



30 July 2009

ASX Code : MCK

MacarthurCook Limited - Appendix 4C

Attached is the Appendix 4C report for MacarthurCook Limited for the quarter ended 30 June 2009.

For further information, contact:

Mr Grant Earney
Chief Financial Officer
MacarthurCook Limited
Ph: +61 3 9660 4555

About MacarthurCook:

MacarthurCook Limited (MCK) is an Australian Securities Exchange (ASX) listed company with offices in Australia and Singapore, specialising in the investment management of direct property, real estate securities and mortgage assets.

MacarthurCook manages over A\$1.1 billion on behalf of over 21,000 investors as at 31 May 2009. MacarthurCook is a quality endorsed company (ISO 9001:2008 international standard accreditation), and is the investment manager for MacarthurCook Industrial REIT, MacarthurCook Industrial Property Fund, MacarthurCook Office Property Trust, MacarthurCook Mortgage Fund, Advance Mortgage Fund, MacarthurCook Property Securities Fund, Advance Property Securities Fund and the RMR Asia Pacific Real Estate Fund.

The MacarthurCook Property Securities Fund is listed on the ASX and the Singapore Exchange. The MacarthurCook Industrial Property Fund is listed on the ASX. The MacarthurCook Industrial REIT is listed on the Singapore Exchange. The RMR Asia Pacific Real Estate Fund is listed on the American Stock Exchange.



Appendix 4C

Quarterly report for entities admitted on the basis of commitments

Introduced 31/3/2000. Amended 30/9/2001

Name of entity

MACARTHURCOOK LIMITED

ABN

64 009 110 463

Quarter ended ("current quarter")

30 June 2009

Consolidated statement of cash flows

	Current quarter	Year to date (9 months)
	\$A'000	\$A'000
Cash flows related to operating activities		
1.1 Receipts from customers (see 1.26 below)	2,658	12,342
1.2 Payments for		
(a) staff costs	(1,415)	(7,022)
(b) advertising and marketing	(31)	(339)
(c) research and development	-	(2)
(d) leased assets	(4)	(29)
(e) other working capital (see 1.26 below)	(1,104)	(6,819)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	111	1,217
1.5 Interest and other costs of finance paid	(95)	(584)
1.6 Income taxes paid	(16)	(225)
1.7 Other (provide details if material)	-	-
Net operating cash flows	104	(1,461)

Appendix 4C
Quarterly report for entities
admitted on the basis of commitments

	Current quarter \$A'000	Year to date (9 months) \$A'000
1.8 Net operating cash flows (carried forward)	104	(1,461)
Cash flows related to investing activities		
1.9 Payment for acquisition of:		
(a) businesses	-	-
(b) equity investments	-	-
(c) intellectual property	-	-
(d) physical non-current assets	-	(44)
(e) other non-current assets	-	-
1.10 Proceeds from disposal of:		
(a) businesses	-	-
(b) equity investments	332	349
(c) intellectual property	-	-
(d) physical non-current assets	-	-
(e) other non-current assets	-	-
1.11 Loans to other entities	-	(60)
1.12 Loans repaid by other entities	-	132
1.13 Other	-	-
Net investing cash flows	332	377
1.14 Total operating and investing cash flows	436	(1,084)
Cash flows related to financing activities		
1.15 Proceeds from issues of shares, options, etc.	-	-
1.16 Proceeds from sale of forfeited shares	-	-
1.17 Proceeds from borrowings	-	7,500
1.18 Repayment of borrowings	(100)	(6,970)
1.19 Dividends paid	(3)	(5)
1.20 Other (provide details if material)	-	-
Net financing cash flows	(103)	525
Net increase (decrease) in cash held	333	(559)
1.21 Cash at beginning of quarter/year to date	(33)	859
1.22 Exchange rate adjustments to item 1.21	(69)	(69)
1.23 Cash at end of quarter *	231	231

* See note under Reconciliation of Cash section.

Payments to directors of the entity and associates of the directors

Payments to related entities of the entity and associates of the related entities

		Current quarter \$A'000
1.24	Aggregate amount of payments to the parties included in item 1.2	189
1.25	Aggregate amount of loans to the parties included in item 1.11	-

1.26 Explanation necessary for an understanding of the transactions

Item 1.1 – cash revenues are represented by:

	June-09 quarter \$A'000	YTD \$A'000
Management fees	2,379	9,752
Transaction fees	-	512
Fund expense recovery	279	2,078
Total	2,658	12,342

Management fees receipts for the June quarter were 8% higher than the corresponding receipts in the March quarter due mainly to timing issues, rather than underlying factors such as funds under management.

Item 1.2 (e) – other working capital payments comprise the following:

	June-09 quarter \$A'000	YTD \$A'000
Direct fund expenses	341	1,746
Legal fees	60	471
Other professional fees	34	405
Occupancy	148	615
Commissions	174	1,147
GST payment	93	578
Other operating expenses	254	1,857
Total	1,104	6,819

Total “other working capital” payments for the June 2009 quarter are 21% lower than the March 2009 quarter. The Company continues to focus on reducing operating costs in the business.

Non-cash financing and investing activities

- 2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

As disclosed in previous Appendix 4C's, MacarthurCook Limited reported two significant non-cash items in its interim financial statements for the half-year ended 31 December 2008 and these items will also impact the annual financial statements for the year ended 30 June 2009.

