

12 June 2007



**Westfield Group**

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

Dear Sirs

**WESTFIELD GROUP (ASX:WDC)  
PRO - RATA ENTITLEMENT OFFER**

Attached are the following documents relating to a proposal to raise \$3 billion through an underwritten pro-rata issue of new securities by the Westfield Group:

1. ASX announcement; and
2. investor presentation.

Yours faithfully

**WESTFIELD GROUP**

A handwritten signature in black ink, appearing to be "Simon Tuxen", written over a horizontal line.

**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 June 2007

## **WESTFIELD GROUP TO RAISE \$3 BILLION IN EQUITY VIA A PRO-RATA ENTITLEMENT OFFER**

The Westfield Group (ASX: WDC) today announced that it will raise \$3 billion through an underwritten pro-rata issue of new securities. The issue represents less than 8.0% of the Group's market capitalisation of approximately \$38 billion.

The proceeds of the issue will be used to finance the Group's activities and future opportunities, in particular, its extensive development program.

"This equity raising strengthens the Group's capacity for generating superior long term earnings and capital growth by developing our centres to generate returns well above the Group's cost of capital" said Group Managing Directors, Peter Lowy and Steven Lowy.

The Westfield Group has interests in 121 shopping centres across Australia, the United States, the United Kingdom and New Zealand with a gross value of over \$60 billion and in excess of 22,000 retail outlets.

Westfield currently has 19 projects under construction globally, with an estimated total cost of some \$7.6 billion (WDC share \$5.4 billion). In addition to these current projects, the Group expects to commence in excess of \$10 billion (WDC share \$9 billion) of new projects in Australia, New Zealand, the United States and the United Kingdom over the next 3 years. This is an upward revision from the previously announced new project commencements of \$1.5 – \$2.0 billion a year.

These projects are expected to generate long term ungeared internal rates of return on invested capital in the range of 12% - 15%, providing substantial value for security holders.

"The Group's development strategy involves the creation of major landmark destinations on an international scale such as the recently completed projects at Bondi Junction (Sydney) in Australia, Century City and Topanga (Los Angeles), and San Francisco in the United States," Mr Lowy said.

"Our current landmark projects, which include Westfield London in the United Kingdom and Doncaster (Melbourne) in Australia, and future projects such as Sydney City in Australia, Valley Fair (San Jose), Montgomery (Maryland) and UTC (San Diego) in the United States, and Stratford (London) in the United Kingdom, continue this strategy."

This issue of new securities is expected to result in a significant strengthening of the Group's balance sheet.

"Since the merger in 2004, the Westfield Group has invested some \$11.7 billion with \$5.8 billion of acquisitions and \$5.9 billion of development expenditure," Mr Lowy said.

"The Group's capital strategy is to minimise the issuance of new equity. Since the merger, we have raised some \$5 billion from capital sources through various transactions including the issuance of Property Linked Notes, the sale of non-core properties and the formation of joint ventures."

westfield.com

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

“These ongoing capital initiatives together with today’s announcement, establish a solid financial base to execute the Group’s future development program and provide flexibility for future opportunities.”

The new issue is expected to be accretive to operational earnings and will not impact on the distribution target of \$1.065 per security for the year ended 31 December 2007.

The new securities will be issued at an offer price of \$19.50 per new security on a pro-rata entitlement basis. Eligible security holders will be entitled to subscribe for 2 securities for every 23 securities held at 7pm, 18 June 2007.

The entitlement in relation to those security holders who do not take up the offer, or who are not entitled to take up the offer, will be taken up by the underwriters and placed into either an institutional or retail bookbuild. Any premium above the offer price achieved in these bookbuilds will be remitted by the underwriters to those relevant security holders on a pro-rata basis. The entitlements will not be tradeable on the Australian Securities Exchange.

“The pro-rata nature of the offer allows each eligible Westfield security holder to be treated equally in participating in this opportunity,” Mr Lowy said.

New securities will be entitled to distributions for the half year ending 31 December 2007.

Full details of the offer are contained in the offer document, lodged today with Australian Securities and Investment Commission (ASIC). A copy of the offer document will be sent to Security holders shortly and is available online at [www.westfield.com](http://www.westfield.com).

