

# Supplemental Information Package



Fourth Quarter | 2017

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*Cira Centre, Philadelphia, PA*

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## Transaction Highlights



Dulles Corner | Herndon, VA



Schuylkill Yards Design Rendering | Philadelphia, PA

### Dispositions

- On January 10, 2018, the evo at Cira Centre South Venture, a real estate venture in which we own a 50% interest, sold its 347-unit residential property in Philadelphia, Pennsylvania, at a gross sales price of \$197.5 million. We received net cash proceeds of \$43.0 million after closing costs and related debt payoffs. The estimated gain on the transaction is \$25.3 million. Since the original capital contribution on January 25, 2013, the real estate venture earned an IRR of 22.5%.
- On January 5, 2018, exchanged our 20% interest in Seven Tower Bridge, a real estate venture which owns an undeveloped land parcel in Conshohocken, Pennsylvania encumbered by \$14.6 million of debt (our share was \$2.9 million), for the remaining 35% interest in Four Tower Bridge, a real estate venture which owns an office property containing 86,021 square feet in Conshohocken, Pennsylvania encumbered by \$9.7 million of debt (our 65% share prior the exchange was \$6.3 million). The estimated gain on the transaction is \$9.7 million.
- On November 22, 2017, we completed the sale of our entire Newtown Square, Pennsylvania portfolio, consisting of five office properties containing 252,802 square feet, for a gross sales price of \$42.0 million. We received net cash proceeds of \$40.5 million and recorded a gain of \$19.6 million. These properties were 78.9% occupied.
- On October 31, 2017, we completed the sale of an office building located at 630 Allendale Road in King of Prussia, Pennsylvania containing 150,000 square feet for a gross sales price of \$17.5 million. We received net cash proceeds of \$16.6 million and recorded a gain of \$3.6 million. The property was 12.4% occupied.
- On October 18, 2017, the Austin Venture, a real estate venture in which we own a 50% interest, sold five portfolios containing an aggregate of 1,164,496 square feet located in Austin, Texas for a gross sales price of \$333.3 million. We received net cash proceeds of \$86.4 million after closing costs and related debt payoffs and recorded a gain of \$52.2 million, net of \$1.3 million (our 50% share) of debt prepayment penalties. These properties were 85.7% occupied and 94.7% leased. The real estate venture earned an IRR of 23.1% IRR on these asset sales.
- As of December 31, 2017, we classified a 13-acre land parcel in Durham, North Carolina as held for sale in our balance sheet. The sale was completed on January 10, 2018, resulting in a nominal gain.
- As of December 31, 2017, under agreements of sale for two land parcels in Pennsylvania containing 17 acres. We anticipate the sales to occur during the next twelve to fifteen months as zoning, appraisals and other closing conditions are satisfied.

### Development

- On November 8, 2017, broke ground on Drexel Square, comprised of a 1.3-acre community park located at the corner of 30th and Market Street.
- On October 13, 2017, acquired a leasehold interest in the office building known as One Drexel Plaza, in Philadelphia, Pennsylvania, containing 282,709 rentable square feet, for a gross sales price of \$35.0 million. The acquisition represents an investment in our Schuylkill Yards development and the property will be repositioned over the next 12-18 months. We capitalized approximately \$2.8 million of closing costs. The acquisition was funded with \$37.8 million of cash from borrowings under our unsecured line of credit.
- On October 2, 2017, entered into a lease and commenced construction on a 165,000 square foot building at Four Points in Austin, Texas. The project is 100% preleased to a single tenant under a 10-year lease. Estimated project costs total \$48.2 million, with delivery anticipated in Q1 2019. We expect to fund the project with available cash balances and/or our unsecured line of credit and achieve an 8.4% return on cost.
- During December 2017, placed into service the redevelopment of Broadmoor 6, an office building containing 144,000 rentable square feet, located in Austin, Texas, on time and on budget with a stabilized cash yield of 9.8%. As of January 12, 2018, the property is 79.0% leased.

### Financing Transactions

- Issued \$450.0 million of 3.95% Guaranteed Notes due 2027 and reopened the 3.95% Guaranteed Notes due 2023 for an additional \$100.0 million. Net proceeds were used to repay \$168.0 million outstanding on the line of credit and redeem the \$325.0 million outstanding principal amount, along with \$3.5 million in prepayment penalties, of our 4.95% Guaranteed Notes ahead of their scheduled maturity on April 15, 2018.
- Through January 12, 2018, issued 2,882,302 shares under the continuous equity offering program at a weighted average share price of \$18.19, receiving cash proceeds, net of issuance costs, of \$51.6 million. The plan, which commenced November 5, 2013, has the ability to issue a total of 16,000,000 shares, of which 13,117,698 shares remain available for future issuance.

### Dividend

- Board of Trustees approved an additional \$0.08 per share increasing to an annual dividend of \$0.72 per share from the previous annual dividend of \$0.64 per share, representing an increase of 12.5%.

**Leasing Highlights**

	Q4 2017	Q3 2017
Quarter end occupancy	92.9%	92.0%
Final / Prior period projected occupancy	92.9%	93-94%
Leased as of January 12, 2018 / October 6, 2017	94.3%	94.1%
Leases executed in quarter (sq ft)	892,903	887,973
New leases commenced (sq ft)	167,629	153,787
Expansions commenced (sq ft)	98,580	120,860
Leases renewed (sq ft)	<u>133,489</u>	<u>250,306</u>
Total lease activity (sq ft)	399,698	524,953
Early lease renewals (sq ft)	568,959	376,415
Forward lease commencements (sq ft):		
Q1 2018	150,772	
Q2 2018	35,176	
2H 2018	14,758	
2019	<u>14,253</u>	
Total square feet of forward lease commencements:	214,959	



**Key Operating Metrics**

	Q4 2017	YTD 2017	Original 2017 Business Plan
Same Store NOI Growth			
GAAP	-2.3%	0.6%	0.0% - 2.0%
Cash	3.3%	7.8%	6.0% - 8.0%
Rental Rate Mark to Market			
New Leases/expansions			
GAAP	28.4%	15.4%	
Cash	9.9%	3.8%	
Renewals			
GAAP	11.2%	4.5%	
Cash	-0.2%	12.5%	
Combined			
GAAP	19.3%	6.7%	5.0% - 7.0%
Cash	4.6%	10.5%	8.0% - 10.0%
Average Lease Term (yrs)	7.3	7.3	7.0
Leasing Capital (PSF/yr)	\$3.56	\$1.89	\$2.00 - \$2.50
Tenant Retention	90%	75%	68%

**Financial Highlights**

	Q4 2017	Q3 2017	YTD 2017
Net income to common shareholders	\$73,137	\$18,803	\$115,310
Per diluted share	\$0.41	\$0.11	\$0.65
Common share distributions paid	\$0.16	\$0.16	\$0.64
Funds From Operations (FFO)	\$53,749	\$61,926	\$229,219
Per diluted share	\$0.30	\$0.35	\$1.29
FFO - excl. capital market, transactional items and other	\$58,989	\$61,378	\$237,419
Per diluted share	\$0.33	\$0.34	\$1.33
FFO payout ratio - excl. capital market, trans. items and other	48.5%	47.1%	48.1%
Cash Available for Distribution (CAD)	\$38,428	\$42,319	\$165,110
CAD payout ratio (Distributions paid per common share / CAD)	73.9%	67.0%	68.7%

**Balance Sheet Highlights**

	Q4 2017	Q3 2017	Q2 2017
Net debt to total gross assets	37.3%	39.7%	39.6%
Ratio of net debt to annualized quarterly EBITDA	6.2	6.7	6.6
Cash on hand	\$202,179	\$25,287	\$37,900

Business Plan Component	2018 Business Plan as of		2017 Business Plan as of	
	01/12/2018	10/06/2017	Final	Original
Speculative Revenue	\$26.3 MM	\$26.3 MM	\$27.7 MM	\$28.7 MM
Executed	75%	49%	100%	66%
Projected Tenant Retention (SF)	67%	67%	75%	68%
Same Store NOI Increase				
• GAAP	-1.0% - 1.0%	-1.0% - 1.0%	0.6%	0.0% - 2.0%
• Cash	1.0% - 3.0%	1.0% - 3.0%	7.8%	6.0% - 8.0%
Leasing Capital PSF/YR	\$2.75 - \$3.25	\$2.75 - \$3.25	\$1.89	\$2.00 - \$2.50
Capital as a % of lease revenue	12.0%	12.0%	8.7%	9.1%
Average Lease Term	7.2 years	7.2 years	7.3 years	7.0 years
Net Income Attributable to Common Shareholders	\$0.29 - \$0.39	\$0.34 - \$0.44	\$0.65	\$0.24 - \$0.34
Funds from Operations, excluding capital market, transactional items and other	\$1.33 - \$1.43	\$1.36 - \$1.46	\$1.33	\$1.35 - \$1.45
Cash Available for Distribution Payout Ratio Annualized	71% - 65%	69% - 63%	69%	71% - 64%
Rental Rate Increase / (Decline)				
	<u>New/Expansion</u>	<u>Renewal</u>	<u>Combined</u>	<u>Combined</u>
• GAAP	18.0% - 20.0%	4.0% - 6.0%	8.0% - 10.0%	8.0% - 10.0%
• Cash	4.0% - 6.0%	-5.0% - 0.0%	-2.0% - 2.0% (1)	-2.0% - 2.0% (1)
Year-end SS Occupancy	94-95%	94-95%	93.2%	94-95%
Year-end Core Occupancy	94-95%	94-95%	92.9%	94-95%
Year-end Core Leased	95-96%	95-96%	94.3%	95-96%
Bank Financing/Preferred Shares	New term loan not required (2)	\$150.0 MM term loan during 1H18	Completed on April 11, 2017	Tender, at par, \$100.0 MM of Preferred Shares
Unsecured Financing/Liability Management	Completed on December 18, 2017 (2)	Refinance \$325.0 MM Notes due 2018	(2)	Refinance \$300.0 MM Notes due 2017
Equity Issuance/Share Repurchase Program	None Incorporated	None Incorporated	Issued 2,882,302 shares under ATM for \$51.6 MM (3)	None Incorporated
Dispositions (excluding land)	\$98.8 MM Closed	None Incorporated	\$429.7 MM Closed: \$430.0 MM target, net	\$100.0 MM target
Acquisitions (excluding land)	None Incorporated	None Incorporated	\$67.0 MM Closed	None Incorporated
Development Start	\$50.0 MM - \$100.0 MM	\$50.0 MM - \$100.0 MM	\$50.0 MM	\$50.0 MM

(1) Including a 255,000 square foot lease at -13.7%; the range without this lease is 0.0% - 2.0%.

(2) Repaid \$300.0 million Notes due 2017 with cash-on-hand and our line of credit. Issued \$450.0 million of 3.95% Guaranteed Notes due 2027 and reopened the 3.95% Guaranteed Notes due 2023 for an additional \$100.0 million. Net proceeds were used to repay \$168.0 million outstanding on the line of credit balance and redeem the \$325.0 million outstanding principal amount, along with \$3.5 million in prepayment penalties, of our 4.95% Guaranteed Notes ahead of their scheduled maturity on April 15, 2018.

(3) Includes 23,311 shares issued during 2018 for net cash proceeds of \$0.4 MM.

	2018 - 2021	2018 Business Plan
<b>Operations</b>		
<ul style="list-style-type: none"> <li>■ Leased</li> <li>■ Annual Same Store Cash NOI Growth</li> <li>■ Capital Costs as a % of Lease Revenues</li> <li>■ Complete Exit of New Jersey, Delaware &amp; Suburban Maryland</li> </ul>	<p>95-96%</p> <p>2-5%</p> <p>10-15%</p>	<p>95-96%</p> <p>1-3%</p> <p>11-13%</p>
	Ongoing	
<b>Balance Sheet</b>		
<ul style="list-style-type: none"> <li>■ Debt/EBITDA by 4Q18</li> <li>■ Debt/GAV by 4Q18</li> <li>■ Reduce Current JV Net Investment (based on debt attributed)</li> <li>■ AFFO Annual Growth Rate</li> </ul>	<p>6.0x by 4Q18</p> <p>Low 30%</p> <p>40-50%</p> <p>5-7%</p>	<p>6.0x</p> <p>38-40%</p> <p>20% reduction (a)</p> <p>11%</p>
<b>Development</b>		
<ul style="list-style-type: none"> <li>■ Deliver Development</li> <li>■ Discipline Development Pipeline: Deploy Land into Projects to Create Value</li> <li>■ Match Fund Development with Additional Sales</li> <li>■ Current Land Bank</li> </ul>		
	Ongoing	
	3 Project Starts	1 Project Start
	Ongoing; 2018 development spend pre-funded with 2017 asset sales	
	Monetize 50% (\$76 million)	Since 4/1/17, \$47 million sold; under agreement to sell or contributed to development start

(a) Debt attribution from JV investments at December 31, 2017 was \$378.0 million versus \$492.1 million at December 31, 2016. Following the sale of evo on January 10, 2018, debt attribution is \$322.5 million, resulting in a 34% cumulative reduction since December 31, 2016.

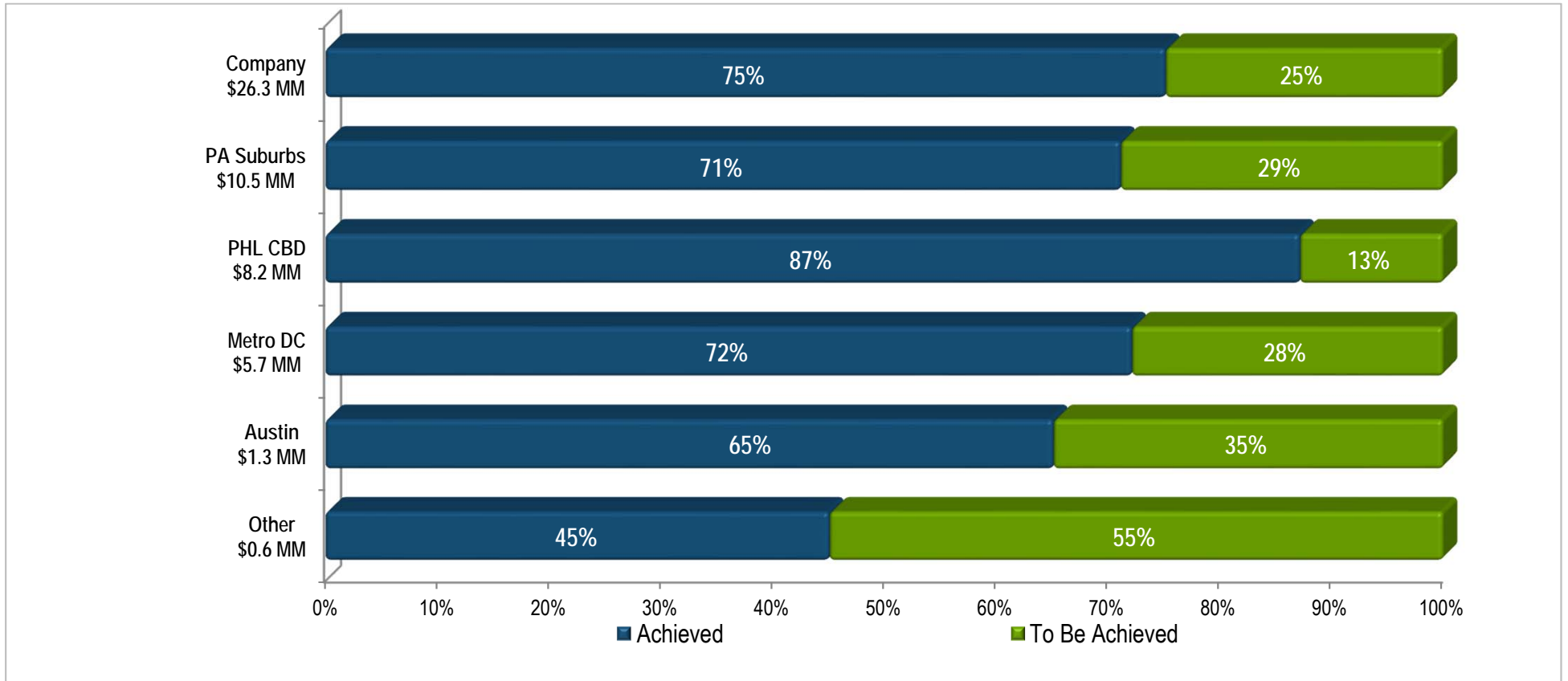
2018 Speculative Leasing

Square Feet	Targeted		Executed		Remaining	
Renewals		829,000	646,000	78%	183,000	22%
New Leasing		1,030,000	393,000	38%	637,000	62%
<b>Total</b>		<b>1,859,000</b>	<b>1,039,000</b>	<b>56%</b>	<b>820,000</b>	<b>44%</b>

Revenue (\$MM)	Targeted		Executed		Remaining	
Renewals	\$	11.7	\$	10.2	87%	\$ 1.5
New Leasing		14.6		9.4	64%	5.2
<b>Total</b>	\$	<b>26.3</b>	\$	<b>19.6</b>	<b>75%</b>	\$ <b>6.7</b>

2018 Speculative Revenue By Region



Sources and Uses of Cash	Q4 2017	Q3 2017	Q2 2017	Q1 2017	Q4 2016	Q3 2016	Q2 2016	Q1 2016
Cash and Cash Equivalents as of Beginning of Quarter	\$ 25,287	\$ 37,900	\$ 234,654	\$ 193,919	\$ 219,059	\$ 265,597	\$ 423,517	\$ 56,694
Cash flows from operating activities after debt service	54,246	45,535	41,989	40,259	42,561	46,281	44,186	39,194
Disposition of properties	143,433	44,530	27,924	101,389	25,871	26,275	43,485	709,722
Acquisition of properties	(37,775)	(34,748)	-	-	-	(20,406)	-	-
Revenue maintaining capital expenditures	(14,518)	(9,794)	(9,993)	(9,456)	(10,880)	(9,917)	(10,522)	(12,080)
Revenue creating capital expenditures	(6,573)	(5,141)	(5,756)	(6,265)	(5,572)	(4,303)	(6,523)	(6,299)
Development capital expenditures	(22,921)	(31,718)	(20,288)	(26,667)	(44,410)	(44,471)	(53,682)	(60,530)
Investment in unconsolidated real estate ventures	(1,395)	(261)	(72)	(4,910)	(1,436)	(11,874)	(886)	(14,414)
Cash distributions from unconsolidated real estate ventures	4,275	4,100	4,100	8,306	500	2,267	8,862	1,436
Escrowed cash (a)	-	32,009	-	(32,009)	5,988	(1,109)	(4,878)	6,991
Other cash flows from investing activities	(2,283)	(6,277)	(2,913)	1,455	(7,217)	1,319	1,877	(2,274)
Cash flows from investing activities	62,243	(7,300)	(6,998)	31,843	(37,156)	(62,219)	(22,267)	622,552
Distributions paid to shareholders and holders of noncontrolling interest	(28,385)	(28,373)	(30,448)	(30,052)	(30,237)	(29,886)	(28,279)	(28,234)
Proceeds from borrowings	627,131	45,000	219,000	-	-	-	86,900	195,000
Debt repayments	(584,840)	(68,239)	(420,227)	(1,215)	(1,204)	(1,193)	(237,501)	(408,739)
Loss on extinguishment of debt	(3,460)	-	-	-	-	-	-	(53,433)
Proceeds from issuance of common shares	51,225	-	-	-	-	-	-	-
Other cash flows from financing activities	(1,268)	764	(70)	(100)	896	479	(959)	483
Cash flows from financing activities	60,403	(50,848)	(231,745)	(31,367)	(30,545)	(30,600)	(179,839)	(294,923)
Cash and cash equivalents as of End of Quarter	\$ 202,179	\$ 25,287	\$ 37,900	\$ 234,654	\$ 193,919	\$ 219,059	\$ 265,597	\$ 423,517

(a) Entire Q1 2017 amount represents proceeds from the sale of Concord Airport Plaza in Concord, California, which was designated as a Section 1031 exchange. During Q3 2017 the funds were used to purchase 3000 Market Street in Philadelphia, Pennsylvania.



Region	Number of Wholly Owned Properties	Square Feet		% Occupied	% Leased (1)	Remaining Expirations		Net Operating Income at 12/31/17			
		Total	% of Total			2018	2019	Q4 2017	% of Total	YTD 2017	% of Total
Philadelphia CBD (see next page for detail)	13	6,307,802	38.4%	94.9%	96.5%	349,164	403,464	\$ 34,432	45.8%	\$ 133,731	45.4%
Pennsylvania Suburbs	42	4,673,296	28.5%	91.6%	93.6%	258,164	387,010	20,955	27.9%	85,848	29.1%
Crescent Markets											
Radnor	11	1,738,383	10.6%	89.0%	92.5%	83,579	151,604	8,393	11.2%	36,525	12.4%
Plymouth Meeting	7	846,351	5.2%	93.9%	95.8%	60,886	78,952	4,025	5.4%	15,950	5.4%
Conshohocken	3	387,738	2.4%	94.1%	95.0%	49,351	-	1,694	2.3%	6,926	2.3%
Total Crescent Markets	21	2,972,472	18.1%	91.1%	93.5%	193,816	230,556	14,112	18.8%	59,401	20.1%
Other Suburban Markets	21	1,700,824	10.4%	92.6%	93.3%	64,348	156,454	6,843	9.1%	26,447	9.0%
Metropolitan Washington, D.C.	17	2,971,086	18.1%	90.2%	90.6%	128,795	313,880	13,517	18.0%	53,661	18.2%
Northern Virginia	13	2,377,479	14.5%	90.5%	91.0%	122,755	298,099	11,406	15.2%	45,149	15.3%
Maryland	4	593,607	3.6%	88.9%	88.9%	6,040	15,781	2,111	2.8%	8,512	2.9%
Austin, Texas	6	967,661	5.9%	100.0%	100.0%	-	-	3,783	5.0%	16,043	5.4%
Subtotal	78	14,919,845	90.9%	93.2%	94.6%	736,123	1,104,354	72,687	96.7%	289,283	98.0%
Other	9	663,621	4.0%	84.9%	85.9%	40,917	72,757	1,335	1.8%	5,584	1.8%
Subtotal - Core Portfolio	87	15,583,466	94.9%	92.9%	94.3%	777,040	1,177,111	74,022	98.5%	294,867	99.9%
+ Development/Redevelopment (2)	6	829,142	5.1%	37.0%	77.2%	-	-	1,164	1.5%	320	0.1%
<b>Total</b>	<b>93</b>	<b>16,412,608</b>	<b>100.0%</b>			<b>777,040</b>	<b>1,177,111</b>	<b>\$ 75,186</b>	<b>100.0%</b>	<b>\$ 295,187</b>	<b>100.0%</b>

(1) Includes leases entered into through January 12, 2018 that will commence subsequent to the end of the current period.

(2) Comprised of the Subaru Service Center in Camden, New Jersey (Dev), Four Points Building 3 in Austin, Texas (Dev), Broadmoor Building 6 in Austin, Texas (Redev), 500 North Gulph Road in King of Prussia, Pennsylvania (Redev), 426 Lancaster Avenue in Devon, Pennsylvania (Redev), One Drexel Plaza in Philadelphia, Pennsylvania (Redev) and the residential and retail components of FMC Tower (Dev - not stabilized/open one year, so will be moved to Core Q1 2018).



