



**FOR IMMEDIATE RELEASE:**

**DDR Reports First Quarter 2018 Operating Results**

**BEACHWOOD, OHIO, April 24, 2018** – DDR Corp. (NYSE: DDR) today announced operating results for the quarter ended March 31, 2018.

“I am thrilled with our progress in the first quarter, both operationally and with the execution of our strategic transformation through the planned spin-off of RVI. Our strong same store NOI and operating FFO results were ahead of our budget, and demonstrate the strength of our high-quality portfolio. The completion of the securitization of the \$1.35 billion mortgage loan secured by the RVI assets represented the last significant hurdle ahead of the expected July spin-off. Finally, we closed the disposition of our first RVI asset at a compelling price, an auspicious beginning for the execution of RVI’s business plan,” commented David R. Lukes, president and chief executive officer.

**Results for the Quarter**

- First quarter net loss attributable to common shareholders was \$62.5 million, or \$0.17 per diluted share, as compared to net loss of \$59.8 million, or \$0.16 per diluted share, in the year ago-period. The year-over-year increase in net loss is primarily attributable to debt extinguishment charges and transaction costs of \$61.6 million partially offset by lower impairment charges and the reserve on preferred equity interests in 2017.
- First quarter operating funds from operations attributable to common shareholders (“Operating FFO” or “OFFO”) was \$97.8 million, or \$0.26 per diluted share, compared to \$108.5 million, or \$0.30 per diluted share, in the year ago-period. The year-over-year decrease in OFFO is primarily attributable to the dilutive impact of deleveraging asset sales partially offset by a reduction in general and administrative expenses.

**Significant First Quarter Activity**

- Sold 15 shopping centers and land parcels for an aggregate sales price of \$365.9 million, totaling \$208.7 million at DDR’s share, including \$36.1 million from the repayment of the Company’s preferred equity investment in its two joint ventures with Blackstone.
- In February 2018, in connection with the previously announced planned spin-off of 38 continental U.S. assets and all 12 Puerto Rico assets into RVI, completed \$1.35 billion of mortgage financing and repaid \$452 million of mortgage debt, \$900 million aggregate principal amount of senior unsecured notes and \$200 million of unsecured term loan using proceeds from the new financing and asset sales. DDR recorded approximately \$5.2 million of costs related to the planned RVI spin-off in the first quarter of 2018.
- Sold Silver Spring Square in Harrisburg, PA, for \$80.8 million on April 17, 2018 marking the completion of the first RVI asset sale.

**Key Quarterly Operating Results**

- Reported 2.6% same store net operating income growth on a pro rata basis for New DDR. The results of “New DDR” represent the results of the assets that will remain in DDR after the completion of both the spin-off of RVI and the previously announced \$900 million disposition program.
- Generated new leasing spreads of 21.2% and renewal leasing spreads of 6.4%, both on a pro rata basis for New DDR for the quarter, and new leasing spreads of 21.6% and renewal leasing spreads of 7.2%, both on a pro rata basis for New DDR for the trailing twelve-month period.
- Reported a leased rate of 93.7% at March 31, 2018 for New DDR on a pro rata basis, compared to 93.6% at December 31, 2017.
- Annualized base rent per occupied square foot on a pro rata basis was \$17.29 at March 31, 2018 for New DDR, compared to \$17.00 at March 31, 2017.

## Guidance

There has been no change in the Company's Operating FFO per share guidance since the initial release on February 15, 2018 and the related assumptions. The Company continues to estimate Operating FFO for the third quarter of 2018 to be at least \$0.15 per diluted share, after an assumed spin-off date of July 2018.

## Reconciliation of Net Income Attributable to DDR to FFO and Operating FFO Estimate

	<b>3Q2018E</b>
	<b>Per Share - Diluted</b>
<b>Net income attributable to Common Shareholders</b>	\$0.02 - \$0.03
Depreciation and amortization of real estate	0.11 - 0.13
Equity in net income of JVs	(0.01)
JVs' FFO	0.02
<b>FFO (NAREIT) and Operating FFO</b>	<b>\$0.15</b>

## About DDR Corp.

DDR is an owner and manager of 258 value-oriented shopping centers representing 89 million square feet in 32 states and Puerto Rico. The Company owns a high-quality portfolio of open-air shopping centers in major metropolitan areas that provide a highly-compelling shopping experience and merchandise mix for retail partners and consumers. The Company actively manages its assets with a focus on creating long-term shareholder value. DDR is a self-administered and self-managed REIT operating as a fully integrated real estate company, and is publicly traded on the New York Stock Exchange under the ticker symbol DDR. Additional information about the Company is available at [www.ddr.com](http://www.ddr.com).

