Macquarie CountryWide Trust

ARSN: 093 143 965

APPENDIX 4D
HALF YEARLY REPORT

FOR THE PERIOD ENDED
31 DECEMBER 2003

This report should be read in conjunction with the Trust's 30 June 2003 Annual Financial Report

Macquarie CountryWide Trust

Appendix 4D - Half Yearly Report
for the period ended 31 December 2003

Results for announcement to the market

Revenues from ordinary activities[1]	Up	17.0%	to	$44,687,000
Profit from ordinary activities after tax attributable to members	Up	21.7%	to	$35,953,000
Net profit attributable to members	Up	21.7%	to	$35,953,000
Net Tangible Assets per security	31 December 2003			$1.53
	31 December 2003*			$1.46
	30 June 2003			$1.40

* Adjusted for the effect of the distribution paid on 12 February 2004, but not recognised as a provision in the Half-Year report.

Distributions	**Amount per security**
Distributions paid/payable:	
December 2003*	7.10¢
*Paid on 12 February 2004. The December distribution was not recognised as a provision in the Half Year report.	**Total 7.10¢**
Distributions paid during the previous corresponding period:	
December 2002	6.75¢
	Total 6.75¢

Record date for determining entitlements to the 31 December 2003 distribution:	**31 December 2003**

Commentary

(1) Revenues from ordinary activities is exclusive of the net income from investments in joint venture entities of $12,933,000.

Distribution Reinvestment Plan

The Distribution Reinvestment Plan is in operation for this distribution. Units will be issued at 1.6499 cents per ordinary unit. The DRP price per unit includes a discount of 2.5% to the 10 day Volume Weighted Average Price.

The last date for receipt of an election notice for participation was 31 December 2003.

Entities over which control has been gained

Name	Date of Change	Contribution to Profit 31/12/03	Profit of acquired Entity 31/12/02
Macquarie Direct Property No. 12	29 October 2003	1,750	N/a

Associate and Joint Venture entities

Name	% Ownership 31/12/03	% Ownership 31/12/02	Contribution to Profit 31/12/03	Contribution to Profit 31/12/02
Macquarie CountryWide – Regency LLC	75%	75%	11,183	5,110
MCW/MDP – Regency LLC	75%	N/a	1,750	N/a

Financial Report Attached.

John Wright
Company Secretary **Date: 18 February 2004**

Macquarie CountryWide Management Limited
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A Member of the Macquarie Bank Group

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MACQUARIE

Macquarie CountryWide Trust (MCW)

Macquarie CountryWide Trust - ASX Announcement
Summary of the Results for the Half Year Ended 31 December 2003

The Directors of Macquarie CountryWide Management Limited, the Manager of Macquarie CountryWide Trust (Trust or CountryWide) have pleasure in announcing the financial results for the half year ended 31 December 2003 (Period).

Key Highlights – Active Management Delivers Results

- **Significant increase in Net Income +32.9%** - Net income before performance fees and swap unwind costs (both funded from reserves) increased by 32.9% to $39.2 million.
- **Strong Growth in Earnings Per Unit +7.3%** - Earnings per unit (before performance fees and swap unwind costs) increased to 7.37 cents per unit, up from 6.87 cents per unit at 31 December 2002.
- **Delivering Consistent Strong Returns to Unitholders** – Total return (both income and capital) to Unitholders was 11.5% for the year ended 31 December 2003 and 13.8% per annum for the three years ended 31 December 2003, outperforming key benchmark indices.
- **Strong NTA Growth Continues +7.4%** - Net tangible assets (NTA) increased to $1.46 per unit up from $1.36 at 31 December 2002 reflecting new capital raisings and positive property revaluations. NTA has increased on average by 6.7% per annum over the past five years.
- **Anchor Tenant Sales Growth Underpinning Rental Growth +4.8%** - Strong anchor sales growth has continued, reflecting the high non-discretionary expenditure in supermarkets which is core to CountryWide's investment strategy.
- **Value Adding Acquisitions Completed** - During the Period, eight properties were acquired for a total of $203.4 million at a weighted average initial yield of 8.1% per annum.
- **Redevelopment Pipeline rolls out** – Thirteen projects costing $55.9 million were underway during the period forecast to return a weighted average year one development yield of 10%.
- **Long Lease Expiry Profile** – The Average anchor tenant lease expiry across the portfolio is 12.4 years
- **Growth in Market Capitalisation** – The market capitalisation of the Trust increased by 17.2% to $904.3 million.

Key CountryWide Statistics

	6 months to Dec 2003	6 months to Dec 2002	% Change
Earnings per Unit (before performance fee & swap unwind costs)	7.37 cents	6.87 cents	7.3
Distribution per Unit	7.10 cents	6.75 cents	5.2
Distribution per Unit – Part Entitlement Units	4.28 cents		
Operating Income	$49.6m	$41.0 m	21.0
Net Profit	$36.0m	$29.5m	22.0
Net Profit – Before performance fee and swap unwind costs	$39.2m	$29.5m	32.9
Undistributed Income	$1.5m		
Total Assets	$1,166.4m	$956.2m	22.0
Total Book Value of Properties (Consolidated Basis)	$1,324.1m	$1,029.1m	28.7
Unitholders' Equity	$779.6m**	$642.3m	21.4
Total Borrowings - CountryWide	$328.7m	$281.2m	16.9
- Joint Venture Interest	$210.1m	$113.6m	85.0
Gearing Ratio* - Balance Sheet	24.4%**	28.7%	
- Consolidated Basis	36.3%**	39.6%	
Number of Units on Issue	535,079,143	470,573,580	13.7
Weighted Average Number of Units on Issue	532,557,852	429,743,868	23.9
Number of Unitholders	12,567	10,270	22.4
Net Tangible Assets per Unit	$1.46***	$1.36	7.4
Market Capitalisation	$904.3m	$771.7m	17.2
Number of Properties	124	109	

* Gearing is calculated as total borrowings and deferred settlements, less cash over total assets.

** After providing for December 2003 underwritten DRP funds. After providing for the June 2004 underwritten DRP the gearing on a consolidated basis reduces to 33.3%.

***After payment of distribution on 12 February 2004.

Note: All amounts referred to are in Australian currency unless otherwise stated.

Manager's Report to Unitholders

Distribution and Net Income

CountryWide's net operating income was $36.0 million for the Period. Prior to payment of the managers performance fee and swap break costs, both funded from reserves, net profit was $39.2 million an increase of 33% over the prior corresponding period. This increase is attributable to CountryWide's acquisitions of new properties, redevelopments, gain on sale of assets and continued rental growth from existing properties.

This income growth resulted in a cash distribution of 7.1 cents per unit an increase of 5.2% over the 6 months ended 31 December 2002. Retained earnings of $1.5 million will be carried forward.

Acquisitions

The period was marked by further expansion of the US portfolio, capitalising on value-adding investment opportunities with CountryWide's joint venture partner, Regency Centers, LP. Eight properties, totalling $203.4 million, were acquired during the Period at a weighted average initial yield of 8.1%.

Property	GLA sqm	Purchase Date	Purchase Price ($m)	Yield	Anchor Tenants	Anchor Lease Expiry	No. of Spec
Australia			**AUD**				
South Hedland, WA	14,854	Sep 03	26.5	9.2%	Coles	2017	32
United States			**USD**				
El Cerrito, Oakland, CA	23,778	Sep 03	69.3	7.5%	Albertsons*	2022	52
Amerige, Fullerton, CA	8,981	Sep 03	27.4	7.5%	Albertsons	2027	22
Milford, Cincinnati, OH	10,117	Sep 03	6.6	8.8%	Kroger	2020	17
Bent Tree Plaza, Raleigh Durham, NC	7,386	Dec 03	9.8	8.5%	Kroger	2019	15
Highland Square, Jacksonville, FL	23,254	Dec 03	28.9	8.4%	Publix, Winn Dixie	2019 2014	52
Franklin Square, Frankfort, KY	17,994	Dec 03	16.9	9.0%	Kroger	2010	26
Palm Harbour, Daytona Beach, FL	15,131	Dec 03	18.6	8.3%	Publix	2011	38
Total US	**106,641**		**177.5**	**8.0%**			
MCW 75% Share USD	**79,981**		**133.1**				
Total AUD			**176.9**				
TOTAL	**94,835**		**203.4**	**8.1%**			

*Albertsons trades as part of the centre, but is not owned by the Joint Venture

Disposals

Consistent with the Manager's focus on maximising total return to unitholders and actively managing the portfolio, the following properties were sold during the Period.

Lovejoy Station, Atlanta, Georgia

This shopping centre, owned in joint venture with Regency Centers, LP was sold on 31 December 2003 for USD 10.7 million reflecting a yield of 7.3%. The property was acquired by the joint venture in January 2002 for USD 8.49 million at an initial yield of 9.1%. Macquarie CountryWide's 75% share of the net gain on sale is $1.45 million (USD 1.2 million) reflecting a gain over book value of 17%.

It is intended to re-invest the sale proceeds in further property acquisitions in the United States in joint venture with Regency Centers, LP.

11 Jennings Street, Kyneton, VIC

The Trust sold an adjoining residential parcel of land to its Kyneton Shopping Centre. The property was sold at book value for $189,000 during the period.

Revaluations and Net Tangible Assets

During the Period, CountryWide revalued 46 properties representing 30% of the portfolio. The revaluations resulted in a $30.4 million or 8.2% increase in book value.

The NTA increased significantly over the Period from $1.40 per unit at 30 June 2003 to $1.46, largely as a result of the property revaluations and successful capital raisings in excess of NTA. NTA growth has averaged 6.7% over the past five years.

Redevelopments

CountryWide has a strong track record in delivering results from redevelopments. Thirteen projects costing $55.9 million and forecast to return a weighted average year one development yield of 10% were underway or completed during the Period.

