

# Taubman

**Third Quarter 2010 Supplemental Information**

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**TAUBMAN CENTERS, INC.**  
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**Third Quarter 2010**

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## **TAUBMAN CENTERS, INC.**

### **Introduction**

#### **Third Quarter 2010**

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Taubman Centers, Inc. (the Company or TCO) is a Michigan corporation that operates as a self-administered and self-managed real estate investment trust (REIT). The Taubman Realty Group Limited Partnership (Operating Partnership or TRG) is a majority-owned partnership subsidiary of TCO that owns direct or indirect interests in all of its real estate properties. In this report, the term "Company" refers to TCO, the Operating Partnership, and/or the Operating Partnership's subsidiaries as the context may require. The Company engages in the ownership, management, leasing, acquisition, disposition, development, and expansion of regional and super-regional retail shopping centers and interests therein. The Company's owned portfolio as of September 30, 2010 included 23 urban and suburban shopping centers in ten states.

This package was prepared to provide supplemental operating, financing, and development information of the Company and the Operating Partnership for the third quarter of 2010. 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. 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, Bloomfield Hills, Michigan 48304-2324, Telephone (248) 258-7367, email: [bbaker@taubman.com](mailto:bbaker@taubman.com).

#### Use of Non-GAAP Measures:

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, income taxes, 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.

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 (includes rental income excluding straightline adjustments of minimum rent) less maintenance, taxes, utilities, ground rent, and other property operating expenses. Since NOI excludes general and administrative expenses, pre-development charges, interest income and expense, depreciation and amortization, impairment charges, restructuring charges, 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 Company also uses NOI excluding lease cancellation income as an alternative measure because this income may vary significantly from period to period, which can affect comparability and trend analysis. The Company generally provides separate projections for expected NOI growth and lease cancellation income.

The National Association of Real Estate Investment Trusts (NAREIT) defines Funds from Operations (FFO) as net income (computed in accordance with Generally Accepted Accounting Principles (GAAP)), excluding gains 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.

The Company primarily uses FFO in measuring performance and in formulating corporate goals and compensation. The Company may also present adjusted versions of NOI, Beneficial Interest in EBITDA, and FFO when used by management to evaluate operating performance when certain significant items have impacted results that affect comparability with prior or future periods due to the nature or amounts of these items. For the three and nine months ended September 30, 2009, FFO was adjusted for impairment charges. Also FFO for the nine month period ended September 30, 2009 was adjusted for a restructuring charge.

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 September 30, 2010 and 2009**  
(in thousands of dollars, except as noted)

	Three Months Ended		Year to Date	
	2010	2009	2010	2009
<b>Funds from Operations (1):</b>				
FFO:				
TRG	49,155	(100,323)	149,029	8,637
TCO	33,211	(67,019)	100,514	5,707
FFO per common share:				
Basic	0.61	(1.26)	1.84	0.11
Diluted	0.59	(1.26)	1.80	0.11
Adjusted FFO (1):				
TRG	49,155	60,479	149,029	172,069
TCO	33,211	40,402	100,514	114,884
Adjusted FFO per common share (1):				
Basic	0.61	0.76	1.84	2.16
Diluted	0.59	0.74	1.80	2.13
Growth rate-diluted	-20.3%		-15.5%	
<b>Earnings (loss) attributable to common shareowners:</b>				
Net income (loss) attributable to common shareholders	722	(94,073)	14,458	(73,666)
Per common share:				
Basic	0.01	(1.77)	0.27	(1.39)
Diluted	0.01	(1.77)	0.26	(1.39)
<b>Dividends (2):</b>				
Dividends paid per common share	0.415	0.415	1.245	1.245
Payout ratio of Adjusted FFO per diluted common share	70%	56%	69%	58%
<b>Coverage (3),(4):</b>				
Interest only	2.3	2.6	2.3	2.6
Fixed charges	1.9	2.2	1.9	2.1
<b>Market Capitalization:</b>				
Closing stock price at end of period	44.61	36.08		
Market equity value of share equivalents	3,610,352	2,870,486		
Preferred equity (at face value)	217,000	217,000		
Beneficial interest in debt	2,875,500	2,888,700		
Debt to total market capitalization	42.9%	48.3%		
<b>Ownership:</b>				
TCO common shares outstanding:				
End of period	54,679,877	53,171,237		
Weighted average - basic	54,679,877	53,147,866	54,530,503	53,112,145
Weighted average - diluted	55,764,528	53,147,866	55,600,629	53,112,145
TRG units of partnership interest:				
End of period	80,931,453	79,558,922		
Weighted average - basic	80,931,453	79,558,921	80,848,629	79,541,688
Weighted average - diluted	82,940,386	81,254,902	82,790,017	80,936,239
TCO ownership of TRG:				
End of period	67.6%	66.8%		
Weighted average	67.6%	66.8%	67.4%	66.8%

- (1) FFO for the three and nine month periods ended September 30, 2009 includes, and Adjusted FFO excludes, impairment charges related to the write down of The Pier Shops and Regency Square to their fair values. Also FFO for the nine month period ended September 30, 2009 includes, and Adjusted FFO excludes, a restructuring charge, which primarily represents the costs of termination of personnel. Refer to the reconciliations to Adjusted FFO on pages 5 and 6.
- (2) The tax status of total 2010 common dividends declared and to be declared, assuming continuation of a \$0.415 per common share quarterly dividend, is estimated to be approximately 80% ordinary income and 20% return of capital. The tax status of total 2010 dividends to be paid on Series G and Series H Preferred Stock is estimated to be approximately 100% ordinary income. These are forward-looking statements and certain significant factors could cause the actual results to differ materially.
- (3) Interest coverage ratio is calculated by dividing beneficial interest in EBITDA or adjusted beneficial interest in EBITDA by beneficial interest expense. Fixed charges coverage ratio is calculated by dividing beneficial interest in EBITDA or adjusted beneficial interest in EBITDA by beneficial interest expense and the sum of preferred dividends, distributions, and debt payments. In 2009, EBITDA was adjusted to exclude impairment charges related to The Pier Shops and Regency Square.

**TAUBMAN CENTERS, INC.**  
**Income Statement**  
**For the Three Months Ended September 30, 2010 and 2009**  
(in thousands of dollars)

	2010		2009	
	UNCONSOLIDATED		UNCONSOLIDATED	
	CONSOLIDATED BUSINESSES	JOINT VENTURES (1)	CONSOLIDATED BUSINESSES	JOINT VENTURES (1)
<b>REVENUES:</b>				
Minimum rents	84,517	38,702	83,403	39,074
Percentage rents	3,426	1,402	2,621	974
Expense recoveries	56,682	24,473	56,720	24,415
Management, leasing, and development services	4,359		3,444	
Other	6,279	1,198	17,012	2,823
Total revenues	155,263	65,775	163,200	67,286
<b>EXPENSES:</b>				
Maintenance, taxes, and utilities	45,867	17,784	46,286	16,802
Other operating	18,086	4,165	16,506	5,515
Management, leasing, and development services	2,204		2,140	
General and administrative	7,168		7,155	
Impairment charges (2)			166,680	
Interest expense	38,906	16,141	36,407	16,219
Depreciation and amortization	44,500	9,808	37,726	9,491
Total expenses	156,731	47,898	312,900	48,027
Nonoperating income	191	2	247	31
	(1,277)	17,879	(149,453)	19,290
Income tax (expense) benefit	(238)		211	
Equity in income of Unconsolidated Joint Ventures	9,973		10,454	
Net income (loss)	8,458		(138,788)	
Net (income) loss attributable to noncontrolling interests:				
Noncontrolling share of (income) loss of consolidated joint ventures	(1,920)		3,456	
TRG series F preferred distributions	(615)		(615)	
Noncontrolling share of (income) loss of TRG	(1,172)		45,894	
Distributions to participating securities of TRG	(371)		(362)	
Preferred stock dividends	(3,658)		(3,658)	
Net income (loss) attributable to Taubman Centers, Inc. common shareowners	722		(94,073)	
<b>SUPPLEMENTAL INFORMATION:</b>				
EBITDA - 100% (2)	82,129	43,828	(75,320)	45,000
EBITDA - outside partners' share	(9,777)	(19,764)	(4,665)	(20,587)
Beneficial interest in EBITDA (2)	72,352	24,064	(79,985)	24,413
Beneficial interest expense	(33,550)	(8,360)	(31,420)	(8,416)
Beneficial income tax (expense) benefit	(238)		211	
Non-real estate depreciation	(840)		(853)	
Preferred dividends and distributions	(4,273)		(4,273)	
Fund from Operations contribution (2)	33,451	15,704	(116,320)	15,997
Net straightline adjustments to rental revenue, recoveries, and ground rent expense at TRG %	129	62	334	158

(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) In the third quarter of 2009, the Company wrote down the book values of The Pier Shops and Regency Square to their fair values. The impairment charges were \$160.8 million at TRG's share.

