

**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION**

**WASHINGTON, D.C. 20549**

**FORM 8-K**

**Current Report Pursuant to Section 13 or 15(d) of  
The Securities Exchange Act of 1934**

Date of Report (date of earliest event reported): October 28, 2014

TANGER FACTORY OUTLET CENTERS, INC.

(Exact name of registrant as specified in its charter)

North Carolina	1-11986	56-1815473
(State or other jurisdiction of Incorporation)	(Commission File Number)	(I.R.S. Employer Identification Number)

3200 Northline Avenue, Greensboro, North Carolina 27408

(Address of principal executive offices) (Zip  
Code)

(336) 292-3010

(Registrants' telephone number, including area  
code)

N/A

(former name or former address, if changed  
since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- ☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
  - ☐ Soliciting material pursuant to Rule 14a-12 under the Exchange
  - ☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
  - ☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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## **Item 2.02 Results of Operations and Financial Condition**

On October 28, 2014, Tanger Factory Outlet Centers, Inc. (the "Company") issued a press release announcing its results of operations and financial condition as of and for the quarter ended September 30, 2014. A copy of the Company's press release is hereby furnished as Exhibit 99.1 to this report on Form 8-K. The information contained in this report on Form 8-K, including Exhibit 99.1, shall not be deemed "filed" with the Securities and Exchange Commission nor incorporated by reference in any registration statement filed by the Company under the Securities Act of 1933, as amended, unless specified otherwise.

## **Item 7.01 Regulation FD Disclosure**

On October 28, 2014, the Company made publicly available on its website, [www.tangeroutlet.com](http://www.tangeroutlet.com), certain supplemental operating and financial information for the quarter ended September 30, 2014. This supplemental operating and financial information is hereby attached to this current report as Exhibit 99.2. The information contained in this report on Form 8-K, including Exhibit 99.2, shall not be deemed "filed" with the Securities and Exchange Commission nor incorporated by reference in any registration statement filed by the Company under the Securities Act of 1933, as amended, unless specified otherwise. The information found on, or otherwise accessible through, the Company's website is not incorporated into, and does not form a part of, this current report on Form 8-K or any other report or document the Company files with or furnishes to the United States Securities and Exchange Commission.

## **Item 9.01 Financial Statements and Exhibits**

### **(d) Exhibits**

The following exhibits are included with this Report:

- Exhibit 99.1 Press release announcing the results of operations and financial condition of the Company as of and for the quarter ended September 30, 2014.
- Exhibit 99.2 Supplemental operating and financial information of the Company as of and for the quarter ended September 30, 2014.

## **SIGNATURES**

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Dated: October 28, 2014

TANGER FACTORY OUTLET CENTERS, INC.

By: /s/ Frank C. Marchisello, Jr.  
Frank C. Marchisello, Jr.  
Executive Vice President, Chief Financial Officer

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## EXHIBIT INDEX

<u>Exhibit No.</u>	
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- |      |   |
|------|---|
| 99.1 | Press release announcing the results of operations and financial condition of the Company as of and for the quarter ended September 30, 2014. |
| 99.2 | Supplemental operating and financial information of the Company as of and for the quarter ended September 30, 2014.                           |

# News Release

## TANGER REPORTS THIRD QUARTER 2014 RESULTS

### Adjusted Funds From Operations Per Share Increases 6.1% for Quarter & 6.7% YTD

**Greensboro, NC, October 28, 2014, Tanger Factory Outlet Centers, Inc. (NYSE:SKT)** today reported adjusted funds from operations ("AFFO") available to common shareholders for the three months ended September 30, 2014 increased 6.1% to \$0.52 per share, or \$51.6 million. For the nine months ended September 30, 2014, AFFO increased 6.7% to \$1.44 per share, or \$142.1 million. A reconciliation of funds from operations ("FFO"), a widely accepted supplemental measure of REIT performance, to AFFO is shown in the table below.

"Our solid operating results continued through the first nine months of 2014, with AFFO per share up 6.1% for the third quarter and 6.7% year to date. As expected, same center net operating income growth decelerated during the third quarter, as we continue to upgrade the tenant mix at many of our centers in order to provide a unique and first class shopping experience to the consumer. We currently believe our same center net operating income growth for the year will meet our original guidance of three percent," commented Steven B. Tanger, President & Chief Executive Officer. "Strong tenant demand for space continues throughout our existing centers as well as our development pipeline of new centers, which remains a key part of our ongoing business strategy," he added.

In thousands, except per share amounts:

	Three months ended September 30,		Nine months ended September 30,	
	2014	2013	2014	2013
FFO as reported	\$ 51,655	\$ 56,196	\$ 140,592	\$ 139,755
As adjusted for:				
Acquisition costs	—	532	7	963
Demolition costs	—	100		140
Abandoned pre-development costs	—	—	1,596	—
Casualty gain	(329)	—	(329)	—
AFFO adjustments from unconsolidated joint ventures <sup>(1)</sup>	237	(7,962)	237	(7,421)
Impact of above adjustments to the allocation of earnings to participating securities	2	81	(31)	70
Adjusted FFO ("AFFO")	\$ 51,565	\$ 48,947	\$ 142,072	\$ 133,507
Diluted weighted average common shares	99,003	99,178	98,930	99,004
FFO per share	\$ 0.52	\$ 0.57	\$ 1.42	\$ 1.41
AFFO per share	\$ 0.52	\$ 0.49	\$ 1.44	\$ 1.35

(1) Includes acquisition costs and abandoned development costs, as well as our share of litigation settlement proceeds and gain on early extinguishment of debt from unconsolidated joint ventures. Our share of the gain on early extinguishment of debt was \$4.6 million and our share of the litigation proceeds was \$3.4 million, for the three and nine months ended, September 30, 2013.

Net income available to common shareholders for the three months ended September 30, 2014 decreased 57.3% to \$22.5 million, or \$0.24 per share, as compared to \$52.7 million, or \$0.56 per share, for the three months ended September 30, 2013. For the nine months ended September 30, 2014, net income available to common shareholders decreased 35.0% to \$55.1 million, or \$0.59 per share, as compared to \$84.7 million, or \$0.90 per share for the nine months ended September 30, 2013. In addition to the charges described above, net income available to common shareholders for the three and nine months ended September 30, 2013 was impacted by a \$26.0 million gain on fair value measurement related to the company's acquisition of an additional one-third interest in the Deer Park property on August 30, 2013.

Net income, FFO and AFFO per share are on a diluted basis. FFO and AFFO are supplemental non-GAAP financial measures used in the real estate industry to measure and compare the operating performance of real estate companies. Complete reconciliations containing adjustments from GAAP net income to FFO and to AFFO are included in this release.

### **Third Quarter Highlights**

- Began construction on Tanger Outlets Grand Rapids in August 2014
- Same center net operating income increased 1.4% during the quarter, 2.6% year-to-date
- Year-to-date blended increase in average base rental rates on space renewed and released throughout the consolidated portfolio of 23.3%
- Period-end consolidated portfolio occupancy rate of 97.7% at September 30, 2014
- Same center total tenant sales increased 2% to \$4.1 billion for the rolling twelve months ended September 30, 2014, compared to \$4.0 billion for the rolling twelve months ended September 30, 2013
- Comparable tenant sales for the consolidated portfolio increased approximately 1% to \$387 per square foot for the rolling twelve months ended September 30, 2014
- Total market capitalization increased 4% to \$4.8 billion as of September 30, 2014, compared to \$4.6 billion as of September 30, 2013
- Debt-to-total market capitalization ratio of 30.5% as of September 30, 2014
- Interest coverage ratio of 4.40 times

### **North American Portfolio Drives Operating Results**

During the first nine months of 2014, Tanger executed 372 leases totaling 1,600,000 square feet throughout its consolidated portfolio. Lease renewals accounted for 1,130,000 square feet, which generated a 17.1% increase in average base rental rates and represents 68.0% of the space originally scheduled to expire in 2014. Base rental rate increases on space re-tenanted during the nine months ended September 30, 2014 averaged 35.4% and accounted for the remaining 470,000 square feet.

Consolidated portfolio same center net operating income increased 2.6% during the nine months ended September 30, 2014. Negatively impacted by a modest decrease in average occupancy rates, consolidated same center net operating income increased 1.4% during the three months ended September 30, 2014. As has been done for over 30 years, Tanger continues to right size tenant stores and upgrade its overall tenant mix at each center. The company's long-term, ongoing strategy to provide shoppers with the best overall shopping experience can, at any given point in time cause a slight drop in overall occupancy rates and thus a short-term impact on same center net operating income growth, however tenant demand for space continues to be very strong.

