Appendix 4D

Half year report: six months ended 31 December 2008

Name of entity:	**MIRVAC REAL ESTATE INVESTMENT TRUST**

ARSN:	089 535 526

RESULTS FOR ANNOUNCEMENT TO THE MARKET

		Up/Down	**A$'000**
2.1	Revenues from ordinary activities	+ 3.1%	55,651
2.2	Profit/(loss) from ordinary activities after tax attributable to members	- 479.7%	(158,139)
2.3	Net profit/(loss) for year attributable to members	- 479.7%	(158,139)

2.4	**Distributions (dividends)**	**Amount per security**	**Franked amount per security**
	Interim distribution – 30 September 2008	1.625 cents	Nil
	Interim distribution – 31 December 2008	1.625 cents	Nil

2.5	Record date for determining entitlements to the distribution	31 December 2008

7	**Details of associates and joint ventures including the name of the associate or joint venture entity and details of the reporting entity's percentage holding in each of these entities and – where material to an understanding of the report – aggregate share of profits (losses) of these entities, details of contributions to net profit for each of these entities, and with comparative figures for each of these disclosures for the previous corresponding period.**

		Share of profit/(loss)	
	Holding	**2008**	**2007**
197 Salmon Street Trust	50.0%	($0.152M)	$1.829 M
Old Wallgrove Road Trust	50.0%	$0.177M	$0.193 M
Tucker Box Hotel Trust	49.0%	($3.638M)	$10.47 M
Springfield Regional Shopping Centre Trust	33.3%	($1.712M)	$1.797 M

MIRVAC REAL ESTATE INVESTMENT TRUST AND ITS CONTROLLED ENTITIES

ARSN 089 535 526

Half-Year Report
for the period ended 31 December 2008

Index

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 year ended 30 June 2008 and any public announcements made about Mirvac Real Estate Investment Trust during the interim reporting period in accordance with the continuous disclosure requirements of the *Corporations Act 2001*.

Directors' report

The directors of Mirvac REIT Management Limited (as the responsible entity for Mirvac Real Estate Investment Trust) present their report together with the financial report of Mirvac Real Estate Investment Trust and its controlled entities (the Trust) for the half-year ended 31 December 2008. The financial report is presented in the Australian currency.

Directors of the Responsible Entity

The following persons were directors of Mirvac REIT Management Limited during the whole of the half-year and up to the date of this report, unless otherwise stated:

Paul F Barker – Chairman
Nicholas R Collishaw
Grant B Hodgetts
Ross Strang
Richard W Turner

Principal activities

The principal activity of the Trust is investment in rental properties. Other activities include investment in property trusts, cash and deposits in Australia.

The Trust did not have any employees during the half-year.

Distributions

Distributions paid to investors during the half-year were:

- The final distribution for the year ended 30 June 2008 of 2.65 cents per unit ($16.623 million) was provided for in last year's financial report and paid to investors on 31 August 2008.

For the half-year ended 31 December 2008:

- An interim distribution of 1.625 cents per unit ($10.193 million) was paid on 14 November 2008.
- An interim distribution of 1.625 cents per unit ($10.193 million) was approved and declared by the directors on 18 December 2008, provided for in the consolidated balance sheet as at 31 December 2008 and is due to be paid to investors on 28 February 2009.

Review and results of operations

The net loss before finance costs attributable to unitholders for the consolidated entity for the half-year ended 31 December 2008 was $158.1 million (31 December 2007: net profit of $41.7 million). The operating profit (profit before specific non-cash and significant items) for the half-year ended 31 December 2008 was $21.1 million (31 December 2007: $7.5 million)

Operating profit is a financial measure which is not prescribed by Australian Accounting Standards and represents the profit under Australian Accounting Standards adjusted for specific non-cash items and other significant items, which management consider to reflect the operating earnings of the consolidated entity.

Director's report (continued)

The key financial results of the Trust for the half-year ended 31 December 2008 are as follows:

	Half-year	
	31 Dec 2008 $'000	**31 Dec 2007 $'000**
Net profit/(loss) for the half-year	**(158,139)**	41,653
Net profit excluding specific non-cash adjustments	**21,130**	33,926

The following table summarises the specific non-cash adjustments

Total net profit/(loss)	(158,139)	41,653
Change in fair value of investment properties	**76,307**	(10,918)
Change in fair value of managed security properties	-	246
Change in fair value of derivative financial instruments	**76,624**	(6,087)
Change in fair value of investment properties and derivatives included in the share of profit of associates and joint ventures	**13,967**	(5,547)
Unrealised change in fair value of investment assets	**11,341**	13,778
Change in fair value of other loans payable	**447**	145
Amortisation of lease incentives	**583**	656
Net profit excluding specific non-cash adjustments	**21,130**	33,926

Value of assets

	31 Dec 2008 $'000	**30 Jun 2008 $'000**
Total assets	**1,267,657**	1,479,995
Net assets	**624,750**	803,275

Uncertainty around property valuations

The global market for many types of real estate has been severely affected by the recent volatility in global financial markets. The lower levels of liquidity and volatility in the banking sector have translated into a general weakening of market sentiment towards real estate and the number of real estate transactions has significantly reduced.

