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): August 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 August 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 June 30, 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 August 1, 2017, the Company made publicly available on its website, www.tangeroutlet.com, certain supplemental operating and financial information for the quarter ended June 30, 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 June 30, 2017.
Exhibit 99.2	Supplemental operating and financial information of the Company as of and for the quarter ended June 30, 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: August 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 June 30, 2017.
99.2	Supplemental operating and financial information of the Company as of and for the quarter ended June 30, 2017.

EXHIBIT 99.1

News Release

TANGER REPORTS SECOND QUARTER 2017 RESULTS

Consolidated Portfolio Average Tenant Sales Increased 1.2% for the Quarter

Consolidated Portfolio Occupancy was 96.1%

Greensboro, NC, August 1, 2017, Tanger Factory Outlet Centers, Inc. (NYSE:SKT) today reported financial and operating results for the three and six months ended June 30, 2017.

Financial Results

- For the second quarter of 2017, net income was $0.31 per common share, or $29.1 million, compared to $0.76 per common share, or $72.7 million, for the second quarter of 2016. Net income was positively impacted in both periods by gains on the sale of assets or the acquisition of interests in previously held joint ventures. These gains totaled $0.07 per common share, or $6.9 million, during the second quarter of 2017 and $0.52 per common share, or $49.3 million, during the second quarter of 2016.
- For the six months ended June 30, 2017, net income was $0.54 per common share, or $51.1 million, compared to $1.05 per common share, or $99.5 million, for the six months ended June 30, 2016. Net income was positively impacted in both periods by gains on the sale of assets or the acquisition of interests in previously held joint ventures. These gains totaled $0.07 per common share, or $6.9 million, during the six months ended June 30, 2017 and $0.57 per common share, or $54.1 million, during the six months ended June 30, 2016.
- Funds from operations ("FFO") was $0.59 per common share for both the second quarter of 2017 ($59.4 million) and second quarter of 2016 ($59.2 million).
- During the six months ended June 30, 2017, FFO increased 2.6% to $1.17 per common share, or $117.1 million, from $1.14 per common share, or $113.9 million, for the six months ended June 30, 2016.
- Adjusted funds from operations ("AFFO"), which excludes certain items that we do not consider indicative of our ongoing operating performance, was $0.59 per common share, or $59.4 million, for the second quarters of both 2017 and 2016.
- For the six months ended June 30, 2017, AFFO increased 1.7% to $1.17 per common share, or $117.7 million, from $1.15 per common share, or $115.2 million, for the six months ended June 30, 2016.
- FFO and AFFO, which do not include the gains that positively impacted 2017 and 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. Complete reconciliations containing adjustments from GAAP net income to FFO, and AFFO are included in this release. Net income, FFO and AFFO per share are on a diluted basis.

"We have worked diligently improving the quality of our portfolio by re-merchandising 6 centers, strengthening our fortress balance sheet by successfully completing a $300 million bond offering, and continuing our AFFO growth during this challenging period for retailers. During the second quarter, we sold the least productive asset in our portfolio and invested the proceeds to buy back 1.5 million of our common shares, which offset the dilutive impact of the property sale on AFFO. Subsequent to quarter end, we completed a $300 million, ten-year bond offering with a 3.875% coupon, the proceeds of which will be used for the early redemption of $300 million of 6.125% bonds that mature June 1, 2020. This financing will increase AFFO by $0.06 per share annualized, or about $0.015 per share in the second half of 2017. In addition, it will extend our weighted average term to maturity to 6.7 years, reduce our weighted average interest rate by more than 40 basis points to 3.31%, and increase our cash flow by over $6 million annually," commented Steven B. Tanger, Chief Executive Officer.

"Outlets remain a very important and profitable channel of distribution for brand name and designer retailers and manufacturers, as evidenced by our high level of occupancy, 96.1% as of June 30, 2017, and our streak of 55 consecutive quarters of same center net operating income growth. Another indicator of the resiliency of the outlet channel is that if retailers announce plans to close stores, historically, outlets have accounted for a disproportionately small number of those stores compared to other retail formats. Given the outlet channel's appeal with retailers and our fortress balance sheet, we believe Tanger is well-positioned to weather the current headwinds in the retail environment and emerge stronger when the cycle turns positive," he added.

Re-merchandising Activity

Tanger is currently re-merchandising 6 outlet centers. The Company projects a yield of approximately 7% on the $24.3 million planned capital investment for these projects. Enhancing the tenant mix has historically increased shopper traffic, driven demand from additional tenants, increased rent spreads on future renewals and increased overall outlet center productivity. The Company is already beginning to realize some benefit from these projects, with average base rent spreads for 2017 renewals at these properties outpacing those for renewals in the balance of the consolidated portfolio by more than 200 basis points. Re-merchandising efforts at 5 of these centers are expected to be completed by the end of 2017, with the completion for the final center expected in the fourth quarter of 2018.

To date, the Company has executed 8 leases to re-tenant 150,000 square feet in these centers with desirable high-volume retailers. These new stores required the consolidation of 24 storefronts with an average size of 6,200 square feet to create new storefronts with an average size of approximately 18,700 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.

Operating Metrics

- Blended average base rental rates increased 11.7% on 265 leases totaling approximately 1,187,000 square feet renewed or released throughout the consolidated portfolio during the six months ended June 30, 2017, excluding 8 leases in the centers currently undergoing major re-merchandising projects
- Including these 8 leases totaling 150,000 square feet, blended average base rental rates increased 7.9% on 273 leases totaling approximately 1,337,000 square feet renewed or released throughout the consolidated portfolio during the six months ended June 30, 2017
- Consolidated portfolio occupancy rate was 96.1% on June 30, 2017
- Average tenant sales productivity for the consolidated portfolio was $383 per square foot for the twelve months ended June 30, 2017
- Same center tenant sales performance for the three months ended June 30, 2017 increased 1.2% for the consolidated portfolio and increased 1.1% for the overall portfolio, compared to the three months ended June 30, 2016
- Same center tenant sales performance for the twelve months ended June 30, 2017 decreased 2.2% for the consolidated portfolio and decreased 1.2% for the overall portfolio, compared to the twelve months ended June 30, 2016

The Company executed lease renewals during the first six months of 2017 totaling 1,001,000 square feet at an average increase in base rents of 10.1%. Excluding 29 twelve-month renewals that represent about 11% of renewals executed, average base rents increased 12.7%.

Tanger recaptured approximately 142,000 square feet within its consolidated portfolio during the first six months of 2017, including 80,000 square feet during the second quarter, related to bankruptcies and brand-wide restructurings by retailers, compared to approximately 19,000 square feet during the first six months 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. The Company currently expects year-end consolidated portfolio occupancy of approximately 96%.

During the twelve months ended June 30, 2017, three new Tanger Outlets Centers were included in the consolidated portfolio sales metric for the first time. Average tenant sales for the portfolio reflects the dilution of these newly stabilized centers, as the productivity of new centers typically does not initially exceed the average productivity for the remaining portfolio, which is comprised largely of more mature assets. Average tenant sales productivity includes stabilized outlet centers and is 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.