For the rolling twelve months ended September 30, 2014, consolidated portfolio comparable tenant sales increased approximately 1% to \$387 per square foot. In addition, and in spite of a 1% decrease in overall occupancy, same center total tenant sales throughout Tanger's consolidated portfolio increased 2% for the same period. Because same center total tenant sales captures sales for tenants immediately upon their opening, the company believes it better reflects Tanger's continued efforts to improve the overall tenant mix and cash flow throughout its outlet center properties.

### **Investment Activities Provide Potential Future Growth**

On October 17, 2014, the company and its 50/50 co-owner opened the first ground up development of a Tanger Outlet Center in Canada. Located in suburban Kanata, Tanger Outlets Ottawa features approximately 316,000 square feet and 80 brand name and designer outlet stores.

Tanger expects to complete four of the seven projects currently under construction in time for 2014 holiday openings. Tanger Outlets Cookstown is currently undergoing a major expansion and renovation project that will expand the 155,000 square foot property to approximately 308,000 square feet when complete, while creating an updated exterior for the existing space consistent with that of the expansion. Also being developed in conjunction with the company's 50/50 co-owner, the property is located on the northern edge of the greater Toronto Area. Tanger is also expanding Tanger Outlets Westgate in Glendale, Arizona by approximately 78,000 square feet, Tanger Outlets Branson by approximately 25,000 square feet, and Tanger Outlets Park City by approximately 21,000 square feet.

During 2015, the company currently expects to complete three other ground up developments currently under construction. Tanger Outlets Savannah and Tanger Outlets at Foxwoods are expected to open in the second quarter of 2015, while Tanger Outlets Grand Rapids is currently targeted for a third quarter 2015 opening.

Tanger has announced two other projects that are currently in the pre-development stage. The company and its 50/50 joint venture partner have delayed commencement of construction for Tanger Outlets Columbus in order to secure public financing for the necessary off-site improvements. The partners are currently targeting a mid 2016 opening. The company's most recently announced project is in the Hartford market in Cheshire, Connecticut.

### **Balance Sheet Summary**

As of September 30, 2014, Tanger had a total market capitalization of approximately \$4.8 billion including \$1.4 billion of debt outstanding, equating to a 30.5% debt-to-total market capitalization ratio. The company had \$139.8 million outstanding on its \$520.0 million in available unsecured lines of credit. For the three months ended September 30, 2014, Tanger maintained an interest coverage ratio of 4.40 times.

### **Tanger Expects Solid FFO Per Share In 2014**

Based on Tanger's internal budgeting process, the company's view on current market conditions, and the strength and stability of its core portfolio, management has increased the low end of its guidance range, and currently believes its net income available to common shareholders, funds from operations, and adjusted funds from operations for 2014 will be as follows:

For the year ended December 31, 2014:

	Low Range	High Range
Estimated diluted net income per share	\$0.80	\$0.83
Noncontrolling interest, depreciation and amortization of real estate assets including noncontrolling interest share and our share of joint ventures	1.13	1.13
Estimated diluted FFO per share	\$1.93	\$1.96
AFFO adjustments	0.02	0.02
Estimated diluted AFFO per share	\$1.95	\$1.98

The company's earnings estimates reflect a projected increase in same-center net operating income of approximately 3%. The company's estimates do not include the impact of any additional rent termination fees, any potential refinancing transactions, the sale of any out parcels of land, or the sale or acquisition of any properties.

### **Third Quarter Conference Call**

Tanger will host a conference call to discuss its third quarter results for analysts, investors and other interested parties on Wednesday, October 29, 2014, at 10 a.m. Eastern Time. To access the conference call, listeners should dial 1-877-277-5113 and provide conference ID # 34699251 to be connected to the Tanger Factory Outlet Centers Third Quarter 2014 Financial Results call. Alternatively, the call will be web cast by SNL IR Solutions and can be accessed at Tanger Factory Outlet Centers, Inc.'s web site by clicking the Investor Relations link at [www.tangeroutlet.com](http://www.tangeroutlet.com). A telephone replay of the call will be available from October 29, 2014 at 1:00 p.m. through 11:59 p.m., November 14, 2014 by dialing 1-855-859-2056, conference ID # 34699251. An online archive of the broadcast will also be available through November 14, 2014.

### **About Tanger Factory Outlet Centers**

Tanger Factory Outlet Centers, Inc. (NYSE:SKT), is a publicly-traded REIT headquartered in Greensboro, North Carolina that presently operates and owns, or has an ownership interest in, a portfolio of 46 upscale outlet shopping centers in 26 states coast to coast and in Canada, totaling approximately 14.0 million square feet leased to over 3,000 stores operated by more than 460 different brand name companies. More than 185 million shoppers visit Tanger Factory Outlet Centers, Inc. annually. Tanger is filing a Form 8-K with the Securities and Exchange Commission that includes a supplemental information package for the quarter ended September 30, 2014. For more information on Tanger Outlet Centers, call 1-800-4TANGER or visit the company's web site at [www.tangeroutlet.com](http://www.tangeroutlet.com).

This news release contains forward-looking statements within the meaning of federal securities laws. These statements include, but are not limited to, estimates of future net income, FFO and AFFO per share, and same center net operating income, plans for new developments and expansions, the expected timing of the commencement of construction and the openings of the current and new developments, receipt of public financing, tenant demand for space, the renewal and re-tenanting of space, tenant sales and sales trends, as well as other statements regarding plans, estimates, intentions, and similar statements concerning anticipated future events, results, circumstances, performance or expectations that are not historical facts.

These forward-looking statements are subject to risks and uncertainties. Actual results could differ materially from those projected due to various factors including, but not limited to, the risks associated with general economic and real estate conditions in the United States and Canada, the company's ability to meet its obligations on existing indebtedness or refinance existing indebtedness on favorable terms, the availability and cost of capital, whether projects in our pipeline convert into successful developments, the company's ability to lease its properties, the company's ability to implement its plans and strategies for joint venture properties that it does not fully control, the company's inability to collect rent due to the bankruptcy or insolvency of tenants or otherwise, and competition. For a more detailed discussion of the factors that affect our operating results, interested parties should review the Tanger Factory Outlet Centers, Inc. Annual Report on Form 10-K for the fiscal year ended December 31, 2013.

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

	Three months ended September 30,		Nine months ended September 30,	
	2014	2013	2014	2013
<b>REVENUES</b>				
Base rentals (a)	\$ 69,612	\$ 64,301	\$ 204,748	\$ 184,591
Percentage rentals	2,634	3,084	6,632	6,956
Expense reimbursements	29,463	27,414	90,457	78,544
Other income	3,588	3,104	8,578	7,516
Total revenues	105,297	97,903	310,415	277,607
<b>EXPENSES</b>				
Property operating	32,798	29,863	102,454	86,819
General and administrative	11,334	9,754	32,817	29,240
Abandoned pre-development costs (b)	—	—	1,596	—
Acquisition costs (c)	—	532	7	963
Depreciation and amortization	25,774	24,223	77,034	68,683
Total expenses	69,906	64,372	213,908	185,705
<b>Operating income</b>	<b>35,391</b>	<b>33,531</b>	<b>96,507</b>	<b>91,902</b>
Interest expense	(13,902)	(12,367)	(43,404)	(37,826)
Casualty gain	329	—	329	—
Gain on previously held interest in acquired joint venture (d)	—	26,002	—	26,002
<b>Income before equity in earnings of unconsolidated joint ventures</b>	<b>21,818</b>	<b>47,166</b>	<b>53,432</b>	<b>80,078</b>
Equity in earnings of unconsolidated joint ventures	2,479	9,014	6,200	10,107
<b>Net income</b>	<b>24,297</b>	<b>56,180</b>	<b>59,632</b>	<b>90,185</b>
Noncontrolling interests in Operating Partnership	(1,252)	(2,787)	(3,083)	(4,435)
Noncontrolling interests in other consolidated partnerships	(42)	(99)	(80)	(129)
<b>Net income attributable to Tanger Factory Outlet Centers, Inc.</b>	<b>23,003</b>	<b>53,294</b>	<b>56,469</b>	<b>85,621</b>
Allocation of earnings to participating securities	(481)	(609)	(1,391)	(932)
<b>Net income available to common shareholders of Tanger Factory Outlet Centers, Inc.</b>	<b>\$ 22,522</b>	<b>\$ 52,685</b>	<b>\$ 55,078</b>	<b>\$ 84,689</b>
<b>Basic earnings per common share:</b>				
Net income	\$ 0.24	\$ 0.56	\$ 0.59	\$ 0.91
<b>Diluted earnings per common share:</b>				
Net income	\$ 0.24	\$ 0.56	\$ 0.59	\$ 0.90

- a. Includes straight-line rent and market rent adjustments of \$1,043 and \$1,466 for the three months ended and \$3,118 and \$4,019 for the nine months ended September 30, 2014 and 2013, respectively.
- b. Represents costs related to pre-development projects no longer considered probable.
- c. Represents potential acquisition related expenses incurred for the three and nine months ended September 30, 2013.
- d. Represents gain on fair value measurement of our previously held interest in the Deer Park joint venture recognized upon the Company's acquisition of a controlling interest on August 30, 2013.



