PHILLIPS EDISON & COMPANY®

# GROW with PECO

*September 2024*

Grocery Centered.
Community Focused.

# Safe Harbor and Non-GAAP Disclosures

GROW with PECO

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***PECO's Safe Harbor Statement***

This presentation contains certain forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. The Company intends such forward-looking statements to be covered by the safe harbor provisions for forward-looking statements contained in the Private Securities Litigation Reform Act of 1995 and includes this statement for purposes of complying with the safe harbor provisions. Such forward-looking statements can generally be identified by the Company's use of forward-looking terminology such as "may," "will," "expect," "intend," "anticipate," "estimate," "believe," "continue," "seek," "objective," "goal," "strategy," "plan," "focus," "priority," "should," "could," "potential," "possible," "look forward," "optimistic," or other similar words. Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date of this presentation. Such statements include, but are not limited to (a) statements about the Company's plans, strategies, initiatives, and prospects, (b) statements about the Company's underwritten incremental unlevered yield, and (c) statements about the Company's future results of operations, capital expenditures, and liquidity. Such statements are subject to known and unknown risks and uncertainties, which could cause actual results to differ materially from those projected or anticipated, including, without limitation: (i) changes in national, regional, or local economic climates; (ii) local market conditions, including an oversupply of space in, or a reduction in demand for, properties similar to those in the Company's portfolio; (iii) vacancies, changes in market rental rates, and the need to periodically repair, renovate, and re-let space; (iv) competition from other available shopping centers and the attractiveness of properties in the Company's portfolio to its tenants; (v) the financial stability of the Company's tenants, including, without limitation, their ability to pay rent; (vi) the Company's ability to pay down, refinance, restructure, or extend its indebtedness as it becomes due; (vii) increases in the Company's borrowing costs as a result of changes in interest rates and other factors; (viii) potential liability for environmental matters; (ix) damage to the Company's properties from catastrophic weather and other natural events, and the physical effects of climate change; (x) the Company's ability and willingness to maintain its qualification as a REIT in light of economic, market, legal, tax, and other considerations; (xi) changes in tax, real estate, environmental, and zoning laws; (xii) information technology security breaches; (xiii) the Company's corporate responsibility initiatives; (xiv) loss of key executives; (xv) the concentration of the Company's portfolio in a limited number of industries, geographies, or investments; (xvi) the economic, political, and social impact of, and uncertainty relating to, pandemics or other health crises; (xvii) the Company's ability to re-lease its properties on the same or better terms, or at all, in the event of non-renewal or in the event the Company exercises its right to replace an existing tenant; (xviii) the loss or bankruptcy of the Company's tenants; (xix) to the extent the Company is seeking to dispose of properties, the Company's ability to do so at attractive prices or at all; and (xx) the impact of inflation on the Company and on its tenants. Additional important factors that could cause actual results to differ are described in the filings made from time to time by the Company with the SEC and include the risk factors and other risks and uncertainties described in the Company's 2023 Annual Report on Form 10-K, filed with the SEC on February 12, 2024, as updated from time to time in the Company's periodic and/or current reports filed with the SEC, which are accessible on the SEC's website at www.sec.gov. Therefore, such statements are not intended to be a guarantee of the Company's performance in future periods. Except as required by law, the Company does not undertake any obligation to update or revise any forward-looking statement, whether as a result of new information, future events, or otherwise.

