Taubman

Fourth Quarter 2006 Supplemental Information

TAUBMAN CENTERS, INC.
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Fourth Quarter 2006

Taubman Centers, Inc. (the Company or TCO), a real estate investment trust, currently owns 22 shopping centers in 10 states. Taubman Centers is headquartered in Bloomfield Hills, Michigan. The Company has a 65% 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 fourth quarter of 2006. 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.

<u>Use of Non-GAAP Measures:</u>

Within this supplemental information package, the Company uses certain non-GAAP operating measures, including Beneficial Interest in EBITDA, Net Operating Income, and Funds from Operations. These measures are reconciled to the most comparable GAAP measures within. Additional information as to the use of these measures follows.

Beneficial Interest in EBITDA represents the Operating Partnership's share of the earnings before interest and depreciation and amortization of its consolidated and unconsolidated businesses. The Company believes Beneficial Interest in EBITDA provides a useful indicator of operating performance, as it is customary in the real estate and shopping center business to evaluate the performance of properties on a basis unaffected by capital structure.

In addition, the Company uses Net Operating Income (NOI) as an alternative measure to evaluate the operating performance of centers, both on individual and stabilized portfolio bases. The Company defines NOI as property-level operating revenues (rental income, excluding straightline adjustments of minimum rent, tenant recoveries, and other shopping center-related income) less maintenance, taxes, utilities, ground rent, and other property operating expenses. Since NOI excludes general and administrative expenses, pre-development charges, interest expense, depreciation and amortization, and gains from land and property dispositions, it provides a performance measure that, when compared period over period, reflects the revenues and expenses most directly associated with owning and operating rental properties, as well as the impact on their operations from trends in tenant sales, occupancy and rental rates, and operating costs.

The National Association of Real Estate Investment Trusts (NAREIT) defines Funds from Operations (FFO) as net income (loss) (computed in accordance with Generally Accepted Accounting Principles (GAAP)), excluding gains (or losses) from extraordinary items and sales of properties, plus real estate related depreciation and after adjustments for unconsolidated partnerships and joint ventures. The Company believes that FFO is a useful supplemental measure of operating performance for REITs. Historical cost accounting for real estate assets implicitly assumes that the value of real estate assets diminishes predictably over time. Since real estate values instead have historically risen or fallen with market conditions, the Company and most industry investors and analysts have considered presentations of operating results that exclude historical cost depreciation to be useful in evaluating the operating performance of REITs. FFO is primarily used by the Company in measuring performance and in formulating corporate goals and compensation.

These non-GAAP measures as presented by the Company are not necessarily comparable to similarly titled measures used by other REITs due to the fact that not all REITs use common definitions. None of these non-GAAP measures should be considered alternatives to net income as an indicator of the Company's operating performance, and they do not represent cash flows from operating, investing, or financing activities as defined by GAAP.

TAUBMAN CENTERS, INC.
Summary Financial Information
For the Periods Ended December 31, 2006 and 2005
(in thousands of dollars, except as noted)

	Three Months Ended		Year Ended	
	2006	**2005**	**2006**	**2005**
Funds from Operations:				
FFO:				
TCO	44,792	31,842	136,736	110,578
TRG	68,632	50,727	210,449	177,684
Per common share:				
Basic	0.85	0.63	2.60	2.19
Diluted	0.83	0.62	2.56	2.17
Growth rate-diluted	33.9%		18.0%	
Adjusted FFO (1):				
TCO	44,792	39,815	141,737	120,501
TRG	68,632	63,429	218,158	193,501
Per common share (1):				
Basic	0.85	0.78	2.69	2.39
Diluted	0.83	0.77	2.65	2.36
Growth rate-diluted	7.8%		12.3%	
Earnings allocable to common shareowners:				
Net income (loss)	17,209	55,387	21,394	44,113
Per common share - basic	0.33	1.09	0.41	0.87
Per common share - diluted	0.32	0.93	0.40	0.87
Dividends (2):				
Dividends paid per common share	0.375	0.305	1.290	1.160
Payout ratio of FFO per diluted common share	45%	49%	50%	53%
Coverage:				
Interest only (3)	3.1	2.1	2.6	2.4
Fixed charges (4)	2.5	1.7	2.0	1.8
Market Capitalization:				
Closing stock price at end of period	50.86	34.75		
Market equity value of share equivalents	4,123,663	2,817,343		
Preferred equity (at face value)	217,000	330,000		
Beneficial interest in debt	2,585,300	2,530,500		
Debt to total market capitalization	37.3%	44.6%		
Ownership:				
TCO common shares outstanding:				
End of period	52,931,594	51,866,184		
Weighted average - basic	52,914,961	50,891,067	52,661,024	50,459,314
Weighted average - diluted	53,378,733	63,332,717	52,979,453	50,530,139
TRG units of partnership interest:				
End of period	81,078,700	81,074,633		
Weighted average - basic	81,078,697	81,074,559	81,077,612	81,064,628
Weighted average - diluted	82,413,731	82,017,514	82,267,303	82,006,498
TCO ownership of TRG:				
End of period	65.3%	64.0%		
Weighted average	65.3%	62.8%	65.0%	62.2%

(1) Adjusted FFO in 2006 excludes the following unusual and/or nonrecurring items: a $1.0 million charge in connection with the write-off of financing costs related to the refinancing of the loan on Dolphin Mall prior to maturity, charges of $4.0 million and $0.6 million in connection with the redemption of the remaining $113 million of the Series A Preferred Stock and the redemption of the Series I Preferred Stock, respectively, and a $2.1 million charge in connection with the write-off of financing costs related to the pay-off of the loans on The Shops at Willow Bend prior to their maturity date. Adjusted FFO for 2005 excludes fourth quarter charges of $12.7 million incurred in connection with a prepayment premium and the write-off of financing costs related to the refinancing of The Mall at Short Hills, the pay-off of the Northlake Mall loan, and debt modifications in connection with the pay-off of the Oyster Bay loan and a charge of $3.1 million incurred in connection with the redemption of $87 million of the Series A Preferred Stock. Refer to the reconciliation to Adjusted FFO on page 6.

(2) The tax status of total 2006 common dividends declared was approximately 93% ordinary income, 5% return of capital, and 2% capital gains. The tax status of total 2006 dividends to be paid on Series A, Series G and Series H Preferred Stock was approximately 98% ordinary income and 2% capital gains.

(3) Beneficial interest expense for the year ended December 31, 2006 includes charges of $1.0 million and $2.1 million in connection with the write-off of financing costs related to the refinancing and pay-off of the loans, prior to maturity, on Dolphin Mall and The Shops at Willow Bend, respectively. Excluding these charges, the interest coverage ratio would be 2.7 for the year ended December 31, 2006. Beneficial interest expense for the three months and year ended December 31, 2005 includes a $12.7 million charge incurred during the fourth quarter of 2005 in connection with a prepayment premium and the write-off of financing costs related to the refinancing of The Mall at Short Hills, the pay-off of the Northlake Mall loan, and debt modifications in connection with the pay-off of the Oyster Bay loan. Excluding these charges, the interest ratio would be 2.9 and 2.6 for the three months and year ended December 31, 2005, respectively.

(4) Fixed charges include beneficial interest expense, preferred dividends and distributions, and debt payments. Preferred dividends for the year ended December 31, 2006 include charges of $4.0 million and $0.6 million in connection with the redemption of the remaining $113 million of the Series A Preferred Stock and the redemption of the Series I Preferred Stock, respectively. Excluding these charges, as well as the charges included in beneficial interest expense described in footnote 3, the fixed charges coverage ratio would be 2.1 for the year ended December 31, 2006. Preferred dividends for the year ended December 31, 2005 include a $3.1 million charge in connection with the redemption of $87 million of the Series A Preferred Stock. Excluding these charges, as well as the charges included in beneficial interest described in footnote 3, the fixed charges coverage ratio would be 2.2 and 1.9 for the three months and year ended December 31, 2005, respectively.

