

2018

SUPPLEMENTAL INFORMATION PACKAGE

Fourth Quarter



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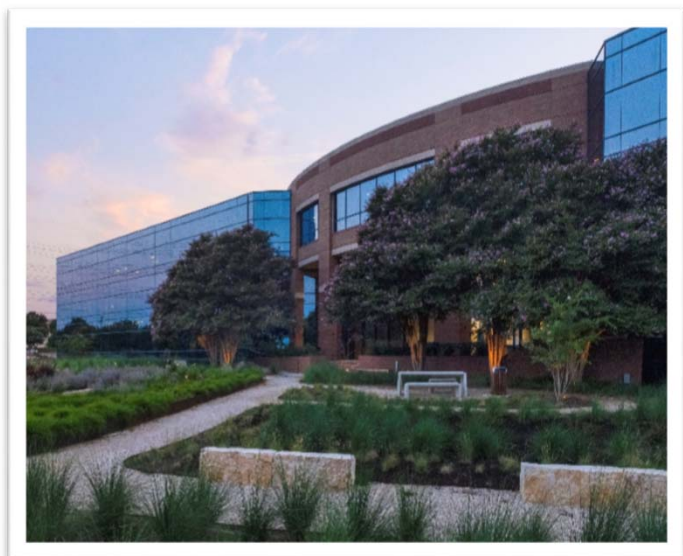
Above: FMC Tower, Philadelphia, PA

Cover (from L to R): Schuylkill Yards, Philadelphia, PA; FMC Tower, Philadelphia, PA; Broadmoor, Austin, TX; 405 Colorado, Austin, TX; Metroplex II, Plymouth Meeting, PA; 25M Street, Metro D.C.

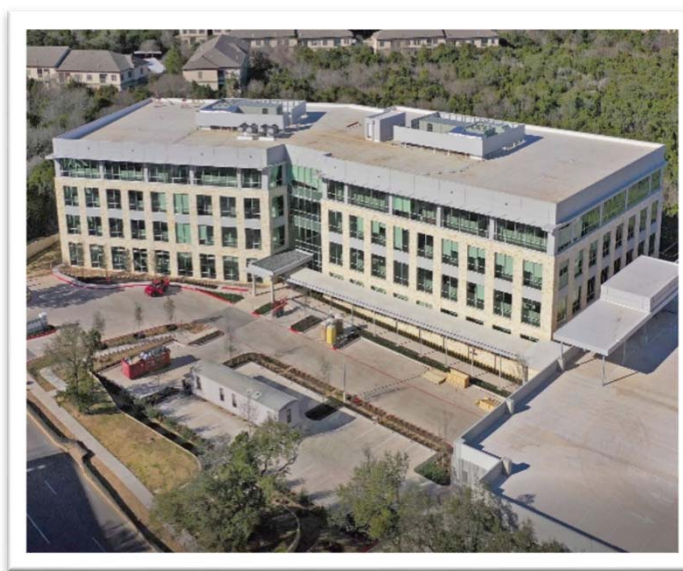
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Transaction Highlights



Quarry Lake II | Austin, TX



Four Points | Austin, TX

Acquisitions

- On December 19, 2018, we acquired an office building containing 120,559 rentable square feet located at 4516 Seton Center Parkway, in Austin, Texas, known as Quarry Lake II for a gross purchase price of \$39.5 million. The building was 100% occupied at closing.
- On December 11, 2018, we acquired our partner's entire 50% interest in the 12 remaining properties within the DRA Austin real estate venture ("Austin Portfolio") containing 1,570,123 square feet, located in Austin, Texas, for a gross sales price of \$537.0 million. All mortgage encumbrances were paid off at closing. Our share of the gain on sale was \$103.8 million and we earned a \$28.3 million gain on our promoted interest.

Dispositions

- On December 28, 2018, the Allstate DC JV, in which we own a 50% interest, sold its interest in a portfolio of three office buildings containing 510,202 rentable square feet located in Silver Spring, Maryland, known as Station Square, for a gross sales price of \$107.0 million. After paying off a \$66.5 million first mortgage, our share of the cash received at settlement was \$17.4 million.
- In connection with the May 18, 2018 exercise of its purchase option, on December 21, 2018, we sold the Subaru National Training Center, in Camden, New Jersey, which was previously in development, to Subaru for a gross sales price of \$45.3 million and recorded a gain of \$2.6 million on the sale.
- On December 20, 2018, we sold a portfolio of eight properties (the "Rockpoint Portfolio") containing an aggregate of 1,293,197 square feet, located in the Northern Virginia, for a gross sales price of \$312.0 million. We retained a 15% interest in the Rockpoint Portfolio through an unconsolidated real estate venture (the "JV"). At closing, we received net cash receipts of approximately \$262.5 million. The JV anticipates securing a first mortgage financing during Q1 2019.

Financing

- On December 13, 2018, we amended and restated our \$250.0 million seven-year term loan maturing on October 8, 2022. In connection with the terms of the amendment, the loan now bears interest at LIBOR + 1.25%, which represents a decrease of 55 bps.

Share Repurchases/Partnership Unit Redemptions

- On January 3, 2019, our Board of Trustees authorized the repurchase of up to \$150 million of our common shares.
- During Q4 2018, we repurchased and retired 3,066,447 common shares at an average purchase price of \$12.76, totaling \$39.1 million. Of these repurchases, 550,000 common shares were repurchased and retired (\$12.98 per share; \$7.1 million) under the new \$150 million plan and 2,516,447 were repurchased and retired (\$12.72 per share; \$32.0 million) under the previous \$100 million plan.
- During Q4 2018, 496,928 of our limited partnership units were redeemed for cash of \$7.0 million.

Development

- During Q4 2018, the office buildings at 500 North Gulph Road, in King of Prussia, Pennsylvania and Broadmoor Building 6, in Austin, Texas, were placed into service and the buildings were 100% and 96.2% occupied at December 31, 2018, respectively. 500 North Gulph Road is occupied by a single tenant, which moved into the building on December 15, 2018.
- Development of an office building is anticipated to commence at 405 Colorado, in Austin, Texas, during Q1 2019. We are currently in negotiation with an anchor tenant who will occupy approximately 35% of the project.
- We have been named the designated developer of a 250,000 sf. medical facility building in Radnor, Pennsylvania. In connection with this agreement, we expect to purchase a portion of the land at this site that can accommodate 150,000 sf. of office and a 125-room hotel, along with an existing two-story office building. Development of the medical facility commenced in Q4 2018. We will purchase the existing medical office building once its current occupant moves into the new medical facility, which we anticipate will occur in Q2 2020.

Dividend

- On December 6, 2018, we declared a quarterly cash dividend of \$0.19 per common share, representing a 5.6% increase from the previous \$0.18 per common share quarterly dividend.

Note: Definitions for commonly used terms in this Supplemental Information Package are on pages 42 and 43 'Disclaimers and Other Information'

Leasing Highlights

	Q4 2018	Q3 2018
Quarter end occupancy	93.3%	93.0%
Current projected / Prior year end occupancy	93.3%	94-95%
Leased as of January 23, 2019 / October 10, 2018	95.5%	95.1%
Leases executed in quarter (sq ft)	613,459	526,373
New leases commenced (sq ft)	141,588	120,700
Expansions commenced (sq ft)	86,816	75,429
Leases renewed (sq ft)	409,153	139,407
Total lease activity (sq ft)	637,557	335,536
Early lease renewals (sq ft)	257,979	264,576
Forward lease commencements (sq ft):		
Q1 2019	144,577	
Q2 2019	130,762	
2H 2019	77,765	
Total square feet of forward lease commencements:	353,104	



Key Operating Metrics

	Q4 2018	YTD 2018	2018 Original Business Plan
Same Store NOI Growth			
GAAP	(a) 2.3% / 0.8%	-1.8%	-1.5% - 0.0% (b)
Cash	(a) 8.7% / 0.7%	0.7%	1.0% - 3.0%
Rental Rate Mark to Market (c)			
New Leases/expansions			
GAAP	29.5%	24.3%	
Cash	9.8%	8.3%	
Renewals			
GAAP	6.4%	7.5%	
Cash	-7.5%	-4.1%	
Combined			
GAAP	10.8%	12.9%	8.0% - 10.0%
Cash	-4.1%	-0.1%	-2.0% - 2.0%
Average Lease Term (yrs)	5.8	6.5	7.2
Leasing Capital (PSF/yr) (c)	\$1.90	\$2.68	\$2.75 - \$3.25
Tenant Retention	83%	73%	67%

Financial Highlights

	Q4 2018	Q3 2018	YTD 2018
Net income (loss) to common shareholders	\$ 121,823	-\$43,003	\$135,955
Per diluted share	\$ 0.68	-\$0.24	\$0.76
Common share distributions paid	\$0.18	\$0.18	\$0.72
Funds From Operations (FFO)	\$64,257	\$63,196	\$247,693
Per diluted share	\$0.36	\$0.35	\$1.37
FFO - excl. capital market, transactional items and other	\$64,759	\$63,409	\$245,908
Per diluted share	\$0.36	\$0.35	\$1.36
FFO payout ratio - excl. capital market, trans. items and other	50.0%	51.4%	52.9%
Cash Available for Distribution (CAD)	\$48,123	\$51,992	\$187,893
CAD payout ratio (Distributions paid per common share / CAD)	67.5%	62.5%	69.2%

Balance Sheet Highlights

	Q4 2018	Q3 2018	Q2 2018
Net debt to total gross assets	40.9%	39.1%	38.4%
Ratio of net debt to annualized quarterly EBITDA	6.0	6.2	6.2
Cash on hand	\$22,842	\$70,360	\$108,304

(a) Includes office component of FMC Tower, 1900 Market Street and 933 First Avenue. See page 25 for further information.

(b) The original 2018 Business Plan range of -1.0% - 1.0% was adjusted for the Rockpoint disposition with our Q3 '18 Earnings Release.

(c) Calculations based on revenue maintaining leasing activity. See definition on page 43.

Business Plan Component	2019 Business Plan as of		2018 Business Plan as of	
	1/11/2019	10/10/2018	Final	Original
Speculative Revenue	\$31.5 MM	\$31.0 MM	\$24.7 MM	\$25.3 MM (1)
Executed	77%	65%	100%	49%
Projected Tenant Retention (SF)	57%	57%	73%	67%
Same Store NOI Increase				
• GAAP	0.0% - 2.0%	0.0% - 2.0%	-1.8%	-1.5% - 0.0% (2)
• Cash	1.0% - 3.0%	1.0% - 3.0%	0.7%	1.0% - 3.0%
Capital as a % of lease revenue	14.0%	14.0%	10.6%	12.0%
Average Lease Term	7.3 years	7.3 years	6.5 years	7.2 years
Net Income Attributable to Common Shareholders	\$0.29 - \$0.39	\$0.36 - \$0.46	\$0.76	\$0.34 - \$0.44
Funds from Operations, excluding capital market, transactional items and other	\$1.37 - \$1.47	\$1.37 - \$1.47	\$1.37	\$1.36 - \$1.46
Cash Available for Distribution Payout Ratio Annualized	70% - 64%	70% - 64%	69.2%	69% - 63%
Rental Rate Increase / (Decline)				
	<u>Combined</u>	<u>Combined</u>	<u>Combined</u>	<u>Combined</u>
• GAAP	8.0% - 10.0%	8.0% - 10.0%	12.9%	8.0% - 10.0%
• Cash	2.0% - 4.0%	2.0% - 4.0%	-0.1%	-2.0% - 2.0%
Year-end SS Occupancy	94-95%	94-95%	93.2%	94-95%
Year-end Core Occupancy	94-95%	94-95%	93.3%	94-95%
Year-end Core Leased	95-96%	95-96%	95.5%	95-96%
Bank Financing/Preferred Shares	None Incorporated	None Incorporated	New term loan not required (3)	\$150.0 MM term loan during 1H18
Unsecured Financing/Liability Management	None Incorporated	None Incorporated	Completed on December 18, 2017	Refinance \$325.0 MM Notes due 2018
Equity Issuance/Share Repurchase Program	Repurchased and retired 550,000 common shares for \$7.1 MM	None Incorporated	Repurchased and retired 2,516,447 common shares for \$32.0 MM	None Incorporated
Dispositions (excluding land)	None Incorporated	None Incorporated	\$479.9 MM	None Incorporated
Acquisitions (excluding land)	None Incorporated	None Incorporated	\$621.7 MM	None Incorporated
Development Start	\$50.0 MM - \$110.0 MM	\$50.0 MM - \$110.0 MM	(4)	\$50.0 MM - \$100.00 MM

(1) Reflects a \$1.0 million decrease in speculative revenue due to the disposition of the Rockpoint Properties in Q4 2018.

(2) The original 2018 Business Plan range of -1.0% - 1.0% was adjusted for the Rockpoint disposition with our Q3 '18 Earnings Release.

(3) On December 13, 2018, we amended our \$250.0 million seven-year term loan maturing on October 8, 2022. In connection with the terms of the amendment, the loan now bears interest at LIBOR + 1.25%.

(4) Commenced development of Garza Ranch office building during Q2 2018.

	2018 - 2021	2019 Business Plan	2018 Final
Operations			
<ul style="list-style-type: none"> ■ Leased ■ Annual Same Store Cash NOI Growth ■ Capital Costs as a % of Lease Revenues ■ Complete Exit of New Jersey, Delaware & Suburban Maryland 	<p>95-96%</p> <p>2-5%</p> <p>10-15%</p>	<p>95-96%</p> <p>1-3%</p> <p>13-15%</p> <p>Ongoing</p>	<p>95.5%</p> <p>0.7%</p> <p>10.6%</p>
Balance Sheet			
<ul style="list-style-type: none"> ■ Debt/EBITDA by Q4 ■ Debt/GAV by Q4 ■ Reduce Current JV Net Investment (based on debt attribution as of Q1 2017) ■ AFFO Annual Growth Rate 	<p>6.0x by 4Q18</p> <p>Low 30%</p> <p>40-50%</p> <p>5-7%</p>	<p>6.0x-6.3x</p> <p>39-41%</p> <p>55% cumulative reduction (b)</p> <p>2%</p>	<p>6.0x</p> <p>40.9%</p> <p>61% cumulative reduction</p> <p>12%</p>
Development			
<ul style="list-style-type: none"> ■ Discipline Development Pipeline: Deploy Land into Projects to Create Value ■ Match Fund Development with Additional Sales 	<p>3 Project Starts</p>	<p>1 Project Start</p>	<p>2 Project Starts (a)</p>
	Ongoing; 2018 development spend pre-funded with 2017 asset sales		
<ul style="list-style-type: none"> ■ Land Bank as of Investor Day (Q1 2017) (c) 	<p>Monetize 50% (\$76 million)</p>	<p>Cumulative \$79 million (52%) sold, under agreement to sell or contributed to development start</p>	<p>Cumulative \$75 million (49%) sold, under agreement to sell or contributed to development start</p>

(a) Represents the development of Four Points Building 3, located in Austin, TX, which commenced in Q4 2017, and the Garza Ranch office building, located in Austin, TX, which commenced in Q2 2018.

(b) Includes debt to be placed on Rockpoint JV during Q1 2019.

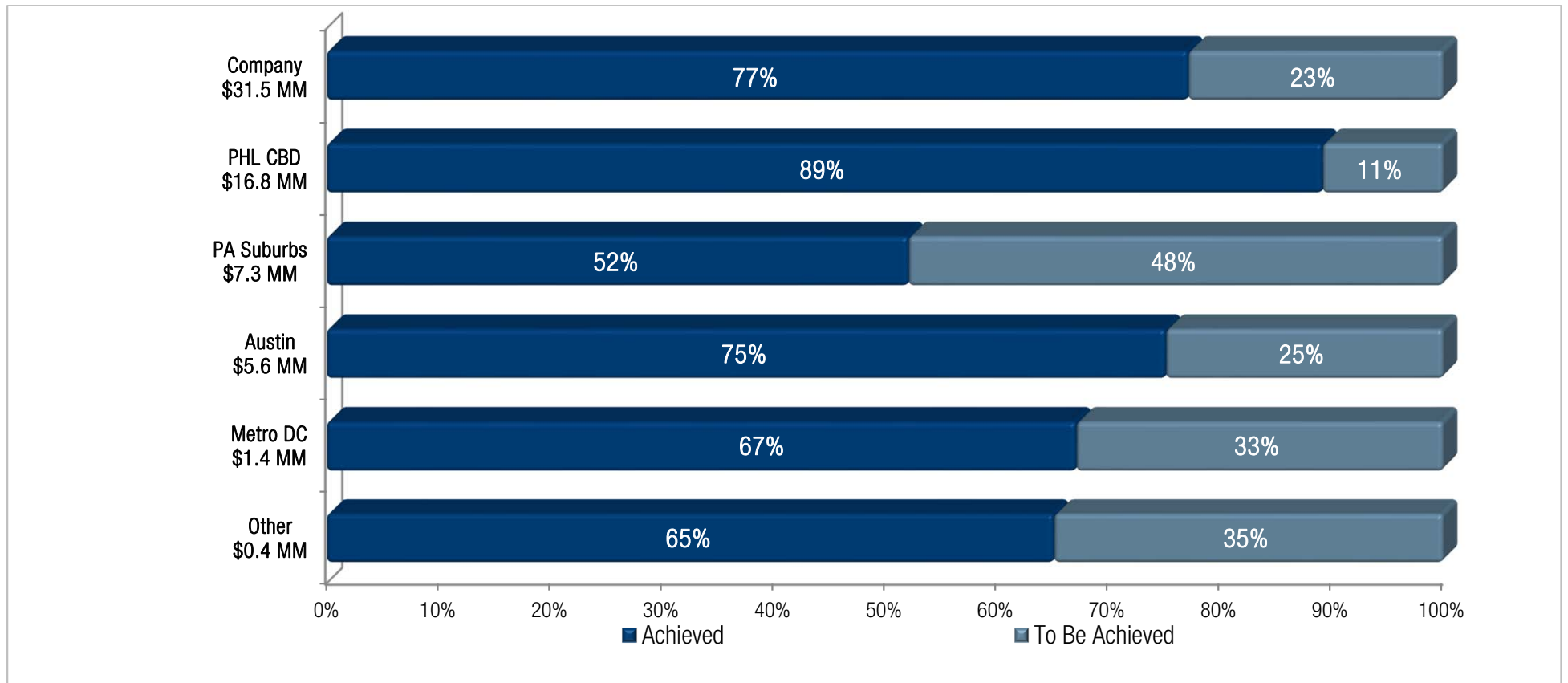
(c) Land inventory, as a percentage of Total Assets, decreased from 3.7% as of March 31, 2017 to 3.1% as of December 31, 2018.

