

Multiplex Acumen Vale Syndicate Limited
Interim Financial Report
For the half year ended
31 December 2008

Multiplex Acumen Vale Syndicate Limited

ABN 48 114 814 602

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Multiplex Acumen Vale Syndicate Limited

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Directory

Multiplex Acumen Vale Syndicate Limited

For the half year ended 31 December 2008

Company

Multiplex Acumen Vale Syndicate Limited
1 Kent Street
Sydney NSW 2000
Telephone: (02) 9256 5000
Facsimile: (02) 9256 5001

Directors of the Company

Peter Morris
Brian Motteram
Robert McCuaig
Brian Kingston
Mark Wilson

Company Secretary of Multiplex Acumen Vale Syndicate Limited

Neil Olofsson

Principal Registered Office

1 Kent Street
Sydney NSW 2000
Telephone: (02) 9256 5000
Facsimile: (02) 9256 5001

Location of Share Registry

Registries (Victoria) Pty Limited
Level 7
207 Kent Street
Sydney NSW 2000
Telephone: (02) 9290 9600
Facsimile: (02) 9279 0664

Auditor

KPMG
10 Shelley Street
Sydney NSW 2000
Telephone: (02) 9335 7000
Facsimile: (02) 9299 7077

Directors' Report

Multiplex Acumen Vale Syndicate Limited

For the half year ended 31 December 2008

Introduction

The Directors of Multiplex Acumen Vale Syndicate Limited (ABN 48 114 814 603) (Company), present their report together with the financial report of the Consolidated Entity, being the Company and its subsidiary, for the six months ended 31 December 2008 and the review report thereon.

The registered office and principal place of business of the Company is 1 Kent Street, Sydney.

Directors

The following persons were Directors of the Company at any time during or since the end of the financial period:

Name	Capacity
Peter Morris (Director since 3 August 2005)	Non-Executive Independent Chairman
Brian Motteram (Director since 21 February 2007)	Non-Executive Independent Director
Robert McCuaig (Director since 17 June 2005)	Non-Executive Independent Director
Brian Kingston (Director since 27 August 2008)	Executive Director
Mark Wilson (Director since 27 August 2008)	Executive Director
Rex Bevan (Director since 21 February 2007 – resigned 31 January 2008)	Non-Executive Independent Director
Robert Rayner (Director since 17 June 2005 – resigned 22 August 2008)	Executive Director

Information on Company Secretary

Neil Olofsson

Neil has over 13 years international company secretarial experience including having worked at KPMG, Clifford Chance and Schroder Investment Management prior to joining Brookfield Multiplex Group Company Secretariat.

Principal activities

The principal activity of the Consolidated Entity is the development of land for resale in Australia.

Review of operations

The Company's underlying project is now 68.7% sold since the project commenced. During the six months from 1 July 2008 to 31 December 2008, 94 lots have been sold providing an average sale per month of approximately 15.7 lots per month. The Syndicate has responded well to the First Homebuyers market and enquiries are steadily converting to sales. The project is estimated to complete in mid 2010.

The Company has recorded a net profit before tax of \$2,865,000 for the six month period ended 31 December 2008 (2007: \$1,971,000).

Some of the significant events during the period are as follows:

- total revenue and other income of \$22,606,000 (2007: \$14,521,000); and
- net assets of \$22,505,000 (30 June 2008: \$20,536,000).

The Company made no significant acquisitions or disposals during the period.

Directors' Report

Multiplex Acumen Vale Syndicate Limited

For the half year ended 31 December 2008

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Rounding of amounts

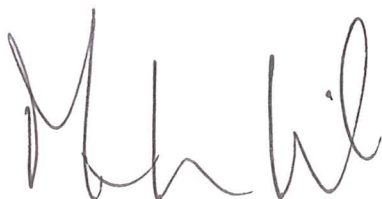
The Company is of a kind referred to in ASIC Class Order 98/100, dated 10 July 1998 (updated by CO 05/641 effective 28 July 2005 and CO 06/51 effective 31 January 2006), and in accordance with that Class Order, all financial information presented in Australian dollars has been rounded to the nearest thousand dollars, unless otherwise stated.

