

12 December 2017



**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)  
PRESENTATION**

Attached is a copy of the presentation in relation to the Westfield Corporation and Unibail-Rodamco SE agreement.

Yours faithfully

**WESTFIELD CORPORATION**

A handwritten signature in blue ink, consisting of several overlapping loops and a long horizontal stroke extending to the left.

**Simon Tuxen  
Company Secretary**

Encl.



**unibail·rodamco**

***Westfield***

CREATING THE WORLD'S PREMIER DEVELOPER AND OPERATOR  
OF FLAGSHIP SHOPPING DESTINATIONS

DECEMBER 12, 2017

**UNIBAIL-RODAMCO TO ACQUIRE WESTFIELD**

**TO CREATE THE WORLD'S PREMIER  
DEVELOPER AND OPERATOR  
OF FLAGSHIP SHOPPING DESTINATIONS**

# TRANSACTION HIGHLIGHTS

# WESTFIELD: A NATURAL EXTENSION OF UNIBAIL-RODAMCO'S STRATEGY OF CONCENTRATION, INNOVATION AND DIFFERENTIATION

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## Adds attractive new markets: London and the wealthiest markets in the US

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- Extends footprint with flagship assets in the **most dynamic and attractive markets**
- **Expansion into London** enhances Unibail-Rodamco's European leadership position
- Creates the **world's leading platform for global retailers**

## Provides a unique platform of iconic shopping destinations

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- **35 shopping centres**, of which **17 flagships** (85% of GMV<sup>(1)</sup>)
- Highly **experienced management team** in place
- **Acclaimed developer** of iconic and innovative retail destinations
- **Best fit** with Unibail-Rodamco's strategy

## Strong cultural and strategic similarities

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- **Successful history** as **developer** and **investor**
- Focused on **concentration, innovation** and **differentiation**
- **Great talent pool**

## Adds €4.9 Bn<sup>(2)</sup> development pipeline of iconic projects

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- Embedded **long-term organic growth potential**: projects to add 1 Mn m<sup>2</sup> GLA
- **Flexibility**: 20% of projects committed
- New **leading market: Milan**
- Extends **London leadership: Croydon**
- Target **7 to 8% yield on cost**

(1) Proportionate GMV (Unibail-Rodamco definition) of €18.1 Bn as of June 30, 2017. See glossary for definition

(2) Proportionate total investment cost (Unibail-Rodamco definition) as of June 30, 2017 adjusted for deliveries achieved in H2-2017. Based on Unibail-Rodamco's view of Westfield's pipeline. See glossary for definition

# CREATING THE WORLD'S PREMIER DEVELOPER AND OPERATOR OF FLAGSHIP SHOPPING DESTINATIONS

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**One brand :** *Westfield*

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**One strategy**  
flagship shopping destinations

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**€61.1 Bn** combined GMV<sup>(1)</sup>

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**56** flagship assets

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**27** capital cities

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**1.2 Bn+** visits annually

**One platform** for brand ventures

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**€12.3 Bn<sup>(2)</sup>** flexible pipeline

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**3,700** professionals

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**REPS accretive<sup>(3)</sup>**  
from first full year

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**“A” category rating** expected<sup>(4)</sup>

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**Strong balance sheet**

(1) Proportionate GMV (Unibail-Rodamco definition) as at June 30, 2017. €43.0 Bn for Unibail-Rodamco and €18.1 Bn for Westfield, respectively

(2) Proportionate total investment cost as per Unibail-Rodamco's definition. Figures as of June 30, 2017, adjusted for deliveries achieved in H2-2017. €7.4 Bn for Unibail-Rodamco and €4.9 Bn for Westfield, based on Unibail-Rodamco's view on Westfield's pipeline

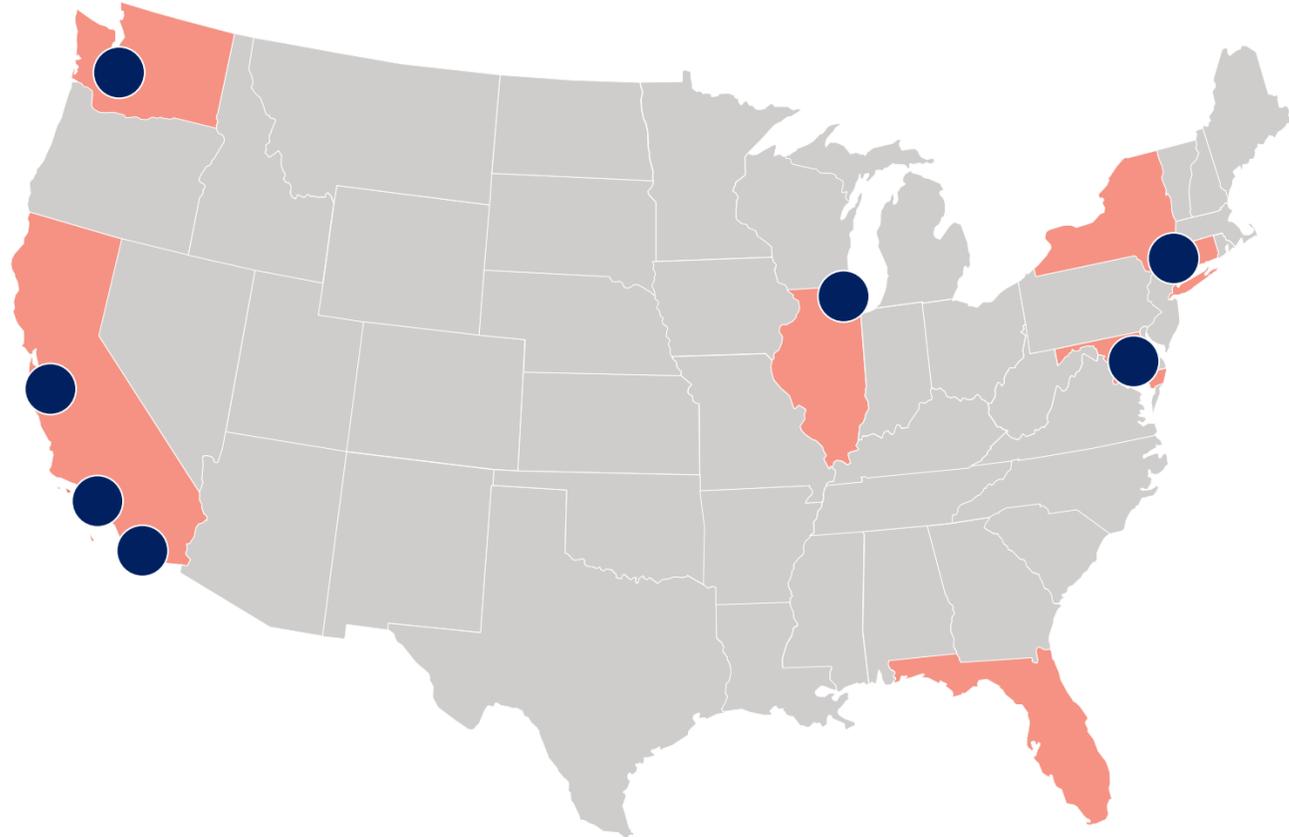
(3) For Unibail-Rodamco shareholders. Source: Unibail-Rodamco

(4) Source: Unibail-Rodamco

# CREATING THE WORLD'S PREMIER DEVELOPER AND OPERATOR OF FLAGSHIP SHOPPING DESTINATIONS



## United States



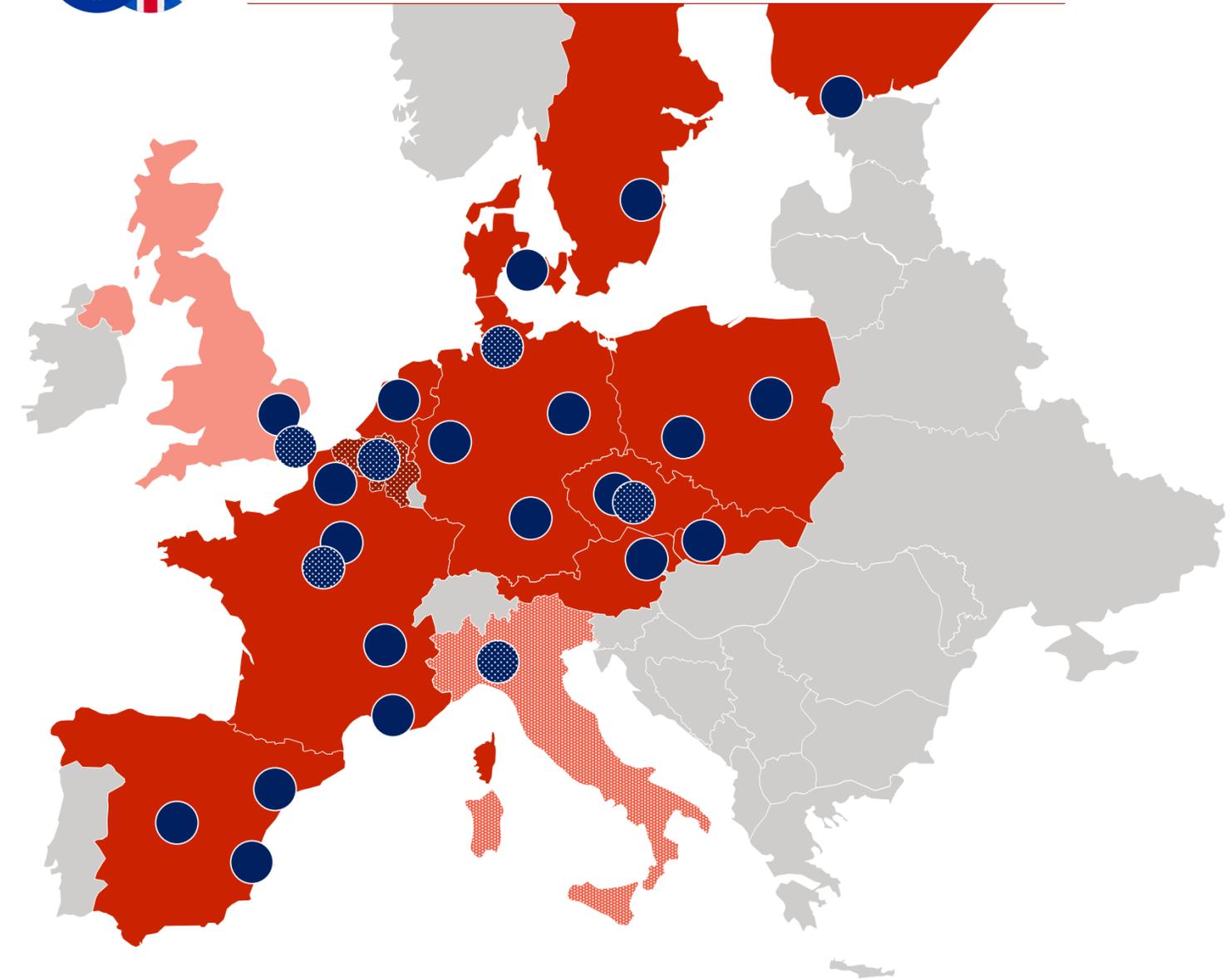
Unibail-Rodamco and Westfield shopping centres in leading capital cities

- Unibail-Rodamco regions
- Westfield regions

- Standing flagship assets
- Brownfield developments



## Continental Europe and London



**104 shopping centres<sup>(1)</sup> - 84% of combined GMV<sup>(2)</sup> in flagships**

(1) Based on number as of June 30, 2017, adjusted for disposals and deliveries achieved until December 1, 2017

(2) Proportionate GMV of flagships as a percentage of total shopping centres of the combined entity as of June 30, 2017

# KEY TRANSACTION TERMS

## OFFER TERMS

- For each Westfield security:
  - **0.01844x Unibail-Rodamco shares<sup>(1)</sup>**
  - **+ US\$2.67 in cash**
- Implied mix: 65% scrip, 35% cash
- Implied price per security: US\$7.55 (AU\$10.01)<sup>(2)</sup>
  - 17.8% premium<sup>(2)</sup> to spot price
  - 22.7% premium<sup>(2)</sup> to 3-month US\$ VWAP
- Implied Westfield enterprise value<sup>(3)</sup>: US\$24.7 Bn

## FRIENDLY AND RECOMMENDED DEAL

- Lowy family fully supportive, intends to maintain a substantial investment in Unibail-Rodamco
- Unanimous recommendation by Unibail-Rodamco's Supervisory Board and Westfield's Board of Directors<sup>(5)</sup>
- Two Westfield representatives to join Unibail-Rodamco's Supervisory Board, including Peter Lowy

## LISTING

- Listing on Euronext Amsterdam and Paris
- Secondary listing in Australia: CDIs<sup>(6)</sup>

