10 August 2004



Westfield Group

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

Telephone02 9358 7000Facsimile02 9358 7077Internetwww.westfield.com

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

Dear Sir/Madam

#### WESTFIELD GROUP (ASX:WDC) WESTFIELD ANNOUNCES SOUND OPERATING RESULTS ACROSS GLOBAL PORTFOLIO

A media release and investor presentation in relation to the above are attached.

Yours faithfully WESTFIELD GROUP

Simon Tuxen Company Secretary

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



10 August 2004

#### WESTFIELD ANNOUNCES SOUND OPERATING RESULTS ACROSS GLOBAL PORTFOLIO

The Westfield Group (ASX: WDC) today released operational results for the six months to June 2004 with solid performances in each of the markets in which the group operates.

"All parts of our global portfolio are performing well," said managing directors Peter and Steven Lowy. "The result is particularly pleasing given that management has also completed a complex corporate restructuring while at the same time intensively managing the group's shopping centre operations."

Since completion of the merger in July 2004 the Group has acquired interests in \$1 billion of additional properties in Australia and the United States. The Westfield Group now has interests in 124 shopping centres with a value of more than \$36.5 billion comprising 20,200 retailers and approximately 9.8 million square metres of retail space.

Financial results for the relevant period to 30 June 2004 for each of Westfield Holdings, Westfield Trust and Westfield America Trust will be lodged in late August and are expected to be in line with forecasts contained in the Explanatory Memorandum issued in May 2004.

#### Australia and New Zealand

Retail sales in the group's 32 owned and managed Australian centres totalled \$5.0 billion, up 11.1% for the six months to 30 June 2004. On a comparable basis, total retail sales increased 7.7% and specialty store sales also increased 7.7% for the six month period.

Retail sales for the group's 11 shopping centres in New Zealand increased 5.6% to total NZ\$700 million for the six months to 30 June 2004. On a comparable basis, total retail sales increased 4.4% and specialty store sales increased 6.4% for the six month period.

The Australian and New Zealand portfolios have continued to perform well and maintained occupancy levels in excess of 99.5% with retailer demand continuing to be strong.

During the six month period to June 2004 Westfield completed the redevelopment at West City in Auckland, New Zealand.

There is currently \$1.2 billion of projects under construction in Australia and New Zealand including the continuation of Bondi Junction in Sydney, The Pines in Melbourne and Riccarton in Christchurch, New Zealand.

The \$750 million redevelopment of Bondi Junction, the group's largest project to date, is nearing completion. The centre reflects the latest in innovation and provides a world class shopping centre which has been well received by retailers and consumers.

The group has recently commenced construction at Helensvale on the Gold Coast, Mt Gravatt in Brisbane and Queensgate in Wellington, New Zealand.

A further \$2.0 billion of projects are currently planned in Australia and New Zealand.

In August 2004, Westfield announced a number of property transactions including four new joint ventures with Deutsche Diversified Fund, worth \$790 million. In addition, Westfield enhanced its holding in the Sydney's CBD with the acquisition of Skygarden and Imperial Arcade. Westfield also acquired the remaining 50% interest in its existing property holdings at Newmarket in Auckland, New Zealand.

Post completion of these transactions Westfield will have interests in 51 shopping centres in Australia and New Zealand with a value of \$16.9 billion, comprising 3.4 million square metres of retail space and 10,200 retailers.

westfield.com

Westfield Holdings Limited ABN 66 001 671 496 Westfield Management Limited ABN 41 001 670 579 AFSLicence 230329 as responsible entity for Westfield Trust ABN 55 191 750 378 ARSN 090 849 746 WestfieldAmerica Management Limited ABN 66 072 780 619 AFSLicence 230324 as responsible entity for WestfieldAmerica Trust ABN 27 374 714 905 ARSN 092 058 449For further information please contact Matthew Abbott on +61 2 9358 7333Page



#### **United Kingdom**

The Westfield UK portfolio continues to perform well with occupancy levels in excess of 99% at 30 June 2004. Retail sales in the UK generally were up approximately 2.6% on a like-for-like basis for the six month period to June 2004. This has been reflected in sales achieved at Westfield's centres.

