

29 August 2006



Westfield Group

Level 24, Westfield Towers
100 William Street
Sydney NSW 2011
GPO Box 4004
Sydney NSW 2001
Australia

Telephone 02 9358 7000

Facsimile 02 9358 7077

Internet www.westfield.com

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)
WESTFIELD TRUST & WESTFIELD AMERICA TRUST – INTERIM FINANCIAL REPORTS**

Interim Financial Reports for the half-year ended 30 June 2006 for each of Westfield Trust and Westfield America Trust are attached.

Yours faithfully

WESTFIELD GROUP

**Simon Tuxen
Company Secretary**

encl.

Westfield Holdings Limited ABN 66 001 671 496

Westfield Management Limited ABN 41 001 670 579 AFS Licence 230329
as responsible entity for **Westfield Trust** ABN 55 191 750 378 ARSN 090 849 746

Westfield America Management Limited ABN 66 072 780 619 AFS Licence 230324
as responsible entity for **Westfield America Trust** ABN 27 374 714 905 ARSN 092 058 449



TRUST

ARSN 090 849 746

HALF YEAR REPORT

**COMPRISING WESTFIELD TRUST AND ITS CONTROLLED ENTITIES
FOR THE HALF YEAR ENDED 30 JUNE 2006**

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Westfield Management Limited ABN 41 001 670 579
As responsible entity of Westfield Trust ARSN 090 849 746
AFS Licence No. 230329

WESTFIELD TRUST
COMPRISING WESTFIELD TRUST AND ITS CONTROLLED ENTITIES
INCOME STATEMENT
for the half year ended 30 June 2006

		<i>CONSOLIDATED</i>	
		<i>30 Jun 06</i>	<i>30 Jun 05</i>
	<i>Note</i>	<i>\$million</i>	<i>\$million</i>
Revenue and other income			
Property revenue		744.2	657.1
Property revaluation		1,780.7	556.7
		2,524.9	1,213.8
Share of after tax profits of equity accounted entities			
Property revenue		49.3	45.9
Property revaluation		279.9	20.6
Property expenses and outgoings		(15.4)	(13.6)
Other		(0.7)	(0.5)
		313.1	52.4
Foreign exchange gains		50.8	20.7
Interest income		3.0	14.7
Total revenue and other income		2,891.8	1,301.6
Expenses			
Property expenses and outgoings		(199.2)	(175.7)
Property and funds management costs		(8.1)	(7.9)
Corporate costs		(4.6)	(1.5)
Foreign exchange losses		(45.6)	(8.1)
		(257.5)	(193.2)
Financing costs			
- interest bearing liabilities		(119.7)	(240.1)
- other financial liabilities		3.1	(104.2)
Total expenses		(374.1)	(537.5)
Profit before tax expense and minority interest		2,517.7	764.1
Tax expense	3	(35.9)	(6.1)
Profit after tax expense for the period		2,481.8	758.0
Less: net profit attributable to minority interest		(31.9)	(12.4)
Net profit attributable to Members of Westfield Trust ("WT")		2,449.9	745.6
Distribution proposed	5	513.0	334.7
<i>Weighted average number of securities entitled to distribution at 30 June 2006</i>		<i>1,761.9</i>	<i>1,716.5</i>
		<i>cents</i>	<i>cents</i>
Basic earnings per unit		139.49	43.76
Diluted earnings per unit		138.70	43.76
Distribution proposed per unit (cents)	5	29.17	19.50
Distribution proposed per DRP unit (cents)	5	19.66	13.14

WESTFIELD TRUST
COMPRISING WESTFIELD TRUST AND ITS CONTROLLED ENTITIES
BALANCE SHEET
as at 30 June 2006

		<i>CONSOLIDATED</i>	
		<i>30 Jun 06</i>	<i>31 Dec 05</i>
	<i>Note</i>	<i>\$million</i>	<i>\$million</i>
Current assets			
Cash and cash equivalents		54.4	50.4
Trade receivables		3.7	1.9
Derivative assets		21.7	-
Receivables		723.9	715.4
Prepayments and deferred costs		43.7	43.9
Total current assets		847.4	811.6
Non current assets			
Investment properties		18,313.4	16,606.8
Equity accounted investments		1,252.3	969.2
Other investments		934.4	760.9
Derivative assets		51.8	67.3
Prepayments and deferred costs		123.4	126.6
Total non current assets		20,675.3	18,530.8
Total assets		21,522.7	19,342.4
Current liabilities			
Payables		399.2	503.1
Interest bearing liabilities		1,215.1	2,146.2
Derivative liabilities		17.6	11.9
Total current liabilities		1,631.9	2,661.2
Non current liabilities			
Interest bearing liabilities		6,818.0	5,417.5
Other financial liabilities		365.2	451.4
Deferred tax liabilities		228.4	221.5
Derivative liabilities		103.6	223.6
Total non current liabilities		7,515.2	6,314.0
Total liabilities		9,147.1	8,975.2
Net assets		12,375.6	10,367.2
Equity attributable to Members of WT			
Contributed equity	4	5,989.8	5,868.4
Reserves		(65.6)	133.2
Retained profits		6,292.0	4,233.8
Total equity attributable to Members of WT		12,216.2	10,235.4
Minority interest			
Contributed equity		94.0	94.0
Retained profits		65.4	37.8
Total minority interest		159.4	131.8
Total equity		12,375.6	10,367.2