**TANGER FACTORY OUTLET CENTERS, INC. AND SUBSIDIARIES**  
**CONSOLIDATED BALANCE SHEETS**  
(in thousands, except share data)  
(Unaudited)

	September 30, 2014	December 31, 2013
<b>ASSETS</b>		
Rental property		
Land	\$ 230,415	\$ 230,415
Buildings, improvements and fixtures	2,043,583	2,009,971
Construction in progress	75,000	9,433
	2,348,998	2,249,819
Accumulated depreciation	(708,515)	(654,631)
Total rental property, net	1,640,483	1,595,188
Cash and cash equivalents	10,824	15,241
Investments in unconsolidated joint ventures	249,659	140,214
Deferred lease costs and other intangibles, net	146,642	163,581
Deferred debt origination costs, net	9,794	10,818
Prepays and other assets	82,715	81,414
<b>Total assets</b>	<b>\$ 2,140,117</b>	<b>\$ 2,006,456</b>
<b>LIABILITIES AND EQUITY</b>		
<b>Liabilities</b>		
Debt		
Senior, unsecured notes (net of discount of \$5,271 and \$5,752, respectively)	\$ 794,729	\$ 794,248
Unsecured term loans (net of discount of \$281 and \$396, respectively)	267,219	267,104
Mortgages payable (including premium of \$3,224 and \$3,799, respectively)	247,240	250,497
Unsecured lines of credit	139,800	16,200
Total debt	1,448,988	1,328,049
Construction trade payables	23,216	9,776
Accounts payable and accrued expenses	56,011	49,686
	28,388	28,388
Deferred financing obligation		
Other liabilities	29,300	32,962
<b>Total liabilities</b>	<b>1,585,903</b>	<b>1,448,861</b>
Commitments and contingencies	—	—
<b>Equity</b>		
<b>Tanger Factory Outlet Centers, Inc.</b>		
Common shares, \$.01 par value, 300,000,000 shares authorized, 95,898,445 and 94,505,685 shares issued and outstanding at September 30, 2014 and December 31, 2013, respectively	959	945
Paid in capital	801,363	788,984
Accumulated distributions in excess of net income	(276,218)	(265,242)
Accumulated other comprehensive income	(7,382)	(2,428)
<b>Equity attributable to Tanger Factory Outlet Centers, Inc.</b>	<b>518,722</b>	<b>522,259</b>
<b>Equity attributable to noncontrolling interests</b>		
Noncontrolling interests in Operating Partnership	27,595	28,432
Noncontrolling interests in other consolidated partnerships	7,897	6,904
<b>Total equity</b>	<b>554,214</b>	<b>557,595</b>
<b>Total liabilities and equity</b>	<b>\$ 2,140,117</b>	<b>\$ 2,006,456</b>

**TANGER FACTORY OUTLET CENTERS, INC. AND SUBSIDIARIES**  
**SUPPLEMENTAL INFORMATION**  
(in thousands, except per share, state and center information)  
(Unaudited)

	Three months ended September 30,		Nine months ended September 30,	
	2014	2013	2014	2013
<b>FUNDS FROM OPERATIONS (a)</b>				
Net income	\$ 24,297	\$ 56,180	\$ 59,632	\$ 90,185
Adjusted for:				
Depreciation and amortization of real estate assets - consolidated	25,425	23,888	75,909	67,798
Depreciation and amortization of real estate assets - unconsolidated joint ventures	3,040	2,861	8,048	9,465
Gain on previously held interest in acquired joint venture	—	(26,002)	—	(26,002)
<b>Funds from operations (FFO)</b>	<b>52,762</b>	<b>56,927</b>	<b>143,589</b>	<b>141,446</b>
FFO attributable to noncontrolling interests in other consolidated partnerships	(62)	(117)	(139)	(190)
Allocation of earnings to participating securities	(1,045)	(614)	(2,858)	(1,501)
<b>Funds from operations available to common shareholders</b>	<b>\$ 51,655</b>	<b>\$ 56,196</b>	<b>\$ 140,592</b>	<b>\$ 139,755</b>
<b>Funds from operations available to common shareholders per share - diluted</b>	<b>\$ 0.52</b>	<b>\$ 0.57</b>	<b>\$ 1.42</b>	<b>\$ 1.41</b>
<b>WEIGHTED AVERAGE SHARES</b>				
Basic weighted average common shares	93,834	93,368	93,741	93,278
Effect of notional units (b)	—	856	—	841
Effect of outstanding options and restricted common shares	67	76	70	91
<b>Diluted weighted average common shares (for earnings per share computations)</b>	<b>93,901</b>	<b>94,300</b>	<b>93,811</b>	<b>94,210</b>
Exchangeable operating partnership units (c)	5,102	4,878	5,119	4,794
<b>Diluted weighted average common shares (for funds from operations per share computations)</b>	<b>99,003</b>	<b>99,178</b>	<b>98,930</b>	<b>99,004</b>
<b>OTHER INFORMATION</b>				
Gross leasable area open at end of period -				
Consolidated	11,557	11,547	11,557	11,547
Partially owned - unconsolidated	2,119	1,379	2,119	1,379
Outlet centers in operation at end of period -				
Consolidated	37	37	37	37
Partially owned - unconsolidated	8	6	8	6
States operated in at end of period (d)	24	24	24	24
Occupancy at end of period (d)	97.7%	98.7%	97.7%	98.7%

- a. FFO is a non-GAAP financial measure. The most directly comparable GAAP measure is net income (loss), to which it is reconciled. We believe that for a clear understanding of our operating results, FFO should be considered along with net income as presented elsewhere in this report. FFO is presented because it is a widely accepted financial indicator used by certain investors and analysts to analyze and compare one equity REIT with another on the basis of operating performance. FFO is generally 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 of real estate assets, impairment losses on depreciable real estate of consolidated real estate and after adjustments for unconsolidated partnerships and joint ventures, including depreciation and amortization, and impairment losses on investments in unconsolidated joint ventures driven by a measurable decrease in the fair value of depreciable real estate held by the unconsolidated joint ventures. We caution that the calculation of FFO may vary from entity to entity and as such the presentation of FFO by us may not be comparable to other similarly titled measures of other reporting companies. FFO does not represent net income or cash flow from operations as defined by accounting principles generally accepted in the United States of America and should not be considered an alternative to net income as an indication of operating performance or to cash flows from operations as a measure of liquidity. FFO is not necessarily indicative of cash flows available to fund dividends to shareholders and other cash needs.
- b. Notional units granted in 2010 were converted into 933,769 restricted common shares in January 2014 which vest on December 31, 2014. The restricted common shares will be considered participating securities through the vesting date.
- c. The exchangeable operating partnership units (noncontrolling interest in operating partnership) are not dilutive on earnings per share computed in accordance with generally accepted accounting principles.
- d. Excludes the centers in which we have ownership interests in but are held in unconsolidated joint ventures.



