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): May 1, 2017

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))

Indicate by check mark whether the registrant is an emerging growth company as defined in as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company ☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Item 2.02 Results of Operations and Financial Condition

On May 1, 2017, 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 March 31, 2017. 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 May 1, 2017, the Company made publicly available on its website, www.tangeroutlet.com, certain supplemental operating and financial information for the quarter ended March 31, 2017. 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 March 31, 2017.
Exhibit 99.2	Supplemental operating and financial information of the Company as of and for the quarter ended March 31, 2017.

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: May 1, 2017

TANGER FACTORY OUTLET CENTERS, INC.

By: /s/ James F. Williams
James F. Williams
Senior Vice President, Chief Financial Officer

EXHIBIT INDEX

Exhibit No.	
99.1	Press release announcing the results of operations and financial condition of the Company as of and for the quarter ended March 31, 2017.
99.2	Supplemental operating and financial information of the Company as of and for the quarter ended March 31, 2017.

EXHIBIT 99.1

News Release

TANGER REPORTS FIRST QUARTER 2017 RESULTS

Greensboro, NC, May 1, 2017, Tanger Factory Outlet Centers, Inc. (NYSE:SKT) today reported financial and operating results for the three months ended March 31, 2017.

Financial Results and Key Highlights for the Quarter

- Raised regular quarterly common share cash dividend on April 6, 2017 by 5.4% on an annualized basis to $1.37 per share, marking the 24th consecutive year of increased dividends
- Net income available to common shareholders was $0.23 per share, or $22.0 million, compared to $0.28 per share, or $26.9 million, for the first quarter of 2016. During the first quarter of 2016, net income available to common shareholders was positively impacted by a $0.05 per share, or $4.9 million, gain on the sale of an outlet center.
- Funds from operations ("FFO") available to common shareholders increased 5.5% to $0.58 per share, or $57.7 million, from $0.55 per share, or $54.7 million, for the first quarter of 2016.
- Adjusted funds from operations ("AFFO") available to common shareholders, which excludes certain items that we do not consider indicative of our ongoing operating performance, increased 3.6% to $0.58 per share, or $58.3 million, from $0.56 per share, or $55.8 million, for the first quarter of 2016.
- Same center net operating income ("Same Center NOI") increased for the 54th consecutive quarter
- FFO, AFFO, and Same Center NOI, which do not include the gain that positively impacted 2016 net income, are widely accepted supplemental non-GAAP financial measures used in the real estate industry to measure and compare the operating performance of real estate companies. A complete definition of Same Center NOI and complete reconciliations containing adjustments from GAAP net income to FFO, AFFO and Same Center NOI are included in this release. Net income, FFO and AFFO per share are on a diluted basis.

"Outlets remain a very important and profitable channel of distribution for brand name and designer retailers and manufacturers, as evidence by our high level of occupancy. Our consolidated portfolio was 96.2% occupied as of March 31, 2017 despite having recaptured 324,000 square feet of space since the beginning of 2015 related to bankruptcies and brand-wide restructurings by retailers. During the first quarter of 2017 we extended our record to 54 consecutive quarters of consolidated portfolio same center net operating income growth. We are pleased with these achievements notwithstanding the challenging environment for retailers," commented Steven B. Tanger, President & Chief Executive Officer. "Given solid retailer demand for outlet space and our fortress balance sheet, Tanger is positioned to weather current headwinds and store closings in the retail environment, as we have successfully in similar parts of the cycle for the past 36 years," he added.

Operating Metrics

- Blended average base rental rates increased 8.4% on 206 leases totaling approximately 1,014,000 square feet renewed or released throughout the consolidated portfolio during the first quarter
- Excluding seven leases with an average suite size of approximately 19,700 square feet, blended average base rental rates increased 13.8% on 199 leases totaling approximately 876,000 square feet renewed or released throughout the consolidated portfolio during the first quarter
- Consolidated portfolio occupancy rate was 96.2% on March 31, 2017, compared to 96.6% on March 31, 2016

- Average tenant sales productivity for the consolidated portfolio was $380 per square foot for the twelve months ended March 31, 2017, compared to $401 per square foot for the twelve months ended March 31, 2016
- Same center tenant sales performance for the twelve months ended March 31, 2017 decreased 3.5% for the consolidated portfolio, and decreased 2.4% for the overall portfolio, compared to the twelve months ended March 31, 2016

As expected, re-merchandising activity at several Tanger Outlet Centers impacted rent spreads. The 138,000 square feet re-tenanted with exciting high-volume retailers required the consolidation of 22 storefronts with an average size of 6,300 square feet to create 7 new storefronts with an average size of approximately 19,700 square feet. Although these sought-after tenants typically require a lower relative cost of occupancy, re-merchandising with the high-volume brands that resonate with the consumer has been a successful long-term strategy for Tanger for more than 36 years. Enhancing the tenant mix has historically increased shopper traffic, driven demand from additional tenants, and increased future renewal spreads and overall tenant sales productivity.

Tanger recaptured approximately 62,000 square feet within its consolidated portfolio during the first quarter of 2017 related to bankruptcies and brand-wide restructurings by retailers, compared to approximately 45,000 square feet during the first quarter of 2016. Tanger recaptured a total of 105,000 square feet and 157,000 square feet during 2016 and 2015, respectively within the consolidated portfolio related to bankruptcies and brand-wide restructurings by retailers.

Average tenant sales productivity for the consolidated portfolio was negatively impacted as a result of one fewer shopping day compared to the prior trailing twelve month period, which included a leap day, and by the shift in the Easter holiday. The trailing twelve months ended March 31, 2016 included two Easter holidays (April 5, 2015 and March 27, 2016), providing a difficult comparison period for the trailing twelve months ended March 31, 2017, which did not include an Easter holiday (April 16, 2017). Unlike other retail venues that are largely located in-market, many of the outlet centers in Tanger's portfolio are located in drive-to vacation destinations, which the Company believes results in a more pronounced impact of the Easter shift.

Tanger Outlets Foxwoods and Tanger Outlets Southaven (Memphis) were included in the consolidated portfolio productivity metric for the first time for the trailing twelve month period ended March 31, 2017. Average tenant sales productivity also reflects the dilution of these two newly stabilized centers, as the productivity of new centers typically does not exceed the average productivity for the remaining portfolio, which is comprised largely of mature assets. Average tenant sales productivity includes stabilized outlet centers and are based on all reporting retailers leasing stores less than 20,000 square feet in size which have occupied such stores for a minimum of twelve months.

The Company continues to have the lowest cost of occupancy among all mall REITs. The Company believes that outlet stores remain a profitable and important division for most of its tenants.

Same Center and Portfolio NOI

- Excluding seven centers undergoing major re-merchandising projects, portfolio net operating income ("Portfolio NOI") increased 13.9% during the first quarter
- Including these centers, Portfolio NOI for the consolidated portfolio increased 10.9% during the first quarter
- Excluding seven centers undergoing major re-merchandising projects, Same Center NOI for the consolidated portfolio increased 2.5% during the first quarter
- Including these centers, Same Center NOI for the consolidated portfolio increased 1.0% during the first quarter, marking the 54th consecutive quarter of Same Center NOI growth
- Lease termination fees, which are excluded from Same Center NOI and Portfolio NOI, in the consolidated portfolio for the first quarter of 2017 and 2016 totaled $1.2 million and $0.6 million, respectively. In addition,

Tanger's share of lease termination fees in its unconsolidated joint ventures, which is included in equity in earnings of unconsolidated joint ventures, totaled $45,000 and $0.4 million for the first quarter of 2017 and 2016, respectively.

Same Center NOI and Portfolio NOI are supplemental non-GAAP financial measures of our operating performance. Complete definitions of Same Center NOI and Portfolio NOI and a reconciliation to the nearest comparable GAAP measure are included in this release.

Investment Activities

Construction is ongoing for two wholly-owned development projects expected to be completed in 2017, including:

- Lancaster, Pennsylvania - a 123,000 square foot expansion scheduled to open in September 2017
- Fort Worth, Texas - a new 352,000 square foot outlet center scheduled to open in late October 2017
- Combined, these projects represent a total investment of approximately $137.9 million with an expected weighted average stabilized yield of approximately 9.3%
- As of March 31, 2017, $89.7 million of the Company's expected net capital requirement remained to be funded

Pre-development and pre-leasing efforts are ongoing for other projects in the Company's shadow pipeline of development opportunities. The Company's long-standing disciplined development approach remains intact. Tanger's underwriting practice requires achievement of a minimum pre-leasing threshold and receipt of all non-appealable permits prior to acquisition of land or commencement of construction. Given current market conditions, the Company elected to terminate its purchase option for a pre-development stage project near Detroit, Michigan, which resulted in a $627,000 charge to abandoned pre-development costs during the first quarter of 2017. The Company does not anticipate any additional charges this year.

Period-End Balance Sheet Summary

- Raised common dividend for the 24th consecutive year on April 6, 2017
- Debt-to-total market capitalization ratio was 34%
- Total outstanding floating rate debt was $202 million, representing less than 12% of total debt outstanding, or about 4% of total enterprise value
- Unused capacity was $448 million under the Company's $520 million unsecured lines of credit
- Weighted average interest rate was 3.72%
- Weighted average term to maturity was approximately 5.7 years
- Approximately 92% of the Company's consolidated square footage was unencumbered by mortgages
- Interest coverage ratio was 4.22 times for the first quarter of 2017, compared to 4.12 times for the first quarter of 2016

Earnings Guidance for 2017

As a result of the challenging retail environment, the Company is revising its net income, FFO, and AFFO per share guidance for 2017 to the following:

For the year ended December 31, 2017:

	Low Range	High Range
Estimated diluted net income per share	$1.04	$1.09
Noncontrolling interest, depreciation and amortization of real estate assets including noncontrolling interest share and our share of unconsolidated joint ventures	1.36	1.36
Estimated diluted FFO per share	$2.40	$2.45
AFFO adjustments per share	0.00	0.00
Estimated diluted AFFO per share	$2.40	$2.45

This new AFFO per share guidance represents growth of 1.3% to 3.4% over 2016 AFFO per share and includes a $0.06 per share increase in interest expense. Excluding this dilutive impact, the new AFFO per share guidance would represent growth of 3.6% to 5.7%.