Project	Development Capex ($m)	Description	Forecast Completion
Goonellabah, Qld	0.8	Additional 380 m^2 of specialty retail.	Complete
Plympton, SA	1.3	500 sqm expansion of Bi-Lo and addition of 30 car spaces	Complete
Sandy Bay, TAS	2.0	600 m^2 expansion of Coles Supermarket and additional 20 car spaces	Complete
Glen Innes, NSW	1.8	Construction of a 1000 m^2 Target Country, reconfigure Bi-Lo loading dock and add 120 sqm of specialty.	Feb 04
Gatton, Qld	2.8	Extension of Coles by 500 m^2 and 250 m^2 of additional specialty.	Mar 04
Nambour, Qld	23.1	Expand Woolworths by 400 m^2, addition of Big W, expansion of specialty retail by 1,200 m^2 and additional 400 car spaces.	Apr 04
Smithton, TAS	0.4	Minor refurbishment of the premises	Jun 04
South Preston, Vic	0.5	Minor refurbishment	Jun 04
Parkes, NSW	4.0	Addition of 960 m^2 of specialty area. Woolworths will refurbish the supermarket.	Jul 04
Kalgoorlie, WA	2.2	Upgrade to the premises and refurbishment of Woolworths supermarket.	Aug 04
Kalgoorlie, WA	2.6	Petrol Plus completed Dec 02. Specialty shop awaiting pre-commitment.	Sep 04
Atherton, Qld	5.1	Expansion of Target Country, additional specialty area, refurbishment of the centre, re-configuration of the existing carpark and then inclusion of a decked carpark.	Sep 04
Port Augusta, SA	9.3	Addition of a Big W, 395 m^2 of additional specialty area and 249 additional car parking spaces. Woolworths will refurbish the supermarket.	Apr 05
Total	**55.9**		

Anchor Tenant Turnover Performance

Strong sales growth has continued, reflecting the high level of non-discretionary expenditure in supermarkets which is core to CountryWide's strategy.

Across CountryWide's Australian and New Zealand portfolios, 76% of anchor tenants, weighted by total anchor rent, are paying turnover rent. Turnover for the year ended 31 December 2003 increased strongly in these stores, up 4.8% on a comparable basis over the prior year. Anchor tenant sales growth for all stores (excluding properties subject to re-development) was 3.5% on a comparable basis.

Capital Raisings

Successful capital raisings totalling $48.3 million were undertaken during the Period via the Distribution Reinvestment Plan (DRP) and the Unit Purchase Plan.

A Unit Purchase Plan was offered to unitholders in August 2003. Units issued under the plan totalled 6,355,035. These units were issued at $1.65 and ranked for distribution pro-rata from 12 September 2003.

The DRP for December 2003 was offered to Unitholders at a 2.5% discount to market value. The DRP was fully underwritten resulting in the issue of 22,915,421 units at $1.65 (post discount) each. The units have been allotted and will rank for distribution from 1 January 2004.

Financial Risk Management Policy

Currency Hedging

It is the Trust's policy to hedge the capital invested in offshore markets. In addition, the estimated net income from the New Zealand investments is fully hedged through to June 2008 at a maximum average rate of NZD/AUD 1.2245 and the estimated income from the United States is fully hedged through to July 2009 at a maximum average rate of USD/AUD 0.6030.

Interest Rate Hedging

CountryWide continues to actively manage its finance facilities and interest rate exposures. At 31 December 2003 CountryWide's total drawn borrowings were $328.7 million. These funds were provided from term debt facilities with an undrawn facility limit of $61.3 million providing future funding flexibility for acquisitions and redevelopments. In addition, the Trust's 75% share of the drawn borrowings of its joint venture with Regency Centers was $210.1 million (USD 157.6 million).

These borrowings represent a net gearing level of 24.4% of the gross assets of CountryWide, after providing for December 2003 underwritten DRP funds. Borrowings increased during the Period to partially fund the acquisitions completed during the Period and to fund redevelopment projects. The Trusts gearing on a look through basis (total assets to total debt including joint venture interests) is 36.3%.

Interest rate exposures are managed through the use of interest rate swap contracts. CountryWide has currently fixed the interest cost on 76% of borrowings for an average of 4.6 years at an average rate including margin of 5.36%. The average rate includes Australian, New Zealand and United States interest rate contracts.

Manager's Performance Fee

CountryWide has outperformed the Retail Property Trust Accumulation Index during the Manager's performance fee calculation period from 1 July 2003 to 31 December 2003 by 1.80%. This outperformance represents $16 million of extra Unitholder value created above the retail sector average return.

As a result, a performance fee of $1,864,855 is payable to the Manager. As total base and performance fees for the period are less than the pro-rata 80 basis point annual cap now in place, all performance fee units earned during the period will be issued in February 2004.

The performance fee structure provides a strong alignment of interest between the Manager and investors with management sharing in the superior unitholder value it creates for Investors.

Looking Ahead

Food-based spending growth continues to perform strongly in retail centres in Australia, New Zealand and the United States. We are therefore confident of achieving market consensus forecasts for a full year distribution of 14.3 cents per unit for the 2003/2004 financial year.

Key objectives for the next period will be to complete our current development program in Australia, review assets across each portfolio for disposal and source value adding acquisition opportunities.

We believe there are excellent investment opportunities in all three markets in which CountryWide operates – Australia, New Zealand and the United States – and we intend to assess these vigorously in accordance with our investment criteria.

We encourage you to keep up-to-date with upcoming events and announcements by visiting our website at www.macquarie.com.au/countrywide.

For further queries please contact:

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Macquarie CountryWide Trust

Key Financial Results - 31 December 2003

	6 months to *31 Dec 2003* ***$000***	6 months to *31 Dec 2002* ***$000***
Net Property Income	36,336	33,204
Net Income from Investment in Joint Venture *(Including gain on sale Lovejoy Station $1,452,272)*	12,933	5,110
Interest Income	165	114
Proceeds on Sale of Property Investments	189	2,390
Other Income	-	224
Total Income	49,623	41,042
Less:		
Manager's Base Fee	2,351	1,928
Managers Performance Fee*	1,865	-
Borrowing Costs *(Including Swap Unwind Costs $1,408,400)*	7,909	6,632
Carrying Value of Property Investments Sold	189	1,884
Withholding Tax	704	220
Other Expenses	652	845
Total Expenditure	13,670	11,509
Net Income	**35,953**	**29,533**
Net Income before performance fee and swap break costs (funded from reserves)	**39,226**	**29,533**
Investment Revaluations Credited Directly to Reserves	16,990	14,215
Share of Increase in Joint Venture Entity's Reserves	13,101	6,855
Foreign Exchange Differences on Translation	(895)	142
Total Valuation Adjustments Attributable to Unitholders Recognised Directly in Equity	29,196	21,212
Increase in Equity	65,149	50,745
Distribution Paid		
Distribution Paid per Unit	7.10	6.75
Earnings per Unit	6.75	6.87
Earnings per Unit – before payment of performance fees and swap unwind costs	7.37	6.87

* The Performance Fee earned by the Manager at 31 December 2003 will be paid by the issue of 1,102,030 units at $1.6922.

Macquarie CountryWide – Regency Centers Joint Venture

MCW Share of Investment	6 months to *31 Dec 2003* ***$000*** ***AUD***
Income (Including Gain on Sale of Lovejoy Station $1,452,272)	33,049
Expenses	(20,116)
NET PROFIT	12,933

Other Balance Sheet Items and Trust Results

	31 Dec 2003 $'000	*30 Jun 2003 $'000*
Cash	6,286	13,009
Property Investments	901,559	837,688
Investment in Joint Venture Entity	227,379	137,546
Total Assets	1,166,389	1,017,891
Total Liabilities	348,990	296,568
Net Assets	817,399	721,323
Total borrowings as % assets* - Balance Sheet - Look Though Basis	 24.4%** 36.3%**	 28.7% 39.6%
Number of units on issue – Fully paid	535,079,143	470,573,580
Net tangible assets	$1.46***	$1.36
ASX Closing Price	$1.69	$1.64
Market Capitalisation ('000)	$904.3m	$771.7m

*Gearing is calculated as total borrowings and deferred settlements, less cash over total assets.

** After providing for December 2003 underwritten DRP funds. After providing for the June 2004 underwritten DRP the gearing on a consolidated basis reduces to 33.3%.

*** After payment of distribution on 12 February 2004

Macquarie CountryWide – Regency Centers Joint Venture

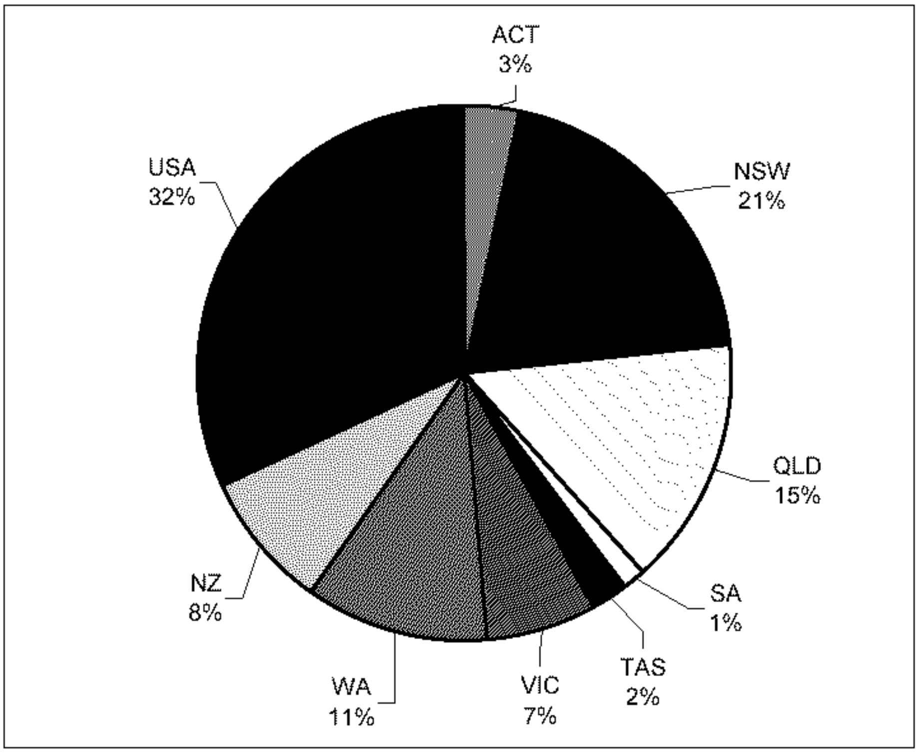
MCW's 75% Share of Investment	***31 Dec 2003 AUD '000***	***30 Jun 2003 AUD '000***
Current Assets	18,171	3,255
Non Current Assets	422,581	267,076
Total Assets	**440,752**	**270,331**
Current Liabilities	3,231	2,407
Non-Currency Liabilities	210,142	130,378
Total Liabilities	**213,373**	**132,785**
Net Assets	**227,379**	**137,546**

