CBL & ASSOCIATES PROPERTIES INC
Form 8-K
February 05, 2004

Securities Exchange Act of 1934 -- Form 8-K

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 8-K

PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

Date of Report:
FEBRUARY 5, 2004

CBL & ASSOCIATES PROPERTIES, INC.

(Exact name of registrant as specified in its charter)

Delaware	1-12494	62-1545718
(State or other jurisdiction of incorporation)	(Commission File Number)	(IRS Employer Identification Number)

2030 Hamilton Place Boulevard, Chattanooga, TN 37421

(Address of principal executive offices)

Registrant's telephone number, including area code:

(423) 855-0001

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ITEM 7. Exhibits

Exhibit Number	Description
99.1	Earnings Release - Fourth Quarter Ended December 31, 2003
99.2	Analyst Conference Call Script - Fourth Quarter Ended December 31, 2003
99.3	Supplemental information - Fourth Quarter Ended December 31, 2003

ITEM 12. Results of Operations and Financial Condition

On February 3, 2004, CBL & Associates Properties, Inc. (the "Company) reported its results for the fourth quarter and year ended December 31, 2003. The Company's earnings release for the fourth quarter and year ended December

31, 2003 is attached as Exhibit 99.1. On February 3, 2004, the Company held a conference call to discuss the fourth quarter and year-to-date results. The transcript of the conference call is attached as Exhibit 99.2. The Company is has posted to its website certain supplemental financial and operating information related to the fourth quarter and full year of 2003, which is attached as Exhibit 99.3.

The information in this Form 8-K and the Exhibits attached hereto shall not be deemed "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, nor shall it be deemed incorporated by reference in any filing under the Securities Act of 1933, except as shall be expressly set forth by specific reference in such filing.

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

CBL & ASSOCIATES PROPERTIES, INC.

/c/ John N. Foy

John N. Foy
Vice Chairman,
Chief Financial Officer and Treasurer
(Authorized Officer of the Registrant,
Principal Financial Officer and
Principal Accounting Officer)

Date: February 5, 2004

99.1 Earnings Release - Fourth Quarter Ended December 31, 2003

[Letterhead of CBL & Associates Properties, Inc.]

Contact: John N. Foy
Vice Chairman and CFO
(423) 855-0001

CBL REPORTS FOURTH QUARTER AND 2003 RESULTS

|X| Generates a total return of 48% to shareholders in 2003
|X| Increases FFO per share 9.6 % for the quarter and 10.9% for the year
|X| Same center NOI increases 6.0% for the quarter and 5.0% for the year
|X| Same store sales increase 1.1% for the year
|X| Achieves Mall Sales of $300 per square foot for 2003

CHATTANOOGA, Tenn. (February 3, 2004) CBL & Associates Properties, Inc. (NYSE:CBL) announced results for the fourth quarter and the year ended December 31, 2003. A description of each non-GAAP financial measure and the related reconciliation to the comparable GAAP measure is located at the end of this release.

Net income available to common shareholders increased 199% in the fourth quarter of 2003 to $60,483,000 from $20,227,000 in the prior-year period. On a diluted per share basis, net income available to common shareholders for the fourth quarter of 2003 increased 191% to $1.92 compared with $0.66 in the prior-year period. Net income available to common shareholders increased 68% for the year ended 2003 to $124,506,000 from $73,987,000 for the prior year and increased 60% to $3.99 per diluted share from $2.49 per diluted share for the prior year. The increase in net income and net income per share includes the gain of $71,886,000 on the sale of interests in 41 community centers to our joint venture with Galileo America REIT during the fourth quarter. The net income available to common shareholders on a diluted per share basis excluding this gain on sale was $0.68 for the fourth quarter 2003 and $2.76 for the year ended 2003.

Funds from operations (FFO) increased 11.8% to $71,085,000 for the fourth quarter of 2003 from $63,598,000 for the fourth quarter of 2002. FFO per share on a diluted, fully converted basis increased 9.6% to $1.25 for the fourth quarter of 2003 from $1.14 in the prior-year period. FFO increased 15.3% to $271,588,000 for the year from $235,474,000 in the prior-year. FFO per share increased 10.9% on a diluted, fully converted basis for 2003 to $4.79 from $4.32 per share in 2002. The gain from the Galileo transaction did not impact FFO since gains from the sale of operating properties are excluded from FFO.

The Company began to include gains on sales of outparcels in FFO during the first quarter of 2003 to comply with the Securities and Exchange Commission's rules related to disclosure of non-GAAP financial measures since NAREIT's definition of FFO includes gains on sales of outparcels. FFO has been restated for the prior-year periods to include gains on sales of outparcels. Gains on sales of outparcels for the fourth quarter of 2003 were $0.02 per diluted, fully converted share compared with $0.00 for the fourth quarter one year ago and $0.11 for the year, compared with $0.05 for the prior year.

HIGHLIGHTS

|X| Income from operations increased 8.8% in the fourth quarter of 2003 to $83,657,000 from $76,910,000 in the fourth quarter of 2002. For the year, income from operations increased 11.6%, to $317,079,000 compared with $284,213,000 the previous year.

|X| Revenues increased 14.5% in the fourth quarter of 2003 to $178,163,000 from $155,610,000 in the prior-year period. Revenues increased 13.7% for the

year ended 2003 to $667,531,000 from $586,970,000 in 2002. Revenues for the fourth quarter of 2003 include $2,479,000 in lease termination fees received from tenants compared with $258,000 received during the same period one year ago. For the year, lease termination fees were $4,573,000 compared with $5,888,000 for the prior year.

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|X| As a result of the application of Statement of Financial Accounting Standards ("SFAS") Nos. 141 and 142 during the fourth quarter of 2003, the Company's FFO includes $251,000 of revenues related to the market value of leases of acquired properties. Interest expense in the fourth quarter was reduced by $678,000 related to the amortization of debt premiums associated with above market-rate debt assumed for the acquired properties. For 2003, the Company's results include $311,000 of revenues related to the market value of leases, and interest expense includes a reduction of $646,000 related to the debt premiums. The impact of these items was not significant for either the fourth quarter or the full year 2002 since the related acquisitions occurred late in December 2002.

|X| Same center net operating income for the portfolio improved in the fourth quarter of 2003 by 6.0% compared with a 1.2% increase for the prior-year period. For the year, same center net operating income for the portfolio improved by 5.0% compared with a 3.1% increase for 2002.

|X| Same-store sales for mall tenants of 10,000 square feet or less for stabilized malls increased 1.1% for the year for those tenants who have reported sales compared with a decrease of 1.6% for 2002.

|X| The debt-to-total-market capitalization ratio as of December 31, 2003, was 46.0% based on the common stock closing price of $56.50 and a fully converted common stock share count of 55,546,000 as of the same date. The debt-to-total-market capitalization ratio as of December 31, 2002, was 50.5% based on the common stock closing price of $40.05.

CBL's chairman and chief executive officer, Charles B. Lebovitz, said "This past year we produced a record total return of 48% to our shareholders, bringing our average return for the last three years to more than 38%. Our success has resulted from our long-term, company-wide commitment to leasing, managing, developing and acquiring strong regional malls and shopping centers to maximize their value.

"The 6% same center NOI growth and positive turnaround in same store sales during the quarter reflect our hard work to improve occupancy and to find more productive retailers as well as our investment to renovate and add value to our properties. Our acquisition program was very active in 2003 with six regional malls and one associated center added containing 4.8 million square feet for a total consideration of $494 million. In addition, our new development program added 770,000 square feet to our portfolio.

"We also made a strategic decision last year to contribute ownership interests in 51 of our community centers to a joint venture with Australia-based Galileo America Shopping Trust. This transaction has provided us with further financial flexibility to reinvest in properties where we can enhance their value. This venture also opens new capital markets for us as well as continues to strengthen our balance sheet. We recognized that the sale of these centers would result in a short-term impact to FFO in 2004, but we are confident that our development and acquisition programs will make an even greater contribution to our growth in the years ahead."