**Tanger Factory Outlet Centers, Inc.**

**Supplemental Operating and Financial Data**

September 30, 2014

1

Supplemental Operating and Financial Data for the  
Quarter Ended 9/30/2014



## Notice

*For a more detailed discussion of the factors that affect our operating results, interested parties should review the Tanger Factory Outlet Centers, Inc. Annual Report on Form 10-K for the fiscal year ended December 31, 2013.*

*This Supplemental Operating and Financial Data is not an offer to sell or a solicitation to buy any securities of the Company. Any offers to sell or solicitations to buy any securities of the Company shall be made only by means of a prospectus.*

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# Geographic Diversification

## Consolidated Properties

As of September 30, 2014				
State	# of Centers	GLA	% of GLA	
South Carolina	5	1,593,898	14 %	
New York	2	1,478,808	13 %	
Pennsylvania	3	874,460	8 %	
Georgia	2	692,478	6 %	
Texas	2	619,621	5 %	
Delaware	1	564,593	5 %	
Alabama	1	557,014	5 %	
North Carolina	3	505,225	4 %	
New Jersey	1	489,706	4 %	
Tennessee	1	438,335	4 %	
Michigan	2	431,859	4 %	
Ohio	1	411,776	4 %	
Louisiana	1	318,666	3 %	
Missouri	1	302,922	3 %	
Utah	1	298,391	2 %	
Connecticut	1	289,898	2 %	
Iowa	1	277,230	2 %	
Oregon	1	270,212	2 %	
Illinois	1	250,439	2 %	
New Hampshire	1	245,698	2 %	
Florida	1	198,877	2 %	
Maryland	1	198,840	2 %	
California	1	171,300	1 %	
Maine	2	76,356	1 %	
<b>Total</b>	<b>37</b>	<b>11,556,602</b>	<b>100 %</b>	

## Unconsolidated Joint Venture Properties

	# of Centers	GLA	Ownership %
Charlotte, NC	1	398,314	50.00 %
Texas City, TX	1	352,705	50.00 %
National Harbor, MD	1	338,786	50.00 %
Glendale, AZ	1	331,744	58.00 %
Wisconsin Dells, WI	1	265,086	50.00 %
Bromont, QC	1	161,449	50.00 %
Cookstown, ON	1	155,302	50.00 %
Saint-Sauveur, QC	1	115,697	50.00 %
<b>Total</b>	<b>8</b>	<b>2,119,083</b>	

Property Summary - Occupancy at End of Each Period Shown

Consolidated properties						
Location	Total GLA 9/30/14	% Occupied 9/30/14	% Occupied 6/30/14	% Occupied 3/31/14	% Occupied 12/31/13	% Occupied 9/30/13
Deer Park, NY	749,074	95%	94%	92%	95%	95%
Riverhead, NY	729,734	98%	99%	98%	100%	100%
Rehoboth Beach, DE	564,593	98%	100%	98%	100%	100%
Foley, AL	557,014	96%	98%	96%	97%	98%
Atlantic City, NJ	489,706	90%	93%	93%	96%	95%
San Marcos, TX	441,821	99%	100%	100%	100%	99%
Sevierville, TN	438,335	100%	100%	99%	99%	99%
Myrtle Beach Hwy 501, SC	425,247	98%	98%	98%	99%	100%
Jeffersonville, OH	411,776	97%	97%	95%	100%	100%
Myrtle Beach Hwy 17, SC	402,791	100%	100%	99%	100%	99%
Charleston, SC	382,117	99%	99%	98%	100%	100%
Pittsburgh, PA	372,958	100%	100%	96%	100%	100%
Commerce II, GA	371,408	99%	100%	94%	99%	99%
Locust Grove, GA	321,070	100%	99%	99%	100%	99%
Howell, MI	319,289	98%	98%	98%	99%	99%
Mebane, NC	318,910	99%	100%	99%	100%	100%
Gonzales, LA	318,666	100%	97%	98%	100%	100%
Branson, MO	302,922	100%	100%	99%	100%	100%
Park City, UT	298,391	100%	99%	97%	100%	99%
Westbrook, CT	289,898	95%	97%	99%	100%	99%
Williamsburg, IA	277,230	100%	100%	100%	100%	99%
Lincoln City, OR	270,212	98%	100%	99%	100%	99%
Lancaster, PA	254,002	100%	100%	99%	100%	100%
Tuscola, IL	250,439	87%	90%	90%	92%	95%
Hershey, PA	247,500	100%	100%	100%	100%	100%
Tilton, NH	245,698	98%	96%	98%	100%	100%
Hilton Head II, SC	206,544	100%	100%	97%	100%	100%
Fort Myers, FL	198,877	90%	90%	93%	94%	91%
Ocean City, MD	198,840	99%	99%	97%	100%	100%
Terrell, TX	177,800	100%	93%	97%	99%	99%
Hilton Head I, SC	177,199	99%	99%	98%	98%	99%
Barstow, CA	171,300	100%	100%	100%	100%	100%
West Branch, MI	112,570	94%	94%	98%	100%	98%
Blowing Rock, NC	104,154	97%	100%	100%	100%	100%
Nags Head, NC	82,161	100%	100%	100%	100%	100%
Kittery I, ME	51,737	93%	100%	100%	100%	100%
Kittery II, ME	24,619	100%	100%	100%	100%	100%
Total	11,556,602	98%	98%	97%	99%	99%

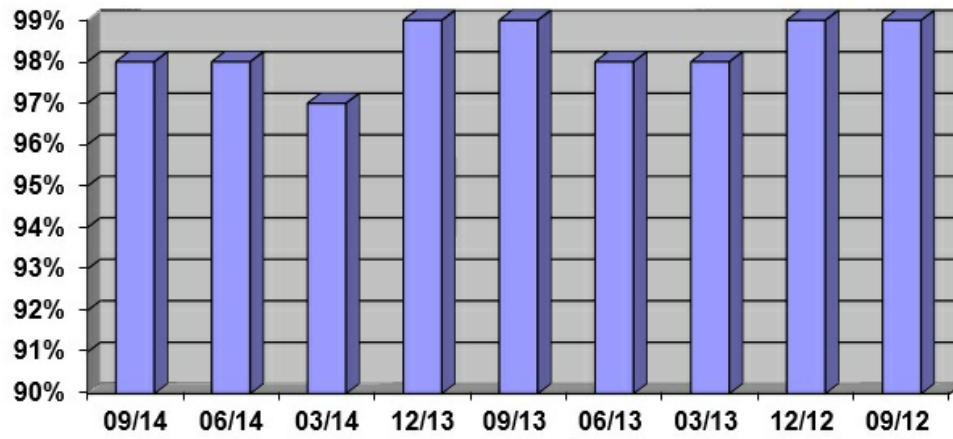


**Unconsolidated joint venture properties**

Location	Total GLA 9/30/14	% Occupied 9/30/14	% Occupied 6/30/14	% Occupied 3/31/14	% Occupied 12/31/13	% Occupied 9/30/13
Charlotte, NC <sup>(1)</sup>	398,314	99%	N/A	N/A	N/A	N/A
Texas City, TX	352,705	100%	99%	99%	100%	100%
National Harbor, MD	338,786	100%	97%	97%	99%	N/A
Glendale, AZ	331,744	100%	99%	99%	100%	100%
Wisconsin Dells, WI	265,086	100%	100%	97%	100%	100%
Bromont, QC	161,449	81%	81%	81%	84%	93%
Cookstown, ON	155,302	95%	98%	98%	100%	95%
Saint-Sauveur, QC	115,697	100%	100%	100%	100%	100%

(1) Center opened on July 31, 2014.

**Portfolio Occupancy at the End of Each Period (1)**



(1) Excludes unconsolidated outlet centers. See table on page 4.

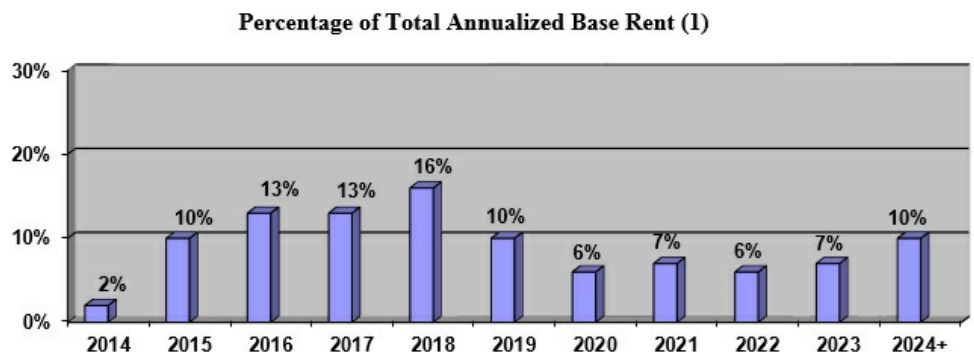
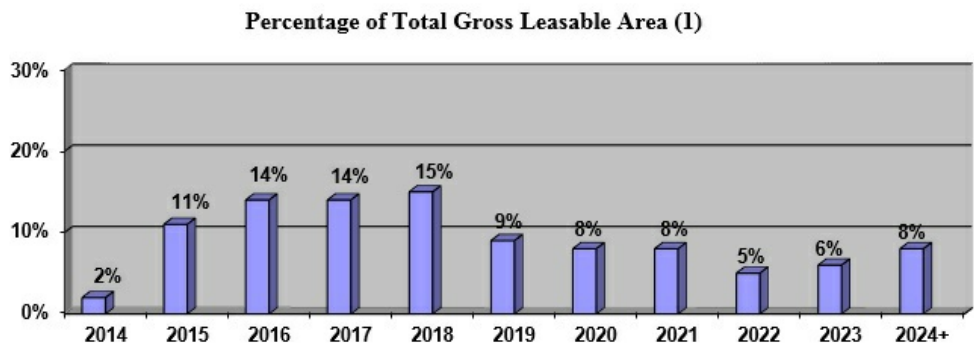
## Major Tenants <sup>(1)</sup>

