

# Taubman

**Third Quarter 2012 Supplemental Information**

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**TAUBMAN CENTERS, INC.**  
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**Third Quarter 2012**

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## TAUBMAN CENTERS, INC.

### Introduction

#### Third Quarter 2012

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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, 2012 included 24 urban and suburban shopping centers in 12 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 2012. Amounts for 2011 have been reclassified to conform with the classification and presentation of discontinued operations of The Pier Shops and Regency Square. 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 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, 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. 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 straight-line adjustments of minimum rent) less maintenance, taxes, utilities, promotion, ground rent (including straight-line adjustments), 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 comparable center NOI growth and lease cancellation income. Comparable centers are generally defined as centers that were owned and open for the entire current and preceding period presented.

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 (or losses) from extraordinary items and sales of properties and impairment write-downs of depreciable real estate, 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. The Company believes the disclosure of the adjusted items is similarly useful to investors and others to understand management's view on comparability of such measures between periods. For the three and nine month period ended September 30, 2012, FFO was adjusted for charges related to the redemption of Series G and H Preferred Stock. For the three and nine month period ended September 30, 2011, EBITDA and FFO were adjusted for costs related to the acquisitions of The Mall at Green Hills, The Gardens on El Paseo and El Paseo Village, and Taubman TCBL. In the reconciliations on pages 5 and 6 of this Supplemental, the Company has separately presented the prior year impacts of The Pier Shops and Regency Square, as the titles for these centers were transferred to the lenders and operations of these centers have been reclassified to discontinued operations.

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 the same definitions. These measures should not be considered alternatives to net income or as an indicator of the Company's operating performance. Additionally, these measures 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, 2012 and 2011**

(in thousands of dollars, except as noted)

	Three Months Ended		Year to Date	
	2012	2011	2012	2011
<b>Funds from Operations (1):</b>				
FFO:				
TRG	70,477	54,126	199,149	158,081
TCO	49,071	37,729	137,676	109,292
FFO per common share:				
Basic	0.81	0.65	2.33	1.93
Diluted	0.79	0.63	2.26	1.88
Growth rate-diluted	25.4%		20.2%	
Adjusted FFO (1):				
TRG	76,889	55,807	205,561	159,762
TCO	53,535	38,901	142,108	110,464
Adjusted FFO per common share (1):				
Basic	0.88	0.67	2.40	1.95
Diluted	0.86	0.65	2.33	1.90
Growth rate-diluted	32.3%		22.6%	
<b>Earnings (loss) attributable to common shareowners:</b>				
Income from continuing operations:				
Basic	21,700	16,603	55,604	44,403
Diluted	21,868	16,766	56,074	44,823
Per common share - basic	0.36	0.29	0.94	0.79
Per common share - diluted	0.35	0.28	0.92	0.77
Loss from discontinued operations (2):				
Basic		(8,142)		(16,882)
Diluted		(8,214)		(17,027)
Per common share - basic		(0.14)		(0.30)
Per common share - diluted		(0.14)		(0.29)
Net income attributable to common shareholders:				
Basic	21,700	8,461	55,604	27,521
Diluted	21,868	8,552	56,074	27,796
Per common share - basic	0.36	0.15	0.94	0.49
Per common share - diluted	0.35	0.14	0.92	0.48
<b>Dividends (3):</b>				
Regular dividends paid per common share	0.4625	0.4375	1.3875	1.3125
Payout ratio of Adjusted FFO per diluted common share	54%	67%	60%	69%
<b>Coverage (4):</b>				
Interest only	3.1	2.5	2.8	2.4
Fixed charges	2.2	2.0	2.2	2.0
<b>Market Capitalization:</b>				
Closing stock price at end of period	76.73	50.31		
Market equity value of share equivalents	6,761,465	4,178,257		
Preferred equity (at face value)	192,500	217,000		
Beneficial interest in debt	3,050,300	2,774,500		
Total market capitalization	10,004,265	7,169,757		
Debt to total market capitalization	30.5%	38.7%		
<b>Ownership:</b>				
TCO common shares outstanding:				
End of period	61,698,618	57,891,337		
Weighted average - basic	60,571,612	57,890,006	59,207,828	56,554,268
Weighted average - diluted	62,025,322	59,635,557	60,716,518	58,137,149
TRG units of partnership interest:				
End of period	88,120,226	83,050,223		
Weighted average - basic	86,994,524	83,048,892	85,655,085	81,797,910
Weighted average - diluted	89,319,495	85,665,704	88,035,037	84,252,063
TCO ownership of TRG:				
End of period	70.0%	69.7%		
Weighted average	69.6%	69.7%	69.1%	69.1%

(1) FFO for the three and nine months ended September 30, 2012 includes, and Adjusted FFO excludes, charges related to the redemption of Series G and H Preferred Stock. FFO for the three and nine months ended September 30, 2011 includes, and Adjusted FFO excludes, costs related to the acquisitions of The Mall at Green Hills, The Gardens on El Paseo and El Paseo Village, and Taubman TCBL.

(2) Includes the operations of Regency Square and The Pier Shops.

(3) The tax status of total 2012 common dividends, assuming continuation of a \$0.4625 per common share quarterly dividend, is estimated to be 100% ordinary income. The tax status of total 2012 dividends on Series G, Series H and Series J Preferred Stock is estimated to be 100% ordinary income. These are forward-looking statements and certain significant factors could cause the actual results to differ materially.

(4) 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 2011, EBITDA was adjusted to exclude acquisition costs.

**TAUBMAN CENTERS, INC.**  
**Income Statement**  
**For the Three Months Ended September 30, 2012 and 2011**  
(in thousands of dollars)

	2012		2011	
	UNCONSOLIDATED		UNCONSOLIDATED	
	CONSOLIDATED BUSINESSES	JOINT VENTURES (1)	CONSOLIDATED BUSINESSES	JOINT VENTURES (1)
<b>REVENUES:</b>				
Minimum rents	99,564	40,016	84,929	38,211
Percentage rents	6,315	2,366	4,737	1,815
Expense recoveries	66,633	26,224	57,231	23,387
Management, leasing, and development services	10,234		5,083	
Other	6,793	1,829	6,575	1,473
Total revenues	<u>189,539</u>	<u>70,435</u>	<u>158,555</u>	<u>64,886</u>
<b>EXPENSES:</b>				
Maintenance, taxes, utilities, and promotion	53,253	18,588	45,200	16,448
Other operating	16,128	3,581	15,255	3,697
Management, leasing, and development services	6,165		2,889	
General and administrative	9,571		7,709	
Acquisition costs			1,681	
Interest expense	34,943	16,617	30,064	15,619
Depreciation and amortization	36,414	9,095	33,054	9,281
Total expenses	<u>156,474</u>	<u>47,881</u>	<u>135,852</u>	<u>45,045</u>
Nonoperating income	<u>56</u>	<u>18</u>	<u>96</u>	<u>111</u>
	33,121	<u>22,572</u>	22,799	<u>19,952</u>
Income tax expense	(732)		(208)	
Equity in income of Unconsolidated Joint Ventures	<u>12,672</u>		<u>10,958</u>	
Income from continuing operations	45,061		33,549	
Discontinued operations (2):				
EBITDA			34	
Interest expense			(6,354)	
Depreciation and amortization			(5,361)	
Income (loss) from discontinued operations			<u>(11,681)</u>	
Net income	<u>45,061</u>		<u>21,868</u>	
Net income attributable to noncontrolling interests:				
Noncontrolling share of income of consolidated joint ventures	(2,079)		(4,327)	
TRG series F preferred distributions			(615)	
Noncontrolling share of income of TRG - continuing operations	(10,216)		(7,964)	
Noncontrolling share of loss of TRG - discontinued operations			3,539	
Distributions to participating securities of TRG	(403)		(382)	
Preferred stock dividends (3)	(10,663)		(3,658)	
Net income attributable to Taubman Centers, Inc. common shareowners	<u>21,700</u>		<u>8,461</u>	
<b>SUPPLEMENTAL INFORMATION:</b>				
EBITDA - 100%	104,478	48,284	85,951	44,852
EBITDA - outside partners' share	(9,257)	(21,536)	(9,498)	(20,326)
Beneficial interest in EBITDA	<u>95,221</u>	<u>26,748</u>	<u>76,453</u>	<u>24,526</u>
Beneficial interest expense	(30,718)	(8,765)	(33,651)	(8,082)
Beneficial income tax expense	(667)		(208)	
Non-real estate depreciation	(679)		(639)	
Preferred dividends and distributions	(10,663)		(4,273)	
Funds from Operations contribution	<u>52,494</u>	<u>17,983</u>	<u>37,682</u>	<u>16,444</u>
Net straight-line adjustments to rental revenue, recoveries, and ground rent expense at TRG %	<u>1,194</u>	<u>187</u>	<u>329</u>	<u>86</u>
Purchase accounting adjustments - minimum rents	<u>212</u>			
Purchase accounting adjustments - interest expense reduction	<u>(858)</u>			

(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) Includes the operations of Regency Square and The Pier Shops.

(3) Preferred dividends for the three months ended September 30, 2012 include charges of \$3.3 million and \$3.1 million incurred in connection with the \$100 million redemption of the Series G Preferred Stock and the \$87 million redemption of the Series H Preferred Stock, respectively.

**TAUBMAN CENTERS, INC.**  
**Income Statement**  
**For the Nine Months Ended September 30, 2012 and 2011**  
(in thousands of dollars)

	2012		2011	
	UNCONSOLIDATED		UNCONSOLIDATED	
	CONSOLIDATED BUSINESSES	JOINT VENTURES (1)	CONSOLIDATED BUSINESSES	JOINT VENTURES (1)
<b>REVENUES:</b>				
Minimum rents	292,248	119,213	251,569	115,566
Percentage rents	12,767	5,797	9,591	4,108
Expense recoveries	185,325	72,561	162,936	67,583
Management, leasing, and development services	27,441		15,423	
Other	20,487	4,945	18,077	3,906
Total revenues	<u>538,268</u>	<u>202,516</u>	<u>457,596</u>	<u>191,163</u>
<b>EXPENSES:</b>				
Maintenance, taxes, utilities, and promotion	143,854	52,202	129,712	48,921
Other operating	52,360	11,461	48,138	11,093
Management, leasing, and development services	21,674		7,492	
General and administrative	28,021		22,998	
Acquisition costs			1,681	
Interest expense	109,146	48,107	89,529	45,164
Depreciation and amortization	109,083	26,690	99,503	27,859
Total expenses	<u>464,138</u>	<u>138,460</u>	<u>399,053</u>	<u>133,037</u>
Nonoperating income	251	19	857	121
	74,381	<u>64,075</u>	59,400	<u>58,247</u>
Income tax expense	(1,438)		(413)	
Equity in income of Unconsolidated Joint Ventures	<u>35,743</u>		<u>31,990</u>	
Income from continuing operations	108,686		90,977	
Discontinued operations (2):				
EBITDA			2,029	
Interest expense			(17,374)	
Depreciation and amortization			(9,030)	
Income (loss) from discontinued operations			<u>(24,375)</u>	
Net income	<u>108,686</u>		<u>66,602</u>	
Net income attributable to noncontrolling interests:				
Noncontrolling share of income of consolidated joint ventures	(6,788)		(10,497)	
TRG series F preferred distributions			(1,845)	
Noncontrolling share of income of TRG - continuing operations	(27,105)		(22,113)	
Noncontrolling share of loss of TRG - discontinued operations			7,493	
Distributions to participating securities of TRG	(1,209)		(1,144)	
Preferred stock dividends (3)	(17,980)		(10,975)	
Net income attributable to Taubman Centers, Inc. common shareowners	<u>55,604</u>		<u>27,521</u>	
<b>SUPPLEMENTAL INFORMATION:</b>				
EBITDA - 100%	292,610	138,872	250,461	131,270
EBITDA - outside partners' share	(27,117)	(62,259)	(27,017)	(59,524)
Beneficial interest in EBITDA	<u>265,493</u>	<u>76,613</u>	<u>223,444</u>	<u>71,746</u>
Beneficial interest expense	(96,512)	(25,084)	(98,494)	(23,406)
Beneficial income tax expense	(1,393)		(413)	
Non-real estate depreciation	(1,988)		(1,976)	
Preferred dividends and distributions	(17,980)		(12,820)	
Funds from Operations contribution	<u>147,620</u>	<u>51,529</u>	<u>109,741</u>	<u>48,340</u>
Net straight-line adjustments to rental revenue, recoveries, and ground rent expense at TRG %	<u>2,544</u>	<u>360</u>	<u>173</u>	<u>142</u>
Purchase accounting adjustments - minimum rents	<u>610</u>			
Purchase accounting adjustments - interest expense reduction	<u>(2,573)</u>			

(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) Includes the operations of Regency Square and The Pier Shops.

