Box N250 Grosvenor  
Place  
Sydney NSW 1217 Australia

DX 10307SSE  
Tel: +61 (0) 2 9322 7000  
Fax: +61 (0) 2 9322 7001  
www.deloitte.com.au

The Board of Directors  
Brookfield Capital Management Limited  
(as Responsible Entity for Multiplex European Property Fund)  
Level 22, 135 King St  
Sydney NSW 2000

24 February 2017

Dear Directors

### **Multiplex European Property Fund**

In accordance with section 307C of the *Corporations Act 2001*, I am pleased to provide the following declaration of independence to the directors of Brookfield Capital Management Limited as the Responsible Entity of Multiplex European Property Fund.

As lead audit partner for the review of the financial statements of Multiplex European Property Fund for the half year ended 31 December 2016, I declare that to the best of my knowledge and belief, there have been no contraventions of:

- (i) the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
- (ii) any applicable code of professional conduct in relation to the review.

Yours sincerely

DELOITTE TOUCHE TOHMATSU

DELOITTE TOUCHE TOHMATSU

A. COLEMAN.

Andrew J Coleman  
Partner  
Chartered Accountants

# Condensed Consolidated Interim Statement of Profit or Loss and Other Comprehensive Income

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## Multiplex European Property Fund

For the half year ended 31 December 2016

	Note	Consolidated	
		Half year ended 31 December 2016 \$'000	Half year ended 31 December 2015 \$'000
<b>Revenue and other income</b>			
Property rental income		–	5,211
Interest income		18	56
<b>Total revenue and other income</b>		<b>18</b>	<b>5,267</b>
<b>Expenses</b>			
Property expenses		33	1,554
Finance costs to external parties		–	1,447
Management fees		49	78
Loss on sale of properties held for sale		–	4,901
Foreign currency translation loss realised		27	–
Other expenses	5	839	890
<b>Total expenses</b>		<b>948</b>	<b>8,870</b>
<b>Loss before income tax</b>		<b>(930)</b>	<b>(3,603)</b>
Income tax benefit/(expense)		251	(68)
<b>Net loss after tax</b>		<b>(679)</b>	<b>(3,671)</b>
<b>Other comprehensive income, net of income tax</b>			
<b>Items that may be reclassified subsequently to profit or loss</b>			
Changes in foreign currency translation reserve		(553)	949
<b>Other comprehensive (loss)/income for the period, net of income tax</b>		<b>(553)</b>	<b>949</b>
<b>Total comprehensive loss for the period</b>		<b>(1,232)</b>	<b>(2,722)</b>
<b>Net loss attributable to ordinary unitholders</b>		<b>(679)</b>	<b>(3,671)</b>
<b>Total comprehensive loss attributable to ordinary unitholders</b>		<b>(1,232)</b>	<b>(2,722)</b>

The Condensed Consolidated Interim Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the Notes to the Condensed Consolidated Interim Financial Statements.

# Condensed Consolidated Interim Statement of Financial Position

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## Multiplex European Property Fund

As at 31 December 2016

	Note	Consolidated 31 December 2016 \$'000	30 June 2016 \$'000
<b>Assets</b>			
<b>Current assets</b>			
Cash and cash equivalents	6	19,466	26,599
Restricted cash	6	730	1,495
Trade and other receivables		1,106	1,404
<b>Total current assets</b>		<b>21,302</b>	<b>29,498</b>
<b>Total assets</b>		<b>21,302</b>	<b>29,498</b>
<b>Liabilities</b>			
<b>Current liabilities</b>			
Trade and other payables		2,379	2,922
<b>Total current liabilities</b>		<b>2,379</b>	<b>2,922</b>
<b>Total liabilities</b>		<b>2,379</b>	<b>2,922</b>
<b>Net assets</b>		<b>18,923</b>	<b>26,576</b>
<b>Equity</b>			
Units on issue	7	196,112	202,533
Reserves		(910)	(357)
Undistributed losses		(176,279)	(175,600)
<b>Total equity</b>		<b>18,923</b>	<b>26,576</b>

The Condensed Consolidated Interim Statement of Financial Position should be read in conjunction with the Notes to the Condensed Consolidated Interim Financial Statements.



