

Brookfield Multiplex Capital Management Limited
(ACN 094 936 866)

Multiplex Prime Property Fund
(ARSN 110 096 663)

ASX Announcement

13 October 2009

Multiplex Prime Property Fund (ASX: MAFCA) Market Response to Press Statement by Grocon

As previously announced to the market, Oaktree Capital Management Pte Ltd and Grocon Investment Management Pty Ltd (the Consortium) submitted a proposal (Conditional Proposal) to the Independent Directors of Brookfield Multiplex Capital Management Limited (BMCML) on 2 October 2009 regarding the recapitalisation of MAFCA. On 9 October 2009, the Independent Directors of BMCML announced to the market that the Conditional Proposal was in their view not currently capable of being implemented and that they continued to endorse the Entitlement Offer approved by unitholders at the meeting held on 7 October 2009. On 12 October 2009 Grocon issued a press release containing statements which BMCML believes require clarification to avoid any risk of an ill-informed market.

Alleged superiority of Conditional Proposal

The Independent Directors do not believe that the Conditional Proposal is either "significantly superior" to the Entitlement Offer or "robust" as stated in the Grocon release. For example, the Conditional Proposal does not allow all unitholders to participate to the full extent of their current ownership in the Fund and will result in dilution, even for those unitholders who wish to participate whereas the Entitlement Offer allows full participation without dilution. Further, by its own admission, the Conditional Proposal is "incomplete", "contingent on a number of conditions precedent" and "does not constitute a binding commitment".

Facilitating discussions between the Consortium and the Fund's financiers

The Independent Directors have taken all reasonable steps to facilitate discussions between the Consortium and the Fund's financiers, contrary to the suggestion within the Grocon release. The Independent Directors provided a copy of the Conditional Proposal to the financiers immediately upon receiving consent from the Consortium to do so. Further, as requested by the Consortium, the Independent Directors asked the existing financiers to consider:

- extending the covenant waiver period to 30 November 2009;
- offering the Consortium the same debt terms as those provided to the Fund under the Entitlement Offer; and
- meeting with the Consortium to discuss the Conditional Proposal and the Consortium's required financing terms in more detail.

The financiers have reiterated the importance of timing for stabilisation of the Fund and stated that they are not prepared to further extend the waiver period. The financiers indicated that, given the Conditional Proposal's proposed changes to the Fund and lack of finalised and binding proposal terms, they would not be in a position to continue the same debt terms or indicate what terms (if any) any bank may consider when lending to the Consortium. Further, the financiers informed the Independent Directors that, given the above, they are not in a position to meet with the Consortium. The Independent Directors have advised the Consortium that they have no objections to the Consortium approaching the existing financiers directly or indeed approaching alternative financiers.

MAFCA Board's consideration of the Proposal

The Grocon release makes mention of the fact that the Conditional Proposal is the most recent of a series of proposals submitted by the Consortium. It does not however make clear that in response to each of these the Consortium has been made aware that the lack of funding certainty is a major concern for the Independent Directors but despite this continuing advice the concern remains unaddressed.

Independent Directors continue to endorse the Entitlement Offer

The Independent Directors remain of the view, as expressed in their announcement on 9 October 2009, that the Conditional Proposal is not currently capable of being implemented and continue to support the Entitlement Offer as approved by unitholders and encourage unitholders to read the Entitlement Offer booklet lodged on 8 October 2009.

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Lawrence Wong
Fund Manager
Ph: (02) 9256 5000

Media:
Kerrie Muskens
Ph: (02) 9256 5753 or 0410 53 52 50