(3) Preferred dividends for the nine months ended September 30, 2012 include charges of \$3.3 million and \$3.1 million incurred in connection with the \$100 million redemption of the Series G Preferred Stock and the \$87 million redemption of the Series H Preferred Stock, respectively.

**TAUBMAN CENTERS, INC.**
**Reconciliation of Net Income Attributable to Taubman Centers, Inc. Common Shareowners to Funds from Operations and Adjusted Funds from Operations**
**For the Three Months Ended September 30, 2012 and 2011**

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

	2012			2011		
	Dollars	Shares /Units	Per Share /Unit	Dollars	Shares /Units	Per Share /Unit
<b>Net income attributable to TCO common shareowners - Basic</b>	<b>21,700</b>	<b>60,571,612</b>	<b>0.36</b>	<b>8,461</b>	<b>57,890,006</b>	<b>0.15</b>
Add impact of share-based compensation	168	1,453,710		91	1,745,551	
<b>Net income attributable to TCO common shareowners - Diluted</b>	<b>21,868</b>	<b>62,025,322</b>	<b>0.35</b>	<b>8,552</b>	<b>59,635,557</b>	<b>0.14</b>
Add depreciation of TCO's additional basis	1,720		0.03	1,720		0.03
<b>Net income attributable to TCO common shareowners, excluding step-up depreciation</b>	<b>23,588</b>	<b>62,025,322</b>	<b>0.38</b>	<b>10,272</b>	<b>59,635,557</b>	<b>0.17</b>
Add:						
Noncontrolling share of income of TRG - continuing operations	10,216	26,422,911		7,964	25,158,885	
Noncontrolling share of loss of TRG - discontinued operations				(3,539)		
Distributions to participating securities	403	871,262		382	871,262	
<b>Net income attributable to partnership unitholders and participating securities</b>	<b>34,207</b>	<b>89,319,495</b>	<b>0.38</b>	<b>15,079</b>	<b>85,665,704</b>	<b>0.18</b>
Add (less) depreciation and amortization:						
Consolidated businesses at 100% - continuing operations	36,414		0.41	33,054		0.39
Consolidated businesses at 100% - discontinued operations				5,361		0.06
Depreciation of TCO's additional basis	(1,720)		(0.02)	(1,720)		(0.02)
Noncontrolling partners in consolidated joint ventures	(2,888)		(0.03)	(2,404)		(0.03)
Share of Unconsolidated Joint Ventures	5,311		0.06	5,486		0.06
Non-real estate depreciation	(679)		(0.01)	(639)		(0.01)
Less impact of share-based compensation	(168)		(0.00)	(91)		(0.00)
<b>Funds from Operations</b>	<b>70,477</b>	<b>89,319,495</b>	<b>0.79</b>	<b>54,126</b>	<b>85,665,704</b>	<b>0.63</b>
TCO's average ownership percentage of TRG	69.6%			69.7%		
<b>Funds from Operations attributable to TCO</b>	<b>49,071</b>		<b>0.79</b>	<b>37,729</b>		<b>0.63</b>
Funds from Operations	70,477	89,319,495	0.79	54,126	85,665,704	0.63
Charge upon redemption of Series G and H Preferred Stock	6,412		0.07			
Acquisition costs				1,681		0.02
<b>Adjusted Funds from Operations</b>	<b>76,889</b>	<b>89,319,495</b>	<b>0.86</b>	<b>55,807</b>	<b>85,665,704</b>	<b>0.65</b>
TCO's average ownership percentage of TRG	69.6%			69.7%		
<b>Adjusted Funds from Operations attributable to TCO</b>	<b>53,535</b>		<b>0.86</b>	<b>38,901</b>		<b>0.65</b>
Adjusted Funds from Operations				55,807	85,665,704	0.65
The Pier Shops' and Regency Square's negative FFO				6,316		0.07
<b>Adjusted Funds from Operations, excluding The Pier Shops and Regency Square</b>				<b>62,123</b>	<b>85,665,704</b>	<b>0.73</b>
TCO's average ownership percentage of TRG				69.7%		
<b>Adjusted Funds from Operations attributable to TCO, excluding The Pier Shops and Regency Square</b>				<b>43,303</b>		<b>0.73</b>

**TAUBMAN CENTERS, INC.**

**Reconciliation of Net Income Attributable to Taubman Centers, Inc. Common Shareowners to Funds from Operations and Adjusted Funds from Operations**

**For the Nine Months Ended September 30, 2012 and 2011**

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

	2012			2011		
	Dollars	Shares /Units	Per Share /Unit	Dollars	Shares /Units	Per Share /Unit
<b>Net income attributable to TCO common shareowners - Basic</b>	<b>55,604</b>	<b>59,207,828</b>	<b>0.94</b>	<b>27,521</b>	<b>56,554,268</b>	<b>0.49</b>
Add impact of share-based compensation	470	1,508,690		275	1,582,881	
<b>Net income attributable to TCO common shareowners - Diluted</b>	<b>56,074</b>	<b>60,716,518</b>	<b>0.92</b>	<b>27,796</b>	<b>58,137,149</b>	<b>0.48</b>
Add depreciation of TCO's additional basis	5,159		0.08	5,160		0.09
<b>Net income attributable to TCO common shareowners, excluding step-up depreciation</b>	<b>61,233</b>	<b>60,716,518</b>	<b>1.01</b>	<b>32,956</b>	<b>58,137,149</b>	<b>0.57</b>
Add:						
Noncontrolling share of income of TRG - continuing operations	27,105	26,447,257		22,113	25,243,652	
Noncontrolling share of loss of TRG - discontinued operations				(7,493)		
Distributions to participating securities	1,209	871,262		1,144	871,262	
<b>Net income attributable to partnership unitholders and participating securities</b>	<b>89,547</b>	<b>88,035,037</b>	<b>1.02</b>	<b>48,720</b>	<b>84,252,063</b>	<b>0.58</b>
Add (less) depreciation and amortization:						
Consolidated businesses at 100% - continuing operations	109,083		1.24	99,503		1.18
Consolidated businesses at 100% - discontinued operations				9,030		0.11
Depreciation of TCO's additional basis	(5,159)		(0.06)	(5,160)		(0.06)
Noncontrolling partners in consolidated joint ventures	(7,650)		(0.09)	(8,111)		(0.10)
Share of Unconsolidated Joint Ventures	15,786		0.18	16,350		0.19
Non-real estate depreciation	(1,988)		(0.02)	(1,976)		(0.02)
Less impact of share-based compensation	(470)		(0.01)	(275)		(0.00)
<b>Funds from Operations</b>	<b>199,149</b>	<b>88,035,037</b>	<b>2.26</b>	<b>158,081</b>	<b>84,252,063</b>	<b>1.88</b>
TCO's average ownership percentage of TRG	69.1%			69.1%		
<b>Funds from Operations attributable to TCO</b>	<b>137,676</b>		<b>2.26</b>	<b>109,292</b>		<b>1.88</b>
Funds from Operations	199,149	88,035,037	2.26	158,081	84,252,063	1.88
Charge upon redemption of Series G and H Preferred Stock	6,412		0.07			
Acquisition costs				1,681		0.02
<b>Adjusted Funds from Operations</b>	<b>205,561</b>	<b>88,035,037</b>	<b>2.33</b>	<b>159,762</b>	<b>84,252,063</b>	<b>1.90</b>
TCO's average ownership percentage of TRG	69.1%			69.1%		
<b>Adjusted Funds from Operations attributable to TCO</b>	<b>142,108</b>		<b>2.33</b>	<b>110,464</b>		<b>1.90</b>
Adjusted Funds from Operations				159,762	84,252,063	1.90
The Pier Shops' and Regency Square's negative FFO				15,340		0.18
<b>Adjusted Funds from Operations, excluding The Pier Shops and Regency Square</b>				<b>175,102</b>	<b>84,252,063</b>	<b>2.08</b>
TCO's average ownership percentage of TRG				69.1%		
<b>Adjusted Funds from Operations attributable to TCO, excluding The Pier Shops and Regency Square</b>				<b>121,064</b>		<b>2.08</b>



**TAUBMAN CENTERS, INC.**

**Reconciliation of Net Income to Beneficial Interest in EBITDA and Adjusted Beneficial Interest in EBITDA  
For the Periods Ended September 30, 2012 and 2011**

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

	Three Months Ended		Year to Date	
	2012	2011	2012	2011
<b>Net income</b>	<b>45,061</b>	<b>21,868</b>	<b>108,686</b>	<b>66,602</b>
Add (less) depreciation and amortization:				
Consolidated businesses at 100% - continuing operations	36,414	33,054	109,083	99,503
Consolidated businesses at 100% - discontinued operations		5,361		9,030
Noncontrolling partners in consolidated joint ventures	(2,888)	(2,404)	(7,650)	(8,111)
Share of Unconsolidated Joint Ventures	5,311	5,486	15,786	16,350
Add (less) interest expense and income tax expense:				
Interest expense:				
Consolidated businesses at 100% - continuing operations	34,943	30,064	109,146	89,529
Consolidated businesses at 100% - discontinued operations		6,354		17,374
Noncontrolling partners in consolidated joint ventures	(4,225)	(2,767)	(12,634)	(8,409)
Share of Unconsolidated Joint Ventures	8,765	8,082	25,084	23,406
Share of income tax expense	667	208	1,393	413
Less noncontrolling share of income of consolidated joint ventures	(2,079)	(4,327)	(6,788)	(10,497)
<b>Beneficial Interest in EBITDA</b>	<b>121,969</b>	<b>100,979</b>	<b>342,106</b>	<b>295,190</b>
TCO's average ownership percentage of TRG	69.6%	69.7%	69.1%	69.1%
<b>Beneficial Interest in EBITDA attributable to TCO</b>	<b>84,923</b>	<b>70,388</b>	<b>236,516</b>	<b>204,082</b>
Beneficial Interest in EBITDA	121,969	100,979	342,106	295,190
Acquisition costs		1,681		1,681
<b>Adjusted Beneficial Interest in EBITDA</b>	<b>121,969</b>	<b>102,660</b>	<b>342,106</b>	<b>296,871</b>
TCO's average ownership percentage of TRG	69.6%	69.7%	69.1%	69.1%
<b>Adjusted Beneficial Interest in EBITDA attributable to TCO</b>	<b>84,923</b>	<b>71,560</b>	<b>236,516</b>	<b>205,254</b>

