

MACERICH CO
Form 8-K
January 26, 2015

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, DC 20549

FORM 8-K/A

(Amendment No. 1)

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the
Securities Exchange Act of 1934

Date of report (Date of earliest event reported) November 14, 2014

THE MACERICH COMPANY
(Exact Name of Registrant as Specified in Charter)

| | | |
|---|--|--|
| MARYLAND (State or Other Jurisdiction of Incorporation) | 1-12504 (Commission File Number) | 95-4448705 (IRS Employer Identification No.) |
|---|--|--|

401 Wilshire Boulevard, Suite 700, Santa Monica, California 90401
(Address of Principal Executive Offices) (Zip Code)

Registrant's telephone number, including area code (310) 394-6000

N/A
(Former Name or Former Address, if Changed Since Last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))



This Form 8-K/A (Amendment No. 1) is being filed for the purpose of filing the financial statements and pro forma financial information required by Item 9.01 with respect to the Current Report on Form 8-K filed by The Macerich Company on November 18, 2014 regarding the acquisition of the remaining ownership interests in Pacific Premier Retail LP and Queens JV LP from 1700480 Ontario Inc.

ITEM 9.01 FINANCIAL STATEMENTS AND EXHIBITS.

Listed below are the financial statements, pro forma financial information and exhibits furnished as part of this report:

- (a) Financial Statements under Rule 3-14 of Regulation S-X

Independent Auditor's Report

Combined Statements of Revenues and Certain Expenses for the Nine Months Ended September 30, 2014 (Unaudited) and the Years Ended December 31, 2013, 2012 and 2011

Notes to Combined Statements of Revenues and Certain Expenses for the Nine Months Ended September 30, 2014 (Unaudited) and the Years Ended December 31, 2013, 2012 and 2011

- (b) Pro Forma Financial Information (Unaudited)

Pro Forma Consolidated Balance Sheet as of September 30, 2014

Notes to Pro Forma Consolidated Balance Sheet as of September 30, 2014

Pro Forma Consolidated Statement of Operations for the Nine Months Ended September 30, 2014

Notes to Pro Forma Consolidated Financial Statement for Nine Months Ended September 30, 2014

Pro Forma Consolidated Statement of Operations for the Year Ended December 31, 2013

Notes to Pro Forma Consolidated Statement of Operations for the Year Ended December 31, 2013

- (d) Exhibits

23.1 Consent of KPMG LLP

Independent Auditors' Report

The Board of Directors of
The Macerich Company:

We have audited the accompanying combined statements of revenues and certain expenses and the related notes (Historical Summary) of the Pacific Premier Retail LP and Queens JV LP, collectively referred to herein as the "PPRLP/Queens Portfolio" for each of the years in the three-year period ended December 31, 2013.

Management's Responsibility for the Historical Summary

Management is responsible for the preparation and fair presentation of the Historical Summary in accordance with U.S. generally accepted accounting principles; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the Historical Summary that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on Historical Summary based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the Historical Summary is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the Historical Summary. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the Historical Summary, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the Historical Summary in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the Historical Summary.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the Historical Summary referred to above presents fairly, in all material respects, the revenues and certain expenses described in note 1 of the PPRLP/Queens Portfolio for each of the years in the three-year period ended December 31, 2013 in accordance with U.S. generally accepted accounting principles.

Emphasis of Matter

We draw attention to note 1 to the Historical Summary, which describes that the accompanying Historical Summary was prepared for the purpose of complying with the rules and regulations of Securities and Exchange Commission (for inclusion in the filing of Form 8-K/A of The Macerich Company) and is not intended to be a complete presentation of the PPRLP/Queens Portfolio's revenues and expenses. Our opinion is not modified with respect to this matter.

