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Tanger Outlet Centers and RioCan Real Estate Investment Trust Break Ground on Tanger Outlets Ottawa

Construction Begins On This World Class Outlet Center Serving The Greater Kanata And Ontario Markets

GREENSBORO, N.C., May 15, 2013 /PRNewswire/ -- Tanger Factory Outlet Centers, Inc. (NYSE:SKT) and RioCan Real Estate Investment Trust hosted an official Ground Breaking Ceremony today to announce that construction has begun on Tanger Outlets Ottawa. When complete, we expect that Phase I of the project will be home to approximately 293,000 square feet of branded factory outlet retailers from the U.S. and Canada.

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(Photo: <https://photos.prnewswire.com/prnh/20130515/CL14211-b>)

(Photo: <https://photos.prnewswire.com/prnh/20130515/CL14211-c>)

(Logo: <https://photos.prnewswire.com/prnh/20120907/CL70706LOGO-b>)

As the capital of Canada and the fourth largest city in the country, with 1.2 million residents and 7.5 million visitors annually, we believe Ottawa is the ideal location for the first ground-up construction of a Tanger Outlet in the Canadian market. Tanger and RioCan currently co-own outlets in Cookstown, Ontario, Bromont, Quebec, and St. Sauveur, Quebec.

The upscale outlet project will be located off the TransCanada Highway (Highway 417) at Palladium Drive. The site is located in the suburban area of Kanata and will benefit from its access to the greater Ottawa market. The concept, design and merchandising of the Ottawa center will be similar to those within the successful, established Tanger portfolio of outlet centers in the United States.

Tanger Outlets offers consumers the opportunity to purchase merchandise that is on trend and in- season from leading designer and brand name manufacturers at a savings of 30 to 70 percent off retail prices. We expect the center will include over 80 leading brand name and outlet stores including: American Eagle Outfitters, Gap Outlet, Banana Republic Factory Store, Calvin Klein, Nike Factory Store, Tommy Hilfiger, Aeropostale and many more.

The projected total cost of this ground up construction project represents an estimated \$120 million dollar investment in Ottawa. The new center will have a positive economic impact for the area by creating an estimated 700 jobs during construction and approximately 1,000 full and part-time retail jobs upon completion. Once complete, we believe the center will create an estimated \$15 million dollars in annual sales tax.

"We are excited to begin construction on this dynamic new center in the Ottawa market and look forward to bringing the Tanger Outlets shopping experience to local residents as well as

area tourists," said Steven B. Tanger, President and Chief Executive Officer of Tanger Factory Outlet Centers, Inc. "The center co-owned by Tanger and RioCan will deliver new brand name outlet stores to the market as we strive to continue to elevate the shopping experience for our Canadian customers."

"The Ottawa Tanger Outlet Center development represents an excellent opportunity for RioCan and Tanger to extend our relationship as we develop the Tanger Outlet experience here in Canada," said Edward Sonshine, CEO of RioCan. "This development, our fourth shopping center together, will bring an exciting and new shopping experience that to date has not previously been available in Ottawa and surrounding areas."

About RioCan:

RioCan is Canada's largest real estate investment trust with a total capitalization of approximately \$14.4 billion as of March 31, 2013. It owns and manages Canada's largest portfolio of shopping centers with ownership interests in a portfolio of 344 retail properties containing more than 84 million square feet, including 50 grocery anchored and new format retail centers containing 13.7 million square feet in the United States through various joint venture arrangements as at March 31, 2013. RioCan's portfolio also includes 11 properties under development in Canada. For further information, please refer to RioCan's website at www.riocan.com.

About Tanger Factory Outlet Centers, Inc.:

Tanger Factory Outlet Centers, Inc. is a publicly-traded REIT headquartered in Greensboro, North Carolina that operates and owns, or has an ownership interest in, a portfolio of 43 upscale outlet shopping centers in 26 states coast to coast and in Canada, totaling approximately 12.9 million square feet leased to over 2,700 stores operated by more than 460 different brand name companies. More than 175 million shoppers visit Tanger Factory Outlet Centers annually. For more information on Tanger Outlet Centers, call 1-800-4TANGER or visit the company's web site at www.tangeroutlet.com.

This News Release contains forward-looking statements within the meaning of applicable securities laws. These statements include, but are not limited to, statements regarding RioCan's and Tanger's intention to construct Tanger Outlets Ottawa, the cost and size of the project, the impact on the local area in terms of jobs and sales taxes generated, and other statements concerning each company's objectives, its strategies to achieve those objectives, as well as statements with respect to management's beliefs, plans, estimates, and intentions, and similar statements concerning anticipated future events, results, circumstances, performance or expectations that are not historical facts. Forward-looking statements generally can be identified by the use of forward-looking terminology such as "outlook", "objective", "may", "expect", "intend", "estimate", "anticipate", "believe", "should", "plan", "continue", or similar expressions suggesting future outcomes or events. Such forward-looking statements reflect management's current beliefs and are based on information currently available to management. All forward-looking statements in this News Release are qualified by these cautionary statements. These forward-looking statements are not guarantees of future events or performance and, by their nature, are based on each company's current estimates and assumptions, which are subject to risks and uncertainties.

For a list of risks and uncertainties described affecting RioCan, see those described under "Risks and Uncertainties" in RioCan's latest financial statements and RioCan's Management's Discussion and Analysis for the period ended March 31, 2013, which could cause actual events or results to differ materially from the forward-looking statements contained in this News Release. Those risks and uncertainties include, but are not limited to,

those related to: liquidity in the global marketplace associated with economic conditions, tenant concentrations, occupancy levels, access to debt and equity capital, interest rates, joint ventures/partnerships, the relative illiquidity of real property, unexpected costs or liabilities related to acquisitions, construction, environmental matters, legal matters, reliance on key personnel, unitholder liability, income taxes, the investment in the United States of America ("US"), fluctuations in the currency exchange rate between the Canadian and US dollar and RioCan's qualification as a real estate investment trust for tax purposes. Material factors or assumptions that were applied in drawing a conclusion or making an estimate set out in the forward-looking information may include, but are not limited to: a stable retail environment; relatively low and stable interest costs; a continuing trend toward land use intensification in high growth markets; access to equity and debt capital markets to fund, at acceptable costs, the future growth program to enable the Trust to refinance debts as they mature; the availability of purchase opportunities for growth in Canada and the US; and the impact of accounting principles adopted by the Trust effective January 1, 2011 under International Financial Reporting Standards ("IFRS"). Although the forward-looking information contained in this News Release is based upon what management believes are reasonable assumptions, there can be no assurance that actual results will be consistent with these forward-looking statements. Certain statements included in this News Release may be considered "financial outlook" for purposes of applicable securities laws, and such financial outlook may not be appropriate for purposes other than this News Release.

The Income Tax Act (Canada) (the "Act") contains legislation affecting the tax treatment of publicly traded trusts (the "SIFT Legislation"). The SIFT Legislation will not impose tax on a trust which qualifies under such legislation as a real estate investment trust (the "REIT Exception"). RioCan currently qualifies for the REIT Exception and intends to continue to qualify for future years. Should this not occur, certain statements contained in this News Release may need to be modified.

For a more detailed discussion of the factors that affect Tanger's 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, 2012. Such factors include, but are not limited to, the risks associated with general economic and local real estate conditions, Tanger's ability to meet its obligations on existing indebtedness or refinance existing indebtedness on favorable terms, the availability and cost of capital, Tanger's ability to lease its properties or to meet its minimum pre-leasing hurdles on proposed new developments, Tanger's inability to collect rent due to the bankruptcy or insolvency of tenants or otherwise, and competition.

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