PORTFOLIO OCCUPANCY AND SALES*	December 31, 2003	December 31, 2002
Portfolio occupancy:	93.3%	93.5%
Mall portfolio	94.2%	93.5%
Stabilized malls (57)	94.4%	94.1%
Non-stabilized malls (2)	87.7%	78.5%
Associated centers (22)	88.6%	95.2%
Community centers (17)	91.9%	91.4%
Comparable mall shop sales - year to date	1.1 %	(1.6)%

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ACQUISITIONS

During the fourth quarter the Company acquired four regional malls. The acquisitions included the 784,000-square-foot River Ridge Mall in Lynchburg, VA, the 787,000-square-foot Valley View Mall in Roanoke, VA, and the 627,000-square-foot Southpark Mall in Colonial Heights, VA. On December 30, 2003, the Company acquired Harford Mall, a 500,000-square-foot regional mall, and Harford Annex, a 108,000-square-foot associated center, in Bel Air, MD, neither of which are included in the Company's fourth quarter 2003 results.

PROPERTY SALES

In October 2003, CBL completed Phase I of the joint venture formed with Galileo America REIT that will include the sale of interests in 51 community centers. CBL has sold interests in 47 community centers to date, including six in Phase II that was completed subsequent to the fourth quarter. The third and final phase will be comprised of interests in four community centers to be sold in January 2005. Pursuant to a long-term agreement, CBL is a 10% joint venture partner and will be the exclusive manager for all of Galileo's properties in the United States and will be entitled to management, leasing, acquisition, disposition and financing fees. Net cash proceeds to CBL from all three phases are expected to total approximately $387 million, and the transaction is expected to generate gains on a GAAP basis of approximately $99 million.

During the fourth quarter the Company sold three additional community centers: Colleton Square in Walterboro, SC; Orange Plaza in Roanoke, VA; and East Towne Crossing in Knoxville, TN, for a combined gain of $474,000.

OUTLOOK AND GUIDANCE

In order to fully take into account the annual net loss of $0.58 per diluted share of FFO resulting from the sale of interests in 47 community centers contributed to the joint venture with Galileo America REIT and the additional three community centers sold in the fourth quarter of 2003 to other parties, the Company is adjusting guidance for 2004 funds from operations to a range of $4.60 to $4.65 per diluted share. The full-year guidance is based on budgeted NOI growth in the range of 1% to 2% in 2004 and does not include the impact of any future acquisitions. The Company expects to update its annual guidance after each quarter's results.

	Low	High
Expected diluted earnings per common share	$1.37	$1.40
Add: real estate depreciation and amortization	2.06	2.06
Add: joint venture depreciation and amortization	0.08	0.08
Add: minority interest	1.09	1.11
Expected FFO per diluted common share	$ 4.60	$4.65

INVESTOR CONFERENCE CALL AND SIMULCAST

CBL & Associates Properties, Inc. will conduct a conference call at 9:00 am EST on February 4, 2004, to discuss the fourth quarter results. The number to call for this interactive teleconference is 913-981-5508. A five-day replay of the conference call will be available by dialing 719-457-0820 and entering the passcode, 728815. A transcript of the Company's prepared remarks will be filed as a Form 8-K following the conference call.

To receive CBL & Associates Properties, Inc. fourth quarter earnings release and supplemental information please visit our website at www.cblproperties.com or contact Investor Relations at 423-490-8292.

The Company will also provide an online Web simulcast and rebroadcast of its 2004 fourth quarter earnings release conference call. The live broadcast of CBL's quarterly conference call will be available online at the Company's Web site at www.cblproperties.com, as well as www.streetevents.com and www.fulldisclosure.com on February 4, 2004, beginning at 9:00 a.m. EST. The online replay will follow shortly after the call and continue through February 18, 2004.

NON-GAAP FINANCIAL MEASURES

Funds From Operations

FFO is a widely used measure of the operating performance of real estate companies that supplements net income determined in accordance with generally accepted accounting principles ("GAAP"). The National Association of Real Estate Investment Trusts defines FFO as net income (computed in accordance with GAAP)

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excluding gains or losses on sales of operating properties, plus depreciation and amortization, and after adjustments for unconsolidated partnerships and joint ventures. The Company believes that FFO provides an additional indicator of the operating performance of the Company's properties without giving effect to real estate depreciation and amortization, which assumes the value of real estate assets declines predictably over time. Since values of well-maintained real estate assets have historically risen or fallen with market conditions, the Company believes that FFO enhances investors' understanding of the Company's operating performance.

FFO does not represent cash flow from operations as defined by accounting principles generally accepted in the United States, is not necessarily indicative of cash available to fund all cash flow needs and should not be considered as an alternative to net income for purposes of evaluating the Company's operating performance or to cash flow as a measure of liquidity.

Same-Center Net Operating Income

The Company believes that net operating income ("NOI") is a useful supplemental measure of the operating performance of the Company's shopping centers. The Company defines NOI as operating revenues (rental revenues, tenant reimbursements and other income) less property operating expenses (property operating, real estate taxes and maintenance and repairs). Similar to FFO, the Company computes NOI based on its pro rata share of both consolidated and unconsolidated properties. The Company's definition of NOI may be different than that used by other company's and, accordingly, the Company's NOI may not be comparable to that of other companies. A reconciliation of same-center NOI to net income is located at the end of this earnings release.

Since NOI includes only those revenues and expenses related to the continuing operations of its shopping center properties, the Company believes that same-center NOI provides a measure that reflects trends in occupancy rates, rental rates and operating costs and the impact of those trends on the Company's results of operations.

Pro Rata Share of Debt

The Company presents debt based on its pro rata ownership share (including the Company's pro rata share of unconsolidated affiliates and excluding minority investors' share of consolidated properties) because it believes this provides investors a clearer understanding of the Company's total debt obligations which affects the Company's liquidity. A reconciliation of the Company's pro rata share of debt to the amount of debt on the Company's consolidated balance sheet is located at the end of this earnings release.

CBL & Associates Properties, Inc. is one of the top five owners of shopping centers in North America and the largest owner of malls and shopping centers in the Southeast. CBL owns or holds interests and manages 159 properties, including 60 enclosed regional malls. The properties are located in 26 states and total 62.5 million-square-feet including 2.0 million-square-feet of non-owned shopping centers managed for third parties. CBL has eight projects under construction totaling approximately 2.7 million-square-feet including two malls -- Coastal Grand in Myrtle Beach, SC, and Imperial Valley Mall in El Centro, CA. The other centers under construction include one associated center, two community centers and three expansions. In addition to its office in Chattanooga, TN, CBL has a regional office in Boston (Waltham), MA. Additional information can be found at www.cblproperties.com.

Information included herein contains "forward-looking statements" within the meaning of the federal securities laws. Such statements are inherently subject to risks and uncertainties, many of which cannot be predicted with accuracy and some of which might not even be anticipated. Future events and actual events, financial and otherwise, may differ materially from the events and results discussed in the forward-looking statements. The reader is directed to the Company's various filings with the Securities and Exchange Commission, including without limitation the Company's Annual Report on Form 10-K and the "Management's Discussion and Analysis of Financial Condition and Results of Operations" incorporated by reference therein, for a discussion of such risks and uncertainties.

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CBL & Associates Properties, Inc.
Consolidated Statements of Operations
(Unaudited; in thousands, except per share amounts)

	Three Months Ended December 31,		Yea Dece
	2003	2002	2003
REVENUES:			
Minimum rents	$ 115,496	$ 101,589	$ 428,67
Percentage rents	3,172	2,757	12,92
Other rents	7,220	5,983	12,63
Tenant reimbursements (1)	47,261	40,736	193,59
Management, development and leasing fees	1,579	1,638	5,52
Other	3,435	2,907	14,17
Total revenues	178,163	155,610	667,53
EXPENSES:			
Property operating (1)	26,879	24,745	103,54
Depreciation and amortization	31,340	24,061	113,48
Real estate taxes	11,890	12,578	51,71
Maintenance and repairs	10,097	8,472	39,83
General and administrative	10,170	6,626	30,39
Other	4,130	2,218	11,48
Total expenses	94,506	78,700	350,45
Income from operations	83,657	76,910	317,07
Interest income	681	30	2,48
Interest expense	(40,003)	(35,708)	(153,37
Loss on extinguishment of debt	-	(511)	(16
Gain on sales of real estate assets	72,832	102	77,77
Equity in earnings of unconsolidated affiliates	1,531	1,760	4,94
Minority interest in earnings:			
Operating partnership	(50,681)	(17,119)	(106,53
Shopping center properties	(761)	(783)	(2,79
Income before discontinued operations	67,256	24,681	139,40
Operating income of discontinued operations	319	345	68
Gain on discontinued operations	474	(1,199)	4,04
Net income	68,049	23,827	144,13
Preferred dividends	(7,566)	(3,600)	(19,63
Net income available to common shareholders	$ 60,483	$ 20,227	$ 124,50
Basic per share data:			
Income before discontinued operations, net of preferred divided	$ 1.98	$ 0.71	$ 4.0
Discontinued operations	0.03	(0.03)	0.1
Net income available to common shareholders	$ 2.01	$ 0.68	$ 4.1
Weighted average common shares outstanding	30,101	29,626	29,93
Diluted per share data:			
Income before discontinued operations, net of preferred divided	$ 1.89	$ 0.69	$ 3.8
Discontinued operations	0.03	(0.03)	0.1
Net income available to common shareholders	$ 1.92	$ 0.66	$ 3.9

Weighted average common and potential dilutive common shares outstanding	31,511	30,657	31,19

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CBL & Associates Properties, Inc.

