



**WFD Trust  
Annual Financial Report  
31 December 2014**

**Westfield Corporation**

Westfield Corporation Limited  
ABN 12 166 995 197

**WFD Trust**

ARSN 168 765 875  
(responsible entity Westfield America  
Management Limited  
ABN 66 072 780 619, AFSL No. 230324)

**Westfield America Trust**

ARSN 092 058 449  
(responsible entity Westfield America  
Management Limited  
ABN 66 072 780 619, AFSL No. 230324)

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Australian Securities Exchange – WFD

**Website**

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# Annual Financial Report

## WFD TRUST

For the period from 9 April 2014 to 31 December 2014

### Contents

<b>2</b>	Income Statement
<b>3</b>	Statement of Comprehensive Income
<b>4</b>	Balance Sheet
<b>5</b>	Statement of Changes in Equity
<b>6</b>	Cash Flow Statement
<b>7</b>	Notes to the Financial Statements
<b>17</b>	Directors' Declaration
<b>18</b>	Independent Audit Report
<b>19</b>	Directors' Report
<b>22</b>	Corporate Governance Statement
<b>23</b>	Members' Information

# Income Statement

FOR THE PERIOD FROM 9 APRIL 2014 TO 31 DECEMBER 2014

	Note	31 Dec 14 US\$million
<b>Revenue</b>		
Investment income		1.0
<b>Expenses</b>		
Overheads		(1.1)
Net fair value gain on interest rate derivatives	19	1.9
Interest expense	19	(0.3)
Currency gain		0.2
Revaluation of investments		286.2
Charges in respect of the Restructure and Merger		(29.0)
<b>Profit before tax for the period</b>		258.9
Tax expense		–
<b>Profit after tax for the period attributable to the members of the WFD Trust (WFDT)</b>		258.9
		<b>US cents</b>
<b>Basic earnings per WFD Trust unit</b>	<b>5</b>	<b>12.46</b>
<b>Diluted earnings per WFD Trust unit</b>	<b>5</b>	<b>12.46</b>

# Statement of Comprehensive Income

FOR THE PERIOD FROM 9 APRIL 2014 TO 31 DECEMBER 2014

	31 Dec 14 US\$million
<b>Profit after tax for the period</b>	<b>258.9</b>
<b>Other comprehensive income/(loss)</b>	
<i>Movement in foreign currency translation reserve</i>	
– Net exchange difference from the use of a presentation currency other than the functional currency	<b>(733.8)</b>
<b>Total comprehensive income/(loss) for the period</b>	<b>(474.9)</b>

# Balance Sheet

AS AT 31 DECEMBER 2014

	Note	31 Dec 14 US\$million
<b>Current assets</b>		
Cash and cash equivalents	12(a)	6.4
Receivables	6	3,374.7
<b>Total current assets</b>		<b>3,381.1</b>
<b>Non current assets</b>		
Investments	7	1,787.2
<b>Total non current assets</b>		<b>1,787.2</b>
<b>Total assets</b>		<b>5,168.3</b>
<b>Net assets</b>		<b>5,168.3</b>
<b>Equity attributable to members of WFD Trust</b>		
Contributed equity	8	5,643.2
Reserves	10	(733.8)
Retained profits	11	258.9
<b>Total equity attributable to members of WFD Trust</b>		<b>5,168.3</b>

# Statement of Changes in Equity

FOR THE PERIOD FROM 9 APRIL 2014 TO 31 DECEMBER 2014

	Comprehensive Income 31 Dec 14 US\$million	Equity and Reserves 31 Dec 14 US\$million	<b>Total 31 Dec 14 US\$million</b>
<b>Changes in equity attributable to members of the WFD Trust</b>			
Opening balance of contributed equity	–	–	–
– Initial equity contributed to WFDT pursuant to the establishment of Westfield Corporation	–	5,643.2	<b>5,643.2</b>
Closing balance of contributed equity	–	5,643.2	<b>5,643.2</b>
Opening balance of reserves	–	–	–
– Movement in foreign currency translation reserve	(733.8)	–	<b>(733.8)</b>
Closing balance of reserves	(733.8)	–	<b>(733.8)</b>
Opening balance of retained profits	–	–	–
– Profit after tax for the period	258.9	–	<b>258.9</b>
Closing balance of retained profits	258.9	–	<b>258.9</b>
<b>Closing balance of equity attributable to members of WFD Trust</b>	(474.9)	5,643.2	<b>5,168.3</b>

# Cash Flow Statement

FOR THE PERIOD FROM 9 APRIL 2014 TO 31 DECEMBER 2014

	Note	31 Dec 14 US\$million
<b>Cash flows used in operating activities</b>		
Distributions received from investments		1.0
Payments in the course of operations (including sales tax)		(1.1)
<b>Net cash flows used in operating activities</b>	12(b)	(0.1)
<b>Cash flows from financing activities</b>		
Receipts from Restructure and Merger		3,898.9
Loans advanced to related entities		(3,892.1)
Interest paid		(0.3)
<b>Net cash flows from financing activities</b>		6.5
<b>Net increase in cash and cash equivalents held</b>		6.4
Add opening cash and cash equivalents brought forward		–
<b>Cash and cash equivalents at the end of the period</b>	12(a)	6.4



# Index of Notes to the Financial Statements

FOR THE PERIOD FROM 9 APRIL 2014 TO 31 DECEMBER 2014

Note	Description	Page
1	Basis of preparation of the financial report	8
2	Summary of significant accounting policies	9
3	Charges in respect of the Restructure and Merger	10
4	Taxation	10
5	Earnings per unit	10
6	Receivables	10
7	Investments	11
8	Contributed equity	11
9	Share based payments	11
10	Reserves	12
11	Retained profits	12
12	Cash and cash equivalents	12
13	Distributions	12
14	Contingent liabilities	12
15	Segment reporting	12
16	Exchange rate risk	13
17	Fair value of financial assets and liabilities	15
18	Auditor's remuneration	15
19	Related party disclosures	16

# Notes to the Financial Statements

FOR THE PERIOD FROM 9 APRIL 2014 TO 31 DECEMBER 2014

## NOTE 1 BASIS OF PREPARATION OF THE FINANCIAL REPORT

### (a) Corporate information

This financial report of the WFD Trust (WFDT), comprising WFDT and its controlled entities (the Trust) for the period from 9 April to 31 December 2014 (Financial Period) was approved in accordance with a resolution of the Board of Directors of Westfield America Management Limited as responsible entity of WFDT (Responsible Entity) on 16 March 2015.

