



General Growth Properties, Inc. Releases Operational Results for Third Quarter 2009

CHICAGO, Nov 05, 2009 (BUSINESS WIRE) -- General Growth Properties, Inc. (the Company) reported today its third quarter 2009 operating results. For the third quarter of 2009, Core Funds From Operations (Core FFO) per fully diluted share were \$0.28, Funds From Operations (FFO) per fully diluted share were \$0.31 and Earnings per share - diluted (EPS) were a loss of \$0.38. In the comparable 2008 period, Core FFO per fully diluted share were \$0.62, FFO per fully diluted share were \$0.56 and EPS were a loss of \$0.08. Core FFO and FFO declined for the third quarter of 2009 as compared to the third quarter of 2008 primarily as a result of the impact of the continued weak retail market on our operations and our ongoing costs associated with our April 2009 bankruptcy filings. A Supplemental Schedule of Significant FFO Items that Impact Comparability is provided with this release. Consistent with our previous releases for this year, the third quarter and year to date 2008 results have been restated from the amounts originally reported in 2008 to reflect the adoption of two accounting pronouncements as of January 1, 2009 that required retrospective application.

OPERATIONAL AND FINANCIAL HIGHLIGHTS

"Although comparable and total tenant sales on a trailing twelve month basis continue to be down, third quarter 2009 comparable tenant sales were only down 4.6% as compared to the third quarter 2008," stated Adam Metz, Chief Executive Officer of General Growth. "September 2009 comparable tenant sales actually increased 0.8% as compared to September 2008 comparable tenant sales. While we are hopeful these trends will continue, our outlook remains cautious for the upcoming Holiday season." Elaborating on leasing spreads and Comparable NOI, Mr. Metz stressed, "We have significantly reduced tenant allowance expenditures on new leases signed such that the face rent amount is not reflective of the true value of our new leases when compared to those expiring. Further, although we have increased certain repairs and maintenance expenses in 2009 because the upkeep of our physical plant is critical to building and maintaining the long-term value of our properties, we have also negotiated reductions in certain janitorial and security contracts with no significant declines in service levels. Finally, a portion of our real estate tax increase in 2009 is a result of certain of such taxes no longer qualifying for capitalization due to decreased development spending."

- **Core FFO** is defined as Funds From Operations excluding the Real Estate Property Net Operating Income (NOI) from the Master Planned Communities segment and the benefit from (provision for) income taxes. Core FFO for the third quarter of 2009 were \$88.9 million or \$0.28 per fully diluted share as compared to \$199.2 million or \$0.62 per fully diluted share for the third quarter of 2008. During the third quarter of 2009 we recorded additional retail property, development project and goodwill impairments of \$60.9 million, \$0.19 per fully diluted share, which was in excess of similar provisions for impairment of \$15.2 million, \$0.05 per fully diluted share, recorded in the comparable 2008 period. In addition, \$22.6 million, \$0.07 per fully diluted share, of net reorganization items were reflected in the third quarter of 2009 as compared to no such reorganization items incurred in the third quarter of 2008. The remaining declines in Core FFO in 2009 are related to retail and other segment declines described below.
- **FFO** per fully diluted share was \$0.31 in the third quarter of 2009. FFO for the quarter were \$100.2 million as compared to \$178.9 million in the third quarter of 2008. In addition to the changes in Core FFO for 2009 as compared to 2008 listed above, during the third quarter of 2008 an impairment provision of \$40.3 million, \$0.13 per fully diluted share, was recorded at our Nouvelle at Natick condominium development. Reference is made to the attached Supplemental Schedule of Significant FFO Items that Impact Comparability for additional items impacting FFO comparability.
- **EPS** for the third quarter of 2009 were a loss of \$0.38 per share versus a loss of \$0.08 in the third quarter of 2008. Our third quarter 2009 EPS were significantly impacted by the Core FFO and FFO items discussed above. In addition, there were no significant sales of Retail and Other assets in 2009 whereas, in the third quarter of 2008, we sold (in two separate transactions) two office parks located in Maryland resulting in gains of approximately \$18.0 million, which, after allocation of approximately \$2.9 million attributable to non-controlling interests, increased EPS by \$0.05 per share in 2008.
- **Chapter 11 Cases.** The Company and certain of our wholly-owned subsidiaries (representing approximately 166 of our regional malls, collectively, the "Debtors") continue to operate as debtors-in-possession pursuant to the provisions of Chapter 11 of the U.S. Bankruptcy Code ("Chapter 11"). The Chapter 11 cases are being jointly administered in the Bankruptcy Court of the Southern District of New York (the "Bankruptcy Court"). However, our property management subsidiary, certain of our wholly-owned subsidiaries, and our joint ventures, either consolidated or unconsolidated, have not sought such Chapter 11 protection. Since the commencement of the Chapter 11 cases, the Debtors have continued their normal operations, as approved by Bankruptcy Court rulings. The Debtors have been granted the exclusive right, until February 2010 and April 2010, respectively, to present and obtain acceptance of a plan of reorganization. As part

of the plan of reorganization currently being developed, the Debtors are in negotiations with certain secured lenders to extend the maturities on their mortgage loans.

