

APPENDIX 4D

Half Year Report for the period ended 30 June 2011

Name of Entity: EDT Retail Trust

Results for announcement to the market

		A\$'000
Total income *	up 23% to	78,497
Profit (loss) from ordinary activities after tax attributable to members **	up 906% to	47,794
Net profit (loss) for the period attributable to members **	up 906% to	47,794
Core earnings ***	up 28% to	18,520
Distributions		Amount per unit
<i>Current Period:</i>		
Interim distribution – Jun 11		0.00¢
Total		0.00¢
<i>Previous Corresponding Period:</i>		
Interim distribution – Jun 10		0.00¢
Total		0.00¢
Record date for determining entitlements to the distribution	N/A	

Provide a brief explanation of any of the figures reported above necessary to enable the figures to be understood:

* Total income has increased by 23% primarily due to:

- Property valuation gains of \$28.7 million for the current half-year (2010: property valuation gain of \$6.4 million);
- A property revaluation of \$3 million in the Venice PS LLC portfolio (Joint Venture) for the current half-year as opposed to an overall devaluation in the prior half-year of \$259k.

** Profit for the period attributable to members has increased by 906% and is primarily due to:

- An increase in property valuation gains compared to the prior corresponding period.
- In the prior half year a net loss of \$16.6 million was incurred for derivative financial instruments which were closed out.
- A reduction in the loss on sale of investment properties compared to the prior corresponding half-year.

*** Core earnings represents the net profit of the Trust after adjusting for certain unrealised and non-cash items, reserve transfers and significant one off items that are not in the ordinary course of business. A reconciliation of Profit to Core earnings is provided in Note 8 of the financial statements. Core earnings have increased by 28% due to decreased interest expenses, increased JV income and a tax benefit in the current half-year.

Refer to the attached Income Statement, Statement of Comprehensive Income, Balance Sheet, Statement of Changes in Equity and Cash Flow Statement for further detail.

Details of Distributions

There were no distributions declared or paid for the 6 months ended 30 June 2011.

Refer attached financial statements (Directors Report and Note 3: Distributions Paid and Payable).

Details of Distribution Reinvestment Plan

The Trust has established a dividend 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. In accordance with the DRP Rules, the directors suspended the Trusts' DRP commencing with the quarter ended 30 September 2006. The DRP was reinstated for the quarter ended 30 June 2008.

Net Tangible Assets

	Current period 30 June 2011	Previous corresponding Period December 2010
Net tangible asset backing per unit*	\$0.11	\$0.106
Net tangible asset backing per unit after distribution*	\$0.11	\$0.106
Net tangible asset backing per unit after distribution, excluding deferred taxes	\$0.11	\$0.106

* Under the listing rules NTA Backing must be determined by deducting from total tangible assets all claims on those assets ranking ahead of the ordinary securities (ie, all liabilities, preference shares, outside equity interests etc).

Control Gained or Lost over Entities during the Period

N/A

Details of Associates and Joint Venture entities

Refer attached financial statements (Note 4: Investments in Joint Venture Entities).

Accounting standards used by foreign entities

N/A

Qualification of audit/review

Not applicable as there is no audit dispute or qualification. Refer attached half year financial report for review report.

EDT RETAIL TRUST

ARSN 106 570 352



FINANCIAL REPORT FOR THE HALF-YEAR ENDED 30 JUNE 2011

Financial report

for the half-year ended 30 June 2011

IMPORTANT NOTICE

EDT Retail Management Limited ABN 16 101 743 926, AFSL 223190, is the responsible entity of EDT Retail Trust ("EDT") ARSN 106 570 352.

None of the entities referred to in this document is an authorised deposit-taking institution for the purposes of the Banking Act (Commonwealth of Australia) 1959.

This report has been prepared for general information purposes only and is not an offer or invitation for subscription or purchase of, or recommendation of, securities. It does not take into account the investment objectives, financial situation or needs of any investor. Before making an investment in EDT, the investor or prospective investor should consider whether such an investment is appropriate to their particular investment needs, objectives and financial circumstances and consult an investment adviser if necessary.

ERML does not receive fees in respect of the general financial product advice it may provide, however it will receive fees for operating EDT which, in accordance with EDT's constitution, are calculated by reference to the value of the assets and the performance of EDT.

Financial report

for the half-year ended 30 June 2011

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Financial report

for the half-year ended 30 June 2011

The Responsible Entity of EDT Retail Trust is EDT Retail Management Limited a wholly owned subsidiary of EDT Management LLC, a company incorporated in Delaware which is owned 50% by EPN GP LLC and 50% by Developers Diversified Realty (DDR). The Responsible Entity's registered office and principal place of business is Darling Park, Tower 2, Level 20, 201 Sussex Street, Sydney, NSW 2000.

The financial statements were authorised for issue by the directors on 17 August 2011. The directors have the power to amend and reissue the financial statements.

Through the use of internet, we have ensured that our corporate reporting is timely and complete. All press releases, financial reports and other information are available on our website: www.edtretail.com.

For personal use only

Directors' report to unitholders

for the half-year ended 30 June 2011

The directors of EDT Retail Management Limited, the Responsible Entity of EDT Retail Trust (EDT) present their report together with the consolidated financial statements of the Trust and its controlled entities (together "the Group") for the half-year ended 30 June 2011.

1. Principal Activities

The principal activity of the Group during the half-year was property investment. There were no significant changes in the nature of the Group's activities during the half-year.

