



DDR CORP.

3Q17

CONFERENCE CALL

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 impact or results from the Company's portfolio transition or any change in strategy; and the finalization of the financial statements for the period ended September 30, 2017.

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, 2016. The Company undertakes no obligation to publicly revise these forward-looking statements to reflect events or circumstances that arise after the date hereof.

In addition, this presentation includes certain non-GAAP financial measures. Reconciliations of these non-GAAP financial measures to the most directly comparable GAAP measures can be found in the Company's earnings press release and supplement issued today. This release and the Company's quarterly financial supplement are available on the website at www.ldr.com.

3Q17 SUMMARY

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3Q17 RESULTS SUMMARY

-\$0.02 3Q17 EPS

\$0.30 3Q17 OPERATING FFO/SH

-0.9% SAME STORE NOI
(PRO-RATA, INCLUDING PR)

0.0% CONTINENTAL U.S. SAME STORE NOI
(PRO-RATA, EXCLUDING PR)
VS. BUDGET OF -0.7%

93.4% LEASED

6.2% BLENDED NEW AND
RENEWAL LEASING SPREAD

3Q17 TRANSACTIONS

TOTAL ASSET SALES

\$392MM

DISPOSITIONS (\$173MM Pro-Rata)

16

ASSETS

3

PARCELS

BLACKSTONE PREFERRED REPAYMENT

\$6.3MM

DDR PROCEEDS

POST QUARTER-END

\$239MM

DISPOSITIONS

2

ASSETS

\$122MM

PRO-RATA

PUERTO RICO PRIORITIES

- 1 ACCOUNT FOR AND AID DDR TEAM IN PUERTO RICO**
- 2 REMOVE DEBRIS AND INITIATE GENERATOR POWER**
- 3 GET TENANTS OPEN**
- 4 WORK WITH INSURANCE COMPANY AND ARRANGE PAYMENTS**
- 5 COMPLETE PERMANENT REPAIRS**

PUERTO RICO CURRENT CONDITIONS

1 POWER FULLY/PARTIALLY RESTORED AT 9 OF 12 PROPERTIES, INCLUDING ALL ENCLOSED MALL ASSETS

2 75% OF LEASED GLA OPEN FOR BUSINESS, EXCLUDING PALMA REAL

- 24 of 33 anchors open using grid and/or generator power
- Remaining shop openings generally dependent on grid restoration and/or repairs to damage

3 WORK WITH INSURERS TO DEVELOP AN INITIAL COST ESTIMATE = \$100-125MM, INCLUDING:

- Physical repair of properties and tenant spaces for which DDR is responsible
- Approximately 33% of the estimate is expected costs related to the restoration of Palma Real

4 INITIAL ESTIMATE EXCLUDES:




- Physical repair of spaces which are separately insured by anchor tenants (Approx. \$30MM)
- Higher costs associated with labor and material scarcity

DDR CARRIES PROPERTY, CASUALTY, AND BUSINESS INTERRUPTION INSURANCE WITH LIMITS OF \$330MM

3Q17 RESULTS SUMMARY

LEASING UPDATE

- 259 KSF NEW LEASES IN 3Q
- 6.8% NEW LEASE SPREADS / 6.2% NEW/RENEWAL SPREADS
- 339 KSF ANCHOR SPACE AND 197 KSF SHOP SPACE IN LOI/NEGOTIATIONS
- 24 OF THE 28 FORMER SPORTS AUTHORITY, HHGREGG, AND GOLFSMITH SPACES NOW RE-LEASED OR UNDER LOI
- 90% OF NEW ANCHOR LEASES REPRESENT NEW LOCATIONS

		2Q	3Q	CHANGE
	Leased	8	8	0
	LOI	1	4	3
	Negotiating	4	1	-3
		13	13	
	Leased	2	3	1
	LOI	4	4	0
	Negotiating	3	2	-1
		9	9	
	Leased	3	3	0
	LOI	1	2	1
	Negotiating	2	1	-1
		6	6	

HURRICANE FINANCIAL STATEMENT IMPACT

- **\$6MM HURRICANE CASUALTY AND IMPAIRMENT LOSS**
 - Includes \$1MM of Hurricane Irma expenses (debris removal)
- **\$2.6MM OF LOST REVENUES ATTRIBUTABLE TO HURRICANE IRMA AND MARIA**
 - \$1MM will not be reimbursed due to insurance deductible
- **RECEIVED A \$2MM BUSINESS INTERRUPTION INSURANCE ADVANCE AFTER QUARTER END**
 - Will be recorded in 4Q17 with other expected advances
- **\$65MM INITIAL WRITE-OFF OF HISTORICAL COST BASIS ASSOCIATED WITH DAMAGED PROPERTY**
 - Partially offset by \$60MM increase in accounts receivable representing expected insurance reimbursement

