31 August 2005

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The Manager
Company Announcements Office
Australian Stock Exchange Limited
Level 4, Exchange Centre
20 Bridge Street
SYDNEY NSW 2000

Dear Sir/Madam

RE: WESTFIELD GROUP (ASX:WDC)
HALF-YEAR RESULT – PERIOD ENDED 30 JUNE 2005

Please find attached Media Release, Appendix 4D and statutory financial statements and Results Presentation, in relation to the above.

Yours faithfully
WESTFIELD GROUP

Simon Tuxen
Company Secretary

encl

31 August 2005

WESTFIELD GROUP ANNOUNCES FIRST HALF DISTRIBUTION OF A$873.6 MILLION IN LINE WITH FORECAST

The Westfield Group (ASX: WDC) today announced its first result under the new International Financial Reporting Standards (A-IFRS), reporting a net profit of A$1,534.5 million for the six months to 30 June 2005 including net property income, before revaluations, of A$1,169 million. The distribution for the period was A$873.6 million, representing 51.07 cents per stapled security.

The distribution is in line with forecasts contained in the Explanatory Memorandum (dated 25 May 2004) for the merger of Westfield Holdings, Westfield Trust and Westfield America Trust, completed in July 2004.

Managing directors, Peter Lowy and Steven Lowy, said that the underlying strength and stability of the Group's earnings is largely attributable to the high quality of the Group's shopping centre portfolio in established markets around the world.

The Group's shopping centre operations in all markets continue to perform well. Specialty retail sales continue to show positive signs in the United States, Australian and New Zealand markets with the United Kingdom remaining relatively flat. In particular, in the United States, the Group has reported strong performances on both the East and West coasts.

Leasing also continues to be strong in all markets with Australia, New Zealand and the United Kingdom at almost full occupancy. In the United States the portfolio is currently 93.5% leased compared to 92.5% at the same time last year.

As at 30 June 2005, the Westfield Group had interests in 126 shopping centres with a value of approximately A$46.3 billion. The centres accommodate approximately 20,900 retailers and comprise approximately 10.2 million square metres of retail space.

Other highlights for the period include:

- Commencement of 5 additional developments with an aggregate project cost of A$1.5 billion. The Group's current development program with 17 projects under construction for an aggregate project cost of A$6.7 billion (Westfield Group share: A$4.1 billion), is larger than at any time in the Group's history;

- Acquisition of A$1.2 billion of shopping centre assets:
  - A$650 million in Australia;
  - US$320 million in the United States; and
  - £65 million in the United Kingdom.

media release

- Gross value of investments under management increased by 10.5% to A$46.3 billion. The increased value of the Group's shopping centre portfolio has been driven by revaluations, the acquisition of new properties and the completion of redevelopments.

- Further diversification of the Group's debt funding sources with a debut issue in the Eurobond market raising the equivalent of A$2.35 billion.

Outlook

The directors reconfirm the distribution forecasts contained in the Explanatory Memorandum for the periods to 30 June 2006 as well as the financial year distribution forecast to 31 December 2005 of 106.5 cents per stapled security.

It has been another positive period for the Group with the strong operating results, ongoing development, acquisition and financing transactions undertaken over the last six months further strengthening the platform for future income and capital growth.

ENDS

Note: As the merger to form the Westfield Group occurred in July 2004, there are no comparable results for the Group in respect of the half year ended 30 June 2004.

Westfield Group

Results Overview for the Six Month Period Ended 30 June 2005

Financial Highlights

Net Property Income	$1,168.7 m	Total Assets	$36,420.9 m
Profit After Tax	$1,534.5m	Total Liabilities	$19,283.3m
Distribution	$873.6m	Net Assets	$17,137.6 m
Earnings per Security	90.36 cents	Adjusted NTA per security	$11.28[1]
Distribution per Security	51.07 cents	Gearing	39.8%[2]

The Group's first result following the introduction of the International Financial Reporting Standards (A-IFRS), reported a net profit of $1,534.5 million for the six months to 30 June 2005. The distribution of $873.6 million (51.07 cents per security) is in line with merger forecasts.

It is important to highlight that, due to seasonality, foreign exchange movements and more importantly, the application of A-IFRS, the results for the 6 months to June 2005 do not directly reflect the underlying operating performance of the Group when compared with the results for the 6 months to December 2004. For example, the impact on the Income Statement of property revaluations (required to be included following the introduction of A-IFRS) are significant in each period (ie. June '05 - A$1.2 billion and December '04 - $2.8 billion).

Earnings per security is 90.36 cents. The Group's distribution for the period is 51.07 cents per security and the distribution forecast for the 12 months to 31 December 2005 is confirmed at 106.5 cents per security.

Total assets have increased since 31 December 2004 from $33.9 billion to $36.4 billion. During the same period, the gross value of investments under management rose by 10.5% from $41.9 billion to $46.3 billion. The increased value of the Group's shopping centre portfolio for the period has been driven by revaluations, the acquisition of new properties and the completion of redevelopments. As a result, the NTA per security at 30 June 2005, excluding the impact of the application of A-IFRS is $11.28.

1. NTA per security after excluding the impact of the application of A-IFRS.
2. Gearing as measured under the Group's global bond offerings.

The Group has continued to strengthen its financing structure by further diversifying its funding mix and lengthening its debt maturity profile. During the period, the Group raised the equivalent of A$2.35 billion from the Eurobond market through its inaugural issue denominated in both Euro and Sterling.

The Group's gearing level at 30 June 2005 (determined using the methodology required under the Group's bond issues), was 39.8%. Based on equity market capitalisation of $30.6 billion (at 30 June 2005), net debt to total market capitalisation was 34%.

The total distribution for the period of 51.07 cents per stapled security comprises:

- distributions from both Westfield Trust and Westfield America Trust totalling 44.66 cents per security (87.4% of the total distribution) which are tax advantaged to approximately 33.5%; and
- a fully franked dividend from Westfield Holdings of 6.41 cents per security (12.6% of total the distribution).

Operational Highlights

Australia and New Zealand

Net Property Income	$532m	Annual Retail Sales	$17.3bn
Group Property Investments	$15,000m	Retail Outlets	10,700
Centres	51	GLA (m sqm)	3.4

The Australian and New Zealand operations contributed net property income of $532m for the reporting period and represents a comparable mall income growth of approximately 5.8%. This performance reflects the steady retail conditions which prevailed in the reporting period as well as the quality of the portfolios in both regions, with occupancy rates continuing to be in excess of 99.5%.

Retail sales in the Group's 40 Australian centres totalled $15.8 billion, up 7.8% for the 12 months to 30 June 2005. On a comparable basis, total sales increased 4.5% with specialty store sales up 5.7%. Retail sales at the Group's 11 shopping centres in New Zealand increased 3.3% to NZ$1.6 billion for the 12 months to 30 June 2005. On a comparable basis, total sales increased 1.8% with specialty store sales up 3.0%.

Property transactions

During the period the Group announced the acquisition of a 50% interest in Penrith Plaza, Sydney for $404.3 million (net of acquisition costs and inclusive of project costs to date) as well as a 50% interest in Woden Plaza, Canberra for $245.3 million (net of acquisition costs). Following the acquisition of these interests, Westfield Group has been appointed manager of both properties effective from 1 July 2005.

Development projects

In Australia there are currently 6 projects under construction. The $60 million redevelopment of Westfield Innaloo in Perth is expected to be finished in the third quarter of 2005. The Group's $180 million development of Westfield Helensvale on Queensland's Gold Coast is progressing ahead of schedule and is expected to be completed in October 2005. Two other projects are expected to be completed in late 2005 – the $120 million redevelopment of Westfield Tuggerah, on the NSW Central Coast and the $65 million upgrade of Westfield Mt Druitt in Sydney. The $105 million redevelopment of Westfield Parramatta in Sydney is currently scheduled for completion by the second quarter of 2006.

During the period we also commenced the $200 million redevelopment of Westfield Liverpool in western Sydney which is anticipated to be complete for opening before Christmas 2006.

In New Zealand, the NZ$170 million redevelopment of Westfield Queensgate in Wellington is progressing well and is expected to be completed at the end of 2005.

The current target weighted average yield range of the projects under construction in Australia and New Zealand is 9.6% to 9.9%. This reflects the Group's incremental income yield on the Group's project cost.

United Kingdom

Net Property Income	$81m	Retail Outlets	900
Group Property Investments	$3,351m	GLA (m sqm)	0.4
Centres	8		

In the last 6 months our operations in the United Kingdom have expanded following the Group's acquisition of properties as part of the Duelguide transaction as well as the increased ownership and expanded role at the White City project in London.

Our expansion strategy in the UK is to focus on the ownership, management and development of major regional shopping centre assets.

During the period, construction also commenced on the Group's first development project in the UK - the £310 million redevelopment of The Eagle Centre at Derby.

Property income for the period from the UK operations was $81 million. This reflects a full six months contribution from the shopping centres acquired as part of the Duelguide transaction and an overall mall income growth of 3.2%. At 30 June 2005, the portfolio was in excess of 99% leased.

Generally, retail conditions in the United Kingdom remained relatively flat for the six months.

Property transactions

During the period, the Group acquired a further 25% interest in the super regional shopping centre development project at White City, West London, for £65 million - increasing the Group's interest in the White City centre to 50%.

The Group's total investment in White City is now expected to be in the range of £850 to £870 million including the cost of acquiring Westfield's 50% interest for £130 million, with an initial yield range of 5.75% to 6.0%. The White City project is scheduled for completion in the first half of 2008. With over 150,000 square metres of retail and leisure space, White City will be the largest shopping centre in greater London.

During the period, the Group and its joint venture partner, Hermes, sold the Brunel Centre in Swindon for £130 million (Westfield Group share : £65 million). The Brunel Centre was originally acquired in May 2000 for £104 million (Westfield Group share : £52 million).

United States

Net Property Income	$556 m	Annual Retail Sales - specialties	US$7.0 bn
Group Property Investments	$17,304 m	Retail Outlets	9,300
Centres	67	GLA (m sqm)	6.4

The United States operations contributed net property income of A$556 million during the reporting period which represents comparable mall income growth of 4.0%. This result reflects the strong retail conditions in the US, particularly in our East Coast and West Coast regions.

During the 12 months to 30 June 2005, sales per square foot in the Group's US centres increased by 5.1% to US$414 per square foot.

At June 2005 the portfolio was 93.5% leased, which is ahead of the 92.5% last year. New leases totalling 2.1 million square feet were completed during the six months. New mall shop rents represent a 19.1% increase over expiring rents. The average portfolio rent at June 2005 of US$38.47 per square foot represents a 3.3% increase over the 6 months to June 2004.

Property transactions

In the United States, during the reporting period, the Group purchased:

- Chicago Ridge in Chicago, Illinois for US$108 million at a yield of 8.0%;
- A further 25% interest in Westfield Valencia, Los Angeles, California for US$69 million at a current yield of 8.1%, taking its interest to 50%; and
- Sunrise Mall in Massapequa, New York for US$143 million at a yield of 7.9%.

Development projects

During the period, the Group completed the US$120 million redevelopment of Westfield Franklin Park in Toledo, Ohio as well as the US$140 million redevelopment of Westfield Wheaton in Wheaton, Maryland.

The Group currently has 8 projects under construction in the US portfolio totalling US$1.2 billion with a target weighted average project yield range of 9.5% – 9.9%. During the period, 3 new projects commenced – the US$330 million expansion of Westfield Topanga scheduled for completion of the main retail area in the 1st quarter of 2007; the US$50 million redevelopment of Westfield Sarasota, Florida; and the US$20 million redevelopment at Westfield Southlake in Indiana. The projects in Florida and Indiana are both due for completion in the 4th quarter of 2006.

The largest project undertaken by the Group in the US – the US$440 million redevelopment of San Francisco Centre in downtown San Francisco, California is continuing on schedule with completion anticipated for 4th quarter 2006. Westfield's share of this development is US$220 million.

ENDS

Note: All amounts quoted in Australian dollars unless otherwise stated.

Appendix 4D
Half Yearly Report
under ASX listing rule 4.2A

Name of stapled entity

WESTFIELD GROUP

Entities that form the stapled entity

Westfield Holdings Limited ("WHL") ABN 66 001 671 496
Westfield Trust ("WT") ARSN 090 849 746
Westfield America Trust ("WAT") ARSN 092 058 449

Current reporting period

30 June 2005

Previous reporting period

31 December 2004

Interim reports

The attached interim financial report has been prepared for the first time under Australian equivalents to International Financial Reporting Standards ("AIFRS"). The prior period comparatives have been restated to comply with AIFRS. This interim financial report should be read in conjunction with the annual financial report of the Westfield Group as at 31 December 2004, which was prepared based on Australian Accounting Standards applicable before 1 January 2005. It is also recommended that the interim financial report be considered together with any public announcements made by the Westfield Group during the half year ended 30 June 2005 in accordance with the continuous disclosure obligations arising under the Corporations Act 2001.

Comparatives

The Westfield Group was established in July 2004 and changed its year end to 31 December. There is no comparative half year period for the six months ended 30 June 2004. The accounting standards require the Westfield Group results for the six months ended 31 December 2004 to be included as the comparative for the six months ended 30 June 2005. The results for the six month period to 30 June 2005 may not be comparable to the results for the six month period to 31 December 2004 due to:

(1) seasonality in the retail market between the June and December half year whereby retail sales and rental income including percentage rent are generally higher in the December half year, and
(2) the impact of the movement in the average exchange rates applied in the translation of foreign currency denominated income and expenses (30 June 2005: US$0.7727, £0.4125, NZ$1.0792, 31 December 2004: US$0.7326, £0.3977, NZ$1.0845).

Results for announcement to the market (A$ million)

	30 Jun 05	31 Dec 04	
Revenue and other income	**2,908.8**	**4,512.8**	Refer Note (1) below
Profit from ordinary activities after tax expense attributable to Members	**1,534.5**	**2,630.4**	Refer Note (2) below

(1) Revenue and other income is down 35.5% due to property revaluations (including revaluation of equity accounted entities), $1,214.3 million in June 2005 vs $2,760.3 million in December 2004.
(2) Profit from ordinary activities after tax expense attributable to members is down 41.7 % due principally to:
   (i) the property revaluations noted in (1) above
   (ii) financing costs resultant from the increased mark to market expense of interest rate derivatives that do not qualify for hedge accounting under AIFRS, $81.9 million in June 2005 vs $nil in December 2004.
   (iii) mark to market on other financial liabilities, $191.6 million in June 2005 vs $nil in December 2004.
   (iv) goodwill on acquisition (due to the recognition of deferred taxes) written off, $50.0 million in June 2005 vs $460.0 million in December 2004.
   (v) deferred tax expense attributable to (i) to (iv) above and the classification of certain minority interests as financial liabilities.

Dividends/distributions proposed	Cents per security		
	WDC	WDCNA	
WDC stapled dividend/distribution proposed for the period ended 30 June 2005	51.07	34.42	
comprising a:			
- dividend in respect of a WHL share	6.41	4.32	fully franked
- distribution in respect of a WT unit	19.50	13.14	25% estimated tax advantage
- distribution in respect of a WAT unit	25.16	16.96	40% estimated tax advantage

Record date for determining entitlements to the interim distribution: 15 August 2005

Commentary and analysis of the results for the current period can be found in the attached Westfield Group media release dated 31 August 2005. This media release forms part of the Appendix 4D.

GROUP

INTERIM
FINANCIAL REPORT

COMPRISING WESTFIELD HOLDINGS LIMITED AND ITS CONTROLLED ENTITIES

FOR THE HALF YEAR ENDED 30 JUNE 2005

WESTFIELD GROUP

COMPRISING WESTFIELD HOLDINGS LIMITED AND ITS CONTROLLED ENTITIES

INCOME STATEMENT

for the half year ended 30 June 2005

		CONSOLIDATED	
	Note	*30 Jun 05 $million*	*31 Dec 04* [(i)] *$million*
Revenue and other income			
Property revenue	4	1,437.0	1,514.6
Property revaluation		1,155.7	2,298.1
Property development revenue		114.3	72.9
Property and funds management income		22.1	22.8
		2,729.1	**3,908.4**
Share of net profits of equity accounted entities	10	151.2	566.2
Other income		15.8	-
Profit on disposal of assets	5	7.5	31.5
Interest income		5.2	6.7
Total revenue and other income		**2,908.8**	**4,512.8**
Expenses			
Property expenses and outgoings		(462.5)	(487.9)
Property development costs		(98.8)	(64.5)
Property and funds management costs		(9.8)	(9.6)
Corporate costs		(13.4)	(12.2)
		(584.5)	**(574.2)**
Goodwill on acquisitions (due to the recognition of deferred tax liabilities) written off	2(j),5	(50.0)	(460.0)
Financing costs			
- interest bearing liabilities		(334.9)	(230.1)
- other financial liabilities		(220.5)	(37.2)
	6	**(555.4)**	**(267.3)**
Total expenses		**(1,189.9)**	**(1,301.5)**
Profit before tax expense and minority interests		**1,718.9**	**3,211.3**
Tax expense	7	(172.1)	(403.2)
Profit after tax expense for the period		**1,546.8**	**2,808.1**
Less: net profit attributable to minority interests		(12.3)	(177.7)
Net profit attributable to Members of the Westfield Group		**1,534.5**	**2,630.4**
Net profit attributable to Members of the Westfield Group analysed by amounts attributable to Members of:			
Westfield Holdings Limited [(ii)]		120.9	86.8
Westfield Trust		682.5	980.5
Westfield America Trust		731.1	1,563.1
Net profit attributable to Members of the Westfield Group		**1,534.5**	**2,630.4**
		cents	*cents*
Basic earnings per security [(ii)]		**90.36**	**156.83**
Diluted earnings per security		**90.36**	**155.32**

(i) The comparative period comprises the six month period from 1 July 2004 to 31 December 2004. The results for the six month period to 30 June 2005 may not be comparable to the results for the six month period to 31 December 2004 due to:

(a) seasonality in the retail market between the June and December half year whereby retail sales and rental income including percentage rent are generally higher in the December half year, and

(b) the impact of the movement in the average exchange rates applied in the translation of foreign currency denominated income and expenses (30 June 2005: US$0.7727, £0.4125, NZ$1.0792, 31 December 2004: US$0.7326, £0.3977, NZ$1.0845).