SEGMENT RESULTS

Retail and Other Segment

- **Revenues from consolidated properties** were \$736.4 million for the third quarter of 2009 as compared to \$784.3 million for the same period in 2008, while **revenues from unconsolidated properties**, at the Company's ownership share, decreased to \$147.6 million for the third quarter of 2009 compared to \$151.4 million in the third quarter of 2008. This represents revenue declines in the current quarter of 6.1% and 2.5%, respectively, as compared to the prior year period. Revenues for both consolidated and unconsolidated properties decreased primarily in the areas of minimum rents (including temporary tenant revenues), overage rents, and other revenues (including sponsorship, vending, parking and advertising) due to occupancy declines and reduced tenant sales volumes in the third quarter of 2009 as compared to the same period of 2008.
- **NOI** for the third quarter of 2009 was \$585.2 million, a decrease of approximately 6.0% from the \$622.5 million reported in the third quarter of 2008. In addition to the revenue items discussed above, we sold two office parks in 2008 which also contributed to the decrease in NOI in 2009.
- **Total tenant sales** declined 9.8% and comparable tenant sales declined 10.7% in 2009, both on a trailing 12 month basis, compared to the same period last year.
- **Comparable NOI from consolidated properties** in the third quarter of 2009 declined by 6.3% compared to the third quarter of 2008. **Comparable NOI from unconsolidated properties** at the Company's ownership share in the third quarter of 2009 declined 2.7% compared to the third quarter of 2008. In the aggregate, comparable retail and other NOI decreased 5.8% as compared to the third quarter of 2008. Such comparable NOI declines for the three months ended September 2009 versus the three months ended September 2008 are primarily the result of negative new leasing spreads and higher net real estate tax expense.
- **Retail Center occupancy** increased slightly to 91.3% at September 30, 2009 as compared to 91.0% at June 30, 2009 but declined as compared to 92.7% at September 30, 2008. Although declines in the economy have yielded year-over-year occupancy reductions, quarter over quarter occupancy improvements in 2009 are primarily attributable to increases in shorter term tenant leasing.
- **Tenant sales per square foot** for third quarter 2009 (on a trailing twelve month basis) were \$409 as compared to \$455 in the third quarter of 2008.

Master Planned Communities Segment

- **NOI** in the third quarter of 2009 for the Master Planned Communities segment was a loss of \$2.2 million for consolidated properties and \$0.8 million for unconsolidated properties as compared to a loss of \$42.7 million for consolidated properties and income of \$3.6 million for unconsolidated properties, respectively, in the third quarter of 2008. NOI remains negative for certain communities as operating expenses cannot be completely eliminated despite the significant reduction in current sales revenues. As detailed in the Supplemental Schedule of FFO Items that Impact Comparability, the NOI loss in the third quarter of 2008 for consolidated properties is due primarily to the \$40.3 million provision for impairment related to the Nouvelle at Natick condominium development. Although an auction of certain of the remaining inventory of unsold condominiums was held at Nouvelle at Natick in early October 2009, the sales prices in the executed contracts obtained did not trigger any additional impairment provisions at September 30, 2009 beyond those recognized in previous periods.
- **Land sale revenues** in the third quarter of 2009 were approximately \$7.4 million for consolidated properties and approximately \$7.8 million for unconsolidated properties, compared to \$6.2 million for consolidated properties and \$13.1 million for unconsolidated properties, in the third quarter of 2008.

GGP INFORMATION/WEBSITE

The Company currently has ownership interest in, or management responsibility for, over 200 regional shopping malls in 44 states, as well as ownership in planned community developments and commercial office buildings. The Company's portfolio totals approximately 200 million square feet of retail space and includes over 24,000 retail stores nationwide. The Company's common stock is currently traded in the over-the-counter securities market operated by Pink OTC Markets Inc. using the symbol GGWPQ. For more information, please visit the Company website at <http://www.ggp.com>.

NON-GAAP SUPPLEMENTAL FINANCIAL MEASURES AND DEFINITIONS

FUNDS FROM OPERATIONS AND CORE FFO

The Company, consistent with real estate industry and investment community preferences, uses FFO as a supplemental measure of operating performance for a Real Estate Investment Trust (REIT). The National Association of Real Estate Investment Trusts (NAREIT) defines FFO as net income (loss) attributable to controlling interests (computed in accordance with Generally Accepted Accounting Principles (GAAP)), excluding gains (or losses) from cumulative effects of accounting changes, extraordinary items and sales of properties, plus real estate related depreciation and amortization and including adjustments for unconsolidated partnerships and joint ventures.

