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# SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

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## FORM 8-K

### CURRENT REPORT

Pursuant to Section 13 or 15(d) of the  
Securities Exchange Act of 1934

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Date of Report (Date of earliest event reported): **February 7, 2003**

## SIMON PROPERTY GROUP, INC.

(Exact name of registrant as specified in its charter)

**Delaware**  
(State or other jurisdiction  
of incorporation)

**001-14469**  
(Commission  
File Number)

**046268599**  
(IRS Employer  
Identification No.)

**115 WEST WASHINGTON STREET**  
**INDIANAPOLIS, INDIANA**  
(Address of principal executive offices)

**46204**  
(Zip Code)

Registrant's telephone number, including area code: **317.636.1600**

**Not Applicable**  
(Former name or former address, if changed since last report)

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#### Item 7. Financial Statements and Exhibits

Financial Statements:

**None**

Exhibits:

Exhibit No.	Description	Page Number in This Filing
99.1	Supplemental Information as of December 31, 2002	5
99.2	Earnings Release for the quarter ended December 31, 2002	46

#### Item 9. Regulation FD Disclosure

On February 6, 2003, the Registrant issued a press release containing information on earnings for the quarter ended December 31, 2002 and other matters. A copy of the press release is included as an exhibit to this filing.

On February 7, 2003, the Registrant made available additional ownership and operation information concerning the Registrant, Simon Property Group, L.P., and properties owned or managed as of December 31, 2002, in the form of a Supplemental Information package, a copy of which is included as an exhibit to this filing. The Supplemental Information package is also available upon request as specified therein.

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#### SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.



## SIMON PROPERTY GROUP

### Overview

#### *The Company*

Simon Property Group, Inc. (the "Company") (NYSE:SPG) is a self-administered and self-managed real estate investment trust ("REIT"). Simon Property Group, L.P. (the "Operating Partnership") is a subsidiary partnership of the Company. The Company and the Operating Partnership (collectively the "Simon Group") are engaged primarily in the ownership, operation, management, leasing, acquisition, expansion and development of real estate properties, primarily regional malls and community shopping centers.

At December 31, 2002, the Company, directly or through the Operating Partnership, owned or had an interest in 246 properties which consisted of regional malls, community shopping centers and office and mixed-use properties (mixed-use properties include a combination of retail, office space or hotel components) containing an aggregate of 185 million square feet of gross leasable area (GLA) in 36 states and eight assets in Europe and Canada.

On January 13, 2002, the Company announced a joint agreement with The Rouse Company and Westfield America Trust to purchase the assets of Rodamco North America N.V. (RNA). The transaction was completed on May 3, 2002. The portfolio acquired by the Company consists primarily of interests in 13 high-quality, highly productive regional malls in the United States, as well as ownership interests in other real estate assets. The Company's share of the gross RNA consideration was approximately \$1.6 billion, including the assumption of \$579 million of property-level debt and preferred units.

Effective December 31, 2002, SPG Realty Consultants, Inc. was merged into the Company, ending the "paired share" REIT structure that the Company had gained from its 1998 combination with Corporate Property Investors, Inc. Although SPG Realty Consultants was able to conduct activities which are not customary for a real estate investment trust, changes in laws since 1998 significantly reduced the need for a paired share REIT structure. Many of the activities previously conducted through SPG Realty Consultants are now conducted through various taxable REIT subsidiaries ("TRS") of the Company.

Subsequent to year-end 2002, the Company's partnership subsidiary, Simon Property Group, L.P., acquired all of the remaining equity interests of M.S. Management Associates, Inc. ("MSM"). MSM provides management, leasing and other services for certain of the Company's properties. The interests acquired consist of 95% of the voting common stock of MSM and approximately 3% of the economic interests of MSM. MSM is now a wholly owned TRS of Simon Property Group, L.P.

This package was prepared to provide (1) ownership information, (2) certain operational information, and (3) balance sheet information as of December 31, 2002, for the Company and the Operating Partnership.

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## SIMON PROPERTY GROUP

### Overview

Certain statements contained in this Supplemental Package may constitute "forward-looking statements" made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. Readers are cautioned that forward-looking statements involve risks and uncertainties, which may affect the business and prospects of the Company and the Operating Partnership. We direct you to the Company's various filings with the Securities and Exchange Commission including Form 10-K and Form 10-Q for a detailed discussion of risks and uncertainties.

We hope you find this Supplemental Package beneficial. Any questions, comments or suggestions should be directed to: Shelly J. Doran, Vice President of Investor Relations-Simon Property Group, P.O. Box 7033, Indianapolis, IN 46207. Telephone: (317) 685-7330; e-mail: sdoran@simon.com

#### *Reporting Calendar*

Results for the next four quarters will be announced according to the following approximate schedule:

First Quarter 2003	Early May 2003
Second Quarter 2003	Late July 2003
Third Quarter 2003	Late October 2003
Fourth Quarter and Year-End 2003	Early February 2004

#### *Stock Information*

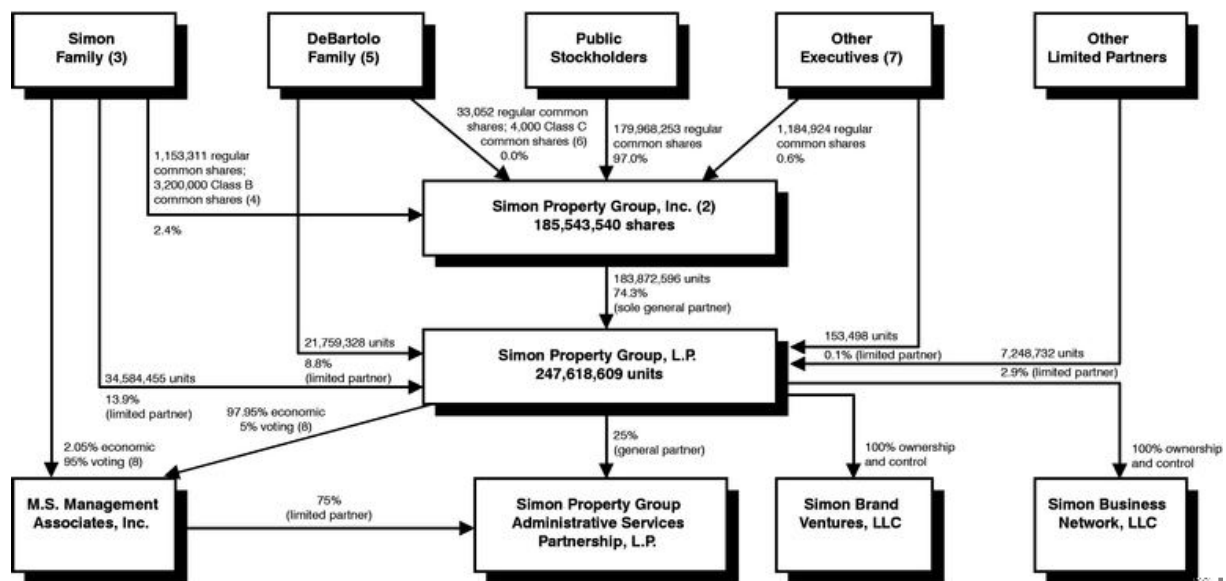
Simon Property Group, Inc. common stock and three issues of preferred stock are traded on the New York Stock Exchange under the following symbols:

Common Stock	SPG
6.5% Series B Convertible Preferred	SPGPrB
8.75% Series F Cumulative Preferred	SPGPrF
7.89% Series G Cumulative Preferred	SPGPrG

#### *Senior Unsecured Debt Ratings*

Standard & Poor's	BBB (CreditWatch Negative)
Moody's	Baa2

**Simon Property Group Ownership Structure(1)  
December 31, 2002**



- (1) Schedule excludes preferred stock (see "Preferred Stock/Units Outstanding") and units not convertible into common stock.
- (2) The number of outstanding shares of common stock of the Company exceeds the number of Simon Property Group, L.P. units owned by the Company by 1,670,944. This is the result of the direct ownership of Ocean County Mall by the Company, partially offset by units issued to the Company in exchange for the contribution of interests in Northshore Mall.
- (3) Consists of Melvin Simon, Herbert Simon, David Simon, and/or trusts established for the benefit of members of the Simon family and Melvin Simon & Associates, Inc.
- (4) Holders of Class B common stock are entitled to elect 4 of the 13 members of the Board of Directors and also have voting rights with regular common stock.
- (5) Consists of NID Corporation, the estate of the late Edward J. DeBartolo, members of the DeBartolo family, including Edward J. DeBartolo, Jr. and M. Denise DeBartolo York, or trusts established for the benefit of members of the DeBartolo family or partnerships in which the foregoing persons hold partnership interests.
- (6) Holders of Class C common stock are entitled to elect 2 of the 13 members of the Board of Directors and also have voting rights with regular common stock.
- (7) Other executives includes directors and executive officers of the Company, other than Simon and DeBartolo family members.
- (8) Prior to January 1, 2003, Simon Property Group, L.P. owned 5% of the voting common stock and 80% of the total voting and nonvoting common stock of M.S. Management Associates, Inc. The Simon Family owned the remaining interests. In addition, Simon Property Group, L.P. owns all \$100 million of the outstanding series of participating preferred stock of and also holds a note receivable from M.S. Management Associates, Inc. As a result, Simon Property Group, L.P. received substantially all of the economic benefits of M.S. Management Associates, Inc. On January 1, 2003, Simon Property Group, L.P. acquired the Simon Family's interests in M.S. Management Associates, Inc. and M.S. Management Associates, Inc. became a wholly owned subsidiary of Simon Property Group, L.P. In 2001, M.S. Management Associates, Inc. elected to be treated as a "taxable REIT subsidiary."

**SIMON PROPERTY GROUP**

**Changes in Common Shares and Unit Ownership**

**For the Period from December 31, 2001 through December 31, 2002**

Operating  
Partnership  
Units(1)

Company  
Common Shares(2)

Number Outstanding at December 31, 2001	63,930,350	173,806,306
Common Stock Offering on July 1, 2002	—	9,000,000
Issuance of Stock for Stock Option Exercises	—	671,836
Conversion of Series A Preferred Shares into Common Stock	—	1,913,026
Conversion of Units into Common Stock	(173,442)	173,442
Conversion of Units into Cash	(10,895)	—
Restricted Stock Forfeitures	—	(21,070)
<b>Number Outstanding at December 31, 2002</b>	<b>63,746,013</b>	<b>185,543,540</b>

**Total Common Shares and Units Outstanding at December 31, 2002:**

249,289,553(2)

**Details for Diluted Common Shares Outstanding:**

Company Common Shares Outstanding at December 31, 2002	185,543,540
Number of Common Shares Issuable Assuming Conversion of:	
Series B Preferred 6.5% Convertible(3)	12,490,773
Net Number of Common Shares Issuable Assuming Exercise of Stock Options(4)	654,375
<b>Diluted Common Shares Outstanding at December 31, 2002</b>	<b>198,688,688</b>

**Fully Diluted Common Shares and Units Outstanding at December 31, 2002:**

262,434,701

- (1) Excludes units owned by the Company (shown here as Company Common Shares) and units not convertible into common shares.
- (2) Excludes preferred units relating to preferred stock outstanding (see Schedule of Preferred Stock Outstanding on page 45).
- (3) Conversion terms provided in footnotes (1) and (2) on page 45 of this document.
- (4) Based upon the weighted average stock price for 2002.

**SIMON PROPERTY GROUP  
Selected Financial Information  
As of December 31, 2002  
Unaudited  
(In thousands, except as noted)**

	As of or for the Three Months Ended December 31,		As of or for the Nine Months Ended December 31,	
	2002	2001	2002	2001
<b>Financial Highlights of the Company</b>				
Total Revenue—Consolidated Properties	\$ 622,629	\$ 569,242	\$ 2,185,802	\$ 2,048,835
Total EBITDA of the Simon Group Portfolio(1)(2)	\$ 650,207	\$ 623,280	\$ 2,298,077	\$ 2,193,230
Simon Group's Share of EBITDA(2)	\$ 512,068	\$ 470,360	\$ 1,767,212	\$ 1,661,010
Net Income Available to Common Shareholders	\$ 96,308	\$ 43,853	\$ 358,387(3)	\$ 147,789
Basic Net Income per Share	\$ 0.52	\$ 0.25	\$ 1.99(3)	\$ 0.86
Diluted Net Income per Share	\$ 0.52	\$ 0.25	\$ 1.99(3)	\$ 0.85
FFO of the Simon Portfolio(4)	\$ 299,733	\$ 273,112	\$ 943,760	\$ 850,117
Basic FFO Allocable to the Company	\$ 222,609	\$ 199,055	\$ 696,457	\$ 618,020
Diluted FFO Allocable to the Company	\$ 232,866	\$ 209,872	\$ 734,731	\$ 657,061
Basic FFO per Share	\$ 1.20	\$ 1.15	\$ 3.87	\$ 3.58
Diluted FFO per Share	\$ 1.17	\$ 1.12	\$ 3.79	\$ 3.51
Distributions per Share	\$ 0.550	\$ 0.525	\$ 2.175	\$ 2.080

**Operational Statistics**

Occupancy at End of Period:

Regional Malls(5)		92.7%	91.9%
Community Shopping Centers(6)		86.9%	90.0%
Average Base Rent per Square Foot:			
Regional Malls(5)	\$	30.70	\$ 29.28
Community Shopping Centers(6)	\$	10.12	\$ 9.83
Releasing Spread, Regional Malls:			
Opening Base Rent per Square Foot	\$	40.35	\$ 34.88
Closing Base Rent per Square Foot	\$	32.58	\$ 29.10
Releasing Spread per Square Foot	\$	7.77	\$ 5.78
Percentage Increase		23.8%	19.9%
Regional Malls:			
Total Tenant Sales Volume, in millions(7)(8)	\$	17,971	\$ 16,941
Comparable Sales per Square Foot(8)	\$	391	\$ 383
Total Sales per Square Foot(8)	\$	386	\$ 378
Number of U.S. Properties Open at End of Period(9)		246	252
Total U.S. GLA at End of Period (in millions of square feet)		184.5	187.4

- (1) Management believes that EBITDA is an effective measure of shopping center operating performance because it is industry practice to evaluate real estate properties based on operating income before interest, taxes, depreciation and amortization, which is generally equivalent to EBITDA; and it is unaffected by the debt and equity structure of the property owner. However, EBITDA does not represent cash flow from operations as defined by accounting principles

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generally accepted in the United States; should not be considered as an alternative to net income as a measure of operating performance; is not indicative of cash flows from operating, investing and financing activities; and is not an alternative to cash flows as a measure of liquidity.

- (2) Excludes technology initiatives.
- (3) Includes net gains from the sale of real estate of \$162.0 million, or approximately \$0.66 per share.
- (4) Funds from Operations ("FFO") is a widely used measure of the operating performance of real estate companies and is provided here as a supplemental measure to Generally Accepted Accounting Principles (GAAP) net income and earnings per share. FFO, as defined by NAREIT, means consolidated net income without giving effect to real estate depreciation and amortization, gains or losses from extraordinary items and gains or losses on the sales of real estate, plus the allocable portion, based on economic ownership interest, of funds from operations of unconsolidated joint ventures, all determined on a consistent basis in accordance with accounting principles generally accepted in the United States. However, FFO does not represent cash flow from operations, should not be considered as an alternative to net income as a measure of operating performance, and is not an alternative to cash flow as a measure of liquidity.
- (5) Includes mall and freestanding stores.
- (6) Includes all Owned GLA.
- (7) Represents only those tenants who report sales.
- (8) Based upon the standard definition of sales for regional malls adopted by the International Council of Shopping Centers which includes only mall and freestanding stores less than 10,000 square feet.
- (9)
- |                                       |     |
|---------------------------------------|-----|
| Number of U.S. Properties at 12/31/01 | 252 |
| Plus: Properties Acquired             | 9   |
| Less: Properties Sold                 | -15 |
| Number of U.S. Properties at 12/31/02 | 246 |

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**SIMON PROPERTY GROUP**  
**Selected Financial Information**  
**As of December 31, 2002**  
**Unaudited**  
**(In thousands, except as noted)**

	December 31, 2002	December 31, 2001
<b>Equity Information</b>		
Limited Partner Units Outstanding at End of Period	63,746	63,930
Shares Outstanding at End of Period	185,544	173,806

Total Common Shares and Units Outstanding at End of Period		249,290		237,736
Weighted Average Shares Outstanding—Basic(1)		179,910		172,669
Weighted Average Shares Outstanding—Diluted(1)		193,992		187,430
<b>Debt Information</b>				
Consolidated Debt	\$	9,546,081	\$	8,841,378
Simon Group's Share of Joint Venture Debt	\$	2,279,609	\$	2,392,523
<b>Debt-to-Market Capitalization</b>				
Common Stock Price at End of Period	\$	34.07	\$	29.33
Equity Market Capitalization(2)	\$	9,483,358	\$	7,968,576
Total Consolidated Capitalization	\$	19,029,439	\$	16,809,954
Total Capitalization—Including Simon Group's Share of JV Debt	\$	21,309,048	\$	19,202,477

As of or for the  
Twelve Months Ended  
December 31,

2002                      2001

#### Miscellaneous Balance Sheet Data

Interest Capitalized during the Period:

Consolidated Properties	\$	4,250	\$	9,687
Joint Venture Properties	\$	3,308	\$	1,331
Simon Group's Share of Joint Venture Properties	\$	1,524	\$	645

(1) For purposes of computing FFO per share

(2) Market value of Common Stock, Units and all issues of Preferred Stock of the Company.

On this and the following two pages, we present balance sheet and income statement data intended to report the Company's economic ownership of the entire Simon Group portfolio. While these statements were not prepared in accordance with GAAP, we believe that they do reflect the Company's proportionate economic ownership of each asset in the Simon Group portfolio.