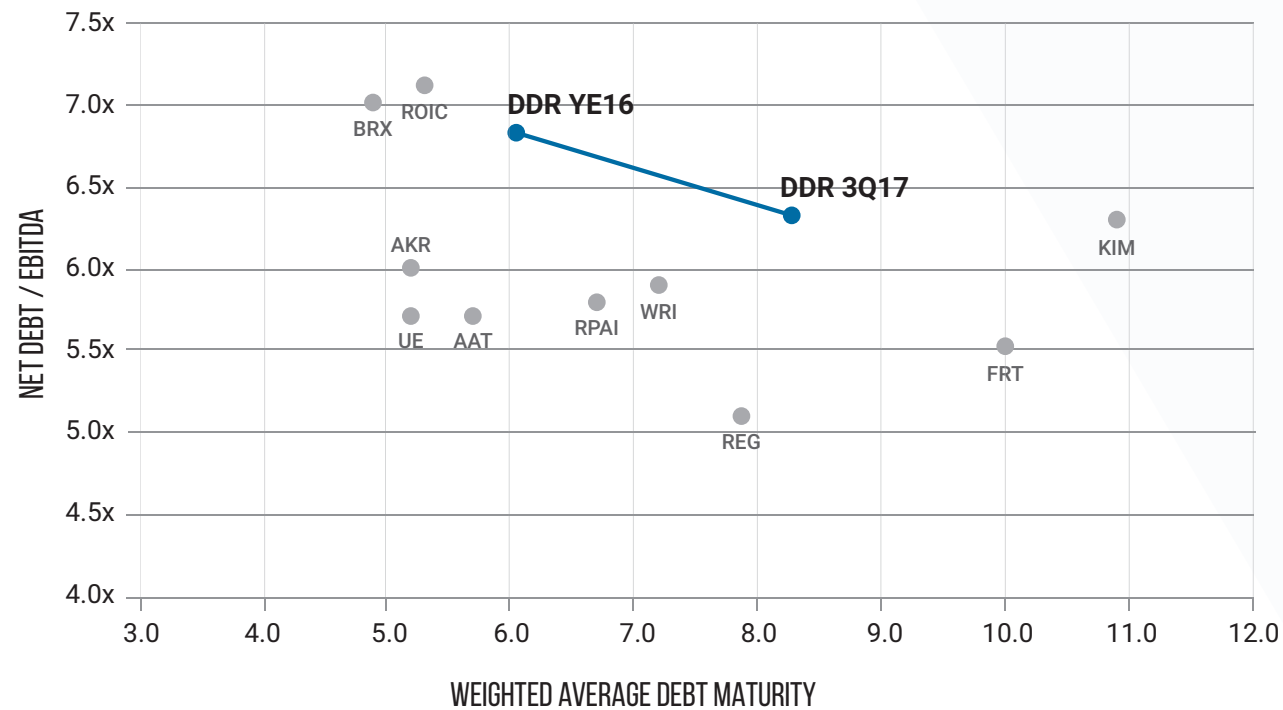
3Q HURRICANE IMPACT

	NET INCOME	FFO	OFFO	SSNOI
Lost Revenue Related to Hurricanes	\$2,558	\$2,571	\$0	\$0
Bad Debt Expense	\$888	\$888	\$888	\$0
Impairment Charge (Property Damage Deductible)	\$5,100	\$0	\$0	\$0
Clean Up Costs and Other Expenses	\$989	\$1,045	\$0	\$0
Hurricane Casualty and Impairment Loss	\$6,089	\$1,045	\$0	\$0
Valuation Allowance of Prepaid Tax Asset	\$8,777	\$8,777	\$0	\$0

