United States
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-K

[X] ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934
For the fiscal year ended December 31, 2003
OR
[ ] TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934
For the transition period from _________ to _________

Commission file number 1-11986

TANGER FACTORY OUTLET CENTERS, INC.
(Exact name of Registrant as specified in its charter)

North Carolina	56-1815473
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)
3200 Northline Avenue Suite 360 Greensboro, NC 27408	(336) 292-3010
(Address of principal executive offices)	(Registrant's telephone number)

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Name of exchange on which registered
Common Shares, $.01 par value	New York Stock Exchange

Securities registered pursuant to Section 12(g) of the Act: None

Indicate by check mark whether the Registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the Registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.
Yes X No

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K is not contained herein, and will not be contained, to the best of Registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K.[ ]

Indicate by check mark whether the registrant is an accelerated filer (as defined in Rule 12b-2 of the Securities and Exchange Act of 1934). Yes X No

The aggregate market value of voting shares held by non-affiliates of the Registrant was approximately $441,122,000 based on the closing price on the New York Stock Exchange for such stock on February 2, 2004.

The number of Common Shares of the Registrant outstanding as of February 2, 2004 was 13,318,643.

Documents Incorporated By Reference

Part III incorporates certain information by reference from the Registrant's definitive proxy statement to be filed with respect to the Annual Meeting of Shareholders to be held May 14, 2004.

PART I

Item 1. Business

The Company

Tanger Factory Outlet Centers, Inc. and subsidiaries, a fully-integrated, self-administered and self-managed real estate investment trust ("REIT"), focuses exclusively on developing, acquiring, owning, operating and managing factory outlet shopping centers. Since entering the factory outlet center business 23 years ago, we have become one of the largest owners and operators of factory outlet centers in the United States. As of December 31, 2003, we owned interests in 36 centers, with a total gross leasable area, or ("GLA"), of approximately 8.9 million square feet, which were 96% occupied. In addition as of December 31, 2003, we managed for a fee four centers, with a total GLA of approximately 434,000 square feet, bringing the total number of centers we operated to 40 with a total GLA of approximately 9.3 million square feet containing over 2,000 stores and representing over 400 store brands.

Our factory outlet centers and other assets are held by, and all of our operations are conducted by, Tanger Properties Limited Partnership. Accordingly, the descriptions of our business, employees and properties are also descriptions of the business, employees and properties of the Operating Partnership. Unless the context indicates otherwise, the term "Company" refers to Tanger Factory Outlet Centers, Inc. and subsidiaries and the term "Operating Partnership" refers to Tanger Properties Limited Partnership and subsidiaries. The terms "we", "our" and "us" refer to the Company or the Company and the Operating Partnership together, as the text requires.

We own the majority of the units of partnership interest issued by the Operating Partnership (the "Units") through our two wholly-owned subsidiaries, the Tanger GP Trust and the Tanger LP Trust. The Tanger GP Trust controls the Operating Partnership as its sole general partner. The Tanger LP Trust holds a limited partnership interest. The Tanger family, through its ownership of the Tanger Family Limited Partnership ("TFLP"), holds the remaining Units as a limited partner. Stanley K. Tanger, our Chairman of the Board and Chief Executive Officer, is the sole general partner of TFLP.

As of December 31, 2003, our wholly-owned subsidiaries owned 12,960,643 Units and TFLP owned 3,033,305 Units. TFLP's Units are exchangeable, subject to certain limitations to preserve our status as a REIT, on a one-for-one basis for our common shares. See "Business-The Operating Partnership". As of February 2, 2004, our management beneficially owns approximately 20% of all outstanding common shares (assuming TFLP's Units are exchanged for common shares but without giving effect to the exercise of any outstanding stock and partnership Unit options).

Ownership of our common shares is restricted to preserve our status as a REIT for federal income tax purposes. Subject to certain exceptions, a person may not actually or constructively own more than 4% of our common shares. We also operate in a manner intended to enable us to preserve our status as a REIT, including, among other things, making distributions with respect to our outstanding common shares equal to at least 90% of our taxable income each year.

We are a North Carolina corporation that was formed in March 1993. The executive offices are currently located at 3200 Northline Avenue, Suite 360, Greensboro, North Carolina, 27408 and the telephone number is (336) 292-3010. Our website can be accessed at www.tangeroutlet.com. A copy of our 10-K's, 10-Q's, and 8-K's can be obtained, free of charge, on our website.

Recent Developments

In December 2003 we completed the acquisition of the Charter Oak Partners' portfolio of nine factory outlet centers totaling approximately 3.3 million square feet. We and an affiliate of Blackstone Real Estate Advisors ("Blackstone") acquired the portfolio through a joint venture in the form of a limited liability company, COROC Holdings, LLC ("COROC"). We own one-third and Blackstone owns two-thirds of the joint venture. We provide operating, management, leasing and marketing services to the properties for a fee.

The purchase price for this transaction was $491.0 million, including the assumption of approximately $186.4 million of cross-collateralized debt which has a stated, fixed interest rate of 6.59% and matures in July 2008. We recorded the debt at its fair value of $198.3 million, with an effective interest rate of 4.97%. Accordingly, a debt premium of $11.9 million was recorded and is being amortized over the life of the debt. We financed the majority of our equity in the joint venture with proceeds from the issuance of 2.3 million common shares at $40.50 per share and expect that the transaction will be accretive to our operating results in 2004. The successful equity financing allows us to maintain a strong balance sheet and our current financial flexibility.

At December 31, 2003, we had ownership interests in or management responsibilities for 40 centers in 23 states totaling 9.3 million square feet of operating GLA compared to 34 centers in 21 states totaling 6.2 million square feet of operating GLA as of December 31, 2002. The increase is due to the following events:

<TABLE>
<CAPTION>

	No. of Centers	GLA (000's)	States
<S>	<C>	<C>	<C>
As of December 31, 2002	34	6,186	21
New development expansion:			
Myrtle Beach Hwy 17, South Carolina - (unconsolidated joint venture)	---	64	---
Acquisitions/Expansions:			
Sevierville, Tennessee (wholly-owned)	---	64	---
Charter Oak portfolio (consolidated joint venture):			
Rehoboth, Delaware	1	569	1

Foley, Alabama	1	536	---
Myrtle Beach Hwy 501, South Carolina	1	427	---
Hilton Head, South Carolina	1	393	---
Park City, Utah	1	301	1
Westbrook, Connecticut	1	291	1
Lincoln City, Oregon	1	270	1
Tuscola, Illinois	1	258	1
Tilton, New Hampshire	1	228	---
Dispositions:			
Martinsburg, West Virginia (wholly-owned)	(1)	(49)	(1)
Casa Grande, Arizona (wholly-owned)	(1)	(185)	(1)
Bourne, Massachusetts (managed)	(1)	(23)	(1)
As of December 31, 2003	40	9,330	23

</TABLE>

During 2003, we continued to utilize multiple sources of capital. We completed the following liquidity transactions during the year:

o In December 2003, we completed a public offering of 2,300,000 common shares at a price of $40.50 per share, receiving net proceeds of approximately $88.0 million. The net proceeds were used together with other available funds to fund our portion of the equity required to acquire the Charter Oak portfolio of outlet shopping centers as mentioned above and for general corporate purposes. In addition in January 2004, the underwriters of the December 2003 offering exercised in full their over-allotment option to purchase an additional 345,000 common shares at the offering price of $40.50 per share. We received net proceeds of approximately $13.2 million from the exercise of the over-allotment.

o We extended the maturities of our existing four unsecured lines of credit with Bank of America, Fleet National Bank, SouthTrust Bank and Wells Fargo Bank until June 30, 2005 and increased our line of credit with Wells Fargo Bank from $10 million to $25 million. This addition brings the total capacity under our lines of credit to $100 million.

o During 2003, we purchased, at a 2% premium, $2.6 million of our outstanding 7.875% senior, unsecured public notes that mature in October 2004. The purchases were funded by amounts available under our unsecured lines of credit. These purchases bring the total amount of these notes purchased in the last three years to $27.5 million. We currently have authority from our Board of Directors to purchase an additional $22.4 million of our outstanding 7.875% senior, unsecured public notes and may, from time to time, do so at management's discretion.

o On June 20, 2003, we redeemed all of our outstanding Series A Cumulative Convertible Redeemable Preferred Shares (the "Preferred Shares") held by the Preferred Stock Depositary in the form of Depositary Shares, each representing 1/10th of a Preferred Share. The redemption price was $250 per Preferred Share ($25 per Depositary Share), plus accrued and unpaid dividends, if any, to, but not including, the redemption date. In total, 787,008 of the Depositary Shares were converted into 709,078 common shares and we redeemed the remaining 14,889 Depositary Shares for $25 per share, plus accrued and unpaid dividends. We funded the redemption, totaling approximately $372,000, from cash flows from operations.

The Factory Outlet Concept

Factory outlets are manufacturer-operated retail stores that sell primarily first quality, branded products at significant discounts from regular retail prices charged by department stores and specialty stores. Factory outlet centers offer numerous advantages to both consumers and manufacturers. Manufacturers selling in factory outlet stores are often able to charge customers lower prices for brand name and designer products by eliminating the third party retailer. Factory outlet centers also typically have lower operating costs than other retailing formats, which enhance the manufacturer's profit potential. Factory outlet centers enable manufacturers to optimize the size of production runs while continuing to maintain control of their distribution channels. In addition, factory outlet centers benefit manufacturers by permitting them to sell out-of-season, overstocked or discontinued merchandise without alienating department stores or hampering the manufacturer's brand name, as is often the case when merchandise is distributed via discount chains.

We believe that factory outlet centers continue to present attractive opportunities for capital investment, particularly with respect to strategic re-merchandising plans and expansions of existing centers. We believe that under present conditions such development or expansion costs, coupled with current market lease rates, permit attractive investment returns. We further believe, based upon our contacts with present and prospective tenants, that many companies, including prospective new entrants into the factory outlet business, desire to open a number of new factory outlet stores in the next several years, particularly where there are successful factory outlet centers in which such companies do not have a significant presence or where there are few factory outlet centers.

Our Factory Outlet Centers

Each of our factory outlet centers carries the Tanger brand name. We believe that national manufacturers and consumers recognize the Tanger brand as one that provides factory outlet shopping centers where consumers can trust the brand, quality and price of the merchandise they purchase directly from the manufacturers.

As one of the original participants in this industry, we have developed long-standing relationships with many national and regional manufacturers. Because of our established relationships with many manufacturers, we believe we are well positioned to capitalize on industry growth.

Our factory outlet centers range in size from 11,000 to 729,238 square feet of GLA and are typically located at least 10 miles from major department stores and manufacturer-owned, full-price retail stores. Manufacturers prefer these locations so that they do not compete directly with their major customers and their own stores. Many of our factory outlet centers are located near tourist destinations to attract tourists who consider shopping to be a recreational activity. Our centers are typically situated in close proximity to interstate highways that provide accessibility and visibility to potential customers.

As of February 1, 2004, we had a diverse tenant base comprised of over 400 different well-known, upscale, national designer or brand name concepts, such as Liz Claiborne, GAP, Polo Ralph Lauren, Reebok, Tommy Hilfiger, Nautica, Coach Leatherware and Brooks Brothers. Most of the factory outlet stores are directly operated by the respective manufacturer.

No single tenant (including affiliates) accounted for 10% or more of combined base and percentage rental revenues during 2003, 2002 and 2001. As of February 1, 2004, our largest tenant, including all of its store concepts, accounted for approximately 6.1% of our GLA. Because our typical tenant is a large, national manufacturer, we have not experienced any material problems with respect to rent collections or lease defaults.

Revenues from fixed rents and operating expense reimbursements accounted for approximately 90% of our total revenues in 2003. Revenues from contingent sources, such as percentage rents, vending income and miscellaneous income, accounted for approximately 10% of 2003 revenues. As a result, only small portions of our revenues are dependent on contingent revenue sources.

Business History

Stanley K. Tanger, the Company's founder, Chairman and Chief Executive Officer, entered the factory outlet center business in 1981. Prior to founding our company, Stanley K. Tanger and his son, Steven B. Tanger, our President and Chief Operating Officer, built and managed a successful family owned apparel manufacturing business, Tanger/Creighton Inc. ("Tanger/Creighton"), which business included the operation of five factory outlet stores. Based on their knowledge of the apparel and retail industries, as well as their experience operating Tanger/Creighton's factory outlet stores, they recognized that there would be a demand for factory outlet centers where a number of manufacturers could operate in a single location and attract a large number of shoppers.

In 1981, Stanley K. Tanger began developing successful factory outlet centers. Steven B. Tanger joined the company in 1986 and by June 1993, the Tangers had developed 17 centers with a total GLA of approximately 1.5 million square feet. In June 1993, we completed our initial public offering, making Tanger Factory Outlet Centers, Inc. the first publicly traded outlet center company. Since our initial public offering, we have grown our portfolio through strategic development and acquisitions.

Since entering the factory outlet business 23 years ago, we have become one of the largest owner operators of factory outlet centers in the country. As of December 31, 2003, we owned interests in 36 shopping centers, with a total GLA of approximately 8.9 million square feet, which were 96% occupied. In addition as of December 31, 2003, we managed for a fee four shopping centers, with a total GLA of approximately 434,000 square feet, bringing the total number of centers we operated to 40 with a total GLA of approximately 9.3 million square feet containing over 2,000 stores and representing over 400 store brands.

Business and Operating Strategy

Our strategy is to increase revenues through new development, selective acquisitions and expansions of factory outlet centers while minimizing our operating expenses by designing low maintenance properties and achieving economies of scale. We continue to focus on strengthening our tenant base in our centers by replacing low volume tenants with high volume premier brand name manufacturers, such as Liz Claiborne, Reebok, Tommy Hilfiger, Polo Ralph Lauren, GAP, Nautica, Coach Leatherware, Brooks Brothers, Zales and Nike.

We typically seek opportunities to develop or acquire new centers in locations that have at least 5 million people residing within an hour's drive, an average household income within a 50-mile radius of at least $35,000 per year and access to frontage on a major or interstate highway with a traffic count of at least 45,000 cars per day. We also seek to enhance our customer base by developing centers near or at established tourist destinations. Our current goal is to target sites that are large enough to support centers with approximately 75 stores totaling at least 300,000 square feet of GLA.

We generally prelease at least 50% of the space in each center prior to acquiring the site and beginning construction. Construction of a new factory outlet center has normally taken us four to six months from groundbreaking to the opening of the first tenant store. Construction of expansions to existing properties typically takes less time, usually between three to four months.

Capital Strategy

We achieve a strong and flexible financial position by: (1) managing our leverage position relative to our portfolio when pursuing new development and expansion opportunities, (2) extending and sequencing debt maturities, (3) managing our interest rate risk through a proper mix of fixed and variable rate debt, (4) maintaining our liquidity by having available lines of credit and (5) preserving internally generated sources of capital by strategically divesting our underperforming assets, maintaining a conservative distribution payout ratio and reinvesting a significant portion of our cash flow into our portfolio.

We have successfully increased our dividend each of our first ten years as a public company. At the same time, we continue to have a low distribution payout ratio, defined as annual distributions as a percent of Funds From Operations ("FFO"), which for the year ended December 31, 2003, was 71%. As a result, we retained approximately $14.5 million of our 2003 FFO. A low distribution payout ratio allows us to retain capital to maintain the quality of our portfolio, as well as to develop, acquire and expand properties and reduce outstanding debt. For a discussion of FFO, see "Management's Discussion and Analysis of Financial Condition and Results of Operations - Funds From Operations".

We intend to retain the ability to raise additional capital, including public debt or equity, to pursue attractive investment opportunities that may arise and to otherwise act in a manner that we believe to be in our shareholders' best interests. Prior to the 2002 and 2003 common share offerings, we had established a shelf registration to allow us to issue up to $400 million in either all debt or all equity or any combination thereof. In September 2002, we completed a public offering of 1,000,000 common shares at a price of $29.25 per share, receiving net proceeds of approximately $28.0 million. We used the net proceeds, together with other available funds, to acquire one outlet center in Howell, Michigan, to reduce the outstanding balance on our lines of credit and for general corporate purposes. In December 2003, we completed a public offering of 2,300,000 common shares at a price of $40.50 per share, receiving net proceeds of approximately $88.0 million. The net proceeds were used together with other available funds to finance our portion of the equity required to acquire the Charter Oak portfolio of outlet shopping centers and for general corporate purposes. In addition in January 2004, the underwriters of the December 2003 offering exercised in full their over-allotment option to purchase an additional 345,000 common shares at the offering price of $40.50 per share. We received net proceeds of approximately $13.2 million from the exercise of the over-allotment. To generate capital to reinvest into other attractive investment opportunities, we may also consider the use of additional operational and developmental joint ventures, selling certain properties that do not meet our long-term investment criteria as well as outparcels on existing properties.

We maintain unsecured, revolving lines of credit that provide for unsecured borrowings up to $100 million at December 31, 2003, an increase of $15 million in capacity from December 31, 2002. During 2003, we extended the maturity of all lines of credit to June 30, 2005. Based on cash provided by operations, existing credit facilities, ongoing negotiations with certain financial institutions and our ability to sell debt or equity subject to market conditions, we believe that we have access to the necessary financing to fund the planned capital expenditures during 2004.

The Operating Partnership

Our centers and other assets are held by, and all of our operations are conducted by, the Operating Partnership. As of December 31, 2003, our wholly-owned subsidiaries owned 12,960,643 Units and TFLP owned the remaining 3,033,305 Units. TFLP's Units are exchangeable, subject to certain limitations to preserve our status as a REIT, on a one-for-one basis for our common shares.

Competition

We carefully consider the degree of existing and planned competition in a proposed area before deciding to develop, acquire or expand a new center. Our centers compete for customers primarily with factory outlet centers built and operated by different developers, traditional shopping malls and full- and off-price retailers. However, we believe that the majority of our customers visit factory outlet centers because they are intent on buying name-brand products at discounted prices. Traditional full- and off-price retailers are often unable to provide such a variety of name-brand products at attractive prices.

Tenants of factory outlet centers typically avoid direct competition with major retailers and their own specialty stores, and, therefore, generally insist that the outlet centers be located not less than 10 miles from the nearest major department store or the tenants' own specialty stores. For this reason, our centers compete only to a very limited extent with traditional malls in or near metropolitan areas.

We compete favorably with two large national developers of factory outlet centers and numerous small developers. During the last several years, the factory outlet industry has been consolidating with smaller, less capitalized operators struggling to compete with, or being acquired by, larger, national factory outlet operators. Since 1997 the number of factory outlet centers in the United States has decreased while the average size factory outlet center has increased. During this period of consolidation, the high barriers to entry in the factory outlet industry, including the need for extensive relationships with premier brand name manufacturers, has minimized the number of new factory outlet centers. Since January 2000 only 11 new factory outlet centers have opened. This consolidation trend and the high barriers to entry, along with our national presence, access to capital and extensive tenant relationships, have allowed us to grow our business and improve our market position.

Corporate and Regional Headquarters

We rent space in an office building in Greensboro, North Carolina in which our corporate headquarters are located. In addition, we rent a regional office in New York City, New York under a lease agreement and sublease agreement, respectively, to better service our principal fashion-related tenants, many of whom are based in and around that area.

We maintain offices and employ on-site managers at 32 centers. The managers closely monitor the operation, marketing and local relationships at each of their centers.

Insurance

We believe that as a whole our properties are covered by adequate comprehensive liability, fire, flood and extended loss insurance provided by reputable companies with commercially reasonable and customary deductibles and limits. Specified types and amounts of insurance are required to be carried by each tenant under their lease agreement with us. There are however, types of losses, like those resulting from wars or earthquakes, which may either be uninsurable or not economically insurable in some or all of our locations. An uninsured loss could result in a loss to us of both our capital investment and anticipated profits from the affected property.

Employees

As of February 1, 2004, we had 207 full-time employees, located at our corporate headquarters in North Carolina, our regional office in New York and our 32 business offices. At that date, we also employed 226 part-time employees at various locations.

Item 2. Properties

As of February 1, 2004, our portfolio consisted of 40 centers totaling 9.3 million square feet of GLA located in 23 states. We owned interests in 36 centers with a total GLA of approximately 8.9 million square feet and managed for a fee four centers with a total GLA of approximately 434,000 square feet. Our centers range in size from 11,000 to 729,238 square feet of GLA. These centers are typically strip shopping centers that enable customers to view all of the shops from the parking lot, minimizing the time needed to shop. The centers are generally located near tourist destinations or along major interstate highways to provide visibility and accessibility to potential customers.

We believe that the centers are well diversified geographically and by tenant and that we are not dependent upon any single property or tenant. Our Riverhead, New York center is the only property that represented more than 10% of our 2003 annual consolidated gross revenues. No center represented more than 10% of our consolidated total assets as of December 31, 2003. See "Business and Properties - - Significant Property.

We have an ongoing strategy of acquiring centers, developing new centers and expanding existing centers. See "Management's Discussion and Analysis of Financial Condition and Results of Operations--Liquidity and Capital Resources" for a discussion of the cost of such programs and the sources of financing thereof.

Certain of our centers serve as collateral for mortgage notes payable. Of the 36 centers that we have ownership interests in, we own the land underlying 31 and have ground leases on five. The land on which the Pigeon Forge and Sevierville centers are located are subject to long-term ground leases expiring in 2086 and 2046, respectively. The land parcel on which the original Riverhead Center is located, approximately 47 acres, is also subject to a ground lease with an initial term expiring in 2004, with renewal at our option for up to seven additional terms of five years each. Terms on the Riverhead Center ground lease are renewed automatically unless we give notice otherwise. The land parcel on which the Riverhead Center expansion is located, containing approximately 43 acres, is owned by us. The land parcel on which the Myrtle Beach center is located, is also subject to a ground lease with an initial term expiring in 2026, with renewal at TWMB's option for up to seven additional terms of ten years each. The land parcel on which part of the Rehoboth Beach center is located, is also subject to a ground lease with an initial term expiring in 2044, with renewal at our option for additional terms of twenty years each.

The term of our typical tenant lease averages approximately five years. Generally, leases provide for the payment of fixed monthly rent in advance. There are often contractual base rent increases during the initial term of the lease. In addition, the rental payments are customarily subject to upward adjustments based upon tenant sales volume. Most leases provide for payment by the tenant of real estate taxes, insurance, common area maintenance, advertising and promotion expenses incurred by the applicable center. As a result, substantially all operating expenses for the centers are borne by the tenants.

The table set forth below summarizes certain information with respect to our existing centers, excluding centers we manage but in which we have no ownership interests, as of February 1, 2004.

Location of Centers (as of February 1, 2004)

State	Number of Centers	GLA (sq. ft.)	% of GLA
South Carolina (1)(2)	3	1,144,899	13
Georgia	4	949,190	11
New York	1	729,238	8
Texas	2	619,976	7
Alabama (2)	2	615,250	7
Delaware (2)	1	568,787	6
Tennessee	2	513,581	6
Michigan	2	437,651	5
Utah (2)	1	300,602	3
Connecticut (2)	1	291,051	3
New Hampshire (2)	3	289,711	3
Missouri	1	277,883	3
Iowa	1	277,230	3
Oregon (2)	1	270,280	3
Illinois (2)	1	258,114	3
Pennsylvania	1	255,152	3
Louisiana	1	245,199	3
Florida	1	198,789	2
North Carolina	2	187,702	2
Indiana	1	141,051	2
Minnesota	1	134,480	2
California	1	105,950	1
Maine	2	84,313	1
Total	36	8,896,079	100

(1) Includes one center in Myrtle Beach, SC of which we own a 50% interest through a joint venture arrangement.

