Interim Report 2009

Multiplex Acumen Property Fund

ARSN 104 341 988

Brookfield MULTIPLEX | CAPITAL

Responsible Entity
Brookfield Multiplex Capital Management Limited
ACN 094 936 866, AFSL 223809

Interim Report

$280.3m

Total assets

$0.61

NTA per unit

6.0yrs

Weighted average lease expiry

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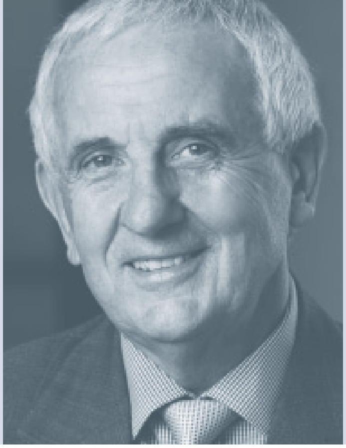
Message from the Chairman and CEO



On behalf of the Board of Brookfield Multiplex Capital Management Limited (BMCML), we enclose the interim financial results for the period to 31 December 2008 for Multiplex Acumen Property Fund.

During the period, the Australian Real Estate Investments Trust (A-REIT) sector continued to be impacted by the global financial crisis, a weakening Australian economy and credit market stress. The A-REIT sector recorded a fall of 54%* for the 12 months to 31 December 2008.

The Fund's underlying investments have been negatively impacted both with respect to income and value. A net loss of $57.1 million is attributable to the unitholders of the Fund for the half year ended 31 December 2008. This includes an impairment loss of $36.8 million on the Fund's A-REIT and unlisted property securities portfolio.

Financial covenants

In light of recent falls in the valuation of unlisted funds and A-REITs with respect to income and value, the Fund has been closely reviewing its compliance with financial covenants. Declines in property valuations as at 31 December 2008 resulted in the Fund not being able to meet one of its three financial covenants being the Extension Ratio Limit covenant (ERL). Three recent ASX releases address this issue.

Distribution policy

As a result of the fall in distribution income from the Fund's investments, BMCML amended the Fund's distribution policy during the period to now pay distributions solely from net operating income.

Future Fund distributions will be dependent upon the success of negotiations with the financier, prevailing market conditions, expected levels of net operating income and the Distribution Stopper relating to the Multiplex Property Income Fund.

Fund strategy and outlook

The Board and management are committed to strengthening the Fund's capital position. The immediate focus is to implement a strategic plan to restructure the Fund.

We would like to thank our investors for their ongoing support and confidence in Brookfield Multiplex Capital. We will continue to provide you updates during the year.

