Brookfield MULTIPLEX | CAPITAL

Hallbergmoos, Munich

Multiplex European Property Fund

2009 Interim Results

25 February 2009

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Agenda

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Performance summary

Key Highlights

- EPU of 3.75 cpu* (normalised)
- DPU of 3.75 cpu

- Gross rental income in line with forecasts
- Greater efficiency in operating costs remains an important objective for 2009
- WALE and occupancy remain strong across the portfolio at 8.1 years and 96% respectively
- Additional debt finance unlikely to be available to undertake capital expenditure program
- Existing debt facility remains attractively priced in today's current environment with no refinancing due until April 2014
- -23% relative underperformance against the S&P/ASX 300 A-REIT Index during the period

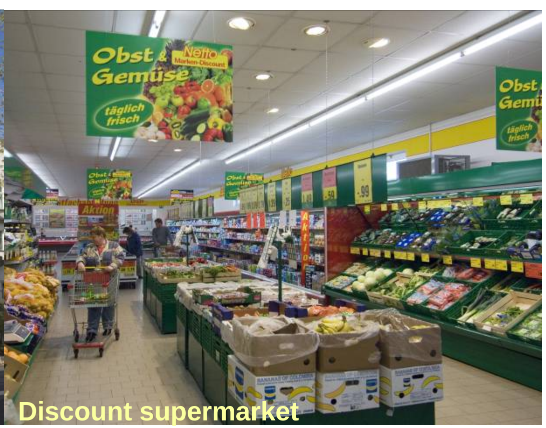
* Figures are for the period from 1 July 2008 to 31 December 2008, and adjusted for certain items to reflect their non-cash or non-recurring nature

Financial results summary

- Net Property Income (NPI) continues to meet forecasts after allowing for repairs and maintenance program
- Other income boosted by €550k for a lease surrender of Kentucky Fried Chicken at the Kassel property for 3.7 years income
  - Asset has not been occupied since settlement of the portfolio (April 2007)
- Gross income assessed in the independent valuation at €6k above the 30 June 2008 gross income valuation figure* (€556k when allowing for Kassel)
  - Discount retailers reporting stronger sales activity over the past 6 months

Gotha


Wiesbaden



Discount supermarket

* As confirmed in DTZ's valuation dated 31 December 2008

Financial results summary

- Interest costs have remained fixed during the period under the Fund's existing finance and derivative instruments
- Volatility in exchange rates continue to muddy financial result comparisons

  (and will continue to do so under current accounting standards)
- No debt covenant breaches of the term facility during the period
- Management fees proportionately waived for the impact of German corporate tax reform *

Gotha


Wiesbaden

Discount supermarket

* As outlined in the Chairman's letter dated 14 June 2007

Income Statement

	Consolidated 31 December 2008 ($'000)	Consolidated 31 December 2007 ($'000)*
Property rental income	21,677	29,767
Interest income	2,458	5,063
Other income	114	216
Net unrealised (loss)/gain on revaluation of financial derivatives	(89,776)	7,907
Total revenue and other income	**(65,527)**	**42,953**
Property expenses	1,439	4,711
Net fair value adjustment in investment property	85,638	1,094
Finance costs to external parties	9,934	12,998
Responsible Entity fees	1,645	2,021
Other expenses	1,741	540
Total expenses	**100,397**	**21,364**
Net profit before income tax	**(165,924)**	**21,589**
Income tax expense/(benefit)	(15,313)	5,804
Net profit after tax	**(150,611)**	**15,785**

* Comparative figures are for the period from 2 April 2007 (Settlement Date) to 31 December 2007

Normalised Results

	Consolidated 31 December 2008 ($'000)	Consolidated 31 December 2007 ($'000)*
Net profit after tax	**(150,611)**	15,785
Adjustments:		
- Unrealised loss/(gain) on mark-to-market value financial derivatives	89,776	(7,907)
- Net fair value adjustments to investment property	85,638	1,094
- Deferred income tax (benefit)/expense	(15,747)	5,804
- pre-IPO income distributed to unitholders	-	(4,456)
- Amortisation of borrowing costs	193	255
Normalised profit	**9,249**	**10,575**
Normalised earnings per unit	**3.75**	**4.28**