Tanger is also revising its guidance for consolidated portfolio Same Center NOI growth to a range of approximately 1.5% to 3.0% excluding the impact of re-merchandising at several of the Company's outlet centers. Including these centers, Tanger is updating its Same Center NOI guidance to a range of approximately 0.5% to 2.0% based on the following factors:

- The primary drivers of the current Same Center NOI growth expectations is attributable to delayed store openings expectations and incremental unexpected store closings relative to the Company's previous forecast. Currently the Company expects average occupancy for the full year to be approximately 96%, compared to actual 2016 average occupancy of 97%.
- To a lesser extent, lease modifications and reduced percentage rents are now reflected in Tanger's current forecast.
- These factors are partially offset by approximately $1 million in incremental operating expense savings not reflected in the Company's previous forecast.

Lease termination fees, which are not included in Same Center NOI, help offset, and may more than offset, the impact of rent loss from expected store closings. The amount and timing of lease termination fees can be volatile and difficult to predict. Tanger's current 2017 guidance is based on $2.3 million of forecasted lease termination fees for the full year, including $1.1 million expected to be recognized during the second quarter. The Company's previous guidance assumed no lease termination fees.

Other key guidance assumptions, all of which are unchanged from Tanger's initial guidance, are as follows:

- Average general and administrative expense of between $11.2 million and $11.7 million per quarter
- 2017 weighted average diluted common shares of approximately 95.7 million for net income and 100.7 million for FFO and AFFO per share
- Does not include the impact of any financing activity, the sale of any outparcels, properties or joint ventures interests, or the acquisition of any properties or joint venture partner interests

<u>Fourth Quarter and Year-End Conference Call</u>

Tanger will host a conference call to discuss its first quarter results for analysts, investors and other interested parties on Tuesday, May 2, 2017, at 10:00 a.m. Eastern Time. To access the conference call, listeners should dial 1-877-277-5113 and provide conference ID # 46671824 to be connected to the Tanger Factory Outlet Centers First

Quarter 2017 Financial Results call. Alternatively, the call will be web cast by SNL IR Solutions and can be accessed at Tanger's web site, investors.tangeroutlets.com. A telephone replay of the call will be available from May 2, 2017 at 1:00 p.m. through May 10, 2017 at 11:59 p.m. by dialing 1-855-859-2056, conference ID # 46671824. An online archive of the web cast will also be available through May 10, 2017.

About Tanger Factory Outlet Centers

Tanger Factory Outlet Centers, Inc. (NYSE:SKT), is a publicly-traded REIT headquartered in Greensboro, North Carolina that operates and owns, or has an ownership interest in, a portfolio of 44 upscale outlet shopping centers and one additional center currently under construction. Tanger's operating properties are located in 22 states coast to coast and in Canada, totaling approximately 15.1 million square feet leased to over 3,100 stores operated by more than 500 different brand name companies. The Company has more than 36 years experience in the outlet industry. Tanger Outlet Centers continue to attract more than 185 million shoppers annually. Tanger is furnishing a Form 8-K with the Securities and Exchange Commission that includes a supplemental information package for the quarter ended March 31, 2017. For more information on Tanger Outlet Centers, call 1-800-4TANGER or visit the Company's web site at www.tangeroutlets.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, Same Center NOI, general and administrative expenses, and the weighted average diluted common shares and units; the strength and stability of the Company's balance sheet; plans and expectations for new developments; projected openings of current developments; total costs to complete construction of outlet centers and the expected average stabilized yield; the impact of the Company's current re-merchandising plans; the impact of the Easter shift on tenant sales, the profitability of the Company's tenants; 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 the Company's regular evaluation of acquisition and disposition opportunities results in any consummated transactions, and whether or not any such consummated transaction results in an increase or decrease in liquidity, net income or funds from operations, 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, 2016.

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

	Three months ended March 31,	
	2017	**2016**
Revenues:		
Base rentals (a)	$ 80,330	$ 72,623
Percentage rentals	1,855	2,150
Expense reimbursements	36,598	33,242
Management, leasing and other services	579	1,121
Other income	2,006	1,669
Total revenues	121,368	110,805
Expenses:		
Property operating	40,387	37,874
General and administrative	11,412	11,565
Abandoned pre-development costs	627	—
Depreciation and amortization	31,294	26,567
Total expenses	83,720	76,006
Operating income	37,648	34,799
Other income (expense):		
Interest expense	(16,487)	(14,884)
Gain on sale of assets and interests in unconsolidated entities	—	4,887
Other non-operating income (expense)	35	316
Income before equity in earnings of unconsolidated joint ventures	21,196	25,118
Equity in earnings of unconsolidated joint ventures	2,318	3,499
Net income	23,514	28,617
Noncontrolling interests in Operating Partnership	(1,178)	(1,444)
Noncontrolling interests in other consolidated partnerships	—	(23)
Net income attributable to Tanger Factory Outlet Centers, Inc.	22,336	27,150
Allocation of earnings to participating securities	(295)	(294)
Net income available to common shareholders of Tanger Factory Outlet Centers, Inc.	$ 22,041	$ 26,856
Basic earnings per common share:		
Net income	$ 0.23	$ 0.28
Diluted earnings per common share:		
Net income	$ 0.23	$ 0.28

a. Includes straight-line rent and market rent adjustments of $1,098 and $1,058 for the three months ended March 31, 2017 and 2016, respectively.

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

	March 31, 2017	December 31, 2016
Assets		
Rental property:		
Land	$ 272,153	$ 272,153
Buildings, improvements and fixtures	2,667,087	2,647,477
Construction in progress	65,461	46,277
	3,004,701	2,965,907
Accumulated depreciation	(839,843)	(814,583)
Total rental property, net	2,164,858	2,151,324
Cash and cash equivalents	7,225	12,222
Investments in unconsolidated joint ventures	127,901	128,104
Deferred lease costs and other intangibles, net	146,965	151,579
Prepaids and other assets	92,821	82,985
Total assets	$ 2,539,770	$ 2,526,214
Liabilities and Equity		
Liabilities		
Debt:		
Senior, unsecured notes, net	$ 1,135,806	$ 1,135,309
Unsecured term loans, net	322,575	322,410
Mortgages payable, net	171,458	172,145
Unsecured lines of credit, net	69,622	58,002
Total debt	1,699,461	1,687,866
Accounts payable and accrued expenses	82,772	78,143
Other liabilities	59,534	54,764
Total liabilities	1,841,767	1,820,773
Commitments and contingencies		
Equity		
Tanger Factory Outlet Centers, Inc.:		
Common shares, $.01 par value, 300,000,000 shares authorized, 96,456,117 and 96,095,891 shares issued and outstanding at March 31, 2017 and December 31, 2016, respectively	965	961
Paid in capital	821,509	820,251
Accumulated distributions in excess of net income	(132,571)	(122,701)
Accumulated other comprehensive loss	(26,632)	(28,295)
Equity attributable to Tanger Factory Outlet Centers, Inc.	663,271	670,216
Equity attributable to noncontrolling interests:		
Noncontrolling interests in Operating Partnership	34,573	35,066
Noncontrolling interests in other consolidated partnerships	159	159
Total equity	698,003	705,441
Total liabilities and equity	$ 2,539,770	$ 2,526,214

TANGER FACTORY OUTLET CENTERS, INC. AND SUBSIDIARIES
CENTER INFORMATION
(Unaudited)

	March 31, 2017	March 31, 2016
Gross leasable area open at end of period (in thousands)-		
Consolidated	12,710	11,527
Partially owned - unconsolidated	2,373	2,779
Outlet centers in operation at end of period -		
Consolidated	36	33
Partially owned - unconsolidated	8	9
States operated in at end of period (1)	22	20
Occupancy at end of period (1), (2)	96.2%	96.6%

(1) Excludes the centers in which we have ownership interests but are held in unconsolidated joint ventures.
(2) Excludes the occupancy rate at our Daytona Beach outlet center which opened during the fourth quarter of 2016 and has not yet stabilized.

NON-GAAP SUPPLEMENTAL MEASURES

Funds From Operations

Funds From Operations ("FFO") is a widely used measure of the operating performance for real estate companies that supplements net income (loss) determined in accordance with GAAP. We determine FFO based on the definition set forth by the National Association of Real Estate Investment Trusts ("NAREIT"), of which we are a member. FFO represents net income (loss) (computed in accordance with GAAP) 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.

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

We present FFO because we consider it an important supplemental measure of our operating performance. In addition, a portion of cash bonus compensation to certain members of management is based on our FFO or Adjusted Funds From Operations ("AFFO"), which is described in the section below. We believe it is useful for investors to have enhanced transparency into how we evaluate our performance and that of our management. In addition, FFO is frequently used by securities analysts, investors and other interested parties in the evaluation of REITs, many of which present FFO when reporting their results. FFO is also widely used by us and others in our industry to evaluate and price potential acquisition candidates. NAREIT has encouraged its member companies to report their FFO as a supplemental, industry-wide standard measure of REIT operating performance.

