



# Taubman

**Third Quarter 2003 Supplemental Information**

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**TAUBMAN CENTERS, INC.**  
**Table of Contents**  
**Third Quarter 2003**

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Introduction	1
Summary Financial Information	2
Income Statement - Quarter	3
Income Statement - Year to Date	4
Earnings Reconciliations:	
Net Income (Loss) to Funds from Operations	5
Net Income (Loss) to Beneficial Interest in EBITDA	6
Net Income (Loss) to Comparable Center Net Operating Income	7
Funds from Operations to Net Income (Loss)	8
Changes in Funds from Operations and Earnings Per Share	9
Components of Other Income	10
Balance Sheets	11
Debt Summary	12
Other Debt Information	13
Construction and Stabilization	14
Capital Spending	15
Acquisitions and Divestitures	16
Operational Statistics	17
Owned Centers	18
Major Tenants in Owned Portfolio	19
Anchors in Owned Portfolio	20

**TAUBMAN CENTERS, INC.**  
**Introduction**  
**Third Quarter 2003**

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Taubman Centers, Inc. (The Company or TCO), a real estate investment trust, currently owns 21 urban and suburban regional and super-regional shopping centers in 9 states. Taubman Centers is headquartered in Bloomfield Hills, Michigan. The Company has a 59% managing general partnership interest in The Taubman Realty Group Limited Partnership (Operating Partnership or TRG), through which the Company conducts all of its operations. The Company owns, develops, acquires, and operates regional shopping centers and interests therein.

This package was prepared to provide supplemental operating, financing, and development information of the Company and the Operating Partnership for the third quarter of 2003. The information herein contains terms, captions, and other content for which definitions and additional background can be found in the Company's regular filings with the Securities and Exchange Commission, including its most recent Annual Report on Form 10-K and Quarterly Report on Form 10-Q. Refer to <http://www.taubman.com> for the latest available version of this package, which will incorporate any revisions to the information.

Any questions, comments, or suggestions regarding the information contained in this package should be directed to Barbara Baker, Vice President of Investor Relations - Taubman Centers, Inc., 200 East Long Lake Road, Suite 300, PO Box 200, Bloomfield Hills, Michigan 48303, Telephone (248) 258-7367, email: [bbaker@taubman.com](mailto:bbaker@taubman.com).

**TAUBMAN CENTERS, INC.**  
**Summary Financial Information**  
**For the Periods Ended September 30, 2003 and 2002**

(in thousands of dollars, except as noted)

	Three Months Ended		Year to Date	
	2003	2002	2003	2002
<b>Funds from Operations:</b>				
FFO:				
TCO	17,156 (1)	23,895	52,595 (1)	58,821 (2)
TRG	28,959 (1)	38,641	86,715 (1)	95,217 (2)
Per common share:				
Basic	0.35 (1)	0.47	1.04 (1)	1.15 (2)
Diluted	0.34 (1)	0.46	1.02 (1)	1.13 (2)
Growth rate-diluted	-26.1%		-9.7%	
FFO excluding costs relating to the unsolicited tender offer:				
TCO	20,737 (3)	23,895	67,827 (3)	58,821 (2)
TRG	35,005 (3)	38,641	111,773 (3)	95,217 (2)
Per common share:				
Basic	0.42	0.47	1.34	1.15 (2)
Diluted	0.41	0.46	1.32	1.13 (2)
Growth rate-diluted	-10.9%		16.8%	
<b>Earnings allocable to common shareowners:</b>				
Income (loss) from continuing operations	(10,226)	1,904	(30,519)	(6,900)
Per share - basic	(0.21)	0.04	(0.60)	(0.14)
Per share - diluted	(0.21)	0.03	(0.60)	(0.14)
Discontinued operations	22	(147)	66	6,069
Per share - basic	-	-	-	0.12
Per share - diluted	-	-	-	0.11
Net income (loss)	(10,204)	1,757	(30,453)	(831)
Per share - basic	(0.21)	0.03	(0.60)	(0.02)
Per share - diluted	(0.21)	0.03	(0.60)	(0.03)
<b>Dividends:</b>				
Dividends paid per common share	0.260	0.255	0.780	0.765
Payout ratio of diluted FFO per common share	76%	55%	76%	68%
<b>Coverage (3):</b>				
Interest only	2.3	2.5	2.4	2.3
Fixed charges (interest plus preferred dividends)	1.9	2.1	2.0	1.9
<b>Market Capitalization:</b>				
Closing stock price at end of period	19.60	14.23		
Market equity value of share equivalents	1,634,882	1,182,251		
Preferred equity (at book value)	300,000	300,000		
Beneficial interest in debt	2,201,400	2,016,300		
Debt to total market capitalization	53.2%	57.6%		
<b>Ownership:</b>				
TCO common shares outstanding:				
End of period	49,363,273	51,314,492		
Weighted average	49,348,000	51,194,177	50,562,963	51,052,528
TRG units of partnership interest:				
End of period	83,412,357	83,081,558		
Weighted average - basic	83,300,619	82,787,185	83,474,802	82,645,536
Weighted average - diluted	84,756,882	84,184,720	84,877,978	84,160,745
Units not receiving distributions at end of period	87,028	174,058		
Non-voting units at end of period	2,083,333			
TCO ownership of TRG (excluding units not receiving distributions):				
End of period	59.2%	61.9%		
Weighted average	59.2%	61.8%	60.6%	61.8%

(1) TRG's FFO for the three and nine months ended September 30, 2003 includes costs of \$6 million and \$25.1 million, or \$0.07 and \$0.30 per share respectively, incurred in connection with the unsolicited tender offer. There were no such costs incurred during the three and nine months ended September 30, 2002.

(2) As restated. TRG's FFO for the nine months ended September 30, 2002 was restated from previously reported amounts to include charges related to technology investments of \$8.1 million, or \$0.10 per share, recognized during 2002 and previously excluded from FFO. FFO for the three and twelve months ended December 31, 2002 previously reported as \$0.49 and \$1.72 per share, respectively, has been restated to \$0.43 and \$1.56, respectively, to include the charges related to the technology investments as well as costs related to the unsolicited tender offer. There were no such costs incurred during the three months ended September 30, 2002.

(3) Excludes costs relating to the unsolicited tender offer.

**TAUBMAN CENTERS, INC.**  
**Income Statement**  
**For the Quarters Ended September 30, 2003 and 2002**

(In thousands of dollars)