The Company considers FFO a supplemental measure for equity REITs and a complement to GAAP measures because it facilitates an understanding of the operating performance of the Company's properties. FFO does not give effect to real estate depreciation and amortization since these amounts are computed to allocate the cost of a property over its useful life. Since values for well-maintained real estate assets have historically increased or decreased based upon prevailing market conditions, the Company believes that FFO provides investors with a clearer view of the Company's operating performance. However, we believe that FFO is a less meaningful supplemental measure for the Master Planned Communities segment of our business. FFO does not facilitate an understanding of the operating performance of the Master Planned Communities segment of our business as our primary strategy in this segment is to develop and sell land in a manner that increases the value of the remaining land. In addition, the Master Planned Communities segment of our business is operated within taxable REIT subsidiaries and therefore our benefit from (provision for) income tax expense is largely attributable to this segment of the business. To isolate these parts of the Company from the Retail and Other segment, for which FFO is a relevant measure of operating performance, the Company also uses Core FFO as an operating measure. Core FFO is defined as FFO excluding the NOI from the Master Planned Communities segment and the benefit from (provision for) income taxes.

In order to provide a better understanding of the relationship between Core FFO, FFO and GAAP net income (loss), a reconciliation of Core FFO and FFO to GAAP net income (loss) attributable to controlling interests has been provided. Neither Core FFO nor FFO represent cash flow from operating activities in accordance with GAAP, neither should be considered as an alternative to GAAP net income (loss) attributable to controlling interests and neither is necessarily indicative of cash available to fund cash needs. In addition, the Company has presented FFO on a consolidated and unconsolidated basis (at the Company's ownership share) as the Company believes that given the significance of the Company's operations that are owned through investments accounted for on the equity method of accounting, the detail of the operations of the Company's unconsolidated properties provides important insights into the income and FFO produced by such investments for the Company as a whole.

REAL ESTATE PROPERTY NET OPERATING INCOME (NOI) AND COMPARABLE NOI

The Company believes that NOI is a useful supplemental measure of the Company's operating performance. The Company defines NOI as operating revenues (rental income, land sales, tenant recoveries and other income) less property and related expenses (real estate taxes, land sales operating costs, repairs and maintenance, marketing and other property expenses). As with FFO described above, NOI has been reflected on a consolidated and unconsolidated basis (at the Company's ownership share). Other REITs may use different methodologies for calculating NOI, and accordingly, the Company's NOI may not be comparable to other REITs.

Because NOI excludes general and administrative expenses, interest expense, retail investment property impairment or other non-recoverable development costs, depreciation and amortization, gains and losses from property dispositions, allocations to noncontrolling interests, reorganization items and extraordinary items, it provides a performance measure that, when compared year over year, reflects the revenues and expenses directly associated with owning and operating commercial real estate properties and the impact on operations from trends in occupancy rates, rental rates, land values (with respect to the Master Planned Communities) and operating costs. This measure thereby provides an operating perspective not immediately apparent from GAAP operating or net income attributable to controlling interests. The Company uses NOI to evaluate its operating performance on a property-by-property basis because NOI allows the Company to evaluate the impact that factors such as lease structure, lease rates and tenant base, which vary by property, have on the Company's operating results, gross margins and investment returns.

In addition, management believes that NOI provides useful information to the investment community about the Company's operating performance. However, due to the exclusions noted above, NOI should only be used as an alternative measure of the Company's financial performance. For reference, and as an aid in understanding management's computation of NOI, a reconciliation of NOI to consolidated operating income as computed in accordance with GAAP has been presented.

Comparable NOI excludes from both years the NOI of properties with significant physical or merchandising changes and those properties acquired or opened during the relevant comparative accounting periods.

PROPERTY INFORMATION

The Company has presented information on its consolidated and unconsolidated properties separately in the accompanying financial schedules. As a significant portion of the Company's total operations are structured as joint venture arrangements

which are unconsolidated, management of the Company believes that operating data with respect to all properties owned provides important insights into the income produced by such investments for the Company as a whole. In addition, the individual items of revenue and expense for the unconsolidated properties have been presented at the Company's ownership share of such unconsolidated ventures. As substantially all of the management operating philosophies and strategies are the same regardless of ownership structure, an aggregate presentation of NOI and other operating statistics yields a more accurate representation of the relative size and significance of such elements of the Company's overall operations.

FORWARD LOOKING STATEMENTS

This press release contains forward-looking statements. Actual results may differ materially from the results suggested by these forward-looking statements, for a number of reasons, including, but not limited to, the bankruptcy filings of the Debtors, our ability to refinance, extend or repay our near and intermediate term debt, our substantial level of indebtedness, changes in interest rates, retail and credit market conditions, impairments, land sales in the Master Planned Communities segment, the cost and success of development and re-development projects and our liquidity demands. Readers are referred to the documents filed by General Growth Properties, Inc. with the Securities and Exchange Commission, which further identify the important risk factors which could cause actual results to differ materially from the forward-looking statements in this release. The Company disclaims any obligation to update any forward-looking statements.

