SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT

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

Date of Report (Date of earliest event reported) : March 4, 1999

SIMON PROPERTY GROUP, INC.

(Exact name of registrant as specified in its charter)

Delaware	001-14469	046268599
(State or other jurisdiction of incorporation)	(Commission File Number)	(IRS Employer Identification No.)

115 WEST WASHINGTON STREET INDIANAPOLIS, INDIANA	46204
(Address of principal executive offices)	(Zip Code)

Registrant's telephone number, including area code: 317.636.1600

Not Applicable

(Former name or former address, if changed since last report)

Item 5. Other Events

On March 4, 1999, the Registrant made available additional ownership and operation information concerning the Registrant, SPG Realty Consultants, Inc. (the Registrant's paired-share affiliate), Simon Property Group, L.P., and properties owned or managed as of December 31, 1998, 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 available upon request as specified therein.

Item 7. Financial Statements and Exhibits

Financial Statements:

None

Exhibits:

Exhibit No.	Description	Page Number in This Filing
99	Supplemental Information as of December 31, 1998	4

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.

Dated: March 4, 1999

SIMON PROPERTY GROUP, INC.

By: /s/ Stephen E. Sterrett

Stephen E. Sterrett,
Treasurer

Exhibit 99

SIMON PROPERTY GROUP
SUPPLEMENTAL INFORMATION
Table of Contents
As of December 31, 1998

SIMON PROPERTY GROUP
Overview

The Company

Simon Property Group, Inc. ("SPG") (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 SPG. Shares of SPG are paired with beneficial interests in shares of stock of SPG Realty Consultants, Inc. ("SRC", and together with SPG, 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.

On September 24, 1998, the merger between Simon DeBartolo Group, Inc. ("SDG") and Corporate Property Investors, Inc. ("CPI"), a privately held real estate investment trust and its "paired share" affiliate was completed. The CPI merger added 22 high quality regional malls plus three office buildings to the Simon Group portfolio.

At December 31, 1998, the Company, directly or through the Operating Partnership, owned or had an interest in 242 properties which consisted of regional malls, community shopping centers, and specialty and mixed-use properties containing an aggregate of 166 million square feet of gross leasable area (GLA) in 35 states and one asset in Europe. The Company, together with its affiliated management companies, owned or managed approximately 180 million square feet of GLA in retail and mixed-use properties.

On February 24, 1999, SPG announced that it has entered into a definitive agreement to acquire a portfolio of up to 14 regional malls from New England Development Company (NED) and assume management responsibilities from NED's affiliated management company, WellsPark Management LLC. The purchase price for this 10.6 million square foot portfolio is $1.725 billion, which includes ten properties in Massachusetts, two in New Hampshire and one each in Connecticut and Virginia.

This package was prepared to provide (1) ownership information, (2) certain operational information, and (3) debt information as of December 31, 1998, for the Company and the Operating Partnership.

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. Investors are cautioned that forward-looking statements involve risks and uncertainties which may affect the business and prospects of the Company and the Operating Partnership, including the risks and uncertainties discussed in other periodic filings made by the Company and the Operating Partnership with the Securities and Exchange Commission.

We hope you find this Supplemental Package beneficial. Any questions, comments or suggestions should be directed to: Shelly J. Doran, Director of Investor Relations-Simon Property Group, P.O. Box 7033, Indianapolis, IN 46207 (317) 685-7330.

SIMON PROPERTY GROUP
ECONOMIC OWNERSHIP STRUCTURE (1)
DECEMBER 31, 1998

SIMON PROPERTY GROUP, L.P.

225,669,174 units

SD Property Group, Inc.(2)

	%
SPG Properties, Inc.	99.99%
100 Individual Shareholders	0.01%
	100.00%

37,873,965 Units

SPG Properties, Inc. (2)

	%
Simon Property Group, Inc.	99.99%
100 Individual Shareholders	0.01%
	100.00%

75,825,562 Units

Simon Property Group, Inc.(2)(3)(4)

Common Shareholders	Shares	%
Public Shareholders	162,696,498	97.6%
Simon Family	3,318,421	2.0%
DeBartolo Family	31,623	0.0%
Executive Management (5)	728,489(5)	0.4%
	166,775,031	100.0%

47,787,490 units

Limited Partners
("Limited Partners")

Unitholders	Units	%
Simon Family	34,584,455	53.9%
DeBartolo Family	22,222,599	34.6%
Executive Management (5)	153,498	0.2%
Other Limited Partners	7,221,605	11.3%
	64,182,157	100.0%

Ownership of Simon Property Group, L.P.

	%
Simon Property Group, Inc.	
Public Shareholders	69.8%
Simon Family	1.5%
DeBartolo Family	0.0%
Executive Management (5)	0.3%
Subtotal	71.6%
Limited Partners	
Simon Family	15.3%
DeBartolo Family	9.8%
Executive Management (5)	0.1%
Other Limited Partners	3.2%
Total	28.4%
	100.0%

(1) Schedule excludes preferred stock (see "Preferred Stock Outstanding") and units not convertible into common stock.
(2) General partner of Simon Property Group, L.P.
(3) Shares of Simon Property Group, Inc. ("SPG") are paired with beneficial interests in shares of stock of SPG Realty Consultants, Inc.
(4) The number of outstanding shares of common stock of SPG exceeds the number

of Simon Property Group, L.P. units owned by SPG by approximately 5.29 million. This is the result of the direct ownership of Ocean County Mall by SPG.

(5) Executive management excludes Simon family members.

SIMON PROPERTY GROUP
Changes in Common Stock and Unit Ownership
For the Period from December 31, 1997 through December 31, 1998

	Operating Partnership Units(1)	Company Common Shares(2)
Number Outstanding at December 31, 1997	61,850,762	109,643,001
Restricted Stock Awards (Stock Incentive Program), Net	--	495,131
Issuance of Stock and Units in Connection with Acquisitions of Cordova Mall, Lakeline Mall, The Westchester, Rolling Oaks Mall, and Washington Plaza	2,344,199	519,889
Conversion of units into cash	(9,904)	--
Conversion of units into stock	(2,900)	2,900
Shares Placed in Unit Investment Trusts	--	2,957,335
Issuance of Stock in connection with the DeBartolo Merger	--	32,062
Issuance of Stock in connection with the CPI Merger	--	53,078,564
Issuance of Stock for Stock Option Exercises	--	46,149
Number Outstanding at December 31, 1998(3)	64,182,157	166,775,031

Total Common Shares and Units Outstanding at December 31, 1998:
230,957,188(3)

(1) Excludes units owned by the Company (shown here as Company Common Shares) and units not convertible into common shares.
(2) Common shares prior to the CPI Merger reflected shares of Simon DeBartolo Group, Inc.
(3) Excludes preferred units relating to preferred stock outstanding (see Schedule of Preferred Stock).

SIMON PROPERTY GROUP
Preferred Stock Outstanding
As of December 31, 1998
($ in 000's)

Issuer	Description	Number of Shares	Liquidation Preference	$	Ticker Symbol
Convertible:					
Simon Property Group, Inc.	Series A Preferred 6.5% Convertible(1)	209,249	$1,000	$209,249	N/A
Simon Property Group, Inc.	Series B Preferred 6.5% Convertible(2)	4,844,331	$100	$484,433	SPGPrB
Perpetual:					
SPG Properties, Inc.	Series B Preferred 83/4% Perpetual(3)	8,000,000	$25	$200,000	SGVPrB
SPG Properties, Inc.	Series C Preferred 7.89% Perpetual(4)	3,000,000	$50	$150,000	N/A

(1) Assumed in connection with the CPI merger. Each share is convertible into a number of shares of common stock obtained by dividing $1,000 by $26.319 (conversion price), which is subject to adjustment as outlined below. The stock is not redeemable, except as needed to maintain or bring the direct or indirect ownership of the capital stock of the Company into conformity with the requirements of Section 856(a)(6) of the Code. Subsequent to December 31, 1998, the largest shareholder of this issue elected to convert their preferred stock to common stock (150,000 shares). This transaction was completed effective February 26, 1999.

(2) Issued as part of the consideration for the CPI merger. 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, 1998, was $83.00 per share.

The conversion prices of the Series A and Series B Convertible Preferred Stock are subject to adjustment by the Company in connection with certain events including (i) any subdivision or combination of shares of common stock of the Company or the declaration of a distribution in the form of additional shares of common stock of the Company, (ii) issuances of rights or warrants to the holders of common stock of the Company, and (iii) any consolidation or merger to which the Company is a party, any sale or conveyance to another person of all or substantially all of the assets of the Company or any statutory exchange of securities with another person.

(3) SPG Properties, Inc. may redeem the stock on or after September 29, 2006. The shares are not convertible into any other securities of SPG Properties, Inc. or the Company. The shares are traded on the New York Stock Exchange. The closing price on December 31, 1998, was $25.5625 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%.

