

22 February 2018



Westfield Corporation

Level 29
85 Castlereagh Street
Sydney NSW 2000
GPO Box 4004
Sydney NSW 2001
Australia

Telephone 02 9273 2000

Facsimile 02 9357 7131

Internet www.westfieldcorp.com

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, consisting of several overlapping loops and a long horizontal stroke extending to the left.

**Simon Tuxen
Company Secretary**

Encl.

22 February 2018

WESTFIELD CORPORATION REPORTS FULL YEAR 2017 RESULTS WITH FUNDS FROM OPERATIONS OF \$707M OR 34.0 CENTS PER SECURITY

Westfield Corporation (ASX:WFD) today announced its full year results with Funds From Operations (FFO) for the 12 months ended 31 December 2017 of \$707m. FFO per security was 34.0 cents, at the top end of the forecast. Distribution for the 12 months ended 31 December 2017 is 25.5 cents per security.

Westfield Corporation Co-CEOs, Peter and Steven Lowy said: “2017 was a significant year for Westfield with the announcement in December of the proposal to combine Westfield with Unibail-Rodamco to create the world’s best retail real estate platform.

“The performance of Westfield for the year was solid and we remain confident with the strategy of developing and transforming Flagship assets. During the year we successfully opened the redevelopment of Century City in Los Angeles and the expansion of UTC in San Diego. We continued to make good progress on the expansions at Westfield London and Valley Fair in Silicon Valley.

“We are creating great experiences for retailers, consumers and brands and continue to benefit from the addition of food, leisure and entertainment and a broader mix of uses including many new concepts, emerging technologies and online brands. In the United States we have added over 130 retailers and brands that are new to Westfield in our recently completed developments.

“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.

“Since 2010, when we implemented a strategy focusing on Flagship assets, Westfield has completed \$7bn of developments, divested 29 assets valued at \$7bn and joint ventured 22 assets valued at \$10bn. Westfield now has assets under management of \$34.5bn, of which 84% are Flagship assets.

“Our \$8.5bn development program is focused on creating pre-eminent retail, dining and entertainment destinations in some of the world’s top markets including London, Silicon Valley and Milan. The development program continues to transform our portfolio and is expected to generate significant value and earnings accretion for shareholders.”

WFD’s financial position is strong with balance sheet assets of \$23.6bn, a gearing ratio of 38.1% and \$2.6bn in available liquidity.

IFRS net profit was \$1,551m for the year ended 31 December 2017, including \$847m of revaluations primarily driven by uplift from developments.

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 Anita Sulentic on +61 2 9358 7997

MEDIA RELEASE

Transaction with Unibail-Rodamco

The proposal to combine Westfield and Unibail-Rodamco will create a \$73bn portfolio comprising 104 assets, of which \$61bn or 84% are flagship.

The combined portfolio will operate leading assets in the US in New York, Los Angeles, Silicon Valley and the Washington DC area, and in Europe in London, Paris, Madrid, Barcelona, Stockholm, Vienna and Milan. It will have strong growth prospects with a \$14.7bn development program.

The proposal has the full support of the Lowy Family and the Westfield Board.

Documentation for the proposal is expected to be sent to securityholders in April with the vote and implementation expected to occur later in the first half of 2018.

Investment Activity

In October 2017 Westfield successfully launched the major stage of the \$1bn redevelopment of Century City in Los Angeles, including Nordstrom and a world class and industry leading retail tenancy mix.

“The opening of Westfield Century City was a hugely important milestone in the execution of our strategy. Century City is on track to achieve annual sales in excess of \$1bn and has changed the face of retail on the west side of Los Angeles,” Steven Lowy said.

WFD also successfully launched the \$600m expansion at UTC in San Diego in Q4 2017, including a new Nordstrom department store. The project has been very well received in the San Diego market, with many unique and new to market retailers and brands.

Good progress continues on the \$2.4bn of major projects currently under construction including the £600m expansion of Westfield London, opening next month, and the \$1.1bn expansion of Valley Fair.

WFD has \$6.1bn of future retail development projects including Westfield Milan and Croydon in South London. At Westfield Milan, to be anchored by a Galeries Lafayette department store, pre-leasing is progressing well and works have commenced on necessary highway infrastructure. We expect to be in a position for the project to commence later in 2018.

WFD continues to progress residential rental projects across the US and UK. During the year we commenced the 300 apartment project at UTC in San Diego and we expect to be in a position for the 1,200 apartment project at Stratford to commence later in 2018.

Operating Performance

WFD's portfolio achieved specialty sales of \$733 psf, up 2.0% for the year, with:-

- Flagship: \$908 psf, up 2.7%; and
- Regional: \$455 psf, down 0.3%.

For the 12 month period, comparable net operating income for the portfolio was up 2.2%, with:-

- Flagship: up 2.7%; and
- Regional: up 0.7%.

For 2018, comparable NOI growth is expected be in the range of 2.5% - 3%.

The portfolio was 93.2% leased as at 31 December 2017, with the Flagship portfolio at 94.9%.

Digital

In November 2017, Westfield rebranded its retail technology business to OneMarket reflecting a shift in its business and operating model. OneMarket is a retail technology platform that aims to connect retailers, consumers and venues both physically and digitally with technology companies by creating a network that supports the retail industry with products and services that elevate shopper experiences.

As part of the proposed transaction with Unibail-Rodamco, Westfield is proposing to demerge OneMarket into a newly formed ASX-listed entity. Further detailed information regarding OneMarket and the demerger will be contained in the Demerger Booklet, which is expected to be sent to securityholders in April 2018.

Outlook

Westfield remains confident in the future outlook for its business, which is underpinned by the quality and strength of its Flagship portfolio, and the \$8.5bn development program.

For 2018, WFD's earnings will be positively impacted by the stabilisation of recently completed development projects including Century City and UTC together with the completion of the expansion of Westfield London.

Given the proposal to combine Westfield and Unibail-Rodamco, there will be no FFO or Distribution forecasts for 2018.



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 6,500 retail outlets and total assets under management of \$34.5bn.

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



WESTFIELD CORPORATION FULL YEAR RESULTS | 2017



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. Profits from UK operations have been translated at an average exchange rate of GBP/USD 1.2885 (31 December 2016: 1.3492) and the UK balance sheet has been translated at the period end exchange rate of 1.3514 (31 December 2016: 1.2341).