Macquarie CountryWide Trust
Property Revaluations - 31 December 2003

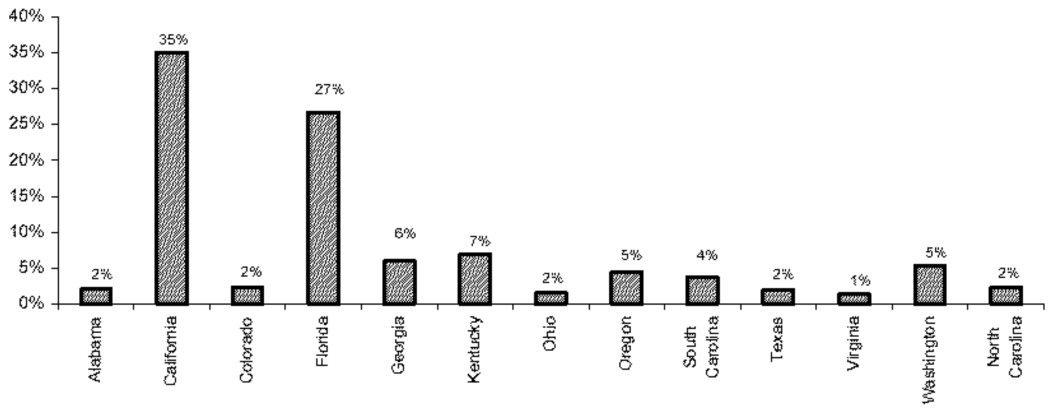
	Date of Last Valuation	Valuation 31 Dec 2003	Cap Rate	Variance over Book Value $	Variance over Book Value %
AUSTRALIA					
Wanniassa	Dec-02	22,350,000	8.27%	2,820,430	14%
Cowra	Jun-02	5,600,000	9.38%	-2,559,788	-31%
Glen Innes	Apr-01	3,900,000	9.50%	21,322	1%
Guildford	Dec-00	2,600,000	8.00%	395,609	18%
Kings Langley	Jun-01	16,800,000	8.50%	2,009,896	14%
Moree	Dec-00	10,700,000	8.50%	-41,366	0%
Kallangur	Dec-02	11,000,000	8.50%	1,628,086	17%
Mackay	Dec-00	4,250,000	8.50%	337,435	9%
Moranbah	Dec-01	9,550,000	10.00%	5,759	0%
Townsville	Dec-02	4,850,000	11.00%	-728,098	-13%
Oaklands	Jun-01	4,300,000	8.30%	499,455	13%
Georgetown	Dec-00	2,800,000	8.50%	13,366	0%
Newstead	Dec-00	2,800,000	9.75%	18,116	1%
Riverside	Dec-00	5,900,000	8.50%	86,610	1%
Sandy Bay	Dec-00	5,900,000	8.25%	785,285	15%
Smithton	Dec-01	3,150,000	8.00%	712,349	29%
Wynyard	Dec-00	5,100,000	8.25%	510,031	11%
Benalla	Dec-00	2,500,000	11.00%	-855,769	-26%
Moe C	Jun-01	4,450,000	9.00%	990,134	29%
Moe K	Dec-00	6,000,000	11.00%	349,679	6%
Wangaratta	Dec-02	2,400,000	11.00%	-210,768	-8%
Collie	Dec-00	5,050,000	10.00%	-9,511	0%
Maylands	Aug-02	6,500,000	7.50%	674,875	12%
Narrogin	Jun-02	4,950,000	8.25%	743,622	18%
Total		**153,400,000**	**8.87%**	**8,196,759**	**6%**
UNITED STATES		USD		USD	
Brookville	Jun-01	5,900,000	9.00%	151,432	3%
Hebron	Jun-01	8,600,000	8.75%	282,200	3%
Kings Crossing	Jun-01	9,200,000	8.00%	326,351	4%
Merchants Village	Jun-01	9,900,000	8.00%	1,197,928	14%
Silverlake	Jan-02	10,500,000	8.50%	790,680	8%
Campus	Sep-02	33,500,000	8.00%	2,176,828	7%
Garden Village	Sep-02	17,900,000	8.00%	-104,701	-1%
Ocala	Sep-02	10,600,000	7.75%	1,339,802	14%
Pebblebrook	Sep-02	12,200,000	7.50%	1,847,659	18%
Anastasia	Nov-02	10,200,000	8.25%	1,340,517	15%
Cheyenne Meadows	Nov-02	9,900,000	8.75%	214,094	2%
James Centre	Nov-02	22,600,000	8.50%	514,082	2%
Orchard	Nov-02	11,800,000	8.00%	1,153,695	11%
Shoppes at 104	Nov-02	16,250,000	8.50%	2,132,487	15%
Total		**189,050,000**	**8.20%**	**13,363,054**	**8%**
MCW Share		**141,787,500**		**10,022,291**	
MCW Share - AUD		**188,373,893**	**8.20%**	**13,315,263**	**8%**
NEW ZEALAND		NZD		NZD	
Dunedin	Dec-01	8,800,000	9.75%	1,800,000	26%
Queenstown	Dec-01	3,300,000	9.00%	653,712	25%
Lower Hutt	Dec-01	10,150,000	9.50%	1,850,000	22%
Morrinsville	Dec-01	3,000,000	9.75%	600,000	25%
Papakura	Dec-01	11,100,000	10.00%	1,697,260	18%
Palmerston North	Dec-01	7,550,000	9.50%	948,497	14%
Greenlane	Dec-01	15,650,000	8.75%	1,650,000	12%
Grey Lynn	Dec-01	7,650,000	9.00%	1,000,000	15%
Total		**67,200,000**	**9.37%**	**10,199,469**	**18%**
MCW Share - AUD		**58,552,393**		**8,886,954**	
TOTAL		**400,326,286**		**30,398,977**	8.2%

Highly Diversified Portfolio

Geographic diversification by property value:



Diversification across US by property Value



MACQUARIE COUNTRYWIDE TRUST
ARSN 093 143 965
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MACQUARIE COUNTRYWIDE TRUST
DIRECTORS' REPORT TO UNITHOLDERS

The directors of Macquarie CountryWide Management Limited (Manager), the responsible entity of Macquarie CountryWide Trust (Trust), present their report together with the consolidated financial report of the Trust for the half year ended 31 December 2003 (Period).

1. Directors

The following persons have held office as directors of Macquarie CountryWide Management Limited during the Period and up to the date of this report:

David S Clarke, AO
Trevor Gerber (resigned 18 August 2003)
John Harkness (appointed 18 August 2003)
Maurice J Koop
Alan G Rattray-Wood
Mark W Baillie
Stephen M Girdis (alternate for David S Clarke, AO)
James T Hodgkinson (alternate for Mark W Baillie).

2. Distributions

The distribution of income for the Period was 7.10 cents per unit (2002: 6.75 cents per unit) and was paid on 12 February 2004. A provision was not recognised at 31 December 2003 as the distribution had not been declared at the reporting date.

3. Review of Operations

The performance of the Trust, as represented by the results of its operations for the Period, was as follows:

	Consolidated December 2003 \$'000	Consolidated December 2002 \$'000
Net Property Income	36,336	33,204
Net Income from Property Investment in Joint Venture Entities	12,933	5,110
Net Profit Attributable to the Trust	35,953	29,533

4. Value of Assets

	Consolidated December 2003 \$'000	Consolidated June 2003 \$'000
Value of Trust Assets	1,166,389	1,017,891

The value of the Trust's assets is derived using the basis set out in Note 1 to the financial statements.

5. Interests in the Trust

The movement in equity of the Trust during the Period is set out below:

	Consolidated December 2003	Consolidated June 2003
Units Opening Balance	516,536,426	394,708,746
Units Issued during the Period	18,542,717	121,827,680
Units Closing Balance	535,079,143	516,536,426

6. Rounding of Amounts to the Nearest Thousand Dollars

The Trust is a registered scheme of a kind referred to in Class Order 98/0100 issued by the Australian Securities and Investments Commission relating to the "rounding off" of amounts in the directors' report and financial report. Amounts in the directors' report and financial report have been rounded to the nearest thousand dollars in accordance with that Class Order, unless otherwise indicated.

This report is made in accordance with a resolution of the Board of Directors.

David S Clarke, AO
Chairman

Sydney
17 February 2004

MACQUARIE COUNTRYWIDE TRUST
STATEMENT OF FINANCIAL PERFORMANCE
FOR THE HALF YEAR ENDED 31 DECEMBER 2003

	Note	Consolidated December 2003 $'000	Consolidated December 2002 $'000
Income			
Property Income			
Property Rental Income		44,522	37,854
Property Expenses		(8,186)	(4,650)
Net Property Income		36,336	33,204
Other Income			
Net Income from Property Investments in Joint Venture Entities		12,933	5,110
Interest Income		165	114
Proceeds on Sale of Property Investments		189	2,390
Other Income		-	224
Total Income		49,623	41,042
Expenditure			
Manager's Base Fee	3	2,351	1,928
Borrowing Costs		7,909	6,632
Carrying Value of Property Investments Sold		189	1,884
Withholding Tax Expense		704	220
Other Expenses	4	652	845
Total Expenditure		11,805	11,509
Net Profit before Performance Fee		37,818	29,533
Manager's Performance Fee	3	1,865	-
Net Profit Attributable to the Trust	5	**35,953**	**29,533**
Investment Revaluations Credited Directly to Reserves		16,990	14,215
Share of Increase in Joint Venture Entities' Reserves		13,101	6,855
Foreign Exchange Differences on Translation		(895)	142
Total Valuation Adjustments Attributable to Unitholders Recognised Directly in Equity		**29,196**	**21,212**
Increase in Equity (excluding Transactions with Unitholders)		**65,149**	**50,745**
Distribution Paid and Payable	5,6	**-**	**29,008**

	Note	Consolidated December 2003 ¢	Consolidated December 2002 ¢
Distribution Paid and Payable per Unit	6	-	6.75
Basic Earnings per Unit	16	6.75	6.87
Diluted Earnings per Unit	16	6.75	6.87
Basic Earnings per Unit before Performance Fees and Swap Unwind Costs	16	7.37	6.87
Distribution to be Paid for the Half Year Ended 31 December 2003	18	7.10	-

The above Statement of Financial Performance should be read in conjunction with the accompanying notes.