**TAUBMAN CENTERS, INC.**  
**Reconciliation of Net Income to Net Operating Income (NOI)**  
**For the Periods Ended September 30, 2012 and 2011**

(in thousands of dollars)

	<u>Three Months Ended</u>		<u>Three Months Ended</u>		<u>Year to Date</u>		<u>Year to Date</u>	
	<u>2012</u>	<u>2011</u>	<u>2011</u>	<u>2010</u>	<u>2012</u>	<u>2011</u>	<u>2011</u>	<u>2010</u>
<b>Net income</b>	<b>45,061</b>	<b>21,868</b>	<b>21,868</b>	<b>8,458</b>	<b>108,686</b>	<b>66,602</b>	<b>66,602</b>	<b>43,755</b>
Add (less) depreciation and amortization:								
Consolidated businesses at 100% - continuing operations	36,414	33,054	33,054	41,585	109,083	99,503	99,503	110,629
Consolidated businesses at 100% - discontinued operations		5,361	5,361	2,915		9,030	9,030	6,873
Noncontrolling partners in consolidated joint ventures	(2,888)	(2,404)	(2,404)	(2,501)	(7,650)	(8,111)	(8,111)	(7,519)
Share of Unconsolidated Joint Ventures	5,311	5,486	5,486	5,731	15,786	16,350	16,350	16,532
Add (less) interest expense and income tax expense:								
Interest expense:								
Consolidated businesses at 100% - continuing operations	34,943	30,064	30,064	33,743	109,146	89,529	89,529	99,157
Consolidated businesses at 100% - discontinued operations		6,354	6,354	5,163		17,374	17,374	15,089
Noncontrolling partners in consolidated joint ventures	(4,225)	(2,767)	(2,767)	(5,356)	(12,634)	(8,409)	(8,409)	(15,869)
Share of Unconsolidated Joint Ventures	8,765	8,082	8,082	8,360	25,084	23,406	23,406	24,810
Share of income tax expense	667	208	208	238	1,393	413	413	548
Less noncontrolling share of income of consolidated joint ventures	(2,079)	(4,327)	(4,327)	(1,920)	(6,788)	(10,497)	(10,497)	(5,901)
Add EBITDA attributable to outside partners:								
EBITDA attributable to noncontrolling partners in consolidated joint ventures	9,257	9,498	9,498	9,777	27,117	27,017	27,017	29,289
EBITDA attributable to outside partners in Unconsolidated Joint Ventures	<u>21,536</u>	<u>20,326</u>	<u>20,326</u>	<u>19,764</u>	<u>62,259</u>	<u>59,524</u>	<u>59,524</u>	<u>57,902</u>
<b>EBITDA at 100%</b>	<b>152,762</b>	<b>130,803</b>	<b>130,803</b>	<b>125,957</b>	<b>431,482</b>	<b>381,731</b>	<b>381,731</b>	<b>375,295</b>
Add (less) items excluded from shopping center NOI:								
General and administrative expenses	9,571	7,709	7,709	7,168	28,021	22,998	22,998	21,593
Management, leasing, and development services, net	(4,069)	(2,194)	(2,194)	(2,155)	(5,767)	(7,931)	(7,931)	(5,440)
Gains on sales of peripheral land						(519)	(519)	(1,040)
Interest income	(74)	(225)	(225)	(193)	(270)	(528)	(528)	(453)
Straight-line of rents	(2,055)	(836)	(836)	(1,045)	(4,535)	(1,379)	(1,379)	(1,570)
Acquisition costs		1,681	1,681			1,681	1,681	
Non-center specific operating expenses and other	<u>6,357</u>	<u>7,244</u>	<u>7,244</u>	<u>4,802</u>	<u>21,773</u>	<u>22,057</u>	<u>22,057</u>	<u>16,607</u>
<b>NOI - all centers at 100%</b>	<b>162,492</b>	<b>144,182</b>	<b>144,182</b>	<b>134,534</b>	<b>470,704</b>	<b>418,110</b>	<b>418,110</b>	<b>404,992</b>
Less - NOI of non-comparable centers	<u>(7,459)</u> (1)	<u>(33)</u> (2)	<u>(33)</u> (2)	<u>(1,524)</u> (2)	<u>(20,230)</u> (1)	<u>(1,909)</u> (2)	<u>(1,909)</u> (2)	<u>(5,659)</u> (2)
<b>NOI at 100% - comparable centers</b>	<b><u>155,033</u></b>	<b><u>144,149</u></b>	<b><u>144,149</u></b>	<b><u>133,010</u></b>	<b><u>450,474</u></b>	<b><u>416,201</u></b>	<b><u>416,201</u></b>	<b><u>399,333</u></b>
<b>NOI - growth %</b>	<b>7.6%</b>		<b>8.4%</b>		<b>8.2%</b>		<b>4.2%</b>	
NOI at 100% - comparable centers	155,033	144,149	144,149	133,010	450,474	416,201	416,201	399,333
Lease cancellation income	<u>(1,076)</u>	<u>(787)</u>	<u>(787)</u>	<u>(948)</u>	<u>(3,015)</u>	<u>(2,987)</u>	<u>(2,987)</u>	<u>(10,129)</u>
<b>NOI at 100% - comparable centers excluding lease cancellation income</b>	<b><u>153,957</u></b>	<b><u>143,362</u></b>	<b><u>143,362</u></b>	<b><u>132,062</u></b>	<b><u>447,459</u></b>	<b><u>413,214</u></b>	<b><u>413,214</u></b>	<b><u>389,204</u></b>
<b>NOI excluding lease cancellation income - growth %</b>	<b>7.4%</b>		<b>8.6%</b>		<b>8.3%</b>		<b>6.2%</b>	

(1) Includes City Creek Center, The Mall at Green Hills, The Gardens on El Paseo and El Paseo Village.

(2) Includes The Pier Shops and Regency Square.

**TAUBMAN CENTERS, INC.**  
**Reconciliation of Net Income (Loss) to Net Operating Income (NOI)**  
**For the years ended December 31, 2011, 2010, 2009, 2008, 2007, and 2006**  
(in thousands of dollars)

	Year Ended		Year Ended		Year Ended		Year Ended		Year Ended	
	2011	2010	2010	2009	2009	2008	2008	2007	2007	2006
<b>Net income (loss)</b>	<b>287,398</b>	<b>102,327</b>	<b>102,327</b>	<b>(79,161)</b>	<b>(79,161)</b>	<b>(8,052)</b>	<b>(8,052)</b>	<b>116,236</b>	<b>116,236</b>	<b>95,140</b>
Add (less) depreciation and amortization:										
Consolidated businesses at 100% - continuing operations	132,707	145,271	145,271	136,505	136,505	134,856	134,856	127,000	127,000	132,827
Consolidated businesses at 100% - discontinued operations	10,309	8,605	8,605	10,811	10,811	12,585	12,585	10,910	10,910	5,130
Noncontrolling partners in consolidated joint ventures	(11,152)	(10,526)	(10,526)	(12,381)	(12,381)	(12,965)	(12,965)	(17,253)	(17,253)	(14,601)
Share of Unconsolidated Joint Ventures	23,102	22,194	22,194	22,900	22,900	23,633	23,633	23,035	23,035	26,864
Add (less) interest expense and income tax expense:										
Interest expense:										
Consolidated businesses at 100% - continuing operations	122,277	132,362	132,362	131,558	131,558	133,455	133,455	120,042	120,042	122,925
Consolidated businesses at 100% - discontinued operations	21,427	20,346	20,346	14,112	14,112	13,942	13,942	11,658	11,658	5,718
Noncontrolling partners in consolidated joint ventures	(12,153)	(21,224)	(21,224)	(19,847)	(19,847)	(19,628)	(19,628)	(14,315)	(14,315)	(12,853)
Share of Unconsolidated Joint Ventures	31,607	33,076	33,076	33,427	33,427	33,777	33,777	33,311	33,311	31,151
Income tax expense	610	734	734	1,657	1,657	1,117	1,117			
Less noncontrolling share of income of consolidated joint ventures	(14,352)	(9,780)	(9,780)	(3,115)	(3,115)	(7,441)	(7,441)	(5,031)	(5,031)	(5,789)
Add EBITDA attributable to outside partners:										
EBITDA attributable to noncontrolling partners in consolidated joint ventures	37,657	41,530	41,530	35,343	35,343	40,034	40,034	36,599	36,599	33,243
EBITDA attributable to outside partners in Unconsolidated Joint Ventures	83,565	82,054	82,054	74,189	74,189	82,152	82,152	79,970	79,970	71,359
<b>EBITDA at 100%</b>	<b>713,002</b>	<b>546,969</b>	<b>546,969</b>	<b>345,998</b>	<b>345,998</b>	<b>427,465</b>	<b>427,465</b>	<b>522,162</b>	<b>522,162</b>	<b>491,114</b>
Add (less) items excluded from shopping center NOI:										
General and administrative expenses	31,598	30,234	30,234	27,858	27,858	28,110	28,110	30,403	30,403	30,290
Management, leasing, and development services, net	(13,596)	(7,851)	(7,851)	(13,317)	(13,317)	(7,201)	(7,201)	(7,434)	(7,434)	(6,047)
Restructuring charge				2,512	2,512					
Litigation charges				38,500	38,500					
Impairment charges				166,680	166,680	126,266	126,266			
Gains on extinguishment of debt	(174,171)									
Acquisition costs	5,295									
Gains on sales of peripheral land	(519)	(2,218)	(2,218)			(2,816)	(2,816)	(668)	(668)	(4,084)
Interest income	(895)	(586)	(586)	(798)	(798)	(2,436)	(2,436)	(4,143)	(4,143)	(6,665)
Impairment loss on marketable securities				1,666	1,666					
Straight-line of rents	(2,531)	(2,701)	(2,701)	(2,569)	(2,569)	(4,220)	(4,220)	(4,417)	(4,417)	(3,209)
Non-center specific operating expenses and other	33,004	24,337	24,337	18,781	18,781	25,210	25,210	19,333	19,333	17,761
<b>NOI - all centers at 100%</b>	<b>591,187</b>	<b>588,184</b>	<b>588,184</b>	<b>585,311</b>	<b>585,311</b>	<b>590,378</b>	<b>590,378</b>	<b>555,236</b>	<b>555,236</b>	<b>519,160</b>
Less - NOI of non-comparable centers	(4,120) <sup>(1)</sup>	(8,396) <sup>(2)</sup>	(8,396) <sup>(2)</sup>	(7,779) <sup>(2)</sup>	(2,620) <sup>(3)</sup>	(3,001) <sup>(3)</sup>	(15,847) <sup>(4)</sup>	(5,011) <sup>(4)</sup>	(16,543) <sup>(5)</sup>	(6,077) <sup>(5)</sup>
<b>NOI at 100% - comparable centers</b>	<b>587,067</b>	<b>579,788</b>	<b>579,788</b>	<b>577,532</b>	<b>582,691</b>	<b>587,377</b>	<b>574,531</b>	<b>550,225</b>	<b>538,693</b>	<b>513,083</b>
<b>NOI - growth %</b>	<b>1.3%</b>		<b>0.4%</b>		<b>-0.8%</b>		<b>4.4%</b>		<b>5.0%</b>	
NOI at 100% - comparable centers	587,067	579,788	579,788	577,532	582,691	587,377	574,531	550,225	538,693	513,083
Lease cancellation income	(3,230)	(23,464)	(23,464)	(24,204)	(24,238)	(13,575)	(13,520)	(15,567)	(15,567)	(16,519)
<b>NOI at 100% - comparable centers excluding lease cancellation income</b>	<b>583,837</b>	<b>556,324</b>	<b>556,324</b>	<b>553,328</b>	<b>558,453</b>	<b>573,802</b>	<b>561,011</b>	<b>534,658</b>	<b>523,126</b>	<b>496,564</b>
<b>NOI excluding lease cancellation income - growth %</b>	<b>4.9%</b>		<b>0.5%</b>		<b>-2.7%</b>		<b>4.9%</b>		<b>5.3%</b>	