Fair value of investment property is the price at which the property could be exchanged between knowledgeable, willing parties in an arm's length transaction. A "willing seller" is not a forced seller prepared to sell at any price. The best evidence of fair value is given by current prices in an active market for similar property in the same location and condition.

The current lack of comparable market evidence relating to pricing assumptions and market drivers means that there is less certainty in regard to valuations and the assumptions applied to valuation inputs. The period of time needed to negotiate a sale in this environment may also be significantly prolonged.

The fair value of investment property has been adjusted to reflect market conditions at the end of the reporting period. While this represents the best estimates of fair value as at the balance sheet date, the current market uncertainty means that if investment property is sold in the future, the price achieved may be higher or lower than the most recent valuation, or higher or lower than the fair value recorded in the financial report.

Director's report (continued)

Significant changes in the state of affairs

Refinance of short term borrowings

On the 15 September 2008, the Trust entered into a new $625 million facility with a syndicate of lenders comprising Westpac Banking Corporation, ING, ANZ Bank and the Royal Bank of Scotland. The $625 million facility is in two tranches with $312.5 million expiring in September 2010 and $312.5 million expiring in September 2011. Execution of all documentation and conditions precedent were completed on 7 November 2008 and the existing facility with Westpac Banking Corporation was repaid on that date.

Sale of Australian listed equity and listed property trust portfolios

During August 2008, the Trust progressively sold down its holdings in listed equities and listed property trusts (all holdings except for the investment in Trafalgar Corporate Group). The proceeds from the sell down were $61.2 million, realising a net loss of $390,000.

Purchase of land at Woden, ACT

On 1 July 2008 the Trust completed the purchase of land located at 23 Furzer St, Woden, ACT for $23 million plus costs. The purchase is part of the construction project for the new development to be leased by the Department of Health and Ageing on completion. The title to this property is leasehold.

This land has been classified as Property, plant and equipment in the consolidated balance sheet as it is to be developed for long term rental yield and capital growth.

Sale of managed security property at 423 Pennant Hills Rd, Pennant Hills, NSW

On 12 December 2008 the Trust completed the assignment of the mortgage over 423 Pennant Hills Rd, Pennant Hills NSW for total proceeds of $27.25 million before costs. This was the final property held as mortgagee in possession by the Trust.

Sale of Birkdale Fair, Birkdale, QLD

On 15 December 2008 the Trust completed the sale of Birkdale Fair, Birkdale QLD for total proceeds of $15.25 million before costs.

Reclassification of investment properties held for sale

During the half-year three properties were reclassified as held for sale. Contracts were exchanged for the sale of Mt Sheridan Plaza and adjoining land, Cairns QLD and 90 Ashford Ave, Milperra NSW.

35-45 Furzer Street, Woden ACT is also due for sale within one year, under a Put and Call option forming part of the new development to be leased by the Department of Health and Ageing on completion.

There are no other significant changes in the state of affairs of the Trust.

Director's report (continued)

Matters subsequent to the half-year ended 31 December 2008

Sale of Mt Sheridan Plaza and vacant adjoining land

Contracts were exchanged with the purchaser on 19 December 2008 to sell the centre and adjoining land for $26.25 million (before costs). Settlement was completed on 19 January 2009.

Sale of 90 Ashford Ave, Milperra

Contracts were exchanged with the purchaser on 22 December 2008 to sell the property for $11.25 million (before costs). Settlement was completed on 2 February 2009.

Sale of Alexandra Hills Shopping Centre, Alexandra Hills

Contracts were exchanged with the purchaser on 5 February 2009 to sell the property for $40.0 million (before costs). Settlement is expected to be completed in April 2009.

In the opinion of the Directors of the Responsible Entity of the Trust, no other matters or circumstances have arisen in the interval between the end of the period and the date of this report to significantly affect the operations of the Trust, the results of those operations, or the state of affairs, in future financial years.