SIMON PROPERTY GROUP

Reconciliation of Income to Funds From Operations ("FFO")

As of December 31, 1998

(Amounts in thousands, except per share data)

	Twelve Months Ended December 31, 1998	Twelve Months Ended December 31, 1997
Income Before Extraordinary Items	$ 236,230	$ 203,133
Plus: Depreciation and Amortization from Consolidated Properties	267,423	200,084
Less: Minority Interest Portion of Depreciation and Amortization	(7,307)	(5,581)
Plus: Simon's Share of Depreciation, Amortization and Extraordinary Items from Unconsolidated Affiliates	82,323	46,760
Plus: (Gain) Loss on Sales of Assets	7,283	(20)
Less: Preferred Dividends	(41,471)	(29,248)
FFO of Simon Portfolio	$ 544,481	$ 415,128
Percent Increase	31.2%	
FFO of Simon Portfolio	$ 544,481	$ 415,128
Basic FFO per Paired Share:		
Basic FFO Allocable to the Company	$ 361,326	$ 258,049
Basic Weighted Average Paired Shares Outstanding	126,522	99,920
Basic FFO per Paired Share	$ 2.86	$ 2.58
Percent Increase	10.9%	
Diluted FFO per Paired Share:		
Diluted FFO Allocable to the Company	$ 361,671	$ 258,401
Diluted Weighted Average Number of Equivalent Paired Shares	126,879	100,304
Diluted FFO per Paired Share	$ 2.85	$ 2.58
Percent Increase	10.5%	

SIMON PROPERTY GROUP
Selected Financial Information
As of December 31, 1998
(In thousands, except as noted)

	As of or for the Twelve Months Ended December 31, 1998	1997	% Change
Financial Highlights of the Company			
Total Revenue - Consolidated Properties	$1,405,599	$ 1,054,157	33.3%
Total EBITDA of Simon Portfolio	$1,361,432	$ 940,028	44.8%
EBITDA After Minority Interest	$1,068,233	$ 746,842	43.0%
Net Income Available to Common Shareholders	$ 133,598	$ 107,989	23.7%
Basic Net Income per Common Share	$ 1.06	$ 1.08	-1.9%
Diluted Net Income per Common Share	$ 1.06	$ 1.08	-1.9%
FFO of the Simon Portfolio	$ 544,481	$ 415,128	31.2%
Basic FFO Allocable to the Company	$ 361,326	$ 258,049	40.0%
Diluted FFO Allocable to the Company	$ 361,671	$ 258,401	40.0%
Basic FFO per Common Share	$ 2.86	$ 2.58	10.9%
Diluted FFO per Common Share	$ 2.85	$ 2.58	10.5%
Distributions per Common Share	$ 2.0200	$ 2.0075	0.6%
Operational Statistics			
Occupancy at End of Period:			
Regional Malls (1)	90.0%	87.3%	2.7%
Community Shopping Centers (2)	91.4%	91.3%	0.1%
Average Base Rent per Square Foot:			
Regional Malls (1)	$ 25.70	$ 23.65	8.7%
Community Shopping Centers (2)	$ 7.68	$ 7.44	3.2%
Regional Malls:			
Total Tenant Sales Volume, in millions (3)(4)	$ 12,936	$ 7,960	62.5%
Total Sales per Square Foot(4)	$ 343	$ 315	8.9%
Comparable Sales per Square Foot (4)	$ 346	$ 318	8.8%
Number of Properties Open at End of Period	242	202	19.8%
Total GLA at End of Period, in millions	165.9	128.8	28.8%

(1) Includes mall and freestanding stores.
(2) Includes all Owned GLA.
(3) Represents only those tenants who report sales.
(4) 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.

SIMON PROPERTY GROUP
Selected Financial Information
As of December 31, 1998
(In thousands, except as noted)

Equity Information	December 31, 1998	December 31, 1997
Limited Partner Units Outstanding at End of Period	64,182	61,851
Common Shares Outstanding at End of Period	166,775	109,643
Total Common Shares and Units Outstanding at End of Period	230,957	171,494
Basic Weighted Average Paired Shares Outstanding	126,522	99,920
Diluted Weighted Average Number of Equivalent Paired Shares (2)	126,879	100,304

Debt Information	December 31, 1998	December 31, 1997
Consolidated Debt	$ 7,973,372	$ 5,077,990
Simon Group's Share of Joint Venture Debt	$ 1,227,044	$ 770,776
Debt-to-Market Capitalization		
Common Stock Price at End of Period	$ 28.50	$ 32.6875
Equity Market Capitalization (1)	$ 7,608,188	$ 5,966,702
Total Consolidated Capitalization	$15,581,560	$11,044,692
Consolidated Debt-to-Market Capitalization	51.2%	46.0%
Total Capitalization - Including Simon Group's Share of JV Debt	$16,808,604	$11,815,468
Debt-to-Market Capitalization - Including Simon Group's Share of JV Debt	54.7%	49.5%

(1) Market value of Common Stock, Units and all issues of Preferred Stock of SPG and SPG Properties, Inc.
(2) The convertible preferred Series A and B shares are antidilutive securities under the computation of diluted net income per share; therefore, the securities have not been considered outstanding for purposes of computing diluted FFO per share.

SIMON PROPERTY GROUP
Portfolio GLA, Occupancy & Rent Data (Including CPI Portfolio)
As of December 31, 1998

Type of Property	GLA-Sq. Ft.	Total Owned GLA	% of Owned GLA	% of Owned GLA Which is Leased	Avg. Annualized Base Rent Per Leased Sq.Ft. of Owned GLA
Regional Malls					
- -Anchor	87,031,259	26,963,812	27.5%	98.2%	$ 3.67
- -Mall Store	48,785,621	48,737,725	49.6%	89.9%	$26.35
- -Freestanding	3,238,575	1,748,777	1.8%	92.5%	$ 8.28
Subtotal	52,024,196	50,486,502	51.4%	90.0%	$25.70
Regional Mall Total	139,055,455	77,450,314	78.9%	92.8%	$17.76
Community Shopping Centers					
- -Anchor	12,379,916	8,082,007	8.2%	96.5%	$ 6.11
- -Mall Store	4,868,525	4,782,767	4.9%	82.1%	10.90
- -Freestanding	1,009,927	479,877	.5%	97.9%	7.44
Community Ctr. Total	18,258,368	13,344,651	13.6%	91.4%	$ 7.68
Office Portion Of Mixed-Use Properties	2,760,926	2,760,926	2.8%	90.6%	$19.86
Value-Oriented Super-Regional Malls	3,777,314	3,635,719	3.7%	98.2%	$16.40
Properties under Redevelopment	2,028,615	983,392	1.0%		
GRAND TOTAL	165,880,678	98,175,002	100.00%		

Occupancy History

As of	Regional Malls(1)*	Community Shopping Centers(2)*
12/31/98	90.0%	91.4%
12/31/97	87.3%	91.3%
12/31/96	84.7%	91.6%
12/31/95(3)	85.5%	93.6%
12/31/94(3)	85.6%	93.9%

*Historical statistical data has not been restated to include the CPI portfolio.

(1) Includes mall and freestanding stores.
(2) Includes all Owned GLA.
(3) On a pro forma combined basis giving effect to the Merger with DeBartolo Realty Corporation ("DRC") for periods presented.

SIMON PROPERTY GROUP
Portfolio GLA, Occupancy & Rent Data (Excluding CPI Portfolio)
As of December 31, 1998

Type of Property	GLA-Sq. Ft.	Total Owned GLA	% of Owned GLA	% of Owned GLA Which is Leased	Avg. Annualized Base Rent Per Leased Sq.Ft. of Owned GLA
Regional Malls					
- -Anchor	70,875,179	24,089,514	28.1%	98.6%	$ 3.42
- -Mall Store	39,872,471	39,839,875	46.5%	89.3%	$23.96
- -Freestanding	2,922,641	1,612,405	1.9%	95.0%	$ 8.20
Subtotal	42,795,112	41,452,280	48.4%	89.5%	$23.28
Regional Mall Total	113,670,291	65,541,794	76.5%	92.9%	$15.61
Community Shopping Centers					
- -Anchor	12,358,987	8,061,078	9.4%	96.5%	$ 6.11
- -Mall Store	4,766,329	4,680,571	5.4%	81.8%	10.92
- -Freestanding	997,769	479,877	.6%	97.9%	7.44
Community Ctr.Total	18,123,085	13,221,526	15.4%	91.4%	$ 7.66
Office Portion Of Mixed-Use Properties	2,276,021	2,276,021	2.7%	91.0%	$19.13
Value-Oriented Super-Regional Malls	3,777,314	3,635,719	4.2%	98.2%	$16.40
Properties under Redevelopment	2,028,615	983,392	1.2%		
GRAND TOTAL	139,875,326	85,658,452	100.00%		

Occupancy History

As of	Regional Malls(1)	Community Shopping Centers(2)
12/31/98	89.5%	91.4%
12/31/97	87.3%	91.3%
12/31/96	84.7%	91.6%
12/31/95(3)	85.5%	93.6%
12/31/94(3)	85.6%	93.9%

(1) Includes mall and freestanding stores.
(2) Includes all Owned GLA.
(3) On a pro forma combined basis giving effect to the merger with DeBartolo Realty Corporation ("DRC") for periods presented.

SIMON PROPERTY GROUP
Portfolio GLA, Occupancy & Rent Data (CPI Portfolio Only)
As of December 31, 1998

Type of Property	GLA-Sq. Ft.	Total Owned GLA	% of Owned GLA	% of Owned GLA Which is Leased	Avg. Annualized Base Rent Per Leased Sq.Ft. of Owned GLA
Regional Malls					
- -Anchor	16,156,080	2,874,298	23.0%	94.6%	$ 6.08
- -Mall Store	8,913,150	8,897,850	71.1%	92.4%	$36.36
- -Freestanding	315,934	136,372	1.0%	62.9%	$17.70
Subtotal	9,229,084	9,034,222	72.1%	92.0%	$36.34
Regional Mall Total	25,385,164	11,908,520	95.1%	92.6%	$29.69
Community Shopping Centers					
- -Anchor	20,929	20,929	0.2%	100.0%	$ 8.35
- -Mall Store	102,196	102,196	0.8%	96.4%	9.91
- -Freestanding	12,158	0	0.0%	N/A	N/A
Community Ctr. Total	135,283	123,125	1.0%	97.0%	$ 9.64
Office Portion Of Mixed-Use Properties	484,905	484,905	3.9%	88.9%	$23.39
GRAND TOTAL(4)	26,005,352	12,516,550	100.00%		

Occupancy History

As of	Regional Malls(1)	Community Shopping Centers(2)
12/31/98	92.0%	97.0%
12/31/97	94.0%	(3)
12/31/96	90.4%	(3)
12/31/95	93.1%	(3)
12/31/94	92.4%	(3)

(1) Includes mall and freestanding stores.
(2) Includes all Owned GLA.
(3) Historical data not available and not material.
(4) Excludes Palm Beach Mall, 50% owned by SPG prior to the CPI merger.

