



Taubman Sells Biltmore Fashion Park to Macerich

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PHOENIX, Aug. 28 /PRNewswire-FirstCall/ -- Taubman Centers, Inc. (NYSE: TCO) and The Macerich Company (NYSE: MAC), today jointly announced a definitive agreement for Macerich to buy Biltmore Fashion Park (Phoenix, AZ) from Taubman. The transaction, which is subject to final due diligence and other customary closing conditions, is expected to close before year-end 2003 and has been approved by the Boards of both companies.

The total purchase price will be approximately \$158.5 million, comprised of \$51 million of cash, approximately 811,000 Macerich partnership units (subject to an agreed upon trading range), and the assumption of \$77.5 million of property level fixed rate debt. The debt matures in July 2009 and bears an interest rate of 7.68 percent. Eastdil Broker Services was hired by Taubman in connection with the sale.

Biltmore Fashion Park is located on 31 acres at the intersection of 24th Street and Camelback Road in Phoenix. The 611,000 square-foot open-air center, anchored by Saks Fifth Avenue and Macy's, is producing over \$430 per square foot and is currently 90 percent leased. Opened in 1963, the property was purchased by Taubman for \$115 million in 1994. No personnel changes are anticipated at the center and the two companies are planning a seamless transition.

"This transaction is consistent with our goal of recycling capital to reinvest in our business," said Robert S. Taubman, chairman, president and chief executive officer of Taubman Centers. "Clearly, Macerich is the logical and most strategic buyer."

"We are pleased to add Biltmore to our regional mall portfolio," said Arthur Coppola, president and chief executive officer of Macerich. "Until 1998, when Scottsdale Fashion Square underwent a \$100 million expansion, Biltmore was the sole major fashion mall in Phoenix. Putting Scottsdale Fashion Square and Biltmore under common ownership creates a great opportunity for these two highly productive centers to complement each other. Since Macerich agreed to buy Westcor last year, we knew that the acquisition of Biltmore would make a tremendous amount of sense for both Taubman Centers and us."

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 throughout the United States. The Company is the sole general partner and owns an 82% ownership interest in The Macerich Partnership, L.P. Macerich holds interests in 56 regional malls, with properties totaling approximately 57 million square feet. Additional information about The Macerich Company can be obtained from the company's website at www.macerich.com.

Taubman Centers, Inc., a real estate investment trust, currently owns and/or manages 30 urban and suburban regional and super regional shopping centers in 13 states. In addition Stony Point Fashion Park (Richmond, Va.) is under construction and will open September 18, 2003, and Northlake Mall (Charlotte, N.C.) will begin construction later this year and will open fall 2005. Taubman Centers is headquartered in Bloomfield Hills, Mich. Additional information about Taubman Centers including supplemental information on acquisitions and divestitures can be obtained from the company's website at www.taubman.com.

This press release contains forward-looking statements within the meaning of the Securities Act of 1933 as amended. These statements reflect management's current views with respect to future events and financial performance. Actual results may differ materially from those expected because of various risks and uncertainties, including, but not limited to changes in general economic and real estate conditions, changes in the interest rate environment and availability of financing, and adverse changes in the retail industry. Other risks and uncertainties are discussed in each Company's filings with the Securities and Exchange Commission including its most recent Annual Report on Form 10-K.

SOURCE Macerich Company; Taubman Centers, Inc.

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