* Comparative figures are for the period from 2 April 2007 (Settlement Date) to 31 December 2007

Balance Sheet

	Consolidated 31 December 2008 ($'000)	Consolidated 30 June 2008 ($'000)
Total current assets	19,994	17,452
Total non-current assets	616,811	583,455
Total assets	**636,805**	**600,907**
Total current liabilities	16,188	13,811
Total non-current liabilities	528,984	384,416
Total liabilities	**545,172**	**398,227**
Net assets	**91,633**	**202,680**
Net Tangible Assets (NTA) per unit	$0.37	$0.82
Impact of mark-to-market value of financial derivatives (refer to next slide)	($0.233)	$0.11
Fund Gearing (total interest-bearing loans/ total assets at fund level)	74%	63%

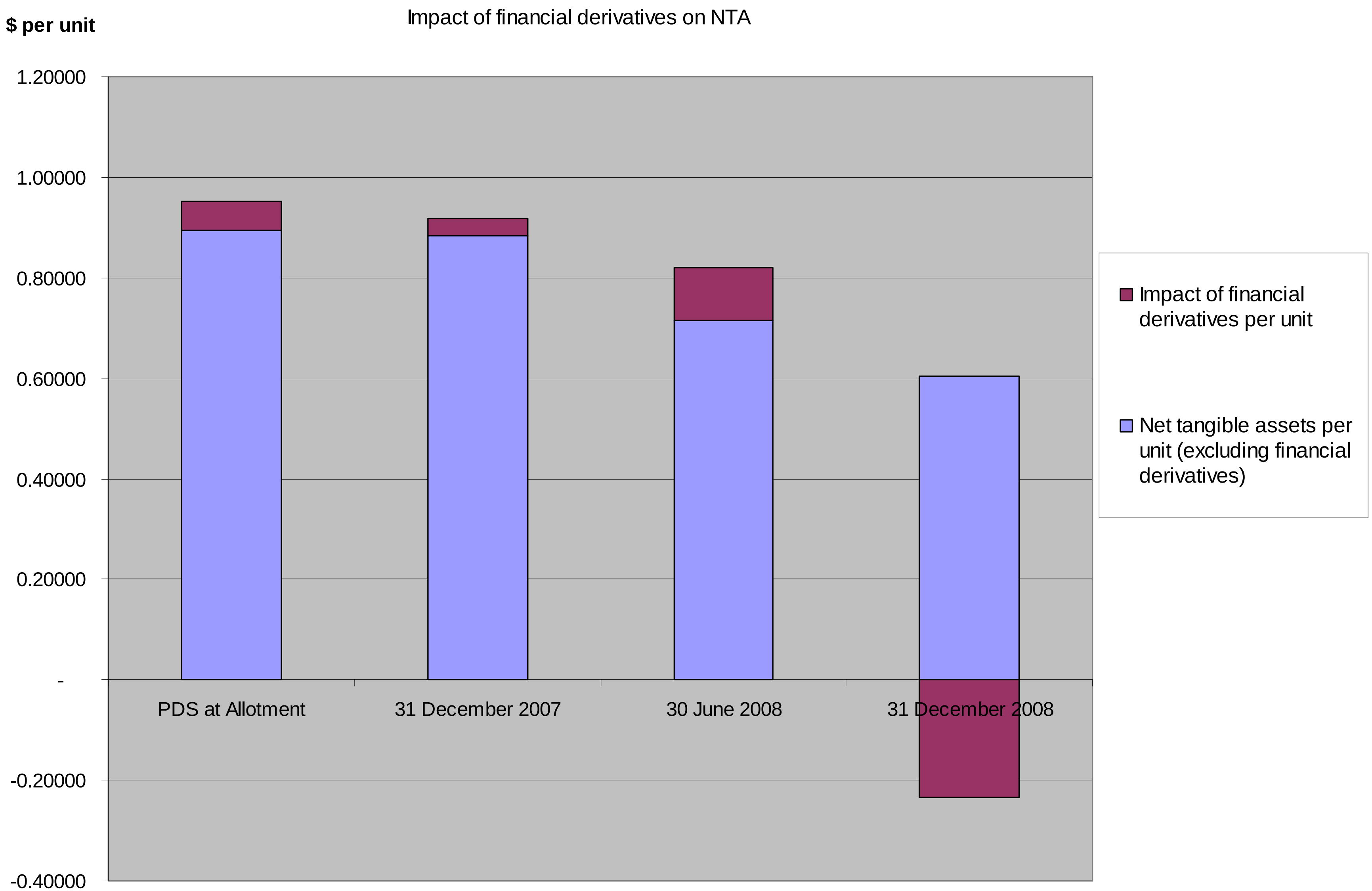
Impact of financial derivatives on balance sheet