MACQUARIE COUNTRYWIDE TRUST
STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2003

	Note	Consolidated December 2003 $'000	Consolidated June 2003 $'000
Current Assets			
Cash		6,286	13,009
Receivables		12,594	16,700
Other	7	7,193	5,796
Total Current Assets		**26,073**	**35,505**
Non-Current Assets			
Property Investments	8	901,559	837,688
Property Investment in Joint Venture Entities	9	227,379	137,546
Other	10	11,378	7,152
Total Non-Current Assets		**1,140,316**	**982,386**
Total Assets		**1,166,389**	**1,017,891**
Current Liabilities			
Payables		6,888	6,542
Provisions	6	-	33,163
Other	11	1,985	1,948
Total Current Liabilities		**8,873**	**41,653**
Non-Current Liabilities			
Interest Bearing Liabilities		328,739	247,763
Other	12	11,378	7,152
Total Non-Current Liabilities		**340,117**	**254,915**
Total Liabilities		**348,990**	**296,568**
Net Assets		**817,399**	**721,323**
Equity			
Contributed Equity	13	698,909	667,982
Reserves	14	79,164	53,241
Undistributed Income	5	39,326	100
Total Equity		**817,399**	**721,323**

The above Statement of Financial Position should be read in conjunction with the accompanying notes.

MACQUARIE COUNTRYWIDE TRUST
STATEMENT OF CASH FLOWS
FOR THE HALF YEAR ENDED 31 DECEMBER 2003

	Consolidated December 2003 $'000 Inflows/ (Outflows)	Consolidated December 2002 $'000 Inflows/ (Outflows)
Cash Flows from Operating Activities		
Property Rental Income Received	50,509	40,237
Property Expenses Paid	(8,944)	(5,815)
Other Operating Expenses Paid	(5,099)	(2,909)
Interest and Other Income Received	165	112
Withholding Tax Paid	-	(220)
Net GST Paid to ATO	(740)	(227)
Net Cash Flows from Operating Activities	**35,891**	**31,178**
Cash Flows from Investing Activities		
Distributions Received from Investment in Joint Venture Entities	6,235	3,833
Proceeds from Sale of Property Investments	189	2,390
Payments for Property Investments	(136,589)	(144,443)
Net Cash Flows from Investing Activities	**(130,165)**	**(138,220)**
Cash Flows from Financing Activities		
Proceeds from Borrowings	171,925	147,182
Repayment of Borrowings	(69,864)	(115,137)
Borrowing Costs Paid	(9,286)	(9,035)
Proceeds from Issue of Units	10,486	100,620
Equity Issue Costs Paid	(72)	(2,419)
Distributions Paid to Unitholders	(15,638)	(14,131)
Net Cash Flows from Financing Activities	**87,551**	**107,080**
Net (Decrease)/Increase in Cash Held	**(6,723)**	**38**
Cash at the Beginning of the Period	13,009	6,725
Cash at the End of the Period	**6,286**	**6,763**

The above Statement of Cash Flows should be read in conjunction with the accompanying notes.

1. Basis of Preparation – Half Year Financial Report

The significant policies which have been adopted in the preparation of these financial statements for the half year ended 31 December 2003 (Period) are stated to assist in a general understanding of this financial report.

(a) Basis of Preparation

This financial report has been prepared in accordance with the historical cost convention, except for certain assets which, as noted, are at fair value.

The Trust's financial report is a general purpose financial report and has been prepared in accordance with the requirements of the Trust Constitution (Constitution), and in accordance with Accounting Standard AASB 1029: Interim Financial Reporting, other authoritative pronouncements of the Australian Accounting Standards Board, Urgent Issues Group Consensus Views and the Corporations Act 2001. This financial report does not include all the notes of the type normally included in an annual financial report. It is recommended that this report should be read in conjunction with the Annual Report for the year ended 30 June 2003 and any public announcements made by the Trust during the Period in accordance with the continuous disclosure requirements of the Corporations Act 2001.

The accounting policies adopted are consistent with those of the previous financial period.

(b) Principles of Consolidation

The consolidated financial statements of the Trust incorporate the assets and liabilities of the controlled entities as at 31 December 2003, and their results for the Period. The effects of all transactions between entities in the consolidated entity have been eliminated in full.

(i) Macquarie CountryWide (NZ) Trust
Macquarie CountryWide (NZ) Trust, a sub-trust of the Trust, was established on 13 September 2000, for the purpose of acquiring New Zealand-based properties.

(ii) Macquarie CountryWide (US) Trust
Macquarie CountryWide (US) Trust, a sub-trust of the Trust, was established on 18 June 2001. Macquarie CountryWide (US) Trust has acquired United States-based properties through a joint venture vehicle with Regency Centers, LP, a US-based Real Estate Investment Trust (REIT). The Trust exercises significant influence over the US-based properties, but neither the Trust nor its joint venture partner has control in their own right, irrespective of their ownership interest.

(iii) Macquarie Direct Property No. 12
Macquarie Direct Property No. 12, a sub-trust of the Trust, was established on 29 October 2003. Macquarie Direct Property No. 12 has acquired United States-based properties through a joint venture vehicle with Regency Centers, LP, a US-based REIT. The Trust exercises significant influence over the US-based properties, but neither the Trust nor its joint venture partner has control in their own right, irrespective of their ownership interest.

Accordingly, under Accounting Standard AASB 1006: Interests in Joint Ventures, the equity method of accounting has been adopted for the Trust's US-based property investments. Under this method, the consolidated entity's share of the profits or losses of the joint venture entities are recognised as income in the Consolidated Statement of Financial Performance, and its share of movements in reserves is recognised in the Consolidated Statement of Financial Position.

1. Basis of Preparation – Half Year Financial Report (Cont.)

(c) Valuation of Investments

Property investments comprise investment interests in land and buildings (including integral plant and equipment) held for the purpose of letting to produce rental income.

The Corporations Act 2001 requires that investments are revalued at intervals appropriate to the nature of the property. The Trust's property investments are revalued to market value by independent valuers on a progressive basis over a three year period. Approximately one third of the Trust's portfolio, by value, will be revalued during each year of the three year period commencing from the date of settlement of the acquisition of each property. In addition, property investments will be revalued whenever the Manager determines there is a significant change in market value within the Period. These revaluations are based on market values which represent the price at which the property investments could be sold at the date of revaluation assuming reasonable exposure to the market and a reasonable settlement period.

The Trust's accounting policy is to carry investments at fair value. Directors' valuations of property investments are performed for each period or whenever the Manager believes there is a significant change in market value within the period, unless an independent valuation is obtained.

In accordance with Accounting Standard AASB 1041: Revaluation of Non-Current Assets, properties that have been independently valued in the past 12 months are carried at that valuation. Where properties have not been independently valued in the past 12 months, they are carried at directors' valuation. Unrealised gains arising on revaluation of property investments are accounted for by crediting the asset revaluation reserve. Unrealised losses arising on revaluation of property investments are charged to the asset revaluation reserve to the extent they reverse any previous revaluation increment and any residual is charged to the Consolidated Statement of Financial Performance and transferred to the capital distribution reserve.

Property acquisition costs are capitalised into the value of the property investments at the time of purchase. Additions and other expenditure on property investments which are capital in nature are capitalised as incurred.

The liability for capital gains tax that may arise if the properties were sold is not accounted for in this financial report. The Trust is required to distribute as a minimum the taxable income of the Trust to Unitholders and this taxable income would include any taxable capital gains arising on the sale of property investments and therefore the Trust is not liable to pay capital gains tax.

(d) Comparative Figures

Where necessary, comparative figures have been reclassified to achieve consistency in disclosure with the current Period.

2. Trust Formation and Termination

The operations of the Trust commenced during November 1995 with the purchase of Trust properties. Subject to the specific provisions of the Constitution dated 21 July 1995, the Trust will continue in operation for 80 years from 21 July 1995.

3. Manager's Fee

The Manager of the Trust is Macquarie CountryWide Management Limited, a wholly owned subsidiary of Macquarie Bank Limited.

Under the terms of the Constitution, the Manager is entitled to receive the following remuneration from the Trust, comprising a Base Fee and a Performance Fee:

(a) Base Fee

(i) 0.45% per annum of the value of the total assets of the Trust up to $700 million; plus
(ii) 0.40% per annum of the value of the total assets of the Trust over $700 million.

Fees are paid on a quarterly in arrears basis.

(b) Performance Fee

In addition to the base fee, the Manager is entitled to a performance fee paid by the issue of units in the Trust to the Manager, dependent upon the relative performance of the Trust to the Retail Property Trust Accumulation Index (Index). This Index, calculated from a peer group of property securities that have a principal focus on the retail sector, measures the income and capital growth of the unit prices of the representative trusts.

If the Trust's performance during the six month period is higher than the percentage increase in the Index for the relevant period, then the Manager is entitled to new units in the Trust with a total value equal to:

(i) 5% of the total Increased Unitholder Value from outperformance; plus
(ii) 15% of the Increased Unitholder Value above 2% nominal outperformance per annum (1% per half year).

The Increased Unitholder Value is measured as the market capitalisation of the Trust at the commencement of the relevant period, multiplied by the nominal percentage outperformance of the Trust relative to the Index for that period.