TAUBMAN CENTERS, INC.
Income Statement (1)
For the Quarters Ended December 31, 2006 and 2005
(in thousands of dollars)

	2006		2005	
	CONSOLIDATED BUSINESSES	UNCONSOLIDATED JOINT VENTURES (2)	CONSOLIDATED BUSINESSES	UNCONSOLIDATED JOINT VENTURES (2)
REVENUES:				
Minimum rents	82,201	40,795	71,865	47,898
Percentage rents	8,448	4,735	6,099	5,303
Expense recoveries	60,040	24,707	45,847	32,857
Management, leasing and development services	3,108		4,894	
Other	9,277	1,921	7,178	1,649
Total revenues	163,074	72,158	135,883	87,707
EXPENSES:				
Maintenance, taxes and utilities	39,636	19,274	31,639	20,256
Other operating	20,486	7,695	14,679	8,203
Management, leasing and development services	1,497		3,308	
General and administrative	8,698		7,370	
Interest expense (3)	30,175	17,028	42,361	17,087
Depreciation and amortization	38,343	13,237	33,631	14,922
Total expenses	138,835	57,234	132,988	60,468
Gains on land sales and interest income	381	426	602	345
	24,620	15,350	3,497	27,584
Equity in income of Unconsolidated Joint Ventures	10,579		14,740	
Income before minority and preferred interests	35,199		18,237	
Gain on disposition of interest in center (4)			52,799	
Minority and preferred interests:				
TRG preferred distributions	(615)		(615)	
Minority share of consolidated joint ventures	(3,518)		(191)	
Minority share of income of TRG	(10,161)		(32,247)	
Distributions less than (in excess of) minority share of income of TRG	(37)		23,408	
Net income	20,868		61,391	
Preferred dividends	(3,659)		(6,004)	
Net income allocable to common shareowners	17,209		55,387	
SUPPLEMENTAL INFORMATION:				
EBITDA - 100%	93,138	45,615	79,489	59,593
EBITDA - outside partners' share	(10,301)	(19,262)	(4,512)	(26,340)
Beneficial interest in EBITDA	82,837	26,353	74,977	33,253
Beneficial interest expense	(26,897)	(8,299)	(40,895)	(9,499)
Non-real estate depreciation	(1,088)		(490)	
Preferred dividends and distributions	(4,274)		(6,619)	
Funds from Operations contribution	50,578	18,054	26,973	23,754
Net straightline adjustments to rental revenue, recoveries, and ground rent expense at TRG %	328	202	413	(32)

(1) The results of Cherry Creek Shopping Center are presented within the Consolidated Businesses for periods beginning January 1, 2006, as a result of the Company's adoption of EITF 04-5. Results of Cherry Creek prior to 2006 are included within the Unconsolidated Joint Ventures. In addition, in 2006 the Company modified its income statement presentation for depreciation of center replacement assets, revenues and expenses related to marketing and promotion services, and gains on land sales and interest income. As a result, certain reclassifications have been made to prior year amounts to conform to current year classifications, as more fully described on page 5.

(2) With the exception of the Supplemental Information, amounts include 100% of the Unconsolidated Joint Ventures, including The Pier Shops at Caesars in 2006. 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. The Company accounts for its investments in the Unconsolidated Joint Ventures under the equity method.

(3) Interest expense for the three months ended December 31, 2005 includes a $12.7 million charge incurred in connection with a prepayment premium and the write-off of financing costs related to the refinancing of The Mall at Short Hills, the pay-off of the Northlake Mall loan, and debt modifications in connection with the pay-off of the Oyster Bay loan.

(4) In December 2005, a 50% owned unconsolidated joint venture sold its interest in Woodland. The Company's equity in the gain on the sale is separately presented on the income statement, and is therefore excluded from the Equity in income of Unconsolidated Joint Ventures line item.

TAUBMAN CENTERS, INC.
Income Statement (1)
For the Years Ended December 31, 2006 and 2005
(in thousands of dollars)

	2006 CONSOLIDATED BUSINESSES	2006 UNCONSOLIDATED JOINT VENTURES (2)	2005 CONSOLIDATED BUSINESSES	2005 UNCONSOLIDATED JOINT VENTURES (2)
REVENUES:				
Minimum rents	311,187	148,846	262,106	184,528
Percentage rents	14,700	8,037	9,835	8,112
Expense recoveries	206,190	85,642	164,614	104,103
Management, leasing and development services	11,777		13,818	
Other	35,430	9,672	29,032	8,669
Total revenues	579,284	252,197	479,405	305,412
EXPENSES:				
Maintenance, taxes and utilities	152,885	64,313	126,395	71,300
Other operating	71,643	26,255	57,678	29,634
Management, leasing and development services	5,730		9,072	
General and administrative	30,290		27,746	
Interest expense (3)	128,643	57,563	121,612	67,591
Depreciation and amortization	137,957	45,800	128,377	54,813
Total expenses	527,148	193,931	470,880	223,338
Gains on land sales and interest income	9,460	1,289	6,457	827
	61,596	59,555	14,982	82,901
Equity in income of Unconsolidated Joint Ventures	33,544		42,450	
Income before minority and preferred interests	95,140		57,432	
Gain on disposition of interest in center (4)			52,799	
Minority and preferred interests:				
TRG preferred distributions	(2,460)		(2,460)	
Minority share of consolidated joint ventures	(10,693)		(167)	
Minority share of income of TRG	(22,816)		(40,403)	
Distributions less than (in excess of) minority share of income of TRG	(14,054)		4,534	
Net income	45,117		71,735	
Preferred dividends (5)	(23,723)		(27,622)	
Net income allocable to common shareowners	21,394		44,113	
SUPPLEMENTAL INFORMATION:				
EBITDA - 100%	328,196	162,918	264,971	205,305
EBITDA - outside partners' share	(33,243)	(71,359)	(14,882)	(91,852)
Beneficial interest in EBITDA	294,953	91,559	250,089	113,453
Beneficial interest expense	(115,790)	(31,151)	(116,082)	(37,594)
Non-real estate depreciation	(2,939)		(2,100)	
Preferred dividends and distributions	(26,183)		(30,082)	
Funds from Operations contribution	150,041	60,408	101,825	75,859
Net straightline adjustments to rental revenue, recoveries, and ground rent expense at TRG %	528	577	1,680	92

(1) The results of Cherry Creek Shopping Center are presented within the Consolidated Businesses for periods beginning January 1, 2006, as a result of the Company's adoption of EITF 04-5. Results of Cherry Creek prior to 2006 are included within the Unconsolidated Joint Ventures. In addition, in 2006 the Company modified its income statement presentation for depreciation of center replacement assets, revenues and expenses related to marketing and promotion services, and gains on land sales and interest income. As a result, certain reclassifications have been made to prior year amounts to conform to current year classifications, as more fully described on page 5.

(2) With the exception of the Supplemental Information, amounts include 100% of the Unconsolidated Joint Ventures, including The Pier Shops at Caesars in 2006. 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.

(3) Interest expense for the year ended December 31, 2006 includes charges of $1.0 million and $2.1 million in connection with the write-off of financing costs related to the refinancing and pay-off of the loans on Dolphin Mall and The Shops at Willow Bend, respectively, prior to their maturity. Interest expense for the year ended December 31, 2005 includes a $12.7 million charge incurred in connection with a prepayment premium and the write-off of financing costs related to the refinancing of The Mall at Short Hills, the pay-off of the Northlake Mall loan, and debt modifications in connection with the pay-off of the Oyster Bay loan.

(4) In December 2005, a 50% owned unconsolidated joint venture sold its interest in Woodland. The Company's equity in the gain on the sale is separately presented on the income statement, and is therefore excluded from the Equity in income of Unconsolidated Joint Ventures line item.

(5) Preferred dividends for the year ended December 31, 2006 include charges of $4.0 million and $0.6 million in connection with the redemption of the remaining $113 million of the Series A Preferred Stock and the redemption of the Series I Preferred Stock, respectively. Preferred dividends for the year ended December 31, 2005 include a $3.1 million charge incurred in connection with the redemption of $87 million of the Series A Preferred Stock.

