

**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): February 10, 2015

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))

Item 2.02 Results of Operations and Financial Condition

On February 10, 2015, 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 December 31, 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 February 10, 2015, the Company made publicly available on its website, www.tangeroutlet.com, certain supplemental operating and financial information for the quarter ended December 31, 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 December 31, 2014.
- Exhibit 99.2 Supplemental operating and financial information of the Company as of and for the quarter ended December 31, 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: February 10, 2015

TANGER FACTORY OUTLET CENTERS, INC.

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

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 December 31, 2014. |
| 99.2 | Supplemental operating and financial information of the Company as of and for the quarter ended December 31, 2014. |

News Release

TANGER REPORTS YEAR END RESULTS FOR 2014

Adjusted Funds From Operations Per Share Increases 4.8% YTD

New Center Openings and Robust Development Pipeline Continues

Asset Recycling Activity Resumes

Greensboro, NC, February 10, 2015, Tanger Factory Outlet Centers, Inc. (NYSE:SKT) today reported adjusted funds from operations ("AFFO") available to common shareholders increased 4.8% to \$1.97 per share, or \$194.9 million for the year ended December 31, 2014. AFFO for the three months ended December 31, 2014, was \$0.53 per share, or \$52.9 million. A reconciliation of funds from operations ("FFO"), a widely accepted supplemental measure of REIT performance, to AFFO is shown in the table below.

"2014 was a terrific year for Tanger. We reported 4.8% growth in AFFO per share for the year, sold a non-core property in December, put a plan in place to divest of four additional non-core properties and one joint venture interest, and delivered new developments and expansion projects that resulted in a 7.3% increase in our total footprint," commented Steven B. Tanger, President & Chief Executive Officer. "Tenant demand for space in Tanger Outlet Centers remains strong, as evidenced by our 23.0% average leasing spreads on lease renewals and released space during 2014, and year end occupancy of 98.0%," he added.

In thousands, except per share amounts:

	Three months ended December 31,		Year Ended December 31,	
	2014	2013	2014	2013
FFO as reported	\$ 39,382	\$ 52,271	\$ 179,974	\$ 192,026
As adjusted for:				
Acquisition costs	—	240	7	1,203
Demolition costs	—	—	—	140
Abandoned pre-development costs	769	—	2,365	—
Casualty gain	(157)	—	(486)	—
Make-whole premium on early redemption of senior notes	13,140	—	13,140	—
AFFO adjustments from unconsolidated joint ventures ⁽¹⁾	—	—	237	(7,422)
Impact of above adjustments to the allocation of earnings to participating securities	(271)	(3)	(302)	67
Adjusted FFO ("AFFO")	\$ 52,863	\$ 52,508	\$ 194,935	\$ 186,014
Diluted weighted average common shares	99,023	99,499	98,954	99,129
FFO per share	\$ 0.40	\$ 0.53	\$ 1.82	\$ 1.94
AFFO per share	\$ 0.53	\$ 0.53	\$ 1.97	\$ 1.88

(1) Includes abandoned pre-development costs, and for the year ended December 31, 2013, includes acquisition costs as well as our share of litigation settlement proceeds totaling \$3.4 million and gain on early extinguishment of debt totaling \$4.6 million related to the reorganization of the Deer Park joint venture prior to the company's acquisition of a controlling interest.

Net income available to common shareholders for the three months ended December 31, 2014 was \$17.1 million, or \$0.18 per share, as compared to \$21.7 million, or \$0.23 per share, for the three months ended December 31, 2013. For the year ended December 31, 2014, net income available to common shareholders was \$72.1 million, or \$0.77 per share, as compared to \$106.4 million, or \$1.13 per share for the year ended December 31, 2013. In addition to the charges described in the footnotes above, net income available to common shareholders for the three months and twelve months ended December 31, 2014 was impacted by a \$7.5 million gain on the sale of the company's outlet center in Lincoln City, Oregon. Net income available to common shareholders for the twelve months ended December 31, 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.

Highlights for 2014

- Same center net operating income increased 2.7% during the quarter, and 2.6% for the year, marking the 40th consecutive quarter of same center net operating income growth
- Blended increase in average base rental rates on space renewed and released throughout the consolidated portfolio of 23.0%
- Period-end consolidated portfolio occupancy rate of 98.0% at December 31, 2014, marking the 34th consecutive year with occupancy of 95% or greater at year end
- Average tenant sales for the consolidated portfolio increased approximately 2% to \$393 per square foot for the year ended December 31, 2014
- Total market capitalization increased 14% to \$5.2 billion as of December 31, 2014, compared to \$4.5 billion as of December 31, 2013
- Debt-to-total market capitalization ratio of 28% as of December 31, 2014
- Interest coverage ratio of 4.09 times
- Raised quarterly common share cash dividend by 6.7% in April 2014, marking the 21st consecutive year of increased cash dividends
- Announced joint venture agreement to develop Tanger Outlets Savannah in January 2014
- Opened a new outlet center in Charlotte, NC in July 2014
- Commenced construction of Tanger Outlets Grand Rapids in August 2014
- Opened Tanger Outlets Ottawa in October 2014
- Opened a major expansion and renovation of Tanger Outlets Cookstown in November 2014
- Completed several smaller expansions at other Tanger Outlet Centers during 2014
- Continued construction of Tanger Outlets Foxwoods throughout 2014
- Commenced construction of Tanger Outlets Southaven (Memphis) in January 2015
- Completed the sale of an outlet center in Lincoln City, Oregon in December 2014
- Completed a recast of \$250 million unsecured term loan in July 2014, reducing overall borrowing costs
- Completed a 10-year, 3.75% coupon, \$250 million Senior Notes offering in November 2014
- Completed the early redemption of 6.15%, \$250 million Senior Notes in December 2014, originally scheduled to mature in November 2015

Core Portfolio Drives Operating Results

During 2014, Tanger executed 409 leases totaling 1,711,000 square feet throughout its consolidated portfolio. Lease renewals accounted for 1,241,000 square feet, which generated a 17.1% increase in average base rental rate. Leases renewed represent 77.0% of the space originally scheduled to expire in 2014, slightly lower than the company's typical renewal rate, as Tanger intentionally opted to not renew certain leases in order to have space available for higher volume tenants. Base rental rate increases on space re-tenanted during 2014 averaged 36.1% and accounted for the remaining 470,000 square feet.

Negatively impacted by a decrease in average occupancy rates of approximately 1%, consolidated portfolio same center net operating income increased 2.7% for the fourth quarter and 2.6% for the year ended December 31, 2014. The company's long-term, ongoing strategy is to provide the consumer with the best overall shopping experience. As Tanger upgrades its tenant mix to position its centers for long-term growth, overall occupancy and same center net operating income growth may decrease slightly in the short term. However tenant demand for space continues to be very strong. For the year ended December 31, 2014, consolidated portfolio average tenant sales increased approximately 2% to \$393 per square foot.

Investment Activities Provide Potential Future Growth

Development activity completed in 2014 expanded the company's total footprint by approximately 7.3% over its footprint at December 31, 2013. Tanger opened 2 new developments and 6 expansions during 2014, and currently has 4 additional new development projects under construction with plans to open during 2015.