## FINANCING

- **38.7 Mn Unibail-Rodamco shares<sup>(1)</sup>** to be issued **+ US\$5.6 Bn in cash**
- Cash portion to be refinanced with senior bonds, hybrid debt securities and proceeds from disposals



- Westfield's retail technology platform to be spun-off to Westfield security holders prior to Transaction closing
- Group to retain a 10% interest in OneMarket

**Increased Unibail-Rodamco stock appeal: enlarged pro forma market cap of €31.1 Bn<sup>(4)</sup> and increased liquidity**

(1) Comprising Unibail-Rodamco shares and shares in a new Dutch REIT to be formed which, at closing, will be stapled together and will trade as a single security. Refer to structure details further in the presentation

(2) Based on exchange rates and share prices as of December 11, 2017 closing. Unibail-Rodamco share price reference is €224.1 (US\$ 264.5). Reference Westfield price and 3 month VWAP of US\$6.41 (A\$ 8.50) and US\$ 6.15 (A\$ 7.94), respectively. VWAP: Volume Weighted Average Price

(3) One a proportionate basis

(4) Based on 38.7 Mn shares issued to Westfield securityholders and Unibail-Rodamco closing price of December 11, 2017

(5) In the absence of a Superior Proposal and subject to an Independent Expert concluding that the Transaction is in the best interests of Westfield securityholders

(6) Chess Depository Interests

UNIBAIL-RODAMCO:  
UNPARALLELED PLATFORM  
OF ICONIC SHOPPING DESTINATIONS

# THE LEADING LISTED PAN-EUROPEAN COMMERCIAL PROPERTY COMPANY

## Europe's #1

commercial property company

€43.0 Bn GMV<sup>(1)</sup>

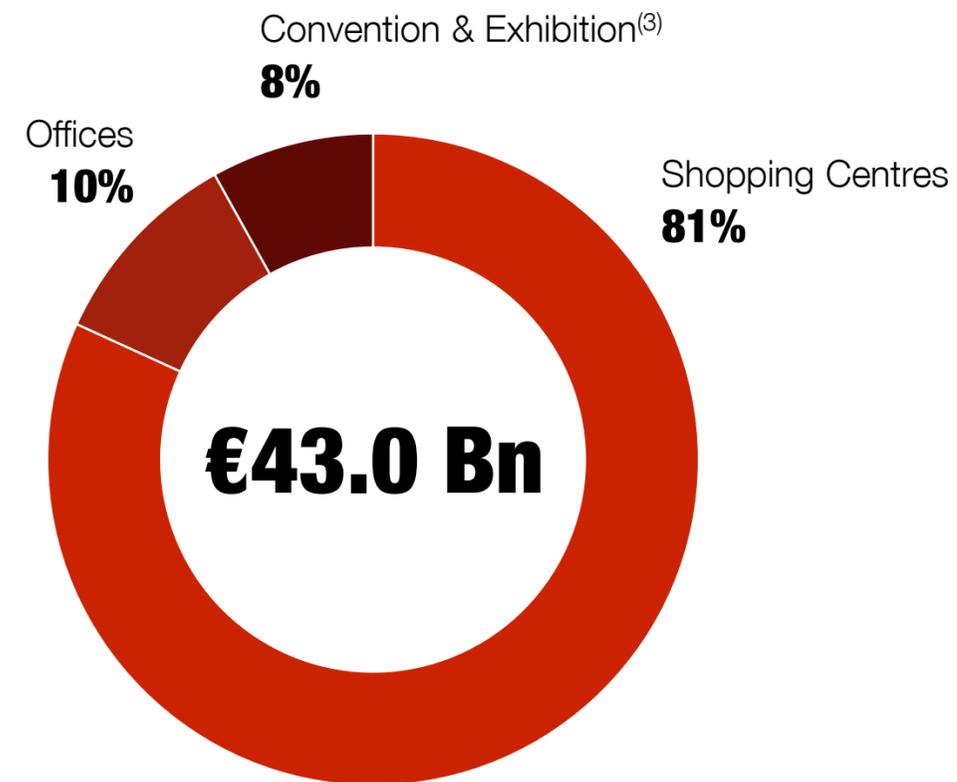
€22.0 Bn market cap<sup>(2)</sup>

Listed in Euronext Amsterdam and Paris. Part of the CAC40 French and AEX25 Dutch indices

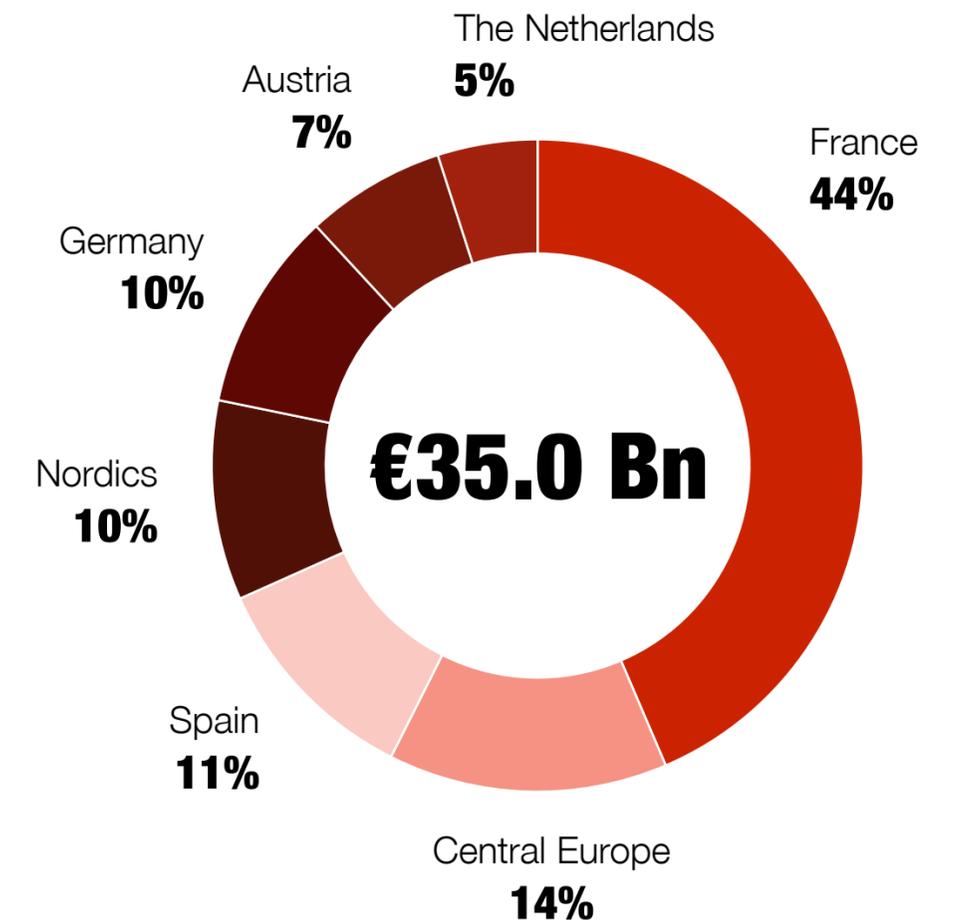
Strong balance sheet: **"A" credit rating** and **33% Loan-To-Value<sup>(2)</sup>**

» **2,000** employees

## Portfolio by division<sup>(1)(2)</sup>



## Shopping centre portfolio<sup>(1)(2)</sup>



(1) Proportionate gross market value: Includes investments in shopping centres, assets under construction and assets held for redevelopment

(2) As of June 30, 2017

(3) Including services

# UNIBAIL-RODAMCO'S STRATEGY

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## Concentration

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- Focus: **large, well-connected assets** in **Europe's wealthiest cities**
- **Build and enhance the most attractive assets** for tenants, visitors and employees

**Generate superior growth and returns**

## Differentiation

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- Continuous **improvement of assets and services**
- Drive footfall by **increasing appeal, attracting new and differentiating retailers**

**Building the new face of retail**

## Innovation

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- Continuously **lead innovation**
- **Anticipate customer demands**

**Fostering creativity**

# ICONIC SHOPPING DESTINATIONS IN EUROPE'S WEALTHIEST CITIES

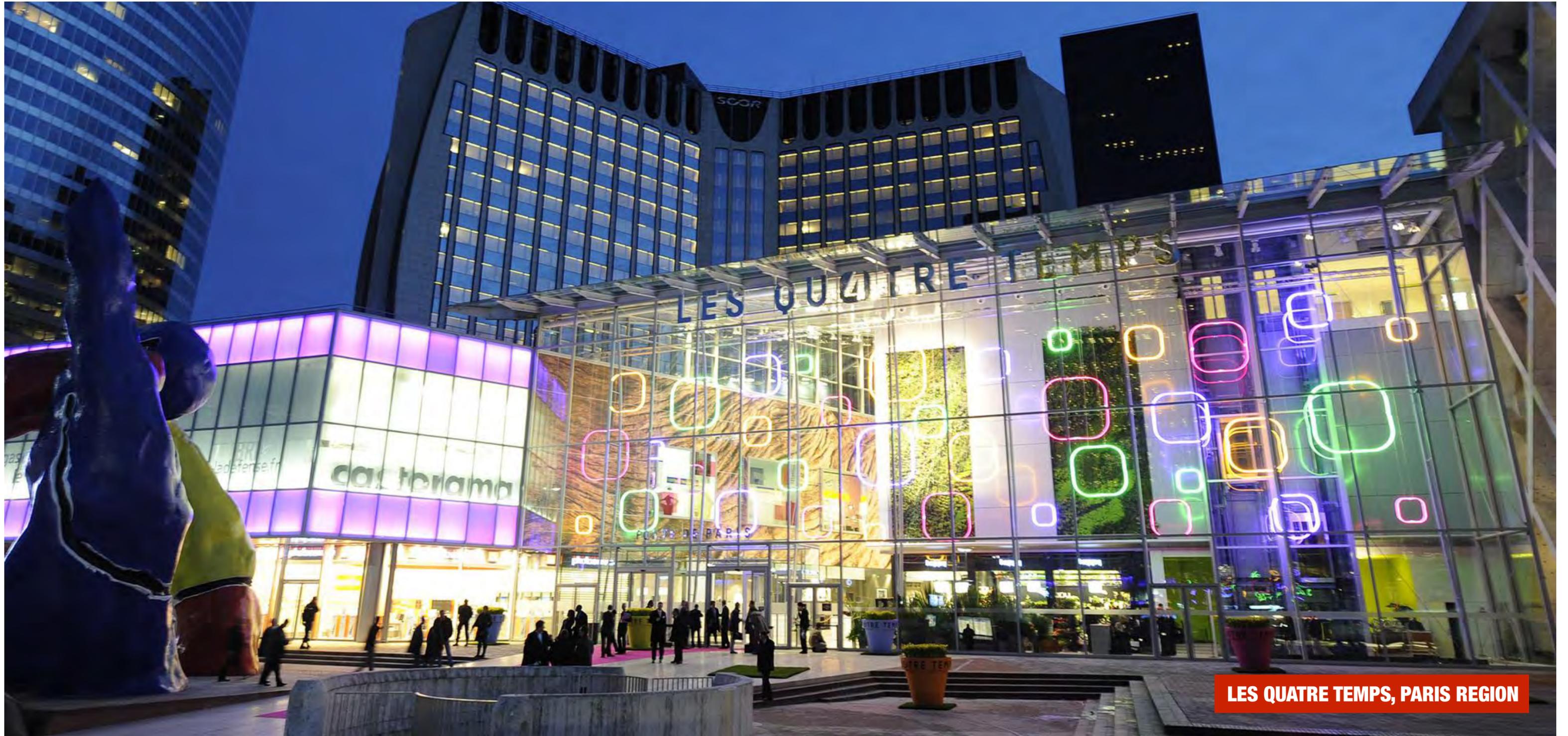


Number of visits in 2016

Portfolio includes assets consolidated under equity method, not all assets displayed on the map

# THE BEST SHOPPING CENTRES IN EUROPE

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**LES QUATRE TEMPS, PARIS REGION**

