May 11, 2009

Tanger Announces Settlement of Exchange Offer for Exchangeable Notes

$142.3 Million (95%) Principal Amount of Notes Exchanged for 4.9 Million Tanger Common Shares

GREENSBORO, N.C., May 11, 2009 (GLOBE NEWSWIRE) -- Tanger Factory Outlet Centers, Inc. (NYSE:SKT) (the "Company") announced today the successful closing of the offer to exchange common shares of the Company for any and all of the outstanding 3.75% Exchangeable Senior Notes due 2026 (the "Notes") of Tanger Properties Limited Partnership (the "OP").

In the aggregate, the exchange offer resulted in the retirement of approximately $142.3 million principal amount of Notes, the issuance of approximately 4.9 million Company common shares and the payment of approximately $1.2 million in cash for accrued and unpaid interest and in lieu of fractional shares. Approximately $7.2 million principal amount of Notes currently remain outstanding. Total consideration for each $1,000 bond tendered was approximately 34.21 shares or $987.58, a 1.2% discount to par, based on SKT's May 7, 2009 closing share price. Through this transaction, the Company has now avoided almost all of the risk associated with the Note's August, 2011 put option, whereby noteholders will have the right to put the Notes to the OP at par in exchange for cash.

This offer represented one of the most successful convertible debt for equity exchanges in recent market history based on its 95% success rate. This transaction has received positive reaction from Wall Street analysts who note that it has been an extremely efficient way to reduce leverage as the Company was able to avoid the typical 5-10% equity issuance discount for placing a large block of stock. In addition, and unlike a common equity issuance and cash tender for the Notes, the transaction allowed the Company to issue equity and use it to retire debt simultaneously, thus eliminating any risk of negative cash carry.

At March 31, 2009, the Company was in compliance with all of its financial covenants. With respect to the covenants governing the indenture for the senior unsecured notes of the OP, pro forma for this transaction, total consolidated debt to adjusted total assets decreased from 53% to 44% and consolidated income available for debt service to annual debt service charge increased from 3.65x to 4.55x. In addition, the Company's wholly-owned portfolio of properties was 95% unencumbered and the Company had no debt maturities until July 2011.

Goldman, Sachs & Co. acted as lead dealer manager, and Merrill Lynch & Co. acted as co-dealer manager.

Tanger Factory Outlet Centers, Inc., (NYSE:SKT) a publicly traded REIT, presently owns and operates 31 outlet shopping centers in 21 states coast-to-coast, totaling approximately 9.2 million square feet, leased to over 1,900 stores that are operated by over 350 different store brands. Tanger also operates and owns partial interests in two outlet shopping centers containing approximately 950,000 square feet.

Certain matters discussed in this press release may be forward-looking statements within the meaning of the federal securities laws. These forward-looking statements are subject to risks and uncertainties. Actual results could differ materially from those projected due to various factors including, but not limited to, the risks associated with general economic and local real estate conditions, the company's ability to meet its obligations on existing indebtedness or refinance existing indebtedness on favorable terms, the availability and cost of capital, the company's ability to lease its properties, the company's inability to collect rent due to the bankruptcy or insolvency of tenants or otherwise, and competition. For a more detailed discussion of the factors that affect our operating results, interested parties should review the Prospectus and other relevant documents, as well as the Tanger Factory Outlet Centers, Inc. Annual Report on Form 10-K for the fiscal year ended December 31, 2008 and the Tanger Properties Limited Partnership Annual Report of Form 10-K for the fiscal year ended December 31, 2008.

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