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

- FFO does not reflect our cash expenditures, or future requirements, for capital expenditures or contractual commitments;
- FFO does not reflect changes in, or cash requirements for, our working capital needs;
- Although depreciation and amortization are non-cash charges, the assets being depreciated and amortized will often have to be replaced in the future, and FFO does not reflect any cash requirements for such replacements;
- FFO, which includes discontinued operations, may not be indicative of our ongoing operations; and
- Other companies in our industry may calculate FFO differently than we do, limiting its usefulness as a comparative measure.

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

Adjusted Funds From Operations

We present AFFO as a supplemental measure of our performance. We define AFFO as FFO further adjusted to eliminate the impact of certain items that we do not consider indicative of our ongoing operating performance. These further adjustments are itemized in the table below. You are encouraged to evaluate these adjustments and the reasons we consider them appropriate for supplemental analysis. In evaluating AFFO you should be aware that in the future we may incur expenses that are the same as or similar to some of the adjustments in this presentation. Our presentation of AFFO should not be construed as an inference that our future results will be unaffected by unusual or non-recurring items.

We present AFFO because we believe it assists investors and analysts in comparing our performance across reporting periods on a consistent basis by excluding items that we do not believe are indicative of our core operating performance. In addition, we believe it is useful for investors to have enhanced transparency into how we evaluate management’s performance and the effectiveness of our business strategies. We use AFFO when certain material, unplanned transactions occur as a factor in evaluating management's performance and to evaluate the effectiveness of our business strategies, and may use AFFO when determining incentive compensation.

AFFO has limitations as an analytical tool. Some of these limitations are:

- AFFO does not reflect our cash expenditures, or future requirements, for capital expenditures or contractual commitments;
- AFFO does not reflect changes in, or cash requirements for, our working capital needs;
- Although depreciation and amortization are non-cash charges, the assets being depreciated and amortized will often have to be replaced in the future, and AFFO does not reflect any cash requirements for such replacements;
- AFFO does not reflect the impact of certain cash charges resulting from matters we consider not to be indicative of our ongoing operations; and
- Other companies in our industry may calculate AFFO differently than we do, limiting its usefulness as a comparative measure.

Because of these limitations, AFFO should not be considered in isolation or as a substitute for performance measures calculated in accordance with GAAP. We compensate for these limitations by relying primarily on our GAAP results and using AFFO only as a supplemental measure.

Portfolio Net Operating Income and Same Center Net Operating Income

We present portfolio net operating income ("Portfolio NOI") and same center net operating income ("Same Center NOI") as supplemental measures of our operating performance. Portfolio NOI represents our property level net operating income which is defined as total operating revenues less property operating expenses and excludes termination fees and non-cash adjustments including straight-line rent, net above and below market rent amortization and gains or losses on the sale of outparcels recognized during the periods presented. We define Same Center NOI as Portfolio NOI for the properties that were operational for the entire portion of both comparable reporting periods and which were not acquired or subject to a material expansion or non-recurring event, such as a natural disaster, during the comparable reporting periods.

We believe Portfolio NOI and Same Center NOI are non-GAAP metrics used by industry analysts, investors and management to measure the operating performance of our properties because they provide performance measures directly related to the revenues and expenses involved in owning and operating real estate assets and provide a perspective not immediately apparent from net income, FFO or AFFO. Because Same Center NOI excludes properties developed, redeveloped, acquired and sold; as well as non-cash adjustments, gains or losses on the sale of outparcels and termination rents; it highlights operating trends such as occupancy levels, rental rates and operating costs on properties that were operational for both comparable periods. Other REITs may use different methodologies for calculating Portfolio NOI and Same Center NOI, and accordingly, our Portfolio NOI and Same Center NOI may not be comparable to other REITs.

Portfolio NOI and Same Center NOI should not be considered alternatives to net income (loss) or as an indicator of our financial performance since they do not reflect the entire operations of our portfolio, nor do they reflect the impact of general and administrative expenses, acquisition-related expenses, interest expense, depreciation and amortization costs, other non-property income and losses, the level of capital expenditures and leasing costs necessary to maintain the operating performance of our properties, or trends in development and construction activities which are significant economic costs and activities that could materially impact our results from operations. Because of these limitations, Portfolio NOI and Same Center NOI should not be viewed in isolation or as a substitute for performance measures calculated in accordance with GAAP. We compensate for these limitations by relying primarily on our GAAP results and using Portfolio NOI and Same Center NOI only as supplemental measures.

TANGER FACTORY OUTLET CENTERS, INC. AND SUBSIDIARIES
RECONCILIATION OF GAAP TO NON-GAAP SUPPLEMENTAL MEASURES
(in thousands, except per share)
(Unaudited)

Below is a reconciliation of net income to FFO and AFFO:

	Three months ended March 31, 2017	Three months ended March 31, 2016
Net income	$ 23,514	$ 28,617
Adjusted for:		
Depreciation and amortization of real estate assets - consolidated	30,855	26,205
Depreciation and amortization of real estate assets - unconsolidated joint ventures	3,838	5,339
Gain on sale of assets and interests in unconsolidated entities	—	(4,887)
FFO	58,207	55,274
FFO attributable to noncontrolling interests in other consolidated partnerships	—	(47)
Allocation of earnings to participating securities	(512)	(569)
FFO available to common shareholders [1]	$ 57,695	$ 54,658
As further adjusted for:		
Director compensation upon termination of service [2]	—	293
Abandoned pre-development costs	627	—
Write-off of debt discount due to repayment of debt prior to maturity[3]	—	882
Impact of above adjustments to the allocation of earnings to participating securities	(5)	(12)
AFFO available to common shareholders [1]	$ 58,317	$ 55,821
FFO available to common shareholders per share - diluted[1]	$ 0.58	$ 0.55
AFFO available to common shareholders per share - diluted[1]	$ 0.58	$ 0.56
Weighted Average Shares		
Basic weighted average common shares	95,245	94,944
Effect of outstanding options and restricted common shares	66	59
Diluted weighted average common shares (for earnings per share computations)	95,311	95,003
Exchangeable operating partnership units	5,028	5,053
Diluted weighted average common shares (for FFO and AFFO per share computations)[1]	100,339	100,056

(1) Assumes the Class A common limited partnership units of the Operating Partnership held by the noncontrolling interests are exchanged for common shares of the Company. Each Class A common limited partnership unit is exchangeable for one of the Company's common shares, subject to certain limitations to preserve the Company's REIT status.
(2) For the three months ended March 31, 2016, represent the accelerated vesting of restricted shares due to the death of a director in February 2016.
(3) Due to the January 28, 2016 early repayment of the $150 million mortgage secured by the Deer Park, New York property, which was scheduled to mature August 30, 2018.

Below is a reconciliation of net income to Portfolio NOI and Same Center NOI for the consolidated portfolio:

	Three months ended March 31, 2017	Three months ended March 31, 2016
Net income	$ 23,514	$ 28,617
Adjusted to exclude:		
Equity in earnings of unconsolidated joint ventures	(2,318)	(3,499)
Interest expense	16,487	14,884
Gain on sale of assets and interests in unconsolidated entities	—	(4,887)
Other non-operating (income) expense	(35)	(316)
Depreciation and amortization	31,294	26,567
Other non-property (income) expenses	311	(97)
Abandoned pre-development costs	627	—
Corporate general and administrative expenses	11,277	11,465
Non-cash adjustments (1)	(963)	(924)
Termination rents	(1,184)	(555)
Portfolio NOI	79,010	71,255
Non-same center NOI (2)	(9,195)	(2,140)
Same Center NOI	$ 69,815	$ 69,115

(1) Non-cash items include straight-line rent, net above and below market rent amortization and gains or losses on outparcel sales.

(2) Excluded from Same Center NOI:

Outlet centers opened:		Outlet centers sold:		Outlet centers acquired:		Expansions:
Daytona Beach	November 2016	Fort Myers	January 2016	Glendale (Westgate)	June 2016	Lancaster (under construction)
				Savannah	August 2016	

Exhibit 99.2

Tanger Factory Outlet Centers, Inc.

Supplemental Operating and Financial Data

March 31, 2017

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, 2016.

This Supplemental Portfolio 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.