**Simon Property Group, Inc.**  
**Unaudited Pro-Rata Balance Sheet**  
**As of December 31, 2002**

	Consolidated	Minority Interest	Real Estate Joint Ventures	Total
<b>ASSETS:</b>				
Investment properties, at cost	\$ 14,249,615	(126,805)	\$ 4,356,610	\$ 18,479,420
Less—accumulated depreciation	2,222,242	(46,989)	547,680	2,722,933
	12,027,373	(79,816)	3,808,930	15,756,487
Cash and cash equivalents	397,129	(26,374)	79,917	450,672
Tenant receivables and accrued revenue, net	311,361	(32,475)	74,919	353,805
Notes and advances receivable from Management Company and affiliates	75,105	—	—	75,105
Investment in unconsolidated entities, at equity	1,665,654	—	(1,607,119)	58,535
Goodwill, net	37,212	—	—	37,212
Deferred costs, other assets, and minority interest, net	390,668	(101,123)	75,768	365,313
<b>Total assets</b>	<b>\$ 14,904,502</b>	<b>\$ (239,788)</b>	<b>\$ 2,432,415</b>	<b>\$ 17,097,129</b>
<b>LIABILITIES:</b>				
Mortgages and other indebtedness	\$ 9,546,081	\$ (150,591)	\$ 2,279,609	\$ 11,675,099
Accounts payable and accrued expenses	624,505	(73,169)	109,466	660,802
Cash distributions and losses in partnerships and joint ventures, at equity	13,898	—	—	13,898
Other liabilities, minority interest and accrued dividends	228,508	(16,028)	43,340	255,820
<b>Total liabilities</b>	<b>10,412,992</b>	<b>(239,788)</b>	<b>2,432,415</b>	<b>12,605,619</b>
LIMITED PARTNERS' INTEREST IN THE OPERATING PARTNERSHIPS	872,925	—	—	872,925
LIMITED PARTNERS' PREFERRED INTEREST IN THE SPG OPERATING PARTNERSHIP	150,852	—	—	150,852

**SHAREHOLDERS' EQUITY:****CAPITAL STOCK OF SIMON PROPERTY****GROUP, INC.**

(750,000,000 total shares authorized, \$.0001 par value,  
237,996,000 shares of excess common stock):

All series of preferred stock, 100,000,000 shares authorized,  
16,830,057 and 16,879,896 issued and outstanding,  
respectively. Liquidation values \$858,006 and \$907,845,  
respectively.

	814,254	—	—	814,254
Common stock, \$.0001 par value, 400,000,000 shares authorized, 184,438,095 and 172,700,861 issued, respectively	18	—	—	18
Class B common stock, \$.0001 par value, 12,000,000 shares authorized, 3,200,000 issued and outstanding	1	—	—	1
Class C common stock, \$.0001 par value, 4,000 shares authorized, issued and outstanding	—	—	—	—
Capital in excess of par value	3,685,523	—	—	3,685,523
Accumulated deficit	(961,338)	—	—	(961,338)
Accumulated other comprehensive income	(7,471)	—	—	(7,471)
Unamortized restricted stock award	(10,736)	—	—	(10,736)
Common stock held in treasury at cost, 2,098,555 shares	(52,518)	—	—	(52,518)
<b>Total shareholders' equity</b>	<b>3,467,733</b>	<b>—</b>	<b>—</b>	<b>3,467,733</b>
	<b>\$ 14,904,502</b>	<b>\$ (239,788)</b>	<b>\$ 2,432,415</b>	<b>\$ 17,097,129</b>

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**Simon Property Group, Inc.**  
**Unaudited Pro-Rata Statement of Operations**  
**For three months ended December 31, 2002**

	Consolidated	Minority Interest	Real Estate Joint Ventures	Total
<b>REVENUE:</b>				
Minimum rent	\$ 375,577	(7,212)	103,183	\$ 471,548
Overage rent	22,960	(860)	7,324	29,424
Tenant reimbursements	185,408	(3,927)	50,283	231,764
Other income	38,684	(610)	6,280	44,354
<b>Total revenue</b>	<b>622,629</b>	<b>(12,609)</b>	<b>167,070</b>	<b>777,090</b>
<b>EXPENSES:</b>				
Property operating	92,385	(1,450)	24,283	115,218
Depreciation and amortization	127,207	(2,272)	41,675	166,610
Real estate taxes	57,733	(462)	15,091	72,362
Repairs and maintenance	23,020	(573)	8,395	30,842
Advertising and promotion	23,205	(397)	7,118	29,926
Provision for credit losses	1,993	(97)	2,071	3,967
Other	11,010	(892)	5,495	15,613
<b>Total operating expenses</b>	<b>336,553</b>	<b>(6,143)</b>	<b>104,128</b>	<b>434,538</b>
<b>OPERATING INCOME</b>	<b>286,076</b>	<b>(6,466)</b>	<b>62,942</b>	<b>342,552</b>
Interest Expense	152,258	(2,337)	37,756	187,677
<b>Income before minority interest</b>	<b>133,818</b>	<b>(4,129)</b>	<b>25,186</b>	<b>154,875</b>
Minority interest	(4,129)	4,129	—	—
Gain on sales of assets and partnership interests, net	(8,372)	—	—	(8,372)
<b>Income before unconsolidated entities</b>	<b>121,317</b>	<b>—</b>	<b>25,186</b>	<b>146,503</b>
Loss from MerchantWired, LLC	—	—	—	—
Income (Loss) from unconsolidated entities	26,628	—	(25,186)	1,442(a)
<b>Income before extraordinary items, and cumulative effect of accounting change</b>	<b>147,945</b>	<b>—</b>	<b>—</b>	<b>147,945</b>
Extraordinary items	(10)	—	—	(10)
Cumulative effect of accounting change	—	—	—	—
<b>Income before allocation to limited partners</b>	<b>147,935</b>	<b>—</b>	<b>—</b>	<b>147,935</b>
<b>LESS:</b>				
Limited partners' interest in the Operating Partnerships	33,109	—	—	33,109
Preferred distributions of the SPG Operating Partnership	2,835	—	—	2,835
<b>NET INCOME</b>	<b>111,991</b>	<b>—</b>	<b>—</b>	<b>111,991</b>
Preferred dividends	(15,683)	—	—	(15,683)



NET INCOME AVAILABLE TO COMMON SHAREHOLDERS	\$	96,308	\$	—	\$	—	\$	96,308
<b>RECONCILIATION TO FFO:</b>								
<b>Income before extraordinary items, and cumulative effect of accounting change ("IBEC")</b>		147,945						147,945
Less:								
Joint Venture IBEC		(25,185)				25,185		—
Minority Interest IBEC		4,129		(4,129)				—
<b>IBEC</b>		126,889		(4,129)		25,185		147,945
Plus:								
Depreciation and amortization from combined consolidated properties		126,623						126,623
Our share of depreciation and amortization from unconsolidated affiliates		1,136				41,427		42,563
Gain on sale of real estate		8,372						8,372
Our share of impairment charge and writeoff from MerchantWired LLC, net of tax benefit		—						—
Adjustment to market value for acquired in place leases								—
Less:								
Our share of adjustment to market value for acquired in place leases		(2,084)				(2,900)		(4,984)
Management Company gain on sale of real estate		—						—
Minority interest portion of depreciation and amortization and extraordinary items				(2,268)				(2,268)
Preferred distributions (Including those of subsidiaries)		(18,518)						(18,518)
<b>Our FFO</b>		242,418		(6,397)		63,712		299,733
<b>% of Total FFO:</b>		80.88%		-2.13%		21.26%		100.00%

(a) Total Income (Loss) from Unconsolidated entities relates to income(loss) from the Management Company

**Basis of Presentation:** The consolidated amounts shown above are prepared on a consistent basis with the consolidated financial statements prepared by the Company and included in its periodic filings.

The Real Estate Joint Ventures column was derived on a property by property basis by applying the same percentage interests used to arrive at our share of net income during the period and applying them to all financial statement line items of each property. A similar calculation was performed for minority interests.

**Simon Property Group, Inc.**  
**Unaudited Pro-Rata Statement of Operations**  
**For twelve months ended December 31, 2002**

	Consolidated	Minority Interest	Real Estate Joint Ventures	Total
<b>REVENUE:</b>				
Minimum rent	\$ 1,337,928	(27,111)	378,119	\$ 1,688,936
Overage rent	47,977	(1,988)	13,466	59,455
Tenant reimbursements	658,894	(11,607)	185,533	832,820
Other income	141,003	(2,029)	21,443	160,417
<b>Total revenue</b>	<b>2,185,802</b>	<b>(42,735)</b>	<b>598,561</b>	<b>2,741,628</b>
<b>EXPENSES:</b>				
Property operating	364,848	(6,299)	98,016	456,565
Depreciation and amortization	480,012	(7,953)	144,675	616,734
Real estate taxes	217,579	(1,889)	58,617	274,307
Repairs and maintenance	77,472	(2,077)	27,399	102,794
Advertising and promotion	61,327	(1,188)	18,316	78,455
Provision for credit losses	8,972	(104)	3,590	12,458
Other	36,854	(3,278)	17,208	50,784
<b>Total operating expenses</b>	<b>1,247,064</b>	<b>(22,788)</b>	<b>367,821</b>	<b>1,592,097</b>
<b>OPERATING INCOME</b>	<b>938,738</b>	<b>(19,947)</b>	<b>230,740</b>	<b>1,149,531</b>
Interest Expense	602,972	(9,449)	152,045	745,568
<b>Income before minority interest</b>	<b>335,766</b>	<b>(10,498)</b>	<b>78,695</b>	<b>403,963</b>
Minority interest	(10,498)	10,498	—	—
Gain on sales of assets and partnership interests, net	162,011	—	—	162,011
<b>Income before unconsolidated entities</b>	<b>487,279</b>	<b>—</b>	<b>78,695</b>	<b>565,974</b>
Loss from MerchantWired, LLC	(32,742)	—	—	(32,742)
Income (Loss) from unconsolidated entities	92,811	—	(78,695)	14,116(a)

<b>Income before extraordinary items, and cumulative effect of accounting change</b>	547,348	—	—	547,348
Extraordinary items	14,307	—	—	14,307
Cumulative effect of accounting change	—	—	—	—
<b>Income before allocation to limited partners</b>	561,655	—	—	561,655
<b>LESS:</b>				
Limited partners' interest in the Operating Partnerships	127,727	—	—	127,727
Preferred distributions of the SPG Operating Partnership	11,340	—	—	11,340
<b>NET INCOME</b>	422,588	—	—	422,588
Preferred dividends	(64,201)	—	—	(64,201)
<b>NET INCOME AVAILABLE TO COMMON SHAREHOLDERS</b>	<b>\$ 358,387</b>	<b>\$ —</b>	<b>\$ —</b>	<b>\$ 358,387</b>
<b>RECONCILIATION TO FFO:</b>				
<b>Income before extraordinary items, and cumulative effect of accounting change ("IBEC")</b>	547,348			547,348
<b>Less:</b>				
Joint Venture IBEC	(78,695)		78,695	—
Minority Interest IBEC	10,498	(10,498)		—
<b>IBEC</b>	479,151	(10,498)	78,695	547,348
<b>Plus:</b>				
Depreciation and amortization from combined consolidated properties	478,379			478,379
Our share of depreciation and amortization from unconsolidated affiliates	6,061		144,156	150,217
Gain on sale of real estate	(162,011)			(162,011)
Our share of impairment charge and writeoff from MerchantWired LLC, net of tax benefit	26,695			26,695
<b>Less:</b>				
Our share of adjustment to market value for acquired in place leases	(2,084)		(2,900)	(4,984)
Management Company gain on sale of real estate	(8,400)			(8,400)
Minority interest portion of depreciation and amortization and extraordinary items		(7,943)		(7,943)
Preferred distributions (Including those of subsidiaries)	(75,541)			(75,541)
<b>Our FFO</b>	<b>742,250</b>	<b>(18,441)</b>	<b>219,951</b>	<b>943,760</b>
<b>% of Total FFO:</b>	<b>78.65%</b>	<b>-1.95%</b>	<b>23.31%</b>	<b>100.00%</b>

(a) Total Income (Loss) from Unconsolidated entities relates to income(loss) from the Management Company

**Basis of Presentation:** The consolidated amounts shown above are prepared on a consistent basis with the consolidated financial statements prepared by the Company and included in its periodic filings.

The Real Estate Joint Ventures column was derived on a property by property basis by applying the same percentage interests used to arrive at our share of net income during the period and applying them to all financial statement line items of each property. A similar calculation was performed for minority interests.

**SIMON PROPERTY GROUP**  
**Analysis of Other Income and Other Expense**  
**As of December 31, 2002**  
**(In thousands)**

	For the Three Months Ended December 31,		For the Twelve Months Ended December 31,	
	2002	2001	2002	2001
<b>Consolidated Properties</b>				
<b>Other Income</b>				
Interest Income	\$ 5,365	\$ 7,168	\$ 23,942	\$ 29,104
Lease Settlement Income	3,822	3,280	17,215	21,932
Gains (Losses) on Land Sales and Income from the Sale of Net Leases	11,133	9,686	37,677	16,876
SBV/SBN Revenues(1)	17,315	10,485	40,448(2)	31,699(2)
Income from Hedging Activity	—	—	7,840	—
Kimward Fee	—	—	—	5,708(3)
Other	1,049	6,128	13,881	17,324
<b>Totals</b>	<b>\$ 38,684</b>	<b>\$ 36,747</b>	<b>\$ 141,003</b>	<b>\$ 122,643</b>

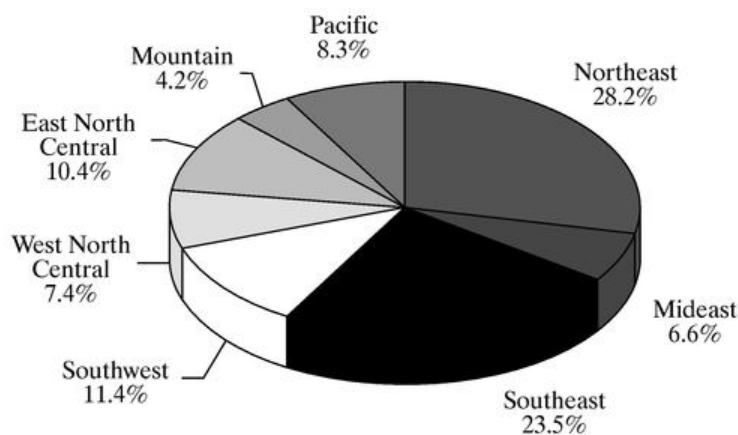
## Other Expense

Ground Rent	\$ 3,665	\$ 3,542	\$ 13,984	\$ 13,786
Professional Fees	2,403	3,752	7,243	8,788
SBN (Parking Garage Expenses)	865	515	2,275	1,596
Write-off of Technology Investments	2,730	—	2,730	2,680
Investment Write-down	—	—	—	2,970
Costs of Hedging Activity	106	—	856	—
Agostinelli Litigation Settlement Costs	—	—	3,072	—
Other	1,241	1,522	6,694	6,609
Totals	\$ 11,010	\$ 9,331	\$ 36,854	\$ 36,429

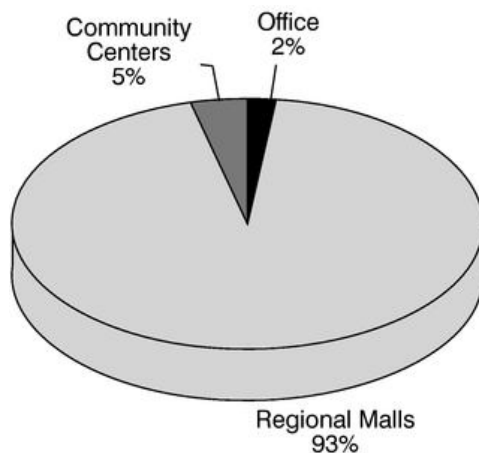
- (1) Additional SBV and SBN revenues are recorded in minimum rent and in the Management Company.
- (2) Reflects the reclassification of parking income generated during the first nine months from "other" to SBN (\$2,882 in 2002 and \$1,650 in 2001).
- (3) Additional income of \$18 million relating to the Kimsward transaction (Montgomery Ward liquidation) was recorded in the Management Company.

### SIMON PROPERTY GROUP EBITDA Composition For the Twelve Months Ended December 31, 2002

#### U.S. Geographic Diversification of Regional Mall Portfolio(1)



#### Asset Mix of Portfolio



- (1) Northeast—PA, NY, VT, NH, ME, MA, NJ, CT and RI  
Midwest—KY, WV, MD, DE, VA, NC and SC  
Southeast—TN, MS, AL, GA and FL  
Southwest—TX, OK, LA and AR  
West North Central—ND, SD, NE, KS, MN, IA and MO  
East North Central—WI, MI, OH, IN and IL  
Mountain—NV, AZ, NM, UT, CO, ID, MT and WY  
Pacific—CA, OR and WA

**SIMON PROPERTY GROUP**  
**Portfolio GLA, Occupancy & Rent Data**  
**As of December 31, 2002**

Type of Property	GLA-Sq. Ft.	Total Owned GLA	% of Owned GLA	% of Owned GLA Which is Leased	Average Base Rent Per Square Foot
<b>Regional Malls</b>					
—Anchor	101,687,111	30,225,484	28.6%	95.6%	\$ 4.08
—Mall Store	58,255,609	58,207,712	55.0%	92.7%	\$ 31.39
—Freestanding	3,713,664	1,821,718	1.7%	93.4%	\$ 10.06
<i>Subtotal</i>	61,969,273	60,029,430	56.7%	92.7%	\$ 30.70
<b>Regional Mall Total</b>	<b>163,656,384</b>	<b>90,254,914</b>	<b>85.3%</b>	<b>93.7%</b>	
<b>Community Shopping Centers</b>					
—Anchor	12,018,887	7,384,561	7.0%	86.2%	\$ 8.18
—Mall Store	4,324,820	4,241,993	4.0%	87.4%	\$ 13.63
—Freestanding	823,331	376,606	.3%	95.5%	\$ 7.88
<b>Community Ctr. Total</b>	<b>17,167,038</b>	<b>12,003,160</b>	<b>11.3%</b>	<b>86.9%</b>	<b>\$ 10.12</b>
<b>Office Portion of Mixed-Use Properties</b>	<b>3,395,168</b>	<b>3,395,168</b>	<b>3.2%</b>	<b>85.4%</b>	<b>\$ 25.05</b>
<b>Other</b>	<b>322,997</b>	<b>212,427</b>	<b>0.2%</b>		
<b>GRAND TOTAL</b>	<b>184,541,587</b>	<b>105,865,669</b>	<b>100.00%</b>		

**Occupancy History**

As of	Regional Malls(1)	Community Shopping Centers(2)
12/31/02	92.7%	86.9%
12/31/01	91.9%	90.0%
12/31/00	91.8%	91.5%
12/31/99	90.6%	88.6%
12/31/98	90.0%	91.4%

(1) Includes mall and freestanding stores.

(2) Includes all Owned GLA.