Rounding of amounts to nearest thousand dollars

Pursuant to Class Order 98/100 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 financial report have been rounded off to the nearest thousand dollars in accordance with that Class Order unless otherwise indicated.

Auditor's independence declaration

A copy of the auditor's independence declaration as required by section 307C of the *Corporations Act 2001* is set out on page 6.

Auditor

PricewaterhouseCoopers continues in office in accordance with section 327 of the *Corporations Act 2001*.

Signed in accordance with a resolution of the directors.

Grant B Hodgetts
Director

Sydney
17 February 2009

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Auditors' Independence Declaration

As lead auditor for the review of Mirvac Real Estate Investment Trust for the half year ended 31 December 2008, 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 Mirvac Real Estate Investment Trust and the entities it controlled during the period.

M. Laithwaite

Marcus Laithwaite
Partner
PricewaterhouseCoopers

Sydney
17 February 2009

Consolidated income statement

For the half-year ended 31 December 2008

	Note	Half-year 31 Dec 2008 $'000	31 Dec 2007 $'000
Income			
Rental revenue		**52,305**	47,903
Dividend and distribution income		**2,113**	4,622
Interest income		**659**	508
Revenue from other operating activities		**574**	953
Total income		**55,651**	53,986
Expenses			
Property outgoings		**(13,818)**	(12,117)
Amortisation of lease incentives	6	**(583)**	(656)
Net gain/(loss) on sale of investment properties		**(1,019)**	3,475
Net loss on disposal of managed security property		**(455)**	-
Net gain/(loss) on sale of investment assets		**(390)**	2,621
Change in fair value of investment properties	6	**(76,307)**	10,918
Change in fair value of managed security properties		**-**	(246)
Change in fair value of investment assets		**(11,341)**	(13,778)
Change in fair value of derivative financial instruments		**(76,624)**	6,087
Share of net profit of associates and joint ventures using the equity method		**(5,325)**	14,289
Finance costs expense	4	**(23,355)**	(17,861)
Other expenses from ordinary activities		**(4,573)**	(5,065)
Total expenses		**(213,790)**	(12,333)
Net profit/(loss)		**(158,139)**	41,653
Financing costs attributable to unitholders			
Finance costs to unitholders*		**-**	(26,781)
Decrease/(Increase) in net assets attributable to unitholders		**-**	-
Net profit/(loss) attributable to unitholders		**(158,139)**	14,872

Earnings per share for net profit attributable to unitholders		**Cents**	**Cents**
Basic earnings per unit**		**(25.21)**	2.37
Diluted earnings per unit**		**(25.21)**	2.37
		$'000	**$'000**
Distributions paid and payable	7	**(20,386)**	(16,623)

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

* Due to the finite clause contained in the Trust's constitution, and in accordance with *AASB 132 Financial Instruments: Presentation*, the units in the Trust were classified as debt for accounting purposes. The Trust's constitution was amended at a unitholder's meeting on 13 December 2007 such that the finite life clause was removed. Therefore for the period 1 July 2007 to 12 December 2007 $26.8 million of the Trust's result (including unrealised valuation gains) has been disclosed as a finance cost in the consolidated income statement. Since 13 December 2007, the units on issue are classified as equity; therefore finance costs attributable to unitholders will not be recorded in future periods.

**Earnings used in the calculation of earnings per unit represent "net profit/(loss) attributable to unitholders" and reflect earnings for the period 1 July to 31 December 2008 and comparatively for the period 13 December to 31 December 2007. Comparative earnings per unit information is not disclosed for the period 1 July to 12 December 2007 as the class of units that are publicly traded were considered to be debt instruments in accordance with *AASB 132 Financial Instruments: Presentation* requirements.

Consolidated balance sheet

As at 31 December 2008

	Note	31 Dec 2008 $'000	30 June 2008 $'000
Current assets			
Cash and cash equivalents		**16,163**	14,751
Receivables		**5,000**	7,716
Financial assets held at fair value through profit or loss		**4,699**	72,721
Non-current assets held for sale	5	**48,795**	-
Other assets		**1,037**	25,641
TOTAL CURRENT ASSETS		**75,694**	120,829
Non-current assets			
Derivative financial instruments		-	19,336
Other financial assets		**21,800**	25,350
Investment properties	6	**930,553**	1,060,511
Secured receivables – managed security properties		-	27,150
Property, plant and equipment		**25,730**	-
Investments in associates and joint ventures		**213,880**	226,819
TOTAL NON-CURRENT ASSETS		**1,191,963**	1,359,166
TOTAL ASSETS		**1,267,657**	1,479,995
Current liabilities			
Payables		**14,656**	12,160
Provision for distribution	7	**10,193**	16,623
Borrowings	8	**416**	643,730
Derivative financial instruments		**1,063**	-
Other loans payable		**2,327**	-
TOTAL CURRENT LIABILITIES		**28,655**	672,513
Non-current liabilities			
Borrowings	8	**558,027**	-
Derivative financial instruments		**56,225**	-
Other loans payable		-	4,207
TOTAL NON-CURRENT LIABILITIES		**614,252**	4,207
TOTAL LIABILITIES		**642,907**	676,720
NET ASSETS		**624,750**	803,275
Equity			
Contributed equity		**668,230**	668,230
Retained earnings		**(43,480)**	135,045
TOTAL EQUITY		**624,750**	803,275