Tanger continues to have the lowest cost of occupancy among all mall REITs and most of the Company's tenants report that outlet stores remain one of their most profitable and important retail distribution channels.

Same Center and Portfolio NOI

- Portfolio net operating income ("Portfolio NOI") for the consolidated portfolio increased 9.5% during the second quarter and increased 10.2% on a year-to-date basis
- Excluding the centers undergoing major re-merchandising projects, same center net operating income ("Same Center NOI") for the consolidated portfolio increased 2.2% during the second quarter and increased 2.3% on a year-to-date basis
- Including these centers, Same Center NOI for the consolidated portfolio increased 0.7% during the second quarter, marking the 55th consecutive quarter of Same Center NOI growth, and increased 0.8% on a year-to-date basis
- For the consolidated portfolio, lease termination fees, which are excluded from Same Center NOI and Portfolio NOI, totaled $1.5 million for the the second quarters of both 2017 and 2016, and totaled $2.6 million and $2.0 million for the respective year-to-date periods. 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, was less than $50,000 for the first half of 2017, but totaled $0.5 million and $1.0 million for the second quarter and first half of 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 the following two wholly-owned development projects expected to be completed in 2017, both of which are currently expected to open approximately 90% leased:

- Lancaster, Pennsylvania - a 123,000 square foot expansion scheduled to open on September 1, 2017
- Fort Worth, Texas - a new 352,000 square foot outlet center scheduled to open on October 27, 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 June 30, 2017, $85.3 million of the Company's expected net capital requirement remained to be funded

Given current market conditions, Tanger currently does not plan to deliver a new outlet center during 2018. However, pre-development and pre-leasing efforts are ongoing for projects in the Company's shadow pipeline of development opportunities. Tanger's long-standing disciplined development approach remains a core business tenet. The Company'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.

On May 17, 2017, Tanger closed on the sale of a 22-year-old non-core outlet center located in Westbrook, Connecticut to a private real estate developer and operator for $40 million, representing a 10.0% capitalization rate. During the quarter, the Company recorded a $6.9 million gain related to the transaction.

Period-End Balance Sheet Summary

- Raised common dividend for the 24th consecutive year on April 6, 2017
- Used asset sale proceeds to repurchase 1.5 million common shares during the quarter at a weighted average price of $26.25 per share for total consideration of $39.3 million, leaving $85.7 million remaining under Tanger's $125.0 million share repurchase authorization, which is valid through May 2019
- Debt-to-total market capitalization ratio was 40%
- Total outstanding floating rate debt was $231 million, representing less than 13% of total debt outstanding, or about 5% of total enterprise value
- Unused capacity was $419 million under the Company's $520 million unsecured lines of credit
- Weighted average interest rate was 3.73%
- Weighted average term to maturity of outstanding debt, including extension options, was approximately 5.6 years
- Approximately 91% of the Company's consolidated square footage was unencumbered by mortgages
- Interest coverage ratio was 4.30 times for the second quarter of 2017

Subsequent to quarter-end, Tanger completed a public offering on July 3, 2017 of $300 million of 3.875% unsecured senior notes due July 15, 2027. The notes were priced at 99.579% of par to yield 3.926% to maturity, netting proceeds of approximately $295.9 million. The Company intends to use the net offering proceeds and borrowings under its unsecured lines of credit to redeem $300 million of outstanding 6.125% unsecured senior notes dues June 1, 2020. The redemption, which requires payment of a make-whole premium of approximately $34.1 million, is expected to occur August 2, 2017.

Giving effect to the offering and redemption June 30, 2017, the weighted average term to maturity of the Company's outstanding debt, including extensions, will be extended to 6.7 years and the weighted average interest rate will be reduced to 3.31%.

Earnings Guidance for 2017

Tanger is revising its net income, and FFO per share guidance for 2017, primarily to reflect:

- The sale of the Westbrook, Connecticut outlet center, the approximate impact of which is expected to be $0.04 per share accretive to net income and $0.025 per share dilutive to FFO and AFFO
- Common share repurchases, the approximate accretive impact of which is expected to be $0.01 per share to net income and $0.025 per share to FFO and AFFO
- The recent bond offering and the bond redemption, the combined impact of which is expected to be $0.36 per share dilutive to net income, $0.34 per share dilutive to FFO and $0.015 per share accretive to AFFO

For the year ended December 31, 2017:	Low Range	High Range
Estimated diluted net income per share	$0.70	$0.75
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	1.34	1.34
Estimated diluted FFO per share	$2.04	$2.09
AFFO adjustments per share	0.36	0.36
Estimated diluted AFFO per share	$2.40	$2.45

Other key guidance assumptions are as follows:

- Same center net operating income growth between 1.5% and 3.0%, excluding 6 outlet centers undergoing re-merchandising efforts (between 0.5% and 2.0% including these centers)
- Forecasted lease termination fees for the full year of approximately $2.7 million
- Average general and administrative expense of between $11.2 million and $11.7 million per quarter
- Does not include the impact of any additional share repurchases and assumes 2017 weighted average diluted common shares of approximately 94.7 million for net income per share and 99.7 million for FFO and AFFO per share
- Does not include the impact of any additional financing activity, the sale of any outparcels, additional properties or joint ventures interests, or the acquisition of any properties or joint venture partner interests
- Assumes no further bankruptcies are announced and deals reached with tenants that are currently in bankruptcy are ultimately approved by the bankruptcy courts

Second Quarter Conference Call

Tanger will host a conference call to discuss its second quarter results for analysts, investors and other interested parties on Wednesday, August 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 #46672106 to be connected to the Tanger Factory Outlet Centers Second 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 August 2, 2017 at 1:00 p.m. through August 11, 2017 at 11:59 p.m. by dialing 1-855-859-2056, conference ID #46672106. An online archive of the web cast will also be available through August 11, 2017.

About Tanger Factory Outlet Centers, Inc.

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 43 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 14.8 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 188 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 June 30, 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, including opening dates, for new developments and expansions; total costs to complete construction of outlet centers and the expected average stabilized yield; the impact of the Company's current re-merchandising plans including the yield on the planned capital investment; 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, FFO or AFFO, 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.