- NTA continues to be affected by the ‘mark-to-market value of the Fund’s derivatives as required by current accounting standards
- This is the first reporting period where derivatives have all been “out of the money”
- Volatility will continue in the future but mark-to-market (MTM) movements recorded in the Fund’s financial statements are non-cash items

Instrument (MTM position)	December 2008 ($’000s)	June 2008 ($’000s)	December 2007 ($’000s)
Interest Rate Swap	(13,416)	22,032	14,284
Cross Currency Interest Rate Swap	(38,757)	2,989	(5,748)
FX Forward Exchange Contracts	(5,519)	1,414	17
Total mark-to-market position	**(57,692)**	**26,435**	**8,553**
NTA impact per unit	(23.3cpu)	10.7cpu	3.5cpu

Change over the period equates to $84,127,000 decrement or 34.0cpu decrease in the Fund’s NTA

Financial and capital management



Financial and capital management

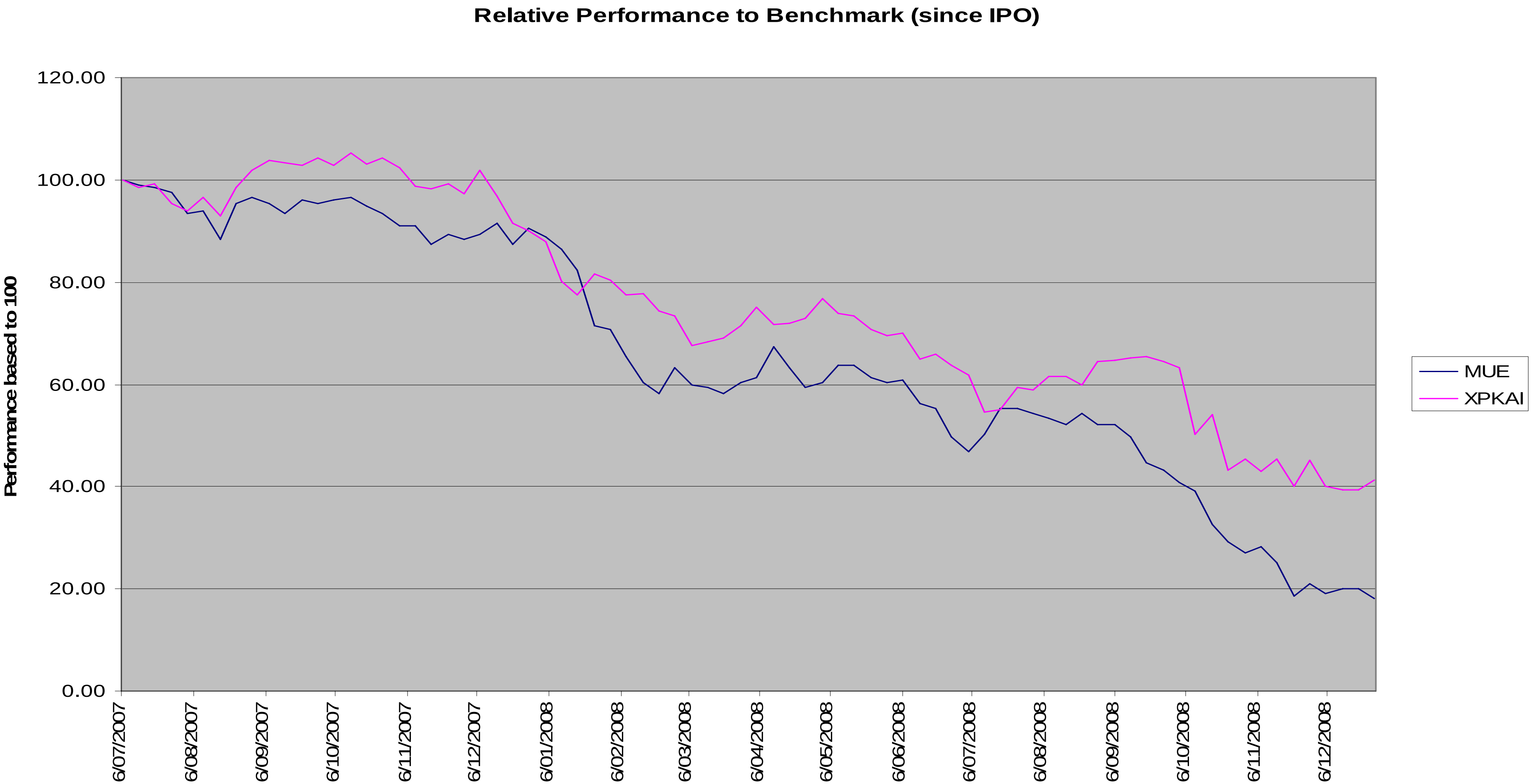
Summary of debt facilities and financial derivatives