	2003			2002		
	UNCONSOLIDATED			UNCONSOLIDATED		
	CONSOLIDATED	JOINT		CONSOLIDATED	JOINT	
BUSINESSES	VENTURES (1)	TOTAL	BUSINESSES	VENTURES (1)	TOTAL	
<b>REVENUES:</b>						
Minimum rents	51,371	49,345	100,716	45,763	47,244	93,007
Percentage rents	951	573	1,524	160	929	1,089
Expense recoveries	29,939	23,694	53,633	30,578	24,590	55,168
Management, leasing and development	5,087		5,087	5,576		5,576
Other	5,318	2,102	7,420	9,715	1,400	11,115
Total revenues	92,666	75,714	168,380	91,792	74,163	165,955
<b>OPERATING COSTS:</b>						
Recoverable expenses	28,409	20,921	49,330	26,817	22,464	49,281
Other operating	8,231	5,154	13,385	7,766	5,835	13,601
Costs related to unsolicited tender offer	6,046		6,046			
Management, leasing and development	4,326		4,326	4,594		4,594
General and administrative	5,837		5,837	4,434		4,434
Interest expense	20,562	21,077	41,639	18,467	20,683	39,150
Depreciation and amortization	22,251	13,027	35,278	18,891	14,233	33,124
Total operating costs	95,662	60,179	155,841	80,969	63,215	144,184
	(2,996)	15,535	12,539	10,823	10,948	21,771
Equity in income of Unconsolidated Joint Ventures	8,144			5,761		
Income before discontinued operations and minority and preferred interests	5,148			16,584		
Discontinued operations(2):						
EBITDA	2,399			2,621		
Interest	(1,540)			(1,564)		
Depreciation	(804)			(1,269)		
Minority and preferred interests:						
TRG preferred distributions	(2,250)			(2,250)		
Minority interest in consolidated joint ventures	53			(34)		
Minority share of income of TRG	(287)			(4,504)		
Distributions in excess of minority share of income	(8,773)			(3,677)		
Net income (loss)	(6,054)			5,907		
Series A preferred dividends	(4,150)			(4,150)		
Net income (loss) allocable to common shareowners	(10,204)			1,757		
<b>SUPPLEMENTAL INFORMATION:</b>						
EBITDA - 100% (3)	42,216	49,639	91,855	50,802	45,864	96,666
EBITDA - outside partners' share	(362)	(22,716)	(23,078)	(2,148)	(19,269)	(21,417)
Beneficial interest in EBITDA	41,854	26,923	68,777	48,654	26,595	75,249
Beneficial interest expense	(21,788)	(11,032)	(32,820)	(18,775)	(10,780)	(29,555)
Non-real estate depreciation	(598)		(598)	(653)		(653)
Preferred dividends and distributions	(6,400)		(6,400)	(6,400)		(6,400)
Funds from Operations contribution (3)	13,068	15,891	28,959	22,826	15,815	38,641
Net straightline adjustments to rental revenue and ground rent expense at TRG %			617			608

(1) With the exception of the Supplemental Information, amounts include 100% of the Unconsolidated Joint Ventures. Amounts are net of intercompany transactions. The Unconsolidated Joint Ventures are presented at 100% in order to allow for measurement of their performance as a whole, without regard to the Company's ownership interest. In its consolidated financial statements, the Company accounts for its investments in the Unconsolidated Joint Ventures under the equity method.

(2) Discontinued operations for the three months ended September 30, 2003 and 2002 include the results of Biltmore Fashion Park.

(3) EBITDA and FFO for the three months ended September 30, 2003 include costs of \$6.0 million incurred in connection with the unsolicited tender offer. There were no such costs incurred during the three months ended September 30, 2002.

**TAUBMAN CENTERS, INC.**  
**Income Statement**  
**For the Year to Date Periods Ended September 30, 2003 and 2002**  
(in thousands of dollars)

	2003				2002			
	UNCONSOLIDATED			TOTAL	UNCONSOLIDATED			TOTAL
	CONSOLIDATED BUSINESSES	JOINT VENTURES	(1)		CONSOLIDATED BUSINESSES	JOINT VENTURES	(1)	
<b>REVENUES:</b>								
Minimum rents	150,764	146,381		297,145	133,738	133,715		267,453
Percentage rents	2,440	1,875		4,315	1,779	1,431		3,210
Expense recoveries	93,440	76,248		169,688	85,490	67,467		152,957
Management, leasing and development	15,450			15,450	16,439			16,439
Other	21,792	10,431		32,223	22,725	5,437		28,162
Total revenues	283,886	234,935		518,821	260,171	208,050		468,221
<b>OPERATING COSTS:</b>								
Recoverable expenses	84,114	64,477		148,591	73,721	58,868		132,589
Other operating	26,616	15,331		41,947	23,554	16,848		40,402
Charge related to technology investments					8,125			8,125
Costs related to unsolicited tender offer	25,058			25,058				
Management, leasing and development	14,387			14,387	14,638			14,638
General and administrative	18,074			18,074	14,799			14,799
Interest expense	62,083	61,733		123,816	56,796	58,450		115,246
Depreciation and amortization	65,596	41,266		106,862	57,459	41,827		99,286
Total operating costs	295,928	182,807		478,735	249,092	175,993		425,085
	(12,042)	52,128		40,086	11,079	32,057		43,136
Equity in income of Unconsolidated Joint Ventures	26,829				16,638			
Income before discontinued operations and minority and preferred interests	14,787				27,717			
Discontinued operations: (2)								
Gain on disposition of interests in centers					12,024			
EBITDA	7,998				11,213			
Interest	(4,598)				(4,628)			
Depreciation	(3,227)				(4,083)			
Minority and preferred interests:								
TRG preferred distributions	(6,750)				(6,750)			
Minority interest in consolidated joint ventures	143				612			
Minority share of income of TRG	(529)				(14,041)			
Distributions in excess of minority share of income	(25,827)				(10,445)			
Net income (loss)	(18,003)				11,619			
Series A preferred dividends	(12,450)				(12,450)			
Net income (loss) allocable to common shareowners	(30,453)				(831)			
<b>SUPPLEMENTAL INFORMATION:</b>								
EBITDA - 100% (3)	123,635	155,127		278,762	136,547	132,334		268,881
EBITDA - outside partners' share	(3,609)	(70,775)		(74,384)	(6,251)	(58,864)		(65,115)
Beneficial interest in EBITDA	120,026	84,352		204,378	130,296	73,470		203,766
Beneficial interest expense	(64,261)	(32,325)		(96,586)	(57,691)	(29,574)		(87,265)
Non-real estate depreciation	(1,877)			(1,877)	(2,084)			(2,084)
Preferred dividends and distributions	(19,200)			(19,200)	(19,200)			(19,200)
Funds from Operations contribution (3)	34,688	52,027		86,715	51,321	43,896		95,217
Net straightline adjustments to rental revenue and ground rent expense at TRG %				1,347				1,585

(1) With the exception of the Supplemental Information, amounts include 100% of the Unconsolidated Joint Ventures. Amounts are net of intercompany transactions. The Unconsolidated Joint Ventures are presented at 100% in order to allow for measurement of their performance as a whole, without regard to the Company's ownership interest. In its consolidated financial statements, the Company accounts for its investments in the Unconsolidated Joint Ventures under the equity method.

(2) Discontinued operations for the nine months ended September 30, 2003 includes the results of Biltmore Fashion Park. Discontinued operations for the nine months ended September 30, 2002 includes the results of Biltmore Fashion Park, La Cumbre Plaza, and Paseo Nuevo.

(3) EBITDA and FFO for the nine months ended September 30, 2003 include costs of \$25.1 million incurred in connection with the unsolicited tender offer. There were no such costs incurred during the nine months ended September 30, 2002. EBITDA and FFO for the nine months ended September 30, 2002 were restated from previously reported amounts to include charges related to technology investments of \$8.1 million recognized during 2002 previously excluded from EBITDA and FFO.

**TAUBMAN CENTERS, INC.**

**Reconciliation of Net Income (Loss) to Funds from Operations  
For the Periods Ended September 30, 2003 and 2002**

(in thousands of dollars)

	<b>Three Months Ended</b>		<b>Year to Date</b>	
	<b>2003</b>	<b>2002</b>	<b>2003</b>	<b>2002</b>
<b>Net income (loss) allocable to common shareowners</b>	<b>(10,204)</b>	<b>1,757</b>	<b>(30,453)</b>	<b>(831)</b>
Add (less) depreciation and gains on dispositions of properties:				
Gain on disposition of interests in centers				(12,024)
Depreciation and amortization:				
Consolidated businesses at 100%	22,251	18,891	65,596	57,459
Minority partners in consolidated joint ventures	(101)	(858)	(1,332)	(3,130)
Discontinued operations	804	1,269	3,227	4,083
Share of unconsolidated joint ventures	7,747	10,054	25,198	27,258
Non-real estate depreciation	(598)	(653)	(1,877)	(2,084)
Add minority interests in TRG:				
Minority share of income (loss) of TRG	287	4,504	529	14,041
Distributions in excess of minority share of income of TRG	8,773	3,677	25,827	10,445
<b>Funds from Operations - TRG (1)</b>	<b>28,959</b>	<b>38,641</b>	<b>86,715</b>	<b>95,217</b>
<b>Funds from Operations - TCO (1)</b>	<b>17,156</b>	<b>23,895</b>	<b>52,595</b>	<b>58,821</b>

(1) TRG's FFO for the three and nine months ended September 30, 2003 includes costs of \$6million and \$25.1 million, respectively, incurred in connection with the unsolicited tender offer. There were no such costs incurred during the three and nine months ended September 30, 2002. TRG's FFO for the nine months ended September 30, 2002 was restated from previously reported amounts to include charges related to technology investments of \$8.1 million recognized during 2002 previously excluded from FFO. TCO's share of TRG's FFO is based on an average ownership of 59% and 62% during the three months ended September 30, 2003 and 2002, respectively, and 61% and 62% during the nine months ended September 30, 2003 and 2002, respectively.

