



Simon® Reports Third Quarter 2024 Results, Affirms Full Year 2024 Guidance and Raises Quarterly Dividend

November 1, 2024

INDIANAPOLIS, Nov. 1, 2024 /PRNewswire/ -- Simon®, a real estate investment trust engaged in the ownership of premier shopping, dining, entertainment and mixed-use destinations, today reported results for the quarter ended September 30, 2024.



"We are pleased with our quarterly results highlighted by strong financial and operational performance, the very successful openings of Tulsa Premium Outlets and the expansion of Busan Premium Outlets," said David Simon, Chairman, Chief Executive Officer and President. "Today we are pleased to raise our dividend for the fourth consecutive quarter, to \$2.10 per share, a year-over-year increase of 10.5%."

Results for the Quarter

- Net income attributable to common stockholders was \$475.2 million, or \$1.46 per diluted share, as compared to \$594.1 million, or \$1.82 per diluted share in 2023.
 - Net income for the third quarter of 2024 includes a non-cash net loss of \$49.3 million, or \$0.13 per diluted share, due to a mark-to-market in fair value adjustment of the Klépierre exchangeable bonds the Company issued in November 2023.
 - Net income for the third quarter of 2023 included non-cash after-tax gains of \$118.1 million, or \$0.32 per diluted share primarily due to the partial sale of the Company's ownership interest in its SPARC Group joint venture ("SPARC").
- Real Estate Funds From Operations ("Real Estate FFO") was \$1.144 billion, or \$3.05 per diluted share as compared to \$1.091 billion, or \$2.91 per diluted share in the prior year, an increase of 4.8% year-over-year.
- Funds From Operations ("FFO") was \$1.067 billion, or \$2.84 per diluted share as compared to \$1.201 billion, or \$3.20 per diluted share in the prior year, inclusive of the \$0.13 per diluted share loss in the current period and the \$0.32 per diluted share gains in the prior year period mentioned above.
- Domestic property Net Operating Income ("NOI") increased 5.4% and portfolio NOI increased 5.0% compared to the prior year period.

Results for the Nine Months

- Net income attributable to common stockholders was \$1.700 billion, or \$5.22 per diluted share, as compared to \$1.532 billion, or \$4.68 per diluted share in 2023.
 - Net income for the nine months of 2024 includes an after-tax gain of \$311.1 million, or \$0.83 per diluted share from the sale of the Company's remaining ownership interest in Authentic Brands Group in the first quarter and a non-cash net loss of \$54.1 million, or \$0.14 per diluted share due to a mark-to-market in fair value adjustments of the Klépierre exchangeable bonds.
 - Net income for the nine months of 2023 included non-cash after-tax gains of \$145.5 million or \$0.39 per diluted share due to the gain in SPARC referenced above and a dilution of our ownership interest in Authentic Brands Group.
- Real Estate FFO was \$3.335 billion, or \$8.90 per diluted share as compared to \$3.201 billion, or \$8.55 per diluted share in the prior year, an increase of 4.1% year-over-year.
- FFO was \$3.488 billion, or \$9.30 per diluted share as compared to \$3.304 billion, or \$8.82 per diluted share in the prior year, inclusive of the items referenced above.
- Domestic property NOI increased 4.8% and portfolio NOI increased 4.6% compared to the prior year period.

U.S. Malls and Premium Outlets Operating Statistics

- Occupancy at September 30, 2024 was 96.2%, a 1.0% increase compared to 95.2% at September 30, 2023.
- Base minimum rent per square foot was \$57.71 at September 30, 2024, compared to \$56.41 at September 30, 2023, an increase of 2.3%.
- Reported retailer sales per square foot was \$737 for the trailing 12 months ended September 30, 2024.

Development Activity

On August 15th, Tulsa Premium Outlets (Jenks, Oklahoma) opened with 338,000 square feet featuring a dynamic mix of merchandise, amenities and experiences. Simon owns 100% of this center.