Contact Information

Cyndi Holt   Jim Williams
VP, Investor Relations   SVP & CFO
336-834-6892   336-834-6800
cyndi.holt@tangeroutlets.com   jim.williams@tangeroutlets.com

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

	Three months ended June 30, 2017	Three months ended June 30, 2016	Six months ended June 30, 2017	Six months ended June 30, 2016
Revenues:				
Base rentals (a)	$ 80,788	$ 75,003	$ 161,118	$ 147,626
Percentage rentals	1,805	2,326	3,660	4,476
Expense reimbursements	34,023	30,754	70,621	63,996
Management, leasing and other services	609	1,332	1,188	2,453
Other income	2,389	1,918	4,395	3,587
Total revenues	119,614	111,333	240,982	222,138
Expenses:				
Property operating	37,116	35,012	77,503	72,886
General and administrative	11,500	11,675	22,912	23,240
Abandoned pre-development costs	—	—	627	—
Depreciation and amortization	32,905	26,306	64,199	52,873
Total expenses	81,521	72,993	165,241	148,999
Operating income	**38,093**	**38,340**	**75,741**	**73,139**
Other income (expense):				
Interest expense	(16,520)	(13,800)	(33,007)	(28,684)
Gain on sale of assets and interests in unconsolidated entities	6,943	—	6,943	4,887
Gain on previously held interest in acquired joint ventures	—	49,258	—	49,258
Other non-operating income (expense)	57	38	92	354
Income before equity in earnings of unconsolidated joint ventures	**28,573**	**73,836**	**49,769**	**98,954**
Equity in earnings of unconsolidated joint ventures	2,374	3,466	4,692	6,965
Net income	**30,947**	**77,302**	**54,461**	**105,919**
Noncontrolling interests in Operating Partnership	(1,557)	(3,897)	(2,735)	(5,341)
Noncontrolling interests in other consolidated partnerships	—	12	—	(11)
Net income attributable to Tanger Factory Outlet Centers, Inc.	**29,390**	**73,417**	**51,726**	**100,567**
Allocation of earnings to participating securities	(306)	(725)	(601)	(1,019)
Net income available to common shareholders of Tanger Factory Outlet Centers, Inc.	**$ 29,084**	**$ 72,692**	**$ 51,125**	**$ 99,548**
Basic earnings per common share:				
Net income	$ 0.31	$ 0.76	$ 0.54	$ 1.05
Diluted earnings per common share:				
Net income	$ 0.31	$ 0.76	$ 0.54	$ 1.04

a. Includes straight-line rent and market rent adjustments of $732 and $1,186 for the three months ended and $1,830 and $2,244 for the six months ended June 30, 2017 and 2016, respectively.

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

	June 30, 2017	December 31, 2016
Assets		
Rental property:		
Land	$ 262,166	$ 272,153
Buildings, improvements and fixtures	2,651,419	2,647,477
Construction in progress	94,490	46,277
	3,008,075	2,965,907
Accumulated depreciation	(849,652)	(814,583)
Total rental property, net	2,158,423	2,151,324
Cash and cash equivalents	8,362	12,222
Investments in unconsolidated joint ventures	131,172	128,104
Deferred lease costs and other intangibles, net	139,675	151,579
Prepaids and other assets	91,861	82,985
Total assets	**$ 2,529,493**	**$ 2,526,214**
Liabilities and Equity		
Liabilities		
Debt:		
Senior, unsecured notes, net	$ 1,136,296	$ 1,135,309
Unsecured term loan, net	322,793	322,410
Mortgages payable, net	171,215	172,145
Unsecured lines of credit, net	98,698	58,002
Total debt	1,729,002	1,687,866
Accounts payable and accrued expenses	71,383	78,143
Other liabilities	67,979	54,764
Total liabilities	**1,868,364**	**1,820,773**
Commitments and contingencies		
Equity		
Tanger Factory Outlet Centers, Inc.:		
Common shares, $.01 par value, 300,000,000 shares authorized, 94,958,136 and 96,095,891 shares issued and outstanding at June 30, 2017 and December 31, 2016, respectively	950	961
Paid in capital	787,255	820,251
Accumulated distributions in excess of net income	(136,225)	(122,701)
Accumulated other comprehensive loss	(24,247)	(28,295)
Equity attributable to Tanger Factory Outlet Centers, Inc.	**627,733**	**670,216**
Equity attributable to noncontrolling interests:		
Noncontrolling interests in Operating Partnership	33,237	35,066
Noncontrolling interests in other consolidated partnerships	159	159
Total equity	**661,129**	**705,441**
Total liabilities and equity	**$ 2,529,493**	**$ 2,526,214**

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

	June 30,	
	2017	2016
Gross leasable area open at end of period (in thousands):		
Consolidated	12,425	11,942
Partially owned - unconsolidated	2,371	2,766
Outlet centers in operation at end of period:		
Consolidated	35	34
Partially owned - unconsolidated	8	9
States operated in at end of period[1]	22	21
Occupancy at end of period[1], [2]	96.1%	96.9%

(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 June 30, 2017	Three months ended June 30, 2016	Six months ended June 30, 2017	Six months ended June 30, 2016
Net income	**$ 30,947**	**$ 77,302**	**$ 54,461**	**$ 105,919**
Adjusted for:				
Depreciation and amortization of real estate assets - consolidated	32,383	25,937	63,238	52,142
Depreciation and amortization of real estate assets - unconsolidated joint ventures	3,550	5,808	7,388	11,147
Gain on sale of assets and interests in unconsolidated entities	(6,943)	—	(6,943)	(4,887)
Gain on previously held interest in acquired joint ventures	—	(49,258)	—	(49,258)
FFO	**59,937**	**59,789**	**118,144**	**115,063**
FFO attributable to noncontrolling interests in other consolidated partnerships	—	(12)	—	(59)
Allocation of earnings to participating securities	(528)	(564)	(1,040)	(1,133)
FFO available to common shareholders [(1)]	**$ 59,409**	**$ 59,213**	**$ 117,104**	**$ 113,871**
As further adjusted for:				
Director compensation upon termination of service [(2)]	—	—	—	293
Abandoned pre-development costs	—	—	627	—
Demolition costs	—	182	—	182
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	—	(1)	(5)	(13)
AFFO available to common shareholders [(1)]	**$ 59,409**	**$ 59,394**	**$ 117,726**	**$ 115,215**
FFO available to common shareholders per share - diluted[(1)]	**$ 0.59**	**$ 0.59**	**$ 1.17**	**$ 1.14**
AFFO available to common shareholders per share - diluted[(1)]	**$ 0.59**	**$ 0.59**	**$ 1.17**	**$ 1.15**
Weighted Average Shares:				
Basic weighted average common shares	95,025	95,124	95,217	95,034
Effect of notional units	—	183	—	167
Effect of outstanding options and restricted common shares	5	68	35	64
Diluted weighted average common shares (for earnings per share computations)	**95,030**	**95,375**	**95,252**	**95,265**
Exchangeable operating partnership units	5,028	5,053	5,028	5,053
Diluted weighted average common shares (for FFO and AFFO per share computations)[(1)]	100,058	100,428	100,280	100,318

