

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 11, 2020

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, Suite 360, Greensboro, NC 27408

(Address of principal executive offices)

(336) 292-3010

(Registrant's 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))

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

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Shares, \$0.01 par value	SKT	New York Stock Exchange

Indicate by check mark whether the registrant is an emerging growth company 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 11, 2020, 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, 2020. 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 11, 2020, the Company made publicly available on its website, www.tangeroutlet.com, certain supplemental operating and financial information for the quarter ended March 31, 2020. 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:

<u>Exhibit No.</u>	
--------------------	--

99.1	<u>Press release announcing the results of operations and financial condition of the Company as of and for the quarter ended March 31, 2020.</u>
99.2	<u>Supplemental operating and financial information of the Company as of and for the quarter ended March 31, 2020.</u>
104	Cover Page Interactive Data File - the cover page XBRL tags are embedded within the Inline XBRL document

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 11, 2020

TANGER FACTORY OUTLET CENTERS, INC.

By: /s/ James F. Williams

James F. Williams

Executive Vice President, Chief Financial Officer

News Release

TANGER REPORTS FIRST QUARTER RESULTS & PROVIDES COVID-19 UPDATE**\$594.0 Million Cash Balance on April 30, 2020****Consolidated Portfolio Occupancy 94.3% at March 31, 2020**

Greensboro, NC, May 11, 2020, Tanger Factory Outlet Centers, Inc. (NYSE:SKT) today reported financial results for the three months ended March 31, 2020 and operating metrics for the first quarter of 2020 and provided a COVID-19 update.

"During these unprecedented times, the health and well-being of our team members, shoppers, tenants and communities are of utmost importance," said Steven B. Tanger, Chief Executive Officer. "We continue to follow health agency guidelines and to offer our facilities to assist the communities we serve. We are also proud to have kept our dedicated work force employed with their health care benefits intact."

"Liquidity and capital preservation are crucial in times of uncertainty. Due to our disciplined approach, we entered 2020 with one of the strongest balance sheets in our peer group. Our previously-undrawn \$600 million lines of credit provided an important source of liquidity that we believe will sustain our business until there is more clarity regarding the impact of the COVID-19 pandemic."

"Over many economic cycles during the past 39 years, we have shown that in good times people love a bargain and in tough times like these, they need a bargain. Outlet stores remain the ideal distribution channel for retailers to monetize inventory. We are currently working with several retailers with excess inventory due to pandemic-related closures that are interested in opening permanent stores and temporary pop-up stores as soon as possible. The vast majority of Tanger Outlet Centers are open-air shopping destinations, where customers are likely to be more comfortable."

"With an exemplary leadership track record in the outlet industry and extensive retailer relationships, the addition of Steve Yalof as our new President further strengthens our senior management team. His unique perspective of having been both a landlord and a tenant is invaluable as we navigate these extraordinary times," Mr. Tanger added.

First Quarter Results

- Net loss available to common shareholders was \$0.30 per share, or \$27.4 million, compared to net income available to common shareholders of \$0.66 per share, or \$61.7 million, for the prior year period. The current year period was impacted by a non-cash impairment charge totaling \$45.7 million, or \$0.47 per share, related to the Company's outlet center in Manshantucket, CT (Foxwoods). The prior year period is inclusive of a gain on the sale of four outlet centers totaling \$43.4 million, or \$0.44 per share.
- Funds From Operations ("FFO") and Core Funds From Operations ("Core FFO") available to common shareholders were both \$0.50 per share, or \$48.7 million, compared to \$0.57 per share, or \$55.9 million, for the prior year period.

FFO and Core FFO (previously referred to as Adjusted Funds From Operations or AFFO) 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 reconciliation containing adjustments from GAAP net income to FFO and Core FFO, if applicable, are included in this release. Per share amounts for net income (loss), FFO and Core FFO are on a diluted basis.

Balance Sheet and Liquidity

As previously announced, the Company has taken several steps to increase liquidity, preserve financial flexibility and to meet its obligations for a sustained period of time until there is more clarity about the impact of the pandemic. These steps are discussed further below in the COVID-19 Update section.

In light of the importance of preserving liquidity, Tanger drew down substantially all of the capacity under its \$600 million unsecured lines of credit on March 31, 2020 and did not repurchase any common shares during the first quarter of 2020. At the end of April, \$594.0 million of cash remained on the Company's balance sheet.

Other than its unsecured lines of credit, which mature in October of 2021 and may be extended for one additional year, Tanger has no significant debt maturities until December 2023.

As of March 31, 2020:

- The Company remained in compliance with all of its debt covenants
- Weighted average interest rate was 3.1% and weighted average term to maturity of outstanding consolidated debt, including extension options, was approximately 4.5 years

- Approximately 94% of the Company's consolidated square footage was unencumbered by mortgages
- Interest coverage ratio (calculated as Adjusted EBITDA divided by interest expense) was 4.1 times for the first quarter of 2020 and 4.5 times for the trailing twelve months ended March 31, 2020
- Total outstanding floating rate debt was approximately \$611 million, representing approximately 28% of total consolidated debt outstanding or 23% of total enterprise value
- FAD payout ratio was 83% for the first quarter of 2020

Adjusted Earnings Before Interest, Taxes, Depreciation and Amortization ("Adjusted EBITDA") and Funds Available for Distribution ("FAD") are supplemental non-GAAP financial measures of operating performance. Definitions of Adjusted EBITDA and FAD and reconciliations to the nearest comparable GAAP measures are included in this release.

Dividends

Tanger intends to pay the dividend of \$0.3575 per share declared in January 2020 as scheduled on May 15, 2020 to holders of record on April 30, 2020. Going forward, given the current uncertainty related to the pandemic's near and potential long-term impact, the Company's Board of Directors will temporarily suspend dividend distributions to conserve approximately \$35 million in cash per quarter and preserve the Company's balance sheet strength and flexibility. The Board will continue to evaluate the potential for future dividend distributions on a quarterly basis. Tanger intends to remain in compliance with REIT taxable income distribution requirements for the 2020 tax year.

Operating Metrics

The Company's key portfolio results were as follows:

- Consolidated portfolio occupancy rate was 94.3% on March 31, 2020, compared to 97.0% on December 31, 2019 and 95.4% on March 31, 2019
- Blended average rental rates decreased 1.5% on a straight-line basis and 6.7% on a cash basis for all renewals and re-tenanted leases that commenced during the trailing twelve months ended March 31, 2020
- Lease termination fees totaled \$0.2 million for the first quarter of 2020 compared to \$1.1 million for the first quarter of 2019
- Same center net operating income ("Same Center NOI") for the consolidated portfolio decreased 3.7% for the quarter due primarily to the impact of previously anticipated tenant bankruptcies, lease modifications and store closures
- Average tenant sales productivity for the consolidated portfolio was \$387 per square foot for the twelve months ended March 31, 2020, compared to \$391 per square foot in the comparable prior year period and \$405 per square foot for the twelve months ended February 29, 2020
- Same center tenant sales performance for the overall portfolio decreased 0.8% for the twelve months ended March 31, 2020 and increased 4.0% for the twelve months ended February 29, 2020 compared to the comparable prior year periods
- Occupancy cost ratio for the trailing twelve months ended March 31, 2020 was 10.3%

Same Center NOI is a supplemental non-GAAP financial measure of operating performance. A complete definition of Same Center NOI and a reconciliation to the nearest comparable GAAP measure is included in this release.

Leasing Activity

Total commenced leases for the trailing twelve months ended March 31, 2020 that were renewed or re-leased for all terms included 296 leases, totaling approximately 1.3 million square feet.

As of March 31, 2020, Tanger had lease renewals executed or in process for 62.7% of the space in the consolidated portfolio scheduled to expire during 2020 compared to 63.0% of the space scheduled to expire during 2019 that was executed or in process as of March 31, 2019.

Tanger recaptured approximately 332,000 square feet within its consolidated portfolio during the first quarter of 2020 related to bankruptcies and brand-wide restructurings by retailers. During the first quarter of 2019, approximately 82,000 square feet were recaptured.

COVID-19 Update

- **Community Support** - Throughout the crisis, the Company's centers have never closed and have been used for Red Cross blood drives, food collection sites, curbside food pickup and as staging areas for law enforcement and emergency medical services. In an effort to provide a healthy environment for its team members, tenants, shoppers and communities, Tanger has taken measures operationally to comply with CDC and other applicable public health guidelines as retailers begin to reopen their stores in applicable locations. These include frequent cleaning of common areas and other high-touch spaces, the closure of children's play areas and other interactive features, the use of personal protective equipment

by the Company's customer service staff as well as third party maintenance, janitorial and security staff and assistance for retailers with managing social distancing guidelines when lines extend out of stores and into outlet center common areas.

- **Guidance** - Due to limited visibility regarding the duration and magnitude of the pandemic, Tanger previously withdrew its guidance. The Company is not providing updated guidance at this time.
- **Reduction of Cash Outflows** - Steps the Company has taken to help preserve financial flexibility include base salary reductions of 50% for Tanger's CEO, 25% for other named executive officers, and lesser reductions for most other employees, as well as a 25% reduction in cash retainers for the Board of Directors. In addition, the Company reduced or deferred certain operating and general and administrative expenses, and deferred the Nashville pre-development-stage project and certain other planned capital expenditures.
- **Stores Open** - While Tanger's portfolio has remained open, retailers began closing their stores in the Company's portfolio in mid-March and by April 6, 2020, operations at all 39 Tanger Outlet Centers were restricted by order of local and state authorities. At the lowest point, on April 6, 2020, open stores represented 6% of the consolidated portfolio in terms of gross leasable area, or 2% in terms of annualized base rent. As of today, these percentages had improved to 16% and 12%, respectively, as mandates had eased or been lifted in jurisdictions where 20, or 63%, of the centers in Tanger's consolidated portfolio are located. These totals include some stores that are open only for curbside pickup or where maximum store occupancy is restricted by governmental mandates. It remains unclear when mandates will be lifted completely or eased in additional locations.
- **Rent Collections** - In late March, Tanger offered all tenants in its consolidated portfolio the option to defer 100% of April and May rents interest free, payable in equal installments due in January and February of 2021. As expected, due to the deferral offer, April rent receipts represented approximately 12% of the amount billed. While the Company's preference is to work with its tenant partners to reach a financial resolution that positions both parties for long-term growth, it reserves all rights under its lease agreements and will pursue legal remedies to collect rent as appropriate.
- **Ample Liquidity** - Based on Tanger's estimated pre-COVID-19 cash expenditures of approximately \$25 million per month, the Company expects to have sufficient liquidity to meet its obligations, even under its most conservative rent collection scenario of not receiving any rent, for approximately two years (assuming no dividend distributions or debt maturities and the Company remains in compliance with its debt covenants).

