



Taubman

Second Quarter 2006 Supplemental Information

TAUBMAN CENTERS, INC.
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TAUBMAN CENTERS, INC.
Introduction
Second Quarter 2006

Taubman Centers, Inc. (the Company or TCO), a real estate investment trust, currently owns 22 urban and suburban regional and super-regional shopping centers in 10 states. Taubman Centers is headquartered in Bloomfield Hills, Michigan. The Company has a 65% managing general partnership interest in The Taubman Realty Group Limited Partnership (Operating Partnership or TRG), through which the Company conducts all of its operations. The Company owns, develops, acquires, and operates regional shopping centers and interests therein.

This package was prepared to provide supplemental operating, financing, and development information of the Company and the Operating Partnership for the second quarter of 2006. The information herein contains terms, captions, and other content for which definitions and additional background can be found in the Company's regular filings with the Securities and Exchange Commission, including its most recent Annual Report on Form 10-K and Quarterly Report on Form 10-Q. Refer to <http://www.taubman.com> for the latest available version of this package, which will incorporate any revisions to the information.

Any questions, comments, or suggestions regarding the information contained in this package should be directed to Barbara Baker, Vice President of Investor Relations - Taubman Centers, Inc., 200 East Long Lake Road, Suite 300, PO Box 200, Bloomfield Hills, Michigan 48303, Telephone (248) 258-7367, email: bbaker@taubman.com.

Use of Non-GAAP Measures:

Within this supplemental information package, the Company uses certain non-GAAP operating measures, including Beneficial Interest in EBITDA, Net Operating Income, and Funds from Operations. These measures are reconciled to the most comparable GAAP measures within. Additional information as to the use of these measures follows.

Beneficial Interest in EBITDA represents the Operating Partnership's share of the earnings before interest and depreciation and amortization of its consolidated and unconsolidated businesses. The Company believes Beneficial Interest in EBITDA provides a useful indicator of operating performance, as it is customary in the real estate and shopping center business to evaluate the performance of properties on a basis unaffected by capital structure.

In addition, the Company uses Net Operating Income (NOI) as an alternative measure to evaluate the operating performance of centers, both on individual and stabilized portfolio bases. The Company defines NOI as property-level operating revenues (rental income, excluding straightline adjustments of minimum rent, tenant recoveries, and other shopping center-related income) less maintenance, taxes, utilities, ground rent, and other property operating expenses. Since NOI excludes general and administrative expenses, pre-development charges, interest expense, depreciation and amortization, and gains from land and property dispositions, it provides a performance measure that, when compared period over period, reflects the revenues and expenses most directly associated with owning and operating rental properties, as well as the impact on their operations from trends in tenant sales, occupancy and rental rates, and operating costs.

The National Association of Real Estate Investment Trusts (NAREIT) defines Funds from Operations (FFO) as net income (loss) (computed in accordance with Generally Accepted Accounting Principles (GAAP)), excluding gains (or losses) from extraordinary items and sales of properties, plus real estate related depreciation and after adjustments for unconsolidated partnerships and joint ventures. The Company believes that FFO is a useful supplemental measure of operating performance for REITs. Historical cost accounting for real estate assets implicitly assumes that the value of real estate assets diminishes predictably over time. Since real estate values instead have historically risen or fallen with market conditions, the Company and most industry investors and analysts have considered presentations of operating results that exclude historical cost depreciation to be useful in evaluating the operating performance of REITs. FFO is primarily used by the Company in measuring performance and in formulating corporate goals and compensation.

These non-GAAP measures as presented by the Company are not necessarily comparable to similarly titled measures used by other REITs due to the fact that not all REITs use common definitions. None of these non-GAAP measures should be considered alternatives to net income as an indicator of the Company's operating performance, and they do not represent cash flows from operating, investing, or financing activities as defined by GAAP.

TAUBMAN CENTERS, INC.
Summary Financial Information
For the Periods Ended June 30, 2006 and 2005
(in thousands of dollars, except as noted)

	Three Months Ended		Year to Date	
	2006	2005	2006	2005
Funds from Operations (1):				
FFO:				
TCO	29,563	26,522	61,145	55,053
TRG	45,410	42,562	94,530	89,134
Per common share:				
Basic	0.56	0.52	1.17	1.10
Diluted	0.55	0.52	1.15	1.09
Growth rate-diluted	5.8%		5.5%	
Adjusted FFO (2):				
TCO	32,591	26,522	65,500	55,053
TRG	50,062	42,562	101,247	89,134
Per common share (2):				
Basic	0.62	0.52	1.25	1.10
Diluted	0.61	0.52	1.23	1.09
Growth rate-diluted	17.3%		12.8%	
Earnings allocable to common shareowners:				
Net income (loss)	(2,612)	(4,514)	2,819	(2,244)
Per common share - basic and diluted	(0.05)	(0.09)	0.05	(0.04)
Dividends (3):				
Dividends paid per common share	0.305	0.285	0.610	0.570
Payout ratio of diluted FFO per common share	55%	55%	53%	52%
Coverage:				
Interest only (4)	2.6	2.4	2.5	2.5
Fixed charges (5)	1.8	1.8	1.8	1.9
Market Capitalization:				
Closing stock price at end of period	40.90	34.09		
Market equity value of share equivalents	3,316,104	2,763,816		
Preferred equity (at face value)	217,000	330,000		
Beneficial interest in debt	2,588,500	2,420,800		
Debt to total market capitalization	42.3%	43.9%		
Ownership:				
TCO common shares outstanding:				
End of period	52,786,236	50,697,418		
Weighted average - basic	52,782,144	50,520,169	52,456,890	50,084,438
Weighted average - diluted	52,782,144	50,520,169	52,701,933	50,084,438
TRG units of partnership interest:				
End of period	81,078,342	81,074,098		
Weighted average - basic	81,076,833	81,074,086	81,076,598	81,054,654
Weighted average - diluted	82,215,216	81,956,693	82,192,903	82,005,515
TCO ownership of TRG:				
End of period	65.1%	62.5%		
Weighted average	65.1%	62.3%	64.7%	61.8%

(1) In order to be comparable to 2006 amounts, 2005 amounts have been restated from amounts previously reported to include an add-back of depreciation of center replacement assets reimbursed in the period of acquisition (see page 9, note 1).

(2) Adjusted FFO excludes the following unusual and/or nonrecurring items: charges of \$4.0 million and \$0.6 million incurred during the second quarter of 2006 in connection with the redemption of the remaining \$113 million of the Series A Preferred Stock and the redemption of the Series I Preferred Stock, respectively, and a \$2.1 million charge during the first quarter of 2006 in connection with the write-off of financing costs related to the pay-off of the loans on The Shops at Willow Bend prior to their maturity date. Refer to the reconciliation to Adjusted FFO on page 6.

(3) The tax status of total 2006 common dividends declared and to be declared, assuming continuation of a \$0.305 per common share quarterly dividend, is estimated to be approximately 15% return of capital, and approximately 85% ordinary income. The tax status of total 2006 dividends to be paid on Series G and Series H Preferred Stock is estimated to be 100% ordinary income. These are forward-looking statements and certain significant factors could cause the actual results to differ materially.

(4) Beneficial interest expense for the six months ended June 30, 2006 includes a \$2.1 million charge during the first quarter of 2006 in connection with the write-off of financing costs related to the pay-off of the loans on The Shops at Willow Bend prior to their maturity date. Excluding this charge, the interest coverage ratio would be 2.6 for the six months ended June 30, 2006.

(5) Fixed charges include beneficial interest expense, preferred dividends and distributions, and debt payments. Preferred dividends for the three and six months ended June 30, 2006 include charges of \$4.0 million and \$0.6 million incurred during the second quarter of 2006 in connection with the redemption of the remaining \$113 million of the Series A Preferred Stock and the redemption of the Series I Preferred Stock, respectively. Excluding these charges, as well as the charge included in beneficial interest expense described in footnote 4, the fixed charges coverage ratio would be 2.0 for the three and six months ended June 30, 2006.