Lead auditor's independence declaration under Section 307C of the Corporations Act 2001

The lead auditor's independence declaration is set out on page 6 and forms part of the Directors' Report for the half year ended 31 December 2008.

Dated at Sydney this 23rd day of February 2009.

Signed in accordance with a resolution of the Directors made pursuant to Section 306(3) of the *Corporations Act 2001*.

A handwritten signature in dark ink, appearing to read 'Mark Wilson', with a stylized, cursive script.

Mark Wilson

Director

Multiplex Acumen Vale Syndicate Limited



Lead Auditor's Independence Declaration under Section 307C of the Corporations Act 2001

To: the directors of Multiplex Acumen Vale Syndicate Limited

I declare that, to the best of my knowledge and belief, in relation to the review for the interim period ended 31 December 2008 there have been:

- (i) no contraventions of the auditor independence requirements as set out in the Corporations Act 2001 in relation to the review; and
- (ii) no contraventions of any applicable code of professional conduct in relation to the review.

A handwritten signature in purple ink, appearing to be 'KPMG'.

KPMG

A handwritten signature in purple ink, appearing to be 'T. Gilerman'.

Tanya Gilerman
Partner

Sydney
23 February 2009

Consolidated Interim Income Statement

Multiplex Acumen Vale Syndicate Limited

For the half year ended 31 December 2008

	Consolidated	
	Six months ended 31 December 2008 \$'000	Six months ended 31 December 2007 \$'000
Revenue		
Revenue from the sale of land held for development	22,598	14,494
Interest income	8	27
Total revenue and other income	22,606	14,521
Expenses		
Cost of sale of land held for development	17,129	11,547
Management fees	301	184
Performance fee	142	(1,022)
Marketing and selling costs	2,077	1,751
Other expenses	92	90
Total expenses	19,741	12,550
Profit before income tax	2,865	1,971
Income tax expense	896	591
Net profit	1,969	1,380

The Income Statement should be read in conjunction with the Notes to the Financial Statements.

Consolidated Interim Balance Sheet

Multiplex Acumen Vale Syndicate Limited

As at 31 December 2008

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	Note	Consolidated 31 December 2008 \$'000	30 June 2008 \$'000
Assets			
Current assets			
Cash and cash equivalents		2,966	3,517
Trade and other receivables		357	1,162
Inventories – land held for development	7	42,745	21,922
Total current assets		46,068	26,601
Non-current assets			
Inventories – land held for development	7	6,217	32,484
Deferred income tax asset		4,491	1,074
Total non-current assets		10,708	33,558
Total assets		56,776	60,159
Liabilities			
Current liabilities			
Trade and other payables		2,798	8,438
Interest bearing liabilities	8	29,700	–
Total current liabilities		32,498	8,438
Non-current liabilities			
Performance fee		1,773	1,631
Interest bearing liabilities	8	–	29,554
Total non-current liabilities		1,773	31,185
Total liabilities		34,271	39,623
Net assets		22,505	20,536
Equity			
Issued capital	9	20,331	20,331
Retained earnings		2,174	205
Total equity		22,505	20,536

The Balance Sheet should be read in conjunction with the Notes to the Financial Statements.

Consolidated Interim Statement of Changes in Equity

Multiplex Acumen Vale Syndicate Limited

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For the half year ended 31 December 2008

		Consolidated Six months ended 31 December 2008 \$'000	Six months ended 31 December 2007 \$'000
	Note		
Opening equity		20,536	32,219
Movement in Retained earnings			
Net profit		1,969	1,380
Dividends	6	–	(7,200)
Closing equity		22,505	26,399

The Statement of Changes in Equity should be read in conjunction with the Notes to the Financial Statements.