WESTFIELD TRUST

COMPRISING WESTFIELD TRUST AND ITS CONTROLLED ENTITIES

STATEMENT OF CHANGES IN EQUITY

for the half year ended 30 June 2006

	<i>CONSOLIDATED</i>	
	<i>30 Jun 06</i>	<i>30 Jun 05</i>
	<i>\$million</i>	<i>\$million</i>
Changes in equity attributable to Members of WT		
Opening balance of equity at 1 January 2006 (30 June 2005: 1 January 2005)	10,235.4	8,641.5
<u>Contributed equity</u>		
- Distribution reinvestment plan	83.8	129.0
- Conversion of options	37.6	200.1
<u>Foreign currency translation reserve</u>		
- Net exchange difference on translation of foreign operations ⁽ⁱ⁾	(206.1)	(4.5)
<u>Option premium reserve</u>		
- Application of AASB 132 and 139 effective 1 January 2005 ⁽ⁱⁱ⁾	-	(10.9)
<u>Retained profits</u>		
- Application of AASB 132 and 139 effective 1 January 2005 ⁽ⁱⁱ⁾	-	(276.8)
- Distribution paid	(384.4)	(349.1)
Net adjustments recognised directly in equity	(469.1)	(312.2)
Net profit attributable to Members of WT ⁽ⁱ⁾	2,449.9	745.6
Closing balance of equity attributable to Members of WT	12,216.2	9,074.9
Changes in equity attributable to Minority Interest		
Opening balance of equity attributable to Minority Interest at 1 January 2006 (30 June 2005: 1 January 2005)	131.8	117.9
Profit after tax expense for the period	31.9	12.4
Distributions paid or provided for	(4.3)	(3.8)
Closing balance of equity attributable to Minority Interest	159.4	126.5
Total Equity	12,375.6	9,201.4

⁽ⁱ⁾ Total income and expenses for the period, including amounts recognised directly in equity, is \$2,243.8 million (30 June 2005: \$741.1 million) being profit after tax expense for the period of \$2,449.9 million (30 June 2005: \$745.6 million) and the net exchange loss on translation of foreign operations of \$206.1 million (30 June 2005: loss \$4.5 million).

⁽ⁱⁱ⁾ The Group elected to defer the application of AASB 132 "Financial Instruments: Presentation" and AASB 139 "Financial Instruments: Recognition and Measurement". As a result of the deferral, the opening retained profits as at 1 January 2005 has been adjusted to account for the application of AASB 132 "Financial Instruments: Presentation" and AASB 139 "Financial Instruments: Recognition and Measurement" as at that date.

WESTFIELD TRUST

COMPRISING WESTFIELD TRUST AND ITS CONTROLLED ENTITIES

CASH FLOW STATEMENT

for the half year ended 30 June 2006

CONSOLIDATED
30 Jun 06 30 Jun 05
\$million \$million

Cash flows from operating activities		
Receipts in the course of operations (including GST)	819.0	734.0
Payments in the course of operations (including GST)	(213.3)	(245.9)
Distributions received from equity accounted associates	32.7	31.3
Goods and services taxes paid to suppliers for investing activities	(27.7)	(24.8)
Goods and services taxes paid to government bodies	(29.4)	(12.9)
Net cash flows from operating activities	581.3	481.7
Cash flows from investing activities		
Acquisition of property investments	(30.7)	(130.8)
Payments of capital expenditure for property investments	(264.8)	(215.8)
Proceeds from the sale of property investments	-	5.6
Net payments for investments in equity accounted investments	(3.1)	(15.3)
Acquisition of other investments	(173.2)	-
Distributions received from investments	-	7.8
Net cash flows used in investing activities	(471.8)	(348.5)
Cash flows from financing activities		
Proceeds from the issues of securities	105.9	246.1
Net proceeds from interest bearing liabilities	432.7	217.1
Interest received	3.8	-
Financing costs	(260.2)	(220.9)
Distributions paid	(384.4)	(349.1)
Dividends paid by controlled entities to minority interest	(3.9)	(3.6)
Merger charges	-	(14.8)
Net cash flows used in financing activities	(106.1)	(125.2)
Net increase in cash and cash equivalents held	3.4	8.0
Add: opening cash and cash equivalents brought forward	50.4	39.0
Effects of exchange rate changes on opening cash and cash equivalents brought forward	0.6	-
Cash and cash equivalents at the end of the period	54.4	47.0

WESTFIELD TRUST
COMPRISING WESTFIELD TRUST AND ITS CONTROLLED ENTITIES
NOTES TO THE FINANCIAL STATEMENTS
for the half year ended 30 June 2006

1 CORPORATE INFORMATION

This financial report of WT and its controlled entities for the half-year ended 30 June 2006 was approved in accordance with a resolution of the Board of Directors of Westfield Management Limited as responsible entity of WT ("Responsible Entity") on 29 August 2006.

The nature of the operations and principal activities of WT are described in the Directors' Report.

2 BASIS OF PREPARATION OF THE HALF YEAR FINANCIAL REPORT

The half year 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 financial performance, financial position and financing and investing activities of the consolidated entity as the full financial report.

The half year financial report should be read in conjunction with the annual financial report of WT as at 31 December 2005.

It is also recommended that the half year financial report be considered together with any public announcements made by the Westfield Group ("the Group") and its controlled entities during the half year ended 30 June 2006 in accordance with the continuous disclosure obligations arising under the Corporations Act 2001.

(a) Basis of accounting

The half year consolidated 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 half year financial report has also been prepared on a historical cost basis, except for investment properties, equity accounted investments, derivative financial instruments and available-for-sale financial assets that have been measured at fair value. The carrying values of recognised assets and liabilities that are hedged with fair value hedges and are otherwise carried at cost are adjusted to record changes in the fair values attributable to the risks that are being hedged.

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

The half year consolidated financial report has been prepared using the same accounting policies as used in the annual Financial Report for the year ended 31 December 2005.

This financial report is presented in Australian dollars.