# Condensed Consolidated Interim Statement of Changes in Equity

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## Multiplex European Property Fund

For the half year ended 31 December 2016

Consolidated Entity	Attributable to Unitholders of the Fund			
	Ordinary units \$'000	Undistributed profits/(losses) \$'000	Reserves \$'000	Total \$'000
<b>Opening equity - 1 July 2016</b>	<b>202,533</b>	<b>(175,600)</b>	<b>(357)</b>	<b>26,576</b>
Changes in foreign currency translation reserve	–	–	(553)	(553)
<b>Other comprehensive loss for the period, net of income tax</b>	<b>–</b>	<b>–</b>	<b>(553)</b>	<b>(553)</b>
Net loss for the period	–	(679)	–	(679)
<b>Total comprehensive loss for the period</b>	<b>–</b>	<b>(679)</b>	<b>(553)</b>	<b>(1,232)</b>
Returns of capital	(6,421)	–	–	(6,421)
<b>Total transactions with unitholders in their capacity as unitholders</b>	<b>(6,421)</b>	<b>–</b>	<b>–</b>	<b>(6,421)</b>
<b>Closing equity - 31 December 2016</b>	<b>196,112</b>	<b>(176,279)</b>	<b>(910)</b>	<b>18,923</b>

Consolidated Entity	Attributable to Unitholders of the Fund			
	Ordinary units \$'000	Undistributed profits/(losses) \$'000	Reserves \$'000	Total \$'000
<b>Opening equity - 1 July 2015</b>	<b>202,533</b>	<b>(171,073)</b>	<b>(1,350)</b>	<b>30,110</b>
Changes in foreign currency translation reserve	–	–	949	949
<b>Other comprehensive income for the period, net of income tax</b>	<b>–</b>	<b>–</b>	<b>949</b>	<b>949</b>
Net loss for the period	–	(3,671)	–	(3,671)
<b>Total comprehensive loss for the period</b>	<b>–</b>	<b>(3,671)</b>	<b>949</b>	<b>(2,722)</b>
<b>Total transactions with unitholders in their capacity as unitholders</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>
<b>Closing equity - 31 December 2015</b>	<b>202,533</b>	<b>(174,744)</b>	<b>(401)</b>	<b>27,388</b>

The Condensed Consolidated Interim Statement of Changes in Equity should be read in conjunction with the Notes to the Condensed Consolidated Interim Financial Statements

# Condensed Consolidated Interim Statement of Cash Flows

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## Multiplex European Property Fund

For the half year ended 31 December 2016

	Consolidated	
	Half year ended 31 December 2016 \$'000	Half year ended 31 December 2015 \$'000
<b>Cash flows from operating activities</b>		
Cash receipts in the course of operations	87	4,159
Cash payments in the course of operations	(142)	(4,423)
Interest received	24	56
Income tax	(36)	–
Financing costs	–	(2,946)
<b>Net cash flows used in operating activities</b>	<b>(67)</b>	<b>(3,154)</b>
<b>Cash flows from investing activities</b>		
Proceeds from sale of properties	–	263,876
Returns of capital to investors	(6,421)	–
<b>Net cash flows (used in)/from investing activities</b>	<b>(6,421)</b>	<b>263,876</b>
<b>Cash flows from financing activities</b>		
Repayment of interest bearing liabilities	–	(271,317)
<b>Net cash flows used in financing activities</b>	<b>–</b>	<b>(271,317)</b>
Net decrease in cash and cash equivalents	(6,488)	(10,595)
Impact of foreign exchange	(1,410)	1,333
Cash and cash equivalents at beginning of the period	28,094	38,432
<b>Cash and cash equivalents at 31 December</b>	<b>20,196</b>	<b>29,170</b>
<b>Reconciliation of cash to cash and cash equivalents:</b>		
Cash and cash equivalents	19,466	23,948
Restricted cash	730	5,222
<b>Cash at 31 December</b>	<b>20,196</b>	<b>29,170</b>

The Condensed Consolidated Interim Statement of Cash Flows should be read in conjunction with the Notes to the Condensed Consolidated Interim Financial Statements

# Notes to the Condensed Consolidated Interim Financial Statements Multiplex European Property Fund

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For the half year ended 31 December 2016

## 1 Reporting entity

Multiplex European Property Fund (Fund) is an Australian registered managed investment scheme under the *Corporations Act 2001*. Brookfield Capital Management Limited (BCML), the Responsible Entity of the Fund, is incorporated and domiciled in Australia. The consolidated interim financial report of the Fund as at and for the six months ended 31 December 2016 comprises the Fund and its subsidiaries (together referred to as the Consolidated Entity).