In July 2014, the company and its 50/50 joint venture partner opened a new outlet center eight miles southwest of uptown Charlotte, North Carolina. In October 2014, Tanger and its 50/50 co-owner opened Tanger Outlets Ottawa. Located in Ottawa, Ontario, this property is the first ground-up development of a Tanger Outlet Center in Canada.

Also located in Ontario, on the northern end of the Greater Toronto Area, Tanger Outlets Cookstown underwent a major expansion and renovation project that nearly doubled its size, while creating an updated exterior for the existing space consistent with that of the expansion. Tanger and its 50/50 co-owner opened the newly expanded property in November 2014.

During 2014, the company also completed several smaller expansion projects totaling approximately 125,000 square feet, including properties located in Branson, Missouri; Charleston, South Carolina; Park City, Utah; Sevierville, Tennessee and Glendale, Arizona.

During the fourth quarter of 2014, Tanger decided to abandon a pre-development stage project in Cheshire, Connecticut. As a result of no longer pursuing this project, the company recorded a \$769,000 charge during the quarter, representing the cumulative related costs.

In January 2015, the Company and its 50/50 joint venture partner commenced construction on the newest Tanger Outlet center located 4.5 miles south of Memphis in Southaven, Mississippi. Memphis attracts over 9 million visitors annually and more than 1.5 million people live within an hour of the development site. Tanger currently expects the center to be completed in time for a holiday 2015 opening. Construction of the other new developments the company intends to open in 2015 is ongoing. Current plans include an April 2015 grand opening at Tanger Outlets Savannah, a May 2015 grand opening at Tanger Outlets Foxwoods, at Foxwoods Resort Casino in Mashantucket, Connecticut and a third quarter 2015 grand opening at Tanger Outlets Grand Rapids, in Grand Rapids, Michigan. The company and its 50/50 joint venture partner currently expect to be able to commence construction of Tanger Outlets Columbus, a pre-development stage project in Columbus, Ohio, in time to complete construction and open the center in the first half of 2016.

Asset Recycling Activity Strengthens Portfolio & Generates Capital

In keeping with the company's ongoing practice of actively managing its assets, the company entered into an agreement in the fourth quarter of 2014 with a private buyer for the sale of up to five Tanger Outlet Centers. On December 13, 2014, the buyer acquired the company's outlet center in Lincoln City, Oregon for \$39.5 million, and as a result, Tanger recognized a gain of \$7.5 million on the transaction in the fourth quarter. The buyer is currently conducting due diligence on three additional properties. The average sales productivity for the property sold in 2014 and the three properties which may be sold to this buyer during 2015 was approximately \$249 per square foot, 37% below the average sales within Tanger's consolidated portfolio. Should the buyer choose to acquire these properties during the first quarter of 2015, the agreement provides the option to acquire the fifth and final property in the first quarter of 2016. All four of the remaining potential disposition properties are classified as rental properties held for sale as of December 31, 2014.

In addition, Tanger initiated the buy-sell provision for the partnership that owns an outlet center in Wisconsin Dells, Wisconsin. The company's joint venture partner has decided to acquire Tanger's 50% equity interest in the venture. The company currently expects to close on the transaction during the first quarter of 2015.

Balance Sheet Summary

In July 2014, the company amended its \$250 million unsecured term loan due February 2019. The amendment reduced the interest rate to LIBOR plus 105 basis points, from LIBOR plus 160 basis points, and eliminated the prepayment penalty.

On November 21, 2014, Tanger completed a \$250 million Senior Notes offering. The Notes mature December 1, 2024, bear interest at 3.75% and were priced at 99.429% of the principal amount to yield 3.819%. The net proceeds were used to redeem the company's \$250 million, 6.15% Senior Notes due November 2015. The company recorded a charge of approximately \$13.1 million for the make-whole premium related to the early redemption, which was completed December 15, 2014. In addition, during the interim 24 day period, Tanger incurred incremental interest expense of approximately \$625,000 related to the 3.75% Notes in addition to interest expense on the 6.15% Notes.

As of December 31, 2014, Tanger had a total market capitalization of approximately \$5.2 billion including \$1.4 billion of debt outstanding, equating to a 28% debt-to-total market capitalization ratio. The company had \$111.0 million outstanding on its \$520.0 million in available unsecured lines of credit. For the year ended December 31, 2014, Tanger maintained an interest coverage ratio of 4.09 times.

Tanger Expects Solid FFO Per Share Growth In 2015

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 currently believes its net income available to common shareholders and funds from operations for 2015 will be as follows:

For the year ended December 31, 2015:

	Low Range	High Range
Estimated diluted net income per share	\$1.47	\$1.53
Noncontrolling interest, depreciation and amortization of real estate assets including noncontrolling interest share and our share of unconsolidated joint ventures, and gain on sale of real estate	0.60	0.60
Estimated diluted FFO per share	\$2.07	\$2.13

The company's earnings estimates reflect a projected increase in same-center net operating income of approximately 3.0% to 3.5%, and average general and administrative expense of approximately \$11.5 million to \$12.0 million per quarter. The company's estimates include an approximate \$0.02 per share dilution associated with the strengthening dollar as it relates to its Canadian investments and also include an approximate \$0.10 per share dilution from the 2014 sale of the center in Lincoln City, Oregon as well as the expected closing on the sale of the company's 50% interest in its Wisconsin Dells joint venture and the expected closing on the sale of three additional properties. Both transactions are expected to close on or before March 31, 2015. The company's estimates do not include the impact of any potential refinancing transactions, the sale of any out parcels of land, any property acquisitions, or the sale of any additional properties.

Year End Conference Call

Tanger will host a conference call to discuss its fourth quarter results for analysts, investors and other interested parties on Wednesday, February 11, 2015, at 10 a.m. Eastern Time. To access the conference call, listeners should dial 1-877-277-5113 and provide conference ID # 34699252 to be connected to the Tanger Factory Outlet Centers Fourth 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. A telephone replay of the call will be available from February 11, 2015 at 1:00 p.m. through 11:59 p.m., February 27, 2015 by dialing 1-855-859-2056, conference ID # 34699252. An online archive of the broadcast will also be available through February 27, 2015.

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 45 upscale outlet shopping centers in 25 states coast to coast and in Canada, totaling approximately 14.0 million square feet leased to over 2,900 stores operated by more than 450 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 December 31, 2014. For more information on Tanger Outlet Centers, call 1-800-4TANGER or visit the company's web site at 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 and FFO per share, same center net operating income, general and administrative expenses, the dilutive impact from expected foreign currency exchange rates, and the dilutive impact from recent sales and expected sales of certain properties and our equity interest in the Wisconsin Dells joint venture; plans for new developments, expansions, and dispositions; the expected timing of the commencement of construction and the openings of the current and new developments; whether or not potential dispositions close, the timing of such closings, and the proceeds to the company; 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, and December 31, 2014 when available.

