The University of Chicago Booth School of Business

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November 10, 2011



The Economic Roller Coaster

- High Volatility – The market is down / The market is up
- Market Uncertainty – What will happen to the Euro?
- Low Growth Environment – Anemic GDP
- High Unemployment – Will there be job creation?
- Low Consumer Confidence – Back to levels last seen during ’08-’09 Recession
- Consumer Balance Sheets Still in Need of Repair – More savings / weaker spending growth
- Losses Need to be Recognized

Where Does Commercial Real Estate Fit In?

Real Estate Industry During The Great Recession

- In March of 2009, U.S. stocks plunged to new bear-market lows following bank-solvency fears that brought the Dow down to levels not seen since 1997
  - SPG’s stock was trading around $30/share, not far off its 1993 IPO price of $22.25
  - MSCI U.S. REIT Index (RMS) closed at a low of 345
- Commercial real estate and REITs, in particular, were not only impacted by declining share prices, but were faced with:
  - Falling real estate values
  - Limited access to capital – massive national debt crisis rendered debt markets dysfunctional
- In the retail real estate sector, retailers were experiencing continued declining sales, and bankruptcies were increasing with most turning into liquidations due to lack of DIP financing

How Did REITs Respond?

- Recapitalized balance sheets
  - Issued debt and equity
- Decreased capital spending
- Adopted aggressive cost cutting measures
- Created joint ventures
- Announced dividend cuts and/or payment in stock/cash combination
- Pursued asset sales

SPG Was an Industry Leader During the Great Recession

- In a challenging capital markets environment, SPG led the recapitalization of the REIT industry in 2009, completing more than $4 billion in transactions

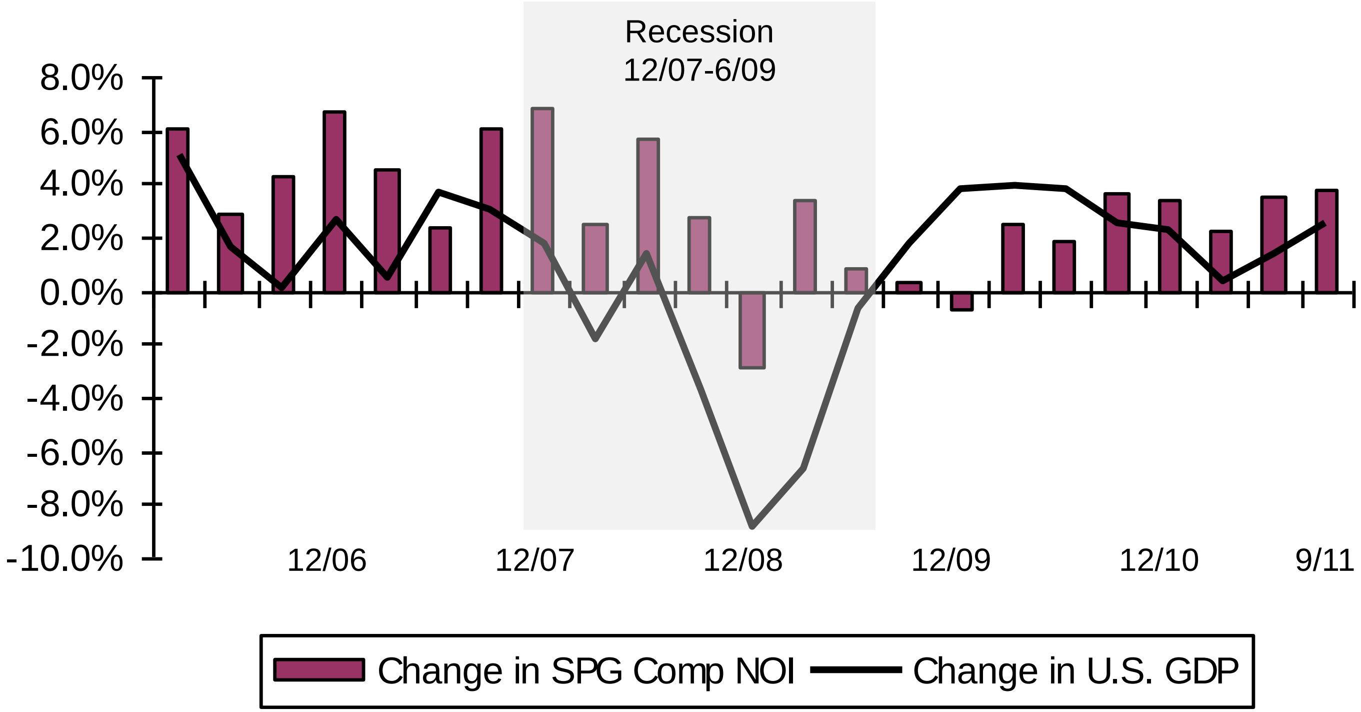
- Significantly reduced development spending having anticipated an economic slowdown - $1 billion spent in 2008 decreased to $411 million in 2009