The Company's calculation of FFO is as follows (In thousands):

	Three Months Ended December 31,		
	2003	2002	200
Net income available to common shareholders	$ 60,483	$ 20,227	$ 124,
Add:			
Depreciation and amortization from consolidated properties	31,340	24,061	113,
Depreciation and amortization from unconsolidated affiliates	1,306	1,353	4,
Depreciation and amortization from discontinued operations	48	124	
Minority interest in earnings of operating partnership	50,681	17,119	106,
Less:			
Gain on disposal of operating real estate assets	(71,886)	-	(71,
Minority investors' share of depreciation and amortization	(288)	(347)	(1,
(Gain) loss on disposal of discontinued operations	(474)	1,199	(4,
Depreciation and amortization of non-real estate assets	(125)	(138)	(
Funds from operations	$ 71,085	$ 63,598	$ 271,
Funds from operations applicable to Company shareholders	$ 38,676	$ 34,457	$ 146,
Basic per share data:			
Funds from operations	$ 1.28	$ 1.16	$ 4
Weighted average common shares outstanding with operating partnership units fully converted	55,324	54,682	55,
Diluted per share data:			
Funds from operations	$ 1.25	$ 1.14	$ 4
Weighted average common and potential dilutive common shares outstanding with operating partnership units fully converted	56,734	55,712	56,

SUPPLEMENTAL FFO INFORMATION:

Straight-line rental income	$ 555	$ 1,144	$ 3,
Straight-line rental income per share	$ 0.01	$ 0.02	$ 0
Gain on outparcel sales	$ 1,392	$ 102	$ 6,
Gain on outparcel sales per share	$ 0.02	$ -	$ 0
Rental revenue recognized under SFAS Nos. 141 and 142	$ 251	$ -	$
Rental revenue recognized under SFAS Nos. 141 and 142 per share	$ -	$ -	$ 0
Amortization of debt premium	$ 678	$ -	$
Amortization of debt premium per share	$ 0.01	$ -	$ 0

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Same-Center Net Operating Income
(Dollars in thousands)

	Quarter Ended December 31,		Year Ended December 31,	
	2003	2002	2003	200
Net income	$ 68,049	$ 23,827	$ 144,139	$ 84,
Adjustments:				
Depreciation and amortization	31,340	24,061	113,481	94,
Depreciation and amortization from unconsolidated affiliates	1,306	1,353	4,307	4,
Depreciation and amortization from discontinued operations	48	124	309	
Minority investors' share of depreciation and amortization in shopping center properties	(288)	(347)	(1,111)	(1,
Interest expense	40,003	35,708	153,373	143,
Interest expense from unconsolidated affiliates	2,075	2,849	8,563	7,
Interest expense from discontinued operations	-	1	-	
Minority investors' share of interest expense in shopping center properties	(397)	(373)	(1,650)	(1,
Loss on extinguishment of debt	-	511	167	3,
Abandoned projects expense	1,903	178	2,056	
Sales of completed centers	(71,886)	-	(71,886)	
Minority interest in earnings - Operating Partnership	50,681	17,119	106,532	64,
Gain on discontinued operations	(474)	1,199	(4,042)	(
Operating Partnership share of total NOI	122,360	106,210	454,238	400,
General and administrative expenses	10,170	6,626	30,395	23,
Management fees and non-property level revenues	(5,218)	(1,618)	(18,674)	(8,
Gain on sale of real estate assets	(946)	(102)	(5,889)	(2,
Operating Partnership's share of property NOI	126,366	111,116	460,070	411,
NOI of non-comparable centers	(24,920)	(15,326)	(97,392)	(66,
Same center NOI	$ 101,446	$ 95,790	$ 362,678	$345,
Malls NOI	$ 93,086	$ 87,168	$ 331,206	$314,

Associated centers NOI	3,415	3,639	13,887	14,
Community centers NOI	2,224	2,798	9,947	10,
Other NOI	2,720	2,185	7,636	6,
	$ 101,445	$ 95,790	$ 362,676	$345,
Percentage Change:				
Malls NOI	6.8%		5.4%	
Associated centers NOI	-6.2%		-2.8%	
Community centers NOI	-20.5%		-9.0%	
Other NOI	24.5%		24.7%	
Total same center NOI	6.0%		5.0%	

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

	December 31, 20	
	Fixed Rate	Variable Rate
Consolidated debt	$ 2,256,544	$ 481,558
Minority investors' share of consolidated debt	(19,577)	-
Company's share of unconsolidated affiliates' debt	57,615	76,036
Company's share of consolidated and unconsolidated debt	$ 2,294,582	$ 557,594
Weighted average interest rate	6.64%	2.39%

	December 31, 20	
	Fixed Rate	Variable Rate
Consolidated debt	$ 1,867,915	$ 534,164
Minority investors' share of consolidated debt	(20,127)	(1,796)
Company's share of unconsolidated affiliates' debt	38,269	28,229
Company's share of consolidated and unconsolidated debt	$ 1,886,057	$ 560,597
Weighted average interest rate	7.19%	3.39%

Debt-To-Total-Market Capitalization Ratio as of December 31, 2003
(In thousands, except stock price)

Shares

	Outstanding	Stock Price (1)
Common stock and operating partnership units	55,546	$ 56.50
8.75% Series B Cumulative Redeemable Preferred Stock	2,000	$ 50.00
7.75% Series C Cumulative Redeemable Preferred Stock	460	$ 250.00
Total market equity		
Company's share of total debt		
Total market capitalization		
Debt-to-total-market capitalization ratio		

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

	Three Months Ended December 31,		Year En Decembe
2003:	Basic	Diluted	Basic
Weighted average shares - EPS	30,101	31,511	29,936
Weighted average operating partnership units	25,223	25,223	25,541
Weighted average shares- FFO	55,324	56,734	55,477
2002:			
Weighted average shares - EPS	29,626	30,657	28,690
Weighted average operating partnership units	25,056	25,055	24,873
Weighted average shares- FFO	54,682	55,712	53,563

Dividend Payout Ratio

	Three Months Ended December 31,		Year E Decemb
	2003	2002	2003
Dividend per share	$ 0.655	$ 0.655	$ 2.69
FFO per diluted, fully converted share	$ 1.25	$ 1.14	$ 4.79
Dividend payout ratio	52.4%	57.5%	56.2%

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Consolidated Balance Sheets
(Preliminary and unaudited, in thousands)

