



## **The Macerich Company Announces 26% Increase In 4th Quarter FFO Per Share**

February 17, 1998

(Santa Monica, CA), February 17, 1998 -- The Macerich Company (NYSE Symbol:MAC) announced today a 26% increase in Funds From Operations (FFO) per share to \$.62 for the 4th quarter of 1997 compared to \$.49 for the 4th quarter of 1996. FFO per share for the twelve months ended December 31, 1997 was \$2.21 per share compared to \$1.90 per share for the same period in 1996 representing a 16% increase for the year.

Total revenues for the quarter increased to \$61.5 million from \$43.9 million in the 4th quarter of 1996 representing a 40% increase. Total revenues for the twelve months ended December 31, 1997 increased to \$221.2 million from \$155.1 million for the same period in 1996. Net income for the quarter ended December 31, 1997 was \$7.3 million compared to \$5.5 million for the 4th quarter of 1996. Net income for the twelve months ended December 31, 1997 was \$22.0 million or \$.85 per share compared to \$18.9 million or \$.91 per share for the same period in 1996.

Same center tenant sales increased 5.8% in the 4th quarter of 1997 and the occupancy level at December 31, 1997 was 91.8% compared to 91.6% at December 31, 1996. Same center sales for calendar 1997 were up 4.4%. Weighted average sales for the entire portfolio of mall and freestanding stores for 1997 were \$308 per square foot compared to \$290 per square foot for the year ended December 31, 1996. There were approximately 190,810 square feet of mall and freestanding store leases signed in the 4th quarter at initial rents of \$28.07 per square foot, approximately 15% higher than expiring rent on comparable space.

Commenting on the results of the 4th quarter, Arthur Coppola, President and Chief Executive Officer stated, "Our 4th quarter results represented the eleventh consecutive quarter of growth in FFO per share and represents a record level of quarterly FFO per share as well as growth

in FFO per share since the company became public in March, 1994. Of particular note, approximately one half of our growth in FFO per share in the 4th quarter 1997 came from improved same store minimum rents and significant growth in the company's specialty leasing program. Approximately one half of the growth in FFO per share in the 4th quarter of 1997 was driven by accretion from properties acquired in 1996 and 1997. The purchase of The Citadel, a 1,094,000 square foot super regional mall in Colorado Springs, Colorado on December 19, 1997 highlighted the acquisition activity in the 4th quarter. In the five quarters ending December 31, 1997, the company acquired nine regional malls for total consideration of \$627 million."

The Macerich Company is a fully-integrated, self-administered and self-managed real estate investment trust which focuses on the acquisition and redevelopment of regional malls throughout the United States. The company is the sole general partner of, and holds a 68% ownership interest in, The Macerich Partnership, L.P. Macerich owns interests in 26 malls and four community centers with total gross leaseable area of 22.3 million square feet.

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