2. Directors

The following persons have held office as directors of the Responsible Entity during the half-year and up to the date of this report:

- David Oakes;
- Daniel Hurwitz;
- Alexander Berman;
- Gregory Katz;
- John Martin (appointed 24 February 2011);
- Luke Petherbridge (resigned 24 February 2011, appointed 8 June 2011);
- Zvi Maayan (resigned 21 June 2011);
- David Machloof (resigned 21 June 2011);
- Karlis Cerbulis (resigned 20 June 2011);
- Steven Guttman (resigned 1 June 2011);
- David Spruell (resigned 1 June 2011); and
- Joan Allgood (alternate for Daniel Hurwitz and David Oakes) (resigned 24 February 2011).

3. Distributions

There were no distributions declared for the half-year ended 30 June 2011 (30 June 2010: nil).

4. Review of operations

The performance of the Group, as represented by the results of its operations for the half-year, was as follows:

	2011 \$'000	2010 \$'000
Total income net of property expenses*	78,497	63,642
Profit for the half-year**	47,795	5,274
Core earnings (note 8)	18,520	14,496

* Includes fair value movements in investment property of subsidiaries and jointly controlled entities.

** Includes fair value movements in investment property of subsidiaries and jointly controlled entities, net losses on derivative financial instruments and unrealised foreign exchange movements.

The operational performance of the Group for the half-year is in line with management's expectations. The profit includes a \$31.7m revaluation gain on the investment property portfolio that reflects a gradual improvement in the property valuations in both the subsidiaries and the jointly controlled entity. The strengthening of the Australian dollar against the US dollar during the half-year has adversely impacted the Australian dollar earnings for the half-year and the Australian dollar values for the US assets at 30 June 2011.

Directors' report to unitholders

for the half-year ended 30 June 2011

5. Significant changes in the state of affairs

In March 2011, the Trust closed a US\$115 million non-recourse financing with a maturity date of April 2016. The finance is secured by 12 assets in the Trust's Bison portfolio.

The financial statements for the Group have been prepared on a going concern basis as the directors of the Responsible Entity, after reviewing the Group's going concern status, have concluded that the Group has reasonable grounds to expect to be able to pay its debts as and when they become due and payable.

6. Value of assets

	30 June 2011 \$'000	31 December 2010 \$'000
Value of Group assets	1,328,139	1,347,303

The value of the Group's assets is derived using the basis set out 31 December 2010 Annual Report.

The US market has experienced an increased level of sales activity during the half-year when compared to the 2010 calendar year. This activity has seen a strengthening of capitalisation rates and this is reflected in the property valuations at 30 June 2011. The value of the Group's assets has decreased during the half-year as the value of the Australian dollar has strengthened from \$1.00 = US\$1.0163 at 31 December 2010 to \$1.00 = US\$1.0739 at 30 June 2011.

7. Events occurring after reporting date

On 14 July 2011, EPN EDT Holdings II LLC (EPN) moved to over 90% ownership of the Trust as a result of its bid to acquire all the units of the Trust. Having acquired over 90% of the Trust units, EPN is proceeding to compulsorily acquire the remaining Trust units under the provisions of the Corporations Act 2001 and as outlined in its Target Statement.

As part of the compulsory acquisition process, EDT units were suspended from trading on the Australian Stock Exchange (ASX) as of close of business on 3 August 2011 and will remain so until the ASX is notified of the completion of the compulsory acquisition. Thereafter the Trust will be delisted from the ASX.

Under the EDT Constitution, the delisting of the Trust from the ASX is a termination event. The Responsible Entity has resolved to change the EDT Constitution in accordance with the Corporations Act prior to delisting, to remove the delisting of EDT from the ASX as a termination event. It is intended this will occur on completion of the compulsory acquisition.

With EPN moving to over 90% ownership of the Trust, EPN US Trust Inc. (US REIT I) and EPN US Trust II Inc. (US REIT II) will fail to qualify to be treated as a REIT for US federal income tax purposes. Consequently US REIT I and US REIT II will be subject to US federal income tax on their income and dividends paid to the Trust will not be deductible.

The delisting of EDT from the ASX causes an event of default under a term debt facility credit agreement. This facility has US\$172.9 million outstanding at 30 June 2011. Management are in discussions with the lender to obtain a waiver for this event. At the time of finalising the financial statements the waiver has not been received, however while there can be no assurance the lender will waive the default, management expect the waiver request to be approved. As an event of default has not occurred at 30 June 2011 the loan has been treated as a non-current liability in the statement of financial position.

Since the end of the financial half-year, the directors of the Responsible Entity are not aware of any other matter or circumstance not otherwise dealt with in this financial report that has significantly affected or may significantly affect the operations of the Group, the results of those operations or the state of affairs of the Group in financial year subsequent to the half-year ended 30 June 2011.

8. Auditor's independence declaration

A copy of the auditor's independence declaration as required under section 307C of the *Corporations Act 2001* is set out on page 8.

Directors' report to unitholders

for the half-year ended 30 June 2011

9. Rounding of amounts to the nearest thousand dollars

The Trust is a registered scheme of a kind referred to in Class Order 98/0100 (as amended) issued by the Australian Securities & 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.



