



Non-GAAP Financial Measures

Below are GAAP to non-GAAP reconciliations of certain financial measures, as required under Regulation G of the Securities Exchange Act of 1934. Non-GAAP information should be considered by the reader in addition to, but not instead of, the financial statements prepared in accordance with GAAP. The non-GAAP financial information presented may be determined or calculated differently by other companies and may not be comparable to similarly titled measures.

Net Operating Income (NOI) We define NOI as operating revenues (rental income, tenant recoveries, and other revenues) less operating expenses (real estate taxes, repairs and maintenance, marketing, and other property expenses). NOI excludes straight-line rents and amortization of tenant incentives, net; interest expense, net; ground rent amortization; demolition costs; other income (loss); depreciation and amortization; development-related marketing costs; gain on sale or disposal of real estate and other assets, net; loss on extinguishment of debt; provision for impairment; and equity in earnings from unconsolidated ventures. This amount is presented as Operating Assets NOI. Total Operating Assets NOI represents NOI as defined above with the addition of our share of NOI from unconsolidated ventures.

We believe that NOI is a useful supplemental measure of the performance of our Operating Assets segment because it provides a performance measure that reflects the revenues and expenses directly associated with owning and operating real estate properties. We use NOI to evaluate our operating performance on a property-by-property basis because NOI allows us to evaluate the impact that property-specific factors such as rental and occupancy rates, tenant mix, and operating costs have on our operating results, gross margins, and investment returns.

Reconciliations of segment EBT to NOI for Operating Assets on a continuing operations basis are presented below:

<i>thousands</i>	Three Months Ended September 30,		Nine Months Ended September 30,		Year Ended December 31,				
	2024	2023	2024	2023	2023	2022	2021	2020	2019
Operating Assets Segment									
Total revenues	\$ 114,019	\$ 106,178	\$ 331,779	\$ 310,942	\$ 410,254	\$ 401,304	\$ 415,104	\$ 365,174	\$ 375,041
Total operating expenses	(48,987)	(47,960)	(142,751)	(134,486)	(179,865)	(170,114)	(187,820)	(174,870)	(170,346)
Segment operating income (loss)	65,032	58,218	189,028	176,456	230,389	231,190	227,284	190,304	204,695
Depreciation and amortization	(42,252)	(40,647)	(125,903)	(116,454)	(161,138)	(145,208)	(153,893)	(155,381)	(109,747)
Interest income (expense), net	(36,661)	(31,337)	(103,768)	(89,419)	(125,197)	(87,664)	(73,017)	(88,886)	(79,141)
Other income (loss), net	(54)	(186)	896	2,078	2,092	(1,383)	(10,306)	456	1,119
Equity in earnings (losses) from unconsolidated ventures	(2,109)	1,363	4,044	5,311	2,968	22,262	(67,042)	(7,366)	3,673
Gain (loss) on sale or disposal of real estate and other assets, net	3,165	16,050	7,959	20,764	23,926	29,588	39,168	38,232	—
Selling profit from sales-type leases	—	—	—	—	—	—	—	—	13,537
Gain (loss) on extinguishment of debt	—	—	(198)	—	(97)	(2,230)	(1,926)	(1,521)	—
Provision for impairment	—	—	—	—	—	—	—	(48,738)	—
Operating Assets segment EBT	(12,879)	3,461	(27,942)	(1,264)	(27,057)	46,555	(39,732)	(72,900)	34,136
Add back:									
Depreciation and amortization	42,252	40,647	125,903	116,454	161,138	145,208	153,893	155,381	109,747
Interest (income) expense, net	36,661	31,337	103,768	89,419	125,197	87,664	73,017	88,886	79,141
Equity in (earnings) losses from unconsolidated ventures	2,109	(1,363)	(4,044)	(5,311)	(2,968)	(22,262)	67,042	7,366	(3,673)
(Gain) loss on sale or disposal of real estate and other assets, net	(3,165)	(16,050)	(7,959)	(20,764)	(23,926)	(29,588)	(39,168)	(38,232)	—
(Gain) loss on extinguishment of debt	—	—	198	—	97	2,230	1,926	1,521	—
Selling profit from sales-type leases	—	—	—	—	—	—	—	—	(13,537)
Provision for impairment	—	—	—	—	—	—	—	48,738	—
Impact of straight-line rent	(2,182)	(470)	(3,005)	(2,664)	(2,256)	(11,241)	(14,715)	(7,630)	(9,007)
Other	52	279	(375)	341	337	1,528	10,275	(114)	257
Operating Assets NOI	62,848	57,841	186,544	176,211	230,562	220,094	212,538	183,016	197,064
Company's share of NOI from equity investments	1,954	2,121	6,022	5,908	7,745	9,061	4,081	7,750	7,318
Distributions from Summerlin Hospital investment	—	—	3,242	3,033	3,033	4,638	3,755	3,724	3,625
Company's share of NOI from unconsolidated ventures	1,954	2,121	9,264	8,941	10,778	13,699	7,836	11,474	10,943
Total Operating Assets NOI	\$ 64,802	\$ 59,962	\$ 195,808	\$ 185,152	\$ 241,340	\$ 233,793	\$ 220,374	\$ 194,490	\$ 208,007