



For immediate release:

Media Contact:
Brandon Glenn
bglenn@ddr.com
216.755.5500

Investor Contact:
Matt Lougee
mlougee@ddr.com
216.755.5500

DDR REPORTS THIRD QUARTER 2016 OPERATING RESULTS

BEACHWOOD, OHIO, October 26, 2016 – DDR Corp. (NYSE: DDR) today announced operating results for the third quarter ended September 30, 2016.

Financial Highlights

- Third quarter net loss attributable to common shareholders was \$66.0 million, or \$0.18 per diluted share, compared to net income of \$54.0 million, or \$0.15 per diluted share, for the prior-year comparable period.
- Third quarter operating funds from operations attributable to common shareholders ("Operating FFO") increased \$7.1 million, or 6.3%, to \$120.6 million or \$0.33 per diluted share, compared to \$113.5 million, or \$0.31 per diluted share, for the prior-year comparable period.

Significant Quarterly Activity

- Generated same store net operating income growth of 3.4% on a pro rata basis
- Executed 310 new leases and renewals for 2.9 million square feet
- Generated new leasing spreads of 21.1% and renewal leasing spreads of 8.0%, both on a pro rata basis
- The portfolio leased rate was 95.4% at September 30, 2016, compared to 96.0% at December 31, 2015, on a pro rata basis
- Increased the annualized base rent per occupied square foot by 5.6% on a pro rata basis to \$15.36 at September 30, 2016, from \$14.54 at September 30, 2015
- Sold seven operating assets for \$61 million during the quarter, totaling \$55 million at DDR's share
- Sold an additional 17 properties for \$402 million in October at DDR's share

"I am pleased to report that we continue to show strong operating and transactional performance as well as remain firmly on track toward our goal of significantly reduced leverage. Fundamentals are sound, and I am proud of our team's execution this quarter as we make great strides toward our corporate and portfolio objectives," commented Thomas F. August, President and Chief Executive Officer.

2016 Guidance

The Company is revising its 2016 Operating FFO and NAREIT defined FFO guidance estimate to a range of \$1.26 to \$1.28 per diluted share from a range of \$1.23 to \$1.26 per diluted share primarily driven by the impact of disposition timing. The Company is also revising its full year disposition guidance estimate to a range of \$700 million to \$900 million at DDR's pro rata share from \$600 million to \$800 million at DDR's share.

About DDR Corp.

DDR is an owner and manager of 327 value-oriented shopping centers representing 107 million square feet in 36 states and Puerto Rico. The Company's assets are concentrated in high barrier-to-entry markets with stable population and high growth potential and its portfolio is actively managed to create 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.

Conference Call and Supplemental Information

The Company will hold its quarterly conference call tomorrow, October 27, 2016, at 10:00 a.m. Eastern Time. To participate, please dial 877-249-1119 (domestic) or 412-542-4143 (international) at least ten minutes prior to the scheduled start of the call. The conference call webcast will be recorded and available for replay through the Investors portion of DDR's website, <http://ir.ddr.com/events-and-presentations.cfm>. A copy of the Company's Supplemental package is available on the Company's website at www.ddr.com.

Non-GAAP Disclosures

FFO is a supplemental non-GAAP financial measure used as a standard in the real estate industry and 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, expense recovery adjustments and provisions for uncollectible amounts and/or recoveries thereof. SSNOI also excludes activity associated with development and major redevelopment and includes assets owned in comparable periods (15 months for quarter comparisons). The SSNOI calculation for the three-month period ended September 30, 2016, also excludes a portfolio of 16 assets sold on October 7, 2016, given the significance of the sale and transaction closing proximity to the quarter end. 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, 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 capital recycling strategy; any impact on strategy or results from the transition in leadership; and the finalization of the financial statements for the period ended September 30, 2016. 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, 2015. 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

