



## **The Macerich Company Announces A 14% Increase In 1998 FFO Per Shares - Diluted**

February 16, 1999

Santa Monica, CA (2/16/99) - The Macerich Company (NYSE Symbol: MAC) today announced results of operations for the fourth quarter and year ended December 31, 1998, which included the following:

- Funds from operations ("FFO") – diluted increased by 44% for the year ended December 31, 1998 compared to 1997.
- FFO per share – diluted increased 9% to \$.72 per share compared to the fourth quarter of 1997, and for the year, increased 14% to \$2.43 in 1998 compared to \$2.13 in 1997.
- Portfolio occupancy at year-end was 93.1%, a 200 basis point improvement over December 31, 1997.
- Initial year rents on mall and freestanding store leases signed during 1998 were \$28.50 per square foot, a 16.28% improvement over expiring rent on comparable space.
- Total same center sales, excluding redevelopments, increased 5.6% compared to the fourth quarter of 1997 and for the year, total same center sales were up 5.4% compared to 1997.

Commenting on results for the quarter and the year, Arthur Coppola, President and Chief Executive Officer of Macerich stated, " The strong results for the fourth quarter and for 1998 reflect the positive fundamentals of our business. We had a record setting year in terms of acquisitions, leasing activity and occupancy. We acquired interests in 17 dominant franchise regional malls with our share of the acquisition costs totaling over \$1.03 billion. The productivity of our portfolio was excellent with a year-end occupancy level of over 93% and stellar leasing activity with over 1.2 million square feet of mall and freestanding store leases signed during 1998. Our internal growth, which fueled much of our FFO growth per share, continues to accelerate as a result of the positive leasing spreads, occupancy gains and advances in specialty leasing. In spite of such an active year on the acquisitions front, our operations team has successfully integrated the acquired properties into our portfolio and we are poised to tap into these assets to further enhance our future same center growth in FFO."