TAUBMAN CENTERS, INC.
Income Statement (1)
For the Quarters Ended June 30, 2006 and 2005
(in thousands of dollars)

	2006		2005	
	UNCONSOLIDATED		UNCONSOLIDATED	
	CONSOLIDATED BUSINESSES	JOINT VENTURES (2)	CONSOLIDATED BUSINESSES	JOINT VENTURES (2)
REVENUES:				
Minimum rents	76,587	35,896	63,300	46,024
Percentage rents	709	786	721	343
Expense recoveries	52,152	20,427	41,222	24,239
Management, leasing and development services	3,160		3,334	
Other	6,668	1,175	8,629	1,786
Total revenues	<u>139,276</u>	<u>58,284</u>	<u>117,206</u>	<u>72,392</u>
EXPENSES:				
Maintenance, taxes and utilities	40,485	14,237	32,161	17,704
Other operating	16,476	5,919	16,164	7,192
Management, leasing and development services	1,527		2,125	
General and administrative	7,546		7,786	
Interest expense	31,871	13,353	26,492	16,742
Depreciation and amortization (3)	33,315	10,242	33,570	12,312
Total expenses	<u>131,220</u>	<u>43,751</u>	<u>118,298</u>	<u>53,950</u>
Gains on land sales and interest income	5,504	270	2,947	162
	<u>13,560</u>	<u>14,803</u>	<u>1,855</u>	<u>18,604</u>
Equity in income of Unconsolidated Joint Ventures	7,412		9,372	
Income before minority and preferred interests	20,972		11,227	
Minority and preferred interests:				
TRG preferred distributions	(615)		(615)	
Minority share of consolidated joint ventures	(3,671)		(10)	
Minority share of income of TRG	(2,780)		(2,364)	
Distributions in excess of minority share of income of TRG	(6,115)		(6,602)	
Net income	7,791		1,636	
Preferred dividends (4)	(10,403)		(6,150)	
Net income (loss) allocable to common shareowners	<u>(2,612)</u>		<u>(4,514)</u>	
SUPPLEMENTAL INFORMATION (5):				
EBITDA - 100%	78,746	38,398	61,917	47,658
EBITDA - outside partners' share	(6,820)	(17,009)	(3,947)	(21,380)
Beneficial interest in EBITDA	71,926	21,389	57,970	26,278
Beneficial interest expense	(28,658)	(7,617)	(25,108)	(9,318)
Non-real estate depreciation	(612)		(495)	
Preferred dividends and distributions	(11,018)		(6,765)	
Funds from Operations contribution	<u>31,638</u>	<u>13,772</u>	<u>25,602</u>	<u>16,960</u>
Net straightline adjustments to rental revenue, recoveries, and ground rent expense at TRG %	<u>153</u>	<u>298</u>	<u>307</u>	<u>206</u>

(1) The results of Cherry Creek Shopping Center are presented within the Consolidated Businesses for periods beginning January 1, 2006, as a result of the Company's adoption of EITF 04-5. Results of Cherry Creek prior to 2006 are included within the Unconsolidated Joint Ventures. In addition, in 2006 the Company modified its income statement presentation for depreciation of center replacement assets, revenues and expense related to marketing and promotion services, and gains on land sales and interest income. As a result, certain reclassifications have been made to prior year amounts to conform to current year classifications, as more fully described on page 5.

(2) With the exception of the Supplemental Information, amounts include 100% of the Unconsolidated Joint Ventures. Amounts are net of intercompany transactions. The Unconsolidated Joint Ventures are presented at 100% in order to allow for measurement of their performance as a whole, without regard to the Company's ownership interest. In its consolidated financial statements, the Company accounts for its investments in the Unconsolidated Joint Ventures under the equity method.

(3) Included in depreciation and amortization of the Consolidated Businesses and Unconsolidated Joint Ventures (both at 100%) are \$3.0 million and \$1.4 million, respectively, of depreciation of center replacement assets for the three months ended June 30, 2006, and \$3.3 million and \$1.5 million, respectively, for the three months ended June 30, 2005.

(4) Preferred dividends for the three months ended June 30, 2006 include charges of \$4.0 million and \$0.6 million incurred in connection with the redemption of the remaining \$113 million of the Series A Preferred Stock and the redemption of the Series I Preferred Stock, respectively.

(5) In order to be comparable to 2006 amounts, EBITDA and FFO for the three months ended June 30, 2005 have been restated from amounts previously reported to include an add-back of depreciation of center replacement assets reimbursed in the period of acquisition (see page 9, note 1).

TAUBMAN CENTERS, INC.
Income Statement (1)
For the Year to Date Periods Ended June 30, 2006 and 2005
(in thousands of dollars)

	2006			2005		
	UNCONSOLIDATED			UNCONSOLIDATED		
	CONSOLIDATED	JOINT		CONSOLIDATED	JOINT	
BUSINESSES	VENTURES (2)		BUSINESSES	VENTURES (2)		
REVENUES:						
Minimum rents	152,582	70,430		126,378	91,265	
Percentage rents	3,599	1,714		2,417	1,662	
Expense recoveries	97,045	38,499		78,782	47,111	
Management, leasing and development services	6,083			5,534		
Other	17,988	5,965		16,252	4,825	
Total revenues	<u>277,297</u>	<u>116,608</u>		<u>229,363</u>	<u>144,863</u>	
EXPENSES:						
Maintenance, taxes and utilities	75,283	27,619		62,159	33,737	
Other operating	33,071	11,161		29,589	14,866	
Management, leasing and development services	3,045			3,320		
General and administrative	14,470			13,745		
Interest expense (3)	66,154	26,595		52,032	33,517	
Depreciation and amortization (4)	66,704	20,424		63,069	25,892	
Total expenses	<u>258,727</u>	<u>85,799</u>		<u>223,914</u>	<u>108,012</u>	
Gains on land sales and interest income	7,927	522		5,552	274	
	<u>26,497</u>	<u>31,331</u>		<u>11,001</u>	<u>37,125</u>	
Equity in income of Unconsolidated Joint Ventures	<u>15,883</u>			<u>18,442</u>		
Income before minority and preferred interests	42,380			29,443		
Minority and preferred interests:						
TRG preferred distributions	(1,230)			(1,230)		
Minority share of consolidated joint ventures	(4,132)			(16)		
Minority share of income of TRG	(8,497)			(7,529)		
Distributions in excess of minority share of income of TRG	(9,296)			(10,612)		
Net income	<u>19,225</u>			<u>10,056</u>		
Preferred dividends (5)	<u>(16,406)</u>			<u>(12,300)</u>		
Net income (loss) allocable to common shareowners	<u>2,819</u>			<u>(2,244)</u>		
SUPPLEMENTAL INFORMATION (6):						
EBITDA - 100%	159,355	78,350		126,102	96,534	
EBITDA - outside partners' share	<u>(14,726)</u>	<u>(34,593)</u>		<u>(7,264)</u>	<u>(43,588)</u>	
Beneficial interest in EBITDA	144,629	43,757		118,838	52,946	
Beneficial interest expense	(59,864)	(15,173)		(49,382)	(18,647)	
Non-real estate depreciation	(1,183)			(1,091)		
Preferred dividends and distributions	<u>(17,636)</u>			<u>(13,530)</u>		
Funds from Operations contribution	<u>65,946</u>	<u>28,584</u>		<u>54,835</u>	<u>34,299</u>	
Net straightline adjustments to rental revenue, recoveries, and ground rent expense at TRG %	<u>24</u>	<u>223</u>		<u>796</u>	<u>124</u>	

(1) The results of Cherry Creek Shopping Center are presented within the Consolidated Businesses for periods beginning January 1, 2006, as a result of the Company's adoption of EITF 04-5. Results of Cherry Creek prior to 2006 are included within the Unconsolidated Joint Ventures. In addition, in 2006 the Company modified its income statement presentation for depreciation of center replacement assets, revenues and expense related to marketing and promotion services, and gains on land sales and interest income. As a result, certain reclassifications have been made to prior year amounts to conform to current year classifications, as more fully described on page 5.

(2) With the exception of the Supplemental Information, amounts include 100% of the Unconsolidated Joint Ventures. Amounts are net of intercompany transactions. The Unconsolidated Joint Ventures are presented at 100% in order to allow for measurement of their performance as a whole, without regard to the Company's ownership interest. In its consolidated financial statements, the Company accounts for its investments in the Unconsolidated Joint Ventures under the equity method.

(3) Interest expense for the six months ended June 30, 2006 includes a \$2.1 million charge representing the write-off of financing costs related to the pay-off of the loans on The Shops at Willow Bend prior to their maturity date.

(4) Included in depreciation and amortization of the Consolidated Businesses and Unconsolidated Joint Ventures (both at 100%) are \$4.7 million and \$2.1 million, respectively, of depreciation of center replacement assets for the six months ended June 30, 2006, and \$5.0 million and \$3.0 million, respectively, for the six months ended June 30, 2005.

(5) Preferred dividends for the six months ended June 30, 2006 include charges of \$4.0 million and \$0.6 million incurred in connection with the redemption of the remaining \$113 million of the Series A Preferred Stock and the redemption of the Series I Preferred Stock, respectively.

(6) In order to be comparable to 2006 amounts, EBITDA and FFO for the six months ended June 30, 2005 have been restated from amounts previously reported to include an add-back of depreciation of center replacement assets reimbursed in the period of acquisition (see page 9, note 1).