(b) Statement of compliance

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.

(c) Comparative information

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

(d) 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.

WESTFIELD TRUST

COMPRISING WESTFIELD TRUST AND ITS CONTROLLED ENTITIES

NOTES TO THE FINANCIAL STATEMENTS

for the half year ended 30 June 2006

			CONSOLIDATED	
			30 Jun 06	30 Jun 05
			\$million	\$million
3 TAX EXPENSE				
Current			-	-
Deferred			(35.9)	(6.1)
			(35.9)	(6.1)
The prima facie tax on profit before income tax expense is reconciled to the income tax expense provided in the financial statements as follows:				
Accounting profit before income tax			2,517.7	764.1
Prima facie tax expense at 30% (30 June 2005: 30%)			(755.3)	(229.2)
Australian Trust income not assessable			719.4	223.1
Tax expense			(35.9)	(6.1)

			CONSOLIDATED	
			30 Jun 06	31 Dec 05
			Units	Units
4 CONTRIBUTED EQUITY				
(a) Number of units on issue				
Balance at the beginning of the period			1,748,184,050	1,683,099,391
Distribution reinvestment plan			9,516,698	27,687,649
Units issued on exercise of options			4,217,186	37,397,010
Balance at the end of the period			1,761,917,934	1,748,184,050

Stapled securities have the right to receive dividends from Westfield Holdings Limited ("WHL") and distributions from Westfield America Trust ("WAT") and WT as declared and, in the event of winding up of WHL, WAT and WT, 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 WHL, WAT and WT (as the case may be).

			CONSOLIDATED	
			30 Jun 06	31 Dec 05
			\$million	\$million
(b) Amount of contributed equity				
Balance at the beginning of the period			5,868.4	5,304.8
Distribution reinvestment plan			83.8	236.7
Conversion of options			37.6	326.9
Balance at the end of the period			5,989.8	5,868.4

			CONSOLIDATED	
			30 Jun 06	30 Jun 05
			\$million	\$million
5 DISTRIBUTIONS				
(a) Current period interim/prior period final distribution proposed				
Ordinary units: 29.17 cents per unit			511.1	332.7
DRP units: 19.66 cents per unit			1.9	2.0
			513.0	334.7

Distributions proposed are to be paid on 31 August 2006. The record date for these distributions was 15 August 2006. The Westfield Group Distribution Reinvestment Plan (DRP) was in operation for the distribution payable on 31 August 2006. DRP securities issued during the period rank for distribution from the first day following the date on which they are issued.

(b) Distributions paid during the period				
Distribution in respect of the 6 months to 31 December 2005			384.4	
Distribution in respect of the 6 months to 31 December 2004				349.1
			384.4	349.1

WESTFIELD TRUST

COMPRISING WESTFIELD TRUST AND ITS CONTROLLED ENTITIES

NOTES TO THE FINANCIAL STATEMENTS

for the half year ended 30 June 2006

	<i>CONSOLIDATED</i>	
	<i>30 Jun 06</i>	<i>31 Dec 05</i>
	<i>\$million</i>	<i>\$million</i>
6 CAPITAL EXPENDITURE COMMITMENTS		
Estimated capital expenditure contracted at balance date but not provided		
Due within one year	279.6	279.2
Due between one and five years	120.7	2.9
Due after five years	-	-
	400.3	282.1
7 CONTINGENT LIABILITIES		
Performance guarantees	47.3	39.5
Borrowings of associates of the Responsible Entity	6,188.6	5,484.4
	6,235.9	5,523.9

From time to time, the 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 Group.

WESTFIELD TRUST
COMPRISING WESTFIELD TRUST AND ITS CONTROLLED ENTITIES
NOTES TO THE FINANCIAL STATEMENTS
for the half year ended 30 June 2006

8 SEGMENT INFORMATION
PRIMARY GEOGRAPHIC SEGMENT

	AUSTRALIA		NEW ZEALAND		CONSOLIDATED	
	30 Jun 06	30 Jun 05	30 Jun 06	30 Jun 05	30 Jun 06	30 Jun 05
	\$million	\$million	\$million	\$million	\$million	\$million
Segment revenue and other income						
Revenue	645.1	571.1	99.1	86.0	744.2	657.1
Property revaluation	1,698.8	555.2	81.9	1.5	1,780.7	556.7
Equity accounted entities net profit	313.1	52.4	-	-	313.1	52.4
Total segment revenue and other income	2,657.0	1,178.7	181.0	87.5	2,838.0	1,266.2
Foreign exchange gains					50.8	20.7
Interest income					3.0	14.7
Consolidated total revenue					2,891.8	1,301.6

	AUSTRALIA		NEW ZEALAND		CONSOLIDATED	
	30 Jun 06	30 Jun 05	30 Jun 06	30 Jun 05	30 Jun 06	30 Jun 05
	\$million	\$million	\$million	\$million	\$million	\$million
Segment result						
Segment profit before corporate overheads, interest, sale of investments and taxation	2,477.2	1,021.0	153.5	61.6	2,630.7	1,082.6
Net foreign exchange gains					5.2	12.6
Corporate overheads					(4.6)	(1.5)
Net financing costs					(113.6)	(329.6)
Tax expense					(35.9)	(6.1)
Consolidated profit after tax					2,481.8	758.0

WESTFIELD TRUST

COMPRISING WESTFIELD TRUST AND ITS CONTROLLED ENTITIES

NOTES TO THE FINANCIAL STATEMENTS

for the half year ended 30 June 2006

9 SUBSEQUENT EVENTS

The Group is in the process of investigating a number of capital management initiatives including the establishment of a wholesale funds management business. The Group's review of wholesale fund opportunities is continuing with discussions now being held with interested parties with regard to a A\$2 billion wholesale fund with interests in 6 Australian super regional and regional shopping centres.