2019 Speculative Leasing (Wholly Owned)

Square Feet	Targeted		Executed		Remaining	
Renewals	856,000		567,000	66%	289,000	34%
New Leasing	842,000		494,000	59%	348,000	41%
Total	1,698,000		1,061,000	62%	637,000	38%

Revenue (\$MM)	Targeted		Executed		Remaining	
Renewals	\$ 20.0	\$	15.9	80%	\$ 4.1	21%
New Leasing	11.5		8.2	71%	3.3	29%
Total	\$ 31.5	\$	24.1	77%	\$ 7.4	23%

2019 Speculative Revenue By Region



Sources and Uses of Cash, Cash Equivalents Restricted Cash *(unaudited, in thousands)*

Sources and Uses of Cash	Q4 2018	Q3 2018	Q2 2018	Q1 2018	Q4 2017	Q3 2017	Q2 2017	Q1 2017
Cash and cash equiv. and restricted cash as of Beg. of Quarter	\$ 71,185	\$ 109,167	\$ 201,648	\$ 203,442	\$ 26,552	\$ 71,130	\$ 267,662	\$ 194,618
Cash flows from operating activities after debt service	74,058	57,006	58,833	38,698	54,232	45,577	42,213	40,559
Disposition of properties	324,712	-	1,850	57,874	143,433	44,530	27,924	101,389
Acquisition of properties/leasehold interests	(288,373)	-	(15,294)	(24,946)	(37,775)	(34,748)	-	-
Issuance of mortgage note receivable	-	-	(44,430)	-	-	-	-	-
Revenue maintaining capital expenditures	(14,355)	(8,923)	(13,204)	(12,285)	(14,518)	(9,794)	(9,993)	(9,456)
Revenue creating capital expenditures	(13,344)	(6,201)	(5,376)	(7,733)	(6,573)	(5,141)	(5,756)	(6,265)
Development capital expenditures	(45,726)	(45,378)	(34,415)	(21,816)	(22,921)	(31,718)	(20,288)	(26,667)
Investment in unconsolidated real estate ventures	(262)	(385)	-	(261)	(1,395)	(261)	(72)	(4,910)
Cash distributions from unconsolidated real estate ventures	1,425	2,650	500	1,951	4,275	4,100	4,100	8,306
Other cash flows from investing activities	746	281	(6,080)	1,045	(2,270)	(6,275)	(2,915)	1,455
Cash flows from investing activities	(35,177)	(57,956)	(116,449)	(6,171)	62,256	(39,307)	(7,000)	63,852
Distributions paid to shareholders and holders of noncontrolling interest	(32,539)	(32,550)	(32,490)	(32,439)	(28,385)	(28,373)	(30,448)	(30,052)
Proceeds from borrowings	455,500	-	-	-	627,131	45,000	219,000	-
Debt repayments	(480,208)	(1,836)	(1,819)	(1,317)	(584,840)	(68,239)	(420,227)	(1,215)
Loss on extinguishment of debt	-	-	-	-	(3,460)	-	-	-
Proceeds from issuance of common shares	-	-	-	416	51,225	-	-	-
Repurchase and retirement of common shares	(21,841)	-	-	-	-	-	-	-
Redemption of limited partnership units	(7,043)	-	-	-	-	-	-	-
Other cash flows from financing activities	(725)	(2,646)	(556)	(981)	(1,269)	764	(70)	(100)
Cash flows from financing activities	(86,856)	(37,032)	(34,865)	(34,321)	60,402	(50,848)	(231,745)	(31,367)
Cash and cash equiv. and restricted cash as of End of Quarter	\$ 23,210	\$ 71,185	\$ 109,167	\$ 201,648	\$ 203,442	\$ 26,552	\$ 71,130	\$ 267,662

Regional Property Overview *(unaudited, in thousands, except square footage)*

Region	# of Wholly Owned Properties	Square Feet		% Occupied	% Leased (1)	Remaining Expirations		Net Operating Income at 12/31/18			
		Total	% of Total			2019	2020	Q4 2018	% of Total	YTD 2018	% of Total
Philadelphia CBD <i>(see next page for detail)</i>	12	6,307,802	37.6%	95.0%	97.8%	326,774	394,865	\$ 37,046	49.1%	\$ 146,747	50.0%
Market Street West	6	4,686,362	27.9%	94.3%	97.9%	231,552	329,059	21,684	28.7%	86,519	29.5%
University City	4	1,605,562	9.6%	97.4%	97.8%	94,323	62,668	13,822	18.3%	54,150	18.4%
Other	2	15,878	0.1%	59.4%	76.1%	899	3,138	1,540	2.0%	6,078	2.1%
Pennsylvania Suburbs	44	4,860,137	29.0%	91.1%	92.9%	292,568	515,011	21,707	28.7%	87,320	29.7%
Crescent Markets											
Radnor	11	1,738,383	10.4%	86.4%	89.6%	101,141	125,433	8,576	11.4%	36,644	12.5%
Plymouth Meeting	7	846,351	5.0%	91.5%	92.0%	78,131	172,677	3,945	5.2%	15,664	5.3%
Conshohocken	4	473,759	2.8%	96.5%	98.7%	3,153	47,038	2,354	3.1%	8,961	3.1%
Total Crescent Markets	22	3,058,493	18.2%	89.4%	91.7%	182,425	345,148	14,875	19.7%	61,269	20.9%
King of Prussia	12	975,356	5.8%	95.6%	96.9%	61,167	40,681	3,504	4.6%	13,096	4.5%
Other Suburban Markets	10	826,288	4.9%	92.3%	92.8%	48,976	129,182	3,328	4.4%	12,955	4.4%
Metropolitan Washington, D.C.	9	1,677,889	10.0%	92.2%	93.6%	189,976	110,335	7,435	9.8%	31,606	10.8%
Northern Virginia	5	1,084,282	6.5%	93.9%	95.5%	189,976	82,352	5,348	7.1%	23,165	7.9%
Maryland	4	593,607	3.5%	88.9%	90.1%	-	27,983	2,087	2.8%	8,441	2.9%
Austin, Texas	20	2,802,592	16.7%	96.4%	98.3%	115,824	417,293	6,640	8.8%	19,734	6.7%
Subtotal	85	15,648,420	93.3%	93.7%	95.9%	925,142	1,437,504	72,828	96.4%	285,407	97.2%
Other	8	625,361	3.7%	82.1%	83.0%	41,177	118,486	1,359	1.8%	5,304	1.8%
Subtotal - Core Portfolio	93	16,273,781	97.0%	93.3%	95.5%	966,319	1,555,990	74,187	98.2%	290,711	99.0%
+ Development/Redevelopment (2)	4	503,468	3.0%	56.2%	88.9%	98,369	-	1,325	1.8%	2,981	1.0%
Total	97	16,777,249	100.0%			1,064,688	1,555,990	\$ 75,512	100.0%	\$ 293,692	100.0%

(1) Includes leases entered into through January 23, 2019 that will commence subsequent to the end of the current period.

(2) Comprised of the Four Points Building 3 in Austin, Texas (Dev), 426 W. Lancaster Avenue in Devon, Pennsylvania (Redev), The Bulletin Building in Philadelphia, Pennsylvania (Redev) and the Lift Parking in Philadelphia, Pennsylvania (Redev).

Austin Marketplace; the Star Texas Market



(From L to R): River Place; Four Points; Barton Skyway

Highlights

- The Austin Business-Cycle Index (a collection of employment and payroll indicators released by the Dallas FED) expanded by 7.9% in Q4 2018, above the long-term growth average of 6.0% over the last five years, signaling a continued ramp up of the Austin economy for 2019.
- Apple Inc. unveiled plans in December 2018 for \$1B second corporate campus in northwest Austin; plans call for 1M SF facility that will eventually employ 15K people.
- Oracle has announced that it will be almost doubling the size of its 560K SF Austin CBD campus by adding 420K SF.
- Google has signed a new lease for over 750K SF in Austin CBD.
- Samsung is expanding its massive Northeast Austin campus, yet again. Since 1997, Samsung has invested more than \$17B in the only chip plant they operate outside of South Korea.
- The City of Austin and Precourt Sport Ventures completed a deal for a \$225M major league soccer stadium that will have 21K seats.
- Austin ranked #1 in percentage growth of housing units since 2010 (19%), supporting 130 people moving into the MSA per day.
- Austin is home to 200 Life Science companies and over 15,000 Life Science jobs, and that number is expected to double over the next few years with jobs created by new Dell Seton Medical Center and the University of Texas \$600M in annual research funding.
- Savills Studley has named Austin as the best tech city in the world.

CLASS A OFFICE MARKET

- 49M SF
- Absorption of 1.3M SF for 2018
- 6.5% asking rent growth in 2018
- Over last 5 years, market added over 7.3M SF of office space and increased occupancy by over 220 basis points to 90%

Philadelphia Marketplace; Upward Trajectory Accelerates

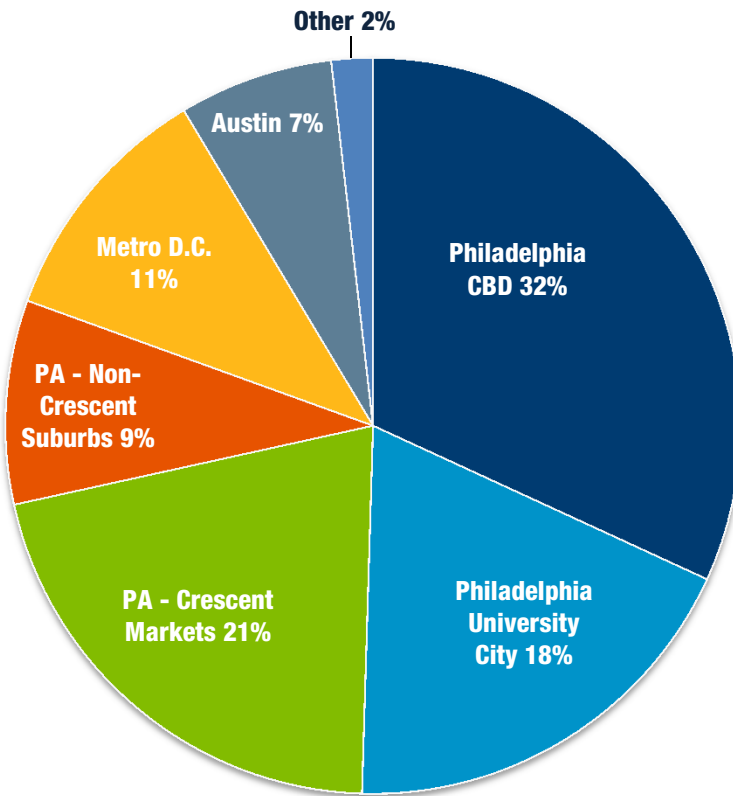


Highlights

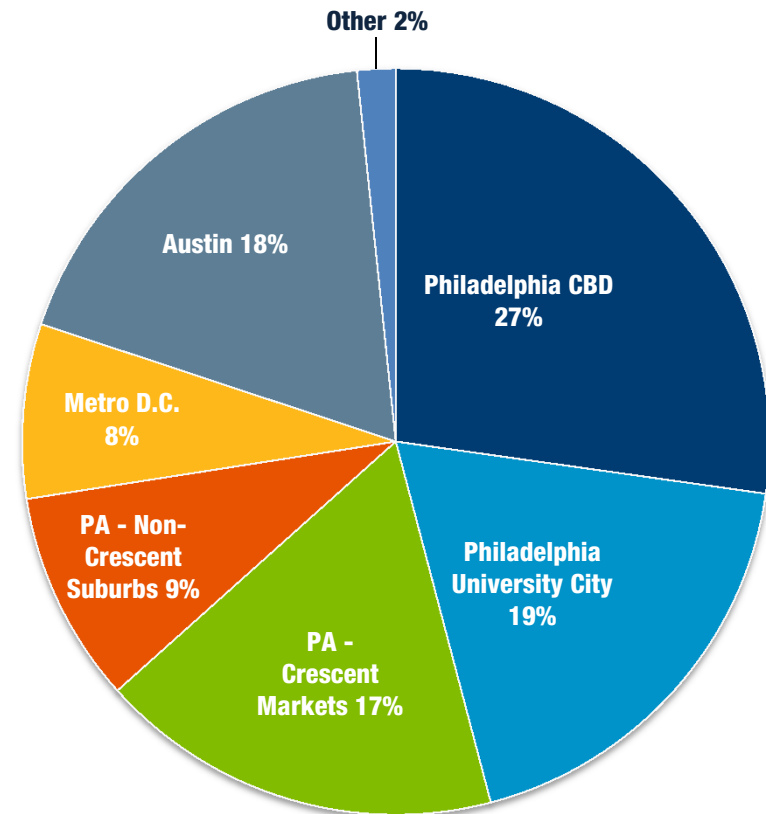
- #1 millennial population growth compared to the 10 largest cities over the past ten years
- CBD Class A asking rents up 4.4% over last year; 10.1% since 2015
- #1 growth rate of highly educated population compared to the 25 largest metro areas over the past ten years. 2nd largest downtown population in the U.S.
- November 2018 Employment Growth: 2.7% year-over-year and 2.0% growth over the last 12 months
- New-to-market tenants: 802,750 SF occupying since 2017 and 371,000 SF currently in the market as of January 2019
- Limited Large Block Availability: Only 6 blocks greater than 100,000 SF as of Q3 2018 and only 9 blocks projected through 2020
- 9th lowest vacancy rate among top 25 largest MSA; down 60 bps year-over-year
- 2018 CBD trophy vacancy is 10.5%
- Institutions in Philadelphia's University City receive 42% of Pennsylvania's NIH funding
- Life Sciences: Region has 800 companies with 49,000 employees.

YTD 2018 NOI - Wholly Owned (a)

- Total Core Portfolio NOI: \$290.7 MM
- 86% of NOI from our Core Markets (b)



2019 Projected NOI - Wholly Owned (a)



(a) Chart reflects net operating income from wholly owned properties and excludes properties held for sale.

(b) Consists of Philadelphia CBD, PA Crescent, Northern Virginia and Austin markets and excludes properties held for sale.

Development (% owned)	Location	Type	Completion Date	Stabilization Date	Square Feet	Total Project Costs (a)	Equity Capitalization (b)	Debt Financing	Amount funded at 12/31/2018	Remaining to be funded at 12/31/2018	Projected Cash Yield	Leased % @ January 23, 2019
Wholly Owned												
Four Points Building 3	Austin, TX	Office	Q1 2019 (c)	Q1 2019 (c)	165,000	\$ 47,500 (c)	\$ 47,500	-	\$ 35,900	\$ 11,600	8.5%	100.0%
The Bulletin Building	Philadelphia CBD	Office	Q2 2020 (d)	Q1 2021 (d)	283,000	83,100 (d)	83,100	-	44,300	38,800	9.0%	100.0%
405 Colorado Street	Austin, TX	Office	Q4 2020 (e)	Q2 2021 (e)	200,000	114,000 (e)	114,000	-	6,000	108,000	8.5%	35.0%
426 W. Lancaster Avenue	Devon, PA	Office	Q1 2019 (f)	Q1 2020 (f)	56,000	14,900 (f)	14,900	-	8,900	6,000	9.5%	0.0%
Total/Weighted Average					704,000	\$ 259,500	\$ 259,500		\$ 95,100	\$ 164,400	8.7%	73.6%

Real Estate Venture

4040 Wilson (50%)	Arlington, VA	Mixed-use	Q1 2020	Q2/Q3 2021	(g)	224,800	74,800	150,000	132,100	92,700	6.2%	(g)
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- (a) - Total project costs for redevelopment projects include existing property basis.
- (b) - We intend to fund our remaining 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) - Total project costs include \$37.8 million of building basis, representing the acquisition cost.
- (e) - Total project costs includes \$2.1 million of existing property basis. Project includes 520 parking spaces.
- (f) - Taken out of service during Q3 2017. The building is currently under renovation. Total project costs include \$4.9 million of existing property basis.
- (g) - Mixed use building with 189,000 square feet of office, 250 apartment units and 36,000 square feet of retail. The equity component of \$74.8 million has been fully funded (\$37.4 million from each partner). Target stabilization for office and residential is Q2 2021 and Q3 2021, respectively. As of January 23, 2019, the office and retail components were 54.0% preleased.

405 Colorado - Austin, TX

Design Overview

- A ten-story 200K SF office development above a sky lobby and a 520-space above ground parking structure
- Austin CBD location at 4th and Colorado

Project Schedule

- Construction Commencement Q1 2019
- Substantial Completion Q4 2020
- Target Stabilization Q2 2021

Financial Highlights

- Total development costs: \$114 MM (\$570 PSF)
- Projected stabilization yield: 8.5%



405 Colorado \ Austin, Texas

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 54.0% 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 35,000 SF of retail
- The Shooshan Company will manage the development, property management 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 \$57.3 MM was funded at December 31, 2018
- 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 an adjacent five-story 800 stall parking structure
- 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 \$47.5 MM (\$288 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 8.5%

Schuylkill Yards Development - Philadelphia, PA



Overview

- Brandywine is the master developer of Schuylkill Yards, a 20-year multi-phase, mixed-use 14 acre/ 5.1 million square foot development of office, residential, life science, research and academic facilities, retail and hospitality, in the University City section of Philadelphia
- Adjacent to the nation's 3rd busiest rail station, Schuylkill Yards will be one of the preeminent mixed use and transit-rich developments in the United States and feature 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
- Initial phase of new construction consists of a mixed-use facility containing two buildings. The first will contain 180,000 sf. of office, parking, retail and 325 apartment units. The second tower will consist of 500,000 sf. of office, 250,000 sf. of life science and retail space.

Project Status

- On November 8, 2017, broke ground at Drexel Square with planned completion in Q1 2019
- On October 13, 2017, acquired The Bulletin Building for \$37.8 million and commenced a \$45.3 million redevelopment. Project is currently 100% leased.
- We have acquired the leasehold interests in two parcels of land which are designated for the development of two buildings, aggregating approximately 1.3 million square feet. This development represents Phase I. We paid \$35 per FAR (\$45.1 million) and proceeded with the acquisition to commence site plan investigation activities. In addition, pursuant to the master development agreement, the acquisition of the Phase I land parcels provides us with an additional four years of extension rights prior to commencing any vertical development.
- 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 and common share offerings
- Project is located within a federal opportunity zone which provides incentives for additional equity capital sources.

Broadmoor Redevelopment - Austin, TX



Overview

- Broadmoor Austin is a mixed-use, 66 acre transit-oriented community with an extraordinary existing amenity base at the nearby Domain – Austin's "2nd Downtown." Broadmoor will be an active part of Austin's dynamic technology hub, and is still home to approximately 800,000 square feet for IBM
- Consisting of almost 16 city blocks, Broadmoor sits at the population center of Greater Austin, and near the crossroads of three major highways. The area is served by multi-modal transportation options including train service, "MetroRail," and a bus line that provides connection with the CBD and many other Austin neighborhoods
- The project will offer over 10+ acres of park space, and access to more than 23 miles of existing and planned jogging trails and bike routes

Project Status

- We have received our required government and third-party approvals for campus-wide redevelopment which includes our master plan and related zoning.
- Project will include mixed uses including office, multifamily, hotels, retail and a new MetroRail stop
- 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 and common share offerings

	Acres	Estimated Development Square Feet
Active/Pre-Development Projects		
Philadelphia CBD (a) (b)	57.3	5,700,000
Pennsylvania Suburbs	13.9	385,000
Metropolitan Washington, D.C.	0.8	245,000
Austin, Texas (c)	74.7	6,425,000
Total Active/Pre-Development Projects	146.7	12,755,000
Reposition/Sale Sites		
Pennsylvania Suburbs	20.0	146,000
Austin, Texas	3.3	10,000
Other	86.8	1,049,000
Total Reposition/Sale Sites	110.1	1,205,000
Total Land Held for Development	256.8	13,960,000
Total Estimated Development Square Feet		15,234,000 (d)
Total Land Inventory (in thousands):		
Land Held for Development and Prepaid Leasehold Interests in Land Held for Development, net (a)		\$ 126,400
Basis Per Square Foot		\$ 19 (e)
Percentage of Total Assets including Prepaid Leasehold Interests		3.1%

(a) Includes two parcels containing 1.8 acres and approximately 1.1 million square feet of development taken down through leasehold interests via ground leases at 3001-3003 and 3025 JFK Boulevard in Philadelphia as part of the Schuylkill Yards Master Development.

(b) Includes 5.5 acres and approximately 4.0 million square feet of estimated development remaining under the Master Development Agreement for Schuylkill Yards and an option for 50.0 acres containing approximately 600,000 square feet.

(c) Broadmoor Austin Campus received zoning approval for 6.1 million square feet of development and our cost basis is approximately \$1 per FAR, with potential to increase density by an additional 5.0 million square feet.

