



CBL & ASSOCIATES PROPERTIES, INC.

**Supplemental Financial and Operating Information**

**For the three months and six months ended June 30, 2004**

**CBL & Associates Properties, Inc.**  
**Supplemental Financial and Operating Information**  
**For the Three Months and Six Months Ended June 30, 2004**

**Consolidated Statements of Operations**

(Unaudited; in thousands, except per share amounts)

	Three Months Ended		Six Months Ended	
	June 30,		June 30,	
	<u>2004</u>	<u>2003</u>	<u>2004</u>	<u>2003</u>
<b>REVENUES:</b>				
Minimum rents	\$ 114,044	\$ 104,272	\$ 223,031	\$ 206,923
Percentage rents	1,474	1,198	8,168	7,521
Other rents	2,456	1,762	5,242	3,790
Tenant reimbursements	50,657	49,961	98,839	97,797
Management, development and leasing fees	1,716	1,406	3,511	2,725
Other	5,849	3,798	10,296	7,149
Total revenues	<u>176,196</u>	<u>162,397</u>	<u>349,087</u>	<u>325,905</u>
<b>EXPENSES:</b>				
Property operating	26,401	25,817	54,137	52,005
Depreciation and amortization	33,026	27,593	65,759	53,807
Real estate taxes	14,157	12,760	27,326	26,699
Maintenance and repairs	10,217	9,585	20,503	20,109
General and administrative	7,992	6,644	16,225	12,997
Other	4,923	2,315	7,955	4,656
Total expenses	<u>96,716</u>	<u>84,714</u>	<u>191,905</u>	<u>170,273</u>
Income from operations	79,480	77,683	157,182	155,632
Interest income	706	592	1,586	1,165
Interest expense	(42,798)	(38,350)	(83,232)	(75,292)
Loss on extinguishment of debt	-	(167)	-	(167)
Gain on sales of real estate assets	4,955	3,002	24,780	4,096
Equity in earnings of unconsolidated affiliates	2,682	731	5,546	2,487
Minority interest in earnings:				
Operating partnership	(17,840)	(17,979)	(42,874)	(38,616)
Shopping center properties	(1,819)	(885)	(3,058)	(1,413)
Income before discontinued operations	25,366	24,627	59,930	47,892
Operating income of discontinued operations	233	87	279	355
Gain on discontinued operations	525	-	520	2,935
Net income	26,124	24,714	60,729	51,182
Preferred dividends	(4,416)	(3,692)	(8,832)	(7,384)
Net income available to common shareholders	<u>\$ 21,708</u>	<u>\$ 21,022</u>	<u>\$ 51,897</u>	<u>\$ 43,798</u>
Basic per share data:				
Net income before discontinued operations, net of preferred dividends	\$ 0.69	\$ 0.70	\$ 1.68	\$ 1.36
Discontinued operations	0.02	0.00	0.02	0.11
Net income available to common shareholders	<u>\$ 0.71</u>	<u>\$ 0.70</u>	<u>\$ 1.70</u>	<u>\$ 1.47</u>
Weighted average common shares outstanding	30,600	29,886	30,464	29,806
Diluted per share data:				
Net income before discontinued operations, net of preferred dividends	\$ 0.66	\$ 0.67	\$ 1.61	\$ 1.31
Discontinued operations	0.02	0.01	0.03	0.11
Net income available to common shareholders	<u>\$ 0.68</u>	<u>\$ 0.68</u>	<u>\$ 1.64</u>	<u>\$ 1.42</u>
Weighted average common and potential dilutive common shares outstanding	31,755	31,066	31,686	30,942

**CBL & Associates Properties, Inc.**  
**Supplemental Financial and Operating Information**  
**For the Three Months and Six Months Ended June 30, 2004**

The Company's calculation of FFO is as follows (in thousands, except per share data):

