

Westfield Group Restructure

22 April 2004

The logo for Westfield, featuring a large, stylized red 'W' followed by the word 'Westfield' in a red, italicized serif font.

Merge

Westfield Trust (WFT)

Westfield America Trust (WFA)

Westfield Holdings (WSF)

into a single internally managed

Westfield Group

Evolution of the Westfield Group



Accessing
Australian public
equity market



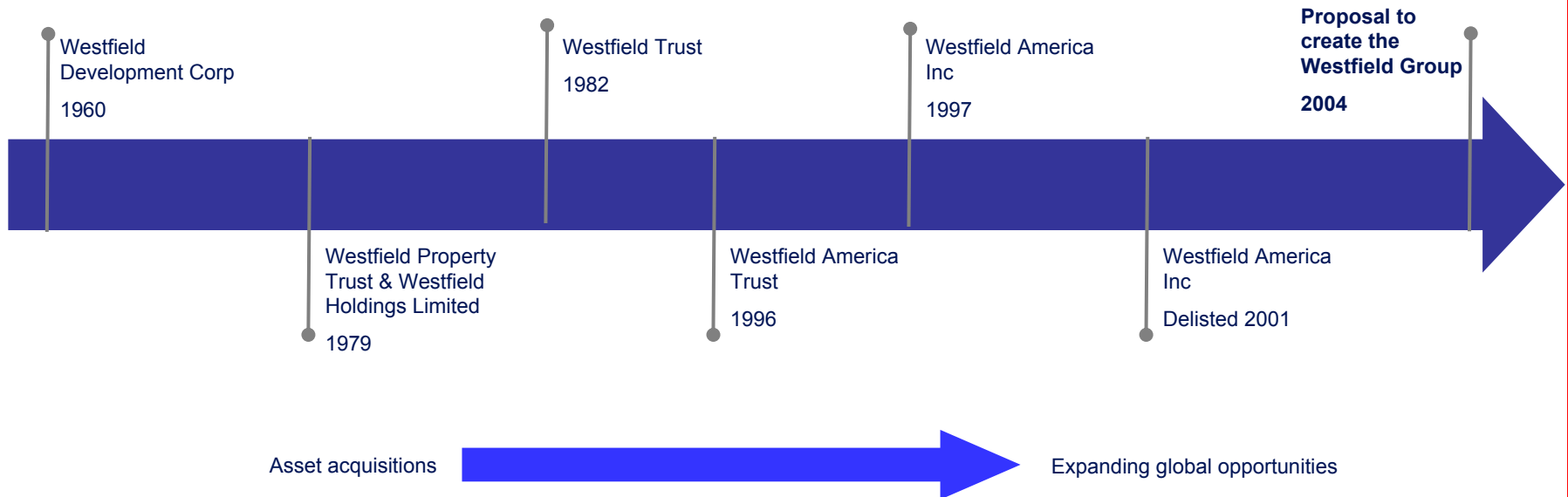
Separating
income flows



Accessing US
public equity
market



Global operating and
financial structure to
match global
opportunities



Proposal Overview



■ The Proposal will:

- Provide a management and capital structure with improved scale, competitive advantage and access to capital to pursue opportunities globally
- Optimise the group to achieve increased returns for all Westfield investors going forward
- Create an internally managed, vertically integrated, global property group combining:
 - Ownership
 - Development
 - Design
 - Construction
 - Funds Management
 - Property Management
 - Leasing
 - Marketing
- Create the world's largest listed entity (by equity market capitalisation) dedicated to retail property
- Create the 8th largest listed entity on the ASX with an equity market capitalisation in excess of A\$22 billion

The Merger



- Forecast distribution to be \$1.03 per new security (FY '05) – implied yield at WSF's last traded price is 7.4% for all investors

Entity	Merger Ratio	Implied Price⁽¹⁾
WFT	0.28	\$3.91 ⁽²⁾
WFA	0.15	\$2.10 ⁽²⁾⁽³⁾
WSF	1.00	\$13.96 ⁽²⁾

(1) Based on WSF closing price of \$13.96 on 20 April 2004

(2) Not adjusted for distribution/dividend difference. WSF, WFA, WFT will trade ex-distribution prior to implementation of the stapling. Distributions/dividends for the 6 months ending 30 June 2004: WFT = 12.71 cents per unit, WFA = 7.80 cents per unit, WSF = 13.58 cents per share.