### Ten Largest Tenants as of September 30, 2014

Tenant	# of Stores	GLA	% of Total GLA
The Gap, Inc.	84	903,879	7.8%
Dress Barn, Inc.	90	518,798	4.5%
Phillips-Van Heusen	91	459,578	4.0%
Nike	36	389,970	3.4%
VF Outlet, Inc.	46	385,092	3.3%
G-III Apparel	68	336,697	2.9%
Ann Taylor	49	334,229	2.9%
Polo Ralph Lauren	30	308,549	2.7%
Adidas	44	302,384	2.6%
Carter's	61	284,949	2.5%
<b>Total of All Listed Above</b>	<b>599</b>	<b>4,224,125</b>	<b>36.6%</b>

(1) Excludes unconsolidated outlet centers. See table on page 4.

Lease Expirations as of September 30, 2014



(1) Excludes unconsolidated outlet centers. See table on page 4.



**Leasing Activity <sup>(1)</sup>**

	3/31/2014	6/30/2014	9/30/2014	12/31/2014	Year to Date	Prior Year to Date
<b>Re-tenanted Space:</b>						
Number of leases	75	36	22		133	154
Gross leasable area	272,801	112,392	84,722		469,915	510,355
New initial base rent per square foot	\$ 29.43	\$ 28.84	\$ 32.59		\$ 29.86	\$ 27.63
Prior expiring base rent per square foot	\$ 23.96	\$ 23.92	\$ 25.46		\$ 24.22	\$ 22.83
Percent increase	22.8%	20.6%	28.0%		23.3%	21.0%
New straight line base rent per square foot	\$ 32.14	\$ 32.21	\$ 34.34		\$ 32.55	\$ 30.57
Prior straight line base rent per square foot	\$ 23.66	\$ 23.74	\$ 25.69		\$ 24.04	\$ 22.19
Percent increase	35.9%	35.8%	33.7%		35.4%	37.8%
<b>Renewed Space:</b>						
Number of leases	177	32	30		239	306
Gross leasable area	848,238	162,316	119,027		1,129,581	1,456,973
New initial base rent per square foot	\$ 22.21	\$ 20.73	\$ 21.32		\$ 21.90	\$ 22.72
Prior expiring base rent per square foot	\$ 20.11	\$ 19.18	\$ 18.80		\$ 19.84	\$ 20.38
Percent increase	10.5%	8.1%	13.4%		10.4%	11.5%
New straight line base rent per square foot	\$ 23.21	\$ 21.38	\$ 22.24		\$ 22.85	\$ 23.61
Prior straight line base rent per square foot	\$ 19.62	\$ 19.55	\$ 18.65		\$ 19.51	\$ 20.03
Percent increase	18.3%	9.3%	19.3%		17.1%	17.9%
<b>Total Re-tenanted and Renewed Space:</b>						
Number of leases	252	68	52		372	460
Gross leasable area	1,121,039	274,708	203,749		1,599,496	1,967,328
New initial base rent per square foot	\$ 23.97	\$ 24.05	\$ 26.01		\$ 24.24	\$ 23.99
Prior expiring base rent per square foot	\$ 21.05	\$ 21.12	\$ 21.57		\$ 21.13	\$ 21.02
Percent increase	13.9%	13.9%	20.6%		14.7%	14.2%
New straight line base rent per square foot	\$ 25.38	\$ 25.81	\$ 27.27		\$ 25.70	\$ 25.42
Prior straight line base rent per square foot	\$ 20.60	\$ 21.27	\$ 21.58		\$ 20.84	\$ 20.59
Percent increase	23.2%	21.3%	26.4%		23.3%	23.4%

(1) Excludes unconsolidated outlet centers. See table on page 4.

**Consolidated Balance Sheets (dollars in thousands)**

	9/30/2014	6/30/2014	3/31/2014	12/31/2013	9/30/2013
<b>ASSETS</b>					
Rental property					
Land	\$ 230,415	\$ 230,415	\$ 230,415	\$ 230,415	\$ 230,417
Buildings, improvements and fixtures	2,043,583	2,029,321	2,013,520	2,009,971	2,004,882
Construction in progress	75,000	37,553	20,848	9,433	4,375
	2,348,998	2,297,289	2,264,783	2,249,819	2,239,674
Accumulated depreciation	(708,515)	(691,339)	(671,807)	(654,631)	(636,035)
Total rental property, net	1,640,483	1,605,950	1,592,976	1,595,188	1,603,639
Cash and cash equivalents	10,824	13,240	16,906	15,241	10,482
Investments in unconsolidated joint ventures	249,659	210,131	171,040	140,214	136,922
Deferred lease costs and other intangibles, net	146,642	151,738	157,627	163,581	171,702
Deferred debt origination costs, net	9,794	9,652	10,276	10,818	7,275
Prepays and other assets	82,715	77,905	81,068	81,414	71,943
<b>Total assets</b>	<b>\$ 2,140,117</b>	<b>\$ 2,068,616</b>	<b>\$ 2,029,893</b>	<b>\$ 2,006,456</b>	<b>\$ 2,001,963</b>
<b>LIABILITIES AND EQUITY</b>					
<b>Liabilities</b>					
Debt					
Senior, unsecured notes, net of discounts	\$ 794,729	\$ 794,567	\$ 794,407	\$ 794,248	\$ 548,247
Unsecured term loans, net of discounts	267,219	267,180	267,141	267,104	267,065
Mortgages payable, including premiums	247,240	248,336	249,418	250,497	251,533
Unsecured lines of credit	139,800	91,200	46,900	16,200	259,000
Total debt	1,448,988	1,401,283	1,357,866	1,328,049	1,325,845
Construction trade payables	23,216	15,352	13,471	9,776	5,272
Accounts payable and accruals	56,011	39,411	46,401	49,686	48,400
Deferred financing obligation	28,388	28,388	28,388	28,388	28,388
Other liabilities	29,300	30,024	31,942	32,962	33,101
<b>Total liabilities</b>	<b>1,585,903</b>	<b>1,514,458</b>	<b>1,478,068</b>	<b>1,448,861</b>	<b>1,441,006</b>
Commitments and contingencies	—	—	—	—	—
<b>Equity</b>					
Tanger Factory Outlet Centers, Inc.					
Common shares	959	959	958	945	945
Paid in capital	801,363	797,286	793,059	788,984	785,515
Accumulated distributions in excess of net income	(276,218)	(276,224)	(272,085)	(265,242)	(262,173)
Accumulated other comprehensive income	(7,382)	(3,265)	(5,515)	(2,428)	1,179
Equity attributable to Tanger Factory Outlet Centers, Inc.	518,722	518,756	516,417	522,259	525,466
Equity attributable to noncontrolling interests					
Noncontrolling interests in Operating Partnership	27,595	27,602	27,606	28,432	28,615
Noncontrolling interest in other consolidated partnerships	7,897	7,800	7,802	6,904	6,876
<b>Total equity</b>	<b>554,214</b>	<b>554,158</b>	<b>551,825</b>	<b>557,595</b>	<b>560,957</b>
<b>Total liabilities and equity</b>	<b>\$ 2,140,117</b>	<b>\$ 2,068,616</b>	<b>\$ 2,029,893</b>	<b>\$ 2,006,456</b>	<b>\$ 2,001,963</b>

Consolidated Statements of Operations (dollars and shares in thousands)