/s/ KPMG LLP

Los Angeles, California
January 26, 2015

PPRLP/QUEENS PORTFOLIO

COMBINED STATEMENTS OF REVENUES AND CERTAIN EXPENSES

(Dollars in thousands)

| | For the Nine Months Ended September 30, 2013 2014 (Unaudited) | For the Years Ended December 31, | | |
|--|--|----------------------------------|-----------|-----------|
| | | 2012 | 2011 | |
| Revenues: | | | | |
| Minimum rents | \$117,130 | \$156,171 | \$151,038 | \$147,810 |
| Percentage rents | 1,873 | 4,047 | 4,310 | 4,473 |
| Tenant recoveries | 54,589 | 70,458 | 68,604 | 65,753 |
| Other | 10,725 | 14,903 | 13,938 | 12,890 |
| Total revenues | 184,317 | 245,579 | 237,890 | 230,926 |
| Certain expenses: | | | | |
| Real estate taxes | 20,222 | 26,287 | 24,363 | 23,676 |
| Maintenance and repairs | 13,523 | 18,632 | 19,246 | 18,161 |
| Utilities | 7,190 | 8,683 | 9,305 | 9,660 |
| General and administrative | 6,009 | 7,050 | 7,207 | 8,130 |
| Security | 3,925 | 5,696 | 5,737 | 5,410 |
| Insurance | 1,245 | 1,650 | 1,583 | 1,642 |
| Ground rent | 601 | 802 | 775 | 755 |
| Interest | 46,166 | 63,606 | 65,885 | 63,336 |
| Total expenses | 98,881 | 132,406 | 134,101 | 130,770 |
| Revenues in excess of certain expenses | \$85,436 | \$113,173 | \$103,789 | \$100,156 |

The accompanying notes are an integral part of these combined statements of revenues and certain expenses.

PPRLP/QUEENS PORTFOLIO

NOTES TO COMBINED STATEMENTS OF REVENUES AND CERTAIN EXPENSES

NINE MONTHS ENDED SEPTEMBER 30, 2014 (UNAUDITED) AND THE YEARS ENDED
DECEMBER 31, 2013, 2012 and 2011

(Dollars in thousands)

1. Summary of Significant Accounting Policies:

Basis of Presentation:

The accompanying combined statements of revenues and certain expenses, include the accounts of Pacific Premier Retail LP and Queens JV LP (collectively referred to herein as the "PPRLP/Queens Portfolio"), and all significant intercompany amounts have been eliminated. The PPRLP/Queens Portfolio was owned 51% by The Macerich Company (the "Company") and 49% by 1700480 Ontario Inc ("Ontario") for all periods presented in the accompanying combined and statements of revenues and certain expenses.

The Company acquired full ownership of the PPRLP/Queens Portfolio on November 14, 2014 for a purchase price of \$1,838,886. The purchase price was funded by the assumption of \$672,109 of mortgage notes on the properties and the direct issuance to Ontario of 17,140,845 shares of the Company's common stock valued on the closing date at \$1,166,777.

The PPRLP/Queens Portfolio consists of the following centers:

| Name of Center | Location | Total Gross Leasable Area |
|---------------------|----------------------|---------------------------|
| Lakewood Center | Lakewood, California | 2,066,000 |
| Los Cerritos Center | Cerritos, California | 1,309,000 |
| Queens Center | Queens, New York | 971,000 |
| Stonewood Center | Downey, California | 935,000 |
| Washington Square | Portland, Oregon | 1,443,000 |

The accompanying combined statements of revenues and certain expenses have been prepared for the purpose of complying with Rule 3-14 of Regulation S-X of the U.S. Securities and Exchange Commission for the acquisition of one or more real estate properties which in aggregate are significant and, accordingly, are not representative of the actual results of operations for the periods presented. The PPRLP/Queens Portfolio is considered a group of related properties as the individual properties were acquired in a single transaction and were under common management by the Company. Therefore, combined statements of revenues and certain expenses for the nine months ended September 30, 2014 and the years ended December 31, 2013, 2012 and 2011 are presented. The combined statements of revenues and certain expenses exclude the following expenses which may not be comparable to the proposed future operations of the PPRLP/Queens Portfolio:

- Depreciation and amortization, and
- Management fees.

