PHILLIPS EDISON & COMPANY

Q4 2021 Investor Presentation

February 2022

Grocery Centered.
Community Focused.

Disclaimer / Forward-Looking Disclosure

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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 2021 Annual Report on Form 10-K, filed with the SEC on February 16, 2022, which is accessible on the SEC's website at www.sec.gov. Except as required by law, the Company does not undertake any obligation to update or revise any forward-looking statements contained in this presentation to reflect actual results, new information or future events, changes in assumptions or changes in other factors affecting such forward-looking statements.

Nasdaq: PECO
Key Stats as of February 18, 2022

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Equity Market Capitalization (1)	$4.2 billion
Total Enterprise Value	$6.1 billion
Total Shares Outstanding (Diluted) (1)	128.2 million shares
Share Price (2)	$32.79 per share
Dividend | Yield (3)	$1.08 annualized dividend per share | 3.3% forward yield
Public Float	113.4 million shares
Management Ownership	7%
First Day of Trading (Nasdaq)	July 15, 2021
IPO Details	Issued 19.55M shares at $28.00 per share to the public generating $547.4M of gross proceeds. IPO closed July 19, 2021; Overallotment fully exercised July 29, 2021
IPO Lock-Up (4)	The lockup for PECO management, directors, associates, and existing shareholders expired January 18, 2022

1. Includes 1.6 million OP units issued on January 11, 2022, to settle the earnout liability
2. The share price of PECO's Common Stock as of market close on February 18., 2022.
3. Dividends are not guaranteed and are determined periodically by the PECO Board of Directors. For more information visit: https://investors.phillipsedison.com/stock-information/distribution-information.
4. PECO's Class B Common Stock automatically converted into PECO's Nasdaq-listed Common Stock on January 15, 2022, and were eligible to be traded into the open market the following business day, January 18, 2022.

Phillips Edison & Company: Our Mission Statement

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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 exclusively focused on grocery-anchored neighborhood shopping centers over our 30-year history; we own and manage a portfolio of 289 properties, including 268 wholly-owned properties[1]

1. As of December 31, 2021

Why Phillips Edison?

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DIFFERENTIATED FOCUSED STRATEGY:
GROCERY-ANCHORED
NEIGHBORHOOD SHOPPING CENTERS

INTEGRATED OPERATING PLATFORM

TARGETED PORTFOLIO

SUPERIOR FINANCIAL AND OPERATIONAL PERFORMANCE

Our Differentiated Strategy

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Exclusively Focused on Omni-Channel Grocery-Anchored Neighborhood Shopping Centers

Key Elements of Our Strategy

- ✓ #1 or #2 Grocery Anchor by Sales (88% of ABR)
- ✓ 97% of ABR from Omni-Channel Grocery-Anchored Centers
- ✓ Format Drives Results: Right-Sized Centers (115k SF Avg.) with Strategic Neighborhood Locations
- ✓ Ecommerce Resistant: 72% ABR 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

A Typical PECO Center: MetroWest Village

Our Assets Check All the Boxes

Data as of December 31, 2021

Why Grocery-Anchored Centers?

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Necessity-Based

- Consumer staple goods and services that are indispensable for day-to-day living
  - 72% of PECO ABR from necessity-based goods and services retailers (1)
- Recession-resistant across multiple cycles
- Highly resilient with minimal exposure to distressed retailers; < 1% of ABR from 15 largest retail bankruptcies of 2020

High Traffic

- U.S. consumers visit grocery stores 1.6 times per week (2)
- Nearly 23,000 average total trips per week to each PECO center (3)
- We believe strong foot traffic benefits inline Neighbor sales and enhances our ability to increase rents

Omni-Channel

- PECO centers are a critical component of our Neighbors' omni-channel strategies and provide an attractive last-mile solution
  - ~94% of portfolio with *Front Row To Go*™ curbside pick-up program (4)
  - ~ 91% of PECO grocers offer BOPIS option (Buy Online, Pick-Up In Store)(4)
- Economics of e-grocery delivery remain unattractive

1. % of ABR as of December 31, 2021
2. The Food Marketing Institute; data as of 2019
3. According to Placer.ai, during 2021
4. Estimate as of December 31, 2021

Why Grocery-Anchored Centers?
The Bright Spot in the U.S. Retail Landscape

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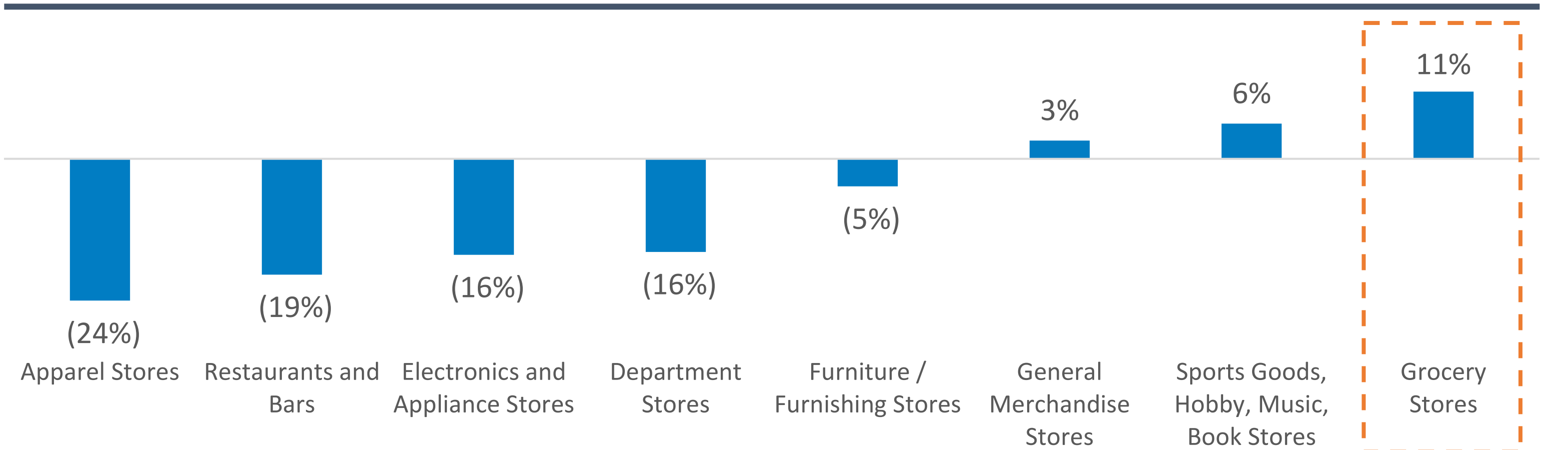
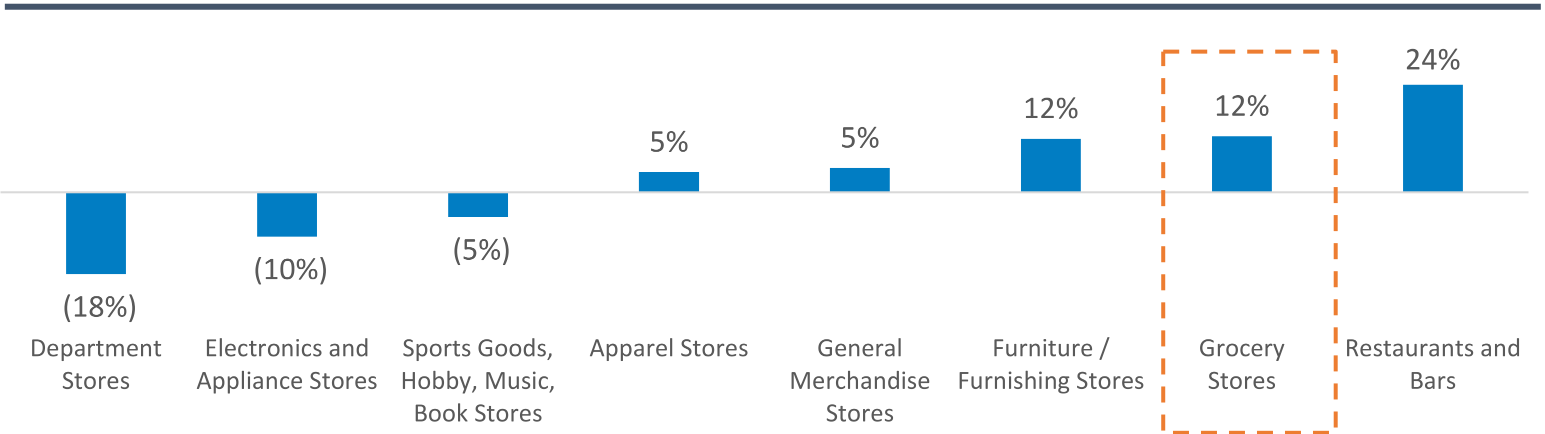
Grocery Demonstrated Strong Performance Both During COVID-19 and Throughout Years Before, Despite Upheaval Affecting Other Retail Segments