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

As at 30 June 2008 the total consolidated current liabilities of the Trust exceeded total consolidated current assets, due to the short term nature of the Trust's borrowings. These borrowings were refinanced during the half year and as at 31 December 2008 the total consolidated current assets of the Trust exceed the total consolidated current liabilities.

Consolidated statement of changes in equity

For the half-year ended 31 December 2008

	Half-year	
	31 Dec 2008 $'000	31 Dec 2007 $'000
Total equity at the beginning of the reporting period	**803,275**	-
Transfer of liabilities attributable to unitholders from liability to equity in accordance with AASB 132*	-	873,162
Equity as at 13 December 2007	-	873,162
Profit/(loss) for the period 13 December to 31 December 2007	-	14,872
Profit/(loss) for the period 1 July to 31 December 2008	**(158,139)**	-
Total recognised changes in equity for the period 13 December to 31 December 2007	-	14,872
Total recognised changes in equity for the period 1 July to December 2008	**(158,139)**	-
Distributions paid/provided for	**(20,386)**	(16,623)
Total equity at the end of the reporting period	**624,750**	871,411

* Due to the finite life clause contained in the Trust's constitution and in accordance with *AASB 132 Finance Instruments: Presentation*, the units in the Trust were classified as debt for accounting purposes. The Trust's constitution was amended to meet the classification of equity at a unitholder's meeting held on 13 December 2007, such that the finite life clauses were removed. Therefore from 13 December 2007 the units and finance costs attributed to unitholders are considered equity and are incorporated into the statement of changes in equity

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

Consolidated cash flow statement
For the half-year ended 31 December 2008

	Half-year	
	31 Dec 2008 $'000	31 Dec 2007 $'000
Cash flows from operating activities		
Cash receipts in the course of operations (inclusive of GST)	**55,906**	49,141
Cash payments in the course of operations (inclusive of GST)	**(17,092)**	(18,442)
Interest received	**659**	508
Property trust distributions/dividend received	**3,170**	4,938
Distribution received from associates and joint ventures	**7,614**	7,786
Net cash inflow from operating activities	**50,257**	43,931
Cash flows from investing activities		
Payment for equity and property securities	**(1,775)**	(16,134)
Proceeds from realisation of equity and property securities	**61,671**	13,790
Proceeds from sale of investment properties	**15,241**	29,620
Capital expenditure on investment properties	**(11,682)**	(9,003)
Proceeds from realisation of managed security property	**26,895**	-
Capital expenditure on managed security property	**(344)**	(246)
Payment for purchase of subsidiary including acquisition costs	**-**	(179,149)
Payment for purchase of property, plant and equipment	**(1,471)**	-
Proceeds from loan to associate	-	101
Net cash inflow/(outflow) from investing activities	**88,535**	(161,021)
Cash flows from financing activities		
Finance costs		
- borrowings (including establishment fees)	**(27,237)**	(16,218)
Proceeds from borrowings	**600,000**	789,000
Repayment of borrowings	**(683,327)**	(615,000)
Distributions/finance costs to unitholders paid	**(26,816)**	(39,047)
Net cash (outflow)/inflow from financing activities	**(137,380)**	118,735
Net increase in cash and cash equivalents held	**1,412**	1,645
Cash and cash equivalents at the beginning of the period	**14,751**	11,337
Cash and cash equivalents at the end of the period	**16,163**	12,982

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

Note 1 Summary of significant accounting policies

This general purpose financial report for the interim half-year reporting period ended 31 December 2008 has been prepared in accordance with the Trust's Constitution, 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 should be read in conjunction with the annual report for the year ended 30 June 2008 and any public announcements made about Mirvac Real Estate Investment Trust and its controlled entities during the interim reporting 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 year and corresponding interim reporting period.

Note 2 Critical accounting estimates and judgements

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Trust and its controlled entities and that are believed to be reasonable under the circumstances.