Management Succession

As previously announced, Stephen J. Yalof joined the Company on April 10, 2020 as President and Chief Operating Officer. Mr. Yalof was Chief Executive Officer of Simon Premium Outlets and will succeed Steven B. Tanger as Chief Executive Officer in January 2021. At that time, Mr. Tanger will transition to become Executive Chair and David B. Henry, current Non-Executive Chair, will become Lead Independent Director. Mr. Tanger's employment contract was also extended through January 1, 2024.

First Quarter 2020 Conference Call

Tanger will host a conference call to discuss its first quarter 2020 results for analysts, investors and other interested parties on Tuesday, May 12, 2020, at 8:00 a.m. Eastern Time. To access the conference call, listeners should dial 1-888-317-6016 and request to join the Tanger Factory Outlets Centers, Inc. SKT Call. Alternatively, a live audio webcast of this call will be available to the public on Tanger's Investor Relations website, investors.tangeroutlets.com, hosted by S&P Global Market Intelligence. A telephone replay of the call will be available from May 12, 2020 at 11:00 a.m. through May 26, 2020 at 11:59 p.m. by dialing 1-877-344-7529, replay access code # 10142484. An online archive of the webcast will also be available through May 26, 2020.

About Tanger Factory Outlet Centers, Inc.

Tanger Factory Outlet Centers, Inc. (NYSE: SKT), is a publicly-traded REIT headquartered in Greensboro, North Carolina that presently operates and owns, or has an ownership interest in, a portfolio of 39 upscale outlet shopping centers. Tanger's operating properties are located in 20 states and in Canada, totaling approximately 14.3 million square feet, leased to over 2,800 stores which are operated by more than 510 different brand name companies. The Company has more than 39 years of experience in the outlet industry. Tanger Outlet Centers continue to attract more than 181 million visitors 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, 2020. For more information on Tanger Outlet Centers, call 1-800-4TANGER or visit the Company's website at www.tangeroutlets.com.

Safe Harbor Statement

This news release contains certain forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. The Company intends such forward-looking statements to be covered by the safe harbor provisions for forward-looking statements contained in the Private Securities Litigation Reform Act of 1995 and includes this statement for purposes of complying with the safe harbor provisions. Forward-looking statements, which are based on certain assumptions and describe the Company's future plans, strategies and expectations, are generally identifiable by use of the words "believe," "expect," "intend," "anticipate," "estimate," "project," "will," "forecast" or similar expressions, and include the Company's expectations regarding the impact of the COVID-19 pandemic on the Company's business, financial results and financial condition, the Company's estimated remaining months of cash under various rent collection scenarios, the financial condition of the Company's major tenants, its leasing strategy and value proposition to retailers, occupancy and rent concessions, marketing programs, uses of capital, liquidity, dividend payments, cash flows, filling vacant space and share repurchases.

You should not rely on forward-looking statements since they involve known and unknown risks, uncertainties and other important factors which are, in some cases, beyond our control and which could materially affect our actual results, performance or achievements. Important factors which may cause actual results to differ materially from current expectations include, but are not limited to: risks related to the impact of the COVID-19 pandemic on our tenants and on our business, financial condition, liquidity, results of operations and compliance with debt covenants; our inability to develop new outlet centers or expand existing outlet centers successfully; risks related to the economic performance and market value of our outlet centers; the relative illiquidity of real property investments; impairment charges affecting our properties; our dispositions of assets may not achieve anticipated results; competition for the acquisition and development of outlet centers, and our inability to complete outlet centers we have identified; the bankruptcy of one or more of the retailers in our centers; the fact certain of our lease agreements include co-tenancy and/or sales-based provisions that may allow a tenant to pay reduced rent and/or terminate a lease prior to its natural expiration; environmental regulations affecting our business; risks associated with possible terrorist activity or other acts or threats of violence and threats to public safety; our dependence on rental income from real property; our dependence on the results of operations of our retailers; the fact that certain of our properties are subject to ownership interests held by third parties, whose interests may conflict with ours; risks related to uninsured losses; the risk that consumer, travel, shopping and spending habits may change; risks associated with our Canadian investments; risks associated with attracting and retaining key personnel; risks associated with debt financing; risks associated with our guarantees of debt for, or other support we may provide to, joint venture properties; the effectiveness of our interest rate hedging arrangements; uncertainty relating to the potential phasing out of LIBOR; our potential failure to qualify as a REIT; our legal obligation to make distributions to our shareholders; legislative or regulatory actions that could adversely affect our shareholders, including the recent changes in the U.S. federal income taxation of U.S. businesses; our dependence on distributions from the Operating Partnership to meet our financial obligations, including dividends; the risk of a cyber-attack or an act of cyber-terrorism and other important factors set forth under Item 1A - "Risk Factors" in the Company's and the Operating Partnership's Annual Report on Form 10-K for the year ended December 31, 2019, as may be updated or supplemented in the Company's Quarterly Reports on Form 10-Q and the Company's other filings with the SEC. Accordingly, there is no assurance that the Company's expectations will be realized. The Company disclaims any intention or obligation to update the forward-looking statements, whether as a result of new information, future events or otherwise. You are advised to refer to any further disclosures the Company makes or related subjects in the Company's Current Reports on Form 8-K that the Company files with the SEC.

Investor Contact Information

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

Media Contact Information

Quentin Pell
VP, Corporate Communications and Enterprise Risk Management
336-834-6827
quentin.pell@tangeroutlets.com

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

	Three months ended March 31,	
	2020	2019
Revenues:		
Rental revenues	\$ 108,558	\$ 119,954
Management, leasing and other services	1,443	1,342
Other revenues	1,632	1,859
Total revenues	111,633	123,155
Expenses:		
Property operating	38,627	42,377
General and administrative	12,584	12,145
Impairment charge	45,675	—
Depreciation and amortization	29,417	31,760
Total expenses	126,303	86,282
Other income (expense):		
Interest expense	(15,196)	(16,307)
Gain on sale of assets	—	43,422
Other income	220	224
Total other income (expense)	(14,976)	27,339
Income (loss) before equity in earnings of unconsolidated joint ventures	(29,646)	64,212
Equity in earnings of unconsolidated joint ventures	1,527	1,629
Net income (loss)	(28,119)	65,841
Noncontrolling interests in Operating Partnership	1,427	(3,315)
Noncontrolling interests in other consolidated partnerships	(190)	(195)
Net income (loss) attributable to Tanger Factory Outlet Centers, Inc.	(26,882)	62,331
Allocation of earnings to participating securities	(516)	(611)
Net income (loss) available to common shareholders of Tanger Factory Outlet Centers, Inc.	\$ (27,398)	\$ 61,720
Basic earnings per common share:		
Net income (loss)	\$ (0.30)	\$ 0.66
Diluted earnings per common share:		
Net income (loss)	\$ (0.30)	\$ 0.66

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

	March 31, 2020	December 31, 2019
Assets		
Rental property:		
Land	\$ 266,537	\$ 266,537
Buildings, improvements and fixtures	2,564,224	2,630,357
	2,830,761	2,896,894
Accumulated depreciation	(1,007,922)	(1,009,951)
Total rental property, net	1,822,839	1,886,943
Cash and cash equivalents	600,454	16,672
Investments in unconsolidated joint ventures	86,478	94,691
Deferred lease costs and other intangibles, net	97,560	96,712
Operating lease right-of-use assets	83,764	86,575
Prepays and other assets	100,674	103,618
Total assets	\$ 2,791,769	\$ 2,285,211
Liabilities and Equity		
Liabilities		
Debt:		
Senior, unsecured notes, net	\$ 1,139,093	\$ 1,138,603
Unsecured term loan, net	347,531	347,367
Mortgages payable, net	82,856	83,803
Unsecured lines of credit, net	598,074	—
Total debt	2,167,554	1,569,773
Accounts payable and accrued expenses	90,659	79,562
Operating lease liabilities ⁽¹⁾	91,017	91,237
Other liabilities	94,881	88,530
Total liabilities	2,444,111	1,829,102
Commitments and contingencies		
Equity		
Tanger Factory Outlet Centers, Inc.:		
Common shares, \$.01 par value, 300,000,000 shares authorized, 93,076,701 and 92,892,260 shares issued and outstanding at March 31, 2020 and December 31 2019, respectively	931	929
Paid in capital	778,062	775,035
Accumulated distributions in excess of net income	(410,532)	(317,263)
Accumulated other comprehensive loss	(38,228)	(25,495)
Equity attributable to Tanger Factory Outlet Centers, Inc.	330,233	433,206
Equity attributable to noncontrolling interests:		
Noncontrolling interests in Operating Partnership	17,425	22,903
Noncontrolling interests in other consolidated partnerships	—	—
Total equity	347,658	456,109
Total liabilities and equity	\$ 2,791,769	\$ 2,285,211

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

	March 31,	
	2020	2019
Gross leasable area open at end of period (in thousands):		
Consolidated	12,044	12,047
Partially owned - unconsolidated	2,212	2,371
Total ⁽¹⁾	14,257	14,418
Outlet centers in operation at end of period:		
Consolidated	32	32
Partially owned - unconsolidated	7	8
Total	39	40
States operated in at end of period ⁽²⁾	19	19
Occupancy at end of period ⁽²⁾	94.3%	95.4%

(1) Due to rounding, numbers may not add up precisely to the totals provided.