U.S. Retail Sales: 2020 YoY Growth / (Decline) [1]



Grocery Sales: Q4 '21 vs. Q4 '19: <u>+19%</u> [2]

U.S. Retail Sales: 2015 - 2019 Total Growth / (Decline) [1]



1. U.S. Census Bureau, May 2021
2. U.S. Census Bureau, Monthly Retail Trade data as of February 10, 2022

Why Grocery-Anchored Centers? Strongly Resistant to Ecommerce

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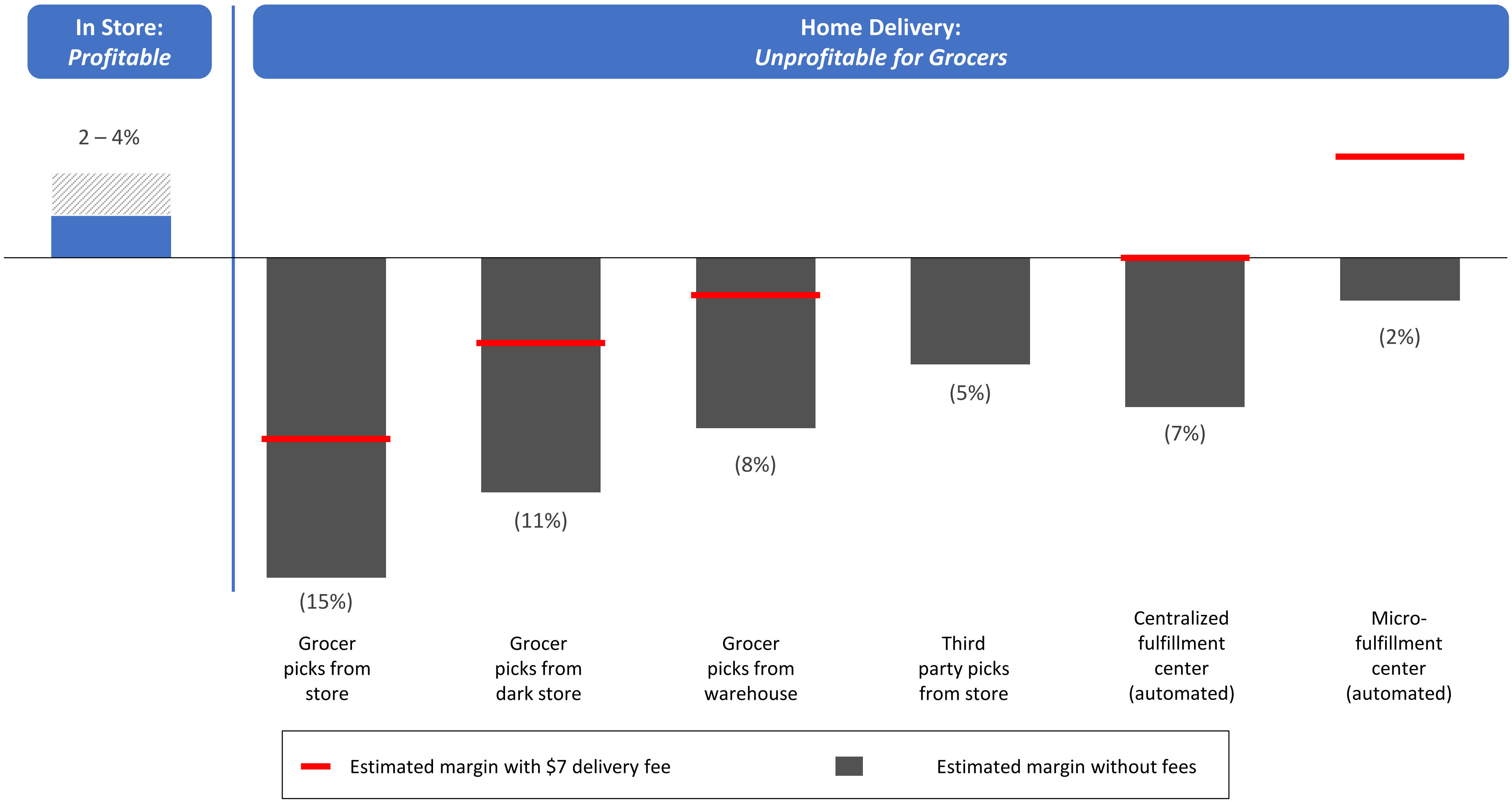
Grocery Home Delivery Is Uneconomical Across a Wide Range of Strategies
Brick & Mortar Remains Critical



Source: Bain & Company. Used with permission from Bain & Company (www.bain.com)

Focus on Targeted Trade Areas Across a Broad National Footprint

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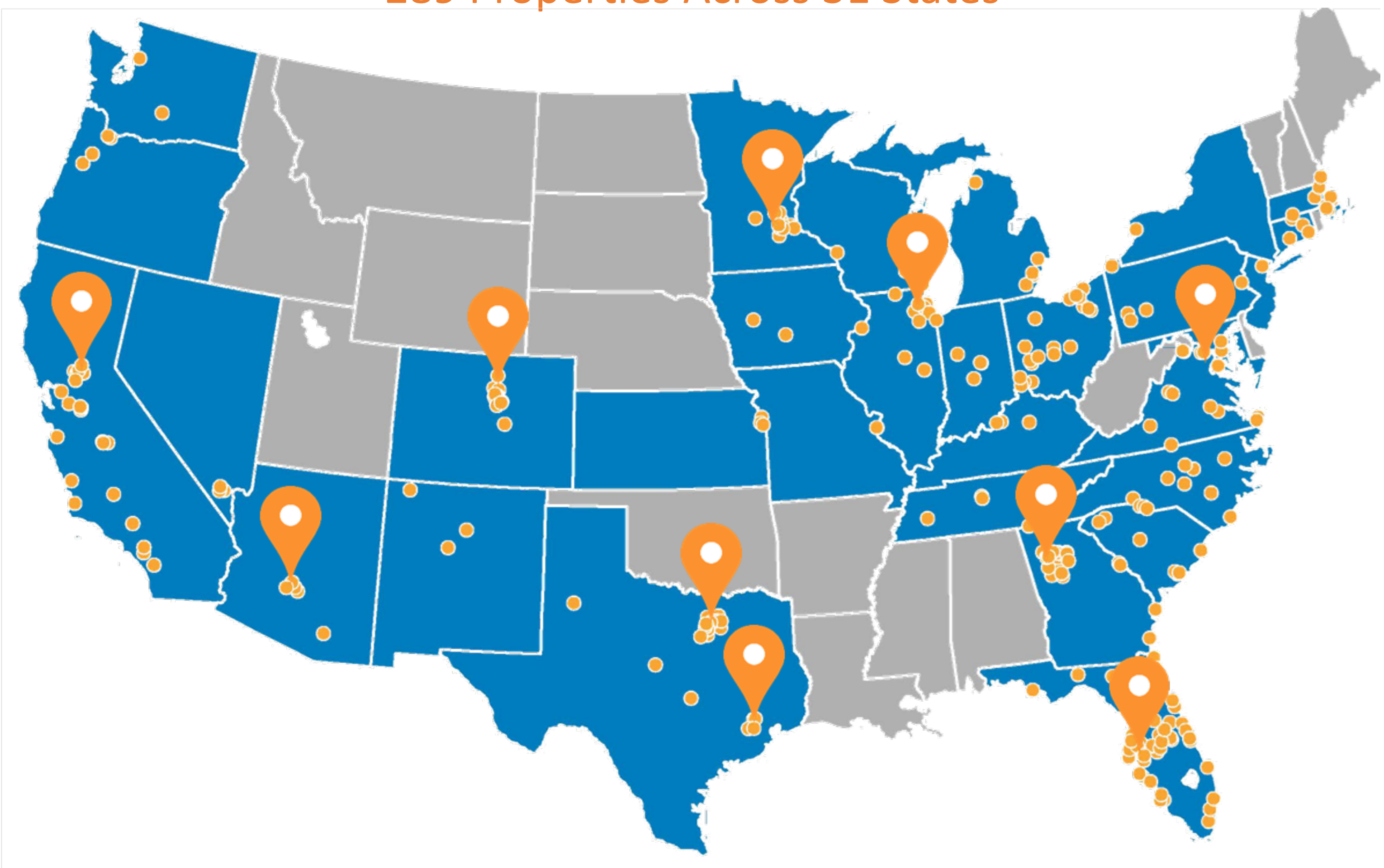
Substantial Scale with a Targeted Trade Area Focus; ~50% of ABR from Sun Belt [1]