Luke Petherbridge
Director
18 August 2011



Auditor's Independence Declaration

As lead auditor for the review of EDT Retail Trust for the half year ended 30 June 2011, I declare that to the best of my knowledge and belief, there have been:

- a) no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
- b) no contraventions of any applicable code of professional conduct in relation to the review.

This declaration is in respect of EDT Retail Trust and the entities it controlled during the period.

A handwritten signature in black ink, appearing to read 'J A Dunning'.

J A Dunning
Partner
PricewaterhouseCoopers

Sydney
18 August 2011

PricewaterhouseCoopers, ABN 52 780 433 757
Darling Park Tower 2, 201 Sussex Street, GPO BOX 2650, SYDNEY NSW 1171
DX 77 Sydney, Australia
T +61 2 8266 0000, F +61 2 8266 9999, www.pwc.com.au

Consolidated statement of comprehensive income

for the half-year ended 30 June 2011

	Note	Consolidated	
		2011 \$'000	2010 \$'000
Comprehensive income			
Property rental income		71,823	81,915
Property expenses		(25,805)	(29,743)
Net property income		46,018	52,172
Share of net profit from investments in jointly controlled entities	4(ii)	3,758	198
Property valuation gains - investment properties	5	28,706	6,416
Interest income		15	96
Net foreign currency gains		-	4,760
Total income net of property expenses		78,497	63,642
Expenses			
Management base fee		2,995	3,069
Interest expense		22,569	28,464
Amortisation of borrowing costs		2,318	5,451
Net loss from derivative financial instruments		-	16,635
Net foreign currency losses		128	-
Other expenses		3,119	3,893
Loss on sale of assets		-	344
Total expenses		31,129	57,856
Profit before tax		47,368	5,786
Tax benefit /(expense)		427	(512)
Profit for the half-year		47,795	5,274
Attributable to:			
Owners of EDT Retail Trust		47,794	5,273
Non-controlling interests		1	1
Profit for the half-year		47,795	5,274
Other comprehensive income			
Cash flow hedges		615	15,816
Exchange rate differences on translation of foreign operations		(27,670)	22,514
Other comprehensive income/(loss) for the half-year		(27,055)	38,330
Total comprehensive profit for the half-year		20,740	43,604
Attributable to:			
Owners of EDT Retail Trust		20,739	43,603
Non-controlling interests		1	1
Profit for the half-year		20,740	43,604

The above consolidated statement of comprehensive income should be read in conjunction with the accompanying notes.

Consolidated balance sheet

as at 30 June 2011

	Note	Consolidated	
		30 June 2011 \$'000	31 December 2010 \$'000
Current assets			
Cash and cash equivalents*		49,953	35,488
Receivables		11,113	13,154
Other assets		14,615	13,883
Total current assets		75,681	62,525
Non-current assets			
Investment properties	5	1,241,233	1,276,838
Interest in jointly controlled entities:			
Investment properties		81,777	82,926
Less: Share of interest bearing liabilities	4 (iii)	(72,343)	(76,370)
Add: Share of other net assets		1,791	1,384
Total interest in jointly controlled entities	4 (i)	11,225	7,940
Total non-current assets		1,252,458	1,284,778
Total assets		1,328,139	1,347,303
Current liabilities			
Payables		23,926	25,853
Interest bearing liabilities	6	113,995	104,293
Total current liabilities		137,921	130,146
Non-current liabilities			
Interest bearing liabilities	6	673,023	720,704
Total non-current liabilities		673,023	720,704
Total liabilities		810,944	850,850
Net assets		517,195	496,453
Equity			
Contributed equity		1,141,673	1,141,673
Reserves		(291,604)	(264,549)
Accumulated losses		(332,975)	(380,770)
Capital and reserves attributable to owners of EDT Retail Trust		517,094	496,354
Non-controlling interests		101	99
Total equity		517,195	496,453

* Cash and cash equivalents – included in the balance at 30 June 2011 is \$13.9 million restricted cash

The above consolidated balance sheet should be read in conjunction with the accompanying notes.

Consolidated statement of changes in equity

for the half-year ended 30 June 2011

Consolidated	Contributed Equity \$'000	Reserves \$'000	Accumulated Losses \$'000	Total \$'000	Non- Controlling Interest \$'000	Total Equity \$'000
Total equity at 1 January 2011	1,141,673	(264,549)	(380,770)	496,354	99	496,453
Total comprehensive income	-	(27,055)	47,795	20,740	2	20,742
Transactions with owners in their capacity as owners						
Contributions of equity net of equity issue costs	-	-	-	-	-	-
Total equity at 30 June 2011	1,141,673	(291,604)	(332,975)	517,094	101	517,195
Total equity at 1 January 2010	945,040	(208,842)	(430,333)	305,865	106	305,971
Total comprehensive income	-	38,330	5,273	43,603	1	43,604
Transactions with owners in their capacity as owners						
Contributions of equity net of equity issue costs	196,716	-	-	196,716	-	196,716
Non-controlling interest recognised upon consolidation of controlled entities	-	-	-	-	(7)	(7)
Total equity at 30 June 2010	1,141,756	(170,512)	(425,060)	546,184	100	546,284

The above consolidated statement of changes in equity should be read in conjunction with the accompanying notes.