	Three Months Ended					YTD	
	9/30/14	6/30/14	3/31/14	12/31/13	9/30/13	9/30/14	9/30/13
<b>REVENUES</b>							
Base rentals	\$ 69,612	\$ 68,160	\$ 66,976	\$ 68,811	\$ 64,301	\$ 204,748	\$ 184,591
Percentage rentals	2,634	1,915	2,083	4,295	3,084	6,632	6,956
Expense reimbursements	29,463	29,452	31,542	31,110	27,414	90,457	78,544
Other income	3,588	2,749	2,241	3,186	3,104	8,578	7,516
Total revenues	105,297	102,276	102,842	107,402	97,903	310,415	277,607
<b>EXPENSES</b>							
Property operating	32,798	33,629	36,027	34,227	29,863	102,454	86,819
General and administrative	11,334	10,761	10,722	9,879	9,754	32,817	29,240
Acquisition costs	—	—	7	240	532	7	963
Abandoned pre-development costs	—	—	1,596	—	—	1,596	—
Depreciation and amortization	25,774	25,197	26,063	27,063	24,223	77,034	68,683
Total expenses	69,906	69,587	74,415	71,409	64,372	213,908	185,705
<b>Operating income</b>	35,391	32,689	28,427	35,993	33,531	96,507	91,902
Interest expense	(13,902)	(14,582)	(14,920)	(13,790)	(12,367)	(43,404)	(37,826)
Casualty gain	329	—	—	—	—	329	—
Gain on previously held interest in acquired joint venture	—	—	—	—	26,002	—	26,002
<b>Income before equity in earnings of unconsolidated joint ventures</b>	21,818	18,107	13,507	22,203	47,166	53,432	80,078
Equity in earnings of unconsolidated joint ventures	2,479	1,788	1,933	933	9,014	6,200	10,107
<b>Net income</b>	24,297	19,895	15,440	23,136	56,180	59,632	90,185
Noncontrolling interests in Operating Partnership	(1,252)	(1,028)	(803)	(1,208)	(2,787)	(3,083)	(4,435)
Noncontrolling interests in other consolidated partnerships	(42)	(17)	(21)	8	(99)	(80)	(129)
<b>Net income attributable to Tanger Factory Outlet Centers, Inc.</b>	23,003	18,850	14,616	21,936	53,294	56,469	85,621
Allocation to participating securities	(481)	(481)	(429)	(230)	(609)	(1,391)	(932)
<b>Net income available to common shareholders</b>	\$ 22,522	\$ 18,369	\$ 14,187	\$ 21,706	\$ 52,685	\$ 55,078	\$ 84,689
<b>Basic earnings per common share</b>							
Net income	\$ 0.24	\$ 0.20	\$ 0.15	\$ 0.23	\$ 0.56	\$ 0.59	\$ 0.91
<b>Diluted earnings per common share</b>							
Net income	\$ 0.24	\$ 0.20	\$ 0.15	\$ 0.23	\$ 0.56	\$ 0.59	\$ 0.90
<b>Weighted average common shares</b>							
Basic	93,834	93,800	93,580	93,408	93,368	93,741	93,278
Diluted	93,902	93,874	93,649	94,354	94,300	93,811	94,210

**FFO and FAD Analysis (dollars and shares in thousands)**

	Three Months Ended					YTD	
	9/30/14	6/30/14	3/31/14	12/31/13	9/30/13	9/30/14	9/30/13
<b>Funds from operations:</b>							
Net income	\$ 24,297	\$ 19,895	\$ 15,440	\$ 23,136	\$ 56,180	\$ 59,632	\$ 90,185
Adjusted for -							
Depreciation and amortization of real estate assets - consolidated properties	25,425	24,782	25,702	26,717	23,888	75,909	67,798
Depreciation and amortization of real estate assets - unconsolidated joint ventures	3,040	2,403	2,605	2,954	2,861	8,048	9,465
Gain on previously held interest in acquired joint venture	—	—	—	—	(26,002)	—	(26,002)
<b>Funds from operations</b>	<b>52,762</b>	<b>47,080</b>	<b>43,747</b>	<b>52,807</b>	<b>56,927</b>	<b>143,589</b>	<b>141,446</b>
FFO attributable to noncontrolling interests in other consolidated partnerships	(62)	(37)	(40)	(12)	(117)	(139)	(190)
Allocation to participating securities	(1,045)	(949)	(864)	(524)	(614)	(2,858)	(1,501)
<b>Funds from operations available to common shareholders</b>	<b>\$ 51,655</b>	<b>\$ 46,094</b>	<b>\$ 42,843</b>	<b>\$ 52,271</b>	<b>\$ 56,196</b>	<b>\$ 140,592</b>	<b>\$ 139,755</b>
<b>Funds from operations per share</b>	<b>\$ 0.52</b>	<b>\$ 0.47</b>	<b>\$ 0.43</b>	<b>\$ 0.53</b>	<b>\$ 0.57</b>	<b>\$ 1.42</b>	<b>\$ 1.41</b>
<b>Funds available for distribution to common shareholders:</b>							
Funds from operations	\$ 51,655	\$ 46,094	\$ 42,843	\$ 52,271	\$ 56,196	\$ 140,592	\$ 139,755
Adjusted for -							
Corporate depreciation excluded above	349	415	361	346	335	1,125	885
Amortization of finance costs	547	554	553	399	594	1,654	1,795
Amortization of net debt discount (premium)	(92)	(92)	(89)	(119)	(254)	(273)	(767)
Amortization of share-based compensation	3,813	3,772	3,349	3,012	2,964	10,934	8,363
Straight line rent adjustment	(1,666)	(1,522)	(1,838)	(1,461)	(1,587)	(5,027)	(4,067)
Market rent adjustment	734	845	669	752	235	2,247	389
2 <sup>nd</sup> generation tenant allowances	(2,570)	(2,876)	(3,378)	(5,081)	(4,435)	(8,824)	(11,762)
Capital improvements	(12,701)	(12,341)	(4,209)	(2,187)	(3,404)	(29,251)	(13,021)
Adjustments from unconsolidated joint ventures	(286)	(39)	(218)	47	(4,711)	(543)	(4,960)
<b>Funds available for distribution</b>	<b>\$ 39,783</b>	<b>\$ 34,810</b>	<b>\$ 38,043</b>	<b>\$ 47,979</b>	<b>\$ 45,933</b>	<b>\$ 112,634</b>	<b>\$ 116,610</b>
<b>Funds available for distribution per share</b>	<b>\$ 0.40</b>	<b>\$ 0.35</b>	<b>\$ 0.39</b>	<b>\$ 0.48</b>	<b>\$ 0.46</b>	<b>\$ 1.14</b>	<b>\$ 1.18</b>
<b>Dividends paid per share</b>	<b>\$ 0.240</b>	<b>\$ 0.240</b>	<b>\$ 0.225</b>	<b>\$ 0.225</b>	<b>\$ 0.225</b>	<b>\$ 0.705</b>	<b>\$ 0.660</b>
<b>FFO payout ratio</b>	<b>46%</b>	<b>51%</b>	<b>52%</b>	<b>43%</b>	<b>40%</b>	<b>50%</b>	<b>47%</b>
<b>FAD payout ratio</b>	<b>60%</b>	<b>69%</b>	<b>58%</b>	<b>48%</b>	<b>50%</b>	<b>62%</b>	<b>56%</b>
<b>Diluted weighted average common shs.</b>	<b>99,003</b>	<b>98,989</b>	<b>98,789</b>	<b>99,499</b>	<b>99,178</b>	<b>98,930</b>	<b>99,004</b>



## Unconsolidated Joint Venture Information

The following table details certain information as of September 30, 2014, except for Net Operating Income ("NOI") which is for the nine months ended September 30, 2014, about various unconsolidated real estate joint ventures in which we have an ownership interest (dollars in millions):

Joint Venture	Center Location	Ownership %	Square Feet	Tanger's Share of Total Assets	Tanger's Share of NOI	Tanger's Share of Debt
Charlotte <sup>(1)</sup>	Charlotte, NC	50.0%	398,314	\$ 40.7	\$ 1.1	\$ —
Galveston/Houston	Texas City, TX	50.0%	352,705	39.3	3.7	32.5
National Harbor	National Harbor, MD	50.0%	338,786	52.1	3.9	31.0
RioCan Canada <sup>(2)</sup>	Various	50.0%	432,448	129.4	2.4	8.3
Savannah <sup>(3)</sup>	Savannah, GA	50.0%	—	59.6	—	1.7
Westgate	Glendale, AZ	58.0%	331,744	44.6	3.5	28.9
Wisconsin Dells	Wisconsin Dells, WI	50.0%	265,086	14.9	1.8	12.1
Other				1.7	—	—
Total				\$ 382.3	\$ 16.4	\$ 114.5

(1) Center opened on July 31, 2014.