On September 12th, the 184,000 square-foot, phase two expansion of Busan Premium Outlets (Busan, South Korea) opened featuring new fashion and sports brands, in vogue food and beverage brands and ample gathering and green spaces. Simon owns 50% of this center.

Capital Markets and Balance Sheet Liquidity

During the quarter, the Company completed a senior notes offering totaling \$1.0 billion with a term of 10 years and 4.75% coupon.

The Company also amended and extended its \$3.5 billion unsecured multi-currency revolving credit facility. The facility will initially mature on January 31, 2029 and at our sole option, can be extended for an additional year to January 31, 2030. Based upon the Company's current credit ratings, the interest on the new revolver for U.S. Dollar borrowings is unchanged at SOFR plus 82.5 basis points (inclusive of a 10 basis point SOFR spread adjustment).

During the first nine months, the Company completed 14 non-recourse mortgage loans totaling approximately \$1.3 billion (U.S. dollar equivalent), of which Simon's share was \$651 million. The weighted average interest rate on these loans was 6.13%.

As of September 30, 2024, Simon had approximately \$11.1 billion of liquidity consisting of \$3.0 billion of cash on hand, including its share of joint venture cash, and \$8.1 billion of available capacity under its revolving credit facilities.

Dividends

Today, Simon's Board of Directors declared a quarterly common stock dividend of \$2.10 for the fourth quarter of 2024. This is an increase of \$0.20, or 10.5% year-over-year. The dividend will be payable on December 30, 2024 to shareholders of record on December 9, 2024.

Simon's Board of Directors declared the quarterly dividend on its 8 3/8% Series J Cumulative Redeemable Preferred Stock (NYSE: SPGRJ) of \$1.046875 per share, payable on December 30, 2024 to shareholders of record on December 16, 2024.

2024 Guidance

The Company currently estimates net income to be within a range of \$7.18 to \$7.28 per diluted share and FFO to be within a range of \$12.80 to \$12.90 per diluted share, excluding the \$0.14 per diluted share of unrealized losses in fair value adjustments of the Klépierre exchangeable bonds and publicly traded equity instruments, net for the year ending December 31, 2024.

The following table provides the GAAP to non-GAAP reconciliation for the expected range of estimated net income attributable to common stockholders per diluted share to FFO per diluted share:

For the year ending December 31, 2024

	Low End	High End
Estimated net income attributable to common stockholders per diluted share	\$7.18	\$7.28
Depreciation and amortization including Simon's share of unconsolidated entities	5.50	5.50
Gain on acquisition of controlling interest, sale or disposal of, or recovery on, assets and interest in unconsolidated entities and impairment, net	<u>(0.02)</u>	<u>(0.02)</u>
Estimated FFO per diluted share	\$12.66	\$12.76
Unrealized losses in fair value adjustments of the Klépierre exchangeable bonds and publicly traded equity instruments, net	<u>0.14</u>	<u>0.14</u>
Estimated FFO per diluted share, excluding unrealized losses in fair value adjustments of the Klépierre exchangeable bonds and publicly traded equity instruments, net	<u>\$12.80</u>	<u>\$12.90</u>

Conference Call

Simon will hold a conference call to discuss the quarterly financial results today from 10:00 a.m. to 11:00 a.m. Eastern Time, Friday, November 1, 2024. A live webcast of the conference call will be accessible in listen-only mode at investors.simon.com. An audio replay of the conference call will be available until November 8, 2024. To access the audio replay, dial 1-844-512-2921 (international +1-412-317-6671) passcode 13749300.

Supplemental Materials and Website

Supplemental information on our third quarter 2024 performance is available at investors.simon.com. This information has also been furnished to the SEC in a current report on Form 8-K.

We routinely post important information online on our investor relations website, investors.simon.com. We use this website, press releases, SEC filings, quarterly conference calls, presentations and webcasts to disclose material, non-public information in accordance with Regulation FD. We encourage members of the investment community to monitor these distribution channels for material disclosures. Any information accessed through our website is not incorporated by reference into, and is not a part of, this document.

