

24 February 2016



Westfield Corporation

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The Manager
Company Announcements Office
ASX Limited
Level 4, Exchange Centre
20 Bridge Street
SYDNEY NSW 2000

Dear Sir/Madam

**WESTFIELD CORPORATION (ASX: WFD)
MEDIA RELEASE AND RESULTS PRESENTATION**

Attached are the Media Release and Results Presentation for Westfield Corporation.

Yours faithfully

WESTFIELD CORPORATION

A handwritten signature in blue ink, appearing to be 'S. Tuxen', is written over the company name.

**Simon Tuxen
Company Secretary**

Encl.

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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.

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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

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Westfield Corporation

2015 Full Year Results
24 February 2016

Westfield

DISCLAIMER



The financial information included in this release is based on the Westfield Corporation's IFRS financial statements. Non IFRS financial information has not been audited or reviewed.

This release contains forward-looking statements, including statements regarding future earnings and distributions that are based on information and assumptions available to us as of the date of this presentation. Actual results, performance or achievements could be significantly different from those expressed in, or implied by, these forward looking statements. 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.

Except as required by law or regulation (including the ASX Listing Rules) we undertake no obligation to update these forward-looking statements.

All figures within this presentation are presented in US dollars unless otherwise stated

RESULTS HIGHLIGHTS



- Funds From Operations (“FFO”) of 37.7 cents per security and Distribution of 25.1 cents per security in-line with forecast
- Continued strong operating performance
- Significant progress on development program:
 - Successfully completed over \$1bn of developments
 - Commenced \$2.5bn of developments including Century City, UTC and Westfield London
- Divestment of six non-core assets achieving gross proceeds of \$1.3bn in late 2015
- \$925m joint venture over three regional assets in February 2015 (Net Proceeds: \$700m)

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RESULTS HIGHLIGHTS (CONT'D)



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Funds From Operations (\$m)	12 months to Dec 15	Assets under Management / Balance Sheet (\$bn)	As at 31 Dec 15
• Net Property Income	861	• Assets under Management	29.0
• Management Income	44	• Total Assets	20.0
• Project Income	124	• Net Debt	6.3
• FFO	783	• Gearing:	
• FFO per Security	37.7c	– Enterprise Value	29.9%
• Distribution per Security	25.1c	– Book Value	33.2%
		• Available Liquidity	4.5bn
		• Interest Cover	4.7x

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

RESULTS HIGHLIGHTS (CONT'D)



OPERATING

- High productivity portfolio with annual specialty retail sales of \$726 psf, up 6.4% for the 12 months to December 2015:
 - Flagship: \$902 psf, up 8.0%
 - Regional: \$454 psf, up 3.2%
- High levels of occupancy with the portfolio 95.9% leased at year end, up 0.1% from December 2014:
 - Flagship: 96.6%, 0.3% lower
 - Regional: 94.8%, 1.2% higher
- Comparable net operating income growth of 3.9% for the 12 months to December 2015:
 - Flagship: +4.2%
 - Regional: +2.7%
- Continued progress on innovation and digital technology through Westfield Labs with the roll out of unified digital platform and the piloting of digital suite of services at Westfield London

RESULTS HIGHLIGHTS (CONT'D)



DEVELOPMENT

- Significant progress on the development program during 2015:
 - Completed over \$1bn of developments including The Village at Topanga (Los Angeles) and Bradford (UK)
 - Commenced \$2.5bn of projects including Century City, UTC and Westfield London
 - Current and future development program now \$10.5bn (WFD: \$6bn)
- WFD has \$3.7bn of developments currently under construction:
 - Westfield World Trade Center (\$1.4bn) now fully leased and scheduled to open in August 2016
 - \$800m redevelopment at Century City in Los Angeles
 - \$585m (WFD: \$293m) expansion of UTC in San Diego
 - £600m (WFD: £300m) expansion of Westfield London
- Predevelopment activity continues on the future development program including:
 - Valley Fair in Silicon Valley expected to commence in 2016
 - Westfield Milan in Italy and Croydon in South London expected to commence between 2017 and 2018
 - 2,500 residential apartments at Westfield London and Stratford City¹

¹ Not included in \$10.5bn development program

RESULTS HIGHLIGHTS (CONT'D)



