

8 November 2011



**Westfield Group**

Level 24, Westfield Towers  
100 William Street  
Sydney NSW 2011  
GPO Box 4004  
Sydney NSW 2001  
Australia

**Telephone** 02 9358 7000

**Facsimile** 02 9358 7077

**Internet** [www.westfield.com](http://www.westfield.com)

The Manager  
Company Announcements Office  
ASX Limited  
Level 4, Exchange Centre  
20 Bridge Street  
SYDNEY NSW 2000

Dear Sir/Madam

**WESTFIELD GROUP (ASX:WDC)  
3<sup>rd</sup> QUARTER 2011 UPDATE**

The Westfield Group 3<sup>rd</sup> Quarter Update is attached.

Yours faithfully  
**WESTFIELD GROUP**

A handwritten signature in blue ink, consisting of several overlapping loops and a long horizontal stroke extending to the left.

**Simon Tuxen  
Company Secretary**

Encl.

**Westfield Holdings Limited** ABN 66 001 671 496

**Westfield Management Limited** ABN 41 001 670 579 AFS Licence 230329  
as responsible entity for **Westfield Trust** ABN 55 191 750 378 ARSN 090 849 746

**Westfield America Management Limited** ABN 66 072 780 619 AFS Licence 230324  
as responsible entity for **Westfield America Trust** ABN 27 374 714 905 ARSN 092 058 449

8 November 2011

**WESTFIELD GROUP REPORTS 3<sup>RD</sup> QUARTER UPDATE  
CONTINUED SOLID PERFORMANCE  
EXPANDS PLATFORM INTO NEW MARKETS**

**MEDIA RELEASE**

The Westfield Group (ASX:WDC) today announced its 3rd quarter operating update for the nine months to 30 September 2011. The Group's operations continued to achieve solid performances with income growth in all markets. The Group remains on track to deliver its forecast earnings and distribution for the year.

During the quarter, WDC made a number of strategic investments globally that expands the Westfield franchise in both existing and new markets.

Westfield Group Co-CEOs, Peter Lowy and Steven Lowy AM said: "This was an exciting and active quarter for Westfield, with the immensely successful opening of our Stratford City project adjacent to the site of the London 2012 Olympics, together with concluding the £1.75 billion joint venture of the centre.

"We are very proud of what we have achieved at Stratford City. This world class shopping centre was delivered on time, on budget and over 95% leased at opening. More than 6.5 million customer visits have occurred in the 8 weeks since opening, including over 1 million visits in the centre's first week, a record for our company".

The Group was active in implementing its strategic plan of investing capital into high return opportunities and continues to pursue the disposal of non-core assets.

"Importantly, we announced the expansion of our business franchise into new markets including Brazil and the acquisition of a strategic development site in Milan, which we believe is the best major retail development site in continental Europe," Steven Lowy said.

During the quarter, WDC reached an in principle agreement on the US\$1.3 billion joint venture of the retail premises at the World Trade Center in New York.

WDC also recently announced the sale of a half share interest in Cairns Central, Queensland for \$261 million at a cap rate of 5.2%, representing a \$35 million, or 16%, premium to book value.

"We believe the recent Cairns Central sale augurs well for asset values in our Australian portfolio," Steven Lowy said.

### **Outlook**

WDC continues its pre-development activity on the \$11 billion identified pipeline of future development work. WDC expects to commence over \$750 million of new projects in 2011 and \$1.25 billion to \$1.5 billion of new projects in both 2012 and 2013.

WDC confirms its 2011 full year forecast for Funds From Operations (FFO) of between 64 and 65 cents per security, distribution per security of 48.4 cents and operational segment earnings of 74.6 cents per security.

**ENDS**

westfield.com

**Westfield Holdings Limited** ABN 66 001 671 496 **Westfield Management Limited** ABN 41 001 670 579 AFS  
Licence 230329 as responsible entity for **Westfield Trust** ABN 55 191 750 378 ARSN 090 849 746

**Westfield America Management Limited** ABN 66 072 780 619 AFS Licence 230324 as responsible entity for

**Westfield America Trust** ABN 27 374 714 905 ARSN 092 058 449

For further information please contact Julia Clarke on +61 2 9358 7426

The Westfield Group (ASX Code: WDC) is an internally managed, vertically integrated, shopping centre group undertaking ownership, development, design, construction, funds/asset management, property management, leasing and marketing activities and employing over 4,000 staff worldwide. The Westfield Group has interests in and operates one of the world's largest shopping centre portfolios with investment interests in 124 shopping centres across Australia, the United States, the United Kingdom, New Zealand and Brazil , encompassing around 25,000 retail outlets and total assets under management of A\$59.6 billion.

