



**Part II Organizational Action** (continued)

**17** List the applicable Internal Revenue Code section(s) and subsection(s) upon which the tax treatment is based ▶ SEE ATTACHED

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**18** Can any resulting loss be recognized? ▶ SEE ATTACHED

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**19** Provide any other information necessary to implement the adjustment, such as the reportable tax year ▶ SEE ATTACHED

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**Sign Here** Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

Signature ▶ \_\_\_\_\_ Date ▶ \_\_\_\_\_

Print your name ▶ STEPHEN R. STOFFER Title ▶ SENIOR VICE PRESIDENT

<b>Paid Preparer Use Only</b>	Print/Type preparer's name	Preparer's signature	Date	Check <input type="checkbox"/> if self-employed	PTIN
	Firm's name ▶	Firm's EIN ▶			
	Firm's address ▶	Phone no.			



**SIMON PROPERTY GROUP, INC.**

**EIN: 046-268599**

**ATTACHMENT TO IRS FORM 8937 – PART II**

**REPORT OF ORGANIZATIONAL ACTIONS AFFECTING BASIS OF SECURITIES**

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**CONSULT YOUR TAX ADVISOR**

The information contained herein is being provided pursuant to the requirements of Section 6045B of the Internal Revenue Code of 1986, as amended (the “Code”), and includes a general summary regarding the application of certain U.S. federal income tax laws and regulations relating to the effects of the Distribution (as defined below) on the tax basis of Simon Property Group, Inc. (“SPG”) stock and the allocation of tax basis between the stock of SPG and Washington Prime Group Inc. (“WPG”) following the Distribution. The information contained herein does not constitute tax advice and does not purport to be complete or to describe the consequences that may apply to particular categories of shareholders. Neither SPG nor WPG provides tax advice to its shareholders. The example provided below is illustrative and is being provided pursuant to Section 6045B of the Code and as a convenience to shareholders and their tax advisors when establishing their specific tax position. You are urged to consult your own tax advisor regarding the particular consequences of the Distribution to you, including the applicability and effect of all U.S. federal, state and local and foreign tax laws. We urge you to read the amended registration statement on Form 10 of WPG, as filed with the Securities and Exchange Commission on April 21, 2014 (the “Form 10”), as amended, noting especially the discussion on page 114 therein under the heading “Material U.S. Federal Income Tax Consequences of the Distribution”. You may access the Form 10 at WPG’s investor relations website at [www.investors.washingtonprime.com](http://www.investors.washingtonprime.com), under Financial Information & SEC filings or at [www.sec.gov](http://www.sec.gov).

This notice does not apply to shares of SPG common stock sold, exchanged or otherwise disposed of prior to the time of the Distribution.

***14. Describe the organizational action, and, if applicable, the date of the action or the date against which shareholders’ ownership is measured for the action:***

On May 28, 2014, pursuant to the terms and conditions of the Separation and Distribution Agreement dated May 28, 2014 by and among SPG, Simon Property Group, L.P., WPG, and Washington Prime Group, L.P., SPG distributed to its shareholders holding SPG common stock, on a pro rata basis, all of the issued and outstanding common shares of SPG’s wholly owned subsidiary, WPG (the “Distribution”). Pursuant to the Distribution, each holder of SPG common stock as of the close of business on May 16, 2014 received one common share of WPG for every two shares of SPG common stock held. SPG shareholders also received cash in lieu of any fractional common shares of WPG.

WPG's common shares trade under the ticker symbol "WPG", whereas common stock of SPG will continue to trade under the ticker symbol "SPG".

**15. Describe the quantitative effect of the organizational action on the basis of the security in the hands of a U.S. taxpayer as an adjustment per share or as a percentage of old basis:**

As a result of the Distribution, SPG shareholders will be required to allocate the aggregate tax basis in their SPG common stock held immediately before the Distribution among the WPG common shares received in the Distribution (including any fractional share interest in WPG for which cash is received) and their SPG common stock held immediately after the Distribution. A shareholder's aggregate tax basis in his or her shares of SPG common stock held immediately prior to the Distribution should be allocated in proportion to the relative fair market value of the SPG common stock and the WPG common shares. Shareholders that acquired SPG common stock at different times or different prices will need to calculate their tax basis in each block of stock and then allocate a portion of that tax basis to the SPG common stock and the WPG common shares received with respect thereto.