The performance fee is calculated at each half year at December and June. The performance fee is payable, if entitled, subject to an annual cap, whereby total management fees paid in any one year must not exceed 80 basis points of the value of the assets of the Trust (except where the Trust has outperformed its sector peers continuously over a three year period). Any unpaid fees will continue to be paid up to 80 basis points of the value of the assets in any future period. Assets include all the property, rights and income of the Trust.

The relative accumulated performance of the Trust to the Index for the calculation period ended 31 December 2003 was:

	Consolidated December 2003 %	Consolidated June 2003* %	Consolidated December 2002 %
Macquarie CountryWide Trust Performance	2.45	17.11	7.42
Retail Property Trust Accumulation Index Performance	0.65	14.45	8.83
Percentage Outperformance/(Underperformance).	**1.80**	**2.66**	**(1.41)**

*Performance has been calculated for 12 months to 30 June 2003 to ensure prior period underperformance has been earned back prior to the earning of a performance fee.

As total base and performance fees for the Period are less than the pro-rata 80 basis point annual cap for the Period, all performance fee units earned during the Period will be issued during February 2004.
The total Manager's fee for the Period is detailed as follows:

	Consolidated December 2003 $'000	Consolidated December 2002 $'000
Base Fee	2,351	1,928
Performance Fee	1,865	-
Total Manager's Fee	**4,216**	**1,928**

	Consolidated December 2003 $'000	Consolidated December 2002 $'000
4. Other Expenses*		
Accounting Fees	95	55
Audit Committee Fees – Independent Directors	6	-
Audit Fees	26	76
Bank Fees	14	13
Compliance Fees – Independent Directors	15	-
Custodian and Trustee Fees	95	75
Legal Fees	45	19
Postage and Printing Costs	100	135
REIT Setup Cost Amortisation	24	90
Registry Fees	110	132
Stock Exchange Costs	23	42
Taxation Advice Fees	32	98
Unitholders' Communications Costs	39	57
Other	28	53
Total Other Expenses	**652**	**845**

*Other expenses have been paid in accordance with the Constitution.

	Note	Consolidated December 2003 $'000	Consolidated December 2002 $'000
5. Undistributed Income			
Undistributed Income at the Beginning of the Period		100	-
Net Profit		35,953	29,533
Transfer from Reserves			
– Manager's Performance Fee	14	1,865	-
– Swap Unwind Costs	14	1,408	-
Available for Distribution		**39,326**	**29,533**
Distributions Paid and Payable	6	-	(29,008)
Undistributed Income at the End of the Period		**39,326**	**525**

	Distribution Cents per Unit	Total Amount $'000	Tax Deferred %	CGT Concession Amount %	Taxable %
6. Distribution Payable					
Distribution for the Half Year Ended					
31 December 2003	-	-	-	-	-
31 December 2002	6.75	29,008	20.17	1.28	78.55

Distributions were not declared prior to 31 December 2003. Refer to Events Occurring After Reporting Date in Note 18.

	Consolidated December 2003 $'000	Consolidated June 2003 $'000
7. Other Current Assets		
Prepayments	5,340	3,975
Deposit and Acquisition Costs of New Properties*	42	48
Net Receivable on Foreign Currency Hedge Contracts**	1,811	1,773
	7,193	**5,796**

*This amount represents preliminary acquisition costs relating to property investments under consideration for acquisition.

**This amount represents the unrealised gain on the foreign currency hedge contracts and is offset by the same amount disclosed in Other Current Liabilities in Note 11.

8. Property Investments

Properties	Acquisition Date	Purchase Price incl. Acquisition Costs $'000	Capital Expenditure since Acquisition $'000[(a)]	Date of Latest Independent Valuation	Independent Valuation $'000	Valuer	Capital Expenditure since Revaluation $'000[(b)]	31 December 2003 Book Value $'000	30 June 2003 Book Value $'000
Woolworths Supermarket Dickson, ACT	29 Aug 97	10,986	2	30 Jun 03	14,300	(12)	1	14,301	14,300
Coles Supermarket Jamison, ACT	15 Nov 95	3,913	6	30 Jun 02	6,250	(4)	17	6,267	6,259
Erindale Shopping Centre Wanniassa, ACT	14 Dec 01	18,115	433	31 Dec 03	22,350	(12)	-	22,350	19,504
Bathurst Central Bathurst, NSW[#]	10 Nov 95	16,437	3,513	31 Dec 02	15,770	(12)	196	15,966	15,889
Woolworths Supermarket Camden, NSW	3 Jun 03	17,593	12	28 Apr 03	16,500	(2)	-	17,605	17,593
Bi-Lo Supermarket (Coles) Cardiff, NSW[#]	9 Dec 96	2,463	21	1 Jun 01	2,850	(1)	35	2,885	2,885
Coles Supermarket Caringbah, NSW[#]	11 Jun 97	6,205	21	1 Jun 01	7,200	(1)	14	7,214	7,203
Woolworths Supermarket Cooma, NSW	15 Nov 95	6,556	141	30 Jun 03	9,300	(12)	2	9,302	9,300
Woolworths Supermarket Cootamundra, NSW	3 Jun 03	10,027	-	28 Apr 03	10,000	(2)	-	10,027	10,015
Cowra Plaza Cowra, NSW	16 Sep 99	2,618	6,400	31 Dec 03	5,600	(7)	-	5,600	7,029
Coles Supermarket Earlwood, NSW[#]	16 Sep 98	4,258	-	1 Jun 01	5,200	(1)	25	5,225	5,204
MacKenzie Mall Glen Innes, NSW	4 May 01	3,486	392	31 Dec 03	3,900	(5)	-	3,900	3,525
Goonellabah Village Goonellabah, NSW[#]	20 Apr 00	2,148	9,038	31 Dec 02	9,887	(12)	327	10,215	9,907
Coles Supermarket Guildford, NSW	9 Dec 96	1,536	29	31 Dec 03	2,600	(5)	-	2,600	2,202
Jerrabomberra Village Shopping Centre Jerrabomberra, NSW	27 Sep 02	12,808	141	8 Aug 02	12,100	(5)	-	12,949	12,808
Kings Langley Shopping Centre Kings Langley, NSW	15 Nov 95	11,236	1,371	31 Dec 03	16,800	(7)	-	16,800	14,709
Balo Square Shopping Centre Moree, NSW	15 Nov 95	7,416	3,231	31 Dec 03	10,700	(5)	-	10,700	10,720
Page Sub Total		**137,801**	**24,751**		**171,307**		**617**	**173,906**	**169,052**

8. Property Investments (Cont.)

Properties	Acquisition Date	Purchase Price incl. Acquisition Costs $'000	Capital Expenditure since Acquisition $'000[(a)]	Date of Latest Independent Valuation	Independent Valuation $'000	Valuer	Capital Expenditure since Revaluation $'000[(b)]	31 December 2003 Book Value $'000	30 June 2003 Book Value $'000
Bi-Lo Supermarket (Coles) Morisset, NSW[#]	9 Feb 01	5,700	1	31 Dec 02	6,100	(12)	4	6,104	6,104
Civic Shopping Centre Mudgee, NSW	15 Nov 95	7,889	3,234	30 Jun 03	16,400	(12)	5	16,405	16,400
Sunnyside Shopping Centre Murwillumbah, NSW	17 Nov 97	14,707	2,445	30 Jun 03	19,200	(12)	17	19,217	19,200
Bi-Lo Supermarket (Coles) Narrabri, NSW	3 Nov 00	2,831	33	30 Jun 03	3,000	(12)	11	3,011	3,000
Orange MetroPlaza Orange, NSW[#]	10 Nov 95	19,538	2,720	30 Jun 03	20,000	(12)	109	20,109	20,000
Woolworths Supermarket Parkes, NSW[#]	15 Nov 95	6,705	995	31 Dec 02	12,600	(12)	1,351	13,951	12,864
Woolworths Supermarket Rosehill, NSW	27 Sep 02	7,470	70	8 Aug 02	7,055	(5)	-	7,540	7,470
Gowrie Street Mall Singleton, NSW[#]	15 Nov 95	17,321	6,607	31 Dec 02	29,000	(12)	101	29,101	29,081
Coles Supermarket Tumut, NSW	17 May 97	4,011	20	30 Jun 03	4,550	(1)	-	4,550	4,550
Bi-Lo Supermarket (Coles) Wellington, NSW	10 Nov 97	3,310	5	30 Jun 03	3,650	(1)	-	3,650	3,650
Woolworths Supermarket Young, NSW	15 Nov 95	6,354	718	31 Dec 02	10,000	(12)	-	10,000	10,000
Ascot Plaza Ascot, QLD	21 Dec 01	10,760	420	1 Jun 01	10,400	(9)	-	11,180	10,736
Tableland Village Shopping Centre, Atherton, QLD[#]	30 Jun 98	11,590	67	30 Jun 02	14,400	(19)	114	14,514	14,463
Bribie Island Shopping Centre Bribie Island, QLD[#]	16 Dec 00	15,803	2,627	30 Jun 03	18,350	(19)	131	18,481	18,350
Westside Fair Bundaberg, QLD[#]	22 Dec 98	5,768	2,799	31 Dec 01	6,000	(11)	175	6,175	6,171
Coles Supermarket Coorparoo, QLD[#]	9 Dec 96	5,197	397	31 Dec 02	7,000	(19)	2,911	9,911	9,754
Currimundi Marketplace Currimundi, QLD[#]	23 Dec 00	15,259	450	31 Dec 02	17,500	(19)	369	17,869	17,621
Gatton Plaza Shopping Centre Gatton, QLD[#]	29 Apr 99	7,825	111	31 Dec 02	10,700	(19)	179	10,879	10,747
Page Sub Total		**168,038**	**23,719**		**215,905**		**5,477**	**222,647**	**220,161**