(a) Critical accounting estimates and assumptions

The Trust makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

(i) Estimated value of investment properties

Estimates are made by the Trust in respect of the fair value of investment properties. These values are reviewed regularly for impairment by reference to external independent property valuations, recent similar sales and market conditions, using generally accepted market practices. Where these are not available, discounted cash flow models are used to estimate the fair value.

The carrying value as at 31 December 2008 for investment properties was $930.55 million (30 June 2008: $1.06 billion). Refer to Note 5 for the most recent external independent property valuation for each investment property.

(ii) Estimated value of financial derivatives

Estimates are made by the Trust in respect of the fair value of financial derivatives. These financial derivatives are reviewed regularly for impairment by reference to external independent valuations from financial institutions, which are readily available.

The carrying amount of financial derivatives as at 31 December 2008 was a liability of $57.29 million (30 June 2008: asset of $19.34 million).

(iii) Fair value of investments not traded in active markets

The fair value of investments that are not traded in an active market is determined by using valuation techniques. The Trust uses its judgement to select appropriate methods and to make assumptions that are based on market conditions existing at each balance date to determine the fair value of investments in unlisted trusts.

The carrying value of investments not traded in an active market is determined by reference to the net tangible assets of the trust and are disclosed as Other financial assets in the consolidated balance sheet. The value of these investments at 31 December 2008 was $21.80 million (30 June 2008: $25.35 million).

Note 2 Critical accounting estimates and judgements (continued)

(b) Critical judgements in applying the Trust's accounting policies

There have been no critical judgements made during the period.

Note 3 Segment information

Segment results include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items mainly comprise corporate income and expenses. The Trust operates solely in one geographic location being Australia.

a) Business segments

Individual business segments have been identified on the basis of grouping individual products or services subject to similar risks and returns.

The main business segment of the consolidated entity is the investment in properties which are leased to third parties for the following uses:

- Industrial - Accommodation for factories and other industrial use
- Commercial - Office accommodation
- Retail - Accommodation for retail outlets
- Hotel - Hotel accommodation

Note 3 Segment information (continued)

31 December 2008 Business Segments	Retail $'000	Commercial $'000	Industrial $'000	Hotels $'000	Other $'000	Consolidated $'000
Income						
Rental revenue	22,635	20,259	9,411	-	-	52,305
Interest income	-	-	-	-	659	659
Dividend and distribution received	-	-	-	-	2,113	2,113
Revenue from other operating activities	-	-	-	-	574	574
Total Income	22,635	20,259	9,411	-	3,346	55,651
Total segment result	(28,313)	(6,951)	(6,192)	(3,638)	(113,045)	(158,139)

31 December 2007 Business Segments	Retail $'000	Commercial $'000	Industrial $'000	Hotels $'000	Other $'000	Consolidated $'000
Income						
Rental revenue	20,034	19,158	8,711	-	-	47,903
Interest income	-	-	-	-	508	508
Dividend and distribution received	-	-	-	-	4,622	4,622
Revenue from other operating activities	-	-	-	-	953	953
Total Income	20,034	19,158	8,711	-	6,083	53,986
Total segment result	21,532	22,594	9,265	10,470	(22,208)	41,653

Note 4 Finance costs

	31 Dec 2008 $'000	31 Dec 2007 $'000
Interest and finance charges paid/payable	**22,436**	17,375
Amount capitalised	**(182)**	-
Borrowing costs amortised	**1,101**	486
	23,355	17,861

Note 5 Current assets – Non-current assets held for sale

Property	Type		31 Dec 2008 $'000	30 Jun 2008 $'000
35-45 Furzer Street, Woden, ACT	Commercial	A	**12,000**	-
90 Ashford Avenue, Milperra, NSW	Industrial	B	**11,025**	-
Mt Sheridan Plaza and adjoining vacant land, Cairns, QLD	Retail	C	**25,770**	-
			48,795	-

A This property is contracted to sell under a Put and Call Option forming part of the new development to be leased by the Department of Health and Ageing on completion.

B Contracts were exchanged with the purchaser on 22 December 2008 to sell this property for $11.25 million (before costs) and settlement occurred on 2 February 2009.

C Contracts were exchanged with the purchaser on 19 December 2008 to sell this property for $26.25 million (before costs) and settlement occurred on 19 January 2009.

