25 *years*

2018 ANNUAL REPORT | FORM 10-K

FINANCIAL HIGHLIGHTS

All amounts in thousands, except for share data and per square foot amounts.

Operating Data	2018	2017	2016	2015	2014
Total Revenues	$960,351	$993,662	$1,041,271	$1,288,149	$1,105,247
Shopping center and operating expenses	$277,470	$295,190	$307,623	$379,815	$353,505
Management companies' operating expenses	$103,534	$100,121	$98,323	$92,340	$88,424
REIT general and administrative expenses	$24,160	$28,240	$28,217	$29,870	$29,412
(Loss) gain on remeasurement, sale or write down of assets, net	($31,825)	$42,446	$415,348	$400,337	$1,496,576
Net income attributable to the Company	$60,020	$146,130	$516,995	$487,562	$1,499,042
Net income per share attributable to common stockholders - diluted	$0.42	$1.02	$3.52	$3.08	$10.45
Other Data	**2018**	**2017**	**2016**	**2015**	**2014**
Regional shopping centers portfolio occupancy	95.4%	95.0%	95.4%	96.1%	95.8%
Regional shopping centers portfolio sales per square foot	$726	$660	$630	$635	$587
Distributions declared per common share	$2.97	$2.87	$2.75	$6.63	$2.51
Balance Sheet Data	**2018**	**2017**	**2016**	**2015**	**2014**
Investment in real estate (before accumulated depreciation)	$8,878,820	$9,127,533	$9,209,211	$10,689,656	$12,777,882
Total assets	$9,026,808	$9,605,862	$9,958,148	$11,235,584	$13,094,948
Total mortgage and notes payable	$4,982,460	$5,170,264	$4,965,900	$5,260,750	$6,265,570
Equity	$3,188,432	$3,967,999	$4,427,168	$5,071,239	$6,039,849
Common shares outstanding	141,221,712	140,993,985	143,985,036	154,404,986	158,201,996

See "Item 6 - Selected Financial Data" in our Form 10-K included herein for additional information regarding the data presented in this table. See our Company's forward-looking statements disclosure under "Important Factors Related to Forward-Looking Statements" in our Form 10-K included herein.

DEAR FELLOW STOCKHOLDERS:

With today's fast-changing expectations about the breadth of experiences the best retail centers should deliver – alongside the necessary shakeout of retailers that haven't made the grade – being an A property in an A market has never been more important. Quality has never been more essential. That's the calculation of successful retailers, marketing-intensive consumer brands, investors and, of course, shoppers.

And all of that is good for Macerich.

Our high-performing portfolio of dominant properties in densely populated, attractive U.S. markets positions Macerich to make the most of this continuing migration to quality that is shaping every facet of our industry.

Within this dynamic environment, Macerich in 2018 posted solid operating results. For 2018, portfolio sales ended the year at $726 per square foot, up 10% for the year. Portfolio occupancy at year-end was near an all-time high of 95.4%, up 40 basis points year over year. Average base rents grew 3.7% during 2018, average releasing spreads were 11.1%, and total leasing activity for the year included 825 executed agreements for a total of more than 3 million square feet.

Macerich continues to benefit from our multi-year disposition strategy to elevate the quality of the portfolio. The company's top 40 assets now generate annual sales of $753 per square foot and are forecast to produce 96% of our portfolio net operating income in 2019, and Macerich's top 10 assets generate annual sales in excess of $1,200 per square foot.

Despite continued retailer fallout stemming from unprecedented bankruptcies in 2017, same center net operating income growth in 2018 was 2.2%, including 4.0% growth during the second half of the year. We continue to improve portfolio profitability, as demonstrated by continued improvement in EBITDA margins from 59.0% in 2014 to 62.8% in 2018.

STRENGTHS IN THE BROADER LEASING ENVIRONMENT

From our vantage point as an owner of some of the nation's highest-performing properties, we continue to realize outsized advantages in today's leasing environment. Retail supply consolidation strengthens the competitive position for owners of highly coveted Class A retail situated in the best locations. It is these locations that will thrive as lesser quality retail assets continue to deteriorate and, in many cases, become obsolete from lack of retailer demand. The opposite is true for top malls: We believe Macerich will continue to be the beneficiary of what has become an accelerated pace of shrinkage in U.S. brick-and-mortar retail supply.

