

LANDandBUILDINGS

Land and Buildings Issues Open Letter to Taubman Centers Board of Directors

- Taubman's September 29th Exclusive Forum By-Law Amendment Further Disenfranchises Shareholders and at Odds with Taubman's Touted "Governance Enhancements" -

- Leading Proxy Advisory Firms Have Criticized Shareholder-Unfriendly By-Law Amendments Which Taubman's Board Unilaterally Adopted Leaving the Board Vulnerable to Three New Dissident Directors in 2018 -

- In Just 15 Months a Majority of the Board Could be Nominated Setting the Stage for the Taubman Family to Lose Their Grip on the Board -

Stamford, CT, October 2, 2017 – Land & Buildings Investment Management, LLC ("Land and Buildings") today issued an open letter to the Board of Directors (the "Board") of Taubman Centers, Inc. (NYSE: TCO) ("Taubman" or the "Company") regarding the Board's unilateral adoption of an exclusive forum By-Law amendment on September 29, 2017, which serves to further disenfranchise shareholders despite the Company's touted commitment to enhancing corporate governance at Taubman. In just 15 months, six director candidates, a majority of the Board, could be nominated setting the stage for the Taubman Family to lose their grip on the Board if the horrible share price performance, dismal earnings and poor capital allocation persist.

The full text of the letter follows:

October 2, 2017

VIA ELECTRONIC MAIL

Taubman Centers, Inc.
200 E. Long Lake Road, Suite 300
Bloomfield Hills, MI 48304-2324
Attn: Board of Directors

Dear Taubman Centers Board of Directors:

It is astonishing that you do not follow the adage that 'the best defense is a good offense,' and have chosen instead to pursue a strategy that 'the best defense is more defense,' as evidenced by the latest amendment to the Company's By-Laws on September 29, 2017. This recent action further entrenches the Board by limiting the jurisdiction in which shareholders can legally challenge the Company to Taubman's home turf in Michigan. Incredibly, after a majority of your common shareholders spoke loud and clear at the Annual Meeting in June that Board change is desperately needed, including with respect to Bobby Taubman continuing as Chairman, you have responded by taking steps to further disenfranchise shareholders.

Leading proxy advisory firms have criticized shareholder-unfriendly By-Law amendments which Taubman's Board unilaterally adopted on Friday, leaving the Company vulnerable to three new dissident directors in 2018. Glass Lewis believes that "bylaw provisions limiting a shareholder's choice of legal venue are not in the best interest of shareholders." Institutional Shareholder Services generally recommends voting "against or withhold from directors individually, committee members, or the entire board...if the board amends the company's By-Laws or charter without shareholder approval..." and does

not otherwise provide a compelling justification for adopting such a By-Law provision. In fact, Taubman's September 29th Form 8-K disclosing the By-Law amendment lacks any rationale whatsoever for adopting such a By-Law provision.

Taubman shares have underperformed its Class A Mall Peers¹ by 16%² since the Annual Meeting in June. At what point do Taubman's independent board members wake up and focus on common shareholders' interests and not the interests of the Taubman Family?

In just 15 months, shareholders will have the opportunity to nominate a majority of new directors to the Taubman Centers Board and if the horrible share price performance, dismal earnings and poor capital allocation persists, shareholders will have no choice but to hold the Board accountable by electing new directors focused on maximizing value for all shareholders and not just the Taubman Family.

To-date your commitment to de-classify the Board has been all talk and no action. Unlike the recent amendment to your By-Laws, which is a setback for shareholder rights, the By-Laws were not amended to declassify the Board as has been promised in Taubman's public communications with shareholders. We demand that the Board immediately take all actions necessary to de-classify the Board.

Further, your commitment to put two new directors on the Board prior to next year's Annual Meeting rings hollow, as you engage Heidrick & Struggles on a director search rather than look no further than to the highly-qualified directors a majority of common shareholders already supported at last year's Annual Meeting, which were only defeated by the Taubman Killer B vote.

It is clear to us that the Taubman Board is intent to serve the Taubman Family interests rather than the will of a majority of common shareholders. Again, we remind you and the Board that the clock is ticking and in just 15 months a majority of new directors can be elected.

Hurricanes Irma and Maria have made landfall, however the Board has been more focused on self-preservation than providing an update on the five Malls in Florida and one Mall in Puerto Rico that were affected by these storms, in contrast to most other REITs with major concentrations of assets in these markets which have provided press release updates.

If the Board devoted a fraction of the time it spends entrenching itself on operating its business better or considering strategic alternatives, just imagine the positive outcomes for all shareholders that could arise.

All the best,



Jonathan Litt

Founder & CIO

Land and Buildings Investment Management, LLC

¹ Class A Mall Peers defined by Land and Buildings as Taubman's high quality Class A Mall Peers GGP, Inc., The Macerich Company, Simon Property Group Inc. (collectively, "Class A Mall Peers").

² Reflects total returns since May 31, 2017 through September 29, 2017.