**SIMON PROPERTY GROUP**  
**Rent Information**  
**As of December 31, 2002**

**Average Base Rent Per Square Foot**

As of	Mall & Freestanding Stores at Regional Malls	% Change	Community Shopping Centers	% Change
12/31/02	\$ 30.70	4.8%	\$ 10.12	3.0%
12/31/01	29.28	3.4	9.83	5.0
12/31/00	28.31	3.6	9.36	12.0
12/31/99	27.33	6.3	8.36	8.9
12/31/98	25.70	8.7	7.68	3.2

**Rental Rates**

Year	Average Base Rent(1)		Amount of Change	
	Store Openings During Period	Store Closings During Period	\$ Change	% Change

**Regional Malls:**

2002	\$	40.35	\$	32.58	\$	7.77	23.8%
2001		34.88		29.10		5.78	19.9
2000		35.13		29.24		5.89	20.1
1999		31.25		24.55		6.70	27.3
1998		27.33		23.63		3.70	15.7

**Community Shopping Centers:**

2002	\$	10.19	\$	8.39	\$	1.80	21.5%
2001		12.79		9.30		3.49	37.5
2000		14.21		11.51		2.70	23.5
1999		10.26		7.44		2.82	37.9
1998		10.43		10.95		(0.52)	(4.7)

(1) Represents the average base rent in effect during the period for those tenants who signed leases as compared to the average base rent in effect during the period for those tenants whose leases terminated or expired.

**SIMON PROPERTY GROUP  
Lease Expirations(1)  
As of December 31, 2002**

Year	Number of Leases Expiring	Square Feet	Avg. Base Rent per Square Foot at 12/31/02
<b>Regional Malls—Mall Stores &amp; Freestanding</b>			
2003	1,870	4,209,343	\$ 31.55
2004	2,004	4,964,187	\$ 30.96
2005	1,915	5,442,681	\$ 30.95
2006	1,898	5,287,368	\$ 30.95
2007	1,956	5,240,631	\$ 32.69
2008	1,500	5,086,410	\$ 31.64
2009	1,454	4,600,201	\$ 30.76
2010	1,568	4,728,923	\$ 34.29
2011	1,439	4,515,677	\$ 32.07
2012	1,134	3,843,789	\$ 34.36
2013	517	2,034,496	\$ 32.84
2014 and Thereafter	148	2,459,804	\$ 17.92
<b>Regional Malls—Anchor Tenants</b>			
2003	11	1,351,995	\$ 2.74
2004	25	2,479,462	\$ 3.43
2005	24	2,958,181	\$ 2.25
2006	22	2,592,437	\$ 2.72
2007	19	2,058,834	\$ 2.11
2008	24	2,860,866	\$ 3.54
2009	16	1,986,791	\$ 2.82
2010	15	1,445,148	\$ 4.08
2011	13	1,372,201	\$ 4.82
2012	16	1,905,452	\$ 5.60
2013	9	1,412,010	\$ 6.81
2014 and Thereafter	50	5,475,962	\$ 6.25
<b>Community Centers—Mall Stores &amp; Freestanding</b>			
2003	116	389,064	\$ 12.54
2004	174	529,021	\$ 13.74
2005	216	673,015	\$ 14.73
2006	150	546,391	\$ 14.20
2007	127	574,736	\$ 12.37
2008	45	250,411	\$ 11.94
2009	16	108,606	\$ 12.68
2010	27	216,726	\$ 13.72
2011	29	189,267	\$ 14.61
2012	20	130,212	\$ 15.39
2013	5	106,874	\$ 5.11
2014 and Thereafter	7	87,375	\$ 11.15

(1) Does not consider the impact of options to renew that may be contained in leases.

**SIMON PROPERTY GROUP**  
**Lease Expirations(1)**  
**As of December 31, 2002**

Year	Number of Leases Expiring	Square Feet	Avg. Base Rent per Square Foot at 12/31/02
<b>Community Centers—Anchor Tenants</b>			
2003	7	149,082	\$ 9.43
2004	8	280,709	\$ 6.00
2005	11	343,053	\$ 8.66
2006	17	716,221	\$ 5.51
2007	15	528,336	\$ 6.03
2008	12	287,247	\$ 10.67
2009	14	555,691	\$ 7.18
2010	16	621,671	\$ 9.45
2011	7	162,359	\$ 11.97
2012	10	478,851	\$ 8.94
2013	8	194,546	\$ 8.44
2014 and Thereafter	35	1,891,403	\$ 8.91

(1) Does not consider the impact of options to renew that may be contained in leases.

**SIMON PROPERTY GROUP**  
**Top Regional Mall Tenants**  
**As of December 31, 2002**  
**(Square Feet in 000's)**

**Top 15 In-Line Retail Tenants (sorted by percentage of total base minimum rent)**

Tenant	Number of Stores	Square Feet	Percent of Total Sq. Ft.	Percent of Total Base Min. Rent
Limited	655	4,340	2.4%	5.3%
The Gap, Inc.	359	3,670	2.0%	3.1%
Foot Locker	394	1,594	0.9%	2.2%
Zale Corporation	438	483	0.3%	1.9%
Luxottica Group S.P.A	350	607	0.3%	1.3%
Abercrombie & Fitch	117	877	0.5%	1.2%
Sterling Jewelers	186	263	0.1%	1.0%
Best Buy Company	171	697	0.4%	1.0%
Hallmark Cards	213	700	0.4%	1.0%
Trans World Entertainment	116	687	0.4%	0.9%
The Wet Seal, Inc.	136	529	0.3%	0.8%
American Eagle Outfitters, Inc.	121	589	0.3%	0.8%
Charming Shoppes	129	785	0.4%	0.8%
Retail Brand Alliance, Inc.	99	522	0.3%	0.8%
Borders Group	119	577	0.3%	0.7%

**Top 15 Anchors (sorted by percentage of total square footage)**

Tenant	Number of Stores	Square Feet	Percent of Total Sq. Ft.	Percent of Total Base Min. Rent
Sears	134	20,230	11.0%	0.5%
Federated Dept. Stores	93	17,946	9.7%	0.9%
J.C. Penney Co., Inc.	115	16,486	8.9%	1.1%
The May Dept. Stores	87	12,591	6.8%	0.2%
Dillard's Dept. Stores	86	12,537	6.8%	0.2%
Saks Incorporated	41	4,758	2.6%	1.2%
Target Corporation	27	3,198	1.7%	0.0%
Nordstrom, Inc.	15	2,784	1.5%	0.1%
Belk, Inc.	15	1,680	0.9%	0.1%
Neiman Marcus Group	5	667	0.4%	0.1%
Kohl's Dept. Stores	7	648	0.4%	0.1%

Von Maur	7	601	0.3%	0.0%
Boscov's Department Stores, Inc.	3	526	0.3%	0.1%
Elder-Beerman Stores	6	504	0.3%	0.1%
Burlington Coat Factory	4	354	0.2%	0.1%

**SIMON PROPERTY GROUP**  
**2002 and 2003 Regional Mall Anchor/Big Box Openings**

**2002 Openings**

Property Name	Location	Tenant Name
Arsenal Mall	Watertown, MA	Linens 'N Things Home Depot
Auburn Mall	Auburn (Boston), MA	Filene's Home Store
Battlefield Mall	Springfield, MO	Dillard's
Chesapeake Square	Chesapeake, VA	Target
Cielo Vista Mall	El Paso, TX	Foley's
Columbia Center	Kennewick, WA	The Bon Marche Home & Men
Cordova Mall	Pensacola, FL	Best Buy Bed Bath & Beyond
Florida Mall	Orlando, FL	Nordstrom Lord & Taylor
Lafayette Square	Indianapolis, IN	Steve & Barry's
Liberty Tree Mall	Danvers (Boston), MA	Kohl's
Memorial Mall	Sheboygan, WI	Hobby Lobby
Port Charlotte Town Center	Port Charlotte, FL	Beall's
Richardson Square Mall	Richardson, TX	Super Target
St. Charles Towne Center	Waldorf, MD	Hecht's Home Store
Towne East Square	Wichita, KS	Von Maur
West Ridge Mall	Topeka, KS	Kansas International Museum
Westminster Mall	Westminster, CA	Macy's

**SIMON PROPERTY GROUP**  
**2002 and 2003 Regional Mall Anchor/Big Box Openings**

**2003 Projected Openings**

Property Name	Location	Tenant Name
Barton Creek Square	Austin, TX	Nordstrom
Bay Park Square	Green Bay, WI	Younkers
Century III Mall	Pittsburgh, PA	Steve & Barry's
Dadeland Mall	North Miami Beach, FL	Lord & Taylor expansion and renovation
Fashion Mall at Keystone	Indianapolis, IN	Saks Fifth Avenue

Greenwood Park Mall	Greenwood, IN	Dick's Sporting Goods
The Galleria	Houston, TX	Foley's Nordstrom
Lincolnwood Town Center	Lincolnwood, IL	Kohl's
Menlo Park Mall	Edison (NYC), NJ	Cheesecake Factory Barnes & Noble Benihana
NorthPark Mall	Davenport, IA	Dillard's
Prien Lake Mall	Lake Charles, LA	Foley's
Rolling Oaks Mall	San Antonio, TX	Tony Hawk's Skate Park
Square One	Saugus (Boston), MA	Best Buy Gold's Gym
Southern Hills Mall	Sioux City, IA	Sheel's Sporting Goods
Towne West Square	Wichita, KS	Dick's Sporting Goods
Walt Whitman Mall	Huntington Station, NY	Organized Living

**SIMON PROPERTY GROUP**  
**Property Listing (sorted by state)**  
**As of December 31, 2002**

Property Name	State	City	Type	Ownership	Gross Leasable Area		
					Total	Anchor	Mall & Freestanding
<b>Regional Malls:</b>							
McCain Mall	AR	N. Little Rock	Mall	100.0%	777,103	554,156	222,947
University Mall	AR	Little Rock	Mall	100.0%	565,494	412,761	152,733
Metrocenter	AZ	Phoenix	Mall	50.0%	1,367,281	876,027	491,254
Southgate Mall	AZ	Yuma	Mall	100.0%	321,574	252,264	69,310
Brea Mall	CA	Brea	Mall	100.0%	1,314,612	874,802	439,810
Fashion Valley Mall	CA	San Diego	Mall	50.0%	1,710,046	1,053,305	656,741
Laguna Hills Mall	CA	Laguna Hills	Mall	100.0%	867,689	536,500	331,189
Santa Rosa Plaza	CA	Santa Rosa	Mall	100.0%	695,849	428,258	267,591
Shops at Mission Viejo	CA	Mission Viejo	Mall	100.0%	1,149,864	677,215	472,649
Westminster Mall	CA	Westminster	Mall	100.0%	1,219,552	716,939	502,613
Aurora Mall	CO	Aurora	Mall	100.0%	1,014,180	566,015	448,165
Mesa Mall	CO	Grand Junction	Mall	50.0%	867,232	425,817	441,415
Crystal Mall	CT	Waterford	Mall	74.6%	793,716	442,311	351,405
Aventura Mall	FL	Miami Beach	Mall	33.3%	1,901,213	1,242,098	659,115
Avenues, The	FL	Jacksonville	Mall	25.0%	1,118,145	754,956	363,189
Boynton Beach Mall	FL	Boynton Beach	Mall	100.0%	1,183,677	883,720	299,957
Coral Square	FL	Coral Springs	Mall	97.2%	943,446	648,144	295,302
Cordova Mall	FL	Pensacola	Mall	100.0%	851,641	488,263	363,378
Crystal River Mall	FL	Crystal River	Mall	100.0%	424,157	302,495	121,662
Dadeland Mall	FL	North Miami Beach	Mall	50.0%	1,393,621	1,062,072	331,549
DeSoto Square	FL	Bradenton	Mall	100.0%	691,119	435,467	255,652
Edison Mall	FL	Fort Myers	Mall	100.0%	1,041,918	742,667	299,251
Florida Mall, The	FL	Orlando	Mall	50.0%	1,835,073	1,218,085	616,988
Gulf View Square	FL	Port Richey	Mall	100.0%	803,156	568,882	234,274
Indian River Mall	FL	Vero Beach	Mall	50.0%	747,997	445,552	302,445
Lake Square Mall	FL	Leesburg	Mall	50.0%	561,303	296,037	265,266
Melbourne Square	FL	Melbourne	Mall	100.0%	729,381	471,173	258,208
Miami International Mall	FL	South Miami	Mall	47.8%	972,971	683,308	289,663
Orange Park Mall	FL	Orange Park	Mall	100.0%	923,774	534,180	389,594
Paddock Mall	FL	Ocala	Mall	100.0%	560,231	387,378	172,853



Palm Beach Mall	FL	West Palm Beach	Mall	100.0%	1,085,273	749,288	335,985
Port Charlotte Town Center	FL	Port Charlotte	Mall	80.0%(6)	780,856	458,554	322,302
Seminole Towne Center	FL	Sanford	Mall	45.0%	1,153,578	768,798	384,780
The Shops @ Sunset Place	FL	Miami	Mall	37.5%	499,956	—	499,956
Town Center at Boca Raton	FL	Boca Raton	Mall	100.0%	1,555,307	1,061,076	494,231
Treasure Coast Square	FL	Jensen Beach	Mall	100.0%	871,319	511,372	359,947
Tyrone Square	FL	St. Petersburg	Mall	100.0%	1,127,993	748,269	379,724
University Mall	FL	Pensacola	Mall	100.0%	707,885	478,449	229,436
Gwinnett Place	GA	Duluth (Atlanta)	Mall	50.0%	1,276,839	843,609	433,230
Lenox Square	GA	Atlanta	Mall	100.0%	1,481,514	821,356	660,158
Mall of Georgia	GA	Mill Creek (Atlanta)	Mall	50.0%	1,785,700	989,590	796,110
Northlake Mall	GA	Atlanta	Mall	100.0%	962,163	665,745	296,418
Phipps Plaza	GA	Atlanta	Mall	100.0%	821,421	472,385	349,036
Town Center at Cobb	GA	Kennesaw (Atlanta)	Mall	50.0%	1,273,108	851,346	421,762
Lindale Mall	IA	Cedar Rapids	Mall	50.0%	691,824	305,563	386,261
NorthPark Mall	IA	Davenport	Mall	50.0%	1,073,298	651,533	421,765
Southern Hills Mall	IA	Sioux City	Mall	50.0%	802,014	372,937	429,077
SouthRidge Mall	IA	Des Moines	Mall	50.0%	1,002,538	497,806	504,732

Alton Square	IL	Alton	Mall	100.0%	639,220	426,315	212,905
Lincolnwood Town Center	IL	Lincolnwood	Mall	100.0%	422,256	220,830	201,426
Northfield Square Mall	IL	Bourbonnais	Mall	31.6%	558,317	310,994	247,323
Northwoods Mall	IL	Peoria	Mall	100.0%	695,507	472,969	222,538
Orland Square	IL	Orland Park	Mall	100.0%	1,213,286	773,295	439,991
River Oaks Center	IL	Calumet City	Mall	100.0%	1,370,213	834,588	535,625(1)
SouthPark Mall	IL	Moline	Mall	50.0%	1,026,536	578,056	448,480
White Oaks Mall	IL	Springfield	Mall	77.0%	950,116	601,708	348,408
Castleton Square	IN	Indianapolis	Mall	100.0%	1,447,966	1,082,021	365,945
Circle Centre	IN	Indianapolis	Mall	14.7%	790,970	350,000	440,970
College Mall	IN	Bloomington	Mall	100.0%	706,883	439,766	267,117
Eastland Mall	IN	Evansville	Mall	50.0%	897,871	532,955	364,916
Fashion Mall at Keystone	IN	Indianapolis	Mall	100.0%	658,370	249,721	408,649(1)
Greenwood Park Mall	IN	Greenwood	Mall	100.0%	1,327,719	898,928	428,791
Lafayette Square	IN	Indianapolis	Mall	100.0%	1,213,025	937,223	275,802
Markland Mall	IN	Kokomo	Mall	100.0%	393,044	252,444	140,600
Mounds Mall(5)	IN	Anderson	Mall	100.0%	404,423	277,256	127,167
Muncie Mall	IN	Muncie	Mall	100.0%	654,902	435,756	219,146
Richmond Square(5)	IN	Richmond	Mall	100.0%	391,199	260,562	130,637
Tippecanoe Mall	IN	Lafayette	Mall	100.0%	859,556	568,373	291,183
University Park Mall	IN	Mishawaka (South Bend)	Mall	60.0%	940,989	622,508	318,481
Washington Square	IN	Indianapolis	Mall	100.0%	1,140,520	832,326	308,194
Hutchinson Mall	KS	Hutchinson	Mall	100.0%	525,672	277,665	248,007
Towne East Square	KS	Wichita	Mall	100.0%	1,201,781	788,281	413,500
Towne West Square	KS	Wichita	Mall	100.0%	966,017	628,971	337,046
West Ridge Mall	KS	Topeka	Mall	100.0%	1,040,309	716,811	323,498
Prien Lake Mall	LA	Lake Charles	Mall	100.0%	811,143	631,762	179,381
South Park Mall	LA	Shreveport	Mall	100.0%	857,546	618,915	238,631
Arsenal Mall	MA	Watertown	Mall	100.0%	501,890	191,395	310,495(1)
Atrium Mall	MA	Chestnut Hill	Mall	49.1%	206,062	—	206,062
Auburn Mall	MA	Auburn (Boston)	Mall	49.1%	592,368	417,620	174,748
Burlington Mall	MA	Burlington	Mall	100.0%	1,253,162	836,236	416,926
Cape Cod Mall	MA	Hyannis	Mall	49.1%	723,838	420,199	303,639
Emerald Square	MA	North Attleboro (Boston)	Mall	49.1%	1,021,972	647,372	374,600
Greendale Mall	MA	Worcester (Boston)	Mall	49.1%	431,512	132,634	298,878(1)
Liberty Tree Mall	MA	Danvers (Boston)	Mall	49.1%	856,879	498,000	358,879
Mall at Chestnut Hill, The	MA	Newton	Mall	47.2%	478,305	297,253	181,052
Northshore Mall	MA	Peabody (Boston)	Mall	49.1%	1,684,621	989,277	695,344
Solomon Pond Mall	MA	Marlborough	Mall	49.1%	880,924	506,591	374,333
South Shore Plaza	MA	Braintree (Boston)	Mall	100.0%	1,443,088	847,603	595,485
Square One Mall	MA	Saugus (Boston)	Mall	49.1%	865,290	540,101	325,189
Bowie Town Center	MD	Bowie	Mall	100.0%	664,215	338,567	325,648
Forest Village Park Mall	MD	Forestville	Mall	100.0%	417,207	242,567	174,640
St. Charles Towne Center	MD	Waldorf	Mall	100.0%	987,461	631,602	355,859