Table of Contents

Section

Geographic Diversification

Consolidated Properties

As of March 31, 2017			
State	# of Centers	GLA	% of GLA
South Carolina	5	1,598,790	13 %
New York	2	1,478,780	12 %
Georgia	3	1,121,567	9 %
Pennsylvania	3	849,873	7 %
Michigan	2	671,539	5 %
Texas	2	649,616	5 %
Connecticut	2	601,512	5 %
Delaware	1	557,404	4 %
Alabama	1	556,677	4 %
North Carolina	3	505,123	4 %
New Jersey	1	489,706	4 %
Tennessee	1	448,335	4 %
Ohio	1	411,845	3 %
Arizona	1	407,673	3 %
Florida	1	349,402	3 %
Missouri	1	329,861	3 %
Louisiana	1	321,066	2 %
Mississippi	1	320,337	2 %
Utah	1	319,661	2 %
Iowa	1	276,331	2 %
New Hampshire	1	245,698	2 %
Maryland	1	198,800	2 %
Total	36	12,709,596	100 %

Unconsolidated Joint Venture Properties

	# of Centers	GLA	Ownership %
Charlotte, NC	1	397,844	50.00 %
Columbus, OH	1	355,220	50.00 %
Texas City, TX	1	352,705	50.00 %
Ottawa, ON	1	341,211	50.00 %
National Harbor, MD	1	341,156	50.00 %
Cookstown, ON	1	307,779	50.00 %
Bromont, QC	1	161,307	50.00 %
Saint-Sauveur, QC	1	115,771	50.00 %
Total	8	2,372,993	

Property Summary - Occupancy at End of Each Period Shown

Consolidated properties						
Location	Total GLA 3/31/17	% Occupied 3/31/17	% Occupied 12/31/16	% Occupied 9/30/16	% Occupied 6/30/16	% Occupied 3/31/16
Deer Park, NY	749,074	96%	97%	97%	96%	96%
Riverhead, NY	729,706	98%	99%	99%	99%	99%
Rehoboth Beach, DE	557,404	98%	99%	99%	100%	99%
Foley, AL	556,677	99%	99%	97%	96%	94%
Atlantic City, NJ	489,706	89%	90%	90%	92%	91%
San Marcos, TX	471,816	96%	98%	97%	98%	98%
Sevierville, TN	448,335	100%	100%	100%	99%	100%
Savannah, GA	429,089	97%	99%	99%	N/A	N/A
Myrtle Beach Hwy 501, SC	425,247	95%	98%	97%	97%	96%
Jeffersonville, OH	411,845	89%	96%	96%	98%	98%
Glendale, AZ (Westgate)	407,673	96%	100%	99%	97%	N/A
Myrtle Beach Hwy 17, SC	403,192	97%	98%	99%	100%	98%
Charleston, SC	382,117	97%	97%	98%	98%	98%
Pittsburgh, PA	372,958	99%	99%	100%	100%	100%
Commerce, GA	371,408	97%	100%	99%	99%	94%
Grand Rapids, MI	357,080	95%	97%	96%	94%	94%
Daytona Beach, FL	349,402	96%	94%	N/A	N/A	N/A
Branson, MO	329,861	100%	100%	99%	100%	100%
Locust Grove, GA	321,070	98%	100%	100%	100%	100%
Gonzales, LA	321,066	100%	99%	99%	98%	98%
Southaven, MS	320,337	96%	97%	96%	96%	97%
Park City, UT	319,661	97%	100%	98%	97%	98%
Mebane, NC	318,910	98%	100%	100%	97%	98%
Howell, MI	314,459	90%	94%	92%	92%	92%
Mashantucket, CT (Foxwoods)	311,614	94%	96%	96%	96%	96%
Westbrook, CT	289,898	90%	86%	87%	87%	92%
Williamsburg, IA	276,331	98%	99%	99%	97%	95%
Hershey, PA	247,500	99%	100%	100%	100%	99%
Tilton, NH	245,698	96%	99%	100%	97%	97%
Lancaster, PA	229,415	95%	98%	96%	97%	97%
Hilton Head II, SC	206,564	100%	100%	98%	94%	95%
Ocean City, MD	198,800	82%	80%	77%	81%	79%
Hilton Head I, SC	181,670	100%	100%	100%	97%	97%
Terrell, TX	177,800	96%	98%	98%	98%	98%
Blowing Rock, NC	104,052	98%	98%	98%	99%	100%
Nags Head, NC	82,161	96%	96%	100%	100%	97%
Total	12,709,596	96% (1)	98% (2)	97% (3)	97% (4)	97% (4)

(1) Excludes the occupancy rate at our Daytona Beach outlet center which opened during the fourth quarter of 2016 and has not yet stabilized.

(2) Excludes the occupancy rate of centers not yet stabilized (our Foxwoods, Southaven, and Daytona centers, which opened during the second quarter of 2015, fourth quarter of 2015, and fourth quarter of 2016, respectively).

(3) Excludes the occupancy rate of centers not yet stabilized (our Foxwoods, and Southaven centers, which opened during the second quarter and fourth quarter of 2015, respectively).

(4) Excludes the occupancy rate of centers not yet stabilized (Foxwoods, Grand Rapids and Southaven centers which opened during the second, third and fourth quarters of 2015, respectively).

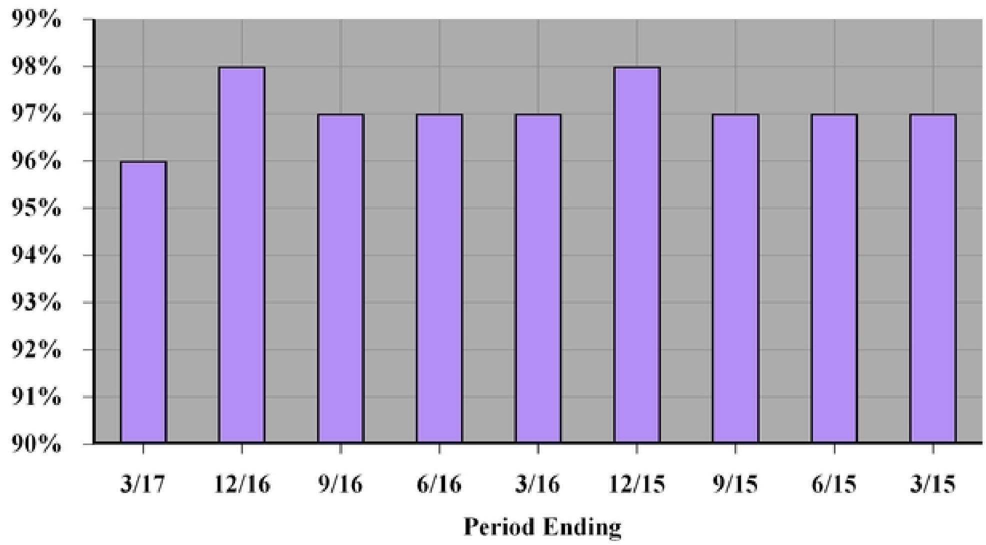
Unconsolidated joint venture properties						
Location	**Total GLA 3/31/17**	**% Occupied 3/31/17**	**% Occupied 12/31/16**	**% Occupied 9/30/16**	**% Occupied 6/30/16**	**% Occupied 3/31/16**
Charlotte, NC	397,844	97%	98%	97%	97%	98%
Columbus, OH	355,220	95%	98%	96%	95%	N/A
Texas City, TX (Galveston/Houston)	352,705	97%	99%	99%	99%	97%
Ottawa, ON	341,211	96%	99%	98%	95%	95%
National Harbor, MD	341,156	96%	99%	99%	98%	99%
Cookstown, ON	307,779	97%	99%	99%	99%	99%
Bromont, QC	161,307	69%	69%	72%	72%	74%
Saint-Sauveur, QC	115,771	93%	97%	94%	97%	97%
Savannah, GA (1)	N/A	N/A	N/A	N/A	99%	99%
Glendale, AZ (Westgate) (2)	N/A	N/A	N/A	N/A	N/A	96%
Total	2,372,993	94% (3)	96% (3)	96% (3)	96% (3)	96%

(1) The Company acquired our partners' interest in the Savannah outlet center in August 2016. The center is now reported above in the section labeled consolidated properties.

(2) The Company acquired our partners' interest in the Westgate outlet center in June 2016. The center is now reported above in the section labeled consolidated properties.

(3) Excludes the occupancy rate at our Columbus center which opened in June 2016 and has not yet stabilized.

Portfolio Occupancy at the End of Each Period (1)



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

Average Tenant Sales Per Square Foot by Outlet Center RankingAs of March 31, 2017[1]

Ranking [2]	12 Months SPSF	Period End Occupancy	Sq Ft (thousands)	% of Square Feet	% of Portfolio NOI [3]
Consolidated Centers					
Centers 1 - 5	$ 518	98 %	2,803	23 %	30 %
Centers 6 - 10	$ 430	97 %	1,691	14 %	16 %
Centers 11 - 15	$ 388	99 %	1,215	10 %	9 %
Centers 16 - 20	$ 351	95 %	2,011	16 %	17 %
Centers 21 - 25	$ 323	96 %	1,932	16 %	13 %
Centers 26 - 30	$ 284	95 %	1,661	13 %	10 %
Centers 31 - 35	$ 254	93 %	1,047	8 %	5 %

Ranking [2]	Cumulative 12 Months SPSF	Cumulative Period End Occupancy	Cumulative Sq Ft (thousands)	Cumulative % of Square Feet	Cumulative % of Portfolio NOI [3]
Consolidated Centers					
Centers 1 - 5	$ 518	98 %	2,803	23 %	30 %
Centers 1 - 10	$ 482	98 %	4,494	37 %	46 %
Centers 1 - 15	$ 461	98 %	5,709	47 %	55 %
Centers 1 - 20	$ 431	97 %	7,720	63 %	72 %
Centers 1 - 25	$ 410	97 %	9,652	79 %	85 %
Centers 1 - 30	$ 391	97 %	11,313	92 %	95 %
Centers 1 - 35	$ 380	96 %	12,360	100 %	100 %
Unconsolidated centers [4]	$ 435	97 %	1,092	n/a	n/a

(1) Sales are based on reports for the trailing 12 months by retailers which have occupied outlet center stores for a minimum of 12 months. Sales per square foot are based on all stores less than 20,000 square feet in size. Centers are ranked by sales per square foot for the twelve months ended March 31, 2017. Excludes outlet centers in Columbus, Ohio (opened in the second quarter of 2016) and Daytona Beach, Florida (opened in the fourth quarter of 2016), which have been open for less than 12 full calendar months.