(ii) The Westfield Holdings Limited basic earnings per security for 30 June 2005 was 7.12 cents (31 December 2004: 5.18 cents).

WESTFIELD GROUP

COMPRISING WESTFIELD HOLDINGS LIMITED AND ITS CONTROLLED ENTITIES

STATEMENT OF PROPOSED DIVIDEND/DISTRIBUTION

for the half year ended 30 June 2005

	Note	*CONSOLIDATED* *30 Jun 05 $million*	*31 Dec 04* [i] *$million*
Net profit attributable to Members of the Westfield Group		1,534.5	2,630.4
Adjusted for:			
Revaluation of investment properties		(1,155.7)	(2,298.1)
Revaluation of investment properties attributable to equity accounted entities		(58.6)	(462.2)
Minority interest property revaluations		8.5	141.2
Amortisation of tenant allowances		5.5	2.6
Net unrealised loss on mark to market of derivatives that do not qualify for hedge accounting		118.4	-
Interest expense on minority equity interest classified as convertible debt and the mark to market of convertible debt		160.0	-
Deferred tax charge		136.8	358.4
Goodwill on acquisitions (due to the recognition of deferred tax liabilities) written off		50.0	460.0
Other		0.7	(2.5)
Project profits distributed		74.6	74.3
Net profit from asset sales		(7.5)	(31.5)
Distributable income		**867.2**	**872.6**
Weighted average number of securities on issue for the period		*1,698.1*	*1,677.2*
Distributable income per ordinary security (cents)		***51.07***	***52.03***
Distributable income per DRP security (cents)		***34.42***	***n/a***
Dividend/distribution proposed [ii]	14	**873.6**	**872.6**
Weighted average number of securities entitled to distribution at 30 June 2005		*1,710.6*	*1,677.2*
Dividend/distribution per ordinary security (cents)	14	***51.07***	***52.03***
Dividend/distribution per DRP security (cents)	14	***34.42***	***n/a***

STATEMENT OF CHANGES IN EQUITY

for the half year ended 30 June 2005

	Note	*CONSOLIDATED* *30 Jun 05 $million*	*31 Dec 04* [i] *$million*
Opening balance of equity attributable to Members	3(e)	15,863.2	1,001.3
Initial equity contributed by WT and WAT pursuant to the Merger		-	12,673.1
Contributed equity			
Dividend/distribution reinvestment plan		258.8	-
Conversion of options		374.7	(50.7)
Stapling distribution		-	(1,124.0)
Securities issued to implement the Merger		-	1,125.1
Foreign currency translation reserve			
Net exchange difference on translation of foreign operations [iii]		(21.0)	(13.1)
Retained profits			
Stapling dividend		-	(1.1)
Dividend/distribution paid		(872.6)	-
Net adjustments recognised directly in equity		(260.1)	12,609.3
Profit after tax expense for the period [iii]		1,534.5	2,630.4
Closing balance of equity attributable to Members of the Westfield Group		**17,137.6**	**16,241.0**

(i) The comparative period comprises the six month period from 1 July 2004 to 31 December 2004.

(ii) The dividend/distribution proposed of $873.6 million includes a $6.4 million cum-dividend/distribution component in respect of stapled securities that were issued during the period with full dividend/distribution entitlement.

(iii) Total income and expenses for the period, including amounts recognised directly in equity, is $1,513.5 million (31 December 2004: $2,617.3 million), being profit after tax expense for the period of $1,534.5 million (31 December 2004: $2,630.4 million) and the net exchange loss on translation of foreign operations of $21.0 million (31 December 2004: $13.1 million).

WESTFIELD GROUP
COMPRISING WESTFIELD HOLDINGS LIMITED AND ITS CONTROLLED ENTITIES
BALANCE SHEET
as at 30 June 2005

		CONSOLIDATED	
		30 Jun 05	*31 Dec 04*
	Note	*$million*	*$million*
Current assets			
Cash and cash equivalents		603.4	237.0
Trade receivables		9.1	26.0
Receivables		128.0	158.8
Inventories		31.1	20.4
Tax receivable		52.4	32.5
Other assets		242.3	321.9
Total current assets		**1,066.3**	**796.6**
Non current assets			
Investment properties	8,9	30,013.2	27,764.0
Equity accounted investments	10	3,548.1	3,331.5
Other investments		598.8	592.7
Fixed assets		152.1	147.9
Receivables		22.9	13.0
Deferred tax assets		6.8	11.2
Other assets		1,012.7	1,218.2
Total non current assets		**35,354.6**	**33,078.5**
Total assets		**36,420.9**	**33,875.1**
Current liabilities			
Payables		817.4	798.4
Interest bearing liabilities	11	2,059.2	1,198.9
Tax payable		81.0	61.1
Other liabilities		12.5	186.9
Total current liabilities		**2,970.1**	**2,245.3**
Non current liabilities			
Payables		59.2	61.5
Interest bearing liabilities	11	12,425.2	11,846.2
Other financial liabilities	12	1,879.5	1,125.3
Deferred tax liabilities		1,409.7	1,268.2
Other liabilities		413.2	435.6
Total non current liabilities		**16,186.8**	**14,736.8**
Total liabilities		**19,156.9**	**16,982.1**
Net assets		**17,264.0**	**16,893.0**
Equity attributable to Members of Westfield Group			
Contributed equity	13	12,059.5	11,352.3
Reserves		528.6	555.2
Retained profits		4,549.5	4,333.5
Total Equity attributable to Members of Westfield Group		**17,137.6**	**16,241.0**
Minority Interests			
Contributed equity		94.0	536.1
Retained profits		32.4	115.9
Total Minority Interests		**126.4**	**652.0**
Total Equity		**17,264.0**	**16,893.0**

WESTFIELD GROUP

COMPRISING WESTFIELD HOLDINGS LIMITED AND ITS CONTROLLED ENTITIES

CASH FLOW STATEMENT

for the half year ended 30 June 2005

	CONSOLIDATED	
	30 Jun 05	*31 Dec 04* [(i)]
	$million	*$million*
Cash flows from operating activities		
Receipts in the course of operations (including GST)	1,669.1	1,779.2
Payments in the course of operations (including GST)	(702.2)	(709.5)
Dividends/distributions received from equity accounted associates	93.9	84.5
Settlement of forward exchange contracts	84.0	-
Income and withholding taxes paid	(86.8)	(29.1)
Goods and services taxes paid to suppliers for investing activities	(28.8)	(21.1)
Goods and services taxes paid to government bodies	(26.8)	(30.7)
Net cash flows from operating activities	**1,002.4**	**1,073.3**
Cash flows from investing activities		
Acquisition of property investments	(283.7)	(727.0)
Payments for capital expenditure of property investments	(499.8)	(569.7)
Acquisition of listed investments	-	(484.6)
Proceeds from the sale of property investments	7.3	191.5
Net payments for investments in equity accounted investments	(92.7)	(749.3)
Proceeds from the sale of property assets by equity accounted entities	35.8	-
Payments for the purchases of property, plant and equipment	(12.3)	(70.9)
Proceeds from sale of property, plant and equipment	-	53.3
Net cash flows used in investing activities	**(845.4)**	**(2,356.7)**
Cash flows from financing activities		
Proceeds from the issues of securities	568.2	31.0
Extinguishment of options	(22.5)	(80.7)
Net proceeds from interest bearing liabilities	834.6	2,260.8
Settlement of foreign currency loans, swaps and derivatives	118.3	43.4
Interest received	6.7	9.7
Financing costs	(431.9)	(430.2)
Dividends/distributions paid	(872.6)	(638.7)
Dividends/distributions paid by controlled entities to minority interests	(3.6)	(41.4)
Stapling dividend/distribution on implementation of the Merger	-	(1,125.1)
Securities issued on implementation of the Merger	-	1,125.1
Maturity of interest rate option	-	45.0
Net proceeds from non interest bearing deposits	-	43.8
Merger and capital restructure charges	-	(57.0)
Net cash flows from financing activities	**197.2**	**1,185.7**
Net increase/(decrease) in cash and cash equivalents held	354.2	(97.7)
Add opening cash and cash equivalents brought forward	220.9	60.8
Initial cash and cash equivalents contributed by WT and WAT to the Westfield Group pursuant to the Merger	-	257.0
Effects of exchange rate changes on opening cash and cash equivalents brought forward	(1.1)	0.8
Cash and cash equivalents at the end of the year	**574.0**	**220.9**

(i) The comparative period comprises the six month period from 1 July 2004 to 31 December 2004.

1 BASIS OF PREPARATION OF THE HALF YEAR FINANCIAL REPORT

(a) Statement of Compliance with Australian Equivalents to International Financial Reporting Standards

This interim financial report complies with Australian Accounting Standards, which include Australian equivalents to International Financial Reporting Standards ("AIFRS"). Compliance with AIFRS ensures that the financial report, comprising the financial statements and the notes thereto, complies with International Financial Reporting Standards.

This is the first financial report prepared based on AIFRS. Accordingly, the financial information for the prior period comparative, being the shortened financial year ended 31 December 2004, has been restated. A summary of the significant accounting policies of the Westfield Group under AIFRS are disclosed in Note 2 below.

Note 3 includes reconciliations between previously reported Australian Generally Accepted Accounting Principles as at 31 December 2004 ("AGAAP") to AIFRS including:

- a reconciliation between AGAAP and AIFRS equity as at 1 July 2004 and 31 December 2004; and
- a reconciliation between AGAAP and AIFRS profit for the shortened financial year ended 31 December 2004.

(b) Interim reporting

The interim financial report does not include all notes of the type normally included within the annual financial report and therefore cannot be expected to provide as full an understanding of the income statement, balance sheet and financing and investing activities of the consolidated entity as the full financial report.

The interim financial report should be read in conjunction with the annual financial report of the Westfield Group as at 31 December 2004, which was prepared based on Australian Accounting Standards applicable before 1 January 2005.

It is also recommended that the interim financial report be considered together with any public announcements made by the Westfield Group during the half year ended 30 June 2005 in accordance with the continuous disclosure obligations arising under the Corporations Act 2001.

(c) Comparative information

By an order dated 21 May 2004, made by ASIC pursuant to subsection 340(1) of the Act, the Directors of the Parent Company have been relieved from compliance with subsection 323D(2)(b) and 323D(5) of the Act. Accordingly, the Parent Company has changed its financial year end to 31 December and has complied with Chapter 2M of the Act in respect of the period 1 July 2004 to 31 December 2004 ("the Shortened Financial Year"), as if the Shortened Financial Year was a financial year.

As the Westfield Group was established in July 2004 and changed its year end to 31 December, there is no comparative half year period for the six months ended 30 June 2004. The accounting standards require the Westfield Group results for the six months ended 31 December 2004 be included as the comparative for the six months ended 30 June 2005.

Where applicable, certain comparative figures are restated in order to comply with the current period's presentation of the financial statements.

(d) Basis of Accounting

The interim financial report is a general purpose financial report, which has been prepared in accordance with the requirements of the Corporations Act 2001, applicable Accounting Standards including AASB 134 "Interim Financial Reporting" and other mandatory professional reporting requirements. The interim financial report has also been prepared on a historical cost basis, except for investment properties, derivative financial instruments and available for sale financial assets that have been measured at fair value.

For the purpose of preparing the interim financial report, the half year has been treated as a discrete reporting period.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Accounting for the Westfield Group

The Westfield Group was established in July 2004 by the stapling of securities of each of the Parent Company, Westfield Trust ("WT") and Westfield America Trust ("WAT"). The securities trade as one security on the Australian Stock Exchange under the code WDC. The stapling transaction is referred to as the "Merger".

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(a) Accounting for the Westfield Group (continued)

As a result of the Merger the Parent Company, for accounting purposes, gained control of WT and WAT and has consolidated WT and WAT from 2 July 2004, being the date an order made by the Supreme Court of New South Wales approving the share scheme of arrangement of the Parent Company was lodged with ASIC. Accordingly, this transaction is accounted for as a business combination under AIFRS by consolidating the fair value of the net assets of WT and WAT.

This financial report has been prepared based upon a business combination by the Parent Company of WT and WAT and in recognition of the fact that the securities issued by the Parent Company, WT and WAT have been stapled and cannot be traded separately.

WT and WAT are included as part of equity attributable to members of the stapled group, in accordance with UIG 1013 "Consolidated Financial Reports in relation to Pre-Date-of-Transition Stapling Arrangements".

(b) Listed Property Trust Units

WT and WAT have had their constitutions amended at their respective members meetings on 12 May 2005. The amendment was the removal of the finite maximum term of each Trust, which allows the unitholders' funds to remain as equity in accordance with AASB 132 "Financial Instruments: Presentation and Disclosure". The Group had deferred the adoption of AASB 132 "Financial Instruments: Presentation and Disclosure" and AASB 139 "Financial Instruments: Recognition and Measurement" to 1 January 2005. Accordingly, AASB 132 and 139 has not been applied to the comparatives and the Trust's units have been accounted for as equity.

(c) Consolidation and classification

The consolidated financial report comprise the financial statements and notes to the financial statements of the Parent Company, and each of its controlled entities which includes WT and WAT ("Subsidiaries") as from the date the Parent Company obtained control until such time control ceased. The Parent Company and Subsidiaries are collectively referred to as the economic entity known as the Westfield Group ("the Group"). Where entities adopt accounting policies which differ from those of the Parent Company, adjustments have been made so as to achieve consistency within the Westfield Group.

In preparing the consolidated Financial Statements all inter-entity transactions and balances, including unrealised profits arising from intra group transactions, have been eliminated in full. Unrealised losses are eliminated unless costs cannot be recovered. Minority interests for the period 1 January to 30 June 2005 represents interests in Carindale Property Trust ("CPT") not held by the Group.

i) Synchronisation of Financial Year

By an order dated 27 June 2005, made by ASIC pursuant to subsection 340(1) of the Act, the Directors of Parent Company have been relieved from compliance with subsection 323D(3) of the Act insofar as that subsection requires them to ensure the financial years of the controlled entity Carindale Property Trust, coincides with the financial year of Parent Company.

Notwithstanding that the financial year of CPT ends on 30 June, the consolidated Financial Statements have been made out so as to include the accounts for a period coinciding with the financial year of the Parent Company being 31 December.

ii) Joint Ventures

Joint venture operations

The Group has significant co-ownership interests in a number of properties through unincorporated joint ventures. These interests are held directly and jointly as tenants in common. The Group's proportionate share in the income, expenditure, assets and liabilities of property interests held as tenants in common have been included in their respective classifications in the financial report.

Joint venture entities

The Group has significant co-ownership interests in a number of properties through property partnerships or trusts. These joint venture entities are accounted for using the equity method of accounting.

The Group and its joint venture entities use consistent accounting policies. Investment in joint venture entities are carried in the consolidated balance sheet at cost plus post-acquisition changes in the Group's share of net assets of the joint venture entities. The consolidated income statement reflects the Group's share of the results of operations of the joint venture entity.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(c) Consolidation and classification (continued)

iii) Associates

Where the Group exerts significant influence but not control, equity accounting is applied. The Group and its associates use consistent accounting policies. Investment in the associates are carried in the consolidated balance sheet at cost plus post-acquisition changes in the Group's share of net assets of the associates. The consolidated income statement reflects the Group's share of the results of operations of the associate. Where there has been a change recognised directly in the associate's equity, the Group recognises its share of any changes and discloses this, when applicable in the consolidated financial statements.

iv) Controlled entities

Where an entity either began or ceased to be a controlled entity during the reporting period, the results are included only from the date control commenced or up to the date control ceased. Minority interests are shown as a separate item in the consolidated financial statements.

