

SIMON PROPERTY GROUP INC /DE/  
Form 424B5  
May 08, 2009

As filed pursuant to Rule 424(b)(5)  
Registration Statement No. 333-157794

**PROSPECTUS SUPPLEMENT**  
(To Prospectus dated March 9, 2009)

**CALCULATION OF REGISTRATION FEE**

<b>Title of each class of securities to be registered</b>	<b>Amount to be registered</b>	<b>Maximum offering price per share</b>	<b>Maximum aggregate offering price</b>	<b>Amount of registration fee</b>
Common Stock, \$0.0001 par value per share	23,000,000 <sup>(1)</sup> \$	50.00	\$ 1,150,000,000	\$ 64,170.00 <sup>(2)</sup>

---

(1) Includes 3,000,000 shares that the underwriters may purchase to cover overallocments, if any.

(2) Calculated in accordance with Rule 456(b) and 457(r) of the Securities Act of 1933.

---

Table of Contents

**PROSPECTUS SUPPLEMENT**

(To Prospectus dated March 9, 2009)

**20,000,000 Shares**

**Simon Property Group, Inc.**

**Common Stock**

---

We are offering for sale 20,000,000 shares of our common stock to be sold in this offering. We will receive all of the net proceeds from the sale of such common stock.

Our common stock is listed on the New York Stock Exchange, or NYSE, under the symbol "SPG." On May 6, 2009, the last reported sale price of our common stock on the NYSE was \$54.84 per share.

**Investing in our common stock involves risks that are described in the "Risk Factors" section beginning on page S-3 of this prospectus supplement and on page 8 of our most recent Annual Report on Form 10-K.**

---

	<b>Per Share</b>	<b>Total</b>
Public offering price	\$50.00	\$1,000,000,000
Underwriting discount	\$1.625	\$32,500,000
Proceeds, before expenses, to us	\$48.375	\$967,500,000

The underwriters may purchase up to an additional 3,000,000 shares of common stock from us at the public offering price, less the underwriting discount, within 30 days from the date of this prospectus supplement to cover any overallocments.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or determined if this prospectus supplement or the accompanying prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

The shares will be ready for delivery on or about May 12, 2009.

---

*Joint Book-Running Managers*

**Merrill Lynch & Co.**

**J.P.Morgan**

---

**Morgan Stanley**

*Joint Lead Managers*

**Citi**

**Credit Suisse**

*Senior Co-Managers*

**ABN AMRO Incorporated**  
**ING Wholesale**

**Calyon Securities (USA) Inc.**  
**PNC Capital Markets LLC**

**Daiwa Securities America Inc.**  
**Piper Jaffray**  
**Scotia Capital**

---

*Co-Managers*

**Morgan Keegan & Company, Inc.**

**Stifel Nicolaus**

**SunTrust Robinson Humphrey**

---

The date of this prospectus supplement is May 7, 2009.

---

## TABLE OF CONTENTS

Prospectus Supplement

	<b>Page</b>
<u>About This Prospectus Supplement</u>	<u>S-2</u>
<u>Who We Are</u>	<u>S-2</u>
<u>Risk Factors</u>	<u>S-3</u>
<u>Use of Proceeds</u>	<u>S-4</u>
<u>Price Range of Common Stock</u>	<u>S-5</u>
<u>Dividend Policy</u>	<u>S-5</u>
<u>Description of Common Stock</u>	<u>S-6</u>
<u>Certain Federal Income Tax Considerations</u>	<u>S-6</u>
<u>Underwriting</u>	<u>S-7</u>
<u>Legal Matters</u>	<u>S-12</u>
<u>Experts</u>	<u>S-12</u>

Prospectus

	<b>Page</b>
<u>About This Prospectus</u>	<u>2</u>
<u>Where You Can Find More Information</u>	<u>2</u>
<u>Who We Are</u>	<u>3</u>
<u>Use of Proceeds</u>	<u>3</u>
<u>Description of Securities Being Offered</u>	<u>4</u>
<u>Important Provisions of Our Governing Documents and Delaware Law</u>	<u>12</u>
<u>Restrictions on Ownership and Transfer</u>	<u>14</u>
<u>Federal Income Tax Considerations</u>	<u>16</u>
<u>Legal Matters</u>	<u>34</u>
<u>Experts</u>	<u>34</u>
<u>Disclosure of Commission Position on Indemnification for Securities Act Liabilities</u>	<u>34</u>
<u>Forward-Looking Statements May Prove Inaccurate</u>	<u>34</u>
<u>Incorporation of Information We File with the SEC</u>	<u>35</u>

You should rely only on the information contained or incorporated by reference in this prospectus supplement, the accompanying prospectus or any free writing prospectus required to be filed with the Securities and Exchange Commission. We have not, and the underwriters have not, authorized any other person to provide you with different or additional information. If anyone provides you with different or additional information, you should not rely on it. We are not, and the underwriters are not, making an offer to sell these securities in any jurisdiction where the offer or sale is not permitted. You should assume that the information appearing in this prospectus supplement, the accompanying prospectus and any such free writing prospectus and the documents incorporated by reference is accurate only as of their respective dates. Our business, financial condition, results of operations and prospects may have changed since those dates.