CAPITAL ACTIVITY

- \$1bn 144A debt issue in September 2015 with duration of 5 years and coupon of 3.25%
- \$2.2bn in capital transactions during 2015:
 - Divestment of six non-core assets achieving gross proceeds of \$1.3bn in late 2015
 - \$925m joint venture over three regional assets in February 2015
- Investment of \$0.9bn in development activities for 12 months to December 2015

OUTLOOK FOR 2016:

- After taking into account the dilution from the non-core divestments completed in late 2015 and lost income at the Century City development¹, WFD expects to achieve for full year 2016:
 - FFO: 34.2 – 34.5 cents per security
 - Distribution: 25.1 cents per security
- Represents pro-forma FFO growth of between 3% and 4% from 2015
- Assumes no further capital transactions and no material change in foreign currency exchange rates

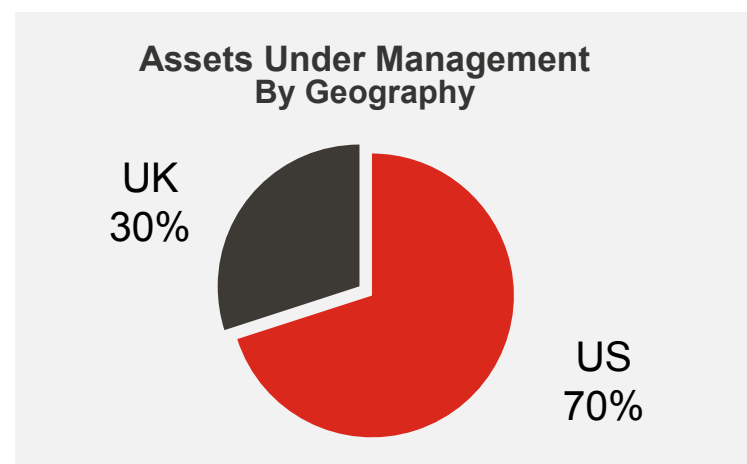
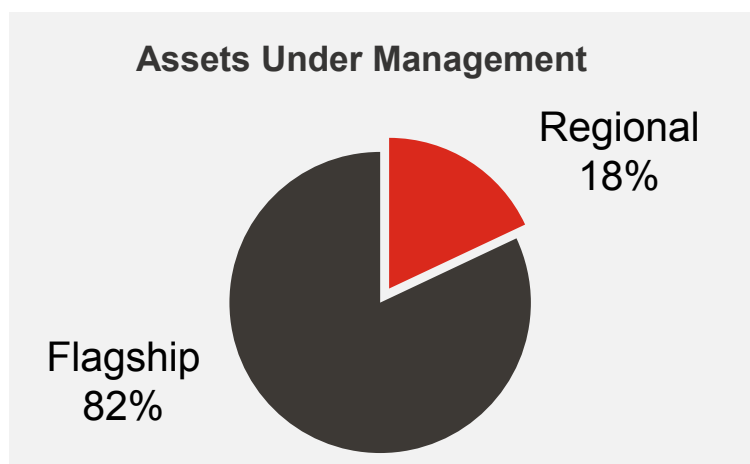
¹ Lost income at the Century City development estimated 1c impact on FFO for 2016.

PORTFOLIO SUMMARY



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December 2015	Flagship	Regional	Total
▪ Centres	16	18	34
▪ Retail Outlets	3,769	2,711	6,480
▪ GLA (m sqf)	23.8	19.8	43.6
▪ Assets Under Management (bn)	\$23.7	\$5.3	\$29.0
▪ WFD Interests (bn)	\$14.5	\$3.0	\$17.5
▪ JV Partner Interests (bn)	\$9.2	\$2.3	\$11.5
▪ WFD Interests (%)	61%	57%	60%



PORTFOLIO STATISTICS



As at
31 December 2015

	Assets under Management (\$bn)	% of Portfolio	Portfolio Leased (%)	Specialty Occupancy Cost (%)	Specialty Retail Sales (MAT/ psf)	Specialty Retail Sales Growth (%) ¹	Average Specialty Store Rent		Comparable NOI Growth (%) ¹
							Amount (psf)	Growth YOY (%)	
Flagship	23.7	82%	96.6	14.7	\$902	8.0	\$106.90	5.1	4.2
Regional	5.3	18%	94.8	14.0	\$454	3.2	\$54.55	(0.8)	2.7
Total	29.0		95.9	14.5	\$726	6.4	\$86.59	2.9	3.9