Incremental interests acquired in controlled entities are reflected at their fair values. Adjustments have been made to the relevant equity interests to reflect any differences between the purchase price and the fair value. Adjustments have also been made to each class of equity interest to reflect the proportionate ownership interests.

In May 2002, WAT together with Simon Property Group ("Simon") and The Rouse Company ("Rouse"), acquired the assets and liabilities of Rodamco North America, N.V. ("RNA"). The Westfield Group's economic interest (of 43.3% by value) is represented by a 52.7% equity ownership of Head Acquisition LP which has been accounted for in accordance with the substance of the contractual agreements. Properties where the Westfield Group has 100% economic ownership have been consolidated. Other retail and property investments and property where the Group has significant influence have been equity accounted.

(d) Investment properties

The Group's investment properties include freehold and leasehold land, buildings, leasehold improvements, construction and development projects.

Land and buildings are considered as having the function of an investment and therefore are regarded as a composite asset, the overall value of which is influenced by many factors, the most prominent being income yield, rather than by the diminution in value of the building content due to effluxion of time. Accordingly, the buildings and all components thereof, including integral plant and equipment, are not depreciated.

Initially, investment properties are measured at cost including transaction costs. Subsequent to initial recognition, the Group's portfolio of investment properties is stated at fair value. Gains and losses arising from changes in the fair values of investment properties are included in the income statement in the year in which they arise. Any gains or losses on the sale of an investment property are recognised in the income statement in the year of sale.

Amounts capitalised to construction and development projects include the cost of sundry acquisitions and development costs in respect of qualifying assets and borrowing costs during development.

At each reporting date, the carrying value of the portfolio of investment properties is assessed by the Directors and where the carrying value differs materially from the Directors' assessment of fair value, an adjustment to the carrying value is recorded as appropriate.

The Directors' assessment of fair value of each investment property is confirmed by annual independent valuations conducted on a rolling basis. In determining the fair value, the capitalisation of net income method and the discounting of future cash flows to their present value have been used.

(e) Other investments

Other investments are classified as available-for-sale. Listed investments in entities are stated at fair value based on their market values. Unlisted investments are stated at fair value of the Group's interest in the underlying assets or cost.

Gains or losses on available-for-sale investments are recognised as a separate component of equity until the investment is sold or until the investment is determined to be impaired, at which time the cumulative gain or loss previously reported in equity is included in the income statement.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(f) Foreign currencies

i) Translation of foreign currency transactions

The functional and presentation currencies of the Parent Company and its Australian subsidiaries is Australian dollars. The functional currency of the United States overseas entities is United States dollars, of United Kingdom entities is British Pounds and of New Zealand entities is New Zealand dollars. The presentation currency of the overseas entities is Australian dollars to enable the consolidated financial statements of the Westfield Group to be reported in a common currency.

Foreign currency transactions are converted to Australian dollars at exchange rates ruling at the date of those transactions. Amounts payable and receivable in foreign currency at balance date are translated to Australian dollars at exchange rates ruling at that date. Exchange differences arising from amounts payable and receivable are treated as operating revenue or expense in the period in which they arise, except as noted below.

ii) Translation of accounts of foreign operations

The Balance Sheet of foreign subsidiaries and equity accounted associates are translated at exchange rates ruling at balance date and the income statement of foreign subsidiaries and equity accounted associates are translated at average exchange rates for the period. Exchange differences arising on translation of the interests in foreign operations and equity accounted associates are taken directly to the Foreign Currency Translation Reserve. On consolidation, exchange differences and the related tax effect on loans and cross currency swaps denominated in foreign currencies, which hedge net investments in foreign operations and equity accounted associates are taken directly to the Foreign Currency Translation Reserve.

(g) Revenue from continuing operations

Revenue from rents and other property income are brought to account on an accruals basis and, if not received at balance date, are reflected in the Balance Sheet as receivables and are carried at fair value. Recoveries from tenants are recognised as income in the year the applicable costs are accrued. Profits from the sale of property investments are recognised upon settlement and after contractual duties are completed.

Revenue from external parties for property development and construction is recognised on a percentage completion basis. Stage of completion is assessed by independent quantity surveyors. Revenue from property and funds management is recognised on an accruals basis, in accordance with the terms of the relevant management contracts.

Certain tenant allowances that are classified as lease incentives are recorded as a separate asset and amortised over the term of the lease. The amortisation is recorded against property income.

All other revenues are recognised on an accruals basis.

(h) Expenses from continuing operations

Expenses from ordinary activities including rates, taxes and other outgoings, are brought to account on an accruals basis and any related payables are carried at cost. All other expenses are brought to account on an accruals basis.

(i) Taxation

The Group comprises taxable and non taxable entities. A liability for current and deferred taxation and tax expense is only recognised in respect of taxable entities that are subject to income and potential capital gains tax as detailed below.

i) Parent Company

The Parent Company and its Australian resident wholly owned subsidiaries have formed a Tax Consolidation Group. Accordingly, the Parent Company has assumed the income tax assets, liabilities, expenses and revenues of the Tax Consolidation Group. However, the Parent Company has entered into tax funding arrangements with its Australian resident wholly owned subsidiaries, so that each subsidiary has agreed to pay or receive a tax equivalent amount to or from the Parent Company based on the net taxable amount or loss, including temporal differences, of the subsidiary at the current tax rate.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(i) Taxation (continued)

ii) WT

Under current Australian income tax legislation WT is not liable to Australian income tax, including capital gains tax, provided that Members are presently entitled to the income of the Trust as determined in accordance with WT's constitution. WT's New Zealand controlled entities are subject to New Zealand tax on their earnings. Dividends paid by those entities to WT are subject to New Zealand dividend withholding tax.

Under current Australian income tax legislation, holders of the stapled securities of the Westfield Group may be entitled to receive a foreign tax credit for New Zealand withholding tax deducted from dividends paid by WT's New Zealand controlled entities to WT.

iii) WAT

Under current Australian income tax legislation, WAT is not liable to Australian income tax, including capital gains tax, provided that Members are presently entitled to the income of the Trust as determined in accordance with WAT's constitution.

Westfield America, Inc. ("WEA"), is a Real Estate Investment Trust ("REIT") for United States income tax purposes. To maintain its REIT status, WEA is required to distribute at least 90% of its taxable income to shareholders and meet certain asset and income tests as well as certain other requirements. As a REIT, WEA will generally not be liable for federal and state income taxes in the United States, provided it satisfies the necessary requirements and distributes 100% of its taxable income to its shareholders. Dividends paid by WEA to WAT are subject to United States dividend withholding tax.

Under current Australian income tax legislation, holders of the stapled securities of the Westfield Group may be entitled to receive a foreign tax credit for United States withholding tax deducted from dividends paid to WAT by WEA.

iv) General

Deferred tax is the tax expected to be payable or recoverable, by taxable entities, on differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realised through continued use or the liability is settled, based on tax rates (and tax laws) that have been enacted at the balance sheet date. Income taxes related to items recognised directly in equity are recognised in equity and not in the income statement.

(j) Goodwill and deferred tax on acquisitions of property businesses

Goodwill on acquisition is initially measured at cost being the excess of the cost of the business combination over the acquirer’s interest in the net fair value of the identifiable assets, liabilities and contingent liabilities. Following initial recognition, goodwill is measured at cost less any accumulated impairment losses and is not amortised.

The excess of the cost over the net fair value for the Group generally arises as a result of the recognition of deferred taxes based on the difference between the tax cost base and the fair value of net assets acquired. The deferred tax liability recognised at nominal value on acquisition of property businesses generally arises from the recognition of built in capital gains on those properties. Any resultant goodwill which arises from the recognition of these deferred tax liabilities is assessed for impairment. Impairment usually arises when the nominal value of deferred taxes on built in capital gains exceeds the fair value of those taxes. Any impairment write down is charged to the income statement subsequent to acquisition.

(k) Goods and Services Tax ("GST")

Revenues, expenses and assets are recognised net of the amount of GST except where the GST incurred on purchase of goods and services is not recoverable from the tax authority, in which case the GST is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable. Receivables and payables are stated with the amounts of GST included.

The net amount of GST payable or receivable to government authorities is included as part of receivables or payables in the balance sheet.

Cash flows are included in the Cash Flows Statement on a gross basis and the GST component of cash flows arising from investing and financing activities, which is recoverable from, or payable to, the taxation authority are classified as operating cash flows.

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the taxation authority.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(l) Financing costs

Financing costs include interest, amortisation of discounts or premiums relating to borrowings and other costs incurred in connection with the arrangement of borrowings. Financing costs are expensed as incurred unless they relate to a qualifying asset. A qualifying asset is an asset which generally takes more than 12 months to get ready for its intended use or sale. In these circumstances, the financing costs are capitalised to the cost of the asset. Where funds are borrowed by the Group for the acquisition or construction of a qualifying asset, the amount of financing costs capitalised are those incurred in relation to that borrowing.

Refer to Note 2(s) for other items included in financing costs.

(m) Property development projects and construction contracts for external parties

Property development projects for external parties are carried at the lower of cost or net realisable value. Profit on property development is recognised on a percentage completion basis. These property development projects are included in inventories and represent the value of work actually completed and are assessed in terms of the contract, and provision is made for losses, if any, anticipated.

(n) Depreciation and amortisation

Fixed assets and deferred costs are carried at acquisition cost less depreciation and amortisation and any impairment in value. Depreciation and amortisation is applied over the estimated economic life using the straight line method from the date of acquisition or from the time the asset is ready for use. The estimated economic life of items in the asset class plant and equipment ranges from 3 to 15 years.

(o) Leases

Leases are classified at their inception as either operating or finance leases based on the economic substance of the agreement so as to reflect the risks and benefits incidental to ownership.

(i) Operating leases

The minimum lease payments of operating leases, where the lessor effectively retains substantially all of the risks and benefits of ownership of the leased item, are recognised as an expense on an accruals basis.

Ground rent obligations for leasehold property that meets the definition of an investment property are accounted for as a finance lease.

(ii) Finance leases

Leases which effectively transfer substantially all of the risks and benefits incidental to ownership of the leased item to the Group are capitalised at the present value of the minimum lease payments under lease and are disclosed as an asset or investment property.

Capitalised lease assets are depreciated over the shorter of the estimated useful life of the assets and the lease term. Minimum lease payments are allocated between interest expense and reduction of the lease liability.

(p) Employee benefits

The liability for employees' benefits to wages, salaries, bonuses and annual leave is accrued to balance date based on the Group's present obligation to pay resulting from the employees' services provided. The liability for employees' benefits to long service leave is provided to balance date based on the present values of the estimated future cash flows to be paid by the Group resulting from the employees' services provided.

(q) Contributed equity

Issued and paid up capital is recognised at the fair value of the consideration received by the Westfield Group. Any transaction costs arising on the issue of ordinary shares are recognised directly in equity as a reduction of the share proceeds received.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(r) Cash flows

Cash on hand, at bank and short term deposits are stated at nominal value. For the purposes of the Cash Flow Statement, cash includes cash on hand and at bank, short term money market deposits and bank accepted bills of exchange readily convertible to cash, net of bank overdrafts and short term loans. Bank overdrafts are carried at the principal amount. Interest is charged as an expense as it accrues.

(s) Derivative and other financial instruments

The Group's activities expose it to changes in interest rates and foreign exchange rates. The Group has policies and limits in respect of the use of derivative and other financial instruments to hedge cash flows subject to interest rate and currency risks.

There is a comprehensive hedging program implemented by the Group that is used to manage interest and exchange rate risk. Derivatives are not entered into for speculative purposes and the hedging policies are approved and monitored by the Board. Accounting standards however, include onerous documentation, designation and effectiveness requirements before a derivative financial instrument can qualify for hedge accounting. The Group's treasury transactions are undertaken to achieve economic outcomes in line with its treasury policy. The AIFRS documentation, designation and effectiveness requirements cannot be met in all circumstances. As a result all derivatives other than cross currency swaps that hedge investments in foreign operations do not qualify for hedge accounting and are recorded at fair value through the profit and loss account.

The fair value of forward exchange contracts is calculated by reference to current forward exchange rates for contracts with similar maturity profiles. The fair value of interest rate swap contracts is determined by reference to market values for similar instruments.

The accounting policies adopted in relation to material financial instruments are detailed as follows:

i) Financial assets

Receivables

Trade and sundry debtors are carried at amortised cost, less provision for doubtful debts, and are due within 30 days.

ii) Financial liabilities

Payables

Trade and sundry creditors are carried at amortised cost, and are generally payable within 60 days.

Interest bearing liabilities

Interest bearing liabilities are carried at amortised cost or at their fair value at the time of acquisition in the case of assumed liabilities. Interest is charged as an expense on an accruals basis.

Other financial liabilities

Other financial liabilities include preference shares, trust units issued by subsidiaries with a fixed life and convertible debt. Where there is a minimum distribution entitlement and/or the redemption terms include the settlement for cash on redemption the instrument is classified as a derivative and is fair valued through the income statement.

iii) Interest rate swaps

The Group enters into interest rate swap agreements that are used to convert certain variable interest rate borrowings to fixed interest rates. The swaps are entered into with the objective of hedging the risk of interest rate fluctuations in respect of underlying borrowings.

Derivatives entered into to reduce exposures to fluctuations in floating interest rates may be accounted for as cash flow hedges provided the hedge designation, documentation and effectiveness tests can be met. If these tests are satisfied then the hedging derivative is measured at fair value and gains or losses are reflected directly in equity until the hedged transaction occurs, when they are released to the income statement. To the extent that the hedges do not qualify for hedge accounting then gains or losses arising from changes in fair value is reflected in the income statement immediately.

iv) Cross currency swaps and forward exchange contracts

The Group enters into cross currency swaps and forward exchange contracts where it agrees to buy or sell specified amounts of foreign currencies in the future at predetermined exchange rates. The objective is to minimise the risk of exchange rate fluctuation in respect of certain of its foreign currency denominated assets, liabilities, revenues and expenses. The Group only enters into derivative financial instruments to hedge certain underlying assets, liabilities, revenues and expenses.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(s) Derivative and other financial instruments (continued)

iv) Cross currency swaps and forward exchange contracts (continued)

The forward exchange contracts entered into to hedge the foreign exchange exposure relating to revenues denominated in a foreign operation's functional currency do not qualify for hedge accounting. Accordingly, such derivatives are measured at fair value and gains and losses are reflected in the income statement as they arise.

The foreign exchange exposure on net investments in foreign operations qualify for hedge accounting provided that the hedge designation, documentation and effectiveness tests are met. If these tests are satisfied then the hedging derivative is measured at fair value and gains and losses reflected in the foreign currency translation reserve. To the extent that the hedge does not qualify for hedge accounting then a corresponding portion of the gain or loss is reflected in the income statement.

v) Disclosure of fair values

Recognised financial assets and liabilities are recorded at balance date at their net fair values with the exception of investments in associates which are carried at cost plus post-acquisition changes in the Westfield Group's share of net assets of the associates, less any impairment in value. Refer Note 2(c).

Applicable market rates, values, prices and terms in respect of derivative and other financial instruments are set out in the notes to these financial statements.

(t) Rounding

In accordance with ASIC Class Order 98/0100, the amounts shown in the Financial Report have, unless otherwise indicated, been rounded to the nearest tenth of a million dollars. Amounts shown as 0.0 represent amounts less than $50,000 that have been rounded down.

3 IMPACT OF ADOPTING AIFRS

(a) AASB 1 transitional exemptions

The Group has made its election to the transitional exemptions allowed by AASB 1 “First-time Adoption of Australian Equivalents to International Financial Reporting Standards” as follows:

i) AASB 3 “Business Combinations” was not applied retrospectively to business combinations undertaken before the date of transition to AIFRS.

ii) AASB 2 “Share Based Payments” is applied only to equity instruments granted after 7 November 2002 that had not vested on or before 1 January 2005.

iii) The Group has elected not to apply AASB 121 “The Effects of Changes in Foreign Exchange Rates” to the cumulative translation differences at the date of transition to AIFRS. This will result in the foreign currency translation reserve balance at 1 July 2004 being transferred to opening retained earnings. Any gain or loss on a subsequent disposal of any foreign operation shall exclude translation differences that arose before the date of transition and shall include later translation differences.

iv) The Group has elected to defer the application of AASB 132 “Financial Instruments: Presentation and Disclosure” and AASB 139 “Financial Instruments: Recognition and Measurement”. As a result of the deferral, the opening retained earnings at 1 January 2005 has been adjusted to account for the application of AASB 132 “Financial Instruments: Presentation and Disclosure” and AASB 139 “Financial Instruments: Recognition and Measurement” as at that date. Refer note 3(e) for the reconciliation between 31 December 2004 closing balance and 1 January 2005 opening balance.

