

Tanger Reports Third Quarter 2010 Results

Same Center NOI Increases 3.6%

Tenant Sales Increase 6.3% for the Rolling Twelve Months

GREENSBORO, N.C., Oct. 26, 2010 (GLOBE NEWSWIRE) -- Tanger Factory Outlet Centers, Inc. (NYSE:SKT) today reported funds from operations available to common shareholders ("FFO"), a widely accepted measure of REIT performance, for the three months ended September 30, 2010 was \$0.67 per share, or \$31.1 million, as compared to FFO of \$0.54 per share, or \$24.0 million, for the three months ended September 30, 2009. For the nine months ended September 30, 2010, FFO was \$82.2 million, or \$1.78 per share, as compared to FFO of \$81.2 million, or \$1.99 per share, for the nine months ended September 30, 2009.

FFO for all periods shown was impacted by a number of charges as described in the summary below (\$'s in thousands, except per share amounts):

September 30, Nine Months Ended September 30,	Three Months Ended	
	2010	2009
FFO as reported	\$31,064	\$23,983
As adjusted for:		
Termination of interest rate swap derivatives	---	---
Abandoned due diligence costs	---	---
Demolition costs Hilton Head I, South Carolina	---	---
Impairment charge	---	---
(Gain) loss on early extinguishment of debt	---	---
Executive severance	---	10,296
Gain on sale of outparcel	---	(3,292)
Impact of above adjustments to the allocation of earnings to participating securities	---	(85)
FFO as adjusted	\$31,064	\$30,902
FFO per share as adjusted	\$.67	\$.70

Excluding these charges, adjusted FFO for the third quarter and nine months ended September 30, 2010 would have been \$0.67 and \$1.96 per share respectively, while FFO for the third quarter and nine months ended September 30, 2009 would have been \$0.70 and \$2.04 per share respectively.

Steven B. Tanger, President and Chief Executive Officer, commented, "Our third quarter operating results were above plan. Same store net operating income increased by 3.6% for the quarter and 2.4% for the first nine months of 2010, and tenant sales increased 4.9% for the quarter and 6.3% for the rolling twelve months. We strengthened our Board of Directors with the appointment of Thomas Reddin as a new Director, and enhanced our management team with the hiring of Thomas McDonough as Executive Vice President of Operations. Our newest development in Mebane, North Carolina is fast approaching its Grand Opening on November 5th, and is expected to be 100% occupied. Our team is busy assisting our tenants as they move into this highly anticipated outlet center, which will open just in time for the Holiday shopping season."

For the three months ended September 30, 2010, net income available to common shareholders was \$11.5 million or \$0.29 per share, as compared to \$2.3 million, or \$0.06 per share for the third quarter of 2009. Net income available to common shareholders for the nine months ended September 30, 2010 was \$16.0 million, or \$0.40 per share compared to \$41.6 million, or \$1.20 per share, for the first nine months of 2009. Net income available to common shareholders for certain periods in 2010 and 2009 were also impacted by the charges described above. Net income available to common shareholders for the nine months ended September 30, 2009 also includes a gain of \$31.5 million related to the acquisition of our partner's interest in a shopping center previously held in a joint venture.

Net income and FFO per share amounts above are on a diluted basis. FFO is a supplemental non-GAAP financial measure used as a standard 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 is included in this press release.

Third Quarter Highlights

21.2% debt-to-total market capitalization ratio, compared to 24.3% last year

4.62 times interest coverage ratio for the three months ended September 30, 2010 compared to 4.63 times last year

3.6% increase in same center net operating income during the quarter and 2.4% for the first nine months, compared to 1.8% year

10.1% average increase in base rental rates on 1,014,000 square feet of signed renewals during the first nine months of 2010,

25.0% average increase in base rental rates on 427,000 square feet of re-leased space during the first nine months of 2010, co

98.1% occupancy rate for wholly-owned properties, up 2.5% from 95.6% at September 30, 2009

Reported tenant comparable sales increased by 6.3% to \$349 per square foot for the rolling twelve months ended September 30, 2

Approval by Board of Directors to expand the board from seven to eight members and election of Thomas J. Reddin as a member of

Expansion of the senior management team and appointment of Thomas E. McDonough to the position of Executive Vice President of

Balance Sheet Summary

As of September 30, 2010, Tanger had a total market capitalization of approximately \$2.9 billion including \$609.3 million of debt outstanding, equating to a 21.2% debt-to-total market capitalization ratio. As of September 30, 2010, 91.0% of Tanger's debt was at fixed interest rates and the company had \$54.8 million outstanding on its \$325.0 million in available unsecured lines of credit. During the third quarter of 2010, Tanger continued to maintain a strong interest coverage ratio of 4.62 times, compared to 4.63 times during the third quarter of last year.

