

28 September 2011

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

Westfield

Westfield Management Limited

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

Telephone 02 9358 7000

Facsimile 02 9358 7077

Internet www.westfield.com

Dear Sir/Madam

**CARINDALE PROPERTY TRUST (ASX:CDP)
2011 ANNUAL REPORT**

Attached is the Annual Report for Carindale Property Trust for the year ended 30 June 2011. The Annual Report will be despatched to members today.

The Report is also available on the Trust's website at www.carindalepropertytrust.com.au

Yours faithfully

Westfield Management Limited
as Responsible Entity of Carindale Property Trust



Simon Tuxen
Company Secretary

Encl.

Carindale Property Trust Annual Report 2011



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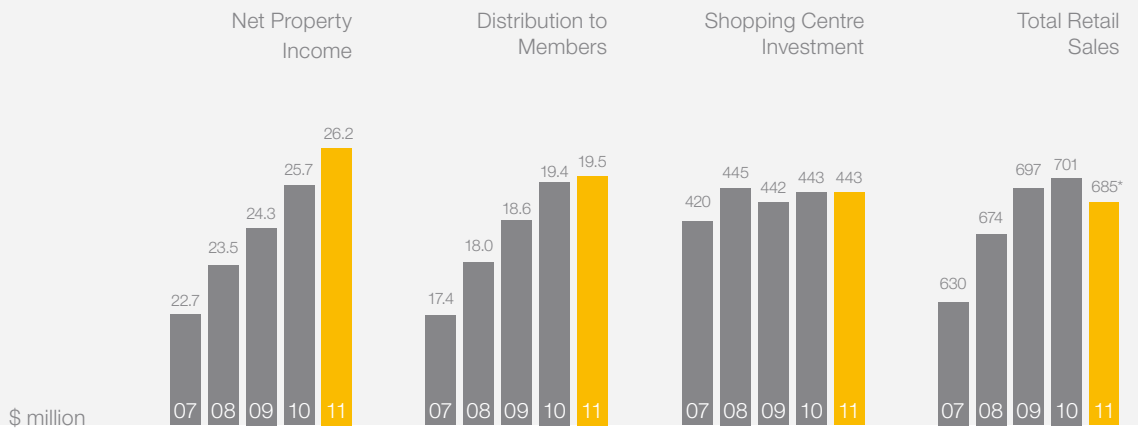
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Carindale Property Trust was listed on the Australian Stock Exchange in 1996. The Trust's sole investment is a 50% interest in Westfield Carindale, one of Brisbane's largest regional shopping centres at 113,795 square metres*.

As at 30 June 2011
Westfield Carindale
was valued at \$885.8 million.**

* Prior to the current redevelopment
** Carindale Property Trust share \$442.9 million



*centre currently under redevelopment

Year in Review

Financial Results

Carindale Property Trust has reported a net profit of \$19.4 million for the year ended 30 June 2011. Excluding IFRS fair value adjustments, profit was \$20.0 million which represents an increase of 2.7% on the previous corresponding period.

The Trust's net property income for the period was \$26.2 million representing a 1.8% increase on the previous year. Growth in earnings has been generated through the ongoing intensive management of the Trust's sole property investment, Westfield Carindale. This result includes the impact of the redevelopment that was offset by the benefit of non recurring items of \$1 million, primarily an adjustment relating to Queensland land tax in the first half.

The book value of the Trust's 50% interest in Westfield Carindale at 30 June 2011 was \$442.9 million compared with the last independent valuation undertaken at 30 June 2010, of \$442.5 million. An independent valuation was not undertaken during the current year given the significant redevelopment underway.

Total assets of Carindale Property Trust increased 8.2% to \$488.3 million as at 30 June 2011. Borrowings increased during the year to fund the redevelopment. At year end borrowings were \$77.3 million with gearing of 16.0% of total assets. Total unit holders' funds attributable to members was \$388 million, consistent with the previous corresponding period.

The net tangible asset backing as at 30 June 2011 was \$5.54 per unit, in line with the net tangible asset backing per unit as at 30 June 2010.

Trust Distribution

The total amount distributed to members for the financial year ended 30 June 2011 is \$19.5 million representing a full year distribution of 27.80 cents per unit. In line with the announcement on 8 September 2010, the annual distribution of the Trust is expected to be maintained at 27.80 cents per unit for the duration of the development. An interim distribution of 13.90 cents per unit was paid on 28 February 2011 and the final distribution of 13.90 cents per unit was paid to members on 31 August 2011. The full year distribution is approximately 26% tax deferred which is due to depreciation and other allowances.

Centre Performance

Westfield Carindale continues to perform well with growth in net property income of 1.8% for the year. The asset's strength is highlighted by its sustained occupancy level of more than 99%, specialty retail sales in excess of \$11,000 per square metre and a continued focus on operational efficiency.

Total retail sales for the year were \$685.1 million, down 2.2% on sales for the previous year. This has been impacted by the current redevelopment activity.

Directors' Outlook

The Directors are pleased with the 2011 result which underscores the strength of the underlying asset, the benefit of an intensive management focus and the anticipated returns from the redevelopment.

As previously advised the annual distribution is expected to be maintained at 27.80 cents per unit for the duration of the development.

Carindale Property Trust is underpinned by its high quality investment in Westfield Carindale, which continues to deliver resilient cashflow and ongoing growth from sustained investment through redevelopment and intensive management.

Year	2007	2008	2009	2010	2011	% Change 2010 to 2011
Net Property Income (\$ million)	22.7	23.5	24.3	25.7	26.2	1.8%
Distribution to members (\$ million)	17.4	18.0	18.6	19.4	19.5	0.1%
Distribution per unit (cents)	24.91	25.69	26.55	27.78	27.80	0.1%
Tax deferred component (%)	24	21	24	21	26	–
Shopping centre investment (\$ million)	420.0	445.0	442.0	442.5	442.9	0.1%
Total members' funds (\$ million)	370.4	394.9	388.5	388.0	388.0	–
Number of units on issue (million)	70	70	70	70	70	–
Net asset backing per unit	\$5.29	\$5.64	\$5.55	\$5.54	\$5.54	–

Financial Highlights

Carindale Property Trust has reported a net profit of \$19.4 million for the year ended 30 June 2011.

The Trust's net property income for the period was \$26.2 million, representing a 1.8% increase on the previous year.

Westfield Carindale generates sales of \$685.1 million through its 2 department stores, 2 discount department stores, 3 supermarkets, an 8-screen cinema complex and 263 specialty retailers.



Westfield Carindale Redevelopment

Carindale is in a transition phase with the redevelopment now underway and due for completion in 2012

A New Beginning

The redevelopment of Westfield Carindale began in late 2010 with enabling works that facilitated the commencement of the major construction program in early 2011.

While the centre has undergone a number of minor capital works programs and tenancy remixing ahead of the current redevelopment, this is the first major project at Westfield Carindale since 1999 when David Jones and a number of specialty retail stores were added to the centre. These ongoing interim programs have meant that Westfield Carindale has continued to be a leading retail destination in Brisbane throughout this period.

The \$300 million development (Trust share \$150 million) will see the centre increase by around 22,000 square metres (sqm) to 127,000 sqm on completion with a new two-level parallel mall and the addition of more than 110 specialty retail stores, a new Coles supermarket and a larger, relocated Target.

Westfield Carindale's position as one of Brisbane's leading fashion destinations will be consolidated as the redevelopment extends the centre's already broad fashion retail offer.

A key feature of the project is a 300 sqm town square that will be a key element of the new centre's urban design. The square will be lined with casual dining options, a tavern, food kiosks, a children's play area and a state-of-the-art library that will replace the existing service.

The redevelopment has been designed to target a 4-star Green-Star Retail V1 design rating and will incorporate a number of environmentally sustainable design elements including the use of sustainable timber; underground rainwater tanks; recycling of waste storage; improved measurement systems for energy and water use; and improved environmental management processes including waste and recycling management plans.

The redeveloped centre will also see improved cycling facilities and an upgrade of amenities and mall finishes in the existing centre.

The project's first stage opening is expected to be in the first half of 2012 and will include a new Target, Coles supermarket, a market-style fresh food precinct and new library.

The Queensland floods in December 2010 and January 2011 have had no material impact on the schedule and construction is on track for completion in late 2012.

The expected yield for this project is in the range of 7.0% – 7.5%.



Artist's impression of the planned development

Redevelopment highlights

- > 300 sqm town square surrounded by alfresco dining, a tavern, a state-of-the-art public library and a children's play area
- > New parallel mall over two levels
- > More than 110 specialty retail stores
- > New Coles supermarket and larger relocated Target
- > Market-style fresh food precinct
- > 22,000 sqm additional GLA
- > \$300 million project – CDP share \$150 million



A key program for the centre was its engagement with community groups dedicated to supporting children with disabilities and their families.



Westfield Community and Environment

Community

Westfield Carindale has continued its role as a community hub throughout the year, supporting a number of local organisations and activities.

A key program for the centre was its engagement with community groups dedicated to supporting children with disabilities and their families. This focus is in line with the national community strategy for Westfield shopping centres around Australia, allowing for each centre – including Westfield Carindale – to activate that support at a local community level.

During the year Westfield Carindale continued its association with the Endeavour Foundation through a variety of events in centre to raise awareness and funds for the organisation. This included raising nearly \$40,000 in the “New Clothes For Old” campaign where customers donated their clothing for Endeavour to re-sell.

A range of ongoing initiatives continue to promote Westfield Carindale as a focus of community activity. The Australia Day ceremony was hosted in centre and attended by more than 130 people including local councillors, members of parliament, new Australian citizens and their families.

The well-established Justice of the Peace program continues to be one of the centre’s most vital community services, offering shoppers the opportunity to access Justices of the Peace on a weekly basis.

The Carindale Walking Group has met regularly in centre for about 10 years, and also remains one of the most well-patronised community programs with more than 120 members continuing to use the centre as a safe exercise environment.

Westfield Carindale also supports a number of other local initiatives including sponsorship of Brisbane’s Billycart Champions event.

Environment

A range of sustainable practices continued to be implemented at Westfield Carindale during the year as part of a general effort to maximise efficiency and use resources more wisely.

Intensive focus on the building management system has continued to ensure maximum efficiency in lighting and cooling usage times, and the centre has also been able to generate significant benefits from various light fixture retrofits in recent years.

The centre’s current chiller plant is now due for replacement, providing the opportunity to achieve greater air conditioning efficiency with the installation of a more advanced system. The new system is anticipated to be operational by the completion of the centre’s redevelopment and will improve efficiency through the use of outside air instead of recirculated air and will also reduce the number of chillers needed for the centre. The new chiller will make cold water more efficiently, requiring less electricity and ultimately provide greater long-term financial benefits in cooling costs.

Other power-saving measures introduced during the year included the replacement of water-cooling towers by air-cooled towers and the implementation of a roll-out of power-factor correction units that create a filtered power source from the supply, increasing efficiency and reducing costs.

Recycling initiatives in the centre were boosted during the year with the introduction of the public place recycling program in the food court, rolled out as part of a Westfield national initiative in partnership with the Packaging Stewardship Forum, the Australian Food and Grocery Council and Coca-Cola Amatil. The program encourages ‘away-from-home’ recycling by shoppers, and included a retrofit of the food court with the installation of dedicated recycling bins and new signage promoting the initiative.

The recent implementation of a new waste contractor agreement has also led to continued improvements in the centre’s rate of recycling and reduced the amount of waste going to landfill.

Board of Directors



Mr Frank P Lowy AC
Chairman



Mr Brian M Schwartz AM
Deputy Chairman



Mr Peter K Allen



Ms Ilana R Atlas



Mr Roy L Furman



Right Hon. Lord
Goldsmith QC PC



Prof. Frederick G
Hilmer AO



Mr Stephen P Johns



Mr Mark R Johnson AO



Mr Peter S Lowy



Mr Steven M Lowy AM



Mr John McFarlane



Prof. Judith Sloan

Mr Frank P Lowy AC

Chairman

Frank Lowy is the Chairman and co-founder of the Westfield Group. Having served as Westfield's Chief Executive Officer for over 50 years, he assumed a non-executive role in May 2011. Mr Lowy is the founder and Chairman of the Lowy Institute for International Policy and Chairman of Football Federation Australia Limited. He is Chairman of the Westfield Group Nomination Committee.

Mr Brian M Schwartz AM

Deputy Chairman

Brian Schwartz was appointed as a non-executive Director of Westfield Management Limited, Westfield Holdings Limited and Westfield America Management Limited in May 2009 and as Deputy Chairman in May 2011. In a career with Ernst & Young Australia spanning more than 25 years, he rose to the positions of Chairman (1996 – 1998) and then CEO of the firm from 1998 to 2004. From 2005 to 2009, Mr Schwartz assumed the role of CEO of Investec Bank (Australia) Limited. He is Chairman of Insurance Australia Group Limited, Deputy Chairman of Football Federation Australia Limited, a Director of Brambles Limited and is a fellow of the Australian Institute of Company Directors and the Institute of Chartered Accountants. Mr Schwartz

is a member of the Westfield Group Audit and Compliance Committee and Nomination Committee and is the lead independent Director.

Mr Peter K Allen

Peter Allen was appointed as an executive Director of Westfield Management Limited, Westfield Holdings Limited and Westfield America Management Limited in May 2011 and is the Westfield Group's Chief Financial Officer. Mr Allen worked for Citibank in Melbourne, New York and London before joining Westfield in 1996 as Director for Business Development. From 1998 to 2004 he was based in London as Westfield's CEO of United Kingdom/Europe and was responsible for establishing Westfield's presence in the United Kingdom. Mr Allen is a Director of Westfield Retail Trust and is on the Board of the Kolling Foundation. He is also an Associate Member of the Australian Property Institute (AAPI).