**TAUBMAN CENTERS, INC.**  
**Income Statement**  
**For the Nine Months Ended September 30, 2010 and 2009**  
(in thousands of dollars)

	2010		2009	
	UNCONSOLIDATED		UNCONSOLIDATED	
	CONSOLIDATED BUSINESSES	JOINT VENTURES (1)	CONSOLIDATED BUSINESSES	JOINT VENTURES (1)
<b>REVENUES:</b>				
Minimum rents	251,952	114,738	254,855	116,594
Percentage rents	6,561	2,871	5,342	2,177
Expense recoveries	165,937	70,289	172,003	72,060
Management, leasing, and development services	11,422		10,189	
Other	24,962	4,939	37,440	6,199
Total revenues	460,834	192,837	479,829	197,030
<b>EXPENSES:</b>				
Maintenance, taxes, and utilities	133,478	50,147	137,773	49,135
Other operating	54,433	14,236	47,823	17,868
Restructuring charge			2,630	
Management, leasing, and development services	5,982		5,976	
General and administrative	21,593		20,890	
Impairment charges (2)			166,680	
Interest expense	114,246	47,875	109,113	48,289
Depreciation and amortization	117,502	28,436	110,077	28,839
Total expenses	447,234	140,694	600,962	144,131
Nonoperating income	1,490	3	680	88
Impairment loss on marketable securities			(1,666)	
	15,090	52,146	(122,119)	52,987
Income tax expense	(548)		(257)	
Equity in income of Unconsolidated Joint Ventures	29,213		28,980	
Net income (loss)	43,755		(93,396)	
Net (income) loss attributable to noncontrolling interests:				
Noncontrolling share of income of consolidated joint ventures	(5,901)		(270)	
TRG series F preferred distributions	(1,845)		(1,845)	
Noncontrolling share of (income) loss of TRG	(9,482)		34,018	
Distributions to participating securities of TRG	(1,094)		(1,198)	
Preferred stock dividends	(10,975)		(10,975)	
Net income (loss) attributable to Taubman Centers, Inc. common shareowners	14,458		(73,666)	
<b>SUPPLEMENTAL INFORMATION:</b>				
EBITDA - 100% (2)	246,838	128,457	97,071	130,115
EBITDA - outside partners' share	(29,289)	(57,902)	(24,280)	(59,218)
Beneficial interest in EBITDA (2)	217,549	70,555	72,791	70,897
Beneficial interest expense	(98,377)	(24,810)	(94,318)	(25,069)
Beneficial income tax expense	(548)		(257)	
Non-real estate depreciation	(2,520)		(2,587)	
Preferred dividends and distributions	(12,820)		(12,820)	
Fund from Operations contribution (2)	103,284	45,745	(37,191)	45,828
Net straightline adjustments to rental revenue, recoveries, and ground rent expense at TRG %	(49)	(58)	493	316

(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) In the third quarter of 2009, the Company wrote down the book values of The Pier Shops and Regency Square to their fair values. The impairment charges were \$160.8 million at TRG's share.

**TAUBMAN CENTERS, INC.**
**Reconciliation of Net Income (Loss) Attributable to Taubman Centers, Inc. Common Shareowners  
to Funds from Operations and Adjusted Funds from Operations  
For the Three Months Ended September 30, 2010 and 2009**

(in thousands of dollars except as noted; may not add or recalculate due to rounding)

	2010			2009		
	Dollars	Shares /Units	Per Share /Unit	Dollars	Shares /Units (1)	Per Share /Unit
<b>Net income (loss) attributable to TCO common shareowners</b>	<b>722</b>	<b>55,764,528</b>	<b>0.01</b>	<b>(94,073)</b>	<b>53,147,866</b>	<b>(1.77)</b>
Add depreciation of TCO's additional basis	1,720		0.03	1,720		0.03
<b>Net income (loss) attributable to TCO common shareowners, excluding step-up depreciation</b>	<b>2,442</b>	<b>55,764,528</b>	<b>0.04</b>	<b>(92,353)</b>	<b>53,147,866</b>	<b>(1.74)</b>
Add:						
Noncontrolling share of income (loss) of TRG	1,172	26,304,596		(45,894)	25,539,793	
Distributions to participating securities	371	871,262		362	871,262	
<b>Net income (loss) attributable to partnership unitholders and participating securities</b>	<b>3,985</b>	<b>82,940,386</b>	<b>0.05</b>	<b>(137,885)</b>	<b>79,558,921</b>	<b>(1.73)</b>
Add (less) depreciation and amortization:						
Consolidated businesses at 100%	44,500		0.54	37,726		0.47
Depreciation of TCO's additional basis	(1,720)		(0.02)	(1,720)		(0.02)
Noncontrolling partners in consolidated joint ventures	(2,501)		(0.03)	(3,134)		(0.04)
Share of Unconsolidated Joint Ventures	5,731		0.07	5,543		0.07
Non-real estate depreciation	(840)		(0.01)	(853)		(0.01)
<b>Funds from Operations</b>	<b>49,155</b>	<b>82,940,386</b>	<b>0.59</b>	<b>(100,323)</b>	<b>79,558,921</b>	<b>(1.26)</b>
TCO's average ownership percentage of TRG	67.6%			66.8%		
<b>Funds from Operations attributable to TCO</b>	<b>33,211</b>		<b>0.59</b>	<b>(67,019)</b>		<b>(1.26)</b>
Funds from Operations	49,155	82,940,386	0.59	(100,323)	79,558,921	(1.26)
Impairment charges				160,802		2.00
<b>Adjusted Funds from Operations</b>	<b>49,155</b>	<b>82,940,386</b>	<b>0.59</b>	<b>60,479</b>	<b>81,254,902</b>	<b>0.74</b>
TCO's average ownership percentage of TRG	67.6%			66.8%		
<b>Adjusted Funds from Operations attributable to TCO</b>	<b>33,211</b>		<b>0.59</b>	<b>40,402</b>		<b>0.74</b>

(1) Per share amounts for Adjusted Funds from Operations are calculated using weighted average diluted shares, which include the impact of common stock equivalents. Per share amounts for net loss attributable to common shareholders, net loss attributable to partnership unitholders and participating securities, and Funds from Operations are calculated using weighted average outstanding shares, which exclude the impact of common stock equivalents because the impact is anti-dilutive.

**TAUBMAN CENTERS, INC.**

**Reconciliation of Net Income (Loss) Attributable to Taubman Centers, Inc. Common Shareowners to Funds from Operations and Adjusted Funds from Operations  
For the Nine Months Ended September 30, 2010 and 2009**

(in thousands of dollars except as noted; may not add or recalculate due to rounding)

	2010			2009		
	Dollars	Shares /Units	Per Share /Unit	Dollars	Shares /Units (1)	Per Share /Unit
<b>Net income (loss) attributable to TCO common shareowners</b>	<b>14,458</b>	<b>55,600,629</b>	<b>0.26</b>	<b>(73,666)</b>	<b>53,112,145</b>	<b>(1.39)</b>
Add depreciation of TCO's additional basis	5,159		0.09	5,160		0.10
<b>Net income (loss) attributable to TCO common shareowners, excluding step-up depreciation</b>	<b>19,617</b>	<b>55,600,629</b>	<b>0.35</b>	<b>(68,506)</b>	<b>53,112,145</b>	<b>(1.29)</b>
Add:						
Noncontrolling share of income of TRG	9,482	26,318,126		(34,018)	25,558,281	
Distributions to participating securities	1,094	871,262		1,198	871,262	
<b>Net income (loss) attributable to partnership unitholders and participating securities</b>	<b>30,193</b>	<b>82,790,017</b>	<b>0.36</b>	<b>(101,326)</b>	<b>79,541,688</b>	<b>(1.27)</b>
Add (less) depreciation and amortization:						
Consolidated businesses at 100%	117,502		1.42	110,077		1.38
Depreciation of TCO's additional basis	(5,159)		(0.06)	(5,160)		(0.06)
Noncontrolling partners in consolidated joint ventures	(7,519)		(0.09)	(9,215)		(0.12)
Share of Unconsolidated Joint Ventures	16,532		0.20	16,848		0.21
Non-real estate depreciation	(2,520)		(0.03)	(2,587)		(0.03)
<b>Funds from Operations</b>	<b>149,029</b>	<b>82,790,017</b>	<b>1.80</b>	<b>8,637</b>	<b>80,936,239</b>	<b>0.11</b>
TCO's average ownership percentage of TRG	67.4%			66.8%		
<b>Funds from Operations attributable to TCO</b>	<b>100,514</b>		<b>1.80</b>	<b>5,707</b>		<b>0.11</b>
Funds from Operations	149,029	82,790,017	1.80	8,637	80,936,239	0.11
Impairment charges				160,802		1.99
Restructuring charge				2,630		0.03
<b>Adjusted Funds from Operations</b>	<b>149,029</b>	<b>82,790,017</b>	<b>1.80</b>	<b>172,069</b>	<b>80,936,239</b>	<b>2.13</b>
TCO's average ownership percentage of TRG	67.4%			66.8%		
<b>Adjusted Funds from Operations attributable to TCO</b>	<b>100,514</b>		<b>1.80</b>	<b>114,884</b>		<b>2.13</b>

