MULTIPLEX CAPITAL

Multiplex Capital Management Limited
ACN: 094 936 866
AFSL: 223809

26 February 2008

MULTIPLEX EUROPEAN PROPERTY FUND
INAUGURAL INTERIM FINANCIAL REPORT

Multiplex European Property Fund (Fund) is pleased to announce a net profit of $15.8m for the period ending 31 December 2007, which was driven by strong rental income from the high occupancy across the property portfolio.

Some of the key highlights during the period were as follows:

- Earnings per unit (weighted) of 8.79c is in line with the equivalent forecasted earnings outlined in the Fund's Product Disclosure Statement (PDS) [1]
- Distributions per unit of 6.38c is in line with the equivalent forecasted distributions outlined in the Fund's PDS[2]
- Net tangible assets per unit is $0.92 compared to $0.96 as at April 2007, primarily as a result of accounting translations and the marking-to-market values of derivatives
- Several rent review increases secured across the portfolio
- Property performance was driven by 97% occupancy across the portfolio
- The portfolio weighted average lease expiry remains one of the longest in the LPT market at 9.0 years

The Fund's performance is a result of the active asset management strategy being employed across the Initial Portfolio. Having clearly defined strategies in place for each property, supported with less than 5% of leases expiring before 2010, has allowed management to identify opportunities to unlock value across the portfolio.

The quality of the Initial Portfolio is highlighted by the independent valuation at 31 December 2007 of €364.3m. This was an €0.7m increase from the April 2007 valuation of €363.6m. In particular, the valuation highlighted strong gains in the office and logistic sectors with:

- Winkelhaid increasing in value by 6.8% to €16.2m after the Spicers rent review
- Frankfurt-am-Main increasing in value by 5.3% to €19.3m after the Telecity-Redbus rent review

In the retail sector, rent reviews were secured at Bad Marienburg, Bopfingen, Marienhafe, Blankenfelde and Rabenau. With retail rents not being dependent on sales turnover rent mechanisms, and with a retail sector WALE of 8.3years supported by strong lease covenants, the retail properties of the Fund are well placed to provide a stable income stream in the future. However, valuations have generally decreased for properties where vacancies still exist and management is focused on finding suitable tenants for these during the remainder of 2008.

The nursing home sector also increased in value with rent reviews being secured at Erfurt and Gottingen.

---

1 Earnings per unit has been weighted based on the issue of units on 2 April 2007 and net units issued on 26 June 2007. Actual financial results for the Fund are for the period from 2 April 2007 (Settlement Date) to 31 December 2007. The Fund's PDS dated 20 April 2007 outlines forecasted financial results for the Fund for the period from 27 June 2007 (Allotment Date) to 31 December 2007.
2 Distributions include those paid to related party unitholders prior to the issue of units under the Fund's PDS dated 20 April 2007.

The Fund is ready to commence its first redevelopment – the Wittmund shopping centre. The anchor tenants, Aldi and Combi (both supermarket tenants), have requested additional space. To accommodate the proposed changes, an adjacent site is planned to be purchased with preliminary planning permission for the new configuration of the retail park already having been granted. The new premises will be constructed without disrupting the current trading of both tenants. This will mean no rental loss is expected during the redevelopment of the asset. Completion of the redevelopment is expected by mid-2009.

The Fund has in place a fully drawn term facility with Eurohypo AG that expires in April 2014. No part of that facility is due to be refinanced before expiry. In addition, the Fund has hedged the following until April 2014:

- 100% of interest rate exposure on the term facility at an all-in rate of 4.48%pa
- 100% of invested equity at an exchange rate of $AUD1 = €0.5922
- 90% of income from the Initial Portfolio at an exchange rate of $AUD1 = €0.5476

The derivative profile of the Fund provides that the majority of unitholder distributions and all of the Fund's invested equity are not exposed to fluctuations in interest rates and exchange rates until April 2014. This is an attractive feature of the Fund during this time of increased volatility in financial markets around the world.

In announcing the Fund's inaugural interim results, Mr David Newling, Fund Manager, said "Despite the turmoil in global property and equity markets during the period, the Fund has continued to deliver on its underlying strategy of providing unitholders with attractive income distributions secured by a stable and diversified property portfolio."

Further information in relation to the Fund's interim results can be found in the Results Presentation also lodged with the ASX today.

The Fund's 2008 Interim Financial Report is expected to be sent to unitholders in early March.

For more information please contact:

Rob Rayner
CEO – Funds Management
(02) 9256 5937

David Newling
Fund Manager
(02) 9256 5348

About the Fund

Multiplex European Property Fund is a listed property trust that aims to offer investors attractive income distributions and the potential for capital growth over the medium to long term through a stable and diversified property portfolio in Europe.

The Fund currently owns a 94.9% interest in 67 properties (Initial Properties) located throughout Germany. The Initial Properties are diversified by asset class, tenant and geographical location. Germany was identified as the foundation market for the Fund due to its position as the world's third largest economy and improving economic outlook.