

ASX Announcement

13 March 2017

Multiplex SITES Trust (ASX: MXU) 31 December 2016 Annual Report

Please find attached for release to the market the Multiplex SITES Trust ("the Trust") 31 December 2016 Annual Report.

As the Trust's main asset is the investment in units of Multiplex Hybrid Investment Trust, also attached is the financial report of Multiplex Hybrid Investment Trust to be released to the market in accordance with Listing Rule 4.8.

-- ends --

Multiplex SITES Investor Enquiries:

Link Market Services

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2016

ANNUAL REPORT 31 DECEMBER 2016

MULTIPLEX SITES TRUST

ARSN 111 903 747

Step-up
Income-distributing
Trust-issued
Exchangeable
Securities

Brookfield

CHAIRMAN'S LETTER

Dear Multiplex SITES holder,

Multiplex SITES Trust has been trading on the ASX since January 2005 under the code "MXUPA". Distributions are discretionary, although have been paid on a quarterly basis since listing.

In accordance with the Product Disclosure Statement, the sole asset of the Trust remains the investment in units in Multiplex Hybrid Investment Trust. The Board of Directors does not anticipate any change to this situation.

The SITES distribution rate is set at the start of each quarter and represents the three month bank bill rate determined on the first business day of the relevant distribution period plus a margin of 3.9%.

Further SITES information including ASX releases, can be found at www.au.brookfield.com.

Alternatively, if you have any queries in relation to your investment, please contact Link Market Services on 1800 68 54 55.



F. Allan McDonald
Chairman
Brookfield Funds
Management Limited
(Responsible Entity of
Multiplex SITES Trust)

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DIRECTORS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2016

INTRODUCTION

The Directors of Brookfield Funds Management Limited (ABN:15 105 371 917), the Responsible Entity of Multiplex SITES Trust (Trust) present their report together with the financial statements of the Trust for the year ended 31 December 2016 and the Independent Auditor's Report thereon.

RESPONSIBLE ENTITY

The Responsible Entity of the Trust is Brookfield Funds Management Limited (BFML). The registered office and principal place of business of the Responsible Entity is Level 22, 135 King Street, Sydney NSW 2000.

DIRECTORS

The following persons were Directors of the Responsible Entity at any time during or since the end of the year:

NAME	CAPACITY
Mr F Allan McDonald	Non-Executive Chairman
Ms Barbara K Ward	Non-Executive Chairman
Mr Shane A Ross	Executive Director

INFORMATION ON DIRECTORS

DIRECTOR	EXPERIENCE	SPECIAL RESPONSIBILITIES
NON-EXECUTIVE DIRECTORS		
F Allan McDonald (BEcon, FCPA, FAIM, FGIA)	Mr McDonald was appointed to the Board on 22 October 2003 and was appointed Non-Executive Independent Chairman of Brookfield Funds Management Limited (BFML) in May 2005. Mr McDonald has had extensive experience in the role of Chairman and is presently associated with a number of companies as a consultant and Company Director. Mr McDonald is also a director of Brookfield Capital Management Limited (BCML) (appointed January 2010), the Responsible Entity for listed funds Brookfield Prime Property Fund (BPA) and Multiplex European Property Fund (MUE), delisted on 17 September 2015. Mr McDonald's other directorships of listed companies is Astro Japan Property Management Limited (Responsible Entity of Astro Japan Property Trust) (appointed February 2005). During the past three years, Mr McDonald has also served as a director of Brookfield Office Properties Inc. (May 2011 to June 2014).	Non-Executive Independent Chairman
Barbara K Ward, AM (BEcon, MPEcon, MAICD)	Ms Ward was appointed as a Non-Executive Director of BFML on 22 October 2003. Ms Ward has gained extensive business and finance experience through her role as Chief Executive Officer of Ansett Worldwide Aviation Services, as General Manager Finance for the TNT Group and as a Senior Ministerial Advisor. Ms Ward is a Director of Qantas Airways Limited (appointed June 2008), Caltex Australia Limited (appointed 1 April 2015) and Sydney Children's Hospital Foundation (appointed November 2012). Ms Ward is also a director of BCML (appointed January 2010), the Responsible Entity for listed funds BPA, and MUE, delisted on 17 September 2015.	Non-Executive Independent Director and Chairperson of Audit Committee and Board Risk and Compliance Committee
EXECUTIVE DIRECTOR		
Shane A Ross (BBus)	Shane is the Group General Manager of Treasury for Brookfield Australia Investments Limited and was appointed as an Executive Director of BFML on 6 May 2015. BFML is the responsible Entity for the listed Multiplex SITES Trust. Shane joined the organisation in 2003 following a background in banking and has over 21 years experience in treasury and finance within the property industry.	Executive Director / Alternate Director
COMPANY SECRETARIES		
Neil Olofsson	Mr Olofsson has over 20 years international company secretarial experience and has been with the Brookfield Australia group since 2005.	Company Secretary
Men (Mandy) Chiang	Ms Chiang was appointed Company Secretary of BFML on 15 November 2016. Ms Chiang has approximately 20 years of company secretarial experience including having previously worked at Brookfield Australia Group for over 8.5 years.	Company Secretary

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2016

DIRECTORS' AND EXECUTIVES' EQUITY INTERESTS

NAME	MULTIPLEX SITES HELD AT THE START OF THE PERIOD	CHANGES DURING THE PERIOD	MULTIPLEX SITES HELD AT THE END OF THE PERIOD
Mr F Allan McDonald	1,335	-	1,335

The number of Directors' meetings (including meetings of committees of Directors) for the Responsible Entity during the year, and the number of meetings attended by each of the Directors, are as follows:

DIRECTOR	BOARD MEETINGS		AUDIT COMMITTEE MEETINGS		RISK AND COMPLIANCE COMMITTEE MEETINGS	
	HELD	ATTENDED	HELD	ATTENDED	HELD	ATTENDED
Mr F Allan McDonald	4	4	2	2	2	2
Ms Barbara K Ward	4	4	2	2	2	2
Mr Shane A Ross	4	4	0	0	0	0

PRINCIPAL ACTIVITIES

The Trust is a registered managed investment scheme domiciled in Australia and the Step-up Income-distributing Trust-issued Exchangeable securities (Multiplex SITES) are listed on the Australian Securities Exchange.

The investment activities of the Trust continue to be in accordance with the policies outlined in the original Product Disclosure Statement for the Trust dated 29 November 2004. During the year ended 31 December 2016 the Trust's sole activity was holding units in Multiplex Hybrid Investment Trust and the payment of distributions to unitholders.

The Trust did not have any employees during the year.

REVIEW OF OPERATIONS

The Trust earned a net profit attributable to unitholders of \$26,865,000 for the year ended 31 December 2016 (year ended 31 December 2015: \$27,855,000). Total quarterly distributions paid or payable in respect of the year ended 31 December 2016 were \$26,865,000 (year ended 31 December 2015: \$27,855,000). The carrying value of the Trust's net assets at the end of the year ended 31 December 2016 was \$450,000,000 (year ended 31 December 2015: \$450,000,000).

The Trust's only activity is an investment in units in Multiplex Hybrid Investment Trust.

CORPORATE GOVERNANCE

Brookfield Funds Management Limited (the Company), in its capacity as Responsible Entity for the Multiplex SITES Trust (the Trust), is required under the ASX Listing Rules to prepare a Corporate Governance Statement (the Statement) and include the Statement in its Annual Report.

The Statement discloses the extent to which the Company has followed the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations with 2014 Amendments (3rd edition), (the ASX Principles) during the reporting period.

The ASX Principles are guidelines for businesses which set out eight core principles the Corporate Governance Council believes lie behind good corporate governance. The Company is committed to maintaining high standards of corporate governance.

As a wholly owned subsidiary of Brookfield Australia Investments Limited (BAIL), the Company will, wherever possible, make use of the existing governance framework and expertise within the Brookfield Australia Investments Group (the Group) as it applies to the Trust's operations and will continue to review and update its governance practices and policies from time to time.

The Principles have been adopted by the Company, where appropriate, to ensure stakeholder interests are protected, however, some of the Principles are neither relevant nor practically applicable to the investment structure of the Trust. This Statement outlines the Company's main governance policies and practices, and the extent of its compliance with the ASX Principles for the reporting period 1 January 2016 to 31 December 2016.

PRINCIPLE 1: LAY SOLID FOUNDATIONS FOR MANAGEMENT AND OVERSIGHT

It is the Board's responsibility to ensure that the foundations for management and oversight of the Trust are established and documented appropriately.

Role of the Board and Senior Executives

The Board identifies the role of the Board, its committees and the powers reserved to the Board in a charter. The Board Charter reserves the following powers for the Board:

- approval of risk management strategy;
- approval of financial statements and any significant changes to accounting policies;
- approval of distribution payments;
- approval and monitoring of major investments or divestitures and strategic commitments;
- consideration of recommendations from the Audit Committee and Board Risk and Compliance Committee; and
- any matter which, according to law, is expressly reserved for Board determination.