3 IMPACT OF ADOPTING AIFRS (continued)

(b) Reconciliation of profit after tax between AGAAP and AIFRS

	31 Dec 04 *$million*
Profit after tax attributable to members as previously reported under AGAAP	832.9
Investment property revaluations [i]	2,298.1
Minority interest property revaluations [i]	(141.2)
Investment property revaluations attributable to equity accounted associates[i]	462.2
Deferred tax charge [ii]	(358.4)
Goodwill on acquisitions (due to the recognition of deferred tax liabilities) written off[iii]	(460.0)
Other AIFRS adjustments	(3.2)
Profit after tax attributable to members under AIFRS	**2,630.4**

[i] AASB 140 “Investment Property” requires revaluation increment/decrement to be recognised through the income statement. Under AGAAP revaluation movements were recognised in the asset revaluation reserve.

[ii] The balance sheet liability method of accounting for income taxes is required under AASB 112 “Income Taxes”. A deferred tax liability is recognised for depreciation allowances for tax purposes and revaluations of investment properties. Under AGAAP, depreciation allowances for tax purposes and revaluation of investment properties did not have an impact on the tax expense in the income statement. A liability was only recognised once there was an intention to sell the investment property and the sale would give rise to a tax obligation.

[iii] Deferred tax on acquisition has arisen with respect to the Group's acquisition of Duelguide plc under AASB 3 “Business Combinations”. The excess of the purchase price over fair value is a result of the application of the balance sheet liability method of tax effect accounting for the Duelguide properties. This gives rise to goodwill which is considered unrecoverable and has been written off to income statement.

(c) Reconciliation of total equity between AGAAP and AIFRS

	1 Jul 04 *$million*	*02 Jul 04* [i] *$million*	*31 Dec 04* *$million*
Total equity under previous AGAAP	1,347.7	15,149.0	18,502.8
Adjustments to equity			
Deferred tax liability [ii]	(186.7)	(806.6)	(1,091.2)
Goodwill on acquisitions (due to the recognition of deferred tax liabilities) written off [ii] and [iii]	-	-	(458.1)
Consolidate executive option plan trust [iv]	(63.1)	(63.1)	(60.5)
Total Equity under AIFRS	**1,097.9**	**14,279.3**	**16,893.0**

[i] A reconciliation of AGAAP to AIFRS at the date of the Merger.

[ii] The balance sheet liability method of accounting for income taxes is required under AASB 112 “Income Taxes”. A deferred tax liability is recognised for depreciation allowances for tax purposes and revaluations of investment properties. Under AGAAP, depreciation allowances for tax purposes and revaluation of investment properties did not have an impact on the tax expense in the income statement. A liability was only recognised once there was an intention to sell the investment property and the sale would give rise to a tax obligation.

[iii] Deferred tax on acquisition has arisen with respect to the Group's acquisition of Duelguide plc under AASB 3 “Business Combinations”. The excess of the purchase price over fair value is a result of the application of the balance sheet liability method of tax effect accounting for the Duelguide properties. This gives rise to goodwill which is considered unrecoverable and has been written off to income statement.

[iv] The Westfield Group’s Executive Option Plan Trust is required to be consolidated under AIFRS.

(d) Cash flow Statement under AIFRS

There are no material differences between the AGAAP and AIFRS cash flow statements.

3 IMPACT OF ADOPTING AIFRS (continued)

(e) Reconciliation of total equity opening balance upon adoption of AASB 132 and 139 on 1 January 2005

	1 Jan 05 *$million*
Total equity under AIFRS at 31 December 2004	16,893.0
Adjustments to equity upon adoption of AASB 132 and 139	
Forward exchange contracts not qualifying for hedge accounting [i]	270.0
Interest rate swaps not qualifying for hedge accounting [ii]	(175.8)
Deferred tax liability	(38.4)
Reclassify minority interest to other financial liabilities [iii]	(444.4)
Mark to market of other financial liabilities [iii]	(523.3)
Total Equity under AIFRS at 1 January 2005	**15,981.1**
Total Equity under AIFRS at 1 January 2005 attributable to:	
- Members of the Westfield Group	15,863.2
- Minority interests	117.9
	15,981.1

(i) AASB 139 “Financial Instruments” does not allow hedge accounting for derivatives entered into to hedge the foreign exchange exposure relating to revenues denominated in a foreign operation’s function currency. These derivatives are measured at fair value and gains and losses are reflected in the income statement as they arise.

Under AGAAP gains and losses on foreign currency derivatives were deferred and recorded with the underlying transactions being hedged. For hedges of foreign currency revenues, gains and losses were reflected in the income statement as the underlying foreign currency revenues were recognised.

(ii) Interest rate derivatives are considered to be ineffective as they do not meet the hedge effectiveness criteria under AASB 139 “Financial Instruments”, accordingly these derivatives are measured at fair value and the gains and losses are recorded in the income statement. Under AGAAP, interest rate derivatives were accounted for on an accrual basis.

(iii) All AGAAP minority interests except for the Carindale Property Trust have been reclassified as debt and related earnings classified as interest expense in accordance with AASB 132 "Financial Instruments: Disclosure and Presentation". All convertible debt instruments are recorded at fair value under AIFRS. The fair value is based on the conversion value at balance date.

	Note	CONSOLIDATED 30 Jun 05 $million	31 Dec 04 $million
4 PROPERTY REVENUE			
Shopping centre rental and other property income		1,442.5	1,517.2
Tenant allowances amortised		(5.5)	(2.6)
		1,437.0	**1,514.6**
5 SIGNIFICANT ITEMS			
Profit before tax and minority interests includes the following significant items which are not expected to recur. The disclosure of these items is relevant in explaining the financial performance of the business.			
Profit on disposal of assets		7.5	31.5
Goodwill on acquisitions (due to the recognition of deferred tax liabilities) written off		(50.0)	(460.0)
		(42.5)	**(428.5)**
6 FINANCING COSTS			
Gross financing costs (excluding mark to market of interest rate hedges that do not qualify for hedge accounting)		(290.4)	(273.0)
Financing costs capitalised to construction projects		13.4	10.8
Financing costs		(277.0)	(262.2)
Finance leases interest expense		(4.9)	(5.1)
Mark to market of interest rate hedges that do not qualify for hedge accounting		(81.9)	-
Interest expense and mark to market of other financial liabilities		(191.6)	-
		(555.4)	**(267.3)**
7 TAX EXPENSE			
Current		(35.3)	(44.8)
Deferred		(136.8)	(358.4)
		(172.1)	**(403.2)**
8 INVESTMENT PROPERTIES			
Shopping centre investments	9	29,118.7	27,011.0
Construction and development projects		894.5	753.0
		30,013.2	**27,764.0**
9 DETAILS OF INVESTMENT PROPERTIES			
Consolidated Australian shopping centres		12,499.8	11,804.8
Consolidated New Zealand shopping centres		1,607.4	1,609.0
Consolidated United States shopping centres		15,011.5	13,597.2
Total consolidated shopping centres	8	**29,118.7**	**27,011.0**
Equity accounted Australian shopping centres	10(c)	892.7	871.3
Equity accounted United Kingdom shopping centres	10(c)	3,351.4	3,625.1
Equity accounted United States shopping centres	10(c)	2,293.0	2,102.9
Total equity accounted shopping centres	10(c)	**6,537.1**	**6,599.3**
		35,655.8	**33,610.3**

10 DETAILS OF EQUITY ACCOUNTED INVESTMENTS

Name of entity	Type of equity	Balance Date	ECONOMIC INTEREST 30 Jun 05	ECONOMIC INTEREST 31 Dec 04	CONSOLIDATED CARRYING VALUE 30 Jun 05 $million	CONSOLIDATED CARRYING VALUE 31 Dec 04 $million
(a) Equity accounted entities carrying value						
Australian investments [i]						
AMP Wholesale Shopping Centre Trust No. 2	*Units*	30 Jun	10.0%	10.0%	49.9	49.9
Karrinyup	*Units*	30 Jun	25.0%	25.0%	89.7	89.6
Mt Druitt	*Units*	30 Jun	50.0%	50.0%	156.4	121.4
SA Shopping Centre Trust	*Units*	31 Dec	50.0%	50.0%	21.0	21.0
Southland	*Units*	30 Jun	50.0%	50.0%	387.2	385.4
Tea Tree Plaza	*Units*	30 Jun	50.0%	50.0%	197.0	197.3
					901.2	864.6
United Kingdom investments [i]						
Broadmarsh [ii]	Partnership interest	31 Dec	75.0%	75.0%	169.2	163.9
Brunel	Partnership interest	31 Dec	50.0%	50.0%	13.5	71.3
CastleCourt	Partnership interest	31 Dec	50.0%	50.0%	144.1	153.1
Duelguide [iii]	Company	31 Dec	50.0%	50.0%	449.7	293.8
Eagle	Partnership interest	31 Dec	50.0%	50.0%	105.8	116.6
Friary	Partnership interest	31 Dec	50.0%	50.0%	70.9	71.6
Mill Gate	Partnership interest	31 Dec	50.0%	50.0%	76.8	79.5
Royal Victoria Place	Partnership interest	31 Dec	50.0%	50.0%	61.2	67.4
					1,091.2	1,017.2
United States investments [i]						
Fashion Square	Partnership units	31 Dec	50.0%	50.0%	135.9	131.4
Garden State Plaza	Partnership units	31 Dec	50.0%	50.0%	387.5	371.5
Montgomery	Partnership units	31 Dec	50.0%	50.0%	183.6	170.4
North Bridge	Partnership units	31 Dec	33.3%	33.3%	78.9	76.2
Plaza Camino Real	Partnership units	31 Dec	40.0%	40.0%	85.1	81.9
San Francisco Emporium	Partnership units	31 Dec	50.0%	50.0%	101.9	100.5
UTC	Partnership units	31 Dec	50.0%	50.0%	163.2	155.6
Valencia Town Centre	Partnership units	31 Dec	50.0%	25.0%	48.8	-
Valley Fair	Partnership units	31 Dec	50.0%	50.0%	334.3	320.8
Other retail and property investments	Units/shares	31 Dec	43.3%	43.3%	36.5	41.4
					1,555.7	1,449.7
Total equity accounted investments					**3,548.1**	**3,331.5**

(i) All equity accounted property partnerships, trusts and companies operate solely as retail property investors.

(ii) The Group has a 75% economic interest in Broadmarsh. The Group has equal representation and voting rights on the Board of Broadmarsh resulting in joint control, and as a consequence, significant influence. Accordingly, Broadmarsh has been accounted for as an associate in accordance with AASB 131: Interest in Joint Ventures.

(iii) On 24 November 2004 DGL Acquisitions Limited ("DGL") acquired a 100% interest in Duelguide plc ("Duelguide"), the company which owns the former London listed Chelsfield plc ("Chelsfield"), for cash consideration totalling £585 million.

DGL is 50% owned by Westfield Group entities and 50% owned by R&M Investments (BVI) Limited ("R&M"), a company that is jointly owned by entities associated with Multiplex Limited and Messrs. David and Simon Reuben.

In an agreement dated 17 October 2004, the shareholders of DGL agreed to allocate the direct ownership of the assets and liabilities of Duelguide to the Westfield Group and R&M. It is anticipated that this allocation and associated restructure transactions will be implemented within 12 months of acquisition date.

On 18 May 2005 the Westfield Group agreed to purchase an additional 25% interest in Duelguide's White City development for £65 million from R&M, increasing its ownership of the White City development to 50%. Concurrently, the Westfield Group also agreed to acquire Chelsfield's £150 million White City land sale receivable and £70 million development funding deposit.

In accordance with the above, the Westfield Group's allocation of Duelguide's assets and liabilities is as follows:

Shopping Centres	*millions*
- Merry Hill (100%)	£877.0
- Sprucefield (100%)	£75.0
Development assets	£497.7
Total Assets	£1,449.7
Borrowings and other liabilities	£1,056.2
Westfield Group cash consideration	£393.5

The assets allocated to the Westfield Group are currently subject to the usual cross guarantees associated with Duelguide's borrowings, including borrowings allocated to R&M. These encumbrances are expected to be removed on implementation of the aforementioned allocation and associated restructure. Pending this implementation the Westfield Group's interest in DGL has been accounted for under the equity method. The assets and liabilities underlying this equity investment are considered to be the specific Duelguide assets and liabilities that have been allocated directly to the Westfield Group.

Since 30 June 2005, a number of the abovementioned allocation and associated restructure transactions have commenced.

10 DETAILS OF EQUITY ACCOUNTED INVESTMENTS (continued)

	AUSTRALIA		*UNITED KINGDOM*		*UNITED STATES*		*CONSOLIDATED*	
	30 Jun 05	*31 Dec 04*	*30 Jun 05*	*31 Dec 04*	*30 Jun 05*	*31 Dec 04*	*30 Jun 05*	*31 Dec 04*
	$million	*$million*	*$million*	*$million*	*$million*	*$million*	*$million*	*$million*
(b) Details of the Westfield Group's aggregate share of equity accounted entities net profit								
Property revenue	45.9	43.7	121.0	66.8	97.9	102.1	264.8	212.6
Property revaluation	20.5	65.4	-	45.1	38.1	351.7	58.6	462.2
Profit on disposal of assets	-	-	0.0	-	-	-	0.0	-
Interest income	-	-	-	0.5	-	-	-	0.5
Total revenue from ordinary activities	66.4	109.1	121.0	112.4	136.0	453.8	323.4	675.3
Property outgoings	(12.1)	(12.4)	(33.1)	(21.8)	(23.3)	(24.7)	(68.5)	(58.9)
Borrowing costs	(0.6)	(0.6)	(78.3)	(26.5)	(22.3)	(23.1)	(101.2)	(50.2)
Net profit from equity accounted entities before tax expense	53.7	96.1	9.6	64.1	90.4	406.0	153.7	566.2
Income tax expense	-	-	(2.5)	-	-	-	(2.5)	-
Share of net profits of equity accounted entities	**53.7**	**96.1**	**7.1**	**64.1**	**90.4**	**406.0**	**151.2**	**566.2**
(c) Details of the Westfield Group's aggregate share of equity accounted entities assets and liabilities								
Cash	4.3	2.6	36.8	32.7	23.0	21.8	64.1	57.1
Receivables	2.5	2.9	6.2	6.8	9.0	6.8	17.7	16.5
Property investments (refer note 9)	892.7	871.3	3,351.4	3,625.1	2,293.0	2,102.9	6,537.1	6,599.3
Construction and development projects	38.2	27.1	1,240.5	453.4	148.4	108.6	1,427.1	589.1
Other retail and property investments	-	-	-	-	36.4	41.4	36.4	41.4
Other assets	-	-	5.5	8.0	19.2	6.8	24.7	14.8
Total assets	937.7	903.9	4,640.4	4,126.0	2,529.0	2,288.3	8,107.1	7,318.2
Payables	(22.5)	(24.6)	(708.0)	(80.9)	(29.0)	(15.7)	(759.5)	(121.2)
Deferred tax	-	-	(486.1)	(458.1)	-	-	(486.1)	(458.1)
Interest bearing liabilities	(14.0)	(14.7)	(2,355.1)	(2,569.8)	(944.3)	(822.9)	(3,313.4)	(3,407.4)
Total liabilities	(36.5)	(39.3)	(3,549.2)	(3,108.8)	(973.3)	(838.6)	(4,559.0)	(3,986.7)
Net assets	**901.2**	**864.6**	**1,091.2**	**1,017.2**	**1,555.7**	**1,449.7**	**3,548.1**	**3,331.5**
(d) Details of the Westfield Group's aggregate share of equity accounted entities capital expenditure commitments								
Estimated capital expenditure commitments								
Due within one year	14.8	25.4	732.0	14.5	129.7	78.7	876.5	118.6
Due between one and five years	-	-	765.3	0.7	32.4	78.7	797.7	79.4
	14.8	**25.4**	**1,497.3**	**15.2**	**162.1**	**157.4**	**1,674.2**	**198.0**
(e) Details of the Westfield Group's aggregate share of equity accounted entities contingent liabilities								
Performance guarantees	-	-	16.0	-	3.1	1.6	19.1	1.6
	-	**-**	**16.0**	**-**	**3.1**	**1.6**	**19.1**	**1.6**

	CONSOLIDATED 30 Jun 05 $million	31 Dec 04 $million
11 INTEREST BEARING LIABILITIES		
CURRENT		
Unsecured		
Bank overdraft	29.4	16.1
Bank loans	848.9	744.4
Notes payable - A$	675.0	226.2
Secured		
Bank loans	351.4	212.2
Other	154.5	-
	2,059.2	**1,198.9**
NON CURRENT		
Unsecured		
Bank loans	908.2	1,985.7
Commercial paper	100.0	360.0
Notes payable		
- US$	3,414.8	3,338.8
- £	1,423.9	-
- €	954.7	-
- A$	836.2	1,288.1
Finance leases	103.7	111.9
Secured		
Bank loans	4,651.2	4,729.1
Other	32.5	32.6
	12,425.2	**11,846.2**
The maturity profile in respect of interest bearing liabilities is set out below:		
Due within one year	2,059.2	1,198.9
Due between one and five years	4,740.0	6,437.1
Due after five years	7,685.2	5,409.1
	14,484.4	**13,045.1**
12 OTHER FINANCIAL LIABILITIES		
Unsecured		
Convertible notes	709.3	841.4
Redeemable Preference Shares/ Units		
Convertible redeemable preference shares	264.0	99.0
Other redeemable preference shares/units	906.2	184.9
	1,879.5	**1,125.3**

	Securities	Securities
13 CONTRIBUTED EQUITY		
(a) Number of securities on issue		
Balance at the beginning of the year	1,677,229,966	560,057,402
Dividend/distribution reinvestment plan	15,544,151	-
Securities issued on exercise of options	22,814,822	4,300,680
Securities issued to implement the Westfield Group Merger		
- Securities issued to Members of WT	-	629,615,967
- Securities issued to Members of WAT	-	483,255,917
Balance at the end of the year for the Westfield Group	1,715,588,939	1,677,229,966

Stapled securities have the right to receive dividends from the Parent Company and distributions from WT and WAT as declared and, in the event of winding up of the Parent Company, WT and WAT, to participate in the proceeds from the sale of all surplus assets in proportion to the number of and amounts paid up on stapled securities held.

