

Westfield Group

Results Presentation

Full Year Result ended 31 December 2005

'Strong performance in all markets'

20 February 2006

Agenda

- Overview
- 2005 Highlights
- Operational Review
- Financial Review
- Business Reporting & Distribution Policy
- Q&A

Note: All figures within this presentation are presented in Australian dollars unless otherwise stated. Average exchange rates for the twelve months to December 2005 was AUD/USD 0.7622, AUD/GBP 0.4191, AUD/NZ 1.0823 and exchange rates as at 31 December 2005 was AUD/USD 0.7327, AUD/GBP 0.4245, AUD/NZ 1.0712.

Overview

- Westfield Group is the pre eminent owner of super regional shopping centre assets globally
- The quality and market penetration of those assets is a unique feature of the Group's business
- Our intensive management at an operational level is a key driver for income growth from existing assets
- Extensive development program at high yields generates incremental income, improves asset quality and creates significant value

2005 Highlights

- Westfield Group full year net profit after tax of A\$4.2 billion
- Strong performance from its portfolios in each market – comparable NOI growth is 5.3% for Australia & New Zealand, 3.6% in the United States and 6.6% in the United Kingdom
- More than 60% of net property income is based outside of Australia
- On a basis consistent with the Explanatory Memorandum profit after tax was \$1,659 million (96.7 cents per security) compared to \$1,594 million (94.9 cents per security) as forecast in the EM
- Distribution of A\$1,838 million (106.57 cents per security in line with forecast)
- Interest in shopping centres with a gross value of A\$52.5 billion – 25% increase for the year
- 18 projects currently under construction with a total investment of A\$6.8 billion (Westfield Group share A\$4.6 billion) and a further A\$1.5 to A\$2 billion of projects expected to commence each year for the next three years
- Operational segment forecast to deliver 6% growth in 2006 and 2007 at constant currency

Financial Highlights

Income Statement	12 months to 31 Dec '05
Profit after tax (A\$ million)	4,247
Distribution (A\$ million)	1,838
Distribution per security (cents)	106.57

Balance Sheet	At 31 Dec '05	At 31 Dec '04
Gross Property Investments (A\$ million)	42,577	34,973
Net Assets (A\$ million)	19,466	16,241
Gearing (%) ¹	41.4	38.4
Net debt to total market capitalisation (%) ²	31.6	27.4
Equity market capitalisation (A\$ million) ²	33,393	29,657

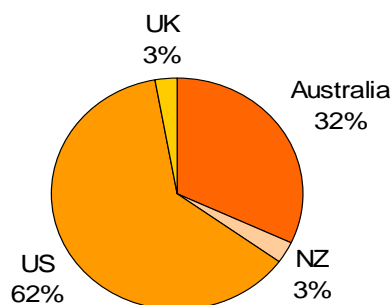
¹ As calculated and documented under the Westfield Group bond offerings

² Based on WDC share price at Dec '05 \$18.16 (Dec '04 \$16.43) and conversion of convertible securities (not including preference shares or OP units)

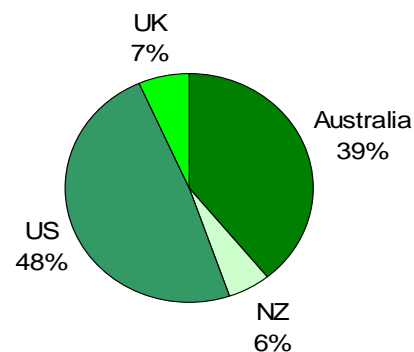
Portfolio Summary as at 31 December '05

	United States	Australia	United Kingdom	New Zealand	Total
Centres	67	43	7	11	128
Retail Outlets	9,400	10,900	800	1,400	22,500
GLA (million sqm)	6.6	3.4	0.3	0.3	10.6
Net Property Income (million)	US\$929	A\$984	£70	NZ\$141	A\$2,500
Westfield Asset Value (billion) ¹	US\$13.9	A\$15.4	£1.4	NZ\$2.0	A\$39.6 ¹
Assets Under Management (billion) ²	US\$16.9	A\$20.4	£3.0	NZ\$2.2	A\$52.5 ²

