



Macerich Announces Third Quarter Results

November 13, 2002

SANTA MONICA, Calif., Nov. 13 /PRNewswire-FirstCall/ -- The Macerich Company (NYSE: MAC) today announced results of operations for the quarter and nine months ended September 30, 2002 which included funds from operations ("FFO") per share-diluted increasing 15.1% to \$.83 for the quarter ended September 30, 2002 from \$.72 for the comparable period in 2001 and FFO per share-diluted for the nine months ended September 30, 2002 increasing to \$2.19 compared to \$2.03 for the comparable period in 2001.

Net income to common stockholders for the nine months ended September 30, 2002 was \$27.7 million or \$.77 per share-diluted compared to \$22.5 million or \$.67 per share-diluted for the nine months ended September 30, 2001. Net income to common stockholders for the three months ended September 30, 2002 was \$11.7 million, or \$.32 per share-diluted compared to net income of \$9.3 million or \$.27 per share-diluted for the three months ended September 30, 2001.

Highlights included:

- On July 26, 2002, the Company closed on the \$1.475 billion acquisition of Westcor Realty Limited Partnership and its affiliated entities ("Westcor").
- Macerich signed 253,000 square feet of specialty store leases at average initial rents of \$43.37 per square foot. First year rents on mall and freestanding store leases signed during the quarter were 20% higher than expiring rents on a comparable space basis.
- Portfolio occupancy increased to 93.6% up from 92.4% at September 30, 2001. On a same center basis occupancy at September 30, 2002 was 93.3%
- Total same center tenant sales for the quarter ended September 30, 2002 were up 1.8% compared to the third quarter of 2001.
- The quarterly dividend was increased to \$.57 per share to stockholders of record on November 18, 2002. Macerich has increased its dividend each year since becoming a public company in 1994. The annualized dividend yield based on the closing price on the date of declaration was 7.9%.

Commenting on results and recent events, Arthur Coppola, President and Chief Executive Officer of Macerich stated, "The quarter was highlighted by continued strong fundamentals and by our acquisition of Westcor. The Westcor portfolio significantly expands our platform for growth in the Western United States. The acquisition upgrades the quality of our portfolio in terms of sales productivity and market dominance. During the quarter the results of Westcor helped fuel our double digit FFO growth. The integration of Westcor has gone smoothly and has exceeded our expectations."

Acquisition Activity

On July 26, 2002, the Company completed the acquisition of Westcor. The purchase price was \$1.475 billion including the assumption of \$733 million of debt and the issuance of approximately \$72 million of convertible preferred operating partnership units at a price of \$36.55. Additionally, \$18.9 million of partnership units of Westcor Realty Limited Partnership were issued to limited partners of Westcor. The balance of the purchase price was paid in cash which was provided primarily from a \$380 million interim loan with a term of up to 18 months bearing interest at an average rate of LIBOR plus 3.25% and a \$250 million term loan with a maturity of up to five years with an interest rate ranging from LIBOR plus 2.75% to LIBOR plus 3.00% depending on the Company's overall leverage.

The assets acquired include some of the leading retail assets in the country, including Scottsdale Fashion Square and Chandler Fashion Center in the Phoenix area and FlatIron Crossing in Colorado's Denver-Boulder area. The gross leasable area in the Westcor portfolio totals 15.6 million square feet. In addition, the Westcor portfolio includes two retail properties in Arizona that recently broke ground, as well as rights for over 1,000 acres of well-situated undeveloped land.

Redevelopment and Development Activity

At Queens Center, the redevelopment and expansion continued. The project will increase the size of the center from 620,000 square feet to approximately 1 million square feet. Completion is planned in phases starting in 2004 with stabilization expected in 2005. To date, 53% of the expansion space is leased with another 15% out for signature.

At Lakewood Center, Target commenced building a two-level Target store with a fall 2003 opening.

Bon Marche began construction of a new department store at Redmond Town Center.

Construction began at Scottsdale 101, a 600,000 square foot power center in North Phoenix and construction also commenced at La Encantada, a 258,000 square foot specialty center in Tucson, Arizona.

During October 2002 Macy's opened a new 180,000 square foot store becoming the fifth department store at the dominant super regional mall, Scottsdale Fashion Square.