Table of Contents

**ABOUT THIS PROSPECTUS SUPPLEMENT**

We provide information to you about our common stock in two separate documents that offer varying levels of detail:

The accompanying prospectus, which provides general information, some of which may not apply to this offering of our common stock; and

This prospectus supplement, which provides a summary of the terms of this offering of our common stock.

Generally, when we refer to "this prospectus," we are referring to both documents combined. If information in this prospectus supplement is inconsistent with the accompanying prospectus, you should rely on this prospectus supplement.

**WHO WE ARE**

Simon Property Group, Inc. owns, develops and manages retail real estate properties, primarily regional malls, Premium Outlet® centers, The Mills® and community/lifestyle shopping centers. We have elected to be treated as a real estate investment trust, or REIT, for United States federal income tax purposes. We own our properties and conduct our business activities through our majority-owned subsidiary, Simon Property Group, L.P., or the Operating Partnership.

The core of our business originated with the shopping center businesses of Melvin Simon, Herbert Simon, David Simon and other members and associates of the Simon family. We have grown significantly by acquiring properties and merging with other real estate companies, including our 1996 merger with DeBartolo Realty Corporation, our 1998 combination with Corporate Property Investors, Inc., our 2004 acquisition of Chelsea Property Group, Inc. and our 2007 acquisition of a 50% interest in the joint venture that acquired The Mills Corporation, or Mills.

As of March 31, 2009, we owned or held an interest in 324 income-producing properties in the United States, which consisted of 179 regional malls, 40 Premium Outlet centers, 16 The Mills, 74 community/lifestyle centers, and 15 other shopping centers or outlet centers in 41 states and Puerto Rico. In addition, we own interests in four parcels of land in the United States held for future development. In the United States, we have one new property currently under development with approximately 400,000 square feet of gross leasable area, which will open during 2009. Internationally as of March 31, 2009, we had ownership interests in 52 European shopping centers (France, Italy and Poland); seven Premium Outlet centers in Japan; one Premium Outlet center in Mexico; one Premium Outlet center in South Korea; and one shopping center in China. Also, through joint venture arrangements we have ownership interests in the following properties under development internationally: a 24% interest in two shopping centers in Italy, a 40% interest in a Premium Outlet Center in Japan, and a 32.5% interest in three additional shopping centers under construction in China.

Our predecessor was organized as a Massachusetts business trust in 1971 and reorganized as a Delaware corporation on March 10, 1998. Our principal executive offices are located at 225 West Washington Street, Indianapolis, Indiana 46204. Our telephone number is (317) 636-1600. Our Internet website address is [www.simon.com](http://www.simon.com). The information in our website is not incorporated by reference into this prospectus supplement or the accompanying prospectus.

If you want to find more information about us, please see the sections entitled "Where You Can Find More Information" and "Incorporation of Information We File with the SEC" in the accompanying prospectus.

In this prospectus supplement, unless the context otherwise requires, "we," "us" and "our" refer to Simon Property Group, Inc. and its subsidiaries. "Simon Property" refers specifically to Simon Property Group, Inc. only and the "Operating Partnership" refers specifically to our majority-owned subsidiary, Simon Property Group, L.P.

Table of Contents

**RISK FACTORS**

*Your investment in our common stock involves certain risks. In consultation with your own financial and legal advisors, you should carefully consider, among other matters, the factors set forth below as well as the risk factors discussed in our Annual Report on Form 10-K for the year ended December 31, 2008 (which is incorporated by reference into this prospectus supplement) before deciding whether an investment in the common stock is suitable for you.*

**The market price of our common stock may fluctuate significantly.**

The market price of our common stock may fluctuate significantly in response to many factors, including:

actual or anticipated variations in our operating results, funds from operations, cash flows, liquidity or distributions;

changes in our earnings estimates or those of analysts;

publication of research reports about us, the real estate industry generally or the sub-industry in which we operate;

increases in market interest rates that lead purchasers of our common stock to demand a higher dividend yield;

changes in market valuations of similar companies;

adverse market reaction to any securities we may issue or additional debt we incur in the future;

additions or departures of key management personnel;

actions by institutional stockholders;

speculation in the press or investment community;

continuing high levels of volatility in the capital and credit markets;

the realization of any of the other risk factors included in, or incorporated by reference to, this prospectus supplement and the accompanying prospectus; and

general market and economic conditions.