# THE BEST SHOPPING CENTRES IN EUROPE

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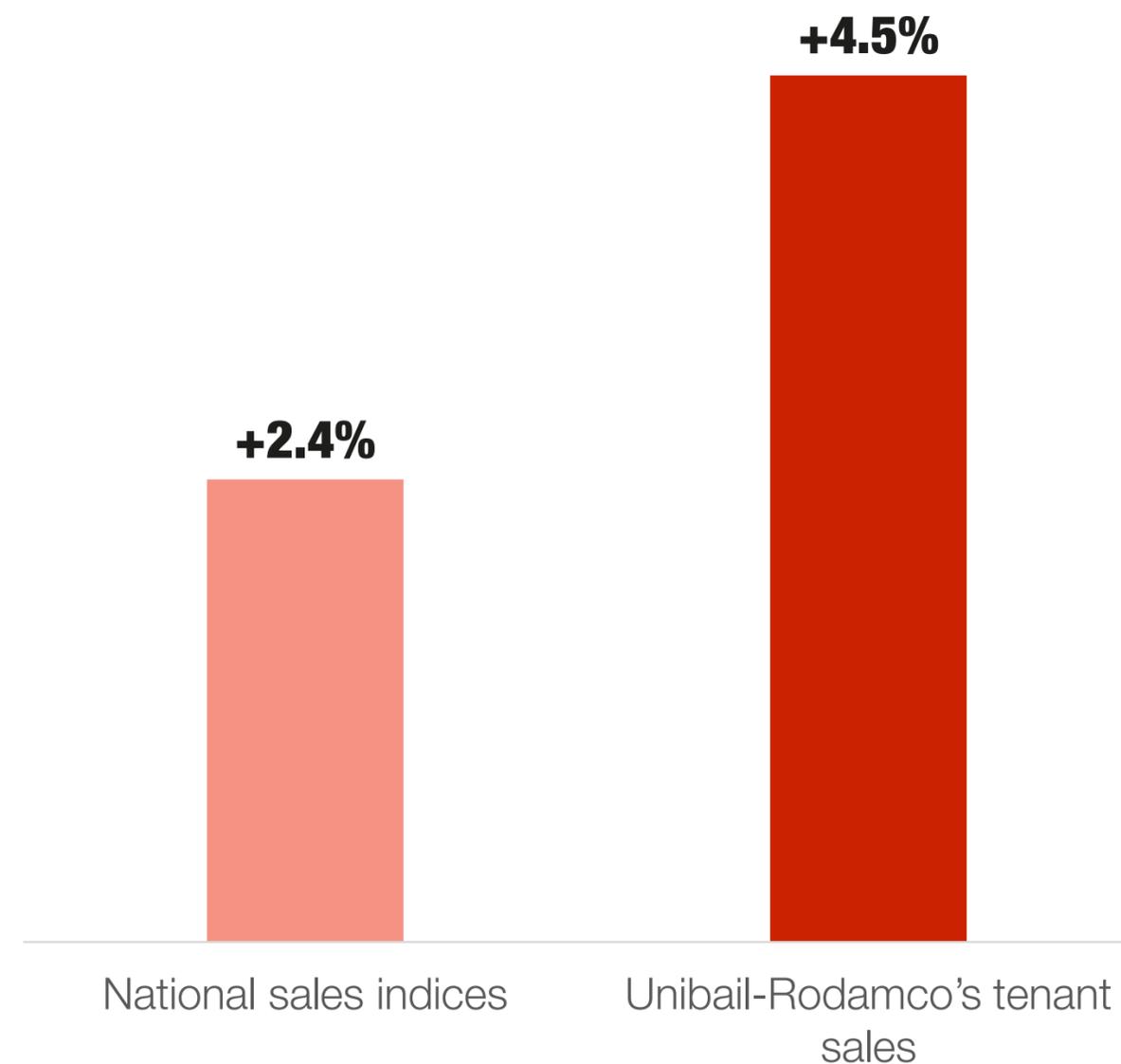
**MALL OF SCANDINAVIA, STOCKHOLM REGION**

# STRONG OPERATING PERFORMANCE

## Key figures as of June 30, 2017<sup>(1)</sup>

L12M Net Rental Income (€ Mn) – Group	<b>1,594</b>
L12M Recurring Earnings (€ Mn) – Group	<b>1,153</b>
Like-for-like Net Rental Income growth <sup>(2)</sup> H1-2017 (%)	<b>3.4</b>
Minimum guaranteed rental uplifts <sup>(2)</sup> H1-2017 (%)	<b>13.5</b>
Small units retail sales <sup>(1)(2)(3)</sup> (€/m <sup>2</sup> )	<b>5,586</b>
OCR <sup>(2)</sup> (%)	<b>14.9</b>
Financial vacancy <sup>(2)</sup> (%)	<b>2.5</b>

## Tenant sales growth vs national indices<sup>(2)(4)</sup>



Source: Company's filings

(1) Based on Unibail-Rodamco's disclosure. Proportionate, unless otherwise stated

(2) Shopping centre division only

(3) Units < 500 m<sup>2</sup> GLA

(4) Through September 2017 compared to the same period in 2016 for tenant sales, and 151bps outperformance over national sales indices as of August 2017

# HIGH QUALITY OWNER AND DEVELOPER OF OFFICES IN PARIS

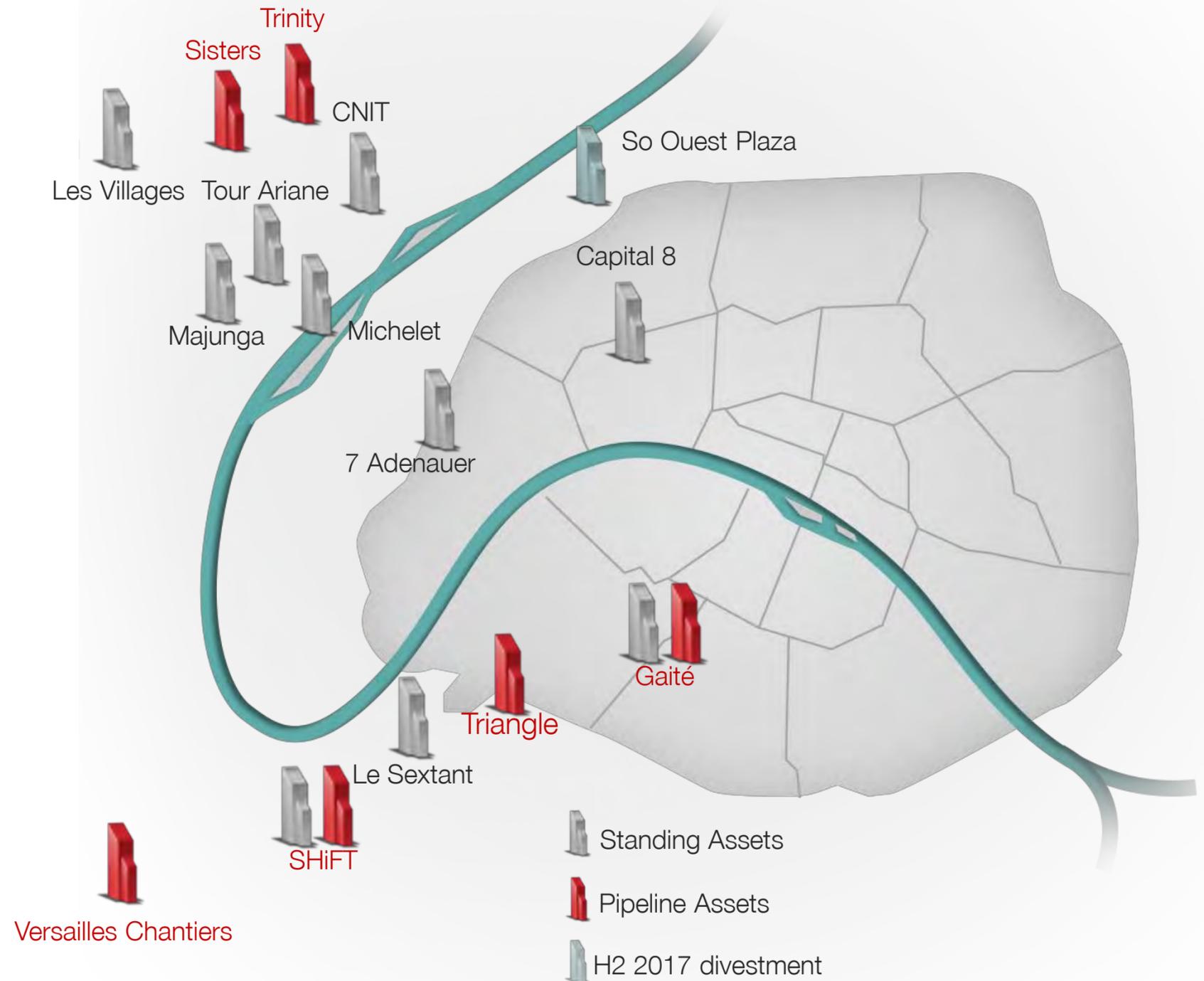
**€3.9 Bn GMV<sup>(1)</sup>**

**13** standing office buildings  
in the Paris region

**402,700 m<sup>2</sup> GLA** in France

Net initial yield<sup>(2)</sup>: **5.2%**

**6 development projects:**  
**€1.7 Bn** Total Investment Cost<sup>(3)</sup>



Portfolio as of June 30, 2017, French portfolio only. Not all assets displayed on the map

(1) Based on proportionate gross market values as at June 30, 2017. Including transfer taxes and transaction costs.

(2) French occupied office space. Annualised contracted rent net of expenses, divided by the value of occupied space net of estimated transfer taxes and transaction costs. Assets under development not included in the calculation

(3) As at June 30, 2017

# THE EUROPEAN LEADER IN THE CONVENTION AND EXHIBITION BUSINESS



**€3.4 Bn** proportionate GMV<sup>(1)</sup> portfolio

**10 venues**

The leading operator of prime venues  
in the Paris region

**750 events**

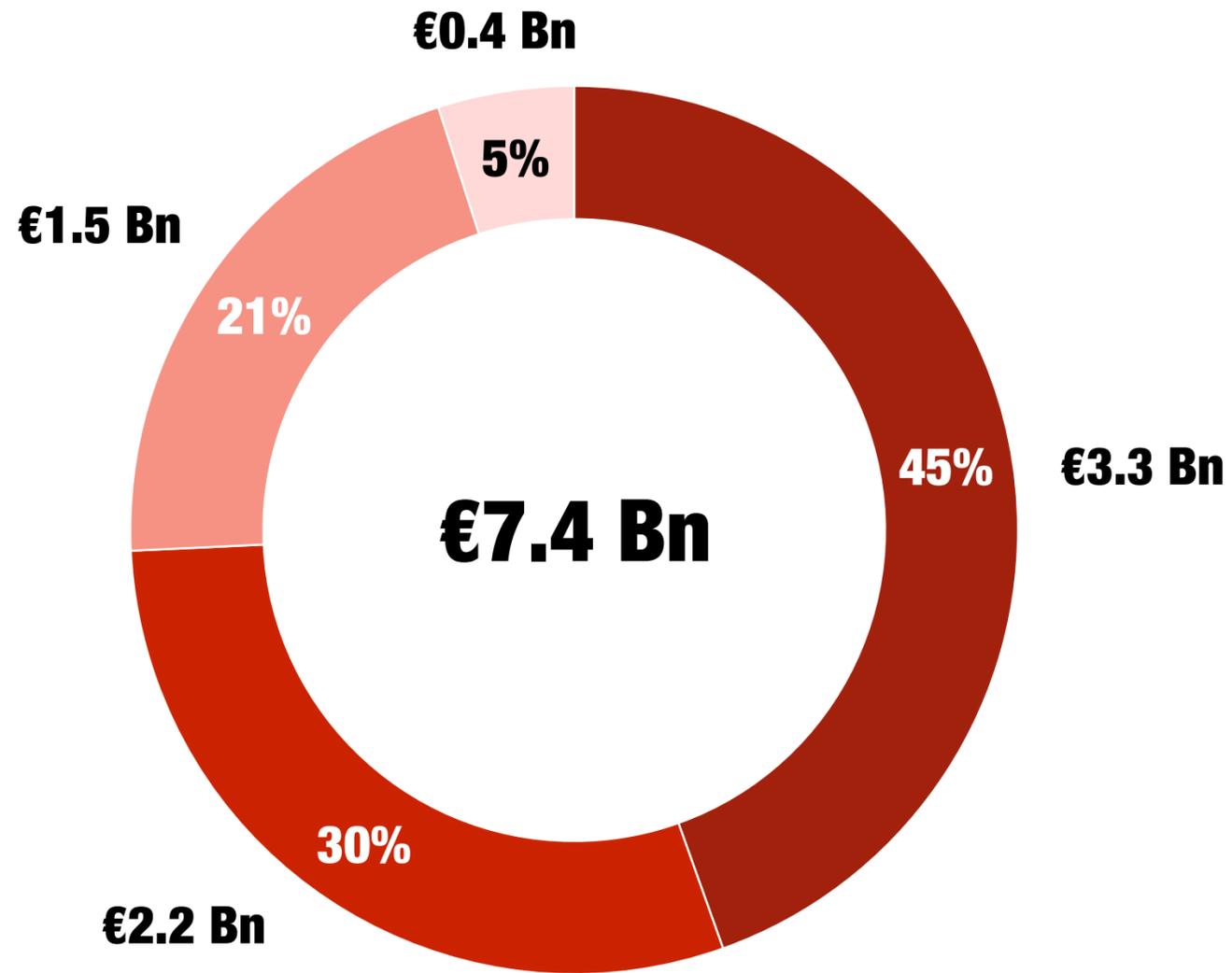
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**697,200 m<sup>2</sup> GLA**