The issue has been fully underwritten by Credit Suisse and JPMorgan.

Entities directly associated with the Lowy family have indicated their intention to subscribe for their entitlement.

**ENDS**

#### **Westfield Group**

The Westfield Group (ASX: WDC), with a market capitalisation of approximately \$38 billion, is the 7<sup>th</sup> largest entity member of the Australian Securities Exchange/S&P 200 Index. Operating on a global platform, the Group is an internally managed, vertically integrated shopping centre group, undertaking ownership, development, design, construction, funds and asset management, property management, leasing and marketing employing in excess of 4,000 staff worldwide. The Westfield Group has interests in an investment portfolio of 121 shopping centres valued in excess of A\$60 billion located in Australia, the United States, New Zealand and the United Kingdom.

This press release is not an offer or solicitation of an offer of securities by the Westfield Group for the purchase or sale of any securities nor does it constitute an offer or solicitation to any person in any jurisdiction where solicitation would be unlawful. The securities discussed herein have not been registered under the United States Securities Act of 1933, as amended, and may not be sold, offered or delivered in the United States or to, or for the account or benefit of, any U.S. person (as such term is defined in Regulation S under the Securities Act), except in a transaction exempt from the registration requirements of the Securities Act and applicable state securities laws of the United States.

[westfield.com](http://westfield.com)

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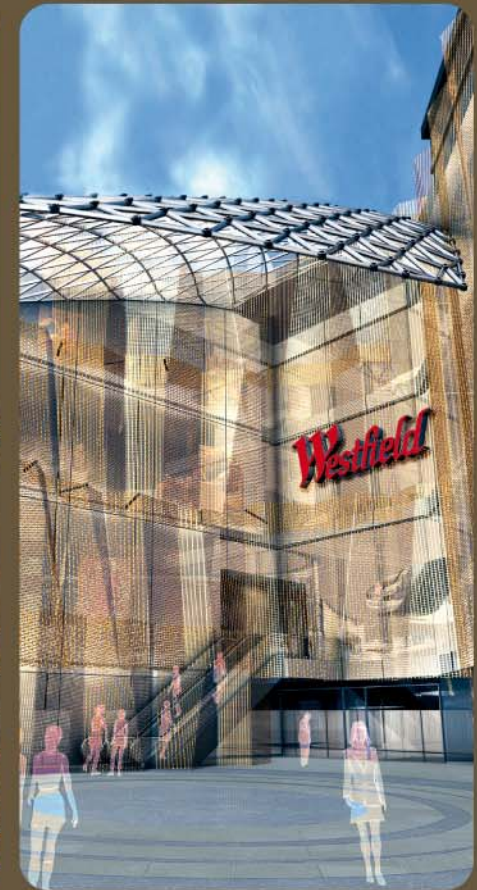
entity for **Westfield America Trust** ABN 27 374 714 905 ARSN 092 058 449

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# Westfield Group

2 for 23 Pro Rata Entitlement Offer

12 June 2007





# Overview of the Offer

- Issue of new securities to raise approximately \$3.0 billion, representing less than 8.0% of the Group's existing capitalisation of approximately \$38 billion
  
- The equity raising strengthens the Group's:-
  - Capital structure and financial capacity
  
  - Capacity for generating superior long term growth in earnings and capital value by developing centres to generate returns expected to be well above the Group's cost of capital
    - 19 projects currently under construction – estimated total cost \$7.6 billion (Westfield Group share \$5.4 billion)
    - expect to commence in excess of \$10 billion of new projects over the next 3 years. (Westfield Group share \$9 billion)
    - creation of major land mark destinations on an international scale
    - projects expected to generate long term ungeared internal rates of return (IRR) in the range of 12% - 15%

## Overview of the Offer (con't)

- Since the Group merger in 2004, the Group has invested over \$11.7 billion:-
  - \$5.8 billion in acquisitions
  - \$5.9 billion in the development program
- The Group's capital strategy is to minimise the issuance of new equity
- Since the merger, the Group has raised some \$5 billion including the issuance of Property Linked Notes, the formation of joint ventures and the sale of non-core properties
- The Offer, together with the other ongoing capital initiatives:-
  - establishes a solid financial base to execute the Group's future development program
  - provides flexibility for future opportunities