(1) Includes The Pier Shops, Regency Square, The Mall at Green Hills, The Gardens on El Paseo and El Paseo Village.

(2) Includes The Pier Shops and Regency Square.

(3) Includes The Pier Shops.

(4) Includes The Pier Shops and The Mall at Partridge Creek.

(5) Includes The Pier Shops, The Mall at Partridge Creek, and Waterside Shops.

**TAUBMAN CENTERS, INC.**  
**Changes in Funds from Operations and Earnings per Share**  
**For the Three Months Ended September 30, 2012**

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

<b>2011 Third Quarter Funds from Operations</b>	<b>\$ 0.63</b>
Acquisition costs	0.020
<b>2011 Third Quarter Funds from Operations - Adjusted</b>	<b>\$ 0.65</b>
<i>Changes - 2012 vs. 2011</i>	
Minimum rents	0.075
Percentage rents	0.015
Net recoveries from tenants	0.030
Net revenue from management, leasing, and development services	0.030
General and administrative	(0.020)
Non-comparable centers	0.030
Discontinued operations -The Pier Shops and Regency	0.075
Impact of 2012 common and preferred equity offerings	(0.010)
Other	(0.015)
<b>2012 Third Quarter Funds from Operations - Adjusted</b>	<b>\$ 0.86</b>
Charge upon redemption of Series G and H Preferred Stock	(0.070)
<b>2012 Third Quarter Funds from Operations</b>	<b>\$ 0.79</b>
<b>2011 Third Quarter Earnings per Share</b>	<b>\$ 0.14</b>
<i>Changes - 2012 vs. 2011</i>	
Change in FFO per share as currently reported	0.160
Depreciation - discontinued operations	0.065
Depreciation and other - continuing operations	(0.015)
<b>2012 Third Quarter Earnings per Share</b>	<b>\$ 0.35</b>

**TAUBMAN CENTERS, INC.**  
**Components of Other Income, Other Operating Expense, and Nonoperating Income**  
**For the Three Months Ended September 30, 2012 and 2011**

(in thousands of dollars)

**Other Income**

	<b>Three Months Ended September 30, 2012</b>				<b>Three Months Ended September 30, 2011</b>			
	<b>Consolidated Businesses at 100%</b>	<b>Consolidated Businesses at TRG%</b>	<b>Unconsolidated Joint Ventures at 100%</b>	<b>Unconsolidated Joint Ventures at TRG%</b>	<b>Consolidated Businesses at 100%</b>	<b>Consolidated Businesses at TRG%</b>	<b>Unconsolidated Joint Ventures at 100%</b>	<b>Unconsolidated Joint Ventures at TRG%</b>
Shopping center related revenues	6,277	5,781	1,268	673	5,991	5,360	1,269	692
Lease cancellation income	516	459	561	281	584	408	204	100
	<u>6,793</u>	<u>6,240</u>	<u>1,829</u>	<u>954</u>	<u>6,575</u>	<u>5,768</u>	<u>1,473</u>	<u>792</u>

**Other Operating Expense**

	<b>Three Months Ended September 30, 2012</b>				<b>Three Months Ended September 30, 2011</b>			
	<b>Consolidated Businesses at 100%</b>	<b>Consolidated Businesses at TRG%</b>	<b>Unconsolidated Joint Ventures at 100%</b>	<b>Unconsolidated Joint Ventures at TRG%</b>	<b>Consolidated Businesses at 100%</b>	<b>Consolidated Businesses at TRG%</b>	<b>Unconsolidated Joint Ventures at 100%</b>	<b>Unconsolidated Joint Ventures at TRG%</b>
Shopping center related expenses	9,433	8,864	3,240	1,677	8,970	8,355	3,390	1,771
Provision for tenant bad debts	529	578	341	178	(273)	(304)	307	168
Domestic and non-U.S. pre-development costs	4,147	3,810			5,218	5,037		
Ground rent	2,019	1,688			1,340	1,013		
	<u>16,128</u>	<u>14,940</u>	<u>3,581</u>	<u>1,855</u>	<u>15,255</u>	<u>14,101</u>	<u>3,697</u>	<u>1,939</u>

**Nonoperating Income**

	<b>Three Months Ended September 30, 2012</b>				<b>Three Months Ended September 30, 2011</b>			
	<b>Consolidated Businesses at 100%</b>	<b>Consolidated Businesses at TRG%</b>	<b>Unconsolidated Joint Ventures at 100%</b>	<b>Unconsolidated Joint Ventures at TRG%</b>	<b>Consolidated Businesses at 100%</b>	<b>Consolidated Businesses at TRG%</b>	<b>Unconsolidated Joint Ventures at 100%</b>	<b>Unconsolidated Joint Ventures at TRG%</b>
Interest income	56	54	18	9	96	99	111	53
	<u>56</u>	<u>54</u>	<u>18</u>	<u>9</u>	<u>96</u>	<u>99</u>	<u>111</u>	<u>53</u>

**TAUBMAN CENTERS, INC.**  
**Components of Other Income, Other Operating Expense, and Nonoperating Income**  
**For the Nine Months Ended September 30, 2012 and 2011**

(in thousands of dollars)

**Other Income**

	<b>Nine Months Ended September 30, 2012</b>				<b>Nine Months Ended September 30, 2011</b>			
	<b>Consolidated Businesses at 100%</b>	<b>Consolidated Businesses at TRG%</b>	<b>Unconsolidated Joint Ventures at 100%</b>	<b>Unconsolidated Joint Ventures at TRG%</b>	<b>Consolidated Businesses at 100%</b>	<b>Consolidated Businesses at TRG%</b>	<b>Unconsolidated Joint Ventures at 100%</b>	<b>Unconsolidated Joint Ventures at TRG%</b>
Shopping center related revenues	18,759	17,234	3,608	1,920	15,688	14,189	3,212	1,707
Lease cancellation income	1,728	1,568	1,337	679	2,389	2,121	694	316
	<u>20,487</u>	<u>18,802</u>	<u>4,945</u>	<u>2,599</u>	<u>18,077</u>	<u>16,310</u>	<u>3,906</u>	<u>2,023</u>

**Other Operating Expense**

	<b>Nine Months Ended September 30, 2012</b>				<b>Nine Months Ended September 30, 2011</b>			
	<b>Consolidated Businesses at 100%</b>	<b>Consolidated Businesses at TRG%</b>	<b>Unconsolidated Joint Ventures at 100%</b>	<b>Unconsolidated Joint Ventures at TRG%</b>	<b>Consolidated Businesses at 100%</b>	<b>Consolidated Businesses at TRG%</b>	<b>Unconsolidated Joint Ventures at 100%</b>	<b>Unconsolidated Joint Ventures at TRG%</b>
Shopping center related expenses	30,747	28,886	10,672	5,567	26,015	24,226	10,094	5,238
Provision for tenant bad debts	1,974	1,991	789	307	2,375	1,868	994	563
Domestic and non-U.S. pre-development costs	14,040	12,711			15,746	15,273	5	5
Ground rent	5,599	4,602			4,002	3,023		
	<u>52,360</u>	<u>48,190</u>	<u>11,461</u>	<u>5,874</u>	<u>48,138</u>	<u>44,390</u>	<u>11,093</u>	<u>5,806</u>

**Nonoperating Income**

	<b>Nine Months Ended September 30, 2012</b>				<b>Nine Months Ended September 30, 2011</b>			
	<b>Consolidated Businesses at 100%</b>	<b>Consolidated Businesses at TRG%</b>	<b>Unconsolidated Joint Ventures at 100%</b>	<b>Unconsolidated Joint Ventures at TRG%</b>	<b>Consolidated Businesses at 100%</b>	<b>Consolidated Businesses at TRG%</b>	<b>Unconsolidated Joint Ventures at 100%</b>	<b>Unconsolidated Joint Ventures at TRG%</b>
Gains on sales of peripheral land					519	519		
Interest income	251	243	19	9	338	336	121	59
	<u>251</u>	<u>243</u>	<u>19</u>	<u>9</u>	<u>857</u>	<u>855</u>	<u>121</u>	<u>59</u>

TAUBMAN CENTERS, INC.

