OFFERING MEMORANDUM **CONFIDENTIAL**

WEA Finance LLC
Westfield UK & Europe Finance plc

US$750,000,000 1.750% Guaranteed Senior Notes due 2017
US$1,250,000,000 2.700% Guaranteed Senior Notes due 2019
US$1,000,000,000 3.750% Guaranteed Senior Notes due 2024
US$500,000,000 4.750% Guaranteed Senior Notes due 2044

Fully and unconditionally guaranteed by
Westfield Corporation Limited
(ABN 12 166 995 197)
Westfield America Management Limited
(ABN 66 072 780 619)
in its capacity as responsible entity and trustee of WFD Trust
(ARSN 168 765 875)
and
in its capacity as responsible entity and trustee of Westfield America Trust
(ARSN 092 058 449)
and WCL Finance Pty Limited (ABN 79 168 109 135)

WEA Finance LLC and Westfield UK & Europe Finance plc (each, an "Issuer" and, together, the "Issuers") are offering US$750,000,000 aggregate principal amount of 1.750% Guaranteed Senior Notes due 2017 (the "2017 Notes"), US$1,250,000,000 aggregate principal amount of 2.700% Guaranteed Senior Notes due 2019 (the "2019 Notes"), US$1,000,000,000 aggregate principal amount of 3.750% Guaranteed Senior Notes due 2024 (the "2024 Notes") and US$500,000,000 aggregate principal amount of 4.750% Guaranteed Senior Notes due 2044 (the "2044 Notes"). We refer to the 2017 Notes, the 2019 Notes, the 2024 Notes and the 2044 Notes as the "Notes." Interest on the 2017 Notes will be payable semi-annually in arrears on March 15 and September 15 of each year, beginning March 15, 2015. Interest on the 2019 Notes, 2024 Notes and 2044 Notes will be payable semi-annually in arrears on March 17 and September 17 of each year, beginning March 17, 2015. The Issuers may redeem some or all of the Notes prior to maturity at the prices determined as described under "Description of the Notes and Guarantees — Optional Redemption of the Notes." If certain tax events occur, the Notes may be redeemed in whole but not in part at 100% of their principal amount, plus accrued and unpaid interest.

The Notes will be unsecured and unsubordinated obligations of the Issuers and will rank equally with all of the Issuers' existing and future unsecured and unsubordinated debt, other than indebtedness mandatorily preferred by law. The Notes will be fully and unconditionally guaranteed on a several basis by Westfield Corporation Limited and Westfield America Management Limited, in its separate capacities as responsible entity and trustee of each of WFD Trust and Westfield America Trust (each, a "parent guarantor" and, together, the "parent guarantors"). In addition, the Notes will also be fully and unconditionally guaranteed by WCL Finance Pty Limited, a subsidiary of Westfield Corporation Limited (the "subsidiary guarantor" and, collectively with the parent guarantors, the "guarantors"). The subsidiary guarantor's guarantee of the Notes will be a joint and several obligation of the subsidiary guarantor with the guarantees of the Notes by any future subsidiary guarantors. The guarantees will be unsecured and unsubordinated obligations of the guarantors and will rank equally with all existing and future unsecured and unsubordinated debt of each guarantor, other than indebtedness mandatorily preferred by law.

Investing in the Notes involves risks. See "Risk Factors" beginning on page 18.

The Notes and the guarantees have not been registered under the Securities Act of 1933 (the "Securities Act"), or any state securities laws. Accordingly, the Notes and the guarantees are being offered and sold only to qualified institutional buyers in the United States in accordance with Rule 144A under the Securities Act ("Rule 144A") and outside the United States in accordance with Regulation S under the Securities Act ("Regulation S"). Prospective investors that are qualified institutional buyers are hereby notified that the seller of the Notes and the guarantees may be relying on the exemption from the provisions of Section 5 of the Securities Act provided by Rule 144A. For a description of certain restrictions on transfers of the Notes and the guarantees, see "Notice to Investors."

The Issuers expect the Notes to be ready for delivery in book-entry form through the facilities of The Depository Trust Company ("DTC") and its participants, including Clearstream Banking, *société anonyme* ("Clearstream"), and Euroclear Bank S.A./N.V., as operator of the Euroclear System ("Euroclear"), on or about September 17, 2014.

Price for 2017 Notes: 99.971%
Price for 2019 Notes: 99.800%
Price for 2024 Notes: 99.628%
Price for 2044 Notes: 99.683%

Joint Book-Running Managers & Joint Lead Managers

Citigroup **Credit Suisse** **Deutsche Bank Securities** **J.P. Morgan**
BofA Merrill Lynch **BBVA** **BNP PARIBAS** **Credit Agricole CIB**
HSBC **Morgan Stanley** **RBC Capital Markets** **RBS**
Scotiabank **SMBC Nikko** **UBS Investment Bank**

September 10, 2014

You should rely only on the information contained in this offering memorandum and in any pricing term sheet that we and the initial purchasers provide you. We have not, and the initial purchasers, as defined under "Plan of Distribution", have not, authorized anyone to provide you with different information. We are not, and the initial purchasers are not, making an offer of these securities in any jurisdiction where the offer is not permitted. You should not assume that the information contained in this offering memorandum or any pricing term sheet is accurate as of any date other than the date on the front of this offering memorandum or pricing term sheet, as applicable.

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This offering memorandum has been prepared by us solely for use in connection with the proposed offering of the Notes described in this offering memorandum. This offering memorandum is personal to each offeree and does not constitute an offer to any other person or to the public generally to subscribe for or otherwise acquire securities. Distribution of this offering memorandum to any person other than the prospective investor and any person retained to advise such prospective investor with respect to its purchase is unauthorized, and any disclosure of any of its contents, without our prior written consent, is prohibited. Each prospective investor, by accepting delivery of this offering memorandum, agrees to the foregoing and to make no copies of this offering memorandum or any documents referred to in this offering memorandum.

Notwithstanding anything in this offering memorandum to the contrary, each prospective investor (and each employee, representative or other agent of each prospective investor) may disclose to any and all persons, without limitation of any kind, the tax treatment and tax structure of the transactions described

in this offering memorandum and all materials of any kind (including opinions and other tax analysis) that are provided to the prospective investor relating to such tax treatment and tax structure (as such terms are defined in United States Treasury Regulation section 1.6011-4). This authorization of tax disclosure is retroactively effective to the commencement of discussions between the Issuers, the guarantors and the initial purchasers or their respective representatives and each prospective investor regarding the transactions described in this offering memorandum.

Neither the initial purchasers nor the Trustee make any representation or warranty, express or implied, as to the accuracy or completeness of the information contained in this offering memorandum. Nothing contained in this offering memorandum is, or shall be relied upon as, a promise or representation by the initial purchasers or the Trustee as to the past or future. We have furnished the information contained in this offering memorandum. Neither the initial purchasers nor the Trustee assume any responsibility for the accuracy or completeness of any such information.

Neither the Securities and Exchange Commission ("SEC"), any state securities commission nor any other regulatory authority, has approved or disapproved the Notes or the guarantees nor have any of the foregoing authorities passed judgment upon or endorsed the merits of this offering or the accuracy or adequacy of this offering memorandum.

The Notes are subject to restrictions on transferability and resale and may not be transferred or resold except as permitted under the Securities Act and the applicable state securities laws pursuant to registration or exemption therefrom. As a prospective investor, you should be aware that you may be required to bear the financial risks of this investment for an indefinite period of time. Please refer to "Plan of Distribution" and "Notice to Investors."

In making an investment decision, prospective investors must rely on their own examination of the Issuers and the guarantors and the terms of the offering, including the merits and risks involved. Prospective investors should not construe anything in this offering memorandum as investment, legal, business or tax advice. Each prospective investor should consult its own advisors as needed to make its investment decision and to determine whether it is legally permitted to purchase the Notes under applicable legal investment or similar laws or regulations.

In this offering memorandum, we rely on and refer to information and statistics regarding our industry. We obtained this market data from independent industry publications or other publicly available information. Although we believe that these sources are reliable, we have not independently verified and do not guarantee the accuracy and completeness of this information.

This offering memorandum contains summaries believed to be accurate with respect to certain documents, but reference is made to the actual documents for complete information. All such summaries are qualified in their entirety by such reference. Copies of documents referred to herein will be made available to prospective investors upon request to us or the initial purchasers.

This offering memorandum is not, and is not intended to be a disclosure document within the meaning of section 9 of the Australian Corporations Act 2001 (Cth) (the "Australian Corporations Act") or a Product Disclosure Statement for the purposes of Chapter 7 of the Australian Corporations Act. No action has been taken by us that would permit a public offering of the Notes in Australia. In particular, this offering memorandum has not been lodged or registered with the Australian Securities and Investments Commission ("ASIC").

Notes may not be offered for sale nor may applications for the sale or purchase of any Notes be invited in Australia (including an offer or invitation that is received by a person in Australia) and neither this offering memorandum, any supplement hereto, nor any advertisement or other offering material relating to the Notes may be distributed or published in Australia unless (i) (A) the aggregate amount payable on acceptance of the offer by each offeree or invitee for the Notes is a minimum amount (disregarding amounts, if any, lent by the person

offering the Notes or its associates) of A$500,000 (or its equivalent in another currency), or (B) the offer or invitation is otherwise an offer or invitation for which no disclosure is required to be made under Part 6D.2 or Chapter 7 of the Australian Corporations Act, (ii) the offer, invitation or distribution complies with all applicable laws and regulations relating to the offer, sale and resale of the Notes in the jurisdiction in which such offer, sale and resale occurs, and (iii) such action does not require any document to be lodged with ASIC.

This offering memorandum does not constitute a prospectus for the purposes of the European Union's Directive 2003/71/EC as amended (which includes the amendments made by Directive 2010/73/EU) as implemented in member states of the European Economic Area (the "EEA") (the "Prospectus Directive"). This offering memorandum has been prepared on the basis that any offer of the Notes in any Member State of the EEA which has implemented the Prospectus Directive (each, a "Relevant Member State") will be made pursuant to an exemption under the Prospectus Directive, as implemented by the Relevant Member State, from the requirement to publish a prospectus for offers of the Notes or otherwise will not be subject to such requirements. Accordingly any person making or intending to make an offer in that Relevant Member State of the Notes that are the subject of the offering contemplated in this offering memorandum may only do so in circumstances in which no obligation arises for the Issuers or any of the initial purchasers to publish a prospectus pursuant to Article 3 of the Prospectus Directive or supplement a prospectus pursuant to Article 16 of the Prospectus Directive, in each case, in relation to such offer. Neither the Issuers nor the initial purchasers have authorized, nor do they authorize, the making of any offer of Notes in circumstances in which an obligation arises for the Issuers or the initial purchasers to publish or supplement a prospectus for such offer.

This offering memorandum is only being distributed to, and is only directed at, and any offer subsequently made may only be directed at, persons in the United Kingdom who are qualified investors (as defined in the Prospectus Directive) (i) who have professional experience in matters relating to investments falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended (the "Order"), and/or (ii) who are high net worth entities, or other persons to whom it may lawfully be communicated, falling within Article 49(2)(a) to (d) the Order (each such person being referred to as a "relevant person"). This offering memorandum and its contents should not be distributed, published or reproduced (in whole or in part) or disclosed by recipients to any other persons in the United Kingdom. Any person in the United Kingdom that is not a relevant person should not act or rely on this document or any of its contents. In the United Kingdom, any investment or investment activity to which this offering memorandum relates is only available to, and will only be engaged in with, a relevant person.

NOTICE TO NEW HAMPSHIRE RESIDENTS

NEITHER THE FACT THAT A REGISTRATION STATEMENT OR AN APPLICATION FOR A LICENSE HAS BEEN FILED UNDER RSA 421-B WITH THE STATE OF NEW HAMPSHIRE NOR THE FACT THAT A SECURITY IS EFFECTIVELY REGISTERED OR A PERSON IS LICENSED IN THE STATE OF NEW HAMPSHIRE CONSTITUTES A FINDING BY THE SECRETARY OF STATE THAT ANY DOCUMENT FILED UNDER RSA 421-B IS TRUE, COMPLETE AND NOT MISLEADING. NEITHER ANY SUCH FACT NOR THE FACT THAT AN EXEMPTION OR EXCEPTION IS AVAILABLE FOR A SECURITY OR A TRANSACTION MEANS THAT THE SECRETARY OF STATE HAS PASSED IN ANY WAY UPON THE MERITS OR QUALIFICATIONS OF, OR RECOMMENDED OR GIVEN APPROVAL TO, ANY PERSON, SECURITY OR TRANSACTION. IT IS UNLAWFUL TO MAKE, OR CAUSE TO BE MADE, TO ANY PROSPECTIVE INVESTOR, CUSTOMER OR CLIENT ANY REPRESENTATION INCONSISTENT WITH THE PROVISIONS OF THIS PARAGRAPH.

FORWARD-LOOKING STATEMENTS

This offering memorandum includes forward-looking statements within the meaning of Section 27A of the Securities Act, Section 21E of the Securities Exchange Act of 1934 (the "Exchange Act") and the Private Securities Litigation Reform Act of 1995. Some of these statements can be identified by terms and phrases such as "anticipate", "should", "likely", "foresee", "believe", "estimate", "expect", "intend", "continue", "could", "may", "plan", "project", "predict", "will", and similar expressions and include references to assumptions that we believe are reasonable and relate to our future prospects, developments and business strategies. Such statements reflect our current views and assumptions with respect to future events and are subject to risks and uncertainties.

Many factors could cause our actual results, performance or achievements to be materially different from any future results, performance or achievements that may be expressed or implied by such forward-looking statements. Factors that could cause our actual results to differ materially from those expressed or implied in such forward-looking statements, include, but are not limited to:

- changes to general economic conditions in the United States, the United Kingdom and Europe;
- the performance of our real estate portfolio;
- fluctuations in the value and rental income of our properties, including the impact of credit market constraints on property values;
- our ability to relet short-term spaces;
- our reliance on anchor and specialty tenants;
- the fixed nature of significant costs in our real estate investments;
- risks associated with our acquisition and development activities;
- the illiquidity of our investments in property;
- our ability to raise future funds in the debt or equity markets for financing, refinancing and liquidity needs on favorable terms, or at all;
- our ability to pay down debt, and reduce our leverage ratio (calculated as the ratio of net debt (total borrowings less cash) to net assets (total assets less cash)), to appropriate levels following any acquisition;
- the financial health of our joint venture partners and their ability to raise future funds for any proposed joint venture development or redevelopment activities;
- fluctuations in interest rates and foreign exchange rates;
- regulatory issues and changes in laws, including tax laws;
- competition in the real estate industry;
- changes in consumer shopping patterns and preferences, including the growth of e-commerce and other consumer and retail trends;
- our properties being uninsured or underinsured against various catastrophic losses;
- the impact of a terrorist attack or other significant security incident at a mall could harm the demand for and value of our properties;
- conflicts of interest involved with our jointly-owned properties; and
- changes in our financial reporting and accounting policies or changes in applicable accounting standards.

These forward-looking statements speak only as of the date of this offering memorandum. We undertake no obligation to publicly update or revise any forward-looking statements, whether as a result of new information,

future events or otherwise. The foregoing factors that could cause our actual results to differ materially from those contemplated in any forward-looking statement included in this offering memorandum should not be construed as exhaustive. You should also read, among other things, the risks and uncertainties described in "Risk Factors" and in the documents that we refer to in "Available Information." We qualify all of our forward-looking statements by these cautionary statements.

AVAILABLE INFORMATION

Neither Westfield Corporation nor any of the stapled entities comprising Westfield Corporation is subject to the information and reporting requirements of the Exchange Act. While any Notes remain outstanding, we will during any period in which we are not subject to Section 13 or 15(d) of the Exchange Act, or are exempt from reporting pursuant to Rule 12g3-2(b) under the Exchange Act, make available to any "qualified institutional buyer", or QIB, who holds any Notes and any prospective purchaser of a Note who is a QIB designated by such holder of such Note, upon the request of such holder or prospective purchaser, the information required to be provided to such holder or prospective purchaser by Rule 144A(d)(4) under the Securities Act. We file annual reports and half-year reports with the Australian Securities Exchange ("ASX"). You may obtain copies of the documents filed with the ASX from its web site at www.asx.com.au.

ENFORCEMENT OF CIVIL LIABILITIES

The parent guarantors, one of the Issuers and the subsidiary guarantor are entities organized under the laws of countries other than the United States. Substantially all the directors and officers of these entities, and some of the experts named in this document, reside outside the United States, principally in Australia and England and Wales. A portion of the assets of these entities, and the assets of the directors, officers and experts, including Westfield Corporation's independent auditors, are located outside the United States. Therefore, you may not be able to effect service of process within the United States upon these entities or persons so that you may enforce judgments of United States courts against them in the United States based on the civil liability provisions of the United States federal securities laws.

In addition, there are doubts as to the enforceability in Australia and England and Wales, in original actions or in actions for enforcement of judgments of United States courts, of civil liabilities based on United States federal securities laws. Also, judgments of United States courts (whether or not such judgments relate to United States federal securities laws) will not be enforceable in Australia or England and Wales in certain other circumstances, including, among others, where such judgments contravene local public policy, breach the rules of natural justice or general principles of fairness or are obtained by fraud, are not for a fixed or readily ascertainable sum, are subject to appeal, dismissal, stay of execution or otherwise not final and conclusive, or involve multiple or punitive damages or where the proceedings in such courts were of a revenue or penal nature.

The liability of Ernst & Young with respect to civil claims (in tort, contract or otherwise) arising out of its review of the Half Year Financial Statements (as defined in the section entitled "Financial Information Presentation" herein) included in this offering memorandum and its audit of the Westfield Corporation Carve-Out Financial Statements (as defined in the section entitled "Financial Information Presentation" herein) included in this offering memorandum is limited by the scheme approved under the Professional Standards Act 1994 (NSW) in Australia ("the NSW Accountants' Scheme"). The NSW Accountants' Scheme does not apply to liability for damages arising from a breach of trust, or fraud or dishonesty. Ernst & Young's liability for misleading and deceptive conduct arising under the Australian Competition and Consumer Act 2010 is also limited by a scheme approved under Professional Standards Legislation.

AUSTRALIAN EXCHANGE CONTROLS

The Financial Transaction Reports Act 1988 (Cth) (the "Financial Transaction Reports Act"), the Autonomous Sanctions Act 2011 (Cth) (the "Autonomous Sanctions Act") and other Australian legislation and regulations, including the regulations made under the Charter of the United Nations Act 1945 (Cth) (the "United Nations Act") and under the Autonomous Sanctions Act, control the import and export of capital and remittance of payments involving non-residents of Australia. Unless, as required, the Department of Foreign Affairs and Trade ("DFAT") has given its specific prior approval under the regulations under the Autonomous Sanctions Act (both the "Applicable Regulations"), or the Minister for Foreign Affairs has granted a permit authorizing a transaction that would otherwise contravene a regulation made under the United Nations Act, certain payments and transactions involving or connected in certain ways with any of the following are, subject to limited exceptions, restricted or prohibited:

- prescribed governments (and their statutory authorities, agencies and entities);
- nationals of prescribed countries; and
- prescribed organizations, persons and entities.

Prescribed persons and entities currently include:

- certain persons and entities responsible for, or complicit in, the Russian threat to the sovereignty and territorial integrity of Ukraine;
- certain entities related to the Federal Republic of Yugoslavia (in limited circumstances) and known supporters associated with the former Milosevic regime;

- certain individuals and entities who engage in, or have engaged in, activities that seriously undermine democracy, respect for human rights and the rule of law in Zimbabwe;
- Al-Qaeda and the Taliban;
- certain persons and entities associated with the Democratic People's Republic of Korea (North Korea);
- certain persons and entities associated with Côte d'Ivoire, the Democratic Republic of the Congo, Eritrea, Liberia, Somalia, Sudan, Lebanon, the Central African Republic, Yemen, Burma or the Government of Iraq;
- certain persons and entities associated with the December 2006 Fiji military coup and senior appointees of Fiji's Interim Government;
- certain persons associated with the Libyan regime of violence against people;
- certain persons and entities associated with the Syrian regime of violence against people;
- certain persons and entities associated with Iran; and
- any person or entity designated from time to time by the United Nations (the "UN") in accordance with the regulations made under the United Nations Act.

However, these are subject to change from time to time.

The Applicable Regulations may require DFAT authorization or impose reporting obligations on parties intending to buy, borrow, sell, lend or exchange, or otherwise deal with, "foreign securities" if they are an Australian resident (or a person acting on behalf of an Australian resident).

The Financial Transaction Reports Act imposes reporting obligations on "cash dealers" that are a party to significant physical transfers of currency from one person to another. The Financial Transaction Reports Act also requires cash dealers to report transactions that are "suspect transactions" to an agency of the Australian government known as "AUSTRAC." Under the Financial Transaction Reports Act, a person who transfers or receives A$10,000 or more (or the foreign currency equivalent) in physical currency from outside Australia, must, subject to certain exemptions, report details of such transfers or receipts to AUSTRAC.

Legislation and regulations in Australia also restrict payments, transactions and dealings with assets having a proscribed connection with certain countries or named individuals or entities that are subject to international sanctions or associated with terrorism. The UN Security Council imposed a series of obligations on UN Member States to suppress terrorism. Paragraph 1(c) of UN Security Council Resolution 1373 requires member states (which includes Australia) to freeze without delay funds and other financial assets or economic resources of persons who commit, or attempt to commit, terrorist acts or participate in or facilitate the commission of terrorist acts; of entities owned or controlled directly or indirectly by such persons; and of persons and entities acting on behalf of, or at the direction of such persons and entities, including funds derived or generated from property owned or controlled directly or indirectly by such persons and associated persons and entities. In Australia, the moment an individual or entity is placed on the UN list of such individuals or entities, its assets must be frozen under Australian law. These names are automatically incorporated onto a consolidated list maintained by DFAT.

CERTAIN DEFINITIONS

In this offering memorandum, unless the context otherwise requires, all references to the "Issuers" refer only to WEA Finance LLC and Westfield UK & Europe Finance plc; all references to "Westfield Corporation", "we", "us" and "our" and similar expressions refer to the stapled group which, collectively, consists of Westfield Corporation Limited, WFD Trust and Westfield America Trust and their respective subsidiaries, including the Issuers; all references to "WCL" refer only to Westfield Corporation Limited or Westfield Corporation Limited and its subsidiaries, as the context requires; all references to "WFD Trust" refer only to WFD Trust or WFD

Trust and its subsidiaries, as the context requires; all references to "WAT" refer only to Westfield America Trust or Westfield America Trust and its subsidiaries, as the context requires; all references to "WAML" refer only to Westfield America Management Limited in its separate capacities as responsible entity and trustee of each of WFD Trust and WAT, as the context requires; all references to "WALP" refer only to Westfield America Limited Partnership; and all references to "WEA" refer only to Westfield America, Inc. All references to "Westfield Group" refer to the previously stapled group which, prior to the Restructuring (as defined below), consisted of Westfield Holdings Limited, Westfield America Trust and Westfield Trust and their respective subsidiaries. See "Restructuring."

In "Description of the Notes and Guarantees", references to "WCL", "WFD Trust" and "WAT" refer only to Westfield Corporation Limited, WFD Trust and Westfield America Trust, respectively, and not to any of their respective subsidiaries.

Certain operating statistics and financial information related to our international mall portfolio presented in this offering memorandum, such as retail sales, leased rate, rental rates, occupancy costs, number of retail outlets, gross leasable area ("GLA"), gross asset value under management, unexpired lease terms and expiry profiles include part-owned malls on a 100% basis.

RESTRUCTURING

On December 4, 2013, Westfield Group announced a proposed restructuring (the "Restructuring"), pursuant to which Westfield Group's Australian and New Zealand business including its vertically integrated retail operating platform, held through Westfield Holdings Limited and Westfield Trust, was to be separated from Westfield Group's U.S., UK and other international businesses to create two new ASX listed retail property groups:

- Scentre Group — comprising the merged Australian and New Zealand business of Westfield Group and Westfield Retail Trust; and
- Westfield Corporation — comprising Westfield Group's U.S., UK and other international businesses.

The Restructuring was approved by Westfield Group securityholders on May 29, 2014, Westfield Retail Trust securityholders on June 20, 2014 and by the Supreme Court of New South Wales on June 23, 2014, and was completed on June 30, 2014.

Westfield Corporation is a stapled group which consists of WCL, WFD Trust and WAT and their respective subsidiaries. Westfield Corporation's stapled securities, which are comprised of an ordinary share of WCL, a unit of WFD Trust and a unit of WAT, are quoted and trade together as a single security on the ASX under the ticker "WFD" and cannot be traded separately. WAML is the responsible entity and trustee of each of WFD Trust and WAT. Although WCL, WFD Trust and WAT remain separate entities following the Restructuring, Westfield Corporation operates as a coordinated economic group. Each of WCL, WFD Trust and WAT is run by a common board and senior management team. Accordingly, in future reporting periods, Westfield Corporation will publish consolidated financial statements for the stapled group. See "Accounting for Establishment of Westfield Corporation."

FINANCIAL INFORMATION PRESENTATION

This offering memorandum includes financial statements of Westfield Corporation. The financial statements of Westfield Corporation as of and for the six months ended June 30, 2014 and 2013 (including the notes thereto, the "Half Year Financial Statements") included in this offering memorandum have been prepared in accordance with Australian Accounting Standards ("AAS") and other authoritative pronouncements of the Australian Accounting Standards Board. These financial statements also comply with International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board. As discussed below under

"Accounting for Establishment of Westfield Corporation," because the Restructuring was completed on June 30, 2014 and the Half Year Financial Statements are deemed to be a continuation of the financial statements of WAT, the Half Year Financial Statements include balance sheet data for both the U.S. and UK operations of Westfield Corporation as of June 30, 2014, but only include income statement and cash flow data for the U.S. operations of Westfield Corporation for the six months ended June 30, 2014; the Half Year Financial Statements do not include income statement or cash flow data for the UK operations of Westfield Corporation for the six months ended June 30, 2014. Certain income statement data for the UK operations has been included in Note 25 to the Half Year Financial Statements.

The Half Year Financial Statements have been reviewed by Ernst & Young, independent auditors, in accordance with Australian Auditing Standards and the Ernst & Young review report thereon is included in this offering memorandum.

This offering memorandum also includes carve-out financial statements of Westfield Corporation for the fiscal years ended December 31, 2013, 2012 and 2011 (including the notes thereto, the "Westfield Corporation Carve-Out Financial Statements" or "Carve-Out Financial Statements"). Because Westfield Corporation did not exist prior to the Restructuring, the Carve-Out Financial Statements have been prepared on the basis that combines the results and assets and liabilities of WAT, the U.S. and UK operations formerly held by Westfield Holdings Limited, and the UK operations formerly held by Westfield Trust, by applying the principles underlying the consolidated procedures of IFRS 101 Consolidated and Separate Financial Statements. The Carve-Out Financial Statements have been prepared in accordance with the recognition and measurement principles, but not all the disclosure requirements of the AAS and IFRS relevant for income statements, statements of net assets and statements of cash flows. Investors should note that the Carve-Out Financial Statements included in this offering memorandum are presented in an abbreviated form, and therefore do not include all the disclosures required by the AAS and IFRS applicable to annual financial reports prepared in accordance with the Australian Corporations Act.

The Carve-Out Financial Statements have been audited by Ernst & Young, independent auditors, in accordance with Australian Auditing Standards, and the Ernst & Young audit report thereon is included in this offering memorandum.

Investors should note that AAS and IFRS differ from generally accepted accounting principles in the United States ("US GAAP"), and investors should consult their own professional advisors for an understanding of the difference between AAS, IFRS and US GAAP and how those differences might affect such financial statements, and more generally, the financial results of Westfield Corporation going forward.

In addition, to provide comparable historical financial information for all historical periods presented herein, the Carve-Out Financial Statements and the Half Year Financial Statements have been adjusted to exclude the following divestments and joint venture transactions:

- Divestment of Westfield Group's interest in one non-core mall in the United Kingdom for net proceeds of £55 million in 2011;
- Divestment of Westfield Group's interest in three non-core malls in the United Kingdom for net proceeds of £159 million in 2012;
- Divestment of Westfield Group's 45% interest in 12 malls in the United States to Canada Pension Plan Investment Board resulting in proceeds of US$2.1 billion in 2012;
- Divestment of eight non-core malls in the United States, including seven centers, to Starwood Capital Group for US$1.154 billion in 2012;
- Divestment of Westfield Group's 50% interest in Westfield Almeida Junior Shopping Centre S.A. (Brazil) in 2013;
- Divestment of Westfield Group's 50% interest in six regional malls in Florida, United States to O'Connor Capital Partners resulting in net proceeds of US$700 million in 2013;

- Divestment of eight non-core malls in the United States, including seven malls, to Starwood Capital Group for US$1.64 billion in 2013; and
- Divestment of Westfield Group's interest in the Merry Hill, Derby and Sprucefield malls in May 2014 for net proceeds of UK£597 million.

In addition, because the Half Year Financial Statements only include the income statement and statement of cash flows for the U.S. operations, as discussed above and under "Accounting for Establishment of Westfield Corporation" below, the adjusted income statements for the six months ended June 30, 2014 and 2013 assume the acquisition of the UK operations occurred on January 1, 2013. Such adjusted financial information for the years ended December 31, 2013, 2012 and 2011 and for the six months ended June 30, 2014 and 2013 is collectively referred to herein as the "Adjusted Financial Information."

No adjustments have been made for acquisitions since January 1, 2011. A reconciliation of the Adjusted Financial Information presented in this offering memorandum to the Carve-Out Financial Statements and the Half Year Financial Statements is included in "Summary Consolidated Financial Data" and "Selected Consolidated Financial Data." Investors should note that the Adjusted Financial Information does not purport to be in compliance with Article 11 of Regulation S-X of the Rules and Regulations of the SEC and has not been subject to audit or review for the purposes of the offering.

ACCOUNTING FOR ESTABLISHMENT OF WESTFIELD CORPORATION

The Restructuring has been accounted for as a business combination by contract alone (for the purposes of the stapling of WCL, WFD Trust and WAT) in accordance with AASB 3 Business Combinations. WAT has been identified as the acquirer for accounting purposes as WAT was the stapled entity whose relative size was the largest and WAT was the only pre-existing entity prior to the Restructuring.

AASB 3 and AASB 10 Consolidated Financial Statements require one of the stapled entities in a stapled structure to be identified as the parent entity for the purposes of preparing a consolidated financial report. WCL has been deemed to be the parent entity of Westfield Corporation as it has legal control of WFD Trust and WAT due to its subsidiary, WAML, being the responsible entity of each of WFD Trust and WAT.

Accordingly, the Half Year Financial Statements are, and the financial statements for the stapled group for future periods will be, issued under the name of Westfield Corporation, but as WAT was the deemed acquirer in accordance with AASB 3, the Half Year Financial Statements are a continuation of the financial statements of WAT. As a result, the Half Year Financial Statements present the results of WAT for the six months ended June 30, 2014 and the assets and liabilities of WAT as at June 30, 2014. The Half Year Financial Statements also include the results of WCL and WFD Trust from the date of stapling, being June 30, 2014, and the fair value of assets and liabilities of WCL and WFD Trust as at June 30, 2014. As such, the Half Year Financial Statements include balance sheet data for both the U.S. and UK operations of Westfield Corporation as of June 30, 2014, but only include income statement and cash flow data for the U.S. operations of Westfield Corporation for the six months ended June 30, 2014; the Half Year Financial Statements do not include income statement or cash flow data for the UK operations of Westfield Corporation for the six months ended June 30, 2014. Certain income statement data for the UK operations for the six months ended June 30, 2014 and 2013 have been included in Note 25 to the Half Year Financial Statements.

In addition to the consolidated financial statements for Westfield Corporation, because WAT and WFD Trust remain separate legal entities, each such entity will also publish separate financial statements as of and for the periods ended June 30 and December 31 of each year.

NON-IFRS FINANCIAL MEASURES

Westfield Corporation utilizes a number of non-AAS measures to assess the financial and operational performance of its mall portfolio, including Net Property Income. For more information on these and other non-AAS measures, see "Operating and Financial Review — Description of Westfield Corporation — Key Operational Measures."

We believe that these non-AAS measures provide useful information regarding our business, and management considers these measures in analyzing our operating performance. However, these measures should not be considered indications of, or alternatives to, corresponding measures determined in accordance with AAS. In addition, such measures may not be comparable to similar measures presented by other companies.

In addition, we also present Net Property Income on a "proportionate" basis. The proportionate basis presents the net income from and net investment in, equity accounted properties on a gross basis, whereby the underlying components of net income and net investment are disclosed separately as if they were revenues and expenses, and assets and liabilities of Westfield Corporation. Our management considers that, given that the assets underlying both the consolidated and the equity accounted components of the statutory income statement are similar (that is, retail malls), that most of the centers are under common management, and that, therefore, the drivers of their results are similar, proportionate Net Property Income provides a more useful way to understand the performance of the portfolio as a whole. This is because the proportionate format aggregates both revenue and expense items across the whole portfolio, rather than netting the income and expense items for equity accounted centers and only reflecting their performance as a single item of profit or loss, as AAS requires, which allows management to observe and analyze revenue and expense results and trends on a portfolio-wide basis.

CURRENCY OF PRESENTATION AND EXCHANGE RATES

The Half Year Financial Statements and the Carve-Out Financial Statements of Westfield Corporation included elsewhere in this offering memorandum are presented in Australian dollars, which is Westfield Corporation's most recent presentation currency. In this offering memorandum, references to "A$" are to Australian dollars; references to "US$" or "U.S. dollars" are to United States dollars; references to "UK£" are to United Kingdom pounds sterling; and references to "€" are to Euros.

As the majority of Westfield Corporation's assets are situated in the United States, the Summary Consolidated Financial Data and Selected Consolidated Financial Data presented in this offering memorandum have been translated from A$ into US$. The following table sets forth the exchange rate utilized to translate A$ into US$ as of and for the periods ending:

Period	Six Months Ended June 30, 2014	Six Months Ended June 30, 2013	Year Ended December 31, 2013	Year Ended December 31, 2012	Year Ended December 31, 2011
Balance Sheet and Related Asset and Liability Items	0.9388	0.9234	0.8932	1.0370	1.0170
Income Statement, Adjusted Income Statement and Related Items, Cash Flow, Adjusted Cash Flow and Related Cash Flow Items	0.9153	1.0150	0.9678	1.0359	1.0320

The following table sets forth exchange rate information for A$1.00 expressed in terms of US$ based on the noon buying rate in New York City for cable transfers in Australian dollars as certified for customs purposes by the Federal Reserve Bank of New York:

Period	At Period End	Average Rate (1)	High	Low
Year ended December 31, 2011	1.0251	1.0449	1.1026	0.9453
Year ended December 31, 2012	1.0393	1.0378	1.0806	0.9688
Year ended December 31, 2013	0.8929	0.9579	1.0579	0.8858
Six months ended June 30, 2014	0.9427	0.9160	0.9430	0.8715
July 2014			0.9488	0.9301
August 2014 (through August 22, 2014)			0.9330	0.9263

(1) The average of the noon buying rates on the last business day of each month for the period presented. On August 22, 2014, the noon buying rate was A$1.00 = US$0.9309.

This offering memorandum also includes references to UK£ and €, which have been translated into US$. Unless otherwise stated, we have translated UK£ and € into US$ at Westfield Corporation's half-year end rates for the relevant currencies as of June 30, 2014 (UK£1.00 = US$1.7044 and €1.00 = US$1.3647). In providing these translations, we are not representing that the US$ amounts are actually those UK£ or € amounts, as applicable, or that we could have converted those US$ into UK£, and €, as applicable, at the exchange rates indicated. The A$ equity market capitalization of Westfield Corporation as of September 1, 2014 has been translated into US$ at the noon buying rate (A$1.00 = US$0.9309) as of August 22, 2014.

The A$ is convertible into US$ at freely floating exchange rates and there are currently no restrictions on the flow of A$ between Australia and the United States except as described in "Australian Exchange Controls."

Information Presented

This offering memorandum relates to an offering that is exempt from the registration requirements under the Securities Act, and it does not comply in certain respects with applicable SEC rules that would apply to a registration statement relating to a registered offering of securities. In a registration statement, unless the SEC otherwise agreed, Westfield Corporation would be required to include, among other things, (1) audited financial statements and related notes thereto for each of WCL, WFD Trust and WAT, (2) a discussion and analysis by the management of each of WCL, WFD Trust and WAT of its results of operations and financial condition, and (3) such other financial information as required by the Securities Act, including Regulation S-X, Form S-11 and Form 20-F thereunder. In addition, we have not included in this offering memorandum our ratio of earnings to fixed charges for the historical periods presented herein, due to the changes to our capital structure that resulted from the Restructuring, and because we do not believe that the historical ratio would be representative of what the ratio would have been had the Restructuring occurred on January 1, 2011 and had Westfield Corporation operated under its current structure during the entire historical period. Potential investors must decide whether to purchase the Notes without the benefit of such information.

SUMMARY

This summary highlights selected information from this offering memorandum and does not contain all of the information that may be important to you. You should read this entire offering memorandum carefully, including the risk factors, the audited Carve-Out Financial Statements and the notes related thereto, and the Half Year Financial Statements and the notes related thereto.

Overview of Westfield Corporation

We are one of the world's largest listed retail property groups, with an equity market capitalization of US$14.8 billion (A$15.9 billion) as of September 1, 2014. We are a pre-eminent, internally managed and vertically integrated international retail property group with properties and development activities in the United States and United Kingdom and a development property in Milan, Italy. We operate a world class, industry leading retail property operating platform with capabilities in property management, leasing, design, development, construction, marketing, digital and funds management.

We operate under a "stapled" structure, whereby WCL, WFD Trust and WAT and their respective subsidiaries operate as a single economic group with a common board of directors, management and public investor base. See "Restructuring."

As of June 30, 2014, our property investment portfolio consisted of interests in 40 malls located in the United States (or "U.S.") and the United Kingdom (or "UK") and a development property in Milan, Italy, with approximately 7,500 retail outlets in approximately 50 million square feet of gross leasable area ("GLA"). As of June 30, 2014, the value of our property assets was US$17.6 billion and the gross value of our property portfolio (including the interests of joint venture partners) was US$27.7 billion. We had consolidated total assets (comprising malls and other assets) of US$17.4 billion as of June 30, 2014. We had property revenue of US$0.6 billion (including our share of property revenues from equity accounted entities of US$0.3 billion) for the six months ended June 30, 2014 and US$1.2 billion (including our share of property revenues from equity accounted entities of US$0.6 billion) for the year ended December 31, 2013.

Operating Strategy

Westfield Corporation's operating strategy is to create and operate iconic assets in major markets that deliver great experiences for consumers and retailers. Westfield Corporation aims to achieve this with an increased focus on digital technology and by bringing together the best of fashion, food, entertainment and leisure.

Westfield Corporation's portfolio comprises world class assets and opportunities which are destinations of choice for shopping, dining, entertainment, events and socializing in some of the world's leading urban cities including New York, Los Angeles, San Francisco, San Jose, London and Milan.

Westfield Corporation plans to continue the former Westfield Group's strategic repositioning of the portfolio and remain focused on improving the quality of the portfolio through the development of flagship malls in major world cities and the divestment of non-core assets.

Westfield Corporation intends to adapt its portfolio to the next generation of retail, with a focus on:

- the quality of design and the standard of services;
- the growing internationalization of retail brands;
- the higher standard of food and its integration with fashion and entertainment; and
- the creation of great consumer experiences.

Westfield Corporation's aim is to combine these elements to make its retail destinations an essential part of the city and the community's social and economic fabric for each city and community in which Westfield Corporation properties are located.

Westfield Corporation intends to continue the former Westfield Group's established track record of operating with the highest standards of efficiency and intensively managing its malls, including a particular emphasis on maximizing the sales productivity of retailers at each mall. This strategy is designed to attract the world's leading retail brands and provide superior experiences to consumers.

Westfield Corporation maintains a strong focus on active asset management with the aim of improving the quality of the portfolio through the diversification of income streams including the introduction of food, entertainment, lifestyle and leisure thereby enhancing the stability of cash flows.

Over recent years, in the United States, the former Westfield Group focused on introducing new retail concepts across its portfolio, comprising specialty and mini major categories including theatres, gyms and supermarkets. This transformed the portfolio with customers embracing the integration of food with fashion, leisure and entertainment, with the aim to significantly enhance the strength and sales productivity of Westfield Corporation's portfolio.

Strong relationships with the world's leading retailers due to Westfield Corporation's high quality portfolio, significant development pipeline and in depth understanding of each mall's local operating environment

The core element of Westfield Corporation's malls is the strength of the retail offering to consumers. Retailers remain the driving force in attracting consumers to Westfield malls and many of the world's leading retailers increasingly desire to be represented in iconic retail destinations.

The strength of Westfield Corporation's relationships with the world's leading retail brands is supported by the quality of Westfield Corporation's portfolio, the development projects currently under construction and the future development pipeline. As an example, we expect our development project at Westfield World Trade Center to attract many of the world's leading luxury and high street fashion brands.

Westfield Corporation's focus on owning and managing iconic retail destinations in major world cities is based on the evolving nature of the global retail operating environment and the trend by many of the world's leading retailers towards focusing their presence into higher quality retail locations.

Integration of digital technology through Westfield Labs to better connect retailers with consumers

The emergence and integration of digital technology into Westfield Corporation's malls and the continued growth of Westfield's global brand has created opportunities to both enhance the customer experience and generate new revenue streams.

Westfield Labs, Westfield Corporation's digital business group based in San Francisco, is working on utilizing Westfield Corporation's global position to innovate and develop the technological platform and infrastructure necessary to better connect the digital consumer with Westfield Corporation's malls.

With so many consumers now connected to mobile devices, Westfield Labs is developing strategies and products designed to connect the digital consumer with our malls, including sophisticated car park technology, concierge and lifestyle services, efficient delivery channels for retailers and utilizing social media and interactive advertising to better engage with consumers.

Growing the prominence of the Westfield brand and iconic assets

The growing prominence of the Westfield brand and Westfield Corporation's iconic assets has created the opportunity to establish events, entertainment and brand partnerships across the portfolio, increasing the global value of the Westfield brand, growing revenues and creating a distinct experience for the consumer.

All of these key elements — international retailers, luxury brands, food, fashion, events and entertainment combined with greater use of digital technology — continue to evolve and be brought together through Westfield Corporation's business strategy to enhance the Westfield brand in the markets in which it operates and to enable Westfield Corporation to leverage the Westfield brand for the benefit of the business.

Business Segments

We are a pre-eminent, internally managed and vertically integrated international retail property group. Our activities include:

- mall ownership;
- property management, marketing and leasing;
- property development, design and construction; and
- funds and asset management.

Mall Ownership

Our malls are geographically diverse, spread across 8 states in the United States and the United Kingdom with a development property in Milan, Italy. Our malls are generally located near or in major metropolitan areas, are anchored by long-term tenancies with major retailers and incorporate a wide cross-section of specialty retailers and national chain store operators.

Our mall investments are undertaken on both a wholly-owned basis and through joint ventures and co-ownership arrangements.

Following the Restructuring and consistent with the manner in which we operate our properties, beginning with our operational results for the period ended June 30, 2014, we present our portfolio on an asset class basis between our flagship and regional portfolio, rather than on a geographic basis as historically presented by Westfield Group prior to the Restructuring. Our flagship portfolio includes assets such as Westfield London and Stratford City in London; Century City, Topanga, UTC, San Francisco, Valley Fair and Roseville in California; Old Orchard in Chicago; Montgomery in Maryland; Garden State Plaza in New Jersey and the soon to be completed Westfield World Trade Center in Lower Manhattan. See pages 79 and 80 of this offering memorandum for a complete list of the assets that comprise our flagship and regional portfolio. The following table summarizes our portfolio on an asset class basis as of June 30, 2014:

Portfolio summary as of June 30, 2014	Flagship	Regional	Regional/ Non-Core	Total
Malls Westfield Corporation owns interests in and manages	11	23	6	40
Malls Westfield Corporation holds in joint ventures and co-ownership arrangements	8	17	—	25
Retail outlets	2,697	3,838	953	7,488
GLA (million sqf)	16.6	26.6	7.0	50.2
Westfield Corporation interests (billion) (1)	US$ 11.4	US$ 5.0	US$ 1.2	US$ 17.6
JV partner interests (billion)	US$ 6.9	US$ 3.2	US$ —	US$ 10.1
Assets under management (billion)	US$ 18.3	US$ 8.2	US$ 1.2	US$ 27.7
Westfield Corporation's share of assets under management (%)	62%	61%	100%	64%
Percentage leased (%) (2)	95.9%	93.1%	—	94.4%

(1) Westfield Corporation's share of mall assets including construction in progress and assets held for redevelopment.

(2) Excludes six assets considered non-core valued at US$1.2 billion.

Key Operating Statistics

The following table sets forth key operating statistics according to our flagship and regional core assets (including part-owned malls on a 100% basis) as of and for the twelve months ended June 30, 2014. We believe this presentation reflects how we invest our capital and operate our business. This presentation also highlights the increasing importance of, and focus on, our flagship portfolio.

As of and for the twelve months ended June 30, 2014 (unless otherwise noted) (1)	Flagship	Regional	Total
Portfolio leased rate (%)	95.9%	93.1%	94.4%
Specialty occupancy cost (%)	15.4%	14.7%	15.2%
Specialty retail sales (psf) (2)	US$ 954	US$ 467	US$ 681
Specialty retail sales growth (%) (2)	5.8%	2.1%	4.2%
Average specialty rent (psf)	US$117.88	US$ 61.24	US$ 87.64
Average specialty rent growth (%) (2)	5.1%	2.4%	4.0%
Comparable NOI growth (%) (3)	5.5%	5.0%	5.3%

(1) Excludes six assets considered non-core valued at US$1.2 billion

(2) For the twelve months ended June 30, 2014.

(3) For the six months ended June 30, 2014.

The following table sets forth key operating statistics for our international mall portfolio (including part-owned malls on a 100% basis, unless otherwise noted):

	As of and for the twelve months ended (unless otherwise noted) (1)	
	June 30, 2014	December 31, 2013
Global portfolio leased rate (%)	94.4	95.4
Leases		
Weighted average unexpired lease term (years)	7.2	11.7
— for anchor tenants(years)	16.6	37.3
— for specialty tenants(years)	5.4	5.8
Largest Retailer Group		
% of total GLA occupied (%)	19.1	17.9
% of total rental income (%)	2.6	2.5
Ten Largest Specialty Retailers		
% of total GLA occupied (%)	8.8	8.5
% of total rental income (%)	16.5	15.9
Rental Income (2)		
% directly related to retailer sales (%)	2.5	2.7
% derived from rent at contracted levels (%)	97.5	97.3

(1) Excludes six assets considered non-core valued at US$1.2 billion.

(2) Westfield Corporation's proportional share.

The ten largest anchors across our portfolio occupied approximately 48.1% of the total GLA as of June 30, 2014 and contributed approximately 4.0% of total rental income for the twelve months ended June 30, 2014, with no single anchor contributing more than 1.2% of total rental income.

The ten largest specialty retailers across our portfolio occupied approximately 8.8% of the total GLA as of June 30, 2014 and contributed approximately 16.5% of total rental income for the twelve months ended June 30, 2014, with no single tenant contributing more than 2.6% of total rental income.

Property Management, Marketing and Leasing

Property management involves leasing and day-to-day management and marketing of our mall portfolio and other properties. Our malls are designed to provide an efficient and dynamic environment for retailers and a quality shopping experience for consumers, creating a platform for our retailers to enhance their performance and for us to maximize our returns. We work to build and maintain long-term relationships with our retailers in addition to developing strong relationships with consumers by supporting the local community of each mall through various marketing activities. We believe that our management style has the potential to improve the performance of our retail property assets, resulting in income growth and long term capital appreciation for investors. We also manage 13 airport concessions in the United States.

Property Development, Design and Construction

Our property development, design and construction business involves the development, design, construction, initial leasing and redevelopment of malls. Our property development activities are focused on redeveloping and expanding our existing properties as well as developing iconic properties in major markets.

Our property development activities are vertically integrated and involve all of the elements of development, design, construction and leasing with a view to maximizing returns on investment from both increased rental income and capital appreciation of the asset. Our development activities include purchasing land, obtaining approvals from regulatory authorities, conducting negotiations with major retailers and tenants, preparing feasibility studies and acting as architect, project manager and general contractor for mall development and redevelopment projects.

Funds and Asset Management

We provide asset management services to co-investors in our jointly owned malls and we have the capability to invest funds on behalf of institutional and other investors, for which we may earn funds management fees.

Competitive Advantages

We believe we have the following competitive advantages:

High Quality Portfolio. The strength of our portfolio is underpinned by the high quality of our malls. Our malls are generally located in prime trade areas, are anchored by long-term tenancies with major retailers and incorporate a wide cross-section of high-quality specialty retailers and national chain store operators. We have an ongoing development and redevelopment program for our mall portfolio with the objective of achieving strong market penetration and ensuring they remain relevant to both retailers and shoppers. The capital we invest in redeveloping our malls contributes to the high quality of our assets and enhances their ability to weather economic downturns.

Geographic and Tenant Diversity. Our malls are geographically diverse, spread across 8 states in the United States and the United Kingdom with a development property in Milan, Italy. The size and geographic diversity of our property portfolio and revenue base significantly reduces our dependence upon any single tenant or property to generate revenue. On a proportionally consolidated basis, as of June 30, 2014, our largest property represented 13.5% of the total book value of our mall investments, and our ten largest properties represented 60.7% of the total book value of our mall investments.

Redevelopment Capability and Global Redevelopment Program. Our redevelopment capabilities are vertically integrated and involve the development, design, construction and leasing of malls, which allows us to control design and construction costs and amend or alter redevelopment plans during the course of construction, if necessary. Redevelopments are designed to maximize returns on investment from both increased rental income and capital appreciation of the asset. We have extensive experience and a solid track record of completing projects on time and within budget. We believe our development and redevelopment program enhances our internal growth potential and ensures that our malls remain competitive in their existing markets.

Financial Strength. We believe our financial strength provides us with an advantage over many of our competitors. The foundation of our financial strength is our portfolio of high quality properties across multiple geographies, which provides us with a diverse revenue base and strong cash flows. Our financial strength gives us the ability to take advantage of development, redevelopment and other investment opportunities when they arise and is expected to afford us consistent access to debt and equity markets to fund these activities.

We are rated "A3" (outlook stable) by Moody's Investors Service ("Moody's") and "BBB+" (outlook stable) by Standard & Poor's (Australia) Pty Limited ("S&P"). As of June 30, 2014, we had US$3.5 billion of committed financing facilities and total available liquidity of US$3.9 billion made up of undrawn, predominantly long term, unsecured committed bank loan facilities of US$3.5 billion and cash and cash equivalents of US$0.4 billion.

Experienced Management Team. Our management team has extensive experience in the retail real estate industry, including experience in the acquisition, disposition, leasing, management, financing, redevelopment and development of real estate assets and managing relationships with joint venture partners.

Structure of Westfield Corporation

In June 2014, WCL, WFD Trust and WAT completed the Restructuring. For further information on the Restructuring, see "Restructuring." WCL and various of its subsidiaries are the primary entities through which mall development, design, construction, management and leasing operations and funds and asset management activities are conducted in the United Kingdom. WAT and various of its subsidiaries are the primary entities through which we own and manage our mall interests in the United States. Interests in our United Kingdom properties are held through WCL and WFD Trust. Although WCL, WFD Trust and WAT each continue to exist separately, WCL, WFD Trust and WAT and their respective subsidiaries operate as a coordinated economic group, with a common public investor base, common business objectives and a common membership of Westfield Corporation's board of directors and management.

WCL was incorporated in Australia as a public company limited by shares on November 28, 2013 and was listed on the ASX in June 2014 in connection with the Restructuring. WFD Trust and WAT are managed investment schemes registered under the Australian Corporations Act. WFD Trust was organized in March 2014 and listed on the ASX in June 2014 in connection with the Restructuring. WAT was organized and listed on the ASX in 1996. The stapled securities of Westfield Corporation are quoted and trade together as a single security on the ASX under the code "WFD." We also have an American Depositary Receipt ("ADR") program in the United States for which The Bank of New York Mellon is the depositary. The ADRs are traded over-the-counter in the United States under the symbol "WFGPY" and each ADR represents two stapled securities.

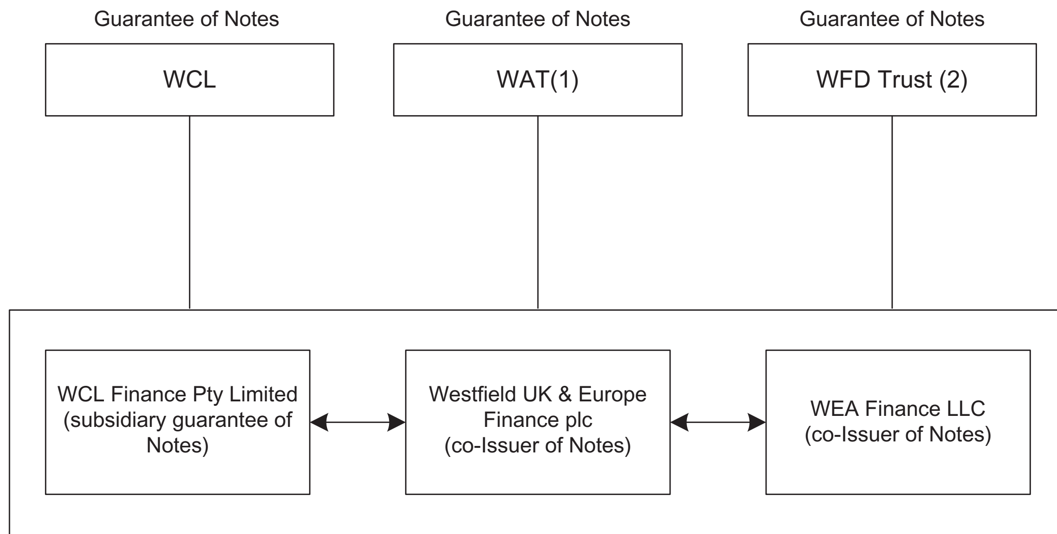
Issuers

WEA Finance LLC and Westfield UK & Europe Finance plc are Issuers of the Notes. WEA Finance LLC is a Delaware limited liability company and is a majority owned indirect finance subsidiary of WAT. Westfield

UK & Europe Finance plc is a public company limited by shares incorporated under the laws of England and Wales and is a wholly-owned indirect finance subsidiary of WCL. The primary purpose of each Issuer is to borrow funds on behalf of Westfield Corporation and advance the net proceeds of such borrowings to members of Westfield Corporation.

Borrowing and Credit Structure for the Notes

The following chart sets forth Westfield Corporation's borrowing and credit structure for the Notes:



(1) WAML in its capacity as responsible entity and trustee of WAT.

(2) WAML in its capacity as responsible entity and trustee of WFD Trust.

The Notes will be the joint and several obligations of the Issuers. As indicated in the chart above, the obligations of the Issuers under the Notes will be fully and unconditionally guaranteed on a several basis by WCL and WAML and will be guaranteed by WCL Finance Pty Limited. Because the obligations of the Issuers are guaranteed by WCL and WAML and by WCL Finance Pty Limited, holders of the Notes will receive the benefit of the credit of those guarantors.

Corporate Information

Westfield Corporation's principal executive offices are located at Level 29, 85 Castlereagh St., Sydney NSW Australia 2000. Westfield Corporation's telephone number is +61 2 9273 2000. Its web site is located at www.westfieldcorp.com. The information on the Westfield Corporation web site is not part of or incorporated by reference in this offering memorandum.

We currently intend to investigate the appropriate location for the longer term listing of our equity securities. There can be no assurances that we will change the jurisdiction of our equity listing or, if we were to change the listing jurisdiction, when such a change may occur.

Our registered address is located in Sydney, Australia. Our senior management members reside in Australia, the United States and the United Kingdom.

The Offering

Notes being offered	1.750% Guaranteed Senior Notes due 2017 (the "2017 Notes"). 2.700% Guaranteed Senior Notes due 2019 (the "2019 Notes"). 3.750% Guaranteed Senior Notes due 2024 (the "2024 Notes"). 4.750% Guaranteed Senior Notes due 2044 (the "2044 Notes"). The 2017 Notes, the 2019 Notes, the 2024 Notes and the 2044 Notes are referred to as the "Notes."
Co-issuers	WEA Finance LLC and Westfield UK & Europe Finance plc (each an "Issuer" and together, the "Issuers"). The Notes will be the joint and several obligations of the Issuers.
Guarantors	WCL and WAML, in its separate capacities as responsible entity and trustee of WFD Trust and of WAT (each, a "parent guarantor" and, together, the "parent guarantors"), and a subsidiary of WCL (the "subsidiary guarantor" and, together with the parent guarantors, the "guarantors"). See "Description of the Notes and Guarantees — Guarantees."
Principal amount	US$750,000,000 aggregate principal amount due 2017. US$1,250,000,000 aggregate principal amount due 2019. US$1,000,000,000 aggregate principal amount due 2024. US$500,000,000 aggregate principal amount due 2044.
Maturity date	2017 Notes — September 15, 2017. 2019 Notes — September 17, 2019. 2024 Notes — September 17, 2024. 2044 Notes — September 17, 2044.
Interest rate	The Notes will bear interest from September 17, 2014, based upon a 360-day year consisting of twelve 30-day months. 2017 Notes — 1.750% per year. 2019 Notes — 2.700% per year. 2024 Notes — 3.750% per year. 2044 Notes — 4.750% per year.
Interest payment dates	Interest on the 2017 Notes will be payable semi-annually in arrears on March 15 and September 15 of each year, beginning March 15, 2015. Interest on the 2019 Notes, 2024 Notes and 2044 Notes will be payable semi-annually in arrears on March 17 and September 17 of each year, beginning March 17, 2015.
Guarantees	Each of the parent guarantors will fully and unconditionally guarantee, on a several basis, the obligations of the Issuers under the Notes, including the payment of the principal of, premium, if any, and interest on the Notes (the "parent guarantees"). In addition, the subsidiary guarantor will fully and unconditionally guarantee the

	obligations of the Issuers under the Notes (the "subsidiary guarantee" and, together with the parent guarantees, the "guarantees"). The subsidiary guarantee will be a joint and several obligation of the subsidiary guarantor together with any guarantees by any future subsidiary guarantors.
Ranking	The Notes will constitute unsecured and unsubordinated obligations of the Issuers and will rank equally in right of payment with all existing and future unsecured and unsubordinated indebtedness of the Issuers, except indebtedness mandatorily preferred by law. Each guarantee will constitute unsecured and unsubordinated obligations of the relevant guarantor and, subject to the limitation on liability and recourse in respect of WAML, will rank equally in right of payment with all existing and future unsecured and unsubordinated indebtedness of each guarantor, except indebtedness mandatorily preferred by law.
Use of proceeds	We anticipate that the net proceeds from the issue and sale of the Notes will be approximately US$3.48 billion. We expect to use the net proceeds to repay borrowings under Westfield Corporation's syndicated bridge facility, dated March 20, 2014, and for general corporate purposes, including repayment of other indebtedness. See "Use of Proceeds."
Further issues	The Issuers may from time to time, without notice to or the consent of the registered holders of its Notes, create and issue additional debt securities having the same terms as and ranking equally and ratably in all respects with its Notes sold in this offering, as described more fully in "Description of the Notes and Guarantees — General — Principal and Interest."
Additional amounts	In the event that withholding taxes are required to be withheld or deducted from payments on the Notes sold in this offering or under the guarantees, the Issuers and the guarantors will, subject to certain exceptions described in this offering memorandum (including an exception for United States withholding taxes), pay such additional amounts as will result, after deduction or withholding of such taxes, in the payment of the amounts that would have been payable in respect of such Notes or under the guarantees had no such withholding or deduction been required. See "Description of the Notes and Guarantees — Special Situations — Payment of Additional Amounts."
Optional redemption for tax reasons	The Notes may be redeemed at the option of the Issuers in whole but not in part, at 100% of the principal amount thereof plus accrued interest and any additional amounts due on the date fixed for redemption if certain events occur that would cause the Issuers or any guarantor to become obligated to pay additional amounts as described under "Description of the Notes and Guarantees — Special Situations — Optional Tax Redemption."
Optional redemption	The Issuers may redeem the Notes in whole or in part from time to time prior to maturity at the redemption prices set forth under

	"Description of the Notes and Guarantees — Special Situations — Optional Redemption of the Notes."
Form and denomination	It is expected that delivery of the Notes will be made on or about September 17, 2014. All Notes sold in the offering will be delivered against payment in immediately available funds. Except as described below, the Notes will be issued only in registered form without coupons and in denominations of US$200,000 principal amount and integral multiples of US$1,000 thereafter. Notes sold in the United States in reliance on Rule 144A will be evidenced by Notes in global form called "Restricted Global Notes", which will be deposited with a custodian for, and registered in the name of a nominee of, The Depository Trust Company ("DTC"). Notes sold outside the United States in reliance on Regulation S will be evidenced by a separate Note in global form called a "Regulation S Global Note", which also will be deposited with a custodian for, and registered in the name of a nominee of, DTC for the accounts of Euroclear and Clearstream. During an initial 40-day period, beneficial interests in the Regulation S Global Note must be held through Euroclear or Clearstream. Transfers of beneficial interests between the Restricted Global Note and the Regulation S Global Note are subject to certification requirements.
Transfer restrictions	The Notes and the guarantees have not been registered under the Securities Act and are subject to restrictions on transfers. See "Notice to Investors."
Restrictive covenants	Each of the Issuers and the parent guarantors has agreed to observe the following covenants: • as of June 30 and December 31 of each year, the ratio of net debt to net assets will be no more than 65%; • as of June 30 and December 31 of each year, the ratio of secured debt to total assets will be no more than 45%; • as of June 30 and December 31 of each year, the ratio of EBITDA for the 12 months ending on each of those dates (or in the case of December 31, 2014, for the six months ending on that date) to interest expense for the same period will be at least 1.50:1; and • as of June 30 and December 31 of each year, unencumbered assets will be at least 125% of the aggregate principal amount of unsecured debt. See "Description of the Notes and Guarantees — Restrictive Covenants", and, in particular, the definitions of the terms used in such restrictive covenants.

Trustee	The Bank of New York Mellon is the trustee under the indenture under which the Notes will be issued. The address of the trustee is 101 Barclay Street, Floor 4 East, New York, New York 10286.
Principal Paying Agent and Transfer Agent	The Bank of New York Mellon
Registrar	The Bank of New York Mellon
Listing	We may list the Notes on a securities exchange that qualifies as a "recognised stock exchange" for UK tax purposes. If the Notes are not listed on a "recognised stock exchange", payments of interest by Westfield UK & Europe Finance plc (if any) on the Notes would be subject to withholding or deduction for UK tax purposes. See "Tax Matters — Certain United Kingdom Tax Consequences."
Governing law	The Notes, the guarantees, the indenture and the supplemental indenture will be governed by New York law.
Prescription	Under the laws of New York, claims relating to payment of principal and interest on the Notes will be prescribed according to the applicable statute of limitations.
Risk factors	Prospective purchasers of the Notes should consider carefully all of the information set forth in this offering memorandum and, in particular, the information set forth under "Risk Factors" before making an investment in the Notes.
Anticipated ratings of the Notes	A3 (outlook stable) (Moody's) BBB+ (outlook stable) (S&P) Ratings are statements of opinion, not statements of fact or recommendations to buy, hold or sell any securities. Ratings may be changed, withdrawn or suspended at any time.

Summary Consolidated Financial Data

The summary consolidated financial data (included in Table 1.0 below) of Westfield Corporation has been derived from the Half Year Financial Statements and the Carve-Out Financial Statements which are included elsewhere in this offering memorandum. See “Financial Information Presentation” for a discussion of the basis of preparation of such financial statements.

In addition, the Adjusted Financial Information (included in Table 2.0 below) includes the Half Year Financial Statements for the six months ended June 30, 2014 and 2013 which have been adjusted to include the income statement of the UK operations and give effect to the divestments and joint venture transactions. Also included are the Carve-Out Financial Statements for the years ended December 31, 2013, 2012 and 2011 which have been prepared as if the divestments and joint venture transactions were completed prior to January 1, 2011 to allow the financial information to be comparable to the current asset portfolio. The proceeds from these divestments were mainly used to repay debt and fund the buyback of the former Westfield Group securities. As a result of the Restructuring significant debt restructuring has occurred. Accordingly, the adjusted income statements are presented to earnings before interest and tax (“EBIT”) as the historical interest and tax expense resulting from the debt structure in place during the historic periods was significantly different from that which would have resulted under the intended debt structure of Westfield Corporation following the Restructuring and is not representative of what such interest and expense would have been if the Restructuring had been completed before January 1, 2011 and Westfield Group had operated from that time under the capital structure in place following the Restructuring.

The Half Year Financial Statements and Carve-Out Financial Statements have been prepared in accordance with the recognition and measurement principles of AAS and IFRS, which differ from US GAAP. You should read the following financial information together with the information in “Financial Information Presentation”, “Selected Consolidated Financial Data”, “Operating and Financial Review”, “Risk Factors”, the Carve-Out Financial Statements and the related notes thereto, and the Half Year Financial Statements and the related notes thereto, included elsewhere in this offering memorandum.

The financial information has been converted from A$ to US$ using exchange rates as described in the “Currency of Presentation and Exchange Rates.”

Table 1.0 below presents summary income statement data from the Half Year Financial Statements and the Carve-Out Financial Statements. Investors should note that because the Restructuring was completed on June 30, 2014 and the Half Year Financial Statements are deemed to be a continuation of the financial statements of WAT, the Half Year Financial Statements include income statement data for the U.S. operations of Westfield Corporation for the six months ended June 30, 2014, but do not include income statement data for the UK operations of Westfield Corporation for the six months ended June 30, 2014. Certain income statement data for the UK operations has been included in Note 25 to the Half Year Financial Statements.

	Half Year Financial Statements (reviewed)		Carve-Out Financial Statements (audited)		
Table 1.0 Income Statement (in millions)	**Six Months Ended June 30, 2014**	**Six Months Ended June 30, 2013**	**Year Ended December 31, 2013**	**Year Ended December 31, 2012**	**Year Ended December 31, 2011**
Revenue					
Property revenue	US$ 240.1	US$ 376.6	US$ 830.5	US$1,083.3	US$ 1,409.5
Property development and management revenue	111.6	59.8	238.0	165.5	1,515.8
Total revenue	**351.7**	**436.4**	**1,068.5**	**1,248.8**	**2,925.3**
Share of after tax profits of equity accounted entities					
Property revenue	246.5	207.5	634.4	563.1	314.7
Property revaluations	158.0	45.7	428.5	307.4	144.5
Property expenses, outgoings and other costs	(73.4)	(63.8)	(194.0)	(168.5)	(101.4)
Net interest expense	(29.1)	(25.4)	(60.9)	(78.4)	(56.1)
Tax (expense)/benefit	(0.2)	(0.2)	(1.5)	16.4	(1.7)
	301.8	**163.8**	**806.5**	**640.0**	**300.0**
Expenses					
Property expenses, outgoings and other costs	(93.8)	(127.3)	(275.6)	(370.4)	(477.1)
Property development and management costs	(88.5)	(46.2)	(129.8)	(58.7)	(1,425.6)
Overheads	(33.7)	(39.6)	(143.8)	(171.1)	(177.9)
	(216.0)	**(213.1)**	**(549.2)**	**(600.2)**	**(2,080.6)**
Currency gain/(loss)	(116.8)	6.0	(215.8)	22.3	30.9
Gain/(loss) in respect of capital transactions	(7.6)	(72.2)	(77.1)	(6.5)	(7.0)
Property revaluations	25.3	(114.7)	232.2	1.6	(49.9)
Earnings before interest and tax	**338.4**	**206.2**	**1,265.1**	**1,306.0**	**1,118.7**
Interest income	3.5	32.0	15.1	11.5	1.3
Financing costs	(260.1)	(184.6)	(431.8)	(429.3)	(278.1)
Charges and credit in respect of the Restructure and Merger	(800.8)	—	—	—	—
Tax expense	(78.3)	(19.2)	(187.8)	(171.3)	(123.5)
Profit/(loss) after tax	**(797.3)**	**34.4**	**660.6**	**716.9**	**718.4**

Westfield Group had undertaken a number of divestments and joint venture transactions in 2011, 2012, 2013 and the six months ended June 30, 2014. See "Financial Information Presentation." The proceeds from these divestments were mainly used to repay debt and fund the buyback of Westfield Group's securities. In addition, as a result of the Restructuring, significant debt restructuring has occurred. As a consequence, Westfield Corporation does not believe that historical finance costs and tax expense are representative of what such costs and expense would have been if the Restructuring had been completed before January 1, 2011 and Westfield Group had operated from that time under the capital structure in place following the Restructuring.

Table 2.0 below presents the Adjusted Financial Information, which has been prepared as if the divestments and joint venture transactions described above in "Financial Information Presentation" were completed prior to January 1, 2011. In addition, because the Half Year Financial Statements are deemed to be a continuation of the financial statements of WAT and therefore only include income statement data for the U.S. operations of Westfield Corporation, the Half Year Financial Statements have been adjusted in preparing the Adjusted Financial Information to include the results of the UK operations. Investors should note that while the Adjusted Financial Information has been derived from financial statements that have been audited or reviewed, the Adjusted Financial Information is unaudited.

Reconciliation of key financial information between the Adjusted Financial Information (Table 2.0) and the unadjusted Half Year Financial Statements and the audited Carve-Out Financial Statements (Table 1.0) have been presented in Table 2.1 and Table 2.2 below.

Table 2.0 Adjusted Income Statement (in millions)	**Six Months Ended June 30, 2014**	**Six Months Ended June 30, 2013**	**Year Ended December 31, 2013**	**Year Ended December 31, 2012**	**Year Ended December 31, 2011**
Revenue					
Property revenue	US$ 308.6	US$ 297.2	US$ 622.0	US$ 616.2	US$ 590.0
Property development and management revenue	148.7	84.1	235.6	168.0	1,524.9
Total revenue	457.3	381.3	857.6	784.2	2,114.9
Share of after tax profits of equity accounted entities					
Property revenue	299.4	275.8	578.4	575.3	472.6
Property revaluations	287.9	23.2	408.6	356.9	210.1
Property expenses, outgoings and other costs	(95.5)	(88.4)	(180.3)	(181.0)	(151.0)
Net interest expense	(37.3)	(30.7)	(58.5)	(72.9)	(55.8)
Tax expense	(0.1)	(1.4)	(0.3)	(0.2)	(0.4)
	454.4	**178.5**	**747.9**	**678.1**	**475.5**
Expenses					
Property expenses, outgoings and other costs	(111.7)	(97.0)	(201.7)	(211.5)	(199.8)
Property development and management costs	(96.0)	(20.7)	(129.8)	(58.7)	(1,425.6)
Overheads	(60.1)	(65.5)	(137.6)	(155.5)	(171.5)
	(267.8)	**(183.2)**	**(469.1)**	**(425.7)**	**(1,796.9)**
Currency gain/(loss)	(117.2)	(129.4)	(215.8)	22.3	30.9
Property revaluations	33.1	113.8	359.6	86.3	(5.5)
Adjusted Earnings before interest and tax	**559.8**	**361.0**	**1,280.2**	**1,145.2**	**818.9**
Proportionate					
— Net property income	400.8	387.6	818.4	799.0	711.8
— Property revaluations	321.0	137.0	768.2	443.2	204.6

Table 2.1 sets out a reconciliation of EBIT of Westfield Corporation derived from the Half Year Financial Statements and Carve-Out Financial Statements to EBIT in the Adjusted Financial Information.

Table 2.1 Half Year Financial Statements and Carve-Out Financial Statements (in millions)	Six months ended June 30, 2014	Six months ended June 30, 2013	Year ended December 31, 2013	Year ended December 31, 2012	Year ended December 31, 2011
Westfield Corporation profit/(loss) after tax	US$(797.3)	US$ 34.4	US$ 660.6	US$ 716.9	US$ 718.4
Less: Westfield Corporation interest income	(3.5)	(32.0)	(15.1)	(11.5)	(1.3)
Add: Westfield Corporation financing costs	260.1	184.6	431.8	429.3	278.1
Add: Westfield Corporation charges and credits in respect of the Restructure and Merger	800.8	—	—	—	—
Add: Westfield Corporation tax expense	78.3	19.2	187.8	171.3	123.5
Westfield Corporation EBIT	**338.4**	**206.2**	**1,265.1**	**1,306.0**	**1,118.7**
Adjustments for EBIT relating to:					
— UK operations	247.5	61.0	n/a	n/a	n/a
— Divestment of United States centres	—	80.7	(3.1)	(162.8)	(281.1)
— Divestment of United Kingdom centres	(25.3)	(28.9)	(61.3)	(36.3)	(23.2)
— Divestment of Brazil centres	—	(6.4)	2.4	31.8	(2.5)
— Reversal of gain/loss in respect of capital transactions	(0.8)	48.4	77.1	6.5	7.0
Adjusted Westfield Corporation Historical EBIT	**559.8**	**361.0**	**1,280.2**	**1,145.2**	**818.9**

Table 2.2 below sets out a reconciliation of the consolidated revenue of Westfield Corporation from the Half Year Financial Statements and Carve-Out Financial Statements to the Adjusted Financial Information.

Table 2.2 (in millions)	Six months ended June 30, 2014	Six months ended June 30, 2013	Year ended December 31, 2013	Year ended December 31, 2012	Year ended December 31, 2011
Westfield Corporation consolidated revenue — Half Year Financial Statements and Carve-Out Financial Statements	**US$351.7**	**US$ 436.4**	**US$1,068.5**	**US$1,248.8**	**US$2,925.3**
— UK operations	109.2	86.7	n/a	n/a	n/a
— Divestment of United States centres	—	(136.5)	(199.7)	(454.2)	(799.4)
— Divestment of United Kingdom centres	(3.6)	(5.3)	(11.2)	(10.4)	(11.0)
Adjusted Westfield Corporation consolidated revenue	**457.3**	**381.3**	**857.6**	**784.2**	**2,114.9**

Table 2.3 below shows Westfield Corporation's Adjusted Property Revenue and Adjusted Net Property Income on a proportionate basis, and has been derived from the consolidated and equity accounted property assets for the six months ended June 30, 2014 and 2013 and for the years ended December 31, 2013, 2012 and

2011. As required under AAS and IFRS, in our financial statements we account for property assets held through entities that we do not control on an equity accounted basis. Net Property Income is property revenue less property expenses, outgoings and other costs. This information has been adjusted to exclude the divestment and joint venture transactions described in "Financial Information Presentation" and the June 30, 2014 and 2013 information has also been adjusted to include the UK operations.