## 2 Significant accounting policies

### Statement of compliance

The consolidated interim financial report is a general purpose financial report which has been prepared in accordance with the *Corporations Act 2001* and *AASB 134 Interim Financial Reporting* (AASB134). Compliance with AASB 134 ensures compliance with International Financial Reporting Standard *IAS 34 Interim Financial Reporting*. The consolidated interim financial report does not include notes of the type normally included in annual financial statements and should be read in conjunction with the most recent annual financial statements of the Consolidated Entity as at and for the year ended 30 June 2016. For the purpose of preparing the consolidated financial statements, the Fund is a for profit entity.

The consolidated interim financial statements were authorised for issue by the Directors on this 24th day of February 2017.

### Basis of preparation

The consolidated interim financial statements are presented in Australian dollars, which is the Fund's presentation currency, The Fund's functional currency is Australian dollars. However, the Consolidated Entity is predominantly comprised of operations that are located in Europe. The functional currency of the controlled entities that hold these operations is Euros.

The Consolidated Entity is an entity of the kind referred to in Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191, dated 24 March 2016, and in accordance with that Corporations Instrument amounts in the Directors' Report and the financial statements are rounded off to the nearest thousand dollars, unless otherwise indicated.

The accounting policies and methods of computation adopted in the preparation of the consolidated interim financial report are consistent with those adopted and disclosed in the consolidated financial report as at and for the year ended 30 June 2016.

### Wind up of the Fund and going concern

At a meeting of unitholders held on 27 July 2015, an ordinary resolution was passed by unitholders to wind up the Fund in accordance with its Constitution and the *Corporations Act 2001*. The Responsible Entity continues to take steps consistent with those detailed in the Notice of Meetings and Explanatory Memorandum dated 1 July 2015. It is expected that the wind up process will take more than 12 months to complete.

As a part of the wind up process, a withdrawal agreement was signed by Multiplex German Investments GmbH, Multiplex Luxembourg General Partner S.a.r.l and Multiplex Luxembourg 1 S.a.r.l on 23 December 2016. With effect as of 31 December 2016, these parties withdrew from each of the German Partnerships. All assets and liabilities of the German Partnerships were transferred to Multiplex Luxembourg Ltd Partner S.a.r.l. by way of accretion.

Based on the above, the Directors of the Responsible Entity believe it is appropriate to continue to adopt the going concern basis for this set of financial statements. The financial statements do not include adjustments relating to the recoverability and classification of asset accounts, nor to the amounts and classification of liabilities that might be necessary should the Fund and Consolidated Entity not continue as a going concern.

## 3 Use of estimates and judgments

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from those estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

In particular, information about significant areas of estimation, uncertainty and critical judgements in applying accounting policies that have the most significant effect on the amount recognised in the financial statements is provided in contingent tax liabilities (Note 10).

# Notes to the Condensed Consolidated Interim Financial Statements continued

## Multiplex European Property Fund

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For the half year ended 31 December 2016

#### 4 Returns of capital

The following returns of capital were declared by the Fund to its unitholders during the current period.

	Cents per unit	Total amount \$'000	Date of payment
<b>Ordinary units</b>			
August 2016	1.6	3,951	19 August 2016
December 2016	1.0	2,470	30 December 2016
<b>Total returns of capital for the half year ended 31 December 2016</b>	<b>2.6</b>	<b>6,421</b>	

During the period ended 31 December 2015, no distributions or returns of capital were declared to unitholders.

#### 5 Other expenses

	Consolidated Half year ended 31 December 2016 \$'000	Consolidated Half year ended 31 December 2015 \$'000
Receivables written off	483	–
Professional service fees	274	784
Other administration expenses	78	96
Employee benefits	4	10
<b>Total other expenses</b>	<b>839</b>	<b>890</b>

#### 6 Cash and cash equivalents

	Consolidated 31 December 2016 \$'000	Consolidated 30 June 2016 \$'000
Cash at bank	19,466	26,599
<b>Total cash and cash equivalents</b>	<b>19,466</b>	<b>26,599</b>
<b>Current restricted cash</b>		
Cash in escrow	730	1,495
<b>Total current restricted cash</b>	<b>730</b>	<b>1,495</b>
<b>Total cash</b>	<b>20,196</b>	<b>28,094</b>

Total restricted cash includes cash held in escrow in relation to the sale of the properties of A\$730,000 or €500,000 (30 June 2016: \$1,495,000 or €1,000,000).