Revenue Recognition:

Minimum rental revenues are recognized on a straight-line basis over the terms of the related lease. Percentage rents are recognized on an accrual basis and are accrued when tenants' specified sales targets have been met.

Estimated recoveries from certain tenants for their pro rata share of real estate taxes, insurance and other shopping center operating expenses are recognized as revenues in the period the applicable expenses are incurred. Other tenants pay a fixed rate and these tenant recoveries are recognized into revenue on a straight-line basis over the term of the related leases.

Management Estimates:

Management has made a number of estimates and assumptions related to the reporting and disclosure of revenues and certain expenses during each reporting period to prepare the statements of revenues and certain expenses in conformity with U.S. generally accepted accounting principles. Actual results could differ from those estimates.

Unaudited Interim Statement:

The statement of revenues and certain expenses for the nine months ended September 30, 2014 is unaudited. In the opinion of management, all adjustments (consisting of normal recurring adjustments) necessary for a fair presentation of the statement of revenues and certain expenses for the interim period have been made.

2. Mortgage Notes Payable:

Mortgage notes payable at September 30, 2014 and December 31, 2013 consist of the following:

| Property Pledged as Collateral | Carrying Amount of Mortgage Notes | | | | Effective Interest Rate(1) | Monthly Debt Service(2) | Maturity Date |
|--------------------------------|-----------------------------------|-------------|-------------------|-------------|----------------------------|-------------------------|---------------|
| | September 30, 2014 (Unaudited) | | December 31, 2013 | | | | |
| | Related Party | Other | Related Party | Other | | | |
| Lakewood Center | \$— | \$250,000 | \$— | \$250,000 | 5.43 | % \$ 1,127 | 2015 |
| Los Cerritos Center (3) | 94,749 | 94,749 | 96,093 | 96,093 | 4.50 | % 1,009 | 2018 |
| Queens Center | — | 600,000 | — | 600,000 | 3.65 | % 1,744 | 2025 |
| Stonewood Mall | — | 104,043 | — | 106,174 | 4.67 | % 640 | 2017 |
| Washington Square | — | 229,904 | — | 232,971 | 6.04 | % 1,499 | 2016 |
| | \$94,749 | \$1,278,696 | \$96,093 | \$1,285,238 | | | |

(1) The interest rate disclosed represents the effective interest rate, including deferred finance costs.

(2) The monthly debt service represents the payment of principal and interest.

(3) Half of the loan proceeds were funded by Northwestern Mutual Life ("NML"), which is a joint venture partner of the Company.

Interest expense in connection with the loans from NML was \$3,189 for the nine months ended September 30, 2014, and \$4,321, \$4,397 and \$2,266 for the years ended December 31, 2013, 2012, and 2011, respectively.

Certain mortgage loan agreements contain a prepayment penalty provision for the early extinguishment of the debt. Total interest costs capitalized for the nine months ended September 30, 2014 and the years ended December 31, 2013, 2012 and 2011 was \$1,321, \$258, \$145 and \$126, respectively. Amortization of deferred finance cost included in interest expense for the nine months ended September 30, 2014 and the years ended December 31, 2013, 2012 and 2011 was \$955, \$1,275, \$853 and \$898, respectively.

The estimated fair value of mortgage notes payable at September 30, 2014 and December 31, 2013 was \$1,385,870 and \$1,407,414, respectively, based on current interest rates for comparable loans. The method for computing fair value was determined using a present value model and an interest rate that included a credit value adjustment based on the estimated value of the property that serves as collateral for the underlying debt.