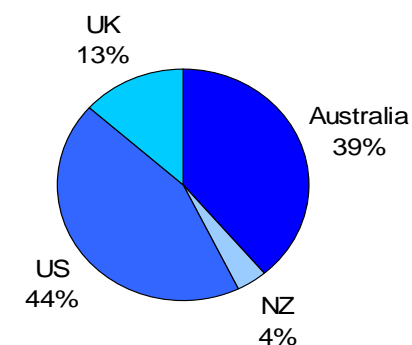
Gross Lettable Area



Net Property Income



Assets Under Management

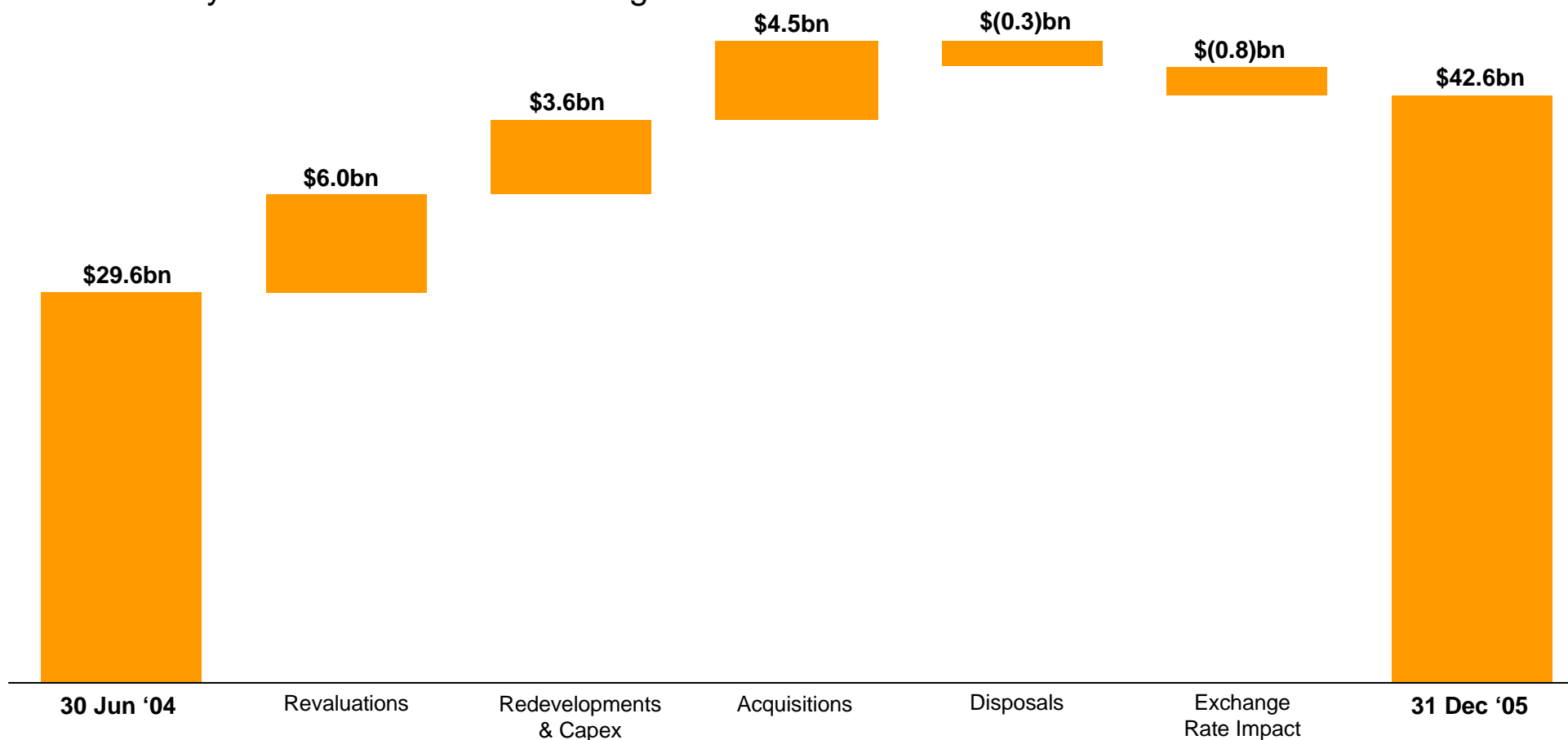


¹ WDC share of shopping centre assets and excludes work in progress and assets held for redevelopment

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

Growth in value of shopping centre interests

- Since the merger the growth in Westfield Group's share of the value of its shopping centre portfolio has grown by 43.9%.
- Over the year to 31 December 2005 growth was 22.1%.



Operational Review

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

Global Development Activity

- 18 projects under construction as at 31 December 2005 with an estimated total investment of A\$6.8 billion – Westfield Group share A\$4.6 billion

	No. of Projects	Estimated Total Cost	Target Weighted Average Yield ¹
United States	11	US\$1.5bn	9.6 – 10.0%
Australia & New Zealand	5	A\$0.6bn	9.3 – 9.6%
United Kingdom - Derby	1	£0.3bn	8.0 – 8.5%
- White City	1	£1.5bn	5.75 – 6.0%
Total	18	A\$6.8bn	

- Projects currently under construction are expected to create in excess of A\$1 billion positive revaluation uplift – WDC share

¹ Stabilised income/Westfield Group cost

Global Development Activity

- **Completed 8 projects costing A\$1.0bn achieving a weighted average development yield of 9.9%**
 - United States Franklin Park, Wheaton and Gateway
 - Australia & New Zealand Helensvale, Tuggerah, Innaloo, Mt Druitt and Queensgate
- **Commenced 12 new projects with an estimated total investment of A\$2.1bn**
 - United States Topanga, Sarasota, Brandon, Capital, Southlake, Southpark and Garden State Plaza
 - Australia & New Zealand Liverpool, Chermside, Chartwell and Newmarket
 - United Kingdom Derby
- **Redevelopment projects from the existing portfolio of A\$1.5 to A\$2 billion anticipated to commence each year for the next 3 years**

Future Projects

United States

- Annapolis (Annapolis, Maryland)
- Century City Phase II (Los Angeles, California)
- Fashion Square (Sherman Oaks, California)
- Fox Hills (Culver City, California)
- Galleria at Roseville (Roseville, California)
- Hawthorn (Vernon Hills, Illinois)
- Horton Plaza (San Diego, California)
- Mainplace (Santa Ana, California)
- Montgomery (Bethesda, Maryland)
- North County (Escondido, California)
- Old Orchard (Skokie, Illinois)
- Palm Desert (Palm Desert, California)
- Plaza Bonita (San Diego, California)
- Plaza Camino Real (Carlsbad, California)
- Southgate (Sarasota, Florida)
- Southcenter (Seattle, Washington)
- UTC (San Diego, California)
- West Valley (Los Angeles, California)

Australia & New Zealand

- Albany (NZ)
- Bay City (VIC)
- Belconnen (ACT)
- Booragoon (WA)
- Doncaster (VIC)
- Fountain Gate (VIC)
- Kotara (NSW)
- Macquarie (NSW)
- Manukau (NZ)
- Mt Gravatt (QLD)
- Newmarket/277 (NZ)
- North Lakes (QLD)
- Pacific Fair (QLD)
- Plenty Valley (VIC)
- St. Lukes (NZ)
- Sydney CBD (NSW)
- Tea Tree Plaza (SA)

United Kingdom

- Broadway (Bradford)
- Merry Hill (Birmingham)
- The Friary (Guildford)
- Sprucefield (Northern Ireland)
- The Broadmarsh Centre (Nottingham)

Shopping Centre Operating Performance

	Portfolio Leased ¹	Specialty Occupancy Cost ²	Lease Deals Completed ²		Average Specialty Store Rent		Comparable NOI Growth ²
			Number	Area	Amount ¹	Growth ³	
United States	95.1% ⁴	13.5%	1,340	3,758,412 sqft	US\$38.83 psf	3.3%	3.6%
Australia & New Zealand	> 99.5%	15.6%	2,819	334,624 sqm	A\$1,167 psm NZ\$995 psm	5.2%	5.3%
United Kingdom	> 99%	n/a	138	59,606 sqm	£586 psm	6.4%	6.6%

¹ As at 31 December 2005

² 12 months to 31 December 2005

³ 31 December 2005 compared to 31 December 2004 – excludes newly acquired centres

⁴ Excludes Sunrise Mall which was acquired in the second half

Retail Sales Overview¹

	Period to 31 December 2005			
	12 months \$	Growth	6 months Growth	3 months Growth
United States²				
Specialties	US\$424psf US\$7.3 bn	5.2%	4.8%	4.6%
Australia				
Majors		4.8%	5.1%	3.9%
Mini majors		9.4%	12.9%	16.1%
Specialties	A\$9,005psm	2.9%	1.9%	1.6%
Total	A\$17.2 bn	4.5%	4.4%	3.9%
United Kingdom³				
Comparable		(0.5)%	0%	1.1%
Total	n/a	3.1%	3.6%	4.8%
New Zealand				
Specialties	NZ\$9,084psm	0.2%	0.8%	0.6%
Total	NZ\$1.6 bn	0.2%	1.2%	0.9%