Table 2.3 Adjusted Property Revenue and Net Property Income (in millions)	Six months ended June 30, 2014	Six months ended June 30, 2013	Year ended December 31, 2013	Year ended December 31, 2012	Year ended December 31, 2011
Adjusted property revenue					
— United States — Consolidated	US$240.0	US$239.0	US$ 500.7	US$ 485.2	US$ 480.2
— United States — Equity accounted	246.5	230.2	477.1	472.5	449.0
	486.5	**469.2**	**977.8**	**957.7**	**929.2**
— United Kingdom — Consolidated	68.6	58.2	121.3	131.0	109.8
— United Kingdom — Equity accounted	52.9	45.6	101.3	102.8	23.6
	121.5	**103.8**	**222.6**	**233.8**	**133.4**
Total Adjusted Proportionate Revenue	**608.0**	**573.0**	**1,200.4**	**1,191.5**	**1,062.6**
Adjusted net property income					
— United States — Consolidated	US$146.1	US$157.8	US$ 333.3	US$ 319.9	US$ 310.8
— United States — Equity accounted	173.1	158.8	337.4	336.7	310.5
	319.2	**316.6**	**670.7**	**656.6**	**621.3**
— United Kingdom — Consolidated	50.8	42.4	87.0	84.8	79.4
— United Kingdom — Equity accounted	30.8	28.6	60.7	57.6	11.1
	81.6	**71.0**	**147.7**	**142.4**	**90.5**
Total Adjusted Proportionate Net Property Income	**400.8**	**387.6**	**818.4**	**799.0**	**711.8**

Table 3.0 below sets out summary balance sheet information of Westfield Corporation derived from the Half Year Financial Statements and the Carve-Out Financial Statements.

Table 3.0 Balance Sheet (in millions)	As of June 30, 2014	As of December 31, 2013	As of December 31, 2012
	(reviewed)	(audited)	(audited)
Cash assets (1)	US$ 325.5	US$ 860.2	US$ 258.2
Investment properties	8,963.2	8,084.4	10,498.2
Working capital (2)	(546.0)	(926.8)	(3,206.6)
Total assets (3)	17,376.8	17,783.5	19,749.8
Deferred tax liability	2,891.5	2,960.6	2,884.5
Total liabilities	9,957.2	13,235.6	15,804.4
Net assets	7,419.6	4,547.9	3,945.4

(1) Cash assets for Westfield Corporation are stated after deducting overdrafts and short-term loans of US$0.4 million, nil and US$0.7 million as of June 30, 2014, December 31, 2013 and 2012 respectively.

(2) Current assets less current liabilities.

(3) At June 30, 2014, we had US$5,527.2 million of assets that are either (a) property interests subject to encumbrances or (b) interests in equity accounted entities that own properties subject to encumbrances.

Table 4.0 below sets out summary cash flow information of Westfield Corporation. The cash flow information for the half year ended June 30, 2014 has been derived from the Half Year Financial Statements and adjusted to include the UK operations of the group. The cash flow information for the years ended December 31, 2013, 2012 and 2011 has been derived from the Carve-Out Financial Statements, which includes both the U.S. and the UK operations.

Table 4.0 Cash Flow Statement (in millions)	**For the six months ended June 30, 2014**	**For the year ended December 31, 2013**	**For the year ended December 31, 2012**	**For the year ended December 31, 2011**
Net cash flows from operating activities	US$350.0	US$ 761.2	US$ 930.3	US$1,656.2
Net cash flows from investing activities	246.2	1,972.7	2,014.9	(934.6)

RISK FACTORS

Investing in the Notes offered by this offering memorandum involves risk. You should consider carefully the risks described below before you decide to purchase the Notes. If any of the following risks actually occurs, our business, financial condition and results of operations are likely to suffer. In this case, the trading price of the Notes could decline, and you may lose all or part of your investment.

Risks Relating to Our Business and Industry

Recessionary or low economic growth conditions in our key markets may have an adverse effect on our business.

Recessionary or low economic growth conditions in our key markets have impacted our business in recent years, and future periods of recession or low growth could impact our business and financial performance and may heighten the potential for realization of one or more of the risks outlined in this section, including:

- a reduced ability to lease space in our malls;
- impaired financial condition of our tenants or joint venture partners;
- reduced rental income;
- adverse movements in the valuation of our assets; and
- reduced ability to undertake our development and redevelopment activity.

Our real property portfolio and the returns from our investments could be adversely affected by economic conditions, fluctuations in the value and rental income of our retail properties and other factors.

Returns from an investment in our malls depend largely upon the amount of rental income generated from the properties and the expenses incurred in the operations, including the management and maintenance of the properties, as well as changes in the market value of the properties.

Rental income and the market value of our properties may be adversely affected by a number of factors, including:

- the overall conditions in the national and local economies in which we operate, such as growth (or contraction) in gross domestic product, employment trends, consumer sentiment, retail sales and the level of inflation and interest rates;
- local real estate conditions, such as the level of demand for and supply of retail space;
- our ability to develop and redevelop our properties in order to maximize returns on investment from both increased rental income and capital appreciation of the asset;
- the perception of prospective tenants and shoppers of the attractiveness, convenience and safety of the malls;
- the convenience and quality of competing malls and other retail options such as the growth of e-commerce, as well as other trends in the consumer retail industry;
- the financial condition of our tenants and, in particular, our anchor tenants;
- high or increasing vacancy rates;
- changes in retail tenancy laws;
- terrorist attacks on, or other significant security incidents at, one or more of our malls; and
- external factors including major world events such as war, or natural disasters such as floods and earthquakes.

Inflation can impact our operations through its effect on costs and hence the profitability and performance of individual malls. A decline in the overall performance of our malls due to inflation can potentially reduce our real earnings as well as impact our management fees.

Substantially all of our retailers' leases contain provisions designed to lessen the impact of inflation on our results. In the United States, such provisions include clauses enabling us to receive periodic index based contractual rent increases during the term of the lease or, to a much lesser extent, percentage rents based on retailer's gross sales, which generally increase as prices rise, or both. In the United Kingdom, standard lease terms provide for upward only market reviews every five years during the term of the lease. Some of the leases (except for most anchor leases in the United States) require the retailers to pay a proportionate share of operating expenses, including common area maintenance, real estate taxes and insurance, reducing our exposure to increases in costs and operating expenses resulting from inflation. However, the substantial majority of our leases in the United States require the retailers to pay fixed amounts for common area expenses with fixed annual escalations which are intended to cover inflation. As a result, we may not be able to recover all of our expenses if inflation exceeds the fixed annual increases for these tenants.

Inflation may have a negative effect on some of our other operating items. Interest costs and general and administrative expenses may be adversely affected by inflation as these costs could increase at a rate higher than rents. We enter into interest rate swap contracts and fixed rate debt as a means of reducing our exposure to fluctuations in interest rates.

In addition, other factors may adversely affect a mall's value without necessarily affecting its current revenues and operating income, including:

- changes in laws and governmental regulations, including retail tenancy, zoning, planning, environmental or tax laws;
- potential environmental or other legal liabilities;
- unforeseen capital expenditures;
- supply and demand for retail properties;
- availability of financing;
- changes in interest rates;
- supply of new retail facilities and other investment assets; and
- demand for malls from investors.

If we are unable to raise funds on favorable terms, including to refinance our existing debt and for our development and redevelopment program, our business, our cost of funding and our ability to develop or redevelop existing properties could be adversely affected.

The real estate investment and development industry is highly capital intensive. Our ability to raise funds on favorable terms, including to refinance our existing debt and for our development and redevelopment program, depends on a number of factors (some of which are out of our control) including general economic, political and capital market conditions, credit availability and the performance, reputation and financial strength of our business. An adverse change in one or more of those factors could increase the cost of funding or reduce the availability of funding for our development or redevelopment projects or increase our refinancing risk for maturing debt facilities.

Any disruption in global credit markets, such as the disruptions associated with the global financial crisis and the European sovereign debt crisis, significantly increases the risks associated with refinancing our existing debt facilities or obtaining new funding for our development and redevelopment program on acceptable terms, or

at all. If funding is unavailable to us, we may not be able to proceed or continue with our development and redevelopment program and may need to seek alternative funding, including divestments or equity raisings. To the extent we require funding to refinance existing debt, we may need to take one or more of the actions described under "— Risks Relating to the Notes — Our significant debt level may affect the way we carry on our business in the future and have other adverse effects on us. We currently have a significant amount of debt."

Fluctuations in the fair market value of our properties reflected in revaluations could have an adverse impact on our results of operations and our leverage ratio.

In accordance with AAS, we carry our property investments on our balance sheet at their fair market values. At each reporting date, our board of directors assesses the carrying value of our investment property portfolio, and where the carrying value differs materially from the board of directors' assessment of fair value, we record an adjustment to the carrying value as appropriate. The board of directors' assessment of fair value of each mall takes into account the latest independent valuations, with updates taking into account any changes in estimated yield, underlying income and valuations of comparable malls. As a result, we can have significant non-cash gains or write-downs depending on the change in fair market value of our properties from period to period, whether or not we sell such properties. If a substantial decrease occurs in the fair market value of our properties, our results of operations could be adversely affected and, as a result, we may have difficulty maintaining our desired leverage ratio and other financial measures. This may reduce our flexibility in planning for, or reacting to, changes in our business or industry including our ability to commence new redevelopment projects. There can be no assurance that we will not incur non-cash write-downs arising from property revaluations in future periods.

In addition, a number of our financing agreements, including the Notes, contain leverage ratio covenants that are typically calculated as the ratio of our total borrowings less cash to total assets less cash. Accordingly, a reduction in the value of our properties as a result of revaluations will have an adverse impact on the leverage ratios contained in our financing agreements. See "Description of the Notes and Guarantees — Restrictive Covenants" for details of the leverage ratio covenant of Net Debt to Net Assets to be contained, and as those terms will be defined, in the indenture and supplemental indenture that will govern the Notes.

Our results of operations could be adversely affected by our inability to continue to lease space in malls on economically favorable terms, if at all, or by tenant default.

Our performance depends on our ability to lease space in our malls on economically favorable terms, if at all. As a majority of all of our earnings, excluding property revaluations and mark-to-market valuations of derivative financial instruments, are derived from rental income, our results of operations may be adversely affected if a significant number of tenants or anchor tenants were unable to meet their obligations to us under their leases or if there is a decrease in demand for new retail space in redeveloped malls so that we are unable to find new tenants at economically favorable rental prices. If the retail sales of stores operating in our malls decline significantly due to economic conditions, closure of anchor stores or for other reasons, tenants might be unable to pay their existing minimum rents or common area maintenance charges (since these fixed rents and charges would represent a high percentage of their sales). Further, if tenants' sales decline, new tenants would be less likely to be willing to pay minimum rent as high as they would otherwise pay. During times of economic recession or low economic growth, such as those experienced in the United States, the United Kingdom and Europe in recent years, these risks increase.

We have temporary leasing programs pursuant to which we lease some shopping mall space on a short-term basis, usually for a term of between 30 days to two years, either pending our ability to secure suitable long-term tenants or as a deliberate strategic decision. We may be unable to re-lease any such space upon expiration of a short-term lease, which could adversely affect our results of operations.

As of June 30, 2014, leases of specialty retailers representing approximately 1.8% of specialty GLA, were due to expire during the six months ended December 31, 2014.

A negative effect on the financial condition of an anchor tenant could adversely affect our results of operations.

As of June 30, 2014, anchor stores occupied approximately 50.1% of the total GLA of our malls. The largest anchor store within our total portfolio, measured by GLA, is Macy's Inc., which occupied approximately 38.2% of our total anchor GLA and approximately 19.1% of our total GLA as of June 30, 2014. The remaining 5 largest anchor tenants are also the other 5 largest tenants within our shopping center portfolio as measured by GLA. The approximate total anchor GLA occupied by each of them as a percentage of our total GLA are JC Penney in the United States (7.6%), Sears in the United States (7.0%), Nordstrom in the United States (5.4%), Target in the United States (3.1%) and Dillard's in the United States (2.0%). See "Business Description — Properties — Key Global Operating Statistics." In our malls in the United States, GLA includes both spaces available for lease to anchor retailers and anchor-owned GLA (as in the United States anchor retailers typically own their retail space).

The bankruptcy or insolvency, or a downturn in the business, of any of our anchor tenants or an anchor-owned store, or the failure of any anchor tenant to renew its lease when it expires or continue to operate its store, could adversely affect our results of operations, especially where an anchor tenant accounts for a significant amount of our total rental income. In addition, closure of anchor stores could adversely affect retail sales of other stores operating in the mall because anchor tenants play an important part in generating customer traffic and making malls desirable locations for retailers generally. Certain department stores and other retailers (including some of our anchor tenants) have experienced, and may continue to experience for the foreseeable future, given current macroeconomic uncertainty and current levels of consumer confidence, an impact on customer traffic in their retail stores, competition from alternative retail options such as those accessible via the Internet and other forms of pressure on their business models. As pressure on these department stores and retailers increases, their ability to maintain their stores, meet their obligations both to us and to their external lenders and suppliers, withstand takeover attempts by investors or rivals or avoid bankruptcy and/or liquidation may be impaired and result in closures of their stores.

In the United States, many of our anchor tenants have a clause in their leases that allows the anchor tenants to cease operating, reduce their rent, or terminate their lease if other anchor stores or a percentage of non-anchor tenants at the same property are not occupied and operating. Some non-anchor tenants may be entitled to modify the economic or other terms of their existing leases in the event of such closures. Also, some of the non-anchor tenant leases permit those tenants to terminate their leases or reduce their rent if a number of anchor tenants or a percentage of non-anchor tenants cease to operate at such properties for a specified period of time. Further, these actions could adversely affect our ability to re-lease the space that is vacated and could adversely affect our results of operations.

The leases of certain anchor tenants may permit those tenants to transfer their interests at malls to other retailers, subject in some cases to our consent. Additionally, anchor tenants in the United States who own their own stores may transfer their interests in those stores, subject to the new owners' compliance with existing reciprocal easement agreements relating to those stores. The transfer to a new anchor tenant could adversely affect customer traffic in a mall and thereby reduce the income generated by that mall and could also allow some other anchors and other tenants to make reduced rental payments or to terminate their leases at that mall. Each of these occurrences could adversely affect our income.

A negative change in the financial condition of any of our anchor tenants discussed above could result in a substantial decrease in such tenants' revenues, which in turn could have a negative impact on the overall performance of the affected mall.

We may be unable to expand and redevelop our existing properties or develop new properties successfully.

Our financial performance depends in part upon the continued development of new properties and improvement of our existing properties. As of June 30, 2014, we had four major redevelopment projects under construction, as well as a program of small projects in the United States and United Kingdom, at an estimated total investment of US$2.6 billion, with our share being approximately US$1.9 billion with an estimated yield

range of between 6.5% and 7.5%. As of the same date we had incurred expenditures of US$1.1 billion in respect of our share of the estimated total investment with the balance of US$0.8 billion still to be incurred. We are currently undertaking pre-development activity on approximately US$9 billion of future development opportunities (of which our share would be approximately US$4.5 billion) with an estimated yield range of between 7% and 8%. We will be subject to the risks associated with our expansion and development activities, including risks resulting from:

- construction not being completed on budget and on schedule;
- properties not being leased on the terms anticipated by the feasibility study prepared for the particular project especially if the income derived from the redeveloped malls is lower than expected; or
- our or our joint venture partner's inability to obtain funding on favorable terms, or at all, for our proposed development and redevelopment program.

Development, redevelopment, and expansion activities may also involve the following risks:

- failure to obtain, or delay in obtaining, required permits, licenses or approvals;
- changes in laws and governmental regulations including zoning, planning and environmental laws;
- changes in political and economic environments;
- industrial disputes may delay projects and/or add to the cost of developments;
- construction costs of a project may exceed original estimates or available financing, possibly making the project unprofitable;
- temporary disruption of income from a property being redeveloped;
- failure to maintain leased rates for existing retail space and the inability to lease new retail space, rent abatements, and termination of lease agreements and pre-sale agreements;
- loss of customers due to inconvenience caused by construction;
- incurrence of substantial expenditures before the redevelopment project produces income; and
- delays due to inadequate supply of labor, scarcity of construction materials, lower than expected sales productivity levels, inclement weather conditions, land contamination, difficult site access, objections to the development raised by community interest groups, environmental groups and neighbors, slow decision-making by counterparties, complex construction specifications, changes to design briefs, legal issues and other documentation changes.

If a redevelopment or development project is unsuccessful or does not proceed, our investment cost may exceed the value of the project on completion or we may incur pre-development costs that have to be written off. Our financial performance may be adversely affected in these circumstances.

We may undertake development or redevelopment activities for a third party (including a co-owner) on a fixed price, fixed time basis. Under such arrangements, we would face the additional risk of, among other things, delays resulting in liquidated damages against us, design problems or defects that may result in rectification or costs or liabilities that we cannot recover, or our inability to fulfil our statutory and contractual obligations in relation to the quality of our materials and workmanship, including warranties and defect liability obligations.

Given the significant size and scale of our expansion and development activities, we may incur additional indebtedness to fund required capital expenditures. For a discussion of risks relating to our debt levels, see the discussion in "— Risks Related to the Notes — Our significant debt levels may affect the way we carry on our business in the future and have other adverse effects on us. We currently have a significant amount of debt."

We may have conflicts of interest and/or disputes with our joint venture partners or co-owners in jointly owned properties.

A number of malls in our portfolio are held through joint ventures or co-ownership arrangements. Historically, we have generally held a 50% ownership interest in these co-owned malls although, in a number of cases, our ownership interest is greater than or less than 50%. Recently, the number of properties that we own through joint ventures or co-ownership arrangements has increased significantly in the United States. As of June 30, 2014, approximately 70.8% of our U.S. portfolio by fair value and both of our UK malls were held through joint ventures. In a number of our joint ventures or co-ownership arrangements we do not have exclusive control over the development, financing, leasing, management and other aspects of the malls.

From time to time we are required to make major decisions in respect of co-owned properties, for example, redevelopment and refurbishment, refinancing, the sale of malls or surplus land and the purchase of additional land. Co-owners may be competitors and/or have economic or other business interests or goals that are inconsistent with our business interests or goals, and may be in a position to take actions contrary to our policies or objectives. Disputes between us and co-owners may result in litigation or arbitration that would increase our expenses and may prevent our officers and/or directors from focusing their time and effort on our business.

In addition, pre-emptive provisions or rights of first refusal may apply to sales or transfers of interests in these co-owned properties. These provisions may work to our disadvantage because, among other things, we might be required to make decisions about buying or selling interests in these properties at a time that is disadvantageous to us.

There is also the risk that these co-owners might become bankrupt or default on their obligations, resulting in their interests becoming subject to external administration, transferred to creditors or sold to third parties, or otherwise act in a manner that adversely affects us.

We may be adversely affected if third parties terminate their management and development agreements with us.

Due to the increase in the number of our joint venture arrangements over recent years, the portion of our income derived from property management and development fees has increased and the portion of our income derived from direct property ownership has decreased. We may undertake additional transactions in the future that expand our property management activities and the fees we derive from this part of our business.

We have management and development agreements with third parties under which we undertake management, leasing, development and other services. Each of these agreements may be terminated by our counterparty if we breach the agreement (subject to specified cure periods) or under certain other conditions.

If third parties with whom we have management and development agreements were to terminate those agreements, our income may be adversely affected. In addition, Westfield Corporation may be liable to third parties for damages if it breaches these management agreements.

Illiquidity of our investments in property could adversely affect our ability to vary our investment portfolio if necessary.

Investments in property are relatively illiquid, and some of our properties are subject to contractual limitations on transfer. This illiquidity limits our ability to vary our portfolio promptly in response to changes in economic or other conditions. In times of recession, low economic growth or disruption in financial markets, there are fewer potential buyers of mall assets, and it may be difficult for such potential buyers to obtain financing on acceptable terms, or at all. In addition, the completion of any potential divestment transaction can be dependent on the acquirer obtaining funding from a third party. To the extent that a potential acquirer fails to

obtain the required funding, it may not be able to settle any such transaction, which may cause a reduction of our expected liquidity. There is no assurance that we will be able to dispose of a property at the desired time or at a price greater than our total investment in the property.

The financial performance and the value of a mall would be adversely affected if the revenue from that mall declines and other related expenses remain unchanged.

Significant expenditures associated with each real estate investment, such as mortgage payments, maintenance costs and taxes, are generally not reduced when circumstances cause a reduction in revenue from the investment. Under these circumstances, the financial performance and value of the relevant property would be adversely affected.

Competition with other participants in the real estate industry could have an adverse impact on our income and on our ability to acquire properties, develop land and secure tenants effectively.

We face competition from other United States and United Kingdom / European property groups and other commercial organizations active in the United States and United Kingdom / European property markets. We also face the threat of new competitors emerging both generally and in particular trade areas. Competition in the property market may lead to an oversupply of retail premises through overdevelopment, to prices for existing properties or land for development being inflated through competing bids by potential purchasers or to the rents to be achieved from existing properties being adversely impacted by an oversupply of retail space. Accordingly, the existence of such competition may have a material adverse impact on our ability to secure tenants for our properties at satisfactory rental rates and on a timely basis and to acquire properties or develop land at satisfactory cost.

In addition, our malls are generally located in developed retail and commercial areas, many of which compete with other malls or neighborhood shopping centers within their primary trade area. The amount of rentable space in the relevant primary trade area, the quality of facilities and the nature of stores at such competing malls could each have a material adverse effect on our ability to lease space and on the level of rents we can obtain. In addition, retailers at our malls face increasing competition from other forms of retailing, such as discount shopping centers and clubs, outlet malls, catalogues, video and home shopping networks, direct mail, telemarketing and shopping via the internet.

Changes in consumer shopping patterns and preferences may lead to a decline in consumer traffic at our properties and could have an adverse impact on our results of operations.

A significant portion of our revenues depend on rental income from tenants whose ability to pay rent depends on their ability to generate and maintain retail sales. Retail sales are subject to rapid and occasionally unpredictable changes in consumer sentiment or preferences, including changes to economic conditions, interest rates, levels of disposable income and consumer confidence. If we, or our tenants, misjudge consumer sentiment or preferences, or fail to respond to changing consumer sentiment or preferences, this may result in a decline in our rental income and financial performance.

Consumers spending may become increasingly directed to alternative retail channels, such as “big box” shopping centers, discount malls and clubs, outlet malls, catalogues, video and home shopping networks, direct mail order, telemarketing, e-commerce websites and mobile applications. A shift in consumer spending towards alternative retail channels may lead to a decline in consumer traffic in our properties, which could result in, among other things, a decline in the revenue of our tenants and in a decline in demand for retail space at our properties, each of which could have an adverse impact on our results of operations. In particular, with the advent of e-commerce and mobile technology, online retailing has emerged as the main challenge to conventional “bricks and mortar” retailing in recent years. With consumers increasingly preferring to shop online, retailers are developing their own online shopping platforms to decrease their dependence on traditional retail channels.

Many retailers are as advanced as the consumers in adopting digital and mobile technology. Our malls may gradually lose their appeal and relevance for new age consumers and retailers. Whether we are able to meet this challenge depends on our ability to execute our strategy to connect both groups of consumers and retailers (and the digital world) to our physical malls and ensure our malls continue to play a significant role in modern day life.

Our properties may be uninsured or underinsured against various catastrophic losses and failure to maintain adequate insurance may result in a default under our debt instruments.

We carry material damage, business interruption and liability insurance on our properties with policy specifications and insured limits that we believe are customarily carried for similar properties. However, potential losses of a catastrophic nature such as those arising from floods, earthquakes, terrorism or other similar catastrophic events may be either uninsurable, or, in our judgment, not insurable on a financially reasonable basis, or may not be insured at full replacement cost or may be subject to larger excesses.

We currently carry insurance with respect to terrorism and will continue to seek appropriate coverage having regard to the nature of our properties and operations. The renewal of insurance will be dependent on a number of factors such as the continued availability of coverage, the nature of risks to be covered, the extent of the proposed coverage and costs involved.

In addition, we carry earthquake insurance on our properties located in seismically active areas in an amount and with deductibles that we believe are commercially reasonable.

If an uninsured loss occurs, we could lose both our invested capital in and anticipated profits from the affected property.

Many of our debt instruments, including our mortgage loans secured by our properties, our unsecured bank loan facilities and debt securities, and the Notes offered hereby, contain covenants requiring us to maintain certain levels of insurance for our business and assets. If we fail to maintain insurance as required under these covenants, we would breach our insurance covenants under our debt instruments, which would allow the lenders to declare an event of default and accelerate repayment of the debt. In addition, lenders' requirements regarding coverage for these risks could adversely affect our ability to finance or refinance our properties and to expand our portfolio.

Failure to hedge effectively against adverse fluctuations in interest rates could negatively impact our results of operations.

We are subject to the risk of rising interest rates associated with borrowing on a floating rate basis. We may manage all or part of our exposure to adverse fluctuations in floating interest rates by entering into interest rate hedging arrangements, including derivative financial instruments. Such arrangements involve risk, such as the risk that counterparties may fail to honor their obligations under these arrangements, and that such arrangements may not be effective in reducing our exposure to movements in interest rates. To the extent we do not hedge or do not hedge effectively against movements in interest rates, such interest rate movements may adversely affect our results of operations.

Due to documentation, designation and effectiveness requirements under AAS, our interest rate derivative financial instruments used for hedging interest rate exposure do not usually qualify for hedge accounting. As a consequence, we may experience volatility in our reported earnings due to changes in the mark-to-market valuations of our interest rate derivative financial instruments. There can be no assurance that we will not incur non-cash losses in future periods.

Although our interest rate hedging transactions are undertaken to achieve economic outcomes in line with our treasury policy, there can be no assurance that such transactions or treasury policy will be effective.

Fluctuations in foreign exchange rates could negatively affect our earnings and our ability to satisfy our obligations under our outstanding indebtedness.

We derive US$ and UK£ denominated earnings from our mall investments in the United States and the United Kingdom, respectively. In the future we expect to derive € denominated earnings from our mall investment in Milan, Italy and we may enter into new markets. If our business expands into other jurisdictions it will be exposed to the currencies of those jurisdictions. To the extent we do not hedge or do not hedge effectively against movements in the exchange rate of these currencies, such exchange rate movements may adversely affect our earnings and / or balance sheet. We may manage the impact of exchange rate movements on both our earnings and balance sheet by entering into hedging transactions, including derivative financial instruments.

Due to documentation, designation and effectiveness requirements under AAS, our currency derivative financial instruments used for hedging exchange rate exposure do not usually qualify for hedge accounting. As a consequence, we may experience volatility in our reported earnings due to changes in the mark-to-market valuations of our currency derivative financial instruments. There can be no assurance that we will not incur such non-cash losses in future periods which will have an adverse effect on our results of operations.

Although our exchange rate hedging transactions are undertaken to achieve economic outcomes in line with our treasury policy, there can be no assurance that such transactions or treasury policy will be effective.

We face a number of risks in connection with any acquisitions of property assets and related redevelopment projects that we may undertake.

We may pursue acquisitions of property assets and related redevelopment projects as opportunities arise that meet our criteria and if funding is available. Property assets and redevelopment projects may be acquired directly or indirectly through acquisition of entities that own development projects and properties. Such acquisitions involve a number of risks inherent in assessing the values, strengths, weaknesses and profitability of the property assets. While our policy is to undertake appropriate due diligence in order to assess these risks, unexpected problems and latent liabilities or contingencies such as the existence of hazardous substances (for example, asbestos or other environmental liabilities) may still emerge.

Additionally, the indirect acquisition of properties and related redevelopment projects through, for example, the takeover of another listed property-owning entity may not allow for the usual standard of due diligence for a specific property acquisition to be undertaken.

Acquisition activities will also involve the following risks:

- the acquired properties may not achieve anticipated rental rates or leased rates;
- assumptions or judgments with respect to improvements to the financial returns (including the leased rates and rents of a completed project) of acquired properties may prove inaccurate;
- we may abandon acquisition opportunities that we use funds to explore and incur transaction costs that cannot be recovered;
- we may be unable to obtain anchor tenants, financier and co-owner or joint venture approvals, if applicable, for expansion activities; and
- we may be unable to obtain necessary regulatory licenses and approvals for expansion activities.

By growing through acquisition, we will face the operational and financial risks commonly encountered with such a strategy, including continuity or assimilation of operations or employees, dissipation of our management resources and impairment and restructuring of relationships with employees and tenants of the acquired property as a result of changes in ownership and management. In addition, depending on the type of transaction, it can take a period of time to realize the full benefits of the acquisition. Moreover, during a period following such a transaction, our operating results may decrease compared to results prior to the transaction.

Furthermore, if we acquire property assets or undertake development projects outside of the countries in which we currently operate, such as our entry into Milan, Italy, the above risks would be heightened. This arises from our possible unfamiliarity and lack of experience with local conditions. We may also face additional risks to those stated above.

We may also face financial risks associated with incurring additional indebtedness to make acquisitions as described in "— Risks Relating to the Notes — Our significant debt levels may affect the way we carry on our business in the future and have other adverse effects on us. We currently have a significant amount of debt." To the extent acquisitions are funded by short term or bridge financing facilities, we also face the risk of not being able to refinance such financing facilities prior to their stated maturities on favorable terms, or at all. During times of economic uncertainties or global credit market disruption, this risk increases.

We face risks associated with operating in multiple countries and expanding into new markets outside of the United States and the United Kingdom / Europe.

As of June 30, 2014, we owned, including through joint ventures, and/or operated properties in the United States and the United Kingdom and were in the process of developing a property in Milan, Italy. In the future, we may pursue expansion and development opportunities in additional markets. International development and ownership activities carry risks that may be different from those related to our existing properties and operations. These risks generally include, among others:

- the costs and difficulties of managing operations in multiple jurisdictions with wide geographical reach;
- differing foreign political and economic environments, regionally, nationally and locally;
- difficulties of complying with the variety of laws and regulations of each of the jurisdictions, including obtaining and maintaining authorizations, laws affecting funding, corporate governance, property ownership, development activities, operations, anti-corruption, taxes and litigation;
- managing any extra-territorial reach of the laws of jurisdictions such as the U.S. Foreign Corrupt Practices Act and the UK Bribery Act;
- differences in business practices, including lending, employment and labor practices;
- differences in cultures, social expectations and language;
- adverse tax consequences or inefficiencies arising from carrying on operations in a large number of countries and potentially in new jurisdictions;
- obstacles to repatriation of earnings and cash; and
- multiplicity of cross-border transactions and exchange rate risks.

We also face a number of risks as we grow our business and expand into new markets.

First, development and acquisition activities in different markets carry different inherent risks, such as those described above. These differences may mean that practices and strategies that have been successful in one market may not be able to be successfully adopted for another market.

Second, the difficulties in managing these different risks increase due to our unfamiliarity with and lack of experience in the new markets, especially during the initial period when we first enter the markets and learn to adapt our strategies in those markets.

Third, integration of new businesses may be costly and may occupy a large amount of management time and there is a risk that we will not derive the optimum value which we expect from the integration of new businesses. Any failure of the execution of growth initiatives may have an adverse effect on our future financial performance and position.

Fourth, while we will initially have operations in developed markets (United States and United Kingdom, and a development property in Milan, Italy) we may expand our business to emerging or developing markets. Investments in such markets involve risks not typically associated with investments in developed markets. While some of the more advanced emerging market countries have experienced rapid growth and industrialization, there is no assurance that this growth rate will be maintained. Such markets are more likely than developed markets to experience volatility, inefficiencies and anomalies which are not necessarily compensated by higher return in investment.

Such different and heightened risks include restrictions on foreign ownership of assets, inability to verify local information or opinions obtained overseas (including audit work), difficulty in establishing robust internal controls and risk management system for the local operations, greater risk of related party transactions from reliance on a limited number of key persons for the local operations, greater difficulty in enforcing intellectual property rights, perceived lack of a rule of law, corruption or fraud, less uniformity in accounting and reporting requirements, lack of publicly available information, uncertain trade policies, restrictive currency regulations and foreign exchange controls, expropriation and/or nationalization of assets, confiscatory taxation, political instability, including authoritarian government, military intervention in governmental decision making, confrontation with neighboring countries, armed conflict, civil war and social instability as a result of political, religious, ethnic and/or socio-economic unrest.

We are exposed to counterparty credit risk from our financing activities and insurance policies that may adversely affect our financial performance.

Counterparty credit risk is the risk of a loss being sustained by us as a result of payment default by the counterparty with whom we have placed funds on deposit or entered into hedging transactions to hedge our interest rate and foreign exchange risks. The extent of our loss could be the full amount of the deposit or, in the case of hedging transactions, the cost of replacing those transactions. Under our treasury risk management policy, we only deal with counterparties that we believe are of good credit standing and we have assigned a maximum exposure to each of them according to our assessment of their credit-worthiness. These determinations are based upon their credit ratings and other factors. Even banks and financial institutions with high credit ratings can default, and several of them have experienced severe difficulties in recent years. Counterparty credit risk also arises to the extent that a claim made under an insurance policy is not paid due to the insolvency or illiquidity of the insurance company.

There can be no assurance that we will successfully manage this risk or that such payment defaults by counterparties will not adversely affect our financial condition or performance.

Regulatory issues and changes in laws could adversely affect our income and our ability to take advantage of acquisition opportunities.

We are subject to the usual business risk that there may be changes in laws that reduce our income or increase our costs. For example, there could be changes in retail tenancy laws that limit our recovery of certain property operating expenses, new or revised legislation on climate change and energy such as emissions trading, targets for renewable energy and energy efficiency, the costs of which may not be recoverable from tenants, changes or increases in real estate taxes that cannot be recovered from our tenants or changes in environmental laws that require significant capital expenditures.

Regulatory issues and changes in laws and accounting standards could adversely affect our reported earnings and our reported financial performance.

We are subject to the usual risk that there may be changes in laws and accounting standards as well as changes in the interpretation of such laws and accounting standards that may change the basis we are required to use to prepare our financial statements, which may adversely affect our reported earnings and our reported financial performance.

Changes in tax laws may adversely impact our expected tax liabilities.

Changes in tax laws, or changes in the way tax laws are interpreted in the various jurisdictions in which we operate, may impact our future tax liabilities.

Under the rules governing the taxation of trusts in Division 6 of Part III of the Income Tax Assessment Act 1936 ("ITAA 1936") and current practice, it is the case that neither WFD Trust nor WAT is liable for Australian income tax, including capital gains tax, provided that members are presently entitled to the income of each trust as determined in accordance with the relevant trust's constitution. If WFD Trust or WAT lost its Division 6 trust tax status due to the failure to satisfy the exclusions from the application of the provisions in Division 6B or 6C of Part III of the ITAA 1936, then WFD Trust or WAT or both would be taxed at the corporate tax rate of 30% of its net taxable income.

In March 2011, the Australian Government released a discussion paper proposing changes to the taxation of trusts, including managed investment schemes such as WFD Trust and WAT, and their beneficiaries. This paper has been followed by multiple announcements and consultation and discussion papers from the Assistant Treasurer and Board of Taxation. The start date has been deferred and such changes will not have effect until July 1, 2015 at the earliest. Based on the discussion papers and subsequent consultations, the proposed changes to the tax rules for the investors and trustees of managed investment schemes are generally designed to legislate current industry practice. Accordingly, we do not anticipate any material changes to the current tax position of WFD Trust or WAT. However, until the proposed rules are released, there can be no assurance that these changes will not adversely affect our business.

Adverse consequences could arise in the event WEA, a United States subsidiary of WAT, fails to qualify as a real estate investment trust, or REIT, under United States federal income tax laws.

Qualification as a REIT involves the application of highly technical provisions. Although we believe that WEA has operated and currently operates in a manner so as to qualify as a REIT, no assurance can be given that WEA is, or will remain, so qualified. Although we are not aware of pending legislation that would adversely affect WEA's ability to operate as a REIT, no assurance can be given that new legislation, regulations, administrative interpretations or court decisions will not change the laws with respect to its qualification as a REIT.

If WEA fails to qualify as a REIT in any taxable year, then WEA will be required to pay United States federal income tax (including any applicable alternative minimum tax) on its taxable income at regular corporate rates. If WEA loses its REIT status, then net earnings of WEA available for investment or distribution to shareholders would be significantly reduced for each of the years involved and WEA would no longer be required to make distributions to its shareholders.

Under the terms of the tax treaty currently in force between the United States and Australia, United States withholding tax generally applies to dividends paid by WEA to WAT and WCL at a rate of 15%, except to the extent that a shareholder of WAT holds directly or indirectly a greater than 10% interest in WEA. To such extent, a dividend may be subject to United States withholding tax at a rate of 30% rather than 15% on such shareholder's share of dividends from WEA.

Compliance or failure to comply with safety regulations and requirements for disabled people could result in substantial costs.

A number of United States and United Kingdom laws and regulations, including the U.S. Americans with Disabilities Act of 1990, exist that may require modifications to existing buildings on our properties or restrict some renovations by requiring improved access to such buildings by disabled persons. Additional legislation or regulations may impose further obligations on owners with respect to improved access by disabled persons. The

costs of compliance with such laws and regulations may be substantial, and limits or restrictions on completion of some renovations may limit implementation of our investment strategy in some instances or reduce overall returns on our investments. We could be adversely affected by the costs of compliance with such laws and regulations.

We are subject to extensive environmental regulations that could impose significant costs or liabilities on us.

As an owner and operator of real property in the United States, the United Kingdom and of a development property in Milan, Italy, we are subject to extensive regulation under environmental laws. These laws vary by jurisdiction and are subject to change. Current and future environmental laws could impose significant costs or liabilities on us.

For instance, under certain environmental laws, current or former owners or operators of real property may become liable for costs and damages resulting from soil or water contaminated by hazardous substances (for example, as a result of leaking underground storage tanks). These laws often impose liability without regard to whether the owner or operator knew of, or was responsible for, the presence of such substances. Persons who arrange for the disposal of hazardous substances (for example, at a landfill) also may be liable. In some cases, liability may be joint and several. These laws may result in significant unforeseen costs to us, or impair our ability to sell or rent real property or to borrow money using contaminated property as collateral, on terms acceptable to us or at all.

In addition, the presence of hazardous substances on our properties could result in personal injury claims. These claims could result in costs or liabilities that could exceed the value of the property on which hazardous substances are present. Environmental incidents could adversely affect the operations of a property including its closure.

Asbestos-containing materials are present in a number of our malls as a consequence of building practices typical at the time the malls were constructed. Environmental and safety laws regulate these materials and allow personal injury claims for damages due to exposure to such materials. Although the costs and liabilities associated with such laws have not been material to us in the past, there can be no assurance that they will not be material in the future.

It is our practice on acquisition, where considered necessary, to subject the properties to an environmental assessment (commonly referred to as Phase I, which generally involves a review of records with no visual inspection of the property or soil or ground water sampling) by independent consultants. However, these assessments may fail to identify all environmental problems. Based on these assessments and our past experience, we are not aware of any environmental claims or other liabilities that would require material expenditures by us. However, we could become subject to such claims or liabilities in the future.

Terrorist attacks or other security incidents or war could harm the demand for and the value of our properties.

Terrorist attacks or other security incidents or war could harm the demand for, and the value of, our properties. Certain of our properties are well-known landmarks or located near well-known landmarks and may be perceived as more likely terrorist targets than similar, less recognizable properties, which could potentially reduce the demand for, and value of, these properties. Further, future terrorist attacks or other security incidents could discourage consumers from shopping in public places like our malls. A decrease in consumer retail demand or tenancy demand could make it difficult for us to renew the leases, or re-lease our properties, at lease rates equal to or above historical rates or then-prevailing market rates. To the extent that our tenants are impacted by future terrorist attacks or other security incidents, their ability to continue to honor obligations under their existing leases with us could be adversely affected.

Cyber security risks and cyber incidents could adversely affect our business and disrupt operations.

Cyber incidents, such as gaining unauthorized access to digital systems for purposes of misappropriating assets or sensitive information, corrupting data, or causing operational disruption, can result from deliberate attacks or unintentional events. The result of these incidents could include, but are not limited to, disrupted operations, misstated financial data, liability for stolen assets or information, increased cyber security protection costs, litigation and reputational damage adversely affecting customer or investor confidence or other adverse effects on our business.

We are developing applications or information technology systems to connect the digital consumer with our malls and tenants, which may involve the collection, storage, and transmission of credit card information and personal identification data of consumers. If the security of the consumer data stored on our servers or transmitted by our networks were to be breached, we could become subject to litigation, we could be required to pay fines, costs and/or penalties imposed as a result of legislation or regulation in the United States, United Kingdom or other jurisdictions in which we operate in the future and our reputation could be adversely affected, which could negatively impact consumers' use of our digital technologies. Similarly, our tenants collect, store and transmit credit card information and personal identification data of their customers in connection with the operation of their businesses. If a significant tenant or significant number of tenants were to experience a breach in their information technology security, their results of operations could be adversely impacted, which in turn could result in a substantial decrease in the revenues directly or indirectly controlled by such tenants and adversely impact the overall performance of the affected malls.

Risks Relating to the Notes

Our significant debt levels may affect the way we carry on our business in the future and have other adverse effects on us. We currently have a significant amount of debt.

As of June 30, 2014, on a consolidated basis, we had net debt (total borrowings less cash) of US$5.0 billion. Our leverage ratio, calculated in accordance with the leverage ratio covenant of Net Debt to Net Assets to be contained, and as those terms will be defined, in the indenture and supplemental indenture that will govern the Notes, was 29.4% on a consolidated basis as of the same date. We expect to maintain a leverage ratio of 30% to 40% over the long term. As a result, we expect that our leverage ratio will increase in the future.

Some of the material consequences of having significant debt levels are as follows:

- we will need to use a substantial portion of cash from our operating activities to pay interest on our debt. Our ability to generate sufficient cash from our business to repay our debts is subject to various factors including many which are beyond our control (see "— Risks Related to the Notes — We may not be able to generate sufficient cash flow to satisfy our existing and future debt obligations");
- our flexibility in planning for, or reacting to, changes in our business and the industry in which we operate may be limited because our available cash flow after repaying principal and paying interest on our debt may not be sufficient to meet the capital and other expenditures needed to address these changes;
- adverse economic, credit or financial market or industry conditions are more likely to have a negative effect on our business because, during periods in which our experiences lower earnings and cash flow, we will be required to devote a proportionally greater amount of our cash flow to repaying principal and paying interest on our debt;
- we may be at a competitive disadvantage to our competitors that have relatively less debt and have more cash flow available to devote to capital expenditures and other strategic purposes;
- our ability to obtain financing in the future for our development and redevelopment program, working capital, capital expenditures or other purposes on acceptable terms or at all may be limited because of the restrictions contained in existing debt agreements and debt levels;

- our ability to make acquisitions and take advantage of significant business opportunities may be negatively affected if we need to obtain the consent of our lenders to take any such action or if, because of existing debt levels, we are not able to obtain additional financing for these opportunities; and
- our credit rating may be adversely affected, which may impact our ability to access new financing and/or the price of new financing.

In addition, leverage levels may be reviewed and modified from time to time without notice to or approval of our securityholders. Specifically, we may decide to exceed our current debt level for a major acquisition or to fund our development program provided that we believe it is in keeping with our strategy at that time which may include returning to our desired leverage ratio over a period of time.

If our cash flow and capital resources are not sufficient to make principal repayments and interest payments on our debt and fund our working capital and other business needs, we could be forced to:

- reduce or delay scheduled capital expenditures, development and redevelopment programs or forgo acquisitions or other business opportunities;
- sell material assets or operations;
- raise additional equity capital (including hybrid equity capital);
- restructure or refinance our debt; or
- undertake other protective measures.

Some of these transactions could occur at times or on terms that are disadvantageous to us.

Slow economic growth conditions, such as those recently experienced in the United States, the United Kingdom and Europe, or disruptions in global credit markets such as those associated with the global financial crisis and the European sovereign debt crisis since 2007, could result in a higher than normal risk that, if we were required to take such steps in these circumstances, the transaction terms would be disadvantageous to us, or such options may not be available at all.

The credit rating agencies review the credit ratings they have assigned to us from time to time, including at the half-year periods. Any downgrade of our credit rating or adverse change in credit outlook assigned by a credit rating agency could adversely affect our financial condition and our business operations by increasing our costs for, or limiting or preventing us from securing, additional financing for future business or liquidity needs. There can be no assurance that the credit ratings assigned to us will not change.

We may not be able to generate sufficient cash flow to satisfy our existing and future debt obligations.

Our ability to pay the principal and interest on our debt depends on the future performance of our business, which, to a certain extent, is subject to general economic, financial, competitive, legislative, regulatory and other factors, many of which are beyond our control. Our historical financial results have been, and we anticipate that our future financial results will continue to be, subject to fluctuations. Our business may not generate sufficient cash flow from operations to enable us to satisfy our debt and other obligations. In addition, we may not have sufficient future financing facilities available to us to enable us to pay our debt, including the Notes and amounts outstanding under our other financing arrangements, or to fund our other liquidity needs. If we are unable to meet our debt service obligations or fund our other liquidity needs, we may attempt to restructure or refinance our debt or seek additional equity capital (including hybrid equity capital) or we may be required to sell assets. These financing transactions could occur at times or on terms that are disadvantageous to us. During times of economic recession or low economic growth, such as those recently experienced in the United States and the United Kingdom, this risk increases. In addition, because of the terms of our other indebtedness, we may not be able to restructure or refinance our debt on satisfactory terms.

Despite our current debt levels, we may be able to incur substantially more debt, which could increase the risks described above.

We may be able to incur substantial additional debt in the future. We intend to maintain our leverage ratio in the 30% to 40% range over the long term. We may review and modify our leverage levels from time to time without notice to or any approval of our security holders. Specifically, we may decide to exceed our current debt level for a major acquisition provided that we believe we can return to our desired leverage ratio within a short period of time.

Our ability to incur indebtedness depends, in part, upon our continued compliance with the financial covenants contained in the agreements governing our indebtedness, including the indenture and supplemental indenture that will govern the Notes. The amount of indebtedness that we can incur will vary as a result of changes in our earnings and cash flows and the value of our assets. As of June 30, 2014, on a consolidated basis, our leverage ratio, calculated in accordance with the leverage ratio covenant of Net Debt to Net Assets to be contained, and as those terms will be defined, in the indenture and supplemental indenture that will govern the Notes, was 29.4%.

As the Notes and the guarantees are unsecured, your right to receive payment may be adversely affected.

The Notes and the guarantees will be unsecured. As of June 30, 2014, on a consolidated basis, we had outstanding indebtedness of US$5.4 billion, of which US$4.5 billion was unsecured and US$0.9 billion was secured. To the extent that the Issuers or the guarantors have granted security interests over their assets, the secured lenders will be entitled to exercise the remedies available to them under applicable laws. Depending on the relevant circumstances and applicable laws, if the Issuers default on the Notes or the guarantors default on the guarantees, or after the bankruptcy, liquidation or reorganization of any of them, then any assets that are secured will be used to satisfy the obligations under that secured indebtedness before payment on the Notes or the guarantees can be made. In such case, there may only be limited assets available to make payments on the Notes or the guarantees in the event of an acceleration of the Notes. There can be no assurance that there will be sufficient assets to pay amounts due on the Notes. As a result, you may receive less ratably than the lenders of our secured indebtedness. If there is not enough collateral to satisfy the obligations of the secured indebtedness, then, subject to the provisions of applicable laws, the amounts remaining unpaid on the secured indebtedness would share equally with all unsubordinated unsecured indebtedness.

Your right to receive payments on the Notes or the guarantees may be adversely affected by laws relating to creditors' rights, fraudulent conveyance, Australian insolvency laws and similar laws.

WCL, WFD Trust, WAT and the subsidiary guarantor are constituted or organized under the laws of the Commonwealth of Australia and, therefore, insolvency proceedings with respect to them would be likely to proceed under, and be governed by, Australian insolvency laws, as applicable. The procedural and substantive provisions of Australian insolvency laws afford debtors and unsecured creditors only limited protection from the claims of secured creditors. It may not be possible for the guarantors, the Issuers or other unsecured creditors to prevent or delay the secured creditors from enforcing their security to repay the debts due to them. As of June 30, 2014, on a consolidated basis, we had secured borrowings of US$0.9 billion.

Fraudulent conveyance laws or similar provisions or principles have been enacted or exist for the protection of creditors in a number of jurisdictions (including, in addition to those jurisdictions referenced above, the United States), and guarantees of the Notes by the guarantors may be subject to claims that they should be subordinated or avoided in favor of creditors of the guarantors.

Even if a court determined that a guarantor was not insolvent at the time the Notes were issued, payments under the guarantees may constitute fraudulent transfers or preferences or may be otherwise avoided on other grounds. To the extent that the guarantee of any of the guarantors is voided as a fraudulent conveyance or otherwise held to be unenforceable, your claim against that guarantor could be lost or limited, and you could be required to return payments previously received from any such guarantor.

Under Australian law, if an order to wind up were to be made against any guarantor and a liquidator was appointed for any such guarantor, the liquidator would have the power to investigate the validity of past transactions and may seek various court orders, including orders to void certain transactions entered into prior to the winding up of such guarantor and for the repayment of money. These include transactions entered into within a specified period of the winding up that a court considers uncommercial transactions or transactions entered into when winding up was imminent that had the effect of preferring a creditor or creditors or otherwise defeating, delaying or interfering with the rights of creditors.

As a matter of English Law, if Westfield UK & Europe Finance plc is the subject of a formal insolvency process, certain types of antecedent transaction which are entered into by Westfield UK & Europe Finance plc before the start of the insolvency process may be challenged under the provisions of the Insolvency Act 1986. These include, but are not limited to, transactions at an undervalue, preferences, and transactions defrauding creditors. Subject to certain conditions, an office holder may apply to the court for an order to set aside such a transaction and if the office holder is successful, the court has a wide discretion to make an order reversing the effect of such a transaction.

In addition to the matters described above, under the laws of the jurisdictions where the guarantors are organized, the guarantees given by those other guarantors may be set aside, subordinated or otherwise avoided by the application of fraudulent conveyance, financial assistance, bankruptcy, insolvency and administration, statutory management, equitable subordination principles or other similar provisions or principles existing under the laws of the relevant jurisdiction, including as a result of the application of laws in relation to the duties of directors to act in good faith and for proper purposes. In addition, other debts and liabilities of those guarantors, such as certain employee entitlements or amounts owed to tax authorities, may rank ahead of claims under the guarantees in the event of administration or insolvency or statutory management or similar proceedings. If one or more of the guarantees are set aside or otherwise avoided, your claim against the guarantors giving those guarantees could be lost or limited and it is possible that you will only have a claim against the Issuers and any remaining guarantors.

There is no established trading market for the Notes that the Issuers are offering and one may not develop.

The Notes will be new securities for which there currently is no established trading market. There can be no assurance that a liquid market will develop for the Notes, that you will be able to sell your Notes at a particular time or that the price you receive when you sell will be favorable. The Notes are subject to restrictions on transfer, which are described under "Notice to Investors." The liquidity of any market for the Notes will depend on a number of factors, including:

- the number of holders of the Notes;
- our operating performance and financial condition;
- changes to credit ratings assigned to the Notes or the withdrawal of an existing credit rating;
- the market for similar securities;
- the risk aversion of investors, which may be associated with events such as the recent European sovereign debt crisis;
- the interest of securities dealers in making a market for the Notes; and
- prevailing interest rates.

An active market for the Notes may not develop and, if it develops, it may not continue. We may list the Notes on a securities exchange that qualifies as a "recognised stock exchange" for UK tax purposes. However, no assurance can be given that the Notes will be admitted for listing on a "recognised stock exchange" or that, if listed, such listing will be maintained or a trading market will develop. If the Notes are not listed on a "recognised stock exchange", payments of interest by Westfield UK & Europe Finance plc (if any) on the Notes would be subject to withholding or deduction for UK tax purposes. See "Tax Matters — Certain United Kingdom

Tax Consequences — Payments of interest by Westfield UK & Europe Finance plc." The lack of a liquid, active trading market for the Notes may adversely affect the price of the Notes or may otherwise impede a holder's ability to dispose of the Notes.

Exchange rate risks and exchange controls may reduce the return on the Notes.

The Issuers will pay principal and interest on the Notes and the guarantors will make any payments under the guarantees in U.S. dollars. This may present certain risks relating to currency conversion if an investor's financial activities are denominated principally in a currency or currency unit other than U.S. dollars (the "Investor's Currency"). These include the risk that exchange rates may significantly change (including changes due to devaluation of the U.S. dollar or revaluation of the Investor's Currency) and the risk that authorities with jurisdiction over the Investor's Currency may impose or modify exchange controls. An appreciation in the value of the Investor's Currency relative to the U.S. dollar would decrease (1) the Investor's Currency-equivalent yield on the Notes, (2) the Investor's Currency-equivalent value of the principal payable on the Notes and (3) the Investor's Currency-equivalent market value of the Notes.

Government and monetary authorities may impose (as some have done in the past) exchange controls that could adversely affect an applicable exchange rate. As a result, investors may receive less interest or principal than expected.

Credit ratings may not reflect all risks of investing in the Notes.

The credit ratings may not reflect the potential impact of all risks that may affect the value of the Notes. A credit rating is not a recommendation to buy, sell or hold securities and may be revised or withdrawn by the credit rating agency at any time.

Since the parent guarantors conduct their operations through other subsidiaries, your right to receive payments on the guarantees is dependent on the payment of dividends or distributions to the parent guarantors by their respective subsidiaries.

WCL is a holding company and substantially all of its operations are carried on through its subsidiaries. Its principal source of income is dividends, and its ability to meet its financial obligations is dependent on the level of dividends, loan repayments, distributions and other intercompany transfers of funds it receives from its subsidiaries. There is no contractual obligation for WCL's subsidiaries to make regular dividend payments to it. Under English law, distributions may only be paid if the subsidiary has "profits available" to make the distribution, justified by reference to specially prepared initial or interim accounts or the subsidiary's annual accounts. In addition, the ability of the directors of a subsidiary of WCL to declare dividends or the amount of dividends they may pay will depend on that subsidiary's operating results and will be subject to applicable laws and regulations. For example, under Australian law, a company may not pay a dividend unless it satisfies certain balance sheet solvency requirements. Claims of creditors of WCL's subsidiaries have priority to the assets of such subsidiaries over the claims of WCL. Consequently, the claims of the holders of Notes issued by the Issuers and guaranteed by WCL are structurally subordinated, in the event of the insolvency of WCL and its subsidiaries, to the claims of the creditors of subsidiaries of WCL (other than the Issuers that are subsidiaries of WCL).

WAML is the trustee and responsible entity of each of WFD Trust and WAT. All of the operations are conducted and assets are owned by each of the respective trusts and the subsidiaries of the respective trusts. WAML, as parent guarantor, will only be able to satisfy the claims of its creditors, including claims of holders of the Notes issued by the Issuers and guaranteed by WAML (in its separate capacities as trustee and responsible entity of WFD Trust and of WAT) under the guarantees, out of the assets of the respective trusts, including any dividends, loan repayments, distributions or other intercompany transfers of funds that such trust receives from its respective subsidiaries. There is no contractual obligation for subsidiaries of WFD Trust or WAT to make regular dividend payments or distributions to WAML as the responsible entity of WFD Trust and of WAT. Claims of creditors of subsidiaries of the trusts have priority to the assets of such subsidiaries over the claims of

WAML. Consequently, in the event of the insolvency of either WFD Trust or WAT, the claims of the holders of Notes issued by the Issuers and guaranteed by WAML (in its separate capacities as trustee and responsible entity of WFD Trust and of WAT) will be structurally subordinated to the claims of the creditors of subsidiaries of WFD Trust and WAT (other than WEA Finance LLC).

Generally, Issuers' assets are the loans they make to members of Westfield Corporation. Therefore, the Issuers are dependent upon loan repayments to be able to make payments under the Notes.

WEA Finance LLC is a majority owned indirect finance subsidiary of WAT and Westfield UK & Europe Finance plc is a wholly owned indirect finance subsidiary of WCL. The assets of each Issuer consist principally of loans made to members of Westfield Corporation. Therefore, the Issuers are dependent on loan repayments or intercompany transfers of funds they receive from such entities.

Your right to receive payment under the Notes will effectively rank behind the creditors of our subsidiaries not guaranteeing the Notes.

Not all of the current and future subsidiaries of WCL, WFD Trust or WAT will guarantee the Notes. In addition, there are no provisions in the indenture or supplemental indenture that will govern the Notes that would require any future finance subsidiaries, or any other subsidiary, of WCL, WFD Trust or WAT that guarantees the indebtedness of its parent or any of their subsidiaries, to become a subsidiary guarantor.

One of our finance subsidiaries that is not guaranteeing the Notes is a guarantor under our existing debt facilities and derivative contracts. This finance subsidiary is not guaranteeing the Notes because we intend to wind down its activities over time.

In the event that any of our non-guarantor subsidiaries becomes insolvent, liquidates, reorganizes, dissolves or otherwise winds up, the assets of that non-guarantor subsidiary will be used first to satisfy the claims of its creditors. Where such a non-guarantor subsidiary has on-lent the proceeds of borrowings to, or undertaken internal derivative contracts with, other non-guarantor subsidiaries, the assets available to its creditors will include the non-guarantor subsidiary's claims as a creditor of such non-guarantor subsidiary, which will rank ahead of noteholders' indirect claims on the equity of such non-guarantor subsidiaries. Consequently, your claims will be structurally subordinated to all of the claims of the creditors of (including lenders to, or beneficiaries of guarantees given by) such non-guarantor subsidiaries.

Noteholders will not be entitled to the benefits of the Master Negative Pledge Deed Poll and Master Guarantee Deed Poll.

In connection with the Restructuring, WCL and WAML (in its separate capacities as trustee and responsible entity of WFD Trust and of WAT) entered into a Master Negative Pledge Deed Poll, or Master Negative Pledge, which contains certain undertakings and financial covenants, representations and warranties by WCL and WAML (in its separate capacities as trustee and responsible entity of WFD Trust and of WAT) in respect of themselves and certain other controlled entities. See "Business Description — Policies and Objectives with Respect to Investments, Financing and Other Activities — Master Negative Pledge Deed Poll." The Master Negative Pledge is given for the benefit of each present and future "finance party." The term "finance party" is defined as any person designated as a finance party for the purposes of the Master Negative Pledge in a finance document. To the extent that a document relating to our financing arrangements is designated as a finance document and the bank or financial institution providing such arrangements to us is designated a finance party, such bank or financial institution will be entitled to the benefits of the Master Negative Pledge. The holders of the Notes will not be designated as finance parties and, therefore, will not be entitled to the benefits of the Master Negative Pledge.

In addition to the Master Negative Pledge, WCL and WAML (in its separate capacities as trustee and responsible entity of WFD Trust and of WAT) and certain subsidiaries of WCL, WFD Trust and WAT (not

including WEA and WALP but including the Issuers and the subsidiary guarantor) entered into a Master Guarantee Deed Poll, or Master Guarantee, pursuant to which WCL and WAML severally, and those subsidiaries of WCL and WAML, jointly and severally, agreed to guarantee unconditionally and irrevocably the monetary obligations of a "debtor" to a "guarantee beneficiary." A "debtor" is defined as those finance subsidiaries of WCL, WFD Trust and WAT which are party to the Master Guarantee: this includes the Issuers and the subsidiary guarantor, but also includes other subsidiaries of WCL, WFD Trust and WAT. The term "guarantee beneficiary" is defined as any person designated as a "guarantee beneficiary" for the purposes of the Master Guarantee in respect of a finance document. As in the case of the Master Negative Pledge, only persons given the benefit of the Master Guarantee can rely on it. The holders of Notes will not have the benefit of the Master Guarantee and accordingly will have no claim against those finance subsidiaries which are bound by the Master Guarantee but are not Issuers or the subsidiary guarantor. See "Business Description — Policies and Objectives with Respect to Investments, Financing and Other Activities — Master Guarantee Deed Poll."

Except in limited circumstances, the liability of WAML will be limited to the extent to which such liability can be satisfied out of the assets of the trust of which it is trustee and responsible entity.

WAML severally guarantees the obligations of the Issuers under the Notes solely in its separate capacities as responsible entity and trustee of the relevant trust (namely WFD Trust and WAT). The liability of WAML as responsible entity of a trust in relation to its guarantee of the Notes is limited to and can be enforced against it only to the extent to which such liability can be satisfied out of the assets of that trust from which WAML is actually indemnified for the liability. A liability of WAML as trustee and responsible entity of one trust cannot be satisfied out of the available assets of the other trust.

None of the assets of WAML (other than assets that are held by WAML in its capacity as responsible entity and trustee of the relevant trust and out of which WAML is actually indemnified for the liability and that are available to WAML in accordance with the terms of the constitution of the relevant trust to meet its obligations in relation to its guarantee of Notes) are available to meet claims under the guarantee of the Notes given by WAML.

WAML is not entitled to indemnification out of the assets of the relevant trust (and therefore an investor's ability to recover amounts owing under the guarantee of the Notes given by WAML will be limited to an action against the personal assets of WAML) if WAML acts fraudulently, negligently or breaches its duty with respect to the relevant trust (whether or not such breach is in respect of the guarantee of the Notes given by WAML). WAML is not liable to satisfy any obligation or liability from its personal assets, except to the extent that the obligation or liability is not satisfied because there is a reduction in the extent of WAML's indemnification out of the assets of the relevant trust as a result of any fraud, negligence or breach of duty in respect of the relevant trust on the part of WAML. Please refer to "Description of the Notes and Guarantees — Guarantees — Limitation on Guarantor Liability."

Payments on the Notes or the guarantees could be subject to withholding under the European Union Savings Directive.

Under Council Directive 2003/48/EC on the taxation of savings income (the "Directive"), Member States are required to provide to the tax authorities of other Member States details of certain payments of interest or similar income paid or secured by a person established in a Member State to or for the benefit of an individual resident in another Member State or certain limited types of entities established in another Member State.

However, for a transitional period, Austria and Luxembourg are instead required (unless during such period they elect otherwise) to operate a withholding tax in relation to such payments. Luxembourg has announced that it will no longer apply the withholding tax system as from January 1, 2015 and will then commence automatic information exchange under the Directive. The transitional period will end after agreement on exchange of information is reached between the EU and certain non-EU states.

A number of non-EU countries and territories, including Switzerland, have adopted equivalent measures (a withholding system in the case of Switzerland).

On March 24, 2014, the Council of the European Union adopted a Council Directive amending and broadening the scope of the requirements described above. Member States are required to apply these new requirements from January 1, 2017. The changes will expand the range of payments covered by the Directive, in particular to include additional types of income payable on securities. The Directive will also apply a "look through approach" to payments made via certain persons, entities or legal arrangements (including trusts and partnerships), where certain conditions are satisfied, where an individual resident in a Member State is regarded as the beneficial owner of the payment for the purposes of the Directive. This approach may in some cases apply where the person, entity or arrangement is established or effectively managed outside of the European Union.

If a payment were to be made or collected through a Member State which has opted for a withholding system, or through a non-EU country or territory which has adopted measures implementing, complying with or introduced in order to conform to the Directive and has opted for a withholding system, and an amount of, or in respect of, tax were to be withheld from that payment, neither the relevant Issuer nor any paying agent nor any other person would be obliged to pay additional amounts with respect to any Notes as a result of the imposition of such withholding tax.

However, the Issuers are restricted from maintaining a paying agent in a Member State in which it would be obliged to withhold or deduct tax pursuant to the Directive.

USE OF PROCEEDS

We estimate that the net proceeds from this offering will be approximately US$3.48 billion after deducting estimated underwriting discounts and commissions and before deducting estimated offering expenses payable by us.

WEA Finance LLC will receive net proceeds from this offering of US$3,277,410,500. Westfield UK & Europe Finance plc will receive net proceeds from this offering of US$199,442,000. The Issuers intend to use the net proceeds to repay borrowings under Westfield Corporation's syndicated bridge facility, dated March 20, 2014, by and among WEA Finance LLC, Westfield UK & Europe Finance plc and the lenders named therein (the "Bridge Loan"), and for general corporate purposes, including repayment of other indebtedness. On June 30, 2014, the US$4.36 billion available under the Bridge Loan was fully drawn to finance the proportion of the former Westfield Group debt that was effectively assumed as part of the Restructuring. We intend to use approximately US$3.00 billion of the net proceeds to pay down the balance of the Bridge Loan. As of June 30, 2014, the Bridge Loan bears interest based on the London Interbank Offered Rate plus a margin of 0.45%.

The net proceeds of the offering received by Westfield UK & Europe Finance plc, together with its allocable share of the underwriting discounts and commissions, is referred to as the "non-U.S. Portion," and the net proceeds of the offering received by WEA Finance LLC, together with its allocable share of the underwriting discounts and commissions, is referred to as the "U.S. Portion." In the case of the 2017 Notes, the non-U.S. Portion is 26.67% and the U.S. Portion is 73.33%. In the case of the other series of Notes, the non-U.S. Portion is 0% and the U.S. Portion is 100%.

In connection with this offering, the Issuers will enter into a co-issuer agreement setting out the obligations among themselves for payments of interest and principal under the Notes. In addition, WCL and WAML, pursuant to a master co-guarantor agreement, will agree to reimburse the other party to the extent that such other party or any of its finance subsidiaries makes any payment in respect of the Notes under its respective guarantee.

THE ISSUERS

General

WEA Finance LLC and Westfield UK & Europe Finance plc are the co-issuers of the Notes.

The primary purpose of each Issuer is to borrow funds on behalf of Westfield Corporation and advance the net proceeds of such borrowings to members of Westfield Corporation.

None of the Issuers have any subsidiaries.

Directors

The directors of the Issuers are as follows:

WEA Finance LLC

Name	Title
Peter Lowy	Director
Mark Stefanek	Director

Westfield UK & Europe Finance plc

Name	Title
Michael Gutman	Director
Peter Miller	Director
Elliott Rusanow	Director
Philip Slavin	Director
Mark Stefanek	Alternate Director

Capitalization and Indebtedness of the Issuers

The following table sets out the capitalization and indebtedness of the Issuers as of August 15, 2014:

	As of August 15, 2014 (in thousands) (unaudited)
WEA Finance LLC	
Cash and cash equivalents	US$ 40
Long-term borrowings:	
Unsecured borrowings	2,825,000
Total long-term borrowings	2,825,000
Member's equity:	
Contributed equity	10
Retained profits	35
Funds attributable to members of WEA Finance LLC	45
Total member's equity	45
Total capitalization (1)	US$2,825,045

	As of August 15, 2014
	(in millions) (unaudited)
Westfield UK & Europe Finance plc	
Cash and cash equivalents	UK£ 63.4
Long-term borrowings:	
Unsecured borrowings	814.4
Total long-term borrowings	814.4
Member's equity:	
Contributed equity	60.0
Retained profits	(54.8)
Funds attributable to members of Westfield UK & Europe Finance plc	5.2
Total member's equity	5.2
Total capitalization (1)	UK£819.6

(1) Total capitalization does not include "Cash and cash equivalents."

CAPITALIZATION OF WESTFIELD CORPORATION

The following table sets forth the cash and cash equivalents and capitalization of Westfield Corporation on a historical consolidated basis as of June 30, 2014 and on an a pro forma basis to reflect this offering and the application of proceeds from the sale of the Notes to repay borrowings under the Bridge Loan and for general corporate purposes, including repayment of other indebtedness. See "Use of Proceeds."

You should read the following table in conjunction with "Selected Consolidated Financial Data" and "Operating and Financial Review" and the Carve-Out Financial Statements, Half Year Financial Statements and related notes of Westfield Corporation included elsewhere in this offering memorandum. The financial information in the table below has been translated from A$ to US$ at exchange rates as set forth under "Currency of Presentation and Exchange Rates."

	As of June 30, 2014	
	Actual	Pro Forma
	(in millions)	
Cash and cash equivalents	US$ 325.9	US$ 377.9
Indebtedness		
Short-term borrowings:		
Unsecured borrowings	0.8	0.8
Secured borrowings	2.8	2.8
Total short-term borrowings	3.6	3.6
Long-term borrowings:		
Unsecured borrowings	4,485.3	1,060.4
Secured borrowings	872.2	872.2
Notes offered hereby	—	3,500.0
Total long-term borrowings	5,357.5	5,432.6
Total borrowings	5,361.1	5,436.2
Other financial liabilities (1)	195.5	195.5
Equity		
Aggregate stapled security holders' interests:		
Contributed equity (2)	11,472.7	11,472.7
Reserves and retained profits (3)	(4,053.1)	(4,053.1)
Total equity	7,419.6	7,419.6
Total capitalization (4)	US$12,976.2	US$13,051.3

(1) Other financial liabilities comprise convertible redeemable preference shares/units of US$89.2 million and other redeemable preference units of US$106.3 million.

(2) Contributed equity has been translated from A$ to US$ at the weighted average historical exchange rate of 0.7731 applicable at the date the equity was raised.

(3) Reserves and retained profits has been translated from A$ to US$ at the weighted average historical exchange rate of 0.5844 applicable when the reserves and retained profits arose.

(4) Total capitalization does not include "Cash and cash equivalents."

SELECTED CONSOLIDATED FINANCIAL DATA

The selected consolidated financial data (included in Table 1.0 below) of Westfield Corporation has been derived from the Half Year Financial Statements and the Carve-Out Financial Statements which are included elsewhere in this offering memorandum. See "Financial Information Presentation" for a discussion of the basis of preparation of such financial statements.

In addition, the Adjusted Financial Information (included in Table 2.0 below) includes the Half Year Financial Statements for the six months ended June 30, 2014 and 2013 which have been adjusted to include the income statement of the UK operations and give effect to the divestments and joint venture transactions. Also included are the Carve-Out Financial Statements for the years ended December 31, 2013, 2012 and 2011 which have been prepared as if the divestments and joint venture transactions were completed prior to January 1, 2011 to allow the financial information to be comparable to the current asset portfolio. The proceeds from these divestments were mainly used to repay debt and fund the buyback of the former Westfield Group securities. As a result of the Restructuring significant debt restructuring has occurred. Accordingly, the adjusted income statements are presented to earnings before interest and tax ("EBIT") as the historical interest and tax expense resulting from the debt structure in place during the historic periods was significantly different from that which would have resulted under the intended debt structure of Westfield Corporation following the Restructuring and is not representative of what such interest and expense would have been if the Restructuring had been completed before January 1, 2011 and Westfield Group had operated from that time under the capital structure in place following the Restructuring.

The Half Year Financial Statements and Carve-Out Financial Statements have been prepared in accordance with the recognition and measurement principles of AAS and IFRS, which differ from US GAAP. You should read the following financial information together with the information in "Financial Information Presentation", "Selected Consolidated Financial Data", "Operating and Financial Review", "Risk Factors", the Carve-Out Financial Statements and the related notes thereto, and the Half Year Financial Statements and the related notes thereto, included elsewhere in this offering memorandum.

The financial information has been converted from A$ to US$ using exchange rates as described in the "Currency of Presentation and Exchange Rates."

Table 1.0 below presents summary income statement data from the Half Year Financial Statements and the Carve-Out Financial Statements. Investors should note that because the Restructuring was completed on June 30, 2014 and the Half Year Financial Statements are deemed to be a continuation of the financial statements of WAT, the Half Year Financial Statements include income statement data for the U.S. operations of Westfield Corporation for the six months ended June 30, 2014, but do not include income statement data for the UK operations of Westfield Corporation for the six months ended June 30, 2014. Certain income statement data for the UK operations has been included in Note 25 to the Half Year Financial Statements.

Table 1.0 Income Statement (in millions)	Half Year Financial Statements (reviewed)		Carve-Out Financial Statements (audited)		
	Six Months Ended June 30, 2014	Six Months Ended June 30, 2013	Year Ended December 31, 2013	Year Ended December 31, 2012	Year Ended December 31, 2011
Revenue					
Property revenue	US$ 240.1	US$ 376.6	US$ 830.5	US$1,083.3	US$ 1,409.5
Property development and management revenue	111.6	59.8	238.0	165.5	1,515.8
Total revenue	**351.7**	**436.4**	**1,068.5**	**1,248.8**	**2,925.3**
Share of after tax profits of equity accounted entities					
Property revenue	246.5	207.5	634.4	563.1	314.7
Property revaluations	158.0	45.7	428.5	307.4	144.5
Property expenses, outgoings and other costs	(73.4)	(63.8)	(194.0)	(168.5)	(101.4)
Net interest expense	(29.1)	(25.4)	(60.9)	(78.4)	(56.1)
Tax (expense)/benefit	(0.2)	(0.2)	(1.5)	16.4	(1.7)
	301.8	**163.8**	**806.5**	**640.0**	**300.0**
Expenses					
Property expenses, outgoings and other costs	(93.8)	(127.3)	(275.6)	(370.4)	(477.1)
Property development and management costs	(88.5)	(46.2)	(129.8)	(58.7)	(1,425.6)
Overheads	(33.7)	(39.6)	(143.8)	(171.1)	(177.9)
	(216.0)	**(213.1)**	**(549.2)**	**(600.2)**	**(2,080.6)**
Currency gain/(loss)	(116.8)	6.0	(215.8)	22.3	30.9
Gain/(loss) in respect of capital transactions	(7.6)	(72.2)	(77.1)	(6.5)	(7.0)
Property revaluations	25.3	(114.7)	232.2	1.6	(49.9)
Earnings before interest and tax	**338.4**	**206.2**	**1,265.1**	**1,306.0**	**1,118.7**
Interest income	3.5	32.0	15.1	11.5	1.3
Financing costs	(260.1)	(184.6)	(431.8)	(429.3)	(278.1)
Charges and credit in respect of the Restructure and Merger	(800.8)	—	—	—	—
Tax expense	(78.3)	(19.2)	(187.8)	(171.3)	(123.5)
Profit/(loss) after tax	**(797.3)**	**34.4**	**660.6**	**716.9**	**718.4**

Westfield Group had undertaken a number of divestments and joint venture transactions in 2011, 2012, 2013 and the six months ended June 30, 2014. See "Financial Information Presentation." The proceeds from these divestments were mainly used to repay debt and fund the buyback of Westfield Group's securities. In addition, as a result of the Restructuring, significant debt restructuring has occurred. As a consequence, Westfield Corporation does not believe that historical finance costs and tax expense are representative of what such costs and expense would have been if the Restructuring had been completed before January 1, 2011 and Westfield Group had operated from that time under the capital structure in place following the Restructuring.

Table 2.0 below presents the Adjusted Financial Information, which has been prepared as if the divestments and joint venture transactions described above in "Financial Information Presentation" were completed prior to January 1, 2011. In addition, because the Half Year Financial Statements are deemed to be a continuation of the financial statements of WAT and therefore only include income statement data for the U.S. operations of Westfield Corporation, the Half Year Financial Statements have been adjusted in preparing the Adjusted Financial Information to include the results of the UK operations. Investors should note that while the Adjusted Financial Information has been derived from financial statements that have been audited or reviewed, the Adjusted Financial Information is unaudited.

Reconciliation of key financial information between the Adjusted Financial Information (Table 2.0) and the unadjusted Half Year Financial Statements and the audited Carve-Out Financial Statements (Table 1.0) have been presented in Table 2.1 and Table 2.2 below.