WFDT was constituted on 26 March 2014 and was registered as a managed investment scheme on 9 April 2014 as part of the Westfield Group Restructure and Merger (refer Note 1(b)).

The principal activity of the Trust is to hold interests in entities that invest in Westfield Corporation's UK property assets.

### (b) Detail on the Restructure and Merger

Westfield Corporation was established on 30 June 2014 by the stapling of securities of each of Westfield Corporation Limited (WCL), Westfield America Trust (WAT) and WFDT. The securities trade as one security on the Australian Securities Exchange (ASX) under the code WFD. The stapling transaction is referred to as the "Merger".

On 30 June 2014, the Westfield Group implemented the restructure of the Group (Restructure and Merger), under which Westfield Group's Australian and New Zealand business including its vertically integrated retail operating platform, held through Westfield Holdings Limited and Westfield Trust, was separated from the Westfield Group's international business and merged with Westfield Retail Trust to create two new listed groups:

- Scentre Group – comprising the merged Australian and New Zealand business of Westfield Group and Westfield Retail Trust; and
- Westfield Corporation – comprising Westfield Group's international business.

The Restructure and Merger was approved by Westfield Group securityholders on 29 May 2014, Westfield Retail Trust securityholders on 20 June 2014 and by the Supreme Court of New South Wales on 23 June 2014.

The Restructure and Merger was implemented in three main stages:

- A restructure stage, where Westfield Group's international business was transferred to Westfield Corporation Limited and WFD Trust, and shares in Westfield Corporation Limited and units in WFD Trust were distributed in-specie to Westfield Group securityholders and stapled to Westfield Group;
- A destapling stage, where the shares in Westfield Holdings Limited and the units in Westfield Trust were each destapled from the Westfield Group and from each other resulting in the formation of Westfield Corporation; and
- A merger stage, where the shares in Westfield Holdings Limited and the units in Westfield Trust were stapled to the units in each of Westfield Retail Trust 1 and Westfield Retail Trust 2, resulting in the formation of Scentre Group.

### (c) Presentation currency

The Trust's financial report has adopted US dollars as its presentation currency. The change in presentation currency has been accounted for as a change in accounting policy which is accounted for retrospectively.

Assets and liabilities denominated in non-US dollar currencies were translated into US dollars at the closing rates of exchange on the relevant balance sheet date;

Non-US dollar income and expenditure were translated at the average rates of exchange prevailing for the relevant period;

Contributed equity was translated at the historic rates prevailing at 1 July 2014 and subsequent transactions have been translated at the rates prevailing on the date of each transaction; and

All exchange rates were extracted from the Trust's underlying financial records. The A\$/US\$ exchange rates used to translate the balance sheet and income statement as of 30 June 2014 were:

- 30 June 2014 closing rate – 0.9388; and
- half year ended 30 June 2014 average rate – 0.9153.

### (d) 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 used for the half year ended 30 June 2014 except for the changes required due to amendments to the accounting standards noted below.

The Trust has adopted the following new or amended standards which became applicable on 1 January 2014.

- AASB 2012-3 Amendments to Australian Accounting Standards – Offsetting Financial Assets and Financial Liabilities;
- AASB 2013-3 Amendments to AASB 136 – Recoverable Amount Disclosures for Non-Financial Assets;
- AASB 2013-4 Amendments to Australian Accounting Standards – Novation of Derivatives and Continuation of Hedge Accounting; and
- AASB 2013-5 Amendments to Australian Accounting Standards – Investment Entities.

For the Financial Period, the adoption of these amended standards had no material impact on the financial statements of the Trust.

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 Financial Period. The impact of these new standards (to the extent relevant to the Trust) and interpretations is as follows:

- AASB 9 Financial Instruments (effective from 1 January 2018)

This standard includes requirements to improve and simplify the approach for classification and measurement of financial assets compared with the requirements of AASB 139 Financial Instruments: Recognition and Measurement. The Trust is currently assessing the impact of this standard.

- IFRS 15 Revenue from Contracts with Customers (effective from 1 January 2017)

This standard determines the principles that an entity shall apply to report useful information to users of financial statements about the nature, amount, timing, and uncertainty of revenue and cash flows arising from a contract with a customer. The Trust is currently assessing the impact of this standard.

In addition to the above, further amendments to accounting standards have been proposed as a result of the revision of related standards and the Annual Improvement Projects (for non-urgent changes). These amendments are set out below:

- AASB 2010-7 Amendments to Australian Accounting Standards arising from AASB 9 (effective from 1 January 2018);
- AASB 2013-9 Amendments to Australian Accounting Standards – Conceptual framework, Materiality and Financial Instruments (effective from 1 January 2018); and
- AASB 2014-1 Amendments to Australian Accounting Standards – Part E: Financial Instruments (effective from 1 January 2018).

These recently issued or amended standards are not expected to have a significant impact on the amounts recognised in these financial statements when they are restated on application of these new accounting standards, except where disclosed above.

### (e) 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 (Cth), Australian Accounting Standards and other authoritative pronouncements of the Australian Accounting Standards Board. The financial report has also been prepared on a historical cost basis, except for investments and derivative financial instruments which are carried at fair value.

## **NOTE 1 BASIS OF PREPARATION OF THE FINANCIAL REPORT (CONTINUED)**

### **(f) 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.

### **(g) Comparative information**

There are no comparatives as this is the first reporting period of the Trust.

## **NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

### **(a) 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 converted to cash, net of bank overdrafts and short term loans.

### **(b) Receivables**

Interest bearing and non-interest bearing loan receivables are with related entities and are at call. Collectability of these loan receivables are reviewed on an ongoing basis.

### **(c) Investments**

#### ***i) Listed investments***

Listed investments are designated as assets held at fair value through the income statement. Listed investments in entities are stated at fair value based on their market values. Movements in fair value subsequent to initial recognition are reported as revaluation gains or losses in the income statement. The fair values of investments that are actively traded in organised financial markets are determined by reference to quoted market prices.

#### ***ii) Unlisted investments***

Unlisted investments are designated as assets held at fair value through the income statement. Unlisted investments are stated at fair value of the Trust's interest in the underlying net assets which approximate fair value. Movements in fair value subsequent to initial recognition are reported as revaluation gains or losses in the income statement. For investments with no active market, fair values are determined using valuation techniques which keep judgemental inputs to a minimum, including the fair value of underlying properties and businesses, recent arm's length transactions and reference to market value of similar investments.

### **(d) Contributed equity**

Issued and paid up capital is 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.

### **(e) 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. All other revenues are recognised on an accruals basis.

### **(f) Expenses**

Expenses are brought to account on an accruals basis.

