

13 November 2013



Westfield Group

Level 30
85 Castlereagh Street
Sydney NSW 2000
GPO Box 4004
Sydney NSW 2001
Australia

Telephone 02 9358 7000

Facsimile 02 9358 7077

Internet www.westfield.com

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

Dear Sir/Madam

**WESTFIELD GROUP (ASX:WDC)
3rd QUARTER 2013 UPDATE**

The Westfield Group 3rd Quarter Update is attached.

Yours faithfully
WESTFIELD GROUP

A handwritten signature in blue ink, consisting of a stylized 'S' and 'T' followed by a horizontal line.

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

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WESTFIELD GROUP REPORTS 3rd QUARTER UPDATE

The Westfield Group (ASX:WDC) today announced its 3rd quarter update for the nine months to 30 September 2013 with the Group's global operations continuing to perform in line with expectations.

Recent transactions include: -

- The divestment of seven non-core shopping centres in the United States to Starwood Capital Group for US\$1.64bn;
- The sale of WDC's 16.67% interest in Karrinyup, Perth for \$123.3m; and
- 150.3m WDC securities bought back to date in 2013. A total of 230.9m securities, representing 10% of securities on issue prior to the commencement of the buyback in March 2012, have been purchased for \$2.43bn and at an average price of \$10.53 per security.

Operating Performance

WDC's global portfolio now comprises 91 shopping centres in 4 countries with around 20,500 retail shops, over 1bn annual customer visits and over \$40bn in annual retail sales.

The global portfolio at 30 September 2013 was 97.9% leased, up 20 basis points compared to the same period last year. In the United States the portfolio was 93.7% leased, up 60 basis points on a comparable centre basis with the Australian / New Zealand and United Kingdom portfolios at over 99.5% and 99.1% leased respectively.

The level of bad debts and arrears across the Group for the period remain low and in line with previous years.

For the 12 months to September, comparable specialty retail sales were up 4.5% in the United States and remained steady in Australia and New Zealand.

In the United States specialty retail sales grew to US\$525 per square foot (psf). This is the highest level of specialty sales reported and reflects the improvement in the quality of the Group's portfolio.

Leasing demand in the United States remains solid with over 860 deals executed in the nine months representing over 2.5m square feet. Average specialty rent at 30 September 2013 was US\$67.76 psf, up 3.8% for the 12 months, with growth over expiring rents for comparable space up 10.8% for the year to date.

In Australia, whilst retail conditions remain consistent with prior periods the productivity of the portfolio remains high at over \$9,800 per square metre (psm), with continuing demand for space from both domestic and international retailers.

Average specialty rent for the Australian / New Zealand portfolio grew by 1.9% from September 2012 with average rent in Australia now at \$1,532 psm and New Zealand at NZ\$1,129 psm. In Australia, for the 9 months almost 1,700 leasing deals were completed. Excluding projects, this represented 11.5% of specialty area, which were completed at rental spreads consistent with the half year, at 6% lower than expiring rents.

MEDIA RELEASE

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

In the United Kingdom the solid performances of Westfield London and Stratford City continues with retail sales for the 12 months to September up 1.9% and 7.3% respectively. It is now the second anniversary of the opening of Stratford City and the fifth anniversary of the opening of Westfield London, with these two centres generating combined annual sales of over £1.9bn, an increase of 4.5% for the 12 months.

Westfield Group Co-CEO, Steven Lowy AM said: "We are also pleased to announce that John Lewis has approved opening a 230,000 square foot full line department store in the upcoming expansion of Westfield London."

The Group continued to make good progress on its \$2.7bn of current development projects and development pipeline of over \$12bn with target unlevered internal rates of return for development projects of between 12%-15% on the Group's investment.

Outlook

The Group reconfirms its 2013 forecast for Funds from Operations of 66.5 cents per security, an increase of 2.3% on the previous year. The Group remains on track to achieve its full year comparable net operating income forecast across all regions, in the range of:

- 4%-5% in both the United States and United Kingdom portfolios; and
- 1.5%-2% in the Australian & New Zealand portfolios.

WDC's distribution forecast for the 2013 year is reconfirmed at 51.0 cents per security, representing an increase of 3% on the previous year.