	Three Months Ended		Six Months Ended	
	June 30,		June 30,	
	<u>2004</u>	<u>2003</u>	<u>2004</u>	<u>2003</u>
Net income available to common shareholders	\$ 21,708	\$ 21,022	\$ 51,897	\$ 43,798
Add:				
Depreciation and amortization from consolidated properties	33,026	27,593	65,759	53,807
Depreciation and amortization from unconsolidated affiliates	1,547	1,123	2,743	2,019
Depreciation and amortization from discontinued operations	8	97	20	205
Minority interest in earnings of operating partnership	17,840	17,979	42,874	38,616
Less:				
Gain on disposal of operating real estate assets	(4,484)	-	(23,565)	-
Minority investors' share of depreciation and amortization	(304)	(275)	(597)	(541)
Gain on disposal of discontinued operations	(525)	-	(520)	(2,935)
Depreciation and amortization of non-real estate assets	(78)	(133)	(213)	(266)
Funds from operations	<u>\$ 68,738</u>	<u>\$ 67,406</u>	<u>\$ 138,398</u>	<u>\$ 134,703</u>
Funds from operations applicable to Company shareholders	<u>\$ 37,732</u>	<u>\$ 36,252</u>	<u>\$ 75,814</u>	<u>\$ 72,356</u>
Basic per share data:				
Funds from operations	<u>\$ 1.23</u>	<u>\$ 1.21</u>	<u>\$ 2.49</u>	<u>\$ 2.43</u>
Weighted average common shares outstanding with operating partnership units fully converted	55,745	55,568	55,610	55,489
Diluted per share data:				
Funds from operations	<u>\$ 1.21</u>	<u>\$ 1.19</u>	<u>\$ 2.44</u>	<u>\$ 2.38</u>
Weighted average common and potential dilutive common shares outstanding with operating partnership units fully converted	56,901	56,748	56,832	56,625
<b>SUPPLEMENTAL FFO INFORMATION:</b>				
Lease termination fees	\$ 1,444	\$ 1,167	\$ 2,601	\$ 1,562
Lease termination fees per share	\$ 0.03	\$ 0.02	\$ 0.05	\$ 0.03
Straight-line rental income	\$ 596	\$ 1,201	\$ 1,242	\$ 2,222
Straight-line rental income per share	\$ 0.01	\$ 0.02	\$ 0.02	\$ 0.04
Gains on outparcel sales	\$ 705	\$ 2,875	\$ 2,041	\$ 3,976
Gains on outparcel sales per share	\$ 0.01	\$ 0.05	\$ 0.04	\$ 0.07
Amortization of above- and below-market leases	\$ 607	\$ 49	\$ 1,242	\$ 99
Amortization of above- and below-market leases per share	\$ 0.01	\$ -	\$ 0.02	\$ -
Amortization of debt premiums	\$ 1,166	\$ -	\$ 2,139	\$ -
Amortization of debt premiums per share	\$ 0.02	\$ -	\$ 0.04	\$ -

**CBL & Associates Properties, Inc.**  
**Supplemental Financial and Operating Information**  
**For the Three Months and Six Months Ended June 30, 2004**

**Same-Center Net Operating Income**  
(Dollars in thousands)

	<b>Three Months Ended</b>		<b>Six Months Ended</b>	
	<b>June 30,</b>		<b>June 30,</b>	
	<b>2004</b>	<b>2003</b>	<b>2004</b>	<b>2003</b>
Net income	\$ 26,124	\$ 24,714	\$ 60,729	\$ 51,182
Adjustments:				
Depreciation and amortization	33,026	27,593	65,759	53,807
Depreciation and amortization from unconsolidated affiliates	1,547	1,123	2,743	2,019
Depreciation and amortization from discontinued operations	8	97	20	205
Minority investors' share of depreciation and amortization in shopping center properties	(304)	(275)	(597)	(541)
Interest expense	42,798	38,350	83,232	75,292
Interest expense from unconsolidated affiliates	1,658	2,053	3,077	3,882
Interest expense from discontinued operations	9	13	20	27
Minority investors' share of interest expense in shopping center properties	(369)	(414)	(702)	(1,579)
Loss on extinguishment of debt	-	167	-	167
Loss on extinguishment of debt in discontinued operations	58	-	58	-
Abandoned projects expense	1,240	115	1,685	107
Gain on sales of real estate assets	(4,955)	(3,002)	(24,780)	(4,096)
Gain on sales of real estate assets of unconsolidated affiliates	-	-	(592)	-
Minority interest in earnings of Operating Partnership	17,840	17,979	42,874	38,616
Gain on discontinued operations	(525)	-	(520)	(2,935)
Operating Partnership's share of total NOI	118,155	108,513	233,006	216,153
General and administrative expenses	7,992	6,644	16,225	12,997
Management fees and non-property level revenues	(2,224)	(3,058)	(8,761)	(3,640)
Operating Partnership's share of property NOI	123,923	112,099	240,470	225,510
NOI of non-comparable centers	(21,645)	(11,317)	(34,374)	(21,611)
Total same center NOI	<u>\$ 102,278</u>	<u>\$ 100,782</u>	<u>\$ 206,096</u>	<u>\$ 203,899</u>
Malls	\$ 92,286	\$ 92,306	\$ 186,219	\$ 187,731
Associated centers	4,117	4,215	9,642	8,318
Community centers	1,769	1,619	3,410	3,148
Other	4,106	2,642	6,825	4,702
Total same center NOI	<u>\$ 102,278</u>	<u>\$ 100,782</u>	<u>\$ 206,096</u>	<u>\$ 203,899</u>
<b>Percentage Change:</b>				
Malls	0.0%		-0.8%	
Associated centers	-2.3%		15.9%	
Community centers	9.3%		8.3%	
Other	55.4%		45.2%	
<b>Total same center NOI</b>	<u>1.5%</u>		<u>1.1%</u>	