(2) Outlet centers included in each ranking group above are as follows (in alphabetical order):

Centers 1 - 5:	Deer Park, NY	Mebane, NC	Rehoboth Beach, DE	Riverhead, NY	Sevierville, TN
Centers 6 - 10:	Branson, MO	Glendale (Westgate), AZ	Lancaster, PA	Locust Grove, GA	Myrtle Beach 17, SC
Centers 11 - 15:	Charleston, SC	Gonzales, LA	Hershey, PA	Hilton Head I, SC	Nags Head, NC
Centers 16 - 20:	Atlantic City, NJ	Grand Rapids, MI	Park City, UT	Pittsburgh, PA	San Marcos, TX
Centers 21 - 25:	Foley, AL	Foxwoods (Mashantucket), CT	Howell, MI	Savannah, GA	Southaven (Memphis), MS
Centers 26 - 30:	Commerce, GA	Hilton Head II, SC	Jeffersonville, OH	Myrtle Beach 501, SC	Tilton, NH
Centers 31 - 35:	Blowing Rock, NC	Ocean City, MD	Terrell, TX	Westbrook, CT	Williamsburg, IA

(3) Based on the Company's forecast of 2017 Portfolio NOI (see Non-GAAP Definitions). The Company's forecast is based on management's estimates as of March 31, 2017 and may be considered a forward-looking statement which is 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. For a more detailed discussion of the factors that affect 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, 2016.

(4) Includes domestic outlet centers open 12 full calendar months (in alphabetical order):

Unconsolidated: Charlotte, NC; National Harbor, MD; Texas City, TX

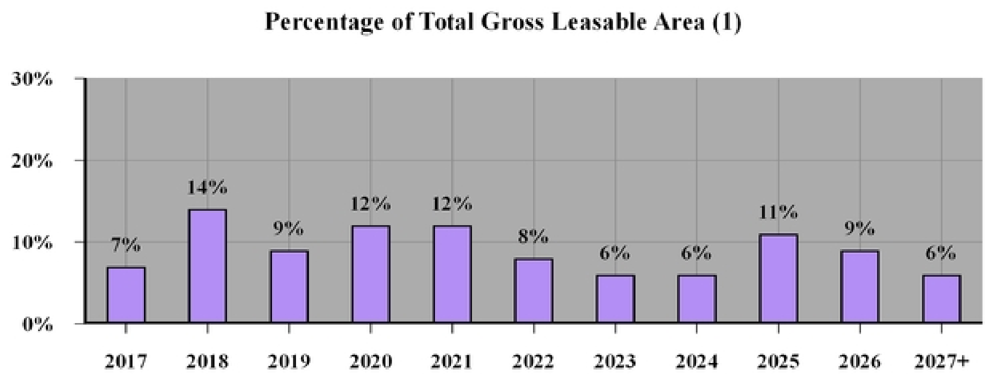
Major Tenants [(1)]

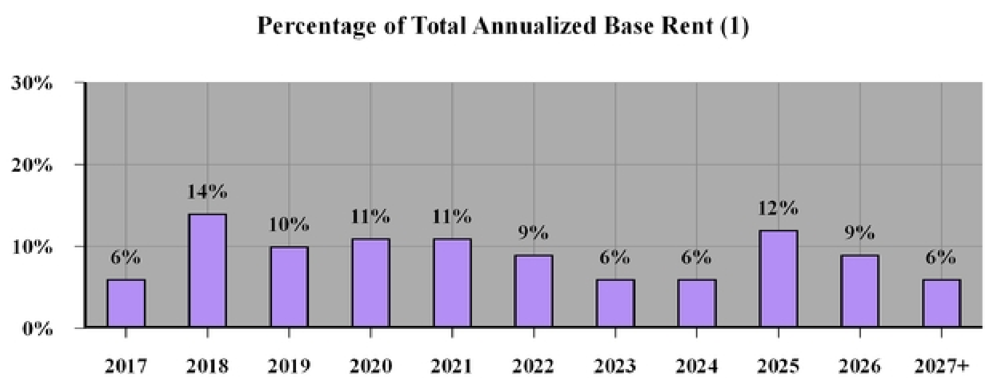
Ten Largest Tenants as of March 31, 2017

Tenant	# of Stores	GLA	% of Total GLA
The Gap, Inc.	92	970,454	7.6%
Ascena Retail Group, Inc.	148	889,970	7.0%
Nike, Inc.	42	440,037	3.5%
PVH Corp.	65	400,292	3.2%
V. F. Corporation	43	387,013	3.0%
Ralph Lauren Corporation	38	365,246	2.9%
G-III Apparel Group, Ltd.	67	312,127	2.4%
H&M Group	14	290,876	2.3%
Carter's, Inc.	62	272,606	2.1%
Under Armour, Inc.	32	245,396	2.0%
Total of All Listed Above	603	4,574,017	36.0%

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

Lease Expirations as of March 31, 2017





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

Leasing Activity [(1)]

	3/31/2017	6/30/2017	9/30/2017	12/31/2017	Year to Date	Prior Year to Date[(2)]
Re-tenanted Space :						
Number of leases	46				46	63
Gross leasable area	283,975				283,975	188,245
New initial base rent per square foot	$ 21.99				$ 21.99	$ 29.80
Prior expiring base rent per square foot	$ 24.09				$ 24.09	$ 25.95
Percent increase (decrease) [(3)]	(8.7)%				(8.7)%	14.8%
New straight line base rent per square foot	$ 23.51				$ 23.51	$ 32.84
Prior straight line base rent per square foot	$ 23.77				$ 23.77	$ 25.19
Percent increase (decrease) [(3)]	(1.1)%				(1.1)%	30.4%
Renewed Space:						
Number of leases	160				160	166
Gross leasable area	729,535				729,535	762,300
New initial base rent per square foot	$ 25.55				$ 25.55	$ 24.69
Prior expiring base rent per square foot	$ 24.41				$ 24.41	$ 22.78
Percent increase	4.7 %				4.7 %	8.4%
New straight line base rent per square foot	$ 26.70				$ 26.70	$ 25.91
Prior straight line base rent per square foot	$ 23.82				$ 23.82	$ 21.96
Percent increase	12.1 %				12.1 %	18.0%
Total Re-tenanted and Renewed Space:						
Number of leases	206				206	229
Gross leasable area	1,013,510				1,013,510	950,545
New initial base rent per square foot	$ 24.55				$ 24.55	$ 25.70
Prior expiring base rent per square foot	$ 24.32				$ 24.32	$ 23.41
Percent increase [(3)]	1.0 %				1.0 %	9.8%
New straight line base rent per square foot	$ 25.81				$ 25.81	$ 27.28
Prior straight line base rent per square foot	$ 23.81				$ 23.81	$ 22.60
Percent increase [(3)]	8.4 %				8.4 %	20.7%

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

(2) All 2016 information excludes the outlet center in Fort Myers, FL, which was sold in January 2016 and includes the Westgate and Savannah outlet centers as we acquired our partners' interests in the centers in June and August 2016, respectively.

(3) Excluding seven leases (137,613 square feet) with an average suite size of approximately 19,700 square feet, 2017 cash and straight-line re-tenanting spreads were 8.0% and 21.4%, respectively and cash and straight-line blended spreads were 5.3% and 13.8%, respectively.

External Growth Pipeline Summary as of March 31, 2017

Project/Market	Projected Opening Date	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 -									
Fort Worth, TX	late October 2017	352	$ 90.2	$ 29.5	100%	$ —	$ —	$ 60.7	9.5% - 10.5%
Total New Developments		352	$ 90.2	$ 29.5		$ —	$ —	$ 60.7	10.0%
Expansions -									
Lancaster, PA	September 2017	123	$ 47.7	$ 18.8	100%	$ —	$ —	$ 28.9	7.5% - 8.5%
Total Expansions		123	$ 47.7	$ 18.8		$ —	$ —	$ 28.9	8.0%
Total Under Construction		475	$ 137.9	$ 48.3		$ —	$ —	$ 89.6	9.3%

(1) Weighted average projected stabilized yield for projects under construction is calculated using the midpoint of the projected stabilized yield disclosed for each project

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, if applicable. 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.

Consolidated Balance Sheets (dollars in thousands)

	3/31/2017	12/31/2016	9/30/2016	6/30/2016	3/31/2016
Assets					
Rental property:					
Land	$ 272,153	$ 272,153	$ 262,240	$ 254,809	$ 235,622
Buildings, improvements and fixtures	2,667,087	2,647,477	2,553,564	2,377,765	2,219,955
Construction in progress	65,461	46,277	92,937	61,038	42,287
	3,004,701	2,965,907	2,908,741	2,693,612	2,497,864
Accumulated depreciation	(839,843)	(814,583)	(792,272)	(769,777)	(749,325)
Total rental property, net	2,164,858	2,151,324	2,116,469	1,923,835	1,748,539
Cash and cash equivalents	7,225	12,222	25,902	27,107	18,877
Restricted cash	—	—	2,936	—	—
Investments in unconsolidated joint ventures	127,901	128,104	170,855	210,486	218,732
Deferred lease costs and other intangibles, net	146,965	151,579	156,496	133,578	123,404
Prepaids and other assets	92,821	82,985	88,261	84,346	81,054
Total assets	$ 2,539,770	$ 2,526,214	$ 2,560,919	$ 2,379,352	$ 2,190,606
Liabilities and Equity					
Liabilities					
Debt:					
Senior, unsecured notes, net	$ 1,135,806	$ 1,135,309	$ 1,037,073	$ 789,991	$ 789,635
Unsecured term loans, net	322,575	322,410	322,195	321,980	258,540
Mortgages payable, net	171,458	172,145	172,647	235,215	167,603
Unsecured lines of credit, net	69,622	58,002	192,731	255,661	259,890
Total debt	1,699,461	1,687,866	1,724,646	1,602,847	1,475,668
Accounts payable and accruals	82,772	78,143	78,542	62,658	67,608
Other liabilities	59,534	54,764	52,079	53,433	31,758
Total liabilities	1,841,767	1,820,773	1,855,267	1,718,938	1,575,034
Commitments and contingencies					
Equity					
Tanger Factory Outlet Centers, Inc.:					
Common shares	965	961	961	960	961
Paid in capital	821,509	820,251	816,464	811,853	808,779
Accumulated distributions in excess of net income	(132,571)	(122,701)	(115,565)	(153,465)	(195,654)
Accumulated other comprehensive loss	(26,632)	(28,295)	(31,618)	(32,090)	(29,814)
Equity attributable to Tanger Factory Outlet Centers, Inc.	663,271	670,216	670,242	627,258	584,272
Equity attributable to noncontrolling interests:					
Noncontrolling interests in Operating Partnership	34,573	35,066	35,250	32,996	30,711
Noncontrolling interests in other consolidated partnerships	159	159	160	160	589
Total equity	698,003	705,441	705,652	660,414	615,572
Total liabilities and equity	$ 2,539,770	$ 2,526,214	$ 2,560,919	$ 2,379,352	$ 2,190,606