Table 2.0 Adjusted Income Statement (in millions)	**Six Months Ended June 30, 2014**	**Six Months Ended June 30, 2013**	**Year Ended December 31, 2013**	**Year Ended December 31, 2012**	**Year Ended December 31, 2011**
Revenue					
Property revenue	US$ 308.6	US$ 297.2	US$ 622.0	US$ 616.2	US$ 590.0
Property development and management revenue	148.7	84.1	235.6	168.0	1,524.9
Total revenue	457.3	381.3	857.6	784.2	2,114.9
Share of after tax profits of equity accounted entities					
Property revenue	299.4	275.8	578.4	575.3	472.6
Property revaluations	287.9	23.2	408.6	356.9	210.1
Property expenses, outgoings and other costs	(95.5)	(88.4)	(180.3)	(181.0)	(151.0)
Net interest expense	(37.3)	(30.7)	(58.5)	(72.9)	(55.8)
Tax expense	(0.1)	(1.4)	(0.3)	(0.2)	(0.4)
	454.4	**178.5**	**747.9**	**678.1**	**475.5**
Expenses					
Property expenses, outgoings and other costs	(111.7)	(97.0)	(201.7)	(211.5)	(199.8)
Property development and management costs	(96.0)	(20.7)	(129.8)	(58.7)	(1,425.6)
Overheads	(60.1)	(65.5)	(137.6)	(155.5)	(171.5)
	(267.8)	**(183.2)**	**(469.1)**	**(425.7)**	**(1,796.9)**
Currency gain/(loss)	(117.2)	(129.4)	(215.8)	22.3	30.9
Property revaluations	33.1	113.8	359.6	86.3	(5.5)
Adjusted Earnings before interest and tax	**559.8**	**361.0**	**1,280.2**	**1,145.2**	**818.9**
Proportionate					
—Net property income	400.8	387.6	818.4	799.0	711.8
—Property revaluations	321.0	137.0	768.2	443.2	204.6

Table 2.1 sets out a reconciliation of EBIT of Westfield Corporation derived from the Half Year Financial Statements and Carve-Out Financial Statements to EBIT in the Adjusted Financial Information.

Table 2.1 Half Year Financial Statements and Carve-Out Financial Statements (in millions)	**Six months ended June 30, 2014**	**Six months ended June 30, 2013**	**Year ended December 31, 2013**	**Year ended December 31, 2012**	**Year ended December 31, 2011**
Westfield Corporation profit/(loss) after tax	US$(797.3)	US$ 34.4	US$ 660.6	US$ 716.9	US$ 718.4
Less: Westfield Corporation interest income	(3.5)	(32.0)	(15.1)	(11.5)	(1.3)
Add: Westfield Corporation financing costs	260.1	184.6	431.8	429.3	278.1
Add: Westfield Corporation charges and credits in respect of the Restructure and Merger	800.8	—	—	—	—
Add: Westfield Corporation tax expense	78.3	19.2	187.8	171.3	123.5
Westfield Corporation EBIT	**338.4**	**206.2**	**1,265.1**	**1,306.0**	**1,118.7**
Adjustments for EBIT relating to:					
—UK operations	247.5	61.0	n/a	n/a	n/a
—Divestment of United States centres	—	80.7	(3.1)	(162.8)	(281.1)
—Divestment of United Kingdom centres	(25.3)	(28.9)	(61.3)	(36.3)	(23.2)
—Divestment of Brazil centres	—	(6.4)	2.4	31.8	(2.5)
—Reversal of gain/loss in respect of capital transactions	(0.8)	48.4	77.1	6.5	7.0
Adjusted Westfield Corporation Historical EBIT	**559.8**	**361.0**	**1,280.2**	**1,145.2**	**818.9**

Table 2.2 below sets out a reconciliation of the consolidated revenue of Westfield Corporation from the Half Year Financial Statements and Carve-Out Financial Statements to the Adjusted Financial Information.

Table 2.2 (in millions)	**Six months ended June 30, 2014**	**Six months ended June 30, 2013**	**Year ended December 31, 2013**	**Year ended December 31, 2012**	**Year ended December 31, 2011**
Westfield Corporation consolidated revenue — Half Year Financial Statements and Carve-Out Financial Statements	**US$351.7**	**US$ 436.4**	**US$1,068.5**	**US$1,248.8**	**US$2,925.3**
—UK operations	109.2	86.7	n/a	n/a	n/a
—Divestment of United States centres	—	(136.5)	(199.7)	(454.2)	(799.4)
—Divestment of United Kingdom centres	(3.6)	(5.3)	(11.2)	(10.4)	(11.0)
Adjusted Westfield Corporation consolidated revenue	**457.3**	**381.3**	**857.6**	**784.2**	**2,114.9**

Table 2.3 below shows Westfield Corporation's Adjusted Property Revenue and Adjusted Net Property Income on a proportionate basis, and has been derived from the consolidated and equity accounted property assets for the six months ended June 30, 2014 and 2013 and for the years ended December 31, 2013, 2012 and 2011. As required under AAS and IFRS, in our financial statements we account for property assets held through entities that we do not control on an equity accounted basis. Net Property Income is property revenue less property expenses, outgoings and other costs. This information has been adjusted to exclude the divestment and joint venture transactions described in "Financial Information Presentation" and the June 30, 2014 and 2013 information has also been adjusted to include the UK operations.

Table 2.3 **Adjusted Property Revenue and Net Property Income (in millions)**	**Six months ended June 30, 2014**	**Six months ended June 30, 2013**	**Year ended December 31, 2013**	**Year ended December 31, 2012**	**Year ended December 31, 2011**
Adjusted property revenue					
—United States — Consolidated	US$240.0	US$239.0	US$ 500.7	US$ 485.2	US$ 480.2
—United States — Equity accounted	246.5	230.2	477.1	472.5	449.0
	486.5	**469.2**	**977.8**	**957.7**	**929.2**
—United Kingdom — Consolidated	68.6	58.2	121.3	131.0	109.8
—United Kingdom — Equity accounted	52.9	45.6	101.3	102.8	23.6
	121.5	**103.8**	**222.6**	**233.8**	**133.4**
Total Adjusted Proportionate Revenue	**608.0**	**573.0**	**1,200.4**	**1,191.5**	**1,062.6**
Adjusted net property income					
—United States — Consolidated	US$146.1	US$157.8	US$ 333.3	US$ 319.9	US$ 310.8
—United States — Equity accounted	173.1	158.8	337.4	336.7	310.5
	319.2	**316.6**	**670.7**	**656.6**	**621.3**
—United Kingdom — Consolidated	50.8	42.4	87.0	84.8	79.4
—United Kingdom — Equity accounted	30.8	28.6	60.7	57.6	11.1
	81.6	**71.0**	**147.7**	**142.4**	**90.5**
Total Adjusted Proportionate Net Property Income	**400.8**	**387.6**	**818.4**	**799.0**	**711.8**

Table 3.0 below sets out summary balance sheet information of Westfield Corporation derived from the Half Year Financial Statements and the Carve-Out Financial Statements.

Table 3.0 **Balance Sheet (in millions)**	**As of June 30, 2014**	**As of December 31, 2013**	**As of December 31, 2012**
	(reviewed)	**(audited)**	**(audited)**
Cash assets (1)	US$ 325.5	US$ 860.2	US$ 258.2
Investment properties	8,963.2	8,084.4	10,498.2
Working capital (2)	(546.0)	(926.8)	(3,206.6)
Total assets (3)	17,376.8	17,783.5	19,749.8
Deferred tax liability	2,891.5	2,960.6	2,884.5
Total liabilities	9,957.2	13,235.6	15,804.4
Net assets	7,419.6	4,547.9	3,945.4

(1) Cash assets for Westfield Corporation are stated after deducting overdrafts and short-term loans of US$0.4 million, nil and US$0.7 million as of June 30, 2014, December 31, 2013 and 2012 respectively.

(2) Current assets less current liabilities.

(3) At June 30, 2014, we had US$5,527.2 million of assets that are either (a) property interests subject to encumbrances or (b) interests in equity accounted entities that own properties subject to encumbrances.

Table 4.0 below sets out summary cash flow information of Westfield Corporation. The cash flow information for the half year ended June 30, 2014 has been derived from the Half Year Financial Statements and adjusted to include the UK operations of the group. The cash flow information for the years ended December 31, 2013, 2012 and 2011 has been derived from the Carve-Out Financial Statements, which includes both the U.S. and the UK operations.

Table 4.0 Cash Flow Statement (in millions)	**For the six months ended June 30, 2014**	**For the year ended December 31, 2013**	**For the year ended December 31, 2012**	**For the year ended December 31, 2011**
Net cash flows from operating activities	US$350.0	US$ 761.2	US$ 930.3	US$1,656.2
Net cash flows from investing activities	246.2	1,972.7	2,014.9	(934.6)

OPERATING AND FINANCIAL REVIEW

You should read the following operating and financial review together with the Carve-Out Financial Statements, Half Year Financial Statements and related notes thereto of Westfield Corporation included elsewhere in this offering memorandum. Certain statements in this section are "forward-looking statements" and are subject to risks and uncertainties, which may cause actual results to differ materially from those expressed or implied by such forward-looking statements. Please see "Forward-Looking Statements" and "Risk Factors" for more information.

Overview

This Operating and Financial Review is divided into the following sections:

Description of Westfield Corporation — a general description of our corporate and business structures, our business activities, the key drivers of our financial results and economic factors affecting our business and results of operations.

Results of Operations — a discussion and analysis of the Adjusted Financial Information for the six months ended June 30, 2014 compared to the six months ended June 30, 2013, for the year ended December 31, 2013 compared to the year ended December 31, 2012 and for the year ended December 31, 2012 compared to the year ended December 31, 2011.

Liquidity and Capital Resources — an analysis of our cash flows and sources and uses of cash.

Contractual Obligations and Other Commitments — a summary of our debts and contractual obligations.

Quantitative and Qualitative Disclosures About Market Risk — disclosures regarding our market risk.

Critical Accounting Policies — a discussion of our accounting policies that require critical judgments and estimates.

Description of Westfield Corporation

Structure of Westfield Corporation and Basis of Presentation

Westfield Corporation was formed in June 2014 as a result of the Restructuring when Westfield Group separated its Australian and New Zealand business from the international business of Westfield Group and merged Westfield Group's Australian and New Zealand business with Westfield Retail Trust. This created two new listed retail property groups, Scentre Group (which owns the Australian and New Zealand assets) and Westfield Corporation (which owns the U.S., UK and Italian assets). For accounting purposes, WAT gained control of Westfield Corporation Limited (a newly incorporated entity) and WFD Trust (which holds the UK and Italian investments), with WAT consolidating the accounts of Westfield Corporation Limited and WFD Trust and their controlled entities. Each of WAT, WCL and WFD Trust is run by a common board and senior management team. The effect of the Restructuring is that Westfield Corporation functions as an internally managed and vertically integrated international retail property group with an initial focus on the United States and the United Kingdom / Europe. This new stapled group is known as and trades as Westfield Corporation on the ASX under the ticker "WFD."

The Carve-Out Financial Statements and Half Year Financial Statements of Westfield Corporation included in this offering memorandum have been prepared in accordance with AAS and IFRS. Because Westfield Corporation did not exist prior to the Restructuring, the Carve-Out Financial Statements have been prepared on the basis that combines the results and assets and liabilities of WAT, the UK and U.S. operations formerly held by Westfield Holdings Limited, and the UK operations formerly held by Westfield Trust. Because the

Restructuring was completed on June 30, 2014 and the Half Year Financial Statements are deemed to be a continuation of the financial statements of WAT, the Half Year Financial Statements include balance sheet data for both the U.S. and UK operations of Westfield Corporation as of June 30, 2014, but only include income statement and cash flow data for the U.S. operations of Westfield Corporation for the six months ended June 30, 2014; the Half Year Financial Statements do not include income statement or cash flow data for the UK operations of Westfield Corporation for the six months ended June 30, 2014.

Our Business

We are one of the world's largest listed retail property groups, with an equity market capitalization of US$14.8 billion (A$15.9 billion) as of September 1, 2014.

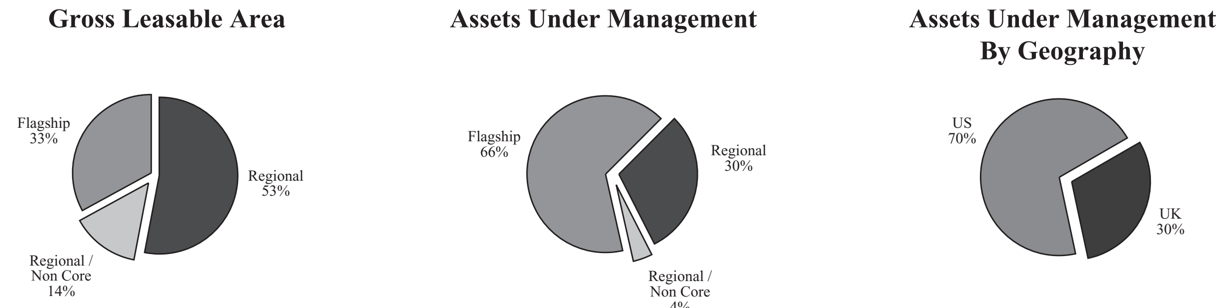
As of June 30, 2014, our property investment portfolio consisted of interests in 40 malls located in the United States and the United Kingdom and a development property in Milan, Italy, with approximately 7,500 retail outlets in approximately 50 million square feet of gross leasable area ("GLA"). As of June 30, 2014, the value of our property assets was US$17.6 billion and the gross value of our property portfolio (including the interests of joint venture partners) was US$27.7 billion. We had consolidated total assets (comprising malls and other assets) of US$17.4 billion as of June 30, 2014. We had property revenue of US$0.6 billion (including our share of property revenues from equity accounted entities of US$0.3 billion) for the six months ended June 30, 2014 and US$1.2 billion (including our share of property revenues from equity accounted entities of US$0.6 billion) for the year ended December 31, 2013.

Our income is derived primarily from properties owned by us either wholly or through joint ventures or co-ownership arrangements with third parties and includes 13 airport concessions managed in the United States.

We are a pre-eminent, internally managed and vertically integrated international retail property group. Our activities include:

- ***Mall Ownership*** — Our malls are geographically diverse, spread across 8 states in the United States and the United Kingdom and include a development property in Milan, Italy. Our size and geographic diversity significantly reduces our dependence upon any single tenant or property for revenue. Our malls are generally located near or in major metropolitan areas, are anchored by long-term tenancies with major retailers and incorporate a wide cross-section of specialty retailers and national chain store operators. Our mall investments are undertaken on both a wholly owned basis and through joint ventures and co-ownership arrangements, primarily with major institutional investors.
- ***Property Management, Marketing and Leasing*** — Property management involves leasing and day-to-day management and marketing of our mall portfolio and other properties. Our malls are designed to provide an efficient and dynamic environment for retailers and a quality shopping experience for consumers, creating a platform for our retailers to enhance their performance and for us to maximize our returns. We work to build and maintain long-term relationships with our retailers in addition to developing strong relationships with consumers by supporting the local community of each mall through various marketing activities. We believe that our management style has the potential to improve the performance of our retail property assets, resulting in income growth and long-term capital appreciation for investors.
- ***Property Development, Design and Construction*** — Our development and redevelopment program is one of the primary drivers for sustained long term earnings growth for Westfield Corporation. Our property development business involves the development, design, construction, initial leasing and redevelopment of malls. Our property development activities are focused on redeveloping and expanding our existing properties as well as developing iconic properties in major markets. We undertake these activities in relation to properties we manage or own an interest in, with a view to maximizing returns on investment from both increased rental returns and capital appreciation of the asset.
- ***Funds and Asset Management*** — We provide asset management services to co-investors in our jointly owned malls and we have the capability to invest funds on behalf of institutional and other investors, for which we may receive fund management fees.

The weighting of our mall portfolio by GLA (see "Gross Leasable Area" under "Key Operational Measures" below) and assets under management as of June 30, 2014, is set out in the following charts:



(1) Assets under management is measured as the carrying value of our share of the properties and our joint venture partners' share of properties managed by us.

As of June 30, 2014, we had four major redevelopment projects under construction, as well as a program of small projects in the United States and the United Kingdom, at an estimated total investment of US$2.6 billion, of which our share would be approximately US$1.9 billion with an estimated yield range of between 6.5% and 7.5%. Our projects under construction at June 30, 2014 in the United States include the US$90 million redevelopment of Montgomery, Maryland, which is expected to be completed in 2014, the US$250 million redevelopment of The Village at Topanga, California, which is anticipated to be completed in 2015 and the US$1.4 billion development at the Westfield World Trade Center in New York, New York, the initial phase of which we expect to complete in 2015. We also have a US$395 million small projects program underway in the United States and the United Kingdom and the UK£260 million project at Bradford in the United Kingdom on behalf of Meyer Bergman. Of the US$1.9 billion we have committed to these projects, we had incurred expenditures of US$1.1 billion as of June 30, 2014. We will continue to invest capital and resources in pre-development work on a number of our malls with strategic redevelopment opportunities. Consistent with our strategy, our development program is focused on iconic assets in major world cities. We are currently undertaking pre-development activity on approximately US$9 billion of future development opportunities (of which our share is approximately US$4.5 billion) with an estimated yield range of between 7% and 8%.

As of June 30, 2014, on a consolidated basis, we had secured borrowings of US$0.9 billion, unsecured borrowings of US$4.5 billion, and US$3.5 billion available to be drawn down under undrawn, predominantly long term, unsecured committed bank facilities. As of June 30, 2014, our leverage ratio, calculated in accordance with the leverage ratio covenant of Net Debt to Net Assets to be contained, and as those terms will be defined, in the indenture and supplemental indenture that will govern the Notes, was 29.4%.

Key Components of Our Financial Results and Their Drivers

In this section, we discuss the key components of our revenue and expenses and discuss the internal and external factors that affect our results.

Property Revenue and Property Expenses and Outgoings — We derive the majority of our revenue from leases with retail tenants at our malls. Property revenue includes minimum base rents, cart and kiosk rentals, expense recoveries and percentage rent based on tenants' sales volumes. Property expenses and outgoings consist of costs in connection with the ownership and operation of retail malls such as property rates and taxes, repairs and maintenance, cleaning, security, advertising and promotions, insurance, ground rent, utilities and leasing expenses. A significant portion of these expenses and outgoings are recovered from our tenants. Key factors that affect the level of property revenue and property expenses and outgoings include: (i) our ability to negotiate higher minimum base rents from existing or new tenants; (ii) our ability to lease our malls at near full or full occupancy; and (iii) our level of acquisitions and dispositions as well as the level of development and

redevelopment of our existing malls, which changes the size and nature of our property portfolio. We refer to the excess of property revenue over property expenses and outgoings as "Net Property Income" (refer also to "Net Property Income" under "— Key Operational Measures" below).

Property Revaluations — Our investment properties include freehold and leasehold land, buildings, leasehold improvements and redevelopment and development projects. In accordance with AAS, we carry our property investments on our balance sheet at their fair market values. At each reporting date, our board of directors assesses the carrying value of our investment property portfolio, and where the carrying value differs materially from the board of directors' assessment of fair value, we record an adjustment to the carrying value as appropriate. The board of directors' assessment of fair value of each mall takes into account the latest independent valuations, with updates taking into account any changes in estimated yield, underlying income and valuations of comparable malls. Investment properties undergoing redevelopment are independently valued on completion. The independent valuations are conducted using two methods — the "capitalization of net income" method and/or the "discounting of future cash flows to their present value" method. See "— Critical Accounting Policies — Investment Properties" below.

The "capitalization of net income" method involves directly capitalizing stabilized net income based on the yields (calculated as the ratio of net income to sale price) produced by sales of comparable property investments, which we refer to as "capitalization rates", and subtracting an amount equal to the forecasted capital expenditure for the property for a one to three year period.

In a simplistic example, if the stabilized net income for a property was US$10.0 million, the capitalization rate was 5.0% and forecast capital expenditure for the next one to three years was US$2.0 million, then the fair value of this property would be US$200.0 million with an accrual of US$2.0 million for forecast capital expenditure, i.e. US$10.0 million divided by 5.0% less US$2.0 million of forecast capital expenditure for the next one to three years.

To determine stabilized net income, valuers adjust the budgeted net income for the next 12 months from the valuation date to incorporate: (i) adjustments to the rental revenues achieved as of the valuation date for any expiring tenancies that will occur within the next year, thereby taking into account the opportunity (or risk) of adjusting these revenues to the current market conditions; (ii) adjustments to take into account vacancy allowances; and (iii) adjustments to the level of tenant allowances that have been forecast to be spent during the period.

Factors that affect capitalization rates include:

- the underlying financial and operational performance of the property and comparable properties;
- the general economic conditions in the areas where the comparable properties are located;
- the level of competition in the trade area that the comparable properties are located; and
- availability of funding.

Capitalization rates are a useful tool for identifying industry wide conditions. Rising capitalization rates may indicate higher initial property yields due to rising rents, falling property prices or both. In addition to capitalization rates, property revaluations may be affected by the size of our development and redevelopment program.

The discounting of future cash flows approach involves calculating the present value of estimated future net cash flows (i.e. property receipts less property payments and an assumed end of period sale) over a ten-year period discounted at an appropriate risk adjusted rate. This is the principal method used to value our properties in the United States.

Because our investment properties are carried at fair value on our balance sheet, changes in the fair market value of our investment properties from period to period may result in significant non-cash gains or write-downs, resulting in significant periodic fluctuations in our reported income statements.

Property Development and Project Management Revenue and Property Development and Project Management Costs — Our development and redevelopment program is one of the primary drivers for long term earnings growth for Westfield Corporation. We incur costs to develop and manage projects at our properties and earn revenue from our joint venture partners for property development and project management services we provide at the jointly-owned and third party properties that we are developing. The key driver for property development and project management revenue and costs is the level of development activity we undertake at jointly-owned and third party properties for which we derive income. As the number of joint ventures and the level of development activity at jointly-owned and third party properties within our property portfolio increases, we would expect our property development and project management revenue and costs to increase.

Property and Funds Management Income and Property and Funds Management Costs — We manage certain assets on behalf of institutions and other investors for which we receive management fees. The income and costs that we record relate to the third parties' share of the costs of managing these joint venture properties. These fees are affected by the number of joint venture malls we hold, the level of development activity with our joint venture partners and the gross income generated by our properties. As the number of joint ventures across our property portfolio increases, we would expect our property and funds management income and costs to increase.

Property Acquisitions and Divestments — We acquire properties that satisfy our investment criteria, which are described under "Business Description — Operating Strategy — Pursue Selective Acquisitions," and divest assets that no longer meet our investment criteria. These acquisitions can take the form of a direct property acquisition or the acquisition of investment vehicles. The accounting treatment of acquired properties and the impact of property acquisitions on our financial results are more fully described below under "— Critical Accounting Policies."

Interest Including Mark-to-Market — Our interest rate hedging reflects our objectives for the overall business and our financial goals, including financial covenant compliance and management of the impact of interest rate movements on our earnings. We actively hedge our interest rate exposure on our borrowings and investments on a portfolio basis using a combination of fixed rate debt and derivative financial instruments. For details of our interest rate hedging profile, see "— Quantitative and Qualitative Disclosures About Market Risk" below.

We do not enter into derivative financial instruments for speculative purposes and our hedging policies are approved and monitored by our board. We enter into derivative financial instruments to achieve economic outcomes in line with our treasury policy. However, accounting standards under AAS include documentation, designation and effectiveness requirements before a derivative financial instrument can qualify for hedge accounting. The AAS documentation, designation and effectiveness requirements cannot be met in all circumstances. As a result, all derivative financial instruments, other than cross currency swaps that hedge investments in foreign operations, do not qualify for hedge accounting and are recorded at fair value through the income statement. As a consequence, we may have large movements in interest expense due to changes in the mark-to-market valuations of our interest rate derivatives.

Key Operational Measures

We use a number of non-AAS measures to assess the financial and operational performance of our properties. The key measures are:

Net Property Income and Comparable Net Property Income — Net Property Income measures the rental revenue from our malls less the expenses in operating those malls, including our share of rental revenues less

expenses in operating our equity accounted malls. Comparable Net Property Income is the equivalent measure on a same mall basis (i.e. excluding malls that became operational or are impacted by redevelopment activities or were sold during the comparative prior period and any abnormal items), measured in local currency. Our management uses Net Property Income as a measure of the underlying operational performance of our property assets, without regard to our capital structure, our tax position and the real estate value of our malls. Net Property Income is also a key measure used by valuers in determining the valuation of our malls.

Under AAS, property investments held in joint venture sub-trusts and associates are equity accounted (with revenues and expenses and assets and liabilities disclosed on a net basis). We consolidate investments in subsidiaries and our proportionate interest in direct property investments (in each case, revenues and expenses and assets and liabilities are disclosed on a gross basis).

In addition to presenting Net Property Income calculated on the foregoing basis, we also discuss Net Property Income on a "proportionate" basis. The proportionate basis presents the net income from, and net investment in, equity accounted properties on a gross basis, whereby the underlying components of net income and net investment are disclosed separately as if they were revenues and expenses, and assets and liabilities of Westfield Corporation.

Our management considers that, given that the assets underlying both the consolidated and the equity accounted components of the statutory income statement are similar (that is, retail malls), that most of the malls are under common management, and that, therefore, the drivers of their results are similar, proportionate Net Property Income provides a more useful way to understand the performance of the portfolio as a whole. This is because the proportionate format aggregates both revenue and expense items across the whole portfolio, rather than netting the income and expense items for equity accounted malls and only reflecting their performance as a single item of profit or loss, as AAS requires. This allows management to observe and analyze revenue and expense results and trends on a portfolio-wide basis.

Table 2.3 included above in "Selected Consolidated Financial Data" shows Net Property Income on a proportionate basis and provides a breakdown of the components of revenue and net property income that are derived from the consolidated and equity accounted malls, respectively.

Gross Leasable Area (GLA) — this generally measures the amount of space in our malls that we can lease to tenants, expressed in square feet. In the United Kingdom, GLA includes the space leased, or available for lease, to anchor tenants. In our malls in the United States, GLA includes both spaces available for lease to anchor retailers and anchor-owned GLA because in the United States anchor retailers typically own their retail space.

Leased Rate — this measures the percentage of total GLA that is leased at a point in time. For the United States, calculation of leased rate excludes anchor GLA and temporary leases which have a term of less than one year. For the United Kingdom, anchors typically lease their stores and, therefore, the calculation of leased rate includes anchor GLA together with specialty shops and temporary leases which have a term of less than one year, but excludes malls or sites which are development impacted.

Average Specialty Shop Rent — this measures the average total rent we earn per square foot of space that we lease to specialty shop retailers (excluding anchor tenants) in our malls during the period. By excluding anchor tenants, which typically own their own space in our United States malls, average specialty shop rent allows for rental income of our malls across different geographic regions to be measured on a comparable basis.

Specialty Shop Sales Growth — this measures the period-on-period change in the sales of the specialty shops in our malls. Because it measures the sales of the retailers, it is not a measure of revenue that we expect to earn, except to the limited extent that certain of our lease agreements entitle us to a percentage of our tenants' revenue. However, it is an indirect measure of the performance of our business because higher sales at our malls will generally correlate over time with higher demand for retail space in the malls, resulting in higher leased rates and/or higher rents.

We provide data on GLA, leased rates, average specialty shop rents and specialty shop sales growth with respect to our mall portfolios (including part-owned malls on a 100% basis) on an asset class and geographical basis below under "Business Description — Properties — Operating Data."

Taxation

Westfield Corporation comprises taxable and non taxable entities. A liability for current and deferred taxation is only recognized in respect of taxable entities that are subjected to income and capital gains tax. Details of the non taxable entities are below.

WAT and WFD Trust — Under current Australian income tax legislation, WAT and WFD Trust are not liable for Australian income tax, including capital gains tax, provided that members are presently entitled to the income of the Trusts as determined in accordance with the Trusts' constitutions.

WEA — WEA is a REIT for United States federal income tax purposes. To maintain its REIT status, WEA is required to distribute at least 90% of its taxable income to shareholders and meet certain asset and income tests as well as certain other requirements. As a REIT, WEA will generally not be liable for federal and state income taxes in the United States, provided it satisfies the necessary requirements and distributes 100% of its taxable income to its shareholders. Dividends paid by WEA to WAT and certain subsidiaries of WCL are subject to United States dividend withholding tax.

The tax expense included in the financial statements attached to this offering memorandum has been compiled from the tax expense included in the financial statements of the legal entities of Westfield Group's United States and United Kingdom operations, and may not be representative of the tax expense historically incurred by the United States and United Kingdom economic entities. As a result of the Restructuring, the new corporate structure for Westfield Corporation differs from the structure of the United States and United Kingdom operations of Westfield Group prior to the Restructuring. As a result the historical tax expense may not be representative of Westfield Corporation's tax expense to be incurred going forward.

Seasonality

The mall industry is seasonal in nature, with retailer occupancy and retail sales typically at their highest levels in the fourth quarter of the calendar year. Consequently, mall earnings are generally highest in the fourth quarter of each calendar year. This does have an impact on rental income from our malls as a result of earning additional rent based on specialty shops exceeding a certain level of sales, which we refer to as percentage rent, and due to a higher level of fourth quarter specialty leasing on space not under long-term leases. See "Business Description — Properties" for details of the percentage of our total annual rental income that is directly related to the level of retailer sales with respect to our mall portfolio, on a geographic basis.

The following table sets forth specialty shop sales by quarter and percentage of stores leased at quarter end for the periods indicated on an asset class basis:

	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter
		(in millions)		
2014 Quarterly Data (1):				
Specialty shop sales				
Flagship	US$1,016.1	US$1,105.8	n.a.	n.a.
Regional	660.1	691.0	n.a.	n.a.
Total	**1,676.2**	**1,796.8**	**n.a.**	**n.a.**
Leased rate				
Flagship	95.6%	95.9%	n.a.	n.a.
Regional	92.4%	93.1%	n.a.	n.a.
Total	**93.9%**	**94.4%**	**n.a.**	**n.a.**

(1) Excludes six assets considered non-core valued at US$1.2 billion.

United States: Our United States average specialty shop effective rent includes percentage rent, which is typically weighted towards the third and fourth quarters of each year. Our United States specialty store percentage leased rate has historically tended to peak in the fourth quarter of the year due to retailers taking up additional space in advance of the Christmas sales period. Additionally, the fourth quarter traditionally includes a higher level of specialty leasing income related to temporary leasing of space not under long-term leases although this is not included in leased rate statistics. The following table sets forth specialty shop sales by quarter and percentage of specialty stores leased at quarter end for the periods indicated:

	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter
		(in millions)		
2013 Quarterly Data:				
Specialty shop sales (1)(2)	US$1,227.6	US$1,315.2	US$1,341.7	US$1,767.8
Specialty stores leased rate	93.1%	93.8%	93.7%	94.5%
2012 Quarterly Data:				
Specialty shop sales (2)	US$1,505.0	US$1,598.1	US$1,613.3	US$2,155.5
Specialty stores leased rate	91.6%	92.7%	93.7%	94.4%
2011 Quarterly Data:				
Specialty shop sales (2)	US$1,516.9	US$1,643.8	US$1,669.2	US$2,261.3
Specialty stores leased rate	92.3%	92.0%	92.5%	93.1%

(1) Excludes six assets considered non-core valued at US$1.2 billion.

(2) Excludes sales for the current year from malls disposed of during the year.

United Kingdom: The following table sets forth total mall sales by quarter and percentage of stores leased at quarter end for the periods indicated:

	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter
		(in millions)		
2013 Quarterly Data:				
Total sales (1)	UK£ 417.5	UK£ 445.5	UK£ 472.4	UK£ 619.8
Leased rate	99.0%	99.0%	99.1%	99.3%
2012 Quarterly Data:				
Total sales (1)	UK£ 397.2	UK£ 431.7	UK£ 471.5	UK£ 601.6
Leased rate	>99%	99.2%	>99.5%	99.5%
2011 Quarterly Data:				
Total sales	n.a.	n.a.	n.a.	n.a.
Leased rate	99.2%	98.5%	98.5%	99.0%

(1) Represents sales for Westfield London and Stratford City.

Inflation

Inflation can impact our operations through its effect on costs and hence the profitability and performance of individual malls. A decline in the overall performance of our malls due to inflation can potentially reduce our real earnings as well as impact our management fees.

Substantially all of our retailers' leases contain provisions designed to lessen the impact of inflation on our results. In the United States, such provisions include clauses enabling us to receive periodic index based contractual rent increases during the term of the lease or, to a much lesser extent, percentage rents based on retailer's gross sales, which generally increase as prices rise, or both. In the United Kingdom, standard lease terms provide for upward only market reviews every five years during the term of the lease. Some of the leases (except for most anchor leases in the United States) require the retailers to pay a proportionate share of operating expenses, including common area maintenance, real estate taxes and insurance, reducing our exposure to

increases in costs and operating expenses resulting from inflation. However, the substantial majority of our leases in the United States require the retailers to pay fixed amounts for common area expenses with fixed annual escalations which are intended to cover inflation. As a result, we may not be able to recover all of our expenses if inflation exceeds the fixed annual increases for these tenants.

Inflation may have a negative effect on some of our other operating items. Interest costs and general and administrative expenses may be adversely affected by inflation as these costs could increase at a rate higher than rents. We enter into interest rate swap contracts and fixed rate debt as a means of reducing our exposure to fluctuations in interest rates.

Results of Operations

Investors should note that our discussion and analysis of our financial performance for the six months ended June 30, 2014 compared to the six months ended June 30, 2013, for the year ended December 31, 2013 compared to the year ended December 31, 2012 and for the year ended December 31, 2012 compared to the year ended December 31, 2011 is based on the Adjusted Financial Information in order to provide comparable financial information to the current asset portfolio of Westfield Corporation. The Adjusted Financial Information has been derived from the Half Year Financial Statements and Carve-Out Financial Statements, and adjusted for the divestments and joint venture transactions described in "Financial Information Presentation." In addition, because the Half Year Financial Statements are deemed to be a continuation of the financial statements of WAT and therefore only include income statement data for the U.S. operations of Westfield Corporation, the Adjusted Financial Information includes adjustments to reflect the results of the UK operations assuming the acquisition of the UK operations occurred on January 1, 2013. Investors should further note that our discussion and analysis is based on Earnings Before Interest and Tax ("EBIT"), as we do not believe that our historical finance costs and tax expense are representative of what such costs and expense would have been if the Restructuring had been completed before January 1, 2011 and Westfield Group had operated from that time under the capital structure in place following the Restructuring.

Our sterling foreign currency denominated revenues and expenses for the six months ended June 30, 2014 and 2013 and for the years ended December 31, 2013, 2012 and 2011 were translated to U.S. dollars at the following average exchange rates:

	UK£	US$
Six Months Ended		
June 30, 2014	1.0000	1.6696
June 30, 2013	1.0000	1.5442
Year Ended		
December 31, 2013	1.0000	1.5630
December 31, 2012	1.0000	1.5847
December 31, 2011	1.0000	1.6032

See "Financial Information Presentation" for important information regarding the basis for the preparation of the Half Year Financial Statements. The following analysis is based on the Adjusted Financial Information.

Comparison of the Six Months Ended June 30, 2014 to the Six Months Ended June 30, 2013

Earnings before Interest and Tax ('EBIT'). For the six months ended June 30, 2014, EBIT was US$559.8 million, compared to US$361.0 million for the six months ended June 30, 2013, a US$198.8 million improvement. This improvement was primarily due to increases in Net Property Income and property valuations.

Proportionate Net Property Income increased by US$13.2 million or 3.4% to US$400.8 million for the six months ended June 30, 2014 compared to US$387.6 million for the six months ended June 30, 2013. This increase was mainly due to increased Net Property Income from the United States and United Kingdom partially offset by the impact from current redevelopments. Further details are discussed in "— Property Revenue and Property Expenses, Outgoings and Other Costs" below.

Proportionate property revaluations increased by US$184.0 million to US$321.0 million for the six months ended June 30, 2014 compared to US$137.0 million for the six months ended June 30, 2013. This increase was mainly due to revaluation gains from the completed development at Garden State Plaza in the United States; an overall firming of capitalization rates in the United States by 40 basis points from 6.0% as at June 30, 2013 to 5.6% as at June 30, 2014; an overall firming of capitalization rates in the United Kingdom by 40 basis points from 5.5% as at June 30, 2013 to 5.1% as at June 30, 2014; and growth in net operating income across the portfolio.

Our income and expenses are also affected by fluctuations in exchange rates. The movement in the average rates used to translate our foreign currency denominated revenue and expenses are set out above. Our foreign currency denominated Net Property Income is partially hedged by interest expense on borrowings denominated in the same foreign currency.

Property Revenue and Property Expenses, Outgoings and Other Costs. Consolidated property revenue increased US$11.4 million or 3.8% to US$308.6 million for the six months ended June 30, 2014 compared to US$297.2 million for the six months ended June 30, 2013. Consolidated property expenses, outgoings and other costs increased US$14.7 million or 15.2% to US$111.7 million for the six months ended June 30, 2014 compared to US$97.0 million for the six months ended June 30, 2013. Consequently, consolidated Net Property Income decreased US$3.3 million or 1.6% to US$196.9 million for the six months ended June 30, 2014 compared to US$200.2 million for the six months ended June 30, 2013.

On a proportionate basis, property revenue increased US$35.0 million or 6.1% to US$608.0 million for the six months ended June 30, 2014 compared to US$573.0 million for the six months ended June 30, 2013. Proportionate property expenses, outgoings and other costs increased US$21.8 million or 11.8% to US$207.2 million for the six months ended June 30, 2014 compared to US$185.4 million for the six months ended June 30, 2013. Consequently, proportionate Net Property Income increased US$13.2 million or 3.4% to US$400.8 million for the six months ended June 30, 2014 compared to US$387.6 million for the six months ended June 30, 2013.

Our proportionate Net Property Income for the six months ended June 30, 2014 compared to the six months ended June 30, 2013 on a geographic basis is described below.

- ***United States*** — Our United States operations contributed proportionate Net Property Income of US$319.2 million for the six months ended June 30, 2014 compared to US$316.6 million for the six months ended June 30, 2013, an increase of US$2.6 million or 0.8%. This increase was mainly due to Net Property Income growth for the six months ended June 30, 2014, partially offset by the impact of redevelopments. See "Business Description — Properties — United States — Operating Data" for further information with respect to the movements in our U.S. specialty store leased rates and average specialty shop rental rates as well as other operational statistics as of and for the six months ended June 30, 2014 and June 30, 2013.
- ***United Kingdom*** — Proportionate Net Property Income from the United Kingdom operations was US$81.6 million for the six months ended June 30, 2014 compared to US$71.0 million for the six months ended June 30, 2013, an increase of US$10.6 million or 14.9%. The increase in proportionate Net Property Income was primarily due to the five year rent review process for Westfield London, which commenced during the second half of 2013; and the impact of the movement in average UK£/US$ exchange rate from 1.5442 for the six months ended June 30, 2013 to 1.6696 for the six months ended June 30, 2014. See "Business Description — Properties — United Kingdom — Operating Data" for further information with respect to the movements in our leased rates and average specialty shop rental rates as well as other operational statistics as of and for the six months ended June 30, 2014 and June 30, 2013.

Property Revaluations. For the six months ended June 30, 2014, we recorded property revaluation gains (excluding our share of the property revaluations of equity accounted entities) of US$33.1 million compared to US$113.8 million for the six months ended June 30, 2013, a decrease of US$80.7 million. This was primarily

attributable to the timing of the completion of developments from our small projects program in the United States, partially offset by changes to the weighted average capitalization rates of our property portfolio between June 30, 2014 and 2013 and between June 30, 2013 and 2012, each as described below.

As of June 30, 2014, the weighted average capitalization rate of the property portfolio in each region (including both consolidated properties and our share of equity accounted properties) was 5.6% in the United States and 5.1% in the United Kingdom. As of June 30, 2013, the weighted average capitalization rate of the property portfolio in each region (including both consolidated properties and our share of equity accounted properties) was 6.0% in the United States and 5.5% in the United Kingdom. As of June 30, 2012, the weighted average capitalization rate of the property portfolio in each region (including both consolidated properties and our share of equity accounted properties) was 6.2% in the United States and 5.5% in the United Kingdom.

Share of After Tax Profits/(Loss) of Equity Accounted Entities. For the six months ended June 30, 2014, our share of the after tax profit of equity accounted entities was US$454.4 million compared to US$178.5 million for the six months ended June 30, 2013, an improvement of US$275.9 million. The majority of this improvement was due an increase in property revaluations.

Net Property Income for equity accounted properties increased US$16.5 million or 8.8% to US$203.9 million for the six months ended June 30, 2014 compared to US$187.4 million for the six months ended June 30, 2013. Net interest and tax expense related to equity accounted properties increased by US$5.3 million or 16.5% to US$37.4 million for the six months ended June 30, 2014 compared to US$32.1 million for the six months ended June 30, 2013.

Property revaluation gains related to equity accounted properties were US$287.9 million for the six months ended June 30, 2014 compared to US$23.2 million for the six months ended June 30, 2013, an increase of US$264.7 million. This was primarily attributable to the completed development at Garden State Plaza in the United States, and changes to the weighted average capitalization rates of our property portfolio between June 30, 2014 and 2013 and between June 30, 2013 and 2012 noted above.

Property Development and Project Management Revenue and Costs. Property development and project management revenue derived from properties owned under joint venture or co-ownership arrangements increased US$58.0 million to US$117.5 million for the six months ended June 30, 2014 compared to US$59.5 million for the six months ended June 30, 2013. Property development and project management costs for such properties increased US$70.9 million to US$77.8 million for the six months ended June 30, 2014 compared to US$6.9 million for the six months ended June 30, 2013. Consequently, net property development and project management income derived from properties owned under joint venture or co-ownership arrangements decreased US$12.9 million to US$39.7 million for the six months ended June 30, 2014 compared to US$52.6 million for the six months ended June 30, 2013. The decrease was primarily due to timing on the recognition of development profits including Garden State Plaza in New Jersey, Montgomery in Maryland, both in the United States, and Stratford City in London, United Kingdom.

Property and Funds Management Income and Costs. Property and funds management income from assets managed on behalf of institutions and other investors increased US$6.6 million or 26.8% to US$31.2 million for the six months ended June 30, 2014 compared to US$24.6 million for the six months ended June 30, 2013. Property and funds management costs for such assets increased US$4.4 million or 31.9% to US$18.2 million for the six months ended June 30, 2014 compared to US$13.8 million for the six months ended June 30, 2013. Consequently, net property and funds management income on account of assets managed on behalf of institutions and other investors increased US$2.2 million or 20.4% to US$13.0 million for the six months ended June 30, 2014 compared to US$10.8 million for the six months ended June 30, 2013. This increase was primarily attributable to the movement in average UK£/US$ exchange rate from 1.5442 for the six months ended June 30, 2013 to 1.6696 for the six months ended June 30, 2014, and increases in property income.

Currency Derivatives. Our loss on currency derivatives was US$117.2 million for the six months ended June 30, 2014 compared to US$129.4 million for the six months ended June 30, 2013. For the six months ended June 30, 2014, the realized gain arising from our currency derivatives totaled US$5.9 million compared to US$12.3 million for the six months ended June 30, 2013, a decrease of US$6.4 million. In addition there was a net fair value loss of US$123.1 million for the six months ended June 30, 2014 compared to a net fair value loss of US$141.7 million for the six months ended June 30, 2013, primarily due to movement in exchange rates.

Overheads. Overheads decreased US$5.4 million or 8.2% to US$60.1 million for the six months ended June 30, 2014 compared to US$65.5 million for the six months ended June 30, 2013. This decrease was primarily due to cost savings from the divestment of our malls in the United States.

Acquisitions and Developments

United States

In March 2014, we increased our ownership in the US$1.4 billion retail development of Westfield World Trade Center in New York, from 50% to 100%. The project is expected to open in late 2015.

During the six months ended June 30, 2014, we commenced work on the US$250 million redevelopment at The Village at Topanga in California.

United Kingdom / Europe

During the six months ended June 30, 2014, we commenced the UK£260 million redevelopment project at Bradford in the United Kingdom, on behalf of Meyer Bergman.

Comparison of the Year Ended December 31, 2013 to the Year Ended December 31, 2012

Earnings before Interest and Tax ('EBIT'). For the year ended December 31, 2013, EBIT was US$1,280.2 million, compared to US$1,145.2 million for the year ended December 31, 2012, a US$135.0 million improvement. This improvement was primarily due to increases in Net Property Income and property valuations and a reduction in overheads.

Proportionate Net Property Income increased by US$19.4 million or 2.4% to US$818.4 million for the year ended December 31, 2013 compared to US$799.0 million for the year ended December 31, 2012. This increase was mainly due to increased Net Property Income from the United States. Further details are discussed in "Property Revenue and Property Expenses, Outgoings and Other Costs" below.

Proportionate property revaluations increased by US$325.0 million or 73.3% to US$768.2 million for the year ended December 31, 2013 compared to US$443.2 million for the year ended December 31, 2012. This increase was mainly due to revaluations from completed developments in our small projects program in the United States; an overall firming of capitalization rates in the United States by 30 basis points from 6.0% as at December 31, 2012 to 5.7% as at December 31, 2013; and growth in net operating income across the portfolio.

Our income and expenses are also affected by fluctuations in exchange rates. The movement in the average rates used to translate our foreign currency denominated revenue and expenses are set out above. Our foreign currency denominated Net Property Income is partially hedged by interest expense on borrowings denominated in the same foreign currency.

Property Revenue and Property Expenses, Outgoings and Other Costs. Consolidated property revenue increased US$5.8 million or 0.9% to US$622.0 million for the year ended December 31, 2013 compared to US$616.2 million for the year ended December 31, 2012. Consolidated property expenses, outgoings and other costs decreased US$9.8 million or 4.6% to US$201.7 million for the year ended December 31, 2013 compared to US$211.5 million for the year ended December 31, 2012. Consequently, consolidated Net Property Income

increased US$15.6 million or 3.9% to US$420.3 million for the year ended December 31, 2013 compared to US$404.7 million for the year ended December 31, 2012. This increase was primarily due to the Net Property Income from completed developments as part of the small projects program and Comparable Net Property Income growth of 4.7% in the United States for the year ended December 31, 2013.

On a proportionate basis, property revenue increased US$8.9 million or 0.7% to US$1,200.4 million for the year ended December 31, 2013 compared to US$1,191.5 million for the year ended December 31, 2012. Proportionate property expenses, outgoings and other costs decreased US$10.5 million or 2.7% to US$382.0 million for the year ended December 31, 2013 compared to US$392.5 million for the year ended December 31, 2012. Consequently, proportionate Net Property Income increased US$19.4 million or 2.4% to US$818.4 million for the year ended December 31, 2013 compared to US$799.0 million for the year ended December 31, 2012.

Our proportionate Net Property Income for the year ended December 31, 2013 compared to the year ended December 31, 2012 on a geographic basis is described below.

- ***United States*** — Our United States operations contributed proportionate Net Property Income of US$670.7 million for the year ended December 31, 2013 compared to US$656.6 million for the year ended December 31, 2012, an increase of US$14.1 million or 2.1%. This increase was mainly due to increased Net Property Income Comparable Net Property Income growth of 4.7% in the United States for the year ended December 31, 2013, partially offset by the impact of developments from our small projects program and the redevelopments at Garden State Plaza in New Jersey and Montgomery in Maryland. See "Business Description — Properties — United States — Operating Data" for further information with respect to the movements in our U.S. specialty store leased rates and average specialty shop rental rates as well as other operational statistics as of and for the year ended December 31, 2013 and December 31, 2012.
- ***United Kingdom*** — Proportionate Net Property Income from the United Kingdom operations was US$147.7 million for the year ended December 31, 2013 compared to US$142.4 million for the year ended December 31, 2012, an increase of US$5.3 million or 3.7%. The increase in proportionate Net Property Income was primarily due to five year rent review process for Westfield London, which commenced during the second half of 2013. See "Business Description — Properties — United Kingdom — Operating Data" for further information with respect to the movements in our leased rates and average specialty shop rental rates as well as other operational statistics as of and for the year ended December 31, 2013 and December 31, 2012.

Property Revaluations. For the year ended December 31, 2013, we recorded property revaluation gains (excluding our share of the property revaluations of equity accounted entities) of US$359.6 million compared to US$86.3 million for the year ended December 31, 2012, an increase of US$273.3 million. This was primarily attributable to the difference in changes to the weighted average capitalization rates of our property portfolio between December 31, 2013 and 2012 and between December 31, 2012 and 2011, each as described below.

As of December 31, 2013, the weighted average capitalization rate of the property portfolio in each region (including both consolidated properties and our share of equity accounted properties) was 5.7% in the United States and 5.5% in the United Kingdom. As of December 31, 2012, the weighted average capitalization rate of the property portfolio in each region (including both consolidated properties and our share of equity accounted properties) was 6.0% in the United States and 5.5% in the United Kingdom. As of December 31, 2011, the weighted average capitalization rate of the property portfolio in each region (including both consolidated properties and our share of equity accounted properties) was 6.2% in the United States and 5.5% in the United Kingdom.

Share of After Tax Profits/(Loss) of Equity Accounted Entities. For the year ended December 31, 2013, our share of the after tax profit of equity accounted entities was US$747.9 million compared to US$678.1 million for the year ended December 31, 2012, an improvement of US$69.8 million. The majority of this improvement was due an increase in property revaluations.

Net Property Income for equity accounted properties increased US$3.8 million or 1.0% to US$398.1 million for the year ended December 31, 2013 compared to US$394.3 million for the year ended December 31, 2012. Net interest and tax expense related to equity accounted properties decreased by US$14.3 million or 19.6% to US$58.8 million for the year ended December 31, 2013 compared to US$73.1 million for the year ended December 31, 2012.

Property revaluation gains related to equity accounted properties were US$408.6 million for the year ended December 31, 2013 compared to US$356.9 million for the year ended December 31, 2012, an increase of US$51.7 million. This was primarily attributable to the changes to the weighted average capitalization rates of our property portfolio between December 31, 2013 and 2012 and between December 31, 2012 and 2011 noted above.

Property Development and Project Management Revenue and Costs. Property development and project management revenue derived from properties owned under joint venture or co-ownership arrangements increased US$67.6 million to US$176.3 million for the year ended December 31, 2013 compared to US$108.7 million for the year ended December 31, 2012. Property development and project management costs for such properties increased US$70.7 million to US$100.6 million for the year ended December 31, 2013 compared to US$29.9 million for the year ended December 31, 2012. Consequently, net property development and project management income derived from properties owned under joint venture or co-ownership arrangements decreased US$3.1 million to US$75.7 million for the year ended December 31, 2013 compared to US$78.8 million for the year ended December 31, 2012. The decrease was primarily due to timing on the recognition of development profits including Garden State Plaza in New Jersey and Montgomery in Maryland, both in the United States.

Property and Funds Management Income and Costs. Property and funds management income from assets managed on behalf of institutions and other investors remained steady at US$59.3 million for the year ended December 31, 2013 and for the year ended December 31, 2012. Property and funds management costs for such assets increased US$0.4 million or 1.4% to US$29.2 million for the year ended December 31, 2013 compared to US$28.8 million for the year ended December 31, 2012. Consequently, net property and funds management income on account of assets managed on behalf of institutions and other investors decreased US$0.4 million or 1.3% to US$30.1 million for the year ended December 31, 2013 compared to US$30.5 million for the year ended December 31, 2012. This decrease was primarily attributable to the movement in average UK£/US$ exchange rate from 1.5847 for the year ended December 31, 2012 to 1.5630 for the year ended December 31, 2013.

Currency Derivatives. Our loss on currency derivatives was US$215.8 million for the year ended December 31, 2013 compared to a gain of US$22.3 million for the year ended December 31, 2012. For the year ended December 31, 2013, the realized gain arising from our currency derivatives totaled US$26.1 million compared to US$19.3 million for the year ended December 31, 2012, an improvement of US$6.8 million. In addition there was a net fair value loss of US$169.9 million for the year ended December 31, 2013 compared to a net fair value gain of US$3.0 million for the year ended December 31, 2012, primarily due to movement in exchange rates.

Overheads. Overheads decreased US$17.9 million or 11.5% to US$137.6 million for the year ended December 31, 2013 compared to US$155.5 million for the year ended December 31, 2012. This decrease was primarily due to a cost savings from the divestment of our malls in the United States.

Acquisitions and Developments

United States

During the year ended December 31, 2013, we commenced work on US$250 million of new projects including the redevelopment at Garden State Plaza in New Jersey, and the redevelopment at Montgomery in Maryland.

United Kingdom / Europe

In January 2013, we formed a joint venture to redevelop the retail center of Croydon in London. As part of the joint venture, we have acquired a 50% interest in the £115 million Centrale shopping center from Hammerson plc.

Comparison of the Year Ended December 31, 2012 to the Year Ended December 31, 2011

Earnings before Interest and Tax ('EBIT'). For the year ended December 31, 2012, EBIT was US$1,145.2 million, compared to US$818.9 million for the year ended December 31, 2011, a US$326.3 million improvement. This improvement was primarily due to increases in Net Property Income and property valuations and a reduction in overheads.

Proportionate Net Property Income increased by US$87.3 million or 12.3% to US$799.0 million for the year ended December 31, 2012 compared to US$711.8 million for the year ended December 31, 2011. This increase was mainly due to increased Net Property Income from the United Kingdom. Further details are discussed in "Property Revenue and Property Expenses, Outgoings and Other Costs" below.

Proportionate property revaluations increased by US$238.6 million or 116.6% to US$443.2 million for the year ended December 31, 2012 compared to US$204.6 million for the year ended December 31, 2011. This increase was mainly due to revaluations from completed developments in our small projects program in the United States, the completed developments at UTC in the United States and Stratford in London, United Kingdom; an overall firming of capitalization rates in the United States by 20 basis points from 6.2% as at December 31, 2011 to 6.0% as at December 31, 2012; and growth in net operating income across the portfolio.

Our income and expenses are also affected by fluctuations in exchange rates. The movement in the average rates used to translate our foreign currency denominated revenue and expenses are set out above. Our foreign currency denominated Net Property Income is partially hedged by interest expense on borrowings denominated in the same foreign currency.

Property Revenue and Property Expenses, Outgoings and Other Costs. Consolidated property revenue increased US$26.2 million or 4.4% to US$616.2 million for the year ended December 31, 2012 compared to US$590.0 million for the year ended December 31, 2011. Consolidated property expenses, outgoings and other costs increased US$11.7 million or 5.9% to US$211.5 million for the year ended December 31, 2012 compared to US$199.8 million for the year ended December 31, 2011. Consequently, consolidated Net Property Income increased US$14.5 million or 3.7% to US$404.7 million for the year ended December 31, 2012 compared to US$390.2 million for the year ended December 31, 2011. This increase was primarily due to the Net Property Income from Comparable Net Property Income growth of 4.2% in the United States for the year ended December 31, 2012.

On a proportionate basis, property revenue increased US$128.9 million or 12.1% to US$1,191.5 million for the year ended December 31, 2012 compared to US$1,062.6 million for the year ended December 31, 2011. Proportionate property expenses, outgoings and other costs increased US$41.7 million or 11.9% to US$392.5 million for the year ended December 31, 2012 compared to US$350.8 million for the year ended December 31, 2011. Consequently, proportionate Net Property Income increased US$87.2 million or 12.3% to US$799.0 million for the year ended December 31, 2012 compared to US$711.8 million for the year ended December 31, 2011.

Our proportionate Net Property Income for the year ended December 31, 2012 compared to the year ended December 31, 2011 on a geographic basis is described below.

- ***United States*** — Our United States operations contributed proportionate Net Property Income of US$656.6 million for the year ended December 31, 2012 compared to US$621.3 million for the year

ended December 31, 2011, an increase of US$35.3 million or 5.7%. This increase was mainly due to increased Net Property Income from completed developments as part of the small projects program and Comparable Net Property Income growth of 4.2% for the year. See "Business Description — Properties — United States — Operating Data" for further information with respect to the movements in our U.S. specialty store leased rates and average specialty shop rental rates as well as other operational statistics as of and for the year ended December 31, 2012 and December 31, 2011.

- ***United Kingdom*** — Proportionate Net Property Income from the United Kingdom operations was US$142.4 million for the year ended December 31, 2012 compared to US$90.5 million for the year ended December 31, 2011, an increase of US$51.9 million or 57.3%. The increase in proportionate Net Property Income was primarily due to the opening of Westfield Stratford in 2011. See "Business Description — Properties — United Kingdom — Operating Data" for further information with respect to the movements in our leased rates and average specialty shop rental rates as well as other operational statistics as of and for the year ended December 31, 2012 and December 31, 2011. This increase was partially offset by the impact of the movement in average UK£/US$ exchange rate from 1.6032 for the year ended December 31, 2011 to 1.5847 for the year ended December 31, 2012.

Property Revaluations. For the year ended December 31, 2012, we recorded property revaluation gains (excluding our share of the property revaluations of equity accounted entities) of US$86.3 million compared to property revaluation loss of US$5.5 million for the year ended December 31, 2011, an increase of US$91.8 million. This was primarily attributable to the completed developments as part of the small projects program in the United States, growth in net operating income across the portfolio, and the difference in changes to the weighted average capitalization rates of our property portfolio between December 31, 2012 and 2011 and between December 31, 2011 and 2010, each as described below.

As of December 31, 2012, the weighted average capitalization rate of the property portfolio in each region (including both consolidated properties and our share of equity accounted properties) was 6.0% in the United States and 5.5% in the United Kingdom. As of December 31, 2011, the weighted average capitalization rate of the property portfolio in each region (including both consolidated properties and our share of equity accounted properties) was 6.2% in the United States and 5.5% in the United Kingdom. As of December 31, 2010, the weighted average capitalization rate of the property portfolio in each region (including both consolidated properties and our share of equity accounted properties) was 6.4% in the United States and 5.5% in the United Kingdom.

Share of After Tax Profits/(Loss) of Equity Accounted Entities. For the year ended December 31, 2012, our share of the after tax profit of equity accounted entities was US$678.1 million compared to US$475.5 million for the year ended December 31, 2011, an improvement of US$202.6 million. The majority of this improvement was due an increase in property revaluations.

Net Property Income for equity accounted properties increased US$72.9 million or 22.7% to US$394.3 million for the year ended December 31, 2012 compared to US$321.4 million for the year ended December 31, 2011. Net interest and tax expense related to equity accounted properties increased by US$16.9 million or 30.1% to US$73.1 million for the year ended December 31, 2012 compared to US$56.2 million for the year ended December 31, 2011.

Property revaluation gains related to equity accounted properties were US$356.9 million for the year ended December 31, 2012 compared to US$210.1 million for the year ended December 31, 2011, an increase of US$146.8 million. This was primarily attributable to the completed developments at UTC in the United States and Stratford in London, United Kingdom, growth in net operating income across the portfolio, and the changes to the weighted average capitalization rates of our property portfolio between December 31, 2012 and 2011 and between December 31, 2011 and 2010 noted above.

Property Development and Project Management Revenue and Costs. Property development and project management revenue derived from properties owned under joint venture or co-ownership arrangements decreased US$1,364.6 million to US$108.7 million for the year ended December 31, 2012 compared to US$1,473.3 million for the year ended December 31, 2011. Property development and project management costs for such properties decreased US$1,372.2 million to US$29.9 million for the year ended December 31, 2012 compared to US$1,402.1 million for the year ended December 31, 2011. Consequently, net property development and project management income derived from properties owned under joint venture or co-ownership arrangements increased US$7.6 million to US$78.8 million for the year ended December 31, 2012 compared to US$71.2 million for the year ended December 31, 2011. The increase was primarily due timing on the recognition of development profits including UTC in the United States.

Property and Funds Management Income and Costs. Property and funds management income from assets managed on behalf of institutions and other investors increased US$7.7 million or 14.9% to US$59.3 million for the year ended December 31, 2012 compared to US$51.6 million for the year ended December 31, 2011. Property and funds management costs for such assets increased US$5.3 million or 22.6% to US$28.8 million for the year ended December 31, 2012 compared to US$23.5 million for the year ended December 31, 2011. Consequently, net property and funds management income on account of assets managed on behalf of institutions and other investors increased US$2.4 million or 8.5% to US$30.5 million for the year ended December 31, 2012 compared to US$28.1 million for the year ended December 31, 2011. This increase was primarily attributable to increases in property income.

Currency Derivatives. Our gain on currency derivatives was US$22.3 million for the year ended December 31, 2012 compared to a gain of US$30.9 million for the year ended December 31, 2011. For the year ended December 31, 2012, the realized gain arising from our currency derivatives totaled US$19.3 million compared to US$3.3 million for the year ended December 31, 2011, an improvement of US$16.0 million. In addition there was a net fair value gain of US$3.0 million for the year ended December 31, 2012 compared to a net fair value gain of US$27.6 million for the year ended December 31, 2011, primarily due to movement in exchange rates.

Overheads. Overheads decreased US$16.0 million or 9.3% to US$155.5 million for the year ended December 31, 2012 compared to US$171.5 million for the year ended December 31, 2011. This decrease was primarily due to a cost savings from the divestment of our malls in the United States.

Acquisitions and Developments

United States

The US$180 million redevelopment of UTC in San Diego, California opened in November 2012. During the year ended December 31, 2012, we commenced work on US$950 million of new projects including the development of the Westfield World Trade Center, the redevelopment of South Shore in New York and US$245 million of smaller projects as part of our ongoing small projects program.

Liquidity and Capital Resources

Overview

Our primary requirement for cash has been, and will continue to be, to fund our development and redevelopment program.

We also use significant amounts of cash to pay distributions to holders of our stapled securities and repay principal and interest on our debt. We anticipate that we will disclose our target distribution each year at the time of our annual results announcement for the prior year. Our distribution policy is described in more detail under "Business Description — Policies and Objectives with Respect to Investments, Financing and Other Activities — Distribution Policy."

We generate cash from our operations. We also seek to maintain a diversity of financing sources, including committed unsecured bank loan facilities on a syndicated and bilateral basis, bonds and hybrid instruments. Committed unsecured bank loan facilities are with a number of lenders and have various maturities to minimize credit risk and refinancing risk. We also raise debt finance through secured borrowings, including secured investment loans over individual properties or groups of properties and secured construction loans.

As of June 30, 2014, on a consolidated basis, we had secured borrowings of US$0.9 billion and unsecured borrowings of US$4.5 billion, with US$3.5 billion available to be drawn down under undrawn, predominantly long term, unsecured committed bank facilities.

As of June 30, 2014, on a consolidated basis, our committed unsecured bank loan facilities were undrawn. The amount available to be drawn down under such facilities was US$3.5 billion after taking into account outstanding guarantees. These financing facilities are revolving credit facilities subject to negative pledge arrangements. See "Business Description — Policies and Objectives With Respect to Investments, Financing and Other Activities — Master Negative Pledge Deed Poll."

For a summary of our debt maturity profile and committed financing facilities maturity profile, see "— Available Liquidity and Debt Maturity Profile" below. Our balance of cash and cash equivalents was US$0.4 billion as of June 30, 2014.

We continue to manage our invested capital position and seek to grow our business through the investment of capital into our development pipeline, which is predominately weighted toward flagship assets. The development pipeline is expected to generate significant long-term value. We will also continue to divest our non-core assets and redeploy that capital into our development and growth opportunities.

There can be no assurance that in the future we will be able to sell our equity securities or property assets on acceptable terms, if at all.

In addition to the public equity and long term secured and unsecured debt markets, we may also raise funding by accessing private equity from institutional investors, through hybrid equity raisings, the disposition or joint venturing of properties and the establishment of wholesale funds managed by us that will hold interests in certain of our properties.

For a summary of our significant financing transactions, see the discussion under "— Liquidity and Capital Resources — Recent Financing Transactions."

Cash Flows

The following cash flow information includes both the U.S. and UK operations and has not been adjusted for the transactions noted above in "Financial Information Presentation."

Comparison of cash flows for the six months ended June 30, 2014 with the six months ended June 30, 2013

Net cash inflows from operating activities decreased by US$106.9 million or 23.4% from US$456.9 million for the six months ended June 30, 2013 to US$350.0 million for the six months ended June 30, 2014. This decrease was primarily due to a decrease in receipts in the course of operations of US$65.5 million due to property divestments and the impact of redevelopments, partially offset by higher net property income, an increase in payments in the course of operations of US$26.0 million due to cash expended and timing of billings and expenditure on third party construction projects, partially offset by property divestments, and a decrease in dividends and distributions received from equity accounted associates of US$16.3 million from US$176.8 million for the six months ended June 30, 2013 to US$160.5 million for the six months ended June 30, 2014.

Net cash flows from investing activities decreased by US$88.4 million from US$334.6 million for the six months ended June 30, 2013 to US$246.2 million for the six months ended June 30, 2014. This decrease was primarily due an increase in the acquisition of property investments of US$640.4 million (US$640.4 million for the six months ended June 30, 2014 compared to US$0 for the six months ended June 30, 2013), an increase in tax paid on disposition of property investments of US$52.9 million (US$52.9 million for the six months ended June 30, 2014 compared to US$0 for the six months ended June 30, 2013), and a decrease in capital distribution received from equity accounted associates of US$199.0 million (US$199.0 million for the six months ended June 30, 2013 compared to US$0 for the six months ended June 30, 2014). These items were partially offset by an increase of proceeds from the sale of property investments of US$637.0 million from US$617.5 million for the six months ended June 30, 2013 to US$1,254.5 million for the six months ended June 30, 2014, and a decrease in capital expenditure on property investments by US$163.3 million from US$438.5 million for the six months ended June 30, 2013 to US$275.2 million for the six months ended June 30, 2014.

Comparison of cash flows for the year ended December 31, 2013 with the year ended December 31, 2012

Net cash inflows from operating activities decreased by US$169.1 million or 18.2% from US$930.3 million for the year ended December 31, 2012 to US$761.2 million for the year ended December 31, 2013. This decrease was primarily due to a decrease in receipts in the course of operations of US$179.1 million due to property divestments and the impact of redevelopments partially offset by higher comparable net priority income, a decrease in distributions received from equity accounted associates of US$20.4 million (US$287.2 million for the year ended December 31, 2012 compared to US$266.8 million for the year ended December 31, 2013), and an increase in income and withholding taxes paid of US$30.7 million (US$2.7 million for the year ended December 31, 2012 compared to US$33.4 million for the year ended December 31, 2013). These items were partially offset by a decrease in payments in the course of operations of US$50.0 million mainly due to property divestments and the timing of payments for construction on third party projects, and an increase in cash flow from settlement of income hedging currency derivatives of US$12.1 million (cash inflow of US$16.5 million for the year ended December 31, 2012 compared to cash inflow of US$28.6 million for the year ended December 31, 2013).

Net cash flows from investing activities decreased by US$42.2 million from US$2,014.9 million for the year ended December 31, 2012 to US$1,972.7 million for the year ended December 31, 2013. This decrease was primarily due to a decrease of proceeds from the sale of property investments of US$650.6 million (US$2,928.2 million for the year ended December 31, 2012 compared to US$2,277.6 million for the year ended December 31, 2013), and an increase in tax paid on disposition of property investments of US$44.3 million (US$44.3 million for the year ended December 31, 2013 compared to US$0 for the year ended December 31, 2012). These items were partially offset by an increase in capital distributions received from equity accounted associates of US$190.0 million (US$190.0 million for the year ended December 31, 2013 compared to US$0 for the year ended December 31, 2012), a decrease in net outflows for capital contributions to fund our equity accounted investments (US$174.9 million for the year ended December 31, 2012 compared to US$5.7 million for the year ended December 31, 2013), a reduction in capital expenditure on property investments of US$25.7 million (US$642.2 million for the year ended December 31, 2012 compared to US$616.5 million for the year ended December 31, 2013), and an increase in cash flow from settlement of asset hedging currency derivatives of US$274.2 million (cash outflow of US$37.9 million for the year ended December 31, 2012 compared to cash inflow of US$236.3 million for the year ended December 31, 2013).

Comparison of cash flows for the year ended December 31, 2012 with the year ended December 31, 2011

Net cash inflows from operating activities decreased by US$725.9 million or 43.8% from US$1,656.2 million for the year ended December 31, 2011 to US$930.3 million for the year ended December 31, 2012. This decrease was primarily due to a decrease in receipts in the course of operations of US$1,316.8 million due to the timing of receipts for construction on third party projects partially offset by higher comparable net property income. This item was partially offset by a decrease in payments in the course of operations of US$396.1 million

due to the timing of payments for construction on third party projects, an increase in distributions received from equity accounted associates of US$182.7 million (US$104.5 million for the year ended December 31, 2011 compared to US$287.2 million for the year ended December 31, 2012), and an increase in cash flow from settlement of income hedging currency derivatives of US$8.3 million (US$8.2 million for year ended December 31, 2011 compared to US$16.5 million for the year ended December 31, 2012.

Net cash flows from investing activities increased by US$2,949.5 million from a cash outflow of US$934.6 million for the year ended December 31, 2011 to a cash inflow of US$2,014.9 million for the year ended December 31, 2012. This increase was primarily due to an increase of proceeds from the sale of property investments of US$2,809.4 million (US$118.8 million for the year ended December 31, 2011 compared to US$2,928.2 million for the year ended December 31, 2012), and a reduction in capital expenditure on property investments of US$307.6 million (US$949.8 million for the year ended December 31, 2011 compared to US$642.2 million for the year ended December 31, 2012). These items were partially offset by an increase in net outflows for capital contributions to fund our equity accounted investments (US$174.9 million for the year ended December 31, 2012 compared to US$0 million for the year ended December 31, 2011).

Gearing Policy and Debt Facilities

We intend to maintain a leverage ratio in the 30% to 40% range over the long term. Our real estate assets are the primary component of our total assets. As a result, upward or downward revaluations of our real estate assets may affect our leverage ratio. We may from time to time re-evaluate our policy with regard to our leverage ratio in light of then-prevailing economic conditions, relative costs of debt and equity capital, changes in our market capitalization, growth and acquisition opportunities or other factors, and modify our leverage policy accordingly. As a result, we may increase our leverage ratio beyond the limits described above.

None of our organizational documents limit the amount of indebtedness that we may incur. However, certain of our financing agreements, including the indenture and supplemental indenture that will govern the Notes, contain certain financial covenants, including leverage ratio covenants. Based on our consolidated balance sheet as of June 30, 2014, our leverage ratio, calculated in accordance with the leverage ratio covenant of Net Debt to Net Assets to be contained, and as those terms will be defined, in the indenture and supplemental indenture that will govern the Notes, was 29.4%.

If our board determines that additional funding is required, we may raise such funds through equity offerings, hybrid equity raisings, debt financing, the disposal of or joint venturing of properties, the establishment of wholesale funds managed by us which will hold interests in certain of our properties, the retention of operating cash flow or a combination of these methods, subject to restrictions under applicable law and our debt agreements, including limitations under the indenture and supplemental indenture that will govern the Notes.

Indebtedness incurred by us may be in the form of publicly or privately placed debt instruments, financing from banks, institutional investors or other lenders, any of which indebtedness may be unsecured or may be secured by mortgages or other interests in our assets. Such indebtedness may be recourse, non-recourse or cross-collateralized and, if subject to recourse, such recourse may include our general assets and, if non-recourse, may be limited to the particular property or properties to which the indebtedness relates. In addition, we may invest in properties subject to existing loans secured by mortgages, deeds of trust or similar liens on the properties, or may refinance properties acquired on a leveraged basis. The proceeds from any borrowings by us may be used for working capital, to purchase additional interests in joint ventures or partnerships in which we participate, to refinance existing indebtedness or to finance acquisitions, expansions or redevelopment of new and existing properties. We may also incur indebtedness for other purposes when, in the opinion of our board, it is advisable to do so.

Our debt facilities comprise floating rate unsecured loan facilities and fixed and floating rate secured loan facilities. The loan facilities are provided by a number of lenders and have various maturities to minimize credit

risk and refinancing risk. The unsecured loan facilities are subject to negative pledge arrangements including requirements to comply with financial covenants on specified dates and/or for specified periods.

We believe that we have sufficient sources of funds to meet our financing requirements and that existing covenants in our debt facilities will not materially impact our liquidity or our ability to operate our business. We will continue to investigate both debt and equity alternatives to finance our business and to finance potential investments.

Available Liquidity and Debt Maturity Profile

As of June 30, 2014, we had total available liquidity of US$3.9 billion made up of undrawn, predominantly long term, unsecured committed bank loan facilities of US$3.5 billion after taking into account outstanding guarantees, and cash and cash equivalents of US$0.4 billion. These facilities are subject to negative pledge arrangements which, among other things, require us to comply with certain financial covenants.

The maturity profile of our current and non-current interest bearing liabilities and our committed financing facilities, which are comprised of fixed rate unsecured debt security issues, floating rate unsecured loan facilities and fixed and floating rate secured loan facilities, as of June 30, 2014 is set out below:

	As of June 30, 2014 (in millions)	
Year ending:	**Committed Financing Facilities**	**Total Interest Bearing Liabilities**
December 31, 2014	US$ 2.0	US$ 2.0
December 31, 2015	123.3	123.3
December 31, 2016	317.3	242.2
December 31, 2017	4,567.3	4,367.4
December 31, 2018	4.0	4.0
December 31, 2019	3,254.3	4.3
December 31, 2020	172.7	172.7
December 31, 2021	0.6	0.6
December 31, 2022	415.7	415.7
December 31, 2023	0.7	0.7
December 31, 2024	0.7	0.7
Due thereafter	27.5	27.5
Total	**US$8,886.1**	**US$5,361.1**

Recent Financing Transactions

During the six months ended June 30, 2014, we completed the following significant financing transactions:

- established a US$4.36 billion syndicated bridge facility with a maturity date of March 2016 (with an option to extend the maturity date to March 2017);
- established a US$3.25 billion U.S. syndicated unsecured bank loan facility with a maturity date of June 2018 (with options to extend the maturity date to June 2019); and
- established a US$200 million unsecured bank loan facility with a maturity date of July 2017.

Contractual Obligations and Other Commitments

The following table summarizes our contractual obligations and commitments as of June 30, 2014, December 31, 2013 and December 31, 2012. Further information regarding our operating lease and capital expenditure commitments is set forth in Note 21 ("Capital Expenditure Commitments") to the Half Year Financial Statements, which is included elsewhere in this offering memorandum.

	As of June 30, 2014	As of December 31, 2013	As of December 31, 2012
	(in millions)	(in millions)	(in millions)
Pro rata share of borrowings			
Wholly owned and consolidated joint ventures	US$5,361.1	US$ 7,446.0	US$ 8,194.5
Equity accounted joint ventures	1,709.3	1,699.9	1,435.5
Total pro rata share of borrowings	7,070.4	9,145.9	9,630.0
Operating lease commitments	105.0	108.4	79.3
Capital expenditure commitments	1,019.2	1,479.2	743.3
Total	US$8,194.6	US$10,733.5	US$10,452.6

Off-Balance Sheet Arrangements

Other than as disclosed in the above table, there are no other significant off-balance sheet contractual obligations or other commitments.

Quantitative and Qualitative Disclosures About Market Risk

Derivative Financial Instruments and the Effects of Translation of Foreign Currency Transactions on Results of Operations

Our activities expose us to changes in interest rates and foreign exchange rates. We have policies and limits in respect of the use of derivative and other financial instruments to hedge cash flows subject to interest rate and currency risks. We have a hedging program that is used to manage interest rate and foreign exchange rate risk. We do not enter into derivatives for speculative purposes and our hedging policies are approved and monitored by our board.

Our foreign currency denominated revenue and expenses, including interest expense, for the six months ended June 30, 2014 and 2013 and for the years ended December 31, 2013, 2012 and 2011 were translated to US$ at the following average exchange rates:

	A$	US$	UK£
Six Months Ended			
June 30, 2014	1.0000	0.9153	0.5482
June 30, 2013	1.0000	1.0150	0.6573
Year Ended			
December 31, 2013	1.0000	0.9678	0.6192
December 31, 2012	1.0000	1.0359	0.6537
December 31, 2011	1.0000	1.0320	0.6437

Foreign currency denominated investments are funded by equity and borrowings. Where the equity and borrowings are denominated in a currency other than that of the underlying asset, a mismatch of the currency denomination of the assets and the equity and liabilities arises, creating an exposure to risks associated with exchange rate movements.