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

Financial Review

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

Income Statement

A\$ million

	12 months to Dec '05
Property income	3,089
Contribution from equity accounted investments	580
Property revaluations	2,840
Other income	46
Currency derivatives	45
Net profit from asset sales	58
Total Income	6,658
Total expenses	(1,019)
Goodwill arising from recognition of deferred tax on acquisitions	(57)
EBIT	5,582
Financing costs	(628)
Mark to market of derivatives, preference shares and minority interests treated as debt	(214)
Profit before tax	4,740
Tax expense	(77)
Deferred tax expense	(395)
Minority interests	(21)
Profit after tax	4,247

Distribution Statement

A\$ million

12 months to
Dec '05

Profit after tax	4,247	
<i>Less:</i> Property revaluation ¹	(3,157)	
Net profit from asset sales	(75)	
<i>Add:</i> Project profits distributed	176	
Mark to market of derivatives, preference shares and minority interests treated as debt	192	
Deferred tax on potential capital gains liability	452	
Available for distribution	1,835	
Profit not distributed	(7)	
Distribution	1,828	= 106.57 cps
Distribution in respect of cum distribution component of shares issued during the period	10	
Distribution paid	1,838	

¹ Net of amortisation of tenant allowances and revaluation attributable to minority interests

Balance Sheet

A\$ million	At 31 Dec '05	At 31 Dec '04	% Change
Cash	200	237	
Property investments			
- Shopping centres	35,074	26,848	
- WIP and development properties	2,549	932	
Net Investments in equity accounted entities	3,468	3,332	
Other assets	1,760	2,613	
Total assets	43,051	33,962	26.8%
Interest bearing liabilities	17,666	12,933	
Other financial instruments ¹	1,753	1,125	
Finance lease liabilities	139	134	
Deferred tax	2,233	1,333	
Other liabilities and minority interests	1,794	2,196	
Total liabilities	23,585	17,721	
Net Assets	19,466	16,241	19.9%

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

Property Investments

- Change in value of gross property investments

	A\$ billion
Gross property investments including development projects as at 31 December '04	34.9
Revaluations	3.2
Redevelopment expenditure	2.4
Acquisitions	1.5
Disposals	(0.3)
Gross property investments as at 31 December '05 (pre exchange rate impact)	41.7
Exchange rate impact	0.9
Gross property investments including development projects as at 31 Dec '05	42.6

- Weighted average cap rates for each region:

– Australia	6.4%
– New Zealand	7.8%
– United Kingdom	5.2%
– United States	6.7%

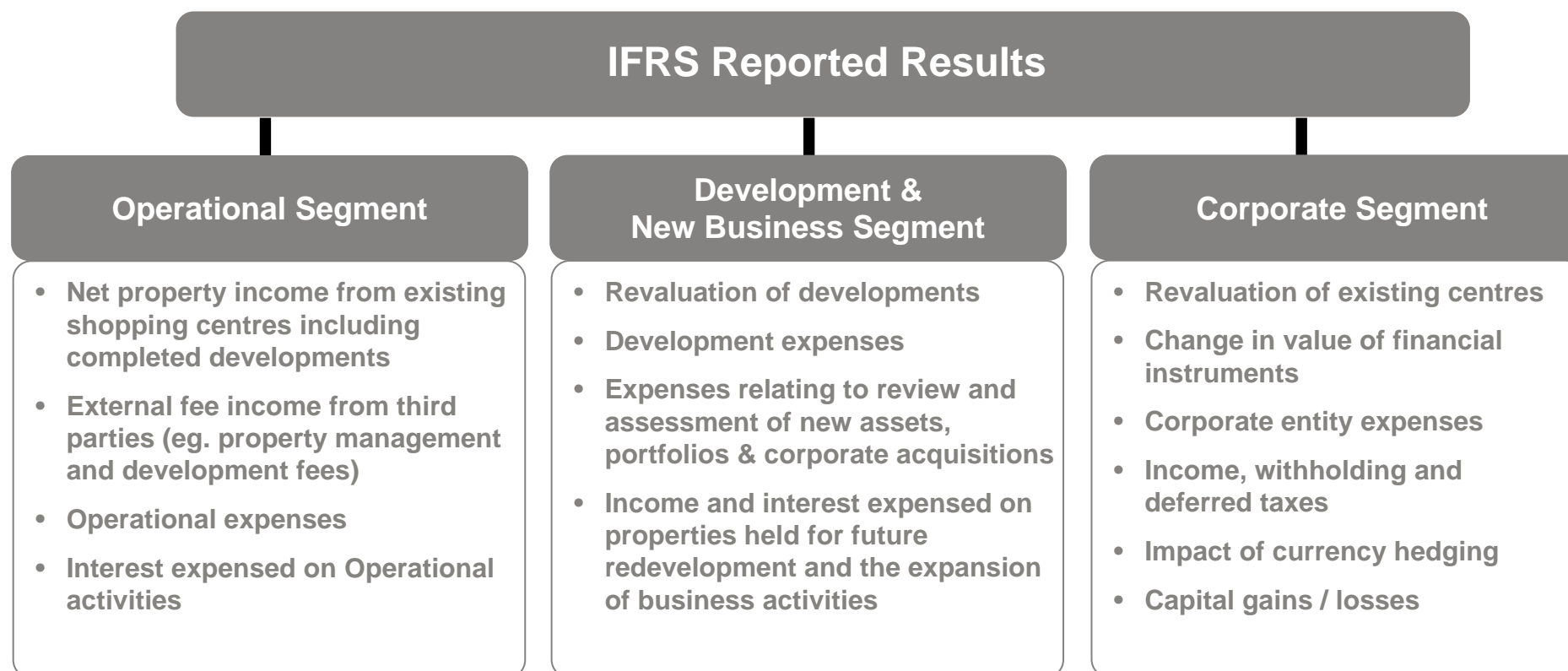
Business Reporting & Distribution Policy

- Business Segment Reporting
- Distribution Policy

Business Segment Reporting

- Introduction of IFRS reporting in 2005.
 - Significant effect on both the Income Statement and Balance Sheet – eg. revaluations and mark to market of financial instruments
- Business segment reporting framework now reflects the Group's core activities, consistent with how the Group is managed.
 - Operational
 - Development and New Business
 - Corporate

Business Reporting – Segment Overview



Income Statement by Business Segment

A\$ million

12 months to Dec '05

	Operational	Development & New Business	Corporate	Total
Property income	3,062	27	-	3,089
Property revaluations	-	394	2,446	2,840
Net contribution from equity accounted properties	231	20	329	580
JV project and property management net income	46	-	-	46
Foreign currency income hedge	-	-	45	45
Net profit from asset sales	-	-	58	58
Total income	3,339	441	2,878	6,658
Total expenses	(914)	(78)	(27)	(1,019)
Goodwill arising from recognition of deferred tax on acquisitions	-	-	(57)	(57)
EBIT	2,425	363	2,794	5,582
Net Interest expense	(842) ¹	(40)	91	(791)
Tax expense	-	-	(77)	(77)
Deferred tax expense	-	-	(395)	(395)
Minority interests	(58) ¹	-	(14)	(72)
Segment earnings	1,525	323	2,399	4,247

¹ Minority interest of \$51m included as interest under AIFRS has been reclassified to minority interest.