TAUBMAN CENTERS, INC.
Reclassified Income Statement (1)
2005 by Quarter
(in thousands of dollars)

	Three Months Ended March 31, 2005		Three Months Ended June 30, 2005		Three Months Ended September 30, 2005		Three Months Ended December 31, 2005		Year Ended December 31, 2005	
	CONSOLIDATED BUSINESSES	UNCONSOLIDATED JOINT VENTURES (2)	CONSOLIDATED BUSINESSES	UNCONSOLIDATED JOINT VENTURES (2)	CONSOLIDATED BUSINESSES	UNCONSOLIDATED JOINT VENTURES (2)	CONSOLIDATED BUSINESSES	UNCONSOLIDATED JOINT VENTURES (2)	CONSOLIDATED BUSINESSES	UNCONSOLIDATED JOINT VENTURES (2)
REVENUES:										
Minimum rents	63,078	45,241	63,300	46,024	63,863	45,365	71,865	47,898	262,106	184,528
Percentage rents	1,696	1,319	721	343	1,319	1,147	6,099	5,303	9,835	8,112
Expense recoveries (3)	37,560	22,872	41,222	24,239	39,985	24,135	45,847	32,857	164,614	104,103
Management, leasing and development services	2,200		3,334		3,390		4,894		13,818	
Other (4)	7,623	3,039	8,629	1,786	5,602	2,195	7,178	1,649	29,032	8,669
Total revenues	112,157	72,471	117,206	72,392	114,159	72,842	135,883	87,707	479,405	305,412
EXPENSES:										
Maintenance, taxes and utilities (5)	29,998	16,033	32,161	17,704	32,597	17,307	31,639	20,256	126,395	71,300
Other operating (3)	13,425	7,674	16,164	7,192	13,410	6,565	14,679	8,203	57,678	29,634
Management, leasing and development services	1,195		2,125		2,444		3,308		9,072	
General and administrative	5,938		7,735		6,703		7,370		27,746	
Interest expense	25,540	16,775	26,492	16,742	27,219	16,987	42,361	17,087	121,612	67,591
Depreciation and amortization (5)	29,499	13,580	33,570	12,312	31,677	13,999	33,631	14,922	128,377	54,813
Total expenses	105,595	54,062	118,247	53,950	114,050	54,858	132,988	60,468	470,880	223,338
Gains on land sales and interest income (4)	2,584	112	2,896	162	375	208	602	345	6,457	827
	9,146	18,521	1,855	18,604	484	18,192	3,497	27,584	14,982	82,901
Equity in income of Unconsolidated Joint Ventures	9,070		9,372		9,268		14,740		42,450	
Income before minority and preferred interests	18,216		11,227		9,752		18,237		57,432	
Gain on disposition of interest in center							52,799		52,799	
Minority and preferred interests:										
TRG preferred distributions	(615)		(615)		(615)		(615)		(2,460)	
Minority share of consolidated joint ventures	(6)		(10)		40		(191)		(167)	
Minority share of income of TRG	(5,165)		(2,364)		(627)		(32,247)		(40,403)	
Distributions less than (in excess of) minority share of income of TRG	(4,010)		(6,602)		(8,262)		23,408		4,534	
Net income	8,420		1,636		288		61,391		71,735	
Preferred dividends	(6,150)		(6,150)		(9,318)		(6,004)		(27,622)	
Net income (loss) allocable to common shareowners	2,270		(4,514)		(9,030)		55,387		44,113	

(1) Effective January 1, 2006, the Company has changed the income statement classifications of certain revenues and expenses in response to changes in its business practices and/or to better reflect the underlying nature of the income generating activities, as further described in the notes to this table. Prior periods have been reclassified for consistency with 2006 classifications, although the historical amounts being reclassified are considered immaterial. This schedule presents the 2005 income statements by quarter, after such reclassifications.

(2) Amounts include 100% of the Unconsolidated Joint Ventures and 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.

(3) During 2006, the Company began recognizing revenue for marketing and promotion services at the gross amount billed to tenants, rather than a net amount retained (that is, the amount billed to the tenants less the related costs incurred). This presentation change was made as a result of the Company's recent offering to tenants of an option to pay fixed amounts for marketing and promotion of the shopping centers. In evaluating the accounting for marketing and promotion services, the Company considered that there may no longer be a direct relationship between tenant billings and the marketing and promotion costs incurred, as well as the fact that the Company is the primary obligor on the costs incurred. Historically, revenues from marketing and promotion services have been equal to costs incurred. Prior year revenues and expenses have been reclassified to be consistent with the 2006 presentation.

(4) The Company now separately presents gains on peripheral land sales and interest income in the income statement following revenues and expenses.

(5) The Company has reclassified depreciation on all CAM capital expenditures from recoverable expenses to depreciation and amortization expense.

TAUBMAN CENTERS, INC.
Reconciliation of Net Income Allocable to Common Shareowners to Funds from Operations and Adjusted Funds from Operations
For the Periods Ended December 31, 2006 and 2005
(in thousands of dollars; amounts allocable to TCO may not recalculate due to rounding)

	Three Months Ended		Year Ended	
	2006	**2005**	**2006**	**2005**
Net income allocable to common shareowners	**17,209**	**55,387**	**21,394**	**44,113**
Add (less) depreciation and gain on disposition of property:				
Gain on disposition of interest in center	-	(52,799)	-	(52,799)
Depreciation and amortization:				
Consolidated businesses at 100%	38,343	33,631	137,957	128,377
Minority partners in consolidated joint ventures	(5,049)	(2,841)	(14,601)	(9,337)
Share of unconsolidated joint ventures	7,475	9,014	26,864	33,409
Non-real estate depreciation	(1,088)	(490)	(2,939)	(2,100)
Add minority interests:				
Minority share of income of TRG	10,161	32,247	22,816	40,403
Distributions in excess of (less than) minority share of income of TRG	37	(23,408)	14,054	(4,534)
Distributions in excess of (less than) minority share of income of consolidated joint ventures	1,544	(14)	4,904	152
Funds from Operations	**68,632**	**50,727**	**210,449**	**177,684**
TCO's average ownership percentage of TRG	65.3%	62.8%	65.0%	62.2%
Funds from Operations allocable to TCO	**44,792**	**31,842**	**136,736**	**110,578**
Funds from Operations (1)	68,632	50,727	210,449	177,684
Debt prepayment premium and write-off of financing costs		12,702		12,702
Charge upon redemption of Series A Preferred Stock			4,045	3,115
Charge upon redemption of Series I Preferred Stock			607	
Write-off of financing costs			3,057	
Adjusted Funds from Operations (1)	**68,632**	**63,429**	**218,158**	**193,501**
TCO's average ownership percentage of TRG	65.3%	62.8%	65.0%	62.2%
Adjusted Funds from Operations allocable to TCO (1)	**44,792**	**39,815**	**141,737**	**120,501**

(1) Adjusted FFO in 2006 excludes the following unusual and/or nonrecurring items: a $1.0 million charge in connection with the write-off of financing costs related to the refinancing of the loan on Dolphin Mall prior to maturity, charges of $4.0 million and $0.6 million in connection with the redemption of the remaining $113 million of the Series A Preferred Stock and the redemption of the Series I Preferred Stock, respectively, and a $2.1 million charge in connection with the write-off of financing costs related to the pay-off of the loans on The Shops at Willow Bend prior to their maturity date. Adjusted FFO for 2005 excludes fourth quarter charges of $12.7 million incurred in connection with a prepayment premium and the write-off of financing costs related to the refinancing of The Mall at Short Hills, the pay-off of the Northlake Mall loan, and debt modifications in connection with the pay-off of the Oyster Bay loan and a charge of $3.1 million incurred in connection with the redemption of $87 million of the Series A Preferred Stock. The Company discloses this Adjusted FFO due to the significance and infrequent nature of the charges. Given the significance of the charges, the Company believes it is essential to a reader's understanding of the Company's results of operations to emphasize the impact on the Company's earnings measures. The adjusted measures are not and should not be considered alternatives to net income or cash flows from operating, investing, or financing activities as defined by GAAP.