Mall of America	MN	Bloomington	Mall	27.5%(4)	2,778,690	1,220,305	1,558,385
Maplewood Mall	MN	Minneapolis	Mall	100.0%	909,292	578,060	331,232
Miller Hill Mall	MN	Duluth	Mall	100.0%	803,758	429,508	374,250
Battlefield Mall	MO	Springfield	Mall	100.0%	1,184,684	770,111	414,573
Independence Center	MO	Independence	Mall	100.0%	1,022,852	499,284	523,568
Biltmore Square	NC	Asheville	Mall	66.7%	494,236	242,576	251,660
SouthPark Mall	NC	Charlotte	Mall	100.0%	1,110,342	789,342	321,000
Crossroads Mall	NE	Omaha	Mall	100.0%	858,455	609,669	248,786

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Mall at Rockingham Park	NH	Salem	Mall	24.6%	1,020,283	638,111	382,172
Mall of New Hampshire	NH	Manchester	Mall	49.1%	806,274	444,889	361,385
Pheasant Lane Mall	NH	Nashua	Mall	100.0%	988,750	675,759	312,991
Bergen Mall	NJ	Paramus (NYC)	Mall	100.0%	857,889	453,260	404,629
Brunswick Square	NJ	Brunswick (NYC)	Mall	100.0%	772,635	467,626	305,009
Livingston Mall	NJ	Livingston (NYC)	Mall	100.0%	985,170	616,128	369,042
Menlo Park Mall	NJ	Edison (NYC)	Mall	100.0%	1,307,233	587,591	719,642(1)
Ocean County Mall	NJ	Toms River	Mall	100.0%	902,709	626,638	276,071
Rockaway Townsquare	NJ	Rockaway (NYC)	Mall	100.0%	1,247,470	786,626	460,844
Cottonwood Mall	NM	Albuquerque	Mall	100.0%	1,041,189	631,556	409,633
Forum Shops at Caesars	NV	Las Vegas	Mall	60.0%	483,366	—	483,366
Chautauqua Mall	NY	Lakewood	Mall	100.0%	432,186	213,320	218,866
Eastern Hills Mall	NY	Williamsville	Mall	100.0%	994,014	713,070	280,944
Jefferson Valley Mall	NY	Yorktown Heights	Mall	100.0%	586,995	310,095	276,900
Nanuet Mall	NY	Nanuet (NYC)	Mall	100.0%	916,014	583,711	332,303
Roosevelt Field	NY	Garden City (NYC)	Mall	100.0%	2,177,843	1,430,425	747,418
Smith Haven Mall	NY	Lake Grove (NYC)	Mall	25.0%	1,359,163	902,595	456,568
Source, The	NY	Westbury (NYC)	Mall	25.0%	727,698	210,798	516,900
Walt Whitman Mall	NY	Huntington Station	Mall	98.3%	1,017,903	742,214	275,689
Westchester, The	NY	White Plains (NYC)	Mall	40.0%	824,588	349,393	475,195
Great Lakes Mall	OH	Mentor (Cleveland)	Mall	100.0%	1,305,841	879,300	426,541
Lima Mall	OH	Lima	Mall	100.0%	745,903	541,861	204,042
Richmond Town Square	OH	Richmond Heights (Cleveland)	Mall	100.0%	1,016,642	685,251	331,391
Southern Park Mall	OH	Boardman	Mall	100.0%	1,197,708	811,858	385,850
Summit Mall	OH	Akron	Mall	100.0%	763,440	432,936	330,504
Upper Valley Mall	OH	Springfield	Mall	100.0%	750,598	479,418	271,180
Woodville Mall	OH	Northwood (Toledo)	Mall	100.0%	772,394	518,792	253,602
Eastland Mall	OK	Tulsa	Mall	100.0%	699,335	435,843	263,492
Heritage Park Mall	OK	Midwest City	Mall	100.0%	604,880	382,700	222,180
Penn Square Mall	OK	Oklahoma City	Mall	94.4%	1,044,576	658,453	386,123
Woodland Hills Mall	OK	Tulsa	Mall	47.2%	1,091,509	709,447	382,062
Century III Mall	PA	West Mifflin	Mall	100.0%	1,283,945	725,360	558,585
Cheltenham Square	PA	Philadelphia	Mall	100.0%	635,372	364,106	271,266
Granite Run Mall	PA	Media	Mall	50.0%	1,047,438	500,809	546,629
Ross Park Mall	PA	Pittsburgh	Mall	100.0%	1,234,101	827,015	407,086
South Hills Village	PA	Pittsburgh	Mall	100.0%	1,113,156	655,987	457,169
Anderson Mall	SC	Anderson	Mall	100.0%	622,210	404,394	217,816
Haywood Mall	SC	Greenville	Mall	100.0%	1,244,493	913,633	330,860
Empire Mall	SD	Sioux Falls	Mall	50.0%	1,047,883	497,341	550,542
Rushmore Mall	SD	Rapid City	Mall	50.0%	835,408	470,660	364,748
Knoxville Center	TN	Knoxville	Mall	100.0%	979,476	597,028	382,448
Oak Court Mall	TN	Memphis	Mall	100.0%	853,194	535,000	318,194(1)
Raleigh Springs Mall	TN	Memphis	Mall	100.0%	918,013	691,230	226,783
West Town Mall	TN	Knoxville	Mall	50.0%	1,327,764	878,311	449,453
Wolfchase Galleria	TN	Memphis	Mall	94.4%	1,266,276	761,648	504,628

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Barton Creek Square	TX	Austin	Mall	100.0%	1,244,079	777,266	466,813
Broadway Square	TX	Tyler	Mall	100.0%	618,267	427,730	190,537

Cielo Vista Mall	TX	El Paso	Mall	100.0%	1,191,682	793,716	397,966
Highland Mall	TX	Austin	Mall	50.0%	1,090,685	732,000	358,685
Houston Galleria	TX	Houston	Mall	31.5%	1,755,997	859,066	896,931
Ingram Park Mall	TX	San Antonio	Mall	100.0%	1,128,796	751,704	377,092
Irving Mall	TX	Irving	Mall	100.0%	1,124,245	726,574	397,671
La Plaza Mall	TX	McAllen	Mall	100.0%	1,215,105	788,896	426,209
Lakeline Mall	TX	Austin	Mall	100.0%	1,100,388	745,179	355,209
Longview Mall	TX	Longview	Mall	100.0%	613,849	402,843	211,006
Midland Park Mall	TX	Midland	Mall	100.0%	618,995	339,113	279,882
North East Mall	TX	Hurst	Mall	100.0%	1,705,645	1,348,279	357,366
Richardson Square Mall	TX	Richardson (Dallas)	Mall	100.0%	755,258	471,436	283,822
Rolling Oaks Mall	TX	San Antonio	Mall	100.0%	737,568	460,857	276,711
Sunland Park Mall	TX	El Paso	Mall	100.0%	917,710	575,837	341,873
Valle Vista Mall	TX	Harlingen	Mall	100.0%	657,084	389,781	267,303
Trolley Square	UT	Salt Lake City	Mall	90.0%	221,982	—	221,982
Apple Blossom Mall	VA	Winchester	Mall	49.1%	443,270	229,011	214,259
Charlottesville Fashion Sq.	VA	Charlottesville	Mall	100.0%	572,285	381,153	191,132
Chesapeake Square	VA	Chesapeake	Mall	75.0%	809,561	537,279	272,282
Valley Mall	VA	Harrisonburg	Mall	50.0%	486,850	307,798	179,052
Virginia Center Commons	VA	Glen Allen	Mall	100.0%	787,311	506,639	280,672
Columbia Center	WA	Kennewick	Mall	100.0%	741,173	408,052	333,121
Northgate Mall	WA	Seattle	Mall	100.0%	999,449	688,391	311,058
Tacoma Mall	WA	Tacoma	Mall	100.0%	1,289,633	924,045	365,588
Bay Park Square	WI	Green Bay	Mall	100.0%	652,024	447,508	204,516
Forest Mall	WI	Fond Du Lac	Mall	100.0%	501,374	327,260	174,114
Memorial Mall(5)	WI	Sheboygan	Mall	100.0%	344,114	228,888	115,226

**Community Centers:**

Plaza at Buckland Hills	CT	Manchester	Comm Cnt	35.0%	334,487	252,179	82,308
Gaitway Plaza	FL	Ocala	Comm Cnt	23.3%	230,170	148,074	82,096
Grove @ Lakeland Square	FL	Lakeland	Comm Cnt	100.0%	215,591	142,317	73,274
Highland Lakes Center	FL	Orlando	Comm Cnt	100.0%	477,986	372,316	105,670
Indian River Commons	FL	Vero Beach	Comm Cnt	50.0%	262,881	233,358	29,523
Royal Eagle Plaza	FL	Coral Springs	Comm Cnt	35.0%	199,125	124,479	74,646
Terrace @ the Florida Mall	FL	Orlando	Comm Cnt	100.0%	329,362	281,831	47,531
Waterford Lakes Town Center	FL	Orlando	Comm Cnt	100.0%	818,071	501,244	316,827
West Town Corners	FL	Altamonte Springs	Comm Cnt	23.3%	385,037	263,782	121,255
Westland Park Plaza	FL	Jacksonville	Comm Cnt	23.3%	163,154	123,548	39,606
Mall of Georgia Crossing	GA	Mill Creek (Atlanta)	Comm Cnt	50.0%	440,612	341,503	99,109

Bloomington Court	IL	Bloomington	Comm Cnt	100.0%	604,763	425,886	178,877
Bridgeview Court	IL	Bridgeview	Comm Cnt	100.0%	273,678	216,491	57,187
Countryside Plaza	IL	Countryside	Comm Cnt	100.0%	435,608	290,216	145,392
Crystal Court	IL	Crystal Lake	Comm Cnt	35.0%	278,971	201,993	76,978
Forest Plaza	IL	Rockford	Comm Cnt	100.0%	429,250	325,170	104,080
Fox River Plaza	IL	Elgin	Comm Cnt	100.0%	322,997	276,096	46,901
Lake Plaza	IL	Waukegan	Comm Cnt	100.0%	215,462	170,789	44,673
Lake View Plaza	IL	Orland Park	Comm Cnt	100.0%	371,480	270,628	100,852
Lincoln Crossing	IL	O'Fallon	Comm Cnt	100.0%	161,337	134,935	26,402
Matteson Plaza	IL	Matteson	Comm Cnt	100.0%	275,455	230,885	44,570
North Ridge Plaza	IL	Joliet	Comm Cnt	100.0%	305,070	190,323	114,747
North Riverside Park Plaza	IL	North Riverside	Comm Cnt	100.0%	119,608	58,587	61,021
White Oaks Plaza	IL	Springfield	Comm Cnt	100.0%	391,417	275,703	115,714
Willow Knolls Court	IL	Peoria	Comm Cnt	35.0%	382,377	309,440	72,937
Yards Plaza, The	IL	Chicago	Comm Cnt	35.0%	272,452	228,813	43,639
Brightwood Plaza	IN	Indianapolis	Comm Cnt	100.0%	38,493	—	38,493
Eastland Convenience Center	IN	Evansville	Comm Cnt	50.0%	173,069	60,000	113,069
Greenwood Plus	IN	Greenwood	Comm Cnt	100.0%	159,931	134,141	25,790
Griffith Park Plaza	IN	Griffith	Comm Cnt	100.0%	274,230	175,595	98,635
Keystone Shoppes	IN	Indianapolis	Comm Cnt	100.0%	29,140	—	29,140
Markland Plaza	IN	Kokomo	Comm Cnt	100.0%	93,536	29,957	63,579

Mounds Mall Cinema(5)	IN	Anderson	Comm Cnt	100.0%	7,500	7,500	—
Muncie Plaza	IN	Muncie	Comm Cnt	100.0%	172,651	145,456	27,195
New Castle Plaza	IN	New Castle	Comm Cnt	100.0%	91,648	24,912	66,736
Northwood Plaza	IN	Fort Wayne	Comm Cnt	100.0%	173,397	99,028	74,369
Teal Plaza	IN	Lafayette	Comm Cnt	100.0%	101,087	98,337	2,750
Tippecanoe Plaza	IN	Lafayette	Comm Cnt	100.0%	94,598	85,811	8,787
University Center	IN	Mishawaka (South Bend)	Comm Cnt	60.0%	150,548	104,359	46,189
Village Park Plaza	IN	Carmel	Comm Cnt	35.0%	545,448	431,018	114,430
Wabash Village	IN	West Lafayette	Comm Cnt	100.0%	124,536	109,388	15,148
Washington Plaza	IN	Indianapolis	Comm Cnt	100.0%	50,107	21,500	28,607
West Ridge Plaza	KS	Topeka	Comm Cnt	100.0%	237,755	182,161	55,594
Park Plaza	KY	Hopkinsville	Comm Cnt	100.0%	115,024	82,398	32,626
St. Charles Towne Plaza	MD	Waldorf	Comm Cnt	100.0%	404,988	291,782	113,206
Regency Plaza	MO	St. Charles	Comm Cnt	100.0%	287,526	210,627	76,899
Ridgewood Court	MS	Jackson	Comm Cnt	35.0%	240,662	185,939	54,723
Rockaway Convenience Ctr	NJ	Rockaway (NYC)	Comm Cnt	100.0%	135,689	20,929	114,760
Cobblestone Court	NY	Victor	Comm Cnt	35.0%	265,499	206,680	58,819
Boardman Plaza	OH	Youngstown	Comm Cnt	100.0%	640,541	375,502	265,039
Great Lakes Plaza	OH	Mentor	Comm Cnt	100.0%	164,104	142,229	21,875
Lima Center	OH	Lima	Comm Cnt	100.0%	206,878	159,584	47,294
Northland Plaza	OH	Columbus	Comm Cnt	100.0%	209,534	118,304	91,230
Eastland Plaza	OK	Tulsa	Comm Cnt	100.0%	188,229	152,451	35,778
Great Northeast Plaza	PA	Philadelphia	Comm Cnt	50.0%	298,125	240,525	57,600
Charles Towne Square	SC	Charleston	Comm Cnt	100.0%	199,693	199,693	—
Empire East	SD	Sioux Falls	Comm Cnt	50.0%	250,081	192,766	57,315
Knoxville Commons	TN	Knoxville	Comm Cnt	100.0%	180,463	91,483	88,980

Arboretum, The	TX	Austin	Comm Cnt	100.0%	211,082	35,773	175,309
Celina Plaza	TX	El Paso	Comm Cnt	100.0%	32,622	23,927	8,695
Ingram Plaza	TX	San Antonio	Comm Cnt	100.0%	111,518	—	111,518
Lakeline Plaza	TX	Austin	Comm Cnt	100.0%	344,693	275,321	69,372
Mainland Crossing	TX	Texas City	Comm Cnt	80.0%	390,987	306,158	84,829
Shops at North East Mall	TX	Hurst	Comm Cnt	100.0%	364,357	265,382	98,975
Chesapeake Center	VA	Chesapeake	Comm Cnt	100.0%	299,604	219,462	80,142
Fairfax Court	VA	Fairfax	Comm Cnt	26.3%	249,297	168,683	80,614
Martinsville Plaza	VA	Martinsville	Comm Cnt	100.0%	102,105	60,000	42,105
Memorial Plaza	WI	Sheboygan	Comm Cnt	100.0%	131,499	103,974	27,525
<b>(68 properties)</b>							
<b>Mixed-Used:</b>							
New Orleans Centre	LA	New Orleans	Mixed	100.0%	1,031,051	331,831	699,220(1)
Copley Place	MA	Boston	Mixed	98.2%	1,214,279	104,332	1,109,947(1)
Fashion Centre at Pentagon	VA	Arlington	Mixed	50.0%	991,570	472,729	518,841(1)
<b>(3 properties)</b>							
<b>Office:</b>							
O'Hare International Center	IL	Rosemont	Office	100.0%	495,579	—	495,579(2)
Riverway	IL	Rosemont	Office	100.0%	818,867	—	818,867(3)
<b>(2 properties)</b>							
<b>Total Portfolio</b>					<b>184,541,587</b>	<b>113,982,094</b>	<b>70,559,493</b>

Office space included as follows:

Arsenal Mall—approx. 106,000 sq. ft.

Copley Place—approx. 847,000 sq. ft.

Fashion Centre at Pentagon—approx. 169,000 sq. ft.

Fashion Mall at Keystone—approx. 30,000 sq. ft.

Greendale Mall—approx. 120,000 sq. ft.

Menlo Park Mall—approx. 44,000 sq. ft.

New Orleans Centre—approx. 563,000 sq. ft.

Oak Court Mall—approx. 130,000 sq. ft.

River Oaks Mall—approx. 109,000 sq. ft.

(2) Includes approximately 13,000 sq. ft. of retail space.

(3) Includes approximately 24,000 sq. ft. of retail space.

(4) The SPG Operating Partnership is entitled to 50% of the economic benefit of this Property due to a partner preference.

(5) Asset was sold in January, 2003.

(6) The SPG Operating Partnership receives substantially all the economic benefit of this property due to a partner preference.

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**SIMON PROPERTY GROUP**  
**Capital Expenditures**  
**For the Twelve Months Ended December 31, 2002**

(In millions)

	Consolidated Properties	Unconsolidated Entities	
		Total	Simon Group's Share
New development projects	\$ 7.2	\$ 71.1(1)	\$ 34.3(1)
Redevelopment projects with incremental GLA and/or Anchor Replacement	95.0	96.6	36.5
Renovations with no incremental GLA	20.8	—	—
Tenant allowances	60.9	25.7	9.7
Operational capital expenditures at properties:			
CAM expenditures(2)	37.2	17.5	7.5
Non-CAM expenditures	10.5	3.5	3.1
Telecommunications cabling infrastructure	13.7	5.5	5.5
<b>Totals</b>	<b>\$ 245.3</b>	<b>\$ 219.9</b>	<b>\$ 96.6</b>
Plus (Less): Conversion from accrual to cash basis	(31.3)	1.2	
<b>Capital expenditures(3)</b>	<b>\$ 214.0</b>	<b>\$ 221.1</b>	

(1) Does not include the Company's European initiatives (total cost of \$131.6 million; the Company's share is \$42.5 million)

(2) Expenditure included in the pool of expenses allocated to tenants as common area maintenance or CAM.

(3) Agrees with the line item "Capital expenditures" on the Combined Statements of Cash Flows for the consolidated properties. No statement of cash flows is prepared for the joint venture properties as this is not required by the SEC or GAAP; however, the above reconciliation was completed in the same manner as the reconciliation for the consolidated properties.

