

26 February 2015



**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)  
SUPPLEMENTAL INFORMATION**

Attached is the Westfield Corporation Supplemental Information for the year ended 31 December 2014.

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.

**Westfield Corporation**  
**Supplemental Information**

Year Ended 31 December 2014



## Overview of Portfolio

The Westfield Corporation (“Westfield”) portfolio of shopping centres is geographically diverse, spread across 8 states in the United States and the United Kingdom. These centres are generally located near or in major metropolitan areas, are anchored by long-term tenancies with major retailers and incorporate a wide cross-section of specialty retailers and national chain store operators.

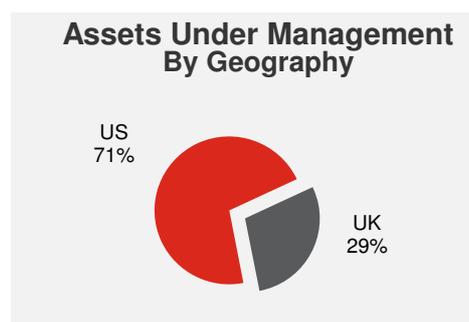
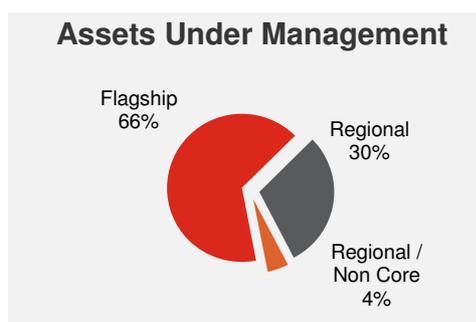
Westfield’s shopping centre investments include wholly owned centres and centres held through joint ventures and co-ownership arrangements. Operating statistics for the global shopping centre portfolio (including part-owned shopping centres) are presented on a 100% basis.

Westfield has 11 Flagship centres which represents 66% of the total portfolio (by value). These Flagship assets are located in major markets with very strong demographic characteristics. The remaining 29 Regional centres represent 34% of the total portfolio and include 6 centres that are considered non-core to Westfield’s long term operations and are excluded from the operational statistics.

The following table sets out Westfield’s portfolio as of December 31, 2014<sup>1</sup>.

|  | Flagship | Regional | Regional / Non Core | Total  |
|--|----------|----------|---------------------|--------|
| Centres                                    | 11       | 23       | 6                   | 40     |
| Retail Outlets                             | 2,641    | 3,822    | 946                 | 7,409  |
| GLA (million square feet)                  | 16.7     | 26.6     | 6.8                 | 50.1   |
| Assets Under Management (billion)          | \$18.7   | \$8.6    | \$1.2               | \$28.5 |
| Westfield Interests (billion)              | \$11.6   | \$4.9    | \$1.2               | \$17.7 |
| JV partner interests (billion)             | \$7.1    | \$3.7    | -                   | \$10.8 |
| Westfield Share of Assets under Management | 62%      | 57%      | 100%                | 62%    |

The distribution of the shopping centre portfolio by Assets Under Management and by Geography as of December 31, 2014 is set out in the following charts:



<sup>1</sup> Adjusted for the \$925 million joint venture with O’Connor over three regional assets in February 2015

Note: All figures within this presentation are presented in US dollars unless otherwise stated and percentages are approximate based on standard rounding conventions.

## Geographic and Retailer Diversity

The size and geographical diversity of Westfield's property portfolio provides a diversified revenue base and significantly reduces the dependence upon any single retailer, property or geographic region. On a proportionate basis, as of December 31, 2014<sup>1</sup>, the largest property represented 14% of the total book value of shopping centre investments, and the 10 largest properties represented 62% of the total book value of shopping centre investments.

<sup>1</sup>Adjusted for the \$925 million joint venture with O'Connor over three regional assets in February 2015

## Portfolio – Largest Retail Groups

Westfield's shopping centre portfolio has a diverse range of retailers, with approximately 7,400 retail outlets. In the global shopping centre portfolio, the largest retailer group, on a tenancy basis, occupied 19.1% of total GLA as of December 31, 2014, and the largest retailer group, on a revenue basis, contributed 2.6% of Westfield's total rental income for the year ended December 31, 2014.