(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 six months ended June 30, 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 June 30,		Six months Ended June 30,	
	2017	2016	2017	2016
Net income	$ 30,947	$ 77,302	$ 54,461	$ 105,919
Adjusted to exclude:				
Equity in earnings of unconsolidated joint ventures	(2,374)	(3,466)	(4,692)	(6,965)
Interest expense	16,520	13,800	33,007	28,684
Gain on sale of assets and interests in unconsolidated entities	(6,943)	—	(6,943)	(4,887)
Gain on previously held interest in acquired joint venture	—	(49,258)	—	(49,258)
Other non-operating (income) expense	(57)	(38)	(92)	(354)
Depreciation and amortization	32,905	26,306	64,199	52,873
Other non-property (income) expenses	308	(290)	621	(388)
Abandoned pre-development costs	—	—	627	—
Demolition Costs	—	182	—	182
Corporate general and administrative expenses	11,202	11,448	22,479	22,913
Non-cash adjustments (1)	(596)	(1,050)	(1,561)	(1,972)
Termination rents	(1,450)	(1,487)	(2,633)	(2,042)
Portfolio NOI	**80,462**	**73,449**	**159,473**	**144,705**
Non-same center NOI (2)	(9,585)	(3,054)	(19,830)	(6,194)
Same Center NOI	**$ 70,877**	**$ 70,395**	**$ 139,643**	**$ 138,511**

(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:		Outlet center Expansions:
Daytona Beach	November 2016	Fort Myers	January 2016	Glendale (Westgate)	June 2016	Lancaster (under construction)
		Westbrook	May 2017	Savannah	August 2016	

Exhibit 99.2

Tanger Factory Outlet Centers, Inc.

Supplemental Operating and Financial Data

June 30, 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

Portfolio Data:

Financial Data:

Non-GAAP Supplemental Measures:

Geographic Diversification
As of June 30, 2017
Consolidated Properties

State	# of Centers	GLA	% of GLA
South Carolina	5	1,598,877	13 %
New York	2	1,478,780	12 %
Georgia	3	1,121,904	9 %
Pennsylvania	3	849,873	7 %
Michigan	2	671,539	5 %
Texas	2	649,616	5 %
Delaware	1	557,404	4 %
Alabama	1	556,677	4 %
North Carolina	3	505,080	4 %
New Jersey	1	489,706	4 %
Tennessee	1	448,355	4 %
Ohio	1	411,849	3 %
Arizona	1	407,673	3 %
Florida	1	349,402	3 %
Missouri	1	329,861	3 %
Louisiana	1	321,066	3 %
Mississippi	1	320,337	3 %
Utah	1	319,661	3 %
Connecticut	1	311,614	2 %
Iowa	1	276,331	2 %
New Hampshire	1	250,107	2 %
Maryland	1	198,800	2 %
Total	**35**	**12,424,512**	**100 %**

Unconsolidated Joint Venture Properties

	# of Centers	GLA	Ownership %
Charlotte, NC	1	397,844	50.00 %
Ottawa, ON	1	355,747	50.00 %
Columbus, OH	1	355,220	50.00 %
Texas City, TX	1	352,705	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	99,405	50.00 %
Total	**8**	**2,371,163**	

Property Summary - Occupancy at End of Each Period Shown
Consolidated properties

Location	Total GLA 6/30/17	% Occupied 6/30/17	% Occupied 12/31/16	% Occupied 6/30/16
Deer Park, NY	749,074	94%	97%	96%
Riverhead, NY	729,706	97%	99%	99%
Rehoboth Beach, DE	557,404	99%	99%	100%
Foley, AL	556,677	99%	99%	96%
Atlantic City, NJ	489,706	87%	90%	92%
San Marcos, TX	471,816	95%	98%	98%
Sevierville, TN	448,355	100%	100%	99%
Savannah, GA	429,089	97%	99%	N/A
Myrtle Beach Hwy 501, SC	425,334	93%	98%	97%
Jeffersonville, OH	411,849	94%	96%	98%
Glendale, AZ (Westgate)	407,673	96%	100%	97%
Myrtle Beach Hwy 17, SC	403,192	93%	98%	100%
Charleston, SC	382,117	95%	97%	98%
Pittsburgh, PA	372,958	97%	99%	100%
Commerce, GA	371,408	98%	100%	99%
Grand Rapids, MI	357,080	94%	97%	94%
Daytona Beach, FL	349,402	96%	94%	N/A
Branson, MO	329,861	100%	100%	100%
Locust Grove, GA	321,407	98%	100%	100%
Gonzales, LA	321,066	100%	99%	98%
Southaven, MS	320,337	96%	97%	96%
Park City, UT	319,661	98%	100%	97%
Mebane, NC	318,910	99%	100%	97%
Howell, MI	314,459	97%	94%	92%
Mashantucket, CT (Foxwoods)	311,614	94%	96%	96%
Williamsburg, IA	276,331	97%	99%	97%
Tilton, NH	250,107	96%	99%	97%
Hershey, PA	247,500	100%	100%	100%
Lancaster, PA	229,415	97%	98%	97%
Hilton Head II, SC	206,564	97%	100%	94%
Ocean City, MD	198,800	82%	80%	81%
Hilton Head I, SC	181,670	100%	100%	97%
Terrell, TX	177,800	96%	98%	98%
Blowing Rock, NC	104,009	98%	98%	99%
Nags Head, NC	82,161	100%	96%	100%
Westbrook, CT (1)	N/A	N/A	86%	87%
Total	**12,424,512**	**96%** (2)	**98%** (3)	**97%** (4)

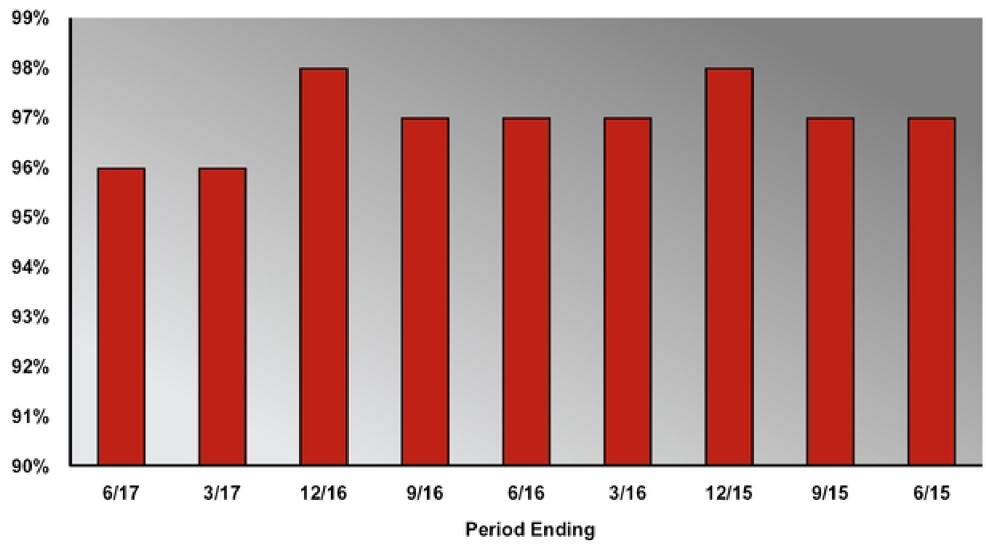
(1) Sold Westbrook outlet center in May 2017.
(2) Excludes the occupancy rate at our Daytona Beach outlet center which opened during the fourth quarter of 2016 and has not yet stabilized.
(3) Excludes the occupancy rate of centers not stabilized (our Foxwoods, Southaven, and Daytona centers, which opened during the second quarter of 2015, fourth quarter of 2015, and fourth quarter of 2016, respectively).
(4) Excludes the occupancy rate of centers not 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 6/30/17	% Occupied 6/30/17	% Occupied 12/31/16	% Occupied 6/30/16
Charlotte, NC	397,844	98%	98%	97%
Ottawa, ON	355,747	90%	99%	95%
Columbus, OH	355,220	93%	98%	95%
Texas City, TX (Galveston/Houston)	352,705	99%	99%	99%
National Harbor, MD	341,156	96%	99%	98%
Cookstown, ON	307,779	96%	99%	99%
Bromont, QC	161,307	69%	69%	72%
Saint-Sauveur, QC	99,405	96%	97%	97%
Savannah, GA (1)	N/A	N/A	N/A	99%
Total	**2,371,163**	**94%** (2)	**96%** (2)	**96%** (2)