(d) The Company has the ability to develop an additional 1,274,000 square feet representing the future development sites at 2100 Market Street in Philadelphia, Pennsylvania (488,000 mixed-use square feet) and 405 Colorado Street in Austin, Texas (200,000 office square feet) which are not included in Land Held for Development, as these sites are currently operational parking lots, and approximately 586,000 square feet of estimated development related to our unconsolidated real estate ventures with JBG.

(e) Assumes 5.1 million square feet for Schuylkill Yards at \$35.00 per FAR, which escalates after 2020.

	Location	Type	Event Date	Square Feet/Acres/Units	Purchase/Sales Price	Occupancy % @ Event Date
2018 PROPERTY ACTIVITY						
OFFICE ACQUISITION						
Quarry Lake II	Austin, TX	Office Building	12/19/2018	120,559	\$ 39,500	100.0%
DRA Austin (acquired remaining 50%)	Austin, TX	Twelve Office Buildings	12/11/2018	1,570,123	537,000	93.9%
Four Tower Bridge (acquired remaining 35%)	Conshohocken, PA	Office Building	01/05/2018	86,021	(a)	97.6%
Total office acquisitions				1,776,703	\$ 576,500	
LAND ACQUISITION						
3025 JFK Boulevard (b)	Philadelphia, PA	Leasehold interest	06/29/2018	1.0 acres	\$ 20,600	
3001-3003 JFK Boulevard	Philadelphia, PA	Leasehold interest	03/22/2018	1.0 acres	24,600	
Total land acquisitions				2.0 acres	\$ 45,200	
OFFICE DISPOSITION						
Rockpoint Portfolio (represents 85% of sales price) (c)	Herndon, VA	Eight Office Buildings	12/20/2018	1,293,197	\$ 265,200	85.6%
20 East Clementon Road	Gibbsboro, NJ	Office Building	06/21/2018	38,260	2,000	93.7%
Total office dispositions				1,331,457	\$ 267,200	
LAND DISPOSITION						
Garza Ranch - Office (d)	Austin, TX	Land	03/16/2018	6.6 acres	\$ 14,600	
Westpark Land	Durham, NC	Land	01/10/2018	13.1 acres	500	
Total land dispositions				19.7 acres	\$ 15,100	
OTHER DISPOSITIONS						
Station Square (50% of \$107.0 million of assets) (e)	Silver Spring, MD	Real Estate Venture - Three Office Bldgs	12/28/2018	510,202	\$ 53,500	78.8%
Subaru National Service Training Center (f)	Camden, NJ	Mixed-Use Building	12/21/2018	83,000	45,300	100.0%
evo at Cira Centre South Venture (50% of \$197.5 million of assets) (g)	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	3.0 acres	(a)	
Total other dispositions					\$ 197,600	
Total Acquisitions (including land)					\$ 621,700	
Total Dispositions (including land)					\$ 479,900	
Net Disposition Activity					\$ (141,800)	

- (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 86,021 square feet in Conshohocken, Pennsylvania encumbered by \$9.7 million of debt (our 65% share prior the exchange was \$6.3 million). The gain on the transaction was \$11.6 million.
- (b) The purchase price of \$20.6 million represents \$15.0 million of Phase I prepaid ground lease rent and \$5.6 million for additional FAR.
- (c) These properties were contributed to a newly formed unconsolidated real estate venture in which we own a 15% interest.
- (d) On March 16, 2018, completed the sale of 6.6 acres of land at the Garza Ranch, located in Austin, Texas, for a gross sales price of \$14.6 million. During 2018, infrastructure improvements were substantially completed at Garza Ranch, and as a result, we recognized a gain of \$3.0 million on the sale of an aggregate of 16.7 acres of land (including the aforementioned 6.6 acres) located at Garza Ranch.
- (e) These properties were sold by Allstate DC JV, in which our ownership interest is 50%. We received net cash proceeds of \$17.4 million after closing costs and related debt payoff.
- (f) In connection with the May 18, 2018 exercise of its purchase option, on December 21, 2018, we sold the Subaru National Training Center, in Camden, New Jersey, to Subaru.
- (g) This property was sold by evo at Cira Centre South Venture, in which our ownership interest was 50%, and represented the venture's sole operating property. We received net cash proceeds of \$43.0 million after closing costs and related debt payoff.

	Twelve Months Ended				Three Months Ended					
	12/31/2018	12/31/2017	12/31/2018	09/30/2018	06/30/2018	03/31/2018	12/31/2017	09/30/2017	06/30/2017	03/31/2017
Total Property Count	93	87	93	78	86	88	87	87	94	97
Total Square Feet	16,273,781	15,583,466	16,273,781	14,338,030	15,631,227	15,669,487	15,583,466	15,582,963	15,013,671	15,033,229
Occupancy %:	93.3%	92.9%	93.3%	93.0%	92.3%	92.3%	92.9%	92.0%	92.2%	93.2%
Leased % (2):	95.5%	94.3%	95.5%	95.1%	94.2%	94.2%	94.3%	94.1%	93.5%	94.0%
Sublease Space:										
Square footage	396,533	381,337	396,533	331,734	375,633	356,065	381,337	337,986	334,780	255,464
Average remaining lease term (yrs)	2.2	2.2	2.2	2.1	2.3	2.2	2.2	3.1	3.1	2.2
% of total square feet	2.4%	2.2%	2.4%	2.3%	2.4%	2.3%	2.4%	2.2%	2.2%	1.7%
Leasing & Absorption (square feet) (3):										
New leases commenced	423,225	566,160	141,588	120,700	62,760	98,177	167,629	153,787	173,197	71,547
Expansions commenced	284,993	310,569	86,816	75,429	89,893	32,855	98,580	120,860	18,792	72,337
Leases renewed	846,313	1,248,080	409,153	139,407	126,549	171,204	133,489	250,306	780,540	83,745
Total Leasing Activity	1,554,531	2,124,809	637,557	335,536	279,202	302,236	399,698	524,953	972,529	227,629
Contractions	(2,111)	(4,672)	-	-	-	(2,111)	(4,172)	-	-	(500)
Leases expired	(1,342,961)	(1,763,534)	(471,290)	(260,457)	(235,852)	(375,362)	(186,625)	(447,111)	(924,292)	(205,506)
Early terminations	(212,322)	(312,934)	(128,246)	(25,501)	(38,456)	(20,119)	(68,211)	(8,750)	(107,814)	(128,159)
Net absorption	(2,863)	43,669	38,021	49,578	4,894	(95,356)	140,690	69,092	(59,577)	(106,536)
Retention %	72.6%	74.9%	82.8%	75.1%	78.9%	51.3%	89.6%	81.4%	77.4%	46.7%
Direct Lease Deals (% of deals, based on SF, done without an external broker)	36%	44%	50%	40%	21%	16%	22%	30%	66%	19%

(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 23, 2019 that will commence subsequent to the end of the current period.

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

	Twelve Months Ended						Three Months Ended			
	12/31/2018	12/31/2017	12/31/2018	09/30/2018	06/30/2018	03/31/2018	12/31/2017	09/30/2017	06/30/2017	03/31/2017
New Leases/Expansions (2):										
Cash Rent Growth										
Expiring Rate	\$ 32.22	\$ 29.83	\$ 30.61	\$ 36.16	\$ 30.69	\$ 31.89	\$ 29.07	\$ 31.58	\$ 30.36	\$ 29.69
New Rate	\$ 34.90	\$ 30.97	\$ 33.63	\$ 37.73	\$ 35.01	\$ 33.53	\$ 31.95	\$ 29.96	\$ 30.49	\$ 30.34
Increase (decrease) %	8.3%	3.8%	9.8%	4.3%	14.1%	5.2%	9.9%	-5.1%	0.4%	2.2%
GAAP Rent Growth										
Expiring Rate	\$ 28.72	\$ 27.59	\$ 26.44	\$ 32.28	\$ 25.36	\$ 31.24	\$ 25.93	\$ 28.98	\$ 28.30	\$ 28.86
New Rate	\$ 35.70	\$ 31.85	\$ 34.25	\$ 37.80	\$ 36.14	\$ 34.95	\$ 33.29	\$ 30.63	\$ 30.30	\$ 31.01
Increase (decrease) %	24.3%	15.4%	29.5%	17.1%	42.6%	11.9%	28.4%	5.7%	7.1%	7.4%
Renewals (2):										
Cash Rent Growth										
Expiring Rate	\$ 32.89	\$ 23.92	\$ 35.54	\$ 28.97	\$ 31.61	\$ 30.57	\$ 29.82	\$ 26.32	\$ 21.83	\$ 30.85
Renewal Rate	\$ 31.55	\$ 26.91	\$ 32.88	\$ 29.44	\$ 30.69	\$ 30.63	\$ 29.76	\$ 27.97	\$ 25.87	\$ 31.04
Increase (decrease) %	-4.1%	14.5%	-7.5%	1.6%	-2.9%	0.2%	-0.2%	6.3%	18.5%	0.6%
GAAP Rent Growth										
Expiring Rate	\$ 30.06	\$ 26.24	\$ 32.00	\$ 27.50	\$ 28.74	\$ 28.45	\$ 26.96	\$ 24.97	\$ 26.29	\$ 27.94
Renewal Rate	\$ 32.31	\$ 27.42	\$ 34.05	\$ 29.22	\$ 31.37	\$ 31.22	\$ 29.98	\$ 28.08	\$ 26.58	\$ 31.03
Increase (decrease) %	7.5%	4.5%	6.4%	6.3%	9.1%	9.7%	11.2%	12.4%	1.1%	11.1%
Combined Leasing (2):										
Cash Rent Growth										
Expiring Rate	\$ 32.67	\$ 25.07	\$ 34.45	\$ 32.08	\$ 31.21	\$ 31.04	\$ 29.46	\$ 27.54	\$ 22.06	\$ 30.22
New/Renewal Rate	\$ 32.65	\$ 27.69	\$ 33.04	\$ 33.03	\$ 32.59	\$ 31.66	\$ 30.81	\$ 28.44	\$ 26.00	\$ 30.66
Increase (decrease) %	-0.1%	10.5%	-4.1%	3.0%	4.4%	2.0%	4.6%	3.2%	17.8%	1.5%
GAAP Rent Growth										
Expiring Rate	\$ 29.62	\$ 26.50	\$ 30.77	\$ 29.57	\$ 27.26	\$ 29.44	\$ 26.47	\$ 25.90	\$ 26.34	\$ 28.44
New/Renewal Rate	\$ 33.43	\$ 28.28	\$ 34.10	\$ 32.93	\$ 33.46	\$ 32.54	\$ 31.56	\$ 28.67	\$ 26.68	\$ 31.02
Increase (decrease) %	12.9%	6.7%	10.8%	11.4%	22.8%	10.5%	19.3%	10.7%	1.3%	9.1%
Capital Costs Committed (3):										
Leasing Commissions (per square foot)	\$ 4.93	\$ 4.14	\$ 3.54	\$ 2.75	\$ 6.84	\$ 7.68	\$ 5.84	\$ 6.33	\$ 2.52	\$ 6.65
Tenant Improvements (per square foot)	15.76	11.04	11.44	8.26	32.33	16.10	19.76	13.21	5.82	20.98
Total	\$ 20.69	\$ 15.18	\$ 14.99	\$ 11.01	\$ 39.17	\$ 23.78	\$ 25.60	\$ 19.54	\$ 8.35	\$ 27.62
Total capital per square foot per lease year (3)	\$ 2.68	\$ 1.89	\$ 1.90	\$ 2.57	\$ 4.29	\$ 2.84	\$ 3.56	\$ 2.43	\$ 0.95	\$ 3.28
Capital as a % of rent	10.6%	8.7%	7.9%	12.1%	15.2%	10.2%	11.8%	11.3%	5.3%	10.6%
Weighted average lease term (yrs) for leases commenced in QTR	6.5	7.3	5.8	5.8	7.8	7.4	7.3	10.0	6.4	6.5
Percentage of Square Feet In Leasing Activity Included Above	72.8%	66.1%	73.7%	59.1%	73.2%	84.9%	59.3%	40.8%	79.6%	67.4%

(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 2018 Expirations	1,523,632											
MTM tenants at 12/31/17	11,864											
Renewed prior to 2018	(635,242) ⁽¹⁾											
Vacated prior to 2018	(113,037) ⁽²⁾											
2018	787,217	(51,869)	(211,071)	-	(498,759)	5,463	30,981	0.2%	\$ 940,766	\$ 30.37	\$ 940,766	\$ 30.37
2019	1,177,111	(31,144)	(311,941)	69,131	(39,478)	71,659	935,338	5.7%	30,015,127	32.09	30,564,504	32.68
2020	1,353,656	321,543	(195,692)	73,251	(20,594)	23,826	1,555,990	9.6%	49,708,561	31.95	51,204,068	32.91
2021	1,293,159	131,751	(24,398)	43,777	(29,306)	38,490	1,453,473	8.9%	45,082,070	31.02	47,601,464	32.75
2022	2,178,854	56,628	(33,556)	41,502	(68,933)	20,140	2,194,635	13.5%	69,379,935	31.61	74,176,425	33.80
2023	967,854	96,214	(10,982)	51,445	(9,650)	50,912	1,145,793	7.0%	37,184,935	32.45	40,476,491	35.33
2024	1,469,458	(79,192)	(10,334)	234,991	(2,858)	116,824	1,728,889	10.6%	59,659,607	34.51	62,364,630	36.07
2025	640,961	80,092	-	19,515	-	44,816	785,384	4.8%	25,971,361	33.07	30,270,785	38.54
2026	922,904	63,137	-	14,355	-	72,396	1,072,792	6.6%	32,951,947	30.72	38,134,399	35.55
2027	753,793	61,374	(60,667)	-	-	23,399	777,899	4.8%	26,957,193	34.65	31,173,618	40.07
2028	677,859	(25,956)	-	79,256	(27,432)	17,065	720,792	4.4%	20,908,362	29.01	24,945,356	34.61
Thereafter	2,252,538	84,784	-	231,418	(14,071)	223,228	2,777,897	17.2%	95,679,174	34.44	120,991,428	43.56
Total	14,475,364	707,362	(858,641)	858,641	(711,081)	708,218	15,179,863	93.3%	\$ 494,439,039	\$ 32.57	\$ 552,843,933	\$ 36.42

(1) Reflects 2018 expirations renewed prior to 2018 which will be reflected in the leasing activity statistics (p.18-19) during the quarter in which the new leases commence.

(2) Reflects 2018 expirations that vacated prior to 2018 before the lease was originally scheduled to expire, and as a result, were reflected in the leasing activity statistics (p.18-19) 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 23, 2019 that will commence subsequent to the end of the current period.

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

	2018	2019	2020	2021	2022	2023	2024	Thereafter	Total	
Philadelphia CBD	Square feet expiring (Net of Acquired/Sold)	349	403	545	496	766	226	504	2,695	5,985
	Net leasing activity	(342)	(84)	(151)	5	(25)	17	206	380	6
	Remaining square feet expiring	7	319	395	501	741	242	711	3,075	5,991
	Square feet as a % of Region NRA	0.1%	5.1%	6.3%	7.9%	11.7%	3.8%	11.3%	48.7%	95.0%
	Annualized rent in expiring year	\$ 388	\$ 10,657	\$ 14,411	\$ 18,934	\$ 26,515	\$ 8,925	\$ 22,854	\$ 137,031	\$ 239,716
	Annualized rent per SF in expiring year	\$ 53.19	\$ 33.36	\$ 36.50	\$ 37.81	\$ 35.78	\$ 36.85	\$ 32.16	\$ 44.57	\$ 40.01
Pennsylvania Suburbs	Square feet expiring (Net of Acquired/Sold)	262	387	520	505	435	356	531	1,470	4,466
	Net leasing activity	(261)	(96)	(5)	6	(43)	56	121	184	(38)
	Remaining square feet expiring	2	291	515	511	392	412	652	1,654	4,428
	Square feet as a % of Region NRA	0.0%	6.0%	10.6%	10.5%	8.1%	8.5%	13.4%	34.0%	91.1%
	Annualized rent in expiring year	\$ 77	\$ 8,750	\$ 16,285	\$ 15,027	\$ 13,809	\$ 13,553	\$ 24,048	\$ 59,114	\$ 150,663
	Annualized rent per SF in expiring year	\$ 45.98	\$ 30.08	\$ 31.62	\$ 29.43	\$ 35.22	\$ 32.92	\$ 36.88	\$ 35.74	\$ 34.02
Metropolitan Washington, D.C.	Square feet expiring (Net of Acquired/Sold)	65	201	82	32	108	315	215	506	1,524
	Net leasing activity	(65)	(11)	28	15	19	5	12	20	22
	Remaining square feet expiring	-	190	110	47	127	320	226	526	1,546
	Square feet as a % of Region NRA	0.0%	11.3%	6.6%	2.8%	7.5%	19.1%	13.5%	31.4%	92.2%
	Annualized rent in expiring year	\$ 49	\$ 7,166	\$ 3,893	\$ 1,617	\$ 4,287	\$ 11,065	\$ 10,126	\$ 18,406	\$ 56,609
	Annualized rent per SF in expiring year	\$ -	\$ 37.72	\$ 35.29	\$ 34.46	\$ 33.84	\$ 34.59	\$ 44.76	\$ 34.97	\$ 36.61
Austin, TX	Square feet expiring (Net of Acquired/Sold)	18	98	417	373	907	152	127	589	2,681
	Net leasing activity	-	-	-	-	(2)	-	-	22	20
	Remaining square feet expiring	18	98	417	373	904	152	127	612	2,701
	Square feet as a % of Region NRA	0.6%	3.5%	14.9%	13.3%	32.3%	5.4%	4.5%	21.8%	96.4%
	Annualized rent in expiring year	\$ 322	\$ 3,492	\$ 15,206	\$ 11,591	\$ 28,994	\$ 6,454	\$ 5,045	\$ 23,002	\$ 94,106
	Annualized rent per SF in expiring year	\$ 18.36	\$ 35.52	\$ 36.44	\$ 31.07	\$ 32.06	\$ 42.56	\$ 39.61	\$ 37.61	\$ 34.84
Other	Square feet expiring (Net of Acquired/Sold)	41	56	111	20	19	16	13	252	527
	Net leasing activity	(36)	(19)	7	2	11	5	-	16	(14)
	Remaining square feet expiring	4	37	118	22	30	20	13	268	513
	Square feet as a % of Region NRA	0.7%	5.9%	18.9%	3.5%	4.9%	3.3%	2.0%	42.8%	82.1%
	Annualized rent in expiring year	\$ 104	\$ 500	\$ 1,409	\$ 432	\$ 572	\$ 480	\$ 291	\$ 7,961	\$ 11,749
	Annualized rent per SF in expiring year	\$ 23.24	\$ 13.62	\$ 11.89	\$ 19.45	\$ 18.82	\$ 23.51	\$ 23.14	\$ 29.71	\$ 22.89
CONSOLIDATED PORTFOLIO	Square feet expiring (Net of Acquired/Sold)	735	1,146	1,675	1,425	2,236	1,064	1,390	5,512	15,183
	Net leasing activity	(704)	(211)	(119)	28	(41)	82	339	623	(3)
	Remaining square feet expiring	31	935	1,556	1,453	2,195	1,146	1,729	6,135	15,180
	Square feet as a % of total NRA	0.2%	5.7%	9.6%	8.9%	13.5%	7.0%	10.6%	37.8%	93.3%
	Annualized rent in expiring year	\$ 941	\$ 30,565	\$ 51,204	\$ 47,601	\$ 74,176	\$ 40,476	\$ 62,365	\$ 245,516	\$ 552,844
	Annualized rent per SF in expiring year	\$ 30.37	\$ 32.68	\$ 32.91	\$ 32.75	\$ 33.80	\$ 35.33	\$ 36.07	\$ 40.02	\$ 36.42