**TAUBMAN CENTERS, INC.**

**Reconciliation of Net Income (Loss) to Beneficial Interest in EBITDA  
For the Periods Ended September 30, 2003 and 2002**

(in thousands of dollars)

	Three Months Ended		Year to Date	
	2003	2002	2003	2002
<b>Net income (loss) allocable to common shareowners</b>	<b>(10,204)</b>	<b>1,757</b>	<b>(30,453)</b>	<b>(831)</b>
Add (less) depreciation and gains on dispositions of properties:				
Gain on disposition of interests in centers				(12,024)
Depreciation and amortization:				
Consolidated businesses at 100%	22,251	18,891	65,596	57,459
Minority partners in consolidated joint ventures	(101)	(858)	(1,332)	(3,130)
Discontinued operations	804	1,269	3,227	4,083
Share of unconsolidated joint ventures	7,747	10,054	25,198	27,258
Add minority interests in TRG:				
Minority share of income of TRG	287	4,504	529	14,041
Distributions in excess of minority share of income of TRG	8,773	3,677	25,827	10,445
Add (less) preferred interests and interest expense:				
Preferred dividends and distributions	6,400	6,400	19,200	19,200
Interest expense for all businesses in continuing operations	41,639	39,150	123,816	115,246
Interest expense allocable to minority partners in consolidated joint ventures	(314)	(1,256)	(2,420)	(3,733)
Interest expense of discontinued operations	1,540	1,564	4,598	4,628
Interest expense allocable to outside partners in unconsolidated joint ventures	(10,045)	(9,903)	(29,408)	(28,876)
<b>Beneficial interest in EBITDA - TRG</b>	<b><u>68,777</u></b>	<b><u>75,249</u></b>	<b><u>204,378</u></b>	<b><u>203,766</u></b>

(1) TRG's Beneficial interest in EBITDA for the three and nine months ended September 30, 2003 includes costs of \$6 million and \$25.1 million, respectively, incurred in connection with the unsolicited tender offer. There were no such costs incurred during the three and nine months ended September 30, 2002. TRG's Beneficial interest in EBITDA for the nine months ended September 30, 2002 was restated from previously reported amounts to include charges related to technology investments of \$8.1 million recognized during 2002 previously excluded from Beneficial interest in EBITDA.



**TAUBMAN CENTERS, INC.**
**Reconciliation of Net Income (Loss) to Comparable Center Net Operating Income  
For the Periods Ended September 30, 2003 and 2002**

(in thousands of dollars)

	Three Months Ended		Year to Date	
	2003	2002	2003	2002
<b>Net income (loss) allocable to common shareowners</b>	<b>(10,204)</b>	<b>1,757</b>	<b>(30,453)</b>	<b>(831)</b>
Add (less) depreciation and gains on dispositions of properties:				
Gain on disposition of interests in centers				(12,024)
Depreciation and amortization:				
Consolidated businesses at 100%	22,251	18,891	65,596	57,459
Minority partners in consolidated joint ventures	(101)	(858)	(1,332)	(3,130)
Discontinued operations	804	1,269	3,227	4,083
Share of unconsolidated joint ventures	7,747	10,054	25,198	27,258
Add minority interests in TRG:				
Minority share of income of TRG	287	4,504	529	14,041
Distributions in excess of minority share of income of TRG	8,773	3,677	25,827	10,445
Add (less) preferred interests and interest expense:				
Preferred dividends and distributions	6,400	6,400	19,200	19,200
Interest expense for all businesses in continuing operations	41,639	39,150	123,816	115,246
Interest expense allocable to minority partners in consolidated joint ventures	(314)	(1,256)	(2,420)	(3,733)
Interest expense of discontinued operations	1,540	1,564	4,598	4,628
Interest expense allocable to outside partners in unconsolidated joint ventures	(10,045)	(9,903)	(29,408)	(28,876)
Add EBITDA allocations to outside partners:				
EBITDA allocable to minority partners in consolidated joint ventures	362	2,148	3,609	6,251
EBITDA allocable to outside partners in unconsolidated joint ventures	22,716	19,269	70,775	58,864
<b>EBITDA at 100% - TRG</b>	<b>91,855</b>	<b>96,666</b>	<b>278,762</b>	<b>268,881</b>
Add (less) items excluded from shopping center Net Operating Income:				
General and administrative expenses	5,837	4,434	18,074	14,799
Management, leasing and development services, net	(761)	(982)	(1,063)	(1,801)
Costs related to unsolicited tender offer	6,046		25,058	
Charge related to technology investments				8,125
Gains on peripheral land sales	(404)	(3,217)	(1,361)	(7,462)
Individually significant lease cancellation fees (2)		(2,307)	(7,116)	(2,307)
Dolphin CDD reversal in 2002				(2,867)
Straight-line of minimum rent	(1,307)	(1,172)	(3,127)	(3,282)
Non-center specific operating expenses and other	1,464	3,810	5,977	10,416
<b>Net Operating Income - all centers at 100%</b>	<b>102,730</b>	<b>97,232</b>	<b>315,204</b>	<b>284,502</b>
Less - Net Operating Income of non-comparable centers (3)	(30,410)	(25,096)	(90,542)	(65,147)
<b>Net Operating Income - comparable centers at 100%</b>	<b>72,320</b>	<b>72,136</b>	<b>224,662</b>	<b>219,355</b>

(1) TRG's EBITDA for the three and nine months ended September 30, 2003 includes costs of \$6 million and \$25.1 million, respectively incurred in connection with the unsolicited tender offer. There were no such costs incurred during the three and nine months ended September 30, 2002. TRG's EBITDA for the three and nine months ended September 30, 2002 was restated from previously reported amounts to include charges related to technology investments of \$8.1 million recognized during 2002 previously excluded from EBITDA. respectively.

(2) The Company excludes individual lease cancellation fees in excess of \$0.5 million from its computation of comparable center net operating income.

(3) Includes centers opened in 2001, Biltmore Fashion Park, La Cumbre Plaza, The Mall at Millenia, Paseo Nuevo, Stony Point, and Sunvalley.

