

LANDandBUILDINGS

Land and Buildings Comments on Transparently Reactive Corporate Governance Announcement by Taubman

- *Believes latest Board maneuvers are nothing more than a disingenuous attempt to appear responsive to investor concerns following pressure from Land and Buildings –*
- *Newly designated lead independent director Ullman allowed bungling of Simon offer during first stint on the Board, and as a member of Audit Committee has not provided a substantive response to our concerns about charter violations –*
- *Land and Buildings believes new Board addition lacks necessary public market real estate experience, credibility with TCO investors –*

Stamford, CT, December 16, 2016 – Land & Buildings Investment Management, LLC ("Land and Buildings") today issued the following statement in response to Taubman Centers, Inc.'s (NYSE: TCO) ("Taubman" or the "Company") announcement that it would be to designating existing Board member Myron E. (Mike) Ullman III as lead director and adding Cia Buckley Marakovits to its Board of Directors:

"We believe that Taubman's announcement yesterday represents a transparent attempt to create the appearance of being responsive to shareholders and improving the Company's woeful corporate governance, while in reality serving to further entrench the existing Board of Directors and the Taubman family. While we are past the point of being surprised by Taubman's actions seeming to be being ripped out of the "How to Disenfranchise your Shareholders" playbook, this latest maneuver is particularly disappointing.

Notably, Myron Ullman's appointment to a newly created role of lead independent director is neither an olive branch to shareholders nor a substantive change from the Old Boy's Club mentality of business as usual at Taubman Centers. Furthermore, it is unclear if the designation will have any power other than being a cosmetic governance change.

Shareholders would be remiss to forget that Mr. Ullman was on the Taubman Board in 2003, when a Federal Judge found that the Board was likely in breach of its fiduciary duty to shareholders after they changed the Company's by-laws to make it more difficult to call a special meeting in relation to the Company's rebuffing of Simon Property Group. Further, as a member of the Taubman Centers Audit Committee, Ullman failed to respond to our concerns about likely material violations of the Company's charter due to the Taubman family exceeding the ownership limit.

By adding Cia Buckley's to the Board, Taubman has further demonstrated its lack of regard for shareholders. Normally we would welcome this addition of diversity to the boardroom, but given the Company's track record we have to see this as a calculated move to earn "points" with shareholders and corporate governance experts – both of whom should see through it.

In reality, due to Ms. Buckley's lack of public market real estate experience, institutional investors have no track record from which to determine if she will be another Taubman Family lackey or a true breath of fresh air in the boardroom. While we do not question Ms. Buckley Marakovits' real estate investment credentials and have no issues with her as a professional, without substantial corporate governance and public company Board experience, we believe she is not the optimal choice for Taubman shareholders at this time.

We also think its important shareholders consider the sequence of events leading up to yesterday's announcement:

- On October 19th Land and Building offered both a best practices template to fill the vacant Board seat as well as examples of candidates who would meet the criteria investors were looking for – which of course was ultimately ignored.
- As we stated in a public letter on October 26th, the Company only announced their plans to reverse course and return the Board to its designated nine members after Land and Buildings publicly noted that keeping the Board at eight members violated the Company's charter.
- At that time, we stated that any addition to the Board should only follow meaningful consultation from independent shareholders and possess the real estate operational experience and track record of good corporate governance necessary to effect change at Taubman.
- Taubman did not reach out to Land and Buildings or consult with us on this appointment.
- On December 14th, Land and Buildings publicly released a letter we had previously sent to the TCO Audit Committee concerning potential material violations of the Company's Ownership Limits in its charter and the Taubman Family's likely failure to file a 13D with the SEC which requires holders of more than 5% of any class of securities to make such a filing. We received no substantive response.

For 20 years the Taubman Family have been so fearful to be evaluated on their merits, that they have clung to their effective controlling position, unwilling to grow the company share count as all of their peers have done, and unwilling to embrace modern corporate governance. Unfortunately, yesterday's announcement represents more of the same from Taubman. One has only to review our recent presentation – which is available at www.SaveTaubman.com – to understand the pattern of questionable and self-interested decisions this Board has made in the past. This is why we continue to believe that real change is needed at Taubman in order to benefit all shareholders.”

Sincerely,



Jonathan Litt

Founder & CIO

Land and Buildings Investment Management, LLC

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Media Contact:

Dan Zacchei / Joe Germani

Sloane & Company

212-486-9500

Dzacchei@sloanepr.com

JGermani@sloanepr.com