	Number of Wholly Owned Properties	Square Feet		% Occupied	% Leased (1)	Remaining Expirations		Net Operating Income at 12/31/2017			
		Total	% of Total (3)			2018	2019	Q4 2017	% of Total (3)	YTD 2017	% of Total (3)
<b>Philadelphia CBD Wholly Owned Core Properties</b>											
Cira Centre	1	730,187	4.4%	97.1%	97.1%	82,497	96,619	\$ 5,227	7.1%	\$ 20,836	7.1%
Three Logan Square	1	1,029,413	6.3%	97.8%	100.0%	173,124	35,259	4,613	6.1%	20,166	6.8%
One Commerce Square	1	942,866	5.7%	95.2%	97.6%	66,956	62,496	4,097	5.4%	17,123	5.8%
Two Commerce Square	1	953,276	5.8%	94.0%	95.5%	4,816	18,636	4,022	5.3%	17,031	5.8%
FMC Tower - office (2)	1	625,863	3.8%	94.1%	100.0%	-	-	5,028	6.7%	15,295	5.2%
Two Logan Square	1	708,844	4.3%	96.9%	97.8%	10,639	144,251	3,629	4.8%	14,378	4.9%
One Logan Square	1	595,041	3.6%	98.2%	98.2%	-	5,736	2,866	3.8%	11,378	3.9%
1900 Market Street	1	456,922	2.8%	81.2%	81.2%	1,010	1,178	2,417	3.2%	7,756	2.6%
Other (4)	3	15,878	0.1%	68.1%	68.1%	4,515	899	1,434	1.9%	5,561	1.9%
3020 Market Street	1	190,925	1.2%	97.1%	97.1%	1,567	-	978	1.3%	3,860	1.3%
3000 Market Street	1	58,587	0.4%	80.8%	80.8%	4,040	38,390	121	0.2%	347	0.1%
<b>Total</b>	<b>13</b>	<b>6,307,802</b>	<b>38.4%</b>	<b>94.9%</b>	<b>96.5%</b>	<b>349,164</b>	<b>403,464</b>	<b>\$ 34,432</b>	<b>45.8%</b>	<b>\$ 133,731</b>	<b>45.4%</b>
<b>Philadelphia CBD Development</b>											
One Drexel Plaza	1	282,709	1.7%	79.1%	98.3%	9,379	96,525	\$ 454	0.6%	\$ 454	0.2%
FMC Tower - residential & retail (5)	N/A	N/A	N/A	N/A	N/A	-	-	524	0.7%	(393)	-0.1%

(1) Includes leases entered into through January 12, 2018 that will commence subsequent to the end of the current period.  
 (2) Net operating income and leasing statistics reflect the office component. The residential and retail components remain in development.  
 (3) Reflects percent of the total portfolio (See page 9 for portfolio by region).  
 (4) Other includes 618 Market Street, the parking garage at Cira Centre South and the Lift Parking.  
 (5) Includes residential (268 units) and retail (3,800 square feet) components.

	No. of Properties	Square Feet		% Occupied	% Leased (1)	Remaining Expirations		Net Operating Income at 12/31/2017				BDN Share	
		Total	% of Total			2018	2019	Q4 2017	% of Total	YTD 2017	% of Total	%	YTD NOI
<b>Austin Wholly Owned Core</b>													
Broadmoor (2)	6	967,661	5.9%	100.0%	100.0%	-	-	\$ 3,783	5.0%	\$ 16,043	5.4%	100.0%	\$ 16,043
<b>Austin JV Owned Core Properties</b>													
Barton Skyway	4	786,845	50.1%	98.4%	98.4%	81,573	51,802	\$ 4,625	54.8%	\$ 17,915	36.2%	50.0%	\$ 8,957
River Place	7	590,882	37.6%	90.5%	92.4%	74,326	62,322	2,571	30.4%	10,646	21.5%	50.0%	5,323
Four Points	1	192,396	12.3%	100.0%	100.0%	58,099	44,623	917	10.9%	3,520	7.1%	50.0%	1,760
	12	1,570,123	100.0%	95.6%	96.3%	213,998	158,747	\$ 8,113	96.1%	\$ 32,081	64.8%	50.0%	\$ 16,040
Sold 10/18/2017	7	1,164,496						\$ 332	3.9%	\$ 17,421	35.2%	50.0%	\$ 8,711
<b>Total DRA-Austin</b>								<b>\$ 8,445</b>	<b>100.0%</b>	<b>\$ 49,502</b>	<b>100.0%</b>	<b>50.0%</b>	<b>\$ 24,751</b>

(1) Includes leases entered into through January 12, 2018 that will commence subsequent to the end of the current period.

(2) Building 6, containing 144,249 square feet, is currently in redevelopment and is 79% leased.

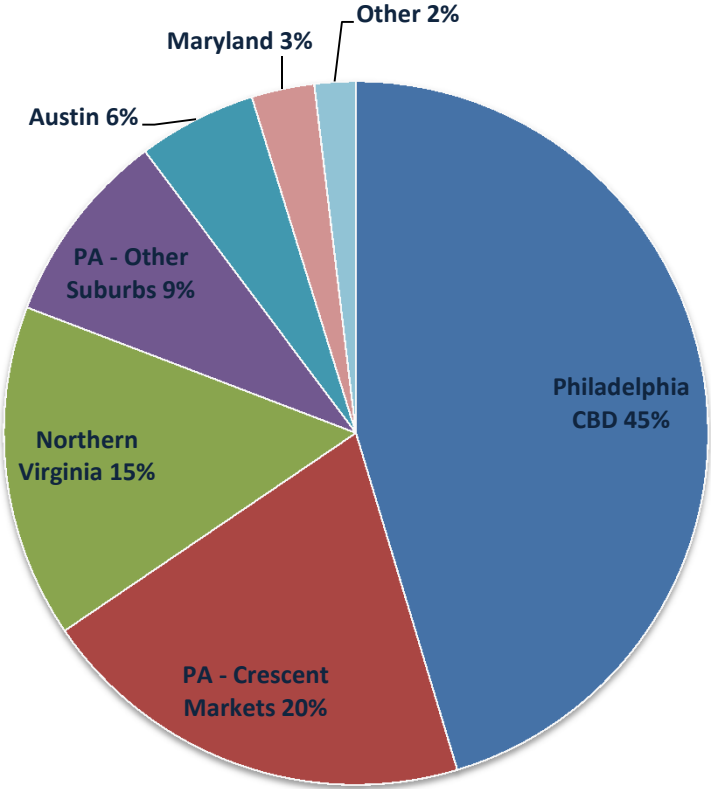
405 Colorado Renderings | Austin, TX

DRA Austin JV	2018 Business Plan
Business Plan Component	as of 01/12/2018
Speculative Revenue	\$11.6 MM
• New Leasing Activity	\$1.0 MM
• Renewal	\$10.6 MM
Executed	70%
Projected Tenant Retention (SF)	85%
Same Store NOI Increase	
• GAAP	7-8%
• Cash	7-8%
Rental Rate Increase	
• GAAP	15-17%
• Cash	9-11%
Year-end SS Occupancy	96-97%
Year-end Core Occupancy	96-97%
Year-end Core Leased	96-97%



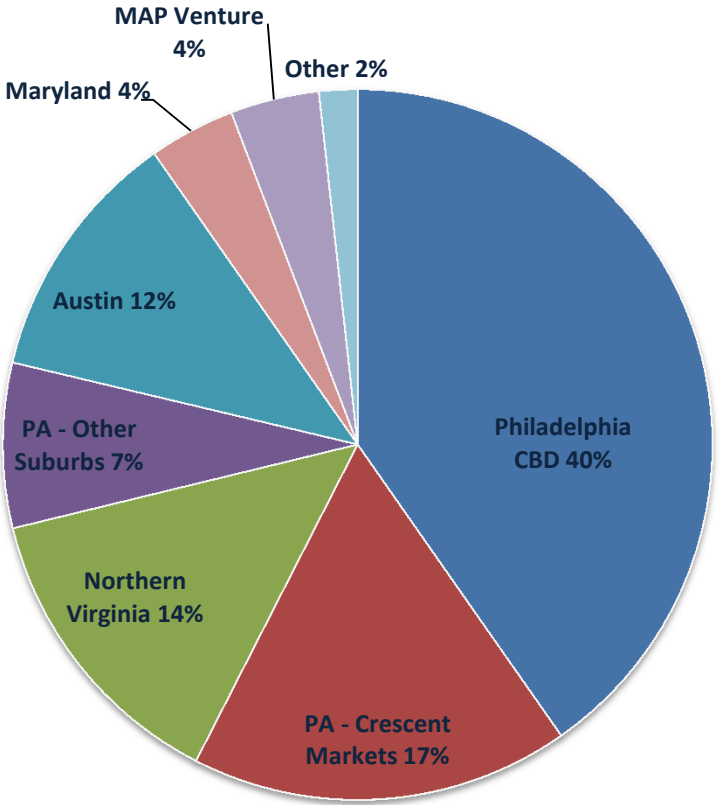
YTD NOI - Wholly Owned

- Total Core Portfolio NOI: \$294.9 MM
- 86% of NOI from our Core Markets (b)



YTD NOI - Including JVs (a)

- Total NOI: \$352.6 MM
- 83% of NOI from our Core Markets (b)



(a) Chart reflects net operating income from wholly owned properties and BDN's share of net operating income from unconsolidated joint ventures.

(b) Consists of Philadelphia CBD, PA Crescent, Northern Virginia and Austin markets.

Development (% owned)	Location	Type	Completion Date	Stabilization Date	Square Feet	Total Project Costs (a)	Equity Capitalization (b)	Debt Financing	Amount funded at 12/31/2017	Remaining to be funded at 12/31/2017	Projected Cash Yield	Leased % @ January 12, 2018
<b>Wholly Owned</b>												
Four Points Building 3	Austin, TX	Office	Q1 2019 (c)	Q1 2019 (c)	165,000	48,200 (c)	48,200	-	5,900	42,300	8.4%	100.0%
Subaru Service Center	Camden, NJ	Mixed-use	Q3 2018	Q3 2018	83,000	46,900	46,900	-	13,500	33,400	9.5%	100.0%
Broadmoor - Building 6	Austin, TX	Office	Q4 2017 (d)	Q2 2018 (d)	144,000	34,700 (d)	34,700	-	26,600	8,100	9.8%	79.0%
500 North Gulph Road	King of Prussia, PA	Office	Q3 2018 (e)	Q3 2019 (e)	100,000	25,000 (e)	25,000	-	4,900	20,100	9.5%	0.0%
One Drexel Plaza	Philadelphia CBD	Office	Q2 2020	Q1 2021	283,000	83,100 (f)	83,100	-	39,800	43,300	9.0%	98.3%
Drexel Square Park	Philadelphia CBD	Park	Q3 2018	N/A	N/A	12,900 (g)	12,900	-	1,700	11,200	N/A	N/A
426 Lancaster Avenue	Devon, PA	Office	Q1 2019 (h)	Q4 2019 (h)	56,000	14,200 (h)	14,200	-	4,900	9,300	9.5%	0.0%
<b>Total</b>					<b>831,000</b>	<b>\$ 265,000</b>	<b>\$ 265,000</b>		<b>\$ 97,300</b>	<b>\$ 167,700</b>		<b>77.0%</b>

<b>Real Estate Venture</b>												
4040 Wilson (50%)	Arlington, VA	Mixed-use	Q1 2020	Q3 2021	(i)	224,800	74,800	150,000	81,500	143,300	6.2%	(i)

(a) - Total project costs for redevelopment projects include existing property basis.

(b) - We intend to fund our remaining wholly owned development costs through existing cash balances and/or our line of credit.

(c) - Project is pre-leased to a single tenant. Total project costs includes \$2.1 million of land basis existing at project inception.

(d) - Building vacated by IBM as part of an overall lease restructuring. We are renovating and repositioning the property as the first step in the overall repositioning of the Broadmoor Campus. Total project costs include \$18.5 million of existing property basis.

(e) - Multi-tenant building was vacated in Q4 2016. Current plans are to renovate and amenitize this well positioned building in the King of Prussia submarket. Total project costs include \$4.5 million of existing property basis.

(f) - Total project costs includes \$37.8 million of building basis, representing the acquisition cost.

(g) - Total estimated project costs for Drexel Square Park are preliminary. Costs will be recovered through future development projects at Schuylkill Yards.

(h) - Taken out of service during Q3 2017. Current plans are to renovate this building. Total project costs include \$4.9 million of existing property basis.

(i) - Mixed use building with 189,000 square feet of office, 250 apartment units and 36,000 square feet of retail. As of January 12, 2018, the office and retail components were 46.2% preleased.

4040 Wilson Development (50/50 Real Estate Venture)



Design Overview

- A 22-level premier mixed-use development featuring 189,000 SF of office space (levels 2-10), 250 apartment units (levels 11-22) and 36,000 SF of retail
- Five levels of below grade parking containing 498 stalls
- Amenities include a rooftop pool and lounge for the apartment units, a rooftop conference center and lounge for office tenants and separate lobbies and elevators for the office and apartments

Project Schedule

- JV Formation Date Q3 2013
- Construction Commencement Q4 2017
- Substantial Completion Q1 2020
- Target Stabilization - Office Q2 2021
- Target Stabilization - Residential Q3 2021
- Pre-leased 46.2% of the office and retail space

Project Description

- Located in the Ballston submarket of Arlington, Virginia
- Tenants include AvalonBay Communities for 73,000 SF of office and VIDA Fitness for 27,000 SF of retail
- The Shooshan Company will manage the development and leasing and Brandywine will serve as the asset manager

Financial Highlights

- 50/50 real estate venture with the Shooshan Company
- Total development costs of \$224.8 MM (\$560 PSF)
- Secured construction financing of \$150.0 MM at LIBOR + 2.75%, of which \$6.7 MM was funded at December 31, 2017
- Equity component of \$74.8 MM is fully funded (\$37.4 MM from each partner)
- Projected stabilized cash yield of 6.2% (6.7% office / 5.5% apartments)

Four Points - Building 3



Design Overview

- A four-story 165,000 SF office development with a five-story 800 stall parking structure adjacent
- Features vistas of the surrounding habitat preserve
- Location is surrounded by high-end residential communities

Project Schedule

- Construction Commencement Q4 2017
- Substantial Completion Q1 2019
- Stabilization Q1 2019

Project Description

- Located in the Northwest submarket of Austin, Texas which has experienced tremendous absorption and population growth
- 100% preleased to SailPoint Technologies

Financial Highlights

- Total development costs of \$48.2 MM (\$292 PSF), which includes \$2.1 MM of existing land basis
- Construction will be financed through a combination of cash on hand and/or availability under our unsecured line of credit
- Projected stabilized cash yield of 8.4%

## Schuylkill Yards Development



## Overview

- Brandywine is the master developer of Schuylkill Yards, a 20-year six-phase, multi-component 14 acre/ 5.1 million square foot development of office, residential, advanced manufacturing, research facilities and academic facilities in the University City section of Philadelphia
- Adjacent to the nation's 3rd busiest rail station, Schuylkill Yards will become one of the most mixed use and transit-rich developments in the United States and features 6.5 acres of public space including a 1.3 acre public square ("Drexel Square") located directly across 30th Street Station, a shared street esplanade along JFK Boulevard and 1.5 miles of streetscapes complete with new pedestrian-friendly urban furniture and bicycle infrastructure
- Development partners include the Gotham Organization for residential components and Longfellow Real Estate Partners for life sciences components
- On June 27, 2017, announced zoning approvals obtained for the initial phase of the Schuylkill Yards Development, which includes Drexel Square, One Drexel Plaza, and two land sites allowing for a total of approximately 1.6 million square feet of development
- On November 8, 2017, broke ground at Drexel Square, a 1.3-acre community park located at the corner of 30th and Market Street.
- We acquired two existing buildings (3000 Market Street and One Drexel Plaza) targeted to renovate/redevelop as part of our overall Schuylkill Yards Master Development Plan
- Initial phase of new construction consists of a mixed-use facility containing approximately 700,000 square feet, of which at least 60% will be traditional office, lab and academic space. We anticipate this initial phase commencing in 2018/2019 timeframe subject to pre-leasing

## Project Description

- Oversee master planning, including zoning, permitting and receipt of required government and third party approvals
- At commencement of each development phase, will enter into a 99-year ground lease with Drexel University covering the portion of the development site
- Of the 5.1 million total square feet, 52% or approximately 2.6 million is designated office (including lab and academic space)
- Each building, with a minimum building size of 350,000 square feet, is anticipated to be designed by different architects to create highly diverse character across the project

## Financial Highlights

- Excluding the acquisition of One Drexel Plaza, we currently anticipate spending approximately \$15-\$20 million over the next 24 months, primarily consisting of construction of Drexel Square Park and preliminary design planning; though, because the scope has not been finalized
- Costs of future developments will be funded through a combination of existing cash balances, capital raised through one or more joint venture formations and/or proceeds from debt financing

### Objectives

- Actively recycle land inventory to recognize tenant demand changes and create growth opportunities
- Take advantage of attractive land purchase opportunities to create next generation of office and mixed-use projects
- Use sale or re-zoning co-investment vehicles to optimize value on existing land base
  - ▶ Where appropriate, rezone from office to residential, retail and/or hotel
  - ▶ Land deployment last 12 quarters; \$13 MM, 22 acres

### Consolidated Land Held for Development (\$98 MM, 272 acres)

- 9.7 million SF FAR potential (14.8 million SF including Schuylkill Yards)
- 2.5% of total assets

### 2016 - 2018 Land Dispositions/Contracted Sales (\$54 MM, 230 acres)

- 31% reduction in land held for development from December 31, 2015 (including sales under contract)
- During 2016 & 2017 sold \$45 MM, consisting of 10.1 acres of land located in Austin, Texas; 51.5 acres in Mount Laurel, New Jersey; 1.0 acre in Oakland, California, 4.8 acres in Richmond, Virginia, 12.0 acres in Chester County, Pennsylvania and 120 acres in Berks County, Pennsylvania
- During January 2018, sold 13 acres in Durham, North Carolina for \$0.5 MM. Under agreement of sale for \$9 MM for two land parcels in Pennsylvania aggregating 12 acres. We anticipate the sales to close over the next twelve to fifteen months as zoning, appraisals and other closing conditions are satisfied

### Active/Pre-Development Projects

- 25 M Street, Washington, D.C.
- Metroplex II / III, Plymouth Meeting, PA
- Garza Ranch, Austin, TX
- Four Points (Building 3), Austin, TX

### Future Development Sites

- Broadmoor, Austin, TX
- West Lake, Herndon, VA
- 51 N Street, Washington, D.C. (70% JV Partner)
- 1250 First Street, Washington, D.C. (70% JV Partner)
- Woodland Park, Herndon, VA
- Ground lease of Schuylkill Yards parcels (See page 15)
- 2100 Market Street, Philadelphia, PA (currently in operations)
- Several other PA and VA Sites

### Reposition/Sales Sites

- Four Points (retail), Austin, TX
- Several other PA, NJ and Richmond, VA sites
- Garza Ranch, Austin, TX



	Location	Type	Event Date	Square Feet/Acres/Units	Purchase/Sales Price or Basis	Occupancy % @ Event Date
<b>2018 PROPERTY ACTIVITY</b>						
<b>OFFICE ACQUISITION</b>						
Four Tower Bridge (acquired remaining 35%)	Conshohocken, PA	Office Building	01/05/2018	86,021	(a)	97.7%
<b>LAND DISPOSITION</b>						
Westpark Land	Durham, NC	Land	01/10/2018	13.1	\$ 500	
<b>OTHER DISPOSITIONS</b>						
Evo at Cira Centre South Venture (50% of \$197,500 million of assets) (b)	Philadelphia, PA	Real Estate Venture - Residential Tower	01/10/2018	345 units	\$ 98,800	94.6%
Seven Tower Bridge Venture (exchanged our 20% interest)	Conshohocken, PA	Real Estate Venture - Land	01/05/2018	3 acres	(a)	
<b>Total other dispositions</b>					\$ 98,800	
<b>Total Dispositions (including land)</b>					\$ 99,300	
<b>Net Disposition Activity</b>					\$ 99,300	
<b>2017 PROPERTY ACTIVITY</b>						
<b>OFFICE ACQUISITIONS</b>						
One Drexel Plaza	Philadelphia, PA	Office Building	10/13/2017	282,709	\$ 35,000	70.5%
3000 Market Street	Philadelphia, PA	Office Building	07/28/2017	58,587	32,000	80.8%
<b>Total office acquisitions</b>				341,296	\$ 67,000	
<b>OFFICE DISPOSITIONS</b>						
Newtown Square	Newtown Square, PA	Five Office Bldgs	11/22/2017	252,802	\$ 42,000	78.9%
630 Allendale	King of Prussia, PA	Office Building	10/31/2017	150,000	17,500	12.4%
Evesham Corporate Center	Marlton, NJ	Four Office Bldgs	06/27/2017	134,794	9,700	91.6%
Woodland Falls	Cherry Hill, NJ	Three Office Bldgs	03/30/2017	215,465	19,000	93.3%
Calverton	Beltsville, MD	Four Office Bldgs	03/13/2017	313,810	9,000	49.7%
Concord Airport Plaza	Concord, CA	Two Office Bldgs	02/02/2017	350,256	33,100	100.0%
<b>Total office dispositions</b>				1,417,127	\$ 130,300	
<b>LAND DISPOSITIONS</b>						
50 E. Swedesford Square	Malvern, PA	Land	09/13/2017	12.0	\$ 7,200	
Bishops Gate Land	Mt. Laurel, NJ	Land	07/18/2017	49.5	6,000	
Garza Ranch - Multi-family	Austin, TX	Land	04/28/2017	8.4	11,800	
Gateway Land - Site C	Richmond, VA	Land	02/15/2017	4.8	1,100	
Garza Ranch - Hotel	Austin, TX	Land	01/30/2017	1.7	3,500	
<b>Total land dispositions</b>				76.4	\$ 29,600	
<b>OTHER DISPOSITIONS</b>						
Austin Venture (50% of \$333.3 million of assets) (c)	Austin, TX	Real Estate Venture - Five Properties	10/18/2017	1,164,496	\$ 166,600	85.7%
7101 Wisconsin Avenue (d)	Bethesda, MD	Real Estate Venture - Office Building	09/14/2017	230,904	52,900	96.7%
7000 Midlantic	Mt. Laurel, NJ	Retail	06/12/2017	10,784	8,200	100.0%
Marine Piers	Philadelphia, PA	Mixed-use	03/15/2017	181,900	21,400	100.0%
Parc at Plymouth (sold 50% of a \$100.5 MM asset) (e)	Plymouth Meeting, PA	Real Estate Venture - Residential	01/31/2017	398 units	50,250	96.2%
<b>Total other dispositions</b>					\$ 299,350	
<b>Total Dispositions (including land)</b>					\$ 459,250	
<b>Net Disposition Activity</b>					\$ 392,250	

(See page 18 for footnotes)

	Location	Type	Event Date	Square Feet/Acres	Purchase/Sales Price or Basis	Occupancy % @ Event Date
<b>2016 PROPERTY ACTIVITY</b>						
<b>LAND ACQUISITION</b>						
Garza Ranch	Austin, TX	Land	07/01/2016	34.6 acres	\$ 20,600	
<b>OFFICE DISPOSITIONS</b>						
620, 640 & 660 Allendale Road	King of Prussia, PA	Three Office Bldgs	10/13/2016	156,669	\$ 12,800	100.0%
1120 Executive Plaza	Mt. Laurel, NJ	Office Building	09/01/2016	95,183	9,500	100.0%
50 East Clementon Road	Gibbsboro, NJ	Office Building	08/02/2016	3,080	1,100	100.0%
Herndon Metro Plaza I & II	Herndon, VA	Two Office Bldgs	05/11/2016	197,225	44,500	92.9%
2970 Market Street	Philadelphia, PA	Office Building	02/05/2016	862,692	354,000	100.0%
Och Ziff	Various	58 Office Bldgs	02/04/2016	3,924,783	398,100	91.4%
<b>Total office dispositions</b>				5,239,632	\$ 820,000	
<b>LAND DISPOSITIONS</b>						
Oakland Lot B	Oakland, CA	Land	12/02/2016	1 acre	\$ 13,750	
Highlands Land	Mt. Laurel, NJ	Land	08/19/2016	2 acres	300	
Greenhills Land	Reading, PA	Land	01/15/2016	120 acres	900	
<b>Total land dispositions</b>				123 acres	\$ 14,950	
<b>OTHER DISPOSITIONS</b>						
PJP V (sold 25% of \$20.1 MM asset)	Charlottesville, VA	Real Estate Venture - Office Building	09/22/2016	73,997	\$ 5,000	100.0%
Invesco (sold residual profits interest)	Mt. Laurel, NJ	Real Estate Venture - Residual Profits Interest	08/19/2016	(f)	7,000	(f)
1000 Chesterbrook (sold 50% of \$32.1 MM asset)	Berwyn, PA	Real Estate Venture - Office Building	07/14/2016	173,286	16,000	100.0%
Coppell Associates (sold 50% of \$23.5 MM asset)	Austin, TX	Real Estate Venture - Office Building	01/29/2016	150,000	11,800	100.0%
<b>Total other dispositions</b>				397,283	\$ 39,800	
<b>Total Dispositions (including land)</b>					\$ 874,750	
<b>Net Disposition Activity</b>					\$ 854,150	

- (a) On January 5, 2018, exchanged our 20% interest in Seven Tower Bridge, a real estate venture which owns an undeveloped land parcel in Conshohocken, Pennsylvania encumbered by \$14.6 million of debt (our share was \$2.9 million), for the remaining 35% interest in Four Tower Bridge, a real estate venture which owns an office property containing 86,109 square feet in Conshohocken, Pennsylvania encumbered by \$9.7 million of debt (our 65% share prior the exchange was \$6.3 million).
- (b) This property was sold by Evo at Cira Centre South Venture, in which our ownership interest is 50%. We received net cash proceeds of \$43.0 million after closing costs and related debt payoff.
- (c) These properties were sold by DRA Austin JV, in which our ownership interest is 50%. We received net cash proceeds of \$86.4 million after closing costs and related debt payoff.
- (d) This property was sold by Allstate DC JV, in which our ownership interest is 50%. We received net cash proceeds of \$31.8 million after closing costs and related debt payoff.
- (e) Sold our entire 50% ownership interest for net cash proceeds of \$27.2 million after closing costs and related debt payoff.
- (f) Sold our entire residual profits interest in Invesco for \$7.0 million. We had no equity interest at Invesco at the time of the sale.