TAUBMAN CENTERS, INC.
Reclassified Income Statement⁽¹⁾
2005 by Quarter

(in thousands of dollars)

	Three Months Ended March 31, 2005		Three Months Ended June 30, 2005		Three Months Ended September 30, 2005		Three Months Ended December 31, 2005		Year Ended December 31, 2005	
	UNCONSOLIDATED		UNCONSOLIDATED		UNCONSOLIDATED		UNCONSOLIDATED		UNCONSOLIDATED	
	CONSOLIDATED BUSINESSES	JOINT VENTURES (2)	CONSOLIDATED BUSINESSES	JOINT VENTURES (2)	CONSOLIDATED BUSINESSES	JOINT VENTURES (2)	CONSOLIDATED BUSINESSES	JOINT VENTURES (2)	CONSOLIDATED BUSINESSES	JOINT VENTURES (2)
REVENUES:										
Minimum rents	63,078	45,241	63,300	46,024	63,863	45,365	71,865	47,898	262,106	184,528
Percentage rents	1,696	1,319	721	343	1,319	1,147	6,099	5,303	9,835	8,112
Expense recoveries (3)	37,560	22,872	41,222	24,239	39,985	24,135	45,847	32,857	164,614	104,103
Management, leasing and development services	2,200		3,334		3,390		4,894		13,818	
Other (4)	7,623	3,039	8,629	1,786	5,602	2,195	7,178	1,649	29,032	8,669
Total revenues	112,157	72,471	117,206	72,392	114,159	72,842	135,883	87,707	479,405	305,412
EXPENSES:										
Maintenance, taxes and utilities (5)	29,998	16,033	32,161	17,704	32,597	17,307	31,639	20,256	126,395	71,300
Other operating (3)	13,425	7,674	16,164	7,192	13,410	6,565	14,679	8,203	57,678	29,634
Management, leasing and development services	1,195		2,125		2,444		3,308		9,072	
General and administrative	5,959		7,786		6,764		7,477		27,986	
Interest expense	25,540	16,775	26,492	16,742	27,219	16,987	42,361	17,087	121,612	67,591
Depreciation and amortization (5)	29,499	13,580	33,570	12,312	31,677	13,999	33,631	14,922	128,377	54,813
Total expenses	105,616	54,062	118,298	53,950	114,111	54,858	133,095	60,468	471,120	223,338
Gains on land sales and interest income (4)	2,605	112	2,947	162	436	208	709	345	6,697	827
	9,146	18,521	1,855	18,604	484	18,192	3,497	27,584	14,982	82,901
Equity in income of Unconsolidated Joint Ventures	9,070		9,372		9,268		14,740		42,450	
Income before minority and preferred interests	18,216		11,227		9,752		18,237		57,432	
Gain on disposition of interest in center							52,799		52,799	
Minority and preferred interests:										
TRG preferred distributions	(615)		(615)		(615)		(615)		(2,460)	
Minority share of consolidated joint ventures	(6)		(10)		40		(191)		(167)	
Minority share of income of TRG	(5,165)		(2,364)		(627)		(32,247)		(40,403)	
Distributions less than (in excess) of minority share of income of TRG	(4,010)		(6,602)		(8,262)		23,408		4,534	
Net income	8,420		1,636		288		61,391		71,735	
Preferred dividends	(6,150)		(6,150)		(9,318)		(6,004)		(27,622)	
Net income (loss) allocable to common shareowners	2,270		(4,514)		(9,030)		55,387		44,113	

(1) Effective January 1, 2006, the Company has changed the income statement classifications of certain revenues and expenses in response to changes in its business practices and/or to better reflect the underlying nature of the income generating activities, as further described in the notes to this table. Prior periods have been reclassified for consistency with 2006 classifications, although the historical amounts being reclassified are considered immaterial. This schedule presents the 2005 income statements by quarter, after such reclassifications.

(2) Amounts include 100% of the Unconsolidated Joint Ventures and are net of intercompany transactions. The Unconsolidated Joint Ventures are presented at 100% in order to allow for measurement of their performance as a whole, without regard to the Company's ownership interest. In its consolidated financial statements, the Company accounts for its investments in the Unconsolidated Joint Ventures under the equity method.

(3) During 2006, the Company began recognizing revenue for marketing and promotion services at the gross amount billed to tenants, rather than a net amount retained (that is, the amount billed to the tenants less the related costs incurred). This presentation change was made as a result of the Company's recent offering to tenants of an option to pay fixed amounts for marketing and promotion of the shopping centers. In evaluating the accounting for marketing and promotion services, the Company considered that there may no longer be a direct relationship between tenant billings and the marketing and promotion costs incurred, as well as the fact that the Company is the primary obligor on the costs incurred. Historically, revenues from marketing and promotion services have been equal to costs incurred. Prior year revenues and expenses have been reclassified to be consistent with the 2006 presentation.

(4) The Company now separately presents gains on peripheral land sales and interest income in the income statement following revenues and expenses.

(5) The Company has reclassified depreciation on all CAM capital expenditures from recoverable expenses to depreciation and amortization expense (see also page 9, note 1).

TAUBMAN CENTERS, INC.
**Reconciliation of Net Income (Loss) Allocable to Common Shareowners to Funds from Operations and Adjusted Funds from Operations
For the Periods Ended June 30, 2006 and 2005**

(in thousands of dollars; amounts allocable to TCO may not recalculate due to rounding)

	Three Months Ended		Year to Date	
	2006	2005	2006	2005
Net income (loss) allocable to common shareowners	(2,612)	(4,514)	2,819	(2,244)
Add (less) depreciation and amortization (1):				
Consolidated businesses at 100%	33,315	33,570	66,704	63,069
Minority partners in consolidated joint ventures	(2,874)	(2,594)	(5,997)	(4,678)
Share of unconsolidated joint ventures	6,360	7,588	12,701	15,857
Non-real estate depreciation	(612)	(495)	(1,183)	(1,091)
Add minority interests:				
Minority share of income of TRG	2,780	2,364	8,497	7,529
Distributions in excess of minority share of income of TRG	6,115	6,602	9,296	10,612
Distributions in excess of minority share of income of consolidated joint ventures	2,938	41	1,693	80
Funds from Operations	45,410	42,562	94,530	89,134
TCO's average ownership percentage of TRG	65.1%	62.3%	64.7%	61.8%
Funds from Operations allocable to TCO	29,563	26,522	61,145	55,053
Funds from Operations (1) (2)	45,410	42,562	94,530	89,134
Charge upon redemption of Series A Preferred Stock	4,045		4,045	
Charge upon redemption of Series I Preferred Stock	607		607	
Write-off of financing costs			2,065	
Adjusted Funds from Operations (2)	50,062	42,562	101,247	89,134
TCO's average ownership percentage of TRG	65.1%	62.3%	64.7%	61.8%
Adjusted Funds from Operations allocable to TCO (2)	32,591	26,522	65,500	55,053

(1) Depreciation and amortization includes depreciation of center replacement assets recoverable from tenants, which were previously classified as recoverable expenses in the Company's financial statements. TRG's beneficial interest in these amounts are \$3.8 million and \$4.0 million for the three months ended June 30, 2006 and 2005, respectively, and \$5.7 million and \$6.4 million for the six months ended June 30, 2006 and 2005, respectively. In order to be comparable to 2006 amounts, 2005 amounts have been restated to include depreciation of center replacement assets that were reimbursed in the period of acquisition (see page 9, note 1).

(2) Adjusted FFO excludes the following unusual and/or nonrecurring items: charges of \$4.0 million (\$0.050 per share) and \$0.6 million (\$0.005 per share) incurred during the second quarter of 2006 in connection with the redemption of the remaining \$113 million of the Series A Preferred Stock and the redemption of the Series I Preferred Stock, respectively, and a \$2.1 million (\$0.025 per share) charge during the first quarter of 2006 in connection with the write-off of financing costs related to the pay-off of the loans on The Shops at Willow Bend prior to their maturity date. The Company discloses this Adjusted FFO due to the significance and infrequent nature of the charges. Given the significance of the charges, the Company believes it is essential to a reader's understanding of the Company's results of operations to emphasize the impact on the Company's earnings measures. The adjusted measures are not and should not be considered alternatives to net income or cash flows from operating, investing, or financing activities as defined by GAAP.

