

# Multiplex European Property Fund

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CAPITAL

Fund Facts September 2007

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## About the Fund

Multiplex European Property Fund is an ASX listed fund (ASX code: MUE) which aims to offer investors secure and attractive income distributions (partly tax deferred) 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 located throughout Germany (Initial Properties). The Initial Properties are diversified by asset class, tenant and geographical location. The fund will continue to look for investment properties across Europe that deliver appropriate returns to unitholders and further diversify the assets of the fund.

## Management

The fund is managed by Multiplex Capital, the property funds management division of Multiplex Group. Multiplex Capital manages in excess of \$7.6 billion of property assets on behalf of approximately 21,000 investors across a diversified range of unlisted and listed property funds.

## Features and Benefits

- ▶ Tax deferred income returns
- ▶ Low levels of risk with 100% of invested equity, approximately 90% of forecast distributable income and 100% of the interest rate exposure on the Initial Properties' term facility hedged for 7 years
- ▶ Initial Properties purchased at a discount to market value (April 2007)
- ▶ Strong exposure to non-discretionary retail and supermarket assets anchored by national tenants
- ▶ Long lease expiry profile with weighted average lease expiry of 9.2 years (by income)
- ▶ Multiplex Capital has its own management team in London and a German local alliance with the Scheven Property Group
- ▶ Co-investment by Multiplex Property Trust as well as Multiplex Acumen Property Fund.

## Fund Objective and Investment Strategy

The fund's objective is to offer investors secure and attractive income distributions (partly tax deferred) and the potential for capital growth over the medium to long term through a stable and diversified property portfolio in Europe.

While the Initial Properties are located within Germany, the responsible entity will continue to look for investment properties both within Germany and across Europe to further diversify the assets of the fund. New investment opportunities may be considered if they are expected to deliver appropriate returns to unitholders.

The fund's focus will be on assets within the retail, office and industrial asset classes but the fund may make investments outside these sectors in alternative asset classes such as residential, health and hospitality sectors.

## Minimal Concentration

No single asset accounts for more than 8% of the total value of the Initial Properties. The largest five assets in the portfolio are all anchored by national tenants.

## Fund Performance

Quarter ended September 2007

Distribution	2.235 cpu
Income yield (annualised)	8.5%

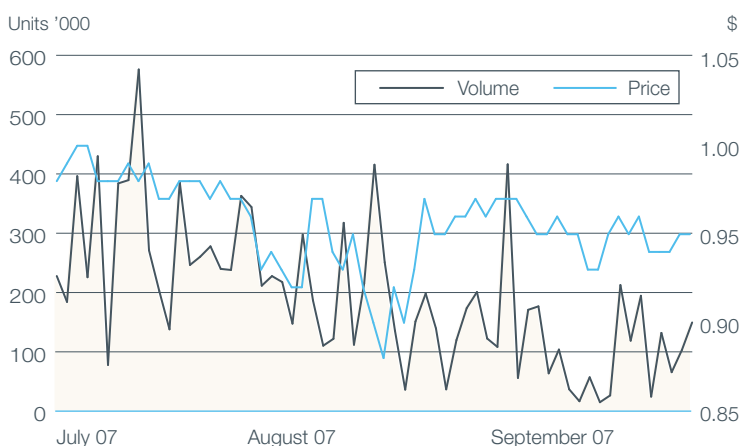
## Fund Snapshot

Fund size*	\$620m
NTA per unit*	\$1.04
Issue price per unit	\$1.00
ASX price per unit**	\$0.95
Distribution paid	Quarterly
DRP	No
Management fee* (of gross assets)	0.615%
Performance fee* (of benchmark outperformance after earn back)	5.125–15.375%
Management and performance fee cap (of fair market value of assets per half year)	0.50%

\* Including GST less any reduced input tax credits

\*\* A\$ as at 30 September 2007

## ASX trading performance since inception



## Top 5 assets and their tenancy details

Location	Property type	Anchor tenant	Current rental income per property per annum (€ million)	Net market value (€ million)	Percentage portfolio value (%)	Lease expiry
Bochum	Retail	EDEKA	1.668	27.40	7.53	February 2022
Lörrach	Retail	EDEKA	1.10	22.22	6.11	July 2022
Chemnitz	Retail	Hornbach	1.350	21.24	5.84	March 2015
Frankfurt/Main	Office	Telecity Red Bus	1.305	18.39	5.05	February 2015
Göttingen	Nursing homes	Phönix AG	1.156	17.65	4.85	June 2022

## Major Tenants

An overview of some of the largest tenants (by sector) is provided below.