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 approximately 4,000 staff worldwide. The Westfield Group has interests in and operates one of the world's largest shopping centre portfolios with investment interests in 91 shopping centres across Australia, the United States, the United Kingdom and New Zealand, encompassing over 20,500 retail outlets and total assets under management of A\$65.8bn.

This release contains forward-looking statements, including statements regarding future earnings and distributions. These forward-looking statements are not guarantees or predictions of future performance, and involve known and unknown risks, uncertainties and other factors, many of which are beyond our control, and which may cause actual results to differ materially from those expressed in the statements contained in this release. You should not place undue reliance on these forward-looking statements. These forward-looking statements are based on information available to us as of the date of this presentation. Except as required by law or regulation (including the ASX Listing Rules) we undertake no obligation to update these forward-looking statements.

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**WESTFIELD GROUP
3RD QUARTER UPDATE**

13 NOVEMBER 2013

DISCLAIMER

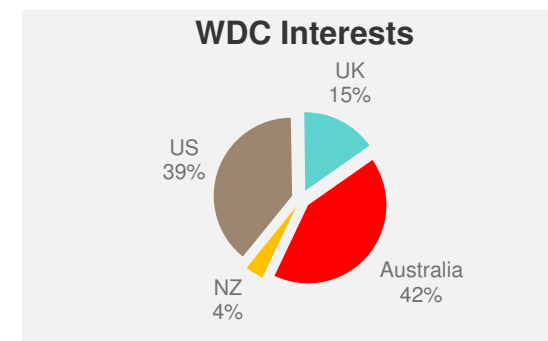
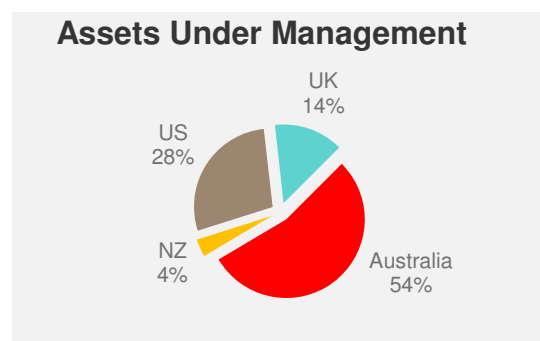
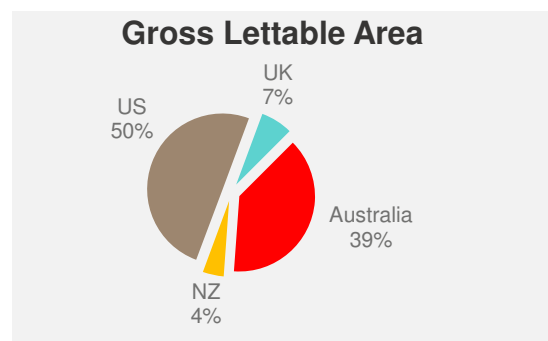
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PORTFOLIO SUMMARY¹

	United States	Australia	United Kingdom	New Zealand	Total
▪ Centres	39	38	5	9	91
▪ Retail Outlets	6,792	11,086	1,241	1,409	20,528
▪ GLA (m sqm)	4.4	3.4	0.6	0.4	8.8

As at 30 June 2013

▪ WDC Interests (bn)	US\$11.4	\$13.2	£3.0	NZ\$1.4	\$31.7
▪ JV Partner Interests (bn)	US\$5.7	\$22.3	£2.7	NZ\$1.4	\$34.1
▪ Assets Under Management (bn) (AUM)	US\$17.1	\$35.5	£5.7	NZ\$2.8	\$65.8
▪ WDC Share of AUM	67%	37%	53%	50%	48%



¹ Proforma for the recent divestment of assets in the United States and Australia

Note: Exchange rates as at of 30 June 2013: AUD/USD:0.9234, AUD/GBP:0.6063, AUD/NZD:1.1845

SHOPPING CENTRE OPERATING PERFORMANCE

As at 30 September 2013	Portfolio Leased (%)	Specialty Occupancy Cost (%)	Specialty Retail Sales (MAT)	Specialty Retail Sales Growth (%) ¹	Lease Deals Completed YTD (Number/Area)	Average Specialty Store Rent	
						Amount	Growth YOY (%)
United States	93.7	15.2	US\$525 psf	4.5	866 2,529,700 sqf	US\$67.76 psf	3.8
Australia & New Zealand	>99.5	19.2	\$9,814 psm NZ\$8,528 psm	Aus: 0.3 NZ: 0.0	1,855 217,347 sqm	\$1,532 psm NZ\$1,129 psm	1.9
United Kingdom	99.1	14.0 ²	£835 ² psf	4.5 ²	113 304,832 sqf	£83.18 psf	1.0
Group	97.9				2,834 480,684 sqm		