The future maturities of mortgage notes payable for each of the next five years and thereafter as of December 31, 2013 were as follows:

| | |
|------------|-------------|
| 2014 | \$10,582 |
| 2015 | 261,135 |
| 2016 | 231,547 |
| 2017 | 101,314 |
| 2018 | 176,753 |
| Thereafter | 600,000 |
| | \$1,381,331 |

3. Future Revenues:

Under existing non-cancelable operating lease agreements, tenants are committed to pay the following minimum rental payments to the PPRLP/Queens Portfolio:

| | |
|--------------------------|-----------|
| Year Ending December 31, | |
| 2014 | \$141,679 |
| 2015 | 108,523 |
| 2016 | 93,121 |
| 2017 | 77,610 |
| 2018 | 67,467 |
| Thereafter | 243,228 |
| | \$731,628 |

4. Commitments:

The PPRLP/Queens Portfolio has certain properties subject to non-cancelable operating ground leases. Minimum future rental payments required under the leases are as follows:

| | |
|--------------------------|----------|
| Year Ending December 31, | |
| 2014 | \$814 |
| 2015 | 814 |
| 2016 | 814 |
| 2017 | 814 |
| 2018 | 814 |
| Thereafter | 26,130 |
| | \$30,200 |

5. Subsequent Events:

The management of the PPRLP/Queens Portfolio evaluated subsequent events through January 26, 2015, the date that these statements of revenues and certain expenses were issued.

THE MACERICH COMPANY
PRO FORMA CONSOLIDATED FINANCIAL INFORMATION (UNAUDITED)

The following unaudited pro forma consolidated financial information has been prepared to give effect to the Company's acquisition of the PPRLP/Queens Portfolio. The Company acquired the PPRLP/Queens Portfolio on November 14, 2014 for a purchase price of approximately \$1.8 billion. The purchase price was funded by the assumption of \$672.1 million of mortgage notes on the properties and the direct issuance to Ontario of 17,140,845 shares of the Company's common stock valued on the closing date at approximately \$1.2 billion.

The pro forma consolidated balance sheet has been presented as if the the acquisition occurred on September 30, 2014 and the pro forma statements of operations have been presented as if the acquisition had occurred on January 1, 2013.

This pro forma consolidated financial information should be read in conjunction with the Company's consolidated financial statements included in the Company's Form 10-K for the year ended December 31, 2013, the Company's Form 10-Q for the quarterly period ended September 30, 2014, as filed with the Securities and Exchange Commission, and the statements of revenues and certain expenses of the PPRLP/Queens Portfolio and related notes thereto included elsewhere in this filing.

The purchase allocation adjustments made in connection with the unaudited pro forma consolidated financial statements are based on the information available at this time. Subsequent adjustments to the allocation may be made based on additional information.

The pro forma consolidated financial statements do not purport to represent the Company's financial position or results of operations that would actually have occurred assuming the acquisition of the PPRLP/Queens Portfolio had occurred on January 1, 2013; nor do they purport to project the Company's financial position or results of operations as of any future date or for any future period.

THE MACERICH COMPANY
PRO FORMA CONSOLIDATED BALANCE SHEET (UNAUDITED)
AS OF SEPTEMBER 30, 2014
(Dollars in thousands)