(2) Includes centers from the Charter Oak portfolio acquired on December 19, 2003 of which we own a one-third interest through a joint venture arrangement.

The table set forth below summarizes certain information with respect to our existing centers, excluding centers we manage but in which we have no ownership interests, as of February 1, 2004. Except as noted, all properties are fee owned.

Location	GLA (sq. ft.)	% Occupied	Mortgage Debt Outstanding (000's) as of December 31, 2003

Riverhead, NY (1)	729,238	99	$ ---
Rehoboth, DE (1) (3)	568,787	99	42,427
Foley, AL (3)	535,675	98	34,695
San Marcos, TX	442,486	99	37,299
Myrtle Beach 501, SC (3)	427,472	96	24,634
Sevierville, TN (1)	419,023	100	---
Hilton Head, SC (3)	393,094	89	19,900
Commerce II, GA	342,556	94	29,500
Howell, MI	325,231	100	---
Myrtle Beach 17, SC (1) (2)	324,333	100	---
Park City, UT (3)	300,602	96	13,556
Westbrook, CT (3)	291,051	91	16,108
Branson, MO	277,883	100	24,000
Williamsburg, IA	277,230	96	19,064
Lincoln City, OR (3)	270,280	92	11,202
Tuscola, IL (3)	258,114	78	21,739
Lancaster, PA	255,152	98	14,179
Locust Grove, GA	247,454	99	---
Gonzales, LA	245,199	95	---
Tilton, NH (3)	227,966	96	13,997
Fort Meyers, FL	198,789	93	---
Commerce I, GA	185,750	69	7,812
Terrell, TX	177,490	96	---
Dalton, GA	173,430	76	10,923
Seymour, IN	141,051	77	---
North Branch, MN	134,480	100	---
West Branch, MI	112,420	98	6,934
Barstow, CA	105,950	87	---
Blowing Rock, NC	105,448	99	9,517
Pigeon Forge, TN (1)	94,558	88	---
Nags Head, NC	82,254	100	6,458
Boaz, AL	79,575	97	---
Kittery I, ME	59,694	100	6,216
LL Bean, North Conway, NH	50,745	100	---
Kittery II, ME	24,619	100	---
Clover, North Conway, NH	11,000	100	---
	8,896,079	95	$ 370,160

(1) These properties or a portion thereof are subject to a ground lease.
(2) Represents property that is currently held through an unconsolidated joint venture in which we own a 50% interest. The joint venture had $29.5 million of construction loan debt as of December 31, 2003.
(3) Represents properties that are currently held through a consolidated joint venture in which we own a one-third interest.

Lease Expirations

The following table sets forth, as of February 1, 2004, scheduled lease expirations, assuming none of the tenants exercise renewal options for our existing centers, excluding centers we manage but in which we have no ownership interests. Most leases are renewable for five year terms at the tenant's option.
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Year	No. of Leases Expiring(1)	Approx. GLA (sq. ft.)(1)	Average Annualized Base Rent per sq. ft.	Annualized Base Rent (000's)(2)	% of Gross Annualized Base Rent Represented by Expiring Leases
<S>	<C>	<C>	<C>	<C>	<C>
2004	337	1,341,000 (3)	$ 12.97	$ 17,403	14
2005	368	1,800,000	13.38	24,086	20
2006	339	1,302,000	17.14	22,304	19
2007	296	1,322,000	15.94	21,085	18
2008	264	1,149,000	17.01	19,542	16
2009	110	480,000	15.37	7,373	6
2010	28	138,000	13.53	1,864	2
2011	14	119,000	12.67	1,507	1
2012	25	206,000	11.65	2,405	2
2013	17	86,000	19.30	1,667	1
2014 & thereafter	18	80,000	12.30	977	1
Total	1,816	8,023,000	$ 14.98	$ 120,213	100

(1) Excludes leases that have been entered into but which tenant has not yet taken possession, vacant suites, space under construction, temporary leases and month-to-month leases totaling in the aggregate approximately 873,000 square feet.

(2) Base rent is defined as the minimum payments due, excluding periodic contractual fixed increases and rents calculated based on a percentage of tenants' sales.
(3) As of February 1, 2004, approximately 449,000 square feet of the 1,790,000 square feet scheduled to expire in 2004 had already renewed.
</TABLE>

Rental and Occupancy Rates

The following table sets forth information regarding the expiring leases during each of the last five calendar years for our existing centers, excluding centers we manage but in which we have no ownership interests.
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	Total Expiring		Renewed by Existing Tenants		Re-leased to New Tenants	
Year	GLA (sq. ft.)	% of Total Center GLA	GLA (sq. ft.)	% of Expiring GLA	GLA (sq. ft.)	% of Expiring GLA
<S>	<C>	<C>	<C>	<C>	<C>	<C>
2003	1,070,000	12	854,000	80	49,000	5
2002	935,000	16	819,000	88	56,000	6
2001	684,000	13	560,000	82	55,000	8
2000	690,000	13	520,000	75	68,000	10
1999	715,000	14	606,000	85	23,000	3

</TABLE>

The following table sets forth the average base rental rate increases per square foot upon re-leasing stores that were turned over or renewed during each of the last five calendar years for our existing centers, excluding centers we manage but in which we have no ownership interests.
<TABLE>
<CAPTION>

	Renewals of Existing Leases				Stores Re-leased to New Tenants (1)			
		Average Annualized Base Rents ($ per sq. ft.)				Average Annualized Base Rents ($ per sq. ft.)		
Year	GLA (sq. ft.)	Expiring	New	% Increase	GLA (sq.ft.)	Expiring	New	% Change
<S>	<C>	<C>	<C>	<C>	<C>	<C>	<C>	<C>
2003	854,000	$13.29	$13.32	--	272,000	$16.47	$17.13	4
2002	819,000	14.86	15.02	1	229,000	15.14	15.74	4
2001	560,000	14.08	14.89	6	269,000	14.90	16.43	10
2000	520,000	13.66	14.18	4	303,000	14.68	15.64	7
1999	606,000	14.36	14.36	--	241,000	15.51	16.57	7

(1) The square footage released to new tenants for2003, 2002, 2001, 2000 and 1999 contains 49,000, 56,000, 55,000, 68,000 and 23,000 square feet, respectively, that was released to new tenants upon expiration of an existing lease during the current year.
</TABLE>

Occupancy Costs

We believe that our ratio of average tenant occupancy cost (which includes base rent, common area maintenance, real estate taxes, insurance, advertising and promotions) to average sales per square foot is low relative to other forms of retail distribution. The following table sets forth, for each of the last five years, tenant occupancy costs per square foot as a percentage of reported tenant sales per square foot for our existing centers, excluding centers we manage but in which we have no ownership interests.

Year	Occupancy Costs as a % of Tenant Sales
2003	7.4
2002	7.2
2001	7.1
2000	7.4
1999	7.8

Tenants

The following table sets forth certain information with respect to our ten largest tenants and their store concepts as of February 1, 2004 for our existing centers, excluding centers we manage but in which we have no ownership interests.

<TABLE>
<CAPTION>

Tenant	Number of Stores	GLA (sq. ft.)	% of Total GLA
The Gap, Inc.:			
<S>	<C>	<C>	<C>
GAP	25	227,554	2.6
Old Navy	16	231,801	2.6
Banana Republic	10	80,853	0.9
Baby Gap	1	3,885	---
Gap Kids	1	3,142	---
	53	547,235	6.1
Phillips-Van Heusen Corporation:			
Bass Shoe	31	206,273	2.3
Van Heusen	30	128,847	1.4
Geoffrey Beene Co. Store	19	72,984	0.8
Izod	16	40,480	0.5
	96	448,584	5.0
Liz Claiborne:			
Liz Claiborne	34	320,778	3.6
Elizabeth	7	24,284	0.3
DKNY Jeans	3	8,820	0.1
Special Brands By Liz Claiborne	3	7,850	0.1
Dana Buchman	3	6,975	0.1
Claiborne Mens	2	4,897	0.1
	52	373,604	4.3
VF Factory Outlet:			
VF Factory Outlet, Inc	7	184,122	2.1
Nautica Factory Store	25	106,441	1.2
Nautica Jeans Co. Outlet	1	4,500	0.1
	33	295,063	3.4
Reebok International, Ltd.:			
Reebok	28	239,102	2.7
Rockport	4	11,900	0.1
Greg Norman	1	3,000	---
	33	254,002	2.8
Dress Barn Inc.	32	226,729	2.5
Polo Ralph Lauren:			
Polo Ralph Lauren	19	160,604	1.8
Polo Jeans	4	15,000	0.2
	23	175,604	2.0
Brown Group Retail, Inc:			

Factory Brand Shoe	24	140,124	1.6
Naturalizer	11	28,784	0.3
	35	168,908	1.9
Sara Lee Corporation:			
L'eggs, Hanes, Bali	34	152,238	1.7
Socks Galore	7	9,290	0.1
	41	161,528	1.8
Nike	11	160,078	1.8
Total of all tenants listed in table	409	2,811,335	31.6

</TABLE>

Significant Property

The center in Riverhead, New York is our only center that comprises more than 10% of our consolidated total gross revenues for the year ended December 31, 2003. No center represents more than 10% of our consolidated total assets as of December 31, 2003. The Riverhead center represented 21% of our consolidated gross revenue for the year ended December 31, 2003. The Riverhead center was originally constructed in 1994 and now totals 729,238 square feet.

Tenants at the Riverhead center principally conduct retail sales operations. The occupancy rate as of the end of 2003, 2002 and 2001 was 100%, 100% and 99%. Average annualized base rental rates during 2003, 2002 and 2001 were $20.90, $19.71 and $18.68 per weighted average GLA, respectively.

Depreciation on the Riverhead center is recognized on a straight-line basis over 33.33 years, resulting in a depreciation rate of 3% per year. At December 31, 2003, the net federal tax basis of this center was approximately $76.6 million. Real estate taxes assessed on this center during 2003 amounted to $3.6 million. Real estate taxes for 2004 are estimated to be approximately $3.9 million.

The following table sets forth, as of February 1, 2004, scheduled lease expirations at the Riverhead center assuming that none of the tenants exercise renewal options:

<TABLE>
<CAPTION>

Year	No. of Leases Expiring (1)	GLA (sq. ft.) (1)	Annualized Base Rent per sq. ft.	Annualized Base Rent (000) (2)	% of Gross Annualized Base Rent Represented by Expiring Leases
<C>	<C>	<C>	<C>	<C>	<C>
2004	17	74,000	$ 19.58	$ 1,450	10
2005	16	80,000	22.09	1,765	13
2006	12	44,000	23.49	1,043	7
2007	52	192,000	23.23	4,450	31
2008	30	118,000	22.93	2,702	19
2009	16	96,000	15.03	1,441	10
2010	---	---	---	---	---
2011	2	31,000	12.69	394	3
2012	2	20,000	6.00	117	1
2013	3	35,000	19.02	673	5
2014 and thereafter	2	9,000	15.35	146	1
Total	152	699,000	$ 20.29	$ 14,181	100

(1) Excludes leases that have been entered into but which tenant has not taken possession, vacant suites, temporary leases and month-to-month leases totaling in the aggregate approximately 30,000 square feet.
(2) Base rent is defined as the minimum payments due, excluding periodic contractual fixed increases and rents calculated based on a percentage of tenants' sales.

</TABLE>

Item 3. Legal Proceedings

We are subject to legal proceedings and claims that have arisen in the ordinary course of our business and have not been finally adjudicated. In our opinion, the ultimate resolution of these matters will have no material effect on our results of operations or financial condition.

Item 4. Submission of Matters to a Vote of Security Holders

There were no matters submitted to a vote of security holders, through solicitation of proxies or otherwise, during the fourth quarter of the fiscal year ended December 31, 2003.

EXECUTIVE OFFICERS OF THE REGISTRANT

The following table sets forth certain information concerning our executive officers:

NAME	AGE	POSITION
Stanley K. Tanger..........	80	Founder, Chairman of the Board of Directors and Chief Executive Officer
Steven B. Tanger...........	55	Director, President and Chief Operating Officer
Rochelle G. Simpson	64	Secretary and Executive Vice President - Administration and Finance
Willard A. Chafin, Jr......	66	Executive Vice President - Leasing, Site Selection, Operations and Marketing
Frank C. Marchisello, Jr...	45	Executive Vice President - Chief Financial Officer
Joseph H. Nehmen...........	55	Senior Vice President - Operations
Carrie A. Warren...........	41	Senior Vice President - Marketing
Virginia R. Summerell......	45	Treasurer and Assistant Secretary
Kevin M. Dillon............	45	Vice President - Construction and Development
Lisa J. Morrison...........	44	Vice President - Leasing

The following is a biographical summary of the experience of our executive officers:

Stanley K. Tanger. Mr. Tanger is the founder, Chief Executive Officer and Chairman of the Board of Directors of the Company. He also served as President from inception of the Company to December 1994. Mr. Tanger opened one of the country's first outlet shopping centers in Burlington, North Carolina in 1981. Before entering the factory outlet center business, Mr. Tanger was President and Chief Executive Officer of his family's apparel manufacturing business, Tanger/Creighton, Inc., for 30 years.

Steven B. Tanger. Mr. Tanger is a director of the Company and was named President and Chief Operating Officer effective January 1, 1995. Previously, Mr. Tanger served as Executive Vice President since joining the Company in 1986. He has been with Tanger-related companies for most of his professional career, having served as Executive Vice President of Tanger/Creighton for 10 years. He is responsible for all phases of project development, including site selection, land acquisition and development, leasing, marketing and overall management of existing outlet centers. Mr. Tanger is a graduate of the University of North Carolina at Chapel Hill and the Stanford University School of Business Executive Program. Mr. Tanger is the son of Stanley K. Tanger.

Rochelle G. Simpson. Ms. Simpson was named Executive Vice President - Administration and Finance in January 1999. She previously held the position of Senior Vice President - Administration and Finance since October 1995. She is also the Secretary of the Company and previously served as Treasurer from May 1993 through May 1995. She entered the factory outlet center business in January 1981, in general management and as chief accountant for Stanley K. Tanger and later became Vice President - Administration and Finance of the Predecessor Company. Ms. Simpson oversees the accounting and finance departments and has overall management responsibility for the Company's headquarters.

Willard A. Chafin, Jr. Mr. Chafin was named Executive Vice President - Leasing, Site Selection, Operations and Marketing of the Company in January 1999. Mr. Chafin previously held the position of Senior Vice President - Leasing, Site Selection, Operations and Marketing since October 1995. He joined the Company in April 1990, and since has held various executive positions where his major responsibilities included supervising the Marketing, Leasing and Property Management Departments, and leading the Asset Management Team. Prior to joining the Company, Mr. Chafin was the Director of Store Development for the Sara Lee Corporation, where he spent 21 years. Before joining Sara Lee, Mr. Chafin was employed by Sears Roebuck & Co. for nine years in advertising/sales promotion, inventory control and merchandising.

Frank C. Marchisello, Jr. Mr. Marchisello was named Executive Vice President and Chief Financial Officer in April 2003. Previously he held the position of Senior Vice President and Chief Financial Officer since January 1999. He was named Vice President and Chief Financial Officer in November 1994.

Previously, he served as Chief Accounting Officer since joining the Company in January 1993 and Assistant Treasurer since February 1994. He was employed by Gilliam, Coble & Moser, certified public accountants, from 1981 to 1992, the last six years of which he was a partner of the firm in charge of various real estate clients. Mr. Marchisello is a graduate of the University of North Carolina at Chapel Hill and is a certified public accountant.

Joseph H. Nehmen. Mr. Nehmen was named Senior Vice President of Operations in January 1999. He joined the Company in September 1995 and was named Vice President of Operations in October 1995. Mr. Nehmen has over 20 years experience in private business. Prior to joining Tanger, Mr. Nehmen was owner of Merchants Wholesaler, a privately held distribution company in St. Louis, Missouri. He is a graduate of Washington University. Mr. Nehmen is the son-in-law of Stanley K. Tanger and brother-in-law of Steven B. Tanger.

Carrie A. Warren. Ms. Warren was named Senior Vice President - Marketing in May 2000. Previously, she held the position of Vice President - Marketing since September 1996 and Assistant Vice President - Marketing since joining the Company in December 1995. Prior to joining Tanger, Ms. Warren was with Prime Retail, L.P. for 4 years where she served as Regional Marketing Director responsible for coordinating and directing marketing for five outlet centers in the southeast region. Prior to joining Prime Retail, L.P., Ms. Warren was Marketing Manager for North Hills, Inc. for five years and also served in the same role for the Edward J. DeBartolo Corp. for two years. Ms. Warren is a graduate of East Carolina University.

Virginia R. Summerell. Ms. Summerell was named Treasurer of the Company in May 1995 and Assistant Secretary in November 1994. Previously, she held the position of Director of Finance since joining the Company in August 1992, after nine years with NationsBank. Her major responsibilities include maintaining banking relationships, oversight of all project and corporate finance transactions and development of treasury management systems. Ms. Summerell is a graduate of Davidson College and holds an MBA from the Babcock School at Wake Forest University.

Kevin M. Dillon. Mr. Dillon was named Vice President - Construction and Development in May 2002. Previously, he held the positions of Vice President - Construction from October 1997 to May 2002, Director of Construction from September 1996 to October 1997 and Construction Manager from November 1993, the month he joined the Company, to September 1996. Prior to joining the Company, Mr. Dillon was employed by New Market Development Company for six years where he served as Senior Project Manager. Prior to joining New Market, Mr. Dillon was the Development Director of Western Development Company where he spent 6 years.

Lisa J. Morrison. Ms. Morrison was named Vice President - Leasing in May 2001. Previously, she held the position of Assistant Vice President of Leasing from August 2000 to May 2001 and Director of Leasing from April 1999 until August 2000. Prior to joining the Company, Ms. Morrison was employed by the Taubman Company and Trizec Properties, Inc. where she served as a leasing agent. Her major responsibilities include managing the leasing strategies for our operating properties, as well as expansions and new development. She also oversees the leasing personnel and the merchandising and occupancy for Tanger properties.

PART II

Item 5. Market For Registrant's Common Equity and Related Shareholder Matters

The common shares commenced trading on the New York Stock Exchange on May 28, 1993. The initial public offering price was $22.50 per share. The following table sets forth the high and low sales prices of the common shares as reported on the New York Stock Exchange Composite Tape, during the periods indicated.

2003	High	Low	Common Dividends Paid
First Quarter	$ 31.15	$ 28.80	$ .6125
Second Quarter	33.63	30.59	.6150
Third Quarter	36.82	32.94	.6150
Fourth Quarter	43.00	36.29	.6150
Year 2003	$ 43.00	$ 28.80	$ 2.4575

2002	High	Low	Common Dividends Paid
First Quarter	$ 27.50	$ 20.75	$ .6100
Second Quarter	30.00	25.40	.6125
Third Quarter	29.90	23.00	.6125
Fourth Quarter	31.20	24.34	.6125
Year 2002	$ 31.20	$ 20.75	$ 2.4475

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As of February 1, 2004, there were approximately 710 shareholders of record. Certain of our debt agreements limit the payment of dividends such that dividends shall not exceed FFO, as defined in the agreements, for the prior fiscal year on an annual basis or 95% of FFO on a cumulative basis. Based on continuing favorable operations and available funds from operations, we intend to continue to pay regular quarterly dividends.

<TABLE>
<CAPTION>

Item 6. Selected Financial Data

(In thousands, except per share and center data)

<S>	2003 <C>	2002 <C>	2001 <C>	2000 <C>	1999 <C>
OPERATING DATA					
Total revenues	$ 121,972	$ 110,809	$ 105,497	$ 102,999	$ 99,954
Operating income	43,052	38,762	37,090	37,001	39,492
Income from continuing operations	12,865	8,379	5,278	7,326	11,287
Net income	12,849	11,007	7,112	4,312	15,588
SHARE DATA					
Basic:					
Income from continuing operations	$ 1.20	$ .79	$ .44	$ .70	$ 1.19
Net income	$ 1.20	$ 1.11	$ .67	$ .32	$ 1.74
Weighted average common shares	10,051	8,322	7,926	7,894	7,861
Diluted:					
Income from continuing operations	$ 1.17	$ .77	$ .44	$ .69	$ 1.19
Net income	$ 1.17	$ 1.08	$ .67	$ .31	$ 1.74
Weighted average common shares	10,283	8,514	7,948	7,922	7,872
Common dividends paid	$ 2.46	$ 2.45	$ 2.44	$ 2.43	$ 2.42
BALANCE SHEET DATA					
Real estate assets, before depreciation	$ 1,078,533	$ 622,399	$ 599,266	$ 584,928	$ 566,216
Total assets	987,437	477,675	476,272	487,408	490,069
Debt	540,319	345,005	358,195	346,843	329,647
Shareholders' equity	167,418	90,635	76,371	90,877	107,764
OTHER DATA					
Cash flows provided by (used in):					
Operating activities	$ 44,786	$ 39,167	$ 44,626	$ 38,420	$ 43,175
Investing activities	$ (325,293)	$ (26,363)	$ (23,269)	$ (25,815)	$ (45,959)
Financing activities	$ 289,271	$ (12,247)	$ (21,476)	$ (12,474)	$ (3,043)
Funds from operations (1)	$ 47,039	$ 41,695	$ 37,430	$ 38,203	$ 41,328
Gross Leasable Area Open:					
Wholly-owned	5,299	5,469	5,332	5,179	5,149
Partially-owned (consolidated)	3,273	---	---	---	---
Partially-owned (unconsolidated)	324	260	---	---	---
Managed	434	457	105	105	105
Total GLA open at end of period	9,330	6,186	5,437	5,284	5,254
Number of centers:					
Wholly-owned	26	28	29	29	31
Partially-owned (consolidated)	9	---	---	---	---
Partially-owned (unconsolidated)	1	1	---	---	---
Managed	4	5	3	3	3
Total outlet centers in operation	40	34	32	32	34

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(1) Funds from Operations ("FFO") is defined as net income (loss), computed in accordance with generally accepted accounting principles, before extraordinary items and gains (losses) on sale or disposal of depreciable operating properties, plus depreciation and amortization uniquely significant to real estate and after adjustments for unconsolidated partnerships and joint ventures. For a complete discussion of FFO, see Item 7 "Management's Discussion and Analysis of Financial Condition and Results of Operations - Funds from Operations".

</TABLE>

Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations

The following discussion should be read in conjunction with the consolidated financial statements appearing elsewhere in this report. Historical results and percentage relationships set forth in the consolidated statements of operations, including trends which might appear, are not necessarily indicative of future operations. Unless the context indicates otherwise, the term "Company" refers to Tanger Factory Outlet Centers, Inc. and subsidiaries and the term "Operating Partnership" refers to Tanger Properties Limited Partnership and subsidiaries. The terms "we", "our" and "us" refer to the Company or the Company and the Operating Partnership together, as the text requires.