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							Construction-in-Progress		
							Unconsolidated Entities		
Mall/ Location	Project Description	The Company's Ownership Percentage	Opening	Projected Cost(1) (in millions)	The Company's Share of Project Cost	Stabilized Rate of Return	Consolidated Properties	Total	The Company's Share
<i>New Development Projects:</i>									
<b>Chicago Premium Outlets Aurora, IL (Chicago)</b>	438,000 sf premium outlet center	50%	2 <sup>nd</sup> Quarter 2004	\$ 79	\$ 40	13%	—	\$ 16.2	\$ 8.1
<b>Las Vegas Premium Outlets Las Vegas, NV</b>	435,000 sf premium outlet center	50%	8/03	\$ 88	\$ 44	12%	—	\$ 43.8	\$ 21.9
<b>Rockaway Town Court Rockaway, NJ (New York)</b>	89,000 sf community center featuring Linens "N Things, Borders Books and Michael's Arts & Crafts	100%	9/03	\$ 17	\$ 17	11%	3.8	—	—
<b>Lakeline Village Austin, TX</b>	42,000 sf community center featuring Ultimate Electronics	100%	10/03	\$ 5	\$ 5	11%	2.0	—	—
<i>Redevelopment Projects with Incremental GLA</i>									
<b>Barton Creek Square Austin, TX</b>	Nordstrom replacing Montgomery Ward plus 40,000 sf of small shop GLA; mall renovation	100%	8/03	\$ 28	\$ 28	10%	13.9	—	—
<b>Bay Park Square Green Bay, WI</b>	Younkers replacing Montgomery Ward plus 67,000 sf of small shop GLA	100%	10/03	\$ 19	\$ 19	11%	11.9	—	—
<b>Dadeland Mall Miami, FL</b>	Expansion of Lord & Taylor (71,000 sf); remodel of Lord & Taylor, Saks Fifth Avenue and Burdines; mall renovation	50%	11/02 (renov) 10/03 (expan)	\$ 30	\$ 15	8%	—	\$ 27.5	\$ 13.8
<b>The Galleria Houston, TX</b>	Mall renovation; addition of Nordstrom (218,000 sf), Foley's (250,000 sf), small shops (228,000 sf) and two parking decks	31.5%	12/02 (renov) 3/03 (expan)	\$ 144	\$ 45	10%	—	\$ 93.3	\$ 28.9
<b>Menlo Park Mall Edison, NJ (New York)</b>	Addition of Barnes & Noble (32,000 sf), Benihana (outlot), and Cheesecake Factory (12,000 sf—opened 1/03)	100%	6/03	\$ 10	\$ 10	13%	9.1	—	—
<b>SouthPark Charlotte, NC</b>	Addition of Nordstrom (153,000 sf) and an additional anchor pad, Hecht's expansion (60,000 sf) and renovation, Belk's expansion (46,000 sf) and renovation, addition of small shops (50,000 sf), three new parking decks and Cheesecake Factory and Maggiano's	100%	Spring 2004	\$ 90	\$ 90	10%	47.2	—	—

**SIMON PROPERTY GROUP**  
**Development Activity\***  
**Project Overview, Construction-in-Progress and Land Held for Development**  
**As of December 31, 2002**

							Construction-in-Progress		
							Unconsolidated Entities		
Mall/ Location	Project Description	The Company's Ownership Percentage	Opening	Projected Cost(1) (in millions)	The Company's Share of Project Cost	Stabilized Rate of Return	Consolidated Properties	Total	The Company's Share
<i>Other</i>									
<b>Lincolnwood Town Center Lincolnwood, IL (Chicago)</b>	Kohl's replacing JCPenney	100%	8/03						
<b>Penn Square Mall Oklahoma City, OK</b>	Small shops in former Dillard's building	100%	4/03						
<b>Rockaway Convenience Center Rockaway, NJ (New York)</b>	Demolition of AMC Theater and creation of a new pad for Best Buy (1/03); renovation	100%	12/03						
<b>Southern Hills Mall Sioux City, IA</b>	Addition of Scheel's Sporting Goods	50%	4/03						
<b>Village Park Plaza</b>	Demolition of existing shops and	35%	6/03						

Carmel, IN (Indianapolis) addition of Bed Bath & Beyond  
(25,000 sf)

Walt Whitman Mall  
Huntington Station, NY (New York) Addition of Organized Living and Bennigan's in former theater space 98% 10/03

Subtotal Other \$ 26 \$ 23 11%\$ 11.9 \$ 6.1 \$ 2.5

Total Construction in Progress(2) \$ 99.8 \$ 186.9 \$ 75.2

Land Held for Development \$ 28.5 \$ 25.1 \$ 12.6

\* Cost and return are based upon current budget assumptions. Actual results may vary.

(1) Total Projected Cost reflects net development costs. Total Projected Cost includes soft costs such as architecture and engineering fees, tenant costs (allowances/leasing commissions), development, legal and other fees, marketing costs, cost of capital, and other related costs.

(2) Does not include the Company's European initiatives (unconsolidated total of \$93.3 million; the Company's share of \$28.9 million)

(4) 1998 and 1999 redevelopment costs were transferred from Construction-in-Progress to the fixed asset accounts in prior periods (Total = \$83 million; SPG's Share = \$41.5 million)

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**SIMON PROPERTY GROUP**  
**The Company's Share of Total Debt Amortization and Maturities by Year**  
**As of December 31, 2002**  
**(In thousands)**

Year	The Company's Share of Secured Consolidated Debt	The Company's Share of Unsecured Consolidated Debt	The Company's Share of Unconsolidated Joint Venture Debt	The Company's Share of Total Debt
2003	305,374	634,078	162,401	1,101,853
2004	625,890	915,000	224,631	1,765,521
2005	236,206	660,000	358,054	1,254,260
2006	296,952	858,000	348,899	1,503,851
2007	517,937	930,000	164,687	1,612,624
2008	103,786	350,000	300,871	754,657
2009	408,063	450,000	85,437	943,500
2010	192,037	0	255,861	447,898
2011	372,728	200,000	180,194	752,922
2012	345,466	350,000	194,353	889,819
Thereafter	94,126	525,000	0	619,126
Subtotal Face Amounts	\$ 3,498,565	\$ 5,872,078	\$ 2,275,388	\$ 11,646,031
Premiums and Discounts on Indebtedness, Net	28,758	(3,910)	4,221	29,069
The Company's Share of Total Indebtedness	\$ 3,527,323	\$ 5,868,168	\$ 2,279,609	\$ 11,675,100

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**SIMON PROPERTY GROUP**  
**Summary of Indebtedness**  
**As of December 31, 2002**  
**(In thousands)**

	Total Indebtedness	The Company's Share of Indebtedness	Weighted Avg. Interest Rate	Weighted Average Years to Maturity
<b>Consolidated Indebtedness</b>				
<b>Mortgage Debt</b>				
Fixed Rate(1)	2,880,763	2,746,567	7.27%	6.6
Other Hedged Debt(2)	157,000	145,250	2.92%	3.7
Floating Rate Debt	610,467	606,748	2.69%	1.7
Total Mortgage Debt	3,648,230	3,498,565	6.30%	5.6
<b>Unsecured Debt</b>				
Fixed Rate	5,318,200	5,318,200	6.90%	4.9



Floating Rate Debt	245,878	245,878	2.25%	1.1
Subtotal	5,564,078	5,564,078	6.70%	4.7
Revolving Corporate Credit Facility	168,073	168,073	2.03%	3.3
Revolving Corporate Credit Facility (Hedged)(2)	139,927	139,927	2.03%	3.3
Subtotal	308,000	308,000	2.03%	3.3
Total Unsecured Debt	5,872,078	5,872,078	6.45%	4.7
Net Discount—Fixed Rate	17,159	16,234	N/A	N/A
Fair Value Interest Rate Swaps	8,614	8,614	N/A	N/A
Consolidated Mortgages and Other Indebtedness(3)	9,546,081	9,395,491	6.39%	5.0
<b>Joint Venture Indebtedness</b>				
<b>Mortgage Debt</b>				
Fixed Rate	4,075,329	1,810,442	7.29%	5.6
Other Hedged Debt(2)	897,531	343,152	2.33%	1.9
Floating Rate Debt	325,202	121,794	3.89%	3.0
Total Mortgage Debt	5,298,062	2,275,388	6.36%	4.9
Net Premium—Fixed Rate	8,403	4,221	N/A	N/A
Joint Venture Mortgages and Other Indebtedness	5,306,465	2,279,609	6.36%	4.9
<b>The Company's Share of Total Indebtedness</b>		<b>11,675,100</b>	<b>6.38%</b>	<b>5.0</b>

- (1) Includes \$162,312 of variable rate debt, of which \$126,282 is SPG's share, that is effectively fixed to maturity through the use of interest rate hedges.
- (2) These debt obligations are hedged by interest rate cap agreements.
- (3) The Company holds \$400.0 million of notional amount fixed rate swap agreements that have a weighted average pay rate of 1.55% and a weighted average receive rate of 1.43% at December 31, 2002 which mature in June and December 2003. The Company also holds \$675.0 million of notional amount variable rate swap agreements that have a weighted average pay rate of 1.43% and a weighted average receive rate of 3.33% at December 31, 2002 which mature in June 2003 and February of 2004.

## SIMON PROPERTY GROUP

### Summary of Indebtedness By Maturity

As of December 31, 2002

(In thousands)

Property Name	Maturity Date	Interest Rate	Total Indebtedness	The Company's Share of Indebtedness	Weighted Avg Interest Rate by Year
<b>Consolidated Indebtedness</b>					
<b>Fixed Rate Mortgage Debt:</b>					
Battlefield Mall—1	12/31/03	7.50%	43,597	43,597	
Battlefield Mall—2	12/31/03	6.81%	42,944	42,944	
<b>Subtotal 2003</b>			<b>86,541</b>	<b>86,541</b>	<b>7.16%</b>
Forum Phase I—Class A-2	05/15/04	6.19%	44,386	26,632	
Forum Phase II—Class A-2	05/15/04	6.19%	40,614	22,338	
Forum Phase I—Class A-1	05/15/04	7.13%	46,996	28,198	
Forum Phase II—Class A-1	05/15/04	7.13%	43,004	23,652	
CMBS Loan—Fixed (encumbers 7 Properties)	(5) 12/15/04	7.31%	173,693	173,693	
CMBS Loan—Variable (encumbers 7 Properties)	(4),(5) 12/15/04	6.20%	49,112	49,112	
<b>Subtotal 2004</b>			<b>397,805</b>	<b>323,625</b>	<b>6.94%</b>



Tippecanoe Mall—1		01/01/05	8.45%	42,752	42,752
Tippecanoe Mall—2		01/01/05	6.81%	15,269	15,269
Melbourne Square		02/01/05	7.42%	37,228	37,228
Cielo Vista Mall—2		11/01/05	8.13%	975	975
<b>Subtotal 2005</b>				<b>96,224</b>	<b>96,224</b>
					<b>7.79%</b>
Treasure Coast Square—1		01/01/06	7.42%	50,254	50,254
Treasure Coast Square—2		01/01/06	8.06%	11,736	11,736
Gulf View Square		10/01/06	8.25%	35,050	35,050
Paddock Mall		10/01/06	8.25%	27,876	27,876
<b>Subtotal 2006</b>				<b>124,916</b>	<b>124,916</b>
					<b>7.90%</b>
Cielo Vista Mall—1	(3)	05/01/07	9.38%	52,026	52,026
Cielo Vista Mall—3	(3)	05/01/07	6.76%	37,157	37,157
Lakeline Mall		05/01/07	7.65%	69,563	69,563
McCain Mall—1	(3)	05/01/07	9.38%	24,293	24,293
McCain Mall—2	(3)	05/01/07	6.76%	17,151	17,151
Valle Vista Mall—1	(3)	05/01/07	9.38%	32,175	32,175
Valle Vista Mall—2	(3)	05/01/07	6.81%	7,626	7,626
Wolfchase Galleria		06/30/07	7.80%	75,496	71,341
Copley Place		08/01/07	7.44%	183,537	180,136
University Park Mall		10/01/07	7.43%	59,365	35,619
<b>Subtotal 2007</b>				<b>558,389</b>	<b>527,087</b>
					<b>7.83%</b>
Arsenal Mall—1		09/28/08	6.75%	33,428	33,428
<b>Subtotal 2008</b>				<b>33,428</b>	<b>33,428</b>
					<b>6.75%</b>
College Mall—1	(2)	01/01/09	7.00%	38,282	38,282
College Mall—2	(2)	01/01/09	6.76%	11,447	11,447
Greenwood Park Mall—1	(2)	01/01/09	7.00%	32,063	32,063
Greenwood Park Mall—2	(2)	01/01/09	6.76%	59,143	59,143
Towne East Square—1	(2)	01/01/09	7.00%	50,612	50,612
Towne East Square—2	(2)	01/01/09	6.81%	23,857	23,857
Penn Square Mall		03/01/09	7.03%	72,208	68,234
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Bloomington Court	(10)	10/01/09	7.78%	29,026	29,026
Forest Plaza	(10)	10/01/09	7.78%	15,920	15,920
Lake View Plaza	(10)	10/01/09	7.78%	21,163	21,163
Lakeline Plaza	(10)	10/01/09	7.78%	23,202	23,202
Lincoln Crossing	(10)	10/01/09	7.78%	3,204	3,204
Matteson Plaza	(10)	10/01/09	7.78%	9,319	9,319
Muncie Plaza	(10)	10/01/09	7.78%	8,057	8,057
Regency Plaza	(10)	10/01/09	7.78%	4,368	4,368
St. Charles Towne Plaza	(10)	10/01/09	7.78%	27,958	27,958
West Ridge Plaza	(10)	10/01/09	7.78%	5,631	5,631
White Oaks Plaza	(10)	10/01/09	7.78%	17,183	17,183
<b>Subtotal 2009</b>				<b>452,643</b>	<b>448,669</b>
					<b>7.24%</b>
Trolley Square		08/01/10	9.03%	29,336	26,402
Coral Square		10/01/10	8.00%	89,855	87,357
Crystal River		11/11/10	7.63%	16,018	16,018
Biltmore Square		12/11/10	7.95%	26,000	17,342
Port Charlotte Town Center		12/11/10	7.98%	53,250	42,600
<b>Subtotal 2010</b>				<b>214,459</b>	<b>189,719</b>
					<b>8.10%</b>
Ingram Park Mall	(9)	08/11/11	6.99%	83,273	83,273
Knoxville Center	(9)	08/11/11	6.99%	63,059	63,059
Northlake Mall	(9)	08/11/11	6.99%	72,746	72,746
Towne West Square	(9)	08/11/11	6.99%	54,509	54,509
Tacoma Mall		09/28/11	7.00%	133,391	133,391
<b>Subtotal 2011</b>				<b>406,978</b>	<b>406,978</b>
					<b>6.99%</b>
Longview Mall	(7)	10/10/12	6.20%	33,441	33,441

Century III Mall	(7)	10/10/12	6.20%	88,844	88,844	
Highland Lakes Center	(7)	10/10/12	6.20%	16,471	16,471	
Forest Mall	(8)	10/10/12	6.20%	17,869	17,869	
Markland Mall	(8)	10/10/12	6.20%	23,659	23,659	
Midland Park Mall	(8)	10/10/12	6.20%	34,540	34,540	
Richmond Towne Square	(8)	10/10/12	6.20%	48,515	48,515	
Anderson Mall		10/10/12	6.20%	30,097	30,097	
Crossroads Mall		10/10/12	6.20%	44,622	44,622	
Palm Beach Mall		10/10/12	6.20%	55,253	55,253	
<b>Subtotal 2012</b>				<b>393,311</b>	<b>393,311</b>	<b>6.20%</b>
Chesapeake Center	(11)	05/15/15	8.44%	6,563	6,563	
Grove at Lakeland Square, The	(11)	05/15/15	8.44%	3,750	3,750	
Terrace at Florida Mall, The	(11)	05/15/15	8.44%	4,688	4,688	
<b>Subtotal 2015</b>				<b>15,001</b>	<b>15,001</b>	<b>8.44%</b>
Arsenal Mall—2		05/05/16	8.20%	1,929	1,929	
<b>Subtotal 2016</b>				<b>1,929</b>	<b>1,929</b>	<b>8.20%</b>
Sunland Park Mall		01/01/26	8.63%	37,766	37,766	
<b>Subtotal 2026</b>				<b>37,766</b>	<b>37,766</b>	<b>8.63%</b>

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Keystone at the Crossing		07/01/27	7.85%	61,373	61,373	
<b>Subtotal 2027</b>				<b>61,373</b>	<b>61,373</b>	<b>7.85%</b>
<b>Total Consolidated Fixed Rate Mortgage Debt</b>				<b>2,880,763</b>	<b>2,746,567</b>	<b>7.27%</b>
<b>Variable Rate Mortgage Debt:</b>						
Shops @ Mission Viejo		09/14/03	2.43%	151,299	151,299	
Arboretum		12/01/03	2.88%	34,000	34,000	
<b>Subtotal 2003</b>				<b>185,299</b>	<b>185,299</b>	<b>2.51%</b>
Jefferson Valley Mall		01/11/04	2.63%	60,000	60,000	
North East Mall	(1)	05/21/04	2.76%	140,000	140,000	
Waterford Lakes	(1)	08/16/04	2.78%	68,000	68,000	
<b>Subtotal 2004</b>				<b>268,000</b>	<b>268,000</b>	<b>2.73%</b>
Brunswick Square	(1)	06/12/05	2.88%	45,000	45,000	
Raleigh Springs Mall		12/09/05	3.80%	11,000	11,000	
Bowie Mall	(1)	12/14/05	2.88%	52,605	52,605	
<b>Subtotal 2005</b>				<b>108,605</b>	<b>108,605</b>	<b>2.97%</b>
Chesapeake Square	(1)	07/01/06	4.13%	47,000	35,250	
Riverway	(1)	10/01/06	2.53%	110,000	110,000	
<b>Subtotal 2006</b>				<b>157,000</b>	<b>145,250</b>	<b>2.92%</b>
White Oaks Mall	(1)	02/25/08	2.48%	48,563	44,844	
<b>Subtotal 2008</b>				<b>48,563</b>	<b>44,844</b>	<b>2.48%</b>
<b>Total Variable Rate Mortgage Debt</b>				<b>767,467</b>	<b>751,998</b>	<b>2.73%</b>
<b>Total Consolidated Mortgage Debt</b>				<b>3,648,230</b>	<b>3,498,565</b>	<b>6.30%</b>
<b>Fixed Rate Unsecured Debt:</b>						
Retail Property Trust (Bonds)		04/01/03	7.05%	100,000	100,000	
Simon Property Group, LP (Bonds)		06/15/03	6.63%	375,000	375,000	
Simon ERE Facility		07/31/03	7.75%	28,200	28,200	
Simon Property Group, LP (PATS)		11/15/03	6.75%	100,000	100,000	
<b>Subtotal 2003</b>				<b>603,200</b>	<b>603,200</b>	<b>6.77%</b>