(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) Excludes the occupancy rate at our Columbus outlet 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 June 30, 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	$ 520	97 %	2,803	23 %	31%
Centers 6 - 10	$ 429	97 %	1,692	14 %	16%
Centers 11 - 15	$ 390	99 %	1,215	10 %	9%
Centers 16 - 20	$ 354	94 %	2,011	17 %	17%
Centers 21 - 25	$ 320	97 %	1,932	16 %	14%
Centers 26 - 30	$ 285	94 %	1,452	12 %	8%
Centers 31 - 34	$ 263	96 %	970	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	$ 520	97 %	2,803	23 %	31%
Centers 1 - 10	$ 482	97 %	4,495	37 %	47%
Centers 1 - 15	$ 462	97 %	5,710	47 %	56%
Centers 1 - 20	$ 433	96 %	7,721	64 %	73%
Centers 1 - 25	$ 410	97 %	9,653	80 %	87%
Centers 1 - 30	$ 393	96 %	11,105	92 %	95%
Centers 1 - 34	$ 383	96 %	12,075	100 %	100%
Unconsolidated centers (4)	$ 438	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 June 30, 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	Lancaster, PA	Locust Grove, GA	Myrtle Beach 17, SC	Westgate (Glendale), AZ
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	Myrtle Beach 501, SC	Ocean City, MD	Tilton, NH
Centers 31 - 34	Blowing Rock, NC	Jeffersonville, OH	Terrell, TX	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 June 30, 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 (Houston), TX

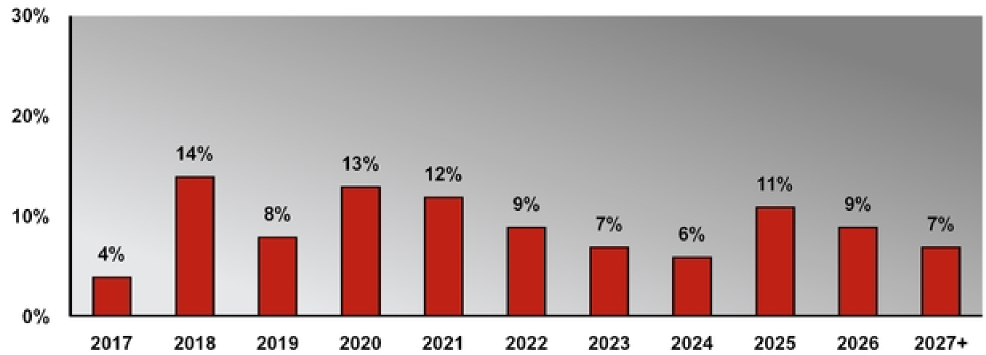
Major Tenants (1)
Ten Largest Tenants as of June 30, 2017

Tenant	# of Stores	GLA	% of Total GLA
The Gap, Inc.	91	956,402	7.7 %
Ascena Retail Group, Inc.	144	862,125	7.0 %
Nike, Inc.	43	452,537	3.7 %
PVH Corp.	65	399,608	3.2 %
Ralph Lauren Corporation	38	365,246	2.9 %
V. F. Corporation	42	353,162	2.8 %
H&M Group	14	290,876	2.3 %
G-III Apparel Group, Ltd.	60	281,610	2.3 %
Carter's, Inc.	60	260,506	2.1 %
Under Armour, Inc.	32	245,396	2.0 %
Total of All Listed Above	**589**	**4,467,468**	**36.0 %**

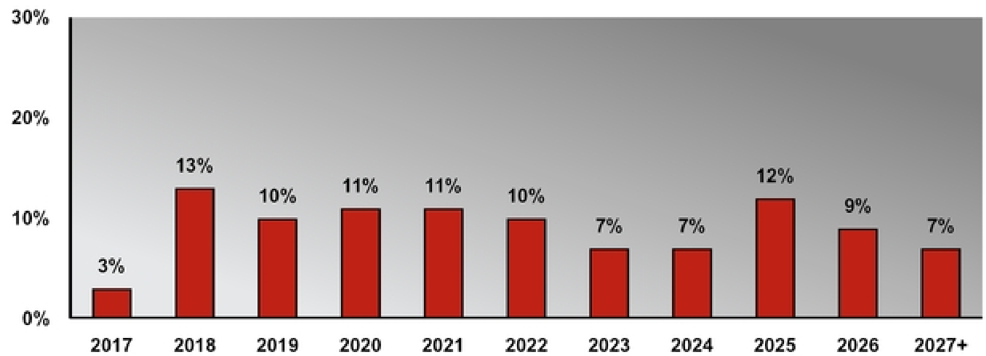
(1) Excludes unconsolidated outlet centers. See table on page 4.

Lease Expirations as of June 30, 2017

Percentage of Total Gross Leasable Area (1)



Percentage of Total Annualized Base Rent (1)



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

Leasing Activity [1]

	3/31/2017	06/30/17	09/30/17	12/31/17	Year to Date[2]	Prior Year to Date[3]
Re-tenanted Space:						
Number of leases	37	17			54	98
Gross leasable area	135,441	50,909			186,350	302,156
New initial base rent per square foot	$ 29.78	$ 34.21			$ 30.99	$ 28.98
Prior expiring base rent per square foot	$ 27.56	$ 33.91			$ 29.29	$ 25.92
Percent increase (decrease)[4]	8.1%	0.9%			5.8%	11.8%
New straight line base rent per square foot	$ 32.71	$ 37.19			$ 33.93	$ 31.97
Prior straight line base rent per square foot	$ 26.96	$ 33.23			$ 28.67	$ 25.00
Percent increase (decrease)[4]	21.3%	11.9%			18.4%	27.9%
Renewed Space:						
Number of leases	155	56			211	200
Gross leasable area	698,896	301,852			1,000,748	934,036
New initial base rent per square foot	$ 25.80	$ 20.25			$ 24.13	$ 24.72
Prior expiring base rent per square foot	$ 24.56	$ 20.15			$ 23.23	$ 22.91
Percent increase	5.0%	0.5%			3.8%	7.9%
New straight line base rent per square foot	$ 26.96	$ 20.66			$ 25.06	$ 25.96
Prior straight line base rent per square foot	$ 24.00	$ 19.88			$ 22.76	$ 22.12
Percent increase	12.3%	3.9%			10.1%	17.4%
Total Re-tenanted and Renewed Space:						
Number of leases	192	73			265	298
Gross leasable area	834,337	352,761			1,187,098	1,236,192
New initial base rent per square foot	$ 26.45	$ 22.26			$ 25.20	$ 25.76
Prior expiring base rent per square foot	$ 25.05	$ 22.13			$ 24.18	$ 23.65
Percent increase [4]	5.6%	0.6%			4.2%	8.9%
New straight line base rent per square foot	$ 27.89	$ 23.04			$ 26.45	$ 27.43
Prior straight line base rent per square foot	$ 24.48	$ 21.80			$ 23.68	$ 22.82
Percent increase [4]	13.9%	5.7%			11.7%	20.2%