Many of the factors listed above are beyond our control. These factors may cause the market price of our common stock to decline, regardless of our financial performance and condition and prospects. It is impossible to provide any assurance that the market price of our common stock will not fall in the future, and it may be difficult for holders to resell shares of our common stock at prices they find attractive, or at all.

**This offering is expected to be dilutive, and there may be future dilution of our common shares.**

## Edgar Filing: SIMON PROPERTY GROUP INC /DE/ - Form 424B5

Giving effect to the issuance of common stock in this offering, the receipt of the expected net proceeds and the use of those proceeds, we expect that this offering will have a dilutive effect on our expected earnings per share and funds from operations per share for the year ending December 31, 2009. Additional sales (whether directly by us or in the secondary market) or issuances of our common stock or the perception that such additional sales or issuances could occur could, in turn, adversely affect the market price of our common stock and our ability to raise capital through future offerings of equity or equity-related securities.

S-3

---

Table of Contents

**Changes to our dividend policy for 2009 may have adverse tax consequences for stockholders and an adverse effect on the market price of our common stock.**

On May 1, 2009, we announced a dividend on our common stock of \$0.60 per share, consisting of a combination of cash and shares of our common stock, payable on June 19, 2009 to stockholders of record on May 14, 2009. In accordance with the provisions of IRS Revenue Procedure 2009-15, common stockholders may elect to receive payment of the dividend all in cash or all in common stock. To the extent that cash elections are made for more than 20% of the aggregate amount of such dividend, the cash portion will be prorated. Stockholders who elect to receive the dividend in cash will receive a cash payment of at least \$0.12 per share. Stockholders who do not make an election will receive the dividend 20% in cash and 80% in common stock.

Taxable U.S. stockholders will be required to pay tax on the entire amount of the dividend, including the common stock component. Such stockholders may be required to pay the tax using cash from other sources. If a U.S. stockholder sells the common stock it receives as a dividend in order to pay this tax, the sales proceeds may be less than the amount included in income with respect to the dividend, depending on the market price of the common stock at the time of sale. Furthermore, with respect to non-U.S. stockholders, we may be required to withhold U.S. tax with respect to such dividend, including in respect of all or a portion of the dividend payable in common stock. See "Certain Federal Income Tax Considerations" in this prospectus supplement. In addition, sales of common stock in order to pay taxes owed on dividends could have an adverse effect on the market price of our common stock.

On May 1, 2009, we also announced that our board of directors decided that the 2009 annual common stock dividend would be reduced to the minimum amount required to distribute 100% of our taxable income. While this decision reflects our current expectation, the decision to declare and pay dividends on our common stock in the future, as well as the timing, amount and composition of any such future dividends, will be at the sole discretion of our board of directors and will depend on various factors. See "Dividend Policy" herein. These decisions, including the decisions to pay dividends partly in stock and to limit dividends to our taxable income, may have an adverse effect on the market price of our common stock.

**Provisions in our charter and by-laws could prevent a change of control.**

Our charter contains a general restriction on the accumulation of shares in excess of 8% of the capital stock. The charter permits the members of the Simon family and related persons to own up to 18%. Ownership is determined by the lower of the number of outstanding shares, voting power or value controlled. Our board of directors may, by majority vote, permit exceptions to those levels in circumstances where the board determines our ability to qualify as a REIT will not be jeopardized. These restrictions on ownership may have the effect of delaying, deferring or preventing a transaction or a change in control that might otherwise be in the best interest of our stockholders. Other provisions of our charter and by-laws could have the effect of delaying or preventing a change of control even if some stockholders deem such a change to be in their best interests. These include provisions preventing holders of our common stock from acting by written consent and requiring that up to four directors in the aggregate may be elected by holders of Class B common stock.

**USE OF PROCEEDS**

We expect to receive net proceeds from the sale of our common stock, after deducting the underwriting discount and expenses payable by us, of approximately \$967.3 million (approximately \$1,112.4 million if the underwriters' overallotment option is exercised in full). We intend to contribute the net proceeds from the sale of our common stock in exchange for an equal number of units issued by the Operating Partnership, increasing our ownership of the Operating Partnership. The Operating Partnership will use the proceeds for general corporate purposes.