Segment Profiles

- The **Operational Segment** earnings are forecast to grow, on a constant currency basis, at around 6% pa. driven by:
 - growth in underlying property income; and
 - additional property income as a result of development activities.
- The **Development and New Business Segment** includes:
 - costs of development activities
 - incremental value generated from development - recognised on revaluation
 - income and costs relating to both properties held for future development and the expansion of business activities

Development Segment Assets

A\$ million	At 31 Dec '05		
	WIP ^{1,2}	Property held for redevelopment ^{3, 4}	Total
- Australia & New Zealand	142	255	397
- United States	826	223	1,049
- United Kingdom	1,188	332	1,520
Total	2,156	810	2,966
Consolidated			2,549
Equity Accounted			417
			2,966

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

² Interest cost in respect of Work In Progress is capitalised

³ Interest cost in respect of property held for future redevelopment is allocated to the development business segment

⁴ Includes the following major projects, Century City offices (US), Merry Hill land (UK), Bradford land (UK), Sprucefield land (UK), West Valley land (US), Newmarket land (NZ)

Segment Profiles (continued)

- The **Corporate Segment** includes:
 - incremental value generated from existing centres - recognised on revaluation
 - mark to market adjustments on hedging positions
 - currency hedging
 - tax expense

Distribution Policy

- Distribution will be no more than 100% of Operational Segment earnings (as presented in the audited financial statements) +/- the hedging of offshore net income.
- Distribution for the 2006 year will include the distribution of project profits for the first 6 months only – consistent with the merger forecast assumptions.
 - On this basis, the distribution for the 2006 year is estimated at 106.5 cents per security being:
 - 54.5 cents per security for the 6 months to 30 June '06; and
 - 52.0 cents per security for the 6 months to 31 December '06
- From 1 July '06, project profits will no longer be distributed.

Distribution Statement and Forecast

	12 Months to Dec '05 Actual		12 months to Dec '06 Forecast	
	A\$ millions	Cents per Security	Cents per Security ²	% Growth
Operational Segment Earnings	1,525	88.9c	94.2c	+6.0%
Distribution Hedging ¹	192	11.2c	9.4c	-16.1%
Distribution Available	1,717	100.1c	103.6	+3.5%
Plus: Project Profits	176	10.3c	7.0c	
Distribution Available incl Project Profits	1,893	110.4c	110.6c	
Distribution	1,828	106.5c	106.5c	
Distribution Paid from Operational Segment	1,459			
% of Operational Segment Earnings Distributed	95.7%		95.6%	

¹ Based on contract rates

² Distribution is forecast to be 54.5c for the six months ending 30 June 2006, including the distribution of project profits, and 52.0c for the six months ending 31 December 2006

Appendix I – Business Segment Reporting

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Detailed Income Statement by Business Segment

12 months to Dec '05

A\$ million

	Operational	Development & New Business	Corporate	Total
Property income	3,062	27	-	3,089
Property revaluations	-	-	-	-
Trading centres	-	-	2,446	2,446
Completed redevelopments	-	282	-	282
Redevelopments in progress	-	85	-	85
Properties held for future redevelopment	-	27	-	27
	-	394	2,446	2,840
Net contribution from equity accounted properties				
Property income net of expenses	352	-	-	352
Property revaluations	-	39	314	353
Profit from asset sales	-	-	23	23
Interest	(121)	(19)	(2)	(142)
Tax expense	-	-	(6)	(6)
	231	20	329	580
JV project and property management net income				
Net project management income	18	-	-	18
Net property management income	28	-	-	28
	46	-	-	46
Carried forward	3,339	441	2,775	6,555

Detailed Income Statement by Business Segment (continued)

12 months to Dec '05

A\$ million

	Operational	Development & New Business	Corporate	Total
Brought forward	3,339	441	2,775	6,555
Foreign Currency income hedge	-	-	-	-
Current period realised amounts	-	-	192	192
Mark to market unrealised amounts	-	-	(147)	(147)
			45	45
Profit from asset sale	-	-	58	58
TOTAL INCOME	3,339	441	2,878	6,658
Total expenses				
Direct property expenses	(858)	(13)	-	(871)
Overhead expenses	(56)	(65)	(27)	(148)
	(914)	(78)	(27)	(1,019)
Goodwill arising from recognition of deferred tax on acquisitions			(57)	(57)
EBIT	2,425	363	2,794	5,582
Net interest expense	(842)¹	(40)	91	(791)
Tax expense				
Income and withholding tax expense	-	-	(70)	(70)
Tax on asset sales	-	-	(7)	(7)
Deferred tax expense	-	-	(395)	(395)
	-	-	(472)	(472)
Minority interest	(58)¹	-	(14)	(72)
SEGMENT EARNINGS	1,525	323	2,399	4,247

¹ Minority interest of \$51m included as interest under AIFRS has been reclassified to minority interest.