TAUBMAN CENTERS, INC.
Reconciliation of Net Income to Beneficial Interest in EBITDA
For the Periods Ended December 31, 2006 and 2005

(in thousands of dollars; amounts allocable to TCO may not recalculate due to rounding)

	Three Months Ended		Year Ended	
	2006	2005	2006	2005
Net income	**20,868**	**61,391**	**45,117**	**71,735**
Add (less) depreciation and gain on disposition of property:				
Gain on disposition of interest in center	-	(52,799)	-	(52,799)
Depreciation and amortization:				
Consolidated businesses at 100%	38,343	33,631	137,957	128,377
Minority partners in consolidated joint ventures	(5,049)	(2,841)	(14,601)	(9,337)
Share of unconsolidated joint ventures	7,475	9,014	26,864	33,409
Add (less) preferred interests and interest expense:				
Preferred distributions	615	615	2,460	2,460
Interest expense:				
Consolidated businesses at 100%	30,175	42,361	128,643	121,612
Minority partners in consolidated joint ventures	(3,278)	(1,466)	(12,853)	(5,530)
Share of unconsolidated joint ventures	8,299	9,499	31,151	37,594
Add minority interests:				
Minority share of income of TRG	10,161	32,247	22,816	40,403
Distributions in excess of (less than) minority share of income of TRG	37	(23,408)	14,054	(4,534)
Distributions in excess of (less than) minority share of income of consolidated joint ventures	1,544	(14)	4,904	152
Beneficial Interest in EBITDA	**109,190**	**108,230**	**386,512**	**363,542**
TCO's average ownership percentage of TRG	65.3%	62.8%	65.0%	62.2%
Beneficial Interest in EBITDA allocable to TCO	**71,261**	**67,937**	**251,062**	**226,363**

TAUBMAN CENTERS, INC.
Reconciliation of Net Income to Net Operating Income
For the Periods Ended December 31, 2006 and 2005
(in thousands of dollars)

	Three Months Ended		Year Ended	
	2006	**2005**	**2006**	**2005**
Net income	**20,868**	**61,391**	**45,117**	**71,735**
Add (less) depreciation and gain on disposition of property:				
Gain on disposition of interest in center	-	(52,799)	-	(52,799)
Depreciation and amortization:				
Consolidated businesses at 100%	38,343	33,631	137,957	128,377
Minority partners in consolidated joint ventures	(5,049)	(2,841)	(14,601)	(9,337)
Share of unconsolidated joint ventures	7,475	9,014	26,864	33,409
Add (less) preferred interests and interest expense:				
Preferred distributions	615	615	2,460	2,460
Interest expense:				
Consolidated businesses at 100%	30,175	42,361	128,643	121,612
Minority partners in consolidated joint ventures	(3,278)	(1,466)	(12,853)	(5,530)
Share of unconsolidated joint ventures	8,299	9,499	31,151	37,594
Add minority interests:				
Minority share of income of TRG	10,161	32,247	22,816	40,403
Distributions in excess of (less than) minority share of income of TRG	37	(23,408)	14,054	(4,534)
Distributions in excess of (less than) minority share of income of consolidated joint ventures	1,544	(14)	4,904	152
Add EBITDA allocations to outside partners:				
EBITDA allocable to minority partners in consolidated joint ventures	10,301	4,512	33,243	14,882
EBITDA allocable to outside partners in unconsolidated joint ventures	19,262	26,340	71,359	91,852
EBITDA at 100%	**138,753**	**139,082**	**491,114**	**470,276**
Add (less) items excluded from shopping center Net Operating Income:				
General and administrative expenses	8,698	7,370	30,290	27,746
Management, leasing and development services, net	(1,611)	(1,586)	(6,047)	(4,746)
Gains on sales of peripheral land			(4,084)	(4,833)
Straight-line of minimum rent and recoveries	(1,240)	(1,148)	(3,209)	(4,085)
Non-center specific operating expenses and other	4,855	3,570	13,439	15,088
Net Operating Income - all centers at 100%	**149,455**	**147,288**	**521,503**	**499,446**
Less - Net Operating Income of non-comparable centers (1)	(5,826)	(10,658)	(24,857)	(26,654)
Net Operating Income at 100%	**143,629**	**136,630**	**496,646**	**472,792**
Net Operating Income - growth % (2)	**5.1%**		**5.0%**	

(1) Includes Northlake Mall, The Pier Shops at Caesars, Waterside Shops at Pelican Bay, and Woodland.

(2) Excluding individual lease cancellation fees in excess of $0.5 million, growth in net operating income was 4.7% and 4.0% for the three months and year ended December 31, 2006, respectively. Excluding all lease cancellation fees, growth in net operating income was 4.0% and 3.8% for the three months and year ended December 31, 2006.

TAUBMAN CENTERS, INC.
Changes in Funds from Operations and Earnings per Share
For the Quarter Ended December 31, 2006

(all per share amounts on a diluted basis unless otherwise noted; rounded to nearest half penny; amounts may not add due to rounding)

2005 Fourth Quarter Funds from Operations	**$**	**0.62**
Debt prepayment premium and write-off of financing costs (Short Hills, Northlake, Oyster Bay)		0.155
2005 Fourth Quarter Funds from Operations - Adjusted	**$**	**0.77**
Changes - 2006 vs. 2005		
Rents		0.040
Net recoveries from tenants		0.010
Lease cancellation revenue		0.015
Other operating expense		(0.035)
General and administrative		(0.015)
Interest expense		0.040
Redemption of preferred stock		0.005
2006 Fourth Quarter Funds from Operations	**$**	**0.83**

2005 Fourth Quarter Earnings per Share	**$**	**0.93**
Gain on disposition of interest in center		
Operating partnership gain		(0.905)
TCO's additional basis		0.405
Distributions to minority interest less than (in excess of) percentage share of income		(0.535)
Dilutive effect of common stock equivalents		0.155
2005 Fourth Quarter Earnings per Share, excluding gain on disposition of interest in center	**$**	**0.05**
Changes - 2006 vs. 2005		
Change in FFO per share		0.210
Distributions to minority interest in TRG in excess of percentage share of income		0.060
Northlake Mall depreciation		(0.010)
Depreciation and other		0.010
2006 Fourth Quarter Earnings per Share	**$**	**0.32**

TAUBMAN CENTERS, INC.
Changes in Funds from Operations and Earnings per Share
For the Year Ended December 31, 2006

(all per share amounts on a diluted basis unless otherwise noted; rounded to nearest half penny; amounts may not add due to rounding)

2005 Funds from Operations	**$**	**2.17**
Charge upon redemption of Series A Preferred Stock ($87 million)		0.040
Debt prepayment premium and write-off of financing costs (Short Hills, Northlake, Oyster Bay)		0.155
2005 Funds from Operations - Adjusted	**$**	**2.36**
Changes - 2006 vs. 2005		
Rents		0.115
Net recoveries from tenants		0.045
Northlake Mall		0.060
Gains on sales of peripheral land		(0.005)
Lease cancellation revenue		0.060
Other operating expense		(0.070)
General and administrative		(0.030)
Interest income		0.035
Interest expense		0.045
Redemption of preferred stock		0.025
Other		0.010
2006 Funds from Operations - Adjusted	**$**	**2.65**
Write-off of financing costs (Willow Bend, Dolphin)		(0.035)
Charge upon redemption of Series A Preferred Stock ($113 million)		(0.050)
Charge upon redemption of Series I Preferred Stock ($113 million)		(0.005)
2006 Funds from Operations	**$**	**2.56**

2005 Earnings per Share	**$**	**0.87**
Gain on disposition of interest in center		
Operating partnership gain		(0.905)
TCO's additional basis		0.410
Distributions to minority interest less than (in excess of) percentage share of income		(0.550)
2005 Earnings per Share, excluding gain on disposition of interest in center	**$**	**(0.17)**
Changes - 2006 vs. 2005		
Change in FFO per share		0.390
Distributions to minority interest in excess of percentage share of income		0.180
Northlake Mall depreciation		(0.095)
Depreciation and other		0.095
2006 Earnings per Share	**$**	**0.40**

TAUBMAN CENTERS, INC.
Components of Other Income, Other Operating Expense, and Gains on Land Sales and Interest Income
For the Periods Ended December 31, 2006
(in thousands of dollars)