RESULTS HIGHLIGHTS

- Funds From Operations (“FFO”) of 34.0 cents per security, at the top end of the forecast, and Distribution of 25.5 cents per security
- Solid operational performance with comparable NOI growth of 2.2%, with the Flagship portfolio at 2.7%
- Significant progress on \$8.5bn development program:
 - Successfully launched the major stage of the \$1bn redevelopment of Century City in Los Angeles and the \$600m expansion at UTC in San Diego
 - The £600m expansion at Westfield London to open in March 2018
 - Strong pre-development progress at Westfield Milan and we expect to be in a position for the project to start later in 2018
- \$850m in revaluations primarily driven by the uplift from developments

RESULTS HIGHLIGHTS

| Funds From Operations (\$m) | 12 months to Dec 17 | % Change ¹ | Assets Under Management / Balance Sheet (\$bn) | As at 31 Dec 17 |
|-----------------------------|---------------------|-----------------------|--|-----------------|
| Net Property Income | 857 | 8.9% | Assets under Management | 34.5 |
| Management Income | 35 | 6.2% | Total Assets | 23.6 |
| Project Income | 104 | 14.4% | Net Debt | 8.8 |
| FFO | 707 | 2.3% | Gearing | 38.1% |
| FFO per Security | 34.0c | 2.3% | Available Liquidity | 2.6 |
| Distribution per Security | 25.5c | 1.6% | Interest Cover | 3.2x |

¹ Constant currency basis - the UK operations have been translated at an average exchange rate of GBP/USD 1.2885 (31 December 2016: 1.3492).

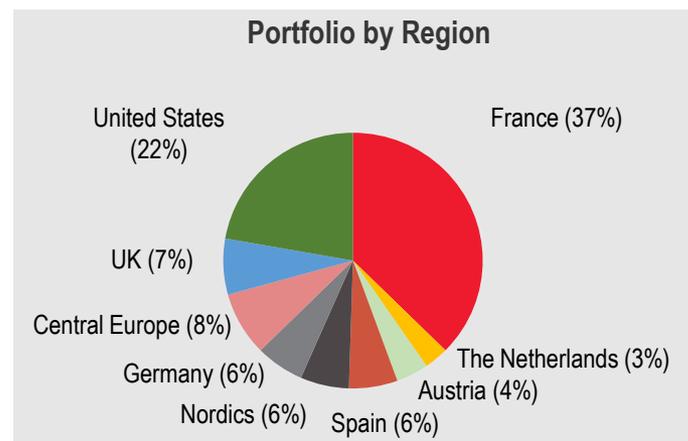
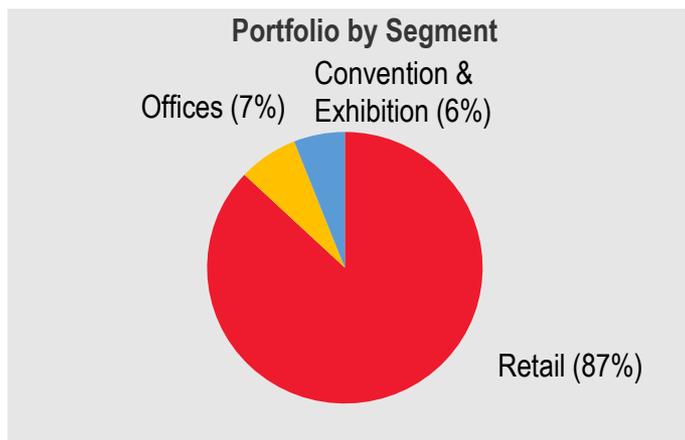
TRANSACTION WITH UNIBAIL-RODAMCO

TRANSACTION WITH UNIBAIL-RODAMCO

- In December 2017, Westfield announced a proposal to combine with Unibail-Rodamco (“Unibail”), creating the world’s best retail real estate platform:
 - Under the terms, WFD securityholders would receive US\$2.67 in cash and 0.01844 securities in Unibail for each WFD security
- As part of the proposal Westfield also announced an intention to separately demerge OneMarket, our retail technology business, into a new ASX-listed entity
- Proposal to be implemented via two separate schemes of arrangement:
 - Documentation expected to be sent to securityholders in April 2018
 - Vote and implementation expected to occur later in the first half of 2018
- The proposal has the full support of the Lowy Family and the Westfield Board

GLOBAL LEADER WITH PREMIUM QUALITY PORTFOLIO

| As at 12 December 2017 ⁽¹⁾ | Unibail-Rodamco | Westfield | Pro forma |
|---|-----------------|-----------|-----------|
| ▪ GMV ⁽²⁾ (\$bn) | 51.3 | 21.5 | 72.8 |
| ▪ Development Pipeline (\$bn) | 8.8 | 5.9 | 14.7 |
| ▪ # of countries | 11 | 2 | 13 |
| ▪ # of shopping centres | 69 | 35 | 104 |
| ▪ Average footfall per Flagship asset (m) | 15.2 | 16.9 | 15.7 |



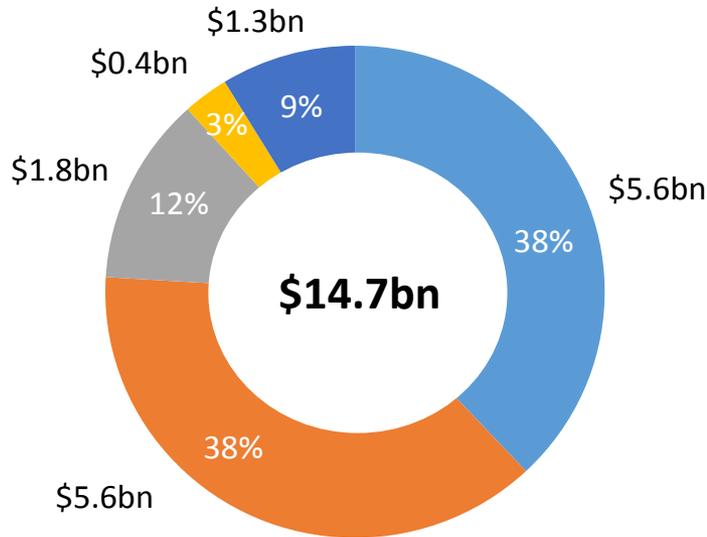
¹ Based on Westfield and Unibail-Rodamco market presentation from 12 December 2017

² Gross market value of investment property including assets under construction and held for redevelopment and inventories.