Portfolio Operating Results

During the first nine months of 2010, Tanger executed 358 leases, totaling 1,441,000 square feet within its wholly-owned properties. Lease renewals during the first nine months of 2010 accounted for 1,014,000 square feet, which represented approximately 69% of the square feet originally scheduled to expire during 2010, and generated a 10.1% increase in average base rental rates. Base rental increases on re-tenanted space during the first nine months averaged 25.0% and accounted for the remaining 427,000 square feet.

Same center net operating income increased 3.6% for the third quarter of 2010, and increased 2.4% for the first nine months of 2010, compared to 1.8% for the first nine months of 2009. Reported tenant comparable sales for our wholly owned properties for the rolling twelve months ended September 30, 2010 increased 6.3% to \$349 per square foot, while reported tenant comparable sales for the three months ended September 30, 2010 increased 4.9%.

Development Update

Scheduled to open on November 5, 2010, the company's 317,000 square foot outlet center in Mebane, North Carolina now has leases signed or out for signature on 100% of the leasable square feet. Tanger field personnel are already in place assisting store personnel as they move into their suite. Construction crews are putting the final touches on the center, working towards completion of this \$65 million project. This new addition to the company's portfolio is located on Interstate 85/40 between the major North Carolina metropolitan markets of Raleigh/Durham/Chapel Hill and Greensboro/High Point/Winston-Salem.

Demolition is now complete and a redevelopment is in process on the company's Hilton Head I center in Bluffton, South Carolina. Currently, this center has leases signed or out for signature on 73.4% of the leasable square feet. When completed, the new 176,000 square foot center, with an additional four outparcel pads, will be the first LEED certified green shopping center in Beaufort County. The company's \$50 million redevelopment in Hilton Head is projected to open during the second half of 2011. The company's other property on Highway 278, Hilton Head II, remains open during the construction and redevelopment of Hilton Head I.

2010 Per Share Guidance

Based on the company's view on current market conditions and the strength and stability of its core portfolio, Tanger currently believes its net income available to common shareholders for 2010 will be between \$0.65 and \$0.71 per share and its FFO available to common shareholders for 2010 will be between \$2.42 and \$2.48 per share. The company's earnings estimates do not include the impact of any additional rent termination fees, potential refinancing transactions, the sale of any additional out parcels of land or the sale or acquisition of any properties. The following table provides the reconciliation of estimated diluted net income per share to estimated diluted FFO per share:

For the twelve months ended December 31, 2010:

Non-controlling interest, gain/loss on acquisition of real estate, depreciation and amortization uniquely significant to re

Third Quarter Conference Call

Tanger will host a conference call to discuss its third quarter results for analysts, investors and other interested parties on Wednesday, October 27, 2010, at 10:00 A.M. eastern time. To access the conference call, listeners should dial 1-877-277-5113 and request to be connected to the Tanger Factory Outlet Centers Third Quarter Financial Results call. Alternatively, the call will be web cast by SNL IR Solutions and can be accessed at Tanger Factory Outlet Centers, Inc.'s web site at <http://www.tangeroutlet.com> under the Investors section. SNL subscribers may also access the web cast via the SNL database, www.snl.com.

A telephone replay of the call will be available from October 27, 2010 starting at 1:00 P.M. eastern time through November 5, 2010, by dialing 1-800-642-1687 (conference ID #14480005). Additionally, an online archive of the broadcast will also be available through November 5, 2010.

About Tanger Factory Outlet Centers, Inc.

Tanger Factory Outlet Centers, Inc., (NYSE:SKT) is a publicly traded REIT headquartered in Greensboro, North Carolina that operates and owns or has ownership interests in, a portfolio of 32 outlet centers in 22 states coast-to-coast, totaling approximately 9.8 million square feet, leased to over 2,000 stores that are operated by over 370 different brand name companies. More than 150 million shoppers visit Tanger Outlet Centers annually. Tanger is filing a Form 8-K with the Securities and Exchange Commission that furnishes a supplemental information package for the quarter ended September 30, 2010. For more information on Tanger Outlet Centers, call 1-800-4-TANGER or visit the company's web site at www.tangeroutlet.com.

Estimates of future net income per share and FFO per share are by definition, and certain other matters discussed in this press release regarding our re-merchandising strategy, the renewal and re-tenanting of space, the development of new centers, tenant sales and sales trends, interest rates, funds from operations and coverage of the current dividend 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 Tanger Factory Outlet Centers, Inc. Annual Report on Form 10-K for the fiscal year ended December 31, 2009.

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FFO per common s

(d) Includes for the nine months ended September 30, 2010 the write-off of unamortized term loan origination costs related to th

(g) Represents discontinu

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Common shares, \$.01 par value, 150,000,000 shares authorized, 40,486,834 and 40,277,124 shares issued and outstandi

Equity attr

September 30,
September 30,

(a) FFO is a non-GAAP financial measure. The most directly comparable GAAP measure is net income (loss), to which it is reconci

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