Financing Activity

The Company refinanced Chandler Fashion Center with a \$184 million 10-year fixed rate loan bearing interest at 5.48%. This loan replaced a \$160 million floating rate construction loan and is a step forward towards the Company's objective of reducing its floating rate debt level.

2002 Earnings Estimates

The Company previously revised upward its year 2002 FFO per share guidance to a range of \$3.14 to \$3.25. The Company is currently revising guidance upward again to a range of \$3.20 to \$3.27.

The Macerich Company is a fully integrated self-managed and self-administered real estate investment trust, which focuses on the acquisition, leasing, management, redevelopment and development of regional malls and community centers throughout the United States. The Company is the sole general partner and owns a 77% ownership interest in The Macerich Partnership, L.P. Macerich now owns interests in 56 regional malls and 21 community centers totaling approximately 58 million square feet. Additional information about The Macerich Company can be obtained from the Company's web site at www.macerich.com.

Investor Conference Call

The Company will provide an online Web simulcast and rebroadcast of its quarterly earnings conference call. The call will be available on The Macerich Company's website at www.macerich.com, through Vcall at www.vcall.com, and CCBN at www.ccbn.com. The call begins today, November 13, 2002 at 10:30 AM Pacific Time. To listen to the call, please go to any of these web sites at least 15 minutes prior to the call in order to register and download audio software if needed. An online replay will be available for 90 days after the call.

Note:

This release contains statements that constitute forward-looking statements. Stockholders are cautioned that any such forward-looking statements are not guarantees of future performance and involve risks, uncertainties and other factors that may cause actual results, performance or achievements of the Company to vary materially from those anticipated, expected or projected. Such factors include, among others, general industry, economic and business conditions, which will, among other things, affect demand for retail space or retail goods, availability and creditworthiness of current and prospective tenants, tenant bankruptcies, lease rates and terms, availability and cost of financing and operating expenses; adverse changes in the real estate markets including, among other things, competition from other companies, retail formats and technology, risks of real estate development and redevelopment, acquisitions and dispositions; governmental actions and initiatives; environmental and safety requirements; and terrorist activities which could adversely affect all of the above factors. The reader is directed to the Company's various filings with the Securities and Exchange Commission, for a discussion of such risks and uncertainties.

THE MACERICH COMPANY
FINANCIAL HIGHLIGHTS
(IN THOUSANDS, EXCEPT PER SHARE AMOUNTS)

	Results before SFAS 144		Impact of SFAS 144	
Results of Operations:	For the Three Months Ended September 30		For the Three Months Ended September 30	
	Unaudited			
	2002	2001	2002	2001
Minimum Rents	62,107	49,991		(278)
Percentage Rents	1,961	2,392		(1)
Tenant Recoveries	33,999	27,701		(121)
Other Income	3,500	2,803	(24)	(6)
Total Revenues	101,567	82,887	(24)	(406)
Shopping center and operating expenses (c)	36,437	28,629	(1)	(168)
Depreciation and amortization	21,479	16,601		(88)
General, administrative and other expenses	1,015	963		
Interest expense	36,255	27,550		
Gain (loss) on sale or writedown of assets	(6)	(107)	(7)	
Pro rata income (loss) of unconsolidated entities (c)	15,550	8,209		
Income before minority interest & extraordinary items	21,925	17,246	(30)	(150)
Extraordinary loss on				

early extinguishments of debt	870	--	--	--
Income (loss) of the Operating Partnership from continuing operations	21,055	17,246	(30)	(150)
Discontinued Operations:				
Gain (loss) on sale of asset	--	--	7	--
Income from discontinuing operations	--	--	23	150
Income before minority interest	21,055	17,246	--	--
Income (loss) allocated to minority interests	4,184	2,965		
Net income before preferred dividends	16,871	14,281	--	--
Dividends earned by preferred stockholders	5,195	5,013	--	--
Net income to common stockholders	11,676	9,268	--	--
Average # of shares outstanding - basic	36,260	33,879		
Average shares outstanding, - basic, assuming full conversion of OP Units (d)	49,252	45,032		
Average shares outstanding - diluted for FFO (d) (e)	62,852	58,994		
Per share income - diluted before extraordinary item	0.34	0.27		
Net income per share - basic	0.32	0.27		
Net income per share - diluted	0.32	0.27		
Dividend declared per share	0.55	0.53		
Funds from operations "FFO" (b) (d) - basic	44,455	34,478		
Funds from operations "FFO" (a) (b) (d) - diluted	52,093	42,462		
FFO per share - basic (b) (d)	0.90	0.77		
FFO per share - diluted (a) (b) (d)	0.83	0.72		
% change in FFO - diluted	15.15%			