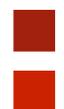
(1) Based on proportionate gross market values as at June 30, 2017. Including transfer taxes and transaction costs

# €7.4 BN PIPELINE TO CREATE VALUE

**Pipeline by segment**



RETAIL



Greenfield / Brownfield



Extension / Renovation

OFFICES

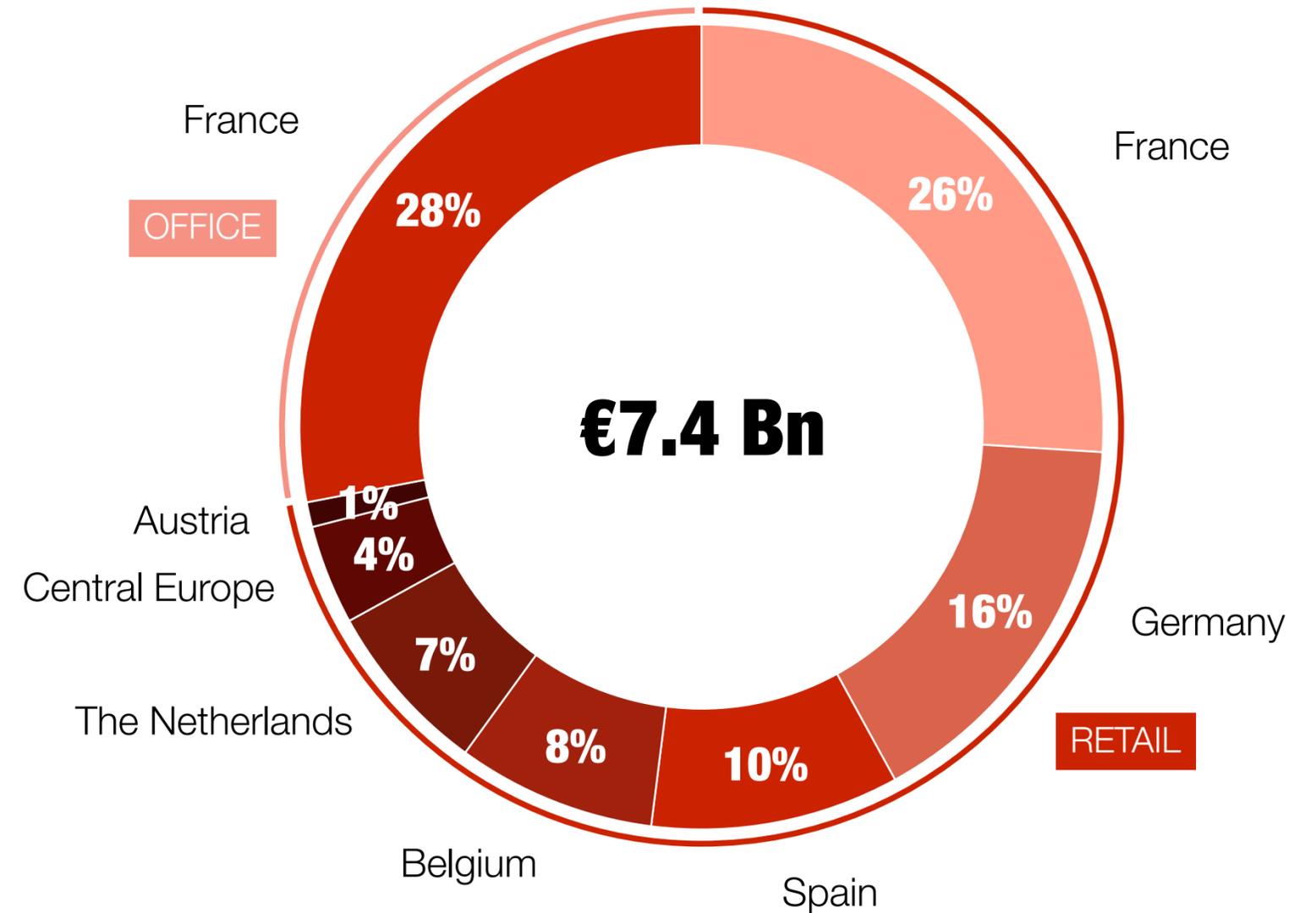


Greenfield / Brownfield



Extension / Renovation

**Pipeline by region**



OFFICE

RETAIL

# RECENT SUCCESSFUL DELIVERIES



Opened October 11, 2017

CENTRUM  
**CHODOV**  
★★★★

Additional GLA  
**41,972 m<sup>2</sup>**



Opened October 18, 2017

**WROCLAVIA**  
★★★★

GLA  
**80,843 m<sup>2</sup>**



Opened October 26, 2017

**carrésénart**  
★★★★

Additional GLA  
**29,906 m<sup>2</sup>**



Opened November 9, 2017

**GLORIES**  
★★★★

Additional GLA  
**10,517 m<sup>2</sup>**

**UNIBAIL-RODAMCO + WESTFIELD:**

CREATING THE WORLD'S PREMIER  
DEVELOPER AND OPERATOR  
OF FLAGSHIP SHOPPING DESTINATIONS

# CREATING THE WORLD'S PREMIER DEVELOPER AND OPERATOR OF FLAGSHIP SHOPPING DESTINATIONS

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1

Global leader,  
strategically  
positioned  
in the world's best  
cities



2

Unique portfolio  
of iconic shopping  
centres



3

Rental growth  
and pipeline  
to drive earnings



4

Significant value  
creation through  
operating and cost  
synergies



5

Governance  
and management  
to combine the  
best of two industry  
leaders

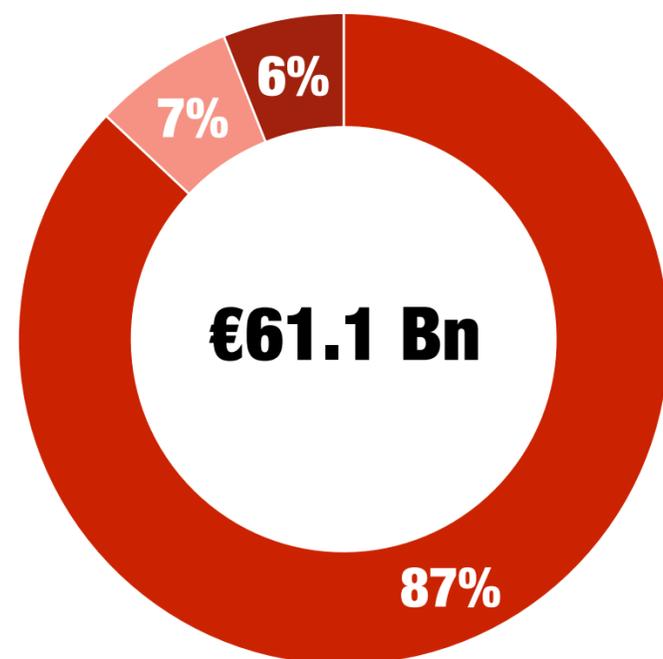


# GLOBAL LEADER WITH PREMIUM QUALITY PORTFOLIO

As of June 30, 2017

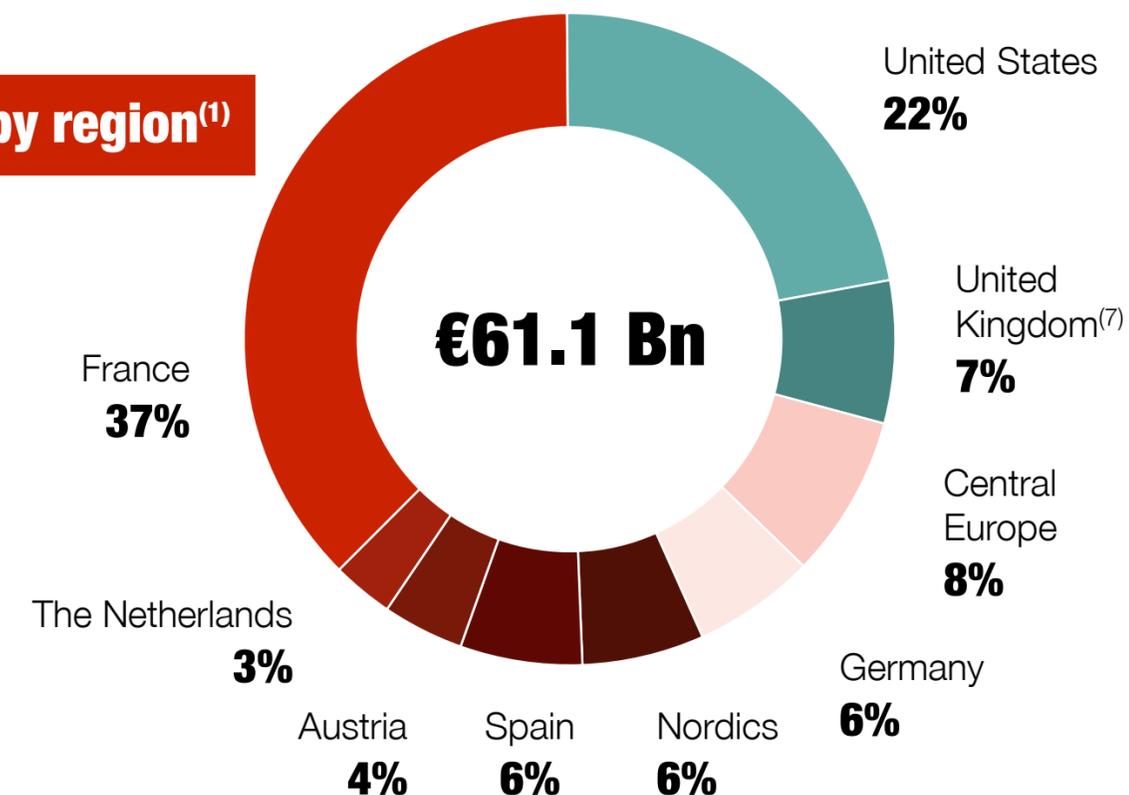
	Unibail-Rodamco	Westfield	Pro forma
GMV <sup>(1)</sup>	<b>€43.0 Bn</b>	<b>€18.1 Bn</b>	<b>€61.1 Bn</b>
Pipeline <sup>(2)</sup>	<b>€7.4 Bn</b>	<b>€4.9 Bn</b>	<b>€12.3 Bn</b>
# of countries <sup>(3)</sup>	<b>11</b>	<b>2</b>	<b>13</b>
# of shopping centres <sup>(4)</sup>	<b>69</b>	<b>35</b>	<b>104</b>
Average footfall per flagship asset (Mn) <sup>(5)</sup>	<b>15.2</b>	<b>16.9</b>	<b>15.7</b>

## Portfolio by segment<sup>(1)</sup>



- Shopping centres
- Offices
- C&E<sup>(6)</sup>

## Portfolio by region<sup>(1)</sup>



- (1) Proportionate GMV. Includes investments in shopping centres, assets under construction, assets held for redevelopment and inventories
- (2) Proportionate total investment costs (Unibail-Rodamco's definition) as of June 30, 2017 adjusted for deliveries. Westfield: Unibail-Rodamco's view of Westfield's pipeline.
- (3) Standing assets only, excluding assets under development as of June 30, 2017
- (4) Based on H1-2017 number, adjusting for disposals and deliveries occurred until December 1, 2017
- (5) Excluding Wroclavia and Westfield World Trade Center
- (6) Including services
- (7) Includes Milan project at cost

# THE BEST SHOPPING CENTRES IN THE WORLD'S BEST CITIES

City <sup>(1)</sup>	GDP/Capita as % of national average	Top 3 shopping centres			City <sup>(1)</sup>	GDP/Capita as % of national average	Top 3 shopping centres		
Warsaw	<b>195%</b>				Stockholm	<b>142%</b>			
Paris	<b>176%</b>				New York	<b>141%</b>			
San Jose	<b>175%</b>				Los Angeles	<b>133%</b>			
San Francisco	<b>154%</b>				Barcelona	<b>128%</b>			
Prague	<b>153%</b>				San Diego	<b>126%</b>			
Madrid	<b>146%</b>				Vienna <sup>(2)</sup>	<b>122%</b>			
London	<b>144%</b>				Lyon	<b>120%</b>			
					Ruhr region <sup>(3)(4)</sup>	<b>111%</b>			

Sources: Green Street Advisors, OECD, Brookings and JPMorgan Chase, World's Richest Countries