	3Q16	3Q15	9M16	9M15
Revenues:				
Minimum rents (1)	\$177,844	\$180,523	\$533,275	\$540,583
Percentage rent	1,193	835	4,783	3,592
Recoveries	59,743	61,915	182,718	188,016
Other property revenues (2)	6,458	5,614	16,563	16,379
	<u>245,238</u>	<u>248,887</u>	<u>737,339</u>	<u>748,570</u>
Expenses (3):				
Operating and maintenance	31,269	35,963	102,365	110,718
Real estate taxes	36,900	37,385	110,710	112,811
	<u>68,169</u>	<u>73,348</u>	<u>213,075</u>	<u>223,529</u>
Net operating income	177,069	175,539	524,264	525,041
Other income (expense):				
Fee income	8,562	8,248	28,205	24,713
Interest income	9,304	7,331	27,800	21,703
Interest expense (4)	(53,940)	(58,217)	(165,849)	(182,524)
Depreciation and amortization	(95,451)	(97,155)	(290,051)	(299,470)
General and administrative (5)	(18,785)	(17,596)	(55,160)	(55,462)
Other income (expense), net (6)	(384)	(240)	3,470	(1,300)
Impairment charges (7)	(104,877)	0	(104,877)	(279,021)
(Loss) income before earnings from JVs and other	(78,502)	17,910	(32,198)	(246,320)
Equity in net (loss) income of JVs	(1,457)	648	14,081	2,351
(Loss) gain on sale and change in control	(1,087)	0	(1,087)	7,772
Tax expense	(398)	(528)	(1,101)	(6,001)
Gain on disposition of real estate, net	21,368	41,793	47,470	78,154
Net (loss) income	(60,076)	59,823	27,165	(164,044)
Non-controlling interests	(284)	(268)	(894)	(1,590)
Net (loss) income DDR	(60,360)	59,555	26,271	(165,634)
Preferred dividends	(5,594)	(5,594)	(16,781)	(16,781)
Net (loss) income Common Shareholders	(65,954)	53,961	9,490	(182,415)
Depreciation and amortization of real estate	93,334	95,159	283,814	293,265
Equity in net loss (income) of JVs	1,457	(648)	(14,081)	(2,351)
JVs' FFO	6,581	6,595	19,157	21,114
Non-controlling interests	76	69	227	566
Impairment of depreciable real estate	104,877	0	104,877	179,748
Gain on disposition of depreciable real estate, net	(20,234)	(41,734)	(48,484)	(78,282)
FFO Common Shareholders	120,137	113,402	355,000	231,645
Non-operating items, net (8)	499	136	2,306	100,423
Operating FFO	\$120,636	\$113,538	\$357,306	\$332,068
FFO per share – Diluted (9)	\$0.33	\$0.31	\$0.97	\$0.64
Operating FFO per share – Diluted (9)	\$0.33	\$0.31	\$0.98	\$0.91

DDR Corp.
Balance Sheet: Consolidated Interests

\$ in thousands

	At Period End	
	3Q16	4Q15
Assets:		
Land	\$2,122,070	\$2,184,145
Buildings	6,890,141	6,965,632
Fixtures and tenant improvements	773,664	743,037
	9,785,875	9,892,814
Depreciation	(2,174,268)	(2,062,899)
	7,611,607	7,829,915
Construction in progress and land	125,557	235,385
Real estate, net	7,737,164	8,065,300
Investments in JVs	58,318	72,576
Receivable – preferred equity interest	402,291	395,156
Cash	20,658	22,416
Restricted cash	12,696	10,104
Notes receivable, net	44,823	42,534
Receivables, net	127,249	129,089
Other assets, net (10)	317,817	359,913
Total Assets	8,721,016	9,097,088
Liabilities and Equity:		
Revolving credit facilities	310,000	210,000
Unsecured debt	2,912,247	3,149,188
Unsecured term loan	398,284	397,934
Secured debt	1,345,848	1,382,415
	4,966,379	5,139,537
Dividends payable	75,158	68,604
Other liabilities (11)	398,829	425,478
Total Liabilities	5,440,366	5,633,619
Preferred shares	350,000	350,000
Common shares	36,594	36,529
Paid-in capital	5,480,292	5,466,511
Distributions in excess of net income	(2,590,837)	(2,391,793)
Deferred compensation	15,332	15,537
Other comprehensive income	(4,484)	(6,283)
Common shares in treasury at cost	(14,826)	(15,316)
Non-controlling interests	8,579	8,284
Total Equity	3,280,650	3,463,469
Total Liabilities and Equity	\$8,721,016	\$9,097,088

