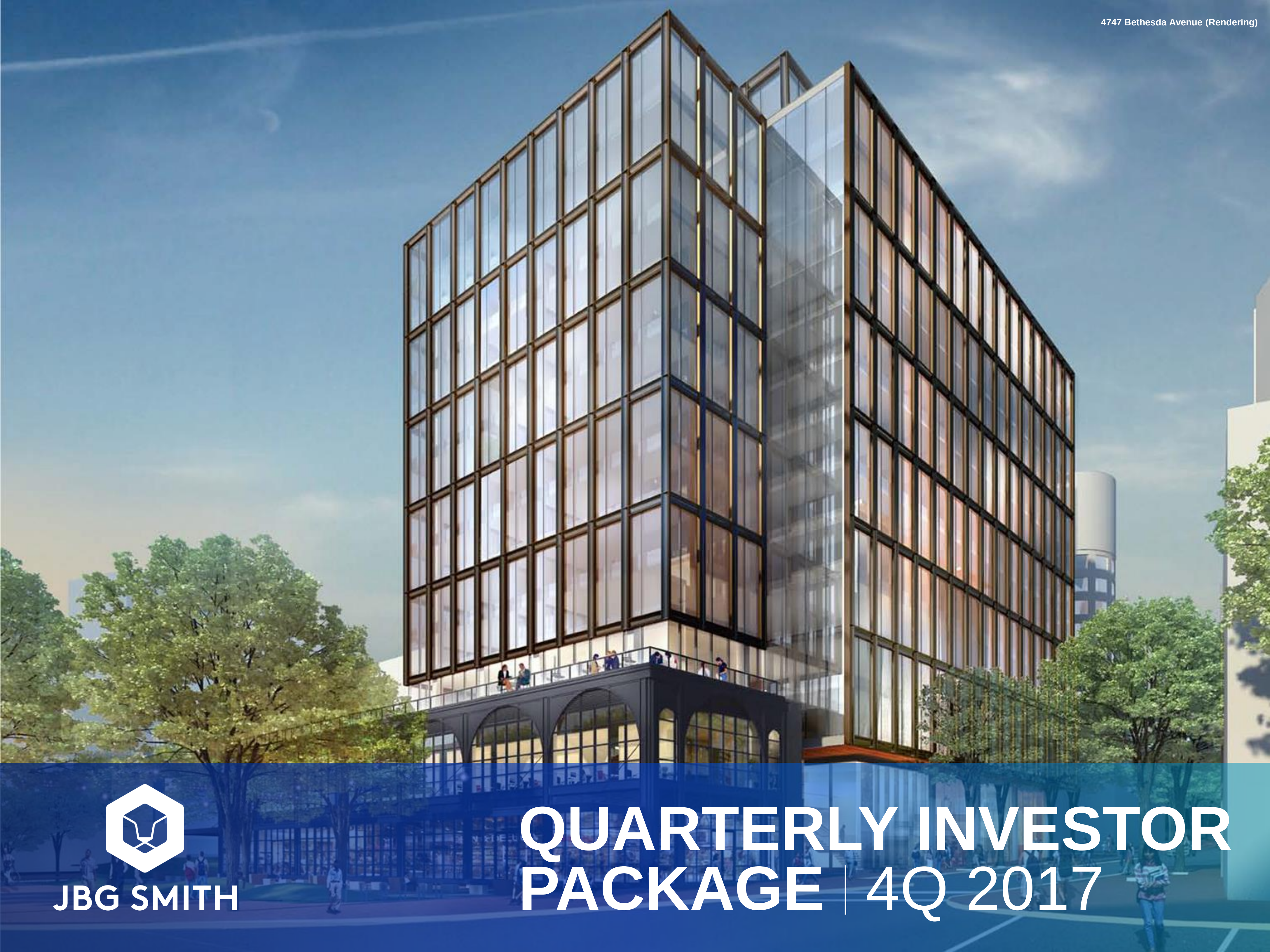
4747 Bethesda Avenue (Rendering)



JBG SMITH

QUARTERLY INVESTOR PACKAGE | 4Q 2017

JBG SMITH

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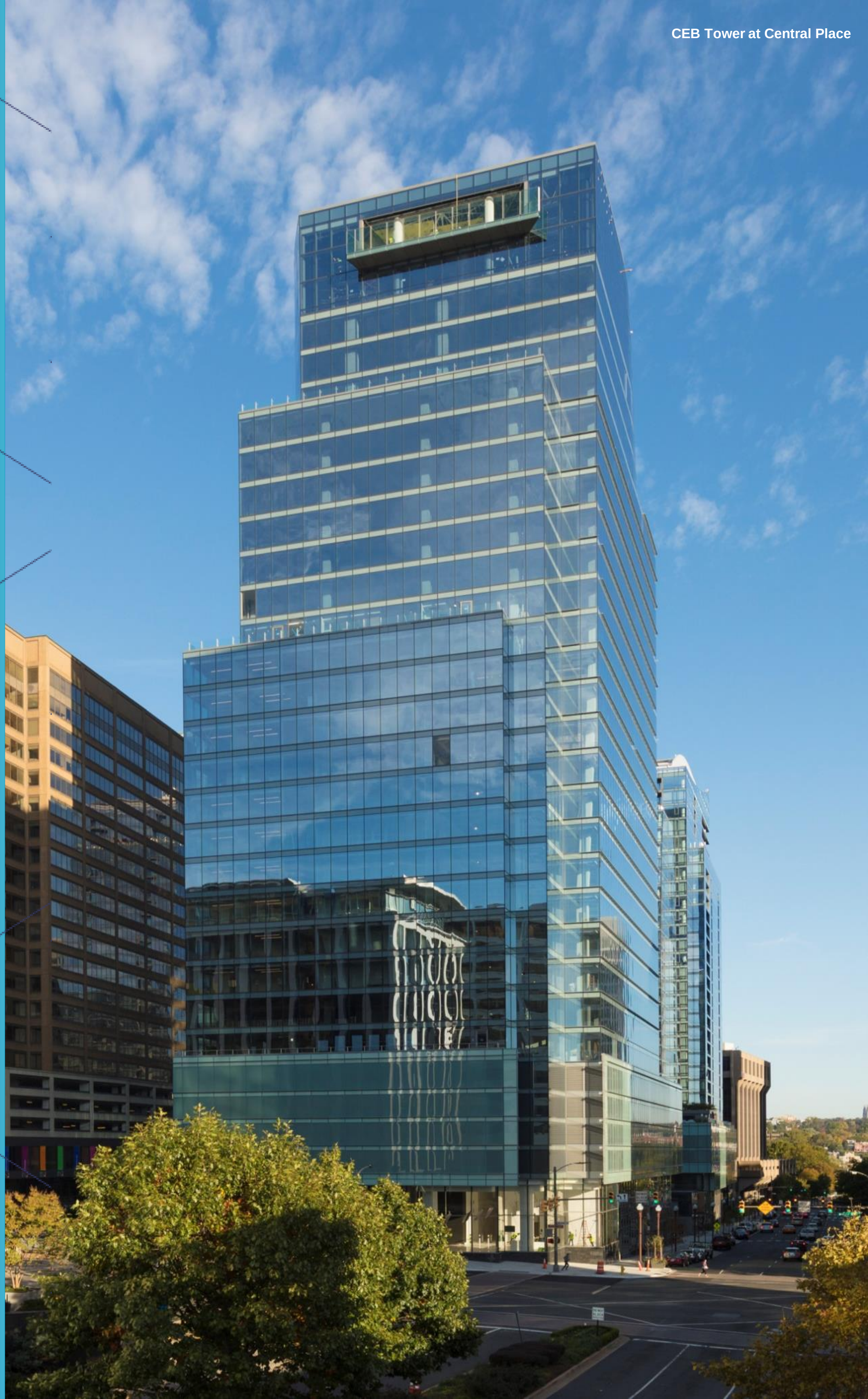
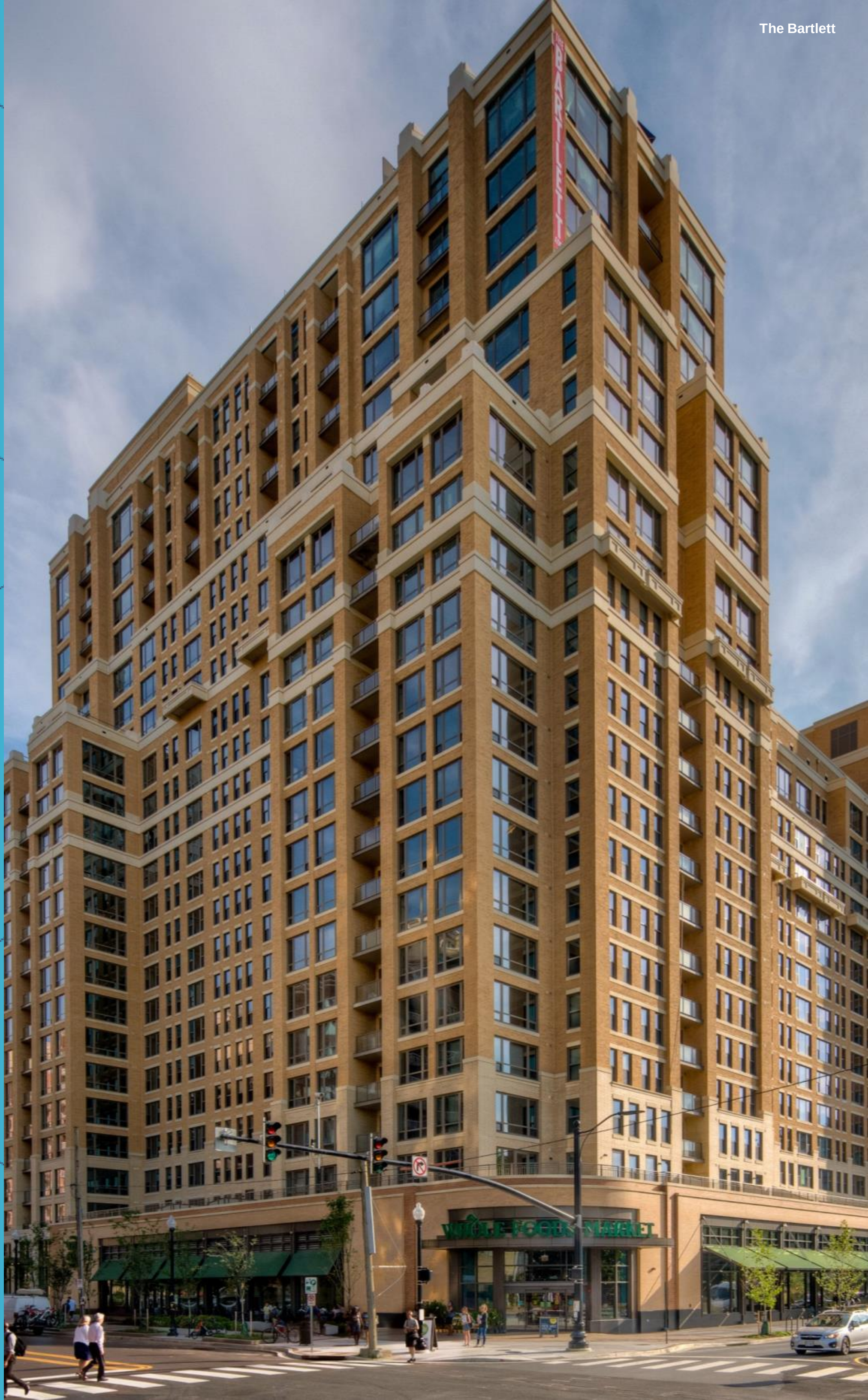

CEB Tower at Central Place

MANAGEMENT LETTER

SECTION ONE



March 12, 2018

To Our Shareholders:

We are pleased to deliver our first annual report as a public company. 2017 was a milestone year for us, and the post-merger integration of the JBG and Vornado operating platforms has gone extremely well. We are excited about the combined JBG SMITH team, our portfolio, and the abundant growth opportunities ahead of us. The first half of this letter focuses on our strategy and annual results, and the second half addresses market commentary and our fourth quarter results.

We are the largest and most active mixed-use operator in the Washington, DC Metropolitan Area. We own a unique portfolio of some of the best office, multifamily and retail assets in the strongest performing, high-barrier submarkets in the region. 98% of the assets in our Operating Portfolio are Metro-served with an average Walk Score of 84, making JBG SMITH one of the most walkable publicly traded portfolios in the region. Our mixed-use strategy positions us to offer the blend of uses and amenities that urban tenants and consumers demand. Our proven development expertise enables us to harvest high-yield growth opportunities from our 17.9 million square foot (at share) Future Development Pipeline, as well as to optimize and protect the value of the assets in our Operating Portfolio. Our exclusive focus on the DC Metro region offers investors concentrated exposure to the best submarkets of our city while also preserving the downside protection of a market that has historically been one of the most recession-resistant in the country.

Our management team and Board of Trustees are closely aligned with our shareholders as this group owns or represents more than 10% of the equity of JBG SMITH. Our primary focus is on long-term value creation and maximizing net asset value (NAV) per share. Through 2023 we expect to deliver over $140 million of NOI growth – with over $100 million from our ten Under Construction assets and approximately $40 million from the stabilization of our Operating Portfolio. This reflects over $10 million of NOI from progress towards portfolio stabilization in 2017 but does not include any adjustments for our planned capital recycling efforts. We have guaranteed maximum-price contracts in place for all of our Under Construction assets, where we expect to make an incremental investment of approximately $766 million. The commercial space in these assets was 62.1% preleased at year-end, up approximately 10% from the prior quarter. Our total expected NOI growth over the next six years represents a 6% CAGR, of which 2% is expected to come from our Operating Portfolio. We believe that this growth has the potential to produce $10-12 per share in incremental NAV over this period. This growth excludes the potential upside embedded in our 17.9 million square foot Future Development Pipeline.

We are pursuing several opportunities to capitalize on today's attractive selling environment where we can achieve or exceed NAV pricing. The proceeds from these sales should allow us to build capacity to invest in future growth opportunities, both within and outside our Future Development Pipeline, while maintaining prudent leverage levels. We have identified opportunities to generate over $700 million of capital through potential asset sales and recapitalizations, which could enable us to offset some of the incremental investment in our Under Construction assets and reduce our leverage ratio between 0.5x and 1.0x by year-end.

2017 Results

We finished 2017 in-line with our expectations and for the six months ended December 31, 2017, after accounting for transaction costs related to the formation transaction, we reported a net loss of $96.7 million and Core FFO of $103.4 million or $0.89 per share. We realized year-to-date same store NOI growth of 6.5%, and we ended the year at 89.9% leased and 88.9% occupied. For second generation leases, the rental rate mark-to-market was -6.4% year-to-date, which exceeded our assumption of -5.0%, but is in-line with our long-term expectation, as this number will fluctuate from quarter to quarter.

Our ten Under Construction assets total 1.3 million square feet of commercial space (1.2 million square feet at share) and 1,767 multifamily units (1,568 units at share). In our view, these assets represent some of the best new properties in the strongest locations throughout the Washington Metro Area. As land sites, some took over a decade to assemble, and we are excited to be so close to bringing them online. We remain on schedule and on budget for these assets, which have a weighted average projected yield of 7.1% based on our estimated total project cost. Preleasing of our four Under Construction office assets increased approximately 10% in the fourth quarter to 62.1%, and we have solid interest and activity for the remaining vacancy in these properties, where 66% of our available square footage sits in the top half of these buildings.

We continue to make progress advancing entitlements within our 17.9 million square foot Future Development Pipeline, including the first phase of our Crystal City redevelopment plan. Our objective is to monetize these assets either through recurring income from internal development or liquidity from sale or recapitalization.

While Crystal City accounts for approximately 17% of our Future Development Pipeline, with the exception of the anchor retail projects in Phase I, we intend to pursue development in the submarket only as market conditions warrant. The timing of Phase I will depend on Arlington County approvals, which although out of our control, have been progressing well. While the County has been a constructive partner, and we have submitted our zoning applications well ahead of schedule, we cannot dictate the timing or ultimate level of economic and zoning cooperation we will receive. Concurrent with this process we have been implementing what we call Phase Zero in Crystal City, which upgrades and improves certain exterior building finishes, garage entrances, lobbies, public plazas, landscaping and signage. In addition, we have wrapped four currently out of service office buildings with art installations to improve the curb appeal of the submarket while we work through entitlements and our redevelopment plans. These initiatives provide tangible evidence to current and future tenants that change is coming and will help bridge the time between today and the delivery of our first new buildings several years from now. We remain bullish on Crystal City, and we are working hard to reposition the submarket to maximize long-term value for our shareholders.

As mentioned above, a more detailed summary of our market commentary and quarterly results follows this strategic discussion.

Balance Sheet

We have prudent leverage, a well-laddered debt maturity profile, and sufficient liquidity to execute on our growth plans. As of December 31, 2017, we had $317 million of cash and $1.2 billion available on our $1.4 billion credit facility. Our Net Debt/EBITDA was 7.1x and our Net Debt/Total Enterprise Value was 32%. Our average debt maturity is 4.1 years, and we have approximately $710 million coming due in the next two years. Our debt is 70% fixed, and we have caps in place for 19% of our total debt. Consistent with our strategy to finance our business primarily with non-recourse, asset-level financing, 93% of our consolidated and unconsolidated debt is mortgage debt, of which approximately $122.5 million has recourse exposure.

In our June 2017 Investor Presentation, we described our long-term Net Debt/EBITDA target of 6.0x – 7.0x, and our expectation that interim peak levels would remain below 8.5x. These levels assumed that we did not complete any capital recycling. With the targeted dispositions we previewed in our last letter and have detailed above, it is our objective to take advantage of attractive selling opportunities available today, especially in the office market. We have identified opportunities to generate approximately $700 million of capital through potential asset sales and recapitalizations, which could enable us to repay existing indebtedness and reduce our peak and stabilized leverage between 0.5x and 1.0x. That being said, we have always been careful to promise only those outcomes that are within our control. Our capital recycling efforts remain subject to market conditions and our ability to transact with third parties. Consequently, investors should not count on any such transactions until deals are closed and wires have cleared.

Capital Allocation

Nothing that we do is more important than prudent capital allocation, which will be decisive in driving long-term NAV growth and stock price performance.

Long-Term NAV Per Share

We evaluate every leasing, development, acquisition or disposition decision based on how it impacts long-term NAV per share. We require that new investments be accretive to long-term NAV on a per share basis, which ensures that we do not sacrifice asset quality, location or risk in pursuit of short-term yield or preservation of current income. To maintain discipline through market cycles we prioritize the expected unleveraged internal return of an asset over a 10-year hold period with particular attention paid to long-term replacement value. We prioritize these absolute return metrics to protect against the adverse outcomes that can arise from using relative returns when markets are overbought or oversold.

Prudent Leverage

Maintaining internal investment capacity is critical to our long-term strategy. The best returns are made selling near the peaks and buying near the troughs. If we are capital-constrained when the cycle turns, we will not be able to take advantage of the richest buying opportunities when they arise. Likewise, if we fail to take advantage of market conditions when selling is attractive, we may miss opportunities to deleverage using attractively priced sources of capital. These considerations are related, and they are key drivers of our current capital recycling strategy as we seek to create balance sheet capacity for the next buyer's market or contrarian development environment.

"Sell" Discipline

In the same way that we are stingy buyers and developers, we are demanding sellers. Just as we hold our investment decisions to a rigorous risk-adjusted return standard, we do the same when evaluating candidates for sale. We regularly re-underwrite every asset in our portfolio to determine the value at which we would be a willing seller and a willing buyer. There must be a sizeable gap between these numbers (the "buy" and the "sell") to provide a sufficient margin of safety and reflect the fact that good buying and selling opportunities rarely co-exist.

We seek opportunities to sell when market pricing exceeds replacement cost and where implied go-forward unleveraged rates of return are too low to justify holding. We also prioritize recapitalizing or selling assets in submarkets where we see lower long-term growth potential or those where we do not have concentrated holdings with long-term upside. If we find ourselves in a "seller's" market without compelling internal uses for our capital, then we may distribute cash to our investors through a combination of dividends and/or share buy-backs. While any land or income-producing asset in the portfolio is a potential sale candidate, we are careful to minimize distribution obligations necessitated by sales that produce taxable income. By definition, when it's a good time to sell an asset it is typically not a great time to buy an asset, so low basis assets will be considered for 1031 exchanges only where we can improve risk-adjusted returns and upgrade asset quality, location or use type.

Current Market Position

Acquisitions: The current acquisition market in Washington, DC is very competitive, especially for low risk, "core" assets. The competitive landscape has us picking our shots very carefully. Our limited level of acquisition activity is focused on assets with redevelopment potential in emerging growth submarkets amidst our existing holdings where the combination of sites can add unique value to any new investment.

Dispositions: With private investors accepting rates of return at or below 6%, we believe it is a good time to be a seller into the private market. As mentioned above, we have identified opportunities to generate approximately $700 million through potential asset sales and recapitalizations, and we are exploring the market to determine if we can clear our return thresholds and source attractively priced capital at or above NAV. We are focused on liquid assets where we can retain capital for deleveraging. These include high-basis assets and those that lend themselves to partial sales and loan repayment. We are also very focused on opportunities to turn land assets into income streams or retained capital. Given the aggressive pricing of office assets and our stated long-term objective of shifting our portfolio to a 50:50 mix of office and multifamily, we are targeting primarily office assets in submarkets where we have less concentration and where we anticipate lower growth rates going forward relative to other opportunities within our portfolio.

Development: We continue to make progress advancing the entitlements and readiness of opportunities in our Future Development Pipeline. As we have stated before, the anchor and amenity retail projects in Phase I of our transformative repositioning of Crystal City are the only assets we are committed to build. The remaining Future Development assets will become investment opportunities only when market conditions warrant and when we have sufficient balance sheet capacity. Multifamily assets remain attractive given an expected decline in supply levels into 2019 and we are bullish on the long-term trajectory of apartment rents in our submarkets. As is always the case, we will not commence construction on any development opportunity until we have a guaranteed maximum-price construction contract in place.

Culture and Governance

We pride ourselves on a transparent and collaborative culture that rewards merit and talent over tenure. We strive to align goals and rewards with the creation of long-term value, and we place a premium on accountability and fairness. It is these factors that have allowed us to cultivate and retain a strong bench of investment, operating, and development expertise across asset classes. An ownership mentality is ingrained in our corporate culture evidenced by the fact that 100% of our senior vice presidents and above participate in our performance-based equity compensation program, further aligning daily decision making with the interests of our shareholders.

We have an outstanding Board of Trustees with deep experience in the public markets and strong capital allocation credentials. While maintaining these strengths, we believe our board should evolve in a direction that reflects the strength and diversity of our national labor force. To this end, since the time of our launch, our Board has made a long-term commitment to establish an equal balance between men and women and one that reflects the diversity of our country. These goals will not be achieved overnight, but they are deeply important to us, and we are committed to them over the long term. Over time, we also intend to increase the proportion of independent Trustees serving on our Board.

Together with our Board of Trustees, in the period following the merger, we have reviewed our corporate governance structure to ensure that it reflects our culture of transparency and fairness. As a result of our analysis, and in the spirit of "majority rule" and aligning our governance practices with corporate America generally, we have decided to make several proactive, shareholder-aligned changes. These changes include allowing a majority of our shareholders to amend our bylaws, call a special meeting of shareholders, and approve business combinations. We also opted out of the Maryland Unsolicited Takeover Act and the Maryland

Business Combinations Act, subject to shareholder approval. We are making these elections to send a strong signal to investors about the seriousness with which we take shareholder alignment. We believe that these changes, combined with our significant inside ownership of the company, create a powerful dynamic to drive long-term growth and value creation.

* * *

Market Commentary and Fourth Quarter Results

Washington, DC Market Update

DC closed out 2017 with office market conditions that were largely unchanged from their position last quarter and at the end of 2016. While employment growth continued to be strong with 55,400 jobs added, a climate of uncertainty throughout the year dampened office demand. Despite the start-stop nature of federal government budget negotiations and two brief government shutdowns, the bipartisan budget bill that passed in February 2018 is expected to bring some semblance of certainty and increased federal spending within the DC metro region. While we are still analyzing the impacts of the bill, the unwinding of the sequester spending caps and approximately $300 billion of additional spending, much of it on defense, bodes well for office demand in the coming year, particularly in Northern Virginia.

As we predicted, high numbers of residential deliveries kept rents in the Class A apartment market flat. The same job growth that had little impact on the office market drove significant absorption of new supply and caused vacancies to fall by year-end. We continue to believe that as the level of new deliveries falls through 2019, our region's robust demographic fundamentals will drive further declines in vacancy causing apartment rents to grow. As discussed in June, our long-term NOI expectations assume annual multifamily rent growth of 2.75%.