TAUBMAN CENTERS, INC.
Reconciliation of Net Income to Beneficial Interest in EBITDA
For the Periods Ended June 30, 2006 and 2005

(in thousands of dollars; amounts allocable to TCO may not recalculate due to rounding)

	Three Months Ended		Year to Date	
	2006	2005	2006	2005
Net income	7,791	1,636	19,225	10,056
Add (less) depreciation and amortization (1):				
Consolidated businesses at 100%	33,315	33,570	66,704	63,069
Minority partners in consolidated joint ventures	(2,874)	(2,594)	(5,997)	(4,678)
Share of unconsolidated joint ventures	6,360	7,588	12,701	15,857
Add (less) preferred interests and interest expense:				
Preferred distributions	615	615	1,230	1,230
Interest expense:				
Consolidated businesses at 100%	31,871	26,492	66,154	52,032
Minority partners in consolidated joint ventures	(3,213)	(1,384)	(6,290)	(2,650)
Share of unconsolidated joint ventures	7,617	9,318	15,173	18,647
Add minority interests:				
Minority share of income of TRG	2,780	2,364	8,497	7,529
Distributions in excess of minority share of income of TRG	6,115	6,602	9,296	10,612
Distributions in excess of minority share of income of consolidated joint ventures	2,938	41	1,693	80
Beneficial Interest in EBITDA	93,315	84,248	188,386	171,784
TCO's average ownership percentage of TRG	65.1%	62.3%	64.7%	61.8%
Beneficial Interest in EBITDA allocable to TCO	60,749	52,498	121,875	106,125

(1) Depreciation and amortization includes depreciation of center replacement assets recoverable from tenants, which were previously classified as recoverable expenses in the Company's financial statements. In order to be comparable to 2006 amounts, 2005 amounts have been restated to include depreciation of center replacement assets that were reimbursed in the period of acquisition (see page 9, note 1).

TAUBMAN CENTERS, INC.
Reconciliation of Net Income to Net Operating Income
For the Periods Ended June 30, 2006 and 2005

(in thousands of dollars)

	Three Months Ended		Year to Date	
	2006	2005	2006	2005
Net income	7,791	1,636	19,225	10,056
Add (less) depreciation and amortization (1):				
Consolidated businesses at 100%	33,315	33,570	66,704	63,069
Minority partners in consolidated joint ventures	(2,874)	(2,594)	(5,997)	(4,678)
Share of unconsolidated joint ventures	6,360	7,588	12,701	15,857
Add (less) preferred interests and interest expense:				
Preferred distributions	615	615	1,230	1,230
Interest expense:				
Consolidated businesses at 100%	31,871	26,492	66,154	52,032
Minority partners in consolidated joint ventures	(3,213)	(1,384)	(6,290)	(2,650)
Share of unconsolidated joint ventures	7,617	9,318	15,173	18,647
Add minority interests:				
Minority share of income of TRG	2,780	2,364	8,497	7,529
Distributions in excess of minority share of income of TRG	6,115	6,602	9,296	10,612
Distributions in excess of minority share of income of consolidated joint ventures	2,938	41	1,693	80
Add EBITDA allocations to outside partners:				
EBITDA allocable to minority partners in consolidated joint ventures	6,820	3,947	14,726	7,264
EBITDA allocable to outside partners in unconsolidated joint ventures	17,009	21,380	34,593	43,588
EBITDA at 100%	117,144	109,575	237,705	222,636
Add (less) items excluded from shopping center Net Operating Income:				
General and administrative expenses	7,546	7,786	14,470	13,745
Management, leasing and development services, net	(1,633)	(1,209)	(3,038)	(2,214)
Gains on sales of peripheral land	(3,325)	(2,530)	(4,084)	(4,833)
Straight-line of minimum rent and recoveries	(987)	(1,276)	(1,214)	(1,916)
Non-center specific operating expenses and other	2,907	5,617	5,542	8,724
Net Operating Income - all centers at 100%	121,652	117,963	249,381	236,142
Less - Net Operating Income of non-comparable centers (2)	(6,517)	(5,313)	(12,268)	(10,429)
Net Operating Income at 100%	115,135	112,650	237,113	225,713
Net Operating Income - growth % (3)	2.2%		5.1%	

(1) Depreciation and amortization includes depreciation of center replacement assets recoverable from tenants, which were previously classified as recoverable expenses in the Company's financial statements. In order to be comparable to 2006 amounts, 2005 amounts have been restated to include depreciation of center replacement assets that were reimbursed in the period of acquisition (see page 9, note 1).

(2) Includes Northlake Mall, Waterside Shops at Pelican Bay, and Woodland.

(3) Excluding individual lease cancellation fees in excess of \$0.5 million, growth in net operating income was 3.5% and 3.1% for the three and six months ended June 30, 2006, respectively. Excluding all lease cancellation fees, growth in net operating income was 3.8% for the three and six months ended June 30, 2006.

TAUBMAN CENTERS, INC.
Funds from Operations - By Quarter (1)
For 2005 and 2004

(in thousands of dollars, except for share and unit data; amounts allocable to TCO may not recalculate due to rounding; per share/unit amounts on a diluted basis, rounded to nearest penny, and may not add due to rounding)

	Three Months Ended March 31		Three Months Ended June 30		Three Months Ended September 30		Three Months Ended December 31		Year Ended December 31	
	\$	per unit/ share	\$	per unit/ share	\$	per unit/ share	\$	per unit/ share	\$	per unit/ share
2005:										
Funds from Operations, excluding add-back of depreciation on CAM assets recovered in the year of acquisition	46,017	0.56	40,473	0.49	35,879	0.44	47,397	0.58	169,766	2.07
Beneficial interest in depreciation on CAM assets recovered in the year of acquisition included in recoverable expenses:										
Consolidated businesses at 100%	228	0.00	1,847	0.02	1,156	0.01	2,094	0.03	5,325	0.06
Minority partners in consolidated joint ventures	(6)	(0.00)	(47)	(0.00)	(18)	(0.00)	(86)	(0.00)	(157)	(0.00)
Share of unconsolidated joint ventures	333	0.00	289	0.00	806	0.01	1,322	0.02	2,750	0.03
Funds from Operations	46,572	0.57	42,562	0.52	37,823	0.46	50,727	0.62	177,684	2.17
TCO's average ownership percentage of TRG	61.3%		62.3%		62.6%		62.8%		62.2%	
Funds from Operations allocable to TCO	28,531	0.57	26,522	0.52	23,683	0.46	31,842	0.62	110,578	2.17
2004:										
Funds from Operations, excluding add-back of depreciation on CAM assets recovered in the year of acquisition	44,665	0.53	37,634	0.46	39,240	0.48	42,510	0.52	164,049	1.99
Beneficial interest in depreciation on CAM assets recovered in the year of acquisition included in recoverable expenses:										
Consolidated businesses at 100%	96	0.00	300	0.00	1,504	0.02	1,666	0.02	3,566	0.04
Minority partners in consolidated joint ventures	(5)	(0.00)	(1)	(0.00)	(8)	(0.00)	(71)	(0.00)	(85)	(0.00)
Share of unconsolidated joint ventures	69	0.00	516	0.01	221	0.00	1,781	0.02	2,587	0.03
Funds from Operations	44,825	0.54	38,449	0.47	40,957	0.50	45,886	0.56	170,117	2.07
TCO's average ownership percentage of TRG	61.1%		60.6%		60.1%		60.5%		60.6%	
Funds from Operations allocable to TCO	27,387	0.54	23,297	0.47	24,642	0.50	27,744	0.56	103,070	2.07

(1) As previously reported for 2005, because of a change in the Company's business practice to offer its tenants the option to pay a fixed charge or pay their share of common area maintenance (CAM) costs and related change to contractual terms of leases, the Company began adding back in the fourth quarter of 2005 all depreciation on CAM assets to calculate EBITDA and FFO, including depreciation on CAM assets that were recovered from tenants in the period of acquisition and depreciated over the recovery period. The Company has restated previously reported amounts in order to be comparable with 2006 amounts.

TAUBMAN CENTERS, INC.
Reconciliation of Net Income (Loss) Allocable to Common Shareowners to Funds from Operations - By Quarter
For 2005 and 2004

(in thousands of dollars; amounts allocable to TCO may not recalculate due to rounding)

	Three Months Ended March 31	Three Months Ended June 30	Three Months Ended September 30	Three Months Ended December 31	Year Ended December 31
2005:					
Net income (loss) allocable to common shareowners	2,270	(4,514)	(9,030)	55,387	44,113
Add (less) depreciation and gain on disposition of property:					
Gain on disposition of interest in center				(52,799)	(52,799)
Depreciation and amortization (1):					
Consolidated businesses at 100%	29,499	33,570	31,677	33,631	128,377
Minority partners in consolidated joint ventures	(2,045)	(2,553)	(1,732)	(2,855)	(9,185)
Share of unconsolidated joint ventures	8,269	7,588	8,538	9,014	33,409
Non-real estate depreciation	(596)	(495)	(519)	(490)	(2,100)
Add minority interests in TRG:					
Minority share of income of TRG	5,165	2,364	627	32,247	40,403
Distributions (less than) in excess of minority share of income of TRG	4,010	6,602	8,262	(23,408)	(4,534)
Funds from Operations	46,572	42,562	37,823	50,727	177,684
TCO's average ownership percentage of TRG	61.3%	62.3%	62.6%	62.8%	62.2%
Funds from Operations allocable to TCO	28,531	26,522	23,683	31,842	110,578
2004:					
Net income (loss) allocable to common shareowners	3,781	(3,917)	(2,890)	(2,040)	(5,066)
Add (less) depreciation and gain on disposition of property:					
Gain on disposition of interest in center		(153)	(136)	(39)	(328)
Depreciation and amortization (1):					
Consolidated businesses at 100%	24,081	24,851	29,917	31,331	110,180
Minority partners in consolidated joint ventures	115	(47)	(1,798)	(1,477)	(3,207)
Share of unconsolidated joint ventures	8,627	9,466	7,644	9,510	35,247
Non-real estate depreciation	(622)	(607)	(635)	(539)	(2,403)
Add minority interests in TRG:					
Minority share of income of TRG	5,619	2,664	3,103	3,527	14,913
Distributions in excess of minority share of income of TRG	3,224	6,192	5,752	5,613	20,781
Funds from Operations	44,825	38,449	40,957	45,886	170,117
TCO's average ownership percentage of TRG	61.1%	60.6%	60.1%	60.5%	60.6%
Funds from Operations allocable to TCO	27,387	23,297	24,642	27,744	103,070

(1) Depreciation and amortization includes depreciation of center replacement assets recoverable from tenants, which were previously classified as recoverable expenses in the Company's financial statements. Amounts reflect reclassifications for depreciation of center replacement assets that were reimbursed in the period of acquisition (see page 9, note 1).