Liquidity	• Increased focus on ensuring appropriate liquidity in the Fund • Retained at the Fund level and built up progressively
Debt facility	• €231.4 million term facility with Eurohypo AG • 7 year fully drawn interest only facility expiring 15 April 2014 • No portion is required to be refinanced before expiry • ICR is 2.07x; LVR 78% at borrowing level* • No covenant breaches during the period • Proactive capital management opportunities regarding debt may emerge during 2009
Interest rate management	• 100% interest rate hedging for duration of term facility • Fixed cost of borrowing at 4.48% per annum (inc. effect of financial derivatives) • Borrowing margin is 69bps (recent Postbank AG issue was at 85bps over EURIBOR)
Foreign exchange hedging	• Approximately 95% of original forecast distributable income and 100% invested equity hedged for duration of term facility • AUD/EUR has been volatile since inception of the Fund although this has had no cash impact on distributions or cash retained in the Fund

* ICR as at 15 January 2009

MUE ASX unit price v S&P/ASX 300 Property Accumulation Index

Underperformed the Fund's Benchmark Index by 23%



Source: IRESS

Financial and capital management

Alternatives under consideration

- No current plans to undertake capital raising to strengthen the balance sheet
  - Dilutive to existing unitholders
  - Whilst acquisitions may appear attractive, no clear indication of positive forward momentum
  - Subject to change depending on market conditions

- No Distribution Reinvestment Plan (DRP) to operate
  - Opposes yield investors who are the predominant unitholders in the fund
  - Pricing issues for take up without significant dilution

- Subject to review at June 2009

Financial and capital management

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Alternatives under consideration

- Delisting the fund
  - No disadvantage from remaining listed
  - Remaining listed preserves the intention of the original product offering
  - Issues blocking a delisting include execution ability, underwriting positions, future liquidity facility (including change of control provisions in the Term Facility) and form of unlisted fund (including any term issues for closed-ended fund)

- Unit buyback
  - Lack of sufficient cash reserves to currently undertake program
  - Issues blocking the program include meaningful execution and size of program, and counterintuitive position to future growth plans

- Subject to review at June 2009

Approved Initiatives

- Relocation of additional management functions to Luxembourg
  - Small office occupied in Luxembourg
  - Logistics of having London, Berlin, Malta support with Luxembourg and Sydney offices increases operating costs
  - Allows existing outsourcing model to be simplified
  - First function relocated during 2009 will be statutory functions (eg. jurisdictional accounting and tax requirements)
  - Expected cost savings over a period of time is likely to be >€300k per annum for the Fund