Digging a level deeper than the headline statistics, we continue to see strong outperformance in our amenity-rich, transit-oriented infill offerings. While the overall office market has a direct vacancy rate of 15.9%, our submarkets maintained a spread that was 200-250 basis points lower all year, finishing at 13.9% vacant. The rent spread between these markets is similarly substantial in a positive direction, at nearly $8.50 per square foot (full service). Class B assets in the District continue to strongly outperform with vacancy falling to 7.8% - their lowest level in over five years. Rents in that class remain just below $50 per square foot full service, representing a spread of over $15 per square foot with Arlington Class B and almost $10 per square foot with Arlington Class A. We believe that this spread strongly favors our strategy of targeting Class B tenants priced out of downtown DC as prospects for Crystal City. The trophy market also remains strong in the CBD, with vacancy for existing buildings below 10% and rents in excess of $80 per square foot (full service). The laggard continues to be Commodity A buildings, although softened pricing and generous concessions drove stronger absorption in this sector through 2017, finishing the year at 16.5% vacant.

As a reminder, on a square footage basis, approximately 5% of our operating portfolio in the District is Trophy, 35% is Class A, and 60% is Class B. Upon delivery of all assets currently under construction in DC, approximately 16% of our operating portfolio in Washington, DC will be Trophy, 31% will be Class A, and 53% will be Class B. Our Class A exposure in the District is less than 10% of our total operating portfolio. We continue to expect office market rent growth to be back end weighted at 2.0% over the next five to six years.

Our transit-oriented apartment markets also outperformed, with vacancy of 9.5% representing an average 120 basis point advantage over the overall market average of 10.7% throughout 2017. Rent spreads were more muted largely due to the peak of 14,000 new units delivered this year. While rent growth was subdued in 2017, flat performance in the context of record deliveries speaks to the strength of these locations and the impact of Washington's continued strong population growth. This is particularly impactful given that our submarkets saw approximately 70% of 2017's new supply.

Despite relatively flat fundamentals, 2017 was a strong year for investment sales. Office sales finished the year with over $5.7 billion in transactions compared to $4.3 billion in 2016. 83% of those sales occurred in our submarkets, further underscoring the depth of liquidity in those markets. Investors have displayed a willingness to pay near trophy prices for the best Commodity A assets, as cap rates dip and investor competition remains robust for the best Trophy properties. The strong pricing and deep pool of demand for core office assets lines up well with our capital recycling strategy discussed above. On the multifamily side, sales volume ended the year at just over $4.5 billion. Our markets made up less than $1 billion of the total volume, reflecting the current preference among investors for suburban Class B/C apartments, which accounted for 40% of the volume in 2017. The relative lack of capital flow into urban infill multifamily has caused a slight widening of cap rates for these assets but has also reduced the number of new construction starts in these locations. We believe this is a reflection of a domestic capital base in which many private investors are overweight this asset class after years of record investment levels. We will be watching this sector closely as these conditions may generate attractive buying opportunities down the road.

Operating Portfolio

Notwithstanding a relatively flat market, we had a solid finish to the year. During the fourth quarter we completed 558,000 square feet of office leases at our share in 48 lease transactions, of which 437,000 square feet was in our operating portfolio. Our 12 million square foot office portfolio (at share) generated $284.2 million of annualized NOI during the fourth quarter and was 88% leased at year-end. For second generation leases, the rental rate mark to market was -8.8% on a cash basis. During the quarter we signed significant renewals with Lockheed Martin, Conservation International and Immigration and Customs Enforcement - all existing Crystal City tenants.

Our average lease term in the operating office portfolio was 5.7 years, and we have a manageable lease expiration schedule through 2023, averaging approximately 12% of our total square footage each year. Our lease rollover exposure is also manageable in Crystal City averaging 11.6% of our leased square footage in that submarket each year through 2023. Leasing concession packages remain elevated with tenant improvements ranging from $40-$120 per square foot, depending on the location and quality of the asset, and rental abatement continues to average approximately one month per year of term.

Our approximately 4,200 unit operating residential portfolio (at share) finished the fourth quarter at 95.6% leased. While the overall market has experienced softness in certain submarkets, our operating residential portfolio generated $72.7 million of annualized NOI during the fourth quarter. The Bartlett, a 699-unit residential asset located in Pentagon City that includes a Whole Foods, was 95% leased as of the end of the fourth quarter and has delivered strong NOI performance. We anticipate a competitive rental rate environment during 2018 as last year's peak deliveries continue to lease up, but we expect supply to moderate in 2018 and 2019.

Development Portfolio

Under Construction

As of the fourth quarter, we had ten assets Under Construction, all of which had guaranteed maximum price construction contracts. These assets had a weighted average estimated completion date of third quarter 2019, a weighted average estimated stabilization date of first quarter 2021, and a projected NOI yield based on estimated total project cost of 7.1%. During the fourth quarter we started construction on 965 Florida Avenue, a

433-unit (416-unit at our share) multifamily building with approximately 46,000-square feet of retail that will be anchored by a Whole Foods and stands adjacent to our other holdings in the U Street/Shaw submarket of Washington, DC. In December, we announced leases with Host Hotels & Resorts and Booz Allen Hamilton totaling 120,000 square feet at 4747 Bethesda Avenue, a 287,000-square foot office building in the Bethesda CBD, bringing the building to 69.8% preleased. Our leasing success at this asset further highlights the outperformance of high quality properties in submarkets with substantial amenities, including close proximity to the Metro.

Near-Term Development

We do not have any assets in the Near-Term Development pipeline at year-end.

Future Development Pipeline

Our Future Development Pipeline comprises 17.9 million square feet, approximately 97% of which is Metro-served, with an estimated total investment per square foot of $41.15. This quarter we also provided additional disclosure by breaking our Future Development Pipeline into submarkets to help investors better understand this portion of our portfolio. This should enable investors to compare our total cost with market land values and more easily underwrite the embedded upside in this part of our portfolio. As of the fourth quarter, approximately 2% of this pipeline was in the DC CBD, 19% was in the DC emerging markets, 17% was in Crystal City, 26% was in Pentagon City, 23% was in Reston, 5% was in other Virginia submarkets, and 8% was in Maryland.

Amazon

In January, Amazon announced a shortlist of 20 cities for its second headquarters (HQ2). We were pleased to see three of our region's submarkets included in the next round competing for HQ2. The world is full of theories on who will win and why, and every city believes it has a compelling pitch for why they will rise to the top. We intend to keep our heads down and work hard to show why we believe Northern Virginia, and specifically Crystal City, should make the final cut. Cushman & Wakefield ranked Washington as the top Tech City on Amazon's shortlist and 3rd nationally after San Jose and San Francisco. This combined with our blend of walkable places, in-place infrastructure and low-cost housing makes Crystal City a compelling location. Our holdings alone can accommodate Amazon's entire long-term space requirement and we have a cost advantage over our competitors given the existing in-place parking and substantial infrastructure. Crystal City has plenty of capacity to accommodate Amazon or any large user looking for a sizeable home in an urban market. Moreover, Crystal City is a short walk to Reagan National Airport, a distance that will become even shorter when the Crystal City BID completes construction of a planned pedestrian connection between the two. It's hard not to get excited about a user that would represent 4x the last ten years of net absorption in our region. Amazon is a compelling growth engine and were they to select this region, they would do wonders for the Washington economy. As we've said before, the process will be fiercely competitive, and we intend to work hard, expect nothing, and hope for the best.

Third-Party Asset Management and Real Estate Services Business

Our share of revenue from our third-party asset management and real estate services business was $14.2 million in the fourth quarter, primarily driven by $5.8 million in property management fees and $4.0 million in asset management fees. The portion of these fees associated with the legacy JBG Funds totaled $6.5 million. The legacy JBG Funds continued to dispose of assets, consistent with our plan to wind down the fund portion of this business over the next five to seven years. Since the spin-off in July, the legacy JBG Funds have sold approximately $800 million of assets. While somewhat lumpy and dependent on market conditions, we anticipate the decline in our revenue from services to the Fund business to be fairly linear over the wind down period. We also expect a corresponding decline in G&A as the fund business winds down.

Disposition Activity

On the disposition side, we made progress on our stated goal to raise capital through asset sales in the private markets. Last month, we announced a joint venture with Canada Pension Plan Investment Board (CPPIB) at 1900 N Street, an Under Construction, 271,000-square foot, Trophy office building located in the downtown CBD. CPPIB invests the funds of the Canada Pension Plan and manages C$337.1 billion (as of the fourth quarter of 2017) on its behalf. 1900 N Street is 29.6% preleased to Goodwin Procter (a global 50 law firm) from the top down. CPPIB will invest approximately $101 million for a 45% interest in the venture and we will continue to develop, manage and lease the asset. Our historical cost for 1900 N Street was $69 million as of the fourth quarter, prior to reflecting an adjustment resulting from the formation transaction. Our work on entitling the property, pre-leasing a sizable portion of space, and executing a guaranteed maximum-price construction contract reduced the risk and increased the investment attractiveness for a capital partner like CPPIB, allowing us to contribute the asset to the joint venture at an implied value of $90 million as of the fourth quarter, a $21 million premium to our cost. This transaction demonstrates our intent and ability to source capital at or above our NAV when possible. Our expanded partnership with CPPIB provides us with the opportunity to recycle $100 million of capital previously committed to 1900 N Street into other higher-yielding investment opportunities.

Balance Sheet

A key element of our strategy entails executing our growth plans while maintaining prudent leverage levels. At year-end, we had approximately $317 million of cash and $1.2 billion of capacity under our credit facility.

During the fourth quarter, we closed two asset-level loans totaling $148 million (at share) and executed short-term extensions of three loans we expect to refinance in 2018. We also repaid two asset-level loans, including a $67.3 million multifamily loan as part of our plan to increase our pool of unencumbered multifamily assets. We executed $857 million of floating-to-fixed interest rate swaps during the fourth quarter, including hedging the second $50 million draw on our Term Loan A-1 facility in January 2018. Our fixed-rate debt now represents approximately 70% of our total debt, which is in-line with our target range of 70%-80% fixed.

As of December 31, 2017, our Net Debt/EBITDA was 7.1x and our Net Debt/Total Enterprise Value was 32%. The $766 million of remaining construction costs to complete our assets Under Construction can be fully funded with cash on hand, in place construction loans, and available draws on our term loan facilities.

* * *

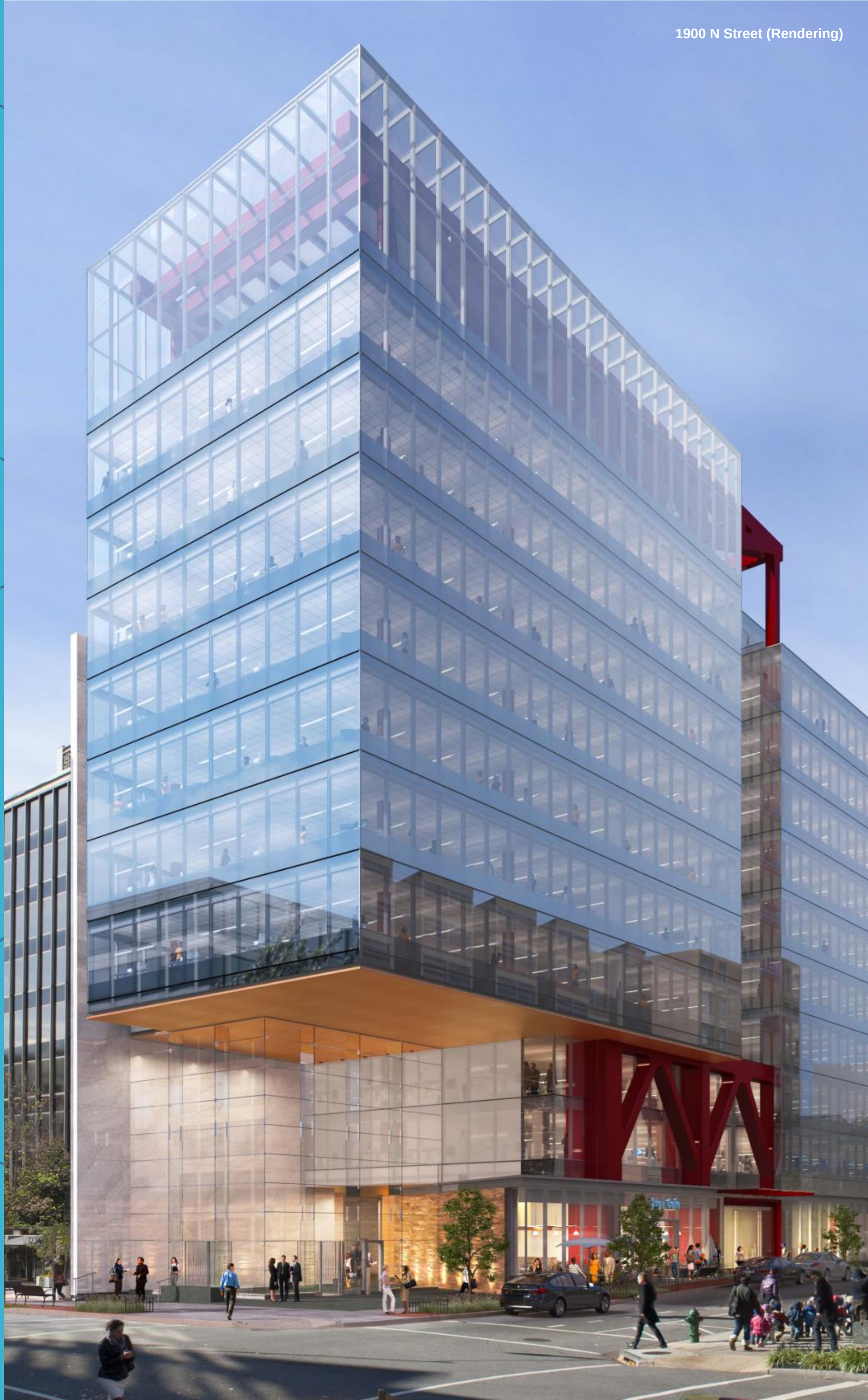
We appreciate the time that you have invested reading this letter and getting to know our company and strategy. We look forward to creating value for you as our growth plans unfold, and we hope that you are as excited about the future of our platform and our portfolio as we are. Our team is energized and focused on the opportunities before us, and we will continue to work hard to maintain your trust and confidence.

Matt

W. Matthew Kelly
Chief Executive Officer

4Q17 EARNINGS RELEASE

SECTION TWO



FOR IMMEDIATE RELEASE

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JBG SMITH ANNOUNCES FOURTH QUARTER 2017 RESULTS

Chevy Chase, MD (March 12, 2018) — JBG SMITH (NYSE: JBGS), a leading owner and developer of high-quality, mixed-use properties in the Washington, DC market, today filed its Form 10-K for the year ended December 31, 2017 and reported its financial results below.

Additional information regarding our results of operations, properties and tenants can be found in our Fourth Quarter 2017 Investor Report, which is posted in the Investor Relations section of our website at www.jbgsmith.com.

Fourth Quarter 2017 Financial Results

- Net loss attributable to common shareholders was $(16.4) million, or $(0.15) per diluted share.
- Funds From Operations ("FFO") attributable to common shareholders was $32.5 million, or $0.28 per diluted share.
- Core Funds From Operations ("Core FFO") attributable to common shareholders was $49.4 million, or $0.42 per diluted share.

Six Months Ended December 31, 2017 Financial Results

- Net loss attributable to common shareholders was $(86.2) million, or $(0.76) per diluted share.
- FFO attributable to common shareholders was $6.5 million, or $0.06 per diluted share.
- Core FFO attributable to common shareholders was $103.4 million, or $0.89 per diluted share.
- Note that our acquisition of the management business and certain assets and liabilities of The JBG Companies (the "JBG Assets") has been accounted for as a business combination and the results from these operations have been included in our financial results commencing on July 18, 2017. Accordingly, these results exclude the net loss, FFO, and Core FFO from the JBG Assets for the period July 1, 2017 to July 17, 2017.

Operating Portfolio Highlights

- Annualized Net Operating Income ("NOI") for the three months ended December 31, 2017 was $363.3 million compared with $357.5 million for the three months ended September 30, 2017. (Includes the JBG Assets as if the acquisition of the JBG Assets occurred on July 1, 2017.)
- The operating office portfolio was 88.0% leased and 87.2% occupied as of December 31, 2017 compared with 88.2% and 87.5% as of September 30, 2017.
- The operating multifamily portfolio was 95.6% leased and 93.8% occupied as of December 31, 2017 compared with 96.2% and 94.6% as of September 30, 2017.

- The operating other portfolio (excluding the Crystal City Marriott Hotel) was 96.5% leased and 96.2% occupied as of December 31, 2017 compared with 98.8% and 97.6% as of September 30, 2017.
- Executed approximately 558,000 square feet of office leases at our share in the fourth quarter, totaling approximately 212,000 square feet of new leases, and approximately 346,000 square feet of second generation leases, which generated a 9.1% rental rate increase on a GAAP basis and an 8.8% rental rate decrease on a cash basis.
- Same Store Net Operating Income ("SSNOI") increased 10.3% to $71.6 million for the three months ended December 31, 2017 compared with $64.9 million for the three months ended December 31, 2016 and 6.5% to $272.0 million for the year ended December 31, 2017 compared with $255.3 million for the year ended December 31, 2016. The increase in SSNOI is largely attributable to higher rental revenue from new leases, the expiration of rent abatements and the expiration of certain payments associated with assumed lease liabilities. The same store pool for the three months and year ended December 31, 2017 includes only the assets that were in service for the entirety of both periods being compared and does not include any JBG Assets.

Development Portfolio Highlights

Under Construction

- As of December 31, 2017, there were ten assets under construction (four office assets, five multifamily assets and one other asset), consisting of 1.2 million square feet and 1,568 units, both at our share.
- During the fourth quarter, we commenced construction on one multifamily asset (965 Florida Avenue).

Near-Term Development

- As of December 31, 2017, there were no assets in near-term development.

Future Development Pipeline

- As of December 31, 2017, there were 43 future development assets consisting of 17.9 million square feet of estimated potential density at our share.

Third-Party Asset Management and Real Estate Services Business

- For the three months ended December 31, 2017, revenue from third-party real estate services, including reimbursements was $24.4 million. Excluding reimbursements and service revenue from our interests in consolidated and unconsolidated joint ventures, revenue from our third-party asset management and real estate services business was $14.2 million, of which $5.8 million came from property management fees, $4.0 million came from asset management fees, $1.7 million came from leasing fees, $1.7 million came from development fees, $0.7 million came from construction management fees and $0.3 million came from other service revenue.
- The general and administrative expenses allocated to the third-party asset management and real estate services business were $10.3 million for the three months ended December 31, 2017.

Balance Sheet

- We had $2.2 billion of debt ($2.6 billion including our share of debt of unconsolidated ventures) as of December 31, 2017. Of the $2.6 billion of debt at our share, approximately 70% was fixed-rate, and we have caps in place for approximately 19%.

- At December 31, 2017, our enterprise value was approximately $7.0 billion, comprised of 137.7 million common shares and units valued at $4.8 billion and debt at our share of $2.6 billion, less cash and cash equivalents.
- The weighted average interest rate of our debt at share was 4.05% at December 31, 2017.
- As of December 31, 2017, we had $329 million of cash and cash equivalents, including our share of cash and cash equivalents from unconsolidated joint ventures, and $1.2 billion of capacity under our credit facility.
- Net Debt / Adjusted EBITDA at our share for the three months ended December 31, 2017 was 7.1x and our Net Debt / Total Enterprise Value was 32%.

Financing Activities

During the fourth quarter we:

- Closed two loans with an aggregate credit limit of $148.4 million at our share:
  - A $78.0 million loan on 1235 South Clark, an office asset in the Crystal City submarket of Arlington, VA. The loan has a 10-year term and a fixed interest rate of 3.94%; and
  - A $110.0 million refinancing on Atlantic Plumbing ($70.4 million at our share), a multifamily asset in the U Street/Shaw submarket of Washington, DC. The loan has a 5-year term and a floating interest rate of LIBOR + 1.50%. A swap agreement has been placed to fix the interest rate of 5.08% through September 2020. At closing, $100.0 million was funded, which was used in part to repay the existing $88.4 million loan. We have the ability to draw an additional $10.0 million subject to the asset's performance.
- Repaid approximately $78.2 million of secured debt:
  - A $67.3 million loan on 220 20th Street, a multifamily asset in Crystal City, VA; and
  - A $10.9 million loan on Capitol Point – North, a development parcel in the NoMa submarket of Washington, DC.
- Entered into agreements in the aggregate notional amounts of $792.9 million to swap variable interest rates to fixed rates on the following debt instruments:
  - $50.0 million related to our Tranche A-1 Term Loan;
  - $107.7 million related to our mortgage loan on RTC - West;
  - $107.5 million related to our mortgage loan on 800 North Glebe Road;
  - $307.7 million related to our mortgage loan on River House; and
  - $220.0 million related to our mortgage loan on The Bartlett.
- Executed short-term extensions of three loans we expect to refinance in 2018.

Subsequent to December 31, 2017, we:

- Drew an additional $50 million under the Term Loan A-1, in accordance with the delayed draw provisions of the credit facility. Concurrent with the draw, we entered into an agreement to swap the variable interest rate to a fixed rate.
- Closed a $48.0 million loan on The Alaire ($8.6 million at our share), a residential asset in the Twinbrook submarket of Rockville, MD. The loan has a term of 7 years and a variable interest rate of LIBOR + 1.82%. At closing, $47.0 million was funded, with the ability to draw an additional $1.0 million subject to the asset's performance. Concurrent with the loan closing, we entered into an agreement to cap the maximum LIBOR rate under the loan for three years.
- Closed a joint venture with Canada Pension Plan Investment Board ("CPPIB") at 1900 N Street, an Under Construction, 271,000-square foot, Trophy office building located in the DC CBD. 1900 N Street is 29.6% preleased to Goodwin Procter, a global 50 law firm, from the top down. CPPIB will invest

approximately $101 million for a 45% interest in the venture, and we will continue to develop, manage and lease the asset.

Dividends

On December 18, 2017, we declared a dividend of $0.225 per common share, an indicated annual dividend of $0.90 per common share. The dividend was paid on January 8, 2018 to common shareholders of record as of December 29, 2017.

About JBG SMITH

JBG SMITH is an S&P 400 company that owns, operates, invests in and develops assets concentrated in leading urban infill submarkets in and around Washington, DC. Our mixed-use operating portfolio comprises approximately 20 million square feet of high-quality office, multifamily and retail assets, 98% of which are Metro-served. With a focus on placemaking, we drive synergies across the portfolio and create amenity-rich, walkable neighborhoods. JBG SMITH's future development pipeline includes 17.9 million square feet of potential development density at our share. For additional information on JBG SMITH please visit www.jbgsmith.com.

Forward Looking Statements

Certain statements contained herein may constitute "forward-looking statements" as such term is defined in Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. Forward-looking statements are not guarantees of performance. They represent our intentions, plans, expectations and beliefs and are subject to numerous assumptions, risks and uncertainties. Consequently, the future results of JBG SMITH Properties ("JBG SMITH" or the "Company") may differ materially from those expressed in these forward-looking statements. You can find many of these statements by looking for words such as "approximate", "believes", "expects", "anticipates", "estimates", "intends", "plans", "would", "may" or similar expressions in this document. We also note the following forward-looking statements: our expected annualized dividend per share and dividend yield, estimated net operating income; in the case of our construction and near-term development assets, estimated square feet, estimated number of units, the estimated completion date, estimated stabilization date, estimated incremental investment, estimated total investment, projected net operating income yield and estimated stabilized net operating income; and in the case of our future development assets, estimated potential development density, estimated commercial SF/multifamily units to be replaced, estimated remaining acquisition cost, estimated capitalized cost and estimated total investment. Many of the factors that will determine the outcome of these and our other forward-looking statements are beyond our ability to control or predict. These factors include, among others: adverse economic conditions in the Washington, DC metropolitan area, the timing of and costs associated with development and property improvements, financing commitments, and general competitive factors. For further discussion of factors that could materially affect the outcome of our forward-looking statements and other risks and uncertainties, see "Risk Factors" and the Cautionary Statement Concerning Forward-Looking Statements in JBG SMITH's Annual Report on Form 10-K for the year ended December 31, 2017 filed with the Securities and Exchange Commission (the "SEC") on March 12, 2018. For these statements, we claim the protection of the safe harbor for forward-looking statements contained in the Private Securities Litigation Reform Act of 1995. You are cautioned not to place undue reliance on our forward-looking statements. All subsequent written and oral forward-looking statements attributable to us or any person acting on our behalf are expressly qualified in their entirety by the cautionary statements contained or referred to in this section. We do not undertake any obligation to release publicly any revisions to our forward-looking statements after the date hereof.

