

# MULTIPLEX

Multiplex Limited  
(ABN 96 008 687 063)

18 October 2004

The Manager  
Company Announcements Office  
Australian Stock Exchange Limited  
20 Bridge Street  
SYDNEY  
NSW 2000

Dear Madam

## **MULTIPLEX GROUP – AGREED CASH OFFER FOR DUELGUIDE PLC**

Please find attached a media release for immediate release to the market.

Yours faithfully

Mark Wilson  
Company Secretary  
**Multiplex Limited**

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18 October 2004

## MULTIPLEX, WESTFIELD AND REUBEN BROTHERS AGREED CASH OFFER FOR DUELGUIDE PLC

Multiplex Group, Westfield Group and companies associated with David and Simon Reuben, (the Consortium) together with the Board of Duelguide have announced an agreed cash offer for Duelguide plc, the unlisted company that acquired the formerly listed Chelsfield plc.

NM Rothschild, independent financial adviser to Duelguide, has stated that it is its view that the offer is fair and reasonable.

As foreshadowed, the joint cash offer values Duelguide at £585 million, or an enterprise value of approximately £2.1 billion. Multiplex's share of the cash offer is 25% or £146.25m or approximately \$365m. In addition, Multiplex will receive approximately £41.4m (\$105m) of consideration in respect of its existing investment in Duelguide.

The formal offer document is expected to be released shortly. The transaction is expected to close in November.

The offer is conditional on receipt of 75% acceptances. The Consortium has received undertakings to accept the offer in respect of a total of approximately 87% of the existing issued share capital of Duelguide.

If the Consortium receives acceptances under the offer in respect of, and/or otherwise acquires, 90% or more of the Duelguide Shares, it is the Consortium's intention to acquire compulsorily the remaining Duelguide Shares.

Announcing the offer, John Roberts AO, Chairman of Multiplex said: "The offer for Duelguide is a milestone in the history of Multiplex. The acquisition provides an exceptional opportunity for Multiplex to gain a leading position as a developer and owner of retail centres in the United Kingdom. It will also provide considerable opportunities for our construction businesses in the UK. The acquisition is part of the growth strategy outlined at the time of, and following, our listing in December 2003. Coupled with the merger proposal with Ronin Property Group, this reinforces Multiplex as a diversified and integrated real estate business, operating in a number of major international markets."

"Multiplex views the UK market as a key growth market for its business and the offer for Duelguide is expected to accelerate significantly its growth plans in the UK", said Andrew Roberts, Chief Executive of Multiplex.

"Multiplex is extremely familiar with the Duelguide business as a shareholder and as a consequence of our involvement with the White City project. We believe that the interests in the assets within Duelguide that will be acquired by Multiplex comprise a quality portfolio of major development and investment assets that would otherwise take many years to assemble. Multiplex, as an experienced developer and constructor of major projects, is well placed to unlock additional value from Duelguide", he added.

The forecast distributions for the period ended 30 June 2005 presented in the Bidder's Statement for the Ronin Property Group are expected to be maintained. The joint offer is expected to maintain Multiplex's strategy of deriving a majority of earnings from property investment assets, as well as underpinning profits growth from the development and construction businesses in the UK.

Multiplex and the Reuben Brothers are looking forward to creating a strong working relationship with Westfield and to extending their close working relationship with each other.

The joint offer enables Multiplex to fund its UK expansion in a capital efficient manner, continuing the group's focus on providing a high return on capital to its securityholders. In connection with the offer, Multiplex has entered into an agreement with UBS to issue up to \$620 million convertible preference securities (CPS) that are perpetual subordinated securities. Upon issue, the CPS are expected to be classified as debt in the Multiplex Statement of Financial Position. Multiplex's ratio of debt to total assets following the issue of CPS on a pro forma basis as at 30 June 2004 would be 34.3% or 34.8% based on the pro forma statement of financial position in the Bidder's Statement for Ronin Property Group.

The CPS proceeds will be used both to exploit opportunities to create value for the group and to fund Multiplex's obligations as part of the offer.

### **Asset Arrangements**

As foreshadowed, Multiplex has entered into a Consortium Bid Agreement that regulates the relationship between the consortium partners. Under this agreement, it is proposed that following the successful conclusion of the joint offer, the effective interests in the underlying assets of Duelguide are to be split between the consortium partners. The economic interests are to be split effective on the conclusion of the Offer. The legal form of the split is to be determined and implemented over a period of time.

The assets to be allocated to the Multiplex/Aldersgate 50:50 Joint Venture are set out below:

- A portfolio of six retail properties:
  - Octagon Centre, High Wycombe
  - Harvey Centre, Harlow
  - Queens Arcade, Cardiff
  - Charter Walk Shopping Centre, Burnley
  - The Rushmere Centre, Craigavon
  - Fife Central Retail Park, Kirkcaldy
- Development and construction of major redevelopment projects, including:
  - Stratford City, a major metropolitan mixed use town centre development over 180 acres in London, with outline planning consent (50% interest)
  - Paddington Basin, a major mixed use development project in central London with existing planning consents, over 80 acres (50% interest)
  - Newcastle, a mixed use retail development site (100% interest)

In addition, there are other projects in varying stages of development and planning processes.

- Jointly with Westfield, a 50% interest in the 1.3 million square feet White City shopping centre (where Multiplex is responsible for the construction);
- 100% interest in the Global Switch fund, established with Morley, and a 67% interest in the other Global Switch assets and loans (including properties in Singapore and Sydney); and
- A portfolio of non-core properties, with a book value of £285 million which is expected to be sold over time.

These remain unchanged, with the exception that the Multiplex/Aldersgate Joint Venture is now expected to acquire 100% of Duelguide's interests in Global Switch. By December 2004, Global Switch's management expect to achieve total new lettings for 2004 of 106,300 square feet, generating incremental revenue of £7.6m per annum. Completion of these lettings will, once income is fully flowing, result in the fund having positive cashflow after the payment of interest.

*In the event that the offer is unsuccessful, Multiplex and Aldersgate reserve all their rights as shareholders in Duelguide and also the right to pursue other proposals.*

*UBS Investment Bank is acting for Multiplex and for no one else in connection with the possible offer and will not be responsible to anyone other than Multiplex for providing the protections afforded to clients of UBS Investment Bank nor for giving advice in relation to the possible offer.*

*Any person who, alone or acting together with any other person(s) pursuant to an agreement or understanding (whether formal or informal) to acquire or control securities Duelguide, owns or controls, or becomes the owner or controller, directly or indirectly, of 1% or more of any class of securities Duelguide is generally required under the provisions of Rule 8 of the City Code to notify a Regulatory Information Service and the Panel by not later than 12.00 noon (London time) on the business day following the date of the transaction of every dealing in such securities during the period to the date on which the possible offer becomes or is declared unconditional as to acceptances or lapses or is otherwise withdrawn. Dealings by Duelguide or by their respective "associates" (within the definition set out in the City Code) in any class of securities of Duelguide until the end of such period must also be disclosed. Please consult your financial adviser immediately if you believe this Rule may be applicable to you.*

**Enquiries:**

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