SIMON PROPERTY GROUP
Rent Information (Including CPI Portfolio)
As of December 31, 1998

Average Base Rent

As of	Mall & Freestanding Stores at Regional Malls	% Change	Community Shopping Centers	% Change
12/31/98	$25.70	8.7%	$7.68	3.2%
12/31/97	23.65	14.4	7.44	-2.7
12/31/96	20.68	7.8	7.65	4.9
12/31/95(1)	19.18	4.4	7.29	2.4
12/31/94(1)	18.37	3.8	7.12	N/A

Rental Rates

Year	Base Rent (2) Store Openings During Period	Store Closings During Period	Amount of Change Dollar	Per Earnings
Regional Malls:				
1998	$27.33	$23.63	$3.70	15.7%
1997	29.66	21.26	8.40(3)	39.5(3)
1996	23.59	18.73	4.86	25.9
Community Shopping Centers:				
1998	$10.43	$10.95	$(0.52)	(4.7)%
1997	8.63	9.44	(0.81)	(8.6)
1996	8.18	6.16	2.02	32.8

(1) On a pro forma combined basis giving effect to the merger with DRC for periods presented.
(2) 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.
(3) Including the acquisitions of Dadeland Mall, The Fashion Mall at Keystone at the Crossing, the RPT properties and the opening of The Source. Excluding these events, the spread was $6.57, or a 30.9% increase.

SIMON PROPERTY GROUP
Lease Expirations(1) - (Including CPI Portfolio)
As of December 31, 1998

Year	Number of Leases Expiring	Square Feet	Avg. Base Rent per Square Foot at 12/31/98
Regional Malls - Mall & Freestanding Stores			
1999	1,611	3,363,036	24.85
2000	1,712	3,352,259	26.21
2001	1,477	3,388,029	24.98
2002	1,441	3,308,860	25.48
2003	1,611	3,979,060	26.48
2004	1,415	3,916,471	27.03
2005	1,283	4,038,931	26.35
2006	1,417	4,082,782	27.74
2007	1,219	3,551,788	30.36
2008	1,097	3,760,709	29.03
TOTALS	14,283	36,741,925	$26.93
Regional Malls - Anchor Tenants			
1999	13	1,599,354	2.24
2000	14	2,031,903	1.88
2001	13	1,759,973	1.92
2002	13	1,564,338	1.99
2003	16	1,949,474	2.49
2004	21	1,953,750	3.57
2005	13	1,429,815	3.02
2006	17	2,000,234	3.40
2007	7	636,374	2.79
2008	11	1,202,085	4.42
TOTALS	138	16,127,300	$2.72
Community Centers - Mall Stores & Freestanding Stores			
1999	130	381,136	11.02
2000	278	727,358	11.65
2001	189	545,945	11.78
2002	133	475,448	11.26
2003	130	568,836	11.16
2004	66	336,628	9.52
2005	34	258,105	9.63
2006	21	259,848	7.39
2007	18	155,360	11.66
2008	19	151,301	10.82
TOTALS	1,018	3,859,965	$10.84

SIMON PROPERTY GROUP
Lease Expirations(1) - (Including CPI Portfolio)
As of December 31, 1998

Year	Number of Leases Expiring	Square Feet	Avg. Base Rent per Square Foot at 12/31/98
Community Centers - Anchor Tenants			
1999	7	346,047	2.89
2000	10	339,367	5.26
2001	13	537,403	4.13
2002	9	365,636	5.57
2003	10	299,248	6.83
2004	9	232,700	6.64
2005	11	630,445	5.61
2006	10	660,361	5.46
2007	14	746,056	6.05
2008	10	399,376	7.70
TOTALS	103	4,556,639	$5.58

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

SIMON PROPERTY GROUP

SPG's Share of Total Debt Amortization and Maturities by Year

As of December 31, 1998

(In thousands)

Year		SPG's Share of Secured Consolidated Debt	SPG's Share of Unsecured Consolidated Debt	SPG's Share of Unconsolidated Joint Venture Secured Debt	SPG's Share of Total Debt
1999	0	205,056	818,000	10,520	1,033,577
2000	1	379,085	1,083,000	124,314	1,586,400
2001	2	260,549	0	8,040	268,590
2002	3	584,607	250,000	102,678	937,285
2003	4	125,521	575,000	203,050	903,571
2004	5	426,710	400,000	41,848	868,558
2005	6	106,855	660,000	93,721	860,576
2006	7	117,801	250,000	214,932	582,734
2007	8	197,223	180,000	99,390	476,614
2008	9	44,924	0	245,608	290,532
Thereafter		287,775	875,000	72,507	1,235,281
		$2,736,106	$5,091,000	$1,216,610	$9,043,716
Premiums and Discounts on Indebtedness, Net					26,891
SPG's Share of Total Indebtedness					$9,070,607

SIMON PROPERTY GROUP
Summary of Indebtedness
As of December 31, 1998
(In thousands)

	Total Indebtedness	SPG's Share of Indebtedness	Weighted Avg. Interest Rate	Weighted Avg. Years to Maturity
Consolidated Indebtedness				
Mortgage Debt				
Fixed Rate	2,464,975	2,382,531	7.56%	5.9
Debt Swapped to Maturity	50,000	50,000	7.74%	2.7
Capped to Maturity, Currently "In the Money"	134,999	98,969	6.17%	5.7
Other Hedged Debt	50,000	50,000	5.61%	1.0
Floating Rate Debt	166,258	154,606	6.37%	3.4
Total Mortgage Debt	2,866,232	2,736,106	7.41%	5.6
Unsecured Debt				
Fixed Rate	3,190,000	3,190,000	7.21%	8.2
Capped to Maturity, Currently "In the Money"	63,000	63,000	6.14%	1.1
Floating Rate Debt	70,000	70,000	5.71%	1.1
Subtotal	3,323,000	3,323,000	7.17%	7.9
CPI Merger Facility	900,000	900,000	5.71%	0.9
CPI Merger Facility (Swapped)	500,000	500,000	5.71%	1.7
Revolving Corporate Credit Facility	228,000	228,000	5.71%	0.7
Revolving Corporate Credit Facility (Hedged)	140,000	140,000	5.71%	0.7
Total Unsecured Debt	5,091,000	5,091,000	5.71%	5.5
Adjustment to Fair Market Value - Fixed Rate	14,865	15,174	N/A	N/A
Adjustment to Fair Market Value - Variable Rate	1,275	1,283	N/A	N/A
Consolidated Mortgages and Other Indebtedness	7,973,372	7,843,563	6.91%	5.5
Joint Venture Mortgage Indebtedness				
Fixed Rate	2,159,307	930,715	7.44%	7.6
Other Hedged Debt	385,984	138,403	5.77%	4.0
Floating Rate Debt	295,430	147,492	5.91%	2.7
Subtotal	2,840,721	1,216,610	7.00%	6.6
Adjustment to Fair Market Value - Fixed Rate	20,868	10,434	N/A	N/A
Joint Venture Mortgages and Other Indebtedness	2,861,589	1,227,044	7.00%	6.6
SPG's Share of Total Indebtedness		9,070,607	6.92%	5.6

SIMON PROPERTY GROUP
Summary of Indebtedness By Maturity
As of December 31, 1998
(In thousands)

Property Name		Maturity Date	Interest Rate	Total Indebtedness	SPG's Share of Indebtedness	Weighted Avg Interest Rate by Year
Consolidated Indebtedness						
Fixed Rate Mortgage Debt:						
Great Lakes Mall - 2		3/1/99	7.07%	8,489	8,489	
Ingram Park Mall - 2		12/30/99	9.63%	7,000	7,000	
Ingram Park Mall - 1		12/30/99	8.10%	47,955	47,955	
Barton Creek Square		12/30/99	8.10%	62,064	62,064	
La Plaza Mall		12/30/99	8.25%	49,475	49,475	
Subtotal 1999				174,983	174,983	8.15%
Florida Mall, The - 2		2/28/00	6.65%	90,000	90,000	
South Shore	(3)	4/1/00	9.75%	82	82	
Windsor Park Mall - 1		6/1/00	8.00%	5,771	5,771	
Trolley Square - 1		7/23/00	5.81%	19,000	17,100	
North East Mall		9/1/00	10.00%	21,934	21,934	
Bloomingdale Court		12/1/00	8.75%	27,359	27,359	
Forest Plaza		12/1/00	8.75%	16,904	16,904	
Fox River Plaza		12/1/00	8.75%	12,654	12,654	
Lake View Plaza		12/1/00	8.75%	22,169	22,169	
Lincoln Crossing		12/1/00	8.75%	997	997	
Matteson Plaza		12/1/00	8.75%	11,159	11,159	
Regency Plaza		12/1/00	8.75%	1,878	1,878	
St. Charles Towne Plaza		12/1/00	8.75%	30,742	30,742	
West Ridge Plaza		12/1/00	8.75%	4,612	4,612	
White Oaks Plaza		12/1/00	8.75%	12,345	12,345	
Subtotal 2000				277,607	275,707	7.97%
Biltmore Square		1/1/01	7.15%	26,681	26,681	
Chesapeake Square		1/1/01	7.28%	48,164	48,164	
Port Charlotte Town Center - 1		1/1/01	7.28%	52,731	52,731	
Great Lakes Mall - 1		3/1/01	6.74%	52,632	52,632	
J.C. Penney/Net Leased (Norfolk)	(3)	11/30/01	8.50%	991	991	
Subtotal 2001				181,199	181,199	7.11%
Lima Mall		3/1/02	7.12%	18,903	18,903	
Columbia Center		3/15/02	7.62%	42,326	42,326	
Northgate Shopping Center		3/15/02	7.62%	79,035	79,035	
Tacoma Mall		3/15/02	7.62%	92,474	92,474	
J.C. Penney/Net Leased (Chattanooga)	(3)	5/31/02	6.80%	847	847	
River Oaks Center		6/1/02	8.67%	32,500	32,500	
North Riverside Park Plaza - 1		9/1/02	9.38%	3,918	3,918	
North Riverside Park Plaza - 2		9/1/02	10.00%	3,617	3,617	
Principal Mutual Mortgages - Pool 1	(1)	9/15/02	6.81%	103,698	103,698	
Principal Mutual Mortgages - Pool 2	(2)	9/15/02	6.77%	137,823	137,823	
Northlake Mall	(3)	12/1/02	8.00%	1,053	1,053	
Palm Beach Mall	(4)	12/15/02	7.50%	50,471	50,471	
Subtotal 2002				566,665	566,665	7.32%
Miami International Mall		12/21/03	6.91%	46,483	27,890	
Subtotal 2003				46,483	27,890	6.91%