	December 31, 2003	December 31, 2002
ASSETS		
Real estate assets:		
Land	$ 578,310	$ 570,818
Buildings and improvements	3,678,074	3,394,787
	4,256,384	3,965,605
Less: accumulated depreciation	(467,614)	(434,840)
	3,788,770	3,530,765
Real estate assets held for sale	64,354	-
Developments in progress	59,096	80,720
Net investment in real estate	3,912,220	3,611,485
Cash, restricted cash and cash equivalents	20,332	13,355
Cash in escrow	78,476	-
Receivables:		
Tenant, net of allowance	42,165	37,994
Other	3,033	3,692
Mortgage notes receivable	36,169	23,074
Investment in unconsolidated affiliates	96,450	68,232
Other assets	75,465	37,282
	$ 4,264,310	$ 3,795,114
LIABILITIES AND SHAREHOLDERS' EQUITY		
Mortgage and other notes payable	$ 2,709,348	$ 2,402,079
Mortgage notes payable on real estate assets held for sale	28,754	-
Accounts payable and accrued liabilities	161,478	151,332
Total liabilities	2,899,580	2,553,411
Commitments and contingencies		
Minority interests	526,993	500,513
Shareholders' equity:		
Preferred Stock, $.01 par value	25	47
Common Stock, $.01 par value	303	298
Additional paid-in capital	818,051	765,686
Accumulated other comprehensive loss	-	(2,397)
Deferred compensation	(1,607)	-
Accumulated deficit	20,965	(22,444)
Total shareholders' equity	837,737	741,190
	$ 4,264,310	$ 3,795,114

99.2 Analyst Conference Call Script - Fourth Quarter Ended December 31, 2003

CBL & ASSOCIATES PROPERTIES, INC.
Conference Call, Fourth Quarter 2003
February 4, 2004 @ 9:00 AM EDT

Thank you and good morning. We appreciate your participation in today's conference call to discuss our results for 2003. With me today are John Foy, the Company's Vice Chairman and Chief Financial Officer, and Kelly Sargent, Director of Investor Relations who will first read our Safe Harbor disclosure.

This conference call contains "forward-looking" statements within the meaning of the federal securities laws. Such statements are inherently subject to risks and uncertainties, many of which cannot be predicted with accuracy and some of which might not even be anticipated. Future events and actual results, financial and otherwise, may differ materially from the events and results discussed in the forward-looking statements. During our discussion today, references made to per share are based upon a fully diluted converted share. We direct you to the Company's various filings with the Securities and Exchange Commission including, without limitation, the Company's Annual Report on Form 10-K and "Management's Discussion and Analysis of Financial Condition and Results of Operations" included therein for a discussion of such risks and uncertainties.

I would like to note that a transcript of today's comments including the earnings release, a preliminary balance sheet and additional supplemental schedules, will be furnished to the SEC as a Form 8-K and will be available on our website. This call is also available for replay on the Internet through a link on our website at cblproperties.com. This conference call is the property of CBL & Associates Properties, Inc. Any redistribution, retransmission or rebroadcast of this call without the express written consent of CBL is strictly prohibited.

During this conference call, the Company may discuss non-GAAP financial measures as defined by SEC Regulation G. A description of each non-GAAP financial measure and a reconciliation of each non-GAAP financial measure to the comparable GAAP financial measure was included in the earnings release that will be in the Form 8-K.

This quarter our supplemental information was released last evening with our earnings release and was as posted to our web site. It is our intention to continuing supplying this information prior to the conference call.

Thank you, Kelly.

2003 was a very productive year for us, yielding strong results in our regional mall portfolio. Highlights for the fourth quarter and year include:

1. FFO for the quarter increased 9.6% to $1.25 per share. 2. For the year, FFO increased 10.9% to $4.79 per share.
3. Same center NOI increased 6% for the fourth quarter and increased 5% for the year.
4. We acquired six malls and one associated center containing over 4.8 million square feet for a total investment of almost $494 million with

an average cap rate of 8.58%.

5. During 2003, we opened over 770,000 square feet of new developments and renovated six regional malls. 6. We issued $115 million of Perpetual Preferred Stock with a coupon of 7.75%. We also redeemed $67 million of Perpetual Preferred A Stock at a coupon rate of 9%.
7. We closed on Phase I of the sale of community centers to the joint venture we formed with Galileo America REIT and subsequent to the quarter we closed on Phase II of the transaction, leaving only eleven community centers in our portfolio. Four additional centers will be sold to Galileo in January 2005.
8. Our total return to shareholders in 2003 was 48% which included a 41% appreciation in our stock plus an 11% increase in our dividends declared in October.

Developments

2004 will be a very busy year for us on the development front with over 2 million square feet of new projects scheduled to open. Our largest mall development to date is Coastal Grand in Myrtle Beach, SC -- only 42 days away from its Grand Opening on Wednesday, March 17, 2004. Leasing has made good progress and we are currently 86% leased and committed. We are looking forward to opening over 100 stores at Coastal Grand including anchors Belk, Dillard's and Sears as well as Dick's Sporting Goods, Bed Bath & Beyond and a 14-screen Cinemark theater. For more information on the mall, please visit the mall's web site at www.coastalgrand.com. We invite you to join us for this exciting Grand Opening event.

On January 14 we held the groundbreaking ceremonies for Imperial Valley Mall, our first west coast development. The mall will be located in El Centro, CA and is scheduled to open in March 2005. This 741,000 square foot mall is owned in a joint venture with the MG Herring Group, of which we will own 60%. Four department stores including Sears, Robinsons-May, JC Penney and Dillard's, as well as a 14-screen UltraStar Cinema will anchor the new development.

Other projects under construction include the 312,000 square foot Charter Oak Marketplace in Hartford, CT, anchored by a Wal-Mart and Marshall's. Wilkes Barre Township Marketplace in Wilkes Barre Township, PA a 281,000 square foot center anchored by Wal-Mart and a 26,500 square foot expansion at Garden City Plaza in Garden City, KS. All three of these development projects will be sold to the Galileo joint venture in the third phase of the transaction that will close in January 2005. In addition, we have The Shoppes at Panama City under construction, an associated center located adjacent to Panama City Mall. We also have two expansions in progress, East Towne and West Towne Malls in Madison, WI. Both include a new Dick's Sporting Goods as well as additional mall shop space and are scheduled to open this November. In addition to these projects under construction, we have several additional projects in our development pipeline and in various phases of pre-development.

Expanding and adding anchor stores to our malls continues to be a priority for us. At Arbor Place Mall in Atlanta, GA, JC Penney opened last October, and construction has started for the new 140,000 square foot Rich's-Macy's scheduled to open later this fall. Dillard's at Northwoods Mall in Charleston, SC, started their 30,000 square-foot expansion to be completed by November of this year in conjunction with our overall renovation of the mall.

Upgrading and renovating our malls is a key component to their continued dominance within their markets. In 2003 we completed six renovations for a cost of approximately $61 million, excluding deferred maintenance costs of $19.8 million. This year we will complete three mall renovations, Panama City Mall, Cherryvale Mall and Northwoods Mall, at an estimated cost of $22.5 million. By the end of this year, we will have completed all but two of the scheduled renovations associated with the 21-mall portfolio we acquired in 2001.

Leasing & Occupancy

We accomplished record leasing in 2003 totalling to 4.7 million square feet compared with 3.9 million square feet in 2002. During the year we entered into approximately 1.3 million square feet of new leases and renewed approximately 1.5 million square feet of existing tenants compared to 1.4 million square feet of new leases and 1.2 million square feet of renewal leasing in 2002. For the new developments, we leased 1.9 million square feet compared to 1.3 million in 2002.

During 2003 bankruptcies resulted in 63 stores closing, containing 171,000 square feet and representing $5.1 million in annual gross rentals. This year we anticipate a more challenging leasing environment with the recent announcements of bankruptcy filings and store closings. Last week we were notified of 24 KB Toy stores out of a total of 51 in our portfolio that are closing. These stores represent 96,300 square feet and will result in a loss of $2.7 million in gross annual rentals. Yesterday Gadzook's announced that they have filed for bankruptcy. In the CBL portfolio we have 38 stores and have been notified that 10 stores will be closing. The closing of these 10 stores represents 24,000 square feet and almost $1 million in annual gross rentals.

This past year we also experienced the closing of 12 cafeterias representing 114,000 square feet and resulting in an annual loss of $1.5 million. Although we are confident we will release the cafeteria locations at increased rents, it will take several months to do so plus time to reconfigure the space for new tenants. We expect the first cafeteria replacements to open this summer. In addition to the closed stores and bankruptcies we have several tenants requesting rent relief, including music and book stores which we will work with in an effort to maintain an appealing mix of retailer categories in our malls.