Note 6 Non-current assets – Investment properties

Property	Type	Ownership %	Date acquired	Last Valuation date	Independent valuation amount $'000	Independent valuer	Book value 31 Dec 2008 $'000	Book value 30 Jun 2008 $'000
35-45 Furzer Street, Woden, ACT[1]	Commercial	100	Feb 2000	Jun 2008	18,100	A	-	18,100
3 Rider Boulevard, Rhodes, NSW	Commercial	100	Jan 2007	Jun 2008	77,800	B	**75,750**	77,800
10-20 Bond Street, Sydney, NSW	Commercial	50	Jul 2004	Jun 2008	150,000	C	**137,000**	150,000
12 Cribb Street, Milton, QLD	Commercial	100	Apr 1999	Dec 2008	18,500	D	**18,500**	19,000
340 Adelaide Street, Brisbane, QLD	Commercial	100	Sep 1998	Jun 2008	77,000	E	**77,000**	77,000
591-609 Doncaster Road, Doncaster, VIC	Commercial	100	Jun 2002	Dec 2008	21,800	F	**21,800**	22,000
10 Julius Avenue, North Ryde, NSW	Industrial	100	Dec 2005	Jun 2008	65,300	G	**60,250**	65,300
12 Julius Avenue, North Ryde, NSW	Industrial	100	Nov 1999	Jun 2008	29,700	G	**28,750**	29,700
32 Sargents Road, Minchinbury, NSW	Industrial	100	Feb 2004	Jun 2008	30,250	H	**28,500**	30,250
52 Huntingwood Drive, Huntingwood, NSW	Industrial	100	Nov 2004	Jun 2008	27,250	H	**26,200**	27,250
90 Ashford Avenue, Milperra, NSW[1]	Industrial	100	Sep 2007	Oct 2008	11,250	I	-	12,800
108-120 Silverwater Road, Silverwater, NSW	Industrial	100	Mar 2000	Dec 2008	27,200	J	**27,200**	29,500
47-67 Westgate Drive, Altona North, VIC	Industrial	100	Sep 2007	Dec 2008	22,500	K	**22,500**	26,000
Cooleman Court, Weston, ACT[2]	Retail	100	Nov 2004	Mar 2006	39,000	L	**50,803**	42,235
Lanyon Market Place, Condor, ACT	Retail	100	Sep 2007	Dec 2008	23,000	M	**23,000**	27,000
Cherrybrook Village Shopping Centre, Cherrybrook , NSW	Retail	100	Jun 2005	Jun 2008	82,000	N	**81,500**	82,000
Chester Square, Shopping Centre, Chester Hill, NSW	Retail	100	Mar 2007	Jun 2008	33,000	N	**30,800**	33,000
Moonee Beach Shopping Centre, Coffs Harbour, NSW	Retail	100	Feb 2007	Dec 2008	18,000	O	**18,000**	27,250
Pender Place Shopping Centre, Maitland, NSW	Retail	100	Sep 2007	Dec 2008	11,000	P	**11,000**	10,000
Taree City Centre, Taree, NSW	Retail	100	Nov 2004	Jun 2008	65,000	Q	**62,200**	65,000
Alexandra Hills Shopping Centre, Alexandra Hills, QLD	Retail	100	Aug 2000	Dec 2008	41,000	R	**41,000**	45,500
Birkdale Fair, Birkdale, QLD	Retail	100	Sep 2007	Jun 2007	15,000	R	-	16,000
City Centre Plaza, Rockhampton, QLD	Retail	100	Mar 2004	Jun 2008	51,500	S	**48,800**	51,500
Morayfield Supa Centre, Morayfield, QLD	Retail	100	Sep 2007	Dec 2008	40,000	R	**40,000**	47,600
Mt Sheridan Plaza and adjoining vacant land, Cairns, QLD[1]	Retail	100	Sep 2007	Jun 2007	28,300	T	-	28,726
					1,023,450		**930,553**	1,060,511

1 Transferred to Current assets – Non-current asset held for sale.
2 The property is currently under redevelopment.

Note 6 Non-current assets – Investment properties (continued)

