



CHICAGO, Feb. 3, 2014 /PRNewswire/ -- General Growth Properties, Inc. (the "Company" or "GGP") (NYSE: [GGP](#)) today reported results for the three and twelve months ended December 31, 2013.

## Financial Results

**For the Three Months Ended December 31, 2013** Company Funds from Operations ("Company FFO") per share increased 17.0% to \$0.36 per diluted share from \$0.31 per diluted share in the prior year period. Company FFO increased 11.3% to \$347 million from \$311 million in the prior year period.

Company Earnings Before Interest, Taxes, Depreciation and Amortization ("Company EBITDA") increased 3.7% to \$556 million from \$536 million in the prior year period.

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Comparable Net Operating Income ("Same Store NOI") increased 6.2% to \$582 million from \$548 million in the prior year period.

Net income attributable to GGP, which is impacted primarily by depreciation expense, provisions for impairment and a gain from change in control of investment properties, was \$77 million, or \$0.07 per diluted share, as compared to \$32 million, or \$0.04 per diluted share, in the prior year period.

**For the Twelve Months Ended December 31, 2013** Company FFO per share increased 18.2% to \$1.16 per diluted share from \$0.98 per diluted share in the prior year period. Company FFO increased 15.7% to \$1,148 million from \$992 million in the prior year period.

Company EBITDA increased 4.3% to \$2,015 million from \$1,932 million in the prior year period.

Same Store NOI increased 6.0% to \$2,112 million from \$1,993 million in the prior year period.

Net income attributable to GGP, which is impacted primarily by depreciation expense, a gain from change in control of investment properties and a non-cash accounting adjustment for outstanding warrants, was \$303 million, or \$0.31 per diluted share, as compared to a Net loss attributable to GGP of \$481 million, or \$0.52 loss per diluted share, in the prior year period.

## Operational Highlights for the Regional Mall Portfolio

- Tenant sales increased 3.6% to \$564 per square foot on a trailing 12-month basis.
- Mall leased percentage was 97.1% at quarter end, an increase of 100 basis points from December 31, 2012
- Initial rental rates for executed leases commencing in 2013 on a suite-to-suite basis increased 12.3%, or \$7.05 per square foot, to \$64.29 per square foot when compared to the rental rate for expiring leases.

## Financing Activities

**Property-Level Debt** During the three months ended December 31, 2013, the Company obtained \$649 million (\$592 million at share) of property-level debt with a weighted-average interest rate of 3.76% (3.79% at share) and weighted-average term-to-maturity of 7.5 years (7.7 years at share). The prior loans had a weighted-average interest rate of 5.00% (5.02% at share) and a remaining term-to-maturity of 2.3 years (2.1 years at share). The transactions generated approximately \$167 million of net proceeds.

## Investment Activities

**Acquisitions** During the three months ended December 31, 2013, the Company acquired two properties for \$315 million and land for development for \$35 million

**Dispositions** During the three months ended December 31, 2013, the

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Company sold three malls for gross proceeds of \$134 million

**Development** The Company has development and redevelopment activities totaling approximately \$2.1 billion of which approximately \$285 million has opened.

### Guidance

Company FFO for the year ending December 31, 2014, is expected to be \$1.27 to \$1.31 per diluted share. Company FFO for the first quarter 2014 is expected to be \$0.29 to \$0.30 per diluted share.

The following table provides a reconciliation of the range of estimated diluted net income attributable to GGP per share to estimated FFO per diluted share and Company FFO per diluted share.

**For the year ending**

**December 31, 2014**

**For the three months ending**

**March 31, 2014**

**Low End**

**High End**

**Low End**

**High End**

**Company FFO per diluted share**

**\$1.27**

**\$1.31**

**\$0.29**

**\$0.30**

Adjustments (1)

(0.04)

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(0.04)

(0.01)

(0.01)

**FFO**

**1.23**

**1.27**

**0.28**

**0.29**

Depreciation, including share of joint ventures

(0.91)

(0.91)

(0.22)

(0.22)

**Net income attributable to common stockholders**

**0.32**

**0.36**

**0.06**

**0.07**

Preferred stock dividends

0.02

0.02

-

-

## Net income attributable to GGP

**\$0.34**

**\$0.38**

**\$0.06**

**\$0.07**

(1) Includes impact of straight-line rent, above/below market rent, ground rent amortization and debt ma

The guidance estimate reflects management's view of current and future market conditions, including assumptions with respect to rental rates, occupancy levels, retail sales, variable expenses, interest rates and the earnings impact of the events referenced in this release and previously disclosed. The guidance also reflects management's view of capital market conditions. The estimates do not include possible future gains or losses or the impact on operating results from other possible future property acquisitions or dispositions or capital markets activity. Earnings per share estimates may be subject to fluctuations as a result of several factors, including any gains or losses associated with disposition activity. By definition, FFO and Company FFO do not include real estate-related depreciation and amortization, provisions for impairment, or gains or losses associated with property disposition activities. This guidance is a forward-looking statement and is subject to the risks and other factors described elsewhere in this release and in the Company's annual and quarterly periodic reports filed with the Securities and Exchange Commission.