## Overview of the Offer (con't)

- The new issue improves the Group's balance sheet and is expected to be accretive to operational earnings
- The issuance of new securities will not impact on the distribution target of A\$1.065 per security for the year ended 31 December 2007
- The issue is fully underwritten by Credit Suisse and JPMorgan
- Entities directly associated with the Lowy family have indicated their intention to subscribe for their entitlement

## Details of the Offer

- 2 for 23 Accelerated Pro Rata Entitlement Offer to raise approximately \$3 billion
- Eligible Securityholders on the register at the record date (18 June 2007) will be able to subscribe for their pro rata entitlement at \$19.50 per New Security
- New Securities will be entitled to the distribution for the half year ending 31 December 2007, but will not be entitled to the distribution for the half year ending 30 June 2007
- Eligible Institutional Securityholders can take up their entitlements by 5pm Thursday 14 June 2007
- Eligible Retail Securityholders will be sent an offer document and can take up their entitlements by 5pm Friday 6 July 2007
- Lapsed or ineligible entitlements will be taken up by the underwriters and placed into two separate bookbuilds – one for the Institutional Tranche (Friday 15 June 2007) and one for the Retail Tranche (Thursday 12 July 2007)
- Any premium above the offer price achieved in the bookbuilds will be paid by the underwriters to the relevant Securityholders' whose entitlements lapsed or who were ineligible to participate in their respective tranches

*Dates subject to change*



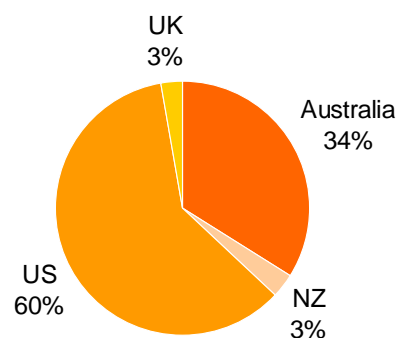
# Timetable

Prospectus lodged with ASIC and ASX	12 June 2007
Institutional Offer opens	5.00pm (Sydney time) 12 June 2007
Institutional Offer closes	5.00pm (Sydney time) 14 June 2007
Institutional Bookbuild	15 June 2007
Record Date to determine right to participate in the Offer	7.00pm (Sydney time) 18 June 2007
Retail Offer opens	21 June 2007
Institutional Offer Settlement	4 July 2007
Allotment of New Securities issued under Institutional Offer and Bookbuild	5 July 2007
Retail Offer closes	5.00pm (Sydney time) 6 July 2007
Retail Bookbuild	12 July 2007
Retail Offer Settlement	17 July 2007
Allotment of New Securities issued under the Retail Offer and Bookbuild	18 July 2007
Expected date for trading of New Securities issued under the Retail Offer and Bookbuild on a deferred settlement basis	19 July 2007
Expected date for trading of New Securities issued under the Retail Offer and Bookbuild on a normal settlement basis	20 July 2007

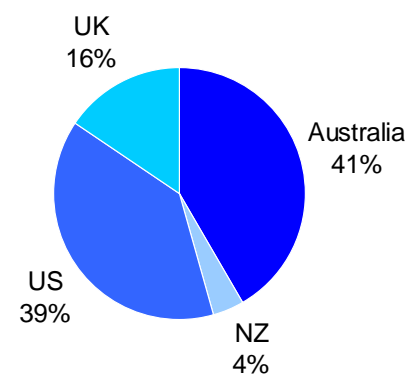
# Portfolio Summary as at 31 March 2007

	United States	Australia	United Kingdom	New Zealand	Total
Centres	59	44	7	11	121
Retail Outlets	9,050	11,500	750	1,500	22,800
GLA (million sqm)	6.2	3.5	0.3	0.3	10.3
Westfield Asset Value (billion) <sup>1</sup>	US\$15.6	A\$19.3	£1.0	NZ\$2.6	A\$43.4 <sup>1</sup>
Assets Under Management (billion) <sup>2</sup>	US\$18.9	A\$25.2	£3.9	NZ\$2.8	A\$60.6 <sup>2</sup>

