

27 February 2007



Westfield Group

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

Dear Sir/Madam

**RE: WESTFIELD GROUP (ASX: WDC)
PRELIMINARY FINAL RESULT – PERIOD ENDED 31 DECEMBER 2006**

Please find attached Media Release, Results Overview, Results Presentation and Appendix 4E in relation to the above.

Yours faithfully
WESTFIELD GROUP

A handwritten signature in black ink, appearing to be "S. Tuxen", written over a horizontal line.

**Simon Tuxen
Company Secretary**

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



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Westfield Group

Annual Results Presentation & Preliminary Final Report

For the Year Ended 31 December 2006

Image: the Dome, Westfield San Francisco

2006

27 February 2007

WESTFIELD GROUP ANNOUNCES STRONG OPERATIONAL AND DEVELOPMENT EARNINGS

The Westfield Group (ASX:WDC) today announced its full year results, reporting Operational segment earnings for the year ended 31 December 2006 of \$1.65 billion, up 8.5% over the prior year (on a constant currency basis). This represents an increase of 6.0% on a fully diluted basis.

Net profit for the year was \$5.58 billion, which includes property revaluations and mark to market adjustments. The distribution for the year was \$1.87 billion representing 106.5 cents per security.

Assets were revalued during the year resulting in a \$5.1 billion increase, which includes \$950 million of development gains recognised in 2006 from developments completed during the year. The value increase across the balance of the portfolio was driven by increased income and yield compression.

Westfield Group Managing Directors, Peter Lowy and Steven Lowy, said "This result highlights the strength of Westfield's business model. The two key contributing factors to the overall result for the year were a solid operational performance across the global portfolio and the successful delivery of 12 development projects. We continue to operate in a solid retail environment in all markets with strong demand for retail space in both our existing centres and development projects."

In 2006 the Group completed \$2.0 billion of development projects (Westfield Group investment - \$1.6 billion) in the United States, Australia and New Zealand. These projects delivered significant investment returns, achieving a weighted average income yield of 9.6%, and development gain on completion of \$1.1 billion.

Major development projects completed in 2006 include San Francisco Centre, Century City and Topanga in Los Angeles, Chermside in Brisbane and Liverpool and Parramatta in Sydney.

At year end there were 15 projects underway at a forecast investment of \$6.6 billion, with the Group's share being \$4.6 billion. This included \$1.5 billion of developments commenced during 2006.

Highlights for the year include:

- Close to 100% occupancy in Australia, New Zealand and the United Kingdom. In the US, the portfolio was 94.5% leased at year end.
- Comparable shopping centre net operating income growth of 5.7% in Australia and New Zealand, 3.0% in the United States and 6.3% in the United Kingdom.
- Positive growth in specialty retail sales in the United States, Australia, New Zealand and the United Kingdom.

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For further information please contact Julia Clarke on +61 2 9358 7426

- Strong leasing activity with almost 4,000 lease deals completed globally, representing approximately 670,000 square metres of specialty store space – equivalent to approximately the specialty area in 18 to 20 super regional malls.
- The execution of new major store deals in Australia with Coles, Myer and David Jones; in the United Kingdom with John Lewis, House of Fraser and Debenhams; and in the United States with Federated, Nordstrom, Target and JC Penney.
- The acquisition of \$1.3 billion of property interests – including a 50% interest in Cairns Central in Queensland; the remaining 75% interest in Stratford City in London; and the ground lease for Westfield Southcenter in Seattle, Washington.
- The disposal of 8 non-core assets in the United States for US\$550 million.
- The raising of approximately \$2.6 billion from the sale of a 50% joint venture interest in the Merry Hill shopping centre, United Kingdom to Queensland Investment Corporation for £524 million and the issue of \$1.25 billion of Property Linked Notes (settled post balance date).

Outlook

The Group has interests in 121 shopping centres across Australia, the United States, the United Kingdom and New Zealand with a gross value of approximately \$60.7 billion and encompassing 22,750 retail outlets. The size and quality of the portfolio with its geographic diversity, combined with the Group's intensive management, continues to provide the foundation for sustainable income and capital growth.

"Focus will remain on the Group's development program, with the scheduled commencement of \$1.5 - 2.0 billion of new development projects in 2007 of which approximately \$1 billion has already commenced, and the efficient recycling and use of capital to fund this investment", Mr Lowy said.

The distribution for the 2006 year included a capital component for the first half of \$128 million. In accordance with the Group's Distribution Policy, the Group ceased to distribute these project profits from 1 July 2006.

For 2007, the Group is targeting a distribution of 106.5 cents per security which will be met by an increase in operational segment earnings.

ENDS

The Westfield Group (ASX Code: WDC) is an internally managed, vertically integrated, shopping centre group undertaking ownership, development, design, construction, funds/asset management, property management, leasing and marketing activities and employing in excess of 4,000 staff worldwide. It has investment interests in 121 shopping centres in four countries, with a total value in excess of A\$60 billion and is the largest retail property group in the world by equity market capitalisation.

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Westfield Group

Results Overview for the Year Ended 31 December 2006

1. Financial Highlights

	31 Dec 06	31 Dec 05		31 Dec 06	31 Dec 05
Net Property Income	\$2,588 m	\$2,449 m	Total Assets	\$48,882 m	\$43,051 m
Profit After Tax	\$5,583 m	\$4,247 m	Total Liabilities	\$25,429 m	\$23,585 m
Distribution	\$1,871 m	\$1,828 m	Net Assets	\$23,453 m	\$19,466 m
Distribution per security	106.50 cents	106.57 cents	Gearing	38.4% ¹	41.4% ¹

Westfield Group net profit was \$5,583 million for the year to 31 December 2006 (\$4,247 million for the year to 31 December 2005). The distribution of \$1,871 million (106.50 cents per security) compares to the distribution paid of \$1,828 million (106.57 cents per security) for the year to 31 December 2005.

Total income for the year including net contribution from equity accounted entities was \$8,868 million (31 December 2005: \$6,658 million) with property income of \$3,814 million (31 December 2005: \$3,565 million) and property revaluation gains of \$5,138 million (31 December 2005: \$3,192 million). This includes \$950 million of development gains from projects completed during the year. Profit after tax of \$5,583 million (31 December 2005: \$4,247 million) also included \$489 million (31 December 2005: \$395 million) of deferred tax provision mainly in relation to the revaluation gains.

Operational segment earnings for the year were \$1,651 million, an 8.5% increase from \$1,522 million for the comparative period last year (on a constant currency basis). Operational segment earnings per security was 94.0 cents, an increase of 6.0% (on a constant currency basis).

Total assets have increased since 31 December 2005 from \$43.1 billion to \$48.9 billion, while the gross value of property investments under management (including joint venture interests) rose by 16% from \$52.5 billion to \$60.7 billion.

¹ Gearing as measured under the Group's global bond offerings.

The weighted average cap rate of the property portfolio in each region as at 31 December 2006 was: Australia 5.6% (31 December 2005: 6.4%), United States 6.3% (31 December 2005: 6.7%), United Kingdom 5.1% (31 December 2005: 5.2%), and New Zealand 6.7% (31 December 2005: 7.8%), reflecting a general firming of the balance sheet cap rates during the period.

During the year to 31 December 2006, the Group raised US\$1.5 billion from US debt markets: US\$600 million 6-year fixed rate senior guaranteed notes with a coupon of 5.4%, and US\$900 million 10-year fixed rate senior guaranteed notes with a coupon of 5.7%.

The Group also raised approximately \$3 billion through:

- the issue of Property Linked notes to the value of \$1.25 billion. The notes are designed to provide returns based on the economic performance of the following Westfield super regional and regional shopping centres: Parramatta, Hornsby and Burwood in Sydney, Southland in Melbourne, Tea Tree Plaza in Adelaide and Belconnen in the ACT (settled post balance date).
- the sale of a 50% joint venture interest in the Merry Hill shopping centre and surrounding development land for £524 million to Queensland Investment Corporation.
- the disposal of 8 non-core assets in the United States for US\$550 million.

During the period, the Group issued \$416 million of new equity comprising \$322 million from the Group's distribution re-investment plan, and \$94 million from the conversion of convertible bonds.

The Group's gearing level at 31 December 2006 (determined using the methodology required under the Group's bond issues), was 38.4% (31 December 2005: 41.4%). Based on equity market capitalisation of \$39.1 billion² (31 December 2005: \$33.4 billion²), net debt to total market capitalisation was 29.2% (31 December 2005: 31.6%).

The total distribution for the year of 106.5 cents per security comprises the interim distribution of 54.5 cents paid in August 2006 and the final distribution of 52 cents to be paid on 28 February 2007.

² Based on WDC share price at 31 December 2006 of \$20.99 (31 December 2005 \$18.16) and conversion of convertible securities.

2. Operational Highlights

Australia and New Zealand

	31 Dec 06	31 Dec 05		31 Dec 06	31 Dec 05
Net Property Income	\$1,187 m	\$1,096 m	Annual Retail Sales	\$20.3 bn	\$18.7 bn
Group Property Investments	\$21.6 bn	\$17.3 bn	Retail Outlets	13,000	12,300
Centres	55	54	GLA (m sqm)	3.8	3.7

The Australian and New Zealand operations contributed net property income of \$1,187 million for the year to 31 December 2006 (\$1,096 million for the year to 31 December 2005) which includes comparable mall income growth of approximately 5.7%. 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 year of 5.4%.

Retail sales in the Group's 44 Australian centres were \$18.7 billion for the year to 31 December 2006. On a comparable basis, sales increased 3.7% with specialty store sales up 4.5%. Retail sales at the Group's 11 shopping centres in New Zealand increased 3.1% to NZ\$1.8 billion for the year to 31 December 2006. On a comparable basis, specialty store sales were up 2.7%.

United Kingdom

	31 Dec 06	31 Dec 05		31 Dec 06	31 Dec 05
Net Property Income	£57 m	£67 m	Retail Outlets	750	800
Group Property Investments	£1.0 bn	£1.4 bn	GLA (m sqm)	0.3	0.3
Centres	7	7			

Property income from the UK operations was £57 million for the year to 31 December 2006 (£67 million for the year to 31 December 2005). This reflects like for like mall income growth of 6.3%, primarily attributed to the performance of the Merry Hill centre near Birmingham and CastleCourt centre in Belfast, offset by the impact of the sale of the Brunel Centre in Swindon and the Millgate Centre in Bury during 2005, and the sale of a 50% interest in Merry Hill in December 2006. At 31 December 2006, the portfolio was in excess of 99% leased.

Retail sales growth continues to be positive with total sales up 4.4% and comparable sales up 2.5% for the year to 31 December 2006.

United States

	31 Dec 06	31 Dec 05		31 Dec 06	31 Dec 05
Net Property Income	US\$950 m	US\$910 m	Annual Retail Sales		
			- specialties	US\$7.4 bn	US\$7.3 bn
Group Property Investments	US\$15.6 bn	US\$13.9 bn	Retail Outlets	9,000	9,400
Centres	59	67	GLA (m sqm)	6.1	6.6

The United States operations contributed net property income of US\$950 million (US\$910 million for the year to 31 December 2005) with comparable mall income growth of 3.0%. Total specialty store sales were similar to last year due to the sale of 8 non-core assets.

Average specialty retail sales, in the Group's US centres, were US\$455 per square foot with comparable growth of 4.6% for the period. The Group's sales performance in the regions was strong with the West Coast up 4.8%, East Coast up 4.0% and Mid West up 2.6% (on a 12 month comparable basis).

At 31 December 2006 the portfolio was 94.5% leased, slightly lower than last year. New leases totalling 3.2 million square feet were completed during the year. New mall shop rents at US\$51.99 per square foot represent a 31.6% increase over expiring rents and includes the positive impact of new projects. The average rent across the entire portfolio at December 2006 was US\$42.57 per square foot - up 4.9% for the year to 31 December 2006 (on a comparable basis).

3. Development Highlights

At 31 December 2006 the Group had 15 development projects under construction at a forecast cost of \$6.6 billion (Westfield Group share \$4.6 billion) – 3 in Australia and New Zealand, 2 in the United Kingdom and 10 in the United States.

Australia and New Zealand

In Australia, during the year to 31 December 2006, the Group completed the \$109 million redevelopment of Westfield Parramatta; and the \$205 million redevelopment of Westfield Liverpool in Sydney; and the \$200 million redevelopment of Westfield Chermside in Brisbane, with the introduction of a new David Jones Department Store scheduled to open in the 3rd quarter of 2007.

In New Zealand, the Group completed 2 projects in 2006. These were the NZ\$40 million redevelopment project at Chartwell in Hamilton and the NZ\$33 million project at Newmarket in Auckland.

The total value of projects under construction in Australia and New Zealand is as follows:

	31 Dec 06
Number of Projects	3
Estimated Total Cost	\$510 m
Yield Range	9.2% - 9.5%

The Group commenced 2 new Australian projects in 2006. These are the \$170 million development at Westfield Kotara in Newcastle and the \$155 million redevelopment of North Lakes in Brisbane. These projects remain on schedule with completions in late 2007.

In New Zealand, during 2006, the Group commenced construction on a NZ\$210 million greenfield development at Albany in Auckland, which is scheduled for completion in the fourth quarter of 2007.

At 31 December 2006, the target weighted average yield range of the projects under construction in Australia and New Zealand is 9.2% to 9.5%.

Currently, there are 5 projects under construction in Australia, with the recent commencement of three new projects in Victoria at a cost of approximately \$1 billion in 2007. These projects are the redevelopment of Doncaster and Plenty Valley in Melbourne and the redevelopment of Bay City in Geelong.

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All dollar amounts in Australian Dollars, unless otherwise stated.

During the first half of the year, Westfield Group obtained Stage 1 development approval for the Group's proposed retail and commercial plan for the Sydney CBD project.

In July, the Group announced 3 new department store deals with David Jones, including Chermiside. The other new stores will be located at Westfield Burwood, Sydney in the existing space occupied by Myer, and Westfield Doncaster, Melbourne as part of the redevelopment which commenced in early 2007.

United Kingdom

The total value of current projects under construction in the United Kingdom is as follows:

	31 Dec 06	Yield Range
Derby	£340 m	8.25% - 8.75%
London	£1,600 m	5.25% - 5.75%

The Group's first development in the United Kingdom, the £340 million redevelopment of Westfield Derby is progressing well and, as announced in our 2006 half year results, is expected to be some 6 months ahead of the original schedule, with completion due in late 2007. The initial yield on the project, as announced in August 2006, has been reforecast to be in the range of 8.25 – 8.75%, which is also ahead of our original expectations.

