16 May 2012

Westfield Group
Level 30
85 Castlereagh Street
Sydney NSW 2000
GPO Box 4004
Sydney NSW 2001
Australia
Telephone **02 9358 7000**
Facsimile **02 9358 7241**
Internet **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)
WESTFIELD HOLDINGS LIMITED ANNUAL GENERAL MEETING
ADDRESS TO MEMBERS

Attached is a copy of the address by each of Mr Frank Lowy AC, Chairman, and Mr Peter Lowy and Mr Steven Lowy AM, Co-Chief Executive Officers which will be delivered at today's Annual General Meeting of Westfield Holdings Limited.

Yours faithfully
WESTFIELD GROUP

Simon Tuxen
Company Secretary

Encl.

ADDRESS TO MEMBERS
WESTFIELD HOLDINGS LIMITED
ANNUAL GENERAL MEETING
HELD ON WEDNESDAY, 16 MAY 2012, 10:00AM
THE GRAND BALLROOM, SOFITEL SYDNEY WENTWORTH
61 – 101 PHILLIP STREET, SYDNEY

CHECK AGAINST DELIVERY

Ladies and gentlemen

Before I talk about broader issues, I am pleased to place on record that our results for 2011 saw the Group achieve a net profit of $1.53 billion, up 37.6% on the 2010 result.

Funds from Operations, our primary measure of the Group's operating earnings, were $1.49 billion - representing 64.8 cents per security. This was at the upper end of the forecast range – even after taking into account the Australian dollar's appreciation against both the US dollar and the pound sterling during the financial year.

Our distribution for the 12 months was $1.1 billion or 48.4 cents per security, in line with our forecast at the start of 2011.

The Group's performance reflects improving income growth and specialty retail sales growth in all markets.

Today marks the anniversary of my first year as non-executive Chairman and I am pleased, and proud, to report that the formal transition of Chief Executive responsibility to Peter and Steven has gone smoothly.

I was always confident that it would, because the change in my role – to step back somewhat from the day-to-day activities of the company – was something that was well planned.

It took place in the context of the whole team of senior executives of Westfield stepping up to take on more responsibility over the past several years.

And this sharing of responsibility was accompanied by changes in our management structure and in the way we operate our global business.

In addition to these changes, the past year has also seen a number of significant changes underway at Westfield.

After nearly 40 years at 100 William Street, the Group's corporate headquarters moved to the new office tower on the site of our Westfield Sydney shopping centre.

It has been an exciting move, to be now working above, and integrated with, a shopping centre that embodies the very latest and best of what Westfield can do.

The design of the new office space has embraced a modern and flexible way of working, with open plan spaces and areas for staff to meet informally and share ideas in a way which was not possible in the older-style office layout.

Ladies and gentlemen, the past year continued the stabilisation period following the turbulence surrounding the Global Financial Crisis of the past few years.

Westfield was able to weather the crisis as well, or better, than most of our peers. We continued to meet our financial forecasts and safeguarded shareholder value in a time of unprecedented volatility.

But throughout the period we also continued to look ahead, to plan for and get on with building what are now our most outstanding assets.

It is this investment in iconic, high quality assets that is at the core of our strategy.

It is true that the retail industry is constantly changing. There are new types of retail, and the rapid take up of digital technology is changing how consumers think about shopping in all sorts of ways.

But I have witnessed constant change in the retail industry for more than 50 years.

The kinds of shopping centres we build today are unrecognisable from those of the 90s, let alone the 60s.

When we design and build or redevelop our shopping centres today we think about how to integrate technology, how to use digital media and how to make sure they are flexible enough to adapt quickly to new trends and technology.

In September last year we opened Westfield Stratford City adjacent to the site of the London 2012 Olympic Games.

Before the opening it was difficult to imagine that Stratford could equal the excitement and the performance of Westfield London which had opened three years earlier.

But Stratford exceeded all expectations – in terms of the range and quality of retailers, the design of the building and its integration with public transport, and in the sheer number of shoppers who have embraced the centre from day one.

Our two London centres now stand as international beacons for the Westfield brand.

They are – together with our flagship centres in other global cities - a powerful statement about Westfield's standing and our future.

Consider that our two London centres did not exist just over three years ago.

This year they are expected to attract 50-60 million customer visits generating around 2 billion pounds in retail sales.

They can do this because they connect the two groups who underpin our business model – the retailer and the shopper.

We have shown retailers that we will continue to work with them to create exciting and efficient platforms for their business.

And we have shown shoppers that visiting a Westfield centre can be an experience – not just a shopping trip but an 'experience' that combines commerce, leisure, dining and entertainment in wonderful surroundings.

All of this goes to the heart of what a modern and successful shopping centre must do – provide an experience and meet that fundamental human need to interact, to be together, to have fun together.

This year alone, there will be 1.1 billion visits to Westfield shopping centres around the world with shoppers spending around 40 billion dollars. This underscores what I've just been saying.