	Twelve Months Ended				Three Months Ended					
	12/31/2017	12/31/2016	12/31/2017	09/30/2017	06/30/2017	03/31/2017	12/31/2016	09/30/2016	06/30/2016	03/31/2016
<b>Property Count</b>										
Office	83	93	83	83	87	90	93	99	102	106
Retail/Mixed-use	4	8	4	4	7	7	8	8	10	10
<b>Total Property Count</b>	<b>87</b>	<b>101</b>	<b>87</b>	<b>87</b>	<b>94</b>	<b>97</b>	<b>101</b>	<b>107</b>	<b>112</b>	<b>116</b>
<b>Property Square Feet</b>										
Office	15,544,704	15,111,544	15,544,704	15,544,201	14,876,521	14,896,079	15,111,544	15,868,632	16,105,330	16,546,999
Retail/Mixed-use	38,762	319,050	38,762	38,762	137,150	137,150	319,050	319,050	425,719	409,841
<b>Total Square Feet</b>	<b>15,583,466</b>	<b>15,430,594</b>	<b>15,583,466</b>	<b>15,582,963</b>	<b>15,013,671</b>	<b>15,033,229</b>	<b>15,430,594</b>	<b>16,187,682</b>	<b>16,531,049</b>	<b>16,956,840</b>
<b>Occupancy %:</b>										
Office	92.9%	93.9%	92.9%	92.0%	92.4%	93.3%	93.9%	92.6%	92.3%	93.0%
Retail/Mixed-use	82.9%	97.1%	82.9%	82.9%	75.9%	75.5%	97.1%	97.1%	85.5%	86.3%
<b>Total Occupancy %</b>	<b>92.9%</b>	<b>93.9%</b>	<b>92.9%</b>	<b>92.0%</b>	<b>92.2%</b>	<b>93.2%</b>	<b>93.9%</b>	<b>92.7%</b>	<b>92.1%</b>	<b>92.8%</b>
<b>Leased % (2):</b>										
Office	94.3%	95.0%	94.3%	94.1%	93.7%	94.1%	95.0%	93.7%	93.7%	94.3%
Retail/Mixed-use	82.9%	97.1%	82.9%	82.9%	75.9%	75.5%	97.1%	97.1%	98.7%	86.3%
<b>Total Leased %</b>	<b>94.3%</b>	<b>95.1%</b>	<b>94.3%</b>	<b>94.1%</b>	<b>93.5%</b>	<b>94.0%</b>	<b>95.1%</b>	<b>93.7%</b>	<b>93.8%</b>	<b>94.1%</b>
<b>Sublease Space:</b>										
Square footage	381,337	255,349	381,337	337,986	334,780	255,464	255,349	255,633	297,242	274,459
Average remaining lease term (yrs)	2.2	2.3	2.2	3.1	3.1	2.2	2.3	2.3	2.2	1.9
% of total square feet	2.2%	1.7%	2.2%	2.2%	2.2%	1.7%	1.7%	1.6%	1.8%	1.6%
<b>Leasing &amp; Absorption (square feet) (3):</b>										
New leases commenced	566,160	427,391	167,629	153,787	173,197	71,547	72,992	105,884	88,794	159,721
Expansions commenced	310,569	486,942	98,580	120,860	18,792	72,337	107,266	134,698	116,129	128,849
Leases renewed	1,248,080	824,232	133,489	250,306	780,540	83,745	90,329	182,147	391,861	159,895
<b>Total Leasing Activity</b>	<b>2,124,809</b>	<b>1,738,565</b>	<b>399,698</b>	<b>524,953</b>	<b>972,529</b>	<b>227,629</b>	<b>270,587</b>	<b>422,729</b>	<b>596,784</b>	<b>448,465</b>
Contractions	(4,672)	(50,059)	(4,172)	-	-	(500)	(3,107)	(16,998)	(1,688)	(28,266)
Leases expired	(1,763,534)	(1,403,003)	(186,625)	(447,111)	(924,292)	(205,506)	(149,527)	(278,236)	(599,887)	(375,353)
Early terminations	(312,934)	(432,578)	(68,211)	(8,750)	(107,814)	(128,159)	(74,443)	(102,710)	(93,847)	(161,578)
<b>Net absorption</b>	<b>43,669</b>	<b>(147,075)</b>	<b>140,690</b>	<b>69,092</b>	<b>(59,577)</b>	<b>(106,536)</b>	<b>43,510</b>	<b>24,785</b>	<b>(98,638)</b>	<b>(116,732)</b>
<b>Retention %</b>	<b>74.9%</b>	<b>69.5%</b>	<b>89.6%</b>	<b>81.4%</b>	<b>77.4%</b>	<b>46.7%</b>	<b>87.0%</b>	<b>79.6%</b>	<b>73.0%</b>	<b>51.1%</b>
<b>Direct Lease Deals (% of deals, based on SF, done without an external broker)</b>	<b>44%</b>	<b>32%</b>	<b>22%</b>	<b>30%</b>	<b>66%</b>	<b>19%</b>	<b>38%</b>	<b>26%</b>	<b>48%</b>	<b>14%</b>

(1) For each period, includes all properties in the core portfolio (i.e. not under development, redevelopment, re-entitlement or held for sale), including properties that were sold during these periods.

(2) Includes leases entered into through January 12, 2018 that will commence subsequent to the end of the current period.

(3) Each prior period include leasing related to held for sale and sold properties.

	Twelve Months Ended				Three Months Ended						
	12/31/2017	12/31/2016	12/31/2017	09/30/2017	06/30/2017	03/31/2017	12/31/2016	09/30/2016	06/30/2016	03/31/2016	
<b>New Leases/Expansions (2):</b>											
<b>Cash Rent Growth</b>											
Expiring Rate	\$ 29.83	\$ 28.06	\$ 29.07	\$ 31.58	\$ 30.36	\$ 29.69	\$ 28.32	\$ 31.88	\$ 28.05	\$ 23.61	
New Rate	\$ 30.97	\$ 29.03	\$ 31.95	\$ 29.96	\$ 30.49	\$ 30.34	\$ 29.85	\$ 31.74	\$ 28.91	\$ 25.54	
Increase (decrease) %	3.8%	3.5%	9.9%	-5.1%	0.4%	2.2%	5.4%	-0.5%	3.1%	8.2%	
<b>GAAP Rent Growth</b>											
Expiring Rate	\$ 27.59	\$ 25.56	\$ 25.93	\$ 28.98	\$ 28.30	\$ 28.86	\$ 25.53	\$ 29.86	\$ 25.89	\$ 20.49	
New Rate	\$ 31.85	\$ 29.47	\$ 33.29	\$ 30.63	\$ 30.30	\$ 31.01	\$ 29.82	\$ 32.58	\$ 30.09	\$ 25.25	
Increase (decrease) %	15.4%	15.3%	28.4%	5.7%	7.1%	7.4%	16.8%	9.1%	16.2%	23.2%	
<b>Renewals (2):</b>											
<b>Cash Rent Growth</b>											
Expiring Rate	\$ 23.92	\$ 24.89	\$ 29.82	\$ 26.32	\$ 21.83	\$ 30.85	\$ 20.42	\$ 28.40	\$ 24.19	\$ 24.97	
Renewal Rate	\$ 26.91	\$ 25.49	\$ 29.76	\$ 27.97	\$ 25.87	\$ 31.04	\$ 20.73	\$ 27.44	\$ 25.80	\$ 24.84	
Increase (decrease) %	12.5%	2.4%	-0.2%	6.3%	18.5%	0.6%	1.5%	-3.4%	6.6%	-0.5%	
<b>GAAP Rent Growth</b>											
Expiring Rate	\$ 26.24	\$ 23.65	\$ 26.96	\$ 24.97	\$ 26.29	\$ 27.94	\$ 19.26	\$ 26.24	\$ 23.33	\$ 23.71	
Renewal Rate	\$ 27.42	\$ 25.81	\$ 29.98	\$ 28.08	\$ 26.58	\$ 31.03	\$ 20.52	\$ 27.99	\$ 26.16	\$ 25.07	
Increase (decrease) %	4.5%	9.2%	11.2%	12.4%	1.1%	11.1%	6.5%	6.7%	12.1%	5.7%	
<b>Combined Leasing (2):</b>											
<b>Cash Rent Growth</b>											
Expiring Rate	\$ 25.07	\$ 26.08	\$ 29.46	\$ 27.54	\$ 22.06	\$ 30.22	\$ 24.76	\$ 30.03	\$ 25.00	\$ 24.34	
New/Renewal Rate	\$ 27.69	\$ 26.82	\$ 30.81	\$ 28.44	\$ 26.00	\$ 30.66	\$ 25.75	\$ 29.45	\$ 26.45	\$ 25.16	
Increase (decrease) %	10.5%	2.8%	4.6%	3.2%	17.8%	1.5%	4.0%	-1.9%	5.8%	3.4%	
<b>GAAP Rent Growth</b>											
Expiring Rate	\$ 26.50	\$ 24.37	\$ 26.47	\$ 25.90	\$ 26.34	\$ 28.44	\$ 22.71	\$ 27.93	\$ 23.87	\$ 22.21	
New/Renewal Rate	\$ 28.28	\$ 27.19	\$ 31.56	\$ 28.67	\$ 26.68	\$ 31.02	\$ 25.64	\$ 30.13	\$ 26.99	\$ 25.15	
Increase (decrease) %	6.7%	11.6%	19.3%	10.7%	1.3%	9.1%	12.9%	7.9%	13.1%	13.3%	
<b>Capital Costs Committed (3):</b>											
Leasing Commissions (per square foot)	\$ 4.14	\$ 3.82	\$ 5.84	\$ 6.33	\$ 2.52	\$ 6.65	\$ 3.22	\$ 5.65	\$ 2.77	\$ 3.94	
Tenant Improvements (per square foot)	11.04	10.74	19.76	13.21	5.82	20.98	12.77	19.99	6.68	6.34	
<b>Total</b>	\$ 15.18	\$ 14.56	\$ 25.60	\$ 19.54	\$ 8.35	\$ 27.62	\$ 15.99	\$ 25.64	\$ 9.44	\$ 10.28	
Total capital per square foot per lease year (3)	\$ 1.89	\$ 2.44	\$ 3.56	\$ 2.43	\$ 0.95	\$ 3.28	\$ 2.79	\$ 3.88	\$ 1.59	\$ 2.14	
Capital as a % of rent	8.7%	9.0%	11.8%	11.3%	5.3%	10.6%	10.8%	12.9%	5.9%	8.5%	
Weighted average lease term (yrs) for leases commenced in QTR or YTD	7.3	5.9	7.3	10.0	6.4	6.5	6.4	6.9	5.2	5.5	

(1) For each period, includes all properties in the core portfolio (i.e. not under development, redevelopment or re-entitlement), including properties that were sold during these periods. Calculations reflect commenced, revenue maintaining deals.

(2) Rental rates include base rent plus reimbursement for operating expenses and real estate taxes.

(3) Calculated on a weighted average basis.

Year of Lease Expiration	Square Footage								Annualized Rent of Expiring Leases (3)			
	Initial Expiring	Acquired / Sold / in Service	Early Renewals (4)		Vacated Leases	New Leases	Remaining Expiring (5)	% of Total Square Feet	Current	Per Square Foot	Final	Per Square Foot
			Out	In								
Original 2017 Expirations	2,076,372											
MTM tenants at 12/31/16	13,694											
Renewed prior to 2017	(1,047,919) (1)											
Vacated prior to 2017	(143,931) (2)											
2017	898,216	(133,898)	(200,161)	-	(558,400)	6,107	11,864	0.1%	\$ 613,095	\$ 51.68	\$ 613,095	\$ 51.68
2018	1,511,699	(29,846)	(714,961)	87,796	(113,037)	23,525	765,176	4.9%	24,530,179	32.06	24,125,667	31.53
2019	1,279,785	(7,185)	(264,313)	136,177	(16,619)	49,266	1,177,111	7.6%	36,072,789	30.65	37,399,370	31.77
2020	1,905,774	(296,117)	(277,765)	46,890	(76,234)	29,206	1,331,754	8.5%	38,346,599	28.79	41,224,776	30.96
2021	1,442,108	(56,690)	(84,163)	11,260	(40,751)	21,395	1,293,159	8.3%	38,350,491	29.66	40,653,469	31.44
2022	2,144,523	(43,612)	(15,758)	32,381	(1,321)	62,641	2,178,854	14.0%	66,253,968	30.41	73,058,233	33.53
2023	507,582	(103,164)	(7,560)	519,131	-	51,865	967,854	6.2%	30,986,875	32.02	33,127,413	34.23
2024	955,743	(64,416)	-	526,143	(4,952)	56,940	1,469,458	9.4%	49,622,842	33.77	61,051,345	41.55
2025	486,984	9,939	-	91,183	-	52,855	640,961	4.1%	20,008,569	31.22	23,585,962	36.80
2026	847,760	(23,440)	-	49,289	-	59,472	933,081	6.0%	27,983,093	29.99	32,469,397	34.80
2027	665,057	57,246	(29,778)	7,421	-	53,847	753,793	4.8%	24,257,759	32.18	29,147,431	38.67
Thereafter	1,848,472	629,175	(27,583)	114,371	(21,746)	409,610	2,952,299	19.0%	94,619,984	32.05	121,977,202	41.32
<b>Total</b>	<b>14,493,703</b>	<b>(62,008)</b>	<b>(1,622,042)</b>	<b>1,622,042</b>	<b>(833,060)</b>	<b>876,729</b>	<b>14,475,364</b>	<b>92.9%</b>	<b>\$ 451,646,243</b>	<b>\$ 31.20</b>	<b>\$ 518,433,360</b>	<b>\$ 35.81</b>

(1) Reflects 2017 expirations renewed prior to 2017 which will be reflected in the leasing activity statistics (p.19-20) during the quarter in which the new leases commence.

(2) Reflects 2017 expirations that vacated prior to 2017 before the lease was originally scheduled to expire, and as a result, were reflected in the leasing activity statistics (p.19-20) during the quarter in which the lease vacated.

(3) Reflects annualized base rent and current reimbursement for operating expenses and real estate taxes. Current annualized rent assumes base rent as of the end of the current reporting period, while final annualized rent assumes the base rent at the end of the lease term.

(4) Reflects leases renewed through January 12, 2018 that will commence subsequent to the end of the current period.

(5) Does not include development/redevelopment property expirations.

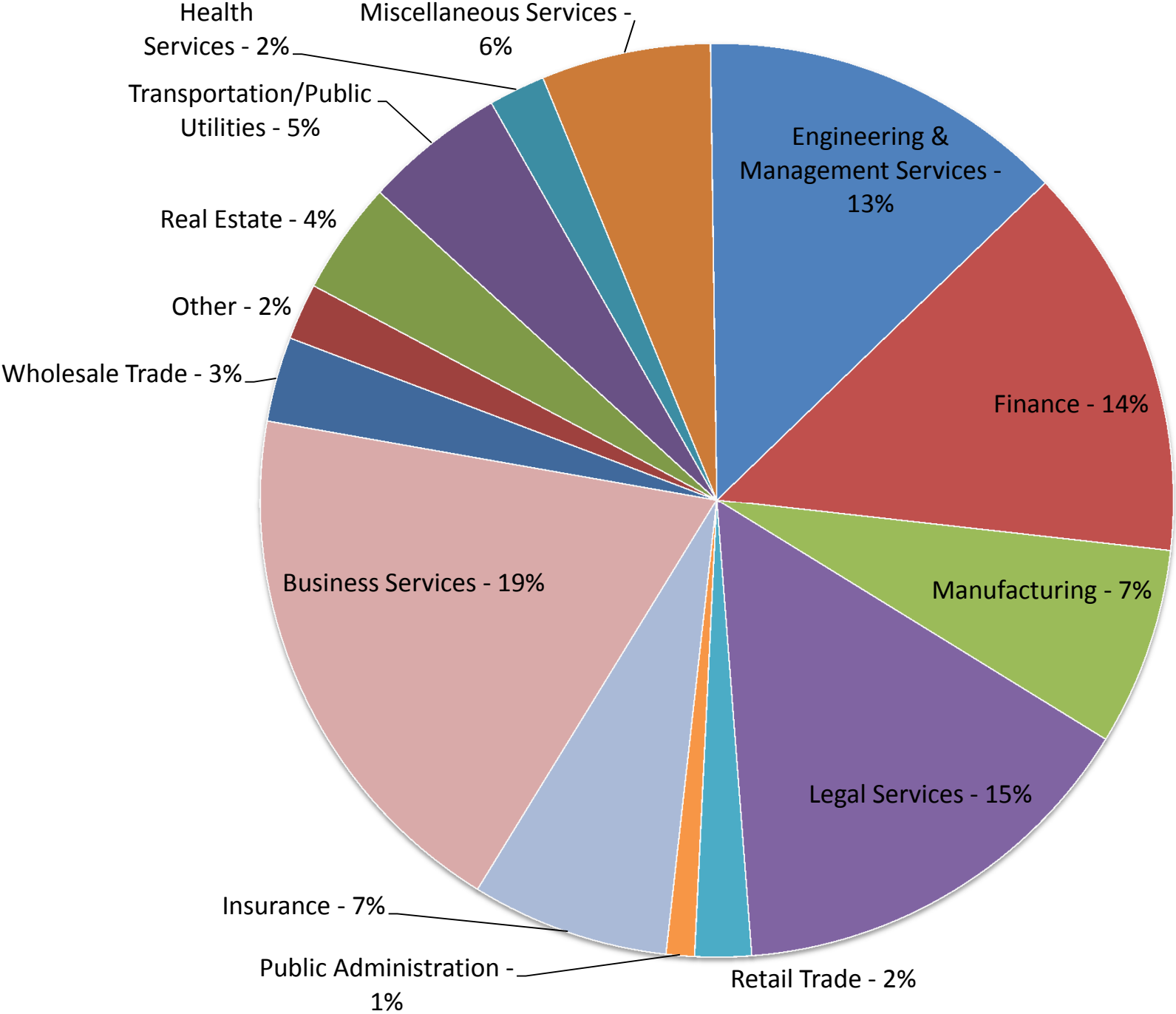
		2017	2018	2019	2020	2021	2022	2023	Thereafter	Total
Philadelphia CBD	Square feet expiring (Net of Acquired/Sold)	143	458	619	549	518	730	133	2,649	5,801
	Net leasing activity	(143)	(109)	(216)	(4)	(22)	36	93	550	184
	Remaining square feet expiring	-	349	403	545	496	766	226	3,199	5,985
	Square feet as a % of Region NRA	0.0%	5.5%	6.4%	8.6%	7.9%	12.1%	3.6%	50.7%	94.9%
	Annualized rent in expiring year	\$ 258	\$ 11,874	\$ 13,664	\$ 18,536	\$ 17,662	\$ 25,776	\$ 8,106	\$ 137,879	\$ 233,753
	Annualized rent per SF in expiring year	\$ -	\$ 34.03	\$ 33.87	\$ 33.98	\$ 35.64	\$ 33.64	\$ 35.92	\$ 43.10	\$ 39.06
Pennsylvania Suburbs	Square feet expiring (Net of Acquired/Sold)	451	493	303	766	569	399	178	1,277	4,437
	Net leasing activity	(441)	(245)	84	(257)	(89)	10	159	623	(156)
	Remaining square feet expiring	10	248	387	509	480	409	338	1,900	4,281
	Square feet as a % of Region NRA	0.2%	5.3%	8.3%	10.9%	10.3%	8.7%	7.2%	40.7%	91.6%
	Annualized rent in expiring year	\$ 259	\$ 7,118	\$ 11,131	\$ 16,018	\$ 13,982	\$ 14,934	\$ 11,013	\$ 68,123	\$ 142,579
	Annualized rent per SF in expiring year	\$ 25.74	\$ 28.69	\$ 28.76	\$ 31.46	\$ 29.11	\$ 36.56	\$ 32.62	\$ 35.85	\$ 33.30
Metropolitan Washington, D.C.	Square feet expiring (Net of Acquired/Sold)	99	476	281	160	96	372	85	1,092	2,659
	Net leasing activity	(99)	(347)	33	(6)	-	28	300	110	19
	Remaining square feet expiring	-	129	314	154	96	399	385	1,202	2,679
	Square feet as a % of Region NRA	0.0%	4.3%	10.6%	5.2%	3.2%	13.4%	13.0%	40.4%	90.2%
	Annualized rent in expiring year	\$ 85	\$ 4,259	\$ 11,419	\$ 5,169	\$ 3,532	\$ 15,737	\$ 13,582	\$ 50,360	\$ 104,143
	Annualized rent per SF in expiring year	\$ -	\$ 33.07	\$ 36.38	\$ 33.59	\$ 36.96	\$ 39.39	\$ 35.25	\$ 41.91	\$ 38.88
Austin, TX	Square feet expiring (Net of Acquired/Sold)	36	-	-	-	199	584	-	144	963
	Net leasing activity	(36)	-	-	-	-	1	-	39	5
	Remaining square feet expiring	-	-	-	-	199	585	-	183	968
	Square feet as a % of Region NRA	0.0%	0.0%	0.0%	0.0%	20.6%	60.5%	0.0%	18.9%	100.0%
	Annualized rent in expiring year	\$ -	\$ -	\$ -	\$ -	\$ 5,045	\$ 16,232	\$ -	\$ 3,991	\$ 25,268
	Annualized rent per SF in expiring year	\$ -	\$ -	\$ -	\$ -	\$ 25.34	\$ 27.73	\$ -	\$ 21.78	\$ 26.11
Other	Square feet expiring (Net of Acquired/Sold)	35	55	69	134	4	16	8	250	573
	Net leasing activity	(34)	(15)	3	(11)	19	3	11	15	(10)
	Remaining square feet expiring	2	39	73	123	23	19	19	265	563
	Square feet as a % of Region NRA	0.2%	5.9%	11.0%	18.6%	3.4%	2.9%	2.9%	39.9%	84.9%
	Annualized rent in expiring year	\$ 12	\$ 874	\$ 1,186	\$ 1,501	\$ 432	\$ 379	\$ 426	\$ 7,878	\$ 12,688
	Annualized rent per SF in expiring year	\$ 7.79	\$ 22.19	\$ 16.30	\$ 12.18	\$ 19.11	\$ 19.72	\$ 22.06	\$ 29.72	\$ 22.53
CONSOLIDATED PORTFOLIO	Square feet expiring (Net of Acquired/Sold)	764	1,482	1,273	1,610	1,385	2,101	404	5,413	14,432
	Net leasing activity	(752)	(717)	(96)	(278)	(92)	78	564	1,337	43
	Remaining square feet expiring	12	765	1,177	1,332	1,293	2,179	968	6,750	14,475
	Square feet as a % of total NRA	0.1%	4.9%	7.6%	8.5%	8.3%	14.0%	6.2%	43.3%	92.9%
	Annualized rent in expiring year	\$ 613	\$ 24,126	\$ 37,399	\$ 41,225	\$ 40,653	\$ 73,058	\$ 33,127	\$ 268,231	\$ 518,433
	Annualized rent per SF in expiring year	\$ 51.68	\$ 31.53	\$ 31.77	\$ 30.96	\$ 31.44	\$ 33.53	\$ 34.23	\$ 39.74	\$ 35.82

(1) Does not include development/redevelopment property expirations.