We may manage our exposure to these risks by funding a portion of our foreign currency investments with loans denominated in the same currency, or by the use of currency derivatives to convert funding in one currency into funding in the currency in which the asset is denominated.

As a result of hedging our foreign currency denominated investments through currency derivatives and foreign currency loans, we may be exposed to risks associated with interest rate movements on:

- the principal amount of US$ denominated borrowings and principal amount of US$ payable on currency derivatives;
- the principal amount of UK£ denominated borrowings and principal amount of UK£ payable on currency derivatives; and
- the principal amount of A$ receivable on currency derivatives.

As part of the management of the risks associated with interest rate movements on the above principal amounts, we have entered into fixed rate interest derivatives. The remaining principal amounts are unhedged and remain exposed to floating interest rate movements. Fixed and floating rate interest income and expense on such fixed rate interest derivatives are recorded in the income statement.

In addition, we may hedge all, part or none of our exposure to foreign exchange rate movements on our foreign currency denominated business revenues and expenses by forward selling or buying foreign currency for a fixed US$ amount with forward foreign exchange contracts and options.

Our treasury transactions are undertaken to achieve economic outcomes in line with our treasury policy. However, as mentioned above, due to the documentation, designation and effectiveness requirements under AAS, our hedges (other than cross currency swaps that hedge investments in foreign operations) do not qualify for hedge accounting.

Interest Rate Derivatives

We enter into interest rate derivatives to reduce our exposure to the effects of fluctuations in interest rates on interest expense relating to our debt and cross currency swaps and interest income relating to our cross currency swaps. We also manage our exposure to interest rate fluctuations by entering into fixed rate debt. We do not enter into interest rate derivatives for speculative purposes.

As of June 30, 2014, our fixed rate debt and the A$, US$ and UK£ notional principal or contract amounts of our interest rate derivatives to reduce our interest rate exposures on our debt and cross currency swaps entered into to hedge our foreign currency assets, liabilities and revenues are as follows:

Fixed Rate Debt and Derivatives Contracts

Fixed Rate Debt and Derivatives Contracted as of June 30, 2014 and Outstanding as of	Interest Rate Derivatives		Fixed Rate Debt	
	Notional Principal Amount	Average Rate Excluding Margin	Principal Amount	Average Rate Including Margin
	(in millions)		(in millions)	
UK£ payable				
June 30, 2014	UK£ (225.0)	1.82%	—	—
December 31, 2014	UK£ (225.0)	1.82%	—	—
December 31, 2015	UK£ (225.0)	1.82%	—	—
December 31, 2016	UK£ (225.0)	1.82%	—	—
US$ payable				
June 30, 2014	US$ (2,750.0)	1.82%	US$(1,999.3)	4.95%
December 31, 2014	US$ (2,750.0)	1.82%	US$(1,996.0)	4.95%
December 31, 2015	—	—	US$(1,875.6)	4.95%
December 31, 2016	—	—	US$(1,726.4)	4.90%
December 31, 2017	—	—	US$(1,512.8)	4.74%
December 31, 2018	—	—	US$(1,503.9)	4.73%
December 31, 2019	—	—	US$(1,493.6)	4.72%
December 31, 2020	—	—	US$(1,146.1)	4.07%
December 31, 2021	—	—	US$(1,143.1)	4.07%
December 31, 2022	—	—	US$ (655.7)	3.98%
A$ receivable				
June 30, 2014	A$ 950.0	6.36%	—	—
December 31, 2014	A$ 200.0	6.77%	—	—
US$ receivable				
June 30, 2014	US$ 4,100.0	3.15%	—	—
December 31, 2014	US$ 3,250.0	2.83%	—	—
December 31, 2015	US$ 3,250.0	2.83%	—	—
December 31, 2016	US$ 3,250.0	2.83%	—	—
December 31, 2017	US$ 500.0	3.69%	—	—
December 31, 2018	US$ 500.0	3.69%	—	—
December 31, 2019	US$ 500.0	3.69%	—	—

Interest Rate Caps

The notional principal of Westfield Corporation's consolidated and share of equity accounted interest rate caps is set out below:

Interest Rate Caps Contracted as of June 30, 2012 and Outstanding at	Interest Rate Caps	
	June 30, 2014 Notional Principal Amount	June 30, 2014 Strike Rate
	(in millions)	
US$ payable		
June 30, 2014	US$(27.4)	3.50%
December 31, 2014	US$(27.4)	3.50%

Foreign Exchange Management

We may enter into cross currency swaps and forward foreign exchange contracts where we agree to buy or sell specified amounts of foreign currencies at predetermined exchange rates at some specified date in the future. The objective is to reduce the risk of exchange rate fluctuation in respect of a portion of our foreign currency denominated assets and future revenue and expenses. We do not enter into cross currency swaps or forward foreign exchange contracts for speculative purposes.

Cross Currency Swaps

We may enter into cross currency swaps to convert borrowings denominated in one currency into another currency to achieve a desired level of hedging of our asset exposures denominated in foreign currencies. These cross currency swap agreements are contractual agreements between us and third parties to exchange interest payments in two separate currencies on a periodic basis with the underlying principal amounts exchanged at the same rate at both the start date and again at the maturity date.

We have legacy cross currency interest rate swaps that hedged a portion of the former Westfield Group's future earnings denominated in UK£ and US$ to an A$ amount. Cross currency interest rate swaps agreements to hedge our future earnings are contractual agreements between us and third parties to exchange interest payments in two separate currencies on a periodic basis, but without any exchange of principal amounts. In respect of cross currency interest rate swaps to hedge our future earnings denominated in US$ and UK£, as of June 30, 2014, we have agreed to pay third parties, on set dates, interest based on US$ LIBOR on an aggregate notional principal amount of US$410.0 million and interest based on UK£ LIBOR on an aggregate notional principal amount of UK£165.0 million. Correspondingly, we will receive from third parties, on set dates, interest based on A$ BBSW on an aggregate notional principal of A$955.2 million. The maturity profile of these contracts is set out below:

Cross Currency Interest Rate Swaps Contracted as of June 30, 2014 and Outstanding as of	Weighted Average Exchange Rate	Notional Principal Receivable (in millions)	Notional Principal (Payable) (in millions)
US$			
Contracts to receive A$ and pay US$			
June 30, 2014	0.7213	A$568.4	US$ (410.0)
UK£			
Contracts to receive A$ and pay UK£			
June 30, 2014	0.4266	A$386.8	UK£(165.0)
December 31, 2014	0.4270	A$210.8	UK£ (90.0)

Forward Foreign Exchange Contracts

The following table sets forth the maturity profile of forward foreign exchange contracts.

Forward Foreign Exchange Contracts Contracted as of June 30, 2014 and Maturing During the Year Ending	Weighted Average Exchange Rate	Principal Amount Receivable (in millions)	Principal Amount (Payable) (in millions)
US$			
Contracts to buy A$ and sell US$			
December 31, 2014	0.7869	A$ 93.3	US$(73.4)
	0.9139	A$(80.3)	US$ 73.4

Critical Accounting Policies

Critical accounting policies are those policies that require management to make estimates or judgments that may significantly affect the reported amounts of assets, liabilities, revenues or expenses or the disclosure of

contingent assets or liabilities. Such estimates are based on judgments and assumptions and could potentially result in materially different results under different assumptions and conditions. The following disclosure discusses the estimates and judgments that management is required to make in the application of those critical accounting policies, having regard to trends, known events or assumptions that it believes to be reasonable at the time.

Investment Properties

Westfield Corporation's investment properties include mall investments, development projects and construction in progress.

i) Mall investments

Westfield Corporation's mall investment properties represent completed malls comprising freehold and leasehold land, buildings and leasehold improvements.

Land and buildings are considered as having the function of an investment and therefore are regarded as a composite asset, the overall value of which is influenced by many factors, the most prominent being income yield, rather than by the diminution in value of the building content due to the passage of time. Accordingly, the buildings and all components thereof, including integral plant and equipment, are not depreciated.

Initially, mall investment properties are measured at cost including transaction costs. Subsequent to initial recognition, Westfield Corporation's portfolio of mall investment properties is stated at fair value. Gains and losses arising from changes in the fair values of mall investment properties are included in the income statement in the year in which they arise. Any gains or losses on the sale of an investment property are recognized in the income statement in the year of sale. The carrying amount of mall investment properties includes components relating to lease incentives, leasing costs and receivables on rental income that have been recorded on a straight line basis.

At each reporting date, the carrying value of the portfolio of mall investment properties are assessed by the Directors and where the carrying value differs materially from the Directors' assessment of fair value, an adjustment to the carrying value is recorded as appropriate.

The Directors' assessment of fair value of each mall investment property takes into account latest independent valuations, generally prepared annually, with updates taking into account any changes in estimated yield, underlying income and valuations of comparable malls. In determining the fair value, the capitalization of net income method and the discounting of future cash flows to their present value have been used which are based upon assumptions and judgment in relation to future rental income, property capitalization rate or estimated yield and make reference to market evidence of transaction prices for similar properties. It is Westfield Corporation's policy to appoint a number of qualified independent valuers and that no individual valuer is appointed to appraise any individual property for greater than three consecutive years.

ii) Development projects and construction in progress

Westfield Corporation's development projects and construction in progress include costs incurred for the current and future redevelopment and expansion of new and existing mall investments, and are classified as inventories when intended for sale to third parties. Development projects and construction in progress include capitalized construction and development costs, payments and advances to contractors and where applicable, borrowing costs incurred on qualifying developments.

Development projects and construction in progress are carried at fair value based on Directors' assessment of fair value at each reporting date taking into account the expected cost to complete, the stage of completion, expected underlying income and yield of the developments. Any increment or decrement in the fair value of development projects and construction in progress resulting from Directors' assessment of fair value is included

in the income statement in the year in which it arises. From time to time during a development, Directors may commission an independent valuation of the development project and construction in progress. On completion, development projects and construction in progress are reclassified to mall investments and an independent valuation is obtained.

The assessment of fair value and possible impairment in the fair value of mall investment, development projects and construction in progress are significant estimates that can change based on Westfield Corporation's continuous process of assessing the factors affecting each property.

Receivables

Trade and sundry debtors and loan receivables are carried at original invoice amount, less provision for doubtful debts, and are usually due within 30 days. Collectability of trade, sundry and loan receivables is reviewed on an ongoing basis. Individual debts that are determined to be uncollectible are written off when identified. An impairment provision for doubtful debts is recognized when there is evidence that Westfield Corporation will not be able to collect the receivable.

Revenue Recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to Westfield Corporation and can be reliably measured. Rental income from mall investment properties is accounted for on a straight line basis over the lease term. Contingent rental income is recognized as income in the period in which it is earned. If not received at balance sheet date, revenue is reflected in the balance sheet as a receivable and carried at its recoverable amount. Recoveries from tenants are recognized as income in the year the applicable costs are accrued.

Revenue from property management is recognized on an accruals basis, in accordance with the terms of the relevant management contracts.

Certain tenant allowances that are classified as lease incentives are recorded as part of mall investment properties and amortized over the term of the lease. The amortization is recorded against property income.

Revenue is recognized from the sale of properties when the significant risks and rewards have transferred to the buyer. This will normally take place on unconditional exchange of contracts except where payment or completion is expected to occur significantly after exchange. For conditional exchanges, sales are recognized when these conditions are satisfied.

Revenue for development and construction projects carried out for third parties is recognized on a percentage of completion basis as construction progresses. The percentage of completion is assessed by reference to the stage of completion of the project based on the proportion of contract costs incurred to date and the estimated costs to complete. Where a property is under development and agreement has been reached to sell the property when construction is complete, consideration is given as to whether the contract comprises a development and construction project or a contract for the sale of a completed property. Where the contract is judged to be for the sale of a completed property, revenue is recognized when the significant risks and rewards of ownership have been transferred to the buyer. Where the legal terms of the contract are such that the construction represents the continuous transfer of work in progress to the purchaser, revenue is recognized on a percentage of completion basis as construction progresses.

All other revenues are recognized on an accruals basis.

Deferred Tax

Deferred tax is provided on all temporary differences at the balance sheet date on the differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply when the asset is disposed of at book value, based on tax rates (and tax laws) that have been enacted or substantively enacted at the balance sheet date. Income taxes related to items recognized directly in equity are recognized in equity and not in the income statement.

Derivative and Other Financial Instruments

Westfield Corporation utilizes derivative financial instruments, including forward exchange contracts, currency and interest rate options, currency and interest rate swaps to manage the risks associated with foreign currency and interest rate fluctuations. Such derivative financial instruments are recognized at fair value.

Westfield Corporation has set defined policies and implemented a hedging program to manage interest and exchange rate risks. Derivative instruments are transacted to achieve the economic outcomes in line with Westfield Corporation's treasury policy and hedging programs. Derivative instruments are not transacted for speculative purposes. Accounting standards however require compliance with documentation, designation and effectiveness parameters before a derivative financial instrument is deemed to qualify for hedge accounting treatment. These documentation, designation and effectiveness requirements cannot be met in all circumstances. As a result, derivative instruments, other than cross currency swaps that hedge net investments in foreign operations, and hedges of share based payments, are deemed not to qualify for hedge accounting and are recorded at fair value. Gains or losses arising from the movement in fair values are recorded in the income statement.

The fair value of derivatives have been determined with reference to market observable inputs for contracts with similar maturity profiles. The valuation is a present value calculation which incorporates interest rate curves, foreign exchange spot and forward rates, option volatilities and the credit quality of all counterparties.

Gains or losses arising on the movements in the fair value of cross currency swaps which hedge net investments in foreign operations are recognized in the foreign currency translation reserve. Where a cross currency swap, or portion thereof, is deemed an ineffective hedge for accounting purposes, gains or losses thereon are recognized in the income statement. On disposal of a net investment in foreign operations, the cumulative gains or losses recognized previously in the foreign currency translation reserve are transferred to the income statement.

Further information on significant accounting policies relevant to the financial information is disclosed in Note 3 to the financial statements in Westfield Corporation's 2014 Half Year Reports which has been lodged with ASIC and is available from www.westfield.com/corporate.

New and Amended Reporting Requirements

Certain Australian Accounting Standards and Interpretations have recently been issued or amended but are not yet effective and have not been adopted by Westfield Corporation. The impact of these new standards (to the extent relevant to Westfield Corporation) and interpretations is as follows:

- AASB 9 Financial Instruments (effective from January 1, 2018). This standard includes requirements to improve and simplify the approach for classification and measurement of financial assets compared with the requirements of AASB 139 Financial Instruments: Recognition and Measurement. Westfield Corporation is currently assessing the impact of this standard.
- IFRS 15 Revenue from Contracts with Customers (effective from January 1, 2017). This standard determines the principles that an entity shall apply to report useful information to users of financial statements about the nature, amount, timing, and uncertainty of revenue and cash flows arising from a contract with a customer. Westfield Corporation is currently assessing the impact of this standard.

These recently issued or amended standards are not expected to have a significant impact on the amounts recognized in these financial statements when they are restated on application of these new accounting standards.

BUSINESS DESCRIPTION

Overview of Westfield Corporation

We are one of the world's largest listed retail property groups, with an equity market capitalization of US$14.8 billion (A$15.9 billion) as of September 1, 2014. We are a pre-eminent, internally managed and vertically integrated international retail property group with properties and development activities in the United States and the United Kingdom and a development property in Milan, Italy. We operate a world class, industry leading retail property operating platform with capabilities in property management, leasing, design, development, construction, marketing, digital and funds management.

We operate under a "stapled" structure, whereby WCL, WFD Trust and WAT and their respective subsidiaries operate as a single economic group with a common board of directors, management and public investor base. See "Restructuring."

As of June 30, 2014, our property investment portfolio consisted of interests in 40 malls located in the United States and the United Kingdom and a development property in Milan, Italy with approximately 7,500 retail outlets in approximately 50 million square feet of gross leasable area ("GLA"). As of June 30, 2014, the value of our property assets was US$17.6 billion and the gross value of our property portfolio (including the interests of joint venture partners) was US$27.7 billion. We had consolidated total assets (comprising malls and other assets) of US$17.4 billion as of June 30, 2014. We had property revenue of US$0.6 billion (including our share of property revenues from equity accounted entities of US$0.3 billion) for the six months ended June 30, 2014 and US$1.2 billion (including our share of property revenues from equity accounted entities of US$0.6 billion) for the year ended December 31, 2013.

Operating Strategy

Westfield Corporation's operating strategy is to create and operate iconic assets in major markets that deliver great experiences for consumers and retailers. Westfield Corporation aims to achieve this with an increased focus on digital technology and by bringing together the best of fashion, food, entertainment and leisure.

Westfield Corporation's portfolio comprises world class assets and opportunities which are destinations of choice for shopping, dining, entertainment, events and socializing in some of the world's leading urban cities including New York, Los Angeles, San Francisco, San Jose, London and Milan.

Westfield Corporation plans to continue the former Westfield Group's strategic repositioning of the portfolio and remain focused on improving the quality of the portfolio through the development of flagship malls in major world cities and the divestment of non-core assets.

Westfield Corporation intends to adapt its portfolio to the next generation of retail, with a focus on:

- the quality of design and the standard of services;
- the growing internationalization of retail brands;
- the higher standard of food and its integration with fashion and entertainment; and
- the creation of great consumer experiences.

Westfield Corporation's aim is to combine these elements to make its retail destinations an essential part of the city and the community's social and economic fabric for each city and community in which Westfield Corporation properties are located.

Westfield Corporation intends to continue the former Westfield Group's established track record of operating with the highest standards of efficiency and intensively managing its malls, including a particular emphasis on maximizing the sales productivity of retailers at each mall. This strategy is designed to attract the world's leading retail brands and provide superior experiences to consumers.

Westfield Corporation maintains a strong focus on active asset management with the aim of improving the quality of the portfolio through the diversification of income streams including the introduction of food, entertainment, lifestyle and leisure thereby enhancing the stability of cash flows.

Over recent years, in the United States, the former Westfield Group focused on introducing new retail concepts across its portfolio, comprising specialty and mini major categories including theatres, gyms and supermarkets. This transformed the portfolio with customers embracing the integration of food with fashion, leisure and entertainment, with an aim to significantly enhance the strength and sales productivity of Westfield Corporation's portfolio.

Strong relationships with the world's leading retailers due to Westfield Corporation's high quality portfolio, significant development pipeline and in depth understanding of each mall's local operating environment

The core element of Westfield Corporation's malls is the strength of the retail offering to consumers. Retailers remain the driving force in attracting consumers to Westfield malls and many of the world's leading retailers increasingly desire to be represented in iconic retail destinations.

The strength of Westfield Corporation's relationships with the world's leading retail brands is supported by the quality of Westfield Corporation's portfolio, the development projects currently under construction and the future development pipeline. As an example, we expect our development project at Westfield World Trade Center is to attract many of the world's leading luxury and high street fashion brands.

Westfield Corporation's focus on owning and managing iconic retail destinations in major world cities is based on the evolving nature of the global retail operating environment and the trend by many of the world's leading retailers towards focusing their presence into higher quality retail locations.

Integration of digital technology through Westfield Labs to better connect retailers with consumers

The emergence and integration of digital technology into Westfield Corporation's malls and the continued growth of Westfield's global brand has created opportunities to both enhance the customer experience and generate new revenue streams.

Westfield Labs, Westfield Corporation's digital business group based in San Francisco, is working on utilizing Westfield Corporation's global position to innovate and develop the technological platform and infrastructure necessary to better connect the digital consumer with Westfield Corporation's malls.

With so many consumers now connected to mobile devices, Westfield Labs is developing strategies and products designed to connect the digital consumer with malls, including sophisticated car park technology, concierge and lifestyle services, efficient delivery channels for retailers and utilizing social media and interactive advertising to better engage with consumers.

Growing the prominence of the Westfield brand and iconic assets

The growing prominence of the Westfield brand and Westfield Corporation's iconic assets has created the opportunity to establish events, entertainment and brand partnerships across the portfolio, increasing the global value of the Westfield brand, growing revenues and creating a distinct experience for the consumer.

All of these key elements — international retailers, luxury brands, food, fashion, events and entertainment combined with greater use of digital technology — continue to evolve and be brought together through Westfield Corporation's business strategy to enhance the Westfield brand in the markets in which it operates and to enable Westfield Corporation to leverage the Westfield brand for the benefit of the business.

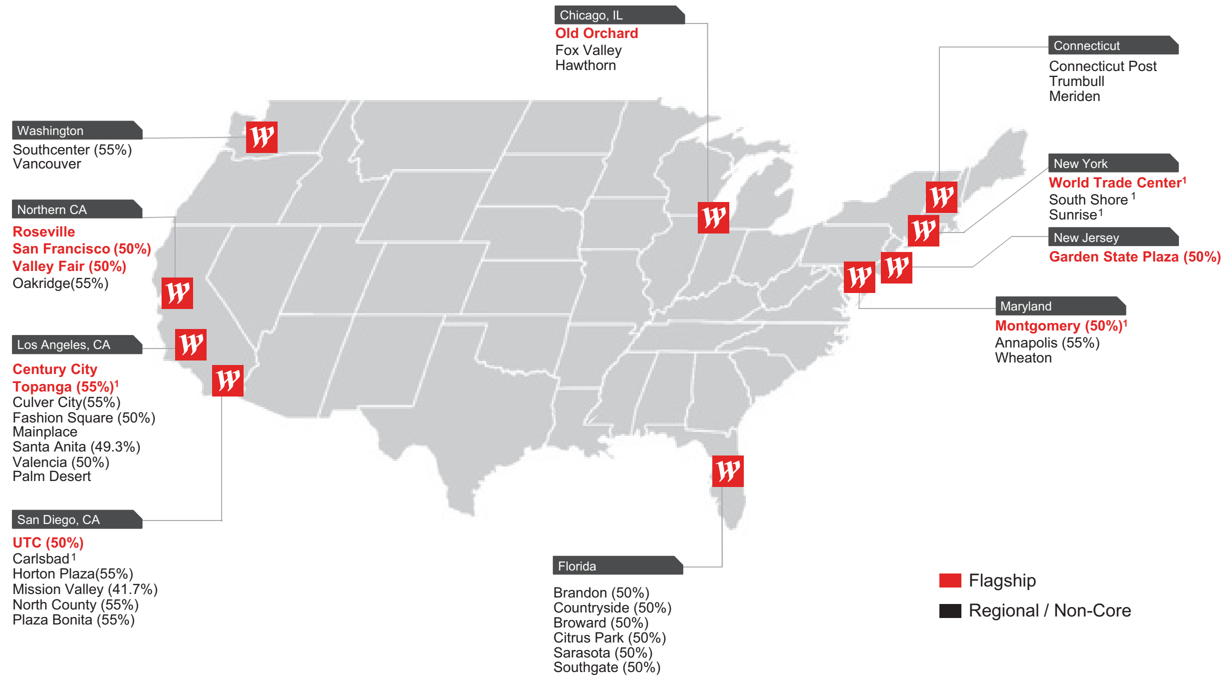
Business Segments

We are a vertically integrated and internally-managed global retail property group. Our activities include:

- mall ownership;
- property management, marketing and leasing;
- property development, design and construction; and
- funds and asset management.

Mall Ownership

Our malls are geographically diverse, spread across 8 states in the United States and the United Kingdom and a development property in Milan, Italy. The location of our malls are shown below:



(1) Currently under development.

Our malls are generally located near or in major metropolitan areas, are anchored by long-term tenancies with major retailers and incorporate a wide cross-section of specialty retailers and national chain store operators.

Our mall investments are undertaken on both a wholly-owned basis and through joint ventures and co-ownership arrangements.

Following the Restructuring and consistent with the manner in which we operate our properties, beginning with our operational results for the period ended June 30, 2014, we present our portfolio on an asset class basis between our flagship and regional portfolio, rather than on a geographic basis as historically presented by Westfield Group prior to the Restructuring. Our flagship portfolio includes assets such as Westfield London and Stratford City in London; Century City, Topanga, UTC, San Francisco, Valley Fair and Roseville in California; Old Orchard in Chicago; Montgomery in Maryland; Garden State Plaza in New Jersey and the soon to be completed Westfield World Trade Center in Lower Manhattan. The following table summarizes our portfolio on an asset class basis as of June 30, 2014:

Portfolio summary as of June 30, 2014	Flagship	Regional	Regional/ Non-Core	Total
Malls Westfield Corporation owns interests in and manages	11	23	6	40
Malls Westfield Corporation holds in joint ventures and co-ownership arrangements	8	17	—	25
Retail outlets	2,697	3,838	953	7,488
GLA (million sqf)	16.6	26.6	7.0	50.2
Westfield Corporation interests (billion) (1)	US$ 11.4	US$ 5.0	US$ 1.2	US$ 17.6
JV partner interests (billion)	US$ 6.9	US$ 3.2	US$ —	US$ 10.1
Assets under management (billion)	US$ 18.3	US$ 8.2	US$ 1.2	US$ 27.7
Westfield Corporation's share of assets under management (%)	62%	61%	100%	64%
Percentage leased (%) (2)	95.9%	93.1%	—	94.4%

(1) Westfield Corporation's share of mall assets including construction in progress and assets held for redevelopment.

(2) Excludes six assets considered non-core valued at US$1.2 billion.

Property Management, Marketing and Leasing

Property management involves leasing and day-to-day management and marketing of our mall portfolio and other properties. Our malls are designed to provide an efficient and dynamic environment for retailers and a quality shopping experience for consumers, creating a platform for our retailers to enhance their performance and for us to maximize our returns. We work to build and maintain long-term relationships with our retailers in addition to developing strong relationships with consumers by supporting the local community of each mall through various marketing activities. We believe that our management style has the potential to improve the performance of our retail property assets, resulting in income growth and long term capital appreciation for investors. We also manage 13 airport concessions in the United States.

Property Development, Design and Construction

Our property development, design and construction business involves the development, design, construction, initial leasing and redevelopment of malls. Our property development activities are focused on redeveloping and expanding our existing properties as well as developing iconic properties in major markets.

Our property development activities are vertically integrated and involve all of the elements of development, design, construction and leasing with a view to maximizing returns on investment from both increased rental income and capital appreciation of the asset. Our development activities include purchasing land, obtaining approvals from regulatory authorities, conducting negotiations with major retailers and tenants, preparing feasibility studies and acting as architect, project manager and general contractor for mall development and redevelopment projects.

Funds and Asset Management

We provide asset management services to co-investors in our jointly owned malls and we have the capability to invest funds on behalf of institutional and other investors, for which we may earn funds management fees.

Competitive Advantages

We believe we have the following competitive advantages:

High Quality Portfolio. The strength of our portfolio is underpinned by the high quality of our malls. Our malls are generally located in prime trade areas, are anchored by long-term tenancies with major retailers and incorporate a wide cross-section of high-quality specialty retailers and national chain store operators. We have an ongoing development and redevelopment program for our mall portfolio with the objective of achieving strong market penetration and ensuring they remain relevant to both retailers and shoppers. The capital we invest in redeveloping our malls contributes to the high quality of our assets and enhances their ability to weather economic downturns.

Geographic and Tenant Diversity. Our malls are geographically diverse, spread across 8 states in the United States and the United Kingdom with a development property in Milan, Italy. The size and geographic diversity of our property portfolio and revenue base significantly reduces our dependence upon any single tenant or property to generate revenue. On a proportionally consolidated basis, as of June 30, 2014, our largest property represented 13.5% of the total book value of our mall investments, and our ten largest properties represented 60.7% of the total book value of our mall investments.

Redevelopment Capability and Global Redevelopment Program. Our redevelopment capabilities are vertically integrated and involve the development, design, construction and leasing of malls, which allows us to control design and construction costs and amend or alter redevelopment plans during the course of construction, if necessary. Redevelopments are designed to maximize returns on investment from both increased rental income and capital appreciation of the asset. We have extensive experience and a solid track record of completing projects on time and within budget. We believe our development and redevelopment program enhances our internal growth potential and ensures that our malls remain competitive in their existing markets.

Financial Strength. We believe our financial strength provides us with an advantage over many of our competitors. The foundation of our financial strength is our portfolio of high quality properties across multiple geographies, which provides us with a diverse revenue base and strong cash flows. Our financial strength gives us the ability to take advantage of development, redevelopment and other investment opportunities when they arise and will afford us consistent access to debt and equity markets to fund these activities.

We are rated “A3” (outlook stable) by Moody’s and “BBB+” (outlook stable) by S&P. As of June 30, 2014, we had US$3.5 billion of committed financing facilities and total available liquidity of US$3.9 billion made up of undrawn, predominantly long term, unsecured committed bank loan facilities of US$3.5 billion and cash and cash equivalents of US$0.4 billion.

Experienced Management Team. Our management team has extensive experience in the retail real estate industry, including experience in the acquisition, disposition, leasing, management, financing, redevelopment and development of real estate assets and managing relationships with joint venture partners.

Properties

Key Operating Statistics

The following table sets forth key operating statistics according to our flagship and regional core assets (including part-owned malls on a 100% basis) as of and for the twelve months ended June 30, 2014. We believe this presentation reflects how we invest our capital and operate our business. This presentation also highlights the increasing importance of, and focus on, our flagship portfolio.

As of and for the twelve months ended June 30, 2014 (unless otherwise noted) (1)	Flagship	Regional	Total
Portfolio leased rate (%)	95.9%	93.1%	94.4%
Specialty occupancy cost (%)	15.4%	14.7%	15.2%
Specialty retail sales (psf) (2)	US$ 954	US$ 467	US$ 681
Specialty retail sales growth (%) (2)	5.8%	2.1%	4.2%
Average specialty rent (psf)	US$117.88	US$ 61.24	US$ 87.64
Average specialty rent growth (%) (2)	5.1%	2.4%	4.0%
Comparable NOI growth (%) (3)	5.5%	5.0%	5.3%

(1) Excludes six assets considered non-core valued at US$1.2 billion.

(2) For the twelve months ended June 30, 2014.

(3) For the six months ended June 30, 2014.

The following table sets forth key operating statistics for our international mall portfolio (including part-owned malls on a 100% basis, unless otherwise noted):

	As of and for the twelve months ended (unless otherwise noted) (1)	
	June 30, 2014	December 31, 2013
Global portfolio leased rate (%)	94.4	95.4
Leases		
Weighted average unexpired lease term (years)	7.2	11.7
- for anchor tenants(years)	16.6	37.3
- for specialty tenants(years)	5.4	5.8
Largest Retailer Group		
% of total GLA occupied (%)	19.1	17.9
% of total rental income (%)	2.6	2.5
Ten Largest Specialty Retailers		
% of total GLA occupied (%)	8.8	8.5
% of total rental income (%)	16.5	15.9
Rental Income (2)		
% directly related to retailer sales (%)	2.5	2.7
% derived from rent at contracted levels (%)	97.5	97.3

(1) Excludes six assets considered non-core valued at US$1.2 billion.

(2) Westfield Corporation's proportional share.

The following table lists the ten largest anchors across our total portfolio with their region, the number of stores owned or leased by each anchor, anchor GLA and anchor GLA as a percentage of total GLA as of June 30, 2014:

Anchor	Region	Number of Anchor Stores	Anchor GLA (Sq ft in Thousands)	Percentage of Total GLA
Macy's, Inc. (1)	United States	39	8,276	19.1%
JC Penney	United States	20	3,269	7.6%
Sears	United States	18	3,038	7.0%
Nordstrom	United States	13	2,352	5.4%
Target	United States	8	1,356	3.1%
Dillard's	United States	5	875	2.0%
Lord & Taylor	United States	5	593	1.4%
Marks & Spencer	United Kingdom	2	371	0.9%
John Lewis Partnership	United Kingdom	3	343	0.8%
Costco	United States	2	299	0.7%
Total		115	20,772	48.1%

(1) Macy's, Inc. includes Macy's and Bloomingdale's.

The ten largest anchors across our portfolio occupied approximately 48.1% of the total GLA as of June 30, 2014 and contributed approximately 4.0% of total rental income for the twelve months ended June 30, 2014, with no single anchor contributing more than 1.2% of total rental income.

The following table lists the ten largest specialty retailers across our total portfolio with their region, the number of specialty stores leased by each specialty retailer, specialty store GLA and specialty store GLA as a percentage of total GLA as of June 30, 2014:

Specialty Retailer	Region	Number of Specialty Stores	Specialty Store GLA (Sq ft in thousands)	Percentage of Total GLA
Forever 21, Inc.	United States/United Kingdom	28	732	1.7%
The Gap, Inc.	United States/United Kingdom	58	616	1.4%
L Brands, Inc.	United States	68	437	1.0%
Abercrombie & Fitch Co.	United States/United Kingdom	54	407	0.9%
H&M	United States/ United Kingdom	19	386	0.9%
Foot Locker, Inc.	United States/United Kingdom	82	372	0.9%
Express, Inc.	United States	30	265	0.6%
Williams-Sonoma, Inc.	United States	24	222	0.5%
American Eagle Outfitters, Inc.	United States	30	183	0.4%
Inditex	United States/United Kingdom	15	181	0.4%
Total		408	3,801	8.8%

The ten largest specialty retailers across our portfolio occupied approximately 8.8%% of the total GLA as of June 30, 2014 and contributed approximately 16.5% of total rental income for the twelve months ended June 30, 2014, with no single tenant contributing more than 2.6% of total rental income.

In addition to the above, specialty retailers include 21 theatres which occupied 1.3 million square feet of GLA or 3.1% of total GLA as of June 30, 2014. As of the same date, the largest theatre group occupied 0.5 million square feet of GLA.

The following table sets forth the percentage of our total annual rental income which was derived from rent at contracted levels under leases and the percentage which was directly related to the level of retailer sales for all retailers across our global portfolio for the periods presented:

	Year Ended December 31, 2013	Twelve Months Ended June 30, 2014
Contracted rent	97.3%	97.5%
Percentage rent based on sales	2.7%	2.5%
Total	100.0%	100.0%

Lease Structure

The structure of our retail leases varies by region:

- ***United States***. In the United States the majority of our total annual rental income is derived from specialty stores. Standard specialty store lease terms are five to ten years and generally include rent escalations over the term of the lease. Total rent represents both minimum rent and common area charges (excluding taxes). For the twelve months ended June 30, 2014, total specialty store rental income represented approximately 96% of our total rental income. Anchor tenants generally own their own sites with reciprocal operating agreements in place with the mall owner.
- ***United Kingdom***. In the United Kingdom, we derive approximately 92% of our total annual rental income from specialty stores. Standard specialty store lease terms are generally ten years and generally include a five-year upward only market review throughout the term of the lease. Anchor tenants generally have lease terms in excess of 20 years and the leases generally include upward only market reviews every five years.

The following table lists the specialty retailers lease expiry profile for our total mall portfolio across the two regions, as of June 30, 2014 for specialty shops less than 20,000 square feet:

Expiring Per Year:	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
GLA ('000 sq ft)	274	1,746	1,570	1,536	1,764	1,176	770	936	853	938
GLA (%)	1.8%	11.4%	10.2%	10.0%	11.5%	7.7%	5.0%	6.1%	5.6%	6.1%
Number of specialty shop leases expiring	155	808	797	731	706	470	279	367	282	330

United States

Our investments in the United States are held through WEA, a WAT subsidiary, or WALP, WEA's operating partnership. WEA is a REIT for United States federal income tax purposes and is one of the largest mall owners in the United States. As of June 30, 2014, we owned interests in 38 malls in the United States, all of which are managed by us, aggregating approximately 46.6 million square feet of GLA and containing 6,770 specialty store retailers. As of the same date, our United States malls had a gross value (including work in progress and assets held for redevelopment and development of US$1.6 billion) of approximately US$19.4 billion, of which the book value of our proportional interest (including work in progress and assets held for redevelopment and development of US$1.4 billion) was US$13.1 billion. In addition, as of June 30, 2014, we held indirect interests in other malls as a result of our non-controlling interests in two partnerships that we do not manage. Such interests are included in "Other investments" on the balance sheet of our audited consolidated financial statements for the six months ended June 30, 2014 which are included elsewhere in this offering memorandum.

Total GLA is comprised of anchors that either own or lease their space (department stores generally occupying more than 80,000 square feet of leasable area) and specialty stores. Specialty stores consist of mini-majors (retail stores generally occupying between 20,000 and 80,000 square feet of leasable area including

freestanding buildings), specialty shops (retail stores occupying less than 20,000 square feet of leasable area) and theaters. In enclosed malls, anchors are usually located at the ends of enclosed common area corridors. This layout is intended to maximize customer traffic for specialty stores.

Most malls compete for consumer retail dollars by offering fashion merchandise, hard goods and services, generally in an enclosed, climate-controlled environment with convenient parking. Malls have differing strategies for price levels depending upon the market demographics, competition and the merchants and merchandise offered, from very high-end presentations, at one end, to a strategy of leasing exclusively to promotional, single category outlet stores, at the other. Westfield Corporation seeks to optimize specialty store mix consistent with market demographics and customer preferences.

In the United States, anchors have traditionally consisted of major department stores, most of which own their store and the underlying land. However, certain stores at the malls are owned by us and are leased to the anchor under long term leases at rates generally lower than the rents charged to specialty stores, or in some cases we own the underlying land and lease it to the anchor under a long-term ground lease. Additionally, we generally enter into long-term reciprocal agreements with anchors which provide for operating covenants between the malls and the anchors and generally require the anchors to contribute towards certain of the malls' expenses. See "Risk Factors — Risk Relating to our Business and Industry — A negative effect on the financial condition of an anchor tenant could adversely affect our results of operations."

The Westfield brand represents a quality shopping experience by providing high-level customer service, a wide range of retail product choices and a commitment to the communities served by the malls. We believe that advertising, promotion, community involvement and customer service programs will build shopper loyalty, especially with a recognized brand in multi-mall markets. Our ability to brand our properties is a direct result of our market penetration and acquisition strategies.

The following table sets forth certain information regarding the properties in the United States as of June 30, 2014:

UNITED STATES PROPERTY INFORMATION
As of June 30, 2014

Mall	Ownership Interest	Carrying Amount (1) (in US$ million)	Estimated Yield	Total GLA (Sq ft)	Total Specialty Area (Sq ft)	No. of Retail Outlets
Annapolis	55.0		5.57%	1,493,168	759,362	256
Brandon	50.0		6.22%	1,148,494	533,438	198
Broward	50.0		6.40%	1,031,867	319,840	119
Citrus Park	50.0		6.54%	1,139,321	502,373	147
Connecticut Post	100.0		6.81%	1,331,123	662,981	163
Countryside	50.0		6.40%	1,256,753	461,602	171
Garden State Plaza	50.0		4.60%	2,148,109	1,015,277	326
Meriden	100.0		7.01%	899,526	447,589	132
Montgomery (2)	50.0		5.56%	1,247,226	535,125	224
Sarasota	50.0		6.38%	1,021,996	385,472	117
South Shore (2)	100.0		7.66%	1,060,938	322,376	122
Southgate	50.0		7.02%	421,546	135,672	45
Sunrise (2)	100.0		6.60%	1,242,972	509,474	148
Trumbull	100.0		6.00%	1,125,464	449,514	177
Wheaton	100.0		5.94%	1,637,100	668,363	187
East Coast (3)		**3,712.0**	**5.77%**			
Fox Valley	100.0		6.73%	1,414,330	534,578	176
Hawthorn	100.0		7.00%	1,289,207	555,774	145
Old Orchard	100.0		5.15%	1,793,379	765,711	142
Mid West (3)		**1,077.4**	**5.83%**			
Century City	100.0		4.98%	876,734	519,734	156
Culver City	55.0		5.42%	1,061,908	502,489	176
Fashion Square	50.0		5.45%	856,334	353,799	147
Roseville	100.0		5.40%	1,315,410	673,866	246
Horton Plaza	55.0		6.26%	750,298	469,812	130
Mainplace	100.0		7.25%	1,105,902	445,402	188
Mission Valley	41.7		6.16%	1,575,190	796,262	128
North County	55.0		6.10%	1,248,050	510,342	175
Oakridge	55.0		5.35%	1,136,063	609,319	184
Palm Desert	100.0		7.74%	984,927	500,424	157
Plaza Bonita	55.0		6.14%	1,032,279	594,514	182
Carlsbad (2)	100.0		7.00%	1,118,994	400,784	145
San Francisco	*		5.01%	1,451,813	540,918	194
Santa Anita	49.3		5.66%	1,476,210	960,386	253
Southcenter	55.0		5.49%	1,730,346	808,490	248
Topanga (2)	55.0		5.44%	1,536,232	679,721	273
UTC	50.0		5.37%	1,108,900	647,227	153
Valencia Town Center	50.0		6.00%	1,079,555	631,247	226
Valley Fair	50.0		4.60%	1,480,291	745,563	265
Vancouver	100.0		6.05%	933,024	413,683	149
West Coast (3)		**6,898.9**	**5.52%**			
Total United States portfolio (3)		**11,688.3**	**5.63%**	**46,560,979**	**21,368,503**	**6,770**

(1) Carrying amount reflects Westfield Corporation's ownership share in the property.

(2) Mall currently under development.

(3) Regional and total portfolio estimated yield is calculated on a weighted average basis.

* Includes San Francisco Center at 100% and San Francisco Emporium at 50%.

Historical Operating Data. The following operating data is presented with respect to our United States properties excluding six assets considered non-core valued at US$1.2 billion for the periods presented as at and for the periods ended December 31, 2013 and June 30, 2014:

- specialty shop sales;
- leased rate;
- occupancy costs;
- percentage of rent related to sales; and
- average specialty shop rental rates.

Specialty Shop Sales. Total sales for specialty shops affect our revenue and profitability levels because they affect the amount of minimum rent we can charge, the percentage rent we realize, and the recoverable expenses (common area maintenance, real estate taxes, etc.) the retailers can afford to pay. The following table sets out total sales for specialty shops of 10,000 square feet or less and the percentage change for the periods presented on a previous corresponding period basis:

Twelve Months Ended	Sales (in millions)	Percentage Change
June 30, 2014	US$5,800(1)	(18.3%)
June 30, 2013	US$7,100	6.0%
Year Ended		
December 31, 2013	US$5,700(1)	(17.4%)
December 31, 2012	US$6,900	(2.8%)
December 31, 2011	US$7,100	6.0%

(1) Excludes six assets considered non-core valued at US$1.2 billion.

Reported sales per square foot for specialty shops and percentage change in total comparable specialty shop sales for the periods presented were as follows:

	Year Ended December 31,			Twelve Months Ended June 30,	
	2011	2012	2013	2013	2014
Reported specialty shop sales per square foot (1)	US$ 446	US$ 485	US$ 582	US$ 494	US$ 590
Change from prior period on a comparable specialty shop basis	7.1%	6.3%	5.7%	4.3%	4.9%

(1) Calculated on specialty shops of 10,000 square feet or less of leasable area.

Leased Rate. Leased rate is calculated for specialty stores on the basis of signed leases, excluding temporary leases which have a term of less than one year. The following table sets out the leased rates as of the dates presented:

	As of December 31,			As of June 30,	
	2011 (1)	2012 (1)	2013	2013 (1)	2014
Leased rate	93.1%	94.4%	94.5%	93.8%	93.5%

(1) Includes malls subsequently divested. Excluding these malls, the leased rate as of June 30, 2013 was at a similar level to June 30, 2014.

Occupancy Costs. The following table sets out occupancy costs as a percentage of sales for reporting specialty shop retailers for the periods presented:

	As of December 31,			As of June 30,	
	2011	2012	2013	2013	2014
Occupancy costs as a percentage of sales	15.2%	14.8%	14.6%	15.1%	14.5%

Percentage of Rent Related to Sales. The following table sets forth the percentage of our annual total rental income which was derived from total rent at contracted levels under leases and the percentage which was directly related to the level of retailer sales, for all retailers for the periods presented:

	Year Ended December 31,			Twelve Months Ended June 30,	
	2011	2012	2013	2013	2014
Contracted rent	97.9%	97.9%	97.8%	98.1%	98.0%
Percentage rent based on retailer sales	2.1%	2.1%	2.2%	1.9%	2.0%
Total	100%	100%	100%	100%	100%

Average Specialty Shop Rental Rates. The following table sets out the average total rent on a per square foot basis for U.S. specialty shops as of the dates presented and percentage change on a comparable basis:

As of June 30,	Specialty Shop Average Annual Total Rent per Square Foot	Specialty Shop Percentage Change (1)
2014	US$75.76	3.6%
2013	US$64.75	2.5%
As of December 31,		
2013	US$73.95	3.8%
2012	US$63.56	2.3%
2011	US$60.16	3.6%

(1) Percentage change is calculated excluding any malls acquired and disposed during the relevant period.

United Kingdom

As of June 30, 2014, we owned interests in and operated two malls in the United Kingdom, both of which we managed, comprising approximately 3.6 million square feet of GLA. Both of our malls in the United Kingdom are held through joint venture arrangements. Our mall interests are held through WCL and WFD Trust. As of June 30, 2014, the gross value of these malls (including work in progress and assets held for redevelopment and development of US$0.7 billion) totaled approximately US$8.3 billion. The fair value of our proportional interest in these malls (including work in progress and assets held for redevelopment and development of US$0.7 billion) was US$4.5 billion. As of June 30, 2014, the United Kingdom malls contained 718 retail stores.

Specialty stores consist of mini-majors and specialty shops (retail stores occupying less than 20,000 square feet of GLA).

The following table sets out certain information regarding the properties in the United Kingdom as of June 30, 2014:

Mall	Ownership Interest	Carrying Amount (1) (in UK£ million)	Equivalent Yield	Total GLA (Sq ft)	No. of Retail Outlets
Stratford City	50.0		4.68%	1,892,148	348
Westfield London	50.0		5.53%	1,740,209	370
Total United Kingdom portfolio (2)		**2,230.3**	**5.15%**	**3,632,357**	**718**
Exchange rate UK£/US$		1.7044			
Total United Kingdom portfolio in US$		**3,801.4**			

(1) Carrying amount reflects Westfield Corporation's ownership share in the property.

(2) Total portfolio equivalent yield is calculated on a weighted average basis.

Historical Operating Data. The following operating data is presented with respect to the United Kingdom properties:

- specialty shop sales
- leased rate;
- percentage of rent related to sales; and
- average specialty shop rental rates.

Specialty Shop Sales. Reported sales per square foot for specialty shops and percentage change in total comparable specialty shop sales for the periods presented were as follows:

	Year Ended December 31,		Twelve Months Ended June 30,	
	2012	2013 (1)	2013	2014 (1)
Reported specialty shop sales per square foot	UK£805	UK£825	UK£829	UK£836
Change from prior period on a comparable specialty shop basis	n/a	3.2%	n/a	4.5%

(1) Calculated on specialty shops of 10,000 square feet or less of leasable area.

Leased Rate. Leased rate is calculated on the basis of signed or agreed leases. In the United Kingdom, anchors typically lease their stores and, therefore, leased rate includes anchor GLA together with specialty shops. The leased rate is calculated excluding malls which are development impacted. The following table sets out the leased rate as of the dates presented:

	As of December 31,			As of June 30,	
	2011	2012	2013	2013	2014
Leased Rate	99.0%	99.5%	99.3%	99.0%	99.0%

Percentage of Rent Related to Sales. The following table sets forth the percentage of our total annual rental income which was derived from rent at contracted levels under leases and the percentage which was directly related to the level of retailer sales, for all retailers for the periods presented:

	Year Ended December 31,			Twelve Months Ended June 30,	
	2011	2012	2013	2013	2014
Contracted rent	96.8%	96.1%	95.8%	95.7%	95.6%
Percentage rent based on retailer sales	3.2%	3.9%	4.2%	4.3%	4.4%
Total	100.0%	100.0%	100.0%	100.0%	100.0%

Average Specialty Shop Rental Rates. The following table sets out the average base rent on a per square foot basis for United Kingdom specialty shops as of the dates presented:

As of June 30,	Specialty Shop Average Annual Base Rent per Square Foot	Specialty Shop Percentage Change
2014 (1)	UK£96.98	6.2%
As of December 31,		
2013	UK£71.40	2.7%

(1) Calculated on total rent for specialty shops of 20,000 square feet or less of leasable area.

Redevelopment and Development

As of June 30, 2014, we had four major redevelopment and development projects under construction, as well as a program of small projects in the United States and the United Kingdom, at an estimated total investment of US$2.6 billion, with our share being US$1.9 billion with an estimated yield range of between 6.5% and 7.5%. As of the same date we had incurred expenditures of US$1.1 billion in respect of our share of the estimated total investment with the balance of US$0.8 billion still to be incurred.

Our projects under construction at June 30, 2014 in the United States include the US$90 million redevelopment of Montgomery, Maryland, which is expected to be completed in 2014, the US$250 million redevelopment of The Village at Topanga, California, which is anticipated to be completed in 2015 and the US$1.4 billion development at the Westfield World Trade Center in New York, New York, the initial phase of which we expect to complete in 2015. We also have a US$395 million small projects program underway in the United States and the United Kingdom and the UK£260 million project at Bradford in the United Kingdom, on behalf of Meyer Bergman.

New Projects

We continue to invest capital and resources in predevelopment work on a number of our malls with strategic development opportunities as we believe they are located in strong, underserved markets with prime opportunities for market share gains through redevelopment and expansion. We are currently undertaking pre-development activity on approximately US$9 billion of future development opportunities (of which our share would be US$4.5 billion) with an estimated yield range of 7% — 8%.

Policies and Objectives With Respect to Investments, Financing and Other Activities

Investment Objectives and Policies

In general, our investment objectives are:

- to increase the value of Westfield Corporation through increases in the cash flows and values of assets; and
- to achieve long-term capital appreciation, and preserve and protect the value of our interests in our malls.

We have a strategy of owning, operating and investing in iconic assets in major world cities. We plan to invest in properties both for income and for capital appreciation. In connection with future acquisitions, we will analyze a number of factors, including, but not limited to:

- the location and accessibility;
- demographic profile;

- the current and historical leased rates of the malls and of comparable properties in comparable locations;
- the characteristics of tenants, including anchor tenants, and the terms of their leases;
- the quality of the construction and design of improvements; and
- redevelopment potential of the property;
- the strategic nature of the acquisition and the relationship or fit of the mall with Westfield Corporation's existing portfolio;
- the purchase price and project long-term investment returns; and
- the impact on earnings per share and Westfield Corporation's financial position.

Capital Partnering

We have a proven ability to introduce joint venture partners into our portfolio. This provides an efficient and cost effective source of capital which enables us to actively manage our capital base and enhance long-term returns and growth. At present, we have 8 joint venture partners across 25 assets with US$10.1 billion of external assets under management. In addition, we have joint venture partners in two future projects. Westfield Corporation will have an opportunity to introduce capital partners into other wholly owned assets and future development projects.

Dispositions

We may from time to time dispose of any of our malls if, based upon management's periodic review of the portfolio, our board of directors determines that such action would be in the best interests of Westfield Corporation. The ability to dispose of certain properties may be subject to certain contractual limitations in the case of our joint venture properties. At present, Westfield Corporation has identified six non-core assets with a value of US$1.2 billion and annual specialty sales of US$321 per square foot.

Financing

We intend to maintain a leverage ratio in the 30% to 40% range over the long term. Our real estate assets comprise the primary component of our total assets. As a result, upward or downward revaluations of our real estate assets may affect our leverage ratio. We may from time to time re-evaluate our policy with regard to leverage in light of prevailing economic conditions, relative costs of debt and equity capital, changes in market capitalization, growth and acquisition opportunities or other factors, and modify our leverage policy accordingly. As a result, we may increase our leverage ratio beyond the limits described above.

None of the organizational documents of WCL, WFD Trust and WAT limits the amount of indebtedness that we may incur. However, certain of our financing agreements, including the indenture and supplemental indenture that will govern the Notes, contain certain financial covenants, including leverage ratio covenants. As of June 30, 2014, our leverage ratio, as calculated in accordance with the leverage ratio covenant of Net Debt to Net Assets to be contained, and as those terms will be defined, in the indenture and supplemental indenture that will govern the Notes, was 29.4%

If our board of directors determines that additional funding is required, funds may be raised through equity offerings, hybrid equity raisings, debt financing, the disposal or joint venturing of properties, the retention of operating cash flow, the establishment of wholesale funds managed by us which will hold interests in certain of our properties or a combination of these methods, subject to restrictions under applicable law and our financing agreements, including limitations under the indenture and supplemental indenture that will govern the Notes. It is our intention that our share of future development projects will be partially funded with retained earnings, while any material acquisitions will be predominantly funded with equity capital.

Indebtedness incurred by us may be in the form of publicly or privately placed debt instruments, financing from banks, institutional investors, or other lenders, any of which indebtedness may be unsecured or may be secured by mortgages or other interests in our assets. Such indebtedness may be recourse, non-recourse or cross-collateralized and, if recourse, such recourse may include our general assets and, if non-recourse, may be limited to the particular property to which the indebtedness relates. In addition, we may invest in properties subject to existing loans secured by mortgages, deeds of trust or similar liens on the properties, or may refinance properties acquired on a leveraged basis. The proceeds from any borrowings may be used for working capital, to purchase additional interests in joint ventures or partnerships in which we participate, to refinance existing indebtedness or to finance acquisitions, expansions or redevelopment of new and existing properties. We may also incur indebtedness for other purposes when, in the opinion of our board of directors, it is advisable to do so.

Master Negative Pledge Deed Poll

In connection with the Restructuring, WCL and WAML (in its separate capacities as trustee and responsible entity of WFD Trust and of WAT) entered into a Master Negative Pledge Deed Poll (the "Master Negative Pledge"), which contains certain undertakings and financial covenants, representations and warranties by WCL and WAML (in its separate capacities as trustee and responsible entity of WFD Trust and of WAT) in respect of themselves and certain other controlled entities. The Master Negative Pledge is given for the benefit of each present and future "finance party" of Westfield Corporation. The term "finance party" is defined as any person designated as a finance party for the purposes of the Master Negative Pledge in a finance document. To the extent that a document relating to financing arrangements of Westfield Corporation is designated as a finance document and the bank or financial institution providing such arrangements to Westfield Corporation is designated a finance party, such bank or financial institution will be entitled to the benefits of the Master Negative Pledge. The holders of the Notes will not be designated as finance parties and, therefore, will not be entitled to the benefits of the Master Negative Pledge. The Master Negative Pledge also sets forth the basis upon which defaults or events of default may occur under the financing arrangements of the obligors to the Master Negative Pledge and the acceleration rights of lenders in that event. The undertakings contained in the Master Negative Pledge include, among others:

- the provision of certain financial statements;
- maintenance of certain financial ratios;
- maintenance of certain insurance;
- compliance with laws;
- limitations on our ability to enter into any merger or consolidation, subject to certain exceptions;
- limitations on the creation of liens other than permitted liens;
- certain trust-related undertakings given by WAML separately with respect to WFD Trust and to WAT; and
- limitations on the sale, transfer or disposal of assets, subject to certain exceptions.

Master Guarantee Deed Poll

In addition to the Master Negative Pledge, WCL and WAML (in its separate capacities as trustee and responsible entity of WFD Trust and of WAT) and certain subsidiaries of WCL, WFD Trust and WAT (not including WEA and WALP but including the Issuers and the subsidiary guarantor) entered into a Master Guarantee Deed Poll (the "Master Guarantee"), pursuant to which WCL and WAML (in its separate capacities as trustee and responsible entity of WFD Trust and of WAT) severally and those subsidiaries of WCL, WFD Trust and WAT jointly and severally agreed to guarantee unconditionally and irrevocably the monetary obligations of a "debtor" to a "guarantee beneficiary." The term "debtor" is defined initially as the finance subsidiaries of WCL, WFD Trust and WAT. The term "guarantee beneficiary" is defined as any person designated as a "guarantee

beneficiary" for the purposes of the Master Guarantee in respect of a finance document. As in the case of the Master Negative Pledge, to the extent that a document or instrument relating to financing or hedging arrangements of Westfield Corporation is designated as a finance document and each bank, financial institution or other person is designated as a guarantee beneficiary, such bank, financial institution and other person will be entitled to the benefits of the Master Guarantee. In addition, each debtor guarantees the monetary obligations of the other debtors to a guarantee beneficiary.

The indenture and supplemental indenture that will govern the Notes will not be designated as a finance document and, as a result, holders of the Notes will not be entitled to the benefits of the Master Guarantee. However, as the obligations of the Issuers under the documentation constituting the Notes will be guaranteed severally by each of WCL and WAML (in its separate capacities as trustee and responsible entity of WFD Trust and of WAT), and guaranteed by the subsidiary guarantor, holders of the Notes will have the benefit of the credit of those guarantors.

We anticipate that substantially all of our future unsecured indebtedness in respect of bank debt will be subject to the Master Negative Pledge and Master Guarantee or similar arrangements, like those contained in the indenture and supplemental indenture that will govern the Notes.

Equity Capital

In the event that our board of directors determines to raise additional equity capital, it has the authority, subject to limits under the ASX Listing Rules and ASIC policy, without approval of its security holders, to issue additional stapled securities on such terms and for such consideration that it deems appropriate, including in exchange for property.

Working Capital

We will maintain working capital and, when not sufficient, access to borrowings, in amounts that our management determines to be adequate to meet normal contingencies in connection with the operation of our business and investments.

Distribution Policy

Distributions to be paid by Westfield Corporation will comprise dividends from WCL and distributions from each of WFD Trust and WAT. The Westfield Corporation board of directors will set the distribution target at the start of each year. The distribution target will have regard to the prior year's distribution, forecast changes in cash from operations, capital expenditure plans as well as other general business and financial considerations.

A key aim of this distribution policy is to provide greater overall returns to the investors of Westfield Corporation through appropriate capital management. The flexibility to vary the distribution provides financial capacity to continue to invest in opportunities with strong returns. Our board of directors may determine in the future to revise our distribution policy based on a number of factors, including our financial condition and future earnings, capital requirements and future prospects.

Other Policies

We intend to operate in a manner that will not subject us to regulation under the U.S. Investment Company Act of 1940.

Westfield Corporation Limited

WCL and various of its subsidiaries are the primary legal entities through which we conduct our mall development, design, construction and management, marketing and leasing operations and our funds and asset management activities in the United Kingdom. WCL also owns interests in certain of our UK properties. WCL was incorporated in Australia as a public company limited by shares on November 28, 2013.

As of June 30, 2014, WCL had total assets of US$2.0 billion.

WFD Trust

WFD Trust is one of the primary entities through which we own interests in certain of our UK properties. WFD Trust was organized in 2014 in connection with the Restructuring.

As of June 30, 2014, WFD Trust had total assets of US$5.6 billion.

Westfield America Trust

WAT and various of its subsidiaries are the primary legal entities through which we own, manage and develop our mall interests in the United States. WAT was organized and listed on the ASX in 1996 and was the first listed property trust in Australia to invest solely in the United States.

WEA operates as a REIT in the United States. In order to continue to qualify as a REIT, WEA is required to distribute at least 90% of its taxable income to shareholders in addition to satisfying certain other requirements.

In July 2014, Westfield Corporation was formed by the Restructuring. The stapled securities of Westfield Corporation are quoted and trade together on the ASX under the code "WFD."

While each of WAT, WCL and WFD Trust continues to exist separately, the effect of the Restructuring is to cause WAT, WCL and WFD Trust to operate as a coordinated economic group, with a common public investor base, common business objectives and a common membership of their boards of directors and management.

For accounting purposes, as a result of the Restructuring, WAT is deemed to have acquired WCL and WFD Trust. As of July 2014, the consolidated financial statements of Westfield Corporation comprise WAT and its controlled entities (including consolidated WCL and WFD Trust and each of their controlled entities on a consolidated basis). As of June 30, 2014, Westfield Corporation had total assets of US$17.4 billion.

Transitional Services and the Westfield Brand

As part of the Restructuring, Scentre Group and Westfield Corporation entered into a Transitional Services Agreement, under which Scentre Group provides various corporate infrastructure services, including corporate head office, treasury, tax, finance, compliance, insurance, human resources and information technology, to Westfield Corporation for a transitional period. Under the Transitional Services Agreement, Westfield Corporation also provides corporate affairs services to Scentre Group. The scope and level of the relevant services provided by the parties to each other under the Transitional Services Agreement are intended to reflect services provided immediately prior to the Restructuring, to provide each of the parties with transitional assistance while it undertakes a process to migrate those services or replicate its own services. The annual fees payable by Westfield Corporation to Scentre Group for these transitional services are approximately A$9 million (assuming services are provided for the full year). This fee is expected to reduce substantially after the first year as the parties move closer to a full separation. The transition is expected to be substantially completed within two years from the date of the Restructuring.

We own the Westfield brand. In connection with the Restructuring, we entered into a trademark licensing agreement in which we granted Scentre Group a royalty free license to exclusively use the Westfield brand in Australia and New Zealand for Scentre Group's existing mall portfolio and any new malls in Australia and New Zealand that meet certain agreed characteristics. Under the trademark license, we are not permitted to use the Westfield brand in Australia and New Zealand, except for the corporate promotion of Westfield Corporation. We are not restricted from entering the Australian and New Zealand markets with different branding.

Competition

We face competition from other United States and United Kingdom / European property groups and other commercial organizations active in the United States and United Kingdom / European property markets, as well as the threat of new competitors emerging both generally and in particular trade areas. Competition in the

property market may lead either to an over-supply of retail premises through over-development or to prices for existing properties or land for development being inflated through competing bids by potential purchasers or to the rents to be achieved from existing properties being adversely impacted by an oversupply of retail space. Accordingly, the existence of such competition may have a material adverse impact on our ability to secure tenants for our properties at satisfactory rental rates and on a timely basis and to acquire properties or develop land at satisfactory cost.

In addition, our malls are generally located in developed retail and commercial areas, many of which compete with other malls or neighborhood malls within their primary trade area. The amount of rentable space in the relevant primary trade area, the quality of facilities and the nature of stores at such competing malls could each have a material adverse effect on our ability to lease space and on the level of rents we can obtain. In addition, retailers at the malls face increasing competition from other forms of retailing, such as discount shopping centers and clubs, outlet malls, catalogues, video and home shopping networks, and direct mail, telemarketing and shopping via the internet.

Insurance

We carry liability, business interruption, fire, earthquake and terrorism insurance covering all of our properties under various policies. However, potential losses of a catastrophic nature such as those arising from floods, earthquakes, terrorism or other similar catastrophic events may be either uninsurable, or, in our judgment, not insurable on a financially reasonable basis, or may not be insured at full replacement cost or may be subject to larger excesses. We believe the policy specifications and insured limits are appropriate given the relative risk of loss, the cost of the coverage and industry practice and, in the opinion of our management, our properties are adequately insured. Insurance policies are subject to normal exclusions. In addition, we carry earthquake insurance on our properties located in seismically active areas in an amount and with deductibles that we believe are commercially reasonable.

Environmental Regulation

As an owner, operator and manager of real property, we are subject to various federal, state, provincial and local environmental and safety laws. Among other things, these laws impose liability on present and former property owners and operators for costs and damages related to soil and water contamination from hazardous or toxic substances. Such laws often impose liability whether or not the owner or operator knew of, or was responsible for, the presence or release of such hazardous or toxic substances. This means that we could be liable for contamination caused by tenants or for contamination that occurred prior to the purchase of a property. The presence of these substances, or the failure to remediate such property, may adversely affect our ability to sell such property or to borrow using such property as collateral, and may cause us to incur substantial cleanup costs. Persons who arrange for the disposal of hazardous or toxic substances may also be liable for the costs of removal or remediation at the disposal facility to which such materials were sent.

A number of our properties contain, or at one time contained, underground storage tanks used to store waste oils or other petroleum products primarily related to auto service center establishments, or emergency electrical generation equipment. At some of these properties, site assessments have revealed soil and groundwater contamination associated with such tanks. In the past, the costs of remediation with respect to such matters have not been material. Although we cannot provide assurances, we do not expect these costs will have a material adverse effect on our results of operations.

Environmental and safety laws also regulate the management of, and may impose liability for personal injuries associated with exposure to, asbestos-containing materials. Asbestos-containing materials are present in a number of our malls as a consequence of building practices typical at the time the malls were constructed. Generally, asbestos-containing materials are removed as required in the ordinary course of any renovation, reconstruction, or expansion. If any of the malls undergoes renovation or demolition in the future, we may incur substantial costs for the removal and disposal of such materials.

It is our practice on acquisition, where considered necessary, to subject the properties to Phase I or similar environmental assessment (which generally involves a review of records with no visual inspection of the property or soil or ground water sampling) by independent consultants. These environmental assessments have not revealed, nor are we aware of, any environmental liability that we believe will have a material adverse effect on our results of operations. Based on these assessments and past experience, we believe that our malls are in material compliance with environmental laws. However, we cannot assure you that:

- existing environmental assessments of our properties reveal all potential environmental liabilities;
- any previous owner, occupant or tenant of a property did not create any material environmental condition not known to us;
- the current environmental condition of our properties will not be affected by tenants and occupants, by the condition of nearby properties, or by other unrelated third parties; or
- changes in environmental laws or their interpretation will not result in environmental liabilities.

Employees

As of June 30, 2014, we had approximately 2,000 staff worldwide. We believe that we have good relations with our employees.

Legal Proceedings

We are involved in litigation and administrative proceedings arising in the ordinary course of our business. We do not believe that such matters, if determined against us, will have a material adverse effect on our business, financial position or results of operations.

MANAGEMENT

Directors and Senior Management

The boards of directors of WCL and WAML have a common membership.

The following tables set forth certain information regarding our directors and senior management as of September 1, 2014:

Name	Age	Position(s)
Chairman, Deputy Chairman and Directors:		
Frank P. Lowy AC	83	Chairman/Non-Executive Director
Brian M. Schwartz AM	62	Deputy Chairman/Non-Executive Director
Peter S. Lowy (1)	55	Executive Director/Co-Chief Executive Officer and Chief Financial Officer
Steven M. Lowy AM (1)	52	Executive Director/Co-Chief Executive Officer
Ilana Atlas	59	Non-Executive Director
Roy Furman	75	Non-Executive Director
Peter Goldsmith QC PC	64	Non-Executive Director
Michael J. Gutman, OBE	58	Executive Director/President and Chief Operating Officer
Mark G. Johnson	56	Non-Executive Director
Mark R. Johnson AO	73	Non-Executive Director
Don D. Kingsborough	67	Non-Executive Director
John McFarlane	67	Non-Executive Director
Judith Sloan	59	Non-Executive Director
Senior Management (including Executive Directors):		
Peter S. Lowy (1)	55	Executive Director/Co-Chief Executive Officer and Chief Financial Officer
Steven M. Lowy AM (1)	52	Executive Director/Co-Chief Executive Officer
Michael J. Gutman, OBE (1)	58	Executive Director/President and Chief Operating Officer
Elliott C. Rusanow	40	Deputy Chief Financial Officer
Simon J. Tuxen	57	General Counsel and Company Secretary
Kevin McKenzie	43	Chief Digital Officer
Greg J. Miles	50	Chief Operating Officer, United States
Peter Miller	49	Chief Operating Officer, United Kingdom and Europe
Peter Schwartz	54	General Counsel, United States
Mark A. Stefanek	60	Treasurer

(1) Executive directors.

Biographical information regarding our directors is set forth below.

Frank P. Lowy, AC. Frank Lowy is the chairman of Westfield Corporation. He served as Westfield Group's chief executive officer for over 50 years, before assuming a non-executive role in May 2011. He is the founder and chairman of the Lowy Institute for International Policy and chairman of Football Federation Australia and Scentre Group.

Brian M. Schwartz, AM. Brian Schwartz is a non-executive director and deputy chairman of Westfield Corporation. In a career with Ernst & Young Australia spanning more than 25 years, he rose to the positions of chairman (1996-1998) and then CEO of the firm from 1998 to 2004. From 2005 to 2009, Mr. Schwartz was CEO

of Investec Bank (Australia) Limited. He is chairman of Insurance Australia Group Limited and deputy chairman of Football Federation Australia Limited. Mr Schwartz is also a non-executive director and deputy chairman of Scentre Group. Prior to the establishment of Westfield Corporation, Mr Schwartz was a non-executive director of the Westfield Group from 2009 to 2014 and was deputy chairman of the Group from 2011 to 2014. He is a fellow of the Australian Institute of Company Directors and the Institute of Chartered Accountants.

Peter S. Lowy. Peter Lowy is an executive director of Westfield Corporation and currently serves as co-chief executive officer. He holds a bachelor of commerce from the University of New South Wales. Prior to joining Westfield in 1983, Mr. Lowy worked in investment banking both in London and New York. Mr. Lowy serves as chairman of the Homeland Security Advisory Council for Los Angeles county; he also serves on the RAND Corporation board of trustees and is a director of the Lowy Institute for International Policy. Prior to the establishment of Westfield Corporation, Mr. Lowy was the Joint Managing Director of Westfield Group from 1997.

Steven M. Lowy, AM. Steven Lowy is an executive director of Westfield Corporation and currently serves as co-chief executive officer. He holds a bachelor of commerce (honors) from the University of New South Wales. Prior to joining Westfield in 1987, Mr. Lowy worked in investment banking in the United States. He is a director of Scentre Group and the Lowy Institute for International Policy and a member of the Prime Minister's Business-Government Advisory Group on National Security. Mr. Lowy's previous appointments include President of the Board of Trustees of the Art Gallery of New South Wales, Chairman of the Victor Chang Cardiac Research Institute and Presiding Officer of the NSW Police Force Associate Degree in Policing Practice Board of Management. Prior to the establishment of Westfield Corporation, Mr. Lowy was the joint managing director of Westfield Group from 1997.

Ilana R. Atlas. Ilana Atlas is a non-executive director of Westfield Corporation. Ms. Atlas was previously a partner of Mallesons Stephen Jaques (now King & Wood Mallesons) and held a number of managerial roles at the firm, including managing partner and executive partner, people and information. In 2000 she joined Westpac as group secretary and general counsel before being appointed to the role of group executive, people from 2003. In that role, she was responsible for human resources strategy and management as well as Westpac's approach to corporate responsibility and sustainability. Ms. Atlas is a director of Coca-Cola Amatil Limited, Oakridge Wines Pty Limited and the Human Rights Law Centre. She is chairman of Bell Shakespeare Company and pro-chancellor of the Australian National University. Prior to the establishment of Westfield Corporation, Ms. Atlas was a non-executive director of Westfield Group from 2011 to 2014.

Roy L. Furman. Roy Furman is a non-executive director of Westfield Corporation. He holds a degree in law from Harvard Law School. Mr. Furman is based in the United States and is vice chairman of Jefferies and Company and chairman of Jefferies Capital Partners, a group of private equity funds. In 1973 he co-founded Furman Selz, an international investment banking, institutional brokerage and money management firm and was its chief executive officer until 1997. Prior to the establishment of Westfield Corporation, Mr. Furman was appointed a non-executive director of Westfield Holdings Limited in July 2014, having served as a non-executive director of Westfield America Management Limited since 2002.

Peter H. Goldsmith, QC PC. Lord (Peter) Goldsmith is a non-executive director of Westfield Corporation. He holds a degree in law from Cambridge University and a master of laws from University College London. Lord Goldsmith is admitted to practice in England & Wales and other jurisdictions including New South Wales. He is a partner of the international law firm Debevoise & Plimpton LLP. In 1987, Lord Goldsmith was appointed Queen's Counsel and a Crown Court Recorder and he has been a deputy High Court judge since 1994. For six years until June 2007, Lord Goldsmith served as the United Kingdom's Attorney General. He was created a Life Peer in 1999 and a Privy Counsellor in 2002 and remains a member of the House of Lords. Prior to the establishment of Westfield Corporation, Lord Goldsmith was a non-executive director of Westfield Holdings Limited from 2008 to 2014. Lord Goldsmith's other past positions include chairman of the Bar of England and Wales, chairman of the Financial Reporting Review Panel, and founder of the Bar Pro Bono Unit.

Michael J. Gutman, OBE. Michael Gutman was appointed as an executive director of Westfield Corporation in August 2014 and has served as president and chief operating officer of Westfield Corporation since June 2014. Prior to the establishment of Westfield Corporation, Mr Gutman was the managing director, UK/Europe and New Markets. He joined Westfield as an executive in 1993 and in 1999, was appointed joint chief operating officer responsible for Development, Design and Construction in Australia and New Zealand. In early 2003, Mr Gutman relocated to the UK as chief operating officer UK/Europe. Under his leadership, Westfield's UK/Europe business has successfully developed Westfield London and Stratford City, two of the largest urban shopping centres in UK/Europe with combined annual sales in excess of £1.9 billion, and acquired flagship development opportunities at Croydon in south London and Milan in Italy. Michael was awarded with an OBE in the Queens Birthday June 2014 Honours list for contribution to retail business and regeneration in the United Kingdom.

Mark G. Johnson. Mark Johnson is a non-executive director of Westfield Corporation. He holds a Bachelor of Commerce from the University of New South Wales. Mr. Johnson was chief executive officer and senior partner of Pricewaterhouse Coopers (PwC), one of Australia's leading professional services firms, from July 2008 to June 2012. In his more than 30 year career with PwC, Mr. Johnson served a number of that firm's major clients in audit, accounting, due diligence, fundraising and risk and governance services. Mr. Johnson was a senior member of the PwC International Strategy Council and Deputy Chairman of PwC Asia Pacific. He is a director of HSBC Bank Australia Limited, The Hospitals Contribution Fund of Australia Limited and The Smith Family and sits on the Executive Council of the Australian School of Business Advisory Board. Prior to the establishment of Westfield Corporation, Mr. Johnson was a non-executive director of Westfield Holdings Limited from 2013 to 2014. Mr. Johnson's former roles include chairman of the PwC Foundation, member of the Auditing and Assurance Board and deputy chair of the finance and reporting committee at the Australian Institute of Company Directors. He is a fellow of the Institute of Chartered Accountants and the Australian Institute of Company Directors.

Mark R. Johnson, AO. Mark Johnson is a non-executive director of Westfield Corporation. He holds a degree in law from the University of Melbourne and a masters of business administration from Harvard University. Mr. Johnson is a senior advisor for Gresham Partners in Sydney and chairman of Dateline Resources Limited and Alinta Energy. Mr. Johnson is also a member of the board of governors of the Institute for International Trade at the University of Adelaide and a life governor of the Victor Chang Cardiac Research Institute. Prior to the establishment of Westfield Corporation, Mr. Johnson was a non-executive director of Westfield Holdings Limited from 2010 to 2014. He has previously held senior roles in Macquarie Bank before retiring as deputy chairman in July 2007 and his former directorships include Pioneer International, AGL Energy and the Sydney Futures Exchange.

Don D. Kingsborough. Don Kingsborough was appointed as a non-executive Director of Westfield Corporation in August 2014. He holds a degree in Business Management from the University of California. Mr Kingsborough is Vice President/General Manager, Retail and Prepaid Products at PayPal where he works closely with retailers around the world to implement systems that connect stores and customers in new ways to make the shopping experience faster, simpler and more convenient. Prior to joining PayPal, Mr Kingsborough was the founder and CEO of Blackhawk Network which pioneered the gift card market in the USA. He was previously president of Consumer Products at Atari and played a central role in the introduction of the Nintendo Entertainment System in the USA. He also founded World of Wonder, where he launched "Teddy Ruxpin", the talking bear and Laser Tag. Mr Kingsborough is considered a legend in the world of consumer products and retail sales and is widely respected for his uncanny ability to anticipate trends and maximise opportunities.