The £1.6 billion development of Westfield London in west London is estimated to be substantially complete in late 2008. The Group's total investment in this project is expected to be approximately £1.0 billion with a yield range on completion of 5.25% to 5.75%. Westfield London is set to become one of the Group's global flagship developments. During 2006, a number of key project milestones were achieved including:

- Westfield taking over responsibility for the design, development and construction of the project;
- the commitment of all 6 retail anchors who will each create flagship stores; and
- the substantial completion of works on the new rail sidings at year end which have now been completed and handed over to the London Underground.

With over 150,000 square metres of retail and leisure space, Westfield London will be the largest shopping centre in greater London, and together with our site at Stratford City, provides a unique opportunity for Westfield to gain a major presence in the London market.

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During the year, the Group acquired the remaining 75% interest in the Stratford City development in east London for approximately £140 million. The Group acquired its initial 25% interest in Stratford City as part of the Duelguide acquisition in November 2004. Stratford City is adjacent to the site for the 2012 London Olympic Games. The site has planning approval for 2 million square feet of retail.

Work continues to progress with future developments at Stratford (London), Merry Hill (near Birmingham), Sprucefield (Lisburn), Bradford, Guildford and Nottingham.

United States

During the year to 31 December 2006, the Group successfully completed the US\$460 million (Westfield's share – US\$230 million) redevelopment of San Francisco Centre in downtown San Francisco. Also completed in 2006 were the US\$300 million expansion of Westfield Topanga, and the US\$170 million Westfield Century City redevelopment, in Los Angeles.

A summary of the current projects under construction in the United States as at 31 December 2006 is as follows:

	31 Dec 06
Number of Projects	10
Estimated Total Cost	US\$1,050 m
Yield Range	9.9% - 10.4%

The Group commenced 5 new projects during 2006. These include the US\$150 million redevelopment of Annapolis in Maryland scheduled for completion in the fourth quarter of 2007; the US\$80 million expansion at Plaza Bonita in San Diego, California, due for completion in the first quarter of 2008; the US\$240 million development of Westfield Galleria at Roseville, near Sacramento, and the US\$230 million redevelopment of Southcenter in Seattle, Washington scheduled for completion in the first quarter of 2009.

During the year, the Group 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 owned by Westfield and leased to May Company and the remaining 4 stores were acquired for US\$30.5 million. This transaction provides the Group with the opportunity for 18 new developments with over \$2 billion of new projects to be started over the next 4 years.

ENDS

Westfield Group Preliminary Final Report

For the year ended 31 December 2006

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Appendix 4E

Preliminary Final Report

under ASX listing rule 4.3A

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

12 months ended 31 December 2006

Previous reporting period

12 months ended 31 December 2005

Introduction

This financial report should be read in conjunction with the annual financial report of the Westfield Group as at 31 December 2005. It is also recommended that the financial report be considered together with any public announcements made by the Westfield Group during the 12 months ended 31 December 2006 in accordance with the continuous disclosure obligations arising under the Corporations Act 2001.

Results for announcement to the market (A\$ million)

	12 months 31 Dec 06	12 months 31 Dec 05		
Revenue and other income* (excluding property revaluation)	4,065.8	3,754.2	up	8.3 %
Property revaluation - consolidated	4,581.4	2,839.9	up	61.3 %
- equity accounted	556.1	352.5	up	57.8 %
Total revenue and other income	9,203.3	6,946.6	up	32.5 %
Profit from ordinary activities after tax expense attributable to stapled security holders of the Westfield Group	5,583.1	4,247.2	up	31.5 %

* Primarily rental revenue and third party property management and development revenue.

Dividends/distributions

	Cents per security		
	WDC	WDCNA	
	Ordinary securities	DRP securities	
Dividends/distributions for the year ended 31 December 2006	106.50	n/a	
Interim dividends/distributions for the six months ended 31 December 2006 paid on 31 August 2006	54.50	n/a	
Final dividends/distributions proposed for the six months ended 31 December 2006, to be paid on 28 February 2007, comprising	52.00	34.48	
- dividend in respect of a WHL share	3.64	2.41	60% franked *
- distribution in respect of a WT unit	18.96	12.57	53% estimated tax advantaged *
- distribution in respect of a WAT unit	29.40	19.50	46% estimated tax advantaged *
* Percentage franked and estimated percentage tax advantaged apply to both the interim and final WHL dividend, WT and WAT distributions.			
Record date for determining entitlements to the final dividends/distributions	5.00 pm	13 February 2007	

Commentary and analysis of the results for the current period can be found in the attached Westfield Group media release dated 27 February 2007. This media release forms part of the Appendix 4E.

Amounts in this report shown as 0.0 represent amounts less than \$50,000 that have been rounded.

WESTFIELD GROUP

INCOME STATEMENT

for the year ended 31 December 2006

	Note	31 Dec 06 \$million	31 Dec 05 \$million
Revenue and other income			
Property revenue		3,403.9	3,089.0
Property revaluation		4,581.4	2,839.9
Property development and project management revenue		328.2	266.9
Property and funds management income		55.0	50.7
		8,368.5	6,246.5
Share of after tax profits of equity accounted entities			
Property revenue		410.3	475.6
Property revaluation		556.1	352.5
Profit on disposal of assets		-	23.4
Property expenses and outgoings		(119.7)	(123.3)
Interest and tax expense		(49.8)	(148.3)
	13(b)	796.9	579.9
Currency derivatives	7	-	44.8
Profit on disposal of assets	8	20.9	58.4
Interest income		17.0	17.0
Total revenue and other income		9,203.3	6,946.6
Expenses			
Property expenses and outgoings		(1,107.0)	(992.4)
Property development and project management costs		(289.8)	(248.7)
Property and funds management costs		(28.0)	(22.6)
Corporate costs		(32.2)	(26.5)
		(1,457.0)	(1,290.2)
Goodwill on acquisitions (due to the recognition of deferred tax liabilities) written off		(104.1)	(56.8)
Currency derivatives	7	(230.6)	-
Financing costs			
- interest bearing liabilities		(781.7)	(590.9)
- other financial liabilities		(434.3)	(268.0)
	9	(1,216.0)	(858.9)
Total expenses		(3,007.7)	(2,205.9)
Profit before tax expense and minority interests		6,195.6	4,740.7
Tax expense	10	(559.5)	(472.0)
Profit after tax expense for the period		5,636.1	4,268.7

WESTFIELD GROUP

INCOME STATEMENT

for the year ended 31 December 2006

	31 Dec 06 \$million	31 Dec 05 \$million
Profit after tax expense for the period	5,636.1	4,268.7
Less: net profit attributable to minority interests		
- Westfield Trust unit holders ("WT")	(4,397.8)	(1,906.1)
- Westfield America Trust unit holders ("WAT")	(992.5)	(1,890.1)
- external	(53.0)	(21.5)
Net profit attributable to Members of Westfield Holdings Limited ("WHL")	192.8	451.0
Net profit attributable to stapled security holders of the Westfield Group analysed by amounts attributable to:		
Westfield Holdings Limited security holders	192.8	451.0
Westfield Trust unit holders	4,397.8	1,906.1
Westfield America Trust unit holders	992.5	1,890.1
Net profit attributable to stapled security holders of the Westfield Group	5,583.1	4,247.2
	cents	cents
Basic earnings per Westfield Holdings Limited share	10.98	26.29
Diluted earnings per Westfield Holdings Limited share	10.92	26.09
Basic earnings per stapled security	317.85	247.57
Diluted earnings per stapled security	317.83	247.53

WESTFIELD GROUP

DIVIDEND/DISTRIBUTION STATEMENT

for the year ended 31 December 2006

	Note	31 Dec 06 \$million	31 Dec 05 \$million
Operational segment result (excluding property revaluation) attributable to stapled security holders of the Westfield Group	14	2,665.2	2,425.5
Adjusted for items relating to the operational segment but not included in the operational segment:			
Net interest expense		(1,005.3)	(893.2)
Minority interest - external		(53.0)	(21.5)
Revaluation of investment properties included in minority interests - external		44.5	13.9
Operational profit attributable to stapled security holders available for distribution		1,651.4	1,524.7
Other items available for distribution			
Exchange differences in respect of the hedging of offshore operational profit		170.9	192.2
Project profits to 30 June 2006		128.0	175.8
Less: amount retained		(79.6)	(64.5)
Income to be distributed		1,870.7	1,828.2
Weighted average number of stapled securities on issue for the period		1,756.5	1,715.5
Distributable income per stapled security for the year ended 31 December 2006 (cents)		106.50	106.57
Comprising distributable income per stapled security for:			
- the six months ended 30 June 2006 (cents)		54.50	51.07
- the six months ended 31 December 2006 (cents)		52.00	55.50
Dividend/distribution paid/proposed ⁽ⁱ⁾		1,872.1	1,838.3
Weighted average number of stapled securities entitled to distribution at 31 December 2006		1,757.8	1,725.0
Dividend/distribution per stapled security for the year ended 31 December 2006 (cents)		106.50	106.57
Comprising dividend/distribution per stapled security for:			
- the six months ended 30 June 2006 (cents)		54.50	51.07
- the six months ended 31 December 2006 (cents)		52.00	55.50

⁽ⁱ⁾ The dividend/distribution proposed of \$1,872.1 million includes a \$1.4 million cum-dividend/distribution component in respect of stapled securities that were issued during the period with full dividend/distribution entitlement.

WESTFIELD GROUP
BALANCE SHEET
as at 31 December 2006

	Note	31 Dec 06 \$million	31 Dec 05 \$million
Current assets			
Cash and cash equivalents	6(a)	246.9	199.5
Trade receivables		53.2	44.3
Investment properties	1	149.8	-
Derivative assets		218.8	327.4
Receivables		195.2	134.3
Inventories		20.5	27.4
Tax receivable		18.2	27.8
Prepayments and deferred costs		91.5	75.8
Total current assets		994.1	836.5
Non current assets			
Investment properties	1	40,740.1	37,623.1
Equity accounted investments	13(c)	5,410.2	3,467.7
Other investments		114.9	121.5
Derivative assets		983.3	459.8
Property, plant and equipment		242.7	182.0
Receivables		59.6	33.9
Deferred tax assets		33.4	66.2
Prepayments and deferred costs		303.4	260.1
Total non current assets		47,887.6	42,214.3
Total assets		48,881.7	43,050.8
Current liabilities			
Payables		1,208.7	1,169.1
Interest bearing liabilities	2	1,135.9	1,778.8
Tax payable		38.0	77.4
Derivative liabilities		42.2	17.8
Total current liabilities		2,424.8	3,043.1
Non current liabilities			
Payables		44.8	48.0
Interest bearing liabilities	2	17,425.8	16,026.1
Other financial liabilities		1,997.4	1,752.8
Deferred tax liabilities		2,773.4	2,233.1
Derivative liabilities		586.2	349.5
Total non current liabilities		22,827.6	20,409.5
Total liabilities		25,252.4	23,452.6
Net assets		23,629.3	19,598.2

WESTFIELD GROUP
BALANCE SHEET
as at 31 December 2006

	Note	31 Dec 06 \$million	31 Dec 05 \$million
Equity attributable to Members of Westfield Holdings Limited			
Contributed equity	3	908.1	857.6
Reserves	4	(20.0)	(3.1)
Retained profits	5	836.8	715.0
Total equity attributable to Members of Westfield Holdings Limited		1,724.9	1,569.5
Equity attributable to minority interests - Westfield Trust and Westfield America Trust unit holders			
Contributed equity	3	12,026.8	11,661.8
Reserves	4	486.2	561.4
Retained profits	5	9,215.1	5,673.7
Total equity attributable to minority interests - Westfield Trust and Westfield America Trust unit holders		21,728.1	17,896.9
Equity attributable to minority interests - external			
Contributed equity		94.0	94.0
Retained profits		82.3	37.8
Total equity attributable to minority interests - external		176.3	131.8
Total equity attributable to minority interests		21,904.4	18,028.7
Total equity		23,629.3	19,598.2
Equity attributable to stapled security holders of the Westfield Group analysed by amounts attributable to:			
Westfield Holdings Limited security holders		1,724.9	1,569.5
Westfield Trust and Westfield America Trust unit holders		21,728.1	17,896.9
Total equity attributable to stapled security holders of the Westfield Group		23,453.0	19,466.4

WESTFIELD GROUP

STATEMENT OF CHANGES IN EQUITY

for the year ended 31 December 2006

	31 Dec 06 \$million	31 Dec 05 \$million
Changes in equity attributable to Members of the Westfield Group		
Opening balance of equity	19,466.4	16,241.0
<u>Contributed equity</u>		
- Application of AASB 132 and 139 effective 1 January 2005 ⁽ⁱⁱⁱ⁾	-	74.0
- Dividend/distribution reinvestment plan	321.8	466.2
- Conversion of options	93.7	627.2
<u>Foreign currency translation reserve</u>		
- Application of AASB 132 and 139 effective 1 January 2005 ⁽ⁱⁱⁱ⁾	-	11.8
- Net exchange difference on translation of foreign operations ^{(i) (ii)}	(92.1)	(3.1)
<u>Retained profits</u>		
- Application of AASB 132 and 139 effective 1 January 2005 ⁽ⁱⁱⁱ⁾	-	(451.8)
- Dividend/distribution paid	(1,919.9)	(1,746.1)
Net adjustments recognised directly in equity	(1,596.5)	(1,021.8)
Net profit attributable to stapled security holders of the Westfield Group ^{(i) (ii)}	5,583.1	4,247.2
Closing balance of equity attributable to Members of the Westfield Group	23,453.0	19,466.4
Changes in equity attributable to external Minority Interests		
Opening balance of equity attributable to external Minority Interests	131.8	652.0
Application of AASB 132 and 139 effective 1 January 2005 ⁽ⁱⁱⁱ⁾	-	(534.1)
Profit after tax expense for the period	53.0	21.5
Dividends/distributions paid or provided for	(8.5)	(7.6)
Closing balance of equity attributable to external Minority Interests	176.3	131.8
Total Equity	23,629.3	19,598.2

- (i) Total income and expenses for the period attributable to Members of the Westfield Group, including amounts recognised directly in equity, is \$5,491.0 million (31 December 2005: \$4,244.1 million), being profit after tax expense for the period of \$5,583.1 million (31 December 2005: \$4,247.2 million) and the net exchange loss on translation of foreign operations of \$92.1 million (31 December 2005: loss \$3.1 million).
- (ii) Total income and expenses for the period attributable to Members of the Westfield Group includes income and expenses attributable to Members of WT and WAT, including amounts recognised directly in equity, of \$5,315.1 million (31 December 2005: \$3,757.9 million), being profit after tax expense for the period of \$5,390.3 million (31 December 2005: \$3,796.2 million) and the net exchange loss on translation of foreign operations of \$75.2 million (31 December 2005: loss \$38.3 million).
- (iii) The Group 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 GROUP