TAUBMAN CENTERS, INC.
Changes in Funds from Operations and Earnings per Share
For the Quarter Ended June 30, 2006

(all per share amounts on a diluted basis unless otherwise noted; rounded to nearest half penny;
amounts may not add due to rounding)

2005 Second Quarter Funds from Operations as originally reported	\$ 0.49
Beneficial interest in depreciation previously included in recoverable expenses	0.025
2005 Second Quarter Funds from Operations as currently reported	\$ 0.52
<i>Changes - 2006 vs. 2005</i>	
Rents and recoveries	0.035
Northlake Mall	0.015
Gains on sales of peripheral land	0.015
Lease cancellation revenue	(0.015)
Other operating expense	0.010
General and administrative	0.005
Interest income	0.020
Interest expense	(0.005)
Other	0.010
2006 Second Quarter Funds from Operations - Adjusted	\$ 0.61
Charge upon redemption of Series A Preferred Stock	(0.050)
Charge upon redemption of Series I Preferred Stock	(0.005)
2006 Second Quarter Funds from Operations	\$ 0.55
2005 Second Quarter Earnings per Share	\$ (0.09)
<i>Changes - 2006 vs. 2005</i>	
Change in FFO per share	0.030
Distributions to minority interest in TRG in excess of percentage share of income	0.010
Northlake Mall depreciation	(0.030)
Other depreciation and other	0.030
2006 Second Quarter Earnings per Share	\$ (0.05)

TAUBMAN CENTERS, INC.

**Components of Other Income, Other Operating Expense, and Gains on Land Sales and Interest Income
For the Periods Ended June 30, 2006**

(in thousands of dollars)

Other Income

	Three months ended June 30, 2006				Six months ended June 30, 2006			
	Consolidated Businesses at 100%	Consolidated Businesses at TRG%	Unconsolidated Joint Ventures at 100%	Unconsolidated Joint Ventures at TRG%	Consolidated Businesses at 100%	Consolidated Businesses at TRG%	Unconsolidated Joint Ventures at 100%	Unconsolidated Joint Ventures at TRG%
Shopping center related revenues	5,168	4,778	1,094	625	10,639	9,821	2,169	1,149
Lease cancellation revenue	1,500	1,250	81	50	7,349	6,460	3,796	2,067
	<u>6,668</u>	<u>6,028</u>	<u>1,175</u>	<u>675</u>	<u>17,988</u>	<u>16,281</u>	<u>5,965</u>	<u>3,216</u>

Other Operating Expense

	Three months ended June 30, 2006				Six months ended June 30, 2006			
	Consolidated Businesses at 100%	Consolidated Businesses at TRG%	Unconsolidated Joint Ventures at 100%	Unconsolidated Joint Ventures at TRG%	Consolidated Businesses at 100%	Consolidated Businesses at TRG%	Unconsolidated Joint Ventures at 100%	Unconsolidated Joint Ventures at TRG%
Shopping center related expenses	12,406	11,143	5,504	3,119	26,035	23,956	10,350	5,676
Domestic and non-U.S. development charge	2,814	2,814	-	-	4,534	4,534	-	-
Ground rent	1,256	937	415	208	2,502	1,866	811	406
	<u>16,476</u>	<u>14,894</u>	<u>5,919</u>	<u>3,327</u>	<u>33,071</u>	<u>30,356</u>	<u>11,161</u>	<u>6,082</u>

Gains on Land Sales and Interest Income

	Three months ended June 30, 2006				Six months ended June 30, 2006			
	Consolidated Businesses at 100%	Consolidated Businesses at TRG%	Unconsolidated Joint Ventures at 100%	Unconsolidated Joint Ventures at TRG%	Consolidated Businesses at 100%	Consolidated Businesses at TRG%	Unconsolidated Joint Ventures at 100%	Unconsolidated Joint Ventures at TRG%
Gains on sales of peripheral land	3,325	3,325	-	-	4,084	4,084	-	-
Interest income	2,179	2,131	270	133	3,843	3,759	522	257
	<u>5,504</u>	<u>5,456</u>	<u>270</u>	<u>133</u>	<u>7,927</u>	<u>7,843</u>	<u>522</u>	<u>257</u>

TAUBMAN CENTERS, INC.
Balance Sheets
As of June 30, 2006 and December 31, 2005

(in thousands of dollars)

	As of	
	June 30, 2006	December 31, 2005
Consolidated Balance Sheet of Taubman Centers, Inc. (1):		
Assets:		
Properties	3,311,749	3,081,324
Accumulated depreciation and amortization	(766,109)	(651,665)
	<u>2,545,640</u>	<u>2,429,659</u>
Investment in Unconsolidated Joint Ventures	109,316	106,117
Cash and cash equivalents	79,091	163,577
Accounts and notes receivable, net	32,821	41,717
Accounts and notes receivable from related parties	3,782	2,400
Deferred charges and other assets	101,910	54,110
	<u>2,872,560</u>	<u>2,797,580</u>
Liabilities:		
Notes payable	2,377,494	2,089,948
Accounts payable and accrued liabilities	213,952	235,410
Dividends and distributions payable	16,099	15,819
Distributions in excess of investments in and net income of Unconsolidated Joint Ventures	94,078	101,028
	<u>2,701,623</u>	<u>2,442,205</u>
Preferred Equity of TRG	29,217	29,217
Shareowners' Equity:		
Series A Cumulative Redeemable Preferred Stock		45
Series B Non-Participating Convertible Preferred Stock	28	29
Series G Cumulative Redeemable Preferred Stock		
Series H Cumulative Redeemable Preferred Stock		
Common Stock	528	519
Additional paid-in capital	632,658	739,090
Accumulated other comprehensive income (loss)	(5,144)	(9,051)
Dividends in excess of net income	(486,350)	(404,474)
	<u>141,720</u>	<u>326,158</u>
	<u>2,872,560</u>	<u>2,797,580</u>
Combined Balance Sheet of Unconsolidated Joint Ventures (2):		
Assets:		
Properties	922,456	1,076,743
Accumulated depreciation and amortization	(303,915)	(363,394)
	<u>618,541</u>	<u>713,349</u>
Cash and cash equivalents	28,283	33,498
Accounts and notes receivable	14,615	23,189
Deferred charges and other assets	17,189	24,458
	<u>678,628</u>	<u>794,494</u>
Liabilities:		
Notes payable	820,420	999,545
Accounts payable and other liabilities	39,535	59,322
	<u>859,955</u>	<u>1,058,867</u>
Accumulated Deficiency in Assets:		
Accumulated deficiency in assets - TRG	(138,269)	(170,124)
Accumulated deficiency in assets - Joint Venture Partners	(40,226)	(91,179)
Accumulated other comprehensive income (loss) - TRG	(2,242)	(2,430)
Accumulated other comprehensive income (loss) - Joint Venture Partners	(590)	(640)
	<u>(181,327)</u>	<u>(264,373)</u>
	<u>678,628</u>	<u>794,494</u>

(1) The June 30, 2006 balance sheet amounts include Cherry Creek Shopping Center, which the Company began consolidating upon the adoption of EITF 04-5 on January 1, 2006. The effect of adopting EITF 04-5 on the January 1, 2006 balance sheet was an increase in assets of approximately \$128 million and liabilities of approximately \$180 million, and a \$52 million reduction of beginning equity, representing the cumulative effect of change in accounting principle.

(2) Amounts exclude The Pier at Caesars, which TRG made a \$4 million contribution to in January 2005. Amounts as of June 30, 2006 also exclude Cherry Creek Shopping Center, which the Company began consolidating upon the adoption of EITF 04-5.

TAUBMAN CENTERS, INC.