\$14.7BN OF DEVELOPMENT PROGRAM¹

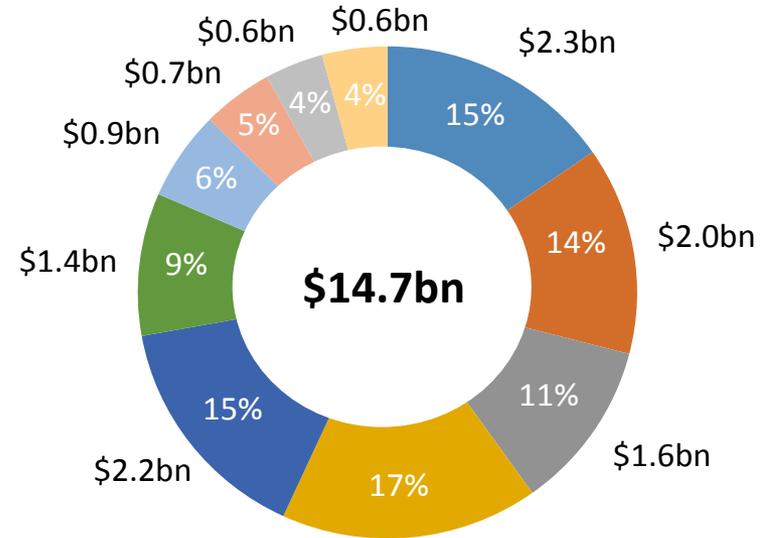
\$11.2BN OR 76% RETAIL

By Segment



- Retail - Greenfield / Brownfield
- Retail - Extension / Renovation
- Offices - Greenfield / Brownfield
- Offices - Extension / Renovation
- Residential

By Region



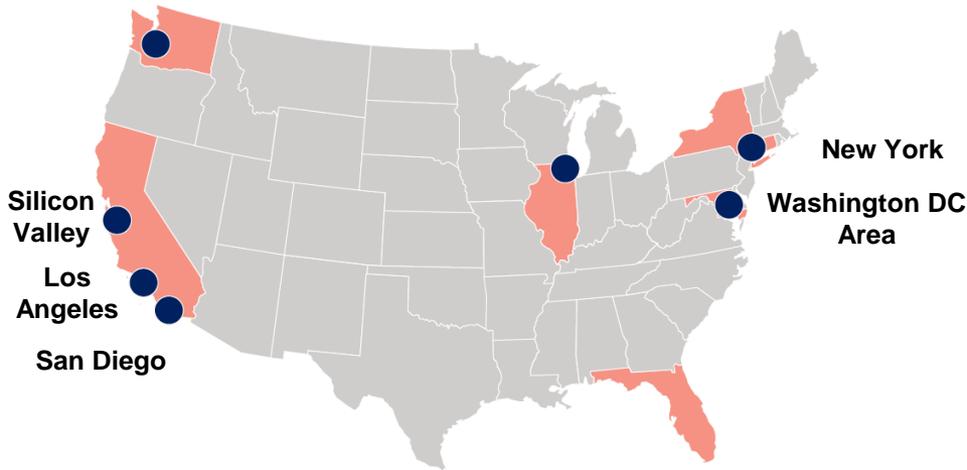
- United Kingdom
- United States
- Italy
- France Retail
- France Offices
- Germany
- Spain
- Belgium
- Central Europe
- The Netherlands

¹ Based on Westfield and Unibail-Rodamco market presentation from 12 December 2017

FLAGSHIP DESTINATIONS



United States



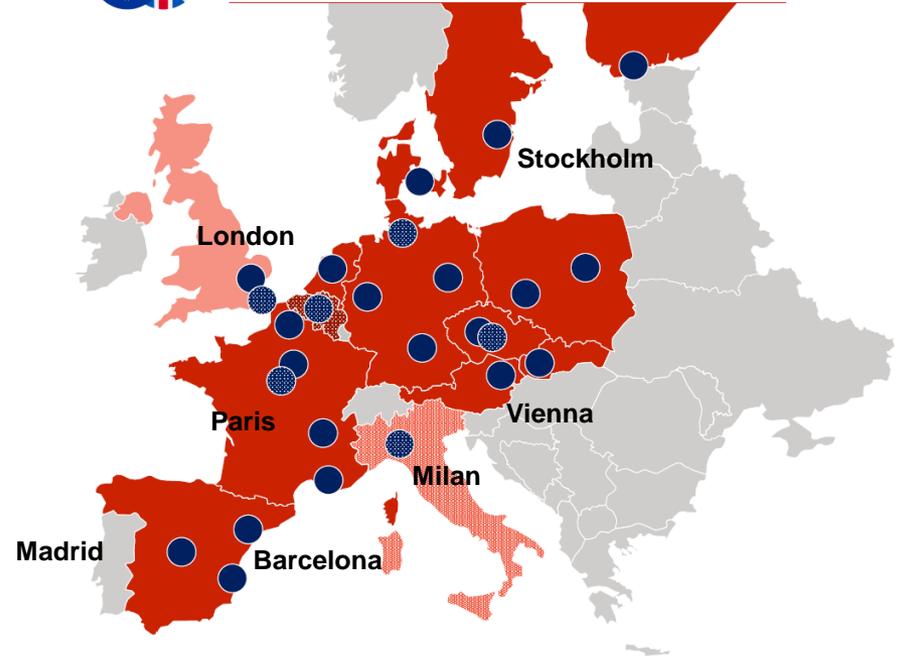
Unibail-Rodamco and Westfield shopping centres in leading capital cities

- Unibail-Rodamco regions
- Westfield regions

- Standing flagship assets
- Brownfield developments



Continental Europe and London



WESTFIELD DEVELOPMENT AND OPERATING ACTIVITY

CURRENT DEVELOPMENT ACTIVITY

\$2.4bn of current projects (WFD: \$1.4bn, of which \$0.6bn incurred to date) with an estimated retail yield range of approximately 7% - 8%

| Current Projects | Total Project \$m | WFD \$m | Anticipated Completion |
|--|----------------------|------------|---------------------------|
| Westfield London (UK) | £600 | £300 | 1Q18 |
| Valley Fair (San Jose) | 1,100 | 550 | 2019 |
| Westfield World Trade Center (New York) – Tower 3 ¹ | 300 | 300 | 2019 |
| UTC (San Diego) – Residential | 200 | 100 | 2019 |
| Total | \$2.4bn | \$1.4bn | |