Consolidated Statements of Operations (dollars and shares in thousands)

	Three Months Ended					YTD	
	3/31/17	12/31/16	9/30/16	6/30/16	3/31/16	3/31/17	3/31/16
Revenues:							
Base rentals	$ 80,330	$ 81,158	$ 79,569	$ 75,003	$ 72,623	$ 80,330	$ 72,623
Percentage rentals	1,855	3,750	2,995	2,326	2,150	1,855	2,150
Expense reimbursements	36,598	36,697	33,125	30,754	33,242	36,598	33,242
Management, leasing and other services	579	588	806	1,332	1,121	579	1,121
Other income	2,006	2,366	2,642	1,918	1,669	2,006	1,669
Total revenues	121,368	124,559	119,137	111,333	110,805	121,368	110,805
Expenses:							
Property operating	40,387	41,689	37,442	35,012	37,874	40,387	37,874
General and administrative	11,412	11,328	12,128	11,675	11,565	11,412	11,565
Acquisition costs	—	—	487	—	—	—	—
Abandoned pre-development costs	627	—	—	—	—	627	—
Depreciation and amortization	31,294	33,279	29,205	26,306	26,567	31,294	26,567
Total expenses	83,720	86,296	79,262	72,993	76,006	83,720	76,006
Operating income	37,648	38,263	39,875	38,340	34,799	37,648	34,799
Other income/(expense):							
Interest expense	(16,487)	(16,469)	(15,516)	(13,800)	(14,884)	(16,487)	(14,884)
Gain on sale of assets and interests in unconsolidated entities	—	—	1,418	—	4,887	—	4,887
Gain on previously held interest in acquired joint ventures	—	—	46,258	49,258	—	—	—
Other non-operating income (expense)	35	650	24	38	316	35	316
Income before equity in earnings of unconsolidated joint ventures	21,196	22,444	72,059	73,836	25,118	21,196	25,118
Equity in earnings of unconsolidated joint ventures	2,318	3,192	715	3,466	3,499	2,318	3,499
Net income	23,514	25,636	72,774	77,302	28,617	23,514	28,617
Noncontrolling interests in Operating Partnership	(1,178)	(1,278)	(3,668)	(3,897)	(1,444)	(1,178)	(1,444)
Noncontrolling interests in other consolidated partnerships	—	(285)	(2)	12	(23)	—	(23)
Net income attributable to Tanger Factory Outlet Centers, Inc.	22,336	24,073	69,104	73,417	27,150	22,336	27,150
Allocation to participating securities	(295)	(280)	(627)	(725)	(294)	(295)	(294)
Net income available to common shareholders	$ 22,041	$ 23,793	$ 68,477	$ 72,692	$ 26,856	$ 22,041	$ 26,856
Basic earnings per common share:							
Net income	$ 0.23	$ 0.25	$ 0.72	$ 0.76	$ 0.28	$ 0.23	$ 0.28
Diluted earnings per common share:							
Net income	$ 0.23	$ 0.25	$ 0.72	$ 0.76	$ 0.28	$ 0.23	$ 0.28
Weighted average common shares:							
Basic	95,245	95,186	95,156	95,124	94,944	95,245	94,944
Diluted	95,311	95,455	95,672	95,375	95,003	95,311	95,003

Unconsolidated Joint Venture Information

The following table details certain information as of March 31, 2017, except for Net Operating Income ("NOI") which is for the three months ended March 31, 2017, about various unconsolidated real estate joint ventures in which we have an ownership interest (dollars in millions):

Joint Venture	Center Location	Tanger's Ownership %	Square Feet	Tanger's Share of Total Assets	Tanger's Share of NOI	Tanger's Share of Net Debt [(1)]
Charlotte	Charlotte, NC	50.0%	397,844	$ 42.7	$ 1.8	$ 44.8
Columbus	Columbus, OH	50.0%	355,220	50.6	1.3	42.1
Galveston/Houston	Texas City, TX	50.0%	352,705	28.0	1.1	32.5
National Harbor	National Harbor, MD	50.0%	341,156	47.3	1.2	43.1
RioCan Canada [(2)]	Various	50.0%	926,068	123.6	1.9	5.5
Total				$ 292.2	$ 7.3	$ 168.0

(1) Net of debt origination costs and premiums.

(2) Includes a 161,307 square foot center in Bromont, Quebec; a 307,779 square foot center in Cookstown, Ontario; a 341,211 square foot center in Ottawa, Ontario; and a 115,771 square foot center in Saint-Sauveur, Quebec.

Debt Outstanding Summary (dollars in thousands)

As of March 31, 2017				
	Principal Balance	**Stated Interest Rate**	**Effective Interest Rate[(1)]**	**Maturity Date**
Unsecured debt:				
Unsecured lines of credit [(2)]	$ 72,350	LIBOR + 0.90%		10/29/2019
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
2026 Senior unsecured notes	350,000	3.125%	3.193%	9/1/2026
Unsecured term loan	325,000	LIBOR + 0.95%		4/13/2021
Net debt discounts and debt origination costs	(19,347)			
Total unsecured debt	$ 1,528,003			
Secured mortgage debt:				
Atlantic City, NJ	$ 39,733	5.14% - 7.65%	5.05%	11/15/2021 - 12/8/2026
Foxwoods, CT [(3)]	70,250	LIBOR + 1.55%		12/5/2017
Southaven, MS [(4)]	59,277	LIBOR + 1.75%		4/29/2018
Debt premium and debt origination costs	2,198			
Total secured mortgage debt	$ 171,458			
Tanger's share of unconsolidated JV debt:				
Charlotte [(5)]	$ 45,000	LIBOR + 1.45%		11/24/2018
Columbus [(6)]	42,500	LIBOR + 1.65%		11/28/2019
Galveston/Houston [(7)]	32,500	LIBOR + 1.50%		7/1/2017
National Harbor [(8)]	43,500	LIBOR + 1.65%		11/13/2019
RioCan Canada[(9)]	5,258	5.75%	4.18%	5/10/2020
Debt premium and debt origination costs	(725)			
Total Tanger's share of unconsolidated JV debt	$ 168,033			

(1) The effective interest rate excludes interest rate swap agreements that fix the base LIBOR rate at an average of 1.16% on notional amounts aggregating $325.0 million as follows:

(a) Interest rate swaps entered into in October 2013 to hedge our variable interest rate exposure on notional amounts aggregating $150.0 million. These interest rate swap agreements fix the base LIBOR rate at an average of 1.30% through August 14, 2018, and

(b) Interest rate swaps entered into in April 2016 to hedge our variable interest rate exposure on notional amounts aggregating $175.0 million. These interest rate swap agreements fix the base LIBOR rate at an average of 1.03% through January 1, 2021.

(2) 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. A 15 basis point facility fee is due annually on the entire committed amount of each facility. The syndicated credit line may be increased to $1.0 billion through an accordion feature in certain circumstances. The unsecured lines of credit have an expiration date of October 29, 2019 with an option for a one year extension.

(3) Represents a mortgage loan that initially matures on December 5, 2017, withtwo one -year extension options.

(4) Represents a mortgage loan with the ability to borrow up to $60.0 million. The loan initially matures on April 29, 2018, with one two-year extension option. The additional $0.7 million is available to fund the remaining construction costs to complete the center which opened in November 2015.

(5) Represents a mortgage loan that initially matures on November 24, 2018, with one one -year extension option. As of March 31, 2017, the principal balance on the loan was $90.0 million.

(6) Represents a mortgage loan that initially matures on November 28, 2019, with two one-year extension options. As of March 31, 2017, the principal balance on the loan was $85.0 million.

(7) Represents a mortgage loan with the ability to borrow up to $70.0 million with a maturity date of July 1, 2017 and the option to extend the maturity for one additional year. As of March 31, 2017, the principal balance on the loan was $65.0 million. The additional $5.0 million is available for future expansion.

(8) Represents a mortgage loan that matures on November 13, 2019. As of March 31, 2017, the principal balance on the loan was $87.0 million.

(9) Represents the mortgage assumed related to the acquisition of the Saint-Sauveur, Quebec property by the RioCan co-owners in November 2012. The mortgage has a principal balance of $10.5 million and matures on May 10, 2020.