***Non-GAAP Disclosures***

The Company presents Same-Center NOI as a supplemental measure of its performance. The Company defines NOI as total operating revenues, adjusted to exclude non-cash revenue items, less property operating expenses and real estate taxes. For the three months ended June 30, 2024 and 2023, Same-Center NOI represents the NOI for the 270 properties that were wholly-owned and operational for the entire portion of all comparable reporting periods. The Company believes Same-Center NOI provides useful information to its investors about its financial and operating performance because it provides a performance measure of the revenues and expenses directly involved in owning and operating real estate assets and provides a perspective not immediately apparent from net income (loss). Because Same-Center NOI excludes the change in NOI from properties acquired or disposed of after December 31, 2022, it highlights operating trends such as occupancy levels, rental rates, and operating costs on properties that were operational for all comparable periods. Other REITs may use different methodologies for calculating Same-Center NOI, and accordingly, PECO's Same-Center NOI may not be comparable to other REITs. Same-Center NOI should not be viewed as an alternative measure of the Company's financial performance as it does not reflect the operations of its entire portfolio, nor does it reflect the impact of general and administrative expenses, depreciation and amortization, interest expense, other income (expense), or the level of capital expenditures and leasing costs necessary to maintain the operating performance of the Company's properties that could materially impact its results from operations. Nareit FFO is a non-GAAP financial performance measure that is widely recognized as a measure of REIT operating performance. The National Association of Real Estate Investment Trusts ("Nareit") defines FFO as net income (loss) computed in accordance with GAAP, excluding: (i) gains (or losses) from sales of property and gains (or losses) from change in control; (ii) depreciation and amortization related to real estate; and (iii) impairment losses on real estate and impairments of in-substance real estate investments in investees that are driven by measurable decreases in the fair value of the depreciable real estate held by the unconsolidated partnerships and joint ventures. Adjustments for unconsolidated partnerships and joint ventures are calculated to reflect Nareit FFO on the same basis. The Company calculates Nareit FFO in a manner consistent with the Nareit definition. Core FFO is an additional financial performance measure used by the Company as Nareit FFO includes certain non-comparable items that affect its performance over time. The Company believes that Core FFO is helpful in assisting management and investors with the assessment of the sustainability of operating performance in future periods, and that it is more reflective of its core operating performance and provides an additional measure to compare PECO's performance across reporting periods on a consistent basis by excluding items that may cause short-term fluctuations in net income (loss). To arrive at Core FFO, the Company adjusts Nareit FFO to exclude certain recurring and non-recurring items including, but not limited to: (i) depreciation and amortization of corporate assets; (ii) changes in the fair value of the earn-out liability; (iii) amortization of unconsolidated joint venture basis differences; (iv) gains or losses on the extinguishment or modification of debt and other; (v) other impairment charges; (vi) transaction and acquisition expenses; and (vii) realized performance income. Nareit FFO and Core FFO should not be considered alternatives to net income (loss) under GAAP, as an indication of the Company's liquidity, nor as an indication of funds available to cover its cash needs, including its ability to fund distributions. Core FFO may not be a useful measure of the impact of long-term operating performance on value if the Company does not continue to operate its business plan in the manner currently contemplated. Accordingly, Nareit FFO and Core FFO should be reviewed in connection with other GAAP measurements, and should not be viewed as more prominent measures of performance than net income (loss) or cash flows from operations prepared in accordance with GAAP. The Company's Nareit FFO and Core FFO, as presented, may not be comparable to amounts calculated by other REITs. Nareit defines Earnings Before Interest, Taxes, Depreciation, and Amortization for Real Estate ("EBITDAre") as net income (loss) computed in accordance with GAAP before: (i) interest expense; (ii) income tax expense; (iii) depreciation and amortization; (iv) gains or losses from disposition of depreciable property; and (v) impairment write-downs of depreciable property. Adjustments for unconsolidated partnerships and joint ventures are calculated to reflect EBITDAre on the same basis. Adjusted EBITDAre is an additional performance measure used by the Company as EBITDAre includes certain non-comparable items that affect the Company's performance over time. To arrive at Adjusted EBITDAre, the Company excludes certain recurring and non-recurring items from EBITDAre, including, but not limited to: (i) changes in the fair value of the earn-out liability; (ii) other impairment charges; (iii) amortization of basis differences in the Company's investments in its unconsolidated joint ventures; (iv) transaction and acquisition expenses; and (v) realized performance income. The Company uses EBITDAre and Adjusted EBITDAre as additional measures of operating performance which allow it to compare earnings independent of capital structure, determine debt service and fixed cost coverage, and measure enterprise value. Additionally, the Company believes they are a useful indicator of its ability to support its debt obligations. EBITDAre and Adjusted EBITDAre should not be considered as alternatives to net income (loss), as an indication of the Company's liquidity, nor as an indication of funds available to cover its cash needs, including its ability to fund distributions. Accordingly, EBITDAre and Adjusted EBITDAre should be reviewed in connection with other GAAP measurements, and should not be viewed as more prominent measures of performance than net income (loss) or cash flows from operations prepared in accordance with GAAP. The Company's EBITDAre and Adjusted EBITDAre, as presented, may not be comparable to amounts calculated by other REITs.

# PECO at a Glance

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| Founded/IPO | Nasdaq | ABR from Grocery Centers | Properties | Total GLA | Portfolio Leased Occupancy |
|---|---|---|---|---|---|
| 1991/ 2021 | PECO | 97% | 286 | 32.6M Square Feet | 98% |

We create great omni-channel grocery-anchored shopping experiences and improve our communities one center at a time.