A copy of the Board Charter is available on the Brookfield Australia website at www.au.brookfield.com. In addition, the Board is responsible for:

- monitoring the implementation of the financial and other objectives of the Trust;
- overseeing and approving the risk, control and accountability systems;
- monitoring compliance with legal, constitutional and ethical standards; and
- ensuring there is effective communication with unitholders and other stakeholders of the Trust.

On appointment, each independent director of the Board receives a letter of appointment which details the key terms and expectations of their appointment.

Information regarding election and re-election of director candidates

BAIL and the Company carefully considers the character, experience, education and skillset, as well as interests and associations of potential candidates for appointment to the Board and conducts appropriate checks on the suitability of the candidate, prior to their election

The nomination and appointment of Directors is undertaken by BAIL in consultation with the Board. This practice is in accordance with the Company's Charter and the Corporations Act.

Written contracts of appointment

In addition to being set out in the Charter, each independent director of the Board receives a letter of appointment which details the key terms and expectations of their appointment. The Management team responsible for the operation of the Trust and the Company are employees of the Group.

Company Secretary

All Directors have access to the Company Secretary. The Company Secretary is accountable to the Board on all governance matters and supports the Board by monitoring and maintaining Board policies and procedures, and coordinating the timely completion and dispatch of the Board agenda and briefing material. The appointment and removal of the Company Secretary is a matter for BAIL in consultation with the Board.

Diversity Policy

The ASX Corporate Governance Council recommends that Companies establish a policy concerning diversity. The Company is not part of an ASX listed group of companies and does not directly employ staff. As a result, the Company has not developed a policy concerning diversity.

Evaluation of the performance of the Board, its Committees and individual Directors

The Board is responsible for reviewing and monitoring its performance and the performance of its committees and directors. The Board undertakes an annual self-evaluation of its performance. The evaluation is conducted by way of a survey of each Director, followed by an analysis and discussion of the results. As part of the review, consideration is given to the existing skills and competency of the Directors to ensure there is an appropriate mix of skills for managing the Company and the Trust.

Process for evaluating the performance of senior executives

The Management team responsible for the operation of the Trust and the Company are employees of the Group and are subject to the Group's performance evaluation process. All new employees, including senior executives, attend a formal induction which provides an overall introduction to the various business units within the Group.

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2016

PRINCIPLE 2: STRUCTURE THE BOARD TO ADD VALUE

Nomination committee

The ASX Corporate Governance Council recommends that boards establish a nomination committee to oversee the selection and appointment of directors. Ultimate responsibility for director selection rests with the full board. The Company does not have a nomination committee. The nomination and appointment of Directors is undertaken by BAIL in consultation with the Board. This practice is in accordance with the Company's Charter and the Corporations Act.

Board skill matrix

The Board considers that collectively, the Directors have an appropriate mix of skills, experience and expertise which allow it to meet the Trust's objectives. The composition of the Board is subject to continuous review. Profiles of each of the Directors may be found on page 3.

Independence and length of service of Directors

The table below sets out the details of each of the Directors including their independent status and length of tenure. The interests of the Directors may be found on page 4.

NAME	POSITION HELD	INDEPENDENT Y/N	DATE APPOINTED TO THE RESPONSIBLE ENTITY BOARD
F. Allan McDonald	Non-Executive Independent Chairman	Y	22 October 2003
Barbara Ward	Non-Executive Independent Director	Y	22 October 2003
Shane Ross	Executive Director	N	6 May 2015

Majority of Independent Directors

Throughout the reporting period the Board had a majority of Independent Directors. The independent status of those Directors was determined using the criteria set out in Recommendation 2.4 of the ASX Principles.

Independent Chairperson

The ASX Corporate Governance Council recommends that the Chairperson of the Board be independent and that the roles of Chairperson and Chief Executive Officer be split and not exercised by the same individual. F. Allan McDonald, the Chairman of the Board, is an independent, non-executive Director.

Induction and education

An induction programme for Directors is facilitated by the Company Secretary. The programme provides new directors with an understanding of the financial, strategic, operational and risk management position of the Company, the Trust and the Group.

PRINCIPLE 3: ACT ETHICALLY AND RESPONSIBLY

The Brookfield Group has a Code of Business Conduct and Ethics (the Code) which sets out the requirements for workplace and human resource practices, risk management and legal compliance.

Code of business conduct and ethics

The Board acknowledges that all employees of the Group and Directors of the Company are subject to the Code and are required to act honestly and with integrity. The Code is designed to ensure that all directors, officers and employees conduct activities with the highest standards of honesty and integrity and in compliance with all legal and regulatory requirements. The Code is aligned to the Group's core values of teamwork, integrity and performance and is fully supported by the Board.

A copy of the Code is available on the Brookfield Australia website at www.au.brookfield.com.

PRINCIPLE 4: SAFEGUARD INTEGRITY IN CORPORATE REPORTING

The approach adopted by the Board is consistent with the Principle. The Board requires the Chief Executive Officer and the Chief Financial Officer to provide a written statement that the financial statements of the Trust present a true and fair view, in all material aspects, of the financial position and operational results.

Audit Committee

The Board has established an Audit Committee to oversee the integrity of the financial reporting controls and procedures used by the Company when acting in its capacity as the Responsible Entity. The Audit Committee is responsible for:

- overseeing financial reporting to ensure balance, transparency and integrity; and
- evaluating and monitoring the effectiveness of the external audit function.

The members of the Audit Committee throughout the reporting period were:

NAME	POSITION	AUDIT COMMITTEE MEETINGS	
		HELD	ATTENDED
Ms Barbara K Ward	Chairperson	2	2
Mr F Allan McDonald	Member	2	2

The members of the Audit Committee are not substantial shareholders of the Company or the Trust or officers of, or otherwise associated directly with, a substantial shareholder of the Company or the Trust and therefore are deemed independent.

With only two members, the Audit Committee does not satisfy all the requirements of ASX Recommendation 4.1 which suggests that an audit committee should have 'at least three members'. The structure of the Audit Committee satisfied the three other requirements of Recommendation 4.1.

The Company currently has three Directors, and the Board considers that during the reporting period the Audit Committee was of sufficient size, independence and technical expertise to discharge its mandate effectively.

Charter of the Audit Committee

The Audit Committee has adopted a formal Charter which sets out their responsibilities with respect to financial reporting, external audit (including procedures regarding appointment, removal of and term of engagement with the external auditor), and performance evaluation. A copy of the Audit Committee's Charter is available on the Brookfield Australia website at www.au.brookfield.com.

CEO and CFO certification of financial instruments

The Board has received declarations from the Executive Director and Chief Financial Officer of Brookfield Funds Management Limited (BFML) that the sign off of the financial statements is based upon a sound system of risk management and that the internal compliance and control systems are operating efficiently in all material respects in relation to financial reporting risks.

External auditors available at AGM

The Company is not a public listed entity on the ASX and is not required to hold an AGM under the Corporations Act. Listed trusts established in Australia as managed investment schemes are not required by the Corporations Act to have an AGM.

The Company's external audit function is performed by Deloitte Touche Tohmatsu (Deloitte).

PRINCIPLE 5: MAKE TIMELY AND BALANCED DISCLOSURE

Disclosure Policy

The Company is committed to complying with the continuous disclosure obligations contained in the ASX Listing Rules. The Board has adopted a Continuous Disclosure Policy which is designed to ensure that all unit holders have equal and timely access to material information concerning the Trust. The Continuous Disclosure Policy applies to all Directors, managers and employees involved in the operation of the Trust and the Company.

The Company Secretary is primarily responsible for the Trust's compliance with its continuous disclosure obligations and maintaining the Continuous Disclosure Policy. The Company Secretary is also the liaison between the Board and the ASX.

A copy of the Continuous Disclosure Policy is available on the Brookfield Australia website at www.au.brookfield.com.

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2016

PRINCIPLE 6: RESPECT THE RIGHTS OF THE TRUST'S UNITHOLDERS

Information on Website

Up to date information of the Trust, including any continuous disclosure notices given by the Trust, financial reports and distribution information is available on the Brookfield Australia website at www.au.brookfield.com.

Investor Relations Program

The Company's communication strategy is incorporated into the Continuous Disclosure Policy. The Company is committed to timely and ongoing communication with the Trust's unitholders. The Annual Report also provides an update to investors on major achievements and the financial results of the Trust.

Facilitate Participation at Meetings of Unitholders

The Company is not a public listed entity on the ASX and is not required to hold an AGM under the Corporations Act. Listed trusts established in Australia as managed investment schemes are not required by the Corporations Act to have an AGM.

Facilitate Electronic Communication

The Company provides its investors the option to receive communications from, and send communication to, the Company and the share registry electronically.

PRINCIPLE 7: RECOGNISE AND MANAGE RISK

An important role of the Company is to effectively manage the risks inherent in its business while supporting the performance and success of the Trust. The Company is committed to ensuring that it has a robust system of risk oversight and management and internal controls in compliance with ASX Principle 7.