Results after SFAS 144

Results of Operations:

For the Three Months
Ended September 30
Unaudited
2002 2001

Minimum Rents	62,107	49,713
Percentage Rents	1,961	2,391
Tenant Recoveries	33,999	27,580
Other Income	3,476	2,797
	--	--
Total Revenues	101,543	82,481
Shopping center and operating expenses (c)	36,436	28,461
Depreciation and amortization	21,479	16,513
General, administrative and other expenses	1,015	963
Interest expense	36,255	27,550
Gain (loss) on sale or writedown of assets	(13)	(107)
Pro rata income (loss) of unconsolidated entities (c)	15,550	8,209
Income before minority interest & extraordinary items	21,895	17,096
Extraordinary loss on early extinguishments of debt	870	--
Income (loss) of the Operating Partnership from continuing operations	21,025	17,096
Discontinued Operations:		
Gain (loss) on sale of asset	7	--
Income from discontinuing operations	23	150
Income before minority interest	21,055	17,246
Income (loss) allocated to minority interests	4,184	2,965
Net income before preferred dividends	16,871	14,281
Dividends earned by preferred stockholders	5,195	5,013
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Net income per share - diluted	0.32	0.27
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Funds from operations "FFO" (b) (d) - basic	44,455	34,478

Funds from operations		
"FFO" (a) (b) (d) - diluted	52,093	42,462
FFO per share - basic (b) (d)	0.90	0.77
FFO per share - diluted (a) (b) (d)	0.83	0.72
% change in FFO - diluted	15.15%	

THE MACERICH COMPANY
FINANCIAL HIGHLIGHTS
(IN THOUSANDS, EXCEPT PER SHARE AMOUNTS)

	Results before SFAS 144		Impact of SFAS 144	
Results of Operations:	For the Nine Months Ended September 30		For the Nine Months Ended September 30	
	Unaudited			
	2002	2001	2002	2001
Minimum Rents	160,244	148,209	(415)	(1,206)
Percentage Rents	4,250	5,380		(39)
Tenant Recoveries	85,438	79,867	(59)	(294)
Other Income	8,164	7,885	(21)	(19)
Total Revenues	258,096	241,341	(495)	(1,558)
Shopping center and operating expenses (c)	89,853	80,606	(64)	(418)
Depreciation and amortization	55,229	49,092	(115)	(261)
General, administrative and other expenses	4,559	4,478		
Interest expense	86,415	83,042		
Gain on sale or writedown of assets	10,209	(295)	(13,923)	
Pro rata income of unconsolidated entities (c)	20,955	20,891		
Income before minority interest & extraordinary items	53,204	44,719	(14,239)	(879)
Extraordinary loss on early extinguishments of debt	870	187		
Income of the Operating Partnership from continuing operations	52,334	44,532	(14,239)	(879)
Discontinued Operations:				
Gain on sale of asset	--	--	13,923	--
Income from discontinuing operations	--	--	316	879
Income before minority interest	52,334	44,532	--	--
Income allocated to minority interests	9,364	7,342	--	--
Net income before preferred dividends	42,970	37,190	--	--
Dividends earned by preferred stockholders	15,222	14,675	--	--
Net income to common				

stockholders	27,748	22,515	--	--
Average # of shares outstanding - basic	35,739	33,761		
Average shares outstanding, - basic, assuming full conversion of OP Units (d)	47,525	44,915		
Average shares outstanding - diluted for FFO (d) (e)	61,125	58,877		
Per share income - diluted before extraordinary item	0.79	0.67		
Net income per share - basic	0.78	0.67		
Net income per share - diluted	0.77	0.67		
Dividend declared per share	1.65	1.59		
Funds from operations "FFO" (b) (d) - basic	111,300	95,769		
Funds from operations "FFO" (a) (b) (d) - diluted	133,773	119,273		
FFO per share - basic (b) (d)	2.34	2.13		
FFO per share - diluted (a) (b) (d)	2.19	2.03		
% change in FFO - diluted	8.03%			

