

# Westfield Holdings Limited

Full Year Results ended 30 June 2003

28 August 2003

The logo for Westfield, featuring the word "Westfield" in a red, stylized, italicized serif font.

- Full Year Results to June '03
  - Summary
  - Comparison to forecast
  - Business segment breakdown
  - Return on Equity
  - Cash flow
- Currency Hedging Profile
- Highlights of the Year
- Assets under Management
- Development Pipeline
- Westfield Trust Overview
- Westfield America Trust Overview
- United Kingdom Overview
- Portfolio Summary

# Full Year Results to June '03 Summary



Holdings

	<b>Actual 2003 \$million</b>	<b>Actual 2002 \$million</b>	<b>Change %</b>
Trading revenue	<b>1,102</b>	930	+ 19%
Business income	<b>203</b>	166	+ 22%
Net investment income	<b>157</b>	123	+ 28%
Profit before tax	<b>360</b>	289	+ 25%
Profit after tax	<b>288</b>	234	+ 23%
Earnings per share (cents)	<b>51.13</b>	42.10	+ 21%

# Full Year Results to June '03 Comparison to Forecast



Holdings

	Actual 2003 \$million	Previous Forecast* \$million	Actual 2002 \$million	Actual 2003 versus Actual 2002 ***
<b>Trading revenue</b>	<b>1,102</b>	1,100	930	+ 19%
<b>Business income**</b>	<b>203</b>	200	166	+ 22%
<i>Investment income</i>	<b>198</b>	200	188	+ 5%
<i>Net interest expense</i>	<b>(41)</b>	(50)	(65)	+ 37%
<b>Net investment income</b>	<b>157</b>	150	123	+ 28%
<b>Profit before tax</b>	<b>360</b>	350	289	+ 25%
Tax	<b>(72)</b>	(70)	(55)	- 31%
<b>Profit after tax</b>	<b>288</b>	280	234	+ 23%
Earnings per share (cents)	<b>51.13</b>	49.5	42.10	+ 21%
Effective tax rate	<b>20%</b>	19%	19%	
Interest cover (times)	<b>9.9</b>	8.0	5.4	

\* Previous Forecast for June 2003 released at announcement of Half Year Results on 4 March 2003 (note that forecast figures were rounded).

\*\* After allocation of corporate overheads.

\*\*\* The entire contribution of Westfield's investment in Rodamco North America for the 2002 financial year was included in the 2<sup>nd</sup> Half of the 2002 Profit Result. The original investment was made on 28 August 2001. Therefore, Profit Results for the 2<sup>nd</sup> Half of 2003 are not directly comparable to the 2<sup>nd</sup> Half of 2002