#### 7 Units on issue

	Half year ended 31 December 2016 \$'000	Half year ended 31 December 2016 Units	Year ended 30 June 2016 \$'000	Year ended 30 June 2016 Units
Opening balance	202,533	246,950,150	202,533	246,950,150
Returns of capital	(6,421)	–	–	–
<b>Closing balance</b>	<b>196,112</b>	<b>246,950,150</b>	<b>202,533</b>	<b>246,950,150</b>

# Notes to the Condensed Consolidated Interim Financial Statements continued Multiplex European Property Fund

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For the half year ended 31 December 2016

## **8 Related parties**

There have been no significant changes to the related party transactions as disclosed in the annual report for the year ended 30 June 2016.

## **9 Contingent liabilities and assets**

Other than as disclosed in Note 10 there are no contingent liabilities or assets at 31 December 2016 (30 June 2016: nil)

## **10 Tax**

### **Re-assessment of tax year 2007 onwards from German tax authority**

As previously advised the Trade Tax audit by the German Tax office concluded in August 2016, that the Fund's subsidiaries have no liability to Trade Tax. A residual issue relevant to corporate income tax continues to be considered by the German Tax office. Final assessments were re-issued for 2007 with no tax to pay and advisors are seeking information in relation to any potential liability for later years. Present expectation is that no material liability will arise for the Fund.

### **VAT Audit**

In September 2016, the Fund was notified that the German tax office is conducting a special VAT audit on one of the German partnership covering the period from 1 January 2015 until 31 December 2015. The audit did not affect the implementation of the withdrawal of the German partnership. The audit is still ongoing.

## **11 Events subsequent to the reporting date**

On 18 January 2017, an amount of €0.5 million (A\$0.7 million) placed in escrow has been released to the Fund's wholly owned German entities.

There are no other matters or circumstances which have arisen since the end of the financial half year period which significantly affected or may significantly affect the operations of the Consolidated Entity, the results of those operations, or the state of affairs of the Consolidated Entity in subsequent financial years.

# Directors' Declaration

## Multiplex European Property Fund

For the half year ended 31 December 2016

In the opinion of the Directors of Brookfield Capital Management Limited, the Responsible Entity of Multiplex European Property Fund:

- a The condensed consolidated interim financial statements and notes, set out in pages 7 to 13, are in accordance with the *Corporations Act 2001*, including:
  - i giving a true and fair view of the financial position of the Consolidated Entity as at 31 December 2016 and of its performance for the six month period ended on that date; and
  - ii complying with Australian Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*;
- b There are reasonable grounds to believe that the Fund will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of the Directors of Brookfield Capital Management Limited.

Dated at Sydney, this 24th day of February 2017



**Shane Ross**

Director

Brookfield Capital Management Limited

Deloitte Touche Tohmatsu  
A.C.N. 74 490 121 060

Grosvenor Place  
225 George Street  
Sydney NSW 2000  
PO Box N250 Grosvenor  
Place  
Sydney NSW 1217 Australia

DX 10307SSE  
Tel: +61 (0) 2 9322 7000  
Fax: +61 (0) 2 9322 7001  
www.deloitte.com.au

## **Independent Auditor's Review Report to the Unitholders of Multiplex European Property Fund**

We have reviewed the accompanying half-year financial report of Multiplex European Property Fund ("the Fund"), which comprises the condensed consolidated statement of financial position as at 31 December 2016, and the condensed consolidated statement of profit or loss and other comprehensive income, the condensed consolidated statement of cash flows and the condensed consolidated statement of changes in equity for the half-year ended on that date, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration of the consolidated entity comprising the Fund and the entities it controlled at the end of the half-year or from time to time during the half-year as set out on pages 7 to 14.

### *Directors' Responsibility for the Half-Year Financial Report*

The directors of Brookfield Capital Management Limited, the Responsible Entity of the Fund, are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

### *Auditor's Responsibility*

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the Fund's financial position as at 31 December 2016 and its performance for the half-year ended on that date; and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*. As the auditor of Fund, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

## *Auditor's Independence Declaration*

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*. We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of Brookfield Capital Management Limited, would be in the same terms if given to the directors as at the time of this auditor's review report.

## *Conclusion*

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 European Property Fund is not in accordance with the *Corporations Act 2001*, including:

- (a) giving a true and fair view of the consolidated entity's financial position as at 31 December 2016 and of its performance for the half-year ended on that date; and
- (b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

DELOITTE TOUCHE TOHMATSU

DELOITTE TOUCHE TOHMATSU

A. COLEMAN.

Andrew J Coleman  
Partner  
Chartered Accountants  
Sydney, 24 February 2017