SIMON PROPERTY GROUP
Summary of Indebtedness By Maturity
As of December 31, 1998
(In thousands)

Property Name	Maturity Date	Interest Rate	Total Indebtedness	SPG's Share of Indebtedness	Weighted Avg Interest Rate by Year
Battlefield Mall - 1	1/1/04	7.50%	48,665	48,665	
Battlefield Mall - 2	1/1/04	6.81%	45,000	45,000	
Forum Phase I - Class A-1	5/15/04	7.13%	46,997	28,198	
Forum Phase II - Class A-1	5/15/04	7.13%	43,004	23,652	
CMBS Loan - Fixed Component	12/19/04	7.27%	175,000	175,000	
Subtotal 2004			358,666	320,515	7.22%
Tippecanoe Mall - 1	1/1/05	8.45%	46,255	46,255	
Tippecanoe Mall - 2	1/1/05	6.81%	16,000	16,000	
Melbourne Square	2/1/05	7.42%	39,404	39,404	
Cielo Vista Mall - 2	11/1/05	8.13%	1,940	1,940	
Subtotal 2005			103,598	103,598	7.80%
Treasure Coast Square	1/1/06	7.42%	53,218	53,218	
Gulf View Square	10/1/06	8.25%	37,633	37,633	
Paddock Mall	10/1/06	8.25%	29,930	29,930	
Subtotal 2006			120,782	120,782	7.88%
Cielo Vista Mall - 1	5/1/07	9.38%	55,185	55,185	
Cielo Vista Mall - 3	5/1/07	6.76%	39,000	39,000	
McCain Mall - 1	5/1/07	9.38%	25,768	25,768	
McCain Mall - 2	5/1/07	6.76%	18,000	18,000	
Valle Vista Mall - 1	5/1/07	9.38%	34,130	34,130	
Valle Vista Mall - 2	5/1/07	6.81%	8,000	8,000	
University Park Mall	10/1/07	7.43%	59,500	35,700	
Subtotal 2007			239,583	215,783	8.27%
Randall Park Mall - 2	6/18/08	7.33%	35,000	35,000	
Subtotal 2008			35,000	35,000	7.33%
College Mall - 2	1/1/09	6.76%	12,000	12,000	
Greenwood Park Mall - 2	1/1/09	6.76%	62,000	62,000	
College Mall - 1	1/1/09	7.00%	42,360	42,360	
Greenwood Park Mall - 1	1/1/09	7.00%	35,478	35,478	
Towne East Square - 1	1/1/09	7.00%	56,006	56,006	
Towne East Square - 2	1/1/09	6.81%	25,000	25,000	
Subtotal 2009			232,844	232,844	6.90%
Windsor Park Mall - 2	5/1/12	8.00%	8,863	8,863	
Subtotal 2012			8,863	8,863	8.00%
Chesapeake Center	5/15/15	8.44%	6,563	6,563	
Grove at Lakeland Square, The	5/15/15	8.44%	3,750	3,750	
Terrace at Florida Mall, The	5/15/15	8.44%	4,688	4,688	
Subtotal 2015			15,001	15,001	8.44%
Sunland Park Mall	1/1/26	8.63%	39,506	39,506	
Subtotal 2026			39,506	39,506	8.63%
Keystone at the Crossing	7/1/27	7.85%	64,194	64,194	
Subtotal 2027			64,194	64,194	7.85%
Total Consolidated Fixed Rate Mortgage Debt			2,464,975	2,382,531	7.56%

SIMON PROPERTY GROUP
Summary of Indebtedness By Maturity
As of December 31, 1998
(In thousands)

Property Name		Maturity Date	Interest Rate	Total Indebtedness	SPG's Share of Indebtedness	Weighted Avg Interest Rate by Year
Variable Rate Mortgage Debt:						
White Oaks Mall		3/1/99	6.51%	16,500	9,062	
Subtotal 1999				16,500	9,062	6.51%
Jefferson Valley Mall		1/12/00	5.61%	50,000	50,000	
Eastgate Consumer Mall		3/31/00	6.00%	22,929	22,929	
Trolley Square		7/23/00	6.56%	8,141	7,327	
Subtotal 2000				81,070	80,256	5.81%
Crystal River		1/1/01	7.06%	16,000	16,000	
Orland Square		9/1/01	7.74%	50,000	50,000	
Subtotal 2001				66,000	66,000	7.58%
Highland Lakes Center		3/1/02	6.56%	14,377	14,377	
Mainland Crossing		3/31/02	6.56%	2,226	2,226	
Subtotal 2002				16,603	16,603	6.56%
Richmond Towne Square	(7)	7/15/03	6.06%	14,526	14,526	
Mission Viejo Mall	(7)	9/14/03	6.11%	37,559	37,559	
Arboretum	(7)	12/1/03	6.56%	34,000	30,600	
Subtotal 2003				86,086	82,686	6.27%
Forum Phase I - Class A-2		5/15/04	6.19%	44,385	26,631	
Forum Phase II - Class A-2		5/15/04	6.19%	40,614	22,338	
CMBS Loan - Variable Component		12/19/04	6.16%	50,000	50,000	
Subtotal 2004				134,999	98,969	6.17%
Total Variable Rate Mortgage Debt				401,258	353,575	6.40%
Total Consolidated Mortgage Debt					2,736,106	7.41%
Fixed Rate Unsecured Debt:						
Unsecured Notes - CPI 1	(3)	3/15/02	9.00%	250,000	250,000	
Subtotal 2002				250,000	250,000	9.00%
Unsecured Notes - CPI 2	(3)	4/1/03	7.05%	100,000	100,000	
SPG, LP (Bonds)		6/15/03	6.63%	375,000	375,000	
SPG, LP (PATS)		11/15/03	6.75%	100,000	100,000	
Subtotal 2003				575,000	575,000	6.72%
SCA (Bonds)		1/15/04	6.75%	150,000	150,000	
SPG, LP (Bonds)		7/15/04	6.75%	100,000	100,000	
Unsecured Notes - CPI 3	(3)	8/15/04	7.75%	150,000	150,000	
Subtotal 2004				400,000	400,000	7.13%
SCA (Bonds)		5/15/05	7.63%	110,000	110,000	
SPG, LP (Bonds)		6/15/05	6.75%	300,000	300,000	
SPG, LP (MTN)		6/24/05	7.13%	100,000	100,000	
SPG, LP (Bonds)		10/27/05	6.88%	150,000	150,000	
Subtotal 2005				660,000	660,000	6.98%

SIMON PROPERTY GROUP
Summary of Indebtedness By Maturity
As of December 31, 1998
(In thousands)

Property Name		Maturity Date	Interest Rate	Total Indebtedness	SPG's Share of Indebtedness	Weighted Avg Interest Rate by Year
SPG, LP (Bonds)		11/15/06	6.88%	250,000	250,000	
Subtotal 2006				250,000	250,000	6.88%
SPG, LP (MTN)		9/20/07	7.13%	180,000	180,000	
Subtotal 2007				180,000	180,000	7.13%
SPG, LP (MOPPRS)		6/15/08	7.00%	200,000	200,000	
Subtotal 2008				200,000	200,000	7.00%
SPG, LP (Bonds)		7/15/09	7.00%	150,000	150,000	
Subtotal 2009				150,000	150,000	7.00%
Unsecured Notes - CPI 4	(3)	9/15/13	7.18%	75,000	75,000	
Subtotal 2013				75,000	75,000	7.18%
Unsecured Notes - CPI 5	(3)	3/15/16	7.88%	250,000	250,000	
Subtotal 2016				250,000	250,000	7.88%
SPG, LP (Bonds)		6/15/18	7.38%	200,000	200,000	
Subtotal 2018				200,000	200,000	7.38%
Total Unsecured Fixed Rate Debt				3,190,000	3,190,000	7.21%
Variable Rate Unsecured Debt:						
CPI Merger Facility - 1 Chase (1.4B)	(5)	6/24/99	5.71%	450,000	450,000	
Corporate Revolving Credit Facility	(7)	9/27/99	5.71%	368,000	368,000	
Subtotal 1999				818,000	818,000	5.71%
SPG, L.P. Unsecured Loan	(6)	1/31/00	5.71%	70,000	70,000	
SPG, L.P. Unsecured Loan	(7)	1/31/00	6.14%	63,000	63,000	
CPI Merger Facility - 2 Chase (1.4B)	(5)	3/24/00	5.71%	450,000	450,000	
CPI Merger Facility - 3 Chase (1.4B)	(5)	9/24/00	5.71%	500,000	500,000	
Subtotal 2000				1,083,000	1,083,000	5.74%
Total Unsecured Variable Rate Debt				1,901,000	1,901,000	5.73%
Total Unsecured Debt					5,091,000	6.66%
Net Discount on Fixed-Rate Indebtedness				14,865	15,174	N/A
Net Premium on Variable-Rate Indebtedness				1,275	1,283	N/A
Total Consolidated Debt					7,843,563	6.91%
Joint Venture Indebtedness Fixed Rate Mortgage Debt:						
Northfield Square		4/1/00	9.52%	24,055	24,055	
Coral Square		12/1/00	7.40%	53,300	26,650	
Subtotal 2000				77,355	50,705	8.41%
Highland Mall - 2	(3)	10/1/01	8.50%	306	153	
Highland Mall - 3	(3)	11/1/01	9.50%	2,896	1,448	
Subtotal 2001				3,202	1,601	9.40%