Pro Rata Information

We present certain financial information and metrics in this release “at JBG SMITH Share,” which refers to our ownership percentage of consolidated and unconsolidated assets in real estate ventures (collectively, “real estate ventures”) as applied to these financial measures and metrics. Financial information “at JBG SMITH Share” is calculated on an asset-by-asset basis by applying our percentage economic interest to each applicable line item of that asset’s financial information. “At JBG SMITH Share” information, which we also refer to as being “at share,” “our pro rata share” or “our share,” is not, and is not intended to be, a presentation in accordance with GAAP. Given that a substantial portion of our assets are held through real estate ventures, we believe this form of presentation, which presents our economic interests in the partially owned entities, provides investors valuable information regarding a significant component of our portfolio, its composition, performance and capitalization.

We do not control the unconsolidated real estate ventures and do not have a legal claim to our co-venturers’ share of assets, liabilities, revenue and expenses. The operating agreements of the unconsolidated real estate ventures generally allow each co-venturer to receive cash distributions to the extent there is available cash from operations. The amount of cash each investor receives is based upon specific provisions of each operating agreement and varies depending on certain factors including the amount of capital contributed by each investor and whether any investors are entitled to preferential distributions.

With respect to any such third-party arrangement, we would not be in a position to exercise sole decision-making authority regarding the property, real estate venture or other entity, and may, under certain circumstances, be exposed to economic risks not present were a third-party not involved. We and our respective co-venturers may each have the right to trigger a buy-sell or forced sale arrangement, which could cause us to sell our interest, or acquire our co-venturers’ interests, or to sell the underlying asset, either on unfavorable terms or at a time when we otherwise would not have initiated such a transaction. Our real estate ventures may be subject to debt, and the refinancing of such debt may require equity capital calls. To the extent our co-venturers do not meet their obligations to us or our real estate ventures or they act inconsistent with the interests of the real estate venture, we may be adversely affected. Because of these limitations, the non-GAAP “at JBG SMITH Share” financial information should not be considered in isolation or as a substitute for our financial statements as reported under GAAP.

Non-GAAP Financial Measures

This release includes non-GAAP financial measures. For these measures, we have provided an explanation of how these non-GAAP measures are calculated and why JBG SMITH’s management believes that the presentation of these measures provides useful information to investors regarding JBG SMITH’s financial condition and results of operations. Reconciliations of certain non-GAAP measures to the most directly comparable GAAP financial measure are included in this earnings release. Our presentation of non-GAAP financial measures may not be comparable to similar non-GAAP measures used by other companies. In addition to "at share" financial information, the following non-GAAP measures are included in this release:

Earnings Before Interest, Taxes, Depreciation and Amortization ("EBITDA") and Adjusted EBITDA

Management uses EBITDA as a supplemental operating performance measure and believes it helps investors and lenders meaningfully evaluate and compare our operating performance from period- to -period by removing from our operating results the impact of our capital structure (primarily interest charges from our consolidated outstanding debt and the impact of our interest rate swaps) and certain non-cash expenses (primarily depreciation and amortization on our assets). This supplemental measure may help investors and lenders understand our ability to incur and service debt and to make capital expenditures. EBITDA is not a substitute for net income (loss) (computed in accordance with GAAP) and may not be comparable to similarly titled measures used by other companies.

“Adjusted EBITDA,” a non-GAAP financial measure, represents EBITDA adjusted for items we believe are not representative of ongoing operating results, such as non-recurring transaction and other costs, gain (loss) on the extinguishment of debt, gain on the bargain purchase of a business, impairment of real estate and investments in unconsolidated joint ventures and share-based compensation expense related to the Formation Transaction. We believe that adjusting such items not considered part of our comparable operations, provides a meaningful measure to evaluate and compare our performance from period-to-period.

Because EBITDA and Adjusted EBITDA have limitations as analytical tools, we use EBITDA and Adjusted EBITDA to supplement GAAP financial measures. Additionally, we believe that users of these measures should consider EBITDA and Adjusted EBITDA in conjunction with net income (loss) and other GAAP measures in understanding our operating results.

Funds from Operations ("FFO"), Core FFO and Funds Available for Distribution (“FAD")

FFO is a non-GAAP financial measure computed in accordance with the definition established by the National Association of Real Estate Investment Trusts (“NAREIT”). NAREIT defines FFO as “net income (computed in accordance with GAAP), excluding gains (or losses) from sales of, or impairment charges related to, depreciable operating properties, plus depreciation and amortization, and after adjustments for unconsolidated partnerships and joint ventures.”

"Core FFO" represents FFO adjusted to exclude items (net of tax) which we believe are not representative of ongoing operating results, such as transaction and other costs, gains (or losses) on extinguishment of debt, gain on the bargain purchase of a business, gains (or losses) on the disposal of non-depreciable assets, share-based compensation expense related to the Formation Transaction, amortization of the management contracts intangible and the mark-to-market of interest rate swaps.

"FAD" is a non-GAAP financial performance measure and represents FFO less cash basis recurring tenant improvements, leasing commissions and other capital expenditures, net deferred rent activity, recurring share-based compensation expense, accretion of acquired below-market leases, net of amortization of acquired above-market leases, amortization of debt issuance costs and other non-cash income and charges. FAD is presented solely as a supplemental disclosure that management believes provides useful information as it relates to our ability to fund dividends.

We believe FFO, Core FFO and FAD are meaningful non-GAAP financial measures useful in comparing our levered operating performance from period-to-period and as compared to similar real estate companies because these non-GAAP measures exclude real estate depreciation and amortization expense and other non-comparable income and expenses, which implicitly assumes that the value of real estate diminishes predictably over time rather than fluctuating based on market conditions. FFO, Core FFO and FAD do not represent cash generated from operating activities and are not necessarily indicative of cash available to fund cash requirements and should not be considered as an alternative to net income as a performance measure or cash flow as a liquidity measure. FFO, Core FFO and FAD may not be comparable to similarly titled measures used by other companies.

Net Operating Income ("NOI") and Annualized NOI

"NOI" is a non-GAAP financial measure management uses to measure the operating performance of our assets and consists of property-related revenue (which includes base rent, tenant reimbursements and other operating revenue, net of free rent and payments associated with assumed lease liabilities) less operating expenses and ground rent, if applicable. NOI also excludes deferred rent, related party management fees, interest expense, and certain other non-cash adjustments, including the accretion of acquired below-market leases and amortization of acquired above-market leases and below-market ground lease intangibles. Annualized NOI represents NOI for the three months ended December 31, 2017 multiplied by four. Management believes Annualized NOI provides useful information in understanding JBG SMITH's financial performance over a 12-month period, however, investors and other users are cautioned against attributing undue certainty to our calculation of Annualized NOI. Actual NOI for any 12-month period will depend on a number of factors beyond our ability to control or predict, including general capital markets and economic conditions, any bankruptcy, insolvency, default or other failure to pay rent by one or more of our tenants and the destruction of one or more of our assets due to terrorist attack, natural disaster or other casualty, among others. We do not undertake any obligation to update our calculation to reflect events or circumstances occurring after the date of this earnings release. There can be no assurance that the annualized NOI shown will reflect JBG SMITH's actual results of operations over any 12-month period. We also report adjusted annualized NOI which includes signed but not yet commenced leases and incremental revenue from recently delivered assets assuming stabilization. While we believe adjusted annualized NOI provides useful information regarding potential future NOI from our assets, it does not account for any decrease in NOI for lease terminations, defaults or other negative events that could affect NOI and therefore, should not be relied upon as indicative of future NOI.

Management uses each of these measures as supplemental performance measures for its assets and believes they provide useful information to investors because they reflect only those revenue and expense items that are incurred at the asset level, excluding non-cash items. In addition, NOI is considered by many in the real estate industry to be a useful starting point for determining the value of a real estate asset or group of assets.

However, because NOI excludes depreciation and amortization and captures neither the changes in the value of our assets that result from use or market conditions, nor the level of capital expenditures and capitalized leasing commissions necessary to maintain the operating performance of our assets, all of which have real economic effect and could materially impact the financial performance of our assets, the utility of this measure of the operating performance of our assets is limited. Moreover, our method of calculating NOI may differ from other real estate companies and, accordingly, may not be comparable. NOI should be considered only as a supplement to net operating income (loss) (computed in accordance with GAAP) as a measure of the operating performance of our assets.

Same Store and Non-Same Store

"Same store" refers to the pool of assets that were in service for the entirety of both periods being compared, except for assets for which significant redevelopment, renovation, or repositioning occurred during either of the periods being compared. No JBG Assets are included in the same store pool.

"Non-same store" refers to all assets excluded from the same store pool.

CONDENSED CONSOLIDATED AND COMBINED BALANCE SHEETS

in thousands		December 31, 2017		December 31, 2016
ASSETS				
Real estate, at cost:				
Land and improvements	$	1,368,294	$	939,592
Buildings and improvements		3,670,268		3,064,466
Construction in progress, including land		978,942		151,333
Real estate held for sale		8,293		—
		6,025,797		4,155,391
Less accumulated depreciation		(1,011,330)		(930,769)
Real estate, net		5,014,467		3,224,622
Cash and cash equivalents		316,676		29,000
Restricted cash		21,881		3,263
Tenant and other receivables, net		46,734		33,380
Deferred rent receivable, net		146,315		136,582
Investments in and advances to unconsolidated real estate ventures		261,811		45,776
Receivable from former parent		—		75,062
Other assets, net		263,923		112,955
TOTAL ASSETS	**$**	**6,071,807**	**$**	**3,660,640**
LIABILITIES, REDEEMABLE NONCONTROLLING INTERESTS AND EQUITY				
Liabilities:				
Mortgages payable, net	$	2,025,692	$	1,165,014
Revolving credit facility		115,751		—
Unsecured term loan, net		46,537		—
Payable to former parent		—		283,232
Accounts payable and accrued expenses		138,607		40,923
Other liabilities, net		161,277		49,487
Total liabilities		2,487,864		1,538,656
Commitments and contingencies				
Redeemable noncontrolling interests		609,129		—
Total equity		2,974,814		2,121,984
TOTAL LIABILITIES, REDEEMABLE NONCONTROLLING INTERESTS AND EQUITY	**$**	**6,071,807**	**$**	**3,660,640**

Note: For complete financial statements, please refer to the Company's Annual Report on Form 10-K for the year ended December 31, 2017.

CONDENSED CONSOLIDATED AND COMBINED STATEMENT OF OPERATIONS

in thousands, except per share data	Three Months Ended December 31,		Year Ended December 31,	
	2017	2016	2017	2016
REVENUE				
Property rentals	$ 119,726	$ 102,093	$ 436,625	$ 401,595
Tenant reimbursements	10,824	9,398	37,985	37,661
Third-party real estate services, including reimbursements	24,355	9,265	63,236	33,882
Other income	1,466	1,283	5,167	5,381
Total revenue	156,371	122,039	543,013	478,519
EXPENSES				
Depreciation and amortization	51,933	35,052	161,659	133,343
Property operating	33,714	25,217	111,055	100,304
Real estate taxes	18,456	14,072	66,434	57,784
General and administrative:				
Corporate and other	11,595	12,713	47,131	48,753
Third-party real estate services	21,557	4,794	51,919	19,066
Share-based compensation related to Formation Transaction	14,806	—	29,251	—
Transaction and other costs	12,566	4,948	127,739	6,476
Total operating expenses	164,627	96,796	595,188	365,726
OPERATING INCOME (LOSS)	(8,256)	25,243	(52,175)	112,793
Income (loss) from unconsolidated real estate ventures, net	(2,778)	5	(4,143)	(947)
Interest and other income, net	422	700	1,788	2,992
Interest expense	(14,328)	(13,119)	(58,141)	(51,781)
Loss on extinguishment of debt	(12)	—	(701)	—
Gain (loss) on bargain purchase	(3,395)	—	24,376	—
INCOME (LOSS) BEFORE INCOME TAX BENEFIT (EXPENSE)	(28,347)	12,829	(88,996)	63,057
Income tax benefit (expense)	9,595	(199)	9,912	(1,083)
NET INCOME (LOSS)	(18,752)	12,630	(79,084)	61,974
Net loss attributable to redeemable noncontrolling interests	2,331	—	7,328	—
Net loss attributable to noncontrolling interest	3	—	3	—
NET INCOME (LOSS) ATTRIBUTABLE TO COMMON SHAREHOLDERS	**$ (16,418)**	**$ 12,630**	**$ (71,753)**	**$ 61,974**
EARNINGS (LOSS) PER COMMON SHARE:				
Basic	$ (0.15)	$ 0.13	$ (0.70)	$ 0.62
Diluted	$ (0.15)	$ 0.13	$ (0.70)	$ 0.62
WEIGHTED AVERAGE NUMBER OF COMMON SHARES OUTSTANDING – basic and diluted	117,955	100,571	105,359	100,571

Note: For complete financial statements, please refer to the Company's Annual Report on Form 10-K for the year ended December 31, 2017.

EBITDA AND ADJUSTED EBITDA (NON-GAAP)

dollars in thousands	Three Months Ended December 31, 2017	Six Months Ended December 31, 2017
Condensed Consolidated and Combined Statement of Operations		
Total revenue	$ 156,371	$ 308,721
Total operating expenses	164,627	405,717
Operating Loss	(8,256)	(96,996)
Loss from unconsolidated real estate ventures	(2,778)	(4,457)
Interest and other income, net	422	43
Interest expense	(14,328)	(29,637)
Loss on extinguishment of debt	(12)	(701)
Gain (loss) on bargain purchase	(3,395)	24,376
Loss Before Income Tax Benefit (Expense)	(28,347)	(107,372)
Income tax benefit	9,595	10,629
Net Loss	**$ (18,752)**	**$ (96,743)**
EBITDA and Adjusted EBITDA		
Net loss	$ (18,752)	$ (96,743)
Depreciation and amortization expense	51,933	95,884
Interest expense [(1)]	14,328	29,637
Income tax expense (benefit)	(9,595)	(10,629)
Unconsolidated real estate ventures allocated share of above adjustments	10,864	20,015
EBITDA	**$ 48,778**	**$ 38,164**
Transaction and other costs	12,566	116,661
Loss on extinguishment of debt	12	701
Loss (gain) on bargain purchase	3,395	(24,376)
Share-based compensation related to Formation Transaction	14,806	29,251
Adjusted EBITDA	**$ 79,557**	**$ 160,401**
Net Debt to Adjusted EBITDA [(2)]	**7.1x**	**7.0x**

	December 31, 2017
Net Debt (at JBG SMITH Share)	
Consolidated indebtedness	$ 2,188,104
Unconsolidated indebtedness	395,117
Total consolidated and unconsolidated indebtedness	2,583,221
Less: cash and cash equivalents	328,918
Net Debt (at JBG SMITH Share)	**$ 2,254,303**

Note: Excludes the financial information of the JBG Assets for the period July 1, 2017 to July 17, 2017.

(1) Interest expense includes amortization of deferred financing costs, premiums/discounts and the mark-to-market of interest rate swaps and caps.

(2) For the purposes of this calculation, Adjusted EBITDA for the three months ended December 31, 2017 is annualized by multiplying by four, and Adjusted EBITDA for the six months ended December 31, 2017 is annualized by multiplying by two.

FFO, CORE FFO AND FAD (NON-GAAP)

in thousands, except per share data		Three Months Ended December 31, 2017		Six Months Ended December 31, 2017[(1)]
FFO and Core FFO				
Net loss attributable to common shareholders	$	(16,418)	$	(86,249)
Net loss attributable to redeemable noncontrolling interests		(2,331)		(10,491)
Net loss attributable to noncontrolling interests		(3)		(3)
Net loss		(18,752)		(96,743)
Real estate depreciation and amortization		49,548		90,941
Pro rata share of real estate depreciation and amortization from unconsolidated real estate		7,235		13,294
FFO attributable to operating partnership common units	**$**	**38,031**	**$**	**7,492**
FFO attributable to redeemable noncontrolling interests		(5,572)		(1,015)
FFO attributable to common shareholders	$	32,459	$	6,477
FFO attributable to the operating partnership common units	$	38,031	$	7,492
Transaction and other costs, net of tax		6,709		110,804
Mark-to-market on derivative instruments		(881)		(1,348)
Share of gain from mark-to-market on derivatives held by unconsolidated real estate ventures		(507)		(903)
Loss on extinguishment of debt		12		701
Loss (gain) on bargain purchase		3,395		(24,376)
Share-based compensation related to Formation Transaction		14,806		29,251
Amortization of management contracts intangible, net of tax		161		1,914
Tax benefit associated with the 2017 Tax Act		(3,854)		(3,854)
Core FFO attributable to operating partnership common units	**$**	**57,872**	**$**	**119,681**
Core FFO attributable to redeemable noncontrolling interests		(8,480)		(16,305)
Core FFO attributable to common shareholders	$	49,392	$	103,376
FFO per diluted common share	$	0.28	$	0.06
Core FFO per diluted common share	$	0.42	$	0.89
Weighted average diluted shares		117,955		115,810

(1) Excludes net income (loss) from JBG Assets for the period July 1, 2017 to July 17, 2017.

FFO, CORE FFO AND FAD (NON-GAAP)

in thousands, except per share data	Three Months Ended December 31, 2017	Six Months Ended December 31, 2017
FAD		
Core FFO attributable to the operating partnership common units	$ 57,872	$ 119,681
Recurring capital expenditures and second-generation tenant improvements and leasing commissions	(24,930)	(40,905)
Straight-line and other rent adjustments (1)	887	(669)
Share of straight-line rent from unconsolidated real estate ventures	108	(420)
Third party lease liability assumption payments	(1,059)	(1,059)
Share of third party lease liability assumption payments for unconsolidated real estate ventures	(312)	(312)
Share-based compensation expense	2,028	3,567
Amortization of debt issuance costs	1,060	2,585
Share of debt issuance costs from unconsolidated real estate ventures	54	86
Non-real estate depreciation and amortization	928	1,733
FAD available to the Operating Partnership Common Units (A)	**$ 36,636**	**$ 84,287**
Distributions to common shareholders and unitholders (B)	$ 31,097	$ 62,195
FAD Payout Ratio (B÷A) (2)	84.9%	73.8%

Capital Expenditures		
Maintenance and recurring capital expenditures	$ 19,054	$ 22,595
Share of maintenance capital and recurring expenditures from unconsolidated joint ventures	1,049	1,393
Second generation tenant improvements and leasing commissions	3,925	13,299
Share of second generation tenant improvements and leasing commissions from unconsolidated real estate ventures	902	3,618
Recurring capital expenditures and second-generation tenant improvements and leasing commissions	24,930	40,905
First generation tenant improvements and leasing commissions	7,584	7,584
Share of first generation tenant improvements and leasing commissions from unconsolidated real estate ventures	1,285	1,285
Non-recurring capital expenditures from consolidated properties	3,593	5,699
Share of non-recurring capital expenditures from unconsolidated joint ventures	1,029	1,471
Non-recurring capital expenditures	13,491	16,039
Total JBG SMITH Share of Capital Expenditures	**$ 38,421**	**$ 56,944**

Note: Excludes net income (loss) from the JBG Assets for the period July 1, 2017 to July 17, 2017.

(1) Includes straight-line rent, above/below market lease amortization and lease incentive amortization.

(2) The FAD payout ratio on a quarterly basis is not necessarily indicative of an amount for the full year due to fluctuation in timing of capital expenditures, the commencement of new leases and the seasonality of our operations.

NOI RECONCILIATIONS (NON-GAAP)

dollars in thousands	Three Months Ended December 31, 2017	2016
Net income (loss) attributable to common shareholders	$ (16,418)	$ 12,630
Add:		
Depreciation and amortization expense	51,933	35,052
General and administrative expense:		
Corporate and other	11,595	12,713
Third-party real estate services	21,557	4,794
Share-based compensation related to Formation Transaction	14,806	—
Transaction and other costs	12,566	4,948
Interest expense	14,328	13,119
Loss on extinguishment of debt	12	—
Income tax expense (benefit)	(9,595)	199
Less:		
Third-party real estate services, including reimbursements	24,355	9,265
Other income	1,466	1,283
Loss from unconsolidated real estate ventures, net	(2,778)	5
Interest and other income (loss), net	422	700
Gain on bargain purchase	(3,395)	—
Net loss attributable to redeemable noncontrolling interests	2,331	—
Net loss attributable to noncontrolling interest	3	—
Consolidated NOI	78,380	72,202
NOI attributable to consolidated JBG Assets [1]	—	10,492
Proportionate NOI attributable to unconsolidated JBG Assets [1]	—	3,376
Proportionate NOI attributable to unconsolidated real estate ventures [2]	8,644	1,763
Non-cash rent adjustments [3]	887	(4,114)
Other adjustments [4]	2,906	(2,194)
Total adjustments	12,437	9,323
NOI	**$ 90,817**	**$ 81,525**
Non-same store NOI	**19,205**	**16,580**
Same store NOI	**$ 71,612**	**$ 64,945**
Number of properties in same store pool	36	36

(1) Proportionate NOI attributable to unconsolidated real estate ventures includes Vornado Included Assets for all of 2017 and 2016 and JBG Assets for 2017 for the period July 18, 2017 to December 31, 2017.

(2) Adjustment to include straight-line rent, above/below market lease amortization and lease incentive amortization.

(3) Adjustment to include other income and payments associated with assumed lease liabilities related to operating properties, and exclude incidental income generated by development assets and commercial lease termination revenue.

(4) Adjustment to include other income and payments associated with assumed lease liabilities related to operating properties, and exclude incidental income generated by development assets and commercial lease termination revenue.

NOI RECONCILIATIONS (NON-GAAP)

dollars in thousands	Year Ended December 31, 2017	Year Ended December 31, 2016
Net income (loss) attributable to common shareholders	$ (71,753)	$ 61,974
Add:		
Depreciation and amortization expense	161,659	133,343
General and administrative expense:		
Corporate and other	47,131	48,753
Third-party real estate services	51,919	19,066
Share-based compensation related to Formation Transaction	29,251	—
Transaction and other costs	127,739	6,476
Interest expense	58,141	51,781
Loss on extinguishment of debt	701	—
Income tax expense (benefit)	(9,912)	1,083
Less:		
Third-party real estate services, including reimbursements	63,236	33,882
Other income	5,167	5,381
Income (loss) from unconsolidated real estate ventures	(4,143)	(947)
Interest and other income, net	1,788	2,992
Gain on bargain purchase	24,376	—
Net loss attributable to redeemable noncontrolling interests	7,328	—
Net loss attributable to noncontrolling interest	3	—
Consolidated NOI	297,121	281,168
Proforma NOI attributable to consolidated JBG Assets [(1)]	25,165	39,641
Proportionate NOI attributable to unconsolidated JBG Assets [(1)]	8,646	11,692
Proportionate NOI attributable to unconsolidated real estate ventures [(2)]	21,515	7,326
Non-cash rent adjustments [(3)]	(6,715)	(13,030)
Other adjustments [(4)]	3,819	(13,670)
Total adjustments	52,430	31,959
NOI	**$ 349,551**	**$ 313,127**
Non-same store NOI	**77,547**	**57,828**
Same store NOI	**$ 272,004**	**$ 255,299**
Number of properties in same store pool	36	36

(1) Includes financial information for the JBG Assets as if the July 18, 2017 acquisition of the JBG Assets had been completed as of the beginning of the period presented.