¹ 12 months to 31 December 2015

SPECIALTY RETAIL SALES GROWTH



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Period ending 31 December 2015	Flagship		Regional	
	12 months	3 months	12 months	3 months
Specialties	8.0%	4.8%	3.2%	(1.1)%
By Category:				
Fashion	5.3%	3.6%	0.4%	(0.6)%
Jewellery	6.1%	5.4%	7.4%	7.6%
Leisure	10.9%	6.5%	3.4%	(9.1)%
Food retail	4.0%	1.0%	2.2%	0.8%
General retail	10.4%	5.5%	5.7%	1.7%

CURRENT DEVELOPMENT ACTIVITY



- \$3.7bn of current projects (WFD: \$3.0bn, of which \$1.4bn incurred to date) with an estimated yield range of between 6.5% and 8.0%. In 2015 WFD:
 - Commenced \$2.5bn of projects including Century City, UTC and Westfield London
 - Completed over \$1bn of projects including The Village at Topanga (Los Angeles) and Bradford (UK)

Current Projects	Total Project \$m	WFD \$m	Anticipated Completion
▪ Westfield World Trade Center (New York)	1,425	1,425	August 16
▪ Century City (Los Angeles)	800	800	2H17
▪ UTC (San Diego)	585	293	2H17
▪ Westfield London (UK) ¹	£600	£300	2H18
Total	\$3.7bn	\$3.0bn	

¹ Represents retail component

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FUTURE RETAIL DEVELOPMENT ACTIVITY



- Westfield Corporation is undertaking pre-development work on \$6.8bn (WFD: Approx. \$3bn) of future development projects with an estimated yield range of 7% - 8%

	Total Project	WFD
2016		
▪ Valley Fair (Silicon Valley) ¹	\$0.9bn	50%
▪ Topanga (Los Angeles)	\$0.15bn	55%
2017 – 2018		
▪ Milan (Italy)	€1.4bn	75%
▪ Croydon (London)	£1.4bn	50%
Other Future Projects	\$2.2bn	
Total	\$6.8bn	

¹ Including Stage 1 car park

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FUNDS FROM OPERATIONS

12 MONTHS TO 31 DECEMBER 2015



\$m	Proportionate IFRS Profit ¹	Adjustments to determine FFO ²	FFO
Net Property Income			
▪ Flagship	554	19	573
▪ Regional	263	25	288
Total Net Property Income	817	44	861
Management income	44	-	44
Project income	124	-	124
Gross Income	985	44	1,029
Overheads	(117)	-	(117)
EBIT	868	44	912
Gross Interest and mark to market of interest rate derivatives	(242)	64	(178)
Less: Interest capitalised	110	-	110
Property revaluations	632	(632)	-
Currency derivatives	11	(11)	-
Minority interest	(52)	30	(22)
Capital Transactions	(97)	97	-
Earnings before tax	1,230	(408)	822
Current tax	(39)	-	(39)
Deferred tax ³	1,132	(1,132)	-
IFRS Profit and Funds from Operations	2,323	(1,540)	783¹
<i>Weighted average number of securities (millions)</i>			<i>2,078.1</i>
FFO per security			37.7 cents

¹ The UK operations have been translated at an average exchange rate USD/GBP 0.6544

² Refer to Directors' Report Appendix B

³ Accounting of the deferred tax liability recognised at the relevant tax treaty rate.

SUMMARISED IFRS INCOME STATEMENT

12 MONTHS TO 31 DECEMBER 2015



\$m	Proportionate IFRS Profit	Consolidated	Equity Accounted
Property revenue	1,224	562	662
Contribution from equity accounted investments	-	791	(791)
Management income	44	44	-
Project income	124	124	-
Total Income	1,392	1,521	(129)
Property expenses and outgoings	(407)	(197)	(210)
Overheads	(117)	(117)	-
Property revaluations	632	206	426
Financing costs	(68)	19	(87)
Interest on other financial liabilities	(22)	(22)	-
Mark to market of derivatives, currency gain/(loss) and preference shares	(83)	(83)	-
Capital Transactions	(97)	(97)	-
Profit before tax	1,230	1,230	-
Tax expense	(39)	(39)	-
Deferred tax	1,132	1,132	-
Profit after tax	2,323	2,323	-