### Investor Conference Call

On Tuesday, February 4, 2014, the Company will host a conference call at 9:00 a.m. CST (10:00 a.m. EST

). The conference call will be accessible by telephone and through the Internet. Interested parties can access the call by dialing 877.845.1018 (international 707.287.9345). A live webcast of the conference call will be available in listen-only mode in the Investors section at

[www.ggp.com](http://www.ggp.com)

. Interested parties should access the conference call or website 10 minutes prior to the beginning of the call in order to register.

For those unable to listen to the call live, a replay will be available for approximately two weeks after the conference call event. To access the replay, dial 855.859.2056 (international 404.537.3406) conference ID 27702464.

### Supplemental Information

The Company has prepared a supplemental information report available on [www.ggp.com](http://www.ggp.com) in the Investors section. This information also has been furnished with the Securities and Exchange Commission as an exhibit on Form 8-K.

### Forward-Looking Statements

Certain statements made in this press release may be deemed "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. Although the Company believes the expectations reflected in any forward-looking statement are based on reasonable assumption, it can give no assurance that its expectations will be attained, and it is possible that actual results may differ materially from those indicated by these forward-looking statements due to a variety of risks, uncertainties and other factors. Such factors include, but are not limited to, the Company's ability to refinance, extend, restructure or repay near and intermediate term debt, its indebtedness, its ability to raise capital through equity issuances, asset sales or the incurrence of new debt, retail and credit market conditions, impairments, its liquidity demands, retail and economic conditions. The Company discusses these and other risks and uncertainties in its annual and quarterly periodic reports filed with the Securities and

Exchange Commission. The Company may update that discussion in its periodic reports, but otherwise takes no duty or obligation to update or revise these forward-looking statements, whether as a result of new information, future developments, or otherwise.

Investors and others should note that we post our current Investor Presentation on the Investors page of our website at ggp.com. From time to time, we update that Investor Presentation and when we do, it will be posted on the Investors page of our website at ggp.com. It is possible that the updates could include information deemed to be material information. Therefore, we encourage investors, the media and others interested in our company to review the information we post on the Investors page of our website at ggp.com from time to time.

### **General Growth Properties, Inc.**

General Growth Properties, Inc. is an S&P 500 company focused exclusively on owning, managing, leasing, and redeveloping high-quality retail properties throughout the United States. GGP's portfolio is comprised of 120 retail properties in the United States comprising approximately 125 million square feet. GGP is headquartered in Chicago, Illinois, and publicly traded on the NYSE under the symbol GGP.

### **Non-GAAP Supplemental Financial Measures and Definitions**

**Net Operating Income ("NOI") and Company NOI** The Company defines NOI as income from property operations after operating expenses have been deducted, but prior to deducting financing, administrative and income tax expenses. NOI has been reflected on a proportionate basis (at the Company's ownership share). Other REITs may use different methodologies for calculating NOI, and accordingly, the Company's NOI may not be comparable to other REITs. The Company considers NOI a helpful supplemental measure of its operating performance because it is a direct measure of the actual results of the Company's properties. Because NOI excludes general and administrative expenses, interest expense, retail investment property impairment or non-recoverable development costs, depreciation and amortization, gains and losses from property dispositions, allocations to noncontrolling interests, provision for income taxes, discontinued operations, preferred stock dividends, and extraordinary items, it provides a performance measure that, when compared year over year, reflects the revenues and expenses directly associated with owning and operating commercial

real estate properties and the impact on operations from trends in occupancy rates, rental rates and operating costs.

The Company also considers Company NOI to be a helpful supplemental measure of its operating performance because it excludes from NOI certain non-cash and non-comparable items such as straight-line rent and intangible asset and liability amortization, which are a result of the Company's acquisition accounting and other capital contribution or restructuring events. However, due to the exclusions noted, Company NOI should only be used as an alternative measure of the Company's financial performance. The Company presents Company NOI and Company FFO (as defined below), as management of the Company believes certain investors and other users of the Company's financial information use them as measures of the Company's historical operating performance.

**Funds From Operations ("FFO") and Company FFO** The Company determines FFO based upon the definition set forth by National Association of Real Estate Investment Trusts ("NAREIT"). The Company determines FFO to be its share of consolidated net income (loss) computed in accordance with GAAP, excluding real estate related depreciation and amortization, excluding gains and losses from extraordinary items, excluding cumulative effects of accounting changes, excluding gains and losses from the sales of, or any impairment charges related to, previously depreciated operating properties, plus the allocable portion of FFO of unconsolidated joint ventures based upon the Company's economic ownership interest, and all determined on a consistent basis in accordance with GAAP. As with the Company's presentation of NOI, FFO has been reflected on a proportionate basis.