Recoveries Ratio Analysis

For the Periods Ended September 30, 2012 and December 31, 2011

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

	Three Months Ended March 31, 2012			Three Months Ended June 30, 2012			Three Months Ended September 30, 2012		
	Consolidated Business	Unconsolidated Joint Ventures	Combined	Consolidated Business	Unconsolidated Joint Ventures	Combined	Consolidated Business	Unconsolidated Joint Ventures	Combined
Tenant recoveries	56.5	22.8	79.2	62.2	23.6	85.8	66.6	26.2	92.9
Maintenance, taxes, utilities, and promotion	41.7	16.1	57.8	48.9	17.5	66.4	53.3	18.6	71.8
<b>Recoveries ratio, excluding shopping center related expenses</b>	<b>135%</b>	<b>141%</b>	<b>137%</b>	<b>127%</b>	<b>135%</b>	<b>129%</b>	<b>125%</b>	<b>141%</b>	<b>129%</b>
Shopping center related expenses (1)	9.7	3.5	13.3	11.6	3.9	15.5	9.4	3.2	12.7
Total expenses	51.4	19.7	71.1	60.5	21.4	81.9	62.7	21.8	84.5
<b>Recoveries ratio</b>	<b>110%</b>	<b>116%</b>	<b>112%</b>	<b>103%</b>	<b>110%</b>	<b>105%</b>	<b>106%</b>	<b>120%</b>	<b>110%</b>

	Three Months Ended March 31, 2011			Three Months Ended June 30, 2011			Three Months Ended September 30, 2011			Three Months Ended December 31, 2011			Year Ended December 31, 2011		
	Consolidated Business	Unconsolidated Joint Ventures	Combined	Consolidated Business	Unconsolidated Joint Ventures	Combined	Consolidated Business	Unconsolidated Joint Ventures	Combined	Consolidated Business	Unconsolidated Joint Ventures	Combined	Consolidated Business	Unconsolidated Joint Ventures	Combined
Tenant recoveries	51.4	22.2	73.7	54.3	22.0	76.2	57.2	23.4	80.6	66.4	28.3	94.7	229.3	95.9	325.2
Maintenance, taxes, utilities, and promotion	40.7	16.2	56.8	43.8	16.3	60.1	45.2	16.4	61.6	49.4	19.0	68.4	179.1	67.9	247.0
<b>Recoveries ratio, excluding shopping center related expenses</b>	<b>126%</b>	<b>137%</b>	<b>130%</b>	<b>124%</b>	<b>135%</b>	<b>127%</b>	<b>127%</b>	<b>142%</b>	<b>131%</b>	<b>134%</b>	<b>149%</b>	<b>138%</b>	<b>128%</b>	<b>141%</b>	<b>132%</b>
Shopping center related expenses (1)	8.9	3.5	12.4	8.1	3.2	11.3	9.0	3.4	12.4	10.3	3.5	13.8	36.3	13.6	49.9
Total expenses	49.6	19.7	69.3	52.0	19.5	71.5	54.2	19.8	74.0	59.6	22.5	82.2	215.4	81.5	296.9
<b>Recoveries ratio</b>	<b>104%</b>	<b>113%</b>	<b>106%</b>	<b>104%</b>	<b>113%</b>	<b>107%</b>	<b>106%</b>	<b>118%</b>	<b>109%</b>	<b>111%</b>	<b>126%</b>	<b>115%</b>	<b>106%</b>	<b>118%</b>	<b>110%</b>

(1) Excludes provision for bad debts.

**TAUBMAN CENTERS, INC.**
**Balance Sheets**
**As of September 30, 2012 and December 31, 2011**

(in thousands of dollars)

	As of	
	September 30, 2012	December 31, 2011
<b>Consolidated Balance Sheet of Taubman Centers, Inc. :</b>		
Assets:		
Properties	4,202,022	4,020,954
Accumulated depreciation and amortization	(1,361,527)	(1,271,943)
	<u>2,840,495</u>	<u>2,749,011</u>
Investment in Unconsolidated Joint Ventures	122,151	75,582
Cash and cash equivalents	29,296	24,033
Restricted cash (1)	4,611	295,318
Accounts and notes receivable, net	42,135	59,990
Accounts receivable from related parties	1,817	1,418
Deferred charges and other assets	112,234	131,440
	<u>3,152,739</u>	<u>3,336,792</u>
Liabilities:		
Mortgage notes payable	2,654,687	2,864,135
Installment notes (1)		281,467
Accounts payable and accrued liabilities	267,147	255,146
Distributions in excess of investments in and net income of Unconsolidated Joint Ventures	317,031	192,257
	<u>3,238,865</u>	<u>3,593,005</u>
Redeemable noncontrolling interests	81,434	84,235
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		
Series J Cumulative Redeemable Preferred Stock		
Common stock	617	580
Additional paid-in capital	826,594	673,923
Accumulated other comprehensive loss	(31,407)	(27,613)
Dividends in excess of net income	(890,426)	(863,040)
	<u>(94,596)</u>	<u>(216,124)</u>
Noncontrolling interests:		
Noncontrolling interests in consolidated joint ventures	(101,108)	(101,872)
Noncontrolling interests in partnership equity of TRG	28,144	(22,452)
	<u>(72,964)</u>	<u>(124,324)</u>
	<u>(167,560)</u>	<u>(340,448)</u>
	<u>3,152,739</u>	<u>3,336,792</u>
<b>Combined Balance Sheet of Unconsolidated Joint Ventures (2):</b>		
Assets:		
Properties	1,119,287	1,107,314
Accumulated depreciation and amortization	(466,621)	(446,059)
	<u>652,666</u>	<u>661,255</u>
Cash and cash equivalents	20,597	22,042
Accounts and notes receivable, net	17,404	24,628
Deferred charges and other assets	41,489	21,289
	<u>732,156</u>	<u>729,214</u>
Liabilities:		
Mortgage notes payable	1,346,485	1,138,808
Accounts payable and other liabilities, net	59,081	55,737
	<u>1,405,566</u>	<u>1,194,545</u>
Accumulated Deficiency in Assets:		
Accumulated deficiency in assets - TRG	(375,530)	(235,525)
Accumulated deficiency in assets - Joint Venture Partners	(274,186)	(211,478)
Accumulated other comprehensive income (loss) - TRG	(11,847)	(9,233)
Accumulated other comprehensive income (loss) - Joint Venture Partners	(11,847)	(9,095)
	<u>(673,410)</u>	<u>(465,331)</u>
	<u>732,156</u>	<u>729,214</u>

(1) Installment notes were paid in full in February 2012 with restricted cash drawn on the Company's revolving lines of credit as of December 31, 2011.

(2) The September 30, 2012 amounts exclude the balances of entities that own interests in the Hanam Union Square and the retail component of Xi'an Saigao City Plaza projects, which are currently under development.



**TAUBMAN CENTERS, INC.**

**Debt Summary**

**As of September 30, 2012**

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

**MORTGAGE AND OTHER NOTES PAYABLE (a)**

**INCLUDING WEIGHTED AVERAGE INTEREST RATES AT SEPTEMBER 30, 2012**

	100%	Beneficial	Effective	LIBOR	Principal Amortization and Debt Maturities												
					Interest	Rate	Rate	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
	9/30/12	9/30/12	9/30/12	(b)	Spread												
<b>Consolidated Fixed Rate Debt:</b>																	
Beverly Center		312.1	312.1	5.28%		1.6	6.6	303.8									312.1
Cherry Creek Shopping Center	50.00%	280.0	140.0	5.24%					140.0								140.0
El Paseo Village		16.8 (c)	16.8	3.86% (c)		0.1	0.4	0.4	15.9								16.8 (j)
Great Lakes Crossing Outlets		126.9	126.9	5.25%		0.8	126.0										126.9
International Plaza	50.10%	325.0	162.8	4.85%				2.5	2.6	2.7	2.9	3.0	3.1	146.1			162.8
Northlake Mall		215.5	215.5	5.41%					215.5								215.5
Stony Point Fashion Park		102.2	102.2	6.24%		0.5	2.1	99.5									102.2
The Gardens on El Paseo		85.6 (d)	85.6	4.50% (d)		0.3	1.1	1.1	1.1	81.9							85.6 (j)
The Mall at Green Hills		109.2 (e)	109.2	4.71% (e)		0.9	108.3										109.2 (j)
The Mall at Partridge Creek		80.5	80.5	6.15%		0.3	1.1	1.1	1.2	1.3	1.4	1.5	71.2				80.5
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
<b>Total Consolidated Fixed</b>		<b>2,393.7</b>	<b>2,071.5</b>			<b>4.5</b>	<b>245.7</b>	<b>406.0</b>	<b>740.7</b>	<b>441.3</b>	<b>4.1</b>	<b>4.3</b>	<b>4.5</b>	<b>74.4</b>	<b>146.1</b>		<b>2,071.5</b>
<b>Weighted Rate</b>		<b>5.29%</b>	<b>5.32%</b>			<b>5.24%</b>	<b>5.02%</b>	<b>5.51%</b>	<b>5.42%</b>	<b>5.19%</b>	<b>5.28%</b>	<b>5.29%</b>	<b>5.29%</b>	<b>6.10%</b>	<b>4.85%</b>		
<b>Consolidated Floating Rate Debt:</b>																	
MacArthur Center	95.00%	130.9	124.3	4.99% (f)		0.3	1.3	1.4	1.5	1.6	1.7	1.8	2.0	112.8			124.3
TRG \$65M Revolving Credit		20.1	20.1	1.61% (g)	1.40%			20.1									20.1
TRG \$650M Revolving Credit Facility:																	
Dolphin Mall (i)		40.0	40.0	1.98%	1.75%				40.0 (i)								40.0
Fairlane Town Center (i)		70.0	70.0	1.98%	1.75%				70.0 (i)								70.0
Twelve Oaks Mall (i)		0.0	0.0		1.75%				0.0 (i)								0.0
<b>Total Consolidated Floating</b>		<b>261.0</b>	<b>254.5</b>			<b>0.3</b>	<b>1.3</b>	<b>21.5</b>	<b>111.5</b>	<b>1.6</b>	<b>1.7</b>	<b>1.8</b>	<b>2.0</b>	<b>112.8</b>			<b>254.5</b>
<b>Weighted Rate</b>		<b>3.46%</b>	<b>3.42%</b>			<b>4.99%</b>	<b>4.99%</b>	<b>1.83%</b>	<b>2.02%</b>	<b>4.99%</b>	<b>4.99%</b>	<b>4.99%</b>	<b>4.99%</b>	<b>4.99%</b>			
<b>Total Consolidated</b>		<b>2,654.7</b>	<b>2,326.0</b>			<b>4.8</b>	<b>247.0</b>	<b>427.5</b>	<b>852.2</b>	<b>442.9</b>	<b>5.8</b>	<b>6.1</b>	<b>6.5</b>	<b>187.1</b>	<b>146.1</b>		<b>2,326.0</b>
<b>Weighted Rate</b>		<b>5.11%</b>	<b>5.12%</b>			<b>5.23%</b>	<b>5.02%</b>	<b>5.33%</b>	<b>4.98%</b>	<b>5.19%</b>	<b>5.20%</b>	<b>5.20%</b>	<b>5.20%</b>	<b>5.43%</b>	<b>4.85%</b>		
<b>Joint Ventures Fixed Rate Debt:</b>																	
Arizona Mills	50.00%	170.3	85.2	5.76%		0.3	1.2	1.3	1.4	1.4	1.5	1.6	1.7	74.7			85.2
The Mall at Millenia	50.00%	197.0	98.5	5.46%		0.4	98.1 (k)										98.5
Sunvalley	50.00%	190.0	95.0	4.44%		0.4	1.5	1.6	1.6	1.7	1.8	1.9	2.0	2.1	2.2	78.3	95.0
Waterside Shops	25.00%	165.0	41.3	5.54%						41.3							41.3
Westfarms	78.94%	319.2	251.9	4.50%		1.0	4.2	4.3	4.5	4.8	5.0	5.2	5.4	5.7	5.9	205.9	251.9
<b>Total Joint Venture Fixed</b>		<b>1,041.5</b>	<b>571.9</b>			<b>2.1</b>	<b>104.9</b>	<b>7.2</b>	<b>7.5</b>	<b>49.1</b>	<b>8.3</b>	<b>8.7</b>	<b>9.1</b>	<b>82.5</b>	<b>8.1</b>	<b>284.2</b>	<b>571.9</b>
<b>Weighted Rate</b>		<b>5.04%</b>	<b>4.92%</b>			<b>4.86%</b>	<b>5.41%</b>	<b>4.71%</b>	<b>4.71%</b>	<b>5.41%</b>	<b>4.72%</b>	<b>4.72%</b>	<b>4.72%</b>	<b>5.64%</b>	<b>4.48%</b>	<b>4.48%</b>	
<b>Joint Ventures Floating Rate Debt:</b>																	
Fair Oaks	50.00%	275.0	137.5	4.10% (h)				0.8	2.0	2.2	2.3	130.2					137.5
Taubman Land Associates	50.00%	30.0	15.0	5.95% (f)		15.0											15.0
<b>Total Joint Venture Floating</b>		<b>305.0</b>	<b>152.5</b>			<b>15.0</b>	<b>0.8</b>	<b>2.0</b>	<b>2.2</b>	<b>2.3</b>	<b>130.2</b>						<b>152.5</b>
<b>Weighted Rate</b>		<b>4.28%</b>	<b>4.28%</b>			<b>5.95%</b>	<b>4.10%</b>	<b>4.10%</b>	<b>4.10%</b>	<b>4.10%</b>	<b>4.10%</b>	<b>4.10%</b>					
<b>Total Joint Venture</b>		<b>1,346.5</b>	<b>724.4</b>			<b>17.1</b>	<b>104.9</b>	<b>8.0</b>	<b>9.6</b>	<b>51.3</b>	<b>10.6</b>	<b>138.9</b>	<b>9.1</b>	<b>82.5</b>	<b>8.1</b>	<b>284.2</b>	<b>724.4</b>
<b>Weighted Rate</b>		<b>4.87%</b>	<b>4.78%</b>			<b>5.82%</b>	<b>5.41%</b>	<b>4.65%</b>	<b>4.58%</b>	<b>5.35%</b>	<b>4.58%</b>	<b>4.14%</b>	<b>4.72%</b>	<b>5.64%</b>	<b>4.48%</b>	<b>4.48%</b>	
<b>TRG Beneficial Interest Totals</b>																	
<b>Fixed Rate Debt</b>		<b>3,435.1</b>	<b>2,643.3</b> (c),(d),(e)			<b>6.6</b>	<b>350.6</b>	<b>413.2</b>	<b>748.3</b>	<b>490.4</b>	<b>12.4</b>	<b>13.0</b>	<b>13.7</b>	<b>156.9</b>	<b>154.2</b>	<b>284.2</b>	<b>2,643.3</b>
		<b>5.21%</b>	<b>5.24%</b>			<b>5.12%</b>	<b>5.14%</b>	<b>5.50%</b>	<b>5.41%</b>	<b>5.21%</b>	<b>4.90%</b>	<b>4.91%</b>	<b>4.91%</b>	<b>5.86%</b>	<b>4.83%</b>	<b>4.48%</b>	
<b>Floating Rate Debt</b>		<b>566.0</b>	<b>407.0</b>			<b>15.3</b>	<b>1.3</b>	<b>22.3</b>	<b>113.5</b>	<b>3.8</b>	<b>4.0</b>	<b>132.0</b>	<b>2.0</b>	<b>112.8</b>			<b>407.0</b>
		<b>3.90%</b>	<b>3.74%</b>			<b>5.93%</b>	<b>4.99%</b>	<b>1.91%</b>	<b>2.06%</b>	<b>4.48%</b>	<b>4.48%</b>	<b>4.11%</b>	<b>4.99%</b>	<b>4.99%</b>			
<b>Total</b>		<b>4,001.2</b>	<b>3,050.3</b> (c),(d),(e)			<b>21.9</b>	<b>351.9</b>	<b>435.5</b>	<b>861.8</b>	<b>494.2</b>	<b>16.4</b>	<b>145.0</b>	<b>15.6</b>	<b>269.6</b>	<b>154.2</b>	<b>284.2</b>	<b>3,050.3</b>
		<b>5.03%</b>	<b>5.04%</b>			<b>5.69%</b>	<b>5.14%</b>	<b>5.32%</b>	<b>4.97%</b>	<b>5.20%</b>	<b>4.80%</b>	<b>4.18%</b>	<b>4.92%</b>	<b>5.49%</b>	<b>4.83%</b>	<b>4.48%</b>	
<b>Average Maturity Fixed Debt</b>																	
<b>Average Maturity Total Debt</b>																	
<b>4</b>																	
<b>4</b>																	