Debt Summary

As of June 30, 2006

(in millions of dollars, amounts may not add due to rounding)

MORTGAGE AND OTHER NOTES PAYABLE
INCLUDING WEIGHTED AVERAGE INTEREST RATES AT JUNE 30, 2006

		Beneficial Interest 6/30/06	Effective Rate (a) 6/30/06	LIBOR Rate Spread	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	Total
Consolidated Fixed Rate Debt:																
Beverly Center		345.9	5.28%		2.3	4.8	5.0	5.4	5.7	6.0	6.3	6.6	303.8			345.9
Cherry Creek Shopping Center	50.00%	280.0	5.24%												140.0	140.0
Great Lakes Crossing		144.1	5.25%		1.2	2.5	2.6	2.7	2.9	3.0	3.2	126.0				144.1
International Plaza	50.10%	180.4	4.38% (b)		0.8	1.7	87.8									90.3
MacArthur Center	95.00%	139.6	6.85% (c)		1.3	2.7	2.8	3.0	122.9							132.8
Northlake Mall		215.5	5.41%												215.5	215.5
Regency Square		78.3	6.75%		0.5	1.1	1.2	1.3	1.4	72.8						78.3
Stony Point Fashion Park		112.5	6.24%		0.7	1.5	1.5	1.6	1.8	1.9	2.0	2.1	99.5			112.5
The Mall at Short Hills		540.0	5.47%												540.0	540.0
The Mall at Wellington Green	90.00%	200.0	5.44%												180.0	180.0
Total Consolidated Fixed		2,236.4			6.8	14.3	100.9	14.1	134.6	83.7	11.4	134.8	403.3	720.0	355.5	1,979.4
Weighted Rate		5.47%	5.53%		5.68%	5.68%	4.57%	5.86%	6.74%	6.58%	5.44%	5.27%	5.52%	5.46%	5.34%	
Consolidated Floating Rate Debt:																
Dolphin Mall		140.1	7.35% (d)	2.15%	140.1 (g)											140.1
TRG Revolving Credit		0.0	(e)				0.0									0.0
TRG Revolving Credit		0.0	(f), (i)	0.80%			0.0 (h)									0.0
Other		1.0	8.25%		0.1	0.2	0.1	0.1								0.5
Total Consolidated Floating		141.1			140.2	0.2	0.1	0.1								140.6
Weighted Rate		7.36%	7.35%		7.35%	8.25%	8.25%	8.25%								
Total Consolidated		2,377.5			147.0	14.4	101.1	14.2	134.6	83.7	11.4	134.8	403.3	720.0	355.5	2,120.0
Weighted Rate		5.58%	5.65%		7.27%	5.71%	4.58%	5.88%	6.74%	6.58%	5.44%	5.27%	5.52%	5.46%	5.34%	
Joint Ventures Fixed Rate Debt:																
Arizona Mills	50.00%	138.6	7.90%		0.4	0.9	0.9	1.0	66.0							69.3
Fair Oaks	50.00%	140.0	6.60%				70.0									70.0
The Mall at Millenia	50.00%	210.0	5.46%				0.9	1.4	1.5	1.6	1.6	98.1				105.0
Sunvalley	50.00%	128.9	5.67%		0.5	1.0	1.1	1.2	1.2	1.3	58.2					64.5
Westfarms	78.94%	200.0	6.10%		1.1	2.4	2.6	2.7	2.9	3.1	142.9					157.9
Total Joint Venture Fixed		817.5			2.0	4.3	75.5	6.3	71.7	6.0	202.7	98.1				466.6
Weighted Rate		6.26%	6.24%		6.35%	6.36%	6.57%	6.17%	7.73%	5.84%	5.97%	5.46%				
Joint Ventures Floating Rate Debt:																
Other		2.9	7.99%		0.4	0.6	0.3	0.3	0.1							1.8
Total Joint Venture Floating		2.9			0.4	0.6	0.3	0.3	0.1							1.8
Weighted Rate		7.99%	7.99%		7.99%	7.99%	7.99%	7.99%	7.99%							
Total Joint Venture		820.4			2.5	5.0	75.8	6.6	71.8	6.0	202.7	98.1				468.4
Weighted Rate		6.26%	6.25%		6.64%	6.56%	6.58%	6.25%	7.73%	5.84%	5.97%	5.46%				
TRG Beneficial Interest Totals																
Fixed Rate Debt		3,053.9	2,446.0		8.8	18.6	176.4	20.4	206.3	89.7	214.1	232.9	403.3	720.0	355.5	2,446.0
		5.68%	5.67%		5.83%	5.84%	5.43%	5.96%	7.09%	6.53%	5.94%	5.35%	5.52%	5.46%	5.34%	
Floating Rate Debt		144.0	142.4		140.7	0.8	0.5	0.4	0.1							142.4
		7.37%	7.36%		7.35%	8.04%	8.06%	8.07%	7.99%							
Total		3,197.9	2,588.5		149.5	19.4	176.8	20.8	206.4	89.7	214.1	232.9	403.3	720.0	355.5	2,588.5
		5.76%	5.76%		7.26%	5.92%	5.43%	6.00%	7.09%	6.53%	5.94%	5.35%	5.52%	5.46%	5.34%	
Average Maturity					6.92											

(a) Includes the impact of interest rate swaps, if any, but does not include effect of amortization of debt issuance costs, losses on settlement of derivatives used to hedge the refinancing of certain fixed rate debt, or interest rate cap premiums.

(b) Debt is reduced by \$0.2 million of purchase accounting discount from acquisition which increases the stated rate on the debt of 4.21% to an effective rate of 4.38%.

(c) Debt includes \$3.2 million of purchase accounting premium from acquisition which reduces the stated rate on the debt of 7.59% to an effective rate of 6.85%.

(d) The debt is floating month to month at LIBOR plus spread and the entire debt balance is capped at 7% plus spread to February 2007.

(e) Rate floats daily.

(f) LIBOR rate floats month to month.

(g) The Company has given notice to pay off the loan when it becomes prepayable without penalty in August 2006.

(h) In August 2006 the maturity date is expected to be extended to 2009 with a 1 year extension option.

(i) LIBOR spread is expected to be reduced in August 2006 to 0.70%.

TAUBMAN CENTERS, INC.
Other Debt and Equity Information
As of June 30, 2006

(In millions of dollars, amounts may not add due to rounding)

TRG's Debt Guarantees

Center	Loan Balance	TRG's Beneficial Interest in Loan Balance	TRG's Guarantees		
			Amount of Loan Balance	Percentage of Principal	Percentage of Interest
Dolphin Mall	140.1	140.1	140.1	100%	100%
The Mall at Millenia	0.7	0.3	0.3	50%	50%

TRG's Beneficial Interest in Fixed and Floating Rate Debt

	Amount	Percentage of Total	Interest Rate Including Spread
Fixed rate debt	2,446.0	94%	5.67% (1)
Floating rate debt-			
Floating month to month	142.4	6%	7.36% (1)
Total beneficial interest in debt	<u>2,588.5</u>	<u>100%</u>	<u>5.76% (1)</u>
Amortization of financing costs (2)			<u>0.17%</u>
Average all-in rate			<u>5.93% (3)</u>

(1) Represents weighted average interest rate before amortization of financing costs.

(2) Financing costs include financing fees, interest rate cap premiums, and losses on settlement of derivatives used to hedge the refinancing of certain fixed rate debt. It does not include prepayment premiums and deferred financing fees written off for refinancings.

(3) Interest expense for the three and six months ended June 30, 2006 includes \$0.15 million and \$0.3 million, respectively, of non-cash amortization relating to acquisitions, or 0.02% of the average all-in rate.

Preferred Equity (1)

	Face Value	Number of Shares Outstanding	Coupon	NYSE Symbol	Earliest Redemption
Series F Cumulative Redeemable Preferred Equity	30		8.2%		May 27, 2009
Series G Cumulative Redeemable Preferred Stock	100	4,000,000	8.0%	TCO-PG	November 23, 2009
Series H Cumulative Redeemable Preferred Stock	87	3,480,000	7.625%	TCO-PH	July 1, 2010
	<u>217</u>				

(1) In May 2006, the Company redeemed the remaining Series A Preferred Stock with the proceeds from the Series I Preferred Stock, which was redeemed in June 2006.