Top Twenty Tenants	Annualized Rent (1)	% of Total Annualized Rent (1)	Annualized Rent per Square Foot (1)	Square Feet Occupied	% of Total Square Feet
IBM, Inc.	\$ 19,548	4.3%	\$ 24.92	784,477	5.4%
Comcast Corporation	13,405	3.0%	31.21	429,513	3.0%
Northrop Grumman Corporation	10,337	2.3%	36.34	284,460	2.0%
FMC Corporation	10,054	2.2%	44.09	228,025	1.6%
Pepper Hamilton LLP	9,666	2.1%	33.81	285,906	2.0%
Lincoln National Management Co.	8,323	1.8%	36.43	228,447	1.6%
KPMG, LLP	7,730	1.7%	40.84	189,282	1.3%
Dechert LLP	7,226	1.6%	37.79	191,208	1.3%
Macquarie US	7,025	1.6%	31.45	223,355	1.5%
Independence Blue Cross, LLC	6,697	1.5%	30.38	227,974	1.6%
Deltek Systems, Inc.	6,291	1.4%	39.84	157,900	1.1%
General Services Administration - U.S. Govt. (2)	6,185	1.4%	32.54	46,364	0.3%
CSL Behring, LLC	6,185	1.4%	24.05	257,140	1.8%
Drinker Biddle & Reath LLP	5,653	1.3%	35.78	157,989	1.1%
Blank Rome LLP	5,622	1.2%	28.58	196,689	1.4%
PricewaterhouseCoopers LLP	4,984	1.1%	30.87	161,450	1.1%
The Trustees of the University of Pennsylvania	4,911	1.1%	38.02	129,154	0.9%
Reliance Standard Life Insurance Company	4,541	1.0%	30.85	147,202	1.0%
VWR Management Services LLC	4,524	1.0%	30.19	149,858	1.0%
Reed Smith LLP	4,353	1.0%	33.49	129,996	0.9%
<b>Sub-total top twenty tenants</b>	<b>\$ 153,260</b>	<b>34.0%</b>	<b>\$ 33.27</b>	<b>4,606,389</b>	<b>31.9%</b>
Remaining tenants	\$ 298,386	66.0%	\$ 30.23	9,868,975	68.1%
<b>Total portfolio as of December 31, 2017</b>	<b>\$ 451,646</b>	<b>100.0%</b>	<b>\$ 31.20</b>	<b>14,475,364</b>	<b>100.0%</b>

(1) Reflects cash annualized base rent and current reimbursement for operating expenses and real estate taxes.

(2) Annualized rent includes \$4.7 million related to parking, which is excluded from annualized rent per square foot.





	Twelve Months Ended				Three Months Ended					
	12/31/2017	12/31/2016	12/31/2017	09/30/2017	06/30/2017	03/31/2017	12/31/2016	09/30/2016	06/30/2016	03/31/2016
<b>Revenue</b>										
Rents	\$ 412,333	\$ 421,505	\$ 104,887	\$ 102,557	\$ 101,557	\$ 103,332	\$ 103,181	\$ 104,537	\$ 103,624	\$ 110,163
Tenant reimbursements	72,620	70,629	18,808	17,239	18,038	18,535	17,314	17,324	15,937	20,054
Termination fees	2,370	2,339	357	200	140	1,673	880	611	554	294
Third party mgt. fees, labor reimbursement and leasing	28,345	26,674	7,862	6,918	7,080	6,485	8,983	6,248	6,208	5,235
Other	4,825	4,316	1,430	1,524	976	895	1,728	974	858	756
	<u>520,493</u>	<u>525,463</u>	<u>133,344</u>	<u>128,438</u>	<u>127,791</u>	<u>130,920</u>	<u>132,086</u>	<u>129,694</u>	<u>127,181</u>	<u>136,502</u>
<b>Operating expenses</b>										
Property operating expenses	150,835	152,926	39,888	36,847	37,215	36,885	38,718	37,250	36,079	40,879
Real estate taxes	45,204	46,252	11,142	11,235	11,078	11,749	11,319	11,566	11,481	11,886
Third party management expenses	9,960	10,270	2,569	2,619	2,325	2,447	3,098	2,501	2,661	2,010
Depreciation and amortization	179,357	189,676	46,773	42,429	44,263	45,892	46,940	46,956	46,907	48,873
General & administrative expenses	28,538	26,596	6,741	5,813	6,659	9,325	5,885	5,515	6,076	9,120
Provision for impairment	3,057	40,517	-	-	327	2,730	27,448	-	5,679	7,390
Total operating expenses	<u>416,951</u>	<u>466,237</u>	<u>107,113</u>	<u>98,943</u>	<u>101,867</u>	<u>109,028</u>	<u>133,408</u>	<u>103,788</u>	<u>108,883</u>	<u>120,158</u>
<b>Operating income (loss)</b>	<u>103,542</u>	<u>59,226</u>	<u>26,231</u>	<u>29,495</u>	<u>25,924</u>	<u>21,892</u>	<u>(1,322)</u>	<u>25,906</u>	<u>18,298</u>	<u>16,344</u>
<b>Other income (expense)</b>										
Interest income	1,113	1,236	478	79	163	393	266	291	359	320
Interest expense	(81,886)	(84,708)	(20,413)	(19,732)	(20,304)	(21,437)	(20,374)	(20,814)	(19,829)	(23,691)
Interest expense - amortization of deferred financing costs	(2,435)	(2,696)	(628)	(577)	(596)	(634)	(633)	(645)	(644)	(774)
Interest expense - financing obligation	-	(679)	-	-	-	-	-	(156)	(242)	(281)
Equity in income (loss) of real estate ventures	(8,306)	(11,503)	(2,919)	(5,723)	1,084	(748)	(2,180)	(7,254)	(1,666)	(403)
Net gain (loss) on disposition of real estate	31,657	116,983	23,246	-	1,088	7,323	2,358	(104)	(727)	115,456
Net gain on sale of undepreciated real estate	953	9,232	-	953	-	-	9,044	188	-	-
Net gain on real estate venture transactions	80,526	20,000	52,186	13,758	-	14,582	471	10,472	3,128	5,929
Loss on early extinguishment of debt	(3,933)	(66,590)	(3,933)	-	-	-	-	-	-	(66,590)
<b>Net Income (loss) before income taxes</b>	<u>121,231</u>	<u>40,501</u>	<u>74,248</u>	<u>18,253</u>	<u>7,359</u>	<u>21,371</u>	<u>(12,370)</u>	<u>7,884</u>	<u>(1,323)</u>	<u>46,310</u>
Income tax (provision) benefit	628	-	(404)	793	339	(100)	-	-	-	-
<b>Net Income (loss)</b>	<u>121,859</u>	<u>40,501</u>	<u>73,844</u>	<u>19,046</u>	<u>7,698</u>	<u>21,271</u>	<u>(12,370)</u>	<u>7,884</u>	<u>(1,323)</u>	<u>46,310</u>
Net (income) loss from continuing operations attributable to non-controlling interest	(1,009)	(310)	(625)	(170)	(45)	(169)	115	(58)	22	(389)
<b>Net income (loss) attributable to Brandywine Realty Trust</b>	<u>120,850</u>	<u>40,191</u>	<u>73,219</u>	<u>18,876</u>	<u>7,653</u>	<u>21,102</u>	<u>(12,255)</u>	<u>7,826</u>	<u>(1,301)</u>	<u>45,921</u>
Preferred share distributions	(2,032)	(6,900)	-	-	(307)	(1,725)	(1,725)	(1,725)	(1,725)	(1,725)
Preferred share redemption charge (a)	(3,181)	-	-	-	(3,181)	-	-	-	-	-
Nonforfeitable dividends allocated to unvested restricted shareholders	(327)	(341)	(82)	(73)	(73)	(99)	(78)	(79)	(79)	(105)
<b>Net income (loss) attributable to common shareholders</b>	<u>\$ 115,310</u>	<u>\$ 32,950</u>	<u>\$ 73,137</u>	<u>\$ 18,803</u>	<u>\$ 4,092</u>	<u>\$ 19,278</u>	<u>\$ (14,058)</u>	<u>\$ 6,022</u>	<u>\$ (3,105)</u>	<u>\$ 44,091</u>
<b>Per Share Data</b>										
Basic income (loss) per common share	\$ 0.66	\$ 0.19	\$ 0.42	\$ 0.11	\$ 0.02	\$ 0.11	\$ (0.08)	\$ 0.03	\$ (0.02)	\$ 0.25
Basic weighted-average shares outstanding	175,484,350	175,018,163	175,985,156	175,433,657	175,333,300	175,176,964	175,140,760	175,127,110	175,013,291	174,788,945
Diluted income (loss) per common share	\$ 0.65	\$ 0.19	\$ 0.41	\$ 0.11	\$ 0.02	\$ 0.11	\$ (0.08)	\$ 0.03	\$ (0.02)	\$ 0.25
Diluted weighted-average shares outstanding	176,808,166	176,010,814	177,426,365	176,835,022	176,756,598	176,201,872	175,140,760	176,364,615	175,013,291	175,471,413

(a) Represents financing costs incurred at issuance of preferred shares. Since the preferred shares are perpetual these costs are not amortized, in accordance with GAAP, as the redemption date is indeterminate.

Fourth Quarter	Same Store Portfolio				Recently Completed/ Acquired (1)		Development/ Redevelopment (2)		Other/ Eliminations (3)		All Properties		
	Fourth Quarter				Fourth Quarter		Fourth Quarter		Fourth Quarter		Fourth Quarter		
	2017	2016	Variance	% Change	2017	2016	2017	2016	2017	2016	2017	2016	Variance
Revenue													
Rents													
Cash	\$ 89,806	\$ 87,027	\$ 2,779	3.2%	\$ 4,558	\$ 1,529	\$ 3,086	\$ 452	\$ 330	\$ 6,194	\$ 97,780	\$ 95,202	\$ 2,578
Straight-line	347	3,270	(2,923)	-89.4%	5,648	3,390	476	(56)	(155)	(63)	6,316	6,541	(225)
Above/below-market rent amortization	450	1,451	(1,001)	-69.0%	87	(13)	254	-	-	-	791	1,438	(647)
Total rents	90,603	91,748	(1,145)	-1.2%	10,293	4,906	3,816	396	175	6,131	104,887	103,181	1,706
Tenant reimbursements	16,861	15,641	1,220	7.8%	1,450	396	569	42	(72)	1,235	18,808	17,314	1,494
Termination fees	357	335	22	6.6%	-	532	-	-	-	13	357	880	(523)
Third party mgt fees, labor reimbursement and leasing	-	-	-	-	-	-	-	-	7,862	8,983	7,862	8,983	(1,121)
Other	416	436	(20)	-4.6%	8	7	839	107	167	1,178	1,430	1,728	(298)
Total revenue	108,237	108,160	77	0.1%	11,751	5,841	5,224	545	8,132	17,540	133,344	132,086	1,258
Property operating expenses	32,628	31,326	(1,302)	-4.2%	3,048	2,035	3,745	446	467	4,911	39,888	38,718	(1,170)
Real estate taxes	10,012	9,682	(330)	-3.4%	278	177	315	108	537	1,352	11,142	11,319	177
Third party management expenses	-	-	-	-	-	-	-	-	2,569	3,098	2,569	3,098	529
Net operating income	\$ 65,597	\$ 67,152	\$ (1,555)	-2.3%	\$ 8,425	\$ 3,629	\$ 1,164	\$ (9)	\$ 4,559	\$ 8,179	\$ 79,745	\$ 78,951	\$ 794
Net operating income, excl. net termination fees and other	\$ 64,824	\$ 66,381	\$ (1,557)	-2.3%	\$ 8,417	\$ 3,090	\$ 325	\$ (116)	\$ 4,392	\$ 6,988	\$ 77,958	\$ 76,343	\$ 1,615
Number of properties	83	83			4		6				93		
Square feet (in thousands)	14,331	14,331			1,253		829				16,413		
Occupancy % (end of period)	93.2%	94.8%			89.3%								
NOI margin, excl. termination fees, third party and other revenues	60.3%	61.8%											
Expense recovery ratio	39.5%	38.1%											

	2017	2016	Variance	% Change
Net operating income	\$ 65,597	\$ 67,152	\$ (1,555)	-2.3%
Less: Straight line rents & other	(143)	(3,164)	3,021	-95.5%
Less: Above/below market rent amortization	(450)	(1,451)	1,001	-69.0%
Add: Amortization of tenant inducements	390	724	(334)	-46.1%
Add: Non-cash ground rent expense	22	22	-	0.0%
Cash - Net operating income	\$ 65,416	\$ 63,283	\$ 2,133	3.4%
Cash - Net operating income, excl. net term fees & other	\$ 64,439	\$ 62,406	\$ 2,033	3.3%

- (1) Includes the office component of the FMC Tower in Philadelphia, Pennsylvania (RC), 1900 Market Street in Philadelphia, Pennsylvania (RC), 3000 Market Street in Philadelphia, Pennsylvania (RA) and 933 First Avenue in King of Prussia, Pennsylvania (RC).
- (2) Includes the Subaru Service Center in Camden, New Jersey (Dev), Four Points Building 3 in Austin, Texas (Dev), One Drexel Plaza in Philadelphia, Pennsylvania (Redev), Broadmoor Building 6 in Austin, Texas (Redev), 500 North Gulph Road in King of Prussia, Pennsylvania (Redev), 426 Lancaster Avenue in Devon, Pennsylvania (Redev) and the residential and retail components of FMC Tower (not included in the property count).
- (3) Consists of property dispositions, assets held for sale, the parking operations of pre-development projects and normal intercompany eliminating entries. See page 17 - Property Activity for further information on dispositions.

					Recently Completed/ Acquired		Development/ Redevelopment		Other/ Eliminations		All Properties		
	2017	2016	Variance	% Change	2017	2016	2017	2016	2017	2016	2017	2016	Variance
Free rent	\$ 2,323	\$ 3,770	\$ (1,447)	-38.4%	\$ 4,548	\$ 3,764	\$ 486	\$ -	\$ 37	\$ 109	\$ 7,394	\$ 7,643	\$ (249)

Year to Date	Same Store Portfolio				Recently Completed/ Acquired (1)		Development/ Redevelopment (2)		Other/ Eliminations (3)		All Properties		
	Year to Date				Year to Date		Year to Date		Year to Date		Year to Date		
	2017	2016	Variance	% Change	2017	2016	2017	2016	2017	2016	2017	2016	Variance
Revenue													
Rents													
Cash	\$ 355,773	\$ 337,993	\$ 17,780	5.3%	\$ 10,803	\$ 6,752	\$ 7,471	\$ 2,207	\$ 6,762	\$ 38,949	\$ 380,809	\$ 385,901	\$ (5,092)
Straight-line	7,250	20,774	(13,524)	-65.1%	21,158	8,378	392	(34)	(347)	(43)	28,453	29,075	(622)
Above/below-market rent amortization	2,694	6,648	(3,954)	-59.5%	123	(351)	254	232	-	-	3,071	6,529	(3,458)
<b>Total rents</b>	<b>365,717</b>	<b>365,415</b>	<b>302</b>	<b>0.1%</b>	<b>32,084</b>	<b>14,779</b>	<b>8,117</b>	<b>2,405</b>	<b>6,415</b>	<b>38,906</b>	<b>412,333</b>	<b>421,505</b>	<b>(9,172)</b>
Tenant reimbursements	66,124	61,747	4,377	7.1%	4,154	1,071	642	400	1,700	7,411	72,620	70,629	1,991
Termination fees	1,893	660	1,233	186.8%	466	1,619	-	-	11	60	2,370	2,339	31
Third party mgt fees, labor reimbursement and leasing	-	-	-	-	-	-	-	-	28,345	26,674	28,345	26,674	1,671
Other	2,056	1,744	312	17.9%	57	27	1,448	107	1,264	2,438	4,825	4,316	509
<b>Total revenue</b>	<b>435,790</b>	<b>429,566</b>	<b>6,224</b>	<b>1.4%</b>	<b>36,761</b>	<b>17,496</b>	<b>10,207</b>	<b>2,912</b>	<b>37,735</b>	<b>75,489</b>	<b>520,493</b>	<b>525,463</b>	<b>(4,970)</b>
Property operating expenses	126,463	124,154	(2,309)	-1.9%	10,394	5,917	8,955	1,855	5,023	21,000	150,835	152,926	2,091
Real estate taxes	39,928	39,061	(867)	-2.2%	899	707	932	343	3,445	6,141	45,204	46,252	1,048
Third party management expenses	-	-	-	-	-	-	-	-	9,960	10,270	9,960	10,270	310
<b>Net operating income</b>	<b>\$ 269,399</b>	<b>\$ 266,351</b>	<b>\$ 3,048</b>	<b>1.1%</b>	<b>\$ 25,468</b>	<b>\$ 10,872</b>	<b>\$ 320</b>	<b>\$ 714</b>	<b>\$ 19,307</b>	<b>\$ 38,078</b>	<b>\$ 314,494</b>	<b>\$ 316,015</b>	<b>\$ (1,521)</b>
<b>Net operating income, excl. net termination fees and other</b>	<b>\$ 265,450</b>	<b>\$ 263,947</b>	<b>\$ 1,503</b>	<b>0.6%</b>	<b>\$ 24,945</b>	<b>\$ 9,226</b>	<b>\$ (1,128)</b>	<b>\$ 607</b>	<b>\$ 18,032</b>	<b>\$ 35,580</b>	<b>\$ 307,299</b>	<b>\$ 309,360</b>	<b>\$ (2,061)</b>
Number of properties	83	83			4		6				93		
Square feet (in thousands)	14,331	14,331			1,253		829				16,413		
Occupancy % (end of period)	93.2%	94.8%			89.3%								
NOI margin, excl. termination fees, third party and other revenues	61.5%	61.8%											
Expense recovery ratio	39.7%	37.8%											

	2017	2016	Variance	% Change
Net operating income	\$ 269,399	\$ 266,351	\$ 3,048	1.1%
Less: Straight line rents & other	(6,117)	(20,231)	14,114	-69.8%
Less: Above/below market rent amortization	(2,694)	(6,648)	3,954	-59.5%
Add: Amortization of tenant inducements	1,448	1,752	(304)	-17.4%
Add: Non-cash ground rent expense	88	88	-	0.0%
<b>Cash - Net operating income</b>	<b>\$ 262,124</b>	<b>\$ 241,312</b>	<b>\$ 20,812</b>	<b>8.6%</b>
<b>Cash - Net operating income, excl. net term fees &amp; other</b>	<b>\$ 257,042</b>	<b>\$ 238,365</b>	<b>\$ 18,677</b>	<b>7.8%</b>

(1) Includes the office component of the FMC Tower in Philadelphia, Pennsylvania (RC), 1900 Market Street in Philadelphia, Pennsylvania (RC), 3000 Market Street in Philadelphia, Pennsylvania (RA) and 933 First Avenue in King of Prussia, Pennsylvania (RC).

(2) Includes the Subaru Service Center in Camden, New Jersey (Dev), Four Points Building 3 in Austin, Texas (Dev), One Drexel Plaza in Philadelphia, Pennsylvania (Redev), Broadmoor Building 6 in Austin, Texas (Redev), 500 North Gulph Road in King of Prussia, Pennsylvania (Redev), 426 Lancaster Avenue in Devon, Pennsylvania (Redev) and the residential and retail components of FMC Tower (not included in the property count).

(3) Consists of property dispositions, assets held for sale, the parking operations of pre-development projects and normal intercompany eliminating entries. See page 17 - Property Activity for further information on dispositions.

	Same Store Portfolio				Recently Completed/ Acquired		Development/ Redevelopment		Other/ Eliminations		All Properties		
	Year to Date				Year to Date		Year to Date		Year to Date		Year to Date		
	2017	2016	Variance	% Change	2017	2016	2017	2016	2017	2016	2017	2016	Variance
Free rent	\$ 12,508	\$ 22,261	\$ (9,753)	-43.8%	\$ 21,116	\$ 7,885	\$ 497	\$ 169	\$ 93	\$ 635	\$ 34,214	\$ 30,950	\$ 3,264

	Twelve Months Ended				Three Months Ended					
	12/31/2017	12/31/2016	12/31/2017	09/30/2017	06/30/2017	03/31/2017	12/31/2016	09/30/2016	06/30/2016	03/31/2016
Net income (loss)	\$ 121,859	\$ 40,501	\$ 73,844	\$ 19,046	\$ 7,698	\$ 21,271	\$ (12,370)	\$ 7,884	\$ (1,323)	\$ 46,310
Add (deduct) capital market, transactional and other items:										
Net (gain) loss on disposition of real estate	(31,657)	(116,983)	(23,246)	-	(1,088)	(7,323)	(2,358)	104	727	(115,456)
Net gain on sale of undepreciated real estate	(953)	(9,232)	-	(953)	-	-	(9,044)	(188)	-	-
Net gain on real estate venture transactions	(80,526)	(20,000)	(52,186)	(13,758)	-	(14,582)	(471)	(10,472)	(3,128)	(5,929)
Loss on early extinguishment of debt	3,933	66,590	3,933	-	-	-	-	-	-	66,590
Loss on early extinguishment of debt - unconsolidated real estate venture	1,712	-	1,307	405	-	-	-	-	-	-
Income tax provision (benefit)	(628)	-	404	(793)	(339)	100	-	-	-	-
Provision for impairment	3,057	40,517	-	-	327	2,730	27,448	-	5,679	7,390
Other than temporary impairment of equity method investment	4,844	-	-	4,844	-	-	-	-	-	-
Provision for impairment on investment in unconsolidated real estate venture	-	5,238	-	-	-	-	-	5,238	-	-
Income (Loss) adjusted for capital market, transactions and other items	21,641	6,631	4,056	8,791	6,598	2,196	3,205	2,566	1,955	(1,095)
Calculation of EBITDA										
Interest expense										
Continuing operations	81,886	84,708	20,413	19,732	20,304	21,437	20,374	20,814	19,829	23,691
Company's share of unconsolidated real estate ventures	20,471	19,663	4,685	5,353	5,229	5,204	5,180	5,388	4,923	4,172
Partners' share of consolidated real estate ventures	(100)	(103)	(25)	(25)	(25)	(25)	(25)	(26)	(26)	(26)
Amortization of deferred financing costs	2,435	2,696	628	577	596	634	633	645	644	774
Depreciation and amortization										
Continuing operations	179,357	189,676	46,773	42,429	44,263	45,892	46,940	46,956	46,907	48,873
Company's share of unconsolidated real estate ventures	39,622	41,612	9,117	9,816	10,449	10,240	11,427	10,631	10,549	9,005
Partners' share of consolidated real estate ventures	(231)	(235)	(54)	(54)	(64)	(59)	(59)	(58)	(59)	(59)
Stock-based compensation costs	5,139	4,573	589	627	739	3,184	675	700	776	2,422
EBITDA, excluding capital market, transactional and other items	\$ 350,220	\$ 349,221	\$ 86,182	\$ 87,246	\$ 88,089	\$ 88,703	\$ 88,350	\$ 87,616	\$ 85,498	\$ 87,757
EBITDA, excluding capital market, transactional and other items/Total revenue	67.3%	66.5%	64.6%	67.9%	68.9%	67.8%	66.9%	67.6%	67.2%	64.3%
Interest expense (from above)										
Continuing operations	81,886	84,708	20,413	19,732	20,304	21,437	20,374	20,814	19,829	23,691
Company's share of unconsolidated real estate ventures	20,471	19,663	4,685	5,353	5,229	5,204	5,180	5,388	4,923	4,172
Partners' share of consolidated real estate ventures	(100)	(103)	(25)	(25)	(25)	(25)	(25)	(26)	(26)	(26)
Total interest expense (a)	\$ 102,257	\$ 104,268	\$ 25,073	\$ 25,060	\$ 25,508	\$ 26,616	\$ 25,529	\$ 26,176	\$ 24,726	\$ 27,837
Scheduled mortgage principal payments										
Continuing operations	4,930	5,163	1,250	1,238	1,227	1,215	1,204	1,263	1,104	1,592
Company's share of unconsolidated real estate ventures	3,705	3,969	743	993	999	970	973	870	1,074	1,052
Total scheduled mortgage principal payments (b)	\$ 8,635	\$ 9,132	\$ 1,993	\$ 2,231	\$ 2,226	\$ 2,185	\$ 2,177	\$ 2,133	\$ 2,178	\$ 2,644
Preferred share distributions (c)	\$ 2,032	\$ 6,900	\$ -	\$ -	\$ 307	\$ 1,725	\$ 1,725	\$ 1,725	\$ 1,725	\$ 1,725
EBITDA (excluding capital market, transactional and other items) coverage ratios:										
Interest coverage ratio = EBITDA divided by (a)	3.4	3.3	3.4	3.5	3.5	3.3	3.5	3.3	3.5	3.2
Debt service coverage ratio = EBITDA divided by (a) + (b)	3.2	3.1	3.2	3.2	3.2	3.1	3.2	3.1	3.2	2.9
Fixed charge coverage ratio = EBITDA divided by (a) + (b) + (c)	3.1	2.9	3.2	3.2	3.1	2.9	3.0	2.9	3.0	2.7
Capitalized interest	\$ 3,527	\$ 12,835	\$ 552	\$ 452	\$ 815	\$ 1,708	\$ 2,812	\$ 2,636	\$ 3,716	\$ 3,671