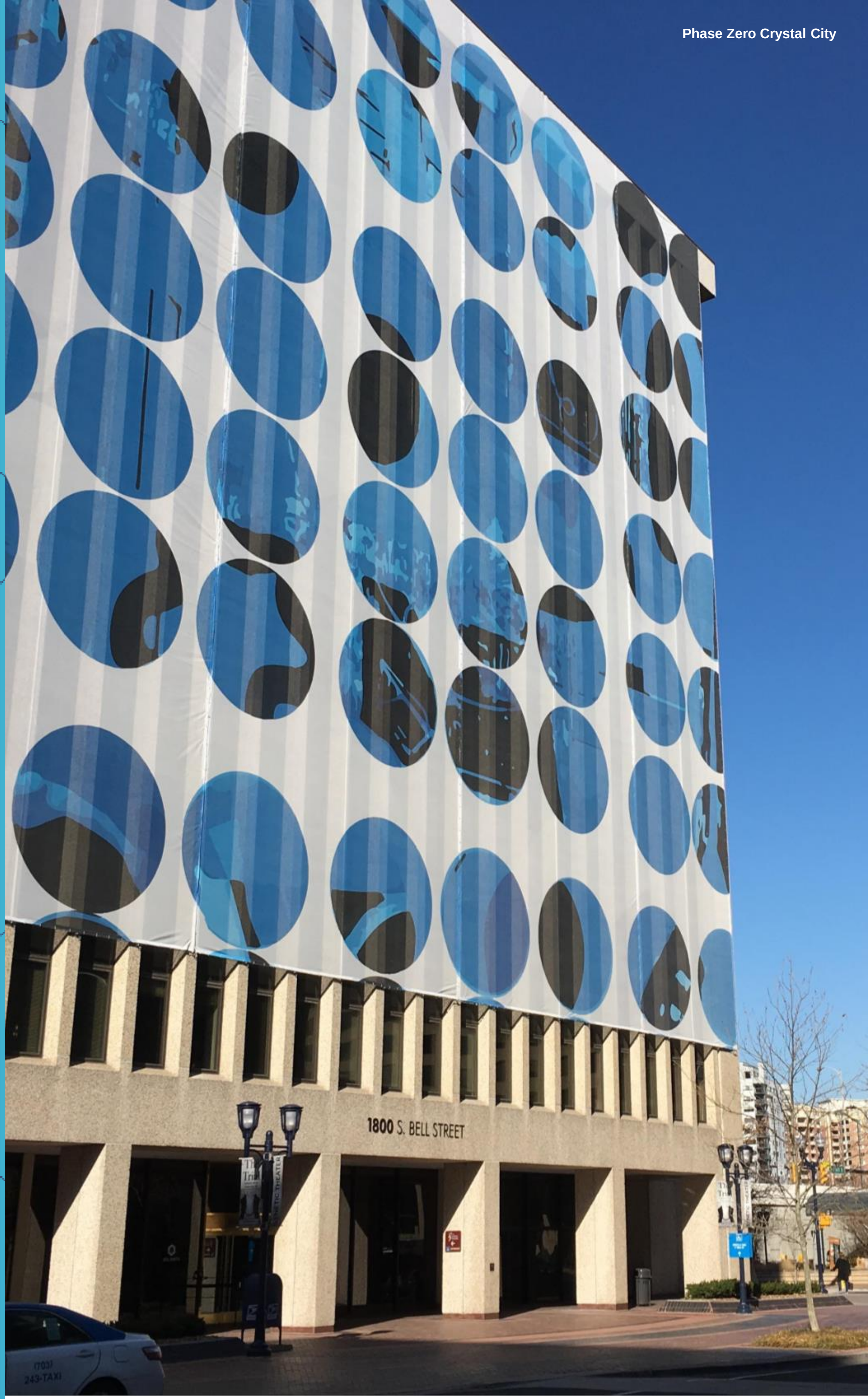
(2) Proportionate NOI attributable to unconsolidated real estate ventures includes Vornado Included Assets for all of 2017 and 2016 and JBG Assets for 2017 for the period July 18, 2017 to December 31, 2017.

(3) Adjustment to include straight-line rent, above/below market lease amortization and lease incentive amortization.

(4) Adjustment to include other income and payments associated with assumed lease liabilities related to operating properties, and exclude incidental income generated by development assets and commercial lease termination revenue.

4Q17 SUPPLEMENTAL INFORMATION

SECTION THREE



JBG SMITH

SUPPLEMENTAL INFORMATION

Q4 2017

Forward-Looking Statements

Certain statements contained herein may constitute “forward-looking statements” as such term is defined in Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. Forward-looking statements are not guarantees of performance. They represent our intentions, plans, expectations and beliefs and are subject to numerous assumptions, risks and uncertainties. Consequently, the future results of JBG SMITH Properties (“JBG SMITH” or the “Company”) may differ materially from those expressed in these forward-looking statements. You can find many of these statements by looking for words such as “approximate”, “believes”, “expects”, “anticipates”, “estimates”, “intends”, “plans”, “would”, “may” or similar expressions in this document. We also note the following forward-looking statements: our expected annualized dividend per share and dividend yield, estimated net operating income; in the case of our construction and near-term development assets, estimated square feet, estimated number of units, the estimated completion date, estimated stabilization date, estimated incremental investment, estimated total investment, projected net operating income yield and estimated stabilized net operating income; and in the case of our future development assets, estimated potential development density, estimated commercial SF/multifamily units to be replaced, estimated remaining acquisition cost, estimated capitalized cost and estimated total investment. Many of the factors that will determine the outcome of these and our other forward-looking statements are beyond our ability to control or predict. These factors include, among others: adverse economic conditions in the Washington, DC metropolitan area, the timing of and costs associated with development and property improvements, financing commitments, and general competitive factors. For further discussion of factors that could materially affect the outcome of our forward-looking statements and other risks and uncertainties, see “Risk Factors” and the Cautionary Statement Concerning Forward-Looking Statements in JBG SMITH’s Annual Report on Form 10-K filed with the Securities and Exchange Commission (the “SEC”) on March 12, 2018. For these statements, we claim the protection of the safe harbor for forward-looking statements contained in the Private Securities Litigation Reform Act of 1995. You are cautioned not to place undue reliance on our forward-looking statements. All subsequent written and oral forward-looking statements attributable to us or any person acting on our behalf are expressly qualified in their entirety by the cautionary statements contained or referred to in this section. We do not undertake any obligation to release publicly any revisions to our forward-looking statements to reflect events or circumstances occurring after the issuance of the Annual Report on Form 10-K, as applicable, and this Investor Report.

Organization and Basis of Presentation

JBG SMITH was organized by Vornado Realty Trust (“Vornado”) as a Maryland real estate investment trust (“REIT”) on October 27, 2016 (capitalized on November 22, 2016). JBG SMITH was formed for the purpose of receiving via the spin-off on July 17, 2017, substantially all of the assets and liabilities of Vornado’s Washington, DC segment, which operated as Vornado / Charles E. Smith, (the “Vornado Included Assets”). On July 18, 2017, JBG SMITH acquired the management business and certain assets (the “JBG Assets”) of The JBG Companies (“JBG”). The spin-off from Vornado and combination with JBG are collectively referred to as the "Formation Transaction." The Vornado Included Assets are considered the accounting predecessor. As a result, the financial results of the JBG Assets are only included in the combined company’s financial statements from July 18, 2017 forward and are not reflected in the combined company’s historical financial statements for any prior period. Consequently, our results for the periods before and after the Formation Transaction are not directly comparable. We believe, however, that presenting certain supplemental adjusted financial and operational information at the property-level that is "adjusted" to include the results of the JBG Assets for periods prior to the acquisition date may be useful to investors. No other adjustments have been made to this supplemental adjusted information, which is purely informational and does not purport to be indicative of what would have happened had the acquisition of the JBG Assets occurred at the beginning of the periods presented.

The information contained in this Investor Report does not purport to disclose all items required by the accounting principles generally accepted in the United States of America (“GAAP”) and is unaudited information, unless otherwise indicated.

Pro Rata Information

We present certain financial information and metrics in this Investor Report “at JBG SMITH Share,” which refers to our ownership percentage of consolidated and unconsolidated assets in real estate ventures (collectively, “real estate ventures”) as applied to these financial measures and metrics. Financial information “at JBG SMITH Share” is calculated on an asset-by-asset basis by applying our percentage economic interest to each applicable line item of that asset’s financial information. “At JBG SMITH Share” information, which we also refer to as being “at share,” “our pro rata share” or “our share,” is not, and is not intended to be, a presentation in accordance with GAAP. Given that a substantial portion of our assets are held through real estate ventures, we believe this form of presentation, which presents our economic interests in the partially owned entities, provides investors valuable information regarding a significant component of our portfolio, its composition, performance and capitalization.

We do not control the unconsolidated real estate ventures and do not have a legal claim to our co-venturers’ share of assets, liabilities, revenue and expenses. The operating agreements of the unconsolidated real estate ventures generally allow each co-venturer to receive cash distributions to the extent there is available cash from operations. The amount of cash each investor receives is based upon specific provisions of each operating agreement and varies depending on certain factors including the amount of capital contributed by each investor and whether any investors are entitled to preferential distributions.

With respect to any such third-party arrangement, we would not be in a position to exercise sole decision-making authority regarding the property, real estate venture or other entity, and may, under certain circumstances, be exposed to economic risks not present were a third-party not involved. We and our respective co-venturers may each have the right to trigger a buy-sell or forced sale arrangement, which could cause us to sell our interest, or acquire our co-venturers' interests, or to sell the underlying asset, either on unfavorable terms or at a time when we otherwise would not have initiated such a transaction. Our real estate ventures may be subject to debt, and the refinancing of such debt may require equity capital calls. To the extent our co-venturers do not meet their obligations to us or our real estate ventures or they act inconsistent with the interests of the real estate venture, we may be adversely affected. Because of these limitations, the non-GAAP "at JBG SMITH Share" financial information should not be considered in isolation or as a substitute for our financial statements as reported under GAAP.

Market Data

Market data and industry forecasts are used in this Investor Report, including data obtained from publicly available sources. These sources generally state that the information they provide has been obtained from sources believed to be the reliable, but the accuracy and completeness of the information is not assured. The Company has not independently verified any such information.

Definitions

See pages 50-53 for definitions of terms used in this Investor Report.

Non-GAAP Measures

This Investor Report includes non-GAAP measures. For these measures, we have provided an explanation of how these non-GAAP measures are calculated and why JBG SMITH's management believes that the presentation of these measures provides useful information to investors regarding JBG SMITH's financial condition and results of operations. Reconciliations of certain non-GAAP measures to the most directly comparable GAAP financial measure are included in this Investor Report. Our presentation of non-GAAP financial measures may not be comparable to similar non-GAAP measures used by other companies.

In addition to "at share" financial information, the following non-GAAP measures are included in this Investor Report:

- Earnings Before Interest, Taxes, Depreciation and Amortization ("EBITDA")
- Adjusted EBITDA
- Funds from Operations ("FFO")
- Core FFO
- Funds Available for Distribution ("FAD")
- Net Operating Income ("NOI")
- Annualized NOI
- Adjusted Annualized NOI
- Estimated Stabilized NOI
- Projected NOI Yield
- Same Store NOI
- Adjusted Consolidated and Unconsolidated Indebtedness
- Net Debt
- Pro Rata Adjusted General and Administrative Expenses

Company Overview

JBG SMITH is an S&P 400 company that owns, operates, invests in and develops assets concentrated in leading urban infill submarkets in and around Washington, DC. We own and operate a portfolio of high-quality office and multifamily assets, many of which are amenitized with ancillary retail. Our portfolio reflects our longstanding strategy of owning and operating assets within the Metro-served submarkets in the Washington, DC metropolitan area that have high barriers to entry and key urban amenities, including being within walking distance of the Metro. Our revenues are derived primarily from leases with office and multifamily tenants, including fixed rents and reimbursements from tenants for certain expenses such as real estate taxes, property operating expenses, and repairs and maintenance. In addition to our portfolio, we have a third-party real estate services business that provides fee-based real estate services to our real estate ventures, legacy funds formerly organized by JBG and other third parties.

Q4 2017 Financial Results

- Net loss attributable to common shareholders was $(16.4) million, or $(0.15) per diluted share.
- FFO attributable to common shareholders was $32.5 million, or $0.28 per diluted share.
- Core FFO attributable to common shareholders was $49.4 million, or $0.42 per diluted share.

Q4 2017 to Q3 2017 Comparison

Below are the key highlights regarding quarter over quarter changes in the JBG SMITH portfolio.

Operating Assets

- Annualized NOI for the operating portfolio increased to $363.3 million for the three months ended December 31, 2017, compared to $357.5 million for the three months ended September 30, 2017. Includes financial information for the JBG Assets as if the July 18, 2017 acquisition of the JBG Assets had been completed as of the beginning of the periods presented.
- The operating office portfolio was 88.0% leased and 87.2% occupied as of December 31, 2017, compared to 88.2% and 87.5% as of September 30, 2017.
- The operating multifamily portfolio was 95.6% leased and 93.8% occupied as of December 31, 2017, compared to 96.2% and 94.6% as of September 30, 2017.
- The operating other portfolio (excluding the Crystal City Marriott Hotel) was 96.5% leased and 96.2% occupied as of December 31, 2017, compared to 98.8% and 97.6% as of September 30, 2017.
- Same store NOI increased 10.3% to $71.6 million for the three months ended December 31, 2017, compared to $64.9 million for the three months ended December 31, 2016 and 6.5% to $272.0 million for the year ended December 31, 2017, compared to $255.3 million for the year ended December 31, 2016. The increase in same store NOI is largely attributable to the expiration of rent abatements, the expiration of payments associated with the assumption of lease liabilities and higher rental revenue from lease commencements. The same store pool as of December 31, 2017 includes only the assets that were in service for the entirety of both periods being compared and does not include any JBG Assets. If the JBG Assets that had been in service for the entirety of both periods being compared had been included in the same store pool, the increase in same store NOI in 2017 would have been substantially similar for the three months ended December 31, 2017 and higher for the year ended December 31, 2017. See page 52 for the definition of same store.

Under Construction

- As of December 31, 2017, there were 10 assets under construction (four office assets, five multifamily assets and one other asset), consisting of 1.2 million square feet and 1,568 units, both at our share.
- During the fourth quarter, we commenced construction on one multifamily asset (965 Florida Avenue).

Near-Term Development

- As of December 31, 2017, there were no assets in near-term development.

Future Development

- As of December 31, 2017, there were 43 future development assets consisting of 17.9 million square feet of estimated potential density at our share.

Company Overview

Executive Officers & Key Employees

W. Matthew Kelly	Chief Executive Officer and Trustee
Robert A. Stewart	Executive Vice Chairman and Trustee
David P. Paul	President and Chief Operating Officer
Stephen W. Theriot	Chief Financial Officer
James L. Iker	Chief Investment Officer
Brian P. Coulter	Co-Chief Development Officer
Kevin P. Reynolds	Co-Chief Development Officer
Patrick J. Tyrrell	Chief Administrative Officer
Steven A. Museles	Chief Legal Officer
Angela F. Valdes	Chief Accounting Officer

Company Snapshot as of December 31, 2017

Exchange/ticker	NYSE: JBGS
Insider ownership *	13.2%
Indicated annual dividend per share	$0.90
Dividend yield	2.6%
Total Enterprise Value (dollars in billions, except share price)	
Share price	$34.73
Shares and units outstanding (in millions)	137.74
Total market capitalization	$4.78
Total consolidated and unconsolidated indebtedness at JBG SMITH share	2.58
Less: cash and cash equivalents at JBG SMITH share	(0.33)
Net debt	$2.25
Total Enterprise Value	$7.03

* Represents the percentage of all outstanding common shares of JBG SMITH Properties owned or represented by the Company’s trustees and executive officers as of March 5, 2018 assuming that all of their OP Units are converted to shares, but that no other OP Units are converted. The percentage of all outstanding common shares of JBG SMITH Properties and OP Units of JBG SMITH Properties LP owned by the Company’s trustees and executive officers as of such date is 11.4%.

dollars in thousands, except per share data

		Three Months Ended December 31, 2017
Summary Financial Results		
Total revenue	$	156,371
Net loss attributable to common shareholders	$	(16,418)
Per diluted common share	$	(0.15)
Total NOI	$	90,817
FFO attributable to operating partnership common units (including units owned by JBG SMITH Properties)	$	38,031
Per operating partnership common unit	$	0.28
Core FFO attributable to operating partnership common units (including units owned by JBG SMITH Properties)	$	57,872
Per operating partnership common unit	$	0.42
FAD attributable to the operating partnership common units (including units owned by JBG SMITH Properties)	$	36,636
FAD payout ratio		84.9%
EBITDA attributable to operating partnership common units (including units owned by JBG SMITH Properties)	$	48,778
Adjusted EBITDA attributable to operating partnership common units (including units owned by JBG SMITH Properties)	$	79,557
Debt Summary and Key Ratios (at JBG SMITH Share)		
Total consolidated indebtedness, net	$	2,188,104
Total consolidated and unconsolidated indebtedness, net	$	2,583,221
Weighted average interest rates:		
Variable rate debt		3.71%
Fixed rate debt		4.19%
Total debt		4.05%
Net debt / annualized adjusted EBITDA		7.1x
Cash and cash equivalents	$	328,918

	100% Share	At JBG SMITH Share				
	Number of Assets	Square Feet/ Units	Square Feet/ Units	% Leased	Annualized Rent (in thousands)	Annualized Rent per Square Foot/ Monthly Rent Per Unit [1]	Annualized NOI (in thousands)
Operating							
Office							
In service	50	13,704,212	11,789,137	88.0%	$ 453,206	$ 44.68	$ 284,212
Recently delivered	1	40,025	40,025	77.8%	1,291	—	—
Total / weighted average	51	13,744,237	11,829,162	88.0%	$ 454,497	$ 44.68	$ 284,212
Multifamily							
In service	14	6,016	4,232	95.6%	$ 104,324	$ 2,145	$ 72,732
Other [2]							
In service	4	764,612	348,242	96.5%	$ 2,952	$ 37.32	$ 6,324
Operating - Total / Weighted Average	**69**	**14,508,849 SF/ 6,016 Units**	**12,177,404 SF/ 4,232 Units**	**89.9%**	**$ 561,773**	**$44.61 per SF/ $2,145 per unit**	**$ 363,268**
Development [3]							
Under Construction							
Office [4]	4	1,303,798	1,194,043	61.8%			
Multifamily	5	1,767	1,568	N/A			
Other	1	41,050	4,105	100.0%			
Development - Total	**10**	**1,344,848 SF/ 1,767 Units**	**1,198,148 SF/ 1,568 Units**	**63.0%**			
Future Development	**43**	**21,364,600**	**17,921,900**				

See footnotes on page 9.

Footnotes

(1) For office assets, represents annualized office rent divided by occupied office square feet; annualized retail rent and retail square feet are excluded from this metric. For multifamily assets, represents monthly multifamily rent divided by occupied units; retail rent is excluded from this metric. For other assets, represents annualized rent divided by occupied square feet; the Crystal City Marriott is excluded from annualized rent per square foot metrics. Occupied square footage may differ from leased square footage because leased square footage includes leases that have been signed but have not yet commenced.

(2) Includes three standalone retail assets and the Crystal City Marriott, a standalone hotel totaling 266,000 square feet and 345 rooms. The Crystal City Marriott is excluded from percent leased, annualized rent, and annualized rent per square foot metrics.

(3) Refer to pages 42-43 for detail on under construction and future development assets.

(4) Includes JBG SMITH's lease for approximately 80,200 square feet at 4747 Bethesda Avenue.

in thousands		December 31, 2017		December 31, 2016
ASSETS				
Real estate, at cost:				
Land and improvements	$	1,368,294	$	939,592
Buildings and improvements		3,670,268		3,064,466
Construction in progress, including land		978,942		151,333
Real estate held for sale		8,293		—
		6,025,797		4,155,391
Less accumulated depreciation		(1,011,330)		(930,769)
Real estate, net		5,014,467		3,224,622
Cash and cash equivalents		316,676		29,000
Restricted cash		21,881		3,263
Tenant and other receivables, net		46,734		33,380
Deferred rent receivable, net		146,315		136,582
Investments in and advances to unconsolidated real estate ventures		261,811		45,776
Receivable from former parent		—		75,062
Other assets, net		263,923		112,955
TOTAL ASSETS	**$**	**6,071,807**	**$**	**3,660,640**
LIABILITIES, REDEEMABLE NONCONTROLLING INTERESTS AND EQUITY				
Liabilities:				
Mortgages payable, net	$	2,025,692	$	1,165,014
Revolving credit facility		115,751		—
Unsecured term loan, net		46,537		—
Payable to former parent		—		283,232
Accounts payable and accrued expenses		138,607		40,923
Other liabilities, net		161,277		49,487
Total liabilities		2,487,864		1,538,656
Commitments and contingencies				
Redeemable noncontrolling interests		609,129		—
Total equity		2,974,814		2,121,984
TOTAL LIABILITIES, REDEEMABLE NONCONTROLLING INTERESTS AND EQUITY	**$**	**6,071,807**	**$**	**3,660,640**

Note: For complete financial statements, please refer to the Company's Annual Report on Form 10-K for the year ended December 31, 2017.

in thousands, except per share data	Three Months Ended December 31, 2017	Three Months Ended December 31, 2016	Year Ended December 31, 2017	Year Ended December 31, 2016
REVENUE				
Property rentals	$ 119,726	$ 102,093	$ 436,625	$ 401,595
Tenant reimbursements	10,824	9,398	37,985	37,661
Third-party real estate services, including reimbursements	24,355	9,265	63,236	33,882
Other income	1,466	1,283	5,167	5,381
Total revenue	156,371	122,039	543,013	478,519
EXPENSES				
Depreciation and amortization	51,933	35,052	161,659	133,343
Property operating	33,714	25,217	111,055	100,304
Real estate taxes	18,456	14,072	66,434	57,784
General and administrative:				
Corporate and other	11,595	12,713	47,131	48,753
Third-party real estate services	21,557	4,794	51,919	19,066
Share-based compensation related to Formation Transaction	14,806	—	29,251	—
Transaction and other costs	12,566	4,948	127,739	6,476
Total operating expenses	164,627	96,796	595,188	365,726
OPERATING INCOME (LOSS)	(8,256)	25,243	(52,175)	112,793
Income (loss) from unconsolidated real estate ventures	(2,778)	5	(4,143)	(947)
Interest and other income, net	422	700	1,788	2,992
Interest expense	(14,328)	(13,119)	(58,141)	(51,781)
Loss on extinguishment of debt	(12)	—	(701)	—
Gain (loss) on bargain purchase	(3,395)	—	24,376	—
INCOME (LOSS) BEFORE INCOME TAX BENEFIT (EXPENSE)	(28,347)	12,829	(88,996)	63,057
Income tax benefit (expense)	9,595	(199)	9,912	(1,083)
NET INCOME (LOSS)	(18,752)	12,630	(79,084)	61,974
Net loss attributable to redeemable noncontrolling interests JBG SMITH LP	2,331	—	7,328	—
Net loss attributable to noncontrolling interest	3	—	3	—
NET INCOME (LOSS) ATTRIBUTABLE TO COMMON SHAREHOLDERS	**$ (16,418)**	**$ 12,630**	**$ (71,753)**	**$ 61,974**
EARNINGS (LOSS) PER COMMON SHARE:				
Basic	$ (0.15)	$ 0.13	$ (0.70)	$ 0.62
Diluted	$ (0.15)	$ 0.13	$ (0.70)	$ 0.62
WEIGHTED AVERAGE NUMBER OF COMMON SHARES OUTSTANDING - Basic and Diluted	117,955	100,571	105,359	100,571

Note: For complete financial statements, please refer to the Company's Annual Report on Form 10-K for the year ended December 31, 2017.

in thousands, at JBG SMITH share

BALANCE SHEET INFORMATION		December 31, 2017
Cash and cash equivalents	$	12,313
Total real estate, at cost		685,353
Less accumulated depreciation		(65,446)
Real estate, net		619,907
Other assets, net		71,032
Total assets	**$**	**703,252**
Debt, net	$	411,783
Other liabilities, net		12,844
Total liabilities	**$**	**424,627**

OPERATING INFORMATION		Three Months Ended December 31, 2017
Total revenue	$	15,305
Expenses:		
Depreciation and amortization		7,235
Property operating		4,481
Real estate taxes		2,788
Total operating expenses		14,504
Operating income		801
Interest expense		(3,629)
Gain on other investments		62
Loss before income tax expense		(2,766)
Income tax expense		(12)
Net loss	**$**	**(2,778)**

in thousands, at JBG SMITH share		**December 31, 2017**
Other Tangible Assets, Net [1]		
Restricted cash	$	21,880
Tenant and other receivables, net		46,733
Other assets, net		24,689
Total Other Tangible Assets, Net	**$**	**93,302**
Other Tangible Liabilities, Net [2]		
Accounts payable and accrued liabilities	$	136,779
Other liabilities		80,220
Total Other Tangible Liabilities, Net	**$**	**216,999**

(1) Excludes cash and cash equivalents.
(2) Excludes debt.

dollars in thousands	Three Months Ended December 31, 2017	Six Months Ended December 31, 2017
Condensed Consolidated and Combined Statement of Operations		
Total revenue	$ 156,371	$ 308,721
Total operating expenses	164,627	405,717
Operating loss	(8,256)	(96,996)
Loss from unconsolidated real estate ventures	(2,778)	(4,457)
Interest and other income, net	422	43
Interest expense	(14,328)	(29,637)
Loss on extinguishment of debt	(12)	(701)
Gain (loss) on bargain purchase	(3,395)	24,376
Loss before income tax benefit	(28,347)	(107,372)
Income tax benefit	9,595	10,629
Net Loss	**$ (18,752)**	**$ (96,743)**
EBITDA and Adjusted EBITDA		
Net loss	$ (18,752)	$ (96,743)
Depreciation and amortization expense	51,933	95,884
Interest expense (1)	14,328	29,637
Income tax expense (benefit)	(9,595)	(10,629)
Unconsolidated real estate ventures allocated share of above adjustments	10,864	20,015
EBITDA	**$ 48,778**	**$ 38,164**
Transaction and other costs	12,566	116,661
Loss on extinguishment of debt	12	701
Loss (gain) on bargain purchase	3,395	(24,376)
Share-based compensation related to Formation Transaction	14,806	29,251
Adjusted EBITDA	**$ 79,557**	**$ 160,401**
Net Debt to Adjusted EBITDA (2)	**7.1x**	**7.0x**

	December 31, 2017
Net Debt (at JBG SMITH Share)	
Consolidated indebtedness	$ 2,188,104
Unconsolidated indebtedness	395,117
Total consolidated and unconsolidated indebtedness	2,583,221
Less: cash and cash equivalents	328,918
Net Debt (at JBG SMITH Share)	**$ 2,254,303**

Note: Excludes the financial information of the JBG Assets for the period July 1, 2017 to July 17, 2017.