In April, outline planning permission was received for a £140 million redevelopment of the Friary shopping centre in Guildford. This represents Westfield's fourth outline planning consent.

The group anticipates commencing construction on the £200 million redevelopment of The Eagle Centre, at Derby by the end of this calendar year.

Westfield has interests in seven properties in the UK with a book value of £930 million, comprising 700 retailers and 250,000 square metres of retail space.

#### **United States**

Total specialty sales for the group's US portfolio totalled US\$2.9 billion for the six months to June 2004, up 7.9%. On a comparable basis, specialty retail sales increased 7.6% per square foot for the six month period.

At June 2004 the US portfolio was 93% leased, consistent with last year.

Westfield currently has 11 projects totalling approximately US\$1.2 billion under construction in the US. This is the largest number of projects the Westfield Group has undertaken in the United States at one time.

Construction continues at the San Francisco Centre in downtown San Francisco, California; Wheaton in Wheaton, Maryland; Santa Anita in Los Angeles, California; Franklin Park in Toledo, Ohio; Gateway in Lincoln, Nebraska and Parkway in San Diego, California.

Five projects commenced construction during the past six months including major projects at Century City in Los Angeles, California; Connecticut Post in Milford, Connecticut and Chesterfield in St Louis, Missouri.

A further US\$1 billion of projects are currently planned in the United States.

In June, Prudential plc's US affiliate increased its ownership in Garden State Plaza by 25%, bringing its total ownership interest in the property to 50%.

Westfield recently acquired, for US\$85 million, a 13 level office block strategically located adjacent to Century City in Los Angeles.

Westfield has interests in 66 properties in the United States with a value of US\$12.2 billion, comprising 6.2 million square metres of retail space and 9,300 retailers.

#### Outlook

The completion of the merger of Westfield Holdings, Westfield Trust and Westfield America Trust provides the Westfield Group with a strong financial and operating platform to take advantage of global growth opportunities.

Westfield Group confirms distribution forecasts per security of \$1.03 for the year ending 30 June 2005 increasing to \$1.10 for the year ending 30 June 2006.

#### ENDS

\* All figures are quoted in Australian dollar currency except where otherwise indicated.

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 Matthew Abbott on +61 2 9358 7333

## Westfield Group June 2004 - Operational Review

10 August 2004



### Westfield

## Agenda

- Financial Forecasts
- Recent Property Transactions
- Australia & New Zealand Update
- United Kingdom Update
- United States Update
- Appendices

## **Financial Forecasts**



- Earnings for Westfield Trust, Westfield America Trust and Westfield Holdings for the 6 months ended 30 June 04 are expected to be in line with the Merger Explanatory Memorandum forecasts
- Distributions and dividends for the 6 months to 30 June 04 payable 31 August 04
  - Westfield Trust

- 12.71 cents per unit
- Westfield America Trust
   8.70\* cents per unit
- Westfield Holdings
   13.58 cen
- 13.58 cents per share
- Westfield Group Forecasts
  - Remain consistent with the Merger Explanatory Memorandum
  - 12 months to June 05 \$1.03 per stapled security
  - 12 months to June 06 \$1.10 per stapled security
- \* Includes 0.9 cents per unit Special Distribution



## **Recent Property Transactions**

- Since the completion of the Merger in July 04 the Group has acquired interests in more than \$1bn of property
  - Formed 4 new joint ventures totalling \$790m with Deutsche Diversified Trust