### **(g) Taxation**

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

### **(h) Earnings per unit**

Basic earnings per unit is calculated as net profit attributable to members divided by the weighted average number of ordinary units. Diluted earnings per unit is calculated as net profit attributable to members 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.

### **(i) Foreign currency translation**

#### ***i) Translation of foreign currency transactions***

The functional currency of WFDT and its Australian subsidiaries is Australian dollars. Foreign currency transactions are converted to the functional currency at exchange rates ruling at the date of those transactions. Monetary assets and liabilities denominated in foreign currencies are translated at year end exchange rate. Exchange differences arising on settlement or translation of monetary items are recognised in profit or loss in the period in which they arise.

#### ***ii) Presentation currency***

The Trust's financial statements are presented in US dollars, as that presentation currency most reliably reflects the global business performance of Westfield Corporation as a whole.

The income statement and balance sheet of the Trust are translated to US dollars in the following manner:

- (a) assets and liabilities are translated to US dollars at the year end exchange rate;
- (b) income and expenses are translated to US dollars at exchange rates ruling at the date of those transactions; and
- (c) all resulting exchange differences are taken directly to the foreign currency translation reserve.

### **(j) Rounding**

In accordance with ASIC Class Order 98/100, the amounts shown in the financial report have, unless otherwise indicated, been rounded to the nearest tenth of a million dollars. Amounts shown as 0.0 represent amounts less than \$50,000 that have been rounded down.

# Notes to the Financial Statements

FOR THE PERIOD FROM 9 APRIL 2014 TO 31 DECEMBER 2014

	Note	31 Dec 14 US\$million
<b>NOTE 3 CHARGES IN RESPECT OF THE RESTRUCTURE AND MERGER</b>		
Transaction costs in respect of the Restructure and Merger		(29.0)
		(29.0)

## NOTE 4 TAXATION

### (a) Tax expense

Current – underlying operations	–
Deferred tax	–
	–

The prima facie tax on profit before tax is reconciled to the income tax expense provided in the financial statements as follows:

Profit before income tax	258.9
Prima facie tax expense at 30%	(77.7)
Revaluation of investments not assessable	85.9
Trust income not taxable – tax payable by unitholders	(8.2)
Tax expense	–
	US cents

## NOTE 5 EARNINGS PER UNIT

### (a) Summary of earnings per unit

Basic earnings per unit attributable to members of the WFD Trust	12.46
Diluted earnings per unit attributable to members of the WFD Trust	12.46

### (b) Income and unit data

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

	US\$million
Earnings used in calculating basic earnings per unit	258.9
Adjustment to earnings on options which are considered dilutive	–
Earnings used in calculating diluted earnings per unit	258.9

The following reflects the unit data used in the calculations of basic and diluted earnings per unit:

	No. of Units
Weighted average number of ordinary units used in calculating basic earnings per unit	2,078,089,686
Bonus element of options which if issued, would be dilutive	–
Adjusted weighted average number of ordinary units used in calculating diluted earnings per unit	2,078,089,686

### (c) Conversions, calls, subscription or issues after 31 December 2014

There have been no conversions to, calls of, subscriptions for, issuance of new or potential ordinary units since the reporting date and before the completion of this report.

	US\$million
<b>NOTE 6 RECEIVABLES</b>	
<b>Current</b>	
Interest bearing loans receivables from related entities	46.8
Non-interest bearing loans receivables from related entities	3,327.9
	17, 19
	3,374.7

	Note	31 Dec 14 US\$million
<b>NOTE 7 INVESTMENTS</b>		
Listed investments		142.1
Unlisted investments		1,645.1
	17	1,787.2

#### Movement in investments

Balance at the beginning of the period	–
Additions	1,501.0
Net revaluation increment to income statement	286.2
<b>Balance at the end of the period</b>	<b>1,787.2</b>

Securities

#### NOTE 8 CONTRIBUTED EQUITY

##### (a) Number of securities on issue

Balance at the beginning of the period	–
Initial equity contributed for WFDT	2,078,089,686
<b>Balance at the end of the period</b>	<b>2,078,089,686</b>

Westfield Corporation stapled securities have the right to receive declared dividends from WCL and distributions from WFDT and WAT and, in the event of winding up WCL, WFDT and WAT, to participate in the proceeds from the sale of all surplus assets in proportion to the number of and amounts paid up on Westfield Corporation stapled securities held.

Holders of Westfield Corporation stapled securities can vote their shares and units in accordance with the Corporations Act, either in person or by proxy, at a meeting of either WCL, WFDT and WAT (as the case may be). Westfield Corporation stapled securities have no par value.

31 Dec 14  
US\$million

##### (b) Amount of contributed equity

#### Movement in contributed equity attributable to members of the Trust

Balance at the beginning of the period	–
Initial equity contributed for WFDT	5,643.2
<b>Balance at the end of the period</b>	<b>5,643.2</b>

#### NOTE 9 SHARE BASED PAYMENTS

##### Executive Performance Rights and Partnership Incentive Rights issued to employees of related entities

As at 31 December 2014, there were 17,369,813 Executive Performance Rights and Partnership Incentive Rights issued to employees of related entities of the Trust. Under the stapling arrangement, each of WCL, WAT and the Trust are required to issue securities/units on the vesting of an Executive Performance and Partnership Incentive Rights. At 31 December 2014, the 17,369,813 Executive Performance Rights and Partnership Incentive Rights issued to employees of related entities were convertible to 17,369,813 Westfield Corporation stapled securities.

	Number of rights 31 Dec 14	Weighted average exercise price US\$ 31 Dec 14
<b>Rights on issue</b>		
– Executive Performance Rights and Partnership Incentive Rights	17,369,813	–
<b>Vesting profile</b>		
		Number of rights 31 Dec 14
2015		5,623,868
2016		6,795,626
2017		3,135,878
2018		1,814,441
		<b>17,369,813</b>

# Notes to the Financial Statements

FOR THE PERIOD FROM 9 APRIL 2014 TO 31 DECEMBER 2014

	Note	31 Dec 14 US\$million
<b>NOTE 10 RESERVES</b>		
Foreign currency translation reserve	2(i)	(733.8)
		<b>(733.8)</b>

## Movement in foreign currency translation reserve

The foreign currency translation reserve represents net exchange differences arising from the translation of the income statement and balance sheet from its functional currency to its presentation currency.