The discussion of our results of operations reported in the consolidated statements of operations compares the years ended December 31, 2003 and 2002, as well as December 31, 2002 and 2001. Certain comparisons between the periods are made on a percentage basis as well as on a weighted average gross leasable area ("GLA") basis, a technique which adjusts for certain increases or decreases in the number of centers and corresponding square feet related to the development, acquisition, expansion or disposition of rental properties. The computation of weighted average GLA, however, does not adjust for fluctuations in occupancy that may occur subsequent to the original opening date.

Cautionary Statements

Certain statements made below are forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. We intend such forward-looking statements to be covered by the safe harbor provisions for forward-looking statements contained in the Private Securities Reform Act of 1995 and included this statement for purposes of complying with these safe harbor provisions. Forward-looking statements, which are based on certain assumptions and describe our future plans, strategies and expectations, are generally identifiable by use of the words `believe', `expect', `intend', `anticipate', `estimate', `project', or similar expressions. You should not rely on forward-looking statements since they involve known and unknown risks, uncertainties and other factors which are, in some cases, beyond our control and which could materially affect our actual results, performance or achievements. Factors which may cause actual results to differ materially from current expectations include, but are not limited to, the following:

- national and local general economic and market conditions;
- demographic changes;
- our ability to sustain, manage or forecast our growth and operating results;
- existing government regulations and changes in, or the failure to comply with, government regulations;
- adverse publicity;
- liability and other claims asserted against us;
- competition;
- the risk that we may not be able to finance our planned development activities;
- risks related to the retail real estate industry in which we compete, including the potential adverse impact of external factors such as inflation, tenant demand for space, consumer confidence, unemployment rates and consumer tastes and preferences;
- risks associated with our development activities, such as the potential for cost overruns, delays and lack of predictability with respect to the financial returns associated with these development activities;
- risks associated with real estate ownership, such as the potential adverse impact of changes in the local economic climate on the revenues and the value of our properties;

- risks that a significant number of tenants may become unable to meet their lease obligations or that we may be unable to renew or re-lease a significant amount of available space on economically favorable terms;
- changes in business strategy or development plans;
- business disruptions;

o the ability to attract and retain qualified personnel;

o the ability to realize planned costs savings in acquisitions; and

o retention of earnings.

General Overview

In December 2003 we completed the acquisition of the Charter Oak Partners' portfolio of nine factory outlet centers totaling approximately 3.3 million square feet. We and an affiliate of Blackstone Real Estate Advisors ("Blackstone") acquired the portfolio through a joint venture in the form of a limited liability company, COROC Holdings, LLC ("COROC"). We own one-third and Blackstone owns two-thirds of the joint venture. We provide operating, management, leasing and marketing services to the properties for a fee.

The purchase price for this transaction was $491.0 million, including the assumption of approximately $186.4 million of cross-collateralized debt which has a stated, fixed interest rate of 6.59% and matures in July 2008. We recorded the debt at its fair value of $198.3 million, with an effective interest rate of 4.97%. Accordingly, a debt premium of $11.9 million was recorded and is being amortized over the life of the debt. We financed the majority of our equity in the joint venture with proceeds from the issuance of 2.3 million common shares at $40.50 per share and expect that the transaction will be accretive to our operating results in 2004. The successful equity financing allows us to maintain a strong balance sheet and our current financial flexibility.

At December 31, 2003, we had ownership interests in or management responsibilities for 40 centers in 23 states totaling 9.3 million square feet of operating GLA compared to 34 centers in 21 states totaling 6.2 million square feet of operating GLA as of December 31, 2002. The increase is due to the following events:

<TABLE>
<CAPTION>

<S>	No. of Centers <C>	GLA (000's) <C>	States <C>
As of December 31, 2002	34	6,186	21
New development expansion:			
Myrtle Beach Hwy 17, South Carolina - (unconsolidated joint venture)	---	64	---
Acquisitions/Expansions:			
Sevierville, Tennessee (wholly-owned)	---	64	---
Charter Oak portfolio (consolidated joint venture):			
Rehoboth, Delaware	1	569	1
Foley, Alabama	1	536	---
Myrtle Beach Hwy 501, South Carolina	1	427	---
Hilton Head, South Carolina	1	393	---
Park City, Utah	1	301	1
Westbrook, Connecticut	1	291	1
Lincoln City, Oregon	1	270	1
Tuscola, Illinois	1	258	1
Tilton, New Hampshire	1	228	---
Dispositions:			
Martinsburg, West Virginia (wholly-owned)	(1)	(49)	(1)
Casa Grande, Arizona (wholly-owned)	(1)	(185)	(1)
Bourne, Massachusetts (managed)	(1)	(23)	(1)
As of December 31, 2003	40	9,330	23

</TABLE>

Results of Operations

A summary of the operating results for the years ended December 31, 2003, 2002 and 2001 is presented in the following table, expressed in amounts calculated on a weighted average GLA basis.

The results of operations for 2003, 2002 and 2001 related to properties sold since December 31, 2001 are excluded from the table below in accordance with SFAS 144 "Accounting for the Impairment or Disposal of Long Lived Assets," ("FAS 144"). FAS 144 requires that results of operations and gain/(loss) on sales of real estate that have separable, identifiable cash flows for properties sold subsequent to December 31, 2001 be reflected in the Consolidated Statements of Operations as discontinued operations for all periods presented.

<TABLE>
<CAPTION>

	2003	2002	2001

GLA open at end of period (000's)
<S> <C> <C> <C>

Wholly owned	5,299	5,469	5,332
Partially owned consolidated (1)	3,273	---	---
Partially owned unconsolidated (2)	324	260	---
Managed	434	457	105
Total GLA at end of period (000's)	9,330	6,186	5,437
Weighted average GLA (000's) (1) (3)	5,393	5,011	4,877
Occupancy percentage at end of period (4)	96%	98%	96%
Per square foot data			
Revenues			
Base rentals	$ 15.02	$ 14.79	$ 14.62
Percentage rentals	.59	.71	.56
Expense reimbursements	6.34	5.96	5.89
Other income	.66	.65	.56
Total revenues	22.61	22.11	21.63
Expenses			
Property operating	7.46	6.96	6.73
General and administrative	1.78	1.84	1.68
Depreciation and amortization	5.40	5.58	5.61
Total expenses	14.64	14.38	14.02
Operating income	7.97	7.73	7.61
Interest expense	4.91	5.68	6.25
Income before equity in earnings of unconsolidated joint ventures, minority interest and discontinued operations	$ 3.06	$ 2.05	$ 1.36

(1) Includes nine centers totaling 3,273,041 square feet of which we own a one-third interest through a joint venture arrangement but consolidate for financial reporting purposes under FIN 46.
(2) Includes one center totaling 324,333 square feet of which we own a 50% interest through a joint venture arrangement.
(3) Represents GLA of wholly-owned and partially owned consolidated operating properties weighted by months of operation. GLA is not adjusted for fluctuations in occupancy that may occur subsequent to the original opening date. Excludes GLA of properties for which their results are included in discontinued operations.
(4) Represents occupancy only at centers in which we have an ownership interest.

</TABLE>

2003 Compared to 2002

Base rentals increased $6.9 million, or 9%, in the 2003 period when compared to the same period in 2002. The increase is primarily due to the full year effect of the acquisition of our Howell, Michigan center in September 2002 along with our acquisition of additional GLA in January 2003 at our Sevierville, Tennessee center and subsequent expansion at that center in the summer of 2003. Also, in December 2003, through a joint venture of which we own a one-third interest, we completed the acquisition of nine properties in the Charter Oak portfolio which are consolidated for financial reporting purposes. Base rent per weighted average GLA increased by $.23 per square foot from $14.79 per square foot in the 2002 period to $15.02 per square foot in the 2003 period. The increase was attributable to the average initial base rent for new stores opened during 2003, $18.83, being 11.7% higher than the average base rent of $16.86 for stores closed during 2003. The overall portfolio occupancy at December 31, 2003 decreased 2% from 98% to 96% due to the acquired properties having a lower occupancy rate, 94%, than our portfolio, 97%, just prior to the acquisition. One center experienced a negative occupancy trend of at least 10% from December 31, 2002 to December 31, 2003.

Percentage rentals, which represent revenues based on a percentage of tenants' sales volume above predetermined levels (the "breakpoint"), decreased $362,000 or 10%, and on a weighted average GLA basis, decreased $.12 per square foot in 2003 compared to 2002 from $.71 per square foot to $.59 per square foot. Reported same-space sales per square foot for the twelve months ended December 31, 2003 were $301 per square foot, a 2.3% increase over the prior year ended December 31, 2002. Same-space sales is defined as the weighted average sales per square foot reported in space open for the full duration of each comparison period. Our ability to attract high volume tenants to many of our outlet centers continues to improve the average sales per square foot throughout our portfolio. However, many tenants' breakpoints are adjusted along with their base rent upon renewal, resulting in a reduction in percentage rentals, but an increase in base rentals.

Expense reimbursements, which represent the contractual recovery from tenants of certain common area maintenance, insurance, property tax, promotional, advertising and management expenses generally fluctuates consistently with the reimbursable property operating expenses to which it relates. Expense reimbursements, expressed as a percentage of property operating expenses, decreased to 85% in 2003 from 86% in 2002 primarily as a result of higher real estate taxes due to revaluations, increases in property insurance premiums and increases in other non-reimbursable expenses.

Other income increased $300,000, or 9%, in 2003 compared to 2002 primarily due to increases in vending and other miscellaneous income and an increase in fees from managed properties.

Property operating expenses increased by $5.4 million, or 15%, in the 2003 period as compared to the 2002 period and, on a weighted average GLA basis, increased $.50 per square foot from $6.96 to $7.46. The increase is the result of the additional operating costs of the Howell, Michigan center that we acquired in late September 2002 and the acquisition and expansion in our Sevierville, Tennessee center during 2003 as well as portfolio wide increases in advertising, common area maintenance and property taxes.

General and administrative expenses increased $337,000, or 4%, in the 2003 period as compared to the 2002 period. The increase is primarily due to normal increases in salaries and payroll taxes offset by a decrease in bad debt expense as compared to the prior year. Also, as a percentage of total revenues, general and administrative expenses were 8% in both the 2003 and 2002 periods and, on a weighted average GLA basis, decreased $.06 per square foot from $1.84 per square foot in the 2002 period to $1.78 per square foot in the 2003 period.

Interest expense decreased $2.0 million during 2003 as compared to 2002 due primarily to lower average interest rates during 2003 and a decrease in the overall debt level due to the use of the proceeds from the exercise of 890,540 share and unit options during the year to reduce outstanding debt. Also, during 2003, we purchased, at a 2% premium, $2.6 million of our outstanding 7.875% senior, unsecured public notes that mature in October 2004. The purchases were funded by amounts available under our unsecured lines of credit. These purchases bring the total amount of these notes purchased in the last three years to $27.5 million. The replacement of the 2004 bonds with funding through lines of credit provided us with a significant interest expense reduction as the lines of credit had a lower interest rate.

Depreciation and amortization per weighted average GLA decreased from $5.58 per square foot in the 2002 period to $5.40 per square foot in the 2003 period due to a lower mix of tenant finishing allowances included in buildings and improvements which are depreciated over shorter lives (i.e. over lives generally ranging from 3 to 10 years as opposed to other construction costs which are depreciated over lives ranging from 15 to 33 years).

Equity in earnings from unconsolidated joint ventures increased $427,000 in the 2003 period compared to the 2002 period due to the TWMB Associates, LLC ("TWMB") outlet center in Myrtle Beach, South Carolina being open for a full year in 2003 compared to six months in 2002, as the center opened in June 2002 and an expansion of 64,000 square feet that occurred in 2003.

The decrease in discontinued operations is due to the gains on sales of our Ft. Lauderdale, Florida and Bourne, Massachusetts centers and the leased outparcels of land in Seymour, Indiana and Casa Grande, Arizona, all of which were sold in the 2002 period. In 2003, only the Martinsburg, West Virginia and Casa Grande, Arizona centers were sold and included in discontinued operations.

2002 Compared to 2001

Base rentals increased $2.8 million, or 4%, in the 2002 period when compared to the same period in 2001. The increase is primarily due to the full nine months effect of an expansion at our San Marcos, TX center which we completed during the fourth quarter of 2001 and the acquisition of our Howell, Michigan center in September 2002. Base rent per weighted average GLA increased by $.17 per square foot from $14.62 per square foot in the 2001 period compared to $14.79 per square foot in the 2002 period. The increase is the result of the addition of the San Marcos expansion to the portfolio which had a higher average base rent per square foot compared to the portfolio average and an increase of 2% in average base rent per square foot on approximately 1.0 million square feet renewed or re-tenanted during 2002. While the overall portfolio occupancy at December 31, 2002 increased 2% from 96% to 98% compared with the prior year end, two centers experienced negative occupancy trends which were offset by positive occupancy gains in other centers.

Percentage rentals increased $834,000 or 31%, and on a weighted average GLA basis, increased $.15 per square foot in 2002 compared to 2001. Reported same-space sales per square foot for the twelve months ended December 31, 2002 were $294 per square foot, a 1.4% increase over the prior year ended December 31, 2001. Same-space sales is defined as the weighted average sales per square foot reported in space open for the full duration of each comparison period. Our ability to attract high volume tenants to many of our outlet centers continues to improve the average sales per square foot throughout our portfolio. Reported tenant sales for 2002 for all Tanger Outlet Centers reached a record level of $1.5 billion.

Expense reimbursements, which represent the contractual recovery from tenants of certain common area maintenance, insurance, property tax, promotional, advertising and management expenses generally fluctuates consistently with the reimbursable property operating expenses to which it relates. Expense reimbursements, expressed as a percentage of property operating expenses, decreased to 86% in 2002 from 88% in 2001 primarily as a result of higher real estate taxes due to revaluations, increases in property insurance premiums and increases in other non-reimbursable expenses.

Other income increased $526,000, or 19%, in 2002 compared to 2001 primarily due to gains on sales of outparcels of land in 2002 included in other income, increases in vending and other miscellaneous income and the recognition of management, leasing and development fee revenue from our TWMB Associates, LLC ("TWMB") joint venture.

Property operating expenses increased by $2.0 million, or 6%, in the 2002 period as compared to the 2001 period and, on a weighted average GLA basis, increased $.23 per square foot from $6.73 to $6.96. The increase is the result of increased costs in marketing, common area maintenance, real estate taxes, property insurance, and other non-reimbursable expenses.

General and administrative expenses increased $1.0 million, or 12%, in the 2002 period as compared to the 2001 period. The increase is primarily due to increases in performance based bonus accruals, travel, legal and other professional fees. Also, as a percentage of total revenues, general and administrative expenses were 8% in both the 2002 and 2001 periods and, on a weighted average GLA basis increased $.16 per square foot from $1.68 per square foot in the 2001 period to $1.84 per square foot in the 2002 period.

Interest expense decreased $2.0 million during 2002 as compared to 2001 due primarily to lower average interest rates during 2002 and a decrease in the overall debt level due to the use of a portion of the proceeds from our equity offering during the year to reduce outstanding debt. Also, beginning in the fourth quarter of 2001 and continuing through 2002, we purchased, primarily at par, approximately $24.9 million of our outstanding 7.875% senior, unsecured public notes that mature in October 2004. The purchases were funded by amounts available under our unsecured lines of credit. The replacement of the 2004 bonds with funding through lines of credit provided us with a significant interest expense reduction as the lines of credit had a lower interest rate.

Depreciation and amortization per weighted average GLA decreased slightly from $5.61 per square foot in the 2001 period to $5.58 per square foot in the 2002 period due to a lower mix of tenant finishing allowances included in buildings and improvements which are depreciated over shorter lives (i.e. over lives generally ranging from 3 to 10 years as opposed to other construction costs which are depreciated over lives ranging from 15 to 33 years).

Equity in earnings from unconsolidated joint ventures increased $392,000 in the 2002 period compared to the 2001 period due to the opening of the Myrtle Beach, South Carolina outlet center by TWMB in June of 2002.

The increase in discontinued operations is due to the gains on sales of our Ft. Lauderdale, Florida and Bourne, Massachusetts centers and the leased outparcels of land in Seymour, Indiana and Casa Grande, Arizona, all of which were sold in the 2002 period.

Liquidity and Capital Resources

Net cash provided by operating activities was $44.8, $39.2 and $44.6 million for the years ended December 31, 2003, 2002 and 2001, respectively. The increase in cash provided from operating activities from 2002 to 2003 is primarily due to the increase in income after adjustments for non-cash items and changes in accounts payable and accrued expenses and other assets as well as a decrease of $2.0 million in interest expense. The increase in other assets is due primarily to the cash paid for the ground lease at the Rehoboth Beach, Delaware center acquired in December 2003. The decrease from 2001 to 2002 is due to changes in accounts payable and accrued expenses and other assets. Net cash used in investing activities amounted to $325.3, $26.4 and $23.3 million during 2003, 2002 and 2001, respectively, and reflects the acquisitions, expansions and dispositions of real estate during each year. Cash provided by (used in) financing activities of $289.3, ($12.2) and ($21.5) million in 2003, 2002 and 2001, respectively, has fluctuated consistently with the capital needed to fund the current development and acquisition activity and reflects increases in dividends paid during 2003, 2002 and 2001. Also, the increase in cash provided by financing activities in 2003 compared to 2002 is due primarily to the contribution by Blackstone related to COROC and the increase in net proceeds from the issuance of common shares in 2003 compared to 2002. In 2003, 2,300,000 common shares were issue versus 1,000,000 common shares in 2002. Also, approximately 763,000 more share and unit options were exercised in 2003 versus 2002.

Acquisitions and Dispositions

In January 2003, we acquired a 29,000 square foot, 100% leased expansion located contiguous to our existing factory outlet center in Sevierville, Tennessee at a purchase price of $4.7 million. Construction of an additional 35,000 square foot expansion of the center was completed during the third quarter and opened 100% occupied. The cost of the expansion was approximately $4 million. The Sevierville center now totals approximately 419,000 square feet.

In May 2003, we completed the sale of our 49,000 square foot property located in Martinsburg, West Virginia. Net proceeds received from the sale of this property were approximately $2.1 million. As a result of the sale, we recognized a loss on sale of real estate of approximately $735,000, which is included in discontinued operations.

In October 2003, we completed the sale of our 185,000 square foot property located in Casa Grande, Arizona. Net proceeds received from the sale of this property were approximately $6.6 million. As a result of the sale, we recognized a gain on sale of real estate of approximately $588,000.

We have an option to purchase land and have begun the early development and leasing of a site located near Pittsburgh, Pennsylvania. We currently expect the center to be approximately 420,000 square feet upon total build out with the initial phase scheduled to open in the fourth quarter of 2005.

Joint Ventures

COROC HOLDINGS, LLC

On December 19, 2003, COROC, a joint venture in which we have a one-third ownership interest and consolidate for financial reporting purposes under the provisions of Financial Accountings Standards Board Interpretation No. 46 ("FIN 46"), purchased the 3.3 million square foot Charter Oak portfolio of outlet center properties for $491.0 million, including the assumption of $186.4 million of cross-collateralized debt which has a stated, fixed interest rate of 6.59% and matures in July 2008. We recorded the debt at its fair value of $198.3 million, with an effective interest rate of 4.97%. Accordingly, a debt premium of $11.9 million was recorded and is being amortized over the life of the debt. We financed the majority of our share of the equity required for the transaction through the issuance of 2,300,000 common shares on December 10, 2003, generating approximately $88.0 million in net proceeds. The results of the Charter Oak portfolio have been included in the consolidated financial statements since December 19, 2003. The acquisition of the Charter Oak portfolio solidifies our position in the outlet industry. In addition, the centers acquired provide an excellent geographic fit, a diversified tenant portfolio and are in line with our strategy of creating an increased presence in high-end resort locations.

We will have joint control with Blackstone over major decisions. If Blackstone does not receive an annual minimum cash return of 6% on their invested capital during any of the first three years and 7% in any year thereafter, Blackstone shall gain the right to become the sole managing member of the joint venture with complete authority to act for the joint venture, including the ability to dispose of one or more of the joint venture properties to a third party. Based on current available cash flows from the properties, we do not believe there is a significant risk of default under this provision.

We will provide operating, management, leasing and marketing services to the properties and will earn an annual management and leasing fee equal to $1.00 per square foot of gross leasable area. We may also earn an additional annual incentive fee of up to approximately $800,000 if certain annual increases in the net operating income are met on an annual basis. These fees are payable prior to, and are not subordinate to, any member distributions that may be required. Blackstone shall have the right to terminate the management agreement for the joint venture if it does not receive its minimum cash return as described above.

After an initial 42-month lock-up period, either party can enter into an agreement for the sale of the Charter Oak portfolio, subject to a right of first offer of the other party to acquire the entire portfolio.

During the operation of the joint venture, Blackstone will receive a preferred cash distribution of 10% on their invested capital. We will then receive a preferred cash distribution of 10% on our invested capital. Any remaining cash flows from ongoing operations will be distributed one-third to Blackstone and two-thirds to us.

Upon exit or the sale of the properties, to the extent that cash is available, Blackstone will first receive a distribution equal to their invested capital and any unpaid preferred cash distribution, if any. We will then receive an unpaid preferred cash distribution, if any. Blackstone will then receive an additional

2% annual preferred cash distribution. We will then receive a distribution equal to our invested capital and an additional 2% annual preferred cash distribution. Finally, any remaining proceeds will be distributed one-third to Blackstone and two-thirds to us.

TWMB ASSOCIATES, LLC

In September 2001, we established the TWMB Associates, LLC ("TWMB"), a joint venture in which we have a 50% ownership interest with Rosen-Warren Myrtle Beach LLC ("Rosen-Warren") as our venture partner, to construct and operate a Tanger Outlet center in Myrtle Beach, South Carolina. The Company and Rosen-Warren each contributed $4.3 million in cash for a total initial equity in TWMB of $8.6 million. In June 2002 the first phase opened 100% leased at a cost of approximately $35.4 million with approximately 260,000 square feet and 60 brand name outlet tenants.

During 2003, we completed our 64,000 square foot second phase. The second phase cost approximately $6.0 million. The Company and Rosen-Warren each contributed approximately $1.1 million each toward the second phase which contains 22 additional brand name outlet tenants.

In addition, TWMB is currently underway with a 79,000 square foot third phase expansion of the Myrtle Beach center with an estimated cost of $9.7 million. TWMB expects to complete the expansion with stores commencing operations during the summer of 2004. The Company and Rosen-Warren each made capital contributions during the fourth quarter of 2003 of $1.7 million for the third phase. Upon completion of this third phase in 2004, TWMB's Myrtle Beach center will total 403,000 square feet. At December 31, 2003, commitments for construction of the third phase expansion amounted to $9.6 million. Commitments for construction represent only those costs contractually required to be paid by TWMB.