Consolidated statement of cash flows

for the half-year ended 30 June 2011

	Consolidated	
	2011	2010
	\$'000	\$'000
Cash flows from operating activities		
Property rental income received	55,158	89,934
Property expenses paid	(17,848)	(15,164)
Interest income received	16	96
Net payments for derivative financial instruments	-	(78,866)
Other operating expenses paid	(1,552)	(6,919)
US withholding tax refund/(paid)	1,197	(512)
Net cash inflow (outflow) from operating activities	36,971	(11,431)
Cash flows from investing activities		
Capital expenditure on investment properties	(4,839)	(4,245)
Proceeds from sale of investment properties	-	6,143
Net cash inflow (outflow) from investing activities	(4,839)	1,898
Cash flows from financing activities		
Repayment of borrowings	(107,005)	(132,249)
Proceeds from borrowings	114,462	-
Proceeds from issues of unit	-	208,338
Equity issue costs paid	-	(11,621)
Finance costs	(21,434)	(42,980)
Net cash inflow (outflow) from financing activities	(13,977)	21,488
Net increase in cash and cash equivalents	18,155	11,955
Cash and cash equivalents at the beginning of the half-year	35,488	28,961
Effect of exchange rate changes on cash and cash equivalents	(3,690)	(1,759)
Cash and cash equivalents at the end of the half-year	49,953	39,157

The above consolidated statement of cash flows should be read in conjunction with the accompanying notes.

Notes to the consolidated financial statements

for the half-year ended 30 June 2011

1. Summary of significant accounting policies

The significant policies which have been adopted in the preparation of this consolidated financial report for the half-year ended 30 June 2011 are set out below:

(a) Basis of preparation

This general purpose financial report for the interim half-year reporting period ended 30 June 2011 has been prepared in accordance with the requirements of the Trust Constitution, Australian Accounting Standard *AASB 134 Interim Financial Reporting* and the *Corporations Act 2001*.

This interim financial report does not include all the notes of the type normally included in an annual financial report. Accordingly this report is to be read in conjunction with the annual report for the period ended 31 December 2010 and any public announcements made by the Trust during the interim reporting period in accordance with the continuous disclosure obligations of the *Corporations Act 2001*.

The accounting policies adopted are consistent with those of the previous financial period and corresponding interim reporting period.

Historical cost convention

The financial statements have been prepared under the historical cost convention, as modified by the revaluation of investment properties.

Critical accounting estimates

The preparation of the financial statements in conformity with Australian Accounting Standards may require the use of certain critical accounting estimates and management to exercise its judgment in the process of applying the Trust's accounting policies. Other than the estimation of fair values and assumptions relating to deferred tax liabilities, no key assumptions concerning the future, or other estimation of uncertainty at the reporting date, have a significant risk of causing material adjustments to the financial report in the next reporting period.

Net asset deficiency

As at 30 June 2011, the Group had a net current asset deficiency of \$62.2 million. Included in current liabilities is the US\$85.0 million (\$79.2 million) Longhorn I and US\$33.1 million (\$30.8 million) Longhorn III facilities which mature in January 2012 and April 2012 respectively.

The facilities are non-recourse to the Trust. The Longhorn I facility is separately secured on four properties that have a book value of US\$102.3 million at 30 June 2011 and a loan to value ratio of 83%. The Longhorn III facility is separately secured on two properties that have a book value of US\$41.8 million at 30 June 2011 and a loan to value ratio of 79.2%. The Group is in discussions with financiers with the intention of refinancing both these facilities prior to 31 December 2011.

Going concern

On 14 July 2011, EPN EDT Holdings II LLC (EPN) moved to over 90% ownership of the Trust as a result of its bid to acquire all the units of the Trust. Having acquired over 90% of the Trust units, EPN is proceeding to compulsorily acquire the remaining Trust units under the provisions of the *Corporations Act 2001* and as outlined in its Target Statement.

As part of the compulsory acquisition process, EDT units were suspended from trading on the Australian Stock Exchange (ASX) as of close of business on 3 August 2011 and will remain so until the ASX is notified of the completion of the compulsory acquisition. Thereafter the Trust will be delisted from the ASX.

Notes to the consolidated financial statements

for the half-year ended 30 June 2011

1. Summary of significant accounting policies (continued)

(a) Basis of preparation (continued)

Going concern (continued)

Under the EDT Constitution, the delisting of the Trust from the ASX is a termination event. The Responsible Entity has resolved to change the EDT Constitution in accordance with the Corporations Act prior to delisting, to remove the delisting of EDT from the ASX as a termination event. It is intended this will occur on completion of the compulsory acquisition. The directors believe that the Trust will be successful in the above matters and, accordingly, have prepared the financial report on a going concern basis. At this time, the directors are of the opinion that no asset is likely to be realised for an amount less than the amount at which it is recorded in the financial report at 30 June 2011. Accordingly, no adjustments have been made to the financial report relating to the recoverability and classification of the asset carrying amounts or the amounts and classification of liabilities that might be necessary should the Trust not continue as a going concern.

The delisting of EDT from the ASX causes an event of default under a term debt facility credit agreement. Upon default this facility would become due and payable. This facility has US\$172.9 million (AU\$161.1 million) outstanding at 30 June 2011 and associated debt establishment costs of AU\$3.0 million. Management are in discussions with the lender to obtain a waiver for this event. At the time of finalising the financial statements the waiver has not been received, however while there can be no assurance the lender will waive the default, management expect the waiver request to be approved. As an event of default has not occurred at 30 June 2011 the loan has been treated as a non-current liability in the statement of financial position.

