Macquarie CountryWide Management Limited
ABN 46 069 709 468
A Member of the Macquarie Bank Group

Manager of Macquarie CountryWide Trust

No.1 Martin Place
Sydney NSW 2000
GPO Box 4294
Sydney NSW 1164

Telephone (61 2) 8232 3333
Investor Services (61 2) 8232 3737
Facsimile (61 2) 8232 6510
Country Callers 1300 365 585
Internet http://www.macquarie.com.au/propertytrusts

UNIT REGISTRY
c/- ASX Perpetual Registrars Limited
Level 8, 580 George Street
Sydney NSW 2000
Locked Bag A14
Sydney South NSW 1235
Telephone 1300 303 063

ASX / Media release

MACQUARIE

Macquarie CountryWide Trust (MCW)

MACQUARIE COUNTRYWIDE TRUST ANNOUNCES ANOTHER YEAR OF OUTPERFORMANCE

22 August 2005

Macquarie CountryWide Trust (ASX:MCW) has today announced higher earnings and distributions after delivering investors a 25.3 per cent total return for the 12 months to 30 June 2005. After completing a year of strategic growth, CountryWide entered the ASX top 100 and has firmly positioned itself as a leading international owner of grocery anchored shopping centres.

A strong profit result - up 50.1 per cent - is attributable to earnings enhancing acquisitions, successful redevelopments and healthy rental growth from existing properties, which was 6.1 per cent higher across the Australian portfolio and 2.6 per cent higher in the US.

Commenting on the Trust's performance, Kylie Rampa, MCW's Chief Executive Officer said: "CountryWide has delivered another superior total return this year of 25.3 per cent to achieve an average annualised total return of 21.2 per cent per annum over the last five years."

Highlights

- Total 12 month return to investors was 25.3 per cent - outperforming the UBS Retail 200 Index by a nominal 6.3 per cent
- Comparable property net operating income is up 6.1 per cent across the Australian portfolio and 2.6 per cent in the US
- Restated distribution per unit was 5.0 per cent higher at 14.34 cents per unit
- NTA per unit climbed to $1.80, up 11.1 per cent
- Operating income gained 82.4 per cent to $189.7 million
- Net profit increased 50.1 per cent to $116.8 million
- Total assets increased 94.9 per cent to $2.7 billion

- Total book value of property assets (consolidated basis) grew 181.4 per cent to $4.4 billion
- Successful completion of 12 redevelopment projects achieving a year one development yield of 9.5 per cent.

Strong revaluations boost net tangible assets (NTA)

Strong revaluations across 106 properties added $132.6 million to their value – an increase of 10.0 per cent over book value.

These positive revaluations were the primary cause of an 11.1 per cent increase in NTA from $1.62 to $1.80. NTA growth has averaged 8.9 per cent per annum over the past five years.

"CountryWide's healthy revaluation results highlight the quality of our real estate, the strength of our niche property sector and the value we've been able to create by actively managing the portfolio," Ms Rampa said.

Redevelopment program continues to deliver as property income grows

A key ingredient of CountryWide's active management strategy is its redevelopment program. Another 12 centres were revamped and expanded during the year providing a year-one development yield of 9.5 per cent.

In addition to providing great returns to investors, redevelopments are also critical for fostering relationships with tenants because they facilitate better trading centres. The flow on effect for investors is higher anchor tenant turnover rent. And as Steven Sewell, the Trust's Chief Operating Officer, points out: "Strong anchor sales growth has continued."

"Our anchor tenants contributing to turnover rent have reported a 5.1 per cent increase in sales across the Australian portfolio, reflecting favourable consumer spending habits for non-discretionary goods in supermarkets. This is core to CountryWide's investment strategy and underpins our consistent performance," he said.

Strong anchor sales growth combined with organic rental growth helped comparable property net operating income grow an impressive 6.1 per cent across the Australian portfolio. The US portfolio also produced strong comparable net income growth up 2.6 per cent over the prior year.

Acquisitions transform CountryWide

CountryWide continued its track record of buying properties that increase earnings by working with joint venture partner Regency Centers Corporation (Regency) to further expand the US portfolio. In addition to the 127 properties purchased in the US, four assets were bought in Australia and New Zealand, with a total purchase price of $2,682.6 million.

Ms Rampa said the year was characterised by substantial international growth, primarily in the US, providing a strong platform for future earnings growth. "The transactions completed during the year have firmly positioned CountryWide as a leading owner of supermarkets and neighbourhood shopping centres in the US, Australia and New Zealand."

CountryWide's Chief Investment Officer, Scott Dundas, said the Trust's US portfolio is widely considered as one of the highest quality portfolios of neighbourhood shopping centres in the US. "Importantly, the Trust's US assets are expected to deliver strong investment returns over time due to forecast higher growth from strong catchment demographics," he said.