(1) Interest expense includes amortization of deferred financing costs, premiums/discounts and the mark-to-market of interest rate swaps and caps.
(2) Adjusted EBITDA for the three months ended December 31, 2017 is annualized by multiplying by four. Adjusted EBITDA for the six months ended December 31, 2017 is annualized by multiplying by two.

in thousands, except per share data		Three Months Ended December 31, 2017		Six Months Ended December 31, 2017
FFO and Core FFO				
Net loss attributable to common shareholders	$	(16,418)	$	(86,249)
Net loss attributable to redeemable noncontrolling interests		(2,331)		(10,491)
Net loss attributable to noncontrolling interests		(3)		(3)
Net loss		(18,752)		(96,743)
Real estate depreciation and amortization		49,548		90,941
Pro rata share of real estate depreciation and amortization from unconsolidated real estate ventures		7,235		13,294
FFO Attributable to Operating Partnership Common Units	**$**	**38,031**	**$**	**7,492**
FFO attributable to redeemable noncontrolling interests		(5,572)		(1,015)
FFO attributable to diluted common shareholders	$	32,459	$	6,477
FFO attributable to the operating partnership common units	$	38,031	$	7,492
Transaction and other costs, net of tax		6,709		110,804
Mark-to-market on derivative instruments		(881)		(1,348)
Share of gain from mark-to-market on derivatives held by unconsolidated real estate ventures		(507)		(903)
Loss on extinguishment of debt		12		701
Loss (gain) on bargain purchase		3,395		(24,376)
Share-based compensation related to Formation Transaction		14,806		29,251
Amortization of management contracts intangible, net of tax		161		1,914
Tax benefit associated with the 2017 Tax Act		(3,854)		(3,854)
Core FFO Attributable to Operating Partnership Common Units	**$**	**57,872**	**$**	**119,681**
Core FFO attributable to redeemable noncontrolling interests		(8,480)		(16,305)
Core FFO attributable to diluted common shareholders	$	49,392	$	103,376
FFO per diluted common share	$	0.28	$	0.06
Core FFO per diluted common share	$	0.42	$	0.89
Weighted average diluted shares		117,955		115,810

Note: Excludes net income (loss) from JBG Assets for the period July 1, 2017 to July 17, 2017.

in thousands, except per share data		Three Months Ended December 31, 2017		Six Months Ended December 31, 2017
FAD				
Core FFO attributable to the operating partnership common units	$	57,872	$	119,681
Recurring capital expenditures and second generation tenant improvements and leasing commissions		(24,930)		(40,905)
Straight-line and other rent adjustments (1)		887		(669)
Share of straight-line rent from unconsolidated real estate ventures		108		(420)
Third-party lease liability assumption payments		(1,059)		(1,059)
Share of third party lease liability assumption payments for unconsolidated real estate ventures		(312)		(312)
Share-based compensation expense		2,028		3,567
Amortization of debt issuance costs		1,060		2,585
Share of debt issuance costs from unconsolidated real estate ventures		54		86
Non-real estate depreciation and amortization		928		1,733
FAD available to the Operating Partnership Common Units (A)	**$**	**36,636**	**$**	**84,287**
Distributions to common shareholders and unitholders (B)	$	31,097	$	62,195
FAD Payout Ratio (B÷A) (2)		84.9%		73.8%
Capital Expenditures				
Maintenance and recurring capital expenditures	$	19,054	$	22,595
Share of maintenance capital and recurring expenditures from unconsolidated joint ventures		1,049		1,393
Second generation tenant improvements and leasing commissions		3,925		13,299
Share of second generation tenant improvements and leasing commissions from unconsolidated real estate ventures		902		3,618
Recurring capital expenditures and second generation tenant improvements and leasing commissions		24,930		40,905
First generation tenant improvements and leasing commissions		7,584		7,584
Share of first generation tenant improvements and leasing commissions from unconsolidated real estate ventures		1,285		1,285
Non recurring capital expenditures		3,593		5,699
Share of non recurring capital expenditures from unconsolidated joint ventures		1,029		1,471
Non recurring capital expenditures		13,491		16,039
Total JBG SMITH Share of Capital Expenditures	**$**	**38,421**	**$**	**56,944**

Note: Excludes net income (loss) from the JBG Assets for the period July 1, 2017 to July 17, 2017.

(1) Includes straight-line rent, above/below market lease amortization and lease incentive amortization.
(2) The FAD payout ratio on a quarterly basis is not necessarily indicative of an amount for the full year due to fluctuation in timing of capital expenditures, the commencement of new leases and the seasonality of our operations.

dollars in thousands, at JBG SMITH share

	Three Months Ended December 31, 2017			
	Source of Revenue			
	JBG SMITH JV Partner (1)	Legacy JBG Funds	Third-Party Management	Total
Service Revenue				
Property management fees	$ 1,567	$ 1,402	$ 2,832	$ 5,801
Asset management fees	541	3,461	—	4,002
Leasing fees	138	384	1,203	1,725
Development fees	245	872	600	1,717
Construction management fees	261	297	143	701
Other service revenue	81	78	113	272
Total Revenue (2)	**$ 2,833**	**$ 6,494**	**$ 4,891**	**$ 14,218**
Allocated general and administrative expenses (3)				(10,344)
Total Services Revenue Less Allocated General and Administrative Expenses (4)				**$ 3,874**

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(1) Service revenues from joint ventures are calculated on an asset-by-asset basis by applying our real estate venture partners' respective economic interests to the fees we earned from each consolidated and unconsolidated real estate venture.

(2) Included in "third-party real estate services, including reimbursements" in our consolidated statement of operations are $7.8 million of reimbursement revenue and $2.1 million of service revenue from our economic interest in consolidated and unconsolidated real estate ventures that are excluded from this table.

(3) Our personnel perform services for wholly owned properties and properties we manage on behalf of real estate ventures, legacy JBG funds and third-parties.

We allocate personnel and other costs to wholly owned properties (included in "property operating expenses" and "general and administrative expense: corporate and other" in our consolidated statement of operations) and to properties owned by the real estate ventures, legacy JBG funds and third parties (included in "general and administrative expense: third-party real estate services" in our consolidated statement of operations) using estimates of the time spent performing services related to properties in the respective portfolios and other allocation methodologies.

Allocated general and administrative expenses related to real estate ventures are calculated on an asset-by-asset basis by applying our real estate venture partners' respective economic interests to the total general and administrative expenses allocated to each asset.

(4) Third-party services revenue, excluding reimbursement revenue and service revenue from our economic interest in consolidated and unconsolidated real estate ventures, less allocated general and administrate expenses. Management uses this measure as a supplemental performance measure for its third-party asset management and real estate services business and believes it provides useful information to investors because it reflects only those revenue and expense items incurred by the Company and can be used to assess the profitability of the third-party asset management and real estate services business.

dollars in thousands

	Three Months Ended December 31, 2017					
		Adjustments				
	Per Statement of Operations	**A**	**B**	**C**	**D**	**Pro Rata Adjusted**
General and Administrative Expenses						
Corporate and other	$ 11,595	$ —	$ —	$ 1,526	$ (249)	$ 12,872
Third-party real estate services	21,557	—	(9,687)	(1,526)	—	10,344
Share-based compensation related to Formation Transaction	14,806	(14,806)	—	—	—	—
Total	**$ 47,958**	**$ (14,806)**	**$ (9,687)**	**$ —**	**$ (249)**	**$ 23,216**

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Adjustment Explanations:

A - Removes share-based compensation related to the Formation Transaction.

B - Removes $9.3 million of G&A expenses reimbursed by third-party owners of real estate we manage and $0.4 million of other expenses related to revenue which has been excluded from Service Revenue on page 17. Revenue from reimbursements is included in "Third-party real estate services, including reimbursements" in our consolidated statement of operations.

C - Reflects an adjustment to allocate our share of G&A expenses of unconsolidated real estate ventures to "Corporate and other" and our consolidated real estate venture partners' share of G&A expenses to "Third-party real estate services."

D - Reflects the adjustment to capitalized G&A expenses related to "Corporate and other" allocation in Adjustment C.

dollars in thousands, at JBG SMITH share

	% Occupied	4Q 2017 NOI	Annualized NOI	Plus: Signed But Not Yet Commenced Leases	Adjusted Annualized NOI
Office					
DC	93.7%	$ 21,501	$ 86,004	$ 296	$ 86,300
VA	85.5%	46,894	187,576	3,935	191,511
MD	81.9%	2,658	10,632	218	10,850
Total / weighted average	87.2%	$ 71,053	$ 284,212	$ 4,449	$ 288,661
Multifamily					
DC	91.3%	$ 4,858	$ 19,432	$ —	$ 19,432
VA	94.3%	11,813	47,252	—	47,252
MD	95.5%	1,512	6,048	—	6,048
Total / weighted average	93.8%	$ 18,183	$ 72,732	$ —	$ 72,732
Other [(1)]					
Total / weighted average	96.2%	$ 1,581	$ 6,324	$ 237	$ 6,561
Total	**88.9%**	**$ 90,817**	**$ 363,268**	**$ 4,686**	**$ 367,954**

(1) Includes three standalone retail assets and the Crystal City Marriott, a standalone hotel totaling 266,000 square feet and 345 rooms. The Crystal City Marriott is excluded from the percent occupied metric.

dollars in thousands		100% Share	At JBG SMITH Share					
						NOI for the Three Months Ended December 31,		
	Number of Assets	Square Feet/ Units	Square Feet/ Units	% Leased [1]	% Occupied [1]	2017	2016	% Change
Same Store [2]								
DC	9	2,835,910 SF/ 283 Units	2,094,258 SF/ 283 Units	95.4%	95.4%	$ 20,829	$ 16,496	26.3 %
VA	26	7,476,394 SF/ 2,151 Units	7,476,394 SF/ 2,151 Units	87.6%	83.9%	49,768	47,401	5.0 %
MD	1	214,300 SF	214,300 SF	98.4%	98.9%	1,015	1,048	(3.1)%
Total / weighted average	36	10,526,604 SF/ 2,434 Units	9,784,952 SF/ 2,434 Units	89.3%	86.8%	$ 71,612	$ 64,945	10.3 %
Non-Same Store								
DC	10	1,383,550 SF/ 1,258 Units	721,049 SF/ 574 Units	90.5%	88.6%	$ 5,598	$ 4,214	32.8 %
VA	14	2,211,723 SF/ 1,045 Units	1,368,654 SF/ 734 Units	94.6%	94.4%	10,452	8,709	20.0 %
MD	9	386,972 SF/ 1,279 Units	302,749 SF/ 490 Units	85.5%	68.4%	3,155	3,657	(13.7)%
Total / weighted average	33	3,982,245 SF/ 3,582 Units	2,392,452 SF/ 1,798 Units	91.8%	89.5%	$ 19,205	$ 16,580	15.8 %
Total Operating Portfolio								
DC	19	4,219,460 SF/ 1,541 Units	2,815,307 SF/ 857 Units	93.7%	93.8%	$ 26,427	$ 20,710	27.6 %
VA	40	9,688,117 SF/ 3,196 Units	8,845,048 SF/ 2,885 Units	88.8%	85.6%	60,220	56,110	7.3 %
MD	10	601,272 SF/ 1,279 Units	517,049 SF/ 490 Units	88.6%	81.9%	4,170	4,705	(11.4)%
Operating Portfolio - Total / Weighted Average	**69**	**14,508,849 SF/ 6,016 Units**	**12,177,404 SF/ 4,232 Units**	**89.9%**	**88.9%**	**$ 90,817**	**$ 81,525**	**11.4 %**

Note: Includes financial information for the JBG Assets as if the July 18, 2017 acquisition of the JBG Assets had been completed as of the beginning of the period presented.

(1) The Crystal City Marriott is excluded from the percent leased and percent occupied metrics.
(2) Same store refers to the pool of assets that were in service for the entirety of both periods being compared, except for assets for which significant redevelopment, renovation, or repositioning occurred during either of the periods being compared. No JBG Assets are included in the same store pool.

dollars in thousands

		100% Share	At JBG SMITH Share					
						NOI for the Year Ended December 31,		
	Number of Assets	Square Feet/ Units	Square Feet/ Units	% Leased [1]	% Occupied [1]	2017	2016	% Change
Same Store [2]								
DC	9	2,835,910 SF/ 283 Units	2,094,258 SF/ 283 Units	95.4%	95.4%	$ 74,150	$ 67,359	10.1 %
VA	26	7,476,394 SF/ 2,151 Units	7,476,394 SF/ 2,151 Units	87.6%	83.9%	194,053	183,995	5.5 %
MD	1	214,300 SF	214,300 SF	98.4%	98.9%	3,801	3,945	(3.7)%
Total / weighted average	36	10,526,604 SF/ 2,434 Units	9,784,952 SF/ 2,434 Units	89.3%	86.8%	$ 272,004	$ 255,299	6.5 %
Non-Same Store								
DC	10	1,383,550 SF/ 1,258 Units	721,049 SF/ 574 Units	90.5%	88.6%	$ 23,263	$ 15,802	47.2 %
VA	14	2,211,723 SF/ 1,045 Units	1,368,654 SF/ 734 Units	94.6%	94.4%	41,126	27,256	50.9 %
MD	9	386,972 SF/ 1,279 Units	302,749 SF/ 490 Units	85.5%	68.4%	13,158	14,770	(10.9)%
Total / weighted average	33	3,982,245 SF/ 3,582 Units	2,392,452 SF/ 1,798 Units	91.8%	89.5%	$ 77,547	$ 57,828	34.1 %
Total Operating Portfolio								
DC	19	4,219,460 SF/ 1,541 Units	2,815,307 SF/ 857 Units	93.7%	93.8%	$ 97,413	$ 83,161	17.1 %
VA	40	9,688,117 SF/ 3,196 Units	8,845,048 SF/ 2,885 Units	88.8%	85.6%	235,179	211,251	11.3 %
MD	10	601,272 SF/ 1,279 Units	517,049 SF/ 490 Units	88.6%	81.9%	16,959	18,715	(9.4)%
Operating Portfolio - Total / Weighted Average	**69**	**14,508,849 SF/ 6,016 Units**	**12,177,404 SF/ 4,232 Units**	**89.9%**	**88.9%**	**$ 349,551**	**$ 313,127**	**11.6 %**

See footnotes on page 20.

dollars in thousands	NOI for the Three Months Ended December 31, 2017 at JBG SMITH Share					
	Consolidated	Unconsolidated	Office	Multifamily	Other	Total
Number of operating assets	50	19	51	14	4	69
Property rentals [1]	$ 112,242	$ 11,695	$ 96,933	$ 25,262	$ 1,742	$ 123,937
Tenant expense reimbursement	10,940	2,367	11,770	1,351	186	13,307
Other revenue	8,632	957	7,963	1,617	9	9,589
Total revenue	131,814	15,019	116,666	28,230	1,937	146,833
Operating expenses	(49,167)	(6,372)	(45,141)	(10,042)	(356)	(55,539)
Ground rent expense	(472)	(5)	(472)	(5)	—	(477)
Total expenses	(49,639)	(6,377)	(45,613)	(10,047)	(356)	(56,016)
NOI [1]	**$ 82,175**	**$ 8,642**	**$ 71,053**	**$ 18,183**	**$ 1,581**	**$ 90,817**
Annualized NOI	**$ 328,700**	**$ 34,568**	**$ 284,212**	**$ 72,732**	**$ 6,324**	**$ 363,268**
Additional Information						
Free rent (at 100% share)	$ 5,389	$ 1,901	$ 6,062	$ 1,172	$ 56	$ 7,290
Free rent (at JBG SMITH share)	$ 5,389	$ 460	$ 5,205	$ 638	$ 6	$ 5,849
Annualized free rent (at JBG SMITH share) [2]	$ 21,556	$ 1,840	$ 20,820	$ 2,552	$ 24	$ 23,396
Payments associated with assumed lease liabilities (at 100% share)	$ 514	$ 284	$ 798	$ —	$ —	$ 798
Payments associated with assumed lease liabilities (at JBG SMITH share)	$ 514	$ 156	$ 670	$ —	$ —	$ 670
Annualized payments associated with assumed lease liabilities (at JBG SMITH share)[3]	$ 2,056	$ 624	$ 2,680	$ —	$ —	$ 2,680
% occupied (at JBG SMITH share) [4]	88.5%	93.2%	87.2%	93.8%	96.2%	88.9%
Annualized base rent of signed leases, not commenced (at 100% share) [5]	$ 4,312	$ 992	$ 5,067	$ —	$ 237	$ 5,304
Annualized base rent of signed leases, not commenced (at JBG SMITH share) [5]	$ 4,312	$ 374	$ 4,449	$ —	$ 237	$ 4,686

(1) Property rentals and NOI exclude management fees, straight-line rent adjustments, and other GAAP adjustments, and include payments associated with assumed lease liabilities. See definition of NOI on page 51.
(2) Represents JBG SMITH share of free rent for the three months ended December 31, 2017 multiplied by four.
(3) Represents JBG SMITH's share of payments associated with assumed lease liabilities for the three months ended December 31, 2017 multiplied by four.
(4) The Crystal City Marriott is excluded from the percent occupied metric.
(5) Represents monthly base rent before free rent and straight line rent adjustments, plus estimated tenant reimbursements for the month in which the lease commences, multiplied by 12. Triple net leases are converted to a gross basis by adding estimated tenant reimbursements to monthly base rent.

dollars in thousands

	NOI for the Three Months Ended December 31, 2017 at JBG SMITH Share					
	Consolidated	**Unconsolidated**	**DC**	**VA**	**MD**	**Total**
Number of operating assets	39	12	14	32	5	51
Property rentals [1]	$ 87,689	$ 9,244	$ 28,010	$ 64,791	$ 4,132	$ 96,933
Tenant expense reimbursement	9,576	2,194	6,771	4,742	257	11,770
Other revenue	7,154	809	1,945	5,574	444	7,963
Total revenue	104,419	12,247	36,726	75,107	4,833	116,666
Operating expenses	(39,632)	(5,509)	(15,025)	(28,143)	(1,973)	(45,141)
Ground rent expense	(472)	—	(200)	(70)	(202)	(472)
Total expenses	(40,104)	(5,509)	(15,225)	(28,213)	(2,175)	(45,613)
NOI [1]	**$ 64,315**	**$ 6,738**	**$ 21,501**	**$ 46,894**	**$ 2,658**	**$ 71,053**
Annualized NOI	**$ 257,260**	**$ 26,952**	**$ 86,004**	**$ 187,576**	**$ 10,632**	**$ 284,212**
Additional Information						
Free rent (at 100% share)	$ 4,873	$ 1,189	$ 1,660	$ 4,344	$ 58	$ 6,062
Free rent (at JBG SMITH share)	$ 4,873	$ 332	$ 1,253	$ 3,925	$ 27	$ 5,205
Annualized free rent (at JBG SMITH share) [2]	$ 19,492	$ 1,328	$ 5,012	$ 15,700	$ 108	$ 20,820
Payments associated with assumed lease liabilities (at 100% share)	$ 514	$ 284	$ 284	$ 514	$ —	$ 798
Payments associated with assumed lease liabilities (at JBG SMITH share)	$ 514	$ 156	$ 156	$ 514	$ —	$ 670
Annualized payments associated with assumed lease liabilities (at JBG SMITH share) [3]	$ 2,056	$ 624	$ 624	$ 2,056	$ —	$ 2,680
% occupied (at JBG SMITH share) [4]	86.7%	93.3%	93.7%	85.5%	81.9%	87.2%
Annualized base rent of signed leases, not commenced (at 100% share) [5]	$ 4,075	$ 992	$ 568	$ 4,281	$ 218	$ 5,067
Annualized base rent of signed leases, not commenced (at JBG SMITH share) [5]	$ 4,075	$ 374	$ 296	$ 3,935	$ 218	$ 4,449

See footnotes on page 22.

dollars in thousands	NOI for the Three Months Ended December 31, 2017 at JBG SMITH Share					
	Consolidated	Unconsolidated	DC	VA	MD	Total
Number of operating assets	8	6	4	5	5	14
Property rentals [1]	$ 23,082	$ 2,180	$ 6,562	$ 16,406	$ 2,294	$ 25,262
Tenant expense reimbursement	1,241	110	179	1,108	64	1,351
Other revenue	1,475	142	398	1,116	103	1,617
Total revenue	25,798	2,432	7,139	18,630	2,461	28,230
Operating expenses	(9,280)	(762)	(2,281)	(6,817)	(944)	(10,042)
Ground rent expense	—	(5)	—	—	(5)	(5)
Total expenses	(9,280)	(767)	(2,281)	(6,817)	(949)	(10,047)
NOI [1]	**$ 16,518**	**$ 1,665**	**$ 4,858**	**$ 11,813**	**$ 1,512**	**$ 18,183**
Annualized NOI	**$ 66,072**	**$ 6,660**	**$ 19,432**	**$ 47,252**	**$ 6,048**	**$ 72,732**
Additional Information						
Free rent (at 100% share)	$ 516	$ 656	$ 485	$ 364	$ 323	$ 1,172
Free rent (at JBG SMITH share)	$ 516	$ 122	$ 244	$ 349	$ 45	$ 638
Annualized free rent (at JBG SMITH share) [2]	$ 2,064	$ 488	$ 976	$ 1,396	$ 180	$ 2,552
Payments associated with assumed lease liabilities (at 100% share)	$ —	$ —	$ —	$ —	$ —	$ —
Payments associated with assumed lease liabilities (at JBG SMITH share)	$ —	$ —	$ —	$ —	$ —	$ —
Annualized payments associated with assumed lease liabilities (at JBG SMITH share) [3]	$ —	$ —	$ —	$ —	$ —	$ —
% occupied (at JBG SMITH share) [4]	93.9%	92.5%	91.3%	94.3%	95.5%	93.8%
Annualized base rent of signed leases, not commenced (at 100% share) [5]	$ —	—	$ —	—	—	$ —
Annualized base rent of signed leases, not commenced (at JBG SMITH share) [5]	$ —	—	$ —	—	—	$ —

See footnotes on page 22.

dollars in thousands	Three Months Ended December 31,	
	2017	2016
Net income (loss) attributable to common shareholders	$ (16,418)	$ 12,630
Add:		
Depreciation and amortization expense	51,933	35,052
General and administrative expense:		
Corporate and other	11,595	12,713
Third-party real estate services	21,557	4,794
Share-based compensation related to Formation Transaction	14,806	—
Transaction and other costs	12,566	4,948
Interest expense	14,328	13,119
Loss on extinguishment of debt	12	—
Income tax expense (benefit)	(9,595)	199
Less:		
Third-party real estate services, including reimbursements	24,355	9,265
Other income	1,466	1,283
Loss from unconsolidated real estate ventures, net	(2,778)	5
Interest and other income (loss), net	422	700
Gain on bargain purchase	(3,395)	—
Net loss attributable to redeemable noncontrolling interests	2,331	—
Net loss attributable to noncontrolling interest	3	—
Consolidated NOI	78,380	72,202
NOI attributable to consolidated JBG Assets (1)	—	10,492
Proportionate NOI attributable to unconsolidated JBG Assets (1)	—	3,376
Proportionate NOI attributable to unconsolidated real estate ventures (2)	8,644	1,763
Non-cash rent adjustments (3)	887	(4,114)
Other adjustments (4)	2,906	(2,194)
Total adjustments	12,437	9,323
NOI	**$ 90,817**	**$ 81,525**
Non-same store NOI	**19,205**	**16,580**
Same store NOI	**$ 71,612**	**$ 64,945**
Number of properties in same store pool	36	36