GENERAL GROWTH PROPERTIES, INC. OVERVIEW (In thousands, except per share amounts)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2009	2008	2009	2008
Funds From Operations ("FFO")				
Company stockholders	\$ 97,963	\$ 150,055	\$ (7,306)	\$ 515,019
Operating Partnership unit holders	2,278	28,887	(181)	102,489
Operating Partnership	<u>\$ 100,241</u>	<u>\$ 178,942</u>	<u>\$ (7,487)</u>	<u>\$ 617,508</u>
Decrease in FFO over comparable prior year period	<u>(44.0)%</u>	<u>(11.6)%</u>	<u>(101.2)%</u>	<u>(31.3)%</u>
FFO per share:				
Company stockholders - basic	\$ 0.31	\$ 0.56	\$ (0.02)	\$ 1.98
Operating Partnership - basic	0.31	0.56	(0.02)	1.98
Operating Partnership - diluted	0.31	0.56	(0.02)	1.98
Decrease in diluted FFO per share over comparable prior year periods	(44.6)%	(17.6)%	(101.0)%	(34.7)%
Core Funds From Operations ("Core FFO")				
Core FFO	\$ 88,862	\$ 199,219	\$ 90,530	\$ 641,625
(Decrease) increase in Core FFO over comparable prior year period	(55.4)%	2.4 %	(85.9)%	7.2 %
Core FFO per share - diluted	0.28	0.62	0.28	2.06
(Decrease) increase in diluted Core FFO per share over comparable prior year periods	(54.8)%	(6.1)%	(86.4)%	2.0 %
Dividends				
Dividends paid per share	\$ -	\$ 0.50	\$ -	\$ 1.50
Payout ratio (% of diluted FFO paid out)	-	89.3 %	-	75.8 %
Real Estate Property Net Operating Income ("NOI")				
Retail and Other:				
Consolidated	\$ 488,707	\$ 525,728	\$ 1,515,431	\$ 1,596,571
Unconsolidated	96,496	96,759	294,165	289,526
Total Retail and Other	<u>585,203</u>	<u>622,487</u>	<u>1,809,596</u>	<u>1,886,097</u>
Master Planned Communities:				
Consolidated	(2,173)	(42,700)	(111,893)	(42,910)
Unconsolidated	(847)	3,631	4,172	17,949

Total Master Planned Communities	(3,020)	(39,069)	(107,721)	(24,961)
Total Real estate property net operating income	\$ 582,183	\$ 583,418	\$ 1,701,875	\$ 1,861,136
	September 30, 2009	December 31, 2008		
Selected Balance Sheet Information				
Cash and cash equivalents	\$ 691,765	\$ 168,993		
Investment in real estate:				
Net land, buildings and equipment	\$ 22,047,432	\$ 22,723,390		
Developments in progress	902,000	1,076,675		
Net investment in and loans to/from				
Unconsolidated Real Estate Affiliates	1,979,944	1,837,635		
Investment property and property held for development and sale	1,736,456	1,823,362		
Net investment in real estate	\$ 26,665,832	\$ 27,461,062		
Total assets	\$ 29,042,157	\$ 29,557,330		
Mortgages, notes and loans payable not subject to compromise	\$ 3,030,340	\$ 24,756,577		
Mortgages, notes and loans payable subject to compromise (a)	21,834,167	-		
Redeemable noncontrolling interests - Preferred	120,756	120,756		
Redeemable noncontrolling interests - Common	36,038	379,169		
Total equity	1,574,439	1,860,407		
Total capitalization (at cost)	\$ 26,595,740	\$ 27,116,909		

(a) Mortgages, notes and loans payable subject to compromise are for obligations of the Debtors which principal amounts may change depending on the outcome of our Chapter 11 cases.

GENERAL GROWTH PROPERTIES, INC.
CONSOLIDATED STATEMENTS OF INCOME
(In thousands, except per share amounts)

	Three Months Ended		Nine Months Ended	
	September 30,	September 30,	September 30,	September 30,
	2009	2008	2009	2008
Revenues:				
Minimum rents	\$ 489,472	\$ 514,186	\$ 1,487,288	\$ 1,546,227
Tenant recoveries	217,040	231,548	674,750	694,727
Overage rents	10,408	14,563	26,214	38,973
Land sales	7,409	6,158	38,844	31,080
Management and other fees	14,500	21,561	49,618	63,718
Other	22,132	26,685	64,982	85,916
Total revenues	760,961	814,701	2,341,696	2,460,641
Expenses:				
Real estate taxes	69,925	68,128	210,443	205,781
Repairs and maintenance	56,472	57,725	161,910	176,822
Marketing	7,358	10,425	21,840	31,477
Other property operating costs	108,009	116,329	310,208	332,047
Land sales operations	9,582	8,513	42,046	33,645
Provision for doubtful accounts	5,925	5,938	25,104	14,934
Property management and other costs	44,876	38,813	130,485	145,755
General and administrative	11,652	5,259	89,777	17,774
Provisions for impairment	60,940	55,514	474,420	56,123
Depreciation and amortization	185,016	190,386	576,103	565,888
Total expenses	559,755	557,030	2,042,336	1,580,246
Operating income	201,206	257,671	299,360	880,395
Interest income	523	950	1,754	2,957
Interest expense	(326,357)	(330,687)	(983,198)	(975,682)