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

	Three months ended December 31,		Year ended December 31,	
	2014	2013	2014	2013
REVENUES				
Base rentals (a)	\$ 69,732	\$ 68,811	\$ 274,480	\$ 253,402
Percentage rentals	3,675	4,295	10,307	11,251
Expense reimbursements	32,075	31,110	122,532	109,654
Management, leasing and other services	1,043	1,244	3,591	3,080
Other income	1,849	1,865	7,648	7,432
Total revenues	108,374	107,325	418,558	384,819
EXPENSES				
Property operating	34,968	34,227	137,422	121,046
General and administrative	11,652	9,879	44,469	39,119
Acquisition costs (b)	—	240	7	1,203
Abandoned pre-development costs (c)	769	—	2,365	—
Depreciation and amortization	25,398	27,063	102,432	95,746
Total expenses	72,787	71,409	286,695	257,114
Operating income	35,587	35,916	131,863	127,705
OTHER INCOME/(EXPENSE)				
Interest expense	(14,527)	(13,790)	(57,931)	(51,616)
Loss on early extinguishment of debt	(13,140)	—	(13,140)	—
Gain on sale of real estate	7,513	—	7,513	—
Gain on previously held interest in acquired joint venture (d)	—	—	—	26,002
Interest and other income	234	77	794	190
Income before equity in earnings of unconsolidated joint ventures	15,667	22,203	69,099	102,281
Equity in earnings of unconsolidated joint ventures	2,853	933	9,053	11,040
Net income	18,520	23,136	78,152	113,321
Noncontrolling interests in Operating Partnership	(954)	(1,208)	(4,037)	(5,643)
Noncontrolling interests in other consolidated partnerships	(24)	8	(104)	(121)
Net income attributable to Tanger Factory Outlet Centers, Inc.	17,542	21,936	74,011	107,557
Allocation of earnings to participating securities	(481)	(230)	(1,872)	(1,126)
Net income available to common shareholders of Tanger Factory Outlet Centers, Inc.	\$ 17,061	\$ 21,706	\$ 72,139	\$ 106,431
Basic earnings per common share:				
Net income	\$ 0.18	\$ 0.23	\$ 0.77	\$ 1.14
Diluted earnings per common share:				
Net income	\$ 0.18	\$ 0.23	\$ 0.77	\$ 1.13

- a. Includes straight-line rent and market rent adjustments of \$202 and \$823 for the three months ended and \$3,319 and \$4,842 for the years ended December 31, 2014 and 2013, respectively.
- b. Represents potential acquisition related expenses incurred during the periods presented.
- c. Represents costs related to pre-development projects no longer considered probable.
- 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)

	December 31, 2014	December 31, 2013
ASSETS		
Rental property		
Land	\$ 217,994	\$ 230,415
Buildings, improvements and fixtures	1,947,083	2,009,971
Construction in progress	98,526	9,433
	2,263,603	2,249,819
Accumulated depreciation	(662,236)	(654,631)
Total rental property, net	1,601,367	1,595,188
Cash and cash equivalents	16,875	15,241
Rental property held for sale	46,005	—
Investments in unconsolidated joint ventures	208,050	140,214
Deferred lease costs and other intangibles, net	140,883	163,581
Deferred debt origination costs, net	12,126	10,818
Prepays and other assets	72,354	81,414
Total assets	\$ 2,097,660	\$ 2,006,456
LIABILITIES AND EQUITY		
Liabilities		
Debt		
Senior, unsecured notes (net of discount of \$6,426 and \$5,752, respectively)	\$ 793,574	\$ 794,248
Unsecured term loans (net of discount of \$241 and \$396, respectively)	267,259	267,104
Mortgages payable (including premiums of \$3,031 and \$3,799, respectively)	271,361	250,497
Unsecured lines of credit	111,000	16,200
Total debt	1,443,194	1,328,049
Accounts payable and accrued expenses	69,558	59,462
	28,388	28,388
Deferred financing obligation		
Other liabilities	32,634	32,962
Total liabilities	1,573,774	1,448,861
Commitments and contingencies	—	—
Equity		
Tanger Factory Outlet Centers, Inc.		
Common shares, \$.01 par value, 300,000,000 authorized, 95,509,781 and 94,505,685 shares issued and outstanding at December 31, 2014 and 2013, respectively	955	945
Paid in capital	791,566	788,984
Accumulated distributions in excess of net income	(281,679)	(265,242)
Accumulated other comprehensive loss	(14,023)	(2,428)
Equity attributable to Tanger Factory Outlet Centers, Inc.	496,819	522,259
Equity attributable to noncontrolling interests		
Noncontrolling interests in Operating Partnership	26,417	28,432
Noncontrolling interests in other consolidated partnerships	650	6,904
Total equity	523,886	557,595
Total liabilities and equity	\$ 2,097,660	\$ 2,006,456

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

	Three months ended December 31,		Year ended December 31,	
	2014	2013	2014	2013
FUNDS FROM OPERATIONS (a)				
Net income	\$ 18,520	\$ 23,136	\$ 78,152	\$ 113,321
Adjusted for:				
Depreciation and amortization of real estate assets - consolidated	25,052	26,717	100,961	94,515
Depreciation and amortization of real estate assets - unconsolidated joint ventures	4,164	2,954	12,212	12,419
Gain on sale of real estate	(7,513)	—	(7,513)	—
Gain on previously held interest in acquired joint venture	—	—	—	(26,002)
Funds from operations (FFO)	40,223	52,807	183,812	194,253
FFO attributable to noncontrolling interests in other consolidated partnerships	(46)	(12)	(185)	(202)
Allocation of earnings to participating securities	(795)	(524)	(3,653)	(2,025)
Funds from operations available to common shareholders	\$ 39,382	\$ 52,271	\$ 179,974	\$ 192,026
Funds from operations available to common shareholders per share - diluted	\$ 0.40	\$ 0.53	\$ 1.82	\$ 1.94
WEIGHTED AVERAGE SHARES				
Basic weighted average common shares	93,851	93,408	93,769	93,311
Effect of notional units (b)	—	871	—	849
Effect of outstanding options and restricted common shares	71	75	70	87
Diluted weighted average common shares (for earnings per share computations)	93,922	94,354	93,839	94,247
Exchangeable operating partnership units (c)	5,101	5,145	5,115	4,882
Diluted weighted average common shares (for funds from operations per share computations)	99,023	99,499	98,954	99,129
OTHER INFORMATION				
Gross leasable area open at end of period -				
Consolidated	11,346	11,537	11,346	11,537
Partially owned - unconsolidated	2,606	1,719	2,606	1,719
Outlet centers in operation at end of period -				
Consolidated	36	37	36	37
Partially owned - unconsolidated	9	7	9	7
States operated in at end of period (d)	23	24	23	24
Occupancy at end of period (d)	98.0%	98.9%	98.0%	98.9%

- 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 vested on December 31, 2014. The restricted common shares were 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

December 31, 2014

1

Supplemental Operating and Financial Data for the
Quarter Ended 12/31/2014



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 and for the fiscal year ended December 31, 2014 (when available).