(3) Including 0.9 cent special distribution payable to WFA unitholders following approval of the merger.

Westfield Group Forecast Distribution



- Distribution per security is forecast to increase by 7% for the 12 months to June '06
- The distribution per security by entity:

Entity	12 Months to June '05		12 Months to June '06	
	Forecast equivalent Distribution per security ⁽¹⁾	% Change year on year	Forecast equivalent Distribution per security ⁽¹⁾	% Change year on year
Westfield Group	\$1.03		\$1.10	+7%
WFT	28.8 cents	+15%	30.8 cents	+7%
WFA ⁽²⁾	15.4 cents <u>0.9 cents</u> ⁽²⁾ 16.3 cents	unchanged	16.5 cents	+7% ⁽³⁾
WSF	103 cents	N/A	110 cents	+7%

(1) Based on pro-rata forecast distribution of \$1.03 per security at the merger ratio
 (2) Special distribution payable to WFA unitholders following approval of the merger
 (3) Comparison excludes one-off special distribution

Profile of the Westfield Group



- Distribution forecast in excess of A\$1.7 billion (FY '05)
- Assets under management of \$34.0 billion
- Equity market capitalisation expected to be in excess of \$22 billion
- Portfolio of 123 shopping centres with 19,500 retailers
- Operations in Australia, New Zealand, United States and United Kingdom

Westfield Group Investors & Index

- The merger will result in a greater investor spread
- Increase in S&P/ASX LPT Index and MSCI index weightings for the combined group

Entity	Current S&P/ASX200 Free float Inclusion	Index Weightings		
		S&P/ASX 200 Index	S&P/ASX200 LPT Index	MSCI*
WFT	100%	1.2%	15.3%	0.5%
WFA	84%	1.0%	11.9%	0.0%
WSF	72%	0.9%	0.0%	0.4%
Total		3.0%	27.1%	0.9%
Combined Post Merger	90%	3.0%	34.3%	1.3%
Percentage Increase		-	+27%	+44%

Deutsche Bank, UBS estimates

* MSCI Asia Pacific (ex Japan)

The Rationale



- Continues the evolution of the Westfield Group to create the optimal structure for future growth for all investors
 - Creates an internally managed, fully integrated, global property group
 - Leading to increased returns going forward

- Improves access to capital at a lower cost and provides geographic flexibility

- The merger creates expected financial synergies:
 - Expense savings of approximately \$80 million per annum
 - Interest savings of approximately \$140 million per annum

Merger Benefits for WFT



- Facilitates access to growth opportunities globally
- Diversifies exposure to the Westfield global portfolio (i.e. US and UK)
- Expected lower cost of capital
- Forecast 15% increase in distribution per security*
- Forecast increase in ongoing distribution growth
- Provides direct exposure to Westfield's global property management, funds management, development, design and construction businesses
- Internalises WSF's long term property management and development agreements
- Enhances liquidity and index weightings

* Versus DPS for 12 months to June 2004

Merger Benefits for WFA



- Facilitates access to growth opportunities globally
- Diversifies exposure to the Westfield global portfolio (i.e. Australia / NZ and UK)
- Expected lower cost of capital and enhances credit quality
- Forecast increase in ongoing distribution growth
- Provides direct exposure to Westfield's global property management, funds management, development, design and construction businesses
- Internalises WSF's long term property management and development agreements
- Enhances liquidity and index weightings

Merger Benefits for WSF



- Creates a global operating and financial structure to match global opportunities
- Facilitates mobilising significant amounts of capital needed to undertake major opportunities globally
- Creates an internally managed global property group
- Gains further exposure to income and capital growth from underlying property portfolio
- Increased forecast distributions (\$1.03 per stapled security for FY '05)
- Enhances liquidity and index weightings

Pro Forma Income Statement Westfield Group



(A\$m)	12 Months to June 2005	12 Months to June 2006
Total Income	3,327	3,550
Expenses	(833)	(893)
EBIT	2,494	2,657
Interest Expense	(744)	(848)
Profit Before Tax	1,750	1,809
Tax Expense	(103)	(111)
Minority Interests	(64)	(73)
Profit After Tax*	1,583	1,625
Project Profits eliminated in stapled entity**	144	223
Total Distribution	1,727	1,848
Distribution per security	103 cents	110 cents

* The new Group will report under new International Accounting Standards in 2005. This will not impact the distribution forecast. Details of the impact of IAS will be summarised in the Explanatory Memorandum.