SIMON PROPERTY GROUP
Summary of Indebtedness By Maturity
As of December 31, 1998
(In thousands)

Property Name		Maturity Date	Interest Rate	Total Indebtedness	SPG's Share of Indebtedness	Weighted Avg Interest Rate by Year
Crystal Mall	(3)	2/1/03	8.66%	50,305	25,152	
Avenues, The		5/15/03	8.36%	57,710	14,427	
Century III Mall -1		7/1/03	6.78%	66,000	33,000	
Lakeland Square		12/22/03	7.26%	52,421	26,210	
Subtotal 2003				226,435	98,790	7.62%
Indian River Commons		11/1/04	7.58%	8,399	4,200	
Indian River Mall		11/1/04	7.58%	46,602	23,301	
Subtotal 2004				55,001	27,501	7.58%
Westchester, The		9/1/05	8.74%	152,104	76,052	
Cobblestone Court		11/30/05	7.22%	6,180	2,163	
Crystal Court		11/30/05	7.22%	3,570	1,250	
Fairfax Court		11/30/05	7.22%	10,320	2,709	
Gaitway Plaza		11/30/05	7.22%	7,350	1,715	
Plaza at Buckland Hills, The		11/30/05	7.22%	17,680	6,055	
Ridgewood Court		11/30/05	7.22%	7,980	2,793	
Royal Eagle Plaza		11/30/05	7.22%	7,920	2,772	
Village Park Plaza		11/30/05	7.22%	8,960	3,136	
West Town Corners		11/30/05	7.22%	10,330	2,411	
Westland Park Plaza		11/30/05	7.22%	4,950	1,155	
Willow Knolls Court		11/30/05	7.22%	6,490	2,272	
Yards Plaza, The		11/30/05	7.22%	8,270	2,895	
Subtotal 2005				252,104	107,377	8.30%
Seminole Towne Center		1/1/06	6.88%	70,500	31,725	
IBM CMBS Loan - Fixed Component	(8)	5/1/06	7.40%	300,000	150,000	
Great Northeast Plaza		6/1/06	9.04%	17,671	8,836	
Smith Haven Mall		6/1/06	7.86%	115,000	28,750	
Subtotal 2006				503,171	219,311	7.45%
Town Center at Cobb	(3)	4/1/07	7.54%	50,793	25,397	
Gwinnett Place	(3)	4/1/07	7.54%	39,866	19,933	
Lakeline Mall		5/1/07	7.65%	72,927	61,988	
Subtotal 2007				163,587	107,318	7.60%
Metrocenter	(3)	2/28/08	8.45%	31,181	15,591	
Aventura Mall - A		4/6/08	6.55%	141,000	47,000	
Aventura Mall - B		4/6/08	6.60%	25,400	8,467	
Aventura Mall - C		4/6/08	6.89%	33,600	11,200	
West Town Mall		5/1/08	6.90%	76,000	38,000	
Ontario Mills - 5		11/2/08	6.75%	144,902	36,226	
Source, The - 2		11/6/08	6.65%	124,000	31,000	
Grapevine Mills - 2		10/1/08	6.47%	155,000	58,125	
Subtotal 2008				731,084	245,608	6.76%
Highland Mall - 1	(3)	12/1/09	9.75%	7,651	3,826	
Ontario Mills - 4	(9)	12/28/09	0.00%	4,717	1,179	
Subtotal 2009				12,368	5,005	7.45%
Mall of Georgia	(3)	7/1/10	7.09%	135,000	67,500	
Subtotal 2010				135,000	67,500	7.09%
Total Joint Venture Fixed Rate Mortgage Debt				2,159,306	930,715	7.44%

SIMON PROPERTY GROUP
Summary of Indebtedness By Maturity
As of December 31, 1998
(In thousands)

Property Name		Maturity Date	Interest Rate	Total Indebtedness	SPG's Share of Indebtedness	Weighted Avg Interest Rate by Year
Variable Rate Mortgage Debt:						
Tower Shops, The	(6)	3/13/99	6.26%	13,500	6,750	
Subtotal 1999				13,500	6,750	6.26%
Dadeland Mall	(7)	12/10/00	5.76%	140,000	70,000	
Subtotal 2000				140,000	70,000	5.76%
Arizona Mills		2/1/02	6.36%	140,984	37,101	
Lakeline Plaza - 1		6/6/02	5.44%	30,500	25,925	
Shops at Sunset Place, The	(7)	6/30/02	6.31%	87,180	32,692	
Subtotal 2002				258,664	95,718	6.10%
IBM CMBS Loan - Floating Component	(8)	5/1/03	5.56%	185,000	92,500	
Concord Mills	(7)	12/2/03	6.41%	24,250	12,125	
Subtotal 2003				209,250	104,625	5.66%
Circle Centre Mall		1/31/04	5.50%	60,000	8,802	
Subtotal 2004				60,000	8,802	5.50%
Total Joint Venture Variable Rate Debt				681,414	285,895	5.84%
IBM CMBS Loan - Fixed Premium				20,868	10,434	
Total Joint Venture Debt					1,227,044	7.00%
SPG's Share of Total Indebtedness					9,070,607	6.92%

(1) This Principal Mutual Pool 1 loan is secured by cross-collateralized mortgages encumbering four of the Properties (Anderson, Forest Village Park, Longview and South Park). A weighted average rate is used for these Pool 1 Properties.
(2) This Principal Mutual Pool 2 loan is secured by cross-collateralized mortgages encumbering seven of the Properties (Eastland, Forest Mall, Golden Ring, Hutchinson, Markland, Midland, and North Towne). A weighted average rate is used for these Pool 2 Properties.
(3) Represents debt assumed in connection with the CPI merger.
(4) The Operating Partnership acquired the remaining 50% ownership percentage as part of the CPI Merger.
(5) This Facility consist of (i) a $450 million nine-month term loan, (ii) a $450 million 18-month term loan, and (iii) a $500 million 24-month term loan. Interest rate protection agreements relating to $500 million of the $1.4 billion were obtained on September 24, 1998. Under these agreements LIBOR is swapped at a weighted average rate of 5.057%.
(6) Two one-year options exist to extend maturity.
(7) Includes applicable extensions available at Simon Group's option.
(8) Represents debt assumed in connection with the acquisition of certain Properties on February 27, 1998 by a joint venture in which the Simon Group participated. This is $485 million of Commercial Mortgage Notes secured by cross-collateralized mortgages encumbering thirteen of the Properties. The Simon Group's share is $242 million. A weighted average rate is used.
(9) Notes for purchase of land from Ontario Redevelopment Agency at 6% commencing January 2000.

SIMON PROPERTY GROUP
Summary of Variable Rate Debt and Interest Rate Protection Agreements
As of December 31, 1998
(In thousands)

Property Name	Maturity Date	Principal Balance 12/31/98	SPG Ownership %	SPG's Share of Loan Balance	Interest Rate 12/31/98	Terms of Variable Rate
Consolidated Properties:						
Secured Debt:						
Eastgate Consumer Mall	3/31/00	22,929	100.00%	22,929	6.000%	LIBOR + 1.000%
White Oaks Mall	3/1/99	16,500	54.92%	9,062	6.511%	LIBOR + 1.250%
Jefferson Valley Mall	1/12/00	50,000	100.00%	50,000	5.614%	LIBOR + 0.550%
Trolley Square	7/23/00	8,141	90.00%	7,327	7.219%	LIBOR + 1.500%
Crystal River	1/1/01	16,000	100.00%	16,000	7.064%	LIBOR + 2.000%
Richmond Towne Square	7/15/03	14,526	100.00%	14,526	6.064%	LIBOR + 1.000%
Orland Square	9/1/01	50,000	100.00%	50,000	7.742%	LIBOR + 0.500%
Mission Viejo Mall	9/14/03	37,559	100.00%	37,559	6.114%	LIBOR + 1.050%
Arboretum	12/1/03	34,000	90.00%	30,600	6.564%	LIBOR + 1.500%
Highland Lakes Center	3/1/02	14,377	100.00%	14,377	6.564%	LIBOR + 1.500%
Mainland Crossing	3/31/02	2,226	100.00%	2,226	6.564%	LIBOR + 1.500%
Forum Phase I - Class A-2	5/15/04	44,385	60.00%	26,631	6.190%	LIBOR + 0.300%
Forum Phase II - Class A-2	5/15/04	40,614	55.00%	22,338	6.190%	LIBOR + 0.300%
CMBS Loan - Variable Component	12/19/04	50,000	100.00%	50,000	6.155%	LIBOR + 0.365%
		---------		---------		
Total Consolidated Secured Debt		401,258		353,575		
		=========		=========		
Unsecured Debt:						
SPG, L.P. Unsecured Loan	1/31/00	70,000	100.00%	70,000	5.714%	LIBOR + 0.650%
SPG, L.P. Unsecured Loan	1/31/00	63,000	100.00%	63,000	6.140%	LIBOR + 0.650%
CPI Merger Facility - 1 Chase (1.4B)	6/24/99	450,000	100.00%	450,000	5.714%	LIBOR + 0.650%
CPI Merger Facility - 2 Chase (1.4B)	3/24/00	450,000	100.00%	450,000	5.714%	LIBOR + 0.650%
CPI Merger Facility - 3 Chase (1.4B)	9/24/00	500,000	100.00%	500,000	5.714%	LIBOR + 0.650%
Unsecured Revolving Credit Facility - UBS (1.25B)	9/27/99	368,000	100.00%	368,000	5.714%	LIBOR + 0.650%
		---------		---------		
Total Consolidated Unsecured Debt		1,901,000		1,901,000		
		=========		=========		
Net Premium on Variable-Rate Indebtedness		1,275		1,283		
		---------		---------		
Consolidated Variable Rate Debt		2,303,533		2,255,858		
		=========		=========		