**Gross Lettable Area**



**Assets Under Management**



<sup>1</sup> WDC share of shopping centre assets and excludes work in progress and assets held for redevelopment

<sup>2</sup> WDC and joint venture share of shopping centre assets and includes work in progress and assets held for redevelopment

# Westfield Group Overview

- Westfield Group is the pre eminent owner of super regional shopping centre assets globally, the world's largest listed retail property group and the 7th largest member of ASX/S&P 200 Index<sup>1</sup>
- The Westfield Group is internally managed and vertically integrated with the following business segments: shopping centre ownership; property management and leasing; property development, design and construction; and funds and asset management
- The quality and market penetration of Westfield's shopping centre assets are a unique feature of the Group's business
- Our business model allows us to increase the wealth of our security holders in two key ways:-
  - Intensive leasing and day-to-day management and marketing at an operational level drives income growth from existing assets
  - Extensive development and redevelopment program at high yields generates incremental income and improves asset quality

<sup>1</sup> Based on an equity market capitalisation of approximately \$38 billion as at 12 June 2007

## Future Major Projects – in excess of \$10 billion

### United States

- Belden Village (Ohio)
- Century City Phase II (California)
- Chicago Ridge (Illinois)
- Fashion Square (California)
- Fox Hills (California)
- Horton Plaza (California)
- Mainplace (California)
- Montgomery (Maryland)
- North County (California)
- Palm Desert (California)
- Plaza Camino Real (California)
- Santa Anita (California)
- Southgate (Florida)
- UTC (California)
- Valencia (California)
- Valley Fair (California)
- West Covina (California)
- West Valley (California)

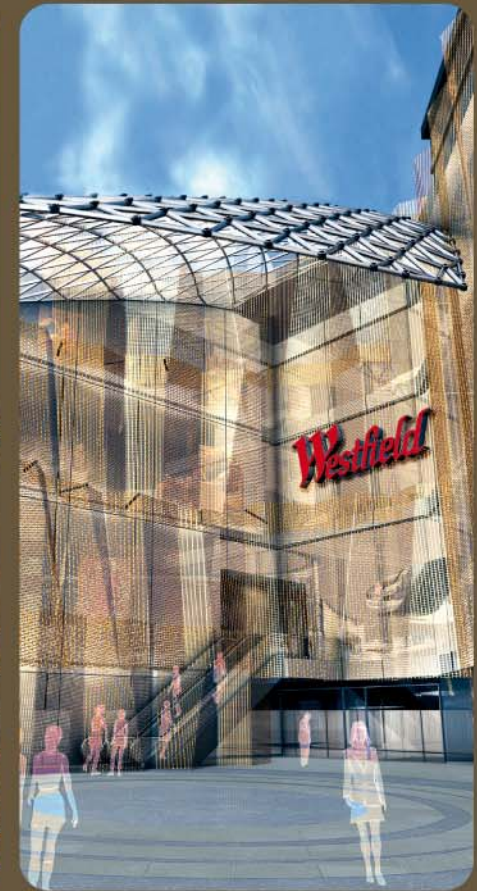
### Australia & New Zealand

- Belconnen (ACT)
- Booragoon (WA)
- Carindale (QLD)
- Fountain Gate (VIC)
- Macquarie (NSW)
- Marion (SA)
- Mt Gravatt (QLD)
- Newmarket (NZ)
- North Lakes (QLD)
- Pacific Fair (QLD)
- Riccarton (NZ)
- Sydney CBD (NSW)
- Tea Tree Plaza (SA)
- Warringah (NSW)

### United Kingdom

- Broadway (Bradford)
- Merry Hill (Birmingham)
- Sprucefield (Lisburn, Northern Ireland)
- Stratford City (East London)
- The Broadmarsh Centre (Nottingham)
- The Friary (Guildford)

