



Australian
Competition &
Consumer
Commission

NewsRelease

Attention: Consumer, business, retail writers

A.C.C.C. NOT TO INTERVENE IN WESTFIELD ACQUISITIONS

The Australian Competition and Consumer Commission will not intervene in the acquisitions by Westfield of Skygarden and Imperial Arcade in Sydney's central business district, ACCC Chairman, Mr Graeme Samuel, said today.

"Following market inquiries among retailers and landlords, the ACCC considers that the acquisitions are unlikely to substantially lessen competition", Mr Samuel said.

"In the prime retail precinct surrounding Pitt Street mall, Westfield would control a significant proportion of the available retail space. This precinct attracts high consumer traffic, both of CBD workers, tourists, and families travelling from Sydney's suburbs.

"However, Westfield will be constrained by competition from alternative retail sites in the CBD. Retail space in other shopping complexes is competitive for the retailing of fashion, giftware, jewellery, footwear, fashion accessories, food and drinks, and for many of the other types of retailers represented in Pitt Street mall. Competing shopping complexes in the Pitt Street mall precinct include Mid City Centre, Glasshouse, Strand Arcade and Sydney Arcade. Other competing shopping complexes in Sydney's central business district include Queen Victoria Building, MLC and Piccadilly. For some retailing, street-front space in the central business district is also a competitive alternative.

"Following the acquisition, Westfield will have significant shopping centre operations in both the suburbs and the central business district of Sydney. Westfield has advised the ACCC that, in negotiating a lease a retailer in one location, it will not seek to impose a condition on that retailer obliging them to also lease a retail shop elsewhere.

"This is not a requirement that has been sought or imposed by the ACCC".

The acquisitions of Skygarden and Imperial Arcade were announced by Westfield on 9 August 2004. Westfield acquired Skygarden from Citadin Pty Ltd in September 2004 and intends to acquire Imperial Arcade from Stockland Group in October 2004. Westfield's retail interests in the Sydney CBD will therefore include Sydney Central Plaza, purchased in 2003 and in which Myer is a long-term tenant, Centrepont which was purchased in 2001, Skygarden and Imperial Arcade. Westfield also owns suburban shopping centres in the Sydney metropolitan area.

A background paper providing further details of the ACCC's competition assessment will be available on the ACCC website at <http://www.accc.gov.au/content/index.phtml/itemId/486967>.

Media inquiries

Mr Graeme Samuel, Chairman, (02) 6243 1129 or pager/mobile 0408 335 555

Ms Lin Enright, Director, Public Relations, (02) 6243 1108 or 0414 613 520

General inquiries

Infocentre: 1300 302 502

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