DDR Corp.
Income Statement: Unconsolidated Interests at 100%

\$ in thousands

	<u>3Q16</u>	<u>3Q15</u>	<u>9M16</u>	<u>9M15</u>
Revenues:				
Minimum rents	\$96,856	\$95,218	\$290,391	\$297,392
Percentage rent	503	383	1,407	1,325
Recoveries	28,875	28,772	89,156	90,234
Other property revenues	1,442	2,325	3,522	8,413
	<u>127,676</u>	<u>126,698</u>	<u>384,476</u>	<u>397,364</u>
Expenses:				
Operating and maintenance	17,337	18,320	54,980	57,635
Real estate taxes	18,210	17,118	55,196	52,859
	<u>35,547</u>	<u>35,438</u>	<u>110,176</u>	<u>110,494</u>
Net operating income	92,129	91,260	274,300	286,870
Other income (expense):				
Interest expense	(33,567)	(33,202)	(100,208)	(107,698)
Depreciation and amortization	(47,955)	(49,949)	(146,011)	(158,168)
Impairment charges	(13,598)	0	(13,598)	(448)
Preferred share expense	(8,438)	(6,518)	(25,007)	(19,248)
Other (expense) income, net	(5,829)	(6,309)	(17,959)	(18,503)
	<u>(17,258)</u>	<u>(4,718)</u>	<u>(28,483)</u>	<u>(17,195)</u>
Gain (loss) on disposition of real estate, net	658	(2,626)	54,255	(4,197)
Net (loss) income attributable to unconsolidated JVs	(16,600)	(7,344)	25,772	(21,392)
Depreciation and amortization	47,955	49,949	146,011	158,168
Impairment of depreciable real estate	13,598	0	13,598	448
(Gain) loss on disposition of depreciable real estate, net	(658)	2,626	(54,255)	4,197
FFO	44,295	45,231	131,126	141,421
FFO at DDR's ownership interests	6,581	6,595	19,157	21,114
Operating FFO at DDR's ownership interests (8)	\$6,587	\$6,639	\$19,183	\$21,162

DDR Corp.
Balance Sheet: Unconsolidated Interests at 100%

\$ in thousands

	At Period End	
	3Q16	4Q15
Assets:		
Land	\$1,296,413	\$1,343,889
Buildings	3,398,184	3,551,227
Improvements	198,657	191,581
	4,893,254	5,086,697
Depreciation	(854,821)	(817,235)
	4,038,433	4,269,462
Land held for development and construction in progress	51,967	52,390
	4,090,400	4,321,852
Real estate, net		
Cash and restricted cash	76,447	58,916
Receivables, net	50,461	52,768
Other assets, net	268,726	318,546
	4,486,034	4,752,082
Total Assets		
Liabilities and Equity:		
Mortgage debt	3,095,354	3,177,603
Notes and accrued interest payable to DDR	2,481	1,556
Other liabilities	216,229	219,799
	3,314,064	3,398,958
Total Liabilities		
Redeemable preferred equity	402,291	395,156
Accumulated equity	769,679	957,968
	\$4,486,034	\$4,752,082
Total Liabilities and Equity		

DDR Corp.
Financial Statements: Footnotes

\$ in millions, except per share

	<u>3Q16</u>	<u>3Q15</u>	<u>9M16</u>	<u>9M15</u>
(1) Minimum rents:				
Straight-line rent, net	\$1.1	\$1.6	\$3.7	\$3.8
Below-market rent, net	2.2	1.0	3.6	2.2
Ground lease revenue	10.3	9.5	30.6	27.9
(2) Other property revenues:				
Lease termination fees	1.7	0.7	3.2	2.3
(3) Operating expenses:				
Recoverable expenses	(62.8)	(66.9)	(194.0)	(204.1)
Non-recoverable expenses	(5.4)	(6.4)	(19.1)	(19.4)
Straight-line ground rent expense	(0.1)	(0.1)	(0.3)	(0.4)
Expensed costs of suspended developments	(0.1)	(0.1)	(0.3)	(0.4)
(4) Non-cash interest expense:				
Debt fair value amortization	1.6	3.0	4.7	12.7
Loan cost amortization	(2.1)	(2.4)	(6.3)	(7.3)
Interest expense (capitalized)	0.7	1.9	2.6	5.1
(5) General and administrative expenses:				
Executive separation charges	(0.0)	(0.0)	(0.0)	(2.3)
Stock compensation expenses	(1.4)	(1.5)	(4.7)	(5.2)
Internal leasing expenses	(2.0)	(1.8)	(6.1)	(5.5)
Construction administrative costs (capitalized)	1.8	2.3	5.7	7.0
(6) Other income (expense):				
Other income (primarily insurance recovery in 2016), net	0.0	(0.2)	3.9	(0.4)
Debt extinguishment, net	(0.4)	(0.0)	(0.4)	(0.9)
(7) Impairment charges:				
Assets marketed for sale	(104.9)	(0.0)	(104.9)	(179.7)
Land previously held for development	(0.0)	(0.0)	(0.0)	(99.3)
(8) Non-operating items excluded from Operating FFO:				
Impairment charges – non-depreciable assets	0.0	0.0	0.0	99.3
Executive separation charges	0.0	0.0	0.0	2.3
Transaction, debt extinguishment, litigation, other, net	0.5	0.1	0.5	1.6
Gain on sale and change in control of interests, net	0.0	0.0	0.0	(7.8)
Tax expense (primarily Puerto Rico restructuring), net	0.0	0.0	(0.3)	4.4
Loss on disposition of non-depreciable real estate, net	0.0	0.0	2.1	0.6
	<u>0.5</u>	<u>0.1</u>	<u>2.3</u>	<u>100.4</u>