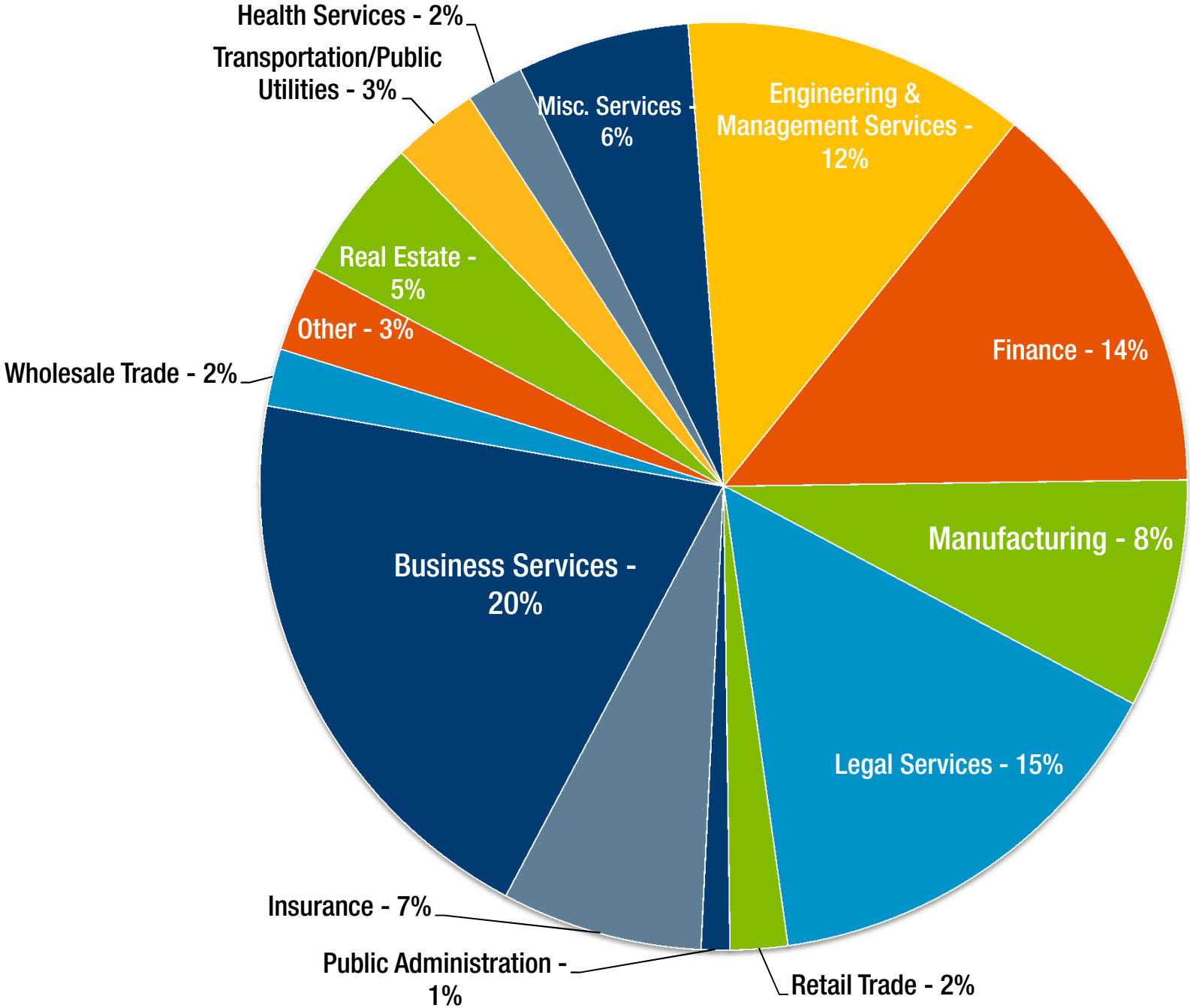
(1) Does not include development/redevelopment property expirations.

Top Twenty Tenants *(unaudited, annualized rent in thousands)*

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.	\$ 22,346	4.5%	\$ 26.61	839,652	5.5%
Comcast Corporation	17,385	3.5%	35.63	487,951	3.2%
FMC Corporation	10,258	2.1%	44.99	228,025	1.5%
CSL Behring, LLC	10,239	2.1%	27.43	373,263	2.5%
Pepper Hamilton LLP	9,998	2.0%	34.97	285,906	1.9%
Lincoln National Management Co.	8,484	1.7%	37.14	228,447	1.5%
Northrop Grumman Corporation	8,201	1.7%	32.26	254,197	1.7%
KPMG, LLP	8,145	1.6%	43.03	189,282	1.2%
Macquarie US	7,582	1.5%	33.95	223,355	1.5%
Dechert LLP	7,386	1.5%	30.38	191,208	1.3%
Independence Blue Cross, LLC	6,813	1.4%	29.88	227,974	1.5%
The Trustees of the University of Pennsylvania	6,195	1.3%	40.24	153,937	1.0%
General Services Administration - U.S. Govt. (2)	5,739	1.2%	34.97	30,092	0.2%
Blank Rome LLP	5,619	1.1%	28.57	196,689	1.3%
Drinker Biddle & Reath LLP	5,329	1.1%	36.18	147,298	1.0%
PricewaterhouseCoopers LLP	5,224	1.1%	32.36	161,450	1.1%
Reliance Standard Life Insurance Company	4,679	0.9%	31.79	147,202	1.0%
VWR Management Services LLC	4,661	0.9%	31.10	149,858	1.0%
Reed Smith LLP	4,625	0.9%	35.58	129,996	0.9%
SHI International Corporation	4,510	0.9%	40.85	110,399	0.7%
Sub-total top twenty tenants	\$ 163,418	33.0%	\$ 34.36	4,756,181	31.5%
Remaining tenants	\$ 331,021	67.0%	\$ 31.76	10,423,682	68.5%
Total portfolio as of December 31, 2018	\$ 494,439	100.0%	\$ 32.57	15,179,863	100.0%

(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					
	12/31/2018	12/31/2017	12/31/2018	09/30/2018	06/30/2018	03/31/2018	12/31/2017	09/30/2017	06/30/2017	03/31/2017
Revenue										
Rents	\$ 430,656	\$ 412,333	\$ 109,059	\$ 107,580	\$ 107,657	\$ 106,360	\$ 104,887	\$ 102,557	\$ 101,557	\$ 103,332
Tenant reimbursements	82,625	72,620	23,531	20,557	18,688	19,849	18,808	17,239	18,038	18,535
Termination fees	1,763	2,370	133	498	582	550	357	200	140	1,673
Third party mgt. fees, labor reimbursement and leasing	22,557	28,345	5,026	4,944	4,913	7,674	7,862	6,918	7,080	6,485
Other	6,744	4,825	1,454	1,419	1,946	1,925	1,430	1,524	976	895
	544,345	520,493	139,203	134,998	133,786	136,358	133,344	128,438	127,791	130,920
Operating expenses										
Property operating expenses	154,772	150,835	39,720	37,833	37,887	39,332	39,888	36,847	37,215	36,885
Real estate taxes	51,341	45,204	14,069	12,433	12,417	12,422	11,142	11,235	11,078	11,749
Third party management expenses	11,910	9,960	2,305	2,612	2,243	4,750	2,569	2,619	2,325	2,447
Depreciation and amortization	174,259	179,357	43,351	43,900	43,717	43,291	46,773	42,429	44,263	45,892
General & administrative expenses	27,802	28,538	5,593	5,963	7,523	8,723	6,741	5,813	6,659	9,325
Provision for impairment	71,707	3,057	14,842	56,865	-	-	-	-	327	2,730
Total operating expenses	491,791	416,951	119,880	159,606	103,787	108,518	107,113	98,943	101,867	109,028
Operating income (loss)	52,554	103,542	19,323	(24,608)	29,999	27,840	26,231	29,495	25,924	21,892
Other income (expense)										
Interest income	4,703	1,113	2,139	1,220	641	703	478	79	163	393
Interest expense	(78,199)	(81,886)	(20,108)	(19,257)	(19,301)	(19,533)	(20,413)	(19,732)	(20,304)	(21,437)
Interest expense - amortization of deferred financing costs	(2,498)	(2,435)	(626)	(618)	(627)	(627)	(628)	(577)	(596)	(634)
Equity in income (loss) of real estate ventures	(15,231)	(8,306)	(14,049)	1	(358)	(825)	(2,919)	(5,723)	1,084	(748)
Net gain (loss) on disposition of real estate	2,932	31,657	2,967	-	(35)	-	23,246	-	1,088	7,323
Net gain on sale of undepreciated real estate	3,040	953	181	-	2,837	22	-	953	-	-
Net gain on real estate venture transactions	142,233	80,526	104,970	-	-	37,263	52,186	13,758	-	14,582
Gain on promoted interest in unconsolidated real estate venture	28,283	-	28,283	-	-	-	-	-	-	-
Loss on early extinguishment of debt	(105)	(3,933)	(105)	-	-	-	(3,933)	-	-	-
Net income (loss) before income taxes	137,712	121,231	122,975	(43,262)	13,156	44,843	74,248	18,253	7,359	21,371
Income tax (provision) benefit	(423)	628	(265)	-	(20)	(138)	(404)	793	339	(100)
Net income (loss)	137,289	121,859	122,710	(43,262)	13,136	44,705	73,844	19,046	7,698	21,271
Net (income) loss attributable to noncontrolling interests	(965)	(1,009)	(798)	339	(130)	(376)	(625)	(170)	(45)	(169)
Net income (loss) attributable to Brandywine Realty Trust	136,324	120,850	121,912	(42,923)	13,006	44,329	73,219	18,876	7,653	21,102
Preferred share distributions	-	(2,032)	-	-	-	-	-	-	(307)	(1,725)
Preferred share redemption charge (a)	-	(3,181)	-	-	-	-	-	-	(3,181)	-
Nonforfeitable dividends allocated to unvested restricted shareholders	(369)	(327)	(89)	(80)	(86)	(114)	(82)	(73)	(73)	(99)
Net income (loss) attributable to common shareholders	\$ 135,955	\$ 115,310	\$ 121,823	\$ (43,003)	\$ 12,920	\$ 44,215	\$ 73,137	\$ 18,803	\$ 4,092	\$ 19,278
Per Share Data										
Basic income (loss) per common share	\$ 0.76	\$ 0.66	\$ 0.68	\$ (0.24)	\$ 0.07	\$ 0.25	\$ 0.42	\$ 0.11	\$ 0.02	\$ 0.11
Basic weighted-average shares outstanding	178,519,748	175,484,350	178,530,890	178,602,622	178,547,555	178,395,525	175,985,156	175,433,657	175,333,300	175,176,964
Diluted income (loss) per common share	\$ 0.76	\$ 0.65	\$ 0.68	\$ (0.24)	\$ 0.07	\$ 0.25	\$ 0.41	\$ 0.11	\$ 0.02	\$ 0.11
Diluted weighted-average shares outstanding	179,641,492	176,808,166	179,300,321	178,602,622	179,692,336	179,788,311	177,426,365	176,835,022	176,756,598	176,201,872

(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		
	2018	2017	Variance	% Change	2018	2017	2018	2017	2018	2017	2018	2017	Variance
Revenue													
Rents													
Cash	\$ 91,226	\$ 85,570	\$ 5,656	6.6%	\$ 6,884	\$ 3,128	\$ 508	\$ 294	\$ 7,168	\$ 8,788	\$ 105,786	\$ 97,780	\$ 8,006
Straight-line	1,285	5,821	(4,536)	-77.9%	253	311	859	186	(155)	(2)	2,242	6,316	(4,074)
Above/below-market rent amortization	369	456	(87)	-19.1%	408	81	254	254	-	-	1,031	791	240
Total rents	92,880	91,847	1,033	1.1%	7,545	3,520	1,621	734	7,013	8,786	109,059	104,887	4,172
Tenant reimbursements	20,581	17,876	2,705	15.1%	2,059	169	717	449	174	314	23,531	18,808	4,723
Termination fees	133	357	(224)	-62.7%	-	-	-	-	-	-	133	357	(224)
Third party mgt fees, labor reimbursement and leasing	-	-	-	-	-	-	-	-	5,026	7,862	5,026	7,862	(2,836)
Other	435	389	46	11.8%	668	839	3	-	348	202	1,454	1,430	24
Total revenue	114,029	110,469	3,560	3.2%	10,272	4,528	2,341	1,183	12,561	17,164	139,203	133,344	5,859
Property operating expenses	33,749	32,937	(812)	-2.5%	3,890	3,396	806	674	1,275	2,881	39,720	39,888	168
Real estate taxes	11,297	9,205	(2,092)	-22.7%	1,178	177	210	182	1,384	1,578	14,069	11,142	(2,927)
Third party management expenses	-	-	-	-	-	-	-	-	2,305	2,569	2,305	2,569	264
Net operating income	\$ 68,983	\$ 68,327	\$ 656	1.0%	\$ 5,204	\$ 955	\$ 1,325	\$ 327	\$ 7,597	\$ 10,136	\$ 83,109	\$ 79,745	\$ 3,364
Net operating income, excl. net termination fees and other (4)	\$ 69,142	\$ 67,581	\$ 1,561	2.3%	\$ 4,536	\$ 116	\$ 1,322	\$ 327	\$ 7,249	\$ 9,934	\$ 82,249	\$ 77,958	\$ 4,291
Number of properties	76	76			17		4						
Square feet (in thousands)	14,193	14,193			2,080		503						
Occupancy % (end of period)	93.2%	93.3%			94.0%								
NOI margin, excl. termination fees, third party and other revenue	60.3%	61.6%											
Expense recovery ratio	45.7%	42.4%											

Pro Forma Same Store QTD (a)

	2018	2017	Variance	% Change	2018	2017	Variance	% Change	
Net operating income	\$ 68,983	\$ 68,327	\$ 656	1.0%	\$ 59,603	\$ 60,022	\$ (419)	-0.7%	
Less: Straight line rents & other	(1,223)	(5,618)	4,395	-78.2%	59,778	59,285	493	0.8%	
Less: Above/below market rent amortization	(369)	(456)	87	-19.1%	59,955	59,874	81	0.1%	
Add: Amortization of tenant inducements	240	338	(98)	-29.0%	Cash - Net operating income	59,341	58,933	408	0.7%
Add: Non-cash ground rent expense	22	22	-	0.0%	Cash - Net operating income, excl. net term fees & other				
Cash - Net operating income	\$ 67,653	\$ 62,613	\$ 5,040	8.0%					
Cash - Net operating income, excl. net term fees & other	\$ 67,023	\$ 61,664	\$ 5,359	8.7%					

(a) Excludes the office component of FMC Tower, 1900 Market Street and 933 First Avenue.

(1) Includes the residential and retail components of the FMC Tower in Philadelphia, Pennsylvania (RC), 3000 Market Street in Philadelphia, Pennsylvania (RA), Four Tower Bridge in Conshohocken, Pennsylvania (RA), Broadmoor Building 6, in Austin, Texas (RC), 500 North Gulph Road in King of Prussia, Pennsylvania (RC), Quarry Lake II in Austin, Texas (RA) and the twelve properties comprising the former DRA Austin portfolio in Austin, Texas (RA).

(2) Includes Four Points Building 3 in Austin, Texas (Dev), The Bulletin Building in Philadelphia, Pennsylvania (Redev), 426 West Lancaster Avenue in Devon, Pennsylvania (Redev) and The Lift Parking in Philadelphia, Pennsylvania (Redev).

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

(4) Q4 2018 excludes the \$0.7 million write-off of prior period straight line rent receivable related to an early termination from KPMG.

	Same Store Portfolio				Recently Completed/ Acquired		Development/ Redevelopment		Other/ Eliminations		All Properties		
	2018	2017	Variance	% Change	2018	2017	2018	2017	2018	2017	2018	2017	Variance
Free rent	\$ 3,215	\$ 8,846	\$ (5,631)	-63.7%	\$ 429	\$ 11	\$ 741	\$ 218	\$ 216	\$ 558	\$ 4,601	\$ 9,633	\$ (5,032)

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		
	2018	2017	Variance	% Change	2018	2017	2018	2017	2018	2017	2018	2017	Variance
Revenue													
Rents													
Cash	\$ 327,221	\$ 321,887	\$ 5,334	1.7%	\$ 53,068	\$ 17,270	\$ 1,817	\$ 1,082	\$ 32,199	\$ 40,570	\$ 414,305	\$ 380,809	\$ 33,496
Straight-line	1,187	7,066	(5,879)	-83.2%	10,124	21,449	1,887	102	(191)	(163)	13,007	28,454	(15,447)
Above/below-market rent amortization	1,628	2,694	(1,066)	-39.6%	700	123	1,016	254	-	(1)	3,344	3,070	274
Total rents	330,036	331,647	(1,611)	-0.5%	63,892	38,842	4,720	1,438	32,008	40,406	430,656	412,333	18,323
Tenant reimbursements	68,073	64,389	3,684	5.7%	11,009	4,280	2,327	516	1,216	3,435	82,625	72,620	10,005
Termination fees	1,763	1,893	(130)	-6.9%	-	466	-	-	-	11	1,763	2,370	(607)
Third party mgt fees, labor reimbursement and leasing	-	-	-	-	-	-	-	-	22,557	28,345	22,557	28,345	(5,788)
Other	1,617	1,803	(186)	-10.3%	3,290	1,504	9	32	1,828	1,486	6,744	4,825	1,919
Total revenue	401,489	399,732	1,757	0.4%	78,191	45,092	7,056	1,986	57,609	73,683	544,345	520,493	23,852
Property operating expenses	118,776	116,704	(2,072)	-1.8%	25,663	18,503	3,200	1,133	7,133	14,495	154,772	150,835	(3,937)
Real estate taxes	40,903	35,759	(5,144)	-14.4%	3,627	1,517	875	340	5,936	7,588	51,341	45,204	(6,137)
Third party management expenses	-	-	-	-	-	-	-	-	11,910	9,960	11,910	9,960	(1,950)
Net operating income	\$241,810	\$247,269	\$ (5,459)	-2.2%	\$ 48,901	\$ 25,072	\$ 2,981	\$ 513	\$32,630	\$41,640	\$326,322	\$314,494	\$11,828
Net operating income, excl. net termination fees and other (4)	\$239,157	\$243,573	\$ (4,416)	-1.8%	\$ 45,611	\$ 23,102	\$ 2,972	\$ 481	\$30,802	\$40,143	\$318,542	\$307,299	\$11,243
Number of properties	73	73			20		4						
Square feet (in thousands)	13,000	13,000			3,274		503						
Occupancy % (end of period)	93.2%	93.6%			93.6%								
NOI margin, excl. termination fees, third party and other revenue	59.9%	61.5%											
Expense recovery ratio	42.6%	42.2%											

	2018	2017	Variance	% Change
Net operating income	\$ 241,810	\$ 247,269	\$ (5,459)	-2.2%
Less: Straight line rents & other	(462)	(5,933)	5,471	-92.2%
Less: Above/below market rent amortization	(1,628)	(2,694)	1,066	-39.6%
Add: Amortization of tenant inducements	732	966	(234)	-24.2%
Add: Non-cash ground rent expense	89	89	-	0.0%
Cash - Net operating income	\$240,541	\$239,697	\$ 844	0.4%
Cash - Net operating income, excl. net term fees & other	\$236,436	\$234,868	\$ 1,568	0.7%

(1) Includes the office, residential and retail components of the FMC Tower in Philadelphia, Pennsylvania (RC), 1900 Market Street in Philadelphia, Pennsylvania (RC), 3000 Market Street in Philadelphia, Pennsylvania (RA), 933 First Avenue in King of Prussia, Pennsylvania (RC) and Four Tower Bridge in Conshohocken, Pennsylvania (RA), Broadmoor Building 6 in Austin, Texas (RC), 500 North Gulph Road in King of Prussia, Pennsylvania (RC), Quarry Lake II in Austin, Texas (RC) and the twelve properties comprising the former DRA Austin portfolio in Austin, Texas (RA)

(2) Includes Four Points Building 3 in Austin, Texas (Dev), The Bulletin Building in Philadelphia, Pennsylvania (Redev), 426 West Lancaster Avenue in Devon, Pennsylvania (Redev) and The Lift Parking in Philadelphia, Pennsylvania (Redev).