Loss before income taxes, noncontrolling interests, reorganization items, and equity in income of Unconsolidated Real Estate Affiliates	(124,628)	(72,066)	(682,084)	(92,330)
Benefit from (provision for) income taxes	14,430	14,841	10,202	(1,416)
Equity in income of Unconsolidated Real Estate Affiliates	15,341	16,939	39,218	61,912
Reorganization items	(22,597)	-	(47,515)	-
Loss from continuing operations	(117,454)	(40,286)	(680,179)	(31,834)
Discontinued operations - gain (loss) on dispositions	29	18,023	(26)	55,083
Net (loss) income	(117,425)	(22,263)	(680,205)	23,249
Allocation to noncontrolling interests	(422)	1,404	7,876	(11,996)
Net (loss) income attributable to common stockholders	\$ (117,847)	\$ (20,859)	\$ (672,329)	\$ 11,253
Basic and Diluted (Loss) Earnings Per Share:				
Continuing operations	\$ (0.38)	\$ (0.13)	\$ (2.16)	\$ (0.13)
Discontinued operations	-	0.05	-	0.17
Total basic and diluted (loss) earnings per share	\$ (0.38)	\$ (0.08)	\$ (2.16)	\$ 0.04

GENERAL GROWTH PROPERTIES, INC.
PORTFOLIO RESULTS AND FUNDS FROM OPERATIONS ("FFO")
(In thousands)

	Three Months Ended September 30, 2009		
	Consolidated Properties	Unconsolidated Properties	Segment Basis
Retail and Other			
Property revenues:			
Minimum rents	\$ 489,472	\$ 94,264	\$ 583,736
Tenant recoveries	217,040	39,718	256,758
Overage rents	10,408	1,442	11,850
Other, including noncontrolling interests	19,476	12,172	31,648
Total property revenues	<u>736,396</u>	<u>147,596</u>	<u>883,992</u>
Property operating expenses:			
Real estate taxes	69,925	11,775	81,700
Repairs and maintenance	56,472	8,784	65,256
Marketing	7,358	1,484	8,842
Other property operating costs	108,009	27,518	135,527
Provision for doubtful accounts	5,925	1,539	7,464
Total property operating expenses	<u>247,689</u>	<u>51,100</u>	<u>298,789</u>
Retail and other net operating income	<u>488,707</u>	<u>96,496</u>	<u>585,203</u>
Master Planned Communities			
Land sales	7,409	7,800	15,209
Land sales operations	(9,582)	(8,647)	(18,229)
Master Planned Communities net operating loss	<u>(2,173)</u>	<u>(847)</u>	<u>(3,020)</u>
Real estate property net operating income	486,534	95,649	\$ 582,183
Management and other fees	14,500	4,267	
Property management and other costs	(44,876)	(8,660)	
General and administrative	(11,652)	(1,390)	
Provisions for impairment	(60,940)	-	
Depreciation on non-income producing assets, including headquarters building	(2,328)	-	
Interest income	523	1,040	
Interest expense	(326,357)	(36,811)	
Benefit from (provision for) income taxes	14,430	(31)	
Preferred unit distributions	(2,336)	-	
Other FFO from noncontrolling interests	1,246	30	
Reorganization items	(22,597)	-	
FFO	<u>46,147</u>	<u>54,094</u>	

Equity in FFO of Unconsolidated Properties	54,094	(54,094)	
Operating Partnership FFO	\$ 100,241	\$ -	
Three Months Ended September 30, 2008			
	Consolidated Properties	Unconsolidated Properties	Segment Basis
Retail and Other			
Property revenues:			
Minimum rents	\$ 514,186	\$ 96,151	\$ 610,337
Tenant recoveries	231,548	40,369	271,917
Overage rents	14,563	2,002	16,565
Other, including noncontrolling interests	23,976	12,840	36,816
Total property revenues	784,273	151,362	935,635
Property operating expenses:			
Real estate taxes	68,128	10,348	78,476
Repairs and maintenance	57,725	8,763	66,488
Marketing	10,425	1,940	12,365
Other property operating costs	116,329	32,322	148,651
Provision for doubtful accounts	5,938	1,230	7,168
Total property operating expenses	258,545	54,603	313,148
Retail and other net operating income	525,728	96,759	622,487
Master Planned Communities			
Land sales	6,158	13,144	19,302
Land sales operations	(8,513)	(9,513)	(18,026)
Master Planned Communities net operating (loss) income before provision for impairment	(2,355)	3,631	1,276
Provision for impairment	(40,345)	-	(40,345)
Master Planned Communities net operating (loss) income	(42,700)	3,631	(39,069)
Real estate property net operating income	483,028	100,390	\$ 583,418
Management and other fees	21,561	5,444	
Property management and other costs	(38,813)	(12,230)	
General and administrative	(5,259)	(2,997)	
Provisions for impairment	(15,169)	(61)	
Depreciation on non-income producing assets, including headquarters building	(2,518)	-	
Interest income	950	1,653	
Interest expense	(330,687)	(44,208)	
Benefit from income taxes	14,841	3,951	
Preferred unit distributions	(2,339)	-	
FFO from noncontrolling interest	1,375	30	
FFO	126,970	51,972	
Equity in FFO of Unconsolidated Properties	51,972	(51,972)	
Operating Partnership FFO	\$ 178,942	\$ -	