289 Properties Across 31 States



Top 10 Markets [1]

1. Atlanta
2. Dallas
3. Chicago
4. Denver
5. Sacramento
6. Minn. / St. Paul
7. Tampa
8. Washington D.C.
9. Las Vegas
10. Phoenix

1. Based on total annualized base rent ("ABR") in market for wholly-owned portfolio as of December 31, 2021

Targeted Trade Areas
In Line with Leading Grocer Demographics

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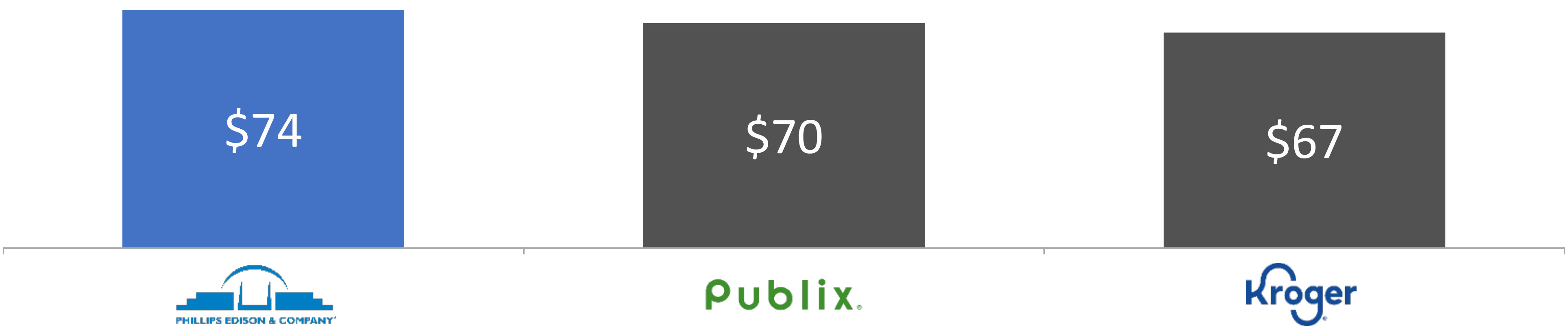
Average 3-Mile Population (000s)

Average 3-Mile Household Income ($000s)



Source: Synergos Technologies, Inc. as of December 31, 2021 and Company filings

Why Smaller Centers? Leasing Activity Concentrated in Smaller Spaces

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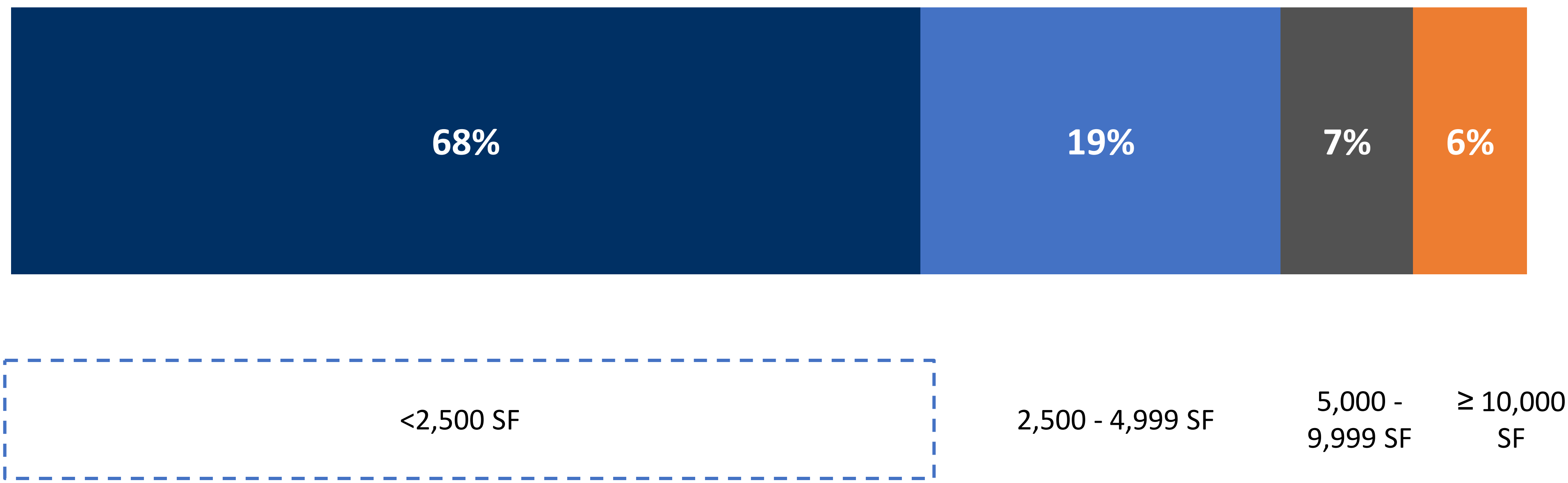
68% of U.S. Strip Center Leasing Activity is in Shops < 2,500 SF

U.S. Strip Center Leasing Activity by Lease Count (2021 YTD, New Leases)



Demand is well suited for PECO’s Neighborhood and Community Centers where the average inline Neighbor is 2,300 square feet

Source: CoStar; data covers January 1, 2021 through December 31, 2021

Why Smaller Centers? Strong Releasing Spreads, High Retention, and Lower Capex

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PECO's Strong NOI Growth is Driven by Strong Lease Renewal Spreads, Impressive Neighbor Retention Rates, and Low Capex Spending

Defensive Position of Grocery-Anchored Centers

High Retention Rates – 87% Avg. (2017-2021)

Focus on Optimizing Inline / Small Shop Tenant Mix

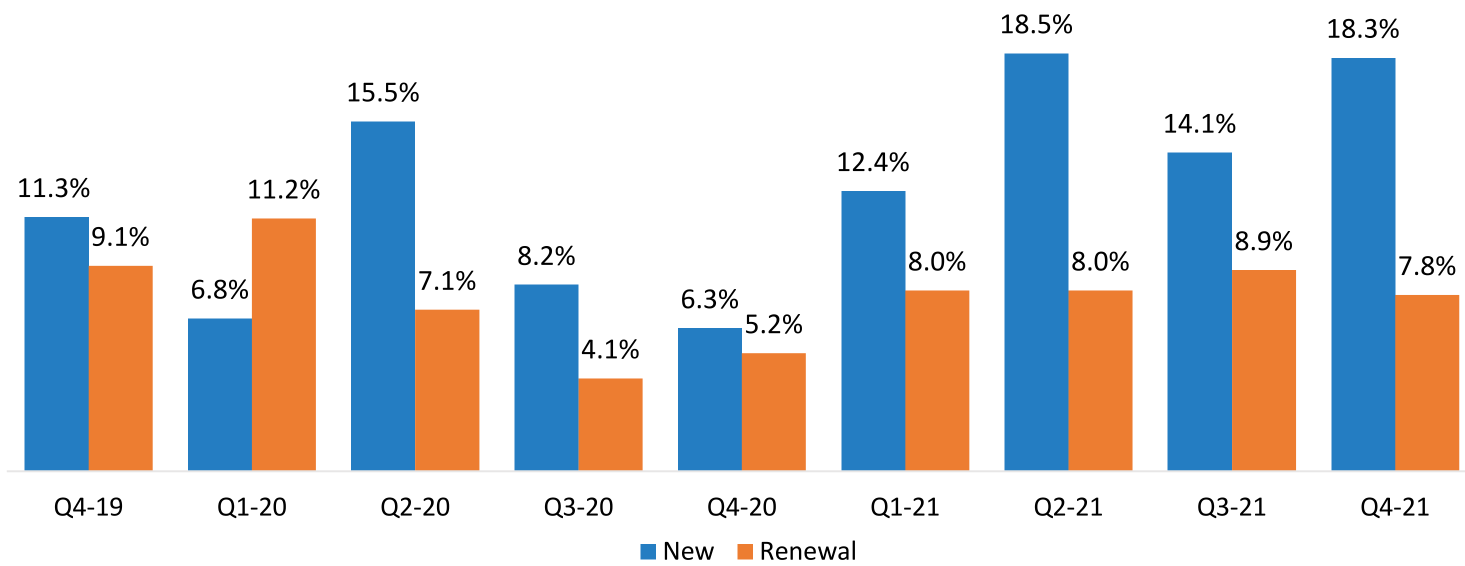
Low Capex Spend – 22% of NOI Avg. (2017-2021)

