

The information in this Tax Return Guide summarises potential taxation aspects of your investment in the Westfield Group for the year ended 30 June 2005. The Westfield Group comprises Westfield Trust, Westfield America Trust (collectively "the Trusts") and Westfield Holdings.

This Tax Return Guide assumes that you are an Australian resident individual taxpayer. These circumstances may not necessarily be applicable to you. Accordingly, this information should not be relied upon as taxation or financial advice. If you require further information relating to your personal tax position we recommend that you contact your accountant or taxation adviser.

Question 11 - Dividends - Tax Return

You should include at this question the franked amount and the unfranked amount of dividends paid by Westfield Holdings and the franking credits attached to these dividends. The amount of TFN withholding tax deducted from your dividends (if any) should also be included.

Question 12 - Trust Distributions - Tax Return (Supplementary Section)

You should include at this question the Australian interest income and the other Australian taxable income component of your distributions from the Trusts. The net capital gain and foreign income components of the Trusts' distributions are disclosed at Questions 17 and 19 respectively. The amount of TFN withholding tax deducted from your distributions from the Trusts (if any) should also be included.

Question 17 - Capital Gains - Tax Return (Supplementary Section)

You should include at this question the net capital gain component of the Westfield Trust distributions. Westfield Trust has elected to apply the discount method in determining the amount of the net capital gain included in its taxable income.

Important Information for Completing Your 2005 Tax Return

*If you are an individual lodging an Australian Tax Return, **Question 11** of the Tax Return and **Questions 12, 17, and 19** of your Tax Return Supplementary Section should be completed. The information on your Tax Statement and the notes in this Tax Return Guide will help you to answer these questions.*

Please note that any other dividends, non-primary production trust distributions, net capital gains and any other assessable foreign source income which you have derived should be added to the amounts you have received from the Westfield Group and the total income for each category should be included in your Tax Return.

You must report all of the assessable distributions in your Tax Return. The tax deferred component of the Trusts' distributions are not assessable for income tax purposes. They will however, reduce the capital gains tax ("CGT") cost base of your units. If your cost base is reduced to nil you may have a capital gain to the extent the tax deferred component exceeds your cost base.

Accordingly, you will include in your assessable income your proportionate share of this discount capital gain.

General Information

This section is a basic guide to assist you in making the appropriate disclosures in your Tax Return. Accordingly, this information should not be relied upon as taxation or financial advice. If you require further information relating to your personal tax position, we recommend that you contact your professional tax adviser.

The assessable component of your distribution for the income year ended 30 June 2005 includes discounted capital gains. If you require any general information or guidance on the calculation of capital gains including details of the "discount method", you should consult the following Australian Tax Office (ATO) publications:-

- "Personal Investor's Guide to Capital Gains Tax"; or
- "Guide to Capital Gains Tax".

Alternatively, you should consult your professional tax adviser.

Tax Return Disclosures

As your distribution includes a net capital gain amount, you should answer "YES" at Label G on your Tax Return. If you have received any other capital gains from other sources, and/or have any current year or carried forward capital losses, you should follow steps 1 - 4 on page S17 of the TaxPack 2005 (Supplementary Section).

Steps to Calculate your Net Capital Gain

- (1) Double the discounted capital gain amount shown on your Tax Statement.
- (2) Include the above amount at Label **H** on your Tax Return ,
- (3) If you have no current year capital losses nor capital losses brought forward from previous years, then determine your CGT discount amount by applying the relevant discount factor (50% for individuals) to the amount calculated at step (1).
- (4) Deduct the CGT discount amount calculated at step (3) above from the amount calculated at step (2) and include the resulting amount at Label **A** on your Tax Return.
- (5) If you have current year capital losses or capital losses brought forward from previous years, then we recommend you consult your professional tax adviser or the ATO publications referred to above to calculate your Net Capital Gain to be included at Label **A** on your Tax Return.

Note

The above steps apply, even if you held your units in Westfield Trust for less than 12 months during the year ended 30 June 2005.

Question 19 - Foreign Source Income - Tax Return (Supplementary Section)

You should include in this section the foreign source income components of the Trusts' distributions. Assessable foreign source income is the sum of all foreign income and the foreign tax credit amounts.

Follow steps 1-3 at Part D of the instructions to Question 19 on page S24

of the TaxPack 2005 (Supplementary Section) to calculate the amount of other net foreign source income you should include in your Tax Return. The details of the classes of foreign income are shown on your 2005 Cash Reconciliation Statement.

