

Multiplex Hybrid Investment Trust
Special Purpose Financial Report 2005
For the period ended
30 June 2005

Hybrid Investment Trust

MULTIPLY

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Statement of Financial Performance

Multiplex Hybrid Investment Trust

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For the period ended 30 June 2005	Note	2005 \$'000
Revenue from ordinary activities		
Revenue from operating activities	2	15,181
Total revenue from ordinary activities		15,181
Net profit attributable to unitholders of the Multiplex Hybrid Investment Trust		15,181
Total changes in unitholders' funds attributable to unitholders of Multiplex Hybrid Investment Trust other than those resulting from transactions with owners as owners		15,181

The above Statement of Financial Performance should be read in conjunction with the accompanying notes

Statement of Financial Position

Multiplex Hybrid Investment Trust

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As at 30 June 2005	Note	2005 \$'000
Current assets		
Receivables	3	10,022
Total current assets		10,022
Non-current assets		
Receivables	4	450,000
Total non-current assets		450,000
Total assets		460,022
Current liabilities		
Payables	5	8,695
Non-interest bearing liabilities	6	1,327
Total current liabilities		10,022
Total liabilities		10,022
Net assets		450,000
Unitholders' funds		
Contributed equity	7	450,000
Undistributed income	8	–
Total unitholders' funds		450,000

The above Statement of Financial Position should be read in conjunction with the accompanying notes.

Statement of Cash Flows

Multiplex Hybrid Investment Trust

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For the period ended 30 June 2005	Note	2005 \$'000
Cash flows from operating activities		
Interest received		6,486
Net cash inflow from operating activities		6,486
Cash flows from financing activities		
Proceeds from issues of units		467,914
Issue costs paid		(17,914)
Loans to related parties		(450,000)
Distributions paid		(6,486)
Net cash (outflow) from financing activities		(6,486)
Net increase in cash held		-
Cash at the start of the financial period		-
Cash at the end of the financial period		-

The above Statement of Cash Flows should be read in conjunction with the accompanying notes.

Notes to the Financial Statements

Multiplex Hybrid Investment Trust

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For the period ended 30 June 2005

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Multiplex Hybrid Investment Trust

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For the period ended 30 June 2005

1 Summary of Significant Accounting Policies

(a) Basis of preparation

This financial report is a special purpose financial report which has been prepared for Multiplex Hybrid Investment Trust (the Trust) in order that the Multiplex SITES Trust shall comply with ASX Listing Rule 4.8. The report has been prepared in accordance with Accounting Standards, Urgent Issues Group Consensus Views, and other authoritative pronouncements of the Australian Accounting Standards Board (AASB), with the exception of the following standards:

- AASB 1046; and
- AASB 1047.

This financial report should be read in conjunction with the Multiplex SITES Product Disclosure Statement issued and lodged with the Australian Securities & Investments Commission (ASIC) on 29 November 2004 and the Supplementary Product Disclosure Statement issued and lodged with ASIC on 9 December 2004 and any public announcements made by the Multiplex SITES Trust during the period in accordance with continuous disclosure obligations arising under the Corporations Act 2001.

The financial report has been prepared using the historical cost convention. Except where stated, it does not take into account changing money values or current valuations of non-current assets.

(b) Rounding of amounts

The Trust is of a kind referred to in Class Order 98/0100, issued by ASIC, relating to the "rounding off" of amounts in the financial report.

Amounts in 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.

(c) Goods and services tax

Revenues, expenses and assets are recognised net of the amount of Goods and Services Tax (GST), except where the amount of GST incurred is not recoverable from the Australian Tax Office (ATO). In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of the expense.

Receivables and payables are stated with the amount of GST included. The net amount of GST recoverable from, or payable to, the ATO is included as a current asset or liability in the Statement of Financial Position.

Cash flows are included in the Statement of Cash Flows on a gross basis. The GST components of cash flows arising from investing and financing activities which are recoverable from, or payable to, the ATO are classified as operating cash flows.

(d) Revenue and expense recognition

Revenues are recognised at fair value of the consideration received. Exchanges of goods or services of the same nature and value without any cash consideration are not recognised as revenues. Revenue and expense are recognised for the major business activities as follows.

Interest revenue

Interest revenue is recognised as it accrues, taking into account the effective yield on the financial asset.

(e) Receivables

The collectibility of debts is assessed on an ongoing basis and specific provision is made for any doubtful accounts.

(f) Trade and other creditors

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

(g) Distributions

Provision is made for the amount of any distribution declared, determined or publicly recommended by the Directors on or before the end of the financial period but not distributed at balance date.

