



20 December 2006

Westfield Group

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The Manager
Company Announcements Office
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Level 4, Exchange Centre
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Dear Sir/Madam

**WESTFIELD GROUP (ASX:WDC)
WESTFIELD GROUP RAISES £524 MILLION / A\$1.3 BILLION
FROM A NEW JOINT VENTURE WITH QUEENSLAND INVESTMENT CORPORATION AT
MERRY HILL, UK**

A Media Release in relation to the above 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

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**WESTFIELD GROUP RAISES £524 MILLION / A\$1.3 BILLION
FROM A NEW JOINT VENTURE WITH QUEENSLAND INVESTMENT
CORPORATION AT MERRY HILL, UK**

MEDIA RELEASE

The Westfield Group (ASX: WDC) today announced the formation of a new joint venture with Queensland Investment Corporation (QIC) in respect of the Merry Hill shopping centre, near Birmingham in the West Midlands, United Kingdom.

Westfield has sold a 50% interest in the Merry Hill shopping centre and surrounding development land to QIC for £524 million / A\$1.3 billion. The joint venture has appointed Westfield as Property, Leasing and Development Manager of the centre.

Merry Hill is one of the largest shopping centres in the UK with an area of approximately 150,000 square metres and contains Debenhams and Marks and Spencer department stores, Asda and Sainsbury supermarkets and over 250 specialty stores and 8,000 car spaces.

"Today's announcement continues the Group's capital initiatives, raising equity capital for reinvestment in our global redevelopment programme," said Group Managing Director Steven Lowy.

The Westfield Group purchased its 100% interest in the Merry Hill as part of the Chelsfield/Duelguide acquisition in December 2004 at a cost of £875 million and, to date, a further £16 million of capital expenditure has been incurred. The total transaction value of £1,048 million includes development land valued at £58 million. The implied centre value of £990 million represents a current income yield (on 2006 income after management fees) of 4.3%, exceeding the total cost of £891 million and the current carrying value of £936 million.

"We are very pleased to have formed this joint venture with QIC in the UK. The Group has enjoyed a long and successful relationship with QIC at Helensvale in Australia and we look forward to the international extension of this relationship." Steven Lowy said.

This transaction will not impact on the distribution forecast of A\$1.065 per security for the 12 month period to December 2006.

- ENDS -

Westfield Group

The Westfield Group (ASX Code: WDC) 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. It has investment interests in 121 shopping centers in four countries, with a total value in excess of A\$57 billion and is the largest retail property group in the world by equity market capitalisation.

westfield.com

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For further information please contact Julia Clarke on +61 2 9358 7426