**CBL & Associates Properties, Inc.**  
**Supplemental Financial and Operating Information**  
**For the Three Months and Six Months Ended June 30, 2004**

**Company's Share of Consolidated and Unconsolidated Debt**  
(Dollars in thousands)

	June 30, 2004		
	Fixed Rate	Variable Rate	Total
Consolidated debt	\$ 2,366,070	\$ 729,365	\$ 3,095,435
Minority investors' share of consolidated debt	(53,365)	-	(53,365)
Company's share of unconsolidated affiliates' debt	58,885	121,041	179,926
Company's share of consolidated and unconsolidated debt	<u>\$ 2,371,590</u>	<u>\$ 850,406</u>	<u>\$ 3,221,996</u>
Weighted average interest rate	<u>6.56%</u>	<u>2.36%</u>	<u>5.45%</u>

	June 30, 2003		
	Fixed Rate	Variable Rate	Total
Consolidated debt	\$ 1,973,945	\$ 566,969	\$ 2,540,914
Minority investors' share of consolidated debt	(19,857)	-	(19,857)
Company's share of unconsolidated affiliates' debt	37,924	44,197	82,121
Company's share of consolidated and unconsolidated debt	<u>\$ 1,992,012</u>	<u>\$ 611,166</u>	<u>\$ 2,603,178</u>
Weighted average interest rate	<u>7.05%</u>	<u>3.01%</u>	<u>6.10%</u>

**Debt-To-Total-Market Capitalization Ratio as of June 30, 2004**  
(In thousands, except stock price)

	Shares	Stock Price (1)	Value
	Outstanding		
Common stock and operating partnership units	55,981	\$ 55.00	\$ 3,078,955
8.75% Series B Cumulative Redeemable Preferred Stock	2,000	\$ 50.00	100,000
7.75% Series C Cumulative Redeemable Preferred Stock	460	\$ 250.00	115,000
Total market equity			3,293,955
Company's share of total debt			3,221,996
Total market capitalization			<u>\$ 6,515,951</u>
Debt-to-total-market capitalization ratio			<u>49.4%</u>

(1) Stock price for common stock and operating partnership units equals the closing price of the common stock on June 30, 2004. The stock price for the preferred stock represents the face value of each respective series of preferred stock.

**Reconciliation of Shares and Operating Partnership Units Outstanding**  
(In thousands)

	Three Months Ended		Six Months Ended	
	June 30,		June 30,	
	Basic	Diluted	Basic	Diluted
<b>2004:</b>				
Weighted average shares - EPS	30,600	31,755	30,464	31,686
Weighted average operating partnership units	25,145	25,146	25,146	25,146
Weighted average shares- FFO	<u>55,745</u>	<u>56,901</u>	<u>55,610</u>	<u>56,832</u>
<b>2003:</b>				
Weighted average shares - EPS	29,886	31,066	29,806	30,942
Weighted average operating partnership units	25,682	25,682	25,683	25,683
Weighted average shares- FFO	<u>55,568</u>	<u>56,748</u>	<u>55,489</u>	<u>56,625</u>

**Dividend Payout Ratio**

	Three Months Ended		Six Months Ended	
	June 30,		June 30,	
	2004	2003	2004	2003
Dividend per share	\$ 0.725	\$ 0.655	\$ 1.45	\$ 1.31
FFO per diluted, fully converted share	\$ 1.21	\$ 1.19	\$ 2.44	\$ 2.38
Dividend payout ratio	<u>59.9%</u>	<u>55.0%</u>	<u>59.4%</u>	<u>55.0%</u>

**CBL & Associates Properties, Inc.**  
**Supplemental Financial and Operating Information**  
**For the Three Months and Six Months Ended June 30, 2004**