CASH FLOW STATEMENT

for the year ended 31 December 2006

	Note	31 Dec 06 \$million	31 Dec 05 \$million
Cash flows from operating activities			
Receipts in the course of operations (including GST)		3,898.7	3,547.3
Payments in the course of operations (including GST)		(1,470.7)	(1,397.9)
Settlement of currency derivatives		143.6	151.2
Dividends/distributions received from equity accounted associates		243.1	208.7
Income and withholding taxes paid		(110.3)	(117.7)
Goods and services taxes paid		(170.0)	(131.0)
Net cash flows from operating activities	6(b)	2,534.4	2,260.6
Cash flows from investing activities			
Acquisition of property investments		(851.4)	(1,139.7)
Payments of capital expenditure for property investments		(1,545.0)	(1,152.9)
Proceeds from the sale of property investments		1,915.3	18.5
Proceeds from the sale of other investments		-	534.2
Net payments for investments in equity accounted investments		(305.4)	(2,536.7)
Net proceeds from the sale of property assets by equity accounted entities		-	157.6
Payments for the purchases of property, plant and equipment		(81.4)	(83.2)
Proceeds from sale of property, plant and equipment		-	27.9
Net cash flows used in investing activities		(867.9)	(4,174.3)
Cash flows from financing activities			
Proceeds from the issues of securities		394.2	977.4
Extinguishment of share option		-	(22.5)
Net proceeds from interest bearing liabilities		1,083.2	3,400.3
Financing costs		(1,144.7)	(912.5)
Interest received		17.4	18.1
Settlement of foreign currency loans and swaps		(26.4)	116.4
Dividends/distributions paid		(1,919.9)	(1,746.1)
Dividends/distributions paid by controlled entities to minority interests		(8.1)	(7.4)
Net cash flows from financing activities		(1,604.3)	1,823.7
Net increase / (decrease) in cash held		62.2	(90.0)
Add opening cash brought forward		171.3	220.9
Initial cash contributed by Duelguide Plc on consolidation from equity accounted entities		-	41.1
Effects of exchange rate changes on opening cash brought forward		(0.3)	(0.7)
Cash and cash equivalents at the end of the year	6(a)	233.2	171.3

WESTFIELD GROUP

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2006

	31 Dec 06 \$million	31 Dec 05 \$million
1 Investment properties		
Current		
Shopping centre investments	149.8	-
	149.8	-
Non current		
Shopping centre investments	37,161.7	35,067.5
Redevelopment projects and development properties	3,578.4	2,555.6
	40,740.1	37,623.1
Movement in investment properties		
Balance at the beginning of the year	37,623.1	27,779.8
Acquisition of properties	1,107.9	1,277.9
Disposal of properties	(2,107.5)	(12.5)
Transfer (to) / from equity accounted investment properties	(1,178.4)	3,384.0
Redevelopment costs	1,995.0	1,461.5
Net revaluation increment	4,581.4	2,839.9
Retranslation of foreign operations	(1,131.6)	892.5
Balance at the end of the year	40,889.9	37,623.1
2 Interest bearing liabilities		
Current		
Unsecured		
Bank overdraft	13.7	28.2
Bank loans	15.0	857.6
Notes payable - A\$	271.6	446.4
Notes payable - US\$	633.2	-
Secured		
Bank loans	202.4	446.6
	1,135.9	1,778.8
Non current		
Unsecured		
Bank loans	4,578.2	3,747.9
Commercial paper	19.8	240.0
Notes payable		
- US\$	4,559.3	3,548.6
- £	1,490.7	1,413.4
- €	1,000.8	971.1
- A\$	543.8	815.4
Finance leases	92.1	138.7
Secured		
Bank loans	5,141.1	5,118.0
Other		
	-	33.0
	17,425.8	16,026.1

WESTFIELD GROUP

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2006

	31 Dec 06 \$million	31 Dec 05 \$million
3 Contributed Equity		
of the Parent Company	908.1	857.6
of WT and WAT	12,026.8	11,661.8
of the Westfield Group	12,934.9	12,519.4
Movement in contributed equity attributable to members of the Westfield Group		
Balance at the beginning of the year	12,519.4	11,352.0
Application of AASB 132 and 139 effective 1 January 2005	-	74.0
Dividend/distribution reinvestment plan	321.8	466.2
Conversion of options	93.7	627.2
Balance at the end of the year	12,934.9	12,519.4
4 Reserves		
of the Parent Company	(20.0)	(3.1)
of WT and WAT	486.2	561.4
of the Westfield Group	466.2	558.3
Total reserves of the Westfield Group		
Foreign currency translation reserve	466.2	558.3
Balance at the end of the year	466.2	558.3
Movement in foreign currency translation reserve		
The foreign currency translation reserve is to record net exchange differences arising from the translation of financial statements of foreign controlled entities and the net investments hedged in these entities.		
Balance at the beginning of the year	558.3	549.6
Application of AASB 132 and 139 effective 1 January 2005	-	11.8
Foreign exchange movement		
- translation of foreign entities, currency loans and derivatives	(74.0)	(16.3)
- tax effect	(18.1)	13.2
Balance at the end of the year	466.2	558.3

WESTFIELD GROUP

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2006

	31 Dec 06 \$million	31 Dec 05 \$million
5_Retained profits		
of the Parent Company	836.8	715.0
of WT and WAT	9,215.1	5,673.7
of the Westfield Group	10,051.9	6,388.7
Movement in retained profits		
Balance at the beginning of the year	6,388.7	4,339.4
Application of AASB 132 and 139 effective 1 January 2005	-	(451.8)
Profit after tax expense and external Minority Interests	5,583.1	4,247.2
Dividends paid	(1,919.9)	(1,746.1)
Balance at the end of the year	10,051.9	6,388.7
6(a)_Components of cash and cash equivalents		
Cash	246.9	199.5
Overdrafts and short term loans	(13.7)	(28.2)
Total cash and cash equivalents	233.2	171.3
6(b)_Reconciliation of profit after tax expense to net cash flows from operating activities		
Profit after tax expense	5,636.1	4,268.7
Property revaluation	(4,581.4)	(2,839.9)
Share of associates profit in excess of dividend/distribution	(553.8)	(371.2)
Goodwill on acquisitions due to the recognition of deferred tax liabilities written off	104.1	56.8
Deferred tax expense	489.2	395.0
Mark to market of forward exchange contracts	374.2	106.4
Borrowing costs	1,216.0	858.9
Interest income	(17.0)	(17.0)
Profit on disposal of non current assets	(20.9)	(58.4)
Increase in other assets attributable to operating activities	(112.1)	(138.7)
Net cash flows from operating activities	2,534.4	2,260.6
7_Currency derivatives		
Gains/losses on currency derivatives (excluding mark to market of derivatives not qualifying for hedge accounting)	68.3	79.5
Mark to market of derivatives	(298.9)	(34.7)
	(230.6)	44.8
8_Profit on disposal of assets		
Revenues from asset sales	2,110.3	587.9
Cost of assets sold	(2,074.9)	(529.5)
Capital costs written off	(14.5)	-
	20.9	58.4

WESTFIELD GROUP

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2006

	31 Dec 06 \$million	31 Dec 05 \$million
9_Financing costs		
Gross financing costs (excluding mark to market of interest rate hedges that do not qualify for hedge accounting)	(980.8)	(702.6)
Financing costs capitalised to construction projects	147.8	57.4
Financing costs	(833.0)	(645.2)
Finance leases interest expense	(7.6)	(7.6)
Mark to market of interest rate hedges that do not qualify for hedge accounting	(5.5)	12.2
Interest expense of other financial liabilities	(51.9)	(51.6)
Mark to market of other financial liabilities	(318.0)	(166.7)
	(1,216.0)	(858.9)
10_Tax expense		
Current - underlying tax	(63.1)	(70.3)
Current - tax on sale of assets	(7.2)	(6.7)
Deferred	(489.2)	(395.0)
	(559.5)	(472.0)
11_Significant items		
Profit before tax and minority interests includes the following significant items. The disclosure of these items is relevant in explaining the financial performance of the business.		
Property revaluation	4,581.4	2,839.9
Equity accounted property revaluation	556.1	352.5
Profit on disposal of assets	20.9	58.4
Profit on disposal of equity accounted assets	-	23.4
Goodwill on acquisitions (due to the recognition of deferred tax liabilities) written off	(104.1)	(56.8)
Mark to market of interest rate hedges that do not qualify for hedge accounting	(5.5)	12.2
Mark to market of other financial liabilities	(318.0)	(166.7)
	4,730.8	3,062.9

12_Events after the Balance Sheet date

Since the end of the year, the Group has issued \$1,262.9 million Property Linked Notes ("Notes") to global financial institutions. The liability in respect of the Notes is based on the independently appraised market values of the six relevant Australian shopping centres as recorded in these financial statements.

WESTFIELD GROUP

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2006

Name of entity	Type of equity	Balance Date	Economic interest		Carrying value	
			31 Dec 06	31 Dec 05	31 Dec 06 \$million	31 Dec 05 \$million
13(a)_Equity accounted entities carrying value						
Australian investments ⁽ⁱ⁾						
AMP Wholesale Shopping Centre Trust	Trust units	30 Jun	10.0%	10.0%	65.2	54.7
Cairns	Trust units	30 Jun	50.0%	-	170.0	-
Karrinyup	Trust units	30 Jun	25.0%	25.0%	120.0	99.4
Mt Druitt	Trust units	30 Jun	50.0%	50.0%	196.1	173.2
SA Shopping Centre Trust	Trust units	31 Dec	50.0%	50.0%	29.9	21.5
Southland	Trust units	30 Jun	50.0%	50.0%	589.6	407.0
Tea Tree Plaza	Trust units	30 Jun	50.0%	50.0%	290.5	212.7
					1,461.3	968.5
United Kingdom investments ⁽ⁱ⁾						
Broadmarsh ⁽ⁱⁱ⁾	Partnership interest	31 Dec	75.0%	75.0%	212.4	188.3
CastleCourt	Partnership interest	31 Dec	50.0%	50.0%	244.0	183.1
Eagle	Partnership interest	31 Dec	50.0%	50.0%	178.4	110.5
Friary	Partnership interest	31 Dec	50.0%	50.0%	107.1	81.7
Merry Hill ⁽ⁱⁱⁱ⁾	Partnership interest	31-Dec	50.0%	100.0%	1,302.6	-
Royal Victoria Place	Partnership interest	31 Dec	50.0%	50.0%	106.6	75.4
Sprucefield	Shares	31 Dec	50.0%	50.0%	19.9	26.6
Wimslow (No. 2) Limited Partnership	Partnership interest	31 Dec	50.0%	50.0%	1.6	4.2
Wimslow (No. 5) Limited Partnership	Partnership interest	31 Dec	50.0%	50.0%	0.5	1.2
					2,173.1	671.0
United States investments ⁽ⁱ⁾						
Fashion Square	Partnership units	31 Dec	50.0%	50.0%	189.8	186.7
Garden State Plaza	Partnership units	31 Dec	50.0%	50.0%	393.0	404.6
Montgomery	Partnership units	31 Dec	50.0%	50.0%	231.5	218.7
North Bridge	Partnership units	31 Dec	33.3%	33.3%	84.4	84.6
Plaza Camino Real	Partnership units	31 Dec	-	40.0%	-	96.5
San Francisco Emporium	Partnership units	31 Dec	50.0%	50.0%	170.3	153.8
UTC	Partnership units	31 Dec	50.0%	50.0%	193.2	195.9
Valencia Town Centre	Partnership units	31 Dec	50.0%	50.0%	65.1	60.5
Valley Fair	Partnership units	31 Dec	50.0%	50.0%	427.7	403.6
Other retail and property investments	Units/shares	31 Dec			20.8	23.3
					1,775.8	1,828.2
Total equity accounted investments					5,410.2	3,467.7

(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) In December 2006, the Group sold 50% interest in the Merry Hill shopping centre and the surrounding development land to Queensland Investment Corporation (QIC). The Group formed a new joint venture with QIC, and Merry Hill has been accounted for as an associate in accordance with AASB 131: Interest in Joint Ventures from late December 2006.

WESTFIELD GROUP

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2006

	Australia		United Kingdom		United States		Consolidated	
	31 Dec 06	31 Dec 05	31 Dec 06	31 Dec 05	31 Dec 06	31 Dec 05	31 Dec 06	31 Dec 05
	\$million	\$million	\$million	\$million	\$million	\$million	\$million	\$million
13(b) Details of the Westfield Group's aggregate share of equity accounted entities net profit								
Property revenue	101.6	88.9	83.2	179.6	225.5	207.1	410.3	475.6
Property revaluation	301.5	69.0	86.0	50.9	168.6	232.6	556.1	352.5
Profit on disposal of assets	-	-	-	23.4	-	-	-	23.4
Interest income	-	-	1.7	4.1	-	-	1.7	4.1
Total revenue	403.1	157.9	170.9	258.0	394.1	439.7	968.1	855.6
Property outgoings	(27.4)	(21.7)	(29.9)	(49.5)	(62.4)	(52.1)	(119.7)	(123.3)
Borrowing costs	(1.5)	(1.3)	(5.0)	(99.7)	(45.0)	(45.4)	(51.5)	(146.4)
Net profit from equity accounted entities before tax expense	374.2	134.9	136.0	108.8	286.7	342.2	796.9	585.9
Income tax expense	-	-	-	(6.0)	-	-	-	(6.0)
Share of net profits of equity accounted entities	374.2	134.9	136.0	102.8	286.7	342.2	796.9	579.9
13(c) Details of the Westfield Group's aggregate share of equity accounted entities assets and liabilities								
Cash	13.0	5.2	41.0	32.0	39.4	28.7	93.4	65.9
Receivables	4.4	2.3	5.5	29.8	15.9	12.1	25.8	44.2
Shopping centre investments	1,475.9	996.5	2,386.1	998.1	2,739.0	2,542.2	6,601.0	4,536.8
Redevelopment and development projects	2.3	2.0	365.2	181.7	85.3	233.2	452.8	416.9
Other investments	-	-	-	-	22.0	23.3	22.0	23.3
Other assets	4.4	4.3	7.5	11.5	39.2	28.4	51.1	44.2
Total assets	1,500.0	1,010.3	2,805.3	1,253.1	2,940.8	2,867.9	7,246.1	5,131.3
Payables	(20.7)	(23.8)	(41.0)	(67.5)	(41.7)	(32.1)	(103.4)	(123.4)
Deferred tax	-	-	(5.7)	(10.1)	-	-	(5.7)	(10.1)
Interest bearing liabilities	(18.0)	(18.0)	(585.5)	(504.5)	(1,123.3)	(1,007.6)	(1,726.8)	(1,530.1)
Total liabilities	(38.7)	(41.8)	(632.2)	(582.1)	(1,165.0)	(1,039.7)	(1,835.9)	(1,663.6)
Net assets	1,461.3	968.5	2,173.1	671.0	1,775.8	1,828.2	5,410.2	3,467.7

14 Segment information

Business segment

- Operational segment includes net property income from existing shopping centres and completed developments, revaluation of existing centres, external fee income from third parties (eg. property management and development fees) and other operational expenses.
- Development & new business segment includes revaluation of developments, development expenses, expenses relating to review and assessment of new assets, portfolios & corporate acquisitions, income and expenses on properties held for future redevelopment and the expansion of business activities.
- Corporate segment includes change in value of financial instruments, corporate entity expenses, impact of currency hedging and capital gains and losses.