Non-GAAP Financial Measures

This press release includes FFO, FFO per share, Real Estate FFO, Real Estate FFO per share and portfolio NOI growth which are financial performance measures not defined by generally accepted accounting principles in the United States ("GAAP"). Real estate FFO is FFO of the operating partnership less other platform investments and gain on disposal, exchange, or revaluation of equity interests, in each case, net of tax; and unrealized losses (gains) in fair value of publicly traded equity instruments and derivative instrument, net. Reconciliations of these non-GAAP financial measures to the most directly comparable GAAP measures are included in this press release and in Simon's supplemental information for the quarter. FFO and NOI growth are financial performance measures widely used in the REIT industry. Our definitions of these non-GAAP measures may not be the same as similar measures reported by other REITs.

Forward-Looking Statements

Certain statements made in this press release may be deemed "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. Although the Company believes the expectations reflected in any forward-looking statements are based on reasonable assumptions, the Company can give no assurance that its expectations will be attained, and it is possible that the Company's actual results may differ materially from those indicated by these forward-looking statements due to a variety of risks, uncertainties and other factors. Such factors include, but are not limited to: changes in economic and market conditions that may adversely affect the general retail environment, including but not limited to those caused by inflation, recessionary pressures, wars, escalating geopolitical tensions as a result of the war in Ukraine and the conflicts in the Middle East, and supply chain disruptions; the inability to renew leases and relet vacant space at existing properties on favorable terms; the inability to collect rent due to the bankruptcy or insolvency of tenants or otherwise; the potential loss of anchor stores or major tenants; an increase in vacant space at our properties; the potential for violence, civil unrest, criminal activity or terrorist activities at our properties; natural disasters; the availability of comprehensive insurance coverage; the intensely competitive market environment in the retail industry, including e-commerce; security breaches that could compromise our information technology or infrastructure; reducing emissions of greenhouse gases; environmental liabilities; our international activities subjecting us to risks that are different from or greater than those associated with our domestic operations, including changes in foreign exchange rates; our continued ability to maintain our status as a REIT; changes in tax laws or regulations that result in adverse tax consequences; risks associated with the acquisition, development, redevelopment, expansion, leasing and management of properties; the inability to lease newly developed properties on favorable terms; the loss of key management personnel; uncertainties regarding the impact of pandemics, epidemics or public health crises, and the associated governmental restrictions on our business, financial condition, results of operations, cash flow and liquidity; changes in market rates of interest; the impact of our substantial indebtedness on our future operations, including covenants

in the governing agreements that impose restrictions on us that may affect our ability to operate freely; any disruption in the financial markets that may adversely affect our ability to access capital for growth and satisfy our ongoing debt service requirements; any change in our credit rating; risks relating to our joint venture properties, including guarantees of certain joint venture indebtedness; and general risks related to real estate investments, including the illiquidity of real estate investments.

The Company discusses these and other risks and uncertainties under the heading "Risk Factors" in its annual and quarterly periodic reports filed with the SEC. The Company may update that discussion in subsequent other periodic reports, but except as required by law, the Company undertakes no duty or obligation to update or revise these forward-looking statements, whether as a result of new information, future developments, or otherwise.

About Simon

[Simon](#)[®] is a real estate investment trust engaged in the ownership of premier shopping, dining, entertainment and mixed-use destinations and an S&P 100 company (Simon Property Group, NYSE: SPG). Our properties across North America, Europe and Asia provide community gathering places for millions of people every day and generate billions in annual sales.

