

29 July 2005



Westfield Group

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

Dear Sir/Madam

**RE: WESTFIELD GROUP (ASX:WDC) – DISCUSSIONS WITH FEDERATED
DEPARTMENT STORES TO ACQUIRE STORE SITES SLATED FOR DIVESTITURE**

A media release in relation to the above is attached.

Yours faithfully

WESTFIELD GROUP

A handwritten signature in black ink, appearing to be "S. Tuxen".

Simon Tuxen
Company Secretary

encl

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

29 July 2005

**WESTFIELD GROUP IN DISCUSSIONS WITH
FEDERATED DEPARTMENT STORES TO ACQUIRE
STORE SITES SLATED FOR DIVESTITURE**

Federated Department Stores announced today that it intends to dispose of 68 stores as part of its US\$11 billion merger with The May Department Store Company. The list of stores targeted for divestiture by Federated includes 12 stores in The Westfield Group's US portfolio where there is overlap between Federated and May Co. (See attached) Westfield is in discussions with Federated for the acquisition of those stores.

"The discussions are at an initial stage and will take some time to complete," said Managing Director Mr Peter Lowy.

"If successful, the purchase of these stores would create the opportunity to further redevelop and improve our portfolio, as well as substantially increase our development pipeline in the United States."

The Federated/May Co. merger will create a company with nearly 1,000 department stores in the United States and is expected to close in the third quarter, pending completion of regulatory review. Westfield's US portfolio includes a total of 50 stores currently operated by the May Co. and 39 stores operated by Federated. As announced, it is expected that most of the May Co. stores retained by Federated will be converted to the Macy's nameplate following the merger.

The Westfield Group is an internally managed, vertically integrated, shopping centre group undertaking ownership, development, design, construction, funds/asset management, property management, leasing and marketing activities and employing in excess of 4,000 staff worldwide.

Westfield has investment interests in 129 shopping centres in four countries (US, Australia, New Zealand and UK), with a total value in excess of A\$41.6 billion and is the largest retail property group in the world by equity market capitalisation.

**WESTFIELD AMERICA PORTFOLIO
FEDERATED/MAY CO. DUPLICATE LOCATIONS TARGETED FOR
DIVESTITURE**

1. Filenes, Westfield Trumbull, Trumbull, Connecticut
2. Hecht's, Westfield Wheaton, Wheaton, Maryland
3. Kaufmann's, Westfield Richland, Mansfield, Ohio
4. Robinsons-May, Westfield Fox Hills, Culver City, California
5. Robinsons-May, Westfield MainPlace, Santa Ana, California
6. Robinsons-May, Westfield North County, Escondido, California
7. Robinsons-May, Westfield Plaza Camino Real, Carlsbad, California
8. Robinsons-May, Westfield Santa Anita, Arcadia, California
9. Robinsons-May, Westfield UTC, San Diego, California
10. Macy's (apparel), Westfield Palm Desert, Palm Desert, California
11. Macy's (home), Westfield Palm Desert, Palm Desert, California
12. Macy's, Westfield West Covina, West Covina, California

ENDS

media release