(2) Includes a 155,302 square foot center in Cookstown, Ontario that was acquired in December of 2011, a 161,449 square foot center in Bromont, Quebec and a 115,697 square foot center in Saint-Sauveur, Quebec, both of which were acquired in November of 2012, as well as investments related to the construction and development of an outlet center in Ottawa, Ontario, which opened on October 17, 2014, an expansion of the outlet center in Cookstown, Ontario, and due diligence costs for additional potential sites in Canada.

(3) Based on capital contribution and distribution provisions in the joint venture agreement, we expect our economic interest in the venture's cash flow to be greater than indicated in the Tanger Ownership column, which in this case, states our legal interest in this venture. Our economic interest may fluctuate based on a number of factors, including mortgage financing, partnership capital contributions and distributions, and proceeds from gains or losses of asset sales.

Pro Rata Balance Sheet (dollars in thousands) as of September 30, 2014

	Consolidated	Noncontrolling interests	Company	Prorata portion unconsolidated joint ventures	Prorata balance sheet
<b>ASSETS</b>					
Rental property					
Land	\$ 230,415	\$ (610)	\$ 229,805	\$ 37,914	\$ 267,719
Buildings, improvements and fixtures	2,043,583	(8,544)	2,035,039	202,460	2,237,499
Construction in progress	75,000	—	75,000	125,555	200,555
	2,348,998	(9,154)	2,339,844	365,929	2,705,773
Accumulated depreciation	(708,515)	1,068	(707,447)	(21,522)	(728,969)
Total rental property, net	1,640,483	(8,086)	1,632,397	344,407	1,976,804
Cash and cash equivalents	10,824	(564)	10,260	18,199	28,459
Investments in unconsolidated joint ventures	249,659	(506)	249,153	(249,153)	—
Deferred lease costs and other intangibles, net	146,642	(742)	145,900	11,782	157,682
Deferred debt origination costs, net	9,794	—	9,794	2,055	11,849
Prepays and other assets	82,715	3,006	85,721	9,912	95,633
<b>Total assets</b>	<b>\$ 2,140,117</b>	<b>\$ (6,892)</b>	<b>\$ 2,133,225</b>	<b>\$ 137,202</b>	<b>\$ 2,270,427</b>
<b>LIABILITIES AND EQUITY</b>					
<b>Liabilities</b>					
Debt					
Senior, unsecured notes, net of discounts	\$ 794,729	\$ —	\$ 794,729	\$ —	\$ 794,729
Unsecured term loans, net of discounts	267,219	—	267,219	—	267,219
Mortgages payable, including premiums	247,240	—	247,240	114,527	361,767
Unsecured lines of credit	139,800	—	139,800	—	139,800
Total debt	1,448,988	—	1,448,988	114,527	1,563,515
Construction trade payables	23,216	—	23,216	12,678	35,894
Accounts payable and accruals	56,011	—	56,011	9,997	66,008
Deferred financing obligation	28,388	—	28,388	—	28,388
Other liabilities	29,300	—	29,300	—	29,300
<b>Total liabilities</b>	<b>1,585,903</b>	<b>—</b>	<b>1,585,903</b>	<b>137,202</b>	<b>1,723,105</b>
Commitments and contingencies	—	—	—	—	—
<b>Equity</b>					
Tanger Factory Outlet Centers, Inc.					
Common shares	959	—	959	—	959
Paid in capital	801,363	1,005	802,368	—	802,368
Accumulated distributions in excess of net income	(276,218)	—	(276,218)	—	(276,218)
Accumulated other comprehensive income	(7,382)	—	(7,382)	—	(7,382)
Equity attributable to Tanger Factory Outlet Centers, Inc.	518,722	1,005	519,727	—	519,727
Equity attributable to noncontrolling interests					
Noncontrolling interests in Operating Partnership	27,595	—	27,595	—	27,595
Noncontrolling interest in other consolidated partnerships	7,897	(7,897)	—	—	—
<b>Total equity</b>	<b>554,214</b>	<b>(6,892)</b>	<b>547,322</b>	<b>—</b>	<b>547,322</b>
<b>Total liabilities and equity</b>	<b>\$ 2,140,117</b>	<b>\$ (6,892)</b>	<b>\$ 2,133,225</b>	<b>\$ 137,202</b>	<b>\$ 2,270,427</b>

Pro Rata Statement of Operations (dollars in thousands) year to date September 30, 2014

	Consolidated	Noncontrolling interests	Company	Prorata portion unconsolidated joint ventures	Prorata statement of operations
<b>REVENUES</b>					
Base rentals	\$ 204,748	\$ (435)	\$ 204,313	\$ 16,659	\$ 220,972
Percentage rentals	6,632	(17)	6,615	873	7,488
Expense reimbursements	90,457	(153)	90,304	9,120	99,424
Other income	8,578	(6)	8,572	488	9,060
Total revenues	310,415	(611)	309,804	27,140	336,944
<b>EXPENSES</b>					
Property operating	102,454	(200)	102,254	10,526	112,780
General and administrative	32,817	(5)	32,812	186	32,998
Acquisition costs	7	—	7	—	7
Abandoned pre-development costs	1,596	—	1,596	236	1,832
Depreciation and amortization	77,034	(281)	76,753	7,994	84,747
Total expenses	213,908	(486)	213,422	18,942	232,364
<b>Operating income</b>	96,507	(125)	96,382	8,198	104,580
Interest expense	(43,404)	91	(43,313)	(2,044)	(45,357)
Casualty gain	329	—	329	—	329
<b>Income before equity in earnings of unconsolidated joint ventures</b>	53,432	(34)	53,398	6,154	59,552
Equity in earnings of unconsolidated joint ventures	6,200	(46)	6,154	(6,154)	—
<b>Net income</b>	59,632	(80)	59,552	—	59,552
Noncontrolling interests in Operating Partnership	(3,083)	—	(3,083)	—	(3,083)
Noncontrolling interests in other consolidated partnerships	(80)	80	—	—	—
<b>Net income attributable to Tanger Factory Outlet Centers, Inc.</b>	56,469	—	56,469	—	56,469
Allocation to participating securities	(1,391)	—	(1,391)	—	(1,391)
<b>Net income available to common shareholders</b>	\$ 55,078	\$ —	\$ 55,078	\$ —	\$ 55,078

# External Growth Pipeline Summary As of September 30, 2014

Project/Market	Projected Opening	Approx Size in Sq Ft (000s)	Est Total Net Cost (millions)	Cost to Date (millions)	Tanger Ownership Percentage	Est Total Construction Loan (millions)	Amount Drawn (millions)	Est Future Tanger Capital Requirement (millions)	Projected Stabilized Yield <sup>(1)</sup>
<b>UNDER CONSTRUCTION:</b>									
New Developments -									
Kanata, ON (Ottawa)	10/17/14	316	\$ 117.4	\$ 83.6	50%	\$ —	\$ —	\$ 16.9	7.0% - 8.0%
Foxwoods, Mashantucket, CT <sup>(2)</sup>	2Q 2015	314	\$ 118.0	\$ 46.7	67%	\$ 70.3	\$ —	\$ —	8.5% - 9.5%
Savannah, GA <sup>(2)</sup>	2Q 2015	377	\$ 110.1	\$ 55.5	50%	\$ 92.0	\$ 3.4	\$ —	10.0% - 11.0%
Grand Rapids, MI	3Q 2015	358	\$ 76.8	\$ 11.1	100%	\$ —	\$ —	\$ 65.7	TBD
Total New Developments		1,365	\$ 422.3	\$ 196.9		\$ 162.3	\$ 3.4	\$ 82.6	9.2%
Expansions -									
Cookstown, ON (N. Toronto)	11/07/14	153	\$ 72.7	\$ 48.3	50%	\$ —	\$ —	\$ 12.2	7.0% - 8.0%
Park City, UT	4Q 2014	21	\$ 7.4	\$ 1.9	100%	\$ —	\$ —	\$ 5.5	8.5% - 9.5%
Branson, MO	4Q 2014	25	\$ 7.6	\$ 2.7	100%	\$ —	\$ —	\$ 4.9	11.0% - 12.0%
Glendale, AZ (Westgate)	4Q 2014	78	\$ 20.6	\$ 5.0	58%	\$ 20.6	\$ 5.0	\$ —	7.5% - 8.5%
Total Expansions		277	\$ 108.3	\$ 57.9		\$ 20.6	\$ 5.0	\$ 22.6	8.0%
Total Under Construction		1,642	\$ 530.6	\$ 254.8		\$ 182.9	\$ 8.4	\$ 105.2	8.9%
<b>PRE-DEVELOPMENT:</b>									
Columbus, OH <sup>(3)</sup>	1H 2016	350	\$ 90.7	\$ 1.6	50%	\$ —	\$ —	\$ 44.6	TBD

(1) While actual yields for individual projects may vary, the company's current targeted stabilized yield on estimated total net cost for development projects is 9% - 11% in the United States and 7% - 9% in Canada. Weighted average projected stabilized yields for projects under construction are calculated using the midpoint of the projected stabilized yield disclosed for each project, or the midpoint of the company's targeted stabilized yield for projects labeled TBD.