**Grocery Centered. Community Focused.**

We are an experienced owner and operator ***focused on high-quality, grocery-anchored*** neighborhood shopping centers.

| Management Ownership | Total Enterprise Value | ABR from Necessity-Based Neighbors | ABR from #1 or #2 Grocery Anchor by Sales | Dividend Yield | Portfolio Retention Rate |
|---|---|---|---|---|---|
| 8% | $7B+ | 70% | 86% | 3.3% | 89% |


Source:
Company data as of June 30, 2024; Total Enterprise Value calculation uses balance sheet information as of June 30, 2024 and stock price as of September 10, 2024; Dividend yield as of September 10, 2024 and is based on an annualized rate of $1.23 per share

# Q2 2024 GROWTH Results

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## OPERATIONAL STRENGTH

97.5% leased occupancy[(1)]

34.4% and 20.5% new and renewal leasing spreads, respectively[(2)]

89% portfolio retention rate[(1)]

## LIQUIDITY STRENGTH

As of June 30, 2024, Net-Debt-to-Adjusted-EBITDA*re* was unchanged at 5.1x from December 31, 2023

PECO reaffirmed guidance for $200M to $300M in net acquisitions in 2024[(4)]

With a fortress balance sheet and $743M of liquidity, PECO is well-prepared for future opportunities

## FINANCIAL RESULTS[(3)]

Net income attributable to stockholders of $32.9M

2024 Same-Center NOI midpoint guidance growth of 3.75% year-over-year[(4)]

The midpoint of recent 2024 Core FFO guidance represents growth of 3.0% over 2023, despite interest expense headwinds[(4)]

1. Data as of June 30, 2024
2. For comparable leases during the quarter ended June 30, 2024
3. For the six months ended June 30, 2024 (See reconciliation tables in the appendix for more details)
4. 2024 guidance is included in PECO's Q2 2024 earnings press release (See reconciliation tables in the appendix for more details)

# Focused and Differentiated GROWTH Strategy

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## Key Elements of Our Strategy

- #1 or #2 grocery anchor by sales (86% of ABR)
- 97% of ABR from omni-channel grocery-anchored neighborhood centers
- Right-sized centers averaging 114,000 SF with strategic locations in fast-growing markets
- 70% ABR from necessity-based goods and services
- Last mile solution for necessity-based and essential retailers
- Targeted trade areas where leading grocers and small shop neighbors are successful

## Cycle-Tested and Resilient Advantage

- 98% portfolio leased occupancy with continued strong Neighbor demand
- Experienced, cycle-tested team with local expertise and strong Neighbor relationships
- Strong-credit Neighbors and diversified mix
- Lack of distressed retailers in PECO's portfolio
- Growing pipeline of ground-up outparcel development and redevelopment opportunities
- Balance sheet and liquidity strength with trailing 12-month net debt / adj. EBITDA*re* of 5.1x