| | The Company (a) | Pro Forma Adjustments | | Pro Forma Total |
|---|--------------------|--------------------------|-----|--------------------|
| ASSETS: | | | | |
| Property, net | \$7,570,636 | \$3,714,982 | (b) | \$11,285,618 |
| Cash and cash equivalents | 58,479 | 28,890 | (b) | |
| | | (5,000) | (d) | 82,369 |
| Restricted cash | 14,121 | 5,113 | (b) | 19,234 |
| Tenant and other receivables, net | 107,968 | 5,438 | (b) | 113,406 |
| Deferred charges and other assets, net | 492,697 | 279,973 | (b) | 772,670 |
| Loans to unconsolidated joint ventures | 3,361 | — | | 3,361 |
| Due from affiliates | 31,422 | (2,680) | (b) | 28,742 |
| Investments in unconsolidated joint ventures | 927,424 | — | | 927,424 |
| Total assets | \$9,206,108 | \$4,026,716 | | \$13,232,824 |
| LIABILITIES AND EQUITY: | | | | |
| Mortgage notes payable: | | | | |
| Related parties | \$265,269 | \$103,764 | (c) | \$369,033 |
| Others | 4,118,969 | 1,310,895 | (c) | 5,429,864 |
| Total | 4,384,238 | 1,414,659 | (b) | 5,798,897 |
| Bank and other notes payable | 546,301 | — | | 546,301 |
| Accounts payable and accrued expenses | 89,659 | 5,669 | (b) | 95,328 |
| Other accrued liabilities | 317,515 | 230,210 | (b) | 547,725 |
| Distributions in excess of investments in unconsolidated joint ventures | 253,673 | (208,735) | (b) | 44,938 |
| Co-venture obligation | 75,669 | — | | 75,669 |
| Total liabilities | 5,667,055 | 1,441,803 | | 7,108,858 |
| Commitments and contingencies | | | | |
| Equity: | | | | |
| Stockholders' equity: | | | | |
| Common stock | 1,409 | 171 | (d) | 1,580 |
| Additional paid-in capital | 3,930,317 | 1,161,606 | (d) | 5,091,923 |
| (Accumulated deficit) retained earnings | (740,906) | 1,423,136 | (b) | 682,230 |
| Total stockholders' equity | 3,190,820 | 2,584,913 | | 5,775,733 |
| Noncontrolling interests | 348,233 | — | | 348,233 |
| Total equity | 3,539,053 | 2,584,913 | | 6,123,966 |
| Total liabilities and equity | \$9,206,108 | \$4,026,716 | | \$13,232,824 |

The accompanying notes are an integral part of this pro forma consolidated balance sheet (unaudited).

THE MACERICH COMPANY
 NOTES TO PRO FORMA CONSOLIDATED BALANCE SHEET (UNAUDITED)
 AS OF SEPTEMBER 30, 2014
 (Dollars in thousands, except per share data)

This information represents the Company's historical consolidated balance sheet as of September 30, 2014, which (a) was included in the Company's previously filed Quarterly Report on Form 10-Q for the quarter ended September 30, 2014.

(b) Includes the pro forma effect of the Company's acquisition of PPRLP/Queens Portfolio. The purchase price was allocated to assets acquired and liabilities assumed based on preliminary estimates of fair values as follows:

| | | |
|---|-------------|-------------|
| Property | \$3,714,982 | |
| Deferred charges | 152,250 | |
| Cash and cash equivalents | 28,890 | |
| Restricted cash | 5,113 | |
| Tenant receivables | 5,438 | |
| Other assets | 127,723 | |
| Total assets acquired | 4,034,396 | |
| Mortgage note payable | 1,414,659 | |
| Accounts payable | 5,669 | |
| Due to affiliates | 2,680 | |
| Other accrued liabilities | 230,210 | |
| Total liabilities assumed | 1,653,218 | |
| Fair value of the acquired net assets (at 100% ownership) | \$2,381,178 | |
| The Company determined that the purchase price represented the fair value of the additional ownership interest in the PPRLP/Queens Portfolio that was acquired: | | |
| Fair value of existing ownership interest (at 51% ownership) | | \$1,214,401 |
| Distributions in excess of investment | | 208,735 |
| Gain on remeasurement | | \$1,423,136 |

The following is the reconciliation of the purchase price to the fair value of of the acquired net assets:

| | | |
|---|-------------|---|
| Purchase price | \$1,838,886 | |
| Less debt assumed | (672,109 |) |
| Distributions in excess of investment | (208,735 |) |
| Remeasurement gain | 1,423,136 | |
| Fair value of the acquired net assets (at 100% ownership) | \$2,381,178 | |

The purchase price allocation of PPRLP/Queens Portfolio is preliminary and subject to change.