## Conference Call and Supplemental Information

The Company will hold its quarterly conference call today at 5:00 p.m. Eastern Time. To participate with access to the slide presentation, please visit the Investors portion of DDR's website, [ir.ddr.com](http://ir.ddr.com), or for audio only, dial 888-317-6003 (U.S.), 866-284-3684 (Canada) or 412-317-6061 (international) using pass code 3646421 at least ten minutes prior to the scheduled start of the call. A replay of the conference call will also be available at [ir.ddr.com](http://ir.ddr.com) for one year after the call. A copy of the Company's Supplemental package is available on the Company's website.

## Non-GAAP Measures

FFO is a supplemental non-GAAP financial measure used as a standard in the real estate industry and is a widely accepted measure of real estate investment trust ("REIT") performance. Management believes that both FFO and Operating FFO provide additional indicators of the financial performance of a REIT. The Company also believes that FFO and Operating FFO more appropriately measure the core operations of the Company and provide benchmarks to its peer group.

FFO is generally defined and calculated by the Company as net income (loss), adjusted to exclude: (i) preferred share dividends, (ii) gains and losses from disposition of depreciable real estate property and related investments, which are presented net of taxes, (iii) impairment charges on depreciable real estate property and related investments and (iv) certain non-cash items. These non-cash items principally include real property depreciation and amortization of intangibles, equity income (loss) from joint ventures and equity income (loss) from non-controlling interests and adding the Company's proportionate share of FFO from its unconsolidated joint ventures and non-controlling interests, determined on a consistent basis. The Company's calculation of FFO is consistent with the NAREIT definition. The Company calculates Operating FFO by excluding certain non-operating charges and gains. Operating FFO is useful to investors as the Company removes non-comparable charges and gains to analyze the results of its operations and assess performance of the core operating real estate portfolio. Other real estate companies may calculate FFO and Operating FFO in a different manner.

The Company also uses net operating income ("NOI"), a non-GAAP financial measure, as a supplemental performance measure. NOI is calculated as property revenues less property-related expenses. The Company believes NOI provides useful information to investors regarding the Company's financial condition and results of operations because it reflects only those income and expense items that are incurred at the property level and, when compared across periods, reflects the impact on operations from trends in occupancy rates, rental rates, operating costs and acquisition and disposition activity on an unleveraged basis.

The Company presents NOI information herein on a same store basis or “SSNOI.” The Company defines SSNOI as property revenues less property-related expenses, which exclude straight-line rental income and expenses, lease termination income, management fee expense, fair market value of leases and expense recovery adjustments. SSNOI also excludes activity associated with development and major redevelopment and includes assets owned in comparable periods (15 months for quarter comparisons). In addition, due to the impact of Hurricane Maria on its properties in Puerto Rico in 2017, the Company also excludes its Puerto Rico NOI from SSNOI. SSNOI excludes all non-property and corporate level revenue and expenses. Other real estate companies may calculate NOI and SSNOI in a different manner. The Company believes SSNOI provides investors with additional information regarding the operating performances of comparable assets because it excludes certain non-cash and non-comparable items as noted above.

FFO, Operating FFO, NOI and SSNOI do not represent cash generated from operating activities in accordance with GAAP, are not necessarily indicative of cash available to fund cash needs and should not be considered as alternatives to net income computed in accordance with GAAP as indicators of the Company’s operating performance or as alternatives to cash flow as a measure of liquidity. Reconciliations of these non-GAAP measures to their most directly comparable GAAP measures are included in this release and the accompanying financial supplement.