On that note, I'd like to share with you now a short video presentation which I think illustrates what I've been talking about.

[Video presentation]

Ladies and gentlemen, I mentioned earlier that our senior executive team has continued to take on greater responsibilities.

At last year's meeting Peter Allen joined the board as Finance Director.

During the year, our Managing Director for Australia and New Zealand, Bob Jordan, also assumed responsibility for our US business operations.

Another of our senior Australian-based executives, Greg Miles, has taken up a new role as Chief Operating Officer for the US, replacing John Widdup who, after four years in the US, has returned to the Australian business.

Our Managing Director UK and Europe, Michael Gutman, is now also responsible for business development in new markets.

This appointment reflects the Group's focus on exploring the many opportunities for growth around the world.

Plans are also underway for two new, iconic retail projects - one at the new World Trade Center in New York and the other at Milan in Italy.

Given the success of centres of similar quality and scale in London and Sydney, we believe these new initiatives have significant potential to add value to the Westfield Group over time.

As you are aware, last year we established a new joint venture in Brazil.

Although our investment to date in Brazil is relatively modest in the scale of our overall business, it continues the tried and tested Westfield strategy of putting a "toe in the water" in new markets. This was the case with our entry to the United States in the 1970s, and to the United Kingdom in 2000.

In both cases, our business today in those markets looks very different to the way they started out. We have bought and sold properties over time, moved into different regions and formed new partnerships.

Our entry to Brazil is based on the same evolutionary approach.

The opportunities in New York and Milan are also very exciting.

We aim to transfer the knowledge of our global team, and in particular, leverage our experience with the highly successful centres in London and Sydney, to create flagship shopping centres in two major global cities.

New York is well known as one of the world's leading financial centres and Milan is one of the world's fashion capitals.

Ladies and gentlemen, the Group's forecast Funds from Operations or earnings per security for 2012 is 65 cents. This forecast includes the previously advised earnings impact of the announced transactions. This forecast is prior to the re-deployment of capital or any further buy-back of Westfield securities.

The Group's forecast distribution for the 2012 year is 49.5 cents per security, up from 48.4 cents last year.

Ladies and gentlemen, I would like to take this opportunity to acknowledge the contribution of my colleagues on the board, and that of all Westfield staff, to the success we have achieved to date.

I believe the Group is well positioned to take advantage of a range of new opportunities for growth in the period ahead and I look forward to reporting on further progress at next year's meeting.

Now, I would like to ask Peter to address the meeting on our capital management strategy and Steven to report to you on our operations.

Mr Peter Lowy invited to speak

Mr Peter Lowy, Co-Chief Executive Officer

Thank you Chairman.

Our strategy is to enhance our return on invested capital and return on contributed equity thereby improve the long term earnings potential for the Group. We aim to achieve this by reducing our invested capital in certain assets through joint ventures, the sale of non-core assets and the reinvestment of capital into high return opportunities. This strategy commenced with the establishment of the Westfield Retail Trust in late 2010 which created a joint venture partnership over the Australian and New Zealand portfolio.

During 2011 and in the first few months of this year, we have executed 6 transactions that have raised approximately $6.4 billion for the Group including: -

- The £1.75 billion Stratford City joint venture in London with the Netherlands based pension fund, APG and the Canadian Pension Plan, raising £872 million of proceeds for the Group;
- The sale of Cairns in Australia for $261 million;
- The sale of Nottingham in the UK for £55 million;
- The joint venture of 12 assets in the United States worth US$4.8 billion with the Canadian Pension Plan, raising US$2.1 billion in gross proceeds for the Group;
- The disposal of 3 non-core assets in the UK for £159 million; and
- The disposal of 8 non-core assets in the US for US$1.15billion.

Last month, we received the $1.4 billion of proceeds from the joint venturing of Westfield Sydney.

At the end of 2011, the Group had total assets of $38.8 billion, outstanding debt of $14.8 billion and a gearing ratio of 38.4%.

With the transactions undertaken to date, Group now has assets of $35.5 billion, net debt has reduced to $10 billion, our gearing is down to 32% and we will have available liquidity of $7.7 billion.

In addition, our distribution policy results in the Group retaining approximately $400 million each year.

As you can see our balance sheet is in a very strong position and this allows the Group to invest in high returning opportunities such as our recent entry into Brazil, the future developments in Milan and the World Trade Centre, and our $5 - 6 billion share of the $11 billion pipeline of future development opportunities.

With this financial position we are also able to return capital to security holders.

Accordingly, we announced earlier this year the return of up to approximately $2 billion of capital to security holders through the on-market buy-back program of Westfield securities.

Looking forward, we plan to maintain our strong financial position, continue to reduce our exposure to non-core assets and redeploy capital into high return opportunities.

Mr Frank Lowy, Chairman

Thank you, Peter. I now invite Steven Lowy to address the meeting on the Group's operations.

Mr Steven Lowy invited to speak

Mr Steven Lowy, Co-Chief Executive Officer

Thanks Chairman.