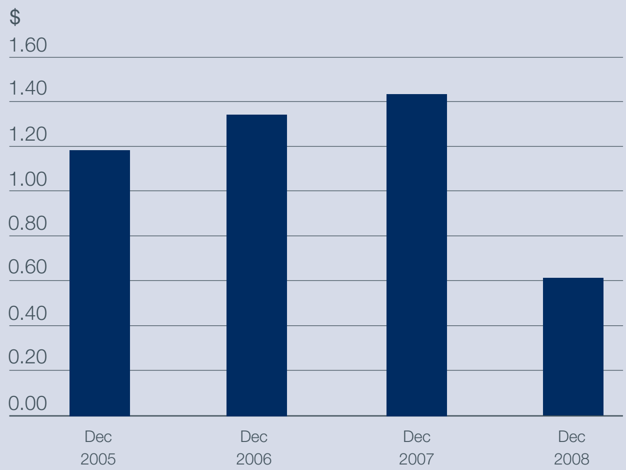
Peter Morris
Chairman

Mark Wilson
CEO – Funds Management

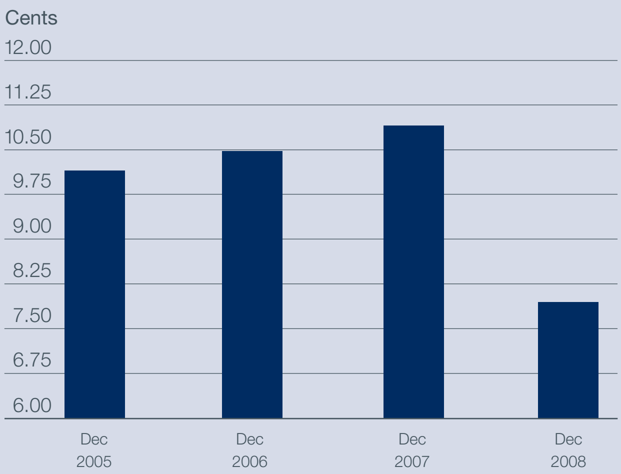
* 12 month return S&P/ASX200 A-REIT Accumulation Index.

Performance at a Glance

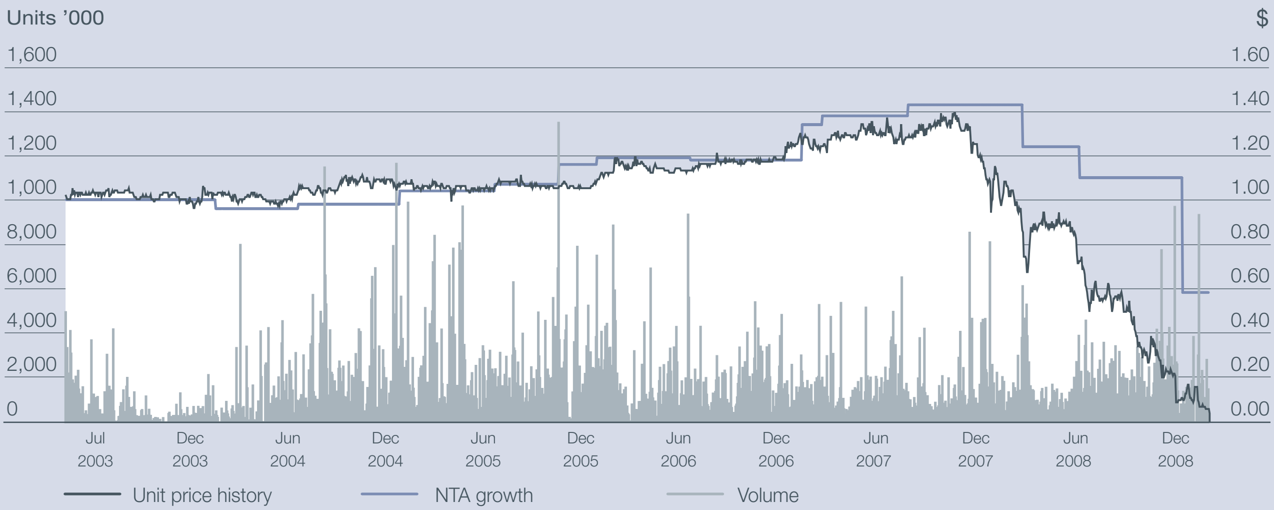
NTA per unit (as at December)



Distribution per unit (12 months to December)



Unit price and NTA history



Source: IRESS

Fund Manager's Half Year Review

On behalf of Multiplex Acumen Property Fund and its subsidiaries (MPF or the Fund), I present the Fund Manager's Review for the half year ended 31 December 2008.

The period in summary

Reflecting significant negative factors stemming from the global financial crisis, the consolidated Fund's underlying investments have been negatively impacted with respect to income and value. This has in turn impacted the unit price and financial performance of the Fund.

Key messages in the financial results of the Fund are as follows:

- net loss attributable to ordinary unitholders of $57.1 million, compared to a net profit attributable to ordinary unitholders of $16.0 million in the previous corresponding period (pcp);*
- earnings per unit (EPU) of (28.13) cents, compared to EPU of 7.88 cents in the pcp;
- distributions per unit (DPU) of 2.25 cents, down 59.1% on the pcp;
- total assets of $280.3 million, compared to $381.9 million in the pcp;
- net tangible assets (NTA) per unit of $0.61, compared to $1.10 in the pcp; and
- as at 31 December 2008 the Fund was in breach of one of its debt covenants but remained in compliance with the other two.