(1) Excludes unconsolidated outlet centers. See table on page 4.
(2) All 2017 information excludes the outlet center in Westbrook, CT, which was sold in May 2017.
(3) 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 the Company acquired its partners' interests in the centers in June and August 2016, respectively.
(4) Rent spreads including 8 leases (149,588 square feet) with an average suite size of approximately 18,700 square feet related to re-merchandising projects:

	3/31/2017	06/30/17	09/30/17	12/31/17	Year to Date[2]
Re-tenanted Space:					
Cash basis	(7.6)%	(2.5)%			(6.3)%
Straight-line basis	0.2 %	7.1 %			2.0 %
Total Re-tenanted and Renewed Space:					
Cash basis	1.7 %	(0.3)%			1.2 %
Straight-line basis	9.1 %	4.8 %			7.9 %

External Growth Pipeline Summary as of June 30, 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	10/27/2017	352	$ 90.2	$ 33.1	100%	$ —	$ —	$ 57.1	9.5% - 10.5%
Total New Developments		**352**	**$ 90.2**	**$ 33.1**		**$ —**	**$ —**	**$ 57.1**	**10.0%**
Expansions:									
Lancaster, PA	09/01/17	123	$ 47.7	$ 19.5	100%	$ —	$ —	$ 28.2	7.5% - 8.5%
Total Expansions		**123**	**$ 47.7**	**$ 19.5**		**$ —**	**$ —**	**$ 28.2**	**8.0%**
Total Under Construction		**475**	**$ 137.9**	**$ 52.6**		**$ —**	**$ —**	**$ 85.3**	**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)

	June 30, 2017	December 31, 2016
Assets		
Rental property:		
Land	$ 262,166	$ 272,153
Buildings, improvements and fixtures	2,651,419	2,647,477
Construction in progress	94,490	46,277
	3,008,075	2,965,907
Accumulated depreciation	(849,652)	(814,583)
Total rental property, net	2,158,423	2,151,324
Cash and cash equivalents	8,362	12,222
Investments in unconsolidated joint ventures	131,172	128,104
Deferred lease costs and other intangibles, net	139,675	151,579
Prepaids and other assets	91,861	82,985
Total assets	**$ 2,529,493**	**$ 2,526,214**
Liabilities and Equity		
Liabilities		
Debt:		
Senior, unsecured notes, net	$ 1,136,296	$ 1,135,309
Unsecured term loan, net	322,793	322,410
Mortgages payable, net	171,215	172,145
Unsecured lines of credit, net	98,698	58,002
Total debt	1,729,002	1,687,866
Accounts payable and accrued expenses	71,383	78,143
Other liabilities	67,979	54,764
Total liabilities	**1,868,364**	**1,820,773**
Commitments and contingencies		
Equity		
Tanger Factory Outlet Centers, Inc.:		
Common shares, $.01 par value, 300,000,000 shares authorized, 94,958,136 and 96,095,891 shares issued and outstanding at June 30, 2017 and December 31, 2016, respectively	950	961
Paid in capital	787,255	820,251
Accumulated distributions in excess of net income	(136,225)	(122,701)
Accumulated other comprehensive loss	(24,247)	(28,295)
Equity attributable to Tanger Factory Outlet Centers, Inc.	**627,733**	**670,216**
Equity attributable to noncontrolling interests:		
Noncontrolling interests in Operating Partnership	33,237	35,066
Noncontrolling interests in other consolidated partnerships	159	159
Total equity	**661,129**	**705,441**
Total liabilities and equity	**$ 2,529,493**	**$ 2,526,214**

Consolidated Statements of Operations (in thousands, except per share data)

	Three months ended June 30, 2017	Three months ended June 30, 2016	Six months ended June 30, 2017	Six months ended June 30, 2016
Revenues:				
Base rentals	$ 80,788	$ 75,003	$ 161,118	$ 147,626
Percentage rentals	1,805	2,326	3,660	4,476
Expense reimbursements	34,023	30,754	70,621	63,996
Management, leasing and other services	609	1,332	1,188	2,453
Other income	2,389	1,918	4,395	3,587
Total revenues	119,614	111,333	240,982	222,138
Expenses:				
Property operating	37,116	35,012	77,503	72,886
General and administrative	11,500	11,675	22,912	23,240
Abandoned pre-development costs	—	—	627	—
Depreciation and amortization	32,905	26,306	64,199	52,873
Total expenses	81,521	72,993	165,241	148,999
Operating income	**38,093**	**38,340**	**75,741**	**73,139**
Other income (expense):				
Interest expense	(16,520)	(13,800)	(33,007)	(28,684)
Gain on sale of assets and interests in unconsolidated entities	6,943	—	6,943	4,887
Gain on previously held interest in acquired joint ventures	—	49,258	—	49,258
Other non-operating income (expense)	57	38	92	354
Income before equity in earnings of unconsolidated joint ventures	**28,573**	**73,836**	**49,769**	**98,954**
Equity in earnings of unconsolidated joint ventures	2,374	3,466	4,692	6,965
Net income	**30,947**	**77,302**	**54,461**	**105,919**
Noncontrolling interests in Operating Partnership	(1,557)	(3,897)	(2,735)	(5,341)
Noncontrolling interests in other consolidated partnerships	—	12	—	(11)
Net income attributable to Tanger Factory Outlet Centers, Inc.	**29,390**	**73,417**	**51,726**	**100,567**
Allocation of earnings to participating securities	(306)	(725)	(601)	(1,019)
Net income available to common shareholders of Tanger Factory Outlet Centers, Inc.	**$ 29,084**	**$ 72,692**	**$ 51,125**	**$ 99,548**
Basic earnings per common share:				
Net income	$ 0.31	$ 0.76	$ 0.54	$ 1.05
Diluted earnings per common share:				
Net income	$ 0.31	$ 0.76	$ 0.54	$ 1.04

Unconsolidated Joint Venture Information

The following table details certain information as of June 30, 2017, except for Net Operating Income ("NOI") which is for the six months ended June 30, 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	$ 42.2	$ 3.5	$ 44.9
Columbus	Columbus, OH	50.0%	355,220	50.6	2.7	42.2
Galveston/Houston	Texas City, TX	50.0%	352,705	27.8	2.3	32.5
National Harbor	National Harbor, MD	50.0%	341,156	47.0	2.5	43.1
RioCan Canada (2)	Various	50.0%	924,238	127.3	3.4	5.5
Total			**2,371,163**	**$ 294.9**	**$ 14.4**	**$ 168.2**

(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 355,747 square foot center in Ottawa, Ontario; and a 99,405 square foot center in Saint-Sauveur, Quebec.