(1) Includes financial information for the JBG Assets as if the July 18, 2017 acquisition of the JBG Assets had been completed as of the beginning of the period presented.
(2) Proportionate NOI attributable to unconsolidated real estate ventures includes Vornado Included Assets for all of 2017 and 2016 and JBG Assets for 2017 for the period July 18, 2017 to December 31, 2017.
(3) Adjustment to exclude straight-line rent, above/below market lease amortization and lease incentive amortization.
(4) Adjustment to include other income and payments associated with assumed lease liabilities related to operating properties, and exclude incidental income generated by development assets and commercial lease termination revenue.

dollars in thousands	Year Ended December 31, 2017	Year Ended December 31, 2016
Net income (loss) attributable to common shareholders	$ (71,753)	$ 61,974
Add:		
Depreciation and amortization expense	161,659	133,343
General and administrative expense:		
Corporate and other	47,131	48,753
Third-party real estate services	51,919	19,066
Share-based compensation related to Formation Transaction	29,251	—
Transaction and other costs	127,739	6,476
Interest expense	58,141	51,781
Loss on extinguishment of debt	701	—
Income tax expense (benefit)	(9,912)	1,083
Less:		
Third-party real estate services, including reimbursements	63,236	33,882
Other income	5,167	5,381
Income (loss) from unconsolidated real estate ventures	(4,143)	(947)
Interest and other income, net	1,788	2,992
Gain on bargain purchase	24,376	—
Net loss attributable to redeemable noncontrolling interests	7,328	—
Net loss attributable to noncontrolling interest	3	—
Consolidated NOI	297,121	281,168
NOI attributable to consolidated JBG Assets [1]	25,165	39,641
Proportionate NOI attributable to unconsolidated JBG Assets [1]	8,646	11,692
Proportionate NOI attributable to unconsolidated real estate ventures [2]	21,515	7,326
Non-cash rent adjustments [3]	(6,715)	(13,030)
Other adjustments [4]	3,819	(13,670)
Total adjustments	52,430	31,959
NOI	**$ 349,551**	**$ 313,127**
Non-same store NOI	**77,547**	**57,828**
Same store NOI	**$ 272,004**	**$ 255,299**
Number of properties in same store pool	36	36

See footnotes on page 25.

square feet in thousands	Three Months Ended December 31, 2017	Year Ended December 31, 2017
Square feet leased:		
At 100% share	576	1,734
At JBG SMITH share	558	1,568
Initial rent (1)	$ 45.07	$ 45.92
Straight-line rent (2)	$ 46.96	$ 47.19
Weighted average lease term (years)	7.9	8.2
Weighted average free rent period (months)	9.5	8.2
Second generation space:		
Square feet	346	1,082
Cash basis:		
Initial rent (1)	$ 40.54	$ 41.91
Prior escalated rent	$ 44.43	$ 44.79
% change	(8.8)%	(6.4)%
GAAP basis:		
Straight-line rent (2)	$ 42.20	$ 42.89
Prior straight-line rent	$ 38.69	$ 40.50
% change	9.1 %	5.9 %
Tenant improvements:		
Per square foot	$ 46.68	$ 52.06
Per square foot per annum	$ 5.91	$ 6.35
% of initial rent	13.1 %	13.8 %
Leasing commissions:		
Per square foot	$ 13.56	$ 13.16
Per square foot per annum	$ 1.72	$ 1.60
% of initial rent	3.8 %	3.5 %

Note: At JBG SMITH share, unless otherwise indicated. The leasing activity and related statistics are based on leases signed during the period and are not intended to coincide with the commencement of rental revenue in accordance with GAAP. Second generation space represents square footage that had not been vacant for more than nine months. Includes the leasing activity of the JBG Assets as if the July 18, 2017 acquisition of the JBG Assets had been completed as of the beginning of the periods presented. Leasing activity excludes JBG SMITH's lease for approximately 80,200 square feet at 4747 Bethesda Avenue.

(1) Represents the cash basis weighted average starting rent per square foot, which is generally indicative of market rents. Most leases include free rent and periodic step-ups in rent which are not included in the initial cash basis rent per square foot but are included in the GAAP basis deferred rent per square foot.

(2) Represents the GAAP basis weighted average rent per square foot that is recognized over the term of the respective leases, and includes the effect of free rent and fixed step-ups in rent.

		At JBG SMITH Share					
Year of Lease Expiration	**Number of Leases**	**Square Feet**	**% of Total Square Feet**	**Annualized Rent (in thousands)**	**% of Total Annualized Rent**	**Annualized Rent Per Square Foot**	**Estimated Annualized Rent Per Square Foot at Expiration [(1)]**
Month-to-Month	77	126,322	1.2%	$ 2,949	0.6%	$ 23.34	$ 23.34
2018	193	945,626	8.9%	40,977	8.9%	43.33	43.72
2019	174	1,182,027	11.2%	53,758	11.6%	45.48	46.65
2020	187	1,472,239	13.9%	69,613	15.1%	47.28	49.37
2021	130	1,044,166	9.9%	47,870	10.4%	45.84	49.58
2022	126	1,437,614	13.6%	66,269	14.3%	46.10	49.36
2023	74	462,611	4.4%	18,683	4.0%	40.39	45.85
2024	80	646,725	6.1%	29,030	6.3%	44.89	52.42
2025	57	417,943	4.0%	16,299	3.5%	39.00	45.34
2026	69	387,140	3.7%	17,316	3.7%	44.73	51.89
Thereafter	155	2,453,264	23.1%	99,555	21.6%	40.58	51.87
In-Place Leases - Total/Weighted Average	**1,322**	**10,575,677**	**100.0%**	**$ 462,319**	**100.0%**	**$ 43.72**	**$ 48.81**

Note: Includes all leases signed as of December 31, 2017 for office and retail space within JBG SMITH's operating portfolio.

(1) Represents monthly base rent before free rent, plus tenant reimbursements, as of lease expiration multiplied by 12 and divided by square feet. Triple net leases are converted to a gross basis by adding tenant reimbursements to monthly base rent. Tenant reimbursements at lease expiration are estimated by escalating tenant reimbursements as of December 31, 2017, or management’s estimate thereof, by 2.75% annually through the lease expiration year.

in thousands

Assets	C/U [2]	At JBG SMITH Share: Estimated Rent [1] for the Quarter Ending: March 31, 2018	June 30, 2018	September 30, 2018	December 31, 2018	March 31, 2019	June 30, 2019	Total Annualized Estimated Rent Thereafter [3]
Office								
Operating	C	$ 322	$ 745	$ 984	$ 1,019	$ 1,019	$ 1,019	$ 4,076
Operating	U	71	89	93	93	93	93	372
Under construction [4]	C	5,470	5,736	6,015	6,015	6,015	6,015	43,120
Under construction	U	—	—	—	—	309	926	3,702
Total		$ 5,863	$ 6,570	$ 7,092	$ 7,127	$ 7,436	$ 8,053	$ 51,270
Multifamily								
Under construction	C	—	—	—	—	—	—	$ 1,365
Under construction	U	—	—	—	—	—	—	356
Total		$ —	$ —	$ —	$ —	$ —	$ —	$ 1,721
Other								
Operating	C	$ 20	$ 59	$ 59	$ 59	$ 59	$ 59	$ 237
Under construction	U	—	—	—	33	33	33	133
Total		$ 20	$ 59	$ 59	$ 92	$ 92	$ 92	$ 370
Total		**$ 5,883**	**$ 6,629**	**$ 7,151**	**$ 7,219**	**$ 7,528**	**$ 8,145**	**$ 53,361**

Note: Includes only leases for office and retail spaces that were vacant as of December 31, 2017.

(1) Represents contractual monthly base rent before free rent, plus estimated tenant reimbursements for the month in which the lease is estimated to commence, multiplied by the applicable number of months for each quarter based on the lease's estimated commencement date. Triple net leases are converted to a gross basis by adding estimated tenant reimbursements to monthly base rent.

(2) "C" denotes a consolidated interest. "U" denotes an unconsolidated interest.

(3) Represents contractual monthly base rent before free rent, plus estimated tenant reimbursements for the month in which the lease is expected to commence, multiplied by 12. Triple net leases are converted to a gross basis by adding estimated tenant reimbursements to monthly base rent.

(4) Total Annualized Estimated Rent Thereafter includes contractual revenue of $4.6 million from JBG SMITH's lease at 4747 Bethesda Avenue.

dollars in thousands

	Tenant	Number of Leases	Square Feet	% of Total Square Feet	Annualized Rent	% of Total Annualized Rent
			At JBG SMITH Share			
1	U.S. Government (GSA)	82	2,579,525	24.4%	$ 103,149	22.3%
2	Family Health International	9	320,791	3.0%	15,641	3.4%
3	Lockheed Martin Corporation	5	274,361	2.6%	13,493	2.9%
4	Arlington County	9	241,288	2.3%	11,608	2.5%
5	Paul Hastings LLP	5	125,863	1.2%	9,478	2.1%
6	Greenberg Traurig LLP	1	115,315	1.1%	8,904	1.9%
7	Baker Botts	2	85,090	0.8%	6,796	1.5%
8	Public Broadcasting Service	5	140,885	1.3%	5,707	1.2%
9	WeWork	3	122,271	1.2%	5,553	1.2%
10	Accenture LLP	1	102,756	1.0%	5,545	1.2%
11	Cooley LLP	5	71,541	0.7%	5,521	1.2%
12	Evolent Health LLC	1	90,905	0.9%	4,676	1.0%
13	DRS Tech Inc dba Finmeccanica	3	92,834	0.9%	4,461	1.0%
14	RTKL Associates Inc	2	64,003	0.6%	4,389	0.9%
15	National Consumer Cooperative	5	87,243	0.8%	3,984	0.9%
16	Conservation Intl. Foundation	1	86,996	0.8%	3,983	0.9%
17	Noblis Inc	2	160,503	1.5%	3,908	0.8%
18	Chemonics International	4	100,025	0.9%	3,896	0.8%
19	U.S. Green Building Council	1	54,675	0.5%	3,746	0.8%
20	The Int'l Justice Mission	8	74,833	0.7%	3,684	0.8%
	Other	1,168	5,583,974	52.8%	234,197	50.7%
	In-Place Leases - Total	**1,322**	**10,575,677**	**100.0%**	**$ 462,319**	**100.0%**

Note: Includes all in-place leases as of December 31, 2017 for office and retail space within JBG SMITH's operating portfolio.

dollars in thousands

	Industry	Number of Leases	At JBG SMITH Share Square Feet	% of Total Square Feet	Annualized Rent	% of Total Annualized Rent
1	Government	103	2,896,662	27.4%	$ 118,131	25.6%
2	Government Contractors	165	1,868,070	17.7%	83,051	18.0%
3	Business Services	191	1,459,537	13.8%	61,719	13.3%
4	Member Organizations	117	999,434	9.5%	47,327	10.2%
5	Legal Services	74	621,467	5.9%	41,232	8.9%
6	Health Services	71	415,176	3.9%	17,659	3.8%
7	Real Estate	60	399,932	3.8%	17,538	3.8%
8	Food and Beverage	140	254,844	2.4%	13,351	2.9%
9	Communications	26	254,959	2.4%	9,851	2.1%
10	Educational Services	32	234,722	2.2%	9,435	2.0%
	Other	343	1,170,874	11.0%	43,025	9.4%
	In-Place Leases - Total	**1,322**	**10,575,677**	**100.0%**	**$ 462,319**	**100.0%**

Note: Includes all in-place leases as of December 31, 2017 for office and retail space within JBG SMITH's operating portfolio.

	Number of Assets	Rentable Square Feet	Number of Units [1]	Estimated Potential Development Density [2]
Wholly Owned				
Operating	50	14,496,163	3,908	—
Under construction	5	1,540,690	547	—
Future development	28	—	—	17,147,100
Total	**83**	**16,036,853**	**4,455**	**17,147,100**
Real Estate Ventures				
Operating	19	5,319,736	2,108	—
Under construction	5	1,339,526	1,220	—
Future development	15	—	—	4,217,500
Total	**39**	**6,659,262**	**3,328**	**4,217,500**
Total Portfolio	**122**	**22,696,115**	**7,783**	**21,364,600**
Total Portfolio (at JBG SMITH Share)	**122**	**18,347,726**	**5,800**	**17,921,900**

Note: At 100% share, unless otherwise indicated.

(1) For assets under construction, represents estimated number of units based on current design plans.

(2) Includes estimated potential office, multifamily and retail development density.

Office Assets	Submarket	% Ownership	C/U [1]	Same Store [2]: Q4 2016-2017 / YTD 2016-2017	Year Built / Renovated	Total Square Feet	Office Square Feet	Retail Square Feet	% Leased	Office % Occupied	Retail % Occupied	Annualized Rent (in thousands)	Office Annualized Rent Per Square Foot [3]	Retail Annualized Rent Per Square Foot [4]
DC														
Universal Buildings	Uptown	100.0 %	C	Y / Y	1956 / 1990	686,919	568,843	91,075	97.7 %	98.9 %	99.6 %	$ 31,708	$ 47.71	$ 50.78
2101 L Street	CBD	100.0 %	C	Y / Y	1975 / 2007	380,375	346,588	31,320	98.7 %	99.0 %	100.0 %	25,653	69.61	55.41
Bowen Building	East End	100.0 %	C	Y / Y	1922 / 2004	231,402	229,943	—	86.1 %	86.1 %	—	13,791	69.53	—
1730 M Street [5]	CBD	100.0 %	C	Y / Y	1964 / 1998	205,360	196,757	8,018	92.5 %	92.2 %	100.0 %	8,601	45.39	44.21
1233 20th Street	CBD	100.0 %	C	N / N	1984 / 2003	151,695	150,577	—	86.8 %	87.2 %	—	5,965	45.42	—
Executive Tower	East End	100.0 %	C	Y / Y	2001 / 2016	129,739	124,488	4,293	79.7 %	80.0 %	88.6 %	7,952	77.11	71.87
1600 K Street	CBD	100.0 %	C	N / N	1950 / 2000	84,601	69,620	12,391	92.6 %	91.0 %	100.0 %	4,022	50.29	65.48
L'Enfant Plaza Office-East [5]	Southwest	49.0 %	U	N / N	1972 / 2012	437,518	396,651	—	89.7 %	89.9 %	—	16,641	46.28	—
L'Enfant Plaza Office-North	Southwest	49.0 %	U	N / N	1969 / 2014	305,157	279,848	19,474	84.7 %	83.8 %	85.9 %	11,031	45.90	15.94
L'Enfant Plaza Retail [5]	Southwest	49.0 %	U	N / N	1968 / 2014	143,614	16,596	102,765	78.1 %	100.0 %	79.0 %	4,780	36.36	50.61
The Warner	East End	55.0 %	U	Y / Y	1924 / 2012	585,040	526,276	57,182	98.6 %	99.6 %	90.4 %	39,892	73.22	28.70
Investment Building	East End	5.0 %	U	Y / Y	1924 / 2001	401,400	375,860	18,140	91.3 %	91.1 %	100.0 %	26,041	71.71	75.23
The Foundry	Georgetown	9.9 %	U	N / N	1973 / 2017	233,533	220,965	9,755	91.2 %	92.4 %	70.3 %	9,335	44.26	38.16
1101 17th Street	CBD	55.0 %	U	Y / Y	1964 / 1999	215,675	200,678	9,758	97.0 %	98.4 %	82.7 %	10,564	50.33	66.67
VA														
Courthouse Plaza 1 and 2 [5]	Clarendon/ Courthouse	100.0 %	C	Y / Y	1989 / 2013	639,431	575,489	57,193	93.6 %	91.9 %	100.0 %	$ 26,965	$ 47.01	$ 34.41
2345 Crystal Drive	Crystal City	100.0 %	C	Y / Y	1988 / N/A	507,336	498,324	4,206	82.2 %	82.4 %	100.0 %	19,374	46.64	38.35
2121 Crystal Drive	Crystal City	100.0 %	C	Y / Y	1985 / 2006	505,754	505,349	405	99.9 %	95.6 %	—	23,788	49.22	—
1550 Crystal Drive [6]	Crystal City	100.0 %	C	Y / Y	1980 / 2001	489,997	450,508	28,725	78.7 %	80.2 %	75.5 %	15,510	40.62	37.90
RTC-West [6]	Reston	100.0 %	C	N / N	1988 / 2014	446,176	445,027	—	94.8 %	93.2 %	—	15,187	36.58	—
2231 Crystal Drive	Crystal City	100.0 %	C	Y / Y	1987 / 2009	466,975	416,015	50,960	89.3 %	83.7 %	100.0 %	16,332	41.59	36.37
2011 Crystal Drive	Crystal City	100.0 %	C	Y / Y	1984 / 2006	444,905	433,247	6,762	82.5 %	82.7 %	100.0 %	16,287	44.35	51.75
2451 Crystal Drive	Crystal City	100.0 %	C	Y / Y	1990 / N/A	402,172	386,182	11,690	75.6 %	74.8 %	100.0 %	12,861	42.92	34.05
Commerce Executive [6]	Reston	100.0 %	C	Y / Y	1987 / 2015	393,527	372,190	16,260	89.8 %	89.9 %	95.2 %	12,463	35.77	27.81
1235 S. Clark Street	Crystal City	100.0 %	C	Y / Y	1981 / 2007	384,026	335,527	48,346	84.4 %	82.1 %	100.0 %	12,184	40.89	18.99
241 18th Street S.	Crystal City	100.0 %	C	Y / Y	1977 / 2013	361,193	330,814	28,457	76.2 %	73.5 %	89.9 %	10,450	39.40	33.94
251 18th Street S.	Crystal City	100.0 %	C	Y / Y	1975 / 2013	343,245	292,987	46,581	98.0 %	98.9 %	95.8 %	13,487	40.73	37.04
1215 S. Clark Street	Crystal City	100.0 %	C	Y / Y	1983 / 2002	336,159	333,546	2,613	100.0 %	100.0 %	100.0 %	10,796	32.12	32.14
201 12th Street S.	Crystal City	100.0 %	C	Y / Y	1987 / N/A	333,838	317,672	12,213	95.3 %	96.2 %	100.0 %	11,585	36.43	36.44
800 North Glebe Road	Ballston	100.0 %	C	N / N	2012 / N/A	305,039	277,397	26,247	99.5 %	100.0 %	100.0 %	14,447	47.71	46.19
1225 S. Clark Street	Crystal City	100.0 %	C	Y / Y	1982 / 2013	283,812	270,757	12,850	50.8 %	48.4 %	100.0 %	5,208	37.86	19.19

Office Assets	Submarket	% Ownership	C/U [1]	Same Store [2]: Q4 2016-2017 / YTD 2016-2017	Year Built / Renovated	Total Square Feet	Office Square Feet	Retail Square Feet	% Leased	Office % Occupied	Retail % Occupied	Annualized Rent (in thousands)	Office Annualized Rent Per Square Foot [3]	Retail Annualized Rent Per Square Foot [4]
2200 Crystal Drive	Crystal City	100.0 %	C	Y / Y	1968 / 2006	282,920	282,920	—	45.6 %	45.6 %	—	$ 4,928	$ 38.17	$ —
1901 South Bell Street	Crystal City	100.0 %	C	Y / Y	1968 / 2008	277,003	275,079	1,924	100.0 %	100.0 %	100.0 %	11,265	40.93	2.26
2100 Crystal Drive	Crystal City	100.0 %	C	Y / Y	1968 / 2006	249,281	249,281	—	98.8 %	100.0 %	—	10,178	40.83	—
200 12th Street S.	Crystal City	100.0 %	C	Y / Y	1985 / 2013	202,736	202,736	—	86.7 %	83.1 %	—	7,279	43.19	—
2001 Jefferson Davis Highway	Crystal City	100.0 %	C	Y / Y	1967 / N/A	160,817	159,684	—	62.4 %	61.4 %	—	3,188	32.54	—
Summit I [7]	Reston	100.0 %	C	N / N	1987 / 2012	145,768	145,768	—	100.0 %	100.0 %	—	3,562	24.43	—
Summit II [6] [7]	Reston	100.0 %	C	N / N	1986 / 2012	138,350	136,878	1,472	100.0 %	100.0 %	100.0 %	4,500	32.83	4.08
1800 South Bell Street [6]	Crystal City	100.0 %	C	N / N	1969 / 2007	74,701	49,792	24,479	100.0 %	100.0 %	100.0 %	2,554	46.93	8.53
Crystal City Shops at 2100	Crystal City	100.0 %	C	Y / Y	1968 / 2006	79,755	—	78,245	93.3 %	—	93.5 %	1,620	—	21.91
Wiehle Avenue Office Building	Reston	100.0 %	C	N / N	1984 / N/A	77,528	74,658	—	55.9 %	57.5 %	—	1,171	27.16	—
1831 Wiehle Avenue [6]	Reston	100.0 %	C	N / N	1983 / N/A	25,152	25,152	—	100.0 %	100.0 %	—	704	27.98	—
Crystal Drive Retail	Crystal City	100.0 %	C	Y / Y	2003 / N/A	56,965	—	56,965	100.0 %	—	100.0 %	2,940	—	51.61
Pickett Industrial Park	Eisenhower Avenue	10.0 %	U	N / N	1973 / N/A	246,145	246,145	—	100.0 %	100.0 %	—	3,471	14.10	—
Rosslyn Gateway-North	Rosslyn	18.0 %	U	N / N	1996 / 2014	144,483	130,922	12,754	91.4 %	86.6 %	96.0 %	5,014	41.12	28.46
Rosslyn Gateway-South	Rosslyn	18.0 %	U	N / N	1961 / N/A	105,723	94,477	7,584	79.8 %	81.8 %	40.4 %	2,012	24.37	40.06
MD														
7200 Wisconsin Avenue	Bethesda CBD	100.0 %	C	N / N	1986 / 2015	270,628	250,071	16,662	68.7 %	67.6 %	82.2 %	$ 9,006	$ 49.50	$ 44.75
One Democracy Plaza* [5]	Bethesda-Rock Spring	100.0 %	C	Y / Y	1987 / 2013	214,300	211,043	2,138	98.4 %	98.9 %	100.0 %	6,589	31.23	31.76
4749 Bethesda Avenue Retail	Bethesda CBD	100.0 %	C	N / N	2016 / N/A	13,633	—	13,633	100.0 %	—	100.0 %	1,098	—	80.56
11333 Woodglen Drive	Rockville Pike Corridor	18.0 %	U	N / N	2004 / N/A	62,875	54,077	8,573	97.6 %	97.2 %	100.0 %	2,283	34.90	51.82
NoBe II Office [6]	Rockville Pike Corridor	18.0 %	U	N / N	1965 / 2005	39,836	31,402	8,434	61.9 %	51.7 %	100.0 %	624	23.01	29.71
Total / Weighted Average						**13,704,212**	**12,564,806**	**950,542**	**88.5 %**	**87.9 %**	**93.5 %**	**$ 536,886**	**$ 45.33**	**$ 39.28**
Recently Delivered														
VA														
RTC - West Retail	Reston	100.0 %	C	N / N	2017 / N/A	40,025	—	40,025	77.8 %	—	48.4 %	1,291	—	66.62
Operating - Total / Weighted Average						**13,744,237**	**12,564,806**	**990,567**	**88.5 %**	**87.9 %**	**91.7 %**	**$ 538,177**	**$ 45.33**	**$ 39.86**

Office Assets	Submarket	% Ownership	C/U [1]	Same Store [2]: Q4 2016-2017 / YTD 2016-2017	Year Built / Renovated	Total Square Feet	Office Square Feet	Retail Square Feet	% Leased	Office % Occupied	Retail % Occupied	Annualized Rent (in thousands)	Office Annualized Rent Per Square Foot [3]	Retail Annualized Rent Per Square Foot [4]
Under Construction														
DC														
1900 N Street [5] [8]	CBD	100.0 %	C			271,433	258,931	12,502	29.6 %					
L'Enfant Plaza Office-Southeast	Southwest	49.0 %	U			215,185	215,185	—	65.1 %					
VA														
CEB Tower at Central Place [5]	Rosslyn	100.0 %	C			529,997	518,255	11,742	73.3 %					
MD														
4747 Bethesda Avenue [9]	Bethesda CBD	100.0 %	C			287,183	281,020	6,163	69.8 %					
Under Construction - Total / Weighted Average						**1,303,798**	**1,273,391**	**30,407**	**62.1 %**					
Total / Weighted Average						**15,048,035**	**13,838,197**	**1,020,974**	**86.2 %**					
Totals at JBG SMITH Share														
Operating assets						11,829,162	10,851,523	841,450	88.0 %	87.2 %	92.9 %	$ 454,497	$ 44.68	$ 39.12
Under construction assets						1,194,043	1,163,636	30,407	61.8 %					

Number of Assets and Total Square Feet Reconciliation

Operating Assets	Number of Assets	At 100% Share Square Feet	At JBG SMITH Share Square Feet
Q3 2017	51	13,744,474	11,829,558
Placed in service	—	5,380	5,380
Out-of-service adjustment	—	(8,754)	(7,934)
Building re-measurements	—	3,137	2,158
Q4 2017	51	13,744,237	11,829,162

See footnotes on page 36.

