



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 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 June 30,		Six Months Ended June 30,		Year Ended December 31,				
	2024	2023	2024	2023	2023	2022	2021	2020	2019
Operating Assets Segment									
Total revenues	\$ 123,841	\$ 121,427	\$ 233,993	\$ 222,352	\$ 443,632	\$ 431,834	\$ 442,698	\$ 372,057	\$ 400,131
Total operating expenses	(58,490)	(54,452)	(109,885)	(102,051)	(210,166)	(194,496)	(209,020)	(185,480)	(187,322)
Segment operating income (loss)	65,351	66,975	124,108	120,301	233,466	237,338	233,678	186,577	212,809
Depreciation and amortization	(43,920)	(40,878)	(88,076)	(80,510)	(170,731)	(154,626)	(163,031)	(162,324)	(115,499)
Interest income (expense), net	(34,699)	(30,285)	(68,175)	(59,196)	(127,388)	(89,959)	(75,391)	(91,411)	(81,029)
Other income (loss), net	530	(40)	938	2,242	1,843	(1,140)	(10,746)	540	1,142
Equity in earnings (losses) from unconsolidated ventures	337	2,042	6,154	3,947	2,969	22,263	(67,042)	(7,366)	3,672
Gain (loss) on sale or disposal of real estate and other assets, net	—	(16)	4,794	4,714	23,926	29,588	39,168	38,232	—
Selling profit from sales-type leases	—	—	—	—	—	—	—	—	13,537
Gain (loss) on extinguishment of debt	(198)	—	(198)	—	(96)	(2,230)	(1,926)	(1,521)	—
Provision for impairment	—	—	—	—	—	—	—	(48,738)	—
Operating Assets segment EBT	(12,599)	(2,202)	(20,455)	(8,502)	(36,011)	41,234	(45,290)	(86,011)	34,632
Add back:									
Depreciation and amortization	43,920	40,878	88,076	80,510	170,731	154,626	163,031	162,324	115,499
Interest (income) expense, net	34,699	30,285	68,175	59,196	127,388	89,959	75,391	91,411	81,029
Equity in (earnings) losses from unconsolidated ventures	(337)	(2,042)	(6,154)	(3,947)	(2,969)	(22,263)	67,042	7,366	(3,672)
(Gain) loss on sale or disposal of real estate and other assets, net	—	16	(4,794)	(4,714)	(23,926)	(29,588)	(39,168)	(38,232)	—
(Gain) loss on extinguishment of debt	198	—	198	—	96	2,230	1,926	1,521	—
Selling profit from sales-type leases	—	—	—	—	—	—	—	—	(13,537)
Provision for impairment	—	—	—	—	—	—	—	48,738	—
Impact of straight-line rent	24	(1,081)	(823)	(2,194)	(2,256)	(11,241)	(14,715)	(7,630)	(9,007)
Other	(361)	269	(415)	84	587	827	10,449	99	671
Operating Assets NOI	65,544	66,123	123,808	120,433	233,640	225,784	218,666	179,586	205,615
Company's share of NOI from equity investments	2,088	1,960	4,068	3,787	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	2,088	1,960	7,310	6,820	10,778	13,699	7,836	11,474	10,943
Total Operating Assets NOI	\$ 67,632	\$ 68,083	\$ 131,118	\$ 127,253	\$ 244,418	\$ 239,483	\$ 226,502	\$ 191,060	\$ 216,558

<i>thousands</i>	Three Months Ended June 30,		Six Months Ended June 30,		Year Ended December 31,				
	2024	2023	2024	2023	2023	2022	2021	2020	2019
Seaport Segment									
Total revenues	\$ 20,860	\$ 22,804	\$ 32,362	\$ 34,701	\$ 81,971	\$ 88,468	\$ 55,008	\$ 23,814	\$ 55,645
Total operating expenses	(32,756)	(26,665)	(54,241)	(45,581)	(103,466)	(104,393)	(77,198)	(46,112)	(77,872)
Segment operating income (loss)	(11,896)	(3,861)	(21,879)	(10,880)	(21,495)	(15,925)	(22,190)	(22,298)	(22,227)
Depreciation and amortization	(3,949)	(10,469)	(9,706)	(20,996)	(37,791)	(36,338)	(30,867)	(41,602)	(26,381)
Interest income (expense), net	(2,676)	1,311	(4,688)	2,497	3,065	3,902	357	(12,512)	(12,865)
Other income (loss), net	(87)	(1,601)	(87)	(1,600)	(1,290)	245	(3,730)	(2,616)	(22)
Equity in earnings (losses) from unconsolidated ventures	(6,552)	(10,896)	(16,832)	(21,716)	(81,485)	(36,273)	(1,988)	(9,292)	(2,592)
Gain (loss) on sale or disposal of real estate and other assets, net	—	—	—	—	—	—	—	—	(6)
Gain (loss) on extinguishment of debt	—	—	—	—	(48)	—	—	(11,648)	4,851
Provision for impairment	—	—	—	—	(672,492)	—	—	—	—
Seaport segment EBT	(25,160)	(25,516)	(53,192)	(52,695)	(811,536)	(84,389)	(58,418)	(99,968)	(59,242)
Add back:									
Depreciation and amortization	3,949	10,469	9,706	20,996	37,791	36,338	30,867	41,602	26,381
Interest (income) expense, net	2,676	(1,311)	4,688	(2,497)	(3,065)	(3,902)	(357)	12,512	12,865
Equity in (earnings) losses from unconsolidated ventures	6,552	10,896	16,832	21,716	81,485	36,273	1,988	9,292	2,592
(Gain) loss on sale or disposal of real estate and other assets, net	—	—	—	—	—	—	—	—	6
(Gain) loss on extinguishment of debt	—	—	—	—	48	—	—	11,648	(4,851)
Impact of straight-line rent	458	546	960	1,132	1,927	456	1,632	2,801	1,634
Other (income) loss, net	2,162	2,470	3,038	3,317	5,341	5,456	6,725	5,639	5,595
Provision for impairment	—	—	—	—	672,492	—	—	—	—
Seaport NOI	(9,363)	(2,446)	(17,968)	(8,031)	(15,517)	(9,768)	(17,563)	(16,474)	(15,020)
Company's share of NOI from unconsolidated ventures (a)	(5,643)	(9,262)	(14,545)	(18,853)	(39,073)	(35,581)	(592)	(911)	(710)
Total Seaport NOI	\$ (15,006)	\$ (11,708)	\$ (32,513)	\$ (26,884)	\$ (54,590)	\$ (45,349)	\$ (18,155)	\$ (17,385)	\$ (15,730)

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