Other Income

	Three months ended December 31, 2006				Year ended December 31, 2006			
	Consolidated Businesses at 100%	Consolidated Businesses at TRG%	Unconsolidated Joint Ventures at 100%	Unconsolidated Joint Ventures at TRG%	Consolidated Businesses at 100%	Consolidated Businesses at TRG%	Unconsolidated Joint Ventures at 100%	Unconsolidated Joint Ventures at TRG%
Shopping center related revenues	7,555	6,969	1,155	839	23,790	21,851	4,792	2,593
Lease cancellation revenue	1,722	1,601	766	496	11,640	10,527	4,880	2,768
	9,277	8,570	1,921	1,335	35,430	32,378	9,672	5,361

Other Operating Expense

	Three months ended December 31, 2006				Year ended December 31, 2006			
	Consolidated Businesses at 100%	Consolidated Businesses at TRG%	Unconsolidated Joint Ventures at 100%	Unconsolidated Joint Ventures at TRG%	Consolidated Businesses at 100%	Consolidated Businesses at TRG%	Unconsolidated Joint Ventures at 100%	Unconsolidated Joint Ventures at TRG%
Shopping center related expenses	16,085	14,613	7,191	2,969	56,372	51,733	24,251	11,962
Domestic and non-U.S. pre-development costs	3,164	3,164	-	-	10,135	10,135	-	-
Ground rent	1,237	924	504	187	5,136	3,794	2,004	806
	20,486	18,701	7,695	3,156	71,643	65,662	26,255	12,768

Gains on Land Sales and Interest Income

	Three months ended December 31, 2006				Year ended December 31, 2006			
	Consolidated Businesses at 100%	Consolidated Businesses at TRG%	Unconsolidated Joint Ventures at 100%	Unconsolidated Joint Ventures at TRG%	Consolidated Businesses at 100%	Consolidated Businesses at TRG%	Unconsolidated Joint Ventures at 100%	Unconsolidated Joint Ventures at TRG%
Gains on sales of peripheral land	-	-	-	-	4,084	4,084	-	-
Interest income	381	329	426	204	5,376	5,197	1,289	634
	381	329	426	204	9,460	9,281	1,289	634

TAUBMAN CENTERS, INC.
Balance Sheets
As of December 31, 2006 and December 31, 2005
(in thousands of dollars)

	As of	
	December 31, 2006	**December 31, 2005**
Consolidated Balance Sheet of Taubman Centers, Inc. (1):		
Assets:		
Properties	3,398,122	3,081,324
Accumulated depreciation and amortization	(821,384)	(651,665)
	2,576,738	2,429,659
Investment in Unconsolidated Joint Ventures	86,493	106,117
Cash and cash equivalents	26,282	163,577
Accounts and notes receivable, net	36,650	41,717
Accounts and notes receivable from related parties	2,444	2,400
Deferred charges and other assets	98,015	54,110
	2,826,622	2,797,580
Liabilities:		
Notes payable	2,319,538	2,089,948
Accounts payable and accrued liabilities	247,432	235,410
Dividends and distributions payable	19,849	15,819
Distributions in excess of investments in and net income of Unconsolidated Joint Ventures	101,944	101,028
	2,688,763	2,442,205
Preferred Equity of TRG	29,217	29,217
Shareowners' Equity:		
Series A Cumulative Redeemable Preferred Stock		45
Series B Non-Participating Convertible Preferred Stock	28	29
Series G Cumulative Redeemable Preferred Stock		
Series H Cumulative Redeemable Preferred Stock		
Common Stock	529	519
Additional paid-in capital	635,304	739,090
Accumulated other comprehensive income (loss)	(9,560)	(9,051)
Dividends in excess of net income	(517,659)	(404,474)
	108,642	326,158
	2,826,622	2,797,580
Combined Balance Sheet of Unconsolidated Joint Ventures (2):		
Assets:		
Properties	1,157,872	1,076,743
Accumulated depreciation and amortization	(320,256)	(363,394)
	837,616	713,349
Cash and cash equivalents	35,504	33,498
Accounts and notes receivable	26,769	23,189
Deferred charges and other assets	23,417	24,458
	923,306	794,494
Liabilities:		
Notes payable	1,097,347	999,545
Accounts payable and other liabilities	84,177	59,322
	1,181,524	1,058,867
Accumulated Deficiency in Assets:		
Accumulated deficiency in assets - TRG	(161,666)	(170,124)
Accumulated deficiency in assets - Joint Venture Partners	(93,843)	(91,179)
Accumulated other comprehensive income (loss) - TRG	(2,112)	(2,430)
Accumulated other comprehensive income (loss) - Joint Venture Partners	(597)	(640)
	(258,218)	(264,373)
	923,306	794,494

(1) The December 31, 2006 balance sheet amounts include Cherry Creek Shopping Center, which the Company began consolidating upon the adoption of EITF 04-5 on January 1, 2006. The effect of adopting EITF 04-5 on the January 1, 2006 balance sheet was an increase in assets of approximately $136 million and liabilities of approximately $199 million and a $63 million reduction of beginning equity, representing the cumulative effect of a change in accounting principle.

In September 2006, the Securities and Exchange Commission published Staff Accounting Bulletin No. 108 (SAB 108), providing the SEC staff's views regarding the process of evaluating financial statement misstatements. In adopting SAB 108 in the fourth quarter of 2006, the Company corrected certain misstatements considered immaterial to any single prior period when considered under the acceptable evaluation method previously utilized by the Company. In correcting these misstatements, the Company recorded a $5.9 million reduction to shareholders' equity in its opening (January 1, 2006) balance sheet pursuant to the requirements of SAB 108. The prior year misstatements corrected in this manner were (1) $3.5 million related to rental costs on a ground lease at Cherry Creek not being recognized on a straightline method prior to 1999, (2) the Company's $1.3 million share of the cumulative prior year items of Arizona Mills, a 50% unconsolidated joint venture, provided to us by The Mills Corporation, which manages the center (these items primarily related to write-offs of tenant allowances), and 3) $1.0 million of other.

(2) Amounts as of December 31, 2006 exclude Cherry Creek Shopping Center, which the Company began consolidating upon the adoption of EITF 04-5. Amounts as of December 31, 2006 include The Pier Shops at Caesars.

TAUBMAN CENTERS, INC.
Debt Summary
As of December 31, 2006
(in millions of dollars, amounts may not add due to rounding)