WESTFIELD TRUST
COMPRISING WESTFIELD TRUST AND ITS CONTROLLED ENTITIES
DIRECTORS' DECLARATION

The Directors of Westfield Management Limited, the Responsible Entity of Westfield Trust ("Trust") declare that:

- (a) in the Directors' opinion, there are reasonable grounds to believe that the Trust 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 2006 and the performance for the half year ended on that date.

Made on 29 August 2006 in accordance with a resolution of the Board of Directors.



FP Lowy, AC
Chairman



Professor FG Hilmer, AO
Deputy Chairman

Independent audit report to members of Westfield Trust

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 Westfield Trust (the Trust) and the entities it controlled during the half year, and the directors' declaration for the Trust, for the half year ended 30 June 2006.

The directors of Westfield Management Limited, the Responsible Entity of the Trust, 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 trust and in order for the trust 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 Trust.

Independence

We are independent of the Trust and the consolidated entity, and have met the independence requirements of Australian professional ethical pronouncements and the Corporations Act 2001. We have given to the director's of Westfield Management Limited 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 non-audit 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 Trust and the entities it controlled during the half year is in accordance with:

- (a) the *Corporations Act 2001*, including:
 - (i) giving a true and fair view of the financial position of the consolidated entity at 30 June 2006 and of its performance for the half year ended on that date; and
 - (ii) 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



Chris Westworth
Partner
Sydney
29 August 2006

WESTFIELD TRUST

DIRECTORS' REPORT

For the half year ended 30 June 2006

The Directors of Westfield Management Limited (the “**Responsible Entity**”), the responsible entity of Westfield Trust (“**Trust**”) submit the following report for the half year ended 30 June 2006 (“**Financial Period**”).

Review of Operations and State of Affairs

The Trust reported a net profit of A\$2,449.9 million and a distribution of A\$513.0 million for the Financial Period. Basic earnings per unit is 139.49 cents and the distribution per unit is 29.17 cents for the Financial Period.

As at 30 June 2006, the Trust had a \$19.6 billion (consolidated properties: A\$18.3 billion and share of equity accounted properties: A\$1.3 billion) interest in 54 shopping centres, comprising 12,300 retailers and approximately 3.7 million square metres of retail space.

The Australian and New Zealand operations contributed net property income of A\$570.8 million for the six months to 30 June 2006 (A\$505.8 million for the six months to 30 June 2005) which includes comparable mall income growth of approximately 4.8%. This performance reflects the steady retail conditions which prevailed during the period as well as the quality of the portfolios in both regions, with occupancy rates continuing to be in excess of 99.5% and specialty store rental growth for the half year of 5.0%.

Retail sales in the Group’s 43 Australian centres totalled A\$17.7 billion. On a comparable basis, sales increased 4.0% with specialty store sales up 1.9%. Retail sales at the Group’s 11 shopping centres in New Zealand increased 1.6% to NZ\$1.7 billion for the 12 months to 30 June 2006. On a comparable basis, specialty store sales were up 1.2%.

Development projects

In Australia there are 3 major projects currently under construction, two are scheduled to complete in 2006 and one in 2007. In Sydney, the A\$205 million redevelopment of Westfield Liverpool and the A\$200 million redevelopment of Westfield Chermside in Brisbane is forecast for completion by Christmas of 2006. The A\$170 million development at Westfield Kotara is progressing well and is expected to be complete by the third quarter of 2007.

Development approval has also been received for Stage 1 of the Sydney CBD Centrepont project.

In New Zealand, construction has commenced on a NZ\$210 million development at Albany in Auckland which is scheduled for completion in the third quarter of 2007. The Group’s remaining New Zealand projects include a NZ\$40 million redevelopment project at Chartwell in Hamilton and a NZ\$33 million project at Newmarket in Auckland. Both of these projects are expected to complete during the second half of 2006.

The current target weighted average yield range of the projects under construction in Australia and New Zealand is 9.4% to 9.7%. This reflects the Group’s incremental income yield on the Group’s project cost.

There were no significant changes in the Trust’s state of affairs during the Financial Period.

Principal Activities

The principal activities of the Trust during the Financial Period were the ownership and improvement of shopping centres. There were no significant changes in the nature of those activities during the Financial Period.

Subsequent Events

The Group is in the process of investigating a number of capital management initiatives including the establishment of a wholesale funds management business. The Group's review of wholesale fund opportunities is continuing with discussions now being held with interested parties with regard to a A\$2 billion wholesale fund with interests in 6 Australian super regional and regional shopping centres.

No other matter or circumstance has arisen since the end of the Financial Period that has significantly affected, or may significantly affect:

- (i) the Trust's operations in future financial years;
- (ii) the results of those operation in future financial years; or
- (iii) the Trust's state of affairs in future financial years.

The Directors

There have been no changes to the Board of the Responsible Entity during or since the end of the Financial Period.

Consequently, the following directors served on the Board of the Responsible Entity for the entirety of the Financial Period: Mr F P Lowy AC, Professor F G Hilmer AO, Mr D H Lowy AM, Mr R L Furman, Mr D M Gonski AO, Mr S P Johns Mr P S Lowy, Mr S M Lowy, Mr F T Vincent, Dr G H Weiss, Mr D R Wills AO and Ms C M Zampatti AM.

Auditor's Independence Declaration

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



Auditor's Independence Declaration to the Directors of Westfield Management Limited

In relation to our audit of the financial report of Westfield Trust for the half year ended 30 June 2006, 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.

A handwritten signature in dark ink, appearing to read 'Ernst & Young'.