The Company considers FFO a helpful supplemental measure of the operating performance for equity REITs and a complement to GAAP measures because it is a recognized measure of performance by the real estate industry. FFO facilitates an understanding of the operating performance of the Company's properties between periods because it does not give effect to real estate depreciation and amortization since these amounts are computed to allocate the cost of a property over its useful life. Since values for well-maintained real estate assets have historically increased or decreased based upon prevailing market conditions, the Company believes that FFO provides investors with a clearer view of the Company's operating performance.

As with the Company's presentation of Company NOI, the Company also considers Company FFO to be a helpful supplemental measure of the operating performance for equity REITs because it excludes from FFO certain items that are non-cash and certain non-comparable items such as Company NOI adjustments, and FFO items such as FFO from discontinued

operations related to the spin-off of Rouse Properties, Inc, mark-to-market adjustments on debt and gains on the extinguishment of debt, warrant liability adjustment, and interest expense on debt repaid or settled all which are a result of the Company's acquisition accounting and other capital contribution or restructuring events.

## **Reconciliation of Non-GAAP Financial Measures to GAAP Financial Measures**

The Company presents NOI and FFO as they are financial measures widely used in the REIT industry. In order to provide a better understanding of the relationship between the Company's non-GAAP financial measures of NOI, Company NOI, FFO and Company FFO, reconciliations have been provided as follows: a reconciliation of GAAP operating income to NOI and Company NOI and a reconciliation of net loss attributable to GGP to FFO and Company FFO. None of the Company's non-GAAP financial measures represents cash flow from operating activities in accordance with GAAP, none should be considered as an alternative to GAAP net income (loss) attributable to GGP and none are necessarily indicative of cash available to fund cash needs. In addition, the Company has presented such financial measures on a consolidated and unconsolidated basis (at the Company's ownership share) as the Company believes that given the significance of the Company's operations that are owned through investments accounted for on the equity method of accounting, the detail of the operations of the Company's unconsolidated properties provides important insights into the income and FFO produced by such investments for the Company as a whole.

## FINANCIAL OVERVIEW

### GGP

#### Consolidated Statements of Operations

(In thousands, except per share)

**Three Months Ended**

**Twelve Months Ended**

**December 31, 2013**

**December 31, 2012**

**December 31, 2013**

**December 31, 2012**

**Revenues:**

Minimum rents

\$ 414,870

\$ 409,922

\$ 1,588,883

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\$ 1,549,933

Tenant recoveries

184,610

176,077

723,634

700,914

Overage rents

28,659

35,413

56,212

69,756

## Management fees and other corporate revenues

18,218

16,303

68,792

71,949

Other

35,006

26,045

89,866

74,286

**Total revenues**

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**681,363**

**663,760**

**2,527,387**

**2,466,838**

### **Expenses:**

Real estate taxes

64,212

52,957

243,941

219,139

Property maintenance costs

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19,006

21,917

71,334

76,139

Marketing

8,155

11,662

26,214

33,263

Other property operating costs

84,952

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88,506

352,466

361,345

Provision for doubtful accounts

571

1,373

4,068

4,017

Property management and other costs

41,432

40,641

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164,777

159,600

General and administrative

14,658

7,602

49,237

39,120

Provisions for impairment

18,361

-

18,361

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32,100

Depreciation and amortization

192,365

188,245

764,830

782,552

**Total expenses**

**443,712**

**412,903**

**1,695,228**

**1,707,275**

**Operating income**

**237,651**

**250,857**

**832,159**

**759,563**

Interest income

6,423

470

7,699

2,374

Interest expense

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(176,351)

(206,342)

(736,560)

(794,550)

Loss on foreign currency

(7,312)

-

(7,312)

-

Warrant liability adjustment

-

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(89,153)

(40,546)

(502,234)

Gains from changes in control of investment properties

-

-

219,784

18,547

Loss on extinguishment of debt

-

(15,007)

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(36,479)

(15,007)

**Income (loss) before income taxes, equity in income of Unconsolidated Real Estate Affiliates, dis**

**60,411**

**(59,175)**

**238,745**

**(531,307)**

Benefit from (provision for) income taxes

891

(3,538)

(345)

(9,091)

Equity in income of Unconsolidated Real Estate Affiliates

17,754

15,135

58,919

54,984

Equity in income of Unconsolidated Real Estate Affiliates - gain on investment

9,189

23,358

9,837

23,358

**Income (loss) from continuing operations**

**88,245**

**(24,220)**

**307,156**

**(462,056)**

**Discontinued operations:**

(Loss) gain from discontinued operations, including gains (losses) on dispositions

(7,084)

9,120

(15,851)

(60,242)

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Gain on extinguishment of debt

-

50,765

25,894

50,765

Discontinued operations, net

(7,084)

59,885

10,043

(9,477)

**Net income (loss)**

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**81,161**

**35,665**

**317,199**

**(471,533)**

Allocation to noncontrolling interests

(3,964)

(3,464)

(14,671)

(9,700)

**Net income (loss) attributable to GGP**

**77,197**

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**32,201**

**302,528**

**(481,233)**

Preferred stock dividends

(3,984)