Risk and Compliance Committee

The Board has delegated responsibility for the oversight of the Company's compliance program to a Board Risk and Compliance Committee. The members of the Board Risk and Compliance Committee throughout the financial period were:

NAME	POSITION	BOARD RISK AND COMPLIANCE COMMITTEE MEETINGS	
		HELD	ATTENDED
Ms Barbara K Ward	Chairperson	2	2
Mr F Allan McDonald	Member	2	2

The Board Risk and Compliance Committee is governed by a formal Charter which is available on the Brookfield Australia website at www.au.brookfield.com.

The Board has adopted a Risk Management Strategy (RMS) and has assigned accountability and responsibility for the management of risk to Management. The RMS describes the key elements of the risk management framework that relates to the delivery of financial services by the Company as an AFS Licensee.

In addition to the RMS, Risk Registers are used by management to record and manage potential sources of material business risks that could impact upon the Company or the Trust.

Annual risk review

The Board is ultimately responsible for overseeing and managing risks to the Company or the Trust. Management reports to the Board on risk management and compliance via a Board Risk and Compliance Committee. Financial risks are managed by the Audit Committee. Designated compliance staff assist the Company by ensuring that a robust system of compliance and risk management is in place. The Compliance Manager for the Group is responsible for reviewing and monitoring the efficiency of compliance systems on an ongoing basis. The Group has an internal audit function which may review aspects of the Company's business and the Trust as part of its annual program. A summary of the Company's policies on risk oversight and management is available on the Brookfield Australia website at www.au.brookfield.com.

Internal audit

The Company has an internal audit function that is independent of management. The external auditor is overseen by the Risk and Compliance Committee. The external audit function is performed by Deloitte Touche Tohmatsu (Deloitte).

Sustainability risks

Environmental stewardship is a major component of Brookfield's strategic business plan. Sustainability is a high priority to Brookfield and is treated as a key business objective, along with revenue growth and risk management. Every decision made as a company balances both our fiscal and our environmental responsibilities. A copy of the Sustainability Report is available on the Brookfield Australia website at www.au.brookfield.com.

PRINCIPLE 8: REMUNERATE FAIRLY AND RESPONSIBLY

Remuneration committee

The ASX Corporate Governance Council suggests that Board should establish a dedicated Remuneration Committee. The Directors receive a fee for service and the Company does not directly employ staff, therefore no remuneration committee has been established.

Independent and non-executive Directors receive fees for serving as Directors. Director's fees are not linked to performance of the Company or the Trust.

Distributions

Distributions paid or declared by the Trust were as follows:

	CENTS PER UNIT	TOTAL AMOUNT \$'000	DAY OF PAYMENT
Year ended 31 December 2016			
Distributions for the period ended 31 March 2016	155.00	6,975.00	15 April 2016
Distributions for the period ended 30 June 2016	154.00	6,930.00	15 July 2016
Distributions for the period ended 30 September 2016	147.00	6,615.00	17 October 2016
Distributions for the period ended 31 December 2016	141.00	6,345.00	17 January 2017
Total distributions	597.00	26,865.00	
Year ended 31 December 2015			
Distributions for the period ended 31 March 2015	163.00	7,335.00	17 April 2015
Distributions for the period ended 30 June 2015	151.00	6,795.00	15 July 2015
Distributions for the period ended 30 September 2015	152.00	6,840.00	16 October 2015
Distributions for the period ended 31 December 2015	153.00	6,885.00	18 January 2016
Total distributions	619.00	27,855.00	

On 4 January 2017, the Trust announced to the ASX that the distribution rate for the period from 1 January 2017 to 31 March 2017 is 5.70% per annum.

Events subsequent to the reporting date

Directors, there has been no matter or circumstance that has arisen since the end of the year that has significantly affected, or may affect, the Trust's operations in future financial periods, the results of those operations or the Trust's state of affairs in future financial periods.

Indemnification and insurance of officers and auditors

Brookfield Australia Investments Ltd (BAIL) has entered into deeds of access and indemnity with each of its Directors, Company Secretary and other nominated Officers. The terms of the deeds are in accordance with the provisions of the Corporations Act 2001 and will indemnify these executives (to the extent permitted by law) for up to seven years after serving as an Officer against legal costs incurred in defending civil or criminal proceedings against the executives, except where proceedings result in unfavourable decisions against the executives, and in respect of reasonable legal costs incurred by the executives in good faith in obtaining legal advice in relation to any issue relating to the executives being an officer of the Group, including the Company.

Under the deeds of access and indemnity, BAIL has agreed to indemnify these persons (to the extent permitted by law) against:

- liabilities incurred as a director or officer of the Company or a company in the Group, except for those liabilities incurred in relation to the matters set out in section 199A(2) of the Corporations Act 2001; and
- reasonable legal costs incurred in defending an action for a liability or alleged liability as a director or officer, except for costs incurred in relation to the matters set out in section 199A(3) of the Corporations Act 2001.

BAIL has also agreed to effect, maintain and pay the premium on a directors' and officers' liability insurance policy. This obligation is satisfied by BAIL being able to rely upon Brookfield's global directors' and officers' insurance policy, for which it pays a portion of the premium.

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2016

As is usual, this policy has certain exclusions and therefore does not insure against liabilities arising out of matters including but not limited to:

- fraudulent, dishonest or criminal acts or omissions and improper personal profit or advantage;
- violation of US Securities Act of 1933; and
- losses for which coverage under a different kind of insurance Policy is readily available such as, for example, liability insurance, employment practices liability and pollution liability (there can be limited coverage for some of these exposures); and claims made by a major shareholder (threshold is ownership of 10% or greater).

The obligation to effect, maintain and pay the premium on a policy continues for a period of seven years after the director or officer has left office to the extent such coverage is available with reasonable terms in the commercial insurance marketplace.

CONTRACT OF INSURANCE

The Group has not otherwise, during or since the end of the financial year, except to the extent permitted by law, indemnified or agreed to indemnify an officer or auditor of the Company or of any related body corporate against a liability incurred as such an officer or auditor.

ROUNDING OF AMOUNTS

The Trust is a entity of the kind referred to in Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191, dated 24 March 2016, and in accordance with that Corporations Instrument amounts in the Directors' Report and the financial statements are rounded off to the nearest thousand dollars, unless otherwise indicated.

LEAD AUDITOR'S INDEPENDENCE DECLARATION UNDER SECTION 307C OF THE CORPORATIONS ACT 2001

The lead auditor's independence declaration is set out on page 13 and forms part of the Directors' Report for the year ended 31 December 2016.

Signed in accordance with a resolution of the Directors, made pursuant to Section 298(2) of the Corporations Act 2001, on behalf of the Directors of Brookfield Funds Management Limited.

Dated at Sydney this 24th day of February 2017



Shane A Ross
Executive Director
Brookfield Funds Management Limited
as Responsible Entity for Multiplex SITES Trust

AUDITOR'S INDEPENDENCE DECLARATION

FOR THE YEAR ENDED 31 DECEMBER 2016



Deloitte Touche Tohmatsu
A.C.N. 74 490 121 060

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Sydney NSW 2000
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The Board of Directors
Brookfield Funds Management Limited
(as Responsible Entity for Multiplex SITES Trust)
Level 22, 135 King Street
SYDNEY, NSW 2000

24 February 2017

Dear Board Members

Multiplex SITES Trust

In accordance with section 307C of the Corporations Act 2001, I am pleased to provide the following declaration of independence to the directors of Brookfield Funds Management Limited as responsible entity for Multiplex SITES Trust.

As lead audit partner for the audit of the financial statements of Multiplex SITES Trust for the financial year ended 31 December 2016, I declare that to the best of my knowledge and belief, there have been no contraventions of:

- (i) the auditor independence requirements of the Corporations Act 2001 in relation to the audit; and
- (ii) any applicable code of professional conduct in relation to the audit.

Yours faithfully,

DELOITTE TOUCHE TOHMATSU

DELOITTE TOUCHE TOHMATSU

A. COLEMAN

Andrew J Coleman
Partner
Chartered Accountant

Liability limited by a scheme approved under Professional Standards Legislation.
Member of Deloitte Touche Tohmatsu Limited

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 DECEMBER 2016

	YEAR END 31 DEC 2016 \$'000	YEAR END 31 DEC 2015 \$'000
Share of net profit of associates accounted for using the equity method	26,865	27,855
Net profit for the period from continuing operations	26,865	27,855
Other comprehensive income for the period	-	-
Total comprehensive income for the period attributable to SITES unitholders	26,865	27,855
Earnings per unit		
Basic and diluted earnings per ordinary unit (cents)	597.00	619.00

The Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the Notes to the Financial Statements.

STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2016

	NOTE	31 DEC 2016 \$'000	31 DEC 2015 \$'000
Non-current assets			
Investments accounted for using the equity method	5	456,345	456,885
Total non-current assets		456,345	456,885
Total assets		456,345	456,885
Current liabilities			
Distributions payable	7	6,345	6,885
Total current liabilities		6,345	6,885
Total liabilities		6,345	6,885
Net assets		450,000	450,000
Equity			
Units on issue	8	450,000	450,000
Total equity		450,000	450,000

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

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2016

	NOTE	UNITS ON ISSUE \$'000	ACCUMULATED PROFIT/ (LOSSES) \$'000	TOTAL EQUITY \$'000
Opening equity – 1 January 2016		450,000	-	450,000
Net profit		-	26,865	26,865
Other comprehensive income		-	-	-
Total comprehensive income		-	26,865	26,865
Distributions to unitholders	7	-	(26,865)	(26,865)
Total transactions with unitholders in their capacity as unitholders		-	(26,865)	(26,865)
Closing equity – 31 December 2016		450,000	-	450,000
Opening equity – 1 January 2015		450,000	-	450,000
Net profit		-	27,855	27,855
Other comprehensive income		-	-	-
Total comprehensive income		-	27,855	27,855
Distributions to unitholders	7	-	(27,855)	(27,855)
Total transactions with unitholders in their capacity as unitholders		-	(27,855)	(27,855)
Closing equity – 31 December 2015		450,000	-	450,000

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

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2016

	NOTE	YEAR ENDED 31 DEC 2016 \$'000	YEAR ENDED 31 DEC 2015 \$'000
Cash flows from operating activities			
Net cash inflows from operating activities	10	-	-
Cash flows from investing activities			
Dividends and distributions received		27,405	28,440
Net cash inflows from investing activities		27,405	28,440
Cash flows from financing activities			
Distributions paid to Multiplex SITES holders		(27,405)	(28,440)
Net cash outflows from financing activities		(27,450)	(28,440)
Net increase/(decrease) in cash and cash equivalents		-	-
Cash and cash equivalents at beginning of financial period		-	-
Cash and cash equivalents at end of financial period		-	-

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

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2016

1 REPORTING ENTITY

Multiplex SITES Trust (Trust) is a unit trust domiciled in Australia and is an Australian registered managed investment scheme under the Corporations Act 2001. Brookfield Funds Management Limited, the Responsible Entity of the Trust, is incorporated and domiciled in Australia. The units of the Trust have been listed on the Australian Securities Exchange (ASX) and are guaranteed on a subordinated and unsecured basis by Brookfield Australia Investments Limited and Brookfield Funds Management Limited (Guarantors). The Trust was registered on 25 November 2004.

The annual financial statements of the Trust for the year ended 31 December 2016 were authorised for issue in accordance with a resolution of the Directors of the Responsible Entity on 24 February 2017.

2 BASIS OF PREPARATION

Statement of compliance

The financial report is a general purpose financial report which has been prepared in accordance with the requirements of the Corporations Act 2001 and Australian Accounting Standards. Accounting standards include Australian equivalents to International Financial Reporting Standards (IFRS). Compliance with Australian equivalents to IFRS ensures that the financial statements and notes of the Trust comply with IFRS.

The financial statements have been prepared on the basis of historical cost, except for the revaluation of certain non-current assets and financial instruments. Cost is based on the fair values of the consideration given in exchange for assets.

The financial report is presented in Australian dollars. The Trust is a entity of the kind referred to in Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191, dated 24 March 2016, and in accordance with that Corporations Instrument amounts in the Directors' Report and the financial statements are rounded off to the nearest thousand dollars, unless otherwise indicated.

Due to the classification of distributions payable as current liabilities at 31 December 2016, the Trust is in a net current liability position of \$6.3 million. The Trust has non-current assets of \$456.3 million and a net asset position of \$450.0 million. In accordance with AASB 101, an entity shall prepare financial statements on a going concern basis unless management either intends to liquidate the entity or to cease trading, or has no realistic alternative but to do so. The accounts of the Trust have been prepared on a going concern basis as the net current asset deficiency is due to the classification of distributions payable as current liabilities. There are agreements in place that ensure the receipt of distributions by the Trust occur at the same time as the payment of their distributions to unitholders, and hence the classification of the distributions payable as current do not impact the ability of the Trust to continue as a going concern. On the 17 January 2017 SITES received the 31 December 2016 distribution declared by Multiplex Hybrid Investment Trust (MHIT) and paid its 31 December 2016 distribution payable.

Use of estimates and judgements

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

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

In particular, information about significant areas of estimation, uncertainty and critical judgements in applying accounting policies that have the most significant effect on the amount recognised in the financial statements is provided in investments accounted for using the equity method (Note 5).

3 SIGNIFICANT ACCOUNTING POLICIES

The accounting policies and methods of computation adopted in the preparation of the full year financial report are consistent with those adopted in the Trust's 2015 annual report for the financial year ended 31 December 2015.

Investments in associates

An associate is an entity over which the Trust has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control over those policies.

The results and assets and liabilities of associates are incorporated in these financial statements using the equity method of accounting, except when the investment, or a portion thereof, is classified as held for sale, in which case it is accounted for in accordance with AASB 5. Under the equity method, an investment in an associate is initially recognised in the statement of financial position at cost and adjusted thereafter to recognise the Trust's share of the profit or loss and other comprehensive income of the associate. When the Trust's share of losses of an associate exceeds the Trust's interest in that associate (which includes any long-term interests that, in substance, form part of the Trust's net investment in the associate), the Trust discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Trust has incurred legal or constructive obligations or made payments on behalf of the associate.

The Trust discontinues the use of the equity method from the date when the investment ceases to be an associate or when the investment is classified as held for sale. When the Trust retains an interest in the former associate and the retained interest is a financial asset, the Trust measures the retained interest at fair value at that date and the fair value is regarded as its fair value on initial recognition in accordance with AASB 139.

The difference between the carrying amount of the associate at the date the equity method was discontinued, and the fair value of any retained interest and any proceeds from disposing of a part interest in the associate is included in the determination of the gain or loss on disposal of the associate. In addition, the Trust accounts for all amounts previously recognised in other comprehensive income in relation to that associate on the same basis as would be required if that associate had directly disposed of the related assets or liabilities.

Therefore, if a gain or loss previously recognised in other comprehensive income by that associate would be reclassified to profit or loss on the disposal of the related assets or liabilities, the Trust reclassifies the gain or loss from equity to profit or loss (as a reclassification adjustment) when the equity method is discontinued.

Distributions

A payable for distribution is recognised in the Statement of Financial Position if the distribution has been declared prior to balance date. Distributions paid are included in cash flows from financing activities and distributions received are included in cash flows from investing activities in the Statement of Cash Flows.

Units on issue

Issued and paid up units are recognised at face value, being the consideration of \$100 received by the Trust for each unit on issue.

New standards and interpretations not yet adopted

In the current year, the Company has adopted all of the new and revised Standards and Interpretations issued by the Australian Accounting Standards Board that are relevant to its operations and effective for the current annual reporting period. The adoption of these new accounting standards did not have any material impact.

At the date of authorisation of the financial statements, the following IASB Standards and IFRIC Interpretations were also in issue but not yet effective, although Australian equivalent Standards and Interpretations have not yet been issued.

AASB 9 Financial Instruments: effective 1 January 2018;

AASB 15 Revenue from contracts with customers: effective 1 January 2017;

The potential effect of the revised Standards/Interpretations on the Group's financial statements has not yet been determined.

4 SEGMENT REPORTING

AASB 8 requires operating segments to be identified on the basis of internal reports about components of the Trust that are regularly reviewed by the chief operating decision maker in order to allocate resources to the segments and to assess their performance. The Trust operates in a single segment, being an investment in Multiplex Hybrid Investment Trust in Australia. All items of the Statement of Comprehensive Income and Statement of Financial Position are derived from this single segment. The chief operating decision maker of the Trust, the Board of Directors of the Responsible Entity, reviews and assesses performance using information displayed as set out in these statements.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2016

5 INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD	31 DEC 2016 \$'000	31 DEC 2015 \$'000
Non-current		
Units in unlisted associates	456,345	456,885
Total	456,345	456,885

SITES has assessed that no impairment to its investment in MHIT is required for the current period (2015:Nil).

Relationship with Multiplex Hybrid Investment Trust

Multiplex SITES Trust has an investment (100% of the Class A units and 25% of the voting rights) in Multiplex Hybrid Investment Trust (MHIT) of \$450,000,000 (2015: \$450,000,000), and are entitled to quarterly distributions on this investment. Distributions paid or payable to Multiplex SITES Trust (the Class A unitholder) totalled \$26,865,000 for the year ended 31 December 2016 (year ended 31 December 2015: \$27,855,000). The activities of MHIT and its relationship with the Trust is strategic to the operations of the Trust. The registered office and principal place of business of the trustee of MHIT is Level 22, 135 King Street, Sydney.