**TAUBMAN CENTERS, INC.**  
**Reconciliation of Funds from Operations to Net Income (Loss) (1)**  
**For the Periods Ended September 30, 2003 and 2002**

(in thousands of dollars)

	Three Months Ended		Year to Date	
	2003	2002	2003	2002
<b>Continuing Operations:</b>				
<i>The Taubman Realty Group Limited Partnership (TRG):</i>				
FFO excluding costs relating to the unsolicited tender offer	35,005	38,641	111,773	95,217
Costs related to unsolicited tender offer	(6,046)		(25,058)	
FFO - TRG	<u>28,959</u>	<u>38,641</u>	<u>86,715</u>	<u>95,217</u>
Adjustments to FFO to arrive at income from continuing operations:				
Depreciation and amortization:				
Consolidated Businesses at 100%	(22,251)	(18,891)	(65,596)	(57,459)
less: minority partners in consolidated joint ventures	101	858	1,332	3,130
less: non-real estate depreciation	598	653	1,877	2,084
Unconsolidated Joint Ventures at TRG%	(7,747)	(10,054)	(25,198)	(27,258)
TCO's additional basis in TRG	1,820	1,820	5,460	5,489
FFO of discontinued operations	<u>(859)</u>	<u>(1,057)</u>	<u>(3,400)</u>	<u>(6,585)</u>
Income (loss) from continuing operations - TRG	<u>621</u>	<u>11,970</u>	<u>1,190</u>	<u>14,618</u>
<i>Taubman Centers, Inc. (TCO):</i>				
TCO's ownership share of TRG's income (loss) from continuing operations	367	7,401	768	9,034
Depreciation of TCO's additional basis in TRG	(1,820)	(1,820)	(5,460)	(5,489)
Income (loss) from continuing operations before distributions in excess of earnings allocable to minority interest	(1,453)	5,581	(4,692)	3,545
Distributions in excess of earnings allocable to minority interest	<u>(8,773)</u>	<u>(3,677)</u>	<u>(25,827)</u>	<u>(10,445)</u>
Income (loss) from continuing operations allocable to common shareowners	<u>(10,226)</u>	<u>1,904</u>	<u>(30,519)</u>	<u>(6,900)</u>
<b>Discontinued Operations:</b>				
Discontinued operations (including gain on disposition) - TRG	82	(171)	282	22,111
TCO's ownership share	49	(106)	175	13,654
Less: TCO's additional basis in assets disposed of	(27)	(41)	(109)	(123)
Less: TCO's additional basis in gain on disposition				(7,462)
Income from discontinued operations allocable to common shareowners	<u>22</u>	<u>(147)</u>	<u>66</u>	<u>6,069</u>
<b>Net Income (loss):</b>				
Income (loss) from continuing operations allocable to common shareowners	(10,226)	1,904	(30,519)	(6,900)
Income from discontinued operations allocable to common shareowners	22	(147)	66	6,069
Net income (loss) allocable to common shareowners	<u>(10,204)</u>	<u>1,757</u>	<u>(30,453)</u>	<u>(831)</u>
<b>Per share - basic (2):</b>				
Income (loss) from continuing operations allocable to common shareowners	(0.21)	0.04	(0.60)	(0.14)
Income from discontinued operations allocable to common shareowners				0.12
Net income (loss) allocable to common shareowners	<u>(0.21)</u>	<u>0.03</u>	<u>(0.60)</u>	<u>(0.02)</u>

(1) This reconciliation provides additional information as to TRG's income from continuing operations, discontinued operations, and net income as well as TCO's ownership therein.

(2) Based on corresponding earnings amounts shown in this reconciliation and using weighted average common shares outstanding of 49,348,000 and 51,194,177 for the three months ended September 30, 2003 and 2002, respectively and 50,562,963 and 51,052,528 for the nine months ended September 30, 2003 and 2002, respectively.

**TAUBMAN CENTERS, INC.**  
**Changes in Funds from Operations and Earnings per Share**  
**For the Quarter Ended September 30, 2003**

(to nearest half penny, amounts may not add due to rounding)

<b>2002 Third Quarter Funds from Operations</b>	<b>\$ 0.46</b>
Core rents	0.015
Net recoveries	(0.020)
The Mall at Millenia	0.015
Stony Point	0.005
Acquisitions	0.005
Gains on peripheral land sales	(0.030)
Lease cancellation revenue	(0.025)
General and administrative	(0.015)
Interest expense (excluding The Mall at Millenia, Stony Point, and acquisitions)	0.005
Costs related to unsolicited tender offer	(0.070)
Other	(0.005)
	<hr/>
<b>2003 Third Quarter Funds from Operations (1)</b>	<b>\$ 0.34</b>
Costs related to unsolicited tender offer	0.070
	<hr/>
<b>2003 Funds from Operations excluding costs relating to the unsolicited tender offer</b>	<b><u>\$ 0.41</u></b>
	<hr/>
<b>2002 Third Quarter Earnings per Share</b>	<b>\$ 0.03</b>
Change in FFO per share	(0.120)
The Mall at Millenia depreciation	(0.015)
Other depreciation	(0.005)
Distributions to minority interest in excess of percentage share of income	(0.100)
	<hr/>
<b>2003 Third Quarter Earnings per Share</b>	<b><u>\$ (0.21)</u></b>

(1) TRG's FFO for the three months ended September 30, 2003 includes costs of \$6.0 million, or \$0.07 per share, incurred in connection with the unsolicited tender offer. There were no such costs incurred during the three months ended September 30, 2002.

**TAUBMAN CENTERS, INC.**  
**Components of Other Income**  
**For the Periods Ended September 30, 2003**

(in thousands of dollars)

	<b>Three months ended September 30, 2003</b>				
	<b>Consolidated</b>	<b>Consolidated</b>	<b>Unconsolidated</b>	<b>Unconsolidated</b>	<b>Total Beneficial</b>
	<b>Businesses</b>	<b>Businesses</b>	<b>Joint Ventures</b>	<b>Joint Ventures</b>	
<b>at 100% (1)</b>	<b>at TRG% (1)</b>	<b>at 100%</b>	<b>at TRG%</b>	<b>Interest (1)</b>	
Shopping center related revenues	4,005	3,972	1,406	706	4,678
Gains on peripheral land sales	404	404	-	-	404
Lease cancellation revenue	389	388	623	312	700
Interest income	520	519	73	36	555
	<u>5,318</u>	<u>5,283</u>	<u>2,102</u>	<u>1,054</u>	<u>6,337</u>

	<b>Nine months ended September 30, 2003</b>				
	<b>Consolidated</b>	<b>Consolidated</b>	<b>Unconsolidated</b>	<b>Unconsolidated</b>	<b>Total Beneficial</b>
	<b>Businesses</b>	<b>Businesses</b>	<b>Joint Ventures</b>	<b>Joint Ventures</b>	
<b>at 100% (1)</b>	<b>at TRG% (1)</b>	<b>at 100%</b>	<b>at TRG%</b>	<b>Interest (1)</b>	
Shopping center related revenues	10,770	10,438	4,046	2,056	12,494
Gains on peripheral land sales	1,361	1,290	-	-	1,290
Lease cancellation revenue	8,520	8,049	6,123	2,762	10,811
Interest income	1,141	1,112	262	131	1,243
	<u>21,792</u>	<u>20,889</u>	<u>10,431</u>	<u>4,949</u>	<u>25,838</u>

(1) Excludes Biltmore Fashion Park.

**TAUBMAN CENTERS, INC.**  
**Balance Sheets**  
**As of September 30, 2003 and December 31, 2002**  
(in thousands of dollars)