(1) Per share amounts for Funds from Operations and Adjusted Funds from Operations are calculated using weighted average diluted shares, which include the impact of common stock equivalents. Per share amounts for net loss attributable to common shareholders and net loss attributable to partnership unitholders and participating securities are calculated using weighted average outstanding shares, which exclude the impact of common stock equivalents because the impact is anti-dilutive.



**TAUBMAN CENTERS, INC.**

**Reconciliation of Net Income (Loss) to Beneficial Interest in EBITDA**

**For the Periods Ended September 30, 2010 and 2009**

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

	Three Months Ended		Year to Date	
	2010	2009	2010	2009
<b>Net income (loss)</b>	<b>8,458</b>	<b>(138,788)</b>	<b>43,755</b>	<b>(93,396)</b>
Add (less) depreciation and amortization:				
Consolidated businesses at 100%	44,500	37,726	117,502	110,077
Noncontrolling partners in consolidated joint ventures	(2,501)	(3,134)	(7,519)	(9,215)
Share of Unconsolidated Joint Ventures	5,731	5,543	16,532	16,848
Add (less) interest expense and income tax expense (benefit):				
Interest expense:				
Consolidated businesses at 100%	38,906	36,407	114,246	109,113
Noncontrolling partners in consolidated joint ventures	(5,356)	(4,987)	(15,869)	(14,795)
Share of Unconsolidated Joint Ventures	8,360	8,416	24,810	25,069
Income tax expense (benefit)	238	(211)	548	257
Less noncontrolling share of (income) loss of consolidated joint ventures	<u>(1,920)</u>	<u>3,456</u>	<u>(5,901)</u>	<u>(270)</u>
<b>Beneficial Interest in EBITDA</b>	<b>96,416</b>	<b>(55,572)</b>	<b>288,104</b>	<b>143,688</b>
TCO's average ownership percentage of TRG	<u>67.6%</u>	<u>66.8%</u>	<u>67.4%</u>	<u>66.8%</u>
<b>Beneficial Interest in EBITDA attributable to TCO</b>	<b><u>65,142</u></b>	<b><u>(37,124)</u></b>	<b><u>194,282</u></b>	<b><u>95,880</u></b>

**TAUBMAN CENTERS, INC.**  
**Reconciliation of Net Income (Loss) to Net Operating Income**  
**For the Periods Ended September 30, 2010 and 2009**

(in thousands of dollars)

	<b>Three Months Ended</b>		<b>Year to Date</b>	
	<b>2010</b>	<b>2009</b>	<b>2010</b>	<b>2009</b>
<b>Net income (loss)</b>	<b>8,458</b>	<b>(138,788)</b>	<b>43,755</b>	<b>(93,396)</b>
Add (less) depreciation and amortization:				
Consolidated businesses at 100%	44,500	37,726	117,502	110,077
Noncontrolling partners in consolidated joint ventures	(2,501)	(3,134)	(7,519)	(9,215)
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Income tax expense (benefit)	238	(211)	548	257
Less noncontrolling share of (income) loss of consolidated joint ventures	(1,920)	3,456	(5,901)	(270)
Add EBITDA attributable to outside partners:				
EBITDA attributable to noncontrolling partners in consolidated joint ventures	9,777	4,665	29,289	24,280
EBITDA attributable to outside partners in Unconsolidated Joint Ventures	19,764	20,587	57,902	59,218
<b>EBITDA at 100%</b>	<b>125,957</b>	<b>(30,320)</b>	<b>375,295</b>	<b>227,186</b>
Add (less) items excluded from shopping center Net Operating Income:				
General and administrative expenses	7,168	7,155	21,593	20,890
Management, leasing, and development services, net	(2,155)	(1,304)	(5,440)	(4,213)
Restructuring charge				2,630
Impairment charges		166,680		166,680
Gain on sale of peripheral land			(1,040)	
Interest income	(193)	(278)	(453)	(768)
Impairment loss on marketable securities				1,666
Straight-line of rents	(1,045)	(1,196)	(1,570)	(2,953)
The Pier Shops Net Operating Income	(607)	(1,037)	(2,879)	(3,315)
Non-center specific operating expenses and other	4,806	4,576	16,609	12,672
<b>Net Operating Income at 100%</b>	<b>133,931</b>	<b>144,276</b>	<b>402,115</b>	<b>420,475</b>
<b>Net Operating Income - growth %</b>	<b>-7.2%</b>		<b>-4.4%</b>	
<b>Net Operating Income at 100%</b>	<b>133,931</b>	<b>144,276</b>	<b>402,115</b>	<b>420,475</b>
Lease cancellation income	(1,034)	(12,862)	(10,219)	(22,761)
<b>Net Operating Income at 100% excluding lease cancellation income</b>	<b>132,897</b>	<b>131,414</b>	<b>391,896</b>	<b>397,714</b>
<b>Net Operating Income excluding lease cancellation income - growth %</b>	<b>1.1%</b>		<b>-1.5%</b>	

**TAUBMAN CENTERS, INC.**  
**Changes in Funds from Operations and Earnings (Loss) per Share**  
**For the Three Months Ended September 30, 2010**

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

<b>2009 Third Quarter Funds from Operations</b>	<b>\$ (1.26)</b>
Impairment charges	2.00
<b>2009 Third Quarter Funds from Operations - Adjusted</b>	<b>\$ 0.74</b>
<i>Changes - 2010 vs. 2009</i>	
Rents	0.025
Net recoveries from tenants	(0.010)
Net revenue from management, leasing, and development services	0.010
Lease cancellation revenue	(0.120)
Interest expense	(0.010)
The Pier Shops	(0.030)
Impact of share-based compensation on dilution	(0.010)
Other	(0.005)
<b>2010 Third Quarter Funds from Operations</b>	<b>\$ 0.59</b>
<b>2009 Third Quarter Earnings (Loss) per Share</b>	<b>\$ (1.77)</b>
<i>Changes - 2010 vs. 2009</i>	
Change in FFO per share	1.850
Depreciation and other	(0.070)
<b>2010 Third Quarter Earnings per Share</b>	<b>\$ 0.01</b>

**TAUBMAN CENTERS, INC.**  
**Components of Other Income, Other Operating Expense, and Nonoperating Income**  
**For the Three Months Ended September 30, 2010 and 2009**

(in thousands of dollars)

**Other Income**

	<b>Three Months Ended September 30, 2010</b>				<b>Three Months Ended September 30, 2009</b>			
	<b>Consolidated</b>	<b>Consolidated</b>	<b>Unconsolidated</b>	<b>Unconsolidated</b>	<b>Consolidated</b>	<b>Consolidated</b>	<b>Unconsolidated</b>	<b>Unconsolidated</b>
	<b>Businesses</b>	<b>Businesses</b>	<b>Joint Ventures</b>	<b>Joint Ventures</b>	<b>Businesses</b>	<b>Businesses</b>	<b>Joint Ventures</b>	<b>Joint Ventures</b>
	<b>at 100%</b>	<b>at TRG%</b>	<b>at 100%</b>	<b>at TRG%</b>	<b>at 100%</b>	<b>at TRG%</b>	<b>at 100%</b>	<b>at TRG%</b>
Shopping center related revenues	5,376	4,850	1,067	561	5,762	5,283	1,217	642
Lease cancellation revenue	903	848	131	54	11,250	9,928	1,606	803
	<u>6,279</u>	<u>5,698</u>	<u>1,198</u>	<u>615</u>	<u>17,012</u>	<u>15,211</u>	<u>2,823</u>	<u>1,445</u>