GENERAL GROWTH PROPERTIES, INC.
PORTFOLIO RESULTS AND FUNDS FROM OPERATIONS ("FFO")
(In thousands)

	Nine Months Ended September 30, 2009		
	Consolidated Properties	Unconsolidated Properties	Segment Basis
Retail and Other			
Property revenues:			
Minimum rents	\$ 1,487,288	\$ 288,698	\$ 1,775,986
Tenant recoveries	674,750	119,259	794,009
Overage rents	26,214	3,632	29,846
Other, including minority interest	56,684	37,813	94,497

Total property revenues	2,244,936	449,402	2,694,338
Property operating expenses:			
Real estate taxes	210,443	36,620	247,063
Repairs and maintenance	161,910	25,529	187,439
Marketing	21,840	4,234	26,074
Other property operating costs	310,208	84,262	394,470
Provision for doubtful accounts	25,104	4,592	29,696
Total property operating expenses	729,505	155,237	884,742
Retail and other net operating income	1,515,431	294,165	1,809,596
Master Planned Communities			
Land sales	38,844	26,320	65,164
Land sales operations	(42,046)	(22,148)	(64,194)
Master Planned Communities net operating (loss) income before provision for impairment	(3,202)	4,172	970
Provision for impairment	(108,691)	-	(108,691)
Master Planned Communities net operating (loss) income	(111,893)	4,172	(107,721)
Real estate property net operating income	1,403,538	298,337	\$ 1,701,875
Management and other fees	49,618	12,195	
Property management and other costs	(130,485)	(26,960)	
General and administrative	(89,777)	(8,133)	
Provisions for impairment	(365,729)	(3,206)	
Depreciation on non-income producing assets, including headquarters building	(7,201)	-	
Interest income	1,754	2,972	
Interest expense	(983,198)	(120,395)	
Benefit from (provision for) income taxes	10,202	(498)	
Preferred unit distributions	(7,007)	-	
Other FFO from noncontrolling interests	3,912	89	
Reorganization items	(47,515)	-	
FFO	(161,888)	154,401	
Equity in FFO of Unconsolidated Properties	154,401	(154,401)	
Operating Partnership FFO	\$ (7,487)	\$ -	

Nine Months Ended September 30, 2008

	Consolidated Properties	Unconsolidated Properties	Segment Basis
Retail and Other			
Property revenues:			
Minimum rents	\$ 1,546,227	\$ 283,387	\$ 1,829,614
Tenant recoveries	694,727	118,982	813,709
Overage rents	38,973	5,037	44,010
Other, including minority interest	77,705	44,393	122,098
Total property revenues	2,357,632	451,799	2,809,431
Property operating expenses:			
Real estate taxes	205,781	33,929	239,710
Repairs and maintenance	176,822	27,009	203,831
Marketing	31,477	5,719	37,196
Other property operating costs	332,047	93,604	425,651
Provision for doubtful accounts	14,934	2,012	16,946
Total property operating expenses	761,061	162,273	923,334
Retail and other net operating income	1,596,571	289,526	1,886,097
Master Planned Communities			
Land sales	31,080	54,064	85,144
Land sales operations	(33,645)	(36,115)	(69,760)
Master Planned Communities net operating (loss) income before			

provision for impairment	(2,565)	17,949	15,384
Provision for impairment	(40,345)	-	(40,345)
Master Planned Communities net operating (loss) income	(42,910)	17,949	(24,961)
Real estate property net operating income	1,553,661	307,475	\$ 1,861,136
Management and other fees	63,718	15,952	
Property management and other costs	(145,755)	(32,058)	
General and administrative	(17,774)	(7,717)	
Provisions for impairment	(15,778)	(61)	
Depreciation on non-income producing assets, including headquarters building	(7,916)	-	
Interest income	2,957	4,724	
Interest expense	(975,682)	(125,195)	
(Provision for) benefit from income taxes	(1,416)	2,260	
Preferred unit distributions	(8,145)	-	
FFO from noncontrolling interest	4,167	91	
FFO	452,037	165,471	
Equity in FFO of Unconsolidated Properties	165,471	(165,471)	
Operating Partnership FFO	\$ 617,508	\$ -	