	<b>As of</b>	
	<b>September 30, 2003</b>	<b>December 31, 2002</b>
<b>Consolidated Balance Sheet of Taubman Centers, Inc.:</b>		
<b>Assets:</b>		
Properties	2,521,608	2,393,428
Accumulated depreciation and amortization	(428,912)	(375,738)
	<u>2,092,696</u>	<u>2,017,690</u>
Cash and cash equivalents	23,947	32,470
Accounts and notes receivable	27,077	30,904
Accounts and notes receivable from related parties	2,503	3,887
Deferred charges and other assets	42,402	38,148
Assets of discontinued operations	112,304	115,206
	<u>2,300,929</u>	<u>2,238,305</u>
<b>Liabilities:</b>		
Notes payable	1,534,024	1,463,725
Accounts payable and accrued liabilities	250,340	234,882
Dividends and distributions payable	12,832	13,746
Distributions in excess of net income of (investment in) Unconsolidated Joint Ventures	13,310	(31,402)
Liabilities of discontinued operations	83,392	85,897
	<u>1,893,898</u>	<u>1,766,848</u>
Preferred Equity of TRG	97,275	97,275
<b>Shareowners' Equity:</b>		
Series A Cumulative Redeemable Preferred Stock	80	80
Series B Non-Participating Convertible Preferred Stock	32	32
Common Stock	494	522
Additional paid-in capital	693,977	690,387
Accumulated other comprehensive income	(15,734)	(17,485)
Dividends in excess of net income	(369,093)	(299,354)
	<u>309,756</u>	<u>374,182</u>
	<u>2,300,929</u>	<u>2,238,305</u>
<b>Combined Balance Sheet of Unconsolidated Joint Ventures:</b>		
<b>Assets:</b>		
Properties	1,251,935	1,248,335
Accumulated depreciation and amortization	(320,733)	(287,670)
	<u>931,202</u>	<u>960,665</u>
Cash and cash equivalents	20,548	37,576
Accounts and notes receivable	17,808	16,487
Deferred charges and other assets	29,328	31,668
	<u>998,886</u>	<u>1,046,396</u>
<b>Liabilities:</b>		
Notes payable	1,348,229	1,289,739
Accounts payable and other liabilities	62,159	91,596
	<u>1,410,388</u>	<u>1,381,335</u>
<b>Accumulated Deficiency in Assets:</b>		
Accumulated deficiency in assets - TRG	(227,624)	(187,584)
Accumulated deficiency in assets - Joint Venture Partners	(179,715)	(142,835)
Accumulated other comprehensive income - TRG	(3,286)	(3,568)
Accumulated other comprehensive income - Joint Venture Partners	(877)	(952)
	<u>(411,502)</u>	<u>(334,939)</u>
	<u>998,886</u>	<u>1,046,396</u>

TAUBMAN CENTERS, INC.

Debt Summary

As of September 30, 2003

(in millions of dollars, amounts may not add to due rounding)

	100% 09/30/03	Beneficial Interest 09/30/03	Effective Rate (a) 09/30/03	LIBOR Rate Spread	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	Total
<b>Consolidated Fixed Rate Debt:</b>																
Beverly Center	146.0	146.0	8.36%			146.0										146.0
Great Lakes Crossing	150.0	150.0	5.25%		0.5	2.1	2.2	2.3	2.5	2.6	2.7	2.9	3.0	3.2	126.0	150.0
MacArthur Center	146.4	139.3	6.81% (b)		0.6	2.3	2.4	2.6	2.7	2.8	3.0	122.9				139.3
Regency Square	81.0	81.0	6.75%		0.3	0.9	1.0	1.1	1.1	1.2	1.3	1.4	72.7			81.0
The Mall at Short Hills	265.8	265.8	6.70%		0.8	3.2	3.5	3.7	4.0	4.2	246.4					265.8
Other	20.0	20.0	12.99%		0.0	0.0	0.0	0.0	0.0	0.0	20.0				0.0	20.0
<b>Total Consolidated Fixed</b>	<b>809.2</b>	<b>802.2</b>			<b>2.2</b>	<b>154.5</b>	<b>9.1</b>	<b>9.7</b>	<b>10.3</b>	<b>10.8</b>	<b>273.5</b>	<b>127.2</b>	<b>75.7</b>	<b>3.2</b>	<b>126.0</b>	<b>802.2</b>
<b>Weighted Rate</b>	<b>6.91%</b>	<b>6.91%</b>			<b>6.40%</b>	<b>8.25%</b>	<b>6.38%</b>	<b>6.38%</b>	<b>6.39%</b>	<b>6.39%</b>	<b>7.15%</b>	<b>6.77%</b>	<b>6.69%</b>	<b>5.25%</b>	<b>5.25%</b>	
<b>Consolidated Floating Rate Debt:</b>																
Dolphin Mall	162.9	162.9	4.16% (c)	2.25%	0.6	162.3										162.9
Stony Point Fashion Park	72.6	72.6	2.97% (d)	1.85%			72.6									72.6
The Mall at Wellington Green	152.0	136.8	4.64% (e)	1.85%		136.8										136.8
The Shops at Willow Bend	99.8	99.8	2.62% (f)	1.50%	0.4	1.5	1.6	96.4								99.8
The Shops at Willow Bend	49.9	49.9	4.87% (g)	3.75%	0.2	0.7	0.8	48.2								49.9
Willow Bend land loan	12.6	12.6	2.77% (d)	1.65%		3.3	9.3									12.6
Taubman Realty Group	0.0	0.0		(h)		0.0										0.0
Taubman Realty Group	175.0	175.0	5.04% (i)	0.90%		175.0										175.0
<b>Total Consolidated Floating</b>	<b>724.8</b>	<b>709.6</b>			<b>1.1</b>	<b>479.5</b>	<b>84.3</b>	<b>144.6</b>								<b>709.6</b>
<b>Weighted Rate</b>	<b>3.81%</b>	<b>4.16%</b>			<b>3.78%</b>	<b>4.61%</b>	<b>2.95%</b>	<b>3.37%</b>								
<b>Total Consolidated</b>	<b>1,534.0</b>	<b>1,511.8</b>			<b>3.3</b>	<b>634.0</b>	<b>93.4</b>	<b>154.3</b>	<b>10.3</b>	<b>10.8</b>	<b>273.5</b>	<b>127.2</b>	<b>75.7</b>	<b>3.2</b>	<b>126.0</b>	<b>1,511.8</b>
<b>Weighted Rate</b>	<b>5.44%</b>	<b>5.62%</b>			<b>5.61%</b>	<b>5.49%</b>	<b>3.29%</b>	<b>3.56%</b>	<b>6.39%</b>	<b>6.39%</b>	<b>7.15%</b>	<b>6.77%</b>	<b>6.69%</b>	<b>5.25%</b>	<b>5.25%</b>	
<b>Joint Ventures Fixed Rate Debt:</b>																
Arizona Mills	50.00%	142.6	71.3	7.90%	0.2	0.7	0.8	0.8	0.9	0.9	1.0	66.0				71.3
Cherry Creek	50.00%	177.0	88.5	7.68%		0.5	1.3	86.7								88.5
Fair Oaks	50.00%	140.0	70.0	6.60%						70.0						70.0
International Plaza	26.49%	189.9	50.3	4.21%	0.2	0.9	0.9	0.9	1.0	46.4						50.3
Mall at Millennia	50.00%	210.0	105.0	5.46%						0.9	1.4	1.5	1.6	1.6	98.1	105.0
Sunvalley	50.00%	133.9	66.9	5.67%	0.2	0.9	0.9	1.0	1.0	1.1	1.2	1.3	58.2			66.9
Sunvalley Bonds	50.00%	0.4	0.2	7.20%	0.1	0.1										0.2
Westfarms	78.94%	207.3	163.6	6.10%	0.5	2.0	2.1	2.3	2.4	2.6	2.7	2.9	3.1	142.9		163.6
Woodland	50.00%	66.0	33.0	8.20%		33.0										33.0
<b>Total Joint Venture Fixed</b>	<b>1,267.1</b>	<b>648.9</b>			<b>1.2</b>	<b>38.0</b>	<b>6.0</b>	<b>91.8</b>	<b>5.3</b>	<b>121.9</b>	<b>6.3</b>	<b>71.7</b>	<b>6.0</b>	<b>202.7</b>	<b>98.1</b>	<b>648.9</b>
<b>Weighted Rate</b>	<b>6.25%</b>	<b>6.38%</b>			<b>6.04%</b>	<b>7.93%</b>	<b>6.30%</b>	<b>7.59%</b>	<b>5.96%</b>	<b>5.67%</b>	<b>6.17%</b>	<b>7.73%</b>	<b>5.84%</b>	<b>5.97%</b>	<b>5.46%</b>	
<b>Joint Ventures Floating Rate Debt:</b>																
Stamford Town Center	50.00%	76.0	38.0	1.92% (j)	0.80%	38.0										38.0
Other		5.1	2.7	3.51%		0.2	0.8	0.6	0.6	0.4						2.7
<b>Total Joint Venture Floating</b>	<b>81.1</b>	<b>40.7</b>			<b>0.2</b>	<b>38.8</b>	<b>0.6</b>	<b>0.6</b>	<b>0.4</b>							<b>40.7</b>
<b>Weighted Rate</b>	<b>2.02%</b>	<b>2.03%</b>			<b>3.51%</b>	<b>1.95%</b>	<b>3.51%</b>	<b>3.51%</b>	<b>3.51%</b>	<b>3.51%</b>						
<b>Total Joint Venture</b>	<b>1,348.2</b>	<b>689.6</b>			<b>1.4</b>	<b>76.8</b>	<b>6.6</b>	<b>92.4</b>	<b>5.8</b>	<b>121.9</b>	<b>6.3</b>	<b>71.7</b>	<b>6.0</b>	<b>202.7</b>	<b>98.1</b>	<b>689.6</b>
<b>Weighted Rate</b>	<b>6.00%</b>	<b>6.12%</b>			<b>5.69%</b>	<b>4.91%</b>	<b>6.03%</b>	<b>7.56%</b>	<b>5.77%</b>	<b>5.67%</b>	<b>6.17%</b>	<b>7.73%</b>	<b>5.84%</b>	<b>5.97%</b>	<b>5.46%</b>	
<b>TRG Beneficial Interest Totals</b>																
<b>Fixed Rate Debt</b>	<b>2,076.4</b>	<b>1,451.1</b>			<b>3.4</b>	<b>192.5</b>	<b>15.1</b>	<b>101.4</b>	<b>15.6</b>	<b>132.7</b>	<b>279.8</b>	<b>198.9</b>	<b>81.7</b>	<b>205.9</b>	<b>224.1</b>	<b>1,451.1</b>
	<b>6.51%</b>	<b>6.67%</b>			<b>6.28%</b>	<b>8.19%</b>	<b>6.35%</b>	<b>7.47%</b>	<b>6.24%</b>	<b>5.73%</b>	<b>7.13%</b>	<b>7.12%</b>	<b>6.63%</b>	<b>5.96%</b>	<b>5.34%</b>	
<b>Floating Rate Debt</b>	<b>805.9</b>	<b>750.3</b>			<b>1.3</b>	<b>518.3</b>	<b>84.9</b>	<b>145.2</b>	<b>0.4</b>							<b>750.3</b>
	<b>3.63%</b>	<b>4.04%</b>			<b>3.74%</b>	<b>4.41%</b>	<b>2.96%</b>	<b>3.37%</b>	<b>3.51%</b>	<b>3.51%</b>						
<b>Total</b>	<b>2,882.3</b>	<b>2,201.4</b>			<b>4.7</b>	<b>710.8</b>	<b>100.0</b>	<b>246.6</b>	<b>16.0</b>	<b>132.7</b>	<b>279.8</b>	<b>198.9</b>	<b>81.7</b>	<b>205.9</b>	<b>224.1</b>	<b>2,201.4</b>
	<b>5.70%</b>	<b>5.78%</b>			<b>5.58%</b>	<b>5.43%</b>	<b>3.47%</b>	<b>5.06%</b>	<b>6.17%</b>	<b>5.73%</b>	<b>7.13%</b>	<b>7.12%</b>	<b>6.63%</b>	<b>5.96%</b>	<b>5.34%</b>	
<b>Discontinued Operations:</b>																
Biltmore Fashion Park	77.6	77.6	7.68%		0.2	0.9	1.0	1.1	1.2	1.2	72.1					77.6
Biltmore Bonds	1.7	1.7	6.30%		0.3	0.3	0.3	0.4	0.4	0.1						1.7
	79.3	79.3	7.65%													
<b>Total including Biltmore</b>	<b>2,961.7</b>	<b>2,280.7</b>			<b>5.2</b>	<b>712.0</b>	<b>101.3</b>	<b>248.0</b>	<b>17.6</b>	<b>134.0</b>	<b>351.9</b>	<b>198.9</b>	<b>81.7</b>	<b>205.9</b>	<b>224.1</b>	<b>2,280.7</b>
<b>Average Maturity</b>					<b>5.63</b>											

