2 November 2012

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The Manager
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Dear Sir/Madam

WESTFIELD GROUP (ASX:WDC)
3rd QUARTER 2012 UPDATE

The Westfield Group 3rd Quarter Update is attached.

Yours faithfully
WESTFIELD GROUP

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

2 November 2012

WESTFIELD GROUP REPORTS 3rd QUARTER UPDATE - CONTINUED SOLID PERFORMANCE ACROSS ALL MARKETS

MEDIA RELEASE

The Westfield Group (ASX:WDC) today announced its 3rd quarter update for the nine months to 30 September 2012 with continued solid performance across the Group's global operations.

Westfield Group Co-CEOs, Peter Lowy and Steven Lowy AM said: "The performance year to date has been pleasing with the Group's operations performing in line with expectations. The transactions announced during the year will enhance the Group's long term return on contributed equity and earnings growth profile."

Recent highlights include: -

- The restructure of ownership interests between WDC, Westfield Retail Trust (WRT) and AMP Capital in a portfolio of seven Australian centres with a combined gross value of $5.8bn;
- The successful completion of the expansion and redevelopment at Carindale in Brisbane ($310m) and Fountain Gate in Melbourne ($340m);
- The commencement of over $1.3bn of new projects in 2012 including the $95m redevelopment at West Lakes in Adelaide (together with Dexus and WRT) and the $390m design and construction project for AMP Capital at Macquarie Centre in Sydney;
- The strong performance of Stratford City in London, with over 8m customer visits during both the Olympics and Paralympics and resulting in 47m customer visits generating £896m of retail sales in its first year;
- The establishment of WestfieldLabs in San Francisco; and
- The forward sale of the Bradford development in the United Kingdom and divestment of Downtown Plaza in Sacramento and Downtown in Auckland, all in line with book value.

Outlook

The Group confirms its 2012 forecast for FFO of 65.0 cents per security and Distribution of 49.5 cents per security.

"We continue to execute on our strategic plan which is focussed on investing in and developing world class iconic retail destinations in major cities globally that are highly productive, create strong franchise value and are resilient through economic cycles. We continue to recycle capital from non-core assets as well as assess new investment opportunities both in existing and new markets," the Co-CEOs said.

Operating Performance

"Our operating performance for the year to date has seen continuing high levels of occupancy, growth in average rents and comparable specialty sales growth in each market.

The level of bad debts and arrears across the Group for the year to date remain very low and in line with previous years," Steven Lowy said.

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

The global portfolio at 30 September 2012 was 97.7% leased, up 40 basis points compared to the same period last year. In the United States the portfolio was 93.7% leased, up 120 basis points on last year with the Australian / New Zealand and United Kingdom portfolios over 99.5% leased and Brazil at 95.6%.

For the 12 months to September, comparable specialty retail sales were up 8.4% in the United States, up 1.2% in Australia, up 1.8% in New Zealand and up 14.5% in Brazil.

“In the United States specialty retail sales continue to grow, now at US$480 psf, the highest level of sales productivity for the Group's US portfolio. Sales growth has been across all categories and regions with our higher quality centres continuing to outperform.”

“Thankfully our centres on the East Coast which were affected by Hurricane Sandy did not sustain any major damage. Our team has done a tremendous job with the majority of centres operational within 12 hours of the storm passing.”

Leasing demand in the United States remains solid with over 1,300 deals executed in the nine months representing 3.0m square feet. This, together with a lower level of store closures has contributed to higher occupancy. Average specialty rent at 30 September 2012 was US$63.06 psf, up 2.7% for the 12 months, with growth over expiring rents for all deals for the year to date up 9.4%.

“In Australia retail conditions remain subdued, however the productivity of our portfolio remains high at $9,920 psm, with solid demand for space from both domestic and foreign retailers."

Average specialty rent for the Australian / New Zealand portfolio grew by 2.5% from September 2011 with average rent in Australia now at $1,518 psm and New Zealand at NZ$1,087 psm. In Australia, for the 9 months over 1,900 leasing deals were completed. This represented 12.9% of specialty area, which was completed at rents 2.5% lower than expiring rents, in line with the level reported for the 1st half of the year.