Balance at the beginning of the period	-
Foreign exchange movement	
– accumulated exchange differences resulting from the use of a presentation currency other than the functional currency	(733.8)
Balance at the end of the period	<b>(733.8)</b>

## NOTE 11 RETAINED PROFITS

### Movement in retained profits

Balance at the beginning of the period	-
Profit after tax for the period	<b>258.9</b>
Balance at the end of the period	<b>258.9</b>

## NOTE 12 CASH AND CASH EQUIVALENTS

### (a) Components of cash and cash equivalents

Cash	<b>6.4</b>
------	------------

### (b) Reconciliation of profit after tax to net cash flows from operating activities

Profit after tax	<b>258.9</b>
Revaluation of investments	<b>(286.2)</b>
Net fair value gain on interest rate derivatives	<b>(1.9)</b>
Interest expense	<b>0.3</b>
Currency gain	<b>(0.2)</b>
Charges in respect of the Restructure and Merger	<b>29.0</b>
Net cash flows from operating activities	<b>(0.1)</b>

## NOTE 13 DISTRIBUTIONS

### Final distribution paid

Distribution in respect of the 6 months to 31 December 2014	
– US8.66 cents per unit, 90% estimated tax deferred	<b>180.0</b>

Final distribution was paid on 27 February 2015. The record date for the final distribution was 5pm, 13 February 2015. No distribution reinvestment plan is operational for the distribution.

## NOTE 14 CONTINGENT LIABILITIES

Guaranteed borrowings of associates of the Responsible Entity	<b>4,523.3</b>
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The Trust's obligation in respect of performance guarantees may be called on at any time dependent upon the performance or non performance of certain third parties.

## NOTE 15 SEGMENT REPORTING

The Trust holds interests in entities that invest in Westfield Corporation's UK property assets and derives distributions from its investment in these entities.

**NOTE 16 EXCHANGE RATE RISK****31 Dec 14  
million****Foreign currency net investments**

The Trust had floating currency exposure, after taking into account the effect of foreign exchange derivatives, at reporting date of:

**British Pound**

£ net assets (investments and cash)	<b>£1,148.1</b>
£ denominated net assets	<b>£1,148.1</b>
US\$ equivalent	<b>US\$1,791.5</b>

**Australian Dollar**

A\$ net assets (receivables and cash)	<b>A\$4,118.1</b>
A\$ denominated net assets	<b>A\$4,118.1</b>
US\$ equivalent	<b>US\$3,376.8</b>

The Trust's foreign currency net investments are subject to exchange rate risk. Gains and losses arising from translation of the Trust's foreign currency denominated net assets, and, where applicable, associated hedging instruments, where the Trust satisfied the accounting requirements to qualify for hedge accounting treatment, are reflected in the foreign currency translation reserve.

Where the Trust does not satisfy the hedge accounting requirements, the changes in fair value are reflected in the income statement as either foreign exchange gains or losses as appropriate.

<b>Foreign currency sensitivity</b>	<b>31 Dec 14 US\$million</b>
-------------------------------------	----------------------------------

	US\$/£ Currency movement	Gain/(loss) to foreign currency translation reserve
The sensitivity of £ denominated net assets to changes in the period end US\$/£0.6409 rate is as follows:		
	-20 pence	<b>812.8</b>
	-10 pence	<b>331.2</b>
	-5 pence	<b>151.6</b>
	+5 pence	<b>(129.7)</b>
	+10 pence	<b>(241.8)</b>
	+20 pence	<b>(426.1)</b>
	US\$/A\$ Currency movement	Gain/(loss) to foreign currency translation reserve
The sensitivity of A\$ denominated net assets to changes in the period end US\$/A\$1.2195 rate is as follows:		
	-20 cents	<b>662.4</b>
	-10 cents	<b>301.6</b>
	-5 cents	<b>144.4</b>
	+5 cents	<b>(133.0)</b>
	+10 cents	<b>(255.9)</b>
	+20 cents	<b>(475.8)</b>

# Notes to the Financial Statements

FOR THE PERIOD FROM 9 APRIL 2014 TO 31 DECEMBER 2014

## NOTE 16 EXCHANGE RATE RISK (CONTINUED)

### (i) Cross currency interest rate swaps to hedge the Trust's foreign currency cash flows

The Trust has entered into the following foreign currency derivative financial instruments with WAT to sell £ and purchase A\$ at floating interest rates on notional principals at fixed exchange rates.

The following table details the cross currency interest rate swaps outstanding at reporting date. These mitigate the impact of exchange rate movements on the Trust's cash flows and are ineffective hedges for accounting purposes.

Cross currency swaps contracted as at the reporting date and outstanding at	Weighted average exchange rate 31-Dec-14	Amount receivable/ (payable) million 31-Dec-14	31-Dec-14
<b>£</b>			
Contracts to receive A\$ and pay £			
31 December 2014	<b>0.4270</b>	<b>A\$210.8</b>	<b>£(90.0)</b>

At 31 December 2014, none of the above described foreign exchange derivatives qualify for hedge accounting treatment. Changes in fair value have been reflected in the income statement. At 31 December 2014, the aggregate fair value is a receivable of US\$1.7 million. The change in fair value for the period ended 31 December 2014 was US\$1.7 million.

Foreign currency sensitivity		31-Dec-14 US\$million
The sensitivity of fair value of cross currency interest rate swaps to changes in the period end US\$/A\$1.2195 rate is as follows:	US\$/A\$ Currency movement	Gain/(loss) to income statement
	-20 cents	<b>0.4</b>
	-10 cents	<b>0.2</b>
	-5 cents	<b>0.1</b>
	+5 cents	<b>(0.1)</b>
	+10 cents	<b>(0.2)</b>
	+20 cents	<b>(0.3)</b>
The sensitivity of fair value of cross currency interest rate swaps to changes in the period end US\$/£0.6409 rate is as follows:	US\$/£ Currency movement	Gain/(loss) to income statement
	-20 pence	<b>(0.2)</b>
	-10 pence	<b>(0.1)</b>
	-5 pence	<b>(0.0)</b>
	+5 pence	<b>0.0</b>
	+10 pence	<b>0.1</b>
	+20 pence	<b>0.1</b>



**NOTE 17 FAIR VALUE OF FINANCIAL ASSETS AND LIABILITIES**

Set out below is a comparison by category of carrying amounts and fair values of all the Trust's financial instruments.

	Fair value 31 Dec 14 US\$million	Carrying amount 31 Dec 14 US\$million
<b>Consolidated assets</b>		
Cash	6.4	6.4
Intragroup receivables <sup>(i)</sup>	3,373.0	3,373.0
Investments <sup>(ii)</sup>	1,787.2	1,787.2
Derivative assets <sup>(ii)</sup>	1.7	1.7

<sup>(i)</sup> These financial assets and liabilities are not subject to interest rate risk and the fair value approximates carrying amount.

