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CAPITAL SHOPPING CENTRES GROUP PLC

25 November 2010

Capital Shopping Centres Group PLC (the “Company” or “CSC”)

Letter from Simon Property Group

As announced earlier today, and pursuant to Rule 2.4 of the City Code on Mergers and Acquisitions (the “Code”), the Simon Property Group, a 5.6 per cent. shareholder in the Company, was contacted on 23 November regarding the Acquisition and Placing. Simon Property Group requested in a letter to CSC received on 24 November that CSC not proceed further with the Acquisition and Placing until it had had the opportunity to present CSC with a potential cash offer for the Company at an unspecified premium to NAV. The letter did not contain any offer or indicative offer nor provide any certainty that an offer would be made. The Board of CSC has concluded that it is not in shareholders' interests to delay the Placing and has determined to proceed with the Acquisition and Placing. Shareholders in the Company will have an opportunity to vote on the Acquisition at the Extraordinary General Meeting which is expected to be convened for 20 December. This has been communicated to Simon Property Group.

Shareholders should be aware that there is no certainty that an offer will be made nor as to the terms upon which any such offer may be made. This announcement has been made without the consent of Simon Property Group.

In accordance with Rule 2.10 of the Code the Company confirms that, as at the date of this announcement it had 630,373,009 ordinary shares of 50 pence each in issue. The ISIN number of the ordinary shares is GB0006834344.

The Company holds 1,050,000 ordinary shares in treasury. The total number of shares attracting voting rights in the Company is therefore 629,323,009. This figure may be used by shareholders to determine the percentage of issued share capital they hold in the Company and if they are required to notify their interest in, or change to their interest in, the Company under the FSA's Disclosure and Transparency Rules.

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Disclosure requirements of the Takeover Code (the “Code”)

Under Rule 8.3(a) of the Code, any person who is interested in 1% or more of any class of relevant securities of the Company or of any paper offeror (being any offeror other than an offeror in respect of which it has been announced that its offer is, or is likely to be, solely in cash) must make an Opening Position Disclosure following the commencement of the offer period and, if later, following the announcement in which any paper offeror is first identified. An Opening Position Disclosure must contain details of the person's interests and short positions in, and rights to subscribe for, any relevant securities of each of (i) the Company and (ii) any paper offeror(s). An Opening Position Disclosure by a person to whom Rule 8.3(a) applies must be made by no later than 3.30 pm (London time) on the 10th business day following the commencement of the offer period and, if appropriate, by no later than 3.30 pm (London time) on the 10th business day following the announcement in which any paper offeror is first identified. Relevant persons who deal in the relevant securities of the Company or of a paper offeror prior to the deadline for making an Opening Position Disclosure must instead make a Dealing Disclosure.

Under Rule 8.3(b) of the Code, any person who is, or becomes, interested in 1% or more of any class of relevant securities of the Company or of any paper offeror must make a Dealing Disclosure if the person deals in any relevant securities of the Company or of any paper offeror. A Dealing Disclosure must contain details of the dealing concerned and of the person's interests and short positions in, and rights to subscribe for, any relevant securities of each of (i) the Company and (ii) any paper offeror, save to the extent that these details have previously been disclosed under Rule 8. A Dealing Disclosure by a person to whom Rule 8.3(b) applies must be made by no later than 3.30 pm (London time) on the business day following the date of the relevant dealing.

If two or more persons act together pursuant to an agreement or understanding, whether formal or informal, to acquire or control an interest in relevant securities of the Company or a paper offeror, they will be deemed to be a single person for the purpose of Rule 8.3.

Opening Position Disclosures must also be made by the Company and by any offeror and Dealing Disclosures must also be made by the Company, by any offeror and by any persons acting in concert with any of them (see Rules 8.1, 8.2 and 8.4).

Details of the Company and any offeror in respect of whose relevant securities Opening Position Disclosures and Dealing Disclosures must be made can be found in the Disclosure Table on the Takeover Panel's website at www.thetakeoverpanel.org.uk, including details of the number of relevant securities in issue, when the offer period commenced and when any offeror was first identified. If you are in any doubt as to whether you are required to make an Opening Position Disclosure or a Dealing Disclosure, you should contact the Panel's Market Surveillance Unit on +44 (0)20 7638 0129.

General

A copy of this announcement will be available free of charge on the Company's website, www.capital-shopping-centres.co.uk, later today.

Capitalised terms used in this announcement but not defined herein shall have the meaning attributed to them in the announcement made today by the Company in connection with the Acquisition and Placing.