-

(14,078)

-

**Net income (loss) attributable to common stockholders**

**\$ 73,213**

**\$ 32,201**

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**\$ 288,450**

**\$ (481,233)**

### **Basic Income (Loss) Per Share:**

Continuing operations

\$ 0.09

\$ (0.02)

\$ 0.30

\$ (0.51)

Discontinued operations

(0.01)

0.06

0.01

(0.01)

**Total basic income (loss) per share**

**\$ 0.08**

**\$ 0.04**

**\$ 0.31**

**\$ (0.52)**

**Diluted Income (Loss) Per Share:**

Continuing operations

\$ 0.08

\$ (0.02)

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\$ 0.30

\$ (0.51)

Discontinued operations

(0.01)

0.06

0.01

(0.01)

**Total diluted income (loss) per share**

**\$ 0.07**

**\$ 0.04**

**\$ 0.31**

**\$ (0.52)**

FINANCIAL OVERVIEW

GGP

Consolidated Balance Sheets

(In thousands)

**December 31, 2013**

**December 31, 2012**

**Assets:**

Investment in real estate:

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Land

\$ 4,320,597

\$ 4,278,471

Buildings and equipment

18,270,748

18,806,858

Less accumulated depreciation

(1,884,861)

(1,440,301)

Construction in progress

406,930

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376,529

Net property and equipment

21,113,414

22,021,557

Investment in and loans to/from Unconsolidated Real Estate Affiliates

2,407,698

2,865,871

Net investment in real estate

23,521,112

24,887,428

Cash and cash equivalents

577,271

624,815

Accounts and notes receivable, net

478,899

260,860

Deferred expenses, net

189,452

179,837

Prepaid expenses and other assets

995,569

1,329,465

**Total assets**

**\$ 25,762,303**

**\$ 27,282,405**

**Liabilities:**

Mortgages, notes and loans payable

\$ 15,672,437

\$ 15,966,866

Investment in Unconsolidated Real Estate Affiliates

17,405

-

Accounts payable and accrued expenses

989,367

1,212,231

Dividend payable

134,476

103,749

Deferred tax liabilities

24,667

28,174

Tax indemnification liability

303,586

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303,750

Junior Subordinated Notes

206,200

206,200

Warrant liability

-

1,488,196

**Total liabilities**

**17,348,138**

**19,309,166**

Redeemable noncontrolling interests:

Preferred

131,881

136,008

Common

97,021

132,211

**Total redeemable noncontrolling interests**

**228,902**

**268,219**

**Equity:** □

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Preferred stock

242,042

-

Stockholders' equity

7,861,079

7,621,698

Noncontrolling interests in consolidated real estate affiliates

82,142

83,322

**Total equity**

**8,185,263**

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**7,705,020**

**Total liabilities and equity**

**\$ 25,762,303**

**\$ 27,282,405**

PROPORTIONATE FINANCIAL STATEMENTS

GGP

Company NOI, EBITDA and FFO

For the Three Months Ended December 31, 2013 and 2012

(In thousands)

**Three Months Ended December 31, 2013**

**Three Months Ended December 31, 2012**

**Consolidated Properties**

**Noncontrolling Interests**

**Unconsolidated Properties**

**Proportionate**

**Adjustments**

**Company**

**Consolidated Properties**

**Noncontrolling Interests**

**Unconsolidated Properties**

**Proportionate**

**Adjustments**

**Company**

Property revenues:

Minimum rents

\$ 414,870

\$ (3,463)

\$ 97,500

\$ 508,907

\$ 5,426

\$ 514,333

\$ 409,922

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\$ (3,468)

\$ 84,242

\$ 490,696

\$ 10,646

\$ 501,342

Tenant recoveries

184,610

(1,254)

40,709

224,065

-

224,065

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176,077

(1,178)

35,118

210,017

-

210,017

Overage rents

28,659

(241)

8,369

36,787

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-

36,787

35,413

(181)

6,596

41,828

-

41,828

Other revenue

35,006

(147)

5,122

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39,981

-

39,981

26,045

(126)

5,563

31,482

-

31,482

Total property revenues

663,145

(5,105)

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151,700

809,740

5,426

815,166

647,457

(4,953)

131,519

774,023

10,646

784,669

Property operating expenses:

Real estate taxes

64,212

(531)

12,792

76,473

(1,578)

74,895

52,957

(523)

11,683

64,117

(1,578)

62,539

Property maintenance costs

19,006

(128)

5,107

23,985

-

23,985

21,917

(147)

4,856

26,626

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-

26,626

Marketing

8,155

(91)

2,782

10,846

-

10,846

11,662

(106)

2,755

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14,311

-

14,311

Other property operating costs

84,952

(424)

20,129

104,657

(1,347)

103,310

88,506

(582)

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18,064

105,988

(1,384)

104,604

Provision for doubtful accounts

571

7

(196)

382

-

382

1,373

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48

508

1,929

-

1,929

Total property operating expenses

176,896

(1,167)

