



11 May 2011



Westfield Group **1st Quarter Update**

31 March 2011

Disclaimer

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

Highlights

- Reconfirm full year 2011 earnings and distribution forecast¹ of:
 - Operating Segment Earnings per security of 74.6 cents;
 - FFO per security of between 64 to 65 cents; and
 - Distribution per security of 48.4 cents
- Net operating income from the portfolio is expected to be in line with forecast
- Continued improvement in the United States and United Kingdom with solid conditions in Australia
- Landmark developments at Stratford City (London – £1.45 billion) and Westfield Sydney (\$1.2 billion) continue to progress very well
- During the quarter commenced \$490 million of new projects:
 - \$320 million development at Fountain Gate (Australia)
 - \$170 million of smaller projects in the United States, United Kingdom and Australia
- For the 2011 year the Group expects to commence between \$750 million to \$1 billion of new developments
- Upgrade forecast development starts to \$1.25 billion – \$1.5 billion in both 2012 and 2013

¹ Based on average year to date exchange rate of AUD / USD1.02 and AUD / GBP0.635 continuing for the year, compared to the AUD / USD0.92 and AUD / GBP0.59 used in previous guidance

Shopping Centre Operating Performance

	Portfolio Leased ¹ (%)	Specialty Occupancy Cost ¹ (%)	Specialty Retail Sales (Yr to 31 Mar)	Retail Sales Growth (%) ²	Lease Deals Completed ² (Number/Area)	Average Specialty Store Rent	
						Amount ¹	Growth ³ (%)
Australia & New Zealand	> 99.5	18.3	\$9,728 psm NZ\$7,820 psm	Aus: 1.6 ⁴ NZ: 0.3 ⁴	655 78,706 sqm	\$1,442 psm NZ\$1,051 psm	4.2
United States	92.3 ⁵	16.0	US\$422 ⁶ psf	5.4 ⁶	351 857,336 sqf	US\$60.53 ⁷ psf	1.2
United Kingdom	99.2	n/a	n/a	19.8 ⁸	88 49,713 sqm	£ 816 psm	(3.5)
Group	96.9				1,094 208,068 sqm		

¹ As at 31 March 2011

² 3 months to 31 March 2011

³ 31 March 2011 compared to 31 March 2010

⁴ Comparable Speciality shop sales

⁵ Excludes temporary leasing of in-line space representing an additional 4.0% of area

⁶ On a per square foot basis for shops < 10,000 sqf

⁷ Based on total rent (excluding taxes) for shops < 20,000 sqf

⁸ Westfield London

Operating Statistics – Australia and New Zealand

Retail Sales	Period to 31 March 2011			
	Moving Annual Turnover (MAT)	MAT Growth	Comparable Change	
			12 months	3 months
Australia				
Majors			(1.1)%	(2.8)%
Mini Majors			(2.8)%	(1.6)%
Specialties			1.1%	1.6%
Total	\$ 21.5 bn	(0.3)%	0.0%	(0.7)%
New Zealand				
Majors			(0.8)%	(0.9)%
Mini Majors			(0.4)%	(0.9)%
Specialties			0.5%	0.3%
Total	NZ\$ 2.1 bn	0.1%	(0.1)%	(0.8)%

Operating Statistics – United States

Specialty Retail Sales – US\$	Period to:			
	Mar '11	Dec '10	Dec '09	Dec '08
12 month sales (MAT)	6.8 bn	6.7 bn	6.2 bn	6.8 bn
12 month sales per square foot	422	418	394	437
<i>% change on prior year</i>	5.5%	6.1%	(9.5)%	(6.8)%
% change quarter on previous year corresponding quarter	5.4%			

Operating Statistics – United Kingdom

Retail Sales	Period to 31 March 2011	
	12 months	3 months
UK Industry: <i>BRC-KPMG Retail Sales Report</i>		
- Total	2.0%	0.9%
- Comparable	0.1%	(0.8)%
Westfield London	23.3%	19.8%

Global Development Activity

- Projects currently under construction with an estimated total cost of \$4.5 billion (WDC share \$3.6 billion¹)
- \$2.6 billion has been incurred to date with \$1.0 billion remaining to complete (WDC share)

	No. of Projects	Project Investment	Investment Yield ²	Anticipated Completion
United Kingdom	1	£1,450 m	7.0 – 7.5%	Sept 2011
Australia ³	3	\$1,820 m	8.0 – 8.5%	2011 – 2012
Small Projects Programme	n/a	\$490 m	8.5 – 10.0%	2011 – 2012
Total		\$4.5 bn		

- Successfully completed the \$125 million redevelopment at Belconnen (ACT)
- Projects commenced in 2011:
 - Westfield Fountain Gate (VIC) \$320 million
 - Small Projects Programme \$170 million
- For 2011 the Group expects to commence between \$750 million and \$1.0 billion of development projects

¹ Westfield Sydney included at 50% share. Stratford included at 100% share – with an agreement to sell 50% share at £871.5 million