PROPORTIONATE BALANCE SHEET¹



\$m	31 Dec 15 ²	31 Dec 14 ²
Cash	1,207	401
Property investments		
▪ Shopping centres	15,034	15,425
▪ Assets held for joint venture	-	439
▪ Construction in progress	1,432	1,209
▪ Assets held for redevelopment	1,019	1,032
Total Property investments	17,485	18,105
Other assets	1,321	1,128
Total assets	20,013	19,634
Interest bearing liabilities	7,502	7,429
Deferred tax liabilities	1,761	2,922
Other liabilities	1,193	1,314
Total liabilities³	10,456	11,665
Net Assets	9,557	7,969
Minority interest	(257)	(235)
Net Assets attributable to the Westfield Corporation	9,300	7,734
<i>Number of securities (millions)</i>	<i>2,078.1</i>	<i>2,078.1</i>

¹ The net investment in equity accounted entities of \$7,729m (31 Dec 2014 \$6,815m) has been allocated to individual assets and liabilities

² The UK operations have been translated at period end exchange rate USD/GBP 0.6786 (31 Dec 2014 0.6409)

³ Excludes \$257m (31 Dec 2014 \$235m) of convertible preference securities shown in minority interest given their equity characteristics

PROPERTY INVESTMENTS



\$bn	12 months to 31 Dec 15
Property investments opening balance	18.1
Divestments	(1.8)
Property investment (post joint venture with O'Connor and asset divestments)	16.3
Revaluations	0.6
Capital expenditure	0.9
Exchange rate impact	(0.3)
Property investments closing balance	17.5

	Shopping Centres – 31 Dec 15		Weighted Average Cap Rate	
	WFD (\$bn)	WFD (%)	31 Dec 15	31 Dec 14
Flagship	12.0	80%	4.7%	4.9%
Regional	3.0	20%	5.7%	6.4%
Total	15.0		4.9%	5.3%

CURRENT FINANCIAL POSITION



• Financing activity for the year:

- Retirement of bridge facility
- \$0.6bn (WFD: \$0.4bn) of new secured mortgages
- \$1bn 144A debt issue in September 2015 with duration of 5 years and coupon of 3.25%

• Financing facilities totaling \$10.8bn:

- \$3.5bn of bank facilities (\$3.3bn undrawn)
- \$4.5bn of 144A bonds
- \$2.8bn of secured mortgages

• Gearing:

- 29.9% based on enterprise value¹
- 33.2% based on book value

• 4.7 times interest cover

• \$4.5bn available liquidity provided by committed bank facilities and cash

- Average term of bonds and mortgages (\$7.3bn) at 6.8 years and bank facilities (\$3.5bn) at 3.4 years