TAUBMAN CENTERS, INC.
Construction and Center Openings

Construction:

New Centers:

<u>Center Name</u>	<u>Location</u>	<u>Anchors</u>	<u>Size (1)</u>	<u>Opening (1)</u>	<u>Owned</u>	<u>Project Cost (1)(2)</u>	<u>Spending-To-Date (2)</u>	<u>Expected Return at Stabilization (1)</u>
The Mall at Partridge Creek	Clinton Township, Michigan	MJR Theatres, Nordstrom, Parisian	0.6 million sq. ft.	October 2007 Nordstrom in spring 2008	100%	\$155 million	\$28 million	9.5%

Expansions and Renovations:

<u>Center Name</u>	<u>Location</u>	<u>Description</u>	<u>Size (1)</u>	<u>Opening (1)</u>	<u>Owned</u>	<u>Project Cost (1)(2)</u>	<u>Spending-To-Date (2)</u>	<u>Expected Return at Stabilization (1)</u>
Waterside Shops at Pelican Bay	Naples, Florida	- Saks Fifth Avenue Nordstrom	49 thousand sq. ft. (3) 20 thousand sq. ft. 80 thousand sq. ft.	2006 Late 2007/Early 2008 Fall 2008	25%	\$51 million (4)	\$44 million	11%
Twelve Oaks Mall	Novi, Michigan	- Nordstrom Marshall Field's	97 thousand sq. ft. (3) 167 thousand sq. ft. 60 thousand sq. ft.	September 28, 2007	100%	\$63 million	\$21 million	10%
Stamford Town Center	Stamford, Connecticut	(5)	(5)	Fall 2007	50%	\$51 million	\$9 million	7.5% - 8%

Center Recently Opened:

<u>Center Name</u>	<u>Location</u>	<u>Anchors</u>	<u>Size (1)</u>	<u>Opened (1)</u>	<u>Owned</u>	<u>Project Cost (1)(2)</u>	<u>Spending-To-Date (2)</u>	<u>Expected Return at Stabilization (1)</u>
The Pier at Caesars	Atlantic City, New Jersey	-	0.3 million sq. ft.	June 27, 2006	30% (6)	(6)	(6)	(6)

(1) Anticipated opening date, size, estimated project costs, and stabilized returns are subject to adjustment as a result of factors inherent in the development process, some of which may not be under the direct control of the Company. Refer to the Company's filings with the Securities and Exchange Commission on Form 10-K and 10-Q for other risk factors.

(2) Project costs and spending-to-date amounts are at 100%, and exclude costs of peripheral land.

(3) Amount represents the incremental Mall GLA being added to the center.

(4) Project cost amount relates only to the incremental Mall GLA being added to the center.

(5) The Company has started demolition of the former Filene's building, which will be used for new restaurant and retail offerings.

(6) The Company's capital contribution in The Pier will be made in three steps. The initial investment of \$4 million was made at closing. A second payment equal to 70 percent of the Company's projected required total investment (less the initial \$4 million payment) is expected to be made in December 2006. The third and final payment will be made shortly after the completion of the project's stabilization year (2007) and will be computed at a price to be calculated at a 7% capitalization rate, based on the project's annual NOI and debt levels.

TAUBMAN CENTERS, INC.
Capital Spending
For the Periods Ended June 30, 2006
(in thousands of dollars)

	Three Months ended June 30, 2006 (1)				Six Months ended June 30, 2006 (1)			
	Consolidated Businesses at 100%	Consolidated Businesses at TRG%	Unconsolidated Joint Ventures at 100%	Unconsolidated Joint Ventures at TRG%	Consolidated Businesses at 100%	Consolidated Businesses at TRG%	Unconsolidated Joint Ventures at 100%	Unconsolidated Joint Ventures at TRG%
Capital Additions to Properties:								
New Development Projects:								
Pre-construction activities	8,675 (2)	8,675 (2)			14,987 (2)	14,987 (2)		
New centers	7,173 (3)	7,173 (3)			10,063 (3)	10,063 (3)		
Existing Centers:								
Renovation projects with incremental GLA and/or anchor replacements	3,326 (4)	3,278 (4)	6,722 (5)	1,846 (5)	22,729 (4)	22,681 (4)	19,613 (5)	5,230 (5)
Renovation projects with no incremental GLA and other	1,351	1,358	354	182	1,665	1,661	1,132	569
Mall tenant allowances	4,241	4,120	1,159	579	4,661	4,493	2,770	1,385
Asset replacement costs recoverable from tenants	3,028	3,000	1,258	735	3,954	3,884	1,455	850
Corporate office improvements and equipment	2,775	2,775			3,443	3,443		
	<u>30,569</u>	<u>30,380</u>	<u>9,493</u>	<u>3,344</u>	<u>61,501</u>	<u>61,213</u>	<u>24,970</u>	<u>8,035</u>
Capitalized leasing costs	1,185	1,073	261	142	2,834	2,571	835	451

(1) Costs are net of intercompany profits. Unconsolidated Joint Venture amounts exclude costs related to The Pier at Caesars. Amounts may not add due to rounding.

(2) Includes project costs at Oyster Bay.

(3) Includes costs related to The Mall at Partridge Creek.

(4) Primarily includes costs related to the expansion and renovation at Twelve Oaks Mall.

(5) Includes costs related to the expansion and renovation of Waterside Shops at Pelican Bay and the renovation at Stamford Town Center.

	Consolidated Businesses at 100%	Consolidated Businesses at TRG%	Unconsolidated Joint Ventures at 100%	Unconsolidated Joint Ventures at TRG%
Construction work in process, at June 30, 2006 (1)	169,269 (2)	169,144 (2)	55,807	16,854
Capitalized interest, for the six months ended June 30, 2006	4,316 (3)	4,314 (3)	-	-

(1) Amounts exclude The Pier at Caesars.

(2) Includes \$118.7 million (at both 100% and TRG%) related to Oyster Bay.

(3) Interest is being capitalized on substantially all construction work in process.

TAUBMAN CENTERS, INC.**Divestitures**

Center	City	State	Anchors	Size	Date	Sales Price	Capitalization Rate
Woodland	Grand Rapids	Michigan	Marshall Field's, JCPenney, Sears	1.0 million sq. ft.	December 29, 2005	\$177.4 million	7.75% (1)

(1) Based on 2005 net operating income.

TAUBMAN CENTERS, INC.
Operational Statistics (1)
For the Periods Ended June 30, 2006 and 2005

	Three Months Ended		Year to Date	
	2006	2005	2006	2005
Occupancy (2):				
Ending - all	89.0%	88.7%	89.0%	88.7%
Ending - comparable (3)	88.7%	88.7%	88.7%	88.7%
Average - all	88.7%	88.5%	88.5%	88.5%
Average - comparable (3)	88.6%	88.6%	88.5%	88.6%
Leased Space (2):				
All	91.8%	90.9%	91.8%	90.9%
Comparable (3)	91.6%	91.0%	91.6%	91.0%
Average Base Rents (3) (4):				
Average rent per square foot:				
Consolidated Businesses	43.28	41.72	43.22	41.60
Unconsolidated Joint Ventures	41.12	42.64	41.48	42.62
Opening base rent per square foot:				
Consolidated Businesses	44.11	40.01	45.60	44.66
Unconsolidated Joint Ventures	33.36	46.09	42.74	49.83
Square feet of GLA opened:				
Consolidated Businesses	189,497	142,560	419,923	356,593
Unconsolidated Joint Ventures	75,498	89,863	162,497	250,989
Closing base rent per square foot:				
Consolidated Businesses	39.60	39.92	42.00	42.72
Unconsolidated Joint Ventures	50.47	47.58	45.83	45.96
Square feet of GLA closed:				
Consolidated Businesses	196,713	144,856	586,924	445,919
Unconsolidated Joint Ventures	26,401	52,396	178,743	259,831
Releasing spread per square foot:				
Consolidated Businesses	4.51	0.09	3.60	1.94
Unconsolidated Joint Ventures	(17.11)	(1.49)	(3.09)	3.87
Mall Tenant Sales (in thousands of dollars):				
Mall tenants	989,275	913,408	1,916,414	1,799,299
Comparable (3)	943,352	878,807	1,824,544	1,721,213
Sales per square foot growth (3) (5)	8.5%	6.3%	6.9%	7.0%
Occupancy Costs as a Percentage of Sales (4):				
All centers:				
Consolidated Businesses	15.6%	15.9%	15.6%	15.9%
Unconsolidated Joint Ventures	13.4%	14.3%	13.6%	14.4%
Comparable centers (3):				
Consolidated Businesses	15.5%	15.9%	15.5%	15.9%
Unconsolidated Joint Ventures	13.6%	14.0%	13.9%	14.2%
Tenant Bankruptcy Filings as a Percentage of Total Tenants	0.2%	0.0%	0.8%	0.3%
Growth in Net Operating Income (3):				
Including all lease cancellation fees	2.2%	7.4%	5.1%	5.3%
Excluding all lease cancellation fees (6)	3.8%	6.4%	3.8%	4.6%
Number of Owned Properties at End of Period	22	21	22	21

(1) All operating statistics other than the number of owned properties at end of period exclude The Pier at Caesars, which opened in late June 2006.

(2) Statistics include anchor spaces at value centers (Arizona Mills, Dolphin Mall, and Great Lakes Crossing).

(3) Statistics exclude Northlake Mall, Waterside Shops at Pelican Bay, and Woodland. 2005 statistics have been restated to include comparable centers to 2006 (with the exception of 2005 growth statistics).