8. Property Investments (Cont.)

Properties	Acquisition Date	Purchase Price incl. Acquisition Costs $'000	Capital Expenditure since Acquisition $'000[(a)]	Date of Latest Independent Valuation	Independent Valuation $'000	Valuer	Capital Expenditure since Revaluation $'000[(b)]	31 December 2003 Book Value $'000	30 June 2003 Book Value $'000
Hervey Bay Plaza Hervey Bay, QLD#	15 Nov 95	7,049	3,968	31 Dec 02	12,500	(19)	53	12,553	12,542
Kallangur Fair Kallangur, QLD	11 Nov 99	6,498	1,002	31 Dec 03	11,000	(19)	-	11,000	9,339
Coles Supermarket Mackay, QLD	9 Dec 96	2,825	2,929	31 Dec 03	4,250	(19)	-	4,250	3,910
Mooloolaba Central Mooloolaba, QLD#	1 Dec 99	9,270	155	1 Jun 01	9,400	(6)	35	9,435	9,434
Moranbah Fair Moranbah, QLD	2 Dec 96	8,850	1,082	31 Dec 03	9,550	(19)	-	9,550	9,257
Nambour Central Mall Nambour, QLD	14 Apr 97	3,623	482	30 Jun 03	3,650	(19)	52	3,702	3,650
Nambour Plaza Nambour, QLD#	31 Jul 96	12,223	2,769	31 Dec 01	14,715	(10)	12,704	27,419	17,992
Coles Supermarket Redcliffe, QLD#	9 Dec 96	1,549	1,600	1 Jun 01	2,000	(10)	89	2,089	2,085
Allenstown Plaza Shopping Centre Rockhampton, QLD	30 Jun 98	12,513	1,128	30 Jun 03	19,250	(19)	50	19,300	19,250
Springfield Fair Springfield, QLD	22 Jun 01	6,698	106	1 Jun 01	6,400	(14)	-	6,804	6,789
Rising Sun Shopping Centre Townsville, QLD	31 Oct 97	7,898	249	31 Dec 03	4,850	(19)	-	4,850	5,577
Bi-Lo Supermarket (Coles) Oaklands, SA	15 Nov 95	3,814	5	31 Dec 03	4,300	(13)	-	4,300	3,800
Bi-Lo Supermarket (Coles) Plympton, SA#	9 Dec 96	2,367	392	31 Dec 02	2,640	(15)	929	3,569	2,756
Gulf Arcade Port Augusta, SA#	17 Nov 97	7,805	1,025	31 Dec 01	8,500	(15)	274	8,774	8,669
Woolworths Supermarket Georgetown, TAS	1 Feb 99	2,226	350	31 Dec 03	2,800	(8)	-	2,800	2,787
Woolworths Supermarket Launceston, TAS#	1 Feb 99	2,513	42	31 Dec 01	3,400	(8)	18	3,418	3,414
Newnham Supermarket Newnham, TAS	1 Feb 99	1,772	37	30 Jun 03	395	(8)	2	397	395
Woolworths Supermarket Newstead, TAS	1 Feb 99	2,752	38	31 Dec 03	2,800	(8)	-	2,800	2,775
Page Sub Total		**102,245**	**17,359**		**122,400**		**14,206**	**137,010**	**124,421**

8. Property Investments (Cont.)

Properties	Acquisition Date	Purchase Price incl. Acquisition Costs $'000	Capital Expenditure since Acquisition $'000[a]	Date of Latest Independent Valuation	Independent Valuation $'000	Valuer	Capital Expenditure since Revaluation $'000[b]	31 December 2003 Book Value $'000	30 June 2003 Book Value $'000
Riverside Shopping Centre Riverside, TAS	1 Feb 99	5,679	563	31 Dec 03	5,900	(8)	-	5,900	5,802
Coles Supermarket Sandy Bay, TAS	9 Dec 96	2,158	2,086	31 Dec 03	5,900	(8)	-	5,900	3,193
Woolworths Supermarket Smithton, TAS	18 Dec 01	2,427	11	31 Dec 03	3,150	(8)	-	3,150	2,434
Woolworths Supermarket Wynyard, TAS	1 Feb 99	3,602	192	31 Dec 03	5,100	(8)	-	5,100	4,590
Coles Supermarket Bairnsdale, VIC#	15 Nov 95	4,199	-	30 Jun 02	7,000	(22)	43	7,043	7,005
Coles Supermarket Benalla, VIC	15 Nov 95	3,111	285	31 Dec 03	2,500	(21)	-	2,500	3,356
Safeway Supermarket (Woolworths) Horsham, VIC	15 Nov 95	3,424	104	31 Dec 02	5,400	(22)	-	5,400	5,400
Safeway Supermarket (Woolworths) Kerang, VIC#	15 Nov 95	6,742	7	30 Jun 02	9,000	(17)	1	9,001	9,000
Safeway Supermarket (Woolworths) Kyneton, VIC*#	17 Nov 97	4,379	3,973	30 Jun 03	12,450	(18)	89	12,350	12,450
Olive Tree Shopping Centre Lilydale, VIC#	15 Nov 95	7,735	2,727	30 Jun 03	9,750	(21)	97	9,847	9,750
Coles Supermarket Moe, VIC	15 Nov 95	1,858	25	31 Dec 03	4,450	(17)	-	4,450	3,460
Kmart Moe, VIC	15 Nov 95	4,997	-	31 Dec 03	6,000	(17)	-	6,000	5,650
Safeway Supermarket (Woolworths) Monbulk, VIC	15 Nov 95	2,978	79	31 Dec 02	6,000	(22)	-	6,000	6,000
Mornington Village Shopping Centre Mornington, VIC#	10 Nov 95	10,177	5,685	30 Jun 03	17,000	(21)	299	17,299	17,000
Safeway Supermarket (Woolworths) South Preston, VIC#	15 Nov 95	6,210	2	30 Jun 02	8,000	(16)	2	8,002	8,000
Wangaratta Shopping Plaza Wangaratta, VIC	17 Nov 97	3,908	93	31 Dec 03	2,400	(21)	-	2,400	2,601
Page Sub Total		**73,584**	**15,832**		**110,000**		**531**	**110,342**	**105,691**

* Includes 11 Jennings Street which was disposed during the Period.

8. Property Investments (Cont.)

Properties	Acquisition Date	Purchase Price incl. Acquisition Costs $'000	Capital Expenditure since Acquisition $'000(a)	Date of Latest Independent Valuation	Independent Valuation $'000	Valuer	Capital Expenditure since Revaluation $'000(b)	31 December 2003 Book Value $'000	30 June 2003 Book Value $'000
Albany Plaza Shopping Centre Albany, WA#	29 Feb 00	11,137	18,416	31 Dec 02	31,000	(23)	512	31,512	31,364
Albany Land Albany, WA	17 Sep 02	3,673	625	8 Jul 02	3,550	(23)	-	4,298	3,991
Glenview Shopping Centre Ballajura, WA	13 Jun 03	8,241	-	15 May 03	7,900	(20)	-	8,241	8,199
Carnarvon Boulevard Shopping Centre Carnarvon, WA#	11 May 99	8,697	68	1 Jun 01	7,900	(23)	79	7,979	7,969
Collie Boulevard Shopping Centre Collie, WA	14 Apr 98	4,683	77	31 Dec 03	5,050	(23)	-	5,050	5,048
Esperance Boulevard Shopping Centre Esperance, WA#	11 May 99	10,924	4,795	30 Jun 03	17,500	(23)	-	17,410	17,500
Kalgoorlie Plaza Kalgoorlie, WA#	25 Jul 97	9,629	1,194	31 Dec 02	12,580	(3)	203	12,783	12,597
Margaret River Shopping Centre Margaret River, WA	17 Oct 01	6,397	68	30 Jun 03	7,100	(23)	2	7,102	7,100
Coles Supermarket Maylands, WA	9 Dec 96	2,714	492	31 Dec 03	6,500	(23)	-	6,500	5,825
Midland Central Shopping Centre Midland, WA	1 Oct 02	5,925	22	31 Aug 02	5,575	(23)	-	5,947	5,928
Coles Supermarket Narrogin, WA	15 Nov 95	2,923	16	31 Dec 03	4,950	(23)	-	4,950	4,200
South Hedland Shopping Centre South Hedland, WA	5 Sep 03	28,375	-	1 Sep 03	26,500	(20)	-	28,375	-
Swanview Shopping Centre Swanview, WA	19 Dec 01	7,003	72	7 Dec 01	6,650	(23)	-	7,075	7,067
Page Sub Total		**110,321**	**25,845**		**142,755**		**796**	**147,222**	**116,788**
Parent Entity Total		**591,989**	**107,506**		**762,367**		**21,627**	**791,127**	**736,113**

8. Property Investments (Cont.)

Properties	Acquisition Date	Purchase Price incl. Acquisition Costs $'000	Capital Expenditure since Acquisition $'000[a]	Date of Latest Independent Valuation	Independent Valuation $'000	Valuer	Capital Expenditure since Revaluation $'000[b]	31 December 2003 Book Value $'000	30 June 2003 Book Value $'000
Countdown Blenheim, New Zealand	18 Dec 01	4,533	12	1 Dec 01	4,500	(21)	1	4,546	4,545
Foodtown Browns Bay, New Zealand	29 Sep 00	8,794	4	31 Dec 01	8,900	(21)	10	8,910	8,900
Countdown Dunedin, New Zealand	29 Sep 00	6,881	5	31 Dec 03	8,800	(21)	-	8,800	7,000
Foodtown Greenlane, New Zealand	29 Sep 00	13,023	15	31 Dec 03	15,650	(21)	-	15,650	14,000
Foodtown Grey Lynn, New Zealand	29 Sep 00	6,684	5	31 Dec 03	7,650	(21)	-	7,650	6,650
Countdown Highland Park, New Zealand	29 Sep 00	7,741	5	31 Dec 01	8,400	(21)	-	8,400	8,400
Countdown Invercargill, New Zealand	29 Sep 00	7,107	5	31 Dec 01	7,350	(21)	-	7,350	7,350
Countdown Kaiapoi, New Zealand	18 Dec 01	4,733	12	1 Dec 01	4,700	(21)	-	4,745	4,745
Countdown Lower Hutt, New Zealand	29 Sep 00	8,216	5	31 Dec 03	10,150	(21)	-	10,150	8,300
Foodtown Mangere, New Zealand	29 Sep 00	3,033	5	31 Dec 01	3,100	(21)	-	3,100	3,100
Countdown Morrinsville, New Zealand	29 Sep 00	1,888	5	31 Dec 03	3,000	(21)	-	3,000	2,400
Foodtown Palmerston North, New Zealand	29 Sep 00	6,933	133	31 Dec 03	7,550	(21)	-	7,550	6,602
Countdown Papakura, New Zealand	29 Sep 00	7,321	7	31 Dec 03	11,100	(21)	-	11,100	9,403
Fresh Choice Queenstown, New Zealand	29 Sep 00	2,450	150	31 Dec 03	3,300	(21)	-	3,300	2,646
Countdown Takapuna, New Zealand	25 Feb 03	12,988	53	30 Nov 02	13,000	(21)	-	13,041	12,988
Countdown Timaru, New Zealand	29 Sep 00	4,051	5	31 Dec 01	4,100	(21)	5	4,105	4,100
Countdown Upper Hutt, New Zealand	18 Dec 01	5,333	12	1 Dec 01	5,300	(21)	-	5,345	5,345
Page Sub Total (NZD)		**111,709**	**438**		**126,550**		**16**	**126,742**	**116,474**
NZ Properties Total (AUD)		**97,334**	**382**		**110,265**		**14**	**110,432**	**101,575**
Consolidated Entity Total (AUD)		**689,323**	**107,888**		**872,632**		**21,641**	**901,559**	**837,688**