NOW A MIXED-USE URBAN HUB, TYSONS CORNER CENTER JUST OUTSIDE WASHINGTON, D.C., IS CONSISTENTLY ONE OF THE COUNTRY'S HIGHEST-PERFORMING RETAIL DESTINATIONS.

Just as all malls are not created equal, not all retailers have equal footing in today's market. Many brands have successfully positioned themselves for ongoing relevance by effectively adapting their merchandise mix, providing great service, integrating technology and interactivity into their in-store experience, and locating within the right markets with the proper number of stores. Many of the better retailers are also now developing and introducing brand extensions.

Brands hitting on all cylinders include familiar names like Lululemon, which is introducing in-store yoga classes. Or Abercrombie & Fitch that features interactive dressing rooms and has retooled its apparel away from "all logos all the time" in step with their shoppers. Or Sephora, that's all about complimentary makeovers, and enthusiastic and knowledgeable salespeople who make it fun and easy to try more, and buy more, new products. There is a long list of on-target retailers – from Apple and American Eagle to Hollister, Vans and more – that are connecting with their shoppers at our properties in new and exciting ways.

There also is tremendous energy in emerging concepts, including more destination dining, more health, wellness and beauty concepts, new coworking spaces, more entertainment, more art. In addition there are other Instagrammable experiences, including new ticketed attractions that change frequently and drive attention and traffic. Of course, our properties are top choices in the continued move to offline retail among maturing, online-born retail concepts.

A quick look at a few of our leasing wins in 2018 demonstrates how our top retail assets continue to thrive with experience-forward ideas: Nordstrom at Country Club Plaza, Nobu, Equinox and Industrious at Scottsdale Fashion Square, Dick's Sporting Goods and Round1 at Deptford Mall, Dave & Buster's at Vintage Faire, Life Time Athletic at Broadway Plaza and Crayola Experience at Chandler Fashion Center. Of particular interest, the evolution of our award-winning Santa Monica Place as a destination for exciting experiences continues with this summer's opening of the new, larger location for Cayton Children's Museum, a top draw for families in West LA.

Conversely, the industry continues to experience the expected demise of certain legacy retailers that have failed to properly invest and evolve to meet the needs of the modern consumer, primarily due to over-leveraged financial positions. While the Sears bankruptcy is the most widely publicized example, 2019 has commenced with several bankruptcies and pending store closures from similarly situated concepts that have long been on our watch list.

For us, the key point to underscore is that retail is fast evolving and thriving, even as some individual retailers are not. The failure of long-troubled retailers is not a failure of the physical retail environment. Strong sales, occupancy, traffic and retailer demand within our portfolio prove otherwise.

DEBUTING IN 2020, FIRST-TO-MARKET LUXURY FITNESS CONCEPT EQUINOX IS AN EXPERIENCE-FORWARD NEW ELEMENT AT SCOTTSDALE FASHION SQUARE.

A SWEEPING NEW, TWO-STORY ENTRANCE WELCOMES GUESTS TO THE NEWLY ELEVATED LUXURY WING AT SCOTTSDALE FASHION SQUARE.

LONG-TERM VALUE CREATION THROUGH REDEVELOPMENT

Macerich has a long and distinguished track record of successfully redeveloping and repositioning trophy properties in outstanding markets to deliver even more value. Recent closures of Sears stores in our portfolio will allow us to execute on important, long-term value-creating opportunities in some of our best properties.

As always, our approach to delivering value will be highly specific to each property, whether optimal use involves repurposing the space for other, extremely active large-format concepts – such as Dick's Sporting Goods, Target, Ulta Beauty, Aldi, Burlington, Round1, Dave and Buster's, Five Below or others – or demolishing the boxes for broader redevelopment.

We are bullish on opportunities for densification and diversification, including at dominant flagships such as Los Cerritos Center and Washington Square. Our highly successful mixed-use project at Tysons Corner Center, complete with offices, residences and a hotel, is a blueprint for the kind of energy-filled, urban hub we excel at creating. As we did at Tysons, Macerich will explore partnerships with best-in-class developers to ensure the exceptional quality we are known for.

TWO FOR TWO IN 2018

Successful redevelopment projects at two different properties in 2018 exemplify our flexible and proven strategies for driving value.