(a) Includes the impact of interest rate swaps but does not include effect of amortization of debt issuance costs or interest rate cap costs.

(b) Debt includes \$5.3 million of purchase accounting premium from acquisition, which reduces the stated rate on the debt of 7.59% to an effective rate of 6.81%.

(c) \$140 million of this debt (decreasing to \$120 million in December 2003) is swapped to 2.05% plus spread to October 2004. The remaining debt is floating month to month at LIBOR plus spread.

(d) LIBOR rate is floating month to month.

(e) \$100 million of this debt is swapped to 2.5% plus spread from October 2002 to October 2003, to 4.35% plus spread from October 2003 to October 2004 and to 5.25% plus spread from October 2004 to May 2005. An additional \$30 million is swapped to 4.13% plus spread to July 2004. The remainder is floating month to month at LIBOR plus spread.

(f) This debt is capped at 4.6% plus spread to July 2006.

(g) This debt is capped at 5.75% plus spread to July 2006.

(h) Rate floats daily.

(i) \$100 million of this debt is swapped to 4.3% plus spread to November 2003. An additional \$70 million is swapped to 4.13% plus spread to July 2004. The remainder is floating month to month at LIBOR plus spread.

(j) LIBOR rate is floating month to month. This debt is capped at 8.2% plus spread to August 2004.

**TAUBMAN CENTERS, INC.**

**Other Debt Information**

**As of September 30, 2003**

(in millions of dollars)

**TRG's Debt Guarantees**

Center	Loan Balance	TRG's Beneficial Interest in Loan Balance	TRG's Guarantees		
			Amount of Loan Balance	Percentage of Principal	Percentage of Interest
Dolphin Mall	162.9	162.9	81.5	50%	100%
Stony Point Fashion Park	72.6	72.6	72.6	100%	100%
The Mall at Millenia - term loan	2.5	1.3	1.3	50%	50%
The Mall at Wellington Green	152.0	136.8	152.0	100%	100%
The Shops at Willow Bend	149.7	149.7	149.7	100%	100%
Willow Bend land loan	12.6	12.6	12.6	100%	100%

**TRG's Beneficial Interest in Fixed and Floating Rate Debt**

	Amount	Percentage of Total	Interest Rate Including Spread	LIBOR Swap Rate
Fixed rate debt	1,451.1	66%	6.67% (1)	
Swapped through September 2003	100.0		4.35%	2.50% (2)
Swapped through October 2003	100.0		5.20%	4.30%
Swapped through June 2004	100.0		5.31% (1)	4.13%
Swapped through September 2004	140.0 (3)		4.30%	2.05%
Floating month to month	310.3		3.04% (1)	
Total Floating rate debt	<u>750.3</u>	<u>34%</u>	4.04%	
Total	<u>2,201.4</u> (4)	<u>100%</u>	5.78% (1)	

(1) Represents weighted average rate.

(2) This debt is also swapped from October 2003 through September 2004 at 4.35% and from October 2004 through April 2005 at 5.25%.

(3) The notional amount of this swap decreases to \$120.0 million on December 1, 2003.

(4) Excludes \$79.3 million of debt at a weighted average rate of 7.65% for Biltmore Fashion Park.

