



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); amortization; depreciation; development-related marketing costs; gain on sale or disposal of real estate and other assets, net; provision for impairment; and equity in earnings from unconsolidated ventures. This amount is presented as Operating Assets NOI and Seaport 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 and Seaport segments 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 and Seaport are presented in the tables below:

<i>thousands</i>	Three Months Ended September 30,		Nine Months Ended September 30,		Year Ended December 31,				
	2023	2022	2023	2022	2022	2021	2020	2019	2018
Operating Assets Segment									
Total revenues	\$ 116,874	\$ 109,493	\$ 339,226	\$ 327,742	\$ 431,834	\$ 442,698	\$ 372,057	\$ 400,131	\$ 348,242
Total operating expenses	(55,786)	(48,994)	(157,837)	(146,958)	(194,496)	(209,020)	(185,480)	(187,322)	(164,445)
Segment operating income (loss)	61,088	60,499	181,389	180,784	237,338	233,678	186,577	212,809	183,797
Depreciation and amortization	(43,127)	(37,714)	(123,637)	(115,143)	(154,626)	(163,031)	(162,324)	(115,499)	(103,293)
Interest income (expense), net	(31,884)	(23,340)	(91,080)	(64,776)	(89,959)	(75,391)	(91,411)	(81,029)	(71,551)
Other income (loss), net	(244)	421	1,998	(57)	(1,140)	(10,746)	540	1,142	(7,107)
Equity in earnings (losses) from unconsolidated ventures	1,364	4,132	5,311	21,898	22,263	(67,042)	(7,366)	3,672	1,994
Gain (loss) on sale or disposal of real estate and other assets, net	16,050	—	20,764	4,018	29,588	39,168	38,232	—	(4)
Selling profit from sales-type leases	—	—	—	—	—	—	—	13,537	—
Gain (loss) on extinguishment of debt	—	—	—	(645)	(2,230)	(1,926)	(1,521)	—	—
Provision for impairment	—	—	—	—	—	—	(48,738)	—	—
Operating Assets segment EBT	3,247	3,998	(5,255)	26,079	41,234	(45,290)	(86,011)	34,632	3,836
Add back:									
Depreciation and amortization	43,127	37,714	123,637	115,143	154,626	163,031	162,324	115,499	103,293
Interest (income) expense, net	31,884	23,340	91,080	64,776	89,959	75,391	91,411	81,029	71,551
Equity in (earnings) losses from unconsolidated ventures	(1,364)	(4,132)	(5,311)	(21,898)	(22,263)	67,042	7,366	(3,672)	(1,994)
(Gain) loss on sale or disposal of real estate and other assets, net	(16,050)	—	(20,764)	(4,018)	(29,588)	(39,168)	(38,232)	—	4
(Gain) loss on extinguishment of debt	—	—	—	645	2,230	1,926	1,521	—	—
Selling profit from sales-type leases	—	—	—	—	—	—	—	(13,537)	—
Provision for impairment	—	—	—	—	—	—	48,738	—	—
Impact of straight-line rent	(470)	(1,744)	(2,664)	(7,283)	(11,241)	(14,715)	(7,630)	(9,007)	(12,427)
Other	336	(519)	420	(312)	827	10,449	99	671	7,312
Operating Assets NOI	60,710	58,657	181,143	173,132	225,784	218,666	179,586	205,615	171,575
Company's share of NOI from equity investments	2,121	2,139	5,908	6,641	9,061	4,081	7,750	7,318	4,661
Distributions from Summerlin Hospital investment	—	—	3,033	4,638	4,638	3,755	3,724	3,625	3,435
Company's share of NOI from unconsolidated ventures	2,121	2,139	8,941	11,279	13,699	7,836	11,474	10,943	8,096
Total Operating Assets NOI	\$ 62,831	\$ 60,796	\$ 190,084	\$ 184,411	\$ 239,483	\$ 226,502	\$ 191,060	\$ 216,558	\$ 179,671

<i>thousands</i>	Three Months Ended September 30,		Nine Months Ended September 30,		Year Ended December 31,				
	2023	2022	2023	2022	2022	2021	2020	2019	2018
Seaport Segment									
Total revenues	\$ 29,490	\$ 32,501	\$ 64,191	\$ 70,053	\$ 88,468	\$ 55,008	\$ 23,814	\$ 55,645	\$ 32,632
Total operating expenses	(33,303)	(31,404)	(78,884)	(79,329)	(104,393)	(77,198)	(46,112)	(77,872)	(49,716)
Segment operating income (loss)	(3,813)	1,097	(14,693)	(9,276)	(15,925)	(22,190)	(22,298)	(22,227)	(17,084)
Depreciation and amortization	(10,808)	(9,651)	(31,804)	(25,194)	(36,338)	(30,867)	(41,602)	(26,381)	(12,466)
Interest income (expense), net	1,358	1,731	3,855	3,003	3,902	357	(12,512)	(12,865)	6,291
Other income (loss), net	313	(18)	(1,287)	289	245	(3,730)	(2,616)	(22)	102
Equity in earnings (losses) from unconsolidated ventures	(46,619)	(11,273)	(68,335)	(20,223)	(36,273)	(1,988)	(9,292)	(2,592)	(705)
Gain (loss) on sale or disposal of real estate and other assets, net	—	—	—	—	—	—	—	(6)	—
Gain (loss) on extinguishment of debt	(48)	—	(48)	—	—	—	(11,648)	4,851	—
Provision for impairment	(672,492)	—	(672,492)	—	—	—	—	—	—
Seaport segment EBT	(732,109)	(18,114)	(784,804)	(51,401)	(84,389)	(58,418)	(99,968)	(59,242)	(23,862)
Add back:									
Depreciation and amortization	10,808	9,651	31,804	25,194	36,338	30,867	41,602	26,381	12,466
Interest (income) expense, net	(1,358)	(1,731)	(3,855)	(3,003)	(3,902)	(357)	12,512	12,865	(6,291)
Equity in (earnings) losses from unconsolidated ventures	46,619	11,273	68,335	20,223	36,273	1,988	9,292	2,592	705
(Gain) loss on sale or disposal of real estate and other assets, net	—	—	—	—	—	—	—	6	—
(Gain) loss on extinguishment of debt	48	—	48	—	—	—	11,648	(4,851)	—
Impact of straight-line rent	435	(185)	1,567	1,519	456	1,632	2,801	1,634	(433)
Other (income) loss, net	2,163	674	5,480	2,610	5,456	6,725	5,639	5,595	11,937
Provision for impairment	672,492	—	672,492	—	—	—	—	—	—
Seaport NOI	(902)	1,568	(8,933)	(4,858)	(9,768)	(17,563)	(16,474)	(15,020)	(5,478)
Company's share of NOI from unconsolidated ventures (a)	(8,603)	(11,034)	(27,456)	(19,851)	(35,581)	(592)	(911)	(710)	(713)
Total Seaport NOI	\$ (9,505)	\$ (9,466)	\$ (36,389)	\$ (24,709)	\$ (45,349)	\$ (18,155)	\$ (17,385)	\$ (15,730)	\$ (6,191)

(a) The Company's share of NOI related to the Tin Building by Jean-Georges is calculated using our current partnership funding provisions.