**Other Operating Expense**

	<b>Three Months Ended September 30, 2010</b>				<b>Three Months Ended September 30, 2009</b>			
	<b>Consolidated</b>	<b>Consolidated</b>	<b>Unconsolidated</b>	<b>Unconsolidated</b>	<b>Consolidated</b>	<b>Consolidated</b>	<b>Unconsolidated</b>	<b>Unconsolidated</b>
	<b>Businesses</b>	<b>Businesses</b>	<b>Joint Ventures</b>	<b>Joint Ventures</b>	<b>Businesses</b>	<b>Businesses</b>	<b>Joint Ventures</b>	<b>Joint Ventures</b>
	<b>at 100%</b>	<b>at TRG%</b>	<b>at 100%</b>	<b>at TRG%</b>	<b>at 100%</b>	<b>at TRG%</b>	<b>at 100%</b>	<b>at TRG%</b>
Shopping center related expenses (1)	12,327	11,290	4,151	2,172	11,813	10,698	5,606	3,261
Provision for tenant bad debts	1,009	842	14	10	(186)	(164)	(91)	(50)
Domestic and non-U.S. pre-development costs	3,143	3,105			3,310	3,310		
Ground rent	1,607	1,220			1,569	1,193		
	<u>18,086</u>	<u>16,457</u>	<u>4,165</u>	<u>2,182</u>	<u>16,506</u>	<u>15,037</u>	<u>5,515</u>	<u>3,211</u>

**Nonoperating Income**

	<b>Three Months Ended September 30, 2010</b>				<b>Three Months Ended September 30, 2009</b>			
	<b>Consolidated</b>	<b>Consolidated</b>	<b>Unconsolidated</b>	<b>Unconsolidated</b>	<b>Consolidated</b>	<b>Consolidated</b>	<b>Unconsolidated</b>	<b>Unconsolidated</b>
	<b>Businesses</b>	<b>Businesses</b>	<b>Joint Ventures</b>	<b>Joint Ventures</b>	<b>Businesses</b>	<b>Businesses</b>	<b>Joint Ventures</b>	<b>Joint Ventures</b>
	<b>at 100%</b>	<b>at TRG%</b>	<b>at 100%</b>	<b>at TRG%</b>	<b>at 100%</b>	<b>at TRG%</b>	<b>at 100%</b>	<b>at TRG%</b>
Interest income	191	182	2	2	247	238	31	16
	<u>191</u>	<u>182</u>	<u>2</u>	<u>2</u>	<u>247</u>	<u>238</u>	<u>31</u>	<u>16</u>

(1) Includes advertising and promotion expenses.

**TAUBMAN CENTERS, INC.**  
**Components of Other Income, Other Operating Expense, and Nonoperating Income**  
**For the Year to Date Period Ended September 30, 2010 and 2009**

(in thousands of dollars)

**Other Income**

	<b>Nine Months Ended September 30, 2010</b>				<b>Nine Months Ended September 30, 2009</b>			
	<b>Consolidated</b>	<b>Consolidated</b>	<b>Unconsolidated</b>	<b>Unconsolidated</b>	<b>Consolidated</b>	<b>Consolidated</b>	<b>Unconsolidated</b>	<b>Unconsolidated</b>
	<b>Businesses</b>	<b>Businesses</b>	<b>Joint Ventures</b>	<b>Joint Ventures</b>	<b>Businesses</b>	<b>Businesses</b>	<b>Joint Ventures</b>	<b>Joint Ventures</b>
	<b>at 100%</b>	<b>at TRG%</b>	<b>at 100%</b>	<b>at TRG%</b>	<b>at 100%</b>	<b>at TRG%</b>	<b>at 100%</b>	<b>at TRG%</b>
Shopping center related revenues	15,940	14,612	3,248	1,716	16,631	15,260	3,533	1,854
Lease cancellation revenue (1)	9,022	8,403	1,691	804	20,809	18,177	2,666	1,483
	<u>24,962</u>	<u>23,015</u>	<u>4,939</u>	<u>2,520</u>	<u>37,440</u>	<u>33,437</u>	<u>6,199</u>	<u>3,337</u>

**Other Operating Expense**

	<b>Nine Months Ended September 30, 2010</b>				<b>Nine Months Ended September 30, 2009</b>			
	<b>Consolidated</b>	<b>Consolidated</b>	<b>Unconsolidated</b>	<b>Unconsolidated</b>	<b>Consolidated</b>	<b>Consolidated</b>	<b>Unconsolidated</b>	<b>Unconsolidated</b>
	<b>Businesses</b>	<b>Businesses</b>	<b>Joint Ventures</b>	<b>Joint Ventures</b>	<b>Businesses</b>	<b>Businesses</b>	<b>Joint Ventures</b>	<b>Joint Ventures</b>
	<b>at 100%</b>	<b>at TRG%</b>	<b>at 100%</b>	<b>at TRG%</b>	<b>at 100%</b>	<b>at TRG%</b>	<b>at 100%</b>	<b>at TRG%</b>
Shopping center related expenses (2)	35,426	32,688	13,713	7,227	32,717	29,951	16,603	9,413
Provision for tenant bad debts	3,213	2,733	523	235	2,928	2,374	1,265	603
Domestic and non-U.S. pre-development costs	11,007	10,969			7,491	7,491		
Ground rent	4,787	3,632			4,687	3,562		
	<u>54,433</u>	<u>50,022</u>	<u>14,236</u>	<u>7,462</u>	<u>47,823</u>	<u>43,378</u>	<u>17,868</u>	<u>10,016</u>

**Nonoperating Income**

	<b>Nine Months Ended September 30, 2010</b>				<b>Nine Months Ended September 30, 2009</b>			
	<b>Consolidated</b>	<b>Consolidated</b>	<b>Unconsolidated</b>	<b>Unconsolidated</b>	<b>Consolidated</b>	<b>Consolidated</b>	<b>Unconsolidated</b>	<b>Unconsolidated</b>
	<b>Businesses</b>	<b>Businesses</b>	<b>Joint Ventures</b>	<b>Joint Ventures</b>	<b>Businesses</b>	<b>Businesses</b>	<b>Joint Ventures</b>	<b>Joint Ventures</b>
	<b>at 100%</b>	<b>at TRG%</b>	<b>at 100%</b>	<b>at TRG%</b>	<b>at 100%</b>	<b>at TRG%</b>	<b>at 100%</b>	<b>at TRG%</b>
Gains on sales of peripheral land	1,040	1,040						
Interest income	450	425	3	2	680	624	88	52
	<u>1,490</u>	<u>1,465</u>	<u>3</u>	<u>2</u>	<u>680</u>	<u>624</u>	<u>88</u>	<u>52</u>

(1) The Company expects to recognize in the fourth quarter of 2010 lease cancellation revenue related to the closing of the Saks Fifth Avenue store at The Shops at Willow Bend. The Company estimates its share of full year 2010 lease cancellation revenue to be \$22 million.

(2) Includes advertising and promotion expenses.

**TAUBMAN CENTERS, INC.**  
**Recoveries Ratio Analysis**  
**For the Periods Ended September 30, 2010 and December 31, 2009**  
(in thousands of dollars)

	<b>Three Months Ended March 31, 2010</b>		<b>Three Months Ended June 30, 2010</b>		<b>Three Months Ended September 30, 2010</b>	
	<b>Consolidated Business</b>	<b>Unconsolidated Joint Ventures</b>	<b>Consolidated Business</b>	<b>Unconsolidated Joint Ventures</b>	<b>Consolidated Business</b>	<b>Unconsolidated Joint Ventures</b>
Tenant recoveries (1)	52,921	22,339	56,334	23,477	56,682	24,473
Maintenance, taxes, and utilities	43,076	15,847	44,535	16,516	45,867	17,784
Shopping center related expenses (2)	10,460	4,664	12,639	4,898	12,327	4,151
	<u>53,536</u>	<u>20,511</u>	<u>57,174</u>	<u>21,414</u>	<u>58,194</u>	<u>21,935</u>
Recoveries ratio	<b><u>98.9%</u></b>	<b><u>108.9%</u></b>	<b><u>98.5%</u></b>	<b><u>109.6%</u></b>	<b><u>97.4%</u></b>	<b><u>111.6%</u></b>