Normalised income from distributions reduced 48.0% to $7.3 million over the pcp as a result of almost all underlying funds reducing distributions in order to generate cash to fund capital expenditure and/or reduce borrowings.

The interim 2009 normalised net profit/(loss)** attributable to ordinary investors was $0.5 million, down 96.1% on $12.6 million in the pcp, reflecting lower distribution income, nil brokerage income (down from $0.9 million in the pcp) and a loss on disposal of investments of $0.3 million compared to a gain of $3.4 million in the pcp.

As a result, normalised EPU was 0.24 cents, down 96.1% on the pcp. DPU of 2.25 cents was down 59.1% on the pcp.

Due to negative impacts stemming from current market conditions, the Fund's focus is efficient capital management, effective portfolio management and reducing costs.

The Fund's unlisted property fund and A-REIT investment portfolio was valued at $261.2 million, a reduction of $86.6 million (or 24.9%) on the pcp, reflecting lower asset valuations within the Fund's underlying investment portfolio and a lack of new investments in view of the current environment.

* The pcp for the Income Statement is the half year ended 31 December 2007. The pcp for the Balance Sheet is as at 30 June 2008.

** 2008 normalised net profit/(loss) is actual net loss of $54.4 million less profit attributable to minority interest of $2.7 million, plus the share of net loss from investments accounted for by the equity method of $19.0 million, plus distributions from equity accounted investments of $1.1 million, plus non cash items of $37.5 million (comprising amortisation of borrowing expenses of $0.3 million, plus an impairment expense of $36.8 million plus unrealised loss on derivatives of $0.7 million).

This drop in overall portfolio value was driven by a $31.3 million decrease in the value of the Fund's A-REIT property investment portfolio and a $55.3 million decrease in the value of the unlisted property investment portfolio, reflecting declining asset valuations generally and the poor performance of the A-REIT sector. The A-REIT investment portfolio is marked-to-market while the unlisted investment portfolio is held at NTA per unit.

Fall in normalised earnings per unit

Actual EPU was (28.13) cents, compared to 7.88 cpu in the pcp. The Fund's normalised EPU was 0.24 cents, down 96.1% on the pcp, predominantly driven by lower distribution income.

Distribution update

As a result of the fall in distribution income from its investments, the Fund did not pay any distribution for the December 2008 quarter.

As a fund-of-funds, MPF relies on its ongoing investment review process and its investment managers' continuous disclosure obligations to enable the Fund to forecast earnings.

Reflecting issues associated with the global credit crisis, a number of the Fund's investments downgraded or suspended distributions as the half year progressed.

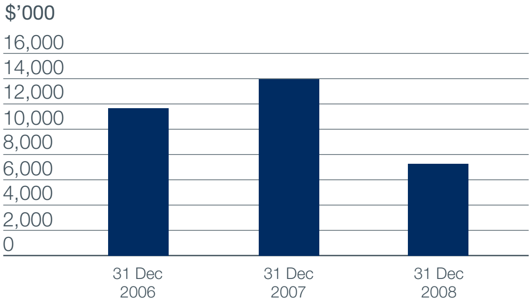
The Fund forecast expected distributions on a monthly basis. Confirmation in December 2008 of reduced distribution levels by some investments that pay distributions half yearly meant the Fund had forecast a higher level of distribution income than what was actually received.

Falls in distribution income in the Fund's underlying investments were a direct result of the increased scarcity and cost of credit, whereby underlying funds were required to retain cash to fund capital expenditure requirements or meet obligations under their own borrowing facilities.

On 28 August 2008, based on (then) current market conditions and available information, BMCML gave a target distribution level for FY09 of 9.0 cents per unit and a distribution rate of 2.25 cents per unit for the September 2008 quarter.

The Fund's internal FY09 forecasts now assume 39.6% of the Fund's investments (by value) will not pay any distributions for the March 2009 and June 2009 periods.

Distribution income received from investments



Fund Manager's Half Year Review

On 17 December 2008 BMCML amended the Fund's distribution policy to pay distributions solely from net operating income. It also resolved that the Fund will not pay any distribution for the December 2008 quarter and will consider the outcome of negotiations with the Fund's financier, prevailing market conditions and expected levels of net operating income before declaring any distribution for the March and June 2009 quarters.