Valuers' names and qualifications

A Martin Fidden, Registered Valuer No. 7153 of Savills (NSW) Pty Ltd
B Mark Smallhorn, FAPI Certified Practising Valuer (Reg No. 1207) and Stuart McCann, AAPI Certified Practising Valuer, Reg No. 14356 of Jones Lang LaSalle Advisory Services Pty Limited
C Andrew Pannifex, Registered Valuer No. 2982 of Savills (NSW) Pty Ltd
D Andrew Sutton, AAPI, Registered Valuer No. 3205 and Tom Irving, AAPI, Registered Valuer No. 2510 of CB Richard Ellis Pty Ltd
E Tom Irving, AAPI, Registered Valuer No. 2510 of CB Richard Ellis Pty Ltd
F Ben Koops, AAPI, Certified Practicing Valuer and Leigh Melbourne, AAPI, AFIN, Certified Practicing Valuer of Savills (VIC) Pty Limited
G Scott Young, Registered Valuer No. 3251 of Savills (NSW) Pty Ltd
H Alistair Carpenter, AAPI Certified Practising Valuer, Registered Valuer No. 5089 and Andrew Hurley Registered Valuer No. 17029 of Jones Lang LaSalle Advisory Services Pty Limited
I Bobby Dunimagloski, AAPI, Certified Practising Valuer, Registered Real Estate Valuer No. 6823 (NSW) of Colliers International
J Adam Gander, AAPI, Certified Practising Valuer (Reg No. 6069) of Jones Lang LaSalle (NSW) Pty Ltd
K Julian Vautin AAPI, API Member No. 2313 (VIC) and David Jessup, National Director of Colliers International Consultancy and Valuation Pty Limited
L Stephen R Andrew, FAPI, Certified Practising Valuer of Colliers International Consultancy and Valuation Pty Limited
M Ben Stewart, Registered Valuer 6399 of Savills (NSW) Pty Ltd
N Heath Crampton, AAPI Registered Valuer No. 6661 (NSW) and Eugene King, GAPI Registered Valuer no. 016732 (NSW) of Colliers International Consultancy and Valuation Pty Limited
O Heath Crampton, AAPI Registered Valuer No. 6661 (NSW) and Tanja Simlesa, AAPI, Certified Practising Valuer, Registered Real Estate Valuer no. 017172 (NSW) Colliers International Consultancy and Valuation Pty Limited
P Phillip G Allenby, FAPI, Registered Valuer No. VAL2523 of Knight Frank Valuations
Q Ben Stewart, Registered Valuer No. 6399, Savills (NSW) Pty Limited
R Matthew Buckley, Registered Valuer No. 1771 of Savills (QLD) Pty Limited
S Tom Irving, AAPI Registered Valuer No. 2510 and Virginia Vasta Registered Valuer No. 3155 of CB Richard Ellis Pty Ltd
T Andrew Johnston, Registered Real Estate Valuer No. 3223 (QLD) and Ben Stewart, Registered Valuer 6399 of Savills (NSW) Pty Ltd

Valuations of investment properties

The basis of valuation of investment properties is fair value being the amounts for which the assets could be exchanged between knowledgeable, willing parties in an arm's-length transaction, based on current prices in an active market for similar properties in the same location and condition and subject to similar leases. Properties not independently valued during the last 6 months are carried at director's valuation at 31 December 2008.

The fair value of investment property includes the cost of amortised lease incentives and amortised initial direct leasing costs in accordance with Australian Accounting Standards.

Note 6 Non-current assets – Investment properties (continued)

Uncertainty around property valuations

The global market for many types of real estate has been severely affected by the recent volatility in global financial markets. The lower levels of liquidity and volatility in the banking sector have translated into a general weakening of market sentiment towards real estate and the number of real estate transactions has significantly reduced.

Fair value of investment property is the price at which the property could be exchanged between knowledgeable, willing parties in an arm's length transaction. A "willing seller" is not a forced seller prepared to sell at any price. The best evidence of fair value is given by current prices in an active market for similar property in the same location and condition.

The current lack of comparable market evidence relating to pricing assumptions and market drivers means that there is less certainty in regard to valuations and the assumptions applied to valuation inputs. The period of time needed to negotiate a sale in this environment may also be significantly prolonged.

The fair value of investment property has been adjusted to reflect market conditions at the end of the reporting period. While this represents the best estimates of fair value as at the balance sheet date, the current market uncertainty means that if investment property is sold in the future, the price achieved may be higher or lower than the most recent valuation, or higher or lower than the fair value recorded in the financial report.

Reconciliations

Reconciliations of the carrying amounts of investment properties at the beginning and end of the current and previous reporting period are set out below.