“In the United Kingdom the performance of Stratford City has been outstanding with the London 2012 Olympics demonstrating our capacity, expertise and brand to a world audience."

WestfieldLabs:

The Group continued to progress its Digital Business strategy with the launch of WestfieldLabs in San Francisco last month. WestfieldLabs will be focussed on utilising our position to innovate the retail ecosystem and leverage the social, mobile and digital market opportunities that converge the digital shopper with the physical world.

“Westfield is unique in the retail property industry with a recognisable brand and with 1.1bn customer visits to more than 100 locations each year that generate over $40bn in annual retail sales. WestfieldLabs plans to transform emerging ideas and technologies to better connect the consumer and the retailer in the future,” Steven Lowy said.

Development Activity:

During the quarter the Group successfully opened expansions and redevelopments at Carindale in Brisbane and Fountain Gate in Melbourne, with both centres trading well since opening.

"The first Costco in the Westfield portfolio opened at Sarasota in August. The integration of Costco into a mall format is unique and we are really excited to break new ground in an area we deem very important – that is, the integration of food with fashion, leisure and entertainment in a mall format," Steven Lowy said.

In Brazil, the joint venture last week successfully opened the first stage of its new Continente Park Shopping centre in Florianopolis.

Currently the Group has $1.7bn of projects under construction with the Group's share being $1.1bn, of which the Group has invested $400m to date.

Work continues to progress well on the US$180m project at UTC in San Diego, which is on schedule for opening later this month. At World Trade Center, leasing demand is strong for what is expected to be a world-class iconic shopping experience for Lower Manhattan and the City of New York.

For 2013, the Group expects to commence between $1.25bn and $1.5bn of new developments (WDC share $300- $500 million).

Capital Management

The Group continues its on-market buyback of WDC securities with 59.2m securities purchased to date.

WDC has also raised and extended $3.8bn of debt facilities this year. This includes the £450m 10 year public bond issuance in the United Kingdom in July and the US$500m 10 year notes in the US 144A debt market issued in September.

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 105 shopping centres across Australia, the United States, the United Kingdom, New Zealand and Brazil, encompassing approximately 23,000 retail outlets and total assets under management of A$62.9bn.

MEDIA RELEASE

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WESTFIELD GROUP
3RD QUARTER UPDATE

2 November 2012

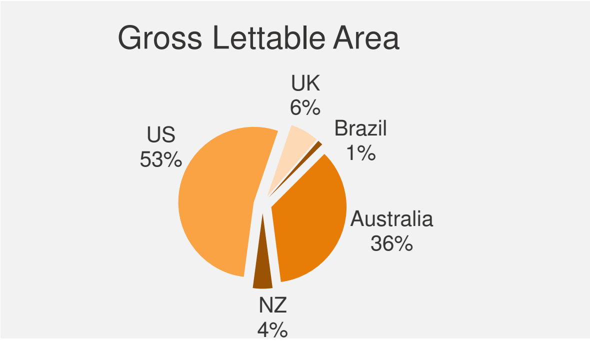
DISCLAIMER

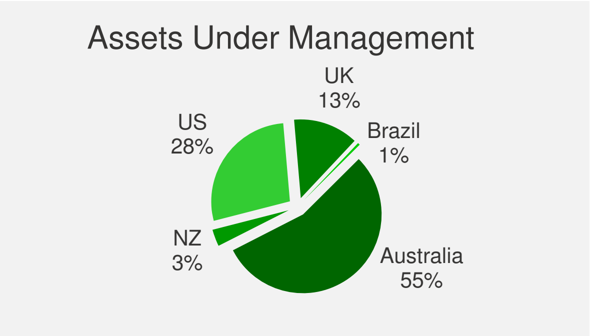
This release contains forward-looking statements, including statements regarding future earnings and distributions. These forward-looking statements are not guarantees or predictions of future performance, and involve known and unknown risks, uncertainties and other factors, many of which are beyond 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.