The Fund may not be able to pay cash distributions for the March 2009 quarter onwards to its investors if there is a Priority Distribution Payment (PDP) shortfall in the controlled Multiplex Property Income Fund (Income Fund).

NTA update
To address the level of uncertainty surrounding asset values in the current property market, BMCML has valued the Fund's 27 investments in underlying unlisted property securities funds based on the net asset value provided as at 31 December 2008, or where this has not been provided, the latest available net asset value. In circumstances where the latest available net asset value has not been obtained, an assessment of the appropriateness of the value has been made based on knowledge of valuation and transactional movements in the underlying investment's structure as compared to similar portfolios. On this basis, the NTA per unit of $0.61 as at 31 December 2008 was 44.1% below the NTA per unit of $1.10 as at 30 June 2008.

Fund borrowings
During the half year period, the Fund repaid 5.0% of its borrowings, reducing them by $4.0 million to $76.2 million. This was in addition to $6.8 million repaid in the six months to June 2008.

As at 31 December 2008, gearing at the Fund level had increased from 18.8% in the pcp to 23.5%. The increase was a function of the reduction in asset values that more than offset the $4.0 million reduction in borrowings.

The Fund's current facility is a 2-year debt facility (with annual reviews) that expires 31 December 2009. Interest rates are fixed on 97% of borrowings for an average duration of 2.2 years at a weighted average interest rate of 6.79% (including margins).

Financial covenant update
At the previous testing date of 30 June 2008, the Fund was in compliance with all of its financial covenants.

As foreshadowed in recent ASX announcements, in light of recent falls in the valuation of unlisted funds and A-REITs, declines in property valuations as at 31 December 2008 have resulted in the Fund not being able to meet the Extension Ratio Limit covenant (ERL) at the 31 December 2008 testing date. The ERL provides that the amount drawn under the facility must not be greater than the sum of 60% of the value of its A-REIT portfolio and 20% of the value of its unlisted property securities portfolio. Based on the Fund's reviewed accounts the Fund has calculated that the amount drawn under the facility needs to be reduced by approximately $12.6 million to $63.6 million in order to bridge the gap between the ERL and drawn debt of $76.2 million.

The Fund continues to be in active discussions with its financier in relation to this issue and other terms, with a view to renegotiate the terms of the Fund's debt facility. The Fund is currently forecast to generate sufficient income with which to service the interest on its current debt facility.

The 23.5% gearing at the Fund level is below the Fund's 25% "soft" covenant limit and 30% "hard" covenant limit. The portfolio weighted average gearing level was 51%. When combined with borrowings at the Fund level, the Fund's "look through" gearing level of 63% is in line with the 61% reported as at 30 June 2008 and 31 December 2007.

The Fund's Interest Cover Ratio (ICR) covenant as at 31 December 2008 was 5.1 times Earnings Before Interest and Tax (EBIT), above the requirement to maintain an ICR of at least 3.0 times EBIT.

Based on current expectations of future asset values and forecast income of the Fund, it is expected that the Fund may remain in breach of the ERL at 30 June 2009 and that the gearing and ICR covenants may be breached at 30 June 2009. However, the Fund's current intention is to obtain refinancing or extension of the existing debt facility prior to this date.

If the Fund is unable to secure a refinancing or extension of the existing facility, it may be necessary for the Fund to realise a significant portion of its investment portfolio. Should such a sale occur within a short time frame in the current market conditions, the Fund may not realise the values recognised in the financial statements.

Investment portfolio

Unlisted property investments

The Fund's unlisted portfolio provides investors with indirect exposure to over 500 underlying properties held by 27 different property investments that are managed by 17 experienced fund managers.

As at 31 December 2008, the Fund's portfolio of unlisted property investments was valued at $232.8 million, a 19.2% decrease over the pcp, as a result of a reduction in property valuations in the current market. On a like-for-like basis, those unlisted funds held for more than one year decreased in value by an average of 26.9% over the pcp.