¹ Represents the remaining 75,000 sqft of the 365,000 square foot project total

FUTURE DEVELOPMENT ACTIVITY

Undertaking pre-development work on \$6.1bn in future retail projects, as well as future residential development opportunities

| Retail | Total Project | WFD share |
|------------------------------|----------------|-----------|
| 2018 – 2019 | | |
| ▪ Milan (Italy) | €1.4bn | 75% |
| ▪ Topanga (Los Angeles) | \$0.3bn | 55% |
| ▪ Croydon (London) | £1.4bn | 50% |
| Other Future Retail Projects | \$2.2bn | |
| Total | \$6.1bn | |
| Residential | Apartments | |
| ▪ 2018: Stratford (London) | 1,200 | |

PORTFOLIO OPERATING STATISTICS

| As at 31 December 2017 | Assets under Management (\$bn) | % of Portfolio | Portfolio Leased (%) | Specialty Occupancy Cost (%) | Specialty Retail Sales (MAT/ psf) | Specialty Retail Sales Growth (%) ² | Average Specialty Store Rent | | Comparable NOI Growth (%) ² |
|---------------------------|--------------------------------------|-------------------|-------------------------|------------------------------------|---|--|---------------------------------|-------------------|--|
| | | | | | | | Amount (psf) | Growth YOY (%) | |
| Flagship | 29.1 | 84% | 94.9 | 15.8 | \$908 | 2.7 | \$116.59 | 4.6 | 2.7 |
| Regional | 5.4 | 16% | 90.4 | 14.1 | \$455 | (0.3) | \$54.62 | 1.4 | 0.7 |
| Total | 34.5 | | 93.2 ¹ | 15.4 | \$733 | 2.0 | \$94.10 | 4.7 | 2.2 |

¹ Temporary leasing of in-line space represented an additional 2.9% of leased space

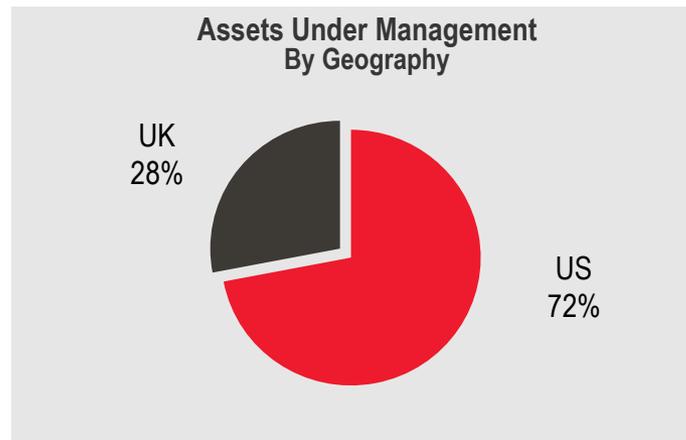
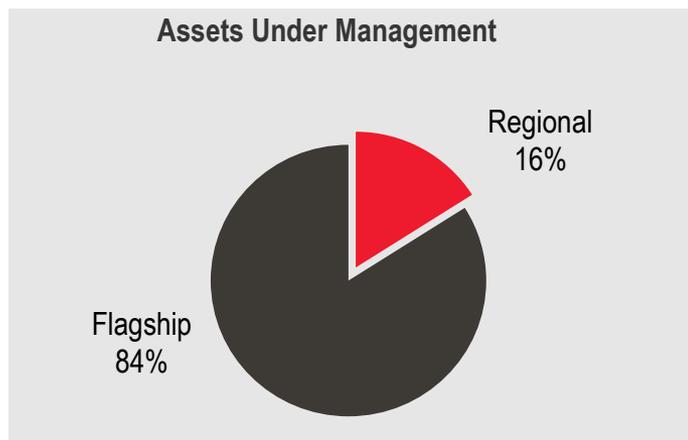
² 12 months to 31 December 2017

SPECIALTY RETAIL SALES

| Period ending 31 December 2017 | Flagship | | Regional | |
|-----------------------------------|-----------|----------|-----------|----------|
| | 12 months | 3 months | 12 months | 3 months |
| Specialties | 2.7% | 1.7% | (0.3)% | 1.7% |
| By Category: | | | | |
| Fashion | 0.4% | 0.3% | (2.5)% | 0.0% |
| Jewellery | 5.9% | 8.4% | (0.3)% | 0.3% |
| Leisure | 3.4% | 0.9% | (0.4)% | 2.5% |
| Food retail | 4.2% | 3.3% | 0.8% | 0.0% |
| General retail | (6.8)% | (3.9)% | (2.7)% | (2.8)% |

PORTFOLIO SUMMARY

| December 2017 | Flagship | Regional | Total |
|--------------------------------|----------|----------|--------|
| ▪ Centres | 17 | 18 | 35 |
| ▪ Retail Outlets | 3,874 | 2,691 | 6,565 |
| ▪ GLA (m sqf) | 24.5 | 19.7 | 44.2 |
| ▪ Assets Under Management (bn) | \$29.1 | \$5.4 | \$34.5 |
| ▪ WFD Interests (bn) | \$18.4 | \$3.0 | \$21.4 |
| ▪ JV Partner Interests (bn) | \$10.7 | \$2.4 | \$13.1 |
| ▪ WFD Interests (%) | 63% | 56% | 62% |