- Focused on cost control in home office and field resulting in 2009 operating margin of 68.9% - the highest in the regional mall sector

- Grew comparable property net operating income ("NOI"), a testament to SPG's high quality portfolio, the stable regional mall business and strong operating results in the Premium Outlet platform
    - Held occupancy in tough retail environment

SPG Operating Performance was Stable During Downturn

- SPG's comparable property net operating income ("NOI") grew in all but two quarters during the last recession
- The change in U.S. GDP was negative in five quarters during this same period

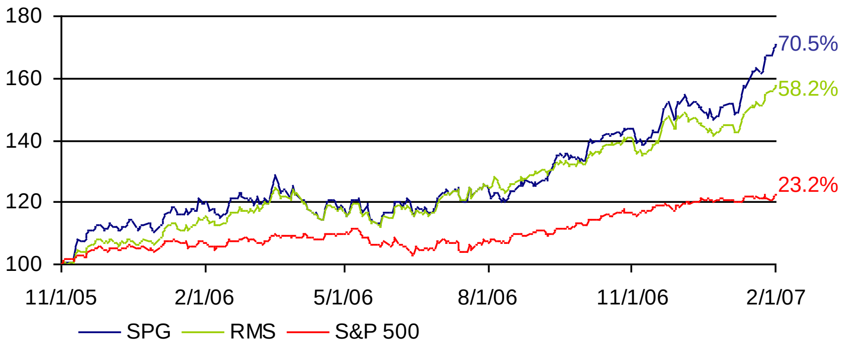


Simon Has Consistently Outperformed the Benchmarks

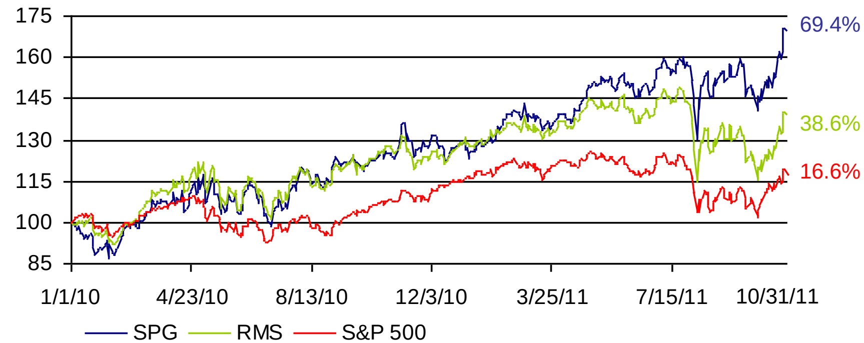
- Simon has outperformed REITs and the S&P 500 over most relevant time periods based on total returns