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

(4) YTD 2018 excludes the \$0.7 million write-off of prior period straight line rent receivable related to an early termination from KPMG.

	Same Store Portfolio				Recently Completed/ Acquired		Development/ Redevelopment		Other/ Eliminations		All Properties		
	2018	2017	Variance	% Change	2018	2017	2018	2017	2018	2017	2018	2017	Variance
Free rent	\$ 10,226	\$ 11,433	\$ (1,207)	-10.6%	\$ 7,878	\$ 21,422	\$ 2,146	\$ 218	\$ 1,321	\$ 1,301	\$ 21,571	\$ 34,374	\$ (12,803)

	Twelve Months Ended				Three Months Ended					
	12/31/2018	12/31/2017	12/31/2018	09/30/2018	06/30/2018	03/31/2018	12/31/2017	09/30/2017	06/30/2017	03/31/2017
Net income (loss)	\$ 137,289	\$ 121,859	\$ 122,710	\$ (43,262)	\$ 13,136	\$ 44,705	\$ 73,844	\$ 19,046	\$ 7,698	\$ 21,271
Add (deduct):										
Net (gain) loss on disposition of real estate	(2,932)	(31,657)	(2,967)	-	35	-	(23,246)	-	(1,088)	(7,323)
Net gain on real estate venture transactions	(142,233)	(80,526)	(104,970)	-	-	(37,263)	(52,186)	(13,758)	-	(14,582)
Gain on promoted interest in unconsolidated real estate venture	(28,283)	-	(28,283)	-	-	-	-	-	-	-
Company's share of acquisition costs related to real estate ventures	52	-	52	-	-	-	-	-	-	-
Income tax provision (benefit)	423	(628)	265	-	20	138	404	(793)	(339)	100
Provision for impairment	71,707	2,730	14,842	56,865	-	-	-	-	-	2,730
Other than temporary impairment of equity method investment	4,076	4,844	4,076	-	-	-	-	4,844	-	-
Provision for impairment on investment in unconsolidated real estate venture	10,416	-	10,416	-	-	-	-	-	-	-
Interest expense	78,199	81,886	20,108	19,257	19,301	19,533	20,413	19,732	20,304	21,437
Interest expense - amortization of deferred financing costs	2,498	2,435	626	618	627	627	628	577	596	634
Interest expense - share of unconsolidated real estate ventures	15,759	20,471	3,536	3,881	3,899	4,443	4,685	5,353	5,229	5,204
Depreciation and amortization	174,259	179,357	43,351	43,900	43,717	43,291	46,773	42,429	44,263	45,892
Depreciation and amortization - share of unconsolidated real estate ventures	25,947	39,622	5,717	6,334	6,732	7,164	9,117	9,816	10,449	10,240
NAREIT EBITDA <i>re</i>	\$ 347,177	\$ 340,393	\$ 89,479	\$ 87,593	\$ 87,467	\$ 82,638	\$ 80,432	\$ 87,246	\$ 87,112	\$ 85,603
Capital market, transactional and other items										
Net gain on sale of undepreciated real estate	(3,040)	(953)	(181)	-	(2,837)	(22)	-	(953)	-	-
Provision for impairment on undepreciated real estate	-	327	-	-	-	-	-	-	327	-
Loss on early extinguishment of debt	105	3,933	105	-	-	-	3,933	-	-	-
Loss on early extinguishment of debt - unconsolidated real estate venture	1,098	1,712	526	213	-	359	1,307	405	-	-
Stock-based compensation costs	6,047	5,139	588	580	1,532	3,347	589	627	739	3,184
Partners' share of consolidated real estate ventures interest expense	(91)	(100)	(24)	(17)	(25)	(25)	(25)	(25)	(25)	(25)
Partners' share of consolidated real estate ventures depreciation and amortization	(218)	(231)	(52)	(57)	(54)	(55)	(54)	(54)	(64)	(59)
EBITDA, excluding capital market, transactional and other items	\$ 351,078	\$ 350,220	\$ 90,441	\$ 88,312	\$ 86,083	\$ 86,242	\$ 86,182	\$ 87,246	\$ 88,089	\$ 88,703
EBITDA, excluding capital market, transactional and other items/Total revenue	64.5%	67.3%	63.4%	65.4%	64.3%	63.2%	64.6%	67.9%	68.9%	67.8%
Interest expense (from above)	78,199	81,886	20,108	19,257	19,301	19,533	20,413	19,732	20,304	21,437
Interest expense - share of unconsolidated real estate ventures	15,759	20,471	3,536	3,881	3,899	4,443	4,685	5,353	5,229	5,204
Interest expense - partners' share of consolidated real estate ventures	(91)	(100)	(24)	(17)	(25)	(25)	(25)	(25)	(25)	(25)
Total interest expense (a)	\$ 93,867	\$ 102,257	\$ 23,620	\$ 23,121	\$ 23,175	\$ 23,951	\$ 25,073	\$ 25,060	\$ 25,508	\$ 26,616
Scheduled mortgage principal payments	6,825	4,930	1,854	1,836	1,818	1,317	1,250	1,238	1,227	1,215
Scheduled mortgage principle payments - share of unconsolidated real estate venture	2,360	3,705	436	586	603	735	743	993	999	970
Total scheduled mortgage principal payments (b)	\$ 9,185	\$ 8,635	\$ 2,290	\$ 2,422	\$ 2,421	\$ 2,052	\$ 1,993	\$ 2,231	\$ 2,226	\$ 2,185
Preferred share distributions (c)	\$ -	\$ 2,032	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 307	\$ 1,725
EBITDA (excluding capital market, transactional and other items) coverage ratios:										
Interest coverage ratio = EBITDA divided by (a)	3.7	3.4	3.8	3.8	3.7	3.6	3.4	3.5	3.5	3.3
Debt service coverage ratio = EBITDA divided by (a) + (b)	3.4	3.2	3.5	3.5	3.4	3.3	3.2	3.2	3.2	3.1
Fixed charge coverage ratio = EBITDA divided by (a) + (b) + (c)	3.4	3.1	3.5	3.5	3.4	3.3	3.2	3.2	3.1	2.9
Capitalized interest	\$ 3,586	\$ 3,527	\$ 1,008	\$ 1,001	\$ 890	\$ 687	\$ 552	\$ 452	\$ 815	\$ 1,708

	Twelve Months Ended				Three Months Ended					
	12/31/2018	12/31/2017	12/31/2018	09/30/2018	06/30/2018	03/31/2018	12/31/2017	09/30/2017	06/30/2017	03/31/2017
Net income attributable to common shareholders	\$ 135,955	\$ 115,310	\$ 121,823	\$ (43,003)	\$ 12,920	\$ 44,215	\$ 73,137	\$ 18,803	\$ 4,092	\$ 19,278
Add (deduct):										
Net income attributable to noncontrolling interests - LP units	910	980	789	(359)	109	371	621	158	37	164
Nonforfeitable dividends allocated to unvested restricted shareholders	369	327	89	80	86	114	82	73	73	99
Net gain on real estate venture transactions	(142,233)	(80,526)	(104,970)	-	-	(37,263)	(52,186)	(13,758)	-	(14,582)
Net (gain) loss on disposition of real estate	(2,932)	(31,657)	(2,967)	-	35	-	(23,246)	-	(1,088)	(7,323)
Gain on promoted interest in unconsolidated real estate venture	(28,283)	-	(28,283)	-	-	-	-	-	-	-
Provision for impairment	71,707	2,730	14,842	56,865	-	-	-	-	-	2,730
Other than temporary impairment of equity method investment	4,076	4,844	4,076	-	-	-	-	4,844	-	-
Company's share of impairment of an unconsolidated real estate venture	10,416	-	10,416	-	-	-	-	-	-	-
Depreciation and amortization:										
Real property	137,461	142,548	32,663	35,011	35,179	34,608	38,208	34,742	35,948	33,650
Leasing cost including acquired intangibles	35,215	35,920	10,283	8,482	8,144	8,306	8,207	7,464	8,131	12,118
Company's share of unconsolidated real estate ventures	25,947	39,622	5,717	6,334	6,732	7,164	9,117	9,816	10,449	10,240
Partners' share of consolidated joint ventures	(218)	(231)	(52)	(57)	(54)	(55)	(54)	(54)	(64)	(59)
Funds from operations	248,390	229,867	64,426	63,353	63,151	57,460	53,886	62,088	57,578	56,315
Funds from operations allocable to unvested restricted shareholders	(697)	(648)	(169)	(157)	(168)	(203)	(137)	(162)	(151)	(198)
Funds from operations available to common share and unit holders (FFO)	\$ 247,693	\$ 229,219	\$ 64,257	\$ 63,196	\$ 62,983	\$ 57,257	\$ 53,749	\$ 61,926	\$ 57,427	\$ 56,117
FFO per share - basic / fully diluted	\$ 1.37	\$ 1.29	\$ 0.36	\$ 0.35	\$ 0.35	\$ 0.32	\$ 0.30	\$ 0.35	\$ 0.32	\$ 0.32
Plus: Capital market, transactional items and other (1)	\$ (1,785)	\$ 8,200	\$ 502	\$ 213	\$ (2,837)	\$ 337	\$ 5,240	\$ (548)	\$ 3,508	\$ -
FFO, excluding capital market, transactional items and other (1)	\$ 245,908	\$ 237,419	\$ 64,759	\$ 63,409	\$ 60,146	\$ 57,594	\$ 58,989	\$ 61,378	\$ 60,935	\$ 56,117
FFO per share, excl. capital market, transactional items and other – fully diluted (1)	\$ 1.36	\$ 1.33	\$ 0.36	\$ 0.35	\$ 0.33	\$ 0.32	\$ 0.33	\$ 0.34	\$ 0.34	\$ 0.32
Weighted-average shares/units outstanding - fully diluted	181,081,114	178,287,965	180,620,723	181,253,953	181,172,135	181,268,110	178,906,164	178,314,821	178,236,397	177,681,671
Distributions paid per common share	\$ 0.72	\$ 0.64	\$ 0.18	\$ 0.18	\$ 0.18	\$ 0.18	\$ 0.16	\$ 0.16	\$ 0.16	\$ 0.16
FFO payout ratio (distributions paid per common share / FFO per diluted share)	52.6%	49.6%	50.0%	51.4%	51.4%	56.3%	53.3%	45.7%	50.0%	50.0%
FFO payout ratio, excluding capital market, transactional items and other (1)	52.9%	48.1%	50.0%	51.4%	54.5%	56.3%	48.5%	47.1%	47.1%	50.0%

(1) The capital market, transactional items and other consist of the following:

Net gain on sale of undepreciated real estate	\$ (3,040)	\$ (953)	\$ (181)	\$ -	\$ (2,837)	\$ (22)	\$ -	\$ (953)	\$ -	\$ -
Preferred share redemption charge	-	3,181	-	-	-	-	-	-	3,181	-
Provision for impairment on undepreciated real estate	-	327	-	-	-	-	-	-	327	-
Joint venture formation costs (2)	52	-	52	-	-	-	-	-	-	-
Liability management (buybacks, tenders and prepayments) (3)	1,203	5,645	631	213	-	359	5,240	405	-	-
Total capital market and transactional items	\$ (1,785)	\$ 8,200	\$ 502	\$ 213	\$ (2,837)	\$ 337	\$ 5,240	\$ (548)	\$ 3,508	\$ -

(2) Q4 2018 includes \$52 related to JV formation costs associated with the contribution of the Rockpoint portfolio to an unconsolidated joint venture in which we hold a 50% ownership interest

(3) Q4 2018 includes \$348 and \$283 related to the sale of Station Square by the Allstate DC JV and the loan repayment associated with our acquisition of the remaining 50% interest in the DRA Austin portfolio. Q3 2018 includes \$167 and \$46 related to the refinance at the MAP Venture and the construction loan repayment at 1919 Market Street Venture, respectively. Q1 2018 includes \$359 relating to the sale of our interest in evo at Cira Centre South, Q4 2017 includes \$1,306 relating to the sale of five office portfolios by the DRA Austin JV and Q3 2017 includes \$405 relating to the 7101 Wisconsin Avenue sale by the Allstate DC JV.

	Twelve Months Ended				Three Months Ended					
	12/31/2018	12/31/2017	12/31/2018	09/30/2018	06/30/2018	03/31/2018	12/31/2017	09/30/2017	06/30/2017	03/31/2017
Funds from operations available to common share and unit holders	\$ 247,693	\$ 229,219	\$ 64,257	\$ 63,196	\$ 62,983	\$ 57,257	\$ 53,749	\$ 61,926	\$ 57,427	\$ 56,117
Add (deduct) certain items:										
Rental income from straight-line rent net of straight-line rent termination fees	(12,283)	(27,115)	(2,181)	(2,316)	(2,808)	(4,978)	(6,113)	(7,898)	(7,209)	(5,895)
Amortization of tenant inducements	1,479	1,773	298	380	402	399	473	444	431	425
Deferred market rental income	(3,343)	(3,070)	(1,030)	(735)	(785)	(793)	(791)	(511)	(430)	(1,338)
Company's share of unconsolidated REVs' straight-line & deferred market rent	(2,302)	(5,171)	(439)	(621)	(667)	(575)	(736)	(1,265)	(1,685)	(1,485)
Preferred share redemption charge	-	3,181	-	-	-	-	-	-	3,181	-
Straight-line ground rent expense	355	88	124	124	85	22	22	22	22	22
Stock-based compensation costs	6,047	5,139	588	580	1,532	3,347	589	627	739	3,184
Fair market value amortization - mortgage notes payable	376	436	94	94	94	94	109	109	109	109
Losses from early extinguishment of debt	105	3,933	105	-	-	-	3,933	-	-	-
Losses from early extinguishment of debt - unconsolidated REV	1,098	1,712	526	213	-	359	1,307	405	-	-
Net gain on sale of undepreciated real estate	(3,040)	(953)	(181)	-	(2,837)	(22)	-	(953)	-	-
Income tax provision (benefit)	423	(628)	265	-	20	138	404	(793)	(339)	100
Provision for impairment on undepreciated real estate held for sale/sold	-	327	-	-	-	-	-	-	327	-
Company's share of acquisition costs related to real estate ventures	52	-	52	-	-	-	-	-	-	-
Sub-total certain items	(11,033)	(20,348)	(1,779)	(2,281)	(4,964)	(2,009)	(803)	(9,813)	(4,854)	(4,878)
Less: Revenue maintaining capital expenditures:										
Building improvements	(6,815)	(8,159)	(1,150)	(2,400)	(1,433)	(1,832)	(3,865)	(2,125)	(1,228)	(941)
Tenant improvements	(30,417)	(23,589)	(8,461)	(4,970)	(8,166)	(8,820)	(6,584)	(6,055)	(5,123)	(5,827)
Lease commissions	(11,535)	(12,013)	(4,744)	(1,553)	(3,605)	(1,633)	(4,069)	(1,614)	(3,642)	(2,688)
Total revenue maintaining capital expenditures	\$ (48,767)	\$ (43,761)	\$ (14,355)	\$ (8,923)	\$ (13,204)	\$ (12,285)	\$ (14,518)	\$ (9,794)	\$ (9,993)	\$ (9,456)
Cash available for distribution (CAD)	\$ 187,893	\$ 165,110	\$ 48,123	\$ 51,992	\$ 44,815	\$ 42,963	\$ 38,428	\$ 42,319	\$ 42,580	\$ 41,783
Distributions paid to common shareholders (a)	129,930	113,446	32,499	32,497	32,490	32,444	28,386	28,373	28,359	28,328
Distributions paid per common share	\$ 0.72	\$ 0.64	\$ 0.18	\$ 0.18	\$ 0.18	\$ 0.18	\$ 0.16	\$ 0.16	\$ 0.16	\$ 0.16
CAD payout ratio (Distributions paid per common share / CAD)	69.2%	68.7%	67.5%	62.5%	72.5%	75.5%	73.9%	67.0%	66.6%	67.8%
Development/Redevelopment capital expenditures	\$ (147,335)	\$ (101,594)	\$ (45,726)	\$ (45,378)	\$ (34,415)	\$ (21,816)	\$ (22,921)	\$ (31,718)	\$ (20,288)	\$ (26,667)
Revenue creating capital expenditures	\$ (32,654)	\$ (23,735)	\$ (13,344)	\$ (6,201)	\$ (5,376)	\$ (7,733)	\$ (6,573)	\$ (5,141)	\$ (5,756)	\$ (6,265)

(a) Presents dividends paid.