Asset Analysis by Business Segment¹

A\$ million

	12 months to Dec '05		Total
	Operational	Development & New Business	
Shopping centres			
Consolidated	35,026	48	35,074
Equity accounted	4,482	55	4,537
Work in progress			
Consolidated	-	1,819	1,819
Equity accounted	-	338	338
Properties held for future redevelopment			
Consolidated	-	730	730
Equity accounted	-	79	79
Net working capital	39,508 836	3,069 -	42,577 836
Segment assets	40,344	3,069	43,413
Segment borrowings	(17,975)	(3,069)	*(21,044)

¹ Includes the Group's share of equity accounted assets

* Comprises interest bearing liabilities \$17.7b, other financial instruments \$1.8b, finance leases \$0.1b and equity accounted borrowing \$1.4b

Segment Definitions

Operational	Development and New Business	Corporate
<p>Net property income</p> <ul style="list-style-type: none"> • Net property income from existing centres and the unaffected portion of centres under development less property expenses and costs of managing centres • Net property income from equity accounted centres less - property expenses, the costs of management; and property specific interest cost incorporated within the equity accounted investment <p>Other income</p> <ul style="list-style-type: none"> ▪ Third party development and project management fees net of expenses ▪ Third party property and fund management fees net of expenses <p>Net interest expense</p> <ul style="list-style-type: none"> ▪ Interest income ▪ Total interest expense less: <ul style="list-style-type: none"> - amounts allocated to Development and New Business Segment and Corporate Segment ▪ Interest cost of finance leases (ground leases) ▪ Interest cost of redeemable preference shares / units treated as debt 	<p>Property revaluations</p> <ul style="list-style-type: none"> ▪ Revaluation of entire centre upon completion of development based upon independent appraisals on completion. A partial revaluation to be recognised during the construction stage when at least 70% leased and constructed) ▪ Revaluation of properties held for development (if any) ▪ Income relating to corporate acquisitions <p>Net property income</p> <ul style="list-style-type: none"> ▪ Net property income from properties held for future development less property expenses (if any) <p>Expenses</p> <ul style="list-style-type: none"> ▪ Costs of running the current development programme ▪ Costs of new business activity <p>Net interest expense</p> <ul style="list-style-type: none"> ▪ Interest cost of funding development activities¹ ▪ Interest cost on portion of existing centre directly affected by the development¹ ▪ Interest cost on properties held for future redevelopment 	<p>Property revaluations</p> <ul style="list-style-type: none"> ▪ Revaluation of all centres not undergoing development based upon independent appraisals <p>Profit or loss on sale of assets</p> <p>Financial instruments (including IFRS)</p> <ul style="list-style-type: none"> ▪ Impact of forward exchange rate contracts ▪ Impact of balance sheet hedges put in place at the time of the Merger ▪ Amortisation of mark to market valuations of forward exchange contracts and interest rate hedges as at the time of the Merger ▪ Mark to market of: <ul style="list-style-type: none"> - Interest rate and foreign currency income hedges that do not qualify for hedge accounting under AIFRS ▪ Unrealised gain or loss relating to the fair value of the preference shares/units <p>Entity expenses</p> <ul style="list-style-type: none"> ▪ Costs of running the corporate entity <p>Tax expense</p> <ul style="list-style-type: none"> ▪ Withholding, deferred and other taxes <p>Goodwill</p>

¹ Interest capitalised as appropriate

Westfield Group

Appendix II & III

Results Presentation

Full Year Result ended 31 December 2005

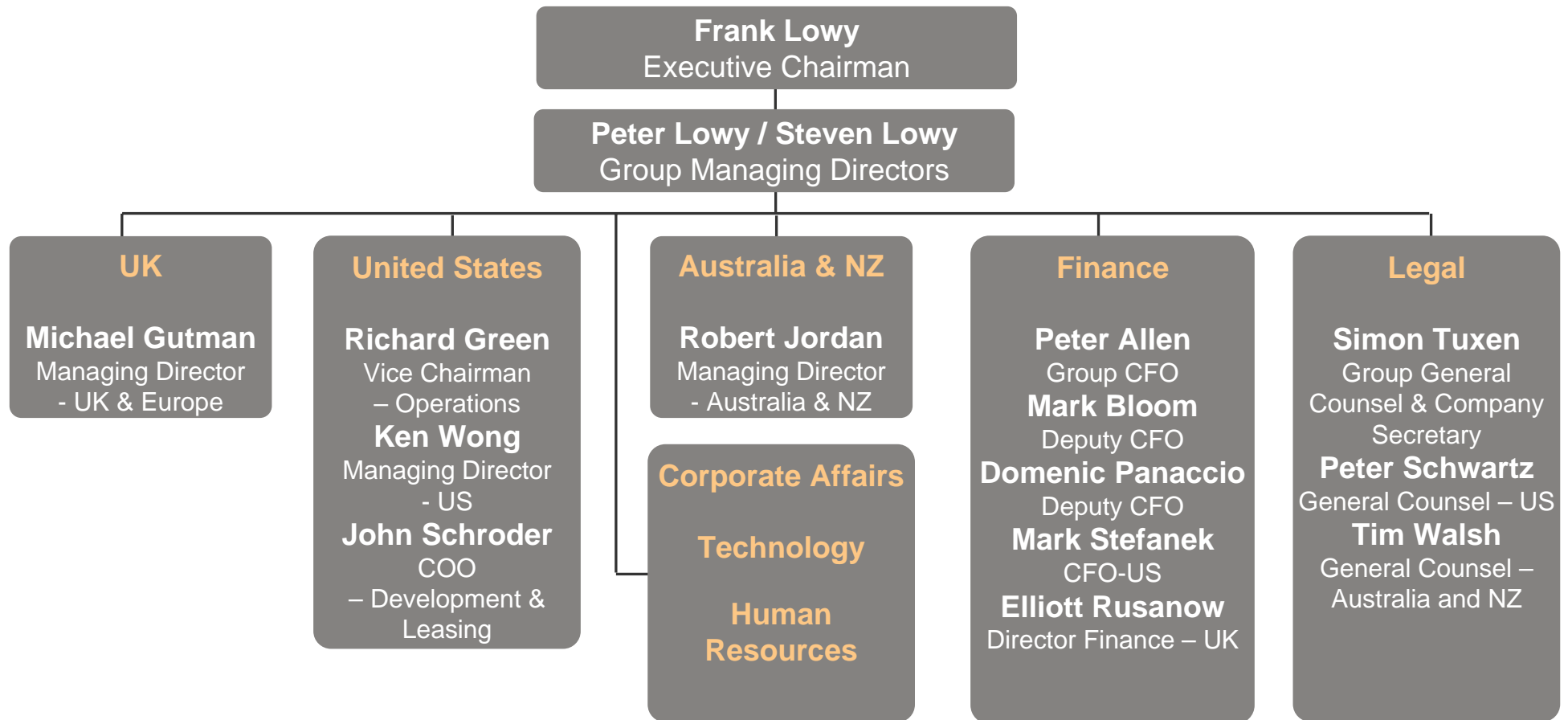
20 February 2006

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Senior Management Team



Project Distributions

- **Project profits this period**

	Westfield Group	External parties	Total
	(A\$m)	(A\$m)	(A\$m)
Project expenditure	1,329	267	1,596
Project profits distributed	176	18	194

Major Projects

Australia & New Zealand -	Bondi, Chermshire, Mt Druitt, Tuggerah, Parramatta, Helensvale and Liverpool
United States -	Topanga, Century City, Connecticut Post and Chesterfield
United Kingdom -	Derby