Footnotes

Note: At 100% share. Excludes our 10% subordinated interests in five commercial buildings held through a real estate venture in which we have no economic interest.

* Not Metro-Served.

(1) "C" denotes a consolidated interest. "U" denotes an unconsolidated interest.

(2) "Y" denotes an asset as same store and "N" denotes an asset as non-same store.

(3) Represents annualized office rent divided by occupied office square feet; annualized retail rent and retail square feet are excluded from this metric. Occupied office square footage may differ from leased office square footage because leased office square footage includes leases that have been signed but have not yet commenced.

(4) Represents annualized retail rent divided by occupied retail square feet. Occupied retail square footage may differ from leased retail square footage because leased retail square footage includes leases that have been signed but have not yet commenced.

(5) The following assets are subject to ground leases:

Office Asset	Ground Lease Expiration Date
1730 M Street	4/30/2061
L'Enfant Plaza Office - East	11/23/2064
L'Enfant Plaza Retail	11/23/2064
Courthouse Plaza 1 and 2	1/19/2062
One Democracy Plaza	11/17/2084
1900 N Street**	5/31/2106
CEB Tower at Central Place***	6/2/2102

** Only a portion of the asset is subject to a ground lease.

*** We have an option to purchase the ground lease at a fixed price.

(6) The following assets contain space that is held for development or not otherwise available for lease. This out-of-service square footage is excluded from area, leased, and occupancy metrics in the above table.

Office Asset	In-Service	Not Available for Lease
1550 Crystal Drive	489,997	18,293
RTC - West	446,176	19,911
Commerce Executive	393,527	14,085
Summit II	138,350	6,480
1800 South Bell Street	74,701	146,079
1831 Wiehle Avenue	25,152	50,039
NoBe II Office	39,836	96,983

(7) In January 2018, we entered into an agreement for the sale of Summit I and II.

(8) Subsequent to December 31, 2017, we recapitalized the asset through a real estate venture, which will reduce our ownership percentage from 100.0% to 55.0% as contributions are funded during the construction of the asset.

(9) Includes JBG SMITH's lease for approximately 80,200 square feet.

Multifamily Assets	Submarket	% Ownership	C/U [1]	Same Store [2]: Q4 2016-2017 / YTD 2016-2017	Year Built / Renovated	Number of Units	Total Square Feet	Multifamily Square Feet	Retail Square Feet	% Leased	Multifamily % Occupied	Retail % Occupied	Annualized Rent (in thousands)	Monthly Rent Per Unit [3] [4]	Monthly Rent Per Square Foot [4] [5]
DC															
Fort Totten Square	Brookland/Fort Totten	100.0 %	C	N / N	2015 / N/A	345	384,316	253,652	130,664	93.3 %	86.7 %	100.0 %	$ 8,612	$ 1,807	$ 2.46
WestEnd25	West End	100.0 %	C	Y / Y	2009 / N/A	283	273,264	273,264	—	98.1 %	95.8 %	—	11,405	3,507	3.63
The Gale Eckington	H Street/NoMa	5.0 %	U	N / N	2013 / 2017	603	466,716	465,516	1,200	94.2 %	91.8 %	100.0 %	13,576	2,039	2.64
Atlantic Plumbing	U Street/Shaw	64.0 %	U	N / N	2015 / N/A	310	245,527	221,788	23,739	96.4 %	93.1 %	100.0 %	10,538	2,720	3.80
VA															
RiverHouse Apartments	Pentagon City	100.0 %	C	Y / Y	1960 / 2013	1,670	1,322,016	1,319,354	2,662	94.7 %	93.7 %	100.0 %	$ 33,147	$ 1,762	$ 2.23
The Bartlett	Pentagon City	100.0 %	C	N / N	2016 / N/A	699	619,372	577,295	42,077	95.2 %	94.1 %	100.0 %	22,656	2,704	3.27
220 20th Street	Crystal City	100.0 %	C	Y / Y	2009 / N/A	265	271,790	269,913	1,877	96.8 %	94.3 %	83.3 %	7,781	2,579	2.53
2221 South Clark Street	Crystal City	100.0 %	C	Y / Y	1964 / 2016	216	171,080	164,743	—	100.0 %	100.0 %	—	3,232	N/A	N/A
Fairway Apartments*	Reston	10.0 %	U	N / N	1969 / 2005	346	370,850	370,850	—	93.5 %	92.3 %	—	6,154	1,605	1.50
MD															
Falkland Chase-South & West	Downtown Silver Spring	100.0 %	C	N / N	1938 / 2011	268	222,949	222,949	—	97.7 %	96.6 %	—	$ 5,444	$ 1,752	$ 2.11
Falkland Chase-North [6]	Downtown Silver Spring	100.0 %	C	N / N	1938 / 1986	162	106,159	106,159	—	97.8 %	95.1 %	—	2,695	1,459	2.23
Galvan	Rockville Pike Corridor	1.8 %	U	N / N	2015 / N/A	356	390,650	295,033	95,617	92.4 %	88.5 %	96.8 %	10,496	1,828	2.21
The Alaire [7]	Rockville Pike Corridor	18.0 %	U	N / N	2010 / N/A	279	266,497	251,691	14,806	92.5 %	91.9 %	100.0 %	5,814	1,693	1.88
The Terano [6] [7]	Rockville Pike Corridor	1.8 %	U	N / N	2015 / N/A	214	195,864	183,496	12,368	90.7 %	88.1 %	76.2 %	4,263	1,759	2.05
Operating - Total / Weighted Average						**6,016**	**5,307,050**	**4,975,703**	**325,010**	**94.8 %**	**93.0 %**	**98.1 %**	**$ 145,813**	**$ 2,066**	**$ 2.50**
Under Construction															
DC															
West Half	Ballpark/Southeast	95.4 %	C			465	388,174	346,415	41,759						
965 Florida Avenue [8]	U Street/Shaw	96.1 %	C			433	336,092	290,296	45,796						
1221 Van Street	Ballpark/Southeast	100.0 %	C			291	226,546	202,988	23,558						
Atlantic Plumbing C	U Street/Shaw	100.0 %	C			256	225,531	206,057	19,474						
MD															
7900 Wisconsin Avenue	Bethesda CBD	50.0 %	U			322	359,025	338,990	20,035						
Under Construction - Total						**1,767**	**1,535,368**	**1,384,746**	**150,622**						
Total						**7,783**	**6,842,418**	**6,360,449**	**475,632**						

Multifamily Assets	Submarket	% Ownership	C/U [(1)]	Same Store [(2)]: Q4 2016-2017 / YTD 2016-2017	Year Built / Renovated	Number of Units	Total Square Feet	Multifamily Square Feet	Retail Square Feet	% Leased	Multifamily % Occupied	Retail % Occupied	Annualized Rent (in thousands)	Monthly Rent Per Unit [(3) (4)]	Monthly Rent Per Square Foot [(4) (5)]
Totals at JBG SMITH Share															
Operating assets						4,232	3,647,031	3,443,552	197,142	95.6 %	93.8 %	99.8 %	$ 104,324	$ 2,145	$ 2.62
Under construction assets						1,568	1,325,142	1,188,214	136,928						

Number of Assets and Total Square Feet/Units Reconciliation

Operating Assets	Number of Assets	At 100% Share Square Feet/Units	At JBG SMITH Share Square Feet/Units
Q3 2017	14	5,307,050 SF/ 6,016 Units	3,647,031 SF/ 4,232 Units
Placed in service	—	—	—
Out-of-service adjustment	—	—	—
Building re-measurements	—	—	—
Q4 2017	14	5,307,050 SF/ 6,016 Units	3,647,031 SF/ 4,232 Units

Leasing Activity - Multifamily

	Number of	Number of	Monthly Rent Per Unit [(3)]			Multifamily % Occupied			Annualized Rent (in thousands)		
	Assets	Units	Q4 2017	Q4 2016	% Change	Q4 2017	Q4 2016	% Change	Q4 2017	Q4 2016	% Change
DC	3	658	$ 2,589	$ 2,567	0.9%	90.8%	91.6%	(0.8)%	$ 18,565	$ 18,564	—
VA	3	1,970	1,870	1,835	1.9%	93.7%	96.1%	(2.4)%	41,432	41,665	(0.6)%
MD	5	490	1,651	1,620	1.9%	95.5%	94.2%	1.3 %	9,274	8,978	3.3 %
Total / Weighted Average	11	3,118	$ 1,982	$ 1,951	1.6%	93.4%	94.8%	(1.4)%	$ 69,271	$ 69,207	0.1 %

Note: At JBG SMITH share. Includes both Vornado Included Assets and JBG Assets placed in service prior to October 1, 2016.

See footnotes on page 39.

Footnotes

Note: At 100% share.

* Not Metro-Served.

(1) “C” denotes a consolidated interest. “U” denotes an unconsolidated interest.
(2) “Y” denotes an asset as same store and “N” denotes an asset as non-same store.
(3) Represents multifamily rent divided by occupied multifamily units; retail rent is excluded from this metric. Occupied units may differ from leased units because leased units include leases that have been signed but have not yet commenced.
(4) Excludes 2221 South Clark Street (WeLive).
(5) Represents multifamily rent divided by occupied multifamily square feet; retail rent and retail square feet are excluded from this metric. Occupied multifamily square footage may differ from leased multifamily square footage because leased multifamily square footage includes leases that have been signed but have not yet commenced.
(6) The following assets contain space that is held for development or not otherwise available for lease. This out-of-service square footage is excluded from area, leased, and occupancy metrics in the above table.

Multifamily Asset	In-Service	Not Available for Lease
Falkland Chase - North	106,159	13,284
The Terano	195,864	3,904

(7) The following assets are subject to ground leases:

Multifamily Asset	Ground Lease Expiration Date
The Alaire	3/27/2107
The Terano	8/5/2112

(8) Ownership percentage reflects expected dilution of JBG SMITH's real estate venture partner as contributions are funded during the construction of the asset. As of December 31, 2017, JBG SMITH's ownership interest was 67.6%.

Other Assets	Submarket	% Ownership	C/U [1]	Same Store [2]: Q4 2016-2017 / YTD 2016-2017	Year Built / Renovated	Total Square Feet [3]	% Leased	% Occupied	Annualized Rent (in thousands)	Annualized Rent Per Square Foot [4]
Retail										
DC										
North End Retail	U Street/Shaw	100.0%	C	N / N	2015 / N/A	27,432	100.0%	99.0%	$ 1,196	$ 44.05
VA										
Vienna Retail*	Vienna	100.0%	C	Y / Y	1981 / N/A	8,547	100.0%	100.0%	394	46.12
Stonebridge at Potomac Town Center-Phase I*	Prince William County	10.0%	U	N / N	2012 / N/A	462,633	93.9%	93.9%	13,625	31.38
Total / Weighted Average						**498,612**	**94.3%**	**94.2%**	**$ 15,215**	**$ 32.38**
Hotel										
VA										
Crystal City Marriott Hotel	Crystal City	100.0%	C	Y / Y	1968/2013	266,000 (345 Rooms)				
Operating - Total						**764,612**				
Under Construction										
VA										
Stonebridge at Potomac Town Center-Phase II*	Prince William County	10.0%	U			41,050	100.0%			
Total						**805,662**				
Totals at JBG SMITH Share										
Operating assets						348,242	96.5%	96.2%	$ 2,952	$ 37.32
Under construction assets						4,105	100.0%			

Number of Assets and Total Square Feet Reconciliation

Operating Assets	Number of Assets	At 100% Share Square Feet	At JBG SMITH Share Square Feet
Q3 2017	4	764,612	348,242
Placed in service	—	—	—
Out-of-service adjustment	—	—	—
Building re-measurements	—	—	—
Q4 2017	4	764,612	348,242

See footnotes on page 41.

Footnotes

Note: At 100% share.

* Not Metro-Served.

(1) "C" denotes a consolidated interest. "U" denotes an unconsolidated interest.

(2) "Y" denotes an asset as same store and "N" denotes an asset as non-same store.

(3) Does not include over 1.0 million square feet of retail space within our operating and under construction office portfolio and approximately 476,000 square feet of retail space within our operating and under construction multifamily portfolio.

(4) Represents annualized rent divided by occupied square feet. Occupied square footage may differ from leased square footage because leased square footage includes leases that have been signed but have not yet commenced.

dollars in thousands, except per square foot data

Asset	Submarket	% Ownership	Estimated Square Feet	% Pre-Leased	Weighted Average Pre-Lease Rent Per Square Foot [1]	Estimated Number of Units	Schedule [2] Construction Start Date	Schedule [2] Estimated Completion Date	Schedule [2] Estimated Stabilization Date	At JBG SMITH Share Historical Cost [3]	At JBG SMITH Share Estimated Incremental Investment	At JBG SMITH Share Estimated Total Investment
Office												
DC												
1900 N Street [4]	CBD	100.0%	271,433	29.6%	$ 86.71	—	Q2 2017	Q2 2020	Q4 2022	$ 90,445	$ 134,808	$ 225,253
L'Enfant Plaza Office - Southeast	Southwest	49.0%	215,185	65.1%	53.95	—	Q1 2017	Q3 2019	Q2 2021	25,819	21,923	47,742
VA												
CEB Tower at Central Place [4]	Rosslyn	100.0%	529,997	73.3%	61.93	—	Q4 2014	Q2 2018	Q2 2020	335,530	64,980	400,510
MD												
4747 Bethesda Avenue [5]	Bethesda CBD	100.0%	287,183	69.8%	60.32	—	Q2 2017	Q4 2019	Q2 2021	52,391	110,629	163,020
Total/weighted average			**1,303,798**	**62.1%**	**$ 62.61**	**—**	**Q1 2016**	**Q1 2019**	**Q1 2021**	**$ 504,185**	**$ 332,340**	**$ 836,525**
Multifamily												
DC												
West Half	Ballpark/ Southeast	95.4%	388,174	—	—	465	Q1 2017	Q1 2020	Q1 2021	81,604	136,328	217,932
965 Florida Avenue [4]	U Street/Shaw	96.1%	336,092	—	—	433	Q4 2017	Q4 2020	Q1 2022	18,219	134,400	152,619
1221 Van Street	Ballpark/ Southeast	100.0%	226,546	—	—	291	Q4 2015	Q2 2018	Q2 2019	102,880	13,616	116,496
Atlantic Plumbing C	U Street/Shaw	100.0%	225,531	—	—	256	Q1 2017	Q4 2019	Q3 2020	74,008	81,204	155,212
MD												
7900 Wisconsin Avenue	Bethesda CBD	50.0%	359,025	—	—	322	Q2 2017	Q3 2020	Q4 2021	27,826	66,589	94,415
Total/weighted average			**1,535,368**	**—**	**—**	**1,767**	**Q1 2017**	**Q4 2019**	**Q1 2021**	**$ 304,537**	**$ 432,137**	**$ 736,674**
Other												
VA												
Stonebridge at Potomac Town Center - Phase II	Prince William County	10.0%	41,050	100.0%	$ 32.40	—	Q3 2017	Q1 2019	Q1 2019	266	1,546	1,812
Under Construction - Total / Weighted Average [6]			**2,880,216**	**63.2%**	**$ 61.15**	**1,767**	**Q3 2016**	**Q3 2019**	**Q1 2021**	**$ 808,988**	**$ 766,023**	**$ 1,575,011**

	Office	Multifamily	Other	Total
Weighted average projected NOI yield at JBG SMITH share:				
Estimated total project cost [7]	7.8%	6.4%	6.0%	7.1%
Estimated total investment	6.9%	6.0%	6.0%	6.5%
Estimated incremental investment	17.5%	10.2%	7.0%	13.4%
Estimated Stabilized NOI at JBG SMITH Share (dollars in millions)	$ 58.1	$ 44.2	$ 0.1	$ 102.4

Note: At 100% share, unless otherwise noted.

(1) Based on leases signed as of December 31, 2017 and calculated as contractual monthly base rent before free rent, plus estimated tenant reimbursements for the month in which the lease commences, multiplied by 12. Triple net leases are converted to a gross basis by adding estimated tenant reimbursements to contractual monthly base rent.
(2) Average dates are weighted by JBG SMITH share of estimated square feet.
(3) Historical cost excludes certain GAAP adjustments, such as capitalized payroll, interest and ground lease costs totaling approximately $38 million at JBG SMITH share. See definition of historical cost on page 51.
(4) The increase in estimated total investment from prior quarter is related to changes to the purchase price allocation adjustment recognized as a result of the Formation Transaction. The purchase price adjustment for 1900 N Street is based on the contribution value of the asset in the real estate venture with Canadian Pension Plan Investment Board, which closed subsequent to December 31, 2017 and will reduce our ownership percentage from 100.0% to 55.0% as contributions are funded during the construction of the asset.
(5) Includes JBG SMITH's lease for approximately 80,200 square feet.
(6) Multifamily assets are excluded from the % pre-leased and the weighted average pre-lease rent per square foot metrics.
(7) Estimated total project cost is estimated total investment excluding purchase price allocation adjustments recognized as a result of the Formation Transaction.

dollars in thousands, except per square foot data, at JBG SMITH share

Region	Number of Assets	Estimated Potential Development Density (SF) Total	Office	Multifamily	Retail	Estimated Commercial SF / Multifamily Units to be Replaced [1]	Historical Cost [2]	Estimated Remaining Acquisition Cost [3]	Estimated Capitalized Cost of SF / Units to Be Replaced [4]	Estimated Capitalized Cost of Ground Rent Payments [5]	Estimated Total Investment	Estimated Total Investment per SF
Owned												
DC												
DC Emerging	7	1,426,900	312,100	1,105,800	9,000	—	$ 77,143	N/A	$ —	$ —	$ 77,143	$ 54.06
DC CBD	1	336,200	324,400	—	11,800	—	51,093	N/A	—	—	51,093	151.97
	8	1,763,100	636,500	1,105,800	20,800	—	128,236	N/A	—	—	128,236	72.73
VA												
Pentagon City	5	4,572,800	1,429,100	2,999,100	144,600	—	163,284	N/A	—	—	163,284	35.71
Reston	6	4,193,100	1,282,800	2,683,600	226,700	102,680 SF / 15 units	80,155	N/A	12,441	—	92,596	22.08
Crystal City	9	2,982,400	620,000	2,088,200	274,200	74,701 SF	134,327	N/A	9,248	—	143,575	48.14
Other VA	5	951,300	496,400	394,300	60,600	22,203 SF	29,073	N/A	1,712	2,337	33,122	34.82
	25	12,699,600	3,828,300	8,165,200	706,100	199,584 SF / 15 units	406,839	N/A	23,401	2,337	432,577	34.06
MD												
Silver Spring	1	1,276,300	—	1,156,300	120,000	162 units	14,998	N/A	25,200	—	40,198	31.50
Greater Rockville	4	126,500	19,200	88,600	18,700	7,170 SF	3,613	N/A	—	416	4,029	31.85
	5	1,402,800	19,200	1,244,900	138,700	7,170 SF / 162 units	18,611	N/A	25,200	416	44,227	31.53
Total / weighted average	38	15,865,500	4,484,000	10,515,900	865,600	206,754 SF / 177 units	$ 553,686	N/A	$ 48,601	$ 2,753	$ 605,040	$ 38.14
Optioned [6]												
DC												
DC Emerging	4	2,045,100	78,800	1,750,400	215,900	—	$ 18,525	$ 43,189	$ —	$ 69,718	$ 131,432	$ 64.27
VA												
Other VA	1	11,300	—	10,400	900	—	24	995	—	—	1,019	90.18
Total / weighted average	5	2,056,400	78,800	1,760,800	216,800	—	$ 18,549	$ 44,184	$ —	$ 69,718	$ 132,451	$ 64.41
Total / Weighted Average	**43**	**17,921,900**	**4,562,800**	**12,276,700**	**1,082,400**	**206,754 SF / 177 units**	**$ 572,235**	**$ 44,184**	**$ 48,601**	**$ 72,471**	**$ 737,491**	**$ 41.15**

(1) Represents management's estimate of the total office and/or retail rentable square feet and multifamily units that would need to be redeveloped to access some of the estimated potential development density.
(2) Historical cost includes certain intangible assets, such as option and transferable density rights values; and excludes certain GAAP adjustments, such as capitalized payroll, interest and ground lease costs totaling approximately $19 million at JBG SMITH share. See definition of historical cost on page 51.
(3) Represents management's estimate of remaining deposits, option payments, and option strike prices as of December 31, 2017.
(4) Capitalized value of estimated commercial square feet / multifamily units to be replaced, which generated approximately $0.7 million of NOI for the three months ended December 31, 2017 (included in the NOI of the applicable operating segment), at a 6.0% capitalization rate. 1800 South Bell's annualized NOI was adjusted to exclude a prior period tenant expense reimbursement revenue accrual adjustment. NoBe II Office's annualized NOI is excluded from this calculation.
(5) Capitalized value of stabilized annual ground rent payments associated with leasehold assets at a 5.0% capitalization rate. Two owned parcels and one optioned parcel are leasehold interests with estimated annual stabilized ground rent payments totaling $3.6 million.
(6) As of December 31, 2017, the weighted average remaining term for the optioned future development assets is 5.8 years.

dollars in thousands, at JBG SMITH share	2018	2019	2020	2021	2022	Thereafter	Total
Consolidated and Unconsolidated Principal Balance							
Unsecured Debt:							
Revolving credit facility ($1 billion commitment)	$ —	$ —	$ —	$ 115,751	$ —	$ —	$ 115,751
Term loans ($400 million commitment)	—	—	—	—	—	50,000	50,000
Total unsecured debt	—	—	—	115,751	—	50,000	165,751
Secured Debt:							
Consolidated principal balance	337,513	227,041	225,914	100,733	327,500	817,197	2,035,898
Unconsolidated principal balance	26,210	119,384	24,565	—	73,623	152,510	396,292
Total secured debt	363,723	346,425	250,479	100,733	401,123	969,707	2,432,190
Total Consolidated and Unconsolidated Principal Balance	$ 363,723	$ 346,425	$ 250,479	$ 216,484	$ 401,123	$ 1,019,707	$ 2,597,941
% of total debt maturing	14.0%	13.3%	9.6%	8.3%	15.4%	39.4%	100.0%
% floating rate (1)	54.4%	87.7%	52.2%	54.1%	—	2.2%	29.7%
% fixed rate (2)	45.6%	12.3%	47.8%	45.9%	100.0%	97.8%	70.3%
Weighted Average Interest Rates							
Variable rate	3.60%	4.10%	3.89%	2.68%	—	3.88%	3.71%
Fixed rate	3.93%	4.38%	3.95%	4.88%	3.94%	4.28%	4.19%
Total Weighted Average Interest Rates	**3.75%**	**4.13%**	**3.92%**	**3.69%**	**3.94%**	**4.27%**	**4.05%**

	Credit Facility			
	Revolving Credit Facility	**Tranche A-1 Term Loan**	**Tranche A-2 Term Loan**	**Total/Weighted Average**
Credit limit	$ 1,000,000	$ 200,000	$ 200,000	$ 1,400,000
Outstanding principal balance	$ 115,751	$ 50,000	$ —	$ 165,751
Letters of credit	$ 5,743	$ —	$ —	$ 5,743
Undrawn capacity	$ 878,506	$ 150,000	$ 200,000	$ 1,228,506
Interest rate spread (3)	1.10%	1.20%	1.55%	1.13%
All-In interest rate (4)	2.66%	3.17%	3.11%	2.82%
Initial maturity date	Jul-21	Jan-23	Jul-24	—
Delayed draw availability period	—	Jul-19	Jul-18	—