High Lease Renewal Spreads

Strong NOI Growth

- High retention rates:
  - 87% average from 2017-2021
  - Neighbor turnover is low, less downtime
- Retention drives the need for less capex spend
  - Capex as a % of total NOI is only 22% from 2017-2021

Comparable Cash Releasing Spreads



Source: Company filings as of December 31, 2021

Why Smaller Centers? Limited Exposure to High-Risk Retailer Categories

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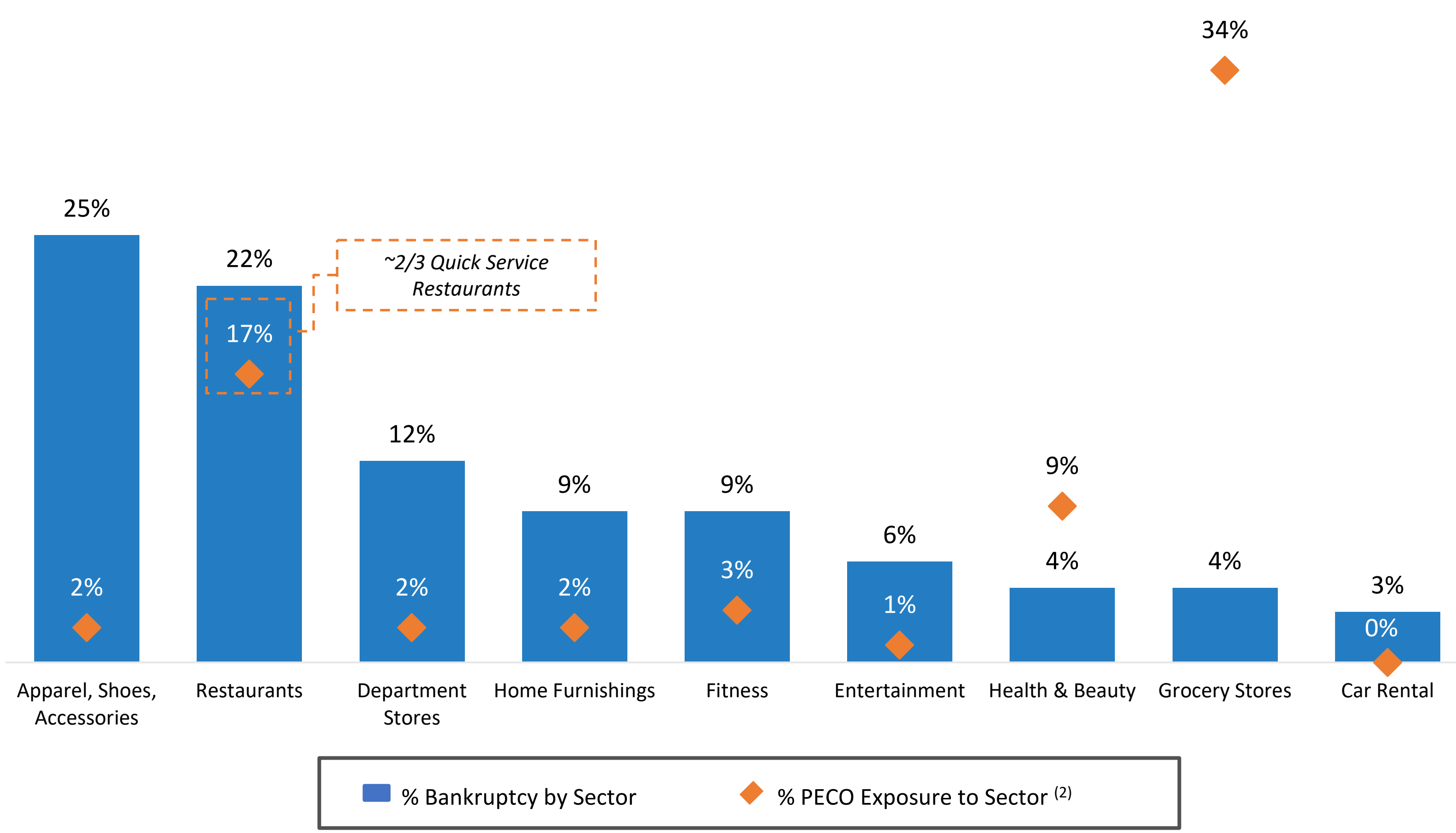
Portfolio Mix Ensures Ecommerce Resiliency and Limited Impact from Store Closures

- Grocery store bankruptcies were only 4% of COVID-era retailer bankruptcies and were heavily coastal market-focused (Fairway, Kings, etc.)
- PECO had exposure to **<u>zero</u>** bankrupt grocers during COVID-19
- Minimal exposure to worst-hit apparel category

COVID-19 U.S. Retailer Bankruptcies by Retail Sector [1]



Sources: JLL, Company Filings

1. Excludes sectors with < 2% of COVID-19 bankruptcies; reflects % of major bankruptcies since mid-March 2020; as of 5/3/2021
2. % of ABR as of December 31, 2021

Why Retailers Succeed in PECO Shopping Centers

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How the PECO Platform Drives Success for Our Neighbors

- ✓ **Innovating the physical shopping experience** for omni-channel retailers: Front Row to Go, BOPIS, DashComm, data sharing
- ✓ **Scaled for superior service:** We provide experience, responsiveness, marketing tools, capital, and sophisticated solutions
- ✓ **Recurring customer foot traffic** from top grocers benefits our inline Neighbors
- ✓ **Good value** for Neighbors with what we believe are lower average rents and occupancy costs than alternatives
- ✓ **Optimized merchandise mix** with inline Neighbors offering complementary necessity goods and services
- ✓ **High level of convenience** with centers within 3 miles of customers

PECO's Strong Performance

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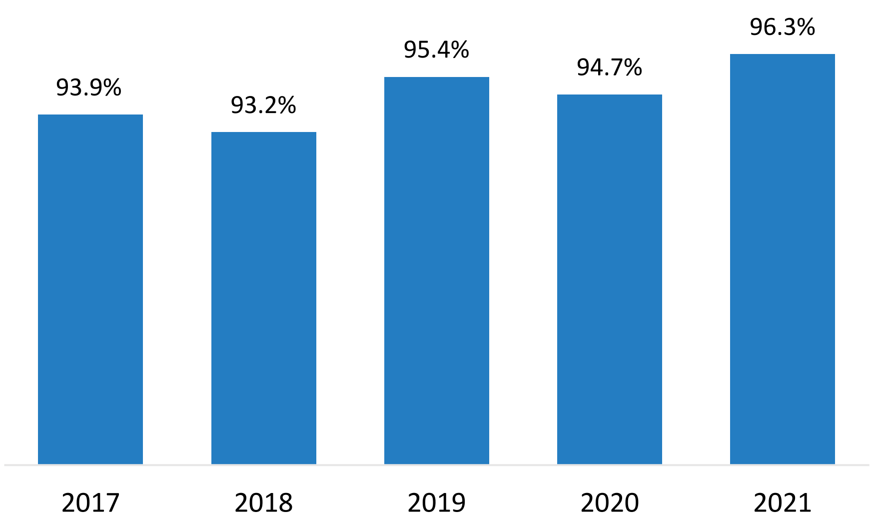
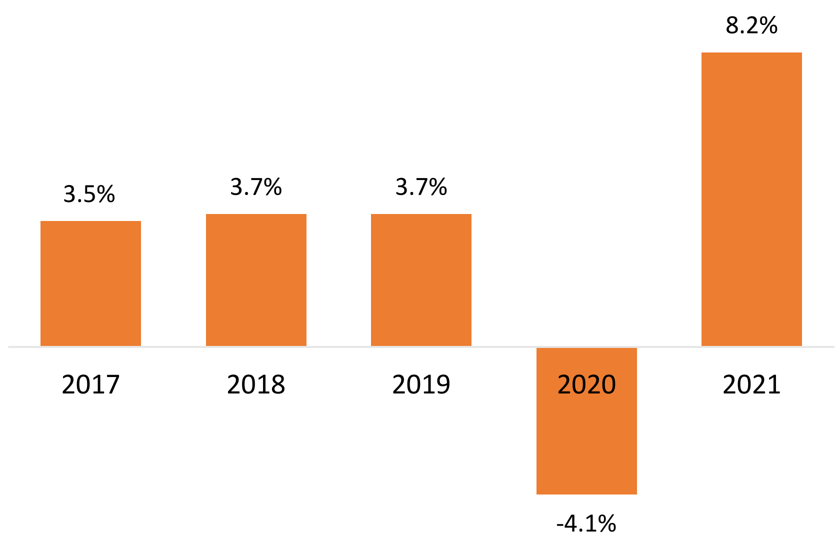
PECO's Differentiated Strategy Has Driven Strong Financial and Operational Performance