(2) Excludes the centers in which the Company has ownership interests but are held in unconsolidated joint ventures.

NON-GAAP SUPPLEMENTAL MEASURES

Beginning with the three months ended March 31, 2020, we have elected to supplement our disclosure with three additional non-GAAP measures, Adjusted EBITDA, EBITDAre and Adjusted EBITDAre (each as defined below), that are commonly provided in the REIT industry. See "Adjusted EBITDA, EBITDAre and Adjusted EBITDAre" below for more information. We also now refer to Adjusted Funds from Operations ("AFFO") as Core Funds From Operations ("Core FFO"), but there has been no change to the definition of this measure.

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 generally accepted accounting principles in the United States ("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. In December 2018, NAREIT issued "NAREIT Funds From Operations White Paper - 2018 Restatement" which clarifies, where necessary, existing guidance and consolidates alerts and policy bulletins into a single document for ease of use. NAREIT defines FFO as net income/(loss) available to the Company's common shareholders computed in accordance with GAAP, excluding (i) depreciation and amortization related to real estate, (ii) gains or losses from sales of certain real estate assets, (iii) gains and losses from change in control, (iv) impairment write-downs of certain real estate assets and investments in entities when the impairment is directly attributable to decreases in the value of depreciable real estate held by the entity and (v) after adjustments for unconsolidated partnerships and joint ventures calculated to reflect FFO on the same basis.

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 Core FFO, 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. We believe that FFO payout ratio, which represents regular distributions to common shareholders and unit holders of the Operating Partnership expressed as a percentage of FFO, is useful to investors because it facilitates the comparison of dividend coverage between REITs. 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; 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.

Core FFO

If applicable, we present Core FFO (formerly referred to as AFFO) as a supplemental measure of our performance. We define Core FFO 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, if applicable. You are encouraged to evaluate these adjustments and the reasons we consider them appropriate for supplemental analysis. In evaluating Core FFO 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 Core FFO should not be construed as an inference that our future results will be unaffected by unusual or non-recurring items.

We present Core FFO 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 Core FFO 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 Core FFO when determining incentive compensation.

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

- Core FFO does not reflect our cash expenditures, or future requirements, for capital expenditures or contractual commitments;
- Core 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 Core FFO does not reflect any cash requirements for such replacements;

- Core FFO 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 Core FFO differently than we do, limiting its usefulness as a comparative measure.

Because of these limitations, Core FFO 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 Core FFO 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 equity-based compensation, straight-line rent amounts, market rent amounts, second 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, impairment charges and gains or losses on the sale of assets 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 Core FFO. 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.

Adjusted EBITDA, EBITDAre and Adjusted EBITDAre

We present Earnings Before Interest, Taxes, Depreciation and Amortization ("EBITDA") as adjusted for items described below ("Adjusted EBITDA"), EBITDA for Real Estate ("EBITDAre") and Adjusted EBITDAre, all non-GAAP measures, as supplemental measures of our operating performance. Each of these measures is defined as follows:

We define Adjusted EBITDA as net income/(loss) available to the Company's common shareholders computed in accordance with GAAP before interest expense, income taxes, depreciation and amortization, gains and losses on sale of operating properties, gains and losses on change of control, impairment write-downs of depreciated property and of investment in unconsolidated joint ventures caused by a decrease in value of depreciated property in the affiliate, gains and losses on extinguishment of debt, net and other items that we do not consider indicative of the Company's ongoing operating performance.

We determine EBITDAre based on the definition set forth by NAREIT, which is defined as net income/(loss) available to the Company's common shareholders computed in accordance with GAAP before interest expense, income taxes, depreciation and amortization, gains and losses on sale of operating properties, gains and losses on change of control and impairment write-downs of depreciated property and of investment in unconsolidated joint ventures caused by a decrease in value of depreciated property in the affiliate and after adjustments to reflect our share of the EBITDAre of unconsolidated joint ventures.

If applicable, Adjusted EBITDAre is defined as EBITDAre excluding gains and losses on extinguishment of debt, net and other items that that we do not consider indicative of the Company's ongoing operating performance.

We present Adjusted EBITDA, EBITDAre and, if applicable, Adjusted EBITDAre as we believe they are useful for investors, creditors and rating agencies as they provide additional performance measures that are independent of a Company's existing capital structure to facilitate the evaluation and comparison of the Company's operating performance to other REITs and provide a more consistent metric for comparing the operating performance of the Company's real estate between periods.

Adjusted EBITDA, EBITDAre and Adjusted EBITDAre have significant limitations as analytical tools, including:

- They do not reflect our interest expense;
- They do not reflect gains or losses on sales of operating properties or impairment write-downs of depreciated property and of investment in unconsolidated joint ventures caused by a decrease in value of depreciated property in the affiliate;
- Adjusted EBITDA and Adjusted EBITDAre do not reflect gains and losses on extinguishment of debt and other items that may affect operations; and
- Other companies in our industry may calculate these measures differently than we do, limiting its usefulness as a comparative measure.

Because of these limitations, Adjusted EBITDA, EBITDAre and Adjusted EBITDAre 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 Adjusted EBITDA, EBITDAre and Adjusted EBITDAre 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 (Loss) to FFO:

	Three months ended March 31,	
	2020	2019
Net income (loss)	\$ (28,119)	\$ 65,841
Adjusted for:		
Depreciation and amortization of real estate assets - consolidated	28,801	31,148
Depreciation and amortization of real estate assets - unconsolidated joint ventures	3,018	3,130
Impairment charge - consolidated	45,675	—
Gain on sale of assets	—	(43,422)
FFO	49,375	56,697
FFO attributable to noncontrolling interests in other consolidated partnerships	(190)	(195)
Allocation of earnings to participating securities	(516)	(611)
FFO available to common shareholders ⁽¹⁾	\$ 48,669	\$ 55,891
FFO available to common shareholders per share - diluted ⁽¹⁾	\$ 0.50	\$ 0.57

Weighted Average Shares:

Basic weighted average common shares	92,500	93,303
Diluted weighted average common shares (for earnings per share computations)	92,500	93,303
Exchangeable operating partnership units	4,911	4,961
Diluted weighted average common shares (for FFO per share computations) ⁽¹⁾	97,411	98,264

(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.

Below is a reconciliation of FFO to FAD:

	Three months ended	
	March 31,	
	2020	2019
FFO available to common shareholders	\$ 48,669	\$ 55,891
Adjusted for:		
Corporate depreciation excluded above	616	612
Amortization of finance costs	757	747
Amortization of net debt discount (premium)	118	109
Amortization of equity-based compensation	3,789	3,818
Straight-line rent adjustments	(1,872)	(1,970)
Market rent adjustments	362	480
Second generation tenant allowances	(5,729)	(2,974)
Capital improvements	(5,146)	(3,049)
Adjustments from unconsolidated joint ventures	(32)	(406)
FAD available to common shareholders ⁽¹⁾	\$ 41,532	\$ 53,258
Dividends per share	\$ 0.3550	\$ 0.3500
FFO payout ratio	71%	61%
FAD payout ratio	83%	65%
Diluted weighted average common shares ⁽¹⁾	97,411	98,264

(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.

Below is a reconciliation of Net Income (Loss) to Portfolio NOI and Same Center NOI for the consolidated portfolio:

	Three months ended	
	March 31,	
	2020	2019
Net income (loss)	\$ (28,119)	\$ 65,841
Adjusted to exclude:		
Equity in earnings of unconsolidated joint ventures	(1,527)	(1,629)
Interest expense	15,196	16,307
Gain on sale of assets	—	(43,422)
Other non-operating (income) expense	(220)	(224)
Impairment charge	45,675	—
Depreciation and amortization	29,417	31,760
Other non-property expenses	139	150
Corporate general and administrative expenses	12,579	12,132
Non-cash adjustments ⁽¹⁾	(1,502)	(1,472)
Lease termination fees	(164)	(1,130)
Portfolio NOI	71,474	78,313
Non-same center NOI ⁽²⁾	—	(4,081)
Same Center NOI	\$ 71,474	\$ 74,232

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

(2) Excluded from Same Center NOI:

Outlet centers sold:

Nags Head, Ocean City, Park City, and Williamsburg

March 2019

Below is a reconciliation of Net Income (Loss) to Adjusted EBITDA:

	Three months ended	
	March 31, 2020	March 31, 2019
Net income (loss)	\$ (28,119)	\$ 65,841
Adjusted to exclude:		
Interest expense	15,196	16,307
Depreciation and amortization	29,417	31,760
Impairment charge - consolidated	45,675	—
Gain on sale of assets	—	(43,422)
Adjusted EBITDA	62,169	70,486

Below is a reconciliation of Net Income (Loss) to EBITDAre:

	Three months ended	
	March 31, 2020	March 31, 2019
Net income (loss)	(28,119)	65,841
Adjusted to exclude:		
Interest expense	15,196	16,307
Depreciation and amortization	29,417	31,760
Impairment charge - consolidated	45,675	—
Gain on sale of assets	—	(43,422)
Pro-rata share of interest expense - unconsolidated joint ventures	1,867	2,067
Pro-rata share of depreciation and amortization - unconsolidated joint ventures	3,018	3,129
EBITDAre	67,054	75,682



Tanger Factory Outlet Centers, Inc.

Supplemental Operating and Financial Data

March 31, 2020

Supplemental Operating and Financial Data for the
Quarter Ended 03/31/2020



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 year ended December 31, 2019.

