



Australian Government

Takeovers Panel

MEDIA RELEASE

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Monday, 7 September 2009

Multiplex Prime Property Fund – Panel Receives Application

The Panel yesterday received an application from Brookfield Multiplex Capital Management Limited in its capacity as responsible entity for Multiplex Prime Property Fund in relation to the fund's affairs. Australian Style Investments Pty Ltd has made an on-market bid for all of the partly paid units in the fund.

Brookfield submits that Australian Style's bidder's statement is deficient in the following regards:

1. it does not disclose the increased risk that, as a result of the bid, it may not be possible for Brookfield to complete the capital raising it announced on 24 August 2009. This increases the risk that the fund's financiers will not extend the waiver they have granted of their existing right to enforce their security over the assets of the fund. One consequence, it was submitted, may be that unitholders, currently not required to make the \$0.40 per unit instalment payment until 15 June 2011, are required to meet a call
2. it does not disclose Australian Style's intentions in relation to the unpaid instalment and whether Australian Style has adequate funding to meet the instalments
3. it does not clearly disclose Australian Style's intentions in relation to the fund should it acquire a relevant interest in between 50% and 90% of units in the fund
4. it misleadingly characterises the bid premium by reference to the fund's NTA that would result if the capital raising proceeds
5. it is misleading in relation to the potential control effect of the capital raising
6. it misleadingly implies that unitholders will derive no benefit from payment of the subscription price under the capital raising and
7. it does not contain all relevant information that unitholders require to decide whether to accept the bid given the covenant breach, capital raising and choices under the bid

Brookfield also submits that Australian Style failed to lodge an initial substantial holder notice as required under the Act.

Australian Style does not accept that there are deficiencies as set out in the application.

Brookfield seeks interim orders that Australian Style be restrained:

- (a) from acquiring units on-market
- (b) from proceeding to settle any trades in respect of units entered into following release of its bidder's statement
- (c) from despatching the bidder's statement
- (d) from lodging a supplementary or replacement bidder's statement with ASIC, ASX or the fund and
- (e) from sending or making any communications with Unitholders in relation to the matters raised in the application.

The Panel today made an interim order restraining Australian Style from acquiring Units on-market until 5pm today (see [IP 09/62](#)). The Panel is considering whether it will make further interim orders.

Brookfield seeks final orders, including that Australian Style make amendments to its bidder's statement to address the issues raised above.

A sitting Panel has not been appointed at this stage and no decision has been made as to whether to conduct proceedings. The Panel makes no comment on the merits of the application.

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