In the United States, anchors have traditionally consisted of major departments stores, most of which own their store and the underlying land. However, certain stores at the shopping centres are owned by Westfield and are leased to the anchor under long-term leases at rates generally lower than the rents charged to specialty stores, or in some cases Westfield owns the underlying land and leases it to the anchor under a long-term ground lease. Additionally, Westfield generally enters into long-term reciprocal agreements with anchors which provide for operating covenants between the shopping centres and the anchors and generally require the anchors to contribute towards certain of the shopping centres' common area expenses.

In the United Kingdom anchors have traditionally leased their stores.

## Anchors as of December 31, 2014

| Anchor                              | Region | Number of Stores | GLA (000's sqf) | GLA as a % of Total GLA |
|-------------------------------------|--------|------------------|-----------------|-------------------------|
| Macy's, Inc.                        |        |                  |                 |                         |
| Macy's                              | USA    | 35               | 7,293           | 16.9%                   |
| Bloomingdale's                      | USA    | 4                | 983             | 2.3%                    |
| <b>Subtotal</b>                     |        | <b>39</b>        | <b>8,276</b>    | <b>19.1%</b>            |
| JC Penney                           | USA    | 20               | 3,269           | 7.6%                    |
| Sears                               | USA    | 18               | 3,038           | 7.0%                    |
| Nordstrom                           | USA    | 13               | 2,352           | 5.4%                    |
| Target                              | USA    | 8                | 1,356           | 3.1%                    |
| Dillard's                           | USA    | 4                | 781             | 1.8%                    |
| Lord & Taylor                       | USA    | 5                | 593             | 1.4%                    |
| Marks & Spencer                     | UK     | 2                | 408             | 0.9%                    |
| John Lewis Partnership <sup>1</sup> | UK     | 3                | 343             | 0.8%                    |
| Costco                              | USA    | 2                | 299             | 0.7%                    |
| Neiman Marcus                       | USA    | 2                | 261             | 0.6%                    |
| Debenhams                           | UK     | 1                | 153             | 0.4%                    |
| Wal-Mart                            | USA    | 1                | 132             | 0.3%                    |
| Next                                | UK     | 2                | 120             | 0.3%                    |
| House of Fraser                     | UK     | 1                | 106             | 0.2%                    |
| Aspers Casino                       | UK     | 1                | 63              | 0.1%                    |
| <b>Total</b>                        |        | <b>122</b>       | <b>21,550</b>   | <b>49.8%</b>            |

<sup>1</sup> John Lewis Partnership includes John Lewis and Waitrose.

The Anchor retailers in Westfield's shopping centre portfolio occupied 49.8% of total GLA as of December 31, 2014 and contributed 6.0% of total rental income for the year ended December 31, 2014, with no single retailer contributing more than 1.5% of such total rental income.

Specialty stores consist of mini-majors (retail stores generally occupying between 20,000 and 80,000 square feet of leasable area including freestanding buildings), specialty shops (retail stores occupying less than 20,000 square feet of leasable area), and theaters.

#### Ten Largest Specialty Retailers (by GLA excluding theaters) as of December 31, 2014

| Specialty Retailer                           | Region | Number of Stores | GLA (000's sqf) | % of Total GLA |
|--|--------|------------------|-----------------|----------------|
| Forever 21, Inc. <sup>1</sup>                | USA/UK | 28               | 732             | 1.7%           |
| The Gap, Inc. <sup>2</sup>                   | USA/UK | 60               | 625             | 1.4%           |
| L Brands, Inc. <sup>3</sup>                  | USA/UK | 76               | 493             | 1.1%           |
| H&M <sup>4</sup>                             | USA/UK | 22               | 454             | 1.0%           |
| Foot Locker <sup>5</sup>                     | USA/UK | 89               | 410             | 0.9%           |
| Abercrombie & Fitch Co. <sup>6</sup>         | USA/UK | 54               | 407             | 0.9%           |
| Express, Inc. <sup>7</sup>                   | USA    | 31               | 274             | 0.6%           |
| Williams-Sonoma, Inc. <sup>8</sup>           | USA    | 23               | 218             | 0.5%           |
| American Eagle Outfitters, Inc. <sup>9</sup> | USA/UK | 34               | 214             | 0.5%           |
| Dicks Sporting Goods, Inc                    | USA    | 4                | 194             | 0.4%           |
| <b>Total</b>                                 |        | <b>421</b>       | <b>4,021</b>    | <b>9.3%</b>    |

<sup>1</sup> Forever 21 Inc. includes Forever 21, XXI Forever and Reference .