<sup>(ii)</sup> These financial assets and liabilities are subjected to interest rate and market risks, the basis of determining the fair value is set out in the fair value hierarchy below.

**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 quoted (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.

	31 Dec 14 US\$million	Level 1 US\$million	Level 2 US\$million	Level 3 US\$million
<b>Consolidated assets measured at fair value</b>				
Investments				
– Listed investments	142.1	142.1	–	–
– Unlisted investments	1,645.1	–	–	1,645.1
Derivative assets				
– Interest rate derivatives – WAT	1.7	–	1.7	–

During the period, there were no transfers between Level 1, Level 2 and Level 3 fair value measurements.

	Unlisted investments <sup>(i)</sup> 31 Dec 14 US\$million
<b>Level 3 fair value movement</b>	
Balance at the beginning of the period	–
Additions	1,399.4
Net fair value gain to income statement	245.7
Balance at the end of the period	1,645.1

(i) The fair value of the unlisted investments has been determined by reference to the fair value of the underlying independently appraised properties and underlying businesses.

	31 Dec 14 US\$000
<b>NOTE 18 AUDITOR'S REMUNERATION</b>	
Amounts received or due and receivable by the auditors of the Trust for:	
– Audit or review of the financial reports	36.1
– Due diligence services	–
	36.1

# Notes to the Financial Statements

FOR THE PERIOD FROM 9 APRIL 2014 TO 31 DECEMBER 2014

## **NOTE 19 RELATED PARTY DISCLOSURES**

Information required to be disclosed concerning relationships, transactions and balances with related parties of the Trust is set out in this Note unless disclosed elsewhere in this financial report.

The Trust forms part of the Westfield Corporation and the related party disclosures for the Westfield Corporation have the same applicability to the Trust.

### **Westfield Corporation Limited and Westfield America Trust**

Following the Restructure and Merger implemented on 30 June 2014, Westfield Corporation Limited (WCL) and its subsidiaries, Westfield America Trust (WAT) and its subsidiaries are considered to be related parties of the Trust. Details of transactions with WCL and WAT for the Financial Period are set out below.

WAT, WFDT and WCL transacted on normal commercial terms as stapled entities with respect to the following:

- (a) Manager's service charges; and
- (b) Loans and financial derivatives

### **Manager's service charges**

The Responsible Entity's manager's service charge for the six months ended 31 December 2014 was US\$1.0 million of which US\$nil was payable at 31 December 2014.

### **Loans and financial derivatives**

#### ***Loans to WCL***

During the period, the Trust had an A\$ interest bearing loan to WCL. The balance of the loan at period end is a receivable of US\$4.4 million, with accrued interest receivable of US\$8,864. Interest accrues on the loan based on a floating rate. The interest income for the period in respect of the loan to WCL was US\$0.1 million.

During the period, the Trust had an A\$ non-interest bearing loan to WCL. The balance of the loan at period end is a receivable of US\$857.3 million.

During the period, the Trust incurred transaction costs of US\$29.0 million in respect of the Restructure and Merger payable to WCL. Due to the movement in the A\$/US\$ foreign exchange rate, the amount outstanding as at 31 December 2014 was US\$26.0 million.

#### ***Loans to WAT***

During the period, the Trust had an A\$ interest bearing loan to WAT. The balance of the loan at period end is a receivable of US\$42.4 million, with accrued interest receivable of US\$13,509. Interest accrues on the loan based on a floating rate. The interest income for the period in respect of the loan to WAT was US\$0.6 million.

During the period, the Trust had an A\$ non-interest bearing loan to WAT. The balance of the loan at period end is a receivable of US\$2,497.0 million.

### ***Cross currency swaps with WAT***

During the Financial Period, the Trust and WAT have entered into the following cross currency swaps:

- (i) the Trust paid to WAT, on a quarterly basis, floating rate on a notional principal of £75.0 million in exchange for WAT paying to the Trust, on a quarterly basis, floating rate on a notional principal of A\$176.0 million. The cross currency swap started in June 2014 and matured during the period.
- (ii) the Trust pays to WAT, on a quarterly basis, floating rate on a notional principal of £90.0 million in exchange for WAT paying to the Trust, on a quarterly basis, floating rate on a notional principal of A\$210.8 million. The cross currency swap started in June 2014 and continues until June 2015.

The net interest income (includes net fair value gain on interest rate derivatives of US\$1.9 million) for the period in respect of cross currency swaps with WAT was US\$0.9 million.

## Directors' Declaration

The Directors of Westfield America Management Limited as responsible entity of WFD Trust (WFDT) declare that:

- (a) in the Directors' opinion, there are reasonable grounds to believe that WFDT will be able to pay its debts as and when they become due and payable;
- (b) in the Directors' opinion, the Financial Statements and notes thereto are in accordance with the Corporations Act 2001, including:
  - (i) complying with accounting standards and regulations in accordance with section 296 of the Corporations Act 2001;
  - (ii) giving a true and fair view of the financial position as at 31 December 2014 and the performance of WFDT for the period ended on that date in accordance with section 297 of the Corporations Act 2001;
  - (iii) 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 16 March 2015 in accordance with a resolution of the Board of Directors.



**Frank Lowy AC**  
Chairman



**Brian Schwartz AM**  
Director

# Independent Audit Report

TO THE MEMBERS OF WFD TRUST



Building a better  
working world

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Fax: +61 2 9248 5959  
www.ey.com/au

## Independent Auditor's Report to the members of WFD Trust

### Report on the financial report

We have audited the accompanying financial report of WFD Trust ("the Trust"), which comprises the balance sheet as at 31 December 2014, the income statement and statement of comprehensive income, the statement of changes in equity and the cash flow statement from 9 April to 31 December 2014 ("Financial Period"), notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration of the entity comprising the Trust and the entities it controlled at the Financial Period's end or from time to time during the Financial Period.

#### Directors' responsibility for the financial report

The directors of Westfield America 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 about 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 the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal controls relevant to the entity's preparation and fair presentation of the financial report 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 America Management Limited a written Auditor's Independence Declaration, a copy of which is included in the directors' report.

#### Opinion

In our opinion:

- a. the financial report of WFD Trust is in accordance with the *Corporations Act 2001*, including:
  - i giving a true and fair view of the consolidated entity's financial position as at 31 December 2014 and of its performance for the Financial Period ended on that date; and
  - ii complying with Australian Accounting Standards and the *Corporations Regulations 2001*; and
- b. the financial report also complies with *International Financial Reporting Standards* as disclosed in Note 1.