Leased Portfolio Occupancy[1]



- PECO's leased portfolio occupancy has returned to pre-COVID levels
  - Inline occupancy[1]: 92.7%
  - Anchor occupancy[1]: 98.1%
  - Economic occupancy spread[1]: 100 bps

Same-Center NOI Growth[2]



- PECO's high retention rates and focus on increasing occupancy, driving leasing spreads, executing redevelopment projects, and implementing rent bumps in new leases has driven strong NOI growth
- Same-center NOI for Q4 2021 was 3.9% higher than the comparable same-center NOI in Q4 2019, illustrating growth since prior to the onset of the COVID-19 pandemic

1. As of December 30, 2021
2. Please see reconciliation tables in the appendix of this presentation for more details.

Portfolio Snapshot as of December 31, 2021

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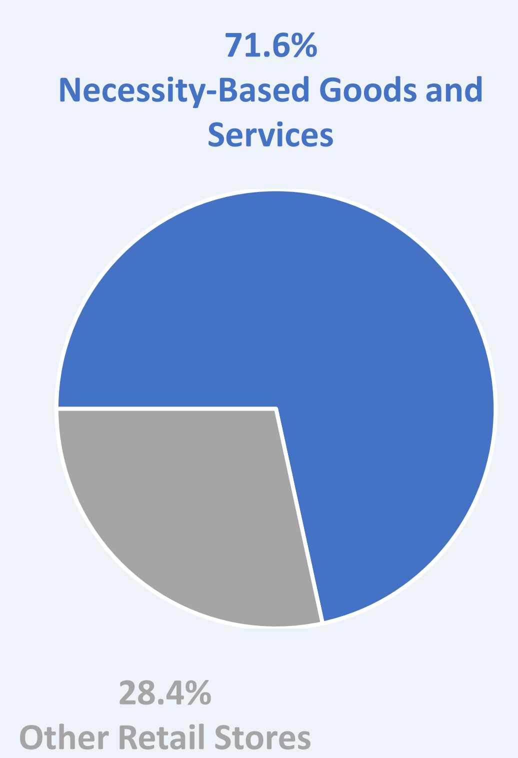
97%	**96.3%**	**< 7% of ABR**
of ABR from Grocery-Anchored Centers	Leased Occupancy	Top Neighbor Exposure
34.1%	**2.4%**	**$612**
Grocer ABR of Total ABR	Grocer Health Ratio	Avg. Annual Grocer Sales per sq. ft.
52.0%	**$21.95**	**99%**
Inline ABR of Total ABR	Inline ABR/SF	2021 Collections

ABR by Neighbor Composition [1]



Portfolio statistics representative of wholly-owned portfolio as of December 31, 2021, unless otherwise noted

1. Includes pro rata share of unconsolidated JVs

Investment Grade Balance Sheet

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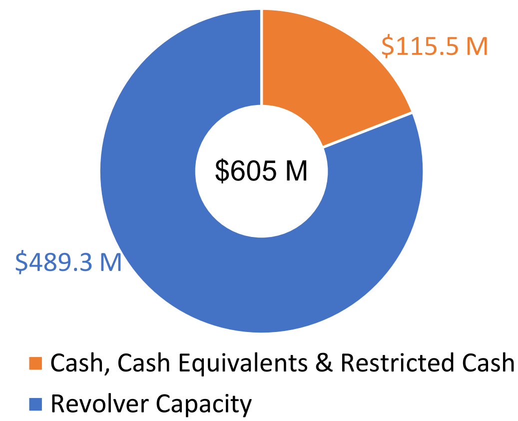
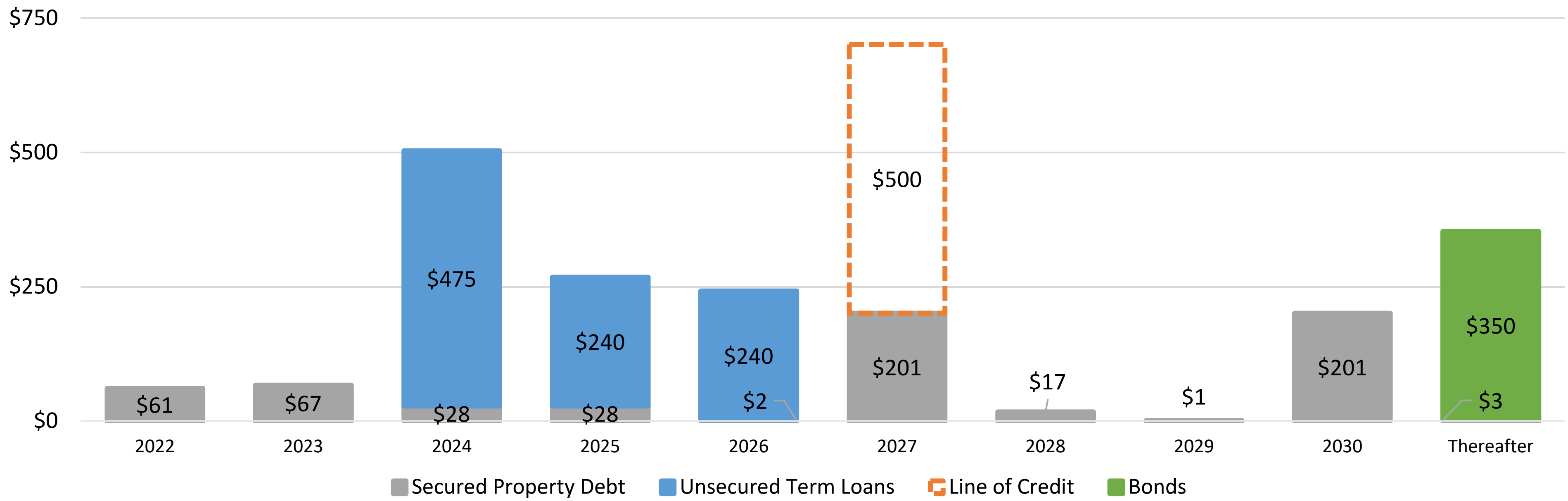
Key Highlights [1]

- Investment Grade Balance Sheet
- Moody's: Baa3 (stable); S&P: BBB- (stable)
- Significant liquidity position of $605 M
- Net debt / adj. EBITDAre of 5.6x
- Approximately 77% of our assets are unencumbered
- Outstanding debt had a weighted average interest rate of 3.3% and a weighted average maturity of 5.2 years, and 98.7% of its total debt was fixed rate debt

Liquidity [1]



Maturity Ladder ($ Millions)



1. As of December 31, 2021. Revolver capacity is net of a line of credit.

Key Growth Drivers

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1. Re-lease at Higher Rents
2. Lease-up Vacant Space
3. Built-in Rent Bumps
4. Redevelopment Opportunities: Targeting 10% – 12% Unlevered Yield (1)
5. Robust Acquisition Strategy
6. Platform Scaled for Growth
7. Investment Grade Balance Sheet Positioned for Growth
8. Demographic and Economic Tailwinds

1. Range of underwritten incremental unlevered yields on development and redevelopment projects

Track Record of Successful Acquisitions

Strong Track Record of Acquiring Material Volume of Strategically Aligned Centers

280 total acquisitions closed for ***$4.7B*** of value from 2012-2018

Equated to an annual acquisition pace of ***40*** centers valued at ***$670M***

Ranked ***#1*** as the largest acquirer of neighborhood centers among peers from 2018-2020 (1) (2)

Acquired ***7*** centers and 2 outparcels for ***$267M*** from July - December 2021

Source: JLL

1. Includes all third-party acquisitions by all predecessor entities; excludes mergers between our predecessor entities
2. Includes all REITs with > 50% neighborhood and community centers and > $900M market cap