(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) Debt includes \$0.3 million of purchase accounting premium from acquisition which reduces the stated rate on the debt of 4.42% to an effective rate of 3.86%.

(d) Debt includes \$4.1 million of purchase accounting premium from acquisition which reduces the stated rate on the debt of 6.10% to an effective rate of 4.50%.

(e) Debt includes \$2.5 million of purchase accounting premium from acquisition which reduces the stated rate on the debt of 6.89% to an effective rate of 4.71%.

(f) Debt is swapped to the effective rate indicated until maturity.

(g) Rate floats daily at LIBOR plus spread. Letters of credit totaling \$3.8 million are also outstanding on the facility.

(h) Debt is swapped to an effective rate of 4.10% until 2.5 months prior to maturity.

(i) TRG revolving credit facility of \$650 million. Dolphin, Fairlane and Twelve Oaks are the direct borrowers under this facility. Debt is guaranteed by TRG. A one year extension option is available.

(j) Principal amortization includes amortization of purchase accounting adjustments.

(k) In October 2012, the existing \$197.0 million, 5.46% loan on The Mall at Millenia, a 50% owned joint venture, was refinanced. The new 12-year, non-recourse, \$350 million loan bears interest at a fixed rate of 4%.

**TAUBMAN CENTERS, INC.**  
**Other Debt, Equity, and Certain Balance Sheet Information**  
**As of September 30, 2012**

(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)	40.0	40.0	40.0	100%	100%
Fairlane Town Center (1)	70.0	70.0	70.0	100%	100%
Twelve Oaks Mall (1)	-	-	-	100%	100%

(1) Borrowings under the \$650 million secured revolver are primary obligations of the entities owning Dolphin Mall, Fairlane Town Center, and Twelve Oaks Mall, which are the collateral for the revolving line of credit. The Operating Partnership and the entities owning Fairlane and Twelve Oaks guarantee amounts under the credit agreement up to the \$650 million facility while the entity owning Dolphin guarantees amounts up to its sublimit, which is currently \$315 million.

**TRG's Beneficial Interest in Fixed and Floating Rate Debt (3)**

	Amount	Percentage of Total	Interest Rate Including Spread
Fixed rate debt	2,643.3	87%	5.24% (1)
Floating rate debt swapped to fixed rate:			
Swapped through October 2012	15.0		5.95%
Swapped through April 2018	137.5		4.10%
Swapped through August 2020	124.3		4.99%
	276.8	9%	4.60% (1)
Floating month to month	130.1	4%	1.92% (1)
Total floating rate debt	407.0	13%	3.74% (1)
Total beneficial interest in debt	3,050.3	100%	5.04% (1)
Amortization of financing costs (2)			0.19%
Average all-in rate			5.23%

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

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

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

**TRG's Debt Covenant Requirements**

	Facility Requirements	As of December 31, 2011
Minimum Net Worth (1)	2,000	3,160
Maximum Leverage Ratio (1)	65%	52%
Minimum Fixed Charges Ratio (1)	1.50 x	2.17 x
Minimum Total Interest Coverage Ratio (1)	1.80 x	2.63 x
Maximum Payout Ratio on Distributions (1)	95%	60%
Maximum Total Outstanding Indebtedness not hedged (2)	25%	10%

(1) Ratio calculated based on trailing 12 months.

(2) Hedged either through a fixed rate debt instrument or through an interest rate protection contract.

**Certain Balance Sheet Information**

	Consolidated Amount	Unencumbered Assets	Ownership %
Properties:		Consolidated Businesses:	
Peripheral land	46.3 (1)	The Shops at Willow Bend Plano, TX	100%
Accounts and notes receivable, net:			
Straight-line rents and recoveries	28.1	City Creek Center Salt Lake City, UT	100%
Deferred charges and other assets:		Unconsolidated Joint Ventures:	
Prepays, deposits, and investments	26.6	Stamford Town Center Stamford, CT	50%
Goodwill	22.9		
Accounts payable and accrued liabilities:			
Straight-line ground rent	35.7		
Community Development District obligation	61.8 (2)		
Below market rents	2.7		

(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, utilities, and promotion in the Company's financial statements.

**Preferred Equity (1)**

	Face Value	Book Value	Number of Shares Outstanding	Coupon	NYSE Symbol
Series J Cumulative Redeemable Preferred Stock	192.5	186.2	7,700,000	6.50%	TCO PR J

(1) In September 2012, the Company redeemed the Series G and H Preferred Stock with the proceeds from the issuance of the Series J Preferred Stock.

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

<u>Center Name</u>	<u>Location</u>	<u>Anchors</u>	<u>Size (1)</u>	<u>Opening (1)</u>	<u>Owned (1)</u>	<u>Total Project Cost (1)</u>	<u>Capitalized Balance Sheet as of 9/30/12</u>	<u>Capitalized Costs-To-Date at TRG%</u>	<u>Expected Return at Stabilization (1)</u>
Taubman Prestige Outlets Chesterfield	Suburban St. Louis, MO		0.5 million sq. ft.	August 2013 (2)	90%	\$150 million (2)	\$35.4 million	\$31.9 million	8%-8.5% (2)
The Mall of San Juan	San Juan, Puerto Rico	Nordstrom, Saks Fifth Avenue	0.6 million sq. ft.	Late 2014	80%	\$405 million	\$37.8 million	\$30.2 million	8%-8.5%
The Mall at University Town Center	Sarasota, FL	Dillard's, Macy's, Saks Fifth Avenue	0.9 million sq. ft.	October 2014	50%	\$315 million	\$3.7 million	\$3.7 million	8%-8.5%
Hanam Union Square	Hanam, Gyeonggi Province, South Korea	Shinsegae	1.7 million sq. ft.	2015	30%	(3)	\$52.1 million	\$52.1 million	7%-7.5% (4)
Retail component of Xi'an Saigao City Plaza	Xi'an, China	Wangfujing	1.0 million sq. ft.	Third quarter of 2015	30%	(5)	\$15.0 million	\$15.0 million	6%-6.5% (4)
City Creek Center	Salt Lake City, UT	Nordstrom, Macy's	0.6 million sq. ft. (6)	Opened March 2012	100% (7)	\$76 million	\$75 million	\$75 million	12%

(1) Anticipated opening date, size, estimated project costs at 100%, and stabilized returns for centers under development 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 Form 10-Q for other risk factors.

(2) The first of two phases of the project is expected to open in August 2013 with the second phase expected to open in the spring of 2014. Total project cost includes the construction of both phases. Due to the uncertainty of competitive activities, the overall returns could be lower by as much as 100 basis points.

(3) Final budget has not been completed, but the Company's anticipated investment will be approximately \$330 million.

(4) After-tax returns for centers under development exclude the potential impact of foreign currency fluctuations.

(5) Final budget has not been completed, but the Company's anticipated investment will be somewhat over \$100 million.