Fair market value generally is the price at which property would change hands between a willing buyer and a willing seller, neither being under any compulsion to buy or to sell and both having reasonable knowledge of the facts. U.S. federal income tax law does not specifically prescribe how you should determine the fair market values of the SPG common stock and the WPG common shares for purposes of allocating your tax basis. You should consult your tax advisor to determine what measure of fair market value is appropriate.

There are several possible methods for determining the fair market values of SPG common stock and WPG common shares. One possible approach is to utilize the New York Stock Exchange market closing price on May 28, 2014 for SPG common stock (\$165.21 per share), and the New York Stock Exchange market closing price on May 28, 2014 for WPG common shares (\$21.03 per share) as an indication of the fair market value. Based on that approach and the assumptions and calculations set forth in Item 16 below, 94.016% of a SPG shareholder's aggregate tax basis in his or her shares of SPG common stock immediately prior to the Distribution would be allocated to such shareholder's shares of SPG common stock and 5.984% would be allocated to such shareholder's shares of WPG received in the Distribution (including any fractional share interest in WPG for which cash is received). Other approaches to determine fair market value may also be possible. You are not bound by the approach illustrated above and may, in consultation with your tax advisor, use another approach in determining fair market values for SPG and WPG common stock.

**16. Describe the calculation of the change in basis and the data that supports the calculation, such as the market values of securities and the valuation dates:**

The following is an example of how the previously-described approach to basis allocation would be applied:

Assumptions:

- Shares of SPG common stock owned: 1,000
- SPG shareholder's aggregate tax basis (assumed to be \$150 per share): \$150,000
- Common shares of WPG received in the Distribution (1,000 shares of SPG common stock multiplied by the distribution ratio of 1/2): 500

Tax basis allocation:

	# Shares Owned	Assumed Beginning Basis  (A)	Price	FMV of Shares Owned Post Distribution	Percentage of Total FMV  (B)	Allocated Tax Basis  =  (A) x (B)
SPG common stock	1,000	\$150,000.00	\$165.21 <sup>1</sup>	\$165,210 <sup>3</sup>	94.016% <sup>5</sup>	\$141,024.33
WPG common shares	500		\$21.03 <sup>2</sup>	\$10,515 <sup>4</sup>	5.984% <sup>6</sup>	\$8,975.67
Total				\$175,725	100.00%	\$150,000.00
<sup>1</sup> Closing market price of SPG common stock on May 28, 2014. <sup>2</sup> Closing market price of WPG common shares on May 28, 2014. <sup>3</sup> 1,000 shares x \$165.21 <sup>4</sup> 500 shares x \$21.03 <sup>5</sup> \$165,210/\$175,725 <sup>6</sup> \$10,515/\$175,725						

**17. List the applicable Internal Revenue Code section(s) and subsection(s) upon which the tax treatment is based:**

Except with respect to any cash received in lieu of fractional interests in WPG common shares, SPG shareholders will not recognize income, gain or loss for U.S. federal income tax purposes on the receipt of the WPG shares pursuant to the Distribution pursuant to Sections 355(a)(1)(A) and 368(a)(1)(D) of the Code. The tax basis calculations resulting from the Distribution are governed by Sections 358(a) and (b) of the Code.

You should consult your own tax advisor as to the particular consequences of the Distribution to you, including the applicability and effect of any U.S. federal, state and local tax laws, as well as foreign tax laws, which may result in the Distribution being taxable to you.

**18. Can any resulting loss be recognized?**

No loss may be recognized by a SPG shareholder upon the receipt of WPG common shares in the Distribution, except possibly with respect to cash received in lieu of a fractional share of WPG common shares.

**19. Provide any other information necessary to implement the adjustment, such as the reportable tax year:**

The Distribution was effective on May 28, 2014. For a SPG shareholder whose taxable year is a calendar year, the reportable tax year is 2014.

Please note that some brokerage houses might not use the information provided in this document, and the information is only provided as an example of one potential method. There are various ways brokerage houses may calculate the cost basis allocation. Please contact your individual brokerage house to determine which calculation it may have used and contact your tax advisor for additional information and clarification.

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**The information in this document does not constitute tax advice and is not intended or written to be used, and cannot be used, for the purposes of (i) avoiding penalties under the Internal Revenue Code or (ii) promoting, marketing or recommending any transaction or matter addressed herein.**