40,614

216,343

(2,925)

213,418

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176,415

(1,310)

37,866

212,971

(2,962)

210,009

**NOI**

**\$ 486,249**

**\$ (3,938)**

**\$ 111,086**

**\$ 593,397**

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**\$ 8,351**

**\$ 601,748**

**\$ 471,042**

**\$ (3,643)**

**\$ 93,653**

**\$ 561,052**

**\$ 13,608**

**\$ 574,660**

Management fees and other corporate revenues

18,218

-

-

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18,218

-

18,218

16,303

-

-

16,303

-

16,303

Property management and other costs

(41,432)

172

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(7,037)

(48,297)

(395)

(48,692)

(40,641)

156

(6,127)

(46,612)

(424)

(47,036)

General and administrative

(14,658)

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-

(242)

(14,900)

-

(14,900)

(7,602)

-

20

(7,582)

-

(7,582)

**EBITDA**

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**\$ 448,377**

**\$ (3,766)**

**\$ 103,807**

**\$ 548,418**

**\$ 7,956**

**\$ 556,374**

**\$ 439,102**

**\$ (3,487)**

**\$ 87,546**

**\$ 523,161**

**\$ 13,184**

**\$ 536,345**

Depreciation on non-income producing assets

(3,192)

-

-

(3,192)

-

(3,192)

(1,630)

-

-

(1,630)

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-

(1,630)

Interest income

6,423

-

184

6,607

-

6,607

470

(1)

84

553

-

553

Preferred unit distributions

(2,280)

-

-

(2,280)

-

(2,280)

(2,310)

-

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-

(2,310)

-

(2,310)

Preferred stock dividends

(3,984)

-

-

(3,984)

-

(3,984)

-

-

-

-

-

-

Interest expense:

Default interest

(680)

-

-

(680)

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680

-

(1,157)

-

-

(1,157)

1,157

-

Mark-to-market adjustments on debt

(1,912)

(95)

363

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(1,644)

1,644

-

(2,326)

(90)

218

(2,198)

2,198

-

Write-off of mark-to-market adjustments on extinguished debt

(275)

-

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(3,924)

(4,199)

4,199

-

(287)

-

-

(287)

287

-

Interest on existing debt

(173,484)

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1,111

(35,883)

(208,256)

-

(208,256)

(202,572)

1,137

(32,996)

(234,431)

-

(234,431)

Loss on foreign currency

(7,312)

-

-

(7,312)

7,312

-

-

-

-

-

-

-

Warrant liability adjustment

-

-

-

-

-

-

(89,153)

-

-

(89,153)

# GGP Reports Full Year 2013 Results

Written by Australian Business

---

89,153

-

Loss on extinguishment of debt

-

-

-

-

-

-

(15,007)

-

-

## GGP Reports Full Year 2013 Results

Written by Australian Business

---

(15,007)

15,007

-

Provision for income taxes

891

19

8

918

(1,499)

(581)

(3,538)

10

## GGP Reports Full Year 2013 Results

Written by Australian Business

---

(122)

(3,650)

3,171

(479)

FFO from discontinued operations

1,544

-

1

1,545

430

1,975

52,838

## GGP Reports Full Year 2013 Results

Written by Australian Business

---

-

7,461

60,299

(46,974)

13,325

264,116

(2,731)

64,556

325,941

20,722

346,663

174,430

## GGP Reports Full Year 2013 Results

Written by Australian Business

---

(2,431)

62,191

234,190

77,183

311,373

Equity in FFO of Unconsolidated Properties and Noncontrolling Interests

61,825

2,731

(64,556)

-

-

-

## GGP Reports Full Year 2013 Results

Written by Australian Business

---

59,760

2,431

(62,191)

-

-

-

**FFO**

**\$ 325,941**

**\$ -**

**\$ -**

**\$ 325,941**

## GGP Reports Full Year 2013 Results

Written by Australian Business

---

**\$ 20,722**

**\$ 346,663**

**\$ 234,190**

**\$ -**

**\$ -**

**\$ 234,190**

**\$ 77,183**

**\$ 311,373**

**Company FFO per diluted share**

**\$ 0.36**

**\$ 0.31**

PROPORTIONATE FINANCIAL STATEMENTS

GGP

Company NOI, EBITDA and FFO

For the Twelve Months Ended December 31, 2013 and 2012

(In thousands)

**Twelve Months Ended December 31, 2013**

**Twelve Months Ended December 31, 2012**

**Consolidated Properties**

**Noncontrolling Interests**

**Unconsolidated Properties**

**Proportionate**

**Adjustments**

**Company**

**Consolidated Properties**

**Noncontrolling Interests**

**Unconsolidated Properties**

**Proportionate**

**Adjustments**

**Company**

Property revenues:

Minimum rents

## GGP Reports Full Year 2013 Results

Written by Australian Business

---

\$ 1,588,883

\$ (14,143)