	<b>Three Months Ended March 31, 2009</b>		<b>Three Months Ended June 30, 2009</b>		<b>Three Months Ended September 30, 2009</b>		<b>Three Months Ended December 31, 2009</b>		<b>Year Ended December 31, 2009</b>	
	<b>Consolidated Business</b>	<b>Unconsolidated Joint Ventures</b>	<b>Consolidated Business</b>	<b>Unconsolidated Joint Ventures</b>	<b>Consolidated Business</b>	<b>Unconsolidated Joint Ventures</b>	<b>Consolidated Business</b>	<b>Unconsolidated Joint Ventures</b>	<b>Consolidated Business</b>	<b>Unconsolidated Joint Ventures</b>
Tenant recoveries (1)	56,758	23,826	58,525	23,819	56,720	24,415	74,374	29,632	246,377	101,692
Maintenance, taxes, and utilities	44,541	16,037	46,946	16,296	46,286	16,802	51,288	18,959	189,061	68,094
Shopping center related expenses (2)	11,007	5,895	9,897	5,102	11,813	5,606	13,766	6,485	46,483	23,088
	<u>55,548</u>	<u>21,932</u>	<u>56,843</u>	<u>21,398</u>	<u>58,099</u>	<u>22,408</u>	<u>65,054</u>	<u>25,444</u>	<u>235,544</u>	<u>91,182</u>
Recoveries ratio	<b><u>102.2%</u></b>	<b><u>108.6%</u></b>	<b><u>103.0%</u></b>	<b><u>111.3%</u></b>	<b><u>97.6%</u></b>	<b><u>109.0%</u></b>	<b><u>114.3%</u></b>	<b><u>116.5%</u></b>	<b><u>104.6%</u></b>	<b><u>111.5%</u></b>

(1) Includes recoveries of advertising and promotion expenses.

(2) Includes advertising and promotion expenses and excludes provision for bad debts.

**TAUBMAN CENTERS, INC.**  
**Balance Sheets**  
**As of September 30, 2010 and December 31, 2009**  
(in thousands of dollars)

	As of	
	September 30, 2010	December 31, 2009
<b>Consolidated Balance Sheet of Taubman Centers, Inc. (1):</b>		
Assets:		
Properties	3,497,746	3,496,853
Accumulated depreciation and amortization	<u>(1,172,843)</u>	<u>(1,100,610)</u>
	2,324,903	2,396,243
Investment in Unconsolidated Joint Ventures	76,119	89,804
Cash and cash equivalents	17,311	16,176
Accounts and notes receivable, net	36,149	44,503
Accounts receivable from related parties	1,647	1,558
Deferred charges and other assets	<u>73,547</u>	<u>58,569</u>
	<u>2,529,676</u>	<u>2,606,853</u>
Liabilities:		
Notes payable	2,657,819	2,691,019
Accounts payable and accrued liabilities	239,976	230,276
Distributions in excess of investments in and net income of Unconsolidated Joint Ventures	<u>172,953</u>	<u>160,305</u>
	3,070,748	3,081,600
Equity:		
Taubman Centers, Inc. Shareowners' Equity:		
Series B Non-Participating Convertible Preferred Stock	26	26
Series G Cumulative Redeemable Preferred Stock		
Series H Cumulative Redeemable Preferred Stock		
Common Stock	547	543
Additional paid-in capital	587,669	579,983
Accumulated other comprehensive income (loss)	(21,846)	(24,443)
Dividends in excess of net income	<u>(938,350)</u>	<u>(884,666)</u>
	(371,954)	(328,557)
Noncontrolling interests:		
Noncontrolling interests in consolidated joint ventures	(101,207)	(100,014)
Noncontrolling interests in partnership equity of TRG	(97,128)	(75,393)
Preferred Equity of TRG	<u>29,217</u>	<u>29,217</u>
	<u>(169,118)</u>	<u>(146,190)</u>
	<u>(541,072)</u>	<u>(474,747)</u>
	<u>2,529,676</u>	<u>2,606,853</u>
<b>Combined Balance Sheet of Unconsolidated Joint Ventures (1):</b>		
Assets:		
Properties	1,093,324	1,094,963
Accumulated depreciation and amortization	<u>(414,272)</u>	<u>(396,518)</u>
	679,052	698,445
Cash and cash equivalents	18,030	18,544
Accounts and notes receivable	18,085	26,982
Deferred charges and other assets	<u>20,774</u>	<u>22,310</u>
	<u>735,941</u>	<u>766,281</u>
Liabilities:		
Notes payable	1,128,507	1,092,806
Accounts payable and other liabilities, net	<u>36,417</u>	<u>50,615</u>
	1,164,924	1,143,421
Accumulated Deficiency in Assets:		
Accumulated deficiency in assets - TRG	(225,573)	(200,169)
Accumulated deficiency in assets - Joint Venture Partners	(196,678)	(166,866)
Accumulated other comprehensive income (loss) - TRG	(3,607)	(5,397)
Accumulated other comprehensive income (loss) - Joint Venture Partners	<u>(3,125)</u>	<u>(4,708)</u>
	<u>(428,983)</u>	<u>(377,140)</u>
	<u>735,941</u>	<u>766,281</u>

(1) Certain 2009 amounts have been reclassified to conform to 2010 classifications.