Ms Ilana R Atlas

Ilana Atlas was appointed as a non-executive Director of Westfield Management Limited, Westfield Holdings Limited and Westfield America Management Limited in May 2011. Ms Atlas was previously a partner in Mallesons Stephen Jaques and held a number of managerial roles in the firm, including Managing Partner and Executive Partner, People & Information.

In 2000 she joined Westpac as Group Secretary and General Counsel before being appointed to the role of Group Executive, People in 2003. In that role she was responsible for all human resources strategy and management as well as Westpac's strategy in relation to corporate responsibility and sustainability. Ms Atlas is a Director of Suncorp Group Limited and Coca-Cola Amatil Limited, Chairman of Bell Shakespeare Company and Pro-Chancellor of the Australian National University.

Mr Roy L Furman

Roy Furman was appointed as a non-executive Director of Westfield Management Limited and Westfield Holdings Limited in 2004, having served as a non-executive Director of Westfield America Management Limited since 2002. He holds a degree in law from Harvard Law School. Mr Furman is based in the US and is Vice-Chairman of Jefferies and Company and Chairman of Jefferies Capital Partners, a group of private equity funds. In 1973 he co-founded Furman Selz – an international investment banking, institutional brokerage and money management firm and was its CEO until 1997. Mr Furman is a member of the Westfield Group Remuneration Committee.

The Right Honourable Lord Goldsmith QC PC

Lord (Peter) Goldsmith was appointed as a non-executive Director of Westfield Management Limited, Westfield Holdings Limited and Westfield America Management Limited in August 2008. He holds a degree in law from Cambridge University and a Master of Laws from University College London. Lord Goldsmith has been admitted to practice in New South Wales. He is a partner in the international law firm Debevoise & Plimpton LLP. In 1987, Lord Goldsmith was appointed Queens' Counsel and a Crown Court Recorder and he has been a Deputy High Court Judge since 1994. For six years until June 2007, Lord Goldsmith served as the United Kingdom's Attorney General. He was created a Life Peer in 1999 and a Privy Counsellor in 2002 and he remains a member of the House of Lords. Lord Goldsmith's other past positions include Chairman of the Bar of England and Wales, Chairman of the Financial Reporting Review Panel, and founder of the Bar Pro Bono Unit.

Professor Frederick G Hilmer AO

Frederick Hilmer was first appointed as a non-executive Director of Westfield Management Limited and Westfield Holdings Limited in 1991 and Westfield America Management Limited in 1996. He holds degrees in law from the Universities of Sydney and Pennsylvania and an MBA from the Wharton School of Finance. Professor Hilmer became Vice-Chancellor and President of the University of NSW (UNSW) in June 2006. From 1998 until November 2005, he was CEO and a Director of John Fairfax Holdings Limited. Between 1989 and 1997, he was Dean and Professor of Management at the Australian Graduate School of Management (UNSW). Professor Hilmer is Chairman of the Westfield Group Audit and Compliance Committee and Remuneration Committee.

Mr Stephen P Johns

Stephen Johns was appointed as an executive Director of Westfield Management Limited and Westfield Holdings Limited in 1985 and Westfield America Management Limited in 1996. He holds a Bachelor of Economics from the University of Sydney and is a fellow of the Institute of Chartered Accountants in Australia. Mr Johns held a number of positions within Westfield, including Group Finance Director from 1985 to 2002, and became a non-executive Director in October 2003. He is Chairman of the Spark Infrastructure Group and Leighton Holdings Limited and a Director of Brambles Limited. Mr Johns is Chairman of the Westfield Group Risk Management Committee and a member of the Audit and Compliance Committee.

Mr Mark R Johnson AO

Mark Johnson was appointed as a non-executive Director of Westfield Management Limited, Westfield Holdings Limited and Westfield America Management Limited in May 2010. He holds a degree in law from the University of Melbourne and a Masters of Business Administration from Harvard University. Mr Johnson is a senior advisor for Gresham Partners in Sydney and Chairman of Alinta Energy and the Australian Government's Australia Financial Centre Task Force. He is one of the Prime Minister's three Australian representatives on the APEC Business Advisory Council (ABAC) and was Chairman of ABAC and the APEC Business Summit in Sydney in 2007. Mr Johnson is also a member of the Board of Governors of the Institute for International Trade at the University of Adelaide and a Life Governor of the Victor Chang Cardiac Research Institute. He has previously held senior roles in Macquarie Bank before retiring as Deputy Chairman in July 2007 and his former directorships include Pioneer International and the Sydney Futures Exchange. Mr Johnson is a member of the Westfield Group Remuneration Committee.

Mr Peter S Lowy

Peter Lowy currently serves as Co-Chief Executive Officer of the Westfield Group. He was appointed as an executive Director of Westfield Management Limited in 1986, Westfield Holdings Limited in 1987 and Westfield America Management Limited in 1996. He holds a Bachelor of Commerce from the University of NSW. Prior to joining Westfield in 1983, Mr Lowy worked in investment banking both in London

and New York. Mr. Lowy serves as Chairman of the Homeland Security Advisory Council; he also serves on the RAND Corporation Executive Committee and Board of Trustees, the Executive Committee of the Washington Institute for Near East Policy, the Board of Governors for National Association of Real Estate Investment Trusts and is a Director of the Lowy Institute for International Policy.

Mr Steven M Lowy AM

Steven Lowy currently serves as Co-Chief Executive Officer of the Westfield Group. He holds a Bachelor of Commerce (Honours) from the University of NSW. Prior to joining Westfield in 1987, Mr Lowy worked in investment banking in the US. He is President of the Board of Trustees of the Art Gallery of New South Wales, Chairman of the Victor Chang Cardiac Research Institute, a Director of the Lowy Institute for International Policy, a member of the Prime Minister's Business-Government Advisory Group on National Security and Chairman of the Board of Management for the Associate Degree of Policing Practice NSW (ADPP).

Mr John McFarlane

John McFarlane was appointed as a non-executive Director of Westfield Management Limited, Westfield Holdings Limited and Westfield America Management Limited in February 2008. He holds a Master of Arts from the University of Edinburgh and an MBA from Cranfield School of Management. In the UK, Mr McFarlane is a Director of The Royal Bank of Scotland Group plc, National Westminster Bank plc, The Royal Bank of Scotland plc, Aviva plc and Old Oak Holdings Limited. Mr McFarlane is the former CEO of Australia & New Zealand Banking Group Limited and

earlier Group Executive Director of Standard Chartered Plc, and Head of Citicorp and Citibank in the UK and Ireland. He was also President of the International Monetary Conference, Chairman of the Australian Bankers Association and a Director of the London Stock Exchange and the Auditing Practices Board. Mr McFarlane is a member of the Westfield Group Risk Management Committee.

Professor Judith Sloan

Judith Sloan was appointed as a non-executive Director of Westfield Management Limited, Westfield Holdings Limited and Westfield America Management Limited in February 2008. She is Honorary Professorial Fellow at the Melbourne Institute of Applied Economic and Social Research at the University of Melbourne. Professor Sloan holds a first class Honours degree in Economics and a Master of Arts in Economics specialising in Industrial Relations, from the University of Melbourne and a Master of Science in Economics from the London School of Economics. She has previously held an academic appointment at Flinders University and is currently the Chairman of National Seniors Australia and a Director of the Lowy Institute for International Policy. Her previous appointments include Chairman of Primelife Limited, Deputy Chair of the Australian Broadcasting Corporation, Director of Santos Limited and Mayne Nickless Limited, and Commissioner of the Productivity Commission. Professor Sloan is a member of the Westfield Group Risk Management Committee and Nomination Committee.

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Statement of Comprehensive Income

FOR THE YEAR ENDED 30 JUNE 2011

	Note	30 Jun 11 \$'000	30 Jun 10 \$'000
Revenue			
Property revenue	3a	36,247	36,479
		36,247	36,479
Expenses			
Property expenses and outgoings		(10,042)	(10,730)
Manager's service charge		(2,779)	(2,687)
Other costs		(384)	(408)
		(13,205)	(13,825)
Interest income		125	86
Net fair value loss on interest rate derivatives		(365)	(436)
Financing costs	3b	(3,420)	(3,464)
Property revaluation		–	170
Net profit attributable to members of the Trust		19,382	19,010
Total comprehensive income attributable to members of the Trust		19,382	19,010
		cents	cents
Basic earnings per unit	6	27.69	27.16
Diluted earnings per unit	6	27.69	27.16

Statement of Distribution

FOR THE YEAR ENDED 30 JUNE 2011

		30 Jun 11 \$'000	30 Jun 10 \$'000
Net profit attributable to members of the Trust		19,382	19,010
Adjustments:			
Property revaluation		–	(170)
Tenant allowances amortised		225	170
Net fair value loss on interest rate derivatives		365	436
Amounts transferred to other reserves		(512)	–
Distribution for the period		19,460	19,446
Distribution paid to members		(9,730)	(9,527)
Distribution payable to members		9,730	9,919
		cents	cents
Basic earnings per unit		27.69	27.16
Adjustments:			
Property revaluation		–	(0.24)
Tenant allowances amortised		0.32	0.24
Net fair value loss on interest rate derivatives		0.52	0.62
Amounts transferred to other reserves		(0.73)	–
Distribution for the period		27.80	27.78
Distribution paid to members		(13.90)	(13.61)
Distribution payable to members		13.90	14.17

Balance Sheet

AS AT 30 JUNE 2011

	Note	30 Jun 11 \$'000	30 Jun 10 \$'000
Current assets			
Cash and cash equivalents	13(j)	2,102	1,008
Trade and other receivables	4	1,748	3,216
Prepayments and other deferred costs	5	377	149
Total current assets		4,227	4,373
Non current assets			
Investment properties	7	482,960	446,866
Prepayments and other deferred costs	5	1,133	-
Total non current assets		484,093	446,866
Total assets		488,320	451,239
Current liabilities			
Trade and other payables	8	21,254	16,357
Derivative liabilities	10	29	20
Total current liabilities		21,283	16,377
Non current liabilities			
Interest bearing liabilities	9	77,397	45,500
Derivative liabilities	10	1,670	1,314
Total non current liabilities		79,067	46,814
Total liabilities		100,350	63,191
Net assets		387,970	388,048
Equity attributable to members of the Trust			
Contributed equity		187,934	187,934
Reserves		512	-
Retained profits	12	199,524	200,114
Total equity attributable to members of the Trust		387,970	388,048

Statement of Changes in Equity

FOR THE YEAR ENDED 30 JUNE 2011

	30 Jun 11 \$'000	30 Jun 10 \$'000
Changes in equity attributable to members of the Trust		
Opening balance of contributed equity	187,934	187,934
Closing balance of contributed equity	187,934	187,934
Opening balance of reserves	-	-
- Amount transferred from retained profits	512	-
Closing balance of reserves	512	-
Opening balance of retained profits	200,114	200,550
- Profit attributable to members of the Trust	19,382	19,010
- Distribution payable to members of the Trust	(19,460)	(19,446)
- Amount transferred to other reserves	(512)	-
Closing balance of retained profits	199,524	200,114
Closing balance of equity attributable to members of the Trust	387,970	388,048

Cash Flow Statement

FOR THE YEAR ENDED 30 JUNE 2011

	Note	30 Jun 11 \$'000	30 Jun 10 \$'000
Cash flows from operating activities			
Receipts in the course of operations (including GST)		42,735	38,960
Payments in the course of operations (including GST)		(16,603)	(13,040)
Goods and services taxes paid to government bodies		(2,354)	(2,515)
Net cash flows from operating activities	13(ii)	23,778	23,405
Cash flows from investing activities			
Payments of capital expenditure for property investments		(27,932)	(807)
Financing costs capitalised		(1,954)	(251)
Net cash flows used in investing activities		(29,886)	(1,058)
Cash flows from financing activities			
Repayment of interest bearing liabilities		(45,500)	(1,400)
Proceeds from interest bearing liabilities		77,281	–
Financing costs		(5,055)	(3,117)
Interest received		125	86
Distribution paid to members		(19,649)	(19,047)
Net cash flows from/(used in) financing activities		7,202	(23,478)
Net increase/(decrease) in cash and cash equivalents held		1,094	(1,131)
Opening cash and cash equivalents brought forward		1,008	2,139
Cash and cash equivalents at the end of the year	13(i)	2,102	1,008

Notes to the Financial Statements

FOR THE YEAR ENDED 30 JUNE 2011

NOTE 1 BASIS OF PREPARATION OF THE YEAR END FINANCIAL REPORT

(a) Corporate information

This financial report of Carindale Property Trust (Trust) for the year ended 30 June 2011 was approved in accordance with a resolution of the Board of Directors of Westfield Management Limited, as responsible entity of the Trust (Responsible Entity) on 14 September 2011.

The nature of the operations and principal activities of Carindale Property Trust are described in the Directors' Report.

(b) Statement of compliance

This financial report complies with Australian Accounting Standards and International Financial Reporting Standards issued by the International Accounting Standards Board. The accounting policies adopted are consistent with those of the previous financial year.

Certain Australian Accounting Standards and Interpretations have recently been issued or amended but are not yet effective and have not been adopted by the Trust for the annual reporting period ended 30 June 2011. The Directors have assessed the impact of these new standards (to the extent relevant to the Trust) as follows:

– AASB 9 Financial Instruments: Classifications and Measurements: This Standard simplifies the classifications of financial assets into those to be carried at amortised cost and those to be carried at fair value. The standard is applicable to the Trust from 1 July 2013. The Trust does not expect this standard to have a significant impact.