\$ 363,346

\$ 1,938,086

\$ 27,918

\$ 1,966,004

\$ 1,549,933

\$ (12,152)

\$ 335,494

\$ 1,873,275

\$ 24,555

\$ 1,897,830

## Tenant recoveries

723,634

(4,841)

159,579

878,372

-

878,372

700,914

(4,505)

143,940

840,349

-

## GGP Reports Full Year 2013 Results

Written by Australian Business

---

840,349

Overage rents

56,212

(486)

15,829

71,555

-

71,555

69,756

(392)

12,196

81,560

## GGP Reports Full Year 2013 Results

Written by Australian Business

---

-

81,560

Other revenue

89,866

(440)

15,677

105,103

-

105,103

74,286

(372)

14,903

## GGP Reports Full Year 2013 Results

Written by Australian Business

---

88,817

-

88,817

Total property revenues

2,458,595

(19,910)

554,431

2,993,116

27,918

3,021,034

2,394,889

(17,421)

## GGP Reports Full Year 2013 Results

Written by Australian Business

---

506,533

2,884,001

24,555

2,908,556

Property operating expenses:

Real estate taxes

243,941

(2,126)

51,542

293,357

(6,312)

## GGP Reports Full Year 2013 Results

Written by Australian Business

---

287,045

219,139

(2,063)

46,917

263,993

(6,312)

257,681

Property maintenance costs

71,334

(406)

17,107

88,035

# GGP Reports Full Year 2013 Results

Written by Australian Business

---

-

88,035

76,139

(425)

17,084

92,798

-

92,798

Marketing

26,214

(263)

7,840

## GGP Reports Full Year 2013 Results

Written by Australian Business

---

33,791

-

33,791

33,263

(318)

7,994

40,939

-

40,939

Other property operating costs

352,466

(2,066)

## GGP Reports Full Year 2013 Results

Written by Australian Business

---

78,491

428,891

(10,121)

418,770

361,345

(2,218)

74,366

433,493

(5,668)

427,825

Provision for doubtful accounts

4,068

## GGP Reports Full Year 2013 Results

Written by Australian Business

---

(29)

743

4,782

-

4,782

4,017

15

982

5,014

-

5,014

Total property operating expenses

## GGP Reports Full Year 2013 Results

Written by Australian Business

---

698,023

(4,890)

155,723

848,856

(16,433)

832,423

693,903

(5,009)

147,343

836,237

(11,980)

## GGP Reports Full Year 2013 Results

Written by Australian Business

---

824,257

**NOI**

**\$ 1,760,572**

**\$ (15,020)**

**\$ 398,708**

**\$ 2,144,260**

**\$ 44,351**

**\$ 2,188,611**

**\$ 1,700,986**

**\$ (12,412)**

**\$ 359,190**

**\$ 2,047,764**

**\$ 36,535**

**\$ 2,084,299**

Management fees and other corporate revenues

68,792

-

-

68,792

-

68,792

71,949

-

-

## GGP Reports Full Year 2013 Results

Written by Australian Business

---

71,949

-

71,949

Property management and other costs

(164,777)

638

(25,959)

(190,098)

(1,698)

(191,796)

(159,600)

575

## GGP Reports Full Year 2013 Results

Written by Australian Business

---

(23,660)

(182,685)

(1,696)

(184,381)

General and administrative

(49,237)

-

(991)

(50,228)

-

(50,228)

(39,120)

## GGP Reports Full Year 2013 Results

Written by Australian Business

---

15

(754)

(39,859)

-

(39,859)

### **EBITDA**

**\$ 1,615,350**

**\$ (14,382)**

**\$ 371,758**

**\$ 1,972,726**

**\$ 42,653**

**\$ 2,015,379**

## GGP Reports Full Year 2013 Results

Written by Australian Business

---

**\$ 1,574,215**

**\$ (11,822)**

**\$ 334,776**

**\$ 1,897,169**

**\$ 34,839**

**\$ 1,932,008**

Depreciation on non-income producing assets

(12,232)

-

-

(12,232)

## GGP Reports Full Year 2013 Results

Written by Australian Business

---

-

(12,232)

(8,240)

-

-

(8,240)

-

(8,240)

Interest income

7,699

(1)

533

## GGP Reports Full Year 2013 Results

Written by Australian Business

---

8,231

-

8,231

2,374

(3)

285

2,656

-

2,656

Preferred unit distributions

(9,287)

-

## GGP Reports Full Year 2013 Results

Written by Australian Business

---

-

(9,287)

-

(9,287)

(12,414)

-

-

(12,414)

3,098

(9,316)

Preferred stock dividends

(14,078)

# GGP Reports Full Year 2013 Results

Written by Australian Business

---

-

-

(14,078)

-

(14,078)

-

-

-

-

-

-

Interest expense:

Default interest

(3,735)

-

-

(3,735)

3,735

-

(4,602)

-

(309)

(4,911)

## GGP Reports Full Year 2013 Results

Written by Australian Business

---

4,911

-

Mark-to-market adjustments on debt

(12,834)