On default the facility would become payable on demand and would be classified as a current liability in the statement of financial position and associated debt establishment costs may be expensed through the statement of comprehensive income if the default is not remedied. Should the loan become repayable on demand, and if the Trust is unable to repay the loan, material uncertainty exists as to the Trusts ability to control the assets which are collateralised against the facility which total US\$302.8 million (AU\$282.1 million).

(b) Principles of consolidation

The consolidated financial statements incorporate the assets and liabilities of the Trust's controlled entities as at 30 June 2011 and their results for the financial period then ended. The Trust and its controlled entities together are referred to in these financial statements as the consolidated entity or the Group. The effects of all transactions between entities in the consolidated entity have been eliminated in full.

Controlled entities are those entities over which the Trust has the power to govern the financial and operating policies.

Non-controlling interests are those interests in partly owned subsidiaries which are not held directly or indirectly by the Trust.

Where control of an entity is obtained during a financial period, its results are included in the Statement of Comprehensive Income from the date on which control commences. Where control of an entity ceases during a financial period, its results are included for that part of the period during which control existed.

(c) Segment reporting

Operating segments are reported in a manner consistent with internal reporting provided to the chief operating decision maker. The chief operating decision maker has been identified as the Board of Directors as they are responsible for the strategic decision making within the Trust.

2. Distributions paid and proposed

There were no distributions paid or proposed for the half-year ended 30 June 2011 (30 June 2010: nil).

Notes to the consolidated financial statements

for the half-year ended 30 June 2011

3. Earnings per unit

	Consolidated	
	2011	2010
Basic earnings per unit (cents)	1.02	0.42
Diluted earnings per unit (cents)	1.02	0.42
Core earnings per unit (cents)	0.39	1.16
Earnings used in the calculation of basic and diluted earnings per unit (\$'000)	47,795	5,274
Earnings used in the calculation of core earnings per unit (\$'000) (refer to note 8)	18,520	14,496
Weighted average number of units used in the calculation of basic, diluted and core earnings per unit ('000)*	4,700,291	1,247,442

* Weighted average number of units is calculated from the date of issue of the units.

4. Interest in jointly controlled entities

The Trust has an interest in PS LLC with Developers Diversified Realty (DDR). The Trust exercises joint control over PS LLC, as neither the Trust nor its joint venture partner has control in their own right, irrespective of their ownership interest. The investments are accounted for in the financial statements using the equity method of accounting. The Trust's interest in MV LLC was passed onto the Trust's bankers in September 2010. The Trust retains legal ownership of the MV LLC properties, however a future return from this investment is considered to be remote.

Information relating to the jointly controlled and controlled entities is detailed below.

Entity name	Country of incorporation	Principal activity	Nature of control	Ownership interest	
				2011 %	2010 %
EPN US Trust Inc. (US REIT I)	United States	Property investment	Controlled	99.98	99.98
EDT Fund LLC (US LLC)	United States	Property investment	Controlled	99.98	99.98
EPN US Trust II Inc. (US REIT II)	United States	Property investment	Controlled	99.91	99.91
DDR MDT MV LLC (MV LLC)	United States	Property investment	Joint control	- *	49.95 *
DDR MDT PS LLC (PS LLC)	United States	Property investment	Joint control	90.25 *	90.25 *

* Represents indirect interest held through US REIT II.

(i) Carrying amount of interest in jointly controlled entities

	Note	Consolidated	
		2011 \$'000	2010 \$'000
Carrying amount at the beginning of the half-year		7,940	3,881
Share of profit before property valuation losses	4(ii)	728	457
Share of property valuation gains	4(ii)	3,030	(259)
Exchange rate differences on translation		(473)	221
Carrying amount at the end of the half-year		11,225	4,300

Notes to the consolidated financial statements

for the half-year ended 30 June 2011

4. Interest in jointly controlled entities (continued)

(ii) Results attributable to jointly controlled entities (Trust's share)

	Consolidated	
	2011	2010
	\$'000	\$'000
Property income		
Property income	5,640	6,141
Property expenses	(2,066)	(2,185)
Net property income	3,574	3,956
Management fees		
Management base fee	(185)	(416)
Total management fee	(185)	(416)
Finance costs		
Interest expense	(2,546)	(2,933)
Borrowing establishment costs - amortisation	(38)	(45)
Total finance costs	(2,584)	(2,978)
Loss on sale of property		
Loss on sale of property	-	(163)
Total loss on sale of property	-	(163)
Other income and expenses		
Interest income	(1)	(1)
Other operating expenses	(76)	59
Total other income and expenses	(77)	58
Share of net profit from investments in jointly controlled entities before property valuation gains/ (losses)	728	457
Property valuation gains /(losses)		
Revaluation of investment properties	3,004	-
Devaluation of investment properties	-	(259)
Revaluation of investment properties - adjustment for straight lining of fixed rent increases	26	-
Total property valuation gains/(losses)	3,030	(259)
Share of net profit / (loss) from investments in jointly controlled entities	3,758	198

Notes to the consolidated financial statements

for the half-year ended 30 June 2011

4. Interest in jointly controlled entities (continued)

(iii) Share of jointly controlled entities' assets and liabilities

	Consolidated	
	30 June 2011	31 December 2010
	\$'000	\$'000
Current assets		
Cash	1,743	2,248
Other assets	2,033	1,526
Total current assets	3,776	3,774
Non-current assets		
Investment properties	81,777	82,926
Total non-current assets	81,777	82,926
Total assets	85,553	86,700
Current liabilities		
Other liabilities	1,985	2,390
Total current liabilities	1,985	2,390
Non-current liabilities		
Interest bearing liabilities	72,343	76,370
Total non-current liabilities	72,343	76,370
Total liabilities	74,328	78,760
Net assets	11,225	7,940