WESTFIELD GROUP

for the year ended 31 December 2006

14_Segment information (continued)

Business segment

	Operational	Development and new business	Corporate	Consolidated
	\$million	\$million	\$million	\$million
31 December 2006				
Revenue and other income (excluding property revaluation)				
Property revenue	3,392.3	11.6	-	3,403.9
Property development and project management revenue	328.2	-	-	328.2
Property and funds management income	55.0	-	-	55.0
	3,775.5	11.6	-	3,787.1
Share of after tax profits of equity accounted entities (excluding property revaluation) ⁽ⁱⁱ⁾				
Net operating income	287.8	2.8	-	290.6
Net interest expense	(62.1)	(8.0)	20.3	(49.8)
	225.7	(5.2)	20.3	240.8
Profit on asset sales	-	-	35.4	35.4
Capital costs written off	-	-	(14.5)	(14.5)
Total segment revenue and other income (excluding property revaluation) ⁽ⁱ⁾	4,001.2	6.4	41.2	4,048.8
Expenses				
Property expenses and outgoings	(1,018.2)	(88.8)	-	(1,107.0)
Property development and project management costs	(289.8)	-	-	(289.8)
Property and funds management costs	(28.0)	-	-	(28.0)
Corporate overheads	-	-	(32.2)	(32.2)
	(1,336.0)	(88.8)	(32.2)	(1,457.0)
Goodwill written off on acquisition of assets	-	-	(104.1)	(104.1)
Currency derivatives	-	-	(230.6)	(230.6)
Total segment expenses	(1,336.0)	(88.8)	(366.9)	(1,791.7)
Segment result (excluding property revaluation)	2,665.2	(82.4)	(325.7)	2,257.1
Property revaluation ⁽ⁱ⁾	3,708.7	872.7	-	4,581.4
Equity accounted property revaluation ^{(i) (iii)}	479.2	76.9	-	556.1
Segment result	6,853.1	867.2	(325.7)	7,394.6
Interest income				17.0
Financing costs				(1,216.0)
Tax expense				(559.5)
Consolidated profit after tax				5,636.1
Segment assets				
Segment assets	43,481.0	3,796.8	-	47,277.8
Group assets				1,603.9
Total segment assets	43,481.0	3,796.8	-	48,881.7
Segment liabilities				
Segment liabilities	1,071.3	76.4	-	1,147.7
Group liabilities				24,104.7
Total segment liabilities	1,071.3	76.4	-	25,252.4
Equity accounted associates included in segment assets				
Investment properties	6,540.6	513.2	-	7,053.8
Interest bearing liabilities	(1,213.6)	(513.2)	-	(1,726.8)
Working capital and deferred tax	83.2	-	-	83.2
Equity accounted associates included in segment assets	5,410.2	-	-	5,410.2
Additions to segment non current assets	668.4	3,025.7	-	3,694.1

⁽ⁱ⁾ Total revenue and other income for the period of \$9,203.3 million (31 December 2005: \$6,946.6 million) being revenue and other income (excluding property revaluation) of \$4,048.8 million (31 December 2005: \$3,737.2 million), property revaluation of \$5,137.5 million (31 December 2005: \$3,192.4 million) and interest income of \$17.0 million (31 December 2005: \$17.0 million).

⁽ⁱⁱ⁾ Total share of after tax profits of equity accounted entities for the period of \$796.9 million (31 December 2005: \$579.9 million) being share of after tax profits of equity accounted entities (excluding property revaluation) of \$240.8 million (31 December 2005: \$227.4 million) and property revaluation of \$556.1 million (31 December 2005: \$352.5 million).

WESTFIELD GROUP

for the year ended 31 December 2006

14_Segment information (continued)

Business segment

	Operational	Development and new business	Corporate	Consolidated
31 December 2005	\$million	\$million	\$million	\$million
Revenue and other income (excluding property revaluation)				
Property revenue	3,062.0	27.0	-	3,089.0
Property development and project management revenue	266.9	-	-	266.9
Property and funds management income	50.7	-	-	50.7
	3,379.6	27.0	-	3,406.6
Share of after tax profits of equity accounted entities (excluding property revaluation)				
Net operating income	352.3	-	-	352.3
Net interest expense	(120.9)	(18.8)	(2.6)	(142.3)
Profit of disposal of assets	-	-	23.4	23.4
Tax expense	-	-	(6.0)	(6.0)
	231.4	(18.8)	14.8	227.4
Currency derivatives	-	-	44.8	44.8
Profit on disposal of assets	-	-	58.4	58.4
Total segment revenue and other income (excluding property revaluation)	3,611.0	8.2	118.0	3,737.2
Expenses				
Property expenses and outgoings	(914.2)	(78.2)	-	(992.4)
Property development and project management costs	(248.7)	-	-	(248.7)
Property and funds management costs	(22.6)	-	-	(22.6)
Corporate overheads	-	-	(26.5)	(26.5)
	(1,185.5)	(78.2)	(26.5)	(1,290.2)
Goodwill written off on acquisition of assets	-	-	(56.8)	(56.8)
Total segment expenses	(1,185.5)	(78.2)	(83.3)	(1,347.0)
Segment result (excluding property revaluation)	2,425.5	(70.0)	34.7	2,390.2
Property revaluation	2,446.2	393.7	-	2,839.9
Equity accounted property revaluation	313.7	38.8	-	352.5
Segment result	5,185.4	362.5	34.7	5,582.6
Interest income				17.0
Financing costs				(858.9)
Tax expense				(472.0)
Consolidated profit after tax				4,268.7
Segment assets				
Segment assets	39,290.4	2,597.7	-	41,888.1
Group assets				1,162.7
Total segment assets	39,290.4	2,597.7	-	43,050.8
Segment liabilities				
Segment liabilities	822.4	368.9	-	1,191.3
Group liabilities				22,261.3
Total segment liabilities	822.4	368.9	-	23,452.6
Equity accounted associates included in segment assets				
Investment properties	4,481.5	472.2	-	4,953.7
Interest bearing liabilities	(1,053.8)	(472.2)	-	(1,526.0)
Working capital and deferred tax	40.0	-	-	40.0
Equity accounted associates included in segment assets	3,467.7	-	-	3,467.7
Additions to segment non current assets	3,867.3	1,669.6	-	5,536.9

WESTFIELD GROUP

for the year ended 31 December 2006

14_Segment information (continued)

Geographic segment

	Australia & New Zealand \$million	United Kingdom \$million	United States \$million	Consolidated \$million
31 December 2006				
Revenue and other income (excluding property revaluation)				
Property revenue	1,578.8	152.1	1,673.0	3,403.9
Property development and project management revenue	88.0	182.7	57.5	328.2
Property and funds management income	18.6	3.8	32.6	55.0
	1,685.4	338.6	1,763.1	3,787.1
Share of after tax profits of equity accounted entities (excluding property revaluation) ⁽ⁱⁱ⁾				
Net operating income	74.2	53.3	163.1	290.6
Net interest expense	(1.5)	(3.3)	(45.0)	(49.8)
	72.7	50.0	118.1	240.8
Profit on asset sales	1.3	31.7	2.4	35.4
Capital costs written off	(4.7)	(6.3)	(3.5)	(14.5)
Total segment revenue and other income (excluding property revaluation)	1,754.7	414.0	1,880.1	4,048.8
Expenses				
Property expenses and outgoings	(466.0)	(65.5)	(575.5)	(1,107.0)
Property development and project management costs	(74.2)	(161.2)	(54.4)	(289.8)
Property and funds management costs	(5.4)	(2.6)	(20.0)	(28.0)
Corporate overheads	(27.9)	-	(4.3)	(32.2)
	(573.5)	(229.3)	(654.2)	(1,457.0)
Goodwill written off on acquisition of assets	-	(104.1)	-	(104.1)
Currency derivatives	8.3	-	(238.9)	(230.6)
Total segment expenses	(565.2)	(333.4)	(893.1)	(1,791.7)
Segment result (excluding property revaluation)	1,189.5	80.6	987.0	2,257.1
Property revaluation ⁽ⁱ⁾	3,374.7	56.2	1,150.5	4,581.4
Equity accounted property revaluation ^{(i) (iii)}	301.5	86.0	168.6	556.1
Segment result	4,865.7	222.8	2,306.1	7,394.6
Interest income				17.0
Financing costs				(1,216.0)
Tax expense				(559.5)
Consolidated profit after tax				5,636.1
Segment assets				
Segment assets	22,355.5	4,748.5	20,173.8	47,277.8
Group assets				1,603.9
Total segment assets	22,355.5	4,748.5	20,173.8	48,881.7
Segment liabilities				
Segment liabilities	529.7	187.4	430.6	1,147.7
Group liabilities				24,104.7
Total segment liabilities	529.7	187.4	430.6	25,252.4
Equity accounted associates included in segment assets				
Investment properties	1,478.2	2,751.3	2,824.3	7,053.8
Interest bearing liabilities	(18.0)	(585.5)	(1,123.3)	(1,726.8)
Working capital and deferred tax	1.1	7.3	74.8	83.2
Equity accounted associates included in segment assets	1,461.3	2,173.1	1,775.8	5,410.2
Additions to segment non current assets	826.1	1,205.6	1,662.4	3,694.1

⁽ⁱ⁾ Total revenue and other income for the period of \$9,203.3 million (31 December 2005: \$6,946.6 million) being revenue and other income (excluding property revaluation) of \$4,048.8 million (31 December 2005: \$3,737.2 million), property revaluation of \$5,137.5 million (31 December 2005: \$3,192.4 million) and interest income of \$17.0 million (31 December 2005: \$17.0 million).

⁽ⁱⁱ⁾ Total share of after tax profits of equity accounted entities for the period of \$796.9 million (31 December 2005: \$579.9 million) being share of after tax profits of equity accounted entities (excluding property revaluation) of \$240.8 million (31 December 2005: \$227.4 million) and property revaluation of \$556.1 million (31 December 2005: \$352.5 million).

WESTFIELD GROUP

for the year ended 31 December 2006

14_Segment information (continued)

Geographic segment

	Australia & New Zealand	United Kingdom	United States	Consolidated
31 December 2005	\$million	\$million	\$million	\$million
Revenue and other income (excluding property revaluation)				
Property revenue	1,440.5	60.6	1,587.9	3,089.0
Property development and project management revenue	138.9	59.4	68.6	266.9
Property and funds management income	16.2	5.3	29.2	50.7
	1,595.6	125.3	1,685.7	3,406.6
Share of after tax profits of equity accounted entities (excluding property revaluation)				
Net operating income	67.2	130.1	155.0	352.3
Net interest expense	(1.3)	(95.6)	(45.4)	(142.3)
Profit of disposal of assets	-	23.4	-	23.4
Tax expense	-	(6.0)	-	(6.0)
	65.9	51.9	109.6	227.4
Currency derivatives	(7.9)	-	52.7	44.8
Profit on disposal of assets	52.8	-	5.6	58.4
Total segment revenue and other income (excluding property revaluation)	1,706.4	177.2	1,853.6	3,737.2
Expenses				
Property expenses and outgoings	(412.1)	(31.4)	(548.9)	(992.4)
Property development and project management costs	(128.8)	(52.5)	(67.4)	(248.7)
Property and funds management costs	(3.7)	(2.0)	(16.9)	(22.6)
Corporate overheads	(23.2)	-	(3.3)	(26.5)
	(567.8)	(85.9)	(636.5)	(1,290.2)
Goodwill written off on acquisition of assets	-	(46.5)	(10.3)	(56.8)
Total segment expenses	(567.8)	(132.4)	(646.8)	(1,347.0)
Segment result (excluding property revaluation)	1,138.6	44.8	1,206.8	2,390.2
Property revaluation	1,438.3	108.3	1,293.3	2,839.9
Equity accounted property revaluation	69.0	50.9	232.6	352.5
Segment result	2,645.9	204.0	2,732.7	5,582.6
Interest income				17.0
Financing costs				(858.9)
Tax expense				(472.0)
Consolidated profit after tax				4,268.7
Segment assets				
Segment assets	17,885.9	4,435.9	19,566.3	41,888.1
Group assets				1,162.7
Total segment assets	17,885.9	4,435.9	19,566.3	43,050.8
Segment liabilities				
Segment liabilities	507.5	178.3	505.5	1,191.3
Group liabilities				22,261.3
Total segment liabilities	507.5	178.3	505.5	23,452.6
Equity accounted associates included in segment assets				
Investment properties	998.5	1,179.8	2,775.4	4,953.7
Interest bearing liabilities	(18.0)	(504.5)	(1,007.6)	(1,530.1)
Working capital and deferred tax	(12.0)	(4.3)	60.4	44.1
Equity accounted associates included in segment assets	968.5	671.0	1,828.2	3,467.7
Additions to segment non current assets	1,463.4	2,701.6	1,371.9	5,536.9

WESTFIELD GROUP

DETAILS OF DIVIDENDS/DISTRIBUTIONS

for the year ended 31 December 2006

	31 Dec 06 \$million	31 Dec 05 \$million
Current year final dividends/distributions proposed		
WHL: 3.64 cents per share 60% franked (31 Dec 05: 4.09 cents per share 100% franked)	64.2	71.1
WT: 18.96 cents per unit, 53% estimated tax advantaged (31 Dec 05: 22.04 cents per unit, 21.3% tax advantaged)	334.2	383.1
WAT: 29.40 cents per unit, 46% estimated tax advantaged (31 Dec 05: 29.37 cents per unit, 45.3% tax advantaged)	518.3	510.5
Westfield Group 52.00 cents per stapled security (31 Dec 05: 55.50 cents)	916.7	964.7

Dividends/distributions proposed are to be paid on 28 February 2007. 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 13 February 2007.