(4) The results of Cherry Creek Shopping Center are presented within the Consolidated Businesses for periods beginning January 1, 2006, as a result of the Company's adoption of EITF 04-5. Results of Cherry Creek prior to 2006 are included within the Unconsolidated Joint Ventures.

(5) 2006 sales per square foot growth includes value centers (Arizona Mills, Dolphin Mall, and Great Lakes Crossing).

(6) Excluding individual lease cancellation fees in excess of \$0.5 million, growth in net operating income was 3.5% and 7.1% for the three months ended June 30, 2006 and 2005, respectively, and 3.1% and 6.2% for the six months ended June 30, 2006, respectively.

TAUBMAN CENTERS, INC.
Owned Centers

Center	Anchors	Sq. Ft. of GLA/ Mall GLA	Year Opened/ Expanded	Ownership %
Consolidated Businesses:				
Beverly Center Los Angeles, CA	Bloomingdale's, Macy's	878,000 570,000	1982	100%
Cherry Creek Shopping Center Denver, CO	Foley's, Neiman Marcus, Nordstrom (2007), Saks Fifth Avenue	1,023,000 (1) 550,000	1990/1998	50%
Dolphin Mall Miami, FL	Bass Pro Shops Outdoor World (2007), Burlington Coat Factory, Cobb Theatres, Dave & Busters, The Sports Authority, Off 5th Saks, Marshalls, Neiman Marcus-Last Call	1,313,000 623,000	2001	100%
Fairlane Town Center Dearborn, MI (Detroit Metropolitan Area)	Marshall Field's, JCPenney, Off 5th Saks, Sears (2) (3)	1,532,000 642,000	1976/1978/ 1980/2000	100%
Great Lakes Crossing Auburn Hills, MI (Detroit Metropolitan Area)	AMC Theatres, Bass Pro Shops Outdoor World, GameWorks, Neiman Marcus-Last Call, Off 5th Saks, Circuit City	1,359,000 545,000	1998	100%
International Plaza Tampa, FL	Dillard's, Neiman Marcus, Nordstrom, Robb & Stucky	1,221,000 579,000	2001	50%
MacArthur Center Norfolk, VA	Dillard's, Nordstrom	931,000 517,000	1999	95%
Northlake Mall Charlotte, NC	Belk, Dick's Sporting Goods, Dillard's, Hechts (4)	1,072,000 (4) 406,000	2005	100%
Regency Square Richmond, VA	Hecht's (two locations), JCPenney, Sears	820,000 233,000	1975/1987	100%
The Mall at Short Hills Short Hills, NJ	Bloomingdale's, Macy's, Neiman Marcus, Nordstrom, Saks Fifth Avenue	1,341,000 519,000	1980/1994/ 1995	100%
Stony Point Fashion Park Richmond, VA	Dillard's, Saks Fifth Avenue, Dick's Sporting Goods	662,000 296,000	2003	100%
Twelve Oaks Mall Novi, MI (Detroit Metropolitan Area)	Marshall Field's, JCPenney, Lord & Taylor, (3) Nordstrom (2007), Sears	1,189,000 451,000	1977/1978	100%
The Mall at Wellington Green Wellington, FL (Palm Beach County)	City Furniture and Ashley Furniture Home Store, Dillard's, JCPenney, Macy's, Nordstrom	1,278,000 465,000	2001/2003	90%
The Shops at Willow Bend Plano, TX (Dallas Metropolitan Area)	Dillard's, Foley's, Neiman Marcus, Saks Fifth Avenue (5)	1,391,000 (5) 533,000	2001/2004	100%
Total GLA		16,010,000		
Total Mall GLA		6,929,000		
TRG % of Total GLA		14,714,000		
TRG % of Total Mall GLA		6,292,000		
Unconsolidated Joint Ventures:				
Arizona Mills Tempe, AZ (Phoenix Metropolitan Area)	GameWorks, Harkins Cinemas, JCPenney Outlet, Neiman Marcus-Last Call, Off 5th Saks	1,231,000 527,000	1997	50%
Fair Oaks Fairfax, VA (Washington, DC Metropolitan Area)	Hecht's, JCPenney, Lord & Taylor, Sears, Macy's	1,571,000 566,000	1980/1987/ 1988/2000	50%
The Mall at Millenia Orlando, FL	Bloomingdale's, Macy's, Neiman Marcus	1,116,000 516,000	2002	50%
The Pier at Caesars Atlantic City, NJ	-	303,000 303,000	2006	30% (6)
Stamford Town Center Stamford, CT	Macy's, Saks Fifth Avenue	853,000 (7) 360,000	1982	50%
Sunvalley Concord, CA (San Francisco Metropolitan Area)	JCPenney, Macy's (two locations), Sears	1,328,000 488,000	1967/1981	50%
Waterside Shops at Pelican Bay Naples, FL	Nordstrom (2008), Saks Fifth Avenue	233,000 (8) 124,000	1992	25%
Westfarms West Hartford, CT	Filene's, Filene's Men's Store/Furniture Gallery, JCPenney, Lord & Taylor, Nordstrom	1,289,000 519,000	1974/1983/1997	79%
Total GLA		7,924,000		
Total Mall GLA		3,403,000		
TRG % of Total GLA		4,217,000		
TRG % of Total Mall GLA		1,760,000		
Grand Total GLA		23,934,000		
Grand Total Mall GLA		10,332,000		
TRG % of Total GLA		18,931,000		
TRG % of Total Mall GLA		8,052,000		

(1) Nordstrom will occupy the former Lord & Taylor space, which closed on April 30, 2005.

(2) GLA includes the former Lord & Taylor store, which closed on June 24, 2006.

(3) In June 2006, Federated announced that Marshall Field's will be converted to Macy's in September 2006.

(4) GLA includes approximately 60,000 square feet for AMC Theatres.

(5) GLA includes the former Lord & Taylor store, which closed on April 30, 2005.

(6) The Company will own a 30% interest in The Pier at Caesars.

(7) GLA includes the former Filene's store, which closed in January 2005.

(8) Center currently under renovation and expansion.

TAUBMAN CENTERS, INC.
Major Tenants in Owned Portfolio (1)
At June 30, 2006

Tenant	Number of Stores	Square Footage	Percent of Mall GLA
Limited (The Limited, Express, Victoria's Secret)	63	472,693	4.7%
Gap (Gap, Gap Kids, Banana Republic, Old Navy)	41	332,759	3.3%
Forever 21	18	251,003	2.5%
Abercrombie & Fitch (Abercrombie & Fitch, Hollister)	32	234,304	2.3%
Foot Locker (Foot Locker, Lady Foot Locker, Champs Sports)	43	221,250	2.2%
Williams-Sonoma (Williams-Sonoma, Pottery Barn, Pottery Barn Kids)	28	213,996	2.1%
Talbots (Talbots, J. Jill)	31	182,287	1.8%
Ann Taylor	30	173,141	1.7%
The TJX Companies (Marshalls, T.J. Maxx)	4	151,313	1.5%
Luxottica (Lenscrafters, Sunglass Hut International, Things Remembered)	61	114,516	1.1%

(1) Excludes The Pier at Caesars, which opened in late June 2006.

TAUBMAN CENTERS, INC.
Anchors in Owned Portfolio
At June 30, 2006

(Excludes Value Centers and The Pier at Caesars; GLA in thousands of square feet)

Name	Number of Stores	GLA	% of GLA
Belk	1	180	0.9%
City Furniture and Ashley Furniture Home Store	1	140	0.7%
Dick's Sporting Goods	2	159	0.8%
Dillard's	6	1,335	6.8%
Federated			
Macy's (1)	8	1,669	
Marshall Field's (1)	2	480	
Hecht's	4	618	
Bloomingdale's	3	614	
Lord & Taylor (2)	3	397	
Foley's	2	418	
Filene's	1	209	
Filene's Men's Store/Furniture Gallery	1	80	
Total	24	4,485	22.7%
JCPenney	7	1,266	6.4%
Neiman Marcus (3)	5	556	2.8%
Nordstrom (4)	5	796	4.0%
Robb & Stucky	1	119	0.6%
Saks			
Saks Fifth Avenue	6	467	
Off 5th Saks (5)	1	93	
Total	7	560	2.8%
Sears	5	1,104	5.6%
Total	64	10,700	54.2% (6)

(1) In June 2006, Federated announced that Marshall Field's will be converted to Macy's in September 2006.

(2) In June 2006, Federated announced that it will sell its Lord & Taylor division to NRDC Equity Partners, LLC. The transaction is expected to close during the third quarter of 2006.

(3) Excludes three Neiman Marcus-Last Call stores at value centers.

(4) Nordstrom will open at Cherry Creek Shopping Center and Twelve Oaks Mall in 2007, and Waterside Shops at Pelican Bay in 2008.

(5) Excludes three Off 5th Saks stores at value centers.

(6) Percentages may not add due to rounding.