– IFRS 11 Joint Arrangements (effective from 1 July 2013): This standard uses the principle of control in IFRS 10 to define joint control and removes the option to account for the jointly controlled entities using the proportionate consolidation method. Joint ventures that give the joint venture parties a right to the net assets is accounted for using the equity method. Joint operations that give the joint venture parties a right to the underlying assets and obligations is accounted for by recognising the share of those assets and obligations. The Trust is currently assessing the impact of this standard and does not expect it to be significant.

– IFRS 13 Fair Value Measurement (effective from 1 July 2013): This standard establishes a single source of guidance for determining the fair value of assets and liabilities. The Trust is currently assessing the impact of this standard but does not expect it to be significant.

(c) Basis of accounting

The financial report is a general purpose financial report, which has been prepared in accordance with the requirements of the Corporations Act 2001 and Australian Accounting Standards. The financial report has also been prepared on a historical cost basis, except for investment properties and derivative financial instruments that have been measured at fair value.

Investment property is held jointly as tenants in common. The proportionate share of the income and expenditure and of the assets and liabilities of property interests are held as tenants in common and have been included in their respective classifications in this financial report.

This financial report is presented in Australian dollars.

(d) Significant accounting judgements, estimates and assumptions

The preparation of the financial report requires management to make judgements, estimates and assumptions. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements and estimates on historical experience and other various factors it believes to be reasonable under the circumstances, the results of which form the basis of the carrying values of assets and liabilities that are not readily apparent from other sources.

Further details of the nature of these assumptions and conditions may be found in the relevant notes to the financial statements, in particular, Note 2: Summary of significant accounting policies, Note 7: Investment properties, Note 20: Fair value of financial assets and liabilities. Actual results may differ from these estimates under different assumptions and conditions and may materially affect the Trust's financial results or the financial position in future periods.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Investment properties

The Trust's investment properties include shopping centre investments and development projects.

i) Shopping centre investment

The Trust's shopping centre investment comprises of freehold and leasehold land, buildings and leasehold improvements.

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

Initially, the shopping centre investment is measured at cost including transaction costs. Subsequent to initial recognition, the Trust's shopping centre investment is stated at fair value. Gains and losses arising from changes in the fair value of its shopping centre investment are included in the statement of comprehensive income in the year in which they arise. Any gains or losses on the sale of a shopping centre investment is recognised in the statement of comprehensive income in the year of sale. The shopping centre investment carrying amount includes components relating to lease incentives and leasing costs.

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

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

Independent valuations of the shopping centre are prepared annually with the exception of when the shopping centre is under development. The Directors' assessment of fair value takes into account annual independent valuations, with updates at year end of independent valuations that were prepared at

the half year taking into account any changes in estimated yield, underlying income and valuations of comparable centres. In determining the fair value, the capitalisation of net income method and the discounting of future cash flows to their present value have been used which are based upon assumptions and judgement in relation to future rental income, property capitalisation rate or estimated yield and make reference to market evidence of transaction prices for similar properties.

Where the centre is undergoing a major redevelopment, the fair value of the centre is assessed by the Directors at each reporting date and any increment and decrement recognised. An independent valuation is obtained on completion of the major redevelopment.

ii) Major redevelopment

The Trust's development projects include costs incurred for the current and future redevelopment and expansion of its shopping centre investment. Development projects include capitalised construction and development costs and where applicable borrowing costs on qualifying developments.

Development projects are carried at fair value based on Directors' assessment of fair value at each reporting date taking into account the expected costs to complete, the stage of completion, expected underlying income and yield of the development. Any increment or decrement in the fair value of development projects resulting from the Directors' assessment of fair value is included in the statement of comprehensive income in the year in which it arises. On completion, development projects are reclassified to shopping centre investment and an independent valuation is obtained.

The assessment of fair value and possible impairment in the fair value of shopping centre investment and development projects are significant estimates that can change based on the Trust's continuous process of assessing the factors affecting its property.

(b) Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Trust and can be reliably measured. Rental income from investment properties is accounted for on a straight line basis over the lease term. Contingent rental income is recognised as income in the period in which it is earned. If not received at balance date, revenue is reflected in the balance sheet as receivables and carried at fair value. Recoveries from tenants are recognised as income in the year the applicable costs are accrued.

Certain tenant allowances that are classified as lease incentives are recorded as part of investment properties and amortised over the term of the lease. The amortisation is recorded against property income.

All other revenues are recognised on an accruals basis.

(c) Expenses

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

(d) Taxation

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

(e) Goods and Services Tax (GST)

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

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

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

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

(f) Financing costs

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

Refer note 2(h) for other items included in financing costs.

(g) Contributed equity

Issued and paid up units are recognised at the fair value of the consideration received by the Trust. Any transaction costs arising on the issue of ordinary units are recognised directly in equity as a reduction of the proceeds received.

(h) Derivative and other financial assets and liabilities

The Responsible Entity utilises interest rate swaps to manage the risks associated with interest rate fluctuations. Such derivative financial instruments are recognised at fair value.

The Responsible Entity has set defined policies and implemented a comprehensive hedging program to manage interest rate risks. Derivative instruments are transacted to achieve the economic outcomes in line with the Trust's treasury policy and hedging program and are not transacted for speculative purposes. Accounting standards however require compliance with onerous documentation, designation and effectiveness parameters before a derivative instrument is deemed to qualify for hedge accounting treatment. These documentation, designation, and effectiveness requirements cannot be met in all circumstances. As a result, all derivative instruments are deemed not to qualify for hedge accounting and are recorded at fair value. Gains or losses arising from the movement in fair values are recorded in the statement of comprehensive income.

The fair value of interest rate swaps are determined by reference to market rates for similar instruments.

The accounting policies adopted in relation to material derivatives and other financial assets and liabilities are detailed as follows:

Notes to the Financial Statements

FOR THE YEAR ENDED 30 JUNE 2011

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

i) Financial assets

Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise cash at bank and on hand and short term deposits with an original maturity of 90 days or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

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

Receivables

Trade and sundry debtors are carried at original invoice amount, less provision for doubtful debts, and are due within 30 days. Collectability of trade and sundry receivables is reviewed on an ongoing basis. Individual debts that are determined to be uncollectible are written off when identified. An impairment provision for doubtful debts is recognised when there is evidence that the Trust will not be able to collect the receivable.

ii) Financial liabilities

Payables

Trade and other payables are carried at amortised cost and due to their short term nature they are not discounted. They represent liabilities for goods and services provided to the Trust prior to the end of the financial year that are unpaid and arise when the Trust becomes obliged to make future payments in respect of the purchase of these goods and services. The amounts are unsecured and are usually paid within 60 days.

Interest bearing liabilities

Interest bearing liabilities are recognised initially at the fair value of the consideration received less any directly attributable transaction costs. Subsequent to initial recognition, interest bearing liabilities are recorded at amortised cost using the effective interest rate method.

Interest bearing liabilities are classified as current liabilities where the liability has been drawn under a financing facility which expires within one year. Amounts drawn under financing facilities which expire after one year are classified as non current.

Financing costs for interest bearing liabilities are recognised as an expense on an accruals basis.

(i) Recoverable amount of assets

At each reporting date, the Responsible Entity assesses whether there is any indication that an asset may be impaired. Where an indicator of the impairment exists, the Responsible Entity makes an estimate of the recoverable amount. Where the carrying amount of an asset exceeds its recoverable amount the asset is considered impaired and is written down to its recoverable amount.

(j) Earnings per unit

Basic earnings per unit is calculated as net profit attributable to members of the Trust divided by the weighted average number of ordinary units. Diluted earnings per unit is calculated as net profit attributable to members of the Trust adjusted for any profit recognised in the period in relation to dilutive potential ordinary units divided by the weighted average number of ordinary units and dilutive potential ordinary units.

(k) Rounding

In accordance with ASIC Class Order 98/0100, the amounts shown in the financial report have, unless otherwise indicated, been rounded to the nearest thousand dollars. Amounts shown as 0.0 represent amounts less than \$500 that have been rounded down.

	30 Jun 11 \$'000	30 Jun 10 \$'000
NOTE 3a PROPERTY REVENUE		
Shopping centre base rent and other property income	36,472	36,649
Amortisation of tenant allowances	(225)	(170)
	36,247	36,479
NOTE 3b FINANCING COSTS		
Gross financing costs (excluding net fair value gain or loss on interest rate hedges that do not qualify for hedge accounting)		
– Interest bearing liabilities	(5,374)	(3,715)
Financing costs capitalised to construction projects	1,954	251
	(3,420)	(3,464)
NOTE 4 TRADE AND OTHER RECEIVABLES		
Trade receivables	474	420
Provision for doubtful debts	(71)	(79)
	403	341
Other debtors	1,345	2,875
	1,748	3,216

	30 Jun 11 \$'000	30 Jun 10 \$'000
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NOTE 5 PREPAYMENTS AND DEFERRED COSTS

Current – Other prepayments and deferred costs	377	149
Non current – Other prepayments and deferred costs	1,133	–

	30 Jun 11 cents	30 Jun 10 cents
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NOTE 6 EARNINGS PER UNIT AND NET TANGIBLE ASSET BACKING PER UNIT

(i) Earning per share

Basic earnings per unit	27.69	27.16
Diluted earnings per unit	27.69	27.16

Basic and diluted earnings per unit is calculated by dividing the earnings of \$19,382,000 (2010: \$19,010,000) by the weighted average number of ordinary units on issue during the financial year. The weighted average number of units used in the calculation of basic and diluted earnings per unit is 70,000,000 (2010: 70,000,000).

(ii) Net asset backing per unit

Net asset backing per unit	554	554
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	30 Jun 11 \$'000	30 Jun 10 \$'000
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NOTE 7 INVESTMENT PROPERTIES

Shopping centre investment	442,883	442,500
Development projects	40,032	4,321
Other	45	45
	482,960	446,866

Movement in investment properties

Balance at the beginning of the year	446,866	446,059
Additions including redevelopment costs	36,094	807
Balance at the end of the year	482,960	446,866

An independent valuation of the shopping centre is conducted annually with the exception of when the shopping centre is under development. Independent valuations are conducted in accordance with the International Valuation Standards Committee. The independent valuation uses capitalisation of net income method and the discounting of future net cash flows to their present value method.

Investment properties are carried at the Directors' determination of fair value based on annual independent valuations where appropriate. The carrying amount of investment properties comprises the original acquisition cost, subsequent capital expenditure, tenant allowances and revaluation increments and decrements. Tenant allowances are included in the property investment balance to reflect the value of the entire shopping centre.

NOTE 8 TRADE AND OTHER PAYABLES

Current

Trade creditors	1,129	1,062
Other creditors and accruals	10,395	5,376
Distribution payable	9,730	9,919
	21,254	16,357

Notes to the Financial Statements

FOR THE YEAR ENDED 30 JUNE 2011

	30 Jun 11 \$'000	30 Jun 10 \$'000
NOTE 9 INTEREST BEARING LIABILITIES		
Non current – Finance lease	116	–
Non current – Loans payable – secured ⁽ⁱ⁾	77,281	45,500
	77,397	45,500

(i) The Trust maintains a \$230 million interest only floating interest rate facility. Drawings under this facility are secured by registered mortgages over the Trust's interest in Westfield Carindale and a fixed and floating charge over all assets and undertakings of the Trust. The facility is subject to negative pledge arrangements and matures in the second half of calendar year 2015.

The maturity profile as at 30 June 2011 in respect of the above borrowings:

– Due within one year	–	–
– Due between one and five years	77,281	45,500
– Due after five years	–	–

NOTE 10 DERIVATIVE LIABILITIES

Current – Payables on interest rate derivatives	29	20
Non current – Payables on interest rate derivatives	1,670	1,314

	30 Jun 11 units	30 Jun 10 units
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NOTE 11 TRUST UNITS

Number of units on issue

Balance at the beginning and end of the period	70,000,000	70,000,000
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	30 Jun 11 \$'000	30 Jun 10 \$'000
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NOTE 12 RETAINED PROFITS

Balance at the beginning of the year	200,114	200,550
Net profit attributable to members of the Trust	19,382	19,010
Distribution paid/payable	(19,460)	(19,446)
Other reserves	(512)	–
Balance at the end of the year	199,524	200,114

NOTE 13 CASH AND CASH EQUIVALENTS

(i) Components of cash and cash equivalents

Cash	2,102	1,008
Total cash and cash equivalents	2,102	1,008

(ii) Reconciliation of cash flows from operating activities to net profit attributable to members of the Trust

Net cash flows from operating activities	23,778	23,405
Property revaluation	–	170
Financing costs	(3,420)	(3,464)
Net fair value loss on interest rate derivatives	(365)	(436)
Interest received	125	86
Decrease in other net assets attributable to operating activities	(736)	(751)
Net profit attributable to members of the Trust	19,382	19,010

	30 Jun 11 \$'000	30 Jun 10 \$'000
(iii) Financing facilities		
Committed financing facilities available to the Trust:		
Total financing facilities	230,000	55,000
Amounts utilised ⁽ⁱ⁾	(77,291)	(45,510)
Available financing facilities	152,709	9,490
Cash	2,102	1,008
Total available financing facilities and available cash	154,811	10,498

(i) Amounts utilised include borrowings (2011: \$77,281,000 and 2010: \$45,500,000) and bank guarantees (2011: \$10,000 and 2010: \$10,000).