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 December 31, 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	565,707	5 %
Alabama	1	557,014	5 %
North Carolina	3	505,225	4 %
New Jersey	1	489,706	4 %
Tennessee	1	448,335	4 %
Michigan	2	432,459	4 %
Ohio	1	411,776	4 %
Missouri	1	329,861	3 %
Utah	1	319,661	3 %
Louisiana	1	318,666	3 %
Connecticut	1	289,898	3 %
Iowa	1	277,230	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 %
Total	36	11,346,313	100 %

Unconsolidated Joint Venture Properties

	# of Centers	GLA	Ownership %
Charlotte, NC	1	397,837	50.00 %
Glendale, AZ ⁽¹⁾	1	381,309	58.00 %
Texas City, TX	1	352,705	50.00 %
National Harbor, MD	1	338,786	50.00 %
Cookstown, ON	1	305,134	50.00 %
Ottawa, ON ⁽¹⁾	1	287,709	50.00 %
Wisconsin Dells, WI	1	265,086	50.00 %
Bromont, QC	1	161,449	50.00 %
Saint-Sauveur, QC	1	115,717	50.00 %
Total	9	2,605,732	

(1) Excludes square feet to be completed and turned over to an anchor tenant at a later date.

Property Summary - Occupancy at End of Each Period Shown

Consolidated properties						
Location	Total GLA 12/31/14	% Occupied 12/31/14	% Occupied 9/30/14	% Occupied 6/30/14	% Occupied 3/31/14	% Occupied 12/31/13
Deer Park, NY	749,074	95%	95%	94%	92%	95%
Riverhead, NY	729,734	99%	98%	99%	98%	100%
Rehoboth Beach, DE	565,707	98%	98%	100%	98%	100%
Foley, AL	557,014	96%	96%	98%	96%	97%
Atlantic City, NJ	489,706	94%	90%	93%	93%	96%
San Marcos, TX	441,821	99%	99%	100%	100%	100%
Sevierville, TN	448,335	100%	100%	100%	99%	99%
Myrtle Beach Hwy 501, SC	425,247	96%	98%	98%	98%	99%
Jeffersonville, OH	411,776	98%	97%	97%	95%	100%
Myrtle Beach Hwy 17, SC	402,791	100%	100%	100%	99%	100%
Charleston, SC	382,117	99%	99%	99%	98%	100%
Pittsburgh, PA	372,958	100%	100%	100%	96%	100%
Commerce II, GA	371,408	99%	99%	100%	94%	99%
Branson, MO	329,861	100%	100%	100%	99%	100%
Locust Grove, GA	321,070	100%	100%	99%	99%	100%
Howell, MI	319,889	98%	98%	98%	98%	99%
Park City, UT	319,661	99%	100%	99%	97%	100%
Mebane, NC	318,910	100%	99%	100%	99%	100%
Gonzales, LA	318,666	100%	100%	97%	98%	100%
Westbrook, CT	289,898	96%	95%	97%	99%	100%
Williamsburg, IA	277,230	100%	100%	100%	100%	100%
Lancaster, PA	254,002	100%	100%	100%	99%	100%
Tuscola, IL	250,439	87%	87%	90%	90%	92%
Hershey, PA	247,500	100%	100%	100%	100%	100%
Tilton, NH	245,698	99%	98%	96%	98%	100%
Hilton Head II, SC	206,544	100%	100%	100%	97%	100%
Fort Myers, FL	198,877	91%	90%	90%	93%	94%
Ocean City, MD	198,840	98%	99%	99%	97%	100%
Terrell, TX	177,800	99%	100%	93%	97%	99%
Hilton Head I, SC	177,199	100%	99%	99%	98%	98%
Barstow, CA	171,300	100%	100%	100%	100%	100%
West Branch, MI	112,570	94%	94%	94%	98%	100%
Blowing Rock, NC	104,154	100%	97%	100%	100%	100%
Nags Head, NC	82,161	100%	100%	100%	100%	100%
Kittery I, ME	51,737	100%	93%	100%	100%	100%
Kittery II, ME	24,619	100%	100%	100%	100%	100%
Lincoln City, OR ⁽¹⁾	N/A	N/A	98%	100%	99%	100%
Total	11,346,313	98%	98%	98%	97%	99%

(1) Sold Center in December 2014.

Unconsolidated joint venture properties

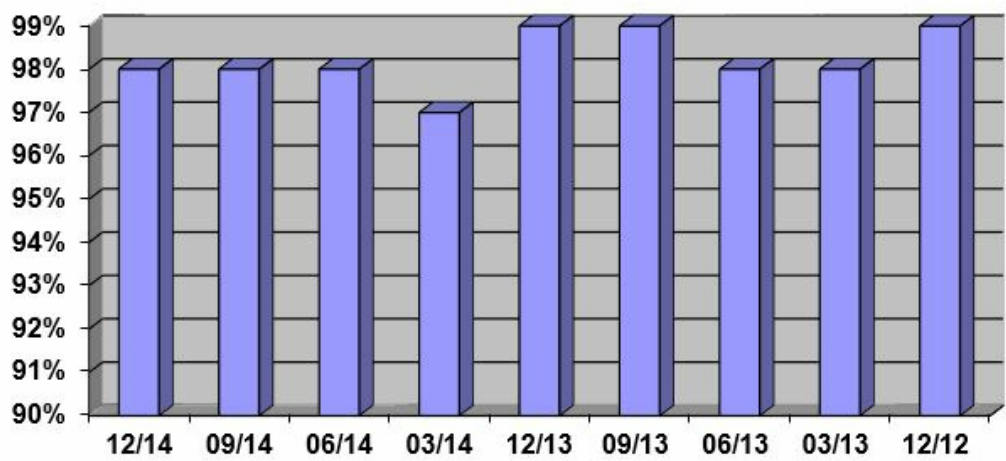
Location	Total GLA 12/31/14	% Occupied 12/31/14	% Occupied 9/30/14	% Occupied 6/30/14	% Occupied 3/31/14	% Occupied 12/31/13
Charlotte, NC ⁽¹⁾	397,837	99%	99%	N/A	N/A	N/A
Glendale, AZ ⁽²⁾	381,309	97%	100%	99%	99%	100%
Texas City, TX	352,705	100%	100%	99%	99%	100%
National Harbor, MD	338,786	100%	100%	97%	97%	99%
Cookstown, ON	305,134	96%	95%	98%	98%	100%
Ottawa, ON ^{(2) (3)}	287,709	95%	N/A	N/A	N/A	N/A
Wisconsin Dells, WI	265,086	100%	100%	100%	97%	100%
Bromont, QC	161,449	81%	81%	81%	81%	84%
Saint-Sauveur, QC	115,717	100%	100%	100%	100%	100%

(1) Center opened on July 31, 2014.

(2) Excludes square feet to be completed and turned over to an anchor tenant at a later date.

(3) Center opened on October 17, 2014.

