



The Howard Hughes Corporation Announces Retirement of 6,083,333 Sponsor Warrants for \$80,548,000 Cash and 1,525,272 Common Shares

December 10, 2012

Shareholders Now Own 10.1% More of the Company as a Result of these Transactions

DALLAS-- [The Howard Hughes Corporation](#) ("Howard Hughes" or the "Company") (NYSE: HHC) today announced that it has retired 6,083,333 Sponsor warrants for \$80,548,000 in cash and the issuance of 1,525,272 shares of common stock.

On December 7, 2012, affiliates of Blackstone Real Estate Partners sold their 333,333 warrants and the Fairholme Funds sold their 1,916,667 warrants to The Howard Hughes Corporation for \$30.00 cash per warrant. On November 9, 2012, affiliates of Brookfield Asset Management exercised a portion of their warrants and sold to the Company the remainder of their warrants in exchange for 1,525,272 shares of the Company's stock and a net \$13,048,000 cash payment. All of the extinguished warrants had a \$50.00 per warrant exercise price and a November 2017 expiration date. Together, the warrant transactions reduced diluted shares outstanding by 9.2%, or 4,558,061 shares, as reflected in the table below:

	September 30, 2012	Warrant Transactions	Pro Forma
Common shares	37,973,640	1,525,272	39,498,912
Sponsor warrants	8,000,000	(6,083,333)	1,916,667
Management warrants	2,862,687		2,862,687
Employee stock options	841,440		841,440
Diluted shares	49,677,767	(4,558,061)	45,119,706

"I expect that the retirement of these warrants will be significantly accretive because our shareholders will now own 10.1% more of the Company," said David R. Weinreb, Chief Executive Officer of The Howard Hughes Corporation. "Since becoming a public company, Howard Hughes has made substantial progress in advancing the development and redevelopment of our assets. We have built a premier real estate investment and development company and are confident that we will unlock substantial additional value over the next several years as we develop our properties."

About The Howard Hughes Corporation

The Howard Hughes Corporation owns, manages and develops commercial, residential and mixed-use real estate throughout the country. The company's properties include master planned communities, operating properties, development opportunities and other unique assets spanning 18 states from New York to Hawai'i. For more information on the company, visit www.howardhughes.com.

Safe Harbor Statement

Statements made in this press release that are not historical facts, including statements accompanied by words such as "will," "believe," "expect," "enables," "realize," "plan," "intend," "transform" and other words of similar expression, are forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. These statements are based on management's expectations, estimates, assumptions and projections as of the date of this release and are not guarantees of future performance. Actual results may differ materially from those expressed or implied in these statements. Factors that could cause actual results to differ materially are set forth as risk factors in The Howard Hughes Corporation's filings with the Securities and Exchange Commission, including its Quarterly and Annual Reports. The Howard Hughes Corporation cautions you not to place undue reliance on the forward-looking statements contained in this release. The Howard Hughes Corporation does not

undertake any obligation to publicly update or revise any forward-looking statements to reflect future events, information or circumstances that arise after the date of this release.



The Howard Hughes Corporation
Investor Relations:
Christopher Stang, 214-741-7744
christopher.stang@howardhughes.com

Source: The Howard Hughes Corporation