Holders of stapled securities can vote their shares and units in accordance with the Corporations Act, either in person or by proxy, at a meeting of either the Parent Company, WT and WAT (as the case maybe).

		CONSOLIDATED	
		30 Jun 05	*31 Dec 04*
		$million	*$million*
13	**CONTRIBUTED EQUITY (continued)**		
(b)	**Amount of contributed equity**		
	Balance at the beginning of the year [(i)]	11,426.0	634.9
	Dividend reinvestment plan	258.8	-
	Conversion of options	374.7	(50.7)
	Initial equity contributed by WT and WAT pursuant to the Merger	-	10,766.7
	Stapling distributions - return of capital	-	(1,124.0)
	Securities issued to implement the Merger	-	1,125.1
	Balance at the end of the year	**12,059.5**	**11,352.0**

(i) The opening balance at 1 January 2005 has been adjusted for the effects of adopting AASB 132 and 139, as outlined in note 3(e).

		30 Jun 05	31 Dec 04
14	**DIVIDENDS/DISTRIBUTIONS**		
(a)	**Current period interim/prior period final dividend/distribution proposed**		
	Parent Company: 6.41 cents per share 100% franked (31 Dec 04: 4.47 cents per share, 100% franked)	109.7	74.9
	WT: 19.50 cents per unit, 25% estimated tax advantaged [(i)(ii)] (31 Dec 04: 20.74 cents per unit, 42.2% tax advantaged)	333.6	347.8
	WAT: 25.16 cents per unit, 40% estimated tax advantaged [(ii)] (31 Dec 04: 26.82 cents per unit, 43.1% tax advantaged)	430.3	449.9
	Westfield Group 51.07 cents (31 Dec 04: 52.03 cents) per stapled security	**873.6**	**872.6**

Dividends/distributions proposed are to be paid on 31 August 2005. Dividends to be paid by the Parent Company will be franked at the corporate tax rate of 30%. The record date for these dividends/distributions was 15 August 2005.

The Westfield Group Distribution Reinvestment Plan (DRP) was in operation for the distribution payable on 31 August 2005. DRP securities issued during the period rank for distribution from the first day following the date on which they are issued.

(i) For security holders that are individuals, the taxable component of the WT cash distribution is estimated to be 14.62 cents per unit (31 Dec 04: 12.03 cents per unit). This taxable component includes capital gains (discounted by 50%) of nil cents per unit (31 Dec 04: 1.16 cents per unit) arising from property disposals during the period.

(ii) The tax advantaged component of the WT and WAT's distributions reduces the cost base of members' units. If the cost base is reduced to $nil any remaining tax advantaged amounts may be taxable as capital gains.

		30 Jun 05	31 Dec 04
(b)	**Dividends/Distributions paid during the period**		
	Dividend/distribution in respect of the 6 months to 31 December 2004		
	Parent Company 4.47 cents per share, 100% franked	74.9	-
	WT 20.74 cents per unit, 42.2% tax advantaged	347.8	-
	WAT 26.82 cents per unit, 43.1% tax advantaged	449.9	-
	Dividend/distribution in respect of the 6 months to 30 June 2004		
	Parent Company 13.58 cents per share, 50% franked	-	77.4
	WT 12.71 cents per unit, 42.2% tax advantaged	-	283.7
	WAT 7.80 cents per unit, 43.1% tax advantaged	-	243.6
	Special capital distribution		
	WAT 0.90 cents per unit, 100% tax advantaged	-	34.0
	Stapling dividend paid 16 July 2004		
	Parent Company 0.2 cents per share, 100% franked	-	1.1
	WT $1.01 per unit, 100% tax advantaged	-	635.9
	WAT $1.01 per unit, 100% tax advantaged	-	488.1
		872.6	**1,763.8**

Dividends paid by the Parent Company have been franked at the corporate tax rate of 30%.

	CONSOLIDATED 30 Jun 05 $	31 Dec 04 $
15 NET TANGIBLE ASSET BACKING		
Net tangible asset backing per security	9.99	9.68

Net tangible asset backing per security is calculated by dividing Total Equity attributable to Members of the Westfield Group by the number of securities on issue. The number of securities used in the calculation of net tangible asset backing is 1,715,588,939 (31 December 2004: 1,677,229,966).

	$million	*$million*
16 CAPITAL EXPENDITURE COMMITMENTS		
Estimated capital expenditure commitments		
Due within one year	1,714.2	856.9
Due between one and five years	348.4	85.1
	2,062.6	**942.0**
17 CONTINGENT LIABILITIES		
Performance guarantees	108.2	157.6
Special tax assessment municipal bonds	67.3	65.8
Other	7.2	-
	182.7	**223.4**

From time to time, in the normal course of business, the Westfield Group is involved in lawsuits. The Directors believe that the ultimate outcome of such pending litigation will not materially affect the results of operations or the financial position of the Westfield Group.

In addition to the above, the Westfield Group has guaranteed $1,207.5 million of capital expenditure commitments and $28.0 million of borrowings of equity accounted entities as set out in Note 10.

WESTFIELD GROUP
COMPRISING WESTFIELD HOLDINGS LIMITED AND ITS CONTROLLED ENTITIES
NOTES TO THE FINANCIAL STATEMENTS
for the half year ended 30 June 2005

18 SEGMENT INFORMATION
PRIMARY GEOGRAPHIC SEGMENT

	AUSTRALIA & NEW ZEALAND		*UNITED KINGDOM*		*UNITED STATES*		*CONSOLIDATED*	
	30 Jun 05 $million	*31 Dec 04 $million*	*30 Jun 05 $million*	*31 Dec 04 $million*	*30 Jun 05 $million*	*31 Dec 04 $million*	*30 Jun 05 $million*	*31 Dec 04 $million*
Segment revenue and other income								
Revenue	762.2	724.6	26.7	4.2	784.5	881.5	1,573.4	1,610.3
Property revaluation	549.2	822.4	-	-	606.5	1,475.7	1,155.7	2,298.1
Equity accounted entities net profit	53.7	96.1	7.1	64.1	90.4	406.0	151.2	566.2
Total segment revenue and other income	**1,365.1**	**1,643.1**	**33.8**	**68.3**	**1,481.4**	**2,763.2**	**2,880.3**	**4,474.6**
Other income							15.8	-
Interest income							5.2	6.7
Gain on disposal of assets/transaction costs written off							7.5	31.5
Consolidated total revenue							**2,908.8**	**4,512.8**
Segment profit								
Segment result before corporate overheads, interest, sale of investments and taxation	1,115.8	1,395.5	8.2	52.4	1,185.2	2,464.7	2,309.2	3,912.6
Other income							15.8	-
Goodwill written off on acquisition of assets							(50.0)	(460.0)
Corporate overheads							(13.4)	(12.2)
Net financing costs							(550.2)	(260.6)
Gain on disposal of assets/transaction costs written off							7.5	31.5
Tax expense							(172.1)	(403.2)
Consolidated profit after tax							**1,546.8**	**2,808.1**
Segment assets								
Segment assets	16,336.1	15,409.2	1,137.6	1,050.4	17,212.7	15,682.5	34,686.4	32,142.1
Corporate assets							1,734.5	1,733.0
Consolidated total assets							**36,420.9**	**33,875.1**
Segment liabilities								
Segment liabilities	386.3	362.3	31.5	26.6	454.7	432.3	872.5	821.2
Corporate liabilities							18,284.4	16,160.9
Consolidated total liabilities							**19,156.9**	**16,982.1**
Other segment information								
Investment in equity accounted associates included in segment assets	901.2	864.6	1,091.2	1,017.2	1,555.7	1,449.7	3,548.1	3,331.5
Additions to segment non current assets	348.0	1,394.7	199.8	771.3	663.8	509.7	1,211.6	2,675.7

SECONDARY BUSINESS SEGMENT

The Westfield Group operates in one business segment being an internally managed, vertically integrated, global retail property group.

WESTFIELD GROUP

COMPRISING WESTFIELD HOLDINGS LIMITED AND ITS CONTROLLED ENTITIES

DIRECTORS' DECLARATION

The Directors of Westfield Holdings Limited ("Company") declare that:

(a) in the Directors' opinion, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable; and

(b) in the Directors' opinion, the Financial Statements and notes of the consolidated entity:

(i) comply with Accounting Standard AASB 134 Interim Financial Reporting and the Corporations Act 2001; and

(ii) give a true and fair view of the financial position as at 30 June 2005 and the performance for the half year ended on that date.

Made on 30 August 2005 in accordance with a resolution of the Board of Directors.

FP Lowy, AC
Chairman

FG Hilmer, AO
Deputy Chairman

WESTFIELD GROUP

COMPRISING WESTFIELD HOLDINGS LIMITED AND ITS CONTROLLED ENTITIES

INDEPENDENT AUDIT REPORT

to the Members of Westfield Holdings Limited

ERNST & YOUNG

Scope

The financial report and directors' responsibility

The financial report comprises the balance sheet, income statement, cash flow statement, statement of changes in equity and accompanying notes to the financial statements for the consolidated entity comprising both Westfield Holdings Limited (the Company) and the entities it controlled during the period, and the directors' declaration for the Company, for the period ended 30 June 2005.

The directors of the Company are responsible for preparing a financial report that gives a true and fair view of the financial position and performance of the consolidated entity, and that complies with Accounting Standard AASB 134 "Interim Financial Reporting", in accordance with the *Corporations Act 2001* . This includes responsibility for the maintenance of adequate accounting records and internal controls that are designed to prevent and detect fraud and error, and for the accounting policies and accounting estimates inherent in the financial report.

Audit approach

We conducted an independent audit of the financial report in order to express an opinion on it to the members of the company and in order for the Company to lodge the financial report with the Australian Stock Exchange and the Australian Securities and Investments Commission. Our audit was conducted in accordance with Australian Auditing Standards in order to provide reasonable assurance as to whether the financial report is free of material misstatement. The nature of an audit is influenced by factors such as the use of professional judgement, selective testing, the inherent limitations of internal control, and the availability of persuasive rather than conclusive evidence. Therefore, an audit cannot guarantee that all material misstatements have been detected.

We performed procedures to assess whether in all material respects the financial report presents fairly, in accordance with the *Corporations Act 2001* , including compliance with Accounting Standard AASB 134 "Interim Financial Reporting", and other mandatory financial reporting requirements in Australia, a view which is consistent with our understanding of the consolidated entity's financial position, and of its performance as represented by the results of its operations and cash flows.

We formed our audit opinion on the basis of these procedures, which included:

- examining, on a test basis, information to provide evidence supporting the amounts and disclosures in the financial report, and
- assessing the appropriateness of the accounting policies and disclosures used and the reasonableness of significant accounting estimates made by the directors.

While we considered the effectiveness of management's internal controls over financial reporting when determining the nature and extent of our procedures, our audit was not designed to provide assurance on internal controls.

We performed procedures to assess whether the substance of business transactions was accurately reflected in the financial report. These and our other procedures did not include consideration or judgement of the appropriateness or reasonableness of the business plans or strategies adopted by the directors and management of the company.

Independence

We are independent of the Company, and have met the independence requirements of Australian professional ethical pronouncements and the Corporations Act 2001. We have given to the directors of the company a written Auditor's Independence Declaration a copy of which is included in the Directors' Report. In addition to our audit of the financial report, we were engaged to undertake other services. The provision of these services has not impaired our independence.

Audit Opinion

In our opinion, the financial report of the consolidated entity comprising Westfield Holdings Limited and the entities it controlled during the period is in accordance with:

(a) the *Corporations Act 2001* , including:

- giving a true and fair view of the financial position of the consolidated entity at 30 June 2005 and of its performance for the period ended on that date; and
- complying with Accounting Standard AASB 134 "Interim Financial Reporting" and the *Corporations Regulations 2001* ; and

(b) other mandatory financial reporting requirements in Australia.

Ernst & Young

Brian Long

Ernst & Young

Brian Long - Partner

Sydney, 30 August 2005

WESTFIELD GROUP
COMPRISING WESTFIELD HOLDINGS LIMITED AND ITS CONTROLLED ENTITIES
DIRECTORS' REPORT

The Directors of Westfield Holdings Limited ("Company") submit their report for the half year ended 30 June 2005.

Directors

The names of the company's directors in office during the half year and until the date of this report are as below.

FP Lowy, AC	Chairman – Executive Director
FG Hilmer, AO	Deputy Chairman – Non-Executive Director
DH Lowy, AM	Deputy Chairman – Non-Executive Director
RL Furman	Non-Executive Director
DM Gonski, AO	Non-Executive Director
SP Johns	Non-Executive Director
PS Lowy	Managing Director – Executive Director
SM Lowy	Managing Director – Executive Director
JB Studdy, AM	Non-Executive Director
FT Vincent	Non-Executive Director
GH Weiss	Non-Executive Director
DR Wills, AO	Non-Executive Director
CM Zampatti, AM	Non-Executive Director

Review and results of operations

This is the Westfield Group's first financial report prepared under International Financial Reporting Standards (AIFRS).

The Group reported a net profit of $1,534.5 million and a distribution of $873.6 million for the six months to 30 June 2005. Earnings per security is 90.36 cents and a distribution per security of 51.07 cents.

As at 30 June 2005, the Westfield Group had a $38.0 billion interest in 126 shopping centres with a gross value of approximately $46.3 billion comprising 20,900 retailers and approximately 10.2 million square metres of retail space.
Key highlights for the period include:

- strong underlying operating performance results from our portfolios in Australia, New Zealand, the United States and the United Kingdom.
- revaluation uplift of $1.2 billion on the Group's property interests.
- commenced 5 new developments with a project cost of A$1.5 billion with the largest ever development program now underway across the Group, with 17 projects under construction with a project cost of A$6.7 billion (WDC share: A$4.1 billion).
- acquisition of A$1.2 billion of shopping centre assets:
  - A$650 million in Australia (settled post balance date);
  - US$320 million in the United States; and
  - £65 million in the United Kingdom.
- gross value of investments under management increased by 10.5% to A$46.3 billion.
- further diversification of the Group's debt funding sources with a debut issue in the Eurobond market raising equivalent to A$2.35 billion.

Rounding

The Company is of a kind referred to in the Australian Securities and Investments Commission Class Order 98/0100 dated 10 July 1998. Accordingly, amounts in the Directors' Report, the Financial Statements and the Notes thereto have been rounded to the nearest hundred thousand dollars.

Synchronisation of financial year

Carindale Property Trust is a consolidated entity of the Company, and has a financial year ending on 30 June. By an order dated 27 June 2005 made by the Australian Securities and Investments Commission, the directors of the Company have been relieved from compliance with the requirement to ensure that the financial year of the Company coincides with the financial year of Carindale Property Trust.

Auditor's independence declaration

The directors have obtained the following independence declaration from the auditors, Ernst & Young.

ERNST & YOUNG

Auditor's independence declaration to the Directors of Westfield Holdings Limited

In relation to our audit of the financial report of Westfield Holdings Limited for the half year ended 30 June 2005, to the best of my knowledge and belief, there have been no contraventions of the auditor independence requirements of the Corporations Act 2001 or any applicable code of professional conduct.

Ernst & Young
Sydney
30 August 2005

Brian Long
Partner

This Report is made on 30 August 2005 in accordance with a resolution of the Board of Directors and is signed for and on behalf of the Directors.