Property summary - Valuation

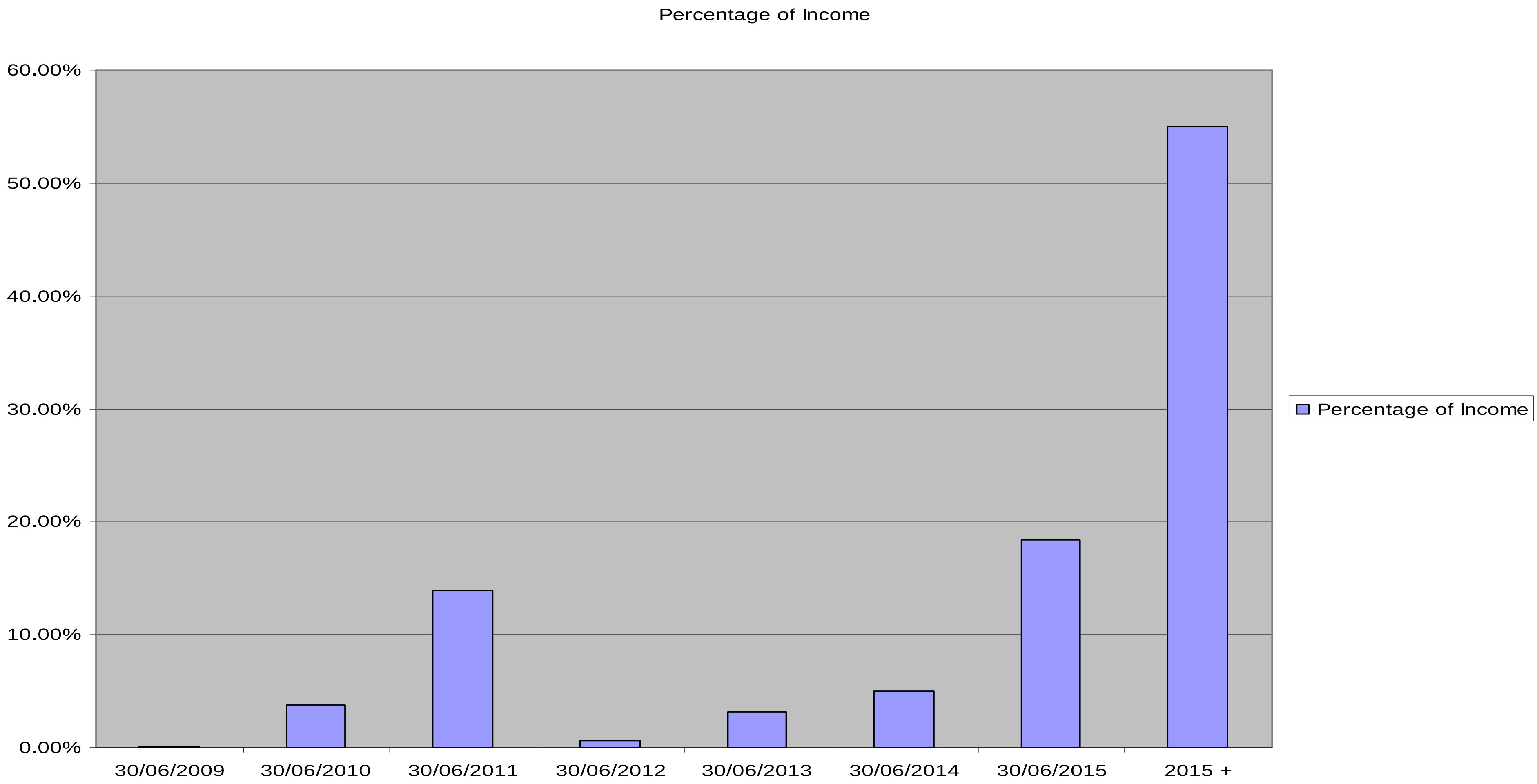
- Valuation decline is in line with general market movements
- No asset class has been immune to the global financial crisis
  - Discount retailers reporting stronger sales activity over the past 6 months
- Downward pressure on valuations likely to continue until market activity returns
- Weighted average initial yield for the portfolio has increased by 88bps to 7.09%