As of 30 June 2011, the total available financing facilities and cash of \$154,811,000 includes an undrawn amount of \$135,719,000 which is available to finance the capital costs of the current redevelopment project.

NOTE 14 DISTRIBUTIONS PAID AND PAYABLE TO MEMBERS

(a) Current/prior period distribution payable/paid to members

Distribution payable to members		
– Ordinary units: 13.90 cents per unit, 26% estimated tax deferred	9,730	–
Prior period distribution paid to members		
– Ordinary units: 14.17 cents per unit, 21% tax deferred	–	9,919
	9,730	9,919

(b) Distribution paid to members

Distribution in respect of the 6 months to 31 December 2010		
– Ordinary units: 13.90 cents per unit, 26% estimated tax deferred	9,730	–
Distribution in respect of the 6 months to 31 December 2009		
– Ordinary units: 13.61 cents per unit, 21% tax deferred	–	9,527
	9,730	9,527

NOTE 15 CAPITAL COMMITMENTS AND CONTINGENT LIABILITIES

Estimated capital expenditure committed at balance date but not provided for in relation to development projects		
Due within one year	92,430	–
Due between one and five years	19,343	–
	111,773	–

The Trust has a bank guarantee arising from obligations in respect of a lease commitment totalling \$10,000 (2010: \$10,000).

From time to time, the Trust is involved in lawsuits and claims. The Responsible Entity believes that the ultimate outcome of such pending litigation and claims will not materially affect the results or the financial position of the Trust.

NOTE 16 SEGMENT INFORMATION

The Trust operates in one business segment, being the ownership of a shopping centre in Australia.

NOTE 17 CAPITAL RISK MANAGEMENT

The Responsible Entity seeks to manage the Trust's capital requirements through a mix of debt and equity funding, while ensuring that the Trust:

- complies with capital and distribution requirements of the Trust's constitution;
- complies with capital requirements in relation to the Trust's borrowing covenants; and
- continues to operate as a going concern.

The Responsible Entity assesses the adequacy of the Trust's capital requirements, cost of capital and gearing (i.e. debt/equity mix) as part of its broader strategic plan. The Responsible Entity continuously reviews the Trust's capital structure to ensure:

- sufficient funds and financing facilities, on a cost effective basis are available to implement operating strategies;
- adequate financing facilities for unforeseen contingencies are maintained; and
- distributions to members are made within the stated distribution policy.

Notes to the Financial Statements

FOR THE YEAR ENDED 30 JUNE 2011

NOTE 18 FINANCIAL RISK MANAGEMENT

The Trust's principal financial instruments comprise cash, receivables, payables, interest bearing liabilities and derivative financial instruments. The Responsible Entity manages the Trust's exposure to key financial risks in accordance with the Westfield Group's treasury risk management policy. The policy has been established to manage the key financial risks such as interest rate, counterparty credit and liquidity. The Westfield Group's treasury risk management policies are established to identify and analyse the risks faced by the Trust, to set appropriate risk limits and controls to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Trust's activities. The Westfield Group, through its training and procedures, has developed a disciplined and constructive control environment in which relevant treasury and finance personnel understand their roles and obligations in respect of the Trust's treasury management objectives.

The Westfield Group has an established Board approved risk management framework including policies, procedures, limits permitted and types of derivative financial instruments. The Board has appointed a Board Risk Management Committee comprising three directors. The Board Risk Management Committee reviews and oversees the Trust's compliance with these policies, procedures and limits. The Board Risk Management Committee is assisted in the oversight role by the Westfield Group's Executive Risk Management Committee and internal audit function.

The Responsible Entity uses different methods to measure and manage different types of risks to which the Trust is exposed. These include monitoring levels of exposure to interest rates, liquidity and credit risk. The Responsible Entity enters into interest rate swaps to manage the interest rate risk arising from the Trust's operations. The Responsible Entity seeks to deal only with creditworthy counterparties and these assessments are regularly reviewed. Liquidity risk is monitored through the use of future rolling cash flow forecasts.

NOTE 19 INTEREST RATE RISK MANAGEMENT

The Trust is exposed to interest rate risk on its borrowings and derivative financial instruments. The risk is managed by the Responsible Entity by maintaining an appropriate mix between fixed and floating rate interest bearing liabilities. Fixed rate debt is achieved through the use of derivative financial instruments approved by the Board. These activities are evaluated regularly to ensure that the Trust is not exposed to interest rate movements that could adversely impact its ability to meet its financial obligations and to ensure compliance with borrowing covenants.

(i) Summary of floating interest rate positions at balance date

The Trust has interest risk on borrowings which are typically floating rate debt. The exposures at reporting date together with the interest rate risk management transactions are as follows:

Interest payable	Note	30 Jun 11 \$'000	30 Jun 10 \$'000
Principal amounts of all interest bearing liabilities:			
Non current – Loans payable – secured	9	77,281	45,500
		77,281	45,500
Principal amounts of fixed interest rate instruments:			
Fixed rate derivatives			
– A\$	19(ii)	54,000	34,000
		54,000	34,000

At 30 June 2011, the Trust has hedged 70% (2010: 75%) of its interest payable exposure by way of interest rate swaps of varying durations with floating exposure of \$23,281,398 payable (2010: \$11,500,000) at average rate of 6.73%, including margin (2010: 6.92%). Changes to the fair value of the derivatives due to interest rate movements are set out in Note 19(ii).

Interest rate sensitivity		30 Jun 11 \$'000	30 Jun 10 \$'000
The sensitivity of interest expense to changes in floating interest rates is as follows:	Interest rate movement		(Increase)/decrease in interest expense
	–1.0%	233	115
	–0.5%	116	58
	0.5%	(116)	(58)
	1.0%	(233)	(115)

(ii) Summary of fixed interest rate positions at balance date

Notional principal amounts of the Trust's interest rate swaps:

Swaps contracted as at the reporting date and outstanding at	30 Jun 11 Notional Principal amount \$'000	30 Jun 11 Average rate	30 Jun 10 Notional Principal amount \$'000	30 Jun 10 Average rate
A\$ payable				
30 June 2010	–	–	A\$(34,000)	5.90%
30 June 2011	A\$(54,000)	5.63%	A\$(34,000)	5.79%
30 June 2012	A\$(131,000)	5.63%	A\$(31,000)	6.29%
30 June 2013	A\$(146,000)	5.60%	A\$(26,000)	6.32%
30 June 2014	A\$(106,000)	5.70%	A\$(26,000)	6.32%
30 June 2015	A\$(37,000)	6.05%	A\$(17,000)	6.60%
30 June 2016	A\$(17,000)	6.65%	A\$(17,000)	6.60%
30 June 2017	A\$(7,000)	7.28%	A\$(7,000)	7.23%

The Trust's interest rate swaps do not meet the accounting requirements to qualify for hedge accounting treatment. Changes in fair value have been reflected in the statement of comprehensive income. At 30 June 2011, the aggregate fair value is a payable of \$1,698,961 (2010: \$1,334,113). The change in fair value for the year ended 30 June 2011 was \$364,848 (2010: \$436,074).

Fair Value sensitivity		30 Jun 11 \$'000	30 Jun 10 \$'000
The sensitivity of fair value of interest rate swaps to changes in interest rates is as follows:	Interest rate movement	(Increase)/decrease in interest expense	
	–1.0%	(4,110)	(1,424)
	–0.5%	(2,032)	(701)
	0.5%	2,003	680
	1.0%	3,974	1,344

NOTE 20 FAIR VALUE OF FINANCIAL ASSETS AND LIABILITIES

Determination of fair value

The Trust uses the following hierarchy for determining and disclosing the fair value of a financial instrument. The valuation techniques comprise:

Level 1: the fair value is calculated using quotes (unadjusted) prices in active markets for identical assets or liabilities.

Level 2: the fair value is estimated using inputs other than quoted prices that are observable, either directly (as prices) or indirectly (derived from prices).

Level 3: the fair value is estimated using inputs that are not based on observable market data.

	30 Jun 11 \$'000	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000
Liabilities measured at fair value				
Derivative liabilities				
– Interest rate derivatives	1,699	–	1,699	–
	30 Jun 10 \$'000	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000

Liabilities measured at fair value

Derivative liabilities

– Interest rate derivatives	1,334	–	1,334	–
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During the year, there were no transfers between Level 1, Level 2 and Level 3 fair value measurements.

Notes to the Financial Statements

FOR THE YEAR ENDED 30 JUNE 2011

NOTE 21 CREDIT AND LIQUIDITY RISK MANAGEMENT

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in a financial loss to the Trust. Credit limits have been established to ensure that the Trust deals only with approved counterparties and that counterparty concentration risk is addressed and the risk of loss is mitigated. Counterparty exposure is measured as the aggregate of all obligations of any single legal entity or economic entity to the Trust, after allowing for appropriate set offs which are legally enforceable. A maximum credit limit is allocated to each counterparty based on its credit rating. The counterparty credit risk associated with investment instruments is assessed based on its outstanding face value.

At 30 June 2011, the aggregate credit risk in respect of derivative financial instruments is nil (2010: nil).

The Responsible Entity undertakes active liquidity and funding risk management to enable the Trust to have sufficient funds available to meet its financial obligations as and when they fall due, working capital and expected committed capital expenditure requirements. The Responsible Entity prepares and monitors rolling forecasts of liquidity requirements on the basis of expected cash flow.

Interest bearing liabilities, funding facilities and their maturity profiles are set out in Notes 9 and 13(iii).

NOTE 22 FINANCIAL COVENANTS

The Trust is required to comply with certain financial covenants in respect of its borrowings facilities. The major financial covenants are summarised as follows:

- Earning before Interest, Taxes, Depreciation and Amortisation (EBITDA) to gross interest expense excluding gains or losses from mark to market
 - not less than 1.3 times
- Loan to Value Ratio (LVR) (debt to latest property value)
 - not exceed 50%

From September 2010 through to 30 June 2011, the Trust was in compliance with all the above financial covenants. From 1 July 2010 to August 2010, the Trust was in compliance with the financial covenants of the previous facility.

	30 Jun 11	30 Jun 10
	\$'000	\$'000

NOTE 23 INTEREST BEARING LIABILITIES, INTEREST AND DERIVATIVE CASH FLOW MATURITY PROFILE

Interest bearing liabilities and interest

Maturity profile of the principal amounts of current and non current interest bearing liabilities (refer Note 9) together with the aggregate future estimated interest thereon is set out below:

Due within one year	3,890	2,239
Due between one and five years	89,675	47,738
Due after five years	–	–
	93,565	49,977

Derivatives

Estimated cashflows in respect of interest rate swaps set out below:

Due within one year	780	333
Due between one and five years	2,175	1,449
Due after five years	157	733
	3,112	2,515

NOTE 24 LEASE RECEIVABLES

Operating lease receivables

The property owned by the Trust is leased to third party retailers under operating leases at 30 June 2011.

Lease terms vary between retailers and some leases include percentage rental payments based on sales revenue.

Future minimum rental revenues under non-cancellable operating leases at 30 June 2011 are as follows:

Due within one year	28,874	28,129
Due between one and five years	57,575	54,883
Due greater than five years	26,082	18,432
	112,531	101,444

These amounts do not include percentage rentals which may become receivable under certain leases on the basis of retailer sales in excess of stipulated minimums and do not include recovery of outgoings.

	30 Jun 11 \$'000	30 Jun 10 \$'000
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NOTE 25 AUDITOR'S REMUNERATION

Amount paid or due and payable to the auditors of the Trust:

Auditing the financial report of the Trust	78	61
Accounting and other services including compliance plan audit	7	10
	85	71

NOTE 26 RELATED PARTY TRANSACTIONS

Westfield Management Limited, the Responsible Entity of the Trust, is considered to be a related party of the Trust.

The constitution of the Trust allows for an annual manager's service fee payable to the Responsible Entity up to a maximum of 2% of the total tangible assets of the Trust, which amounts to \$9,766,400 for the year to 30 June 2011 (2010: \$9,024,780), or such lesser amount as the Responsible Entity may determine. The manager's service fee paid or payable to the Responsible Entity for the year ended to 30 June 2011 was \$2,779,151 (2010: \$2,686,919) representing 0.6% (2010: 0.6%) of the total tangible assets of the Trust as of 30 June 2011.

During the year, amounts paid or payable (excluding GST) to associates of the Responsible Entity for capital costs amounted to \$33,681,369 (2010: \$364,485). As at 30 June 2011, capital costs of \$6,707,781 (2010: \$nil) were payable to associates of the Responsible Entity.

Real estate management fees expensed for the year ended 30 June 2011 due to associates of the Responsible Entity are based on normal commercial terms and were \$1,854,500 (2010: \$1,800,500). As at 30 June 2011, real estate management fees of \$156,697 (2010: \$118,579) were payable to associates of the Responsible Entity.

Reimbursement of expenses for the year ended 30 June 2011 paid and payable to associates of the Responsible Entity are based on normal commercial terms and were \$1,470,500 (2010: \$1,448,500).

As at 30 June 2011, Westfield Management Limited, as Responsible Entity of the Trust, held 35 million units in the Trust (2010: 35 million units).

Details of Key Management Personnel

(i) Directors

The Directors of Westfield Management Limited, the Responsible Entity of the Trust are considered to be Key Management Personnel.