John McFarlane. John McFarlane is a non-executive director of Westfield Corporation. He holds a MA from the University of Edinburgh, an MBA and an honorary DSC from Cranfield University. Mr. McFarlane is executive chairman of Aviva plc and FirstGroup plc and is a director of Old Oak Holdings Ltd. Prior to the establishment of Westfield Corporation, Mr. McFarlane was a non-executive director of Westfield Holdings Limited from 2008 to 2014. He was formerly CEO of Australia & New Zealand Banking Group Limited, group

executive director of Standard Chartered plc, and head of Citibank NA in the UK and Ireland. Mr. McFarlane was a non-executive director of The Royal Bank of Scotland, Capital Radio plc. The London Stock Exchange, chairman of the Australian Bankers Association and president of the International Monetary Conference.

Judith Sloan. Judith Sloan is a non-executive director of Westfield Corporation. She is honorary professional fellow at the Melbourne Institute of Applied Economic and Social Research at the University of Melbourne. Professor Sloan holds a first class honors degree in economics and a master of arts in economics specializing in industrial relations from the University of Melbourne and a master of science degree in economics from the London School of Economics. She has previously held an academic appointment at Flinders University and is currently a director of the Lowy Institute for International Policy. Professor Sloan is also the current contributing economics editor at The Australian newspaper. Prior to the establishment of Westfield Corporation, Professor Sloan was a non-executive director of Westfield Holdings Limited from 2008 to 2014. Her previous appointments include chairman of Primelife Limited, chairman of National Seniors Australia, deputy chair of the Australian Broadcasting Corporation, director of Santos Limited and Mayne Nickless Limited and commissioner of the Productivity Commission.

The Senior Management of Westfield Corporation (other than Executive Directors) is as follows:

Elliott C. Rusanow. Elliott Rusanow was appointed deputy chief financial officer of Westfield Corporation in June 2014. Prior to the establishment of Westfield Corporation, Mr. Rusanow was head of corporate finance for Westfield Group. Mr. Rusanow joined Westfield in 1999 and was head of corporate finance since 2007, following a two-year period in the United Kingdom as director, Finance UK/Europe. Mr. Rusanow previously held the positions of director, Investor Relations & Equity Markets, executive assisting the managing director and manager, Westfield Trust. Prior to joining Westfield, Mr. Rusanow worked at Bankers Trust Australia Limited.

Simon J. Tuxen. Simon Tuxen was appointed general counsel of Westfield Corporation in June 2014. Prior to the establishment of Westfield Corporation, Mr. Tuxen was group general counsel and company secretary of Westfield Group. Prior to joining Westfield in 2002, Mr. Tuxen was the general counsel of BIL International Limited in Singapore, group legal manager of the Jardine Matheson Group in Hong Kong and a partner with Mallesons Stephen Jaques (now King & Wood Mallesons) from 1987 to 1996.

Kevin McKenzie. Kevin McKenzie was appointed chief digital officer of Westfield Corporation in June 2014. Prior to the establishment of Westfield Corporation, Mr. McKenzie was group chief digital officer of Westfield Group, since he joined the company in 2012. In his current role, Mr. McKenzie oversees the development of digital media strategy and product development. He leads the integration of Westfield's malls globally with emerging digital technology. Before joining Westfield, Mr. McKenzie was the Founder and President of JiWire Inc. and Senior Vice President, Shopping Services, with CNET Networks Inc., where he led the development of the first comparison shopping site.

Greg J. Miles. Greg Miles was appointed chief operating officer of Westfield Corporation in June 2014. Prior to the establishment of Westfield Corporation, Mr. Miles was the chief operating officer for Westfield Group's U.S. business since 2012. Mr. Miles joined Westfield in 1997 as asset general manager, New South Wales. Prior to joining Westfield, Mr. Miles was property investment manager for Colonial First State Property, responsible for the development, management and acquisition of retail, commercial and industrial assets.

Peter Miller. Peter Miller was appointed chief operating officer of Westfield Corporation UK/Europe in June 2014. Prior to the establishment of Westfield Corporation, Mr. Miller was the chief operating officer of Westfield Group in the United Kingdom and Europe from 2009. In 1994, Peter joined the Westfield Group and has held a number of senior roles across the Australian and UK divisions including director of design, development and construction taking the lead on all UK development. Peter was one of the three key Westfield personnel transferred to the United Kingdom in 1999 to establish the Westfield business in the United Kingdom.

Peter Schwartz. Peter Schwartz was appointed general counsel, United States of Westfield Corporation in June 2014. Prior to the establishment of Westfield Corporation, Mr. Schwartz was the senior executive vice president and general counsel of Westfield in the United States. He joined Westfield in 2002. Peter was a partner in Debevoise & Plimpton in New York from 1994 — 2002 and an associate at the firm from 1984 – 1993. He graduated summa cum laude from New York Law School in 1984 and received his BS degree from the State University of New York — Oneonta in 1981.

Mark A. Stefanek. Mark Stefanek was appointed treasurer of Westfield Corporation in June 2014. Mr. Stefanek joined Westfield in 1994 and prior to the establishment of Westfield Corporation he was chief financial officer of Westfield America, Inc. in 1997. With extensive experience in real estate finance and development his responsibilities include corporate transactions, investor relations, tax compliance and capital raising from the United States. Before joining Westfield, Mr. Stefanek served as vice president, finance and administration for Disney Development Corporation in Los Angeles from 1991 — 1994 and chief financial officer of Western Development Corporation in Washington, DC from 1985 — 1991. Mr. Stefanek was with Cadillac Fairview Urban Development, Inc. in Dallas, Texas from 1983 — 1985 and was in the audit division of Arthur Anderson in Detroit, Michigan and Dallas, Texas from 1976 — 1983. He holds a Bachelor of Business Administration — Accounting from the University of Notre Dame and is a Certified Public Accountant and is a member of the executive committee of the board of directors of the Los Angeles Police Foundation (LAPF) and is on the board of directors of the Association of Foreign Investors in Real Estate (AFIRE).

Share Ownership

The following table lists the share ownership of the directors as of September 1, 2014. Percentage ownership is based on 2,078,089,686 stapled securities issued and outstanding as of September 1, 2014. Beneficial ownership is based on rules relating to the holding of “relevant interests” under the Australian Corporations Act.

Name of Beneficial Owner	Number of Stapled Securities	Percentage Ownership
Frank P. Lowy AC (1)	173,728,961	8.36%
Peter S. Lowy (1)		
Steven M. Lowy AM (1)		
Brian M. Schwartz AM	21,110	*
Ilana R. Atlas	5,000	*
Roy L. Furman	50,000	*
Peter H. Goldsmith QC PC	5,000	*
Mark G. Johnson	6,425	*
Mark R. Johnson AO	62,000	*
John McFarlane	51,951	*
Judith Sloan	3,000	*
Michael J. Gutman, OBE	290,661	*
Don D. Kingsborough		*

* Less than 5%.

(1) Messrs. Frank Lowy, Peter Lowy and Steven Lowy are deemed to share beneficial ownership.

Board Practices

The boards of WCL and WAML each have common membership. The ultimate responsibility for corporate governance resides with our board of directors. It is the policy of the board that its membership should reflect an appropriate balance between executives possessing extensive direct experience and expertise in the core business

activities of Westfield Corporation, and non-executive members who have outstanding track records and reputations attained at the highest levels of industry, and who are able to bring to the board a broad range of general commercial expertise and experience.

The membership of the board is reviewed by the Nomination Committee and by the board from time to time having regard to the ongoing needs of Westfield Corporation. Each of Ms. Atlas, Lord Goldsmith, Professor Sloan and Messrs. Furman, McFarlane, Schwartz, Mark G. Johnson and Mark R. Johnson have been determined by the board to meet the independence standard in the board's charter. In making this determination, the board assesses whether a director is:

- independent of management;
- free of any business or other relationship that could materially interfere or be perceived to materially interfere with such director's unfettered and independent judgment; and
- capable of making decisions without bias and which are in the best interests of all investors.

Board meetings are held at regular intervals throughout the year, with additional meetings being held as necessary. Directors are provided with board reports containing sufficient information to enable informed discussion of all agenda items in advance of board meetings. Any non-executive director may, if that non-executive director deems it necessary, seek independent legal advice on any matter connected with the performance of his or her duties. In such cases, Westfield Corporation will reimburse the reasonable costs of such advice. Directors are asked to notify the chairman or the company secretary in advance of seeking such advice.

The directors' Code of Conduct covers personal conduct, conflicts of interest, confidentiality and director independence.

Board Responsibilities

The board of directors is accountable to members of Westfield Corporation and seeks to ensure that the business objectives of Westfield Corporation are aligned with the expectations of members and that the operations of Westfield Corporation are being effectively managed in a manner that is properly focused on those business objectives as well as conforming to legal and ethical requirements.

The board of directors has established an Audit and Risk Committee, a Human Resources Committee, and a Nomination Committee. The board may establish other board Committees from time to time to deal with specific matters.

Audit and Risk Committee

The Audit and Risk Committee consists of three members, Mr. Brian Schwartz, who is the chairman, Mr. Mark G. Johnson and Professor Judith Sloan. At least three members of the Committee must consist of independent non-executive directors in accordance with the independence requirements set out in Westfield Corporation's board charter.

All members of the Audit and Risk Committee must be financially literate and at least one member must have significant relevant financial or accounting experience. In addition, at least one member must have a significant relevant understanding of the business of Westfield Corporation.

The objective of the Audit and Risk Committee is to assist the board of directors of Westfield Corporation in fulfilling its corporate governance responsibilities.

The Audit and Risk Committee assists the board in fulfilling its corporate governance responsibilities by:

- monitoring and reviewing the accuracy and reliability of management and financial reporting;

- reporting to the board of directors of Westfield Corporation on the half-year and annual reports and financial statements of Westfield Corporation;
- facilitating an effective and efficient audit (including making recommendations regarding the appointment, evaluation and removal of Westfield Corporation's external auditor);
- monitoring and reviewing the effectiveness of Westfield Corporation's internal control environment, including the effectiveness of internal control procedures;
- overseeing the internal audit function;
- monitoring and reviewing the corporate policies for identifying and managing the relevant business and legal risks and the adequacy of Westfield Corporation's procedures in implementing those policies; and
- overseeing the processes for Westfield Corporation's compliance with applicable laws and regulations (including Westfield Corporation's compliance plans).

The Audit and Risk Committee has accepted, as a matter of principle, the need to have in place an adequate compliance and control framework based upon appropriate written procedures, policies and guidelines to enable areas of legal risk to the business to be identified and appropriately reacted to, and to ensure that members of staff are informed as to those areas of material legal risk relevant to the operational activities in which they are engaged.

Compliance officers have been appointed for the United States and United Kingdom operations of Westfield Corporation. Those officers are responsible for reviewing and monitoring the efficacy of compliance systems within Westfield Corporation on an ongoing basis to ensure appropriate measures are in place to educate staff as to their compliance responsibilities, and to report to the Audit and Risk Committee on those matters.

The Audit and Risk Committee meets with the internal and external auditors at least twice a year and more frequently if required. The internal and external auditors have a direct line of communication at any time to either the chairman of the Audit and Risk Committee or the chairman of the board.

The Audit and Risk Committee reports to the board after each Committee meeting.

Human Resources Committee

The Human Resources Committee consists of three members, Mr. Mark R. Johnson, who is the chairman, Mr. Roy Furman and Ms. Ilana Atlas. At least three members of the Committee must consist of independent non-executive directors in accordance with the independence requirements set out in Westfield Corporation's board charter.

The function of the Human Resources Committee is to assist the board of directors of Westfield Corporation in establishing effective and fair remuneration policies and practices with regard to Westfield Corporation's legal and governance obligations. Remuneration packages are set at levels designed to attract and retain high caliber senior executives capable of meeting the specific management needs of Westfield Corporation. Where the service agreements of executive directors provide for an annual salary review, that review is undertaken by the Human Resources Committee.

The Human Resources Committee also oversees the grant of incentives under executive incentive plans and has oversight of Westfield Corporation's diversity policy and program.

Fees paid to non-executive directors are determined by the board, within the current maximum aggregate limit set by members. Directors' fees are reviewed annually by the board within that limit, taking into consideration the level of fees paid to non-executive directors by companies of a similar size and stature.

Nomination Committee

The Nomination Committee consists of three members, Mr. Frank Lowy, who is the chairman, and Messrs. Brian Schwartz and Mark R. Johnson. A majority of the members of the Nomination Committee must be independent, non-executive directors. The Nomination Committee is responsible for, among other things, assessing periodically the skill set required to discharge competently the board's duties, evaluating periodically the performance of the board, regularly reviewing and making recommendations regarding the size, composition, diversity and structure of the board and effectiveness of the board and identifying suitable candidates (executive and non-executive) to fill vacancies on the board.

Corporate Governance

Westfield Corporation, our executives and each of the boards of WCL and WAML recognize the need to establish and maintain corporate governance policies and practices that reflect the requirements of the market regulators and participants and the expectations of members and others who deal with Westfield Corporation. These policies and practices remain under constant review as the corporate governance environment and good practices evolve.

Westfield Corporation is required to report the extent of Westfield Corporation's compliance with the ASX Corporate Governance Council's Governance Principles and Recommendations.

Westfield Corporation has adopted all of the recommendations except the recommendations that the Board and the Nomination Committee be chaired by an independent director.

CERTAIN RELATIONSHIPS AND RELATED PARTY TRANSACTIONS

General

Each of WAT and WFD Trust are managed by subsidiaries of WCL. In addition, subsidiaries of WCL hold options in WAT. Accordingly, there are certain related party transactions among WCL, WFD Trust and WAT. In addition, certain other related party transactions are discussed below.

The Australian Corporations Act contains restrictions on public companies, such as WCL, from providing financial benefits to related parties unless approved by members. In connection with the Restructuring, WCL and WAML entered into a stapling deed, which was approved by members of WCL, allowing WCL to give financial benefits to related parties under the stapling deed or pursuant to any transaction entered into in accordance with the stapling deed.

WAML has obtained an exemption from ASIC from compliance with provisions of the Australian Corporations Act to enable WAML in its separate capacities as responsible entity of WFD Trust and of WAT to provide financial benefits to the other trust and its wholly owned subsidiaries, to WCL and its wholly owned subsidiaries and to an entity in which all the shares and interests are held by one or more of WFD Trust, WAT and WCL (or their respective wholly owned subsidiaries).

DESCRIPTION OF THE NOTES AND GUARANTEES

This offering memorandum relates to the WEA Finance LLC and Westfield UK & Europe Finance plc (each an "Issuer" and together, the "Issuers") US$750,000,000 aggregate principal amount of 1.750% Guaranteed Senior Notes due 2017 (the "2017 Notes"), US$1,250,000,000 aggregate principal amount of 2.700% Guaranteed Senior Notes due 2019 (the "2019 Notes"), US$1,000,000,000 aggregate principal amount of 3.750% Guaranteed Senior Notes due 2024 (the "2024 Notes") and US$500,000,000 aggregate principal amount of 4.750% Guaranteed Senior Notes due 2044 (the "2044 Notes" and, together with the 2017 Notes, the 2019 Notes and the 2024 Notes, the "Notes"). The Notes issued by the Issuers are governed by a document called an indenture. The indenture is a contract among the Issuers, the guarantors and The Bank of New York Mellon, as trustee, and will be supplemented by a first supplemental indenture among the same parties setting forth additional terms of the Notes being offered hereunder (the "supplemental indenture"). References to the "indenture" refer to the indenture as so supplemented unless otherwise indicated. The sale of the Notes to the initial purchasers will be made without registration of the Notes under the Securities Act in reliance upon exemptions from the registration requirements of the Securities Act.

General

The Bank of New York Mellon, a New York banking corporation, acts as the trustee under the indenture. The trustee has two principal functions:

- first, it can and, at the direction of holders of not less than 25% in aggregate principal amount of the Notes of any series, it shall, enforce rights of that series of Notes against the Issuers or the guarantors if the Issuers default on the Notes of any series or any guarantor defaults on its guarantee. However, there are some limitations on the extent to which the trustee may act on your behalf, described under "Default and Related Matters — Events of Default — Remedies if an Event of Default Occurs" below; and
- second, the trustee performs administrative functions on behalf of the Issuers, such as sending, or arranging for sending, to you interest payments, transferring your Notes to a new buyer if you sell your Notes and sending you notices.

The Notes will be guaranteed by certain Westfield entities in their capacities as either a "parent guarantor" or a "subsidiary guarantor." The parent guarantees and the subsidiary guarantees are described under "Guarantees" below.

The indenture and its associated documents contain the full legal text of the matters described in this section. The agreements to be executed in connection with this offering of Notes are the indenture, the supplemental indenture, the Notes and the guarantees, all of which are governed by New York law. A copy of the indenture and the supplemental indenture may be obtained from the trustee.

Because this section is a summary, it does not describe every aspect of the Notes or the guarantees. This summary is subject to and qualified in its entirety by reference to all the provisions of the indenture and the supplemental indenture. Whenever we refer to particular sections or defined terms of the indenture or the supplemental indenture in this offering memorandum those sections or defined terms are incorporated by reference here. Unless we refer to the supplemental indenture, section references are to the indenture.

Co-Issuance

The Issuers are co-issuers of the Notes and, as such, the Notes will be the joint and several obligations of the Issuers.

Principal Amount, Maturity Dates and Interest

The 2017 Notes will be issued in an aggregate principal amount of US$750,000,000, the 2019 Notes will be issued in an aggregate principal amount of US$1,250,000,000, the 2024 Notes will be issued in an aggregate

principal amount of US$1,000,000,000 and the 2044 Notes will be issued in an aggregate principal amount of US$500,000,000. Payments in respect of principal, Make-Whole Amount, if any, and interest of or on the Notes will be paid in U.S. dollars.

We may, without the consent of the holders of the Notes, issue additional Notes of any series having the same form and terms (except for the issue date, the public offering price and, under certain circumstances, the first interest payment date) as the related series of Notes, in which event such Notes and the Notes of such series shall constitute one series for all purposes under the indenture, including without limitation, amendments, waivers and redemptions. Such additional notes may not be fungible with the Notes of the corresponding series, as applicable, for United States federal income tax purposes.

The 2017 Notes will mature on September 15, 2017, the 2019 Notes will mature on September 17, 2019, the 2024 Notes will mature on September 17, 2024 and the 2044 Notes will mature on September 17, 2044. The 2017 Notes will bear interest from September 17, 2014 and will be payable semi-annually in arrears on each March 15 and September 15, commencing March 15, 2015 at the rate of 1.750% per year to the holders in whose names such Notes are registered at the close of business on March 1 or September 1 immediately preceding the relevant interest payment date. The 2019 Notes will bear interest from September 17, 2014 and will be payable semi-annually in arrears on each March 17 and September 17, commencing March 17, 2015 at the rate of 2.700% per year to the holders in whose names such Notes are registered at the close of business on March 1 or September 1 immediately preceding the relevant interest payment date. The 2024 Notes will bear interest from September 17, 2014 and will be payable semi-annually in arrears on each March 17 and September 17, commencing March 17, 2015 at the rate of 3.750% per year to the holders in whose names such Notes are registered at the close of business on March 1 or September 1 immediately preceding the relevant interest payment date. The 2044 Notes will bear interest from September 17, 2014 and will be payable semi-annually in arrears on each March 17 and September 17, commencing March 17, 2015 at the rate of 4.750% per year to the holders in whose names such Notes are registered at the close of business on March 1 or September 1 immediately preceding the relevant interest payment date.

If any interest payment date with respect to a series of the Notes or the maturity date of a series of the Notes falls on a day that is not a business day in the relevant place of payment or in the place of business of the trustee, the required payment of principal, Make-Whole Amount, if any, and/or interest will be made on the next succeeding business day as if made on the date such payment was due, and no interest will accrue on such payment for the period from and after such interest payment date or maturity date, as the case may be, to the date of such payment on the next succeeding business day.

Each payment of interest due on an interest payment date or at maturity will include interest accrued from and including the last date to which interest has been paid or duly provided for, or from the issue date, if none has been paid or made available for payment, to but excluding the relevant date that the principal is paid or made available for payment on the Notes on the basis of a 360-day year comprised of twelve 30-day months.

How the Notes Rank Against Other Debt

None of the Notes will be secured by any of the Issuers' or the guarantors' property or assets. Thus, by owning the Notes, a holder is one of the Issuers' unsecured creditors. The Notes will be unsecured unsubordinated debt obligations of the Issuers. The guarantees will be unsecured obligations of the guarantors and will rank equally (*pari passu*) as to payment with all of their other unsecured and unsubordinated debt, except debt given preference by applicable law. The guarantees will not be subordinated to any of the guarantors' other unsecured unsubordinated debt obligations. This means that, in a bankruptcy or liquidation proceeding against an Issuer or any guarantor, such Issuer's obligations under the Notes or the relevant guarantor's obligations under its guarantee would rank equally in right of payment with all of such Issuer's or the relevant guarantor's other unsecured and unsubordinated debt, except debt mandatorily preferred by law.

Guarantees

General

The Notes are guaranteed on a several, but not joint, basis by Westfield Corporation Limited ("WCL") and Westfield America Management Limited ("WAML") in its separate capacities as responsible entity and trustee of Westfield America Trust and of WFD Trust, with respect to the payment of all amounts owing by each of the Issuers under the Notes. We refer to WCL and WAML (in its separate capacities as responsible entity and trustee of Westfield America Trust and of WFD Trust) collectively as the parent guarantors.

In addition, the Notes will be fully and unconditionally guaranteed by WCL Finance Pty Limited, a subsidiary of WCL, which we refer to as the subsidiary guarantor. The subsidiary guarantor's guarantee of the Notes will be joint and several with any guarantees of the Notes by any future subsidiary guarantors. We refer to the parent guarantors and the subsidiary guarantor collectively as the guarantors. For a chart showing the structure of the guarantors, see "Summary — Borrowing and Credit Structure for the Notes."

Each guarantor guarantees the payment under the Notes when such amounts become due and payable, whether on an interest payment date, at the stated maturity of the Notes, by declaration of acceleration, at redemption or otherwise. Each guarantor also agrees to pay any expenses incurred by the trustee or any holder of Notes if the trustee or a holder of Notes had to enforce any right under the guarantee.

Each of the guarantees is an unsecured and unsubordinated debt obligation of each guarantor and will rank equally in right of payment with all existing and future unsecured debt of such guarantor that is not, by its terms, expressly subordinated in right of payment to such guarantee or mandatorily preferred by law. Furthermore, each of the guarantors shall be subrogated to all rights of each holder of Notes against the Issuers in respect of any amounts paid to such holder by such guarantor pursuant to the provisions of the guarantee provided by such guarantor. The guarantor cannot enforce or receive payments based upon such subrogation right until all guaranteed obligations due and payable have been paid in full in cash. If an Issuer pays an amount to a guarantor but does not pay due and payable amounts to the holders of Notes, such paid amount shall be held in trust by the guarantor for the benefit of such holder of Notes and shall be paid over to the trustee. (Section 1301).

Limitation on Guarantor Liability

Under the terms of the indenture, each guarantor and each holder (by acceptance of its Notes) confirms that it is the intention that the guarantee of such guarantor not constitute a fraudulent transfer or conveyance for purposes of Bankruptcy Law, the Uniform Fraudulent Conveyance Act, the Uniform Fraudulent Transfer Act or any similar United States federal or state law, or any applicable law of any jurisdiction relating to financial assistance, to the extent applicable to any guarantee. (Section 1302).

In addition, WAML, in its separate capacities as trustee and responsible entity of WFD Trust and of Westfield America Trust, in each such capacity being a parent guarantor under the indenture, has entered into the indenture only in those separate capacities as responsible entity of WFD Trust and of Westfield America Trust. Any liability arising under or in connection with those separate guarantees provided by WAML in the indenture can be enforced against WAML only to the extent that it can be satisfied out of the property of the relevant trust for which it acts as responsible entity. This limitation of liability of WAML as responsible entity of a trust extends to all liabilities and obligations in any way connected with the guarantee as such responsible entity provided under the indenture and any other representation, warranty, agreement or transaction related to the indenture or the Notes.

Release of Subsidiary Guarantee

Under the terms of the indenture, a parent guarantor can by written notice to the trustee request that the subsidiary guarantor cease to be a guarantor. Upon the trustee's receipt of such notice, the subsidiary guarantor

shall automatically and irrevocably be released and relieved of any obligations under its guarantee with respect to the Notes if the following also is true:

- no Event of Default is continuing, or will result from the release of that guarantor in respect to the Notes,
- none of the guaranteed obligations which are guaranteed by that guarantor are, at that time, due and payable but unpaid, and
- the subsidiary guarantor is not a guarantor of (or co-obligor on) any other indebtedness of any parent guarantor or any of their respective Subsidiaries (other than (i) guarantees of the Notes or (ii) guarantees that have been or will be released concurrently with release of the subsidiary guarantor's guarantee of the Notes).

The indenture also provides that if a subsidiary guarantor guarantees any other indebtedness of any parent guarantor or any of their respective Subsidiaries at any time subsequent to the date on which it is released from its guarantee as described above, the subsidiary guarantor will be required to provide a new guarantee on each series of Notes that remain outstanding on terms substantially identical to its initial subsidiary guarantee.

Subject to compliance with "— Special Situations — Mergers and Special Events" below, the subsidiary guarantor shall also be automatically and irrevocably released and relieved of any obligations under its guarantee, upon the merger or consolidation of the subsidiary guarantor or a conveyance, transfer or lease of all or substantially all of its assets to any person (other than another guarantor or a subsidiary of a guarantor). For the release to take effect, the Issuers must deliver to the trustee certain certificates and documents and the trustee must execute a document evidencing the release. (Section 1305).

Termination of Guarantee

Under the terms of the indenture, the obligations of any guarantor terminate at the time such guarantor merges or consolidates with any Issuer, or when an Issuer acquires all of the assets and capital stock of such guarantor, and the guarantor has delivered to the trustee a certain certificate. If the Notes of any series are defeased, as described under "Defeasance and Discharge" below, each guarantor shall be deemed released from all guarantee obligations to the extent indicated in the indenture with respect to such series of Notes. (Section 1306).

Unless released or terminated, each guarantee is a continuing guarantee and shall:

- remain in full force and effect until the indefeasible payment in full in cash of the guaranteed obligations and all other amounts payable under the guarantee;
- be binding upon the guarantor, its successors and assigns; and
- be to the benefit of and be enforceable by the holders of the Notes and their successors, transferees and assigns.

Additional Parent Guarantors and Subsidiary Guarantors

Each parent guarantor can by notice to the trustee nominate an additional parent guarantor or an additional subsidiary guarantor. An additional parent guarantor or subsidiary guarantor will become such additional guarantor upon assuming the covenants and conditions of the indenture and upon executing and delivering a supplemental indenture to the trustee. Such guarantee given by such additional parent or subsidiary guarantor, as the case may be, shall in all respects have the same legal rank as the guarantees given by already existing parent guarantors or the subsidiary guarantor, as the case may be. (Sections 1307 and 1308).

Legal Ownership

Street Name and Other Indirect Holders

Investors who hold any series of Notes in accounts at banks or brokers will generally not be recognized by the Issuers and the guarantors as legal holders of such Notes. This is called holding in street name. Instead, the

Issuers and the guarantors would recognize only the bank or broker, or the financial institution the bank or broker uses to hold its Notes. These intermediary banks, brokers and other financial institutions pass along principal, interest and other payments on the Notes, either because they agree to do so in their customer agreements or because they are legally required to do so. If you are considering holding Notes in street name, you should consult your own institution to find out:

- how it will handle Note payments and notices;
- whether it will impose fees or charges;
- how it will handle voting if it were ever required;
- whether and how you can instruct it to send your Notes, registered in your own name so you can be a direct holder as described below; and
- how it will pursue rights under the Notes if there were a default or other event triggering the need for holders to act to protect their interests.

Direct Holders

Each Issuer's obligations, the guarantors' obligations, as well as the obligations of the trustee and those of any third parties employed by an Issuer, the guarantors or the trustee, run only to persons who are registered as holders of Notes. As noted above, the Issuers and the guarantors do not have obligations to you if you hold in street name or other indirect means, either because you choose to hold Notes in that manner or because the Notes are issued in the form of Global Notes as described below. For example, once an Issuer or a guarantor makes payment to the registered holder, it has no further responsibility for the payment even if that holder is legally required to pass the payment along to you as a street name customer but does not do so.

Global Notes

Global Notes are a special type of indirectly held Notes, as described above under "Street Name and Other Indirect Holders." The ultimate beneficial owners of Global Notes can only be indirect holders.

The Issuers and the guarantors require that the Global Notes be registered in the name of a financial institution they select. In addition, the Issuers and the guarantors require that the Notes included in the Global Notes not be transferred to the name of any other direct holder unless the special circumstances described below occur. The financial institution that acts as the sole direct holder of the Global Notes is called the depositary. Any person wishing to own a security must do so indirectly by virtue of an account with a broker, bank or other financial institution that in turn has an account with the depositary.

Special Investor Considerations for Global Notes. As an indirect holder, an investor's rights relating to Global Notes will be governed by the account rules of the investor's financial institution and of the depositary, as well as general laws relating to securities transfers. Neither the Issuers nor the guarantors recognize this type of investor as a holder of Notes and instead deal only with the depositary that holds Global Notes. Each series of Notes offered by this offering memorandum will only be issued in the form of Global Notes except in special circumstances described below.

If you are an investor in Global Notes, you should be aware that:

- you cannot get Notes registered in your own name;
- you cannot receive physical certificates for your interest in the Notes;
- you will be a street name holder and as such you will not be considered the registered holder thereof under the indenture and you must look to your own bank or broker for payments on the Notes and protection of your legal rights relating to the Notes, as explained earlier under "Legal Ownership — Street Name and Other Indirect Holders";

- you may not be able to sell interests in the Notes to some insurance companies and other institutions that are required by law to own their Notes in the form of physical certificates;
- the depositary's policies will govern payments, transfers, exchanges and other matters relating to your interest in the Global Notes. The Issuers, guarantors and the trustee have no responsibility for any aspect of the depositary's actions or for its records of ownership interests in Global Notes. The Issuers, the guarantors and the trustee do not supervise the depositary in any way; and
- the depositary will require that interests in Global Notes be purchased or sold within its system using same-day funds.

Special Situations When Global Notes Will Be Terminated. In a few special situations described below, Global Notes will terminate and interests in them will be exchanged for physical certificates representing Notes. After that exchange, the choice of whether to hold Notes directly or in street name will be up to the investor. Investors must consult their own bank or brokers to find out how to have their interests in Notes transferred to their own name so that they will be direct holders. The rights of street name investors and direct holders in the Notes have been previously described in "Legal Ownership — Street Name and Other Indirect Holders" and "Legal Ownership — Direct Holders."

The special situations for termination of Global Notes are:

- when the depositary notifies the Issuers that it is unwilling, unable or no longer qualified to continue as depositary and the Issuers do not appoint a successor depositary within 90 days; or
- when an event of default on the Notes has occurred and has not been cured and the beneficial holders representing a majority in principal amount of Notes advise the depositary to cease activity as such. Defaults are discussed below under "Default and Related Matters — Events of Default."
- when Global Notes terminate, the depositary (and not the Issuers, the guarantors or the trustee) is responsible for deciding the names of the institutions that will be the initial direct holders. (Section 305).

In the remainder of this description "you" means direct holders and not street name or other indirect holders of the Notes. Indirect holders should read "Street Name and Other Indirect Holders."

Overview of Remainder of This Description

The remainder of this description summarizes:

- additional mechanics relevant to the Notes under normal circumstances, such as how you transfer ownership and where an Issuer makes payments;
- your rights under several special situations, such as if an Issuer or the guarantors merge with another company, if an Issuer or the guarantors want to change a term of the Notes or if an Issuer or the guarantors want to redeem the Notes for tax or other reasons;
- your rights to receive payment of additional amounts depending on your particular circumstances and arising from the withholding tax requirements of the United Kingdom, the United States and Australia;
- covenants contained in the indenture that restrict the Issuers' and the guarantors' ability to incur debt exceeding specific levels;
- your rights if an Issuer defaults in respect of its obligations under the Notes or experiences other financial difficulties; and
- your rights if any guarantor defaults in respect of its obligations under the guarantees or experiences other financial difficulties.

Additional Mechanics

Exchange and Transfer

Except as otherwise described herein, each series of Notes will be issued:

- only in fully registered form;
- without interest coupons; and
- in denominations of US$200,000 principal amount and integral multiples of US$1,000 thereafter.

You may have your Notes broken into more Notes of the same series of smaller denominations or combined into fewer Notes of such series of larger denominations, as long as the total principal amount is not changed. (Section 305). This is called an exchange.

You may exchange or transfer your Notes at the office of the trustee. The trustee acts as the Issuers' agent for registering each series of Notes in the names of holders and transferring Notes. The Issuers may change this appointment to another entity. The entity performing the role of maintaining the list of registered holders is called the security registrar. If the trustee has ceased to be the security registrar, it shall nevertheless have the right to examine the security register and it will also register transfers of Notes. (Section 305).

Form, Denomination, Transfer and Book-Entry Procedures

Each series of Notes is being offered and sold in the United States to qualified institutional buyers in accordance with Rule 144A under the Securities Act. Each series of Notes also may be offered and sold outside the United States in accordance with Regulation S under the Securities Act.

Each series of Notes will be issued only in fully registered form, without interest coupons, in minimum denominations of US$200,000 and integral multiples of US$1,000 thereafter. Each series of Notes will be issued at the closing of the offering only against payment in immediately available funds.

Restricted and Regulation S Global Notes

Each series of Notes offered and sold in accordance with Rule 144A will, at least initially, be represented by one or more Notes in registered, global form without interest coupons. We refer to these Notes as the "Restricted Global Notes." Each series of Notes offered and sold in offshore transactions in reliance on Regulation S will, at least initially, be represented by one or more Notes in registered, global form without interest coupons. We refer to these Notes as the "Regulation S Global Notes." Together, the Restricted Global Notes and the Regulation S Global Notes are known as the "Global Notes."

Once issued, the Global Notes will be deposited with the trustee as custodian for The Depository Trust Company (referred to as "DTC") and registered in the name of DTC or its nominee for credit to an account of a direct or indirect participant in DTC as described below.

If you have a beneficial interest in the Regulation S Global Note, you must hold it through the Euroclear System (referred to as "Euroclear") or Clearstream Bank, sociéte anonyme (referred to as "Clearstream"), (as indirect participants in DTC), through and including the 40th day after the later of the commencement of the offering and the original issue date of the Notes. This period is known as the distribution compliance period. The restriction on transfer of the Regulation S Global Notes applies during this distribution compliance period unless the Notes are transferred to a person that takes delivery as a Restricted Global Note in accordance with the requirements described below. You may not exchange beneficial interests in the Restricted Global Notes for beneficial interests in the Regulation S Global Notes at any time, except as described below. See "— Exchanges Between Global Notes."

The Global Notes will be subject to certain restrictions on transfer and will bear restrictive legends as described under "Notice to Investors." In addition, transfers of beneficial interests in the Global Notes will be subject to the rules and procedures of DTC and its direct or indirect participants (including, if applicable, those of Euroclear and Clearstream), which may change from time to time. Except as set forth below, the Global Notes may be transferred, in whole and not in part, only to DTC, a nominee of DTC or to their successors. You may not exchange your beneficial interest in a Global Note for Notes in certificated or non-book entry form except in the limited circumstances described below. See "— Exchange of Book-Entry Notes for Certificated Notes."

Exchanges Between Global Notes

You may transfer your beneficial interest in the Restricted Global Notes at any time to a person who takes delivery in the form of an interest in the Regulation S Global Notes of the same series once the trustee has received a written certificate from you, in the form provided in the supplemental indenture, to the effect that:

- such transfer is being made in accordance with Rule 903 or Rule 904 of Regulation S or, in the case of an exchange occurring after the 40th day following the issuance of the Notes, Rule 144 under the Securities Act; and
- if such transfer occurs prior to the expiration of the distribution compliance period, that the interest transferred will be held immediately following the transfer through Euroclear or Clearstream.

Prior to the expiration of the distribution compliance period, you may transfer your beneficial interest in a Regulation S Global Note to a person who takes delivery in the form of an interest in a Restricted Global Note of the same series once the trustee has received a written certificate from the transferor, in the form provided in the supplemental indenture, to the effect that:

- the transfer is being made to a person whom the transferor reasonably believes is a "qualified institutional buyer" within the meaning of Rule 144A;
- the person is purchasing for its own account or for the account or benefit of one or more qualified institutional buyers as to which account it exercises sole investment discretion, in a transaction that meets the requirements of Rule 144A and is in accordance with all applicable securities laws; and
- the transferee has been advised that the transferor is making such transfer in reliance on Rule 144A.

After the expiration of the distribution compliance period, this certification requirement will no longer apply to such transfers.

Once a beneficial interest in one of the Global Notes is exchanged for an interest in another Global Note of the same series, it becomes an interest in the other Global Note, subject to all of the transfer restrictions applicable to beneficial interests in such other Global Note.

If you exchange a beneficial interest in a Regulation S Global Note for a beneficial interest in a Restricted Global Note of the same series or vice versa, instruction will be given by the trustee to DTC through the DTC Deposit Withdraw at Custodian system, or DWAC. Following the receipt of these instructions, adjustments will be made in the records of the security registrar to reflect a decrease in the principal amount of your interest in the Regulation S Global Note and a corresponding increase in the principal amount of your interest in the Restricted Global Note of the same series or vice versa, as applicable.

Exchange of Book-Entry Notes for Certificated Notes

You may not exchange your beneficial interest in a Global Note for a Note in certificated form unless:

- DTC notifies us that it is unwilling or unable to continue as depositary for the Global Note, or if DTC ceases to be able to act as depository for the Global Note, and we fail to appoint a successor depositary within 90 days;

- we notify the trustee that we elect to issue the Notes in certificated form; or
- an event of default has occurred and is continuing with respect to the Notes.

In all cases, certificated Notes delivered in exchange for any Global Note will be registered in the names, and issued in any approved denominations, requested by the depositary. Any certificated Note issued in exchange for an interest in a Global Note must have a legend on its face which indicates the transfer restrictions of that particular Global Note. Any exchange will be made through the DWAC system and an appropriate adjustment will be made in the records of the security registrar to reflect a decrease in the principal amount of the interest in the relevant Global Note.

Book-Entry Procedures for Global Notes

The following descriptions of the operations and procedures of DTC, Euroclear and Clearstream are provided to you solely as a matter of convenience. These operations and procedures are solely within the control of the respective settlement systems and are subject to change from time to time. We take no responsibility for these operations and procedures and urge you to contact the systems or their participants directly to discuss these matters.

The following is based upon information furnished by DTC: DTC is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Exchange Act. DTC holds securities that its participants ("participants") deposit with DTC. DTC also facilitates the settlement among participants of securities transactions, such as transfers and pledges, in deposited securities through electronic computerized book-entry changes in participants' accounts, thereby eliminating the need for physical movement of securities certificates. Direct participants ("direct participants") include securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is owned by a number of its direct participants and by the New York Stock Exchange, Inc., the American Stock Exchange, Inc., and the National Association of Securities Dealers, Inc. Access to the DTC system is also available to others such as securities brokers and dealers, banks and trust companies that clear through or maintain a custodial relationship with a direct participant, either directly or indirectly. The rules applicable to DTC and its participants are on file with the U.S. Securities and Exchange Commission. Persons who are not participants may beneficially own securities held by or on behalf of DTC only through participants or indirect participants. The ownership interest and transfer of ownership interest of each actual purchaser of each security held by or on behalf of DTC are recorded on the records of participants and indirect participants.

DTC has also advised us that, pursuant to procedures established by it:

- upon deposit of the Global Notes, DTC will credit, on its internal system, the accounts of participants with portions of the principal amount of the Global Notes; and
- ownership of the interests in the Global Notes will be shown on, and the transfer of ownership of the interests will be effected only through, records maintained by DTC, in the case of participants, or by participants and indirect participants, in the case of other owners of beneficial interests in the Global Notes.

You may hold interests in the Restricted Global Notes directly through DTC, if you are a participant in that system, or indirectly through organizations, including Euroclear and Clearstream, which are participants in that system. You must initially hold your interest in the Regulation S Global Notes through Euroclear or Clearstream, if you are a participant in those systems, or indirectly through organizations which are participants in those systems. After the expiration of the distribution compliance period, you may also hold interests in the Regulation S Global Notes through organizations other than Euroclear and Clearstream that are participants in

the DTC system. Euroclear and Clearstream will hold interests in the Regulation S Global Notes on behalf of their participants through customers' securities accounts in their own names on the books of their depositories. The depositories, in turn, will hold such interests in the Regulation S Global Notes in customers' securities accounts in the depositories' names on the books of DTC. All interests in a Global Note, including those held through Euroclear or Clearstream, may be subject to the procedures and requirements of DTC. Those interests held through Euroclear or Clearstream may also be subject to the procedures and requirements of DTC. Transfers and exchange of interests in Global Notes will also be subject to the restrictions described above under "— Exchanges Between Global Notes" and "— Exchange of Book-Entry Notes for Certificated Notes."

The laws of some states require that certain persons take physical delivery of the securities that they own. Consequently, your ability to transfer beneficial interests in a Global Note to others may be limited. Because DTC can act only on behalf of participants, which in turn act on behalf of indirect participants and certain banks, the ability of a person having beneficial interests in a Global Note to pledge such interests to persons or entities that do not participate in the depositary system, or otherwise take actions in respect of such interests, may be affected by the lack of a physical certificate evidencing such interests.

As long as DTC or its nominee is the registered holder of a Global Note, DTC or its nominee will be considered the sole owner and holder of the Notes represented by such Global Note for purposes under the relevant indenture, the supplemental indenture and the Notes. Except as described above, if you hold a book-entry interest in a Global Note, you:

- will **not** have Notes registered in your name;
- will **not** receive physical delivery of Notes in certificated form; and
- will **not** be considered the registered owner or holder of the interest in the Global Note under the indenture, the supplemental indenture or the Notes.

DTC has advised us that it will take any action permitted to be taken by a holder of Notes:

- only at the direction of one or more participants to whose account with DTC interests in the Global Notes are credited; and
- only in respect of such portion of the aggregate principal amount of the Notes as to which the participant in question has given such direction.

If there is an event of default under the Notes, however, DTC reserves the right to exchange the Global Notes for legended Notes in certificated form, and to distribute these Notes to its participants.

Although we expect that DTC, Euroclear and Clearstream will follow the foregoing procedures in order to facilitate transfers of beneficial interests in the Global Notes among participants in DTC, Euroclear and Clearstream, they are under no obligation to perform or to continue to perform such procedures, and such procedures may be discontinued at any time. Neither we nor the trustee will have any responsibility for the performance by DTC, Euroclear or Clearstream or their respective participants or indirect participants of their obligations under the rules and procedures governing their operations, which may include:

- maintaining, supervising and reviewing the records related to payments made on account of beneficial ownership interests in Global Notes; and
- any other action taken by any such depositary, participant or indirect participant.

Special Situations

Mergers and Similar Events

The Issuers and the guarantors are generally permitted to consolidate or merge (including by way of an amalgamation) with another Person (as defined below). The Issuers and the guarantors are also permitted to sell

or lease all or substantially all of the properties and assets of the Group (as defined below) (determined on a consolidated basis) to another Person or to buy or lease all or substantially all of the assets of another Person. (Section 801). However, none of the Issuers nor any guarantor may take any of these actions unless all the following conditions are met:

- If an Issuer or a parent guarantor consolidates or merges into, or sells or leases all or substantially all of the properties and assets of the Group (determined on a consolidated basis) to, another entity, the acquiring entity must be organized and validly existing under the laws of Australia, the United Kingdom, Hong Kong, Singapore, the United States, any state of the United States or the District of Columbia or any member country of the OECD, or any political subdivision of the foregoing. If a subsidiary guarantor consolidates or merges into another entity, the surviving entity can be organized and validly existing under the laws of any jurisdiction. In either case, the acquiring entity must expressly agree, by form of supplemental indenture, to be bound by every obligation in the indenture applicable to the entity that consolidated, merged or transferred its assets. (Section 801(1)).
- Neither an Issuer nor any guarantor may be in default on the Notes or any guarantee immediately prior to or after giving effect to such transaction. For purposes of this no-default test, a default would include an event of default that has occurred and not been cured, as described under "Default and Related Matters — Events of Default — What is an Event of Default?" A default for this purpose would also include any event that, after notice or lapse of time, or both, would become an event of default. (Section 801(2)).
- Where an Issuer or a guarantor consolidates or merges into or sells or leases all or substantially all of the properties and assets of the Group (determined on a consolidated basis) to another entity, the acquiring entity must indemnify the holders of the Notes against any tax, assessment or governmental charge imposed or other cost resulting from such transaction. (Section 801(3)).
- Where an Issuer or a guarantor consolidates or merges into or sells or leases all or substantially all of the properties and assets of the Group (determined on a consolidated basis) to another entity, the acquiring entity must agree to be subject to the rights and obligations described below under "— Optional Tax Redemption" and "— Payments of Additional Amounts" to the same extent as such Issuer or guarantor, and must agree that its jurisdiction of organization (or any political subdivision or taxing authority thereof or therein) will be deemed a "relevant taxing jurisdiction" as defined below under "— Payment of Additional Amounts." (Section 801(4)).
- Each Issuer or any guarantor, as the case may be, must deliver certain certificates and opinions to the trustee. (Section 801(5)).

Notwithstanding the condition set forth in the first bullet point in the immediately preceding paragraph, and provided that the conditions set forth in the second, third, fourth and fifth bullet points in the immediately preceding paragraph are met, any Issuer or guarantor may consolidate with or merge into any other entity or convey, transfer or lease all or substantially all of the properties and assets of the Group (determined on a consolidated basis) to any person in a transaction or series of related transactions (including by way of a stapling transaction, amalgamation or voluntary liquidation) where:

- any Issuer or guarantor (1) merges, consolidates with or conveys, transfers or leases all or substantially all of the properties and assets of such Issuer or guarantor to an affiliate of the Group that has no material assets or liabilities and that is incorporated or organized solely for the purpose of reincorporating or reorganizing such Issuer or guarantor in Australia, the United Kingdom, Hong Kong, Singapore, the United States, any state of the United States or the District of Columbia or any member country of the OECD, or any political subdivision of the foregoing, or (2) otherwise converts its legal form under the laws of its jurisdiction of organization,
- each Issuer and parent guarantor, other than one of them, merges or consolidates with that other one of them, where each such Issuer and guarantor other than that other one become direct or indirect wholly owned subsidiaries of that other one,

- any Issuer or guarantor merges or consolidates with or including another member of the Group or any other entity or entities where the surviving entity is an Issuer or guarantor,
- each Issuer and guarantor becomes a direct or indirect wholly owned subsidiary of the same entity and where that entity within thirty business days after the transaction or series of transactions is finally effected, becomes a parent guarantor in accordance with the indenture,
- any Issuer or guarantor consolidates with, merges into or conveys, transfers or leases all or part of its properties and assets to any member of the Group,
- any Issuer or guarantor merges or consolidates with, or conveys, transfers or leases all or substantially all of the properties and assets of such Issuer or guarantor to any member of the Group or to any new entity as a result of which (1) all or substantially all of the properties and assets of the Group (determined on a consolidated basis) are either owned, directly or indirectly, by such new entity or continue to be owned, directly or indirectly, by the Group, and (2) at least a majority of the total voting power of such new entity or the Group, as applicable, is, as of or immediately following such merger, consolidation, conveyance, transfer or lease, beneficially owned by the same persons that beneficially owned at least a majority of the total voting power of the Group immediately prior to such merger, consolidation, conveyance, transfer or lease becoming effective, and, in the case of a merger, consolidation, conveyance, transfer or lease to a new entity, within 30 business days after such merger, consolidation, conveyance, transfer or lease is finally effected, such new entity becomes a new guarantor in accordance with the indenture (Section 801), or
- such merger, consolidation, conveyance, transfer or lease is covered by any combination of the transactions described in the immediately preceding six bullets (or any portions thereof).

It is possible that a merger or other similar transaction with respect to an Issuer or a guarantor could be treated for United States federal income tax purposes as a taxable exchange of the Notes by the holders of the Notes for new securities, which could result in holders recognizing taxable gain or loss for United States federal income tax purposes. A merger or other similar transaction could also have adverse tax consequences to holders under other tax laws to which the holders are subject.

If an Issuer or any guarantor consolidates, merges or conveys property and assets as discussed above in this section, the successor entity formed by such transaction, shall succeed to, and be substituted for, and may exercise every right and power of, such Issuer or guarantor under the indenture. (Section 802).

Any guarantor or any subsidiary of such guarantor may also assume the obligations of one or more Issuers on the Notes if:

- the guarantor or such subsidiary, as the case may be, assumes by means of a supplemental indenture, all the obligations of the Issuer(s) under the Notes and the indenture;
- the guarantor or such subsidiary, as the case may be, agrees that, with respect to its assumption of its obligations, as described below under "Payment of Additional Amounts", its jurisdiction of organization (or any political subdivision or taxing authority thereof or therein) will be deemed a "relevant taxing jurisdiction" as defined below under "Payment of Additional Amounts;"
- immediately prior to or after giving effect to the transaction no event of default and no event that, after notice or lapse of time, or both, would become an event of default with respect to the Notes has occurred and is continuing; and
- the guarantor or such subsidiary, as the case may be, has delivered certain certificates and opinions to the trustee. (Section 803).

Upon any such assumption the guarantor or such subsidiary, as the case may be, shall succeed to, and be substituted for, and may exercise every right and power of the relevant Issuer under the indenture. (Section 803).

Under certain circumstances, such an assumption could be treated for United States federal income tax purposes as a taxable exchange of the Notes by the holders of the Notes for new securities, which could result in holders recognizing taxable gain or loss for United States federal income tax purposes. Such an assumption could also have adverse tax consequences to holders under other tax laws to which the holders are subject.

Modification and Waiver

There are three types of changes the Issuers and the guarantors can make to the indenture and the Notes.

Changes Requiring Your Approval. First, there are changes that cannot be made to your Notes without your specific approval. Following is a list of those types of changes:

- change the stated maturity of the principal or the interest on the Notes;
- reduce any amounts due on the Notes;
- change the Issuers' or the guarantors' obligations to pay additional amounts described later under "— Payment of Additional Amounts";
- reduce the amount of principal payable upon acceleration of the maturity of the Notes following an event of default;
- change the currency of payment on the Notes;
- impair your right to sue for payment;
- reduce the percentage of holders of Notes whose consent is needed to modify or amend the indenture;
- reduce the percentage of holders of Notes whose consent is needed to waive compliance with various provisions of the related indenture or the related supplemental indenture or to waive various defaults;
- modify the obligations of the guarantors in respect of the payment of principal, premium, if any, and interest, on the Notes; and
- modify or affect, in any manner adverse to you, the conversion or exchange of Notes into Notes of another series or into any other debt or equity securities. (Section 902).

Changes Requiring a Majority Vote. The second type of change to the indenture, the supplemental indenture and the Notes is the kind that requires a vote in favor by holders of the Notes owning a majority of the principal amount of any affected series of Notes. The same vote would be required for the Issuers and the guarantors to obtain a waiver of all or part of the covenants described below or a waiver of a past default. However, the Issuers and the guarantors cannot obtain a waiver of a payment default or any other aspect of the indenture or supplemental indenture or the Notes listed in the first category described previously under "— Changes Requiring Your Approval" unless they obtain your individual consent to the waiver. (Section 513).

Changes Not Requiring Approval. The third type of change does not require any vote by holders of the Notes. Following is a list of some of those types of changes:

- evidence the succession of another person to an Issuer or any guarantor and the assumption by any such successor of the covenants of the Issuers or the Guarantors in the indenture and in the Notes and the guarantees;
- add an additional guarantor or issuer under the indenture;
- add to the covenants of the Issuers or the guarantors for the benefit of the holders of Notes of any series or to surrender any right or power conferred upon the Issuers or the guarantors;
- add any additional events of default with respect to all or any series of Notes;

- secure the Notes of any series pursuant to the requirements of any covenant in the indenture or otherwise;
- provide for uncertificated Notes of any series in addition to or in place of certificated Notes of such series;
- evidence and provide the acceptance of the appointment of a successor trustee under the indenture;
- cure any ambiguity, defect or inconsistency that would not materially adversely affect holders of the Notes of any series;
- make certain clarifications and other changes that would not materially adversely affect holders of the Notes; and
- subject to the provisions governing the other types of changes to the extent applicable, conform the terms of the indenture, the Notes of any series or the guarantees to the description thereof contained herein to the extent such description was intended to be a substantially verbatim recitation of a provision of the indenture, such Notes or guarantees. (Section 901).

Under certain circumstances, the addition of an issuer or guarantor could be treated for United States federal income tax purposes as a taxable exchange of the applicable series of Notes by the holders of such series of Notes for new securities, which could result in holders recognizing taxable gain or loss for United States federal income tax purposes. Such additions could also have adverse tax consequences to holders under other tax laws to which the holders are subject.

Further Details Concerning Voting. When taking a vote, the Issuers and the guarantors will use the following rules to decide how much principal amount to attribute to a security in the Notes:

- For original issue discount securities, the Issuers and the guarantors will use the principal amount that would be due and payable on the voting date if the maturity of the Notes were accelerated to that date because of a default.
- Notes will not be considered outstanding, and therefore the holders will not be eligible to vote, if the Issuers or the guarantors have deposited or set aside in trust for you money for their payment or redemption. The holders of the Notes will also not be eligible to vote if they have been fully defeased as described later under "— Restrictive Covenants — Defeasance and Discharge."
- The Issuers and the parent guarantors will generally be entitled to set any day as a record date for the purpose of determining the holders of outstanding Notes that are entitled to vote or take other action under the related indenture. If the Issuers or the parent guarantors set a record date for a vote or other action to be taken by holders of Notes, that vote or action may be taken only by persons who are holders of outstanding Notes on the record date. (Section 104).

Street name and other indirect holders should consult their banks or brokers for information on how approval may be granted or denied if we seek to change the indenture or the notes or request a waiver.

Optional Tax Redemption

If, as the result of any change in or any amendment to any laws, treaties, regulations or published tax rulings of any "relevant taxing jurisdiction" (as defined below under "— Payment of Additional Amounts") affecting taxation, or any change in the official administration, application or interpretation of such laws, treaties, regulations or published tax rulings either generally or in relation to the Notes or any guarantee, which change or amendment becomes effective on or after the original issue date of the Notes, or which change in official administration, application or interpretation shall not have been published prior to such original issue date, any Issuer or guarantor would be required to pay additional amounts, as described below under "— Payment of Additional Amounts," in respect of interest on the next succeeding interest payment date or in respect of principal or any original issue discount on the date of such determination, the Issuers may, at their option, redeem all of the Notes, in whole but not in part, in respect of which such additional amounts would be so payable. The

redemption price for the Notes will be equal to 100% of the principal amount of the Notes plus any accrued and unpaid interest to, but not including the date fixed for redemption. However, the Issuers may not redeem the Notes if the relevant Issuer or guarantor is able to avoid paying additional amounts (as described under "— Payment of Additional Amounts") that would otherwise be payable, by taking commercially reasonable measures available to it, which are brought to its attention or of which it is actually aware, provided that such measures will not, in the reasonable determination of the Issuers, have an adverse effect on the Issuers or their affiliates.

No notice of redemption may be given earlier than 60 days prior to the earliest date on which an Issuer or guarantor would be obligated to pay such additional amounts were a payment in respect of the Notes or the guarantee then due. At the time any redemption notice is given, such obligation to pay additional amounts must remain in effect.

In the event that any Issuer or guarantor consolidates, merges into, or transfers or leases substantially all of its properties and assets to, another entity, or any guarantor or any subsidiary assumes the obligations of one or more of the Issuers under the Notes, any reference in the first paragraph above to "original issue date" will, with respect to any change in or amendment to, or any change in the official administration, application or interpretation of the laws, treaties, regulations or published tax rulings of the relevant taxing jurisdiction of the acquiring entity, be deemed to be a reference to the effective date of such transaction.

Prior to any redemption pursuant to the three immediately preceding paragraphs, the Issuers or a successor entity shall provide the trustee with an opinion of counsel, who shall be reasonably acceptable to the trustee, that the conditions precedent to the right of the Issuers or such successor entity to redeem such Notes as set out above have occurred. (Section 1108).

Payment of Additional Amounts

All payments in respect of the Notes or any guarantee will be made without withholding or deduction for, or on account of, any present or future taxes, duties, assessments or governmental charges of whatever nature imposed, levied or collected by or on behalf of a relevant taxing jurisdiction unless withholding or deduction is required by law. A "relevant taxing jurisdiction" is any jurisdiction under the laws of which any Issuer or any guarantor is organized or any political subdivision or taxing authority thereof or therein.

The indenture provides that if withholding or deduction is required by law, then the Issuers or the relevant guarantors, as the case may be, will pay to each holder of a Note such additional amounts as will result (after deduction of such taxes, duties, assessments or governmental charges and any additional taxes, duties, assessments or governmental charges payable in respect of such additional amounts) in the receipt by each such holder of the amounts that it would have received had no such withholding or deduction been required. However, the indenture also provides that no additional amounts will be so payable for or on account of any withholding, deduction, tax, duty, assessment or other governmental charge that:

- is imposed only because the holder:
  - is or was a citizen, resident, domiciliary or national of the relevant taxing jurisdiction;
  - is or was engaged in a trade or business in the relevant taxing jurisdiction;
  - has or had a permanent establishment or physical presence in the relevant taxing jurisdiction;
  - otherwise has or had some connection with the relevant taxing jurisdiction other than the mere ownership of, or receipt of payment under, the Note or guarantee, provided that the holder will not be regarded as having a connection with Australia for the reason that such holder is a resident of Australia where, and to the extent that, such tax is payable by reason of Section 128B(2A) of the Income Tax Assessment Act of 1936 of Australia;

- presented the Note or guarantee for payment in the relevant taxing jurisdiction, unless presentation is required and could not have been made elsewhere; or
- presented the Note or guarantee for payment (where presentation is required) more than 30 days after the date on which payment on the Note or guarantee first became due and payable or after the payment was provided for, whichever is later, except to the extent that the holder would have been entitled to such additional amounts if it had presented the Note or guarantee for payment on any day within such 30 day period;

- is imposed only because the holder or, in the case of a Global Note, the beneficial owner thereof, failed to comply with a request by the Issuers or any guarantor as required by any statute, treaty, regulation or administrative practice of any relevant taxing jurisdiction as a precondition to exemption from all or part of such tax, duty, assessment or other governmental charge (including, without limitation, in the case of (i) a holder or beneficial owner who is a resident of Australia for tax purposes, or (ii) a nonresident of Australia holding such Note or, in the case of a Global Note, owning a beneficial interest in such Global Note, in either case through a permanent establishment in Australia, the quotation of an Australian tax file number or an Australian Business Number) to:
  - provide information about the nationality, residence or identity of the holder or beneficial owner; or
  - make a declaration or satisfy any information requirements;
- is an estate, inheritance, gift, sale, transfer, personal property or similar tax, assessment or other governmental charge or any withholding or deduction on account of such taxes;
- is payable in a manner that does not involve withholding or deduction from payments on the Notes or any guarantee;
- is imposed or withheld by reason of section 128F(5) or 128F(6) of the Income Tax Assessment Act of 1936 of Australia on the basis of the holder being an associate of the Issuers or any guarantor for purposes of section 128F(9) of the Income Tax Assessment Act of 1936 of Australia;
- is imposed or withheld from a payment to a holder that is an associate of the Issuers or any guarantor, as the case may be, for the purposes of Section 128F(9) of the Income Tax Assessment Act 1936 of Australia;
- is imposed or withheld as a consequence of a determination having been made under Part IVA of the Income Tax Assessment Act of 1936 of Australia (or any modification or substitute provision) by the Commissioner of Taxation that withholding tax is payable in respect of a payment;
- is required by reason of the Australian Commissioner of Taxation, giving a notice under Section 255 of the Income Tax Assessment Act of 1936 of Australia or Section 260-5 of Schedule 1 of the Taxation Administration Act 1953 of Australia (or any similar or modified or substitute provision);
- is imposed by the United States or any political subdivision thereof or therein;
- is required to be made pursuant to European Council Directive 2003/48/EC, or any law implementing or complying with, or introduced in order to conform to, such directive;
- is imposed on or in respect of any Note pursuant to Sections 1471 through 1474 of the Internal Revenue Code of 1986, as amended, and any current or future regulations promulgated thereunder (generally referred to as "FATCA"), the laws of any relevant taxing jurisdiction implementing FATCA, any intergovernmental agreement between the United States and any other jurisdiction to implement FATCA, or any agreement between the Issuer and the United States or any authority thereof entered into for FATCA purposes; or
- any combination of any of the foregoing items.

Additional amounts will also not be paid on any payment on any Note or guarantee to any holder of Notes who is a fiduciary or partnership or other than the sole beneficial owner of such payment to the extent that payment would, under the laws of Australia or any political subdivision or taxing authority of Australia, be treated as being derived or received for tax purposes by a beneficiary or settlor with respect to that fiduciary or a member of that partnership or a beneficial owner who would not have been entitled to those additional amounts had it been the actual holder of the affected Notes.

These provisions will also apply to any taxes, duties, assessments or governmental charges of whatever nature imposed, levied or collected by or on behalf of any jurisdiction in which a successor to an Issuer or the relevant guarantor is organized or any political subdivision or taxing authority thereof or therein. Additional amounts may also be payable in the event of certain consolidations, mergers or sales of assets. For more information see "— Mergers and Similar Events" and "— Optional Tax Redemption." (Section 1009).

Optional Redemption of the Notes

The Issuers may, at their option, redeem some or all of any series of Notes at any time, on at least 15 days, but not more than 45 days, prior notice mailed to the registered address of each holder of the Notes. In case of any redemption at the election of the Issuers of less than all of the Notes of any series, the Issuers shall, at least 5 days prior to giving notice of such redemption to the holders (unless a shorter notice is satisfactory to the trustee in its sole discretion), notify the trustee of such Redemption Date and of the principal amount of the Notes of such series to be redeemed. If less than all the Notes of any series are to be redeemed, the particular Notes of such series to be redeemed shall be selected by the trustee not more than 45 days prior to the Redemption Date.

If we redeem some or all of the 2017 Notes prior to the maturity date of the 2017 Notes, the redemption price will be equal to the sum of (i) 100% of the principal amount of the Notes to be redeemed plus accrued but unpaid interest thereon to, but not including, the Redemption Date; and (ii) the Make-Whole Amount, in each case as defined below.

If we redeem some or all of the 2019 Notes prior to August 17, 2019, the date that is one month prior to the maturity date of the 2019 Notes, the redemption price will be equal to the sum of (i) 100% of the principal amount of the Notes to be redeemed plus accrued but unpaid interest thereon to, but not including, the Redemption Date; and (ii) the Make-Whole Amount.

If we redeem some or all of the 2024 Notes prior to June 17, 2024, the date that is three months prior to the maturity date of the 2024 Notes, the redemption price will be equal to the sum of (i) 100% of the principal amount of the Notes to be redeemed plus accrued but unpaid interest thereon to, but not including, the Redemption Date; and (ii) the Make-Whole Amount.

If we redeem some or all of the 2044 Notes prior to March 17, 2044, the date that is six months prior to the maturity date of the 2044 Notes, the redemption price will be equal to the sum of (i) 100% of the principal amount of the Notes to be redeemed plus accrued but unpaid interest thereon to, but not including, the Redemption Date; and (ii) the Make-Whole Amount.

If the 2019 Notes, the 2024 Notes or the 2044 Notes are redeemed on or after August 17, 2019, June 17, 2024 or March 17, 2044, respectively, the redemption price will be equal to 100% of the principal amount of the Notes to be redeemed plus accrued but unpaid interest thereon to, but not including, the related Redemption Date.

The definitions of certain terms solely used in the calculation of the redemption prices are as follows:

"Business Day" means each Monday, Tuesday, Wednesday, Thursday and Friday that is not a day on which banking institutions in any place of payment, such other location or the city in which the corporate trust office of the trustee is located, are authorized or obligated by law or executive order to close.

"Make-Whole Amount" means, in connection with any optional redemption of any series of Notes, the excess, if any, of:

(1) the aggregate present value as of the Redemption Date of (i) the remaining payments of interest (exclusive of interest accrued to, but not including, the Redemption Date) on the Notes of such series being redeemed and (ii) the principal amount that would have been payable on the Stated Maturity if the redemption had not been made, determined by discounting, on a semi-annual basis (assuming a 360-day year consisting of twelve 30-day months), the principal and interest at the Reinvestment Rate, determined on the third Business Day preceding the date notice of the redemption is given, from the respective dates on which the principal and interest would have been payable if the redemption had not been made, to but not including the Redemption Date, over

(2) the aggregate principal amount of the Notes of such series being redeemed.

"Redemption Date" means the date fixed for redemption by the Issuers.

"Reinvestment Rate" means the yield on treasury securities at a constant maturity corresponding to the remaining life (as of the Redemption Date, and rounded to the nearest month) to Stated Maturity of the principal of the Notes of the applicable series being redeemed (the ***"Treasury Yield"***), plus 12.5 basis points or 0.125% with respect to the 2017 Notes, 15 basis points or 0.15% with respect to the 2019 Notes, 20 basis points or 0.20% with respect to the 2024 Notes and 25 basis points or 0.25% with respect to the 2044 Notes. For purposes of calculating the Reinvestment Rate, the Treasury Yield will be equal to the arithmetic mean of the yields published in the Statistical Release under the heading "Week Ending" for "U.S. Government Securities — Treasury Constant Maturities" with a maturity equal to the remaining life. However, if no published maturity exactly corresponds to the remaining life, then the Treasury Yield will be interpolated or extrapolated on a straight-line basis from the arithmetic means of the yields for the next shortest and next longest published maturities. For purposes of calculating the Reinvestment Rate, the most recent Statistical Release published prior to the date of determination of the Make-Whole Amount will be used. If the format or content of the Statistical Release changes in a manner that precludes determination of the Treasury Yield in the above manner, then the Treasury Yield will be determined in the manner that most closely approximates the above manner, as reasonably determined by the Issuers.

"Stated Maturity" means the date specified for a series of Notes as the fixed date on which the principal of the Notes or interest is due and payable.

"Statistical Release" means the statistical release designated "H.15(519)" or any successor publication that is published weekly by the Federal Reserve System and that reports yields on actively traded United States government securities adjusted to constant maturities, or, if that statistical release is not published at the time of any required determination under the indenture, then another reasonably comparable index designated by the Issuers.

On and after the Redemption Date, interest will cease to accrue on the Notes or any portion of the Notes called for redemption, unless the relevant Issuer defaults in the payment of the redemption price. On or before the Redemption Date, the relevant Issuer will deposit with a paying agent or the trustee money sufficient to pay the redemption price of the Notes to be redeemed on that date.

The redemption price shall be calculated by the Issuers, and the trustee and any paying agent for the Notes shall be entitled to conclusively rely on such calculation.

The Notes may also be redeemed by the Issuers in certain circumstances where the Issuers or any guarantor would be required to pay additional amounts, as described above under "— Payment of Additional Amounts." See "— Optional Tax Redemption."

No Note of US$200,000 in principal amount or less will be redeemed in part. In the event of redemption of any series of Notes in part only, there will be a new Note or Notes of such series issued for the unredeemed portion issued in the name of the holder. In the case of any such partial redemption, the trustee shall select the Notes of such series to be redeemed by such method as is provided in the applicable series of Notes, or in the absence of such provision, by such method as the trustee deems fair and appropriate.

Since a nominee of DTC will be the registered holder of the Notes held as Global Notes, notice by DTC to participating institutions and by these participations to street name holders of indirect interests in the Notes will be made according to arrangements among them and may be subject to statutory or regulatory requirements.

Restrictive Covenants

The supplemental indenture includes the following restrictive covenants. (Section 3.1 of the supplemental indenture).

Each Issuer and each of the parent guarantors covenant and agree, for the benefit of the holders of the Notes, as follows:

- as of each Reporting Date, Net Debt will not exceed 65% of Net Assets;
- as of each Reporting Date, Secured Debt will not exceed 45% of Total Assets;
- the ratio of EBITDA for the 12 month period ending on each Reporting Date (or in the case of the Reporting Date occurring on December 31, 2014, EBITDA for the six month period ending on such Reporting Date) to Interest Expense for the same period will be at least 1.50:1.00; and
- as of each Reporting Date, Unencumbered Assets will be at least 125% of the aggregate principal amount of all outstanding Unsecured Debt.

In addition, the Issuers and the guarantors shall cause each of their real property assets, and the real property assets of each of their Subsidiaries, to be appraised no less frequently than once every three years, by an Approved Independent Valuer, except that the foregoing requirement will not apply to real property assets undergoing material construction or material development. (Section 3.2 of the supplemental indenture).

The relevant terms for the restrictive covenants are defined as follows:

"Affiliate" of any specified Person means any other Person directly or indirectly controlling or controlled by or under direct or indirect common control with such specified Person. For the purposes of this definition, "control" when used with respect to any specified Person means the power to direct the management and policies of such Person, directly or indirectly, whether through the ownership of voting securities, by contract or otherwise; and the terms "controlling" and "controlled" have meanings correlative to the foregoing.

"Approved Independent Valuer" means (i) each real estate appraisal or valuation firm named on Schedule I to the supplemental indenture, but only with respect to the jurisdiction set forth opposite its name thereon, or the successor entity of any of them; or (ii) a real estate appraisal or valuation firm specifically selected for purposes of the indenture by the Board of Directors of Westfield Corporation; *provided*, that (a) such firm is not an Affiliate of any member of Westfield Corporation, (b) such firm is of comparable reputation as determined in good faith by the Board of Directors of Westfield Corporation in the jurisdiction for which it is being selected to the firms set forth on Schedule I to the supplemental indenture, and (c) the Board of Directors of Westfield Corporation causes the Board Resolutions setting forth the selection of such firm to specify its name, the jurisdiction for which it is being selected, and the findings of the Board of Directors confirming that the requirements of clauses (a) and (b) above have been satisfied.

"Balance Sheet" means the balance sheet included in the Consolidated Financial Statements.

"Board of Directors" means either the board of directors, or the equivalent body, of an Issuer, or any guarantor, as the case may be, or any duly authorized committee of that board or body.

"Board Resolution" when used with reference to an Issuer or any guarantor means a copy of a resolution, or the equivalent document, certified by a director, the Secretary or an Assistant Secretary, or a trustee as the case may be, of such Issuer or such guarantor, as applicable, to have been duly adopted by the Board of Directors and to be in full force and effect on the date of such certification, and delivered to the Trustee.

"Cash and Cash Equivalents" means, at a Reporting Date, cash on hand and at bank, short term money market deposits and short term bank accepted bills of exchange, government and semi-government stocks or bonds which are readily convertible to cash of the Group determined on a consolidated basis and as would be required to be included in the Consolidated Financial Statements for the applicable Reporting Date.

"Consolidated Financial Statements" means income statements, statements of cash flow and balance sheets together with statements, reports and notes (including, without limitation, directors' reports and auditors' reports (if any)) attached to or intended to be read with any of those statements, in relation to the Group as a consolidated entity, as would be prepared in accordance with GAAP.

"EBITDA" means, in respect of any period, (i) Net Profit Before Tax, plus (ii) all borrowing costs, depreciation and amortization of the Group, and excluding (iii), without duplication, (a) all realized or unrealized gains and losses in respect of any Hedging Obligations entered into to hedge the value of any asset or liability appearing on the balance sheet of the Group; (b) all realized or unrealized gains and losses in respect of Hedging Obligations appearing on the profit and loss statement of the Group for future periods; (c) other unrealized asset revaluations and realized and unrealized gains and losses on capital transactions (including the sale of assets); (d) goodwill write-offs or goodwill amortization; (e) all Interest Income; and (f) any Significant Items, less an amount equal to any interest, dividends or distributions or other borrowing costs paid, payable or accrued under or in respect of any Effective Equity Security to which clause (iii) of the definition of ***"Hard Payment Date"*** applies, as would have been shown in the Group's income statement or notes thereto for such period. In each case (i), (ii) and (iii) for such period, amounts will be determined on a consolidated basis in accordance with GAAP except to the extent GAAP is not applicable with respect to the determination of non-cash, extraordinary and non-recurring items.

"Effective Equity Allocated Asset" means an asset (other than an Effective Equity Security) owned or controlled by the issuer of an Effective Equity Security or another member of the Group that:

(i) can be delivered or transferred by such issuer or such other member of the Group to the holder of such Effective Equity Security in satisfaction of its obligations in respect of such Effective Equity Security, or towards the purchase of which such issuer or such other member of the Group can require the holder of such Effective Equity Security to apply the proceeds of redemption of such Effective Equity Security;

(ii) is not subject to a Lien (other than a Lien securing such Effective Equity Security or arising by law and securing an obligation that is not materially overdue or a Lien to which a holder of such Effective Equity Security would not be entitled to object at the time of its transfer or delivery); and

(iii) is determined by the parent guarantors to be an Effective Equity Allocated Asset in respect of such Effective Equity Security.

"Effective Equity Security" means at any time, a Marketable Security that:

(i) is issued by a member of the Group and satisfies the following conditions:

(a) it has no Hard Payment Date falling earlier than the Final Maturity Date;

(b) it contains no provision as a result of which it could have a Hard Payment Date (other than as a result of the exercise of a discretion by the issuer of such Effective Equity Security) earlier than the Final Maturity Date; and

(c) is either:

(1) in the form of shares in a company or units in a trust; or

(2) subordinated in right of proof and distribution in respect of such proof to the general creditors of the issuer of such Effective Equity Security (or any trust of which such issuer is acting as trustee) in any winding up, bankruptcy, administration, scheme of arrangement or any other form of insolvency administration of such issuer (or such trust) and not secured by any asset other than an Effective Equity Allocated Asset; or

(ii) satisfies one of the following conditions:

(a) prior to redemption (or, if earlier, upon winding up of the issuer of such Effective Equity Security), it will be transferred to another member of the Group and either:

(1) the holder will then have no recourse to any member of the Group for any principal, interest or similar amounts other than recourse to a member of the Group under a Marketable Security in relation to which the conditions specified in clause (i) above are satisfied; or

(2) the holder will then have no recourse to any member of the Group for any principal, interest or similar amounts other than recourse under an Effective Equity Security in relation to which the conditions specified in clause (ii)(b) below are satisfied; or

(b) is limited recourse to, or issued by a member of the Group that has no assets (other than immaterial assets) other than, obligations of a member of the Group in relation to which the conditions specified in clause (i) above are satisfied,

and includes any Relevant Guarantee Obligation or other obligation of another member of the Group in respect of an Effective Equity Security provided that the conditions specified in clause (i) above are also satisfied in relation to such Relevant Guarantee Obligation or other obligation.

"Final Maturity Date" means, from time to time, the latest date upon which amounts owing with respect to any security issued under the indenture are due to be repaid.

