

24 February 2016

WESTFIELD CORPORATION REPORTS FUNDS FROM OPERATIONS AND DISTRIBUTION IN-LINE WITH FORECAST

Westfield Corporation (ASX:WFD) today announced its full year results with Funds From Operations (FFO) for the 12 months ended 31 December 2015 of \$783m, representing 37.7 cents per security and in-line with forecast. The Distribution for the 12 months ended 31 December 2015 is 25.1 cents per security.

Westfield Corporation Co-CEOs, Peter Lowy and Steven Lowy said: "The performance of our pre-eminent portfolio remains strong and we continue to make significant progress on our development program. During 2015, WFD: -

- Completed over \$1bn in projects;
- Commenced \$2.5bn of projects including Century City in Los Angeles, UTC in San Diego and Westfield London;
- Completed the \$925m joint venture of three regional assets in the US; and
- Divested six non-core assets for \$1.3bn.

"We are well on our way in executing our strategy to create and operate flagship assets in leading markets that deliver great experiences for retailers and consumers. We are focused on innovation and are creating a digital platform to converge with our physical portfolio in order to connect retailers and consumers both physically and digitally.

"Our \$10.5bn development program has estimated yields in the range of 7% - 8% and is expected to create significant long-term value and earnings accretion for securityholders.

"Our financial position is strong with balance sheet assets of \$20.0bn, a gearing ratio of 29.9%¹ and \$4.5bn in available liquidity."

WFD reported an IFRS net profit of \$2.3bn for the 12 months to 31 December 2015 including asset revaluations of \$632m and a reduction in the accounting of deferred tax by \$1,132m².

WFD has assets under management of \$29.0bn, of which 82% are Flagship assets.

Operating Performance

For the 12 months to 31 December 2015, WFD's portfolio achieved specialty sales of \$726 psf, up 6.4%, with: -

- Flagship portfolio specialty sales of \$902 psf, up 8.0%; and
- Regional portfolio specialty sales of \$454 psf, up 3.2%.

For the 12 month period, comparable net operating income for the portfolio was up 3.9%, with: -

- Flagship portfolio up 4.2%; and
- Regional portfolio up 2.7%.

The portfolio was 95.9% leased as at 31 December 2015.

westfieldcorp.com

Westfield Corporation Limited ABN 12 166 995 197

Westfield America Management Limited ABN 66 072 780 619 AFS Licence 230324

as responsible entity of **Westfield America Trust** ABN 27 374 714 905 • ARSN 092 058 449 and

as responsible entity of **WFD Trust** ABN 50 598 857 938 • ARSN 168 765 875

For further information please contact Helen Karlis on +61 2 9358 7997

MEDIA RELEASE

Unless otherwise stated, all figures are expressed in US dollars

Investment Activity

During 2015, WFD continued to make significant progress on the development program, which now stands at \$10.5bn (WFD: \$6bn).

The Group completed the \$250m development at The Village at Topanga in Los Angeles and the £260m Bradford development in the UK, on behalf of a third party.

WFD has \$3.7bn of projects in progress, including: -

- The \$1.4bn Westfield World Trade Center (New York);
- The \$800m redevelopment of [Century City](#) (Los Angeles);
- The \$585m expansion of [UTC](#) (San Diego) (WFD Share \$293m); and
- The £600m expansion of [Westfield London](#) (WFD Share £300m).

Westfield World Trade Center is now fully leased. This will be a spectacular shopping, dining, event and entertainment destination integrated into the \$4bn transportation hub of Lower Manhattan. The project will showcase a diverse mix of over 100 domestic and international fashion, dining, beauty, entertainment and technology retailers including flagship stores for Apple and Eataly. The project is scheduled to open in August 2016.

WFD is making good progress at Century City, to be anchored by a new Nordstrom and Macy's and a refurbished Bloomingdales department store. UTC is also progressing well and will be anchored by a new Nordstrom department store.

At Westfield London we recently commenced the retail expansion, anchored by a new John Lewis department store, expanding the centre to 2.6 million square feet with around 450 stores. The project is expected to open in 2018 and, on completion, Westfield London will become the largest shopping centre in Europe.

Predevelopment work continues on the expansion at Valley Fair in Silicon Valley, to be anchored by a new Bloomingdales department store. This project is expected to commence this year.

Predevelopment activity also progresses at Westfield Milan in Italy, anchored by Galeries Lafayette department store, and at Croydon in South London. These projects are expected to commence between 2017 and 2018.

WFD continued to invest in its [digital platform](#) which is focused on better connecting retailers and consumers both physically and digitally. During 2015, WFD successfully unified all assets onto a single digital platform and piloted a digital suite of services at Westfield London.

Outlook

After taking into account the dilution from the non-core asset divestments in late 2015 and lost income from the Century City development³, WFD expects to achieve FFO for the 2016 year of between 34.2 and 34.5 cents per security. This represents pro-forma growth of between 3% and 4% from 2015.

The forecast assumes no further capital transactions and no material change in foreign currency exchange rates.

The distribution forecast for the 2016 year is 25.1 cents per security.

westfieldcorp.com

Westfield Corporation Limited ABN 12 166 995 197

Westfield America Management Limited ABN 66 072 780 619 AFS Licence 230324

as responsible entity of **Westfield America Trust** ABN 27 374 714 905 • ARSN 092 058 449 and

as responsible entity of **WFD Trust** ABN 50 598 857 938 • ARSN 168 765 875

For further information please contact Helen Karlis on +61 2 9358 7997

MEDIA RELEASE

Unless otherwise stated, all figures are expressed in US dollars

¹ Based on market capitalisation

² Accounting of the deferred tax liability recognised at the relevant tax treaty rate.

³ Lost income at the Century City development estimated 1c impact on FFO for 2016.

Note: WFD was established on 30 June 2014 and does not have prior comparable earnings

Westfield Corporation (ASX Code: WFD) is an internally managed, vertically integrated, shopping centre group undertaking ownership, development, design, construction, funds/asset management, property management, leasing and marketing activities and employing approximately 2,000 staff worldwide. Westfield Corporation has interests in 34 shopping centres in the United States, and the United Kingdom, encompassing approximately 6,500 retail outlets and total assets under management of \$29bn.

This release contains forward-looking statements, including statements regarding future earnings and distributions. These forward-looking statements are not guarantees or predictions of future performance, and involve known and unknown risks, uncertainties and other factors, many of which are beyond our control, and which may cause actual results to differ materially from those expressed in the statements contained in this release. You should not place undue reliance on these forward-looking statements. These forward-looking statements are based on information available to us as of the date of this presentation. Except as required by law or regulation (including the ASX Listing Rules) we undertake no obligation to update these forward-looking statements.

MEDIA RELEASE

westfieldcorp.com

Westfield Corporation Limited ABN 12 166 995 197

Westfield America Management Limited ABN 66 072 780 619 AFS Licence 230324

as responsible entity of **Westfield America Trust** ABN 27 374 714 905 • ARSN 092 058 449 and

as responsible entity of **WFD Trust** ABN 50 598 857 938 • ARSN 168 765 875

For further information please contact Helen Karlis on +61 2 9358 7997