F P Lowy AC	Non-Executive Chairman	F G Hilmer AO	Non-Executive Director
B M Schwartz AM	Deputy Chairman - Non-Executive Director	S P Johns	Non-Executive Director
P K Allen	Group Chief Financial Officer - Executive Director	M R Johnson AO	Non-Executive Director
I R Atlas	Non-Executive Director	P S Lowy	Co-Chief Executive Officer - Executive Director
R L Furman	Non-Executive Director	S M Lowy AM	Co-Chief Executive Officer - Executive Director
Lord (Peter) Goldsmith QC PC	Non-Executive Director	J McFarlane	Non-Executive Director
		J Sloan	Non-Executive Director

On 25 May 2011, at the Annual General Meeting of Westfield Holdings Limited, the following changes to the Board of the Responsible Entity took effect:

- Mr Frank Lowy assumed the role of Non-Executive Chairman;
- Mr Peter Lowy and Mr Steven Lowy were appointed Co-Chief Executive Officers;
- Mr David Lowy and Mr David Gonski retired from the Board;
- Mr Brian Schwartz was appointed Deputy Chairman; and
- Mr Peter Allen and Ms Ilana Atlas were elected by members to the Board.

(ii) Other Key Management Personnel

The Responsible Entity does not have any employees. However in addition to the Directors noted above, the following person was for the financial year a Key Management Personnel with the authority for the strategic direction and management of Carindale Property Trust.

R R Jordan	Managing Director, Australia and New Zealand
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There has been no change to Key Management Personnel between the end of the reporting period and the date the financial report was authorised for issue.

Compensation of Key Management Personnel

Non-Executive Directors of the Responsible Entity receive remuneration in their capacity as Directors of the Responsible Entity. These amounts are paid directly by Westfield Holdings Limited. Westfield Holdings Limited is the parent entity of the Westfield Group, of which the Responsible Entity, Westfield Management Limited is part. Executive Directors and other Key Management Personnel are paid by Westfield Limited, a wholly owned subsidiary of Westfield Holdings Limited. Management fees payable by the Trust to the Responsible Entity are calculated as a percentage of the Trust's total tangible assets and are not determined by reference to specific costs incurred by the Responsible Entity. Consequently, no compensation as defined in AASB 124 Related Parties is paid directly by the Trust, or indirectly by a related party of the Trust, to those key management personnel in respect of their services to the Trust.

Directors' Declaration

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

- (a) in the Directors' opinion, there are reasonable grounds to believe that the Trust will be able to pay its debts as and when they become due and payable; and
- (b) in the Directors' opinion, the financial statements and notes thereto are in accordance with the Corporations Act 2001, including sections 296 and 297, and the International Financial Reporting Standards issued by the International Accounting Standards Board; and
- (c) they have been provided with the declarations required by section 295A of the Corporations Act 2001 (Cwlth).

Made on 14 September 2011 in accordance with a resolution of the Board of Directors.



FP Lowy AC
Chairman



FG Hilmer AO
Director

Independent Audit Report

TO MEMBERS OF CARINDALE PROPERTY TRUST



Report on the Annual Financial Report

We have audited the accompanying financial report of Carindale Property Trust ("the Trust"), which comprises the balance sheet as at 30 June 2011, and the statement of comprehensive income, statement of changes in equity and cash flow statement for the year ended on that date, a summary of significant accounting policies, other explanatory notes and the directors' declaration.

Directors' Responsibility for the Financial Report

The directors of Westfield Management Limited, the Responsible Entity of the Trust, are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the Corporations Act 2001 and for such internal controls as the directors determine are necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error. In Note 1, the directors also state in accordance with Accounting Standard AASB 101 Presentation of Financial Statements, that the financial statements comply with International Financial Reporting Standards.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. Those standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, we consider internal controls relevant to the entity's preparation of the financial report that gives a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Independence

In conducting our audit we have complied with the independence requirements of the Corporations Act 2001. We have given to the directors of Westfield Management Limited a written Auditor's Independence Declaration, a copy of which is included in the directors' report.

Opinion

In our opinion:

1. the financial report of Carindale Property Trust is in accordance with the Corporations Act 2001, including:
 - (i) giving a true and fair view of the financial position as at 30 June 2011 and of its performance for the year ended on that date; and
 - (ii) complying with Australian Accounting Standards and the Corporations Regulations 2001.
2. the financial report also complies with International Financial Reporting Standards as disclosed in Note 1.

A stylized signature of Ernst & Young.

Ernst & Young

A handwritten signature of S J Ferguson.

S J Ferguson
Partner

Sydney
14 September 2011

Liability Limited by a scheme approved
under Professional Standards Legislation

Directors' Report

The Directors of Westfield Management Limited, the responsible entity of Carindale Property Trust (Trust), submit the following report for the financial year ended 30 June 2011.

1. Operations and Activities

- A review of the operations of the Trust during the financial year and the results of those operations is set out in the “Year in Review” at pages 2 to 5 of this Annual Report (Review of Operations).
- There were no significant changes in the Trust's state of affairs during the financial year.
- The principal activity of the Trust during the financial year was the long term ownership of a 50% interest in Westfield Carindale shopping centre. There were no significant changes in the nature of that activity during the financial year.
- No matter or circumstance has arisen since the end of the financial year that has significantly affected, or may significantly affect, the Trust's operations, the results of those operations, or the Trust's state of affairs, in future financial years.
- The likely developments in the Trust's operations in future financial years and the expected results of those operations are described in the Review of Operations at pages 2 to 5 of the Annual Report.

2. Environmental Performance

The Westfield Group has in place procedures to identify and comply with environmental laws and regulations applicable to Westfield Carindale shopping centre including, where applicable, obtaining and complying with the conditions of relevant authority consents and approvals and obtaining of any necessary licences. These compliance procedures are regularly reviewed and audited and their application closely monitored. Further information in relation to the Westfield Group's philosophy in relation to the environment and community is set out in the Westfield Group's 2010 Annual Report which is available on the Group's website at www.westfield.com/corporate. Specific initiatives in relation to Westfield Carindale are described on page 7 of this Annual Report.

3. Distributions

The following distributions were paid to members of the Trust during the financial year:

	\$'000
14.17 cents per unit for the 6 months ended 30 June 2010, paid 31 August 2010	\$9,919
13.90 cents per unit for the 6 months ended 31 December 2010, paid 28 February 2011	\$9,730

The following distribution was recommended for payment to members, but not paid, during the financial year:

	\$'000
13.90 cents per unit for the 6 months ended 30 June 2011, paid 31 August 2011	\$9,730

4. Directors

4.1 Board Membership and Qualifications

The Directors of Westfield Management Limited, the responsible entity of the Trust (Responsible Entity), during the financial year, were as follows:

Mr Frank Lowy AC, Mr David Lowy AM, Mr Peter Allen, Ms Ilana Atlas, Mr Roy Furman, Lord (Peter) Goldsmith QC PC, Mr David Gonski AC, Professor Fred Hilmer AO, Mr Stephen Johns, Mr Mark Johnson AO, Mr Peter Lowy, Mr Steven Lowy AM, Mr John McFarlane, Mr Brian Schwartz AM and Professor Judith Sloan.

On 25 May 2011, at the Annual General Meeting of Westfield Holdings Limited, the following changes were made to the Board of the Responsible Entity:

- Mr Frank Lowy assumed the role of Non-Executive Chairman;
- Mr Peter Lowy and Mr Steven Lowy were appointed Co-Chief Executive Officers;
- Mr David Lowy and Mr David Gonski retired from the Board;
- Mr Brian Schwartz was appointed Deputy Chairman; and
- Mr Peter Allen and Ms Ilana Atlas were elected by members to the Board.

There has been no change to the Board between the end of the reporting period and the date the financial report was authorised for issue.

Directors' Report (continued)

Details of the qualifications, experience and special responsibilities of each of the Directors of the Responsible Entity as at the date of this report are set out on pages 8 and 9 of the Annual Report.

4.2 Directors' Relevant Interests

The names of the Directors of the Responsible Entity and the relevant interests of each Director in the units of the Trust as at the date of this report are shown below:

Director	Number of Units
F P Lowy AC	Nil
P K Allen	Nil
I R Atlas	Nil
R L Furman	Nil
P H Goldsmith QC PC	Nil
F G Hilmer AO	Nil
S P Johns	Nil
M R Johnson AO	Nil
P S Lowy	Nil
S M Lowy AM	Nil
J McFarlane	Nil
B M Schwartz AM	Nil
J Sloan	Nil

5. Options and other interests

- No options were granted over unissued interests in the Trust during or since the end of the financial year to any of the Directors or officers of the Responsible Entity.
- There are no unissued interests in the Trust under option.
- No interests in the Trust were issued during or since the end of the financial year as a result of the exercise of an option over unissued interests in the Trust.
- None of the Directors of the Responsible Entity are party to or entitled to a benefit under a contract which confers a right to call for, or be delivered, interests in the Trust.

6. Indemnities and Insurance Premiums

No insurance premiums were paid during or since the end of the financial year out of the assets of the Trust in regards to insurance cover provided to either officers of the Responsible Entity or the auditors of the Trust. As long as the Responsible Entity acts in accordance with the constitution of the Trust and the Corporations Act 2001, it remains fully indemnified out of the assets of the Trust against any losses incurred while acting as Responsible Entity of the Trust. The auditors of the Trust are not indemnified out of the assets of the Trust.

7. Information for Registered Schemes

- \$4,633,651 in fees and \$33,681,369 in construction progress billings were paid or are payable to the Responsible Entity and its associates out of the assets of the Trust during the financial year.
- Westfield Management Limited as Responsible Entity of Westfield Trust held 35,000,000 units in the Trust as at the end of the financial year.
- No interests were issued in the Trust during the financial year.
- No withdrawals were made from the Trust during the financial year.
- Details of the value of the Trust's assets as at the end of the financial year and the basis for the valuation are set out in Note 7 on page 17 of the Annual Report.
- Details of the number of interests in the Trust as at the end of the financial year are set out in Note 11 on page 18 of the Annual Report.
- At the date of this report, the Responsible Entity of the Trust had an Audit and Compliance Committee.

Directors' Report (continued)

8. Auditor's Independence Declaration

In relation to our audit of the financial report of Carindale Property Trust for the year ended 30 June 2011, to the best of my knowledge and belief, there have been no contraventions of the auditor independence requirements of the Corporations Act 2001 or any applicable code of professional conduct.



A stylized signature of the Ernst & Young firm.

Ernst & Young

Sydney
14 September 2011

A handwritten signature in cursive script.

S J Ferguson
Partner

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9. ASIC Disclosures

9.1 Rounding

Pursuant to ASIC Class Order 98/0100, the amounts shown in the financial statements have been rounded to the nearest thousand dollars.

9.2 Synchronisation of Financial Year

The Trust is a consolidated entity of each of Westfield Trust and Westfield Holdings Limited. By orders dated 21 November 2001 and 27 June 2005 respectively made by the Australian Securities & Investments Commission, the directors of the Responsible Entity of Westfield Trust and Westfield Holdings Limited have been relieved from compliance with the requirement to ensure that the financial year of the Trust coincides with the financial year of Westfield Trust and Westfield Holdings Limited.

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

A handwritten signature in cursive script.

FP Lowy AC
Chairman

14 September 2011

A handwritten signature in cursive script.

FG Hilmer AO
Director

Corporate Governance Statement

The Responsible Entity, through its Board and the executives of its parent company, Westfield Holdings Limited (WHL), recognises the need to establish and maintain corporate governance policies and practices which reflect the requirements of the market regulators and participants and the expectations of members and others who deal with the Trust and the broader Westfield Group. These policies and practices remain under constant review as both regulation and good practice evolve.

The corporate governance practices of the Responsible Entity should be reviewed having regard to the following circumstances:

- the Trust is a single centre property trust which owns a 50% interest in Westfield Carindale in suburban Brisbane;
- the Responsible Entity of the Trust during the financial year was Westfield Management Limited (WML), a wholly owned subsidiary of WHL. As a member of the Westfield Group, the Responsible Entity has adopted, and is bound by, the terms of the various charters and policies implemented by the Group; and
- neither the Trust nor the Responsible Entity has any employees. The operations of the Trust are performed by Westfield Group executives and employees (see 8.1 below). The management of the centre is also conducted by subsidiaries of WHL.

This statement outlines the Responsible Entity's main corporate governance practices during the financial year and the extent of the Responsible Entity's compliance with them as at the end of the financial year by reference to the second edition of the Corporate Governance Principles and Recommendations published in August 2007 by the ASX Corporate Governance Council (as amended in 2010) and to the Corporations Act 2001.

Corporate governance documentation, including charters and relevant corporate policies and codes, can be found on the Trust's website www.carindalepropertytrust.com.au; in the corporate governance section.

PRINCIPLE 1: LAY SOLID FOUNDATIONS FOR MANAGEMENT AND OVERSIGHT

1.1 Functions of board and management

The Board of the Responsible Entity has adopted the Westfield Group's Board Charter which sets out the objectives, responsibilities and framework for the operation of the Board. The Charter also formalises the matters that are reserved for the Board. Specifically, the Board reserved its authority over the following matters except where such matters are expressly delegated to a committee of the Board, a Chief Executive Officer or another nominated member of the senior management team:

- **strategy and direction** – setting overall strategic direction and plans for major business units, key business and financial objectives and approving the distribution policy, amounts and timing of distribution payments and significant acquisitions or disposals of assets and significant expenditure, and any matters impacting on compliance with statutory and regulatory obligations;
- **financial controls, compliance and risk management** – approving annual operating and capital expenditure budgets, treasury policies, financial statements, published reports, and any significant changes in accounting policies or procedures, reviewing the effectiveness of the internal control systems and risk management processes and compliance with statutory and regulatory obligations;
- **capital structure** – approving any changes to the capital structure including any reductions in share capital, buy backs or issue of new securities other than in accordance with the Group's equity based incentive plans and approving changes to the Group's debt structure including entry into new facilities, the refinancing of existing debt and the issue of bonds or other instruments in local and international markets;
- **appointments** – appointing Directors to the Board and the Company Secretary, appointing and evaluating the performance of the Co-Chief Executive Officers and the Group Chief Financial Officer and appointing external auditors on the recommendation of the Westfield Group Audit and Compliance Committee and approving the fees payable to the external auditors;
- **delegation of authority** – approving any changes to the membership or charter of any committee of the Board, determining the scope of authority delegated to a Chief Executive Officer or the Group Chief Financial Officer and any other significant matters;
- **significant policies affecting the Trust** – approving significant policies including the Directors' Code of Conduct, security trading policies for Directors and senior executives, health and safety policies, risk management policies and continuous disclosure and communications policies; and
- **corporate governance matters** – determining the independence and remuneration of Non-Executive Directors, resolutions and documentation to be put to members in general meeting and approving announcements and press releases concerning matters decided by the Board.