Shopping Center Associates (Bonds)		01/15/04	6.75%	150,000	150,000	
Simon Property Group, LP (Bonds)		02/09/04	6.75%	300,000	300,000	
Simon Property Group, LP (Bonds)		07/15/04	6.75%	100,000	100,000	
Retail Property Trust (Bonds)		08/15/04	7.75%	150,000	150,000	
<b>Subtotal 2004</b>				<b>700,000</b>	<b>700,000</b>	<b>6.96%</b>
Shopping Center Associates (Bonds)		05/15/05	7.63%	110,000	110,000	
Simon Property Group, LP (Bonds)		06/15/05	6.75%	300,000	300,000	
Simon Property Group, LP (Medium Term Notes)		06/24/05	7.13%	100,000	100,000	
Simon Property Group, LP (Bonds)		10/27/05	6.88%	150,000	150,000	
<b>Subtotal 2005</b>				<b>660,000</b>	<b>660,000</b>	<b>6.98%</b>

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Simon Property Group, LP (Bonds)		01/20/06	7.38%	300,000	300,000	
Simon Property Group, LP (Bonds)		11/15/06	6.88%	250,000	250,000	
<b>Subtotal 2006</b>				<b>550,000</b>	<b>550,000</b>	<b>7.15%</b>
Simon Property Group, LP (Medium Term Notes)		09/20/07	7.13%	180,000	180,000	
Simon Property Group, LP (Bonds)		11/15/07	6.38%	750,000	750,000	
<b>Subtotal 2007</b>				<b>930,000</b>	<b>930,000</b>	<b>6.52%</b>
Simon Property Group, LP (MOPPRS)		06/15/08	7.00%	200,000	200,000	
Simon Property Group, LP (Bonds)		08/28/08	5.38%	150,000	150,000	
<b>Subtotal 2008</b>				<b>350,000</b>	<b>350,000</b>	<b>6.30%</b>
Simon Property Group, LP (Bonds)		02/09/09	7.13%	300,000	300,000	
Simon Property Group, LP (Bonds)		07/15/09	7.00%	150,000	150,000	
<b>Subtotal 2009</b>				<b>450,000</b>	<b>450,000</b>	<b>7.08%</b>
Simon Property Group, LP (Bonds)		01/20/11	7.75%	200,000	200,000	
<b>Subtotal 2011</b>				<b>200,000</b>	<b>200,000</b>	<b>7.75%</b>
Simon Property Group, LP (Bonds)		08/28/12	6.35%	350,000	350,000	
<b>Subtotal 2012</b>				<b>350,000</b>	<b>350,000</b>	<b>6.35%</b>
Retail Property Trust (Bonds)		09/01/13	7.18%	75,000	75,000	
<b>Subtotal 2013</b>				<b>75,000</b>	<b>75,000</b>	<b>7.18%</b>
Retail Property Trust (Bonds)		03/15/16	7.88%	250,000	250,000	
<b>Subtotal 2016</b>				<b>250,000</b>	<b>250,000</b>	<b>7.88%</b>
Simon Property Group, LP (Bonds)		06/15/18	7.38%	200,000	200,000	
<b>Subtotal 2018</b>				<b>200,000</b>	<b>200,000</b>	<b>7.38%</b>
<b>Total Unsecured Fixed Rate Debt</b>				<b>5,318,200</b>	<b>5,318,200</b>	<b>6.90%</b>

**Variable Rate Unsecured Debt:**

Simon ERE Facility		07/31/03	3.50%	30,878	30,878	
<b>Subtotal 2003</b>				<b>30,878</b>	<b>30,878</b>	<b>3.50%</b>
Simon Property Group, LP (Term Loan)	(1)	02/28/04	2.03%	150,000	150,000	
Simon Property Group, LP (Term Loan)	(1)	03/15/04	2.18%	65,000	65,000	
<b>Subtotal 2004</b>				<b>215,000</b>	<b>215,000</b>	<b>2.08%</b>
Corporate Revolving Credit Facility	(1)	04/16/06	2.03%	308,000	308,000	
<b>Subtotal 2006</b>				<b>308,000</b>	<b>308,000</b>	<b>2.03%</b>

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553,878 2.13%

<b>Total Unsecured Variable Rate Debt</b>				<b>553,878</b>		
<b>Total Unsecured Debt</b>				<b>5,872,078</b>	<b>5,872,078</b>	<b>6.45%</b>
Net Discount on Fixed-Rate Indebtedness				17,159	16,234	N/A
Fair Value Interest Rate Swaps				8,614	8,614	N/A
<b>Total Consolidated Debt</b>				<b>9,546,081</b>	<b>9,395,491</b>	<b>6.39%</b>

**Joint Venture Indebtedness**

**Fixed Rate Mortgage Debt:**

Avenues, The						
Miami International Mall		05/15/03	8.36%	54,254	13,564	
		12/21/03	6.91%	43,976	21,010	
<b>Subtotal 2003</b>				<b>98,230</b>	<b>34,574</b>	<b>7.48%</b>
Solomon Pond		02/01/04	7.83%	92,788	45,594	
Northshore Mall		05/14/04	9.05%	161,000	79,111	
Indian River Commons		11/01/04	7.58%	8,226	4,113	
Indian River Mall		11/01/04	7.58%	45,643	22,822	
<b>Subtotal 2004</b>				<b>307,657</b>	<b>151,640</b>	<b>8.42%</b>
Westchester, The—1		09/01/05	8.74%	146,458	58,583	
Westchester, The—2		09/01/05	7.20%	51,865	20,746	
Houston Galleria—1		12/01/05	7.93%	219,688	69,169	
<b>Subtotal 2005</b>				<b>418,011</b>	<b>148,498</b>	<b>8.15%</b>
Cobblestone Court		01/01/06	7.64%	6,179	2,163	
Crystal Court		01/01/06	7.64%	4,045	1,416	
Fairfax Court		01/01/06	7.64%	10,319	2,709	
Gaitway Plaza		01/01/06	7.64%	7,349	1,715	
Plaza at Buckland Hills, The		01/01/06	7.64%	17,679	6,055	
Ridgewood Court		01/01/06	7.64%	7,979	2,793	
Royal Eagle Plaza		01/01/06	7.64%	7,920	2,772	
Village Park Plaza		01/01/06	7.64%	8,483	2,969	
West Town Corners		01/01/06	7.64%	10,329	2,411	
Westland Park Plaza		01/01/06	7.64%	4,950	1,155	
Willow Knolls Court		01/01/06	7.64%	6,489	2,271	
Yards Plaza, The		01/01/06	7.64%	8,270	2,895	
CMBS Loan—1 Fixed (encumbers 13 Properties)	(6)	05/15/06	7.41%	300,000	150,000	
CMBS Loan—2 Fixed (encumbers 13 Properties)	(6)	05/15/06	8.13%	57,100	28,550	
Great Northeast Plaza		06/01/06	9.04%	16,970	8,485	
Smith Haven Mall		06/01/06	7.86%	115,000	28,750	
Mall of Georgia Crossing		06/09/06	7.25%	33,771	16,886	
Greendale Mall		12/10/06	8.23%	41,079	20,185	
<b>Subtotal 2006</b>				<b>663,911</b>	<b>284,180</b>	<b>7.65%</b>
River Ridge Mall		01/01/07	8.05%	22,952	2,632	
Town Center at Cobb—1		04/01/07	7.54%	48,389	24,195	
Town Center at Cobb—2		04/01/07	7.25%	63,570	31,785	

Gwinnett Place—1		04/01/07	7.54%	37,980	18,990	
Gwinnett Place—2		04/01/07	7.25%	83,531	41,766	
Mall at Rockingham		09/01/07	7.88%	97,960	24,068	
<b>Subtotal 2007</b>				<b>354,382</b>	<b>143,436</b>	<b>7.46%</b>
Metrocenter		02/28/08	8.45%	29,350	14,675	
Aventura Mall—A		04/06/08	6.55%	141,000	47,000	
Aventura Mall—B		04/06/08	6.60%	25,400	8,467	
Aventura Mall—C		04/06/08	6.89%	33,600	11,200	
West Town Mall		05/01/08	6.90%	76,000	38,000	
Mall of New Hampshire—1		10/01/08	6.96%	101,614	49,931	
Mall of New Hampshire—2		10/01/08	8.53%	8,305	4,081	
Fashion Valley Mall—1		10/11/08	6.49%	168,477	84,239	
Fashion Valley Mall—2		10/11/08	6.58%	29,124	14,562	
Source, The		03/11/09	6.65%	124,000	31,000	

<b>Subtotal 2008</b>				<b>736,870</b>	<b>303,155</b>	<b>6.79%</b>
Woodland Hills Mall		01/01/09	7.00%	86,338	40,793	
Apple Blossom Mall		09/10/09	7.99%	39,952	19,631	
Auburn Mall		09/10/09	7.99%	46,772	22,983	
<b>Subtotal 2009</b>				<b>173,062</b>	<b>83,407</b>	<b>7.51%</b>
Mall at Chestnut Hill		02/01/10	8.45%	14,843	7,009	
Mall of Georgia		07/01/10	7.09%	200,000	100,000	
Florida Mall, The		12/10/10	7.55%	265,480	132,740	
<b>Subtotal 2010</b>				<b>480,323</b>	<b>239,749</b>	<b>7.38%</b>
Atrium at Chestnut Hill		03/11/11	6.89%	48,333	23,750	
Cape Cod Mall		03/11/11	6.80%	98,302	48,303	
Highland Mall		07/10/11	6.83%	70,107	35,054	
European Retail Enterprises—Fixed Components		08/27/11	6.52%	62,906	20,300	
Fashion Centre Pentagon Retail		09/11/11	6.63%	164,895	70,080	
<b>Subtotal 2011</b>				<b>444,543</b>	<b>197,487</b>	<b>6.73%</b>
Dadeland Mall		02/11/12	6.75%	198,346	99,173	
Square One		03/11/12	6.73%	94,335	46,354	
Crystal Mall		09/11/12	5.62%	105,659	78,789	
<b>Subtotal 2012</b>				<b>398,340</b>	<b>224,316</b>	<b>6.35%</b>
<b>Total Joint Venture Fixed Rate Mortgage Debt</b>				<b>4,075,329</b>	<b>1,810,442</b>	<b>7.29%</b>
<b>Variable Rate Mortgage Debt:</b>						
CMBS Loan—1 Floating (encumbers 13 Properties)	(6)	05/15/03	1.88%	184,500	92,250	
Liberty Tree Mall		10/01/03	2.88%	45,221	22,220	
<b>Subtotal 2003</b>				<b>229,721</b>	<b>114,470</b>	<b>2.07%</b>
Circle Centre Mall—1	(1)	01/31/04	1.82%	60,000	8,802	
Circle Centre Mall—2	(1)	01/31/04	2.88%	7,500	1,100	
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Fashion Centre Pentagon Office	(1)	09/10/04	2.88%	33,000	14,025	
Shops at Sunset Place, The	(1)	10/15/04	4.38%	96,754	36,283	
<b>Subtotal 2004</b>				<b>197,254</b>	<b>60,210</b>	<b>3.63%</b>
Mall of America	(1)	03/10/05	1.91%	312,000	85,800	
Emerald Square Mall—1	(1)	04/01/05	2.68%	129,400	63,584	
Emerald Square Mall—2	(1)	04/01/05	4.43%	15,600	7,665	
Northfield Square	(1)	04/30/05	3.88%	37,000	11,692	
Seminole Towne Center	(1)	07/01/05	3.88%	70,131	31,559	
<b>Subtotal 2005</b>				<b>564,131</b>	<b>200,300</b>	<b>2.68%</b>
CMBS Loan—2 Floating (encumbers 13 Properties)	(6)	05/15/06	1.75%	81,400	40,700	
Montreal Forum	(1)	08/08/06	4.78%	35,526	12,656	
<b>Subtotal 2006</b>				<b>116,926</b>	<b>53,356</b>	<b>2.47%</b>
Houston Galleria—2	(1)	06/25/07	3.13%	51,351	16,168	
<b>Subtotal 2007</b>				<b>51,351</b>	<b>16,168</b>	<b>3.13%</b>
European Retail Enterprises—Variable Components		03/11/10	4.83%	63,350	20,442	
<b>Subtotal 2010</b>				<b>63,350</b>	<b>20,442</b>	<b>4.83%</b>
<b>Total Joint Venture Variable Rate Mortgage Debt</b>				<b>1,222,733</b>	<b>464,946</b>	<b>2.74%</b>
Net Premium on JV Fixed-Rate Indebtedness				8,403	4,221	

**Footnotes:**

- (1) Includes applicable extensions available at Simon Group's option.
- (2) This Pool is secured by cross-collateralized and cross-defaulted mortgages encumbering these three Properties.
- (3) This Pool is secured by cross-collateralized and cross-defaulted mortgages encumbering these three Properties.
- (4) Through an interest rate protection agreement, effectively fixed at an all-in rate of 6.19%.
- (5) These notes are secured by cross-collateralized and cross-defaulted mortgages encumbering seven of the Properties (West Ridge Mall, Bay Park Mall, Boardman Plaza, Cheltenham Square, DeSoto Square, Upper Valley Mall and Washington Square).
- (6) These Commercial Mortgage Notes are secured by cross-collateralized mortgages encumbering thirteen of the Properties (Eastland Mall, Southern Hills Mall, Lindale Mall, Southridge Mall, Granite Run Mall, Lake Square Mall, Northpark Mall, Southpark Mall, Valley Mall, Mesa Mall, Empire Mall, Empire East Mall and Rushmore Mall). A weighted average rate is used.
- (7) These three Properties are secured by cross-collateralized and cross-defaulted mortgages.
- (8) These four Properties are secured by cross-collateralized and cross-defaulted mortgages.
- (9) These four Properties are secured by cross-collateralized and cross-defaulted mortgages.
- (10) These eleven Properties are secured by cross-collateralized and cross-defaulted mortgages.
- (11) These three Properties are secured by cross-collateralized and cross-defaulted mortgages.

**SIMON PROPERTY GROUP**  
**Unencumbered Assets**  
**As of December 31, 2002**

Property Name	City	State
<b>Regional Malls:</b>		
University Mall	Little Rock	AR
Southgate Mall	Yuma	AZ
Brea Mall	Brea	CA
Laguna Hills Mall	Laguna Hills	CA
Santa Rosa Plaza	Santa Rosa	CA
Westminster Mall	Westminster	CA
Aurora Mall	Aurora	CO
Boynton Beach Mall	Boynton Beach	FL
Cordova Mall	Pensacola	FL
Edison Mall	Fort Meyers	FL
Orange Park Mall	Orange Park	FL
Town Center at Boca Raton	Boca Raton	FL
Tyrone Square	St. Petersburg	FL
University Mall	Pensacola	FL
Lenox Square	Atlanta	GA
Phipps Plaza	Atlanta	GA
Alton Square	Alton	IL
Lincolnwood Town Center	Lincolnwood	IL
Northwoods Shopping Center	Peoria	IL
Orland Square	Orland Park	IL
River Oaks Center	Calumet City	IL
Castleton Square Mall	Indianapolis	IN
Lafayette Square	Indianapolis	IN
Mounds Mall	Anderson	IN
Muncie Mall	Muncie	IN
Richmond Square	Richmond	IN
Hutchinson Mall	Hutchinson	KS
Prien Lake Mall	Lake Charles	LA
South Park Mall	Shreveport	LA
Burlington Mall	Burlington	MA
South Shore Plaza	Braintree (Boston)	MA

Forest Village Park Mall St. Charles Towne Center	Forestville (Washington, D.C.) Waldorf	MD MD
Maplewood Mall Miller Hill Mall	Minneapolis Duluth	MN MN
Independence Center	Independence	MO
SouthPark Mall	Charlotte	NC

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Pheasant Lane	Nashua	NH
Bergen Mall Livingston Mall Menlo Park Mall Ocean County Mall Rockaway Townsquare	Paramus (NYC) Livingston (NYC) Edison (NYC) Toms River Rockaway (NYC)	NJ NJ NJ NJ NJ
Cottonwood Mall	Albuquerque	NM
Chautauqua Mall Eastern Hills Mall Nanuet Mall Roosevelt Field Walt Whitman Mall	Lakewood Williamsville Nanuet (NYC) Garden City (NYC) Huntington Station	NY NY NY NY NY
Great Lakes Mall Lima Mall Southern Park Mall Summit Mall Woodville Mall	Mentor Lima Boardman Akron Northwood	OH OH OH OH OH
Eastland Mall Heritage Park Mall	Tulsa Midwest City	OK OK
Ross Park Mall South Hills Village	Pittsburgh Pittsburgh	PA PA
Haywood Mall	Greenville	SC
Oak Court Mall	Memphis	TN
Barton Creek Square Broadway Square Irving Mall La Plaza Mall Richardson Square Mall Rolling Oaks Mall	Austin Tyler Irving McAllen Richardson San Antonio	TX TX TX TX TX TX
Charlottesville Fashion Square Virginia Center Commons	Charlottesville Glen Allen	VA VA
Columbia Center Northgate Mall	Kennewick Seattle	WA WA
Memorial Mall	Sheboygan	WI

**Community Centers:**

Bridgeview Court Countryside Plaza Fox River Plaza Lake Plaza North Ridge Plaza North Riverside Park Plaza	Bridgeview Countryside Elgin Waukegan Joliet North Riverside	IL IL IL IL IL IL
Brightwood Plaza	Indianapolis	IN

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Griffith Park Plaza	Griffith	IN
Markland Plaza	Kokomo	IN
Mounds Mall Cinema	Anderson	IN
New Castle Plaza	New Castle	IN
Northwood Plaza	Fort Wayne	IN
Teal Plaza	Lafayette	IN
Tippecanoe Plaza	Lafayette	IN
University Center	Mishawaka	IN
Wabash Village	West Lafayette	IN
Washington Plaza	Indianapolis	IN
Park Plaza	Hopkinsville	KY
Rockaway Convenience Center	Rockaway (NYC)	NJ
Great Lakes Plaza	Mentor	OH
Lima Center	Lima	OH
Northland Plaza	Columbus	OH
Eastland Plaza	Tulsa	OK
Charles Towne Square	Charleston	SC
Knoxville Commons	Knoxville	TN
Celina Plaza	El Paso	TX
Ingram Plaza	San Antonio	TX
Mainland Crossing	Texas City	TX
Martinsville Plaza	Martinsville	VA
Memorial Plaza	Sheboygan	WI
<b>Mixed-Used:</b>		
New Orleans Centre	New Orleans	LA
<b>Office:</b>		
O'Hare International Center	Rosemont	IL

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**SIMON PROPERTY GROUP**  
**Preferred Stock/Units Outstanding**  
**As of December 31, 2002**  
**(\$ in 000's)**

Issuer	Description	Number of Shares/Units	Per Share Liquidation Preference	Aggregate Liquidation Preference	Ticker Symbol
<b>Preferred Shares:</b>					
<b>Convertible</b>					
Simon Property Group, Inc.	Series B Preferred 6.5% Convertible(1)	4,830,057	\$ 100	\$ 483,006	SPGPrB
<b>Perpetual</b>					
Simon Property Group, Inc.	Series E Preferred 8% Cumulative Redeemable(2)	1,000,000	\$ 25	\$ 25,000	N/A
Simon Property Group, Inc.	Series F Preferred 8 <sup>3</sup> / <sub>4</sub> % Perpetual(3)	8,000,000	\$ 25	\$ 200,000	SPGPrF
Simon Property Group, Inc.	Series G Preferred 7.89% Perpetual(4)	3,000,000	\$ 50	\$ 150,000	SPGPrG
<b>Preferred Units:</b>					
Simon Property Group, L.P.	Series C 7% Cumulative Convertible Preferred(5)	2,600,895	\$ 28	\$ 72,825	N/A
Simon Property Group, L.P.	Series D 8% Cumulative Redeemable Preferred(6)	2,600,895	\$ 30	\$ 78,027	N/A

(1) Each share is convertible into a number of shares of common stock of the Company obtained by dividing \$100 by \$38.669 (the conversion price), which is subject to adjustment as outlined below. The Company may redeem the stock on or after September 24, 2003 at a price beginning at 105% of the liquidation preference plus accrued dividends and declining to 100% of the liquidation preference plus accrued dividends any time on or after September 24, 2008. The shares are traded on the New York Stock Exchange. The closing price on December 31, 2002, was \$93.00 per share. (The conversion price of the Series B Convertible Preferred Stock is subject to adjustment by the Company in connection with certain events.)