Reconciliation of Property Investments

A\$ million

Property investments as at 31 December 2005

	Westfield Group Interest	Equity Accounted JV Share	Total	JV Partner Share	Investments Under Management
Gross property investments	35,074	4,537	39,611	8,361	47,972
WIP & Properties held for redevelopment	2,549	417	2,966	1,579	4,545
	37,623	4,954	42,577	9,940	52,517
Less JV debt & working capital		1,486	1,486		
Westfield Accounts	37,623	3,468	41,091		

Current Projects

- United States - Approx US \$1.5 billion

Forecast	Total Cost ¹ US \$million	Yield Range	Anticipated Completion
Chesterfield (St Louis, Missouri)	70	11.0 – 11.3%	Qtr 1 '06
Connecticut Post (Milford, Connecticut)	140	8.8 – 9.3%	Qtr 2 '06
Capital (Olympia, Washington)*	50	9.8 – 10.0%	Qtr 4 '06
Century City (Los Angeles, California)	160	11.0 – 11.5%	Qtr 4 '06
San Francisco (San Francisco, California)	440 ²	8.6 – 9.1%	Qtr 4 '06
Southlake (Hobart, Indiana)*	20	12.1 – 12.5%	Qtr 4 '06
Brandon (Tampa, Florida)*	50	11.0 – 11.4%	Qtr 1 '07
Topanga (Los Angeles, California)*	330	9.6 – 9.9%	Qtr 1 '07 Qtr 4 '08
Sarasota (Sarasota, Florida)*	50	9.6 – 9.9%	Qtr 2 '07
Southpark (Cleveland, Ohio)*	60	11.0 – 11.4%	Qtr 2 '07
Garden State Plaza (Paramus, New Jersey)*	90 ³	9.6 – 9.9%	Qtr 2 '07
Total	1,460	9.6 – 10.0%	

* Projects commenced within the year to 31 December 2005

¹ Excludes project profits except for 100% owned projects commenced prior to 1 January 2005 and joint ventures

² Westfield Group share 50% - US\$220m

³ Westfield Group share 50% - US\$45m

Current Projects

- Australia & New Zealand – Approx A\$600 million

Forecast	Total Cost¹ A\$ million	Yield Range	Anticipated Completion
Parramatta (Sydney)	109	8.0 – 8.3%	Qtr 2 '06
Newmarket (Auckland)*	NZ 32	11.5 – 11.7%	Qtr 3 '06
Liverpool (Sydney)*	200 ²	8.9 – 9.2%	Qtr 4 '06
Chermside (Brisbane)*	180	10.3 – 10.6%	Qtr 4 '06
Chartwell (Hamilton)*	NZ 35	9.1 – 9.4%	Qtr 4 '06
TOTAL	552	9.3 – 9.6%	

* Projects commenced within the year to 31 December 2005

¹ Excludes project profits except for 100% owned projects commenced prior to 1 January 2005 and joint ventures

² Westfield Group share 50% - \$100m

Current Projects

- United Kingdom - Approx £1.8 billion

Forecast	Total Cost £ million	Yield Range	Anticipated Completion
Derby*	310 ^{1 2}	8.0 – 8.5%	Qtr 1 '08
White City	1,500 ³	5.75 – 6.0%	Qtr 2 '08

* Project commenced within the year to 31 December 2005

¹ Includes project profits

² Westfield Group share 50% - approximately £155 million

³ Westfield Group share 50% - approximately £900 million

Comparable Specialty Retail Sales Growth by Region

Period to 31 December 2005

	12 months	6 months	3 months
United States			
- East Coast	5.2%	4.2%	5.2%
- Mid West	1.9%	1.5%	1.4%
- West Coast	6.8%	7.0%	6.0%
Total United States	5.2%	4.8%	4.6%
Australia			
- NSW & ACT	1.6%	1.6%	0.9%
- VIC	1.6%	0.7%	0.9%
- QLD	4.5%	0.9%	(0.6)%
- SA	2.6%	0.1%	1.2%
- WA	7.7%	7.4%	8.4%
Total Australia	2.9%	1.9%	1.6%
New Zealand	0.2%	0.8%	0.6%

Comparable Retail Sales Growth by Category

- Australia

Period to 31 December 2005

	12 months	6 months	3 months
Department Stores	5.6%	6.0%	6.7%
Discount Dept. Store	3.2%	2.7%	0.4%
Supermarkets	3.1%	3.7%	1.9%
Mini Majors	9.4%	12.9%	16.1%
Cinemas	(9.5)%	(8.2)%	(6.8)%
Fashion	4.0%	3.7%	4.4%
Food Catering	3.6%	3.0%	2.9%
Food Retail	5.4%	6.1%	5.4%
Footwear	4.0%	2.8%	3.8%
General Retail	3.6%	3.0%	2.8%
Homewares	2.9%	2.9%	2.3%
Jewellery	(0.1)%	(2.3)%	(3.5)%
Leisure	(4.6)%	(6.5)%	(6.3)%
Retail Services	6.4%	4.5%	3.1%
Specialties	2.9%	1.9%	1.6%
TOTAL	4.5%	4.4%	3.9%

Comparable Retail Sales Growth by Category

- United States

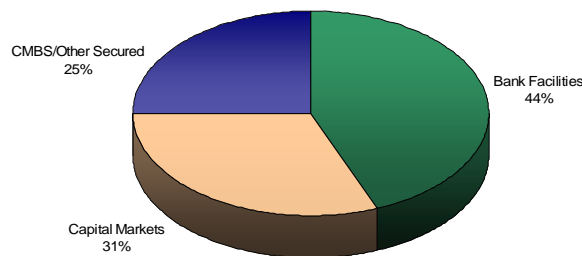
Period to 31 December 2005

	12 months	6 months	3 months
Fashion	7.0%	7.0%	6.2%
• Women's ready to wear	6.2%	7.0%	6.9%
• Unisex	7.2%	5.7%	4.4%
Jewellery	1.1%	0.5%	(0.3)%
Leisure	5.9%	5.1%	5.4%
Food retail	3.8%	4.3%	4.6%
General retail	1.4%	0.8%	2.6%
Cinemas	(5.0)%	(5.8)%	(4.6)%