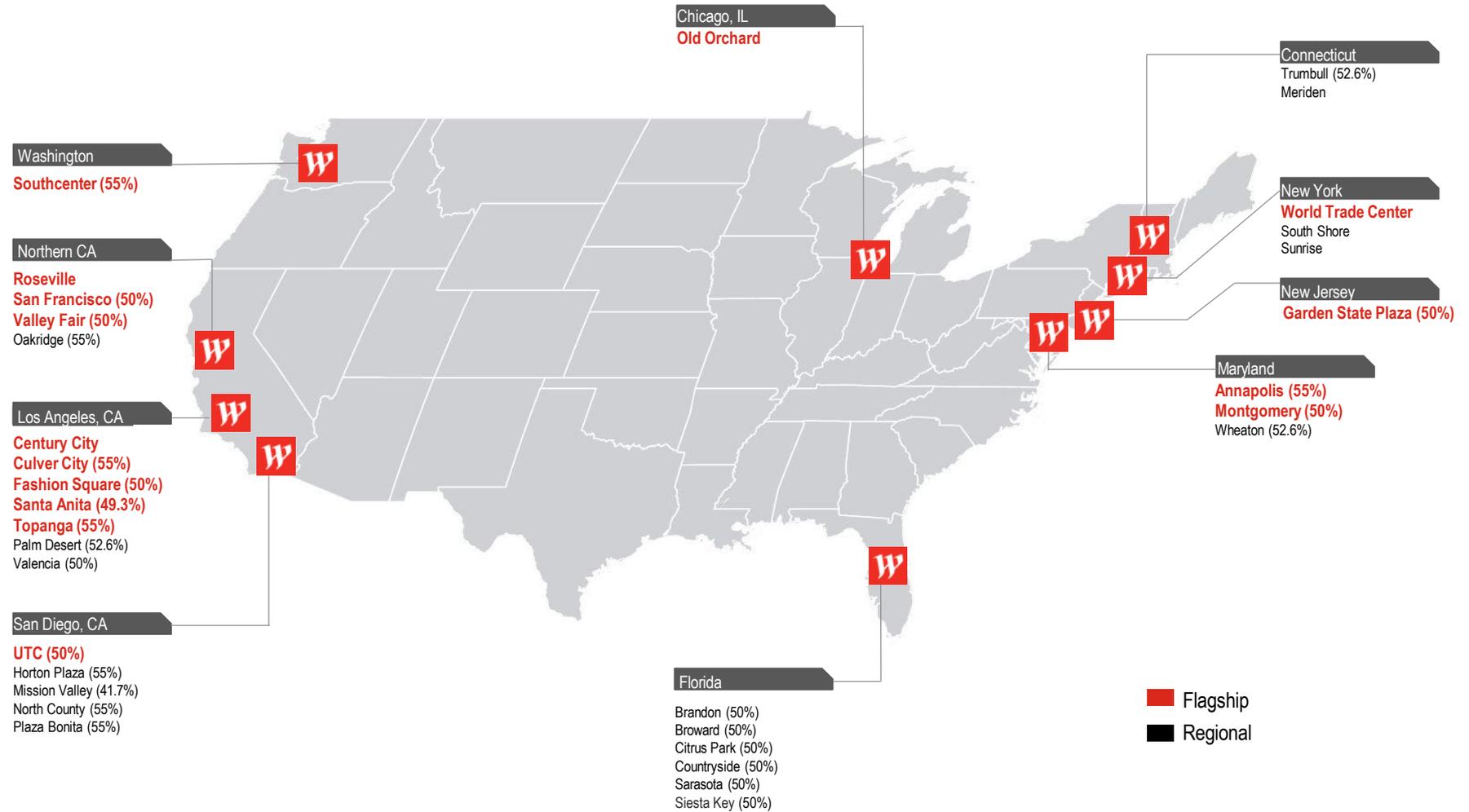


APPENDIX

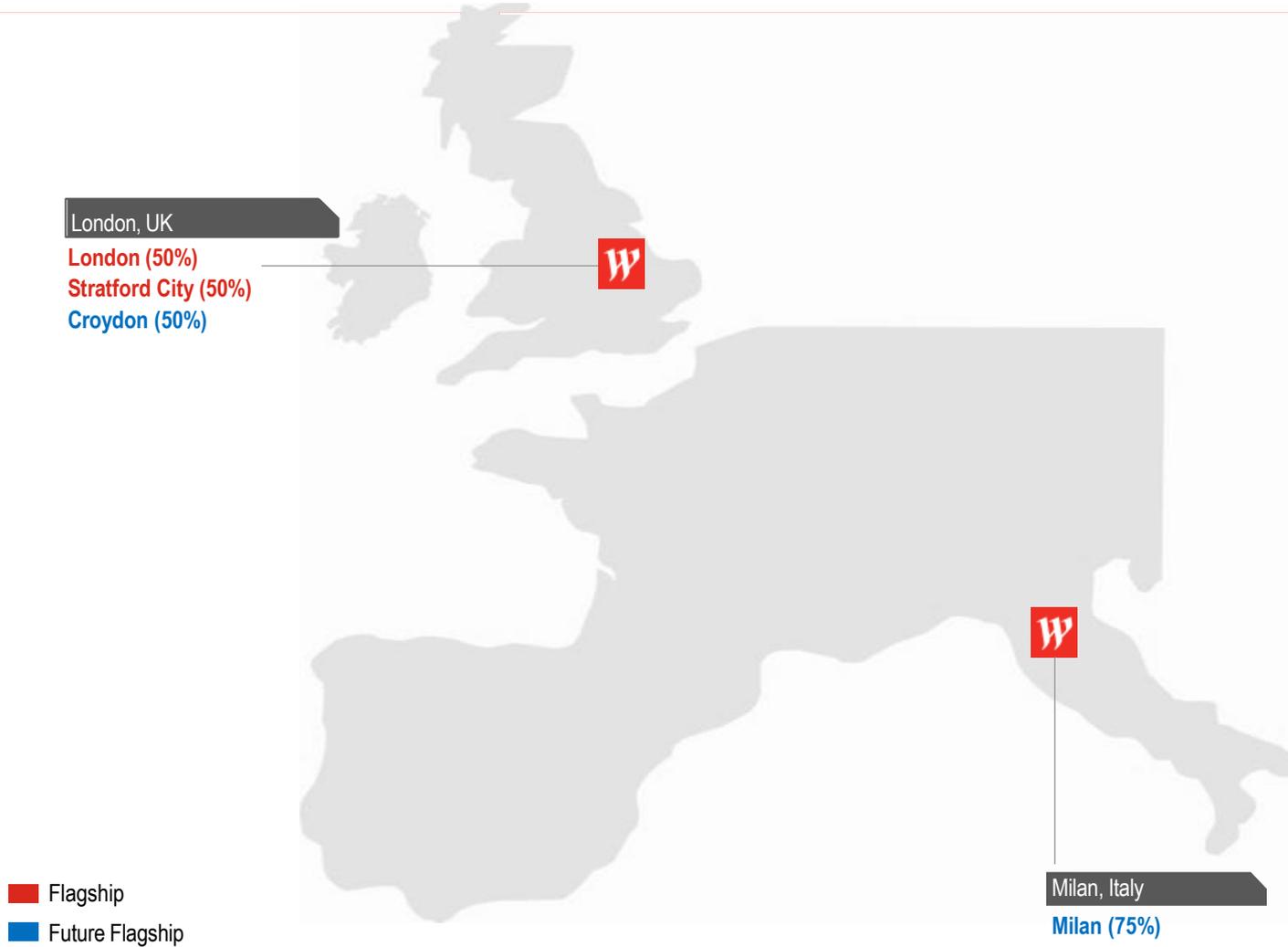
Westfield



ASSETS – UNITED STATES



ASSETS – UK/EUROPE



FUNDS FROM OPERATIONS

| \$m | Dec 17 Actual | Dec 16 Actual | Variance | % Change ¹ |
|---|-------------------|-------------------|-----------|-----------------------|
| Net Property Income | | | | |
| ▪ Flagship | 647 | 577 | 70 | 13.6% |
| ▪ Regional & Other Property Investments | 210 | 218 | (8) | (3.5)% |
| Total Net Property Income | 857 | 795 | 62 | 8.9% |
| Management Income | 35 | 33 | 2 | 6.2% |
| Project Income | 104 | 93 | 11 | 14.4% |
| Gross Income | 996 | 921 | 75 | |
| Overheads | (120) | (116) | (4) | |
| EBIT | 876 | 805 | 71 | 10.3% |
| Gross Interest | (275) | (216) | (59) | |
| Less: Interest capitalised | 130 | 133 | (3) | |
| Interest income | 13 | 19 | (6) | |
| Minority interest | (17) | (19) | 2 | |
| Earnings before tax | 727 | 722 | 5 | 2.1% |
| Current tax | (20) | (22) | 2 | |
| Funds from Operations | 707 | 700 | 7 | 2.3% |
| <i>Weighted average number of securities (millions)</i> | <i>2,078.1</i> | <i>2,078.1</i> | | |
| FFO per security | 34.0 cents | 33.7 cents | | 2.3% |

¹ Constant currency basis – the UK operations have been translated at an average exchange rate of GBP/USD 1.2885 (31 December 2016: 1.3492).

SUMMARISED IFRS INCOME STATEMENT

| \$m | 12 months to Dec 17 | 12 months to Dec 16 | Variance |
|--|------------------------|------------------------|------------|
| Property revenue | 1,316 | 1,188 | 128 |
| Management income | 35 | 33 | 2 |
| Project income | 104 | 93 | 11 |
| Total Income | 1,455 | 1,314 | 141 |
| Property expenses and outgoings | (513) | (448) | (65) |
| Overheads | (120) | (116) | (4) |
| Property revaluations | 847 | 1,005 | (158) |
| Financing costs | (145) | (83) | (62) |
| Interest income | 13 | 19 | (6) |