### **Safe Harbor**

DDR Corp. considers portions of the information in this press release to be forward-looking statements within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934, both as amended, with respect to the Company's expectation for future periods. Although the Company believes that the expectations reflected in such forward-looking statements are based upon reasonable assumptions, it can give no assurance that its expectations will be achieved. For this purpose, any statements contained herein that are not historical fact may be deemed to be forward-looking statements. There are a number of important factors that could cause our results to differ materially from those indicated by such forward-looking statements, including, among other factors, property damage, expenses related thereto and other business and economic consequences (including the potential loss of rental revenues) resulting from extreme weather conditions in locations where we own properties, and the ability to estimate accurately the amounts thereof; sufficiency and timing of any insurance recovery payments related to damages from extreme weather conditions; local conditions such as supply of space or a reduction in demand for real estate in the area; competition from other available space; dependence on rental income from real property; the loss of, significant downsizing of or bankruptcy of a major tenant; redevelopment and construction activities may not achieve a desired return on investment; our ability to buy or sell assets on commercially reasonable terms; our ability to complete acquisitions or dispositions of assets under contract; our ability to secure equity or debt financing on commercially acceptable terms or at all; our ability to enter into definitive agreements with regard to our financing and joint venture arrangements or our failure to satisfy conditions to the completion of these arrangements; the success of our deleveraging strategy; any change in strategy; our ability to complete our previously announced plan to spin-off certain of our assets in a timely manner; the impact of such spin-off on our business and that of the spun-off company; and the ability of the Company and the spin-off company to execute their respective strategies following consummation of the spin-off, including the ability of the spin-off company to sell assets on commercially reasonable terms; entering into management agreements with RVI on commercially reasonable terms; and the finalization of the financial statements for the period ended March 31, 2018. For additional factors that could cause the results of the Company to differ materially from those indicated in the forward-looking statements, please refer to the Company's Form 10-K for the year ended December 31, 2017. The Company undertakes no obligation to publicly revise these forward-looking statements to reflect events or circumstances that arise after the date hereof.

**DDR Corp.**  
**Income Statement: Consolidated Interests**

\$ in thousands, except per share

	<b>1Q18</b>	<b>1Q17</b>
<b>Revenues (1):</b>		
Minimum rents (2)	\$146,887	\$167,229
Percentage rent	1,808	1,699
Recoveries	51,354	57,476
Other property revenues (3)	4,908	4,577
Business interruption income	2,000	0
	<u>206,957</u>	<u>230,981</u>
<b>Expenses (4):</b>		
Operating and maintenance	29,757	32,991
Real estate taxes	32,023	34,329
	61,780	67,320
<b>Net operating income</b>	<b>145,177</b>	<b>163,661</b>
<b>Other income (expense):</b>		
Fee income	8,111	9,440
Interest income	5,341	8,392
Interest expense	(44,040)	(51,827)
Depreciation and amortization	(74,424)	(90,884)
General and administrative (5)	(16,115)	(31,072)
Other income (expense), net (6)	(61,607)	(4)
Impairment charges	(30,444)	(21,973)
Hurricane casualty loss	(750)	0
Loss before earnings from JVs and other	<u>(68,751)</u>	<u>(14,267)</u>
Equity in net income (loss) of JVs	8,786	(1,665)
Reserve of preferred equity interests	(3,961)	(76,000)
Tax benefit (expense)	18	(223)
Gain on disposition of real estate, net	10,011	38,127
Net loss	<u>(53,897)</u>	<u>(54,028)</u>
Non-controlling interests	(256)	(213)
<b>Net loss DDR</b>	<b>(54,153)</b>	<b>(54,241)</b>
Preferred dividends	<u>(8,383)</u>	<u>(5,594)</u>
<b>Net loss Common Shareholders</b>	<b>(\$62,536)</b>	<b>(\$59,835)</b>
<b>Weighted average shares – Basic &amp; Diluted – EPS</b>	<b>369,120</b>	<b>366,430</b>
<b>Earnings per common share – Basic &amp; Diluted</b>	<b>(\$0.17)</b>	<b>(\$0.16)</b>
<b>Revenue items:</b>		
(1) Lost revenue related to hurricanes	(\$3,784)	\$0
(2) Ground lease revenue	9,970	10,892
(3) Lease termination fees	521	178
<b>(4) Operating expenses:</b>		
Recoverable expenses	(57,579)	(62,117)
Non-recoverable expenses	(4,104)	(4,280)
Bad debt expense	(97)	(923)
<b>(5) General and administrative expenses:</b>		
Separation charges	0	(11,471)
Internal leasing expenses	(1,196)	(1,592)
Construction administrative costs (capitalized)	1,370	2,388
<b>(6) Other income (expense), net</b>		
Debt extinguishment costs, net	(56,432)	0
Transaction and other (income) expense, net	(5,175)	(4)
	<u>(61,607)</u>	<u>(4)</u>