In conjunction with the construction of the center, TWMB closed on a construction loan in the amount of $36.2 million with Bank of America, NA (Agent) and SouthTrust Bank due in September 2005. As of December 31, 2003 the construction loan had a balance of $29.5 million. In August of 2002, TWMB entered into an interest rate swap agreement with Bank of America, NA effective through August 2004 with a notional amount of $19 million. Under this agreement, TWMB receives a floating interest rate based on the 30 day LIBOR index and pays a fixed interest rate of 2.49%. This swap effectively changes the payment of interest on $19 million of variable rate debt to fixed rate debt for the contract period at a rate of 4.49%. All debt incurred by this unconsolidated joint venture is collateralized by its property as well as joint and several guarantees by Rosen-Warren and the Company.

Either partner in TWMB has the right to initiate the sale or purchase of the other party's interest at certain times. If such action is initiated, one member would determine the fair market value purchase price of the venture and the other would determine whether they would take the role of seller or purchaser. The members' roles in this transaction would be determined by the tossing of a coin, commonly known as a Russian roulette provision. If either Rosen-Warren or we enact this provision and depending on our role in the transaction as either seller or purchaser, we could potentially incur a cash outflow for the purchase of Rosen-Warren's interest. However, we do not expect this event to occur in the near future based on the positive results and expectations of developing and operating an outlet center in the Myrtle Beach area.

DEER PARK ENTERPRISE, LLC

During the third quarter of 2003, we established a wholly owned subsidiary, Tanger Deer Park, LLC ("Tanger Deer Park"). In September 2003, Tanger Deer Park entered into a joint venture agreement with two other members to create Deer Park Enterprise, LLC ("Deer Park"). All members in the joint venture have an equal ownership interest of 33.33%. Deer Park was formed for the purpose of, but not limited to, developing a site located in Deer Park, New York with approximately 790,000 square feet planned at total buildout. We expect the site will contain both outlet and big box retail tenants.

Each of the three members made an equity contribution of $1.6 million. In conjunction with the real estate purchase, Deer Park closed on a loan in the amount of $19 million with Fleet Bank due in October 2005 and a purchase money mortgage note with the seller in the amount of $7 million. Deer Park's Fleet loan incurs interest at a floating interest rate equal to LIBOR plus 2.00% and is collateralized by the property as well as joint and several guarantees by all three parties. The purchase money mortgage note bears no interest. However, interest has been imputed for financial statement purposes at a rate which approximates fair value.

In October 2003, Deer Park entered into a sale-leaseback transaction for the above mentioned real estate located in Deer Park, New York. The agreement consists of the sale of the property to Deer Park for $29 million which is being leased back to the seller under a 24 month operating lease agreement. Under the provisions of FASB Statement No. 67 "Accounting for Costs and Initial Rental Operations of Real Estate Projects", current rents received from this project, net of applicable expenses, are treated as incidental revenues and will be recognized as a reduction in the basis of the assets, as opposed to rental revenues over the life of the lease, until such time that the current project is demolished and the intended assets are constructed.

Any developments or expansions that we, or a joint venture that we are involved in, have planned or anticipated may not be started or completed as scheduled, or may not result in accretive net income or funds from operations. In addition, we regularly evaluate acquisition or disposition proposals and engage from time to time in negotiations for acquisitions or dispositions of properties. We may also enter into letters of intent for the purchase or sale of properties. Any prospective acquisition or disposition that is being evaluated or which is subject to a letter of intent may not be consummated, or if consummated, may not result in an increase in net income or funds from operations.

Preferred Share Redemption

On June 20, 2003, we redeemed all of our outstanding Series A Cumulative Convertible Redeemable Preferred Shares (the "Preferred Shares") held by the Preferred Stock Depositary in the form of Depositary Shares, each representing 1/10th of a Preferred Share. The redemption price was $250 per Preferred Share ($25 per Depositary Share), plus accrued and unpaid dividends, if any, to, but not including, the redemption date. In total, 787,008 of the Depositary Shares were converted into 709,078 common shares and we redeemed the remaining 14,889 Depositary Shares for $25 per share, plus accrued and unpaid dividends. We funded the redemption, totaling approximately $372,000, from cash flows from operations.

Financing Arrangements

During 2003, we purchased, at a 2% premium, $2.6 million of our outstanding 7.875% senior, unsecured public notes that mature in October 2004. The purchases were funded by amounts available under our unsecured lines of credit. These purchases bring the total amount of these notes purchased in the last three years to $27.5 million. We currently have authority from our Board of Directors to purchase an additional $22.4 million of our outstanding 7.875% senior, unsecured public notes and may, from time to time, do so at management's discretion.

At December 31, 2003, approximately 31% of our outstanding long-term debt represented unsecured borrowings and approximately 33% of the gross book value of our real estate portfolio was unencumbered. The average interest rate, including loan cost amortization, on average debt outstanding for the years ended December 31, 2003 and 2002 was 7.6% and 8.1%, respectively.

We intend to retain the ability to raise additional capital, including public debt or equity, to pursue attractive investment opportunities that may arise and to otherwise act in a manner that we believe to be in our shareholders' best interests. Prior to the 2002 and 2003 common share offerings, we had established a shelf registration to allow us to issue up to $400 million in either all debt or all equity or any combination thereof. In September 2002, we completed a public offering of 1,000,000 common shares at a price of $29.25 per share, receiving net proceeds of approximately $28.0 million. We used the net proceeds, together with other available funds, to acquire one outlet center in Howell, Michigan, to reduce the outstanding balance on our lines of credit and for general corporate purposes. In December 2003, we completed a public offering of 2,300,000 common shares at a price of $40.50 per share, receiving net proceeds of approximately $88.0 million. The net proceeds were used together with other available funds to finance our portion of the equity required to acquire the Charter Oak portfolio of outlet shopping centers and for general corporate purposes. In addition in January 2004, the underwriters of the December 2003 offering exercised in full their over-allotment option to purchase an additional 345,000 common shares at the offering price of $40.50 per share. We received net proceeds of approximately $13.2 million from the exercise of the over-allotment. To generate capital to reinvest into other attractive investment opportunities, we may also consider the use of additional operational and developmental joint ventures, selling certain properties that do not meet our long-term investment criteria as well as outparcels on existing properties.

We maintain unsecured, revolving lines of credit that provide for unsecured borrowings up to $100 million at December 31, 2003, an increase of $15 million in capacity from December 31, 2002. During 2003, we extended the maturity of all lines of credit to June 30, 2005. Based on cash provided by operations, existing credit facilities, ongoing negotiations with certain financial institutions and our ability to sell debt or equity subject to market conditions, we believe that we have access to the necessary financing to fund the planned capital expenditures during 2004.

We anticipate that adequate cash will be available to fund our operating and administrative expenses, regular debt service obligations, and the payment of dividends in accordance with Real Estate Investment Trust ("REIT") requirements in both the short and long term. Although we receive most of our rental payments on a monthly basis, distributions to shareholders are made quarterly and interest payments on the senior, unsecured notes are made semi-annually. Amounts accumulated for such payments will be used in the interim to reduce the outstanding borrowings under the existing lines of credit or invested in short-term money market or other suitable instruments.

Contractual Obligations and Commercial Commitments

The following table details our contractual obligations over the next five years and thereafter as of December 31, 2003 (in thousands):

Contractual Obligations	2004	2005	2006	2007	2008	Thereafter
Debt	$53,530	$49,253	$59,410	$6,344	$274,430	$ 85,500
Operating leases	2,941	2,855	2,768	2,675	2,402	87,556
	$56,471	$52,108	$62,178	$9,019	$276,832	$173,056

Our debt agreements require the maintenance of certain ratios, including debt service coverage and leverage, and limit the payment of dividends such that dividends and distributions will not exceed funds from operations, as defined in the agreements, for the prior fiscal year on an annual basis or 95% of funds from operations on a cumulative basis. We have historically been and currently are in compliance with all of our debt covenants. We expect to remain in compliance with all our existing debt covenants; however, should circumstances arise that would cause us to be in default, the various lenders would have the ability to accelerate the maturity on our outstanding debt.

We operate in a manner intended to enable us to qualify as a REIT under the Internal Revenue Code (the "Code"). A REIT which distributes at least 90% of its taxable income to its shareholders each year and which meets certain other conditions is not taxed on that portion of its taxable income which is distributed to its shareholders. Based on our 2003 taxable income to shareholders, we were required to distribute approximately $2.1 million in order to maintain our REIT status as described above. We distributed approximately $24,211,000 to common shareholders based on our current dividend level, which significantly exceeds our required distributions. If events were to occur that would cause our dividend to be reduced, we believe we still have an adequate margin regarding required dividend payments based on our historic dividend and taxable income levels to maintain our REIT status.

The following table details our commercial commitments as of December 31, 2003 (in thousands):

Commercial Commitments	2005
Lines of credit	$ 77,350
Unconsolidated joint venture construction commitments	9,618
Unconsolidated joint venture guarantees	55,200
	$ 142,168

We currently maintain four unsecured, revolving credit facilities with major national banking institutions, totaling $100 million. As of December 31, 2003 amounts outstanding under these credit facilities totaled $22.65 million. All four credit facilities expire in June 2005.

We are party to a joint and several guarantee with respect to the $36.2 million construction loan obtained by TWMB. We are also party to a joint and several guarantee with respect to the $19 million loan obtained by Deer Park. We are only responsible for a guarantee equal to our ownership interest percentage of one-third. See "Joint Ventures" section above for further discussion of the guarantees.

Related Party Transactions

As noted above in "Unconsolidated Joint Ventures", we are a 50% owner of the TWMB joint venture. TWMB pays us management, leasing and development fees for services provided to the joint venture. During 2003 and 2002, we recognized approximately $174,000 and $74,000 in management fees, $214,000 and $259,000 in leasing fees and $9,000 and $76,000 in development fees.

Market Risk

We are exposed to various market risks, including changes in interest rates. Market risk is the potential loss arising from adverse changes in market rates and prices, such as interest rates. We do not enter into derivatives or other financial instruments for trading or speculative purposes.

To manage our exposure to interest rate changes, we negotiate long-term fixed rate debt instruments and from time to time enter into interest rate swap agreements. The swaps involve the exchange of fixed and variable interest rate payments based on a contractual principal amount and time period. Payments or receipts on the agreements are recorded as adjustments to interest expense. At December 31, 2003, TWMB had an interest rate swap agreement effective through August 2004 with a notional amount of $19 million. Under this agreement, TWMB receives a floating interest rate based on the 30 day LIBOR index and pays a fixed interest rate of 2.49%. This swap effectively changes the payment of interest on $19 million of variable rate construction debt to fixed debt for the contract period at a rate of 4.49%.

The fair value of the interest rate swap agreement represents the estimated receipts or payments that would be made to terminate the agreement. At December 31, 2003, TWMB would have paid approximately $165,000 to terminate the agreement. A 1% decrease in the 30 day LIBOR index would increase the amount paid by TWMB by $129,000 to approximately $294,000. The fair value is based on dealer quotes, considering current interest rates and remaining term to maturity. TWMB does not intend to terminate the interest rate swap agreement prior to its maturity. The fair value of this derivative is currently recorded as a liability in TWMB's Balance Sheet; however, if held to maturity, the value of the swap will be zero at that time.

The fair market value of long-term fixed interest rate debt is subject to interest rate risk. Generally, the fair market value of fixed interest rate debt will increase as interest rates fall and decrease as interest rates rise. The estimated fair value of our total long-term debt at December 31, 2003 was $571.5 million while the recorded value was $540.3 million, respectively. A 1% increase from prevailing interest rates at December 31, 2003 would result in a decrease in fair value of total long-term debt by approximately $10.0 million. Fair values were determined from quoted market prices, where available, using current interest rates considering credit ratings and the remaining terms to maturity.

Critical Accounting Policies

We believe the following critical accounting policies affect our more significant judgments and estimates used in the preparation of our consolidated financial statements.

Principles of Consolidation

The consolidated financial statements include our accounts, our wholly-owned subsidiaries, as well as the Operating Partnership and its subsidiaries. Intercompany balances and transactions have been eliminated in consolidation. Investments in real estate joint ventures that represent non-controlling ownership interests are accounted for using the equity method of accounting. Under the provisions of FIN 46, we are considered the primary beneficiary of our joint venture, COROC. Therefore, the results of operations and financial position of COROC are included in our Consolidated Financial Statements.

In January of 2003, the FASB issued FIN 46 which clarifies the application of existing accounting pronouncements to certain entities in which equity investors do not have the characteristics of a controlling financial interest or do not have sufficient equity at risk for the entity to finance its activities without additional subordinated financial support from other parties. The provisions of FIN 46 are effective immediately for all variable interests in variable interest entities created after January 31, 2003, and we will apply its provisions to any variable interests in variable interest entities existing as of January 31, 2003 as of March 31, 2004 and thereafter. Certain of the disclosure requirements apply to all financial statements issued after January 31, 2003, regardless of when the variable interest entity was established. We have evaluated Deer Park, which was created after January 31, 2003 (Note 5) and have determined that under the current facts and circumstances we will not be required to consolidate this entity under the provisions of FIN 46. We are in the process of evaluating TWMB Associates, LLC ("TWMB"), a joint venture in which we have a 50% ownership interest with Rosen-Warren Myrtle Beach LLC ("Rosen-Warren") as our venture partner, which was created prior to January 31, 2003 (Note 5) in order to determine whether the entity is a variable interest entity and whether we are considered to be the primary beneficiary or whether we hold a significant variable interest. TWMB is a joint venture arrangement where it is possible that we may be required to consolidate or disclose additional information about our 50% interest in TWMB in the future. Our maximum exposure to loss as a result of our involvement in this joint venture, $41.9 million, is equal to our investment in the joint venture, $5.7 million, and our obligation under our joint and several guarantee of TWMB's debt, $36.2 million.

Acquisition of Real Estate

In accordance with Statement of Financial Accounting Standards No. 141 "Business

Combinations" ("FAS 141"), we allocate the purchase price based on the fair value of land, building, tenant improvements, debt and deferred lease costs and other intangibles, such as the value of leases with above or below market rents, origination costs associated with the in-place leases, and the value of in-place leases and tenant relationships, if any. We depreciate the amount allocated to building, deferred lease costs and other intangible assets over their estimated useful lives, which generally range from three to 40 years. The values of the above and below market leases are amortized and recorded as either an increase (in the case of below market leases) or a decrease (in the case of above market leases) to rental income over the remaining term of the associated lease. The value associated with in-place leases and tenant relationships is amortized over the expected term of the relationship, which includes an estimated probability of the lease renewal and its estimated term. If a tenant vacates its space prior to the contractual termination of the lease and no rental payments are being made on the lease, any unamortized balance of the related deferred lease costs will be written off. The tenant improvements and origination costs are amortized as an expense over the remaining life of the lease (or charged against earnings if the lease is terminated prior to its contractual expiration date). We assess fair value based on estimated cash flow projections that utilize appropriate discount and capitalization rates and available market information.

If we do not allocate appropriately to the separate components of rental property, deferred lease costs and other intangibles or if we do not estimate correctly the total value of the property or the useful lives of the assets, our computation of depreciation expense may be significantly understated or overstated.

Cost Capitalization

We capitalize all fees and costs incurred to initiate operating leases, including certain general and overhead costs, as deferred charges. The amount of general and overhead costs we capitalized is based on our estimate of the amount of costs directly related to executing these leases. We amortize these costs to expense over the estimated average minimum lease term.

We capitalize all costs incurred for the construction and development of properties, including certain general and overhead costs. The amount of general and overhead costs we capitalize is based on our estimate of the amount of costs directly related to the construction or development of these assets. Direct costs to acquire assets are capitalized once the acquisition becomes probable.

If we incorrectly estimate the amount of costs to capitalize, our financial condition and results of operations could be adversely affected.

Impairment of Long-Lived Assets

Rental property held and used by us is reviewed for impairment in the event that facts and circumstances indicate the carrying amount of an asset may not be recoverable. In such an event, we compare the estimated future undiscounted cash flows associated with the asset to the asset's carrying amount, and if less, recognize an impairment loss in an amount by which the carrying amount exceeds its fair value. If we do not recognize impairments at appropriate times and in appropriate amounts, our consolidated balance sheet may overstate the value of our long-lived assets. We believe that no impairment existed at December 31, 2003.

Revenue Recognition

Base rentals are recognized on a straight-line basis over the term of the lease. Substantially all leases contain provisions which provide additional rents based on tenants' sales volume ("percentage rentals") and reimbursement of the tenants' share of advertising and promotion, common area maintenance, insurance and real estate tax expenses. Percentage rentals are recognized when specified targets that trigger the contingent rent are met. Expense reimbursements are recognized in the period the applicable expenses are incurred. Payments received from the early termination of leases are recognized as revenue over the remaining lease term, as adjusted to reflect the early termination date.

Funds from Operations

Funds from Operations ("FFO"), represents income before extraordinary items and gains (losses) on sale or disposal of depreciable operating properties, plus depreciation and amortization uniquely significant to real estate and after adjustments for unconsolidated partnerships and joint ventures.

FFO is intended to exclude GAAP historical cost depreciation of real estate, which assumes that the value of real estate assets diminish ratably over time. Historically, however, real estate values have risen or fallen with market conditions. Because FFO excludes depreciation and amortization unique to real estate, gains and losses from property dispositions and extraordinary items, it provides a performance measure that, when compared year over year, reflects the impact to operations from trends in occupancy rates, rental rates, operating costs, development activities and interest costs, providing perspective not immediately apparent from net income.

We present FFO because we consider it an important supplemental measure of our operating performance and believe it is frequently used by securities analysts, investors and other interested parties in the evaluation of REITs, any of which present FFO when reporting their results. FFO is widely used by us and others in our industry to evaluate and price potential acquisition candidates. The National Association of Real Estate Investment Trusts, Inc., of which we are a member, has encouraged its member companies to report their FFO as a supplemental, industry-wide standard measure of REIT operating performance. In addition, our employment agreements with certain members of management base bonus compensation on our FFO performance.

FFO has significant limitations as an analytical tool, and you should not consider it in isolation, or as a substitute for analysis of our results as reported under GAAP. Some of these limitations are:

o FFO does not reflect our cash expenditures, or future requirements, for capital expenditures or contractual commitments;

o FFO does not reflect changes in, or cash requirements for, our working capital needs;

o Although depreciation and amortization are non-cash charges, the assets being depreciated and amortized will often have to be replaced in the future, and FFO does not reflect any cash requirements for such replacements;

o FFO may reflect the impact of earnings or charges resulting from matters which may not be indicative of our ongoing operations; and

o Other companies in our industry may calculate FFO differently than we do, limiting its usefulness as a comparative measure.

Because of these limitations, FFO should not be considered as a measure of discretionary cash available to us to invest in the growth of our business or our dividend paying capacity. We compensate for these limitations by relying primarily on our GAAP results and using FFO only supplementally. See the Statements of Cash Flow included in our consolidated financial statements.

<TABLE>
<CAPTION>

Below is a calculation of FFO for the years ended December 31, 2003, 2002 and 2001 as well as other data for those respective periods (in thousands):

	2003	2002	2001
Funds from Operations:			
<S>	<C>	<C>	<C>
Net income	$ 12,849	$ 11,007	$ 7,112
Adjusted for:			
Minority interest in operating partnership	3,579	2,315	1,340
Minority interest adjustment - consolidated joint venture	(33)	---	---
Minority interest, depreciation and amortization attributable to discontinued operations	543	2,006	1,934
Depreciation and amortization uniquely significant to real estate - consolidated	28,853	27,647	27,044
Depreciation and amortization uniquely significant to real estate - unconsolidated joint venture	1,101	422	---
Loss (Gain) on sale or disposal of real estate	147	(1,702)	---
Funds from operations (1)	$ 47,039	$ 41,695	$ 37,430
Weighted average shares outstanding (2)	13,641	12,271	11,707

(1) For the year ended December 31, 2002 includes $728 in gains on sales of outparcels of land.
(2) Assumes the partnership units of the Operating Partnership held by the minority interest, preferred shares of the Company and share and unit options are converted to common shares of the Company.
</TABLE>

New Accounting Pronouncements

In May 2003, the FASB issued SFAS No. 150, "Accounting for Certain Financial Instruments with Characteristics of both Liabilities and Equity" ("FAS 150"), effective at the beginning of the first interim period beginning after June 15, 2003. The FASB initiated its liabilities and equity project in response to concerns regarding the current balance sheet classifications of certain financial instruments. The standard specifies that instruments within its scope, which include mandatorily redeemable financial instruments, obligations to repurchase the issuer's equity shares by transferring assets, and certain obligations to issue a variable number of shares, represent obligations of the issuer and, therefore, the issuer must classify them as liabilities. We adopted this statement effective July 1, 2003, and it had no impact on our results of operations or financial position.

Economic Conditions and Outlook

The majority of our leases contain provisions designed to mitigate the impact of inflation. Such provisions include clauses for the escalation of base rent and clauses enabling us to receive percentage rentals based on tenants' gross sales (above predetermined levels, which we believe often are lower than traditional retail industry standards) which generally increase as prices rise. Most of the leases require the tenant to pay their share of property operating expenses, including common area maintenance, real estate taxes, insurance and advertising and promotion, thereby reducing exposure to increases in costs and operating expenses resulting from inflation.

While factory outlet stores continue to be a profitable and fundamental distribution channel for brand name manufacturers, some retail formats are more successful than others. As typical in the retail industry, certain tenants have closed, or will close, certain stores by terminating their lease prior to its natural expiration or as a result of filing for protection under bankruptcy laws.

During 2004, we have approximately 1,790,000 square feet or 20% of our portfolio coming up for renewal. If we were unable to successfully renew or release a significant amount of this space on favorable economic terms, the loss in rent could have a material adverse effect on our results of operations.

We renewed 80% of the 1,070,000 square feet that came up for renewal in 2003 with the existing tenants at an average base rental rate approximately equal to the expiring rate. We also re-tenanted 272,000 square feet during 2003 at a 4% increase in the average base rental rate.

Existing tenants' sales have remained stable and renewals by existing tenants have remained strong. The existing tenants have already renewed approximately 449,000, or 25%, of the square feet scheduled to expire in 2004 as of February 1, 2004. In addition, we continue to attract and retain additional tenants. Our factory outlet centers typically include well-known, national, brand name companies. By maintaining a broad base of creditworthy tenants and a geographically diverse portfolio of properties located across the United States, we reduce our operating and leasing risks. No one tenant (including affiliates) accounts for more than 6% of our combined base and percentage rental revenues. Accordingly, we do not expect any material adverse impact on our results of operation and financial condition as a result of leases to be renewed or stores to be released.

As of December 31, 2003, occupancy at our portfolio of centers in which we have an ownership interest decreased 2% from 98% to 96% compared to December 31, 2002 due to the acquired properties having a lower occupancy rate, 94%, than our original Tanger portfolio, 97%, just prior to the acquisition. Consistent with our long-term strategy of re-merchandising centers, we will continue to hold space off the market until an appropriate tenant is identified. While we believe this strategy will add value to our centers in the long-term, it may reduce our average occupancy rates in the near term.

Item 8. Financial Statements and Supplementary Data

The information required by this Item is set forth at the pages indicated in Item 14(a) below.

Item 9. Changes in and Disagreements With Accountants on Accounting and Financial Disclosure

Not applicable.