(6) Excludes ancillary space leased but not owned by the Company.

(7) Owned subject to a participating lease of the retail project.

**TAUBMAN CENTERS, INC.**  
**Acquisitions**

<b>Center/Business</b>	<b>Location</b>	<b>Anchors</b>	<b>Size</b>	<b>Purchase Consideration</b>	<b>Owned</b>	<b>Capitalization Rate</b>	<b>Closing Date</b>
The Mall at Green Hills	Nashville, TN	Nordstrom, Macy's, Dillard's	0.9 million sq. ft.	(1)	100%	(2)	December 2011
The Gardens on El Paseo/ El Paseo Village	Palm Desert, CA	Saks Fifth Avenue	0.2 million sq. ft.	(1)	100%	(2)	December 2011
TCBL	Various office locations in China	N/A	N/A	(3)	90%	N/A	December 2011

(1) The consideration for the properties was \$560 million, excluding transaction costs. The consideration consisted of the assumption of \$206 million of debt, \$281.5 million in installment notes, and the issuance of 1.3 million of partnership units in TRG. The number of partnership units was determined based on a value of \$55 per unit. The installment notes, which bore interest at 3.125 percent, were paid in full in February 2012 with restricted cash drawn on the Company's revolving lines of credit as of December 31, 2011. Refer to page 15 for details regarding the debt assumed.

The total acquisition price of the properties, including adjustments for purchase accounting, was preliminarily allocated as follows:

<b>Allocation of Purchase Price</b>	
<b>Properties</b>	
Land	\$ 74.2
Buildings, improvements, and equipment	468.9
	<u>\$ 543.1</u>
<b>Deferred charges and other assets</b>	
In-place leases	29.8
<b>Account payable and accrued liabilities</b>	
Below market rents	(3.4)
<b>Mortgage notes payable</b>	
Premium for above market interest rates	(9.6)
<b>Total Consideration</b>	<u><u>\$ 560.0</u></u>

(2) Based on consideration of \$560 million and estimates of the properties' combined NOI in 2012, the capitalization rate on the acquisition was about 4.5 percent. The Company believes there is an opportunity to substantially increase the NOI of the properties over time. The occupancy costs of these centers average below 10 percent – significantly less than the occupancy costs of the Company's portfolio. Actual NOI results may vary considerably from the original estimates.

(3) In December 2011, Taubman Asia acquired a 90% controlling interest in TCBL, a Beijing-based retail real estate consultancy company in Mainland China. The new company is named Taubman TCBL and the total consideration for the transaction was \$23.7 million. Taubman Asia paid \$11.5 million in cash and credited the noncontrolling owners with \$11.9 million of capital in the newly formed company. The \$11.5 million in cash included \$10.2 million that was lent in August 2011 by Taubman Asia to the noncontrolling partners. Upon closing, the loan and \$0.3 million of accrued interest were converted to capital and the remaining balance was paid in cash. Substantially all of the purchase price was allocated to goodwill in Taubman TCBL.

The Company has not yet finalized its allocations of the purchase prices to the tangible and identifiable intangible assets and liabilities acquired. The Company is awaiting certain valuation information for assets and liabilities acquired to complete its allocations. A final determination of the required purchase price allocations will be made before the end of 2012.

TAUBMAN CENTERS, INC.  
**Capital Spending**  
**For the Period Ended September 30, 2012**  
(in thousands of dollars)

	Three Months Ended September 30, 2012				Nine Months Ended September 30, 2012			
	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>								
New development projects (2)								
U.S.	65,717	54,282			151,808	139,879		
Asia			46,255 (3)	46,255			46,255 (3)	46,255
Existing Centers:								
Projects with incremental GLA or anchor replacement	3,407	3,407			3,407	3,407		
Projects with no incremental GLA and other	2,041	1,824	43	20	4,539	3,753	1,735	878
Mall tenant allowances	1,416	751	2,843	1,421	17,109	16,325	5,207	2,499
Asset replacement costs recoverable from tenants	6,181	5,424	6,709	4,003	14,836	13,215	7,982	4,698
Corporate office improvements and equipment and other	633	633			1,125	1,125		
	<u>79,395</u>	<u>66,321</u>	<u>55,850</u> (3)	<u>51,699</u>	<u>192,824</u>	<u>177,704</u>	<u>61,179</u> (3)	<u>54,330</u>
<b>Capitalized leasing costs (1)</b>	2,959	2,724	1,736	906	4,592	4,223	2,323	1,231

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

(2) Includes the \$75 million paid at opening of City Creek Center and costs related to projects in Sarasota, Florida; San Juan, Puerto Rico; Chesterfield, Missouri; Xi'an, China; and Hanam, Gyeonggi Province, South Korea.

(3) Only includes the Company's share of spending on Asia projects.

	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, 2012</b>	145,446 (1)	127,572 (1)	76,408 (2)	72,472
<b>Capitalized interest, for the nine months ended(3) September 30, 2012</b>	1,239 (4)	1,193	26	13

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

(2) For the Taubman Asia projects, these amounts only include the Company's share of construction work in process.

(3) Interest is being capitalized on \$158.2 million of construction work in process.

(4) The Company capitalizes interest costs incurred in funding it equity contributions to development projects accounted for as Unconsolidated Joint Ventures. This capitalized interest is included within Consolidated Businesses.

**TAUBMAN CENTERS, INC.**

**Operational Statistics**

For the Periods Ended September 30, 2012 and 2011 (with annual historical data as provided)

(2009 - 2012 statistics exclude Regency Square; 2008 - 2012 statistics exclude The Pier Shops, unless otherwise noted)

	Three Months Ended		Year to Date		Year Ended				
	2012	2011	2012	2011	2011	2010	2009	2008	2007
<b>Occupancy and Leased Space (1):</b>									
Ending occupancy - all centers	90.4%	88.5%	90.4%	88.5%	90.7%	90.1%	89.8%	90.5%	91.2%
Ending occupancy - comparable (2)	90.4%	88.5%	90.4%	88.5%	90.6%				
Average occupancy - all centers	90.1%	88.6%	89.9%	88.4%	88.8%	88.8%	89.4%	90.5%	90.0%
Average occupancy - comparable (2)	90.2%	88.6%	89.9%	88.4%	88.8%				
Leased space - all centers	92.6%	91.4%	92.6%	91.4%	92.4%	92.0%	91.6%	92.0%	93.8%
Leased space - comparable (2)	92.4%	91.4%	92.4%	91.4%	92.3%				
<b>Average Base Rents (2):</b>									
Average rent per square foot:									
Consolidated Businesses	47.43	45.72	47.18	45.48	45.53	43.63	43.69	43.95	43.39
Unconsolidated Joint Ventures	45.61	44.36	45.27	44.91	44.58	43.73	44.49	44.61	41.89
Combined	46.85	45.28	46.57	45.29	45.22	43.66	43.95	44.15	42.90
<b>Opening/Closing Rents (2)(3):</b>									
	Twelve Months Trailing		Year Ended						
	2012	2011			2011	2010	2009	2008	
Opening base rent per square foot:									
Consolidated Businesses	56.02	57.35			59.31	50.69	46.69	54.78	
Unconsolidated Joint Ventures	52.42	48.32			45.42	47.16	51.10	59.36	
Combined	55.22	55.39			56.20	49.69	47.82	56.46	
Square feet of GLA opened:									
Consolidated Businesses	927,446	858,695			989,260	577,435	637,900	589,730	
Unconsolidated Joint Ventures	264,924	237,760			285,919	228,075	218,953	340,275	
Combined	1,192,370	1,096,455			1,275,179	805,510	856,853	930,005	
Closing base rent per square foot:									
Consolidated Businesses	46.11	48.23			49.27	46.27	42.75	49.60	
Unconsolidated Joint Ventures	47.18	45.73			43.98	47.20	48.64	48.72	
Combined	46.37	47.57			47.93	46.52	44.25	49.30	
Square feet of GLA closed:									
Consolidated Businesses	876,385	886,887			1,013,284	647,982	761,726	650,607	
Unconsolidated Joint Ventures	281,503	315,362			344,799	243,093	259,457	342,698	
Combined	1,157,888	1,202,249			1,358,083	891,075	1,021,183	993,305	
Releasing spread per square foot:									
Consolidated Businesses	9.91	9.12			10.04	4.42	3.94	5.18	
Unconsolidated Joint Ventures	5.24	2.59			1.44	(0.04)	2.46	10.64	
Combined	8.85	7.82			8.27	3.17	3.57	7.16	
<b>Mall Tenant Sales (in thousands of dollars) (4):</b>									
Mall tenants	1,378,384	1,197,351	4,128,642	3,494,538	5,164,916	4,619,896	4,185,996	4,536,500	4,734,940
Comparable (2)	1,289,569	1,197,351	3,845,903	3,494,538	5,164,916				
Sales per square foot (2)(5)					641	564	502	533	555
Sales per square foot growth (2)	6.2%		9.3%						
<b>Occupancy Costs as a Percentage of Sales (4):</b>									
All centers:									
Consolidated Businesses	14.0%	14.1%	13.4%	14.2%	13.4%	14.5%	16.2%	15.4%	14.2%
Unconsolidated Joint Ventures	13.5%	13.0%	12.8%	12.9%	12.2%	13.5%	14.9%	13.9%	12.6%
Combined	13.9%	13.7%	13.2%	13.8%	13.0%	14.1%	15.8%	14.9%	13.6%
Comparable centers (2):									
Consolidated Businesses	14.1%	14.1%	13.7%	14.2%	13.4%				
Unconsolidated Joint Ventures	13.5%	13.0%	12.8%	12.9%	12.2%				
Combined	13.9%	13.7%	13.4%	13.8%	13.0%				
<b>Tenant Bankruptcy Filings as a Percentage of Total Tenants</b>									
	0.0%	0.0%	0.2%	1.2%	1.5%	0.7%	3.9%	2.5%	0.5%
<b>Growth in Net Operating Income (2):</b>									
Including all lease cancellation income	7.6%	8.4%	8.2%	4.2%	1.3%	0.4%	-0.8%	4.4%	5.0%
Excluding all lease cancellation income	7.4%	8.6%	8.3%	6.2%	4.9%	0.5%	-2.7%	4.9%	5.3%
<b>Number of Owned Properties at End of Period</b>									
	24	23	24	23	23	23	23	23	23

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

(2) Statistics exclude non-comparable centers.

(3) Opening and closing statistics exclude spaces greater than or equal to 10,000 square feet. Statistics prior to 2008 are not included as they were not calculated on a comparable basis.

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

(5) For the trailing twelve month period ended September 30, 2012, tenant sales per square foot were \$681, a 10.7% increase over \$615 for the trailing twelve month period ended September 30, 2011.