**Consolidated Balance Sheets**  
(Preliminary and unaudited, in thousands)

	<u>June 30, 2004</u>	<u>December 31, 2003</u>
<b>ASSETS</b>		
Real estate assets:		
Land	\$ 604,904	\$ 578,310
Buildings and improvements	<u>4,155,864</u>	<u>3,678,074</u>
	4,760,768	4,256,384
Less: accumulated depreciation	<u>(519,045)</u>	<u>(467,614)</u>
	4,241,723	3,788,770
Real estate assets held for sale	67,811	64,354
Developments in progress	<u>76,616</u>	<u>59,096</u>
Net investment in real estate	4,386,150	3,912,220
Cash, restricted cash and cash equivalents	30,042	20,332
Cash in escrow	-	78,476
Receivables:		
Tenant, net of allowance	35,800	42,165
Other	14,832	3,033
Mortgage notes receivable	27,555	36,169
Investment in unconsolidated affiliates	88,638	96,450
Other assets	<u>85,030</u>	<u>75,465</u>
	<u>\$ 4,668,047</u>	<u>\$ 4,264,310</u>
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>		
Mortgage and other notes payable	\$ 3,092,963	\$ 2,709,348
Mortgage notes payable on real estate assets held for sale	2,472	28,754
Accounts payable and accrued liabilities	<u>177,674</u>	<u>161,478</u>
Total liabilities	3,273,109	2,899,580
Commitments and contingencies		
Minority interests	<u>540,894</u>	<u>526,993</u>
Shareholders' equity:		
Preferred stock, \$.01 par value	25	25
Common stock, \$.01 par value	308	303
Additional paid-in capital	828,984	818,051
Deferred compensation	(3,549)	(1,607)
Retained earnings	<u>28,276</u>	<u>20,965</u>
Total shareholders' equity	854,044	837,737
	<u>\$ 4,668,047</u>	<u>\$ 4,264,310</u>

The balance sheet above is preliminary as of the date of this report. Please refer to the Company's Quarterly Report on Form 10-Q when filed for a complete balance sheet as of June 30, 2004.

**CBL & Associates Properties, Inc.**  
**Supplemental Financial and Operating Information**  
**For the Three Months and Six Months Ended June 30, 2004**

The Company presents the ratio of earnings before interest, taxes, depreciation and amortization (EBITDA) to interest because the Company believes that the EBITDA to interest coverage ratio, along with cash flows from operating activities, investing activities and financing activities, provides investors an additional indicator of the Company's ability to incur and service debt.

**Ratio of EBITDA to Interest Expense**

(Dollars in thousands)

	<b>Three Months Ended</b>		<b>Six Months Ended June</b>	
	<b>June 30,</b>		<b>30,</b>	
	<b>2004</b>	<b>2003</b>	<b>2004</b>	<b>2003</b>
<b>EBITDA:</b>				
Net Income	\$ 26,124	\$ 24,714	\$ 60,729	\$ 51,182
Adjustments:				
Depreciation and amortization	33,026	27,593	65,759	53,807
Depreciation and amortization from unconsolidated affiliates	1,547	1,123	2,743	2,019
Depreciation and amortization from discontinued operations	8	97	20	205
Minority investors' share of depreciation and amortization in shopping center properties	(304)	(275)	(597)	(541)
Interest expense	42,798	38,350	83,232	75,292
Interest expense from unconsolidated affiliates	1,658	2,053	3,077	3,882
Interest expense from discontinued operations	9	13	20	27
Minority investors' share of interest expense in shopping center properties	(369)	(414)	(702)	(1,579)
Income taxes	819	1,046	1,265	1,539
Loss on extinguishment of debt	-	167	-	167
Abandoned projects expense	1,240	115	1,685	107
Gain on sales of operating real estate assets	(4,484)	-	(23,565)	-
Minority interest in earnings of Operating Partnership	17,840	17,979	42,874	38,616
Gain on discontinued operations	(525)	-	(520)	(2,935)
Company's share of total EBITDA	<u>\$ 119,387</u>	<u>\$ 112,561</u>	<u>\$ 236,020</u>	<u>\$ 221,788</u>
<b>Interest Expense:</b>				
Interest expense	\$ 42,798	\$ 38,350	\$ 83,232	\$ 75,292
Interest expense from discontinued operations	9	13	20	27
Interest expense from unconsolidated affiliates	1,658	2,053	3,077	3,882
Minority investors' share of interest expense in shopping center properties	(369)	(414)	(702)	(1,579)
Company's share of total interest expense	<u>\$ 44,096</u>	<u>\$ 40,002</u>	<u>\$ 85,627</u>	<u>\$ 77,622</u>
<b>Ratio of EBITDA to Interest Expense</b>	<u>2.71</u>	<u>2.81</u>	<u>2.76</u>	<u>2.86</u>

**Reconciliation of EBITDA to Cash Flows Provided By Operating Activities**

(In thousands)