Table of Contents**PRICE RANGE OF COMMON STOCK**

Our common stock trades on the NYSE under the symbol "SPG." The table below sets forth for the periods indicated the high and low sales prices for our common stock as reported on the NYSE Composite Tape for such periods and the dividends paid per share with respect to each period:

	Price range		Dividends
	High	Low	
<b>2009</b>			
First Quarter	\$ 54.24	\$ 24.27	\$ 0.90 <sup>(1)</sup>
Second Quarter (through May 6, 2009)	54.99	32.56	\$ 0.60 <sup>(2)</sup>
<b>2008</b>			
First Quarter	\$ 96.67	\$ 74.80	\$ 0.90
Second Quarter	106.11	89.24	0.90
Third Quarter	106.43	79.93	0.90
Fourth Quarter	95.97	33.78	0.90
<b>2007</b>			
First Quarter	\$ 123.96	\$ 98.50	\$ 0.84
Second Quarter	118.25	91.12	0.84
Third Quarter	103.00	82.60	0.84
Fourth Quarter	109.00	85.49	0.84

- (1) The dividend was paid 10% in cash and 90% in shares of common stock in accordance with stockholder elections (subject to proration).
- (2) The dividend will be paid on June 19, 2009 in cash and shares of our common stock. The cash component of the dividend will not exceed 20% in the aggregate of such dividend.

**DIVIDEND POLICY**

To maintain our qualification as a REIT, we are required each year to distribute to stockholders at least 90% of our net taxable income after certain adjustments. On March 18, 2009, we paid a quarterly dividend of \$0.90 per share of common stock in a combination of cash and shares of common stock, with the cash limited to 10% of the total dividend. Based on stockholder elections, the dividend consisted of approximately \$20.8 million in cash and approximately 5.5 million shares of common stock. Our second quarterly dividend of 2009 of \$0.60 per share of common stock is payable in a combination of cash and shares of common stock, and the cash component of the total dividend will not exceed 20% in the aggregate of such dividend. On May 1, 2009, we announced that our board of directors decided that the 2009 annual common stock dividend would be reduced to the minimum amount required to distribute 100% of our taxable income. While this decision reflects our current expectation, the decision to declare and pay dividends on our common stock in the future, as well as the timing, amount and composition of future dividends, will be determined in the sole discretion of our board of directors and will depend on actual and projected cash flow, financial condition, funds from operations, earnings, capital requirements, the annual REIT distribution requirements, contractual prohibitions or other restrictions, applicable law and such other factors as our board of directors deems relevant. Paying all or a portion of the 2009 dividend in a combination of cash and common stock would allow us to satisfy our REIT taxable income distribution requirement under existing IRS revenue procedures, while enhancing our financial flexibility and balance sheet strength.

Table of Contents

**DESCRIPTION OF COMMON STOCK**

A summary of the terms and provisions of our common stock is contained in "Description of Securities Being Offered" in the accompanying prospectus.

**CERTAIN FEDERAL INCOME TAX CONSIDERATIONS**

For a discussion of material federal income tax consequences applicable to distributions to stockholders and our election to be taxed as a REIT, see "Federal Income Tax Considerations" in the accompanying prospectus.

**Dividend Payments**

The IRS recently issued guidance regarding the tax treatment of stock distributions paid by a REIT. Under that guidance a REIT may pay up to 90% of a distribution in common stock. To maintain our qualification as a REIT, we are required each year to distribute to stockholders at least 90% of our net taxable income after certain adjustments. We paid our first quarterly dividend in 2009 in a combination of cash and shares of common stock, with the cash limited to 10% of the total dividend. Our second quarterly dividend in 2009 will also be paid in a combination of cash and shares of common stock, and the cash component of the total dividend will not exceed 20% in the aggregate of such dividend. Future dividends are determined in the discretion of our board of directors and depend on actual and projected cash flow, financial condition, funds from operations, earnings, capital requirements, the annual REIT distribution requirements, contractual prohibitions or other restrictions, applicable law and such other factors as our board of directors deems relevant. No determination has been made as to whether our remaining 2009 dividends will be paid in a similar combination of cash and common stock. Paying all or a portion of the 2009 dividend in a combination of cash and common stock would allow us to satisfy our REIT taxable income distribution requirement under existing IRS revenue procedures, while enhancing our financial flexibility and balance sheet strength.

Provided that the distribution satisfies certain criteria, a U.S. holder generally must include the sum of the value of the common stock and the amount of cash received in its gross income as dividend income to the extent that such holder's share of the distribution is made out of its share of the portion of our current and accumulated earnings and profits allocable to such distribution. The value of any common stock received as part of a distribution generally is equal to the amount of cash that could have been received instead of the common stock. Depending on the circumstances of the holder, the tax on the distribution may exceed the amount of the distribution received in cash, in which case such U.S. holder would have to pay the tax using cash from other sources. If a U.S. holder sells the stock it receives as a dividend in order to pay this tax and the sales proceeds are less than the amount required to be included in income with respect to the dividend, such holder could have a capital loss with respect to the stock sale that could not be used to offset such dividend income. Furthermore, with respect to non-U.S. holders, we may be required to withhold U.S. tax with respect to such dividend, including the portion that is payable in stock. A holder that receives common stock pursuant to a distribution generally has a tax basis in such common stock equal to the amount of cash that could have been received instead of such common stock as described above, and a holding period in such common stock that begins on the day following the payment date for the distribution.