5. Investment properties

	Consolidated	
	30 June 2011	31 December 2010
	\$'000	\$'000
At Fair value		
Balance at the beginning of the half-year	1,276,838	1,508,050
Additions during the period	4,839	5,512
Net property revaluations	28,706	23,348
Exchange rate differences on translation	(69,150)	(260,072)
Balance at the end of the half-year	1,241,233	1,276,838

Notes to the consolidated financial statements

for the half-year ended 30 June 2011

6. Interest bearing liabilities

	Consolidated	
	30 June 2011	31 December 2010
	\$'000	\$'000
Secured Loans		
Current		
Borrowings	115,986	105,558
Less: Unamortised transaction costs	(1,991)	(1,265)
	113,995	104,293
Non-current		
Borrowings	679,796	729,267
Less: Unamortised transaction costs	(6,773)	(8,563)
	673,023	720,704

The debt facilities held in the US LLC are secured by registered charges over investment properties.

At 30 June 2011, total interest bearing liabilities on a 'look through' basis were \$868.1 million (31 December 2011: \$911.2 million) with a total facility limit of \$868.1 million (30 June 2010: \$911.2 million)

The table below shows the debt maturity profile of the Group on a 'look through' basis:

	30 June 2011	31 December 2010
	\$'000	\$'000
Less than 1 year	115,986	102,288
1 to 2 years	174,477	116,484
2 to 3 years	79,329	257,828
3 to 4 years	7,315	-
4 to 5 years	241,998	263,702
More than 5 years	249,017	170,892
Total debt before unamortised borrowing costs	868,122	911,194
Borrowing costs to be amortised	(8,764)	(9,828)
Total debt after unamortised borrowing costs	859,358	901,366

7. Net tangible assets

	Consolidated	
	30 June 2011	31 December 2010
	\$'000	\$'000
Total tangible assets	1,328,139	1,347,303
Less: total liabilities	(810,944)	(850,850)
Less: non-controlling interests	(101)	(99)
Net tangible assets	517,094	496,354
Total number of units on issue	4,700,290,868	4,700,290,868
Net tangible asset backing per unit	\$0.110	\$0.106

Notes to the consolidated financial statements

for the half-year ended 30 June 2011

8. Segment information

The directors of the Responsible Entity have determined the operating segments based on the reports reviewed by the chief operating decision maker, being the board of the Responsible Entity.

The board considers the business from the aspect of each core portfolio and the Trust operations and has identified two operating segments. The segments are: shopping centres and other operations. Other operations include all non property related activities including derivative financial instruments, debt, expenses, and minority interests.

The operating segment note discloses each segment in both their respective local currencies and in Australian dollars. The other operations are presented in Australian dollars only. This information is presented on a 'look through' basis. The term 'look through' refers to assets, liabilities, revenue, and expenses of the controlled entities and the assets, liabilities, revenue and expenses held through jointly controlled entities. The value of assets, liabilities, revenue, and expenses held in jointly controlled entities are included based on the Trust's ownership percentage. This is consistent with the manner in which the information is presented to the board in its capacity as chief operating decision maker. Total segment assets and total segment liabilities have been reconciled to total assets and total liabilities reported in the Statement of Financial Position.

Segment result	Shopping Centres \$'000	Other \$'000	Total \$'000
2011			
Net property income (USD)	54,485	-	54,485
Net property income (AUD)	50,736	-	50,736
Interest income	(7)	23	16
Interest expense	(25,115)	-	(25,115)
Management base fees	(3,180)	-	(3,180)
Withholding tax benefit	-	427	427
Administration/other expenses	(2,672)	(1,695)	(4,367)
Realised foreign currency loss	-	3	3
Core earnings	19,762	(1,242)	18,520
2010			
Net property income (USD)	46,578	-	46,578
Net property income (AUD)	52,197	-	52,197
Interest income	(19)	115	96
Interest expense	(28,408)	(56)	(28,464)
Management base fees	(3,069)	-	(3,069)
Administration/other expenses	(2,868)	(1,025)	(3,893)
Realised foreign currency loss	-	(1,859)	(1,859)
Withholding tax expense	-	(512)	(512)
Core earnings	17,833	(3,337)	14,496

The Trust has investments in retail properties located in the United States and investments in bank accounts in Australia and the US.

Core earnings is a financial measure that is not prescribed by Australian Accounting Standards and represents the net profit under Australian Accounting Standards adjusted for certain unrealised and non-cash items and significant one-off items that are not in the ordinary course of business. In addition to profit determined in accordance with Australian Accounting Standards, core earnings is a key measure used for internal reporting purposes.