MORTGAGE AND OTHER NOTES PAYABLE
INCLUDING WEIGHTED AVERAGE INTEREST RATES AT DECEMBER 31, 2006

		100% 12/31/06	Beneficial Interest 12/31/06	Effective Rate (a) 12/31/06	LIBOR Rate Spread	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	Total
Consolidated Fixed Rate Debt:																
Beverly Center		343.6	343.6	5.28%		4.8	5.0	5.4	5.7	6.0	6.3	6.6	303.8			343.6
Cherry Creek Shopping Center	50.00%	280.0	140.0	5.24%											140.0	140.0
Great Lakes Crossing		142.9	142.9	5.25%		2.5	2.6	2.7	2.9	3.0	3.2	126.0				142.9
International Plaza (b)	50.10%	178.7	89.5	4.38% (c)		1.7	87.8 (b)									89.5
MacArthur Center	95.00%	138.2	131.5	6.87% (d)		2.7	2.8	3.0	122.9							131.5
Northlake Mall		215.5	215.5	5.41%											215.5	215.5
Regency Square		77.8	77.8	6.75%		1.1	1.2	1.3	1.4	72.8						77.8
Stony Point Fashion Park		111.9	111.9	6.24%		1.5	1.5	1.6	1.8	1.9	2.0	2.1	99.5			111.9
The Mall at Short Hills		540.0	540.0	5.47%										540.0		540.0
The Mall at Wellington Green	90.00%	200.0	180.0	5.44%										180.0		180.0
Total Consolidated Fixed		2,228.7	1,972.6			14.3	100.9	14.1	134.6	83.7	11.4	134.8	403.3	720.0	355.5	1,972.6
Weighted Rate		5.47%	5.53%			5.68%	4.57%	5.86%	6.76%	6.58%	5.44%	5.27%	5.52%	5.46%	5.34%	
Consolidated Floating Rate Debt:																
Dolphin Mall (e)		5.0	5.0	6.05% (f)	0.70%			5.0 (g)								5.0
Fairlane Town Center (e)		55.0	55.0	6.05% (f)	0.70%			55.0 (g)								55.0
The Mall at Partridge Creek		22.0	22.0	6.50% (f)	1.15%				22.0							22.0
TRG Revolving Credit		8.1	8.1	6.31% (h)			8.1									8.1
Twelve Oaks Mall (e)		0.0	0.0	(f)	0.70%											-
Other		0.8	0.4	8.25%		0.2	0.1	0.1								0.4
Total Consolidated Floating		90.9	90.5			0.2	8.2	60.1	22.0	0.0	0.0	0.0	0.0	0.0	0.0	90.5
Weighted Rate		6.20%	6.19%			8.25%	6.34%	6.05%	6.50%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	
Total Consolidated		2,319.5	2,063.1			14.4	109.1	74.2	156.6	83.7	11.4	134.8	403.3	720.0	355.5	2,063.1
Weighted Rate		5.50%	5.56%			5.71%	4.70%	6.02%	6.72%	6.58%	5.44%	5.27%	5.52%	5.46%	5.34%	
Joint Ventures Fixed Rate Debt:																
Arizona Mills	50.00%	137.8	68.9	7.90%		0.9	0.9	1.0	66.0							68.9
Fair Oaks	50.00%	140.0	70.0	6.60%			70.0									70.0
The Mall at Millenia	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%	128.0	64.0	5.67%		1.0	1.1	1.2	1.2	1.3	58.2					64.0
Waterside Shops at Pelican Bay	25.00%	165.0	41.3	5.54%											41.3	41.3
Westfarms	78.94%	198.5	156.7	6.10%		2.4	2.6	2.7	2.9	3.1	142.9					156.7
Total Joint Venture Fixed		979.3	505.8			4.3	75.5	6.3	71.7	6.0	202.7	98.1	0.0	0.0	41.3	505.8
Weighted Rate		6.14%	6.18%			6.36%	6.57%	6.17%	7.73%	5.84%	5.97%	5.46%	0.00%	0.00%	5.54%	
Joint Ventures Floating Rate Debt:																
Taubman Land Associates	50.00%	30.0	15.0	6.21% (i)							15.0					15.0
Other		2.1	1.4	8.12%		0.6	0.3	0.3	0.1							1.4
Total Joint Venture Floating (j)		32.1	16.4			0.6	0.3	0.3	0.1	0.0	15.0	0.0	0.0	0.0	0.0	16.4
Weighted Rate		6.34%	6.37%			8.12%	8.12%	8.12%	8.12%	0.00%	6.21%	0.00%	0.00%	0.00%	0.00%	
Total Joint Venture		1,011.4	522.2			5.0	75.8	6.6	71.8	6.0	217.7	98.1	0.0	0.0	41.3	522.2
Weighted Rate		6.14%	6.19%			6.58%	6.58%	6.26%	7.73%	5.84%	5.99%	5.46%	0.00%	0.00%	5.54%	
TRG Beneficial Interest Totals																
Fixed Rate Debt		**3,207.9**	**2,478.5**			18.6	176.4	20.4	206.3	89.7	214.1	232.9	403.3	720.0	396.8	2,478.5
		5.73%	5.66%			5.84%	5.43%	5.96%	7.10%	6.53%	5.94%	5.35%	5.52%	5.46%	5.36%	
Floating Rate Debt		**123.0**	**106.8**			0.8	8.5	60.4	22.1	0.0	15.0	0.0	0.0	0.0	0.0	106.8
		6.24%	6.22%			8.14%	6.41%	6.06%	6.51%	0.00%	6.21%	0.00%	0.00%	0.00%	0.00%	
Total		**3,330.9**	**2,585.3**			19.4	184.9	80.8	228.4	89.7	229.1	232.9	403.3	720.0	396.8	2,585.3
		5.75%	5.69%			5.93%	5.47%	6.04%	7.04%	6.53%	5.96%	5.35%	5.52%	5.46%	5.36%	

Average Maturity Fixed Debt	**7**
Average Maturity Total Debt	**7**

(a) Includes the impact of interest rate swaps, if any, but does not include effect of amortization of debt issuance costs, losses on settlement of derivatives used to hedge the refinancing of certain fixed rate debt, or interest rate cap premiums.

(b) The Company has entered into three forward starting swaps totaling $150 million (beneficial interest $75 million) to partially hedge the planned refinancing of International Plaza in January 2008. The weighted average forward swap rate for these three swaps is 5.33%, excluding the credit spread.

(c) Debt is reduced by $.2 million of purchase accounting discount from acquisition which increases the stated rate on the debt of 4.21% to an effective rate of 4.38%.

(d) Debt includes $2.8 million of purchase accounting premium from acquisition which reduces the stated rate on the debt of 7.59% to an effective rate of 6.87%.

(e) TRG's $350 million revolving credit facility was amended in August 2006. Dolphin, Fairlane and Twelve Oaks are now direct borrowers under this facility.

(f) The debt is floating month to month at LIBOR plus spread.

(g) One year extension option available.

(h) Rate floats daily.

(i) Debt is swapped to an effective rate of 5.95% from 1/2/07 to maturity.

(j) Excludes The Pier Shops at Caesars' mortgage of $86.0 million at 100%. The loan has an effective rate of 8% at December 31, 2006 and matures in 2007 with two one year extension options available. The debt floats month to month at LIBOR plus a 2.65% spread. The debt is guaranteed 100% by the joint venture partner.

TAUBMAN CENTERS, INC.
Other Debt and Equity Information
As of December 31, 2006
(in millions of dollars, amounts may not add due to rounding)

TRG's Debt Guarantees

Center	Loan Balance	TRG's Beneficial Interest in Loan Balance	TRG's Guarantees: Amount of Loan Balance	TRG's Guarantees: Percentage of Principal	TRG's Guarantees: Percentage of Interest
Dolphin Mall	5.0	5.0	5.0	100%	100%
Fairlane Town Center	55.0	55.0	55.0	100%	100%
The Mall at Millenia	0.3	0.2	0.2	50%	50%
Twelve Oaks Mall				100%	100%

TRG's Beneficial Interest in Fixed and Floating Rate Debt

	Amount	Percentage of Total	Interest Rate Including Spread
Fixed rate debt	2,478.5	96%	5.66% (1)
Floating rate debt-			
Floating month to month	106.8 (2)	4%	6.22% (1)
Total beneficial interest in debt	2,585.3	100%	5.69% (1)
Amortization of financing costs (3)			0.17%
Average all-in rate			5.86% (4)

(1) Represents weighted average interest rate before amortization of financing costs.

(2) There is $15 million of floating rate debt swapped at 5.95% from 1/2/2007 to 11/1/2012.

(3) Financing costs include financing fees, interest rate cap premiums, and losses on settlement of derivatives used to hedge the refinancing of certain fixed rate debt.

(4) Interest expense for the three months and year ended December 31, 2006 includes $0.15 million and $0.60 million, respectively, of non-cash amortization relating to acquisitions, or 0.02% of the average all-in rate.