Table of Contents**UNDERWRITING**

We intend to offer the shares of common stock through the underwriters. Merrill Lynch, Pierce, Fenner & Smith Incorporated, J.P. Morgan Securities Inc. and Morgan Stanley & Co. Incorporated are acting as the representatives of the underwriters named below. Subject to the terms and conditions described in an underwriting agreement among us and the underwriters, we have agreed to sell to the underwriters, and the underwriters severally have agreed to purchase from us, the number of shares listed opposite their names below.

<b>Underwriter</b>	<b>Number of Shares</b>
Merrill Lynch, Pierce, Fenner & Smith Incorporated	4,357,500
J.P. Morgan Securities Inc.	4,357,500
Morgan Stanley & Co. Incorporated	3,557,500
Citigroup Global Markets Inc.	1,507,500
Credit Suisse Securities (USA) LLC	1,507,500
ABN AMRO Incorporated	550,000
Calyon Securities (USA) Inc.	550,000
Daiwa Securities America Inc.	550,000
ING Financial Markets LLC	550,000
PNC Capital Markets LLC	550,000
Piper Jaffray & Co.	550,000
Scotia Capital (USA) Inc.	550,000
Morgan Keegan & Company, Inc.	287,500
Stifel, Nicolaus & Company, Incorporated	287,500
SunTrust Robinson Humphrey, Inc.	287,500
Total	20,000,000

The underwriters have agreed to purchase all of the shares sold under the underwriting agreement if any of these shares are purchased. If an underwriter defaults, the underwriting agreement provides that the purchase commitments of the nondefaulting underwriters may be increased or the underwriting agreement may be terminated.

We have agreed to indemnify the underwriters against certain liabilities, including liabilities under the Securities Act of 1933, or to contribute to payments the underwriters may be required to make in respect of those liabilities.

The underwriters are offering the shares, subject to prior sale, when, as and if issued to and accepted by them, subject to approval of legal matters by their counsel and other conditions contained in the underwriting agreement, such as the receipt by the underwriters of officer's certificates and legal opinions. The underwriters reserve the right to withdraw, cancel or modify offers to the public and to reject orders in whole or in part.

**Commissions and Discounts**

The representatives have advised us that the underwriters propose initially to offer the shares to the public at the initial public offering price on the cover page of this prospectus supplement and to dealers at that price less a concession not in excess of \$.97 per share. The underwriters may allow, and the dealers may reallow, a discount not in excess of \$.10 per share to other dealers. After the initial public offering, the public offering price, concession and discount may be changed.

Table of Contents

The following table shows the public offering price, underwriting discount and proceeds, before expenses, to us. The information assumes either no exercise or full exercise by the underwriters of their overallotment option.

	Per Share	Without Option	With Option
Public offering price	\$50.00	\$1,000,000,000	\$1,150,000,000
Underwriting discount	\$1.625	\$32,500,000	\$37,375,000
Proceeds, before expenses, to us	\$48.375	\$967,500,000	\$1,112,625,000

The expenses of the offering, not including the underwriting discount, are estimated at \$200,000 and are payable by us.

**Overallotment Option**

We have granted an option to the underwriters to purchase up to 3,000,000 additional shares at the initial public offering price on the cover page of this prospectus supplement less the underwriting discount. The underwriters may exercise this option for 30 days from the date of this prospectus supplement solely to cover any overallotments. If the underwriters exercise this option, each will be obligated, subject to conditions contained in the underwriting agreement, to purchase a number of additional shares proportionate to that underwriter's initial amount reflected in the above table.

**No Sales of Similar Securities**

Each of our executive officers and directors has agreed not to issue, offer, sell, contract to sell, hypothecate, pledge, sell or grant any option, right or warrant to purchase, or otherwise dispose of, or contract to dispose of, any shares of common stock, any securities of ours substantially similar to the common stock or any securities of ours or the Operating Partnership that are convertible into or exchangeable or exercisable for shares of common stock or such similar securities, or enter into any swap or other agreement that transfers, in whole or in part, any of the economic consequences of the ownership of common stock for a period of 60 days after the date of this prospectus supplement without the prior written consent of the representatives of the underwriters. This consent may be given at any time without public notice. The foregoing is subject to certain exceptions, including certain transactions between Simon family members and sales by executive officers and directors not to exceed 500,000 shares of our common stock in the aggregate during such 60-day period. We have entered into a similar agreement with the underwriters, except that without the consent of the representatives of the underwriters, we may issue, sell, contract to sell or otherwise dispose of, or grant options for, shares of any class of our common stock or securities convertible into, or exercisable or exchangeable for, shares of any class of our common stock (i) in connection with the exercise of the underwriters' overallotment option described above, (ii) pursuant to any benefit plan, dividend reinvestment plan or 10b5-1 plan we have in effect as of the date of this prospectus supplement, and (iii) pursuant to any warrants, stock options or other convertible or exchangeable securities or units outstanding as of the date of this prospectus supplement.