Large Addressable Market Provides Opportunity for External Growth

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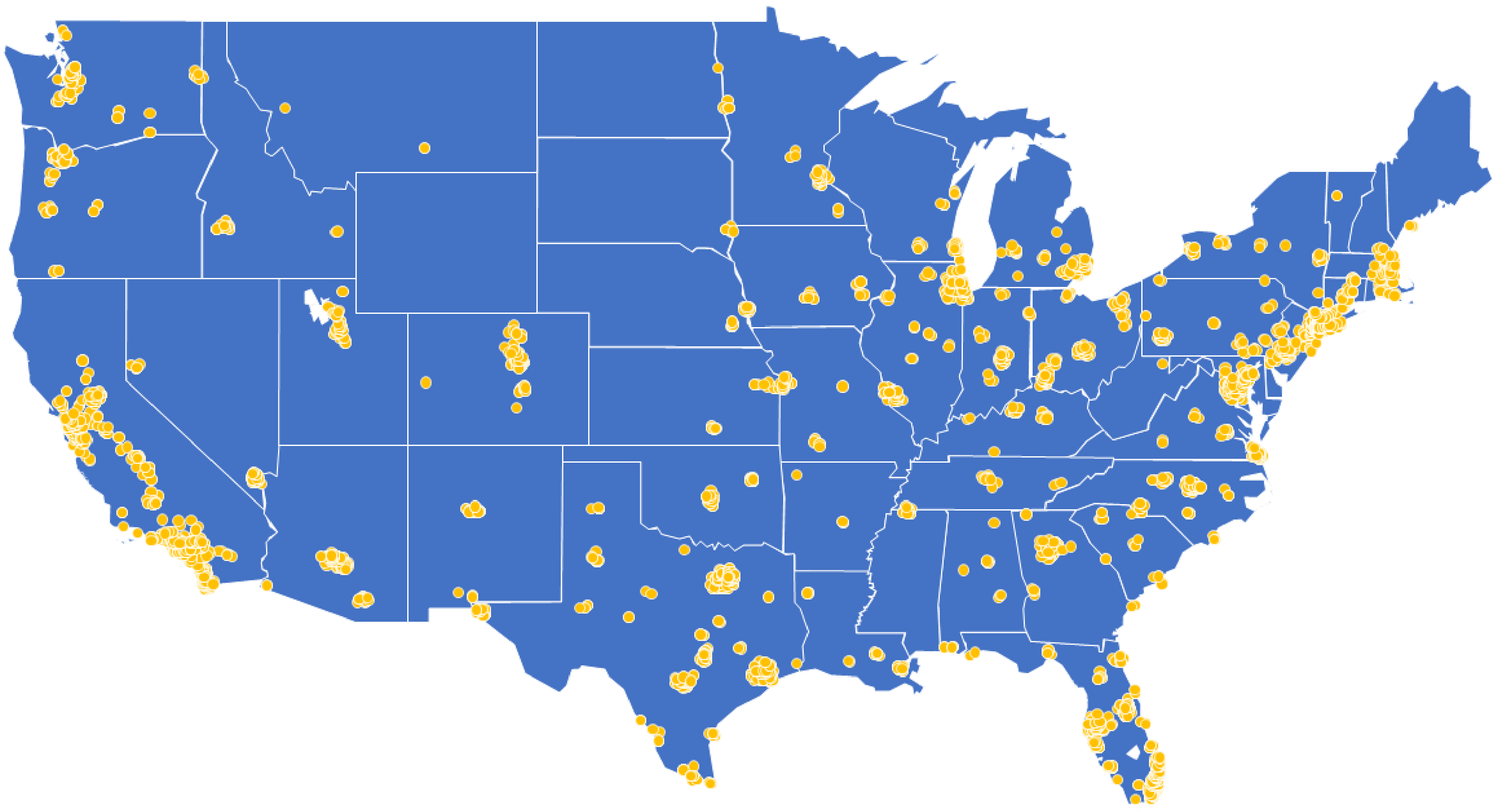
Complete Database of Identified Target Properties



Identified 5,800+ centers across the country that meet PECO's acquisition criteria

Recent Acquisitions: Grocery-Anchored Real Estate

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July 1, 2021 – February 10, 2022: Acquired $350 million of assets

Fox Ridge Plaza

Valrico Commons

Pabst Farms

Arapahoe Marketplace

We expect to meet or exceed our IRR target of 8% on our acquisitions

- **Fox Ridge Plaza - Centennial, Colorado (Denver)**
  - King Soopers (Kroger) anchored
- **Valrico Commons - Valrico, Florida (Tampa)**
  - Publix anchored
- **Pabst Farms - Oconomowoc, Wisconsin (Milwaukee)**
  - Metro Market (Kroger) anchored
- **Arapahoe Marketplace - Greenwood Village, Colorado (Denver)**
  - Sprouts anchored
- **Rainbow Plaza – Las Vegas, Nevada**
  - Albertsons anchored
- **Town & Country Village – Sacramento, California**
  - Sprouts and Trader Joe’s anchored
- **Sprouts Plaza – Las Vegas, Nevada**
  - Sprouts anchored
- **Cascades Overlook – Sterling, Virginia (Washington D.C.)**
  - Harris Teeter (Kroger) anchored
- **Oak Meadows Marketplace – Georgetown, Texas (Austin)**
  - Randall’s (Albertsons) anchored

Format Drives Results:
Generating Superior Risk Adjusted Returns

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Higher Going-in Yields

Produce Stronger Growth

Lower Capex Required

SUPERIOR INVESTMENT RETURNS

Key Takeaways: Format Drives Results

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1. We own small format centers anchored by the #1 or #2 grocer in a given market

2. Our 289 centers[1] are located in areas close to the end consumer, where America's leading grocers make money

3. Experienced, cycle-tested management team; owning 7% of the Company

4. Growth driven by our investment grade balance sheet and strong cash flow

5. Our brick and mortar centers support our Neighbors' omni-channel strategies and are complementary to Ecommerce ("BOPIS" and last mile delivery)

6. Strong economic environment supported by macro-economic tailwinds

1. As of December 31, 2021

PHILLIPS EDISON & COMPANY

APPENDIX

Additional Materials

Experienced Leadership Team

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Deep Management Team with an Average of 29 Years of Experience

Executive Team

Jeff Edison
Chairman and Chief Executive Officer
37 Years of Experience
(31 Years PECO)

Devin Murphy
President
37 Years of Experience
(8 Years PECO)

Robert Myers
Chief Operating Officer
24 Years of Experience
(18 Years PECO)

John Caulfield
Chief Financial Officer
19 Years of Experience
(7 Years PECO)

Tanya Brady
General Counsel and Secretary
28 Years of Experience
(8 Years PECO)

Senior Vice Presidents

Name	Position	Years of Experience / Years at PECO
 **Brian Gibson**	Finance	27 / 2
 **Cherilyn Megill**	Chief Marketing Officer	36 / 8
 **David Wik**	Acquisitions	22 / 11
 **Eric Richter**	Property Management	30 / 20
 **Jennifer Robison**	Chief Accounting Officer	24 / 7
 **Joseph Hoffmann**	Tax	32 / 3

Name	Position	Years of Experience / Years at PECO
 **Joseph Schlosser**	Portfolio Management	24 / 17
 **Keith Rummer**	Chief HR Officer	27 / 9
 **Kevin McCann**	Chief Information Officer	35 / 1
 **Ron Meyers**	Leasing	22 / 12
 **Tony Haslinger**	Construction	26 / 8

Corporate Governance

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Experienced Board of Directors

Jeff Edison
Chairman

- Co-founded Phillips Edison & Company in 1991
- Previous roles at NationsBank's South Charles Realty, Morgan Stanley, and Taubman Centers

Leslie Chao
Independent Director

- Retired CEO and former President and CFO of Chelsea Property Group
- Non-executive director of Value Retail PLC

Paul Massey
Independent Director

- Founder and former CEO of Massey Knakal Realty Services
- Former director of Brookfield Office Properties

Stephen Quazzo
Independent Director

- Co-founder and CEO of Pearlmark Real Estate
- Director of Marriott Vacations Worldwide

Elizabeth Fischer
Independent Director

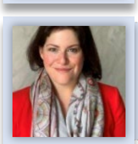
- Former Managing Director at Goldman Sachs
- Served as Co-head of Goldman Sachs' firmwide Women's Network

Greg Wood
Independent Director

- CFO, EVP of EnergySolutions, Inc.
- Former CFO of Actian Corp., Silicon Graphics, Liberate Technologies, and InterTrust Technologies

Dr. John Strong
Independent Director

- Chairman and CEO of Bankers Financial Corporation
- Former President and Managing Partner of Greensboro Radiology