Ernst & Young

Graham Ezzy  
Partner

Sydney, 16 March 2015

# Directors' Report

The Directors of Westfield America Management Limited (**Responsible Entity**), the responsible entity of WFD Trust (**Trust**) submit the following report for the period from 9 April to 31 December 2014 (**Financial Period**).

Westfield Corporation was established on 30 June 2014 by the stapling of securities of each of Westfield Corporation Limited (WCL), Westfield America Trust (WAT) and the Trust. The stapling transaction is referred to as the Restructure and Merger. The Trust forms part of the Westfield Corporation stapled group.

## 1. OPERATIONS AND ACTIVITIES

### 1.1 Principal Activities

The principal activity of the Trust is to hold investments in entities that invest in Westfield Corporation's UK property assets. There were no significant changes in the nature of those activities during the Financial Period.

### 1.2 Review of Operations and Results of Operations

The Trust reported a net profit of US\$258.9 million. The basic earnings per unit is US\$12.46 cents and the distribution per unit is US\$8.66 cents for the Financial Period.

During the Financial Period, the Trust reported a revaluation gain of US\$286.2 million reflecting the capital appreciation in its investments in entities that hold the Westfield Corporation's UK property assets. The Trust also incurred transaction costs of US\$29.0 million in respect of the Restructure and Merger payable to Westfield Corporation Limited.

Other than the Westfield Group Restructure and Merger implemented on 30 June 2014, there has been no significant changes in the Trust's state of affairs during the Financial Period.

A detailed operating and financial review for the Westfield Corporation is contained in the Directors' Report in the Westfield Corporation Annual Financial Report which is available at [www.westfieldcorp.com](http://www.westfieldcorp.com).

### 1.3 Subsequent Events

Since the end of the Financial Period, there have been no subsequent events to report.

### 1.4 Future Developments

The likely developments in Westfield Corporation's operations in future financial years and the expected results of those operations are more fully described in the Directors' Report in the Westfield Corporation Annual Financial Report. The Trust is expected to continue to hold interests in entities that invest in Westfield Corporation's UK property assets.

### 1.5. Sustainability

Environmental laws and regulations in force in the various jurisdictions in which Westfield Corporation operates are applicable to areas of Westfield's operations and in particular to its development, construction and shopping centre management activities. Westfield Corporation has in place procedures to identify and comply with such requirements including, where applicable, obtaining and complying with the conditions of relevant authority consents and approvals and the obtaining of any necessary licences. These compliance procedures are regularly reviewed and audited and their application closely monitored. The Westfield Group 2013 Sustainability Report which includes Westfield Corporation's shopping centres, can be found at [www.westfieldcorp.com](http://www.westfieldcorp.com). Westfield Corporation's initial Sustainability Report is expected to be published in March 2015.

## 2. DISTRIBUTIONS

For the six months ended 31 December 2014, the Trust distribution of US\$8.66 cents per ordinary unit formed part of the distribution of US\$12.3 cents per Westfield Corporation (WFD) stapled security that was paid on 27 February 2015. This distribution was an aggregate of a distribution from the Trust and a distribution from Westfield America Trust. The number reported here only represents that component of the aggregate Westfield Corporation distribution being the distribution of the Trust.

## 3. THE DIRECTORS

The names of the Directors of the Responsible Entity in office during the Financial Period and until the date of this report are set out below.

Frank Lowy AC	Chairman
Brian Schwartz AM	Deputy Chairman / Lead Independent Director
Peter Allen	Executive Director (retired 30 June 2014)
Ilana Atlas	Non-Executive Director
Roy Furman	Non-Executive Director
Peter Goldsmith QC PC	Non-Executive Director
Michael Gutman OBE	Non-Executive Director (appointed 28 August 2014)
Mark G. Johnson	Non-Executive Director
Mark R. Johnson AO	Non-Executive Director
Don Kingsborough	Non-Executive Director (appointed 28 August 2014)
Peter Lowy	Co-Chief Executive Officer / Executive Director
Steven Lowy	Co-Chief Executive Officer / Executive Director
John McFarlane	Non-Executive Director
Judith Sloan	Non-Executive Director

Biographies for each of the Directors can be found in the 2014 Westfield Corporation Annual Financial Report.

The names of the Directors in office and the relevant interest of each Director in stapled securities in Westfield Corporation as at the date of this report are shown below. Ordinary units in the Trust are stapled to shares in Westfield Corporation Limited and units in Westfield America Trust. The stapled securities trade on the Australian Securities Exchange under the code WFD.

Director	Number of Stapled Securities
Frank Lowy	197,500,000
Peter Lowy	
Steven Lowy	
Ilana Atlas	30,081
Roy Furman	50,000
Peter Goldsmith	5,000
Michael Gutman	381,618
Mark G. Johnson	6,425
Mark R. Johnson	75,000
Don Kingsborough	Nil
John McFarlane	51,951
Brian Schwartz	21,110
Judith Sloan	3,000

None of the Directors hold options over any issued or unissued units in the Trust or stapled securities in Westfield Corporation. No options over any issues or unissued units in the Trust or stapled securities in Westfield Corporation have been issued to the Directors. None of the Directors hold debentures of Westfield Corporation.

None of the Directors 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 or Westfield Corporation.

## Directors' Report (continued)

### 4. DIRECTORS' DIRECTORSHIPS OF OTHER LISTED COMPANIES

The following table sets out the directorships of other Australian listed companies held by the Responsible Entity's Directors during the 3 years preceding the end of the Financial Period and up to the date of this report, and the time for which each directorship has been held.

Ms Ilana Atlas, Mr Roy Furman, Lord (Peter) Goldsmith, Mr Mark R. Johnson, Mr Mark G. Johnson, Mr Peter Lowy, Mr John McFarlane and Professor Judith Sloan were directors of Scentre Group Limited (formerly Westfield Holdings Limited) and Scentre Management Limited (formerly Westfield Management Limited) until the Restructure took effect on 30 June 2014, at which point they resigned from those entities.