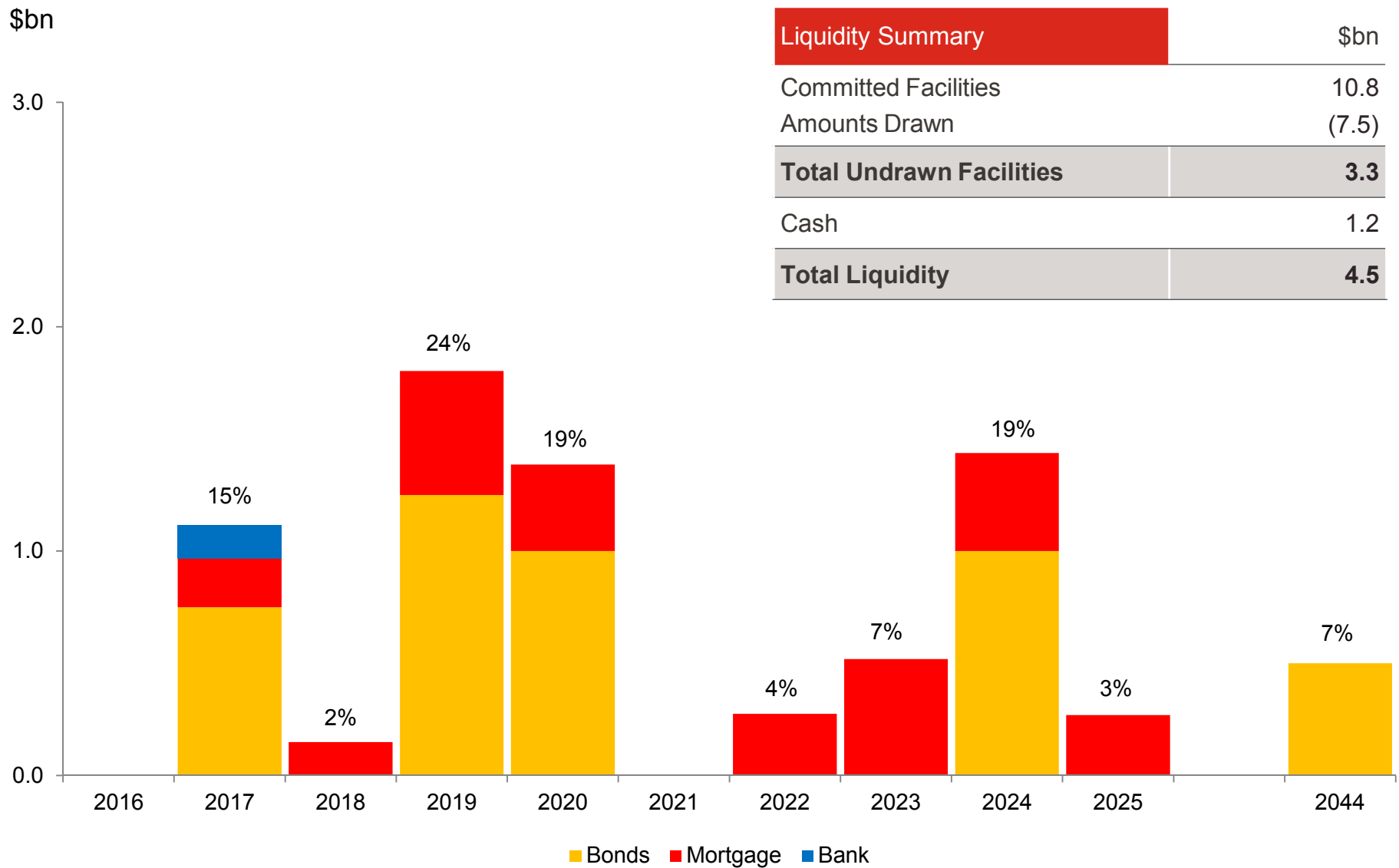
¹ Based on Market Capitalisation

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LIQUIDITY & DEBT MATURITY PROFILE



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Liquidity Summary		\$bn
Committed Facilities		10.8
Amounts Drawn		(7.5)
Total Undrawn Facilities		3.3
Cash		1.2
Total Liquidity		4.5