This release contains forward-looking statements, including statements regarding future earnings and distributions. These forward-looking statements are not guarantees or predictions of future performance, and involve known and unknown risks, uncertainties and other factors, many of which are beyond our control, and which may cause actual results to differ materially from those expressed in the statements contained in this release. You should not place undue reliance on these forward-looking statements. These forward-looking statements are based on information available to us as of the date of this presentation. Except as required by law or regulation (including the ASX Listing Rules) we undertake no obligation to update these forward-looking statements.

# MEDIA RELEASE

8 November 2011



**Westfield Group (WDC)**  
**3rd Quarter Update**

30 September 2011

## Disclaimer

This release contains forward-looking statements, including statements regarding future earnings and distributions. These forward-looking statements are not guarantees or predictions of future performance, and involve known and unknown risks, uncertainties and other factors, many of which are beyond our control, and which may cause actual results to differ materially from those expressed in the statements contained in this release. You should not place undue reliance on these forward-looking statements. These forward-looking statements are based on information available to us as of the date of this presentation. Except as required by law or regulation (including the ASX Listing Rules) we undertake no obligation to update these forward-looking statements

*Note: All currency figures within this presentation are presented in Australian dollars unless otherwise stated*

## Highlights / Summary

- Successfully opened the £1.75 billion Westfield Stratford City (UK) in September 2011, Europe's largest urban shopping centre and concluded the joint venture with CPP and APG
- Announced the expansion of business into new markets including Brazil, the acquisition of a strategic development site in Milan and the World Trade Center opportunity in New York
- Continued to pursue strategy of disposing non-core assets
- Sold 50% interest in Cairns Central (QLD) for \$261 million at a cap rate of 5.2% representing a \$35 million, or 16%, premium to book value and achieving an unlevered IRR of 15.2%
- Continued solid performance across all regions – comparable NOI forecasts remain in line with previous guidance
- Commenced the US\$180 million redevelopment of Westfield UTC (California) – the Group's first major project commencement in the US since 2007, resulting in over \$750 million of new project starts for the Group in 2011
- Good construction and leasing progress continuing on major projects – Carindale (QLD) and Fountain Gate (VIC)
- Reconfirm full year 2011 earnings and distribution guidance of:
  - FFO: 64 – 65 cents per security
  - Operational Segment Earnings: 74.6 cents per security
  - Distribution: 48.4 cents per security

## Shopping Centre Operating Performance

	Portfolio Leased <sup>1</sup> (%)	Specialty Occupancy Cost <sup>1</sup> (%)	Specialty Retail Sales (Yr to 30 Sep)	Retail Sales Growth (%) <sup>2</sup>	Lease Deals Completed <sup>2</sup> (Number/Area)	Average Specialty Store Rent	
						Amount <sup>1</sup>	Growth <sup>3</sup> (%)
<b>Australia &amp; New Zealand</b>	> 99.5	18.6	\$9,737 psm NZ\$7,970 psm	Aus: 1.1 <sup>4</sup> NZ: 0.7 <sup>4</sup>	2,359 302,946 sqm	\$1,460 psm NZ\$1,059 psm	3.8
<b>United States</b>	92.5 <sup>5</sup>	15.5	US\$433 <sup>6</sup> psf	5.9 <sup>6</sup>	1,306 3,406,723 sqf	US\$60.48 <sup>7</sup> psf	3.3
<b>United Kingdom</b>	98.5	n/a	n/a	15.7 <sup>8</sup>	413 172,895 sqm	£ 803 psm	(2.4)
<b>Group<sup>9</sup></b>	97.3				4,078 792,336 sqm		

<sup>1</sup> As at 30 September 2011

<sup>2</sup> 9 months to 30 September 2011

<sup>3</sup> 30 September 2011 compared to 30 September 2010

<sup>4</sup> Comparable Speciality shop sales

<sup>5</sup> Excludes temporary leasing of in-line space representing an additional 4.4% of area