Director	Company	Date appointed	Date resigned
Frank Lowy	Westfield America Management Limited*	20 February 1996	Continuing
	Scentre Group Limited**	16 January 1979	Continuing
	Scentre Management Limited***	16 January 1979	Continuing
	RE1 Limited****	30 June 2014	Continuing
	RE2 Limited*****	30 June 2014	Continuing
Brian Schwartz	Westfield America Management Limited*	6 May 2009	Continuing
	Brambles Limited	13 March 2009	30 June 2014
	Insurance Australia Group	1 January 2005	Continuing
	Scentre Group Limited**	6 May 2009	Continuing
	Scentre Management Limited***	6 May 2009	Continuing
	RE1 Limited****	30 June 2014	Continuing
Ilana Atlas	RE2 Limited*****	30 June 2014	Continuing
	Westfield America Management Limited*	25 May 2011	Continuing
	Coca-Cola Amatil Limited	23 February 2011	Continuing
	Suncorp Group Limited	1 January 2011	20 August 2014
	Suncorp Metway Limited	1 January 2011	20 August 2014
	Scentre Group Limited**	25 May 2011	30 June 2014
	Scentre Management Limited***	25 May 2011	30 June 2014
Roy Furman	Australia and New Zealand Banking Group Limited	24 September 2014	Continuing
	Westfield America Management Limited*	29 May 2002	Continuing
	Scentre Group Limited**	13 July 2014	30 June 2014
	Scentre Management Limited***	13 July 2004	30 June 2014
Peter Goldsmith	Westfield America Management Limited*	28 August 2008	Continuing
	Scentre Group Limited**	28 August 2008	30 June 2014
	Scentre Management Limited***	28 August 2008	30 June 2014
Michael Gutman	Westfield America Management Limited*	28 August 2014	Continuing
Mark G. Johnson	Westfield America Management Limited*	29 May 2013	Continuing
	Scentre Group Limited**	29 May 2013	30 June 2014
	Scentre Management Limited***	29 May 2013	30 June 2014
Mark R. Johnson	Westfield America Management Limited*	27 May 2010	Continuing
	Scentre Group Limited**	27 May 2010	30 June 2014
	Scentre Management Limited***	27 May 2010	30 June 2014
Don Kingsborough	Westfield America Management Limited*	28 August 2014	Continuing
Peter Lowy	Westfield America Management Limited*	20 February 1996	Continuing
	Scentre Group Limited**	19 October 1987	30 June 2014
	Scentre Management Limited***	1 May 1986	30 June 2014
Steven Lowy	Westfield America Management Limited*	20 February 1996	Continuing
	Scentre Group Limited**	28 June 1989	Continuing
	Scentre Management Limited***	28 June 1989	Continuing
	RE1 Limited****	12 August 2010	Continuing
	RE2 Limited*****	12 August 2010	Continuing
John McFarlane	Westfield America Management Limited*	26 February 2008	Continuing
	Scentre Group Limited**	26 February 2008	30 June 2014
	Scentre Management Limited***	26 February 2008	30 June 2014
Judith Sloan	Westfield America Management Limited*	26 February 2008	Continuing
	Scentre Group Limited**	26 February 2008	30 June 2014
	Scentre Management Limited***	26 February 2008	30 June 2014

#### Notes:

- \* Westfield America Management Limited, as responsible entity for Westfield America Trust and WFD Trust, both managed investment schemes, the units of which are stapled to shares in Westfield Corporation Limited and which trade on the ASX as Westfield Corporation.
- \*\* Scentre Group Limited (formerly Westfield Holdings Limited), which shares were stapled to units in Scentre Group Trust 1 (formerly Westfield Trust) and units in Westfield America Trust and which previously traded on the ASX as Westfield Group. Scentre Group Limited is now part of Scentre Group.
- \*\*\* Scentre Management Limited (formerly Westfield Management Limited) as responsible entity for (a) Scentre Group Trust 1 (formerly Westfield Trust), a managed investment scheme the units of which were stapled to units in Westfield America Trust and shares in Scentre Group Limited (formerly Westfield Holdings Limited) and which previously traded on the ASX as Westfield Group; and (b) Carindale Property Trust, a listed managed investment scheme. Scentre Management Limited is now part of Scentre Group.
- \*\*\*\* RE1 Limited, as responsible entity for Scentre Group Trust 2 (formerly Westfield Retail Trust 1), a managed investment scheme, the units of which were stapled to units in Scentre Group Trust 3 (formerly Westfield Retail Trust 2) and which traded on the ASX as Westfield Retail Trust. RE1 Limited is now part of Scentre Group.
- \*\*\*\*\* RE2 Limited, as responsible entity for Scentre Group Trust 3 (formerly Westfield Retail Trust 2), a managed investment scheme, the units of which were stapled to units in Scentre Group Trust 2 (formerly Westfield Retail Trust 1) and which traded on the ASX as Westfield Retail Trust. RE2 Limited is now part of Scentre Group.

## 5. OPTIONS

No options were issued by the Trust during or since the end of the Financial Period and no Director or member of the senior executive team holds options over issued or unissued Westfield Corporation stapled securities or units in the Trust.

## 6. INDEMNITIES AND INSURANCE PREMIUMS

Subject to the following, no indemnity was given or insurance premium paid during or since the end of the Financial Period out of the assets of the Trust in regards to a person who is or has been an officer or auditor of the Responsible Entity. So long as the Responsible Entity acts in accordance with the Constitution and the Corporations Act, it remains indemnified out of the assets of the Trust against any losses incurred while acting as the Responsible Entity.

The Responsible Entity's Constitution provides that a person who is or has been a Director or Secretary of the Responsible Entity may be indemnified by the Responsible Entity against liabilities incurred by the person in that capacity and for all legal costs incurred in defending or resisting (or otherwise in connection with) proceedings in which the person becomes involved because of that capacity. The indemnity does not apply to the extent that the Responsible Entity is forbidden by statute to indemnify the person or the indemnity would, if given, be made void by statute.

A related corporation of the Responsible Entity has paid premiums for directors' and officers' liability insurance in respect of Directors, Secretaries and Executive Officers of the Responsible Entity as permitted by the Corporations Act 2001. The terms of the insurance policy prohibit disclosure of details of the nature of the liabilities covered by, and the amounts of the premiums payable under, that insurance policy.

To the extent permitted by law, the Responsible Entity has agreed to indemnify its auditors, Ernst & Young, as part of its standard terms of its audit engagement against claims by third parties arising from the audit (for an unspecified amount). No payment has been made to Ernst & Young during or since the Financial Period.

## 7. SPECIAL RULES FOR REGISTERED SCHEMES

- US\$1.1 million in fees were paid and payable to the Responsible Entity and its associates out of the assets of the Trust during the Financial Period.
- Associates of the Responsible Entity held 198,508,423 units as at the end of the Financial Period.
- Details of the units issued in the Trust during the Financial Period are set out in Note 8 on page 11.
- No withdrawals were made from the scheme during the Financial Period.
- Details of the value of the Trust's assets as at the end of the Financial Period and the basis for the valuation are set out in Notes 2(c) and 7 on pages 9 and 11 respectively.
- Details of the number of units in the Trust as at the end of the Financial Period are set out in Note 8 on page 11.