	Twelve Months Ended		Three Months Ended							
	12/31/2017	12/31/2016	12/31/2017	09/30/2017	06/30/2017	03/31/2017	12/31/2016	09/30/2016	06/30/2016	03/31/2016
Funds from operations available to common share and unit holders	\$ 229,219	\$ 166,979	\$ 53,749	\$ 61,926	\$ 57,427	\$ 56,117	\$ 62,963	\$ 58,284	\$ 57,363	\$ (11,631)
Add (deduct) certain items:										
Rental income from straight-line rent net of straight-line rent termination fees	(27,115)	(28,351)	(6,113)	(7,898)	(7,209)	(5,895)	(6,302)	(8,350)	(7,595)	(6,104)
Amortization of tenant inducements	1,773	1,972	473	444	431	425	827	392	379	374
Financing Obligation - 3141 Fairview Drive	-	(542)	-	-	-	-	-	(115)	(193)	(234)
Deferred market rental income	(3,070)	(6,528)	(791)	(511)	(430)	(1,338)	(1,438)	(1,505)	(1,354)	(2,231)
Company's share of unconsolidated REV's straight-line & deferred market rent	(5,171)	(6,004)	(736)	(1,265)	(1,685)	(1,485)	(1,362)	(1,695)	(1,548)	(1,399)
Preferred share redemption charge	3,181	-	-	-	3,181	-	-	-	-	-
Straight-line ground rent expense	88	88	22	22	22	22	22	22	22	22
Stock-based compensation costs	5,139	4,573	589	627	739	3,184	675	700	776	2,422
Fair market value amortization - mortgage notes payable	436	436	109	109	109	109	109	109	109	109
Losses from early extinguishment of debt	3,933	66,590	3,933	-	-	-	-	-	-	66,590
Losses from early extinguishment of debt - unconsolidated REV	1,712	-	1,307	405	-	-	-	-	-	-
Net gain on sale of undepreciated real estate	(953)	(9,044)	-	(953)	-	-	(9,044)	-	-	-
Income tax provision (benefit)	(628)	-	404	(793)	(339)	100	-	-	-	-
Provision for impairment on undepreciated real estate held for sale/sold	327	5,588	-	-	327	-	5,588	-	-	-
Sub-total certain items	(20,348)	28,778	(803)	(9,813)	(4,854)	(4,878)	(10,925)	(10,442)	(9,404)	59,549
Less: Revenue maintaining capital expenditures:										
Building improvements	(8,159)	(4,994)	(3,865)	(2,125)	(1,228)	(941)	(2,641)	(1,086)	(549)	(718)
Tenant improvements	(23,589)	(28,217)	(6,584)	(6,055)	(5,123)	(5,827)	(6,636)	(6,985)	(6,262)	(8,334)
Lease commissions	(12,013)	(10,188)	(4,069)	(1,614)	(3,642)	(2,688)	(1,603)	(1,846)	(3,711)	(3,028)
Total revenue maintaining capital expenditures	\$ (43,761)	\$ (43,399)	\$ (14,518)	\$ (9,794)	\$ (9,993)	\$ (9,456)	\$ (10,880)	\$ (9,917)	\$ (10,522)	\$ (12,080)
Cash available for distribution (CAD)	\$ 165,110	\$ 152,358	\$ 38,428	\$ 42,319	\$ 42,580	\$ 41,783	\$ 41,158	\$ 37,925	\$ 37,437	\$ 35,838
Distributions paid to common shareholders (a)	113,446	109,552	28,386	28,373	28,359	28,328	28,328	28,161	26,554	26,509
Distributions paid per common share	\$ 0.64	\$ 0.63	\$ 0.16	\$ 0.16	\$ 0.16	\$ 0.16	\$ 0.16	\$ 0.16	\$ 0.16	\$ 0.15
CAD payout ratio (Distributions paid per common share / CAD)	68.7%	71.9%	73.9%	67.0%	66.6%	67.8%	68.8%	74.3%	70.9%	74.0%
Development/Redevelopment capital expenditures	\$ (101,594)	\$ (203,093)	\$ (22,921)	\$ (31,718)	\$ (20,288)	\$ (26,667)	\$ (44,410)	\$ (44,471)	\$ (53,682)	\$ (60,530)
Revenue creating capital expenditures	\$ (23,735)	\$ (22,697)	\$ (6,573)	\$ (5,141)	\$ (5,756)	\$ (6,265)	\$ (5,572)	\$ (4,303)	\$ (6,523)	\$ (6,299)

(a) Prior periods revised to present dividends paid. Prior reported amounts reflected dividends declared.

	12/31/2017	09/30/2017	06/30/2017	03/31/2017	12/31/2016	09/30/2016	06/30/2016	03/31/2016
<b>Assets</b>								
Real estate investments								
Operating properties	\$ 3,832,348	\$ 3,769,067	\$ 3,769,678	\$ 3,702,204	\$ 3,586,295	\$ 3,686,339	\$ 3,721,405	\$ 3,703,193
Accumulated depreciation	(895,091)	(885,438)	(882,228)	(864,196)	(852,476)	(869,836)	(877,236)	(891,263)
Operating real estate investments, net	2,937,257	2,883,629	2,887,450	2,838,008	2,733,819	2,816,503	2,844,169	2,811,930
Construction-in-progress	121,188	127,141	119,690	166,372	297,462	249,183	254,188	319,656
Land held for development	98,242	120,696	125,157	153,268	150,970	155,297	131,015	132,747
Real estate investments, net	3,156,687	3,131,466	3,132,297	3,157,648	3,182,251	3,220,983	3,229,372	3,264,333
Assets held for sale, net	392	31,125	5,569	6,262	41,718	12,604	12,308	-
Cash and cash equivalents	202,179	25,287	37,900	234,654	193,919	219,059	265,597	423,517
Accounts receivable, net	17,938	14,785	13,151	12,099	12,446	9,925	14,804	14,027
Accrued rent receivable, net	169,760	166,093	158,420	152,819	149,624	145,816	138,981	133,720
Investment in real estate ventures, at equity	194,621	236,313	262,107	264,941	281,331	282,162	272,148	278,659
Deferred costs, net	96,695	96,980	93,410	92,425	91,342	92,054	94,373	90,973
Intangible assets, net	64,972	58,817	59,410	64,222	72,478	81,207	90,014	100,063
Other assets	92,204	94,553	110,185	116,792	74,104	79,108	63,591	72,772
<b>Total assets</b>	<b>\$ 3,995,448</b>	<b>\$ 3,855,419</b>	<b>\$ 3,872,449</b>	<b>\$ 4,101,862</b>	<b>\$ 4,099,213</b>	<b>\$ 4,142,918</b>	<b>\$ 4,181,188</b>	<b>\$ 4,378,064</b>
<b>Liabilities and equity</b>								
Mortgage notes payable, net	\$ 317,216	\$ 318,317	\$ 319,405	\$ 320,484	\$ 321,549	\$ 322,623	\$ 344,308	\$ 345,310
Unsecured credit facility	-	178,000	200,000	-	-	-	-	-
Unsecured term loans, net	248,429	248,347	248,264	248,181	248,099	248,016	247,933	247,882
Unsecured senior notes, net	1,365,183	1,144,976	1,144,503	1,444,006	1,443,464	1,442,922	1,442,380	1,591,756
Accounts payable and accrued expenses	107,074	112,413	99,904	115,079	103,404	106,546	91,425	112,203
Distributions payable	32,456	28,391	28,376	30,047	30,032	30,036	29,880	28,295
Deferred income, gains and rent	42,593	41,468	40,764	30,592	31,620	30,022	31,171	27,331
Acquired lease intangibles, net	20,274	17,156	15,989	16,604	18,119	19,731	21,413	23,248
Liabilities related to assets held for sale	-	269	-	387	81	49	11	-
Other liabilities	15,623	15,512	17,521	16,916	19,408	31,399	42,841	37,749
<b>Total liabilities</b>	<b>\$ 2,148,848</b>	<b>\$ 2,104,849</b>	<b>\$ 2,114,726</b>	<b>\$ 2,222,296</b>	<b>\$ 2,215,776</b>	<b>\$ 2,231,344</b>	<b>\$ 2,251,362</b>	<b>\$ 2,413,774</b>
<b>Brandywine Realty Trust's equity:</b>								
Preferred shares - Series E	-	-	-	40	40	40	40	40
Common shares	1,784	1,755	1,754	1,752	1,752	1,752	1,751	1,749
Additional paid-in-capital	3,218,564	3,167,481	3,165,935	3,262,459	3,258,870	3,258,049	3,256,735	3,255,908
Deferred compensation payable in common shares	11,304	14,090	14,107	14,244	13,684	13,684	13,744	13,155
Common shares in grantor trust	(11,304)	(14,090)	(14,107)	(14,244)	(13,684)	(13,684)	(13,744)	(13,155)
Cumulative earnings	660,174	586,954	568,078	560,422	539,319	551,572	543,743	545,041
Accumulated other comprehensive loss	2,399	(906)	(1,528)	(457)	(1,745)	(15,052)	(17,769)	(14,271)
Cumulative distributions	(2,053,741)	(2,021,568)	(1,993,419)	(1,961,739)	(1,931,892)	(1,902,076)	(1,872,100)	(1,842,450)
<b>Total Brandywine Realty Trust's equity</b>	<b>1,829,180</b>	<b>1,733,716</b>	<b>1,740,820</b>	<b>1,862,477</b>	<b>1,866,344</b>	<b>1,894,285</b>	<b>1,912,400</b>	<b>1,946,017</b>
Non-controlling interests	17,420	16,854	16,903	17,089	17,093	17,289	17,426	18,273
<b>Total equity</b>	<b>\$ 1,846,600</b>	<b>\$ 1,750,570</b>	<b>\$ 1,757,723</b>	<b>\$ 1,879,566</b>	<b>\$ 1,883,437</b>	<b>\$ 1,911,574</b>	<b>\$ 1,929,826</b>	<b>\$ 1,964,290</b>
<b>Total liabilities and equity</b>	<b>\$ 3,995,448</b>	<b>\$ 3,855,419</b>	<b>\$ 3,872,449</b>	<b>\$ 4,101,862</b>	<b>\$ 4,099,213</b>	<b>\$ 4,142,918</b>	<b>\$ 4,181,188</b>	<b>\$ 4,378,064</b>

	12/31/2017	09/30/2017	06/30/2017	03/31/2017	12/31/2016	09/30/2016	06/30/2016	03/31/2016
High closing price of common shares	\$ 18.58	\$ 17.65	\$ 17.80	\$ 16.89	\$ 16.51	\$ 16.87	\$ 16.80	\$ 14.11
Low closing price of common shares	\$ 17.10	\$ 16.58	\$ 16.16	\$ 15.74	\$ 14.21	\$ 15.22	\$ 13.72	\$ 11.29
End of period closing market price	\$ 18.19	\$ 17.49	\$ 17.53	\$ 16.23	\$ 16.51	\$ 15.62	\$ 16.80	\$ 14.03
Dividends paid per common share	\$ 0.16	\$ 0.16	\$ 0.16	\$ 0.16	\$ 0.16	\$ 0.16	\$ 0.16	\$ 0.15
Dividend yield (based on annualized dividend paid)	3.5%	3.7%	3.7%	3.9%	3.9%	4.1%	3.8%	4.3%
Net book value per share (fully diluted, end of period)	\$ 10.17	\$ 9.80	\$ 9.84	\$ 10.55	\$ 10.59	\$ 10.73	\$ 10.84	\$ 11.06
<b>Total cash and cash equivalents</b>	<b>\$ 202,179</b>	<b>\$ 25,287</b>	<b>\$ 37,900</b>	<b>\$ 234,654</b>	<b>\$ 193,919</b>	<b>\$ 219,059</b>	<b>\$ 265,597</b>	<b>\$ 423,517</b>
<b>Revolving credit facilities</b>								
Gross potential available under current credit facilities	\$ 600,000	\$ 600,000	\$ 600,000	\$ 600,000	\$ 600,000	\$ 600,000	\$ 600,000	\$ 600,000
less: Outstanding balance	-	(178,000)	(200,000)	-	-	-	-	-
less: Holdback for letters of credit	(3,373)	(13,485)	(12,437)	(12,437)	(13,147)	(14,254)	(14,335)	(14,335)
<b>Net potential available under current credit facilities</b>	<b>\$ 596,627</b>	<b>\$ 408,515</b>	<b>\$ 387,563</b>	<b>\$ 587,563</b>	<b>\$ 586,853</b>	<b>\$ 585,746</b>	<b>\$ 585,665</b>	<b>\$ 585,665</b>
<b>Total equity market capitalization (end of period)</b>								
Basic common shares	177,390,500	174,476,532	174,388,849	174,265,465	174,241,303	174,241,303	174,199,764	174,043,425
Unvested restricted shares	455,643	457,768	458,686	618,961	488,604	492,520	492,637	698,382
Partnership units outstanding	1,479,799	1,479,799	1,479,799	1,479,799	1,479,799	1,479,799	1,479,799	1,535,102
Options and other contingent securities	2,299,671	2,264,787	2,268,634	1,725,216	1,611,025	1,968,685	1,884,683	1,272,589
<b>Fully diluted common shares (end of period)</b>	<b>181,625,613</b>	<b>178,678,886</b>	<b>178,595,968</b>	<b>178,089,441</b>	<b>177,820,731</b>	<b>178,182,307</b>	<b>178,056,882</b>	<b>177,549,498</b>
Value of common stock (fully diluted, end of period)	\$ 3,303,770	\$ 3,125,094	\$ 3,130,787	\$ 2,890,392	\$ 2,935,820	\$ 2,783,208	\$ 2,991,355	\$ 2,491,019
Par value of preferred shares	-	-	-	100,000	100,000	100,000	100,000	100,000
<b>Total equity market capitalization (fully diluted, end of period)</b>	<b>\$ 3,303,770</b>	<b>\$ 3,125,094</b>	<b>\$ 3,130,787</b>	<b>\$ 2,990,392</b>	<b>\$ 3,035,820</b>	<b>\$ 2,883,208</b>	<b>\$ 3,091,355</b>	<b>\$ 2,591,019</b>
Total debt excluding unamortized premiums, discounts and deferred financing costs	\$ 1,948,717	\$ 1,902,967	\$ 1,926,205	\$ 2,027,433	\$ 2,028,648	\$ 2,029,852	\$ 2,051,710	\$ 2,202,416
less: Cash and cash equivalents	(202,179)	(25,287)	(37,900)	(234,654)	(193,919)	(219,059)	(265,597)	(423,517)
less: Section 1031 exchange proceeds	-	-	(32,009)	(32,009)	-	-	-	-
Net debt	1,746,538	1,877,680	1,856,296	1,760,770	1,834,729	1,810,793	1,786,113	1,778,899
Total equity market capitalization (fully diluted, end of period)	3,303,770	3,125,094	3,130,787	2,990,392	3,035,820	2,883,208	3,091,355	2,591,019
<b>Total market capitalization</b>	<b>\$ 5,050,308</b>	<b>\$ 5,002,774</b>	<b>\$ 4,987,083</b>	<b>\$ 4,751,162</b>	<b>\$ 4,870,549</b>	<b>\$ 4,694,001</b>	<b>\$ 4,877,468</b>	<b>\$ 4,369,918</b>
<b>Net debt to total market capitalization</b>	<b>34.6%</b>	<b>37.5%</b>	<b>37.2%</b>	<b>37.1%</b>	<b>37.7%</b>	<b>38.6%</b>	<b>36.6%</b>	<b>40.7%</b>
Total gross assets (excl. cash, cash equiv. & section 1031 exchange proceeds)	\$ 4,688,360	\$ 4,731,761	\$ 4,684,768	\$ 4,699,474	\$ 4,790,686	\$ 4,798,218	\$ 4,798,836	\$ 4,845,810
<b>Net debt to total gross assets (excl. cash and cash equivalents)</b>	<b>37.3%</b>	<b>39.7%</b>	<b>39.6%</b>	<b>37.5%</b>	<b>38.3%</b>	<b>37.7%</b>	<b>37.2%</b>	<b>36.7%</b>
Annualized quarterly EBITDA, excluding capital market and transactional items	\$ 344,728	\$ 348,984	\$ 352,356	\$ 354,812	\$ 353,400	\$ 350,464	\$ 341,992	\$ 351,028
Ratio of net debt (including the Company's share of unconsolidated R/E venture debt) to annualized quarterly EBITDA, excluding capital market transaction items & including Preferred Shares	6.2	6.7 (a)	6.6	6.6	6.9	6.9	6.9	6.7
Ratio of net debt to annualized quarterly wholly owned EBITDA, excluding capital market transaction items, Preferred Shares & the Company's share of unconsolidated R/E venture debt	5.9	6.4	6.5	5.9	6.2	6.1	6.1	5.9

(a) Ratio adjusted to remove the impact from DRA Austin JV properties under agreement of sale as of September 30, 2017 was 6.6. The sale was completed October 18, 2017.



	12/31/2017	09/30/2017	06/30/2017	03/31/2017	12/31/2016	09/30/2016	06/30/2016	03/31/2016
Fixed rate debt	\$ 1,620,107	\$ 1,396,357	\$ 1,397,595	\$ 1,698,823	\$ 1,700,038	\$ 1,701,242	\$ 1,723,100	\$ 1,873,806
Fixed rate debt (variable rate debt swapped to fixed rate)	301,548	328,610	328,610	328,610	328,610	328,610	328,610	328,610
Variable rate debt - unhedged	27,062	178,000	200,000	-	-	-	-	-
<b>Total debt (excluding unamortized premiums &amp; discounts)</b>	<b>\$ 1,948,717</b>	<b>\$ 1,902,967</b>	<b>\$ 1,926,205</b>	<b>\$ 2,027,433</b>	<b>\$ 2,028,648</b>	<b>\$ 2,029,852</b>	<b>\$ 2,051,710</b>	<b>\$ 2,202,416</b>
% Fixed rate debt	83.0%	73.3%	72.5%	83.8%	83.8%	83.8%	84.0%	85.1%
% Fixed rate debt (variable rate debt swapped to fixed)	15.5%	17.3%	17.1%	16.2%	16.2%	16.2%	16.0%	14.9%
% Variable rate debt - unhedged	1.4%	9.4%	10.4%	0.0%	0.0%	0.0%	0.0%	0.0%
<b>Total debt (excluding premiums &amp; discounts)</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>
Secured mortgage debt	\$ 320,107	\$ 321,357	\$ 322,595	\$ 323,823	\$ 325,038	\$ 326,242	\$ 348,100	\$ 348,887
Unsecured debt	1,628,610	1,581,610	1,603,610	1,703,610	1,703,610	1,703,610	1,703,610	1,853,529
<b>Total debt (excluding premiums &amp; discounts)</b>	<b>\$ 1,948,717</b>	<b>\$ 1,902,967</b>	<b>\$ 1,926,205</b>	<b>\$ 2,027,433</b>	<b>\$ 2,028,648</b>	<b>\$ 2,029,852</b>	<b>\$ 2,051,710</b>	<b>\$ 2,202,416</b>
% Secured mortgage debt	16.4%	16.9%	16.7%	16.0%	16.0%	16.1%	17.0%	15.8%
% Unsecured debt	83.6%	83.1%	83.3%	84.0%	84.0%	83.9%	83.0%	84.2%
<b>Total debt (excluding premiums &amp; discounts)</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>
<b>Total gross assets, excluding cash and cash equivalents</b>	<b>\$ 4,688,360</b>	<b>\$ 4,731,761</b>	<b>\$ 4,684,768</b>	<b>\$ 4,699,474</b>	<b>\$ 4,790,686</b>	<b>\$ 4,798,218</b>	<b>\$ 4,798,836</b>	<b>\$ 4,845,810</b>
% Secured mortgage debt	6.8%	6.8%	6.9%	6.9%	6.8%	6.8%	7.3%	7.2%
% Unsecured debt	34.7%	33.4%	34.2%	36.3%	35.6%	35.5%	35.5%	38.3%
less: cash and cash equivalents (including Section 1031 exchange proceeds)	(4.3%)	(0.5%)	(1.5%)	(5.7%)	(4.1%)	(4.6%)	(5.5%)	(8.7%)
<b>Net debt to total gross assets, excluding cash and cash equivalents</b>	<b>37.3%</b>	<b>39.7%</b>	<b>39.6%</b>	<b>37.5%</b>	<b>38.3%</b>	<b>37.7%</b>	<b>37.2%</b>	<b>36.7%</b>
Weighted-average interest rate on mortgage notes payable	4.04%	4.03%	4.03%	4.03%	4.03%	4.03%	4.04%	4.93%
Weighted-average interest rate on unsecured senior debt (including swap costs)	4.03%	4.12%	4.08%	4.57%	4.57%	4.57%	4.57%	4.68%
Weighted-average maturity on mortgage notes payable	4.6 years	4.8 years	5.1 years	5.3 years	5.6 years	5.8 years	5.7 years	5.0 years
Weighted-average maturity on unsecured senior debt	8.4 years	5.9 years	6.1 years	5.7 years	6.0 years	6.2 years	6.5 years	6.2 years
Weighted-aver. interest rate on fixed rate debt (includes var. rate swapped to fixed)	4.05%	4.27%	4.27%	4.48%	4.48%	4.48%	4.48%	4.72%
Weighted-average interest rate on variable rate debt	2.74%	2.44%	2.37%	N/A	N/A	N/A	N/A	N/A
Weighted-average maturity on fixed rate debt (includes variable rate swapped to fixed)	7.6 years	6.1 years	6.4 years	5.7 years	5.9 years	6.2 years	6.4 years	6.0 years
Weighted-average maturity on variable rate debt	17.5 years	1.6 years	1.9 years	N/A	N/A	N/A	N/A	N/A