(c) Represents the Company's assumption of \$1,371,651 of mortgage notes payable on the PPRLP/Queens Portfolio, including the effect of the allocated net premium of \$43,008 at acquisition.

| Property Pledged as Collateral | Related Party | Other | Effective Interest Rate | Maturity Date |
|--------------------------------|---------------|-------------|-------------------------|---------------|
| Lakewood Center | \$— | \$254,880 | 1.80 | % 6/1/2015 |
| Los Cerritos Center | 103,764 | 103,764 | 1.65 | % 7/1/2018 |
| Queens Center | — | 600,000 | 3.49 | % 1/1/2025 |
| Stonewood Mall | — | 111,910 | 1.80 | % 11/1/2017 |
| Washington Square | — | 240,341 | 1.65 | % 1/1/2016 |
| | \$103,764 | \$1,310,895 | | |

(d) Represents the direct issuance to Ontario of 17,140,845 shares of the Company's common stock valued on the closing date at \$68.07 per share to fund the acquisition, net of issuance cost.

THE MACERICH COMPANY
PRO FORMA CONSOLIDATED STATEMENT OF OPERATIONS (UNAUDITED)
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2014
(Dollars in thousands, except per share amounts)

| | The Company (a) | PPRLP/Queens Portfolio (b) | Pro Forma Adjustments | Pro Forma Total |
|--|--------------------|-------------------------------|--------------------------|--------------------|
| Revenues: | | | | |
| Minimum rents | \$451,248 | \$ 117,130 | \$11,067 (c) | \$579,445 |
| Percentage rents | 9,295 | 1,873 | — | 11,168 |
| Tenant recoveries | 264,909 | 54,589 | — | 319,498 |
| Management Companies | 25,248 | — | (6,141) (d) | 19,107 |
| Other | 31,638 | 10,725 | — | 42,363 |
| Total revenues | 782,338 | 184,317 | 4,926 | 971,581 |
| Expenses: | | | | |
| Shopping center and operating expenses | 257,583 | 52,715 | 935 (e) | 311,233 |
| Management Companies' operating expenses | 65,185 | — | — | 65,185 |
| REIT general and administrative expenses | 17,339 | — | — | 17,339 |
| Depreciation and amortization | 266,199 | — | 74,536 (f) | 340,735 |
| | 606,306 | 52,715 | 75,471 | 734,492 |
| Interest expense: | | | | |
| Related parties | 11,069 | 3,189 | (1,931) (g) | 12,327 |
| Other | 128,872 | 42,977 | (5,315) (g) | 166,534 |
| | 139,941 | 46,166 | (7,246) (g) | 178,861 |
| Loss on extinguishment of debt | 405 | — | — | 405 |
| Total expenses | 746,652 | 98,881 | 68,225 | 913,758 |
| Equity in income of unconsolidated joint ventures | 44,607 | — | (22,910) (h) | 21,697 |
| Co-venture expense | (6,175) |) — | — | (6,175) (h) |
| Income tax benefit | 3,759 | — | — | 3,759 |
| Loss on remeasurement, sale or write down of assets, net | (1,504) |) — | — | (1,504) (h) |
| Net income | 76,373 | 85,436 | (86,209) (i) | 75,600 |
| Less net income attributable to noncontrolling interests | 6,552 | — | (52) (i) | 6,500 |
| Net income attributable to the Company | \$69,821 | \$ 85,436 | \$(86,157) (i) | \$69,100 |
| Earnings per common share attributable to Company: | | | | |
| Net income - basic | \$0.49 | | \$(0.06) (i) | \$0.43 |
| Net income - diluted | \$0.49 | | \$(0.06) (i) | \$0.43 |
| Weighted average number of common shares outstanding: | | | | |
| Basic | 140,859,000 | | 17,141,000 (j) | 158,000,000 |
| Diluted | 140,975,000 | | 17,141,000 (j) | 158,116,000 |

The accompanying notes are an integral part of this pro forma consolidated statement of operations (unaudited).