Details of material interests in associates are as follows:

NAME	PRINCIPAL ACTIVIST	VOTING INTEREST %	CARRYING VALUE 31 DEC 2016 \$'000	CARRYING VALUE 31 DEC 2015 \$'000
Multiplex Hybrid Investment Trust	Investment	25	456,345	456,885

	31 DEC 2016 \$'000	31 DEC 2015 \$'000
Movement in the carrying value		
Carrying amount at the beginning of the period	456,885	457,470
Profit accounted for using the equity method	26,865	27,855
Distribution paid during the period	(27,405)	(28,440)
Carrying amount at the end of the period	456,345	456,885

Other disclosures

Associates' revenues and profits

Revenues and profit of associates	26,865	27,855
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Associates' profit and other comprehensive income

Profit or loss from continuing operations	26,865	27,855
Income tax expense attributable to net profit	-	-
Other comprehensive income	-	-
Total comprehensive income	26,865	27,855
Total associates' net profit after tax accounted for using the equity method	26,865	27,855

Associates' assets and liabilities

Current assets	6,351	6,891
Non-current assets	450,000	450,000
Total Assets	456,351	456,891
Current liabilities	6,345	6,885
Non-current liabilities	-	-
Total Liabilities	6,345	6,885
Net Assets	450,006	450,006

6 AUDITOR'S REMUNERATION

During the current and prior periods, all amounts paid to the auditor of the Trust, Deloitte Touche Tohmatsu, were borne by the Responsible Entity in its capacity as responsible entity of Multiplex SITES Trust.

7 DISTRIBUTIONS

Distributions are payable at the discretion of the Responsible Entity at the three month bank bill rate on the issue date plus a margin of 3.90%. The rate is determined on the first business day of each quarter.

	CENTS PER UNIT	TOTAL AMOUNT \$'000	DATE OF PAYMENT
Year ended 31 December 2016			
Distributions for the period ended 31 March 2016	155.00	6,975.00	15 April 2016
Distributions for the period ended 30 June 2016	154.00	6,930.00	15 July 2016
Distributions for the period ended 30 September 2016	147.00	6,615.00	17 October 2016
Distributions for the period ended 31 December 2016	141.00	6,345.00	17 January 2017
Total distributions	597.00	26,865.00	
Year ended 31 December 2015			
Distributions for the period ended 31 March 2015	163.00	7,335.00	17 April 2015
Distributions for the period ended 30 June 2015	151.00	6,795.00	15 July 2015
Distributions for the period ended 30 September 2015	152.00	6,840.00	16 October 2015
Distributions for the period ended 31 December 2015	153.00	6,885.00	18 January 2016
Total distributions	619.00	27,855.00	

8 UNITS ON ISSUE

	31 DEC 2016 \$'000	31 DEC 2016 UNITS	31 DEC 2015 \$'000	31 DEC 2015 UNITS
Units on issue				
Amounts owing to Multiplex SITES holders	450,000	4,500,000	450,000	4,500,000

a. Terms and conditions

Multiplex SITES is a fully paid unit issued by the Trust and is entitled to income that is derived by the Trust.

Multiplex SITES rank in priority to other units in the Trust, but behind creditors of the Trust.

The Responsible Entity, in its capacity as responsible entity of Brookfield Australia Property Trust and Brookfield Australia Investments Limited (guarantors), guarantee the face value and unpaid distribution amount on redemption (being not more than the distribution payments for the four preceding but unpaid distributions). In addition, while the Responsible Entity of the Trust is a member of Brookfield Australia Investments Group, the Responsible Entity in its capacity as responsible entity of Brookfield Australia Property Trust and Brookfield Australia Investments Limited guarantee any distributions which have been declared payable by the Trust. As there is discretion not to pay particular distributions, the guarantee does not ensure that priority distribution payments will be paid in all circumstances.

Under the guarantee, Multiplex SITES rank in priority to units in Brookfield Australia Property Trust and shares in Brookfield Australia Investments Limited but are subordinated to senior creditors of Brookfield Australia Property Trust and Brookfield Australia Investments Limited.

Multiplex SITES have an unsecured and subordinated guarantee of the face value and unpaid distribution amount (not being more than the distribution payments for the four preceding but unpaid distributions).

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2016

b. Assets pledged as security

The guarantee, which ranks in priority to units in Brookfield Australia Property Trust and shares in Brookfield Australia Investments Limited, is subordinated to senior creditors of Brookfield Australia Property Trust and Brookfield Australia Investments Limited and ranks equally with other creditors of Brookfield Australia Property Trust and Brookfield Australia Investments Limited who are not senior creditors.

c. Holder redemption

Holders have the right to initiate redemption of Multiplex SITES, by issue of a holder realisation notice, in the following limited circumstances:

- where a priority distribution payment to Multiplex SITES Trust is not paid in full; or
- the occurrence of a winding-up event, with respect to either of the Guarantors, Multiplex SITES Trust (for as long as the responsible entity of Multiplex SITES Trust is a member of Brookfield Australia Investments Group) or Multiplex Hybrid Investment Trust (MHIT) (for as long as the trustee of MHIT is a member of Brookfield Australia Investments Group).

The request for redemption is effective and will be implemented if made by holders who cumulatively hold 5% or more of Multiplex SITES on issue.

Upon redemption, holders will receive the aggregate of \$100 plus the unpaid distribution amount, not being more than the distribution payments for the four preceding but unpaid distributions.

d. Issuer redemption

Subject to approval of the Responsible Entity and Brookfield Australia Investments Limited, the Trust may initiate redemption of all or some of the Multiplex SITES for cash, by sending a realisation notice to holders, in the following circumstances:

- the step-up date or the last day of each distribution period after the step-up date;
- an increased costs event;
- an accounting event;
- where the responsible entity of the Trust is no longer a member of Brookfield Australia Investments Limited;
- a change of control event; or
- there are less than \$50 million of Multiplex SITES remaining on issue.

e. Holder exchange

Holders have no right to request exchange.

f. Issuer exchange

Brookfield Australia Investments Group was delisted on 20 December 2007. For so long as Brookfield Australia Investments Group is not listed, the Responsible Entity will not be entitled to exercise its option to exchange Multiplex SITES for Brookfield Australia Investments Group stapled securities.

9 FINANCIAL INSTRUMENTS

Financial risk management

The Trust has responsibility for the establishment and monitoring of a risk management framework. This framework seeks to minimise the potential adverse impact of the above risks on the Trust's financial performance.

The Board regularly reviews procedures in respect of compliance with the maintenance of statutory, legal, ethical and environmental obligations through the Audit Committee and Risk and Compliance Committee. Management also reports to the Board through the Audit & Risk Committee as to the effectiveness of the Trust's management of its material business risks. As risks are primarily concerned with compliance rather than an operational nature, the existing risk management approach will continue to be enforced.

10 RECONCILIATION OF CASH FLOWS FROM OPERATING ACTIVITIES

	YEAR ENDED 31 DEC 2016 \$'000	YEAR ENDED 31 DEC 2015 \$'000
Reconciliation of net (loss) to net cash (outflow)/inflow from operating activities		
Profit/(Losses) from ordinary activities after income tax	-	-
Change in operating assets and liabilities:	-	-
Decrease/(Increase) in assets	540	585
(Decrease)/Increase in liabilities	(540)	(585)
Net cash inflow from operating activities	-	-

11 RELATED PARTIES

Associates

Interests in associates are set out in note 5.

Key management personnel

No compensation is paid by the Trust or the Responsible Entity to Directors or directly to any of the key management personnel of the Responsible Entity. Compensation is paid by entities within the Brookfield Australia Investments Group.

The number of Multiplex SITES units held by key management personnel of the Responsible Entity, including their personally related entities, is set out below:

	UNITS HELD AT 31 DEC 2016	UNITS HELD AT 31 DEC 2015
Mr F Allan McDonald	1,335	1,335

Transactions with related parties

Transactions between Multiplex SITES Trust and Multiplex Hybrid Investment Trust

- An investment in Multiplex Hybrid Investment Trust of \$450,000,000 (2015: \$450,000,000); and
- Distributions received/receivable of \$26,865,000 for the year ended 31 December 2016 (year ended 31 December 2015: \$27,855,000)

Responsible Entity

The Responsible Entity of the Trust is Brookfield Funds Management Limited, whose immediate parent company is Brookfield Australia Investments Limited. The ultimate Australian parent of the Responsible Entity is Brookfield Holdings (Australia) Pty Ltd, with the ultimate parent being Brookfield Asset Management Inc.

12 CONTINGENT LIABILITIES AND ASSETS

No contingent liabilities or assets existed 31 December 2016 (31 December 2015: nil).

13 CAPITAL AND OTHER COMMITMENTS

No capital or other commitment existed at 31 December 2016 (31 December 2015: nil).

14 EVENTS SUBSEQUENT TO THE REPORTING DATE

Other than matters previously disclosed in this report and to the knowledge of the Directors, there has been no matter or circumstance that has arisen since the end of the year that has significantly affected, or may affect, the Trust's operations in future financial periods, the results of those operations or the Trust's state of affairs in future financial periods.