**DDR Corp.**  
**Reconciliation: Net (Loss) Income to FFO and Operating FFO**  
**and Other Financial Information**

\$ in thousands, except per share

	<b>1Q18</b>	<b>1Q17</b>
<b>Net loss attributable to Common Shareholders</b>	<b>(\$62,536)</b>	<b>(\$59,835)</b>
Depreciation and amortization of real estate	72,859	88,649
Equity in net (income) loss of JVs	(8,786)	1,665
JVs' FFO	7,170	6,582
Non-controlling interests	53	76
Impairment of depreciable real estate	30,444	21,973
Gain on disposition of depreciable real estate, net	(9,688)	(36,898)
<b>FFO attributable to Common Shareholders</b>	<b>\$29,516</b>	<b>\$22,212</b>
 Reserve of preferred equity interests	 3,961	 76,000
Hurricane casualty loss (1)	2,535	0
Separation charges	0	11,471
Debt extinguishment, transaction, other, net	61,607	(1)
Joint ventures - debt extinguishment, transaction, other	454	80
Gain on disposition of non-depreciable real estate, net	(323)	(1,229)
Total non-operating items, net	68,234	86,321
<b>Operating FFO attributable to Common Shareholders</b>	<b>\$97,750</b>	<b>\$108,533</b>
 <b>Weighted average shares and units – Basic – FFO &amp; OFFO</b>	 <b>369,471</b>	 <b>366,976</b>
Assumed conversion of dilutive securities	15	89
<b>Weighted average shares and units – Diluted – FFO &amp; OFFO</b>	<b>369,486</b>	<b>367,065</b>
 <b>FFO per share – Basic &amp; Diluted</b>	 <b>\$0.08</b>	 <b>\$0.06</b>
<b>Operating FFO per share – Basic &amp; Diluted</b>	<b>\$0.26</b>	<b>\$0.30</b>
<b>Common stock dividends declared, per share</b>	<b>\$0.19</b>	<b>\$0.19</b>
 <b>Certain non-cash items (DDR share):</b>		
Straight-line rent, net	(\$380)	\$433
Amortization of (above)/below-market rent, net	1,843	3,851
Straight-line ground rent (expense) income	(50)	269
Debt fair value and loan cost amortization	(2,473)	(990)
Capitalized interest expense	323	398
Stock compensation expense	(1,692)	(1,908)
Non-real estate depreciation expense	(1,523)	(2,135)
Non-cash interest income	0	1,283
 <b>Capital expenditures (DDR share):</b>		
Development and redevelopment costs	20,474	9,655
Maintenance capital expenditures	521	824
Tenant allowances and landlord work	9,418	18,124
Leasing commissions	897	859
 <b>(1) Hurricane casualty loss (DDR Share):</b>		
Lost tenant revenue	(3,784)	0
Business interruption income	2,000	0
Clean up costs and other expenses, net	(751)	0
	(2,535)	0

**DDR Corp.**  
**Balance Sheet: Consolidated Interests**

\$ in thousands

	<b>At Period End</b>	
	<b>1Q18</b>	<b>4Q17</b>
<b>Assets:</b>		
Land	\$1,700,502	\$1,738,792
Buildings	5,599,708	5,733,451
Fixtures and tenant improvements	696,787	693,280
	7,996,997	8,165,523
Depreciation	(1,963,427)	(1,953,479)
	6,033,570	6,212,044
Construction in progress and land	77,033	82,480
Real estate, net	6,110,603	6,294,524
Investments in JVs	96,734	106,037
Receivable – preferred equity interests, net	236,925	277,776
Cash	16,560	92,611
Restricted cash	49,257	2,113
Notes receivable, net	19,675	19,675
Receivables, net (1)	100,464	108,695
Casualty insurance receivable	65,547	58,583
Intangible assets, net	167,834	182,407
Other assets, net	46,847	27,652
<b>Total Assets</b>	<b>6,910,446</b>	<b>7,170,073</b>
<b>Liabilities and Equity:</b>		
Revolving credit facilities	120,000	0
Unsecured debt	1,917,833	2,810,100
Unsecured term loan	198,452	398,130
Secured debt	1,505,235	641,082
	3,741,520	3,849,312
Dividends payable	78,687	78,549
Other liabilities (2)	317,916	344,774
<b>Total Liabilities</b>	<b>4,138,123</b>	<b>4,272,635</b>
Preferred shares	525,000	525,000
Common shares	36,934	36,851
Paid-in capital	5,522,874	5,513,197
Distributions in excess of net income	(3,315,974)	(3,183,134)
Deferred compensation	7,668	8,777
Other comprehensive income	(1,311)	(1,106)
Common shares in treasury at cost	(7,774)	(8,653)
Non-controlling interests	4,906	6,506
<b>Total Equity</b>	<b>2,772,323</b>	<b>2,897,438</b>
<b>Total Liabilities and Equity</b>	<b>\$6,910,446</b>	<b>\$7,170,073</b>
(1) Straight-line rents receivable, net	\$57,733	\$59,439
(2) Below-market leases, net	123,571	127,513