(373)

(590)

(13,797)

13,797

-

11,204

(365)

2,035

## GGP Reports Full Year 2013 Results

Written by Australian Business

---

12,874

(12,874)

-

Write-off of mark-to-market adjustments on extinguished debt

5,696

-

(3,513)

2,183

(2,183)

-

33,069

1

# GGP Reports Full Year 2013 Results

Written by Australian Business

---

-

33,070

(33,070)

-

Debt extinguishment expenses

-

-

-

-

-

-

(186)

## GGP Reports Full Year 2013 Results

Written by Australian Business

---

-

(4)

(190)

190

-

Interest on existing debt

(725,687)

4,478

(138,944)

(860,153)

-

(860,153)

## GGP Reports Full Year 2013 Results

Written by Australian Business

---

(834,035)

4,662

(137,819)

(967,192)

-

(967,192)

Loss on foreign currency

(7,312)

-

-

(7,312)

7,312

-

-

-

-

-

-

-

Warrant liability adjustment

(40,546)

-

-

## GGP Reports Full Year 2013 Results

Written by Australian Business

---

(40,546)

40,546

-

(502,234)

-

-

(502,234)

502,234

-

Loss on extinguishment of debt

(36,479)

-

## GGP Reports Full Year 2013 Results

Written by Australian Business

---

-

(36,479)

36,479

-

(15,007)

-

-

(15,007)

15,007

-

Provision for income taxes

(345)

## GGP Reports Full Year 2013 Results

Written by Australian Business

---

72

(202)

(475)

(1,756)

(2,231)

(9,091)

58

(441)

(9,474)

7,372

(2,102)

FFO from discontinued operations

## GGP Reports Full Year 2013 Results

Written by Australian Business

---

31,853

-

13,953

45,806

(23,764)

22,042

73,953

-

21,020

94,973

(51,071)

## GGP Reports Full Year 2013 Results

Written by Australian Business

---

43,902

798,063

(10,206)

242,995

1,030,852

116,819

1,147,671

309,006

(7,469)

219,543

521,080

470,636

## GGP Reports Full Year 2013 Results

Written by Australian Business

---

991,716

Equity in FFO of Unconsolidated Properties and Noncontrolling Interests

232,789

10,206

(242,995)

-

-

-

212,074

7,469

(219,543)

-

# GGP Reports Full Year 2013 Results

Written by Australian Business

---

-

-

**FFO**

**\$ 1,030,852**

**\$ -**

**\$ -**

**\$ 1,030,852**

**\$ 116,819**

**\$ 1,147,671**

**\$ 521,080**

**\$ -**

**\$ -**

## GGP Reports Full Year 2013 Results

Written by Australian Business

---

**\$ 521,080**

**\$ 470,636**

**\$ 991,716**

**Company FFO per diluted share**

**\$ 1.16**

**\$ 0.98**

PROPORTIONATE FINANCIAL STATEMENTS

GGP

Reconciliation of Non-GAAP to GAAP Financial Measures

(In thousands)

**Three Months Ended**

**Twelve Months Ended**

**December 31, 2013**

**December 31, 2012**

**December 31, 2013**

**December 31, 2012**

**Reconciliation of Company NOI to GAAP Operating Income**

Company NOI:

\$ 601,748

\$ 574,660

## GGP Reports Full Year 2013 Results

Written by Australian Business

---

\$ 2,188,611

\$ 2,084,299

Adjustments for minimum rents, real estate taxes and other property operating costs

(8,351)

(13,608)

(44,351)

(36,535)

Proportionate NOI

593,397

561,052

2,144,260

## GGP Reports Full Year 2013 Results

Written by Australian Business

---

2,047,764

Unconsolidated Properties

(111,086)

(93,653)

(398,708)

(359,190)

Consolidated Properties

482,311

467,399

1,745,552

1,688,574

Management fees and other corporate revenues

18,218

16,303

68,792

71,949

Property management and other costs

(41,432)

(40,641)

(164,777)

(159,600)

General and administrative

## GGP Reports Full Year 2013 Results

Written by Australian Business

---

(14,658)

(7,602)

(49,237)

(39,120)

Provisions for impairment

(18,361)

-

(18,361)

(32,100)

Depreciation and amortization

(192,365)

## GGP Reports Full Year 2013 Results

Written by Australian Business

---

(188,245)

(764,830)

(782,552)

Noncontrolling interest in operating income of Consolidated Properties and other

3,938

3,643

15,020

12,412

**Operating income**

**\$ 237,651**

**\$ 250,857**

**\$ 832,159**

**\$ 759,563**

**Reconciliation of Company EBITDA to GAAP Net Income (Loss) Attributable to GGP**

Company EBITDA

\$ 556,374

\$ 536,345

\$ 2,015,379

\$ 1,932,008

Adjustments for minimum rents, property operating expenses and property management and other costs

(7,956)

(13,184)

## GGP Reports Full Year 2013 Results

Written by Australian Business

---

(42,653)