	<b>Three Months Ended</b>		<b>Six Months Ended June</b>	
	<b>June 30,</b>		<b>30,</b>	
	<b>2004</b>	<b>2003</b>	<b>2004</b>	<b>2003</b>
Company's share of total EBITDA	\$ 119,387	\$ 112,561	\$ 236,020	\$ 221,788
Interest expense	(42,798)	(38,350)	(83,232)	(75,292)
Minority interest's share of interest expense	369	414	702	1,579
Income taxes	(819)	(1,046)	(1,265)	(1,539)
Amortization of deferred financing costs and non real estate depreciation included in operating expense	1,664	1,056	3,418	2,354
Amortization of debt premiums	(1,125)	-	(2,057)	-
Amortization of above and below market leases	(568)	(49)	(1,171)	(99)
Depreciation and interest expense from unconsolidated affiliates	(3,205)	(3,176)	(5,820)	(5,901)
Minority investors' share of depreciation and amortization in shopping center properties	304	275	597	541
Minority interest in earnings - shopping center properties	1,819	885	3,058	1,413
Gains on outparcel sales	(782)	(3,002)	(1,526)	(4,106)
Issuances of stock under incentive plan	269	1,129	1,268	1,203
Write-off of development projects	1,240	115	1,685	107
Amortization of deferred compensation	264	62	357	62
Accrual of deferred compensation	105	89	221	177
Changes in operating assets and liabilities	3,781	(12,331)	6,402	(17,298)
Cash flows provided by operating activities	<u>\$ 79,905</u>	<u>\$ 58,632</u>	<u>\$ 158,657</u>	<u>\$ 124,989</u>

**CBL & Associates Properties, Inc.**  
**Supplemental Financial and Operating Information**  
**For the Three Months and Six Months Ended June 30, 2004**

**Schedule of Mortgage and Other Notes Payable as of June 30, 2004**

(Dollars In thousands )

Property	Location	Maturity Date	Interest Rate	Balance 6/30/2004	Balance	
					Fixed	Variable
Midland, MI	Midland Mall	Jun-04	2.313%	\$ 30,000	\$ -	\$ 30,000
Cincinnati, OH	Eastgate Mall	Dec-04	2.139%	41,125	-	41,125
Lexington, KY	Fayette Mall Development	Dec-04	2.930%	8,550	-	8,550
Brookfield, IL	Brookfield Square	May-05	7.498%	70,801	70,801	-
Hattiesburg, MS	Turtle Creek Mall	Mar-06	7.400%	30,744	30,744	-
Chesapeake, VA	Greenbrier Mall	Apr-06	2.188%	92,650	-	92,650
Akron, OH	Chapel Hill Mall	May-06	2.280%	66,500	-	66,500
Rockford, IL	Cherryvale Mall	Jul-06	7.375%	45,080	45,080	-
Lynchburg, VA	River Ridge Mall	Jan-07	9.302%	22,102	22,102	-
Madison, WI	East Towne Mall	Jan-07	8.010%	27,498	27,498	-
Madison, WI	West Towne Mall	Jan-07	8.010%	42,513	42,513	-
Chattanooga, TN	Hamilton Place	Mar-07	7.000%	64,546	64,546	-
Cincinnati, OH	Eastgate Crossing	Apr-07	6.380%	10,295	10,295	-
Charleston, SC	Citadel Mall	May-07	7.390%	31,353	31,353	-
Dalton, GA	Walnut Square	Feb-08	10.125%	438	438	-
Highpoint, NC	Oak Hollow Mall	Feb-08	7.310%	45,278	45,278	-
Winston-Salem, NC	Hanes Mall	Jul-08	7.310%	110,209	110,209	-
Nashville, TN	Hickory Hollow Mall	Aug-08	6.770%	88,706	88,706	-
Nashville, TN	Courtyard At Hickory Hollow	Aug-08	6.770%	4,130	4,130	-
Nashville, TN	Rivergate Mall	Aug-08	6.770%	71,692	71,692	-
Nashville, TN	Village At Rivergate	Aug-08	6.770%	3,386	3,386	-
Lansing, MI	Meridian Mall	Oct-08	4.520%	94,419	94,419	-
Cary, NC	Cary Towne Center	Mar-09	6.850%	87,789	87,789	-
Fairview Heights, IL	St. Claire Square	Apr-09	7.000%	68,108	68,108	-
Daytona Beach, FL	Volusia Mall	Apr-09	6.950%	54,660	54,660	-
Terre Haute, IN	Honey Creek Mall	Apr-09	6.700%	32,959	32,959	-
Meridian, MS	Bonita Lakes Mall	Oct-09	6.820%	26,848	26,848	-
Meridian, MS	Bonita Lakes Crossing	Oct-09	6.820%	8,412	8,412	-
Little Rock, AR	Park Plaza Mall	May-10	8.690%	41,280	41,280	-
Spartanburg, SC	Westgate Crossing	Jul-10	8.420%	9,619	9,619	-
Burnsville, MN	Burnsville Center	Aug-10	8.000%	70,299	70,299	-
Roanoke, VA	Valley View Mall	Sep-10	8.610%	44,662	44,662	-
Nashville, TN	Coolsprings Galleria	Sep-10	8.290%	59,491	59,491	-
Beaumont, TX	Parkdale Mall	Oct-10	5.010%	56,125	56,125	-
Beaumont, TX	Parkdale Crossing	Oct-10	5.010%	8,862	8,862	-
Stroud, PA	Stroud Mall	Dec-10	8.420%	31,682	31,682	-
Wausau, WI	Wausau Center	Dec-10	6.700%	13,456	13,456	-
York, PA	York Galleria	Dec-10	8.340%	50,665	50,665	-
Lexington, KY	Fayette Mall	Jul-11	7.000%	94,891	94,891	-
Chattanooga, TN	Hamilton Corner	Aug-11	10.125%	2,389	2,389	-
Asheville, NC	Asheville Mall	Sep-11	6.980%	69,124	69,124	-
Portland, ME	BJ'S Plaza	Dec-11	10.400%	2,472	2,472	-
Ft Smith, AR	Massard Crossing	Feb-12	7.540%	5,880	5,880	-
Houston, TX	Willowbrook Plaza	Feb-12	7.540%	30,085	30,085	-
Vicksburg, MS	Pemberton Plaza	Feb-12	7.540%	2,007	2,007	-
Fayetteville, NC	Cross Creek Mall	Apr-12	7.400%	63,683	63,683	-
Colonial Heights, VA	Southpark Mall	May-12	7.000%	37,709	37,709	-