**TAUBMAN CENTERS, INC.**  
**Construction and Stabilization**  
**As of September 30, 2003**

**Construction:**

<u>Center Name</u>	<u>Location</u>	<u>Anchors</u>	<u>Size (1)</u>	<u>Opening (1)</u>	<u>Owned</u>	<u>Project Cost (1)</u>
Northlake Mall	Charlotte, North Carolina	Dillard's Hecht's Belk Dick's Sporting Goods	1.1 million sq. ft.	September 15, 2005	100%	\$175 million

**Centers Not Yet Or Recently Stabilized:**

<u>Center Name</u>	<u>Location</u>	<u>Anchors</u>	<u>Size</u>	<u>Opened</u>	<u>Owned</u>	<u>Project Cost (2)</u>
Dolphin Mall	Miami, Florida	Burlington Coat Factory, Cobb Theatres, Dave & Buster's, Oshman's Supersports USA, Off 5th Saks, Marshalls, Neiman Marcus-Last Call (2003)	1.3 million sq. ft.	March, 2001	100%	\$275 million
International Plaza	Tampa, Florida	Dillard's, Lord & Taylor, Neiman Marcus, Nordstrom	1.2 million sq. ft.	September, 2001	26%	\$256 million
The Mall at Wellington Green	Wellington, Florida	Burdines, Dillard's, JCPenney, Lord & Taylor, Nordstrom (2003)	1.1 million sq. ft.	October, 2001	90%	\$175 million
The Shops at Willow Bend	Plano, Texas	Dillard's, Foley's, Lord & Taylor, Neiman Marcus, Saks Fifth Avenue (2004)	1.3 million sq. ft.	August, 2001	100%	\$254 million
The Mall at Millenia	Orlando, Florida	Neiman Marcus, Bloomingdale's, Macy's	1.1 million sq. ft.	October, 2002	50%	\$204 million
Stony Point Fashion Park	Richmond, Virginia	Dillard's, Saks Fifth Avenue, Galyan's	690,000 sq. ft.	September 18, 2003	100%	\$115 million

(1) Anticipated opening date, size, and estimated project costs are subject to adjustment as a result of factors inherent in the development process, some of which may not be under the direct control of the Company.

(2) Project costs exclude costs of peripheral land, the approximately \$35 million of costs related to the opening of Nordstrom and additional tenant space at Wellington Green on November 14, 2003, and the approximately \$ 12 million of costs related to the opening of Saks Fifth Avenue at Willow Bend on September 24, 2004.



**TAUBMAN CENTERS, INC.**  
**Capital Spending**  
(in thousands of dollars)

	Three Months ended September 30, 2003 (1)					Nine Months ended September 30, 2003 (1)				
	Consolidated Businesses at 100%	Consolidated Businesses at TRG%	Unconsolidated Joint Ventures at 100%	Unconsolidated Joint Ventures at TRG%	Total Beneficial Interest	Consolidated Businesses at 100%	Consolidated Businesses at TRG%	Unconsolidated Joint Ventures at 100%	Unconsolidated Joint Ventures at TRG%	Total Beneficial Interest
<b>Capital Spending Not Recovered from Tenants:</b>										
Existing centers	922	922	293	147	1,069	2,128	2,127	2,211	1,106	3,233
New centers	37,133	36,999 (2)	310 (3)	37 (3)	37,036	96,832	96,566 (2)	665 (3)	305 (3)	96,871
Pre-construction activities	1,259	1,259			1,259	3,406	3,406			3,406
Mall tenant allowances (4)	382	377	1,669	742	1,119	3,790	3,701	4,461	2,162	5,862
Corporate office improvements and equipment	384	384			384	1,228	1,228			1,228
Other	250	249	115	71	320	511	506	665	346	852
	<u>40,330</u>	<u>40,190</u>	<u>2,387</u>	<u>997</u>	<u>41,187</u>	<u>107,895</u>	<u>107,534</u>	<u>8,002</u>	<u>3,918</u>	<u>111,452</u>
<b>Capitalized leasing costs</b>	1,347	1,324	1,164	567	1,891	4,995	4,850	3,195	1,548	6,398
<b>Repair and asset replacement costs reimbursable by tenants</b>	3,845	3,814	724	387	4,201	8,017	7,927	2,004	971	8,897
<b>Repair and asset replacement costs reimbursed by tenants</b>	1,013	996	1,075	481	1,477	2,987	2,885	3,668	1,801	4,686

(1) Costs are net of intercompany profits.

(2) Primarily includes costs related to Stony Point Fashion Park and Northlake Mall.

(3) Primarily includes costs related to The Mall at Millenia (a 50% owned unconsolidated joint venture).

(4) Excludes tenant allowances on the non-stabilized centers.

	Consolidated Businesses at 100%	Consolidated Businesses at TRG%	Unconsolidated Joint Ventures at 100%	Unconsolidated Joint Ventures at TRG%	Total Beneficial Interest
<b>Assets on which interest is being capitalized, at September 30, 2003</b>	104,082	100,323	-	-	100,323
<b>Capitalized interest, for the nine months ended September 30, 2003</b>	7,790	7,636	-	-	7,636

**TAUBMAN CENTERS, INC.**  
**2003 Acquisitions and Divestitures**

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**Acquisitions:**

<b>Acquisition</b>	<b>City</b>	<b>State</b>	<b>Anchors</b>	<b>Size</b>	<b>Date</b>	<b>Purchase Price</b>
Additional 15% interest in Great Lakes Crossing	Auburn Hills	Michigan	Bass Pro Shops Outdoor World, GameWorks, Neiman Marcus-Last Call, Off 5th Saks, Star Theaters	1.4 million sq. ft.	March 5, 2003	\$25.9 million (1)
Additional 25% interest in MacArthur Center	Norfolk	Virginia	Dillard's, Nordstrom	0.9 million sq. ft.	July 10, 2003	\$45.0 million (2)

**Divestitures:**

<b>Center</b>	<b>City</b>	<b>State</b>	<b>Anchors</b>	<b>Size</b>	<b>Date</b>	<b>Sales Price</b>
Biltmore Fashion Park (Anticipated)	Phoenix	Arizona	Macy's, Saks Fifth Avenue	0.6 million sq. ft.	By year-end 2003	\$158.5 million (3)

(1) Amount represents cash purchase price of \$3.2 million and \$22.7 million of additional beneficial interest in debt.

(2) Amount includes cash purchase price of \$4.9 million, \$3.7 million of partnership units (valued at the \$19.48 closing price of TCO stock at July 10, 2003), and \$35.3 million of additional beneficial interest in debt.

(3) The total sale price will be approximately \$158.5 million, comprised of \$51 million of cash, approximately 811,000 Macerich partnership units (subject to an agreed upon trading range), and the assumption of \$77.5 million of property level fixed rate debt. The debt matures in July 2009 and bears an interest rate of 7.68 percent. The cap rate on the transaction is 7.1 percent based on projected 2003 Net Operating Income, or 6.75 percent if the debt is marked to market.

**TAUBMAN CENTERS, INC.**  
**Operational Statistics**  
**For the Periods Ended September 30, 2003 and 2002**

	<b>Three Months Ended</b>		<b>Year to Date</b>	
	<b>2003</b>	<b>2002</b>	<b>2003</b>	<b>2002</b>
<b>Occupancy:</b>				
Ending - comparable (1)	87.1%	89.1%	87.1%	89.1%
Ending - all	85.2%	85.2%	85.2%	85.2%
Average - comparable (1)	87.4%	88.7%	87.8%	87.6%
Average - all	85.4%	84.7%	85.5%	83.9%
<b>Leased Space:</b>				
Comparable (1)	90.1%	92.0%	90.1%	92.0%
All	88.4%	88.5%	88.4%	88.5%
<b>Average Base Rents (1):</b>				
Average rent per square foot	43.12	42.28	42.76	42.25
Opening base rent per square foot	49.31	45.64	47.74	45.36
Square feet of GLA opened	147,713	211,982	479,975	598,033
Closing base rent per square foot	43.52	48.50	42.75	43.46
Square feet of GLA closed	188,211	132,817	693,448	579,021
Releasing spread per square foot	5.79	(2.86)	4.99	1.90
<b>Mall Tenant Sales:</b>				
All mall tenants	775,154	691,205	2,245,785	2,005,970
Comparable (1)	536,983	523,081	1,563,353	1,528,882
Sales per square foot growth	4.1%	-0.4%	1.9%	-1.6%
<b>Occupancy Costs as a Percentage of Sales:</b>				
All centers	16.7%	18.0%	17.5%	17.8%
Comparable centers (1)	16.2%	17.3%	17.3%	17.1%
<b>Tenant Bankruptcy Filings as a Percentage of Total Tenants</b>				
	0.5%	0.2%	1.9%	1.4%
<b>Comparable Center Growth in Net Operating Income (1)</b>				
	0%	3%	2%	2%
<b>Number of Owned Properties at End of Period</b>				
	21	19	21	19

(1) Statistics exclude 2001 openings, Biltmore Fashion Park, La Cumbre Plaza, The Mall at Millenia, Paseo Nuevo, Stony Point, and Sunvalley.