# Full Year Results to June '03

## Business Segment Breakdown



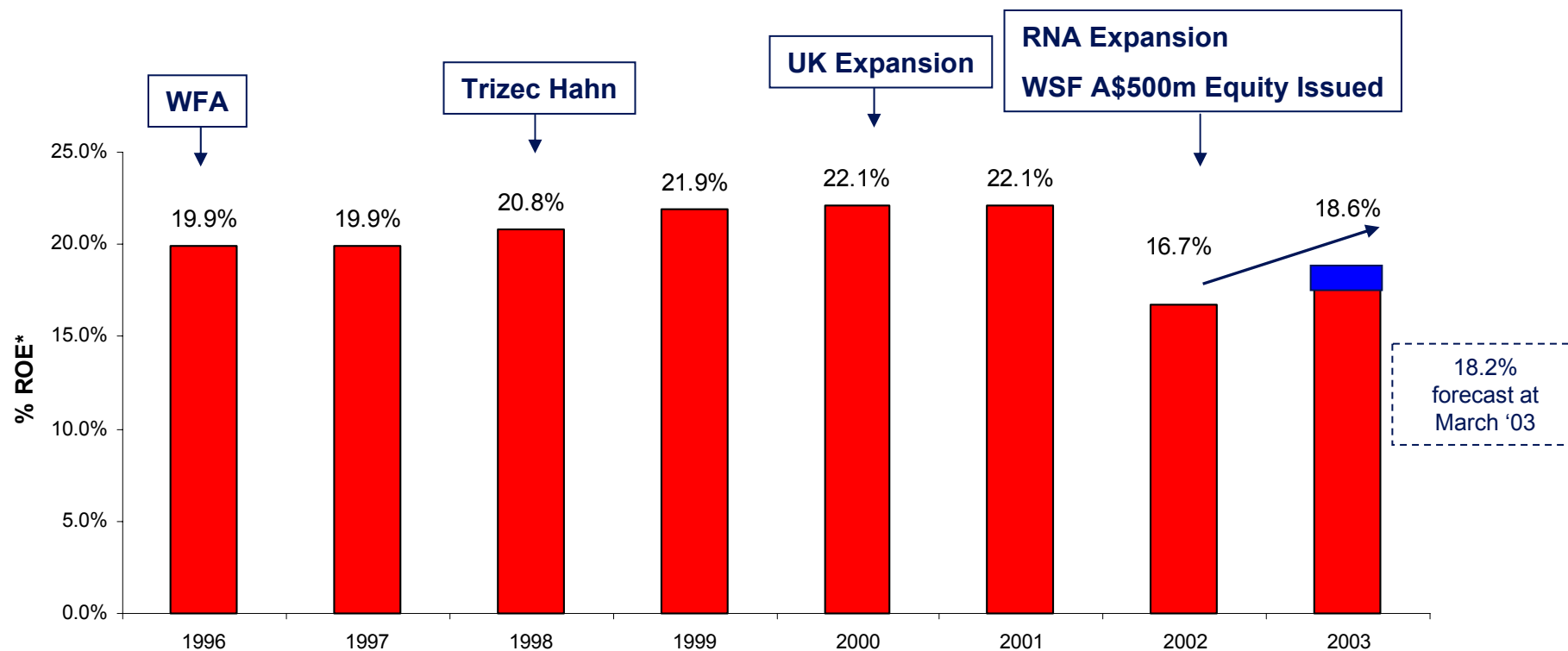
Holdings

	Actual 2003 \$million	Actual 2002 \$million	Change %
<b>Business Segment Profit</b>			
Property & funds management	100	62	+ 61%
Development, design and construction	115	119	- 3%
Corporate overheads	(12)	(15)	+ 20%
<b>Business income</b>	<b>203</b>	166	+ 22%
Investment income	198	188	+ 5%
Net interest expense	(41)	(65)	+ 37%
<b>Net investment income</b>	<b>157</b>	123	+ 28%

# Return on Equity



Holdings



\* ROE = NPAT / (Year end Contributed Equity + Retained Earnings - dividend provision)

# Cash Flow



Holdings

	<b>Actual 2003 \$million</b>	<b>5yr Cumulative \$million</b>
Operating cash flow	376	1,216
Net interest paid	(44)	(260)
Operating cash flow less net interest paid	332	956
Profit after tax	288	967

# Currency Hedging Profile

- Current policy is to hedge a proportion of forecast net profit after tax for up to 5 years:-
  - Year 1 is currently hedged at 70 – 80% stepping down to 40 – 50% for year 5
  - Rolling financial year hedging program
- The existing currency hedging profile for the US as at 31 July 2003 is as follows\*:

	US\$	
	Amount*	Rate
2004	\$123m	0.5698
2005	\$110m	0.5507
2006	\$70m	0.5128
2007	\$81m	0.5167
2008	\$72m	0.5553

- UK profit is substantially hedged through borrowings at the entity level.

\* Aggregate of forward exchange contracts, interest on US\$ borrowings and hedged amount of distribution from Westfield America Trust

# Highlights of the Year



Holdings

- **Senior executive restructure supporting global operating platform**
- **Westfield Trust's successful takeover of AMP Shopping Centre Trust resulting in an interest in an additional eight properties (two of which are managed by Westfield)**
- **Addition of a further seven new properties to the Westfield portfolio:**
  - Bay City Plaza – Geelong, Australia
  - Sydney Central Plaza – Sydney, Australia
  - North Lakes – Brisbane, Australia
  - Newmarket – Auckland, New Zealand
  - Southgate Plaza – Florida, United States
  - Fashion Square – California, United States
  - North Bridge – Chicago, United States\*
- **New joint ventures:**
  - Prudential Plc (UK) – Fashion Square and Garden State Plaza, United States
  - Forrest City Enterprises – San Francisco Emporium, United States
  - Perron Group – Bay City Plaza and Airport West, Australia
  - Auckland One – Newmarket, New Zealand
  - Morgan Stanley / John Buck Co – North Bridge, United States\*

\* Recently announced agreement to acquire by Westfield America, centre not included in statistics within presentation

# Highlights of the Year cont...

- **Addition of A\$2.6 billion in projects to development pipeline**
  
- **Outline planning consent received for three major UK development projects:**
  - Derby
  - Nottingham
  - Swindon
  
- **Completion of A\$840 million of development projects including:**
  - Eastgardens – Sydney, Australia
  - North Lakes – Brisbane, Australia
  - St Lukes – Auckland, New Zealand
  - West County – St Louis, United States
  - South County – St Louis, United States

# Highlights of the Year cont...

## ■ Projects under construction valued at A\$1.6 billion:

- Bondi – Sydney, Australia
- Whitford City – Perth, Australia
- Oakridge – San Jose, United States
- Santa Anita – Los Angeles, United States
- Wheaton Plaza – Wheaton, United States
- Franklin Park – Toledo, United States

# Assets Under Management

	<b>A\$ billion</b>	
Assets under management as at 30 June 2002	31.5	
Properties under management – net change <sup>1</sup>	2.1	
Other new funds under management <sup>2</sup>	1.2	
Revaluations	0.7	
Net increase in assets under management <sup>3</sup>	4.0	
<b>Assets Under Management (pre exchange rate impact)</b>	<b>35.5</b>	<b>+ 12.7%</b>
Exchange Rate Impact	(3.8)	
<b>Assets Under Management as at 30 June 2003<sup>4</sup></b>	<b>31.7</b>	