**New York Stock Exchange Listing**

The shares are listed on the New York Stock Exchange under the symbol "SPG."

**Price Stabilization and Short Positions**

Until the distribution of the shares is completed, the rules of the Securities and Exchange Commission may limit underwriters and selling group members from bidding for and purchasing our common stock. However, the representatives may engage in transactions that stabilize the price of the common stock, such as bids or purchases to peg, fix or maintain that price.

Table of Contents

If the underwriters create a short position in the common stock in connection with this offering, i.e., if they sell more shares than are listed on the cover of this prospectus supplement, the representatives may reduce that short position by purchasing shares in the open market. The representatives may also elect to reduce any short position by exercising all or part of the overallotment option described above. Purchases of our common stock to stabilize its price or to reduce a short position may cause the price of our common stock to be higher than it might be in the absence of such purchases.

Neither we nor any of the underwriters makes any representation or prediction as to the direction or magnitude of any effect that the transactions described above may have on the price of our common stock. In addition, neither we nor any of the underwriters makes any representation that the representatives will engage in these transactions or that these transactions, once commenced, will not be discontinued without notice.

**Electronic Distribution**

In connection with the offering, certain of the underwriters or securities dealers may distribute this prospectus supplement and the accompanying prospectus by electronic means, such as e-mail. Certain of the underwriters may facilitate internet distribution for this offering to certain of their respective internet subscription customers. In addition, certain of the underwriters may allocate a limited number of shares for sale to their respective online brokerage customers. An electronic prospectus supplement and the accompanying prospectus will be made available on the internet website maintained by any such underwriter. Other than this prospectus supplement and the accompanying prospectus in electronic format, the information on any such internet website is not part of this prospectus supplement or the accompanying prospectus.

**Other Relationships**

Some of the underwriters and their affiliates have engaged in, and may in the future engage in, investment banking and other commercial dealings in the ordinary course of business with us. They have received customary fees and commissions for these transactions. Affiliates of the underwriters are lenders under various financing arrangements extended to our affiliates, including a \$3.5 billion unsecured credit facility (which matures on January 11, 2010 and may be extended one year at our option, assuming there is no default) and a \$735.0 million secured term loan maturing on March 5, 2012.

**Selling Restrictions**

No action has been taken in any jurisdiction (except in the United States) that would permit a public offering of the shares of common stock, or the possession, circulation or distribution of this prospectus supplement, the accompanying prospectus or any other material relating to us or the shares where action for that purpose is required. Accordingly, the shares may not be offered or sold, directly or indirectly, and neither this prospectus supplement, the accompanying prospectus nor any other offering material or advertisements in connection with the shares may be distributed or published, in or from any country or jurisdiction except in compliance with any applicable rules and regulations of any such country or jurisdiction.

Each of the underwriters may arrange to sell the shares offered hereby in certain jurisdictions outside the United States, either directly or through affiliates, where they are permitted to do so.

*European Economic Area/United Kingdom*

In relation to each Member State of the European Economic Area ("EEA") which has implemented the Prospectus Directive, as defined below (each, a "Relevant Member State"), an offer

Table of Contents

to the public of any shares which are the subject of the offering contemplated by this prospectus supplement may not be made in that Relevant Member State, except that an offer to the public in that Relevant Member State of any of the shares may be made at any time under the following exemptions under the Prospectus Directive, if they have been implemented in that Relevant Member State:

- (a) to legal entities which are authorized or regulated to operate in the financial markets or, if not so authorized or regulated, whose corporate purpose is solely to invest in securities;
- (b) to any legal entity which has two or more of (1) an average of at least 250 employees during the last financial year; (2) a total balance sheet of more than €43,000,000 and (3) an annual net turnover of more than €50,000,000, as shown in its last annual or consolidated accounts;
- (c) by the underwriters to fewer than 100 natural or legal persons (other than "qualified investors," as defined in the Prospectus Directive) subject to obtaining the prior consent of the representatives for any such offer; or
- (d) in any other circumstances falling within Article 3(2) of the Prospectus Directive;

provided that no such offer of the shares shall result in a requirement for the publication by us or any underwriter of a prospectus pursuant to Article 3 of the Prospectus Directive.