**DDR Corp.**  
Reconciliation of Net Income Attributable to DDR to Same Store NOI (1)

\$ in thousands

			At DDR Share (Non-GAAP)	
	1Q18	1Q17	1Q18	1Q17
<b><u>GAAP Reconciliation:</u></b>				
<b>Net loss attributable to DDR</b>	(\$54,153)	(\$54,241)	(\$54,153)	(\$54,241)
Fee income	(8,111)	(9,440)	(8,111)	(9,440)
Interest income	(5,341)	(8,392)	(5,341)	(8,392)
Interest expense	44,040	51,827	44,040	51,827
Depreciation and amortization	74,424	90,884	74,424	90,884
General and administrative	16,115	31,072	16,115	31,072
Other expense, net	61,607	4	61,607	4
Impairment charges	30,444	21,973	30,444	21,973
Hurricane casualty loss	750	0	750	0
Equity in net income (loss) of joint ventures	(8,786)	1,665	(8,786)	1,665
Reserve of preferred equity interests	3,961	76,000	3,961	76,000
Tax (benefit) expense	(18)	223	(18)	223
Gain on disposition of real estate	(10,011)	(38,127)	(10,011)	(38,127)
Income from non-controlling interests	256	213	256	213
<b>Consolidated NOI</b>	<b>145,177</b>	<b>163,661</b>	<b>145,177</b>	<b>163,661</b>
DDR's consolidated JV	0	0	(398)	(410)
<b>Consolidated NOI, net of non-controlling interests</b>	<b>145,177</b>	<b>163,661</b>	<b>144,779</b>	<b>163,251</b>
 <b>Net income (loss) from unconsolidated joint ventures</b>	 <b>23,405</b>	 <b>(52,377)</b>	 <b>8,452</b>	 <b>(5,237)</b>
Interest expense	24,243	30,130	3,749	4,883
Depreciation and amortization	39,677	45,096	5,181	5,548
Impairment charges	16,910	52,657	846	6,260
Preferred share expense	6,508	8,128	325	406
Other expense, net	7,421	6,573	1,289	1,073
(Gain) loss on disposition of real estate, net	(38,020)	173	(7,448)	8
<b>Unconsolidated NOI</b>	<b>80,144</b>	<b>90,380</b>	<b>12,394</b>	<b>12,941</b>
 <b>Total Consolidated + Unconsolidated NOI</b>	 <b>225,321</b>	 <b>254,041</b>	 <b>157,173</b>	 <b>176,192</b>
Less: Non-Same Store NOI adjustments including Puerto Rico NOI	(34,068)	(64,224)	(30,594)	(51,511)
<b>Total SSNOI</b>	<b>\$191,253</b>	<b>\$189,817</b>	<b>\$126,579</b>	<b>\$124,681</b>
Less: RVI – continental U.S. and disposition assets	(37,794)	(38,158)	(37,794)	(38,158)
<b>Total New DDR SSNOI</b>	<b>\$153,459</b>	<b>\$151,659</b>	<b>\$88,785</b>	<b>\$86,523</b>
 <b>SSNOI % Change – DDR at share (excluding Puerto Rico)</b>	 <b>0.8%</b>		 <b>1.5%</b>	
<b>SSNOI % Change – New DDR at share</b>	<b>1.2%</b>		<b>2.6%</b>	

(1) Excludes major redevelopment activity; see Investments section for additional detail. See calculation definition in the Non-GAAP Measures section.