In Good Markets…

2005-2007

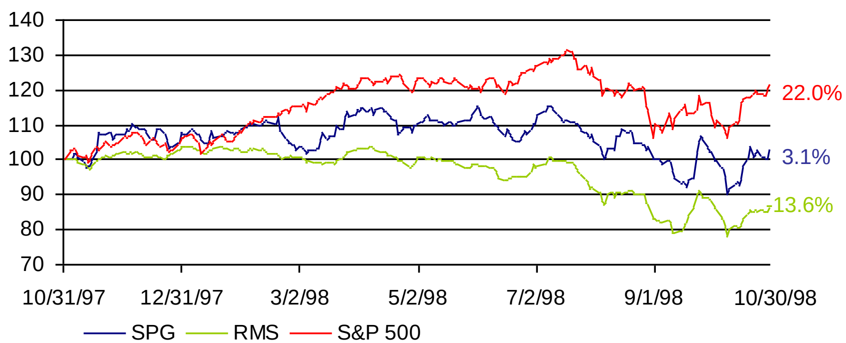


2010 to October 31, 2011

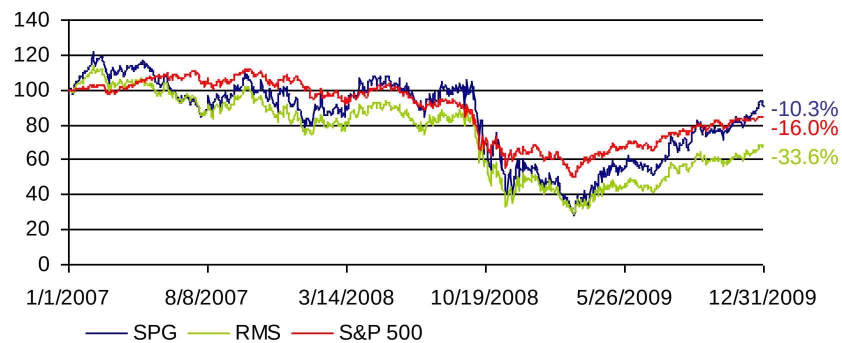


…And Bad Markets

1998 Russian Debt Crisis



2008 Financial Crisis



Strong Results for the Decade Ended 12/31/10 and YTD 2011

- Total annual consolidated revenue doubled from $2.0 billion to $4.0 billion for the decade / Increased 10.5% from $2.8 billion to $3.1 billion YTD 2011
- FFO as adjusted per diluted share increased 83% from $3.29 to $6.03 for the decade / Increased 17.5% from $4.23 from $4.97 per share YTD 2011
- Total sales per square foot grew from $377 to $491 for the decade / Increased to $517 per square foot YTD 2011
- Portfolio occupancy improved from 91.8% to 94.2% for the decade / Increased 10 basis points from 93.8% to 93.9% at September 30, 2011 as compared to prior year period
- Total stockholder return, including dividends, was 574% as compared to the S&P 500 and the MSCI U.S. REIT Index ("RMS") at 15% and 173%, respectively, for the decade
  - SPG outperformed the S&P 500 and RMS in 9 years of the last decade
- SPG's outperformance continues in 2011 with a total return of 32% as of October 31st compared to 8% and 1% for the RMS and S&P 500, respectively

Current State of U.S. Commercial Real Estate and REITs

- Commercial real estate fundamentals held up very well during the economic downturn and cash flows have grown in 2010 and 2011
- Construction of commercial real estate is currently at historically low levels; limited new supply/development will benefit existing operators
  - Tenants prefer highly productive, proven retail locations
- Institutional money investing in commercial real estate wants to partner with first class operators who have "skin in the game"
- Public real estate companies have been able to raise significant capital at attractive rates, which are at historically low levels
- REITs are benefitting as investors look for yield
- Investors are flocking to safety, as commercial real estate has historically been considered a "safe harbor"

Current State of the Retail Industry

- Retailers continue to struggle with a weak economy and a more fiscally conservative consumer, yet same-store sales have increased on a monthly basis since September 2009
- Retail sales growth in tourism markets has been extremely strong
  - South Florida, Houston, Las Vegas, New York, San Francisco, Chicago
- Retailers have stronger balance sheets / Generating significant cash flow
- Retailer demand for space is a mixed bag but generally positive
  - Some retailers expanding / Some looking to downsize
  - Demand is strongest in high quality properties
- Top tier retail properties will benefit from lack of new supply / construction
  - Construction of new retail square footage is at a 20-year low
- Outlet business is very desirable / Very strong NOI growth
  - Retailer demand for outlets is only outpaced by consumer appetite for value

Why is SPG Doing So Well?

