

MACQUARIE CENTRAL OFFICE CR REIT SHAREHOLDERS MEETING 19 September 2006

The Shareholders' meeting was held at Conference room, 6Fl Hanwha Building, Sokong-dong, Chung-gu, Seoul Korea, commencing at 10:00 am on 19 Sep 2006.

The following shareholder representatives were in attendance and have provided proper authorities in order to exercise their voting rights.

Total Number of shareholders 1,061 Total shares 15,260,600
Number of shareholders present 27 Shares of shareholders present 6,218,317 (40.75%)

Order of Business

Selection of Chair for the meeting

Kwan Young Kim acted as a Chair for this meeting.

Resolution 1. Approval of Audited Financial Statements and dividend payment plan for FY5

The meeting *resolved* to approve the audited financial statements and dividend payment plan of the company. (*Shareholders present approved this resolution unanimously.*)

BALANCE SHEETS AS OF JUNE 30, 2006 AND DECEMBER 31, 2005

	Korean Won	
	2006. 6. 30	2005. 12. 31
	(In thousands)	
<u>ASSETS</u>		
CURRENT ASSETS:		
Cash and cash equivalents	₩ 6,706,311	₩ 4,245,744
Short-term financial instruments	1,359,580	4,122,080
Accounts receivable	25,101	52,332
Accrued income	108,701	78,321
Prepaid expenses	27,994	56,784
Prepaid income tax	17,772	20,533
	8,245,459	8,575,794
NON-CURRENT ASSETS:		
Investment assets:		
Long-term financial instruments	941,900	241,900
Property Investments :		
Land	102,397,913	102,397,913

	Korean Won	
	<u>2006. 6. 30</u>	<u>2005. 12. 31</u>
	(In thousands)	
Building	62,281,907	62,101,107
Machinery	60,000	60,000
Construction in progress	-	41,700
Less: Accumulated depreciation	<u>(3,139,471)</u>	<u>(2,510,652)</u>
	<u>161,600,349</u>	<u>162,090,068</u>
	<u>162,542,249</u>	<u>162,331,968</u>
TOTAL ASSETS	<u>₩170,787,708</u>	<u>₩170,907,762</u>
<u>LIABILITIES AND SHAREHOLDERS' EQUITY</u>		
CURRENT LIABILITIES:		
Accounts payable	₩ 873,710	₩ 714,384
Accrued expenses	279,642	85,345
Advanced receipts	24,471	44,841
VAT payables	<u>426,061</u>	<u>426,136</u>
	<u>1,603,884</u>	<u>1,270,706</u>
NON-CURRENT LIABILITIES:		
Long-term borrowings	75,244,000	75,244,000
Leasehold deposits	<u>12,900,724</u>	<u>13,275,744</u>
	<u>88,144,724</u>	<u>88,519,744</u>
Total Liabilities	<u>89,748,608</u>	<u>89,790,450</u>
COMMITMENTS AND CONTINGENCIES		
SHAREHOLDERS' EQUITY		
Common stock	₩ 76,303,000	₩ 76,303,000
Appropriated retained earnings – legal reserve	718,492	718,492
Retained earnings before dispositions		
(Net income of ₩4,736,100 thousand from		
January 1, 2006 to June 30, 2006 and ₩4,814,312		
from July 1, 2005 to December 31, 2005)	<u>4,207,487</u>	<u>4,475,577</u>
	4,925,979	5,194,069
Capital adjustments	<u>(189,879)</u>	<u>(379,757)</u>
Total Shareholders' Equity	<u>81,039,100</u>	<u>81,117,312</u>
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	<u>₩170,787,708</u>	<u>₩170,907,762</u>