FP Lowy, AC
Chairman

FG Hilmer, AO
Deputy Chairman

DIRECTORY

Westfield Group
Westfield Holdings Limited
ABN 66 001 671 496

Westfield Trust
ARSN 090 849 746
(responsible entity Westfield Management Limited
ABN 41 001 670 579, AFS Licence No 230329)

Westfield America Trust
ARSN 092 058 449
(responsible entity Westfield America Management Limited
ABN 66 072 780 619, AFS Licence No 230324)

Registered Office
Level 24, Westfield Towers
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Facsimile: +61 2 9358 7077

United States Office
12th Floor
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Los Angeles California 90025
Telephone: +1 310 478 4456
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Newmarket, Auckland
Telephone: +64 9 978 5050
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71 High Holborn
London WC1V 6EA
Telephone: +44 20 7061 1400
Facsimile: +44 20 7061 1401

Secretaries
Maureen T McGrath
Simon J Tuxen

Auditors
Ernst & Young
The Ernst & Young Centre
680 George Street
Sydney NSW 2000

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Sydney NSW 2011
Telephone: +61 2 9358 7877
Facsimile: +61 2 9358 7881
E-mail: investor@au.westfield.com
Website: www.westfield.com/corporate

Principal Share Registry
Computershare Investor Services Pty Limited
Level 3, 60 Carrington Street
Sydney NSW 2000
GPO Box 7045
Sydney NSW 2001
Telephone: +61 3 9415 4070
Enquiries: 1300 132 211
Facsimile: +61 3 9473 2500
E-mail: webqueries@computershare.com.au
Website: computershare.com

Listing
Australian Stock Exchange – WDC

Website
westfield.com

WESTFIELD GROUP

Details of earnings, net assets and distribution by entity

for the half year ended 30 June 2005

	Earnings		Net assets		
	Total	*per security*	*Total*	*per security*	
	$million	*cents*	*$million*	*$*	*%*
WHL	120.9	7.12	1,218.9	0.71	7.11
WT	682.5	40.19	8,897.0	5.19	51.95
WAT	731.1	43.05	7,021.7	4.09	40.94
Westfield Group	1,534.5	90.36	17,137.6	9.99	100.00

	Distribution				
	ASX code: WDC	*per security*	*ASX code: WDCNA*	*per security*	*Total WDC*
	$million	*cents*	*$million*	*cents*	*$million*
WHL	109.0	6.41	0.8	4.32	109.8
WT	331.5	19.50	2.0	13.14	333.5
WAT	427.7	25.16	2.6	16.96	430.3
Westfield Group	868.2	51.07	5.4	34.42	873.6

WESTFIELD GROUP
SUMMARY OF PROPERTY PORTFOLIO
30 June 2005

Shopping centres	**Book value 30 Jun 05 A $Million**
Australia	13,408.5
New Zealand	1,601.0
United States	17,303.5
United Kingdom	3,342.3
Total	35,655.3
AIFRS Adjustments :	
- Tenant allowances	(115.3)
- Head leases	115.8
Total shopping centres under AIFRS	**35,655.8**

WESTFIELD GROUP
PROPERTY PORTFOLIO - AUSTRALIA
30 June 2005

Shopping Centre	State		Consolidated or Equity Accounted Interest %	Book value 30 June 05 $Million	Retail Cap Rate %
Airport West	Victoria	(i)	50	108.4	7.50%
Bay City	Victoria	(i)	50	84.9	7.25%
Belconnen	ACT	(iii)	100	476.2	6.75%
Bondi Junction	New South Wales	(i)	100	1,318.8	5.25%
Booragoon	Western Australia	(iii)	25	138.7	6.25%
Burwood	New South Wales	(iii)	100	515.1	6.50%
Carindale	Queensland	(i)	50	297.7	6.50%
Carousel	Western Australia	(iii)	100	465.0	6.75%
Centrepoint	New South Wales	(iii)	100	340.0	7.25%
Sydney Central Plaza	New South Wales	(iii)	100	418.0	6.25%
Skygarden	New South Wales	(iii)	100	159.9	7.25%
Imperial Arcade	New South Wales	(iii)	100	95.4	7.25%
Chatswood	New South Wales	(iii)	100	660.3	6.00%
Chermside	Queensland	(ii)	100	569.6	6.50%
Doncaster	Victoria	(i)	100	371.7	7.00%
Eastgardens	New South Wales	(iii)	#	n/a	n/a
Figtree	New South Wales	(i)	100	92.9	7.75%
Fountain Gate	Victoria	(i)	100	537.5	6.75%
Hornsby	New South Wales	(i)	100	589.4	6.75%
Hurstville	New South Wales	(i)	50	232.3	7.00%
Innaloo	Western Australia	(ii)	100	85.0	7.61%
Knox	Victoria	(iii)	30	208.9	6.50%
Kotara	New South Wales	(i)	100	269.7	7.25%
Liverpool	New South Wales	(ii)	50	228.6	6.50%
Macquarie	New South Wales	(iii)	50	305.1	6.00%
Marion	South Australia	(iii)	50	332.6	6.50%
Miranda	New South Wales	(i)	50	464.6	6.00%
Mt Gravatt	Queensland	(iii)	75	442.7	6.50%
North Lakes	Queensland	(iii)	50	49.9	7.25%
North Rocks	New South Wales	(i)	100	71.9	7.75%
Pacific Fair	Queensland	(iii)	40	343.8	5.75%
Parramatta	New South Wales	(ii)	100	967.3	6.50%
Plenty Valley	Victoria	(iii)	50	17.5	8.00%
Strathpine	Queensland	(iii)	100	210.5	7.50%
Tuggerah	New South Wales	(ii)	100	341.4	6.75%
Warrawong	New South Wales	(i)	100	170.8	7.75%
Warringah Mall	New South Wales	(iii)	25	197.5	6.00%
Westlakes	South Australia	(iii)	50	130.8	7.50%
Whitford City	Western Australia	(iii)	50	205.4	7.00%
Total consolidated centres				**12,515.8**	

WESTFIELD GROUP
PROPERTY PORTFOLIO - AUSTRALIA
30 June 2005

Equity accounted centres

Karrinyup	Western Australia	(iii)	25	89.6	6.75%
Macquarie	New South Wales	(iii)	5	30.5	6.00%
Mt Druitt	New South Wales	(ii)	50	146.0	7.25%
Pacific Fair	Queensland	(iii)	4	34.4	5.75%
Southland	Victoria	(iii)	50	395.2	6.50%
Tea Tree Plaza	South Australia	(iii)	50	197.0	6.75%
Total equity accounted centres				**892.7**	
Total Australian portfolio				**13,408.5**	

Eastgardens is managed by Westfield under a Head Lease

(i) Property has been revalued to Directors' valuation based on independent valuation at 30 June 2005
(ii) Property is under or pending development and has been revalued based on a directors' interim valuation at 30 June 2005
(iii) Property has not been revalued at 30 June 2005 and is currently scheduled for valuation at the half year to 31 December 2005

WESTFIELD GROUP
PROPERTY PORTFOLIO - NEW ZEALAND
30 June 2005

Shopping Centre	Location	Consolidated or Equity Accounted Interest %		Book value at 30 June 2005 NZ$Million	Retail Cap Rate %
Chartwell	Hamilton	100	(i)	64.2	9.50%
Downtown	Auckland	100	(i)	54.3	9.00%
Glenfield	Auckland	100	(i)	148.4	8.50%
Manukau	Auckland	100	(i)	192.4	8.64%
Newmarket	Auckland	100	(i)	151.3	7.68%
Pakuranga	Auckland	100	(i)	78.6	9.01%
Queensgate	Wellington	100	(i)	115.5	8.50%
Riccarton	Christchurch	100	(i)	291.9	7.75%
Shore City	Auckland	100	(i)	109.8	8.50%
St Lukes	Auckland	100	(i)	358.2	7.25%
WestCity	Auckland	100	(i)	174.4	8.25%
Total New Zealand centres in NZ$				**1,739.0**	
Exchange rate				1.0862	
Total New Zealand centres in A$				**1,601.0**	

(i) Property has not been revalued at 30 June 2005 and is currently scheduled for valuation at the half year to 31 December 2005

WESTFIELD GROUP
PROPERTY PORTFOLIO - UNITED KINGDOM
30 June 2005

Shopping Centre	Location	Consolidated or Equity Accounted Interest %		Book value at 30 June 2005 UK £Million	Retail Cap Rate %
Equity accounted United Kingdom shopping centres					
Broadmarsh	Nottingham	75	(ii)	67.7	5.28%
CastleCourt	Belfast, Northern Ireland	50	(ii)	122.4	5.66%
Eagle Centre	Derby	50	(ii)	79.6	5.69%
The Friary	Guildford	50	(ii)	64.1	5.20%
Merry Hill	Birmingham	100	(ii)	877.0	5.05%
Millgate	Bury	50	(ii)	59.4	5.83%
Royal Victora Place	Tunbridge Wells	50	(ii)	60.9	5.52%
Sprucefield	Lisburn, Northern Ireland	100	(i)	75.0	5.20%
Total United Kingdom centres				**1,406.1**	
Exchange rate				0.4207	
Total United Kingdom centres in A$				**3,342.3**	

(i) Property has been revalued to Directors' valuation based on independent valuation at 30 June 2005
(ii) Property has not been revalued at 30 June 2005 and is currently scheduled for valuation at the half year to 31 December 2005

WESTFIELD GROUP
PROPERTY PORTFOLIO - UNITED STATES
30 June 2005

Shopping Centre	Market Region	Consolidated or Equity Accounted Interest %		Book value at 30 June 2005 US $Million	Retail Cap Rate %
Annapolis	Maryland	100	(ii)	384.5	6.50%
Belden Village	Ohio	100	(i)	157.4	7.20%
Brandon	Florida	100	(iii)	217.7	7.00%
Capital	Washington	100	(ii)	89.5	7.50%
Century City	Los Angeles	100	(ii)	546.4	5.50%
Chesterfield	Missouri	100	(ii)	145.2	8.00%
Chicago Ridge	Illinois	100	(iii)	112.9	7.70%
Citrus Park	Florida	100	(iii)	209.6	7.20%
Connecticut Post	Connecticut	100	(ii)	146.2	7.90%
Countryside	Florida	100	(iii)	191.7	8.00%
Crestwood	Missouri	100	(i)	113.0	9.50%
Downtown Plaza	Northern California	100	(iii)	174.3	7.84%
Eagle Rock	Los Angeles	100	(iii)	44.3	8.72%
Eastland	Los Angeles	100	(iii)	108.6	6.80%
Eastridge	North Carolina	100	(iii)	44.6	10.20%
Enfield	Connecticut	100	(i)	81.6	7.50%
Fox Hills	Los Angeles	100	(iii)	157.6	7.55%
Fox Valley	Illinois/ Indiana	100	(i)	238.2	6.90%
Franklin Park	Ohio	100	(i)	332.7	6.80%
Galleria at Roseville	Northern California	100	(i)	293.9	6.90%
Gateway	Nebraska	100	(ii)	123.6	7.50%
Great Northern	Ohio	100	(iii)	158.6	7.50%
Hawthorn	Illinois/ Indiana	100	(i)	238.3	7.50%
Horton Plaza	San Diego	100	(i)	363.0	5.50%
Independence	North Carolina	100	(i)	154.5	7.40%
Louis Joliet	Illinois/ Indiana	100	(iii)	108.9	7.40%
Mainplace	Los Angeles	100	(iii)	242.0	7.30%
Meriden	Connecticut	100	(i)	170.7	7.70%
Mid Rivers	Missouri	100	(i)	183.4	6.30%
Midway	Ohio	100	(iii)	88.7	8.70%
Mission Valley	San Diego	100	(iii)	269.1	7.40%
North County	San Diego	100	(i)	206.1	7.10%
Northwest	Missouri	100	(iii)	85.2	11.61%

WESTFIELD GROUP
PROPERTY PORTFOLIO - UNITED STATES
30 June 2005

Shopping Centre	Market Region	Consolidated or Equity Accounted Interest %		Book value at 30 June 2005 US $Million	Retail Cap Rate %
Oakridge	Northern California	100	(iii)	334.0	6.80%
Old Orchard	Illinois/ Indiana	100	(i)	399.2	6.71%
Palm Desert	Los Angeles	100	(iii)	168.6	7.29%
Parkway	San Diego	100	(iii)	308.0	6.80%
Plaza Bonita	San Diego	100	(iii)	198.5	6.50%
Promenade	Los Angeles	100	(iii)	75.9	7.52%
Richland	Ohio	100	(iii)	55.2	8.70%
San Francisco Centre	Northern California	100	(ii)	225.5	6.00%
Santa Anita	Los Angeles	100	(iii)	351.4	6.40%
Sarasota	Florida	100	(iii)	92.9	7.50%
Solano	Northern California	100	(iii)	182.3	7.27%
Southcenter	Washington	100	(i)	220.3	6.50%
South County	Missouri	100	(i)	192.4	5.80%
Southgate	Florida	100	(iii)	88.9	7.00%
Southlake	Illinois/ Indiana	100	(iii)	208.4	7.90%
Southpark	Ohio	100	(ii)	194.8	7.50%
South Shore	New York	100	(i)	247.2	7.00%
Topanga	Los Angeles	100	(ii)	228.1	7.00%
Trumbull	Connecticut	100	(i)	267.1	7.10%
Vancouver	Washington	100	(i)	135.5	6.30%
West County	Missouri	100	(iii)	310.8	7.10%
West Covina	Los Angeles	100	(iii)	257.5	6.60%
West Park	Missouri	100	(i)	66.4	6.90%
West Valley	Los Angeles	100	(iii)	29.8	N/A
Westland	Colorado	100	(iii)	25.2	8.20%
Wheaton	Maryland	100	(ii)	291.0	7.90%
Department stores				90.6	
Total consolidated United States centres in $US				**11,427.5**	
Exchange rate				0.7614	
Total consolidated United States centres in A$				**15,008.5**	

WESTFIELD GROUP
PROPERTY PORTFOLIO - UNITED STATES
30 June 2005

Shopping Centre	Market Region	Consolidated or Equity Accounted Interest %		Book value at 30 June 2005 US $Million	Retail Cap Rate %
<u>Equity accounted United States shopping centres</u>					
Fashion Square	Los Angeles	50.0	(iii)	101.4	6.79%
Garden State Plaza	New Jersey	50.0	(iii)	539.2	6.00%
Montgomery	Maryland	50.0	(i)	222.9	5.90%
North Bridge	Illinois/ Indiana	33.3	(iii)	124.5	6.40%
Plaza Camino Real	San Diego	40.0	(iii)	79.7	6.50%
UTC	San Diego	50.0	(iii)	156.8	6.21%
Valencia Town Center	Los Angeles	50.0	(i)	98.0	7.60%
Valley Fair	Northern California	50.0	(iii)	424.9	6.10%
Total equity accounted Unted States centres in $US				**1,747.4**	
Exchange rate				0.7614	
Total equity accounted Unted States centres in A$				**2,295.0**	
Total United States property investment portfolio in $US				**13,174.9**	
Exchange rate				0.7614	
Total United States property investment portfolio in A$				**17,303.5**	

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(iii) Property has not been revalued at 30 June 2005 and is currently scheduled for valuation at the half year to 31 December 2005

Westfield Group

Results Presentation
Half Year Result ended 30 June 2005

Note: All figures within this presentation are presented in Australian dollars and on an A-IFRS basis unless otherwise stated

31 August 2005

Highlights for six months to 30 June 2005

- Strong underlying operating performance from our portfolios in Australia, New Zealand, the United States and the United Kingdom
- Distribution of A$874 million (51.07 cents per security in line with forecasts within the Explanatory Memorandum)
- Commenced 5 new projects with a total project cost of A$1.5 billion resulting in the largest ever development program under construction across the Westfield Group
  - 17 projects with a total project cost of A$6.7 billion currently under construction (Westfield Group share A$4.1 billion)
- Announced the acquisition of interests in approximately A$2.0 billion of additional property assets – Westfield Group interest of A$1.2 billion represented by:
  - A$650 million in Australia
  - US$320 million in the United States
  - £65 million in the United Kingdom
- Increased gross value of investments under management by 10.5% from A$41.9 billion to A$46.3 billion
- Debut debt issue in the Eurobond market raising equivalent to A$2.35 billion
- Continued strong operational performance supports the full year distribution forecast of 106.5 cents per security

Financial Highlights

Income Statement	6 months to 30 June '05
Profit after tax (A$ million)	1,535
Distribution (A$ million)	874
Distribution per security (cents)	51.07

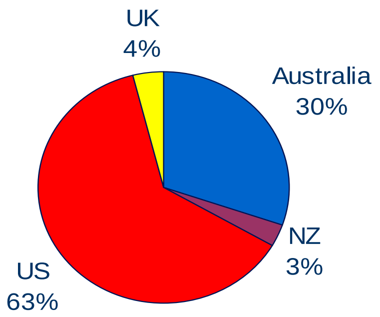
Balance Sheet	At 30 June '05	At 31 Dec '04
Gross Property Investments (A$ million)	37,977	34,952
Net Assets (A$ million)	17,138	16,241
NTA (A$ per security)	9.99	9.68
Adjusted NTA (A$ per security)[1]	11.28	10.61
Gearing (%)[2]	39.8	38.4
Net debt to total market capitalisation (%)	34.0	33.5
Equity market capitalisation (A$ billion)	30.6	27.7