** Represents the development, design, construction and leasing profit earned by WSF from WFT and WFA which are eliminated due to the merger.

Westfield Group

Pro Forma Balance Sheet

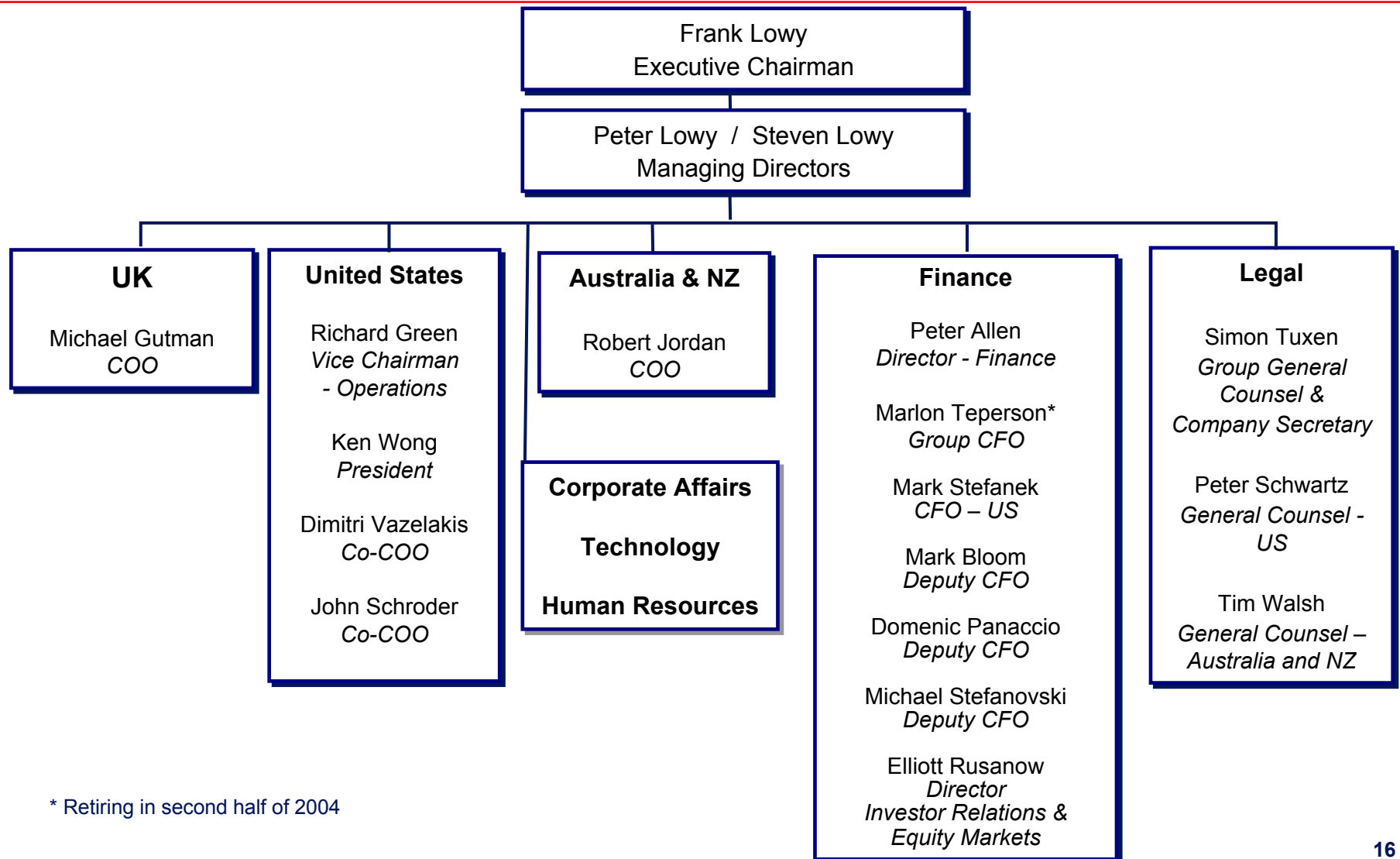


(A\$m)	Pro Forma December 2003
Assets	
Australia / New Zealand Shopping Centres	13,169
United States Shopping Centres	13,500
United Kingdom Shopping Centres	509
Other Assets	2,196
Total Assets	29,374
Liabilities	
Debt	12,204
Other Liabilities	2,723
Total Liabilities	14,927
Net Assets	14,447
Minority Interests	629
Net Assets attributable to members of the stapled entity	13,818
Leverage (debt/total assets)	41.5%

The pro forma balance sheet at Dec '03 has been compiled from the aggregation of the balance sheets of WSF, WFT and WFA after the elimination of inter-entity balances and adjusted for estimated capital expenditure, property sales, property revaluations (WFT A\$553 million and WFA A\$467 million) and the estimated mark to market of interest rate and currency hedges of WFT and WFA.

- Group debt will be largely denominated in US\$
- Interest rate hedging profile: -
 - 2004 – 91% Fixed
 - 2005 – 82% Fixed
 - 2006 – 72% Fixed
 - 2007 – 68% Fixed
 - 2008 – 61% Fixed
- Average life of fixed rate hedges – 7.5 years
- Interest rate assumptions for floating rate debt are based on current forward yield curve.
- Leverage as at 30 June 2004 forecast at 41.5%, with a target range of 40% - 45% (Debt to Total Assets)

Global Senior Management Structure *Westfield*



* Retiring in second half of 2004

Westfield Group Operating Philosophy



- The Group will continue to focus on intensive management to maximise portfolio returns

- Growth via redevelopment program to enhance the potential from the portfolio
 - Current development pipeline of \$7.0 billion
 - Additional development opportunities of \$5.0 billion
 - Currently \$1.9 billion of projects under construction

- Growth via value enhancing acquisitions in existing and new markets

- Optimisation of investor returns through:
 - Co-investment with joint venture partners (existing and new)
 - Broadening of equity raising capabilities – (e.g. UK wholesale fund)

Growth Opportunities



■ Australia/New Zealand

- Largest ever development program – A\$2.6 billion
 - accretive yields
 - limited new supply of retail space
- Opportunistic acquisitions