The Fund did not make any further investments in unlisted property funds during the half year based on the lack of suitable offerings and the determination by the Fund to allocate funds to reduce borrowings. During the half year, no unlisted property investments wound up.

To generate liquidity, the Fund sought to redeem its investment in unlisted funds where possible. However, in response to market conditions almost all fund redemption facilities were frozen.

Fund Manager's Half Year Review

A-REIT investments

The Fund's A-REIT portfolio provides investors with indirect exposure to over 2000 underlying properties held by 21 different property investments that are managed by 21 experienced fund managers.

As at 31 December 2008, the Fund's portfolio of A-REITs was valued at $28.4 million, a reduction of 52.4% over the pcp as a result of the negative impact on A-REIT trading prices from poor financial and property market conditions.

The Fund did not make any further investments in A-REITs during the half year. During the period, the Fund sold Securities worth $0.7 million in Australand Property Group (ALZ) and $0.1 million in Challenger Wine Trust (CWT) based on poor earnings outlook for these funds combined with limited opportunities for capital growth.

Total return

The Fund generated a total ASX return of –85.4% over the year to 31 December 2008, comprising a 6.6% income yield and a 92.0% reduction in its ASX trading price. The Fund underperformed the S&P/ASX 200 A-REIT Accumulation Index by 31% during the same period.

Brokerage income

The Fund made no brokerage income in the half year, compared to $0.9 million in the pcp, as a result of the lack of suitable investment opportunities during the half year.

Multiplex Property Income Fund (Income Fund)

The Income Fund has also been negatively impacted by reductions in distribution income and in the value of its investments. The Income Fund is consolidated into the Fund's accounts as a function of the Fund's ownership of 100% of the Ordinary units.

During the period, the Income Fund was closed to new applications and redemptions, and distributions to Income unitholders were pared back to the underlying earnings of its investment portfolio. As a direct consequence, the Distribution Stopper has come into effect. This means the Fund is unable to pay cash distributions to its unitholders after 28 February 2009 until such time as the Distribution Stopper is lifted where an amount equivalent to the Priority Distribution Payment (PDP) for the preceding 12 months was, or has been, paid in full to Income unitholders. The decline in valuations within the Income Fund has also reduced the value of the Fund's Ordinary units in the Income Fund to $0.12 per unit.

Future direction
The Fund has sought to proactively manage the significant challenges that the last period has placed before it. However, given the degree of these challenges, it may be some time before market conditions allow the Fund's earnings and NTA per unit to improve. Further deterioration in financial and property markets may result in further reductions in the Fund's NTA per unit and distribution income.

The Fund's focus is to implement a strategic plan to restructure the Fund. The plan to extend the Fund's borrowing facility and restructure the Fund is currently being considered by the Fund's financier and includes a possible combination of asset sales and capital raisings to restore the balance sheet.

In light of the Fund's performance in these difficult markets, I would like to thank you for your continued support and assure you that BMCML is committed to the best possible long term outcome for investors in these unprecedented times.

For further information relating to the half year ended 31 December 2008, please see the full interim financial report which is available on our website www.brookfieldmultiplexcapital.com.

I will continue to update you on the Fund's activities over the course of the year.

Tim Spencer
Fund Manager
Multiplex Acumen Property Fund

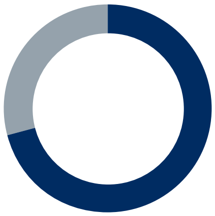
Fund snapshot as at 23 February 2009

Listing date	8 July 2003
Market capitalisation	$10 million
Total assets	$256 million
Closing price	$0.051
Portfolio weighted average lease term	circa 6.0 years
ASX daily trading volumes (three month average)	211,500 units/day
Tax advantaged status (historically)	30% to 50%
Fund gearing (net debt/total assets)	24.0%
Management fee	0.5% (including GST) of gross asset value
Performance fee	20% of benchmark* outperformance

* S&P/ASX 200 A–REIT Accumulation Index.