Preferred Equity

	Face Value	Number of Shares Outstanding	Coupon	NYSE Symbol	Earliest Redemption
Series F Cumulative Redeemable Preferred Equity	30		8.2%		May 27, 2009
Series G Cumulative Redeemable Preferred Stock	100	4,000,000	8.0%	TCO-PG	November 23, 2009
Series H Cumulative Redeemable Preferred Stock	87	3,480,000	7.625%	TCO-PH	July 1, 2010
	217				

Construction:

New Centers:

Center Name	Location	Anchors	Size (1)	Opening (1)	Owned	Project Cost (1)(2)	Spending-To-Date (2)	Expected Return at Stabilization (1)
The Mall at Partridge Creek	Clinton Township, Michigan	MJR Theatres, Nordstrom, Parisian	0.6 million sq. ft.	October 18, 2007 Nordstrom in Spring 2008	100%	$155 million	$60 million	9.5%

Expansions and Renovations:

Center Name	Location	Description	Size (1)	Opening (1)	Owned	Project Cost (1)(2)	Spending-To-Date (2)	Expected Return at Stabilization (1)
Waterside Shops at Pelican Bay	Naples, Florida	- Saks Fifth Avenue Nordstrom	70 thousand sq. ft. (3) 20 thousand sq. ft. 80 thousand sq. ft.	Opened 2006 Late 2007/Summer 2008 Fall 2008	25%	$52 million (4)	$52 million	11%
Twelve Oaks Mall	Novi, Michigan	- Nordstrom Macy's	97 thousand sq. ft. (3) 165 thousand sq. ft. 60 thousand sq. ft.	September 28, 2007	100%	$63 million	$33 million	10%
Stamford Town Center	Stamford, Connecticut	(5)	(5)	November 2007	50%	$51 million	$15 million	7.5% to 8%

Center Recently Opened:

Center Name	Location	Anchors	Size (1)	Opened (1)	Owned	Project Cost (1)(2)	Spending-To-Date (2)	Expected Return at Stabilization (1)
The Pier Shops at Caesars	Atlantic City, New Jersey	-	0.3 million sq. ft.	June 27, 2006	(6)	(6)	(6)	(6)

(1) Anticipated opening date, size, estimated project costs, and stabilized returns 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. Refer to the Company's filings with the Securities and Exchange Commission on Form 10-K and 10-Q for other risk factors.

(2) Project costs and spending-to-date amounts are at 100%, and exclude costs of peripheral land.

(3) Amount represents the incremental Mall GLA being added to the center.

(4) Project cost amount relates only to the incremental Mall GLA being added to the center.

(5) Includes the space formerly occupied by Filene's department store. The project is 100% leased and will consist of a mix of stores and restaurants.

(6) The Company is in final negotiations to increase its ownership from 30% to 50%.

TAUBMAN CENTERS, INC.
Capital Spending
For the Periods Ended December 31, 2006
(in thousands of dollars)

	Three Months ended December 31, 2006 (1)				Year Ended December 31, 2006 (1)			
	Consolidated Businesses at 100%	Consolidated Businesses at TRG%	Unconsolidated Joint Ventures at 100%	Unconsolidated Joint Ventures at TRG%	Consolidated Businesses at 100%	Consolidated Businesses at TRG%	Unconsolidated Joint Ventures at 100%	Unconsolidated Joint Ventures at TRG%
Capital Additions to Properties:								
New Development Projects:								
Pre-construction activities	6,240 (2)	6,240 (2)			25,604 (2)	25,604 (2)		
New centers	20,023 (3)	20,023 (3)			41,380 (3)	41,380 (3)		
Existing Centers:								
Renovation projects with incremental GLA and/or anchor replacements	7,613 (4)	7,617 (4)	7,481 (5)	2,626 (5)	38,818 (4)	38,761 (4)	33,194 (5)	9,946 (5)
Renovation projects with no incremental GLA and other	6,655	6,410	2,975	1,400	8,969	8,714	4,893	2,415
Mall tenant allowances	6,411	6,160	2,306	1,153	14,597	14,067	5,055	2,528
Asset replacement costs recoverable from tenants	5,097	4,528	1,900	1,052	13,969	12,869	5,346	3,008
Corporate office improvements and equipment	4,063	4,063			8,593	8,593		
	56,102	55,041	14,662	6,231	151,930	149,988	48,488	17,897
Capitalized leasing costs	1,400	1,233	1,926	561	5,620	5,070	3,711	1,514

(1) Costs are net of intercompany profits. Unconsolidated Joint Venture amounts exclude costs related to The Pier Shops at Caesars. Amounts may not add due to rounding.
(2) Includes project costs at Oyster Bay.
(3) Includes costs related to The Mall at Partridge Creek.
(4) Primarily includes costs related to the expansion and renovation at Twelve Oaks Mall.
(5) Includes costs related to the expansion and renovation of Waterside Shops at Pelican Bay and the renovation at Stamford Town Center.

	Consolidated Businesses at 100%	Consolidated Businesses at TRG%	Unconsolidated Joint Ventures at 100%	Unconsolidated Joint Ventures at TRG%
Construction work in process, at December 31, 2006	229,903 (1)	229,757 (1)	23,067	11,268
Capitalized interest, for the year ended December 31, 2006	9,803 (2)	9,797 (2)	-	-

(1) Includes $128.2 million (at both 100% and TRG%) related to Oyster Bay.
(2) Interest is being capitalized on substantially all construction work in process.

TAUBMAN CENTERS, INC.
Divestitures

Center	City	State	Anchors	Size	Date	Sales Price	Capitalization Rate
Woodland	Grand Rapids	Michigan	Macy's, JCPenney, Sears	1.0 million sq. ft.	December 29, 2005	$177.4 million	7.75% (1)

(1) Based on 2005 net operating income.

TAUBMAN CENTERS, INC.
Operational Statistics (1)
For the Periods Ended December 31, 2006 and 2005

	Three Months Ended		Year Ended	
	2006	**2005**	**2006**	**2005**
Occupancy (2):				
Ending - all	91.3%	90.0%	91.3%	90.0%
Ending - comparable (3)	91.2%	90.2%	91.2%	90.2%
Average - all	90.6%	89.7%	89.2%	88.9%
Average - comparable (3)	90.4%	90.0%	89.1%	89.1%
Leased Space (2):				
All	92.5%	91.7%	92.5%	91.7%
Comparable (3)	92.3%	91.5%	92.3%	91.5%
Average Base Rents (3) (4):				
Average rent per square foot:				
Consolidated Businesses	43.40	41.16	43.20	41.41
Unconsolidated Joint Ventures	40.48	42.00	41.03	42.28
Opening base rent per square foot:				
Consolidated Businesses	37.32	38.87	42.24	42.38
Unconsolidated Joint Ventures	52.33	47.49	42.98	44.90
Square feet of GLA opened:				
Consolidated Businesses	279,548	162,912	941,163	682,305
Unconsolidated Joint Ventures	57,283	25,087	306,461	400,477
Closing base rent per square foot:				
Consolidated Businesses	36.73	36.22	39.73	40.59
Unconsolidated Joint Ventures	37.57	47.43	42.49	44.26
Square feet of GLA closed:				
Consolidated Businesses	93,225	65,388	894,770	650,701
Unconsolidated Joint Ventures	11,264	18,210	246,704	366,932
Releasing spread per square foot:				
Consolidated Businesses	0.59	2.65	2.51	1.79
Unconsolidated Joint Ventures	14.76	0.06	0.49	0.64
Mall Tenant Sales (in thousands of dollars):				
Mall tenants	1,447,188	1,393,006	4,348,826	4,124,534
Comparable (3)	1,368,179	1,322,384	4,136,207	3,934,877
Sales per square foot (3)			539	508
Sales per square foot growth (3)	3.8%	8.2%	6.1%	9.0%
Occupancy Costs as a Percentage of Sales (4):				
All centers:				
Consolidated Businesses	12.1%	11.6%	14.4%	14.3%
Unconsolidated Joint Ventures	10.4%	11.0%	12.5%	13.2%
Comparable centers (3):				
Consolidated Businesses	12.0%	11.6%	14.3%	14.3%
Unconsolidated Joint Ventures	10.6%	11.1%	12.7%	13.0%
Tenant Bankruptcy Filings as a Percentage of Total Tenants	0.0%	0.0%	1.0%	0.4%
Growth in Net Operating Income (3):				
Including all lease cancellation fees	5.1%	8.6%	5.0%	6.0%
Excluding all lease cancellation fees (5)	4.0%	9.8%	3.8%	6.3%
Number of Owned Properties at End of Period	22	21	22	21

(1) All operating statistics other than the number of owned properties at end of period exclude The Pier Shops at Caesars, which opened in late June 2006.

(2) Statistics include anchor spaces at value centers (Arizona Mills, Dolphin Mall, and Great Lakes Crossing).

(3) Statistics exclude Northlake Mall, Waterside Shops at Pelican Bay, and Woodland (with the exception of sales statistics, which include Waterside). The 2005 statistics have been restated to include comparable centers to 2006.

(4) The results of Cherry Creek Shopping Center are presented within the Consolidated Businesses for periods beginning January 1, 2006, as a result of the Company's adoption of EITF 04-5. Results of Cherry Creek prior to 2006 are included within the Unconsolidated Joint Ventures.