Item 9A. Controls and Procedures

The Chief Executive Officer, Stanley K. Tanger, and Chief Financial Officer, Frank C. Marchisello Jr., evaluated the effectiveness of the registrant's disclosure controls and procedures on December 31, 2003 (Evaluation Date), and concluded that, as of the Evaluation Date, the registrant's disclosure controls and procedures were effective to ensure that the information the registrant is required to disclose in its filings with the Securities and Exchange Commission under the Securities and Exchange Act of 1934 is recorded, processed, summarized and reported, within the time periods specified in the Commission's rules and forms, and to ensure that information required to be disclosed by the registrant in the reports that it files under the Exchange Act is accumulated and communicated to the registrant's management, including its principal executive officer and principal financial officer, as appropriate to allow timely decisions regarding required disclosure.

There were no significant changes in the registrant's internal controls or in other factors that could significantly affect these controls subsequent to the Evaluation Date.

PART III

Certain information required by Part III is omitted from this Report in that the registrant will file a definitive proxy statement pursuant to Regulation 14A (the "Proxy Statement") not later than 120 days after the end of the fiscal year covered by this Report, and certain information included therein is incorporated herein by reference. Only those sections of the Proxy Statement which specifically address the items set forth herein are incorporated by reference.

Item 10. Directors and Executive Officers of the Registrant

The information concerning our directors required by this Item is incorporated by reference to our Proxy Statement.

The information concerning our executive officers required by this Item is incorporated by reference herein to the section in Part I, Item 4, entitled "Executive Officers of the Registrant".

The information regarding compliance with Section 16 of the Securities and Exchange Act of 1934 is to be set forth in the Proxy Statement and is hereby incorporated by reference.

The information concerning our Company Code of Ethics required by this Items is incorporated by reference to our Proxy statement.

Item 11. Executive Compensation

The information required by this Item is incorporated by reference to our Proxy Statement.

Item 12. Security Ownership of Certain Beneficial Owners and Management

The information required by this Item is incorporated by reference to our Proxy Statement.

The following table provides information as of December 31, 2003 with respect to compensation plans under which the Company's equity securities are authorized for issuance:

<TABLE>
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Plan Category	(a) Number of Securities to be Issued Upon Exercise of Outstanding Options, Warrants and Rights	(b) Weighted Average Exercise Price of Outstanding Options, Warrants and Rights	(c) Number of Securities Remaining Available for Future Issuance Under Equity Compensation Plans (Excluding Securities Reflected in Column (a))
<S>	<C>	<C>	<C>
Equity compensation plans approved by security holders	427,560	$25.44	730,800
Equity compensation plans not approved by security holders	---	---	---
Total	427,560	$25.44	730,800

</TABLE>

Item 13. Certain Relationships and Related Transactions

The information required by this Item is incorporated by reference to our Proxy Statement.

Item 14. Principal Accounting Fees and Services

The information required by Item 9(e) of Schedule 14A is incorporated by reference to our Proxy Statement.

PART IV

Item 15. Exhibits, Financial Statements Schedules, and Reports on Form 8-K

(a) Documents filed as a part of this report:

1. Financial Statements

2. Financial Statement Schedule

All other schedules have been omitted because of the absence of conditions under which they are required or because the required information is given in the above-listed financial statements or notes thereto.

3. Exhibits

Exhibit No.	Description
2.1	Purchase and Sale Agreement between COROC Holdings, LLC and various entities dated October 3, 2003. (Note 16)
3.1	Amended and Restated Articles of Incorporation of the Company. (Note 6)
3.1A	Amendment to Amended and Restated Articles of Incorporation dated May 29, 1996. (Note 6)
3.1B	Amendment to Amended and Restated Articles of Incorporation dated August 20, 1998. (Note 9)
3.1C	Amendment to Amended and Restated Articles of Incorporation dated September 30, 1999. (Note 11)
3.2	Restated By-Laws of the Company. (Note 11)
3.3	Amended and Restated Agreement of Limited Partnership for the Operating Partnership. (Note 11)
3.3A	Amendment No. 1 to Tanger Properties Limited Partnership Amended and Restated Agreement of Limited Partnership, dated September 10, 2002. (Note 14)
4.1	Form of Deposit Agreement, by and between the Company and the Depositary, including Form of Depositary Receipt. (Note 1)
4.2	Form of Preferred Stock Certificate. (Note 1)
4.3	Rights Agreement, dated as of August 20, 1998, between Tanger Factory Outlet Centers, Inc. and BankBoston, N.A., which includes the form of Articles of Amendment to the Amended and Restated Articles of Incorporation, designating the preferences, limitations and relative rights of the Class B Preferred Stock as Exhibit A, the form of Right Certificate as Exhibit B and the Summary of Rights as Exhibit C. (Note 8)
4.3A	Amendment to Rights Agreement, dated as of October 30, 2001. (Note 13)
10.1	Amended and Restated Unit Option Plan. (Note 9)
10.1A	First Amendment to the Amended and Restated Unit Option Plan.
10.2	Amended and Restated Share Option Plan of the Company. (Note 9)
10.2A	First Amendment to the Amended and Restated Share Option Plan of the Company.

10.3 Form of Stock Option Agreement between the Company and certain Directors. (Note 3)

10.4 Form of Unit Option Agreement between the Operating Partnership and certain employees. (Note 3)

10.5 Amended and Restated Employment Agreement for Stanley K. Tanger, as of January 1, 1998. (Note 9)

10.5A Amended Employment Agreement for Stanley K. Tanger, as of January 1, 2001. (Note 13)

10.6 Amended and Restated Employment Agreement for Steven B. Tanger, as of January 1, 1998. (Note 9)

10.6A Amended Employment Agreement for Steven B. Tanger, as of January 1, 2001. (Note 13)

10.7 Amended and Restated Employment Agreement for Willard Albea Chafin, Jr., as of January 1, 2002. (Note 13)

10.8 Amended and Restated Employment Agreement for Rochelle Simpson, as of January 1, 2002. (Note 13)

10.9 Not applicable.

10.10 Amended and Restated Employment Agreement for Frank C. Marchisello, Jr., as of July 1, 2003. (Note 15)

10.11 Registration Rights Agreement among the Company, the Tanger Family Limited Partnership and Stanley K. Tanger. (Note 2)

10.11A Amendment to Registration Rights Agreement among the Company, the Tanger Family Limited Partnership and Stanley K. Tanger. (Note 4)

10.11B Second Amendment to Registration Rights Agreement among the Company, the Tanger Family Limited Partnership and Stanley K. Tanger.

10.11C Third Amendment to Registration Rights Agreement among the Company, the Tanger Family Limited Partnership and Stanley K. Tanger.

10.12 Agreement Pursuant to Item 601(b)(4)(iii)(A) of Regulation S-K. (Note 2)

10.13 Assignment and Assumption Agreement among Stanley K. Tanger, Stanley K. Tanger & Company, the Tanger Family Limited Partnership, the Operating Partnership and the Company. (Note 2)

10.14 Promissory Notes by and between the Operating Partnership and John Hancock Mutual Life Insurance Company aggregating $66,500,000. (Note 10)

10.15 Form of Senior Indenture. (Note 5)

10.16 Form of First Supplemental Indenture (to Senior Indenture). (Note 5)

10.16A Form of Second Supplemental Indenture (to Senior Indenture) dated October 24, 1997 among Tanger Properties Limited Partnership, Tanger Factory Outlet Centers, Inc. and State Street Bank & Trust Company. (Note 7)

10.17 Promissory Note 05/16/2000 (Note 12)

10.18 Promissory Note 05/16/2000 (Note 12)

10.19 COROC Holdings, LLC Limited Liability Company Agreement dated October 3, 2003. (Note 16)

10.20 Form of Shopping Center Management Agreement between owners of COROC Holdings, LLC and Tanger Properties Limited Partnership. (Note 16)

21.1 List of Subsidiaries.

23.1 Consent of PricewaterhouseCoopers LLP.

31.1 Principal Executive Officer Certification Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 302 of the Sarbanes

- Oxley Act of 2002.

31.2 Principal Financial Officer Certification Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 302 of the Sarbanes - Oxley Act of 2002.

32.1 Principal Executive Officer Certification Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes - Oxley Act of 2002.

32.2 Principal Financial Officer Certification Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes - Oxley Act of 2002.

Notes to Exhibits:

1. Incorporated by reference to the exhibits to the Company's Registration Statement on Form S-11 filed October 6, 1993, as amended.

2. Incorporated by reference to the exhibits to the Company's Registration Statement on Form S-11 filed May 27, 1993, as amended.

3. Incorporated by reference to the exhibits to the Company's Annual Report on Form 10-K for the year ended December 31, 1993.

4. Incorporated by reference to the exhibits to the Company's Annual Report on Form 10-K for the year ended December 31, 1995.

5. Incorporated by reference to the exhibits to the Company's Current Report on Form 8-K dated March 6, 1996.

6. Incorporated by reference to the exhibits to the Company's Annual Report on Form 10-K for the year ended December 31, 1996.

7. Incorporated by reference to the exhibits to the Company's Current Report on Form 8-K dated October 24, 1997.

8. Incorporated by reference to Exhibit 1.1 to the Company's Registration Statement on Form 8-A, filed August 24, 1998.

9. Incorporated by reference to the exhibits to the Company's Annual Report on Form 10-K for the year ended December 31, 1998.

10. Incorporated by reference to the exhibit to the Company's Quarterly Report on 10-Q for the quarter ended March 31, 1999.

11. Incorporated by reference to the exhibits to the Company's Annual Report on Form 10-K for the year ended December 31, 1999.

12. Incorporated by reference to the exhibits to the Company's Annual Report on Form 10-K for the year ended December 31, 2000.

13. Incorporated by reference to the exhibits to the Company's Annual Report on Form 10-K for the year ended December 31, 2001.

14. Incorporated by reference to the exhibits to the Company's Annual Report on Form 10-K for the year ended December 31, 2002.

15. Incorporated by reference to the exhibits to the Company's Quarterly Report on Form 10-Q for the quarter ended September 30, 2003.

16. Incorporated by reference to the exhibits to the Company's Current Report on Form 8-K dated December 8, 2003.

(b) Reports on Form 8-K

October 6, 2003 8-K - We filed a Current Report on Form 8-K dated October 6, 2003 to announce the execution of a definitive agreement for the acquisition of the Charter Oak Partners' portfolio.

October 28, 2003 8-K - We furnished under Item 9 on Form 8-K the September 30, 2003 Supplemental Operating and Financial Data and under Item 12 our press release for the quarter ended September 30, 2003.

December 8, 2003 8-K - We filed a Current Report on Form 8-K dated December 8, 2003 to announce the formation of a joint venture, COROC Holdings, L.L.C. ("COROC"), with an affiliate of Blackstone Real Estate Advisors ("Blackstone") to acquire The Charter Oak Partners' portfolio.

December 12, 2003 8-K/A - We filed a Current Report on Form 8-K amending the pro forma information previously included under Item 7 (b) in our Current Report on Form 8-K, dated December 8, 2003 in order to reflect the actual offering price of our common share offering which priced on December 10, 2003.

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

TANGER FACTORY OUTLET CENTERS, INC.
/s/Stanley K. Tanger
By:
Stanley K. Tanger
Chairman of the Board and
Chief Executive Officer

March 11 , 2004

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the Registrant and in the capacities and on the dates indicated:

Signature	Title	Date
/s/Stanley K. Tanger Stanley K. Tanger	Chairman of the Board and Chief Executive Officer (Principal Executive Officer)	March 11, 2004
/s/Steven B. Tanger Steven B. Tanger	Director, President and Chief Operating Officer	March 11, 2004
/s/Frank C. Marchisello, Jr. Frank C. Marchisello, Jr.	Executive Vice President and Chief Financial Officer (Principal Financial and Accounting Officer)	March 11, 2004
/s/Jack Africk Jack Africk	Director	March 11, 2004
/s/William G. Benton William G. Benton	Director	March 11, 2004
/s/Thomas E. Robinson Thomas E. Robinson	Director	March 11, 2004

REPORT OF INDEPENDENT AUDITORS

To the Shareholders and Board of Directors of
TANGER FACTORY OUTLET CENTERS, INC. AND SUBSIDIARIES:

In our opinion, the accompanying consolidated balance sheets and the related consolidated statements of operations, of shareholders' equity and of cash flows present fairly, in all material respects, the financial position of Tanger Factory Outlet Centers, Inc. and its subsidiaries at December 31, 2003 and 2002, and the results of their operations and their cash flows for each of the three years in the period ended December 31, 2003, in conformity with accounting principles generally accepted in the United States of America. These financial statements are the responsibility of the Company's management; our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits of these statements in accordance with auditing standards generally accepted in the United States of America, which require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

As discussed in Notes 2 and 4, the Company adopted the provisions of Financial Accounting Standards Board Interpretation No. 46 (revised December 2003) "Consolidation of Variable Interest Entities, an Interpretation of Accounting Research Bulletin No. 51" for entities created after January 31, 2003.

/s/ PricewaterhouseCoopers LLP

Raleigh, NC
March 5, 2004

<TABLE>
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TANGER FACTORY OUTLET CENTERS, INC. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
(In thousands, except share data)

	December 31, 2003	2002
ASSETS		
Rental Property		
<S>	<C>	<C>
Land	$ 119,833	$ 51,274
Buildings, improvements and fixtures	958,720	571,125
	1,078,553	622,399
Accumulated depreciation	(192,698)	(174,199)
Rental property, net	885,855	448,200
Cash and cash equivalents	9,836	1,072
Deferred charges, net	68,568	10,104
Other assets	23,178	18,299
Total assets	$ 987,437	$ 477,675
LIABILITIES AND SHAREHOLDERS' EQUITY		
Liabilities		
Debt		
Senior, unsecured notes	$ 147,509	$ 150,109
Mortgages payable	370,160	174,421
Lines of credit	22,650	20,475
	540,319	345,005
Construction trade payables	4,345	3,310
Accounts payable and accrued expenses	18,025	15,095
Total liabilities	562,689	363,410
Commitments and contingencies		
Minority interest		
Consolidated joint venture	218,148	---
Operating partnership	39,182	23,630
Total minority interest	257,330	23,630
Shareholders' equity		
Preferred shares, $.01 par value, 1,000,000 shares authorized, 0 and 80,190 shares issued and outstanding at December 31, 2003 and 2002	---	1
Common shares, $.01 par value, 50,000,000 shares authorized, 12,960,643 and 9,061,025 shares issued and outstanding at December 31, 2003 and 2002	130	90
Paid in capital	250,070	161,192
Distributions in excess of net income	(82,737)	(70,485)
Accumulated other comprehensive loss	(45)	(163)
Total shareholders' equity	167,418	90,635
Total liabilities and shareholders' equity	$ 987,437	$ 477,675

The accompanying notes are an integral part of these consolidated financial statements.
</TABLE>

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TANGER FACTORY OUTLET CENTERS, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF OPERATIONS
(In thousands, except per share data)

Year Ended December

31,	2003	2002	2001
REVENUES			
<S>	<C>	<C>	<C>
Base rentals	$ 81,039	$ 74,117	$ 71,295
Percentage rentals	3,190	3,552	2,718
Expense reimbursements	34,181	29,878	28,748
Other income	3,562	3,262	2,736
Total revenues	121,972	110,809	105,497
EXPENSES			
Property operating	40,235	34,882	32,848
General and administrative	9,561	9,224	8,220
Depreciation and amortization	29,124	27,941	27,339
Total expenses	78,920	72,047	68,407
Operating income	43,052	38,762	37,090
Interest expense	26,486	28,460	30,472
Income before equity in earnings of unconsolidated joint ventures, minority interest and discontinued operations	16,566	10,302	6,618
Equity in earnings of unconsolidated joint ventures	819	392	---
Minority interest:			
Consolidated joint venture	(941)	---	---
Operating partnership	(3,579)	(2,315)	(1,340)
Income from continuing operations	12,865	8,379	5,278
Discontinued operations	(16)	2,628	1,834
Net income	12,849	11,007	7,112
Less applicable preferred share dividends	(806)	(1,771)	(1,771)
Net income available to common shareholders	$ 12,043	$ 9,236	$ 5,341
Basic earnings per common share:			
Income from continuing operations	$ 1.20	$ .79	$ .44
Net income	$ 1.20	$ 1.11	$ .67
Diluted earnings per common share:			
Income from continuing operations	$ 1.17	$ .77	$ .44
Net income	$ 1.17	$ 1.08	$ .67

The accompanying notes are an integral part of these consolidated financial statements.
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TANGER FACTORY OUTLET CENTERS, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF SHAREHOLDERS' EQUITY
For the Years Ended December 31, 2003, 2002, and 2001
(In thousands, except share data)

	Preferred Shares	Common Shares	Paid in Capital	Distributions in excess of Net Income	Other Comprehensive Net Income	Total Shareholders Equity
<S>	<C>	<C>	<C>	<C>	<C>	<C>
Balance, December 31, 2000	$ 1	$ 79	$ 136,358	$ (45,561)	$ -	$ 90,877
Comprehensive income:						
Net income	-	-	-	7,112	-	7,112
Other comprehensive (loss)	-	-	-	-	(704)	(704)
Total comprehensive income	-	-	-	7,112	(704)	6,408
Issuance of 10,800 common shares upon exercise of unit options	-	-	201	-	-	201
Adjustment for minority interest in the Operating Partnership	-	-	(30)	-	-	(30)
Preferred dividends ($21.96 per share)	-	-	-	(1,770)	-	(1,770)
Common dividends ($2.44 per share)	-	-	-	(19,315)	-	(19,315)
Balance, December 31, 2001	$ 1	$ 79	$ 136,529	$ (59,534)	$ (704)	$ 76,371
Comprehensive income:						
Net income	-	-	-	11,007	-	11,007
Other comprehensive gain	-	-	-	-	541	541
Total comprehensive income	-	-	-	11,007	541	11,548
Conversion of 410 preferred shares into 3,694 common shares	-	-	-	-	-	-
Issuance of 127,620 common shares upon exercise of unit options	-	1	2,793	-	-	2,794
Issuance of 1,000,000 common shares, net of issuance costs of $1.3 million	-	10	27,950	-	-	27,960
Adjustment for minority interest in the Operating Partnership	-	-	(6,080)	-	-	(6,080)
Preferred dividends ($22.05 per share)	-	-	-	(1,771)	-	(1,771)
Common dividends ($2.45 per share)	-	-	-	(20,187)	-	(20,187)
Balance, December 31, 2002	$ 1	$ 90	$ 161,192	$ (70,485)	$ (163)	$ 90,635
Comprehensive income:						
Net income	-	-	-	12,849	-	12,849

Other comprehensive gain	-	-	-	-	118	118
Total comprehensive income	-	-	-	12,849	118	12,967
Conversion of 78,701 preferred shares into 709,078 common shares	(1)	7	(6)	-	-	-
Redemption of 1,489 preferred shares	-	-	(372)	-	-	(372)
Compensation under Unit Option Plan	-	-	80	-	-	80
Issuance of 890,540 common shares upon exercise of unit options	-	10	20,603	-	-	20,613
Issuance of 2,300,000 common shares, net of issuance costs of $5.2 million	-	23	87,969	-	-	87,992
Adjustment for minority interest in the Operating Partnership	-	-	(19,396)	-	-	(19,396)
Preferred dividends ($13.21 per share)	-	-	-	(890)	-	(890)
Common dividends ($2.46 per share)	-	-	-	(24,211)	-	(24,211)
Balance, December 31, 2003	$ -	$ 130	$ 250,070	$ (82,737)	$ (45)	$ 167,418

The accompanying notes are an integral part of these consolidated financial statements.
</TABLE>

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TANGER FACTORY OUTLET CENTERS, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
(In thousands)

	Year Ended December 31,		
	2003	2002	2001
OPERATING ACTIVITIES			
<S>	<C>	<C>	<C>
Net income	$ 12,849	$ 11,007	$ 7,112
Adjustments to reconcile net income to net cash provided by operating activities:			
Depreciation and amortization	29,697	28,989	28,572
Amortization of deferred financing costs	1,304	1,209	1,309
Equity in earnings of unconsolidated joint ventures	(819)	(392)	---
Minority interest consolidated joint venture	941	---	---
Minority interest operating partnership	3,550	3,273	2,042
Loss on extinguishment of debt	---	---	338
Compensation under Unit Option Plan	102	---	---
(Gain) loss on sale of real estate	147	(1,702)	---
(Gain) on sale of outparcels of land	---	(728)	---
Amortization of premium on assumed indebtedness	(149)	---	---
Market rent rate adjustment	(37)	---	---
Straight-line base rent adjustment	149	248	342
Increase (decrease) due to changes in:			
Other assets	(6,194)	(2,168)	2,213
Accounts payable and accrued expenses	3,246	(569)	2,698

Net cash provided by operating activites	44,786	39,167	44,626
INVESTING ACTIVITIES			
Acquisition of rental properties	(324,557)	(37,500)	---
Additions to rental properties	(9,342)	(5,847)	(20,368)
Additions to investments in unconsolidated joint ventures	(4,270)	(130)	(4,068)
Additions to deferred lease costs	(1,576)	(1,630)	(1,618)
Net proceeds from sale of real estate	8,671	21,435	723
Increase (decrease) in escrow from rental property sale	4,008	(4,008)	---
Distributions received from unconsolidated joint ventures	1,775	520	---
Other	(2)	797	2,062
Net cash used in investing activities	(325,293)	(26,363)	(23,269)
FINANCING ACTIVITIES			
Cash dividends paid	(25,101)	(21,958)	(21,085)
Distributions to minority interest operating partnership	(7,453)	(7,424)	(7,394)
Net proceeds from sale of common shares	87,992	27,960	---
Contributions from minority interest partner in consolidated joint venture	217,207	---	---
Proceeds from issuance of debt	133,631	126,320	279,075
Repayments of debt	(136,574)	(139,510)	(267,723)
Additions to deferred financing costs	(672)	(429)	(4,550)
Payments for redemption of preferred shares	(372)	---	---
Proceeds from exercise of share and unit options	20,613	2,794	201
Net cash provided by (used in) used in financing activities	$ 289,271	$ (12,247)	$ (21,476)
Net increase (decrease) in cash and cash equivalents	8,764	557	(119)
Cash and cash equivalents, beginning of period	1,072	515	634
Cash and cash equivalents, end of period	$ 9,836	$ 1,072	$ 515

The accompanying notes are an integral part of these consolidated financial statements.
</TABLE>

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

1. Organization of the Company

Tanger Factory Outlet Centers, Inc., a fully-integrated, self-administered, self-managed real estate investment trust ("REIT"), develops, owns and operates factory outlet centers. Recognized as one of the largest owners and operators of factory outlet centers in the United States, we have ownership interests in or management responsibilities for 40 centers in 23 states totaling approximately 9.3 million feet of gross leasable area at the end of 2003. We provide all development, leasing and management services for our centers. Unless the context indicates otherwise, the term "Company" refers to Tanger Factory Outlet Centers, Inc. and subsidiaries and the term "Operating Partnership" refers to Tanger Properties Limited Partnership and subsidiaries. The terms "we", "our" and "us" refer to the Company or the Company and the Operating Partnership together, as the text requires.