- (2) The shares are not redeemable prior to August 27, 2004.
- (3) The shares are redeemable on or after September 29, 2006. The shares are not convertible into any other securities of the Company. The shares are traded on the New York Stock Exchange. The closing price on December 31, 2002, was \$26.77 per share.
- (4) The Cumulative Step-Up Premium Rate Preferred Stock was issued at 7.89%. The shares are redeemable after September 30, 2007. Beginning October 1, 2012, the rate increases to 9.89%. The shares are not convertible into any other securities of the Company. The shares are traded on the New York Stock Exchange. The closing price on December 31, 2002 was \$50.40 per share.
- (5) Each unit/share is convertible into 0.75676 shares of common stock on or after August 27, 2004 if certain conditions are met. Each unit/share is not redeemable prior to August 27, 2009.
- (6) Each unit/share is not redeemable prior to August 27, 2009.

## QuickLinks

### [Exhibit 99.1](#)

[SIMON PROPERTY GROUP Changes in Common Shares and Unit Ownership For the Period from December 31, 2001 through December 31, 2002](#)

[Simon Property Group, Inc. Unaudited Pro-Rata Balance Sheet As of December 31, 2002](#)

[Simon Property Group, Inc. Unaudited Pro-Rata Statement of Operations For three months ended December 31, 2002](#)

[Simon Property Group, Inc. Unaudited Pro-Rata Statement of Operations For twelve months ended December 31, 2002](#)

[SIMON PROPERTY GROUP Analysis of Other Income and Other Expense As of December 31, 2002 \(In thousands\)](#)

[U.S. Geographic Diversification of Regional Mall Portfolio\(1\)](#)

[Asset Mix of Portfolio](#)

[SIMON PROPERTY GROUP Rent Information As of December 31, 2002](#)

[SIMON PROPERTY GROUP Lease Expirations\(1\) As of December 31, 2002](#)

[SIMON PROPERTY GROUP Lease Expirations\(1\) As of December 31, 2002](#)

[SIMON PROPERTY GROUP 2002 and 2003 Regional Mall Anchor/Big Box Openings](#)

[SIMON PROPERTY GROUP 2002 and 2003 Regional Mall Anchor/Big Box Openings](#)

[SIMON PROPERTY GROUP Property Listing \(sorted by state\) As of December 31, 2002](#)

[SIMON PROPERTY GROUP Capital Expenditures For the Twelve Months Ended December 31, 2002 \(In millions\)](#)

[SIMON PROPERTY GROUP Development Activity\\* Project Overview, Construction-in-Progress and Land Held for Development As of December 31, 2002](#)

[SIMON PROPERTY GROUP Development Activity\\* Project Overview, Construction-in-Progress and Land Held for Development As of December 31, 2002](#)

[SIMON PROPERTY GROUP The Company's Share of Total Debt Amortization and Maturities by Year As of December 31, 2002 \(In thousands\)](#)

[SIMON PROPERTY GROUP Summary of Indebtedness As of December 31, 2002 \(In thousands\)](#)

[SIMON PROPERTY GROUP Summary of Indebtedness By Maturity As of December 31, 2002 \(In thousands\)](#)



**CONTACTS:**

Shelly Doran	317.685.7330	Investors
Les Morris	317.263.7711	Media

**FOR IMMEDIATE RELEASE**

**SIMON PROPERTY GROUP ANNOUNCES 8% INCREASE IN  
2002 FFO PER SHARE AND DECLARES  
9.1% INCREASE IN COMMON STOCK DIVIDEND**

Indianapolis, Indiana—February 6, 2003...Simon Property Group, Inc. (the "Company") (NYSE:SPG) today announced results for the quarter and twelve months ended December 31, 2002.

- Diluted funds from operations for the quarter increased 11% to \$232.9 million from \$209.9 million in 2001. On a per share basis, the increase was 4.5% to \$1.17 per share from \$1.12 per share in 2001.
- Net income available to common shareholders increased 119% for the quarter to \$96.3 million from \$43.9 million in 2001. Diluted earnings per share increased 108% to \$0.52 per share from \$0.25 in 2001.
- Diluted funds from operations for the twelve months increased 12% to \$734.7 million from \$657.1 million in 2001. On a per share basis, the increase was 8.0% to \$3.79 per share from \$3.51 per share in 2001.
- Net income available to common shareholders for the twelve months increased 142% to \$358.4 million from \$147.8 million in 2001. Diluted earnings per share for the twelve months increased 134% to \$1.99 as compared to \$0.85 in 2001.

Funds from Operations ("FFO") is a widely used measure of the operating performance of real estate companies and is provided here as a supplemental measure to Generally Accepted Accounting Principles (GAAP) net income and earnings per share. A reconciliation of net income to FFO is provided in the financial statement section of this press release.

Occupancy for mall and freestanding stores in the regional malls at December 31, 2002 was 92.7% as compared to 91.9% at December 31, 2001. Comparable retail sales per square foot increased 2% to \$391 as compared to \$383 at December 31, 2001, while total retail sales per square foot increased 2% to \$386 at December 31, 2002 as compared to \$378 at December 31, 2001. Average base rents for mall and freestanding stores in the regional mall portfolio were \$30.70 per square foot at December 31, 2002, an increase of \$1.42 or 5%, from December 31, 2001. The average initial base rent for new mall store leases signed during 2002 was \$40.35, an increase of \$7.77 or 24% over the tenants who closed or whose leases expired.

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Major factors driving results for the quarter and twelve months:

- The Company's regional mall portfolio continues to demonstrate its stability and strength, with occupancy 80 basis points above the year-earlier period and average base rents 5% higher. Releasing spreads also held firm at 24% for the year.
- The portfolio of assets acquired from Rodamco North America, N.V. on May 3rd has contributed to profitability and is performing consistent with expectations.
- The lower interest rate environment afforded the Company the opportunity to refinance \$1.28 billion of maturing mortgage debt in 2002 at a weighted average interest rate of 5.68%.
- The above positive factors were partially offset by the dilutive impact of the sale of 17 non-core assets during 2002 and the issuance of 9 million shares of common stock in June of 2002.

"The year 2002 was one of the most active in the Company's history," said David Simon, chief executive officer. "We acquired nine assets for \$1.6 billion in the Rodamco transaction, sold 17 non-core assets for total consideration including debt of \$589 million, refinanced \$1.28 billion of mortgage debt, and issued \$500 million of bonds. Our portfolio continues to perform well in a difficult economic environment, as evidenced by the improvement of all of our operating metrics in 2002.

"We're very pleased to have delivered a 24% total return to our shareholders in 2002, significantly outperforming the broader markets. We are also delighted to announce a 9.1% increase in our quarterly common stock dividend, from \$0.55 to \$0.60 per share. This increase is indicative of the confidence we have in our business going forward."

## **New Development Projects:**

The Company has two new development projects currently under construction:

- Las Vegas Premium Outlets is a 435,000 square foot premium manufacturers' outlet shopping center. This will be the Company's second <sup>50</sup>/<sub>50</sub> joint venture with Chelsea Property Group. The center is under construction on a 39-acre parcel near downtown Las Vegas, located at Interstate 15 and US route <sup>95</sup>/<sub>93</sub> at Charleston Boulevard. The site is one of the most visible locations in Las Vegas, approximately 10 minutes from the Las Vegas Strip. The center will offer shoppers the area's largest collection of upscale outlet stores. Scheduled opening: August 2003.
- Chicago Premium Outlets is the third development to be undertaken jointly by Simon and Chelsea. Also a <sup>50</sup>/<sub>50</sub> joint venture, the site is approximately 35 miles west of downtown Chicago on Interstate 88, also known as the East-West Tollway, in Aurora, Illinois. Scheduled opening: Second Quarter 2004.

## **Simon Brand Ventures:**

On December 10, Simon and The Coca-Cola Company announced a multi-year comprehensive marketing alliance. The agreement, which began in January of 2003, covers vending, sponsorships, promotion and on-mall advertising across the vast Simon franchise. Coca-Cola will employ major marketing initiatives at Simon properties throughout the term of the agreement.

As the exclusive non-alcoholic beverage vendor for mall space controlled by Simon Property Group in its mall and community center properties, Coca-Cola will have promotional and exclusive vending rights within the common areas of Simon properties in the United States.

As David Simon stated in the initial announcement, "This agreement further validates our strategy of positioning the mall as an outstanding marketing opportunity and we're delighted to be partnering

with Coca-Cola. Our properties give Coca-Cola the ability to interact one-on-one with their millions of U.S. consumers in a comfortable environment. Coca-Cola will be able to leverage Simon's advertising network and a variety of interactive marketing platforms to engage customers in a truly unique and differentiated way. For Coca-Cola, this multi-faceted partnership is an effective way to engage their customers and for us, it further demonstrates the marketing value of the Simon mall franchise."

## **Dispositions:**

The Company's aggressive recycling of capital continued in the fourth quarter with the disposition of four non-core assets:

- Sawmill Place in Columbus, Ohio on November 15
- Wichita Mall in Wichita, Kansas on December 3
- North Towne Square in Toledo, Ohio on December 20
- Machesney Park Mall in Rockford, Illinois on December 23

The Company recorded a net loss of approximately \$8 million on these dispositions.

During the year, the Company sold its interests in 17 non-core assets for total consideration of \$589 million. During 2002, net gains on the sale of real estate assets totaled approximately \$170 million.

## **2003 Activities**

The Company's disposition efforts continue in 2003 with the sale of a portfolio of assets. On January 9, 2003, Memorial Mall in Sheboygan, Wisconsin; Mounds Mall and Cinema in Anderson, Indiana; and Richmond Square in Richmond, Indiana were sold for total consideration of \$34 million.

The Company also announced today that it intends to acquire the remaining ownership interest in The Forum Shops at Caesars in Las Vegas, Nevada for approximately \$174 million in cash.

Forum Shops is one of the top retail destinations in the world with a tenant mix comprised of a "who's who" in retailing—Christian Dior, Emporio Armani, Gianni Versace, Gucci, Louis Vuitton, Dolce & Gabbana, Valentino, Salvatore Ferragamo, Escada, Fendi, MaxMara, St. John, BOSS Hugo Boss, DKNY, Tourneau, Judith Lieber and many more. Traffic at the center averages 54,000 shoppers daily and annual tenant sales exceed \$1,100 per square foot. A 175,000 square foot expansion of The Forum Shops affronting Las Vegas Boulevard is scheduled to open in the fall of 2004, adding a multilevel luxury retail, restaurant, and entertainment complex to the project.

The acquisition of this interest would be accretive to earnings immediately. Upon completion of The Forum Shops expansion, a return in excess of 12% is expected on this additional investment.

## **Dividends**

Today the Company also announced a common stock dividend of \$0.60 per share, an increase of 9.1%. This dividend will be paid on February 28, 2003 to shareholders of record on February 18, 2003.

Solely for purposes of satisfying U.S. federal income tax withholding obligations under section 1.1445-8 of the federal income tax regulations with respect to payments to non-U.S. shareholders, the Company will characterize this entire distribution as a capital gain dividend to reflect the taxable composition of its 2002 distributions. This characterization is relevant only for purposes of withholding on payments to non-U.S. shareholders of record as of the close of business on February 18, 2003, and is not relevant to U.S. shareholders.

The Company also declared dividends on its three public issues of preferred stock, all payable on March 31, 2003 to shareholders of record on March 17, 2003:

- Simon Property Group, Inc. 6.50% Series B Convertible Preferred Stock (NYSE:SPGPrB)—\$1.625 per share
- Simon Property Group, Inc. 8.75% Series F Cumulative Redeemable Preferred Stock (NYSE:SPGPrF)—\$0.546875 per share
- Simon Property Group, Inc. 7.89% Series G Cumulative Preferred Stock (NYSE:SPGPrG)- \$0.98625 per share.

### Earnings Estimates

The Company also announced today that its current business plan for 2003 is in line with the current Wall Street consensus FFO estimate of \$4.01 per share.

This guidance is based on management's view of current market conditions in the regional mall business. Estimates of future FFO and future earnings per share are, and certain other matters discussed in this press release may be, deemed forward-looking statements within the meaning of the federal securities laws. Although the Company believes the expectations reflected in any forward-looking statements are based on reasonable assumptions, it can give no assurance that its expectations will be attained, and it is possible that our actual results may differ materially from those indicated by these forward-looking statements due to a variety of risks and uncertainties.

Those risks and uncertainties include, but are not limited to, the national, regional and local economic climate, competitive market forces, changes in market rental rates, trends in the retail industry, the inability to collect rent due to the bankruptcy or insolvency of tenants or otherwise, and changes in market rates of interest. The reader is directed to the Company's various filings with the Securities and Exchange Commission, including quarterly reports on Form 10-Q, reports on Form 8-K and annual reports on Form 10-K for a discussion of such risks and uncertainties.

Funds from Operations ("FFO") is a widely used measure of the operating performance of real estate companies and is provided here as a supplemental measure to Generally Accepted Accounting Principles (GAAP) net income and earnings per share. FFO, as defined by NAREIT, means consolidated net income without giving effect to real estate depreciation and amortization, gains or losses from extraordinary items and gains or losses on the sales of real estate, plus the allocable portion, based on economic ownership interest, of funds from operations of unconsolidated joint ventures, all determined on a consistent basis in accordance with accounting principles generally accepted in the United States. However, FFO does not represent cash flow from operations, should not be considered as an alternative to net income as a measure of operating performance, and is not an alternative to cash flow as a measure of liquidity.

Simon Property Group, Inc. (NYSE:SPG), headquartered in Indianapolis, Indiana, is a real estate investment trust engaged in the ownership and management of income-producing properties, primarily regional malls and community shopping centers. Through its subsidiary partnerships, it currently owns or has an interest in 242 properties containing an aggregate of 183 million square feet of gross leasable area in 36 states, as well as eight assets in Europe and Canada and ownership interests in other real estate assets. Additional Simon Property Group information is available at [www.shopsimon.com](http://www.shopsimon.com).

### Supplemental Materials

The Company's supplemental information package to be filed today on Form 8-K may be requested in e-mail or hard copy formats by contacting Shelly Doran—Vice President of Investor Relations, Simon Property Group, P.O. Box 7033, Indianapolis, IN 46207 or via e-mail at [sdoran@simon.com](mailto:sdoran@simon.com).

### Conference Call

The Company will provide an online simulcast of its fourth quarter conference call at [www.shopsimon.com](http://www.shopsimon.com) (Corporate Info tab), [www.companyboardroom.com](http://www.companyboardroom.com), and [www.streetevents.com](http://www.streetevents.com). To listen to the live call, please go to either of these websites at least fifteen minutes prior to the call to register, download and install any necessary audio software. The call will begin at 11:00 a.m. Eastern Standard Time tomorrow, February 7th. An online replay will be available for approximately 90 days at [www.shopsimon.com](http://www.shopsimon.com).