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:	
Summary Operating Metrics	4
Geographic Diversification	5
Property Summary - Occupancy at End of Each Period Shown	6
Portfolio Occupancy at the End of Each Period	8
Average Tenant Sales Per Square Foot by Outlet Center Ranking	9
Top 25 Tenants Based on Percentage of Total Annualized Base Rent	10
Lease Expirations as of March 31, 2020	11
Capital expenditures	12
Leasing Activity	12
Financial Data:	
Consolidated Balance Sheets	15
Consolidated Statements of Operations	16
Components of Rental Revenues	17
Unconsolidated Joint Venture Information	18
Debt Outstanding Summary	19
Future Scheduled Principal Payments	21
Senior Unsecured Notes Financial Covenants	21
Enterprise Value, Net Debt, Liquidity, Debt Ratios and Credit Ratings	22
Non-GAAP and Supplemental Measures:	
Non-GAAP Definitions	23
FFO and FAD Analysis	26
Portfolio NOI and Same Center NOI	27
Adjusted EBITDA and EBITDAre Analysis	28
Pro Rata Balance Sheet Information	29
Pro Rata Statement of Operations Information	30
Investor Information	31

Summary Operating Metrics

	March 31,	
	2020	2019
Outlet centers in operation at end of period:		
Consolidated	32	32
Partially owned - unconsolidated	7	8
Total Number of Properties	39	40
Gross leasable area open at end of period (in thousands):		
Consolidated	12,044	12,047
Partially owned - unconsolidated	2,212	2,371
Total ⁽¹⁾	14,257	14,418
Ending Occupancy:		
Consolidated properties	94.3%	95.4%
Partially owned - unconsolidated	96.0%	94.6%
Total properties	94.6%	95.3%
Average Tenant Sales Per Square Foot ⁽²⁾:		
Consolidated properties	\$ 387	\$ 391
Partially owned - domestic unconsolidated	\$ 443	\$ 443
Total domestic properties	\$ 393	\$ 397
Occupancy Cost Ratio ⁽³⁾	10.3%	10.0%

(1) Due to rounding, numbers may not add up precisely to the totals provided.

(2) Sales are based on reports for the trailing 12 months by retailers which have occupied outlet center stores for a minimum of 12 months.

(3) Occupancy cost ratio represents occupancy costs as a percentage of tenant sales for the trailing 12-month period for consolidated properties.

Geographic Diversification
As of March 31, 2020
Consolidated Properties

State	# of Centers	GLA	% of GLA
South Carolina	5	1,597,510	13%
New York	2	1,468,888	12%
Georgia	3	1,121,579	9%
Texas	3	1,001,357	8%
Pennsylvania	3	999,416	8%
Michigan	2	671,557	6%
Delaware	1	557,353	5%
Alabama	1	554,587	5%
New Jersey	1	489,718	4%
Tennessee	1	447,815	4%
North Carolina	2	422,895	3%
Ohio	1	411,904	3%
Arizona	1	410,751	3%
Florida	1	351,721	3%
Missouri	1	329,861	3%
Mississippi	1	324,717	3%
Louisiana	1	321,066	3%
Connecticut	1	311,507	3%
New Hampshire	1	250,107	2%
Total	32	12,044,309	100%

Unconsolidated Joint Venture Properties

	# of Centers	GLA	Ownership %
Charlotte, NC	1	398,676	50.00%
Ottawa, ON	1	357,218	50.00%
Columbus, OH	1	355,245	50.00%
Texas City, TX	1	352,705	50.00%
National Harbor, MD	1	341,156	50.00%
Cookstown, ON	1	307,895	50.00%
Saint-Sauveur, QC	1	99,405	50.00%
Total	7	2,212,300	

Grand Total	39	14,256,609	
--------------------	-----------	-------------------	--

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

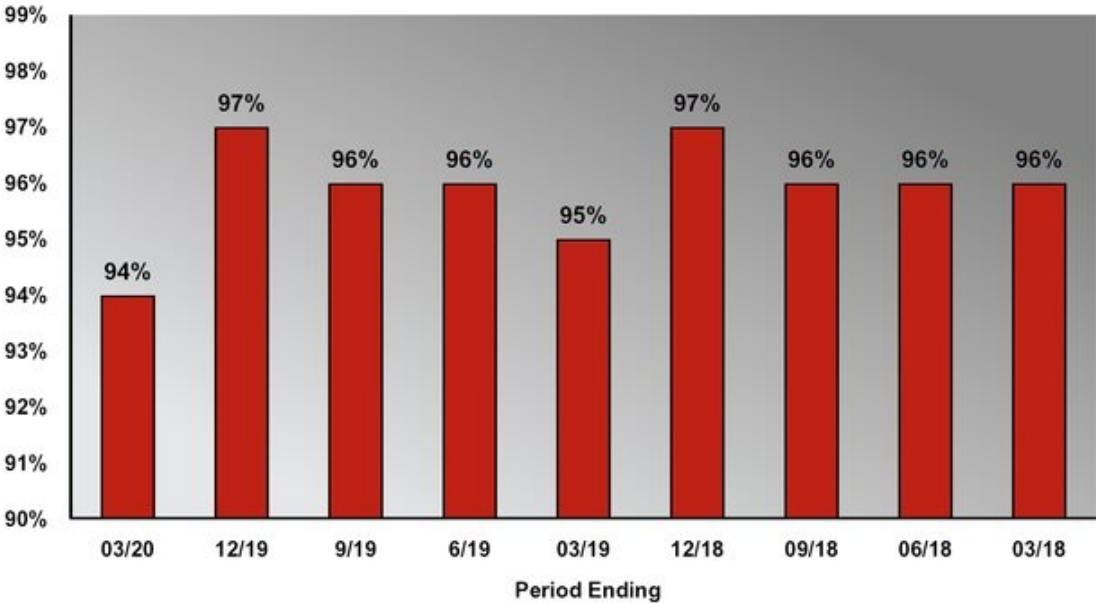
Location	Total GLA 03/31/20	% Occupied 03/31/20	% Occupied 12/31/19	% Occupied 03/31/19
Deer Park, NY	739,110	98%	99%	98%
Riverhead, NY	729,778	92%	97%	95%
Rehoboth Beach, DE	557,353	95%	99%	97%
Foley, AL	554,587	88%	94%	94%
Atlantic City, NJ	489,718	79%	80%	80%
San Marcos, TX	471,816	95%	96%	95%
Sevierville, TN	447,815	99%	100%	99%
Savannah, GA	429,089	96%	98%	97%
Myrtle Beach Hwy 501, SC	426,523	96%	98%	98%
Jeffersonville, OH	411,904	84%	92%	94%
Glendale, AZ (Westgate)	410,751	97%	100%	97%
Myrtle Beach Hwy 17, SC	403,425	99%	100%	100%
Charleston, SC	379,328	100%	100%	99%
Lancaster, PA	375,857	91%	95%	92%
Pittsburgh, PA	373,863	95%	97%	97%
Commerce, GA	371,408	96%	97%	94%
Grand Rapids, MI	357,119	90%	97%	96%
Fort Worth, TX	351,741	99%	100%	97%
Daytona Beach, FL	351,721	98%	99%	98%
Branson, MO	329,861	99%	100%	98%
Southaven, MS	324,717	99%	100%	94%
Locust Grove, GA	321,082	95%	100%	97%
Gonzales, LA	321,066	96%	99%	96%
Mebane, NC	318,886	100%	100%	99%
Howell, MI	314,438	88%	94%	92%
Mashantucket, CT (Foxwoods)	311,507	93%	95%	93%
Tilton, NH	250,107	93%	96%	96%
Hershey, PA	249,696	99%	100%	99%
Hilton Head II, SC	206,564	98%	92%	88%
Hilton Head I, SC	181,670	97%	100%	100%
Terrell, TX	177,800	87%	97%	97%
Blowing Rock, NC	104,009	85%	89%	95%
Total	12,044,309	94%	97%	95%

Unconsolidated joint venture properties

Location	Total GLA 03/31/20	% Occupied 03/31/20	% Occupied 12/31/19	% Occupied 03/31/19
Charlotte, NC	398,676	97%	99%	97%
Ottawa, ON	357,218	96%	97%	94%
Columbus, OH	355,245	97%	98%	95%
Texas City, TX (Galveston/Houston)	352,705	92%	98%	97%
National Harbor, MD	341,156	96%	99%	96%
Cookstown, ON	307,895	100%	100%	97%
Saint-Sauveur, QC	99,405	92%	92%	94%
Bromont, QC ⁽¹⁾	N/A	N/A	N/A	77%
Total	2,212,300	96%	98%	95%

(1) Outlet center sold in May 2019.

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 Ranking As of March 31, 2020 ⁽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	96%	2,884	23%	34%
Centers 6 - 10	\$ 438	97%	1,749	15%	18%
Centers 11 - 15	\$ 391	91%	1,658	14%	13%
Centers 16 - 20	\$ 347	96%	1,948	16%	16%
Centers 21 - 26	\$ 308	93%	2,138	18%	12%
Centers 27 - 32	\$ 256	91%	1,667	14%	7%
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	96%	2,884	23%	34%
Centers 1 - 10	\$ 486	96%	4,633	38%	52%
Centers 1 - 15	\$ 461	95%	6,291	52%	65%
Centers 1 - 20	\$ 433	95%	8,239	68%	81%
Centers 1 - 26	\$ 407	95%	10,377	86%	93%
Centers 1 - 32	\$ 387	94%	12,044	100%	100%
Unconsolidated centers ⁽⁴⁾	\$ 443	95%	1,448	n/a	n/a
Domestic centers ⁽⁵⁾	\$ 393	94%	13,492	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 trailing twelve months ended March 31, 2020.