At the end of the fourth quarter, total portfolio occupancy was 93.3%. In the former Jacobs malls, occupancy improved by 150 basis points to 94.2% from 92.7% one year ago. This year marks the third anniversary of our acquisition of the former Jacobs portfolio that has proven to be an outstanding acquisition for our company. We have improved occupancy from 87.4% when the acquisitions were first announced - an improvement of 680 basis points. We have also upgraded the tenant mix significantly in these properties and added numerous boxes. Other areas where we have improved the performance of these malls is in specialty leasing and sponsorship income.

Occupancy for the associated centers was 88.6% at the end of the quarter. The occupancy is negatively impacted by three centers as follows: a vacancy of a 68,000 square foot former Ames store at Westmoreland Crossing in Greeensburg, PA; the loss of a 36,000 square foot Just For Feet store at the Village at Rivergate in Nashville, TN; and the 46,000 square foot Appliance Factory Warehouse at Hamilton Corner in Chattanooga, TN. Each of these centers is under redevelopment with replacement prospects that should open in late 2004 or early 2005.

For the year, the stabilized mall portfolio initial base rents increased 6.6% and increased 9.0% based on average rents. In the associated centers, leasing spreads decreased 0.3% on initial rents and increased 2.4% on the average rents. In the remaining community centers, rents increased 2.5% on initial rents and increased 3.3% on the average rent. For additional leasing spread information, please refer to the supplemental schedules.

Retail Sales

For the first time in three years we are pleased to report positive retail sales in our portfolio. For mall stores of 10,000 square feet and less, same store sales for 2003 increased 1.1% for those tenants that have reported resulting in average sales of $300 per square foot for the mall portfolio for 2003. We are encouraged that comparable mall shop sales have been positive for the last six months with an increase of 2.7%. We are optimistic that this trend will continue through 2004. Occupancy costs as a percentage of sales at our malls was 12.2% for the year compared with 12.0% one year ago.

I will now turn the call over to John Foy to discuss our financial results.

Dispositions/Acquisitions

We have now completed Phase I and II of the Galileo joint venture that included the sale of 47 community centers and raised $318 million in cash proceeds. We are pleased with the results of this venture and the portfolio continues to perform well. Our expectation for future growth of this venture is one the reasons we entered into this transaction. During the fourth quarter we sold three additional community centers for a combined gain of $474,000. The eleven remaining community centers properties currently held in the CBL portfolio will be sold as the opportunity to realize value occurs.

Our ability to react to opportunities on a timely basis allowed us to acquire Harford Mall in Bel-Air, MD at a favorable cap rate of 8.4%. This again is a value added project we have acquired. The acquisitions market today is competitive, but we will continue to apply our disciplined and conservative approach to opportunities in order to enhance shareholder value.

Financial Review

During the fourth quarter, operating performance improved, resulting in FFO per share growth of 9.6%. Of this increase, 52% was represented by external growth. The external growth resulted from one new mall opening, the acquisition of the remaining partnership interests in four properties, and the acquisition of five regional malls. Of the past years FFO increase, 48% was from internal growth attributable to stable occupancy levels, increases in rental revenue and tenant reimbursements.

Our cost recovery ratio was 99.2% for the year compared with 91.4% for last year. Our cost recovery ratio improved for the year somewhat due to the partial recovery of renovations and remodelings of our malls and maintaining high occupancy levels. We expect that our cost recovery ratio for 2004 will be in the mid 90's.

As we stated in our earnings release, 2003 same-center NOI growth was 5.0% for the total portfolio, driven by the high occupancy levels, tenant reimbursements and specialty leasing. The breakdown for the year by property type is as follows:

1. Same-Center mall NOI increased 5.4%.
2. Associated centers experienced a 2.8% decrease, which amounts to a decrease of $400,000 and was attributable to vacancies we referred to earlier and also bad debt expense.
3. Community center NOI decreased 9%. This calculation only includes those centers remaining in the CBL portfolio and not the centers that were sold to Galileo.

Our debt to market capitalization at the end of the fourth quarter was 46%, compared to 50.5% a year ago, giving us financial flexibility on our balance sheet. In addition, our floating rate debt accounts for less than 20% of our total debt and represents only 9% of our total market capitalization. The variable rate debt includes construction loans, lines of credit and short-term loans on operating properties. The dividend payout ratio remains at a conservative 60% at year-end. These measures reflect our conservative approach to the business and position us to take advantage of opportunities that may arise.

Also please note that our financial coverage ratios have improved as a result of the Galileo transaction. Our EBITDA coverage ratio was 2.94 for the fourth quarter of 2003 compared to 2.79 for the same period in 2002. (Note this is a correction from the previously disclosed 2002 ratio of 2.83 and for the year).

Conclusion
Also, before we open the call for Q&A, I would like to share our thoughts and our outlook:

1. In our earnings release, we adjusted our guidance for 2004 from a range of $4.85-5.00 per share to a range of $4.60-4.65 per share. We made this adjustment for two reasons: 1. the impact of the $0.58 per share of FFO lost due to the sale of 50 community centers in 2003 and the extended timeframe to redeploy the net proceeds and 2. the lowering of our budgeted NOI growth from 3-5% to 1-2%. In retrospect, our assumptions last quarter were overly optimistic regarding the redeployment of the capital raised in the Galileo transaction. While the sale of our community centers has a negative impact on FFO in the short term, as the proceeds are redeployed into new developments and acquisitions, we are confident that the transaction will ultimately be more accretive to our shareholders.

2. We continue to focus on enhancing the strength of our existing mall portfolio. We are adding a number of boxes at various malls such as Barnes & Noble and Linens & Things, which takes away income during construction but will improve NOI and occupancy results as these stores open.

3. We are encouraged with the level of activity in our development program. Not only will we open 2.0 million square feet of new projects this year, but also we have a strong pipeline of projects going forward.
4. As we stated in our earnings release, our guidance did not incorporate additional acquisitions. However, we continue to pursue new acquisition opportunities. While cap rates in the market have moved down, we still feel that we can acquire regional malls in today's world that provide significant opportunities for immediate accretion as well as strong growth into the future.

5. Let me conclude by saying that our cautious approach to 2004 in no way lessens our commitment to our shareholders or our confidence in our business.

We appreciate your confidence and support. Stephen and I will now answer your questions.

Operator: Open for Q&A.

Final Comment:

Thank you again for joining us today and we again invite you to join us for the Coastal Grand - Grand Opening and ribbon cutting event on Wednesday, March 17 at 9:00 AM.

Exhibit 99.3 Supplemental information

CBL & Associates Properties, Inc.
Supplemental Financial and Operating Information
For the Quarter Ended December 31, 2004

1

CBL & Associates Properties, Inc.
Supplemental Financial and Operating Information
For the Year Ended December 31, 2003

Consolidated Statements of Operations
(Unaudited; in thousands, except per share amounts)

	Three Months Ended December 31,		Yea Dece
	2003	2002	2003
REVENUES:			
Minimum rents	$ 115,496	$ 101,589	$ 428,67
Percentage rents	3,172	2,757	12,92
Other rents	7,220	5,983	12,63
Tenant reimbursements (1)	47,261	40,736	193,59
Management, development and leasing fees	1,579	1,638	5,52
Other	3,435	2,907	14,17
Total revenues	178,163	155,610	667,53
EXPENSES:			
Property operating (1)	26,879	24,745	103,54
Depreciation and amortization	31,340	24,061	113,48
Real estate taxes	11,890	12,578	51,71
Maintenance and repairs	10,097	8,472	39,83
General and administrative	10,170	6,626	30,39
Other	4,130	2,218	11,48
Total expenses	94,506	78,700	350,45