Data as of June 30, 2024

# GROCERY-ANCHORED

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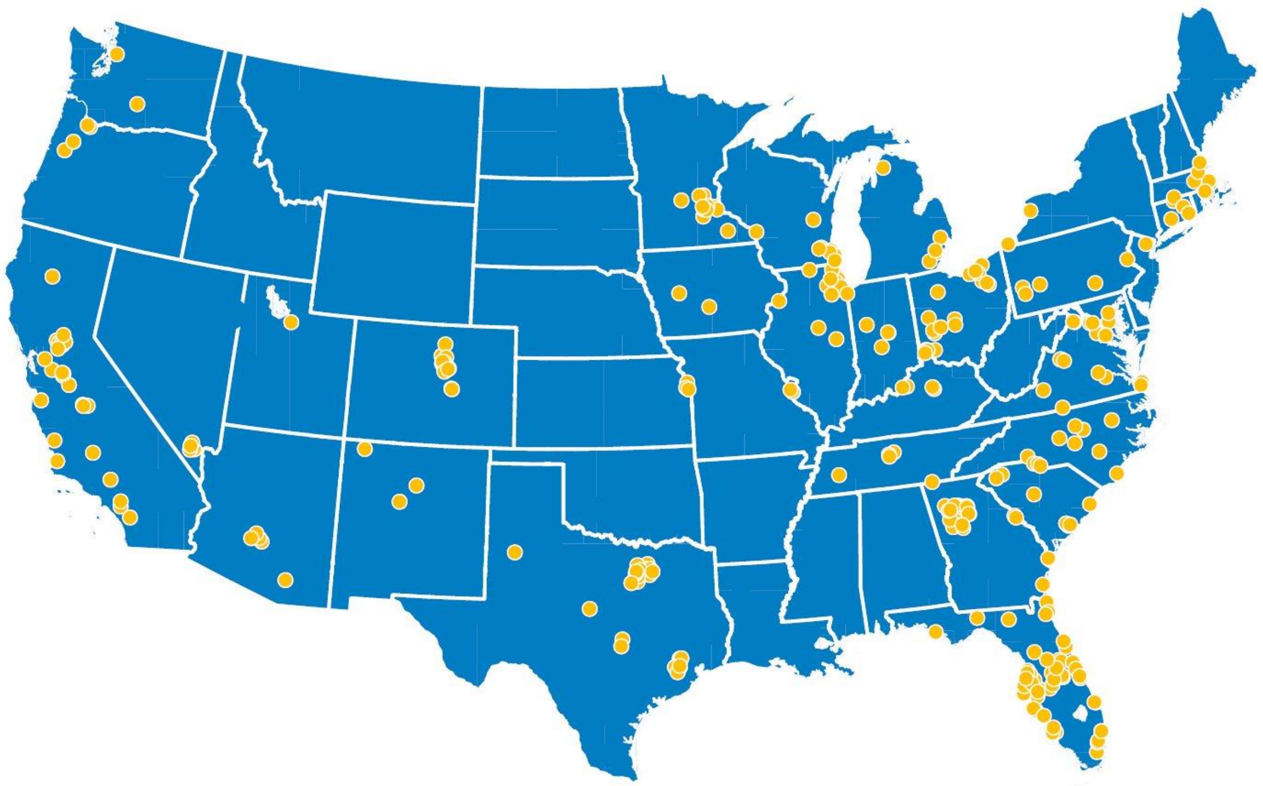
PECO is one of the nation's largest owners and operators focused on high-quality, grocery-anchored neighborhood shopping centers



**306**

Shopping Centers(1)

**$7 Billion +**

Total Enterprise Value(2)

**97%**

ABR from Grocery-Anchored Centers(3)

**Kroger & Publix**

PECO'S #1 and #2 Neighbors:

Kroger's Largest Landlord (4)

Publix's Second Largest Landlord(4)

1. By count, as of June 30, 2024, includes properties partially owned through joint ventures
2. Total Enterprise Value ("TEV") calculation uses balance sheet information as of June 30, 2024 and stock price as of September 10, 2024
3. As of June 30, 2024
4. As of June 30, 2024. By property count, includes properties owned through joint ventures

# Regular Income; Strong Returns

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**Total Shareholder Returns in 2024:**
**7%**

**September 2024 Increase to the Monthly Dividend Distribution Rate:**
**+5.1%**

**Q2 2024 Earnings Per Diluted Share Increase from Q2 2023:**
**+3.8%**

**Current Dividend Distribution Yield:**
**3.3%**

**Current Annualized Dividend Distribution:**
**$1.23**

**YTD Same-Center NOI Growth:**
**2.8%**

Note: Company data as of June 30, 2024; Total shareholder returns as of September 12, 2024; Dividend yield as of September 10, 2024 and is based on an annualized rate of $1.23 per share

# OMNI-CHANNEL LANDLORD

PECO's neighborhood shopping centers are complementary to e-commerce and are positioned to thrive in today's omni-channel environment



**Click & Collect "BOPIS"** | **Ship from Store** | **Ship to Store** | **Reserve in Store** | **Return to Store** | **Online Availability**

## BOPIS

Our Centers Facilitate Buy Online and Pick-up in Store or "BOPIS"

## LAST-MILE DELIVERY

Situated Near Customers, Our Centers Offer Attractive Last-Mile Delivery Solutions

## 94%

PECO Centers Providing Front Row to Go® Curbside Pick-up Program

## 91%

PECO Grocers Offering BOPIS

Estimate as of June 30, 2024

# WELL-ALIGNED & EXPERIENCED

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***PECO is committed to being a responsible corporate citizen***

**ALWAYS KEEP LEARNING.**
THINGS CONSTANTLY CHANGE, AND THE BEST WAY TO BE SUCCESSFUL IS THROUGH CONSTANTLY LEARNING.

**HAVE FUN & GET IT DONE.**
WE KNOW WHEN IT'S TIME TO WORK HARD AND WORK SMART, BUT MOST IMPORTANTLY WE KNOW WHEN IT'S TIME TO HAVE FUN!