	12/31/2018	09/30/2018	06/30/2018	03/31/2018	12/31/2017	09/30/2017	06/30/2017	03/31/2017
Assets								
Real estate investments								
Operating properties	\$ 3,953,319	\$ 3,429,048	\$ 3,864,629	\$ 3,864,706	\$ 3,832,348	\$ 3,769,067	\$ 3,769,678	\$ 3,702,204
Accumulated depreciation	(865,462)	(845,674)	(931,194)	(920,207)	(895,091)	(885,438)	(882,228)	(864,196)
Operating real estate investments, net	3,087,857	2,583,374	2,933,435	2,944,499	2,937,257	2,883,629	2,887,450	2,838,008
Construction-in-progress	150,263	157,075	120,593	129,413	121,188	127,141	119,690	166,372
Land held for development	86,401	77,578	95,658	99,436	98,242	120,696	125,157	153,268
Prepaid leasehold interests in land held for development, net	39,999	40,100	40,177	-	-	-	-	-
Real estate investments, net	3,364,520	2,858,127	3,189,863	3,173,348	3,156,687	3,131,466	3,132,297	3,157,648
Assets held for sale, net	11,599	297,194	4,254	-	392	31,125	5,569	6,262
Cash and cash equivalents	22,842	70,360	108,304	200,813	202,179	25,287	37,900	234,654
Accounts receivable, net	16,394	13,871	19,530	17,794	17,938	14,785	13,151	12,099
Accrued rent receivable, net	165,243	178,013	176,380	174,236	169,760	166,093	158,420	152,819
Investment in real estate ventures, at equity	169,100	167,782	170,361	171,383	194,621	236,313	262,107	264,941
Deferred costs, net	91,075	97,004	96,184	97,299	96,695	96,980	93,410	92,425
Intangible assets, net	131,348	55,139	59,418	63,614	64,972	58,817	59,410	64,222
Other assets	126,400	186,132	167,225	139,449	92,204	94,553	110,185	116,792
Total assets	\$ 4,098,521	\$ 3,923,622	\$ 3,991,519	\$ 4,037,936	\$ 3,995,448	\$ 3,855,419	\$ 3,872,449	\$ 4,101,862
Liabilities and equity								
Mortgage notes payable, net	\$ 320,869	\$ 322,588	\$ 324,289	\$ 325,974	\$ 317,216	\$ 318,317	\$ 319,405	\$ 320,484
Unsecured credit facility	92,500	-	-	-	-	178,000	200,000	-
Unsecured term loan, net	248,042	248,677	248,595	248,512	248,429	248,347	248,264	248,181
Unsecured senior notes, net	1,366,635	1,366,272	1,365,909	1,365,546	1,365,183	1,144,976	1,144,503	1,444,006
Accounts payable and accrued expenses	125,696	116,994	106,790	105,176	107,074	112,413	99,904	115,079
Distributions payable	33,632	32,492	32,493	32,502	32,456	28,391	28,376	30,047
Deferred income, gains and rent	28,293	26,731	29,239	58,887	42,593	41,468	40,764	30,592
Acquired lease intangibles, net	31,783	17,680	18,573	19,510	20,274	17,156	15,989	16,604
Liabilities related to assets held for sale	-	826	-	-	-	269	-	387
Other liabilities	18,498	14,559	14,856	14,588	15,623	15,512	17,521	16,916
Total liabilities	\$ 2,265,948	\$ 2,146,819	\$ 2,140,744	\$ 2,170,695	\$ 2,148,848	\$ 2,104,849	\$ 2,114,726	\$ 2,222,296
Brandywine Realty Trust's equity:								
Preferred shares - Series E	-	-	-	-	-	-	-	40
Common shares	1,770	1,787	1,787	1,785	1,784	1,755	1,754	1,752
Additional paid-in-capital	3,200,850	3,223,817	3,223,072	3,222,047	3,218,564	3,167,481	3,165,935	3,262,459
Deferred compensation payable in common shares	14,021	14,021	14,036	13,506	12,445	14,090	14,107	14,244
Common shares in grantor trust	(14,021)	(14,021)	(14,036)	(13,506)	(12,445)	(14,090)	(14,107)	(14,244)
Cumulative earnings	796,513	674,599	717,515	704,506	660,174	586,954	568,078	560,422
Accumulated other comprehensive loss	5,029	10,239	9,221	7,365	2,399	(906)	(1,528)	(457)
Cumulative distributions	(2,183,909)	(2,150,463)	(2,118,230)	(2,086,000)	(2,053,741)	(2,021,568)	(1,993,419)	(1,961,739)
Total Brandywine Realty Trust's equity	1,820,253	1,759,979	1,833,365	1,849,703	1,829,180	1,733,716	1,740,820	1,862,477
Noncontrolling interests	12,320	16,824	17,410	17,538	17,420	16,854	16,903	17,089
Total equity	\$ 1,832,573	\$ 1,776,803	\$ 1,850,775	\$ 1,867,241	\$ 1,846,600	\$ 1,750,570	\$ 1,757,723	\$ 1,879,566
Total liabilities and equity	\$ 4,098,521	\$ 3,923,622	\$ 3,991,519	\$ 4,037,936	\$ 3,995,448	\$ 3,855,419	\$ 3,872,449	\$ 4,101,862

	12/31/2018	09/30/2018	06/30/2018	03/31/2018	12/31/2017	09/30/2017	06/30/2017	03/31/2017
High closing price of common shares	\$ 15.47	\$ 17.12	\$ 16.96	\$ 18.15	\$ 18.58	\$ 17.65	\$ 17.80	\$ 16.89
Low closing price of common shares	\$ 12.36	\$ 15.55	\$ 15.34	\$ 15.32	\$ 17.10	\$ 16.58	\$ 16.16	\$ 15.74
End of period closing market price	\$ 12.87	\$ 15.72	\$ 16.88	\$ 15.88	\$ 18.19	\$ 17.49	\$ 17.53	\$ 16.23
Dividends paid per common share	\$ 0.18	\$ 0.18	\$ 0.18	\$ 0.18	\$ 0.16	\$ 0.16	\$ 0.16	\$ 0.16
Dividend yield (based on annualized dividend paid)	5.6%	4.6%	4.3%	4.5%	3.5%	3.7%	3.7%	3.9%
Net book value per share (fully diluted, end of period)	\$ 10.24	\$ 9.79	\$ 10.19	\$ 10.28	\$ 10.17	\$ 9.80	\$ 9.84	\$ 10.55
Total cash and cash equivalents	\$ 22,842	\$ 70,360	\$ 108,304	\$ 200,813	\$ 202,179	\$ 25,287	\$ 37,900	\$ 234,654
Revolving credit facilities								
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	(92,500)	-	-	-	-	(178,000)	(200,000)	-
less: Holdback for letters of credit	(1,928)	(1,928)	(2,325)	(2,325)	(3,373)	(13,485)	(12,437)	(12,437)
Net potential available under current credit facilities	\$ 505,572	\$ 598,072	\$ 597,675	\$ 597,675	\$ 596,627	\$ 408,515	\$ 387,563	\$ 587,563
Total equity market capitalization (end of period)								
Basic common shares	175,896,204	177,625,482	177,622,168	177,493,925	177,390,500	174,476,532	174,388,849	174,265,465
Unvested restricted shares	466,439	445,126	475,330	632,665	455,643	457,768	458,686	618,961
Partnership units outstanding	982,871	1,479,799	1,479,799	1,479,799	1,479,799	1,479,799	1,479,799	1,479,799
Options and other contingent securities	1,641,704	2,023,784	1,990,118	2,119,982	2,299,671	2,264,787	2,268,634	1,725,216
Fully diluted common shares (end of period)	178,987,218	181,574,191	181,567,415	181,726,371	181,625,613	178,678,886	178,595,968	178,089,441
Value of common stock (fully diluted, end of period)	\$ 2,303,565	\$ 2,854,346	\$ 3,064,858	\$ 2,885,815	\$ 3,303,770	\$ 3,125,094	\$ 3,130,787	\$ 2,890,392
Par value of preferred shares	-	-	-	-	-	-	-	100,000
Total equity market capitalization (fully diluted, end of period)	\$ 2,303,565	\$ 2,854,346	\$ 3,064,858	\$ 2,885,815	\$ 3,303,770	\$ 3,125,094	\$ 3,130,787	\$ 2,990,392
Total debt excluding unamortized premiums, discounts and deferred financing costs	\$ 2,044,142	\$ 1,953,496	\$ 1,955,331	\$ 1,957,150	\$ 1,948,717	\$ 1,902,967	\$ 1,926,205	\$ 2,027,433
less: Cash and cash equivalents	(22,842)	(70,360)	(108,304)	(200,813)	(202,179)	(25,287)	(37,900)	(234,654)
less: Section 1031 exchange proceeds	-	-	-	-	-	-	(32,009)	(32,009)
Net debt	2,021,300	1,883,136	1,847,027	1,756,337	1,746,538	1,877,680	1,856,296	1,760,770
Total equity market capitalization (fully diluted, end of period)	2,303,565	2,854,346	3,064,858	2,885,815	3,303,770	3,125,094	3,130,787	2,990,392
Total market capitalization	\$ 4,324,865	\$ 4,737,482	\$ 4,911,885	\$ 4,642,152	\$ 5,050,308	\$ 5,002,774	\$ 4,987,083	\$ 4,751,162
Net debt to total market capitalization	46.7%	39.7%	37.6%	37.8%	34.6%	37.5%	37.2%	37.1%
Total gross assets (excl. cash, cash equiv. & section 1031 exchange proceeds)	\$ 4,941,141	\$ 4,811,535	\$ 4,814,409	\$ 4,757,330	\$ 4,688,360	\$ 4,731,761	\$ 4,684,768	\$ 4,699,474
Net debt to total gross assets (excl. cash and cash equivalents)	40.9%	39.1%	38.4%	36.9%	37.3%	39.7%	39.6%	37.5%
Annualized quarterly EBITDA, excluding capital market and transactional items	\$ 361,764	\$ 353,248	\$ 344,332	\$ 344,968	\$ 344,728	\$ 348,984	\$ 352,356	\$ 354,812
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 (a), (c)	6.0	6.2	6.2	6.0	6.2	6.7 (b)	6.6	6.6
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 (c)	6.3	6.1	6.1	5.8	5.9	6.4	6.5	5.9

(a) Effective June 30, 2018, our note receivable from 1919 Brandywine Ventures is a reduction to combined debt and the related interest income has been eliminated from this calculation.

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

(c) If the transactions that occurred during Q4 2018 were effectuated on 10/1/2018, the ratios of net debt to annualized quarterly EBITDA, including and excluding the Company's share of unconsolidated R/E venture debt, would result in an estimated 6.2x and 6.3x, respectively.

	12/31/2018	09/30/2018	06/30/2018	03/31/2018	12/31/2017	09/30/2017	06/30/2017	03/31/2017
Fixed rate debt	\$ 1,623,032	\$ 1,624,886	\$ 1,626,721	\$ 1,628,540	\$ 1,620,107	\$ 1,396,357	\$ 1,397,595	\$ 1,698,823
Fixed rate debt (variable rate debt swapped to fixed rate)	301,548	301,548	301,548	301,548	301,548	328,610	328,610	328,610
Variable rate debt - unhedged	119,562	27,062	27,062	27,062	27,062	178,000	200,000	-
Total debt (excluding unamortized premiums & discounts)	\$ 2,044,142	\$ 1,953,496	\$ 1,955,331	\$ 1,957,150	\$ 1,948,717	\$ 1,902,967	\$ 1,926,205	\$ 2,027,433
% Fixed rate debt	79.3%	83.1%	83.1%	83.1%	83.0%	73.3%	72.5%	83.8%
% Fixed rate debt (variable rate debt swapped to fixed)	14.8%	15.4%	15.4%	15.4%	15.5%	17.3%	17.1%	16.2%
% Variable rate debt - unhedged	5.9%	1.4%	1.4%	1.4%	1.4%	9.4%	10.4%	0.0%
Total debt (excluding premiums & discounts)	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Secured mortgage debt	\$ 323,032	\$ 324,886	\$ 326,721	\$ 328,540	\$ 320,107	\$ 321,357	\$ 322,595	\$ 323,823
Unsecured debt	1,721,110	1,628,610	1,628,610	1,628,610	1,628,610	1,581,610	1,603,610	1,703,610
Total debt (excluding premiums & discounts)	\$ 2,044,142	\$ 1,953,496	\$ 1,955,331	\$ 1,957,150	\$ 1,948,717	\$ 1,902,967	\$ 1,926,205	\$ 2,027,433
% Secured mortgage debt	15.8%	16.6%	16.7%	16.8%	16.4%	16.9%	16.7%	16.0%
% Unsecured debt	84.2%	83.4%	83.3%	83.2%	83.6%	83.1%	83.3%	84.0%
Total debt (excluding premiums & discounts)	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Total gross assets, excluding cash and cash equivalents	\$ 4,941,141	\$ 4,811,535	\$ 4,814,409	\$ 4,757,330	\$ 4,688,360	\$ 4,731,761	\$ 4,684,768	\$ 4,699,474
% Secured mortgage debt	6.5%	6.8%	6.8%	6.9%	6.8%	6.8%	6.9%	6.9%
% Unsecured debt	34.8%	33.9%	33.8%	34.2%	34.7%	33.4%	34.2%	36.3%
less: cash and cash equivalents (including Section 1031 exchange proceeds)	(0.5%)	(1.5%)	(2.3%)	(4.2%)	(4.3%)	(0.5%)	(1.5%)	(5.7%)
Net debt to total gross assets, excluding cash and cash equivalents	40.9%	39.1%	38.4%	36.9%	37.3%	39.7%	39.6%	37.5%
Weighted-average interest rate on mortgage notes payable	4.05%	4.05%	4.05%	4.05%	4.04%	4.03%	4.03%	4.03%
Weighted-average interest rate on unsecured senior debt (including swap costs)	3.68%	4.05%	4.05%	4.04%	4.03%	4.12%	4.08%	4.57%
Weighted-average maturity on mortgage notes payable	3.5 years	3.8 years	4.0 years	4.3 years	4.6 years	4.8 years	5.1 years	5.3 years
Weighted-average maturity on unsecured senior debt	7.0 years	7.6 years	7.9 years	8.1 years	8.4 years	5.9 years	6.1 years	5.7 years
Weighted-aver. interest rate on fixed rate debt (includes var. rate swapped to fixed)	3.94%	4.05%	4.05%	4.05%	4.05%	4.27%	4.27%	4.48%
Weighted-average interest rate on variable rate debt	3.62%	3.56%	3.56%	2.94%	2.74%	2.44%	2.37%	N/A
Weighted-average maturity on fixed rate debt (includes variable rate swapped to fixed)	6.6 years	6.8 years	7.1 years	7.3 years	7.6 years	6.1 years	6.4 years	5.7 years
Weighted-average maturity on variable rate debt	4 years	17 years	17.0 years	17.2 years	17.5 years	1.6 years	1.9 years	N/A

Debt Instrument	Maturity Date	Stated Rate (1)	Effective Rate (1)	12/31/2018 Balance	12/31/2017 Balance	12/31/2018 Percent of total indebtedness
Unsecured senior notes payable						
\$350 MM Notes due 2023	February 15, 2023	3.950%	3.865%	\$ 350,000	\$ 350,000	17.3%
\$250 MM Notes due 2024	October 1, 2024	4.100%	4.328%	250,000	250,000	12.3%
\$450 MM Notes due 2027	November 15, 2027	3.950%	4.025%	450,000	450,000	22.2%
\$250 MM Notes due 2029	October 1, 2029	4.550%	4.604%	250,000	250,000	12.3%
\$27.1 MM Trust Preferred I - Indenture IA (2)	March 30, 2035	LIBOR + 1.250%	3.587%	27,062	27,062	1.3%
\$25.8 MM Trust Preferred I - Indenture IB (3)	April 30, 2035	LIBOR + 1.250%	3.300%	25,774	25,774	1.3%
\$25.8 MM Trust Preferred II - Indenture II (4)	July 30, 2035	LIBOR + 1.250%	3.090%	25,774	25,774	1.3%
Total unsecured senior notes payable	8.0 (wtd-avg maturity)		4.106% (wtd-avg effective rate)	1,378,610	1,378,610	68.0%
Net original issue premium/(discount)				(4,096)	(4,423)	(0.2%)
Unsecured deferred financing costs				(7,879)	(9,004)	(0.4%)
Total unsecured senior notes payable including original issue premium/(discount) and deferred financing costs				1,366,635	1,365,183	67.4%
Unsecured bank facilities						
\$600 MM Revolving Credit Facility (5)	July 15, 2022	LIBOR + 1.100%	3.609%	92,500	-	4.6%
\$250 MM Seven-year Term Loan - Swapped to fixed (6)	October 8, 2022	LIBOR + 1.250%	2.868%	250,000	250,000	12.3%
Total unsecured bank facilities	2.9 (wtd-avg maturity)		3.068% (wtd-avg effective rate)	342,500	250,000	16.9%
Unsecured deferred financing costs				(1,958)	(1,571)	(0.1%)
Total unsecured bank facilities including deferred financing costs				340,542	248,429	16.8%
Total unsecured senior debt	7.0 (wtd-avg maturity)		3.899% (wtd-avg effective rate)	1,721,110	1,628,610	84.9%
Net original issue premium/(discount)				(4,096)	(4,423)	(0.2%)
Unsecured deferred financing costs				(9,837)	(10,575)	(0.5%)
Total unsecured senior debt including original issue premium/(discount) and deferred financing costs				\$ 1,707,177	\$ 1,613,612	84.2%

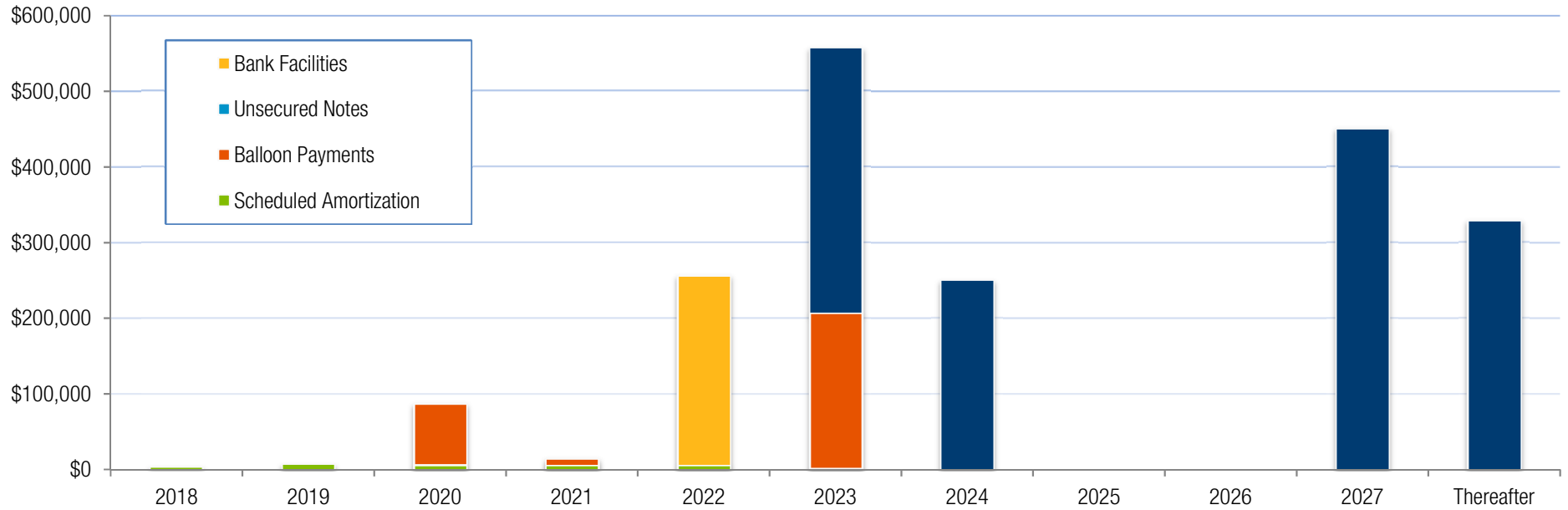
(See page 35 for footnotes)

Debt Instrument	Maturity Date	Stated Rate (1)	Effective Rate (1)	12/31/2018 Balance	12/31/2017 Balance	12/31/2018 Percent of total indebtedness
Mortgage notes payable						
Two Logan Square	May 1, 2020	3.980%	3.980%	\$ 82,805	\$ 84,440	4.1%
Four Tower Bridge (7)	February 10, 2021	5.200%	4.497%	9,526	-	0.5%
One Commerce Square	April 5, 2023	3.640%	3.640%	120,183	123,667	5.9%
Two Commerce Square	April 5, 2023	3.960%	4.513%	110,518	112,000	5.4%
Total mortgage notes payable	3.5 (wtd-avg maturity)		4.051% (wtd-avg effective rate)	323,032	320,107	15.9%
Net fair market value premium/(discount)				(1,759)	(2,325)	(0.1%)
Secured deferred financing costs				(404)	(566)	(0.0%)
Total mortgage notes payable including fair market value premium/(discount) and deferred financing costs				320,869	317,216	15.8%
Total debt	6.4 (wtd-avg maturity)		3.923% (wtd-avg effective rate)	2,044,142	1,948,717	100.8%
Net premium/(discount)				(5,855)	(6,748)	(0.3%)
Unsecured Deferred Financing Costs				(9,837)	(10,575)	(0.5%)
Secured Deferred Financing Costs				(404)	(566)	(0.0%)
Total debt, including net premium/(discount) and deferred financing costs				\$ 2,028,046	\$ 1,930,828	100.0%

(See page 35 for further footnotes)

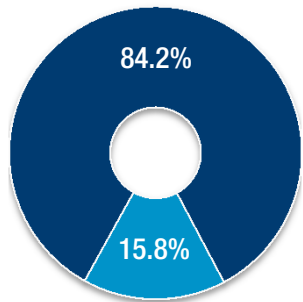
Maturity Schedule By Year	Secured Debt		Unsecured Debt		Total	Percent of Debt Maturing	Weighted Average Interest (9)
	Scheduled Amortization	Balloon Payments	Bank Facilities	Senior Notes			
2019	\$ 7,595	\$ -	\$ -	\$ -	\$ 7,595	0.5%	3.978%
2020	6,705	80,521	-	-	87,226	4.3%	3.980%
2021	6,142	9,001	-	-	15,143	0.7%	4.279%
2022	6,332	-	342,500	-	348,832	17.1%	3.084%
2023	1,620	205,116	-	350,000	556,736	27.2%	3.941%
2024	-	-	-	250,000	250,000	12.2%	4.328%
2025	-	-	-	-	-	0.0%	0.000%
2026	-	-	-	-	-	0.0%	0.000%
2027	-	-	-	450,000	450,000	22.0%	4.025%
2028	-	-	-	-	-	0.0%	0.000%
Thereafter	-	-	-	328,610	328,610	16.1%	4.300%
Total	\$ 28,394	\$ 294,638	\$ 342,500	\$ 1,378,610	\$ 2,044,142	100.1%	3.923%

- (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 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.
- (3) 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.
- (4) 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.
- (5) On July 17, 2018, we amended the revolving credit facility to (i) extend the maturity date from May 15, 2019 to July 15, 2022, with two six-month extensions at our election subject to specified conditions and subject to payment of an extension fee; (ii) reduced the interest rate margins applicable to Eurodollar loans to a range between 0.775% and 1.45% per annum depending on our credit rating; (iii) provide for an additional interest rate option based on a floating Libor rate; and (iv) remove the covenant requiring us to maintain a minimum net worth.
- (6) On December 13, 2018, we amended and restated our \$250.0 million ten-year term loan maturing on October 8, 2022. In connection with the terms of the amendment, the loan now bears interest at LIBOR + 1.25%.
- (7) This loan was assumed upon acquisition of the related property on January 5, 2018. The effective interest rate reflects the market rate at the time of acquisition.
- (8) Excludes the effect of any net premium/(discount) on balances or rates.
- (9) The weighted average calculations include variable rate debt at current rates.