**Schedule of Mortgage and Other Notes Payable as of June 30, 2004**

(Dollars In thousands )

Property	Location	Maturity Date	Interest Rate	Balance 6/30/2004	Balance	
					Fixed	Variable
Asheboro, NC	Randolph Mall	Jul-12	6.500%	15,188	15,188	-
Douglasville, GA	Arbor Place Mall	Jul-12	6.510%	78,846	78,846	-
Douglasville, GA	The Landing At Arbor Place	Jul-12	6.510%	8,900	8,900	-
Jackson, TN	Old Hickory Mall	Jul-12	6.510%	34,828	34,828	-
Louisville, KY	Jefferson Mall	Jul-12	6.510%	43,921	43,921	-
N Charleston, SC	Northwoods Mall	Jul-12	6.510%	62,883	62,883	-
Racine, WI	Regency Mall	Jul-12	6.510%	34,441	34,441	-
Saginaw, MI	Fashion Square	Jul-12	6.510%	60,368	60,368	-
Spartanburg, SC	Westgate Mall	Jul-12	6.500%	54,560	54,560	-
Chattanooga, TN	CBL Center	Aug-12	6.250%	14,669	14,669	-
Panama City, FL	Panama City Mall	Aug-12	7.300%	39,944	39,944	-
Greensburg, PA	Westmoreland Mall	Jan-13	5.050%	82,811	82,811	-
Morristown, TN	College Square	Sep-13	6.750%	11,847	11,847	-
Columbia, SC	Columbia Mall	Oct-13	5.450%	33,513	33,513	-
Janesville, WI	Janesville Mall	Apr-16	8.375%	13,918	13,918	-
				<u>2,565,809</u>	<u>2,326,984</u>	<u>238,825</u>
Weighted average interest rate				6.19%	6.59%	2.25%
<b>Debt Premiums:</b>						
Lynchburg, VA	River Ridge Mall	Jan-07	4.000%	2,119	2,119	-
Daytona Beach, FL	Volusia Mall	Apr-09	4.750%	4,402	4,402	-
Terre Haute, IN	Honey Creek Mall	Apr-09	4.750%	3,050	3,050	-
Little Rock, AR	Park Plaza Mall	May-10	4.900%	7,737	7,737	-
Roanoke, VA	Valley View Mall	Sep-10	5.100%	8,054	8,054	-
Fayetteville, NC	Cross Creek Mall	Apr-12	5.000%	9,427	9,427	-
Colonial Heights, VA	Southpark Mall	May-12	5.100%	4,297	4,297	-
				<u>39,086</u>	<u>39,086</u>	<u>-</u>
Weighted average interest rate				4.91%	4.91%	
<b>SUBTOTAL</b>				<u>2,604,895</u>	<u>2,366,070</u>	<u>238,825</u>
Weighted average interest rate				6.17%	6.56%	2.25%
<b>CONSTRUCTION LOANS</b>						
Southaven, MS	Southaven Towne Center	Jun-07	2.913%	9,140	-	9,140
<b>LINES OF CREDIT</b>				2.240%	-	481,400
<b>TOTAL BALANCE SHEET</b>				<b>\$ 3,095,435</b>	<b>\$ 2,366,070</b>	<b>\$ 729,365</b>
Weighted average interest rate				5.55%	6.56%	2.25%
<b>Plus CBL's Share Of Unconsolidated Affiliates:</b>						
Huntsville, AL	Parkway Place	Dec-04	2.780%	28,915	-	28,915
Myrtle Beach, SC	Coastal Grand	May-06	2.963%	75,933	-	75,933
El Centro, CA	Imperial Valley Mall	Dec-06	2.970%	11,293	-	11,293
Paducah, KY	Kentucky Oaks	Jun-07	9.000%	15,849	15,849	-
Del Rio, TX	Plaza Del Sol	Aug-10	9.150%	1,892	1,892	-
Clarksville, TN	Governors Square	Sep-16	8.230%	15,317	15,317	-
Galileo America LLC	Portfolio	various	5.076%	30,727	25,827	4,900
				<u>179,926</u>	<u>58,885</u>	<u>121,041</u>