Simon Property Group, Inc.
Unaudited Consolidated Statements of Operations
(Dollars in thousands, except per share amounts)

	For the Three Months Ended September 30,		For the Nine Months Ended September 30,	
	2024	2023	2024	2023
REVENUE:				
Lease income	\$ 1,339,824	\$ 1,298,737	\$ 3,958,236	\$ 3,801,880
Management fees and other revenues	33,461	30,055	96,103	92,511
Other income	107,425	82,156	327,227	237,007
Total revenue	1,480,710	1,410,948	4,381,566	4,131,398
EXPENSES:				
Property operating	141,114	136,541	398,520	366,553
Depreciation and amortization	320,365	315,259	937,749	941,851
Real estate taxes	93,999	115,456	299,848	338,452
Repairs and maintenance	23,019	22,660	73,272	67,837
Advertising and promotion	34,138	28,809	101,046	86,713
Home and regional office costs	53,351	47,679	164,556	154,505
General and administrative	9,171	9,070	29,141	28,235
Other	37,784	41,240	120,384	132,369
Total operating expenses	712,941	716,714	2,124,516	2,116,515
OPERATING INCOME BEFORE OTHER ITEMS	767,769	694,234	2,257,050	2,014,883
Interest expense	(226,424)	(212,210)	(678,382)	(629,725)
Gain on disposal, exchange, or revaluation of equity interests, net	-	158,192	414,769	194,629
Income and other tax expense	(2,605)	(43,218)	(55,170)	(40,252)
Income from unconsolidated entities	58,504	95,480	66,375	207,835
Unrealized (losses) gains in fair value of publicly traded equity instruments and derivative instrument, net	(49,345)	(6,175)	(54,132)	20,049
(Loss) gain on acquisition of controlling interest, sale or disposal of, or recovery on, assets and interests in unconsolidated entities and impairment, net	(1,228)	(5,541)	6,752	(9,897)
CONSOLIDATED NET INCOME	546,671	680,762	1,957,262	1,757,522
Net income attributable to noncontrolling interests	70,676	85,789	254,431	222,710
Preferred dividends	834	834	2,503	2,503
NET INCOME ATTRIBUTABLE TO COMMON STOCKHOLDERS	\$ 475,161	\$ 594,139	\$ 1,700,328	\$ 1,532,309
BASIC AND DILUTED EARNINGS PER COMMON SHARE:				
Net income attributable to common stockholders	\$ 1.46	\$ 1.82	\$ 5.22	\$ 4.68

Simon Property Group, Inc.
Unaudited Consolidated Balance Sheets
(Dollars in thousands, except share amounts)

	September 30,	December 31,
	2024	2023
ASSETS:		
Investment properties, at cost	\$ 39,939,215	\$ 39,285,138
Less - accumulated depreciation	18,625,523	17,716,788
	21,313,692	21,568,350
Cash and cash equivalents	2,170,102	1,168,991
Short-term investments	300,000	1,000,000

Tenant receivables and accrued revenue, net	767,756	826,126
Investment in TRG, at equity	2,870,048	3,049,719
Investment in Klépierre, at equity	1,463,679	1,527,872
Investment in other unconsolidated entities, at equity	2,628,159	3,540,648
Right-of-use assets, net	521,386	484,073
Deferred costs and other assets	1,241,096	1,117,716
Total assets	\$ 33,275,918	\$ 34,283,495

LIABILITIES:

Mortgages and unsecured indebtedness	\$ 25,417,558	\$ 26,033,423
Accounts payable, accrued expenses, intangibles, and deferred revenues	1,619,747	1,693,248
Cash distributions and losses in unconsolidated entities, at equity	1,733,935	1,760,922
Dividend payable	2,069	1,842
Lease liabilities	522,091	484,861
Other liabilities	658,282	621,601
Total liabilities	29,953,682	30,595,897

Commitments and contingencies

Limited partners' preferred interest in the Operating Partnership and noncontrolling redeemable interests	182,879	195,949
---	---------	---------

EQUITY:

Stockholders' Equity

Capital stock (850,000,000 total shares authorized, \$0.0001 par value, 238,000,000 shares of excess common stock, 100,000,000 authorized shares of preferred stock):

Series J 8 3/8% cumulative redeemable preferred stock, 1,000,000 shares authorized, 796,948 issued and outstanding with a liquidation value of \$39,847	40,860	41,106
---	--------	--------

