Simon Property Group Completes Prime Outlets Transaction

August 30, 2010

INDIANAPOLIS, Aug 30, 2010 /PRNewswire via COMTEX/ --

Simon Property Group, Inc. (NYSE: SPG) ("Simon") today announced that it has completed its transaction with Prime Outlets Acquisition Company and certain of its affiliated entities ("Prime"), and that, in connection with the transaction, Simon has signed a proposed Consent Agreement with the Staff of the Federal Trade Commission ("FTC"). The Consent Agreement will now be forwarded to the Commission for its review and approval.

The Prime transaction adds 21 outlet center properties to Simon's portfolio, including Prime's Barceloneta outlet center in Puerto Rico which Simon acquired in May of this year. Simon previously announced that it had amended its agreement so that the owners of Prime will retain Prime Outlets-Saint Augustine as well as the Livermore and Grand Prairie development projects.

The completed transaction reflecting the amended agreement and including the Barceloneta outlet center is valued at approximately $2.3 billion, including the assumption of approximately $1.55 billion of Prime's existing indebtedness and preferred stock. Simon paid equity consideration to Prime's owners, generally comprised of 80% cash and 20% in SPG common operating partnership units.

David Simon, SPG Chairman and Chief Executive Officer, stated, "The Prime Outlets portfolio is an excellent strategic fit and presents a compelling opportunity for Simon to benefit from shoppers' increased demand for discounted brand-name merchandise. We believe that our strong track record of operational excellence, financial resources, and history of successful acquisitions, make us well positioned to improve the performance of these assets for the benefit of tenants, retailers and consumers."

Simon was advised in this transaction by UBS Investment Bank and J.P. Morgan Securities Inc.

About Simon Property Group

Simon Property Group, Inc. is an S&P 500 company and the largest real estate company in the U.S. The Company currently owns or has an interest in 393 retail real estate properties comprising 263 million square feet of gross leasable area in North America, Europe and Asia. Simon Property Group is headquartered in Indianapolis, Indiana and employs more than 5,000 people worldwide. The Company's common stock is publicly traded on the NYSE under the symbol SPG. For further information, visit the Simon Property Group website at www.simon.com.

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