Notes to the Financial Statements Continued

Multiplex Hybrid Investment Trust

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For the period ended 30 June 2005

	2005 \$'000		
2 Revenue			
Revenue from operating activities			
Interest from Multiplex Property Trust	15,181		
3 Receivables (Current)			
Interest receivable from Multiplex Property Trust	8,695		
GST receivable	1,327		
	10,022		
4 Receivables (Non-current)			
Loan to Multiplex Property Trust	450,000		
The loan to Multiplex Property Trust is interest bearing. Interest on this loan is payable at the greater of 5.40% per annum or the three month bank bill rate on the issue date plus a margin of 1.90%.			
5 Payables (Current)			
Distributions payable on Class A units	8,695		
6 Non-interest Bearing Liabilities (Current)			
Amounts due to Multiplex Property Trust	1,327		
7 Contributed Equity			
4,500,000 Class A units issued to \$100 each	450,000		
17,913,725 Class B units issued to \$1 each	17,914		
100 ordinary units issued to \$1 each	-		
	467,914		
Less issue costs paid	(17,914)		
	450,000		
8 Undistributed income			
Undistributed income at start of period	-		
Net profit attributable to unit holders	15,181		
Distributions recognised during the period	(15,181)		
Undistributed income at end of period	-		
9 Distributions			
2005	Cents per Unit	Total Amount \$'000	Date of Payment
Class A units			
Initial distribution	144.14	6,486	15 April 2005
Final distribution	193.22	8,695	15 July 2005
Total distribution	337.36	15,181	

No distributions were paid, or are payable, in relation to the Ordinary or Class B units.

Notes to the Financial Statements Continued

Multiplex Hybrid Investment Trust

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For the period ended 30 June 2005

10 Segment Information

The Trust lends funds to, and earns interest income from, Multiplex Property Trust.

11 Remuneration of Auditors

During the period, all amounts paid to the auditor of the Trust were borne by Multiplex Limited, which is the ultimate parent of the trustee, Multiplex Hybrid Investment Pty Limited (the Trustee).

12 Contingent Liabilities and Contingent Assets

There are not any Contingent Liabilities or Contingent Assets requiring recognition.

13 Related Parties

Transactions between Multiplex Hybrid Investment Trust and other related parties

- (i) Multiplex SITES Trust purchased 100% of the Class A units of the Trust for \$450,000,000.
- (ii) Multiplex Hybrid Holdings Trust purchased 100% of the Class B units and 100% of the Ordinary units of the Trust for \$17,913,825.
- (iii) The Trust advanced a loan of \$450,000,000 to Multiplex Property Trust.
- (iv) The Trust received interest income of \$6,485,968 from Multiplex Property Trust.
- (v) The Trust paid a distribution of \$6,485,698 on Class A Units.

Trustee

The Trustee of the Trust is Multiplex Hybrid Investment Pty Limited whose immediate parent entity is Multiplex Funds Management Limited, and whose ultimate parent entity is Multiplex Limited.

14 Reconciliation of Profit from Ordinary Activities After Income Tax to Net Cash Inflow from Operating Activities

	2005 \$'000
Profit from ordinary activities	15,181
Change in operating assets and liabilities, net of effects from purchase and disposal of controlled entities:	
(Increase) in receivables	(8,695)
Net cash inflow from operating activities	6,486

15 Financial Instruments

Derivative financial instruments

The Trust's activities expose it to changes in interest rates. There are policies and limits approved by the Trustee's Board of Directors in respect of the use of derivative and other financial instruments to hedge cash flows and profits subject to interest rate risk. Management reports to the Board on a regular basis as to the monitoring of the policies in place.

The Trust is party to derivative financial instruments in the normal course of business in order to hedge exposure to interest rates. The Trust does not enter into derivative financial instruments for speculative purposes. The Trust continually reviews its exposures and upgrades its treasury policies and procedures. No such derivatives were in place at 30 June 2005 or during the period.

Interest rate risk

Interest rate risk exposures

The Trust's exposure to interest rate risk and the effective weighted average interest rate by maturity periods is set out in the following table.

2005	Revenue \$'000	Weighted average interest rate %	Floating interest rate \$'000	Fixed Interest Maturing in:			Non-interest bearing \$'000	Total \$'000
				1 year or less \$'000	Over 1 to 5 years \$'000	More than 5 years \$'000		
Financial assets								
	Current receivables	-	-	-	-	-	10,022	10,022
	Non-current receivables	7.56	450,000	-	-	-	-	450,000
			450,000	-	-	-	10,022	460,022
Financial liabilities								
	Current payables	-	-	-	-	-	8,695	8,695
	Current non-interest bearing liabilities	-	-	-	-	-	1,327	1,327
			-	-	-	-	10,022	10,022

Notes to the Financial Statements Continued

Multiplex Hybrid Investment Trust

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For the period ended 30 June 2005

16 International Financial Reporting Standards

For reporting periods beginning on or after 1 January 2005 the Trust must comply with the Australian equivalents of International Financial Reporting Standards (AIFRS) as issued by the AASB.