**Schedule of Mortgage and Other Notes Payable as of June 30, 2004**

(Dollars In thousands )

Property	Location	Maturity Date	Interest Rate	Balance 6/30/2004	Balance		
					Fixed	Variable	
		<b>Minority Interest</b>					
<b>Less Minority Interest's Share:</b>							
Chattanooga, TN	CBL Center	8.0%	6.2500%	(1,174)	(1,174)		-
Chattanooga, TN	Hamilton Corner	10.0%	10.1250%	(239)	(239)		-
Chattanooga, TN	Hamilton Place	10.0%	7.0000%	(6,455)	(6,455)		-
Ft Smith, AR	Massard Crossing	90.0%	7.5400%	(5,292)	(5,292)		-
Highpoint, NC	Oak Hollow Mall	25.0%	7.3100%	(11,320)	(11,320)		-
Houston, TX	Willowbrook Plaza	90.0%	7.5400%	(27,077)	(27,077)		-
Vicksburg, MS	Pemberton Plaza	90.0%	7.5400%	(1,808)	(1,808)		-
				<u>(53,365)</u>	<u>(53,365)</u>		<u>-</u>
<b>TOTAL OBLIGATIONS</b>				<b>\$ 3,221,996</b>	<b>\$ 2,371,590</b>	<b>\$ 850,406</b>	
Weighted average interest rate				5.45%	6.56%	2.36%	
<b>Total Debt of Unconsolidated Affiliates:</b>							
Clarksville, TN	Governors Square	Sep-16	8.230%	\$ 32,247	\$ 32,247	\$ -	
Del Rio, TX	Plaza Del Sol	Aug-10	9.150%	3,739	3,739	-	
El Centro, CA	Imperial Valley Mall	Dec-06	2.840%	11,293	-	11,293	
Galileo America LLC	Portfolio	various	5.074%	307,270	258,270	49,000	
Huntsville, AL	Parkway Place	Dec-04	2.780%	57,830	-	57,830	
Myrtle Beach, SC	Coastal Grand	May-06	2.963%	75,933	-	75,933	
Paducah, KY	Kentucky Oaks	Jun-07	9.000%	31,697	31,697	-	
				<u>\$ 520,009</u>	<u>\$ 325,953</u>	<u>\$ 194,056</u>	
Weighted average interest rate				4.93%	5.82%	3.43%	

**CBL & Associates Properties, Inc.**  
**Supplemental Financial and Operating Information**  
**For the Three Months and Six Months Ended June 30, 2004**

**Comparable New and Renewal Leasing Activity as of June 30, 2004**

<u>Property Type</u>	<u>Square Feet</u>	<u>Prior PSF Base Rent</u>	<u>New PSF Base Rent - Initial</u>	<u>% Change Initial</u>	<u>New PSF Base Rent - Average</u>	<u>% Change Average</u>
<b>Quarter:</b>						
Stabilized malls	366,289	\$ 24.74	\$ 25.71	3.9%	\$ 26.41	6.8%
Associated centers	4,000	13.60	14.50	6.6%	14.62	7.5%
Community centers	9,040	9.73	12.08	24.2%	12.34	26.8%
<b>Year To Date:</b>						
Stabilized malls	998,495	24.85	25.41	2.3%	25.95	4.4%
Associated centers	10,480	14.55	14.81	1.8%	14.86	2.1%
Community centers	13,600	9.58	11.43	19.3%	11.60	21.1%

**Comparable Stabilized Mall Leasing Activity as of June 30, 2004**

<u>Stabilized Malls</u>	<u>Square Feet</u>	<u>Prior PSF Base Rent</u>	<u>New PSF Base Rent - Initial</u>	<u>% Change Initial</u>	<u>New PSF Base Rent - Average</u>	<u>% Change Average</u>
<b>Quarter:</b>						
New leases	175,394	\$ 25.58	\$ 27.49	7.5%	\$ 28.72	12.3%
Renewal leases	190,895	23.96	24.07	0.5%	24.28	1.3%
<b>Year To Date:</b>						
New leases	385,199	25.38	28.54	12.5%	29.61	16.7%
Renewal leases	613,296	24.50	23.43	-4.4%	23.65	-3.5%