Asset allocation[1]

- 71% Unlisted property funds
- 29% Listed property funds



Geographic allocation[1]

- 25% New South Wales
- 13% Victoria
- 12% New Zealand
- 10% Europe
- 10% Queensland
- 10% Tasmania
- 8% Western Australia
- 5% South Australia
- 4% United States
- 2% Australian Capital Territory
- 1% Asia

Sector allocation[1]

- 40% Office
- 34% Retail
- 15% Industrial
- 11% Other
- 0% Development

Manager allocation[1]

- 21% Brookfield Multiplex
- 13% Investa
- 12% DEXUS
- 11% Cromwell
- 10% Westpac
- 7% Orchard
- 7% Other[2]
- 6% Mirvac
- 5% Centro
- 4% APN
- 4% MAB

Notes:

1 By forecast full year income.

2 Other managers include Aspen, Austock PFM, Australand, Challenger, Charter Hall, Colonial First State, FKP, Galileo, GPT, ING, MAB, Macquarie, Reckson, Reed, Rimcorp, Rubicon, St Hilliers, Stockland, Tishman Speyer and Valad.

Investment Portfolio

	Manager	Location	Sector
Unlisted Property Funds			
APN Champion Fund	APN	Europe	Retail
APN National Storage Property Trust	APN	Australia	Other
APN Regional Property Fund	APN	Australia	Diversified
APN UKA Poland Retail Fund	APN/UKA	Europe	Retail
APN UKA Vienna Retail Fund	APN/UKA	Europe	Retail
Austock Childcare Fund	Austock	Australia	Other
Centro MCS 21	Centro	Australia	Retail
Centro MCS 22	Centro	Australia	Industrial
Centro MCS 28	Centro	Australia	Retail
FKP Core Plus Fund	FKP	Australia	Development
Gordon Property Trust	Dexus	Australia	Retail
Investa Diversified Office Fund	Investa	Australia	Commercial
Investa Fifth Commercial Trust	Investa	Australia	Commercial
Investa Second Industrial Trust	Investa	Australia	Industrial
MAB Diversified Property Trust	MAB	Australia	Diversified
Mirvac PFA Diversified Property Trust	Mirvac	Australia	Diversified
Multiplex Development and Opportunity Fund	Brookfield Multiplex	Australia	Development
Multiplex New Zealand Property Fund	Brookfield Multiplex	New Zealand	Diversified
Multiplex Property Income Fund	Brookfield Multiplex	Australia	Diversified
Northgate Property Trust	Dexus	Australia	Retail
Pengana Credo European Property Trust	Pengana Credo	Europe	Retail
Rimcorp Property Trust No 3	Wellington	Australia	Industrial
St Hilliers Enhanced Property Fund No 2	St Hilliers	Australia	Development
Stockland Direct Retail Trust No 1	Stockland	Australia	Retail
The Child Care Property Fund	Orchard	Australia	Other
The Essential Health Care Trust	Orchard	Australia	Other
Westpac Diversified Property Fund	Westpac	Australia	Diversified
Unlisted Total/Weighted Average			
A-REIT Total/Weighted Average			
Cash			
Total Portfolio/Weighted Average			

Investment allocation %	Value at market $m	Number of properties[1]	Weighted average lease expiry[1] years
1.8	2.3	16	8.9
0.0	1.3	38	11.0
1.3	2.4	7	6.5
0.0	2.3	1	3.1
0.0	1.9	1	3.2
0.3	0.9	31	6.9
3.9	9.6	1	5.2
1.3	1.4	1	7.3
0.3	2.1	3	5.0
0.8	1.9	12	2.3
2.0	3.7	1	8.5
5.9	24.4	12	3.5
6.5	12.1	4	4.4
0.7	1.7	4	4.2
3.7	4.9	11	4.1
4.2	6.5	19	6.1
0.0	10.1	16	n/a
11.0	45.5[3]	38	6.0
0.0	2.1	342[2]	7.5
9.0	13.2	1	3.8
0.0	5.0	29	7.6
0.7	0.6	2	8.3
0.0	1.8	2	3.8
0.7	1.3	4	6.9
0.0	2.6	216	6.7
7.0	7.1	13	21.3
9.8	12.4	14	6.9
70.9	**181.1**	**839**	**6.0**
29.1	**14.9**[4]	**2140**	**6.0**
	2.7		
100.0	**198.7**[5]	**2979**	**6.0**

Notes:

1 Last stated or manager estimate.

2 Additional properties held by Multiplex Property Income Fund (MPIF) not already held by MPF. MPIF and MPF are co-investors in 36 funds including A–REITS. MPF owns 100% of MPIF ordinary equity.