**TAUBMAN CENTERS, INC.**  
**Owned Centers**  
**At September 30, 2012**

Center	Anchors	Sq. Ft. of GLA/ Mall GLA	Year Opened/ Expanded	Year Acquired	Ownership %
<b>Consolidated Businesses:</b>					
Beverly Center Los Angeles, CA	Bloomingdale's, Macy's	867,000 559,000	1982		100%
Cherry Creek Shopping Center Denver, CO	Macy's, Neiman Marcus, Nordstrom	1,036,000 (1) 545,000	1990/1998		50%
City Creek Center Salt Lake City, UT	Macy's, Nordstrom	634,000 353,000	2012		100%
Dolphin Mall Miami, FL	Bass Pro Shops Outdoor World, Bloomingdale's Outlet, Burlington Coat Factory, Cobb Theatres, Dave & Busters, Lord & Taylor Outlet, Marshalls, Neiman Marcus-Last Call Off 5th Saks, The Sports Authority	1,406,000 641,000	2001/2007		100%
Fairlane Town Center Dearborn, MI <i>(Detroit Metropolitan Area)</i>	JCPenney, Macy's, Sears	1,386,000 (2) 589,000	1976/1978/ 1980/2000		100%
The Gardens on El Paseo/El Paseo Village Palm Desert, CA	Saks Fifth Avenue	238,000 188,000	1998/2010	2011	100%
Great Lakes Crossing Outlets Auburn Hills, MI <i>(Detroit Metropolitan Area)</i>	AMC Theatres, Bass Pro Shops Outdoor World, Lord & Taylor Outlet, Neiman Marcus-Last Call, Off 5th Saks	1,353,000 534,000	1998		100%
The Mall at Green Hills Nashville, TN	Dillard's, Macy's, Nordstrom	868,000 356,000	1955/2011	2011	100%
International Plaza Tampa, FL	Dillard's, Neiman Marcus, Nordstrom	1,202,000 (3) 581,000	2001		50%
MacArthur Center Norfolk, VA	Dillard's, Nordstrom	936,000 522,000	1999		95%
Northlake Mall Charlotte, NC	Belk, Dick's Sporting Goods, Dillard's, Macy's	1,070,000 464,000	2005		100%
The Mall at Partridge Creek Clinton Township, MI <i>(Detroit Metropolitan Area)</i>	Nordstrom, Parisian	609,000 375,000	2007/2008		100%
The Mall at Short Hills Short Hills, NJ	Bloomingdale's, Macy's, Neiman Marcus, Nordstrom, Saks Fifth Avenue	1,373,000 551,000	1980/1994/ 1995		100%
Stony Point Fashion Park Richmond, VA	Dillard's, Dick's Sporting Goods, Saks Fifth Avenue	667,000 301,000	2003		100%
Twelve Oaks Mall Novi, MI <i>(Detroit Metropolitan Area)</i>	JCPenney, Lord & Taylor, Macy's, Nordstrom, Sears	1,513,000 548,000	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	1,272,000 459,000	2001/2003		90%
The Shops at Willow Bend Plano, TX <i>(Dallas Metropolitan Area)</i>	Dillard's, Macy's, Neiman Marcus	1,256,000 517,000	2001/2004		100%
Total GLA		17,686,000			
Total Mall GLA		8,083,000			
TRG % of Total GLA		16,393,000			
TRG % of Total Mall GLA		7,448,000			
<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	1,221,000 552,000	1997		50%
Fair Oaks Fairfax, VA <i>(Washington, DC Metropolitan Area)</i>	JCPenney, Lord & Taylor, Macy's (two locations), Sears	1,569,000 565,000	1980/1987/ 1988/2000		50%
The Mall at Millenia Orlando, FL	Bloomingdale's, Macy's, Neiman Marcus	1,117,000 517,000	2002		50%
Stamford Town Center Stamford, CT	Macy's, Saks Fifth Avenue	769,000 446,000	1982/2007		50%
Sunvalley Concord, CA <i>(San Francisco Metropolitan Area)</i>	JCPenney, Macy's (two locations), Sears	1,333,000 493,000	1967/1981	2002	50%
Waterside Shops Naples, FL	Nordstrom, Saks Fifth Avenue	336,000 196,000	1992/2006/2008	2003	25%
Westfarms West Hartford, CT	JCPenney, Lord & Taylor, Macy's, Macy's Men's Store/Furniture Gallery, Nordstrom	1,280,000 510,000	1974/1983/1997		79%
Total GLA		7,625,000			
Total Mall GLA		3,279,000			
TRG % of Total GLA		4,100,000			
TRG % of Total Mall GLA		1,738,000			
<b>Grand Total GLA</b>		<b>25,311,000</b>			
<b>Grand Total Mall GLA</b>		<b>11,362,000</b>			
<b>TRG % of Total GLA</b>		<b>20,493,000</b>			
<b>TRG % of Total Mall GLA</b>		<b>9,186,000</b>			

(1) GLA includes the former Saks Fifth Avenue store, which closed in March 2011.  
(2) GLA includes the former Lord & Taylor store, which closed in June 2006.  
(3) GLA includes the former Robb & Stucky store, which closed in May 2011.

**TAUBMAN CENTERS, INC.**  
**Major Tenants in Owned Portfolio**  
**At September 30, 2012**

Tenant	Number of Stores	Square Footage	% Mall GLA
Forever 21 (Forever 21, For Love 21, XXI Forever)	22	582,880	5.1%
The Gap (Gap, Gap Kids, Baby Gap, Banana Republic, Old Navy, and others)	48	432,999	3.8%
Limited Brands (Bath & Body Works/White Barn Candle, Pink, Victoria's Secret, and others)	49	296,227	2.6%
H&M	15	281,748	2.5%
Abercrombie & Fitch (Abercrombie & Fitch, Hollister, and others)	34	247,931	2.2%
Williams-Sonoma (Williams-Sonoma, Pottery Barn, Pottery Barn Kids, and others)	27	207,501	1.8%
Ann Taylor (Ann Taylor, Ann Taylor Loft, and others)	34	185,355	1.6%
Foot Locker (Foot Locker, Lady Foot Locker, Champs Sports, Foot Action USA, and others)	41	177,208	1.6%
Express (Express, Express Men)	20	167,034	1.5%
Urban Outfitters (Anthropologie, Anthropologie Accessories, Free People, Urban Outfitters)	20	161,572	1.4%



**TAUBMAN CENTERS, INC.**  
**Anchors in Owned Portfolio**  
**At September 30, 2012**

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

Name	Number of Stores	GLA	% of GLA
Belk	1	180	0.8%
City Furniture and Ashley Furniture Home Store	1	140	0.7%
Dick's Sporting Goods	2	159	0.7%
Dillard's	7	1,522	7.1%
JCPenney (1)	6	1,096	5.1%
Lord & Taylor (2)	3	397	1.9%
Macy's			
Bloomingdale's	3	614	
Macy's	17	3,565	
Macy's Men's Store/Furniture Gallery	1	80	
Total	21	4,259	20.0%
Neiman Marcus (3)	5	556	2.6%
Nordstrom	11	1,564	7.3%
Parisian	1	116	0.5%
Saks (4)	5	373	1.7%
Sears	4	911	4.3%
Total	67	11,273	52.8% (5)

(1) Excludes one JCPenney Outlet store at a value center.

(2) Excludes two Lord & Taylor Outlet stores at value and outlet centers.

(3) Excludes three Neiman Marcus-Last Call stores at value and outlet centers.

(4) Excludes three Off 5th Saks stores at value and outlet centers.

(5) Percentages may not add due to rounding.

**TAUBMAN CENTERS, INC.**  
**Operating Statistics Glossary**  
**At September 30, 2012**

(Statistics are presented at 100% in order to allow for measurement of their performance as a whole, without regard to our ownership interest. Peripheral tenants are excluded from all statistics unless otherwise noted. Operating statistics' definitions are calculated for the quarter and year to date unless otherwise noted.)

**Terms:**

**Gross Leasable Area (GLA)** - total gross retail space.

**Gross Leasable Occupied Area (GLOA)** - total gross occupied retail space.

**Net Operating Income (NOI)** - property level operating revenues (rental income excluding straight-line adjustments of minimum rent) less maintenance, taxes, utilities, ground rent (including straight-line adjustments), and other property operating expenses for comparable centers.

**Retail Merchandising Units (RMUs)** - special purpose retail sales units located in common areas leased on a temporary basis by tenants and owned by the company.

**Temporary In-Line Tenants (TILs)** - tenants leasing mall retail space for a period of less than or equal to one year.

**Value and Outlet Center Anchors** - tenants greater than 20,000 square feet at Value and Outlet Centers.

<b>Statistic</b>	<b>Description</b>	<b>Includes</b>	<b>Excludes</b>
<b>Ending Occupancy</b>	GLOA of all centers as of the last day of the reporting period divided by GLA of all centers as of the last day of the reporting period	Value and Outlet Center Anchors and theaters	Regional mall anchors and TILs
<b>Average Occupancy</b>	Average GLOA of all centers for the period divided by average GLA of all centers for the period	Value and Outlet Center Anchors and theaters	Regional mall anchors and TILs
<b>Leased Space</b>	Total percentage of leased GLA of all centers with executed leases as of the last day of the reporting period	Value and Outlet Center Anchors and theaters	Regional mall anchors and TILs
<b>Average Rent psf</b>	Annualized minimum rents for the period associated with the mall tenants divided by the average GLOA for the period associated with the mall tenants		All anchors (value and outlet center and regional mall), TILs and RMUs
<b>Opening Rent psf</b>	Weighted average of the annual rents psf for spaces opening in the period (12 months trailing)	Tenant renewals, relocations, expansions/downsizings	All anchors (value and outlet center and regional mall), TILs and spaces greater than or equal to 10,000 sf
<b>Sq Ft of GLA Opened</b>	Total sq ft of centers' spaces opening in the reporting period (12 months trailing)	Tenant renewals, relocations, expansions/downsizings	All anchors (value and outlet center and regional mall), TILs and spaces greater than or equal to 10,000 sf
<b>Closing Rent psf</b>	Weighted average of the annual rents psf for spaces closing in the period (12 months trailing)	Tenant renewals, relocations, expansions/downsizings	All anchors (value and outlet center and regional mall), TILs and spaces greater than or equal to 10,000 sf
<b>Sq Ft of GLA Closed</b>	Total sq ft of centers' spaces closing in the reporting period (12 months trailing)	Tenant renewals, relocations, expansions/downsizings	All anchors (value and outlet center and regional mall), TILs and spaces greater than or equal to 10,000 sf
<b>Releasing Spread psf</b>	Opening rent psf less closing rent psf (12 months trailing)	Tenant renewals, relocations, expansions/downsizings	All anchors (value and outlet center and regional mall), TILs and spaces greater than or equal to 10,000 sf
<b>Mall Tenant Sales</b>	Total sales of centers in the reporting period	TILs and RMUs	All anchors (value and outlet center and regional mall)
<b>Sales psf</b>	Total sales of centers in the reporting period divided by the associated GLOA	RMUs	All anchors (value and outlet center and regional mall), TILs, non-comparable centers and spaces greater than or equal to 10,000 sf
<b>Occupancy Costs as a % of Sales</b>	The sum of minimum rents, percentage rents, CAM recovery and tax recovery for the period divided by the reported sales for the same tenant spaces		All anchors (value and outlet center and regional mall) and most peripheral tenants
<b>Growth in NOI</b>	% change in Net Operating Income (NOI) for the period over the same period from the prior year		
<b>Comparable Centers</b>	Centers that were owned and open for the entire current and preceding period presented.		