# Appendices





### Scope – Redevelopment

Additional GLA: 260,000 sqf  
Completed GLA: 1,470,000 sqf  
Estimated Cost: US\$150 million  
Estimated Yield: 10.0 – 10.5%  
Key Anchors: JC Penney, Lord & Taylor  
Nordstrom, Macy's, Sears  
Anticipated Completion: Q4 2007

**Westfield Annapolis (US)**

Current Construction



**Scope – Redevelopment**

**Additional GLA:** 379,600 sqf

**Completed GLA:** 1,686,400 sqf

**Estimated Cost:** US\$230 million

**Estimated Yield:** 10.0 – 10.5%

**Key Anchors:** JC Penney, Macy's,  
Nordstrom, Sears,  
AMC Theatres

**Anticipated Completion:** Q1 2009



**Westfield Southcenter (US)**

Artist Impression – on Completion

**Scope – Redevelopment**

**Additional GLA:** 310,000 sqf

**Completed GLA:** 1,340,000 sqf

**Estimated Cost:** US\$240 million

**Estimated Yield:** 9.5 – 10.0%

**Key Anchors:** JC Penney, Macy's,  
Nordstrom, Sears

**Anticipated Completion:** Q1 2009



**Westfield Galleria at Roseville (US)**

**Current Construction**



**Scope – Redevelopment**

**Additional GLA:** 64,000 sqm

**Completed GLA:** 125,000 sqm

**Estimated Cost:** \$600 million

**Estimated Yield:** 7.75 – 8.25%

**Key Anchors:** David Jones, Myer, Kmart,  
Big W, Coles, Safeway  
Village Cinemas

**Anticipated Completion:** Q4 2008



**Westfield Doncaster (Aus)**

Artist Impression – on Completion



#### Scope – New Centre

Westfield Group's first New Zealand greenfield site and the Group's largest development project in New Zealand

Completed GLA: 50,000 sqm

Anchors: Farmers, Kmart, New World, SkyCity cinema

Estimated Cost: NZ \$205 million

Estimated Yield: 10.1 – 10.6%

Anticipated Completion: Q4 2007

**Westfield Albany (NZ)**

Current Construction





#### Scope – Redevelopment

Additional GLA: 68,000 sqm

Completed GLA: 100,000 sqm

Estimated Cost: £340 million

Estimated Yield: 8.25 – 8.75%

Key Anchors: Debenhams, Marks and  
Spencer, Next, Sainsbury,  
Cinema de Lux

Anticipated Completion: Q4 2007

**Westfield Derby (UK)**

Current Construction





**Westfield Derby (UK)**  
Artist Internal Impression on Completion



### Scope – New Centre

Total GLA: 150,000 sqm  
Anchors: Debenhams, Marks and Spencer,  
Waitrose, House of Fraser, Next,  
Cinema de Lux  
Estimated Cost: £1.6 billion  
Estimated Yield: 5.25 – 5.75%  
Anticipated Completion: Q4 2008



**Westfield London (UK)**

Current Construction



**Westfield London (UK)**  
Artist Internal Impression on Completion





**Westfield Sydney City (Aus)**  
Artist Impression on Completion

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The information provided in this document is not financial product advice and has been prepared without taking into account your investment objectives, financial circumstances or particular needs. Persons considering an investment in the Westfield Group should consider the risk factors in section 6 of the Prospectus that could affect the financial performance of the Westfield Group before deciding what course to follow. You should consider these factors in light of your personal circumstances (including financial and taxation issues (discussed in section 8 of the Prospectus)).

This document may contain forward looking statements which are identified by words such as “may”, “could”, “believes”, “estimates”, “expects”, “intends”, and other similar words that involve risks and uncertainties. These forward looking statements are subject to various risk factors that could cause the Westfield Group’s actual results to differ materially from the results expressed or anticipated in these statements. These risk factors are set out in section 6 of the Prospectus. These and other factors could cause actual results to differ materially from those expressed in any forward looking statement made by, or on behalf of, the Westfield Group.

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A person should consider the Prospectus in its entirety in deciding whether to acquire or continue to hold Westfield Group stapled securities.