     Whitford City (Perth), West Lakes (Adelaide), North Lakes (Brisbane), Plenty Valley (Melbourne)
  - Acquired the Skygarden shopping centre and Imperial Arcade, in Sydney's CBD for \$241m\* and sold The Pines shopping centre in Melbourne for \$116 million
  - Acquired the remaining 50% interest of Newmarket in Auckland, New Zealand including the Two Double Seven shopping centre and adjacent land for a total outlay of NZ\$189.4m
  - Acquired a 13 level office building adjacent to Century City shopping centre in Los Angeles, California for US\$82.5m\*

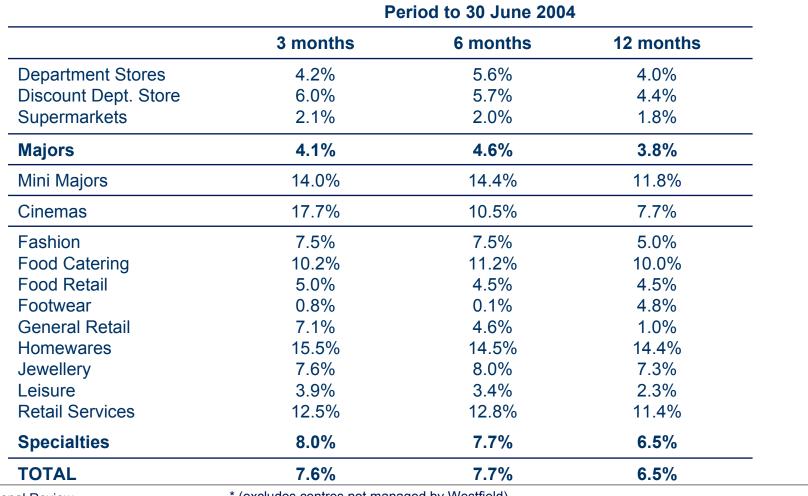
<sup>\*</sup> Refer Appendix for additional information

#### Retail Sales Overview - Australia & New Zealand



	3 months	6 months	12 months
AUSTRALIA <sup>1</sup>			
- Total Sales <sup>2</sup>	A\$2.6bn	A\$5.0bn	A\$10.5bn
	+12.1%	+11.1%	+8.6%
- Comparable Specialties	+8.0%	+7.7%	+6.5%
NEW ZEALAND <sup>1</sup>			
- Total Sales	NZ\$0.4bn	NZ\$0.7bn	NZ\$1.5bn
	+5.7%	+5.6%	+4.7%
- Comparable Specialties	+7.5%	+6.4%	+5.1%

## Retail Sales Overview - Australia *Westfield* Comparable Performance Growth \*



June 2004 Operational Review

\* (excludes centres not managed by Westfield)

## Operating Performance\* - Australia & New Zealand



Portfolio occupancy level continues to be in excess of 99.5%

- 1,011 renewal and new lease deals completed during the six months
- Specialty occupancy costs across the portfolio approx 15.4%
- Low shopping centre arrears at <0.2% of annual billings</p>

#### Completed & Current Projects - Australia & New Zealand – Approx \$1.2 billion



Completed Projects	Total Cost \$ million	Actual Yield	Completed
West City (Auckland)	NZ 17	8.5%	May '04
Current Major Projects	Estimated Total Cost \$ million	Target Yield	Anticipated Completion
Bondi Junction (Sydney)	750	7.6%	Multiple stages - now open Final Stage - Q4 '04
The Pines (Melbourne) <sup>1</sup>	44	8.75%	Oct '04
Mt Gravatt (Brisbane)*	20 <sup>2</sup>	8.05%	Nov '04
Helensvale (Gold Coast)*	180 <sup>3</sup>	8.80%	End '05
Riccarton (Christchurch)	NZ 94	8.25%	Main retail - Nov '04 Cinemas - Mid '05
Queensgate (Wellington)*	NZ 150	8.50%	End '05