DIRECTOR'S DECLARATION

FOR THE YEAR ENDED 31 DECEMBER 2016

In the opinion of the Directors of Brookfield Funds Management Limited, the Responsible Entity of Multiplex SITES Trust:

- a. The Financial Statements and notes set out on pages 14 to 23 are in accordance with the Corporations Act 2001, including:
 - i giving a true and fair view of the financial position of the Trust as at 31 December 2016 and of its performance for the year ended on that date; and
 - ii the attached financial statements are in compliance with International Financial Reporting Standards, as stated in note 2 to the financial statements; and
 - iii complying with Accounting Standards and the Corporations Act 2001 in Australia and the Corporations Regulations 2001;
- b. There are reasonable grounds to believe that the Trust will be able to pay its debts as and when they become due and payable.

The Directors have been given the declarations required by section 295A of the Corporations Act 2001.

Signed in accordance with a resolution of the Directors of Brookfield Funds Management Limited as required by Section 295A of the Corporations Act 2001.

Dated at Sydney this 24th day of February 2017



Shane A Ross
Executive Director
Brookfield Funds Management Limited
as Responsible Entity for Multiplex SITES Trust

INDEPENDENT AUDITOR'S REPORT

FOR THE YEAR ENDED 31 DECEMBER 2016



Deloitte Touche Tohmatsu
A.C.N. 74 490 121 060

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Independent Auditor's Report to the members of Multiplex SITES Trust

Opinion

We have audited the financial report of Multiplex SITES Trust (the Trust) which comprises the statement of financial position as at 31 December 2016, the statement of comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration on pages 14 to 24.

In our opinion, the accompanying financial report of the Trust is in accordance with the *Corporations Act 2001*, including:

- (i) giving a true and fair view of the Trust's financial position as at 31 December 2016 and of its financial performance for the year ended; and
- (ii) complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Trust in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's *APES 110 Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of the Trust, would be in the same terms if given to the directors as at the time of this auditor's report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report for the current period. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Liability limited by a scheme approved under Professional Standards Legislation.
Member of Deloitte Touche Tohmatsu Limited

INDEPENDENT AUDITOR'S REPORT

FOR THE YEAR ENDED 31 DECEMBER 2016



Key Audit Matter

How the scope of our audit responded to the Key Audit Matter

Recoverability of the investment in Multiplex Hybrid Investment Trust ('MHIT')

As at 31 December 2016 the investment in MHIT is valued at \$456,345,000 (31 December 2015 \$456,885,000) as discussed in Note 2 'Use of estimates and judgments' and Note 5 'Investments accounted for using the equity method' on page 20.

The only relevant activity of the Trust is to invest in MHIT and the only source of revenue arises from distributions from the investment, as such the Directors assess impairment at each reporting date by evaluating conditions specific to the Trust and to MHIT that may lead to impairment of its investment.

Where an impairment trigger exists, the recoverable amount of the investment is determined and compared to its carrying amount.

Our procedures included but were not limited to:

- Identifying events in the external environment or in MHIT's operations and activities that could trigger an impairment of the investment in MHIT;
- Evaluating management's processes and controls in respect of assessing indicators of impairment at the reporting date; and
- Assessing the adequacy of the disclosures.

We also assessed the appropriateness of the related disclosures in Note 5 to the financial statements.

Other Information

The directors are responsible for the other information. The other information comprises the information included in the Directors' report and the annual report (but does not include the financial statements and our auditor's reports thereon), as well as the financial reports of Brookfield Australia Property Trust and Multiplex Hybrid Investment Trust, which we obtained prior to the date of this auditor's report.

Our opinion on the financial report does not cover the other information and accordingly we do not and will not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

When we read the other information in the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to the directors and/or regulatory bodies.

Directors' Responsibilities

The directors of the Trust are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the Trust's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Trust or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.



As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Trust's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Trust's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Trust to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Trust to express an opinion on the financial report. We are responsible for the direction, supervision and performance of the audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial report of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

DELOITTE TOUCHE TOHMATSU.

DELOITTE TOUCHE TOHMATSU

A. COLEMAN.

Andrew J Coleman
Partner
Chartered Accountants
Sydney, 24 February 2017

INFORMATION ON SECURITYHOLDERS

FOR THE YEAR ENDED 31 DECEMBER 2016

Multiplex SITES Trust securities trade on the Australian Securities Exchange under the symbol "MXUPA". The securities were first listed on 19 January 2005 with the home exchange being Sydney.

NUMBER OF ISSUED SECURITIES

4,500,000

SECURITYHOLDER DISTRIBUTION RANGES (AS AT 28 FEBRUARY 2017)

RANGE	NUMBER OF SECURITIES	PERCENTAGE OF ISSUED SECURITIES	NUMBER OF HOLDERS
100,001 and Over	1,532,291	34.05	5
10,001 to 100,000	569,452	12.65	25
5,001 to 10,000	197,304	4.38	30
1,001 to 5,000	942,720	20.95	461
1 to 1,000	1,258,233	27.96	4,271
Total	4,500,000	100.00	4,792

There are 14 investors holding less than a marketable parcel of 6 securities (\$75.50 on 28 February 2017).

TOP 20 SECURITYHOLDINGS (AS AT 28 FEBRUARY 2017)

NAME	NUMBER OF SECURITIES	PERCENTAGE OF ISSUED SECURITIES
Citicorp Nominees Pty Limited	417,496	9.28
AET Structured Finance Services Pty Ltd	406,465	9.03
HSBC Custody Nominees (Australia) Limited	296,793	6.60
J P Morgan Nominees Australia Limited	240,514	5.34
National Nominees Limited	171,023	3.80
HSBC Custody Nominees (Australia) Limited - A/C 2	68,032	1.51
Karatal Holdings Pty Ltd	57,632	1.28
BNP Paribas Noms Pty Ltd	44,062	0.98
Sandhurst Trustees Ltd	36,166	0.80
Mutual Trust Pty Ltd	27,478	0.61
Navigator Australia Ltd	25,820	0.57
Turnbull & Partners Pty Limited	25,610	0.57
Netwealth Investments Limited	25,451	0.57
Ms Christine Maree Windeyer & Mr Gordon Phillip Windeyer	23,389	0.52
Jiliby Pty Ltd	22,500	0.50
Wilfred Services Pty Ltd	19,574	0.43
Darth Management Pty Ltd	18,380	0.41
Sir Lenox Hewitt	17,782	0.40
Mr David Feldman & Mrs Laima Feldman	17,000	0.38
ABN Amro Clearing Sydney Nominees Pty Ltd	16,528	0.37
Total	1,977,695	43.95
Balance of Register	2,522,305	56.05
Grand Total	4,500,000	100.00

SUBSTANTIAL SECURITYHOLDING NOTICE

As at the date of this report the following substantial securityholder notice has been received by Multiplex SITES Trust from:

NAME	NUMBER OF SECURITIES	PERCENTAGE OF ISSUED SECURITIES
Brookfield Asset Management Inc	361,664	8.037
Clime Investment Management Limited & Clime Asset Management Pty Limited	225,981	5.02
Challenger Limited	389,941	8.67

INVESTOR RELATIONS

ELECTRONIC INVESTORS

Brookfield continually strives to improve its environmental performance and securityholders are encouraged to assist with this effort. The electronic investor service allows investors to receive annual reports electronically. Electronic investors will be notified by email when the Annual Report becomes available for them to view online at www.au.brookfield.com. This option reduces our impact on the environment by minimising paper usage, while also providing investors with a cost-effective, user-friendly alternative.

If you would like to elect to become an electronic investor contact our security registrar, Link Market Services Limited, by telephone on 1800 68 54 55 (within Australia) or by mail at Locked Bag A14, Sydney South, NSW 1235.

SECURITY REGISTRAR CONTACT DETAILS

If you have any queries regarding your investment, please contact our security registrar:

Link Market Services Limited

Level 12
680 George Street
Sydney NSW 2000
Locked Bag A14
Sydney South NSW 1235

Tel (within Australia): 1800 68 54 55
Tel (outside Australia): +61 2 8280 7141
Fax: +61 2 9287 0303

Email: registrars@linkmarketservices.com.au
Website: www.linkmarketservices.com.au

CORPORATE DIRECTORY

REGISTERED OFFICE OF RESPONSIBLE ENTITY

Brookfield Funds Management Limited
Level 22
135 King Street
Sydney NSW 2000
Telephone: +61 2 9322 2000
Facsimile: +61 2 9322 2001

**DIRECTORS OF BROOKFIELD FUNDS
MANAGEMENT LIMITED**

F Allan McDonald
Barbara K Ward
Shane A Ross

**COMPANY SECRETARIES OF BROOKFIELD
FUNDS MANAGEMENT LIMITED**

Neil Olofsson
Men (Mandy) Chiang (appointed 15 November 2016)

CUSTODIAN

Brookfield Funds Management Limited
Level 22
135 King Street
Sydney NSW 2000

STOCK EXCHANGE

The Trust is listed on the Australian
Securities Exchange (ASX Code: MXU).
The Home Exchange is Sydney.