The Board is accountable to members and seeks to ensure that the business objectives of the Trust are aligned with the expectations of members and that the operations of the Trust are being effectively managed in a manner that is focussed on those business objectives as well as conforming to regulatory and ethical requirements.

The Board has delegated a number of these responsibilities to its Committees. The role and responsibilities of these Committees are explained later in this statement.

The Board has delegated the day to day management of the business of the Westfield Group and the Trust to management through the Co-Chief Executive Officers subject to the agreed authority limits applicable to the senior executive management team.

Corporate Governance Statement (continued)

The Board has delegated to management responsibility for:

- **strategy:** development of strategies and the management and performance of the Trust's business and operations;
- **management:** managing the Trust in accordance with the strategy, business plans and policies approved by the Board;
- **financial performance:** developing the annual budget, managing day to day operations within the budget and ensuring that the financial reports present a true and fair view of the Trust's financial condition and operational results and are in accordance with the relevant accounting standards;
- **risk management:** maintaining effective risk management frameworks and internal control systems;
- **continuous disclosure:** keeping the Board and the market fully informed about material developments; and
- **selection of senior management:** making recommendations for the appointment of senior executives, determining terms of appointment, evaluating performances and developing and maintaining succession plans for senior management.

1.2 Process for evaluating the performance of senior executives

The Responsible Entity does not have any employees. The operations of the Trust are performed by Westfield Group executives and employees. Information regarding the process of objective setting and performance review of senior executives of the Group can be found in the 2010 Annual Report of the Westfield Group at www.westfield.com/corporate.

In the case of the senior executive team (including the Co-Chief Executive Officers) an assessment of their performance is undertaken by the Remuneration Committee and the Group Board. Issues relating to remuneration are dealt with in more detail in the Remuneration Report which forms part of the Directors' Report in the 2010 Annual Report of the Westfield Group.

In addition to the induction program provided to new employees generally, new members of the senior executive team undertake a customised induction program tailored to their needs, which includes individual meetings with every member of the senior executive team. Training and development programs are also available to ensure that senior executives update their skills and knowledge on a regular basis.

1.3 Performance evaluation

During the financial year, each member of the senior executive team, including the Co-Chief Executive Officers, was subject to a performance review as described in 1.2 above.

PRINCIPLE 2: STRUCTURE THE BOARD TO ADD VALUE

The membership of the Board is reviewed by the full Board from time to time having regard to the ongoing needs of the Group including the Trust. It is the policy of the Board that its membership should reflect an appropriate balance between executives possessing extensive direct experience and expertise in the core business activities of the Westfield Group, and non-executive members who have outstanding track records and reputations at the highest levels of business and commerce generally and who bring to the Board a broad range of general commercial expertise and experience.

The Group's objective is that the Board should be of a size and composition that is conducive to effective decision making with the benefit of a variety of perspectives and skills and in the interests of the Westfield Group and the Trust.

The appointment of a new member to the Board is made after consultation with the Nomination Committee and the Board. New Directors are initially appointed (or endorsed) by the full Board and must then subject themselves to election by members of WHL (the parent entity of the Responsible Entity) at the Annual General Meeting following their appointment and, except in the case of the Chief Executive Officer (or one of them when there is more than one Chief Executive Officer) are subject to re-election by members of WHL every three years.

The Directors are required to act honestly, diligently, transparently and in the best interests of members and to endeavour to ensure that the business of the Group and the Trust are managed and conducted efficiently and that members' value is enhanced and members' expectations are met or exceeded.

2.1 Independent directors

During the financial year, the composition of the Board of the Responsible Entity changed. At the WHL Annual General Meeting on 25 May 2011 the following changes took effect:

- Mr Frank Lowy assumed the role of Non-Executive Chairman;
- Mr Peter Lowy and Mr Steven Lowy were appointed Co-Chief Executive Officers;
- Mr David Lowy and Mr David Gonski retired from the Board;
- Mr Brian Schwartz was appointed Deputy Chairman; and
- Mr Peter Allen and Ms Ilana Atlas were elected by members to the Board.

The rest of the Board remain unchanged. Of these Directors, eight are considered by the Board to be independent Directors. These Directors are considered by the Board to be independent of management and free from any business or other relationship or any other circumstance that could materially interfere with the exercise of objective, unfettered or independent judgement. Therefore, a majority of the Directors are independent.

Corporate Governance Statement (continued)

The composition of the Board is set out in the table below:

Name	Position Held	Independent (Y/N)	Year appointed to Responsible Entity*
Frank P Lowy AC	Non-Executive Chairman	N	1979
Peter K Allen	Group Chief Financial Officer / Executive Director	N	2011
Ilana R Atlas	Non-Executive Director	Y	2011
Roy L Furman	Non-Executive Director	Y	2004
Peter H Goldsmith QC PC	Non-Executive Director	Y	2008
Frederick G Hilmer AO	Non-Executive Director	Y	2004
Stephen P Johns	Non-Executive Director	N	1985
Mark R Johnson AO	Non-Executive Director	Y	2010
Peter S Lowy	Co-Chief Executive Officer / Executive Director	N	1987
Steven M Lowy AM	Co-Chief Executive Officer / Executive Director	N	1989
John McFarlane	Non-Executive Director	Y	2008
Brian M Schwartz AM	Non-Executive Director	Y	2009
Judith Sloan	Non-Executive Director	Y	2008

* WML became the Responsible Entity of the Trust in 2000.

Biographies of the Directors are included in the section on the Board of Directors in this Annual Report.

The Board Charter requires that the Board regularly assess the independence of each Director in light of the terms of the Board Charter, the interests they have disclosed and such other factors as the Board determines are appropriate to take into account.

In making this determination the Board is seeking to assess whether Directors are:

- independent of management; and
- free of any business or other relationship that could materially interfere or be perceived to materially interfere with their unfettered and independent judgement; and
- capable of making decisions without bias and which are in the best interests of all members of the Trust.

A Non-Executive Director will not be regarded as an independent Director if that Director:

- (a) is a substantial securityholder of the Westfield Group (or, in the case of the Responsible Entity, the Trust) or an officer of, or otherwise associated directly with, a substantial securityholder of the Westfield Group (or, in the case of the Responsible Entity, the Trust);
- (b) within the last three years has been employed in an executive capacity by any member of the Group, or been a Director after ceasing to hold any such employment;
- (c) within the last three years has been a partner or a senior management executive with audit responsibilities of a firm which has acted in the capacity of statutory auditor of any member of the Group;
- (d) within the last three years has been a principal, employee or consultant of a material professional adviser to any member of the Group – for this purpose a material professional adviser is an adviser whose billings to the Group exceed 1% of the adviser's total revenues;
- (e) is a principal, employee or associate of a material supplier to, or material customer of, any member of the Group – for this purpose a material supplier to the Group means a supplier whose revenues from the Group exceed 5% of the supplier's total revenues. A material customer is a customer whose payments to the Group exceed 1% of the customer's operating costs;
- (f) has a material contractual relationship with any member of the Group other than as a Director of the Responsible Entity; and
- (g) has any interest or business or other relationship which could materially interfere with the Director's ability to act in the best interests of the Group and independently of management.

Each Non-Executive Director has signed a letter of appointment which, amongst other things, places an onus on each independent Director to disclose immediately to the Board any matter or circumstance which the Director believes may impact the Director's status as an independent Director. Where the Board concludes that a Director has lost the status as an independent Director, that conclusion will be notified to the market.

The Nomination Committee's Charter discloses a process for selection and appointment of new Directors and re-election of incumbent Directors. The role and responsibilities of the Nomination Committee are set out later in this statement.

Corporate Governance Statement (continued)

2.2 Chairperson and independence

The Responsible Entity notes the ASX Corporate Governance Council's recommendations that listed entities have an independent director as chairman and that the roles of chairman and chief executive officer are not held by the same person. Notwithstanding this recommendation, and for the reasons set out below, the Board believes that Mr Frank Lowy is the most appropriate person to act as chairman of the Board of the Responsible Entity notwithstanding that he was formerly Chief Executive Officer of the Westfield Group, and is not an independent Director.

As noted previously, following the conclusion of the WHL Annual General Meeting on 25 May 2011, Mr Lowy assumed the role of Non-Executive Chairman and Mr Peter Lowy and Mr Steven Lowy were appointed Co-Chief Executive Officers of the Group.

Mr Lowy is the co-founder of Westfield, and has overseen the success of the Group since 1960. With over 50 years direct experience in the design, construction and management of shopping centres and associated fund and asset management, Mr Lowy's extensive knowledge and experience and reputation is unrivalled in the industry.

In Australia and internationally, Mr Lowy is regarded as an exceptional and unique Chairman who has overseen the growth of a global real estate business which is a leader in its industry. Mr Lowy's knowledge of the Westfield Group, its corporate history, its growth and of the broader industry, both locally and internationally, is widely acknowledged. For these reasons, the Board takes the view that it is in the best interests of members that Mr Lowy, with his background and experience, be the Chairman of the Responsible Entity.

In arriving at this view, the Board has noted the following matters:

- the appointment of Mr Brian Schwartz as Deputy Chairman and lead independent Director. Where necessary, Mr Schwartz will act as a liaison point for independent Directors and confer with the Chairman and with independent Directors on Board matters;
- there is a majority of independent Directors serving on the Board (8 out of 13 Directors on the Board); and
- the delegation of certain responsibilities to Board committees (of which the Chairman is not a member), the Chairman being a member (and chair) of the Nomination Committee only.

2.3 Nomination Committee

As the Responsible Entity is a wholly owned subsidiary of WHL, recommendations relating to the composition of the Board of the Responsible Entity are made by the Nomination Committee of WHL. The Responsible Entity does not have its own Nomination Committee.

The objective of the Nomination Committee is to support and advise the Board in relation to the selection and appointment of high calibre directors who are able to meet the needs of the Group and the Trust presently and in the future and the ongoing evaluation and review of the performance of the Board and the Directors.

The functions undertaken by the Committee in discharging that responsibility include:

- assessing periodically the skills of current Westfield Group Board members against the collective skill set required by the Westfield Group Board to discharge competently the Board's duties, having regard to the strategic direction of the Board;
- regularly reviewing and making recommendations to the Westfield Group Board regarding the structure, size, diversity and composition of the Board and reviewing the effectiveness of the Board as a whole and keeping under review the leadership needs of the Group, both executive and non-executive;
- identifying suitable candidates to fill Group Board vacancies as and when they arise and nominating candidates for the approval of the Board; and
- ensuring the existence of proper succession planning processes and plans for the Westfield Group Board and other senior executive positions.

No member of the Committee participates in a review of their own performance or re-appointment.

A Charter for the Nomination Committee, as approved by the Group Board, including the Responsible Entity, appears in the corporate governance section of the Trust's website www.carindalepropertytrust.com.au.

Recommendations made by the Nomination Committee will be considered by the Board of WHL (the parent company of the Responsible Entity) which will make a recommendation to the Board of the Responsible Entity on the appointment of a director to fill a casual vacancy.

An induction program exists for new Directors joining the Westfield Group Board to help familiarise them with matters relating to the current issues before the Board. New Board members are provided with the opportunity to experience first hand the operations of the Group and to meet and discuss all aspects of the Group's operations with key members of executive management. As part of the induction program, the Company Secretary provides access to information in areas such as operations, finance, treasury and risk management to assist the new Board member as required.

Corporate Governance Statement (continued)

New Directors receive a letter of appointment which sets out the main terms and conditions on which each Director is appointed. This letter provides that if a Director ceases to be a Director of WHL (as parent company for the Responsible Entity) for any reason, he/she must also resign as a Director of WML and Westfield America Management Limited. The letter of appointment conforms with the Recommendations of the ASX Corporate Governance Council.

The letter also sets out a procedure by which Directors are able to take independent professional advice at the Group's expense. Directors are encouraged to direct any enquiries or requests for additional information to the Company Secretary, who will facilitate a response to the query and/or provide the Director with the requested information.

On an ongoing basis, Directors are provided with periodic updates on legal and corporate developments, particularly those pertaining to matters relating to the responsibilities of boards and directors generally, changes to the Corporations Act, corporate governance principles, tax and accounting developments and other matters of interest. Management also makes regular presentations to the Board and Board Committees on operational, financial, treasury, legal and tax issues of relevance to the Board.