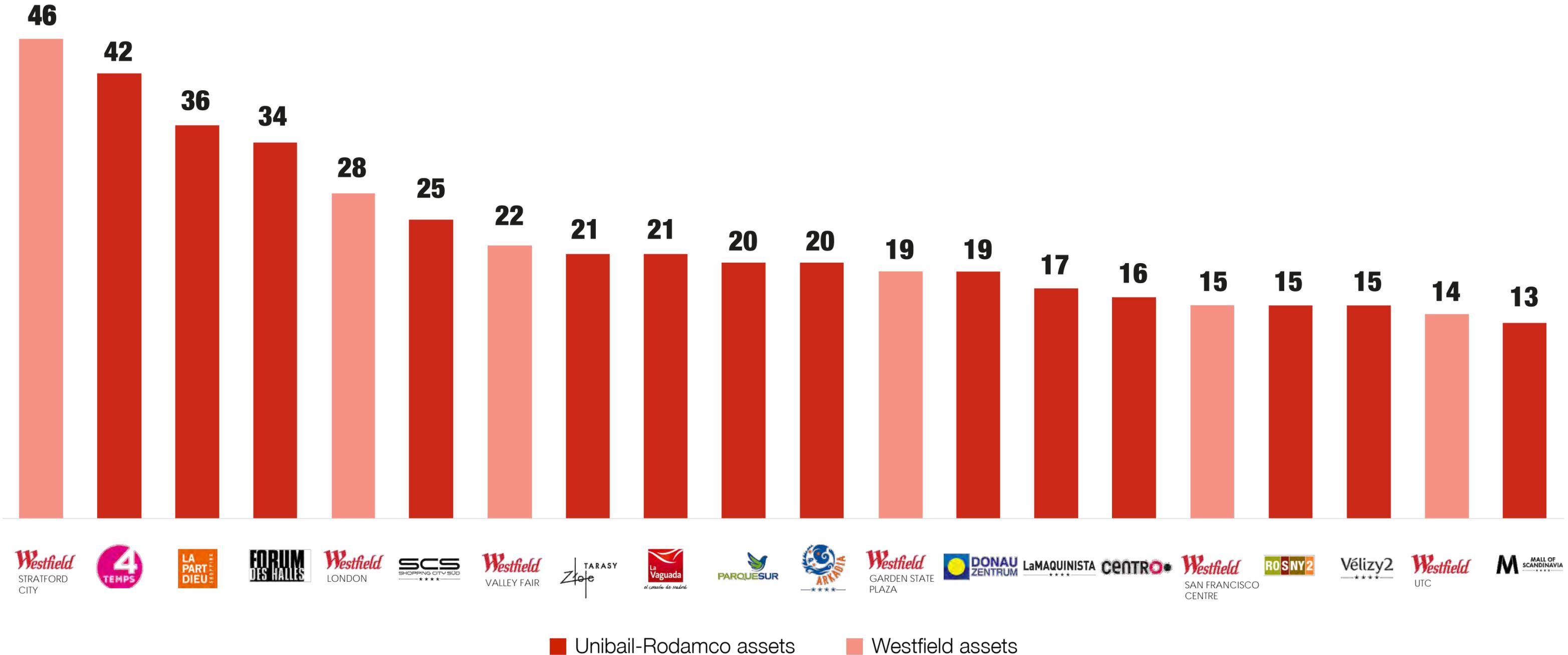
Note: Shopping centres ranking based on Green Street shopping centres grades (for shopping centres with similar grades, ranking based on footfall for European shopping centres and on sales/sqf for American shopping centres)

- (1) City defined as MSA (i.e metropolitan statistical area): geographical region with a relatively high population density and close economic ties throughout the area
- (2) GDP/Capita based on Vienna-Bratislava GDP/Capita on Brookings and JPMorgan Chase report
- (3) GDP/Capita based on Köln-Düsseldorf GDP/Capita on Brookings and JPMorgan Chase report
- (4) Top 3 shopping centres based on Düsseldorf Metropolitan Statistical Area as per Green Street Advisors database

**Shopping centres in color are owned by Unibail-Rodamco and Westfield**

# 2 A UNIQUE PORTFOLIO OF FLAGSHIP SHOPPING DESTINATIONS

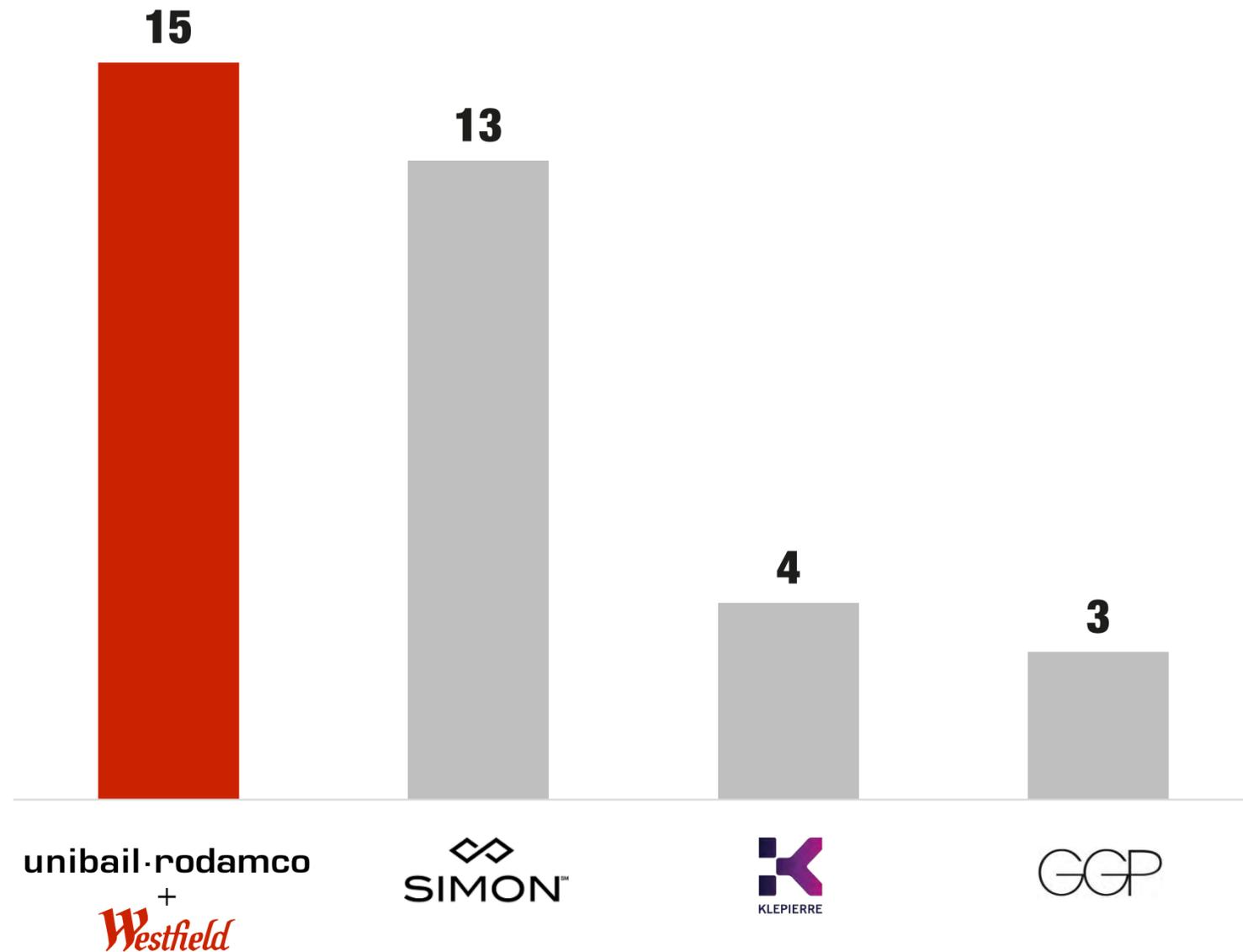
Footfall of top 20 assets<sup>(1)</sup> (Mn)



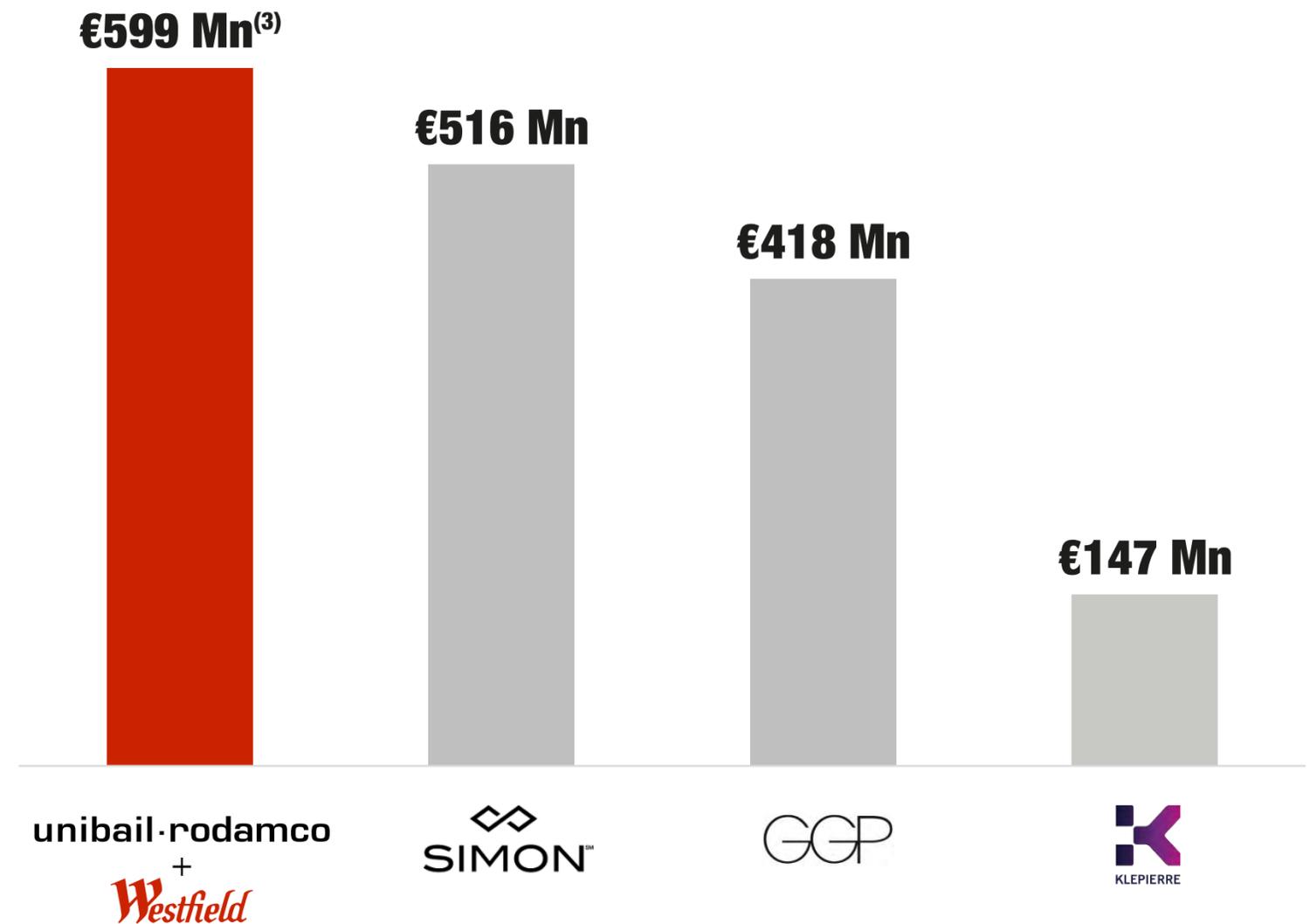
(1) Based on Top 20 A++ and A+ rated malls as per Green Street Advisors with highest footfalls

# 2 THE WORLD'S PREMIER OWNER OF ICONIC QUALITY SHOPPING DESTINATIONS

## Number of A++ assets<sup>(1)</sup>



## Average GMV at 100% per asset<sup>(2)</sup>



Note: benchmark against top 3 other shopping centre REITs

(1) Source: Green Street Advisors. Including 8 assets for Unibail-Rodamco and 7 assets for Westfield

(2) Based on a 100% GMV of €63.5 Bn (shopping centres only) and the total number of shopping centres of the combined entity as of June 30, 2017. Based on estimated GMV at 100% divided by number of malls for US peers (source: Green Street Advisors and Unibail-Rodamco analysis to restate GSA mall values to 100%). Based on reported GMV at 100% for Klépierre, divided by total number of assets