Debt Instrument	Maturity Date	Stated Rate (1)	Effective Rate (1)	12/31/2017 Balance	12/31/2016 Balance	12/31/2017 Percent of total indebtedness
<b>Unsecured senior notes payable</b>						
\$300 MM Notes due 2017	May 1, 2017	5.700%	5.678%	\$ -	\$ 300,000	0.0%
\$325 MM Notes due 2018 (2)	April 15, 2018	4.950%	5.131%	-	325,000	0.0%
\$350 MM Notes due 2023 (3)	February 15, 2023	3.950%	3.865%	350,000	250,000	18.1%
\$250 MM Notes due 2024	October 1, 2024	4.100%	4.328%	250,000	250,000	12.9%
\$450 MM Notes due 2027 (3)	November 15, 2027	3.950%	4.025%	450,000	-	23.3%
\$250 MM Notes due 2029	October 1, 2029	4.550%	4.604%	250,000	250,000	12.9%
\$27.1 MM Trust Preferred I - Indenture IA (4)	March 30, 2035	LIBOR + 1.250%	2.743%	27,062	27,062	1.4%
\$25.8 MM Trust Preferred I - Indenture IB (5)	April 30, 2035	LIBOR + 1.250%	3.300%	25,774	25,774	1.3%
\$25.8 MM Trust Preferred II - Indenture II (6)	July 30, 2035	LIBOR + 1.250%	3.090%	25,774	25,774	1.3%
<b>Total unsecured senior notes payable</b>	<b>9.0</b> (wtd-avg maturity)		<b>4.088%</b> (wtd-avg effective rate)	<b>1,378,610</b>	<b>1,453,610</b>	<b>71.4%</b>
Net original issue premium/(discount)				(4,423)	(4,678)	(0.2%)
Unsecured deferred financing costs				(9,004)	(5,468)	(0.5%)
<b>Total unsecured senior notes payable including original issue premium/(discount) and deferred financing costs</b>				<b>1,365,183</b>	<b>1,443,464</b>	<b>70.7%</b>
<b>Unsecured bank facilities</b>						
\$600 MM Revolving Credit Facility	May 15, 2019	LIBOR + 1.200%	2.693%	-	-	0.0%
\$250 MM Seven-year Term Loan - Swapped to fixed	October 8, 2022	LIBOR + 1.800%	3.718%	250,000	250,000	13.0%
<b>Total unsecured bank facilities</b>	<b>4.8</b> (wtd-avg maturity)		<b>3.718%</b> (wtd-avg effective rate)	<b>250,000</b>	<b>250,000</b>	<b>13.0%</b>
Unsecured deferred financing costs				(1,571)	(1,901)	(0.1%)
<b>Total unsecured bank facilities including deferred financing costs</b>				<b>248,429</b>	<b>248,099</b>	<b>12.9%</b>
<b>Total unsecured senior debt</b>	<b>8.4</b> (wtd-avg maturity)		<b>4.031%</b> (wtd-avg effective rate)	<b>1,628,610</b>	<b>1,703,610</b>	<b>84.3%</b>
Net original issue premium/(discount)				(4,423)	(4,678)	(0.2%)
Unsecured deferred financing costs				(10,575)	(7,369)	(0.5%)
<b>Total unsecured senior debt including original issue premium/(discount) and deferred financing costs</b>				<b>\$ 1,613,612</b>	<b>\$ 1,691,563</b>	<b>83.6%</b>

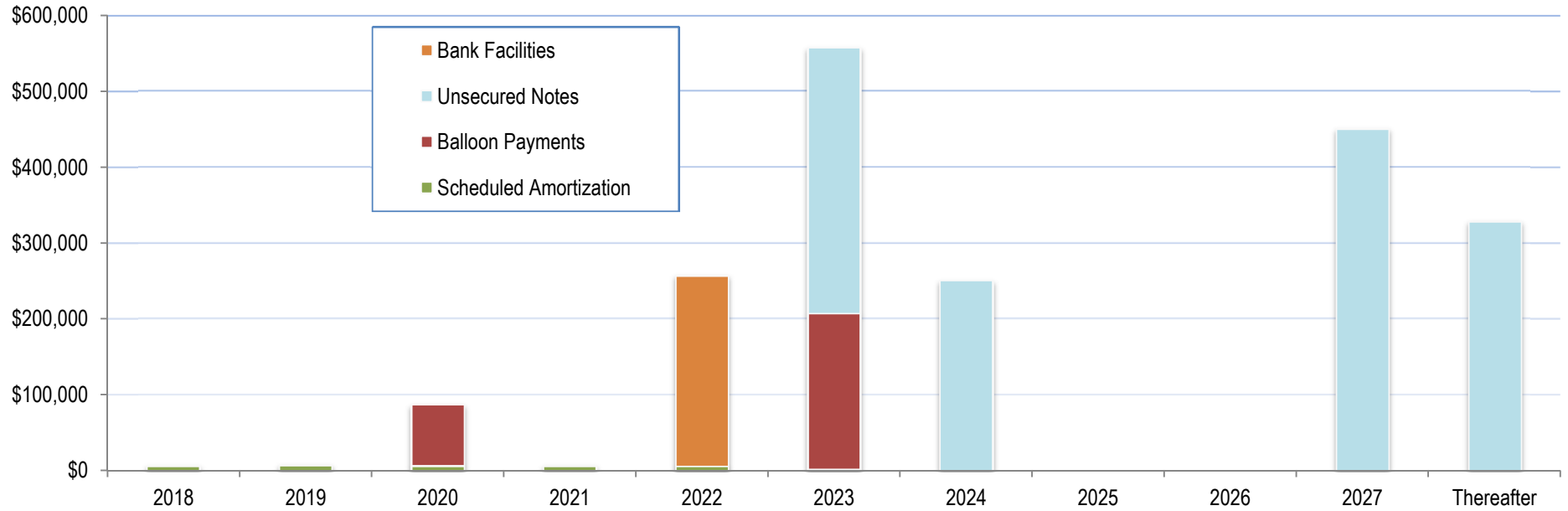
(See page 36 for footnotes)

Debt Instrument	Maturity Date	Stated Rate (1)	Effective Rate (1)	12/31/2017 Balance	12/31/2016 Balance	12/31/2017 Percent of total indebtedness
<b>Mortgage notes payable</b>						
Two Logan Square	May 1, 2020	3.980%	3.980%	\$ 84,440	\$ 86,012	4.4%
One Commerce Square	April 5, 2023	3.640%	3.640%	123,667	127,026	6.4%
Two Commerce Square	April 5, 2023	3.960%	4.513%	112,000	112,000	5.8%
<b>Total mortgage notes payable</b>	<b>4.6</b> (wtd-avg maturity)		<b>4.035%</b> (wtd-avg effective rate)	<b>320,107</b>	<b>325,038</b>	<b>16.6%</b>
Net fair market value premium/(discount)				(2,325)	(2,761)	(0.1%)
Secured deferred financing costs				(566)	(728)	(0.0%)
<b>Total mortgage notes payable including fair market value premium/(discount) and deferred financing costs</b>				<b>317,216</b>	<b>321,549</b>	<b>16.4%</b>
<b>Total debt</b>	<b>7.7</b> (wtd-avg maturity)		<b>4.032%</b> (wtd-avg effective rate)	<b>1,948,717</b>	<b>2,028,648</b>	<b>100.9%</b>
Net premium/(discount)				(6,748)	(7,439)	(0.3%)
Unsecured Deferred Financing Costs				(10,575)	(7,369)	(0.5%)
Secured Deferred Financing Costs				(566)	(728)	(0.0%)
<b>Total debt, including net premium/(discount) and deferred financing costs</b>				<b>\$ 1,930,828</b>	<b>\$ 2,013,112</b>	<b>100.0%</b>

(See page 36 for further footnotes)

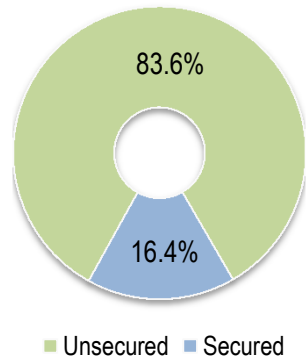
Maturity Schedule By Year	Secured Debt		Unsecured Debt			Total	Percent of Debt Maturing	Weighted Average Interest Rate of Maturing Debt <sup>(8)</sup>
	Scheduled Amortization	Balloon Payments	Bank Facilities	Senior Notes				
2018	6,601	-	-	-	-	6,601	0.2%	3.920%
2019	7,360	-	-	-	-	7,360	0.4%	3.961%
2020	6,457	80,521	-	-	-	86,978	4.5%	3.978%
2021	6,099	-	-	-	-	6,099	0.3%	3.957%
2022	6,332	-	250,000	-	-	256,332	13.2%	3.724%
2023	1,621	205,116	-	350,000	-	556,737	28.6%	3.941%
2024	-	-	-	250,000	-	250,000	12.8%	4.328%
2025	-	-	-	-	-	-	0.0%	0.000%
2026	-	-	-	-	-	-	0.0%	0.000%
2027	-	-	-	450,000	-	450,000	23.1%	4.025%
Thereafter	-	-	-	328,610	-	328,610	16.9%	4.228%
<b>Total</b>	<b>\$ 34,470</b>	<b>\$ 285,637</b>	<b>\$ 250,000</b>	<b>\$ 1,378,610</b>	<b>\$ -</b>	<b>\$ 1,948,717</b>	<b>100.0%</b>	<b>4.032%</b>

- (1) The stated rate for unsecured debt and mortgage notes represents its face coupon. The effective rate for unsecured notes and bank facilities incorporates original issue discounts, hedge amortization and the effect of floating to fixed-interest rate swaps. The effective rate for mortgage notes represents the rate incorporating any fair market value adjustments.
- (2) The \$325 MM Notes due 2018 were redeemed in full on December 18, 2017.
- (3) On November 17, 2017, the Company completed \$100.0 MM offering and sale under the reopened 3.95% \$250 MM Notes due 2023 reducing its effective interest rate from 4.022% to 3.865%. Also on November 17, 2017, the Company closed on the offering and sale of the 3.95% \$450 MM Notes due 2027. The Company used the net proceeds to redeem its 4.950% \$325 MM Notes due 2018 and repay the entire \$168.0 MM on its line of credit.
- (4) The variable three-month LIBOR on the full \$27.1 MM was swapped beginning December 30, 2011 to a 1.500% fixed rate (or an all-in fixed rate of 2.750% incorporating the 1.250% credit spread) through September 30, 2017, after which the rate reverted to three-month LIBOR plus the 1.250% credit spread.
- (5) The variable three-month LIBOR on the full \$25.8 MM was swapped beginning January 30, 2012 to a 2.050% fixed rate (or an all-in fixed rate of 3.300% incorporating the 1.250% credit spread) through January 30, 2021, after which the rate will revert to three-month LIBOR plus the 1.250% credit spread.
- (6) The variable three-month LIBOR on the full \$25.8 MM was swapped beginning January 30, 2012 to a 1.840% fixed rate (or an all-in fixed rate of 3.090% incorporating the 1.250% credit spread) through October 30, 2019, after which the rate will revert to three-month LIBOR plus the 1.250% credit spread.
- (7) Excludes the effect of any net premium/(discount) on balances or rates.
- (8) The weighted average calculations include variable rate debt at current rates.



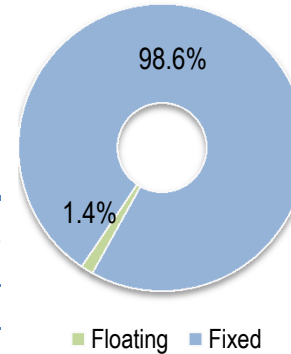
% of total	0.2%	0.4%	4.5%	0.3%	13.2%	28.6%	12.8%	0.0%	0.0%	23.1%	16.9%
Expiring rate	3.92%	3.96%	3.98%	3.96%	3.72%	3.94%	4.33%	0.00%	0.00%	4.03%	4.23%

Unsecured and Secured Debt



Debt	Amount	Weighted Average Effective Rate	Weighted Average Maturity (in years)
Unsecured	\$ 1,628,610	4.031%	8.4
Secured	320,107	4.035%	4.6
<b>Total</b>	<b>\$ 1,948,717</b>	<b>4.032%</b>	<b>7.7</b>

Floating and Fixed Rate Debt



Debt	Amount	Weighted Average Effective Rate	Weighted Average Maturity (in years)
Floating	\$ 27,062	2.743%	17.5
Fixed	1,921,655	4.050%	7.6
<b>Total</b>	<b>\$ 1,948,717</b>	<b>4.032%</b>	<b>7.7</b>

Note: Excludes the effect of any net interest premium/(discount).

## Revolving Credit Agreement dated May 15, 2015 and Amended and Restated Term Loan C Agreement dated October 8, 2015

Covenant	Required	12/31/2017	9/30/2017	06/30/2017	03/31/2017	12/31/2016	09/30/2016	06/30/2016	03/31/2016
Fixed Charge Coverage Ratio	>=1.50x	3.13x	3.08x	2.87x	2.72x	2.68x	2.59x	2.62x	2.33x
Net Worth	>=\$1,535.4	\$1,846.6	\$1,750.6	\$1,757.7	\$1,879.6	\$1,883.4	\$1,911.6	\$1,929.8	\$1,964.3
Leverage Ratio	<=60% *	40.4%	41.1%	40.9%	40.6%	41.7%	41.8%	42.7%	43.0%
Unsecured Debt Limitation	<=60% *	38.6%	39.1%	39.1%	38.6%	39.4%	39.6%	40.4%	41.7%
Secured Debt Limitation	<=40%	13.4%	14.5%	14.6%	14.6%	15.5%	15.5%	16.0%	15.7%
Unencumbered Cash Flow	>=1.75x	3.55x	3.65x	3.41x	3.17x	3.12x	3.10x	3.05x	2.70x

\* This ratio may exceed 60% at the end of up to four individual quarters provided it does not exceed 65%.

## First Supplemental Indenture dated May 25, 2005 and Second Supplemental Indenture dated October 4, 2006

Section - Covenant	Required	12/31/2017	9/30/2017	06/30/2017	03/31/2017	12/31/2016	09/30/2016	06/30/2016	03/31/2016
1006 (a) - Total Leverage Ratio	<60%	41.7%	42.1%	42.5%	42.8%	42.7%	42.4%	42.5%	43.8%
1006 (b) - Debt Service Coverage Ratio	>=1.50x	3.79x	3.87x	3.82x	3.80x	2.94x	2.90x	2.92x	2.77x
1006 (c) - Secured Debt Ratio	<40%	6.8%	7.0%	7.1%	6.8%	6.8%	6.7%	7.1%	6.9%
1006 (d) - Unencumbered Asset Ratio	>=150%	240.5%	235.3%	229.2%	228.0%	229.8%	231.6%	231.3%	223.4%

Unconsolidated Real Estate Ventures	Location	Project Value (a)	Gross Asset Value @ 12/31/2017 (b)	BDN Investment @ 12/31/2017	Number of Properties	As of December 31, 2017				BDN's Share		
						Net Operating Income (YTD)	Rentable Square Feet	Percent Occupied	Percent Leased (c)	BDN Ownership %	Net Operating Income (YTD)	Rentable Square Feet
<b>Office Properties</b>												
Allstate DC JV (d)	Various	\$ 208,114	\$ 229,679	\$ 43,560	5	\$ 12,879	874,479	80.9%	83.2%	50.0%	\$ 6,440	437,240
DRA Austin JV (e)	Austin, TX	338,012	409,601	13,972	12	32,080	1,570,123	95.6%	96.3%	50.0%	16,040	785,062
MAP Venture	Various	210,041	261,382	15,450	58	28,533	3,924,783	90.5%	92.4%	50.0%	14,267	1,962,392
Four Tower Bridge (f)	Conshohocken, PA	16,750	21,989	3,032	1	1,884	86,021	97.6%	97.6%	65.0%	1,225	55,914
PJP Ventures	Virginia	27,210	31,434	1,939	3	3,423	204,347	94.8%	98.0%	(g)	898	54,155
<b>Total</b>							<b>6,659,753</b>	<b>90.7%</b>	<b>92.4%</b>			<b>3,294,761</b>
<b>Other</b>												
Brandywine 1919 Ventures	Philadelphia, PA	126,753	144,569	22,268	1	7,335	321 Units	(h)		50.0%	3,668	
evo at Cira Centre South	Philadelphia, PA	153,092	164,043	17,671	1	9,206	850 Beds	(i)		50.0%	4,603	
<b>Development Properties</b>												
4040 Wilson	Arlington, VA	80,810	80,957	37,179	1	(388)	-	-		50.0%	(194)	
51 N Street	Washington, D.C.	28,620	28,783	21,212	1	(252)	-	-		70.0%	(176)	
1250 First Street Office	Washington, D.C.	24,053	24,086	17,867	1	(212)	-	-		70.0%	(148)	
Seven Tower Bridge (f)	Conshohocken, PA	23,722	23,807	471	-	(408)	-	-		20.0%	(82)	
<b>Total</b>			<b>\$ 1,420,330</b>	<b>\$ 194,621</b>	<b>84</b>	<b>\$ 94,080</b>					<b>\$ 46,540</b>	

Current Year Sold		Sold Date							
Parc at Plymouth Meeting (j)	Plymouth Mtg, PA	1/31/2017		1	\$ 537	398 Units		50.0%	\$ 269
7101 Wisconsin Avenue (d)	Bethesda, MD	9/14/2017		1	4,310	230,904		50.0%	2,155
DRA Austin JV (e)	Austin, TX	10/18/2017		7	17,422	1,164,496		50.0%	8,711

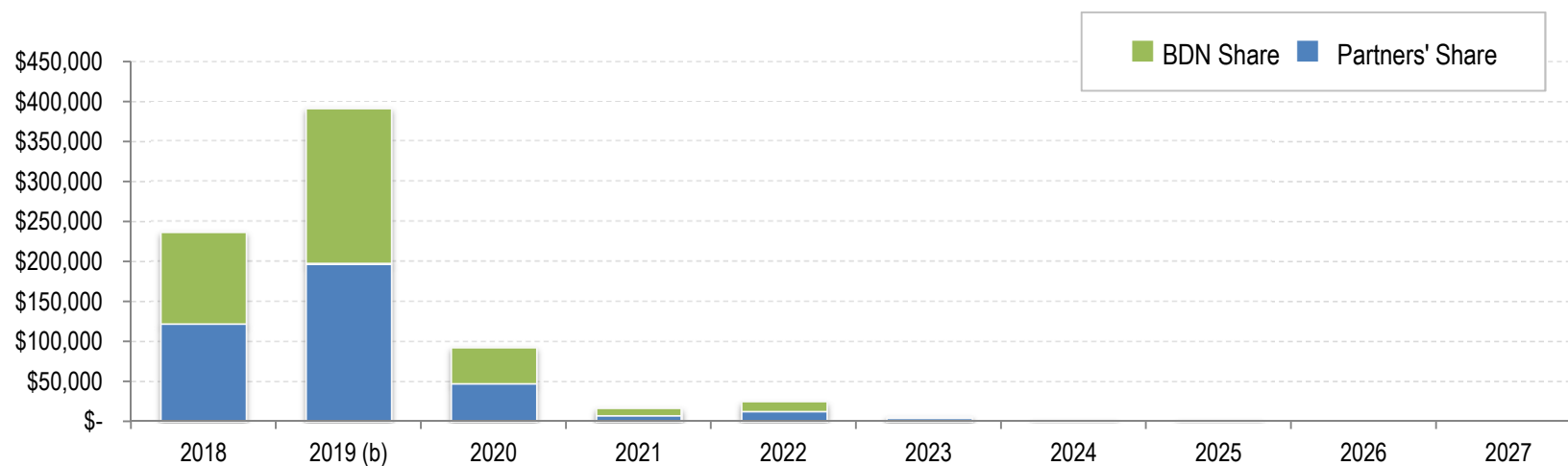
- (a) Amount represents the fair value of the real estate ventures upon acquisition. For ventures that are ground up developments, the amount represents the total construction costs incurred through the date the assets are placed into service.
- (b) Gross asset value represents net assets on the balance sheet of each venture plus accumulated depreciation. Gross assets do not include any fully depreciated or disposed of assets. For ventures that are ground up developments, the amount represents the total construction costs, including cash.
- (c) Includes leases entered into through January 12, 2018 that will commence subsequent to the end of the current period.
- (d) On September 14, 2017, this property was sold by Allstate DC JV, in which our ownership interest is 50%. We received net cash proceeds of \$31.8 million after closing costs and related debt payoff.
- (e) On October 18, 2017, the DRA Austin JV sold the Cielo Center, The Park on Barton Creek, 7000 West at Lantana, Crossings at Lakeline and Encino Trace property portfolios. We received net cash proceeds of \$86.4 million after closing costs and related debt payoff.
- (f) On January 5, 2018, exchanged our 20% interest in the Seven Tower Bridge Venture for the remaining 35% interest in the Four Tower Bridge JV.
- (g) The Company's ownership interest in the PJP Joint Ventures ranges from 25% to 30%.
- (h) As of December 31, 2017, the apartment units were 97.2% occupied and 98.1% leased. The office and retail space is fully occupied and leased (24,000 SF).
- (i) On January 10, 2018, evo at Cira Centre South was sold at a gross sales price of \$197.5 million. We received net cash proceeds of \$43.0 million after closing costs and related debt payoffs and recorded a gain of \$25.3 million. At the time of sale, the property was 94.6% occupied.
- (j) On January 31, 2017, completed the sale of Parc at Plymouth Meeting for cash proceeds of \$27.2 million after closing costs and the related debt payoff.

Debt Instrument	BDN Ownership Percentage	Maturity Date	Stated Rate (1)	12/31/2017 Balance	12/31/2017 BDN Share of Venture Debt
<b>Office Properties</b>					
Allstate DC JV	50%	(2)	3.940%	\$ 93,117	\$ 46,559
DRA Austin JV	50%	(3)	3.514%	249,481	124,741
MAP Venture	50%	February 9, 2019	LIBOR + 6.25% (4)	180,800	90,400
Four Tower Bridge	65%	February 10, 2021	5.20%	9,749	6,337
PJP VII	25%	December 31, 2019	LIBOR + 2.65%	4,792	1,198
PJP II	30%	November 1, 2023	6.12%	2,564	769
PJP VI	25%	April 1, 2023	6.08%	7,370	1,843
<b>Other</b>					
evo at Cira Centre South (\$117,000 term loan)	50%	October 31, 2019	LIBOR + 2.25%	110,886	55,443
Brandywine 1919 Ventures (\$88,900 construction loan)	50%	October 21, 2018	LIBOR + 1.75% (5)	88,860	44,429
<b>Development Properties</b>					
Seven Tower Bridge	20%	(6)	3.168%	14,629	2,926
4040 Wilson (\$150,000 construction loan)	50%	December 15, 2021	LIBOR + 2.75%	6,664	3,332
<b>Total debt</b>				<b>\$ 768,912</b>	<b>\$ 377,977</b>

- (1) The stated rate for mortgage notes is its face coupon.
- (2) The debt for these properties is comprised of two fixed rate mortgages:(i) \$26,617 with a 4.65% fixed interest rate due January 1, 2022 and (ii) \$66,500 with a 3.22% fixed interest rate due August 1, 2019, resulting in a time weighted average rate of 3.940%. On September 14, 2017, the JV sold 7101 Wisconsin Avenue and repaid the remaining mortgage balance of \$37.4 million.
- (3) The debt for these properties is comprised of three mortgages: (1) a \$133,627 that was swapped to a 1.43% fixed rate (for an all-in fixed rate of 3.44% incorporating the 2.01% spread) due November 1, 2018, (2) a \$28,705 with a 4.50% fixed interest rate due April 6, 2019, and (3) a \$87,149 that was swapped to a 1.36% fixed rate (or an all-in fixed rate of 3.36% incorporating the 2.00% spread) due February 10, 2020, resulting in a time and dollar weighted average rate of 3.514%. On October 18, 2017, the JV sold Cielo Center, Barton Creek and Lantana, Crossings at Lakeline, and Encino Trace, and repaid the remaining mortgage balances of \$33.4 million, \$53.8 million, \$33.8 million and \$30.0 million, respectively.
- (4) The JV designated a libor interest rate cap of 1.75% effective February 3, 2016 for the notional amount of \$200,799. There are three options to extend the maturity date of the debt for three successive terms, each year representing a separate option. The first option to extend the maturity date has been exercised and extends the maturity through February 9, 2019. The two remaining unexercised options extend the maturity through February 9, 2021.
- (5) The stated rate for this construction loan is LIBOR + 1.75%. To fulfill interest rate protection requirements, an interest rate cap was purchased at 4.50%.
- (6) Comprised of two fixed rate mortgages totaling \$8,000 that matured on March 1, 2017, which are currently in default and accrue interest at a current rate of 7%, a \$725 3% fixed rate loan through its September 1, 2025 maturity, a \$2,000 4% fixed rate loan with interest only through its February 7, 2018 maturity, and a \$3,904 3% fixed rate loan with interest only beginning March 11, 2018 through its March 11, 2020 maturity, resulting in a time and dollar weighted average rate of 3.168%.