GENERAL GROWTH PROPERTIES, INC.
RECONCILIATION OF NON-GAAP FINANCIAL MEASURES TO GAAP FINANCIAL MEASURES
(In thousands)

	Three Months Ended		Nine Months Ended	
	September 30,		September 30,	
	2009	2008	2009	2008
Reconciliation of Real Estate Property Net Operating Income ("NOI") to GAAP Operating Income				
Real estate property net operating income:				
Segment basis	\$ 582,183	\$ 583,418	\$ 1,701,875	\$ 1,861,136
Unconsolidated Properties	(95,649)	(100,390)	(298,337)	(307,475)
Consolidated Properties	486,534	483,028	1,403,538	1,553,661
Management and other fees	14,500	21,561	49,618	63,718
Property management and other costs	(44,876)	(38,813)	(130,485)	(145,755)
General and administrative	(11,652)	(5,259)	(89,777)	(17,774)
Provisions for impairment	(60,940)	(15,169)	(365,729)	(15,778)
Depreciation and amortization	(185,016)	(190,386)	(576,103)	(565,888)
Noncontrolling interest in NOI of Consolidated Properties and other	2,656	2,709	8,298	8,211
Operating income	\$ 201,206	\$ 257,671	\$ 299,360	\$ 880,395
Reconciliation of Core FFO to Funds From Operations ("FFO") and to GAAP Net (Loss) Income Attributable to Controlling Interest				
Core FFO	\$ 88,862	\$ 199,219	\$ 90,530	\$ 641,625
Master Planned Communities net operating loss	(3,020)	(39,069)	(107,721)	(24,961)
Benefit from (provision for) income taxes	14,399	18,792	9,704	844
Funds From Operations - Operating Partnership	100,241	178,942	(7,487)	617,508
Depreciation and amortization of capitalized real estate costs	(221,460)	(222,918)	(684,142)	(661,578)
Discontinued operations - gain (loss) on dispositions	29	18,023	(26)	55,083
Noncontrolling interests in depreciation of Consolidated Properties and other	862	833	2,629	2,481
Redeemable noncontrolling interests	2,481	4,261	16,697	(2,241)
Net (loss) income attributable to common stockholders	\$ (117,847)	\$ (20,859)	\$ (672,329)	\$ 11,253
Reconciliation of Equity in NOI of Unconsolidated Properties to GAAP Equity in Income of Unconsolidated Real Estate Affiliates				
Equity in Unconsolidated Properties:				
NOI	\$ 95,649	\$ 100,390	\$ 298,337	\$ 307,475

Net property management fees and costs	(4,393)	(6,786)	(14,765)	(16,106)
Net interest expense	(35,771)	(42,555)	(117,423)	(120,471)
General and administrative, provisions for impairment, income taxes and noncontrolling interest in FFO	(1,391)	923	(11,748)	(5,427)
FFO of unconsolidated properties	54,094	51,972	154,401	165,471
Depreciation and amortization of capitalized real estate costs	(38,770)	(35,050)	(115,239)	(103,607)
Other, including gains on sales of investment properties	17	17	56	48
Equity in income of Unconsolidated Real Estate Affiliates	\$ 15,341	\$ 16,939	\$ 39,218	\$ 61,912

Reconciliation of Weighted Average Shares Outstanding

Basic:				
Weighted average number of shares outstanding - FFO per share	319,628	319,527	319,606	311,806
Conversion of Operating Partnership units	(7,265)	(51,582)	(7,745)	(51,751)
Weighted average number of Company shares outstanding - GAAP EPS	312,363	267,945	311,861	260,055
Diluted:				
Weighted average number of shares outstanding - FFO per share	319,628	319,527	319,606	311,806
Conversion of Operating Partnership units	(7,265)	(51,582)	(7,745)	(51,751)
Weighted average number of Company shares outstanding - GAAP EPS	312,363	267,945	311,861	260,055

GENERAL GROWTH PROPERTIES, INC.
SUPPLEMENTAL DISCLOSURE OF CERTAIN NON-CASH REVENUES AND EXPENSES
REFLECTED IN FFO
(In thousands)