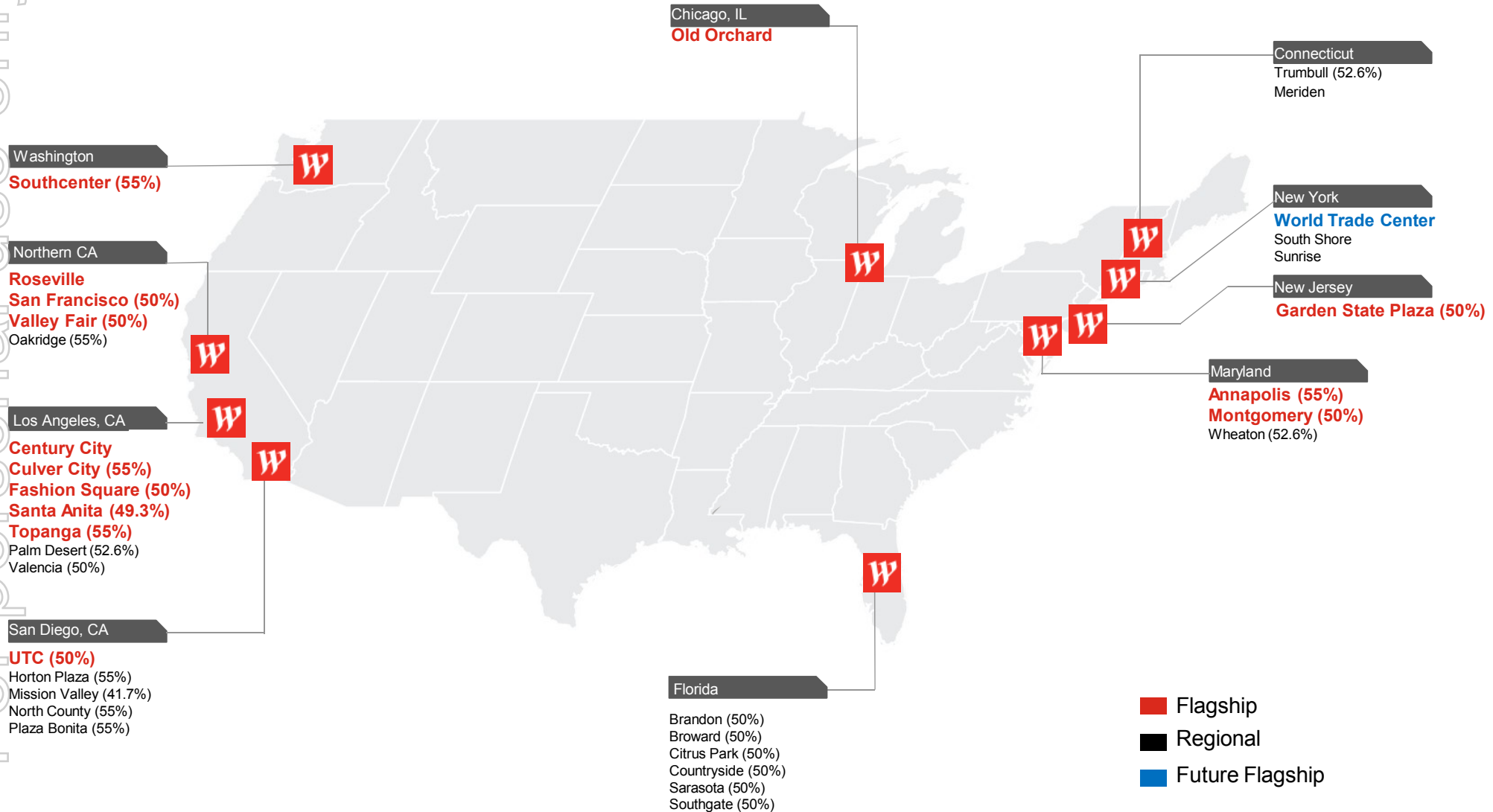
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APPENDIX