Maturity Schedule By Year	Secured Debt			Partners' Share	BDN Share	Percent of BDN Share Maturing	Weighted Average Interest Rate of Maturing Debt (a)
	Scheduled Amortization	Balloon Payments	Total				
2018	\$ 7,152	\$ 229,316	\$ 236,468	\$ 121,412	\$ 115,056	0.5%	3.412%
2019 (b)	3,294	387,412	390,706	196,654	194,052	52.5%	5.629%
2020	1,626	91,053	92,679	47,664	45,015	29.8%	3.528%
2021	1,497	15,665	17,162	7,426	9,736	9.6%	4.511%
2022	975	24,397	25,372	12,900	12,472	4.6%	3.979%
2023	674	5,569	6,243	4,662	1,581	2.7%	6.044%
2024	200	-	200	150	50	0.3%	4.931%
2025	82	-	82	67	15	0.0%	3.783%
2026	-	-	-	-	-	0.0%	0.000%
2027	-	-	-	-	-	0.0%	0.000%
<b>Total</b>	<b>\$ 15,500</b>	<b>\$ 753,412</b>	<b>\$ 768,912</b>	<b>\$ 390,935</b>	<b>\$ 377,977</b>	<b>100.0%</b>	<b>4.622%</b>



% of total	0.5%	52.5%	29.8%	9.6%	4.6%	2.7%	0.3%	0.0%	0.0%	0.0%
Expiring rate	3.41%	5.63%	3.53%	4.51%	3.98%	6.04%	4.93%	3.78%	0.00%	0.00%

(a) The weighted average calculations include variable rate debt at current rates.

(b) \$180,800 of debt relating to the MAP Venture matures February 9, 2019. There are two remaining unexercised options to extend the maturity through February 9, 2021.

**Equity Research Coverage**

Argus Research  
Jacob Kilstein  
646-747-5447

D.A. Davidson & Co.  
Barry Oxford  
212-240-9871

JP Morgan  
Anthony Paolone  
212-622-6682

Stifel Nicolaus & Company, Inc.  
John Guinee / Aaron Wolf  
443-224-1307 / 443-224-1206

Barclays Capital  
Ross L. Smotrich / Trevor Young  
212-526-2306 / 212-526-3098

Evercore ISI  
Steve Sakwa / Robert Simone  
212-446-9462 / 212-446-9459

KeyBanc Capital Markets  
Jordan Sadler / Craig Mailman  
917-368-2280 / 917-368-2316

SunTrust Robinson Humphrey, Inc.  
Michael R. Lewis  
212-319-5659

BofA Merrill Lynch  
James Feldman / Kimberly Hong  
646-855-5808 / 646-655-3329

Green Street Advisors  
Jed Reagan / Chris Belosic  
949-640-8780

Mizuho Securities USA, Inc.  
Richard Anderson  
212-205-8445

Citigroup  
Michael Bilerman / Emmanuel Korchman  
212-816-1383 / 212-816-1382

JMP Securities  
Mitchell Germain  
212-906-3546

Raymond James & Associates  
Paul Puryear / Bill Crow  
727-567-2253 / 727-567-2594

*Any opinions, estimates, forecasts or predictions regarding Brandywine Realty Trust's performance made by these analysts are theirs alone and do not represent opinions, estimates, forecasts or predictions of Brandywine Realty Trust or its management. Brandywine does not by its reference above or distribution imply its endorsement of or concurrence with such opinions, estimates, forecasts or predictions.*

**Company Information**

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Philadelphia, PA 19104  
610-325-5600

Stock Exchange Listing  
New York Stock Exchange

Trading Symbol  
Common Shares: BDN

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To request an Investor Relations  
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contact: [IR@bdnreit.com](mailto:IR@bdnreit.com)

Toll free within Canada and the  
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Investor Relations  
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610-325-5600

Senior Unsecured Debt Ratings  
Moody's / Standard & Poor's  
Available upon request

### Non-GAAP Measures

We believe that the measures defined below that are not determined in accordance with generally accepted accounting principles (“GAAP”) are helpful to investors in measuring our performance and comparing it to that of other real estate investment trusts (“REITs”). Since these measures exclude certain items includable in their respective most comparable GAAP measures, reliance on the measures has limitations; management uses supplemental measures that are weighed in balance with other GAAP and non-GAAP measures. These measures are not necessarily indications of our cash flow available to fund cash needs. Additionally, they should not be used as an alternative to the respective most comparable GAAP measures when evaluating our financial performance or to cash flow from operating, investing and financing activities when evaluating our liquidity or ability to make cash distributions or pay debt service.

### Funds from Operations (FFO)

FFO is a widely recognized measure of REIT performance. Although FFO is a non-GAAP financial measure, the Company believes that information regarding FFO is helpful to shareholders and potential investors. The Company computes FFO in accordance with standards established by the National Association of Real Estate Investment Trusts (NAREIT), which may not be comparable to FFO reported by other REITs that do not compute FFO in accordance with the NAREIT definition, or that interpret the NAREIT definition differently than the Company. NAREIT defines FFO as net income (loss) before non-controlling interests of unitholders (preferred and common) and excluding gains (losses) on sales of depreciable operating property, impairment losses on depreciable consolidated real estate, impairment losses on investments in unconsolidated real estate ventures and extraordinary items (computed in accordance with GAAP); plus real estate related depreciation and amortization (excluding amortization of deferred financing costs), and after adjustment for unconsolidated real estate ventures. We also present an adjusted FFO to exclude certain items related to capital market, transactional items and certain other non-recurring items in order to facilitate a review of normalized operating results. Net income, the GAAP measure that the Company believes to be most directly comparable to FFO, includes depreciation and amortization expenses, gains or losses on property sales and non-controlling interests. FFO per share is calculated by dividing FFO by fully diluted shares available to common shareholders and limited partnership unitholders.

To facilitate a clear understanding of the Company’s historical operating results, FFO should be examined in conjunction with net income (determined in accordance with GAAP) as presented in the financial statements included elsewhere in this supplemental package. FFO does not represent cash generated from operating activities in accordance with GAAP and should not be considered to be an alternative to net income (loss) (determined in accordance with GAAP) as an indication of the Company’s financial performance or to be an alternative to cash flow from operating activities (determined in accordance with GAAP) as a measure of the Company’s liquidity, nor is it indicative of funds available for the Company’s cash needs, including its ability to make cash distributions to shareholders.

### Cash Available for Distribution (CAD)

Cash available for distribution, CAD, is a measure that is not intended to represent cash flow for the period and is not indicative of cash flow provided by operating activities as determined under GAAP. CAD is presented solely as a supplemental disclosure with respect to liquidity because the Company believes it provides useful information regarding the Company’s ability to fund its dividends. Although not intended to represent cash flow for the period, the Company believes that to further understand our liquidity, CAD should be compared with our cash flows determined in accordance with GAAP, as presented in our consolidated financial statements. Because all companies do not calculate CAD the same way, the presentation of CAD may not be comparable to similarly titled measures of other companies.

### Earnings Before Interest, Taxes, Depreciation and Amortization (EBITDA)

EBITDA, a non-GAAP financial measure, represents net income before allocation to minority interest plus interest expense, federal income tax expense (if any), depreciation and amortization expense and is adjusted for capital market and other transactional items related to capital market and other transactions. EBITDA is not intended to represent cash flow for the period, is not presented as an alternative to operating income as an indicator of operating performance, should not be considered in isolation or as a substitute for measures of performance prepared in accordance with GAAP and is not indicative of operating income or cash provided by operating activities as determined under GAAP. EBITDA is presented solely as a supplemental disclosure with respect to liquidity because the Company believes it provides useful information regarding the Company’s ability to service or incur debt. Because all companies do not calculate EBITDA the same way, the presentation of EBITDA may not be comparable to similarly titled measures of other companies. The Company believes that net income is the financial measure calculated and presented in accordance with GAAP that is most directly comparable to EBITDA.

The Company has included three EBITDA-based coverage ratios (an interest coverage ratio; a debt service coverage ratio; and a fixed coverage ratio) and other leverage metrics, which are non-GAAP financial measures. The Company has provided these ratios so that investors may evaluate the non-GAAP ratios and the Company is providing such ratios as supplemental disclosure with respect to liquidity because the Company believes such ratios provide useful information regarding the Company’s ability to service or incur debt.

### Net Operating Income (NOI)

NOI is a financial measure equal to net income available to common shareholders, the most directly comparable GAAP financial measure, plus corporate general and administrative expense, depreciation and amortization, interest expense, non-controlling interest in the Operating Partnership and losses from early extinguishment of debt, less interest income, development and management income, gains from property dispositions, gains on sale from discontinued operations, gains on early extinguishment of debt, income from discontinued operations, income from unconsolidated real estate ventures and non-controlling interest in property partnerships. In some cases the Company also presents NOI on a cash basis, which is NOI after eliminating the effects of straight-lining of rent and deferred market intangible amortization. NOI presented by the Company may not be comparable to NOI reported by other REITs that define NOI differently. Cash NOI provides revenues and expenses directly associated with our portfolio of real estate and provides meaningful information about occupancy rates, rental rates and operating costs that may not be apparent from net income. NOI should not be considered an alternative to net income as an indication of our performance or to cash flows as a measure of the Company’s liquidity or its ability to make distributions.

### Net Operating Income (NOI) (continued)

NOI is a useful measure for evaluating the operating performance of our properties, as it excludes certain components from net income available to common shareholders in order to provide results that are more closely related to a property's results of operations. The Company uses NOI internally to evaluate the performance of our operating segments and to make decisions about resource allocations. The Company believes it provides useful information to investors regarding our financial condition and results of operations, as it reflects only the income and expense items incurred at the property level, as well as the impact on operations from trends in occupancy rates, rental rates, operating costs and acquisition and development activity on an unlevered basis.

### Same Store Properties

In our analysis of NOI, particularly to make comparisons of NOI between periods meaningful, it is important to provide information for properties that were in-service and owned by us throughout each period presented. We refer to properties acquired or placed in-service prior to the beginning of the earliest period presented and owned by us through the end of the latest period presented as Same Store Properties. Same Store Properties therefore exclude properties placed in-service, acquired, repositioned, held for sale or in development or redevelopment after the beginning of the earliest period presented or disposed of prior to the end of the latest period presented. Accordingly, it takes at least one year and one quarter after a property is acquired for that property to be included in Same Store Properties.

### Revenue Maintaining Capital Expenditures

Revenue maintaining capital expenditures are a component of the Company's CAD calculation and represent the portion of capital expenditures required to maintain the Company's current level of cash available for distribution. Revenue maintaining capital expenditures include current tenant improvement and allowance expenditures for all tenant spaces that have been owned for at least one year, and that were not vacant during the twelve-month period prior to the date that the tenant improvement or allowance expenditure was incurred. Revenue maintaining capital expenditures also include other expenditures intended to maintain the Company's current revenue base. Accordingly, the Company excludes capital expenditures related to development and redevelopment projects, as well as certain projects at our core properties that are intended to attract prospective tenants in order to increase revenues and/or occupancy rates. Because all companies do not calculate revenue maintaining capital expenditures the same way, the Company's presentation may not be comparable to similarly titled measures of other companies.

The Statements of Cash Flows prepared in accordance with GAAP include both the costs associated with developing/redeveloping and acquiring properties and those expenditures necessary for operating and maintaining existing properties. Disaggregating capital expenditures into Revenue Maintaining Capital Expenditures and Revenue Creating Capital Expenditures is useful in evaluating both the economic performance of our properties and their valuation.

### Revenue Creating Capital Expenditures

Revenue creating capital expenditures include direct and indirect capital expenditures related to current tenant spaces that have not been owned for at least a year or were vacant for more than a year. Because all companies do not calculate revenue creating capital expenditures the same way, the Company's presentation may not be comparable to similarly titled measures of other companies.

### Forward Looking Statements

Certain statements in this package may constitute "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. Such forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause the actual results, performance, achievements or transactions of the Company and its affiliates to be materially different from any future results, performance, achievements or transactions expressed or implied by such forward-looking statements. Such risks, uncertainties and other factors relate to, among others: the Company's ability to lease vacant space and to renew or relet space under expiring leases at expected levels, the potential loss of major tenants, interest rate levels, the availability of debt and equity financing, competition with other real estate companies for tenants and acquisitions, risks of real estate acquisitions and developments, dependence upon certain geographic markets, the impact of newly adopted accounting principles on the Company's accounting policies and on period to period comparisons and general economic, business and real estate conditions.

Additional information on factors which could impact the Company and the forward-looking statements contained herein are included in the Company's filings with the Securities and Exchange Commission, including the Company's Form 10-K for the year ended December 31, 2016, filed with the Securities and Exchange Commission on March 1, 2017.



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## **Brandywine Realty Trust Announces Fourth Quarter and Full Year 2017 Results And Revises 2018 Guidance**

**Philadelphia, PA, January 25, 2018** — Brandywine Realty Trust (NYSE:BDN) today reported its financial and operating results for the three and twelve-month periods ended December 31, 2017.

### **Management Comments**

“The final quarter of 2017 was very active for Brandywine and we finished the year achieving or exceeding many of our business goals,” stated Jerry Sweeney, President and Chief Executive Officer for Brandywine Realty Trust. “Our fourth quarter operating metrics allowed us to exceed our rental rate mark-to-market and tenant retention while keeping our capital costs down. We are also pleased to announce a strong start to 2018 with the sale of our interests in evo at Cira Centre South for \$197.5 million, a student housing project located in Philadelphia, in which we had a 50% ownership interest. The sale represents another very successful joint venture development project generating a \$25.3 million gain and generating over a 20% annual rate of return on our invested equity. We also took advantage of the favorable public debt market to raise \$550 million of unsecured bonds and prepaid \$325 million of 2018 bonds, which lowered our average borrowing cost to 4.0% and lengthened our weighted-average debt maturities to 7.7 years. In addition, we utilized our continuous equity offering program to raise \$51.6 million at an average price of \$18.19 per share. These transactions demonstrate our priority to continually improve our balance sheet metrics and financial position and we have now pre-funded all of our 2018 balance sheet obligations. Based on our sale of evo and equity issuance, we are adjusting our 2018 FFO guidance from \$1.36-\$1.46 per share to \$1.33-\$1.43 per share.”

### **Fourth Quarter 2017 Highlights**

#### ***Financial Results***

- Net income allocated to common shareholders; \$73.1 million, or \$0.41 per diluted share. Our fourth quarter results include net gains on sale of real estate totaling \$75.4 million, or \$0.43 per diluted share and includes one-time charges related to liability management totaling \$3.9 million for early extinguishment of 2018 bonds, incremental interest totaling \$0.8 million related to the make-whole provisions of our 2018 bonds, and \$1.3 million related to the sale of properties in our joint venture located in Austin, Texas.
- Funds from Operations (FFO); \$53.7 million, or \$0.30 per diluted share. Our fourth quarter results include one-time charges related to liability management totaling \$3.9 million for early extinguishment of 2018 bonds, incremental interest totaling \$0.8 million related to the make-whole provisions of our 2018 bonds, and \$1.3 million related to the sale of properties in our joint venture located in Austin, Texas.

#### ***Portfolio Results***

- Core portfolio was 92.9% occupied and 94.3% leased.
- Signed approximately 893,000 square feet of new and renewal leases.
- Achieved 90% tenant retention ratio for the fourth quarter and 75% for 2017.
- Rental rate mark-to-market increased 19.3% on a GAAP basis and increased 4.6% on a cash basis.
- Same store net operating income growth: (2.3%) on a GAAP basis and 3.3% on a cash basis.

## **Recent Transaction Activity**

### **2018 Business Plan Revisions**

- Net Disposition Target: \$100.0 million increase to our disposition target due to the sale of our interests in evo at Cira Centre South.

### **Joint Venture Activity**

- On January 10, 2018, the evo at Cira Centre South Venture, a real estate venture in which we owned a 50% interest, sold its 347-unit residential property in Philadelphia, Pennsylvania, at a gross sales price of \$197.5 million. We received net cash proceeds of \$43.0 million after closing costs and related debt payoffs and recorded a gain of \$25.3 million.
- On January 5, 2018, we exchanged our 20% interest in Seven Tower Bridge, a real estate venture which owns an undeveloped land parcel in Conshohocken, Pennsylvania encumbered by \$14.6 million of debt for the remaining 35% interest in Four Tower Bridge, a real estate venture which owns an office property containing 86,021 square feet in Conshohocken, Pennsylvania encumbered by \$9.7 million of debt. The estimated gain on the transaction is \$9.7 million.
- As previously announced, on October 18, 2017, our joint venture in Austin, Texas, a real estate venture in which we own a 50% interest, sold five office portfolios containing an aggregate of approximately 1,164,500 square feet located in Austin, Texas for a gross sales price of \$333.3 million. These properties were encumbered with \$151.4 million of first mortgage financing. After closing costs and related debt payoffs, we received net cash proceeds totaling approximately \$86.4 million. These properties were 86% occupied and 95% leased at September 30, 2017. Net cash proceeds were used to lower the outstanding balance on our unsecured line of credit. As a result of these property sales, we incurred a one-time charge of approximately \$1.3 million for the early extinguishment of debt and recorded a net gain totaling \$52.2 million.

### **Dispositions**

- On November 22, 2017, we completed the previously announced sale of five buildings in Newtown Square, Pennsylvania for \$42.0 million. The buildings total approximately 253,000 square feet and we received net cash proceeds of \$40.5 million and recorded a gain of \$19.6 million. Net cash proceeds were used to lower the outstanding balance on our unsecured line of credit.
- As previously announced, we completed the sale of a 150,000 square foot office building located at 630 Allendale Road in King of Prussia, Pennsylvania for \$17.5 million. We received net cash proceeds of \$16.6 million and recorded a gain of \$3.6 million. Net cash proceeds were used to lower the outstanding balance on our unsecured line of credit.

### **Development/Redevelopment Acquisitions**

#### **Schuylkill Yards/One Drexel Plaza**

- As previously announced, on October 13, 2017, we acquired a leasehold interest in an office building known as One Drexel Plaza in Philadelphia, Pennsylvania, containing approximately 283,000 rentable square feet for a gross purchase price of \$35.0 million. The acquisition represents an investment in our Schuylkill Yards development and the property will be repositioned over the next 12-18 months. The acquisition was funded from borrowings under our unsecured line of credit.

#### **Austin, Texas Development**

- As previously announced, on October 2, 2017, we signed a 165,000 square foot, 10-year lease for a build-to-suit property located in our project at Four Points in Austin, Texas. We commenced construction on the 100% pre-leased building in October 2017. Estimated project costs total \$48.2 million, with delivery

anticipated in the first quarter 2019. We expect to fund the project with available cash balances and/or our unsecured line of credit.

### ***Guaranteed Note Transaction Highlights***

- On November 17, 2017, we issued \$450.0 million of 3.95% ten-year guaranteed notes and \$100.0 million 3.95% guaranteed notes due February 2023, realizing net proceeds of approximately \$544.5 million. The \$100.0 million of 3.95% guaranteed notes due February 2023 were issued at approximately 102.5% of their principal amount resulting in an effective yield to maturity of 3.40% and will be additive to the \$250.0 million guaranteed notes that were issued in December 2012 with the same maturity date.
- On November 16, 2017, we completed a \$113.4 million tender offer of our 4.95% Guaranteed Notes due April 2018 (the "2018 Notes") and on December 18, 2017, we redeemed \$211.6 million of 2018 Notes not previously retired through the tender offer.
- As a result of the above transactions, we incurred approximately \$4.7 million, or \$0.03 per diluted share, of net one-time charges primarily related to the \$3.9 million write-off of unamortized deferred financing costs and redemption costs associated with the early redemption of our 2018 Notes and \$0.8 million of incremental interest related to the make-whole provisions of our 2018 Notes.

### ***2017 Finance / Capital Markets Activity***

- During the fourth quarter of 2017 and the first quarter of 2018, we issued approximately 2.9 million shares under our continuous equity offering program raising \$51.6 million in net proceeds.
- We have no outstanding balance on our \$600.0 million unsecured revolving credit facility as of December 31, 2017.
- We have \$202.2 million of cash and cash equivalents on-hand as of December 31, 2017.

### **Results for the Three and Twelve-Month Periods Ended December 31, 2017**

Net income allocated to common shares totaled \$73.1 million, or \$0.41 per diluted share, in the fourth quarter of 2017 compared to a net loss of (\$14.1) million or (\$0.08) per share in the fourth quarter of 2016. Our fourth quarter 2017 results include net gains on sale of real estate totaling \$75.4 million, or \$0.43 per diluted share and one-time charges related to liability management totaling \$3.9 million for early extinguishment of 2018 bonds, incremental interest totaling \$0.8 million related to the make-whole provisions of our 2018 bonds, and \$1.3 million related to the sale of properties in our joint venture located in Austin, Texas. Our fourth quarter 2016 results included impairment charges on real estate and unimproved land totaling \$27.4 million, or (\$0.16) per share.

FFO available to common shares and units in the fourth quarter of 2017 totaled \$53.7 million or \$0.30 per diluted share versus \$63.0 million or \$0.35 per diluted share in the fourth quarter of 2016. Our fourth quarter 2017 results include one-time charges related to liability management totaling \$3.9 million for early extinguishment of 2018 bonds, incremental interest totaling \$0.8 million related to the make-whole provisions of our 2018 bonds, and \$1.3 million related to the sale of properties in our joint venture located in Austin, Texas. Our fourth quarter 2016 results included \$3.5 million, or \$0.02 per share, from a net gain, after impairments on unimproved land. Our fourth quarter 2017 payout ratio (\$0.16 common share distribution / \$0.30 FFO per diluted share) was 53.3%.

Net income allocated to common shares totaled \$115.3 million or \$0.65 per diluted share for twelve months of 2017 compared to net income of \$33.0 million or \$0.19 per diluted share in the twelve months of 2016. Our 2017 results include net gains on sale of real estate totaling \$75.4 million, or \$0.43 per diluted share and one-time charges related to liability management totaling \$3.9 million for early extinguishment of 2018 bonds, incremental interest totaling \$0.8 million related to the make-whole provisions of our 2018 bonds, and \$1.3 million related to the sale of properties in our joint venture located in Austin, Texas. Our 2016 results included provisions for impairment of real estate totaling \$40.5 million, or (\$0.23) per share.

Our FFO available to common shares and units for the twelve months ended 2017 totaled \$229.2 million, or \$1.29 per diluted share, compared to our FFO available to common shares and units for the twelve months of 2016, which totaled \$167.0 million, or \$0.94 per diluted share. Our 2017 results include net gains on sale of real estate totaling \$75.4 million, or \$0.43 per diluted share and one-time charges related to liability management totaling

\$3.9 million for early extinguishment of 2018 bonds, incremental interest totaling \$0.8 million related to the make-whole provisions of our 2018 bonds, and \$1.3 million related to the sale of properties in our joint venture located in Austin, Texas. Our 2016 results include a \$66.6 million, or \$0.38 per share, charge for the early extinguishment of debt related to our sale of our Cira Square property located in Philadelphia, Pennsylvania and \$3.5 million, or \$0.02 per share, from net gains/impairments on undeveloped land. Excluding the early extinguishment of debt and net gain, after impairments, on unimproved land, FFO available to common shares and units in the twelve months of 2016 totaled \$230.1 million, or \$1.30 per diluted share. Our 2017 FFO payout ratio (\$0.64 common share distribution / \$1.29 FFO per diluted share) was 49.6%.