The Trust will report for the first time in compliance with AIFRS when the results for the half-year ending 31 December 2005 are released.

An initial assessment has been performed to determine the potential impacts on the current key accounting policies of the Trust. No material impacts have been identified, as the trust deed will be altered to ensure unitholder funds continue to be classified as equity.

17 Events Occurring After Reporting Date

There have been no significant events or transactions that have arisen since the end of the financial period, which in the opinion of the Directors, would affect significantly the operations of the Trust, the results of those operations, or the state of affairs of the Trust.

Directors' Declaration

Multiplex Hybrid Investment Trust

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Multiplex Hybrid Investment Pty Limited (the Trustee) as trustee of Multiplex Hybrid Investment Trust (the Trust) has determined that the Trust is not a reporting entity. The Trustee has determined that this special purpose financial report (the Financial Report) should be prepared in accordance with those accounting policies outlined in Note 1(a) to the Financial Report.

In the opinion of the Trustee:

- (a) the Financial Report and the notes to and forming part of the Financial Report gives a true and fair view of the financial position of the Trust as at 30 June 2005 and of its performance, as represented by the results of its operations and its cash flows, for the period ended on that date;
- (b) the Financial Report is in accordance with the basis of accounting described in Note 1(a);
- (c) there are reasonable grounds to believe that the Trust will be able to pay its debts as and when they become due and payable;
- (d) the Trust has operated during the period ended 30 June 2005 in accordance with the provisions of the Trust Constitution dated 24 November 2004; and
- (e) the register of unitholders has, during the period ended 30 June 2005, been properly drawn up and maintained so as to give a true account of the unitholders of the Trust.

Signed in accordance with a resolution of the Trustee.



Ian O'Toole
Director
Multiplex Hybrid Investment Pty Limited
14 September 2005

Independent audit report to the unitholders of Multiplex Hybrid Investment Trust

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Scope

We have audited the financial report of Multiplex Hybrid Investment Trust ("the Trust") for the period ended 30 June 2005, being a special purpose financial report consisting of the statement of financial performance, statement of financial position, statement of cash flows, accompanying notes 1 to 17 and the directors' declaration, set out on page 10. The directors of Multiplex Hybrid Investment Pty Limited are responsible for the financial report. The Directors' have determined that the accounting policies used and described in Note 1 to the financial statements are appropriate to meet the requirements of the *Corporations Act 2001* and the needs of the unitholders. We have conducted an independent audit of the financial report in order to express an opinion on it to the unitholders of the Trust. No opinion is expressed whether the accounting policies used, and described in Note 1, are appropriate to the needs of the unitholders.

The financial report has been prepared in order to meet the requirements of unitholders. We disclaim any assumption of responsibility for any reliance on this report, or on the financial report to which it relates, to any person other than the unitholders, or for any purpose other than that for which it was prepared.

Our audit has been conducted in accordance with Australian Auditing Standards. Our procedures included examination, on a test basis, of evidence supporting the amounts and other disclosures in the financial report, and the evaluation of significant accounting estimates. These procedures have been undertaken to form an opinion whether, in all material respects, the financial report is presented fairly in accordance with the basis of accounting described in Note 1 to the financial statements, so as to present a view which is consistent with our understanding of the Trust's financial position and performance, as represented by the results of its operations and its cash flows. These policies do not require the application of all accounting standards nor other mandatory professional reporting requirements in Australia.

The audit opinion expressed in this report has been formed on the above basis.

Audit opinion

In our opinion, the financial report of Multiplex Hybrid Investment Trust is in accordance with:

- a) the *Corporations Act 2001*, including:
 - (i) giving a true and fair view of the Trust's financial position as at 30 June 2005 and of its performance for the period ended on that date in accordance with the accounting policies described in Note 1 to the financial statements; and
 - (ii) complying with AASB1025 "Application of the Reporting Entity Concept and Other Amendments", AASB 1018 "Statement Of Financial Performance", AASB 1040 "Statement of Financial Position", AASB 1034 " Financial Report Presentation and Disclosures" and other Accounting Standards in Australia, to the extent described in Note 1, and the *Corporations Regulations 2001*; and
- b) other mandatory professional reporting requirements in Australia, to the extent described in Note 1 to the financial statements.

KPMG

A Dickinson
Partner
Sydney
14 September 2005



KPMG, an Australian partnership, is a member of KPMG International, a Swiss non-operating association.

www.multiplex.biz

Develop
Build
Own
Manage

A photograph of a modern building facade with a large, light blue sign that reads "ERNST & YOUNG". The sign is mounted on a metallic structure. The building has a glass and metal exterior. In the foreground, there are blurred figures of people walking, suggesting a busy urban environment. The sky is visible through the glass panels of the building's upper levels.

 ERNST & YOUNG