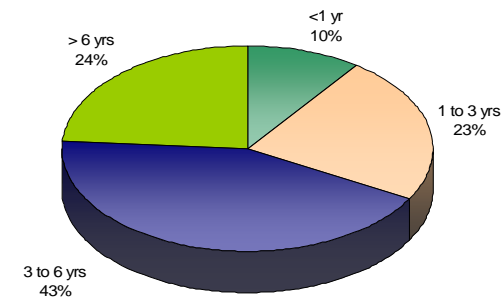
Funding

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

Facility Mix - 31 Dec 2005



Facility Maturity Profile - 31 Dec 2005



- Funding activity in 2005
 - Eurobond issue of A\$2.35b (€600 million and £600 million)
 - A\$2.65 billion (US\$1.945 billion) US Syndicated Bank Facility
 - A\$1.1 billion equity issued through DRP (A\$466m) and conversion of options (A\$627 million including convertible bonds)
- Interest Rate Profile as at 31 December 2005
 - Weighted average interest cost of 4.5% (including impact of balance sheet hedging and Westfield Group Merger mark to market)
 - Percentage of fixed rate debt is 84% with an average interest rate hedge maturity of 7.7 years

Interest Rate Hedging Profile

INTEREST HEDGING PROFILE*

As at Dec	<u>A\$ interest receivable</u>		<u>US\$ interest payable</u>		<u>£ interest payable</u>		<u>A\$ interest payable</u>	
	A\$ M	Fixed Rate %	US\$ M	Fixed Rate %	£ M	Fixed rate %	A\$ M	Fixed rate %
2005	5,197.5	6.18%	(10,841.5)	4.29%	(1,506.5)	5.49%	(2,907.7)	6.60%
2006	4,249.0	6.60%	(10,109.2)	5.21%	(1,799.5)	5.50%	(3,314.4)	6.77%
2007	3,640.0	6.60%	(9,740.1)	5.36%	(1,948.5)	5.49%	(3,794.7)	6.59%
2008	3,500.0	6.61%	(8,875.0)	5.39%	(1,623.0)	5.36%	(3,917.8)	6.71%
2009	3,500.0	6.61%	(8,071.7)	5.63%	(1,663.0)	5.34%	(3,319.8)	6.78%
2010	3,000.0	6.61%	(6,920.7)	5.81%	(1,632.2)	5.33%	(2,942.7)	6.70%
2011	2,500.0	6.62%	(5,247.6)	5.83%	(1,632.2)	5.33%	(2,250.6)	6.69%
2012	1,750.0	6.62%	(3,805.5)	5.73%	(1,332.5)	5.30%	(1,831.1)	6.61%
2013	450.0	6.43%	(2,493.2)	5.64%	(1,332.5)	5.30%	(533.9)	6.33%
2014	200.0	6.23%	(270.4)	5.77%	(1,040.0)	5.24%	(409.0)	6.17%
2015	0.0	N/A	(88.7)	6.82%	(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)				
	A\$ M	US\$ M	£ M	NZ\$ M	EUR M
2006	98.2	(75.0)	-	-	-
2007	127.9	(75.0)	-	-	-
2008	(94.5)	-	-	112.5	-
2009	862.7	(600.0)	-	-	-
2010	590.2	(425.0)	-	-	-
2011	1,024.3	(630.5)	-	-	-
2012	860.8	(1,105.1)	(133.0)	-	600.0
2013	1,065.2	(769.0)	-	-	-
2014	1,160.0	(833.0)	-	-	-
	<u>5,694.8</u>	<u>(4,512.6)</u>	<u>(133.0)</u>	<u>112.5</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 six month period ending 31 December 2006 and has an average exchange rate upper limit of AUD = USD 0.7950 and an average exchange rate lower limit of AUD = USD 0.7230.

Currency Hedging Profile (continued)

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
2006	(225.7)	0.6079	0.4946	(128.5)	1.1220	1.1916
2007	(228.7)	0.6035	0.5316	(138.4)	1.1196	1.1432
2008	(224.4)	0.6628	0.6467	(144.0)	1.1216	1.1287
2009	(174.7)	0.7106	0.7106	(109.2)	1.1234	1.1234
2010	(78.0)	0.7106	0.7126	(49.0)	1.1294	1.1294

* 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 41.4%
- Secured debt as a % of assets 12.7%
- EBITDA to interest expense 3.3 times
- Unsecured assets as a % of unsecured debt 216%

Exchange Rates

- Income Statement - average exchange rates for the 12 months to 31 December 2005:

- AUD/USD 0.7622	(6 months to 31 December 2004: AUD/USD 0.7326)
- AUD/GBP 0.4191	(6 months to 31 December 2004: AUD/GBP 0.3977)
- AUD/NZD 1.0823	(6 months to 31 December 2004: AUD/NZD 1.0845)

- Balance Sheet - exchange rates as at 31 December 2005:

- AUD/USD 0.7327	(31 December 2004: AUD/USD 0.7787)
- AUD/GBP 0.4245	(31 December 2004: AUD/GBP 0.4038)
- AUD/NZD 1.0712	(31 December 2004: AUD/NZD 1.0832)

Appendix III – A-IFRS Explanations

Page Numbers

- Summary of A-IFRS Variances
 - Income Statement.....51
 - Balance Sheet.....52

- A-IFRS Comparatives
 - Income Statement and Notes.....53
 - Balance Sheet and Notes.....56

Summary of A-IFRS Variances

- Income Statement for the 12mths to 31 Dec '05

A\$ million	A GAAP	Property Revaluation	Mark to Market of non qualifying interest rate and currency derivatives and preference shares	Deferred Tax	Other	A-IFRS
EBIT	2,507	3,169	(43)	(57)	6	5,582
Interest	(625)	-	(206)	-	(11)	(842)
Profit before tax	1,882	3,169	(249)	(57)	(5)	4,740
Tax expense	(87)	-	-	(385)	-	(472)
Minority interests	(67)	(14)	-	-	60	(21)
Profit after tax	1,728	3,155	(249)	(442)	55	4,247
Basic EPS (cents)	100.42¢					247.57¢

Summary of A-IFRS Variances

- Balance Sheet as at 31 Dec '05

A\$ million	A GAAP	Mark to Market of non qualifying interest rate and currency derivatives and preference shares	Deferred Tax	Paid in value of minority interest reclassified to debt	Other	A-IFRS
Cash	197	-	-	-	3	200
Property investments	37,659	-	-	-	(36)	37,623
Net investment in equity accounted entities	3,495	(12)	(15)	-	-	3,468
Other assets	1,264	335	-	-	161	1,760
Total assets	42,615	323	(15)	-	128	43,051
Borrowings	18,377	582	-	460	139	19,558
Deferred tax liabilities	109	-	2,124	-	-	2,233
Other liabilities	1,403	259	-	-	-	1,662
Minority interests	854	-	-	(722)	-	132
Total liabilities	20,743	841	2,124	(262)	139	23,585
Net assets	21,872	(518)	(2,139)	262	(11)	19,466