STATEMENTS OF INCOME
FOR THE SIX-MONTH PERIOD ENDED JUNE 30, 2006 AND DECEMBER 31, 2005

	Korean Won	
	2006. 6. 30	2005. 12. 31
	(In thousands, except per share amounts)	
OPERATING REVENUE:		
Rental income	₩ 7,407,636	₩ 7,161,824
Common area maintenance income)	2,983,845	2,888,703
Parking income	720,603	775,262
Tenant reimbursement	144,782	149,009
Other operating revenue	61,423	64,647
	11,318,289	11,039,445
OPERATING EXPENSES:		
Real estate expenses:		
Property administration expenses	313,066	159,869
Facility management fees	820,096	854,900
Utilities	787,115	774,053
Maintenance and repairs	684,012	375,799
Local taxes and dues	250,255	231,097
	2,854,544	2,395,718
Fund operating expenses:		
Remuneration to officers	6,000	6,000
Depreciation	628,819	627,011
Insurance premium	28,789	29,595
National taxes and dues	27,239	23,800
Fund administration fees	11,289	12,097
Professional fees	19,186	22,681
Asset management fees	603,359	595,027
Asset custodian fees	25,461	25,388
Business trustee fees	42,435	42,313
	1,392,577	1,383,912
	4,247,121	3,779,630
OPERATING INCOME	7,071,168	7,259,815
NON-OPERATING INCOME:		
Interest income	₩ 156,574	₩ 153,673
Arrearage charge	6,543	7,480
Compensation for damages	73,839	10,297
Other income	2,558	301
	239,514	171,751
NON-OPERATING EXPENSES:		
Interest expense	2,574,582	2,617,254
	2,574,582	2,617,254

	<u>Korean Won</u>	
	<u>2006. 6. 30</u>	<u>2005. 12. 31</u>
	(In thousands, except per share amounts)	
ORDINARY INCOME	4,736,100	4,814,312
EXTRAORDINARY ITEM	-	-
INCOME BEFORE INCOME TAX	4,736,100	4,814,312
INCOME TAX EXPENSE	-	-
NET INCOME	<u>₩ 4,736,100</u>	<u>₩ 4,814,312</u>
ORDINARY INCOME PER SHARE	<u>₩ 310</u>	<u>₩ 315</u>
NET INCOME PER SHARE	<u>₩ 310</u>	<u>₩ 315</u>

STATEMENTS OF APPROPRIATIONS OF RETAINED EARNINGS
FOR THE SIX MONTHS ENDED JUNE 30, 2006 AND DECEMBER 31, 2005

	<u>Korean Won</u>	
	<u>2006. 6. 30</u>	<u>2005. 12. 31</u>
	(In thousands)	
RETAINED EARNINGS BEFORE APPROPRIATIONS:		
Deficit at the beginning of the period	₩ (528,614)	₩ (338,735)
Net income	<u>4,736,100</u>	<u>4,814,312</u>
	<u>4,207,486</u>	<u>4,475,577</u>
APPROPRIATIONS:		
Amortization of capital adjustments	189,879	189,879
Dividends	<u>4,914,241</u>	<u>4,814,312</u>
(Dividend rate 6.44%, Dividend per share KRW 322)	<u>5,104,120</u>	<u>5,004,191</u>
ACCUMULATED DEFICIT TO BE CARRIED FORWARD TO	<u>₩ (896,634)</u>	<u>₩ (528,614)</u>

* Dividend rate according to the business plan : 6.02% (Dividend per share KRW 301)

Resolution 2. Approval on business plan for FY6

The meeting *resolved* to carry forward the business plan for FY6 proposed by the Board with the business plan of Year 2006 that was approved from the Board Meeting dated on 3 March 2006 and the Shareholders' Meeting on 23 March 2006, as the FY6 of the Company will end on 31 December 2006.

(Shareholders present approved this resolution unanimously .)

Resolution 3. Remuneration of directors

The meeting *resolved* to decide that there is no remuneration to be paid to the directors of the company as per the Articles of Incorporation of MCO CR REIT.

(Shareholders present approved this resolution unanimously .)

Resolution 4. Remuneration of statutory auditor

The meeting *resolved* the remuneration of statutory auditor will be KRW 1 Million for each month as per the amended Articles of Incorporation of MCO CR REIT.

(Shareholders present approved this resolution unanimously .)

Resolution 5. Appointment of statutory auditor

The meeting *resolved* the reappointment of statutory auditor as per the proposal from the Board Meeting of the Company.

(Shareholders present approved this resolution unanimously .)

Name	Date of Birth	Experience	Note
Dae-Sup Roh	1 July 1960	Partner at Hanyoung Accounting Corp., Deloitte & Touche New York * MBA from Seoul National University KICPA/AICPA, Certified Tax Account	Reappointment of Statutory Auditor

Conclusion of Meeting