Debt Outstanding Summary
As of June 30, 2017
(dollars in thousands)

	Total Debt Outstanding	Our Share of Debt	Stated Interest Rate	End of Period Effective Interest Rate(1)	Maturity Date (2)	Weighted Average Years to Maturity (2)
Consolidated Debt:						
Unsecured debt:						
Unsecured lines of credit(3)	$ 101,155	$ 101,155	LIBOR + 0.90%	2.12 %	10/29/2020	3.3
2020 Senior unsecured notes(4)	300,000	300,000	6.125%	6.22 %	6/1/2020	2.9
2023 Senior unsecured notes	250,000	250,000	3.875%	4.08 %	12/1/2023	6.4
2024 Senior unsecured notes	250,000	250,000	3.75 %	3.82 %	12/1/2024	7.4
2026 Senior unsecured notes	350,000	350,000	3.125 %	3.19 %	9/1/2026	9.2
Unsecured term loan	325,000	325,000	LIBOR + 0.95%	2.11 %	4/13/2021	3.8
Net debt discounts and debt origination costs	(18,368)	(18,368)				
Total net unsecured debt	**1,557,787**	**1,557,787**		**3.77 %**		**5.8**
Secured mortgage debt:						
Atlantic City, NJ	38,988	38,988	5.14% - 7.65%	5.05 %	11/15/2021 - 12/8/2026	7.3
Foxwoods, CT	70,250	70,250	LIBOR + 1.55%	2.77 %	12/5/2019	2.4
Southaven, MS	59,731	59,731	LIBOR + 1.75%	2.97 %	4/29/2020	2.8
Debt premium and debt origination costs	2,246	2,246				
Total net secured mortgage debt	**171,215**	**171,215**		**3.37 %**		**3.7**
Total consolidated debt	**1,729,002**	**1,729,002**		**3.73 %**		**5.6**
Unconsolidated JV debt:						
Charlotte	90,000	45,000	LIBOR + 1.45%	2.67%	11/24/2019	2.4
Columbus	85,000	42,500	LIBOR + 1.65%	2.87%	11/28/2021	4.4
Galveston/Houston(5)	65,000	32,500	LIBOR + 1.50%	2.72%	7/1/2018	1.0
National Harbor	87,000	43,500	LIBOR + 1.65%	2.87%	11/13/2019	2.4
RioCan Canada	10,659	5,330	5.75 %	4.18%	5/10/2020	2.9
Debt premium and debt origination costs	(1,272)	(637)				
Total unconsolidated JV net debt	**336,387**	**168,193**		**2.83 %**		**2.6**
Total	**$ 2,065,389**	**$ 1,897,195**		**3.65 %**		**5.3**

(1) The effective interest rate includes the impact of discounts and premiums and interest rate swap agreements, as applicable, See page 17 for additional details.

(2) Includes applicable extensions available at our option.

(3) 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.

(4) In July 2017, the Company completed a public offering to sell $300.0 million of 3.875% senior notes due 2027 in an underwritten public offering. The notes priced at 99.579% of the principal amount to yield 3.926% to maturity. The outstanding notes pay interest semi-annually at a rate of 3.875% per annum and mature on July 15, 2027. The estimated net proceeds from the offering, after deducting the underwriting discount and offering expenses, were approximately $295.9 million. The Company intends to use the net proceeds from the sale of the notes, together with borrowings under its unsecured lines of credit, to redeem all of its 6.125% senior notes due 2020, approximately $300.0 million in aggregate principal amount outstanding. The senior notes due 2020 are currently redeemable at par plus a “make-whole” premium of approximately $34.1 million. The redemption of the senior notes due 2020 is expected to occur on August 2, 2017.

(5) In July, the joint venture amended and restated the initial construction loan to increase the amount available to borrow from \$70.0 million to \$80.0 million and extended the maturity date until July 2020 with two one-year options. The amended and restated loan also changed the interest rate from LIBOR + 1.50% to an interest rate of LIBOR + 1.65%. At the closing of the amendment, the joint venture distributed approximately \$14.5 million equally between the partners.

Summary of Our Share of Fixed and Variable Rate Debt
As of June 30, 2017
(dollars in thousands)

	Total Debt %	Our Share of Debt	End of Period Effective Interest Rate	Average Years to Maturity (1)
Consolidated:				
Fixed (2)	87%	$ 1,500,693	3.86%	6.0
Variable	13%	228,309	2.88%	2.9
	100%	1,729,002	3.73%	5.6
Unconsolidated Joint ventures:				
Fixed	3%	$ 5,542	4.18%	2.9
Variable	97%	162,651	2.79%	2.6
	100%	168,193	2.83%	2.6
Total:				
Fixed	79%	1,506,235	3.86%	6.0
Variable	21%	390,960	2.84%	2.8
Total share of debt	**100%**	**$ 1,897,195**	**3.65%**	**5.3**

(1) Includes applicable extensions available at our option.

(2) The effective interest rate includes 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.

Future Scheduled Principal Payments (dollars in thousands)
As of June 30, 2017

Year		Tanger Consolidated Payments (1)		Tanger's Share of Unconsolidated JV Payments (1)		Total Scheduled Payments (1)
2017	$	1,525	$	140	$	1,665
2018		3,183		32,794		35,977
2019		133,350		88,811		222,161
2020(2)		404,721		4,585		409,306
2021		330,793		42,500		373,293
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
	$	**1,745,124**	**$**	**168,830**	**$**	**1,913,954**
Net debt discounts and debt origination costs		(16,122)		(637)		(16,759)
	$	**1,729,002**	**$**	**168,193**	**$**	**1,897,195**

(1) Includes applicable extensions available at our option.
(2) Includes principal balance of $101.2 million outstanding under the Company's unsecured lines of credit.