**Total Leasing Activity Compared to Tenants Vacating as of June 30, 2004**

<u>Property Type</u>	<u>Leased Sq. Ft.</u>	<u>Leased Average Base Rent PSF</u>	<u>Vacated Sq. Ft.</u>	<u>Vacated Average Base Rent PSF</u>
<b>Quarter:</b>				
Malls	490,100	\$ 25.85	215,376	\$ 21.38
Associated centers	39,540	14.40	15,673	15.92
Community centers	14,281	9.29	1,800	7.78
<b>Year To Date:</b>				
Malls	1,150,235	\$ 26.26	742,819	\$ 21.47
Associated centers	47,464	14.56	28,499	15.64
Community centers	18,841	9.50	8,550	8.40

**Average Annual Base Rents Per Square Foot By Property Type**

	<u>June 30,</u>	
	<u>2004</u>	<u>2003</u>
Stabilized malls	\$ 25.26	\$ 23.98
Non-stabilized malls	27.01	26.52
Associated centers	9.70	9.88
Community centers	7.99	8.70

**CBL & Associates Properties, Inc.**  
**Supplemental Financial and Operating Information**  
**For the Three Months and Six Months Ended June 30, 2004**

**Capital Expenditures for Three Months and Six Months Ended June 30, 2004**

(In thousands)

	<u>Three Months</u>	<u>Six Months</u>
Tenant allowances	\$ 7,390	\$ 13,546
Renovations	<u>10,471</u>	<u>13,191</u>
Deferred maintenance: *		
Parking lot and parking lot lighting	1,605	1,605
Roof repairs and replacements	1,303	1,491
Other capital expenditures	<u>1,115</u>	<u>4,288</u>
Total deferred maintenance expenditures	<u>4,023</u>	<u>7,384</u>
Total capital expenditures	<u>\$ 21,884</u>	<u>\$ 34,121</u>

The capital expenditures incurred for maintenance such as parking lot repairs, parking lot lighting and roofs are classified as deferred maintenance expenditures. These expenditures are billed to tenants as common area maintenance expense and the majority is recovered over a five to fifteen year period. Renovation capital expenditures are for remodelings and upgrades for enhancing our competitive position in the market area. A portion of these expenditures covering items such as new floor coverings, painting, lighting and new seating areas are also recovered through tenant billings. The costs of other items such as new entrances, new ceilings and skylights are not recovered from tenants. We estimate that 30% of our renovation expenditures are recoverable from our tenants over a ten to fifteen year period. The third category of capital expenditures is tenant allowances, sometimes made to third-generation tenants. Tenant allowances are recovered through minimum rents from the tenants over the term of the lease.

**Deferred Leasing Costs Capitalized**

(In thousands)

	<u>2004</u>	<u>2003</u>
Quarter ended:		
March 31,	\$ 492	\$ 490
June 30,	242	333
	<u>\$ 734</u>	<u>\$ 823</u>

**CBL & Associates Properties, Inc.**  
**Supplemental Financial and Operating Information**  
**For the Three Months and Six Months Ended June 30, 2004**

**Properties Under Development at June 30, 2004**

(Dollars in thousands)

<u>Property</u>	<u>Location</u>	<u>Gross Leasable Area</u>	<u>CBL's Cost or Share of Cost</u>	<u>Cost Spent To Date</u>	<u>Opening Date</u>	<u>Initial Yield</u>
<b>New Mall Developments:</b>						
Imperial Valley Mall (60/40 joint venture)	El Centro, CA	752,000	\$ 45,557	\$ 20,278	May-05	10%
<b>Mall Expansions:</b>						
East Towne Mall	Madison, WI	139,000	21,206	11,505	October-04	7%
West Towne Mall	Madison, WI	115,000	21,541	6,163	October-04	9%
Arbor Place Rich's-Macy's	Douglasville, GA	140,000	10,000	4,206	November-04	
The Lakes Mall	Muskegon, MI	45,000	4,771	1,286	November-04	10%
<b>Open Air Centers:</b>						
Southaven Towne Center	Southaven, MS	407,000	23,885	12,630	October-05	10%
<b>Associated Centers:</b>						
CoolSprings Crossing - Tweeter's	Nashville, TN	10,000	1,415	13	November-04	14%
<b>Community Centers:</b>						
Charter Oak Marketplace	Hartford, CT	334,000	12,836	7,781	November-04	10%
		<u>1,942,000</u>	<u>\$ 141,211</u>	<u>\$ 63,862</u>		