

SIMON
Combined Financial Highlights^(A)
Unaudited
(In thousands, except as noted)

	Three Months Ended		Nine Months Ended	
	September 30,		September 30,	
	<u>2000</u>	<u>1999</u>	<u>2000</u>	<u>1999</u>
Revenue:				
Minimum rent	\$299,708	\$280,920	\$890,435	\$831,163
Overage rent ^(B)	9,700	12,307	28,456	40,333
Tenant reimbursements	145,237	156,514	444,384	433,352
Other income	<u>39,281</u>	<u>21,430</u>	<u>96,161</u>	<u>66,422</u>
Total revenue	493,926	471,171	1,459,436	1,371,270
Expenses:				
Property operating	78,779	76,172	235,220	216,679
Depreciation and amortization	106,983	93,402	304,611	272,927
Real estate taxes	49,032	48,151	147,183	139,194
Repairs and maintenance	15,930	15,365	51,690	52,253
Advertising and promotion	11,473	15,883	42,728	45,435
Provision for credit losses	3,326	2,043	7,671	6,837
Other	<u>8,990</u>	<u>5,373</u>	<u>27,474</u>	<u>19,622</u>
Total operating expenses	274,513	256,389	816,577	752,947
Operating Income	219,413	214,782	642,859	618,323
Interest Expense	<u>160,668</u>	<u>144,015</u>	<u>474,534</u>	<u>427,871</u>
Income before Minority Interest	58,745	70,767	168,325	190,452
Minority Interest	(2,382)	(2,236)	(7,099)	(7,739)
Gain (Loss) on Sales of Real Estate, net ^(C)	151	-	8,809	(9,308)
Income Tax Benefit of SRC	<u>—</u>	<u>—</u>	<u>—</u>	<u>3,374</u>
Income before Unconsolidated Entities	56,514	68,531	170,035	176,779
Income from Unconsolidated Entities	<u>20,920</u>	<u>18,594</u>	<u>54,447</u>	<u>45,072</u>
Income before Extraordinary Items and Cumulative Effect of Accounting Change	77,434	87,125	224,482	221,851
Unusual Item ^(D)	-	(12,000)	-	(12,000)
Extraordinary Items – Debt Related Transactions	-	(410)	(440)	(2,227)
Cumulative Effect of Accounting Change ^(E)	<u>—</u>	<u>—</u>	<u>(12,342)</u>	<u>—</u>
Income before Allocation to Limited Partners	77,434	74,715	211,700	207,624
Less: Limited Partners' Interest in the Operating Partnerships	(16,075)	(15,590)	(42,346)	(41,255)
Less: Preferred Distributions of the SPG Operating Partnership	(2,816)	(612)	(8,450)	(612)
Less: Preferred Dividends of Subsidiary	<u>(7,333)</u>	<u>(7,333)</u>	<u>(22,001)</u>	<u>(22,001)</u>
Net Income	51,210	51,180	138,903	143,756
Preferred Dividends	<u>(9,185)</u>	<u>(8,745)</u>	<u>(27,623)</u>	<u>(27,905)</u>
Net Income Available to Common Shareholders	<u>\$42,025</u>	<u>\$42,435</u>	<u>\$111,280</u>	<u>\$115,851</u>

SIMON
 Combined Financial Highlights - Continued^(A)
 Unaudited
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	Three Months Ended		Nine Months Ended	
	September 30,		September 30,	
<u>PER SHARE DATA:</u>	<u>2000</u>	<u>1999</u>	<u>2000</u>	<u>1999</u>
Basic Income per Paired Share:				
Before Extraordinary Items	\$0.24	\$0.25	\$0.69	\$0.68
Extraordinary Items	-	(0.01)	-	(0.01)
Cumulative Effect of Accounting Change	-	-	(0.05)	-
Net Income Available to Common Shareholders	<u>\$0.24</u>	<u>\$0.24</u>	<u>\$0.64</u>	<u>\$0.67</u>
Diluted Income per Paired Share:				
Before Extraordinary Items	\$0.24	\$0.25	\$0.69	\$0.68
Extraordinary Items	-	(0.01)	-	(0.01)
Cumulative Effect of Accounting Change	-	-	(0.05)	-
Net Income Available to Common Shareholders	<u>\$0.24</u>	<u>\$0.24</u>	<u>\$0.64</u>	<u>\$0.67</u>