(2) Based on capital contribution and distribution provisions in the joint venture agreement, we expect our economic interest in the venture's cash flow to be greater than indicated in the Tanger Ownership Percentage column, which in this case, states the company's legal interest in this venture. The company's economic interest may fluctuate based on a number of factors, including mortgage financing, partnership capital contributions and distributions, and proceeds from the gain or losses of asset sales.

(3) The company and its 50/50 joint venture partner have delayed commencement of construction for Tanger Outlets Columbus in order to secure public financing for the necessary off-site improvements. The partners are currently targeting a mid 2016 opening.

The company's estimates, projections and judgments with respect to projected opening date, approximate size, estimated total net cost, Tanger ownership percentage, estimated total construction loan, estimated future Tanger capital required and projected stabilized yield for new development and expansion projects are subject to adjustment prior to and during the development process. Projected total cost shown net of outparcel sales. There are risks inherent to real estate development, some of which are not under the direct control of the company. Please refer to the company's filings with the Securities and Exchange Commission on Form 10-K and Form 10-Q for a discussion of these risks.

**Debt Outstanding Summary (dollars in thousands)**

As of September 30, 2014				
	Principal Balance	Stated Interest Rate	Effective Interest Rate	Maturity Date
<b>Unsecured debt:</b>				
Unsecured lines of credit <sup>(1)</sup>	\$ 139,800	LIBOR + 1.00%		10/24/2017
2015 Senior unsecured notes	250,000	6.150%	6.150%	11/15/2015
2020 Senior unsecured notes	300,000	6.125%	6.219%	6/1/2020
2023 Senior unsecured notes	250,000	3.875%	4.076%	12/1/2023
Unsecured term loan <sup>(2)</sup>	250,000	LIBOR + 1.05%		2/23/2019
Unsecured term note	7,500	LIBOR + 1.30%		8/28/2017
Unsecured note	10,000	1.50%	3.153%	6/30/2016
Net debt discounts	(5,552)			
<b>Total unsecured debt</b>	<b>\$ 1,201,748</b>			
<b>Secured mortgage debt:</b>				
Atlantic City, NJ (including premium of \$3,793) <sup>(3)</sup>	\$ 50,439	5.14% - 7.65%	5.05%	11/15/2021 - 12/15/2026
Deer Park, NY (net of discount of \$1,240) <sup>(4)</sup>	148,760	LIBOR + 1.50%	2.80%	8/30/2018
Hershey, PA (including premium of \$548) <sup>(3)</sup>	29,998	5.17% - 8.00%	3.40%	8/1/2015
Ocean City, MD (including premium of \$123) <sup>(3)</sup>	18,043	5.24%	4.68%	1/6/2016
<b>Total secured mortgage debt</b>	<b>\$ 247,240</b>			
<b>Tanger's share of unconsolidated JV debt:</b>				
Galveston/Houston <sup>(5)</sup>	\$ 32,500	LIBOR + 1.50%		7/01/2017
National Harbor <sup>(6)</sup>	31,000	LIBOR + 1.65%		5/16/2016
RioCan Canada (including premium of \$493) <sup>(7)</sup>	8,309	5.10% - 5.75%	3.93% - 4.18%	6/22/2015 - 5/10/2020
Savannah <sup>(8)</sup>	1,685	LIBOR + 1.65%		5/21/2017
Westgate <sup>(9)</sup>	28,908	LIBOR + 1.75%		6/27/2015
Wisconsin Dells <sup>(10)</sup>	12,125	LIBOR + 2.25%		12/17/2022
<b>Total Tanger's share of unconsolidated JV debt</b>	<b>\$ 114,527</b>			

- (1) The Company has an unsecured, syndicated credit line with a borrowing capacity totaling \$500.0 million and a separate cash management line of credit with a borrowing capacity of \$20.0 million with one of the participants in the syndication. Both lines expire on October 24, 2017 with the option to further extend the maturity for one additional year. Facility fees of 15 basis points annually are charged in arrears based on the full amount of the commitment.
- (2) On July 2, 2014, the credit agreement for the unsecured term loan due February 23, 2019 was amended and restated to change the interest rate from LIBOR + 1.60% to LIBOR + 1.05%, and the prepayment penalty was removed.
- (3) Represents mortgages assumed in the acquisitions of various properties owned by joint ventures which are consolidated for financial reporting purposes.
- (4) On August 30, 2013, as part of the acquisition of a controlling interest in Deer Park, we assumed an interest-only mortgage loan that has 6 year term and carries an interest rate of LIBOR + 1.50%. In October 2013, we entered into interest rate swap agreements that fix the base LIBOR rate at an average of 1.30%, creating a contractual interest rate of 2.80%.
- (5) In July 2013, the joint venture closed on a \$70.0 million mortgage loan with a maturity date of July 1, 2017, with the option to extend the maturity for one additional year. As of September 30, 2014, the balance on the loan was \$65 million.

- (6) In May 2013, the joint venture closed on a construction loan with the ability to borrow up to \$62.0 million, with a maturity date of May 16, 2016, with the option to extend the maturity date for two additional years. As of September 30, 2014, the balance on the loan was \$62.0 million.
- (7) Represents the mortgages assumed related to the acquisition of the Saint-Sauveur, Quebec property by the RioCan co-owners in November 2012. The mortgages have a principal balance of \$15.6 million and carry a weighted average interest rate of 5.7% and mature in 2015 and 2020, respectively.
- (8) In May 2014, the joint venture closed on a construction loan with the ability to borrow up to \$97.7 million, with a maturity date of May 21, 2017, with two options to extend the maturity date each for one additional year. As of September 30, 2014, the balance on the loan was \$3.4 million.
- (9) In May 2014, the joint venture amended and restated the original construction loan from June 2012, with a maturity date of June 27, 2015 and the option to extend the maturity date for two additional years. The amended and restated construction loan provides the joint venture with the ability to borrow up to \$62.0 million. As of September 30, 2014, the balance on the loan was \$49.8 million.
- (10) In December 2012, the joint venture closed on the refinance of its \$24.3 million mortgage loan which had an initial maturity date of December 17, 2012. The refinanced interest-only, non-recourse mortgage loan has a 10 year term.

**Future Scheduled Principal Payments (dollars in thousands)**

As of September 30, 2014					
Year	Tanger Consolidated Payments	Tanger's Share of Unconsolidated JV Payments	Total Scheduled Payments		
2014	\$ 921	\$ 80	\$ 1,001		
2015	282,343	29,977	312,320		
2016	30,283	31,305	61,588		
2017 <sup>(1)</sup>	150,308	34,508	184,816		
2018	153,183	342	153,525		
2019	253,369	361	253,730		
2020	303,566	5,336	308,902		
2021	5,793	—	5,793		
2022	4,436	12,125	16,561		
2023	254,768	—	254,768		
2024 & thereafter	12,346	—	12,346		
	\$ 1,451,316	\$ 114,034	\$ 1,565,350		
Net Discount on Debt	(2,328 )	493	(1,835 )		
	\$ 1,448,988	\$ 114,527	\$ 1,563,515		

**Senior Unsecured Notes Financial Covenants <sup>(2)</sup>**

As of September 30, 2014			
	Required	Actual	Compliance
Total Consolidated Debt to Adjusted Total Assets	<60%	49%	Yes
Total Secured Debt to Adjusted Total Assets	<40%	8%	Yes
Total Unencumbered Assets to Unsecured Debt	>150%	174%	Yes
Consolidated Income Available for Debt Service to Annual Debt Service Charge	>1.5	4.34	Yes

(1) Includes balances of \$139.8 million outstanding under the company's unsecured lines of credit.

(2) For a complete listing of all Debt Covenants related to the Company's Senior Unsecured Notes, as well as definitions of the above terms, please refer to the Company's filings with the Securities and Exchange Commission.

## Investor Information

Tanger Outlet Centers welcomes any questions or comments from shareholders, analysts, investment managers, media and prospective investors. Please address all inquiries to our Investor Relations Department.

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