THE MACERICH COMPANY

NOTES TO PRO FORMA CONSOLIDATED STATEMENT OF OPERATIONS (UNAUDITED)
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2014

(Dollars in thousands)

This information represents the Company's historical consolidated statement of operations for the nine months (a) ended September 30, 2014, which was included in the Company's previously filed Quarterly Report on Form 10-Q for the quarter ended September 30, 2014.

(b) This information represents the combined revenues and certain expenses of the PPRLP/Queens Portfolio for the nine months ended September 30, 2014, which was included in this Report on Form 8-K/A.

Represents the pro forma amortization of above and below market leases based on the preliminary purchase price (c) allocation of the PPRLP/Queens Portfolio and the impact of straight-line rents, which was based on the information available at this time. Subsequent adjustment to the allocation may be made based on additional information.

(d) Represents the reduction of management fee revenue attributed to the PPRLP/Queens Portfolio that were included in the historical consolidated statement of operations for the nine months ended September 30, 2014.

Represents the pro forma amortization of an above market ground lease based on the preliminary purchase price (e) allocation of the PPRLP/Queens Portfolio, which is based on the information available at this time. Subsequent adjustment to the allocation may be made based on additional information.

Represents the pro forma depreciation and amortization expense based on the preliminary purchase price allocation (f) of the PPRLP/Queens Portfolio, which is based on the information available at this time. Subsequent adjustment to the allocation may be made based on additional information.

Represents the pro forma amortization of debt premium on the mortgage notes payable based on the preliminary (g) purchase price allocation of the PPRLP/Queens Portfolio, which is based on the information available at this time. Subsequent adjustment to the allocation may be made based on additional information.

Represents the reduction of equity in income of unconsolidated joint ventures that was attributed to the (h) PPRLP/Queens Portfolio that was included in the historical consolidated statement of operations for the nine months ended September 30, 2014.

(i) Represents the pro forma effect of the acquisition of the PPRLP/Queens Portfolio attributable to noncontrolling interests.

(j) Represents common shares issued to Ontario in connection with the acquisition of the PPRLP/Queens Portfolio.

THE MACERICH COMPANY
PRO FORMA CONSOLIDATED STATEMENT OF OPERATIONS (UNAUDITED)
FOR THE YEAR ENDED DECEMBER 31, 2013
(Dollars in thousands, except per share amounts)

| | The Company (a) | PPRLP/Queens Portfolio (b) | Pro Forma Adjustments | Pro Forma Total |
|---|--------------------|-------------------------------|--------------------------|--------------------|
| Revenues: | | | | |
| Minimum rents | \$578,113 | \$ 156,171 | \$12,044 (c) | \$746,328 |
| Percentage rents | 23,156 | 4,047 | — | 27,203 |
| Tenant recoveries | 337,772 | 70,458 | — | 408,230 |
| Management Companies | 40,192 | — | (8,491) (d) | 31,701 |
| Other | 50,242 | 14,903 | — | 65,145 |
| Total revenues | 1,029,475 | 245,579 | 3,553 | 1,278,607 |
| Expenses: | | | | |
| Shopping center and operating expenses | 329,795 | 68,800 | 1,246 (e) | 399,841 |
| Management Companies' operating expenses | 93,461 | — | — | 93,461 |
| REIT general and administrative expenses | 27,772 | — | — | 27,772 |
| Depreciation and amortization | 357,165 | — | 111,387 (f) | 468,552 |
| | 808,193 | 68,800 | 112,633 | 989,626 |
| Interest expense: | | | | |
| Related parties | 15,016 | 4,321 | (2,575) (g) | 16,762 |
| Other | 182,231 | 59,285 | (20,146) (g) | 221,370 |
| | 197,247 | 63,606 | (22,721) (g) | 238,132 |
| Gain on extinguishment of debt, net | (1,432) (g) | — | — | (1,432) (g) |
| Total expenses | 1,004,008 | 132,406 | 89,912 | 1,226,326 |
| Equity in income of unconsolidated joint ventures | 167,580 | — | (30,725) (h) | 136,855 |
| Co-venture expense | (8,864) (h) | — | — | (8,864) (h) |
| Income tax benefit | 1,692 | — | — | 1,692 |
| Loss on remeasurement, sale or write down of assets, net | (26,852) (h) | — | — | (26,852) (h) |
| Income from continuing operations | 159,023 | 113,173 | (117,084) (h) | 155,112 |
| Less income from continuing operations attributable to noncontrolling interests | 9,762 | — | (258) (i) | 9,504 |
| Income from continuing operations attributable to the Company | \$149,261 | \$ 113,173 | \$(116,826) (i) | \$145,608 |
| Earnings per common share attributable to Company: | | | | |
| Income from continuing operations - basic | \$1.07 | | \$(0.15) (j) | \$0.92 |
| Income from continuing operations - diluted | \$1.06 | | \$(0.14) (j) | \$0.92 |
| Weighted average number of common shares outstanding: | | | | |
| Basic | 139,598,000 | | 17,141,000 (j) | 156,739,000 |
| Diluted | 139,680,000 | | 17,141,000 (j) | 156,821,000 |