ASSETS – UNITED STATES



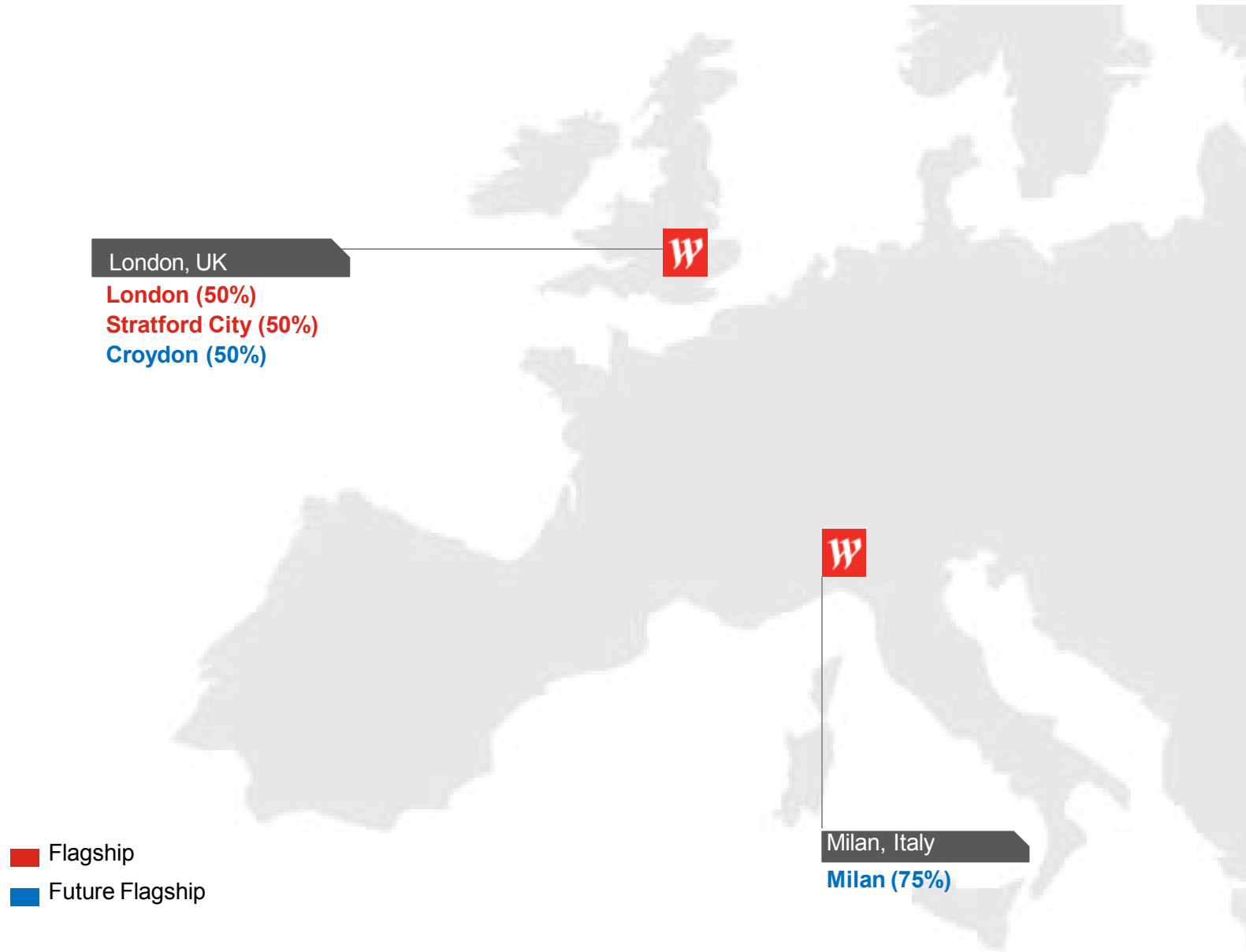
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ASSETS – UK/EUROPE



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DETAILED BALANCE SHEET



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\$m	Consolidated	Equity Accounted	Total
Cash	1,107	100	1,207
Property investments			
▪ Shopping centres	5,503	9,531	15,034
▪ Construction in progress	1,304	128	1,432
▪ Assets held for redevelopment	671	348	1,019
Total property investments	7,478	10,007	17,485
Net investment in equity accounted entities	7,729	(7,729)	-
Other assets	1,268	53	1,321
Total assets	17,582	2,431	20,013
Interest bearing liabilities			
▪ Current	3	5	8
▪ Non-current	5,268	2,226	7,494
Deferred tax liabilities	1,761	-	1,761
Other liabilities	993	200	1,193
Total liabilities	8,025	2,431	10,456
Net Assets	9,557	-	9,557
Minority interest ¹	(257)	-	(257)
Net Assets attributable to Westfield Corporation	9,300	-	9,300