Future Scheduled Principal Payments (dollars in thousands)

As of March 31, 2017			
Year	Tanger Consolidated Payments	Tanger's Share of Unconsolidated JV Payments	Total Scheduled Payments
2017	$ 72,520	$ 32,704	$ 105,224
2018	62,460	45,286	107,746
2019 (1)	75,719	86,303	162,022
2020	303,566	4,465	308,031
2021	330,793	—	330,793
2022	4,436	—	4,436
2023	254,768	—	254,768
2024	255,140	—	255,140
2025	1,501	—	1,501
2026	355,707	—	355,707
	$ 1,716,610	$ 168,758	$ 1,885,368
Net debt discounts and debt origination costs	(17,149)	(725)	(17,874)
	$ 1,699,461	$ 168,033	$ 1,867,494

(1) Includes principal balance of $72.4 million outstanding under the Company's unsecured lines of credit.

Senior Unsecured Notes Financial Covenants (1)

As of March 31, 2017			
	Required	Actual	Compliance
Total Consolidated Debt to Adjusted Total Assets	<60%	50%	Yes
Total Secured Debt to Adjusted Total Assets	<40%	5%	Yes
Total Unencumbered Assets to Unsecured Debt	>150%	191%	Yes
Consolidated Income Available for Debt Service to Annual Debt Service Charge	>1.5	5.10	Yes

(1) 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.

NON-GAAP SUPPLEMENTAL MEASURES

Funds From Operations

Funds From Operations ("FFO") is a widely used measure of the operating performance for real estate companies that supplements net income (loss) determined in accordance with GAAP. We determine FFO based on the definition set forth by the National Association of Real Estate Investment Trusts ("NAREIT"), of which we are a member. FFO represents net income (loss) (computed in accordance with GAAP) 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.

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

We present FFO because we consider it an important supplemental measure of our operating performance. In addition, a portion of cash bonus compensation to certain members of management is based on our FFO or Adjusted Funds From Operations ("AFFO"), which is described in the section below. We believe it is useful for investors to have enhanced transparency into how we evaluate our performance and that of our management. In addition, FFO is frequently used by securities analysts, investors and other interested parties in the evaluation of REITs, many of which present FFO when reporting their results. FFO is also widely used by us and others in our industry to evaluate and price potential acquisition candidates. NAREIT has encouraged its member companies to report their FFO as a supplemental, industry-wide standard measure of REIT operating performance.

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

- FFO does not reflect our cash expenditures, or future requirements, for capital expenditures or contractual commitments;
- FFO does not reflect changes in, or cash requirements for, our working capital needs;
- Although depreciation and amortization are non-cash charges, the assets being depreciated and amortized will often have to be replaced in the future, and FFO does not reflect any cash requirements for such replacements;
- FFO, which includes discontinued operations, may not be indicative of our ongoing operations; and
- Other companies in our industry may calculate FFO differently than we do, limiting its usefulness as a comparative measure.

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

Adjusted Funds From Operations

We present AFFO as a supplemental measure of our performance. We define AFFO as FFO further adjusted to eliminate the impact of certain items that we do not consider indicative of our ongoing operating performance. These further adjustments are itemized in the table below. You are encouraged to evaluate these adjustments and the reasons we consider them appropriate for supplemental analysis. In evaluating AFFO you should be aware that in the future we may incur expenses that are the same as or similar to some of the adjustments in this presentation. Our presentation of AFFO should not be construed as an inference that our future results will be unaffected by unusual or non-recurring items.

We present AFFO because we believe it assists investors and analysts in comparing our performance across reporting periods on a consistent basis by excluding items that we do not believe are indicative of our core operating performance. In addition, we believe it is useful for investors to have enhanced transparency into how we evaluate management's performance and the effectiveness of our business strategies. We use AFFO when certain material, unplanned transactions occur as a factor in evaluating management's performance and to evaluate the effectiveness of our business strategies, and may use AFFO when determining incentive compensation.

AFFO has limitations as an analytical tool. Some of these limitations are:

- AFFO does not reflect our cash expenditures, or future requirements, for capital expenditures or contractual commitments;
- AFFO does not reflect changes in, or cash requirements for, our working capital needs;
- Although depreciation and amortization are non-cash charges, the assets being depreciated and amortized will often have to be replaced in the future, and AFFO does not reflect any cash requirements for such replacements;
- AFFO does not reflect the impact of certain cash charges resulting from matters we consider not to be indicative of our ongoing operations; and
- Other companies in our industry may calculate AFFO differently than we do, limiting its usefulness as a comparative measure.

Because of these limitations, AFFO should not be considered in isolation or as a substitute for performance measures calculated in accordance with GAAP. We compensate for these limitations by relying primarily on our GAAP results and using AFFO only as a supplemental measure.

Funds Available for Distribution

Funds Available for Distribution ("FAD") is a non-GAAP financial measure that we define as FFO, excluding corporate depreciation, amortization of finance costs, amortization of net debt discount (premium), amortization of share-based compensation, straight line rent amounts, market rent amounts, less 2nd generation tenant allowances, capital improvement expenditures, and our share of the items listed above for our unconsolidated joint ventures. Investors, analysts and the Company utilize FAD as an indicator of common dividend potential. The FAD payout ratio, which represents regular distributions to common shareholders and unit holders of the Operating Partnership expressed as a percentage of FAD, facilitates the comparison of dividend coverage between REITs.

We believe that net income (loss) is the most directly comparable GAAP financial measure to FAD. FAD does not represent cash generated from operating activities in accordance with GAAP and should not be considered as an alternative to net income (loss) as an indication of our performance or to cash flows as a measure of liquidity or our ability to make distributions. Other companies in our industry may calculate FAD differently than we do, limiting its usefulness as a comparative measure.

Portfolio Net Operating Income and Same Center Net Operating Income

We present portfolio net operating income ("Portfolio NOI") and same center net operating income ("Same Center NOI") as supplemental measures of our operating performance. Portfolio NOI represents our property level net operating income which is defined as total operating revenues less property operating expenses and excludes termination fees and non-cash adjustments including straight-line rent, net above and below market rent amortization and gains or losses on the sale of outparcels recognized during the periods presented. We define Same Center NOI as Portfolio NOI for the properties that were operational for the entire portion of both comparable reporting periods and which were not acquired, or subject to a material expansion or non-recurring event, such as a natural disaster, during the comparable reporting periods.

We believe Portfolio NOI and Same Center NOI are non-GAAP metrics used by industry analysts, investors and management to measure the operating performance of our properties because they provide performance measures directly related to the revenues and expenses involved in owning and operating real estate assets and provide a perspective not immediately apparent from net income, FFO or AFFO. Because Same Center NOI excludes properties developed, redeveloped, acquired and sold; as well as non-cash adjustments, gains or losses on the sale of outparcels and termination rents; it highlights operating trends such as occupancy levels, rental rates and operating costs on properties that were operational for both comparable periods. Other REITs may use different methodologies for calculating Portfolio NOI and Same Center NOI, and accordingly, our Portfolio NOI and Same Center NOI may not be comparable to other REITs.

Portfolio NOI and Same Center NOI should not be considered alternatives to net income (loss) or as an indicator of our financial performance since they do not reflect the entire operations of our portfolio, nor do they reflect the impact of general and administrative expenses, acquisition-related expenses, interest expense, depreciation and amortization costs, other non-property income and losses, the level of capital expenditures and leasing costs necessary to maintain the operating performance of our properties, or trends in development and construction activities which are significant economic costs and activities that could materially impact our results from operations. Because of these limitations, Portfolio NOI and Same Center NOI should not be viewed in isolation or as a substitute for performance measures calculated in accordance with GAAP. We compensate for these limitations by relying primarily on our GAAP results and using Portfolio NOI and Same Center NOI only as supplemental measures.

Non-GAAP Pro Rata Balance Sheet and Income Statement Information

The pro rata balance sheet and pro rata income statement information is not, and is not intended to be, a presentation in accordance with GAAP. The pro rata balance sheet and pro rata income statement information reflect our proportionate economic ownership of each asset in our portfolio that we do not wholly own. These assets may be found in the table found earlier in this report entitled, “Unconsolidated Joint Venture Information.” The amounts in the column labeled “Pro Rata Portion Unconsolidated Joint Ventures” were derived on a property-by-property basis by applying to each financial statement line item the ownership percentage interest used to arrive at our share of net income or loss during the period when applying the equity method of accounting. A similar calculation was performed for the amounts in the column labeled “Pro Rata Portion Noncontrolling interests.”

We do not control the unconsolidated joint ventures and the presentations of the assets and liabilities and revenues and expenses do not represent our legal claim to such items. The operating agreements of the unconsolidated joint ventures generally provide that partners may receive cash distributions (1) quarterly, to the extent there is available cash from operations, (2) upon a capital event, such as a refinancing or sale or (3) upon liquidation of the venture. The amount of cash each partner receives is based upon specific provisions of each operating agreement and vary depending on factors including the amount of capital contributed by each partner and whether any contributions are entitled to priority distributions. Upon liquidation of the joint venture and after all liabilities, priority distributions and initial equity contributions have been repaid, the partners generally would be entitled to any residual cash remaining based on the legal ownership percentage shown in the table found earlier in this report entitled “Unconsolidated Joint Venture Information”.

We provide pro rata balance sheet and income statement information because we believe it assists investors and analysts in estimating our economic interest in our unconsolidated joint ventures when read in conjunction with the Company’s reported results under GAAP. The presentation of pro rata financial information has limitations as an analytical tool. Some of these limitations include:

- The amounts shown on the individual line items were derived by applying our overall economic ownership interest percentage determined when applying the equity method of accounting and do not necessarily represent our legal claim to the assets and liabilities, or the revenues and expenses; and
- Other companies in our industry may calculate their pro rata interest differently than we do, limiting the usefulness as a comparative measure.