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

Centers 1 - 5:	Deer Park, NY	Glendale, AZ (Westgate)	Rehoboth Beach, DE	Riverhead, NY	Sevierville, TN
Centers 6 - 10:	Branson, MO	Lancaster, PA	Locust Grove, GA	Mebane, NC	Myrtle Beach Hwy 17, SC
Centers 11 - 15:	Atlantic City, NJ	Charleston, SC	Grand Rapids, MI	Hershey, PA	Hilton Head I, SC
Centers 16 - 20:	Fort Worth, TX	Gonzales, LA	Pittsburgh, PA	San Marcos, TX	Savannah, GA
Centers 21 - 26:	Foley, AL	Hilton Head II, SC	Howell, MI	Mashantucket, CT (Foxwoods)	Myrtle Beach Hwy 501, SC
Centers 27 - 32:	Blowing Rock, NC	Commerce, GA	Daytona Beach, FL	Jeffersonville, OH	Terrell, TX
					Tilton, NH

(3) Based on the Company's forecast of 2020 Portfolio NOI (see non-GAAP definitions), excluding centers not yet stabilized (none). The Company's forecast is based on management's estimates as of March 31, 2020 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 year ended December 31, 2019 and Quarterly Report on Form 10-Q for the three months ended March 31, 2020.

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

Unconsolidated:	Charlotte, NC	Columbus, OH	National Harbor, MD	Texas City, TX (Galveston/Houston)
-----------------	---------------	--------------	---------------------	------------------------------------

(5) Includes consolidated portfolio and domestic unconsolidated joint ventures.

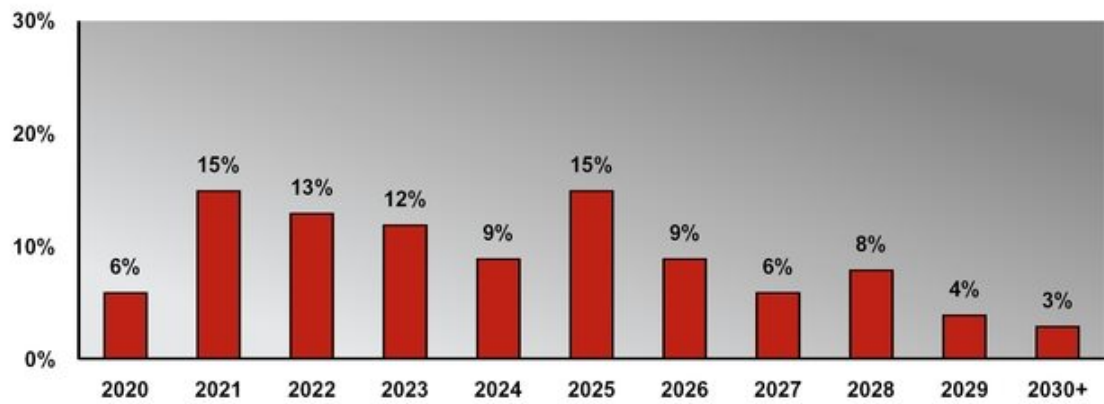
Top 25 Tenants Based on Percentage of Total Annualized Base Rent
As of March 31, 2020 ⁽¹⁾

Consolidated					Unconsolidated	
Tenant	Brands	# of Stores	GLA	% of Total GLA	% of Total Annualized Base Rent ⁽²⁾	# of Stores
The Gap, Inc.	Gap, Banana Republic, Janie & Jack, Old Navy	96	947,819	7.9%	6.0%	19
Ascena Retail Group, Inc.	LOFT, Ann Taylor, Justice, Lane Bryant	96	534,084	4.4%	4.7%	13
PVH Corp.	Tommy Hilfiger, Van Heusen, Calvin Klein	63	395,121	3.3%	4.1%	14
Tapestry, Inc.	Coach, Kate Spade, Stuart Weitzman	49	229,022	1.9%	2.9%	11
Under Armour, Inc.	Under Armour, Under Armour Kids	30	233,877	1.9%	2.8%	6
Nike, Inc.	Nike, Converse, Hurley	37	417,435	3.5%	2.6%	11
American Eagle Outfitters, Inc.	American Eagle Outfitters, Aerie	39	272,104	2.3%	2.6%	7
G-III Apparel Group, Ltd.	Bass, Wilsons Leather, DKNY, Karl Lagerfeld Paris	43	201,234	1.7%	2.4%	5
Carter's, Inc.	Carters, OshKosh B Gosh	51	224,227	1.9%	2.3%	10
Capri Holdings Limited	Michael Kors, Michael Kors Men's	28	136,816	1.1%	2.0%	5
Signet Jewelers Limited	Kay Jewelers, Zales, Jared Vault	51	117,204	1.0%	2.0%	8
Hanesbrands Inc.	Hanesbrands, Maidenform, Champion	36	176,907	1.5%	1.9%	2
Columbia Sportswear Company	Columbia Sportswear	20	154,145	1.3%	1.9%	6
Ralph Lauren Corporation	Polo Ralph Lauren, Polo Children, Polo Ralph Lauren Big & Tall, Club Monaco	33	358,736	3.0%	1.8%	6
Chico's, FAS Inc.	Chicos, White House/Black Market, Soma Intimates	41	119,031	1.0%	1.8%	5
Adidas AG	Adidas, Reebok	28	169,388	1.4%	1.7%	9
Skechers USA, Inc.	Skechers	30	149,167	1.2%	1.7%	6
V. F. Corporation	The North Face, Vans, Timberland, Dickies	26	138,846	1.2%	1.6%	2
Caleres Inc.	Famous Footwear, Naturalizer, Allen Edmonds	32	166,018	1.4%	1.6%	11
Express Inc.	Express Factory	23	160,730	1.3%	1.6%	4
H&M Hennes & Mauritz L.P.	H&M	19	407,342	3.3%	1.5%	2
Levis	Levis	29	121,486	1.0%	1.5%	5
Rack Room Shoes, Inc.	Rack Room Shoes	22	129,699	1.0%	1.4%	2
Brooks Brothers Group, Inc.	Brooks Brothers	23	134,725	1.1%	1.4%	4
Luxottica Group S.p.A	Sunglass Hut, Oakley, Lenscrafters	51	75,389	0.6%	1.4%	10
Total of Top 25 tenants		996	6,170,552	51.2%	57.2%	183

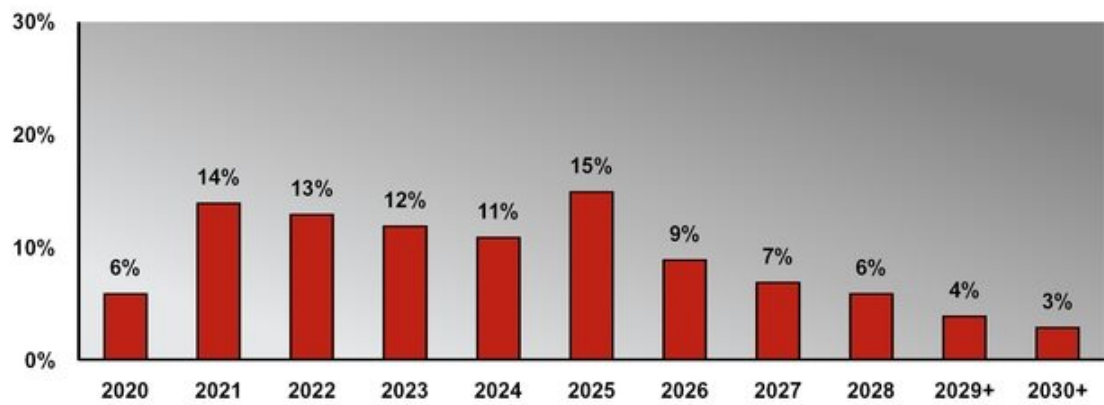
(1) Excludes leases that have been entered into but which tenant has not yet taken possession, temporary leases and month-to-month leases.

(2) Annualized base rent is defined as the minimum monthly payments due as of the end of the reporting period annualized, excluding periodic contractual fixed increases. Include rents which are based on a percentage of sales in lieu of fixed contractual rents.

Percentage of Total Gross Leasable Area ⁽¹⁾



Percentage of Total Annualized Base Rent ⁽¹⁾



(1) Excludes unconsolidated outlet centers. See table on page 5.



Capital expenditures (in thousands)

		Three months ended March 31,	
		2020	2019
Value-enhancing:			
New center developments and expansions		\$ 843	\$ 939
Other		—	55
		843	994
Recurring capital expenditures:			
Second generation tenant allowances		908	2,974
Operational capital expenditures		2,976	2,852
Renovations		2,170	197
		6,054	6,023
Total additions to rental property-accrual basis		6,897	7,017
Conversion from accrual to cash basis		3,654	2,889
Total additions to rental property-cash basis		\$ 10,551	\$ 9,906

Leasing Activity

Re-tenant ⁽¹⁾						
Trailing twelve months ended:	# of Leases	Square Feet (in 000's)	Average Annual Straight-line Rent (psf)	Average Tenant Allowance (psf) ⁽²⁾	Average Initial Term (in years)	Net Average Annual Straight-line Rent (psf) ⁽³⁾
3/31/2020	118	504	\$ 36.13	\$ 47.70	7.75	\$ 29.98
3/31/2019	81	388	\$ 33.32	\$ 45.13	7.83	\$ 27.56
Renewal ⁽¹⁾						
Trailing twelve months ended:	# of Leases	Square Feet (in 000's)	Average Annual Straight-line Rent (psf)	Average Tenant Allowance (psf) ⁽²⁾	Average Initial Term (in years)	Net Average Annual Straight-line Rent (psf) ⁽³⁾
3/31/2020	178	839	\$ 28.20	\$ 0.90	3.90	\$ 27.97
3/31/2019	280	1,404	\$ 34.37	\$ 0.49	3.82	\$ 34.24
Total ⁽¹⁾						
Trailing twelve months ended:	# of Leases	Square Feet (in 000's)	Average Annual Straight-line Rent (psf)	Average Tenant Allowance (psf) ⁽²⁾	Average Initial Term (in years)	Net Average Annual Straight-line Rent (psf) ⁽³⁾
3/31/2020	296	1,342	\$ 31.17	\$ 18.46	5.34	\$ 27.71
3/31/2019	361	1,792	\$ 34.14	\$ 10.16	4.69	\$ 31.97

(1) Represents change in rent (base rent and common area maintenance ("CAM")) for all leases for new stores that opened or renewals that started during the respective trailing twelve month periods within the consolidated portfolio, except for license agreements, seasonal tenants, and month-to-month leases.