| Interest on other financial liabilities | (17) | (19) | 2 |
| Mark to market of derivatives, currency gain and preference shares | (39) | (30) | (9) |
| Intangible amortisation | (23) | - | (23) |
| Capital transactions | (24) | 2 | (26) |
| Tax expense | (20) | (22) | 2 |
| Deferred tax | 137 | (256) | 393 |
| Profit after tax | 1,551 | 1,366 | 185 |

BALANCE SHEET¹

| \$m | 31 Dec 17 | 31 Dec 16 |
|---|---------------|---------------|
| Cash | 568 | 357 |
| Investment Property | | |
| ▪ Shopping centres | 19,488 | 16,838 |
| ▪ Construction in progress | 788 | 1,164 |
| ▪ Assets held for redevelopment | 1,090 | 782 |
| Total investment property | 21,366 | 18,784 |
| Other property investments | 287 | 608 |
| Other assets | 1,418 | 1,365 |
| Total assets | 23,639 | 21,114 |
| Interest bearing liabilities | 9,399 | 8,145 |
| Deferred tax liabilities | 1,836 | 1,967 |
| Other liabilities | 1,303 | 1,166 |
| Total liabilities² | 12,538 | 11,278 |
| Net Assets | 11,101 | 9,836 |
| Minority interest | (296) | (286) |
| Net Assets attributable to Westfield Corporation | 10,805 | 9,550 |
| Net assets per security³ | \$5.20 | \$4.60 |

¹ On a proportionate basis - the net investment in equity accounted entities of \$9,160m (31 Dec 2016 \$8,237m) has been allocated to individual assets and liabilities.

² Excludes \$222m (31 Dec 2016: \$226m) of convertible preference securities shown in minority interest given their equity characteristics.

³ Number of securities: 2,078.1m (31 Dec 2016: 2,078.1m).

INVESTMENT PROPERTY

\$bn

12 months to
31 Dec 17

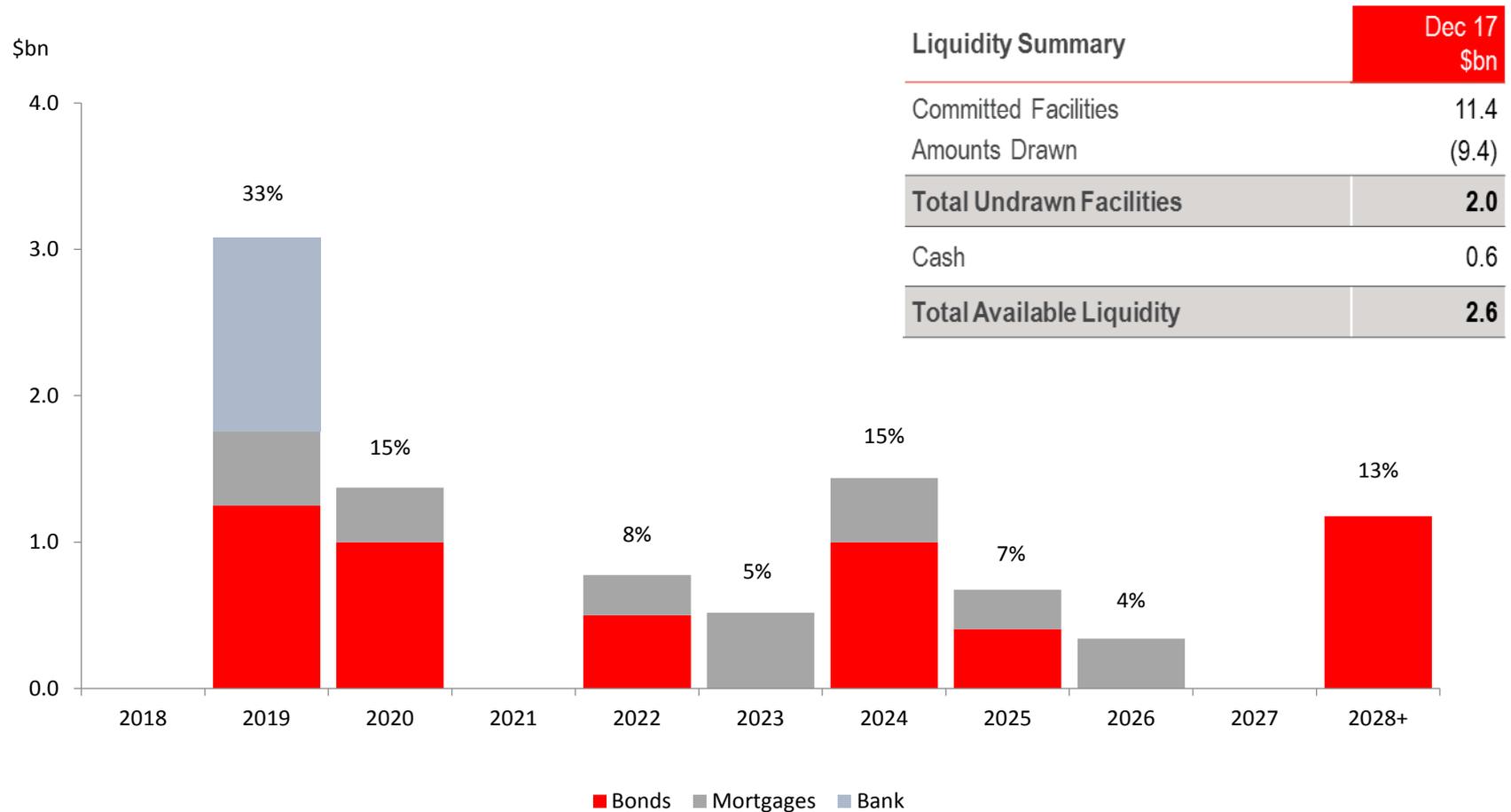
| | |
|--|-------------|
| Investment property opening balance | 18.8 |
| Capital expenditure | 1.2 |
| Revaluations | 0.9 |
| Acquisitions | 0.1 |
| Exchange rate impact | 0.4 |
| Investment property closing balance | 21.4 |