Jane Silfen
Independent Director

- Founder of Mayfair Advisors LLC
- VP at Mayfair Management, an independent single-family office

Governance Highlights

- ✓ Seasoned 10+ year SEC filer with a well-established corporate governance structure
- ✓ Opted out of provisions of MUTA that would allow us to stagger our board without prior shareholder approval
- ✓ Opted out of Maryland control share acquisition statute
- ✓ No Stockholder Rights Plan [(1)]
- ✓ 88% independent and 38% diverse
- ✓ 65% of independent director retainer in stock
- ✓ 7% ownership by officers and directors

Notes:
1. Any future adoption is subject to shareholder approval or ratification within 12 months of adoption if board determines it is in our best interest to adopt plan without prior approval

Our Commitment to ESG

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We Are Committed to Making a Difference in Our Communities

Environmentally-Friendly Asset Management

Reducing energy consumption through LED lighting retrofits both internally and externally

- LED retrofits at 195 centers

Reducing water consumption with low flow fixtures and smart irrigation controls

Increasing use of sustainable resources such as solar panels and electric car ports

- EV charging available at 47 centers

Reducing waste through increased recycling at our 289 centers as well as at our corporate offices

Numerous Social Programs for Our Communities and Our Associates

PECO NOW Networking Opportunity for Women

PECO MORE MULTICULTURAL OPPORTUNITIES, RESOURCES & EDUCATION

PECO COMMUNITY PARTNERSHIP

PECO UNIVERSITY

PECOI COLLEGE RECRUITING

INNOVATION LAB

PECO ASSOCIATE ASSISTANCE FUND

THE EDISON FOUNDATION

Strong and Diversified Neighbor Mix

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Top 20 Neighbors Dominated by Grocers and Necessity and Service-Based Businesses

Neighbor			Location Count	% ABR [1]
Kroger	🛒	IG	60	6.6%
Publix	🛒		56	5.6%
Albertsons SAFEWAY	🛒		30	4.2%
Ahold Delhaize	🛒	IG	22	4.2%
Walmart	🛒	IG	13	2.2%
giant eagle	🛒		12	1.9%
SPROUTS FARMERS MARKET	🛒		14	1.6%
TJX		IG	17	1.3%
Raley's	🛒		4	0.9%
DOLLAR TREE		IG	36	0.8%

Neighbor			Location Count	% ABR [1]
SUPERVALU	🛒		5	0.8%
SUBWAY			74	0.6%
ANYTIME FITNESS			34	0.6%
Schnucks	🛒		4	0.6%
LOWE'S		IG	4	0.6%
KOHL'S		IG	4	0.6%
Food 4 Less	🛒		2	0.6%
Save Mart	🛒		5	0.6%
petco			11	0.5%
FRG FRANCHISE GROUP, INC.			24	0.5%
Total			**431**	**35.3%**

🛒 Grocer   IG Investment Grade [2]

Notes:
1. % of ABR as of 12/31/2021
2. Investment Grade ratings represent the credit rating of our Neighbors, their subsidiaries or affiliated companies. Actual ratings based on S&P or Moody's are used

APPENDIX

Non-GAAP Reconciliations

Non-GAAP Measures

Same-Center Net Operating Income ("NOI")

We present Same-Center NOI as a supplemental measure of our performance. We calculate NOI as total operating revenues, adjusted to exclude non-cash revenue items, less property operating expenses and real estate taxes.

We believe Same-Center NOI provides useful information to our investors about our 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 shopping centers acquired or disposed of outside the reporting periods, it highlights operating trends such as occupancy levels, rental rates, and operating costs on shopping centers that were operational for both comparable periods. Other REITs may use different methodologies for calculating Same-Center NOI, and accordingly, our Same-Center NOI may not be comparable to other REITs.

Same-Center NOI should not be viewed as an alternative measure of our financial performance as it does not reflect the operations of our 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 our shopping centers that could materially impact our results from operations.

We also present Same-Center NOI (Adjusted for Transactions), which is Same-Center NOI presented as if the PELP Transaction [1] and the Merger [2] had occurred on January 1 of the earliest comparable period in each presentation. This perspective allows us to evaluate Same-Center NOI growth over each comparable period. Same-Center NOI (Adjusted for Transactions) is not necessarily indicative of what actual Same-Center NOI and growth would have been if the PELP Transaction and the Merger had occurred on January 1 of the earliest comparable period in each presentation.

Notes:
1. "PELP Transaction" means the October 2017 transaction pursuant to which we internalized our management structure through the acquisition of certain real estate assets and the third-party investment management business of Phillips Edison Limited Partnership in exchange for OP units and cash
2. "Merger" refers to the November 2018 merger with Phillips Edison Grocery Center REIT II, Inc., a public non-traded REIT that was advised and managed by us

Non-GAAP Measures (Cont'd)

PHILLIPS EDISON & COMPANY

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

	Three Months Ended December 31,			Year Ended December 31,	
	2021	2020	2019	2021	2020
Net (loss) income	$ (5,836)	$ (12,754)	$ 4,861	$ 17,233	$ 5,462
Adjusted to exclude:					
Fees and management income	(3,240)	(2,314)	(2,602)	(10,335)	(9,820)
Straight-line rental income(1)	(2,536)	(192)	(1,974)	(9,404)	(3,356)
Net amortization of above- and below-market leases	(948)	(779)	(919)	(3,581)	(3,173)
Lease buyout income	(347)	(265)	(78)	(3,485)	(1,237)
General and administrative expenses	15,915	11,242	10,238	48,820	41,383
Depreciation and amortization	55,604	55,987	57,850	221,433	224,679
Impairment of real estate assets	—	2,423	12,767	6,754	2,423
Interest expense, net	18,606	19,986	27,023	76,371	85,303
Loss (gain) on disposal of property, net	1,257	2,122	(17,267)	(30,421)	(6,494)
Other expense (income), net	8,766	320	(800)	34,361	(9,245)
Property operating expenses related to fees and management income	1,244	3,512	1,093	4,855	6,098
NOI for real estate investments	**$ 88,485**	**$ 79,288**	**$ 90,192**	**$ 352,601**	**$ 332,023**
Less: Non-same-center NOI(2)	340	(2,203)	(5,716)	(5,833)	(11,646)
Total Same-Center NOI	**$ 88,825**	**$ 77,085**	**$ 84,476**	**$ 346,768**	**$ 320,377**
Less: Centers not included in 2019 Same-Center(3)	(1,763)		(688)		
Total Same-Center NOI - adjusted for 2019(3)	**$ 87,062**		**$ 83,788**		

Notes:
1. Includes straight-line rent adjustments for Neighbors for whom revenue is being recorded on a cash basis
2. Includes operating revenues and expenses from non-same-center properties which includes properties acquired or sold and corporate activities
3. When comparing Same-Center NOI for the three months ended December 31, 2021 and 2019, Same-Center NOI represents the NOI for the properties that were wholly-owned and operational for the entire portion of both comparable reporting periods. Same-Center NOI when comparing the three months ended December 31, 2021 and 2019 excludes the change in NOI from properties acquired or disposed of after September 30, 2019.

Non-GAAP Measures (Cont'd)

PHILLIPS EDISON & COMPANY
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Below is a reconciliation of Net (Loss) Income to NOI for real estate investments and Same-Center NOI (in thousands):

	Year Ended December 31,	
	2020	2019
Net income (loss)	$ 5,462	$ (72,826)
Adjusted to exclude:		
Fees and management income	(9,820)	(11,680)
Straight-line rental income [1]	(3,356)	(9,079)
Net amortization of above- and below-market leases	(3,173)	(4,185)
Lease buyout income	(1,237)	(1,166)
General and administrative expenses	41,383	48,525
Depreciation and amortization	224,679	236,870
Impairment of real estate assets	2,423	87,393
Interest expense, net	85,303	103,174
Gain on disposal of property, net	(6,494)	(28,170)
Other (income) expense, net	(9,245)	676
Property operating expenses related to fees and management income	6,098	6,264
NOI for real estate investments	**332,023**	**355,796**
Less: Non-same-center NOI [2]	(4,036)	(13,674)
Total Same-Center NOI	**$ 327,987**	**$ 342,122**

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 Measures (Cont'd)

PHILLIPS EDISON & COMPANY

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Below is a reconciliation of Net (Loss) Income to NOI for real estate investments and Same-Center NOI (adjusted for transactions) (in thousands):