The Westfield Group Distribution Reinvestment Plan (DRP) is in operation for the distribution payable on 28 February 2007. DRP securities issued during the period rank for distribution from the first day following the date on which they are issued.

The record date for participation in the DRP for the distribution payable on 28 February 2007 was 5.00pm, 13 February 2007.

ADDITIONAL INFORMATION

for the year ended 31 December 2006

(a) Details of earnings, net assets and distribution by entity

	Earnings		Net assets		
	Total \$million	per security cents	Total \$million	per security \$	%
WHL	192.8	10.98	1,724.9	0.98	7.38
WT	4,397.8	250.37	13,701.6	7.76	58.43
WAT	992.5	56.50	8,026.5	4.54	34.19
Westfield Group	5,583.1	317.85	23,453.0	13.28	100.00

Distribution proposed for the 6 months to 31 December 2006					
	ASX code: WDC \$million	per security cents	ASX code: WDCNA \$million	per security cents	Total WDC \$million
WHL	64.0	3.64	0.2	2.41	64.2
WT	333.1	18.96	1.1	12.57	334.2
WAT	516.6	29.40	1.7	19.50	518.3
Westfield Group	913.7	52.00	3.0	34.48	916.7

WESTFIELD GROUP

ADDITIONAL INFORMATION (continued)

for the year ended 31 December 2006

	31 Dec 06 cents	31 Dec 05 cents
(b) Earnings per security		
Basic earnings per stapled security attributable to Stapled Security holders of the Westfield Group	317.85	247.57
Diluted earnings per stapled security attributable to Stapled Security holders of the Westfield Group	317.83	247.53

The following reflects the income and security data used in the calculations of basic and diluted earnings per stapled security:

	No. of securities	No. of securities
Weighted average number of ordinary securities used in calculating basic earnings per stapled security	1,756,536,150	1,715,527,980
Bonus element of security options which are dilutive ⁽ⁱ⁾	96,335	282,914
Adjusted weighted average number of ordinary securities used in calculating diluted earnings per stapled security	1,756,632,485	1,715,810,894
	\$million	\$million
Earnings used in calculating basic earnings per stapled security	5,583.1	4,247.2
Adjustment to earnings on options which are considered dilutive	-	-
Earnings used in calculating diluted earnings per stapled security	5,583.1	4,247.2

- (i) At 31 December 2006, there were 9,455,329 (31 December 2005: 12,795,125) bonus element of security options. These bonus element of security options have been determined as anti-dilutive for the current period. The adjustment to earnings in respect of these bonus element of security options was \$132.3 million (31 December 2005: \$87.2 million).

The weighted average number of converted, lapsed or cancelled potential ordinary securities used in diluted earnings per stapled security was nil (31 December 2005: nil).

	\$	\$
(c) Net tangible asset backing		
Net tangible asset backing per security	13.28	11.17

Net tangible asset backing per security is calculated by dividing total equity attributable to stapled security holders of the Westfield Group by the number of securities on issue. The number of securities used in the calculation of net tangible asset backing are 1,765,884,521 (31 December 2005: 1,742,314,625).

(d) Franking credits available and prospects for paying fully or partly franked dividends for at least the next year.

The dividend component of the distribution payable in the next twelve months is expected to be partially franked. The Trust's distribution component of the distribution payable in the next twelve months is expected to continue to have a tax advantaged component.

(e) Basis of preparing the Appendix 4E Preliminary Final Report

- 1 This report has been prepared in accordance with Australian Accounting Standards, which include Australian equivalents to International Financial Reporting Standards, other AASB authoritative pronouncements and Urgent Issues Group Consensus Views or other standards acceptable to the Australian Stock Exchange Limited.
- 2 This report, and the financial report upon which the report is based (if separate), use the same accounting policies.
- 3 This report gives a true and fair view of the matters disclosed.
- 4 This report is based on the financial report which is in the process of being audited.
- 5 The Westfield Group has a formally constituted audit committee.

WESTFIELD GROUP
PROPERTY PORTFOLIO
for the year ended 31 December 2006

APPENDIX 1

	Appendix	31 Dec 06 \$million	31 Dec 05 \$million
DETAILS OF PROPERTY PORTFOLIO			
Consolidated Australian shopping centres	1A	17,861.1	14,417.7
Consolidated New Zealand shopping centres	1B	2,301.8	1,899.5
Consolidated United Kingdom shopping centres	1C	190.3	2,343.9
Consolidated United States shopping centres	1D	16,958.3	16,406.4
Total consolidated shopping centres ⁽ⁱ⁾		37,311.5	35,067.5
Equity accounted Australian shopping centres	1A	1,475.9	996.5
Equity accounted United Kingdom shopping centres	1C	2,386.1	998.1
Equity accounted United States shopping centres	1D	2,739.0	2,542.2
Gross value of equity accounted shopping centres ⁽ⁱⁱ⁾		6,601.0	4,536.8
Total consolidated and equity accounted shopping centres		43,912.5	39,604.3
⁽ⁱ⁾ Total consolidated shopping centres are explained by:			
Current		149.8	-
Non current		37,161.7	35,067.5
Total		37,311.5	35,067.5

⁽ⁱⁱ⁾ The value of the Westfield Group's equity accounted property investments excludes its share of borrowings and net working capital associated with these properties.

WESTFIELD GROUP
PROPERTY PORTFOLIO - AUSTRALIA
for the year ended 31 December 2006

APPENDIX 1A

Shopping Centre	State	Consolidated or Equity Accounted Interest %	Book value 31 Dec 06 \$million	Book value 31 Dec 05 \$million	Retail Cap Rate %	Retail Sales				Lettable Area* (sqm)	No. of Retailers*
						Total Annual Sales \$million	Variance %	Specialty Annual Sales \$psm	Variance %		
Airport West	Victoria	50	137.1	114.7	6.50%	269.6	5.5	7,597	5.8	55,075	173
Bay City	Victoria	50	107.2	97.2	6.50%	187.4	(2.5)	9,563	(2.5)	35,889	87
Belconnen	ACT	100	647.7	493.2	5.25%	399.3	(1.5)	8,207	0.2	78,080	225
Bondi Junction	New South Wales	100	1,933.5	1,502.9	4.50%	825.4	9.4	9,647	11.5	131,579	504
Booragoon	Western Australia	25	181.6	149.5	5.50%	519.2	7.7	12,534	7.8	74,374	232
Burwood	New South Wales	100	703.1	544.4	5.25%	365.1	1.8	8,947	2.7	65,251	245
Carindale	Queensland	50	403.0	316.8	5.50%	604.1	6.3	9,609	5.9	116,212	295
Carousel	Western Australia	100	623.8	509.4	5.75%	450.8	9.9	9,617	9.8	82,517	268
Chatswood	New South Wales	100	840.1	752.5	5.50%	475.1	4.0	9,180	5.0	56,287	297
Chermside	Queensland	100	1,037.7	569.9	5.50%	499.2	10.1	9,911	14.4	111,031	391
Doncaster	Victoria	100	387.3	374.0	6.75%	346.2	(0.4)	8,982	1.0	55,803	236
Eastgardens	New South Wales	**	n/a	n/a	n/a	474.0	1.6	10,508	0.4	79,155	286
Figtree	New South Wales	100	110.9	95.6	7.00%	150.4	3.6	9,715	3.0	20,373	80
Fountain Gate	Victoria	100	738.5	598.8	5.75%	606.3	5.7	8,971	4.8	140,146	316
Helensvale	Queensland	50	138.3	103.6	6.25%	223.2	274.9	6,527	237.6	42,058	183
Hornsby	New South Wales	100	775.8	615.1	5.35%	549.1	1.4	7,234	3.2	100,778	326
Hurstville	New South Wales	50	288.0	242.1	6.00%	382.2	2.8	8,629	3.2	65,360	254
Innaloo	Western Australia	100	228.0	159.4	6.50%	229.0	29.1	7,084	45.3	46,008	169
Knox	Victoria	30	260.3	213.6	5.75%	642.6	2.6	8,123	2.8	146,630	413
Kotara	New South Wales	100	284.2	279.3	7.00%	289.2	(6.2)	9,646	(8.7)	44,688	143
Liverpool	New South Wales	50	419.1	229.4	5.50%	318.2	6.5	8,116	7.4	93,619	342
Macquarie	New South Wales	50	394.1	324.2	5.50%	541.8	1.0	9,557	2.1	94,114	257

WESTFIELD GROUP
PROPERTY PORTFOLIO - AUSTRALIA
for the year ended 31 December 2006

APPENDIX 1A

Shopping Centre	State	Consolidated or Equity Accounted Interest %	Book value 31 Dec 06 \$million	Book value 31 Dec 05 \$million	Retail Cap Rate %	Retail Sales				Lettable Area* (sqm)	No. of Retailers*
						Total Annual Sales \$million	Variance %	Specialty Annual Sales \$psm	Variance %		
Marion	South Australia	50	439.0	349.3	5.50%	669.8	0.5	9,989	0.4	130,993	322
Miranda	New South Wales	50	579.2	481.6	5.25%	650.2	2.5	10,896	3.7	110,732	393
Mt Gravatt	Queensland	75	567.8	468.4	5.75%	548.5	3.8	9,438	3.6	102,226	312
North Lakes	Queensland	50	57.7	53.2	6.50%	143.2	9.5	7,266	10.1	25,679	98
North Rocks	New South Wales	100	83.7	75.6	7.25%	102.2	3.3	6,382	1.8	21,298	87
Pacific Fair	Queensland	40	412.2	370.4	5.25%	589.1	(1.8)	10,663	(1.7)	104,956	314
Parramatta	New South Wales	100	1,432.1	1,124.4	5.00%	604.4	6.0	8,943	8.3	139,260	503
Penrith	New South Wales	50	498.9	442.0	5.25%	57.4	12.4	9,385	28.8	6,232	28
Plenty Valley	Victoria	50	13.1	11.8	7.00%	535.1	12.1	7,901	22.7	90,494	348
Strathpine	Queensland	100	257.8	224.3	6.50%	223.3	3.1	7,772	0.4	48,100	154
Sydney City***	New South Wales	100	1,183.3	1,039.3	6.49%	579.9	3.8	10,658	2.2	143,228	389
Tuggerah	New South Wales	100	551.4	508.4	6.00%	426.7	23.6	6,824	25.4	82,816	264
Warrawong	New South Wales	100	204.4	173.6	7.25%	192.3	1.0	6,008	0.5	57,706	143
Warringah Mall	New South Wales	25	251.9	214.4	5.25%	727.3	5.2	9,449	6.3	124,396	330
Westlakes	South Australia	50	155.6	130.8	6.25%	293.7	5.9	7,786	8.1	61,467	216
Whitford City	Western Australia	50	246.8	209.9	6.00%	395.4	9.1	8,372	16.2	76,463	299
Woden	ACT	50	286.9	254.7	5.75%	410.1	0.9	9,605	1.5	72,624	268
Total consolidated centres			17,861.1	14,417.7							

WESTFIELD GROUP
PROPERTY PORTFOLIO - AUSTRALIA
for the year ended 31 December 2006

APPENDIX 1A

Shopping Centre	State	Consolidated or Equity Accounted Interest %	Book value 31 Dec 06 \$million	Book value 31 Dec 05 \$million	Retail Cap Rate %	Retail Sales				Lettable Area* (sqm)	No. of Retailers*
						Total Annual Sales \$million	Variance %	Specialty Annual Sales \$psm	Variance %		
Cairns	Queensland	50	168.3	-	6.00%	333.4	5.2	10,269	7.5	53,971	229
Karrinyup	Western Australia	25	119.7	99.2	5.75%	366.6	7.4	9,465	6.5	56,236	205
Macquarie	New South Wales	5	39.4	32.5	5.50%	refer above					
Mt Druitt	New South Wales	50	199.0	179.5	6.50%	315.8	15.1	7,274	19.8	60,971	248
Pacific Fair	Queensland	4	41.2	37.2	5.25%	refer above					
Southland	Victoria	50	590.1	414.1	5.00%	690.8	4.6	7,908	7.3	132,824	403
Tea Tree Plaza	South Australia	50	318.2	234.0	5.25%	448.5	(0.2)	9,502	(0.4)	95,332	246
Total equity accounted centres			1,475.9	996.5							
Total Australian portfolio			19,337.0	15,414.2	5.6%					3,533,031	11,521

* Includes office suites where applicable

** Eastgardens is managed by Westfield under a Head Lease

*** Sydney City represents the combined value and performance of Sydney Central Plaza, Centrepont, Skygarden and Imperial Arcade

WESTFIELD GROUP
PROPERTY PORTFOLIO - NEW ZEALAND
for the year ended 31 December 2006

APPENDIX 1B

Shopping Centre	Location	Consolidated or Equity Accounted Interest %	Book value at 31 Dec 06 NZ\$million	Book value at 31 Dec 05 NZ\$million	Retail Cap Rate %	Retail Sales				Lettable Area (sqm)	No. of Retailers
						Total Annual Sales NZ\$million	Variance %	Specialty Annual Sales NZ\$psm	Variance %		
Chartwell	Hamilton	100	137.1	64.3	7.25%	86.8	(22.1)	5,514	(8.6)	18,144	111
Downtown	Auckland	100	73.2	59.9	7.50%	63.7	11.3	7,186	5.5	13,737	90
Glenfield	Auckland	100	185.7	152.2	7.25%	178.6	3.1	7,106	2.2	31,096	138
Manukau	Auckland	100	241.1	210.7	7.50%	175.8	(0.3)	8,869	(0.9)	36,794	159
Newmarket	Auckland	100	254.7	159.6	6.22%	122.7	1.3	11,502	(0.1)	27,796	119
Pakuranga	Auckland	100	119.3	106.7	7.75%	117.7	15.4	6,713	4.9	27,676	127
Queensgate	Wellington	100	350.0	301.1	6.31%	202.5	65.8	6,744	74.7	51,043	183
Riccarton	Christchurch	100	378.4	299.9	6.25%	282.4	8.1	9,779	8.6	47,056	154
Shore City	Auckland	100	144.8	116.7	7.00%	84.8	2.2	8,814	1.9	14,814	87
St Lukes	Auckland	100	483.7	384.8	6.13%	275.5	1.4	10,594	1.7	39,990	182
WestCity	Auckland	100	212.8	178.8	7.00%	161.1	0.7	7,139	1.3	36,823	149
Total New Zealand portfolio in NZ\$			2,580.8	2,034.7						344,969	1,499
Exchange rate			1.1212	1.0712							
Total New Zealand portfolio in A\$			2,301.8	1,899.5	6.7%						

WESTFIELD GROUP
PROPERTY PORTFOLIO - UNITED KINGDOM
for the year ended 31 December 2006