	Three Months Ended September 30, 2009		Three Months Ended September 30, 2008	
	Consolidated Properties	Unconsolidated Properties	Consolidated Properties	Unconsolidated Properties
Minimum rents:				
Above- and below-market tenant leases, net	\$ 2,737	\$ 384	\$ 3,191	\$ 2,152
Straight-line rent	8,480	2,998	11,253	2,056
Real estate taxes:				
Real estate tax stabilization agreement	(981)	-	(981)	-
Other property operating costs:				
Non-cash ground rent expense	(1,576)	(247)	(1,705)	(231)
Provisions for impairment	(60,940)	-	(55,514)	(61)
Interest expense:				
Mark-to-market adjustments on debt	3,294	155	3,622	739
Amortization of deferred finance costs	(9,916)	(396)	(10,479)	(675)
Amortization of discount on exchangeable notes	(6,897)	-	(6,492)	-
Termination of interest rate swaps	(4,519)	-	-	-
Statutory interest expense on Glendale judgment	-	-	(2,249)	-
Debt extinguishment costs:				
Write-off of mark-to-market adjustments	-	-	212	-
Write-off of deferred finance costs	-	-	(50)	244
Totals	\$ (70,318)	\$ 2,894	\$ (59,192)	\$ 4,224
	Nine Months Ended September 30, 2009		Nine Months Ended September 30, 2008	
	Consolidated Properties	Unconsolidated Properties	Consolidated Properties	Unconsolidated Properties
Minimum rents:				
Above- and below-market tenant leases, net	\$ 6,094	\$ 3,317	\$ 11,938	\$ 6,432
Straight-line rent	27,173	9,523	33,156	6,990
Real estate taxes:				
Real estate tax stabilization agreement	(2,943)	-	(2,943)	-

Other property operating costs:

Non-cash ground rent expense	(4,740)	(927)	(5,260)	(693)
Provisions for impairment	(474,420)	(3,206)	(56,123)	(61)
Interest expense:				
Mark-to-market adjustments on debt	9,357	1,486	12,143	2,204
Amortization of deferred finance costs	(35,889)	(1,221)	(22,709)	(1,496)
Amortization of discount on exchangeable notes	(20,347)	-	(19,150)	-
Termination of interest rate swaps	14,156	-	-	-
Statutory interest expense on Glendale judgment	-	-	(6,706)	-
Debt extinguishment costs:				
Write-off of mark-to-market adjustments	-	-	212	-
Write-off of deferred finance costs	(578)	-	157	-
Totals	\$ (482,137)	\$ 8,972	\$ (55,285)	\$ 13,376

WEIGHTED AVERAGE SHARES

(In thousands)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2009	2008	2009	2008
Basic	312,363	267,945	311,861	260,055
Diluted	312,363	267,945	311,861	260,055
Assuming full conversion of Operating Partnership units:				
Basic	319,628	319,527	319,606	311,806
Diluted	319,628	319,527	319,606	311,806

GENERAL GROWTH PROPERTIES, INC.**SUPPLEMENTAL SCHEDULE OF SIGNIFICANT FFO ITEMS THAT IMPACT COMPARABILITY (a)**

(In thousands, except per share amounts)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2009	2008	2009	2008
Operating Partnership FFO	\$ 100,241	\$ 178,942	\$ (7,487)	\$ 617,508
Operating Partnership FFO per share - diluted	\$ 0.31	\$ 0.56	\$ (0.02)	\$ 1.98
Significant items that affect comparability increase (decrease)				
Provisions for impairment:				
Operating properties	18,161	7,819	139,583	7,819
Non-recoverable development costs	36,496	7,411	94,319	8,020
Goodwill	6,283	-	135,033	-
Core FFO Impairments	60,940	15,230	368,935	15,839
Master planned communities impairment - net of tax (b)	-	40,345	86,394	40,345
Total impairments	60,940	55,575	455,329	56,184
Restructuring costs (c)	77	-	43,161	-
Financing costs - proposed transactions (d)	3,250	-	24,179	-
Termination of interest rate swaps	-	-	34,813	-
Reorganization items (e)	22,597	-	47,515	-
Statutory interest expense on Glendale Judgement	-	2,249	-	6,706
Termination income	(3,859)	(6,359)	(24,412)	(34,842)
Operating Partnership FFO as adjusted for comparability	\$ 183,246	\$ 230,407	\$ 573,098	\$ 645,556
Adjusted Operating Partnership FFO per share - diluted	\$ 0.57	\$ 0.72	\$ 1.79	\$ 2.07

(a) Includes consolidated and unconsolidated properties.

(b) Master planned communities impairment is presented net of tax. Included in the nine months ended September 30, 2009 is

a \$55.9 million impairment charge related to our Nouvelle at Natick condominium project, which did not result in a tax benefit due to a valuation allowance on the related deferred tax asset as a result of filing for Chapter 11 protection.

- (c) Restructuring costs include fees and expenses incurred for various consultants and advisors that assisted in the development of strategic alternatives relating to our liquidity and financing situation prior to filing for Chapter 11 protection on April 16, 2009. Amounts reflected in the three months ended September 30, 2009 include adjustments to amounts previously accrued.
- (d) Financing costs - proposed transactions reflects the write off of various financing costs on proposed transactions which were not completed.
- (e) Reorganization items reflect bankruptcy-related activity, including gains on liabilities subject to compromise, interest income, U.S. Trustee fees, and other restructuring costs, incurred after filing for Chapter 11 protection on April 16, 2009.

SOURCE: General Growth Properties, Inc.

General Growth Properties, Inc.

Jim Graham

Senior Director of Public Affairs

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