Kings Plaza, the only enclosed mall in Brooklyn, is the latest example of our ability to replace an underperforming department store with vastly more relevant and better performing retailers. In summer 2018, Macerich completed its redevelopment of the former four-level Sears store with Primark and Zara, both new to the Brooklyn market, and Burlington and JCPenney. These four new retailers are expected to generate a combined 400% increase over Sears' volume. This has significantly improved retailer demand throughout Kings Plaza, which we expect will result in healthy growth opportunities for many years to come.

At Scottsdale Fashion Square, Arizona's dominant luxury property, targeted redevelopment continues to attract the best retail and dining names and a range of in-demand experiences. The 80,000 square-foot exterior expansion is 100% leased with first-to-market, high-end restaurants, including Nobu and Ocean 44, and Arizona's first and only Equinox fitness club. In 2018, we successfully repurposed the former Barneys location into a stunning, two-level Apple flagship, which features extensive experiential and educational elements. Here, we also opened a beautifully designed location for Industrious, a premium national coworking concept, which enjoyed the best opening-day occupancy in the company's history. Together, Apple and Industrious will generate substantially more traffic and sales than the previous 60,000 square-foot Barneys box.

Late last year, we also debuted a newly renovated and strategically re-tenanted luxury wing at Scottsdale Fashion Square with an exciting lineup of new and newly renovated retailers. These include Arizona's first Saint Laurent, plus Gucci, Prada, Louis Vuitton, Cartier, Breitling, Omega, St. John, Salvatore Ferragamo and many other powerful brands. And there's more to come as we continue to densify and add value to this preeminent property. Already announced is Caesars Republic Scottsdale, a 266-room, first-of-its-kind, non-gaming hotel flag from the Caesars Entertainment brand targeting their top clientele worldwide.

2019 AND BEYOND

Looking forward, we are anticipating the fall opening of Fashion District Philadelphia, a four-level, 800,000 square-foot retail, dining and entertainment hub spanning several city blocks in the heart of visitor- and office-rich Center City. Already, this high-profile property – a joint venture with PREIT – is 85% committed with notable tenants including Century 21, Burlington, H&M, Nike, Ulta Beauty, AMC Theatres, Round1 and City Winery.

Progress also continues on Los Angeles Premium Outlets, our newest ground-up development, in 50-50 partnership with Simon. This new property will take advantage of its outstanding location where the 405 and 110 freeways meet, just 11 miles from LAX. The project is set to be delivered in two phases, with the first 400,000 square feet expected to open in fall 2021.

Also fueling our future growth, Macerich formed a joint venture in 2018 with Hudson Pacific Properties in Westside Pavilion, now known as One Westside, in which we retained a 25% ownership stake. Google recently signed a lease as the sole occupant for approximately 600,000 square feet of Class A creative office space, providing an expected 8% return on this project with an anticipated third quarter opening in 2022. The majority of the property is now closed, and construction led by our partner is expected to commence later in 2019.

SLATED TO OPEN FALL 2019, FASHION DISTRICT PHILADELPHIA CREATES AN IMMERSIVE, METROPOLITAN SHOPPING, DINING AND ENTERTAINMENT EXPERIENCE IN THE HEART OF DOWNTOWN PHILADELPHIA.

LEADERSHIP IN SUSTAINABILITY

Macerich has an illustrious record as our industry's leader for environmental achievements. In 2018, Macerich was awarded the National Association of Real Estate Investment Trusts (Nareit) Retail "Leader in the Light" for a remarkable fifth year in a row. As well, last year Macerich achieved two other important measures of sustainability leadership, both for the fourth year in a row: GRESB's #1 ranking in the North American Retail Sector for 2018, and a place on the Environmental Protection Agency's Green Power Partnership list of Top 30 On-Site Generation companies.

Also of note, last year our company's major redevelopment of Broadway Plaza in Walnut Creek, CA, earned the demanding LEED Gold® certification awarded by the U.S. Green Building Council.

THE KINGS PLAZA STANDALONE POWER PLANT WILL HAVE THE CAPACITY TO CONNECT TO THE REGIONAL ELECTRICAL SYSTEM, PROVIDING CRITICAL BACK-UP POWER TO NEW YORK CITY'S ELECTRICAL GRID.