<sup>6</sup> On a per square foot basis for shops < 10,000 sqf

<sup>7</sup> Based on total rent (excluding taxes) for shops < 20,000 sqf

<sup>8</sup> Westfield London

<sup>9</sup> Excludes Brazil

## Operating Statistics – Australia and New Zealand

Retail Sales	Period to 30 September 2011				
	Moving Annual Turnover (MAT)	MAT Growth	Comparable Change		
			12 months	9 months	3 months
<b>Australia</b>					
Majors			(2.0)%	(2.4)%	(3.8)%
Mini Majors			(1.0)%	0.4%	3.2%
Specialties			1.1%	1.1%	(1.4)%
Total	\$21.5bn	0.1%	(0.5)%	(0.5)%	(1.7)%
<b>New Zealand</b>					
Majors			(0.9)%	0.5%	2.6%
Mini Majors			(3.2)%	(2.3)%	1.8%
Specialties			0.5%	0.7%	0.0%
Total	NZ\$ 2.2 bn	1.6%	(1.1)%	(0.4)%	0.8%



## Operating Statistics – United States

Specialty Retail Sales – US\$	Period to:			
	Sep '11	Dec '10	Dec '09	Dec '08
12 month sales (MAT)	6.9 bn	6.7 bn	6.2 bn	6.8 bn
12 month sales per square foot	433	418	394	437
<i>% change on prior year</i>	5.6%	6.1%	(9.5)%	(6.8)%
% change 9 months on previous year corresponding 9 months	5.9%			

## Operating Statistics – United Kingdom

Retail Sales	Period to 30 September 2011		
	12 months	9 months	3 months
<b>UK Industry: <i>BRC-KPMG Retail Sales Report</i></b>			
- Total	2.1%	1.9%	2.2%
- Comparable	0.2%	0.0%	0.1%
<b>Westfield London</b>	17.2%	15.7%	8.9%

## Current Development Activity<sup>1</sup>

- Projects currently under construction with an estimated total cost of \$2.5 billion (WDC share \$1.4 billion<sup>2</sup>)
- \$0.9 billion has been incurred to date with \$0.5 billion cost to complete (WDC share)

	No. of Projects	Project Investment	Third Party Project Yield <sup>3</sup>	Anticipated Completion
Australia	3	\$1,820 m	8.0 – 8.5%	2012
United States	1	US\$180 m	7.0 – 7.5%	2012
Small Projects Programme	n/a	\$500 m	8.5 – 10.0%	2011 – 2013
<b>Total</b>		<b>\$2.5 bn</b>		

- Successfully completed the development of Stratford City (UK)
- Commenced approximately \$750 million of projects in the 9 months to September 2011:
  - Westfield Fountain Gate (VIC) \$320 million
  - Westfield UTC (California) US\$180 million
  - Small Projects Programme \$250 million

<sup>1</sup> Excludes Brazil

<sup>2</sup> Westfield Sydney included at 50% share

<sup>3</sup> Excludes design, development and construction profit and management fees earned by WDC

## Major Development Opportunities

- The Group is undertaking pre-development activity on approximately \$11 billion of future development opportunities, including:

### United States

- Century City (California)
- Garden State Plaza (New Jersey)
- Montgomery (Maryland)
- UTC – Phase 2 (California)
- Valley Fair (California)
- West Valley (California)
- World Trade Center (New York)

### Australia & New Zealand

- Chermside (QLD)
- Marion (SA)
- Miranda (NSW)
- Mt Gravatt (QLD)
- Newmarket (NZ)
- North Lakes (QLD)
- Tea Tree Plaza (SA)
- Tuggerah (NSW)

### UK/Europe

- Bradford (UK)
- London (UK)
- Milan (Italy)
- Nottingham (UK)
- Stratford City (UK)

- Target unlevered internal rates of return of between 12% to 15% on WDC's invested capital
- WDC earns development, design and construction income from joint venture projects
- Forecast development starts of between \$1.25 billion and \$1.5 billion per annum for 2012 and 2013

