

9 July 2004



Westfield Holdings Limited

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The Manager
Company Announcements Office
Australian Stock Exchange Limited
Level 4, Exchange Centre
20 Bridge Street
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Dear Sir

RE: WESTFIELD HOLDINGS LIMITED – KIRELA CLAIM RESOLVED

Westfield Holdings Limited advises that the claim for damages against the Westfield Group and others by Kirela Pty Ltd the developer of the old Arnott's Biscuit Factory site in Strathfield has now been resolved.

The claim arose out of allegations of misleading and deceptive conduct (which were denied) in connection with the activities of a Westfield consultant, Mr Ken Hooper, concerning an application to rezone the Arnott's site made to the Concord Council in 1998. These allegations were the subject of media publicity, particularly in late 1999 and early 2000.

The claim was referred to mediation by the parties with the consent of the Federal Court.

The mediator, former judge of the NSW Court of Appeal, Mr Tony Fitzgerald, AC QC, recommended that the parties should resolve the claim on a without admissions basis for a fixed sum. This recommendation was prompted by the uncertainties of the litigation.

As a result of the mediation the parties agreed that a fixed sum of \$3,500,000 be paid to Kirela to resolve the matter on a without admissions basis and that Westfield and all other respondents will be released from all claims and proceedings arising out of the matter. Kirela had sought damages substantially in excess of the sum agreed.

The parties have acknowledged that none of the Westfield companies, nor executives who were parties to the proceedings authorised, intentionally participated in or engaged in any misleading or deceptive conduct or any breach of the Trade Practices Act 1974.

Yours faithfully

WESTFIELD HOLDINGS LIMITED

A handwritten signature in black ink, appearing to be "S. Tuxen", written over a horizontal line.

Simon Tuxen
Company Secretary