8. Property Investments (Cont.)

(a) Represents capital expenditure between acquisition date and any subsequent revaluation of the property.
(b) Represents capital expenditure since revaluation of the property. Where no subsequent valuation of the property has occurred since initial valuation, capital expenditure relating to that property is included under "Capital Expenditure since Acquisition".
The aggregate fair value of these properties is not materially different from the amount previously determined by independent valuers.

As valued by:
(1) C D Smith ASIA AAPI, LandMark White (NSW) Pty Ltd
(2) J Waugh FAPI, Colliers International Consultancy and Valuation Pty Ltd
(3) P Matthews AAPI, CB Richard Ellis (WA) Pty Ltd
(4) C Allard FAPI and Rex Stafford FAPI, LandMark White (NSW) Pty Ltd
(5) C Allard FAPI and D Castles AAPI, LandMark White (NSW) Pty Ltd
(6) D Mohr AAPI, CB Richard Ellis Pty Ltd
(7) C Allard FAPI and T Gavan AAPI, LandMark White (NSW) Pty Ltd
(8) G R Longden FAPI, Jones Lang LaSalle Advisory Services Pty Ltd
(9) B Mulcahy BBus AAPI, Colliers Jardine
(10) J R Porter FAPI CPV, Colliers Jardine
(11) R Davis AAPI, Colliers Jardine
(12) C Allard FAPI, LandMark White (NSW) Pty Ltd
(13) S N Hickin AAPI, Jones Lang LaSalle
(14) C J Chatswood AAPI, Jones Lang LaSalle
(15) G Rose BBusProp (Val) AAPI, Jones Lang LaSalle
(16) N Rich AAPI, Jones Lang LaSalle
(17) G R Longden FAPI and S Bourke AAPI, Jones Lang LaSalle
(18) B F Sweeney AAPI and L Boyd AAPI, Jones Lang LaSalle
(19) J Porter FAPI, CB Richard Ellis (QLD) Pty Ltd
(20) S Nuttall AAPI ASIA and J Fenner AAPI, CB Richard Ellis (WA) Pty Ltd
(21) B F Sweeney AAPI, Jones Lang LaSalle
(22) A Purton AAPI, Jones Lang LaSalle
(23) S Nuttall AAPI ASIA, CB Richard Ellis Pty Ltd

A summary of the basis of the carrying amounts of property investments including those held through controlled entities is set out below:

	Consolidated December 2003 $'000	Consolidated June 2003 $'000
The aggregate book value at 31 December 2003 of properties that are carried at cost of acquisition	140,195	120,645
The aggregate book value at 31 December 2003 of properties that were revalued prior to the current progressive valuation Period	549,411	521,198
The aggregate book value at 31 December 2003 of properties that were revalued in the current progressive valuation Period	211,953	195,845
Carrying Amount at the End of the Period	**901,559**	**837,688**

A reconciliation of the carrying amount of investments including those held through controlled entities at the beginning and end of the current and previous period is set out below:

Carrying Amount at the Beginning of the Period	837,688	708,178
Additions	47,070	106,233
Disposals	(189)	(1,884)
Revaluation Increments	16,990	25,161
Carrying Amount at the End of the Period	**901,559**	**837,688**

9. Property Investment in Joint Venture Entities

The consolidated entity has 75% (2002: 75%) Joint Venture investments with Regency Centers, LP. The principal activity of the joint venture entities are property investment. The consolidated entity has joint control, but neither the consolidated entity nor its joint venture partner has control in their own right. The investment is accounted for in the consolidated financial statements using the equity method of accounting (refer to Note 1(b)). Information relating to the joint venture entities is detailed below:

(i) Carrying Amount of Investment in Joint Venture Entities

	Consolidated December 2003 $'000	Consolidated June 2003 $'000
Carrying Amount at the Beginning of the Period	137,546	50,192
Additions during the Period	89,519	92,771
Share of Net Profit	12,933	13,157
Distributions Paid and Payable for the Period	(6,235)	(14,224)
Share of Revaluation Increment for the Period	13,101	5,414
Exchange Differences on Translation*	(19,485)	(9,764)
Carrying Amount at the End of the Period	**227,379**	**137,546**

*This represents the impact of foreign currency exchange rates on the carrying value of assets and is offset by a corresponding reduction in liabilities in the parent entity.

(ii) Results Attributable to Joint Venture Entities

	Consolidated December 2003 $'000	Consolidated June 2003 $'000
Income	33,049	23,763
Expenses	(20,116)	(10,606)
Net Profit	**12,933**	**13,157**

(iii) Share of Joint Venture Entities' Assets and Liabilities

	Consolidated December 2003 $'000	Consolidated June 2003 $'000
Current Assets	18,171	3,255
Non-Current Assets	422,581	267,076
Total Assets	440,752	270,331
Current Liabilities	3,231	2,407
Non-Current Liabilities	210,142	130,378
Total Liabilities	213,373	132,785
Net Assets	**227,379**	**137,546**

9. Property Investment in Joint Venture Entities (Cont.)

(iv) Share of Joint Venture Entities' Reserves

	Consolidated December 2003 $'000	Consolidated June 2003 $'000
Asset Revaluation Reserve		
Balance at the Beginning of the Period	6,032	618
Share of Increment on Revaluation of Investments	13,101	5,414
Balance at the End of the Period	**19,133**	**6,032**

(v) Share of Joint Venture Entities' Property Investments

Properties	Acquisition Date	Purchase Price incl. Acquisition Costs US$'000	Date of Latest Independent Valuation	Independent Valuation US$'000	31 December 2003 Book Value US$'000
Brookville Plaza Lynchburg, Virginia	30 Jun 01	4,902	31 Dec 03	5,900	5,900
Hebron Parkway Dallas (Fort Worth), Texas	30 Jun 01	7,183	31 Dec 03	8,600	8,600
Kings Crossing Tampa, Florida	30 Jun 01	7,622	31 Dec 03	9,200	9,200
Merchants Village Charlestown, South Carolina	30 Jun 01	8,228	31 Dec 03	9,900	9,900
Silverlake Shopping Center Erlanger, Kentucky	25 Jan 02	9,358	31 Dec 03	10,500	10,500
Campus Marketplace San Diego, California	25 Sep 02	30,981	31 Dec 03	33,500	33,500
Garden Village Shopping Center San Pedro, California	25 Sep 02	17,739	31 Dec 03	17,900	17,900
Ocala Corners Tallahassee, Florida	25 Sep 02	9,144	31 Dec 03	10,600	10,600
Shoppes of Pebblebrooke Naples, Florida	25 Sep 02	10,193	31 Dec 03	12,200	12,200
Anastasia Plaza Jacksonville, Florida	25 Nov 02	10,194	31 Dec 03	10,200	10,200
Cheyenne Meadows Colorado Springs, Colorado	25 Nov 02	8,994	31 Dec 03	9,900	9,900
James Center Tacoma, Washington	25 Nov 02	20,518	31 Dec 03	22,600	22,600
Orchard Square Atlanta, Georgia	25 Nov 02	9,343	31 Dec 03	11,800	11,800
Shoppes at 104 Miami, Florida	25 Nov 02	13,016	31 Dec 03	16,250	16,250
Hillsboro Shopping Center Hillsboro, Oregon	26 Jun 03	19,050	5 May 03	20,000	19,093
Killian Hill Center Lilburn, Georgia	26 Jun 03	13,490	1 May 03	13,500	13,592
Lynn Haven Shopping Center Lynn Haven, Florida	26 Jun 03	7,900	9 May 03	8,000	7,938
Rosewood Shopping Center Columbia, South Carolina	26 Jun 03	5,983	9 May 03	6,200	6,044
Southgate Village Shopping Center Pelham, Alabama	26 Jun 03	8,792	7 May 03	8,800	8,859
Page Sub Total		**222,630**		**244,550**	**244,576**

9. Property Investment in Joint Venture Entities (Cont.)

Properties	Acquisition Date	Purchase Price incl. Acquisition Costs US$'000	Date of Latest Independent Valuation	Independent Valuation US$'000	31 December 2003 Book Value US$'000
Amerige Heights Town Center Fullerton, California	15 Sep 03	27,568	19 Aug 03	27,500	27,576
El Cerrito Shopping Center Oakland, California	15 Sep 03	69,587	1 Aug 03	69,300	69,627
Milford Shopping Center Cincinnati, Ohio	15 Sep 03	6,693	1 Aug 03	6,800	6,702
Bent Tree Plaza Raleigh, North Carolina	15 Dec 03	9,976	1 Sep 03	9,850	9,976
Franklin Square Frankfort, Kentucky	15 Dec 03	17,150	1 Sep 03	17,960	17,150
Highlands Square Jacksonville, Florida	15 Dec 03	29,642	1 Sep 03	29,000	29,642
Palm Harbor Shopping Village Daytona Beach, Florida	15 Dec 03	18,849	1 Sep 03	18,600	18,849
Page Sub Total		**179,465**		**179,010**	**179,522**
US Properties Total (USD) 100%		**402,095**		**424,560**	**424,098**
US Properties Total (USD) 75%		**301,571**		**318,420**	**318,074**
US Properties Total (AUD)		**400,657**		**423,042**	**422,581**

The above properties are disclosed at the book value of the Joint Venture on an individual property basis, of which the consolidated entity has an ownership share of 75%.