■ United States

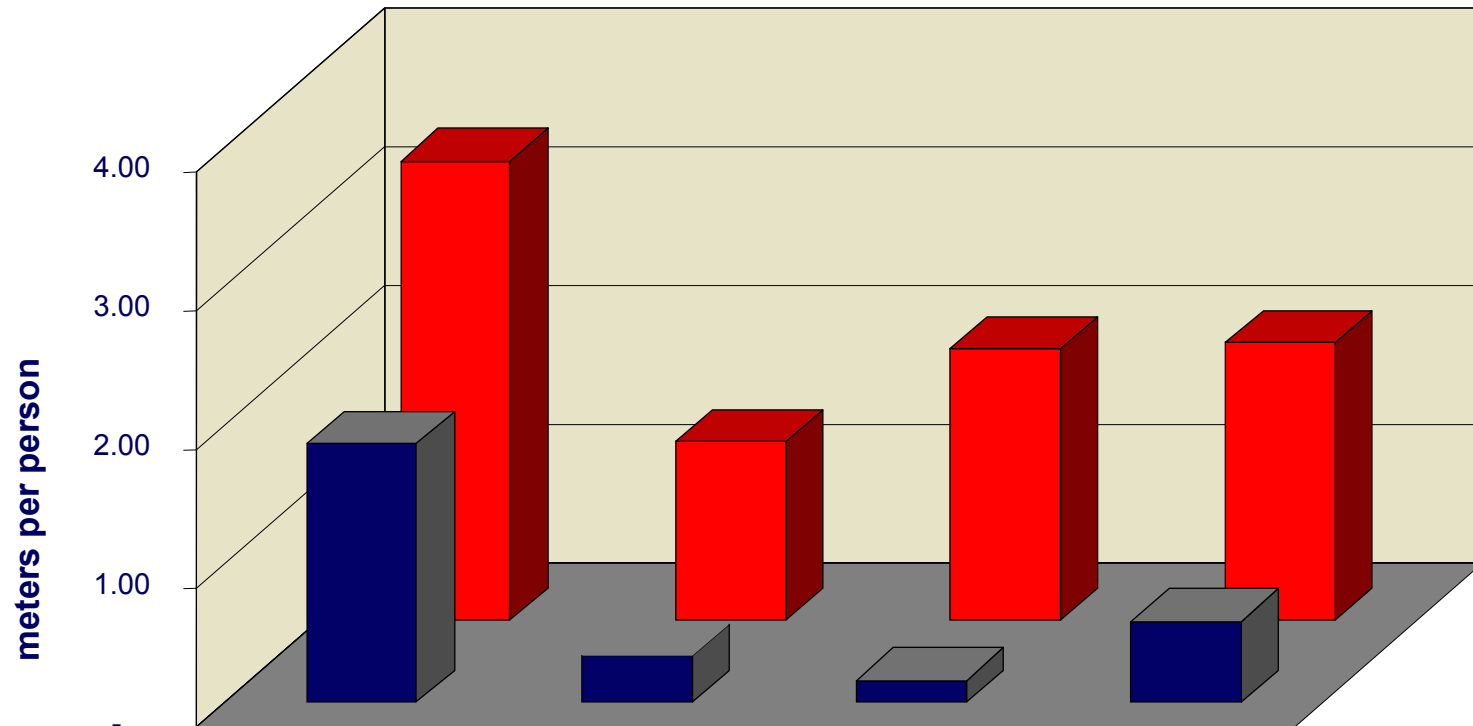
- Largest ever development program – US\$1.9 billion
 - major acquisitions (eg. RNA, Jacobs)
 - accretive yields
 - innovative development program
- Acquisition opportunities – large, fragmented market

■ United Kingdom

- 4 major development outline planning consents (since 2000) - £920 million
 - in-town centre developments
 - expected to start first project late '04 (Derby)
- Acquisition opportunities – fragmented market

■ New Markets

Floor Space Per Person (GLA m²)



	US	UK	NZ	Aust
All Centres	1.86	0.33	0.16	0.58
Total Retail	3.31	1.29	1.96	2.00

SOURCE: Jebb Holland Dimasi (2000)

Major Developments



Bondi Junction, Sydney, Australia



St Lukes, Auckland, New Zealand



San Francisco Center, California, USA



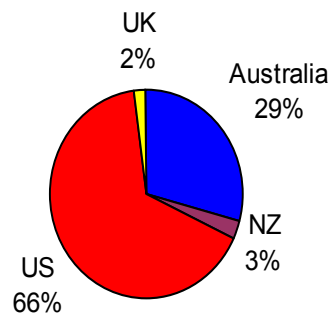
Eagle Centre, Derby, UK

Portfolio Summary

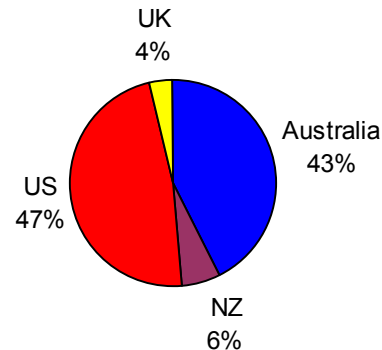


	Australia	NZ	US	UK	Total
Centres	39	11	66	7	123
GLA (million sqm)	2.8	0.3	6.3	0.2	9.6
Retail Outlets	8,300	1,200	9,300	700	19,500
Asset under management (billion)	A\$14.6	NZ\$1.9	US\$11.9	£0.8	A\$34.0