Common stock, \$0.0001 par value, 511,990,000 shares authorized, 342,945,839 and 342,895,886 issued and outstanding, respectively	33	33
---	----	----

Class B common stock, \$0.0001 par value, 10,000 shares authorized, 8,000 issued and outstanding	-	-
--	---	---

Capital in excess of par value	11,343,428	11,406,236
Accumulated deficit	(6,358,449)	(6,095,576)
Accumulated other comprehensive loss	(206,340)	(172,787)
Common stock held in treasury, at cost, 16,675,701 and 16,983,364 shares, respectively	(2,106,396)	(2,156,178)

Total stockholders' equity	2,713,136	3,022,834
Noncontrolling interests	426,221	468,815

Total equity	3,139,357	3,491,649
Total liabilities and equity	\$ 33,275,918	\$ 34,283,495

Simon Property Group, Inc.

Unaudited Joint Venture Combined Statements of Operations
(Dollars in thousands)

	For the Three Months Ended September 30,		For the Nine Months Ended September 30,	
	2024	2023	2024	2023
REVENUE:				
Lease income	\$ 763,185	\$ 743,388	\$ 2,257,101	\$ 2,212,197
Other income	92,151	129,021	277,915	357,261
Total revenue	855,336	872,409	2,535,016	2,569,458
OPERATING EXPENSES:				
Property operating	171,027	165,406	494,210	475,364
Depreciation and amortization	155,472	159,560	473,394	483,361
Real estate taxes	56,683	63,607	180,967	192,550
Repairs and maintenance	17,382	19,034	55,016	55,452
Advertising and promotion	20,098	19,188	63,292	58,702
Other	53,225	63,696	161,735	180,213
Total operating expenses	473,887	490,491	1,428,614	1,445,642
OPERATING INCOME BEFORE OTHER ITEMS	381,449	381,918	1,106,402	1,123,816
Interest expense	(176,583)	(172,523)	(532,692)	(508,230)
Gain on sale or disposal of, or recovery on, assets and interests in unconsolidated entities, net	-	19,395	-	20,529
NET INCOME	\$ 204,866	\$ 228,790	\$ 573,710	\$ 636,115

Third-Party Investors' Share of Net Income	<u>\$ 104,298</u>	<u>\$ 124,272</u>	<u>\$ 291,517</u>	<u>\$ 329,338</u>
Our Share of Net Income	100,568	104,518	282,193	306,777
Amortization of Excess Investment (A)	(14,404)	(14,933)	(43,564)	(44,781)
Our Share of Gain on Sale or Disposal of, or Recovery on, Assets and Interests in Unconsolidated Entities, net	-	-	-	(454)
Income from Unconsolidated Entities (B)	<u>\$ 86,164</u>	<u>\$ 89,585</u>	<u>\$ 238,629</u>	<u>\$ 261,542</u>

Note: The above financial presentation does not include any information related to our investments in Klépierre S.A.

("Klépierre"), The Taubman Realty Group ("TRG") and other platform investments. For additional information, see footnote B.

Simon Property Group, Inc.

Unaudited Joint Venture Combined Balance Sheets

(Dollars in thousands)

	<u>September 30, 2024</u>	<u>December 31, 2023</u>
Assets:		
Investment properties, at cost	\$ 19,550,692	\$ 19,315,578
Less - accumulated depreciation	9,183,068	8,874,745
	<u>10,367,624</u>	<u>10,440,833</u>
Cash and cash equivalents	1,260,075	1,372,377
Tenant receivables and accrued revenue, net	503,076	505,933
Right-of-use assets, net	117,035	126,539
Deferred costs and other assets	566,932	537,943
Total assets	<u>\$ 12,814,742</u>	<u>\$ 12,983,625</u>
Liabilities and Partners' Deficit:		
Mortgages	\$ 14,104,896	\$ 14,282,839
Accounts payable, accrued expenses, intangibles, and deferred revenue	974,080	1,032,217
Lease liabilities	107,418	116,535
Other liabilities	380,694	368,582
Total liabilities	<u>15,567,088</u>	<u>15,800,173</u>
Preferred units	67,450	67,450
Partners' deficit	(2,819,796)	(2,883,998)
Total liabilities and partners' deficit	<u>\$ 12,814,742</u>	<u>\$ 12,983,625</u>
Our Share of:		
Partners' deficit	\$ (1,194,144)	\$ (1,258,809)
Add: Excess Investment (A)	1,109,624	1,173,852
Our net Investment in unconsolidated entities, at equity	<u>\$ (84,520)</u>	<u>\$ (84,957)</u>