SHARE REGISTRY

Link Market Services Limited
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AUDITOR

Deloitte Touche Tohmatsu
Grosvenor Place
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Multiplex Hybrid Investment Trust

For the year ended 31 December 2016

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Directory

Multiplex Hybrid Investment Trust

For the year ended 31 December 2016

Trustee

Directors of Multiplex Hybrid Investment Pty Ltd

Mr Shane A Ross

Mr William M Powell

Company Secretary of Multiplex Hybrid Investment Pty Ltd

Mr Neil Olofsson (resigned 28 October 2016)

Ms Men (Mandy) Chiang (appointed 28 October 2016)

Registered Office of Multiplex Hybrid Investment Pty Ltd

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Auditor

Deloitte Touche Tohmatsu

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Sydney NSW 2000

Telephone: + 61 (02) 9322 7000

Fax: + 61 (02) 9322 7001

Statement of Profit or Loss and Other Comprehensive Income

Multiplex Hybrid Investment Trust

For the year ended 31 December 2016

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	Note	Year ended 31-Dec 2016 \$'000	Year ended 31-Dec 2015 \$'000
Income	6	26,865	27,855
Net profit before income tax		26,865	27,855
Income tax expense		-	-
Net profit attributable to unitholders		26,865	27,855
Other comprehensive income for the year		-	-
Total comprehensive income for the year attributable to unitholders		26,865	27,855

The Statement of Profit or Loss and Comprehensive income should be read in conjunction with the Notes to the Financial Statements.

Statement of Financial Position

Multiplex Hybrid Investment Trust

As at 31 December 2016

	Note	Year ended 31-Dec 2016 \$'000	Year ended 31-Dec 2015 \$'000
Current assets			
Receivables	7	6,351	6,891
Total current assets		6,351	6,891
Non-current assets			
Receivables	7	450,000	450,000
Total non-current assets		450,000	450,000
Total assets		456,351	456,891
Current liabilities			
Trade and other payables	8	6,345	6,885
Total current liabilities		6,345	6,885
Total liabilities		6,345	6,885
Net assets		450,006	450,006
Equity			
Units on issue	9	451,006	451,006
Undistributed losses	10	(1,000)	(1,000)
Total equity		450,006	450,006

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

Statement of Changes in Equity

Multiplex Hybrid Investment Trust

For the year ended 31 December 2016

	Units on issue \$'000	Undistributed profits/(losses) \$'000	Total \$'000
Opening balance as at 1 January 2016	451,006	(1,000)	450,006
Profit for the period	-	26,865	26,865
Other Comprehensive Income	-	-	-
Total Comprehensive Income for the year	-	26,865	26,865
Transactions with unit holders in their capacity as unit holders:			
Distributions	-	(26,865)	(26,865)
Closing balance as at 31 December 2016	451,006	(1,000)	450,006

	Units on issue \$'000	Undistributed profits \$'000	Total \$'000
Opening balance as at 1 January 2015	451,006	(1,000)	450,006
Profit for the period	-	27,855	27,855
Other Comprehensive Income	-	-	-
Total Comprehensive Income for the year	-	27,855	27,855
Transactions with unit holders in their capacity as unit holders:			
Distributions	-	(27,855)	(27,855)
Closing balance as at 31 December 2015	451,006	(1,000)	450,006

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

Statement of Cash Flows

Multiplex Hybrid Investment Trust

For the year ended 31 December 2016

	Note	Year ended 31-Dec 2016 \$'000	Year ended 31-Dec 2015 \$'000
Cash flows from operating activities			
Interest received		27,405	28,440
Net cash provided by operating activities	13	27,405	28,440
Cash flows from investing activities			
Net cash flows from investing activities		-	-
Cash flows from financing activities			
Distributions paid		(27,405)	(28,440)
Net cash flows used in financing activities		(27,405)	(28,440)
Net increase/(decrease) in cash and cash equivalents		-	-
Cash and cash equivalents at beginning of financial period		-	-
Cash and cash equivalents at end of financial period		-	-

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

Notes to the Financial Statements

Multiplex Hybrid Investment Trust

For the year ended 31 December 2016

1 Reporting entity

Multiplex Hybrid Investment Trust (Trust) is a unit trust domiciled in Australia. Multiplex Hybrid Investment Pty Ltd, the trustee of the Trust, is incorporated and domiciled in Australia. Its ultimate parent entity is Brookfield Asset Management Inc.

2 Basis of preparation

Statement of compliance

The financial report is a general purpose financial report which has been prepared in accordance with Australian Accounting Standards. Accounting standards include Australian equivalents to International Financial Reporting Standards (IFRS). Compliance with Australian equivalents to IFRS ensures that the financial statements and notes of the Trust comply with IFRS.

The financial statements have been prepared on the basis of historical cost, except for the revaluation of certain non-current assets and financial instruments. Cost is based on the fair values of the consideration given in exchange for assets.

The financial report is presented in Australian dollars. The Trust is a entity of the kind referred to in Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191, dated 24 March 2016, and in accordance with that Corporations Instrument amounts in the Directors' Report and the financial statements are rounded off to the nearest thousand dollars, unless otherwise indicated.

The Trust has non-current assets of \$456.3 million and a net asset position of \$450.0 million. In accordance with AASB 101, an entity shall prepare financial statements on a going concern basis unless management either intends to liquidate the entity or to cease trading, or has no realistic alternative but to do so. The accounts of the Trust have been prepared on a going concern basis as the net current asset deficiency is due to the classification of distributions payable as current liabilities. There are agreements in place that ensure the receipt of distributions by the Trust occur at the same time as the payment of their distributions to unitholders, and hence the classification of the distributions payable as current do not impact the ability of the Trust to continue as a going concern. On the 17 January 2017 Multiplex Hybrid Investment Trust (MHIT) paid its 31 December 2016 distribution payable to SITES.

Basis of measurement

The report has been prepared on the historical cost basis.

The Trust is a entity of the kind referred to in Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191, dated 24 March 2016, and in accordance with that Corporations Instrument amounts in the Directors' Report and the financial statements are rounded off to the nearest thousand dollars, unless otherwise indicated.

Use of estimates and judgement

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amount of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods effected.

In particular, information about significant areas of estimation, uncertainty and critical judgements in applying accounting policies that have the most significant effect on the amount recognised in the financial statements is provided in receivables (Note 5).

3 Significant accounting policies

The significant policies set out below have been applied consistently to all periods presented in these financial statements.

Loan receivables

Loan receivables are stated at amortised cost less any identified impairment losses.

Distributions

A payable for distribution is recognised in the Statement of Financial Position if the distribution has been declared prior to balance date. Distributions paid are included in cash flows from financing activities and distributions received are included in cash flows from investing activities in the Statement of Cash Flows

Revenue recognition

Interest revenue is recognised as it accrues, taking into account the effective yield on the financial asset.

Notes to the Financial Statements continued

Multiplex Hybrid Investment Trust

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For the year ended 31 December 2016

3 Significant accounting policies continued

New standards and interpretations not yet adopted

In the current year, the Company has adopted all of the new and revised Standards and Interpretations issued by the Australian Accounting Standards Board that are relevant to its operations and effective for the current annual reporting period. The adoption of these new accounting standards did not have any material impact.

At the date of authorisation of the financial statements, the following IASB Standards and IFRIC Interpretations were also in issue but not yet effective, although Australian equivalent Standards and Interpretations have not yet been issued.

AASB 9	Financial Instruments: effective 1 January 2018;
AASB 15	Revenue from contracts with customers: effective 1 January 2017;

The potential effect of the revised Standards/Interpretations on the Group's financial statements has not yet been determined.

4 Segment Reporting

AASB 8 requires operating segments to be identified on the basis of internal reports about components of the Trust that are regularly reviewed by the chief operating decision maker in order to allocate resources to the segments and to assess their performance. The Trust operates in a single segment, being providing a loan to Brookfield Australia Property Trust (a related party). All items of the Statement of Comprehensive Income and Statement of Financial Position are derived from this single segment. The chief operating decision maker of the Trust, the Board of Directors of the Responsible Entity, reviews and assesses performance using information displayed as set out in these statements.

5 Financial instruments

Financial risk management

The Trust has responsibility for the establishment and monitoring of a risk management framework. This framework seeks to minimise the potential adverse impact of the above risks on the Trust's financial performance.

The Board regularly reviews procedures in respect of compliance with the maintenance of statutory, legal, ethical and environmental obligations through the Audit Committee and Risk and Compliance Committee. Management also reports to the Board through the Audit & Risk Committee as to the effectiveness of the Trust's management of its material business risks. As risks are primarily concerned with compliance rather than an operational nature, the existing risk management approach will continue to be enforced.