	31 Dec 2008 $'000	30 Jun 2008 $'000
Carrying amount at start of the period	**1,060,511**	877,312
Valuation decrement	**(76,307)**	(822)
Lease incentives	**431**	1,370
Amortisation of lease incentives	**(583)**	(1,338)
Acquisitions resulting from purchase of controlled entities	**-**	165,884
Additions	**11,251**	20,805
Classified as held for sale	**(48,795)**	-
Disposals during the period	**(15,955)**	(2,700)
Carrying amount at end of the period	**930,553**	1,060,511

Note 7 Current liabilities – Provision for distribution

	Half-year 31 Dec 2008 $'000	Half-year 31 Dec 2008 CPU	Half-year 31 Dec 2007 $'000	Half-year 31 Dec 2007 CPU
September quarter - paid	**10,193**	**1.625**	16,623	2.650
December quarter - payable	**10,193**	**1.625**	16,623	2.650
	20,386	**3.250**	33,246	5.300

Note 8 Borrowings

	31 Dec 2008 $'000	30 Jun 2008 $'000
Current		
Borrowings from financial institutions	-	641,000
Interest and borrowing costs payable	**2,874**	3,519
Borrowing costs capitalised and prepaid	**(2,458)**	(789)
	416	643,730
Non-current		
Borrowings from financial institutions	**560,000**	-
Borrowing costs capitalised and prepaid	**(1,973)**	-
	558,027	-

On the 15 September 2008, the Trust entered into a new $625 million facility with a syndicate of lenders comprising Westpac Banking Corporation, ING, ANZ Bank and the Royal Bank of Scotland.

The $625 million facility is in two tranches with $312.5 million expiring in September 2010 and $312.5 million expiring in September 2011. Execution of all documentation and conditions precedent were completed on 7 November 2008 and the existing facility with Westpac Banking Corporation was repaid on that date.

Note 9 Contingent assets and liabilities

The Trust had no contingent assets or contingent liabilities at 31 December 2008.

Note 10 Matters subsequent to the half-year ended 31 December 2008

Sale of Mt Sheridan Plaza and vacant adjoining land

Contracts were exchanged with the purchaser on 19 December 2008 to sell the centre and adjoining land for $26.25 million (before costs). Settlement was completed on 19 January 2009.

Sale of 90 Ashford Ave, Milperra

Contracts were exchanged with the purchaser on 22 December 2008 to sell the property for $11.25 million (before costs). Settlement was completed on 2 February 2009.

Sale of Alexandra Hills Shopping Centre, Alexandra Hills

Contracts were exchanged with the purchaser on 5 February 2009 to sell the property for $40.0 million (before costs). Settlement is expected to be completed in April 2009.

In the opinion of the Directors of the Responsible Entity of the Trust, no other matters or circumstances have arisen in the interval between the end of the period and the date of this report to significantly affect the operations of the Trust, the results of those operations, or the state of affairs, in future financial years.

Directors' declaration

In the opinion of the directors of the Responsible Entity:

a) The financial statements and notes set out on pages 7 to 18 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 financial position as at 31 December 2008 and of its performance, as represented by the results of its operations, changes in equity and cash flows for the half-year ended on that date; 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.

Grant B Hodgetts
Director

Sydney
17 February 2009

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Independent auditor's review report to the Unitholders of Mirvac Real Estate Investment Trust

Report on the Half-Year Financial Report

We have reviewed the accompanying half-year financial report of Mirvac Real Estate Investment Trust (the Trust), which comprises the balance sheet as at 31 December 2008, and the income statement, statement of changes in equity and cash flow statement for the half-year ended on that date, other selected explanatory notes and the directors' declaration for the Trust and its controlled entities (the consolidated entity). The consolidated entity comprises both the Trust and the entities it controlled during that half-year.

Directors' responsibility for the half-year financial report

The directors of the Trust are responsible for the preparation and fair presentation of the half-year financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the *Corporations Act 2001*. This responsibility includes establishing and maintaining internal control relevant to the preparation and fair presentation of the half-year financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

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 31 December 2008 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 the 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.

For further explanation of a review, visit our website http:/www.pwc.com/au/financialstatementaudit.

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Independent auditor's review report to the Unitholders of Mirvac Real Estate Investment 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.

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

Matters relating to the electronic presentation of the reviewed financial report

This review report relates to the financial report of the Trust for the half-year ended 31 December 2008 included on Mirvac Group's web site. The Trust's directors are responsible for the integrity of the Mirvac Group's web site. We have not been engaged to report on the integrity of this web site. The review report refers only to the statements named above. It does not provide an opinion on any other information which may have been hyperlinked to/from these statements. If users of this report are concerned with the inherent risks arising from electronic data communications they are advised to refer to the hard copy of the reviewed financial report to confirm the information included in the reviewed financial report presented on this web site.

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 Mirvac Real Estate Investment 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 31 December 2008 and of its performance for the half-year ended on that date; and

(b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and *Corporations Regulations 2001.*

PricewaterhouseCoopers

PricewaterhouseCoopers

M. Laithwaite

Marcus Laithwaite
Partner

Sydney
17 February 2009