The Company Secretary is appointed and removed by the Board. The Company Secretary works with the Chairman, the Board and the Board Committees on all governance related issues. All Directors have access to the Company Secretary for the purpose of obtaining information or advice. The Company Secretary may retain the services of independent advisory bodies if requested by the Board or Board Committees. The office of the Company Secretary is responsible for the systems and processes that enables the Board to perform its role and also provides secretariat services for each of the Board Committees. The Committee agendas, papers and minutes are available to all members of the Board.

The Board undertakes ongoing self assessment and review of its performance and of the performance of the Board Committees. Board surveys are conducted on a regular basis in order to establish the views of all Directors on these issues.

During the year, the Nomination Committee discussed a range of issues relating to the roles, skills and performance of the Board, its procedures and practices. Overall, the Committee found that the Board has a wide diversity of skills, experience and views and that there are no obvious deficiencies in the collective skill set of the Board. The Committee is of the view that the Board has continued to work in a cohesive, focused and strategic way with Directors actively encouraged to express a full range of views.

The Board is committed to transparency in assessing the performance of the Board. As part of this commitment, Cameron Ralph Pty Limited was commissioned to complete a comprehensive, independent assessment of the Board of Westfield Group in January 2010. Details of the Cameron Ralph assessment and findings are set out in the Corporate Governance Statement in 2010 Annual Report of the Westfield Group.

PRINCIPLE 3 – PROMOTE ETHICAL AND RESPONSIBLE DECISION MAKING

3.1 Code of Conduct

The Directors' Code of Conduct summarises the responsibilities of the Westfield Group Board in maintaining the Group's commitment to high standards of ethical conduct. A copy of the Code of Conduct appears in the corporate governance section of the Trust's website. Neither the Trust nor the Responsible Entity has any employees. The operations of the Trust are performed by Westfield Group executives and employees.

Compliance Manual

The Westfield Group has developed a Compliance Manual which provides detailed guidance to employees of the Group on the laws applicable in the jurisdiction in which they work and the standards of conduct and the procedures to be adopted to comply with those laws. For example, the Australian Compliance Manual deals with issues such as:

- occupational health and safety;
- trade practices;
- retail tenancy legislation;
- environmental compliance;
- Corporations Act and ASX Listing Rules requirements; and
- complaints handling procedures.

Corporate Governance Statement (continued)

The conduct of all the Group's employees is governed by a set of core principles which incorporate the fundamental principles to which employees are expected to adhere when dealing with other staff members, customers and retailers, shareholders and the community. These values include requirements that Westfield staff, at all times:

- welcome a diversity of people;
- create a healthy and safe work environment;
- create an environment that motivates and allows staff to contribute and develop;
- display honest, just and fair management in all dealings with staff;
- meet the commitments of the Westfield Group;
- examine ways to continually improve processes in a manner which adds value;
- provide Members with sustainable superior returns on a sustainable basis;
- constantly seek new opportunities and pursue sound growth and earning opportunities;
- conduct our activities in a safe and environmentally responsible manner;
- contribute expertise and resources to promote positive interaction between all members of the community; and
- act at all times as a leading corporate citizen in adhering to applicable laws and meeting the community's expectations regarding corporate behaviour.

Staff Code of Conduct

Westfield's core principles are supplemented by the Staff Code of Conduct which is issued to all Westfield Group employees (including those responsible for the business of the Trust) at the time of joining the Group and deals in broad terms with issues such as:

- the high standards of personal conduct and ethical behaviour expected of all employees;
- the duty of employees to avoid conflicts of interest which may arise if the employee or any person or entity associated with that employee has a business arrangement or relationship with a Group company outside their normal employment relationship;
- the duty of employees to maintain confidentiality with respect to the Group's information and information provided by our retailers and customers;
- the duty of employees to avoid discrimination against any person; and
- the Group's policy prohibiting harassment in any form.

The Staff Code of Conduct, which is provided to, and acknowledged by, all employees who join Westfield, and the Compliance Manual are each reviewed on a regular basis to ensure they remain current. Compliance seminars to update staff on changes to legal requirements and procedures are conducted on a regular basis and all staff in the relevant divisions are required to attend.

It is the responsibility of each Director and employee to understand the Code of Conduct and other policies applicable to them and to bring to the attention of senior management any conduct or activities which may be in breach of those policies so that a proper investigation can be conducted.

Serious breaches of these policies (including matters such as suspicions of fraud or financial impropriety, auditing issues, improper or unethical behaviour or criminal activities) must be reported immediately to a compliance officer in the relevant country or to the Group Compliance Officer for investigation in accordance with the Group's policies. Where appropriate, the police or other regulatory authority will be informed.

Complaints are treated in a confidential manner. No action of any kind will be taken against a Westfield employee, adviser or contractor who, in good faith, makes an allegation against the Westfield Group, any employee, adviser or contractor, whether or not that complaint is confirmed by subsequent investigation.

Whistleblower Policy

The whistleblower policy forms an integral part of the Westfield Group's compliance program. The policy has been adopted to ensure that concerns regarding unethical, unlawful or improper conduct may be raised without fear of reprisal.

Corporate Governance Statement (continued)

Under the policy, Whistleblower Protection Officers have been appointed in each country in which the Group operates. Employees are encouraged to report any genuine matter or behaviour that they honestly believe contravenes Westfield's Code of Conduct, policies or the law. Such matters may include any actual or suspected:

- conduct or practices which are illegal or breach any law;
- corrupt activities;
- theft or fraud;
- misleading or deceptive conduct of any kind; and
- harm to public health or safety or the health or safety of any Westfield employee.

Westfield will investigate all reported concerns appropriately and will, where applicable, provide feedback regarding the investigation's outcome. Westfield will take any necessary action in response to a report and where no action is taken, an explanation will be provided. Where appropriate, a third party may be engaged to assist in the investigation.

Every six months a report is provided to the Westfield Group's Audit and Compliance Committee summarising the whistleblower activities for the period.

3.2 Security Trading Policy

As part of the corporate governance framework, the Westfield Group is committed to promoting knowledge and awareness by its employees of the legal, regulatory and governance requirements to which the Group and its employees are subject, including prohibitions against insider trading.

All Directors and employees are subject to the Corporations Act restrictions on buying, selling or subscribing for securities in the Trust or the Westfield Group if they are in possession of price sensitive information (ie. information which a reasonable person would expect to have a material impact on the price or value of the relevant security) which has not been published.

In addition, members of the Board and certain employees within the Westfield Group who have been notified that this policy applies to them are required to obtain a clearance notice prior to trading in a Westfield Group security, including units in the Trust, and are prohibited from doing so in certain defined black-out periods which include the periods leading up to an announcement of the results.

At any other time, any member of the Board wishing to trade in the Group's securities, including units in the Trust, must obtain a clearance from the Company Secretary.

A copy of the Security Trading Policy is available on the Trust's website.

In anticipation of the introduction of Listing Rules 12.9 and 12.12 which took effect on 1 January 2011, a copy of the Group's Security Trading Policy was lodged with the ASX and released to the market on 16 December 2010.

PRINCIPLE 4: SAFEGUARD INTEGRITY IN FINANCIAL REPORTING

4.1 Audit and Compliance Committee

Composition

The Responsible Entity has an Audit and Compliance Committee.

The composition of the Audit and Compliance Committee is as set out in the table below:

Name	Position Held	Status
Frederick G Hilmer AO	Chairman	Independent Director
David M Gonski AC (retired 25 May 2011)	Member	Independent Director
Stephen P Johns	Member	Non-Executive Director
Brian M Schwartz AM	Member	Independent Director

The Committee met four times in the financial year. All members of the Committee attended all meetings of the Audit and Compliance Committee. Mr Gonski retired from the Committee when he retired from the WHL Board on 25 May 2011.

The primary function of the Audit and Compliance Committee is to assist the Board in monitoring and reviewing internal financial controls and policies for identifying and managing relevant risks within the Group, including the Trust, in order to safeguard the assets of the business and to ensure the integrity and reliability of financial and management reporting systems.

A compliance officer has been appointed for the operations of the Trust. This officer is responsible for reviewing and monitoring the efficacy of compliance systems within the Group on an ongoing basis to ensure appropriate measures are in place to educate staff as to their compliance responsibilities, and to report to the Audit and Compliance Committee on those matters.

Corporate Governance Statement (continued)

4.2 Audit and Compliance Committee Charter

The Responsible Entity has adopted the Charter approved by the Westfield Group Board. Amongst other things, the Charter sets out the objectives and responsibilities of the Audit and Compliance Committee, which are listed below.

The Audit and Compliance Committee assists the Board in fulfilling its corporate governance responsibilities by:

- reviewing the adequacy of, and, where necessary, questioning the action and judgment of management in relation to half-yearly and annual financial reports of the Trust prepared for release to members, the ASX, regulators and to the public;
- reporting to the Board on the half-year and annual reports and financial statements of the Trust;
- making recommendations regarding the appointment, remuneration, evaluation and removal of the Trust's external auditor and reviewing and reporting to the Board on the adequacy, scope and quality of the annual statutory audit and half-year audit review and generally on the integrity and reliability of the financial statements;
- monitoring and reviewing the effectiveness of the Trust's internal control environment, including the effectiveness of internal control procedures;
- monitoring and reviewing the reliability of financial reporting;
- monitoring and reviewing the compliance of the Trust with applicable laws and regulations;
- monitoring and reviewing the scope of the internal audit function to ensure that its resources are adequate and used effectively, including the co-ordination of the internal and external audit functions;
- monitoring the adequacy and effectiveness of compliance systems in relation to the legal exposures of the Trust.

The Audit and Compliance Committee meets with external auditors at least twice each year (and more frequently if required) to review the adequacy of existing external audit arrangements and the scope of the audit. The internal and external auditors have a direct line of communication at any time to either the Chairman of the Audit and Compliance Committee or the Chairman of the Board. The Audit and Compliance Committee reports to the Board after each Committee meeting and the minutes of each Audit and Compliance Committee meeting are included in the Board papers.

The internal and external auditors, the Group Chief Financial Officer and the Group Compliance Officer are invited to attend Audit and Compliance Committee meetings at the discretion of the Committee. At least annually, the Audit and Compliance Committee meets with the internal auditor and external auditors without management being present.

Charter of Non Audit Services

The Board has adopted a Charter of Non-Audit Services which is intended to ensure that the external auditor carries out its functions in a manner which is demonstrably independent of the Westfield Group including the Trust.

The Westfield Group recognises that a high quality, independent statutory audit is fundamental to the maintenance of sound corporate governance and to the proper functioning of the capital markets. It is an integral part of the process of providing members with clear, comprehensive and reliable financial information. This Charter reflects the Group's desire to preserve the independence of the statutory audit process.

Under the terms of the Charter, the lead audit partner (having primary responsibility for the audit) and the audit partner responsible for reviewing the audit must rotate every five years. The Committee requires that a succession plan be presented to it for approval by the external auditor at least one year before the rotation is due to occur.

The Charter of Non-Audit Services also sets out some key requirements in the relationship between the external auditor and the Group and defines the scope and value of the non-audit services which may be provided by the external auditor to the Westfield Group without impacting the actual or perceived independence of the external auditor. The Charter also requires an annual confirmation by the external auditor regarding compliance with the terms of the Charter and a variety of other issues which impact the actual and perceived independence of the external auditor.

The Audit and Compliance Committee Charter and the Charter of Non-Audit Services are available on the Trust's website.

4.3 Compliance Sub-Committee of the Audit and Compliance Committee

Under the Corporations Act, the Responsible Entity is required to register a Compliance Plan for the Trust with ASIC. The Compliance Plan outlines the measures which are to be applied by the Responsible Entity to ensure compliance with the Corporations Act and the Trust's Constitution.

The Compliance Sub-Committee (a sub-committee of the Audit and Compliance Committee) is responsible for monitoring Westfield's compliance with the Compliance Plan and reports on its findings to the Board through the Audit and Compliance Committee. The Sub-Committee also receives reports on compliance with relevant Anti-Money Laundering legislation. Minutes of each Compliance Sub-Committee meeting are included in the papers considered by the Audit and Compliance Committee.

The members of the Compliance Sub-Committee are Mr John Studdy AM (Chairman) and Mr Stephen Johns.

The Sub-Committee met four times during the Financial Year. All members of the Sub-Committee attended all the meetings of the Sub-Committee during the Financial Year.

Corporate Governance Statement (continued)

PRINCIPLE 5: MAKE TIMELY AND BALANCED DISCLOSURE

5.1 Continuous Disclosure and Communications Policy

Westfield is committed to maintaining a level of disclosure that meets the highest standards and provides all investors with timely and equal access to high quality, relevant information to assist them in making informed decisions.

The Westfield Group's Continuous Disclosure and Communications Policy underlines the Group's commitment to ensuring that the Group's and the Trust's members and the market are provided with high quality, relevant and accurate information regarding its activities in a timely manner and that investors are able to trade in Westfield Group securities, including units in the Trust, in a market which is efficient, competitive and informed as well as ensuring that market participants have an equal opportunity to review and assess information disclosed by the Group. Westfield is also committed to complying with continuous disclosure obligations contained in the applicable ASX Listing Rules and the Corporations Act.

The Policy includes a vetting and authorisation process so that all disclosures are factual, do not omit material matters and are expressed in a clear and objective manner. The Policy also outlines how the Group identifies and distributes information to members and the market generally.

The Continuous Disclosure and Communications Policy is available on the Trust's website.

PRINCIPLE 6: RESPECT THE RIGHTS OF SHAREHOLDERS

6.1 Communications with members

The Westfield Group is committed to providing all members with comprehensive, timely and equal access to information about its activities to enable them to make informed investment decisions.