<sup>2</sup> Westfield share 75% - \$15m

<sup>3</sup> Westfield share 50% - \$90m

\* Projects commenced within six month period to 30 June 2004

June 2004 Operational Review

# Future Projects - Australia & New Zealand - Approx \$2.0 billion\*

#### Near term projects commencing 2<sup>nd</sup> half of 2004:

- Liverpool (NSW) \$190m<sup>1</sup>
- Tuggerah (NSW) \$100m<sup>1</sup>
- Parramatta (NSW) \$90m<sup>1</sup>
- Innaloo (WA) \$50m<sup>1</sup>

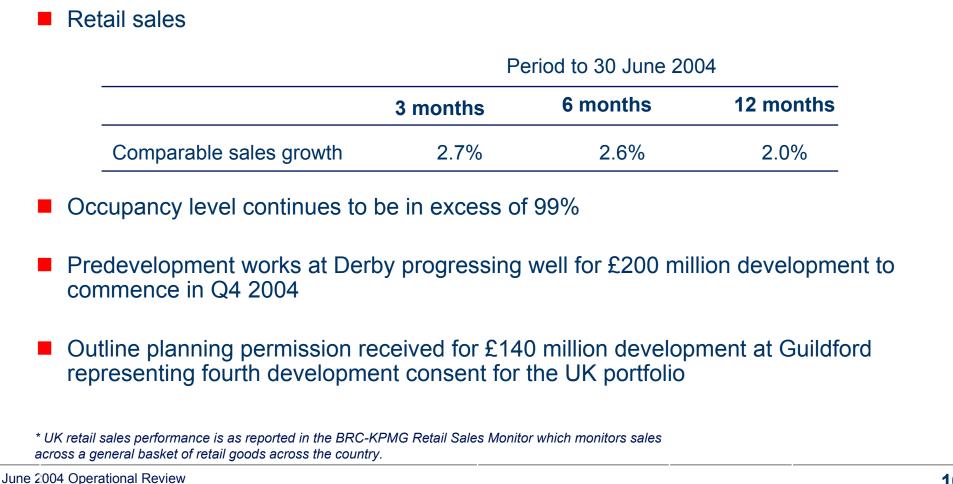
- Albany (NZ)
- Belconnen (ACT)
- Bay City Plaza (VIC)
- Carousel (WA)
- Chermside (QLD)
- Doncaster (VIC)
- Fountain Gate (VIC)

- Kotara (NSW)
- Manukau (NZ)
- Newmarket (NZ)
- North Lakes (QLD)
- Pakuranga (NZ)
- St Lukes (NZ)
- Sydney CBD (NSW)

<sup>1</sup> Estimated project cost

\* Westfield ownership share post recent transactions - \$1.8 billion

### Operating Performance - United Kingdom



# Future Projects <u>- United Kingdom - Approx. £920 million\*</u>

Outline planning permission received for the following projects:

- The Eagle Centre (Derby)
- The Broadmarsh Centre (Nottingham)
- The Friary
   (Guildford)
- Brunel Centre (Swindon)

\* Westfield ownership share - £560m

Vestfield

### Retail Sales Overview - United States



	Period to 30 June 2004		
	3 months	6 months	12 months
- Total Specialty Sales	US\$1.5bn	US\$2.9bn	US\$6.5bn
- Change in Sales (psf)	+6.4%	+7.6%	+5.2%
East Coast	+7.0%	+7.3%	+5.1%
<ul> <li>Mid West</li> </ul>	+4.2%	+5.0%	+2.4%
West Coast	+7.3%	+9.4%	+7.2%

#### Retail Sales by Category - United States



	Period to 30 June 2004		
	3 months	6 months	12 months
Women's ready to wear	6.3%	7.1%	3.4%
Men's Fashion	5.3%	7.4%	6.4%
Unisex	5.4%	7.8%	4.2%
Jewellery	1.0%	4.7%	3.3%
Leisure:			
- Music	(0.3)%	(0.4)%	1.3%
- Electronics	12.0%	10.5%	6.5%
- Cellular phones	13.0%	12.6%	12.2%
- Books	(0.4)%	3.1%	3.2%
- Sports specialties	1.0%	(1.1)%	3.0%
Restaurant	6.9%	7.2%	7.4%
Food Court	4.1%	5.0%	3.3%
Theatres	6.1%	3.5%	3.9%