# Stratford City



*Westfield*

# Stratford City



# Stratford City



*Westfield*

# UTC Development – Artist Impression





# UTC Development – Artist Impression



8 November 2011



**Westfield Group**  
**3rd Quarter Update**

30 September 2011

Appendices

## Comparable Change in Retail Sales by Category – Australia

	Period to 30 September 2011		
	12 months	9 months	3 months
<b>Majors:</b>			
– Department Stores	(7.5)%	(10.0)%	(12.5)%
– Discount Department Stores	(2.7)%	(2.2)%	(4.1)%
– Supermarkets	2.5%	2.4%	1.0%
– Cinemas	(6.5)%	(5.4)%	2.1%
Mini-Majors	(1.0)%	0.4%	3.2%
<b>Specialties:</b>			
– Fashion	(2.2)%	(2.1)%	(4.7)%
– Food Catering	1.7%	1.9%	0.3%
– Food Retail	1.6%	1.9%	0.8%
– Footwear	1.0%	0.0%	(2.6)%
– General Retail	4.5%	5.1%	3.1%
– Homewares	0.5%	(1.0)%	(5.3)%
– Jewellery	0.0%	(1.3)%	(3.5)%
– Leisure	3.2%	3.0%	(1.6)%
– Retail Services	2.3%	2.1%	0.6%

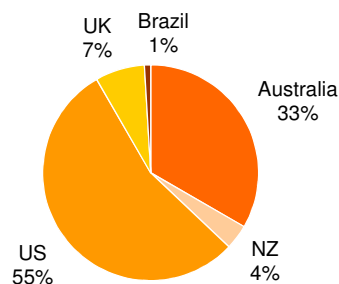
## Change in Specialty Retail Sales by Category – United States

Sales per square foot	Period to 30 September 2011		
	12 months	9 months	3 months
Fashion	4.3%	5.0%	6.4%
Jewellery	9.5%	12.6%	13.2%
Leisure	10.8%	7.5%	3.0%
Food retail	3.2%	3.4%	4.2%
General retail	5.9%	8.0%	8.9%

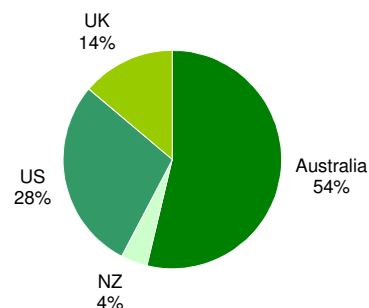
## Portfolio Summary

Current	United States	Australia	United Kingdom	New Zealand	Brazil <sup>1</sup>	Total
Centres	55	43	9	12	3	122
Retail Outlets	8,899	11,792	1,643	1,715	502	24,551
GLA (million sqm)	5.9	3.6	0.8	0.4	0.1	10.8
<b>As at 30 June 2011</b>						
WDC Asset Value (billion) <sup>2</sup>	US\$15.7	\$12.4	£3.5	NZ\$1.5		\$33.4
Asset value – JV partner interests (billion)	US\$2.2	\$19.1	£1.9	NZ\$1.5		\$25.2
Assets Under Management (billion) <sup>3</sup> (AUM)	US\$17.9	\$31.5	£5.4	NZ\$3.0		\$58.6
WDC Share of AUM	88%	39%	65% <sup>4</sup>	50%		57%

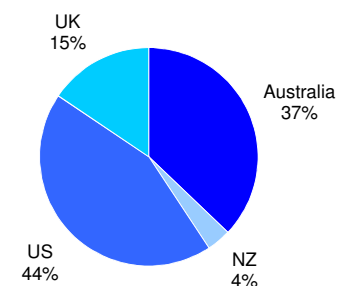
**Gross Lettable Area (Current)**



**Assets Under Management (as at 30 June 2011)**



**WDC Asset Value (as at 30 June 2011)**



<sup>1</sup> Excludes 2 development sites

<sup>2</sup> WDC share of shopping centre assets including construction in progress and assets held for redevelopment

<sup>3</sup> WDC and joint venture share of shopping centre assets including construction in progress and assets held for redevelopment and inventory

<sup>4</sup> Stratford included at 100% – post the completion of the sale, WDC share of AUM in the UK will be 50%

Note: Exchange rates as of 30 June 2011 were AUD/USD: 1.0722, AUD/GBP: 0.6697, AUD/NZD: 1.2951