The Trust continues to use its website www.carindalepropertytrust.com.au as a means of providing information to members and the broader investment community. A section of the website is dedicated to the Trust's investors. Media releases, half-year and full year financial reports are available for review on the website. These announcements and reports are placed on the website immediately following release to the ASX. Current and past Trust financial reports are also retained on the website.

The Responsible Entity encourages members to access the Annual Report online as this assists with the Trust's commitment to the environment, as well as being more cost efficient. A printed copy of the Annual Report will only be sent to those members who have elected to receive it. Otherwise members will be notified when the Annual Report is available to be accessed online at the Trust's website www.carindalepropertytrust.com.au once it is released.

Members have also been encouraged to provide the Trust with email addresses so that members can be notified by email when the Annual Report is available and otherwise to keep members updated on all other member communications.

As the usage and acceptance of electronic communication in the community increases, the Responsible Entity will work closely with its share registrar to investigate the increased use of electronic means of communicating with investors.

PRINCIPLE 7: RECOGNISE AND MANAGE RISK

7.1 Risk oversight, management and internal controls

The responsibilities of the Board Risk Management Committee are detailed in the Board Risk Management Committee Charter, which is available on the Trust's website.

The members of the Board Risk Management Committee are Mr Stephen Johns (Chairman), Mr John McFarlane and Professor Judith Sloan. Mr David Lowy AM retired from the Committee when he retired from the Board on 25 May 2011.

The objective of the Committee is to assist the Board by monitoring and reviewing the corporate policies for identifying and managing relevant risks associated with the business of the Group including the Trust and the adequacy of the Group's practices and procedures in implementing those policies. This includes monitoring and reviewing:

- (a) in conjunction with management, the Group's policies regarding risk oversight and risk management which are incorporated in the Enterprise Risk Management Policy and Enterprise Risk Management Framework;
- (b) the appropriateness of the Enterprise Risk Management Policy and internal control systems adopted by the Group;
- (c) the Group's continuing processes for:
 - (i) the identification of material occupational health and safety, financial, legal and operational risks associated with the conduct of the business of the Group;
 - (ii) the maintenance of appropriate internal control systems designed to manage key risk areas;
 - (iii) assessing the above matters in conjunction with management and the internal and external auditors; and
 - (iv) monitoring and reporting against compliance with the Enterprise Risk Management Policy and Enterprise Risk Management Framework.

Corporate Governance Statement (continued)

7.2 Management of material business risks

In addition to the Board Risk Management Committee, there is an Executive Risk Management Committee which comprises the Group Chief Financial Officer, the Group General Counsel, the Deputy Group Chief Financial Officer, the Chief Operating Officers and the Chief Risk Officer. This committee is responsible for:

- assisting in the formulation of all aspects of the risk management process to be adopted by the Group;
- overseeing the implementation of the Group's policies and procedures by management by ensuring that all phases of the process of identification, assessment, control, review and reporting are reflected appropriately in the business processes of the Group;
- ensuring that there is a proper allocation of responsibility for the implementation and conduct of the risk management process as between the Group's management in the various jurisdictions; and
- implementing appropriate systems for confirming compliance with all relevant laws and other regulatory obligations are complied with and for ensuring that the risk management processes of the Group are such that the Co-Chief Executive Officers and the Chief Financial Officer are able to give those certifications which are required to be given in order to comply with the Corporations Act, applicable accounting standards and the ASX's Corporate Governance Council's Corporate Governance Principles and Recommendations.

The Executive Risk Management Committee is required to report to the Board, through the Board Risk Management Committee, as to the effectiveness of the Group's management of its material risks.

7.3 Co-Chief Executive Officers and Chief Financial Officer Assurance

The Co-Chief Executive Officers and the Group Chief Financial Officer confirm in writing to the Board, at the time the financial statements are being considered for approval by the Board, that in all material respects:

- the financial statements present a true and fair view; and
- that this assertion is founded on a sound system of financial risk management and internal compliance and control which implements the policies adopted by the Board; and
- that the Trust's financial risk management and internal compliance and control systems are operating efficiently and effectively in all material respects in relation to financial reporting risks.

The Board receives regular reports from management, the Audit and Compliance Committee and the Board Risk Management Committee on areas where there are considered to be significant business risks and on the management of those risks. The internal audit function also monitors these risks and reports to the Audit and Compliance and Board Risk Management Committees.

PRINCIPLE 8: REMUNERATE FAIRLY AND RESPONSIBLY

8.1 Remuneration Policies

The Responsible Entity does not have any employees. The operations of the Trust are performed by Westfield Group executives and staff. Information regarding the remuneration policies of the Group can be found in Note 26 of the financial statements in the Annual Report. Reference should also be made to the Westfield Group's Remuneration Report in the 2010 Annual Report for details of remuneration policies of the Group. The report is available at www.westfield.com/corporate.

As a consequence, as noted in section 8.2 below, recommendations on remuneration issues affecting the Trust or the Responsible Entity are made by the Remuneration Committee of WHL.

8.2 Structure of Non-Executive Directors' remuneration

As the Boards of the Responsible Entity and WHL are identical, no additional fees are paid to the Non-Executive Directors of the Responsible Entity by the Responsible Entity or the Trust in respect of their work in relation to the Trust. Rather, Directors' fees are paid by WHL and the Remuneration Committee of that Board takes into account the levels of effort required by the Directors in fulfilling their duties on the Board of the Responsible Entity when the level of those fees are being set. As the Responsible Entity is also the responsible entity of Westfield Trust and a number of other unlisted registered schemes, this is also taken into account in determining any fees to be paid to non-executive Directors of the Board.

Non-Executive Directors receive their fees in cash. The Non-Executive Directors do not participate in equity-based schemes designed for the remuneration of executives, nor do they receive options or other equity based entitlements or bonus payments. Non-Executive Directors are not entitled to any payment on retirement or resignation.

Reference should be made to the 2010 Annual Report of the Westfield Group for full disclosure of Directors' fees paid by WHL. The report is available at www.westfield.com/corporate.

Investor Relations

Carindale Property Trust Distribution Details

The final distribution of 13.90 cents per unit was paid to members on 31 August 2011. An interim distribution of 13.90 cents per unit was paid on 28 February 2011. The full year distribution of 27.80 cents is approximately 26% tax deferred.

Carindale Property Trust Website

The following information can be obtained from the Trust's website.

- Unit price and graph
- News and announcements
- Unitholding details
- Annual reports
- Current and historical tax information
- Downloadable unitholder forms
- Calendar
- Corporate Governance Charters and Policies

Electronic Information

By becoming an electronic investor and registering your email address, you can receive, via email, news and announcements, distribution statements, taxation statements and Annual Reports.

Secure Access to Your Unitholding Details 24 Hours a Day

Online – You can go to www.carindalepropertytrust.com.au to access your unitholding information including distribution and taxation statements, as well as forms in relation to change of address, direct credit and tax file number. To view your unitholding, you will need your SRN/HIN and you will be asked to verify your postcode (inside Australia) or your country of residence (outside Australia).

Phone – You can confirm your holding balance, request forms and access dividend and trading information by phoning 1300 132 211, then by pressing 2. You may be asked to enter your SRN/HIN.

Distribution

To ensure timely receipt of your distribution, please consider the following:

Direct Credit

You can receive your distribution payment efficiently and safely by having it direct credited to your bank account. If you wish to register for direct credit, please complete the form and return it to the registry. A form can be downloaded from www.carindalepropertytrust.com.au or by phoning our registry on 1300 132 211 (Please have your SRN/HIN available for you to quote).

Carindale Property Trust – Calendar 2012

Date	Event
23 December 2011	Units trade ex-distribution
31 December 2011	Record date for Carindale Property Trust, 6 months to 31 December 2011
February 2012	Half-year results released, 6 months to 31 December 2011
29 February 2012	Payment date for Carindale Property Trust distribution, 6 months to 31 December 2011
25 June 2012	Units trade ex-distribution
29 June 2012	Record date for Carindale Property Trust, 6 months to 30 June 2012
August 2012	Full year results released, 12 months to 30 June 2012
31 August 2012	Payment date for Carindale Property Trust distribution, 6 months to 30 June 2012. Annual Taxation Statement issued.
September 2012	Annual Report released

Tax File Number (TFN)

You are not required by law to provide your Tax File Number, Australian Business Number or Exemption.

However, if you do not provide your TFN, ABN or Exemption, withholding tax at the highest marginal rate, currently 46.5% for Australian resident members may be deducted from distributions paid to you and 10% for non-resident members.

If you have not supplied this information and wish to do so, please advise the registry or your sponsoring broker.

Annual Tax Statement

The Annual Tax Statement and Tax Guide is dispatched to members every year in late August.

Share Registry

All changes of name, tax file number, address, payment instructions and document requests should be passed to the Registry or submitted online.

Computershare Investor Services Pty Limited
GPO Box 523
Brisbane QLD 4001

Telephone: 1300 132 211
International: +61 3 9415 4070
Facsimile: +61 3 9473 2500
E-mail: web.queries@computershare.com.au
Website: www.computershare.com

All other queries can be directed to Investor Relations.

Investor Information
Carindale Property Trust
Level 24, Westfield Towers
100 William Street
Sydney NSW 2011, Australia

Telephone: +61 2 9358 7877
Facsimile: +61 2 9358 7881
E-mail: investor@au.westfield.com
Website: www.carindalepropertytrust.com.au

Listing

ASX Code: CDP

Members' Information

For The Year Ended 30 June 2011

Twenty largest ordinary members as at 14 September 2011

	No. of ordinary units	% of issued ordinary units
Westfield Management Limited	35,000,000	50.00
RBC Dexia Investor Services Australia Nominees Pty Limited <APN A/C>	4,536,106	6.48
Citicorp Nominees Pty Limited <Colonial First State Inv A/C>	3,753,170	5.36
M F Custodians Ltd	3,669,351	5.24
National Nominees Limited	2,413,579	3.45
J P Morgan Nominees Australia Limited	2,259,031	3.23
Cogent Nominees Pty Limited <SMP ACCOUNTS>	791,425	1.13
Cogent Nominees Pty Limited	447,091	0.64
HSBC Custody Nominees (Australia) Limited	381,825	0.55
Mellett Super Pty Ltd <Mellett A Fund A/C>	367,494	0.52
Citicorp Nominees Pty Limited	338,114	0.48
Mr Gordon Joseph Payne	259,000	0.37
Mirrabooka Investments Limited	255,000	0.36
Mr John Paterson	250,000	0.36
Maleela Holdings Proprietary Limited	233,000	0.33
RBC Dexia Investor Services Australia Nominees Pty Limited <Pipooled A/C>	231,400	0.33
Farallon Capital Pty Ltd <Nunn Investment A/C>	215,000	0.31
UBS Wealth Management Australia Nominees Pty Ltd	199,667	0.29
Worldwide Finances Holding Pty Limited	173,040	0.25
John Lamble Superannuation Pty Ltd <John Lamble Super Fund A/C>	169,105	0.24
	55,942,398	79.92

Spread of Ordinary Members as at 14 September 2010

Holding	No. of Members	No. of units
1 – 1,000	235	137,163
1,001 – 5,000	850	2,560,163
5,001 – 10,000	344	2,835,055
10,001 – 100,000	325	7,750,726
100,001 and over	26	56,716,893
Total	1,780	70,000,000

Voting rights for each class

At a meeting of members, on a show of hands, every member who is present in person or by proxy (and who is not otherwise disentitled from voting) has one vote. On a poll, every such member has one vote for each dollar of the value of their total holding in the trust.

Unmarketable parcel

As at 14 September 2011, there were 24 members with less than a marketable parcel of quoted securities.

Substantial Holders

The names of the Trust's substantial holders and the number of ordinary units in which each has a relevant interest, as disclosed in the substantial holders notices given to the Trust, are as follows:

Name of Substantial Holder	No. of units
Westfield Group	35,000,000
Commonwealth Bank of Australia	4,719,348
APN Property Group	4,268,465
The Myer Family Company Holdings Pty Ltd	3,500,568

Corporate Directory

Carindale Property Trust

ABN 29 192 934 520
ARSN 093 261 744

Responsible Entity

Westfield Management Limited
ABN 41 001 670 579
AFS Licence 230329

Registered Office

Level 24, Westfield Towers
100 William Street
Sydney NSW 2011
Telephone: +61 2 9358 7000
Facsimile: +61 2 9358 7077

Secretaries

Simon J Tuxen
Maureen T McGrath

Auditors

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

Investor Information

Carindale Property Trust
Level 24, Westfield Towers
100 William Street
Sydney NSW 2011
Telephone: +61 2 9358 7877
Free Call: 1800 222 242 (Australia only)
Facsimile: + 61 2 9358 7881
E-mail: investor@au.westfield.com
Website: www.carindalepropertytrust.com.au

Unit Registry

Computershare Investor
Services Pty Limited
Level 19
307 Queen Street
Brisbane QLD 4001
GPO Box 523
Brisbane QLD 4001
Telephone: +61 3 9415 4070
Toll Free: 1300 132 211 (Australia only)
Facsimile: +61 3 9473 2500
E-mail: web.queries@computershare.com.au
Website: www.computershare.com

Listings

ASX Code: CDP



As part of the Trust's focus on environmental factors affecting its business, this Annual Report is printed on papers produced by UPM Kymmene, the No1 forest products company on the Dow Jones sustainability index 2007. The paper has been manufactured using 'Certified Fibre' from sustainable, well managed forests and processed Chlorine free (ECF). Novatech is produced by UPM Kymmene Nordland Papier, which is registered under the EU Eco-management & Audit Scheme EMAS (Reg No D-162-00007)

Westfield

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