MARKING 25 YEARS

This March we marked a significant milestone for Macerich – 25 years of trading on the New York Stock Exchange. We have accomplished a great deal since our debut as a public company in 1994, when we had a modest total market cap of approximately $536 million. Today, our market cap exceeds $14 billion, and we have been a component of the S&P 500 since 2013. We've built outstanding destinations and continue to perfect the iconic properties that help define our portfolio. We've supported new retail brands as they emerge into success, and watched some storied retailers come to an end. This is how the best retail real estate, including ours, evolves and intensifies value over time.

This milestone also gives us a fitting moment to recognize and thank Art Coppola for his strategic leadership as CEO of our company throughout these important years of achievement and growth. As many of you know, our current C-suite has long worked together, including Ed Coppola, Scott Kingsmore, Ken Volk and Doug Healey, further complemented by our recent addition of Ann Menard as our Chief Legal Officer. With our deep bench of executive talent, we prioritize steady leadership and continuity, along with fresh ideas, a highly competitive spirit and a vision for Macerich's future built on adding value.

This strategic vision is focused on portfolio densification and diversification. We operate and invest for the long term – and our business needs to be strategically planned and managed for the long term. We think this is a critical distinction that must be emphasized, given the retail headwinds our industry has faced since 2017 and continues to face today. We continue to experience short-term occupancy disruption as certain legacy retailers, both small format and department stores, have become and continue to become obsolete. While we continue to mitigate and counter these issues, we believe all of this is due to secular change in the retail space, which is creating a generational opportunity for our assets and for our company. Looking ahead, we have many exciting opportunities to pursue, even as the larger economy and our own sector continue to navigate change. We are ready, thanks in great measure to the positioning of our high-performing portfolio that is uniquely in sync with the flight to quality across our industry.

We are grateful for the support of Macerich's Board of Directors and our stakeholders, the capabilities and commitment of our teams, the continued partnership of successful retailers and brands, and the communities that embrace our properties as a key part of their lives.

Sincerely,

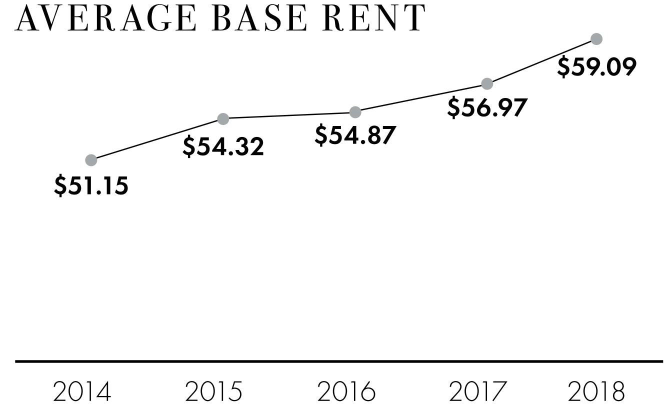
Thomas E. O'Hern
Chief Executive Officer

Steven R. Hash
Independent Chairman of the Board

A BRAND NEW APPLE FLAGSHIP STORE AND PREMIUM COWORKING CONCEPT INDUSTRIOUS BRING ALL-DAY ENERGY TO A FORMER BARNEYS BOX AT SCOTTSDALE FASHION SQUARE.