	Consolidated December 2003 $'000	Consolidated June 2003 $'000
10. Other Non-Current Assets		
Net Receivable on Foreign Currency Hedge Contracts*	11,378	7,152
Total	**11,378**	**7,152**

*This amount represents the unrealised gain on the foreign currency hedge contracts and is offset by the same amount disclosed in Other Non-Current Liabilities in Note 12.

11. Other Current Liabilities

Rental Guarantee**	174	175
Unrealised Gain on Foreign Currency Hedge Contracts ***	1,811	1,773
Total	**1,985**	**1,948**

**Represents settlement funds withheld to support vendor rental guarantee.

*** This amount represents the unrealised gain on the foreign currency hedge contracts and is offset by the same amount disclosed in Other Current Assets in Note 7.

12. Other Non-Current Liabilities

Unrealised Gain on Foreign Currency Hedge Contracts ****	11,378	7,152
Total	**11,378**	**7,152**

****This amount represents the unrealised gain on the foreign currency hedge contracts and is offset by the same amount disclosed in Other Non-Current Assets in Note 10.

			Consolidated December 2003 $'000	Consolidated June 2003 $'000
13.	**Contributed Equity**			
No. of Units	*Details*	*Date of Income Entitlement*		
394,708,746	Units on Issue	1 July 2002	-	478,009
7,733,443	DRP Issue	1 July 2002	-	12,223
1,054,007	Performance Fee	1 July 2002	-	1,709
67,077,384	Placement Issue	21 October 2002[(1)]	-	98,199
10,043,305	DRP Issue	1 January 2003	-	16,270
35,919,541	Placement Issue	1 July 2003[(2)]	-	61,572
516,536,426	Units on Issue	30 June 2003	667,982	667,982
10,450,433	DRP Issue	1 July 2003	17,525	-
1,737,249	Performance Fee	1 July 2003	2,988	-
6,355,035	UPP Issue	12 September 2003[(3)]	10,414	-
535,079,143	**Units on Issue**	**31 December 2003**	**698,909**	**667,982**

[(1)]Net of transaction costs of $2,421,000.
[(2)]Net of transaction costs of $928,000.
[(3)]Net of transaction costs of $72,000.

As stipulated in the Constitution, each unit represents a right to an individual share in the Trust and does not extend to a right to the underlying assets of the Trust. There are no separate classes of units and each unit has the same rights attaching to it as all other units in the Trust.

For the half year ended 31 December 2003, income entitlements for units issued during a distribution period were calculated on a pro-rata basis from the date of allotment.

Distribution Reinvestment Plan

The Trust has established a distribution reinvestment plan (DRP) under which unitholders may elect to have all or part of their distribution entitlements satisfied by the issue of new units rather than being paid in cash. Currently, units are issued under the DRP at a 2.5% discount to the market price.

	Consolidated December 2003 $'000	Consolidated June 2003 $'000
14. Reserves		
(a) Asset Revaluation Reserve		
Opening Balance	63,322	35,735
Revaluation Increment	16,990	25,161
Share of Joint Venture Entities' Movement in Reserves	13,101	5,414
Transfer to Undistributed Income – Manager's Performance Fee	(1,865)	(2,988)
Closing Balance	91,548	63,322
(b) Capital Distribution Reserve		
Opening Balance	(6,995)	(5,020)
Transfer to Undistributed Income – Swap Unwind Costs	(1,408)	(1,975)
Closing Balance	(8,403)	(6,995)
(c) Foreign Exchange Reserve		
Opening Balance	(3,086)	(280)
Movement in Foreign Currency	(895)	(2,806)
Closing Balance	(3,981)	(3,086)
Total Reserves	**79,164**	**53,241**

15. Segment Information

Business Segments
The Trust is a listed property trust which invests in the retail property market.

Geographical Segments
The Trust has investments in retail properties located in Australia, New Zealand and the United States of America.

	Income*		Net Profit		Total Assets	
	December 2003 $'000	December 2002 $'000	December 2003 $'000	December 2002 $'000	December 2003 $'000	June 2003 $'000
Australia	39,709	33,714	24,987	24,708	825,590	768,966
New Zealand	4,978	4,478	1,597	1,322	112,827	103,162
United States	12,933	5,110	9,369	3,503	227,972	145,763
Total	**57,620**	**43,302**	**35,953**	**29,533**	**1,166,389**	**1,017,891**

*Comprised of property rental income, net income from property investments in joint venture entities and interest income.

Segment income, expenditure and assets are those that are directly attributable to a segment and the relevant portion that can be allocated to the segment on a reasonable basis. Segment assets include all assets used by a segment and consist primarily of cash, receivables (net of any related provisions) and investments. Any assets used jointly by segments are allocated based on reasonable estimates of usage.

	Consolidated December 2003	Consolidated December 2002
16. Earnings per Unit		
Basic Earnings per Unit (cents)	6.75	6.87
Diluted Earnings per Unit (cents)	6.75	6.87
Basic Earnings per Unit before Performance Fees and Swap Unwind Costs (cents)	7.37	6.87
Weighted Average Number of Ordinary Units on Issue Used in the Calculation of Earnings per Unit	532,557,852	429,743,868

Net Profit Attributable to the Trust of $35,953,000 (2002: $29,533,000) was used as earnings in calculating the basic and diluted earnings per unit.

	Consolidated December 2003 $'000	Consolidated December 2002 $'000
17. Non-Cash Financing and Investing Activities		
Distributions by the Trust satisfied during the Period by the issue of units under the distribution reinvestment plan. These distributions are not reflected in the Consolidated Statement of Cash Flows.	17,525	12,223

18. Events Occurring after Reporting Date

Subsequent to Period end, a distribution of 7.10 cents per unit has been declared by the Board of Directors. The total distribution amount of $37,812,000 was paid on 12 February 2004 in respect of the Period ended 31 December 2003.

	Consolidated December 2003	Consolidated June 2003
19. Net Tangible Assets		
Net Tangible Assets	817,399,000	721,323,000
Total Number of Units on Issue	535,079,143	516,536,426
Net Tangible Asset Backing per Unit*	$1.53	$1.40

* The Net Tangible Assets per security would have been $1.46 if the 31 December 2003 distribution had been recognised in the half year accounts.

MACQUARIE COUNTRYWIDE TRUST
DIRECTORS' DECLARATION TO UNITHOLDERS

The directors of Macquarie CountryWide Management Limited, the responsible entity, declare that the financial statements as set out on pages 4 to 24

(a) comply with Accounting Standards, the Corporations Regulations 2001 and other mandatory professional requirements; and

(b) give a true and fair view of the consolidated entity's financial position as at 31 December 2003 and of its performance, as represented by the results of its operations and its cash flows, for the Period ended on that date.

In the directors' opinion:

(a) the financial statements and notes are in accordance with the Corporations Act 2001; and

(b) there are reasonable grounds to believe that the Trust will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the directors.

David Clarke

David S Clarke, AO
Chairman

Sydney
17 February 2004

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Independent review report to the unitholders of Macquarie CountryWide Trust

Statement

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the financial report of Macquarie CountryWide Trust:

- does not give a true and fair view, as required by the Corporations Act 2001 in Australia, of the financial position of the Macquarie CountryWide Trust Group (defined below) as at 31 December 2003 and of its performance for the half-year ended on that date; and
- is not presented in accordance with the Corporations Act 2001, Accounting Standard AASB 1029: Interim Financial Reporting and other mandatory financial reporting requirements in Australia, and the Corporations Regulations 2001.

This statement must be read in conjunction with the rest of our review report.

Scope

The financial report and directors' responsibility

The financial report comprises the statement of financial position, statement of financial performance, statement of cash flows, accompanying notes to the financial statements, and the directors' declaration for the Macquarie CountryWide Trust Group, the consolidated entity, for the half-year ended 31 December 2003. The consolidated entity comprises both Macquarie CountryWide Trust (Trust) and the entities it controlled during that half-year.

The directors of Macquarie CountryWide Management Limited, the responsible entity, are responsible for the preparation and true and fair presentation of the financial report in accordance with the Corporations Act 2001. This includes responsibility for the maintenance of adequate accounting records and internal controls that are designed to prevent and detect fraud and error, and for the accounting policies and accounting estimates inherent in the financial report.

Review approach

We conducted an independent review in order for the Trust to lodge the financial report with the Australian Securities and Investments Commission. Our review was conducted in accordance with Australian Auditing Standards applicable to review engagements.

PRICEWATERHOUSECOOPERS

We performed procedures in order to state whether, on the basis of the procedures described, anything has come to our attention that would indicate that the financial report does not present fairly, in accordance with the Corporations Act 2001, Accounting Standard AASB 1029: Interim Financial Reporting and other mandatory financial reporting requirements in Australia, a view which is consistent with our understanding of the consolidated entity's financial position, and its performance as represented by the results of its operations and cash flows.

We formed our statement on the basis of the review procedures performed, which included:

- inquiries of the responsible entity's personnel; and
- analytical procedures applied to financial data.

When this review report is included in a document containing the directors' report, our procedures include reading the directors' report to determine whether it contains any material inconsistencies with the financial report.

These procedures do not provide all the evidence that would be required in an audit, thus the level of assurance provided is less than that given in an audit. We have not performed an audit, and accordingly, we do not express an audit opinion.

While we considered the effectiveness of management's internal controls over financial reporting when determining the nature and extent of our procedures, our review was not designed to provide assurance on internal controls.

Our review did not involve an analysis of the prudence of business decisions made by directors or management.

Independence

In conducting our review, we followed applicable independence requirements of Australian professional ethical pronouncements and the Corporations Act 2001.

PricewaterhouseCoopers

PricewaterhouseCoopers

A.J. Loveridge

AJ Loveridge
Partner

Sydney
17 February 2004