**SIMON<sup>(A)</sup>**  
**Combined Statements of Operations**  
**Unaudited**  
**(In thousands, except as noted)**

For the Three Months Ended December 31,		For the Twelve Months Ended December 31,	
2002 <sup>(B)</sup>	2001	2002 <sup>(B)</sup>	2001

<b>REVENUE:</b>				
Minimum rent	\$ 375,577	\$ 344,297	\$ 1,337,928	\$ 1,271,142
Overage rent	22,960	22,953	47,977	48,534
Tenant reimbursements	185,408	165,245	658,894	606,516
Other income	38,684	36,747	141,003	122,643
	<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>
<b>Total revenue</b>	622,629	569,242	2,185,802	2,048,835
<b>EXPENSES:</b>				
Property operating	92,385	85,970	364,848	329,030
Depreciation and amortization	127,207	129,098	480,012	453,557
Real estate taxes	57,733	50,870	217,579	198,190
Repairs and maintenance	23,020	21,593	77,472	77,940
Advertising and promotion	23,205	24,468	61,327	64,941
Provision for credit losses	1,993	591	8,972	8,415
Impairment on Investment Properties	—	47,000	—	47,000
Other	11,010	9,246	36,854	36,344
	<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>
<b>Total operating expenses</b>	336,553	368,836	1,247,064	1,215,417
<b>OPERATING INCOME</b>	286,076	200,406	938,738	833,418
Interest expense	152,258	150,687	602,972	607,625
	<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>
Income before minority interest	133,818	49,719	335,766	225,793
Minority interest	(4,129)	(2,876)	(10,498)	(10,593)
Gain (Loss) on sales of assets and other, net	(8,372)	58	162,011 <sup>(C)</sup>	2,610
	<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>
<b>Income before unconsolidated entities</b>	121,317	46,901	487,279	217,810
Loss from MerchantWired LLC, net	— <sup>(D)</sup>	(5,745)	(32,742) <sup>(D)</sup>	(18,104)
Income from other unconsolidated entities	26,628 <sup>(E)</sup>	37,811 <sup>(E)</sup>	92,811 <sup>(C),(E)</sup>	82,591 <sup>(E)</sup>
	<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>
<b>Income before extraordinary items and cumulative effect of accounting change</b>	147,945	78,967	547,348	282,297
Extraordinary items—Debt related transactions	(10)	408	14,307	163
Cumulative effect of accounting change	—	(62)	—	(1,700) <sup>(F)</sup>
	<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>
<b>Income before allocation to limited partners</b>	147,935	79,313	561,655	280,760
<b>LESS:</b>				
Limited partners' interest in the Operating Partnerships	33,109	16,126	127,727	55,526
Preferred distributions of the SPG Operating Partnership	2,835	2,835	11,340	11,417
Preferred dividends of subsidiary	—	—	—	14,668
	<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>
<b>NET INCOME</b>	111,991	60,352	422,588	199,149
Preferred dividends	(15,683)	(16,499)	(64,201)	(51,360)
	<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>
<b>NET INCOME AVAILABLE TO COMMON SHAREHOLDERS</b>	\$ 96,308	\$ 43,853	\$ 358,387	\$ 147,789
	<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>

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**SIMON<sup>(A)</sup>**  
**Per Share Data and Selected Mall Operating Statistics**  
**Unaudited**

	Three Months Ended December 31,		Twelve Months Ended December 31,	
	2002	2001	2002	2001
<b>PER SHARE DATA:</b>				
<b>Basic per share amounts:</b>				
Income before extraordinary items and cumulative effect of accounting change	\$ 0.52	\$ 0.25	\$ 1.93	\$ 0.87
Extraordinary items	—	—	0.06	—
Cumulative effect of accounting change	—	—	—	(0.01)
	<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>
<b>Net income available to Common Shareholders—Basic</b>	<b>\$ 0.52</b>	<b>\$ 0.25</b>	<b>\$ 1.99</b>	<b>\$ 0.86</b>
	<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>

**Diluted per share amounts:**

Before extraordinary items and cumulative effect of accounting change	\$ 0.52	\$ 0.25	\$ 1.93	\$ 0.86
Extraordinary items	—	—	0.06	—
Cumulative effect of accounting change	—	—	—	(0.01)
<b>Net income available to Common Shareholders—Diluted</b>	<b>\$ 0.52</b>	<b>\$ 0.25</b>	<b>\$ 1.99</b>	<b>\$ 0.85</b>

**SELECTED REGIONAL MALL OPERATING STATISTICS**

	December 31, 2002	December 31, 2001
Occupancy <sup>(G)</sup>	92.7%	91.9%
Average rent per square foot <sup>(G)</sup>	\$ 30.70	\$ 29.28
Total sales volume (in millions) <sup>(H)</sup>	\$ 17,971	\$ 16,941
Comparable sales per square foot <sup>(H)</sup>	\$ 391	\$ 383
Total sales per square foot <sup>(H)</sup>	\$ 386	\$ 378

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**SIMON<sup>(A)</sup>**  
**Reconciliation of Net Income to Funds from Operations ("FFO")**  
**Unaudited**  
**(In thousands, except as noted)**

	Three Months Ended December 31,		Twelve Months Ended December 31,	
	2002	2001	2002	2001
Income before extraordinary items and cumulative effect of accounting change <sup>(I) (J)</sup>	\$ 147,945	\$ 78,967	\$ 547,348	\$ 282,297
Plus: Depreciation and amortization from combined consolidated properties	126,623	128,883	478,379	452,428
Plus: Simon's share of depreciation and amortization from unconsolidated entities	42,563	40,139	150,217	138,814
Plus: Simon's share of MerchantWired LLC impairment charge and write-off, net of tax benefit	—	—	26,695 <sup>(D)</sup>	—
Plus: Write-off of Technology Investments	—	—	—	16,645
Plus: Impairment on investment properties	—	47,000	—	47,000
Less: (Gain) Loss on sales of real estate, net	8,372	(58)	(162,011) <sup>(C)</sup>	(2,610)
Less: Simon's share of adjustment to market value for acquired in place leases (FASB 141)	(4,984)	—	(4,984)	—
Less: Management Co. gain on sale of real estate, net	—	—	(8,400) <sup>(C)</sup>	—
Less: Minority interest portion of depreciation, amortization and extraordinary items	(2,268)	(2,485)	(7,943)	(7,012)
Less: Preferred distributions (including those of subsidiary)	(18,518)	(19,334)	(75,541)	(77,445)
<b>FFO of the Simon Portfolio</b>	<b>\$ 299,733</b>	<b>\$ 273,112</b>	<b>\$ 943,760</b>	<b>\$ 850,117</b>
FFO of the Simon Portfolio	\$ 299,733	\$ 273,112	\$ 943,760	\$ 850,117
FFO Allocable to the LP Unitholders	(77,124)	(74,057)	(247,303)	(232,097)
<b>Basic FFO Allocable to the Companies</b>	<b>222,609</b>	<b>199,055</b>	<b>696,457</b>	<b>618,020</b>
Impact of Series A and B Preferred Stock	—	—	—	—
Conversion & Option Exercise <sup>(K)</sup>	10,257	10,817	38,274	39,041
<b>Diluted FFO Allocable to the Companies</b>	<b>\$ 232,866</b>	<b>\$ 209,872</b>	<b>\$ 734,731</b>	<b>\$ 657,061</b>
Basic Weighted Average Paired Shares Outstanding	185,539	173,427	179,910	172,669
Effect of Stock Options	654	279	672	358
Impact of Series A Preferred 6.5% Convertible Stock	1	1,894	919	1,912
Impact of Series B Preferred 6.5% Convertible Stock	12,491	12,491	12,491	12,491
<b>Diluted Weighted Average Number of Equivalent Paired Shares</b>	<b>198,685</b>	<b>188,091</b>	<b>193,992</b>	<b>187,430</b>
<b>Basic FFO Per Paired Share:</b>				
Basic FFO Allocable to the Companies	\$ 222,609	\$ 199,055	\$ 696,457	\$ 618,020
Basic Weighted Average Paired Shares Outstanding	185,539	173,427	179,910	172,669
Basic FFO per Paired Share	\$ 1.20	\$ 1.15	\$ 3.87	\$ 3.58
Percent Increase	4.5%		8.2%	

**Diluted FFO per Paired Share:**

Diluted FFO Allocable to the Companies	\$	232,866	\$	209,872	\$	734,731	\$	657,061
Diluted Weighted Average Number of Equivalent Paired Shares		198,685		188,091		193,992		187,430
Diluted FFO per Paired Share	\$	1.17	\$	1.12	\$	3.79	\$	3.51
<i>Percent Increase</i>		4.5%				8.0%		

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**SIMON<sup>(A)</sup>**  
**Combined Balance Sheets**  
(In thousands, except as noted)

	Unaudited	
	December 31, 2002 <sup>(B)</sup>	December 31, 2001
<b>ASSETS:</b>		
Investment properties, at cost	\$ 14,249,615	\$ 13,194,396
Less—accumulated depreciation	2,222,242	1,877,175
	12,027,373	11,317,221
Cash and cash equivalents	397,129	259,760
Tenant receivables and accrued revenue, net	311,361	316,842
Notes and advances receivable from Management Company and affiliates	75,105	79,738
Investment in unconsolidated entities, at equity	1,665,654	1,451,137
Goodwill, net	37,212	37,212
Deferred costs, other assets, and minority interest, net	390,668	349,044
<b>Total assets</b>	<b>\$ 14,904,502</b>	<b>\$ 13,810,954</b>
<b>LIABILITIES:</b>		
Mortgages and other indebtedness	\$ 9,546,081	\$ 8,841,378
Accounts payable, accrued expenses and deferred revenue	624,505	544,431
Cash distributions and losses in partnerships and joint ventures, at equity	13,898	26,084
Other liabilities, minority interest, and accrued dividends	228,508	213,279
<b>Total liabilities</b>	<b>10,412,992</b>	<b>9,625,172</b>
<b>COMMITMENTS AND CONTINGENCIES</b>		
LIMITED PARTNERS' INTEREST IN THE OPERATING PARTNERSHIPS	872,925	820,239
LIMITED PARTNERS' PREFERRED INTEREST IN THE SPG OPERATING PARTNERSHIP	150,852	150,852
<b>SHAREHOLDERS' EQUITY</b>		
CAPITAL STOCK OF SIMON PROPERTY GROUP, INC. (750,000,000 total shares authorized, \$.0001 par value, 237,996,000 shares of excess common stock):		
All series of preferred stock, 100,000,000 shares authorized, 16,830,057 and 16,879,896 issued and outstanding, respectively. Liquidation values \$858,006 and \$907,845, respectively.	814,254	877,468
Common stock, \$.0001 par value, 400,000,000 shares authorized, 184,438,095 and 172,700,861 issued, respectively	18	17
Class B common stock, \$.0001 par value, 12,000,000 shares authorized, 3,200,000 issued and outstanding	1	1
Class C common stock, \$.0001 par value, 4,000 shares authorized, issued and outstanding	—	—
Capital in excess of par value	3,685,524	3,347,567
Accumulated deficit	(961,339)	(927,654)
Accumulated other comprehensive income	(7,471)	(9,893)
Unamortized restricted stock award	(10,736)	(20,297)
Common stock held in treasury at cost, 2,098,555 shares	(52,518)	(52,518)
<b>Total shareholders' equity</b>	<b>3,467,733</b>	<b>3,214,691</b>
	<b>\$ 14,904,502</b>	<b>\$ 13,810,954</b>

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**SIMON<sup>(A)</sup>**  
**Combined Joint Venture Statements of Operations**

**Unaudited**  
**(In thousands, except as noted)**

	For the Three Months Ended December 31,		For the Twelve Months Ended December 31,	
	2002 <sup>(B)</sup>	2001	2002 <sup>(B)</sup>	2001
<b>REVENUE:</b>				
Minimum rent	\$ 228,624	\$ 196,276	\$ 808,607	\$ 691,469
Overage rent	15,969	12,808	29,279	25,640
Tenant reimbursements	116,568	99,552	409,925	349,134
Other income	20,239	15,682	55,409	44,752
<b>Total revenue</b>	<b>381,400</b>	<b>324,318</b>	<b>1,303,220</b>	<b>1,110,995</b>
<b>EXPENSES:</b>				
Property operating	54,966	49,120	210,800	182,489
Depreciation and amortization	63,846	58,446	234,775	203,910
Real estate taxes	34,472	28,771	126,660	112,309
Repairs and maintenance	22,956	15,901	71,054	51,689
Advertising and promotion	15,247	14,808	39,164	36,405
Provision for credit losses	5,214	456	9,168	5,070
Other	14,350	9,358	34,466	20,583
<b>Total operating expenses</b>	<b>211,051</b>	<b>176,860</b>	<b>726,087</b>	<b>612,455</b>
<b>OPERATING INCOME</b>	<b>170,349</b>	<b>147,458</b>	<b>577,133</b>	<b>498,540</b>
Interest expense	89,677	78,871	338,299	307,849
<b>Income before minority interest and unconsolidated entities</b>	<b>80,672</b>	<b>68,587</b>	<b>238,834</b>	<b>190,691</b>
Income from unconsolidated entities	3,222	—	3,062	—
Minority interest	(362)	—	(751)	—
Income from continuing operations	83,532	68,587	241,145	190,691
Income from discontinued joint venture partnership interests <sup>(L)</sup>	0	11,037	14,346	32,562
<b>Income before extraordinary items and cumulative effect of accounting change ("IBEC")</b>	<b>83,532</b>	<b>79,624</b>	<b>255,491</b>	<b>223,253</b>
Extraordinary items	—	—	—	(295)
Cumulative effect of accounting change	—	(128)	—	(3,011) <sup>(F)</sup>
<b>NET INCOME</b>	<b>\$ 83,532</b>	<b>\$ 79,496</b>	<b>\$ 255,491</b>	<b>\$ 219,947</b>
<b>Third-party investors' share of IBEC</b>	<b>\$ 48,914</b>	<b>\$ 46,401</b>	<b>\$ 150,161</b>	<b>\$ 134,748</b>
<b>Our share of IBEC</b>	<b>34,618</b>	<b>33,223</b>	<b>105,330</b>	<b>88,505</b>
<b>Amortization of excess investment</b>	<b>9,432</b>	<b>5,230</b>	<b>26,635</b>	<b>21,279</b>
<b>Income from unconsolidated joint ventures</b>	<b>\$ 25,186</b>	<b>\$ 27,993</b>	<b>\$ 78,695</b>	<b>\$ 67,226</b>

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**SIMON<sup>(A)</sup>**  
**Combined Joint Venture Balance Sheets**  
**Unaudited**  
**(In thousands, except as noted)**

	December 31, 2002	December 31, 2001
<b>ASSETS:</b>		
Investment properties, at cost	\$ 8,160,065	\$ 6,958,470
Less—accumulated depreciation	1,327,751	1,070,594
	6,832,314	5,887,876
Net investment properties, at cost of discontinued joint venture partnership interests <sup>(L)</sup>	—	1,002,274



Cash and cash equivalents	199,634	167,173
Tenant receivables	199,675	164,647
Investment in unconsolidated entities	6,966	—
Other assets	190,561	134,504
Other assets of discontinued joint venture partnership interests <sup>(L)</sup>	—	101,868
<b>Total assets</b>	<b>\$ 7,429,150</b>	<b>\$ 7,458,342</b>
<b>LIABILITIES AND PARTNERS' EQUITY:</b>		
Mortgages and other notes payable	\$ 5,306,465	\$ 4,721,711
Mortgages of discontinued joint venture partnership interests <sup>(L)</sup>	—	967,677
	5,306,465	5,689,388
Accounts payable and accrued expenses	289,793	191,440
Other liabilities	66,090	85,137
Other liabilities discontinued joint venture partnership interests <sup>(L)</sup>	—	28,772
<b>Total liabilities</b>	<b>5,662,348</b>	<b>5,994,737</b>
Preferred Units	125,000	—
Partners' equity	1,641,802	1,463,605
<b>Total liabilities and partners' equity</b>	<b>\$ 7,429,150</b>	<b>\$ 7,458,342</b>
<b>Our Share of:</b>		
<b>Total assets</b>	<b>\$ 3,123,011</b>	<b>\$ 3,088,952</b>
Partners' equity	\$ 724,511	\$ 754,056
Add: Excess Investment, net	831,728	563,278
<b>Our net investment in joint ventures</b>	<b>\$ 1,556,239</b>	<b>\$ 1,317,334</b>
<b>Mortgages and other notes payable</b>	<b>\$ 2,279,609</b>	<b>\$ 2,392,522</b>

"Excess Investment" represents the unamortized difference of our investment over our share of the equity in the underlying net assets of the partnerships and joint ventures acquired. We amortize excess investment over the life of the related Properties, typically 35 years, and the amortization is included in income from unconsolidated entities.

**SIMON<sup>(A)</sup>**  
**Footnotes to Financial Statements**  
**Unaudited**

**Notes:**

- (A) On December 31, 2002, Simon Property Group, Inc. merged with its paired share affiliate, SPG Realty Consultants, Inc. The Statements of Operations and Balance Sheets represent the combined, condensed financial statements of Simon Property Group Inc. and SPG Realty Consultants, Inc.
- (B) 2002 results reflect the acquisition of assets from Rodamco North America N.V. on May 3, 2002. The portfolio acquired by Simon consists primarily of interests in 13 high-quality, highly productive regional malls in the United States.
- (C) Primary components: sale of 50% interest in Orlando Premium Outlets (\$39 million); sale of joint venture interests in five "Mills" properties (\$123 million) and partial sale of Miami International Mall (\$26 million); offset by the write-off of certain predevelopment and land costs (\$17 million), loss on sale of Machesney Mall (\$5 million), and loss on sale of Wichita Mall (\$2 million). An additional \$8.4 million gain, net of tax, related to the sale of joint venture interests in five "Mills" properties was recorded by the management company and is reflected in income from other unconsolidated entities.
- (D) Consists of operating losses, net of tax, of \$0 million and \$6 million and write-downs, net of tax, of \$0 million and \$26.7 million for the three months and twelve months ended December 31, 2002, respectively. MerchantWired was a network infrastructure business in which the Company owned a 53% interest. The members of MerchantWired LLC concluded during the second quarter that there were no viable alternatives except to discontinue MerchantWired's operations. The network remained active until all MerchantWired retail customers were transferred to alternative service providers on September 3, 2002. No further operating losses or investments are expected.
- (E) Consists of income from unconsolidated joint ventures (presented in the attached financial statements) plus the Company's share of income (loss) from the management company of \$1.4 million and \$9.8 million for the three months ended December 31, 2002 and 2001, respectively, and \$14.1 million and \$15.3 million for the twelve months ended December 31, 2002 and 2001, respectively.
- (F) Due to the adoption of SFAS 133—Accounting for Derivatives and Financial Instruments on January 1, 2001.

- (G) Includes mall and freestanding stores.
- (H) Based on the standard definition of sales for regional malls adopted by the International Council of Shopping Centers, which includes only mall and freestanding stores.
- (I) Includes gains on land sales of \$11.1 million and \$7.6 million for the three months ended December 31, 2002 and 2001, respectively and \$39.4 million and \$15.7 million for the twelve months ended December 31, 2002 and 2001, respectively.
- (J) Includes straight-line adjustments to minimum rent of \$3.4 million and \$5.5 million for the three months ended December 31, 2002 and 2001, respectively and \$10.2 million and \$14.9 million for the twelve months ended December 31, 2002 and 2001, respectively.
- (K) Includes dividends of Series A and B Preferred Stock allocable to the Companies as well as increased allocation of FFO to the Company as a result of assumed increase in the number of common shares outstanding.
- (L) Discontinued Joint Venture Partnership Interests represent those partnership interests that have been sold or consolidated. Consolidation occurs when the Company acquires additional ownership interests in a partnership and as a result gains control. These interests have been separated from operational interests to present comparative balance sheets and results of operations.

## QuickLinks

[Exhibit 99.2](#)

[SIMON<sup>\(A\)</sup> Combined Statements of Operations Unaudited \(In thousands, except as noted\)](#)

[SIMON<sup>\(A\)</sup> Per Share Data and Selected Mall Operating Statistics Unaudited](#)

[SIMON<sup>\(A\)</sup> Combined Balance Sheets \(In thousands, except as noted\)](#)

[SIMON<sup>\(A\)</sup> Combined Joint Venture Statements of Operations Unaudited \(In thousands, except as noted\)](#)