Ernst & Young

A handwritten signature in dark ink, appearing to read 'Chris Westworth'.

Chris Westworth
Partner
Sydney
29 August 2006

Synchronisation of Financial Year

By an order dated 5 November 2001 made by the Australian Securities and Investments Commission, the Directors have been relieved from compliance with the requirement to ensure that the financial year of Carindale Property Trust is synchronised with the financial year of Westfield Trust. Although the financial years of Carindale Property Trust end on 30 June, the financial statements of Westfield Trust have been prepared to include accounts for Carindale Property Trust for a period coinciding with the Financial Year of Westfield Trust.

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



F P Lowy, AC
Chairman

29 August 2006



Professor F G 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
100 William Street
Sydney NSW 2011
Telephone: +61 2 9358 7000
Facsimile: +61 2 9358 7077

United States Office

12th Floor
11601 Wilshire Boulevard
Los Angeles California 90025
Telephone: +1 310 478 4456
Facsimile: +1 310 478 1267

New Zealand Office

Level 2, Office Tower
277 Broadway
Newmarket, Auckland
Telephone: +64 9 978 5050
Facsimile: +64 9 978 5070

United Kingdom Office

6th Floor, MidCity Place
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

Investor Information

Westfield Holdings Limited
Level 24, Westfield Towers
100 William Street
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



AMERICA TRUST

INTERIM FINANCIAL REPORT

FOR THE HALF-YEAR ENDED 30 JUNE 2006

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WESTFIELD AMERICA TRUST
COMPRISING WESTFIELD AMERICA TRUST AND ITS CONTROLLED ENTITIES
INCOME STATEMENT
for the half-year ended 30 June 2006

		<i>CONSOLIDATED</i>	
	<i>Note</i>	<i>30-Jun-06 \$million</i>	<i>30-Jun-05 \$million</i>
Revenue and other income			
Property revenue		810.2	719.5
Property revaluation		549.7	640.7
		1,359.9	1,360.2
Share of net profits of equity accounted entities			
Property revenue		107.2	96.8
Property revaluation		58.0	37.8
Property expenses and outgoings		(31.1)	(26.3)
Other		(26.4)	(25.1)
		107.7	83.2
Currency derivatives		-	45.3
Interest income		16.3	10.9
Total revenue and other income		1,483.9	1,499.6
Expenses			
Property expenses and outgoings		(289.6)	(246.1)
Corporate costs		(1.9)	(9.0)
		(291.5)	(255.1)
Goodwill on acquisitions (due to the recognition of deferred tax liabilities) written off		-	(3.5)
Currency derivatives		(67.7)	-
Financing costs			
- interest bearing liabilities		(48.9)	(136.8)
- other financial liabilities		(57.2)	(253.0)
		(106.1)	(389.8)
Total expenses		(465.3)	(648.4)
Profit before tax expense and minority interests		1,018.6	851.2
Tax expense	3	(158.1)	(138.7)
Profit after tax expense for the period		860.5	712.5
Less: net profit attributable to minority interests		-	-
Net profit attributable to Members of Westfield America Trust ("WAT")		860.5	712.5
Distribution proposed	5	466.5	452.7
<i>Weighted average number of securities/units entitled to distribution at 30 June 2006</i>		<i>1,841.9</i>	<i>1,799.5</i>
		<i>cents</i>	<i>cents</i>
Basic earnings per unit		46.77	39.87
Diluted earnings per unit		45.68	39.62
Distribution proposed per ordinary unit	5	25.33	25.16
Distribution proposed per DRP unit	5	17.07	16.96

WESTFIELD AMERICA TRUST
COMPRISING WESTFIELD AMERICA TRUST AND ITS CONTROLLED ENTITIES
BALANCE SHEET
as at 30 June 2006

		<i>CONSOLIDATED</i>	
		<i>30-Jun-06</i>	<i>31-Dec-05</i>
	<i>Note</i>	<i>\$million</i>	<i>\$million</i>
Current assets			
Cash and cash equivalents		70.6	32.7
Trade receivables		8.4	23.0
Derivative assets		127.9	280.9
Receivables		597.2	596.6
Tax receivable		48.0	27.8
Prepayments and deferred costs		77.3	87.2
Investment properties		217.2	-
Total current assets		1,146.6	1,048.2
Non current assets			
Investment properties		16,976.0	16,976.1
Equity accounted investments		1,907.2	1,824.8
Other investments		114.4	116.1
Derivative assets		308.5	224.1
Receivables		4.0	4.2
Deferred tax assets		9.5	22.6
Prepayments and deferred costs		339.6	365.4
Total non current assets		19,659.2	19,533.3
Total assets		20,805.8	20,581.5
Current liabilities			
Payables		403.3	377.3
Interest bearing liabilities		526.5	393.4
Tax payable		9.9	13.8
Total current liabilities		939.7	784.5
Non current liabilities			
Payables		25.1	16.8
Interest bearing liabilities		7,242.7	7,432.2
Other financial liabilities		3,078.0	3,166.5
Deferred tax liabilities		1,408.8	1,306.7
Derivative liabilities		8.1	186.0
Total non current liabilities		11,762.7	12,108.2
Total liabilities		12,702.4	12,892.7
Net assets		8,103.4	7,688.8
Equity attributable to Members of WAT			
Contributed equity	4	6,140.5	6,058.6
Reserves		215.2	206.4
Retained profits		1,747.7	1,423.8
Total equity attributable to Members of WAT		8,103.4	7,688.8