| Shopping Centres | Shopping Centres – 31 Dec 17 | | Weighted Average Cap Rate | |
|------------------|------------------------------|---------|---------------------------|-------------|
| | WFD (\$bn) | WFD (%) | 31 Dec 17 | 31 Dec 16 |
| Flagship | 16.6 | 85% | 4.4% | 4.4% |
| Regional | 2.9 | 15% | 5.6% | 5.6% |
| Total | 19.5 | | 4.6% | 4.6% |

CURRENT FINANCIAL POSITION

- Financing activity:
 - Raised \$1.5bn comprising \$500m 5-year bonds at 3.15%, £300m 8-year bonds at 2.125% and £500m 12-year bonds at 2.625%
 - Extended \$57m mortgages (WFD: \$28.5m)
- Financing facilities totaling \$11.4bn:
 - \$3.4bn of bank facilities (\$2.0bn undrawn)
 - \$5.3bn of bonds
 - \$2.7bn of secured mortgages
- Gearing: 38.1%
- 3.2 times interest cover
- \$2.6bn available liquidity provided by committed bank facilities and cash
- Average term of bonds and mortgages (\$8.0bn) at 6.3 years and bank facilities (\$3.4bn) at 1.5 years

LIQUIDITY AND DEBT MATURITY PROFILE



Liquidity Summary

Dec 17
\$bn

| | |
|----------------------------------|------------|
| Committed Facilities | 11.4 |
| Amounts Drawn | (9.4) |
| Total Undrawn Facilities | 2.0 |
| Cash | 0.6 |
| Total Available Liquidity | 2.6 |

FUNDS FROM OPERATIONS

12 MONTHS TO 31 DECEMBER 2017

\$m

| | Proportionate IFRS Profit | Adjustments ¹ | FFO |
|---|------------------------------|--------------------------|--------------|
| Net Property Income | | | |
| ▪ Flagship | 616 | 31 | 647 |
| ▪ Regional & Other Property Investment Income | 187 | 23 | 210 |
| Total Net Property Income | 803 | 54 | 857 |
| Management Income | 35 | - | 35 |
| Project Income | 104 | - | 104 |
| Gross Income | 942 | 54 | 996 |
| Overheads | (120) | - | (120) |
| EBIT | 822 | 54 | 876 |
| Gross Interest | (316) | 41 | (275) |
| Less: Interest capitalised | 130 | - | 130 |
| Interest income | 13 | - | 13 |
| Property revaluations | 847 | (847) | - |
| Currency derivatives | (2) | 2 | - |
| Minority interest | (13) | (4) | (17) |
| Intangible amortisation | (23) | 23 | - |
| Capital transactions | (24) | 24 | - |
| Earnings before tax | 1,434 | (707) | 727 |
| Current tax | (20) | - | (20) |
| Deferred tax | 137 | (137) | - |
| IFRS Profit and Funds from Operations | 1,551 | (844) | 707 |
| <i>Weighted average number of securities (millions)</i> | | | 2,078.1 |
| FFO per security | | | 34.0c |

¹ Refer to Directors' Report Appendix B

SUMMARISED IFRS INCOME STATEMENT

12 MONTHS TO 31 DECEMBER 2017

| \$m | Consolidated | Equity Accounted | Proportionate IFRS Profit |
|---|--------------|------------------|---------------------------|
| Property revenue | 630 | 686 | 1,316 |
| Contribution from equity accounted investments | 672 | (672) | - |
| Management income | 35 | - | 35 |
| Project income | 104 | - | 104 |
| Total Income | 1,441 | 14 | 1,455 |
| Property expenses and outgoings | (283) | (230) | (513) |
| Overheads | (120) | - | (120) |
| Property revaluations | 568 | 279 | 847 |
| Financing costs | (82) | (63) | (145) |
| Interest income | 13 | - | 13 |
| Interest on other financial liabilities | (17) | - | (17) |
| Mark to market of derivatives, currency gain/loss and preference shares | (39) | - | (39) |
| Intangible amortisation | (23) | - | (23) |
| Capital transactions | (24) | - | (24) |
| Tax expense | (20) | - | (20) |
| Deferred tax | 137 | - | 137 |
| Profit after tax | 1,551 | - | 1,551 |