SELECTED BALANCE SHEET INFORMATION

	September 30,	December 31,
	<u>2000</u>	<u>1999</u>
Cash and Cash Equivalents	\$114,420	\$157,632
Investment Properties, net	\$11,581,035	\$11,703,171
Mortgages and Other Indebtedness	\$8,792,597	\$8,768,951

SELECTED REGIONAL MALL OPERATING STATISTICS

	September 30,	
	<u>2000</u>	<u>1999</u>
Occupancy ^(F)	90.5%	88.5%
Average Rent per Square Foot ^(F)	\$27.97	\$26.75
Total Sales Volume (in millions) ^(G)	\$10,842	\$9,624
Comparable Sales per Square Foot ^(G)	\$385	\$371
Total Sales per Square Foot ^(G)	\$375	\$356

- (A) Represents combined condensed financial statements of Simon Property Group, Inc. and its paired share affiliate, SPG Realty Consultants, Inc. ("SRC").
- (B) Decrease in 2000 primarily due to the adoption of SAB 101 on January 1, 2000, which requires overage rent to be recognized as revenue only when each tenant's sales exceed their sales threshold. Previously, the Company recognized overage rent based on reported and estimated sales through the end of the period, less the applicable prorated base sales amount.
- (C) Net of asset write downs of \$10.57 million for the nine months ended September 30, 2000.
- (D) Relates to litigation filed by former employees/shareholders of DeBartolo Realty Corporation (purchased by SPG in 1996) regarding stock incentive plan shares. Judgment was rendered in favor of SPG in district court, but reversed by appellate court on August 18, 1999.
- (E) Due to the adoption of SAB 101 on January 1, 2000, as discussed in footnote (B).
- (F) Includes mall and freestanding stores.
- (G) Based on the standard definition of sales for regional malls adopted by the International Council of Shopping Centers, which includes only mall and freestanding stores.

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RECONCILIATION OF NET INCOME TO FUNDS FROM OPERATIONS (“FFO”)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	<u>2000</u>	<u>1999</u>	<u>2000</u>	<u>1999</u>
Income Before Extraordinary Items and Cumulative Effect of Accounting Change	\$77,434	\$87,125	\$224,482	\$221,851
Plus: Real estate depreciation and amortization from combined consolidated properties	105,600	93,182	302,742	272,263
Plus: Simon’s share of real estate depreciation and amortization and extraordinary items from unconsolidated affiliates	30,395	17,900	87,251	59,191
Less: Unusual Item ^(D)	-	(12,000)	-	(12,000)
Less: (Gain) loss on sale of real estate, net ^(C)	(151)	-	(8,809)	9,308
Less: Minority interest portion of real estate depreciation and amortization	(1,491)	(1,516)	(4,446)	(3,566)
Less: Preferred distributions (including those of subsidiary)	(19,334)	(16,690)	(58,074)	(50,518)
FFO of the Simon Portfolio	<u>\$192,453</u>	<u>\$168,001</u>	<u>\$543,146</u>	<u>\$496,529</u>

FFO of the Simon Portfolio	\$192,453	\$168,001	\$543,146	\$496,529
<u>Basic FFO per Paired Share:</u>				
Basic FFO Allocable to the Company	\$139,472	\$122,205	\$394,021	\$361,564
Basic Weighted Average Paired Shares Outstanding	172,759	173,471	173,216	171,950
Basic FFO per Paired Share	\$0.81	\$0.70	\$2.27	\$2.10
<u>Diluted FFO per Paired Share:</u>				
Diluted FFO Allocable to the Company	\$148,962	\$131,364	\$421,997	\$390,933
Diluted Weighted Average Number of Equivalent Paired Shares	187,293	188,094	187,803	187,917
Diluted FFO per Paired Share	\$0.80	\$0.70	\$2.25	\$2.08