WESTFIELD AMERICA TRUST
COMPRISING WESTFIELD AMERICA TRUST AND ITS CONTROLLED ENTITIES
STATEMENT OF CHANGES IN EQUITY

for the half-year ended 30 June 2006

	<i>CONSOLIDATED</i>	
	<i>30-Jun-06</i>	<i>30-Jun-05</i>
	<i>\$million</i>	<i>\$million</i>
Changes in equity attributable to Members of WAT		
Opening balance of equity at 1 January 2006 (30 June 2005: 1 January 2005)	7,688.8	7,036.1
<u>Contributed equity</u>		
Application of AASB 132 and 139 effective 1 January 2005 ⁽ⁱⁱ⁾	-	74.0
Dividend / distribution reinvestment plan	65.4	105.8
Conversion of options	16.5	89.4
<u>Foreign currency translation reserve</u>		
Application of AASB 132 and 139 effective 1 January 2005 ⁽ⁱⁱ⁾	-	27.3
Net exchange difference on translation of foreign operations ⁽ⁱ⁾	8.8	(69.3)
<u>Retained profits</u>		
Application of AASB 132 and 139 effective 1 January 2005 ⁽ⁱⁱ⁾	-	(763.8)
Distribution paid/payable	(536.6)	(473.7)
Net adjustments recognised directly in equity	(445.9)	(1,010.3)
Net profit attributable to Members of WAT ⁽ⁱ⁾	860.5	712.5
Closing balance of equity attributable to Members of WAT	8,103.4	6,738.3

⁽ⁱ⁾ Total income and expenses for the period, including amounts recognised directly in equity, is \$869.3 million (30 June 2005: \$643.2 million), being profit after tax expense for the period of \$860.5 million (30 June 2005: \$712.5 million) and the net exchange gain on translation of foreign operations of \$8.8 million (30 June 2005: loss \$69.3 million).

⁽ⁱⁱ⁾ WAT 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 profits 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.

WESTFIELD AMERICA TRUST
COMPRISING WESTFIELD AMERICA TRUST AND ITS CONTROLLED ENTITIES
CASH FLOW STATEMENT

for the half-year ended 30 June 2006

	<i>Note</i>	<i>CONSOLIDATED</i>	
		<i>30-Jun-06</i>	<i>30-Jun-05</i>
		<i>\$million</i>	<i>\$million</i>
Cash flows from operating activities			
Receipts in the course of operations		831.1	772.5
Payments in the course of operations		(317.4)	(290.0)
Settlement of currency derivatives		74.2	74.4
Dividends /distributions received from equity accounted associates		59.6	33.2
Withholding taxes paid		(45.8)	(39.7)
Net cash flows from operating activities		601.7	550.4
Cash flows from investing activities			
Acquisition of property investments		(7.0)	(148.2)
Payments for capital expenditure of property investments		(374.1)	(317.2)
Proceeds from the sale of property investments		564.0	1.7
Net payments for investments in equity accounted investments		(60.1)	(23.6)
Loans advanced to related entities		19.3	(56.0)
Net cash flows used in investing activities		142.1	(543.3)
Cash flows from financing activities			
Proceeds from issue of units		81.9	195.3
Net proceeds from interest bearing liabilities		17.9	440.8
Financing costs		(279.7)	(230.4)
Interest received		10.6	9.2
Distributions paid		(536.6)	(473.7)
Merger and capital restructure charges		-	(14.7)
Net cash flows used in financing activities		(705.9)	(73.5)
Net (decrease)/increase in cash and cash equivalents held		37.9	(66.4)
Add opening cash and cash equivalents brought forward		32.7	158.5
Cash and cash equivalents at the end of the period		70.6	92.1

WESTFIELD AMERICA TRUST
COMPRISING WESTFIELD AMERICA TRUST AND ITS CONTROLLED ENTITIES
NOTES TO THE FINANCIAL STATEMENTS
for the half-year ended 30 June 2006

1 CORPORATE INFORMATION

This financial report of WAT for the half-year ended 30 June 2006 was approved in accordance with a resolution of the Board of Directors of Westfield America Management Limited, as responsible entity of WAT ('Responsible Entity') on 29 August 2006.

The nature of the operations and principal activities of WAT are described in the Directors' Report.

2 BASIS OF PREPARATION OF THE FINANCIAL REPORT

The half-year 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 financial performance, financial position and financing and investing activities of the consolidated entity as the full financial report.

The half-year financial report should be read in conjunction with the annual financial report of WAT as at 31 December 2005.

It is also recommended that the half-year financial report be considered together with any public announcements made by Westfield Group and its controlled entities during the half-year ended 30 June 2006 in accordance with the continuous disclosure obligations arising under the Corporations Act 2001.

(a) Basis of accounting

The half-year consolidated 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 half-year financial report has been prepared on a historical cost basis, except for investment properties, equity accounted investments, derivative financial instruments and available for sale financial assets that have been measured at fair value. The carrying values of recognised assets and liabilities that are hedged with fair value hedges and are otherwise carried at cost are adjusted to record changes in the fair values attributable to the risks that are being hedged.

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

The half-year consolidated financial report has been prepared using the same accounting policies as used in the annual Financial Report for the year ended 31 December 2005.

This financial report is presented in Australian dollars.

(b) Statement of compliance

This 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.

(c) Comparative information

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

(d) 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.