Notes to the consolidated financial statements

for the half-year ended 30 June 2011

8. Segment information (continued)

A reconciliation of core earnings to the profit/(loss) for the financial half-year is provided as follows:

	2011	2010
	\$'000	\$'000
Profit for the half-year	47,795	5,274
Property valuation gains	(31,736)	(6,157)
Unrealised foreign exchange (gains) / losses	131	(198)
One off realised gain on recapitalisation	-	(6,619)
Amortisation of borrowing costs	2,356	5,496
Straightlining of fixed rent increases	(26)	(279)
Realised loss on derivatives close out	-	16,635
Realised loss on sale of investment property	-	344
Core earnings	18,520	14,496

	Shopping Centres	Other	Total
	\$'000	\$'000	\$'000
Segment assets and liabilities			
At 30 June 2011			
Investment properties	1,323,010	-	1,323,010
Other assets	75,587	3,661	79,248
Total segment assets	1,398,597	3,661	1,402,258
Less: Liabilities of jointly controlled entities	(74,119)	-	(74,119)
Total assets	1,324,478	3,661	1,328,139
Total segment liabilities	884,144	919	885,063
Less: Liabilities of jointly controlled entities	(74,119)	-	(74,119)
Total liabilities	810,025	919	810,944
At 31 December 2010			
Investment properties	1,359,764	-	1,359,764
Other assets	61,820	4,479	66,299
Total segment assets	1,421,584	4,479	1,426,063
Less: Liabilities of jointly controlled entities	(78,760)	-	(78,760)
Total assets	1,342,824	4,479	1,347,303
Total segment liabilities	929,246	364	929,610
Less: Liabilities of jointly controlled entities	(78,760)	-	(78,760)
Total liabilities	850,486	364	850,850

Notes to the consolidated financial statements

for the half-year ended 30 June 2011

9. Events occurring after reporting date

On 14 July 2011, EPN EDT Holdings II LLC (EPN) moved to over 90% ownership of the Trust as a result of its bid to acquire all the units of the Trust. Having acquired over 90% of the Trust units, EPN is proceeding to compulsorily acquire the remaining Trust units under the provisions of the Corporations Act 2001 and as outlined in its Target Statement.

As part of the compulsory acquisition process, EDT units were suspended from trading on the Australian Stock Exchange (ASX) as of close of business on 3 August 2011 and will remain so until the ASX is notified of the completion of the compulsory acquisition. Thereafter the Trust will be delisted from the ASX.

Under the EDT Constitution, the delisting of the Trust from the ASX is a termination event. The Responsible Entity has resolved to change the EDT Constitution in accordance with the Corporations Act prior to delisting, to remove the delisting of EDT from the ASX as a termination event. It is intended this will occur on completion of the compulsory acquisition.

With EPN moving to over 90% ownership of the Trust, EPN US Trust Inc. (US REIT I) and EPN US Trust II Inc. (US REIT II) will fail to qualify to be treated as a REIT for US federal income tax purposes. Consequently US REIT I and US REIT II will be subject to US federal income tax on their income and dividends paid to the Trust will not be deductible.

The delisting of EDT from the ASX causes an event of default under a term debt facility credit agreement. This facility has US\$172.9 million outstanding at 30 June 2011. Management are in discussions with the lender to obtain a waiver for this event. At the time of finalising the financial statements the waiver has not been received, however while there can be no assurance the lender will waive the default, management expect the waiver request to be approved. As an event of default has not occurred at 30 June 2011 the loan has been treated as a non-current liability in the statement of financial position.

Since the end of the financial half-year, the directors of the Responsible Entity are not aware of any other matter or circumstance not otherwise dealt with in this financial report that has significantly affected or may significantly affect the operations of the Group, the results of those operations or the state of affairs of the Group in financial year subsequent to the half-year ended 30 June 2011.

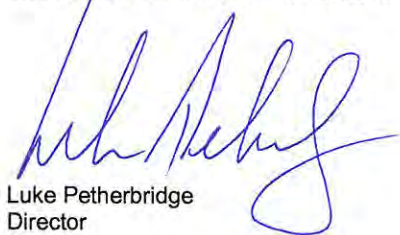
Independent director's declaration to unitholders for the half-year ended 30 June 2011

DIRECTORS' DECLARATION TO UNITHOLDERS

In the opinion of the directors of EDT Retail Management Limited:

- (a) the financial statements and notes set out on pages 9 to 21 are in accordance with the Corporations Act 2001, including:
 - (i) complying with Accounting Standards, the *Corporations Regulations 2001* and other mandatory professional reporting requirements; and
 - (ii) giving a true and fair view of the Trust's and consolidated entity's financial position as at 30 June 2011 and of their performance for the half-year ended on that date; and
- (b) there are reasonable grounds to believe that the Group 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 Board of Directors.



Luke Petherbridge
Director

Sydney
18 August 2011

Independent auditor's review report to the unitholders of EDT Retail Trust

Report on the Half-Year Financial Report

We have reviewed the accompanying half-year financial report of EDT Retail Trust, which comprises the balance sheet as at 30 June 2011, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the half-year ended on that date, other selected explanatory notes and the directors' declaration for the EDT Retail Trust Group (the consolidated entity). The consolidated entity comprises both EDT Retail Trust (the trust) and the entities it controlled during that half-year.

Directors' responsibility for the half-year financial report

The directors of EDT Retail Management Limited (the responsible entity) are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the *Corporations Act 2001* and for such control as the directors determine is necessary to enable the preparation of the half-year financial report that is free from material misstatement whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of an Interim Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the consolidated entity's financial position as at 30 June 2011 and its performance for the half-year ended on that date; and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*. As the auditor of EDT Retail Trust, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. It also includes reading the other information included with the financial report to determine whether it contains any material inconsistencies with the financial report. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

PricewaterhouseCoopers, ABN 52 780 433 757

Darling Park Tower 2, 201 Sussex Street, GPO BOX 2650, SYDNEY NSW 1171

DX 77 Sydney, Australia

T +61 2 8266 0000, F +61 2 8266 9999, www.pwc.com.au



Independent auditor's review report to the unitholders of EDT Retail Trust (continued)

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.