**DO THE RIGHT THING.**
WE DO THE RIGHT THING, EVEN IF IT ISN'T ALWAYS THE EASY THING.

**THINK BIG. ACT SMALL.**
WE HAVE BIG DREAMS AND GOALS THAT WE'LL ACHIEVE BY WORKING TOGETHER AS A FAMILY AND PRESERVING OUR SMALL COMPANY MENTALITY.

PECO NOW — Networking Opportunity for Women

PECO MORE — MULTICULTURAL OPPORTUNITIES, RESOURCES & EDUCATION

TOP WORK PLACES

PECO COMMUNITY PARTNERSHIP

PECO UNIVERSITY

2021 PILLAR AWARD FOR COMMUNITY SERVICE

PECOI COLLEGE RECRUITING

INNOVATION LAB

WELL HEALTH-SAFETY RATED

PECO ASSOCIATE ASSISTANCE FUND

THE EDISON FOUNDATION

2022 HEALTHIEST EMPLOYERS® FINALIST

***In 2024, PECO was named a Top Place to Work for the 8th year in a row***

## 30+ YEARS
Well-Aligned and Cycle-Tested Experience

## 8%
Insider Ownership of the Company

## 400+
Hours of Community Service Completed by Associates during 2023

## 147
Active Electric Vehicle Charging Stations Installed

## 14
Solar Array Systems Installed

## Top Place to Work
Named a Top Place to Work 8 Years in a Row

# How We GROW: Our Value Proposition

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| STRATEGY | + | PORTFOLIO | = | RESULTS & OPPORTUNITIES |
|---|---|---|---|---|
| Neighborhood centers anchored by the #1 or #2 grocer by sales in a market | | Focused on high-quality, grocery-anchored neighborhood centers | | Cycle-tested history of delivering more alpha with less beta |
| Vertically-integrated, Locally Smart, cycle-tested platform | | Diverse geographic and Neighbor exposure | | Consistent track record of adding stockholder value |
| Right-sized format centers located in the neighborhood | | $7 billion national portfolio – one of the largest in the U.S.[(1)] | | Great long-term investment opportunity |

Note: Represents Total Enterprise Value ("TEV"), which is calculated using balance sheet information as of June 30,2024 and stock price as of September 10, 2024

# GROW with PECO


**GROCERY ANCHORED**

**REGULAR INCOME; STRONG RETURNS**

**OMNI-CHANNEL LANDLORD**

**WELL-ALIGNED & EXPERIENCED**

# Q2 2024 Quarterly Infographic

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## PECO Second Quarter 2024 Highlights

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**97.5%** PORTFOLIO LEASED OCCUPANCY

**2.9%** CORE FFO GROWTH

**1.9%** SAME-CENTER NOI GROWTH

**$15.3M** NET INCOME ATTRIBUTABLE TO STOCKHOLDERS

### Our Differentiated Strategy

Our differentiated and focused strategy of owning and operating small-format, neighborhood shopping centers anchored by the #1 or #2 grocer by sales in a market continues to result in strong financial and operating performance.

- #1 or #2 Grocery Anchor by Sales (86% of ABR)
- 70% of Rents from Necessity-Based Goods and Services
- 97% of ABR From Omni-Channel Grocery-Anchored Centers
- Last Mile Solution for Necessity-Based and Essential Retailers
- Format Drives Results: Small-Format Centers With Strategic Neighborhood Locations
- Targeted Trade Areas Where Leading Grocers and Small Shop Neighbors Are Successful

### Portfolio Highlights

**286** NEIGHBORHOOD CENTERS

**32.6M** SQUARE FEET

**31** STATES

### Investment Grade Balance Sheet

with significant liquidity position and net debt to annualized Adjusted *EBITDAre* at 5.1x

### Second Quarter 2024 Highlights:

- 3.6% Dividend Yield
- $6.5B Total Enterprise Value
- 89% Portfolio Retention Rate
- 20.5% Renewal Rent Spread
- 34.4% New Rent Spread
- 95.1% Record-High Inline Leased Occupancy
- Kroger is PECO's #1 Neighbor
- Publix is PECO's #2 Neighbor

### Strength and Resiliency of our Grocers

**+35%** | Grocer sales per square foot growth since 2019

**$707** | Average annual grocer sales per square foot as of June 30, 2024

**2.4%** | Grocer health ratio as of June 30, 2024

### Retailers Growing with PECO

CAVA

SALLY BEAUTY

SALON LOFTS

allcarehealth

american family care URGENT CARE

Humana.