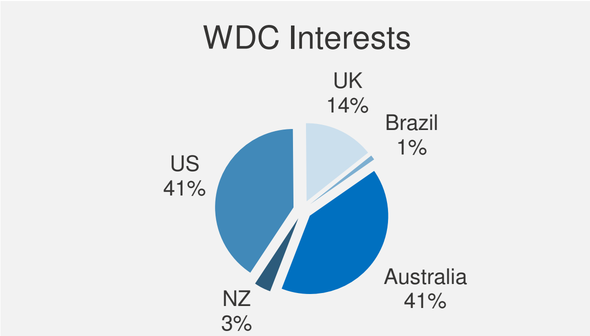
Note: All currency figures within this presentation are presented in Australian dollars unless otherwise stated

PORTFOLIO SUMMARY

Current	United States	Australia	United Kingdom	New Zealand	Brazil	Total
▪ Centres	47	39	5	10	4[3]	105
▪ Retail Outlets	7,997	11,477	1,267	1,553	670[3]	22,964
▪ GLA (m sqm)	5.1	3.4	0.6	0.4	0.1[3]	9.6
As at 30 June 2012 [1]						
▪ WDC Interests (bn) [2]	US$13.1	$12.9	£3.0	NZ$1.4	R$0.7	$31.8
▪ JV Partner Interests (bn)	US$4.6	$21.7	£2.5	NZ$1.4	n/a	$31.1
▪ Assets Under Management (bn) (AUM)	US$17.7	$34.6	£5.5	NZ$2.8	R$0.7	$62.9
▪ WDC Share of AUM	74%	37%	55%	50%	n/a	51%







[1] Proforma for the restructure of ownership interests in the AMPC/WRT joint venture portfolio and disposition of a non-core asset in New Zealand
[2] WDC share of shopping centre assets including construction in progress and assets held for redevelopment
[3] Excludes 1 development site
Note: Exchange rates as at of 30 June 2012: AUD/USD:1.0184, AUD/GBP:0.6527, AUD/NZD:1.2759, AUD/BRL: 2.1174

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SHOPPING CENTRE OPERATING PERFORMANCE

As at 30 September 2012

	Portfolio Leased (%)	Specialty Occupancy Cost (%)	Specialty Retail Sales (MAT)	Retail Sales Growth (MAT) (%)	Lease Deals Completed (Number/Area)	Average Specialty Store Rent	
						Amount	Growth[1] (%)
United States[2]	93.7[3]	14.8	US$480[4] psf	8.4[4]	1,321 3,014,599 sqf	US$63.06[5] psf	2.7
Australia & New Zealand[2]	>99.5	19.0	$9,920 psm NZ$8,280 psm	Aus: 1.2[6] NZ: 1.8[6]	2,131 266,049 sqm	$1,518 psm NZ$1,087 psm	2.5
United Kingdom[2]	>99.5	n/a	n/a	n/a[7]	153 52,931 sqm	£836 psm	n/a
Brazil	95.6	10.2[8]	R$13,605 psm	14.5	224 33,666 sqm	R$1,152 psm	7.2
Group	97.7				3,829 632,711 sqm		

[1] 30 September 2012 compared to 30 September 2011
[2] Excludes the assets divested
[3] Excludes temporary leasing of in-line space representing an additional 3.5% of area
[4] For shops < 10,000 sqf
[5] Based on total rent (excluding taxes) for shops < 20,000 sqf
[6] Comparable Specialty shop sales
[7] Refer Slide 8
[8] Occupancy cost based on major and specialty stores

RETAIL SALES – UNITED STATES

Specialty Retail Sales	Period to 30 September 2012 [1]			
	Moving Annual Turnover (MAT)	Sales psf (MAT)	Change on previous period	
			12 months	9 months
Specialties	US$6.8bn	US$480	8.4%	7.6%
By Category:				
Fashion			5.5%	5.3%
Jewellery			7.5%	5.0%
Leisure			17.1%	14.3%
Food retail			5.6%	5.6%
General retail			11.1%	11.1%