(3) Based on the number of assets as of June 30, 2017

# 2 A MUST HAVE PARTNER FOR BRANDS AND RETAILERS



Eataly, Westfield Century City



Uniqlo, Glòries



Zara, Westfield London

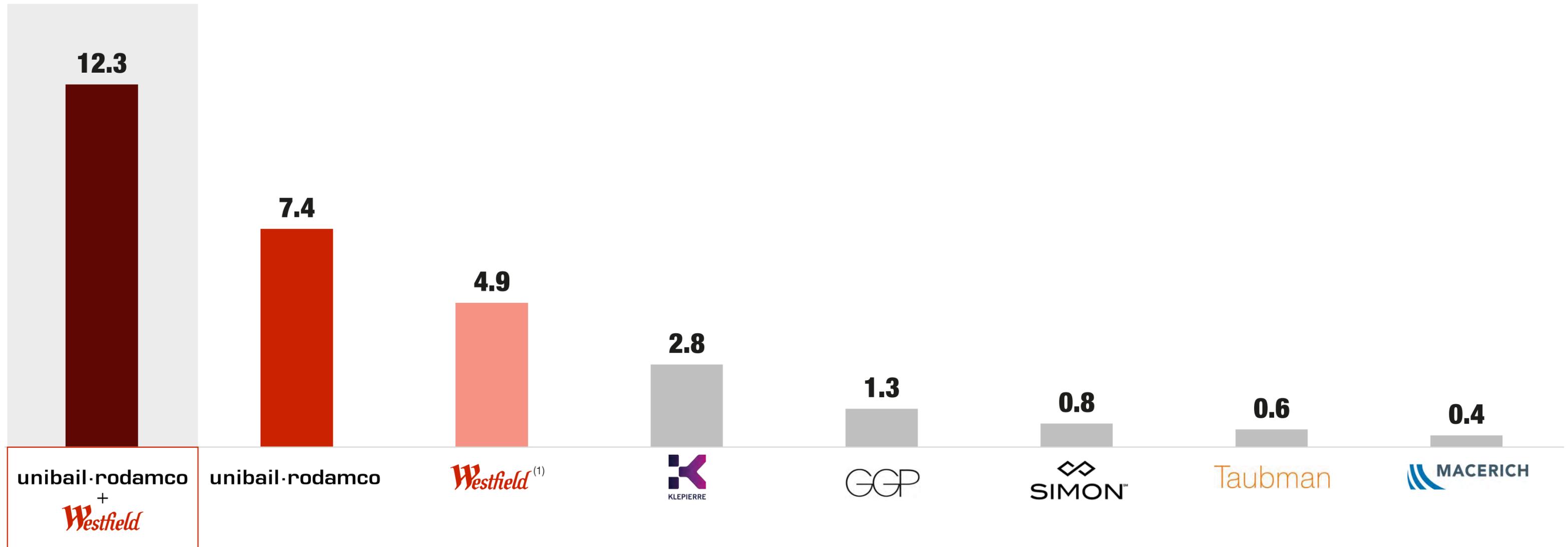
**Providing brands with the greatest locations to express their best concepts**



Samsung promotion, Vélizy 2

# 3 THE LARGEST PIPELINE

## Proportionate pipeline in € Bn



**Provides superior long-term potential**

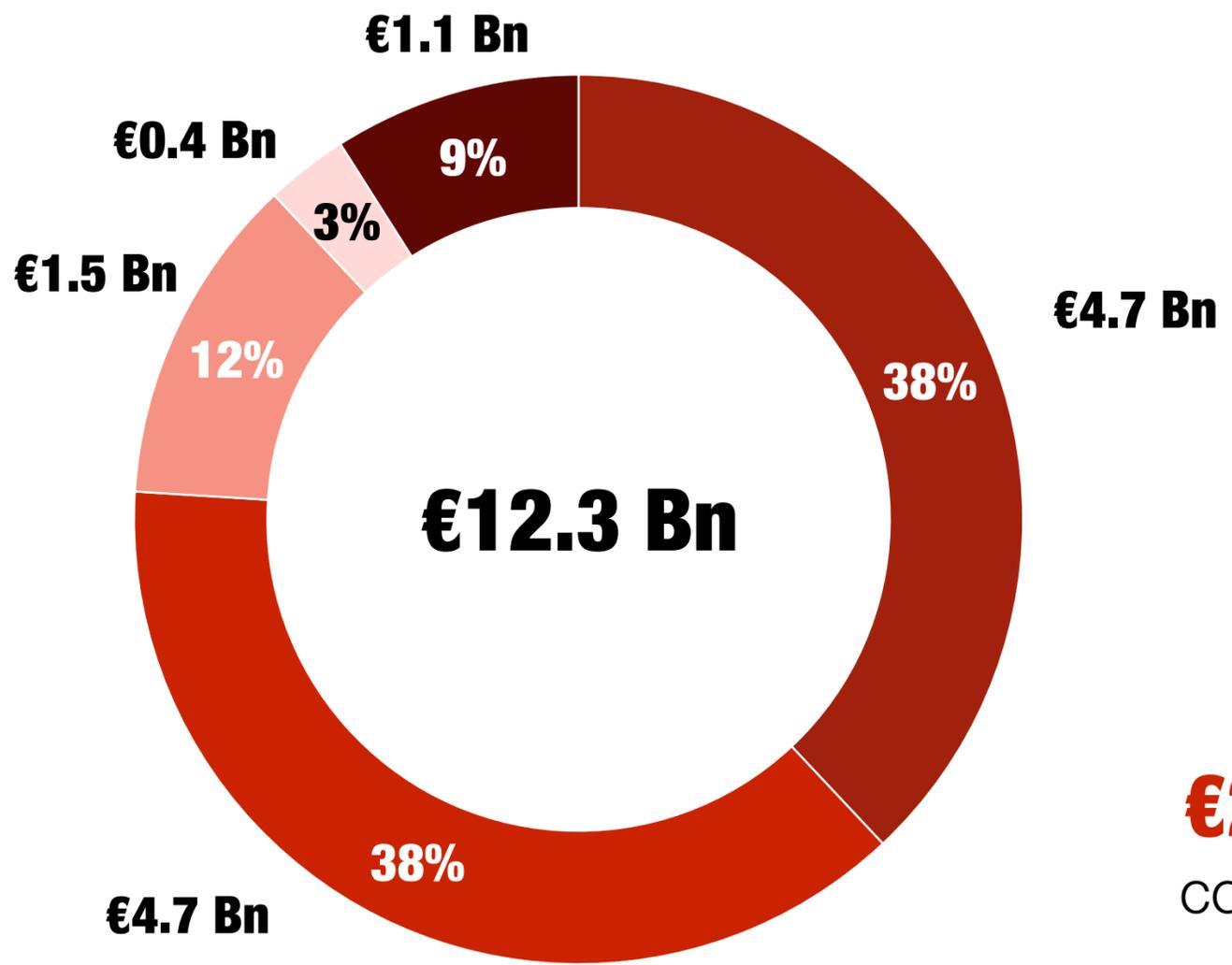
Source: Companies' filings

Note: Development pipeline for global retail peers (€ Bn). As of June 30, 2017 for European peers and Westfield and September 30, 2017 for US peers

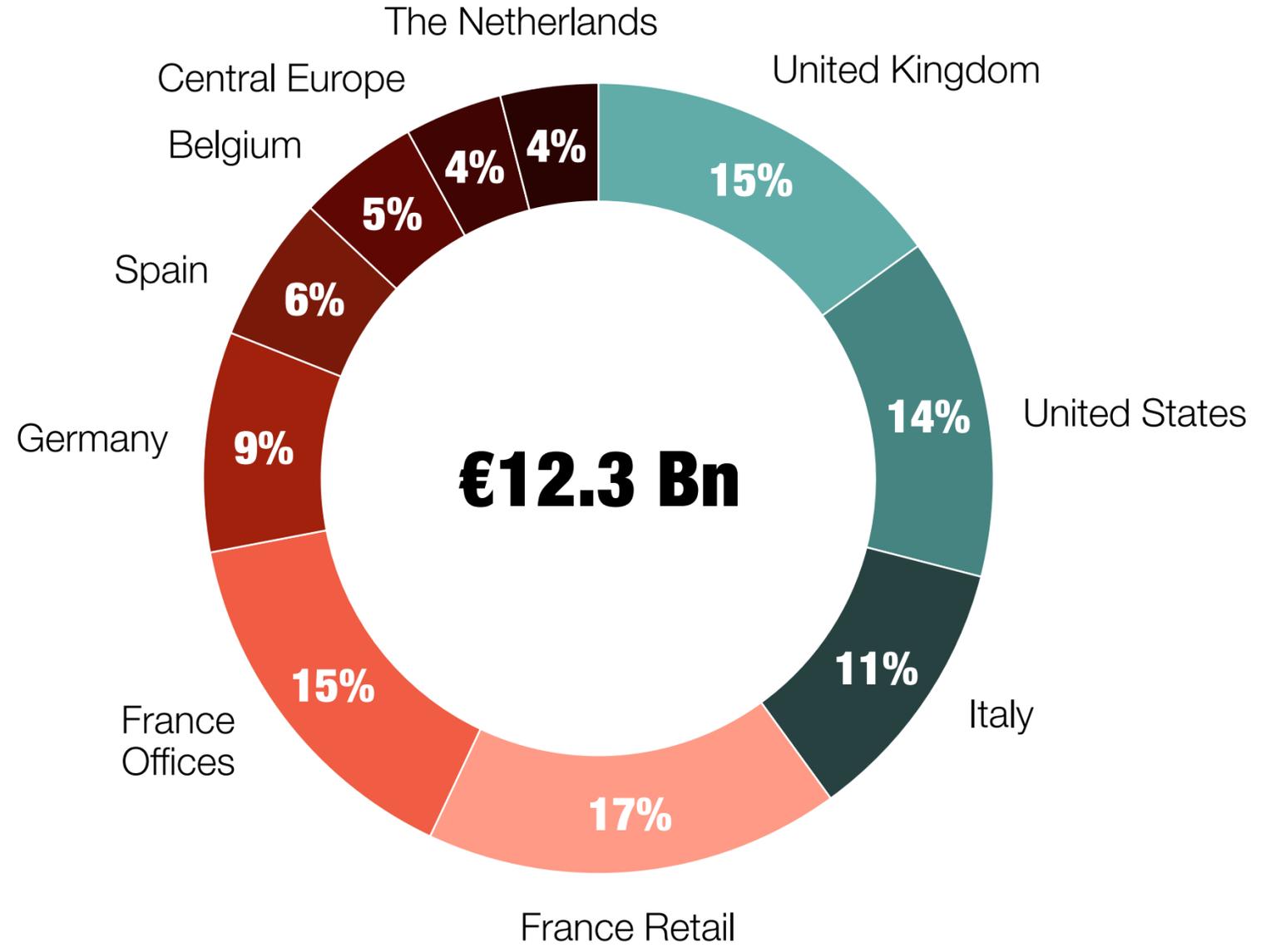
(1) Unibail-Rodamco's view of Westfield's pipeline. Proportionate total investment costs, excluding H2-2017 deliveries, as per Unibail-Rodamco's definition

# 3 €12.3 Bn OF PROJECTS TO CREATE VALUE

**By segment<sup>(1)</sup>**



**By region<sup>(1)</sup>**



**€2.2 Bn**  
committed

RETAIL	OFFICES	RESIDENTIAL
<span style="color: #8B0000;">■</span> Greenfield / Brownfield	<span style="color: #E9967A;">■</span>	<span style="color: #8B0000;">■</span>
<span style="color: #D9534F;">■</span> Extension / Renovation	<span style="color: #F08080;">■</span>	

Numbers may not add up due to rounding

(1) Breakdown based on proportionate project Total Investment Cost as per Unibail-Rodamco's definition as of June 30, 2017, adjusted for H2-2017 deliveries

# 3 WESTFIELD LONDON



Additional GLA  
**82,000 m<sup>2</sup>**

Westfield share  
**50%**

Total investment  
cost at 100%  
**€688 Mn**

Anticipated  
completion  
**Q1-2018**

# 3 WESTFIELD VALLEY FAIR



Additional GLA  
**48,200 m<sup>2</sup>**

Westfield share  
**50%**

Total investment  
cost at 100%  
**€896 Mn**

Anticipated  
completion  
**2019**

**EXTENSION AND RENOVATION**

# 3 LA PART-DIEU



Additional GLA  
**28,000 m<sup>2</sup>**

Total  
investment cost  
**€310 Mn**

Anticipated  
completion  
**H1-2020**

**EXTENSION AND RENOVATION**

# 3 WESTFIELD MILAN



**SHOPPING CENTRE BROWNFIELD**

GLA  
**185,000 m<sup>2</sup>**

Westfield share  
**75%**

Total investment  
cost at 100%  
**€1,318 Mn**

Anticipated  
completion  
**Post 2021**

# 3 ÜBERSEEQUARTIER



GLA  
**209,600 m<sup>2</sup>**

Total investment cost  
**€1,014 Mn**

Anticipated completion  
**H2-2021**

**SHOPPING CENTRE BROWNFIELD**

# 3 MALL OF EUROPE



GLA  
**126,300 m<sup>2</sup>**

Total investment cost  
**€566 Mn**

Anticipated completion  
**Post 2021**

**SHOPPING CENTRE BROWNFIELD**

# 3 CROYDON



Future GLA  
**155,000 m<sup>2</sup>**

Westfield share  
**50%**

Total investment  
cost at 100%  
**€1,481 Mn**

Anticipated  
completion  
**Post 2021**

# 3 OFFICES, PARIS

## TRINITY



GLA  
**48,900 m<sup>2</sup>**

Total investment cost  
**€317 Mn**

Anticipated completion  
**H1-2019**

## SISTERS



GLA  
**89,400 m<sup>2</sup>**

Total investment cost  
**€629 Mn**

Anticipated completion  
**Post 2021**

## TRIANGLE



GLA  
**85,100 m<sup>2</sup>**

Total investment cost  
**€522 Mn**

Anticipated completion  
**Post 2021**

# 4 VALUE CREATION THROUGH EXPECTED REVENUE AND COST SYNERGIES

## Expected revenue synergies: €40 Mn

### One branded platform

- Westfield brand to be deployed across the group's flagship assets

### Leasing synergies

- Combined group a "must-have" partner for global retailers
- Cross fertilization of retailer relationships between Unibail-Rodamco and Westfield
- Leveraging Westfield brand and specialty & advertising income expertise across the group

### Revenue synergies

- Rolling-out Unibail-Rodamco best practices in asset management and digital innovation
- Capture reversionary potential



## Expected cost synergies: €60 Mn

### Cost synergies

- Identified savings in corporate cost structure
- Sharing of operational best practices
- Procurement, marketing expenses, etc.