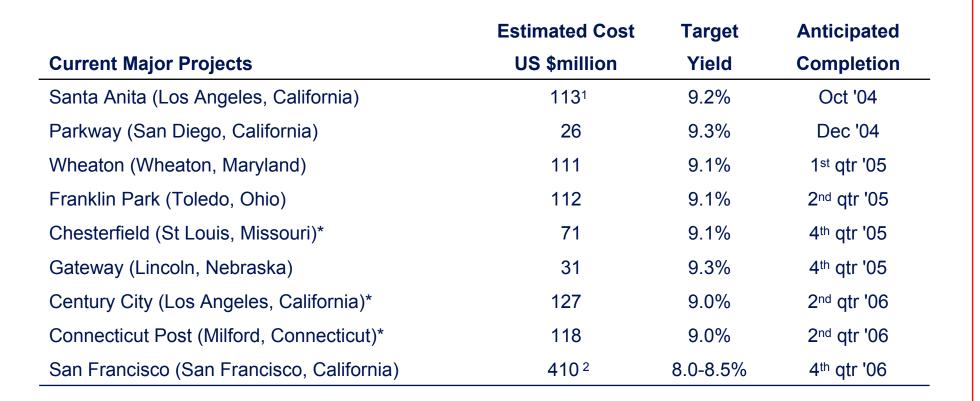
## Operating Performance - United States



- consistent with June 2003
- 1,369,540 square feet leased during the six months
  - Average rent on new leases = US\$43.65 psf
  - 32.7% increase over expiring leases
- Average portfolio speciality rent as at 30 June 2004 US\$37.42 psf
  - 4.9% increase over the prior year

Low shopping centre arrears at <0.2% of annual billings

# Current Projects - United States - Approx US \$1.2 billion



<sup>1</sup> Westfield share 90% - US\$102 m

<sup>2</sup> Westfield share 50% - US\$205m

\* Projects commenced within six month period to 30 June 2004

June 2004 Operational Review

Vestfield

# Future Projects - United States - Approx. US \$1 billion\*



#### Near term project commencing 2<sup>nd</sup> half of 2004:

Topanga (California) - \$230m<sup>1</sup>

- Garden State Plaza
- Plaza Bonita
- Sarasota
- Southgate
- Southcenter
- Southpark
- UTC

- (Paramus, New Jersey)
- (San Diego, California)
- (Sarasota, Florida)
- (Sarasota, Florida)
- (Seattle, Washington)
- (Cleveland, Ohio)
- (San Diego, California)

1. Estimated project cost

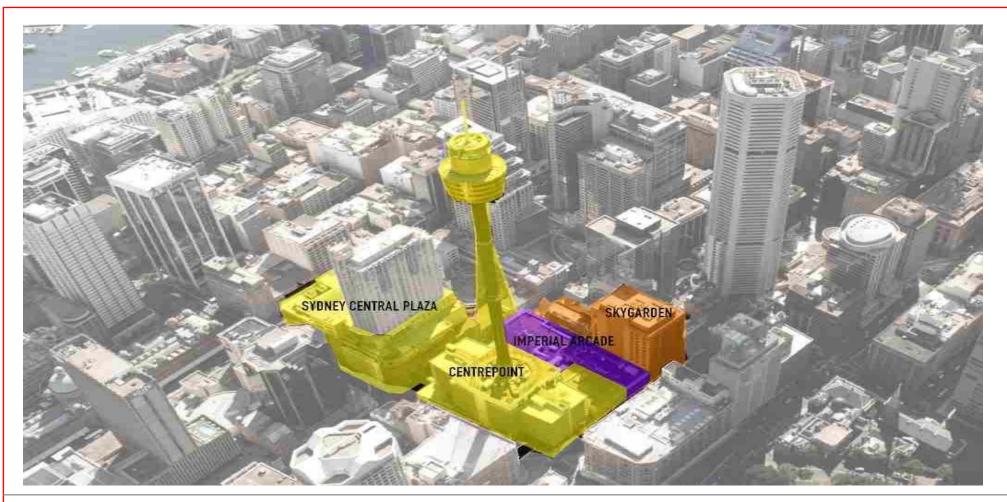
\* Westfield ownership share - US\$800 million