The accompanying notes are an integral part of this pro forma consolidated statement of operations (unaudited).

THE MACERICH COMPANY
NOTES TO PRO FORMA CONSOLIDATED STATEMENT OF OPERATIONS (UNAUDITED)
FOR THE YEAR ENDED DECEMBER 31, 2013
(Dollars in thousands)

This information represents the Company's historical consolidated statement of operations for the year ended (a) December 31, 2013, which was included in the Company's previously filed Annual Report on Form 10-K for the year ended December 31, 2013.

(b) This information represents revenues and certain expenses of the PPRLP/Queens Portfolio for the year ended December 31, 2013, included in this Report on Form 8-K/A.

Represents the pro forma amortization of above and below market leases based on the preliminary purchase price (c) allocation of the PPRLP/Queens Portfolio and the impact of straight-line rents, which was based on the information available at this time. Subsequent adjustment to the allocation may be made based on additional information.

(d) Represents the reduction of management fee revenue attributed to the PPRLP/Queens Portfolio that were included in the historical consolidated statement of operations for the year ended December 31, 2013.

Represents the pro forma amortization of an above market ground lease based on the preliminary purchase price (e) allocation of the PPRLP/Queens Portfolio, which is based on the information available at this time. Subsequent adjustment to the allocation may be made based on additional information.

Represents the pro forma depreciation and amortization expense based on the preliminary purchase price allocation (f) of the PPRLP/Queens Portfolio, which is based on the information available at this time. Subsequent adjustment to the allocation may be made based on additional information.

Represents the pro forma amortization of debt premium on the mortgage notes payable based on the preliminary (g) purchase price allocation of the PPRLP/Queens Portfolio, which is based on the information available at this time. Subsequent adjustment to the allocation may be made based on additional information.

Represents the reduction of equity in income of unconsolidated joint ventures that was attributed to the (h) PPRLP/Queens Portfolio that was included in the historical consolidated statement of operations for the year ended December 31, 2013.

(i) Represents the pro forma effect of the acquisition of the PPRLP/Queens Portfolio attributable to noncontrolling interests.

(j) Represents common shares issued to Ontario in connection with the acquisition of the PPRLP/Queens Portfolio.

SIGNATURES

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

THE MACERICH COMPANY
By: THOMAS E. O'HERN

/s/ THOMAS E. O'HERN
Senior Executive Vice President,
Chief Financial Officer
and Treasurer

January 26, 2015

EXHIBIT INDEX

| EXHIBIT NUMBER | NAME |
|-------------------|---|
| 23.1 | Consent of KPMG LLP, dated January 26, 2015 |

17