APPENDIX 1C

Shopping Centre	Location	Consolidated or Equity Accounted Interest %	Book value 31 Dec 06 £million	Book value 31 Dec 05 £million	Retail Cap Rate %	Lettable Area (sqm)	No. of Retailers
Merry Hill	Birmingham	100	-	920.0	5.00%	Refer below	
Sprucefield	Lisburn, Northern Ireland	100	76.6	75.0	5.00%	21,461	5
Total consolidated centres in £			76.6	995.00		21,461	5
Exchange rate			0.4025	0.4245			
Total consolidated centres in A\$			190.3	2,343.9			
Broadmarsh	Nottingham	75	66.5	64.1	5.25%	45,483	106
CastleCourt	Belfast, Northern Ireland	50	157.5	140.0	5.05%	31,480	92
Eagle Centre	Derby	50	83.3	79.1	5.50%	50,661	69
Merry Hill	Birmingham	50	495.0	-	5.00%	123,733	286
The Friary	Guildford	50	75.0	68.2	5.10%	14,031	72
Royal Victoria Place	Tunbridge Wells	50	83.1	72.3	5.10%	29,741	120
Total equity accounted centres in £			960.4	423.7		295,129	745
Exchange rate			0.4025	0.4245			
Total equity accounted centres in A\$			2,386.1	998.1			
Total United Kingdom portfolio in £			1,037.0	1,418.7		316,590	750
Exchange rate			0.4025	0.4245			
Total United Kingdom portfolio in A\$			2,576.4	3,342.0	5.1%		

WESTFIELD GROUP
PROPERTY PORTFOLIO - UNITED STATES
for the year ended 31 December 2006

APPENDIX 1D

Shopping Centre	Market Region	Consolidated or Equity	Book value at 31 Dec 06 US\$million	Book value at 31 Dec 05 US\$million	Retail Cap Rate %	Retail Sales			Occupancy Cost %	Lettable Area (sqf)		No. of Retailers
		Accounted Interest %				Specialty Annual Sales				Total	Specialty	
						US\$million	US\$psf	Var. psf %				
Annapolis	Maryland	100	442.2	442.0	5.94%	209.0	604	5.2	12.3%	1,208,961	516,813	174
Belden Village	Ohio	100	187.2	159.8	6.20%	106.3	413	2.9	13.1%	823,681	313,492	113
Brandon	Florida	100	218.5	217.5	7.00%	150.4	511	5.4	11.9%	971,585	351,870	156
Capital	Washington	100	96.8	96.6	7.50%	80.3	398	8.4	11.3%	669,600	363,005	120
Century City	Los Angeles	100	699.3	442.1	5.00%	185.8	808	9.3	16.9%	849,081	492,081	138
Chesterfield	Missouri	100	237.0	143.7	6.70%	115.4	317	10.9	13.8%	1,295,479	635,443	196
Chicago Ridge	Illinois/ Indiana	100	126.6	121.5	7.33%	88.0	387	(0.1)	16.6%	829,717	406,677	142
Citrus Park	Florida	100	216.2	216.0	7.60%	122.0	436	3.6	13.2%	1,093,621	454,065	146
Connecticut Post	Connecticut	100	283.8	151.4	6.50%	90.2	366	24.5	16.7%	1,442,278	653,689	187
Countryside	Florida	100	246.8	202.1	6.03%	118.5	391	(1.3)	13.9%	1,217,732	398,917	166
Crestwood	Missouri	100	64.4	78.2	13.12%	49.6	216	(10.3)	21.3%	1,022,455	444,479	156
Downtown Plaza	Northern California	100	206.3	190.6	6.13%	79.5	373	(1.2)	14.1%	1,205,465	385,302	110
Eagle Rock	Los Angeles	100	-	51.2	n/a	Disposed						
Eastland	Los Angeles	100	126.7	118.2	6.12%	19.0	365	(0.2)	3.8%	794,100	592,300	35
Eastridge	North Carolina	100	47.8	46.4	6.96%	42.9	236	6.4	10.7%	916,361	316,614	97
Enfield	Connecticut	100	-	87.9	n/a	Disposed						
Fox Hills	Los Angeles	100	201.3	178.7	6.10%	93.0	372	0.9	16.4%	871,470	320,125	145
Fox Valley	Illinois/ Indiana	100	258.5	245.8	6.47%	127.1	372	9.1	14.4%	1,435,172	555,420	190
Franklin Park	Ohio	100	404.4	341.9	5.70%	134.5	449	-	15.7%	1,286,652	620,849	159
Galleria at Roseville	Northern California	100	335.9	297.4	6.23%	181.7	553	1.7	11.1%	1,032,856	460,812	144
Gateway	Nebraska	100	144.9	141.8	7.03%	77.8	332	7.1	13.3%	969,384	411,766	122
Great Northern	Ohio	100	166.9	161.4	6.64%	91.8	349	6.5	15.1%	1,241,361	443,395	140
Hawthorn	Illinois/ Indiana	100	241.0	240.2	7.50%	106.5	348	0.8	15.8%	1,293,373	490,575	161
Horton Plaza	San Diego	100	383.9	371.6	5.49%	107.1	490	(0.2)	14.6%	748,427	467,941	134

WESTFIELD GROUP
PROPERTY PORTFOLIO - UNITED STATES
for the year ended 31 December 2006

APPENDIX 1D

Shopping Centre	Market Region	Consolidated or Equity	Book value at 31 Dec 06 US\$million	Book value at 31 Dec 05 US\$million	Retail Cap Rate %	Retail Sales			Occupancy Cost %	Lettable Area (sqf)		No. of Retailers
		Accounted Interest %				Specialty Annual Sales				Total	Specialty	
						US\$million	US\$psf	Var. psf %				
Independence	North Carolina	100	-	154.6	n/a	Disposed						
Louis Joliet	Illinois/ Indiana	100	131.5	116.9	6.25%	76.7	392	9.1	13.1%	946,217	329,749	110
Mainplace	Los Angeles	100	283.1	251.6	6.67%	139.5	429	0.6	15.2%	1,108,208	447,708	183
Meriden	Connecticut	100	178.0	171.5	6.96%	84.1	343	4.0	16.9%	908,452	456,515	154
Mid Rivers	Missouri	100	188.7	182.9	6.03%	89.0	360	5.5	12.6%	1,051,784	455,880	150
Midway	Ohio	100	-	89.3	n/a	Disposed						
Mission Valley	San Diego	100	300.8	297.4	5.93%	104.7	445	5.3	10.7%	1,572,802	779,478	121
North County	San Diego	100	228.4	222.5	7.03%	130.1	431	4.5	16.1%	1,262,572	382,075	178
Northwest	Missouri	100	-	41.6	n/a	Disposed						
Oakridge	Northern California	100	404.9	362.5	5.88%	144.4	442	2.6	14.1%	1,137,575	629,246	206
Old Orchard	Illinois/ Indiana	100	416.7	415.8	6.33%	167.1	553	2.2	16.0%	1,699,564	681,789	130
Palm Desert	Los Angeles	100	219.1	213.3	5.60%	105.9	417	2.8	14.5%	1,008,085	382,892	151
Parkway	San Diego	100	343.7	322.2	6.10%	131.1	402	4.3	14.6%	1,319,980	553,640	202
Plaza Bonita	San Diego	100	246.7	246.2	6.10%	133.1	473	2.6	13.0%	808,325	299,498	140
Plaza Camino Real	San Diego	100	233.0	n/a	6.00%	106.2	353	(2.5)	13.6%	1,126,699	401,214	148
Promenade	Los Angeles	100	84.10	85.7	6.40%	39.9	441	(1.4)	8.0%	614,425	344,425	49
Richland	Ohio	100	-	52.9	n/a	Disposed						
San Francisco Centre	Northern California	100	302.1	252.7	5.08%	159.1	677	7.8	21.4%	504,555	192,555	73
Santa Anita	Los Angeles	100	418.6	375.3	5.80%	177.7	450	8.1	14.2%	1,346,815	665,994	203
Sarasota	Florida	100	93.5	93.1	7.50%	59.0	334	2.1	12.3%	865,299	284,649	117
Solano	Northern California	100	247.3	182.2	5.80%	109.5	395	2.9	13.3%	1,039,967	480,392	160
Southcenter	Washington	100	389.9	266.2	6.80%	169.8	654	4.9	11.2%	1,306,805	349,330	151
South County	Missouri	100	189.9	193.6	6.09%	95.4	370	10.0	12.2%	1,033,314	379,561	152
Southgate	Florida	100	100.8	93.7	6.60%	61.9	536	(0.5)	9.9%	422,473	136,599	49

WESTFIELD GROUP
PROPERTY PORTFOLIO - UNITED STATES
for the year ended 31 December 2006

APPENDIX 1D

Shopping Centre	Market Region	Consolidated or Equity	Book value at 31 Dec 06 US\$million	Book value at 31 Dec 05 US\$million	Retail Cap Rate %	Retail Sales			Occupancy Cost %	Lettable Area (sqf)		No. of Retailers
		Accounted Interest %				Specialty Annual Sales				Total	Specialty	
						US\$million	US\$psf	Var. psf %				
Southlake	Illinois/ Indiana	100	266.8	207.5	6.70%	133.0	410	5.0	13.7%	1,293,791	607,450	169
Southpark	Ohio	100	195.1	194.7	7.50%	115.2	337	0.3	14.8%	1,463,711	761,816	155
South Shore	New York	100	246.2	255.7	6.70%	98.9	432	2.3	17.9%	1,165,453	308,192	123
Sunrise	New York	100	161.2	157.0	8.10%	79.5	350	1.4	19.4%	1,242,258	508,760	162
Topanga	Los Angeles	100	715.2	228.2	5.40%	137.2	464	7.3	15.8%	1,424,680	647,522	248
Trumbull	Connecticut	100	313.4	271.9	6.41%	131.3	419	(0.4)	15.5%	1,196,195	499,567	171
Vancouver	Washington	100	156.0	145.4	6.20%	83.3	358	7.2	11.4%	883,918	342,352	142
West County	Missouri	100	356.3	327.6	5.97%	148.6	462	5.4	15.3%	1,266,374	475,905	151
West Covina	Los Angeles	100	308.7	276.0	5.90%	151.8	375	4.5	15.8%	1,167,316	519,222	204
West Park	Missouri	100	-	63.6	n/a	Disposed						
Westland	Colorado	100	-	28.3	n/a	Disposed						
Wheaton	Maryland	100	334.20	331.0	6.77%	98.8	339	(3.5)	18.6%	1,623,034	635,161	202
Department stores		-	-	106.4	n/a	Disposed						
Total consolidated centres in US\$			13,390.3	12,021.0								
Exchange rate			0.7896	0.7327								
Total consolidated centres in A\$			16,958.3	16,406.4								

WESTFIELD GROUP
PROPERTY PORTFOLIO - UNITED STATES
for the year ended 31 December 2006

APPENDIX 1D

Shopping Centre	Market Region	Consolidated or Equity	Book value at 31 Dec 06 US\$million	Book value at 31 Dec 05 US\$million	Retail Cap Rate %	Retail Sales			Occupancy Cost %	Lettable Area (sqf)		No. of Retailers
		Accounted Interest %				Specialty Annual Sales						
						US\$million	US\$psf	Var. psf %				
San Francisco Emporium	Northern California	50	308.0	-	5.13%	incl above with San Francisco Centre			n/a	951,850	318,442	114
Fashion Square	Los Angeles	50	145.5	133.7	5.65%	167.3	568	14.1	11.5%	845,350	342,815	128
Garden State Plaza	New Jersey	50	539.5	538.9	6.00%	341.3	663	6.2	16.1%	1,991,549	858,717	264
Montgomery	Maryland	50	243.8	235.7	5.48%	213.6	561	1.3	14.7%	1,227,799	515,698	190
North Bridge	Illinois/ Indiana	33	130.0	126.6	6.26%	102.2	780	9.6	15.0%	678,175	418,175	69
Plaza Camino Real	San Diego	40	-	84.9	n/a	refer above						
UTC	San Diego	50	183.4	174.6	5.63%	189.3	620	5.1	11.3%	1,035,954	441,528	148
Valencia Town Center	Los Angeles	50	111.8	104.9	7.13%	142.6	444	(1.9)	14.9%	862,502	469,583	156
Valley Fair	Northern California	50	500.7	463.4	5.38%	398.4	809	4.9	13.5%	1,478,823	744,095	258
Total equity accounted centres in US\$			2,162.7	1,862.7						9,072,002	4,109,053	1,327
Exchange rate			0.7896	0.7327								
Total equity accounted centres in A\$			2,739.0	2,542.2								
Total United States portfolio in US\$			15,553.0	13,883.7						66,101,459	28,143,819	9,012
Exchange rate			0.7896	0.7327								
Total United States portfolio in A\$			19,697.3	18,948.7	6.3%							

Westfield Group

Full Year Results Presentation
31 December 2006



Westfield

27 February 2007

Under the Dome, Westfield San Francisco

2006 Full Year Highlights

- Operational Segment Earnings of \$1,651 million - up 8.5%¹
 - 94.0 cents per security – up 6.0%¹
- Distribution of 106.5 cents per security
- Net profit after tax for the year of \$5.58 billion
- Development gain of \$1.1 billion on \$1.6 billion of completed projects
- Assets under management of \$60.7 billion - up 16%

¹ On a constant currency basis

Note: All amounts in this presentation are in Australian dollars unless otherwise stated

Growth in Value of Gross Property Investments

■ Over the twelve months to 31 December 2006 growth was 12.4%



\$1.1 billion of Value Created through Development

- Completed Projects in 2006:
 - 12 projects with a cost of \$1.6 billion (Westfield Group share)¹
 - Weighted average income yield – 9.6%
 - \$1.1 billion of incremental value created on completion – 68% on cost
 - Weighted average cap rate on completion - 5.8%
- 8 new projects commenced in 2006 – gross forecast cost of \$1.5 billion
- Expect to commence between \$1.5 and \$2.0 billion of projects in 2007

¹ Total gross cost \$2.0 billion

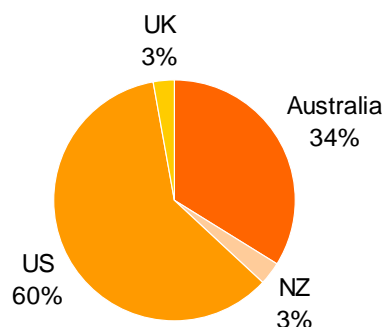
Business Review

- Portfolio Summary
- Shopping Centre Operating Performance
- Retail Sales Overview
- Global Development Activity
- Recently Completed Projects