	Year Ended December 31,	
	2019	2018
Net (loss) income	$ (72,826)	$ 46,975
Adjusted to exclude:		
Fees and management income	(11,680)	(32,926)
Straight-line rental income	(9,079)	(5,173)
Net amortization of above- and below-market leases	(4,185)	(3,949)
Lease buyout income	(1,166)	(519)
General and administrative expenses	48,525	50,412
Depreciation and amortization	236,870	191,283
Impairment of real estate assets	87,393	40,782
Interest expense, net	103,174	72,642
Gain on sale or contribution of property, net	(28,170)	(109,300)
Other	676	4,720
Property operating expenses related to fees and management income	6,264	17,503
NOI for real estate investments	**355,796**	**272,450**
Less: Non-same-center NOI [1]	(16,175)	(44,194)
NOI from same-center properties acquired in the Merger, prior to acquisition	-	99,387
Total Same-Center NOI (Adjusted for Transactions)	**$ 339,621**	**$ 327,643**

Notes:
1. Includes operating revenues and expenses from non-same-center properties which includes properties acquired or sold or contributed and corporate activities

Non-GAAP Measures (Cont'd)

PHILLIPS EDISON & COMPANY

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Below is a reconciliation of Net (Loss) Income to NOI for real estate investments and Same-Center NOI (adjusted for transactions) (in thousands):

	Year Ended December 31,	
	2018	2017
Net income (loss)	$ 46,975	$ (41,718)
Adjusted to exclude:		
Fees and management income	(32,926)	(8,156)
Straight-line rental income	(5,173)	(3,766)
Net amortization of above- and below-market leases	(3,949)	(1,984)
Lease buyout income	(519)	(1,321)
General and administrative expenses	50,412	36,878
Transaction expenses	3,331	15,713
Vesting of Class B units	–	24,037
Termination of affiliate arrangements	–	5,454
Depreciation and amortization	191,283	130,671
Impairment of real estate assets	40,782	–
Interest expense, net	72,642	45,661
Gain on sale or contribution of property, net	(109,300)	(1,760)
Other	1,389	(881)
Property operating expenses related to fees and management income	17,503	5,579
NOI for real estate investments	**272,450**	**204,407**
Less: Non-same-center NOI [1]	(35,456)	(27,286)
NOI from same-center properties acquired in the PELP Transaction, prior to acquisition	–	38,354
NOI from same-center properties acquired in the Merger, prior to acquisition	88,463	98,392
Total Same-Center NOI (Adjusted for Transactions)	**$ 325,457**	**$ 313,867**

Notes:
1. Includes operating revenues and expenses from non-same-center properties which includes properties acquired or sold and corporate activities

Non-GAAP Measures (Cont'd)

PHILLIPS EDISON & COMPANY

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Below is a reconciliation of Net (Loss) Income to NOI for real estate investments and Same-Center NOI (adjusted for transactions) (in thousands):

	Year Ended December 31,	
	2017	2016
Net (loss) income	$ (41,718)	$ 9,043
Adjusted to exclude:		
Fees and management income	(8,156)	–
Straight-line rental income	(3,766)	(3,512)
Net amortization of above-and below-market leases	(1,984)	(1,208)
Lease buyout income	(1,321)	(583)
General and administrative expenses	36,348	31,804
Transaction expenses	15,713	–
Vesting of Class B units	24,037	–
Termination of affiliate arrangements	5,454	–
Acquisition expenses	530	5,803
Depreciation and amortization	130,671	106,095
Interest expense, net	45,661	32,458
Other	(2,336)	(5,990)
Property operating expenses related to fees and management income	5,386	–
NOI for real estate investments	**204,519**	**173,910**
Less: Non-same-center NOI [(1)]	(34,443)	(20,015)
NOI from same-center properties acquired in the PELP Transaction, prior to acquisition	34,756	44,061
Total Same-Center NOI (Adjusted for Transactions)	**$ 204,832**	**$ 197,956**

Notes:
1. Includes operating revenues and expenses from non-same-center properties which includes properties acquired or sold and corporate activities

Non-GAAP Measures (Cont'd)

PHILLIPS EDISON & COMPANY

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Earnings Before Interest, Taxes, Depreciation, and Amortization for Real Estate ("EBITDAre") and Adjusted EBITDAre

Nareit defines EBITDA*re* 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 EBITDA*re* on the same basis.

Adjusted EBITDA*re* is an additional performance measure used by us as EBITDA*re* includes certain non-comparable items that affect our performance over time. To arrive at Adjusted EBITDA*re*, we exclude certain recurring and non-recurring items from EBITDA*re*, 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 our investments in our unconsolidated joint ventures; (iv) transaction and acquisition expenses; and (v) realized performance income.

We use EBITDA*re* and Adjusted EBITDA*re* as additional measures of operating performance which allow us to compare earnings independent of capital structure, determine debt service and fixed cost coverage, and measure enterprise value. Additionally, we believe they are a useful indicator of our ability to support our debt obligations. EBITDA*re* and Adjusted EBITDA*re* should not be considered as alternatives to net income (loss), as an indication of our liquidity, nor as an indication of funds available to cover our cash needs, including our ability to fund distributions. Accordingly, EBITDA*re* and Adjusted EBITDA*re* 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. Our EBITDA*re* and Adjusted EBITDA*re*, as presented, may not be comparable to amounts calculated by other REITs.

Non-GAAP Measures (Cont'd)

PHILLIPS EDISON & COMPANY

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The following table presents the Company's calculation of EBITDA*re* and Adjusted EBITDA*re* (in thousands):

	Three Months Ended December 31,		Year Ended December 31,	
	2021	2020	2021	2020
Calculation of EBITDA*re*				
Net (loss) income	$ (5,836)	$ (12,754)	$ 17,233	$ 5,462
Adjustments:				
Depreciation and amortization	55,604	55,987	221,433	224,679
Interest expense, net	18,606	19,986	76,371	85,303
Loss (gain) on disposal of property, net	1,257	2,122	(30,421)	(6,494)
Impairment of real estate assets	—	2,423	6,754	2,423
Federal, state, and local tax (income) expense	(169)	109	327	491
Adjustments related to unconsolidated joint ventures	(273)	193	1,431	3,355
EBITDA*re*	**$ 69,189**	**$ 68,066**	**$ 293,128**	**$ 315,219**
Calculation of Adjusted EBITDA*re*				
EBITDA*re*	$ 69,189	$ 68,066	$ 293,128	$ 315,219
Adjustments:				
Change in fair value of earn-out liability	7,436	—	30,436	(10,000)
Amortization of unconsolidated joint venture basis differences	262	616	1,167	1,883
Transaction and acquisition expenses	2,513	328	5,363	539
Realized performance income	(675)	—	(675)	—
Other impairment charges	—	359	—	359
Adjusted EBITDA*re*	**$ 78,725**	**$ 69,369**	**$ 329,419**	**$ 308,000**

Non-GAAP Measures (Cont'd)

PHILLIPS EDISON & COMPANY
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Financial Leverage Ratios

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 December 31, 2021 and 2020 (in thousands):

		December 31, 2021		December 31, 2020
Net debt:				
Total debt, excluding discounts, market adjustments, and deferred financing expenses	$	1,941,504	$	2,345,620
Less: Cash and cash equivalents		93,109		104,952
Total net debt	**$**	**1,848,395**	**$**	**2,240,668**
Enterprise value:				
Net debt	$	1,848,395	$	2,240,668
Total equity market capitalization[1]		4,182,996		2,797,234
Total enterprise value	**$**	**6,031,391**	**$**	**5,037,902**

Notes:

1. As of December 31, 2021, total equity market capitalization was calculated as the 126.6 million diluted shares multiplied by the closing market price per share of $33.04. As of December 31, 2020, prior to the underwritten IPO, total equity value was calculated as 106.6 million diluted shares multiplied by the estimated value per share of $26.25. Fully diluted shares include Class B common stock, common stock, and OP units.

Non-GAAP Measures (Cont'd)

PHILLIPS EDISON & COMPANY
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The following table presents the calculation of net debt to Adjusted EBITDA*re* and net debt to total enterprise value as of December 31, 2021 and 2020 (dollars in thousands):

	December 31, 2021	December 31, 2020
Net debt to Adjusted EBITDAre - annualized:		
Net debt	$ 1,848,395	$ 2,240,668
Adjusted EBITDA*re* - annualized[1]	329,419	308,000
Net debt to Adjusted EBITDAre - annualized	**5.6x**	**7.3x**
Net debt to total enterprise value:		
Net debt	$ 1,848,395	$ 2,240,668
Total enterprise value	6,031,391	5,037,902
Net debt to total enterprise value	**30.6 %**	**44.5 %**

Notes:

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