"generally accepted accounting principles" or ***"GAAP"*** means, subject to Section 301 of the indenture, generally accepted accounting principles in Australia as applicable from time to time and consistently applied; *provided*, *however*, that, at any time and from time to time after the date hereof, the parent guarantors may collectively, as a consolidated Group, elect to apply generally accepted accounting principles in the United States or financial reporting standards in the United Kingdom, Singapore, Hong Kong or any member country of the OECD (any of such generally accepted accounting principles or financial reporting standards, ***"Alternate GAAP"*** and, together with GAAP, the ***"Accounting Standards"***); *provided* that if the parent guarantors have previously elected to apply an Alternate GAAP, the parent guarantors may elect to apply another Accounting Standard for the consolidated Group; *provided* that the elected Accounting Standard is the accounting standard in the jurisdiction where either (i) the equity interests of each of WCL, WFD Trust and Westfield America Trust are listed on an exchange for trading on a primary basis, or (ii) the equity interests of the successor entity or entities with which any of the Issuers or guarantors has merged or consolidated or to which any of the Issuers or guarantors has conveyed, transferred or leased all or substantially all of the properties and assets of the Group (determined on a consolidated basis) in each case in a transaction or series of related transactions that is not prohibited by the provisions set forth below above under the caption "Special Situations — Mergers and Similar Events", are listed on an exchange for trading on a primary basis. Subject to Section 301 of the indenture, upon any such election, references in the indenture to GAAP or generally accepted accounting principles shall mean the elected Accounting Standard as in effect on the date of such election and thereafter from time to time and

consistently applied; *provided*, *further*, that, subject to Section 301 of the indenture, (1) all financial statements and reports required to be provided after such election pursuant to the indenture shall be prepared on the basis of the elected Accounting Standard, (2) from and after such election, all ratios, computations, calculations and other determinations based on the elected Accounting Standard contained in the indenture shall be calculated using financial measures determined in conformity with the elected Accounting Standard, and (3) all accounting terms and references in the indenture to accounting standards shall be deemed to be references to the most comparable terms or standards under the elected Accounting Standard; *provided*, *however*, that for purposes of all computations required or permitted for purposes of Section 3.1 and all related definitions set forth in Section 1.2 of the supplemental indenture, "***generally accepted accounting principles***" or "***GAAP***" means generally accepted accounting principles in Australia as of the date of the supplemental indenture, and all references herein to Consolidated Financial Statements (including, without limitation, the income statements, statements of cash flow and balance sheets included therein and the statements, reports or notes related thereto) or any similar or equivalent references shall be deemed to be mean those Consolidated Financial Statements that would have been prepared in accordance with generally accepted accounting principles in Australia as of the date of the supplemental indenture, irrespective of whether the parent guarantors have elected another Accounting Standard pursuant to the provisos in the definition of "***generally accepted accounting principles***" or "***GAAP***" in the indenture; *provided, further*, the foregoing shall not be construed as creating any obligation on the part of or otherwise requiring any of the Issuers or the parent guarantors to furnish or prepare any financial statements in accordance with the generally accepted accounting principles in Australia as of the supplemental indenture for purposes of such computations and any related definitions; *provided*, *further*, that for purposes of all computations required or permitted for purposes of Section 3.1 of the supplemental indenture, all such computations shall be based upon the valuations derived from the appraisals performed in accordance with Section 3.2 of the supplemental indenture.

*"**Group**"* means the parent guarantors and their respective Subsidiaries, taken as a whole.

*"**Group Trust**"* means any trust or managed investment scheme in respect of which a Group Trustee is trustee or responsible entity.

*"**Group Trustee**"* means (i) each Guarantor Trustee, and (ii) each other trustee or responsible entity of a trust or a managed investment scheme, which trust or managed investment scheme is included as a Subsidiary of an Issuer or any guarantor. For the avoidance of doubt, "Group Trustee" shall not include the trustee under the indenture.

*"**Guarantor Trustee**"* means (1) WAML, as responsible entity and trustee of WFD Trust, (2) WAML, as responsible entity and trustee of Westfield America Trust, and (3) any other guarantor which is or becomes bound by this indenture or any Securities in its capacity as trustee or responsible entity of a trust, and includes any replacement responsible entity or a replacement trustee for any of them.

*"**Hard Payment Date**"* means, in respect of a Marketable Security, a date on which the holder of such Marketable Security could require the issuer of such Marketable Security to satisfy a payment, delivery or transfer obligation in respect of such Marketable Security, other than:

(i) in the winding up of the issuer of such Marketable Security, or of any trust as trustee of which such issuer has issued the Marketable Security;

(ii) an obligation that the issuer of such Marketable Security has the discretion to defer until after the Final Maturity Date or, in the case of interest, dividends or similar amounts, for not less than five years from the date it is originally scheduled to fall due (which discretion may be unconditional or subject to compliance with any applicable obligation not to pay distributions or interest on its ordinary equity or other equity or on other obligations that rank or are expressed to rank equally with or junior to the Effective Equity Security to which such Marketable Security relates);

(iii) an obligation to make, or cause to be made, a payment only out of or limited to the net income, cash flows or other proceeds of an Effective Equity Allocated Asset (or, if such Effective Equity Allocated Asset is a proportionate interest in another asset, a corresponding proportion of the proceeds of such other asset) or a portion thereof;

(iv) an obligation to make a payment that the issuer of such Marketable Security is (subject to delivering clear title but otherwise in all circumstances) entitled to require the holder to apply in payment for an Effective Equity Security or any related Effective Equity Allocated Assets or any shares in a parent guarantor or units in a Primary Trust; or

(v) an obligation to issue, deliver or transfer, or that can be satisfied by the issue, delivery or transfer of, an Effective Equity Security or an Effective Equity Allocated Asset or any shares in a Primary Obligor or units in a Primary Trust.

*“**Hedging Obligation**”* or *“**Hedging Obligations**”* means each interest rate transaction, foreign exchange transaction, equity or equity index option, bond option, commodity swap, commodity option, cap transaction, currency swap transaction, cross-currency swap rate transaction or any other hedge or derivative agreement, including any master agreement and any transaction or confirmation under it.

*“**Indebtedness**”* means, without duplication, any indebtedness of any member of the Group in respect of (i) any acceptance credit, bill acceptance or bill endorsement or similar facility; (ii) borrowed money evidenced by bonds, notes, debentures, loan stock or similar instruments whether secured or unsecured (excluding indebtedness secured by Cash and Cash Equivalents or defeased indebtedness); (iii) any reimbursement obligations in respect of a bond, standby or documentary letter of credit or any other similar instrument, issued by a bank or financial institution, but excluding any reimbursement obligation that has not yet fallen due (or any reimbursement obligation to the extent cash collateralized) in respect of a bond, standby or documentary letter of credit or any other similar instrument, issued by a bank or financial institution, that is not in respect of Indebtedness and has not yet been called or paid; (iv) amounts representing the balance deferred and unpaid for a period of more than 180 days of the purchase price of any property except any amount that constitutes an accrued expense or trade payable; (v) the amount of any liability in respect of any lease or hire purchase contract that would, in accordance with GAAP, be treated as a finance lease or capital lease, other than a ground lease; and (vi) any guarantee or indemnity against loss in respect of any of the items referred to in paragraphs (i) through (vi) above, for another Person, but does not include any marked to market gain or loss in respect of the equity component of convertible instruments or any liability or amount payable under any Effective Equity Security (including any Relevant Guarantee Obligations or other obligations referred to in the last paragraph of the definition of “Effective Equity Security”, but excluding any accrued interest or similar entitlement that has been deferred on terms that it may become due before the Final Maturity Date).

*“**Interest Expense**”* means, for any period, amounts determined on a consolidated basis and in accordance with GAAP being all borrowing costs of the Group (including any interest capitalized into the carrying value of an asset during the period and excluding marked-to-market adjustments included in the borrowing costs of the Group for that period as a result of the application of International Accounting Standard IAS39 (or any successor or replacement standard or similar standard as applied under the relevant Accounting Standard) and excluding dividends, distributions or other costs paid or accrued on stapled or unstapled units in listed trusts and amounts attributable to ground lease payments) less (i) any interest income in relation to a Hedging Obligation that is included in Net Profit Before Tax for that period; (ii) dividends, distributions or other costs paid or accrued on preference shares; (iii) amortization of debt issuance costs; (iv) to the extent included in such Interest Expense, any interest, dividends or distributions or other borrowing costs paid, payable or accrued under or in respect of any Effective Equity Security, as would be required to be shown in the Group’s income statement or notes thereto for such period; and (v) the amount of Interest Income for that period.

*“**Interest Income**”* means, for any period, amounts determined on a consolidated basis and in accordance with GAAP as being all interest, amounts in the nature of interest, fees, commissions, discounts and other finance payments which accrued to the Group during that period.

“***Lien***” means, without duplication, a mortgage, charge, pledge, lien or other security interest or other preferential interest or arrangement having a similar economic effect, excluding any right of set-off, but including any conditional sale or other title retention arrangement or any finance leases.

“***Marketable Security***” means any share, unit, debenture, note or other security or other debt or equity obligation.

“***Net Assets***” means, at a Reporting Date, Total Assets less Cash and Cash Equivalents of the Group, in each case, determined on a consolidated basis and as would be required to be shown in the Consolidated Financial Statements for that Reporting Date.

“***Net Debt***” means, at a Reporting Date, Total Debt less Cash and Cash Equivalents of the Group, in each case, determined on a consolidated basis and as would be required to be shown in the Consolidated Financial Statements for that Reporting Date.

“***Net Profit Before Tax***” means, for a period, the operating profit before tax, excluding Significant Items, of the Group for that period determined on a consolidated basis in accordance with GAAP.

“***OECD***” means the Organisation for Economic Co-operation and Development, or any successor thereto.

“***Person***” means any individual, corporation, partnership, limited liability company, joint venture, association, joint-stock company, trust, unincorporated organization or government or any agency or political subdivision thereof.

“***Permitted Lien***” means (i) any Lien arising by operation of law and in the ordinary course of business including (a) a Lien for taxes not yet due and payable or being contested in good faith and for which adequate reserves have been established in accordance with GAAP; (b) a possessory Lien for the unpaid balance of moneys owing for work, repairs, warehousing, storage, delivery or other services; and (c) any other Lien of landlords, carriers, warehousemen, mechanics, materialmen, repairers or other similar service providers which arise by law or by statute and in the ordinary course of business (and whether registration to perfect such Lien is or is not required); *provided* that either: (1) there is no default with respect to the obligations secured by that Lien; or (2) the obligations secured by the Lien are being, or within a reasonable time after the judgment will be, appealed or otherwise contested in good faith or paid in full; (ii) any Lien that is created or provided for by: (a) a lease or bailment of goods in respect of which a member of the Group is the lessee or bailee; (b) a commercial consignment of goods in respect of which a member of the Group is a consignee; or (c) a transfer of an account receivable or chattel paper in respect of which a member of the Group is transferor, and, in the case of the immediately foregoing clauses (a), (b) and (c), such Lien does not secure payment or performance of an obligation; (iii) any Lien in respect of personal property which is, or has at any time been, a purchase money security interest in favor of a seller securing all or part of the purchase price for personal property which is acquired by a member of the Group in the ordinary course of its business; *provided* that either: (a) there is no default with respect to the obligations secured by that Lien; or (b) the obligations secured by the Lien are being, or within a reasonable time after the judgment will be, appealed or otherwise contested in good faith or paid in full; (iv) a right of title retention in connection with acquisition of goods in the ordinary course of business on the usual terms of sale of the supplier where there is no default in connection with the relevant acquisition; (v) the lien of a Group Trustee or a custodian in respect of the assets of a Group Trust or other trust or managed investment scheme in relation to its rights of indemnity in respect of those assets; (vi) any Lien granted or created by a Group Trustee or a custodian over the right of indemnity or equitable lien held by it in its personal capacity over assets held by it as trustee or responsible entity where those assets would not be required to be included in the most recent Consolidated Financial Statements; (vii) any Lien that arises by operation of law or the terms of the judgment in respect of a judgment where the judgment is being, or will within a reasonable time after the judgment be, appealed or otherwise contested in good faith or paid in full; (viii) any Lien that consists of an easement, right of way, encroachment, reservation, restriction or condition on any real property interest where

such encumbrance does not materially interfere with or impair the operation, use or other disposal of the property affected; (ix) any Lien consisting of minor defects or irregularities in the title to any real property interest which does not materially interfere with or impair the operation, use or other disposal of such property; (x) a deposit or a payment of Cash and Cash Equivalents provided or made in connection with any actual or contingent liability arising under or in connection with a Hedging Obligation; (xi) any Lien granted or created over any Effective Equity Allocated Asset to secure the related Effective Equity Security; or (xii) any Lien not otherwise permitted by the preceding clauses not exceeding US$50 million in aggregate at any one time outstanding.

*"**Primary Trust**"* means (1) WFD Trust (ARSN 168 765 875) and (2) Westfield America Trust (ARSN 092 058 449).

*"**Relevant Guarantee Obligation**"* means, with respect to any Person, any guarantee, suretyship, letter of credit, letter of comfort or any other obligation:

(i) to provide funds (whether by the advance or payment of money, the purchase of or subscription for shares or other securities, the purchase of assets or services, or otherwise) for the payment or discharge of;

(ii) to indemnify any person against the consequences of default in the payment of; or

(iii) to be responsible for, any debt or monetary liability of any other Person or the assumption of any responsibility or obligation in respect of the insolvency or financial condition of any other Person.

*"**Reporting Date**"* means June 30 and December 31 of each year, the first of which is December 31, 2014.

*"**Secured Debt**"* means, at a Reporting Date, the portion of the Total Debt at that Reporting Date that is secured by a Lien (other than a Permitted Lien) on any asset of any member of the Group.

*"**Significant Item**"* means any non-cash item which is regarded as a significant item in accordance with GAAP and which would be required to be reported as such in the Consolidated Financial Statements.

*"**Subsidiary**"* of any Person means (i) any entity whose profit and loss are required by GAAP to be included in the consolidated annual profit and loss statements of such Person or would be so required if that entity were a corporation; or (ii) any corporation, association or other business entity of which more than 50% of the outstanding total voting power ordinarily entitled (without regard to the occurrence of any contingency) to vote in the election of directors, managers or trustees thereof is at the time owned or controlled, directly or indirectly, by that Person or by one or more other Subsidiaries, or by that Person and one or more other Subsidiaries; or (iii) any partnership, the sole general partner or the managing general partner of which is that Person or a Subsidiary of that Person or the only general partners of which are that Person or of one or more Subsidiaries of that Person (or any combination thereof).

*"**Total Assets**"* means, at a Reporting Date, the total assets of the Group determined on a consolidated basis and as would be required to be shown in its Balance Sheet for that Reporting Date and adjusted to: (i) exclude any revaluation of any non-financial asset which is not approved by an Approved Independent Valuer; (ii) exclude the aggregate, on a consolidated basis and without duplication, of all receivables of the Group that are unrealized marked-to-market gains in respect of Hedging Obligations entered into to hedge the value of any asset or liability that would be required to be included in the Balance Sheet; (iii) exclude the value attributable to ground leases as deducted in accordance with the definition of Indebtedness; and (iv) exclude the aggregate value of all Effective Equity Allocated Assets.

*"**Total Debt**"* means, at a Reporting Date, the aggregate principal amount of all Indebtedness of the Group determined on a consolidated basis and as would be required to be shown in its Consolidated Financial Statements for that Reporting Date and adjusted to: (i) include the aggregate, on a consolidated basis and without duplication, of all payables of the Group that are unrealized marked-to-market losses in respect of any Hedging

Obligations entered into to hedge the value of any asset or liability that would be required to be included in the Balance Sheet; (ii) include, as a reduction to Total Debt, the aggregate, on a consolidated basis and without duplication, of all receivables of the Group that are unrealized marked-to-market gains in respect of any Hedging Obligations entered into to hedge the value of any asset or liability that would be required to be shown in the Balance Sheet; and (iii) include the principal amount of, but not the marked-to-market amount of, fixed rate debt in relation to an acquisition.

*“**Unencumbered Assets**”* means, at a Reporting Date, any assets included in Total Assets for that Reporting Date but excluding (i) any asset included in Total Assets that is secured by a Lien (other than a Permitted Lien); and (ii) any investment in a Person not consolidated for accounting purposes with the Group if any assets of that unconsolidated Person are secured by a Lien (other than a Permitted Lien).

*“**Unsecured Debt**”* means, at a Reporting Date, Total Debt for the applicable Reporting Date less Secured Debt for that Reporting Date.

Defeasance and Discharge

The Issuers or the guarantors can legally release themselves from any payment or other obligations on any series of Notes or the guarantees, as the case may be, except for various obligations described below, if the Issuers or the guarantors, in addition to other actions, put in place the following arrangements for you to be repaid:

- the relevant Issuer or guarantor must deposit or cause to be deposited in trust, for your benefit and the benefit of all other direct holders of such series of Notes cash, United States government or United States government agency notes or bonds, or a combination of these, that will generate enough money to make interest, principal and any other payments on such series of Notes on their various due dates. (Section 404); and
- the relevant Issuer or guarantor must deliver to the trustee an officers’ certificate of such Issuer or guarantor and a legal opinion of such Issuer’s or guarantor’s counsel confirming that either (A) there has been a change in United States federal income tax law or regulation or (B) such Issuer or guarantor has received from, or there has been published by, the United States Internal Revenue Service a ruling, in each case to the effect that it or they may make the above deposit and be so released without causing you to be taxed on the relevant series of Notes any differently than if it or they did not make the deposit and were not so released and just repaid such series of Notes themselves at stated maturity; *provided*, *however*, that the legal opinion required above need not be delivered if all Notes of the relevant series not delivered to the trustee for cancellation have become due and payable, or will become due and payable at the stated maturity for such series within one year under arrangements reasonably satisfactory to the trustee for the giving of notice of redemption by the trustee in the name, and at the expense, of the Issuers. (Section 404).

However, even if an Issuer or a guarantor takes these actions, a number of their obligations relating to the Notes or the guarantees, as the case may be, will remain. These include the following obligations:

- to register the transfer and exchange of Notes;
- to replace mutilated, destroyed, lost or stolen Notes;
- to maintain paying agencies; and
- to hold money for payment in trust. (Section 401).

Covenant Defeasance

The Issuers or the guarantors can be legally released from compliance with certain covenants, including those described under “Restrictive Covenants” and including the corresponding Events of Default, if the relevant

Issuer or guarantor takes, in addition to other actions, all the steps described above under "Defeasance and Discharge", including an officers' certificate of such Issuer or guarantor and a legal opinion of such Issuer's or guarantor's counsel confirming that it or they may make the deposit and be so released from compliance with such covenants without causing the holders of the applicable series of Notes to be taxed, for United States federal income tax purposes, on the applicable series of Notes any differently than if it or they did not make the deposit and were not so released from compliance with such covenants and just repaid the applicable series of Notes themselves at stated maturity except that such officers' certificate or the opinion of counsel does not have to refer to a change in United States federal income tax laws or regulations or a ruling from the United States Internal Revenue Service. (Sections 403 and 404).

Default and Related Matters

Events of Default

You will have special rights if an event of default occurs with respect to the Notes and is not cured, as described later in this subsection.

What is an Event of Default? The term event of default means any of the following with respect to the Notes of any series:

- default in the payment of the principal of or any premium on such series of Notes, only if such default persists for a period of more than three business days;
- default in the payment of any interest or any additional amounts on such series of Notes within 30 days of its due date, unless there is a valid extension of the interest payment period;
- default in the deposit of any sinking fund payment, when and as due by the terms of such series of Notes, and, in the case of technical or administrative difficulties in effecting such payment (as determined in good faith by the Issuers or the parent guarantors), only if such default persists for a period of more than three business days;
- default in the performance, or breach, of any covenant or warranty of the Issuers or any guarantor in the indenture or the supplemental indenture applicable to such series of Notes for 60 days after the Issuers and the guarantors receive notice of default. The notice must be sent by either the trustee or holders of at least 25% in aggregate principal amount of the outstanding Notes of such series;
- default under any recourse indebtedness of the Issuers or any guarantor under one or more agreements or instruments evidencing an aggregate principal amount of at least US$50 million (or its equivalent in any other currency or currencies) as and when that indebtedness becomes due and payable, after the expiration of any applicable grace periods, which results in that indebtedness being declared due and payable prior to its stated maturity date, without such recourse indebtedness having been discharged or repaid, or any acceleration having been rescinded or annulled, within a period of 30 days after the Issuers receive notice of default. The notice must be sent by either the trustee or holders of at least 25% in aggregate principal amount of the outstanding Notes of such series;
- a court of competent jurisdiction makes an order or decree for relief in respect of the Issuers or any guarantor or any significant subsidiary in an involuntary case or proceeding under any applicable bankruptcy law, or adjudging the Issuers or any guarantor or significant subsidiary to be bankrupt or insolvent, or approving as properly filed a petition under any applicable bankruptcy law seeking reorganization, arrangement, adjustment or composition of or in respect of the Issuers or any guarantor or any significant subsidiary under any applicable federal or state law, or an order for the winding up, or liquidation of the Issuers or any guarantor or significant subsidiary, or appointing a receiver, liquidator, custodian, assignee, sequestrator, trustee or other similar official of the Issuers or any guarantor or significant subsidiary or of any substantial part of its property (or in the case of a Group Trustee, the property of the relevant Group Trust), except where such appointment is solely in respect of Indebtedness

that is not recourse indebtedness, and the order, appointment or entry is not stayed within 60 days of the order, appointment or entry; *provided* that such an order or decree shall not be an event of default if it:

- forms part of a scheme, reconstruction, reorganization, merger, stapling transaction, amalgamation or voluntary liquidation of the Issuers or a guarantor that is allowed under the indenture;
- forms part of a scheme, reconstruction, reorganization, merger, stapling transaction, amalgamation or voluntary liquidation of a significant subsidiary which is solvent and the surviving entity or recipient of net assets of that significant subsidiary is or will be a member of the Group;
- forms part of a scheme, reconstruction, reorganization, merger, stapling transaction, amalgamation or consolidation where (1) each Issuer and each guarantor becomes a direct or indirect wholly owned Subsidiary of the same entity where that entity within 30 business days after the scheme, reconstruction, merger, stapling transaction, amalgamation or consolidation is finally effected becomes a new parent guarantor in accordance with the indenture, (2) each Issuer and each parent guarantor, other than one of them, become direct or indirect wholly owned Subsidiaries of that other one, or (3) following such scheme, reconstruction, reorganization, merger, stapling transaction, amalgamation or consolidation, (x) all or substantially all of the properties and assets of the Group (determined on a consolidated basis) are either owned, directly or indirectly, by a new entity or continue to be owned, directly or indirectly, by the Group, and (y) at least a majority of the total voting power of such new entity or the Group, as applicable, is, as of or immediately following such scheme, reconstruction, reorganization, merger, stapling transaction, amalgamation or consolidation, beneficially owned by the same persons that beneficially owned at least a majority of the total voting power of the Group immediately prior to such scheme, reconstruction, reorganization, merger, stapling transaction, amalgamation or consolidation becoming effective, and (z) in the case of a scheme, reconstruction, reorganization, merger, stapling transaction, amalgamation or consolidation with a new entity, within 30 business days after the scheme, reconstruction, merger, stapling transaction, amalgamation or consolidation is finally effected, such new entity becomes a new guarantor in accordance with the indenture; or
- occurs in relation to a Group Trustee (other than a parent guarantor or any of its Subsidiaries or a significant subsidiary), in its own right (and not in respect of the relevant Group Trust), and a new responsible entity or trustee who assumes all of the Group Trustee's obligations under the indenture is appointed in respect of the Group Trust within 60 business days of the occurrence of that event; or where such order or decree occurs in relation to a transaction that is covered by any combination of the foregoing transactions (or any portions thereof); and

- the commencement by an Issuer or any guarantor or significant subsidiary of a voluntary case or proceeding under applicable bankruptcy law or of any other case or proceeding to be adjudicated a bankrupt or insolvent, or the consent by such Issuer or such guarantor or significant subsidiary to the entry of a decree or order for relief in respect of such Issuer or such guarantor or significant subsidiary in an involuntary case or proceeding under any bankruptcy law or to the commencement of any bankruptcy or insolvency case or proceeding against such Issuer or guarantor or significant subsidiary, or the filing or consent to such filing by such Issuer or such guarantor or significant subsidiary of a petition under any applicable bankruptcy law seeking reorganization or relief under any applicable federal or state law, or consent to the appointment of or taking possession by a receiver, liquidator, custodian, trustee or similar official of such Issuer or such guarantor or significant subsidiary or of any substantial part of their respective property, except where such appointment or such taking of possession is solely in respect of indebtedness that is not recourse indebtedness, or the making by such Issuer or such guarantor or significant subsidiary of an assignment for the benefit of creditors, or the admission by such Issuer or such guarantor or significant subsidiary in writing of its inability to pay its debts generally as they become due, or the taking of corporate action by such Issuer or such guarantor or significant subsidiary in furtherance of any such action; *provided* that such an order or decree shall not be an event of default if it:

  - forms part of a scheme, reconstruction, reorganization, merger, stapling transaction, amalgamation or voluntary liquidation of the Issuers or a guarantor (in each case which is solvent) that is allowed under the indenture;

- forms part of a scheme, reconstruction, reorganization, merger, stapling transaction, amalgamation or voluntary liquidation of a significant subsidiary which is solvent and the surviving entity or recipient of the assets of that significant subsidiary is or will be a parent guarantor or one of its Subsidiaries; or where it forms part of a scheme, reconstruction, reorganization, merger, stapling transaction, amalgamation or consolidation where (1) each Issuer and each parent guarantor becomes a direct or indirect wholly owned Subsidiary of the same entity where that entity within 30 business days after the scheme, reconstruction, reorganization, merger, stapling transaction, amalgamation or consolidation is finally effected becomes a new parent guarantor in accordance with the indenture, (2) each Issuer and each parent guarantor, other than one of them, become direct or indirect wholly owned Subsidiaries of that other one, or (3) following such scheme, reconstruction, reorganization, merger, stapling transaction, amalgamation or consolidation, (x) all or substantially all of the properties and assets of the Group (determined on a consolidated basis) are either owned, directly or indirectly, by a new entity or continue to be owned, directly or indirectly, by the Group, and (y) at least a majority of the total voting power of such new entity or the Group, as applicable, is, as of or immediately following such scheme, reconstruction, reorganization, merger, stapling transaction, amalgamation or consolidation, beneficially owned by the same persons that beneficially owned at least a majority of the total voting power of the Group immediately prior to such scheme, reconstruction, reorganization, merger, stapling transaction, amalgamation or consolidation becoming effective, and (z) in the case of a scheme, reconstruction, reorganization, merger, stapling transaction, amalgamation or consolidation with a new entity, within 30 business days after the scheme, reconstruction, merger, stapling transaction, amalgamation or consolidation is finally effected, such new entity becomes a new guarantor in accordance with the indenture; or
- occurs in relation to a Group Trustee (other than a parent guarantor or any of its Subsidiaries or a significant subsidiary), in its own right (and not in respect of the relevant Group Trust), and a new responsible entity or trustee who assumes all of the Group Trustee's obligations under the indenture is appointed in respect of the Group Trust within 60 business days of the occurrence of that event; or
- occurs in relation to a transaction that is covered by any combination of the foregoing transaction (or any portions thereof).

If an event or circumstance occurs in respect of an Effective Equity Security which would otherwise be an Event of Default, despite the above, that event or circumstance shall not constitute an Event of Default unless it results (other than by reason of an election by a member of the Group) in a Hard Payment Date occurring at a time the Effective Equity Security is held by a person other than a member of the Group.

Remedies if an Event of Default Occurs. If an event of default has occurred and has not been cured with respect to any series of Notes, the trustee or the holders of 25% in aggregate principal amount of such series of Notes may, by notice in writing to the Issuers and the parent guarantors, declare the entire principal amount of all the Notes of such series to be due and immediately payable. This is called a declaration of acceleration of maturity. A declaration of acceleration of maturity may be cancelled by the holders of at least a majority in principal amount of the applicable series of Notes if an Issuer or a guarantor has paid the outstanding amounts, other than amounts due because of the acceleration of maturity, and the Issuers or a guarantor has satisfied certain other conditions. (Section 502).

Except in cases of default, the trustee is not required to take any action under the indenture at the request of any holders unless the holders offer the trustee reasonable protection from expenses and liability. This protection is called an indemnity. (Section 603). If an indemnity to the trustee is provided, the holders of a majority in principal amount of the outstanding Notes of any series may direct the time, method and place of conducting any lawsuit or other formal legal action seeking any remedy available to the trustee. These majority holders may also direct the trustee in performing any other trust or power conferred on the trustee under the indenture. (Section 512).

Before you bypass the trustee and bring your own lawsuit or other formal legal action or take other steps to enforce your rights or protect your interests relating to the applicable series of Notes, the following must occur:

- you must give the trustee written notice that an event of default with respect to the Notes of such series has occurred and remains uncured;
- the holders of not less than 25% in aggregate principal amount of all outstanding Notes of such series must make a written request that the trustee take action because of the default, and must offer indemnity and/or security satisfactory to the trustee against the cost and other liabilities of taking that action; and
- the trustee must have not taken action for 60 days after receipt of the above notice and offer of indemnity and/or security satisfactory to the trustee and the trustee has not received an inconsistent direction from the holders of a majority in principal amount of all outstanding Notes of such series during that period. (Section 507);

However, such limitations do not apply to a suit instituted by you for the enforcement of payment of the principal of or interest on a Note on or after the respective due dates. (Section 508).

Street name and other indirect holders should consult their banks or brokers for information on how to give notice or direction to or make a request of the trustee and to make or cancel a declaration of acceleration.

Each Issuer and each of the guarantors will furnish to the trustee every year a written statement of certain of such Issuer's or guarantor's officers certifying that, to their knowledge, such Issuer or guarantor has fulfilled its material obligations under the indenture throughout such year, or, if there has been a default in the fulfillment of any such obligation, specifying each such default. (Section 1004).

Governing Law

The indenture, the supplemental indenture, the Notes and the guarantees will be, governed by and construed in accordance with the laws of the State of New York.

Paying Agent

If the Issuers maintain a paying agent with respect to the Notes in a member state of the European Union, such paying agent will be located in a member state of the European Union in which that paying agent will not be obligated to withhold or deduct tax pursuant to European Council Directive 2003/48/EC or any other directive implementing the conclusions of ECO FIN Council meeting of November 26-27, 2000 on the taxation of savings income, or any law implementing or complying with, or introduced in order to conform to, such Directive or such other directive.

Listing

We may list the Notes on a securities exchange that qualifies as a "recognised stock exchange" for UK tax purposes. If the Notes are not listed on a "recognised stock exchange", payments of interest by Westfield UK & Europe Finance plc (if any) on the Notes would be subject to withholding or deduction for UK tax purposes. See "Tax Matters — Certain United Kingdom Consequences."

Consent to Service of Process

The indenture provides that the Issuers and the guarantors have each appointed CT Corporation as their authorized agent for service of process in any legal action or proceeding arising out of, or relating to, the indenture or the Notes offered under the indenture brought in any federal or state court in the Borough of Manhattan, The City of New York, and the Issuers and guarantors will irrevocably submit to the non-exclusive jurisdiction of such courts in any such legal action or proceeding.

TAX MATTERS

The following statements with regard to certain United States federal income tax, United Kingdom tax and European Union tax consequences of an investment in the Notes and potential Australian income tax consequences of a payment by a guarantor resident in Australia are based on the tax advice we have received. These statements do not take into account all the specific circumstances that may be relevant to a particular holder of the Notes. We urge you to consult your advisors concerning the consequences, as they relate to you and your specific circumstances, under United States federal, state and local tax laws, and the laws of any other relevant taxing jurisdiction, including the United Kingdom and Australia, of investing in the Notes.

Certain United States Federal Income Tax Consequences

The following is a general discussion of certain anticipated United States federal income tax consequences of the acquisition, ownership and disposition of Notes to United States Holders (as defined below) and non-United States Holders (as defined below) of Notes that acquire the Notes for cash at their original issue price pursuant to this offer. The summary is based on the Internal Revenue Code of 1986, as amended (the "Code"), United States Treasury Regulations, judicial decisions, published positions of the Internal Revenue Service (the "IRS") and other applicable authorities, all as in effect as of the date hereof and all of which are subject to change or differing interpretations (possibly with retroactive effect). The discussion does not address all of the tax consequences that may be relevant to a particular person or to persons subject to special treatment under United States federal income tax laws, such as certain former citizens and former long-term residents of the United States, a "controlled foreign corporation," a "passive foreign investment company," a corporation that accumulates earnings to avoid U.S. federal income tax, a partnership or other "pass through" entity or an investor in any such entity, a tax-exempt organization, a bank or other financial institution, a broker, dealer or trader in securities, commodities or currencies, a person holding the notes as part of a hedging, conversion, straddle, constructive sale or other risk reduction transaction or an insurance company, all of whom may be subject to tax rules that differ from those summarized below. Moreover, this discussion does not address any tax consequences other than United States federal income tax consequences. This summary deals only with persons who hold the Notes as capital assets within the meaning of the Code (generally, property held for investment). No assurance can be given that the IRS would not assert, or that a court would not sustain, a position contrary to any of those set forth below. Holders should consult their tax advisors as to the particular United States federal tax consequences to them of acquiring, owning and disposing of the Notes, as well as the effects of state, local and non-United States tax laws.

For purposes of this discussion, a "non-United States Holder" means any beneficial owner of a Note (other than a partnership or entity or arrangement treated as a partnership for United States federal income tax purposes) that is not a "United States Holder." A "United States Holder" means a beneficial owner of a Note (as determined for United States federal income tax purposes) that is, or is treated as, a citizen or individual resident of the United States, a corporation (including any entity treated as a corporation for United States federal income tax purposes) created or organized in or under the laws of the United States or any political subdivision thereof or therein, an estate the income of which is subject to United States federal income taxation regardless of its source, or a trust if (i) a court within the United States is able to exercise primary supervision over the administration of the trust and one or more United States persons have the authority to control all substantial decisions of the trust or (ii) the trust has a valid election in effect under applicable United States Treasury Regulations to be treated as a United States person.

If a partnership (including any entity or arrangement treated as a partnership for United States federal income tax purposes) is a holder of a Note, the United States federal income tax treatment of a partner in the partnership will generally depend on the status of the partner and the activities of the partnership. Partners and partnerships should consult their tax advisors as to the particular United States federal income tax consequences applicable to them.

U.S. Portions and Non-U.S. Portions

The net proceeds of the offering of a series of Notes received by Westfield UK & Europe Finance plc, together with its allocable share of the underwriting discounts and commissions with respect to such series, is referred to as the "non-U.S. Portion," and the net proceeds of such offering received by WEA Finance LLC, together with its allocable share of the underwriting discounts and commissions, is referred to as the "U.S. Portion." Income and gain attributable to the non-U.S. Portion and the U.S. Portion of a Note may be subject to different treatment for United States federal income tax purposes, as described below. In the case of the 2017 Notes, the non-U.S. Portion is 26.67% and the U.S. Portion is 73.33%. In the case of the other series of Notes, the non-U.S. Portion is 0% and the U.S. Portion is 100%.

United States Holders

Payments of Interest. Payments of interest on the Notes will be taxable to a United States Holder as ordinary interest income at the time such holder receives or accrues such amounts, in accordance with such holder's regular method of tax accounting. Although not free from doubt, the Issuers believe and, where required, will take the tax position, that interest on the U.S. Portion will be treated as United States source income, and that interest on the non-U.S. Portion will be treated as foreign source income. Subject to applicable limitations under the Code and the United States Treasury Regulations and subject to the discussion below, any non-U.S. withholding tax imposed on interest payments in respect of the Notes will be treated as a foreign income tax eligible for credit against a United States Holder's United States federal income tax liability (or, at a United States Holder's election, may, in certain circumstances, be deducted in computing taxable income). Interest paid on the Notes will generally be treated as "passive category income" for United States foreign tax credit purposes. The Code applies various limitations on the amount of foreign taxes that may be claimed as a credit by United States taxpayers. Because of the complexity of those limitations, United States Holders should consult their tax advisors with respect to the amount of foreign taxes that can be claimed as a credit or, in the alternative, as a deduction.

Sale, Exchange or Other Disposition of the Notes. Upon the sale, exchange or other disposition of a Note, a United States Holder will generally recognize capital gain or loss equal to the difference, if any, between the amount realized upon such sale, exchange or other disposition (other than amounts representing accrued and unpaid interest, which will be taxable, and the source of which will be determined, as described above) and such holder's adjusted tax basis in the Note at the time. A United States Holder's adjusted tax basis in a Note at any particular time generally will equal such United States Holder's initial investment in the Note. Such gain or loss generally will be United States source income or loss for U.S. foreign tax credit purposes. Moreover, any such gain or loss will be long-term capital gain or loss if the United States Holder's holding period with respect to the Note disposed of is more than one year at the time of the sale, exchange or other disposition. The deductibility of capital losses by a United States Holder is subject to limitations.

Non-United States Holders

As discussed above, although not free from doubt, the Issuers believe and, where required, will take the tax position, that interest on the U.S. Portion will be treated as United States source income, and that interest on the non-U.S. Portion will be treated as foreign source income. If any portion of the interest on the non-U.S. Portion were determined to be United States source income rather than foreign source income, the portion of such interest determined to be United States source income would be subject to the rules regarding payments of interest on the U.S. Portion (see "— Non-United States Holders — Payments of Interest on U.S. Portion" below).

Payments of Interest on U.S. Portion. Subject to the discussion of backup withholding below, a non-United States Holder will generally not be subject to United States federal income or withholding tax on interest paid on the U.S. Portion if the interest is not effectively connected with a United States trade or business, provided that the non-United States Holder:

(1) does not actually or constructively, directly or indirectly, own 10% or more of WEA Finance LLC's capital or profits interest or 10% or more of WEA's voting stock;

(2) is not a controlled foreign corporation that is related to WEA Finance LLC or WEA (directly or indirectly) through stock ownership; and

(3) certifies to its non-U.S. status on IRS Form W-8BEN or Form W-8BEN-E (or other applicable Form W-8).

Alternatively, a non-United States Holder that cannot satisfy the above requirements will generally be exempt from United States federal withholding tax with respect to interest paid on the U.S. Portion if the holder is able to claim a valid exemption under an income tax treaty (generally, by providing an IRS Form W-8BEN or Form W-8BEN-E claiming treaty benefits) or establish that such interest is not subject to withholding tax because it is effectively connected with the non-United States Holder's conduct of a trade or business in the United States (generally, by providing an IRS Form W-8ECI). Under certain income tax treaties, the United States withholding rate on interest payments may be reduced, provided the non-United States Holder complies with the applicable certification requirements (generally, by providing an IRS Form W-8BEN or Form W-8BEN-E). To the extent that such interest is effectively connected with the non-United States Holder's conduct of a United States trade or business (and, in the case of certain tax treaties, is attributable to a permanent establishment or fixed base within the United States), the non-United States Holder will be subject to United States federal income tax on a net basis and, if it is a foreign corporation, may also be subject to a 30% United States branch profits tax (or lower applicable treaty rate).

If a non-United States Holder does not satisfy any of the requirements described above, the non-United States Holder will generally be subject to U.S. withholding tax, currently imposed at 30%.

Payments of Interest on Non-U.S. Portion; Disposition of Notes. Subject to the discussion below regarding backup withholding, a non-United States Holder will generally not be subject to United States federal income or withholding tax with respect to payments of interest on the non-U.S. Portion, or with respect to gain realized on the sale, exchange or other disposition of a Note, unless (1) the non-United States Holder holds the Note in connection with the conduct of a United States trade or business (and, in the case of certain tax treaties, the interest or gain is attributable to a permanent establishment or fixed base within the United States); or (2) in the case of gain realized by an individual, such individual is present in the United States for 183 days or more during the taxable year in which such gain is realized and certain other conditions are met.

If the non-United States Holder holds a Note in connection with the conduct of a United States trade or business (and, in the case of certain tax treaties, the gain is attributable to a permanent establishment or fixed base within the United States maintained by the non-United States Holder), the first exception applies, and the non-United States Holder generally will be subject to United States federal income tax on a net basis and, if it is a foreign corporation, may be subject to a 30% United States branch profits tax (or lower applicable treaty rate). If the non-United States Holder is an individual that is present in the United States for 183 days or more during the taxable year in which gain is realized (and certain other conditions are met), the second exception applies, and the non-United States Holder generally will be subject to United States federal income tax at a rate of 30% (or at a reduced rate under an applicable income tax treaty) on the amount by which capital gains allocable to United States sources (including gains from the sale, exchange, retirement or other disposition of the Notes) exceed capital losses allocable to United States sources.

Information Reporting and Backup Withholding. A non-United States Holder not subject to United States income tax may nonetheless be subject to backup withholding with respect to payments of interest on and amounts realized on the disposition of a Note, unless the non-United States Holder provides the withholding agent with the applicable IRS Form W-8 or otherwise establishes an exemption. Backup withholding is not an additional tax and any amounts withheld under the backup withholding rules will be allowed as a refund or a credit against a non-United States Holder's United States federal income tax liability provided the required information is timely furnished to the IRS. Non-United States Holders should consult their tax advisors as to their qualifications for an exemption from backup withholding and the procedure for obtaining such an exemption. In addition, payments to a non-United States Holder may be reported to the IRS.

Withholding under the U.S. Foreign Account Tax Compliance Act (FATCA)

Under provisions of the Foreign Account Tax Compliance Act, codified as sections 1471 through 1474 of the Code (commonly known as FATCA), proceeds from the sale, retirement or other disposition of, and payments of premium (if any) and interest (including original issue discount, if any) with respect to the U.S. Portion of Notes generally will be subject to a 30% gross basis withholding tax if any such payments are made to a "foreign financial institution" or a "foreign non-financial entity" within the meaning of the FATCA rules, unless certain procedural requirements are satisfied and certain information is provided to the IRS. Payments with respect to the U.S. Portion of Notes will be subject to FATCA from their date of issue, in the case of interest, and after December 31, 2016 in the case of gross proceeds from the sale or other disposition of the U.S. Portion of such Notes.

With respect to the non-U.S. Portion of Notes, as Westfield UK & Europe plc is registered with the IRS as a participating FFI (as defined by FATCA), the relevant Issuer may be required to withhold on foreign passthru payments (a term not yet defined by FATCA) made to (i) any FFI that is not a participating FFI or otherwise exempt from FATCA or (ii) an investor that does not provide information sufficient to determine whether the investor is a U.S. person or should otherwise be treated as holding a ''U.S. account'' (as defined by FATCA) of the relevant Issuer as applicable, or is otherwise exempt from FATCA. This withholding would apply to any foreign passthru payments made on or after the later of January 1, 2017 or the date the U.S. Treasury regulations defining foreign passthru payments are finalized with respect to (i) any Notes characterized as debt for U.S. federal tax purposes that are issued or materially modified six months after the date the U.S. Treasury regulations defining foreign passthru payments are finalized and (ii) any Notes characterized as equity or which do not have a fixed term for U.S. federal tax purposes, whenever issued.

The application of FATCA to interest, principal or other amounts paid with respect to the Notes and the information reporting obligations of the Issuers is still developing. In particular, a number of jurisdictions (including the United Kingdom) have entered into, or have announced their intention to enter into, intergovernmental agreements (or similar mutual understandings) with the United States, which modify the way in which FATCA applies in their jurisdictions. The full impact of such agreements (and the laws implementing such agreements in such jurisdictions) on reporting and withholding responsibilities under FATCA is unclear. It is not yet certain how the United States and the jurisdictions which enter into intergovernmental agreements will address withholding on "foreign passthru payments" (which may include payments on the Notes) or if such withholding will be required at all.

No additional amounts will be paid by the relevant Issuer in respect of any tax withheld or deducted under or in respect of FATCA. Under certain circumstances, a Non-United States Holder of the Notes might be eligible for refunds or credits of such taxes.

FATCA IS PARTICULARLY COMPLEX AND ITS APPLICATION TO THE ISSUERS, THE GUARANTORS, THE NOTES AND THE NOTEHOLDERS IS SUBJECT TO CHANGE. PROSPECTIVE INVESTORS ARE ENCOURAGED TO CONSULT WITH THEIR TAX ADVISER REGARDING THE POSSIBLE IMPLICATIONS OF FATCA ON THEIR INVESTMENT IN THE NOTES.

Certain United Kingdom Tax Consequences

The following is a general description of certain United Kingdom ("UK") tax considerations relating to the Notes based on current law and practice in the UK (and such provisions may be repealed, revoked or modified, possibly with retrospective effect, so as to result in UK tax consequences different from those described below). It does not purport to be a complete analysis of all tax considerations relating to the Notes. It relates to the position of persons who are the absolute beneficial owners of Notes and some aspects do not apply to certain classes of taxpayer (such as dealers or traders in securities). Prospective holders of notes who may be subject to tax in a jurisdiction other than the UK or who may be unsure as to their tax position should seek their own professional advice.

Payments of interest by Westfield UK & Europe Finance plc

The Notes will constitute "quoted Eurobonds" within the meaning of section 987 of the Income Tax Act 2007 (the "Act") as long as they are and continue to be listed on a "recognised stock exchange" within the meaning of section 1005 of the Act, are issued by a company, and carry a right to interest. Accordingly, if the Notes are admitted to trading on a "recognised stock exchange", payments of interest on the Notes may be made without withholding on account of UK income tax provided the Notes remain so listed at the time of payment.

In all other cases an amount must be withheld on account of income tax at the basic rate (currently 20%), subject to any direction to the contrary by HM Revenue and Customs under an applicable double taxation treaty, and except that the withholding obligation is disapplied in respect of payments to any Noteholder whom the Issuer reasonably believes is either a UK resident company or a non UK resident company carrying on a trade in the UK through a permanent establishment which is within the charge to corporation tax, or falls within various categories enjoying a special tax status (including charities and pension funds), or partnership consisting of such persons (unless HM Revenue and Customs direct otherwise).

Interest on the Notes constitutes UK source income for tax purposes and, as such, may be subject to income tax by direct assessment even where paid without withholding. However, interest with a UK source received without deduction or withholding on account of UK tax will not be chargeable to UK tax in the hands of a Noteholder who is not resident for tax purposes in the UK unless that Noteholder carries on a trade, profession or vocation in the UK through a UK branch or agency or, for holders who are companies, through a UK permanent establishment, in connection with which the interest is received or to which the Notes are attributable. There are exemptions for interest received by certain categories of agent (such as some brokers and investment managers).

The provisions relating to additional amounts referred to in "Description of the Notes and Guarantees — Payment of Additional Amounts" would not apply if HM Revenue and Customs sought to assess the person entitled to the relevant interest or (where applicable) profit on any Note directly to UK income tax. However, exemption from or reduction of such UK tax liability might be available under an applicable double taxation treaty.

Where the Notes are issued on terms that a premium is or may be payable on redemption, as opposed to being issued at a discount, then it is possible that any such element of premium may constitute a payment of interest. Payments of interest are subject to withholding on account of UK income tax as outlined above.

Where the Notes are issued at an issue price of less than 100 per cent. of their principal amount (i.e. at a discount), any payments in respect of the accrued discount element on such Notes will not be made subject to any withholding or deduction for or on account of UK income tax as long as they do not constitute payments of interest, but may be subject to the reporting requirements outlined immediately below.

HM Revenue & Customs have powers to obtain information and documents relating to the Notes, including in relation to issues of and other transactions in the Notes, interest, payments treated as interest and other payments derived from the Notes. This may include details of the beneficial owners of the Notes, of the persons for whom the Notes are held and of the persons to whom payments derived from the Notes are or may be paid. Information may be obtained from a range of persons including persons who effect or are a party to such transactions on behalf of others, registrars and administrators of such transactions, persons who make, receive or are entitled to receive payments derived from the Notes and persons by or through whom interest and payments treated as interest are paid or credited. Information obtained by HM Revenue & Customs may be provided to tax authorities in other countries.

Payments under the guarantees

It is possible that payments by any of the guarantors of Westfield UK & Europe Finance plc's obligations as an Issuer ("WUKEF Guarantee Payments") would be subject to withholding on account of UK tax. That would

be subject to any claim which could be made under applicable double tax treaties and except that any withholding would be disapplied in respect of payments to a recipient whom such guarantor reasonably believes is either a UK resident company or a non-resident company carrying on a trade through a permanent establishment which is within the charge to corporation tax, or falls within various categories enjoying a special tax status (including charities and pension funds), or is a partnership consisting of such persons (unless HM Revenue and Customs direct otherwise). If a WUKEF Guarantee Payment were subject to withholding tax, the relevant guarantor would be required under the indenture to pay additional amounts to the holder with respect to that withholding in the circumstances more particularly described and subject to the exceptions set forth under the caption "Description of the Notes and Guarantees – Payment of Additional Amounts."

Stamp Duty and SDRT

No stamp duty or stamp duty reserve tax is payable on the issue of the Notes issued by Westfield UK & Europe Finance plc or on a transfer of such Notes provided that the Notes fall within the exemption for certain loan capital in section 79 Finance Act 1986.

In order to qualify for exemption, the Notes must not (i) be convertible into, or carry a right to the acquisition of, shares or other securities; (ii) carry (or have carried) a right to interest the amount of which exceeds a reasonable commercial return on the nominal amount of the securities; (iii) (subject to certain exceptions) carry (or have carried) a right to interest the amount of which falls to be determined, to any extent, by reference to the results of, or any part of, a business or to the value of any property; or (iv) carry (or have carried) a right on repayment to an amount that exceeds the nominal amount of the securities and is not reasonably comparable with what is generally repayable (in respect of a similar nominal amount of capital) under the terms of issue of securities that are quoted on the London Stock Exchange.

EU Savings Directive

Under Council Directive 2003/48/EC on the taxation of savings income (the "Directive"), Member States are required to provide to the tax authorities of other Member States details of certain payments of interest or similar income paid or secured by a person established in a Member State to or for the benefit of an individual resident in another Member State or certain limited types of entities established in another Member State.

However, for a transitional period, Austria and Luxembourg are instead required (unless during such period they elect otherwise) to operate a withholding tax in relation to such payments. Luxembourg has announced that it will no longer apply the withholding tax system as from January 1, 2015 and will then commence automatic information exchange under the Directive. The transitional period will end after agreement on exchange of information is reached between the EU and certain non-EU states.

A number of non-EU countries and territories, including Switzerland, have adopted equivalent measures (a withholding system in the case of Switzerland).

On March 24, 2014, the Council of the European Union adopted a Council Directive amending and broadening the scope of the requirements described above. Member States are required to apply these new requirements from January 1, 2017. The changes will expand the range of payments covered by the Directive, in particular to include additional types of income payable on securities. The Directive will also apply a "look through approach" to payments made via certain persons, entities or legal arrangements (including trusts and partnerships), where certain conditions are satisfied, where an individual resident in a Member State is regarded as the beneficial owner of the payment for the purposes of the Directive. This approach may in some cases apply where the person, entity or arrangement is established or effectively managed outside of the European Union.

Investors who are in any doubt as to their position should consult their professional advisors.

The Proposed Financial Transaction Tax (FTT)

On February, 14 2013, the European Commission published a proposal for a Directive for a common financial transaction tax ("FTT") in certain participating Member States (Belgium, Germany, Estonia, Greece, Spain, France, Italy, Austria, Portugal, Slovenia and Slovakia), although prospective Noteholders should note that Member States may cease to participate and additional Members States may decide to participate.

The proposed FTT has very broad scope and could, if introduced in the form proposed by the European Commission, apply to certain dealings in financial instruments (including secondary market transactions). The issuance and subscription of Notes should, however, be exempt.

Under the form proposed by the European Commission, the FTT could apply to persons both within and outside of the participating Member States. Generally, it would apply to certain dealings in financial instruments where at least one party is a financial institution, and at least one party is established in a participating Member State. A financial institution may be, or be deemed to be, "established" in a participating Member State in a broad range of circumstances, including (i) by transacting with a person established in a participating Member State or (ii) where the financial instrument which is subject to the dealings is issued in a participating Member State.

The proposed Directive has been the subject of much discussion. A joint statement issued in May 2014 by ten of the participating member states indicated an intention to implement the FTT progressively, such that the initial stage would be implemented by 1 January, 2016 in relation to shares and certain derivatives only.

Prospective holders of the Notes are advised to seek their own professional advice in relation to the FTT and recent developments.

Payments Under Guarantees by Australian Resident Guarantors

The guarantors may be required to make payments under the guarantees in the event of default by the Issuer. Such payments by guarantors incorporated in Australia may be subject to Australian interest withholding tax depending on whether or not the amounts are characterized as interest or in the nature of interest. If an amount is not characterized as interest, the Australian incorporated guarantors would not have an obligation to deduct interest withholding tax.

While it is not finally resolved under Australian law whether a payment made under a guarantee falls under this definition of interest, the Australian Taxation Office has issued a taxation determination that states that it will regard a payment made by a guarantor (in respect of interest on debentures such as the Notes) as being in the nature of interest (and therefore subject to interest withholding tax). Consequently, any guarantee payments made by an Australian incorporated guarantor to a holder of the Notes who is not a resident of Australia for Australian tax law purposes (a "Non-Resident Investor") (unless an exemption applies) would be subject to Australian interest withholding tax to the extent that the payments relate to unpaid interest obligations (but not to the extent they relate to unpaid principal amounts).

If it is ultimately determined that Australian interest withholding tax or deduction applies on any payment to be made by an Australian incorporated guarantor, a Non-Resident Investor may be entitled under the indenture to additional amounts in certain circumstances.

PLAN OF DISTRIBUTION

Subject to the terms and conditions stated in the purchase agreement dated the date of this offering memorandum, each initial purchaser named below has severally agreed to purchase, and the Issuers have agreed to sell to that initial purchaser, the principal amount of the Notes set forth opposite the initial purchaser's name:

	Principal Amount of			
Initial Purchaser	**2017 Notes**	**2019 Notes**	**2024 Notes**	**2044 Notes**
Citigroup Global Markets Inc.	US$ 50,000,000	US$ 83,335,000	US$ 66,669,000	US$ 33,335,000
Credit Suisse Securities (USA) LLC	50,000,000	83,334,000	66,669,000	33,334,000
Deutsche Bank Securities Inc.	50,000,000	83,334,000	66,668,000	33,334,000
J.P. Morgan Securities LLC	50,000,000	83,334,000	66,668,000	33,334,000
BBVA Securities Inc.	50,000,000	83,333,000	66,666,000	33,333,000
BNP Paribas Securities Corp.	50,000,000	83,333,000	66,666,000	33,333,000
Credit Agricole Securities (USA) Inc.	50,000,000	83,333,000	66,666,000	33,333,000
HSBC Securities (USA) Inc.	50,000,000	83,333,000	66,666,000	33,333,000
Merrill Lynch, Pierce, Fenner & Smith Incorporated	50,000,000	83,333,000	66,666,000	33,333,000
Morgan Stanley & Co. LLC	50,000,000	83,333,000	66,666,000	33,333,000
RBC Capital Markets, LLC	50,000,000	83,333,000	66,666,000	33,333,000
RBS Securities Inc.	50,000,000	83,333,000	66,666,000	33,333,000
Scotia Capital (USA) Inc.	50,000,000	83,333,000	66,666,000	33,333,000
SMBC Nikko Securities America, Inc.	50,000,000	83,333,000	66,666,000	33,333,000
UBS Securities LLC	50,000,000	83,333,000	66,666,000	33,333,000
Total	**US$750,000,000**	**US$1,250,000,000**	**US$1,000,000,000**	**US$500,000,000**

The Issuers expect the Notes to be ready for delivery in book-entry form through the facilities of The Depository Trust Company ("DTC") and its participants, including Clearstream Banking, *société anonyme* ("Clearstream"), and Euroclear Bank S.A./N.V., as operator of the Euroclear System ("Euroclear"), on or about September 17, 2014, which will be the fifth business day following the pricing of the Notes (such settlement cycle being herein referred to as "T+5"). Under Rule 15c6-1 under the Exchange Act, trades in the secondary market generally are required to settle in three business days, unless the parties to any such trade expressly agree otherwise. Purchasers of the Notes who wish to trade any of such Notes on the date of pricing should consult their advisor.

The purchase agreement provides that the obligations of the initial purchasers to purchase the Notes are subject to approval of legal matters by counsel and other conditions. The initial purchasers must purchase all the Notes, if they purchase any of the Notes.

We have been advised that the initial purchasers propose to resell the Notes at their respective offering prices set forth on the cover page of this offering memorandum within the United States to qualified institutional buyers (as defined in Rule 144A) in reliance on Rule 144A and outside the United States in reliance on Regulation S. See "Notice to Investors." The price at which the Notes are offered and other offering terms may be changed at any time without notice.

The Notes have not been and will not be registered under the Securities Act or the securities laws of any state of the United States and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons (as defined in Regulation S) except in transactions exempt from, or not subject to, the registration requirements of the Securities Act. See "Notice to Investors."

Accordingly, in connection with sales outside the United States, each initial purchaser has agreed that, except as permitted by the purchase agreement and as set forth in "Notice to Investors," it will not offer or sell the Notes within the United States or to, or for the account or benefit of, U.S. persons (i) as part of its distribution at any time or (ii) otherwise until 40 days after the later of the commencement of this offering and the closing date, and it will have sent to each dealer to which it sells Notes during the 40-day distribution compliance period a confirmation or other notice setting forth the restrictions on offers and sales of the Notes within the United States or to, or for the account or benefit of, U.S. persons.

In addition, until 40 days after the commencement of this offering, an offer or sale of the Notes within the United States by a dealer that is not participating in this offering may violate the registration requirements of the Securities Act if that offer or sale is made otherwise than in accordance with Rule 144A.

Each initial purchaser has represented, warranted and agreed that:

- it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of section 21 of the Financial Services and Markets Act 2000 ("FSMA")) received by it in connection with the issue or sale of any Notes included in this offering in circumstances in which section 21(1) of the FSMA does not apply to the Issuers or the parent guarantors;
- it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to the Notes included in this offering in, from or otherwise involving the United Kingdom;
- it has not and will not offer, sell or deliver the Notes, and it has not distributed and will not distribute, publish, deliver or disseminate any offering memorandum or advertisement in relation to the Notes, in each case in New Zealand other than to persons whose principal business is the investment of money or who, during the course of and for the purpose of their business, habitually invest money as referred to in section 3(2)(a)(ii) of the Securities Act 1978 of New Zealand; to persons who in all circumstances can be properly regarded as having been selected otherwise than as a member of the public; to persons who are each required to pay a minimum subscription price of at least NZ$500,000 for the Notes before the allotment of those Notes (disregarding any amounts payable, or paid, out of money lent by the Issuer or any associated person of an Issuer); to persons who have each paid a minimum subscription price of at least NZ$500,000 for securities previously issued by an Issuer ("Existing Securities") (in a single transaction before allotment of those Existing Securities and disregarding any amount lent by an Issuer or any associated person of an Issuer), provided the date of first allotment of those Existing Securities occurred not more than 18 months before the date of offer of the Notes; or in other circumstances where there is no contravention of the Securities Act 1978 of New Zealand (or any statutory modification or re-enactment of, or statutory substitution for, the Securities Act 1978 of New Zealand); *provided* that the Notes shall not be offered or sold, and this offering memorandum or any advertisement in relation to the Notes shall not be distributed, published, delivered or disseminated, to any "eligible person" (as defined in section 5(2CC) of the Securities Act 1978) unless that person also satisfies the criteria above;
- this offering memorandum is not suitable for, and is not to be provided to, any "retail client" as defined in section 49 of the Financial Service Providers (Registration and Dispute Resolution) Act 2008 (NZ) or section 5B of the Financial Advisers Act 2008 (NZ);
- in relation to each Member State of the European Economic Area which has implemented the Prospectus Directive (each, a "Relevant Member State"), that with effect from and including the date on which the Prospectus Directive is implemented in that Relevant Member State it has not made and will not make the offer of Notes to the public in that Relevant Member State other than: (a) to any legal entity which is a qualified investor as defined in the Prospectus Directive; (b) to fewer than 100, or, if the Relevant Member State has implemented the relevant provision of the 2010 PD Amending Directive, 150, natural or legal persons (other than qualified investors as defined in the Prospectus Directive), as permitted by the Prospectus Directive, subject to obtaining the prior consent of the relevant initial purchaser or initial

purchasers nominated by the Issuers for any such offer; or (c) in other circumstances falling within Article 3(2) of the Prospectus Directive; *provided* that no such offer of Notes referred to in (a) to (c) above shall require the Issuers or any initial purchaser to publish a prospectus pursuant to Article 3 of the Prospectus Directive or to supplement a prospectus pursuant to Article 16 of the Prospective Directive. For the purposes of this provision, the expression an "offer of Notes to the public" in relation to any Notes in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe the Notes, as the same may be varied in that Member State by any measure implementing the Prospectus Directive in that Member State and the expression "Prospectus Directive" means Directive 2003/71/EC (and the amendments thereto, including the 2010 PD Amending Directive, to the extent implemented in the Relevant Member State), and includes any relevant implementing measure in each Relevant Member State and the expression "2010 PD Amending Directive" means Directive 2010/73/EU;

- it will not underwrite the issue of, or place or do anything in respect of the Notes otherwise than in conformity with the provisions of the European Communities (Markets in Financial Instruments) Regulations 2007 (Nos. 1 to 3) of Ireland, including, without limitation, Parts 6, 7, and 12 thereof, the Irish Central Bank Acts 1942 to 2011 and any codes of conduct rules made under Section 117(1) of the Irish Central Bank Act 1989, the Irish Prospectus (Directive 2003/71/EC) Regulations 2005 and any rules issued under Section 51 of the Irish Investment Funds, Companies and Miscellaneous Provisions Act 2005 by the Central Bank of Ireland, the Irish Market Abuse (Directive 2003/6/EC) Regulations 2005 and any rules issued under Section 34 of the Irish Investment Funds, Companies and Miscellaneous Provisions Act 2005 by the Central Bank of Ireland;

- it has not offered or sold and will not offer or sell in Hong Kong, by means of any document, any Notes other than (a) in circumstances which do not constitute an offer to the public within the meaning of the Companies Ordinance (Cap. 32, Laws of Hong Kong), or (b) to "professional investors" within the meaning of the Securities and Futures Ordinance (Cap. 571, Laws of Hong Kong) and any rules made thereunder, or (c) in other circumstances which do not result in such document being a "prospectus" within the meaning of the Companies Ordinance (Cap. 32, Laws of Hong Kong); and unless permitted to do so under the securities laws of Hong Kong, it has not issued, or had in its possession for the purpose of issue, and will not issue, or have in its possession for the purposes of issue (in each case whether in Hong Kong or elsewhere), any advertisement, invitation or document relating to the Notes which is directed at, or the contents of which are likely to be accessed or read by, the public in Hong Kong other than with respect to Notes intended to be disposed of to persons outside Hong Kong or to be disposed of in Hong Kong only to "professional investors" within the meaning of the Securities and Futures Ordinance (Cap. 571, Laws of Hong Kong) and any rules made thereunder; and

- this offering memorandum has not been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, this offering memorandum and any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of Notes may not be circulated or distributed, nor may Notes be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore other than (i) to an institutional investor under Section 274 of the Securities and Futures Act, Chapter 289 of Singapore (the "SFA") (ii) to a relevant person pursuant to Section 275(1), or any person pursuant to Section 275(1A), and in accordance with the conditions specified in Section 275, of the SFA, or (iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

Where Notes are subscribed or purchased under Section 275 of the SFA by a relevant person which is:

(a) a corporation (which is not an accredited investor (as defined in Section 4A of the SFA)) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or

(b) a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary of the trust is an individual who is an accredited investor,

"securities" (as defined in Section 239(1) of the SFA) of that corporation or the beneficiaries' rights and interest (howsoever described) in that trust shall not be transferred within six months after that corporation or that trust has acquired the Notes pursuant to an offer made under Section 275 of the SFA except:

(1) to an institutional investor or to a relevant person defined in Section 275(2) of the SFA, or to any person arising from an offer referred to in Section 275(1A) or Section 276(4)(i)(B) of the SFA;

(2) where no consideration is or will be given for the transfer;

(3) where the transfer is by operation of law;

(4) as specified in Section 276(7) of the SFA; or

(5) as specified in Regulation 32 of the Securities and Futures (Offers of Investments) (Shares and Debentures) Regulations 2005 of Singapore.

The Notes will constitute a new class of securities with no established trading market. While we may list the Notes on a securities exchange that qualifies as a "recognised stock exchange" for UK tax purposes, we do not intend to list the Notes on any national securities exchange in the United States. We cannot assure you that the prices at which the Notes will sell in the market after this offering will not be lower than the initial offering price or that an active trading market for the Notes will develop and continue after this offering. The initial purchasers have advised us that they currently intend to make a market in the Notes. However, they are not obligated to do so and they may discontinue any market-making activities with respect to the Notes at any time without notice. In addition, market-making activity will be subject to the limits imposed by the Securities Act and the Exchange Act. Accordingly, we cannot assure you as to the liquidity of or the trading market for the Notes.

Furthermore, each initial purchaser has acknowledged that no prospectus or other disclosure document in relation to the Notes has been lodged with, or registered by, ASIC or the ASX Limited, and has also agreed that:

- it has not directly or indirectly made or invited, and will not make or invite, an offer for the issue, sale or purchase of the Notes in Australia (including an offer or invitation which is received by a person in Australia); and
- it has not distributed or published, and will not distribute or publish this offering memorandum or any other offering material or advertisement relating to the Notes in Australia,

unless:

- the minimum aggregate consideration payable by each offeree at the time of issue is at least A$500,000 (disregarding moneys lent by the offeror or its associates) or the offer or invitation otherwise does not need disclosure to investors under Part 6D.2 or Chapter 7 of the Corporations Act 2001 of Australia, and
- such action complies with all applicable laws and regulations of the Commonwealth of Australia.

In connection with this offering, the initial purchasers may purchase and sell Notes in the open market. These transactions may include over-allotment, syndicate covering transactions and stabilizing transactions. Over-allotment involves sales of the Notes in excess of the principal amount of the Notes to be purchased by the initial purchasers in this offering, which creates a short position for the initial purchasers. Covering transactions involve purchases of the Notes in the open market after the distribution has been completed in order to cover short positions. Stabilizing transactions consist of certain bids or purchases of the Notes made for the purpose of preventing or retarding a decline in the market price of the Notes while the offering is in progress. Any of these

activities may have the effect of preventing or retarding a decline in the market price of the Notes. They may also cause the price of the Notes to be higher than the price that otherwise would exist in the open market in the absence of these transactions. The initial purchasers may conduct these transactions in the over-the-counter market or otherwise. If the initial purchasers commence any of these transactions, they may discontinue them at any time.

The initial purchasers or their affiliates have performed investment banking and advisory services for us from time to time for which they have received customary fees and expenses. The initial purchasers and their affiliates may, from time to time, engage in transactions with and perform services for us in the ordinary course of their business. Affiliates of certain of the initial purchasers are lenders under both of Westfield Corporation's unsecured revolving syndicated bank loan facilities.

The initial purchasers and their respective affiliates are full service financial institutions engaged in various activities, which may include securities trading, commercial and investment banking, financial advisory, investment management, principal investment, hedging, financing and brokerage activities.

In the ordinary course of their various business activities, the initial purchasers and their respective affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (including bank loans) for their own account and for the accounts of their customers, and such investment and securities activities may involve securities and instruments of Westfield Corporation. Certain of the underwriters or their affiliates that have a lending relationship with Westfield Corporation routinely hedge their credit exposure to us consistent with their customary risk management policies. A typical hedging strategy would include these underwriters or their affiliates hedging such exposure by entering into transactions that consist of either the purchase of credit default swaps or the creation of short positions in our securities, including potentially the Notes offered hereby. Any such credit default swaps or short positions could adversely affect future trading prices of the Notes. The initial purchasers and their respective affiliates may also make investment recommendations or publish or express independent research views in respect of such securities or instruments and may at any time hold, or recommend to clients that they acquire, long or short positions in such securities and instruments.

We have agreed to indemnify the initial purchasers against certain liabilities, including liabilities under the Securities Act, or to contribute to payments that the initial purchasers may be required to make because of any of those liabilities.

NOTICE TO INVESTORS

Because of the following restrictions, investors are advised to consult legal counsel prior to making any offer, resale, pledge or transfer of the Notes.

The Notes have not been registered under the Securities Act or the securities laws of any state of the United States and may not be offered, sold or delivered in the United States or to, or for the account or benefit of, any U.S. person, except pursuant to an effective registration statement or in accordance with an available exemption from the registration requirements of the Securities Act. Accordingly, the Notes are being offered and sold in the United States only to qualified institutional buyers in accordance with Rule 144A under the Securities Act and outside the United States in accordance with Regulation S under the Securities Act.

Each purchaser of the Notes offered hereby will be deemed, in making its purchase, to have represented and agreed as follows:

1. The purchaser and any account on behalf of which it is purchasing Notes either (a)(1) is a qualified institutional buyer, (2) is aware that the sale of the Notes to it is being made in reliance on Rule 144A and (3) is acquiring such Notes for its own account or the account of a qualified institutional buyer or (b)(1) is not in the United States or a U.S. person, or acting for the account or benefit of a U.S. person, as that term is defined in Regulation S, and (2) is aware that the sale of the Notes to it is being made in reliance on Regulation S.

2. The purchaser understands that the Notes have not been registered under the Securities Act and may not be offered, sold or delivered in the United States or to, or for the account or benefit of, any U.S. person except as set forth below.

3. If the purchaser is a U.S. person, it agrees that it will not resell or otherwise transfer the Notes except (a)(1) to the Issuers, (2) to a person whom such purchaser reasonably believes is a qualified institutional buyer acquiring for its own account or the account of a qualified institutional buyer in a transaction meeting the requirements of Rule 144A, (3) outside of the United States in an offshore transaction meeting the requirements of Rule 903 or Rule 904 of Regulation S, (4) pursuant to an exemption from registration under the Securities Act provided by Rule 144 thereunder (if available) or (5) pursuant to an effective registration statement under the Securities Act and (b) in accordance with all applicable securities laws of the states of the United States and other jurisdictions, and that the purchaser, and each subsequent holder, will notify any subsequent purchaser of such Notes from it of these resale restrictions. The Notes issued to purchasers that are U.S. persons (including Restricted Global Notes) will bear a legend to the following effect, unless we determine otherwise in compliance with applicable law:

"NEITHER THIS GLOBAL NOTE NOR ANY BENEFICIAL INTEREST HEREIN HAS BEEN REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933 (THE "SECURITIES ACT"), AND MAY NOT BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED EXCEPT (1) TO THE ISSUERS, (2) TO A PERSON WHOM THE SELLER REASONABLY BELIEVES IS A QUALIFIED INSTITUTIONAL BUYER WITHIN THE MEANING OF RULE 144A UNDER THE SECURITIES ACT PURCHASING FOR ITS OWN ACCOUNT OR THE ACCOUNT OF A QUALIFIED INSTITUTIONAL BUYER OR BUYERS IN A TRANSACTION MEETING THE REQUIREMENTS OF RULE 144A, (3) OUTSIDE THE UNITED STATES IN AN OFFSHORE TRANSACTION COMPLYING WITH RULE 903 OR RULE 904 OF REGULATION S UNDER THE SECURITIES ACT, (4) PURSUANT TO AN EXEMPTION FROM REGISTRATION UNDER THE SECURITIES ACT PROVIDED BY RULE 144 THEREUNDER (IF AVAILABLE) OR (5) PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT UNDER THE SECURITIES ACT AND, IN EACH CASE, IN ACCORDANCE WITH ALL APPLICABLE SECURITIES LAWS OF THE STATES OF THE UNITED STATES AND OTHER JURISDICTIONS.

THE HOLDER HEREOF, BY PURCHASING THIS SECURITY, REPRESENTS AND AGREES FOR THE BENEFIT OF THE ISSUERS THAT IT IS (1) A QUALIFIED INSTITUTIONAL BUYER OR (2) NOT A

U.S. PERSON AND IS OUTSIDE THE UNITED STATES WITHIN THE MEANING OF (OR AN ACCOUNT SATISFYING THE REQUIREMENTS OF PARAGRAPH (K)(2) OF RULE 902 UNDER) REGULATION S UNDER THE SECURITIES ACT. IN ANY CASE THE HOLDER HEREOF WILL NOT, DIRECTLY OR INDIRECTLY, ENGAGE IN ANY HEDGING TRANSACTION WITH REGARD TO THIS SECURITY EXCEPT AS PERMITTED BY THE SECURITIES ACT."

4. If the purchaser is a qualified institutional buyer, it understands that the Notes offered in reliance on Rule 144A initially will be represented by the Restricted Global Note and that, before interests therein may be transferred to any person who takes delivery in the form of the Regulation S Global Note, the transferor will be required to provide the trustee with a written certification (the form of which can be obtained from the trustee) to the effect that the transfer complies with Rule 903 or Rule 904 of Regulation S, as described in "Description of the Notes and Guarantees — Form, Denomination, Transfer and Book-Entry Procedures."

5. If the purchaser is not a U.S. person, it understands that the Notes offered in reliance on Regulation S initially will be represented by the Regulation S Global Note and that interests therein may be held only through Euroclear or Clearstream through and including the 40th day after the later of the commencement of the offering of the Notes and the closing date of the offering of the Notes, as described in "Description of the Notes and Guarantees — Form, Denomination, Transfer and Book-Entry Procedures." The purchaser further understands that the Regulation S Global Notes will bear a legend to the following effect, unless we determine otherwise in accordance with applicable law:

"THIS NOTE HAS NOT BEEN REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933 (THE "SECURITIES ACT") AND MAY NOT BE OFFERED, SOLD OR DELIVERED IN THE UNITED STATES OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, ANY U.S. PERSON, UNLESS SUCH NOTES ARE REGISTERED UNDER THE SECURITIES ACT OR AN EXEMPTION FROM THE REGISTRATION REQUIREMENTS THEREOF IS AVAILABLE. THE FOREGOING SHALL NOT APPLY FOLLOWING THE EXPIRATION OF FORTY DAYS FROM THE LATER OF (I) THE DATE ON WHICH THESE NOTES WERE FIRST OFFERED AND (II) THE DATE OF ISSUANCE OF THESE NOTES."

6. The purchaser represents that it is not a NZ Noteholder and that it will not transfer the Notes to any person who would be a NZ Noteholder if such person held a Note.

7. The purchaser represents and agrees that it:

(a) has not offered or invited applications, and will not offer or invite applications, for the issue, sale or purchase of any Notes in Australia, including an offer or invitation which is received by a person in Australia; and

(b) has not distributed or published, and will not distribute or publish, this offering memorandum or any other offering material or advertisement relating to any Notes in Australia,

unless (i) the aggregate consideration payable on acceptance of the offer or invitation by each offeree or invitee is at least A$500,000 (or its equivalent in other currencies, in either case, disregarding moneys lent by the person offering the Notes or making the invitation or its associates), the offer or invitation otherwise does not require disclosure to investors in accordance with Parts 6D.2 or 7.9 of the Australian Corporations Act and no Notes are transferred to a "retail" investor for the purposes of the Australian Corporations Act; (ii) the offer, invitation or distribution complies with the conditions of its Australian financial services licence, the Australian financial services licence of the person making the offer, invitation or distribution or an applicable exemption from the requirement to hold such licence; (iii) the offer, invitation or distribution complies with all applicable laws and regulations relating to the offer, sale and resale of the Notes in the jurisdiction in which such offer, sale and resale occurs, and (iv) such action does not require any document to be lodged with ASIC.

8. The purchaser agrees that it will deliver to each person to whom it transfers Notes notice of any restrictions on transfer of such Notes.

