

WASHINGTON PRIME GROUP

Washington Prime Group Continues to See Strong Demand from Big Box Retailers that are Property Type Agnostic and Want to be Located in Dominant, Hybrid Town Centers

October 23, 2018

- *The Company continues to execute its hybrid town center mandate*
- *Big Lots to open at Grand Central Mall*
- *Ross Dress for Less and The RoomPlace to open at Dayton Mall*
- *Hobby Lobby, Homelife and Mor Furniture for Less to open at Cottonwood Mall*

COLUMBUS, Ohio, Oct. 23, 2018 (GLOBE NEWSWIRE) -- Washington Prime Group Inc. (NYSE: WPG) continues to further its hybrid town center mandate through differentiated adaptive reuse including the addition of big box retailers that are property type agnostic and want to be located in locations that attract guests. The Company continues to expand categories such as big box retail to better serve the demographic constituency of its dominant secondary town centers.

The Company recently executed leases at three Tier One properties with the following retailers:

- Big Lots will open at Grand Central Mall, a hybrid, mixed use, town center serving a catchment area of over 75 miles; as previously announced, junior anchor H&M will open soon at Grand Central Mall.
- Ross Dress for Less will open at Dayton Mall, a hybrid town center which benefits from its prime location at the intersection of State Routes 725 and 741 which is bordered by Interstates 75 and 675; the Company previously announced that The RoomPlace will also open at Dayton Mall.
- Homelife and Mor Furniture for Less will open at Cottonwood Mall, a hybrid town center serving a catchment area covering Albuquerque and the northwest portion of New Mexico; as previously announced, Hobby Lobby will also join the tenant lineup at Cottonwood Mall, and, along with Homelife and Mor Furniture for Less, will replace a former Macy's department store.

Lou Conforti, CEO and Director of Washington Prime Group stated: "The idea of an asset being either open air or enclosed is akin to drawing a line in the sand at Dairy Queen and refusing to taste a twist cone because you are either Team Chocolate or Vanilla. A dominant secondary asset should satisfy the taste buds of its entire demographic constituency within a single venue. Our hybrid format accomplishes this objective with 93% of our Tier One properties including an open air component."

Conforti added: "These most recent department store replacements and big box additions further diversify our existing tenancy. Our guests have asked for home furnishings and discount retailers, as well as numerous other differentiated goods and services. Mark my words, we will continue to deliver such offerings. So, if you want your metaphorical twist cone dipped or sprinkled, or have a hankering for the retail equivalent of a Dilly Bar, then visit a Washington Prime Group asset."

Cottonwood Mall

At Cottonwood Mall, a Tier One property located in Albuquerque, New Mexico, the Company previously acquired a former Macy's space for redevelopment at the town center, which includes a 53,800-square-foot Hobby Lobby, Homelife and Mor Furniture for Less. Homelife Furniture is a family run home furnishings retailer offering quality, name brand furniture at value prices. Mor Furniture for Less is a family operated home furnishings retailer providing a fun and entertaining shopping experience, complete with family movies playing throughout its showroom and video games for the kids.

In addition to the recently announced big box retailers, Cottonwood Mall is anchored by a dynamic mix of retail, entertainment and dining options, including Regal Cinemas; popular dining options BJ's Restaurant and Brewhouse and Johnny Rockets; national department stores Dillard's and JCPenney; national retailers The Disney Store and a recently expanded Forever 21; Conn's Home Plus, a regional home furnishings retailer; beauty salon retailers Ulta Beauty and Sephora located inside JCPenney; and numerous national and local specialty retailers. In September, Cottonwood Mall held the grand opening of its new dog park, further demonstrating its commitment to the Albuquerque community. In addition, the Company's signature candy store, Shelby's Sugar Shop, is located at Cottonwood Mall.

As previously announced, Sears owns the anchor space previously occupied by Sears at Cottonwood Mall. The Company continues to assess options in order to be in a position to leverage redevelopment opportunities that may arise with respect to this space.

Dayton Mall

At Dayton Mall, a Tier One property located in Dayton, Ohio, Ross Dress for Less will replace a former hhgregg location at the town center. In addition, the Company recently announced that The RoomPlace, a dynamic home furnishings retailer, will occupy newly created inline space at the town center.

Dayton Mall is anchored by a dynamic mix of retail, entertainment and dining options, including a group of popular dining options BRAVO Cucina Italiana, Bonefish Grill, First Watch, P. F. Chang's China Bistro and Rusty Bucket; local craft beer bar Hunger Paynes; national retailers Dick's Sporting Goods, DSW Designer Shoe Warehouse, Forever 21, H&M and Men's Wearhouse; national department stores JCPenney and Macy's, including Macy's Backstage; beauty salon retailers Ulta Beauty and Sephora located inside JCPenney; music retailer Guitar Center; and numerous national and local specialty retailers.