Income from operations	83,657	76,910	317,07
Interest income	681	30	2,48
Interest expense	(40,003)	(35,708)	(153,37
Loss on extinguishment of debt	-	(511)	(16
Gain on sales of real estate assets	72,832	102	77,77
Equity in earnings of unconsolidated affiliates	1,531	1,760	4,94
Minority interest in earnings:			
Operating partnership	(50,681)	(17,119)	(106,53
Shopping center properties	(761)	(783)	(2,79
Income before discontinued operations	67,256	24,681	139,40
Operating income of discontinued operations	319	345	68
Gain on discontinued operations	474	(1,199)	4,04
Net income	68,049	23,827	144,13
Preferred dividends	(7,566)	(3,600)	(19,63
Net income available to common shareholders	$ 60,483	$ 20,227	$ 124,50
Basic per share data:			
Income before discontinued operations, net of preferred divided	$ 1.98	$ 0.71	$ 4.0
Discontinued operations	0.03	(0.03)	0.1
Net income available to common shareholders	$ 2.01	$ 0.68	$ 4.1
Weighted average common shares outstanding	30,101	29,626	29,93
Diluted per share data:			
Income before discontinued operations, net of preferred divided	$ 1.89	$ 0.69	$ 3.8
Discontinued operations	0.03	(0.03)	0.1
Net income available to common shareholders	$ 1.92	$ 0.66	$ 3.9
Weighted average common and potential dilutive common shares outstanding	31,511	30,657	31,19

CBL & Associates Properties, Inc.
Supplemental Financial and Operating Information
For the Year Ended December 31, 2003

The Company's calculation of FFO is as follows (In thousands):

	Three Months Ended December 31,		
	2003	2002	200
Net income available to common shareholders	$ 60,483	$ 20,227	$ 124,
Add:			
Depreciation and amortization from consolidated properties	31,340	24,061	113,
Depreciation and amortization from unconsolidated affiliates	1,306	1,353	4,

Depreciation and amortization from discontinued operations	48	124	
Minority interest in earnings of operating partnership	50,681	17,119	106,
Less:			
Gain on disposal of operating real estate assets	(71,886)	-	(71,
Minority investors' share of depreciation and amortization	(288)	(347)	(1,
(Gain) loss on disposal of discontinued operations	(474)	1,199	(4,
Depreciation and amortization of non-real estate assets	(125)	(138)	(
Funds from operations	$ 71,085	$ 63,598	$ 271,
Funds from operations applicable to Company shareholders	$ 38,676	$ 34,457	$ 146,
Basic per share data:			
Funds from operations	$ 1.28	$ 1.16	$ 4
Weighted average common shares outstanding with operating partnership units fully converted	55,324	54,682	55,
Diluted per share data:			
Funds from operations	$ 1.25	$ 1.14	$ 4
Weighted average common and potential dilutive common shares outstanding with operating partnership units fully converted	56,734	55,712	56,
SUPPLEMENTAL FFO INFORMATION:			
Straight-line rental income	$ 555	$ 1,144	$ 3,
Straight-line rental income per share	$ 0.01	$ 0.02	$ 0
Gain on outparcel sales	$ 1,392	$ 102	$ 6,
Gain on outparcel sales per share	$ 0.02	$ -	$ 0
Rental revenue recognized under SFAS Nos. 141 and 142	$ 251	$ -	$
Rental revenue recognized under SFAS Nos. 141 and 142 per share	$ -	$ -	$ 0
Amortization of debt premium	$ 678	$ -	$
Amortization of debt premium per share	$ 0.01	$ -	$ 0

CBL & Associates Properties, Inc.
Supplemental Financial and Operating Information
For the Year Ended December 31, 2003

Same-Center Net Operating Income
(Dollars in thousands)

Quarter Ended December 31,		Year Ended December 31,	
2003	2002	2003	200

Net income	$ 68,049	$ 23,827	$ 144,139	$ 84,
Adjustments:				
Depreciation and amortization	31,340	24,061	113,481	94,
Depreciation and amortization from unconsolidated affiliates	1,306	1,353	4,307	4,
Depreciation and amortization from discontinued operations	48	124	309	
Minority investors' share of depreciation and amortization in shopping center properties	(288)	(347)	(1,111)	(1,
Interest expense	40,003	35,708	153,373	143,
Interest expense from unconsolidated affiliates	2,075	2,849	8,563	7,
Interest expense from discontinued operations	-	1	-	
Minority investors' share of interest expense in shopping center properties	(397)	(373)	(1,650)	(1,
Loss on extinguishment of debt	-	511	167	3,
Abandoned projects expense	1,903	178	2,056	
Sales of completed centers	(71,886)	-	(71,886)	
Minority interest in earnings - Operating Partnership	50,681	17,119	106,532	64,
Gain on discontinued operations	(474)	1,199	(4,042)	(
Operating Partnership share of total NOI	122,360	106,210	454,238	400,
General and administrative expenses	10,170	6,626	30,395	23,
Management fees and non-property level revenues	(5,218)	(1,618)	(18,674)	(8,
Gain on sale of real estate assets	(946)	(102)	(5,889)	(2,
Operating Partnership's share of property NOI	126,366	111,116	460,070	411,
NOI of non-comparable centers	(24,920)	(15,326)	(97,392)	(66,
Same center NOI	$ 101,446	$ 95,790	$ 362,678	$345,
Malls NOI	$ 93,086	$ 87,168	$ 331,206	$314,
Associated centers NOI	3,415	3,639	13,887	14,
Community centers NOI	2,224	2,798	9,947	10,
Other NOI	2,720	2,185	7,636	6,
	$ 101,445	$ 95,790	$ 362,676	$345,
Percentage Change:				
Malls NOI	6.8%		5.4%	
Associated centers NOI	-6.2%		-2.8%	
Community centers NOI	-20.5%		-9.0%	
Other NOI	24.5%		24.7%	
Total same center NOI	6.0%		5.0%	

CBL & Associates Properties, Inc.
Supplemental Financial and Operating Information
For the Year Ended December 31, 2003

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

	December 31, 20	
	Fixed Rate	Variable Rate

Consolidated debt	$ 2,256,544	$ 481,558
Minority investors' share of consolidated debt	(19,577)	-
Company's share of unconsolidated affiliates' debt	57,615	76,036
Company's share of consolidated and unconsolidated debt	$ 2,294,582	$ 557,594
Weighted average interest rate	6.64%	2.39%

	December 31, 20	
	Fixed Rate	Variable Rate
Consolidated debt	$ 1,867,915	$ 534,164
Minority investors' share of consolidated debt	(20,127)	(1,796)
Company's share of unconsolidated affiliates' debt	38,269	28,229
Company's share of consolidated and unconsolidated debt	$ 1,886,057	$ 560,597
Weighted average interest rate	7.19%	3.39%

Debt-To-Total-Market Capitalization Ratio as of December 31, 2003
(In thousands, except stock price)

	Shares Outstanding	Stock Price (1)
Common stock and operating partnership units	55,546	$ 56.50
8.75% Series B Cumulative Redeemable Preferred Stock	2,000	$ 50.00
7.75% Series C Cumulative Redeemable Preferred Stock	460	$ 250.00
Total market equity		
Company's share of total debt		
Total market capitalization		
Debt-to-total-market capitalization ratio		

CBL & Associates Properties, Inc.
Supplemental Financial and Operating Information
For the Year Ended December 31, 2003

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

	Three Months Ended December 31,	Year En Decembe

2003:	Basic	Diluted	Basic
Weighted average shares - EPS	30,101	31,511	29,936
Weighted average operating partnership units	25,223	25,223	25,541
Weighted average shares- FFO	55,324	56,734	55,477
2002:			
Weighted average shares - EPS	29,626	30,657	28,690
Weighted average operating partnership units	25,056	25,055	24,873
Weighted average shares- FFO	54,682	55,712	53,563

Dividend Payout Ratio

	Three Months Ended December 31,		Year E Decemb
	2003	2002	2003
Dividend per share	$ 0.655	$ 0.655	$ 2.69
FFO per diluted, fully converted share	$ 1.25	$ 1.14	$ 4.79
Dividend payout ratio	52.4%	57.5%	56.2%

Consolidated Balance Sheets
(Preliminary and unaudited, in thousands)

	December 31, 2003	20
ASSETS		
Real estate assets:		
Land	$ 578,310	$ 5
Buildings and improvements	3,678,074	3,3
	4,256,384	3,9
Less: accumulated depreciation	(467,614)	(4
	3,788,770	3,5
Real estate assets held for sale	64,354	
Developments in progress	59,096	
Net investment in real estate	3,912,220	3,6
Cash, restricted cash and cash equivalents	20,332	
Cash in escrow	78,476	
Receivables:		