9. The purchaser acknowledges that the Issuers, the initial purchasers and others will rely upon the truth and accuracy of the foregoing acknowledgments, representations, warranties and agreements, and agrees that if any of the acknowledgments, representations or warranties deemed to have been made by it by its purchase of the Notes are no longer accurate, it shall promptly notify us and the initial purchasers. If it is acquiring any Notes as a fiduciary or agent for one or more investor accounts, it represents that it has sole investment discretion with respect to each such account and it has full power to make the foregoing representations, warranties and agreements on behalf of each such account.

For further discussion of the requirements (including the presentation of transfer certificates) under the indenture to effect exchanges or transfers of interests in Global Notes, see "Description of the Notes and Guarantees — Form, Denomination, Transfer and Book-Entry Procedures — Exchanges between Global Notes."

LEGAL MATTERS

The validity of the issuance of the Notes and the guarantees will be passed upon for Westfield Corporation by Skadden, Arps, Slate, Meagher & Flom LLP, Los Angeles, California, special United States counsel for Westfield Corporation, by HWL Ebsworth, Australian legal counsel for Westfield Corporation as to certain matters of Australian law and by Freshfields Bruckhaus Deringer LLP, United Kingdom legal counsel for Westfield Corporation as to certain matters of English law. Certain legal matters of New York law in connection with this offering will be passed upon for the initial purchasers by Sidley Austin LLP, New York, New York.

INDEPENDENT AUDITORS

The Half Year Financial Statements and the Carve-Out Financial Statements, included elsewhere in this offering memorandum, have been reviewed or audited, respectively, by Ernst & Young (ABN 75 288 172 749), independent auditors, as stated in their reports appearing herein. The Ernst & Young signing partner is a member of the Institute of Chartered Accountants in Australia, and Ernst & Young's registered address is 680 George Street, Sydney, NSW 2000.

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WESTFIELD CORPORATION
COMPRISES WESTFIELD CORPORATION LIMITED, WESTFIELD AMERICA TRUST AND WFD TRUST

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Note: The financial reports for the six months ended June 30, 2014 and the year ended December 31, 2013 have been extracted from the interim and carve-out financial reports of Westfield Corporation for those periods. The numbers that appear on the bottom left- or right-hand corners of the following "F-" pages refer to the page numbers in the relevant interim or carve-out financial report, as applicable. The interim report is available on Westfield Corporation's website www.westfieldcorp.com. The full interim financial report is not incorporated by reference in this offering memorandum.

WESTFIELD CORPORATION

INCOME STATEMENT

Comprises the earnings of WAT (not including WFDT and WCL) for the six months ended 30 June 2014 and 30 June 2013, which is not representative of Westfield Corporation's operations as a result of the Restructure that was implemented on 30 June 2014

for the half-years ended 30 June 2014 and 30 June 2013

	Note	WAT 30 Jun 14 $million	WAT 30 Jun 13 $million
Revenue			
Property revenue	6	262.3	371.0
Property development and project management revenue		94.8	40.6
Property management income		27.1	18.3
		384.2	**429.9**
Share of after tax profit of equity accounted entities			
Property revenue		269.3	204.4
Property revaluations		172.6	45.0
Property expenses, outgoings and other costs		(80.2)	(62.9)
Net interest expense		(31.8)	(25.0)
Tax expense		(0.2)	(0.2)
		329.7	**161.3**
Expenses			
Property expenses, outgoings and other costs		(102.5)	(125.2)
Property development and project management costs		(79.6)	(34.3)
Property management costs		(17.0)	(11.2)
Overheads		(36.8)	(38.9)
		(235.9)	**(209.6)**
Interest income		3.8	31.5
Currency gain/(loss)	7	(127.6)	5.9
Financing costs	8	(284.2)	(181.9)
Gain/(loss) in respect of capital transactions	9		
- asset dispositions		(8.3)	(20.0)
- financing costs in respect of capital transactions		-	(51.3)
Property revaluations		27.6	(113.0)
Charges and credits in respect of the Restructure and Merger	10	(874.9)	-
Profit before tax for the period		**(785.6)**	**52.8**
Tax expense	11	(85.5)	(18.9)
Profit after tax for the period		**(871.1)**	**33.9**
Profit after tax for the period attributable to:			
- Members of Westfield Corporation		(815.9)	31.5
- Non controlling interests		(55.2)	2.4
Profit after tax for the period		**(871.1)**	**33.9**
Net profit attributable to members of Westfield Corporation analysed by amounts attributable to:			
WCL members		-	-
WFDT and WAT members		(815.9)	31.5
Net profit attributable to members of Westfield Corporation		**(815.9)**	**31.5**
		cents	cents
Basic earnings per WCL share		**-**	**-**
Diluted earnings per WCL share		**-**	**-**
Basic earnings per stapled security	5(a)	**(39.26)**	**1.43**
Diluted earnings per stapled security	5(a)	**(39.26)**	**(0.06)**

WESTFIELD CORPORATION

STATEMENT OF COMPREHENSIVE INCOME

Comprises the earnings of WAT (not including WFDT and WCL) for the six months ended 30 June 2014 and 30 June 2013, which is not representative of Westfield Corporation's operations as a result of the Restructure that was implemented on 30 June 2014

for the half-years ended 30 June 2014 and 30 June 2013

	WAT 30 Jun 14 $million	WAT 30 Jun 13 $million
Profit after tax for the period	(871.1)	33.9
Other comprehensive income		
Movement in foreign currency translation reserve [(i)]		
- Net exchange difference on translation of foreign operations	(117.3)	294.9
- Realised and unrealised gain/(loss) on currency loans and asset hedging derivatives which qualify for hedge accounting	-	(136.4)
Total comprehensive income for the period	**(988.4)**	**192.4**
Total comprehensive income attributable to:		
- Members of Westfield Corporation	(923.5)	165.5
- Non controlling interests	(64.9)	26.9
Total comprehensive income for the period	**(988.4)**	**192.4**
Total comprehensive income attributable to members of Westfield Corporation analysed by amounts attributable to:		
- WCL members	-	-
- WFDT and WAT members [(ii)]	(923.5)	165.5
Total comprehensive income attributable to members of Westfield Corporation	**(923.5)**	**165.5**

[(i)] These items may be subsequently recycled to the profit and loss. In relation to the foreign currency translation reserve, the portion relating to the foreign operations held by WFDT and WAT may be recycled to the profit and loss depending on how the foreign operations are sold.

[(ii)] Total comprehensive income attributable to members of WFDT and WAT consists of a loss after tax for the period of $815.9 million (30 June 2013: gain of $31.5 million) and the net exchange loss on translation of foreign operations of $107.6 million (30 June 2013: gain of $134.0 million).

WESTFIELD CORPORATION

BALANCE SHEET

Comprising the Balance Sheet of Westfield Corporation which is representative of Westfield Corporation's financial position as a result of the Restructure that was implemented on 30 June 2014 and the Balance Sheet of WAT as at 31 December 2013

	Note	Westfield Corporation 30 Jun 14 $million	WAT 31 Dec 13 $million
Current assets			
Cash and cash equivalents		347.1	839.6
Trade debtors		9.8	18.2
Derivative assets		38.1	81.1
Receivables	13	228.6	1,155.4
Inventories		136.8	42.7
Prepayments and deferred costs		70.5	25.2
Total current assets		**830.9**	**2,162.2**
Non current assets			
Investment properties	14	9,547.5	6,072.8
Equity accounted investments	17	7,345.0	6,038.1
Other investments		274.0	113.8
Derivative assets		197.6	224.4
Receivables		57.7	75.6
Plant and equipment		91.5	61.1
Deferred tax assets		12.6	-
Prepayments and deferred costs		152.8	75.2
Total non current assets		**17,678.7**	**12,661.0**
Total assets		**18,509.6**	**14,823.2**
Current liabilities			
Trade creditors		35.2	29.0
Payables and other creditors		815.9	711.1
Interest bearing liabilities	16	3.8	929.8
Other financial liabilities		2.1	155.6
Tax payable		90.9	71.5
Derivative liabilities		25.1	-
Dividends/Distributions payable		439.5	-
Total current liabilities		**1,412.5**	**1,897.0**
Non current liabilities			
Payables and other creditors		200.9	90.5
Interest bearing liabilities	16	5,706.8	5,997.4
Other financial liabilities		206.1	1,202.8
Deferred tax liabilities		3,080.0	3,087.2
Derivative liabilities		-	46.3
Total non current liabilities		**9,193.8**	**10,424.2**
Total liabilities		**10,606.3**	**12,321.2**
Net assets		**7,903.3**	**2,502.0**
Equity attributable to members of WCL			
Contributed equity	18(b)	960.6	-
Reserves		45.5	-
Retained profits		-	-
Total equity attributable to members of WCL	27	**1,006.1**	**-**
Equity attributable to WFDT and WAT members (31 December 2013: WAT)			
Contributed equity	18(b)	13,878.5	7,899.1
Reserves		(405.5)	(301.4)
Retained profits/(Accumulated losses)		(6,575.8)	(5,323.8)
Total equity attributable to WFDT and WAT members (31 December 2013: WAT)		**6,897.2**	**2,273.9**
Equity attributable to non controlling interests			
Contributed equity		-	352.6
Reserves		-	(181.9)
Retained profits		-	57.4
Total equity attributable to non controlling interests		**-**	**228.1**
Total equity		**7,903.3**	**2,502.0**
Equity attributable to members of Westfield Corporation analysed by amounts attributable to:			
WCL members		1,006.1	-
WFDT and WAT members (31 December 2013: WAT)		6,897.2	2,273.9
Total equity attributable to members of Westfield Corporation		**7,903.3**	**2,273.9**

WESTFIELD CORPORATION

STATEMENT OF CHANGES IN EQUITY

for the half-years ended 30 June 2014 and 30 June 2013

	Note	Comprehensive Income 30 Jun 14 $million	Equity and Reserves 30 Jun 14 $million	WAT Total 30 Jun 14 $million	WAT Total 30 Jun 13 $million
Changes in equity attributable to members of Westfield Corporation					
Opening balance of contributed equity		-	7,899.1	7,899.1	8,220.6
- Buy-back and cancellation of securities and associated cost		-	-	-	(117.4)
- Initial equity contributed for WCL pursuant to the establishment of Westfield Corporation [(i)]	25	-	960.6	960.6	-
- Initial equity contributed for WFDT pursuant to the establishment of Westfield Corporation [(i)]	25	-	5,979.4	5,979.4	-
Closing balance of contributed equity		-	14,839.1	14,839.1	8,103.2
Opening balance of reserves		-	(301.4)	(301.4)	(529.3)
- Movement in foreign currency translation reserve [(ii) (iii)]		(107.6)	6.6	(101.0)	134.0
- Movement in employee share plan benefits reserve [(ii)]		-	(3.1)	(3.1)	0.6
- Employee share plan benefits reserve contributed for WCL pursuant to the establishment of Westfield Corporation [(i)]	25	-	45.5	45.5	-
Closing balance of reserves		(107.6)	(252.4)	(360.0)	(394.7)
Opening balance of retained profits/(accumulated losses)		-	(5,323.8)	(5,323.8)	(5,296.0)
- Profit after tax for the period [(iii)]		(815.9)	-	(815.9)	31.5
- Dividend/distribution paid or provided for		-	(599.3)	(599.3)	(73.5)
- Amounts previously included in non controlling interest [(iv)]		(64.9)	228.1	163.2	-
Closing balance of retained profits/(accumulated losses)		(880.8)	(5,695.0)	(6,575.8)	(5,338.0)
Closing balance of equity attributable to members of Westfield Corporation		(988.4)	8,891.7	**7,903.3**	**2,370.5**
Changes in equity attributable to external non controlling interests					
Opening balance of equity		-	228.1	228.1	196.9
Total comprehensive income attributable to non controlling interests [(iii)]		(64.9)	-	(64.9)	26.9
Amounts previously included in non controlling interest [(iv)]		64.9	(228.1)	(163.2)	-
Closing balance of equity attributable to external non controlling interests		-	-	**-**	**223.8**
Total equity		(988.4)	8,891.7	**7,903.3**	**2,594.3**
Closing balance of equity attributable to:					
WCL members		-	1,006.1	1,006.1	-
WFDT and WAT members		(923.5)	7,820.7	6,897.2	2,370.5
Closing balance of equity attributable to members of Westfield Corporation		(923.5)	8,826.8	**7,903.3**	**2,370.5**

[(i)] Total equity contributed for WCL of $1,006.1 million comprises contributed equity of $960.6 million and employee share plan benefits reserve of $45.5 million. Total equity contributed for WFDT comprises of contributed equity of $5,979.4 million.

[(ii)] Movement in reserves attributable to members of WFDT and WAT consists of the net exchange loss on translation of foreign operations of $107.6 million (30 June 2013: gain of $134.0 million) and net debit to the employee share plan benefits reserve of $3.1 million (30 June 2013: credit of $0.6 million).

[(iii)] Total comprehensive income for the period amounts to a loss of $988.4 million (30 June 2013: gain of $192.4 million).

[(iv)] The non controlling interest previously held in WAT, representing the portion of Westfield America, Inc. (WEA) held by Westfield Holdings Limited (now Scentre Group Limited), has been derecognised as a result of the Restructure and Merger as the interest in WEA is now held by WCL.

WESTFIELD CORPORATION

CASH FLOW STATEMENT

Comprises the cash flows of WAT (not including WFDT and WCL) for the six months ended 30 June 2014 and 30 June 2013, which is not representative of Westfield Corporation's operations as a result of the Restructure that was implemented on 30 June 2014

for the half-years ended 30 June 2014 and 30 June 2013

	Note	WAT 30 Jun 14 $million	WAT 30 Jun 13 $million
Cash flows from operating activities			
Receipts in the course of operations (including sales tax)		400.6	450.1
Payments in the course of operations (including sales tax)		(235.4)	(192.8)
Settlement of income hedging currency derivatives		9.8	16.1
Dividends/distributions received from equity accounted associates		137.4	99.2
Income and withholding taxes paid		(12.5)	(5.8)
Net cash flows from operating activities		**299.9**	**366.8**
Cash flows from investing activities			
Capital expenditure on property investments - consolidated		(170.4)	(118.2)
Capital expenditure on property investments - equity accounted		(68.3)	(53.9)
Acquisition of property investments - consolidated		(684.5)	-
Proceeds from the disposition of property investments - consolidated		278.8	538.9
Capital distribution from equity accounted associates		-	196.1
Tax paid on disposition of property investments		(50.4)	-
Purchase of plant and equipment		(1.7)	(15.2)
Financing costs capitalised to qualifying development projects and construction in progress		(23.5)	(6.7)
Cash held by entities of WCL and WFDT consolidated during the period	25	156.1	-
Net cash flows (used in)/from investing activities		**(563.9)**	**541.0**
Cash flows used in financing activities			
Buy-back of securities		-	(121.8)
Net repayment of interest bearing liabilities and other financial liabilities		(155.7)	(399.7)
Loans received from related entities		441.7	169.6
Payments of financing costs (excluding interest capitalised)			
- normal course of operations		(162.2)	(89.9)
- accelerated upon repayment of bonds and facilities on implementation of Restructure and Merger		(66.8)	-
Interest received		6.8	24.7
Dividends/distributions paid		(162.9)	(73.5)
Dividends/distributions paid to non controlling interests		(45.6)	-
Charges and credits in respect of the Restructure and Merger			
- Drawdown from bridging facilities		3,195.6	-
- Loans received from related entities		2,435.4	-
- Repayment of bonds and banking facilities		(4,887.3)	-
- Refinancing costs		(801.7)	-
Net cash flows used in financing activities		**(202.7)**	**(490.6)**
Net (decrease)/increase in cash and cash equivalents held		(466.7)	417.2
Add opening cash and cash equivalents brought forward		839.6	134.4
Effects of exchange rate changes on opening cash and cash equivalents brought forward		(26.2)	57.7
Cash and cash equivalents at the end of the period[i]		**346.7**	**609.3**

[i] Cash and cash equivalents comprises cash $347.1 million (30 June 2013: $609.3 million) net of bank overdraft of $0.4 million (30 June 2013: nil).

1_Corporate information

This financial report of the Westfield Corporation (Group) for the half-year ended 30 June 2014 was approved on 27 August 2014, in accordance with a resolution of the Board of Directors of Westfield Corporation Limited (Parent Company).

The nature of the operations and principal activities of the Group are described in the Directors' Report.

2_Basis of preparation of the financial report

The half-year financial report does not include all notes of the type normally included in the annual financial report and therefore cannot be expected to provide as full an understanding of the financial performance, financial position and financing and investing activities of the consolidated entity as the annual financial report.

The half-year financial report should be read in conjunction with the annual financial report of Westfield America Trust as at 31 December 2013.

It is also recommended that the half-year financial report be considered together with any public announcements made by the Group during the half-year ended 30 June 2014 in accordance with the continuous disclosure obligations arising under the Corporations Act 2001.

(a)_Basis of accounting

The half-year financial report is a general purpose financial report, which has been prepared in accordance with the requirements of the Corporations Regulations 2001 and AASB 134 'Interim Financial Reporting'.

The half-year financial report has been prepared on a historical cost basis, except for investment properties, investment properties within equity accounted investments, derivative financial instruments, financial assets at fair value through profit and loss and other financial liabilities. The carrying value of recognised assets and liabilities that are hedged with fair value hedges and are otherwise carried at cost are adjusted to record changes in the fair values attributable to the risks that are being hedged.

For the purpose of preparing the half-year financial report, the half-year has been treated as a discrete reporting period.

The half-year financial report has been prepared using the same accounting policies as used in the Westfield America Trust annual financial report for the year ended 31 December 2013 except for the changes required due to amendments to the accounting standards noted below.

This financial report is presented in Australian dollars.

(b)_Detail on the Restructure and Merger

Background

On 30 June 2014, the Westfield Group implemented the restructure of the Group (Restructure and Merger), under which Westfield Group's Australian and New Zealand business including its vertically integrated retail operating platform, held through Westfield Holdings Limited and Westfield Trust, was separated from the Westfield Group's international business and merged with Westfield Retail Trust to create two new listed groups:

(i) Scentre Group – comprising the merged Australian and New Zealand business of Westfield Group and Westfield Retail Trust; and

(ii) Westfield Corporation – comprising Westfield Group's international business.

The Restructure and Merger was approved by Westfield Group securityholders on 29 May 2014, Westfield Retail Trust securityholders on 20 June 2014 and by the Supreme Court of New South Wales on 23 June 2014.

The Restructure and Merger was implemented in three main stages:

- A restructure stage, where Westfield Group's international business was transferred to Westfield Corporation Limited and WFD Trust, and shares in Westfield Corporation Limited and units in WFD Trust were distributed in-specie to Westfield Group securityholders and stapled to Westfield Group;
- A destapling stage, where the shares in Westfield Holdings Limited and the units in Westfield Trust were each destapled from the Westfield Group and from each other resulting in the formation of Westfield Corporation; and
- A merger stage, where the shares in Westfield Holdings Limited and the units in Westfield Trust were stapled to the units in each of Westfield Retail Trust 1 and Westfield Retail Trust 2, resulting in the formation of Scentre Group.

Accounting for the establishment of Westfield Corporation

The Group was established by the stapling of securities of each of the Parent Company, WFDT and WAT. The securities trade as one security on the Australian Securities Exchange (ASX) under the code WFD. The stapling transaction is referred to as the "Merger".

The Merger has been accounted for as a business combination by contract alone in accordance with AASB 3 Business Combinations. WAT has been identified as the acquirer for accounting purposes as WAT is the stapled entity whose relative size is the largest.

AASB 3 and AASB 10 Consolidated Financial Statements require one of the stapled entities in a stapled structure to be identified as the parent entity for the purposes of preparing a consolidated financial report. WCL has been deemed to be the parent entity of the Group as it has legal control of WFDT and WAT due to its subsidiary, Westfield America Management Limited, being the responsible entity of both WFDT and WAT.

However, as WAT is the deemed acquirer in accordance with AASB 3, the consolidated financial statements are issued under the name of Westfield Corporation but are a continuation of the financial statements of WAT. Accordingly, these financial statements presents the results of WAT for the half-year ended 30 June 2014 and the assets and liabilities of WAT as at 30 June 2014; the financial statements also include the results of the Parent Company and WFDT from the date of stapling, being 30 June 2014 and the fair value of assets and liabilities of the Parent and WFDT as at 30 June 2014. The results and equity attributable to WFDT and WAT are shown separately in the financial statements as non controlling interest.

2_Basis of preparation of the financial report (continued)

(c)_New accounting standards and interpretations

The Group has adopted the following new or amended standards which became applicable on 1 January 2014.

- AASB 2012-3 Amendments to Australian Accounting Standards - Offsetting Financial Assets and Financial Liabilities;
- AASB 2013-3 Amendments to AASB 136 - Recoverable Amount Disclosures for Non-Financial Assets;
- AASB 2013-4 Amendments to Australian Accounting Standards - Novation of Derivatives and Continuation of Hedge Accounting; and
- AASB 2013-5 Amendments to Australian Accounting Standards - Investment Entities.

For the financial period, the adoption of these amended standards has no material impact on the financial statements of the Group.

Certain Australian Accounting Standards and Interpretations have recently been issued or amended but are not yet effective and have not been adopted by the Group for the half-year ended 30 June 2014. The impact of these new standards (to the extent relevant to the Group) and interpretations is as follows:

- AASB 9 Financial Instruments (effective from 1 January 2018)

This standard includes requirements to improve and simplify the approach for classification and measurement of financial assets compared with the requirements of AASB 139 Financial Instruments: Recognition and Measurement. The Group is currently assessing the impact of this standard.

- IFRS 15 Revenue from Contracts with Customers (effective from 1 January 2017)

This standard determines the principles that an entity shall apply to report useful information to users of financial statements about the nature, amount, timing, and uncertainty of revenue and cash flows arising from a contract with a customer. The Group is currently assessing the impact of this standard.

These recently issued or amended standards are not expected to have a significant impact on the amounts recognised in these financial statements when they are restated on application of these new accounting standards, except where disclosed above.

(d)_Significant accounting judgements, estimates and assumptions

The preparation of the financial report requires management to make judgements, estimates and assumptions. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements and estimates on historical experience and other various factors it believes to be reasonable under the circumstances, the results of which form the basis of the carrying values of assets and liabilities that are not readily apparent from other sources.

(e)_Rounding

In accordance with ASIC Class Order 98/0100, the amounts shown in the financial report have, unless otherwise indicated, been rounded to the nearest tenth of a million dollars. Amounts shown as 0.0 represent amounts less than $50,000 that have been rounded down.

3_Summary of significant accounting policies

(a) Consolidation and classification

The consolidated financial report comprises the financial statements and notes to the financial statements of the Parent Company and each of its controlled entities which includes WFDT and WAT (Subsidiaries) as from the date the Parent Company obtained control until such time control ceased. The Parent Company and Subsidiaries are collectively referred to as the economic entity known as the Group. Where entities adopt accounting policies which differ from those of the Parent Company, adjustments have been made so as to achieve consistency within the Group.

In preparing the consolidated financial statements all inter-entity transactions and balances, including unrealised profits arising from intra Group transactions, have been eliminated in full. Unrealised losses are eliminated unless costs cannot be recovered.

i) Joint arrangements

Joint operations

The Group has significant co-ownership interests in a number of properties through unincorporated joint ventures. These interests are held directly and jointly as tenants in common. The Group has the rights to the individual assets and obligations arising from these interests and recognises their share of the net assets, liabilities, revenues and expenses of the operation.

Joint ventures

The Group has significant co-ownership interests in a number of properties through property partnerships or trusts. These joint ventures are accounted for using the equity method of accounting.

The Group and its joint ventures use consistent accounting policies. Investments in joint ventures are carried in the consolidated balance sheet at cost plus post-acquisition changes in the Group's share of net assets of the joint ventures. The consolidated income statement reflects the Group's share of the results of operations of the joint venture.

ii) Associates

Where the Group exerts significant influence but not control, equity accounting is applied. The Group and its associates use consistent accounting policies. Investments in associates are carried in the consolidated balance sheet at cost plus post-acquisition changes in the Group's share of net assets of the associates. The consolidated income statement reflects the Group's share of the results of operations of the associate. Where there has been a change recognised directly in the associate's equity, the Group recognises its share of any changes and discloses this, when applicable in the consolidated financial statements.

iii) Controlled entities

Where an entity either began or ceased to be a controlled entity during the reporting period, the results are included only from the date control commenced or up to the date control ceased. Non controlling interests are shown as a separate item in the consolidated financial statements.

(b) Investment properties

The Group’s investment properties include shopping centre investments, development projects and construction in progress.

i) Shopping centre investments

The Group’s shopping centre investment properties represent completed centres comprising freehold and leasehold land, buildings and leasehold improvements.

Land and buildings are considered as having the function of an investment and therefore are regarded as a composite asset, the overall value of which is influenced by many factors, the most prominent being income yield, rather than by the diminution in value of the building content due to effluxion of time. Accordingly, the buildings and all components thereof, including integral plant and equipment, are not depreciated.

Initially, shopping centre investment properties are measured at cost including transaction costs. Subsequent to initial recognition, the Group’s portfolio of shopping centre investment properties are stated at fair value. Gains and losses arising from changes in the fair values of shopping centre investment properties are included in the income statement in the year in which they arise. Any gains or losses on the sale of an investment property are recognised in the income statement in the year of sale. The carrying amount of investment properties includes components relating to lease incentives, leasing costs and receivables on rental income that have been recorded on a straight line basis.

3_Summary of significant accounting policies (continued)

(b) Investment properties (continued)

At each reporting date, the carrying value of the portfolio of shopping centre investment properties is assessed by the Directors and where the carrying value differs materially from the Directors' assessment of fair value, an adjustment to the carrying value is recorded as appropriate.

The Directors' assessment of fair value of each shopping centre investment property takes into account latest independent valuations, generally prepared annually, with updates taking into account any changes in estimated yield, underlying income and valuations of comparable centres. In determining the fair value, the capitalisation of net income method and the discounting of future cash flows to their present value have been used which are based upon assumptions and judgement in relation to future rental income, property capitalisation rate or estimated yield and make reference to market evidence of transaction prices for similar properties. Refer to Appendix 1 for the estimated yield for each property. It is the Group's policy to appoint a number of qualified independent valuers and that no individual valuer is appointed to appraise any individual property for greater than three consecutive years.

ii) Development projects and construction in progress

The Group's development projects and construction in progress include costs incurred for the current and future redevelopment and expansion of new and existing shopping centre investments, and are classified as inventories when intended for sale to third parties. Development projects and construction in progress include capitalised construction and development costs, payments and advances to contractors and where applicable, borrowing costs incurred on qualifying developments.

Development projects and construction in progress are carried at fair value based on the Directors' assessment of fair value at each reporting date taking into account the expected cost to complete, the stage of completion, expected underlying income and yield of the developments. Any increment or decrement in the fair value of development projects and construction in progress resulting from the Directors' assessment of fair value is included in the income statement in the year in which it arises. From time to time during a development, Directors may commission an independent valuation of the development project and construction in progress. On completion, development projects and construction in progress are reclassified to shopping centre investments and an independent valuation is obtained.

The assessment of fair value and possible impairment in the fair value of shopping centre investments, development projects and construction in progress are significant estimates that can change based on the Group's continuous process of assessing the factors affecting each property.

(c) Other investments

Listed and unlisted investments

Listed and unlisted investments are designated as assets held at fair value through the income statement. Listed investments in entities are stated at fair value based on their market values. Unlisted investments are stated at fair value of the Group's interest in the underlying assets which approximate fair value. Movements in fair value subsequent to initial recognition are reported as revaluation gains or losses in the income statement.

The fair values of investments that are actively traded in organised financial markets are determined by reference to quoted market prices. For investments with no active market, fair values are determined using valuation techniques which keep judgemental inputs to a minimum, including the fair value of underlying properties, recent arm's length transactions and reference to market value of similar investments.

(d) Foreign currencies

i) Translation of foreign currency transactions

The functional currency of the Parent Company and its Australian subsidiaries is Australian dollars. The functional currency of the United States entities is United States dollars and of the United Kingdom entities is British pounds. The presentation currency of the overseas entities is Australian dollars to enable the consolidated financial statements of the Group to be reported in a common currency.

Foreign currency transactions are converted to Australian dollars at exchange rates ruling at the date of those transactions. Amounts payable and receivable in foreign currency at balance date are translated to Australian dollars at exchange rates ruling at that date. Exchange differences arising from amounts payable and receivable are treated as operating revenue or expense in the period in which they arise, except as noted below.

ii) Translation of accounts of foreign operations

The balance sheets of foreign subsidiaries and equity accounted associates are translated at exchange rates ruling at balance date and the income statements of foreign subsidiaries and equity accounted associates are translated at average exchange rates for the period. Exchange differences arising on translation of the interests in foreign operations and equity accounted associates are taken directly to the foreign currency translation reserve. On consolidation, exchange differences and the related tax effect on foreign currency loans and cross currency swaps denominated in foreign currencies, which hedge net investments in foreign operations and equity accounted associates, are taken directly to the foreign currency translation reserve.

3_Summary of significant accounting policies (continued)

(e) Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and can be reliably measured. Rental income from investment properties is accounted for on a straight line basis over the lease term. Contingent rental income is recognised as income in the period in which it is earned. If not received at balance date, revenue is reflected in the balance sheet as a receivable and carried at its recoverable amount. Recoveries from tenants are recognised as income in the year the applicable costs are accrued.

Revenue from property management is recognised on an accruals basis, in accordance with the terms of the relevant management contracts.

Certain tenant allowances that are classified as lease incentives are recorded as part of investment properties and amortised over the term of the lease. The amortisation is recorded against property income.

Revenue is recognised from the sale of properties when the significant risks and rewards have transferred to the buyer. This will normally take place on unconditional exchange of contracts except where payment or completion is expected to occur significantly after exchange. For conditional exchanges, sales are recognised when these conditions are satisfied.

Revenue for development and construction projects carried out for third parties is recognised on a percentage of completion basis as construction progresses. The percentage of completion is assessed by reference to the stage of completion of the project based on the proportion of contract costs incurred to date and the estimated costs to complete. Where a property is under development and agreement has been reached to sell the property when construction is complete, consideration is given as to whether the contract comprises a development and construction project or a contract for the sale of a completed property. Where the contract is judged to be for the sale of a completed property, revenue is recognised when the significant risks and rewards of ownership have been transferred to the buyer. Where the legal terms of the contract are such that the construction represents the continuous transfer of work in progress to the purchaser, revenue is recognised on a percentage of completion basis as construction progresses.

All other revenues are recognised on an accruals basis.

(f) Expenses

Expenses are brought to account on an accruals basis.

(g) Taxation

The Group comprises taxable and non taxable entities. A liability for current and deferred taxation and tax expense is only recognised in respect of taxable entities that are subject to income and potential capital gains tax as detailed below:

i) WFDT

Under current Australian income tax legislation, WFDT is not liable to Australian income tax, including capital gains tax, provided that members are presently entitled to the income of the Trust as determined in accordance with WFDT's constitution.

ii) WAT

Under current Australian income tax legislation, WAT is not liable to Australian income tax, including capital gains tax, provided that members are presently entitled to the income of the Trust as determined in accordance with WAT's constitution.

Westfield America, Inc. (WEA), a subsidiary of WAT, is a Real Estate Investment Trust (REIT) for United States income tax purposes. To maintain its REIT status, WEA is required to distribute at least 90% of its taxable income to shareholders and meet certain asset and income tests as well as certain other requirements. As a REIT, WEA will generally not be liable for federal and state income taxes in the United States, provided it satisfies the necessary requirements and distributes 100% of its taxable income to its shareholders. Dividends paid by WEA to WAT are subject to United States dividend withholding tax.

Under current Australian income tax legislation, holders of the stapled securities of the Group may be entitled to receive a foreign income tax offset for United States withholding tax deducted from dividends paid to WAT by WEA.

iii) Deferred tax

Deferred tax is provided on all temporary differences at the balance sheet date on the differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply when the asset is disposed of at book value, based on tax rates (and tax laws) that have been enacted or substantively enacted at the balance sheet date. Income taxes related to items recognised directly in equity are recognised in equity and not in the income statement.

iv) Parent Company - tax consolidation

The Parent Company and its Australian resident wholly owned subsidiaries have formed a Tax Consolidated Group. The Parent Company has entered into tax funding arrangements with its Australian resident wholly owned subsidiaries, so that each subsidiary has agreed to pay or receive a tax equivalent amount to or from the Parent Company based on the net taxable amount or loss of the subsidiary at the current tax rate. The Tax Consolidated Group has applied the modified separate tax payer approach in determining the appropriate amount of current taxes to allocate.

3_Summary of significant accounting policies (continued)

(h) Sales Tax

Revenues, expenses and assets are recognised net of the amount of sales tax except where the sales tax incurred on purchase of goods and services is not recoverable from the tax authority, in which case the sales tax is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable. Receivables and payables are stated with the amounts of sales tax included.

The net amount of sales tax payable or receivable to government authorities is included as part of receivables or payables in the balance sheet.

Cash flows are included in the cash flow statement on a gross basis and the sales tax component of cash flows arising from investing and financing activities, which is recoverable from, or payable to, the taxation authority is classified as operating cash flows.

Commitments and contingencies are disclosed net of the amount of sales tax recoverable from, or payable to, the taxation authority.

(i) Financing costs

Financing costs include interest, amortisation of discounts or premiums relating to borrowings and other costs incurred in connection with the arrangement of borrowings. Financing costs are expensed as incurred unless they relate to a qualifying asset. A qualifying asset is an asset which generally takes more than 12 months to get ready for its intended use or sale. In these circumstances, the financing costs are capitalised to the cost of the asset. Where funds are borrowed by the Group for the acquisition or construction of a qualifying asset, the financing costs are capitalised.

Refer to Note 3(o) for other items included in financing costs.

(j) Inventories

Property development projects for third parties are carried at the lower of cost or net realisable value. Profit on property development is recognised on a percentage of completion basis. They represent the value of work actually completed and are assessed in terms of the contract and provision is made for losses, if any, anticipated.

(k) Depreciation and amortisation

Plant and equipment and deferred costs are carried at acquisition cost less depreciation and amortisation and any impairment in value. Depreciation and amortisation is applied over the estimated economic life using the straight line method from the date of acquisition or from the time the asset is ready for use. The estimated economic life of items in the asset class plant and equipment ranges from three to ten years.

(l) Leases

Leases are classified at their inception as either operating or finance leases based on the economic substance of the agreement so as to reflect the risks and benefits incidental to ownership.

(i) Operating leases

The minimum lease payments of operating leases, where the lessor effectively retains substantially all of the risks and benefits of ownership of the leased item, are recognised as an expense on a straight line basis.

Ground rent obligations for leasehold property that meets the definition of an investment property are accounted for as a finance lease.

(ii) Finance leases

Leases which effectively transfer substantially all of the risks and benefits incidental to ownership of the leased item to the Group are capitalised at the present value of the minimum lease payments under the lease and are disclosed as an asset or investment property.

Capitalised lease assets are depreciated over the shorter of the estimated useful life of the assets and the lease term. Minimum lease payments are allocated between interest expense and reduction of the lease liability.

(m) Employee benefits

The liability for employees' benefits to wages, salaries, bonuses and annual leave is accrued to balance date based on the Group's present obligation to pay resulting from the employees' services provided. The liability for employees' benefits to long service leave is provided to balance date based on the present values of the estimated future cash flows to be paid by the Group resulting from the employees' services provided.

(n) Contributed equity

Issued and paid up capital is recognised at the fair value of the consideration received by the Group. Any transaction costs arising on the issue of ordinary securities are recognised directly in equity as a reduction of the proceeds received.

3_Summary of significant accounting policies (continued)

(o) Derivative and other financial instruments

The Group utilises derivative financial instruments, including forward exchange contracts, currency and interest rate options, currency and interest rate swaps to manage the risks associated with foreign currency and interest rate fluctuations. Such derivative financial instruments are recognised at fair value.

The Group has set defined policies and implemented a comprehensive hedging program to manage interest and exchange rate risks. Derivative instruments are transacted to achieve the economic outcomes in line with the Group's treasury policy and hedging program. Derivative instruments are not transacted for speculative purposes. Accounting standards however require compliance with documentation, designation and effectiveness parameters before a derivative financial instrument is deemed to qualify for hedge accounting treatment. These documentation, designation and effectiveness requirements cannot be met in all circumstances. As a result, derivative instruments, other than cross currency swaps that hedge net investments in foreign operations, and hedges of share based payments, are deemed not to qualify for hedge accounting and are recorded at fair value. Gains or losses arising from the movement in fair values are recorded in the income statement.

The fair value of derivatives have been determined with reference to market observable inputs for contracts with similar maturity profiles. The valuation is a present value calculation which incorporates interest rate curves, foreign exchange spot and forward rates, option volatilities and the credit quality of all counterparties.

Gains or losses arising on the movements in the fair value of cross currency swaps which hedge net investments in foreign operations are recognised in the foreign currency translation reserve. Where a cross currency swap, or portion thereof, is deemed an ineffective hedge for accounting purposes, gains or losses thereon are recognised in the income statement. On disposal of a net investment in foreign operations, the cumulative gains or losses recognised previously in the foreign currency translation reserve are transferred to the income statement.

The accounting policies adopted in relation to material financial instruments are detailed as follows:

i) Financial assets

Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise cash at bank and on hand and short term deposits with an original maturity of 90 days or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

For the purposes of the cash flow statement, cash and cash equivalents includes cash on hand and at bank, short term money market deposits and bank accepted bills of exchange readily converted to cash, net of bank overdrafts and short term loans. Bank overdrafts are carried at the principal amount. Interest is charged as an expense as it accrues.

Receivables

Trade and sundry debtors and loan receivables are carried at original invoice amount, less provision for doubtful debts, and are usually due within 30 days. Collectability of trade, sundry and loan receivables is reviewed on an ongoing basis. Individual debts that are determined to be uncollectible are written off when identified. An impairment provision for doubtful debts is recognised when there is evidence that the Group will not be able to collect the receivable.

ii) Financial liabilities

Payables

Trade and other payables are carried at amortised cost and due to their short term nature they are not discounted. They represent liabilities for goods and services provided to the Group prior to the end of the financial year that are unpaid and arise when the Group becomes obliged to make future payments in respect of the purchase of these goods and services. The amounts are unsecured and are usually paid within 60 days.

Interest bearing liabilities

Interest bearing liabilities are recognised initially at the fair value of the consideration received less any directly attributable transaction costs. Subsequent to initial recognition, interest bearing liabilities are recorded at amortised cost using the effective interest rate method.

Interest bearing liabilities are classified as current liabilities where the liability has been drawn under a financing facility which expires within one year. Amounts drawn under financing facilities which expire after one year are classified as non current.

Financing costs for interest bearing liabilities are recognised as an expense on an accruals basis.

The fair value of the Group’s interest bearing borrowings are determined as follows:
- Fair value of quoted notes and bonds is based on price quotations at the reporting date.
- The fair value of unquoted instruments, loans from banks, finance leases and other non current financial liabilities is estimated by discounting future cash flows using rates that approximate the Group’s borrowing rate as at 30 June 2014, for debt with similar maturity, credit risk and terms.

Other financial liabilities

Other financial liabilities include convertible notes, preference and convertible preference securities. Where there is a minimum distribution entitlement and/or the redemption terms include the settlement for cash on redemption, the instrument is classified as a financial liability and is designated as fair value through the income statement.

The fair value of convertible notes, preference and convertible preference securities is determined in accordance with generally accepted pricing models using current market prices.

3_Summary of significant accounting policies (continued)

(p) Recoverable amount of assets

At each reporting date, the Group assesses whether there is any indication that an asset may be impaired. Where an indicator of the impairment exists, the Group makes an estimate of recoverable amount. Where the carrying amount of an asset exceeds its recoverable amount the asset is considered impaired and is written down to its recoverable amount.

(q) Earnings per security

Basic earnings per security is calculated as net profit attributable to members divided by the weighted average number of ordinary securities. Diluted earnings per security is calculated as net profit attributable to members adjusted for any profit recognised in the period in relation to dilutive potential ordinary shares divided by the weighted average number of ordinary securities and dilutive potential ordinary securities.

4_Presentation of net assets in United States dollars

The following are translated at year end 1A$/US$ rate of 0.9388.

	Westfield Corporation 30 Jun 14 US$million
Current assets	
Cash and cash equivalents	325.9
Trade debtors	9.2
Derivative assets	35.8
Receivables	214.6
Inventories	128.4
Prepayments and deferred costs	66.2
Total current assets	**780.1**
Non current assets	
Investment properties	8,963.2
Equity accounted investments	6,895.5
Other investments	257.2
Derivative assets	185.5
Receivables	54.2
Plant and equipment	85.9
Deferred tax assets	11.8
Prepayments and deferred costs	143.4
Total non current assets	**16,596.7**
Total assets	**17,376.8**
Current liabilities	
Trade creditors	33.0
Payables and other creditors	766.0
Interest bearing liabilities	3.6
Other financial liabilities	2.0
Tax payable	85.3
Derivative liabilities	23.6
Dividends/Distributions payable	412.6
Total current liabilities	**1,326.1**
Non current liabilities	
Payables and other creditors	188.6
Interest bearing liabilities	5,357.5
Other financial liabilities	193.5
Deferred tax liabilities	2,891.5
Derivative liabilities	-
Total non current liabilities	**8,631.1**
Total liabilities	**9,957.2**
Net assets	**7,419.6**

	WAT 30 Jun 14 cents	WAT 30 Jun 13 cents
5_Earnings per security		
(a)_Summary of earnings per security		
Earnings per share		
Basic earnings per stapled security attributable to members of Westfield Corporation	(39.26)	1.43
Diluted earnings per stapled security attributable to members of Westfield Corporation	(39.26)	(0.06)

(b)_Income and security data

The following reflects the income data used in the calculations of basic and diluted earnings per stapled security:

	$million	$million
Earnings used in calculating basic earnings per stapled security	(815.9)	31.5
Adjustment to earnings on options which are considered dilutive [(i)]	-	(32.9)
	(815.9)	(1.4)

The following reflects the security data used in the calculations of basic and diluted earnings per stapled security:

	No. of securities	No. of securities
Weighted average number of ordinary securities used in calculating basic earnings per stapled security [(ii)]	2,078,089,686	2,208,029,595
Weighted average of potential employee awards scheme security options which, if issued would be dilutive	11,138,476	5,377,746
Bonus element of options which if issued, would be dilutive [(i)]	-	61,359,980
Adjusted weighted average number of ordinary securities used in calculating diluted earnings per stapled security	2,089,228,162	2,274,767,321

[(i)] Bonus element of options relating to other financial liabilities issued to Westfield Holdings Limited (now Scentre Group Limited) that are dilutive for the current period were nil (30 June 2013: 61,359,980), earnings in respect of the options were nil (30 June 2013: $32.9 million).

[(ii)] 2,078.1 million (30 June 2013: 2,208.0 million) weighted average number of stapled securities on issue for the period has been included in the calculation of basic and diluted earnings per stapled security as reported in the income statement.

The weighted average number of ordinary securities used in calculating basic earnings per stapled security has not been restated as the acquisition of the UK operations occurred on the last day of the six month period. The impact of this acquisition will be reflected in the weighted average number of ordinary securities for the year ending 31 December 2014.

	Note	WAT 30 Jun 14 $million	WAT 30 Jun 13 $million
6_Property revenue			
Shopping centre base rent and other property income		276.7	390.1
Amortisation of tenant allowances		(14.4)	(19.1)
		262.3	**371.0**
7_Currency gain/(loss)			
Realised gain/(loss) on income hedging currency derivatives		6.4	(16.1)
Net fair value gain/(loss) on currency derivatives that do not qualify for hedge accounting	12	(134.0)	22.0
		(127.6)	**5.9**
8_Financing costs			
Gross financing costs (excluding net fair value gain/(loss) on interest rate hedges that do not qualify for hedge accounting)		(115.2)	(77.5)
Financing costs capitalised to qualifying development projects, construction in progress and inventories		23.5	6.7
Financing costs		(91.7)	(70.8)
Net fair value loss on interest rate hedges that do not qualify for hedge accounting	12	(41.3)	(97.8)
Finance leases interest expense		(1.6)	(1.6)
Interest expense on other financial liabilities [i]		(14.5)	(9.0)
Net fair value loss on other financial liabilities [i]	12	(135.1)	(2.7)
		(284.2)	**(181.9)**

[i] Interest expense on other financial liabilities and net fair value loss on other financial liabilities include amounts in respect of Westfield Group entities.

	Note	WAT 30 Jun 14 $million	WAT 30 Jun 13 $million
9_Gain/(loss) in respect of capital transactions			
Asset dispositions			
- proceeds from asset dispositions		-	-
- less: carrying value of assets disposed and other capital costs		(8.3)	(20.0)
Gain/(loss) in respect of asset dispositions	12	**(8.3)**	**(20.0)**
Termination costs in relation to the repayment of surplus fixed rate borrowings with the proceeds from the disposition of property investments		-	(51.3)
Financing costs in respect of capital transactions	12	**-**	**(51.3)**
10_Charges and credits in respect of the Restructure and Merger			
Refinancing costs in respect of the Restructure and Merger	12	(842.1)	-
Transaction costs in respect of the Restructure and Merger	12	(32.8)	-
		(874.9)	**-**
11_Tax expense			
Current - underlying operations		(16.3)	(0.9)
Deferred tax	12	(69.2)	(18.0)
		(85.5)	**(18.9)**

	Note	WAT 30 Jun 14 $million	WAT 30 Jun 13 $million
12_Significant items			
The following significant items are relevant in explaining the financial performance of the business:			
Property revaluations		27.6	(113.0)
Equity accounted property revaluations		172.6	45.0
Net fair value gain/(loss) on currency derivatives that do not qualify for hedge accounting	7	(134.0)	22.0
Net fair value loss on interest rate hedges that do not qualify for hedge accounting	8	(41.3)	(97.8)
Net fair value loss on other financial liabilities	8	(135.1)	(2.7)
Gain/(loss) in respect of asset dispositions	9	(8.3)	(20.0)
Financing costs in respect of capital transactions	9	-	(51.3)
Refinancing costs in respect of the Restructure and Merger	10	(842.1)	-
Transaction costs in respect of the Restructure and Merger	10	(32.8)	-
Deferred tax	11	(69.2)	(18.0)

	Westfield Corporation 30 Jun 14 $million	WAT 31 Dec 13 $million
13_Receivables		
Other receivable	159.3	372.4
Receivable from Scentre Group [(i)]	69.3	783.0
	228.6	**1,155.4**

[(i)] This has been received subsequent to the half-year end.

	Westfield Corporation 30 Jun 14 $million	WAT 31 Dec 13 $million
14_Investment properties		
Shopping centre investments	7,773.0	5,777.5
Development projects and construction in progress	1,774.5	295.3
	9,547.5	**6,072.8**
15_Details of shopping centre investments		
Consolidated United Kingdom shopping centres	2,235.4	-
Consolidated United States shopping centres	5,537.6	5,777.5
Total consolidated shopping centres	**7,773.0**	**5,777.5**
Equity accounted United Kingdom shopping centres	1,813.7	-
Equity accounted United States shopping centres	6,912.8	7,003.6
Total equity accounted shopping centres	**8,726.5**	**7,003.6**
	16,499.5	**12,781.1**

Investment properties are carried at the Directors' determination of fair value which takes into account latest independent valuations, with updates at each balance date of independent valuations that were prepared previously. The carrying amount of investment properties comprises the original acquisition cost, subsequent capital expenditure, tenant allowances, deferred costs, ground leases, straight-line rent and revaluation increments and decrements.

Independent valuations are conducted in accordance with guidelines set by RICS Appraisal and Valuation Standards which is mandatory for Chartered Surveyors for the United Kingdom properties and Uniform Standards of Professional Appraisal Practice for the United States properties. The independent valuation uses the capitalisation of net income method and the discounting of future net cash flows to their present value method. The key assumptions in determining the valuation of the investment properties are the estimated weighted average yield and net operating income. Significant movement in each of these assumptions in isolation would result in a higher/(lower) fair value of the properties.

	Westfield Corporation 30 Jun 14 $million	WAT 31 Dec 13 $million
16_Interest bearing liabilities		
Interest bearing liabilities - consolidated		
Current		
Unsecured		
Bank overdraft	0.4	-
Finance leases	0.4	0.4
Loans payable to related entities	-	926.4
Secured		
Bank loans and mortgages		
- US$ denominated	3.0	3.0
	3.8	**929.8**
Non current		
Unsecured		
Bank loans		
- US$ denominated	3,195.6	-
- £ denominated	1,452.4	-
- € denominated	94.5	-
Notes payable		
- US$ denominated	-	4,982.1
Finance leases	35.2	37.1
Secured		
Bank loans and mortgages		
- US$ denominated	929.1	978.2
	5,706.8	**5,997.4**
Total interest bearing liabilities - consolidated	**5,710.6**	**6,927.2**

The Group maintains a range of interest bearing liabilities. The sources of funding are spread over various counterparties to minimise credit risk and the terms of the instruments are negotiated to achieve a balance between capital availability and the cost of debt.

(a)_Summary of financing facilities - consolidated

	30 Jun 14 $million	31 Dec 13 $million
Committed financing facilities available to the Group:		
Total financing facilities at the end of the period	9,465.4	9,808.8
Total interest bearing liabilities	(5,710.6)	(6,927.2)
Total bank guarantees	(13.3)	(13.2)
Available financing facilities [i]	3,741.5	2,868.4
Cash	347.1	839.6
Financing resources available at the end of the period	**4,088.6**	**3,708.0**

[i] Total available financing facilities at the end of the financial period of $3,741.5 million (31 December 2013: $2,868.4 million) is in excess of the Group's net current liabilities of $581.6 million (31 December 2013: net current assets of $265.2 million). Net current liabilities comprises current assets less current liabilities.

These facilities comprise fixed rate secured facilities, fixed rate notes and unsecured interest only floating rate facilities. Certain facilities are also subject to negative pledge arrangements which require the Group to comply with specific minimum financial requirements. These facilities exclude other financial liabilities. Amounts which are denominated in foreign currencies are translated at exchange rates ruling at balance date.

	Committed financing facilities Westfield Corporation 30 Jun 14 $million	Total interest bearing liabilities Westfield Corporation 30 Jun 14 $million	Committed financing facilities WAT 31 Dec 13 $million	Total interest bearing liabilities WAT 31 Dec 13 $million
16_Interest bearing liabilities (continued)				
(b)_Summary of maturity and amortisation profile of consolidated financing facilities and interest bearing liabilities				
Year ending December 2014	2.1	2.1	929.8	929.8
Year ending December 2015	131.3	131.3	608.7	138.0
Year ending December 2016	338.0	258.0	3,100.3	1,179.4
Year ending December 2017	4,865.0	4,652.1	380.4	4.3
Year ending December 2018	4.3	4.3	1,350.0	1,236.1
Year ending December 2019	3,466.5	4.6	1,292.3	1,292.3
Year ending December 2020	183.9	183.9	193.3	193.3
Year ending December 2021	0.6	0.6	1,120.4	1,120.4
Year ending December 2022	442.8	442.8	801.2	801.2
Year ending December 2023	0.7	0.7	0.8	0.8
Year ending December 2024	0.8	0.8	0.8	0.8
Due thereafter	29.4	29.4	30.8	30.8
	9,465.4	**5,710.6**	**9,808.8**	**6,927.2**

Type	Maturity date	Committed financing facilities (local currency) Westfield Corporation 30 Jun 14 million	Total interest bearing liabilities (local currency) Westfield Corporation 30 Jun 14 million	Committed financing facilities (local currency) WAT 31 Dec 13 million	Total interest bearing liabilities (local currency) WAT 31 Dec 13 million
16_Interest bearing liabilities (continued)					
(c)_Details of consolidated financing facilities and interest bearing liabilities					
Loan payable to related entities	At call	-	-	A$926.4	A$926.4
Secured mortgage - San Francisco Centre	6-Jul-15	US$120.0	US$120.0	US$120.0	US$120.0
Undrawn Westfield Group unsecured bank bilateral facilities (i)	2015	-	-	US$420.3	-
Unsecured bank loan - bilateral facility (ii)	2-Aug-16	€120.0	€65.0		
Unsecured notes payable - bonds (iii)	1-Oct-16	-	-	US$900.0	US$900.0
Secured mortgage - Fox Valley	11-Nov-16	US$150.0	US$150.0	US$150.0	US$150.0
Undrawn Westfield Group unsecured bank bilateral facilities (i)	2016	-	-	US$1,715.7	-
Unsecured bank loan - bridge facility (iv)	20-Mar-17	US$3,000.0	US$3,000.0	-	-
Unsecured bank loan - bridge facility (iv)	20-Mar-17	£800.0	£800.0		
Unsecured bank loan - bilateral facility	3-Jul-17	US$200.0	-		
Undrawn Westfield Group unsecured bank bilateral facilities (i)	2017	-	-	US$336.1	-
Unsecured notes payable - bonds (iii)	15-Apr-18	-	-	US$1,100.0	US$1,100.0
Undrawn Westfield Group unsecured bank bilateral facilities (i)	2018	-	-	US$101.7	-
Unsecured bank loan - syndicated facility (v)	20-Mar-19	US$3,250.0	-	-	-
Unsecured notes payable - bonds (iii)	2-Sep-19	-	-	US$1,150.0	US$1,150.0
Secured mortgage - Old Orchard	1-Mar-20	US$190.1	US$190.1	US$191.4	US$191.4
Unsecured notes payable - bonds (iii)	10-May-21	-	-	US$1,000.0	US$1,000.0
Secured mortgage - Galleria at Roseville	1-Jun-22	US$275.0	US$275.0	US$275.0	US$275.0
Secured mortgage - Mainplace	1-Jun-22	US$140.0	US$140.0	US$140.0	US$140.0
Unsecured notes payable - bonds (iii)	3-Oct-22	-	-	US$300.0	US$300.0
Total A$ equivalent of the above		9,429.4	5,674.6	9,771.3	6,889.7
Add:					
Finance leases		35.6	35.6	37.5	37.5
Bank overdraft		0.4	0.4	-	-
Consolidated financing facilities and interest bearing liabilities		**9,465.4**	**5,710.6**	**9,808.8**	**6,927.2**

(i) These are aggregate bank bilateral facilities unutilised by other members of the Westfield Group.
(ii) During the year, these liabilities were transferred from Westfield Group to Westfield Corporation as a result of the Restructure and Merger.
(iii) During the year, notice was given to repurchase and cancel US$4,450.0 million of bonds for US$5,164.8 million.
(iv) Assumes option has been exercised to extend the facility from 2016 to 2017.
(v) Assumes option has been exercised to extend the facility from 2018 to 2019.

Unsecured bank loans, bank overdraft and notes payable are subject to negative pledge arrangements which require the Group to comply with certain minimum financial requirements.

Total secured liabilities are $932.1 million (31 December 2013: $981.2 million). Secured liabilities are borrowings secured by mortgages over properties or loans secured over development projects that have an aggregate fair value of $2.4 billion (31 December 2013: $2.5 billion).

The terms of the debt facilities require the Group to comply with certain minimum financial requirements and preclude the properties from being used as security for other debt without the permission of the first mortgage holder. The debt facilities also require the properties to be insured.

	Committed financing facilities	Total interest bearing liabilities	Committed financing facilities	Total interest bearing liabilities
	Westfield Corporation	Westfield Corporation	WAT	WAT
	30 Jun 14 $million	30 Jun 14 $million	31 Dec 13 $million	31 Dec 13 $million
16_Interest bearing liabilities (continued)				
(d)_Summary of equity accounted financing facilities and interest bearing liabilities				
Secured mortgages	1,813.3	1,813.3	1,383.2	1,383.2
Finance leases	7.4	7.4	10.8	10.8
	1,820.7	1,820.7	1,394.0	1,394.0
Interest bearing liabilities - current	4.6	4.6	4.6	4.6
Interest bearing liabilities - non current	1,816.1	1,816.1	1,389.4	1,389.4
	1,820.7	1,820.7	1,394.0	1,394.0
(e)_Summary of maturity and amortisation profile of equity accounted financing facilities and interest bearing liabilities				
Year ending December 2014	2.2	2.2	4.6	4.6
Year ending December 2015	4.7	4.7	4.9	4.9
Year ending December 2016	5.0	5.0	5.3	5.3
Year ending December 2017	736.3	736.3	249.2	249.2
Year ending December 2018	36.7	36.7	38.7	38.7
Year ending December 2019	7.4	7.4	7.9	7.9
Year ending December 2020	201.0	201.0	211.3	211.3
Year ending December 2021	3.5	3.5	3.7	3.7
Year ending December 2022	107.6	107.6	113.1	113.1
Year ending December 2023	710.0	710.0	746.4	746.4
Year ending December 2024	0.2	0.2	0.3	0.3
Due thereafter	6.1	6.1	8.6	8.6
	1,820.7	**1,820.7**	**1,394.0**	**1,394.0**

Type	Maturity date	Committed financing facilities (local currency) Westfield Corporation 30 Jun 14 million	Total interest bearing liabilities (local currency) Westfield Corporation 30 Jun 14 million	Committed financing facilities (local currency) WAT 31 Dec 13 million	Total interest bearing liabilities (local currency) WAT 31 Dec 13 million
16_Interest bearing liabilities (continued)					
(f)_Details of equity accounted financing facilities and interest bearing liabilities					
Secured mortgage - San Francisco Emporium	11-Jan-17	US$217.5	US$217.5	US$217.5	US$217.5
Secured mortgage - Stratford City [(i)]	14-Sep-17	£275.0	£275.0	-	-
Secured mortgage - Southgate [(ii)]	09-Jun-18	US$28.5	US$28.5	US$28.5	US$28.5
Secured mortgage - Southcenter	11-Jan-20	US$130.7	US$130.7	US$131.6	US$131.6
Secured mortgage - Brandon	01-Mar-20	US$73.7	US$73.7	US$74.2	US$74.2
Secured mortgage - Valencia Town Center	31-Dec-22	US$97.5	US$97.5	US$97.5	US$97.5
Secured mortgage - Santa Anita	01-Feb-23	US$142.2	US$142.2	US$142.2	US$142.2
Secured mortgage - Broward	01-Mar-23	US$47.5	US$47.5	US$47.5	US$47.5
Secured mortgage - Citrus Park	01-Jun-23	US$72.3	US$72.3	US$72.9	US$72.9
Secured mortgage - Countryside	01-Jun-23	US$77.5	US$77.5	US$77.5	US$77.5
Secured mortgage - Sarasota	01-Jun-23	US$19.0	US$19.0	US$19.0	US$19.0
Secured mortgage - Mission Valley	01-Oct-23	US$64.6	US$64.6	US$64.6	US$64.6
Secured mortgage - Garden State Plaza	31-Dec-23	US$262.5	US$262.5	US$262.5	US$262.5
Total A$ equivalent of the above		1,813.3	1,813.3	1,383.2	1,383.2
Add:					
Finance leases		7.4	7.4	10.8	10.8
		1,820.7	**1,820.7**	**1,394.0**	**1,394.0**

[(i)] During the year, this liability was transferred from Westfield Group to Westfield Corporation as a result of the Restructure and Merger.
[(ii)] Assumes three one year options have been exercised to extend the loan from 2015 to 2018.

Total equity accounted secured liabilities are $1,820.7 million (31 December 2013: $1,394.0 million). The aggregate net asset value of equity accounted entities with secured borrowings is $3,455.0 million (31 December 2013: $2,058.1 million). These properties are noted above. The terms of the debt facilities preclude the properties from being used as security for other debt without the permission of the first mortgage holder. The debt facilities also require the properties to be insured.

16_Interest bearing liabilities (continued)

(g)_Summary of interest rate positions at balance date

(i) Fixed rate debt and interest rate swaps

Notional principal or contract amounts of the Group's consolidated and share of equity accounted fixed rate debt and interest rate swaps:

	Interest rate swaps		Fixed rate borrowings	
	Westfield Corporation	Westfield Corporation	Westfield Corporation	Westfield Corporation
	30 Jun 14	30 Jun 14	30 Jun 14	30 Jun 14
Fixed rate debt and swaps contracted as at the reporting date and outstanding at	Notional principal amount million	Average rate	Principal amount million	Average rate including margin
US$ payable				
31 December 2014	US$(2,750.0)	1.82%	US$(1,996.0)	4.95%
31 December 2015	-	-	US$(1,875.6)	4.95%
31 December 2016	-	-	US$(1,726.4)	4.90%
31 December 2017	-	-	US$(1,512.8)	4.74%
31 December 2018	-	-	US$(1,503.9)	4.73%
31 December 2019	-	-	US$(1,493.6)	4.72%
31 December 2020	-	-	US$(1,146.1)	4.07%
31 December 2021	-	-	US$(1,143.1)	4.07%
31 December 2022	-	-	US$(655.7)	3.98%
US$ receivable				
31 December 2014	US$3,250.0	2.83%	-	-
31 December 2015	US$3,250.0	2.83%	-	-
31 December 2016	US$3,250.0	2.83%	-	-
31 December 2017	US$500.0	3.69%	-	-
31 December 2018	US$500.0	3.69%	-	-
31 December 2019	US$500.0	3.69%	-	-
£ payable				
31 December 2014	£(225.0)	1.82%	-	-
31 December 2015	£(225.0)	1.82%	-	-
31 December 2016	£(225.0)	1.82%	-	-
A$ receivable				
31 December 2014	A$200.0	6.77%	-	-

The Group's interest rate swaps do not meet the accounting requirements to qualify for hedge accounting treatment. Changes in fair value have been reflected in the income statement as a component of interest expense.

All fixed rate borrowings are carried at amortised cost, therefore increases or decreases arising from changes in fair value have not been recorded in these financial statements.

17_Segmental reporting

The results comprises the earnings of WAT (not including WFDT and WCL) for the 6 months ended 30 June 2014 and 30 June 2013, which is not representative of Westfield Corporation's operations as a result of the Restructure that was implemented on 30 June 2014 and the Balance Sheet of Westfield Corporation which is representative of Westfield Corporation's financial position as a result of the Restructure that was implemented on 30 June 2014 and the Balance Sheet of WAT as at 31 December 2013.

Operating segments

The Group's operating segments are as follows:

a) The Group's operational segment comprises the property investment and property and project management segments.

(i) Property investments

Property investments segment includes net property income from existing shopping centres and completed developments, revaluation of existing centres and other operational expenses. A geographic analysis of net property investment income is also provided.

(ii) Property and project management

Property and project management segment includes external fee income from third parties, primarily property management and development fees, and associated business expenses.

b) Development

The Group has a global program to redevelop its shopping centres and to develop new shopping centres. The development segment includes revaluation of redevelopments and development projects, and associated development expenses. It also includes income and expenses on properties held for future redevelopment and inter-segmental transactions.

c) Corporate

The corporate business unit includes unallocated corporate entity expenses.

Transactions such as the change in fair value of financial instruments, impact of currency hedging, interest income, financing costs, taxation, gain/(loss) and financing costs in respect of capital transactions and the corporate business unit are not allocated to the above segments and are included in order to facilitate a reconciliation to the Group's net profit attributable to its members.

The Group's operating segments' income and expenses as well as the details of segment assets and liabilities have been prepared on a proportionate format. The proportionate format presents the net income from and net assets in equity accounted properties on a gross format whereby the underlying components of net income and net assets are disclosed separately as revenues and expenses, assets and liabilities.

The proportionate format is used by management in assessing and understanding the performance and results of operations of the Group as it allows management to observe and analyse revenue and expense results and trends on a portfolio-wide basis. Management considers that, given that the assets underlying both the consolidated and the equity accounted components of the statutory income statement are similar (that is, United States and United Kingdom shopping centres) most of the centres are under common management, and therefore the drivers of their results are similar, the proportionate format provides a more useful way to understand the performance of the portfolio as a whole than the statutory format. This is because the proportionate format aggregates both revenue and expense items across the whole portfolio, rather than netting the income and expense items for equity accounted shopping centres and only reflecting their performance as a single item of profit or loss, as the statutory format requires.

17_Segmental reporting (continued)

Operating segments (continued)

(i)_Income and expenses of WAT which is not representative of Westfield Corporation's operations

	Operational				
	Property investment	Property and project management	**Development**	**Corporate**	WAT **Total**
30 June 2014	$million	$million	$million	$million	$million
Revenue					
Property revenue	527.4	-	4.2	-	531.6
Property development and project management revenue	-	94.8	-	-	94.8
Property management income	-	27.1	-	-	27.1
	527.4	**121.9**	**4.2**	**-**	**653.5**
Expenses					
Property expenses, outgoings and other costs	(179.2)	-	(3.5)	-	(182.7)
Property development and project management costs	-	(79.6)	-	-	(79.6)
Property management costs	-	(17.0)	-	-	(17.0)
Overheads	(13.6)	-	(10.9)	(12.3)	(36.8)
	(192.8)	**(96.6)**	**(14.4)**	**(12.3)**	**(316.1)**
Segment result	**334.6**	**25.3**	**(10.2)**	**(12.3)**	**337.4**
Segment revaluations					
Revaluation of properties and development projects	27.6	-	-	-	27.6
Equity accounted-revaluation of properties and development projects	172.6	-	-	-	172.6
	200.2	**-**	**-**	**-**	**200.2**
Inter-segmental transactions					
Transfer of completed developments			233.1		233.1
Carrying value of developments transferred			(233.1)		(233.1)
	-	-	-	-	-
Currency gain/(loss)					(127.6)
Gain/(loss) in respect of capital transactions					
- asset dispositions					(8.3)
Interest income					3.8
Financing costs					(316.0)
Tax expense					(85.7)
Charges and credits in respect of the Restructure and Merger					(874.9)
Non controlling interests					55.2
Net profit attributable to members of the Group					**(815.9)**

(ii)_Assets and liabilities of Westfield Corporation

As at 30 June 2014					Westfield Corporation
Total segment assets	17,665.9	145.1	2,209.6	477.7	20,498.3
Total segment liabilities	1,188.5	3.5	20.7	11,382.3	12,595.0
Total segment net assets	16,477.4	141.6	2,188.9	(10,904.6)	7,903.3
Equity accounted associates included in - segment assets	8,898.5	-	435.2	-	9,333.7
Equity accounted associates included in - segment liabilities	168.0	-	-	1,820.7	1,988.7
Additions to segment non current assets during the period	652.8	-	233.5	-	886.3

17_Segmental reporting (continued)

Operating segments (continued)

(iii)_Geographic information - Total revenue

30 June 2014	United Kingdom [(1)] $million	United States $million	WAT Total $million
Property revenue - operating	-	527.4	527.4
Property revenue - development	-	4.2	4.2
Property development and project management revenue	-	94.8	94.8
Property management revenue	-	27.1	27.1
Total revenue	**-**	**653.5**	**653.5**

(iv)_Geographic information - Net property income

Shopping centre base rent and other property income	-	555.2	555.2
Amortisation of tenant allowances	-	(23.6)	(23.6)
Property revenue	-	531.6	531.6
Property expenses, outgoings and other costs	-	(182.7)	(182.7)
Net property income	**-**	**348.9**	**348.9**

(v)_Geographic information - Property investment assets and non current assets

As at 30 June 2014			Westfield Corporation
Property investment assets	**4,413.5**	**13,252.4**	**17,665.9**
Non current assets	4,399.2	13,053.2	17,452.4
Group non current assets			226.3
Total non current assets	**4,399.2**	**13,053.2**	**17,678.7**

[(1)] These financial statements presents the results of WAT for the half-year ended 30 June 2014 and excludes the results of the Parent Company and WFDT (representing principally the United Kingdom operations) prior to the date of the restructure of the Westfield Group and establishment of Westfield Corporation on 30 June 2014.

17_Segmental reporting (continued)

Operating segments (continued)

(vi)_Reconciliation of segmental results

The Group's operating segments' income and expenses as well as the details of segment assets and liabilities have been prepared on a proportionate format. The composition of the Group's consolidated and equity accounted details are provided below:

30 June 2014	Consolidated $million	Equity Accounted $million	WAT Total $million
Revenue			
Property revenue	262.3	269.3	531.6
Property development and project management revenue	94.8	-	94.8
Property management income	27.1	-	27.1
	384.2	**269.3**	**653.5**
Expenses			
Property expenses, outgoings and other costs	(102.5)	(80.2)	(182.7)
Property development and project management costs	(79.6)	-	(79.6)
Property management costs	(17.0)	-	(17.0)
Overheads	(36.8)	-	(36.8)
	(235.9)	**(80.2)**	**(316.1)**
Segment result	**148.3**	**189.1**	**337.4**
Segment revaluations			
Revaluation of properties and development projects	27.6	-	27.6
Equity accounted-revaluation of properties and development projects	-	172.6	172.6
	27.6	**172.6**	**200.2**
Currency gain/(loss)	(127.6)	-	(127.6)
Gain/(loss) in respect of capital transactions			
- asset dispositions	(8.3)	-	(8.3)
Interest income	3.8	-	3.8
Financing costs	(284.2)	(31.8)	(316.0)
Tax expense	(85.5)	(0.2)	(85.7)
Charges and credits in respect of the Restructure and Merger	(874.9)	-	(874.9)
Non controlling interests	83.1	(27.9)	55.2
Net profit attributable to members of the Group	**(1,117.7)**	**301.8**	**(815.9)**

As at 30 June 2014			Westfield Corporation
Cash	347.1	106.3	453.4
Shopping centre investments	7,773.0	8,726.5	16,499.5
Development projects and construction in progress	1,774.5	435.2	2,209.7
Inventories	136.8	-	136.8
Other assets	1,133.2	65.7	1,198.9
Total segment assets	**11,164.6**	**9,333.7**	**20,498.3**
Interest bearing liabilities	5,710.6	1,820.7	7,531.3
Other financial liabilities	208.2	-	208.2
Deferred tax liabilities	3,080.0	-	3,080.0
Other liabilities	1,607.5	168.0	1,775.5
Total segment liabilities	**10,606.3**	**1,988.7**	**12,595.0**
Total segment net assets	**558.3**	**7,345.0**	**7,903.3**

17_Segmental reporting (continued)

Operating segments (continued)

(i)_Income and expenses

	Operational				
	Property investment	Property and project management	**Development**	**Corporate**	WAT **Total**
30 June 2013	$million	$million	$million	$million	$million
Revenue					
Property revenue	569.1	-	6.3	-	575.4
Property development and project management revenue	-	40.6	-	-	40.6
Property management income	-	18.3	-	-	18.3
	569.1	**58.9**	**6.3**	**-**	**634.3**
Expenses					
Property expenses, outgoings and other costs	(184.9)	-	(3.2)	-	(188.1)
Property development and project management costs	-	(34.3)	-	-	(34.3)
Property management costs	-	(11.2)	-	-	(11.2)
Overheads	(12.9)	-	(9.6)	(16.4)	(38.9)
	(197.8)	**(45.5)**	**(12.8)**	**(16.4)**	**(272.5)**
Segment result	**371.3**	**13.4**	**(6.5)**	**(16.4)**	**361.8**
Segment revaluations					
Revaluation of properties and development projects	(113.0)	-	-	-	(113.0)
Equity accounted-revaluation of properties and development projects	45.0	-	-	-	45.0
	(68.0)	**-**	**-**	**-**	**(68.0)**
Inter-segmental transactions					
Transfer of completed developments			-		-
Carrying value of developments transferred			-		-
	-	-	-	-	-
Currency gain/(loss)					5.9
Gain/(loss) in respect of capital transactions					
- asset dispositions					(20.0)
- financing costs in respect of capital transactions					(51.3)
Interest income					31.5
Financing costs					(206.9)
Tax expense					(19.1)
Non controlling interests					(2.4)
Net profit attributable to members of the Group					**31.5**

(ii)_Assets and liabilities

As at 31 December 2013					WAT
Total segment assets	14,403.4	42.6	717.3	1,163.4	16,326.7
Total segment liabilities	708.1	-	23.5	13,093.1	13,824.7
Total segment net assets	13,695.3	42.6	693.8	(11,929.7)	2,502.0
Equity accounted associates included in - segment assets	7,119.6	-	422.0	-	7,541.6
Equity accounted associates included in - segment liabilities	109.5	-	-	1,394.0	1,503.5
Additions to segment non current assets during the period	17.2	-	238.2	-	255.4

17_Segmental reporting (continued)

Operating segments (continued)

(iii)_Geographic information - Total revenue

30 June 2013	United Kingdom [1] $million	United States $million	WAT Total $million
Property revenue - operating	-	569.1	569.1
Property revenue - development	-	6.3	6.3
Property development and project management revenue	-	40.6	40.6
Property management revenue	-	18.3	18.3
Total revenue	**-**	**634.3**	**634.3**

(iv)_Geographic information - Net property income

Shopping centre base rent and other property income	-	603.4	603.4
Amortisation of tenant allowances	-	(28.0)	(28.0)
Property revenue	-	575.4	575.4
Property expenses, outgoings and other costs	-	(188.1)	(188.1)
Net property income	**-**	**387.3**	**387.3**

(v)_Geographic information - Property investment assets and non current assets

As at 31 December 2013			WAT
Property investment assets	**-**	**14,403.4**	**14,403.4**
Non current assets	-	12,403.4	12,403.4
Group non current assets			257.5
Total non current assets	**-**	**12,403.4**	**12,660.9**

[1] These financial statements presents the results of WAT for the half-year ended 30 June 2014 and excludes the results of the Parent Company and WFDT (representing principally the United Kingdom operations) prior to the date of the restructure of the Westfield Group and establishment of Westfield Corporation on 30 June 2014.

17_Segmental reporting (continued)

Operating segments (continued)

(vi)_Reconciliation of segmental results

The Group's operating segments' income and expenses as well as the details of segment assets and liabilities have been prepared on a proportionate format. The composition of the Group's consolidated and equity accounted details are provided below:

	Consolidated	Equity Accounted	WAT Total
30 June 2013	$million	$million	$million
Revenue			
Property revenue	371.0	204.4	575.4
Property development and project management revenue	40.6	-	40.6
Property management income	18.3	-	18.3
	429.9	**204.4**	**634.3**
Expenses			
Property expenses, outgoings and other costs	(125.2)	(62.9)	(188.1)
Property development and project management costs	(34.3)	-	(34.3)
Property management costs	(11.2)	-	(11.2)
Overheads	(38.9)	-	(38.9)
	(209.6)	**(62.9)**	**(272.5)**
Segment result	**220.3**	**141.5**	**361.8**
Segment revaluations			
Revaluation of properties and development projects	(113.0)	-	(113.0)
Equity accounted-revaluation of properties and development	-	45.0	45.0
	(113.0)	**45.0**	**(68.0)**
Currency gain/(loss)	5.9	-	5.9
Gain/(loss) in respect of capital transactions			
- asset dispositions	(20.0)	-	(20.0)
- financing costs in respect of capital transactions	(51.3)	-	(51.3)
Interest income	31.5	-	31.5
Financing costs	(181.9)	(25.0)	(206.9)
Tax expense	(18.9)	(0.2)	(19.1)
Non controlling interests	11.2	(13.6)	(2.4)
Net profit attributable to members of the Group	**(116.2)**	**147.7**	**31.5**

As at 31 December 2013			WAT
Cash	839.6	66.8	906.4
Shopping centre investments	5,777.5	7,003.6	12,781.1
Development projects and construction in progress	295.3	422.0	717.3
Inventories	42.7	-	42.7
Other assets	1,830.0	49.2	1,879.2
Total segment assets	**8,785.1**	**7,541.6**	**16,326.7**
Interest bearing liabilities	6,927.2	1,394.0	8,321.2
Other financial liabilities	1,358.4	-	1,358.4
Deferred tax liabilities	3,087.2	-	3,087.2
Other liabilities	948.4	109.5	1,057.9
Total segment liabilities	**12,321.2**	**1,503.5**	**13,824.7**
Total segment net assets	**(3,536.1)**	**6,038.1**	**2,502.0**

	Westfield Corporation 30 Jun 14 Securities	WAT 31 Dec 13 Securities
18_Contributed Equity		
(a)_Number of securities on issue		
Balance at the beginning of the year	2,078,089,686	2,228,403,362
Buy-back and cancellation of securities	-	(150,313,676)
Balance at the end of the period for the Group	**2,078,089,686**	**2,078,089,686**

Stapled securities have the right to receive declared dividends from the Parent Company and distributions from WFDT and WAT and, in the event of winding up the Parent Company, WFDT and WAT, to participate in the proceeds from the sale of all surplus assets in proportion to the number of and amounts paid up on stapled securities held.