² Stabilised Income/Project Investment. Excludes design, development and construction profit and management fees earned by WDC

³ Includes Westfield Sydney, Carindale and Fountain Gate

Strategic Development Opportunities

- The Group is undertaking pre-development activity on approximately \$10 billion of future development opportunities, including:

United States

- Century City (California)
- Garden State Plaza (New Jersey)
- Montgomery (Maryland)
- UTC (California)
- Valley Fair (California)
- West Valley (California)

Australia & New Zealand

- Chermside (QLD)
- Macquarie (NSW)
- Marion (SA)
- Miranda (NSW)
- Mt Gravatt (QLD)
- Newmarket (NZ)
- North Lakes (QLD)
- Tea Tree Plaza (SA)
- Tuggerah (NSW)

United Kingdom

- Bradford
- Nottingham
- Westfield London

- Target unlevered internal rates of return of between 12% to 15% on WDC's invested capital
- WDC earns development, design and construction income from joint venture projects
- Upgrade forecast development starts to \$1.25 billion – \$1.5 billion in both 2012 and 2013

Stratford City Development



Stratford City – Artist Impression



Westfield

Westfield Sydney



Westfield Sydney – Food on Five



Westfield Sydney – Zara Opening Day





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Appendices

Comparable Change in Retail Sales by Category – Australia

	Period to 31 March 2011	
	12 months	3 months
Department Stores	(2.4)%	(11.0)%
Discount Department Stores	(3.3)%	(3.7)%
Supermarkets	1.5%	2.6%
Cinemas	(6.2)%	(18.2)%
Mini-Majors	(2.8)%	(1.6)%
Fashion	0.1%	0.8%
Food Catering	3.1%	2.2%
Food Retail	0.6%	1.9%
Footwear	3.1%	4.8%
General Retail	(1.5)%	(3.4)%
Homewares	(3.0)%	(5.3)%
Jewellery	1.6%	1.5%
Leisure	0.8%	(0.9)%
Retail Services	3.4%	5.1%

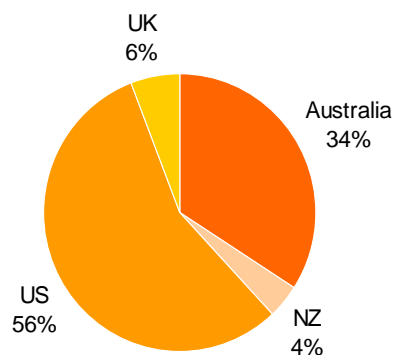
Change in Specialty Retail Sales by Category – United States

Sales per square foot	Period to 31 March 2011	
	12 months	3 months
Fashion	2.0%	1.8%
Jewellery	5.2%	10.4%
Leisure	21.6%	15.5%
Food retail	2.3%	1.2%
General retail	2.5%	5.6%
Cinemas	(5.3)%	(13.9)%

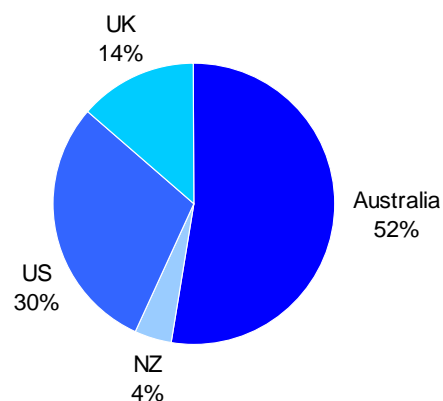
Portfolio Summary as at 31 December 2010

	United States	Australia	United Kingdom	New Zealand	Total
Centres	55	44	8	12	119
Retail Outlets	8,989	11,920	1,281	1,724	23,914
GLA (million sqm)	5.9	3.6	0.6	0.4	10.5
WDC Asset Value (billion) ¹	US\$15.6	\$12.0	£3.3	NZ\$1.5	\$33.5
Asset value – JV partner interests (billion)	US\$2.1	\$18.6	£1.9	NZ\$1.5	\$24.7
Assets Under Management (billion) ²	US\$17.7	\$30.6	£5.2	NZ\$3.0	\$58.2

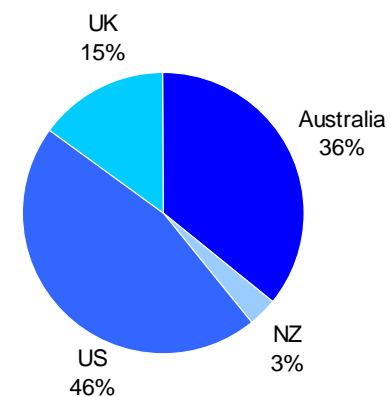
Gross Lettable Area



Assets Under Management



WDC Asset Value



¹ WDC share of shopping centre assets including work in progress and assets held for redevelopment

² WDC and joint venture share of shopping centre assets including work in progress and assets held for redevelopment

Note: Exchange rates as of 31 December 2010 were AUD/USD 1.0178, AUD/GBP 0.6572, AUD/NZ 1.3112