SALES PER SQUARE FOOT

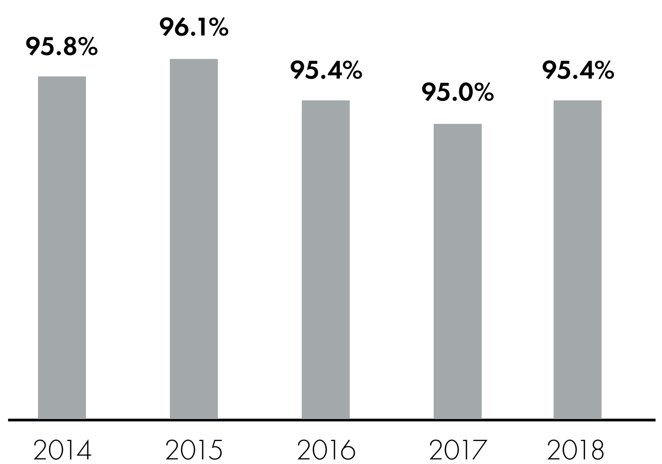
AVERAGE BASE RENT



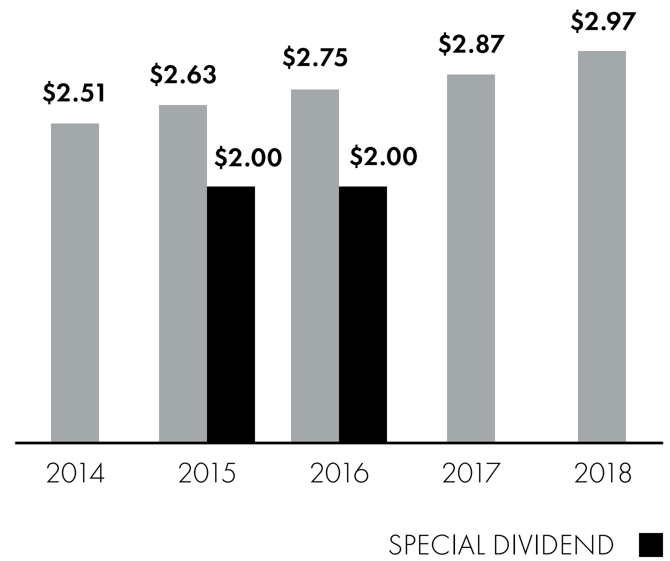
PERCENT OF PORTFOLIO NET OPERATING INCOME

FROM TOP 40 REGIONAL SHOPPING CENTERS

OCCUPANCY AT YEAR-END



DIVIDENDS PAID



LOCATED WHERE TWO MAJOR FREEWAYS MEET, JUST 11 MILES FROM LAX, THE NEW LOS ANGELES PREMIUM OUTLETS IS EXPECTED TO OPEN IN PHASES BEGINNING FALL 2021.

DIRECTORS

Steven R. Hash
Chairman of the Board

Thomas E. O'Hern
Chief Executive Officer and Director

Peggy M. Alford
Director

John H. Alschuler
Director

Eric K. Brandt
Director

Edward C. Coppola
President and Director

Daniel J. Hirsch
Director

Diana M. Laing
Director

Steven L. Soboroff
Director

Andrea M. Stephen
Director

EXECUTIVE OFFICERS

Thomas E. O'Hern
Chief Executive Officer and Director

Edward C. Coppola
President and Director

Doug J. Healey
Executive Vice President, Leasing

Scott W. Kingsmore
Executive Vice President,
Chief Financial Officer and Treasurer

Ann C. Menard
Executive Vice President,
Chief Legal Officer and Secretary

Kenneth L. Volk
Executive Vice President, Business Development

CORPORATE INFORMATION

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Macerich Website
For an electronic version of this annual report, our SEC filings and documents relating to corporate governance, please visit www.macerich.com

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Dividend Reinvestment Plan
Stockholders may automatically reinvest their dividends in additional common stock of the Company through the Direct Investment Program, which also provides for purchase by voluntary cash contributions. For additional information, please contact Computershare at 877.373.6374.

Stock Exchange Listing
New York Stock Exchange
Symbol: MAC
The common stock of the Company is listed and traded on the New York Stock Exchange under the symbol "MAC." The common stock began trading on March 10, 1994 at a price of $19 per share. In 2018, the Company's shares traded at a high of $69.73 and a low of $40.90.

As of February 21, 2019, there were 507 Stockholders of record. The following table shows high and low sales prices of common stock during each quarter in 2017 and 2018 and dividends per share of common stock declared and paid per quarter.

	Market Quotation per Share		Dividends Declared
Quarter Ended	High	Low	Paid
March 31, 2017	$73.34	$62.14	$0.71
June 30, 2017	$67.18	$56.06	$0.71
September 30, 2017	$61.55	$52.12	$0.71
December 31, 2017	$67.53	$52.45	$0.74
March 31, 2018	$69.73	$54.35	$0.74
June 30, 2018	$60.00	$53.55	$0.74
September 30, 2018	$60.95	$54.36	$0.74
December 31, 2018	$55.54	$40.90	$0.75

MACERICH®

2018 ANNUAL REPORT | FORM 10-K

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