Our factory outlet centers and other assets are held by, and all of our operations are conducted by, Tanger Properties Limited Partnership. The majority of the units of partnership interest issued by the Operating Partnership (the "Units") are held by two wholly owned subsidiaries, the Tanger GP Trust and the Tanger LP Trust. The Tanger GP Trust controls the Operating Partnership as its sole general partner. The Tanger LP Trust holds a limited partnership interest. All of the remaining Units are owned by the Tanger Family through the Tanger Family Limited Partnership ("TFLP"). TFLP holds a limited partnership interest in and is the minority owner of the Operating Partnership. Stanley K. Tanger, the Company's Chairman of the Board and Chief Executive Officer, is the sole general partner of TFLP.

As of December 31, 2003, our wholly owned subsidiaries owned 12,960,643 Units and TFLP owned 3,033,305 Units. TFLP's Units are exchangeable, subject to certain limitations to preserve our status as a REIT, on a one-for-one basis for our common shares.

2. Summary of Significant Accounting Policies

Principles of Consolidation - The consolidated financial statements include our accounts, our wholly-owned subsidiaries, as well as the Operating Partnership and its subsidiaries. Intercompany balances and transactions have been eliminated in consolidation. Investments in real estate joint ventures that represent non-controlling ownership interests are accounted for using the equity method of accounting. We are considered the primary beneficiary of our joint venture, COROC Holdings, LLC ("COROC"), under the provisions of Financial Accountings Standards Board Interpretation No. 46 ("FIN 46"). Therefore, the results of operations and financial position of COROC are included in our Consolidated Financial Statements.

In January of 2003, the FASB issued FIN 46 which clarifies the application of existing accounting pronouncements to certain entities in which equity investors do not have the characteristics of a controlling financial interest or do not have sufficient equity at risk for the entity to finance its activities without additional subordinated financial support from other parties. The provisions of FIN 46 are effective immediately for all variable interests in variable interest entities created after January 31, 2003, and we will apply its provisions to any variable interests in variable interest entities existing as of January 31, 2003 as of March 31, 2004 and thereafter. Certain of the disclosure requirements apply to all financial statements issued after January 31, 2003, regardless of when the variable interest entity was established. We have evaluated Deer Park, which was created after January 31, 2003 (Note 5) and have determined that under the current facts and circumstances we will not be required to consolidate this entity under the provisions of FIN 46. We are in the process of evaluating TWMB Associates, LLC ("TWMB"), a joint venture in which we have a 50% ownership interest with Rosen-Warren Myrtle Beach LLC ("Rosen-Warren") as our venture partner, which was created prior to January 31, 2003 (Note 5) in order to determine whether the entity is a variable interest entity and whether we are considered to be the primary beneficiary or whether we hold a significant variable interest. TWMB is a joint venture arrangement where it is possible that we may be required to consolidate or disclose additional information about our 50% interest in TWMB in the future. Our maximum exposure to loss as a result of our involvement in this joint venture, $41.9 million, is equal to our investment in the joint venture, $5.7 million, and our obligation under our joint and several guarantee of TWMB's debt, $36.2 million.

Minority Interest - "Minority Interest Operating Partnership" reflects TFLP's percentage ownership of the Operating Partnership's Units. Income is allocated to the TFLP based on its respective ownership interest. "Minority interest Consolidated Joint Venture" reflects our partner's ownership interest in the COROC joint venture which is consolidated under the provisions of FIN 46.

Reclassifications - Certain amounts in the 2002 and 2001 financial statements have been reclassified to conform to the 2003 presentation.

Use of Estimates - The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Operating Segments - We aggregate the financial information of all centers into one reportable operating segment because the centers all have similar economic characteristics and provide similar products and services to similar types and classes of customers.

Rental Property - Rental properties are recorded at cost less accumulated depreciation. Costs incurred for the construction and development of properties, including certain general and overhead costs, are capitalized. The amount of general and overhead costs capitalized is based on our estimate of the amount of costs directly related to the construction or development of these assets. Direct costs to acquire assets are capitalized once the acquisition becomes probable. Depreciation is computed on the straight-line basis over the estimated useful lives of the assets. We generally use estimated lives ranging from 25 to 33 years for buildings, 15 years for land improvements and seven years for equipment. Expenditures for ordinary maintenance and repairs are charged to operations as incurred while significant renovations and improvements, including tenant finishing allowances, that improve and/or extend the useful life of the asset are capitalized and depreciated over their estimated useful life.

In accordance with Statement of Financial Accounting Standards No. 141 "Business Combinations" ("FAS 141"), we allocate the purchase price based on the fair value of land, building, tenant improvements, debt and deferred lease costs and other intangibles, such as the value of leases with above or below market rents, origination costs associated with the in-place leases, and the value of in-place leases and tenant relationships, if any. We depreciate the amount allocated to building, deferred lease costs and other intangible assets over their estimated useful lives, which generally range from three to 40 years. The values of the above and below market leases are amortized and recorded as either an increase (in the case of below market leases) or a decrease (in the case of above market leases) to rental income over the remaining term of the associated lease. The value associated with in-place leases and tenant relationships is amortized over the expected term of the relationship, which includes an estimated probability of the lease renewal and its estimated term. If a tenant vacates its space prior to the contractual termination of the lease and no rental payments are being made on the lease, any unamortized balance of the related deferred lease costs will be written off. The tenant improvements and origination costs are amortized as an expense over the remaining life of the lease (or charged against earnings if the lease is terminated prior to its contractual expiration date). We assess fair value based on estimated cash flow projections that utilize appropriate discount and capitalization rates and available market information.

Buildings, improvements and fixtures consist primarily of permanent buildings and improvements made to land such as landscaping and infrastructure and costs incurred in providing rental space to tenants. Interest costs capitalized during 2003, 2002 and 2001 amounted to $141,000, $172,000 and $551,000 and development costs capitalized amounted to $479,000, $467,000 and $616,000, respectively. Depreciation expense for each of the years ended December 31, 2003, 2002 and 2001 was $27,211,000, $26,906,000 and $26,585,000, respectively.

The pre-construction stage of project development involves certain costs to secure land control and zoning and complete other initial tasks essential to the development of the project. These costs are transferred from other assets to rental property under construction when the pre-construction tasks are completed. Costs of potentially unsuccessful pre-construction efforts are charged to operations when the project is abandoned.

Cash and Cash Equivalents - All highly liquid investments with an original maturity of three months or less at the date of purchase are considered to be cash and cash equivalents. Cash balances at a limited number of banks may periodically exceed insurable amounts. We believe that we mitigate our risk by investing in or through major financial institutions. Recoverability of investments is dependent upon the performance of the issuer.

Deferred Charges - Deferred lease costs and other intangible assets consist of fees and costs incurred, including certain general and overhead costs, to initiate operating leases and are amortized over the average minimum lease term. Deferred lease costs and other intangible assets also include the value of leases and origination costs deemed to have been acquired in real estate acquisitions in accordance with FAS 141. See "Rental Property" under this section above for a discussion. Deferred financing costs include fees and costs incurred to obtain long-term financing and are amortized over the terms of the respective loans. Unamortized deferred financing costs are charged to expense when debt is retired before the maturity date.

Guarantees of Indebtedness - In November 2002, the Financial Accounting Standards Board ("FASB") issued Interpretation No. 45, "Guarantors Accounting and Disclosure Requirements for Guarantees, Including Indirect Guarantees of Indebtedness of Others" ("FIN 45"), which addresses the disclosure to be made by a guarantor in its interim and annual financial statements about its obligations under guarantees. FIN 45 applies to all guarantees entered into or modified after December 31, 2002. Based on this criterion, the guarantee of indebtedness by us in our Deer Park Enterprise, LLC joint venture ("Deer Park") (Note 5) is accounted for under the provisions of FIN 45. FIN 45 requires the guarantor to recognize a liability for the non-contingent component of the guarantee; this is the obligation to stand ready to perform in the event that specified triggering events or conditions occur. The initial measurement of this liability is the fair value of the guarantee at inception. The recognition of the liability is required even if it is not probable that payments will be required under the guarantee or if the guarantee was issued with a premium payment or as part of a transaction with multiple elements. We recorded at inception, the fair value of our guarantee of the Deer Park joint venture's debt as a debit to our investment in Deer Park and a credit to a liability. We have elected to account for the release from obligation under the guarantee by the straight-line amortization method over the life of the guarantee.

Impairment of Long-Lived Assets - Rental property held and used by us is reviewed for impairment in the event that facts and circumstances indicate the carrying amount of an asset may not be recoverable. In such an event, we compare the estimated future undiscounted cash flows associated with the asset to the asset's carrying amount, and if less, recognize an impairment loss in an amount by which the carrying amount exceeds its fair value. We believe that no material impairment existed at December 31, 2003.

On January 1, 2002 we adopted Statement of Financial Accounting Standards No. 144, "Accounting for the Impairment or Disposal of Long-Lived Assets" ("FAS 144"), which replaces FAS No. 121 "Accounting for the Impairment of Long-Lived Assets and for Long-Lived Assets to be Disposed Of" ("FAS 121"). FAS 144 retains the requirements of FAS 121 to recognize an impairment loss only if the carrying amount of a held and used long-lived asset is not recoverable from its undiscounted cash flows and to measure an impairment loss as the difference between the carrying amount and fair value of the asset. The provisions of FAS 144 are effective for financial statements issued for fiscal years beginning after December 15, 2001.

Under both FAS No. 121 and 144, real estate assets designated as held for sale are stated at their fair value less costs to sell. We classify real estate as held for sale when it meets the requirements of FAS 144 and our Board of Directors approves the sale of the assets. Subsequent to this classification, no further depreciation is recorded on the assets. Under FAS No. 121, the operating results of real estate assets held for sale are included in continuing operations. Upon implementation of FAS 144, the operating results of newly designated real estate assets held for sale and for assets sold are included in discontinued operations in our results of operations.

Derivatives - We selectively enter into interest rate protection agreements to mitigate changes in interest rates on our variable rate borrowings. The notional amounts of such agreements are used to measure the interest to be paid or received and do not represent the amount of exposure to loss. None of these agreements are used for speculative or trading purposes.

We recognize all derivatives as either assets or liabilities in the consolidated balance sheets and measure those instruments at their fair value in accordance with Statement of Financial Accounting Standards No. 133, "Accounting for Derivative Instruments and Hedging Activities" as amended by FAS 137 and FAS 138, (collectively, "FAS 133"). FAS 133 also requires us to measure the effectiveness, as defined by FAS 133, of all derivatives. We formally document our derivative transactions, including identifying the hedge instruments and hedged items, as well as our risk management objectives and strategies for entering into the hedge transaction. At inception and on a quarterly basis thereafter, we assess the effectiveness of derivatives used to hedge transactions. If a derivative is deemed effective, we record the change in fair value in other comprehensive income. If after assessment it is determined that a portion of the derivative is ineffective, then that portion of the derivative's change in fair value will be immediately recognized in earnings.

Income Taxes - We operate in a manner intended to enable us to qualify as a REIT under the Internal Revenue Code (the "Code"). A REIT which distributes at least 90% of its taxable income to its shareholders each year and which meets certain other conditions is not taxed on that portion of its taxable income which is distributed to its shareholders. We intend to continue to qualify as a REIT and to distribute substantially all of our taxable income to our shareholders. Accordingly, no provision has been made for Federal income taxes. We paid preferred dividends per share of $13.21, $22.05 and $21.96, in 2003, 2002 and 2001, respectively, all of which are treated as ordinary income except for the 2002 dividend of which $.02 was treated as a long-term capital gain. For income tax purposes, distributions paid to common shareholders consist of ordinary income, capital gains, return of capital or a combination thereof. For the year ended December 31, 2002, we elected to distribute all of our taxable capital gains. Dividends per share were taxable as follows:

Common dividends per share:	2003	2002	2001
Ordinary income	$ .541	$ .734	$ .536
Return of capital	1.917	1.690	1.902
Long-term capital gain	---	.024	---
	$2.458	$2.448	$2.438

The following reconciles net income available to common shareholders to taxable income available to common shareholders for the years ended December 31, 2003, 2002 and 2001:
<TABLE>
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	2003	2002	2001
Net income available to common shareholders	$ 12,043	$ 9,236	$ 5,341
Book/tax difference on:			
Depreciation and amortization	(474)	(1,092)	(667)
Loss on sale or disposal of real estate	(2,470)	(1,580)	(1,116)
Stock option compensation	(6,689)	(407)	(29)
Other differences	(31)	(542)	(147)
Taxable income available to common shareholders	$ 2,379	$ 5,615	$ 3,382

Revenue Recognition - Base rentals are recognized on a straight-line basis over the term of the lease. Substantially all leases contain provisions which provide additional rents based on tenants' sales volume ("percentage rentals") and reimbursement of the tenants' share of advertising and promotion, common area maintenance, insurance and real estate tax expenses. Percentage rentals are recognized when specified targets that trigger the contingent rent are met. Expense reimbursements are recognized in the period the applicable expenses are incurred. Payments received from the early termination of leases are recognized as revenue over the remaining lease term, as adjusted to reflect the early termination date.

We provide management, leasing and development services for a fee for certain properties that are not owned by us or are partly owned through a joint venture. Fees received for these services are recognized as other income when earned.

Concentration of Credit Risk - We perform ongoing credit evaluations of our tenants. Although the tenants operate principally in the retail industry, the properties are geographically diverse. No single tenant accounted for 10% or more of combined base and percentage rental income during 2003, 2002 or 2001.

Supplemental Cash Flow Information - We purchase capital equipment and incur costs relating to construction of new facilities, including tenant finishing allowances. Expenditures included in construction trade payables as of December 31, 2003, 2002 and 2001 amounted to $4,345,000, $3,310,000 and $3,722,000, respectively. Interest paid, net of interest capitalized, in 2003, 2002 and 2001 was $24,906,000, $27,512,000 and $27,379,000, respectively.

Non cash financing activities that occurred during 2003 included the assumption of mortgage debt in the amount of $198,258,000, including a premium of $11,852,000 related to the acquisition of the Charter Oak portfolio by COROC. Also, in 2003 and as discussed in Note 10, we converted 78,701 of our Preferred Shares into 709,078 of our Common Shares.

Early Extinguishment of Debt - In April 2002, the FASB issued FASB Statement No. 145 ("FAS 145"), "Rescission of FASB Statements No. 4, 44, and 64, Amendment of FASB Statement No. 13, and Technical Corrections". In rescinding FASB Statements No. 4, 44 and 64, FAS 145 eliminates the requirement that gains and losses from the extinguishment of debt be aggregated and, if material, classified as an extraordinary item, net of the related income tax effect. FAS 145 was effective for transactions occurring after December 31, 2002. We adopted this statement effective January 1, 2003, the effects of which were the reclassification of a loss on early extinguishments of debt for the year ended 2001 from an extraordinary item to a component of interest expense, thereby decreasing income from continuing operations for the year ended December 31, 2001 by $244,000, net of minority interest of $94,000.

Accounting for Stock Based Compensation - The Company has a non-qualified and incentive share option plan (the "Share Option Plan") and the Operating Partnership has a non-qualified Unit option plan (the "Unit Option Plan"). Prior to 2003, these plans were accounted for under the recognition and measurement provisions of APB Opinion No. 25, "Accounting for Stock Issued to Employees", and related interpretations. No share-based employee compensation cost was reflected in net income prior to 2003, as all options granted under those plans had an exercise price equal to the market value of the underlying common shares on the date of grant. Effective January 1, 2003, we adopted the fair value recognition provisions of Statement of Financial Accounting Standards No. 123, "Accounting for Stock-Based Compensation" ("FAS 123"). Under the modified prospective method of adoption selected by us under the provisions of Statement of Financial Accounting Standards No. 148, "Accounting for Stock-Based Compensation-Transition and Disclosure - An Amendment of FAS 123" ("FAS 148"), compensation cost recognized in 2003 is the same as that which would have been recognized had the recognition provisions of FAS 123 been applied from its original effective date. In accordance with this adoption method under FAS 148, results for prior periods have not been restated. See Note 13 for an illustration of the effect on net income and earnings per share if the fair value based method had been applied to all outstanding awards in 2002 and 2001.

New Accounting Pronouncements - In May 2003, the FASB issued SFAS No. 150, "Accounting for Certain Financial Instruments with Characteristics of both Liabilities and Equity" ("FAS 150"), effective at the beginning of the first interim period beginning after June 15, 2003. The FASB initiated its liabilities and equity project in response to concerns regarding the current balance sheet classifications of certain financial instruments. The standard specifies that instruments within its scope, which include mandatorily redeemable financial instruments, obligations to repurchase the issuer's equity shares by transferring assets, and certain obligations to issue a variable number of shares, represent obligations of the issuer and, therefore, the issuer must classify them as liabilities. We adopted this statement effective July 1, 2003, and it had no impact on our results of operations or financial position.

3. Acquisitions and Development of Rental Properties

In January 2003, we acquired a 29,000 square foot, 100% leased expansion located contiguous to our existing factory outlet center in Sevierville, Tennessee at a purchase price of $4.7 million. Construction of an additional 35,000 square foot expansion of the center was completed during the third quarter and opened 100% occupied. The cost of the expansion was approximately $4 million. The Sevierville center now totals approximately 419,000 square feet.

In September 2002, we completed the acquisition of Kensington Valley Factory Shops, a factory outlet center in Howell, Michigan containing approximately 325,000 square feet, for an aggregate purchase price of $37.5 million. The acquisition was funded with $16.8 million of net proceeds from the sale of our non-core property in Fort Lauderdale, Florida in June 2002 and a portion of the proceeds from the common share offering in September 2002 described in Note 10.

4. Investments in Consolidated Real Estate Joint Ventures

COROC Holdings, LLC

In December 2003 we completed the acquisition of the Charter Oak Partners' portfolio of nine factory outlet centers totaling approximately 3.3 million square feet which is consolidated for financial reporting purposes under the provisions of FIN 46. We and an affiliate of Blackstone Real Estate Advisors ("Blackstone") acquired the portfolio through a joint venture in the form of a limited liability company, COROC, for $491.0 million, including the assumption of $186.4 million of cross-collateralized debt which has a stated, fixed interest rate of 6.59% and matures in July 2008. We recorded the debt at its fair value of $198.3 million with an effective interest rate of 4.97%. Accordingly, a debt premium of $11.9 million was recorded and is being amortized over the life of the debt. We financed the majority of our share of the equity required for the transaction through the issuance of 2,300,000 common shares on December 10, 2003, generating approximately $88.0 million in net proceeds. The results of the Charter Oak portfolio have been included in the consolidated financial statements since December 19, 2003.

We will have joint control with Blackstone over major decisions. If Blackstone does not receive an annual minimum cash return of 6% on their invested capital during any of the first three years and 7% in any year thereafter, Blackstone shall gain the right to become the sole managing member of the joint venture with complete authority to act for the joint venture, including the ability to dispose of one or more of the joint venture properties to a third party. Based on current available cash flows from the properties, we do not believe there is a significant risk of default under this provision.

We will provide operating, management, leasing and marketing services to the properties and will earn an annual management and leasing fee equal to $1.00 per square foot of gross leasable area. We may also earn an additional annual incentive fee of up to approximately $800,000 if certain annual increases in the net operating income are met on an annual basis. These fees are payable prior to, and are not subordinate to, any member distributions that may be required. Blackstone shall have the right to terminate the management agreement for the joint venture if it does not receive its minimum cash return as described above.

After an initial 42-month lock-up period, either party can enter into an agreement for the sale of the Charter Oak portfolio, subject to a right of first offer of the other party to acquire the entire portfolio.

During the operation of the joint venture, Blackstone will receive a preferred cash distribution of 10% on their invested capital. We will then receive a preferred cash distribution of 10% on our invested capital. Any remaining cash flows from ongoing operations will be distributed one-third to Blackstone and two-thirds to us.

Upon exit or the sale of the properties, to the extent that cash is available, Blackstone will first receive a distribution equal to their invested capital and any unpaid preferred cash distribution, if any. We will then receive an unpaid preferred cash distribution, if any. Blackstone will then receive an additional 2% annual preferred cash distribution. We will then receive a distribution equal to our invested capital and an additional 2% annual preferred cash distribution. Finally, any remaining proceeds will be distributed one-third to Blackstone and two-thirds to us.

The following table summarizes the estimated fair values of the assets acquired and liabilities assumed at the date of acquisition (in thousands).

	December 19, 2003
Rental property	$ 454,846
Deferred lease costs	59,983
Other assets	3,285
Subtotal	518,114
Debt (including debt premium of $11,852)	(198,258)
Net assets acquired	$ 319,856

The following condensed pro forma (unaudited) information assumes the acquisition had occurred as of the beginning of each respective period and that the issuance of 2,300,000 common shares also occurred as of the beginning of each respective period (in thousands except per share data):

	For the Year Ended December 31, 2003	2002
Revenues	$ 190,844	$ 182,476
Net income	$ 6,380	$ 4,963
Basic earnings per share:		
Net income	$ .46	$ .30
Weighted average common shares outstanding	12,250	10,622
Diluted earnings per share:		
Net income	$ .45	$ .30
Weighted average common shares outstanding	12,482	10,814

5. Investments in Unconsolidated Real Estate Joint Ventures

TWMB Associates, LLC

In September 2001, we established TWMB to construct and operate the Tanger Outlet Center in Myrtle Beach, South Carolina. The Company and Rosen-Warren each contributed $4.3 million in cash for a total initial equity in TWMB of $8.6 million. In June 2002 the first phase opened 100% leased at a cost of approximately $35.4 million with approximately 260,000 square feet and 60 brand name outlet tenants.

During 2003, we completed our 64,000 square foot second phase. The second phase cost approximately $6.0 million. The Company and Rosen-Warren each contributed approximately $1.1 million each toward the second phase which contains 22 additional brand name outlet tenants.

In addition, TWMB is currently underway with a 79,000 square foot third phase expansion of the Myrtle Beach center with an estimated cost of the expansion of $9.7 million. TWMB expects to complete the expansion with stores commencing operations during the summer of 2004. The Company and Rosen-Warren each made capital contributions during the fourth quarter of 2003 of $1.7 million for the third phase. Upon completion of this third phase in 2004, TWMB's Myrtle Beach center will total 403,000 square feet. At December 31, 2003, commitments for construction of the third phase expansion amounted to $9.6 million. Commitments for construction represent only those costs contractually required to be paid by TWMB.

In conjunction with the construction of the center, TWMB closed on a construction loan in the amount of $36.2 million with Bank of America, NA (Agent) and SouthTrust Bank due in September 2005. As of December 31, 2003 the construction loan had a balance of $29.5 million. In August of 2002, TWMB entered into an interest rate swap agreement with Bank of America, NA effective through August 2004 with a notional amount of $19 million. Under this agreement, TWMB receives a floating interest rate based on the 30 day LIBOR index and pays a fixed interest rate of 2.49%. This swap effectively changes the payment of interest on $19 million of variable rate debt to fixed rate debt for the contract period at a rate of 4.49%. All debt incurred by this unconsolidated joint venture is collateralized by its property as well as joint and several guarantees by Rosen-Warren and the Company.