**TAUBMAN CENTERS, INC.**

**Debt Summary**

**As of September 30, 2010**

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

		<b>MORTGAGE AND OTHER NOTES PAYABLE (a)</b>																
		<b>INCLUDING WEIGHTED AVERAGE INTEREST RATES AT SEPTEMBER 30, 2010</b>																
		<b>Beneficial Interest</b>		<b>Effective Rate</b>		<b>LIBOR Rate</b>		<b>Principal Amortization and Debt Maturities</b>										
		<b>100%</b>	<b>9/30/10</b>	<b>9/30/10</b>	<b>(b)</b>	<b>Spread</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>Total</b>
<b>Consolidated Fixed Rate Debt:</b>																		
	Beverly Center		324.2	324.2		5.28%	1.5	6.0	6.3	6.6	303.8							324.2
	Cherry Creek Shopping Center	50.00%	280.0	140.0		5.24%							140.0					140.0
	Great Lakes Crossing Outlets		133.0	133.0		5.25%	0.7	3.0	3.2	126.0								133.0
	Northlake Mall		215.5	215.5		5.41%							215.5					215.5
	Regency Square (c)		73.2	73.2		6.75%	0.4	72.8 (c)										73.2
	Stony Point Fashion Park		105.9	105.9		6.24%	0.5	1.9	2.0	2.1	99.5							105.9
	The Mall at Partridge Creek		82.4	82.4		6.15%	0.2	0.9	1.0	1.1	1.1	1.2	1.3	1.4	1.4	1.5	71.2	82.4
	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
	The Pier Shops at Caesars	77.50%	135.0 (d)	104.6		10.01% (d)	104.6 (d)											104.6
	<b>Total Consolidated Fixed Weighted Rate</b>		<b>2,089.1</b>	<b>1,898.7</b>			<b>107.9</b>	<b>84.6</b>	<b>12.4</b>	<b>135.9</b>	<b>404.5</b>	<b>721.2</b>	<b>356.8</b>	<b>1.4</b>	<b>1.4</b>	<b>1.5</b>	<b>71.2</b>	<b>1,898.7</b>
	<b>Weighted Rate</b>		<b>5.79%</b>	<b>5.77%</b>			<b>9.88%</b>	<b>6.57%</b>	<b>5.49%</b>	<b>5.27%</b>	<b>5.52%</b>	<b>5.46%</b>	<b>5.35%</b>	<b>6.15%</b>	<b>6.15%</b>	<b>6.15%</b>	<b>6.15%</b>	
<b>Consolidated Floating Rate Debt:</b>																		
	International Plaza	50.10%	325.0	162.8		5.01% (e)		162.8 (f)										162.8
	MacArthur Center	95.00%	131.0	124.5		4.99% (g)			0.4	1.3	1.4	1.5	1.6	1.7	1.8	2.0	112.8	124.5
	TRG Revolving Credit		22.7	22.7		1.23% (h)		22.7										22.7
	TRG \$550M Revolving Credit Facility:																	
	Dolphin Mall (j)		10.0	10.0		0.96% (i)		10.0 (k)										10.0
	Fairlane Town Center (j)		80.0	80.0		0.96% (i)		80.0 (k)										80.0
	Twelve Oaks Mall (j)		0.0	0.0		0.70%		0.0 (k)										0.0
	<b>Total Consolidated Floating Weighted Rate</b>		<b>568.7</b>	<b>400.0</b>			<b>0.0</b>	<b>275.5</b>	<b>0.4</b>	<b>1.3</b>	<b>1.4</b>	<b>1.5</b>	<b>1.6</b>	<b>1.7</b>	<b>1.8</b>	<b>2.0</b>	<b>112.8</b>	<b>400.0</b>
	<b>Weighted Rate</b>		<b>4.21%</b>	<b>3.88%</b>			<b>0.00%</b>	<b>3.37%</b>	<b>4.99%</b>	<b>4.99%</b>	<b>4.99%</b>	<b>4.99%</b>	<b>4.99%</b>	<b>4.99%</b>	<b>4.99%</b>	<b>4.99%</b>	<b>4.99%</b>	
	<b>Total Consolidated Weighted Rate</b>		<b>2,657.8</b>	<b>2,298.7</b>			<b>107.9</b>	<b>360.1</b>	<b>12.8</b>	<b>137.2</b>	<b>405.9</b>	<b>722.7</b>	<b>358.4</b>	<b>3.1</b>	<b>3.3</b>	<b>3.5</b>	<b>184.0</b>	<b>2,298.7</b>
	<b>Weighted Rate</b>		<b>5.45%</b>	<b>5.44%</b>			<b>9.88%</b>	<b>4.13%</b>	<b>5.48%</b>	<b>5.27%</b>	<b>5.52%</b>	<b>5.46%</b>	<b>5.34%</b>	<b>5.50%</b>	<b>5.50%</b>	<b>5.50%</b>	<b>5.44%</b>	
<b>Joint Ventures Fixed Rate Debt:</b>																		
	Arizona Mills	50.00%	174.7	87.3		5.76%	0.3	1.1	1.1	1.2	1.3	1.4	1.4	1.5	1.6	1.7	74.7	87.3
	The Mall at Millenia	50.00%	203.3	101.6		5.46%	0.4	1.6	1.6	98.1								101.6
	Sunvalley	50.00%	119.6	59.8		5.67%	0.3	1.3	58.2									59.8
	Waterside Shops	25.00%	165.0	41.3		5.54%							41.3					41.3
	Westfarms	78.94%	186.0	146.8		6.10%	0.8	3.1	142.9									146.8
	<b>Total Joint Venture Fixed Weighted Rate</b>		<b>848.5</b>	<b>436.8</b>			<b>1.7</b>	<b>7.0</b>	<b>203.9</b>	<b>99.3</b>	<b>1.3</b>	<b>1.4</b>	<b>42.7</b>	<b>1.5</b>	<b>1.6</b>	<b>1.7</b>	<b>74.7</b>	<b>436.8</b>
	<b>Weighted Rate</b>		<b>5.71%</b>	<b>5.77%</b>			<b>5.83%</b>	<b>5.83%</b>	<b>5.97%</b>	<b>5.46%</b>	<b>5.76%</b>	<b>5.76%</b>	<b>5.55%</b>	<b>5.76%</b>	<b>5.76%</b>	<b>5.76%</b>	<b>5.76%</b>	
<b>Joint Ventures Floating Rate Debt:</b>																		
	Fair Oaks	50.00%	250.0	125.0		4.22% (l)		125.0 (f)										125.0
	Taubman Land Associates	50.00%	30.0	15.0		5.95% (m)		15.0										15.0
	Other (n)		0.1	0.0		3.25%		0.0										0.0
	<b>Total Joint Venture Floating Weighted Rate</b>		<b>280.1</b>	<b>140.0</b>			<b>0.0</b>	<b>125.0</b>	<b>15.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>140.0</b>
	<b>Weighted Rate</b>		<b>4.40%</b>	<b>4.40%</b>			<b>3.25%</b>	<b>4.22%</b>	<b>5.95%</b>	<b>0.00%</b>	<b>0.00%</b>	<b>0.00%</b>	<b>0.00%</b>	<b>0.00%</b>	<b>0.00%</b>	<b>0.00%</b>	<b>0.00%</b>	
	<b>Total Joint Venture Weighted Rate</b>		<b>1,128.5</b>	<b>576.8</b>			<b>1.7</b>	<b>132.0</b>	<b>218.9</b>	<b>99.3</b>	<b>1.3</b>	<b>1.4</b>	<b>42.7</b>	<b>1.5</b>	<b>1.6</b>	<b>1.7</b>	<b>74.7</b>	<b>576.8</b>
	<b>Weighted Rate</b>		<b>5.38%</b>	<b>5.44%</b>			<b>5.81%</b>	<b>4.31%</b>	<b>5.97%</b>	<b>5.46%</b>	<b>5.76%</b>	<b>5.76%</b>	<b>5.55%</b>	<b>5.76%</b>	<b>5.76%</b>	<b>5.76%</b>	<b>5.76%</b>	
<b>TRG Beneficial Interest Totals</b>																		
	<b>Fixed Rate Debt</b>		<b>2,937.6</b>	<b>2,335.6</b>			<b>109.6</b>	<b>91.7</b>	<b>216.3</b>	<b>235.1</b>	<b>405.8</b>	<b>722.6</b>	<b>399.4</b>	<b>2.9</b>	<b>3.1</b>	<b>3.3</b>	<b>146.0</b>	<b>2,335.6</b>
	<b>Weighted Rate</b>		<b>5.77%</b>	<b>5.77%</b>			<b>9.28%</b>	<b>6.52%</b>	<b>5.94%</b>	<b>5.35%</b>	<b>5.52%</b>	<b>5.46%</b>	<b>5.37%</b>	<b>5.94%</b>	<b>5.94%</b>	<b>5.94%</b>	<b>5.95%</b>	
	<b>Floating Rate Debt</b>		<b>848.7</b>	<b>540.0</b>			<b>0.0</b>	<b>400.5</b>	<b>15.4</b>	<b>1.3</b>	<b>1.4</b>	<b>1.5</b>	<b>1.6</b>	<b>1.7</b>	<b>1.8</b>	<b>2.0</b>	<b>112.8</b>	<b>540.0</b>
	<b>Weighted Rate</b>		<b>4.28%</b>	<b>4.01%</b>			<b>3.25%</b>	<b>3.64%</b>	<b>5.92%</b>	<b>4.99%</b>	<b>4.99%</b>	<b>4.99%</b>	<b>4.99%</b>	<b>4.99%</b>	<b>4.99%</b>	<b>4.99%</b>	<b>4.99%</b>	
	<b>Total</b>		<b>3,786.3</b>	<b>2,875.5</b>			<b>109.6</b>	<b>492.2</b>	<b>231.7</b>	<b>236.4</b>	<b>407.2</b>	<b>724.1</b>	<b>401.0</b>	<b>4.6</b>	<b>4.9</b>	<b>5.2</b>	<b>258.7</b>	<b>2,875.5</b>
	<b>Weighted Rate</b>		<b>5.43%</b>	<b>5.44%</b>			<b>9.81%</b>	<b>4.17%</b>	<b>5.94%</b>	<b>5.35%</b>	<b>5.52%</b>	<b>5.46%</b>	<b>5.37%</b>	<b>5.59%</b>	<b>5.59%</b>	<b>5.58%</b>	<b>5.53%</b>	

**Average Maturity Fixed Debt** 4  
**Average Maturity Total Debt** 4

- (a) All debt is secured and non-recourse to TRG unless otherwise indicated.
- (b) 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.
- (c) The Company has announced that it will discontinue financial support of Regency Square. As a result the Company is in discussions with the lender about the center's future ownership. The Company expects to accrue default rate of interest on the loan of 10.75% beginning late in the fourth quarter of 2010.
- (d) The Pier Shops' loan is in default. As of December 2009, interest accrues at the default rate of 10.01% rather than the original stated rate of 6.01%.
- (e) Debt is swapped to an effective rate of 5.01% until maturity January 1, 2011. If the loan is extended, the rate would float at LIBOR + 1.15%.

- (f) Two one year extension options available.
- (g) Debt is swapped to an effective rate of 4.99% until maturity.
- (h) Rate floats daily. Letters of credit totaling \$4.3 million are also outstanding on facility.
- (i) The debt is floating month to month at LIBOR plus spread.
- (j) TRG revolving credit facility of \$550 million. Dolphin, Fairlane and Twelve Oaks are the direct borrowers under this facility. Debt is guaranteed by TRG.
- (k) One year extension option available.
- (l) Debt is swapped to an effective rate of 4.22% until maturity April 1, 2011. If the loan is extended, the rate would float at LIBOR + 1.40%.
- (m) Debt is swapped to an effective rate of 5.95% until maturity.
- (n) Debt is unsecured.