Sector	31 December 2008 valuation	30 June 2008 valuation	31 December 2007 valuation	% change (Dec-June)
Retail	€176,190,000	€197,030,000	€210,385,000	(10.6%)
Nursing homes	€62,315,000	€72,890,000	€75,855,000	(14.6%)
Logistics	€27,080,000	€32,720,000	€36,550,000	(17.3%)
Office	€32,470,000	€37,365,000	€41,490,000	(13.1%)
Total	**€298,055,000**	**€340,005,000**	**€364,280,000**	**(12.3%)**

Property summary – Lease expiries

Lease expiry by income

Less than 5% of leases expire before 30 June 2010 (excluding vacancies)



Property summary – Lease expiries

Significant lease expiries in 2011

- Dusseldorf
  - Major tenant – LBV – occupies approximately 85% of NLA
  - Property is 4% under-rented
  - Tenant has 12 month notification period to vacate prior to lease expiry in April 2011
  - Building is in below-average external condition – built 1965; minor refurbishment in 2000
  - Significant capital expenditure will be required in 2010

- Hallbergmoos
  - Sole tenant – TNT Express GmbH
  - Property is over-rented
  - Tenant has 12 month notification period prior to lease expiry in May 2011
  - Building is in excellent condition
  - Minor refurbishment is likely

Property summary – Capital Expenditure

The Considerations

- Eurohypo currently hold first and second ranking security against assets and ownership vehicles
- Third ranking security would be akin to mezzanine finance
- Indicative finance proposals have been received at up to 600bps over EURIBOR excluding upfront fees with more restrictive covenant obligations
- Likelihood of securing finance from another financier is remote
- Limited prospects of asset disposals
  - Poor market conditions to conduct at reasonable values
  - Prepayment conditions on term facility (65% of original purchase price must be repaid)
- Expenditure undertaken only as necessary and where significant value can be demonstrated (preservation or enhancement of value)

Property summary – Capital Expenditure

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The Short term program

- Clear R&M backlog of €1.17m over three years
  - €670k in the first year although significant majority has been delayed

- Approximate major capital expenditure (over next 3 years) *
  - Wittmund redevelopment – Stage 1 €5.5m; Stage 2 €3.4m (2009+)
  - Dusseldorf redevelopment/construction – estimated €5-8m (2010/11)
  - Hallbergmoos minor refurbishment – estimated €1m (2010/11)
  - Eisenhuttenstadt minor refurbishment and PPE purchases – estimated €1m (2011)
  - Schwedt minor refurbishment and PPE purchases – estimated €1m (2011)

- Total of all planned capital expenditure – approximately €15m
- Forecast to finance 100% equity until capital market activity returns
- Debt financing will be considered in conjunction with LVR position

Operating cashflow is the only current source of finance

* Estimates are based on information available as at 31 December 2008 and may be subject to change in the future

Distribution guidance FY2009

- Estimated 5.0 cpu for FY2009 as announced on 17 December 2008
  - March and June 2009 distributions remain subject to no further deterioration in operating or market conditions
- FY2009 distribution level is a reflection of:
  - No current access to debt funding
  - Capital expenditure to increase from 2010 onwards
  - Desire to promote higher liquidity in the Fund
  - Expectation of tougher operating conditions to continue for at least 2009
- Expectation of being able to increase distributions once capital markets and values have stabilised
- No DRP to operate given significant dilution in issuing new units

Strategy and Outlook

Strategy

Short term

- Retain tenants and preserve income stream
- Focus on minimising the operating costs of the Fund
- Ensure sufficient liquidity in the Fund to meet future challenges without raising new (and dilutionary) equity

Medium to Long term

- Correct any structural issues
- Reposition portfolio away from non-core assets
- Consider expansion options given current and likely future valuation propositions (cyclical and distressed opportunities)

Dusseldorf

Contact details

David Newling
Fund Manager – MUE &
Head of Direct Property Funds
1 Kent Street
Sydney NSW 2000
Ph (02) 9256 5000
Fax (02) 9256 5188
david.newling@brookfieldmultiplex.com