[1] Excludes all adjustments required under the new accounting regime
[2] As calculated and documented under the Westfield Group bond offerings

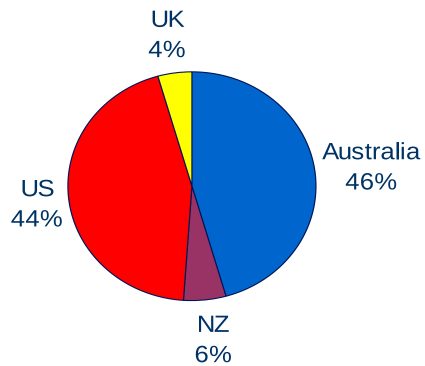
Portfolio Summary as at 30 June '05

	Australia	NZ	US	UK	Total[1]
Centres	40	11	67[2]	8	126
Retail Outlets	9,500	1,200	9,300	900	20,900
GLA (million sqm)	3.1	0.3	6.4	0.4	10.2
Asset Value (billion)	A$17.1	NZ$1.7	US$15.1	£1.8	A$42.8[3]

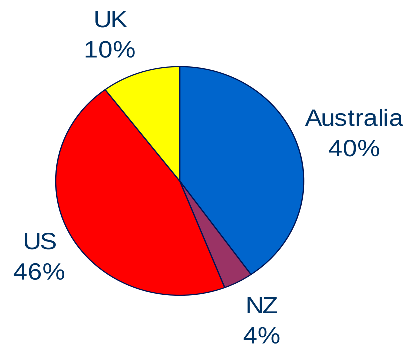
Gross Lettable Area



Retail Outlets



Assets Owned & Under Management



[1] *Excludes acquisition of Sunrise Mall, Penrith and Woden completed post balance date*
[2] *Excludes 9 US airport retail concession agreements*
[3] *Excludes work in progress and redevelopment projects*

Operational Review

- Retail Sales Overview
- Shopping Centre Operating Performance
- Global Development Activity

Retail Sales Overview[1]

	Period to 30 June 2005			
	12 months		6 months	3 months
	$	Growth	Growth	Growth
Australia				
Majors		2.8%	4.3%	(0.1)%
Specialties	A$8,917psm	5.7%	3.3%	2.6%
Total	A$15.8 bn	4.5%	3.9%	1.7%
New Zealand				
Specialties	NZ$8,754psm	3.0%	1.5%	2.9%
Total	NZ$1.6 bn	1.8%	0.9%	1.8%
United States[2]				
Specialties	US$414psf	5.1%	5.7%	5.2%
	US$7.0 bn			
United Kingdom[3]	n/a	(0.1)%	(0.9)%	(2.5)%

[1] *All sales growth figures are reported on a comparable basis*
[2] *US represents growth in sales per square foot*
[3] *British Retail Consortium-KPMG retail sales report*

Shopping Centre Operating Performance

Westfield

	Portfolio Leased[1]	Specialty Occupancy Cost[1]	Lease Deals Completed[2]		Average Specialty Store Rent		Comparable NOI Growth[2]
			Number	Area	Amount[1]	Growth[3]	
Australia & New Zealand	>99.5%	15.3%	1,207	115,134 sqm	A$1,133 psm NZ$1,030 psm	5.2%	5.8%
United States	93.5%	13.6%	683	2,104,117 sqft	US$38.47 psf	3.3%	4.0%
United Kingdom	>99%	n/a	69	23,718 sqm	£494 psm	2.5%	3.2%

[1] As at 30 June 2005
[2] 6 months to 30 June 2005
[3] 30 June 2005 compared to 30 June 2004 – excludes newly acquired centres

Global Development Activity

Westfield

- **17 projects under construction as at 30 June 2005 with an estimated total cost of A$6.7bn – Westfield Group share A$4.1 billion**

	No. of Projects	Estimated Total Cost	Target Weighted Average Yield[1]
Australia & New Zealand	7	A$0.9bn	9.6 – 9.9%
United States	8	US$1.2bn	9.5 – 9.9%
United Kingdom - Derby	1	£0.3bn	8.0 – 8.5%
- White City	1	£1.5bn	5.75 – 6.0%

- **Commenced 5 new projects during the period with an estimated total cost of A$1.5bn**
  - Liverpool (Aus), Topanga (US), Sarasota (US), Southlake (US) and Derby (UK)
- **Completed two projects during the period costing US$260m**
  - Franklin Park (US) and Wheaton (US)
- **New projects anticipated to commence each year for the next 3 years – A$1.5 to A$2 billion**

[1] *Stabilised income/Westfield Group cost*

Global Development Activity
- New projects commenced during the period

	Estimated Total Cost $ million	Target Yield	Anticipated Completion
Australia & New Zealand			
Liverpool (Sydney, NSW)	A$200[1]	9.1 – 9.4%	Qtr 4 '06
United States			
Topanga (Los Angeles, California)	US$330	9.6 – 9.9%	Qtr 1 '07
Sarasota (Sarasota, Florida)	US$50	9.6 – 9.9%	Qtr 4 '06
Southlake (Hobart, Indiana)	US$20	12.1 – 12.4%	Qtr 4 '06
United Kingdom			
Derby	£310[2]	8.0 – 8.5%	Qtr 1 '08

- **Other key projects anticipated to commence in the second half:**
  - United States - Brandon (US$50m), Capital (US$45m) and Southpark (US$60m)
  - Australia/New Zealand - Chermside (A$180m) and Manukau (NZ$50m)

[1] Westfield Group share 50% - A$100m
[2] Westfield Group share 50% - £155m

Financial Review

- Income Statement
- Distribution Statement
- Balance Sheet
- Property Investments
- Funding

Income Statement

A$ million	6 months to June '05
Property income	1,437
Contribution from equity accounted investments	151
Property revaluations	1,156
Other income	43
Net profit from asset sales	8
Total Income	**2,795**
Total expenses	(526)
EBIT	**2,269**
Financing costs	(272)
Mark to market of derivatives, preference shares and minority interests treated as debt	(278)
Profit before tax	**1,719**
Tax expense	(172)
Minority interests	(12)
Profit after tax	**1,535**

Distribution Statement

A$ million

	6 months to June '05
Profit after tax	**1,535**
Less: Property revaluation (net of amortisation of tenant allowances)	(1,200)
Net profit from asset sales	(8)
Add: Project profits distributed	75
Mark to market of derivatives, preference shares and minority interests treated as debt	278
Deferred tax on above adjustments	187
Distribution in respect of cum distribution component of shares issued during the period	7
Distribution	**874**
Distribution per security (cents)	51.07

Balance Sheet

A$ million	At 30 June '05	At 31 Dec '04
Cash	603	237
Property investments		
- Shopping centres	29,119	27,011
- WIP and development properties	895	753
Net Investments in equity accounted entities	3,548	3,332
Other assets	2,256	2,542
Total assets	**36,421**	**33,875**
Interest bearing liabilities	14,380	12,933
Other financial instruments[1]	1,880	1,125
Finance lease liabilities	104	112
Deferred tax	1,410	1,268
Other liabilities and minority interests	1,509	2,196
Total liabilities	**19,283**	**17,634**
Net Assets	**17,138**	**16,241**

[1] *Includes convertible preference shares that the Westfield Group considers as equity given their economic characteristics*

Property Investments

- 8.9% uplift in the value of gross property investments since 31 December ’04

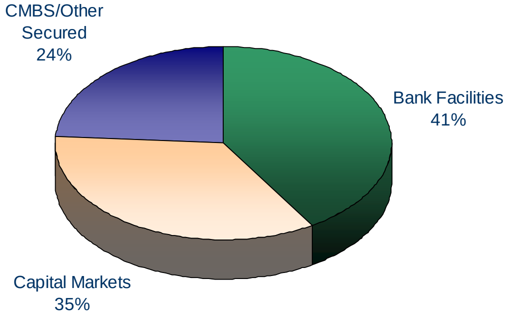
	A$ billion
Gross property investments including development projects as at 31 December ’04	34.9
Revaluations	1.2
Capital expenditure	1.5
Acquisitions	0.4
Disposals	(0.2)
Gross property investments as at 30 June ’05 (pre exchange rate impact)	37.8
Exchange rate impact	0.2
Gross property investments including development projects as at 30 June ‘05	**38.0**

- Weighted average cap rates for each region:
  - Australia & New Zealand 6.7%
  - United Kingdom 5.2%
  - United States 6.9%

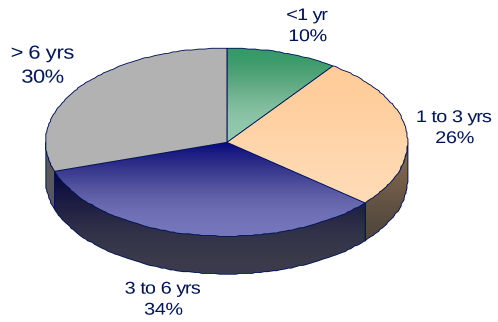
Funding

- Westfield Group continues to diversify funding sources and lengthen debt maturity profile

Facility Mix - 30 June 2005



Facility Maturity Profile - 30 June 2005



- Raised A$2.35 billion of debt in Eurobond market comprising: €600 million and £600 million
- Raised A$568 million of equity during the period
  - A$260 million through February DRP
  - A$308 million on conversion of convertible bonds
- Interest Rate Profile as at 30 June 2005
  - Weighted average interest cost of 4.25%
  - Percentage of fixed rate debt is 91% with an average interest rate hedge maturity of 8.2 years

Appendices

Appendix I

Appendix II – A-IFRS Explanations

Project Distributions

- **Project profits this period**

	Westfield Group (A$m)	External parties (A$m)	Total (A$m)
Project expenditure	615	114	729
Project profits distributed	75	16	91

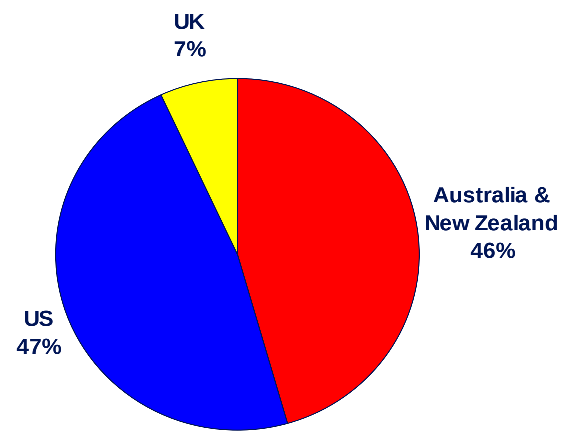
	Including Major Projects	Project Profits (A$m)
Australia & New Zealand	Parramatta, Tuggerah, Helensvale and Liverpool	33
United States	Topanga, Century City and Chesterfield	45
United Kingdom	Derby	13
Total to 30 June ‘05		91

Geographic Segment Breakdown

Net Property Income[1]

	6 months to June '05	
	Local currency	A$m
- Australia & New Zealand		532
- United States	US$430m	556
- United Kingdom	£33m	81
Total		**1,169**

Property Income by Location[1]



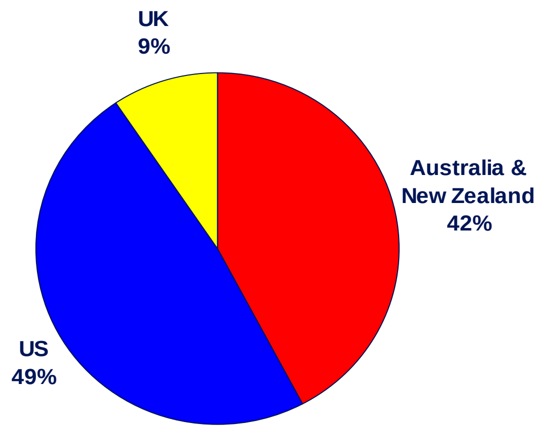
[1] *Represents Westfield Group's proportional share of net property income from all properties and excluding revaluations*

Geographic Segment Breakdown

Gross Property Investments[1] – Westfield Group Share

	At 30 June '05[2] Local currency	A$m
Shopping Centres:		
- Australia & New Zealand		15,000
- United States	US$13,175m	17,304
- United Kingdom	£1,410m	3,351
		35,655
WIP and Development Properties		2,322
Total		**37,977**

Shopping Centre Investments by Location



[1] *Includes A$6,537m being Westfield Group's share of equity accounted shopping centre investments (Aust. & NZ = A$893m, US = A$2,293m and UK = A$3,351m)*
[2] *Excludes Penrith and Woden transacted for $650m and Sunrise Mall transacted for US$143m post balance date*

Reconciliation of Property Investments

A$ million

Property investments as at 30 June 2005

	Westfield Group Interest	Equity Accounted JV Share	Total	JV Partner Share	Investments Under Management
Gross property investments	29,118	6,537	35,655	7,152	42,807
Development projects[1]	895	1,427	2,322	1,217	3,539
	30,013	**7,964**	**37,977**	**8,369**	**46,346**
Less JV debt & working capital		4,416	4,416		
Westfield Accounts	**30,013**	**3,548**	**33,561**		

[1] *Includes work in progress and development properties*

Property Acquisitions

- Since the beginning of the year Westfield Group has announced the acquisition of interests in a further A$2.0 billion of property - Westfield Group interest of approximately A$1.2 billion
  - **Australia & New Zealand**
    - 50% interest in Penrith Plaza, Sydney for A$405 million net of acquisition costs
    - 50% interest in Woden Plaza, Canberra for A$245 million net of acquisition costs
  - **United Kingdom**
    - Further 25% interest in super regional shopping centre development project White City, London for £65m increasing total interest to 50%
  - **United States**
    - Chicago Ridge in Chicago, Illinois for US$108 million
    - Additional 25% interest in Valencia, Los Angeles for US$69 million, total interest now 50%
    - Sunrise Mall in Massapequa, New York for US$143 million

Current Projects
- Australia & New Zealand – Approx A$0.9 billion

Westfield

Current Major Projects	Estimated Total Cost[1] A$ million	Target Yield Range[2]	Anticipated Completion
Innaloo (Perth)	60	10.3 – 10.6%	Qtr 3 '05
Helensvale (Gold Coast)	180[3]	11.9 – 12.2%	Qtr 4 '05
Tuggerah (Sydney)	120	9.1 – 9.4%	Qtr 4 '05
Queensgate (Wellington)	NZ 170	8.8 – 9.1%	Qtr 4 '05
Mt Druitt (Sydney)	65[4]	8.4 – 8.7%	Qtr 4 '05
Parramatta (Sydney)	105	8.3 – 8.6%	Qtr 2 '06
Liverpool (Sydney)*	200[5]	9.1 – 9.4%	Qtr 4 '06

** Project commenced within the period to 30 June 2005*

[1] Includes project profits except projects commenced after 1 January 2005 and joint ventures
[2] Calculated as set out in Slide 26
[3] Westfield Group share 50% - $90m
[4] Westfield Group share 50% - $32.5m
[5] Westfield Group share 50% - $100m

Current Projects
- United States - Approx US $1.2 billion

Current Major Projects	Estimated Total Cost[1] US $million	Target Yield Range[2]	Anticipated Completion
Gateway (Lincoln, Nebraska)	30	11.9 – 12.2%	Qtr 4 '05
Chesterfield (St Louis, Missouri)	70	11.0 – 11.3%	Qtr 1 '06
Connecticut Post (Milford, Connecticut)	130	9.4 – 9.7%	Qtr 2 '06
Century City (Los Angeles, California)	150	11.0 – 11.3%	Qtr 4 '06
San Francisco (San Francisco, California)	440[3]	8.5 – 9.0%	Qtr 4 '06
Sarasota (Sarasota, Florida)*	50	9.6 – 9.9%	Qtr 4 '06
Southlake (Hobart, Indiana)*	20	12.1 – 12.4%	Qtr 4 '06
Topanga (Los Angeles, California)*	330	9.6 – 9.9%	Qtr 1 '07 Qtr 4 '08

Franklin Park and Wheaton completed during the period

** Projects commenced within the period to 30 June 2005*

[1] Includes project profits except projects commenced after 1 January 2005 and joint ventures

[2] Calculated as set out in Slide 26

[3] Westfield Group share 50% - US$220m

Current Projects
- United Kingdom - Approx £1.8 billion

Current Major Projects	Estimated Total Cost[1] £ million	Target Yield Range[2]	Anticipated Completion
Derby*	310[3]	8.0 – 8.5%	Qtr 1 '08
White City	1,440 – 1,480[4]	5.75 – 6.0%	Qtr 2 '08

** Project commenced within the period to 30 June 2005*

[1] *Includes project profits except projects commenced after 1 January 2005 and joint ventures*
[2] *Calculated as set out in Slide 26*
[3] *Westfield Group share 50% - £155 million*
[4] *Westfield Group share 50% - £720-740 million*

Project Yield Reconciliation

Theoretical Example

100% Owned Property

	Income $m	Cost $m	Yield
Post merger basis	**10.5**	**88.5**	**11.9%**
(-) Management fee (net of direct overheads)	(0.5)		
(+) Project profits[1]		11.5	
Pre merger basis	**10.0**	**100.0**	**10.0%**

Jointly Owned Property

	Income $m	Cost $m	Yield
Post merger basis – Westfield Group 50% share	**11.0**	**88.5**	**12.4%**
(-) Management fee (net of direct overheads)	(0.5)		
(+) Project profits[1]		11.5	
(-) J/V share of management fee (net of direct overheads)	(0.5)		
Pre merger basis – Westfield Group share @ 50%	**10.0**	**100.0**	**10.0%**
Pre merger basis – 100%	**20.0**	**200.0**	**10.0%**

[1] Project profits assumes 13% EBIT margin which includes design & engineering, development and leasing fees and construction margin.