Learn more about PECO at https://investors.phillipsedison.com. Certain matters included in this presentation may be forward looking statements within the meaning of federal securities laws. Actual future performance and results may differ materially from those included in forward looking statements. Please refer to our most recent annual report on Form 10-K and quarterly report on Form 10-Q filed with the SEC which include risk factors and other information that could cause actual results to differ from what is included in forward looking statements. This presentation includes certain non-GAAP financial measures that the company considers meaningful measures of financial performance. Additional information regarding these non-GAAP measures, including reconciliations to GAAP, as well as definitions of terms in this presentation, are included in documents we have filed with the SEC.

## Quarterly Infographic

Available on our Investor Relations Website

Highlights Operating and Financial Performance on Quarterly Basis

Be Sure to Check it Out Investors.PhillipsEdison.com

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# Thank you for your continued support!

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**Investors.PhillipsEdison.com**

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**Advisors: (833) 347-5717**

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# Appendix

# Non-GAAP Reconciliations

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**Presented is a reconciliation of Net Income to NOI for real estate investments and Same-Center NOI (in thousands):**

| | Three Months Ended June 30, | | Six Months Ended June 30, | |
|---|---|---|---|---|
| | 2024 | 2023 | 2024 | 2023 |
| Net income | $ 16,986 | $ 16,209 | $ 36,612 | $ 34,845 |
| Adjusted to exclude: | | | | |
| Fees and management income | (2,522) | (2,546) | (5,087) | (5,024) |
| Straight-line rental income[1] | (2,072) | (3,284) | (4,437) | (5,864) |
| Net amortization of above- and below-market leases | (1,570) | (1,262) | (2,989) | (2,490) |
| Lease buyout income | (205) | (74) | (451) | (429) |
| General and administrative expenses | 11,133 | 11,686 | 22,946 | 23,219 |
| Depreciation and amortization | 61,172 | 59,667 | 121,378 | 118,165 |
| Interest expense, net | 23,621 | 20,675 | 46,956 | 40,141 |
| Loss (gain) on disposal of property, net | 10 | (75) | 15 | (1,017) |
| Other expense, net | 1,720 | 904 | 2,649 | 1,659 |
| Property operating expenses related to fees and management income | 319 | 711 | 1,345 | 1,026 |
| **NOI FOR REAL ESTATE INVESTMENTS** | **$ 108,592** | **$ 102,611** | **$ 218,937** | **$ 204,231** |
| Less: Non-same-center NOI[2] | (3,027) | 1,027 | (6,630) | 2,297 |
| **TOTAL SAME-CENTER NOI** | **$ 105,565** | **$ 103,638** | **$ 212,307** | **$ 206,528** |

*Notes:*
1. *Includes straight-line rent adjustments for Neighbors deemed to be non-creditworthy*
2. *Includes operating revenues and expenses from non-same-center properties which includes properties acquired or sold and corporate activities*

# Non-GAAP Reconciliations

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**Reconciliation of Nareit FFO and Core FFO Attributable to stockholders and OP Unit Holders (in thousands):**

| | Three Months Ended June 30, | | Six Months Ended June 30, | |
|---|---|---|---|---|
| | 2024 | 2023 | 2024 | 2023 |
| **Calculation of Nareit FFO Attributable to Stockholders and OP Unit Holders** | | | | |
| Net income | $ 16,986 | $ 16,209 | $ 36,612 | $ 34,845 |
| Adjustments: | | | | |
| Depreciation and amortization of real estate assets | 60,711 | 59,115 | 120,487 | 117,068 |
| Loss (gain) on disposal of property, net | 10 | (75) | 15 | (1,017) |
| Adjustments related to unconsolidated joint ventures | 661 | 645 | 1,310 | 1,343 |
| **Nareit FFO attributable to stockholders and OP unit holders** | **$ 78,368** | **$ 75,894** | **$ 158,424** | **$ 152,239** |
| **Calculation of Core FFO Attributable to Stockholders and OP Unit Holders** | | | | |
| **Nareit FFO attributable to stockholders and OP unit holders** | **$ 78,368** | **$ 75,894** | **$ 158,424** | **$ 152,239** |
| Adjustments: | | | | |
| Depreciation and amortization of corporate assets | 461 | 552 | 891 | 1,097 |
| Transaction and acquisition expenses | 1,146 | 1,261 | 2,320 | 2,599 |
| Gain on extinguishment or modification of debt and other, net | (1) | (9) | (1) | (9) |
| Amortization of unconsolidated joint venture basis differences | 2 | 7 | 5 | 8 |
| Realized performance income [1] | - | - | - | (75) |
| **Core FFO attributable to stockholders and OP unit holders** | **$ 79,976** | **$ 77,705** | **$ 161,639** | **$ 155,859** |