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

A-IFRS Comparatives

- Income Statement for the 12mths to 31 Dec '05

A\$ million

	A-IFRS 12 months to Dec '05	A GAAP 12 months to Dec '05	Difference
Property Income	5,929	3,188	2,741 ¹
Contribution from equity accounted investments	580	241	339 ²
Deferred tax recognised on acquisition of assets	(57)	-	(57) ³
Business income	46	46	-
Currency derivatives	45	1	44 ⁴
Net profit from asset sales	58	58	-
Expenses	(1,019)	(1,027)	8 ⁵
EBIT	5,582	2,507	3,075
Financing costs:			
- Net interest expense	(574)	(575)	1 ⁶
- Interest on convertible notes/ preference shares/units	(268)	(50)	(218) ⁷
Profit before tax	4,740	1,882	2,858
Tax expense	(472)	(87)	(385) ⁸
Minority interests	(21)	(67)	46 ⁹
Profit after tax	4,247	1,728	2,519
Basic Earnings per security (cents)	247.57¢	100.42¢	147.15¢

Notes to the Income Statement

1. Represents \$2,840m property revaluations, \$21m for the amortisation of tenant allowances and reclassification of \$78m of hedge gains to other income.

2. Equity accounted property revaluations of \$350m (net of amortisation of tenant allowances) and unrealised loss on the mark to market of interest rate swaps of \$9m, deferred tax on property investment revaluations of \$2m. Refer separate equity accounted income statement on slide 52.

3. Represents the \$57m fair value adjustment arising from the recognition of deferred taxes for the acquisition of an additional 25% interest in White City, an additional 25% interest in Valencia and Sunrise ie. the difference between the tax cost base and acquisition fair value.

4. Increase in other income relates to reclassification of \$78m of hedge gains net of unrealised loss on the mark to market on forward exchange contracts of \$34m.

5. Reclassification from operating lease payments to interest expense of \$8m for head leases.

6. Represents the unrealised loss on interest rate hedging contracts of \$12m, head lease interest \$8m and interest eliminated on consolidation of the employee share option trust of \$5m.

7. Represents interest on the redeemable preference shares/units of \$60m and the unrealised loss relating to the fair value of the preference shares/units of \$158m.

8. Represents deferred tax on property investment revaluations and tax depreciation of \$366m, WHL's forward contracts \$3m (benefit), interest rate swaps \$4m (benefit), other deferred tax \$12m (expense) and \$14m expense on asset sales.

9. Under A-IFRS Carindale is the only minority interest. The adjustment represents \$60m for the reclassification of the US minority interests to interest expense (refer 7. above) less \$14m for Carindale's share of the property revaluation.

Notes to the Income Statement (continued)

Equity Accounted Income Statement

A\$ million	A IFRS	A GAAP	Difference
Property Income	828	478	350 ¹
Net profit from asset sales	23	23	-
Total Expenses	(123)	(123)	-
EBIT	728	378	350
Net Interest expense	(142)	(133)	(9) ²
Profit before tax	586	245	341
Tax expense	(6)	(4)	(2)
Profit after tax	580	241	339

¹ Revaluations of property investments net of amortisation of tenant allowances.

² Unrealised loss on the mark to market of interest rate swaps of \$9m.

A-IFRS Comparatives

- Balance Sheet as at 31 Dec '05

A\$ million

	A-IFRS At 31 Dec '05	A GAAP At 31 Dec '05	Difference
Cash	200	197	3
Property investments	37,623	37,659	(36) ¹
Net investment in equity accounted entities	3,468	3,495	(27) ²
Other assets	1,760	1,264	496 ³
Total assets	43,051	42,615	436
Interest bearing liabilities	17,666	17,666	-
Other financial instruments	1,753	711	1,042 ⁴
Finance lease liabilities	139	-	139 ⁵
Deferred tax	2,233	109	2,124 ⁶
Financial liabilities	367	108	259 ⁷
Other liabilities	1,295	1,295	-
Minority interests	132	854	(722) ⁸
Total liabilities	23,585	20,743	2,842
Net assets	19,466	21,872	(2,406)
Number of Stapled Securities (millions)	1,742.3	1,748.2	(5.9)

Notes to the Balance Sheet

1. Represents \$176m of tenant allowances being reclassified (net of accumulated amortisation of \$23m) from property investments to deferred costs and the recognition of head leases of \$140m as property investments.

2. Includes the recognition of deferred tax on the Duelguide acquisition of \$15m and mark to market of interest rate swaps of \$12m. Refer slide 55 for the equity accounted balance sheet.

3. Includes recognition of tenant allowances as a deferred cost of \$176m (refer 1. above), recognition of the fair value of forward contracts receivable of \$333m, interest rate swaps receivable of \$2m, deferred tax assets on acquisition mark to markets and other adjustments of \$46m and the consolidation of the employee share option trust \$61m (reduction in other assets).

4. Includes the WT convertible notes mark to market of \$113m; US convertible redeemable preference shares reclassified from minority interest to debt of \$460m and related mark to market of \$469m.

5. Recognition of the head lease liability of \$139m (refer 1. above).

6. Includes deferred tax liability on property investments \$2,107m; deferred tax asset on WHL's forward contracts and interest rate swaps of \$27m; and deferred tax liability on acquisition mark to markets and other adjustments of \$44m.

7. Represents an increase in the unrealised gain on the forward exchange contracts of \$98m and recognition of the interest payable on interest rate swap mark to markets of \$161m.

8. Under A-IFRS Carindale is the only minority interest. \$722m relates to the reclassification of the remaining minority interests in the US (the paid in value of \$460m is reclassified to debt in 4. above and \$262m of asset revaluation and other reserves is reallocated to equity attributable to members of WDC).

Notes to the Balance Sheet (continued)

Equity Accounted Balance Sheet

A\$ million

	A-IFRS	A GAAP	Difference
Cash	66	66	-
Property investments	4,954	4,945	9 ¹
Other assets	107	97	10 ¹
Total assets	5,127	5,108	19
Interest bearing liabilities	1,507	1,507	-
Finance lease liabilities	19	-	19 ²
Other payables and deferred tax	133	106	27 ³
Total liabilities	1,659	1,613	46
Net assets	3,468	3,495	(27)

¹ Recognition of head leases \$19m less reclassification of tenant allowances to deferred costs of \$10m.

² Finance lease liability on the head leases of \$19m (refer 1. above).

³ Recognition of deferred tax on acquisition of Duelguide \$15m and mark to market of interest rate swaps \$12m.