Tenant, net of allowance	42,165	
Other	3,033	
Mortgage notes receivable	36,169	
Investment in unconsolidated affiliates	96,450	
Other assets	75,465	
	$ 4,264,310	$ 3,7
LIABILITIES AND SHAREHOLDERS' EQUITY		
Mortgage and other notes payable	$ 2,709,348	$ 2,4
Mortgage notes payable on real estate assets held for sale	28,754	
Accounts payable and accrued liabilities	161,478	1
Total liabilities	2,899,580	2,5
Commitments and contingencies		
Minority interests	526,993	5
Shareholders' equity:		
Preferred Stock, $.01 par value,	25	
Common Stock, $.01 par value	303	
Additional paid-in capital	818,051	7
Accumulated other comprehensive loss	-	
Deferred compensation	(1,607)	
Accumulated deficit	20,965	(
Total shareholders' equity	837,737	7
	$ 4,264,310	$ 3,7

The balance sheet above is preliminary as of the date of this report. Please refer the Company's Annual Report on Form 10-K when filed for a complete balance sheet as of December 31, 2003

CBL & Associates Properties, Inc.
Supplemental Financial and Operating Information
For the Year Ended December 31, 2003

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 flow 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)

	Quarter Ended December 31,	
	2003	2002
EBITDA:		

Net Income	$ 68,049	$ 23,827
Adjustments:		
Depreciation and amortization	31,340	24,061
Depreciation and amortization from unconsolidated affiliates	1,306	1,353
Depreciation and amortization from discontinued operations	48	124
Minority investors' share of depreciation and amortization in shopping center properties	(288)	(347)
Interest expense	40,003	35,708
Interest expense from unconsolidated affiliates	2,075	2,849
Interest expense from discontinued operations	-	1
Minority investors' share of interest expense in shopping center properties	(397)	(373)
Income taxes	131	256
Loss on extinguishment of debt	-	511
Abandoned projects expense	1,903	178
Sales of Completed Centers	(71,886)	-
Minority interest in earnings - Operating Partnership	50,681	17,119
Gain on discontinued operations	(474)	1,199
Company's share of total EBITDA	$ 122,491	$ 106,466

Interest Expense:		
Interest expense	$ 40,003	$ 35,708
Interest expense from discontinued operations	-	1
Interest expense from unconsolidated affiliates	2,075	2,849
Minority investors' share of interest expense in shopping center properties	(397)	(373)
Company's share of total interest expense	$ 41,681	$ 38,185
Ratio of EBITDA to Interest Expense	2.94	2.79

Reconciliation of EBITDA to Cash Flows From Operating Activities
(In thousands)

	Quarter Ended December 31,	
	2003	2002
Company's share of total EBITDA	$ 122,491	$ 106,466
Interest expense	(40,003)	(35,708)
Minority interest's share of interest expense	397	373
Income taxes	(131)	(256)
Amortization of deferred financing costs and non real estate Depreciation	1,664	1,542
Amortization of debt premiums	(646)	-
Depreciation and interest expense from unconsolidated affiliates	(3,381)	(4,202)
Minority investors' share of depreciation and amortization in shopping center properties	288	347
Minority interest in earnings - shopping center properties	761	783
Gains on outparcel sales	(946)	(102)
Issuances of stock under incentive plan	259	1,075
Amortization of deferred compensation	93	-

Deferred compensation	349	2,194
Changes in assets and liabilities	20,844	4,858
Cash flows from operating activities	$ 102,039	$ 77,370

CBL & Associates Properties, Inc.
Supplemental Financial and Operating Information
December 31, 2003

Schedule of Mortgage and Other Notes Payable as of December 31, 2003
(Dollars In thousands)

Property	Location	Maturity Date	Interest Rate	12/31/03 Balance	Balance Fixed
Asheboro, NC	Randolph Mall	Jul-12	6.500%	$ 15,328	$ 15,32
Asheville, NC	Asheville Mall	Sep-11	6.980%	69,541	69,54
Beaumont, TX	Parkdale Mall	Oct-10	5.010%	56,712	56,71
Beaumont, TX	Parkdale Crossing	Oct-10	5.010%	8,955	8,95
Brookfield, IL	Brookfield Square	May-05	7.498%	71,742	71,74
Brownsville, TX	Sunrise Mall	May-04	4.900%	40,000	40,00
Burnsville, MN	Burnsville Center	Aug-10	8.000%	70,923	70,92
Cary , NC	Cary Towne Ctr	Mar-09	6.850%	88,310	88,31
Charleston, SC	Citadel Mall	May-07	7.390%	31,767	31,76
Chattanooga, TN	Hamilton Corner	Aug-11	10.125%	2,503	2,50
Chattanooga, TN	Hamilton Place	Mar-07	7.000%	65,448	65,44
Chattanooga, TN	CBL Center	Aug-12	6.250%	14,763	14,76
Cincinnati, OH	Eastgate Mall	Dec-03	2.625%	41,125	
Cincinnati, OH	Eastgate Crossing	Apr-07	6.380%	10,394	10,39
Colonial Heights, VA	Southpark Mall	May-12	5.100%	47,695	47,69
Columbia, SC	Columbia Mall	Oct-13	5.450%	33,839	33,83
Dalton, GA	Walnut Square	Feb-08	10.125%	486	48
Douglasville, GA	Arbor Place Mall	Jul-12	6.510%	79,570	79,57
Douglasville, GA	The Landing At Arbor	Jul-12	6.510%	8,982	8,98
Fairview Heights, IL	St. Claire Square	Apr-09	7.000%	68,892	68,89
Fayetteville, NC	Cross Creek Mall	Apr-12	5.000%	73,975	73,97
Greensburg PA	Westmoreland Mall	Jan-13	5.050%	83,703	83,70
Hattiesburg, MS	Turtle Creek Mall	Mar-06	7.400%	31,082	31,08
Highpoint, NC	Oak Hollow Mall	Feb-08	7.310%	45,960	45,96
Jackson, TN	Old Hickory Mall	Jul-12	6.510%	35,148	35,14
Janesville WI	Janesville Mall	Apr-16	8.375%	14,255	14,25
Lansing MI	Meridian Mall	Oct-08	4.520%	95,479	95,47
Lexington KY	Fayette Mall	Jul-11	7.000%	95,470	95,47
Lexington KY	Fayette Mall Development	Dec-04	2.770%	8,550	
Louisville, KY	Jefferson Mall	Jul-12	6.510%	44,325	44,32
Lynchburg, VA	River Ridge Mall	Jan-07	4.000%	24,978	24,97
Madison, WI	East Towne Mall	Jan-07	8.010%	27,791	27,79
Madison, WI	West Towne Mall	Jan-07	8.010%	42,966	42,96
Meridian, MS	Bonita Lakes Mall	Oct-09	6.820%	27,178	27,17
Meridian, MS	Bonita Lakes Crossing	Oct-09	6.820%	8,516	8,51
Midland MI	Midland Mall	Jun-03	2.620%	30,000	
Morristown, TN	College Square	Sep-13	6.750%	12,301	12,30
N Charleston SC	Northwoods Mall	Jul-12	6.510%	63,461	63,46
Nashua, NH	Willow Springs Plaza	Aug-07	9.750%	2,871	2,87
Nashville, TN	Coolsprings Galleria	Sep-10	8.290%	60,322	60,32
Nashville, TN	Hickory Hollow Mall	Aug-08	6.770%	89,500	89,50