<sup>2</sup> The Gap Inc. includes The Gap, Gap Kids, Baby Gap, Gap Body, Banana Republic, Old Navy and Athleta.

<sup>3</sup> L Brands Inc. includes Victoria's Secret, Bath & Body Works, Pink and Henri Bendel.

<sup>4</sup> H&M includes H&M and COS.

<sup>5</sup> Foot Locker Retail Inc. includes Foot Locker, Lady Foot Locker, Kid's Foot Locker, Champs, Footaction and Six:02.

<sup>6</sup> Abercrombie & Fitch Co. includes Abercrombie & Fitch, abercrombie and Hollister.

<sup>7</sup> Express, Inc. includes Express and Express Men.

<sup>8</sup> Williams-Sonoma, Inc. includes Pottery Barn, Pottery Barn Kids, PBteen, West Elm and Williams-Sonoma.

<sup>9</sup> American Eagle Outfitters, Inc. includes American Eagle Outfitters and Aerie.

The 10 largest specialty retailers in Westfield's global shopping centre portfolio (by way of either common trading name or through their various operating divisions) occupied 9.3% of total GLA as of December 31, 2014 and contributed 16.2% of total rental income for the year ended December 31, 2014, with no single retailer contributing more than 2.6% of such total rental income.

In addition to the above, the portfolio includes 23 theaters which occupied 1,453,000 square feet of GLA or 3.4% of total GLA as of December 31, 2014. As of the same date, the largest theater group occupied 504,000 square feet of GLA.

## Lease Structures

The structure of Westfield's retail leases varies by country.

(i) *United States*

In the United States the majority of total annual rental income is derived from specialty shops. Standard specialty shop lease terms are 5 to 10 years and generally include rent escalations over the term of the lease. Total Rent represents both minimum rent and common area charges (excluding taxes). Anchor retailers generally own their own sites with reciprocal operating agreements in place with the shopping centre owner.

(ii) *United Kingdom*

In the United Kingdom, standard specialty store lease terms are generally 10 years and generally include a five-year upward only market review throughout the term of the lease. Total rent incorporated into this document includes base rent and service charge and insurance billings. Anchor retailers generally have lease terms in excess of 20 years and the leases generally include upward only market reviews every 5 years.

Across Westfield's shopping centre portfolio, for the year ended December 31, 2014, total specialty store rental income represented 94% of total annual rental income.

Contractual rent increases are recognised as rental income using the straight line method over the respective lease term which may result in the recognition of income not currently billable under the terms of the lease. The amount of contractual rent recognised in excess of rent billed for the years ended December 31, 2014 and 2013 was US\$1.1 million, US\$0.2 million respectively.

## Percentage of Rent Related to Sales

Westfield's rental income is substantially derived from contracted rents payable under lease contracts. These lease structures reduce the volatility of rental income and provide stable cash flows.

For the year ended December 31, 2014, 97.4% of Westfield's total rental income was derived from total contracted rents and only 2.6% was directly related to the level of retailer sales.

The following table set out the percentage of total annual rental income which was derived from total rent at contracted levels under leases and the percentage which was directly related to the level of retailer sales for all retailers across the portfolio for the periods presented:

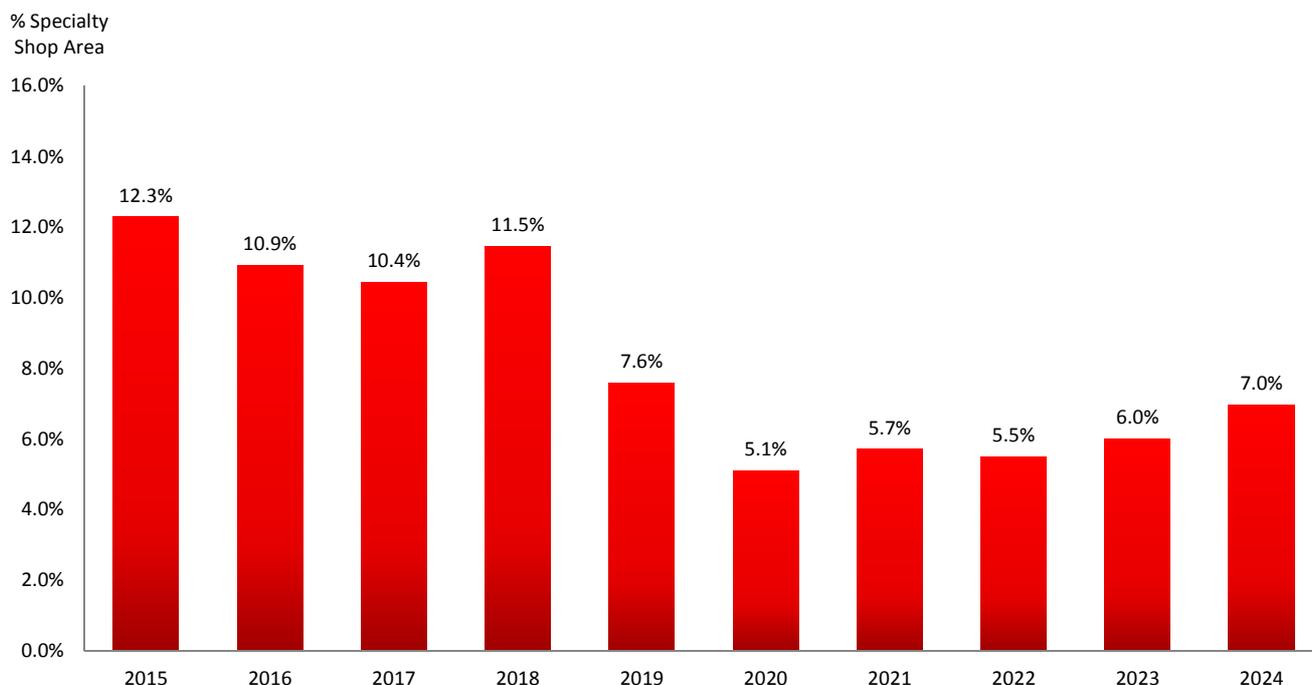
|                                | Year Ended December 31 |                          |
|--------------------------------|------------------------|--------------------------|
|                                | <b>2014</b>            | <b>2013</b> <sup>1</sup> |
| Contracted rent                | 97.4%                  | 97.2%                    |
| Percentage rent based on sales | 2.6%                   | 2.8%                     |
| Total                          | <b>100%</b>            | <b>100%</b>              |

<sup>1</sup> The prior period disclosure above is based on Westfield's current portfolio and has been restated for portfolio changes in the period presented.

## Lease Expiry Profile

The weighted average unexpired lease term for specialty retailers is 5.2 years. Including anchor retailers at 17.2 years, the overall average is 7.1 years.

The following graph summarises Westfield's scheduled lease expirations for specialty shop leases less than 20,000 square feet in place as of December 31, 2014:



| Expiring per year:                                 | 2015    | 2016    | 2017    | 2018     | 2019    | 2020    | 2021     | 2022    | 2023     | 2024    |
|--|---------|---------|---------|----------|---------|---------|----------|---------|----------|---------|
| GLA (000's sqf)                                    | 1,940   | 1,726   | 1,648   | 1,810    | 1,197   | 805     | 901      | 866     | 949      | 1,099   |
| No. specialty shop leases expiring                 | 849     | 867     | 808     | 737      | 528     | 311     | 365      | 294     | 332      | 345     |
| Avg total rent psf of expiring leases <sup>1</sup> | \$63.86 | \$77.59 | \$91.59 | \$111.02 | \$90.60 | \$86.67 | \$105.75 | \$92.02 | \$103.64 | \$87.41 |

<sup>1</sup> Total rent (excluding taxes) includes contracted increases in both minimum rent and common area charges

## Average Specialty Shop Rental Rates of New Leases

The following table sets out the average specialty shop rental rates of new leases and the percentage comparable change during that period:

|  | Year Ended December 31 |                   |
|--|------------------------|-------------------|
|  | 2014                   | 2013 <sup>2</sup> |
| Leases executed during the period (psf) <sup>1</sup> | 105.83                 | 82.39             |
| % Comparable change                                  | 20.3%                  | 15.6%             |

<sup>1</sup> Represents average total rent for the initial year of occupancy including renewals and reviews.