**TAUBMAN CENTERS, INC.**  
**Other Debt, Equity, and Certain Balance Sheet Information**  
**As of September 30, 2010**

(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	Percentage of Principal	Percentage of Interest
Dolphin Mall (1)	10.0	10.0	10.0	100%	100%
Fairlane Town Center (1)	80.0	80.0	80.0	100%	100%
Twelve Oaks Mall (1)	-	-	-	100%	100%

(1) Borrowings under the \$550 million revolver are primary obligations of the entities owning Dolphin Mall, Fairlane Town Center, and Twelve Oaks Mall, which are the collateral for the line of credit. The Operating Partnership and the entities owning Fairlane and Twelve Oaks are guarantors under the credit agreement.

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

	Amount	Percentage of Total	Interest Rate Including Spread
Fixed rate debt	2,335.6 (2)	81%	5.77% (1), (2)
Floating rate debt swapped to fixed rate:			
Swapped through December 2010	162.8		5.01%
Swapped through March 2011	125.0		4.22%
Swapped through October 2012	15.0		5.95%
Swapped through August 2020	124.5		4.99%
	427.3	15%	4.80% (1)
Floating month to month	112.7	4%	1.01% (1)
Total floating rate debt	540.0	19%	4.01% (1)
Total beneficial interest in debt	2,875.5	100%	5.44% (1)
Amortization of financing costs (3)			0.21%
Average all-in rate			5.65% (2)

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

(2) The Pier Shops' loan is in default. As of December 2009 interest accrues at the default rate of 10.01% rather than the original stated rate of 6.01%. Excluding the operating properties' beneficial interest in The Pier Shops' debt of \$104.6 million from the table changes the average fixed rate to 5.57% and the average all-in rate to 5.47%.

(3) Financing costs include debt issuance costs and costs related to interest rate agreements of certain fixed rate debt.

(4) Amounts in the table may not add due to rounding.

**Certain Balance Sheet Information**

	Consolidated Amount	TRG's Credit Facilities	
		Lender	Commitment
Properties:			
Peripheral land	45.5 (1)	Eurohypo AG, New York Branch	65
Accounts and notes receivable:		Comerica Bank	60
Straightline rents and recoveries	22.0	PNC Bank, N.A.	60
Deferred charges and other assets:		Calyon New York Branch	50
Prepays, deposits, and investments	21.3	JP Morgan Chase Bank, N.A.	50
Intangibles	0.5	PB (USA) Realty Corporation	50
Accounts payable and accrued liabilities:		RBS Citizens, N.A. d/b/a Charter One	50
Capital lease obligations	0.2 (2)	Fifth Third Bank	40
Straightline ground rent	33.6	Landesbank Hessen-Thurigen Girozentrale	35
Community Development District obligation	63.3 (2)	US Bank, N.A.	35
		MidFirst Bank	30
		Bayerische Landesbank, New York Branch	25
			550
		Comerica Bank	40

(1) Valued at historical cost. Excludes land associated with construction in process.

(2) The expense portion of the related payments, which are generally recoverable from tenants, are included in the line item Maintenance, taxes, and utilities in the Company's financial statements.

**Preferred Equity**

	Face Value	Number of Shares Outstanding	Coupon	NYSE Symbol	Earliest Redemption
Series F Cumulative Redeemable Preferred Equity	30		8.2%		Currently redeemable
Series G Cumulative Redeemable Preferred Stock	100	4,000,000	8.0%	TCO-PG	Currently redeemable
Series H Cumulative Redeemable Preferred Stock	87	3,480,000	7.625%	TCO-PH	Currently redeemable
	217				

**TAUBMAN CENTERS, INC.**  
**Construction**

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<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>	<u>Capitalized Costs-To-Date</u>	<u>Expected Return at Stabilization (1)</u>
City Creek Center	Salt Lake City, Utah	Nordstrom, Macy's	0.7 million sq. ft.	March 2012	100% (2)	\$76 million (2)	\$1 million (2)	11%-12% (2)

(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) We have finalized the agreements regarding City Creek Center, a mixed-use project in Salt Lake City, Utah. We are currently providing development and leasing services and will be the manager for the retail space, which we will own under a participating lease. City Creek Reserve, Inc. (CCRI), an affiliate of the LDS Church, is the participating lessor and is providing all of the construction financing. We expect our return to be about 11% to 12% on our investment of approximately \$76 million, of which \$75 million will be paid to CCRI upon opening of the retail center.

TAUBMAN CENTERS, INC.  
Capital Spending  
For the Periods Ended September 30, 2010  
(in thousands of dollars)

	Three Months Ended September 30, 2010				Nine Months Ended September 30, 2010			
	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%
<b>Capital Additions to Properties (1):</b>								
Existing Centers:								
Projects with incremental GLA or anchor replacement	3,817	3,875			7,762	7,820		
Projects with no incremental GLA and other	639	567	468	231	3,750	3,621	1,756	880
Mall tenant allowances (2)	13,687	12,483	161	80	24,745	23,124	1,081	580
Asset replacement costs recoverable from tenants	1,863	1,685	2,124	1,192	4,148	3,765	3,231	1,794
Corporate office improvements and equipment and other	241	241			679	679		
	<u>20,247</u>	<u>18,851</u>	<u>2,753</u>	<u>1,503</u>	<u>41,084</u>	<u>39,009</u>	<u>6,068</u>	<u>3,254</u>
<b>Capitalized leasing costs (1)</b>	1,680	1,600	387	214	5,766	5,273	1,240	656

(1) Costs are net of intercompany profits and are computed on an accrual basis.

(2) Excludes initial lease-up costs.

	Consolidated Businesses at 100%	Consolidated Businesses at TRG%	Unconsolidated Joint Ventures at 100%	Unconsolidated Joint Ventures at TRG%
<b>Construction work in process, at September 30, 2010</b>	63,368 (1)	63,251 (1)	2,924	1,465
<b>Capitalized interest, for the nine months ended September 30, 2010</b>	176 (2)	176	-	-

(1) Includes \$40 million related to The Mall at Oyster Bay land and site improvements.

(2) Interest is being capitalized on \$13.4 million of construction work in process.

**TAUBMAN CENTERS, INC.**  
**Operational Statistics**  
**For the Periods Ended September 30, 2010 and 2009**

	<b>Three Months Ended</b>		<b>Year to Date</b>	
	<b>2010</b>	<b>2009</b>	<b>2010</b>	<b>2009</b>
<b>Occupancy and Leased Space (1), (2):</b>				
Ending occupancy	88.6%	88.7%	88.6%	88.7%
Average occupancy	88.3%	88.5%	88.3%	88.8%
Leased space	91.7%	91.1%	91.7%	91.1%
<b>Average Base Rents (2):</b>				
Average rent per square foot:				
Consolidated Businesses	42.84	42.36	42.92	43.56
Unconsolidated Joint Ventures	43.68	44.56	43.71	44.59
Combined	43.12	43.08	43.17	43.89
<b>Opening/Closing Rents (2),(3):</b>				
<b>Twelve Months Trailing</b>				
	<b>2010</b>	<b>2009</b>		
Opening base rent per square foot:				
Consolidated Businesses	48.48	44.44		
Unconsolidated Joint Ventures	44.66	53.82		
Combined	47.38	46.94		
Square feet of GLA opened:				
Consolidated Businesses	606,611	676,135		
Unconsolidated Joint Ventures	244,899	245,321		
Combined	851,510	921,456		
Closing base rent per square foot:				
Consolidated Businesses	46.85	41.94		
Unconsolidated Joint Ventures	47.73	50.00		
Combined	47.07	43.99		
Square feet of GLA closed:				
Consolidated Businesses	719,697	807,687		
Unconsolidated Joint Ventures	238,553	274,245		
Combined	958,250	1,081,932		
Releasing spread per square foot:				
Consolidated Businesses	1.63	2.50		
Unconsolidated Joint Ventures	(3.07)	3.82		
Combined	0.31	2.95		
<b>Sales per square foot (2)</b>	<b>539</b>	<b>492</b>		
<b>Three Months Ended</b>				
	<b>2010</b>	<b>2009</b>	<b>Year to Date</b>	
			<b>2010</b>	<b>2009</b>
<b>Mall Tenant Sales (in thousands of dollars) (2),(4):</b>				
Mall tenants	1,095,242	987,008	3,162,686	2,877,130
Sales per square foot growth	13.2%		12.1%	
<b>Occupancy Costs as a Percentage of Sales (2), (4):</b>				
Consolidated Businesses	14.6%	16.1%	15.1%	17.1%
Unconsolidated Joint Ventures	14.1%	15.6%	14.2%	15.8%
Combined	14.4%	15.9%	14.8%	16.7%
<b>Tenant Bankruptcy Filings as a Percentage of Total Tenants</b>	<b>0.5% (2)</b>	<b>1.1%</b>	<b>0.7% (2)</b>	<b>3.1%</b>
<b>Growth in Net Operating Income (2):</b>				
Including all lease cancellation fees	-7.2%	0.3%	-4.4%	0.5%
Excluding all lease cancellation fees	1.1%	-7.5%	-1.5%	-3.7%
<b>Number of Owned Properties at End of Period</b>	<b>23</b>	<b>23</b>	<b>23</b>	<b>23</b>

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

(2) Statistics exclude The Pier Shops.

