

# WASHINGTON PRIME GROUP™

## Washington Prime Group Provides Leasing Update and Progress on Toys R Us Repositioning Efforts

March 4, 2019

COLUMBUS, Ohio, March 04, 2019 (GLOBE NEWSWIRE) -- Washington Prime Group Inc. (NYSE: WPG) today announced progress on its Toys R Us repositioning efforts. In addition, the Company provided a leasing update ahead of the Citi 2019 Global Property CEO Conference.

Relating to the former Toys R Us locations within Washington Prime Group's Tier One and Open Air core portfolio, the Company is pleased to announce that five, or 63%, of the eight owned anchor and outparcel spaces have been addressed by the stalwart efforts of development and leasing. Updates include:

- Overstock Furniture is open at Forest Plaza, an Open Air asset in Rockford, Illinois, while the Company continues negotiations with permanent tenant replacements;
- Big Lots is under construction in an outparcel space at Grand Central Mall, a Tier One asset located in Parkersburg, West Virginia, to replace the former Toys R Us location;
- The Company has signed a letter of intent with a national retailer to replace the anchor space previously occupied by Toys R Us at The Plaza at Buckland Hills, an Open Air property situated in Manchester Hills, Connecticut;
- The Company has signed a letter of intent with a specialty grocer to replace the anchor space previously occupied by Toys R Us at University Town Plaza, an Open Air asset located in Pensacola, Florida;
- Big Lots replaced an anchor space at White Oaks Plaza, an Open Air property located in Springfield, Illinois. The Company is in active planning and negotiations to replace the second anchor space formerly occupied by Toys R Us at White Oaks Plaza;
- The Company is in active planning and negotiations for a future mixed use redevelopment of the outparcel space formerly occupied by Toys R Us at Pearlridge Center, a Tier One property located in Aiea, Hawaii;
- The Company is in active planning and negotiations to replace the former Toys R Us location at Palms Crossing, an Open Air property located in McAllen, Texas; and
- The former Toys R Us outparcel space at Westminster Mall, a Tier One asset located in Westminster, California, is owned by a non retailer. The Company is working closely with all other stakeholders at Westminster Mall on future redevelopment opportunities, including the Toys R Us and Sears (Seritage owned) spaces.

Relating to retailer closings cited in recent national media headlines:

- At this time, Washington Prime Group is not anticipating any Gap or Victoria's Secret store closures within its portfolio in 2019;
- In addition, the Company does not anticipate having any JCPenney store closures within its portfolio in 2019, as previously stated;
- The Company has no exposure to Tesla store locations; and
- As previously announced, the Company is assuming in its guidance for 2019 an array of outcomes from the recent Charlotte Russe, Payless ShoeSource and Things Remembered bankruptcies, including a full liquidation of all three retailers.

Leasing continues to be robust with volume totaling 4.2M square feet during 2018. Of the 4.2M square feet, 60% was attributable to lifestyle tenancy which includes food, beverage, entertainment, home furnishings, fitness and professional services in accordance with the Company's tenant diversification mandate.

The Company will participate in a roundtable presentation at the Citi 2019 Global Property CEO Conference in Hollywood, Florida. The Company's roundtable presentation is scheduled for Tuesday, March 5, 2019 at 8:10 a.m. ET. A live audio webcast of the roundtable presentation, along with the Company's most recent investor presentation, are available on the Company's investor relations website.

### 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 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®

is a registered trademark of the Company. Learn more at [www.washingtonprime.com](http://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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