[1] Excludes the assets divested in the United States

RETAIL SALES – AUSTRALIA & NEW ZEALAND

Retail Sales	Period to 30 September 2012[1]			
	Moving Annual Turnover (MAT)	MAT Growth	Comparable Change	
			12 months	9 months
Australia				
▪ Majors			(0.4)%	0.2%
▪ Mini Majors			1.8%	1.2%
▪ Specialties			1.2%	0.8%
Total	$19.9bn	1.5%	0.7%	0.9%
New Zealand				
▪ Majors			4.1%	3.7%
▪ Mini Majors			2.0%	1.3%
▪ Specialties			1.8%	0.7%
Total	NZ$2.1bn	3.2%	2.6%	1.8%

[1] Excludes the assets divested in Australia and New Zealand

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COMPARABLE CHANGE IN RETAIL SALES BY CATEGORY – AUSTRALIA

Retail Sales	Period to 30 September 2012	
	12 months	9 months
Majors:		
▪ Department Stores	(0.9%)	(0.1%)
▪ Discount Department Stores	(1.2%)	(0.1%)
▪ Supermarkets	0.6%	0.6%
▪ Cinemas	3.2%	3.7%
Mini-Majors:	1.8%	1.2%
Specialties - Total:	**1.2%**	**0.8%**
▪ Fashion	0.1%	0.4%
▪ Food Catering	1.2%	1.0%
▪ Food Retail	3.3%	3.5%
▪ Footwear	(2.0%)	(2.8%)
▪ General Retail	(0.6%)	(1.2%)
▪ Homewares	(0.8%)	(1.1%)
▪ Jewellery	(2.2%)	(2.5%)
▪ Leisure	2.0%	(1.3%)
▪ Retail Services	4.6%	5.0%

RETAIL SALES – UNITED KINGDOM

Retail Sales	Period to 30 September 2012		
	Moving Annual Turnover (MAT)	12 months	9 months
Westfield London	£961m	(0.1)%	(0.5)%
Westfield Stratford	£896m	n/a	n/a

DEVELOPMENT ACTIVITY

- $1.7bn of projects currently under construction - WDC share $1.1bn, of which $0.4bn incurred to date

	Total Project	Investment Yield	Anticipated Completion
United States			
▪ UTC	US$180m	7.0 – 7.5%	2012
▪ South Shore	US$80m	7.0 – 7.5%	2013
▪ World Trade Center	US$625m	6.5%	2015
Australia			
▪ West Lakes	$95m	7.25 – 7.75%	2013
▪ Macquarie	$390m	n/a	2014
Small Projects Programme	$365m	7.25 – 9.5%	2012 – 2013
Total	**$1.7bn**		

- Successfully completed in 2012 the $1.2bn development of Westfield Sydney and the redevelopments at Carindale (Brisbane) ($0.3bn) and Fountain Gate (Melbourne) ($0.3bn)
- Commenced over $1.3bn of new projects in 2012 to date:
  - World Trade Center US$625m
  - South Shore US$80m
  - West Lakes $95m
  - Small Projects Programme $145m
  - Macquarie $390m (Design and Construction project for AMP Capital)

MAJOR DEVELOPMENT OPPORTUNITIES

- The Group is undertaking pre-development activity on approximately $11bn of future development opportunities, including:

United States	Australia & New Zealand	UK/Europe
▪ Century City (California)	▪ Chermside (QLD)	▪ Bradford (UK)
▪ Garden State Plaza (New Jersey)	▪ Marion (SA)	▪ London (UK)
▪ Montgomery (Maryland)	▪ Miranda (NSW)	▪ Milan (Italy)
▪ UTC – Phase 2 (California)	▪ Mt Gravatt (QLD)	▪ Stratford City (UK)
▪ Valley Fair (California)	▪ Newmarket (NZ)	
▪ West Valley (California)	▪ North Lakes (QLD)	
	▪ Pacific Fair (QLD)	
	▪ Tea Tree Plaza (SA)	
	▪ Tuggerah (NSW)	

- The Group expects to commence in 2013 between $1.25bn - $1.5bn of new projects (WDC Share: $300m - $500m)
- Target unlevered internal rates of return of between 12% to 15% on WDC's invested capital