Holders of stapled securities can vote their shares and units in accordance with the Corporation Act, either in person or by proxy, at a meeting of either the Parent Company, WFDT and WAT (as the case may be).

	Westfield Corporation $million	WAT $million
(b)_Amount of contributed equity		
of the Parent Company	960.6	-
of WFDT and WAT	13,878.5	7,899.1
of the Group	**14,839.1**	**7,899.1**
Movement in contributed equity attributable to members of the Group		
Balance at the beginning of the year	7,899.1	8,220.6
Initial equity contributed for WCL pursuant to the establishment of Westfield Corporation	960.6	-
Initial equity contributed for WFDT pursuant to the establishment of Westfield Corporation	5,979.4	-
Buy-back and cancellation of securities	-	(321.3)
Cost associated with the buy-back of securities	-	(0.2)
Balance at the end of the period	**14,839.1**	**7,899.1**

	WAT 30 Jun 14 $million	WAT 30 Jun 13 $million
19_Dividends/Distributions		
(a)_Interim dividend/distributions accrued in respect of WAT for the six months to 30 June 2014		
WAT: 21.00 cents per unit [(i)]	436.4	-
	436.4	**-**

[(i)] The aggregate distributions in respect of WAT units for the period ending 30 June 2014 are expected to be 80 - 100% taxable.

Interim dividend/distributions are to be paid on 29 August 2014. The record date for the entitlement to these distributions was 7pm, 27 June 2014. No distribution reinvestment plan is operational for this distribution.

	WAT 30 Jun 14 $million	WAT 30 Jun 13 $million
(b)_Dividends/Distributions paid		
Dividend/distributions in respect of the six months to 31 December 2013		
WAT: 7.84 cents per unit, 27% tax deferred	162.9	-
Dividend/distributions in respect of the six months to 30 June 2013		
WAT: 21.50 cents per unit, 27% tax deferred	-	466.2
	162.9	**466.2**

	Westfield Corporation 30 Jun 14 $	WAT 31 Dec 13 $
20_Net tangible asset backing		
Net tangible asset backing per security	**3.80**	**1.09**

Net tangible asset backing per security is calculated by dividing total equity attributable to stapled security holders of the Group by the number of securities on issue. The number of securities used in the calculation of the consolidated net tangible asset backing is 2,078,089,686 (31 December 2013: 2,078,089,686).

	Westfield Corporation $million	WAT $million
21_Capital expenditure commitments		
The following are prepared on a proportionate format which includes both consolidated and equity accounted capital expenditure commitments.		
Estimated capital expenditure committed at balance date but not provided for in relation to development projects:		
Due within one year	360.0	1,203.7
Due between one and five years	725.6	444.0
	1,085.6	**1,647.7**
22_ Contingent liabilities		
The following are prepared on a proportionate format which includes both consolidated and equity accounted contingent liabilities.		
Performance guarantees	129.4	48.3
Guaranteed borrowings of associates of the Responsible Entity [i]	-	7,476.0
	129.4	**7,524.3**

[i] A member of Westfield Corporation has guaranteed the $1,391.8 million Property Linked Notes issued by Scentre Group. However, under the Implementation Deed in relation to the Restructure and Merger, Westfield Corporation has the benefit of an indemnity from Scentre Group in the event liability under the guarantee arises.

	Fair value		Carrying amount	
	Westfield Corporation 30 Jun 14 $million	WAT 31 Dec 13 $million	Westfield Corporation 30 Jun 14 $million	WAT 31 Dec 13 $million

23_Fair value of financial assets and liabilities

Set out below is a comparison by category of carrying amounts and fair values of all the Group's financial instruments.

	Fair value		Carrying amount	
	Westfield Corporation 30 Jun 14 $million	WAT 31 Dec 13 $million	Westfield Corporation 30 Jun 14 $million	WAT 31 Dec 13 $million
Consolidated assets				
Cash and cash equivalents	347.1	839.6	347.1	839.6
Trade debtors [(i)]	9.8	18.2	9.8	18.2
Receivables [(i)]	286.3	1,231.0	286.3	1,231.0
Other investments [(ii)]	274.0	113.8	274.0	113.8
Derivative assets [(ii)]	235.7	305.5	235.7	305.5
Consolidated liabilities				
Payables [(i)]	1,052.0	830.6	1,052.0	830.6
Interest bearing liabilities [(ii)]				
- Fixed rate debt	1,021.0	6,643.8	932.1	5,963.3
- Floating rate debt	4,778.5	963.9	4,778.5	963.9
Other financial liabilities [(ii)]	208.2	1,358.4	208.2	1,358.4
Derivative liabilities [(ii)]	25.1	46.3	25.1	46.3

[(i)] These financial assets and liabilities are not subject to interest rate risk and the fair value approximates carrying amount.
[(ii)] These financial assets and liabilities are subjected to interest rate and market risks, the basis of determining the fair value is set out in the fair value hierarchy below.

Determination of fair value

The Group uses the following hierarchy for determining and disclosing the fair value of a financial instrument. The valuation techniques comprise:

Level 1: the fair value is calculated using quoted (unadjusted) prices in active markets for identical assets or liabilities.
Level 2: the fair value is estimated using inputs other than quoted prices that are observable, either directly (as prices) or indirectly (derived from prices).
Level 3: the fair value is estimated using inputs that are not based on observable market data.

	Westfield Corporation 30 Jun 14 $million	Level 1 $million	Level 2 $million	Level 3 $million
Consolidated assets measured at fair value				
Other investments				
- Listed investments	**151.9**	151.9	-	-
- Unlisted investments	**122.1**	-	-	122.1
Derivative assets				
- Interest rate derivatives	**221.1**	-	221.1	-
- Currency derivatives	**14.6**	-	14.6	-
Consolidated liabilities measured at fair value				
Interest bearing liabilities				
- Fixed rate debt	**1,021.0**	-	1,021.0	-
- Floating rate debt	**4,778.5**	-	4,778.5	-
Other financial liabilities				
- Redeemable preference shares/units	**208.2**	-	-	208.2
Derivative liabilities				
- Currency derivatives	**1.7**	-	1.7	-
- Interest rate derivatives	**23.4**	-	23.4	-

During the financial period, there were no transfers between Level 1, Level 2 and Level 3 fair value measurements.

	WAT 31 Dec 13 $million	Level 1 $million	Level 2 $million	Level 3 $million
23_Fair value of financial assets and liabilities (continued)				
Consolidated assets measured at fair value				
Other investments				
- Listed investments	**-**	-	-	-
- Unlisted investments	**113.8**	-	-	113.8
Derivative assets				
- Interest rate derivatives	**283.1**	-	283.1	-
- Currency derivatives	**22.4**	-	22.4	-
- Equity share plan swaps	**-**	-	-	-
Consolidated liabilities measured at fair value				
Interest bearing liabilities				
- Fixed rate debt	**6,643.8**	-	6,643.8	-
- Floating rate debt	**963.9**	-	963.9	-
Other financial liabilities				
- Redeemable preference shares/units	**1,358.4**	-	969.3	389.1
Derivative liabilities				
- Currency derivatives	**-**	-	-	-
- Interest rate derivatives	**46.3**	-	46.3	-

During the year, there were no transfers between Level 1, Level 2 and Level 3 fair value measurements.

	Unlisted investments [i]	Redeemable preference shares/units [ii]	Unlisted investments [i]	Redeemable preference shares/units [ii]
	Westfield Corporation	Westfield Corporation	WAT	WAT
	30 Jun 14 $million	30 Jun 14 $million	31 Dec 13 $million	31 Dec 13 $million
Level 3 fair value movement				
Balance at the beginning of the year	113.8	389.1	448.5	314.9
Additions	16.9	-	63.5	-
Disposals	(4.3)	(155.1)	(439.0)	-
Net fair value gain/loss to income statement	-	(13.2)	-	41.8
Retranslation of foreign operations	(4.3)	(12.6)	40.8	32.4
Balance at the end of the year	**122.1**	**208.2**	**113.8**	**389.1**

[i] The fair value of the unlisted investments has been determined by reference to the fair value of the underlying investment properties which are valued by independent appraisers.

[ii] The fair value of the redeemable preference shares/units has generally been determined by applying the relevant earnings yield to the underlying net income of the relevant securities. At 30 June 2014, an increment of 1% to the earnings yield would result in an additional gain of $34.3 million (31 December 2013: $51.1 million) in the income statement. Similarly, a decrement of 1% to the yield would result in an additional loss of $50.5 million (31 December 2013: $71.9 million) in the income statement.

24_Equity accounted entities economic interest

			Economic interest	
		Balance	Westfield Corporation	WAT
Name of investments	Type of equity	date	30 Jun 14	31 Dec 13
United Kingdom investments [i]				
Croydon [ii]	Partnership interest	31 Dec	50.0%	-
Stratford City [ii]	Partnership interest	31 Dec	50.0%	-
United States investments [i]				
Annapolis	Partnership units	31 Dec	55.0%	55.0%
Brandon	Membership units	31 Dec	50.0%	50.0%
Broward	Membership units	31 Dec	50.0%	50.0%
Citrus Park	Membership units	31 Dec	50.0%	50.0%
Countryside	Membership units	31 Dec	50.0%	50.0%
Culver City	Partnership units	31 Dec	55.0%	55.0%
Fashion Square	Partnership units	31 Dec	50.0%	50.0%
Garden State Plaza	Partnership units	31 Dec	50.0%	50.0%
Horton Plaza	Partnership units	31 Dec	55.0%	55.0%
Mission Valley	Partnership units	31 Dec	41.7%	41.7%
Montgomery	Partnership units	31 Dec	50.0%	50.0%
North County	Partnership units	31 Dec	55.0%	55.0%
Oakridge	Partnership units	31 Dec	55.0%	55.0%
Plaza Bonita	Partnership units	31 Dec	55.0%	55.0%
San Francisco Emporium	Partnership units	31 Dec	50.0%	50.0%
Santa Anita	Partnership units	31 Dec	49.3%	49.3%
Sarasota	Membership units	31 Dec	50.0%	50.0%
Southcenter	Partnership units	31 Dec	55.0%	55.0%
Southgate	Membership units	31 Dec	50.0%	50.0%
Topanga	Partnership units	31 Dec	55.0%	55.0%
UTC	Partnership units	31 Dec	50.0%	50.0%
Valencia Town Center	Partnership units	31 Dec	50.0%	50.0%
Valley Fair	Partnership units	31 Dec	50.0%	50.0%

[i] All equity accounted property partnerships, trusts and companies operate solely as retail property investors.

[ii] These equity accounted investments have been included in the Group following the Restructure and Merger.

25_Business combinations

Acquisition of Westfield Group's UK assets and operations

As a result of the Restructure and Merger on 30 June 2014, the securities of WAT were stapled with the securities of the Parent Company and WFDT to form Westfield Corporation. Westfield Corporation was formed as a result of the Westfield Group restructure, and is an internally managed and vertically integrated international retail property group with an initial focus on the US, UK and Europe. As part of the Restructure and Merger, Westfield Group's international business was transferred to the Parent Company and WFDT.

The stapling transaction has been accounted for as a business combination by contract alone. WAT has been identified as the acquirer as WAT is the stapled entity whose relevant size is largest. No purchase consideration was transferred for the acquisition.

The fair value of the identifiable assets and liabilities of the Parent Company and WFDT as at 30 June 2014 were:

	Westfield Corporation $million
Assets	
Cash and cash equivalents	156.1
Trade receivables	1.8
Investment properties	2,765.8
Equity accounted investments	
- Cash and cash equivalents	37.0
- Investment properties	2,020.8
- Other assets	19.9
- Payables and other creditors	(59.1)
- Interest bearing liabilities	(499.3)
- Deferred tax liabilities	-
Derivative assets	5.6
Intercompany receivable	3,035.3
Other assets	1,627.3
	9,111.2
Liabilities	
Trade creditors	20.1
Payables and other creditors	446.7
Interest bearing liabilities	1,547.3
Other non current liabilities	111.6
	2,125.7
Total identifiable net assets at fair value	6,985.5
Equity attributable to members of Westfield Corporation analysed by amounts attributable to:	
- WCL members	1,006.1
- WFDT members (non controlling interest)	5,979.4
	6,985.5

The acquisition results in an increase to equity attributable to the security holders of Westfield Corporation equivalent to the fair value of net assets acquired. The equity attributable to WFDT is presented as non controlling interest of $5,979.4 million in the Westfield Corporation financial report.

The fair value of trade receivables acquired approximates the gross amount of trade receivables acquired.

Charges and credits in respect of the Restructure and Merger are detailed in Note 10.

25_Business combinations (continued)

As the business combination occurred on 30 June 2014, the half-year financial report includes the acquired assets and liabilities of the Parent Company and WFDT at acquisition date, but not their results for the half-year then ended. Had the acquisition occurred on 1 January 2014, the results of the Parent Company and WFDT, representing principally the UK operations, would have contributed the results as set out below:

	6 mths to 30 Jun 14 $million	6 mths to 30 Jun 13 $million
Property revenue	166.2	136.7
Property expenses, outgoings and other costs	(50.8)	(42.2)
Net property income	115.4	94.5
Net property development and project management income and net property management income	33.5	49.6
Revaluation	150.5	49.3
Current and deferred tax	69.2	(11.0)
Profit after tax [(i)]	462.1	4.1

[(i)] Financing costs and tax charges included above has been compiled from the financing costs and tax charges included in the legal entities that form the UK operations. As a result of the Restructure and Merger, these financing costs will not be indicative of the future financing costs.

26_Details of entities over which control has been gained or lost during the period

Name of the entity	Date of gain/loss of control	Interest (%) Westfield Corporation 30 Jun 14	Interest (%) WAT 31 Dec 13
ENTITIES INCORPORATED IN AUSTRALIA			
Consolidated Controlled Entities			
Westfield Corporation Limited	30 June 2014	100.0	-
WFD Trust	30 June 2014	100.0	-
Cavemont Pty Limited	30 June 2014	100.0	-
Descon Invest Pty Limited	30 June 2014	100.0	-
Fidele Pty Limited	30 June 2014	100.0	-
Nauthiz Pty Limited	30 June 2014	100.0	-
WCL Finance Pty Limited	30 June 2014	100.0	-
WCL Management Pty Limited	30 June 2014	100.0	-
Westfield American Investments Pty Limited	30 June 2014	100.0	-
Westfield America Management Limited	30 June 2014	100.0	-
Westfield Capital Corporation Finance Pty Limited	30 June 2014	100.0	-
Westfield Developments Pty Limited	30 June 2014	100.0	-
Westfield Investments Pty Limited	30 June 2014	100.0	-
Westfield Queensland Pty Limited	30 June 2014	100.0	-
Westfield R.S.C.F Management Pty Limited	30 June 2014	100.0	-
Westfield UK Investments Pty Limited	30 June 2014	100.0	-
Stratford City (No. 1) Trust	30 June 2014	100.0	-
Stratford City (No. 2) Trust	30 June 2014	100.0	-
Stratford City (No. 3) Trust	30 June 2014	100.0	-
Stratford City (No. 4) Trust	30 June 2014	100.0	-
MH (No. 1) Trust	30 June 2014	100.0	-
MH (No. 2) Trust	30 June 2014	100.0	-
White City Investments Trust	30 June 2014	100.0	-
WSCF Management Trust	30 June 2014	100.0	-
Fidele Trust	30 June 2014	100.0	-
New Bradford Trust	30 June 2014	100.0	-
ENTITIES INCORPORATED IN IRELAND			
Consolidated Controlled Entities			
Westfield Europe Finance PLC	30 June 2014	100.0	-
ENTITIES INCORPORATED IN UNITED KINGDOM			
Consolidated Controlled Entities			
Westfield Europe Limited (formerly Westfield Shoppingtowns Limited)	30 June 2014	100.0	-
Westfield UK & Europe Finance PLC	30 June 2014	100.0	-

	Westfield Corporation 30 Jun 14 $million
27_Net assets attributable to members of WCL	
Assets	
Cash and cash equivalents	22.5
Derivative assets	5.7
Investments in subsidiaries holding United States and United Kingdom shopping centre interests	1,907.7
Other assets	169.6
	2,105.5
Liabilities	
Amounts payable to WFD Trust	1,045.4
Payables and other creditors	4.7
Other non-current liabilities	49.3
	1,099.4
Net assets attributable to members of WCL	1,006.1

WESTFIELD CORPORATION
DIRECTORS' DECLARATION

The Directors of Westfield Corporation Limited (Company) declare that:

(a) in the Directors' opinion, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable; and

(b) in the Directors' opinion, the Financial Statements and Notes of the consolidated entity are in accordance with the *Corporations Act 2001,* including:

   (i) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001;* and

   (ii) giving a true and fair view of the financial position as at 30 June 2014 and the performance of the consolidated entity for the half-year ended on that date in accordance with section 305 of the Corporations Act 2001.

Made on 27 August 2014 in accordance with a resolution of the Board of Directors.

Frank Lowy AC
Chairman

Brian Schwartz AM
Director

EY
Building a better working world

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Independent auditor's report to the members of Westfield Corporation Limited

Report on the Half-Year Financial Report

We have reviewed the accompanying half-year financial report of Westfield Corporation Limited (the Company), which comprises the statement of financial position as at 30 June 2014, the income statement, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the half-year ended on that date, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration of the consolidated entity comprising the company and the entities it controlled at the half-year end or from time to time during the half-year.

Directors' Responsibility for the Half-Year Financial Report

The directors of the company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the Corporations Act 2001 and for such internal controls as the directors determine are necessary to enable the preparation of the half-year financial report that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 Review of a Financial Report Performed by the Independent Auditor of the Entity, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the financial report is not in accordance with the Corporations Act 2001 including: giving a true and fair view of the consolidated entity's financial position as at 30 June 2014 and its performance for the half-year ended on that date; and complying with Accounting Standard AASB 134 Interim Financial Reporting and the Corporations Regulations 2001. As the auditor of Westfield Corporation Limited and the entities it controlled during the half-year, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Independence

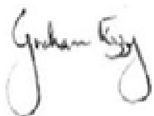
In conducting our review, we have complied with the independence requirements of the Corporations Act 2001. We have given to the directors of the company a written Auditor's Independence Declaration, a copy of which is included in the Directors' Report.

Conclusion

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of Westfield Corporation Limited is not in accordance with the Corporations Act 2001, including:

a) giving a true and fair view of the consolidated entity's financial position as at 30 June 2014 and of its performance for the half-year ended on that date; and

b) complying with Accounting Standard AASB 134 Interim Financial Reporting and the Corporations Regulations 2001.



Graham Ezzy
Partner
Sydney
27 August 2014

Ernst & Young

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The Directors of Westfield Corporation Limited (Company) submit the following report for the half-year ended 30 June 2014 (Financial Period).

Directors

The Directors of the Company as at the date of the report are set out below. Each director, other than Mr Steven Lowy, was appointed as a director on 8 April 2014. Mr Steven Lowy was appointed as director on 28 November 2013.

Frank Lowy AC	Chairman
Brian Schwartz AM	Deputy Chairman/Lead Independent Director
Peter Lowy	Co-Chief Executive Officer/Chief Financial Officer
Steven Lowy AM	Co-Chief Executive Officer
Ilana Atlas	Non-Executive Director
Roy Furman	Non-Executive Director
The Right Hon. Lord Peter Goldsmith QC PC	Non-Executive Director
Mark G Johnson	Non-Executive Director
Mark R Johnson AO	Non-Executive Director
John McFarlane	Non-Executive Director
Judith Sloan	Non-Executive Director

Mr Peter Allen and Mr Mark Bloom resigned as director of the Company on 8 April 2014.

Review and results of operations

The Westfield Corporation (Group) result for the six months ended 30 June 2014 and 30 June 2013 includes earnings from Westfield America Trust (WAT) but does not include any earnings from Westfield Corporation Limited (WCL) and WFD Trust (WFDT). As such, the result is not representative of Westfield Corporation's operations following the Restructure implemented on 30 June 2014. The result also includes charges in respect of the Restructure and Merger of the Westfield Group which was implemented on 30 June 2014.

The result contains the balance sheet of Westfield Corporation following the Restructure implemented on 30 June 2014 which is representative of Westfield Corporation's financial position.

In reviewing the results of the Group it is important to understand that the Restructure and Merger has a significant impact on the Group's results. As the Group was formed on 30 June 2014 no earnings from WCL and WFD are included in the income statement. Financing costs and tax expense reported in the Group is based on costs included in the legal entities as they existed prior to the Restructure. Accordingly, the reported expense is not the same as if the financing restructure occurred at the beginning of the reporting period, and it is not indicative of the future financing and tax costs of the restructured Group.

The Group's strategy is to continue the focus on creating and operating iconic assets in major markets that deliver great experiences for consumers and retailers. The Group aims to achieve this with an increased focus on digital technology and by bringing together the best of fashion, food, entertainment and leisure.

Revenue (including equity accounted revenue of $269.3 million (30 June 2013: $204.4 million)) was up 3.0% to $653.5 million. Results from operations (excluding Restructure costs) include a 7.6% decrease in property revenue (including equity accounted properties) from $575.4 million to $531.6 million and a 9.9% decrease in net property income to $348.9 million (including equity accounted properties). The change in property income is mainly impacted by the disposal of properties in the previous financial year partially offset by movements in foreign currency.

Profit after tax for the Group (excluding Restructure costs) decreased 88.8% from $33.9 million to $3.8 million mainly as a result of higher property revaluations of $268.2 million, offset by movements in net fair value on currency derivatives and other financial liabilities of $231.9 million and tax charges of $66.6 million.

Net Restructure costs charged to the income statement in the current year is $874.9 million. This comprises a refinancing charge of $842.1 million and transaction costs of $32.8 million.

The distribution for the period of 21.00 cents in respect of WAT is payable to those security holders who held Westfield Group securities on record date 27 June 2014. In addition to the WAT distribution, Scentre Group Trust 1 will also pay a distribution of 5.25 cents bringing the total distributions for the Westfield Group for the period ending 30 June 2014 to 26.25 cents per Westfield Group stapled security. The interim distribution will be paid on 29 August 2014. Westfield Corporation Limited and WFD Trust will not be paying an interim dividend.

As at 30 June 2014, the Group has total assets of $20.5 billion and property investments of $18.7 billion. Occupancy rates for those properties is 94.4% leased, up slightly from June last year with the Flagship portfolio at 95.9% leased and the regional portfolio at 93.1% leased. The Group's interests in 40 shopping centres comprises approximately 7,488 retail outlets and 50.2 million square feet of retail space.

The operating performance of the Group's pre-eminent portfolio of 40 shopping centres in the United States and United Kingdom remains strong and in line with expectations, with significant progress being made on the US$11.6 billion pipeline of current and future developments.

The Group's portfolio achieved comparable net operating income growth of 5.3% for the six months ending 30 June 2014. The Group's Flagship portfolio of 11 centres representing 66% of the total portfolio (by value), achieved comparable net operating income growth of 5.5% for the six month period. The Group's Regional portfolio of 23 centres representing 30% of the total portfolio (by value), achieved comparable net operating income growth of 5.0%.

Review and results of operations (continued)

Portfolio specialty sales productivity was US$681 per square foot (psf) with comparable specialty retail sales up 4.2% for the year ending 30 June 2014. The Flagship portfolio achieved specialty retail sales of US$954 psf, up 5.8% with the Regional portfolio achieving specialty retail sales of US$467 psf, up 2.1%.

Good progress was made on the US$2.6 billion (Group's share US$1.9 billion) of projects currently under construction, with works commencing on the £260 million project at Bradford (UK), on behalf of Meyer Bergman, and the US$250 million development of The Village at Topanga in Los Angeles.

The US$160 million project at Garden State Plaza in New Jersey successfully opened in March 2014 and the US$90 million project at Montgomery in Maryland remains on schedule to complete later this year.

The US$1.4 billion Westfield World Trade Center in New York continues to make good progress being now over 70% leased. This landmark project is expected to open in late 2015.

Significant progress is being made on the Group’s US$9 billion future development pipeline (Group's share US$4.5 billion), with Galeries Lafayette agreeing to anchor Westfield Milan (Euro 1.4 billion) with a new Flagship department store, their first in Italy. The Group has recently agreed to increase its ownership interest in the Milan development from 50% to 75%.

The development activity is expected to create significant long term value, with estimated development yields in the range of 7%-8%. The Group's $9 billion future pipeline is almost entirely weighted towards its Flagship assets. Upon completion of these projects, the Group's expected Flagship assets will represent approximately 80% of the total portfolio and the business will be more evenly weighted between the US and UK/Europe.

Rounding

The Company is of a kind referred to in the Australian Securities and Investments Commission Class Order 98/0100 dated 10 July 1998. Accordingly, amounts in the Directors’ Report, the Financial Statements and the Notes thereto have been rounded to the nearest tenth of a million dollars. Amounts shown as 0.0 represent amounts less than $50,000 that have been rounded down.

ASIC relief from section 323D(5) of the Corporations Act

Each of WCL and WAML (as RE of WFDT) has obtained ASIC relief from section 323D(5) of the Corporations Act. The effect of the relief is that the first half-year for WCL is deemed to be the period from its incorporation on 28 November 2013 until 30 June 2014 and that the first half-year for WFDT is deemed to be the period from its registration on 9 April 2014 until 30 June 2014.

ASX listing rule

ASX reserves the right (but without limiting its absolute discretion) to remove WCL, WFDT and WAT from the official list of ASX if any of the shares or units comprising those stapled securities cease to be stapled together, or any equity securities are issued by a Westfield Corporation entity which are not stapled to the equivalent securities in the other entities.

Auditor's independence declaration

The Directors have obtained the following independence declaration from the auditors, Ernst & Young.

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Auditor's Independence Declaration to the Directors of Westfield Corporation Limited

In relation to our review of the financial report of Westfield Corporation Limited for the half-year ended 30 June 2014, to the best of my knowledge and belief, there have been no contraventions of the auditor independence requirements of the Corporations Act 2001 or any applicable code of professional conduct.

Graham Ezzy
Partner
27 August 2014

Ernst & Young

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This Report is made on 27 August 2014 in accordance with a resolution of the Board of Directors and is signed for and on behalf of the Directors.

Frank Lowy AC
Chairman

Brian Schwartz AM
Director

Australian Capital Gains Tax Considerations

A Westfield Corporation stapled security comprises three separate assets for capital gains tax purposes. For capital gains tax purposes securityholders need to apportion the cost of each stapled security and the proceeds on sale of each stapled security over the separate assets that make up the stapled security. This apportionment should be done on a reasonable basis. One possible method of apportionment is on the basis of the relative Net Tangible Assets (NTAs) of the individual entities.

These are set out by entity in the table below.

	Westfield Corporation	WAT
Relative Net Tangible Assets (NTA) of entities in Westfield Corporation	30 Jun 14	31 Dec 13
Westfield Corporation Limited	12.63%	0.0%
WFD Trust	75.79%	0.0%
Westfield America Trust	11.58%	100.0%

PROPERTY PORTFOLIO

for the half-years ended 30 June 2014 and 30 June 2013

	Appendix	Westfield Corporation 30 Jun 14 $million	WAT 31 Dec 13 $million
DETAILS OF PROPERTY PORTFOLIO			
United Kingdom shopping centres	1A	4,049.1	-
United States shopping centres	1B	12,450.4	12,781.1
Total consolidated and equity accounted shopping centres		**16,499.5**	**12,781.1**

PROPERTY PORTFOLIO - UNITED KINGDOM

for the half-years ended 30 June 2014 and 30 June 2013

United Kingdom shopping centres	**Ownership Interest** Westfield Corporation **30 Jun 14** **%**		Ownership Interest WAT 31 Dec 13 %		**Carrying Amount** Westfield Corporation **30 Jun 14** **£million**	**Equivalent Yield** Westfield Corporation **30 Jun 14** **%**	Carrying Amount WAT 31 Dec 13 £million	Equivalent Yield WAT 31 Dec 13 %
Stratford City	**50.0**	**E**	**-**	**-**		**4.68%**	-	**-**
Westfield London	**50.0**	**C**	**-**	**-**		**5.53%**	-	**-**
Total United Kingdom portfolio [(i)]					**2,230.3**	**5.15%**	**-**	**-**
Exchange rate					**0.5508**		-	
Total United Kingdom portfolio in A$					**4,049.1**		**-**	
Consolidated					**2,235.4**		**-**	
Equity accounted					**1,813.7**		**-**	
Total United Kingdom portfolio [(i)]					**4,049.1**	**5.15%**	**-**	**-**

[(i)] Total portfolio equivalent yield is calculated on a weighted average basis.

C Consolidated

E Equity accounted

PROPERTY PORTFOLIO - UNITED STATES

for the half-years ended 30 June 2014 and 30 June 2013

United States shopping centres	**Ownership Interest** Westfield Corporation **30 Jun 14** %		Ownership Interest WAT 31 Dec 13 %		**Carrying Amount** Westfield Corporation **30 Jun 14** **US$million**	**Estimated Yield** Westfield Corporation **30 Jun 14** %	Carrying Amount WAT 31 Dec 13 US$million	Estimated Yield WAT 31 Dec 13 %
EAST COAST (i)					**3,712.0**	**5.77%**	3,493.1	6.06%
Annapolis	**55.0**	**E**	55.0	E		**5.57%**		5.57%
Brandon	**50.0**	**E**	50.0	E		**6.22%**		6.22%
Broward	**50.0**	**E**	50.0	E		**6.40%**		6.40%
Citrus Park	**50.0**	**E**	50.0	E		**6.54%**		6.54%
Connecticut Post	**100.0**	**C**	100.0	C		**6.81%**		6.81%
Countryside	**50.0**	**E**	50.0	E		**6.40%**		6.40%
Garden State Plaza	**50.0**	**E**	50.0	E		**4.60%**		5.50%
Meriden	**100.0**	**C**	100.0	C		**7.01%**		7.01%
Montgomery	**50.0**	**E**	50.0	E		**5.56%**		5.56%
Sarasota	**50.0**	**E**	50.0	E		**6.38%**		6.38%
South Shore	**100.0**	**C**	100.0	C		**7.66%**		7.66%
Southgate	**50.0**	**E**	50.0	E		**7.02%**		7.02%
Sunrise	**100.0**	**C**	100.0	C		**6.60%**		6.60%
Trumbull	**100.0**	**C**	100.0	C		**6.00%**		6.00%
Wheaton	**100.0**	**C**	100.0	C		**5.94%**		5.94%
MID WEST (i)					**1,077.4**	**5.83%**	1,075.8	5.83%
Fox Valley	**100.0**	**C**	100.0	C		**6.73%**		6.73%
Hawthorn	**100.0**	**C**	100.0	C		**7.00%**		7.00%
Old Orchard	**100.0**	**C**	100.0	C		**5.15%**		5.15%
WEST COAST (i)					**6,898.9**	**5.52%**	6,847.2	5.55%
Century City	**100.0**	**C**	100.0	C		**4.98%**		4.98%
Culver City	**55.0**	**E**	55.0	E		**5.42%**		5.42%
Fashion Square	**50.0**	**E**	50.0	E		**5.45%**		5.45%
Galleria at Roseville	**100.0**	**C**	100.0	C		**5.40%**		5.61%
Horton Plaza	**55.0**	**E**	55.0	E		**6.26%**		6.26%
Mainplace	**100.0**	**C**	100.0	C		**7.25%**		7.25%
Mission Valley	**41.7**	**E**	41.7	E		**6.16%**		6.16%
North County	**55.0**	**E**	55.0	E		**6.10%**		6.51%
Oakridge	**55.0**	**E**	55.0	E		**5.35%**		5.35%
Palm Desert	**100.0**	**C**	100.0	C		**7.74%**		7.74%
Plaza Bonita	**55.0**	**E**	55.0	E		**6.14%**		6.14%
Carlsbad	**100.0**	**C**	100.0	C		**7.00%**		7.00%
San Francisco Centre	**100.0**	**C**	100.0	C		**5.01%**		5.01%
San Francisco Emporium	**50.0**	**E**	50.0	E		**5.01%**		5.01%
Santa Anita	**49.3**	**E**	49.3	E		**5.66%**		5.66%
Southcenter	**55.0**	**E**	55.0	E		**5.49%**		5.49%
Topanga	**55.0**	**E**	55.0	E		**5.44%**		5.44%
UTC	**50.0**	**E**	50.0	E		**5.37%**		5.37%
Valencia Town Center	**50.0**	**E**	50.0	E		**6.00%**		6.00%
Valley Fair	**50.0**	**E**	50.0	E		**4.60%**		4.60%
Vancouver	**100.0**	**C**	100.0	C		**6.05%**		6.05%
Total United States portfolio (i)					**11,688.3**	**5.63%**	11,416.1	5.74%
Exchange rate					**0.9388**		0.8932	
Total United States portfolio in A$					**12,450.4**		12,781.1	
Consolidated					**5,537.6**		5,777.5	
Equity accounted					**6,912.8**		7,003.6	
Total United States portfolio (i)					**12,450.4**	**5.63%**	12,781.1	5.74%

(i) Regional and total portfolio estimated yield is calculated on a weighted average basis.

C Consolidated

E Equity accounted

Westfield Corporation

Income Statement

for the years ended 31 December 2013, 2012 and 2011

	Note	31 Dec 13 $million	31 Dec 12 $million	31 Dec 11 $million
Revenue				
Property revenue		858.1	1,045.8	1,365.8
Property development and project management revenue		182.1	105.0	1,427.6
Property management income		63.9	54.7	41.2
		1,104.1	**1,205.5**	**2,834.6**
Share of after tax profit of equity accounted entities				
Property revenue		655.5	543.6	304.9
Property revaluations		442.8	296.7	140.0
Property expenses, outgoings and other costs		(200.5)	(162.7)	(98.3)
Gain/(loss) in respect of asset dispositions		-	-	-
Net interest expense		(62.9)	(75.7)	(54.4)
Tax expense		(1.5)	15.8	(1.6)
	4	**833.4**	**617.7**	**290.6**
Expenses				
Property expenses, outgoings and other costs		(284.8)	(357.6)	(462.3)
Property development and project management costs		(103.9)	(28.9)	(1,358.6)
Property management costs		(30.2)	(27.8)	(22.8)
Overheads		(148.6)	(165.2)	(172.4)
		(567.5)	**(579.5)**	**(2,016.1)**
Interest income		15.6	11.0	1.3
Currency gain/(loss)		(223.0)	21.5	29.9
Financing costs		(446.2)	(414.5)	(269.5)
Gain/(loss) in respect of capital transactions				
- asset dispositions		(3.0)	2.5	(6.8)
- financing costs in respect of capital transactions		(76.7)	(8.9)	-
Property revaluations		239.8	1.8	(48.4)
Profit before tax for the period		**876.5**	**857.1**	**815.6**
Tax expense		(194.0)	(165.4)	(119.7)
Profit after tax for the period		**682.5**	**691.7**	**695.9**

Westfield Corporation
Statement of Net Assets
as at 31 December 2013 and 31 December 2012

	Note	31 Dec 13 $million	31 Dec 12 $million
Current assets			
Cash and cash equivalents		963.0	249.7
Trade debtors		19.7	22.2
Other investments		-	-
Derivative assets		121.0	146.9
Receivables		436.9	199.7
Inventories		78.1	80.2
Tax receivable		-	11.5
Prepayments and deferred costs		36.6	53.5
Total current assets		**1,655.3**	**763.7**
Non current assets			
Investment properties	3	9,051.1	10,123.6
Equity accounted investments	4	8,413.5	6,479.9
Other investments		241.6	550.5
Derivative assets		264.0	932.2
Receivables		85.7	18.4
Plant and equipment		109.6	111.9
Deferred tax assets		1.1	1.5
Prepayments and deferred costs		88.0	63.4
Total non current assets		**18,254.6**	**18,281.4**
Total assets		**19,909.9**	**19,045.1**
Current liabilities			
Trade creditors		54.2	80.0
Payables and other creditors		1,126.8	1,115.4
Loan payable to related entities [(i)]		1,233.5	2,020.6
Interest bearing liabilities	5	3.5	368.5
Other financial liabilities	6	155.5	102.4
Tax payable		103.3	108.6
Derivative liabilities		16.1	60.3
Total current liabilities		**2,692.9**	**3,855.8**
Non current liabilities			
Payables and other creditors		77.0	71.4
Interest bearing liabilities	5	8,332.8	7,533.6
Other financial liabilities	6	233.6	212.5
Deferred tax liabilities		3,314.6	2,781.6
Derivative liabilities		167.3	785.6
Total non current liabilities		**12,125.3**	**11,384.7**
Total liabilities		**14,818.2**	**15,240.5**
Net assets		**5,091.7**	**3,804.6**
Invested capital	7	**5,091.7**	**3,804.6**

[(i)] This represent loans payable to Westfield Australia.

Westfield Corporation

Cash Flow Statement

for the years ended 31 December 2013, 2012 and 2011

	31 Dec 13 $million	31 Dec 12 $million	31 Dec 11 $million
Cash flows from operating activities			
Receipts in the course of operations (including sales tax)	1,124.9	1,223.9	2,504.5
Payments in the course of operations (including sales tax)	(588.3)	(597.9)	(984.0)
Settlement of income hedging currency derivatives	29.5	15.9	7.9
Dividends/distributions received from equity accounted associates	275.7	277.2	101.3
Income and withholding taxes paid	(34.5)	(2.6)	(21.0)
Sales tax paid	(20.8)	(18.4)	(3.9)
Net cash flows from operating activities	786.5	898.1	1,604.8
Cash flows from investing activities			
Capital expenditure on property investments - consolidated	(419.2)	(273.3)	(485.2)
Capital expenditure on property investments - equity accounted	(217.8)	(346.7)	(452.5)
Proceeds from the disposition of property investments - consolidated	2,353.4	2,826.7	115.1
Tax paid on disposition of property investments	(45.8)	-	-
Capital distribution from equity accounted associates	196.3	-	-
Capital contribution to fund repayment of loan by equity accounted investments	(5.9)	(168.8)	17.3
Purchase of plant & equipment	(26.3)	(9.1)	(12.1)
Financing costs capitalised to qualifying development projects and construction in progress	(40.6)	(47.1)	(92.1)
Settlement of asset hedging currency derivatives	244.2	(36.6)	3.9
Net cash flows from investing activities	2,038.3	1,945.1	(905.6)
Cash flows used in financing activities			
Buy-back of securities	(321.5)	(188.9)	-
Redemption of other financial liabilities	-	(156.7)	-
Net proceeds/(repayment) from interest bearing liabilities and loans from related entities	(947.7)	(1,654.5)	328.3
Financing costs excluding interest capitalised	(307.3)	(274.1)	(287.0)
Financing costs capitalised to qualifying inventories	-	-	(48.9)
Interest received	15.6	11.0	1.3
Dividends/distributions paid	(538.2)	(434.6)	(404.4)
Termination costs in relation to the repayment of surplus fixed rate borrowings with the proceeds from the disposition of property investments	(52.9)	(8.9)	-
Termination of surplus interest rate swaps upon the restructure of Westfield Group's interest rate hedge portfolio (2011 - primarily in relation to the joint venturing of Stratford City)	-	-	(279.4)
Net cash flows used in financing activities	(2,152.0)	(2,706.7)	(690.1)
Net increase in cash and cash equivalents held	672.8	136.5	9.1
Add opening cash and cash equivalents brought forward	249.0	111.4	105.5
Effects of exchange rate changes on opening cash and cash equivalents brought forward	41.2	1.1	(3.2)
Cash and cash equivalents at the end of the period [(i)]	963.0	249.0	111.4

[(i)] Cash and cash equivalents comprise cash $963 million (31 December 2012: $249.7 million. 31 December 2011: $111.4 million) net of bank overdraft of nil (31 December 2012: $0.7 million, 31 December 2011: nil).

1. Basis of preparation

Westfield Group has demerged its international operations into a separately listed retail property group, Westfield Corporation. The international operations of Westfield Group comprise Westfield America Trust (**WAT**), the US operations and UK operations currently held by Westfield Holdings Limited (**WHL**) and the UK operations currently held by Westfield Trust (**WT**), and are collectively referred to as 'Westfield Corporation' in these carve out financial statements.

The carve out financial statements for Westfield Corporation comprises:
- Carve out historical income statements for the years ended 31 December 2011, 2012 and 2013;
- Carve out historical statements of net assets as at 31 December 2012 and 2013; and
- Carve out historical statements of cash flow for the years ended 31 December 2011, 2012 and 2013.

Westfield Corporation has not in the past constituted a separate legal group. The carve out financial statements, which have been prepared for the purpose of the refinancing requirements of Westfield Corporation as a result of the demerger, are therefore prepared on a basis that combines the results and assets and liabilities of Westfield America Trust, the UK and US operations currently held by Westfield Holdings Limited and the UK operations currently held by Westfield Trust, by applying the principles underlying the consolidation procedures of IFRS 101 Consolidated and Separate Financial Statements for each of the three years to 31 December 2011, 2012 and 2013 and as at 31 December 2012 and 31 December 2013.

The financial statements have been prepared in accordance with the recognition and measurement principles, but not all the disclosure requirements, of the Australian Accounting Standards including the Australian Accounting Interpretations (which are consistent with International Financial Reporting Standards (IFRS) and interpretations issued by the International Accounting Standards Board (IASB)) relevant for income statements, statements of net assets and statements of cash flows.

The carve out financial statements have been prepared on a historical cost basis, except for investment properties, investment properties within equity accounted investments, financial assets at fair value through profit and loss, and other financial liabilities.

The net assets of Westfield Corporation are represented by the Westfield Group's cumulative investment in Westfield Corporation, and are presented as 'Invested Capital' in the Statements of Net Assets. Westfield Corporation has not in the past constituted a separate legal group and therefore the 'Invested Capital' has not been presented as security holder equity, retained earnings and reserves of Westfield Corporation.

The results, assets and liabilities of Westfield Corporation comprising the carve out financial statements have been derived from the audited accounting records of Westfield Group. The following conventions have been used in preparing the carve out financial statements:

- Transactions and balances between entities included within Westfield Corporation have been eliminated.

- Westfield Group has not historically recharged all corporate office costs comprising director costs, taxation, treasury, accounting, investor relations, public relations, legal and company secretarial costs to its underlying US and UK operations. However, for the purposes of the carve out financial statements, an approximation of the amounts of corporate head office costs attributable to Westfield Corporation has been made based on the expected split of corporate office costs on demerger.

- Financing costs included in the carve out financial statements has been compiled from the financing costs included in the legal entities that form the Westfield Group's US and UK operations, and may not be representative of the financing costs incurred by the US and UK economic entities. Further debt restructuring including the refinancing of existing debt facilities is expected as a result of the demerger and Westfield Corporation will have a significantly different debt structure from the Westfield Group to reflect the revised gearing ratios and credit ratings for the new group. Therefore the historical financing costs included in the carve out accounts is not meaningful in assessing the historic performance of Westfield Corporation as the debt structure in place over the historic years is significantly different to the intended debt structure once the demerger is complete.

- Tax charges including deferred tax in the carve out financial statements has been compiled from the tax expense included in the legal entities that form the Westfield Group's US and UK operations, and may not be representative of the tax expenses incurred by the US and UK economic entities. As a result of the demerger the new corporate structure for Westfield Corporation will be different to the current structure of the US and UK operations for the Westfield Group. As a result, the historical tax expense is not meaningful in assessing the historical performance of Westfield Corporation.

The carve out financial statements have been prepared on a carve out basis and the results do not necessarily reflect what the results of operations and financial position would have been had the new structure existed nor do they necessarily reflect the future results of Westfield Corporation.

The carve out financial statements have been approved on 26 August 2014.

2. Summary of significant accounting policies

(a) Consolidation and classification

i) Joint Ventures

Joint venture operations

The Group has significant co-ownership interests in a number of properties through unincorporated joint ventures. These interests are held directly and jointly as tenants in common. The Group has the rights to the individual assets and obligations arising from these interests and recognises their share of the net assets, liabilities, revenues and expenses of the operation.

Joint venture entities

The Group has significant co-ownership interests in a number of properties through property partnerships or trusts. These joint venture entities are accounted for using the equity method of accounting.

The Group and its joint venture entities use consistent accounting policies. Investments in joint venture entities are carried in the consolidated balance sheet at cost plus post-acquisition changes in the Group's share of net assets of the joint venture entities. The consolidated income statement reflects the Group's share of the results of operations of the joint venture entity.

ii) Associates

Where the Group exerts significant influence but not control, equity accounting is applied. The Group and its associates use consistent accounting policies. Investments in associates are carried in the consolidated balance sheet at cost plus post-acquisition changes in the Group's share of net assets of the associates. The consolidated income statement reflects the Group's share of the results of operations of the associate. Where there has been a change recognised directly in the associate's equity, the Group recognises its share of any changes and discloses this, when applicable in the consolidated financial statements.

iii) Controlled entities

Where an entity either began or ceased to be a controlled entity during the reporting period, the results are included only from the date control commenced or up to the date control ceased.

Properties where the Group has 100% economic ownership have been consolidated. Other retail and property investments and property where the Group has significant influence have been equity accounted.

(b) Investment properties

The Group's investment properties include shopping centre investments, development projects and construction in progress.

i) Shopping centre investments

The Group's shopping centre investment properties represent completed centres comprising freehold and leasehold land, buildings and leasehold improvements.

Land and buildings are considered as having the function of an investment and therefore are regarded as a composite asset, the overall value of which is influenced by many factors, the most prominent being income yield, rather than by the diminution in value of the building content due to effluxion of time. Accordingly, the buildings and all components thereof, including integral plant and equipment, are not depreciated.

Initially, shopping centre investment properties are measured at cost including transaction costs. Subsequent to initial recognition, the Group's portfolio of shopping centre investment properties are stated at fair value. Gains and losses arising from changes in the fair values of shopping centre investment properties are included in the income statement in the year in which they arise. Any gains or losses on the sale of an investment property are recognised in the income statement in the year of sale. The carrying amount of investment properties includes components relating to lease incentives, leasing costs and receivables on rental income that have been recorded on a straight line basis.

At each reporting date, the carrying value of the portfolio of shopping centre investment properties are assessed by the Directors and where the carrying value differs materially from the Directors' assessment of fair value, an adjustment to the carrying value is recorded as appropriate.

The Directors' assessment of fair value of each shopping centre investment property takes into account latest independent valuations, generally prepared annually, with updates taking into account any changes in estimated yield, underlying income and valuations of comparable centres. In determining the fair value, the capitalisation of net income method and the discounting of future cash flows to their present value have been used which are based upon assumptions and judgement in relation to future rental income, property capitalisation rate or estimated yield and make reference to market evidence of transaction prices for similar properties. It is the Group's policy to appoint a number of qualified independent valuers and that no individual valuer is appointed to appraise any individual property for greater than three consecutive years.

ii) Development projects and construction in progress

The Group's development projects and construction in progress include costs incurred for the current and future redevelopment and expansion of new and existing shopping centre investments, and are classified as inventories when intended for sale to third parties (refer 2(j) below). Development projects and construction in progress include capitalised construction and development costs, payments and advances to contractors and where applicable, borrowing costs incurred on qualifying developments.

Development projects and construction in progress (not intended for sale to third parties) are carried at fair value based on Directors' assessment of fair value at each reporting date taking into account the expected cost to complete, the stage of completion, expected underlying income and yield of the developments. Any increment or decrement in the fair value of development projects and construction in progress resulting from Directors' assessment of fair value is included in the income statement in the year in which it arises. From time to time during a development, Directors may commission an independent valuation of the development project and construction in progress. On completion, development projects and construction in progress are reclassified to shopping centre investments and an independent valuation is obtained.

The assessment of fair value and possible impairment in the fair value of shopping centre investment, development projects and construction in progress are significant estimates that can change based on the Group's continuous process of assessing the factors affecting each property.

2. Summary of significant accounting policies (continued)

(c) Other investments

Listed and unlisted investments

Listed and unlisted investments are designated as assets held at fair value through the income statement. Listed investments in entities are stated at fair value based on their market values. Unlisted investments are stated at fair value of the Group's interest in the underlying assets which approximate fair value. Movements in fair value subsequent to initial recognition are reported as revaluation gains or losses in the income statement.

The fair values of investments that are actively traded in organised financial markets are determined by reference to quoted market prices. For investments with no active market, fair values are determined using valuation techniques which keep judgemental inputs to a minimum, including the fair value of underlying properties, recent arm's length transactions and reference to market value of similar investments.

(d) Foreign currencies

i) Translation of foreign currency transactions

The functional and presentation currencies of the Parent Company and its Australian subsidiaries is Australian dollars. The functional currency of the United States entities is United States dollars, of United Kingdom entities is British pounds, and of Brazilian entities in Brazilian Reais. The presentation currency of the overseas entities is Australian dollars to enable the consolidated financial statements of the Group to be reported in a common currency.

Foreign currency transactions are converted to Australian dollars at exchange rates ruling at the date of those transactions. Amounts payable and receivable in foreign currency at balance date are translated to Australian dollars at exchange rates ruling at that date. Exchange differences arising from amounts payable and receivable are treated as operating revenue or expense in the period in which they arise, except as noted below.

ii) Translation of accounts of foreign operations

The balance sheets of foreign subsidiaries and equity accounted associates are translated at exchange rates ruling at balance date and the income statement of foreign subsidiaries and equity accounted associates are translated at average exchange rates for the period. Exchange differences arising on translation of the interests in foreign operations and equity accounted associates are taken directly to the foreign currency translation reserve. On consolidation, exchange differences and the related tax effect on foreign currency loans and cross currency swaps denominated in foreign currencies, which hedge net investments in foreign operations and equity accounted associates are taken directly to the foreign currency translation reserve.

(e) Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and can be reliably measured. Rental income from investment properties is accounted for on a straight line basis over the lease term. Contingent rental income is recognised as income in the period in which it is earned. If not received at balance date, revenue is reflected in the balance sheet as a receivable and carried at its recoverable amount. Recoveries from tenants are recognised as income in the year the applicable costs are accrued.

Revenue from property management is recognised on an accruals basis, in accordance with the terms of the relevant management contracts.

Certain tenant allowances that are classified as lease incentives are recorded as part of investment properties and amortised over the term of the lease. The amortisation is recorded against property income.

Revenue is recognised from the sale of properties, when the significant risks and rewards have transferred to the buyer. This will normally take place on unconditional exchange of contracts except where payment or completion is expected to occur significantly after exchange. For conditional exchanges, sales are recognised when these conditions are satisfied.

Revenue for development and construction projects carried out for third parties is recognised on a percentage completion basis as construction progresses. The percentage of completion is assessed by reference to the stage of completion of the project based on the proportion of contract costs incurred to date and the estimated costs to complete. Where a property is under development and agreement has been reached to sell the property when construction is complete, consideration is given as to whether the contract comprises a development and construction project or a contract for the sale of a completed property. Where the contract is judged to be for the sale of a completed property, revenue is recognised when the significant risks and rewards of ownership have been transferred to the buyer. Where the legal terms of the contract are such that the construction represents the continuous transfer of work in progress to the purchaser, revenue is recognised on a percentage of completion basis as construction progresses.

All other revenues are recognised on an accruals basis.

(f) Expenses

Expenses are brought to account on an accruals basis.

(g) Taxation

The Group comprises taxable and non taxable entities. A liability for current and deferred taxation and tax expense is only recognised in respect of taxable entities that are subject to income and potential capital gains tax as detailed below:

i) WAT

Under current Australian income tax legislation, WAT is not liable to Australian income tax, including capital gains tax, provided that members are presently entitled to the income of the Trust as determined in accordance with WAT's constitution.

Westfield America, Inc. (WEA), is a Real Estate Investment Trust (REIT) for United States income tax purposes. To maintain its REIT status, WEA is required to distribute at least 90% of its taxable income to shareholders and meet certain asset and income tests as well as certain other requirements. As a REIT, WEA will generally not be liable for federal and state income taxes in the United States, provided it satisfies the necessary requirements and distributes 100% of its taxable income to its shareholders. Dividends paid by WEA to WAT are subject to United States dividend withholding tax.

Under current Australian income tax legislation, holders of the stapled securities of the Group may be entitled to receive a foreign income tax offset for United States withholding tax deducted from dividends paid to WAT by WEA.

2. Summary of significant accounting policies (continued)

(g) Taxation (continued)

ii) Deferred tax

Deferred tax is provided on all temporary differences at the balance sheet date on the differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply when the asset is disposed of at book value, based on tax rates (and tax laws) that have been enacted or substantially enacted at the balance sheet date. Income taxes related to items recognised directly in equity are recognised in equity and not in the income statement.

(h) Sales Tax

Revenues, expenses and assets are recognised net of the amount of sales tax except where the sales tax incurred on purchase of goods and services is not recoverable from the tax authority, in which case the sales tax is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable. Receivables and payables are stated with the amounts of sales tax included.

The net amount of sales tax payable or receivable to government authorities is included as part of receivables or payables in the balance sheet.

(i) Financing costs

Financing costs include interest, amortisation of discounts or premiums relating to borrowings and other costs incurred in connection with the arrangement of borrowings. Financing costs are expensed as incurred unless they relate to a qualifying asset. A qualifying asset is an asset which generally takes more than 12 months to get ready for its intended use or sale. In these circumstances, the financing costs are capitalised to the cost of the asset. Where funds are borrowed by the Group for the acquisition or construction of a qualifying asset, the financing costs are capitalised.

Refer to Note 2(n) for other items included in financing costs.

(j) Inventories

Property development projects for third parties are carried at the lower of cost or net realisable value. Profit on property development is recognised on a percentage completion basis. They represent the value of work actually completed and are assessed in terms of the contract and provision is made for losses, if any, anticipated.

(k) Depreciation and amortisation

Plant and equipment and deferred costs are carried at acquisition cost less depreciation and amortisation and any impairment in value. Depreciation and amortisation is applied over the estimated economic life using the straight line method from the date of acquisition or from the time the asset is ready for use. The estimated economic life of items in the asset class plant and equipment ranges from three to ten years.

(l) Leases

Leases are classified at their inception as either operating or finance leases based on the economic substance of the agreement so as to reflect the risks and benefits incidental to ownership.

(i) Operating leases

The minimum lease payments of operating leases, where the lessor effectively retains substantially all of the risks and benefits of ownership of the leased item, are recognised as an expense on a straight line basis.

Ground rent obligations for leasehold property that meets the definition of an investment property are accounted for as a finance lease.

(ii) Finance leases

Leases which effectively transfer substantially all of the risks and benefits incidental to ownership of the leased item to the Group are capitalised at the present value of the minimum lease payments under lease and are disclosed as an asset or investment property.

Capitalised lease assets are depreciated over the shorter of the estimated useful life of the assets and the lease term. Minimum lease payments are allocated between interest expense and reduction of the lease liability.

2. Summary of significant accounting policies (continued)

(m) Employee benefits

The liability for employees' benefits to wages, salaries, bonuses and annual leave is accrued to balance date based on the Group's present obligation to pay resulting from the employees' services provided. The liability for employees' benefits to long service leave is provided to balance date based on the present values of the estimated future cash flows to be paid by the Group resulting from the employees' services provided.

(n) Derivative and other financial instruments

The Group utilises derivative financial instruments, including forward exchange contracts, currency and interest rate options, currency and interest rate swaps to manage the risks associated with foreign currency and interest rate fluctuations. Such derivative financial instruments are recognised at fair value.

The Group has set defined policies and implemented a comprehensive hedging program to manage interest and exchange rate risks. Derivative instruments are transacted to achieve the economic outcomes in line with the Group's treasury policy and hedging program. Derivative instruments are not transacted for speculative purposes. Accounting standards however require compliance with documentation, designation and effectiveness parameters before a derivative financial instrument is deemed to qualify for hedge accounting treatment. These documentation, designation and effectiveness requirements cannot be met in all circumstances. As a result, derivative instruments, other than cross currency swaps that hedge net investments in foreign operations, and hedges of share based payments, are deemed not to qualify for hedge accounting and are recorded at fair value. Gains or losses arising from the movement in fair values are recorded in the income statement.

The fair value of forward exchange contracts, currency and interest rate options and cross currency swaps are calculated by reference to relevant market rates for contracts with similar maturity profiles. The fair value of interest rate swaps are determined by reference to market rates for similar instruments.

Gains or losses arising on the movements in the fair value of cross currency swaps which hedge net investments in foreign operations are recognised in the foreign currency translation reserve. Where a cross currency swap, or portion thereof, is deemed an ineffective hedge for accounting purposes, gains or losses thereon are recognised in the income statement. On disposal of a net investment in foreign operations, the cumulative gains or losses recognised previously in the foreign currency translation reserve are transferred to the income statement.

The accounting policies adopted in relation to material financial instruments are detailed as follows:

i) Financial assets

Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise cash at bank and on hand and short term deposits with an original maturity of 90 days or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

Receivables

Trade and sundry debtors and loan receivables are carried at original invoice amount, less provision for doubtful debts, and are usually due within 30 days. Collectability of trade, sundry and loan receivables is reviewed on an ongoing basis. Individual debts that are determined to be uncollectible are written off when identified. An impairment provision for doubtful debts is recognised when there is evidence that the Group will not be able to collect the receivable.

ii) Financial liabilities

Payables

Trade and other payables are carried at amortised cost and due to their short term nature they are not discounted. They represent liabilities for goods and services provided to the Group prior to the end of the financial year that are unpaid and arise when the Group becomes obliged to make future payments in respect of the purchase of these goods and services. The amounts are unsecured and are usually paid within 60 days.

Interest bearing liabilities

Interest bearing liabilities are recognised initially at the fair value of the consideration received less any directly attributable transaction costs. Subsequent to initial recognition, interest bearing liabilities are recorded at amortised cost using the effective interest rate method.

Interest bearing liabilities are classified as current liabilities where the liability has been drawn under a financing facility which expires within one year. Amounts drawn under financing facilities which expire after one year are classified as non current.

Financing costs for interest bearing liabilities are recognised as an expense on an accruals basis.

Other financial liabilities

Other financial liabilities include convertible notes, preference and convertible preference securities. Where there is a minimum distribution entitlement and/or the redemption terms include the settlement for cash on redemption, the instrument is classified as a financial liability and is designated as fair value through the income statement.

The fair value of convertible notes, preference and convertible preference securities are determined in accordance with generally accepted pricing models using current market prices in accordance with the terms of each instrument.

2. Summary of significant accounting policies (continued)

(o) Recoverable amount of assets

At each reporting date, the Group assesses whether there is any indication that an asset may be impaired. Where an indicator of the impairment exists, the Group makes an estimate of recoverable amount. Where the carrying amount of an asset exceeds its recoverable amount the asset is considered impaired and is written down to its recoverable amount.

(p) Invested capital

Invested capital represents the cumulative investment of Westfield Group in Westfield Corporation and comprises contributed equity, reserves, and retained profits.

(q) Significant accounting judgements, estimates and assumptions

The preparation of the financial statements requires management to make judgements, estimates and assumptions. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements and estimates on historical experience and other various factors it believes to be reasonable under the circumstances, the results of which form the basis of the carrying values of assets and liabilities that are not readily apparent from other sources.

(r) Rounding

The amounts shown in the financial report have, unless otherwise indicated, been rounded to the nearest tenth of a million dollars. Amounts shown as 0.0 represent amounts less than $50,000 that have been rounded down.

	31 Dec 13 $million	31 Dec 12 $million
3. Investment properties		
Shopping centre investments	8,149.0	9,361.2
Development projects and construction in progress	902.1	762.4
	9,051.1	**10,123.6**
Movement in investment properties		
Balance at the beginning of the year	10,123.6	15,671.8
Acquisition of properties	71.3	-
Disposal of properties	(2,757.2)	(3,336.4)
Transfer to equity accounted investment properties	(691.8)	(2,468.7)
Redevelopment costs	203.9	306.6
Net revaluation increment	429.8	33.0
Retranslation of foreign operations	1,671.5	(82.7)
Balance at the end of the year	**9,051.1**	**10,123.6**
Details of shopping centre investments		
Consolidated United Kingdom shopping centres	2,371.5	1,859.4
Consolidated United States shopping centres	5,777.5	7,501.8
Total consolidated shopping centres	**8,149.0**	**9,361.2**
Equity accounted Brazil shopping centres	-	344.3
Equity accounted United Kingdom shopping centres	2,671.2	2,213.6
Equity accounted United States shopping centres	7,003.6	4,991.6
Total equity accounted shopping centres	**9,674.8**	**7,549.5**
	17,823.8	**16,910.7**

Investment properties are carried at the Directors' determination of fair value which takes into account latest independent valuations, with updates at each balance date of independent valuations that were prepared previously. The carrying amount of investment properties comprises the original acquisition cost, subsequent capital expenditure, tenant allowances, deferred costs, ground leases, straight-line rent and revaluation increments and decrements.

Independent valuations are conducted in accordance with guidelines set by RICS Appraisal and Valuation Standards which is mandatory for Chartered Surveyors for the United Kingdom properties and Uniform Standards of Professional Appraisal Practice for the United States properties. The independent valuation uses capitalisation of net income method and the discounting of future net cash flows to their present value method. The key assumptions in determining the valuation of the investment properties are the estimated weighted average yield and net operating income. Significant movement in each of these assumptions in isolation would result in a higher/(lower) fair value of the properties.

4. Details of equity accounted investments

(a) Details of the Group's aggregate share of equity accounted entities' net profit

	United States & Brazil		
	31 Dec 13	31 Dec 12	31 Dec 11
	$million	$million	$million
Shopping centre base rent and other property income	496.8	384.2	189.5
Amortisation of tenant allowances	(19.2)	(14.4)	(5.2)
Property revenue	477.6	369.8	184.3
Interest income	2.4	7.3	4.4
Revenue	480.0	377.1	188.7
Property expenses, outgoings and other costs	(137.6)	(99.7)	(56.7)
Net fair value gain/(loss) on interest rate hedges that do not qualify for hedge accounting	-	-	
Borrowing costs	(59.7)	(55.4)	(44.9)
Gain/(loss) in respect of capital transactions	-	-	-
Expenses	(197.3)	(155.1)	(101.6)
Share of profit from equity accounted entities before property revaluations and tax expense	282.7	222.0	87.1
Property revaluations	406.7	249.5	104.2
Share of profit before tax of equity accounted entities	689.4	471.5	191.3
Current tax	(1.4)	(1.9)	(1.6)
Deferred tax	-	17.7	-
Share of after tax profit of equity accounted entities	**688.0**	**487.3**	**189.7**

	United Kingdom		
	31 Dec 13	31 Dec 12	31 Dec 11
	$million	$million	$million
Shopping centre base rent and other property income	180.4	174.8	123.3
Amortisation of tenant allowances	(2.5)	(1.0)	(2.7)
Property revenue	177.9	173.8	120.6
Interest income	0.1	0.8	-
Revenue	178.0	174.6	120.6
Property expenses, outgoings and other costs	(62.9)	(63.0)	(41.6)
Net fair value gain/(loss) on interest rate hedges that do not qualify for hedge accounting	12.0	(9.8)	6.4
Borrowing costs	(17.7)	(18.6)	(20.3)
Gain/(loss) in respect of capital transactions	-	-	-
Expenses	(68.6)	(91.4)	(55.5)
Share of profit from equity accounted entities before property revaluations and tax expense	109.4	83.2	65.1
Property revaluations	36.1	47.2	35.8
Share of profit before tax of equity accounted entities	145.5	130.4	100.9
Current tax	(0.1)	-	-
Deferred tax	-	-	-
Share of after tax profit of equity accounted entities	**145.4**	**130.4**	**100.9**

4. Details of equity accounted investments (continued)

(a) Details of the Group's aggregate share of equity accounted entities' net profit

	Total		
	31 Dec 13	31 Dec 12	31 Dec 11
	$million	$million	$million
Shopping centre base rent and other property income	677.2	559.0	312.8
Amortisation of tenant allowances	(21.7)	(15.4)	(7.9)
Property revenue	655.5	543.6	304.9
Interest income	2.5	8.1	4.4
Revenue	658.0	551.7	309.3
Property expenses, outgoings and other costs	(200.5)	(162.7)	(98.3)
Net fair value gain/(loss) on interest rate hedges that do not qualify for hedge accounting	12.0	(9.8)	6.4
Borrowing costs	(77.4)	(74.0)	(65.2)
Gain/(loss) in respect of capital transactions	-	-	-
Expenses	(265.9)	(246.5)	(157.1)
Share of profit from equity accounted entities before property revaluations and tax expense	392.1	305.2	152.2
Property revaluations	442.8	296.7	140.0
Share of profit before tax of equity accounted entities	834.9	601.9	292.2
Current tax	(1.5)	(1.9)	(1.6)
Deferred tax	-	17.7	-
Share of after tax profit of equity accounted entities	**833.4**	**617.7**	**290.6**

(b) Details of the Group's aggregate share of equity accounted entities' assets and liabilities

	United Kingdom		United States & Brazil		Total	
	31 Dec 13	31 Dec 12	31 Dec 13	31 Dec 12	31 Dec 13	31 Dec 12
	$million	$million	$million	$million	$million	$million
Cash	58.1	43.7	66.8	103.8	124.9	147.5
Shopping centre investments	2,671.3	2,213.6	7,003.6	5,335.9	9,674.9	7,549.5
Development projects and construction in progress	201.5	10.0	422.2	247.5	623.7	257.5
Other assets	39.1	36.0	49.2	130.7	88.3	166.7
Total assets	**2,970.0**	**2,303.3**	**7,541.8**	**5,817.9**	**10,511.8**	**8,121.2**
Payables	(85.6)	(62.7)	(109.5)	(128.4)	(195.1)	(191.1)
Interest bearing liabilities - current	-	-	(4.7)	(114.8)	(4.7)	(114.8)
Interest bearing liabilities - non current	(509.2)	(428.6)	(1,389.3)	(840.9)	(1,898.5)	(1,269.5)
Deferred tax liability	-	-	-	(65.9)	-	(65.9)
Total liabilities	**(594.8)**	**(491.3)**	**(1,503.5)**	**(1,150.0)**	**(2,098.3)**	**(1,641.3)**
Net assets	**2,375.2**	**1,812.0**	**6,038.3**	**4,667.9**	**8,413.5**	**6,479.9**

	31 Dec 13 $million	31 Dec 12 $million
5. Interest bearing liabilities		
Current		
Unsecured		
Bank overdraft	-	0.7
Finance leases	0.4	0.4
Secured		
Bank loans and mortgages		
- US$ denominated	3.1	367.4
	3.5	**368.5**
Non current		
Unsecured		
Bank loans		
- £ denominated	1,144.2	221.3
- € denominated	61.7	-
Notes payable		
- US$ denominated	4,982.2	5,107.8
- £ denominated	1,129.4	950.8
Finance leases	37.1	34.1
Secured		
Bank loans and mortgages		
- US$ denominated	978.2	1,219.6
	8,332.8	**7,533.6**
Total interest bearing liabilities	**8,336.3**	**7,902.1**

As described in Note 1, the historical debt and financing facilities disclosed above will be restructured on completion of the demerger of the international operations from the Westfield Group. Therefore, disclosure of the maturity profile of the historical interest bearing liabilities and related financing facilities has not been provided.

	31 Dec 13	31 Dec 12
	$million	$million
6. Other financial liabilities		
Current		
Convertible redeemable preference shares	2.2	2.3
Other redeemable preference shares/units	153.3	100.1
	155.5	**102.4**
Non current		
Convertible redeemable preference shares/units	104.0	102.9
Other redeemable preference shares/units	129.6	109.6
	233.6	**212.5**

(a) Convertible redeemable preference shares/units

The convertible redeemable preference shares/units comprise: (i) Series G Partnership Preferred Units (Series G units) issued to the Jacobs Group; (ii) Series I Partnership Preferred Units (Series I units); (iii) Series J Partnership Preferred Units (Series J units), (iv) Investor unit rights in the operating and property partnerships and (v) WEA common shares.

(i) As at 31 December 2013, the Jacobs Group holds 1,529,467 (31 December 2012: 1,564,399) Series G units in the operating partnership. The holders have the right that requires WEA to purchase up to 10% of the shares redeemed for cash.

(ii) As at 31 December 2013, the previous owners of the Sunrise Mall holds Series I units 1,401,426 (31 December 2012: 1,401,426). At any time after the earlier of (i) 21 July 2005, (ii) dissolution of the operating partnership, and (iii) the death of the holder, such holder (or the Holder's Estate) has the right to require the operating partnership to redeem its Series I units at the Group's discretion either for: (i) cash; (ii) shares in WEA (with the holder having the right to exchange such WEA shares for stapled securities); or (iii) a combination of both.

(iii) As at 31 December 2013, 1,538,481 (31 December 2012: 1,538,481) Series J units are outstanding. At the holder's discretion, such holder has the right to require the operating partnership to redeem its Series J units, at the Group's discretion, either for: (i) cash; (ii) shares in WEA (with the holder having the right to exchange such WEA shares for stapled securities); or (iii) a combination of both.

(iv) The investor unit rights in the operating and property partnerships have a fixed life and are able to be redeemed either for: (i) cash; (ii) shares in WEA; or (iii) a combination of both, at the Group's discretion.

(v) As at 31 December 2013, 764,205 (31 December 2012: 764,205) WEA common shares are held by certain third party investors. At any time after 19 May 2014, such holders have the right to require WEA to redeem their WEA common shares, at the Group's discretion, either for (i) cash; (ii) stapled securities; or (iii) a combination of both.

(b) Other redeemable preference units

The other redeemable preference units comprise: (i) partnership interest in the Urban Shopping Centres, L.P. (the Urban OP); (ii) Series H-2 Partnership Preferred Units (Series H-2 units); (iii) a Preferred Partnership in Head Acquisition L.P. (Head LP); (iv) Series A Partnership Preferred Units (Series A units); and (v) limited partnership interests in certain properties.

(i) As at 31 December 2013, the Jacobs Group holds 1,529,467 (31 December 2012: 1,564,399) Series G units in the operating partnership. The holders have the right that requires WEA to purchase up to 10% of the shares redeemed for cash.

(ii) As at 31 December 2013, the previous owners of the Sunrise Mall holds Series I units 1,401,426 (31 December 2012: 1,401,426). At any time after the earlier of (i) 21 July 2005, (ii) dissolution of the operating partnership, and (iii) the death of the holder, such holder (or the Holder's Estate) has the right to require the operating partnership to redeem its Series I units at the Group's discretion either for: (i) cash; (ii) shares in WEA (with the holder having the right to exchange such WEA shares for stapled securities); or (iii) a combination of both.

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(iv) The investor unit rights in the operating and property partnerships have a fixed life and are able to be redeemed either for: (i) cash; (ii) shares in WEA; or (iii) a combination of both, at the Group's discretion.

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	31 Dec 13 $million	31 Dec 12 $million
7. Invested capital		
Movement in invested capital		
Balance at the beginning of the year	3,804.6	4,412.2
Buy-back and cancellation of securities	(321.3)	(188.6)
Cost associated with the buy-back of securities	(0.2)	(0.3)
Movement in reserves	1,464.3	(675.8)
Profit after tax for the period	682.5	691.7
Dividend/Distribution paid	(538.2)	(434.6)
	5,091.7	**3,804.6**

8. Subsequent events

On 2 May 2014, the Westfield Group completed the divestment of its interests in three UK shopping centres for £597 million to Intu Properties plc. The assets involved in the transaction included Merry Hill, Derby and Sprucefield. The divestment resulted in gross proceeds of A$1.1 billion to the Westfield Group and the proposed Westfield Corporation.

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Independent auditor's report to the Directors of Scentre Group Limited

We have audited the accompanying special purpose financial report of Westfield Corporation, which comprises the Statements of Net Assets as at 31 December 2012 and 31 December 2013, the Income Statements for the years ended 31 December 2011, 31 December 2012 and 31 December 2013 and statements of cash flows for the years then ended, a summary of significant accounting policies, other explanatory notes and the directors' declaration.

Directors' Responsibility for the Financial Report

The directors of the company are responsible for the preparation of the financial report and have determined that the basis of preparation described in Note 1 to the financial report is appropriate to meet the financial reporting requirements of Westfield Corporation as described in Note 1. The directors are also responsible for such controls as they determine are necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. Those standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance about whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, we consider internal controls relevant to the entity's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Independence

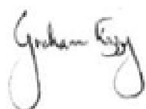
In conducting our audit we have complied with the independence requirements of the Australian professional accounting bodies.

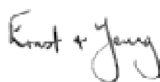
Opinion

In our opinion the financial report presents fairly, in all material respects, Westfield Corporation's financial positions as of 31 December 2012 and 31 December 2013 and its financial performance and cash flows for the years ended 31 December 2011, 31 December 2012 and 31 December 2013 in accordance with the accounting policies described in Note 1 to the financial statements.

Basis of Accounting

Without modifying our opinion, we draw attention to Note 1 to the Westfield Corporation Carve-out Financial Statements which describes the basis of accounting. The Westfield Corporation Carve-out Financial Statements are prepared to assist Westfield Corporation Limited meet the refinancing requirements of Westfield Corporation as a result of its demerger from Westfield Group. As a result the Westfield Corporation Carve-out Financial Statements may not be suitable for another purpose.





Graham Ezzy
Sydney
26 August 2014

Ernst & Young

Directors' Declaration

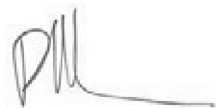
The Directors of Scentre Group Limited (Company) declare that:

In accordance with the basis of preparation set out in note 1, the carve out financial statements and notes of Westfield Corporation;

(i) present fairly the financial position as at 31 December 2013 and December 2012, the performance for the years ended 31 December 2011, 2012 and 2013; and

(ii) comply with the recognition and measurement principles of Australian Accounting Standards (including the Australian Accounting Interpretations) relevant for income statements, statements of comprehensive income and statements of net assets.

Made on 26 August 2014 in accordance with a resolution of the Board of Directors.



Peter Allen
Director

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WEA Finance LLC
Westfield UK & Europe Finance plc

US$750,000,000 1.750% Guaranteed Senior Notes due 2017
US$1,250,000,000 2.700% Guaranteed Senior Notes due 2019
US$1,000,000,000 3.750% Guaranteed Senior Notes due 2024
US$500,000,000 4.750% Guaranteed Senior Notes due 2044

OFFERING MEMORANDUM

September 10, 2014

Joint Book-Running Managers & Joint Lead Managers

Citigroup **Credit Suisse** **Deutsche Bank Securities** **J.P. Morgan**

BofA Merrill Lynch **BBVA** **BNP PARIBAS** **Credit Agricole CIB**
HSBC **Morgan Stanley** **RBC Capital Markets** **RBS**
Scotiabank **SMBC Nikko** **UBS Investment Bank**