Portfolio Occupancy at the End of Each Period (1)



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

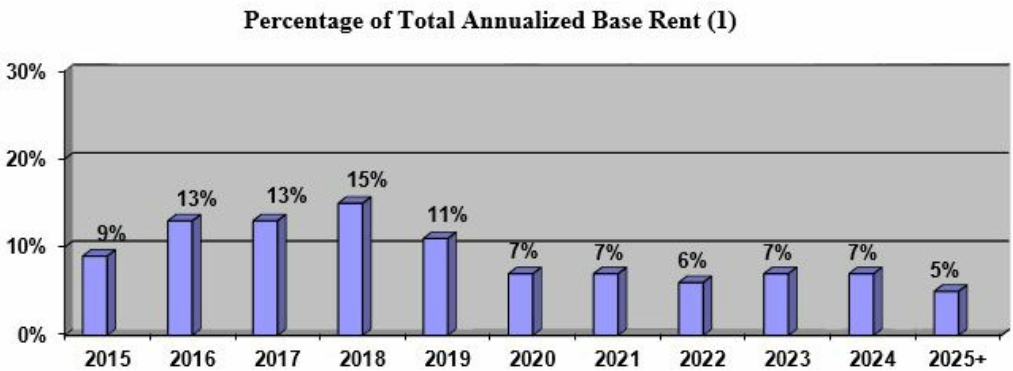
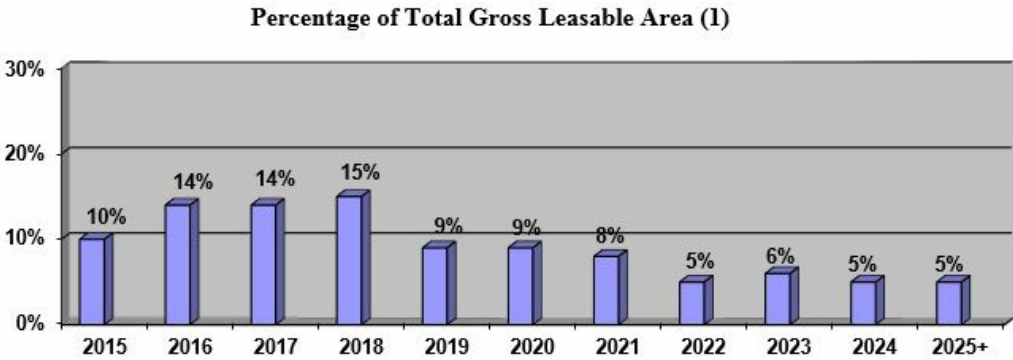
Major Tenants ⁽¹⁾

Ten Largest Tenants as of December 31, 2014

Tenant	# of Stores	GLA	% of Total GLA
The Gap, Inc.	82	877,187	7.7%
Ascena Retail Group, Inc.	86	502,809	4.4%
PVH Corp.	90	455,516	4.0%
V. F. Corporation	46	387,732	3.4%
Nike, Inc.	35	376,508	3.3%
Ralph Lauren Corporation	36	340,379	3.0%
ANN Inc.	48	324,229	2.9%
G-III Apparel Group, Ltd.	65	321,652	2.8%
Adidas AG	43	289,719	2.6%
Carter's, Inc.	59	274,636	2.4%
Total of All Listed Above	590	4,150,367	36.5%

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

Lease Expirations as of December 31, 2014



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



Leasing Activity ^(1,2)

	3/31/2014	6/30/2014	9/30/2014	12/31/2014	Year to Date	Prior Year to Date
Re-tenanted Space:						
Number of leases	74	35	22	3	134	148
Gross leasable area	265,241	109,772	84,722	10,039	469,774	494,682
New initial base rent per square foot	\$ 29.76	\$ 29.12	\$ 32.59	\$ 27.69	\$ 30.08	\$ 27.81
Prior expiring base rent per square foot	\$ 24.02	\$ 24.12	\$ 25.46	\$ 24.18	\$ 24.31	\$ 22.84
Percent increase	23.9%	20.7%	28.0%	14.5%	23.7%	21.8%
New straight line base rent per square foot	\$ 32.48	\$ 32.54	\$ 34.34	\$ 36.90	\$ 32.93	\$ 30.77
Prior straight line base rent per square foot	\$ 23.74	\$ 23.94	\$ 25.69	\$ 26.33	\$ 24.20	\$ 22.20
Percent increase	36.8%	35.9%	33.7%	40.1%	36.1%	38.6%
Renewed Space:						
Number of leases	174	29	30	42	275	329
Gross leasable area	829,697	148,451	119,027	144,212	1,241,387	1,526,214
New initial base rent per square foot	\$ 22.46	\$ 21.56	\$ 21.32	\$ 23.92	\$ 22.42	\$ 23.13
Prior expiring base rent per square foot	\$ 20.24	\$ 19.84	\$ 18.80	\$ 23.20	\$ 20.40	\$ 20.51
Percent increase	11.0%	8.7%	13.4%	3.1%	9.9%	12.8%
New straight line base rent per square foot	\$ 23.49	\$ 22.23	\$ 22.24	\$ 24.87	\$ 23.38	\$ 24.08
Prior straight line base rent per square foot	\$ 19.75	\$ 19.56	\$ 18.65	\$ 22.73	\$ 19.97	\$ 20.14
Percent increase	18.9%	13.7%	19.2%	9.4%	17.1%	19.6%
Total Re-tenanted and Renewed Space:						
Number of leases	248	64	52	45	409	477
Gross leasable area	1,094,938	258,223	203,749	154,251	1,711,161	2,020,896
New initial base rent per square foot	\$ 24.23	\$ 24.77	\$ 26.01	\$ 24.17	\$ 24.52	\$ 24.27
Prior expiring base rent per square foot	\$ 21.15	\$ 21.66	\$ 21.57	\$ 23.26	\$ 21.47	\$ 21.08
Percent increase	14.6%	14.4%	20.6%	3.9%	14.2%	15.1%
New straight line base rent per square foot	\$ 25.67	\$ 26.61	\$ 27.27	\$ 25.66	\$ 26.00	\$ 25.72
Prior straight line base rent per square foot	\$ 20.72	\$ 21.42	\$ 21.58	\$ 22.97	\$ 21.13	\$ 20.65
Percent increase	23.9%	24.2%	26.4%	11.7%	23.0%	24.6%

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

(2) Excludes the Lincoln City outlet center which was sold in December 2014.

Consolidated Balance Sheets (dollars in thousands)