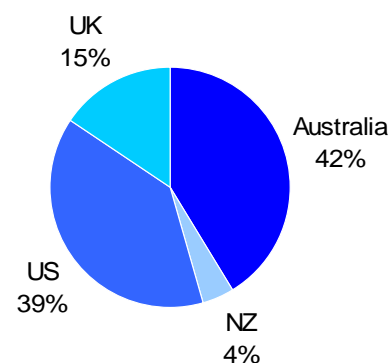
Portfolio Summary as at 31 December 2006

	United States	Australia	United Kingdom	New Zealand	Total
Centres	59	44	7	11	121
Retail Outlets	9,000	11,500	750	1,500	22,750
GLA (million sqm)	6.1	3.5	0.3	0.3	10.2
Westfield Asset Value (billion) ¹	US\$15.6	\$19.3	£1.0	NZ\$2.6	\$43.9 ¹
Assets Under Management (billion) ²	US\$18.7	\$25.1	£3.8	NZ\$2.8	\$60.7 ²

Gross Lettable Area



Assets Under Management



¹ WDC share of shopping centre assets and excludes work in progress and assets held for redevelopment

² WDC and joint venture share of shopping centre assets and includes work in progress and assets held for redevelopment

Shopping Centre Operating Performance

	Portfolio Leased ¹	Specialty Occupancy Cost ²	Lease Deals Completed ²		Comparable Average Specialty Store Rent		Comparable NOI Growth ²
			Number	Area	Amount ¹	Growth ³	
Australia & New Zealand	> 99.5%	16.2%	2,563	305,672 sqm	\$1,203 psm NZ\$1,002 psm	5.4%	5.7%
United States	94.5%	13.9%	1,244	3,185,803 sqft	US\$42.57 psf	4.9%	3.0%
United Kingdom	> 99.0%	n/a	168	65,533 sqm	£620 psm	5.9%	6.3%

¹ As at 31 December 2006

² 12 months to 31 December 2006

³ 31 December 2006 compared to 31 December 2005

Retail Sales Overview¹

	Period to 31 December 2006			
	MAT	12 months Growth	6 months Growth	3 months Growth
United States²				
Specialties	US\$7.4bn	4.6%	4.2%	3.1%
Australia				
Majors		2.1%	2.7%	3.7%
Specialties*		4.5%	4.7%	4.9%
Total	\$18.7 bn	3.7%	4.0%	4.5%
United Kingdom³				
Comparable		2.5%	2.3%	1.9%
Total		4.4%	4.8%	4.0%
New Zealand				
Specialties*		2.7%	2.2%	2.8%
Total	NZ\$1.8 bn	3.1%	2.5%	3.0%

* Includes larger format specialties

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

Global Development Activity

- 15 projects under construction as at 31 December 2006 with an estimated total cost of \$6.6 billion – Westfield Group share \$4.6 billion

	No. of Projects	Estimated Total Cost	Target Weighted Average Yield ¹
United States	10	US\$1.1 bn	9.9 – 10.4%
Australia & New Zealand	3	\$0.5bn	9.2 – 9.5%
United Kingdom - Derby	1	£0.3bn	8.25 – 8.75%
- London	1	£1.6bn	5.25 – 5.75%
Total	15	\$6.6bn	

¹ Stabilised income/Westfield Group cost

Global Development Activity

- **Completed 12 developments during 2006 at a total gross cost of \$2.0 billion:**

- United States: Capital, Century City (Stage 2), Chesterfield, Connecticut Post, San Francisco, Southlake, Topanga (Stage 1)
- Australia: Chermside (Stage 1), Liverpool, Parramatta
- New Zealand: Chartwell, Newmarket

- **The total development gain from completed developments during the year – \$1.1 billion of which \$950 million recognised in the current period**

- **During 2006 a further \$1.5 billion of new projects were commenced:**

- United States: Annapolis, Old Orchard, Plaza Bonita, Galleria at Roseville, Southcenter
- Australia: Kotara, North Lakes
- New Zealand: Albany

Future Major Projects

United States

- Belden Village (Ohio)
- Century City Phase II (California)
- Chicago Ridge (Illinois)
- Fashion Square (California)
- Fox Hills (California)*
- Horton Plaza (California)
- Mainplace (California)*
- Montgomery (Maryland)
- North County (California)*
- Palm Desert (California)*
- Plaza Camino Real (California)*
- Santa Anita (California)*
- Southgate (Florida)
- UTC (California)*
- Valencia (California)
- Valley Fair (California)
- West Covina (California)*
- West Valley (California)

Australia & New Zealand

- Bay City (VIC)¹
- Belconnen (ACT)
- Booragoon (WA)
- Doncaster (VIC)¹
- Fountain Gate (VIC)
- Macquarie (NSW)
- Manukau (NZ)
- Marion (SA)
- Mt Gravatt (QLD)
- Newmarket (NZ)
- Pacific Fair (QLD)
- Plenty Valley (VIC)¹
- Riccarton (NZ)
- Sydney CBD (NSW)
- Tea Tree Plaza (SA)
- Warringah (NSW)

United Kingdom

- Broadway (Bradford)
- Merry Hill (Birmingham)
- Sprucefield (Lisburn, Northern Ireland)
- Stratford City (East London)
- The Broadmarsh Centre (Nottingham)
- The Friary (Guildford)

* Includes redevelopment of recently acquired Federated Stores

¹ Recently commenced

Financial Review

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

Income Statement

\$ million

	12 months to Dec '06	12 months to Dec '05
Property income	3,404	3,089
Contribution from equity accounted investments	797	580
Property revaluations	4,581	2,840
JV project and property management net income	65	46
Currency derivatives	-	45
Net profit from asset sales	21	58
Total Income	8,868	6,658
Total expenses	(1,139)	(1,019)
Currency derivatives	(231)	-
Goodwill arising from recognition of deferred tax on acquisitions	(104)	(57)
EBIT	7,394	5,582
Financing costs	(816)	(628)
Mark to market of derivatives, preference shares and minority interests treated as debt	(383)	(214)
Profit before tax	6,195	4,740
Tax expense	(70)	(77)
Deferred tax expense	(489)	(395)
Minority interests	(53)	(21)
Profit after tax	5,583	4,247

Operational Segment Analysis

\$ million

12 months to 31 December 2006

	Dec '06 Actual	Dec '05 (Constant currency) ¹	Dec '05 Actual	Dec '06 Actual vs Dec '05 (Constant currency)
Property income	3,392	3,070	3,062	10.5%
Net contribution from equity accounted properties	226	234	231	
JV project and property management net income	65	47	46	
Total income	3,683	3,351	3,339	
Total expenses	(1,018)	(918)	(914)	10.9%
EBIT	2,665	2,433	2,425	9.5%
Net interest expense	(953)	(851)	(842)	12.0%
Minority interests	(61)	(60)	(58)	
Segment earnings	1,651	1,522	1,525	8.5%
Weighted average number of securities	1,756.5	1,715.5	1,715.5	
Cents per security	94.0c	88.7c	88.9c	6.0%

¹ Constant currency is achieved by retranslating each item in the prior period profit and loss statement at the current period exchange rate. This information is not included in our ASX results announcement nor in our statutory accounts. The average exchange rates are AUD/USD 0.7535 (31/12/05 0.7622); AUD/GBP 0.4091 (31/12/05 0.4191); AUD/NZD 1.1627 (31/12/05 1.0823)

Net Property Income – by Region¹

Millions

	12 months to Dec '06	12 months to Dec '05	% Change
Australia & New Zealand (\$ million)	\$ 1,187	\$ 1,096	8.3%
United States (US\$ million)	US\$ 950	US\$ 910	4.4% ²
United Kingdom (£ million)	£ 57	£ 67	(14.9%) ²
Total NOI (\$ million)	\$ 2,588	\$ 2,449	5.7%

¹ Includes the Group's share of equity accounted assets

² Growth not comparable – affected by asset sales during the year

Income Statement by Business Segment

12 months to 31 December 2006				
\$ million	Operational	Development	Corporate	Total
Property income	3,392	12	-	3,404
Net contribution from equity accounted properties	226	(5)	20	241
Property revaluations – consolidated	-	873	3,708	4,581
Property revaluations – equity accounted	-	77	479	556
Profit on disposal of assets	-	-	21	21
JV project and property management net income	65	-	-	65
Total income	3,683	957	4,228	8,868
Total expenses	(1,018)	(89)	(32)	(1,139)
Foreign currency income hedge	-	-	(231)	(231)
Goodwill arising from recognition of deferred tax on acquisitions	-	-	(104)	(104)
EBIT	2,665	868	3,861	7,394
Net interest expense	(953)	(62)	(132)	(1,147)
Tax expense	-	-	(70)	(70)
Deferred tax expense	-	-	(489)	(489)
Minority interests ¹	(61)	-	(44)	(105)
Segment earnings	1,651	806	3,126	5,583

¹ Minority interest of \$52m included as interest under AIFRS has been reclassified to minority interest

Distribution Statement

12 months to December 2006

	\$m	Cents per security
Operational Segment Earnings	1,651	94.0c
Distribution Hedging ¹	171	9.7c
Distribution Available	1,822	103.7c
Plus: Project Profits (1 st half only)	128	7.3c
Distribution including Project Profits	1,950	111.0c
Less: Amount Retained	(79)	
Distribution	1,871	106.5c
 % of Operational Segment Earnings Distributed	 95.2%	

¹ Based on contract rates

Note: In accordance with the Group's distribution policy, the Group ceased to distribute development profits from 1 July 2006

Balance Sheet

\$ million	31 Dec '06	31 Dec '05
Cash	247	200
Property investments		
- Shopping centres	37,312	35,067
- Work in progress	2,330	1,819
- Property held for redevelopment	1,248	737
Net Investments in equity accounted entities	5,410	3,468
Other assets	2,335	1,760
Total assets	48,882	43,051
Interest bearing liabilities	18,470	17,666
Other financial instruments ¹	1,997	1,753
Finance lease liabilities	92	139
Deferred tax	2,773	2,233
Other liabilities and minority interests	2,097	1,794
Total liabilities	25,429	23,585
Net Assets	23,453	19,466

¹ Convertible preference securities that the Westfield Group considers as equity given their economic characteristics

Note: Post Balance sheet event – proceeds of Property Linked Note not included

Property Investments

■ Change in value of gross property investments

	\$ billion
Gross property investments as at 31 December '05	42.6
Revaluations	4.1
Development gains	1.0
Redevelopment expenditure	2.3
Acquisitions	1.3
Asset disposals and joint ventures	(2.1)
Gross property investments as at 31 December '06 (pre exchange rate impact)	49.2
Exchange rate impact	(1.3)
Gross property investments as at 31 December '06	47.9

■ Weighted average cap rates for each region:

■ Australia	5.6%
■ New Zealand	6.7%
■ United Kingdom	5.1%
■ United States	6.3%

Development Segment Assets

\$ million

As at 31 December 2006

- Australia & New Zealand
- United States
- United Kingdom

Total

WIP ¹	Property held for redevelopment ²	Total
208	208	416
463	506	969
1,939	707	2,646
2,610	1,421	4,031

Consolidated

Equity Accounted

Total

3,578

453

4,031

¹ Work in progress – costs incurred on projects currently under construction

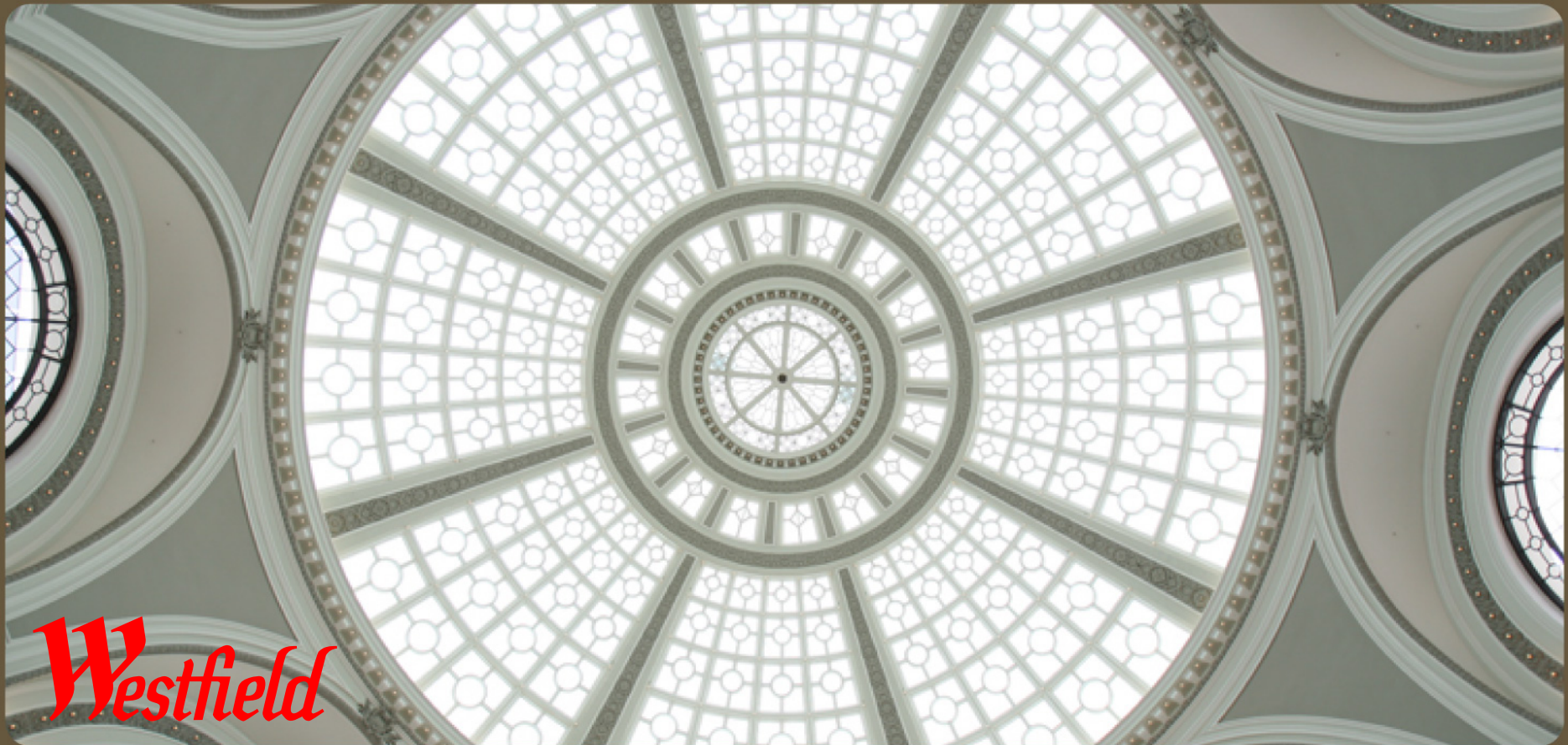
² Includes the following properties held for redevelopment – Century City offices (US), Federated Department Stores (US), Merry Hill land (UK), Bradford land (UK), Stratford (UK), Sprucefield land (UK), West Valley land (US), Newmarket land (NZ)