As previously announced, Seritage Growth Properties owns the Sears space at Dayton Mall, which Sears continues to operate until later this year. In

addition, a non-retailer owns the space previously occupied by Elder Beerman. The Company continues to assess options in order to be in a position to leverage redevelopment opportunities that may arise with respect to these spaces.

Grand Central Mall

At Grand Central Mall, a Tier One property located in Parkersburg, West Virginia, Big Lots will replace a former Toys R Us location. In addition, the Company is replacing a former Elder Beerman space with the state's first H&M location, which is expected to open on October 25. Additionally, Ulta Beauty and Five Below recently replaced a former hhgregg location.

Along with H&M, Grand Central Mall is anchored by a dynamic mix of retail, entertainment and dining options, including a remodeled and expanded Regal Cinemas; regional sporting goods store Dunham's Sports; national retailers Five Below, Old Navy and Party City; dining options Olive Garden, Outback Steakhouse, Panera Bread and Ruby Tuesday; national department stores Belk and JCPenney; beauty salon retailers Ulta Beauty and Sephora located inside JCPenney; and numerous national and local specialty retailers. Over the past 24 months, Grand Central mall has seen approximately 37,000 square feet of new or remodeled tenants open at the town center.

In addition, the Company is in active negotiations to transform the Sears space at Grand Central Mall, which Sears continues to operate until later this year. The Company proactively negotiated an early termination of the lease to gain control of the real estate for future redevelopment efforts. The redevelopment opportunity at Grand Central Mall demonstrates the Company's commitment to the community, while illustrating its mandate to diversify tenancy and further solidify Grand Central Mall as the dominant town center within the area.

About Washington Prime Group

Washington Prime Group Inc. is a retail REIT and a recognized leader in the ownership, management, acquisition and development of retail properties. The Company combines a national real estate portfolio with an investment grade balance sheet, leveraging its expertise across the entire shopping center sector to increase cash flow through rigorous management of assets and provide new opportunities to retailers looking for growth throughout the U.S. Washington Prime Group® and Shelby's Sugar Shop® are registered trademarks of the Company. Learn more at www.washingtonprime.com.

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Forward-Looking Statements

This news release contains "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995 which represent the current expectations and beliefs of management of Washington Prime Inc. ("WPG") concerning the proposed transactions, the anticipated consequences and benefits of the transactions and the targeted close date for the transactions, and other future events and their potential effects on WPG, including, but not limited to, statements relating to anticipated financial and operating results, the company's plans, objectives, expectations and intentions, cost savings and other statements, including words such as "anticipate," "believe," "plan," "estimate," "expect," "intend," "will," "should," "may," and other similar expressions. Such statements are based upon the current beliefs and expectations of WPG's management, and involve known and unknown risks, uncertainties, and other factors which may cause the actual results, performance, or achievements of WPG to be materially different from future results, performance or achievements expressed or implied by such forward-looking statements. Such factors include, without limitation: changes in asset quality and credit risk; ability to sustain revenue and earnings growth; changes in political, economic or market conditions generally and the real estate and capital markets specifically; the impact of increased competition; the availability of capital and financing; tenant or joint venture partner(s) bankruptcies; the failure to increase mall store occupancy and same-mall operating income; risks associated with the acquisition, (re)development, expansion, leasing and management of properties; changes in market rental rates; trends in the retail industry; relationships with anchor tenants; risks relating to joint venture properties; costs of common area maintenance; competitive market forces; the level and volatility of interest rates; the rate of revenue increases as compared to expense increases; the financial stability of tenants within the retail industry; the restrictions in current financing arrangements or the failure to comply with such arrangements; the liquidity of real estate investments; the impact of changes to tax legislation and WPG's tax positions; failure to qualify as a real estate investment trust; the failure to refinance debt at favorable terms and conditions; loss of key personnel; material changes in the dividend rates on securities or the ability to pay dividends on common shares or other securities; possible restrictions on the ability to operate or dispose of any partially-owned properties; the failure to achieve earnings/funds from operations targets or estimates; the failure to achieve projected returns or yields on (re)development and investment properties (including joint ventures); expected gains on debt extinguishment; changes in generally accepted accounting principles or interpretations thereof; terrorist activities and international hostilities; the unfavorable resolution of legal proceedings; the impact of future acquisitions and divestitures; assets that may be subject to impairment charges; significant costs related to environmental issues; and other risks and uncertainties, including those detailed from time to time in WPG's statements and periodic reports filed with the Securities and Exchange Commission, including those described under "Risk Factors". The forward-looking statements in this communication are qualified by these risk factors. Each statement speaks only as of the date of this press release and WPG undertakes no obligation to update or revise any forward-looking statements to reflect subsequent events or circumstances. Actual results may differ materially from current projections, expectations, and plans, if any. Investors, potential investors and others should give careful consideration to these risks and uncertainties.

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