*Note:*

1. *Realized performance income includes fees received related to the achievement of certain performance targets in our NRP joint venture.*

# Non-GAAP Reconciliations

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**The following table presents the Company's calculation of EBITDAre and Adjusted EBITDAre and provides additional information related to its operations (in thousands):**

| | Three Months Ended June 30, | | Six Months Ended June 30, | |
|---|---|---|---|---|
| | 2024 | 2023 | 2024 | 2023 |
| Calculation of EBITDA*re* | | | | |
| Net income | $ 16,986 | $ 16,209 | $ 36,612 | $ 34,845 |
| Adjustments: | | | | |
| Depreciation and amortization | 61,172 | 59,667 | 121,378 | 118,165 |
| Interest expense, net | 23,621 | 20,675 | 46,956 | 40,141 |
| Loss (gain) on disposal of property, net | 10 | (75) | 15 | (1,017) |
| Federal, state, and local tax expense | 464 | 119 | 601 | 237 |
| Adjustments related to unconsolidated joint ventures | 934 | 918 | 1,862 | 1,884 |
| **EBITDA*re*** | **$ 103,187** | **$ 97,513** | **$ 207,424** | **$ 194,255** |
| Calculation of Adjusted EBITDA*re* | | | | |
| EBITDA*re* | $ 103,187 | $ 97,513 | $ 207,424 | $ 194,255 |
| Adjustments: | | | | |
| Transaction and acquisition expenses | 1,146 | 1,261 | 2,320 | 2,599 |
| Amortization of unconsolidated joint venture basis differences | 2 | 7 | 5 | 8 |
| Realized performance income[1] | — | — | — | (75) |
| **ADJUSTED EBITDA*re*** | **$ 104,335** | **$ 98,781** | **$ 209,749** | **$ 196,787** |

*Note:*

1. *Realized performance income includes fees received related to the achievement of certain performance targets in our NRP joint venture.*

# Non-GAAP Reconciliations

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**This table presents the Company's calculation of EBITDAre and Adjusted EBITDAre and provides additional information related to its operations (in thousands):**

| | Year Ended December 31, 2023 | Year Ended December 31, 2022 |
|---|---|---|
| Calculation of EBITDA*re* | | |
| Net income | $ 63,762 | $ 54,529 |
| Adjustments: | | |
| Depreciation and amortization | 236,443 | 236,224 |
| Interest expense, net | 84,232 | 71,196 |
| Gain on disposal of property, net | (1,110) | (7,517) |
| Impairment of real estate assets | - | 322 |
| Federal, state, and local tax expense | 438 | 806 |
| Adjustments related to unconsolidated joint ventures | 3,721 | 1,987 |
| **EBITDA*re*** | **$ 387,486** | **$ 357,547** |
| Calculation of Adjusted EBITDA*re* | | |
| EBITDA*re* | $ 387,486 | $ 357,547 |
| Adjustments: | | |
| Impairment of investment in third parties | 3,000 | — |
| Change in fair value of earn-out liability | — | 1,809 |
| Transaction and acquisition expenses | 5,675 | 10,551 |
| Amortization of unconsolidated joint venture basis differences | 17 | 220 |
| Realized performance income[1] | (75) | (2,742) |
| **ADJUSTED EBITDA*re*** | **$ 396,103** | **$ 367,385** |

*Note:*

1. *Realized performance income includes fees received related to the achievement of certain performance targets in our NRP joint venture.*

# Non-GAAP Reconciliations

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**The following table presents the Company's calculation of net debt and total enterprise value, inclusive of the Company's prorated portion of net debt and cash and cash equivalents owned through its unconsolidated joint ventures, as of June 30, 2024 (in thousands):**

| | June 30, 2024 |
|---|---|
| Net debt: | |
| Total debt, excluding discounts, market adjustments, and deferred financing expenses | $ 2,090,144 |
| Less: Cash and cash equivalents | 7,267 |
| **TOTAL NET DEBT** | **$ 2,082,877** |
| | |
| Enterprise value: | |
| Net debt | $ 2,082,877 |
| Total equity market capitalization[1][2] | 5,129,232 |
| **TOTAL ENTERPRISE VALUE** | **$ 7,212,109** |