% of total	0.1%	0.4%	4.5%	0.8%	13.1%	28.5%	12.8%	0.0%	0.0%	23.0%	16.8%
Expiring rate	3.98%	3.98%	3.98%	4.28%	3.72%	3.94%	4.33%	0.00%	0.00%	4.03%	4.30%

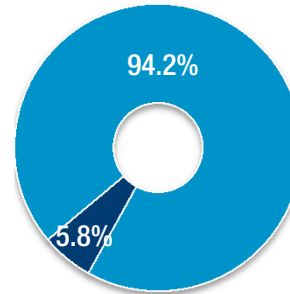
Unsecured and Secured Debt



■ Unsecured ■ Secured

Debt	Amount	Weighted Average Effective Rate	Weighted Average Maturity (in years)
Unsecured	\$ 1,721,110	3.899%	7.0
Secured	323,032	4.051%	3.5
Total	\$ 2,044,142	3.923%	6.4

Floating and Fixed Rate Debt



■ Floating ■ Fixed

Debt	Amount	Weighted Average Effective Rate	Weighted Average Maturity (in years)
Floating	\$ 119,562	3.617%	4.0
Fixed	1,924,580	3.942%	6.6
Total	\$ 2,044,142	3.923%	6.4

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

Revolving Credit Agreement dated July 17, 2018 and Amended and Restated Term Loan C Agreement dated December 13, 2018

Covenant	Required	12/31/2018	9/30/2018	6/30/2018	03/31/2018	12/31/2017	9/30/2017	06/30/2017	03/31/2017
Fixed Charge Coverage Ratio	$\geq 1.50x$	3.49x	3.56x	3.46x	3.41x	3.13x	3.08x	2.87x	2.72x
Leverage Ratio	$\leq 60\%$ *	38.9%	39.3%	38.9%	39.6%	40.4%	41.1%	40.9%	40.6%
Unsecured Debt Limitation	$\leq 60\%$ *	38.4%	37.6%	37.5%	38.3%	38.6%	39.1%	39.1%	38.6%
Secured Debt Limitation	$\leq 40\%$	9.6%	12.4%	12.2%	13.6%	13.4%	14.5%	14.6%	14.6%
Unencumbered Cash Flow	$\geq 1.75x$	3.43x	3.86x	3.82x	3.80x	3.55x	3.65x	3.41x	3.17x

* 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	12/31/2018	09/30/2018	6/30/2018	03/31/2018	12/31/2017	9/30/2017	06/30/2017	03/31/2017
1006 (a) - Total Leverage Ratio	$< 60\%$	43.6%	41.8%	41.6%	41.3%	41.7%	42.1%	42.5%	42.8%
1006 (b) - Debt Service Coverage Ratio	$\geq 1.50x$	3.89	3.93	3.88	3.86	3.79x	3.87x	3.82x	3.80x
1006 (c) - Secured Debt Ratio	$< 40\%$	6.9%	7.0%	6.9%	6.9%	6.8%	7.0%	7.1%	6.8%
1006 (d) - Unencumbered Asset Ratio	$\geq 150\%$	227.6%	240.1%	242.1%	244.4%	240.5%	235.3%	229.2%	228.0%

							As of December 31, 2018					BDN's Share	
Unconsolidated Real Estate Ventures	Location	Project Value (a)	Gross Asset Value @ 12/31/2018 (b)	BDN Investment @ 12/31/2018	Number of Properties	Net Operating Income (YTD)	Rentable Square Feet	Percent Occupied	Percent Leased (c)	BDN Ownership %	Net Operating Income (YTD)	Rentable Square Feet	
Office Properties													
Rockpoint JV	Virginia	\$ 312,000	\$ 312,000	\$ 47,834	8	\$ 900	1,293,197	85.6%	85.6%	15.0%	\$ 135	193,980	
Allstate DC JV (d)	Virginia	87,398	95,058	11,731	2	6,408	364,277	87.4%	87.4%	50.0%	3,204	182,139	
MAP Venture	Various	210,041	258,690	11,173	58	27,529	3,924,783	92.2%	92.6%	50.0%	13,765	1,962,392	
PJP Ventures	Virginia	27,210	30,381	1,888	3	3,365	204,347	91.0%	91.0%	(e)	895	54,155	
Total							5,786,604	90.4%	90.6%			2,392,665	
Other													
Brandywine 1919 Ventures (f)	Philadelphia, PA	126,753	144,553	19,897	1	9,117	321 Units	(g)		50.0%	4,559		
Development Properties													
4040 Wilson	Arlington, VA	110,348	111,269	37,371	1	(33)	-	-		50.0%	(17)		
51 N Street	Washington, D.C.	28,704	28,832	21,368	1	(187)	-	-		70.0%	(131)		
1250 First Street Office	Washington, D.C.	24,132	24,136	17,838	1	(369)	-	-		70.0%	(258)		
Total			\$ 1,004,919	\$ 169,100	75	\$ 46,730					\$ 22,152		
Current Year Sold													
			Sold Date										
Station Square (d)	Silver Spring, MD		12/28/2018			3	\$ 6,600			50.0%	\$ 3,300		
DRA Austin JV (h)	Austin, TX		12/11/2018			12	30,439			50.0%	15,220		
evo at Cira Centre South (i)	Philadelphia, PA		1/10/2018			1	744			50.0%	372		

- (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 23, 2019 that will commence subsequent to the end of the current period.
- (d) On December 28, 2018, three office properties located in Silver Spring, MD, known as "Station Square", were sold by Allstate DC JV. We received net cash proceeds of \$17.4 million after closing costs and related debt payoff.
- (e) The Company's ownership interest in the PJP Joint Ventures ranges from 25% to 30%.
- (f) On June 26, 2018, the Company and LCOR/Calstrs each provided a \$44.4 million mortgage loan to the venture, which was recorded as a note receivable within the "Other assets" caption of the balance sheet. The total investment in the venture, including the note and equity method investment, was \$64.3 million at December 31, 2018.
- (g) As of December 31, 2018, the apartment units were 93.0% occupied. The office and retail space is fully occupied and leased (24,000 SF).
- (h) On December 11, 2018, we acquired our partner's entire 50% interest in the 12 remaining properties within the DRA Austin real estate venture containing 1,570,123 square feet, located in Austin, Texas, for a gross sales price of \$537.0 million. All mortgage encumbrances were paid off at closing. Our share of the gain on sale was \$103.8 million and we earned a \$28.3 million gain on our promoted interest.
- (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 \$25.7 million. At the time of sale, the property was 94.6% occupied.

Debt Instrument	BDN Ownership Percentage	Maturity Date	Stated Rate (1)	12/31/2018 Balance	12/31/2018 BDN Share of Venture Debt
Office Properties					
Allstate DC JV (2)	50%	January 1, 2022	4.650%	\$ 26,111	\$ 13,056
MAP Venture	50%	August 1, 2023	LIBOR + 2.45% (3)	185,000	92,500
PJP VII	25%	December 31, 2019	LIBOR + 2.65%	3,777	944
PJP II	30%	November 1, 2023	6.12%	2,214	664
PJP VI	25%	April 1, 2023	6.08%	7,069	1,767
Other					
Brandywine 1919 Ventures (4)	50%	June 25, 2023	4.000%	88,860	44,429
Development Properties					
4040 Wilson (\$150,000 construction loan)	50%	December 15, 2021	LIBOR + 2.75%	57,288	28,644
Total debt				\$ 370,319	\$ 182,004

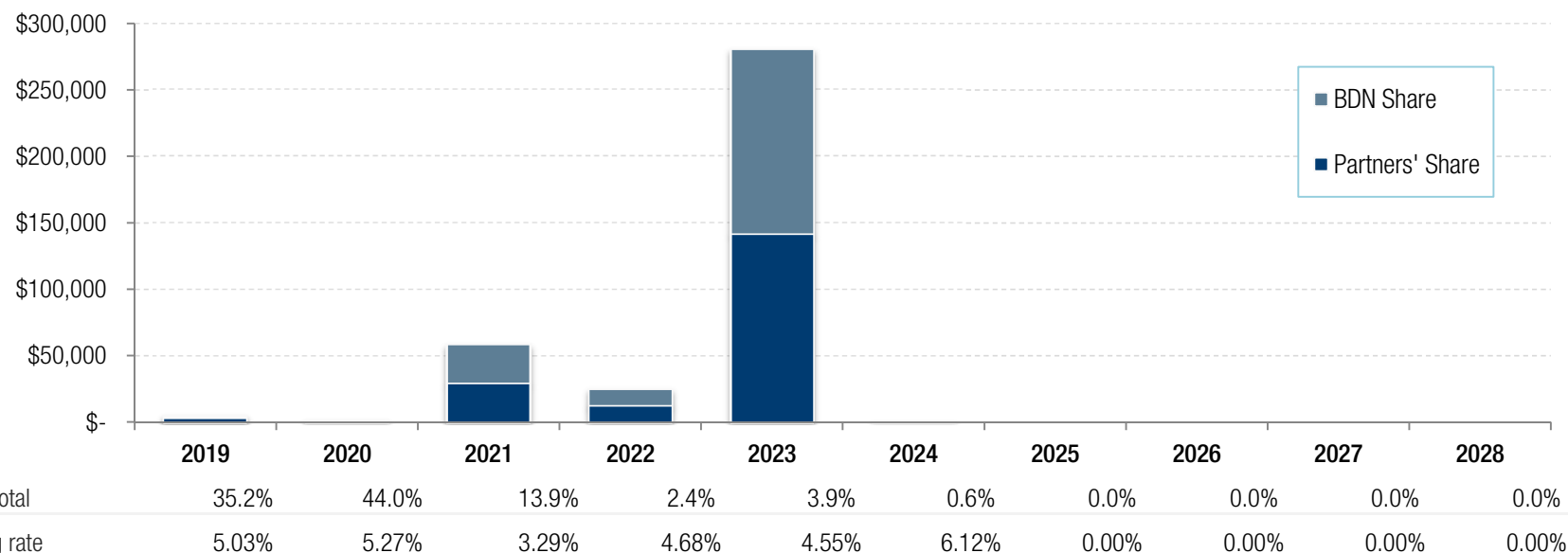
(1) The stated rate for mortgage notes is its face coupon.

(2) On December 28, 2018, the JV sold the Station Square portfolio and repaid the related remaining mortgage balance of \$65.2 million.

(3) On August 1, 2018, MAP Venture refinanced its mortgage loan which reduced the interest rate to LIBOR + 2.45% capped at a total maximum interest rate of 6.0%, and extended the maturity date to August 1, 2023.

(4) On June 26, 2018, the Company and its partner, LCOR/Calstrs, each provided a \$44.4 million mortgage loan to Brandywine 1919 Ventures.

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				
2019	\$ 1,372	\$ 3,626	\$ 4,998	\$ 3,596	\$ 1,402	35.2%	5.030%
2020	1,290	-	1,290	809	481	44.0%	5.265%
2021	1,363	57,288	58,651	29,501	29,150	13.9%	3.285%
2022	881	24,396	25,277	12,825	12,452	2.4%	4.677%
2023	576	279,429	280,005	141,515	138,490	3.9%	4.554%
2024	99	-	98	69	29	0.6%	6.120%
2025	-	-	-	-	-	0.0%	0.000%
2026	-	-	-	-	-	0.0%	0.000%
2027	-	-	-	-	-	0.0%	0.000%
2028	-	-	-	-	-	0.0%	0.000%
Total	\$ 5,581	\$ 364,739	\$ 370,319	\$ 188,315	\$ 182,004	100.0%	4.365%



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

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 / Jason Green
212-446-9462 / 212-446-9449

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

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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

Corporate Headquarters

FMC Tower at Cira Centre South
2929 Walnut Street
Suite 1700
Philadelphia, PA 19104
610-325-5600

Stock Exchange Listing

New York Stock Exchange

Trading Symbol

Common Shares: BDN

Information Requests

To request an Investor Relations package or annual report, please contact: IR@bdnreit.com

Toll free within Canada and the United States: 866-426-5400

Investor Relations

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FMC Tower at Cira Centre South
2929 Walnut Street
Suite 1700
Philadelphia, PA 19104
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 noncontrolling 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 noncontrolling 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 (EBITDAre)

EBITDAre is a non-GAAP financial measure. The Company computes EBITDAre in accordance with standards established by NAREIT, which may not be comparable to EBITDAre reported by other REITs that do not compute EBITDAre in accordance with the NAREIT definition, or that interpret the NAREIT definition differently than the Company. EBITDAre is defined as net income (loss) (computed in accordance with GAAP), plus interest expense, plus income tax expense (if any), plus depreciation and amortization, plus (minus) losses and gains on the disposition of depreciated property, plus impairment write-downs of depreciated property and investments in unconsolidated real estate ventures, plus adjustments to reflect the Company’s share of EBITDAre of unconsolidated real estate ventures. EBITDAre 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. EBITDAre 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.

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, noncontrolling 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 noncontrolling 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, 2017, filed with the Securities and Exchange Commission on February 23, 2018.



Company / Investor Contact:

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Brandywine Realty Trust Announces Fourth Quarter and Full Year 2018 Results

Philadelphia, PA, January 30, 2019 — Brandywine Realty Trust (NYSE:BDN) today reported its financial and operating results for the three and twelve-month periods ended December 31, 2018.

Management Comments

“We had a very active and successful final quarter of 2018 as we closed several significant transactions while achieving or exceeding many of our 2018 business plan goals,” stated Jerry Sweeney, President and Chief Executive Officer for Brandywine Realty Trust. “In addition to the previously announced transactions, we continued to increase our presence in Austin through the acquisition of a 121,000 square foot office property in close proximity to our Broadmoor campus. Also consistent with our business strategy, we sold a 510,000 square foot portfolio located in Silver Spring, Maryland that was owned in a joint venture. We are excited to announce the commencement of our development of 405 Colorado, a 200,000 square foot office building located in the heart of Austin’s CBD. With the additional net sales activity, we used that liquidity to opportunistically repurchase over 3.0 million common shares at a weighted-average price of \$12.76 per share which is well below our current net asset value. Based on the fourth quarter activity and our outlook for 2019, we are maintaining our current FFO guidance range of \$1.37 to \$1.47.”

Fourth Quarter 2018 Highlights

Financial Results

- Net income allocated to common shareholders; \$121.8 million, or \$0.68 per diluted share. Our fourth quarter results include net gains on sale of real estate totaling \$107.9 million, or \$0.60 per diluted share.
- Funds from Operations (FFO); \$64.3 million, or \$0.36 per diluted share.

Fourth Quarter Portfolio Results

- Core Portfolio: 93.3% occupied and 95.5% leased.
- Signed approximately 613,000 square feet of new and renewal leases.
- Tenant Retention Ratio: 83% in fourth quarter and 73% for 2018.
- Rental Rate Mark-to-Market: 10.8% on a GAAP basis and (4.1%) on a cash basis.
- Same Store Net Operating Income Growth: 2.3% on a GAAP basis and 8.7% on a cash basis.

2019 Business Plan Revisions

- Speculative Revenue: An increase from \$31.0 million to \$31.5 million, 77% achieved.

Transaction Activity

Austin Acquisitions

- As previously announced, we acquired our partner's entire 50% interest in the 12 remaining buildings within the DRA Austin real estate venture ("Austin Portfolio") containing approximately 1,570,000 square feet, located in Austin, Texas, valuing the portfolio at a gross sales price of \$537.0 million, or \$342 per square foot. The transaction closed on December 11, 2018 and all existing mortgages were paid off. This joint venture generated a 27% internal rate of return to our shareholders and we recorded a \$103.8 million gain and \$28.3 million gain on our promoted interest during the fourth quarter. We funded the transaction using cash-on-hand, proceeds from our Northern Virginia Joint Venture and our unsecured line of credit.
- On December 19, 2018, we acquired an office building containing 120,559 rentable square feet located at 4516 Seton Center Parkway, in Austin, Texas, known as Quarry Lake II for a gross purchase price of \$39.5 million. The building was 100% occupied at closing. We funded the transaction using cash on hand and our unsecured line of credit.

Dispositions

Northern Virginia Joint Venture

- As previously announced on October 16, 2018, we entered into an agreement with the Rockpoint Group to sell a portfolio of 8 properties (the "Portfolio") containing approximately 1,294,000 square feet, located in the Northern Virginia, for a sales price of \$312.0 million. We retained a 15% equity interest in the Portfolio through an unconsolidated real estate venture (the "JV"). The transaction closed on December 20, 2018 without mortgage financing and we received net cash proceeds totaling \$262.5 million. The JV intends to obtain mortgage financing during the first quarter of 2019.

Silver Spring, Maryland

- On December 28, 2018, the Allstate DC JV, in which we own a 50% interest, sold its interest in a portfolio of three office buildings containing approximately 510,000 rentable square feet located in Silver Spring, Maryland, known as Station Square, for a gross sales price of \$107.0 million. After repayment of the first mortgage, our share of the cash received at closing totaled \$17.4 million.

Camden, New Jersey

- As previously announced, on May 18, 2018, Subaru exercised its option to purchase the National Training Center in Camden, New Jersey. During the third quarter 2018, we placed the National Training Center into service and Subaru took occupancy. The sale closed on December 21, 2018 and we received net cash proceeds totaling \$44.9 million and recorded a \$2.6 million gain on sale.

Development

Austin, Texas

- We will commence the development of 405 Colorado located in the Austin, Texas CBD during the first quarter of 2019. The project is comprised of a 200,000 square foot office building above a structured parking garage containing 520 parking spaces. We are currently in negotiations with an anchor tenant that will occupy approximately 35% of the project and total estimated cost to develop is \$114.0 million. We intend to fund the project with cash-on-hand and our unsecured line of credit.

Radnor, Pennsylvania

- Penn Medicine has named Brandywine as the designated developer of a 250,000 square foot state-of-the-art multi-specialty outpatient facility located in Radnor, Pennsylvania. Construction of the facility commenced during the fourth quarter 2018 and is scheduled for completion in the first half of 2020. In connection with the agreement, we will acquire adjacent land that can accommodate a 150,000 square foot building and a 125-room hotel. Once the new facility is complete, we will purchase Penn Medicine's existing medical office building.