Property Name	Terms of Interest Rate Protection Agreement
Consolidated Properties:	
Secured Debt:	
Eastgate Consumer Mall	
White Oaks Mall	90-day LIBOR set on November 30, 1998
Jefferson Valley Mall	LIBOR Capped at 8.70% through maturity
Trolley Square	
Crystal River	
Richmond Towne Square	
Orland Square	LIBOR Swapped at 7.24% through maturity
Mission Viejo Mall	
Arboretum	
Highland Lakes Center	
Mainland Crossing	
Forum Phase I - Class A-2	Through an interest rate protection agreement, effectively fixed at an all-in-one rate of 6.19%
Forum Phase II - Class A-2	Through an interest rate protection agreement, effectively fixed at an all-in-one rate of 6.19%

CMBS Loan - Variable Component	Through an interest rate protection agreement, effectively fixed at an all-in-one rate of 6.16%
Total Consolidated Secured Debt	
Unsecured Debt:	
SPG, L.P. Unsecured Loan	
SPG, L.P. Unsecured Loan	A two year interest rate protection agreement, which effectively fixes the interest rate at an all-in-one rate of 6.14% was obtained on January 15, 1998.
CPI Merger Facility - 1 Chase (1.4B)	
CPI Merger Facility - 2 Chase (1.4B)	
CPI Merger Facility - 3 Chase (1.4B)	LIBOR Swapped at a weighted average rate of 5.06%.
Unsecured Revolving Credit Facility - UBS (1.25B)	See Footnote (1)
Total Consolidated Unsecured Debt	
Net Premium on Variable-Rate Indebtedness	
Consolidated Variable Rate Debt	

SIMON PROPERTY GROUP
Summary of Variable Rate Debt and Interest Rate Protection Agreements
As of December 31, 1998
(In thousands)

Property Name	Maturity Date	Principal Balance 12/31/98	SPG Ownership %	SPG's Share of Loan Balance	Interest Rate 12/31/98	Terms of Variable Rate
Joint Venture Properties:						
Tower Shops, The	3/13/99	13,500	50.00%	6,750	6.264%	LIBOR + 1.200%
Dadeland Mall	12/10/00	140,000	50.00%	70,000	5.764%	LIBOR + 0.700%
Shops at Sunset Place, The	6/30/02	87,180	37.50%	32,692	6.314%	LIBOR + 1.250%
Arizona Mills	2/1/02	140,984	26.32%	37,101	6.364%	LIBOR + 1.300%
Concord Mills	12/2/03	24,250	50.00%	12,125	6.414%	LIBOR + 1.350%
Lakeline Plaza - 1	6/6/02	30,500	85.00%	25,925	5.439%	LIBOR + 0.375%
IBM CMBS Loan - Floating Component	5/1/03	185,000	50.00%	92,500	5.562%	See Footnote (3)
Circle Centre Mall	1/31/04	60,000	14.67%	8,802	5.504%	LIBOR + 0.440%
Total Joint Venture Properties		681,414		285,895		
Total Variable Mortgage and Other Indebtedness		2,984,946		2,541,753		

Property Name	Terms of Interest Rate Protection Agreement
Joint Venture Properties:	
Tower Shops, The	Two one-year extensions exist to extend maturity.
Dadeland Mall	
Shops at Sunset Place, The	See Footnote (2)
Arizona Mills	LIBOR Capped at 9.50% through maturity
Concord Mills	
Lakeline Plaza - 1	
IBM CMBS Loan - Floating Component	The Operating Partnership took assignment of an interest rate protection agreement (LIBOR cap of 11.67%) relating to this debt.
Circle Centre Mall	LIBOR Capped at 8.81% through maturity
Total Joint Venture Properties	
Total Variable Mortgage and Other Indebtedness	

Footnotes:
(1) An 11.53% LIBOR cap on $90M and a 16.77% LIBOR cap on $50M has been transferred from Forum and CMBS Loan - Floating Component, respectively.
(2) Rate can be reduced based upon project performance.
(3) Represents the weighted average interest rate.

The following table summarizes variable rate debt:

	Total	SPG Share
Swapped debt	550,000	550,000
Capped debt "in the money"	197,999	161,969
Other hedged variable rate debt	575,984	328,403
Unhedged variable rate debt	1,660,963	1,501,381
	2,984,946	2,541,753

SIMON PROPERTY GROUP
New Development Activities
As of December 31, 1998

Mall/ Location	Simon Group's Ownership Percentage	Actual/ Projected Opening	Projected Cost (in millions)	Non-Anchor Sq.Footage Leased/ Committed(1)	GLA (Sq.ft)
Projects Under Construction					
Shops at Sunset Place South Miami, FL	37.5%	1/99	$150	95%	510,000
Anchors/Major Tenants: AMC 24 Theatre, NIKETOWN, Barnes & Noble, IMAX Theatre, Virgin Megastore, Z Gallerie, GameWorks, FAO Schwarz					
The Mall of Georgia Buford, Georgia (Atlanta)	50%	8/99	$246	65%	1,500,000
Anchors/Major Tenants: Nordstrom (opening 3/00), Dillard's, Lord & Taylor, JCPenney, Galyan's, Bed Bath & Beyond, Haverty's, Barnes & Noble					
The Mall of Georgia Crossing Buford, GA (Atlanta)	50%	10/99	$38	87%	444,000
Anchors/Major Tenants: Target, Nordstrom Rack, Best Buy, Upton's, Staples, TJMaxx & More					
Concord Mills Concord, NC (Charlotte)	37.5%	9/99	$210	70%	1,400,000
Anchors/Major Tenants: Books-A-Million, Bed Bath & Beyond, TJMaxx, Burlington Coat Factory, Bass Pro Outdoor World, AMC Theatres, Jillian's, Alabama Grill, Group USA, Embassy Suites Hotel, Host Marriot Services (food court)					
The Shops at Northeast Plaza Hurst, TX	100%	11/99	$42	69%	323,000
Anchors/Major Tenants: Michael's, OfficeMax, PetsMart, Cost Plus, TJMaxx, Bed Bath & Beyond, Party City					
Waterford Lakes Town Center Orlando, FL	100%	11/99 and 11/00	$84	66% (Phase I)	920,000
Anchors/Major Tenants: Regal 20-Plex, Super Target, TJMaxx, Ross Dress for Less, Barnes & Noble, Waves Music, Party City, OfficeMax					
Projects Under Development					
Orlando Premium Outlets Orlando, FL	50%	Summer 2000	$91	(2)	433,000
Anchors/Major Tenants: To be announced					

(1) Community Center leased/committed percentage includes owned anchor GLA.

(2) Leasing still in preliminary stage.

SIMON PROPERTY GROUP
Significant Renovation/Expansion Activities
As of December 31, 1998

Mall/ Location	SPG Ownership Percentage	Actual/ Projected Opening	Projected Cost (in millions)	Total Existing GLA (sq. ft.)	New or Incremental GLA (sq. ft.)
Florida Mall Orlando, FL	50%	11/99	$86	1,120,000	608,000
Project Description:	New Burdine's, mall GLA expansion and renovation, food court renovation, Dillard's, Parisian (formerly Gayfers) and JCPenney expansion				
LaPlaza Mall McAllen, TX	100%	11/99, 3/00 and 11/00	$35	989,000	215,000
Project Description:	Renovation of existing center (opening 11/99); expansion of mall GLA and new Dillard's store (opening 3/00); JCPenney expansion and new small shop retrofitted from the existing Dillard's store (opening 11/00) from the existing Dillard's store (opening 11/00)				
Mission Viejo Mission Viejo, CA	100%	11/99	$146	818,000	427,000
Project Description:	Macy's (opening 11/00) & Robinson-May expansions; Saks & Nordstrom additions new parking structure and renovation of the existing parking structure; small shop expansion, mall renovation and food court addition (opening 10/00)				
North East Mall Hurst, TX	100%	11/99 and Fall 2000	$103	1,141,000	308,000
Project Description:	New Dillard's and mall expansion (to open 11/99); recapture of two Dillard's stores and replace with new Nordstrom and Saks Fifth Avenue; JCPenney and Montgomery Ward expansions; mall renovation				
Palm Beach Mall West Palm Beach, FL	100%	11/99	$34	1,205,000 (1)	61,000
Project Description:	New Dillard's; renovations of Burdine's, JCPenney and Sears; new Borders and Old Navy; mall renovation				
Richmond Town Square Cleveland, OH	100%	11/99	$60	873,000 (1)	10,000
Project Description:	New Kaufmann's, JCPenney remodel and renovation (opened 11/98); new Sony Cinema, Sears remodel and new food court				
Town Center at Boca Raton Boca Raton, FL	100%	11/00	$70	1,327,000	228,000
Project Description:	New Nordstrom, relocation of Saks Fifth Avenue into old Mervyn's (opening 8/99), Lord & Taylor and Bloomingdale's expansions; mall renovation with small shop expansion				

(1) Total existing GLA differs from 1998 square footage in 10-K property table due to redevelopment activity in 1998.

SIMON PROPERTY GROUP
Capital Expenditures
For the Twelve Months Ended December 31, 1998

(In millions)

	Consolidated Properties	Joint Venture Properties: Total	Joint Venture Properties: Simon Group's Share
New Developments	$ 22.0	$155.2	$ 77.1
Renovations and Expansions	311.5	64.6	26.4
Tenant Allowances-Retail	44.9	12.9	5.4
Tenant Allowances-Office	.9	--	--
Capital Expenditures Recoverable from Tenants	18.5	2.9	1.2
Other (1)	12.0	2.5	.8
Totals	$409.8	$238.1	$110.9

(1) Primarily represents capital expenditures not recovered from tenants.