(2) Includes other landlord costs.

(3) Net average straight-line base rent is calculated by dividing the average tenant allowance costs per square foot by the average initial term and subtracting this calculated number from the average straight-line base rent per year amount. The average annual straight-line base rent disclosed in the table above includes all concessions, abatements and reimbursements of rent to tenants. The average tenant allowance disclosed in the table above includes other landlord costs.

Leasing Activity⁽¹⁾

All Lease Terms		TTM ended 3/31/2020		TTM ended 3/31/2019	
Re-tenanted Space:					
Number of leases		118		81	
Gross leasable area		503,584		388,192	
New initial rent per square foot	\$	32.76	\$	30.71	
Prior expiring rent per square foot	\$	36.21	\$	30.02	
Percent decrease		(9.5)%		2.3%	
New straight-line rent per square foot	\$	36.13	\$	33.32	
Prior straight-line rent per square foot	\$	35.50	\$	30.02	
Percent increase		1.8 %		11.0%	
Renewed Space:					
Number of leases		178		280	
Gross leasable area		838,574		1,404,053	
New initial rent per square foot	\$	27.38	\$	33.27	
Prior expiring rent per square foot	\$	28.66	\$	33.19	
Percent decrease		(4.5)%		0.2%	
New straight-line rent per square foot	\$	28.20	\$	34.37	
Prior straight-line rent per square foot	\$	29.32	\$	33.31	
Percent increase (decrease)		(3.8)%		3.2%	
Total Re-tenanted and Renewed Space:					
Number of leases		296		361	
Gross leasable area		1,342,158		1,792,245	
New initial rent per square foot	\$	29.40	\$	32.71	
Prior expiring rent per square foot	\$	31.49	\$	32.50	
Percent decrease		(6.7)%		0.6%	
New straight-line rent per square foot	\$	31.17	\$	34.14	
Prior straight-line rent per square foot	\$	31.64	\$	32.60	
Percent increase		(1.5)%		4.7%	

(1) For consolidated properties owned as of the period-end date. Represents change in rent (base rent and CAM) for all leases for new stores that opened or renewals that started during the respective trailing twelve month periods, except for license agreements, seasonal tenants, and month-to-month leases.

Leasing Activity⁽¹⁾

Terms of More Than 12 Months	TTM ended 3/31/2020	TTM ended 3/31/2019
Re-tenanted Space:		
Number of leases	117	79
Gross leasable area	500,834	365,345
New initial rent per square foot	\$ 32.78	\$ 32.03
Prior expiring rent per square foot	\$ 36.14	\$ 30.04
Percent increase (decrease)	(9.3)%	6.6%
 New straight-line rent per square foot	 \$ 36.17	 \$ 34.81
Prior straight-line rent per square foot	\$ 35.44	\$ 30.21
Percent increase	2.1 %	15.2%
 Renewed Space:		
Number of leases	144	244
Gross leasable area	703,611	1,236,668
New initial rent per square foot	\$ 28.55	\$ 34.48
Prior expiring rent per square foot	\$ 29.31	\$ 33.59
Percent increase	(2.6)%	2.6%
 New straight-line rent per square foot	 \$ 29.52	 \$ 35.72
Prior straight-line rent per square foot	\$ 30.15	\$ 33.82
Percent increase	(2.1)%	5.6%
 Total Re-tenanted and Renewed Space:		
Number of leases	261	323
Gross leasable area	1,204,445	1,602,013
New initial rent per square foot	\$ 30.31	\$ 33.92
Prior expiring rent per square foot	\$ 32.15	\$ 32.78
Percent increase (decrease)	(5.7)%	3.5%
 New straight-line rent per square foot	 \$ 32.29	 \$ 35.52
Prior straight-line rent per square foot	\$ 32.35	\$ 32.99
Percent increase	(0.2)%	7.7%

(1) For consolidated properties owned as of the period-end date. Represents change in rent (base rent and CAM) for leases for a term of more than 12 months for new stores that opened or renewals that started during the respective trailing twelve month periods.

Consolidated Balance Sheets (dollars in thousands)

	March 31, 2020	December 31, 2019
Assets		
Rental property:		
Land	\$ 266,537	\$ 266,537
Buildings, improvements and fixtures	2,564,224	2,630,357
	2,830,761	2,896,894
Accumulated depreciation	(1,007,922)	(1,009,951)
Total rental property, net	1,822,839	1,886,943
Cash and cash equivalents	600,454	16,672
Investments in unconsolidated joint ventures	86,478	94,691
Deferred lease costs and other intangibles, net	97,560	96,712
Operating lease right-of-use assets	83,764	86,575
Prepays and other assets	100,674	103,618
Total assets	\$ 2,791,769	\$ 2,285,211
Liabilities and Equity		
Liabilities		
Debt:		
Senior, unsecured notes, net	\$ 1,139,093	\$ 1,138,603
Unsecured term loan, net	347,531	347,367
Mortgages payable, net	82,856	83,803
Unsecured lines of credit, net	598,074	—
Total debt	2,167,554	1,569,773
Accounts payable and accrued expenses	90,659	79,562
Operating lease liabilities ⁽¹⁾	91,017	91,237
Other liabilities	94,881	88,530
Total liabilities	2,444,111	1,829,102
Commitments and contingencies		
Equity		
Tanger Factory Outlet Centers, Inc.:		
Common shares, \$.01 par value, 300,000,000 shares authorized, 93,076,701 and 92,892,260 shares issued and outstanding at March 31, 2020 and December 31 2019, respectively	931	929
Paid in capital	778,062	775,035
Accumulated distributions in excess of net income	(410,532)	(317,263)
Accumulated other comprehensive loss	(38,228)	(25,495)
Equity attributable to Tanger Factory Outlet Centers, Inc.	330,233	433,206
Equity attributable to noncontrolling interests:		
Noncontrolling interests in Operating Partnership	17,425	22,903
Noncontrolling interests in other consolidated partnerships	—	—
Total equity	347,658	456,109
Total liabilities and equity	\$ 2,791,769	\$ 2,285,211

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

		Three months ended March 31,	
		2020	2019
Revenues:			
Rental revenues	\$	108,558	\$ 119,954
Management, leasing and other services		1,443	1,342
Other revenues		1,632	1,859
Total revenues		111,633	123,155
Expenses:			
Property operating		38,627	42,377
General and administrative		12,584	12,145
Impairment charge		45,675	—
Depreciation and amortization		29,417	31,760
Total expenses		126,303	86,282
Other income (expense):			
Interest expense		(15,196)	(16,307)
Gain on sale of assets		—	43,422
Other income		220	224
Total other income (expense)		(14,976)	27,339
Income (loss) before equity in earnings of unconsolidated joint ventures		(29,646)	64,212
Equity in earnings of unconsolidated joint ventures		1,527	1,629
Net income (loss)		(28,119)	65,841
Noncontrolling interests in Operating Partnership		1,427	(3,315)
Noncontrolling interests in other consolidated partnerships		(190)	(195)
Net income (loss) attributable to Tanger Factory Outlet Centers, Inc.		(26,882)	62,331
Allocation of earnings to participating securities		(516)	(611)
Net income (loss) available to common shareholders of Tanger Factory Outlet Centers, Inc.	\$	(27,398)	\$ 61,720
Basic earnings per common share:			
Net income (loss)	\$	(0.30)	\$ 0.66
Diluted earnings per common share:			
Net income (loss)	\$	(0.30)	\$ 0.66

Components of Rental Revenues (in thousands)

As a lessor, substantially all of our revenues are earned from arrangements that are within the scope of Accounting Standards Codification Topic 842 “Leases” (“ASC 842”). We utilized the practical expedient in ASU 2018-11 to account for lease and non-lease components as a single component which resulted in all of our revenues associated with leases being recorded as rental revenues on the consolidated statements of operations.

The table below provides details of the components included in rental revenues:

	Three months ended	
	March 31,	
	2020	2019
Rental revenues:		
Base rentals	\$ 72,571	\$ 79,100
Percentage rentals	1,674	1,565
Tenant expense reimbursements	33,379	37,168
Lease termination fees	164	1,130
Market rent adjustments	(269)	(370)
Straight-line rent adjustments	1,873	1,970
Uncollectible tenant revenues	(834)	(609)
Rental revenues	\$ 108,558	\$ 119,954

Unconsolidated Joint Venture Information

The following table details certain information as of March 31, 2020, except for Net Operating Income ("NOI") which is for the three months ended March 31, 2020, 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%	398,676	\$ 38.1	\$ 1.6	\$ 49.8
Columbus	Columbus, OH	50.0%	355,245	38.9	1.2	42.5
Galveston/Houston	Texas City, TX	50.0%	352,705	20.3	1.0	40.0
National Harbor	National Harbor, MD	50.0%	341,156	40.4	1.2	47.2
RioCan Canada ⁽²⁾	Various	50.0%	764,518	90.6	1.4	4.1
Total			2,212,300	\$ 228.3	\$ 6.4	\$ 183.6

(1) Net of debt origination costs and premiums.

(2) Includes a 307,895 square foot outlet center in Cookstown, Ontario; a 357,218 square foot outlet center in Ottawa, Ontario; and a 99,405 square foot outlet center in Saint-Sauveur, Quebec.