6 Revenue

	Year ended 31-Dec-16 \$'000	Year ended 31-Dec-15 \$'000
Interest from Brookfield Australia Property Trust	26,865	27,855
	26,865	27,855

7 Receivables

	Year ended 31-Dec-16 \$'000	Year ended 31-Dec-15 \$'000
Current		
Interest Receivable from Brookfield Australia Property Trust	6,351	6,891
	6,351	6,891
Non-current		
Loan to Brookfield Australia Property Trust	450,000	450,000
	450,000	450,000

Notes to the Financial Statements

Multiplex Hybrid Investment Trust

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For the year ended 31 December 2016

7 Receivables continued

On 31 December 2014, Multiplex Hybrid Investment Trust held a \$450,000,000 loan receivable from Brookfield Funds Management Limited as responsible entity of the Brookfield Australia Property Trust ("Original Loan"). The Original Loan matured on 19 January 2015 and as such had been classified as current as at 31 December 2014. On 22 December 2014, Multiplex Hybrid Investment Pty Ltd, the Trustee of the Trust, executed a new loan agreement between the Trust and Brookfield Australia Property Trust. On 19 January 2015 the new loan of \$450,000,000 was drawn down ("New Loan") and the Original Loan was repaid. The New Loan made on 19 January 2015 is on substantially the same terms as the Original Loan, however with a new maturity date of 19 January 2025 and was classified as non-current as at 31 December 2016. The loan is considered to be fully recoverable from Brookfield Australia Property Trust.

8 Trade and other payables

	Year ended 31-Dec-16 \$'000	Year ended 31-Dec-15 \$'000
Current		
Distributions payable on Class A units	6,345	6,885
	6,345	6,885

9 Units on issue

	Year ended 31-Dec-16 \$'000	Year ended 31-Dec-15 \$'000
Issued capital		
4,500,000 Class A units issued at \$100 each	450,000	450,000
19,242,118 Class B units issued at \$1 each	19,242	19,242
	469,242	469,242
Less issue costs paid	(18,236)	(18,236)
Total Units on issue	451,006	451,006

Terms and conditions of ordinary Class A and B units entitle the holder to participate in distributions and the proceeds on winding up of the Trust in proportion to the number of and amounts paid on the units held. Class A units represent 25% of the voting rights while Class B units have 75% of the voting rights.

10 Undistributed losses

	Year ended 31-Dec-16 \$'000	Year ended 31-Dec-15 \$'000
Undistributed losses at the start of the year	(1,000)	(1,000)
Net profit to unit holders	26,865	27,855
Distributions recognised during the year	(26,865)	(27,855)
Undistributed losses at the end of the year	(1,000)	(1,000)

Notes to the Financial Statements continued

Multiplex Hybrid Investment Trust

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For the year ended 31 December 2016

11 Distributions

	Cents per unit	Total amount \$'000	Date of payment
Year ended 31 December 2016			
Distributions for the period ended 31 March 2016	155.00	6,975	15 April 2016
Distributions for the period ended 30 June 2016	154.00	6,930	15 July 2016
Distributions for the period ended 30 September 2016	147.00	6,615	17 October 2016
Distributions for the period ended 31 December 2016	141.00	6,345	17 January 2017
Total distributions	619.00	26,865	
Year ended 31 December 2015			
Distributions for the period ended 31 March 2015	163.00	7,335	17 April 2015
Distributions for the period ended 30 June 2015	151.00	6,795	15 July 2015
Distributions for the period ended 30 September 2015	152.00	6,840	16 October 2015
Distributions for the period ended 31 December 2015	153.00	6,885	18 January 2016
Total distributions	619.00	27,855	

12 Remuneration of auditors

During the current and comparative periods, all amounts paid to the auditor (Deloitte Touche Tohmatsu) of the Trust were borne by Brookfield Australia Investments Limited (a related party)

13 Reconciliation of cash flows from operating activities

	Year ended 31-Dec-16 \$'000	Year ended 31-Dec-15 \$'000
Profit from ordinary activities	26,865	27,855
Change in operating assets and liabilities:		
Decrease in receivables	540	585
Net cash inflow from operating activities	27,405	28,440

14 Contingent liabilities and assets

There are no contingent liabilities or assets requiring recognition at 31 December 2016 (2015: nil).

15 Capital and other commitments

There was no capital or other commitments at 31 December 2016 (2015: nil).

16 Related parties

Transactions between Multiplex SITES Trust and Multiplex Hybrid Investment Trust

- Multiplex SITES Trust has an investment (100% of the Class A units) in Multiplex Hybrid Investment Trust of \$450,000,000 (2014: \$450,000,000); and
- Distributions paid or payable to Multiplex SITES Trust (the Class A unit holder) totalled \$26,865,000 for the year ended 31 December 2016 (year ended 31 December 2015 \$27,855,000).

Transactions between Multiplex Hybrid Investment Trust and other related parties

- Multiplex Hybrid Holdings Trust holds 100% of the Class B units of the Trust which are valued at \$19,242,118 (2015: \$19,242,118); and
- The Trust has a loan of \$450,000,000 to Brookfield Australia Property Trust. The Trust earned interest revenue on this loan amounting to \$26,865,000 during the year ended 31 December 2016. In the year ended 31 December 2015, the trust earned interest revenue of \$27,855,000 from Brookfield Australia Property Trust

Notes to the Financial Statements

Multiplex Hybrid Investment Trust

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For the year ended 31 December 2016

16 Related Parties continued

Key management personnel

No compensation is paid by the Trust or the Responsible Entity to Directors or directly to any of the key management personnel of the Responsible Entity. Compensation is paid by entities within the Brookfield Australia Investments Group.

Trustee

The Trustee of the Trust is Multiplex Hybrid Investment Pty Ltd, whose immediate parent entity is Brookfield Funds Management Limited, which is owned by Brookfield Australia Investments Limited.

Brookfield Australia Investments Limited's ultimate parent entity and the Trust's ultimate parent entity is Brookfield Asset Management Inc which is incorporated and domiciled in Canada. The ultimate Australian parent company of Brookfield Australia Investments Limited is BHCA Pty Limited.

The directors of Multiplex Hybrid Investment Pty Ltd are the following

Name	Capacity
Mr William M Powell (Appointed 6 May 2015)	Director
Mr Russell T Prouitt (Resigned 6 May 2015)	Director
Mr Shane A Ross (Appointed 24 May 2011)	Director

17 Events occurring after reporting date

To the knowledge of the Directors, there has been no matter or circumstance that has arisen since the end of the year that has significantly affected, or may affect, the Trust's operations in future financial periods, the results of those operations or the Trust's state of affairs in future financial periods.

Directors' Declaration

Multiplex Hybrid Investment Trust

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For the year ended 31 December 2016

In the opinion of the Directors of Multiplex Hybrid Investment Pty Ltd, the Trustee of the Trust:

- a the Financial Statements and the notes to the Financial Statements, as set out on pages 3 to 11, are in accordance with the Trust Constitution, including:
 - i giving a true and fair view of the financial position of the Trust as at 31 December 2016 and of its performance, as represented by the results of its operations and its cash flows, for the year ended on that date; and
 - ii complying with Australian Accounting Standards;
- b there are reasonable grounds to believe that the Trust will be able to pay its debts as and when they become due and payable;
- c the Trust has operated during the year ended 31 December 2016 in accordance with the provisions of the Trust Constitution dated 24 November 2004; and
- d the register of unitholders has, during the year ended 31 December 2016, been properly drawn up and maintained so as to give a true account of the unitholders of the Trust.

Signed in accordance with a resolution of the Directors of the Trustee.

Dated this 13th day of March 2017



Shane Ross
Director
Multiplex Hybrid Investment Pty Ltd

Deloitte Touche Tohmatsu
A.C.N. 74 490 121 060

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Independent Auditor's Report to the unitholders of Multiplex Hybrid Investment Trust

Opinion

We have audited the accompanying financial report of Multiplex Hybrid Investment Trust (the "Trust"), which comprises the statement of financial position as at 31 December 2016, the statement of comprehensive income, the statement of cash flows and the statement of changes in equity for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration as set out on pages 3 to 12.

In our opinion, the accompanying financial report presents fairly, in all material respects, the Trust's financial position as 31 December 2016 and of its financial performance and its cash flows for the year then ended in accordance with Australian Accounting Standards.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Trust in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Directors' Responsibility for the Financial Report

The directors of the Trustee, Multiplex Hybrid Investment Pty Ltd, are responsible for the preparation of the financial report in accordance with Australian Accounting Standards and for such internal control as management determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the Directors of the Trustee are responsible for assessing the ability of the Trust to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Trust or to cease operations, or has no realistic alternative but to do so.

The directors are responsible for overseeing the Trust's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

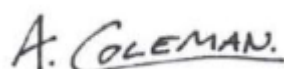
As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Trust's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.
- Conclude on the appropriateness of the Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Trust's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Trust to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



DELOITTE TOUCHE TOHMATSU



Andrew J Coleman
Partner
Chartered Accountants
Sydney, 13 March 2017