Consolidated Interim Cash Flow Statement

Multiplex Acumen Vale Syndicate Limited

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For the half year ended 31 December 2008

	Consolidated	
	Six months ended 31 December 2008 \$'000	Six months ended 31 December 2007 \$'000
Cash flows from operating activities		
Cash receipts in the course of operations	22,598	16,048
Cash payments in the course of operations	(18,378)	(21,321)
Interest received	8	27
Financing costs paid	(666)	(1,518)
Income taxes paid	(4,259)	(66)
Net cash flows used in operating activities	(697)	(6,830)
Cash flows from financing activities		
Proceeds from interest bearing liabilities	6,894	–
Repayments of interest bearing liabilities	(6,748)	(4,391)
Dividends paid	–	(8,400)
Net cash flows (used in)/from financing activities	146	(12,791)
Net increase/(decrease) in cash and cash equivalents	(551)	(19,621)
Cash and cash equivalents at 1 July	3,517	23,984
Cash and cash equivalents at 31 December	2,966	4,363

The Cash Flow Statement should be read in conjunction with the Notes to the Financial Statements.

Condensed Notes to the Consolidated Interim Financial Statements continued

Multiplex Acumen Vale Syndicate Limited

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For the half year ended 31 December 2008

1 Reporting entity

Multiplex Acumen Vale Syndicate Limited (Company) is an Australian incorporated and domiciled company. The consolidated financial statements of the Company as at and for the six months ended 31 December 2008 comprise the Company and its subsidiary (together referred to as the Consolidated Entity).

2 Basis of preparation

Statement of compliance

The financial report is a general purpose financial report which has been prepared in accordance with AASB 134 *Interim Financial Reporting*. The consolidated interim financial report does not include all the information required for a full year report, and should be read in conjunction with the consolidated annual financial report of the Consolidated Entity as at and for the year ended 30 June 2008.

The financial statements are presented in Australian dollars, which is the Company's presentation currency. The Company's functional currency is Australian dollars.

The Company is of a kind referred to in ASIC Class Order 98/100, dated 10 July 1998 (updated by CO 05/641 effective 28 July 2005 and CO 06/51 effective 31 January 2006), and in accordance with that Class Order, all financial information presented in Australian dollars has been rounded to the nearest thousand dollars, unless otherwise stated.

3 Significant accounting policies

The accounting policies applied by the Consolidated Entity in this consolidated interim financial report are the same as those applied by the Consolidated Entity in its consolidated financial report as at and for the year ended 30 June 2008.

4 Segment reporting

The Consolidated Entity operates in a single, primary business and geographical segment, being the development of land for resale in Australia.

5 Estimates

The preparation of interim financial reports requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from those estimates.

6 Dividends

Dividends paid/payable to shareholders were as follows:

	Cents per unit	Total amount \$'000	Date of payment
Ordinary units			
September 2008 distribution	–	–	
December 2008 distribution	–	–	
Total distribution for the six months ended 31 December 2008	–	–	
Ordinary units			
September 2007 distribution	14.0	4,200	26 October 2007
December 2007 distribution	10.0	3,000	31 January 2008
Total distribution for the six months ended 31 December 2007	24.0	7,200	

Condensed Notes to the Consolidated Interim Financial Statements continued

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Multiplex Acumen Vale Syndicate Limited

For the half year ended 31 December 2008

	Consolidated 31 December 2008 \$'000	30 June 2008 \$'000
7 Inventories – land held for development		
Inventories at cost		
Current		
Land held for development	42,745	21,922
Non-current		
Land held for development	6,217	32,484
Total inventories	48,962	54,406

	Consolidated 31 December 2008 \$'000	30 June 2008 \$'000
8 Interest bearing liabilities		
Current		
Secured bank debt	29,700	–
Non current		
Secured bank debt	–	29,554
Total interest bearing liabilities	29,700	29,554

	Expiry Date	Consolidated 31 December 2008 \$'000	30 June 2008 \$'000
Finance arrangements			
Facilities available			
Bank debt facility ¹	31 December 2009	36,000	36,000
Less: Facilities utilised		(29,700)	(29,554)
Less: Bank guarantees utilised		(1,900)	(1,820)
Facilities not utilised		4,400	4,626

¹ This floating rate cash facility is for a commitment of \$36,000,000 or an amount which ensures the loan to value ratio (facility limit as compared to the aggregate of lot values plus the aggregate of developed lot value) does not exceed 55%, whichever is lower. This facility is financed by National Australia Bank Limited. \$29,700,000 is drawn down on the facility and \$1,900,000 in bank guarantees have been provided to external parties. The facility is secured by a first charge over all assets of Brookfield Multiplex Vale Landowner Pty Limited.