Debt Outstanding Summary
As of March 31, 2020
(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⁾	\$ 599,830	\$ 599,830	LIBOR + 1.0%	1.7%	10/28/2022	2.6
2023 Senior unsecured notes	250,000	250,000	3.875%	4.1%	12/1/2023	3.7
2024 Senior unsecured notes	250,000	250,000	3.75%	3.8%	12/1/2024	4.7
2026 Senior unsecured notes	350,000	350,000	3.125%	3.2%	9/1/2026	6.4
2027 Senior unsecured notes	300,000	300,000	3.875%	3.9%	7/15/2027	7.3
Unsecured term loan	350,000	350,000	LIBOR + 1.0%	2.6%	4/22/2024	4.1
Net debt discounts and debt origination costs	(15,132)	(15,132)				
Total net unsecured debt	2,084,698	2,084,698		3.0%		4.5
Secured mortgage debt:						
Atlantic City, NJ	30,037	30,037	5.14% - 7.65%	5.1%	11/15/2021 - 12/8/2026	4.9
Southaven, MS	51,400	51,400	LIBOR + 1.80%	3.9%	4/29/2023	3.1
Debt premium and debt origination costs	1,419	1,419				
Total net secured mortgage debt	82,856	82,856		4.4%		3.8
Total consolidated debt	2,167,554	2,167,554		3.1%		4.5
Unconsolidated JV debt:						
Charlotte	100,000	50,000	4.27%	4.3%	7/1/2028	8.3
Columbus	85,000	42,500	LIBOR + 1.65%	2.6%	11/28/2021	1.7
Galveston/Houston	80,000	40,000	LIBOR + 1.65%	2.6%	7/1/2022	2.3
National Harbor	94,998	47,499	4.63%	4.6%	1/5/2030	9.8
RioCan Canada	8,253	4,126	5.75%	4.2%	5/10/2020	0.1
Debt premium and debt origination costs	(1,079)	(539)				
Total unconsolidated JV net debt	367,172	183,586		3.6%		5.6
Total	\$ 2,534,726	\$ 2,351,140		3.1%		4.7

(1) The effective interest rate includes the impact of discounts and premiums and interest rate swap agreements, as applicable. See page 20 for additional details.

(2) Includes applicable extensions available at our option.

(3) The Company has unsecured lines of credit that provide for borrowings of up to \$600.0 million. The unsecured lines of credit include a \$20.0 million liquidity line and a \$580.0 million syndicated line. A 20 basis point facility fee is due annually on the entire committed amount of each facility. The syndicated line may be increased up to \$1.2 billion through an accordion feature in certain circumstances.

Summary of Our Share of Fixed and Variable Rate Debt
As of March 31, 2020
(dollars in thousands)

	Total Debt %	Our Share of Debt	End of Period Effective Interest Rate	Average Years to Maturity ⁽¹⁾
Consolidated:				
Fixed ⁽²⁾	72%	\$ 1,558,183	3.6%	5.2
Variable	28%	609,371	1.7%	2.6
	100%	2,167,554	3.1%	4.5
Unconsolidated Joint ventures:				
Fixed	55%	\$ 101,143	4.4%	8.6
Variable	45%	82,443	2.6%	2.0
	100%	183,586	3.6%	5.6
Total:				
Fixed	71%	\$ 1,659,326	3.7%	5.6
Variable	29%	691,814	1.9%	2.5
Total share of debt	100%	\$ 2,351,140	3.1%	4.7

(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 a weighted average of 1.7% on notional amounts aggregating \$390.0 million as follows:

Effective Date	Maturity Date	Notional Amount	Bank Pay Rate	Company Fixed Pay Rate
Interest rate swaps:				
April 13, 2016	January 1, 2021	\$ 175,000	1 month LIBOR	1.03%
March 1, 2018	January 31, 2021	40,000	1 month LIBOR	2.47%
August 14, 2018	January 1, 2021	150,000	1 month LIBOR	2.20%
July 1, 2019	February 1, 2024	25,000	1 month LIBOR	1.75%
Total		\$ 390,000		
Forward starting interest rate swap agreements:				
January 1, 2021	February 1, 2024	150,000	1 month LIBOR	0.60%

Future Scheduled Principal Payments (dollars in thousands)⁽¹⁾
As of March 31, 2020

Year	Tanger Consolidated Payments	Tanger's Share of Unconsolidated JV Payments	Total Scheduled Payments
2020	\$ 2,694	\$ 4,126	\$ 6,820
2021	5,793	42,500	48,293
2022 ⁽²⁾	604,266	40,000	644,266
2023	306,168	1,031	307,199
2024	605,140	1,636	606,776
2025	1,501	1,710	3,211
2026	355,705	1,788	357,493
2027	300,000	1,869	301,869
2028	—	46,944	46,944
2029	—	984	984
2030 & thereafter	—	41,537	41,537
	\$ 2,181,267	\$ 184,125	\$ 2,365,392
Net debt discounts and debt origination costs	(13,713)	(539)	(14,252)
	\$ 2,167,554	\$ 183,586	\$ 2,351,140

(1) Includes applicable extensions available at our option.

(2) Includes principal balance of \$599.8 million outstanding under the Company's unsecured lines of credit.

Senior Unsecured Notes Financial Covenants ⁽¹⁾
As of March 31, 2020

	Required	Actual	Compliance
Total Consolidated Debt to Adjusted Total Assets	<60%	55%	Yes
Total Secured Debt to Adjusted Total Assets	<40%	2%	Yes
Total Unencumbered Assets to Unsecured Debt	>150%	175%	Yes
Consolidated Income Available for Debt Service to Annual Debt Service Charge	>1.5	5.0	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.

Enterprise Value, Net Debt, Liquidity, Debt Ratios and Credit Ratings (in thousands, except per share data)

	March 31, 2020	December 31, 2019
Enterprise Value:		
Market value:		
Common shares outstanding	93,077	92,892
Exchangeable operating partnership units	4,911	4,911
Total shares	97,988	97,803
Common share price	\$ 5.00	\$ 14.73
Total market value ⁽¹⁾	\$ 489,939	\$ 1,440,645
Debt:		
Senior, unsecured notes	\$ 1,150,000	\$ 1,150,000
Unsecured term loans	350,000	350,000
Mortgages payable	81,437	82,309
Unsecured lines of credit	599,830	—
Total principal debt	2,181,267	1,582,309
Less: Net debt discounts	(3,217)	(3,334)
Less: Debt origination costs	(10,496)	(9,202)
Total debt	2,167,554	1,569,773
Total enterprise value	\$ 2,657,493	\$ 3,010,418
Net Debt:		
Total debt	\$ 2,167,554	\$ 1,569,773
Less: Cash and cash equivalents	(600,454)	(16,672)
Net debt	\$ 1,567,100	\$ 1,553,101
Liquidity:		
Cash and cash equivalents	\$ 600,454	\$ 16,672
Unused capacity under unsecured lines of credit ⁽²⁾	—	599,830
Total liquidity	\$ 600,454	\$ 616,502
Ratios ⁽³⁾:		
Net debt to Adjusted EBITDA ⁽⁴⁾	5.8x	5.5x
Interest coverage (Adjusted EBITDA / interest expense) ⁽⁴⁾	4.5x	4.5x
⁽¹⁾ Amounts may not recalculate due to the effect of rounding. ⁽²⁾ Unused capacity under the Company's \$600.0 million unsecured lines of credit is reduced by \$170,000 at both March 31, 2020 and December 31, 2019 related to outstanding letters of credit. ⁽³⁾ Ratios are presented for the trailing twelve-month period. ⁽⁴⁾ Adjusted EBITDA is a non-GAAP measure. Refer to page 28 for a reconciliation of net income to Adjusted EBITDA.		
Credit Ratings and Outlook:		
Moody's Investors Services	Baa2	Negative
Standard & Poor's Ratings Services	BBB	Negative

NON-GAAP SUPPLEMENTAL MEASURES

Beginning with the three months ended March 31, 2020, we have elected to supplement our disclosure with three additional non-GAAP measures, Adjusted EBITDA, EBITDAre and Adjusted EBITDAre (each as defined below), that are commonly provided in the REIT industry. See "Adjusted EBITDA, EBITDAre and Adjusted EBITDAre" below for more information. We also now refer to Adjusted Funds from Operations ("AFFO") as Core Funds From Operations ("Core FFO"), but there has been no change to the definition of this measure.

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 generally accepted accounting principles in the United States ("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. In December 2018, NAREIT issued "NAREIT Funds From Operations White Paper - 2018 Restatement" which clarifies, where necessary, existing guidance and consolidates alerts and policy bulletins into a single document for ease of use. NAREIT defines FFO as net income/(loss) available to the Company's common shareholders computed in accordance with GAAP, excluding (i) depreciation and amortization related to real estate, (ii) gains or losses from sales of certain real estate assets, (iii) gains and losses from change in control, (iv) impairment write-downs of certain real estate assets and investments in entities when the impairment is directly attributable to decreases in the value of depreciable real estate held by the entity and (v) after adjustments for unconsolidated partnerships and joint ventures calculated to reflect FFO on the same basis.

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 Core FFO, 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. We believe that FFO payout ratio, which represents regular distributions to common shareholders and unit holders of the Operating Partnership expressed as a percentage of FFO, is useful to investors because it facilitates the comparison of dividend coverage between REITs. 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; 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.

Core FFO

If applicable, we present Core FFO (formerly referred to as AFFO) as a supplemental measure of our performance. We define Core FFO 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, if applicable. You are encouraged to evaluate these adjustments and the reasons we consider them appropriate for supplemental analysis. In evaluating Core FFO 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 Core FFO should not be construed as an inference that our future results will be unaffected by unusual or non-recurring items.