3 Equity accounting value is $47.1 million.

4 Balance sheet value of $28.4 million includes deferred settlement of $10.3 million as the present value of the final call of $0.40 per unit due June 2011 on the Multiplex Prime Property Fund and new MPIF A-REIT investments of $3.2 million on a gross basis.

5 Balance sheet value of $261.2 million (excluding cash of $13.4 million) includes MPIF investments of $53.2 million on a gross basis as well as those items in Notes 4 and 5. Parent entity investment portfolio value is $198.7 million including cash of $2.7 million.

Consolidated Interim Income Statement

For the half year ended 31 December 2008

	Consolidated Six months ended 31 December 2008 $'000	Consolidated Six months ended 31 December 2007 $'000
Revenue		
Share of net profit of investments accounted for using the equity method	–	5,883
Distribution income from listed and unlisted property trusts	6,210	11,447
Brokerage income	–	916
Gain on disposal of listed and unlisted property trusts	–	3,419
Interest income	591	366
Net gain on revaluation of financial derivatives	–	4
Total revenue and other income	**6,801**	**22,035**
Expenses		
Share of net loss of investments accounted for using the equity method	18,972	–
Impairment expense	36,768	–
Finance costs to external parties	2,764	3,091
Loss on disposal of listed and unlisted property trusts	291	–
Net loss on revaluation of financial derivatives	724	–
Management fees	612	905
Other expenses	1,050	971
Total expenses	**61,181**	**4,967**
Net (loss)/profit	**(54,380)**	**17,068**
Attributable to:		
Ordinary unitholders	(57,058)	15,974
Minority interest – MPIF income unitholders	2,678	1,094
Net (loss)/profit	**(54,380)**	**17,068**
Earnings per unit		
Basic and diluted earnings per ordinary unit (cents)	**(28.13)**	**7.88**

Consolidated Interim Balance Sheet

As at 31 December 2008

	Consolidated 31 December 2008 $'000	Consolidated 30 June 2008 $'000
Assets		
Current assets		
Cash and cash equivalents	13,351	10,518
Trade and other receivables	3,728	17,610
Fair value of financial derivatives	–	241
Total current assets	**17,079**	**28,369**
Non-current assets		
Investments – available for sale	213,994	284,247
Investments accounted for using the equity method	47,164	63,529
Fair value of financial derivatives	2,062	5,742
Total non-current assets	**263,220**	**353,518**
Total assets	**280,299**	**381,887**
Liabilities		
Current liabilities		
Trade and other payables	1,666	1,017
Distribution payable	333	6,453
Interest bearing liabilities	76,200	–
Fair value of financial derivatives	180	–
Total current liabilities	**78,379**	**7,470**
Non-current liabilities		
Interest bearing liabilities	–	80,200
Deferred settlement	10,311	9,123
Fair value of financial derivatives	3,275	–
Total non-current liabilities	**13,586**	**89,323**
Total liabilities	**91,965**	**96,793**
Net assets	**188,334**	**285,094**
Equity		
Units on issue – ordinary units	202,869	202,869
Minority interest – MPIF income units	63,660	62,260
Reserves	(7,574)	28,964
Undistributed losses	(70,621)	(8,999)
Total equity	**188,334**	**285,094**

Telecom House, Auckland
Multiplex New Zealand Property Fund

Corporate Directory

Responsible Entity
Brookfield Multiplex Capital Management Limited
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Brian Motteram
Robert McCuaig
Brian Kingston
Mark Wilson

Company Secretary
Neil Olofsson

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Telephone: (02) 9256 5700
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Stock Exchange
The Fund is listed on the Australian Securities Exchange (ASX Code: MPF). The Home Exchange is Sydney.

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www.brookfieldmultiplexcapital.com