Results after SFAS 144

Results of Operations:

	For the Nine Months Ended September 30 Unaudited	
	2002	2001
Minimum Rents	159,829	147,003
Percentage Rents	4,250	5,341
Tenant Recoveries	85,379	79,573
Other Income	8,143	7,866
Total Revenues	257,601	239,783
Shopping center and operating expenses (c)	89,789	80,188
Depreciation and amortization	55,114	48,831
General, administrative and other expenses	4,559	4,478
Interest expense	86,415	83,042
Gain on sale or writedown of assets	(3,714)	(295)
Pro rata income of unconsolidated entities (c)	20,955	20,891
Income before minority interest & extraordinary items	38,965	43,840
Extraordinary		

loss on early extinguishment of debt	870	187
Income of the Operating Partnership from continuing operations	38,095	43,653
Discontinued Operations:		
Gain on sale of asset	13,923	--
Income from discontinuing operations	316	879
Income before minority interest	52,334	44,532
Income allocated to minority interests	9,364	7,342
Net income before preferred dividends	42,970	37,190
Dividends earned by preferred stockholders	15,222	14,675
Net income to common stockholders	27,748	22,515
Average # of shares outstanding - basic	35,739	33,761
Average shares outstanding, - basic, assuming full conversion of OP Units (d)	47,525	44,915
Average shares outstanding - diluted for FFO (d) (e)	61,125	58,877
Per share income - diluted before extraordinary item	0.79	0.67
Net income per share - basic	0.78	0.67
Net income per share - diluted	0.77	0.67
Dividend declared per share	1.65	1.59
Funds from operations "FFO" (b) (d) - basic	111,300	95,769
Funds from operations "FFO" (a) (b) (d) - diluted	133,773	119,273
FFO per share - basic (b) (d)	2.34	2.13
FFO per share - diluted (a) (b) (d)	2.19	2.03
% change in FFO - diluted	8.03%	

(a) The Company issued \$161,400 of convertible debentures in June and

July, 1997. The debentures are convertible into common shares at a conversion price of \$31.125 per share.

On February 25, 1998 the Company sold \$100,000 of convertible preferred stock and on June 17, 1998 another \$150,000 of convertible preferred stock was issued. The convertible preferred shares can be converted on a 1 for 1 basis for common stock. These preferred shares are not assumed converted for purposes of net income per share as it would be antidilutive to that calculation. The weighted average preferred shares outstanding are assumed converted for purposes of FFO per diluted share as they are dilutive to that calculation.

(b) Funds from Operations ("FFO") is defined as: "net income (computed

in accordance with GAAP) excluding gains or losses from debt restructuring and sales of property, plus depreciation and amortization (excluding depreciation on personal property and amortization of loan and financial instrument cost) and after adjustments for unconsolidated entities. Adjustments for unconsolidated entities are calculated on the same basis." In accordance with the National Association of Real Estate Investment Trusts' (NAREIT) white paper on Funds from Operations, dated October, 1999, excluded from FFO are the earnings impact of cumulative effects of accounting changes and results of discontinued operations, both as defined by GAAP.

(c) This includes, using the equity method of accounting, the Company's

prorata share of the equity in income or loss of its unconsolidated joint ventures and for Macerich Management Company for all periods presented and for The Macerich Property Management Company through March 28, 2001.

Effective March 29, 2001, Macerich Property Management Company merged into a wholly-owned subsidiary of the Macerich Partnership L.P. and as of that date the results are now included in the consolidated results of The Macerich Company.

(d) The Company has operating partnership units ("OP units"). Each OP

unit can be converted into a share of Company stock. Conversion of the OP units has been assumed for purposes of calculating the FFO per share and the weighted average number of shares outstanding.