Comparable Specialty Retail Sales Growth by Region

	Period to 30 June 2005		
	12 months	**6 months**	**3 months**
Australia			
- NSW & ACT	2.6%	1.2%	0.9%
- VIC	6.2%	2.5%	1.1%
- QLD	10.0%	6.9%	6.4%
- SA	9.6%	4.8%	3.5%
- WA	6.0%	6.0%	5.9%
Total Australia	**5.7%**	**3.3%**	**2.6%**
New Zealand	**3.0%**	**1.5%**	**2.9%**
United States			
- East Coast	6.4%	6.4%	5.0%
- Mid West	2.5%	2.6%	1.5%
- West Coast	5.8%	6.8%	7.1%
Total United States	**5.1%**	**5.7%**	**5.2%**

Comparable Retail Sales Growth by Category - Australia

	Period to 30 June 2005		
	12 months	**6 months**	**3 months**
Department Stores	1.7%	5.4%	(2.2)%
Discount Dept. Store	4.1%	3.6%	(1.9)%
Supermarkets	1.4%	1.7%	(0.2)%
Mini Majors	6.7%	4.6%	3.3%
Cinemas	(3.8)%	(10.4)%	(12.6)%
Fashion	7.1%	3.8%	2.8%
Food Catering	5.7%	3.2%	4.0%
Food Retail	4.6%	4.1%	4.6%
Footwear	3.2%	5.0%	5.1%
General Retail	5.3%	4.3%	4.4%
Homewares	2.1%	1.6%	(0.2)%
Jewellery	4.3%	2.7%	4.0%
Leisure	1.0%	(2.9)%	(5.2)%
Retail Services	11.8%	7.6%	8.0%
Specialties	**5.7%**	**3.3%**	**2.6%**
TOTAL	**4.5%**	**3.9%**	**1.7%**

Comparable Retail Sales Growth by Category - United States

	Period to 30 June 2005		
	12 months	6 months	3 months
Women's ready to wear	3.7%	5.3%	5.7%
Men's Fashion	0.7%	1.4%	2.4%
Unisex	8.9%	10.0%	9.0%
Jewellery	0.6%	1.7%	3.0%
Leisure:			
– Music	3.0%	3.6%	(0.1)%
– Electronics	21.3%	22.8%	19.9%
– Cellular phones	(0.3)%	(10.3)%	(12.3)%
– Books	(1.3)%	(1.6)%	(3.3)%
– Sports specialties	1.9%	3.2%	0.2%
Restaurant	3.4%	2.4%	2.4%
Food Court	3.1%	2.2%	2.4%
Theatres	(0.5)%	(3.3)%	(8.0)%

Interest Rate Hedging Profile

INTEREST HEDGING PROFILE

	A$ interest receivable		US$ interest payable		£ interest payable		A$ interest payable	
As at Dec	A$ M	Fixed Rate %	US$ M	Fixed Rate %	£ M	Fixed rate %	A$ M	Fixed rate %
2005 (Jun)	5,237.5	6.18%	(10,695.9)	4.25%	(828.8)	5.86%	(2,998.4)	6.52%
2005	5,197.5	6.19%	(10,786.5)	4.28%	(1,278.8)	5.45%	(3,592.7)	6.50%
2006	4,249.0	6.61%	(10,054.2)	5.21%	(1,278.8)	5.46%	(3,792.9)	6.67%
2007	3,640.0	6.61%	(9,685.1)	5.35%	(1,278.8)	5.40%	(3,523.2)	6.59%
2008	3,500.0	6.62%	(8,820.0)	5.38%	(1,166.8)	5.47%	(3,498.8)	6.73%
2009	3,500.0	6.62%	(8,016.7)	5.62%	(1,166.8)	5.47%	(3,300.8)	6.76%
2010	3,000.0	6.63%	(6,865.7)	5.81%	(1,073.5)	5.42%	(2,923.7)	6.68%
2011	2,500.0	6.63%	(5,192.6)	5.82%	(1,073.5)	5.42%	(2,241.6)	6.67%
2012	1,750.0	6.63%	(3,750.5)	5.71%	(892.5)	5.43%	(1,822.1)	6.59%
2013	450.0	6.45%	(2,438.2)	5.60%	(892.5)	5.43%	(524.9)	6.30%
2014	200.0	6.24%	(215.4)	5.34%	(600.0)	5.39%	(400.0)	6.14%

Currency Hedging Profile

FOREIGN CURRENCY DENOMINATED BALANCE SHEET HEDGING MATURITY PROFILE

Maturing during period ended Dec	Cross currency swap receivable/(payable)				
	A$ M	**US$ M**	**£ M**	**NZ$ M**	**EUR M**
2005	(71.8)	-	-	96.0	-
2006	98.2	(75.0)	-	-	-
2007	127.9	(75.0)	-	-	-
2008	(94.5)	-	-	112.5	-
2009	862.7	(600.0)	-	-	-
2010	590.2	(425.0)	-	-	-
2011	1,024.3	(630.5)	-	-	-
2012	860.8	(1,105.1)	(133.0)	-	600.0
2013	1,065.2	(769.0)	-	-	-
2014	1,160.0	(833.0)	-	-	-
	5,623.0	(4,512.6)	(133.0)	208.5	600.0

***Note**: To manage the cash flow impact of maturing cross currency swaps the Group has entered into put and call options ("collar") over US$4 billion of the Group's borrowings. The "collar" matures in the six month period ending 31 December 2006 and has an average exchange rate upper limit of AUD = USD 0.7950 and an average exchange rate lower limit of AUD = USD 0.7230.*

Currency Hedging Profile (continued)

Westfield

FOREIGN CURRENCY DENOMINATED NET INCOME HEDGING MATURITY PROFILE

	Sell US$ Forward Exchange Contracts		Sell NZ$ Forward Exchange Contracts	
Maturing during period ended Dec	US$ M	Exch Rate	NZ$ M	Exch Rate
2005 (2nd Half)	(147.8)	0.6341	(69.3)	1.1138
2006	(225.7)	0.6079	(121.5)	1.1224
2007	(228.7)	0.6035	(130.4)	1.1191
2008	(151.4)	0.6353	(104.0)	1.1212
2009	(75.7)	0.6983	(48.2)	1.1184

Key Financial Ratios

Financial ratios per the Westfield Group's bond offerings

■ Net debt as a % of net assets	39.8%
■ Secured debt as a % of total assets	13.4%
■ EBITDA to interest expense	4.4 times
■ Unsecured assets as a % of unsecured debt	215%

Exchange Rates

- Income Statement - average exchange rates for the 6 months to 30 June 2005:

- AUD/USD 0.7727	(6 months to 31 December 2004: AUD/USD 0.7326)
- AUD/GBP 0.4125	(6 months to 31 December 2004: AUD/GBP 0.3977)
- AUD/NZD 1.0792	(6 months to 31 December 2004: AUD/NZD 1.0845)

- Balance Sheet - exchange rates as at 30 June 2005:

- AUD/USD 0.7614	(31 December 2004: AUD/USD 0.7787)
- AUD/GBP 0.4207	(31 December 2004: AUD/GBP 0.4038)
- AUD/NZD 1.0862	(31 December 2004: AUD/NZD 1.0832)

Appendix II

Page Numbers

Summary of A-IFRS Variances
- Income Statement for the 6mths to 30 June '05

A$ million	A GAAP	Property Revaluation	Mark to Market of non qualifying interest rate and currency derivatives and preference shares	Deferred Tax	Other	A-IFRS
EBIT	**1,142**	**1,208**	**(36)**	**(50)**	**5**	**2,269**
Interest	(273)	-	(242)	-	(35)	(550)
Profit before tax	**869**	**1,208**	**(278)**	**(50)**	**(30)**	**1,719**
Tax expense	(43)	-	-	(129)	-	(172)
Minority interests	(31)	(8)	-		27	(12)
Profit after tax	**795**	**1,200**	**(278)**	**(179)**	**(3)**	**1,535**
Basic EPS (cents)	46.7					90.4

Summary of A-IFRS Variances
- Balance Sheet as at 30 June '05

A$ million	A GAAP	Mark to Market of non qualifying interest rate and currency derivatives and preference shares	Deferred Tax	Paid in value of minority interest reclassified to debt	Other	A-IFRS
Cash	603	-	-	-	-	603
Property investments	30,020	-	-	-	(6)	30,014
Net investment in equity accounted entities	4,050	(16)	(486)	-	-	3,548
Other assets	1,811	395	-	-	50	2,256
Total assets	**36,484**	**379**	**(486)**	**-**	**44**	**36,421**
Borrowings	15,207	593	-	460	104	16,364
Deferred tax liabilities	127	-	1,283	-	-	1,410
Other liabilities	980	403	-	-	-	1,383
Minority interests	750	-	-	(624)	-	126
Total liabilities	**17,064**	**996**	**1,283**	**(164)**	**104**	**19,283**
Net assets	**19,420**	**(617)**	**(1,769)**	**164**	**(60)**	**17,138**
NTA ($ per security)	11.28					9.99

The above adjustments comprise amounts reflected in the Income Statement and cumulative amounts in respect of all prior periods

Summary of A-IFRS Variances
- Cash Flow Statement for the 6mths to 30 June '05

A$ million	A-IFRS	A GAAP	Difference
Cash flows from operating activities[1]	577	656	(79)[2,3]
Cash flows used in investing activities	(845)	(896)	51[2]
Cash flows from financing activities	622	594	28[3]
Net increase in cash	354	354	Nil

1. Operating cash includes net interest paid.
2. The reclassification of $51 million of tenant allowances expenditure from investing activities to operating activities.
3. The reclassification of $28 million of distribution payments to minorities from financing activities to operating activities.

A-IFRS Comparatives
- Income Statement for the 6mths to 30 June '05

A$ million	A-IFRS 6 months to June '05	A GAAP 6 months to June '05	Difference
Property Income	2,593	1,484	1,109[1]
Contribution from equity accounted investments	151	104	47[2]
Deferred tax recognised on acquisition of assets	(50)	-	(50)[3]
Business income	27	27	-
Other Income	16	-	16[4]
Net profit from asset sales	8	8	-
Expenses	(476)	(481)	5[5]
EBIT	**2,269**	**1,142**	**1,127**
Financing costs:			
- Net interest expense	(330)	(241)	(90)[6]
- Interest on convertible notes/ preference shares/units	(220)	(32)	(188)[7]
Profit before tax	**1,719**	**869**	**850**
Tax expense	(172)	(43)	(129)[8]
Minority interests	(12)	(31)	19[9]
Profit after tax	**1,535**	**795**	**740**
Basic Earnings per security (cents)	**90.4**	**46.7**	**43.7**

Notes to the Income Statement

1. Represents $1,150m property revaluations which is net of $6m for the amortisation of tenant allowances and reclassification of $41m of hedge gains to other income.

2. Equity accounted property revaluations of $58m and unrealised loss on the mark to market of interest rate swaps of $11m. Refer separate equity accounted income statement on slide 40.

3. Represents the $50m fair value adjustment arising from the recognition of deferred taxes for the acquisition of an additional 25% interest in White City and an additional 25% interest in Valencia ie. the difference between the tax cost base and acquisition fair value.

4. Increase in other income relates to the unrealised gain on the mark to market on forward exchange contracts of $16m.

5. Reclassification from operating lease payments to interest expense of $5m for head leases.

6. Represents the unrealised loss on interest rate hedging contracts of $81m, head lease interest $5m and interest eliminated on consolidation of the employee share option trust of $3m.

7. Represents interest on the redeemable preference shares/units of $27m and the unrealised loss relating to the fair value of the preference shares/units of $161m.

8. Represents deferred tax on property investment revaluations and tax depreciation of $128m, WHL’s forward contracts $2m (benefit), interest rate swaps $7m (benefit), other deferred tax $18m (expense) and less $8m on asset sales.

9. Under A-IFRS Carindale is the only minority interest. The adjustment represents $27m for the reclassification of the US minority interests to interest expense (refer 7. above) less $8m for Carindale’s share of the property revaluation.

Notes to the Income Statement (continued)

Equity Accounted Income Statement

A$ million	A IFRS	A GAAP	Difference
Property Income	323	265	58[1]
Total Expenses	(69)	(69)	-
EBIT	**254**	**196**	**58**
Net Interest expense	(101)	(90)	(11)[2]
Profit before tax	**153**	**106**	**47**
Tax expense	(2)	(2)	-
Profit after tax	**151**	**104**	**47**

1. Revaluations of property investments net of amortisation of tenant allowances.
2. Unrealised loss on the mark to market of interest rate swaps of $11m.

A-IFRS Comparatives
- Balance Sheet as at 30 June '05

A$ million	A-IFRS At 30 June '05	A GAAP At 30 June '05	Difference
Cash	603	603	-
Property investments	30,014	30,020	(6)[1]
Net investment in equity accounted entities	3,548	4,050	(502)[2]
Other assets	2,256	1,811	445[3]
Total assets	**36,421**	**36,484**	**(63)**
Interest bearing liabilities	14,380	14,380	-
Other financial instruments	1,880	827	1,053[4]
Finance lease liabilities	104	-	104[5]
Deferred tax	1,410	127	1,283[6]
Financial liabilities	425	22	403[7]
Other liabilities	958	958	-
Minority interests	126	750	(624)[8]
Total liabilities	**19,283**	**17,064**	**2,219**
Net assets	**17,138**	**19,420**	**(2,282)**
Number of Stapled Securities (millions)	1,715.6	1,721.5	(5.9)
NTA ($ per security)	9.99	11.28	(1.28)

Notes to the Balance Sheet

1. Represents $110m of tenant allowances being reclassified (net of accumulated amortisation of $8m) from property investments to deferred costs and the recognition of head leases of $104m as property investments.

2. Includes the recognition of deferred tax on the Duelguide acquisition of $486m and mark to market of interest rate swaps of $16m. Refer slide 43 for the equity accounted balance sheet.

3. Includes recognition of tenant allowances as a deferred cost of $110m (refer 1. above), recognition of the fair value of forward contracts receivable of $456m and interest rate swaps payable of $61m and the consolidation of the employee share option trust $60m (reduction in other assets).

4. Includes the WT convertible notes mark to market of $175m; US convertible redeemable preference shares reclassified from minority interest to debt of $460m and related mark to market of $418m.

5. Recognition of the head lease liability of $104m (refer 1. above).

6. Includes deferred tax liability on property investments $1,360m; deferred tax asset on WHL's forward contracts and interest rate swaps of $28m; and deferred tax asset on acquisition mark to markets and other adjustments of $49m.

7. Represents an increase in the unrealised gain on the forward exchange contracts of $211m and recognition of the interest payable on interest rate swap mark to markets of $192m.

8. Under A-IFRS Carindale is the only minority interest. $624m relates to the reclassification of the remaining minority interests in the US (the paid in value of $460m is reclassified to debt in 4. above and $164m of asset revaluation and other reserves is reallocated to equity attributable to members of WDC).

Notes to the Balance Sheet (continued)

Westfield

Equity Accounted Balance Sheet

A$ million

	A-IFRS	A GAAP	Difference
Cash	64	64	-
Property investments	7,964	7,957	7[1]
Other assets	79	74	5[1]
Total assets	**8,107**	**8,095**	**12**
Interest bearing liabilities	3,302	3,302	-
Finance lease liabilities	12	-	12[2]
Deferred tax	486	-	486[3]
Other payables	759	743	16[4]
Total liabilities	**4,559**	**4,045**	**514**
Net assets	**3,548**	**4,050**	**(502)**

1. Recognition of head leases $12m less reclassification of tenant allowances to deferred costs of $5m.
2. Finance lease liability on the head leases of $12m (refer 1. above).
3. Recognition of deferred tax on acquisition of Duelguide $486m.
4. Mark to market of interest rate swaps $16m.