## 8. AUDIT

### 8.1 Audit and Risk Committee

As at the date of this report, the Responsible Entity had an Audit and Risk Committee of the Board of Directors.

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



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

In relation to our audit of the financial report of WFD Trust for the Financial Period ended 31 December 2014, 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.

Ernst & Young

Graham Ezzy  
Partner

Sydney, 16 March 2015

Liability limited by a scheme approved under Professional Standards Legislation.

## 9. ASIC DISCLOSURES

### 9.1 Rounding

The Trust is of a kind referred to in Australian Securities & Investments Commission Class Order 98/100 dated 10 July 1998. Accordingly, amounts in the Directors' Report, the Financial Statements and Notes have been rounded to the nearest tenth of a million dollars.

### 9.2 Relief from section 323D(5) of the Corporations Act

Each of WCL and WAML (as RE of WFDT) has obtained ASIC relief from section 323D(5) of the Corporations Act. The effect of the relief is that the first half-year for WCL is deemed to be the period from its incorporation on 28 November 2013 until 30 June 2014 and that the first half-year for WFDT is deemed to be the period from its registration on 9 April 2014 until 30 June 2014.

## 10. ASX LISTING RULE

ASX reserves the right (but without limiting its absolute discretion) to remove Westfield Corporation Limited, Westfield America Trust and WFD Trust from the official list of ASX if any of the shares or units comprising those stapled securities cease to be stapled together, or any equity securities are issued by a Westfield Corporation entity which are not stapled to the equivalent securities in other entities.

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

Frank Lowy AC  
Chairman

16 March 2015

Brian Schwartz AM  
Director

# Corporate Governance Statement

The Corporate Governance Statement for WFD Trust has been incorporated into the Corporate Governance Statement prepared for Westfield Corporation. This Statement can be found in the 2014 Westfield Corporation Annual Financial Report. The Westfield Corporation's Annual Financial Report is available on the [westfieldcorp.com](http://westfieldcorp.com) website.



# Members' Information

FOR THE PERIOD ENDED 31 DECEMBER 2014

## Twenty Largest Holders of Stapled Securities in Westfield Corporation\*

		Number of Securities	% of Issued Securities
1.	HSBC Custody Nominees (Australia) Limited	622,300,640	29.95
2.	J P Morgan Nominees Australia Limited	334,469,641	16.10
3.	National Nominees Limited	277,320,375	13.34
4.	Cordera Holdings Pty Limited	145,835,168	7.02
5.	Citicorp Nominees Pty Limited	136,258,781	6.56
6.	BNP Paribas Noms Pty Ltd <DRP>	61,520,300	2.96
7.	Citicorp Nominees Pty Limited <Colonial First State Inv A/C>	29,795,373	1.43
8.	Morgan Stanley Australia Securities (Nominee) Pty Limited <No 1 Account>	29,673,128	1.43
9.	AMP Life Limited	27,727,969	1.33
10.	Hazel Equities Pty Ltd	23,771,039	1.14
11.	Mr Frank P Lowy	14,107,391	0.68
12.	CS Fourth Nominees Pty Ltd	10,439,355	0.50
13.	Pan Australian Nominees Pty Limited	7,554,481	0.36
14.	HSBC Custody Nominees (Australia) Limited <NT-Comnwlth Super Corp A/C>	7,290,029	0.35
15.	UBS Nominees Pty Ltd	6,930,054	0.33
16.	RBC Investor Services Australia Nominees Pty Limited <APN A/C>	6,509,411	0.31
17.	Merrill Lynch (Australia) Nominees Pty Limited	6,363,475	0.31
18.	Amondi Pty Ltd <W E O P T A/C>	5,869,425	0.28
19.	Bond Street Custodians Limited <ENH Property Securities A/C>	5,160,088	0.25
20.	Lowy Foundation Pty Ltd	5,086,016	0.24
		1,763,982,139	84.87

\* Ordinary shares in Westfield Corporation Ltd are stapled to units in Westfield America Trust and WFD Trust.

Westfield Corporation stapled securities trade on the Australian Securities Exchange under the code WFD.

## Voting Rights

Westfield Corporation Limited – At a meeting of securityholders, on a show of hands, every person present who is a securityholder or representative of a securityholder has one vote, and on a poll every securityholder present in person or by proxy or attorney and every person who is a representative of a securityholder has one vote for each share they hold or represent.

Westfield America Trust & WFD Trust – At a meeting of securityholders, on a show of hands, every person present who is a securityholder or representative of a securityholder has one vote, and on a poll, every securityholder present in person or by proxy or attorney and every person who is a representative of a securityholder has one vote for each dollar value of the total interest they have in the respective trusts.

## Distribution Schedule

Category	Number of options*	Number of option Holders	Number of Stapled securities**	Number of Security-holders	% of securities in each category
1-1,000	0	0	21,909,262	45,727	1.05
1,001-5,000	0	0	90,942,772	40,864	4.38
5,001-10,000	0	0	36,775,626	5,278	1.77
10,001-100,000	52,500	1	61,589,087	2,804	2.96
100,001 and over	27,608,709	3	1,866,872,939	200	89.84
Total	27,661,209	4	2,078,089,686	94,873	100.00

As at 13 February 2015, 4,005 securityholders hold less than a marketable parcel of quoted securities in Westfield Corporation.

\* Westfield America Trust has on issue options to subsidiaries of Westfield Corporation which predate the reorganisation. Under the stapling arrangements each entity is required to issue securities on the exercise of options in one of the other entities. The total number of options on issue at 13 February 2015 is 27,661,209.

\*\* There are 17,317,685 performance rights on issue to a total of 210 Westfield Corporation employees. These rights may be satisfied by either the transfer or issue of Westfield Corporation securities to employees, or settled by way of cash payout which amount is calculated by reference to the market price of Westfield Corporation securities at the time of vesting. Under the stapling arrangement, in the case of the issue of securities, each of Westfield Corporation Limited, Westfield America Trust and WFD Trust is required to issue securities on the vesting of a performance right.

## Substantial Securityholders

The names of the Westfield Corporation substantial securityholders and the number of ordinary stapled securities in which each has a relevant interest, as disclosed in substantial shareholding notices given to Westfield Corporation, are as follows:

Members of the Lowy family and associates	197,500,000
BlackRock Group	128,048,647
The Vanguard Group, Inc	122,771,164