DDR Corp.
Financial Statements: Footnotes

\$ in millions, except per share

	<u>3Q16</u>	<u>3Q15</u>	<u>9M16</u>	<u>9M15</u>
(9) Outstanding per share information:				
Common shares (at quarter end)	365.9	362.1	365.9	362.1
OP units (at quarter end)	0.4	0.4	0.4	0.4
Total shares and units (at quarter end)	366.3	362.5	366.3	362.5
Weighted average shares and units – Basic – EPS	365.5	361.1	365.1	360.3
Assumed conversion of dilutive securities	0.0	2.5	0.3	0.0
Weighted average shares and units – Diluted – EPS	365.5	363.6	365.4	360.3
Weighted average shares and units – Basic – FFO & OFFO	366.2	362.5	365.9	362.4
Assumed conversion of dilutive securities	0.3	0.4	0.3	0.5
Weighted average shares and units – Diluted – FFO & OFFO	366.5	362.9	366.2	362.9
Earnings per common share – Basic & Diluted	\$(0.18)	\$0.15	\$0.02	\$(0.51)
FFO per share – Basic & Diluted	\$0.33	\$0.31	\$0.97	\$0.64
Operating FFO per share – Diluted	\$0.33	\$0.31	\$0.98	\$0.91
Common stock dividends declared, per share	\$0.19	\$0.1725	\$0.57	\$0.5175
(10) Intangible assets, net (at quarter and year end)			265.6	311.0
(11) Below-market leases, net (at quarter and year end)			151.7	155.3

Additional financial information:

Capital expenditures (DDR share):

Retenanting	\$8.8	\$13.4	\$25.0	\$36.1
Maintenance – reimbursable and non reimbursable	7.9	7.4	14.9	13.3
Maintenance PSF of owned GLA – non reimbursable			0.10	0.09

Miscellaneous (DDR share):

Est. value of land owned adjacent to existing centers			\$24	
Cost basis of headquarters (non-income producing)			40	

Guidance Reconciliation:

	<u>2016E</u>	<u>2016E</u> <u>(Per Share – Diluted)</u>
Net income Common Shareholders	\$19 - \$24	\$0.05 - \$0.06
Depreciation and amortization of real estate	372 - 375	1.01 - 1.02
Equity in net income of JVs	(14) - (16)	(0.04)
JVs' FFO	25 - 27	0.07
Impairment of depreciable real estate	105	0.29
Gain on disposition of real estate, net	(48)	(0.13)
Loss on disposition of non-depreciable real estate, net	2	0.01
Operating FFO	\$461 - \$469	\$1.26 - \$1.28

DDR Corp.

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

\$ in millions

	At DDR Share			
	3Q16	3Q15	3Q16	3Q15
GAAP Reconciliation:				
Net income attributable to DDR	(\$60.4)	\$59.6	(\$60.4)	\$59.6
Fee income	(8.6)	(8.3)	(8.6)	(8.3)
Interest income	(9.3)	(7.3)	(9.3)	(7.3)
Interest expense	53.9	58.2	53.9	58.2
Depreciation and amortization	95.5	97.2	95.5	97.2
General and administrative	18.8	17.6	18.8	17.6
Other expense	0.4	0.2	0.4	0.2
Impairment charges	104.9	0.0	104.9	0.0
Equity in net income of joint ventures	1.4	(0.7)	1.4	(0.7)
Loss on sale and change in control	1.1	0.0	1.1	0.0
Tax expense	0.4	0.5	0.4	0.5
Gain on disposition of real estate	(21.3)	(41.8)	(21.3)	(41.8)
Income from non-controlling interests	0.3	0.3	0.3	0.3
Consolidated NOI	177.1	175.5	177.1	175.5
DDR's consolidated JV	0.0	0.0	(0.4)	(0.4)
Consolidated NOI, net of non-controlling interests	177.1	175.5	176.7	175.1
Net income from unconsolidated joint ventures	(16.6)	(7.3)	(1.8)	0.3
Interest expense	33.6	33.2	5.3	5.5
Depreciation and amortization	48.0	49.9	5.6	6.2
Impairment charges	13.6	0.0	2.7	0.0
Preferred share expense	8.4	6.5	0.4	0.3
Other expense, net	5.8	6.4	1.0	1.1
(Gain) loss on disposition of real estate, net	(0.7)	2.6	0.0	0.1
Unconsolidated NOI	92.1	91.3	13.2	13.5
Total Consolidated + Unconsolidated NOI	269.2	266.8	189.9	188.6
Less: Non-Same Store NOI adjustments	29.9	35.2	24.6	28.8
Total SSNOI	\$239.3	\$231.6	\$165.3	\$159.8
SSNOI % Increase	3.3%		3.4%	

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