High Quality Portfolio with Significant Exposure to Luxury

- Luxury retailers have experienced solid increases in sales and revenues
  - Nordstrom same store sales increased 7.2% year-to-date
  - Burberry same store sales increased 16% in the first half – revenue up 30%
  - Tiffany worldwide net sales and same store sales rose 20% and 18%, respectively
- SPG portfolio mirrors luxury trend with sales and revenue up 9.3% and 10.5%, respectively, year over year
- Exposure to value-oriented sector (outlet business)

Premier Assets

- SPG's portfolio includes assets of national and international renown – irreplaceable, proven assets which are the preferred location for retailers
- SPG's high quality portfolio generates total sales of $517 psf

Copley Place
Boston, MA

Dadeland Mall
Miami, FL

Fashion Centre at Pentagon
Arlington (Wash., DC), VA

Fashion Valley
San Diego, CA

The Florida Mall
Orlando, FL

Forum Shops at Caesars
Las Vegas, NV

The Galleria
Houston, TX

King of Prussia Mall
King of Prussia (Philadelphia), PA

Phipps Plaza
Atlanta, GA

Roosevelt Field
Long Island, NY

South Shore Plaza
Boston, MA

SouthPark
Charlotte, NC

Stanford Shopping Center
Palo Alto, CA

Town Center at Boca Raton
Boca Raton, FL

The Westchester
White Plains (New York), NY

Why is SPG Doing So Well?

SPG Shopper Still Spending Money

- SPG shopper who is college graduate has been less impacted by economic downturn
  - College grads 25 years and over have a 4.4% unemployment rate compared to the U.S. overall unemployment rate of 9.0%
- SPG shopper:
  - Average household income of $75,000
  - Median shopper age of 35.6 years

Why is SPG Doing So Well?

Largest Global Outlet Portfolio

- High quality, upscale Premium Outlets/The Mills with a presence in major metropolitan markets
  - High productivity in outlet sector due to cost conscious shopper looking for value
  - Retailers today desire a presence in the outlet format
    - Many manufacture goods specifically for distribution in the outlet component of their business
    - Outlet distribution channel is extremely profitable for retailers
  - Approximately 1/3 of SPG's NOI is generated by the outlet sector

SPG – Opportunities in Retail Real Estate in 2011 and Beyond

- Invest capital in irreplaceable, franchise assets
  - Expect to spend approximately $500 million in 2011 and more than $1 billion in 2012 on accretive expansion projects

- Invest abroad to strategically increase global presence

- Invest in the outlet sector both domestically and abroad to capitalize on the consumer's desire for value

- Invest in social media/ technology to further enhance consumer interaction

Forward-looking statement

Statements in this presentation that are not historical may be deemed “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995. Although we believe that the expectations reflected in any forward-looking statements are based on reasonable assumptions, we can give no assurance that these expectations will be attained and it is possible that our actual results may differ materially from those indicated by these forward-looking statements due to a variety of risks and uncertainties. Such factors include, but are not limited to: the Company's ability to meet debt service requirements, the availability and terms of financing, changes in the Company's credit rating, changes in market rates of interest and foreign exchange rates for foreign currencies, changes in the value of investments in foreign entities, the ability to hedge interest rate risk, risks associated with the acquisition, development, expansion, leasing and management of properties, general risks related to retail real estate, the liquidity of real estate investments, environmental liabilities, international, national, regional and local economic climates, changes in market rental rates, trends in the retail industry, relationships with anchor tenants, the inability to collect rent due to the bankruptcy or insolvency of tenants or otherwise, risks relating to joint venture properties, costs of common area maintenance, competitive market forces, risks related to international activities, insurance costs and coverage, terrorist activities, changes in economic and market conditions and maintenance of our status as a real estate investment trust. 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 its periodic reports, but otherwise 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.

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