**Operating and Leasing Activity**

In the fourth quarter of 2017, our Net Operating Income (NOI) excluding termination revenues and other income items decreased 2.3% on a GAAP basis and increased 3.3% on a cash basis for our 83 same store properties, which were 93.2% and 94.8% occupied on December 31, 2017 and December 31, 2016, respectively.

We leased approximately 893,000 square feet and commenced occupancy on 400,000 square feet during the fourth quarter of 2017. The fourth quarter occupancy activity includes 133,000 square feet of renewals, 168,000 square feet of new leases and 99,000 square feet of tenant expansions. We have an additional 215,000 square feet of executed new leasing scheduled to commence subsequent to December 31, 2017.

We achieved a 90% tenant retention ratio in our core portfolio with net absorption of 141,000 square feet during the fourth quarter of 2017. Fourth quarter rental rate growth increased 19.3% as our renewal rental rates increased 11.2% and our new lease/expansion rental rates increased 28.4%, all on a GAAP basis.

At December 31, 2017, our core portfolio of 87 properties comprising 15.6 million square feet was 92.9% occupied and we are now 94.3% leased (reflecting new leases commencing after December 31, 2017).

**Distributions**

On December 7, 2017, our Board of Trustees declared a quarterly cash dividend of \$0.18 per common share and OP Unit that was paid on January 23, 2018 to holders of record on January 9, 2018. The quarterly dividend is equivalent to an annual rate of \$0.72 per share representing a 12.5% increase from the previous annual dividend rate of \$0.64 per share.

**2018 Earnings and FFO Guidance**

Based on current plans and assumptions and subject to the risks and uncertainties more fully described in our Securities and Exchange Commission filings, we are adjusting our 2018 net income guidance of \$0.34 - \$0.44 to \$0.29 - \$0.39 per diluted share and 2018 FFO guidance of \$1.36 - \$1.46 to \$1.33 - \$1.43 per diluted share. This guidance is provided for informational purposes and is subject to change. The following is a reconciliation of the calculation of 2018 FFO and earnings per diluted share:

<u>Guidance for 2018</u>	<u>Range</u>	
<b>Earnings per diluted share allocated to common shareholders .....</b>	<b>\$0.29</b>	<b>to \$0.39</b>
Plus: real estate depreciation, amortization .....	<u>1.04</u>	<u>1.04</u>
<b>FFO per diluted share .....</b>	<b><u>\$ 1.33</u></b>	<b>to <u>\$ 1.43</u></b>

Our 2018 FFO key assumptions to include:

- Core Occupancy improving to a range of 94-95% by year-end 2018 and 95-96% leased;
- Average Same-Store Occupancy of 92.6% during 2018 versus 93.5% during 2017;
- 8-10% GAAP increase in overall lease rates during 2018 with a resulting (1)-1% (decrease)/increase in 2018 same store GAAP NOI;



- (2)-2% cash (decrease)/increase in overall lease rates during 2018 with a resulting 1-3% increase in 2018 same store cash NOI growth;
- Speculative Revenue Target: \$26.3 million, 75% achieved;
- \$0.18 per share quarterly dividend;
- No acquisition activity;
- \$100 million sales activity;
- One development start; and
- Annual earnings and FFO per diluted share based on 181.5 million fully diluted weighted average common shares.

### ***About Brandywine Realty Trust***

Brandywine Realty Trust (NYSE: BDN) is one of the largest, publicly traded, full-service, integrated real estate companies in the United States with a core focus in the Philadelphia, Washington, D.C., and Austin markets. Organized as a real estate investment trust (REIT), we own, develop, lease and manage an urban, town center and transit-oriented portfolio comprising 185 properties and 25.3 million square feet as of December 31, 2017, which excludes assets held for sale. Our purpose is to shape, connect and inspire the world around us through our expertise, the relationships we foster, the communities in which we live and work, and the history we build together. For more information, please visit [www.brandywinerealty.com](http://www.brandywinerealty.com).

### ***Conference Call and Audio Webcast***

BDN management will discuss 2017 financial results and earnings guidance for fiscal 2018 on Friday, January 26, 2018 at 9:00 a.m. EDT. The conference call can be accessed by dialing 1-833-818-6810 and providing conference ID: 6578749. Beginning two hours after the conference call, a taped replay of the call can be accessed through Friday, February 9, 2018, by calling 1-855-859-2056 and entering access code 6578749. The conference call can also be accessed via a webcast on our website at [www.brandywinerealty.com](http://www.brandywinerealty.com).

### ***Looking Ahead – First Quarter 2018 Conference Call***

We anticipate we will release our first quarter 2018 earnings on Thursday, April 19, 2018, after the market close and will host our first quarter 2018 conference call on Friday, April 20, 2018 at 9:00 a.m. Eastern Time. We expect to issue a press release in advance of these events to reconfirm the dates and times and provide all related information.

### ***Forward-Looking Statements***

Estimates of future earnings per share, FFO per share, common share dividend distributions and certain other statements in this release constitute “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995. Such forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause our and our affiliates’ actual results, performance, achievements or transactions to be materially different from any future results, performance, achievements or transactions expressed or implied by such forward-looking statements. Such risks, uncertainties and other factors relate to, among others: our ability to lease vacant space and to renew or relet space under expiring leases at expected levels; competition with other real estate companies for tenants; the potential loss or bankruptcy of major tenants; interest rate levels; the availability of debt, equity or other financing; risks of acquisitions, dispositions and developments, including the cost of construction delays and cost overruns; unanticipated operating and capital costs; our ability to obtain adequate insurance, including coverage for terrorist acts; dependence upon certain geographic markets; and general and local economic and real estate conditions, including the extent and duration of adverse changes that affect the industries in which our tenants operate. The declaration and payment of future dividends (both timing and amount) is subject to the determination of our Board of Trustees, in its sole discretion, after considering various factors, including the Company’s financial condition, historical and forecast operating results, and available cash flow, as well as any applicable laws and contractual covenants and any other relevant factors. The Company’s practice regarding payment of dividends may be modified at any time and from time to time. Additional

information on factors which could impact us and the forward-looking statements contained herein are included in our filings with the Securities and Exchange Commission, including our Form 10-K for the year ended December 31, 2016. We assume no obligation to update or supplement forward-looking statements that become untrue because of subsequent events except as required by law.

### ***Non-GAAP Supplemental Financial Measures***

We compute our financial results in accordance with generally accepted accounting principles (GAAP). Although FFO and NOI are non-GAAP financial measures, we believe that FFO and NOI calculations are helpful to shareholders and potential investors and are widely recognized measures of real estate investment trust performance. At the end of this press release, we have provided a reconciliation of the non-GAAP financial measures to the most directly comparable GAAP measure.

### **Funds from Operations (FFO)**

We compute FFO in accordance with standards established by the National Association of Real Estate Investment Trusts (NAREIT), which may not be comparable to FFO reported by other REITs that do not compute FFO in accordance with the NAREIT definition, or that interpret the NAREIT definition differently than us. NAREIT defines FFO as net income (loss) before non-controlling interests and excluding gains (losses) on sales of depreciable operating property, impairment losses on depreciable consolidated real estate, impairment losses on investments in unconsolidated real estate ventures and extraordinary items (computed in accordance with GAAP); plus real estate related depreciation and amortization (excluding amortization of deferred financing costs), and after similar adjustments for unconsolidated joint ventures. Net income, the GAAP measure that we believe to be most directly comparable to FFO, includes depreciation and amortization expenses, gains or losses on property sales, extraordinary items and non-controlling interests. To facilitate a clear understanding of our historical operating results, FFO should be examined in conjunction with net income (determined in accordance with GAAP) as presented in the financial statements included elsewhere in this release. FFO does not represent cash flow from operating activities (determined in accordance with GAAP) and should not be considered to be an alternative to net income (loss) (determined in accordance with GAAP) as an indication of our financial performance or to be an alternative to cash flow from operating activities (determined in accordance with GAAP) as a measure of our liquidity, nor is it indicative of funds available for our cash needs, including our ability to make cash distributions to shareholders.

### **Net Operating Income (NOI)**

NOI is a financial measure equal to net income available to common shareholders, the most directly comparable GAAP financial measure, plus corporate general and administrative expense, depreciation and amortization, interest expense, non-controlling interest in the Operating Partnership and losses from early extinguishment of debt, less interest income, development and management income, gains from property dispositions, gains on sale from discontinued operations, gains on early extinguishment of debt, income from discontinued operations, income from unconsolidated joint ventures and non-controlling interest in property partnerships. In some cases we also present NOI on a cash basis, which is NOI after eliminating the effects of straight-lining of rent and deferred market intangible amortization. NOI presented by us may not be comparable to NOI reported by other REITs that define NOI differently. NOI should not be considered an alternative to net income as an indication of our performance or to cash flows as a measure of the Company's liquidity or its ability to make distributions. NOI is a useful measure for evaluating the operating performance of our properties, as it excludes certain components from net income available to common shareholders in order to provide results that are more closely related to a property's results of operations. NOI is used internally to evaluate the performance of our operating segments and to make decisions about resource allocations. We concluded that NOI provides useful information to investors regarding our financial condition and results of operations, as it reflects only the income and expense items incurred at the property level, as well as the impact on operations from trends in occupancy rates, rental rates, operating costs and acquisition and development activity on an unlevered basis.

### **Core Portfolio**

Our core portfolio is comprised of our wholly-owned properties, excluding any properties currently in development, re-development or re-entitlement.

**BRANDYWINE REALTY TRUST**  
**CONSOLIDATED BALANCE SHEETS**  
*(in thousands)*

	December 31, 2017 <i>(unaudited)</i>	December 31, 2016
<b>ASSETS</b>		
Real estate investments:		
Operating properties	\$ 3,832,348	\$ 3,586,295
Accumulated depreciation	(895,091)	(852,476)
Operating real estate investments, net	2,937,257	2,733,819
Construction-in-progress	121,188	297,462
Land held for development	98,242	150,970
Total real estate investments, net	3,156,687	3,182,251
Assets held for sale, net	392	41,718
Cash and cash equivalents	202,179	193,919
Accounts receivable, net of allowance of \$3,467 and \$2,373 in 2017 and 2016, respectively	17,938	12,446
Accrued rent receivable, net of allowance of \$13,645 and \$13,743 in 2017 and 2016, respectively	169,760	149,624
Investment in real estate ventures, at equity	194,621	281,331
Deferred costs, net	96,695	91,342
Intangible assets, net	64,972	72,478
Other assets	92,204	74,104
Total assets	<u>\$ 3,995,448</u>	<u>\$ 4,099,213</u>
<b>LIABILITIES AND BENEFICIARIES' EQUITY</b>		
Mortgage notes payable, net	\$ 317,216	\$ 321,549
Unsecured term loans, net	248,429	248,099
Unsecured senior notes, net	1,365,183	1,443,464
Accounts payable and accrued expenses	107,074	103,404
Distributions payable	32,456	30,032
Deferred income, gains and rent	42,593	31,620
Acquired lease intangibles, net	20,274	18,119
Liabilities related to assets held for sale	-	81
Other liabilities	15,623	19,408
Total liabilities	<u>\$ 2,148,848</u>	<u>\$ 2,215,776</u>
Brandywine Realty Trust's Equity:		
Preferred Shares (shares authorized-20,000,000)		
6.90% Series E Preferred Shares, \$0.01 par value; issued and outstanding- 0 in 2017 and 4,000,000 in 2016	-	40
Common Shares of Brandywine Realty Trust's beneficial interest, \$0.01 par value; shares authorized 400,000,000; 178,285,236 and 175,140,760 issued and outstanding in 2017 and in 2016, respectively	1,784	1,752
Additional paid-in-capital	3,218,564	3,258,870
Deferred compensation payable in common shares	11,304	13,684
Common shares in grantor trust, 894,736 in 2017, 899,457 in 2016	(11,304)	(13,684)
Cumulative earnings	660,174	539,319
Accumulated other comprehensive income (loss)	2,399	(1,745)
Cumulative distributions	(2,053,741)	(1,931,892)
Total Brandywine Realty Trust's equity	1,829,180	1,866,344
Non-controlling interests	17,420	17,093
Total beneficiaries' equity	1,846,600	1,883,437
Total liabilities and beneficiaries' equity	<u>\$ 3,995,448</u>	<u>\$ 4,099,213</u>

**BRANDYWINE REALTY TRUST**  
**CONSOLIDATED STATEMENTS OF OPERATIONS**  
*(unaudited, in thousands, except share and per share data)*

	Three Months Ended December 31,		Twelve Months Ended December 31,	
	2017	2016	2017	2016
<b>Revenue</b>				
Rents	\$ 104,887	\$ 103,181	\$ 412,333	\$ 421,505
Tenant reimbursements	18,808	17,314	72,620	70,629
Termination fees	357	880	2,370	2,339
Third party management fees, labor reimbursement and leasing	7,862	8,983	28,345	26,674
Other	1,430	1,728	4,825	4,316
Total revenue	133,344	132,086	520,493	525,463
<b>Operating expenses:</b>				
Property operating expenses	39,888	38,718	150,835	152,926
Real estate taxes	11,142	11,319	45,204	46,252
Third party management expenses	2,569	3,098	9,960	10,270
Depreciation and amortization	46,773	46,940	179,357	189,676
General and administrative expenses	6,741	5,885	28,538	26,596
Provision for impairment	-	27,448	3,057	40,517
Total operating expenses	107,113	133,408	416,951	466,237
<b>Operating income (loss)</b>	26,231	(1,322)	103,542	59,226
<b>Other income (expense)</b>				
Interest income	478	266	1,113	1,236
Interest expense	(20,413)	(20,374)	(81,886)	(84,708)
Interest expense - amortization of deferred financing costs	(628)	(633)	(2,435)	(2,696)
Interest expense - financing obligation	-	-	-	(679)
Equity in loss of Real Estate Ventures	(2,919)	(2,180)	(8,306)	(11,503)
Net gain on disposition of real estate	23,246	2,358	31,657	116,983
Net gain on sale of undepreciated real estate	-	9,044	953	9,232
Net gain on real estate venture transactions	52,186	471	80,526	20,000
Loss on early extinguishment of debt	(3,933)	-	(3,933)	(66,590)
<b>Net income (loss) before income taxes</b>	74,248	(12,370)	121,231	40,501
Income tax (provision) benefit	(404)	-	628	-
<b>Net income (loss)</b>	73,844	(12,370)	121,859	40,501
Net (income) loss attributable to non-controlling interests	(625)	115	(1,009)	(310)
<b>Net income (loss) attributable to Brandywine Realty Trust</b>	73,219	(12,255)	120,850	40,191
Distribution to preferred shareholders	-	(1,725)	(2,032)	(6,900)
Preferred share redemption charge	-	-	(3,181)	-
Nonforfeitable dividends allocated to unvested restricted shareholders	(82)	(78)	(327)	(341)
<b>Net income (loss) attributable to Common Shareholders of Brandywine Realty Trust</b>	<u>\$ 73,137</u>	<u>\$ (14,058)</u>	<u>\$ 115,310</u>	<u>\$ 32,950</u>
<b>PER SHARE DATA</b>				
Basic income (loss) per common share	<u>\$ 0.42</u>	<u>\$ (0.08)</u>	<u>\$ 0.66</u>	<u>\$ 0.19</u>
Basic weighted average shares outstanding	175,985,156	175,140,760	175,484,350	175,018,163
Diluted income (loss) per common share	<u>\$ 0.41</u>	<u>\$ (0.08)</u>	<u>\$ 0.65</u>	<u>\$ 0.19</u>
Diluted weighted average shares outstanding	177,426,365	175,140,760	176,808,166	176,010,814

**BRANDYWINE REALTY TRUST**  
**FUNDS FROM OPERATIONS**  
*(unaudited, in thousands, except share and per share data)*

	Three Months Ended December 31,		Twelve Months Ended December 31,	
	2017	2016	2017	2016
<b>Reconciliation of Net Income to Funds from Operations:</b>				
Net income (loss) attributable to common shareholders	\$ 73,137	\$ (14,058)	\$ 115,310	\$ 32,950
Add (deduct):				
Net income (loss) attributable to non-controlling interests - LP units	621	(118)	980	295
Nonforfeitable dividends allocated to unvested restricted shareholders	82	78	327	341
Net gain on real estate venture transactions	(52,186)	(471)	(80,526)	(20,000)
Net gain on disposition of real estate	(23,246)	(2,358)	(31,657)	(116,983)
Provision for impairment	-	21,860	2,730	34,929
Other than temporary impairment of equity method investment	-	-	4,844	-
Company's share of impairment of an unconsolidated real estate venture	-	-	-	5,238
Depreciation and amortization:				
Real property	38,208	34,171	142,548	135,094
Leasing costs including acquired intangibles	8,207	12,667	35,920	54,195
Company's share of unconsolidated real estate ventures	9,117	11,427	39,622	41,612
Partners' share of consolidated real estate ventures	(54)	(59)	(231)	(235)
Funds from operations	\$ 53,886	\$ 63,139	\$ 229,867	\$ 167,436
Funds from operations allocable to unvested restricted shareholders	(137)	(176)	(648)	(457)
Funds from operations available to common share and unit holders (FFO)	\$ 53,749	\$ 62,963	\$ 229,219	\$ 166,979
FFO per share - fully diluted	<u>\$ 0.30</u>	<u>\$ 0.35</u>	<u>\$ 1.29</u>	<u>\$ 0.94</u>
Weighted-average shares/units outstanding - fully diluted	178,906,164	177,491,208	178,287,965	177,516,451
Distributions paid per common share	<u>\$ 0.16</u>	<u>\$ 0.16</u>	<u>\$ 0.64</u>	<u>\$ 0.63</u>
FFO payout ratio (distributions paid per common share/FFO per diluted share)	53.3%	45.7%	49.6%	67.0%

**BRANDYWINE REALTY TRUST**  
**SAME STORE OPERATIONS – 4<sup>th</sup> QUARTER**  
*(unaudited and in thousands)*

Of the 93 properties owned by the Company as of December 31, 2017, a total of 83 properties ("Same Store Properties") containing an aggregate of 14.3 million net rentable square feet were owned for the entire three-month periods ended December 31, 2017 and 2016. As of December 31, 2017, four properties were recently completed/acquired, two properties were in development and four properties were in redevelopment. Average occupancy for the Same Store Properties was 92.8% during 2017 and 94.4% during 2016. The following table sets forth revenue and expense information for the Same Store Properties:

	Three Months Ended December 31,	
	2017	2016
<b>Revenue</b>		
Rents	\$ 90,603	\$ 91,748
Tenant reimbursements	16,861	15,641
Termination fees	357	335
Other	416	436
<b>Total revenue</b>	<b>108,237</b>	<b>108,160</b>
<b>Operating expenses</b>		
Property operating expenses	32,628	31,326
Real estate taxes	10,012	9,682
<b>Net operating income</b>	<b>\$ 65,597</b>	<b>\$ 67,152</b>
<b>Net operating income - percentage change over prior year</b>	<b>-2.3%</b>	
<b>Net operating income, excluding net termination fees &amp; other</b>	<b>\$ 64,824</b>	<b>\$ 66,381</b>
<b>Net operating income, excluding net termination fees &amp; other - percentage change over prior year</b>	<b>-2.3%</b>	
<b>Net operating income</b>	<b>\$ 65,597</b>	<b>\$ 67,152</b>
Straight line rents & other	(143)	(3,164)
Above/below market rent amortization	(450)	(1,451)
Amortization of tenant inducements	390	724
Non-cash ground rent	22	22
<b>Cash - Net operating income</b>	<b>\$ 65,416</b>	<b>\$ 63,283</b>
<b>Cash - Net operating income - percentage change over prior year</b>	<b>3.4%</b>	
<b>Cash - Net operating income, excluding net termination fees &amp; other</b>	<b>\$ 64,439</b>	<b>\$ 62,406</b>
<b>Cash - Net operating income, excluding net termination fees &amp; other - percentage change over prior year</b>	<b>3.3%</b>	
Three Months Ended December 31,		
	2017	2016
Net income (loss)	\$ 73,844	\$ (12,370)
Add/(deduct):		
Interest income	(478)	(266)
Interest expense	20,413	20,374
Interest expense - amortization of deferred financing costs	628	633
Equity in loss of real estate ventures	2,919	2,180
Net gain on real estate venture transactions	(52,186)	(471)
Net gain on disposition of real estate	(23,246)	(2,358)
Net gain on sale of undepreciated real estate	-	(9,044)
Loss on early extinguishment of debt	3,933	-
Depreciation and amortization	46,773	46,940
General & administrative expenses	6,741	5,885
Income tax provision	404	-
Provision for impairment	-	27,448
<b>Consolidated net operating income</b>	<b>79,745</b>	<b>78,951</b>
Less: Net operating income of non-same store properties and elimination of non-property specific operations	(14,148)	(11,799)
<b>Same store net operating income</b>	<b>\$ 65,597</b>	<b>\$ 67,152</b>

**BRANDYWINE REALTY TRUST**  
**SAME STORE OPERATIONS – TWELVE MONTHS**  
*(unaudited and in thousands)*

Of the 93 properties owned by the Company as of December 31, 2017, a total of 83 properties ("Same Store Properties") containing an aggregate of 14.3 million net rentable square feet were owned for the entire twelve-month periods ended December 31, 2017 and 2016. As of December 31, 2017, four properties were recently completed/acquired, two properties were in development and four properties were in redevelopment. Average occupancy for the Same Store Properties was 93.5% during 2017 and 94.2% during 2016. The following table sets forth revenue and expense information for the Same Store Properties:

	Twelve Months Ended December 31,	
	2017	2016
<b>Revenue</b>		
Rents	\$ 365,717	\$ 365,415
Tenant reimbursements	66,124	61,747
Termination fees	1,893	660
Other	2,056	1,744
Total revenue	435,790	429,566
<b>Operating expenses</b>		
Property operating expenses	126,463	124,154
Real estate taxes	39,928	39,061
<b>Net operating income</b>	<b>\$ 269,399</b>	<b>\$ 266,351</b>
<b>Net operating income - percentage change over prior year</b>	<b>1.1%</b>	
<b>Net operating income, excluding net termination fees &amp; other</b>	<b>\$ 265,450</b>	<b>\$ 263,947</b>
<b>Net operating income, excluding net termination fees &amp; other - percentage change over prior year</b>	<b>0.6%</b>	
<b>Net operating income</b>	\$ 269,399	\$ 266,351
Straight line rents & other	(6,117)	(20,231)
Above/below market rent amortization	(2,694)	(6,648)
Amortization of tenant inducements	1,448	1,752
Non-cash ground rent	88	88
<b>Cash - Net operating income</b>	<b>\$ 262,124</b>	<b>\$ 241,312</b>
<b>Cash - Net operating income - percentage change over prior year</b>	<b>8.6%</b>	
<b>Cash - Net operating income, excluding net termination fees &amp; other</b>	<b>\$ 257,043</b>	<b>\$ 238,365</b>
<b>Cash - Net operating income, excluding net termination fees &amp; other - percentage change over prior year</b>	<b>7.8%</b>	
	Twelve Months Ended December 31,	
	2017	2016
Net income:	\$ 121,859	\$ 40,501
Add/(deduct):		
Interest income	(1,113)	(1,236)
Interest expense	81,886	84,708
Interest expense - amortization of deferred financing costs	2,435	2,696
Interest expense - financing obligation	-	679
Equity in loss of real estate ventures	8,306	11,503
Net gain on real estate venture transactions	(80,526)	(20,000)
Net gain on disposition of real estate	(31,657)	(116,983)
Net gain on sale of undepreciated assets	(953)	(9,232)
Loss on early extinguishment of debt	3,933	66,590
Depreciation and amortization	179,357	189,676
General & administrative expenses	28,538	26,596
Income tax benefit	(628)	-
Provision for impairment	3,057	40,517
Consolidated net operating income	314,494	316,015
Less: Net operating income of non-same store properties and elimination of non-property specific operations	(45,095)	(49,664)
Same store net operating income	<b>\$ 269,399</b>	<b>\$ 266,351</b>