I would like to touch on some major operating statistics for 2011 and also bring members up to date on the results for the 1st quarter of 2012 which were announced to the market this morning.

[Slide 1 – Comparable Net Operating Income – 2011 Growth]

In the 2011 financial year, the Group's comparable net operating income was higher in each of the regions - up 4.3% in Australia/New Zealand, 2% in the United States and 7.6% in the United Kingdom.

Broadly, the 1st quarter of 2012 has seen a continuation of the major factors which contributed to that strong result - high levels of occupancy, growth in average rents and comparable speciality sales growth in each of our markets. Rental arrears and bad debts remain very low - in line with previous years.

[Slide 2 – Retail Sales]

Comparable specialty sales for the March quarter were strong in the United States up 10.1%, with moderate growth in Australia, up 1.1%, and New Zealand up 2.2%. Sales in the UK at Westfield London increased by 2.2% for the March quarter.

[Slide 3 – Comparable Net Operating Income – 2012 Growth Forecast]

As the Chairman noted, we are on track to achieve comparable net operating income forecasts for the 2012 financial year – with growth in the range of 2 - 3% in the United States and 2.5 - 3% in Australia & New Zealand.

[Slide 4 – Portfolio Leased]

The forecast comparable net operating income growth reflects high levels of occupancy in all countries. At the end of March, the global portfolio was 97.2% leased - with the United States portfolio at 91.6%, the UK at over 99% and the Australian/New Zealand portfolio remaining over 99.5%.

Last year we completed over 5,100 leasing transactions, or the equivalent of 10 large regional malls, across the entire portfolio. Approximately 3,000 of these leasing deals were to new retailers. In the first quarter of this year, we have completed 1,100 leasing deals of which around 640 are to new retailers.

[Slide 5 – Development Profile]

On the development side of our business, the Group currently has $1.2 billion of projects under construction with Westfield's share of those costs being $800 million. And we expect to commence between $1.25 and $1.5 billion of new developments in 2012 and 2013.

Good progress continues on our major projects underway at UTC in San Diego, Carindale in Brisbane – with Stage 1 of this project opened in March fully leased and ahead of schedule and Fountain Gate in Melbourne – with Stage 1 of this project also fully leased and opening tomorrow.

Ladies and gentlemen - our centres are designed to provide retailers with the best possible platform for their businesses and customers with a world class shopping and entertainment experience.

Part of the task of ensuring our centres remain relevant requires us to keep pace with the rapid evolution of digital technology. We are determined to use digital technology to make the entire shopping experience easier, more fun and more interactive for retailers and shoppers.

There has never been a better time to bring digital services to our centres. The growth of digital technologies - and increasingly portable devices such as smart phones and tablets - will provide opportunities for retailers and create new revenue streams for the Group.

We are already seeing this in areas such as our Brandspace business - where we use our physical space and high customer traffic to drive additional revenues from our centres through digital screen advertising and other means.

We have introduced Wi-Fi to many of our centres and we are actively promoting our business on-line through the social media such as Facebook and Twitter. As an example, when we opened Stratford in the UK last year, we used social media and on-line marketing techniques extensively in our launch campaign. That campaign played an important role in helping us achieve over 1 million shopper visits to Stratford in the first week and an average of 800,000 customer visits per week since opening.

In order to further sharpen our focus on digital, social and mobile innovation in retail shopping, we have recently recruited a Chief Digital Officer who will be based in the San Francisco Bay area, the global hub of innovation and development of digital technology. The team will be responsible for devising the Group's on-line and digital media strategy to enable us to run our existing business more efficiently and to add new ways to connect retailers with today's shoppers.

This continues to be an exciting area of focus for the Group.

Thank you very much ladies and gentlemen. I now hand back to the Chairman.

-ENDS-

Westfield Group

Annual General Meeting
16 May 2012

Comparable Net Operating Income

	2011 Growth
Australia / New Zealand	↑ 4.3%
United States	↑ 2.0%
United Kingdom	↑ 7.6%

Retail Sales

	Period to 31 March 2012	
	12 months	3 months
United States	↑ 8.2%	↑ 10.1%
Australia	↑ 1.2%	↑ 1.1%
New Zealand	↑ 2.2%	↑ 2.2%
Westfield London	↑ 7.1%	↑ 2.2%

Comparable Net Operating Income

	2012 Growth Forecast
United States	↑ 2.0% – 3.0%
Australia / New Zealand	↑ 2.5% – 3.0%

Portfolio Leased

	31 March 2012
o Australia / New Zealand	>99.5%
o United Kingdom	>99.0%
o United States	91.6%
Group	**97.2%**

Development Profile

	Total	WDC Share
o Projects Under Construction	$1.2bn	$800m
o Forecast Starts		
– 2012	$1.25bn - $1.5bn	$500m - $700m
– 2013	$1.25bn - $1.5bn	$500m - $700m
o Development Pipeline	$11.0bn	$5.0bn - $6.0bn