At 31 December 2008, the Company was in compliance with its loan covenant ratios.

Condensed Notes to the Consolidated Interim Financial Statements continued

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Multiplex Acumen Vale Syndicate Limited

For the half year ended 31 December 2008

	Six months ended 31 December 2008		Six months ended 31 December 2007	
	\$'000	Units	\$'000	Units
9 Issued capital				
Shares on issue				
Opening balance	24,000	30,000,100	30,000	30,100,000
Closing balance	24,000	30,000,100	30,000	30,100,000
Share issue costs				
Opening balance	(3,669)	–	(3,669)	–
Closing balance	(3,669)	–	(3,669)	–
Total shares on issue	20,331	30,000,100	26,331	30,100,000

10 Related parties

There have been no significant changes to the related party transactions disclosed in the annual report for the year ended 30 June 2008.

11 Contingent liabilities and assets

No contingent liabilities or assets existed at 31 December 2008 (30 June 2008: nil).

12 Capital and other commitments

The Consolidated Entity had no capital or other commitments at 31 December 2008 (30 June 2008: nil).

13 Events subsequent to the reporting date

There are no matters or circumstances which have arisen since the end of the financial period which significantly affected or may significantly affect the operations of the Consolidated Entity, the results of those operations, or the state of affairs of the Consolidated Entity in subsequent financial years.

Directors' Declaration

Multiplex Acumen Vale Syndicate Limited

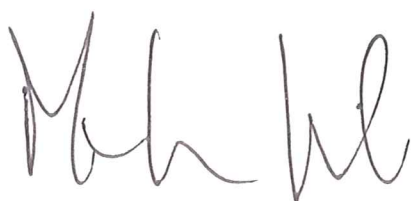
For the half year ended 31 December 2008

In the opinion of the Directors of Multiplex Acumen Vale Syndicate Limited:

- a The consolidated interim financial statements and notes, set out in pages 7 to 13, are in accordance with the *Corporations Act 2001*, including:
 - i giving a true and fair view of the Consolidated Entity's financial position as at 31 December 2008 and of its performance for the six month period ended on that date; and
 - ii complying with Australian Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*;
- b There are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of the Directors of Multiplex Acumen Vale Syndicate Limited.

Dated at Sydney, this 23rd day of February 2009.



Mark Wilson

Director

Multiplex Acumen Vale Syndicate Limited



Independent auditor's review report to the members of Multiplex Acumen Vale Syndicate Limited

Report on the financial report

We have reviewed the accompanying interim financial report of Multiplex Acumen Vale Syndicate Limited, which comprises the consolidated interim balance sheet as at 31 December 2008, income statement, statement of changes in equity and cash flow statement for the interim period ended on that date, a statement of accounting policies and other explanatory notes 1 to 13 and the directors' declaration of the Consolidated Entity comprising the company and the entities it controlled at the interim period's end.

Directors' responsibility for the interim financial report

The directors of the company are responsible for the preparation and fair presentation of the interim financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the *Corporations Act 2001*. This responsibility includes establishing and maintaining internal control relevant to the preparation and fair presentation of the interim financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's responsibility

Our responsibility is to express a conclusion on the interim financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of Interim and Other Financial Reports Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the interim financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the Consolidated Entity's financial position as at 31 December 2008 and its performance for the interim period ended on that date; and complying with Australian Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*. As auditor of Multiplex Acumen Vale Syndicate Limited, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of the interim financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.



Conclusion

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the interim financial report of Multiplex Acumen Vale Syndicate Limited is not in accordance with the *Corporations Act 2001*, including:

- (a) giving a true and fair view of the Consolidated Entity's financial position as at 31 December 2008 and of its performance for the interim period ended on that date; and
- (b) complying with Australian Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

A handwritten signature in purple ink, appearing to read 'KPMG'.

KPMG

A handwritten signature in purple ink, appearing to read 'T. Gilerman'.

Tanya Gilerman
Partner

Sydney
23 February 2009