¹ 12 months to 30 September 2013

² For Westfield London & Stratford City. Occupancy cost and sales includes all stores

RETAIL SALES – UNITED STATES

Specialty Retail Sales	Period to 30 September 2013 ¹		
	Moving Annual Turnover (MAT)	Sales psf (MAT)	Change on previous period
			12 months
Specialties	US\$6.3bn	US\$525	4.5%
By Category:			
Fashion			0.5%
Jewellery			5.5%
Leisure			12.3%
Food retail			(0.2)%
General retail			4.5%

¹ Excludes the assets divested in the United States

RETAIL SALES – AUSTRALIA & NEW ZEALAND

Retail Sales	Period to 30 September 2013 ¹		
	Moving Annual Turnover (MAT)	MAT Growth	Comparable Change
			12 months
Australia			
▪ Majors			2.6 %
▪ Mini Majors			(1.5)%
▪ Specialties			0.3%
Total	\$20.1bn	2.6%	1.2%
New Zealand			
▪ Majors			(0.5)%
▪ Mini Majors			(5.3)%
▪ Specialties			0.0%
Total	NZ\$2.0bn	(0.6)%	(0.6)%

¹ Excludes the assets divested in Australia and New Zealand

COMPARABLE CHANGE IN RETAIL SALES BY CATEGORY – AUSTRALIA

Retail Sales	Period to 30 September 2013
	12 months
Majors:	
▪ Department Stores	(1.2)%
▪ Discount Department Stores	0.4%
▪ Supermarkets	6.9%
Cinemas	(0.3)%
Mini-Majors:	(1.5)%
Specialties - Total:	0.3%
▪ Fashion	(0.6)%
▪ Food Catering	1.2%
▪ Food Retail	0.0%
▪ Footwear	(0.2)%
▪ General Retail	(0.8)%
▪ Homewares	0.3%
▪ Jewellery	2.9%
▪ Leisure	(3.9)%
▪ Retail Services	3.1%

RETAIL SALES – UNITED KINGDOM

Retail Sales	Period to 30 September 2013	
	Moving Annual Turnover (MAT)	12 months
Westfield London	£976m	1.9%
Westfield Stratford	£961m	7.3%
London Region	£1,937m	4.5%

DEVELOPMENT & CONSTRUCTION ACTIVITY

- ▶ \$2.7bn of projects currently under construction (WDC share \$1.6bn, of which \$0.5bn incurred to date) and future pipeline of over \$12bn

	Total Project \$m	WDC Share \$m	Yield	Anticipated Completion
United States (US\$)				
▪ South Shore	90	90		2013
▪ Garden State Plaza	160	80		2014
▪ Montgomery	90	45		2014
▪ Westfield World Trade Center Retail ¹	625	625		2015
Australia				
▪ Macquarie ²	390	-		2014
▪ Mt Gravatt	400	200		2014
▪ Miranda	435	109		2014 / 2015
Other Projects	470	350		2013 - 2015
Total	2.7bn	1.6bn	7% - 8%	

¹ Represents 50% share

² Design and Construction project for AMP Capital

MAJOR DEVELOPMENT & CONSTRUCTION OPPORTUNITIES

- The Group is undertaking pre-development activity on over \$12bn of future development opportunities, including:

United States	Australia & New Zealand	UK/Europe
▪ Century City (California) ▪ UTC (California) ▪ Valley Fair (California) ▪ West Valley (California)	▪ Chermside (QLD) ▪ Marion (SA) ▪ Newmarket (NZ) ▪ North Lakes (QLD) ▪ Pacific Fair (QLD) ▪ Tea Tree Plaza (SA) ▪ Tuggerah (NSW) ▪ Warringah (NSW)	▪ Bradford (UK) ▪ Croydon (UK) ▪ London (UK) ▪ Milan (Italy) ▪ Stratford City (UK)

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- Target unlevered internal rates of return of between 12% to 15% on the Group's investment