	12/31/2014	9/30/2014	6/30/2014	3/31/2014	12/31/2013
ASSETS					
Rental property					
Land	\$ 217,994	\$ 230,415	\$ 230,415	\$ 230,415	\$ 230,415
Buildings, improvements and fixtures	1,947,083	2,043,583	2,029,321	2,013,520	2,009,971
Construction in progress	98,526	75,000	37,553	20,848	9,433
	2,263,603	2,348,998	2,297,289	2,264,783	2,249,819
Accumulated depreciation	(662,236)	(708,515)	(691,339)	(671,807)	(654,631)
Total rental property, net	1,601,367	1,640,483	1,605,950	1,592,976	1,595,188
Cash and cash equivalents	16,875	10,824	13,240	16,906	15,241
Rental property held for sale	46,005	—	—	—	—
Investments in unconsolidated joint ventures	208,050	249,659	210,131	171,040	140,214
Deferred lease costs and other intangibles, net	140,883	146,642	151,738	157,627	163,581
Deferred debt origination costs, net	12,126	9,794	9,652	10,276	10,818
Prepays and other assets	72,354	82,715	77,905	81,068	81,414
Total assets	\$ 2,097,660	\$ 2,140,117	\$ 2,068,616	\$ 2,029,893	\$ 2,006,456
LIABILITIES AND EQUITY					
Liabilities					
Debt					
Senior, unsecured notes, net of discounts	\$ 793,574	\$ 794,729	\$ 794,567	\$ 794,407	\$ 794,248
Unsecured term loans, net of discounts	267,259	267,219	267,180	267,141	267,104
Mortgages payable, including premiums	271,361	247,240	248,336	249,418	250,497
Unsecured lines of credit	111,000	139,800	91,200	46,900	16,200
Total debt	1,443,194	1,448,988	1,401,283	1,357,866	1,328,049
Accounts payable and accruals	69,558	79,227	54,763	59,872	59,462
Deferred financing obligation	28,388	28,388	28,388	28,388	28,388
Other liabilities	32,634	29,300	30,024	31,942	32,962
Total liabilities	1,573,774	1,585,903	1,514,458	1,478,068	1,448,861
Commitments and contingencies	—	—	—	—	—
Equity					
Tanger Factory Outlet Centers, Inc.					
Common shares	955	959	959	958	945
Paid in capital	791,566	801,363	797,286	793,059	788,984
Accumulated distributions in excess of net income	(281,679)	(276,218)	(276,224)	(272,085)	(265,242)
Accumulated other comprehensive loss	(14,023)	(7,382)	(3,265)	(5,515)	(2,428)
Equity attributable to Tanger Factory Outlet Centers, Inc.	496,819	518,722	518,756	516,417	522,259
Equity attributable to noncontrolling interests					
Noncontrolling interests in Operating Partnership	26,417	27,595	27,602	27,606	28,432
Noncontrolling interest in other consolidated partnerships	650	7,897	7,800	7,802	6,904
Total equity	523,886	554,214	554,158	551,825	557,595
Total liabilities and equity	\$ 2,097,660	\$ 2,140,117	\$ 2,068,616	\$ 2,029,893	\$ 2,006,456

Consolidated Statements of Operations (dollars and shares in thousands)

	Three Months Ended					YTD	
	12/31/14	9/30/14	6/30/14	3/31/14	12/31/13	12/31/14	12/31/13
REVENUES							
Base rentals	\$ 69,732	\$ 69,612	\$ 68,160	\$ 66,976	\$ 68,811	\$ 274,480	\$ 253,402
Percentage rentals	3,675	2,634	1,915	2,083	4,295	10,307	11,251
Expense reimbursements	32,075	29,463	29,452	31,542	31,110	122,532	109,654
Management, leasing and other services	1,043	1,225	758	566	1,244	3,591	3,080
Other income	1,849	2,255	1,927	1,616	1,865	7,648	7,432
Total revenues	108,374	105,189	102,212	102,783	107,325	418,558	384,819
EXPENSES							
Property operating	34,968	32,798	33,629	36,027	34,227	137,422	121,046
General and administrative	11,652	11,334	10,761	10,722	9,879	44,469	39,119
Acquisition costs	—	—	—	7	240	7	1,203
Abandoned pre-development costs	769	—	—	1,596	—	2,365	—
Depreciation and amortization	25,398	25,774	25,197	26,063	27,063	102,432	95,746
Total expenses	72,787	69,906	69,587	74,415	71,409	286,695	257,114
Operating income	35,587	35,283	32,625	28,368	35,916	131,863	127,705
OTHER INCOME/(EXPENSE)							
Interest expense	(14,527)	(13,902)	(14,582)	(14,920)	(13,790)	(57,931)	(51,616)
Loss on early extinguishment of debt	(13,140)	—	—	—	—	(13,140)	—
Gain on sale of real estate	7,513	—	—	—	—	7,513	—
Gain on previously held interest in acquired joint venture	—	—	—	—	—	—	26,002
Interest and other income	234	437	64	59	77	794	190
Income before equity in earnings of unconsolidated joint ventures	15,667	21,818	18,107	13,507	22,203	69,099	102,281
Equity in earnings of unconsolidated joint ventures	2,853	2,479	1,788	1,933	933	9,053	11,040
Net income	18,520	24,297	19,895	15,440	23,136	78,152	113,321
Noncontrolling interests in Operating Partnership	(954)	(1,252)	(1,028)	(803)	(1,208)	(4,037)	(5,643)
Noncontrolling interests in other consolidated partnerships	(24)	(42)	(17)	(21)	8	(104)	(121)
Net income attributable to Tanger Factory Outlet Centers, Inc.	17,542	23,003	18,850	14,616	21,936	74,011	107,557
Allocation to participating securities	(481)	(481)	(481)	(429)	(230)	(1,872)	(1,126)
Net income available to common shareholders	\$ 17,061	\$ 22,522	\$ 18,369	\$ 14,187	\$ 21,706	\$ 72,139	\$ 106,431
Basic earnings per common share							
Net income	\$ 0.18	\$ 0.24	\$ 0.20	\$ 0.15	\$ 0.23	\$ 0.77	\$ 1.14
Diluted earnings per common share							
Net income	\$ 0.18	\$ 0.24	\$ 0.20	\$ 0.15	\$ 0.23	\$ 0.77	\$ 1.13
Weighted average common shares							
Basic	93,851	93,834	93,800	93,580	93,408	93,769	93,311
Diluted	93,922	93,902	93,874	93,649	94,354	93,839	94,247

FFO and FAD Analysis (dollars and shares in thousands)

	Three Months Ended					YTD	
	12/31/14	9/30/14	6/30/14	3/31/14	12/31/13	12/31/14	12/31/13
Funds from operations:							
Net income	\$ 18,520	\$ 24,297	\$ 19,895	\$ 15,440	\$ 23,136	\$ 78,152	\$ 113,321
Adjusted for -							
Depreciation and amortization of real estate assets - consolidated properties	25,052	25,425	24,782	25,702	26,717	100,961	94,515
Depreciation and amortization of real estate assets - unconsolidated joint ventures	4,164	3,040	2,403	2,605	2,954	12,212	12,419
Gain on sale of real estate	(7,513)	—	—	—	—	(7,513)	—
Gain on previously held interest in acquired joint venture	—	—	—	—	—	—	(26,002)
Funds from operations	40,223	52,762	47,080	43,747	52,807	183,812	194,253
FFO attributable to noncontrolling interests in other consolidated partnerships	(46)	(62)	(37)	(40)	(12)	(185)	(202)
Allocation to participating securities	(795)	(1,045)	(949)	(864)	(524)	(3,653)	(2,025)
Funds from operations available to common shareholders	\$ 39,382	\$ 51,655	\$ 46,094	\$ 42,843	\$ 52,271	\$ 179,974	\$ 192,026
Funds from operations per share	\$ 0.40	\$ 0.52	\$ 0.47	\$ 0.43	\$ 0.53	\$ 1.82	\$ 1.94
Funds available for distribution to common shareholders:							
Funds from operations	\$ 39,382	\$ 51,655	\$ 46,094	\$ 42,843	\$ 52,271	\$ 179,974	\$ 192,026
Adjusted for -							
Corporate depreciation excluded above	346	349	415	361	346	1,471	1,231
Amortization of finance costs	728	547	554	553	399	2,382	2,194
Amortization of net debt discount (premium)	(328)	(92)	(92)	(89)	(119)	(601)	(886)
Amortization of share-based compensation	3,817	3,813	3,772	3,349	3,012	14,751	11,375
Straight line rent adjustment	(1,047)	(1,666)	(1,522)	(1,838)	(1,461)	(6,073)	(5,528)
Market rent adjustment	961	734	845	669	752	3,209	1,141
2 nd generation tenant allowances	(6,718)	(2,570)	(2,876)	(3,378)	(5,081)	(15,542)	(16,843)
Capital improvements	(7,668)	(12,701)	(12,341)	(4,209)	(2,187)	(36,919)	(15,208)
Adjustments from unconsolidated joint ventures	(940)	(286)	(39)	(218)	47	(1,483)	(4,914)
Funds available for distribution	\$ 28,533	\$ 39,783	\$ 34,810	\$ 38,043	\$ 47,979	\$ 141,169	\$ 164,588
Funds available for distribution per share	\$ 0.29	\$ 0.40	\$ 0.35	\$ 0.39	\$ 0.48	\$ 1.43	\$ 1.66
Dividends paid per share	\$ 0.240	\$ 0.240	\$ 0.240	\$ 0.225	\$ 0.225	\$ 0.945	\$ 0.885
FFO payout ratio	60%	46%	51%	52%	43%	52%	46%
FAD payout ratio	83%	60%	69%	58%	48%	66%	53%
Diluted weighted average common shs.	99,023	99,003	98,989	98,789	99,499	98,954	99,129