(3) Opening and closing statistics exclude spaces greater than or equal to 10,000 square feet.

(4) Based on reports of sales furnished by mall tenants.

**TAUBMAN CENTERS, INC.**  
**Owned Centers**  
**At September 30, 2010**

<b>Center</b>	<b>Anchors</b>	<b>Sq. Ft. of GLA/ Mall GLA</b>	<b>Year Opened/ Expanded</b>	<b>Ownership %</b>
<b>Consolidated Businesses:</b>				
Beverly Center Los Angeles, CA	Bloomingdale's, Macy's	880,000 572,000	1982	100%
Cherry Creek Shopping Center Denver, CO	Macy's, Neiman Marcus, Nordstrom Saks Fifth Avenue	1,038,000 547,000	1990/1998	50%
Dolphin Mall Miami, FL	Bass Pro Shops Outdoor World, Burlington Coat Factory, Cobb Theatres, Dave & Busters, Marshalls, Neiman Marcus-Last Call, Off 5th Saks, The Sports Authority	1,399,000 636,000	2001/2007	100%
Fairlane Town Center Dearborn, MI <i>(Detroit Metropolitan Area)</i>	JCPenney, Macy's, Sears	1,384,000 (1) 587,000	1976/1978/ 1980/2000	100%
Great Lakes Crossing Outlets Auburn Hills, MI <i>(Detroit Metropolitan Area)</i>	AMC Theatres, Bass Pro Shops Outdoor World, Neiman Marcus-Last Call, Off 5th Saks	1,354,000 537,000	1998	100%
International Plaza Tampa, FL	Dillard's, Neiman Marcus, Nordstrom, Robb & Stucky	1,204,000 583,000	2001	50%
MacArthur Center Norfolk, VA	Dillard's, Nordstrom	937,000 523,000	1999	95%
Northlake Mall Charlotte, NC	Belk, Dick's Sporting Goods, Dillard's, Macy's	1,071,000 465,000	2005	100%
The Mall at Partridge Creek Clinton Township, MI <i>(Detroit Metropolitan Area)</i>	Nordstrom, Parisian	599,000 365,000	2007/2008	100%
The Pier Shops at Caesars (2) Atlantic City, NJ		295,000 295,000	2006	78%
Regency Square Richmond, VA	JCPenney, Macy's (two locations), Sears	818,000 231,000	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, Dick's Sporting Goods, Saks Fifth Avenue	662,000 296,000	2003	100%
Twelve Oaks Mall Novi, MI <i>(Detroit Metropolitan Area)</i>	JCPenney, Lord & Taylor, Macy's, Nordstrom, Sears	1,512,000 547,000	1977/1978 2007/2008	100%
The Mall at Wellington Green Wellington, FL <i>(Palm Beach County)</i>	City Furniture and Ashley Furniture Home Store, Dillard's, JCPenney, Macy's, Nordstrom	1,273,000 460,000	2001/2003	90%
The Shops at Willow Bend Plano, TX <i>(Dallas Metropolitan Area)</i>	Dillard's, Macy's, Neiman Marcus	1,379,000 (3) 521,000	2001/2004	100%
Total GLA		17,145,000		
Total Mall GLA		7,683,000		
TRG % of Total GLA		15,785,000		
TRG % of Total Mall GLA		6,981,000		
<b>Unconsolidated Joint Ventures:</b>				
Arizona Mills Tempe, AZ <i>(Phoenix Metropolitan Area)</i>	GameWorks, Harkins Cinemas, JCPenney Outlet, Neiman Marcus-Last Call, Off 5th Saks	1,214,000 527,000	1997	50%
Fair Oaks Fairfax, VA <i>(Washington, DC Metropolitan Area)</i>	JCPenney, Lord & Taylor, Macy's (two locations), Sears	1,570,000 566,000	1980/1987/ 1988/2000	50%
The Mall at Millenia Orlando, FL	Bloomingdale's, Macy's, Neiman Marcus	1,116,000 516,000	2002	50%
Stamford Town Center Stamford, CT	Macy's, Saks Fifth Avenue	772,000 449,000	1982/2007	50%
Sunvalley Concord, CA <i>(San Francisco Metropolitan Area)</i>	JCPenney, Macy's (two locations), Sears	1,331,000 491,000	1967/1981	50%
Waterside Shops Naples, FL	Nordstrom, Saks Fifth Avenue	337,000 197,000	1992/2006/2008	25%
Westfarms West Hartford, CT	JCPenney, Lord & Taylor, Macy's, Macy's Men's Store/Furniture Gallery, Nordstrom	1,287,000 517,000	1974/1983/1997	79%
Total GLA		7,627,000		
Total Mall GLA		3,263,000		
TRG % of Total GLA		4,102,000		
TRG % of Total Mall GLA		1,732,000		
<b>Grand Total GLA</b>		<b>24,772,000</b>		
<b>Grand Total Mall GLA</b>		<b>10,946,000</b>		
<b>TRG % of Total GLA</b>		<b>19,887,000</b>		
<b>TRG % of Total Mall GLA</b>		<b>8,713,000</b>		

(1) GLA includes the former Lord & Taylor store, which closed on June 24, 2006.

(2) The center is attached to Caesars casino integrated resort. The loan at The Pier Shops is currently in default. The foreclosure process is not in the Company's control and the timing of transfer of title is uncertain.

(3) GLA includes the former Saks Fifth Avenue store which closed in August 2010. Crate & Barrel is expected to open in March 2011 as part of the redevelopment of the former Lord & Taylor space.

**TAUBMAN CENTERS, INC.**  
**Major Tenants in Owned Portfolio**  
**At September 30, 2010**

Tenant	Number of Stores	Square Footage	% Mall GLA
Forever 21 (Forever 21, For Love 21, XXI Forever, and others)	28	458,036	4.2%
The Gap (Gap, Gap Kids, Baby Gap, Banana Republic, Old Navy, and others)	44	395,623	3.6%
Limited Brands (Bath & Body Works/White Barn Candle, Pink, Victoria's Secret, and others)	45	286,173	2.6%
Abercrombie & Fitch (Abercrombie & Fitch, Hollister, and others)	34	247,478	2.3%
Williams-Sonoma (Williams-Sonoma, Pottery Barn, Pottery Barn Kids, and others)	25	193,457	1.8%
H&M	10	177,078	1.6%
Ann Taylor (Ann Taylor, Ann Taylor Loft, and others)	30	173,700	1.6%
Foot Locker (Foot Locker, Lady Foot Locker, Champs Sports, Foot Action USA, and others)	40	171,687	1.6%
Express (Express, Express Men)	19	170,796	1.6%
American Eagle Outfitters (American Eagle Outfitters, Aerie, and 77kids)	23	131,940	1.2%

**TAUBMAN CENTERS, INC.**  
**Anchors in Owned Portfolio (1)**  
**At September 30, 2010**

**(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	6.4%
JCPenney	7	1,266	6.1%
Lord & Taylor	3	397	1.9%
Macy's			
Bloomingdale's	3	614	
Macy's	17	3,454	
Macy's Men's Store/Furniture Gallery	1	80	
Total	21	4,148	19.9%
Neiman Marcus (1)	5	556	2.7%
Nordstrom	9	1,294	6.2%
Parisian	1	116	0.6%
Robb & Stucky	1	119	0.6%
Saks (2)	5	412	2.0%
Sears	5	1,104	5.3%
Total	67	11,226	54.0% (3)

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

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

(3) Percentages may not add due to rounding.