Nashville, TN	Courtyard At Hickory	Aug-08	6.770%	4,167		4,16
Nashville, TN	Rivergate Mall	Aug-08	6.770%	72,334		72,33
Nashville, TN	Village At Rivergate	Aug-08	6.770%	3,417		3,41
Panama City, FL	Panama City Mall	Aug-12	7.300%	40,144		40,14
Portland, ME	Bj'S Plaza	Dec-11	10.400%	2,578		2,57
Racine, WI	Regency Mall	Jul-12	6.510%	34,757		34,75
Roanoke, VA	Valley View Mall	Sep-10	5.100%	54,396		54,39
Rockford, IL	Cherryvale Mall	Jul-06	7.375%	45,727		45,72
Saginaw, MI	Fashion Square	Jul-12	6.510%	60,923		60,92
Spartanburg, SC	Westgate Mall	Jul-12	6.500%	55,063		55,06
Spartanburg, SC	Westgate Crossing	Jul-10	8.420%	9,659		9,65
Stroud, PA	Stroud Mall	Dec-10	8.420%	31,794		31,79
Uvalde, TX	Uvalde Plaza	Feb-08	10.625%	446		44
Waterford, CT	Waterford Commons	Jun-04	2.770%	25,883		
Wausau WI	Wausau Center	Dec-10	6.700%	13,621		13,62
Winston-Salem NC	Hanes Mall	Jul-08	7.310%	111,516		111,51
York, PA	York Galleria	Dec-10	8.340%	50,875		50,87
SUBTOTAL				2,362,102		2,256,54
Weighted average interest rate				6.45%		6.63%
CONSTRUCTION LOANS						
None				-		
SUBTOTAL				-		
LINES OF CREDIT			2.2285%	376,000		
TOTAL BALANCE SHEET				2,738,102		2,256,54
Weighted average interest rate				5.87%		6.63%
Plus CBL Share Of Unconsolidated Affiliates						
Clarksville, TN	Governors Square	Sep-16	8.230%	15,419		15,41
Del Rio, TX	Plaza Del Sol	Nov-02	9.150%	1,980		1,98
El Centro, CA	Imperial Valley Mall	Dec-06	2.840%	418	(1)	
Ft Smith AR	Massard Crossing	Feb-12	7.540%	591		59
Galileo	Portfolio	Various	5.171%	20,270		20,27
Houston, TX	Willowbrook Plaza	Feb-12	7.540%	3,022		3,02
Huntsville, AL	Parkway Place	Dec-04	2.620%	29,235	(2)	
Myrtle Beach, SC	Coastal Grand	May-06	2.938%	46,384	(3)	
Paducah, KY	Kentucky Oaks	Jun-07	9.000%	16,132		16,13
Vicksburg, MS	Pemberton Plaza	Feb-12	7.540%	202		20
TOTAL				133,651		57,61
Less Minority Interest		Minority Interests' Share				
Chattanooga, TN	CBL Center	8.0000%	6.2500%	(1,181)		(1,18
Chattanooga, TN	Hamilton Corner	10.0000%	10.1250%	(250)		(25
Chattanooga, TN	Hamilton Place	10.0000%	7.0000%	(6,545)		(6,54
Highpoint, NC	Oak Hollow Mall	25.0000%	7.3100%	(11,490)		(11,49
Uvalde, TX	Uvalde Plaza	25.0000%	10.6250%	(111)		(11
				(19,577)		(19,57
TOTAL OBLIGATIONS				$ 2,852,176		$ 2,294,58
Weighted average interest rate				5.81%		6.65%
Total Debt of Unconsolidated Affiliates						
Clarksville, TN	Governors Square	Sep-16	8.230%	32,461		32,46

Del Rio, TX	Plaza Del Sol	Aug-10	9.150%	3,959	3,95
El Centro, CA	Imperial Valley Mall	Dec-06	2.840%	418	
Ft Smith, AR	Massard Crossing	Feb-12	7.540%	5,907	5,90
Galileo	Portfolio	Various	5.171%	202,702	202,70
Houston, TX	Willowbrook Plaza	Feb-12	7.540%	30,222	30,22
Huntsville, AL	Parkway Place	Dec-03	2.620%	58,470	
Myrtle Beach, SC	Coastal Grand	May-06	2.938%	46,384	
Paducah, KY	Kentucky Oaks	Jun-07	9.000%	32,263	32,26
Vicksburg, MS	Pemberton Plaza	Feb-12	7.540%	2,018	2,01
TOTAL				$ 414,804	$ 309,53
Weighted average interest rate				5.45%	6.37%

Premiums on Assumed Debt		Premium
Fayetteville, NC	Cross Creek Mall	$ 9,951
Lynchburg, VA	River Ridge Mall	2,523
Colonial Heights, VA	Southpark Mall	4,544
Roanoke, VA	Valley View Mall	8,627
		$ 25,644

CBL & Associates Properties, Inc.
Supplemental Financial and Operating Information
December 31, 2003

Comparable New and Renewal Leasing Activity as of December 31, 2003

Property Type	Square Feet	Prior PSF Base Rent	New PSF Base Rent - Initial	% Change Initial	Re
Quarter:					
Stabilized malls	475,000	$ 23.22	$ 23.32	0.4%	
Associated centers	12,000	14.01	15.14	8.1%	
Community centers	69,000	10.51	10.90	3.7%	
Year To Date:					
Stabilized malls	1,594,000	22.47	23.95	6.6%	
Associated centers	73,000	13.66	13.62	-0.3%	
Community centers	328,000	11.40	11.69	2.5%	

Comparable Stabilized Mall Leasing Activity as of December 31, 2003

Stabilized Malls	Square Feet	Prior PSF Base Rent	New PSF Base Rent - Initial	% Change Initial	Re
Quarter:					
New leases	133,000	$ 24.10	$ 24.17	0.3%	

Renewal leases	342,000	22.88	22.99	0.5%
Year To Date:				
New leases	581,000	23.58	27.42	16.3%
Renewal leases	1,008,000	21.75	22.01	1.2%

Total Leasing Activity Compared to Tenants Vacating as of December 31, 2003

Property Type	Leased Sq. Ft.	Leased Average Base Rent PSF	Vacated Sq. Ft.	Vacated Average Base Rent PSF
Quarter:				
Malls	642,000	$ 23.27	156,000	$ 22.46
Associated centers	14,000	15.20	27,000	10.00
Community centers	143,000	9.34	33,000	15.42
Year To Date:				
Malls	2,053,000	$ 23.87	801,000	$ 21.09
Associated centers	110,000	13.34	113,000	8.97
Community centers	710,000	9.20	140,000	12.00

Average Annual Base Rents Per Square Foot By Property Type

	December 31, 2003	December 31, 2002
Stabilized malls	$ 25.03	$ 23.54
Non-stabilized malls	25.82	22.78
Associated centers	9.90	9.87
Community centers	9.15	9.61

CBL & Associates Properties, Inc.
Supplemental Financial and Operating Information
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Capital Expenditures for Quarter and Year Ended December 31, 2003
(In thousands)

	Quarter	Year
Tenant allowances	$ 10,699	$ 34,973
Renovations: *		

Parking lot and parking lot lighting	3,925	9,743
Roof repairs and replacements	579	4,566
Other capital expenditures	2,087	54,200
Total renovations expenditures	6,591	68,509
Deferred maintenance: *		
Parking lot and parking lot lighting	1,131	3,088
Roof repairs and replacements	1,352	5,100
Other capital expenditures	2,957	12,773
Total deferred maintenance expenditures	5,440	20,961
Total capital expenditures	$ 22,730	$ 124,443

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.

* The year-to-date amounts for total renovation expenditures and total deferred maintenance expenditures reflect a reclassification of previously reported amounts between these two categories.

Deferred Leasing Costs Capitalized
(In thousands)

	Year Ended December 31,	
	2003	2002
Quarter ended:		
March 31,	$ 490	$ 45
June 30,	333	466
September 30,	431	710
December 31,	312	370
	$ 1,566	$ 1,591

CBL & Associates Properties, Inc.

Supplemental Financial and Operating Information
December 31, 2003

Properties Under Development at December 31, 2003
(Dollars in millions)

Property	Location	Gross Leasable Area	CBL's Cost or Share of Cost	Cost Spen To Da
New Mall Developments:				
Coastal Grand (50/50 joint venture)	Myrtle Beach, SC	908,000	$ 60.4	$ 4
Imperial Valley Mall (60/40 joint venture)	El Centro, CA	741,000	44.2	
Mall Expansions:				
Arbor Place Rich's-Macy's	Douglasville, GA	140,000	10.0	
East Towne Mall	Madison, WI	139,000	20.5	
West Towne Mall	Madison, WI	94,000	16.2	
Associated Centers:				
The Shoppes at Panama City	Panama City, FL	56,000	9.6	
Community Centers:				
Garden City Plaza Expansion	Garden City, KS	26,500	2.4	
Wilkes-Barre Township Marketplace	Wilkes-Barre Township, PA	281,000	9.8	
Charter Oak Marketplace	Hartford, CT	312,000	13.3	
		2,697,500	$ 186.4	$ 8