Deer Park Enterprise, LLC

During the third quarter of 2003, we established a wholly owned subsidiary, Tanger Deer Park, LLC ("Tanger Deer Park"). In September 2003, Tanger Deer Park entered into a joint venture agreement with two other unrelated party members to create Deer Park Enterprise, LLC ("Deer Park"). All members in the joint venture have an equal ownership interest of 33.33%. Deer Park was formed for the purpose of, but not limited to, developing a site located in Deer Park, New York with approximately 790,000 square feet planned at total buildout. We expect the site will contain both outlet and big box retail tenants.

Each of the three members made an equity contribution of $1.6 million. In conjunction with the real estate purchase, Deer Park closed on a loan in the amount of $19 million with Fleet Bank due in October 2005 and a purchase money mortgage note with the seller in the amount of $7 million. Deer Park's Fleet loan incurs interest at a floating interest rate equal to LIBOR plus 2.00% and is collateralized by the property as well as joint and several guarantees by all three parties. The purchase money mortgage note bears no interest. However, interest has been imputed for financial statement purposes at a rate which approximates fair value.

In October 2003, Deer Park entered into a sale-leaseback transaction for the above mentioned real estate located in Deer Park, New York. The agreement consists of the sale of the property to Deer Park for $29 million which is being leased back to the seller under a 24 month operating lease agreement. Under the provisions of FASB Statement No. 67 "Accounting for Costs and Initial Rental Operations of Real Estate Projects", current rents received from this project, net of applicable expenses, are treated as incidental revenues and will be recognized as a reduction in the basis of the assets, as opposed to rental revenues over the life of the lease, until such time that the current project is demolished and the intended assets are constructed.

Our investment in unconsolidated real estate joint ventures as of December 31, 2003 and December 31, 2002 was $7.5 million and $3.9 million, respectively. These investments are recorded initially at cost and subsequently adjusted for our net equity in the venture's income (loss) and cash contributions and distributions. Our investment in real estate joint ventures are included in other assets and are also reduced by 50% of the profits earned for leasing and development services we provided to TWMB. The following management, leasing and development fees were recognized from services provided to TWMB during the year ended December 31, 2003 and 2002 (in thousands):

	Year Ended December 31, 2003	2002
Fee:		
Management	$ 174	$ 74
Leasing	214	259
Development	9	76
Total Fees	$ 397	$ 409

Our carrying value of investments in unconsolidated joint ventures differs from our share of the assets reported in the "Summary Balance Sheets - Unconsolidated Joint Ventures" shown below due to the cost of our investment in excess of the historical net book values of the unconsolidated joint ventures and other adjustments to the book basis, including intercompany profits on sales of services that are capitalized by the unconsolidated joint ventures. The differences in basis are amortized over the various useful lives of the related assets.

Summary unaudited financial information of joint ventures accounted for using the equity method as of December 31, 2003 and 2002 is as follows (in thousands):

Summary Balance Sheets - Unconsolidated Joint Ventures:	2003	2002
Assets:		
Investment properties at cost, net	$ 63,899	$ 32,153
Cash and cash equivalents	4,145	514
Deferred charges, net	1,652	1,751
Other assets	3,277	1,491
Total assets	$ 72,973	$ 35,909

Liabilities and Owners' Equity:		
Mortgage payable	$ 54,683	$ 25,513
Construction trade payables	1,164	1,644
Accounts payable and other liabilities	564	522
Total liabilities	56,411	27,679
Owners' equity	16,562	8,230
Total liabilities and owners' equity	$ 72,973	$ 35,909

Summary Statement of Operations - Unconsolidated Joint Ventures:	2003	2002
Revenues	$ 8,178	$ 4,119
Expenses:		
Property operating	2,972	1,924
General and administrative	47	13
Depreciation and amortization	2,292	884
Total expenses	5,311	2,821
Operating income	2,867	1,298
Interest expense	1,371	578
Net income	$ 1,496	$ 720

Tanger Factory Outlet Centers, Inc. share of:		
Net income	$ 819	$ 392
Depreciation (real estate related)	$ 1,101	$ 422

6. Disposition of Properties

In May and October 2003, we completed the sale of properties located in Martinsburg, West Virginia and Casa Grande, Arizona, respectively. Net proceeds received from the sales of these properties were approximately $8.7 million. We recorded a loss on sale of real estate of approximately $147,000 in discontinued operations.

In June and November 2002, we completed the sale of two of our non-core properties located in Ft. Lauderdale, Florida and Bourne, Massachusetts, respectively. Net proceeds received from the sales of these properties were approximately $19.9 million. We recorded a gain on sale of real estate of approximately $1.7 million in discontinued operations.

Throughout 2002, we sold five outparcels of land, two of which had related land leases with identifiable cash flows, at various properties in our portfolio. These sales totaled $1.5 million in net proceeds. Gains of $167,000 were recorded in other income for the three land outparcels sold and gains of $561,000 were recorded in discontinued operations for the two outparcels with identifiable cash flows as accounted for under FAS 144.

In accordance with FAS 144, effective for financial statements issued for fiscal years beginning after December 15, 2001, results of operations and gain/(loss) on sales of real estate for properties with identifiable cash flows sold subsequent to December 31, 2001 are reflected in the Consolidated Statements of Operations as discontinued operations for all periods presented. Below is a summary of the results of operations of these properties through their respective disposition dates (in thousands):
<TABLE>
<CAPTION>

Summary Statements of Operations - Disposed Properties:	2003	2002	2001
Revenues:			
<S>	<C>	<C>	<C>
Base rentals	$ 1,043	$ 2,863	$ 4,058
Percentage rentals	17	6	17
Expense reimbursements	440	1,071	1,459
Other income	55	50	36

Total revenues	1,555	3,990	5,570
Expenses:			
Property operating	878	1,615	1,796
General and Administrative	3	4	6
Depreciation and amortization	572	1,048	1,232
Total expenses	1,453	2,667	3,034
Discontinued operations before gain/(loss) on sale of real estate	102	1,323	2,536
Gain on sale of outparcels	---	561	---
Gain/(loss) on sale of real estate	(147)	1,702	---
Discontinued operations before minority interest	(45)	3,586	2,536
Minority interest	29	(958)	(702)
Discontinued operations	$ (16)	$ 2,628	$ 1,834

</TABLE>

7. Deferred Charges

Deferred charges as of December 31, 2003 and 2002 consists of the following (in thousands):

	2003	2002
Deferred lease costs and other intangibles	$ 76,191	$ 15,414
Deferred financing costs	9,027	8,412
	85,218	23,826
Accumulated amortization	(16,650)	(13,722)
	$ 68,568	$ 10,104

Amortization of deferred lease costs and other intangibles for the years ended December 31, 2003, 2002 and 2001 was $2,162,000, $1,739,000 and $1,642,000, respectively. Amortization of deferred financing costs, included in interest expense in the accompanying Consolidated Statements of Operations, for the years ended December 31, 2003, 2002 and 2001 was $1,304,000, $1,209,000 and $1,277,000, respectively.

8. Long-Term Debt

<TABLE>
<CAPTION>

Long-term debt at December 31, 2003 and 2002 consists of the following (in thousands):

	2003	2002
<C>	<C>	<C>
7.875% Senior, unsecured notes, maturing October 2004	$ 47,509	$ 50,109
9.125% Senior, unsecured notes, maturing February 2008	100,000	100,000
Mortgage notes with fixed interest:		
9.77%, maturing April 2005	14,179	14,516
9.125%, maturing September 2005	7,812	8,288
4.97%, maturing July 2008, including net premium of $11,852	198,258	---
7.875%, maturing April 2009	61,690	62,874
7.98%, maturing April 2009	18,746	19,036
8.86%, maturing September 2010	15,975	16,207
Mortgage notes with variable interest:		
LIBOR plus 1.75%, maturing March 2006	53,500	53,500
Revolving lines of credit with variable interest rates ranging from either prime less .25% to prime or from LIBOR plus 1.60% to LIBOR plus 1.75%	22,650	20,475
	$ 540,319	$ 345,005

</TABLE>

As part of the acquisition of the Charter Oak Partners' portfolio, we assumed $186.4 million of cross-collateralized debt which has a stated, fixed interest rate of 6.59% and matures in July 2008. We recorded the debt at its fair value of $198.3 million with an effective interest rate of 4.97%. Accordingly, a debt premium of $11.9 million was recorded and is being amortized over the life of the debt.

We extended the maturities of our existing four unsecured lines of credit with Bank of America, Fleet National Bank, SouthTrust Bank and Wells Fargo Bank until June 30, 2005 and increased our line of credit with Wells Fargo Bank from $10 million to $25 million. This addition brings the total capacity under our lines of credit to $100 million. Amounts available under these facilities at December 31, 2003 totaled $77.35 million. Interest is payable based on alternative interest rate bases at our option. Certain of our properties, which had a net book value of approximately $704.8 million at December 31, 2003, serve as collateral for the fixed and variable rate mortgages.

The lines of credit require the maintenance of certain ratios, including debt service coverage and leverage, and limit the payment of dividends such that dividends and distributions will not exceed funds from operations, as defined in the agreements, for the prior fiscal year on an annual basis or 95% of funds from operations on a cumulative basis. Five of the six existing fixed rate mortgage notes are with insurance companies and contain prepayment penalty clauses.

During 2003, we purchased at a 2% premium, $2.6 million of our outstanding 7.875% senior, unsecured public notes that mature in October 2004. The purchases were funded by amounts available under our unsecured lines of credit. These purchases were in addition to $24.9 million of the notes that were purchased in 2001 and 2002. We currently have authority from our Board of Directors to purchase an additional $22.4 million of our outstanding 7.875% senior, unsecured public notes and may, from time to time, do so at management's discretion.

Maturities of the existing long-term debt are as follows ($ in thousands):

Year	Amount
2004	$ 53,530
2005	49,253
2006	59,410
2007	6,344
2008	274,430
Thereafter	85,500
Subtotal	$ 528,467
Net premium	11,852
Total	$ 540,319

9. Derivatives and Fair Value of Financial Instruments

In August 2002, TWMB, our 50% unconsolidated joint venture, entered into a swap agreement with Bank of America, NA effective through August 2004 with a notional amount of $19 million. Under this agreement, TWMB receives a floating interest rate based on the 30 day LIBOR index and pays a fixed interest rate of 2.49%. This swap effectively changes the payment of interest on $19 million of variable rate debt to fixed rate debt for the contract period at a rate of 4.49%. At December 31, 2003, TWMB would have had to pay $165,000 to terminate the agreement.

In January 2003, our interest rate swap agreement originally entered into in December of 2000 with a notional amount of $25 million that fixed the 30 day LIBOR index at 5.97% expired as scheduled.

The carrying amount of cash equivalents approximates fair value due to the short-term maturities of these financial instruments. The fair value of long-term debt at December 31, 2003 and 2002, was estimated, at the present value of future cash flows, discounted at interest rates available at the reporting date for new debt of similar type and remaining maturity, was approximately $571.5 and $349.7 million, respectively.

10. Shareholders' Equity

In December 2003, we completed a public offering of 2,300,000 common shares at a price of $40.50 per share, receiving net proceeds of approximately $88.0 million. The net proceeds were used together with other available funds to fund our portion of the equity required to acquire the Charter Oak portfolio of outlet shopping centers as mentioned in Note 4 above and for general corporate purposes. In addition in January 2004, the underwriters of the December 2003 offering exercised in full their over-allotment option to purchase an additional 345,000 common shares at the offering price of $40.50 per share. We received net proceeds of approximately $13.2 million from the exercise of the over-allotment.

In September 2002, we completed a public offering of 1,000,000 common shares at a price of $29.25 per share, receiving net proceeds of approximately $28.0 million. The net proceeds were used, together with other available funds to acquire the Kensington Valley Factory Shops in Howell, Michigan mentioned in Note 3 above, reduce the outstanding balance on our lines of credit and for general corporate purposes.

On June 20, 2003, we redeemed all of our outstanding Series A Cumulative Convertible Redeemable Preferred Shares (the "Preferred Shares") held by the

Preferred Stock Depositary in the form of Depositary Shares, each representing 1/10th of a Preferred Share. The redemption price was $250 per Preferred Share ($25 per Depositary Share), plus accrued and unpaid dividends, if any, to, but not including, the redemption date.

In lieu of receiving the cash redemption price, holders of the Depositary Shares, at their option, could exercise their right to convert each Depositary Share into .901 common shares by following the instructions for, and completing the Notice of Conversion located on the back of their Depositary Share certificates. Those Depositary Shares, and the corresponding Preferred Shares, that were converted to common shares did not receive accrued and unpaid dividends, if any, but were entitled to receive common dividends declared after the date on which the Depositary Shares were converted to common shares.

On or after the redemption date, the Depositary Shares, and the corresponding Preferred Shares, were no longer deemed to be outstanding, dividends on the Depositary Shares, and the corresponding Preferred Shares, ceased to accrue, and all rights of the holders of the Depositary Shares, and the corresponding Preferred Shares, ceased, except for the right to receive the redemption price and accrued and unpaid dividends, without interest thereon, upon surrender of certificates representing the Depositary Shares, and the corresponding Preferred Shares.

In total, 787,008 of the Depositary Shares were converted into 709,078 common shares and we redeemed the remaining 14,889 Depositary Shares for $25 per share, plus accrued and unpaid dividends. We funded the redemption, totaling approximately $372,000, from cash flows from operations.

11. Shareholders' Rights Plan

On July 30, 1998, our Board of Directors declared a distribution of one Preferred Share Purchase Right (a "Right") for each then outstanding common share to shareholders of record on August 27, 1998. The Rights are exercisable only if a person or group acquires 15% or more of our outstanding common shares or announces a tender offer the consummation of which would result in ownership by a person or group of 15% or more of the common shares. Each Right entitles shareholders to buy one-hundredth of a share of a new series of Junior Participating Preferred Shares at an exercise price of $120, subject to adjustment.

If an acquiring person or group acquires 15% or more of our outstanding common shares, an exercisable Right will entitle its holder (other than the acquirer) to buy, at the Right's then-current exercise price, our common shares having a market value of two times the exercise price of one Right. If an acquirer acquires at least 15%, but less than 50%, of our common shares, the Board may exchange each Right (other than those of the acquirer) for one common share (or one-hundredth of a Class B Preferred Share) per Right. In addition, under certain circumstances, if we are involved in a merger or other business combination where we are not the surviving corporation, an exercisable Right will entitle its holder to buy, at the Right's then-current exercise price, common shares of the acquiring company having a market value of two times the exercise price of one Right. We may redeem the Rights at $.01 per Right at any time prior to a person or group acquiring a 15% position. The Rights will expire on August 26, 2008.

12. Earnings Per Share

A reconciliation of the numerators and denominators in computing earnings per share in accordance with Statement of Financial Accounting Standards No. 128, "Earnings per Share", for the years ended December 31, 2003, 2002 and 2001 is set forth as follows (in thousands, except per share amounts):

<TABLE>
<CAPTION>

	2003	2002	2001
NUMERATOR:			
<S>	<C>	<C>	<C>
Income from continuing operations	$ 12,865	$ 8,379	$ 5,278
Less applicable preferred share dividends	(806)	(1,771)	(1,771)
Income from continuing operations available to common shareholders - basic and diluted	12,059	6,608	3,507
Discontinued operations	(16)	2,628	1,834
Net income available to common shareholders- basic and diluted	12,043	9,236	5,341
DENOMINATOR:			
Basic weighted average common shares	10,051	8,322	7,926

Effect of outstanding share and unit options	232	192	22
Diluted weighted average common shares	10,283	8,514	7,948
Basic earnings per common share:			
Income from continuing operations	$ 1.20	$ .79	$ .44
Discontinued operations	---	.32	.23
Net income	$ 1.20	$ 1.11	$ .67
Diluted earnings per common share:			
Income from continuing operations	$ 1.17	$ .77	$ .44
Discontinued operations	---	.31	.23
Net income	$ 1.17	$ 1.08	$ .67

</TABLE>

Options to purchase common shares excluded from the computation of diluted earnings per share during 2002 and 2001 because the exercise price was greater than the average market price of the common shares totaled 235,000 and 1,244,000 shares, respectively. The assumed conversion of the preferred shares as of the beginning of each year would have been anti-dilutive. The assumed conversion of the Units held by TFLP as of the beginning of the year, which would result in the elimination of earnings allocated to the minority interest in the Operating Partnership, would have no impact on earnings per share since the allocation of earnings to an Operating Partnership Unit is equivalent to earnings allocated to a common share.

13. Employee Benefit Plans

We have a non-qualified and incentive share option plan ("The Share Option Plan") and the Operating Partnership has a non-qualified Unit option plan ("The Unit Option Plan"). Units received upon exercise of Unit options are exchangeable for common shares. Effective January 1, 2003, we adopted the fair value recognition provisions of FAS 123. Under the modified prospective method of adoption selected by us under the provisions of FAS 148, compensation cost recognized in 2003 is the same as that which would have been recognized had the recognition provisions of FAS 123 been applied from its original effective date. In accordance with FAS 148, results for prior periods have not been restated.

The following table illustrates the effect on net income and earnings per share if the fair value based method had been applied to all outstanding awards for the years ended December 31, 2003, 2002 and 2001 (in thousands except per share data):
<TABLE>
<CAPTION>

	2003	2002	2001
<S>	<C>	<C>	<C>
Net income	$ 12,849	$ 11,007	$ 7,112
Add: Share-based employee compensation expense included in net income, net of minority interest of $22	80	---	---
Less: Total share based employee compensation expense determined under fair value based method for all awards, net of minority interest of ($22), ($44) and ($66), respectively	(80)	(127)	(175)
Pro forma net income	12,849	$ 10,880	$ 6,937
Earnings per share:			
Basic - as reported	$ 1.20	$ 1.11	$ .67
Basic - pro forma	1.20	1.09	.65
Diluted - as reported	$ 1.17	$ 1.08	$ .67
Diluted - pro forma	1.17	1.06	.65

</TABLE>

We may issue up to 2,250,000 shares under The Share Option Plan and The Unit Option Plan. We have granted 1,519,200 options, net of options forfeited, through December 31, 2003. Under both plans, the option exercise price is determined by the Share and Unit Option Committee of the Board of Directors. Non-qualified share and Unit options granted expire 10 years from the date of grant and 20% of the options become exercisable in each of the first five years commencing one year from the date of grant.

Options outstanding at December 31, 2003 have exercise prices between $18.625 and $31.25, with a weighted average exercise price of $25.44 and a weighted average remaining contractual life of 4.32 years.

A summary of the status of our two plans at December 31, 2003, 2002 and 2001 and changes during the years then ended is presented in the table and narrative below:

	2003		2002		2001	
	Shares	Wtd Avg Ex Price	Shares	Wtd Avg Ex Price	Shares	Wtd Avg Ex Price
Outstanding at beginning of year	1,318,700	$ 23.89	1,455,830	$ 23.72	1,475,270	$ 23.68
Granted	---	---	---	---	---	---
Exercised	(890,540)	23.15	(127,620)	21.89	(10,800)	18.63
Forfeited	(600)	18.63	(9,510)	25.45	(8,640)	23.66
Outstanding at end of year	427,560	$ 25.44	1,318,700	$ 23.89	1,455,830	$ 23.72
Exercisable at end of year	293,060	$ 28.03	1,048,880	$ 24.45	1,047,890	$ 24.25
Weighted average fair value of options granted	$---		$ ---		$ ---	

We have a qualified retirement plan, with a salary deferral feature designed to qualify under Section 401 of the Code (the "401(k) Plan"), which covers substantially all of our officers and employees. The 401(k) Plan permits our employees, in accordance with the provisions of Section 401(k) of the Code, to defer up to 20% of their eligible compensation on a pre-tax basis subject to certain maximum amounts. Employee contributions are fully vested and are matched by us at a rate of compensation deferred to be determined annually at our discretion. The matching contribution is subject to vesting under a schedule providing for 20% annual vesting starting with the second year of employment and 100% vesting after six years of employment. The employer matching contribution expense for the years 2003, 2002 and 2001 was immaterial.

14. Other Comprehensive Income

Effective January 1, 2001, we adopted FAS 133. Upon adoption we recorded a cumulative effect adjustment of $217,000 loss, net of minority interest of $83,000, in other comprehensive income (loss). Certain interest rate swap agreements were terminated during the first quarter of 2001 and the other comprehensive loss totaling $106,000, net of minority interest of $41,000, recognized at adoption relating to these agreements was reclassified to earnings. In January 2003, our remaining interest rate swap agreement with a notional amount of $25 million, designated as a cash flow hedge in accordance with the provisions of FAS 133, expired as scheduled. Upon expiration, the fair market value recorded on the balance sheet as a liability in accounts payable and accrued expenses was adjusted to zero through accumulated other comprehensive income. TWMB's interest rate swap agreement has been designated as a cash flow hedge and is carried on its respective balance sheet at fair value. At December 31, 2003, our portion of the fair value of TWMB's hedge is recorded as a reduction in investment in unconsolidated joint ventures of $82,000 in other assets.

Total comprehensive income for the years ended December 31, 2003, 2002 and 2001 is as follows (in thousands):

	2003	2002	2001
Net income	$ 12,849	$ 11,007	$ 7,112
Other comprehensive income (loss):			
Cumulative effect adjustment of FAS 133 adoption, net of minority interest of ($83)	---	---	(217)

Reclassification to earnings on termination of cash flow hedge, net of minority interest of $41	---	---	106
Change in fair value of our portion of TWMB cash flow hedge, net of minority interest of $12 and ($37)	44	(102)	---
Change in fair value of cash flow hedge, net of minority interest of $24, $232 and ($227)	74	643	(593)
Other comprehensive income (loss)	118	541	(704)
Total comprehensive income	$ 12,967	$ 11,548	$ 6,408

</TABLE>

15. Supplementary Income Statement Information
<TABLE>
<CAPTION>

The following amounts are included in property operating expenses for the years ended December 31, 2003, 2002 and 2001 (in thousands):

	2003	2002	2001
<S>	<C>	<C>	<C>
Advertising and promotion	$ 10,358	$ 9,578	$ 8,964
Common area maintenance	15,542	13,256	12,636
Real estate taxes	9,312	8,387	7,985
Other operating expenses	5,023	3,661	3,263
	$ 40,235	$ 34,882	$ 32,848

</TABLE>

16. Lease Agreements

We are the lessor of a total of 2,040 stores in our 35 consolidated factory outlet centers, under operating leases with initial terms that expire from 2004 to 2021. Most leases are renewable for five years at the lessee's option. Future minimum lease receipts under non-cancelable operating leases as of December 31, 2003 are as follows (in thousands):

2004	$ 112,145
2005	89,397
2006	64,631
2007	43,900
2008	24,282
Thereafter	34,985
	$ 369,340

17. Commitments and Contingencies

We purchased the rights to lease land on which two of the outlet centers are situated for $1,536,000. These leasehold rights are being amortized on a straight-line basis over 30 and 40 year periods, respectively. Accumulated amortization was $762,000 and $713,000 at December 31, 2003 and 2002, respectively.

Our non-cancelable operating leases, with initial terms in excess of one year, have terms that expire from 2004 to 2085. Annual rental payments for these leases totalled approximately $2,572,000, $2,437,000 and $2,333,000, for the years ended December 31, 2003, 2002 and 2001, respectively. Minimum lease payments for the next five years and thereafter are as follows (in thousands):

2004	$ 2,941
2005	2,855
2006	2,768
2007	2,675
2008	2,402
Thereafter	87,556
	$ 101,197

We are also subject to legal proceedings and claims which have arisen in the ordinary course of our business and have not been finally adjudicated. In our opinion, the ultimate resolution of these matters will have no material effect on our results of operations, financial condition or cash flows.

