

12 November 2004



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

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 Holdings Limited – Annual General Meeting – 12 November 2004

Chairman's Address

A copy of the Chairman's Address to members which is to be given at today's Annual General Meeting of Westfield Holdings Limited is 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

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

12 November 2004

**CHAIRMAN'S ADDRESS
ANNUAL GENERAL MEETING OF MEMBERS OF THE
WESTFIELD GROUP
HELD AT CITY RECITAL HALL, ANGEL PLACE, SYDNEY**

Ladies and gentlemen

This is the second time that we have had a shareholders' meeting this year.

The last time we met in July was to approve the merger of the three Westfield entities.

We have now successfully completed the merger and in the process \$4.5 billion of shareholder value was created.

The main reason for merging the three Westfield entities was to position the Group for growth, both in Australia and internationally.

The benefits of the merger are already evident.

Since the merger there have been three major events which could only have occurred with a merged Westfield Group.

Firstly, we have acquired shopping centre assets in Australia for nearly \$1 billion, including landmark properties in the Sydney CBD.

Secondly, we have made a bid to acquire the Chelsfield portfolio in the United Kingdom which will increase the value of our portfolio in the UK from £950 to more than £2 billion. The Chelsfield portfolio includes some of the UK's highest profile centres and development sites and will position Westfield at the forefront of the industry there.

Thirdly, just last month, we made a US\$2.6 billion corporate bond issue in New York, the Group's first in the US market and the largest ever by an Australian entity or Real Estate Investment Trust in the US debt market. Again, this would not have been possible without the merger and demonstrates Westfield's standing in world financial markets.

During the merger period, and while these three events were unfolding, the shopping centre business continued to perform strongly.

We now have a \$12 billion global redevelopment program. These redevelopments are adding significant capital value to our existing centres and providing better shopping environments for retailers and consumers.

media release

We recently completed a truly world-class shopping and entertainment facility at Bondi Junction in Sydney which is already performing above expectations. It has been embraced by shoppers and the general public with enthusiasm and it sets a new standard in terms of customer service, design and quality retailers for the consumer.

Westfield is in the process of creating landmark developments like this one in Bondi Junction in the Sydney CBD; at Century City in Los Angeles and the San Francisco Centre and soon at the White City project in London. All of these will be showcases for the Westfield brand and project Westfield's capacity to create world-class retail facilities globally. They will be a source of pride for Westfield and for the communities they serve.

Occupancy in our 126 centres globally remains at historically high levels – 99% in Australia, New Zealand and the UK, and 93% in the US, which is at the top of the industry there.

Retail sales continued to be strong over the past year. Sales were up nearly 10% in Australia and 8.5% in New Zealand. In the US they were up almost 6% and were generally up 4% in the UK.

I am pleased to report that our business is in very good shape and I would like to confirm that we are on track to deliver the distributions of \$1.03 per unit for the period to June 2005 and \$1.10 for the period to June 2006, which were forecast as part of the merger of the Westfield Group.

Corporate Governance

During the period, the corporate governance issues were also reviewed and our structure now complies with the Australian Stock Exchange's Best Practice Recommendations in all respects, except for my position as Executive Chairman.

During our review we commissioned leading corporate governance experts, Cameron Ralph, to undertake an independent assessment of the Westfield Board.

While they gave a "superior" rating to our practices they highlighted some matters which required attention and these were addressed by the Board and changes made where required.

We have extended our committee structure so that it now includes the following:

- Audit and Compliance Committee;
- Remuneration Committee;
- Nomination Committee;
- Risk Management Committee.

This structure, and the experience and expertise of the board itself, constitute a sound framework for the Group to deal with strategic issues and assess opportunities for further growth.

Protecting our portfolio

Ladies and gentleman, while we are a growth company and always looking to expand, one of our primary tasks is to ensure the viability and continued success of our existing centres.

We do this in a number of ways.

We create a unique retail environment for convenient and safe shopping for the consumer.

We take a very disciplined approach to management; we are continually improving our marketing techniques to boost sales for our retailers; we continually review the types of retailers in our centres to make sure we're giving the customer comparative and competitive shopping opportunities.

We are living in a very competitive environment and we monitor the trade area for each of our shopping centres on a regular basis.

We review our performance against any retail centre in the trade area to make sure we are maintaining our competitive edge.

We also monitor other forms of new and emerging retail facilities to make sure rival centres comply with the same planning laws that we are required to adhere to.

From time to time we encounter proposals to establish retail facilities on land not designated by the planning authorities for that purpose.

Wherever this occurs we oppose them and, if necessary, seek to protect our investment and our retailers' businesses through representations to all levels of government and through the legal system.

This is common practice in the property industry worldwide and Westfield has taken this action in America and the United Kingdom recently.

westfield.com

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For further information please contact Matthew Abbott on +61 2 9358 7333

It also occurred recently near our Liverpool centre here in Sydney.

We made representations to governments and took legal action in this case and four Supreme Court judges in two separate court cases confirmed Westfield's position and that centre has now been closed by order of the Supreme Court. The decision does not always go our way, but in this case it did.

As a result, Westfield has found itself in the middle of a political and media controversy, which is unfortunate, but the fact remains that we will continue to oppose illegal developments wherever they occur to protect our shareholders' investment and the interests of the retailers who lease space in our centres.

ENDS

****All amounts are in Australian dollars unless otherwise indicated.*