SIMON PROPERTY GROUP
Gains on Sales of Peripheral Land
For the Twelve Months Ended December 31, 1998 and 1997

(In millions)

	Twelve Months Ended December 31, 1998	Twelve Months Ended December 31, 1997
Consolidated Properties	$ 8.0	$ 5.5
Simon Group's Share of Unconsolidated Entities	5.9	2.5
Totals	$13.9	$ 8.0

SIMON PROPERTY GROUP
Conference Text
February 18, 1999

Forward Looking Statement (Steve Sterrett)

Good afternoon and welcome to the Simon Property Group fourth quarter and year end 1998 earnings teleconference call.

Please be aware that statements in this teleconference call that are not historical may be deemed forward-looking statements within the meaning of the federal securities laws. Although the Company believes that the expectations reflected in any forward-looking statements are based on reasonable assumptions, it can give no assurance that its expectations will be attained. The listener 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.

Opening Comments (David Simon)

Good afternoon everyone. We are very pleased with our accomplishments for the quarter and for the year, highlighted by the following activities:

- We exceeded consensus expectations for both the quarter and the year, growing FFO per share to $2.85, an annual growth rate of 10.5%.
- We increased occupancy in the regional mall portfolio by 270 basis points to 90%, including a 220 basis point increase for the existing SPG portfolio prior to CPI.
- We completed $5.7 billion in acquisitions, including the CPI and IBM portfolios.
- We completed our most active year of capital markets activity ever, raising and arranging $7 billion in well-timed capital market transactions.
- We invested $300 million in our ongoing redevelopment program, which will generate double-digit returns as well as enhance the market position of those assets.
- SBV, in its first full calendar year of operation, exceeded our initial expectations through the execution of strategic partnerships and alliances with strong corporate partners such as Pepsi, VISA and the NFL, Browning-Ferris Industries, DMX MallNet, JCDecaux, U.S. RealTel, and GoldCan Recycling.
- We have 5 million square feet of exciting new development projects under construction, including new projects in growing markets such as Charlotte, Orlando and Atlanta.

SIMON PROPERTY GROUP
Conference Text
February 18, 1999

Financial and Operational Results (Steve Sterrett)

Our financial and operational results for the quarter and year ended December 31, 1998 are as follows:

For the year...

- Diluted FFO per share increased 10.5% to $2.85 per share in 1998 from $2.58 per share in 1997.
- FFO of the Simon portfolio was $544.5 million, an increase of 31.2% or $129.4 million over the same period in 1997.
- Total revenue for the year increased 33.4% to $1.406 billion as compared to $1.054 billion in 1997.

For the quarter...

- FFO on a per share basis increased 7.6% to $0.85 per share in 1998 from $0.79 per share in 1997.
- FFO of the Simon Portfolio was $196.0 million, an increase of 48.8% or $64.3 million over the same period in 1997.
- Total revenue increased 54.0% to $472.6 million as compared to $306.9 million over the same period in 1997.

In keeping with our customary levels of disclosure after the completion of large transactions, operating statistics will be fully disclosed for both the "old" SPG portfolio and the CPI portfolio, separately, in our 8-K package. Operating statistics for the combined SPG portfolio--including the CPI assets--at 12/31/98 are as follows:

- Occupancy at December 31, 1998, was 90.0%, an increase of 270 basis points over the same period in 1997. Occupancy within the former SPG portfolio was 89.5% while the CPI portfolio occupancy was 92.0%.
- Average base rent in the regional mall portfolio was $25.70 per square foot, an increase of 8.7%.
- Occupancy costs as a percentage of sales as of December 31, 1998 was 12.3%. Included in this is a minimum rent to sales ratio of only 7.5%. As you know, this is significantly below that of comparable quality portfolios, and increasing this percentage is a major business focus for our company in 1999 and beyond, as we look to grow the profitability of SPG by delivering a higher percentage of our tenants' sales to our bottom line.
- Total sales per square foot for the twelve months ended 12/31/98 increased 8.9%, to $343 per square foot as compared to the prior year. The increase for "comparable properties," that is properties owned

for at least one year, was 4.7%. Total sales per square foot in the CPI portfolio were $418 per square foot which is up 7.8% from a year ago.

- Comparable sales per square foot for tenants who have been in place for at least 24 months, increased 8.8%, to $346. Comparable sales per square foot in the CPI portfolio were $422.
- The average initial base rent for new mall store leases signed in 1998 was $27.33 per square foot, an increase of $3.70, or 15.7% over the tenants who closed or whose leases expired.

Same property NOI growth for 1998 in the "old" SPG portfolio was approximately 6%. This growth rate was positively impacted by growth in rents, occupancy, and tenant sales as well as by our SBV initiatives and the positive effect of our redevelopment efforts. Same property NOI growth for the CPI portfolio was 11.1%.

Acquisition Activities (David Simon)

In addition to CPI, we acquired an additional $650 million of real estate in 1998:

- Cordova Mall was acquired at a cost of $87 million and added to our presence in Pensacola, Florida, where we now own both regional malls.
- The IBM portfolio, encompassing 12 regional malls, added 10.7 million square feet of GLA to the Company's portfolio in a 50/50 joint venture with Macerich. Simon's share of the cost was $487.5 million.
- During 1998 we acquired the remaining 50% of Rolling Oaks Mall in San Antonio and an additional 35% interest in Lakeline Mall and Lakeline Plaza in Austin, Texas.
- And in December, we acquired The Arboretum in Austin, Texas. This 209,000 square foot open-air specialty center is anchored by Barnes & Noble, The Pottery Barn, Structure, Bath & Body and The Arbor Theater with specialty tenants such as The Sharper Image, Gap, Gap Kids, Banana Republic and Victoria's Secret. This lifestyle center complements our existing Austin assets, which include ownership of all three malls in the rapidly growing Austin market.

The average initial unlevered yield on these acquisitions was 9%.

Financing Activities (Steve Sterrett)

Despite the conditions prevalent in the capital markets, we completed $7 billion worth of transactions in 1998. These transactions can be summarized as follows:

- New mortgage financings and refinancings	$2.0 billion
- Corporate credit facilities (primarily the CPI acquisition facility)	$1.7 billion
- Issuance of senior unsecured notes	$1.075 billion
- Equity issued in connection with the CPI acquisition comprised of common stock issued at $33 5/8 and preferred stock which converts up 15% at $38.669	$2.3 billion

We also just completed a $600 million fixed rate senior unsecured note offering. The two tranches--at $300 million each--mature in 2004 and 2009 and bear interest at 6 3/4% and 7 1/8%, respectively. Proceeds were used primarily to pay down the first tranche of our acquisition facility.

A few days ago, PGGM, the Dutch pension fund, notified us of their election to convert their 6.5% Series A convertible preferred stock into SPG common stock. This convert was assumed by SPG as part of the CPI acquisition. PGGM owns $150 million of the Series A stock, which will result in the issuance of 5.7 million shares of common. This conversion will be completed at the end of February.

We believe this conversion demonstrates PGGM's confidence in the Company. We welcome them as one of our largest common shareholders and look forward to a long and mutually beneficial relationship.

Our capital markets activity is indicative of the financial strength of Simon and the Company's ability to effectively access the capital markets. In addition, our balance sheet is in excellent shape:

- We have minimal near term debt maturities.
- Our significant construction projects all have financing in place.
- We have $900 million of available capacity on our current corporate credit facility.
- We have strong fixed charge and interest coverage, have maintained our coverage ratios consistent with 1997 levels, and our senior unsecured debt ratings were reaffirmed by S&P and Moody's at BBB+ and Baa1, respectively, despite acquiring over $7 billion of property in the last two years.
- And in 1999, we should generate over $200 million of "retained" cash flow after payment of dividends.

Most importantly, we grew the company and its earnings stream and improved the overall quality of our portfolio while maintaining the integrity of the balance sheet and our strong capital base; resisting the temptation to "lever up" in light of the capital markets situation during the latter half of 1998. We continue to maintain significant financial liquidity, capacity and flexibility, and are not bumping up against any of our debt covenants.

Development Activities (Rick Sokolov)

Malls & Community Centers:

We opened two new community centers in 1998--Muncie Plaza and Lakeline Plaza. Both of these centers complement their regional mall counterparts--Muncie Mall in Muncie, Indiana, and Lakeline Mall in Austin, Texas.

Two of the three new community centers we currently have under construction are also located adjacent to a Simon regional mall. This is a "win-win" situation--a market dominant location combined with an extensive array of retail choices for the consumer.

- The Mall of Georgia Crossing will open in October, a couple of months after the mall opening. This 442,000 square foot power center will be anchored by Target, Uptons, TJMaxx & More, Best Buy, Nordstrom Rack and Staples. The 1.5 million square foot super-regional mall will be anchored by Nordstrom, Dillard's, Lord & Taylor, JCPenney, Galyan's, Bed Bath & Beyond, Haverty's and Barnes & Noble.
- The Shops at Northeast Plaza is scheduled to open in November and will be anchored by Michael's, OfficeMax, PetsMart, Cost Plus, TJMaxx, Bed Bath & Beyond and Party City. This 323,000 square foot power center will be located adjacent to North East Mall in Hurst, Texas, which is undergoing a $100 million dollar renovation and expansion including the addition of a new Nordstrom, Saks Fifth Avenue and a new relocated 300,000 square foot Dillards.

The third power center under construction is Waterford Lakes Town Center in Orlando, Florida. This 920,000 square foot center is scheduled to open in two phases: November 1999 and November 2000. Waterford Lakes is located in the fastest growing area in metro Orlando. The center will be anchored by Regal 20-Plex, Super Target, TJMaxx, Ross Dress for Less, Barnes & Noble, Waves Music, Party City, Dress Barn and OfficeMax.