Unconsolidated Joint Venture Information

The following table details certain information as of December 31, 2014, except for Net Operating Income ("NOI") which is for the year ended December 31, 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 ⁽¹⁾	Charlotte, NC	50.0%	397,837	\$ 45.5	\$ 2.6	\$ 45.0
Galveston/Houston	Texas City, TX	50.0%	352,705	39.4	4.9	32.5
National Harbor	National Harbor, MD	50.0%	338,786	52.6	5.2	41.9
RioCan Canada ⁽²⁾	Various	50.0%	870,009	152.7	4.1	7.9
Savannah ⁽³⁾	Savannah, GA	50.0%	—	71.1	—	12.7
Westgate	Glendale, AZ	58.0%	381,309	48.2	5.0	31.3
Wisconsin Dells	Wisconsin Dells, WI	50.0%	265,086	15.1	2.4	12.1
Other				1.5	—	—
Total				\$ 426.1	\$ 24.2	\$ 183.4

(1) Center opened on July 31, 2014.

(2) Includes a 161,449 square foot center in Bromont, Quebec, a 305,134 square foot center in Cookstown, Ontario, a 287,709 square foot center in Ottawa, Ontario (which opened on October 17, 2014), a 115,717 square foot center in Saint-Sauveur, Quebec, as well as 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 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 as of December 31, 2014 (dollars in thousands)

	Consolidated	Noncontrolling interests	Company	Prorata portion unconsolidated joint ventures	Prorata balance sheet
ASSETS					
Rental property					
Land	\$ 217,994	\$ —	\$ 217,994	\$ 52,283	\$ 270,277
Buildings, improvements and fixtures	1,947,083	(160)	1,946,923	276,865	2,223,788
Construction in progress	98,526	—	98,526	75,864	174,390
	2,263,603	(160)	2,263,443	405,012	2,668,455
Accumulated depreciation	(662,236)	—	(662,236)	(24,703)	(686,939)
Total rental property, net	1,601,367	(160)	1,601,207	380,309	1,981,516
Cash and cash equivalents	16,875	—	16,875	24,219	41,094
Rental property held for sale	46,005	—	46,005	—	46,005
Investments in unconsolidated joint ventures	208,050	(490)	207,560	(207,560)	—
Deferred lease costs and other intangibles, net	140,883	—	140,883	11,162	152,045
Deferred debt origination costs, net	12,126	—	12,126	3,852	15,978
Prepays and other assets	72,354	—	72,354	5,036	77,390
Total assets	\$ 2,097,660	\$ (650)	\$ 2,097,010	\$ 217,018	\$ 2,314,028
LIABILITIES AND EQUITY					
Liabilities					
Debt					
Senior, unsecured notes, net of discounts	\$ 793,574	\$ —	\$ 793,574	\$ —	\$ 793,574
Unsecured term loans, net of discounts	267,259	—	267,259	—	267,259
Mortgages payable, including premiums	271,361	—	271,361	183,431	454,792
Unsecured lines of credit	111,000	—	111,000	—	111,000
Total debt	1,443,194	—	1,443,194	183,431	1,626,625
Accounts payable and accruals	69,558	—	69,558	35,791	105,349
Deferred financing obligation	28,388	—	28,388	—	28,388
Other liabilities	32,634	—	32,634	(2,204)	30,430
Total liabilities	1,573,774	—	1,573,774	217,018	1,790,792
Commitments and contingencies	—	—	—	—	—
Equity					
Tanger Factory Outlet Centers, Inc.					
Common shares	955	—	955	—	955
Paid in capital	791,566	—	791,566	—	791,566
Accumulated distributions in excess of net income	(281,679)	—	(281,679)	—	(281,679)
Accumulated other comprehensive income	(14,023)	—	(14,023)	—	(14,023)
Equity attributable to Tanger Factory Outlet Centers, Inc.	496,819	—	496,819	—	496,819
Equity attributable to noncontrolling interests					
Noncontrolling interests in Operating Partnership	26,417	—	26,417	—	26,417
Noncontrolling interest in other consolidated partnerships	650	(650)	—	—	—
Total equity	523,886	(650)	523,236	—	523,236
Total liabilities and equity	\$ 2,097,660	\$ (650)	\$ 2,097,010	\$ 217,018	\$ 2,314,028

Pro Rata Statement of Operations year to date December 31, 2014 (dollars in thousands)

	Consolidated	Noncontrolling interests	Company	Prorata portion unconsolidated joint ventures	Prorata statement of operations
REVENUES					
Base rentals	\$ 274,480	\$ (486)	\$ 273,994	\$ 24,726	\$ 298,720
Percentage rentals	10,307	(21)	10,286	1,518	11,804
Expense reimbursements	122,532	(174)	122,358	13,411	135,769
Management, leasing and other services	3,591	—	3,591	—	3,591
Other income	7,648	(6)	7,642	708	8,350
Total revenues	418,558	(687)	417,871	40,363	458,234
EXPENSES					
Property operating	137,422	(231)	137,191	15,852	153,043
General and administrative	44,469	(6)	44,463	319	44,782
Acquisition costs	7	—	7	—	7
Abandoned pre-development costs	2,365	—	2,365	236	2,601
Depreciation and amortization	102,432	(321)	102,111	12,143	114,254
Total expenses	286,695	(558)	286,137	28,550	314,687
Operating income	131,863	(129)	131,734	11,813	143,547
OTHER INCOME/(EXPENSE)					
Interest expense	(57,931)	102	(57,829)	(2,837)	(60,666)
Loss on early extinguishment of debt	(13,140)	—	(13,140)	—	(13,140)
Gain on sale of real estate	7,513	—	7,513	—	7,513
Interest and other income	794	—	794	—	794
Income before equity in earnings of unconsolidated joint ventures	69,099	(27)	69,072	8,976	78,048
Equity in earnings of unconsolidated joint ventures	9,053	(77)	8,976	(8,976)	—
Net income	78,152	(104)	78,048	—	78,048
Noncontrolling interests in Operating Partnership	(4,037)	—	(4,037)	—	(4,037)
Noncontrolling interests in other consolidated partnerships	(104)	104	—	—	—
Net income attributable to Tanger Factory Outlet Centers, Inc.	74,011	—	74,011	—	74,011
Allocation to participating securities	(1,872)	—	(1,872)	—	(1,872)
Net income available to common shareholders	\$ 72,139	\$ —	\$ 72,139	\$ —	\$ 72,139