Any person making or intending to make any offer within the EEA of the shares which are the subject of the offering contemplated in this prospectus supplement should only do so in circumstances in which no obligation arises for us or any of the underwriters to produce a prospectus for such offer. Neither we nor the underwriters have authorized, or will authorize, the making of any offer of the shares through any financial intermediary, other than offers made by the underwriters which constitute the final offering of the shares contemplated in this prospectus supplement.

For the purposes of this provision and the buyer's representation below, the expression "an offer to the public" in relation to the shares in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the offer and the shares to be offered so as to enable an investor to decide to purchase the shares, as the same may be varied in that Relevant Member State by any measure implementing the Prospectus Directive in that Relevant Member State and the expression "Prospectus Directive" means Directive 2003/71/EC and includes any relevant implementing measure in each Relevant Member State.

Each person in a Relevant Member State who receives any communication in respect of, or who acquires any of the shares which are the subject of the offering contemplated by this prospectus supplement under, the offers contemplated in this prospectus supplement will be deemed to have represented, warranted and agreed to and with each underwriter and us that:

- (a) it is a qualified investor within the meaning of the law in that Relevant Member State implementing Article 2(1)(e) of the Prospectus Directive; and
- (b) in the case of any shares acquired by it as a financial intermediary, as that term is used in Article 3(2) of the Prospectus Directive, (i) the shares acquired by it in the offering have not been acquired on behalf of, nor have they been acquired with a view to their offer or resale to, persons in any Relevant Member State other than "qualified investors", as defined in the Prospectus Directive, or in circumstances in which the prior consent of the representatives has been given to the offer or resale; or (ii) where the shares have been acquired by it on behalf of persons in any Relevant Member State other than qualified investors, the offer of those shares to it is not treated under the Prospectus Directive as having been made to such persons.

Table of Contents

*Hong Kong*

Neither this prospectus supplement nor the accompanying prospectus has been approved by or registered with the Securities and Futures Commission of Hong Kong or the Registrar of Companies of Hong Kong. No person may offer or sell in Hong Kong, by means of any document, the shares other than: (a) to "professional investors," as defined in the Securities and Futures Ordinance (Cap. 571) of Hong Kong and any rules made under that Ordinance; or (b) in other circumstances which do not result in the document being a "prospectus," as defined in the Companies Ordinance (Cap. 32) of Hong Kong or which do not constitute an offer to the public within the meaning of that Ordinance. No person may issue or have in its possession for the purposes of issue, whether in Hong Kong or elsewhere, any advertisement, invitation or document relating to the shares which is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to shares which are or are intended to be disposed of only to persons outside Hong Kong or only to "professional investors," as defined in the Securities and Futures Ordinance and any rules made under that Ordinance.

*Japan*

The shares have not been and will not be registered under the Financial Instruments and Exchange Law, as amended (the "FIEL"). This document is not an offer of securities for sale, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan (which term as used herein means any person resident in Japan, including any corporation or entity organized under the laws of Japan) or to others for reoffer or resale, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan, except pursuant to an exemption from the registration requirements under the FIEL and otherwise in compliance with such law and any other applicable laws, regulations and ministerial guidelines of Japan.

*Singapore*

This prospectus supplement and the accompanying prospectus have not been registered as a prospectus with the Monetary Authority of Singapore under the Securities and Futures Act, Chapter 289 of Singapore (the Securities and Futures Act). Accordingly, the shares may not be offered or sold or made the subject of an invitation for subscription or purchase nor may this prospectus supplement, the accompanying prospectus or any other document or material in connection with the offer or sale or invitation for subscription or purchase of the shares be circulated or distributed, whether directly or indirectly, to any person in Singapore other than (a) to an institutional investor pursuant to Section 274 of the Securities and Futures Act, (b) to a relevant person, or any person pursuant to Section 275(1A) of the Securities and Futures Act, and in accordance with the conditions specified in Section 275 of the Securities and Futures Act, or (c) pursuant to, and in accordance with the conditions of, any other applicable provision of the Securities and Futures Act.

Each of the following relevant persons specified in Section 275 of the Securities and Futures Act who has subscribed for or purchased the shares, namely a person who is:

- (a) a corporation (which is not an accredited investor) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or
- (b) a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary is an accredited investor,

should note that shares, debentures and units of shares and debentures of that corporation or the beneficiaries' rights and interest in that trust shall not be transferable for six months after that

Table of Contents

corporation or that trust has acquired the shares under Section 275 of the Securities and Futures Act except:

- (a) to an institutional investor under Section 274 of the Securities and Futures Act or to a relevant person, or any person pursuant to Section 275(1A) of the Securities and Futures Act, and in accordance with the conditions specified in Section 275 of the Securities and Futures Act;
- (b) where no consideration is given for the transfer; or
- (c) by operation of law.