Summarized Balance Sheet Information	Sept. 30	Dec 31
	2002	2001
	(UNAUDITED)	
Cash and cash equivalents	\$63,165	\$26,470
Investment in real estate, net (h)	\$2,779,423	\$1,887,329
Investments in unconsolidated entities (i)	\$610,255	\$278,526
Total Assets	\$3,588,051	\$2,294,502
Mortgage and notes payable	\$2,550,415	\$1,398,512
Convertible debentures	\$125,148	\$125,148
	Sept. 30	Sept. 30
Additional financial data as of:	2002	2001
Occupancy of centers (f)	93.60%	92.40%
Comparable quarter change in same center sales (f) (g)	1.80%	-1.80%

Additional financial data for the nine months ended:
Acquisitions of property and equipment - including

joint ventures prorata	\$923,219	\$11,159
Development, redevelopment and expansions of centers - including joint ventures prorata	\$26,967	\$25,239
Renovations of centers - including joint ventures at prorata	\$4,241	\$9,432
Tenant allowances - including joint ventures at prorata	\$9,901	\$13,568
Deferred leasing costs - including joint ventures at prorata	\$12,192	\$9,777

(f) excludes redevelopment properties -- Crossroads Mall - Boulder,

and Parklane Mall, Westcor and the Oaks.

(g) includes mall and freestanding stores.

(h) includes construction in process on wholly owned assets of \$91,224 at

September 30, 2002 and \$71,161 at December 31, 2001.

(i) the Company's prorata share of construction in process on

unconsolidated entities of \$13,064 at September 30, 2002 and
\$3,110 at December 31, 2001.

THE MACERICH COMPANY
FINANCIAL HIGHLIGHTS
(IN THOUSANDS, EXCEPT PER SHARE AMOUNTS)

PRORATA SHARE OF JOINT VENTURES

(Unaudited)	For the Three Months Ended September 30 Unaudited		For the Nine Months Ended September 30 Unaudited	
	(All amounts in thousands) 2002	2001	(All amounts in thousands) 2002	2001
Revenues:				
Minimum rents	\$38,122	\$26,630	\$91,494	\$78,011
Percentage rents	1,027	1,016	2,787	2,995
Tenant recoveries	16,047	11,274	37,503	32,481
Management fee (c)	2,573	2,104	6,888	7,328

Other	806	915	2,136	2,736
Total revenues	58,575	41,939	140,808	123,551
Expenses:				
Shopping center and operating expenses	17,761	13,782	44,468	39,946
Interest expense	14,398	11,529	35,786	35,430
Management company expense (c)	2,317	1,584	6,165	7,248
Depreciation and amortization	11,076	6,920	25,541	20,244
Total operating expenses	45,552	33,815	111,960	102,868
Gain (loss) on sale or writedown of assets	2,527	85	(7,893)	208
Net income	15,550	8,209	20,955	20,891

RECONCILIATION OF NET INCOME TO FFO

	For the Three Months Ended September 30 (All amounts in thousands) (UNAUDITED)		For the Nine Months Ended September 30 (All amounts in thousands) (UNAUDITED)	
	2002	2001	2002	2001
Net income - available to common stockholders	\$11,676	\$9,268	\$27,748	\$22,515
Adjustments to reconcile net income to FFO - basic				
Minority interest	4,184	2,965	9,364	7,342
Loss on early extinguishment of debt	870	--	870	187
(Gain) loss on sale of wholly owned assets	6	107	(10,209)	295
(Gain) loss on sale or write-down of assets from unconsolidated entities (pro rata)	(2,527)	(85)	7,893	(208)
Depreciation and amortization on wholly owned centers	21,479	16,601	55,229	49,092
Depreciation and amortization on joint ventures and from the management companies (pro rata)	11,076	6,920	25,541	20,244
Less: depreciation on personal property and amortization of loan costs and interest rate caps	(2,309)	(1,298)	(5,136)	(3,698)
Total FFO - basic	44,455	34,478	111,300	95,769
Weighted average shares outstanding - basic (d)	49,252	45,032	47,525	44,915

Additional adjustment to

arrive at FFO - diluted				
Interest expense and amortization of loan costs on the debentures (e)	2,443	2,971	7,251	8,829
Preferred stock dividends earned	5,195	5,013	15,222	14,675
Effect of employee/ director stock incentive plans				
FFO - diluted	52,093	42,462	133,773	119,273
Weighted average shares outstanding - diluted (d) (e)	62,852	58,994	61,125	58,877

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SOURCE:
The Macerich Company

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