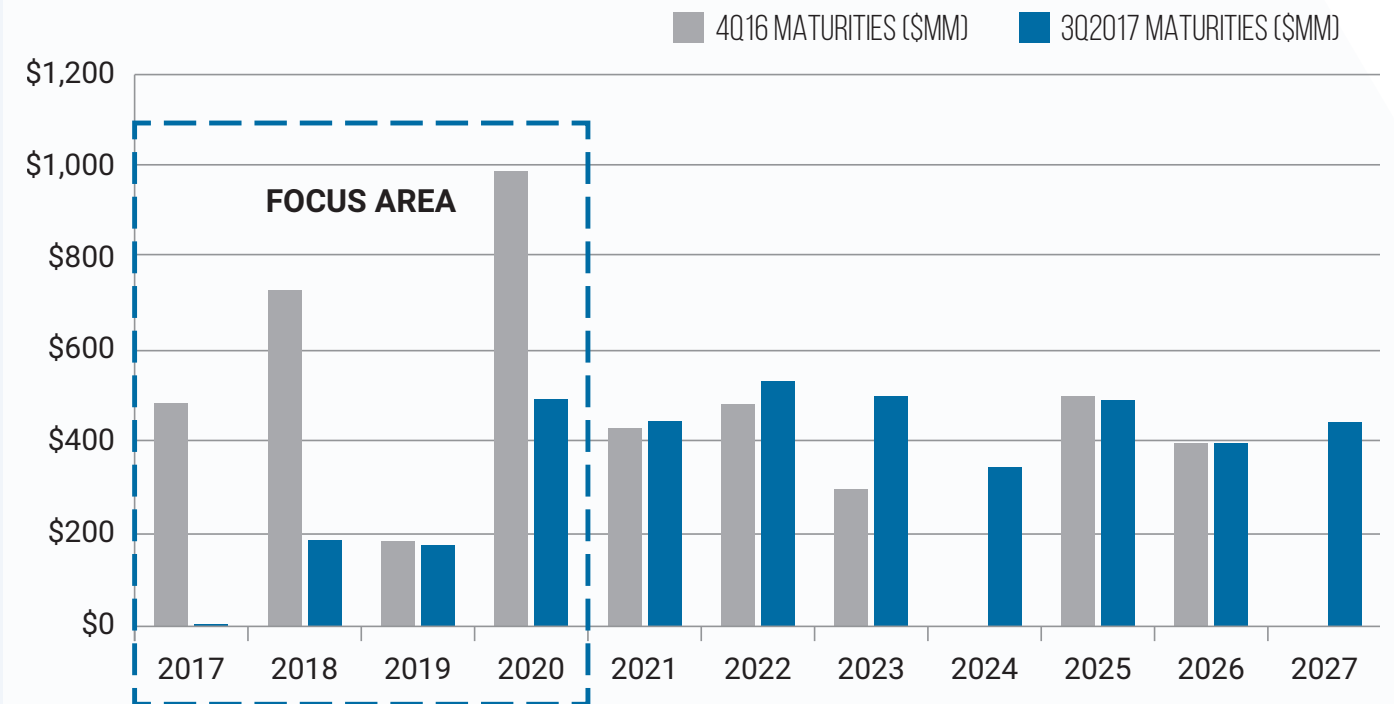
* Financials in (000s)

BALANCE SHEET PROGRESS

- CLOSING OF \$1.0B EXPANDED AND EXTENDED LINE OF CREDIT AND TERM LOAN FACILITIES MARKS CONCLUSION OF MATURITY EXTENSION PROCESS
- REMAINING BALANCE SHEET RESTRUCTURING WILL FOCUS ON LEVERAGE REDUCTION
- CURRENT WEIGHTED AVERAGE DEBT MATURITY NOW IN TOP QUARTILE OF PEER GROUP
 - 2018 Debt/EBITDA expected to be in middle of peer group



Source: Green Street Advisors. Assumes 30-year maturity for perpetual preferred stock. DDR data as of 3Q2017. Peer data as of 2Q2017.



2017 GUIDANCE AND LEVERAGE OUTLOOK

2017 GUIDANCE CHANGE

- **Continental U.S. SSNOI**

- Previous: -1.0% - +0.5%
 - Revised: -0.5% - +0.5%
-

- **PR SSNOI**

- Withdrawing PR SSNOI guidance due to Hurricane Maria
-

- **G&A Expense**

- Previous: \$72 - 75MM
- Current: \$72MM

REITERATING PRIOR GUIDANCE

- **Continental U.S. Leased Rate:** 93.25% - 93.75%

- **Fees:** \$30 - 33MM

- **Interest Income:** \$26 - 29MM

2017 GUIDANCE AND LEVERAGE OUTLOOK

LEVERAGE PROGRESS

- **Line of Credit**

- Expanded to \$1B from \$800MM
- Extended maturity by approximately 2 years to 2022

- **\$400MM Term Loan**

- Extended maturity of \$200MM by 3 years to 2023

- **Repaid \$200MM Secured Term Loan**

- **Repaid \$300MM 2020 Bonds with Proceeds from 7-Year Notes**

- **Repaid \$126MM of Mortgage Loans with Cash on Hand**

LEVERAGE OUTLOOK

- **Target:** 6X net Debt/EBITDA (Pro-rata), excluding perpetual preferred stock

- **Sources:** \$500MM of proceeds post 3Q

- **Estimated Uses**

- \$103MM 2018 mortgage maturities
- \$200MM of \$400MM unsecured term loan
- \$82MM 2018 unsecured notes
- \$100MM of additional mortgage maturities

- **Additional Sources of Potential Equity**

- JV asset sales
- \$327MM preferred equity repayment