WESTFIELD AMERICA TRUST
COMPRISING WESTFIELD AMERICA TRUST AND ITS CONTROLLED ENTITIES
NOTES TO THE FINANCIAL STATEMENTS
for the half-year ended 30 June 2006

	<i>CONSOLIDATED</i>	
	<i>30-Jun-06</i>	<i>30-Jun-05</i>
	<i>\$million</i>	<i>\$million</i>
3 TAXATION		
(a) Tax expense		
Current - underlying tax	(24.2)	(23.3)
Deferred	(133.9)	(115.4)
	(158.1)	(138.7)
The prima facie tax on profit before tax expense is reconciled to the tax expense provided in the financial statements as follows:		
Accounting profit before tax	1,018.6	851.2
Prima facie withholding tax expense on profit at 15% (30 June 2005: 15%)	(152.8)	(127.7)
Profit/(loss) not assessable/(deductible)	1.3	(10.5)
Goodwill write off not deductible	-	(0.5)
Prior period under provision	(6.6)	-
Tax expense	(158.1)	(138.7)

	<i>CONSOLIDATED</i>	
	<i>30-Jun-06</i>	<i>31-Dec-05</i>
	<i>shares</i>	<i>shares</i>
4 CONTRIBUTED EQUITY		
(a) Number of units on issue		
Balance at the beginning of the period	1,831,268,413	1,766,183,754
Distribution reinvestment plan	9,516,698	27,687,649
Units issued on exercise of options	4,217,186	37,397,010
Balance at the end of the period for WAT	1,845,002,297	1,831,268,413

Stapled securities have the right to receive dividends from Westfield Holdings Limited ("WHL") and distributions from Westfield Trust ("WT") and WAT as declared and, in the event of winding up of WHL, 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 WHL, WT and WAT (as the case maybe).

	<i>CONSOLIDATED</i>	
	<i>30-Jun-06</i>	<i>31-Dec-05</i>
	<i>\$million</i>	<i>\$million</i>
(b) Amount of contributed equity		
Balance at the beginning of the period	6,058.6	5,647.4
Application of AASB 132 and 139 effective 1 January 2005	-	74.0
Distribution reinvestment plan	65.4	190.7
Conversion of options	16.5	146.5
Balance at the end of the period	6,140.5	6,058.6

WESTFIELD AMERICA TRUST
COMPRISING WESTFIELD AMERICA TRUST AND ITS CONTROLLED ENTITIES
NOTES TO THE FINANCIAL STATEMENTS
for the half-year ended 30 June 2006

			<i>CONSOLIDATED</i>	
			<i>30-Jun-06</i>	<i>30-Jun-05</i>
5 DISTRIBUTIONS				
(a) Current period interim/prior period interim distribution proposed				
Ordinary units: 25.33 cents per unit			464.9	450.1
DRP units: 17.07 cents per unit			1.6	2.6
			466.5	452.7
Distributions proposed are to be paid on 31 August 2006. The record date for these distributions was 15 August 2006. The Westfield Group Distribution Reinvestment Plan (DRP) was in operation for the distribution payable on 31 August 2006. DRP securities issued during the period rank for distribution from the first day following the date on which they are issued.				
(b) Distributions paid during the period				
Distribution in respect of the 6 months to 31 December 2005			536.6	-
Distribution in respect of the 6 months to 31 December 2004			-	473.7
			536.6	473.7
			<i>CONSOLIDATED</i>	
			<i>30-Jun-06</i>	<i>31-Dec-05</i>
			<i>\$million</i>	<i>\$million</i>
6 CAPITAL EXPENDITURE COMMITMENTS				
Estimated capital expenditure commitments				
Due within one year			486.9	619.5
Due between one and five years			339.6	246.6
			826.5	866.1
7 CONTINGENT LIABILITIES				
Performance guarantees			22.2	38.9
Special tax assessment municipal bonds			68.9	69.9
Borrowings of associates of the Responsible Entity			9,023.7	7,645.6
			9,114.8	7,754.4

From time to time WAT is involved in lawsuits. The Directors of the Responsible Entity believe that the ultimate outcome of such pending litigation will not materially affect the results of operations or the financial position of WAT.

8 SEGMENT INFORMATION

WAT operates solely as a retail property investor in the United States of America.

9 SUBSEQUENT EVENTS

Since the end of the half-year WAT acquired Westfield Corporation, Inc (the manager and developer of its property investments) and its controlled entities from WHL for US\$434.0 million.

WESTFIELD AMERICA TRUST
COMPRISING WESTFIELD AMERICA TRUST AND ITS CONTROLLED ENTITIES
DIRECTORS' DECLARATION

The Directors of Westfield America Management Limited, the Responsible Entity of Westfield America Trust ("Trust") declare that:

- (a) in the Directors' opinion, there are reasonable grounds to believe that the Trust 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 2006 and the performance for the half-year ended on that date.

Made on 29 August 2006 in accordance with a resolution of the Board of Directors.



FP Lowy, AC
Chairman



Professor FG Hilmer, AO
Deputy Chairman

WESTFIELD AMERICA TRUST
COMPRISING WESTFIELD AMERICA TRUST AND ITS CONTROLLED ENTITIES
INDEPENDENT AUDIT REPORT
to the Members of Westfield America Trust



Scope

The financial report and directors' responsibility

The financial report comprises the balance sheet, income statement, statement of changes in equity, cash flow statement and accompanying notes to the financial statements for the consolidated entity comprising Westfield America Trust (the Trust) and the entities it controlled during the half year, and the directors' declaration for the Trust, for the half year ended 30 June 2006.

The directors of Westfield America Management Limited, the Responsible Entity of the Trust, 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 AASB134 "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 to the members of the trust and in order for the trust 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 AASB134 "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 Responsible Entity of the Trust.

Independence

We are independent of the Trust and have met the independence requirements of Australian professional ethical pronouncements and the Corporations Act 2001. We have given to the directors of Westfield America Management Limited 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 the services disclosed in the notes to the financial statements. The provision of these services has not impaired our independence. In addition to our audit of the financial report, we were engaged to undertake other non-audit 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 America Trust and the entities it controlled during the half year is in accordance with:

- (a) the Corporations Act 2001, including:
 - (i) giving a true and fair view of the financial position of the consolidated entity at 30 June 2006 and of its performance for the half year ended on that date;
 - (ii) complying with Accounting Standard AASB134 "Interim Financial Reporting" and the Corporations Regulations 2001; and
- (b) other mandatory financial reporting requirements in Australia.