<sup>1</sup> Excluding property revaluations and adjusted for Westfield Trust acquisition of ART and associated sale of properties

<sup>2</sup> JV properties managed by third parties

<sup>3</sup> As at 30 June 2002 exchange rates (AUD/USD 0.5403, AUD/GBP 0.3695)

<sup>4</sup> As at 30 June 2003 exchange rates (AUD/USD 0.6674, AUD/GBP 0.4038)

# Development Pipeline

	<b>A\$ billion</b>
Development Pipeline as at 30 June 2002	5.0
Projects completed during period	(0.8)
Exchange rate impact	(0.4)
Additions to pipeline during period	2.6
<b>Development pipeline as at 30 June 2003</b>	<b>6.4</b> <span style="border: 1px solid black; padding: 2px;">+ 28.0%</span>

# Development Pipeline cont...

- Development pipeline of A\$6.4 billion at 30 June 2003:-
  - Australia / NZ A\$2.4bn (A\$1.8bn 30 June 2002)
  - United Kingdom £780m (£600m 30 June 2002)
  - United States US\$1.4bn (US\$870m 30 June 2002)
  
- A\$840 million projects completed since 30 June 2002
  
- Major projects added since June 2002
  - Australia / NZ (A\$670m) – Centrepont, Newmarket, Chermside, Kotara
  - United Kingdom (£180m) – Swindon
  - United States (US\$700m) – San Francisco, Connecticut Post, Franklin Park, Century City
  
- In excess of A\$5.0 billion in possible additional projects have also been identified

# Westfield Trust Overview



Holdings

## ■ Financial Highlights

- Net profit after tax at \$258m, up 10.0% (half year June 2003)
- Distribution per unit forecast growth of +4.5% for the year to Dec '03 and +4.0% for '04
- Assets at \$12.4bn, up 34.8% (half year June 2003)

## ■ Operational Highlights

- More than 2,200 leasing deals were completed across Australasia over the year
- Occupancy level at record high in excess of 99.5%
- Comparable specialty store sales in Australia increased 6.5% for the 12 months to June 2003, over the previous corresponding period
- Comparable specialty store sales in New Zealand increased 2.3% for the 12 months to June 2003, over the previous corresponding period

## ■ Financial Highlights

- Net profit after tax at \$270m, up 65.3% (half year June 2003)
- Distribution per unit growth of +3.4% (half year June 2003)
- Assets at US\$10.2bn, up 9.7% (half year June 2003)

## ■ Operational Highlights

- More than 1,140 leasing deals completed within the US portfolio over the year
- Occupancy has been maintained at 93%
- Comparable specialty store sales per square foot decreased 0.5% for the six months to June 2003, over the previous corresponding period

# United Kingdom Overview



Holdings

- Occupancy level remains in excess of 99%
- Like for like retail sales growth of approximately 3% for the 12 months to 30 June 2003\*
- Three UK projects valued at £780m received outline planning consent during the year
- UK funding exercise progressing well

\* BRC-KPMG Retail Sales Monitor

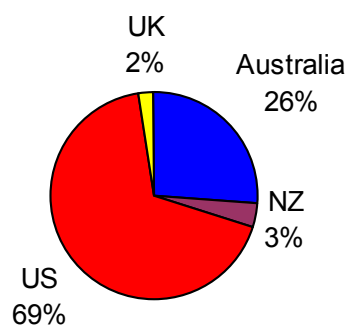
# Portfolio Summary



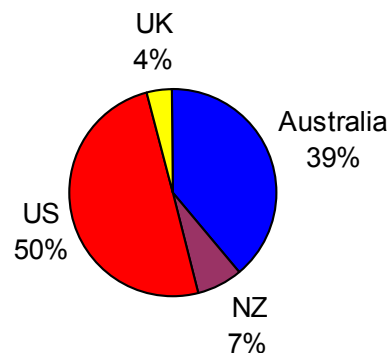
Holdings

	Australia	NZ	US	UK	Total
Centres*	34	12	62	7	115
GLA (million sqm)*	2.3	0.3	5.9	0.2	8.7
Retail Outlets*	6,800	1,200	8,800	700	17,500
Asset Value (billion)	A\$13.2	NZ\$1.6	US\$10.4	£0.8	A\$31.7

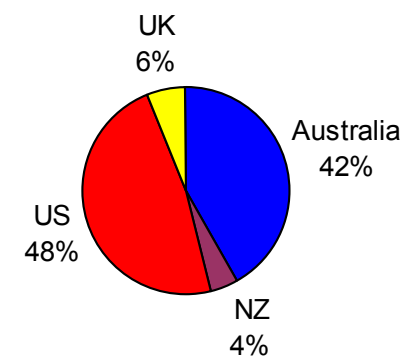
Gross Lettable Area



Retail Outlets



Asset Value



\* Excludes properties managed by co-owners/third parties