Independence

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*.

Conclusion

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of EDT Retail Trust is not in accordance with the *Corporations Act 2001* including:

- (a) giving a true and fair view of the consolidated entity's financial position as at 30 June 2011 and of its performance for the half-year ended on that date; and
- (b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

Emphasis of matter

We draw attention to Note 1(a) to the financial statements which describes the uncertainty related to the impact of the compulsory acquisition process on the basis of preparation. Our opinion is not qualified in respect of this matter.

A stylized, handwritten signature of the PricewaterhouseCoopers firm, written in a cursive script.

PricewaterhouseCoopers

A handwritten signature of JA Dunning, written in a cursive script.

JA Dunning
Partner

Sydney
18 August 2011

Additional Unaudited US Dollar Financial Information

for the half-year ended 30 June 2011

Income Statement

Consolidated	2011	2010
	\$'000	\$'000
Income		
Property rental income	74,134	73,153
Property expenses	(26,628)	(26,575)
Net property income	47,506	46,578
Share of net profit from investments in jointly controlled entities	3,928	183
Property valuation gains - investment properties	30,222	5,391
Interest income	16	81
Total income net of property expenses	81,672	52,233
Expenses		
Management base fee	3,092	2,733
Interest expense	23,288	25,537
Amortisation of borrowing costs	2,387	4,878
Net loss from derivative financial instruments	-	15,809
Net foreign currency (gains)/losses	131	(5,438)
Other expenses	3,242	3,472
Loss on sale of assets	-	312
Total expenses	32,140	47,303
Profit before tax	49,532	4,930
Tax (expense) / benefit	453	(459)
Profit for the half-year	49,985	4,471
Owners of EDT Retail Trust	49,984	4,470
Non-controlling interests	1	1
Profit for the half-year	49,985	4,471

The above information has not been subject to independent review by PricewaterhouseCoopers and should be read in conjunction with the accompanying notes.

Additional Unaudited US Dollar Financial Information

for the half-year ended 30 June 2011

Statement of Financial Position

Consolidated	30 June 2011 \$'000	31 December 2010 \$'000
Current assets		
Cash and cash equivalents*	53,645	36,067
Receivables	11,929	12,073
Other assets	15,700	15,322
Total current assets	81,274	63,462
Non-current assets		
Investment properties	1,332,960	1,297,650
Interest in jointly controlled entities:		
Investment properties	87,820	84,277
Less: Share of interest bearing liabilities	(77,689)	(77,615)
Add: Share of other net assets	1,924	1,408
Total interest in jointly controlled entities	12,055	8,070
Total non-current assets	1,345,015	1,305,720
Total assets	1,426,289	1,369,182
Current liabilities		
Payables	25,694	26,193
Interest bearing liabilities	122,419	106,059
Total current liabilities	148,113	132,252
Non-current liabilities		
Interest bearing liabilities	722,760	732,386
Total non-current liabilities	722,760	732,386
Total liabilities	870,873	864,638
Net assets	555,416	504,544
Equity		
Contributed equity	857,696	857,696
Reserves	(22,127)	(23,012)
Accumulated losses	(280,244)	(330,229)
Capital and reserves attributable to owners of EDT Retail Trust	555,325	504,455
Non-controlling interests	91	89
Total equity	555,416	504,544

*Cash and cash equivalents - included in the balance at 30 June 2011 is US\$14.9 million restricted cash.

The above information has not been subject to independent review by PricewaterhouseCoopers and should be read in conjunction with the accompanying notes.

Additional Unaudited US Dollar Financial Information

for the half-year ended 30 June 2011

1. US Dollar - Earnings per unit

Consolidated	2011	2010
Basic earnings per unit (cents)	1.06	0.36
Diluted earnings per unit (cents)	1.06	0.36
Core earnings per unit (cents)	0.41	1.13
Earnings used in the calculation of basic and diluted earnings per unit (\$'000)	49,985	4,471
Earnings used in the calculation of core earnings per unit (\$'000) (Refer to Note 3)	19,112	14,142
Weighted average number of units used in the calculation of basic, diluted and core earnings per unit ('000)*	4,700,291	1,247,442

* Weighted average number of units is calculated from the date of issue of the units.

2. US Dollar - Net tangible assets

Consolidated	30 June 2011 \$'000	31 December 2010 \$'000
Total tangible assets	1,426,289	1,369,182
Less: Total liabilities	(870,873)	(864,638)
Less: non-controlling interests	(91)	(89)
Net tangible assets	555,325	504,455
Total number of units on issue	4,700,290,868	4,700,290,868
Net tangible asset backing per unit (cents)	11.81	10.73

3. US Dollar - Core earnings

Consolidated	2011 \$'000	2010 \$'000
Profit for the half-year	49,985	4,471
Property valuation gains	(33,407)	(5,173)
Unrealised foreign exchange (gains) / losses	134	(5,438)
Net loss from derivative financial instruments	-	15,809
Amortisation of borrowing costs	2,426	4,918
Straightlining of fixed rent increases	(26)	(445)
Core earnings	19,112	14,142