(5) Excluding individual lease cancellation fees in excess of $0.5 million, growth in net operating income was 4.7% and 9.1% for the three months ended December 31, 2006 and 2005, respectively, and 4.0% and 6.6% for the year ended December 31, 2006 and 2005, respectively.

TAUBMAN CENTERS, INC.
Owned Centers

Center	Anchors	Sq. Ft. of GLA/ Mall GLA	Year Opened/ Expanded	Ownership %
Consolidated Businesses:				
Beverly Center Los Angeles, CA	Bloomingdale's, Macy's	884,000 576,000	1982	100%
Cherry Creek Shopping Center Denver, CO	Macy's, Neiman Marcus, Nordstrom (October 2007), Saks Fifth Avenue	1,023,000 (1) 550,000	1990/1998	50%
Dolphin Mall Miami, FL	Bass Pro Shops Outdoor World (2007), Burlington Coat Factory, Cobb Theatres, Dave & Busters, The Sports Authority, Off 5th Saks, Marshalls, Neiman Marcus-Last Call	1,315,000 624,000	2001	100%
Fairlane Town Center Dearborn, MI *(Detroit Metropolitan Area)*	Macy's, JCPenney, Off 5th Saks, Sears	1,513,000 (2) 623,000	1976/1978/ 1980/2000	100%
Great Lakes Crossing Auburn Hills, MI *(Detroit Metropolitan Area)*	AMC Theatres, Bass Pro Shops Outdoor World, GameWorks, Neiman Marcus-Last Call, Off 5th Saks, Circuit City	1,360,000 545,000	1998	100%
International Plaza Tampa, FL	Dillard's, Neiman Marcus, Nordstrom, Robb & Stucky	1,221,000 579,000	2001	50%
MacArthur Center Norfolk, VA	Dillard's, Nordstrom	933,000 519,000	1999	95%
Northlake Mall Charlotte, NC	Belk, Dick's Sporting Goods, Dillard's, Macy's	1,072,000 466,000	2005	100%
Regency Square Richmond, VA	Macy's (two locations), JCPenney, Sears	823,000 236,000	1975/1987	100%
The Mall at Short Hills Short Hills, NJ	Bloomingdale's, Macy's, Neiman Marcus, Nordstrom, Saks Fifth Avenue	1,340,000 518,000	1980/1994/ 1995	100%
Stony Point Fashion Park Richmond, VA	Dillard's, Saks Fifth Avenue, Dick's Sporting Goods	662,000 296,000	2003	100%
Twelve Oaks Mall Novi, MI *(Detroit Metropolitan Area)*	Macy's, JCPenney, Lord & Taylor, Nordstrom (2007), Sears	1,190,000 (3) 452,000	1977/1978	100%
The Mall at Wellington Green Wellington, FL *(Palm Beach County)*	City Furniture and Ashley Furniture Home Store, Dillard's, JCPenney, Macy's, Nordstrom	1,274,000 461,000	2001/2003	90%
The Shops at Willow Bend Plano, TX *(Dallas Metropolitan Area)*	Dillard's, Macy's, Neiman Marcus, Saks Fifth Avenue	1,388,000 (4) 530,000	2001/2004	100%
Total GLA Total Mall GLA TRG % of Total GLA TRG % of Total Mall GLA		15,998,000 6,975,000 14,702,000 6,338,000		
Unconsolidated Joint Ventures:				
Arizona Mills Tempe, AZ *(Phoenix Metropolitan Area)*	GameWorks, Harkins Cinemas, JCPenney Outlet, Neiman Marcus-Last Call, Off 5th Saks	1,231,000 527,000	1997	50%
Fair Oaks Fairfax, VA *(Washington, DC Metropolitan Area)*	Macy's (two locations), JCPenney, Lord & Taylor, Sears, Macy's	1,571,000 566,000	1980/1987/ 1988/2000	50%
The Mall at Millenia Orlando, FL	Bloomingdale's, Macy's, Neiman Marcus	1,115,000 515,000	2002	50%
The Pier Shops at Caesars Atlantic City, NJ	-	303,000 303,000	2006	(5)
Stamford Town Center Stamford, CT	Macy's, Saks Fifth Avenue	852,000 (6) 359,000	1982	50%
Sunvalley Concord, CA *(San Francisco Metropolitan Area)*	JCPenney, Macy's (two locations), Sears	1,326,000 486,000	1967/1981	50%
Waterside Shops at Pelican Bay Naples, FL	Nordstrom (2008), Saks Fifth Avenue	242,000 197,000	1992/2006	25%
Westfarms West Hartford, CT	Macy's, Macy's Men's Store/Furniture Gallery, JCPenney, Lord & Taylor, Nordstrom	1,290,000 520,000	1974/1983/1997	79%
Total GLA Total Mall GLA TRG % of Total GLA TRG % of Total Mall GLA		7,930,000 3,473,000 4,127,000 1,687,000		
Grand Total GLA **Grand Total Mall GLA** **TRG % of Total GLA** **TRG % of Total Mall GLA**		**23,928,000** **10,448,000** **18,829,000** **8,025,000**		

(1) Nordstrom will occupy the former Lord & Taylor space, which closed on April 30, 2005.
(2) GLA includes the former Lord & Taylor store, which closed on June 24, 2006.
(3) In addition to the 2007 Nordstrom addition, an expansion and renovation of Macy's and additional store space will open in September 2007.
(4) GLA includes the former Lord & Taylor store, which closed on April 30, 2005.
(5) The Company is in final negotiations to increase its ownership from 30% to 50%.
(6) GLA includes the space formerly occupied by Filene's, which is 100% leased and will include a mix of stores and restaurants. The expected opening date is November 2007.

TAUBMAN CENTERS, INC.
Major Tenants in Owned Portfolio
At December 31, 2006

Tenant	Number of Stores	Square Footage	Percent of Mall GLA
Limited (The Limited, Express, Victoria's Secret, and others)	64	476,358	4.7%
Gap (Gap, Gap Kids, Banana Republic, Old Navy, and others)	41	338,560	3.3%
Forever 21 (Forever 21, XXI Forever, and others)	19	255,803	2.5%
Abercrombie & Fitch (Abercrombie & Fitch, Hollister, and others)	34	250,475	2.5%
Foot Locker (Foot Locker, Lady Foot Locker, Champs Sports, and others)	43	221,250	2.2%
Williams-Sonoma (Williams-Sonoma, Pottery Barn, Pottery Barn Kids)	28	215,629	2.1%
Talbots (Talbots, J. Jill)	32	185,587	1.8%
Ann Taylor	31	180,307	1.8%
The TJX Companies (Marshalls, T.J. Maxx)	4	151,313	1.5%
Luxottica (Lenscrafters, Sunglass Hut International, Things Remembered, and others)	62	118,074	1.2%

TAUBMAN CENTERS, INC.
Anchors in Owned Portfolio
At December 31, 2006

(Excludes Value Centers; GLA in thousands of square feet)

Name	Number of Stores	GLA	% of GLA
Belk	1	180	0.9%
City Furniture and Ashley Furniture Home Store	1	140	0.7%
Dick's Sporting Goods	2	159	0.8%
Dillard's	6	1,335	6.8%
Federated			
Macy's	17	3,394	
Bloomingdale's	3	614	
Lord & Taylor	3	397	
Macy's Men's Store/Furniture Gallery	1	80	
Total	24	4,485	22.7%
JCPenney	7	1,266	6.4%
Neiman Marcus (1)	5	556	2.8%
Nordstrom (2)	5	796	4.0%
Robb & Stucky	1	119	0.6%
Saks			
Saks Fifth Avenue	6	467	
Off 5th Saks (3)	1	93	
Total	7	560	2.8%
Sears	5	1,104	5.6%
Total	64	10,700	54.3% (4)

(1) Excludes three Neiman Marcus-Last Call stores at value centers.

(2) Nordstrom will open at Cherry Creek Shopping Center and Twelve Oaks Mall in Fall 2007, and Waterside Shops at Pelican Bay in 2008.

(3) Excludes three Off 5th Saks stores at value centers.

(4) Percentages may not add due to rounding.