Senior Unsecured Notes Financial Covenants(1)
As of June 30, 2017

	Required	Actual	Compliance
Total Consolidated Debt to Adjusted Total Assets	<60%	51%	Yes
Total Secured Debt to Adjusted Total Assets	<40%	5%	Yes
Total Unencumbered Assets to Unsecured Debt	>150%	186%	Yes
Consolidated Income Available for Debt Service to Annual Debt Service Charge	>1.5	4.93	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 June 30, 2017	Three months ended June 30, 2016	Six months ended June 30, 2017	Six months ended June 30, 2016
Net income	**$ 30,947**	**$ 77,302**	**$ 54,461**	**$ 105,919**
Adjusted for:				
Depreciation and amortization of real estate assets - consolidated	32,383	25,937	63,238	52,142
Depreciation and amortization of real estate assets - unconsolidated joint ventures	3,550	5,808	7,388	11,147
Gain on sale of assets and interests in unconsolidated entities	(6,943)	—	(6,943)	(4,887)
Gain on previously held interest in acquired joint ventures	—	(49,258)	—	(49,258)
FFO	**59,937**	**59,789**	**118,144**	**115,063**
FFO attributable to noncontrolling interests in other consolidated partnerships	—	(12)	—	(59)
Allocation of earnings to participating securities	(528)	(564)	(1,040)	(1,133)
FFO available to common shareholders [1]	**$ 59,409**	**$ 59,213**	**$ 117,104**	**$ 113,871**
As further adjusted for:				
Director compensation upon termination of service [2]	—	—	—	293
Abandoned pre-development costs	—	—	627	—
Demolition costs	—	182	—	182
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	—	(1)	(5)	(13)
AFFO available to common shareholders [1]	**$ 59,409**	**$ 59,394**	**$ 117,726**	**$ 115,215**
FFO available to common shareholders per share - diluted[1]	**$ 0.59**	**$ 0.59**	**$ 1.17**	**$ 1.14**
AFFO available to common shareholders per share - diluted[1]	**$ 0.59**	**$ 0.59**	**$ 1.17**	**$ 1.15**
Weighted Average Shares:				
Basic weighted average common shares	95,025	95,124	95,217	95,034
Effect of notional units	—	183	—	167
Effect of outstanding options and restricted common shares	5	68	35	64
Diluted weighted average common shares (for earnings per share computations)	**95,030**	**95,375**	**95,252**	**95,265**
Exchangeable operating partnership units	5,028	5,053	5,028	5,053
Diluted weighted average common shares (for FFO and AFFO per share computations)[1]	100,058	100,428	100,280	100,318

(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 six months ended June 30, 2016, represents 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 FFO to FAD (dollars and shares in thousands)

	Three months ended June 30, 2017	Three months ended June 30, 2016	Six months ended June 30, 2017	Six months ended June 30, 2016
FFO available to common shareholders	$ 59,409	$ 59,213	$ 117,104	$ 113,871
Adjusted for:				
Corporate depreciation excluded above	522	369	961	731
Amortization of finance costs	871	761	1,749	1,505
Amortization of net debt discount (premium)	120	117	245	1,076
Amortization of share-based compensation	3,504	3,654	6,796	7,655
Straight line rent adjustment	(1,588)	(1,713)	(3,293)	(3,320)
Market rent adjustment	969	641	1,691	1,304
2^{nd} generation tenant allowances	(5,836)	(2,804)	(9,215)	(4,475)
Capital improvements	(15,430)	(8,391)	(21,340)	(11,434)
Adjustments from unconsolidated joint ventures	(619)	(504)	(1,143)	(888)
FAD available to common shareholders (1)	**$ 41,922**	**$ 51,343**	**$ 93,555**	**$ 106,025**
Dividends per share	**$ 0.343**	**$ 0.325**	**$ 0.668**	**$ 0.610**
FFO payout ratio	**58%**	**55%**	**57%**	**54%**
FAD payout ratio	**82%**	**64%**	**72%**	**58%**
Diluted weighted average common shares	**100,058**	**100,428**	**100,280**	**100,318**

(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.

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

	Three months ended June 30, 2017	Three months ended June 30, 2016	Six months Ended June 30, 2017	Six months Ended June 30, 2016
Net income	$ 30,947	$ 77,302	$ 54,461	$ 105,919
Adjusted to exclude:				
Equity in earnings of unconsolidated joint ventures	(2,374)	(3,466)	(4,692)	(6,965)
Interest expense	16,520	13,800	33,007	28,684
Gain on sale of assets and interests in unconsolidated entities	(6,943)	—	(6,943)	(4,887)
Gain on previously held interest in acquired joint venture	—	(49,258)	—	(49,258)
Other non-operating (income) expense	(57)	(38)	(92)	(354)
Depreciation and amortization	32,905	26,306	64,199	52,873
Other non-property (income) expenses	308	(290)	621	(388)
Abandoned pre-development costs	—	—	627	—
Demolition Costs	—	182	—	182
Corporate general and administrative expenses	11,202	11,448	22,479	22,913
Non-cash adjustments (1)	(596)	(1,050)	(1,561)	(1,972)
Termination rents	(1,450)	(1,487)	(2,633)	(2,042)
Portfolio NOI	**80,462**	**73,449**	**159,473**	**144,705**
Non-same center NOI (2)	(9,585)	(3,054)	(19,830)	(6,194)
Same Center NOI	**$ 70,877**	**$ 70,395**	**$ 139,643**	**$ 138,511**

(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:		Outlet center expansions:
Daytona Beach	November 2016	Fort Myers	January 2016	Glendale (Westgate)	June 2016	Lancaster (under construction)
		Westbrook	May 2017	Savannah	August 2016	

Non-GAAP Pro Rata Balance Sheet Information as ofJune 30, 2017 (in thousands)

	Non-GAAP Pro Rata Information	
	Pro Rata Portion Noncontrolling Interests	**Pro Rata Portion Unconsolidated Joint Ventures (1)**
Assets		
Rental property:		
Land	$ —	$ 45,370
Buildings, improvements and fixtures	(159)	260,111
Construction in progress	—	4,240
	(159)	**309,721**
Accumulated depreciation	—	(40,226)
Total rental property, net	**(159)**	**269,495**
Cash and cash equivalents	—	12,305
Deferred lease costs and other intangibles, net	—	6,108
Prepaids and other assets	—	6,971
Total assets	**$ (159)**	**$ 294,879**
Liabilities and Owners' Equity		
Liabilities		
Mortgages payable, net	$ —	$ 168,193
Accounts payable and accruals	—	7,237
Total liabilities	**—**	**175,430**
Owners' equity	**(159)**	**119,449**
Total liabilities and owners' equity	**$ (159)**	**$ 294,879**

(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 $3.7 million as of June 30, 2017 and are being amortized over the various useful lives of the related assets.

Non-GAAP Pro Rata Statement of Operations Informationyear to date June 30, 2017 (in thousands)

	Non-GAAP Pro Rata Information	
	Pro Rata Portion Noncontrolling Interests	Pro Rata Portion Unconsolidated Joint Ventures
Revenues:		
Base rentals	$ —	$ 13,524
Percentage rentals	—	1,424
Expense reimbursements	—	8,406
Other income	—	320
Total revenues	**—**	**23,674**
Expense:		
Property operating	—	9,128
General and administrative	—	108
Depreciation and amortization	—	7,388
Total expenses	**—**	**16,624**
Operating income	—	7,050
Other income/(expense):		
Interest expense	—	(2,360)
Other nonoperating income (expense)	—	2
Net income	**$ —**	**$ 4,692**

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