Ernst & Young

Chris Westworth - Partner
Sydney, 29 August 2006

WESTFIELD AMERICA TRUST

COMPRISING WESTFIELD AMERICA TRUST AND ITS CONTROLLED ENTITIES

DIRECTORS' REPORT

The Directors of Westfield America Management Limited (the "**Responsible Entity**"), the responsible entity of Westfield America Trust ("**Trust**") submit the following Report for the half-year ended 30 June 2006 ("**Financial Period**").

Review of Operations and State of Affairs

The Trust reported a net profit of \$860.5 million and a distribution of \$466.5 million for the Financial Period. Basic earnings per unit is 46.77 cents and the distribution per unit is 25.33 cents for the Financial Period.

As at 30 June 2006, the Trust had a \$20.1 billion (consolidated properties: \$17.2 billion and a share of equity accounted properties: \$2.9 billion) interest in 59 shopping centres, comprising 8,700 retailers and approximately 6.0 million square metres of retail space.

The Trust achieved net property income of \$596.7 million with comparable mall income growth of 4.3%. This result reflects average specialty retail sales of US\$446 per square foot with comparable growth of 5.2% for the Financial Period. The strong sales growth reflects the performance of the Trust's West Coast (up 5.7%), Mid West (up 5.3%) and East Coast (up 3.9%) portfolios.

At 30 June 2006 the portfolio was 93.5% leased, which is consistent with the prior period. New leases totalling 2.0 million square feet were completed during the Financial Period. New mall shop rents at US\$51.12 per square foot represent a 30.0% increase over expiring rents and includes the positive impact of new projects. The average rent across the entire portfolio at June 2006 was US\$40.87 per square foot - up 3.7% for the Financial Period.

Property transactions

During the Financial Period, the Trust acquired 16 department store sites owned by Federated Department Stores, Inc at 12 Westfield shopping centres. The acquisition of 12 of the stores was in exchange for 12 department store properties that were owned by the Trust and leased to May Company. The remaining 4 stores were acquired for US\$30.5 million. This provides the Trust with the opportunity for 18 new developments with over \$2.0 billion of new projects to be started over the next 4 years.

During the Financial Period, the Trust also disposed of 8 non-core assets to Centro and Somera for US\$550.0 million recycling capital into the Trust's development pipeline.

Development projects

The Trust commenced 4 new projects during the Financial Period. This includes the US\$220.0 million development of Westfield Galleria at Roseville scheduled for completion in the first quarter of 2009. The largest project currently underway in the United States is the redevelopment of San Francisco Center in downtown San Francisco, California at a forecast cost of US\$460 million (with Westfield's share of the development US\$230 million). This project is currently on schedule for completion in the fourth quarter of 2006.

The Trust currently has its largest ever development pipeline with 13 projects currently underway at a forecast cost of US\$1.8 billion. These projects have a target weighted average project yield in the range of 9.8% to 10.3%.

There were no significant changes in the Trust's state of affairs during the Financial Period.

WESTFIELD AMERICA TRUST

COMPRISING WESTFIELD AMERICA TRUST AND ITS CONTROLLED ENTITIES

DIRECTORS' REPORT

Principal Activities

The principal activities of the Trust during the Financial Period were the ownership and improvement of shopping centres. There were no significant changes in the nature of those activities during the Financial Period.

Subsequent Events

Since the end of the half-year the Trust acquired Westfield Corporation, Inc (the manager and developer of its property investments) and its controlled entities from Westfield Holdings Limited for US\$434.0 million.

The Directors

There have been no changes to the Board of the Responsible Entity during or since the end of the Financial Period.

Consequently, the following directors served on the Board of the Responsible Entity for the entirety of the Financial Period: Mr F P Lowy AC, Professor F G Hilmer AO, Mr D H Lowy AM, Mr R L Furman, Mr D M Gonski AO, Mr S P Johns, Mr P S Lowy, Mr S M Lowy, Mr J B Studdy AM, Mr F T Vincent, Dr G H Weiss, Mr D R Wills AO and Ms C M Zampatti AM.

Auditor's Independence Declaration

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



Auditor's Independence Declaration to the Directors of Westfield America Management Limited

In relation to our audit of the financial report of Westfield America Trust for the half year ended 30 June 2006, 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.

A handwritten signature in cursive script that reads 'Ernst & Young'.

Ernst & Young

A handwritten signature in cursive script, likely belonging to Chris Westworth.

Chris Westworth
Partner
Sydney
29 August 2006

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

A handwritten signature in cursive script, likely belonging to F P Lowy.

F P Lowy, AC
Chairman

29 August 2006

A handwritten signature in cursive script, likely belonging to Professor F G Hilmer.

Professor F G 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
100 William Street
Sydney NSW 2011
Telephone: +61 2 9358 7000
Facsimile: +61 2 9358 7077

United States Office

12th Floor
11601 Wilshire Boulevard
Los Angeles California 90025
Telephone: +1 310 478 4456
Facsimile: +1 310 478 1267

New Zealand Office

Level 2, Office Tower
277 Broadway
Newmarket, Auckland
Telephone: +64 9 978 5050
Facsimile: +64 9 978 5070

United Kingdom Office

6th Floor, MidCity Place
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

Investor Information

Westfield Holdings Limited
Level 24, Westfield Towers
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Telephone: +61 2 9358 7877
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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