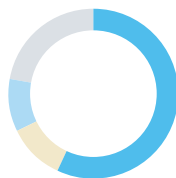
	Rental income %	Business description
<b>EDEKA</b> Retail – supermarkets	19.9	The EDEKA Group is the largest German supermarket corporation, currently holding a market share of 26%. There are approximately 4,100 EDEKA stores that range from small corner stores to hypermarkets.
<b>REWE</b> Retail – supermarkets	10.8	REWE Group is one of the leading German and European trading and travel companies. The firm is the third largest food trader in Europe and seventh largest worldwide. In the food trading, specialist store and travels and tourism divisions alone, REWE Group achieved total turnover of €43.4 billion (net) in Europe in 2006.
<b>Phönix AG</b> Nursing homes	8.7	Phönix (Senioren- und Pflegezentren) currently operate 15 senior and care centres with 1,950 care places throughout Germany. Established more than a decade ago, Phönix is an independent privately owned and operated group with real estate amongst its diverse activities.
<b>Hornbach</b> Retail – home improvement centres	5.8	Hornbach is a German publicly listed company and leading supplier of home improvement products and materials, supplying retail and trade customers.
<b>Kursana</b> Nursing homes	5.0	Kursana is Germany's foremost nursing home operator. It is owned by the Dussmann Group, Europe's largest facilities management and service provider, with 50,500 employees across 28 countries.

## High occupancy with long weighted average lease expiry (WALE)

Description	Occupancy (%)	Major tenants	WALE by income (years)
55 retail properties comprising: – discount supermarkets – full supply supermarkets – DIY markets	95.6	EDEKA, REWE, Hornbach	8.5
6 Nursing homes	100.0	Kursana, Phönix	14.6
3 Logistic/warehouses	100.0	Spicers, TNT	5.8
3 Offices	99.7	State of Nord Rhine – Westphalia	5.9
<b>Total portfolio</b>	<b>97.5</b>		<b>9.2</b>

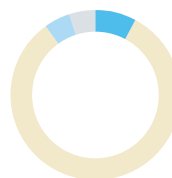
## Sector allocation

- 57% Retail
- 11% Office
- 10% Logistics
- 22% Nursing homes

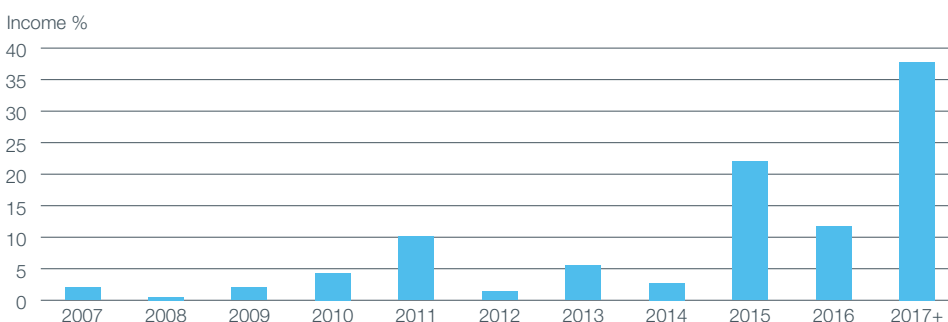


## Age of properties

- 8% less than 5 years
- 82% 5 to 10 years
- 5% 10 to 15 years
- 5% 15 years+



## Lease expiry profile (by income)



## Customer Service

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## Online Services

The Multiplex Capital website [www.multiplexcapital.biz](http://www.multiplexcapital.biz) provides investors with up-to-date information on all funds as well as reports, media releases, fund performance, unit price information and corporate governance guidelines.

A link to the share registry is available via [www.multiplexcapital.biz](http://www.multiplexcapital.biz) to assist you in accessing your account balance, transaction history and distribution details. Please visit [www.multiplexcapital.biz](http://www.multiplexcapital.biz) and click through to the investor section.



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