Specialty Centers and Other:
We have always prided ourselves on being a retail developer not just a mall or strip center developer. An example of this is our recent effort in the specialty centers category. We opened The Shops at Sunset Place in South Miami, Florida in January. The center opened 95% leased and features an appealing open-air configuration and a unique blend of retail and entertainment with a tenant line-up unparalleled in South Florida. The Shops at Sunset is a one-of-a-kind specialty center, reflective of the innovativeness of the SPG organization, and is anchored by AMC Theatres, FAO Schwarz, IMAX, GameWorks, NIKETOWN, Virgin Megastore and Z Gallerie.

Early results from the Shops at Sunset have been extremely encouraging. AMC has informed us that this complex was 29th in the nation for the last week reported. This is not 29th in the AMC chain, but 29th of all theater complexes in the United States. FAO Schwarz sales are 40% above plan; NIKETOWN sales are 30% above plan; GAMEWORKS is #1 in their chain of 8 locations; and Virgin Megastore is also reporting very strong sales.

Concord Mills is our fourth joint venture with The Mills Corporation. This 1.4 million square foot value-oriented super regional mall will be anchored by Books-A-Million, Bed Bath & Beyond, TJMaxx, Bass Pro Outdoor World, AMC Theatres, Burlington Coat Factory, Jillian's, Group USA, Alabama Grill, Embassy Suites Hotel and Host Marriott Services. This center is projected to open in September.

We are also nearing commencement of construction for our first joint venture project with Chelsea, GCA Realty - the Orlando Premium Outlet Center in Orlando, Florida. This project is exceptionally located, directly on I-4 less than 2 miles from the main entrance to Disney World. This 433,000 square foot center will feature the traditional array of premium fashion tenants found in a Chelsea center and is scheduled to open in the summer of 2000.

Redevelopment:
We are firmly committed to enhancing the performance of our existing assets as evidenced by the $300 million invested in 1998. The measurable results of these invested dollars comes in the form of increased sales and increased rental income, thereby enhancing NOI growth.

In 1998 we completed major redevelopments at centers such as: Aventura Mall in Miami; Barton Creek Square in Austin; Columbia Center in Columbia, Washington; Crystal River Mall in Crystal River, Florida; Independence Center in Independence, Missouri; Orange Park Mall in Jacksonville, Florida; and Richardson Square in Dallas. In these centers, total sales volumes have increased from 15 to 40%.

In the press release, we detailed some of the more significant redevelopment projects currently under construction for completion in 1999 and beyond including:

- Florida Mall in Orlando, Florida
- LaPlaza Mall in McAllen, Texas
- Mission Viejo in Mission Viejo, California
- North East Mall in Hurst, Texas
- Palm Beach Mall in West Palm Beach, Florida
- Richmond Town Square in Cleveland, Ohio and
- Town Center at Boca Raton in Boca Raton, Florida.

Simon's share of the cost of these major redevelopment projects is approximately $500 million. We anticipate that this capital spending should generate stabilized returns of approximately 11%.

International Expansion (David Simon)

Our expansion into Europe materialized with the Phase I opening of a development in Krakow, Poland at the end of October. Total net costs of the project are estimated at $25 million with an initial unleveraged return of 15% on cost.

We have invested an initial $15 million for a 22% interest in Groupe BEG and will gradually, with Argo II (J.P. Morgan) and Charlesbank Capital Partners (formerly Harvard Capital Group), acquire a majority controlling interest in the Groupe pursuant to an earn out formula as the company moves forward.

There are currently two additional projects under construction and several in pre-construction development phase, and we look forward to the opportunities available through this joint venture to capitalize on under served and under retailed Central Europe with the initial primary focus being in Poland.

Simon Brand Ventures (David Simon)

It's now been 18 months since we announced the formation of Simon Brand Ventures, our strategic marketing division. In assessing SBV, I think its fair to say that the results to date have met or exceeded our original expectations. We've developed a profitable business model that:

- has enrolled over 2 million members in our frequent shopper loyalty program, MALLPeRKS,
- introduced major consumer brands like Pepsi and Visa to the mall environment,
- developed strategic relationships with companies like Browning Ferris Industries to lower our tenants' operating costs, and most recently,

- entered into a strategic relationship with Time, Inc. to produce "S", the first national lifestyle magazine targeted to mall shoppers.

"S" will be distributed at over 140 SPG properties monthly beginning on March 1st, with an estimated circulation of 2.2 million copies per month. "S" will balance national and local lifestyle features, promotions and other news useful to Simon shoppers.

As part of the alliance, Simon and Time will partner to develop multimedia programs for brand marketers who seek both an in-mall platform, including event-marketing extensions, as well as a print medium to reach their targeted audience.

Expect to hear more from us in 1999 regarding SBV. Significant discussions are ongoing with potential strategic partners in several areas, and we are working diligently to make the MALLPeRKS program even more successful.

And expect a major announcement from us next week regarding a topic we have discussed with you for the last year, the branding of our Company.

Internet Shopping (Rick Sokolov)

About a week ago, the ICSC Research Quarterly published a compendium of all the estimates from forecasters for E-commerce. The 1998 forecasts run anywhere from $4 billion to $14.5 billion of sales of goods over the Internet to consumers. The most likely number seems to be in the $6-$8 billion range. These same forecasters indicate that in the year 2003 the estimates range from a low of $20.5 billion to a high of $103 billion for the sale of consumer goods over the Internet.
Now let us try and provide a frame of reference for these numbers.

- In 1998, total non-auto retail sales in the United States were $1.9 trillion. More importantly, total catalog sales in 1998 were $75 billion. Taken at its most optimistic, the Internet will probably approximate catalogs as a channel of retail distribution in 2003. Women's Wear Daily has written extensively on this topic, and it is their expectation that a substantial portion of the sales over the internet will come out of the catalog sector. In fact, the catalog merchandisers are shifting more and more of their sales efforts to the Internet.
- One last frame of reference - Wal-Mart did $115 billion of sales in 1998.

The other thing to focus on is what is being bought on the Internet. Sixty percent of the goods that are being bought over the Internet are goods that are not customarily found in the regional mall setting. Consumer products, consumer accessories, entertainment and airline tickets all make up a substantial portion of the Internet sales in 1998. In the year 2002, it is estimated that approximately 20% of the on-line sales will be consumer products; 15% will be entertainment tickets; and the projections for apparel sales are approximately $1.9 billion or less than 1% consummated over the Internet. Books and records will also have a considerable portion of their sales generated over the Internet. The expectation in 2002 is that 10% of book sales in the United States will be consummated over the Internet or approximately $1.8 billion; and 17.9 % of music sales will be consummated over the Internet or approximately 4% of total sales in this category.

Regarding our perspective on books and music, Barnes & Noble, which is a considerable on-line player itself in the book category, is still aggressively expanding its large format bookstores throughout our portfolio, as is Borders.

On the music front, the Internet sector has already taken considerable competitive pressures from both Circuit City and Best Buy, who are devoting substantial portions of their floor space to selling music, at substantially aggressive pricing, to drive traffic in their stores.

One last factual thing to bear in mind regarding the Internet is that there is currently a 5% to 7% cost advantage for buying on the Internet, as mandated by the federal government, because sales consummated over the Internet are not subject to sales tax by state and local jurisdictions.

In January, the Wall Street Journal ran an article which indicated that the state and local governments, which derive a substantial portion of their operating revenues from sales taxes, are preparing to lobby very aggressively to have the right to tax sales over the Internet on the same basis as sales that are consummated in our properties. We anticipate that this will be a subject of hot debate over the next year, but ultimately that this cost advantage will dissipate.

As evidenced by our results and the results of our peer companies, retailer demand for new additional space in the malls has never been greater. Whether it's Gap planning to open 400 new stores this year or Limited rolling out a new name plate, White Barn Candle; retailers continue to show significant commitment to the mall. Major department store companies have all announced retailer on-line initiatives--Federated buying Finger Hut; and Saks announcing their new initiatives. At the same time, however, their capital commitment to our properties has never been greater, and we still have a very extensive development program featuring department stores of these companies at the same time that they are making a commitment to on-line retailing.

Let me walk you through a couple of initiatives that we currently have underway to make our company and portfolio more Internet friendly. First, we are undertaking steps to take our MALLPeRKS program and its 2 million members on-line. In 1999, look for a MALLPeRKS Web page where members can view their account status on-line and see promotional offerings of mall events.

Walk up terminals are also being installed in our new MALLPeRKS marketplaces, which are replacing traditional customer service booths in SPG malls, bringing technology into the mall itself. These vehicles will also serve as a marketing medium for our retailers and strategic partner.

We are also embarking on a major development project, in conjunction with technology and portal partners, to marry the concepts of multiple retailer offerings, data capture, and efficient payment settlement in an on-line and physical environment. Look for more from us on this project later in 1999.

Conclusion (David Simon)

- If there is any company out there that can effectively compete with e-commerce, it is Simon Property Group. The Company's advantage is a function of our branding efforts, our SBV initiatives focused on driving and increasing customer loyalty, and all of the re-merchandising efforts that our company is undertaking, including bringing lifestyle and entertainment tenants to our properties. We've been at the forefront of this movement in our industry.
- We're obviously very disappointed in the current price level of our common stock. SPG has undergone a significant transformation since we have gone public. Not only have we grown 5-fold since our IPO five years ago, but our portfolio now encompasses 50 million square feet of mall store space, averaging almost $350 a foot in sales. And when you add in our hallmark innovation, including cutting edge developments and our SBV initiatives, we think we're doing a lot of the right things.
- Nevertheless, the status of the capital markets will not detract from our ability to grow the profitability of this company. We have strong embedded growth opportunities in our new development and redevelopment pipeline, our below market rents and our SBV initiatives. And we have always managed the balance sheet with a long-term view, prudently financing our growth and always keeping some powder dry. That philosophy continues.
- When we came public in 1993, we promised you an industry-leading company that would grow its FFO per share 8-12% per year and, coupled with a dividend, would provide an attractive total return to investors. We have delivered on that promise each year, including 1998, and we are poised to deliver on that promise in 1999 and beyond.