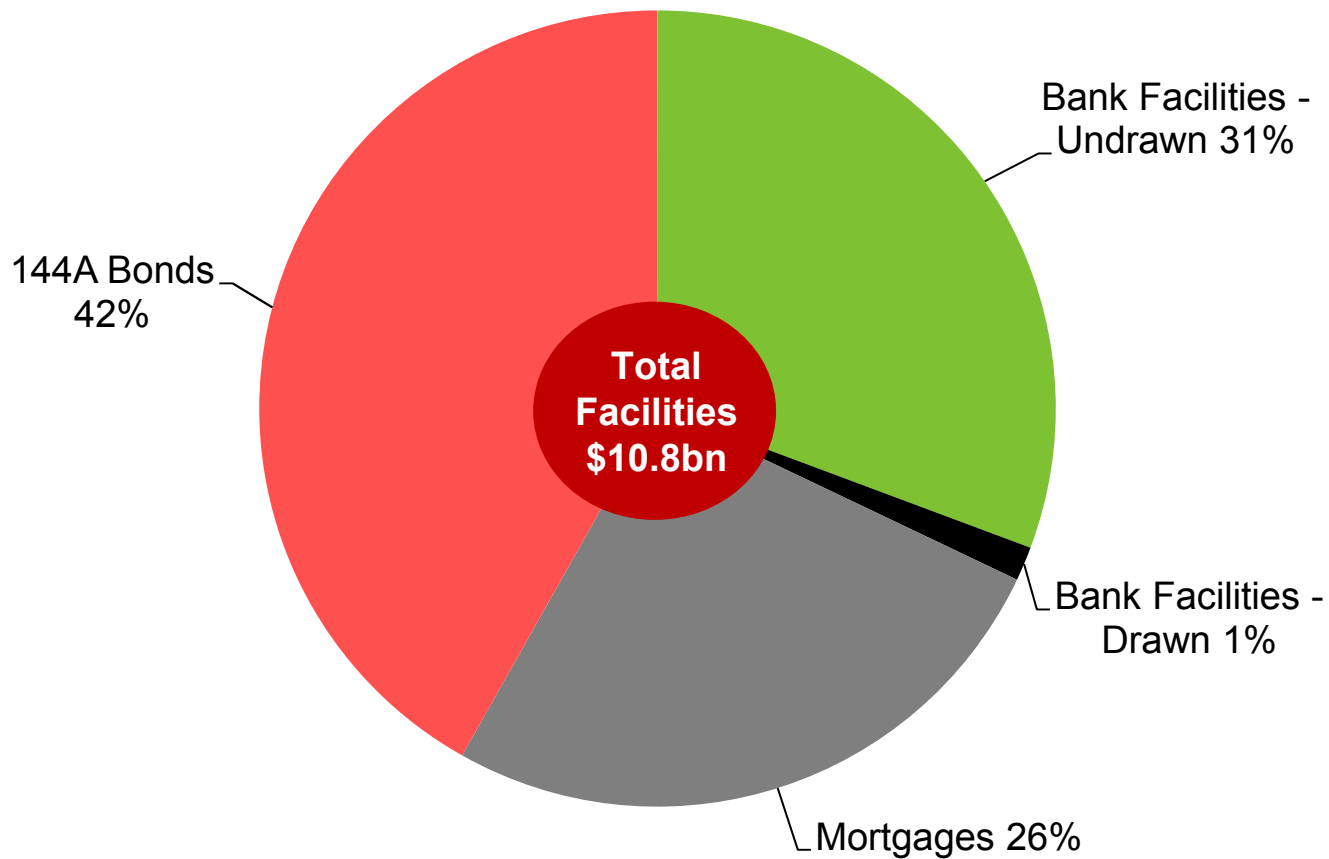
¹ Includes \$257m of convertible preference securities shown in minority interest given their equity characteristics

FINANCING FACILITIES



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- Diversified funding base comprising bonds, bank facilities and secured mortgages



KEY FINANCIAL RATIOS¹



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31 Dec 15

Gearing (enterprise value²) 29.9%

Gearing (book value) 33.2%

Secured Debt 14.1%

Interest Coverage 4.7 times

Unencumbered Leverage 258%

¹ On a proportional basis

² Based on Market Capitalisation

INTEREST RATE HEDGING PROFILE



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Outstanding as at Dec-15	US\$ fixed debt payable		£ fixed debt payable		US\$ interest swap payable		£ interest swap payable		US\$ interest swap receivable	
	US\$m	Fixed Rate ¹ %	£m	Fixed Rate ¹ %	US\$m	Fixed Rate ² %	£m	Fixed Rate ² %	US\$m	Fixed Rate ² %
2016	(6,596.0)	3.61%	(375.0)	2.69%	(1,350.0)	1.39%	(461.1)	3.26%	3,950.0	2.89%
2017	(5,620.3)	3.76%	(375.0)	2.69%	-	-	(461.1)	3.26%	1,200.0	3.43%
2018	(5,610.9)	3.76%	(375.0)	2.69%	-	-	(461.1)	3.26%	1,200.0	3.43%
2019	(4,350.3)	4.06%	-	-	-	-	(461.1)	3.26%	1,200.0	3.43%
2020	(2,989.6)	4.00%	-	-	-	-	-	-	-	-
2021	(2,986.4)	4.00%	-	-	-	-	-	-	-	-
2022	(2,708.1)	3.98%	-	-	-	-	-	-	-	-
2023	(2,206.7)	4.00%	-	-	-	-	-	-	-	-
2024	(769.2)	4.42%	-	-	-	-	-	-	-	-
2025	(500.0)	4.75%	-	-	-	-	-	-	-	-

¹ Includes margin

² Excludes margin