DETAILED BALANCE SHEET

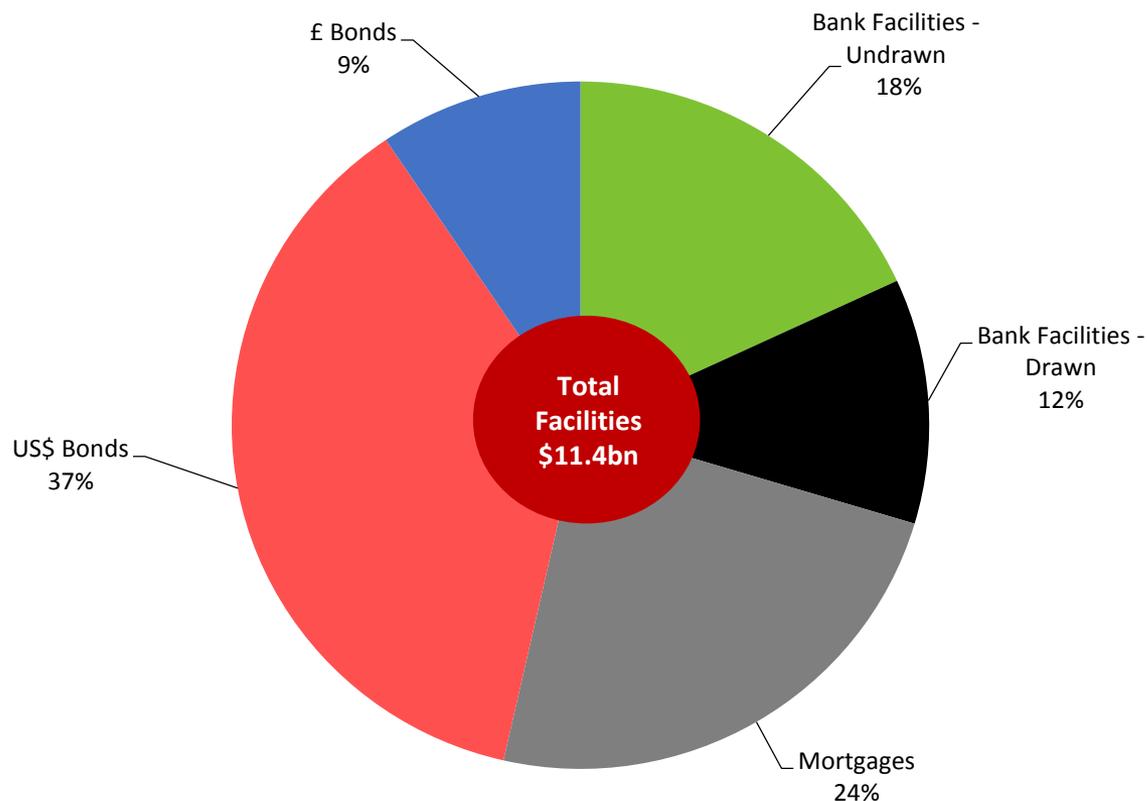
AS AT 31 DECEMBER 2017

| \$m | Consolidated | Equity Accounted | Total |
|---|---------------|------------------|---------------|
| Cash | 501 | 67 | 568 |
| Investment Property | | | |
| ▪ Shopping centres | 8,866 | 10,622 | 19,488 |
| ▪ Construction in progress | 553 | 235 | 788 |
| ▪ Assets held for redevelopment | 559 | 531 | 1,090 |
| Total investment property | 9,978 | 11,388 | 21,366 |
| Net investment in equity accounted entities | 9,160 | (9,160) | - |
| Other Property Investments | 287 | - | 287 |
| Other assets | 1,328 | 90 | 1,418 |
| Total assets | 21,254 | 2,385 | 23,639 |
| Interest bearing liabilities | | | |
| ▪ Current | 3 | 34 | 37 |
| ▪ Non-current | 7,226 | 2,136 | 9,362 |
| Deferred tax liabilities | 1,836 | - | 1,836 |
| Other liabilities | 1,088 | 215 | 1,303 |
| Total liabilities | 10,153 | 2,385 | 12,538 |
| Net Assets | 11,101 | - | 11,101 |
| Minority interest ¹ | (296) | - | (296) |
| Net Assets attributable to Westfield Corporation | 10,805 | - | 10,805 |

¹ Includes \$222m of convertible preference securities shown in minority interest given their equity characteristics.

FINANCING HIGHLIGHTS

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



KEY FINANCIAL RATIOS

| | Proportionate Basis ¹ |
|-----------------------|----------------------------------|
| | 31 Dec 17 |
| Gearing | 38.1% |
| Secured Debt | 11.7% |
| Interest Coverage | 3.2 times |
| Unencumbered Leverage | 229% |

¹Includes consolidated and equity accounted assets, liabilities and profit and loss.

INTEREST RATE HEDGING PROFILE

| Outstanding as at December | US\$ fixed debt payable | | £ fixed debt payable | | £ interest swap payable | | US\$ interest swap receivable | |
|----------------------------------|----------------------------|--------------|-------------------------|--------------|----------------------------|--------------|----------------------------------|--------------|
| | US\$m | Fixed Rate % | £m | Fixed Rate % | £m | Fixed Rate % | US\$m | Fixed Rate % |
| 2017 | (6,459.8) | 3.70% | (1,175.0) | 2.52% | (461.1) | 3.26% | 1,200.0 | 3.43% |
| 2018 | (6,450.4) | 3.69% | (1,175.0) | 2.52% | (461.1) | 3.26% | 1,200.0 | 3.43% |
| 2019 | (5,189.8) | 3.93% | (800.0) | 2.44% | (461.1) | 3.26% | 1,200.0 | 3.43% |
| 2020 | (3,829.1) | 3.84% | (800.0) | 2.44% | - | - | - | - |
| 2021 | (3,825.9) | 3.84% | (800.0) | 2.44% | - | - | - | - |
| 2022 | (3,047.6) | 3.91% | (800.0) | 2.44% | - | - | - | - |
| 2023 | (2,546.2) | 3.92% | (800.0) | 2.44% | - | - | - | - |
| 2024 | (1,108.7) | 4.11% | (800.0) | 2.44% | - | - | - | - |
| 2025 | (839.5) | 4.20% | (500.0) | 2.63% | - | - | - | - |
| 2026 | (500.0) | 4.75% | (500.0) | 2.63% | - | - | - | - |
| 2027 | (500.0) | 4.75% | (500.0) | 2.63% | - | - | - | - |
| 2028 | (500.0) | 4.75% | (500.0) | 2.63% | - | - | - | - |
| 2029-43 | (500.0) | 4.75% | - | - | - | - | - | - |