



22 December 2006

Westfield Group

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The Manager
Company Announcements Office
Australian Securities Exchange
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Dear Sir/Madam

**WESTFIELD GROUP (ASX:WDC)
WESTFIELD GROUP RAISES A\$1.0 BILLION FROM THE ISSUE OF PROPERTY LINKED
NOTES TO PGGM**

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

22 December, 2006

WESTFIELD GROUP RAISES A\$1.0 BILLION FROM THE ISSUE OF PROPERTY LINKED NOTES TO PGGM

The Westfield Group (ASX:WDC) today announced that it has agreed to issue Property Linked Notes ("Notes") with an aggregate value of approximately A\$1 billion to PGGM Australian Investment Trust, an investment trust controlled by PGGM.

PGGM is a pension fund based in the Netherlands with total assets under management of over €77 billion, around €10 billion of which is invested in real estate.

The Notes have been designed by Westfield and PGGM to provide returns based on the economic performance of the following Australian shopping centre interests:

- 12.5% Westfield Parramatta, New South Wales
- 25.0% Westfield Hornsby, New South Wales
- 25.0% Westfield Burwood, New South Wales
- 12.5% Westfield Southland, Victoria
- 25.0% Westfield Belconnen, Australian Capital Territory
- 25.0% Westfield Tea Tree Plaza, South Australia

The Notes have a value in aggregate of A\$1,012,875,000 based on the independent market value of the properties reflected in the Group's accounts as at 30 June 2006. These super regional and regional shopping centres have an aggregate value of approximately A\$5.3 billion and were valued on yields ranging between 5.0% and 5.35%.

The Notes are perpetual instruments with a first review date in 10 years, at which time PGGM may elect to redeem the Notes. On redemption, the obligation to pay the amount due on the Notes can be satisfied, at Westfield's option, by a transfer of the relevant interest in the underlying property. Subsequent reviews on the same terms are to occur each 5 years thereafter.

"We are excited to be able to facilitate this innovative transaction with such a highly regarded global institution as PGGM with whom we have had a long standing relationship" said Group Managing Director Peter Lowy.

"Over the past 12 months numerous capital management initiatives have been investigated. This year we have raised over A\$3 billion through major transactions such as the sale of eight US properties in May, the joint venture of Merry Hill with QIC announced earlier this week and the issue of these Notes."

The Notes will be effective from 1 January 2007 and therefore will not impact the distribution forecast of A\$1.065 per security for the 12 month period to December 2006.

ABN Amro acted as arranger and advisor on the transaction.

– ENDS –

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