Finance / Capital Markets Activity

- During the fourth quarter of 2018 and the first quarter of 2019, we acquired approximately 3.07 million common shares through our market buyback program at an average price of \$12.76 per share, or \$39.1 million.
- During the fourth quarter of 2018, we redeemed 496,928 operating partnership units for \$7.0 million of cash.
- We have \$92.5 million outstanding on our \$600.0 million unsecured revolving credit facility as of December 31, 2018.
- We have refinanced our \$250 million Term Loan C, reducing our effective interest rate by 55 basis points.
- We have \$22.8 million of cash and cash equivalents on-hand as of December 31, 2018.

Results for the Three and Twelve-Month Periods Ended December 31, 2018

Net income allocated to common shares totaled \$121.8 million, or \$0.68 per diluted share, in the fourth quarter of 2018 compared to net income of \$73.1 million or \$0.41 per diluted share in the fourth quarter of 2017. Our fourth quarter 2018 results include net gains on the sale of real estate totaling \$107.9 million, or \$0.60 per diluted share and a gain on promoted interest totaling \$28.3 million, or \$0.16 per diluted share. Our fourth quarter 2017 results include net gains on the sale of real estate totaling \$75.4 million, or \$0.43 per diluted share.

FFO available to common shares and units in the fourth quarter of 2018 totaled \$64.3 million or \$0.36 per diluted share versus \$53.7 million or \$0.30 per diluted share in the fourth quarter of 2017. 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 charge for the early extinguishment of debt related to the sale of properties in our joint venture located in Austin, Texas. Our fourth quarter 2018 FFO payout ratio (\$0.18 common share distribution / \$0.36 FFO per diluted share) was 50.0%.

Net income allocated to common shares totaled \$136.0 million or \$0.76 per diluted share for twelve months of 2018 compared to net income of \$115.3 million or \$0.65 per diluted share in the twelve months of 2017. Our 2018 results include net gains on the sale of real estate totaling \$145.2 million, or \$0.81 per diluted share and a gain on promoted interest totaling \$28.3 million, or \$0.16 per share and provisions for impairment on real estate totaling (\$71.7) million, or (\$0.40) per diluted share. Our 2017 results include net gains on the sale of real estate totaling \$112.2 million, or \$0.63 per diluted share.

Our FFO available to common shares and units for the twelve months ended 2018 totaled \$247.7 million, or \$1.37 per diluted share, compared to our FFO available to common shares and units for the twelve months of 2017, which totaled \$229.2 million, or \$1.29 per diluted share. Our 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 charge for the early extinguishment of debt related to the sale of properties in our joint venture located in Austin, Texas. Our 2018 FFO payout ratio (\$0.72 common share distribution / \$1.37 FFO per diluted share) was 52.6%.

Operating and Leasing Activity

In the fourth quarter of 2018, our Net Operating Income (NOI) excluding termination revenues, write-off of prior straight-line rent receivable and other income items increased 2.3% on a GAAP basis and increased 8.7% on a cash basis for our 76 same store properties, which were 93.2% and 93.3% occupied on December 31, 2018 and 2017, respectively.

We leased approximately 613,000 square feet and commenced occupancy on 638,000 square feet during the fourth quarter of 2018. The fourth quarter occupancy activity includes 409,000 square feet of renewals, 142,000 square feet of new leases and 87,000 square feet of tenant expansions. We have an additional 353,000 square feet of executed new leasing scheduled to commence subsequent to December 31, 2018.

We achieved an 83% tenant retention ratio in our core portfolio with net absorption of 38,000 square feet during the fourth quarter of 2018. Fourth quarter rental rate growth increased 10.8% as our renewal rental rates increased 6.4% and our new lease/expansion rental rates increased 29.5%, all on a GAAP basis.

At December 31, 2018, our core portfolio of 93 properties comprising 16.3 million square feet was 93.3% occupied and we are now 95.5% leased (reflecting new leases commencing after December 31, 2018).

5.6% Dividend Increase

On December 6, 2018, our Board of Trustees declared a quarterly cash dividend of \$0.19 per common share and OP Unit payable on January 22, 2019 to holders of record on January 8, 2019. The quarterly dividend is equivalent to an annual rate of \$0.76 per common share representing a 5.6% increase from the previous annual dividend rate of \$0.72 per common share.

2019 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, our 2019 net income guidance of \$0.36 - \$0.46 per diluted share has been adjusted to \$0.29 - \$0.39 per diluted share and 2019 FFO guidance of \$1.37 - \$1.47 per diluted share remains unchanged. This guidance is provided for informational purposes and is subject to change. The following is a reconciliation of the calculation of 2019 FFO and earnings per diluted share:

<u>Guidance for 2019</u>	<u>Range</u>
Earnings per diluted share allocated to common shareholders	\$0.29 to \$0.39
Plus: real estate depreciation, amortization	<u>1.08</u> <u>1.08</u>
FFO per diluted share	<u>\$ 1.37</u> to <u>\$ 1.47</u>

Our 2019 FFO key assumptions to include:

- Core Occupancy improving to a range of 94-95% by year-end 2019 and 95-96% leased;
- 8-10% GAAP increase in overall lease rates;
- 2-4% cash increase in overall lease rates;
- 0-2% increase in 2019 same store GAAP NOI;
- 1-3% increase in 2019 same store cash NOI;
- Speculative Revenue Target: \$31.5 million, 77% achieved;
- Change in Lease Accounting Treatment: \$7.9 million decrease to earnings, or \$0.04 per diluted share;
- \$0.19 per share quarterly dividend;

- Acquisition Activity: none
- Sales Activity: none
- One development start; 405 Colorado
- Annual earnings and FFO per diluted share based on 178.4 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 181 properties and 24.8 million square feet as of December 31, 2018, 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.

Conference Call and Audio Webcast

BDN management will discuss 2018 financial results and earnings guidance for fiscal 2019 on Thursday, January 31, 2019 at 9:00 a.m. EST. The conference call can be accessed by dialing 1-833-818-6810 and providing conference ID: 2863846. Beginning two hours after the conference call, a taped replay of the call can be accessed through Friday, February 15, 2019, by calling 1-855-859-2056 and entering access code 2863846. The conference call can also be accessed via a webcast on our website at www.brandywinerealty.com.

Looking Ahead – First Quarter 2019 Conference Call

We anticipate we will release our first quarter 2019 earnings on Wednesday, April 24, 2019, after the market close and will host our first quarter 2019 conference call on Thursday, April 25, 2019 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, 2017. 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, 2018 <i>(unaudited)</i>	December 31, 2017
ASSETS		
Real estate investments:		
Operating properties	\$ 3,953,319	\$ 3,832,348
Accumulated depreciation	(865,462)	(895,091)
Operating real estate investments, net	3,087,857	2,937,257
Construction-in-progress	150,263	121,188
Land held for development	86,401	98,242
Prepaid leasehold interests in land held for development, net	39,999	-
Total real estate investments, net	3,364,520	3,156,687
Assets held for sale, net	11,599	392
Cash and cash equivalents	22,842	202,179
Accounts receivable, net of allowance of \$1,653 and \$3,467 as of December 31, 2018 and December 31, 2017, respectively	16,394	17,938
Accrued rent receivable, net of allowance of \$11,266 and \$13,645 as of December 31, 2018 and December 31, 2017, respectively	165,243	169,760
Investment in real estate ventures, at equity	169,100	194,621
Deferred costs, net	91,075	96,695
Intangible assets, net	131,348	64,972
Other assets	126,400	92,204
Total assets	<u>\$ 4,098,521</u>	<u>\$ 3,995,448</u>
LIABILITIES AND BENEFICIARIES' EQUITY		
Mortgage notes payable, net	\$ 320,869	\$ 317,216
Unsecured credit facility	92,500	-
Unsecured term loan, net	248,042	248,429
Unsecured senior notes, net	1,366,635	1,365,183
Accounts payable and accrued expenses	125,696	107,074
Distributions payable	33,632	32,456
Deferred income, gains and rent	28,293	42,593
Acquired lease intangibles, net	31,783	20,274
Other liabilities	18,498	15,623
Total liabilities	<u>\$ 2,265,948</u>	<u>\$ 2,148,848</u>
Brandywine Realty Trust's Equity:		
Common Shares of Brandywine Realty Trust's beneficial interest, \$0.01 par value; shares authorized 400,000,000; 176,873,324 and 178,285,236 issued and outstanding as of December 31, 2018 and December 31, 2017, respectively	1,770	1,784
Additional paid-in-capital	3,200,850	3,218,564
Deferred compensation payable in common shares	14,021	12,445
Common shares in grantor trust, 977,120 and 894,736 issued and outstanding as of December 31, 2018 and December 31, 2017, respectively	(14,021)	(12,445)
Cumulative earnings	796,513	660,174
Accumulated other comprehensive income	5,029	2,399
Cumulative distributions	(2,183,909)	(2,053,741)
Total Brandywine Realty Trust's equity	1,820,253	1,829,180
Noncontrolling interests	12,320	17,420
Total beneficiaries' equity	1,832,573	1,846,600
Total liabilities and beneficiaries' equity	<u>\$ 4,098,521</u>	<u>\$ 3,995,448</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,	
	2018	2017	2018	2017
Revenue				
Rents	\$ 109,059	\$ 104,887	\$ 430,656	\$ 412,333
Tenant reimbursements	23,531	18,808	82,625	72,620
Termination fees	133	357	1,763	2,370
Third party management fees, labor reimbursement and leasing	5,026	7,862	22,557	28,345
Other	1,454	1,430	6,744	4,825
Total revenue	139,203	133,344	544,345	520,493
Operating expenses:				
Property operating expenses	39,720	39,888	154,772	150,835
Real estate taxes	14,069	11,142	51,341	45,204
Third party management expenses	2,305	2,569	11,910	9,960
Depreciation and amortization	43,351	46,773	174,259	179,357
General and administrative expenses	5,593	6,741	27,802	28,538
Provision for impairment	14,842	-	71,707	3,057
Total operating expenses	119,880	107,113	491,791	416,951
Operating income	19,323	26,231	52,554	103,542
Other income (expense):				
Interest income	2,139	478	4,703	1,113
Interest expense	(20,108)	(20,413)	(78,199)	(81,886)
Interest expense - amortization of deferred financing costs	(626)	(628)	(2,498)	(2,435)
Equity in loss of Real Estate Ventures	(14,049)	(2,919)	(15,231)	(8,306)
Net gain on disposition of real estate	2,967	23,246	2,932	31,657
Net gain on sale of undepreciated real estate	181	-	3,040	953
Net gain on real estate venture transactions	104,970	52,186	142,233	80,526
Gain on promoted interest in unconsolidated real estate venture	28,283	-	28,283	-
Loss on early extinguishment of debt	(105)	(3,933)	(105)	(3,933)
Net income before income taxes	122,975	74,248	137,712	121,231
Income tax (provision) benefit	(265)	(404)	(423)	628
Net income	122,710	73,844	137,289	121,859
Net income attributable to noncontrolling interests	(798)	(625)	(965)	(1,009)
Net income attributable to Brandywine Realty Trust	121,912	73,219	136,324	120,850
Distribution to preferred shareholders	-	-	-	(2,032)
Preferred share redemption charge	-	-	-	(3,181)
Nonforfeitable dividends allocated to unvested restricted shareholders	(89)	(82)	(369)	(327)
Net income attributable to Common Shareholders of Brandywine Realty Trust	<u>\$ 121,823</u>	<u>\$ 73,137</u>	<u>\$ 135,955</u>	<u>\$ 115,310</u>
PER SHARE DATA				
Basic income per Common Share	<u>\$ 0.68</u>	<u>\$ 0.42</u>	<u>\$ 0.76</u>	<u>\$ 0.66</u>
Basic weighted average shares outstanding	178,530,890	175,985,156	178,519,748	175,484,350
Diluted income per Common Share	<u>\$ 0.68</u>	<u>\$ 0.41</u>	<u>\$ 0.76</u>	<u>\$ 0.65</u>
Diluted weighted average shares outstanding	179,300,321	177,426,365	179,641,492	176,808,166

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,	
	2018	2017	2018	2017
Reconciliation of Net Income to Funds from Operations:				
Net income attributable to common shareholders	\$ 121,823	\$ 73,137	\$ 135,955	\$ 115,310
Add (deduct):				
Net income attributable to noncontrolling interests - LP units	789	621	910	980
Nonforfeitable dividends allocated to unvested restricted shareholders	89	82	369	327
Net gain on real estate venture transactions	(104,970)	(52,186)	(142,233)	(80,526)
Net gain on disposition of real estate	(2,967)	(23,246)	(2,932)	(31,657)
Gain on promoted interest in unconsolidated real estate venture	(28,283)	-	(28,283)	-
Provision for impairment	14,842	-	71,707	2,730
Other than temporary impairment of equity method investment	4,076	-	4,076	4,844
Company's share of impairment of an unconsolidated real estate venture	10,416	-	10,416	-
Depreciation and amortization:				
Real property	32,663	38,208	137,461	142,548
Leasing costs including acquired intangibles	10,283	8,207	35,215	35,920
Company's share of unconsolidated real estate ventures	5,717	9,117	25,947	39,622
Partners' share of consolidated real estate ventures	(52)	(54)	(218)	(231)
Funds from operations	\$ 64,426	\$ 53,886	\$ 248,390	\$ 229,867
Funds from operations allocable to unvested restricted shareholders	(169)	(137)	(697)	(648)
Funds from operations available to common share and unit holders (FFO)	\$ 64,257	\$ 53,749	\$ 247,693	\$ 229,219
FFO per share - fully diluted	<u>\$ 0.36</u>	<u>\$ 0.30</u>	<u>\$ 1.37</u>	<u>\$ 1.29</u>
Weighted-average shares/units outstanding - fully diluted	180,620,723	178,906,164	181,081,114	178,287,965
Distributions paid per common share	<u>\$ 0.18</u>	<u>\$ 0.16</u>	<u>\$ 0.72</u>	<u>\$ 0.64</u>
FFO payout ratio (distributions paid per common share/FFO per diluted share)	50.0%	53.3%	52.6%	49.6%

BRANDYWINE REALTY TRUST
SAME STORE OPERATIONS – 4th QUARTER
(unaudited and in thousands)

Of the 97 properties owned by the Company as of December 31, 2018, a total of 76 properties ("Same Store Properties") containing an aggregate of 14.2 million net rentable square feet were owned for the entire three-month periods ended December 31, 2018 and 2017. As of December 31, 2018, 17 properties were recently completed/acquired, one property was in development and three properties were in redevelopment. Average occupancy for the Same Store Properties was 93.1% during 2018 and 92.8% during 2017. The following table sets forth revenue and expense information for the Same Store Properties:

	Three Months Ended December 31,	
	2018	2017
Revenue		
Rents	\$ 92,880	\$ 91,847
Tenant reimbursements	20,581	17,876
Termination fees	133	357
Other	435	389
Total revenue	<u>114,029</u>	<u>110,469</u>
Operating expenses		
Property operating expenses	33,749	32,937
Real estate taxes	11,297	9,205
Net operating income	<u>\$ 68,983</u>	<u>\$ 68,327</u>
Net operating income - percentage change over prior year	1.0%	
Net operating income, excluding net termination fees & other	<u>\$ 69,142</u>	<u>\$ 67,581</u>
Net operating income, excluding net termination fees & other - percentage change over prior year	2.3%	
Net operating income	\$ 68,983	\$ 68,327
Straight line rents & other	(1,223)	(5,618)
Above/below market rent amortization	(369)	(456)
Amortization of tenant inducements	240	338
Non-cash ground rent	22	22
Cash - Net operating income	<u>\$ 67,653</u>	<u>\$ 62,613</u>
Cash - Net operating income - percentage change over prior year	8.0%	
Cash - Net operating income, excluding net termination fees & other	<u>\$ 67,023</u>	<u>\$ 61,664</u>
Cash - Net operating income, excluding net termination fees & other - percentage change over prior year	8.7%	
	Three Months Ended December 31,	
	2018	2017
Net income:	\$ 122,710	\$ 73,844
Add/(deduct):		
Interest income	(2,139)	(478)
Interest expense	20,108	20,413
Interest expense - amortization of deferred financing costs	626	628
Equity in loss of Real Estate Ventures	14,049	2,919
Net gain on real estate venture transactions	(104,970)	(52,186)
Net gain on disposition of real estate	(2,967)	(23,246)
Net gain on sale of undepreciated real estate	(181)	-
Gain on promoted interest in unconsolidated real estate venture	(28,283)	-
Loss on early extinguishment of debt	105	3,933
Depreciation and amortization	43,351	46,773
General & administrative expenses	5,593	6,741
Income tax provision	265	404
Provision for impairment	14,842	-
Consolidated net operating income	<u>83,109</u>	<u>79,745</u>
Less: Net operating income of non-same store properties and elimination of non-property specific operations	<u>(14,126)</u>	<u>(11,418)</u>
Same store net operating income	<u>\$ 68,983</u>	<u>\$ 68,327</u>

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

Of the 97 properties owned by the Company as of December 31, 2018, a total of 73 properties ("Same Store Properties") containing an aggregate of 13.0 million net rentable square feet were owned for the entire twelve-month periods ended December 31, 2018 and 2017. As of December 31, 2018, 20 properties were recently completed/acquired, one property was in development and three properties were in redevelopment. Average occupancy for the Same Store Properties was 93.0% during 2018 and 94.1% during 2017. The following table sets forth revenue and expense information for the Same Store Properties:

	Twelve Months Ended December 31,	
	2018	2017
Revenue		
Rents	\$ 330,036	\$ 331,647
Tenant reimbursements	68,073	64,389
Termination fees	1,763	1,893
Other	1,617	1,803
Total revenue	401,489	399,732
Operating expenses		
Property operating expenses	118,776	116,704
Real estate taxes	40,903	35,759
Net operating income	\$ 241,810	\$ 247,269
Net operating income - percentage change over prior year	-2.2%	
Net operating income, excluding net termination fees & other	\$ 239,157	\$ 243,573
Net operating income, excluding net termination fees & other - percentage change over prior year	-1.8%	
Net operating income	\$ 241,810	\$ 247,269
Straight line rents & other	(462)	(5,933)
Above/below market rent amortization	(1,628)	(2,694)
Amortization of tenant inducements	732	966
Non-cash ground rent	89	89
Cash - Net operating income	\$ 240,541	\$ 239,697
Cash - Net operating income - percentage change over prior year	0.4%	
Cash - Net operating income, excluding net termination fees & other	\$ 236,436	\$ 234,868
Cash - Net operating income, excluding net termination fees & other - percentage change over prior year	0.7%	
	Twelve Months Ended December 31,	
	2018	2017
Net income:	\$ 137,289	\$ 121,859
Add/(deduct):		
Interest income	(4,703)	(1,113)
Interest expense	78,199	81,886
Interest expense - amortization of deferred financing costs	2,498	2,435
Equity in loss of real estate ventures	15,231	8,306
Net gain on real estate venture transactions	(142,233)	(80,526)
Net gain on disposition of real estate	(2,932)	(31,657)
Net gain on sale of undepreciated assets	(3,040)	(953)
Gain on promoted interest in unconsolidated real estate venture	(28,283)	-
Loss on early extinguishment of debt	105	3,933
Depreciation and amortization	174,259	179,357
General & administrative expenses	27,802	28,538
Income tax provision (benefit)	423	(628)
Provision for impairment	71,707	3,057
Consolidated net operating income	326,322	314,494
Less: Net operating income of non-same store properties and elimination of non-property specific operations	(84,512)	(67,225)
Same store net operating income	\$ 241,810	\$ 247,269