As foreign tax has been paid on the foreign source income, you may be entitled to a foreign tax credit to the value of the amount shown on your Tax Statement. You should obtain a copy of the booklet "How to Claim a Foreign Tax

Credit" from the Australian Taxation Office and follow the steps set out in the booklet. Please note that for the purposes of calculating foreign tax credits the modified passive income is included with passive income. Australian resident members will generally be able to claim a foreign tax credit for the lesser of:

- the amount of foreign tax paid (the Foreign Tax Credit amount shown on your Tax Statement); and
- the Australian tax payable on the net foreign source income.

OTHER IMPORTANT INFORMATION FOR AUSTRALIAN RESIDENT SECURITY HOLDERS

General CGT Matters

In July 2004 the Merger of Westfield Holdings, Westfield Trust and Westfield America Trust was implemented by way of a stapling of the securities of these entities. This means that shares in Westfield Holdings and units in Westfield Trust and Westfield America Trust can only be traded together as Westfield Group Stapled Securities (ASX code: WDC).

For Australian tax purposes however, the securities remain as separate assets. Each Westfield Group stapled security comprises three separate assets for Australian capital gains tax purposes (1 Westfield Holdings share, 1 Westfield Trust unit and 1 Westfield America Trust unit).

For CGT purposes you need to apportion the cost of each stapled security and the proceeds on sale of each stapled security over the separate assets that make up the stapled security. This apportionment should be done on a reasonable basis. One possible method of apportionment is on the basis of the relative Net Tangible Assets of the individual entities.

Set out below, for your records, is the relative Net Tangible Assets (NTAs) of the entities in the Westfield Group as at 30 June 2004 and 31 December 2004. This NTA Table will be updated each six months following the release of the Westfield Group financial statements. Access to the updated NTA Table is also available at <http://www.westfield.com/corporate/investor/tax>.

Westfield Group Net Tangible Assets (NTA)

	30 Jun 04	31 Dec 04
Westfield Holdings	9.09%	9.24%
Westfield Trust	52.39%	49.86%
Westfield America Trust	38.52%	40.90%

CGT Implications of the Tax Deferred Component of Distributions from the Trusts

The tax deferred component of distributions made by the Trusts will reduce your cost base of the units of each Trust. This reduction will apply in calculating any capital gain or capital loss on disposal of the units for CGT purposes. In addition, you make a capital gain (even if you do not sell your units) if the sum of the tax deferred amounts received is more than the cost base of the units at the end of the income year. The booklets "Guide to Capital Gains Tax" or "Personal Investor's Guide to Capital Gains

Tax" which are available from the Australian Taxation Office provide details of the calculations required.

Distribution History Tables showing the tax deferred components of distributions made by Westfield Trust and Westfield America Trust were sent to Members with their August 2004 distribution payment. Access to the updated Distribution History Tables is available at: <http://www.westfield.com/corporate/investor/distribution/>

Securityholders Who Have Disposed of Securities During the June 2005 Financial Year

If you have disposed of any of your Westfield Group Stapled Securities during the past financial year, you may have made a capital gain or loss. You should obtain a copy of the booklet "Personal Investor's Guide to Capital Gains Tax" or alternatively, "Guide to Capital Gains Tax" from the Australian Taxation Office and/or consult your professional tax adviser.

Special Note for Securityholders who participated in the Merger

If you participated in the Merger but not through the Exchange by Sale Facility the cost base of the securities acquired is set out in the table below.

		Cost Base of Security acquired in the Merger		
		Westfield Holdings	Westfield Trust	Westfield America Trust
Security held prior to the merger	Westfield Holdings	n/a	\$0.001	\$0.001
	Westfield Trust	\$0.01	n/a	\$1.00
	Westfield America Trust	\$0.01	\$1.00	n/a

If you held Westfield Holdings shares prior to the Merger and you participated in the Merger, you may have realised a capital gain from the receipt of tax deferred amounts from the Trusts if the tax deferred amounts are greater than the cost base of your units in the Trusts. We recommend that you contact your accountant or taxation adviser on this matter.

ENQUIRIES

Computershare Investor Services Pty Limited on 1300 132 211 (Toll Free) or +61 3 9415 4070 (International callers)
Westfield Group Investor Relations on 1800 222 242 (Free Call) or +61 2 9358 7877 (International callers).