<sup>2</sup> The prior period disclosure above are based on Westfield's current portfolio and have been restated for portfolio changes in the period presented

## Westfield Corporation Property Portfolio

### 1. FLAGSHIP CENTRES

| Shopping Centre                 | Interest % | Retail Sales                                 |                                     |                    | Lettable Area     |                    |                          |
|---------------------------------|------------|--|-------------------------------------|--------------------|-------------------|--------------------|--------------------------|
|                                 |            | Total Annual Sales <sup>1</sup><br>\$million | Specialty Annual Sales<br>\$million | \$psf <sup>2</sup> | Total<br>(sqf)    | Specialty<br>(sqf) | No. of Retail<br>Outlets |
| <b>UNITED KINGDOM FLAGSHIP</b>  |            |  |                                     |                    |                   |                    |                          |
| Stratford City                  | 50.0       | £ 1,042.8                                    | £ 524.8                             | £ 872              | 1,895,575         | 1,311,214          | 345                      |
| Westfield London                | 50.0       | £ 995.7                                      | £ 625.4                             | £ 900              | 1,769,316         | 1,160,788          | 361                      |
| <b>UNITED STATES FLAGSHIP</b>   |            |  |                                     |                    |                   |                    |                          |
| Century City                    | 100.0      | 586.2  | 348.6                               | 1,205              | 879,388           | 520,497            | 150                      |
| Garden State Plaza <sup>#</sup> | 50.0       | 897.4  | 418.7                               | 776                | 2,150,610         | 1,017,778          | 320                      |
| Montgomery <sup>#</sup>         | 50.0       | 486.9  | 243.0                               | 651                | 1,332,492         | 620,391            | 219                      |
| Old Orchard                     | 100.0      | 527.6  | 215.4                               | 645                | 1,796,225         | 768,256            | 143                      |
| Roseville                       | 100.0      | 494.5  | 269.9                               | 572                | 1,321,687         | 669,263            | 240                      |
| San Francisco Centre            | 50.0       | 597.7  | 283.8                               | 960                | 1,387,445         | 495,362            | 185                      |
| Topanga                         | 55.0       | 667.3  | 359.6                               | 670                | 1,564,133         | 667,738            | 263                      |
| UTC                             | 50.0       | 544.8  | 286.8                               | 939                | 1,110,261         | 648,588            | 157                      |
| Valley Fair                     | 50.0       | 901.0  | 497.5                               | 1,115              | 1,473,527         | 738,799            | 258                      |
| <b>TOTAL FLAGSHIP PORTFOLIO</b> |            |  |                                     |                    | <b>16,680,659</b> | <b>8,618,674</b>   | <b>2,641</b>             |

<sup>#</sup> Under development during period

<sup>1</sup> Total Annual Sales includes estimates for anchor stores, consisting of major department stores, which are not required to report retail sales.