We present Core FFO 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 Core FFO 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 Core FFO when determining incentive compensation.

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

- Core FFO does not reflect our cash expenditures, or future requirements, for capital expenditures or contractual commitments;
- Core 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 Core FFO does not reflect any cash requirements for such replacements;
- Core FFO 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 Core FFO differently than we do, limiting its usefulness as a comparative measure.

Because of these limitations, Core FFO 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 Core FFO 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 equity-based compensation, straight-line rent amounts, market rent amounts, second 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, impairment charges and gains or losses on the sale of assets 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 Core FFO. 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.

Adjusted EBITDA, EBITDAre and Adjusted EBITDAre

We present Earnings Before Interest, Taxes, Depreciation and Amortization ("EBITDA") as adjusted for items described below ("Adjusted EBITDA"), EBITDA for Real Estate ("EBITDAre") and Adjusted EBITDAre, all non-GAAP measures, as supplemental measures of our operating performance. Each of these measures is defined as follows:

We define Adjusted EBITDA as net income/(loss) available to the Company's common shareholders computed in accordance with GAAP before interest expense, income taxes, depreciation and amortization, gains and losses on sale of operating properties, gains and losses on change of control, impairment write-downs of depreciated property and of investment in unconsolidated joint ventures caused by a decrease in value of

depreciated property in the affiliate, gains and losses on extinguishment of debt, net and other items that we do not consider indicative of the Company's ongoing operating performance.

We determine EBITDAre based on the definition set forth by NAREIT, which is defined as net income/(loss) available to the Company's common shareholders computed in accordance with GAAP before interest expense, income taxes, depreciation and amortization, gains and losses on sale of operating properties, gains and losses on change of control and impairment write-downs of depreciated property and of investment in unconsolidated joint ventures caused by a decrease in value of depreciated property in the affiliate and after adjustments to reflect our share of the EBITDAre of unconsolidated joint ventures.

If applicable, Adjusted EBITDAre is defined as EBITDAre excluding gains and losses on extinguishment of debt, net and other items that that we do not consider indicative of the Company's ongoing operating performance.

We present Adjusted EBITDA, EBITDAre and, if applicable, Adjusted EBITDAre as we believe they are useful for investors, creditors and rating agencies as they provide additional performance measures that are independent of a Company's existing capital structure to facilitate the evaluation and comparison of the Company's operating performance to other REITs and provide a more consistent metric for comparing the operating performance of the Company's real estate between periods.

Adjusted EBITDA, EBITDAre and Adjusted EBITDAre have significant limitations as analytical tools, including:

- They do not reflect our interest expense;
- They do not reflect gains or losses on sales of operating properties or impairment write-downs of depreciated property and of investment in unconsolidated joint ventures caused by a decrease in value of depreciated property in the affiliate;
- Adjusted EBITDA and Adjusted EBITDAre do not reflect gains and losses on extinguishment of debt and other items that may affect operations; and
- Other companies in our industry may calculate these measures differently than we do, limiting its usefulness as a comparative measure.

Because of these limitations, Adjusted EBITDA, EBITDAre and Adjusted EBITDAre 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 Adjusted EBITDA, EBITDAre and Adjusted EBITDAre 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 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 (dollars and shares in thousands)

	Three months ended March 31,	
	2020	2019
Net income (loss)	\$ (28,119)	\$ 65,841
Adjusted for:		
Depreciation and amortization of real estate assets - consolidated	28,801	31,148
Depreciation and amortization of real estate assets - unconsolidated joint ventures	3,018	3,130
Impairment charge - consolidated	45,675	—
Gain on sale of assets	—	(43,422)
FFO	49,375	56,697
FFO attributable to noncontrolling interests in other consolidated partnerships	(190)	(195)
Allocation of earnings to participating securities	(516)	(611)
FFO available to common shareholders ⁽¹⁾	\$ 48,669	\$ 55,891
FFO available to common shareholders per share - diluted ⁽¹⁾	\$ 0.50	\$ 0.57

Weighted Average Shares:

Basic weighted average common shares	92,500	93,303
Diluted weighted average common shares (for earnings per share computations)	92,500	93,303
Exchangeable operating partnership units	4,911	4,961
Diluted weighted average common shares (for FFO per share computations) ⁽¹⁾	97,411	98,264

(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 FFO to FAD (dollars and shares in thousands)

	Three months ended March 31,	
	2020	2019
FFO available to common shareholders	\$ 48,669	\$ 55,891
Adjusted for:		
Corporate depreciation excluded above	616	612
Amortization of finance costs	757	747
Amortization of net debt discount (premium)	118	109
Amortization of equity-based compensation	3,789	3,818
Straight-line rent adjustments	(1,872)	(1,970)
Market rent adjustments	362	480
Second generation tenant allowances and lease incentives	(5,729)	(2,974)
Capital improvements	(5,146)	(3,049)
Adjustments from unconsolidated joint ventures	(32)	(406)
FAD available to common shareholders ⁽¹⁾	\$ 41,532	\$ 53,258
Dividends per share	\$ 0.3550	\$ 0.3500
FFO payout ratio	71%	61%
FAD payout ratio	83%	65%
Diluted weighted average common shares ⁽¹⁾	97,411	98,264

(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 March 31,	
	2020	2019
Net income (loss)	\$ (28,119)	\$ 65,841
Adjusted to exclude:		
Equity in earnings of unconsolidated joint ventures	(1,527)	(1,629)
Interest expense	15,196	16,307
Gain on sale of assets	—	(43,422)
Other non-operating income	(220)	(224)
Impairment charge	45,675	—
Depreciation and amortization	29,417	31,760
Other non-property expenses	139	150
Corporate general and administrative expenses	12,579	12,132
Non-cash adjustments ⁽¹⁾	(1,502)	(1,472)
Lease termination fees	(164)	(1,130)
Portfolio NOI	71,474	78,313
Non-same center NOI ⁽²⁾	—	(4,081)
Same Center NOI	\$ 71,474	\$ 74,232

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

(2) Excluded from Same Center NOI:

Outlet centers sold:	
Nags Head, Ocean City, Park City, and Williamsburg	March 2019

Same Center NOI for the consolidated portfolio (in thousands)

	Three months ended March 31,		% Change
	2020	2019	
Same Center Revenues:			
Rental revenues	\$ 106,791	\$ 110,619	(3.5)%
Other revenues	1,796	1,892	(5.1)
Total same center revenues	108,587	112,511	(3.5)
Same Center Expenses:			
Property operating	37,108	38,256	(3.0)
General and administrative	5	23	(78.3)
Total same center expenses	37,113	38,279	(3.0)
Same Center NOI	\$ 71,474	\$ 74,232	(3.7)%

Reconciliation of Net Income to Adjusted EBITDA (in thousands)

	Three months ended	
	March 31, 2020	March 31, 2019
Net income (loss)	\$ (28,119)	\$ 65,841
Adjusted to exclude:		
Interest expense	15,196	16,307
Depreciation and amortization	29,417	31,760
Impairment charge - consolidated	45,675	—
Gain on sale of assets	—	(43,422)
Adjusted EBITDA	\$ 62,169	\$ 70,486

Reconciliation of Net Income to EBITDAre (in thousands)

	Three months ended	
	March 31, 2020	March 31, 2019
Net income (loss)	\$ (28,119)	\$ 65,841
Adjusted to exclude:		
Interest expense	15,196	16,307
Depreciation and amortization	29,417	31,760
Impairment charge - consolidated	45,675	—
Gain on sale of assets	—	(43,422)
Pro-rata share of interest expense - unconsolidated joint ventures	1,867	2,067
Pro-rata share of depreciation and amortization - unconsolidated joint ventures	3,018	3,129
EBITDAre	\$ 67,054	\$ 75,682

Non-GAAP Pro Rata Balance Sheet Information as of March 31, 2020 (in thousands)

Non-GAAP Pro Rata Portion Unconsolidated Joint Ventures ⁽¹⁾		
Assets		
Rental property:		
Land	\$	43,508
Buildings, improvements and fixtures		231,828
Construction in progress		2,143
		277,479
Accumulated depreciation		(66,974)
Total rental property, net		210,505
Cash and cash equivalents		6,327
Deferred lease costs and other intangibles, net		3,165
Prepays and other assets		8,324
Total assets	\$	228,321
Liabilities and Owners' Equity		
Liabilities		
Mortgages payable, net	\$	183,586
Accounts payable and accruals		6,626
Total liabilities		190,212
Owners' equity		38,109
Total liabilities and owners' equity	\$	228,321

(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 \$3.8 million as of March 31, 2020 and are being amortized over the various useful lives of the related assets.

Non-GAAP Pro Rata Statement of Operations Information for the three months ended March 31, 2020 (in thousands)

	Non-GAAP Pro Rata Portion	
	Noncontrolling Interests	Unconsolidated Joint Ventures
Revenues:		
Rental revenues	\$ —	\$ 10,929
Other revenues	—	89
Total revenues	—	11,018
Expense:		
Property operating	—	4,564
General and administrative	—	69
Depreciation and amortization	—	3,018
Total expenses	—	7,651
Other income (expense):		
Interest expense	—	(1,867)
Other income (expenses)	(190)	27
Total other income (expense)	\$ (190)	\$ (1,840)
Net income (loss)	\$ (190)	\$ 1,527

The table below provides details of the components included in our share of rental revenues for the three months ended March 31, 2020 (in thousands)

	Non-GAAP Pro Rata Portion	
	Noncontrolling Interests	Unconsolidated Joint Ventures
Rental revenues:		
Base rentals	\$ —	\$ 6,385
Percentage rentals	—	276
Tenant expense reimbursements	—	4,257
Lease termination fees	—	36
Market rent adjustments	—	(18)
Straight-line rent adjustments	—	(7)
Uncollectible tenant revenues	—	—
Rental revenues	\$ —	\$ 10,929

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