(i) Impairment expense

The MacarthurCook Group holds investments in several of the listed and unlisted funds that it manages. The Group booked a write-down, termed an impairment expense, for the six months ended 31 December 2008 of \$8.1 million. The market prices of the investments decreased after 31 December 2008 but in recent months have improved from historical lows to levels close to those at 31 December 2008.

(ii) Change in the fair value of financial liabilities

The Company has an exposure to two significant financial liabilities, being (i) a put option granted to a third party over its investment in the MacarthurCook Office Property Trust and (ii) an option granted to United Engineers Developments Pte Ltd ("UE") to sell its stake in the management company of MacarthurCook Industrial REIT. The value of these liabilities increased, resulting in a non-cash expense of \$2.3 million for the half-year ended 31 December 2008, due to changes in the underlying drivers of the calculation such as the market valuation of the MacarthurCook Office Property Trust and the movement in the Singapore dollar / Australian dollar exchange rate. The non-cash expense has reduced by approximately \$0.4 million in the second half of the financial year.

On 2 April 2009, MacarthurCook entered into an agreement with the holder of the MacarthurCook Office Property Trust put option to defer the beginning of the put option exercise period from 1 July 2009 to 1 October 2010 on terms including that MacarthurCook purchase units to the value of \$200,000 per quarter for five quarters in the period from July 2009 to August 2010.

The UE option was issued by the Company in return for management rights in the MacarthurCook Industrial REIT. The management rights have been recognised as an intangible asset. UE has the right to sell its shareholding to MacarthurCook until March 2012 at a contracted price determined by reference to the net assets of MI-REIT. MacarthurCook has received an offer from UE to defer the exercise of the put option until on or after October 2010. The fee in relation to this deferral would be S\$115,000.

While the UE option liability is required to be restated due to exchange rate fluctuations, Accounting Standards do not allow the revaluation of the corresponding asset due to exchange rate fluctuations. As such, the "economic" increase in the value of the management rights asset due to the strengthening of the Australian dollar versus the Singapore dollar has not been recognised in the Company's financial statements.

- 2.2 Details of outlays made by other entities to establish or increase their share in businesses in which the reporting entity has an interest

On 29 July 2009, AIMS Securities Holdings Pty Ltd announced that following the closure of its off-market takeover bid for all of the ordinary shares of MacarthurCook Limited, it and its associates have a relevant interest in 91.68% of the fully paid ordinary shares in MacarthurCook Limited.

AIMS has also announced that it will sub-underwrite up to \$5 million of the proposed MacarthurCook Limited capital raising.

Financing facilities available

Appendix 4C
Quarterly report for entities
admitted on the basis of commitments

Add notes as necessary for an understanding of the position. (See AASB 1026 paragraph 12.2).

	Amount available \$A'000	Amount used \$A'000
3.1 Loan facility (cash advance)	6,800	6,800
3.2 Credit standby arrangements (overdraft)	500	204
3.3 Loan facility (cash advance)	1,000	0

3.1 and 3.2 The loan facility reduced by a payment of \$100,000 on 30 April 2009. On 17 June 2009 MacarthurCook Limited executed a final letter of offer to refinance its bank facilities for a further two year term to 31 July 2011. The facilities comprise a fully drawn cash advance of \$6.7 million at the start date of the facility of 31 July 2009 and an overdraft facility of \$0.5 million. Prior to the commencement of the new facility, the financier will complete a review of the terms and conditions of the facility as a result of AIMS Securities Holdings Pty Ltd obtaining control of MacarthurCook Limited and the resignation of Craig Dunstan, Managing Director, on 13 July 2009. It is a condition of the new facility that Shareholders approve an equity or convertible note issue by 31 August 2009 and that funds are received by 31 October 2009. Failure to do so is an event of default. The facility is to be reduced progressively to approximately \$4 million by the end of the term, with a minimum of \$0.96 million being required to be repaid in the year ended 30 June 2010. In addition, a proportion of the proceeds of any equity or convertible note issue, up to a total of \$1.3 million, will be required to reduce the facility, the reduction varying according to the amount raised.

3.3 On 29 July 2009, MacarthurCook Limited executed a Deed of Loan with AIMS Financial Group Pty Ltd, an entity related to the majority shareholder of MacarthurCook Limited which provides for an immediate loan of \$1 million at arms length interest rates. The loan is subordinated to the main bank facility.

Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.	Current quarter \$A'000	Previous quarter \$A'000
4.1 Cash on hand and at bank	435	408
4.2 Deposits at call	-	-
4.3 Bank overdraft	(204)	(441)
4.4 Term Deposit	-	-
Total: cash at end of quarter (item 1.23)	231	(33)

Acquisitions and disposals of business entities

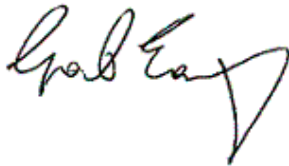
+ See chapter 19 for defined terms.

	Acquisitions <i>(Item 1.9(a))</i>	Disposals <i>(Item 1.10(a))</i>
5.1 Name of entity		
5.2 Place of incorporation or registration		
5.3 Consideration for acquisition or disposal		
5.4 Total net assets		
5.5 Nature of business		

Compliance statement

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act (except to the extent that information is not required because of note 2) or other standards acceptable to ASX.
- 2 This statement does give a true and fair view of the matters disclosed.

Sign here:



Date: 30 July 2009
Grant Earney
Chief Financial Officer