*Notes: Top*

1. *Total equity market capitalization is calculated as diluted shares multiplied by the closing market price per share, which includes 136.1 million diluted shares as of June 30, 2024, respectively, and the closing market price per share of $37.69 as of September 10, 2024.*
2. *Fully diluted shares include common stock and OP units.*

# Non-GAAP Reconciliations

GROW with PECO

PHILLIPS EDISON & COMPANY
PECO | Nasdaq Listed

**The following table presents the Company's calculation of net debt and total enterprise value, inclusive of the Company's prorated portion of net debt and cash and cash equivalents owned through its unconsolidated joint ventures, as of June 30, 2024 and December 31, 2023 (in thousands):**

| | June 30, 2024 | | | December 31, 2023 | |
|---|---|---|---|---|---|
| Net debt: | | | | | |
| Total debt, excluding discounts, market adjustments, and deferred financing expenses | $ | 2,090,144 | | $ | 2,011,093 |
| Less: Cash and cash equivalents | | 7,267 | | | 5,074 |
| **TOTAL NET DEBT** | **$** | **2,082,877** | | **$** | **2,006,019** |
| | | | | | |
| Enterprise value: | | | | | |
| Net debt | $ | 2,082,877 | | $ | 2,006,019 |
| Total equity market capitalization[(1)(2)] | | 4,451,504 | | | 4,955,480 |
| **TOTAL ENTERPRISE VALUE** | **$** | **6,534,381** | | **$** | **6,961,499** |

| | June 30, 2024 | | | December 31, 2023 | |
|---|---|---|---|---|---|
| Net debt to Adjusted EBITDA*re* - annualized: | | | | | |
| Net debt | $ | 2,082,877 | | $ | 2,006,019 |
| Adjusted EBITDA*re* - annualized[(1)] | | 409,065 | | | 396,103 |
| **NET DEBT TO ADJUSTED EBITDA*re* - ANNUALIZED** | | **5.1x** | | | **5.1x** |
| | | | | | |
| Net debt to total enterprise value: | | | | | |
| Net debt | $ | 2,082,877 | | $ | 2,006,019 |
| Total enterprise value | | 6,534,381 | | | 6,961,499 |
| **NET DEBT TO TOTAL ENTERPRISE VALUE** | | **31.9%** | | | **28.8%** |

*Notes: Top*

1. *Total equity market capitalization is calculated as diluted shares multiplied by the closing market price per share, which includes 136.1 million and 135.8 million diluted shares as of June 30, 2024 and December 31, 2023, respectively, and the closing market price per share of $32.71 and $36.48 as of June 30, 2024 and December 31, 2023, respectively.*
2. *Fully diluted shares include common stock and OP units.*

*Notes: Bottom*

1. *Adjusted EBITDAre is based on a trailing twelve month period.*

# Non-GAAP Reconciliations

GROW with PECO

PHILLIPS EDISON & COMPANY

PECO | Nasdaq Listed

**This table provides a reconciliation of the range of PECO's 2024 estimated net income to estimated Nareit FFO and Core FFO:**

| | Updated Guidance | | | | |
|---|---|---|---|---|---|
| | Low End | | | High End | |
| **Net income per common share** | $ | 0.49 | | $ | 0.54 |
| Depreciation and amortization of real estate assets | $ | 1.83 | | $ | 1.85 |
| Gain on sale of real estate assets | $ | 0.00 | | $ | 0.00 |
| Adjustments related to unconsolidated joint ventures | $ | 0.02 | | $ | 0.02 |
| **Nareit FFO per common share** | **$** | **2.34** | | **$** | **2.41** |
| Depreciation and amortization of corporate assets | $ | 0.01 | | $ | 0.01 |
| Transaction costs and other | $ | 0.02 | | $ | 0.03 |
| **Core FFO per common share** | **$** | **2.37** | | **$** | **2.45** |

*Note:*

1. *The Company does not provide a reconciliation for same-center NOI estimates on a forward-looking basis because it is unable to provide a meaningful or reasonably accurate calculation or estimation of certain reconciling items which could be significant to our results without unreasonable effort.*
2. *2024 guidance is included in PECO's Q2 2024 earnings press release*