Westfield Group

Appendix

Full Year Results Presentation

31 December 2006



Westfield

Under the Dome, Westfield San Francisco

Appendices

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2006 Year Transactions

- Issued \$1.25 billion of Property Linked Notes – based on interests in 6 centres in the Australian portfolio (settled post balance date)
- Raised \$1.3 billion from new joint venture with QIC on Merry Hill (UK)
- Acquired ground lease at Westfield Southcenter (Seattle, Washington) for US\$200 million – facilitating commencement of US\$230 million redevelopment
- Acquired 50% interest in Cairns Central (North Queensland) for \$160 million
- Successful re-negotiation of all Myer department store leases across the Australian portfolio
- 3 new department store deals with David Jones at Chermside, Burwood and Doncaster in Australia
- Acquired remaining 75% interest in Stratford (UK) for £140m
- Disposed 8 ‘non-core’ assets in the United States for US\$550 million
- Acquired 16 Federated Department store sites at 12 Westfield centres – creating the opportunity for 18 new developments with over \$2 billion of new projects to be started over the next 4 years

Funding

- Raised US\$1.5 billion from US debt markets: US\$600 million (6 yrs) & US\$900 million (10 yrs)

Assets Under Management

\$ million

Property Investments as at 31 December 2006

	Westfield Group			JV Partner Share	Total Assets Under Management
	100% Share	Equity Accounted JV Share	Total		
Shopping Centres	37,312	6,601	43,913	10,652	54,565
Work in progress	2,330	280	2,610	1,942	4,552
Property held for development	1,248	173	1,421	201	1,622
Property Investments	40,890	7,054	47,944	12,795	60,739
Less JV debt & working capital		(1,644)	(1,644)		
Westfield Group Share	40,890	5,410	46,300		

Assets by Business Segment¹

\$ million

12 months to December 2006

	Operational	Development	Total
Shopping centres			
Consolidated	37,094	218	37,312
Equity accounted	6,541	60	6,601
	43,635	278	43,913
Work in progress			
Consolidated	-	2,330	2,330
Equity accounted	-	280	280
Properties held for future redevelopment			
Consolidated	-	1,248	1,248
Equity accounted	-	173	173
	-	4,031	4,031
Total Property Investments and WIP	43,635	4,309	47,944

¹ Includes the Group's share of equity accounted assets

Current Projects

United States – Approx US\$1.1 billion

Forecast	Total Cost ¹ US\$ million	Yield Range	Anticipated Completion
Brandon (Florida)	60	11.0 – 11.5 %	Qtr 2 '07
Southpark (Ohio)	60	10.5 – 11.0 %	Qtr 2 '07
Garden State Plaza (New Jersey)	100 ²	9.5 – 10.0 %	Qtr 2 '07
Sarasota (Florida)	50	9.5 – 10.0 %	Qtr 3 '07
Annapolis (Maryland)*	150	10.0 – 10.5 %	Qtr 4 '07
Old Orchard (Illinois)*	30	10.5 – 11.0 %	Qtr 4 '07
Plaza Bonita (California)*	80	10.0 – 10.5 %	Qtr 1 '08
Topanga – Stage 2 (California)	50	9.5 – 10.0 % ³	Qtr 4 '08
Southcenter (Washington)*	230	10.0 – 10.5 %	Qtr 1 '09
Galleria at Roseville (California)*	240	9.5 – 10.0 %	Qtr 1 '09
Total	1,050	9.9 – 10.4%	

* Projects commenced within CY 2006

¹ Excludes project profits except for joint ventures

² Westfield Group share 50% - US\$50m

³ Yield range of entire project – Stage 1 (US\$300 million) completed and opened

Current Projects

Australia & New Zealand – Approx \$510 million

Forecast ¹	Total Cost ² \$ million	Yield Range	Anticipated Completion
Kotara (Newcastle)	170	8.8 – 9.1%	Qtr 3 '07
Albany (Auckland)	NZ\$210	9.7 – 10.0%	Qtr 4 '07
North Lakes (Brisbane)*	155	9.0 – 9.3%	Qtr 4 '07
TOTAL	510	9.2 – 9.5%	

* Joint Venture centre

¹ All projects commenced in CY 2006

² Excludes project profits except for joint ventures

Current Projects

United Kingdom – Approx £1.94 billion

Forecast	Total Cost £ million	Yield Range	Anticipated Completion
Derby	340 ¹	8.25 – 8.75%	Qtr 4 '07
London	1,600 ²	5.25 – 5.75%	Qtr 4 '08

¹ Includes project profits. Westfield Group share 50% – approximately £170 million

² Westfield Group share 50% – approximately £1.0 billion

Comparable Retail Sales Growth by Category

Australia

Period to 31 December 2006

	12 months	6 months	3 months
Department Stores	4.0%	7.2%	7.3%
Discount Dept. Store	(2.0)%	(2.5)%	(1.6)%
Supermarkets	2.8%	2.6%	4.5%
Cinemas	1.8%	(3.2)%	0.5%
Fashion	3.1%	3.0%	3.5%
Food Catering	4.6%	4.6%	4.5%
Food Retail	6.3%	7.2%	8.0%
Footwear	9.0%	10.2%	9.7%
General Retail	5.8%	6.4%	6.3%
Homewares	(0.2)%	0.1%	0.3%
Jewellery	0.8%	4.8%	7.1%
Leisure	11.4%	10.3%	8.8%
Retail Services	4.6%	5.4%	6.1%
Specialties*	4.5%	4.7%	4.9%
TOTAL	3.7%	4.0%	4.5%

* Specialty stores are inclusive of mini-majors

Comparable Retail Sales Growth by Category

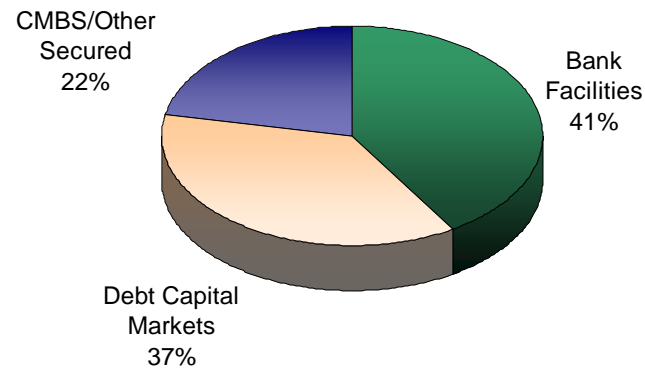
United States

Period to 31 December 2006

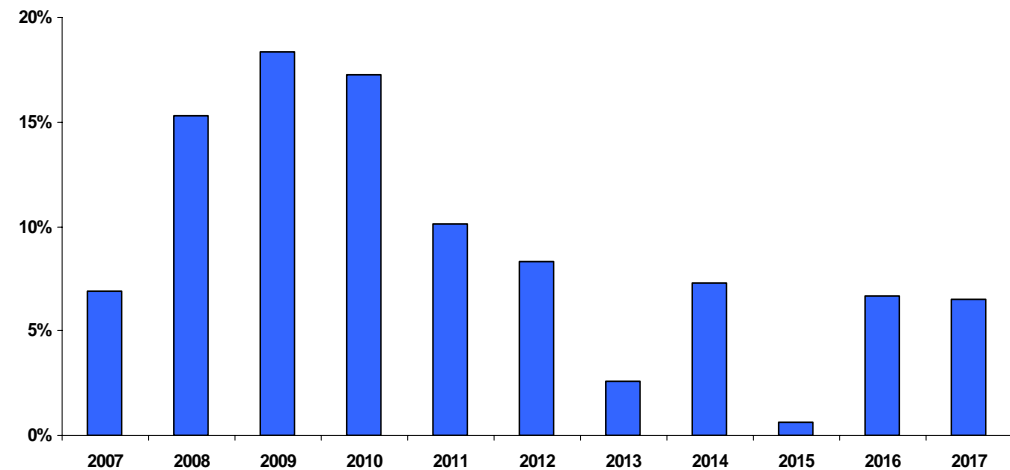
	12 months	6 months	3 months
Fashion	3.4%	3.1%	2.4%
■ Women's ready to wear	6.0%	5.3%	2.4%
■ Unisex	0.7%	0.7%	1.4%
Jewellery	2.5%	1.5%	1.4%
Leisure	7.8%	8.2%	6.3%
Food Retail	3.6%	2.4%	1.8%
General Retail	6.5%	6.3%	4.9%
Cinemas	3.0%	4.8%	(0.7)%

Funding

Facility Mix – 31 December 2006



Facility Maturity Profile – 31 December 2006



- Group liquidity as at 31 December 2006 was \$5.6 billion.
- Interest Rate Profile as at 31 December 2006
 - Weighted average interest cost of 5.23% (including impact of balance sheet hedging and Westfield Group Merger mark to market)
 - Percentage of fixed rate debt is 94% with an average interest rate hedge maturity of 8.0 years

Operational Segment Borrowings

\$ million

	At 31 Dec '06	At 31 Dec '05
Interest bearing liabilities	18,470	17,666
Finance lease liabilities	92	139
Other financial instruments	1,997	1,753
Share of equity accounted interest bearing liabilities ¹	1,727	1,530
Total borrowings	22,286	21,088
 Total borrowings	 22,286	 21,088
Less: Borrowings attributable to Development Segment	(4,309)	(3,069)
Total borrowings attributable to Operational Segment	17,977	18,019
Less: Operational Segment share of equity accounted interest bearing liabilities ¹	(1,214)	(1,058)
Less: Convertible preference shares (included in other financial instruments of \$1,997m) treated as minority interest in the Operational Segment Income Statement (<i>Slide 16 - \$52m, 2005 \$51m</i>)	(859)	(791)
Operational Segment Consolidated Borrowings	15,904	16,170

¹ Share of equity accounted interest bearing liabilities of \$1,727m includes borrowings attributable to equity accounted development segment assets of \$513m- (*Slide 25*)

Interest Rate Hedging Profile

INTEREST HEDGING PROFILE*

As at Dec	<u>\$ interest receivable</u>		<u>US\$ interest payable</u>		<u>£ interest payable</u>		<u>\$ interest payable</u>	
	\$m	Fixed Rate %	US\$m	Fixed Rate %	£m	Fixed Rate %	\$m	Fixed Rate %
2006	5,731.0	6.59%	(13,327.8)	5.29%	(1,784.9)	5.48%	(2,838.4)	6.76%
2007	5,732.0	6.59%	(14,166.6)	5.46%	(2,084.2)	5.51%	(3,638.7)	6.62%
2008	3,500.0	6.60%	(13,784.6)	5.49%	(1,923.0)	5.37%	(3,817.8)	6.69%
2009	3,500.0	6.60%	(12,731.4)	5.66%	(1,963.0)	5.36%	(3,319.8)	6.77%
2010	3,000.0	6.60%	(11,780.8)	5.78%	(2,082.2)	5.35%	(2,942.7)	6.69%
2011	2,500.0	6.60%	(10,122.3)	5.81%	(2,082.2)	5.35%	(2,260.6)	6.69%
2012	1,750.0	6.61%	(8,135.8)	5.81%	(1,782.5)	5.33%	(1,841.1)	6.60%
2013	450.0	6.42%	(6,841.0)	5.80%	(1,782.5)	5.33%	(543.9)	6.33%
2014	200.0	6.22%	(4,620.4)	5.91%	(1,490.0)	5.29%	(419.0)	6.17%
2015	0.0	N/A	(3,136.5)	5.94%	(1,050.0)	5.41%	(10.0)	6.66%
2016	0.0	N/A	(420.1)	6.11%	(600.0)	5.39%	0.0	N/A

* Fixed rate includes the Westfield Group Merger mark to market

Currency Hedging Profile

FOREIGN CURRENCY DENOMINATED BALANCE SHEET HEDGING MATURITY PROFILE

Maturing during period ended Dec	Cross currency swap receivable/(payable)				
	\$m	US\$m	£m	NZ\$m	€m
2007	127.9	(75.0)	-	-	-
2008	(203.0)	(31.0)	-	294.5	-
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)	-	-	-
	<u>5,488.1</u>	<u>(4,468.6)</u>	<u>(133.0)</u>	<u>294.5</u>	<u>600.0</u>

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 twelve month period ending 31 December 2008 and has an average exchange rate upper limit of AUD = USD 0.7559 and an average exchange rate lower limit of AUD = USD 0.7086.

Currency Hedging Profile (continued)

FOREIGN CURRENCY DENOMINATED NET INCOME HEDGING MATURITY PROFILE

Maturing during period ended Dec	<u>Sell US\$ Forward Exchange Contracts</u>			<u>Sell NZ\$ Forward Exchange Contracts</u>		
	US\$m	Hedge Rate*	Contract Rate	NZ\$m	Hedge Rate*	Contract Rate
2007	(238.7)	0.6025	0.5335	(176.4)	1.1272	1.1459
2008	(222.3)	0.6688	0.6522	(179.0)	1.1280	1.1338
2009	(208.0)	0.7102	0.7102	(175.2)	1.1498	1.1498
2010	(141.3)	0.7121	0.7121	(130.0)	1.1801	1.1801
2011	(63.0)	0.7334	0.7334	(69.0)	1.2110	1.2110

* Hedge rate includes the Westfield Group Merger mark to market

Key Financial Ratios

Financial ratios per the Westfield Group's bond offerings

■ Net debt as a % of assets	38.4%
■ Secured debt as a % of assets	11.7%
■ EBITDA to interest expense	2.7 times
■ Unsecured assets as a % of unsecured debt	237%

Gearing

■ Debt to total market capitalisation	29.2%
---------------------------------------	-------

Exchange Rates

- Income Statement - average exchange rates for the 12 months to 31 December 2006:

- AUD/USD 0.7535 (12 months to 31 Dec 2005: AUD/USD 0.7622)
- AUD/GBP 0.4091 (12 months to 31 Dec 2005: AUD/GBP 0.4191)
- AUD/NZD 1.1627 (12 months to 31 Dec 2005: AUD/NZD 1.0823)

- Balance Sheet - exchange rates as at 31 December 2006:

- AUD/USD 0.7896 (31 December 2005: AUD/USD 0.7327)
- AUD/GBP 0.4025 (31 December 2005: AUD/GBP 0.4245)
- AUD/NZD 1.1212 (31 December 2005: AUD/NZD 1.0712)