**TAUBMAN CENTERS, INC.**  
**Owned Centers**

Center	Anchors	Sq. Ft. of GLA/ Mall GLA	Year Opened/ Expanded	Ownership %
Arizona Mills Tempe, AZ <i>(Phoenix Metropolitan Area)</i>	GameWorks, Harkins Cinemas, JCPenney Outlet, Neiman Marcus- Last Call, Off 5th Saks	1,227,000 521,000	1997	50%
Beverly Center Los Angeles, CA	Bloomingdale's, Macy's	871,000 563,000	1982	70%
Billmore Fashion Park Phoenix, AZ (1)	Macy's, Saks Fifth Avenue	611,000 304,000	1963/1992/ 1997/1999	100%
Cherry Creek Denver, CO	Foley's, Lord & Taylor, Neiman Marcus, Saks Fifth Avenue	1,016,000 543,000	1990/1998	50%
Dolphin Mall Miami, FL	Burlington Coat Factory, Cobb Theatres, Dave & Busters, Oshman's Supersports USA, Off 5th Saks, Marshalls, Neiman Marcus-Last Call (2003)	1,296,000 632,000	2001	100%
Fair Oaks Fairfax, VA <i>(Washington, DC Metropolitan Area)</i>	Hecht's, JCPenney, Lord & Taylor, Sears, Macy's	1,583,000 567,000	1980/1987/ 1988/2000	50%
Fairlane Town Center Dearborn, MI <i>(Detroit Metropolitan Area)</i>	Marshall Field's, JCPenney, Lord & Taylor, Off 5th Saks, Sears	1,525,000 635,000	1976/1978/ 1980/2000	100%
Great Lakes Crossing Auburn Hills, MI <i>(Detroit Metropolitan Area)</i>	Bass Pro Shops Outdoor World, GameWorks, Neiman Marcus- Last Call, Off 5th Saks, Star Theatres	1,376,000 567,000	1998	100%
International Plaza Tampa, FL	Dillard's, Lord & Taylor, Neiman Marcus, Nordstrom	1,223,000 581,000	2001	26%
MacArthur Center Norfolk, VA	Dillard's, Nordstrom	937,000 523,000	1999	95%
The Mall at Millenia Orlando, FL	Bloomingdale's, Macy's, Neiman Marcus	1,118,000 518,000	2002	50%
Regency Square Richmond, VA	Hecht's (two locations), JCPenney, Sears	825,000 238,000	1975/1987	100%
The Mall at Short Hills Short Hills, NJ <i>(New York Metropolitan Area)</i>	Bloomingdale's, Macy's, Neiman Marcus, Nordstrom, Saks Fifth Avenue	1,342,000 520,000	1980/1994/ 1995	100%
Stamford Town Center Stamford, CT	Filene's, Macy's, Saks Fifth Avenue	861,000 368,000	1982	50%
Stony Point Fashion Park Richmond, VA	Dillard's, Saks Fifth Avenue, Galyan's	690,000 299,000	2003	100%
Sunvalley Concord, CA <i>(San Francisco Metropolitan Area)</i>	JCPenney, Macy's (two locations), Sears	1,317,000 477,000	1967/1981	50%
Twelve Oaks Mall Novi, MI <i>(Detroit Metropolitan Area)</i>	Marshall Field's, JCPenney, Lord & Taylor, Sears	1,192,000 454,000	1977/1978	100%
The Mall at Wellington Green Wellington, FL <i>(Palm Beach County)</i>	Burdines, Dillard's, JCPenney, Lord & Taylor, Nordstrom (2003)	1,109,000 417,000	2001	90%
Westfarms West Hartford, CT	Filene's, Filene's Men's Store/Furniture Gallery, JCPenney, Lord & Taylor, Nordstrom	1,291,000 521,000	1974/1983/1997	79%
The Shops at Willow Bend Plano, TX <i>(Dallas Metropolitan Area)</i>	Dillard's, Foley's, Lord & Taylor, Neiman Marcus, Saks Fifth Avenue (2004)	1,330,000 547,000	2001	100%
Woodland Grand Rapids, MI	Marshall Field's, JCPenney, Sears	1,028,000 354,000	1968/1974/ 1984/1989	50%
Total GLA/ Total Mall GLA:		23,768,000 10,149,000		
Average GLA/ Average Mall GLA:		1,132,000 483,000		

(1) In August 2003, the Company entered into an agreement to sell its interest in Billmore Fashion Park to The Macerich Company. The transaction has been approved by the board of directors of both companies and is expected to close by year-end.

**TAUBMAN CENTERS, INC.**  
**Major Tenants in Owned Portfolio**  
**At September 30, 2003**

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<b>Tenant</b>	<b>Number of Stores</b>	<b>Square Footage</b>	<b>Percent of Mall GLA</b>
Limited (The Limited, Express, Victoria's Secret)	73	515,694	5.1%
Gap (Gap, Gap Kids, Banana Republic)	34	251,850	2.5%
Foot Locker (Foot Locker, Lady Foot Locker, Champs Sports)	45	226,662	2.2%
Abercrombie & Fitch (Abercrombie & Fitch, Hollister)	26	190,730	1.9%
Forever 21	14	186,105	1.8%
Retail Brand Alliance (Brooks Brothers, Casual Corner)	29	173,623	1.7%
Williams-Sonoma (Williams-Sonoma, Pottery Barn, Pottery Barn Kids)	24	168,800	1.7%
Talbots	16	125,791	1.2%
American Eagle Outfitters	18	102,131	1.0%
Ann Taylor	19	97,696	1.0%

Amounts in this table exclude Biltmore Fashion Park.

**TAUBMAN CENTERS, INC.**  
**Anchors in Owned Portfolio**  
**At September 30, 2003**

(Excludes Value Centers)

<u>Name</u>	<u>Number of Stores</u>	<u>GLA</u>	<u>% of GLA</u>
Dillard's	5	1,149	6.0%
Federated			
Macy's (3)	7	1,469	
Burdines	1	200	
Bloomingdale's	3	614	
Total	<u>11</u>	<u>2,283</u>	11.9%
Galyan's	1	84	0.4%
JCPenney	8	1,519	7.9%
May Company			
Lord & Taylor	8	1,058	
Hecht's	3	453	
Filene's	2	379	
Filene's Men's Store/ Furniture Gallery	1	80	
Foley's	2	418	
Total	<u>16</u>	<u>2,388</u>	12.4%
Neiman Marcus	5	556	2.9%
Nordstrom (1)	4	674	3.5%
Saks			
Saks Fifth Avenue (2)(3)	4	347	
Off 5th Saks	1	93	
Total	<u>5</u>	<u>440</u>	2.2%
Sears	6	1,370	7.1%
Target Corporation			
Marshall Field's	<u>3</u>	<u>647</u>	<u>3.4%</u>
<b>Total</b>	<b><u><u>64</u></u></b>	<b><u><u>11,110</u></u></b>	<b><u><u>57.7%</u></u></b> (4)

(1) A Nordstrom will open at The Mall at Wellington Green on November 14, 2003.

(2) A Saks Fifth Avenue will open at The Shops at Willow Bend on September 24, 2004.

(3) Excludes locations at Biltmore Fashion Park.

(4) Percentages may not add due to rounding.