

16 August 2017

**WESTFIELD CORPORATION REPORTS HALF YEAR RESULTS WITH FUNDS FROM OPERATIONS OF \$343M AND REAFFIRMS FULL YEAR FFO GUIDANCE**

**PROGRESSING TRANSFORMATION INTO THE PRE-EMINENT GLOBAL SHOPPING CENTRE PORTFOLIO**

Westfield Corporation (ASX:WFD) today announced its half year results with Funds From Operations (FFO) for the six months ended 30 June 2017 of \$343m, in-line with forecast. FFO per security was 16.5 cents, up 4.5% on a constant currency basis. The Distribution for the six months ended 30 June 2017 was 12.75 cents per security, also in-line with forecast.

Westfield Corporation Co-CEOs, Peter and Steven Lowy said: "In a challenging retail environment, the performance for the first half was good and we remain confident on executing our strategy to transform our assets into the pre-eminent global shopping centre portfolio.

"We are creating great experiences for retailers, consumers and brands. We have evolved the composition of our portfolio through the addition of food, leisure and entertainment, and a broader mix of uses including many new concepts, emerging technologies and online brands.

"Indeed, over many years we have adapted and improved our portfolio to meet the changing needs of retailers, consumers and brands, and this remains a core strength of Westfield. In the United States, we have added over 120 retailers and brands that are new to Westfield through our current development program.

"Annual specialty sales were up 2.2% on the prior year with Flagship portfolio specialty sales up 3.3% to \$892 psf.

"Comparable net operating income growth was 3.5% for the six months with the portfolio 93.9% leased as at 30 June 2017.

"Our \$9.8bn development program, which is focused on Flagship assets in some of the world's top markets, is leading our transformation strategy and will generate significant value and earnings accretion for shareholders.

"During the half, we progressed the \$1bn redevelopment of Century City and the \$600m expansion at UTC both of which will open in stages in the second half. The £600m expansion at Westfield London is progressing well and will open six months ahead of schedule in March 2018. On completion, each of these buildings will be the pre-eminent retail, dining and entertainment destinations in their respective markets of West Los Angeles, San Diego and West London.

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“These new buildings will be technologically advanced and we continue to invest in our digital platform to converge with our physical portfolio in order to connect retailers, consumers and brands, both physically and digitally.”

WFD’s financial position is strong with balance sheet assets of \$22.5bn, a gearing ratio of 38.4% and \$3.6bn in available liquidity.

IFRS net profit was \$589m for the six months to 30 June 2017.

WFD has assets under management of \$32.2bn, of which 83% are Flagship assets.

## **Outlook**

WFD reconfirms its FFO forecast for the 2017 year of between 33.8 cents and 34.0 cents per security, representing pro-forma growth of between 3.0% and 3.5%<sup>1</sup>.

The distribution forecast for the 2017 year is 25.5 cents per security.

<sup>1</sup> On a constant currency basis. Assumes no further capital transactions and no material change in foreign currency exchange rates.

**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 35 shopping centres in the United States, and the United Kingdom, encompassing approximately 6,400 retail outlets and total assets under management of \$32bn.

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.