## Appendices



- Aerial Sydney CBD
- Aerial Century City, Los Angeles
- Retail Sales by Centre Australia and New Zealand

## Sydney CBD - Aerial



Westfield

## Century City, Los Angeles - Aerial



1801 Avenue of the Stars

Westfield Shoppingtown Century City



#### Westfield Trust Centre Turnover Report - Australia June 2004

	Total			
	MAT to June 04		QTR to June 04	
	A\$M	% variance	% variance	
CENTRES MANAGED BY WESTFIELD			_	
Belconnen	386.4	2.7	2.1	
Total ACT		2.7	2.1	
3ondi Junction	n.a	n.a	n.a	
Burwood	346.6	6.7	4.3	
Chatswood	429.7	4.7	6.1	
igtree	137.2	1.0	-0.8	
lornsby	496.5	9.8	12.4	
lurstville	335.2	5.3	0.8	
Kotara	280.8	4.3	7.1	
iverpool	308.4	1.7	3.1	
<i>A</i> iranda	597.8	6.1	5.2	
<i>Ι</i> t. Druitt	276.9	7.5	10.7	
North Rocks	96.7	3.6	-0.3	
Parramatta	558.3	2.6	5.4	
Sydney City*	465.4	5.1	0.8	
-uggerah	309.6	6.0	5.5	
Varrawong	189.3	5.9	8.5	
Total New South Wales		5.3	5.3	
Carindale	513.2	8.9	10.8	
Chermside	422.7	9.9	11.2	
Garden City	432.9	10.2	17.1	
North Lakes	n.a	n.a	n.a	
Strathpine	205.3	5.1	5.9	
otal Queensland		9.0	11.9	
<i>N</i> arion	593.1	14.3	16.8	
ea Tree	413.7	8.7	11.8	
Total South Australia		11.9	14.7	
Airport West	218.4	4.2	6.1	
Bay City	182.0	4.3	6.4	
Doncaster	336.3	0.8	2.9	
Fountain Gate	506.0	10.8	11.0	
Southland	628.9	6.5	8.6	
Total Victoria		5.8	7.3	
Carousel	369.6	6.3	8.4	
nnaloo	127.1	5.0	6.7	
Total Western Australia		6.0	8.0	
CENTRES MANAGED EXTERNALLY				
Ласquarie	516.0	5.6	5.1	
Varringah	640.5	5.4	4.6	
Pacific Fair	563.4	11.8	9.7	
Knox	575.1	21.8	17.4	
Borragoon	433.2	5.9	6.6	
Jonayoon	400.Z	2.3	2.8	

#### Westfield Trust Centre Turnover Report - New Zealand June 2004

	Total		
	MAT to Jun 04		QTR to Jun 04
	NZ\$M	% variance	% variance
CENTRES MANAGED BY WESTFIELD			
Chartwell	105.6	7.0	5.4
Downtown	57.1	(1.4)	8.5
Glenfield	172.9	2.6	5.5
Manukau	167.9	4.3	6.5
Pakuranga	97.8	2.4	2.7
Queensgate	134.6	4.6	5.1
Riccarton	206.8	(3.4)	(9.5)
Shore City	77.6	2.0	3.6
St Lukes	270.9	14.4	6.8
Two Double Seven	119.3	3.6	10.0
WestCity	138.4	9.0	28.5
Total New Zealand		3.2	5.0