Impact of International Financial Reporting Standards (IFRS)

The application of the Australian equivalent of IFRS (AIFRS) does not affect CountryWide's business operations or cash flows, and hence will not affect future distributions to unitholders. However, AIFRS may cause volatility to the income statement and balance sheet due primarily to:

- Revaluations of investment properties
- Deferred tax on US revaluation increments
- Straight-lining of fixed rental increases
- Mark to market of financial instruments that do not qualify for hedge accounting.

AIFRS will apply to the financial statements for the year ended 30 June 2006, which include a restatement of the results reported under current Australian GAAP for the year ended 30 June 2005. This restatement is estimated to increase reported AGAAP FY05 Net Profit from $116.8 million to $138.2 million, an increase of 18.3 per cent, mostly due to property revaluation related adjustments.

Full details of the estimated restatement adjustments will be included in the financial statements for the 12 months ended 30 June 2005.

Outlook

CountryWide has forecast 4 per cent growth in earnings and distributions next year, targeting distributions of 15.4 cents per unit for the 12 months ended 30 June 2006. Ms Rampa said she was confident this forecast would be achieved as the CountryWide management team is focused on finalising a smooth integration of the recently acquired assets and continuing to drive organic rental growth from the portfolio.

Strategic redevelopments across the US and Australian portfolios is also expected to make an important contribution to performance in the year ahead with the opportunity for higher asset values and improved rental income.

MCW is listed on the Australian Stock Exchange with property assets of $4.4 billion. More than $A23 billion in property assets is managed under the Macquarie brand across a portfolio of listed and unlisted property trusts, unlisted development funds and property investment syndicates, globally.

For further information, please contact:

Ms Kylie Rampa
Chief Executive Officer
Macquarie CountryWide Trust
Tel: (02) 8232 8502

Ms Yolanda Beattie
Communications Manager
Macquarie Property Investment Management
Tel: (02) 8232 7227

Appendix

Distribution

A final distribution of 7.4 cents per unit is expected to be paid, resulting in a total cash distribution for the year of 14.8 cents per unit and 14.92 cents per unit including foreign tax credits. Cash distributions are 44.3 per cent tax advantaged.

Total Cash Distribution (44.3% tax advantaged)	14.80 cents per unit
Plus foreign tax credit	0.12 cents per unit
Total Distribution	**14.92 cents per unit**

Key CountryWide statistics

	Year ended 30 June 2005	Year ended 30 June 2004	Percentage (%) Change
Earnings per unit*	**13.98 cents**	13.36 cents	4.6%
Earnings per unit* Pre performance fee, tax expense and swap unwind costs	**14.13 cents**	13.92 cents	1.5%
Total distribution per unit (incl.foreign tax credit)	**14.92 cents**	14.39 cents	3.7%
Total distribution per unit (incl.foreign tax credit)*	**14.46 cents**	13.75 cents	5.2%
Cash distribution per unit	**14.80 cents**	14.30 cents	3.5%
Cash distribution per unit*	**14.34 cents**	13.66 cents	5.0%
Operating income	**$189.7 m**	$104.0 m	82.4%
Net profit	**$116.8 m**	$77.8 m	50.1%
Net profit Pre performance fee, tax expense and swap unwind costs	**$118.1 m**	$81.1 m	45.6%
Undistributed income**	**$1.3 m**	$1.0 m	30.0%
Total assets	**$2,660.0 m**	$1,364.9 m	94.9%
Total book value of properties (consolidated basis)	**$4,408.8 m**	$1,566.7 m	181.4%
Unitholders' equity	**$2,155.4 m**	$1,048.9 m	105.5%
Total borrowings - CountryWide	**$451.7 m**	$295.6 m	
- joint venture interest	**$1,818.5 m**	$233.1 m	
Gearing ratio*** - balance sheet	**16.7%**	21.6%	
- consolidated basis	**50.0%**	32.9%	
Number of units on issue	**1,149,440,097**	621,096,593	85.1%
Weighted average number of units on issue			
- by allotment date	**835,780,743**	582,428,171	43.5%
- by distribution entitlement	**939,870,346**	603,933,233	55.6%
Number of unitholders	**13,970**	12,964	7.8%
Net tangible assets per unit **	**$1.80**	$1.62	11.1%
Closing unit price	**$1.92**	1.64*	17.1%
Market capitalisation	**$2,201.2 m**	$1,068.3 m	106.0%
Number of properties	**249**	127	96.1%

* Restated for bonus issue as required by Accounting Standard AASB 1027

**After payment of distribution on 22 August 2005.

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

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