*The Netherlands*

Each underwriter has represented, warranted and agreed that the offer in The Netherlands of the shares of common stock included in this offering is exclusively limited to persons who trade or invest in securities in the conduct of a profession or business (which include banks, stockbrokers, insurance companies, pension funds, other institutional investors and finance companies and treasury departments of large enterprises).

*Dubai International Financial Centre*

This prospectus supplement and the accompanying prospectus relate to an exempt offer in accordance with the Offered Securities Rules of the Dubai Financial Services Authority, or the DFSA. It is intended for distribution only to persons of a type specified in those rules. It must not be delivered to, or relied on by, any other person. The DFSA has no responsibility for reviewing or verifying any documents in connection with exempt offers. The DFSA has not approved this document nor taken steps to verify the information set out in it, and has no responsibility for it. The shares which are the subject of the offering contemplated by this prospectus supplement may be illiquid and/or subject to restrictions on their resale. Prospective purchasers of the shares offered should conduct their own due diligence on the shares. If you do not understand the contents of this prospectus supplement or the accompanying prospectus, you should consult an authorized financial adviser.

**LEGAL MATTERS**

The validity of the shares of common stock being offered and the United States Federal income tax consequences of an investment in the shares have been passed upon for us by Baker & Daniels LLP, Indianapolis, Indiana. Sidley Austin LLP, New York, New York, will pass upon certain legal matters for the underwriters with respect to this offering.

**EXPERTS**

Ernst & Young LLP, independent registered public accounting firm, has audited our consolidated financial statements and schedule included in our Annual Report on Form 10-K/A for the year ended December 31, 2008 filed with the Securities and Exchange Commission on May 1, 2009, and the effectiveness of our internal control over financial reporting as of December 31, 2008, as set forth in their reports, which are incorporated herein by reference. Our financial statements and schedule are incorporated by reference in reliance on Ernst & Young LLP's reports, given on their authority as experts in accounting and auditing.



Table of Contents

PROSPECTUS

## SIMON PROPERTY GROUP, INC.

Common Stock  
Preferred Stock  
Warrants  
Depositary Shares

---

This prospectus is part of a registration statement that we filed with the Securities and Exchange Commission under a "shelf" registration or continuous offering process. We may sell any combination of the securities described in this prospectus in one or more offerings. We may offer the securities separately or together, in separate series or classes and in amounts, at prices and on terms described in one or more supplements to this prospectus and other offering material.

This prospectus may also be used to offer securities to be issued to limited partners of Simon Property Group, L.P. in exchange for partnership interests or to cover the resale of securities by one or more selling security holders.

We or any selling security holder may offer and sell these securities to or through one or more underwriters, dealers and agents, or directly to purchasers, on a continuous or delayed basis.

This prospectus describes some of the general terms that may apply to these securities. The specific terms of any securities to be offered, and any other information relating to a specific offering, will be set forth in a post-effective amendment to the registration statement of which this prospectus is a part, in a supplement to this prospectus, in other offering material related to the securities or may be set forth in one or more documents incorporated by reference in this prospectus.

Our common stock is traded on the New York Stock Exchange under the symbol "SPG."

You should read carefully both this prospectus and any prospectus supplement or other offering material before you invest. This prospectus may be used to offer and sell securities only if accompanied by a prospectus supplement.

---

**THE SECURITIES AND EXCHANGE COMMISSION AND STATE SECURITIES REGULATORS HAVE NOT APPROVED OR DISAPPROVED OF THESE SECURITIES OR DETERMINED WHETHER THIS PROSPECTUS IS TRUTHFUL OR COMPLETE. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.**

---

The date of this prospectus is March 9, 2009

---

Table of Contents

**ABOUT THIS PROSPECTUS**

This prospectus provides you with a general description of the securities offered by us. Each time we sell securities, we will provide a prospectus supplement that will contain specific information about the terms of that offering. The prospectus supplement and any other offering material may also add to, update or change information contained in the prospectus or in documents we have incorporated by reference into this prospectus and, accordingly, to the extent inconsistent, information in or incorporated by reference in this prospectus is superseded by the information in the prospectus supplement and any other offering material related to such securities.

We have not authorized anyone to provide you with information different from that contained or incorporated by reference in this prospectus. We are offering to sell, and seeking offers to buy, our securities only in jurisdictions where offers and sales are permitted. The information contained in this prospectus is accurate only as of the date of this prospectus, regardless of the time of delivery of this prospectus or of any sale of securities.

**WHERE YOU CAN FIND MORE**