Note: The above financial presentation does not include any information related to our investments in Klépierre,

TRG and other platform investments. For additional information, see footnote B.

Simon Property Group, Inc.

Unaudited Reconciliation of Non-GAAP Financial Measures (C)

(Amounts in thousands, except per share amounts)

Reconciliation of Consolidated Net Income to FFO and Real Estate FFO

	<u>For the Three Months Ended September 30,</u>		<u>For the Nine Months Ended September 30,</u>	
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
Consolidated Net Income (D)	\$ 546,671	\$ 680,762	\$ 1,957,262	\$ 1,757,522
Adjustments to Arrive at FFO:				
Depreciation and amortization from consolidated properties	316,593	313,053	926,582	933,669
Our share of depreciation and amortization from unconsolidated entities, including Klépierre, TRG and other corporate investments	209,225	207,607	630,460	622,258
Loss (gain) on acquisition of controlling interest, sale or disposal of, or recovery on, assets and interests in unconsolidated entities and impairment, net	1,228	5,541	(6,752)	9,897
Net loss attributable to noncontrolling interest holders in properties	1,047	1,149	1,733	751
Noncontrolling interests portion of depreciation and amortization, gain on consolidation of properties,				

and loss (gain) on disposal of properties	(6,820)	(6,045)	(17,416)	(16,255)
Preferred distributions and dividends	(1,239)	(1,313)	(3,772)	(3,939)

FFO of the Operating Partnership \$ 1,066,705 \$ 1,200,754 \$ 3,488,097 \$ 3,303,903

FFO of the Operating Partnership	\$ 1,066,705	\$ 1,200,754	\$ 3,488,097	\$ 3,303,903
Gain on disposal, exchange, or revaluation of equity interests, net of tax	-	(118,138)	(311,077)	(145,466)
Other platform investments, net of tax	28,306	1,969	104,089	62,647
Unrealized losses (gains) in fair value of publicly traded equity instruments and derivative instrument, net	49,345	6,175	54,132	(20,049)
Real Estate FFO	\$ 1,144,356	\$ 1,090,760	\$ 3,335,241	\$ 3,201,035

Diluted net income per share to diluted FFO per share reconciliation:

Diluted net income per share	\$ 1.46	\$ 1.82	\$ 5.22	\$ 4.68
Depreciation and amortization from consolidated properties and our share of depreciation and amortization from unconsolidated entities, including Klépierre, TRG and other corporate investments, net of noncontrolling interests portion of depreciation and amortization	1.37	1.37	4.10	4.11
Loss (gain) on acquisition of controlling interest, sale or disposal of, or recovery on, assets and interests in unconsolidated entities and impairment, net	0.01	0.01	(0.02)	0.03
Diluted FFO per share	\$ 2.84	\$ 3.20	\$ 9.30	\$ 8.82
Gain on disposal, exchange, or revaluation of equity interests, net of tax	-	(0.32)	(0.83)	(0.39)
Other platform investments, net of tax	0.08	0.01	0.29	0.17
Unrealized losses (gains) in fair value of publicly traded equity instruments and derivative instrument, net	0.13	0.02	0.14	(0.05)
Real Estate FFO per share	\$ 3.05	\$ 2.91	\$ 8.90	\$ 8.55
	4.8 %		4.1 %	

Details for per share calculations:

FFO of the Operating Partnership	\$ 1,066,705	\$ 1,200,754	\$ 3,488,097	\$ 3,303,903
Diluted FFO allocable to unitholders	(139,191)	(152,599)	(454,729)	(418,135)
Diluted FFO allocable to common stockholders	<u>\$ 927,514</u>	<u>\$ 1,048,155</u>	<u>\$ 3,033,368</u>	<u>\$ 2,885,768</u>
Basic and Diluted weighted average shares outstanding	326,158	327,159	326,036	327,101
Weighted average limited partnership units outstanding	48,939	47,658	48,876	47,396
Basic and Diluted weighted average shares and units outstanding	375,097	374,817	374,912	374,497
Basic and Diluted FFO per Share	\$ 2.84	\$ 3.20	\$ 9.30	\$ 8.82
Percent Change	-11.3 %		5.4 %	

Simon Property Group, Inc.

Footnotes to Unaudited Financial Information

Notes:

- (A) Excess investment represents the unamortized difference of our investment over equity in the underlying net assets of the related partnerships and joint ventures shown therein. The Company generally amortizes excess investment over the life of the related assets.
- (B) The Unaudited Joint Venture Combined Statements of Operations do not include any operations or our share of net income or excess investment amortization related to our investments in Klépierre, TRG and other platform investments. Amounts included in Footnote D below exclude our share of related activity for our investments in Klépierre, TRG and other platform investments. For further information on Klépierre, reference should be made to financial information in Klépierre's public filings and additional discussion and analysis in our Form 10-K.
- (C) This report contains measures of financial or operating performance that are not specifically defined by GAAP, including FFO, FFO per share, Real Estate FFO and Real Estate FFO per share. FFO is a performance measure that is standard in the REIT business. We believe FFO provides investors with additional information concerning our operating performance and a basis to compare our performance with those of other REITs. We also use these measures internally to monitor the operating performance of our portfolio. Our computation of these non-GAAP measures may not be the same as similar measures reported by other REITs.

We determine FFO based upon the definition set forth by the National Association of Real Estate Investment Trusts ("NAREIT") Funds From Operations White Paper - 2018 Restatement. Our main business includes acquiring, owning, operating, developing, and redeveloping real estate in conjunction with the rental of retail real estate. Gains and losses of assets incidental to our main business are included in FFO. We determine FFO to be our share of consolidated net income computed in accordance with GAAP, excluding real estate related depreciation and amortization, excluding gains and losses from extraordinary items, excluding gains and losses from the sale, disposal or property insurance recoveries of, or any impairment related to, depreciable retail operating properties, plus the allocable portion of FFO of unconsolidated joint ventures based upon economic ownership interest, and all determined on a consistent basis in accordance with GAAP. However, you should understand that FFO does not represent cash flow from operations as defined by GAAP, should not be considered as an alternative to net income determined in accordance with GAAP as a measure of operating performance, and is not an alternative to cash flows as a measure of liquidity.

- (D) Includes our share of:

- Gain on land sales of \$7.8 million and \$3.2 million for the three months ended September 30, 2024 and 2023, respectively, and \$15.3 million and \$7.8 million for the nine months ended September 30, 2024 and 2023, respectively.

- Straight-line adjustments increased (decreased) income by \$3.7 million and \$1.4 million for the three months ended September 30, 2024 and 2023, respectively, and (\$5.1) million and (\$10.4) million for the nine months ended September 30, 2024 and 2023, respectively.
- Amortization of fair market value of leases increased income by \$0.1 million and \$0.0 million for the three months ended September 30, 2024 and 2023, respectively, and \$0.4 million and \$0.2 million for the nine months ended September 30, 2024 and 2023, respectively.

 View original content to download multimedia: <https://www.prnewswire.com/news-releases/simon-reports-third-quarter-2024-results-affirms-full-year-2024-guidance-and-raises-quarterly-dividend-302294011.html>

SOURCE Simon

Tom Ward, 317-685-7330, Investors; Nicole Kennon, 704-804-1960, Media