(34,839)

Proportionate EBITDA

548,418

523,161

1,972,726

1,897,169

Unconsolidated Properties

(103,807)

(87,546)

(371,758)

## GGP Reports Full Year 2013 Results

Written by Australian Business

---

(334,776)

Consolidated Properties

444,611

435,615

1,600,968

1,562,393

Depreciation and amortization

(192,365)

(188,245)

(764,830)

(782,552)

Noncontrolling interest in NOI of Consolidated Properties

3,938

3,643

15,020

12,412

Interest income

6,423

470

7,699

2,374

Interest expense

## GGP Reports Full Year 2013 Results

Written by Australian Business

---

(176,351)

(206,342)

(736,560)

(794,550)

Loss on foreign currency

(7,312)

-

(7,312)

-

Warrant liability adjustment

-

## GGP Reports Full Year 2013 Results

Written by Australian Business

---

(89,153)

(40,546)

(502,234)

(Provision for) benefit from income taxes

891

(3,538)

(345)

(9,091)

Provision for impairment excluded from FFO

(18,361)

-

(18,361)

(32,100)

Equity in income of Unconsolidated Real Estate Affiliates

17,754

15,135

58,919

54,984

Equity in income of Unconsolidated Real Estate Affiliates - gain on investment

9,189

23,358

9,837

## GGP Reports Full Year 2013 Results

Written by Australian Business

---

23,358

Discontinued operations

(7,084)

59,885

10,043

(9,477)

Gains from changes in control of investment properties

-

-

219,784

18,547

## GGP Reports Full Year 2013 Results

Written by Australian Business

---

Loss on extinguishment of debt

-

(15,007)

(36,479)

(15,007)

Allocation to noncontrolling interests

(4,136)

(3,620)

(15,309)

(10,290)

**Net income (loss) attributable to GGP**

**\$ 77,197**

**\$ 32,201**

**\$ 302,528**

**\$ (481,233)**

**Reconciliation of Company FFO to GAAP Net Income (Loss) Attributable to GGP**

Company FFO

\$ 346,663

\$ 311,373

\$ 1,147,671

\$ 991,716

Adjustments for minimum rents, property operating expenses and property management and other costs

## GGP Reports Full Year 2013 Results

Written by Australian Business

---

(20,722)

(77,183)

(116,819)

(470,636)

Proportionate FFO

325,941

234,190

1,030,852

521,080

Depreciation and amortization of capitalized real estate costs

(235,990)

## GGP Reports Full Year 2013 Results

Written by Australian Business

---

(230,116)

(930,704)

(932,704)

Gains from changes in control of investment properties

-

-

219,784

18,547

Preferred stock dividends

3,984

-

## GGP Reports Full Year 2013 Results

Written by Australian Business

---

14,078

-

Gains on sales of investment properties

9,216

34,747

9,026

47,884

Noncontrolling interests in depreciation of Consolidated Properties

1,788

1,520

7,151

## GGP Reports Full Year 2013 Results

Written by Australian Business

---

6,870

Provision for impairment excluded from FFO

(18,361)

-

(18,361)

(32,100)

Provision for impairment excluded from FFO of discontinued operations

(7,599)

-

(12,574)

(76,581)

## GGP Reports Full Year 2013 Results

Written by Australian Business

---

Redeemable noncontrolling interests

(726)

(261)

(2,289)

3,492

Depreciation and amortization of discontinued operations

(1,056)

(7,879)

(14,435)

(37,721)

**Net income (loss) attributable to GGP**

## GGP Reports Full Year 2013 Results

Written by Australian Business

---

**\$ 77,197**

**\$ 32,201**

**\$ 302,528**

**\$(481,233)**

### **Reconciliation of Equity in NOI of Unconsolidated Properties to GAAP Equity in Income of Uncon**

Equity in Unconsolidated Properties:

NOI

**\$ 111,086**

**\$ 93,653**

**\$ 398,708**

**\$ 359,190**

Net property management fees and costs

(7,037)

(6,127)

(25,959)

\$ (23,660)

General and administrative and provisions for impairment

(242)

20

(991)

(754)

EBITDA

## GGP Reports Full Year 2013 Results

Written by Australian Business

---

103,807

87,546

371,758

334,776

Net interest expense

(39,260)

(32,694)

(142,514)

(135,812)

Provision for income taxes

8

(122)

(202)

(441)

FFO of discontinued Unconsolidated Properties

1

7,461

13,953

21,020

FFO of Unconsolidated Properties

64,556

62,191

## GGP Reports Full Year 2013 Results

Written by Australian Business

---

242,995

219,543

Depreciation and amortization of capitalized real estate costs

(46,817)

(47,058)

(184,115)

(164,711)

Other, including gain on sales of investment properties

15

2

39

152

**Equity in income of Unconsolidated Real Estate Affiliates**

**\$ 17,754**

**\$ 15,135**

**\$ 58,919**

**\$ 54,984**

SOURCE General Growth Properties, Inc.

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