External Growth Pipeline Summary As of December 31, 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 ⁽¹⁾
UNDER CONSTRUCTION:									
New Developments -									
Savannah, GA ⁽²⁾	April '15	377	\$ 106.9	\$ 78.3	50%	\$ 93.0	\$ 25.5	\$ —	10.0% - 11.0%
Foxwoods, Mashantucket, CT ⁽²⁾	May '15	313	\$ 125.9	\$ 72.1	67%	\$ 70.3	\$ 25.2	\$ 8.8	8.5% - 9.5%
Grand Rapids, MI	3Q15	350	\$ 77.2	\$ 19.7	100%	\$ —	\$ —	\$ 57.5	11.0% - 12.0%
Southaven, MS (Memphis) ⁽²⁾	4Q15	310	\$ 67.8	\$ 1.3	50%	\$ 56.0	\$ —	\$ 10.3	9.5% - 10.5%
Total New Developments		1,350	\$ 377.8	\$ 171.4		\$ 219.3	\$ 50.7	\$ 76.6	10.1%
Expansions -									
None									
Total Expansions		—	\$ —	\$ —		\$ —	\$ —	\$ —	—%
Total Under Construction		1,350	\$ 377.8	\$ 171.4		\$ 219.3	\$ 50.7	\$ 76.6	10.1%
PRE-DEVELOPMENT:									
Columbus, OH ⁽³⁾	1H16	355	\$ 93.2	\$ 3.0	50%	\$ —	\$ —	\$ 45.1	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 requirement and projected stabilized yield for new development and expansion projects are subject to adjustment prior to and during the development process. Estimated total net cost shown net of outparcel sales and public financing. 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 Form10-K and Form 10-Q for a discussion of these risks.

Debt Outstanding Summary (dollars in thousands)

As of December 31, 2014				
	Principal Balance	Stated Interest Rate	Effective Interest Rate	Maturity Date
Unsecured debt:				
Unsecured lines of credit ⁽¹⁾	\$ 111,000	LIBOR + 1.00%		10/24/2017
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
2024 Senior unsecured notes	250,000	3.75 %	3.819%	12/1/2024
Unsecured term loan ⁽²⁾	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	(6,667)			
Total unsecured debt	\$ 1,171,833			
Secured mortgage debt:				
Atlantic City, NJ (including premium of \$3,694) ⁽³⁾	\$ 49,691	5.14% - 7.65%	5.05%	11/15/2021 - 12/8/2026
Deer Park, NY (net of discount of \$1,161) ⁽⁴⁾	148,839	LIBOR + 1.50%	2.80%	8/30/2018
Hershey, PA (including premium of \$399) ⁽³⁾	29,670	5.17% - 8.00%	3.40%	8/1/2015
Ocean City, MD (including premium of \$99) ⁽³⁾	17,926	5.24%	4.68%	1/6/2016
Foxwoods, CT ⁽⁵⁾	25,235	LIBOR + 1.65%		12/5/2017
Total secured mortgage debt	\$ 271,361			
Tanger's share of unconsolidated JV debt:				
Charlotte ⁽⁶⁾	\$ 45,000	LIBOR + 1.45%		11/24/2018
Galveston/Houston ⁽⁷⁾	\$ 32,500	LIBOR + 1.50%		7/01/2017
National Harbor ⁽⁸⁾	41,850	LIBOR + 1.65%		11/13/19
RioCan Canada (including premium of \$450) ⁽⁹⁾	7,873	5.10% - 5.75%	3.93% - 4.18%	6/22/2015 - 5/10/2020
Savannah ⁽¹⁰⁾	12,749	LIBOR + 1.65%		5/21/2017
Westgate ⁽¹¹⁾	31,334	LIBOR + 1.75%		6/27/2015
Wisconsin Dells ⁽¹²⁾	12,125	LIBOR + 2.25%		12/17/2022
Total Tanger's share of unconsolidated JV debt	\$ 183,431			

- (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%.
- (3) Represents mortgages assumed in the acquisitions of various properties.
- (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 5 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% through August 14, 2018.

- (5) In December 2014, the joint venture closed on a mortgage loan with the ability to borrow up to \$70.3 million at an interest rate of LIBOR +1.65%. The loan initially matures on December 5, 2017, with two one -year extension options.
- (6) In November 2014, the joint venture closed on a mortgage loan with the ability to borrow up to \$90.0 million at an interest rate of LIBOR +1.45%. The loan initially matures on November 24, 2018, with one one -year extension options. The balance of this loan as of December 31, 2014 was \$90 million.
- (7) 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 December 31, 2014, the balance on the loan was \$65.0 million.
- (8) In November 2014, the joint venture amended the initial construction loan to increase the amount available to borrow from \$62.0 million to \$87.0 million and extended the maturity date until November 13, 2019. As of December 31, 2014, the balance on the loan was \$83.7 million.
- (9) 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 \$14.8 million and carry a weighted average interest rate of 5.7% and mature in 2015 and 2020, respectively.
- (10) 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 December 31, 2014, the balance on the loan was \$25.5 million.
- (11) In May 2014, the joint venture amended and restated the initial construction loan to increase the amount available to borrow from \$48.3 million to \$62.0 million. The amended and restated loan has a maturity date of June 27, 2015 with the option to extend the maturity date for two additional years. As of December 31, 2014, the balance on the loan was \$54.0 million.
- (12) 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 December 31, 2014					
Year	Tanger Consolidated Payments	Tanger's Share of Unconsolidated JV Payments	Total Scheduled Payments		
2015	\$ 32,343	\$ 32,360	\$ 64,703		
2016	30,283	293	30,576		
2017 ⁽¹⁾	146,743	45,559	192,302		
2018	153,183	45,327	198,510		
2019	253,369	42,197	295,566		
2020	303,566	5,120	308,686		
2021	5,793	—	5,793		
2022	4,436	12,125	16,561		
2023	254,768	—	254,768		
2024	255,140	—	255,140		
2025 & thereafter	7,206	—	7,206		
	\$ 1,446,830	\$ 182,981	\$ 1,629,811		
Net Discount on Debt	(3,636)	450	(3,186)		
	\$ 1,443,194	\$ 183,431	\$ 1,626,625		

Senior Unsecured Notes Financial Covenants ⁽²⁾

As of December 31, 2014			
	Required	Actual	Compliance
Total Consolidated Debt to Adjusted Total Assets	<60%	50%	Yes
Total Secured Debt to Adjusted Total Assets	<40%	9%	Yes
Total Unencumbered Assets to Unsecured Debt	>150%	171%	Yes
Consolidated Income Available for Debt Service to Annual Debt Service Charge	>1.5	4.27	Yes

(1) Includes balances of \$111.0 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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