REPORT OF INDEPENDENT AUDITORS
ON FINANCIAL STATEMENT SCHEDULE

To the Shareholders and Board of Directors of
Tanger Factory Outlet Centers, Inc.
and Subsidiaries

Our audits of the consolidated financial statements referred to in our report dated March 5, 2004 appearing in the 2003 Form 10-K of Tanger Factory Outlet Centers, Inc. also included an audit of the financial statement schedule listed in Item 15(a)(2) of this Form 10-K. In our opinion, this financial statement schedule presents fairly, in all material respects, the information set forth therein when read in conjunction with the related consolidated financial statements.

/s/ PricewaterhouseCoopers LLP

Raleigh, North Carolina
March 5, 2004

<TABLE>
<CAPTION>

TANGER FACTORY OUTLET CENTERS, INC. and SUBSIDIARIES
SCHEDULE III - REAL ESTATE AND ACCUMULATED DEPRECIATION
For the Year Ended December 31, 2003 (In thousands)

Description			Initial cost to Company		Costs Capitalized Subsequent to Acquisition (Improvements)	
Outlet Center Name	Location	Encumbrances	Land	Buildings, Improvements & Fixtures	Land	Buildings Improvements & Fixtures
<S>	<C>	<C>	<C>	<C>	<C>	<C>
Barstow	Barstow, CA	--	$3,672	$ 12,533	$ ---	$4,403
Blowing Rock	Blowing Rock, NC	$ 9,517	1,963	9,424	---	2,360
Boaz	Boaz, AL	---	616	2,195	---	2,281
Branson	Branson, MO	24,000	4,557	25,040	---	8,773
Clover	North Conway, NH	---	393	672	---	252
Commerce I	Commerce, GA	7,812	755	3,511	492	9,541
Commerce II	Commerce, GA	29,500	1,262	14,046	541	18,376
Dalton	Dalton, GA	10,923	1,641	15,596	---	650
Foley	Foley, AL	34,695	4,400	82,410	---	---
Gonzales	Gonzales, LA	---	718	15,895	17	5,322
Hilton Head	Blufton, SC	19,900	9,900	41,504	---	---
Howell	Howell, MI	---	2,250	35,250	---	310
Kittery-I	Kittery, ME	6,216	1,242	2,961	229	1,319
Kittery-II	Kittery, ME	---	921	1,835	530	731
Lancaster	Lancaster, PA	14,179	3,691	19,907	---	12,789
Lincoln City	Lincoln City, OR	11,202	6,500	28,673	---	---
LL Bean	North Conway, NH	---	1,894	3,351	---	1,159
Locust Grove	Locust Grove, GA	---	2,558	11,801	---	8,537
Myrtle Beach 501	Myrtle Beach, SC	24,634	10,300	57,094	---	---
Nags Head	Nags Head, NC	6,458	1,853	6,679	---	2,151

North Branch	North Branch, MN	---	243	5,644	249	4,112
Park City	Park City, UT	13,556	6,900	33,597	---	---
Pigeon Forge	Pigeon Forge, TN	---	299	2,508	---	2,076
Rehoboth	Rehoboth Beach, DE	42,427	21,500	74,209	---	---
Riverhead	Riverhead, NY	---	---	36,374	6,152	74,035
San Marcos	San Marcos, TX	37,299	1,801	9,440	16	36,432
Sanibel	Sanibel, FL	---	4,916	23,196	---	3,645
Sevierville	Sevierville, TN	---	---	18,495	---	34,468
Seymour	Seymour, IN	---	1,590	13,249	---	732
Terrell	Terrell, TX	---	778	13,432	---	6,508
Tilton	Tilton, NH	13,997	1,800	24,838	---	---
Tuscola	Tuscola, IL	21,739	1,600	15,428	---	---
West Branch	West Branch, MI	6,934	350	3,428	121	5,495
Westbrook	Westbrook, CT	16,108	7,200	26,991	---	---
Williamsburg	Williamsburg, IA	19,064	706	6,781	717	14,276
		$ 370,160	$110,769	$697,987	$9,064	$260,733

</TABLE>

<TABLE>
<CAPTION>

TANGER FACTORY OUTLET CENTERS, INC. and SUBSIDIARIES
SCHEDULE III - REAL ESTATE AND ACCUMULATED DEPRECIATION
For the Year Ended December 31, 2003 (In thousands)

Description		Gross Amount Carried at Close of Period 12/31/03 (1)					
Outlet Center Name	Location	Land	Buildings Improvements & Fixtures	Total	Accumulated Depreciation	Date of Construction	Life Used to Compute Depreciation in Income Statement
<S>	<C>	<C>	<C>	<C>	<C>	<C>	<C>
Barstow	Barstow, CA	$3,672	$16,936	$20,608	$6,065	1995	(2)
Blowing Rock	Blowing Rock, NC	1,963	11,784	13,747	2,601	1997 (3)	(2)
Boaz	Boaz, AL	616	4,476	5,092	2,676	1988	(2)
Branson	Branson, MO	4,557	33,813	38,370	14,444	1994	(2)
Clover	North Conway, NH	393	924	1,317	641	1987	(2)
Commerce I	Commerce, GA	1,247	13,052	14,299	6,454	1989	(2)
Commerce II	Commerce, GA	1,803	32,422	34,225	11,019	1995	(2)
Dalton	Dalton, GA	1,641	16,246	17,887	3,170	1998 (3)	(2)
Foley	Foley, AL	4,400	82,410	86,810	112	2003 (3)	(2)

Gonzales	Gonzales, LA	735	21,217	21,952	11,321	1992	(2)
Hilton Head	Blufton, SC	9,900	41,504	51,404	68	2003 (3)	(2)
Howell	Howell, MI	2,250	35,560	37,810	1,560	2002 (3)	(2)
Kittery-I	Kittery, ME	1,471	4,280	5,751	2,938	1986	(2)
Kittery-II	Kittery, ME	1,451	2,566	4,017	1,347	1989	(2)
Lancaster	Lancaster, PA	3,691	32,696	36,387	11,801	1994 (3)	(2)
Lincoln City	Lincoln City, OR	6,500	28,673	35,173	41	2003 (3)	(2)
LL Bean	North Conway, NH	1,894	4,510	6,404	2,681	1988	(2)
Locust Grove	Locust Grove, GA	2,558	20,338	22,896	8,426	1994	(2)
Myrtle Beach 501	Myrtle Beach, SC	10,300	57,094	67,394	84	2003 (3)	(2)
Nags Head	Nags Head, NC	1,853	8,830	10,683	2,423	1997 (3)	(2)
North Branch	North Branch, MN	492	9,756	10,248	5,495	1992	(2)
Park City	Park City, UT	6,900	33,597	40,497	53	2003 (3)	(2)
Pigeon Forge	Pigeon Forge, TN	299	4,584	4,883	2,798	1988	(2)
Rehoboth	Rehoboth Beach, DE	21,500	74,209	95,709	101	2003 (3)	(2)
Riverhead	Riverhead, NY	6,152	110,409	116,561	33,872	1993	(2)
San Marcos	San Marcos, TX	1,817	45,872	47,689	13,650	1993	(2)
Sanibel	Sanibel, FL	4,916	26,841	31,757	4,778	1998 (3)	(2)
Sevierville	Sevierville, TN	---	52,963	52,963	11,243	1997 (3)	(2)
Seymour	Seymour, IN	1,590	13,981	15,571	6,625	1994	(2)
Terrell	Terrell, TX	778	19,940	20,718	8,885	1994	(2)
Tilton	Tilton, NH	1,800	24,838	26,638	39	2003 (3)	(2)
Tuscola	Tuscola, IL	1,600	15,428	17,028	35	2003 (3)	(2)
West Branch	West Branch, MI	471	8,923	9,394	4,402	1991	(2)
Westbrook	Westbrook, CT	7,200	26,991	34,191	51	2003 (3)	(2)
Williamsburg	Williamsburg, IA	1,423	21,057	22,480	10,799	1991	(2)
		119,833	$958,720	$1,078,553	$192,698		

(1) Aggregate cost for federal income tax purposes is approximately $1,149,657,000

(2) The Company generally uses estimated lives ranging from 25 to 33 years for

buildings and 15 years for land improvements. Tenant finishing allowances are depreciated over the initial lease term.

(3) Represents year acquired

</TABLE>

TANGER FACTORY OUTLET CENTERS, INC. and SUBSIDIARIES
SCHEDULE III - (Continued)
REAL ESTATE AND ACCUMULATED DEPRECIATION
For the Year Ended December 31, 2003
(In Thousands)

The changes in total real estate for the three years ended December 31, 2003 are as follows:

	2003	2002	2001
Balance, beginning of year	$622,399	$599,266	$584,928
Acquisition of real estate	463,875	37,500	---
Improvements	9,342	5,324	14,338
Dispositions and other	(17,063)	(19,691)	---
Balance, end of year	$1,078,553	$622,399	$599,266

The changes in accumulated depreciation for the three years ended December 31, 2003 are as follows:

	2003	2002	2001
Balance, beginning of year	$ 174,199	$ 148,950	$ 122,365
Depreciation for the period	27,211	26,906	26,585
Dispositions and other	(8,712)	(1,657)	---
Balance, end of year	$192,698	$174,199	$148,950

Exhibit 10.1 A

FIRST AMENDMENT TO THE JULY 29, 1998 AMENDED AND RESTATED UNIT OPTION PLAN FOR EMPLOYEES OF TANGER PROPERTIES LIMITED PARTNERSHIP

THIS FIRST AMENDMENT TO THE JULY 28, 1998 AMENDED AND RESTATED UNIT OPTION PLAN FOR EMPLOYEES OF TANGER PROPERTIES LIMITED PARTNERSHIP is adopted by Tanger Properties Limited Partnership.

The July 28, 1998 Amended and Restated Unit Option Plan for Employees of Tanger Properties Limited Partnership is hereby amended in the following manner:

1. The text of Section 2.1 is amended and restated as follows:

> "Section 2.1. Units Subject to Plan.
>
> The aggregate number of Units of Partnership Interests which may be issued upon exercise of Options shall not exceed 2,250,000; provided that such aggregate number shall be reduced by one for each Common Share that is issued pursuant to the exercise of Options under the Amended and Restated Share Option Plan for Directors and Executive and Key Employees of Tanger Factory Outlet Centers, Inc."

2. In all other respects, the July 28, 1998 Amended and Restated Unit Option Plan for Employees of Tanger Properties Limited Partnership shall continue in full force and effect.

I hereby certify that the foregoing First Amendment to the July 29, 1998 Amended and Restated Unit Option Plan for Employees of Tanger Properties Limited Partnership was adopted by Tanger Properties Limited Partnership on February 24, 2003.

/s/ Rochelle G. Simpson
Rochelle G. Simpson, Secretary

I hereby certify that the foregoing First Amendment to the July 29, 1998 Amended and Restated Partnership Unit Option Plan for Employees of Tanger Properties Limited Partnership was duly adopted by the Shareholders of Tanger Factory Outlet Centers, Inc. on May 9, 2003.

/s/ Rochelle G. Simpson
Rochelle G. Simpson, Secretary

Exhibit 10.2 A

FIRST AMENDMENT TO THE JULY 29, 1998 AMENDED AND RESTATED SHARE OPTION PLAN FOR DIRECTORS AND EXECUTIVE AND KEY EMPLOYEES OF TANGER FACTORY OUTLET CENTERS, INC.

THIS FIRST AMENDMENT TO THE JULY 29, 1998 AMENDED AND RESTATED SHARE OPTION PLAN FOR DIRECTORS AND EXECUTIVE AND KEY EMPLOYEES OF TANGER FACTORY OUTLET CENTERS, INC. is adopted by resolution of the Board of Directors of Tanger Factory Outlet Centers, Inc. (the "Company").

The Amended and Restated Share Option Plan for Directors and Executive and Key Employees of Tanger Factory Outlet Centers, Inc. is hereby amended in the following manner:

1. The text of Section 2.1 is amended and restated as follows:

"Section 2.1. Shares Subject to Plan.

The shares subject to Option shall be the Company's Common Shares. The aggregate number of such Common Shares which may be issued upon exercise of Options shall not exceed 2,250,000; provided that such aggregate number shall be reduced by one for each Unit of Partnership Interests that is issued pursuant to the exercise of Options under the July 29, 1998 Amended and Restated Unit Option Plan for Employees of Tanger Properties Limited Partnership."

2. In all other respects, the Amended and Restated Share Option Plan for Directors and Executive and Key Employees of Tanger Factory Outlet Centers, Inc. shall continue in full force and effect.

I hereby certify that the foregoing First Amendment to the July 29, 1998 Amended and Restated Share Option Plan for Directors and Executive and Key Employees of Tanger Factory Outlet Centers, Inc. was adopted by Tanger Factory Outlet Centers, Inc. on February 24, 2003.

/s/ Rochelle G. Simpson
Rochelle G. Simpson, Secretary

I hereby certify that the foregoing First Amendment to the July 29, 1998 Amended and Restated Share Option Plan for Directors and Executive and Key Employees of Tanger Factory Outlet Centers, Inc. was duly adopted by the Shareholders of Tanger Factory Outlet Centers, Inc. on May 9, 2003.

/s/ Rochelle G. Simpson
Rochelle G. Simpson, Secretary

Exhibit 10.11 B

Second Amendment to Registration Rights Agreement

The undersigned parties hereby agree that the Registration Rights Agreement dated as of May 27, 1993 and amended by instrument dated November 20, 1995 (the "Agreement"), by and among Tanger Factory Outlet Centers, Inc. (the "Company"), Tanger Factory Limited Partnership and Stanley K. Tanger (the "Rightholders") is amended and modified as follows:

1. The Rightholders will not exercise any "piggy-back"registration rights any of them may have with respect to (i) the filing by the Company and Tanger Properties Limited Partnership (the "Limited Partnership") of a Base Registration Statement on Form S-3 dated May 22, 2001, (ii) the filing by the Company and the Limited Partnership of a Post Effective Amendment number two to Form S-3 including a related prospectus dated August 15, 2002, and (iii) any "piggy-back" registration rights that may have arisen from November 21, 1995 through the date hereof.

2. The Company agrees that the Rightholders shall have the right to make one additional Demand Registration (as defined in the Agreement) bringing the total number of Demand Registrations available under the Agreement to three (3) and that Company will pay all Registration Expenses (as defined in the Agreement) with regard to such additional Demand Registration.

3. The Rightholders do not hereby waive notice of, or any registration rights with respect to, any other Registration Statement for the Company's securities and do not hereby waive or release their rights to demand registration of the Company's securities which they have pursuant to Section 3 of the Agreement including the November 20, 1995 amendment thereto.

Dated: September 4, 2002

TANGER FAMILY LIMITED PARTNERSHIP

By:

STANLEY K. TANGER, its General Partner

/s/ Stanley K. Tanger

STANLEY K. TANGER

/s/ Steven B. Tanger

STEVEN B. TANGER

Acknowledged and Agreed to by:

TANGER FACTORY OUTLET CENTERS, INC.
By: /s/ Rochelle G. Simpson
- -------------------------------------
ROCHELLE G. SIMPSON

Exhibit 10.11 B

Third Amendment to Registration Rights Agreement

The undersigned parties hereby agree that the Registration Rights Agreement dated as of May 27, 1993 and amended by instruments dated November 20, 1995 and September 4, 2002 (the "Agreement"), by and among Tanger Factory Outlet Centers, Inc. (the "Company"), Tanger Factory Limited Partnership and Stanley K. Tanger (the "Rightholders") is amended and modified as follows:

1. The Rightholders will not exercise any "piggy-back"registration rights any of them may have with respect to (i) the filing by the Company and Tanger Properties Limited Partnership (the "Limited Partnership") of a Base Registration Statement on Form S-3 dated May 22, 2001, (ii) the filing by the Company and the Limited Partnership of a Post Effective Amendment number two to Form S-3 including a related prospectus dated August 15, 2002, and (iii) any "piggy-back" registration rights that may have arisen from November 21, 1995 through the date hereof.

2. The Company agrees that the Rightholders shall have the right to make one additional Demand Registration (as defined in the Agreement) bringing the total number of Demand Registrations available under the Agreement to three (3) and that Company will pay all Registration Expenses (as defined in the Agreement) with regard to such additional Demand Registration.

3. The Rightholders do not hereby waive notice of, or any registration rights with respect to, any other Registration Statement for the Company's securities and do not hereby waive or release their rights to demand registration of the Company's securities which they have pursuant to Section 3 of the Agreement including the November 20, 1995 and the September 4, 2002 amendments thereto.

Dated: December 5, 2003

TANGER FAMILY LIMITED PARTNERSHIP

By:

STANLEY K. TANGER, its General Partner

/s/ Stanley K. Tanger

STANLEY K. TANGER

/s/ Steven B. Tanger

STEVEN B. TANGER

Acknowledged and Agreed to by:

TANGER FACTORY OUTLET CENTERS, INC.

By: /s/ Rochelle G. Simpson

- -----------------------------------

ROCHELLE G. SIMPSON

EXHIBIT 21.1

List of Subsidiaries

Tanger Properties Limited Partnership

Tanger GP Trust

Tanger LP Trust

Tanger Development Corporation

Tanger-Warren Development, LLC

TWMB Associates, LLC

Tanger Deer Park, LLC

Deer Park Enterprises, LLC

Tanger COROC, LLC

COROC Holdings, LLC

COROC/Riviera L.L.C.

COROC/Hilton Head I L.L.C.

COROC/Hilton Head II L.L.C.

COROC/Lincoln City L.L.C.

COROC/Myrtle Beach L.L.C.

COROC/Park City L.L.C.

COROC/Rehoboth I L.L.C.

COROC/Rehoboth II L.L.C.

COROC/Rehoboth III L.L.C.

COROC/Lakes Region L.L.C.

COROC/Tilton L.L.C.

COROC/Tuscola L.L.C.

COROC/Westbrook I L.L.C.

COROC/Westbrook II L.L.C.

Tanger Devco, LLC

EXHIBIT 23.1

CONSENT OF INDEPENDENT ACCOUNTANTS

We hereby consent to the incorporation by reference in the Registration Statements on Forms S-8 (No. 333-80450 and 333-91863) and Forms S-3 (File Nos. 033-99736-01, 333-03526-01, 333-39365-01 and 333-61394-01) of Tanger Factory Outlet Centers, Inc. of our reports dated March 5, 2004 relating to the financial statements and financial statement schedule, which appear in this Form 10-K.

/s/ PricewaterhouseCoopers LLP

Raleigh, North Carolina
March 10, 2004

Exhibit 31.1

CERTIFICATION

I, Stanley K. Tanger certify that:

1. I have reviewed this annual report on Form 10-K of Tanger Factory Outlet Centers, Inc. for the year ended December 31, 2003;

2. Based on my knowledge, this annual report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this annual report;

3. Based on my knowledge, the financial statements, and other financial information included in this annual report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of and for, the periods presented in this annual report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-14 and 15d-14) for the registrant and have:

a. designed such disclosure controls and procedures to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this annual report is being prepared;

b. evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this annual report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this annual report based on such evaluation; and

c. presented in this annual report our conclusions about the effectiveness of the disclosure controls and procedures based on our evaluation as of the end of the period covered by this annual report;

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation, to the registrant's auditors and the audit committee of registrant's board of directors (or persons performing the equivalent functions):

a. All significant deficiencies in the design or operation of internal controls which could adversely affect the registrant's ability to record, process, summarize and report financial data and have identified for the registrant's auditors any material weaknesses in internal controls; and

b. any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal controls; and

6. The registrant's other certifying officer and I have indicated in this annual report whether there were significant changes in internal controls or in other factors that could significantly affect internal controls subsequent to the date of our most recent evaluation, including any corrective actions with regard to significant deficiencies and material weaknesses.

Date: March 11, 2004

By: /s/ Stanley K. Tanger

Stanley K. Tanger
Chairman of the Board of Directors,
Chief Executive Officer

Exhibit 31.2

CERTIFICATION

I, Frank C. Marchisello, Jr. certify that:

1. I have reviewed this annual report on Form 10-K of Tanger Factory Outlet Centers, Inc. for the year ended December 31, 2003;

2. Based on my knowledge, this annual report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this annual report;

3. Based on my knowledge, the financial statements, and other financial information included in this annual report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of and for, the periods presented in this annual report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-14 and 15d-14) for the registrant and have:

a. designed such disclosure controls and procedures to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this annual report is being prepared;

b. evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this annual report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this annual report based on such evaluation; and

c. presented in this annual report our conclusions about the effectiveness of the disclosure controls and procedures based on our evaluation as of the end of the period covered by this annual report;

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation, to the registrant's auditors and the audit committee of registrant's board of directors (or persons performing the equivalent functions):

a. All significant deficiencies in the design or operation of internal controls which could adversely affect the registrant's ability to record, process, summarize and report financial data and have identified for the registrant's auditors any material weaknesses in internal controls; and

b. any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal controls; and

6. The registrant's other certifying officer and I have indicated in this annual report whether there were significant changes in internal controls or in other factors that could significantly affect internal controls subsequent to the date of our most recent evaluation, including any corrective actions with regard to significant deficiencies and material weaknesses.

Date: March 11, 2004

By: /s/ Frank C. Marchisello, Jr.

Frank C. Marchisello, Jr.
Executive Vice President and
Chief Financial Officer

Exhibit 32.1

Certification of Chief Executive Officer

Pursuant to 18 U.S.C. ss. 1350, as created by Section 906 of the Sarbanes-Oxley Act of 2002, the undersigned officer of Tanger Factory Outlet Centers, Inc. (the "Company") hereby certifies, to such officer's knowledge, that:

(i) the accompanying Annual Report on Form 10-K of the Company for the annual period ended December 31, 2003 (the "Report") fully complies with the requirements of Section 13(a) or Section 15(d), as applicable, of the Securities Exchange Act of 1934, as amended; and

(ii) the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Pursuant to the rules and regulations of the Securities and Exchange Commission, this certification is being furnished and is not deemed filed.

Dated: March 11, 2004

/s/ Stanley K. Tanger

Stanley K. Tanger
Chairman of the Board and
Chief Executive Officer

Exhibit 32.2

Certification of Chief Financial Officer

Pursuant to 18 U.S.C. ss. 1350, as created by Section 906 of the Sarbanes-Oxley Act of 2002, the undersigned officer of Tanger Factory Outlet Centers, Inc. (the "Company") hereby certifies, to such officer's knowledge, that:

(i) the accompanying Annual Report on Form 10-K of the Company for the annual period ended December 31, 2003 (the "Report") fully complies with the requirements of Section 13(a) or Section 15(d), as applicable, of the Securities Exchange Act of 1934, as amended; and

(ii) the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Pursuant to the rules and regulations of the Securities and Exchange Commission, this certification is being furnished and is not deemed filed.

Dated: March 11, 2004

/s/ Frank C. Marchisello, Jr.

Frank C. Marchisello, Jr.
Executive Vice President
Chief Financial Officer