**Expected run-rate synergies of €100 Mn p.a.<sup>(1)</sup>, 4%+ of combined NRI<sup>(2)</sup>**

Synergies as estimated by Unibail-Rodamco

(1) Full quantum of annual synergies

(2) Based on L12M as of June 30, 2017

# 4 WESTFIELD BRAND TO BE DEPLOYED ACROSS FLAGSHIP ASSETS



# 4 WESTFIELD BRAND TO BE DEPLOYED ACROSS FLAGSHIP ASSETS



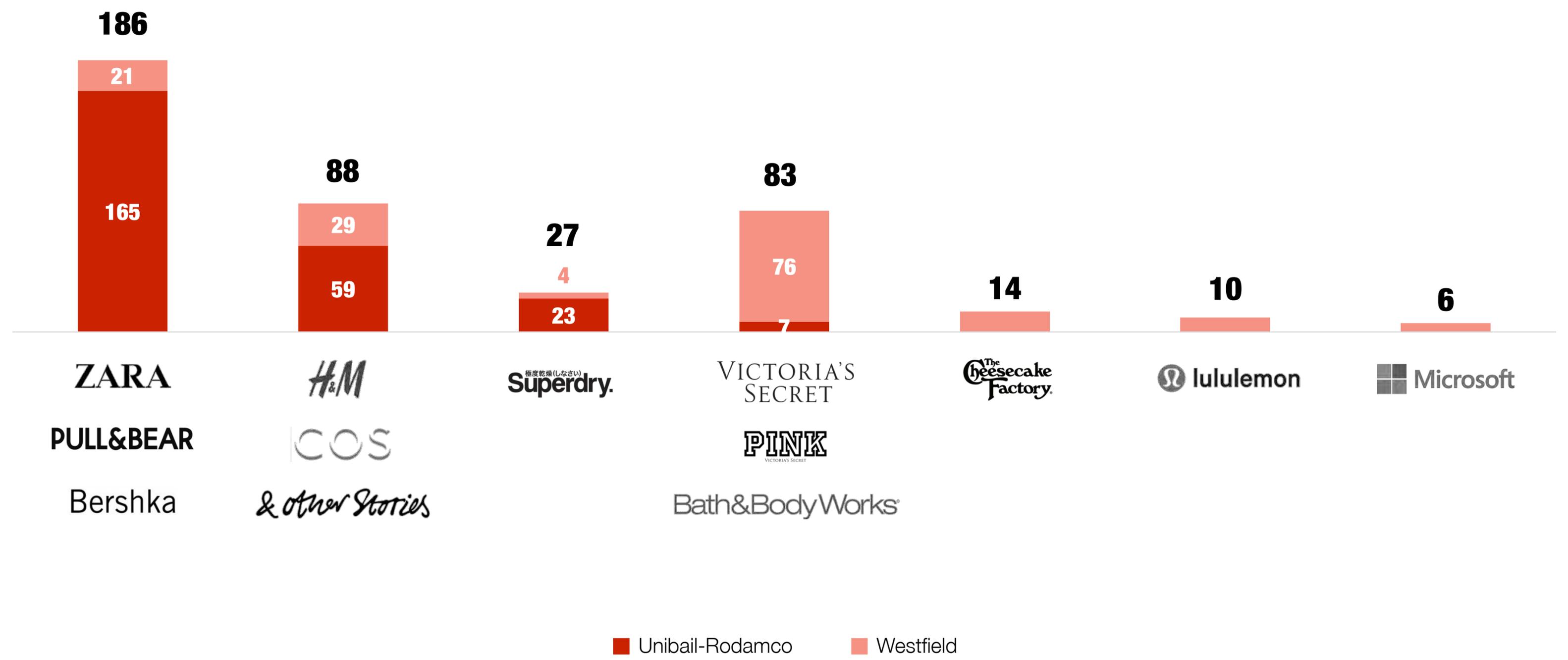
# 4 WESTFIELD BRAND TO BE DEPLOYED ACROSS FLAGSHIP ASSETS



# LEASING SYNERGIES ACROSS PORTFOLIO

Number of shops

Transatlantic cross-fertilisation potential



# 1.2 BN VISITS: UNIQUE PLATFORM FOR BRAND VENTURES AND ROADSHOWS



Lady Gaga concert, Westfield London



Pokemon Go European partnership events, Les Quatre Temps



Digital Wall, Westfield World Trade Center



Digital Dream®, Les Quatre Temps

## Preparing the visit



Website:  
50 Mn visits p.a.



Online product  
catalogue



Restaurant  
menus



Opening  
hours

## During the visit



Click  
& Services



Partnership



Smart  
map

Smart Parking



## Fostering communities Direct engagement



Facebook +  
Instagram  
**10 Mn fans**

Building  
the largest visitor  
community  
in the industry



Loyalty cards  
**4 Mn**



Direct  
activation

**Connecting with visitors: maximising the value of each of the 1.2 Bn visits**

# 5 GOVERNANCE TO OFFER THE BEST OF TWO INDUSTRY LEADERS

## Governance principles

- Two-tier board structure: Supervisory and Management Boards
- Comply with highest standards

## Board

- Unibail-Rodamco SB Chairman to be Group Chairman
- Sir Frank Lowy AC to chair new Advisory Board
- Two Westfield Board members, including Peter Lowy, to join Unibail-Rodamco's SB<sup>(1)</sup>
- Unibail-Rodamco CEO to be Group CEO

## Senior management

- Senior Management Committee to capitalise on strength and talent of both Companies

## HQ & management

- Corporate HQs in Paris and Schiphol
- US HQ in Los Angeles
- UK HQ in London
- Organisation to match international scope of the Group
- Bringing together two industry leading teams

## Operations & strategy

- Align strategy and corporate functions (e.g. leasing, marketing, operations, development, investment, etc.)

## Continued focus on CSR

- Group to continue its best in class CSR agenda



FTSE4Good



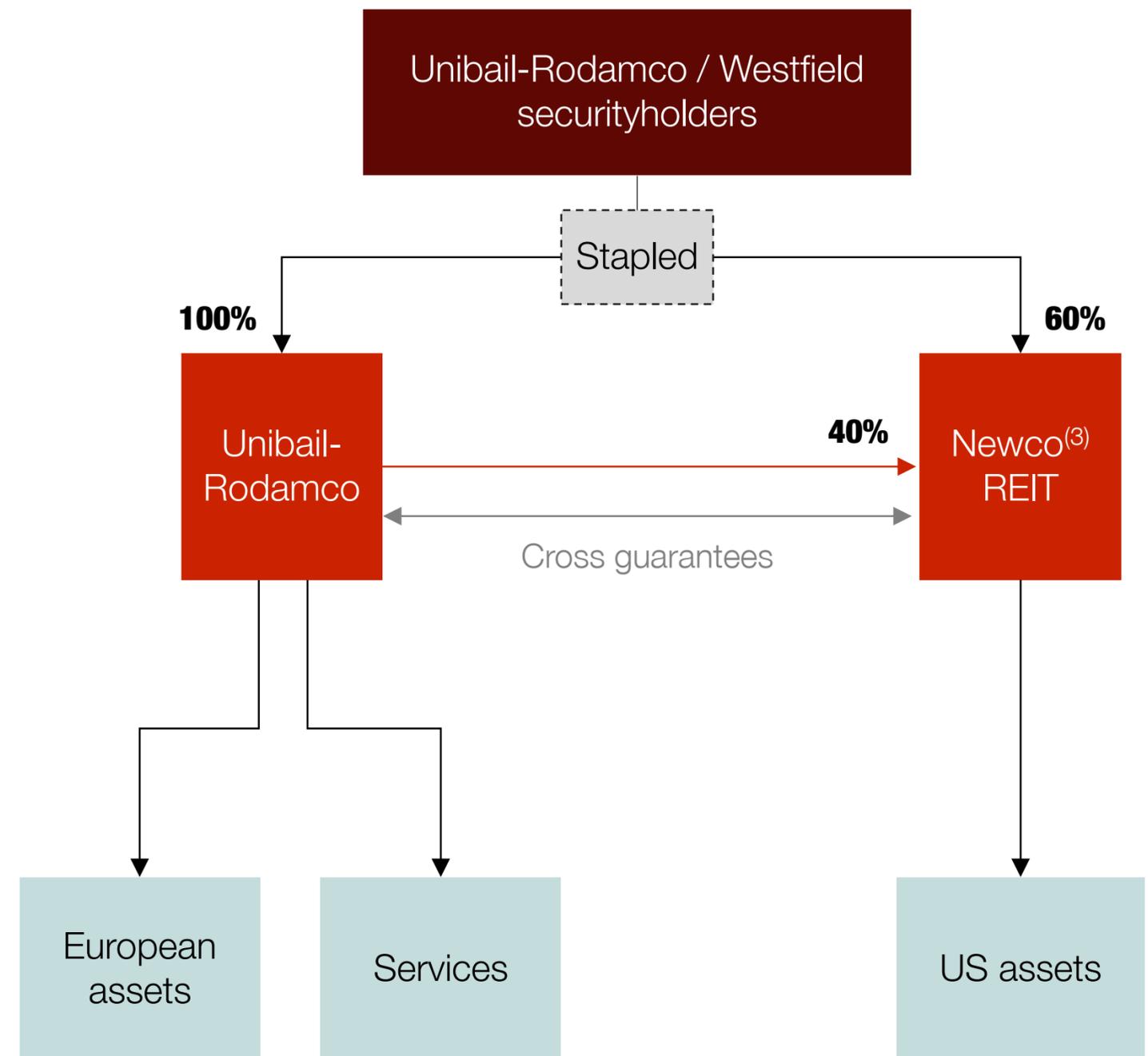
(1) Subject to shareholder approval

**UNIBAIL-RODAMCO + WESTFIELD**

**A STRONG VALUE PROPOSITION  
FOR BOTH SETS OF SHAREHOLDERS**

# TRANSACTION STRUCTURE PRESERVES EXISTING REIT STATUS

- » Dutch Newco to hold the US assets
- » Unibail-Rodamco and US operations to continue to operate as REITs<sup>(2)</sup>. Newco to be a Dutch REIT
- » Cross-guarantees create one single credit
- » Unibail-Rodamco to hold a 40% stake in Newco and two Supervisory Board seats
- » Unibail-Rodamco to fully consolidate Newco
- » Shareholders of Unibail-Rodamco and Westfield to **hold<sup>(1)</sup> stapled securities** consisting of **one Unibail-Rodamco share + one Newco share**
- » Stapled shares **to be traded as a single security**