Because of these limitations, the pro rata balance sheet and income statement information should not be considered in isolation or as a substitute for our financial statements as reported under GAAP. We compensate for these limitations by relying primarily on our GAAP results and using the pro rata balance sheet and income statement information only supplementally.

Reconciliation of Net Income to FFO and AFFO (dollars and shares in thousands):

	Three Months Ended					YTD	
	3/31/17	12/31/16	9/30/16	6/30/16	3/31/16	3/31/17	3/31/16
Net income	$ 23,514	$ 25,636	$ 72,774	$ 77,302	$ 28,617	$ 23,514	$ 28,617
Adjusted for:							
Depreciation and amortization of real estate assets - consolidated	30,855	32,653	28,850	25,937	26,205	30,855	26,205
Depreciation and amortization of real estate assets - unconsolidated joint ventures	3,838	3,438	4,325	5,808	5,339	3,838	5,339
Impairment charges - unconsolidated joint ventures	—	—	2,919	—	—	—	—
Gain on sale of assets and interests in unconsolidated entities	—	—	—	—	(4,887)	—	(4,887)
Gain on previously held interest in acquired joint venture	—	—	(46,258)	(49,258)	—	—	—
FFO	58,207	61,727	62,610	59,789	55,274	58,207	55,274
FFO attributable to noncontrolling interests in other consolidated partnerships	—	(286)	(3)	(12)	(47)	—	(47)
Allocation to participating securities	(512)	(520)	(539)	(564)	(569)	(512)	(569)
FFO available to common shareholders (1)	$ 57,695	$ 60,921	$ 62,068	$ 59,213	$ 54,658	$ 57,695	$ 54,658
As further adjusted for:							
Director and officer compensation upon termination of service (2)	—	—	887	—	293	—	293
Abandoned pre-development costs	627	—	—	—	—	627	—
Acquisition costs	—	—	487	—	—	—	—
Demolition costs	—	—	259	182	—	—	—
Gain on sale of outparcel	—	—	(1,418)	—	—	—	—
Write-off of debt discount due to repayment of debt prior to maturity (3)	—	—	—	—	882	—	882
Impact of above adjustments to the allocation of earnings to participating securities	(5)	—	(2)	(1)	(12)	(5)	(12)
AFFO available to common shareholders (1)	$ 58,317	$ 60,921	$ 62,281	$ 59,394	$ 55,821	$ 58,317	$ 55,821
FFO per common share - diluted (1)	$ 0.58	$ 0.61	$ 0.62	$ 0.59	$ 0.55	$ 0.58	$ 0.55
AFFO per common share - diluted (1)	$ 0.58	$ 0.61	$ 0.62	$ 0.59	$ 0.56	$ 0.58	$ 0.56
Weighted Average Shares:							
Basic weighted average common shares	95,245	95,186	95,156	95,124	94,944	95,245	94,944
Effect of notional units	—	202	426	183	—	—	—
Effect of outstanding options and restricted common shares	66	67	90	68	59	66	59
Diluted weighted average common shares (for earnings per share computations)	95,311	95,455	95,672	95,375	95,003	95,311	95,003
Exchangeable operating partnership units	5,028	5,053	5,053	5,053	5,053	5,028	5,053
Diluted weighted average common shares (for FFO and AFFO per share computations) (1)	100,339	100,508	100,725	100,428	100,056	100,339	100,056

Reconciliation of FFO to FAD (dollars and shares in thousands):

	Three Months Ended					YTD	
	3/31/17	12/31/16	9/30/16	6/30/16	3/31/16	3/31/17	3/31/16
FFO available to common shareholders	$ 57,695	$ 60,921	$ 62,068	$ 59,213	$ 54,658	$ 57,695	$ 54,658
Adjusted for:							
Corporate depreciation excluded above	439	626	355	369	362	439	362
Amortization of finance costs	878	887	845	761	744	878	744
Amortization of net debt discount (premium)	125	130	84	117	959	125	959
Amortization of share-based compensation	3,292	3,504	4,160	3,654	4,001	3,292	4,001
Straight line rent adjustment	(1,705)	(1,910)	(1,772)	(1,713)	(1,607)	(1,705)	(1,607)
Market rent adjustment	722	1,215	783	641	663	722	663
2nd generation tenant allowances	(3,379)	(4,345)	(2,487)	(2,804)	(1,671)	(3,379)	(1,671)
Capital improvements	(5,910)	(7,300)	(11,290)	(8,391)	(3,043)	(5,910)	(3,043)
Adjustments from unconsolidated joint ventures	(524)	(621)	(693)	(504)	(384)	(524)	(384)
FAD available to common shareholders (1)	$ 51,633	$ 53,107	$ 52,053	$ 51,343	$ 54,682	$ 51,633	$ 54,682
Dividends per share	$ 0.325	$ 0.325	$ 0.325	$ 0.325	$ 0.285	$ 0.325	$ 0.285
FFO payout ratio	56%	53%	52%	55%	52%	56%	52%
FAD payout ratio	64%	61%	63%	64%	52%	64%	52%
Diluted weighted average common shares	100,339	100,508	100,725	100,428	100,056	100,339	100,056

(1) Assumes the Class A common limited partnership units of the Operating Partnership held by the noncontrolling interests are exchanged for common shares of the Company. Each Class A common limited partnership unit is exchangeable for one of the Company's common shares, subject to certain limitations to preserve the Company's REIT status.

(2) Represents cash severance and accelerated vesting of restricted shares associated with the departure of an officer in August 2016 and the accelerated vesting of restricted shares due to the death of a director in February 2016.

(3) Due to the January 28, 2016 early repayment of the $150 million mortgage secured by the Deer Park, New York property, which was scheduled to mature August 30, 2018.

Reconciliation of Net Income to Portfolio NOI and Same Center NOI for the consolidated portfolio (in thousands):

	Three months ended March 31, 2017	Three months ended March 31, 2016
Net income	$ 23,514	$ 28,617
Adjusted to exclude:		
Equity in earnings of unconsolidated joint ventures	(2,318)	(3,499)
Interest expense	16,487	14,884
Gain on sale of assets and interests in unconsolidated entities	—	(4,887)
Other non-operating (income) expense	(35)	(316)
Depreciation and amortization	31,294	26,567
Other non-property (income) expenses	311	(97)
Abandoned pre-development costs	627	—
Corporate general and administrative expenses	11,277	11,465
Non-cash adjustments [(1)]	(963)	(924)
Termination rents	(1,184)	(555)
Portfolio NOI	79,010	71,255
Non-same center NOI [(2)]	(9,195)	(2,140)
Same Center NOI	$ 69,815	$ 69,115

(1) Non-cash items include straight-line rent, above and below market rent amortization and gains or losses on outparcel sales.

(2) Excluded from Same Center NOI:

Outlet centers opened:		Outlet centers sold:		Outlet centers acquired:		Expansions:
Daytona Beach	November 2016	Fort Myers	January 2016	Glendale (Westgate)	June 2016	Lancaster (under construction)
				Savannah	August 2016	

Non-GAAP Pro Rata Balance Sheet Information as of March 31, 2017 (dollars in thousands)

	Non-GAAP Pro Rata Information	
	Pro Rata Portion Noncontrolling Interests	**Pro Rata Portion Unconsolidated Joint Ventures [1]**
Assets		
Rental property:		
Land	$ —	$ 44,758
Buildings, improvements and fixtures	(159)	256,147
Construction in progress	—	3,609
	(159)	304,514
Accumulated depreciation	—	(36,716)
Total rental property, net	(159)	267,798
Cash and cash equivalents	—	10,304
Deferred lease costs and other intangibles, net	—	6,306
Prepaids and other assets	—	7,822
Total assets	$ (159)	$ 292,230
Liabilities and Owners' Equity		
Liabilities		
Mortgages payable, net	$ —	$ 168,033
Accounts payable and accruals	—	7,057
Total liabilities	—	175,090
Owners' equity	(159)	117,140
Total liabilities and owners' equity	$ (159)	$ 292,230

(1) The carrying value of our investments in unconsolidated joint ventures as reported in our Consolidated Balance Sheet differs from our pro rata share of the net assets shown above due to adjustments to the book basis, including intercompany profits on sales of services that are capitalized by the unconsolidated joint ventures. The differences in basis totaled $3.6 million as of March 31, 2017 and are being amortized over the various useful lives of the related assets.

Non-GAAP Pro Rata Statement of Operations Information year to date March 31, 2017 (dollars in thousands)

	Non-GAAP Pro Rata Information	
	Pro Rata Portion Noncontrolling Interests	Pro Rata Portion Unconsolidated Joint Ventures
Revenues:		
Base rentals	$ —	$ 6,803
Percentage rentals	—	768
Expense reimbursements	—	4,278
Other income	—	182
Total revenues	—	12,031
Expense:		
Property operating	—	4,689
General and administrative	—	60
Depreciation and amortization	—	3,836
Total expenses	—	8,585
Operating income	—	3,446
Other income/(expense):		
Interest expense	—	(1,130)
Other nonoperating income (expense)	—	2
Net income	$ —	$ 2,318

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.

Tanger Factory Outlet Centers, Inc.
Investor Relations
Phone: (336) 834-6892
Fax: (336) 297-0931
e-mail: tangerir@tangeroutlet.com
Mail: Tanger Factory Outlet Centers, Inc.
3200 Northline Avenue
Suite 360
Greensboro, NC 27408