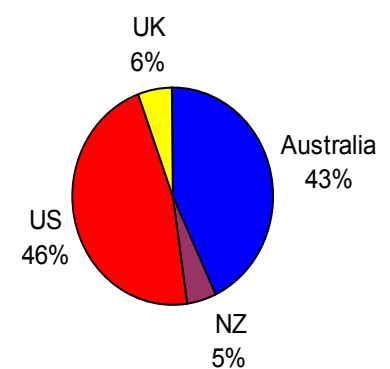
Gross Lettable Area



Retail Outlets



Asset Value



Indicative Timetable



- Announcement 22 April 2004
- Explanatory Memorandum available early June 2004
- Share and Unitholder meetings early July 2004
- Effective date early/mid July 2004
- First trading day of Westfield Group mid July 2004

This timetable is indicative and will be updated when the dates are confirmed

Annexures:

Westfield

Overview of Existing Entities



■ Westfield Trust (ASX Code: WFT)

- Australia's largest property trust. Listed in 1982, it is the 19th largest listed entity on the ASX.
- Market Cap A\$7.98 billion (20 April, 2004)
- Investment in 49 shopping centres in Australia (38) and New Zealand (11)

■ Westfield America Trust (ASX Code: WFA)

- Australia's 2nd largest property trust. Listed in 1996, it is the 24th largest listed entity on the ASX
- Market Cap A\$7.40 billion (20 April, 2004)
- Investment in 66 shopping centres in the US

■ Westfield Holdings (ASX Code: WSF)

- WSF is a fully integrated shopping centre owner and operator, responsible for development, design, construction, property management, funds management, leasing and marketing for a portfolio of 116 centres across four countries
- Listed in 1960, it is the 20th largest listed entity on ASX
- Market Cap A\$7.89 billion (20 April, 2004)

Westfield Group Global Footprint



United Kingdom

Number of centres	7
Number of retail outlets	700
Total gross lettable area— million sq metres	0.25
Value of assets under management—£ billion	0.8

United States

Number of centres	66
Number of retail outlets	9,300
Total gross lettable area— million sq metres	6.3
Value of assets under management—US\$ billion	11.9

Australia

Number of centres	39
Number of retail outlets	8,300
Total gross lettable area— million sq metres	2.8
Value of assets under management – A\$ billion	14.6

New Zealand

Number of centres	11
Number of retail outlets	1,200
Total gross lettable area— million sq metres	0.3
Value of assets under management – NZ\$ billion	1.9

Development Pipeline

	Under Construction	Identified Pipeline	
Australia/NZ	Bondi Junction The Pines Riccarton	Innaloo Doncaster Liverpool Chermside Centrepont North Lakes Tuggerah Kotara Belconnen	Newmarket Queensgate Manukau Albany Pakuranga St Lukes Parramatta Mt Gravatt Helensvale
Project Costs	A\$900 million	A\$1.7 billion	
US	San Francisco Santa Anita Franklin Park Wheaton Parkway Gateway	Great Northern Topanga Connecticut Post Century City UTC Southgate	Garden State Plaza Southcenter Chesterfield Southpark Plaza Bonita
Project Costs	US\$780 million	US\$1.1 billion	
UK		Derby Nottingham Swindon	Guildford
Project Costs		£920 million	
Total project costs	A\$1.9 billion	A\$5.1 billion	

Implementation process



- The merger will be effected by “stapling” the WFT, WFA and WSF shares / units together and issuing new WFT, WFA and WSF shares / units to equalise the units / shares on issue

- The merger will be implemented as follows:
 - WSF — Court Approved Scheme of Arrangement and amendments to the Constitution to be approved by a special resolution of members with special voting majority to apply to the scheme (75% of votes cast and 50% of shareholders (by number) voting in person or by proxy)
 - WFA and WFT — Amendments to the Constitutions of each Trust to be approved by a special resolution of members

Important Information



- In making an investment decision, investors must rely on their own examination of the Westfield Group, including the merits and risks involved in the proposed stapling transaction which will be set out in detail in the Explanatory Memorandum which will be sent to security holders in connection with the proposed transaction. Investors should consult with their own legal, tax, business and/or financial advisors in connection with any investment decision.
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