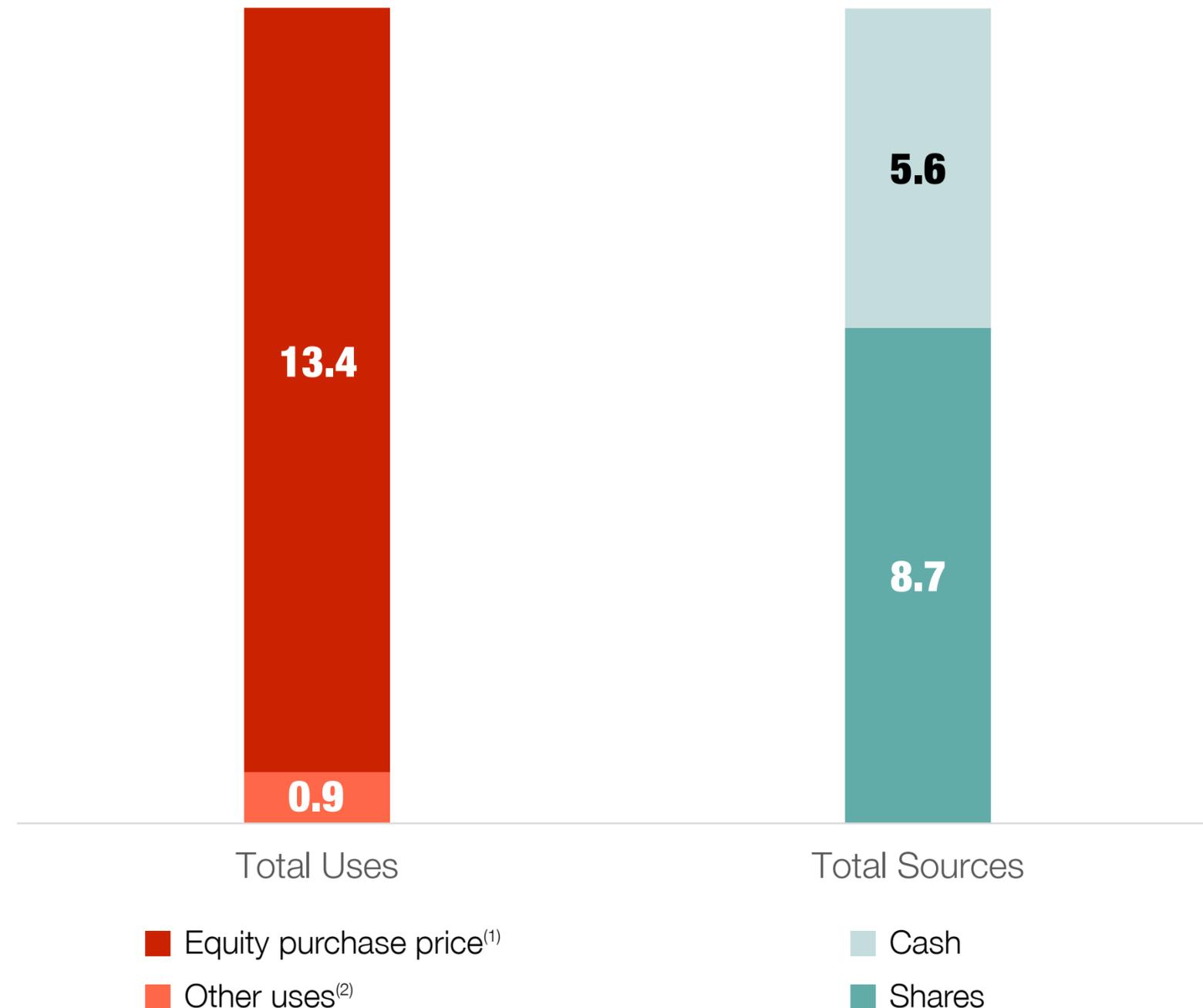
(1) Upon closing of the transaction

(2) SIC in France and REIT in the US

(3) Newco to also own selected Netherlands assets

# FINANCING STRUCTURE LEVERAGES UNIBAIL-RODAMCO'S STRENGTH

All in € Bn



## Fully committed €6.1 Bn bridge facility

- Covers cash in offer, select debt refinancing and transaction costs
- Foreign exchange risk management strategy in place to cover cash portion of the offer
- To be refinanced with unsecured senior debt and subordinated hybrid securities (€2 Bn)
- Disposals pursuant to ongoing portfolio review: approximately €3 Bn over the next several years

## Strong balance sheet and financial flexibility

- “A” category credit rating expected
- Ample liquidity post transaction (€8 Bn)<sup>(3)</sup>
- Westfield debt to remain in place
- Assets rotation to continue

(1) Including estimated Westfield performance rights dilutive effect

(2) Including potential refinancing of certain indebtedness and estimated transaction costs

(3) Committed credit lines of Unibail-Rodamco and Westfield as at December 1, 2017

# CONTINUED STRONG BALANCE SHEET

All figures as of June 30, 2017

Unibail-Rodamco

Westfield

Pro forma

**Proportionate GMV (€ Bn)<sup>(1)</sup>**



**43.0**

**18.1**

**61.1**

**Proportionate net financial debt<sup>(2)</sup> (€ Bn)**



**14.6**

**7.7**

**25.3**

**Consolidated LTV<sup>(2)</sup>**



**33%**

**34%**

**39%**

**Consolidated ICR<sup>(3)</sup>**



**6.9x**

**5.7x**

**> 5x**

**“A” category credit rating expected**

(1) Based on Unibail-Rodamco assumptions for Westfield

(2) Based on Unibail-Rodamco's methodology for Consolidated Loan To Value (LTV) computation, applied to both Unibail-Rodamco and Westfield. Pro forma assumes a take-out financing of €5.1 Bn (excluding potential refinancing requirements), including €2 Bn of hybrid accounted for as shareholder's equity under IFRS. Does not include impact of announced disposal program. Based on consolidated net financial debt of €23.1 Bn and consolidated GMV of €59.8 Bn. Proportionate LTV: 41%

(3) Based on Unibail-Rodamco's methodology for Consolidated Interest Coverage Ratio (ICR) computation, applied to both Unibail-Rodamco and Westfield. Proportionate ICR > 4.5x

# ACCRETIVE TO RECURRING EARNINGS AND NAV

All figures proportionate, L12M as of June 30, 2017

Unibail-Rodamco

Westfield<sup>(3)</sup>

Pro forma

**L12M NRI (€ Mn)<sup>(1)</sup>**



**1,594**

**710**

**2,344**

**L12M RNR (€ Mn)**



**1,153**

**587**

Accretive transaction  
from first full year<sup>(4)</sup>

**L12M REPS<sup>(2)</sup> (€ p.s.)**



**11.6**

**0.28**

**EPRA NAV<sup>(2)</sup> (€ p.s.)**



**206.2**

**5.97**

Accretive<sup>(5)</sup>

(1) Pro-forma includes estimated revenue synergies of €40 Mn

(2) Individual number of shares used for each company

(3) Westfield's NRI, RNR, REPS, and EPRA NAV as computed by Unibail-Rodamco applying its own accounting policies and estimates, based on financial information provided by Westfield during due diligence

(4) For Unibail-Rodamco shareholders, taking into account expected run-rate synergies. Source : Unibail-Rodamco

(5) For Unibail-Rodamco shareholders, taking into account NPV of expected synergies and assuming no goodwill depreciation. Source : Unibail-Rodamco

# CONCLUSION

# NEXT STEPS AND SUMMARY TIMETABLE

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Key milestones

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Timing

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**Signing of the implementation agreement**



Done

**Consultation of Unibail-Rodamco's works council**



Q1-2018

**Regulatory approvals and other customary closing conditions**



Q2-2018

**Unibail-Rodamco and Westfield shareholder meetings**



Q2-2018

**Closing**



Q2-2018

# UNIQUE OPPORTUNITY TO CREATE SIGNIFICANT VALUE FOR SHAREHOLDERS

The world's premier developer and operator of flagship shopping destinations

Driving significant value creation for shareholders

## Unique platform of flagship assets



**104** shopping destinations

**56** flagships

**13** countries

## Adds new markets



**London**

**US** wealthiest cities

**Milan**

## Synergies



**c. €100 Mn**

expected run-rate synergies

## Substantial value creation



**REPS** and **NAV** accretion<sup>(1)</sup>

## World's largest development pipeline



Significant growth from new flagship projects

## Best-in-class management



Great talent pool

## Robust balance sheet



LTV<sup>(2)</sup>: **39%**

**"A" category rating<sup>(3)</sup>**

## Attractive dividend policy



**85-95%** payout of REPS

Statements with regards to expected synergies, expected accretion and expected rating outcome of the transaction have been prepared by Unibail-Rodamco after performing due diligence on Westfield's business and financial information

(1) For Unibail-Rodamco shareholders, including expected run-rate synergies impact and assuming no goodwill depreciation

(2) Consolidated LTV, Unibail-Rodamco's definition and computation

(3) Expected pro forma rating. Source: Unibail-Rodamco

**UNIBAIL-RODAMCO + WESTFIELD:**

CREATING THE WORLD'S PREMIER  
DEVELOPER AND OPERATOR  
OF FLAGSHIP SHOPPING DESTINATIONS

# APPENDICES

# GLOSSARY

Terms	Meaning
Capital cities	Barcelona, Berlin, Bratislava, Chicago, Copenhagen, Helsinki, Lille, London, Los Angeles, Lyon, Madrid, Munich, New York City, Nice, Paris, Prague, Randstad region, Ruhr region, San Diego, San Francisco / San Jose, Seattle, Stockholm, Valencia, Vienna, Warsaw, Washington DC, Wroclaw
FFO (funds from operations)	Net property income (+) management income (+) project income (-) overheads costs (-) net interest excluding capitalized interest (-) minority interest (-) current tax
Flagship	<ul style="list-style-type: none"> <li>• <b>39 Unibail-Rodamco shopping centres:</b> Aéroville, Arkadia, Aupark, Bonaire, Carré Sénart, Carrousel du Louvre, CentrO, Centrum Cerny Most, Centrum Chodov, CNIT, Donauzentrum, Euralille, Fisketorvet, Galeria Mokotów, Glòries, Gropius Passagen, Jumbo, La Maquinista, La Part-Dieu, La Vaguada, Le Forum des Halles, Leidsenhage, Les Quatre Temps, Lyon Confluence, Mall of Scandinavia, Parly 2, Parquesur, Pasing Arcaden, Polygone Riviera, Rosny 2, Ruhr-Park, Shopping City Süd, Splau, Stadshart Amstelveen, Täby, Vélizy 2, Villeneuve 2, Wroclavia, Zlote Tarasy</li> <li>• <b>17 Westfield shopping centres:</b> Annapolis, Century City, Westfield London, Culver City, Fashion Square, Garden State Plaza, Montgomery, Old Orchard, Roseville, San Francisco Centre, Santa Anita, Southcenter, Stratford City, Topanga, UTC, Valley Fair, World Trade Center</li> </ul>
GMV	Gross market value of investment property, including assets under construction and held for redevelopment, and inventories. For Westfield, GMV has been computed by Unibail-Rodamco and its financial due diligence advisor, based on the net market value disclosed by Westfield in H1-2017, adjusted for estimated transfer taxes and transaction costs
NPI	Net property income as per Westfield reporting, gross of lease incentive amortizations
NRI	Net rental income, equivalent to net property income, net of lease incentive amortizations, including share of JVs net property income in Westfield's disclosures
Proportionate	Including 100% of the assets and liabilities fully consolidated and share of assets and liabilities accounted for under equity method
REPS	Recurring earnings per share
RNR	Recurring net result defined as net result before revaluations and related deferred taxes, mark to market of financial instruments and other exceptional gains / losses
Small Units	Equivalent to Specialty retail store in Westfield's disclosures. Specialty stores consist of mini-majors (stores between 1,858 m <sup>2</sup> and 7,432 m <sup>2</sup> GLA) and specialty shops (less than 400 m <sup>2</sup> GLA)
Specialty retailer sales	Sales generated by retailers in Westfield centres specialty stores, including VAT in the UK, and excluding any sales tax in the US
Total investment cost	Sum of all project capital expenditures and lease incentives, excluding capitalised interests and loss of rent
OneMarket	Westfield's Retail Technology Platform that aims to connect retailers, consumers and brands both physically and digitally by creating a network that supports the retail industry with products and services that elevate shopper experiences

## List of assets and projects and corresponding cities

CentrO	Oberhausen
Croydon	London
La Part-dieu	Lyon
Les Quatre Temps	Paris region
Mall of Europe	Brussels
Mall of Scandinavia	Stockholm region
Überseequartier	Hamburg
Vélizy 2	Paris region
Westfield Century City	Los Angeles
Westfield London	London
Westfield Milan	Milan
Westfield Stratford City	London
Westfield UTC	San Diego
Westfield Valley Fair	San Jose
Westfield World Trade Center	New York City

# FOREIGN EXCHANGE RATES

Period	Rate	Used for
L12M as of June 30, 2017 L12M as of December 31, 2016	EUR / USD: 1.09 EUR / GBP: 0.82	P&L and cash flow data for relevant period
Spot as of June 30, 2017	EUR / USD: 1.14	H1-2017 Balance sheet figures
Spot as of September 30, 2017	EUR / USD: 1.18	Q3-2017 Balance sheet figures
Spot as of December 1, 2017	EUR / USD: 1.19 EUR / GBP: 0.88	Future normalized annual retail sales Total investment cost for pipeline assets
Spot as of December 11, 2017	EUR / USD: 1.180 USD / AUD: 1.327	Offer value computations
L3M as of December 11, 2017	EUR / USD: 1.179 USD / AUD: 1.291	US\$ VWAP computations

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