

News Release

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New Borders® Store to Open at Pier Park in Panama City Beach, Fla.

ANN ARBOR, Mich., Nov. 27, 2007 - Borders, Inc. will open a 23,276 square-foot store at the new Pier Park development in Panama City Beach, Fla. in April 2008. The store will be located at the intersection of Powell Adams Drive and U.S. Highway 98.

Pier Park is being developed by Simon Property Group, Inc. (NYSE:SPG). Pier Park is a 900,000 square-foot retail and entertainment complex located on 93 acres that covers land from Front Beach Road - at the City Pier - to the heavily-traveled Highway 98 (Back Beach Road).

The new site was selected based on a variety of factors, including consumer demographics, the strength of the co-tenants, traffic patterns, the availability of parking, visibility and the overall attractiveness of the new site.

“This is a significant announcement for Pier Park,” said Tim Kushner, vice president of development at Simon. “We’re delighted that Borders has selected Pier Park for its first store in the trade area. Borders is a wonderful tenant and will be a great resource for the community.”

The opening of this new store is expected to create approximately 45 jobs in the local community. Employment opportunities at Borders in Panama City Beach will be posted online and available in March. To apply, please visit Borders at www.borders.jobs.

Borders, which embraces its role as a vital, contributing member of the community and celebrates its customers’ desire to explore and find personal enrichment and knowledge, offers the opportunity to enjoy local appearances by authors and performers as well as free activities for children. Community connections are important to Borders. The new store will serve as a community-gathering place for the residents of Panama City Beach.

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Committed to offering customers an engaged and rich shopping experience that meets their needs, the new store in Panama City Beach will offer:

- A diverse and relevant assortment of up to 200,000 book, music and movie titles available in an inviting atmosphere with plenty of comfortable seating throughout the store.
- A Seattle's Best Coffee® cafe that will serve its full line of premium coffee and non-coffee beverages, including lattes, mochas and blended beverages, and a fresh food menu, featuring pastries and sandwiches.
- A Paperchase shop with a wide selection of fashionable notebooks, journals, wrapping paper, greeting cards and other gifts and stationery items from U.K.-based Paperchase® Products Limited.
- Internet access. Through an alliance with T-Mobile®, Borders stores are T-Mobile HotSpots®, allowing customers using Wi-Fi enabled laptops or PDAs with a T-Mobile account the ability to comfortably surf the web, access email, connect to their corporate network, or download large files all while connected to the nation's largest, carrier-owned Wi-Fi network.
- Borders Rewards® is a free loyalty program where all customer purchases count toward earning Borders Bucks that can be used on future purchases. In addition, members enjoy exclusive Borders Rewards Bonus Events and receive members-only coupons and savings opportunities throughout the year.
- “Borders Recommends” titles and reviews displayed throughout the store. In addition, knowledgeable booksellers are happy to suggest titles suited to each customer.
- Multiple self-serve Borders Search stations offering customers the opportunity to check the availability of a particular title and where it is located within the store. In addition, the stations in each store’s music department will give customers the chance to listen to a CD before purchasing it.
- Borders Group Savings and Services Program offering discounts, deferred billing, complimentary price quotes and specialized customer service to businesses, schools, libraries and non-profit groups. Membership to this program is free.

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- The Borders Original Voices program, now in its 11th year, highlights the work of new and emerging authors and artists and helps Borders share its passion for books, music, and movies with customers from one enthusiast to another. Over the course of a year, more than 200 new works are featured in Borders stores.

About Borders Group, Inc.

Borders Group, Inc. trades on the New York Stock Exchange under the symbol BGP. Headquartered in Ann Arbor, Mich., the company is a \$4.1 billion global retailer of books, music, movies, and gift and stationery items. Through its subsidiaries, Borders Group has more than 30,000 employees and operates over 1,100 stores. More information on Borders Group is available at www.bordersgroupinc.com.

About Simon Property Group:

Simon Property Group, Inc. is an S&P 500 company and the largest public U.S. real estate company. Simon is a fully integrated real estate company which operates from five retail real estate platforms: regional malls, Premium Outlet Centers®, The Mills®, community/lifestyle centers and international properties. It currently owns or has an interest in 379 properties comprising 256 million square feet of gross leasable area in North America, Europe and Asia. The Company is headquartered in Indianapolis, Indiana and employs more than 5,000 people worldwide. Simon Property Group, Inc. is publicly traded on the NYSE under the symbol SPG. For further information, visit the Company's website at www.simon.com.

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