<sup>2</sup> For Speciality shops < 10,000 sqf

## Westfield Corporation Property Portfolio

### 2. REGIONAL CENTRES

| Shopping Centre                 | Interest % | Retail Sales                                 |                                     |                    | Lettable Area     |                    |                          |
|---------------------------------|------------|--|-------------------------------------|--------------------|-------------------|--------------------|--------------------------|
|                                 |            | Total Annual Sales <sup>1</sup><br>\$million | Specialty Annual Sales<br>\$million | \$psf <sup>2</sup> | Total<br>(sqf)    | Specialty<br>(sqf) | No. of Retail<br>Outlets |
| Annapolis                       | 55.0       | 470.9  | 268.4                               | 495                | 1,488,476         | 754,670            | 261                      |
| Brandon                         | 50.0       | 344.0  | 212.7                               | 534                | 1,143,623         | 528,567            | 199                      |
| Broward                         | 50.0       | 228.5  | 83.6                                | 411                | 1,041,399         | 329,372            | 124                      |
| Carlsbad <sup>#</sup>           | 100.0      | 169.7  | 80.5                                | 308                | 1,212,118         | 493,908            | 150                      |
| Citrus Park                     | 50.0       | 208.0  | 108.8                               | 394                | 1,135,654         | 498,706            | 143                      |
| Connecticut Post                | 100.0      | 242.8  | 88.3                                | 346                | 1,332,489         | 664,347            | 160                      |
| Countryside                     | 50.0       | 274.2  | 124.7                               | 409                | 1,251,739         | 456,588            | 171                      |
| Culver City                     | 55.0       | 404.5  | 164.1                               | 544                | 1,056,527         | 497,108            | 177                      |
| Fashion Square                  | 50.0       | 364.3  | 181.7                               | 645                | 861,628           | 359,093            | 148                      |
| Fox Valley                      | 100.0      | 253.8  | 110.2                               | 307                | 1,404,987         | 525,235            | 179                      |
| Hawthorn                        | 100.0      | 208.6  | 70.1                                | 287                | 1,295,915         | 562,482            | 144                      |
| Horton Plaza                    | 55.0       | 132.4  | 53.2                                | 294                | 751,241           | 470,755            | 128                      |
| Mainplace                       | 100.0      | 244.6  | 119.4                               | 383                | 923,020           | 484,980            | 189                      |
| Meriden                         | 100.0      | 159.9  | 65.4                                | 289                | 881,638           | 446,812            | 128                      |
| Mission Valley                  | 41.7       | 486.0  | 142.5                               | 513                | 1,573,930         | 795,002            | 125                      |
| North County                    | 55.0       | 334.3  | 153.6                               | 527                | 1,229,740         | 492,032            | 177                      |
| Oakridge                        | 55.0       | 376.9  | 174.7                               | 573                | 1,139,452         | 612,708            | 187                      |
| Palm Desert                     | 52.6       | 215.5  | 98.4                                | 357                | 980,041           | 495,538            | 151                      |
| Plaza Bonita                    | 55.0       | 302.6  | 162.1                               | 446                | 1,026,972         | 590,578            | 186                      |
| Santa Anita                     | 49.3       | 445.1  | 219.7                               | 451                | 1,467,763         | 951,939            | 247                      |
| Sarasota                        | 50.0       | 203.4  | 55.0                                | 270                | 1,015,809         | 379,285            | 119                      |
| South Shore <sup>#</sup>        | 100.0      | 181.5  | 85.0                                | 395                | 1,081,953         | 342,893            | 127                      |
| Southcenter                     | 55.0       | 524.1  | 291.3                               | 643                | 1,633,561         | 761,820            | 238                      |
| Southgate                       | 50.0       | 109.5  | 40.3                                | 407                | 420,947           | 135,073            | 45                       |
| Sunrise <sup>#</sup>            | 100.0      | 230.8  | 73.6                                | 361                | 1,225,292         | 491,794            | 151                      |
| Trumbull                        | 52.6       | 261.3  | 122.9                               | 433                | 1,127,543         | 451,593            | 170                      |
| Valencia Town Center            | 50.0       | 316.0  | 198.4                               | 482                | 1,093,282         | 644,974            | 215                      |
| Vancouver                       | 100.0      | 170.9  | 75.6                                | 327                | 929,029           | 409,688            | 146                      |
| Wheaton                         | 52.6       | 504.3  | 112.3                               | 374                | 1,638,567         | 674,976            | 183                      |
| <b>TOTAL REGIONAL PORTFOLIO</b> |            |  |                                     |                    | <b>33,364,335</b> | <b>15,302,516</b>  | <b>4,768</b>             |

<sup>#</sup> Under development during period

<sup>1</sup> Total Annual Sales includes estimates for anchor stores, consisting of major department stores, which are not required to report retail sales.

<sup>2</sup> For Speciality shops < 10,000 sqf