(1) Floating rate debt includes floating rate loans with interest rate caps.
(2) Fixed rate debt includes floating rate loans with interest rate swaps.
(3) The interest rate spread for the revolving credit facility excludes 0.15% facility fee.
(4) The all-in interest rate is inclusive of interest rate swaps. As of December 31, 2017, only the $50 million outstanding balance on the Tranche A-1 Term Loan had been swapped.

dollars in thousands

Asset	% Ownership		Principal Balance	Stated Interest Rate	Interest Rate Hedge	Current Annual Interest Rate [1]	Initial Maturity Date	Extended Maturity Date [2]
Consolidated								
Fort Totten Square	100.0%	$	73,600	L + 2.15%	Swap	4.26%	06/09/18	12/09/18
7200 Wisconsin Avenue	100.0%		83,130	L + 1.75%	Cap	3.31%	12/23/18	12/23/19
Courthouse Plaza 1 and 2	100.0%		2,000	L + 1.60%	—	3.16%	05/10/18	05/10/20
Summit I & II	100.0%		59,000	L + 1.70%	Cap	3.26%	08/04/20	08/04/20
RTC - West	100.0%		107,720	L + 2.20%	Swap	4.03%	04/12/20	04/12/21
WestEnd25	100.0%		99,456	4.88%	Fixed	4.88%	06/01/21	06/01/21
Universal Buildings	100.0%		184,357	L + 1.90%	Cap	3.46%	08/12/19	08/12/21
CEB Tower at Central Place [3]	100.0%		178,783	L + 2.45%	Swap	3.66%	11/07/18	11/07/21
The Bartlett	100.0%		220,000	L + 1.70%	Swap	3.79%	06/20/22	06/20/22
Credit Facility - Revolving Credit Facility	100.0%		115,751	L + 1.10%	—	2.66%	07/16/21	07/16/22
Credit Facility -Tranche A-1 Term Loan	100.0%		50,000	L + 1.20%	Swap	3.17%	01/18/23	01/18/23
2121 Crystal Drive	100.0%		139,134	5.51%	Fixed	5.51%	03/01/23	03/01/23
Falkland Chase - South & West	100.0%		41,976	3.78%	Fixed	3.78%	06/01/23	06/01/23
Falkland Chase - North	100.0%		22,566	L + 2.32%	Cap	3.88%	06/01/23	06/01/23
West Half	95.4%		1,338	L + 2.85%	—	4.41%	07/31/21	07/31/23
1221 Van Street	100.0%		59,194	L + 2.65%	—	4.21%	08/31/20	08/31/23
800 North Glebe Road	100.0%		107,500	L + 1.60%	Swap	3.60%	06/30/22	06/30/24
Credit Facility - Tranche A-2 Term Loan	100.0%		—	L + 1.55%	—	3.11%	07/18/24	07/18/24
2101 L Street	100.0%		140,493	3.97%	Fixed	3.97%	08/15/24	08/15/24
1233 20th Street	100.0%		42,684	4.38%	Fixed	4.38%	11/01/19	11/01/24
1215 S. Clark Street, 200 12th Street S., and 251 18th Street S.	100.0%		87,318	7.94%	Fixed	7.94%	01/01/25	01/01/25
RiverHouse Apartments	100.0%		307,710	L + 1.28%	Swap	3.47%	04/01/25	04/01/25
1235 S. Clark Street	100.0%		78,000	3.94%	Fixed	3.94%	11/01/27	11/01/27
Total Consolidated Principal Balance			2,201,710					
Premium / (discount) recognized as a result of the Formation Transaction			(72)					
Deferred financing costs			(13,658)					
Total Consolidated Indebtedness		**$**	**2,187,980**					

Total Consolidated Indebtedness (net of premium / (discount) and deferred financing costs)		
Mortgages payable	$	2,025,692
Revolving credit facility		115,751
Unsecured term loan		46,537
Total Consolidated Indebtedness	**$**	**2,187,980**

dollars in thousands

Asset	% Ownership		Principal Balance	Stated Interest Rate	Interest Rate Hedge	Current Annual Interest Rate [1]	Initial Maturity Date	Extended Maturity Date [2]
Unconsolidated								
1101 17th Street	55.0%	$	31,000	L + 1.25%	—	2.81%	04/19/18	04/19/18
Galvan	1.8%		84,113	L + 2.70%	—	4.26%	01/31/18	01/31/19
The Terano	1.8%		37,989	L + 2.35%	—	3.91%	11/08/18	11/08/19
11333 Woodglen Drive	18.0%		13,223	L + 1.90%	Swap	3.52%	01/01/20	01/01/20
The Alaire	18.0%		38,678	L + 2.10%	Cap	3.66%	03/13/18	03/13/20
Rosslyn Gateway - North, Rosslyn Gateway - South	18.0%		47,277	L + 2.00%	Cap	3.00%	11/17/19	11/17/21
The Foundry	9.9%		54,502	L + 1.85%	Cap	3.41%	12/12/19	12/12/21
L'Enfant Plaza Office - North, L'Enfant Plaza Office - East, L'Enfant Plaza Retail [4]	49.0%		215,304	L + 3.65%	Cap	5.34%	05/08/19	05/08/22
L'Enfant Plaza Office - Southeast	49.0%		25,637	L + 3.75%	Cap	5.31%	05/08/20	05/08/22
Atlantic Plumbing	64.0%		100,000	L + 1.50%	Swap	5.08%	11/08/22	11/08/22
Stonebridge at Potomac Town Center	10.0%		96,242	L + 1.70%	Swap	3.25%	12/10/20	12/10/22
The Warner	55.0%		273,000	3.65%	Fixed	3.65%	06/01/23	06/01/23
Fairway Apartments	10.0%		40,823	L + 1.60%	Swap	3.70%	07/01/22	07/01/25
7900 Wisconsin Avenue	50.0%		—	4.82%	Fixed	4.82%	07/15/25	07/15/25
The Gale Eckington	5.0%		110,813	L + 1.60%	Swap	3.56%	07/31/22	07/31/25
Pickett Industrial Park	10.0%		23,600	L + 1.45%	Swap	3.56%	09/04/25	09/04/25
Total Unconsolidated Principal Balance			1,192,201					
Deferred financing costs			(2,000)					
Total Unconsolidated Indebtedness		**$**	**1,190,201**					

Principal Balance at JBG SMITH Share		
Consolidated principal balance at JBG SMITH share	$	2,201,649
Unconsolidated principal balance at JBG SMITH share		396,292
Total Consolidated and Unconsolidated Principal Balance at JBG SMITH Share	$	2,597,941
Indebtedness at JBG SMITH Share (net of premium / (discount) and deferred financing costs)		
Consolidated indebtedness at JBG SMITH Share	$	2,188,104
Unconsolidated indebtedness at JBG SMITH Share		395,117
Total Consolidated and Unconsolidated Indebtedness at JBG SMITH Share	$	2,583,221

(1) December 31, 2017 one-month LIBOR of 1.56% applied to loans which are denoted as floating (no swap) or floating with a cap, except as otherwise noted.
(2) Represents the maturity date based on execution of all extension options. Many of these extensions are subject to lender covenant tests.
(3) The notional amount of the CEB Tower at Central Place interest rate swap as of December 31, 2017 was $92.1 million.
(4) The base rate for this loan is three-month LIBOR, which was 1.69% as of December 31, 2017.

	Asset Type	City	Submarket	% Ownership	Total Square Feet
Akridge					
West Half	Multifamily	Washington, D.C.	Ballpark/Southeast	95.4%	388,174
MRP Realty					
965 Florida Avenue	Multifamily	Washington, D.C.	U Street/Shaw	96.1%	336,092
Total Consolidated Real Estate Ventures					**724,266**

Note: At 100% share.

	Asset Type	City	Submarket	% Ownership	Total Square Feet
Landmark					
L'Enfant Plaza Office - East	Office	Washington, D.C.	Southwest	49.0%	437,518
L'Enfant Plaza Office - North	Office	Washington, D.C.	Southwest	49.0%	305,157
L'Enfant Plaza Office - Southeast	Office	Washington, D.C.	Southwest	49.0%	215,185
L'Enfant Plaza Retail	Office	Washington, D.C.	Southwest	49.0%	143,614
Rosslyn Gateway - North	Office	Arlington, VA	Rosslyn	18.0%	144,483
Rosslyn Gateway - South	Office	Arlington, VA	Rosslyn	18.0%	105,723
NoBe II Office	Office	Rockville, MD	Rockville Pike Corridor	18.0%	39,836
11333 Woodglen Drive	Office	Rockville, MD	Rockville Pike Corridor	18.0%	62,875
Galvan	Multifamily	Rockville, MD	Rockville Pike Corridor	1.8%	390,650
The Alaire	Multifamily	Rockville, MD	Rockville Pike Corridor	18.0%	266,497
The Terano	Multifamily	Rockville, MD	Rockville Pike Corridor	1.8%	195,864
NoBe II Land	Future Development	Rockville, MD	Rockville Pike Corridor	18.0%	589,000
Rosslyn Gateway - North Land	Future Development	Arlington, VA	Rosslyn	18.0%	311,000
Rosslyn Gateway - South Land	Future Development	Arlington, VA	Rosslyn	18.0%	498,500
L'Enfant Plaza Office - Center	Future Development	Washington, D.C.	Southwest	49.0%	350,000
Courthouse Metro Land	Future Development	Arlington, VA	Clarendon/Courthouse	18.0%	286,500
Courthouse Metro Land - Option	Future Development	Arlington, VA	Clarendon/Courthouse	18.0%	62,500
5615 Fishers Drive	Future Development	Rockville, MD	Rockville Pike Corridor	18.0%	106,500
12511 Parklawn Drive	Future Development	Rockville, MD	Rockville Pike Corridor	18.0%	6,500
Woodglen	Future Development	Rockville, MD	Rockville Pike Corridor	18.0%	—
					4,517,902
CBREI Venture					
Pickett Industrial Park	Office	Alexandria, VA	Eisenhower Avenue	10.0%	246,145
The Foundry	Office	Washington, DC	Georgetown	9.9%	233,533
The Gale Eckington	Multifamily	Washington, DC	H Street/NoMa	5.0%	466,716
Fairway Apartments	Multifamily	Reston, VA	Reston	10.0%	370,850
Atlantic Plumbing	Multifamily	Washington, DC	U Street/Shaw	64.0%	245,527
Stonebridge at Potomac Town Center - Phase I	Other	Woodbridge, VA	Prince William County	10.0%	462,633
Stonebridge at Potomac Town Center - Phase II	Other	Woodbridge, VA	Prince William County	10.0%	41,050
Stonebridge at Potomac Town Center - Phase III	Future Development	Woodbridge, VA	Prince William County	10.0%	232,700
Fairway Land	Future Development	Reston, VA	Reston	10.0%	526,200
					2,825,354

	Asset Type	City	Submarket	% Ownership	Total Square Feet
Canadian Pension Plan Investment Board					
The Warner	Office	Washington, DC	East End	55.0%	585,040
1101 17th Street	Office	Washington, DC	CBD	55.0%	215,675
					800,715
Forest City					
Waterfront Station	Future Development	Washington, DC	Southwest	2.5%	662,600
Brandywine					
1250 1st Street	Future Development	Washington, DC	NoMa	30.0%	265,800
50 Patterson Street	Future Development	Washington, DC	NoMa	30.0%	142,200
51 N Street	Future Development	Washington, DC	NoMa	30.0%	177,500
					585,500
Berkshire Group					
7900 Wisconsin Avenue	Multifamily	Bethesda, MD	Bethesda CBD	50.0%	359,025
JP Morgan					
Investment Building	Office	Washington, DC	East End	5.0%	401,400
Total Unconsolidated Real Estate Ventures					**10,152,496**

Note: At 100% share.

Annualized Rent
"Annualized rent" is defined as (i) for office and other assets, or the retail component of a mixed-use asset, the in-place monthly base rent before free rent, plus tenant reimbursements as of December 31, 2017, multiplied by 12, with triple net leases converted to a gross basis by adding estimated tenant reimbursements to monthly base rent, and (ii) for multifamily assets, or the multifamily component of a mixed-use asset, the in-place monthly base rent before free rent as of December 31, 2017, multiplied by 12. Annualized rent excludes rent from signed but not yet commenced leases.

Annualized Rent Per Square Foot
"Annualized rent per square foot" is defined as (i) for office assets, annualized office rent divided by occupied office square feet; annualized retail rent and retail square feet are excluded from this metric, (ii) for multifamily assets, monthly multifamily rent divided by occupied multifamily square feet; annualized retail rent and retail square feet are excluded from this metric, and (iii) for other assets, annualized rent divided by occupied square feet. Occupied square footage may differ from leased square footage because leased square footage includes leases that have been signed but have not yet commenced.

Earnings Before Interest, Taxes, Depreciation and Amortization ("EBITDA") and Adjusted EBITDA
Management uses EBITDA as a supplemental operating performance measure and believes it helps investors and lenders meaningfully evaluate and compare our operating performance from period-to-period by removing from our operating results the impact of our capital structure (primarily interest charges from our consolidated outstanding debt and the impact of our interest rate swaps) and certain non-cash expenses (primarily depreciation and amortization on our assets). This supplemental measure may help investors and lenders understand our ability to incur and service debt and to make capital expenditures. EBITDA is not a substitute for net income (loss) (computed in accordance with GAAP) and may not be comparable to similarly titled measures used by other companies.

"Adjusted EBITDA," a non-GAAP financial measure, represents EBITDA adjusted for items we believe are not representative of ongoing operating results, such as non-recurring transaction and other costs, gain (loss) on the extinguishment of debt, gain on the bargain purchase of a business, impairment of real estate and investments in unconsolidated joint ventures and share-based compensation expense related to the Formation Transaction. We believe that adjusting such items not considered part of our comparable operations, provides a meaningful measure to evaluate and compare our performance from period-to-period.

Because EBITDA and Adjusted EBITDA have limitations as analytical tools, we use EBITDA and Adjusted EBITDA to supplement GAAP financial measures. Additionally, we believe that users of these measures should consider EBITDA and Adjusted EBITDA in conjunction with net income (loss) and other GAAP measures in understanding our operating results. A reconciliation of net income (loss) to EBITDA and Adjusted EBITDA is presented on page 14.

Estimated Potential Development Density
''Estimated potential development density'' reflects management's estimate of developable gross square feet based on our current business plans with respect to real estate owned or controlled as of December 31, 2017. Given timing, zoning requirements and other factors, we make no assurance that estimated potential development density amounts will become actual density to the extent we complete development of assets for which we have made such estimates.

Free Rent
''Free rent'' means the amount of base rent and tenant reimbursements that are abated according to the applicable lease agreement(s).

Funds from Operations ("FFO"), Core FFO and Funds Available for Distribution ("FAD")
FFO is a non-GAAP financial measure computed in accordance with the definition established by the National Association of Real Estate Investment Trusts ("NAREIT"). NAREIT defines FFO as "net income (computed in accordance with GAAP), excluding gains (or losses) from sales of, or impairment charges related to, depreciable operating properties, plus depreciation and amortization, and after adjustments for unconsolidated partnerships and joint ventures."

"Core FFO" represents FFO adjusted to exclude items (net of tax) which we believe are not representative of ongoing operating results, such as transaction and other costs, gains (or losses) on extinguishment of debt, gain on the bargain purchase of a business, gains (or losses) on the disposal of non-depreciable assets, share-based compensation expense related to the Formation Transaction, amortization of the management contracts intangible and the mark-to-market of interest rate swaps.

"FAD" is a non-GAAP financial measure and represents FFO less cash basis recurring tenant improvements, leasing commissions and other capital expenditures, net deferred rent activity, recurring share-based compensation expense, accretion of acquired below-market leases, net of amortization of acquired above-market leases, amortization of debt issuance costs and other non-cash income and charges. FAD is presented solely as a supplemental disclosure that management believes provides useful information as it relates to our ability to fund dividends.

We believe FFO, Core FFO and FAD are meaningful non-GAAP financial measures useful in comparing our levered operating performance from period-to-period and as compared to similar real estate companies because these non-GAAP measures exclude real estate depreciation and amortization expense and other non-comparable income and expenses, which implicitly assumes that the value of real estate diminishes predictably over time rather than fluctuating based on market conditions. FFO, Core FFO and FAD do not represent cash generated from operating activities and are not necessarily indicative of cash available to fund cash requirements and should not be considered as an alternative to net income as a performance measure or cash flow as a liquidity measure. FFO, Core FFO and FAD may not be comparable to similarly titled measures used by other companies. A reconciliation of net income (loss) to FFO, Core FFO and FAD is presented on pages 15-16.

Future Development
"Future development" refers to assets that are development opportunities on which we do not intend to commence construction within 18 months of December 31, 2017 where we (i) own land or control the land through a ground lease or (ii) are under a long-term conditional contract to purchase, or enter into a leasehold interest with respect to land.

Historical Cost, Estimated Incremental Investment, Estimated Total Investment and Estimated Total Project Cost
"Historical cost" is a non-GAAP measure which includes the total historical cost incurred by JBG SMITH, on a cash basis, with respect to the development of an asset, including any acquisition costs, hard costs, soft costs, tenant improvements, leasing costs and other similar costs, but excluding any financing costs, ground rent expenses and capitalized payroll costs incurred as of December 31, 2017.

"Estimated incremental investment" means management's estimate of the remaining cost to be incurred in connection with the development of an asset as of December 31, 2017, including all remaining acquisition costs, hard costs, soft costs, tenant improvements, leasing costs and other similar costs to develop and stabilize the asset but excluding any financing costs, ground rent expenses and capitalized payroll costs.

"Estimated total investment" means, with respect to the development of an asset, the sum of the historical cost in such asset and the estimated incremental investment for such asset.

"Estimated total project cost" is estimated total investment excluding purchase price allocation adjustments recognized as a result of the Formation Transaction.

Actual incremental investment, actual total investment and actual total project cost may differ substantially from our estimates due to numerous factors, including unanticipated expenses, delays in the estimated start and/or completion date, changes in design and other contingencies.

In Service
''In service'' refers to office, multifamily or other assets that are at or above 90% leased or have been in service collecting rent for more than 12 months as of December 31, 2017.

Metro-Served
"Metro-served" means locations, submarkets or assets that are generally nearby and within walking distance of a Metro station, defined as being within 0.5 miles of an existing or planned Metro station.

Monthly Rent Per Unit
For multifamily assets, represents multifamily rent for the month ended December 31, 2017 divided by occupied units; retail rent is excluded from this metric.

Near-Term Development
''Near-term development'' refers to assets that have substantially completed the entitlement process and on which we intend to commence construction within 18 months following December 31, 2017, subject to market conditions.

Net Operating Income ("NOI"), Adjusted Annualized NOI, Estimated Stabilized NOI and Projected NOI Yield
"NOI" is a non-GAAP financial measure management uses to measure the operating performance of our assets and consists of property-related revenue (which includes base rent, tenant reimbursements and other operating revenue, net of free rent and payments associated with assumed lease liabilities) less operating expenses and ground rent, if applicable. NOI also excludes deferred rent, related party management fees, interest expense, and certain other non-cash adjustments, including the accretion of acquired below-market leases and amortization of acquired above-market leases and below-market ground lease intangibles. Annualized NOI represents NOI for the three months ended December 31, 2017 multiplied by four. Management believes Annualized NOI provides useful information in understanding JBG SMITH's financial performance over a 12-month period, however, investors and other users are cautioned against attributing undue certainty to our calculation of Annualized NOI. Actual NOI for any 12-month period will depend on a number of factors beyond our ability to control or predict, including general capital markets and economic conditions, any bankruptcy, insolvency, default or other failure to pay rent by one or more of our tenants and the destruction of one or more of our assets due to terrorist attack, natural disaster or other casualty, among others. We do not undertake any obligation to update our calculation to reflect events or circumstances occurring after the date of this Investor Report. There can be no assurance that the annualized NOI shown will reflect JBG SMITH's actual results of operations over any 12-month period. We also report adjusted annualized NOI which includes signed but not yet commenced leases and incremental revenue from recently delivered assets assuming stabilization. While we believe adjusted annualized NOI provides useful information regarding potential future NOI from our assets, it does not account for any decrease in NOI for lease terminations, defaults or other negative events that could affect NOI and therefore, should not be relied upon as indicative of future NOI.

This Investor Report also contains management's estimate of stabilized NOI and projections of NOI yield for under construction and near-term development assets, which are based on management's estimates of property-related revenue and operating expenses for each asset. These estimates are inherently uncertain and represent management's plans, expectations and beliefs and are subject to numerous assumptions, risks and uncertainties. The property-related revenues and operating expenses for our assets may differ materially from the estimates included in this Investor Report. Management's projections of NOI yield are not projections of JBG SMITH's overall financial performance or cash flow, and there can be no assurance that the projected NOI yield set forth in this Investor Report will be achieved.

“Projected NOI yield” means our estimated stabilized NOI reported as a percentage of 1) estimated total project costs, 2) estimated total investment and 3) estimated incremental investment. Actual initial full year stabilized NOI yield may vary from the projected NOI yield based on the actual incremental investment to complete the asset and its actual initial full year stabilized NOI, and there can be no assurance that we will achieve the projected NOI yields described in this Investor Report.

The Company does not provide reconciliations for non-GAAP estimates on a future basis, including adjusted annualized NOI and estimated stabilized NOI because it is unable to provide a meaningful or accurate calculation or estimate of reconciling items and the information is not available without unreasonable effort. This inability is due to the inherent difficulty of forecasting the timing and/or amounts of various items that would impact net income. Additionally, no reconciliation of projected NOI yield to the most directly comparable GAAP measure is included in this Investor Report because we are unable to quantify certain amounts that would be required to be included in the comparable GAAP financial measures without unreasonable efforts because such data is not currently available or cannot be currently estimated with confidence. Accordingly, we believe such reconciliations would imply a degree of precision that would be confusing or misleading to investors.

Management uses each of these measures as supplemental performance measures for its assets and believes they provide useful information to investors because they reflect only those revenue and expense items that are incurred at the asset level, excluding non-cash items. In addition, NOI is considered by many in the real estate industry to be a useful starting point for determining the value of a real estate asset or group of assets.

However, because NOI excludes depreciation and amortization and captures neither the changes in the value of our assets that result from use or market conditions, nor the level of capital expenditures and capitalized leasing commissions necessary to maintain the operating performance of our assets, all of which have real economic effect and could materially impact the financial performance of our assets, the utility of this measure of the operating performance of our assets is limited. Moreover, our method of calculating NOI may differ from other real estate companies and, accordingly, may not be comparable. NOI should be considered only as a supplement to net operating income (loss) (computed in accordance with GAAP) as a measure of the operating performance of our assets.

Percent Leased
‘‘Percent leased’’ is based on leases signed as of December 31, 2017, and is calculated as total rentable square feet less rentable square feet available for lease divided by total rentable square feet expressed as a percentage. Out-of-service square feet are excluded from this calculation.

Percent Pre-Leased
‘‘Percent pre-leased’’ is based on leases signed as of December 31, 2017, and is calculated as the estimated rentable square feet leased divided by estimated total rentable square feet expressed as a percentage.

Percent Occupied
‘‘Percent occupied’’ is based on occupied rentable square feet/units as of December 31, 2017, and is calculated as (i) for office and retail space, total rentable square feet less unoccupied square feet divided by total rentable square feet, (ii) for multifamily space, total units less the average of the unoccupied units at the beginning and end of the month ended December 31, 2017 divided by total units, expressed as a percentage. Out-of-service square feet are excluded from this calculation.

Pro Rata Adjusted General and Administrative (“G&A”) Expenses
"Adjusted G&A expenses", a non-GAAP financial measure, represents G&A expenses adjusted for non-recurring share-based compensation expense related to the Formation Transaction and the G&A expenses of our third-party real estate services and asset management business that are directly reimbursed. We believe that adjusting such items not considered part of our comparable operations provides a meaningful measure to assess our G&A expenses as compared to similar real estate companies and in general.

Recently Delivered
“Recently delivered” refers to assets that have been delivered within the 12 months ended December 31, 2017.

Same Store and Non-Same Store
“Same store” refers to the pool of assets that were in service for the entirety of both periods being compared, except for assets for which significant redevelopment, renovation, or repositioning occurred during either of the periods being compared. No JBG Assets are included in the same store pool.

“Non-same store” refers to all assets excluded from the same store pool.

Second Generation Lease
“Second generation lease” is a lease on space that had been vacant for less than nine months.

Signed But Not Yet Commenced Leases
“Signed but not yet commenced leases” means leases for assets in JBG SMITH’s portfolio that, as of December 31, 2017, have been executed but for which the contractual lease term had not yet begun, and no rental payments had yet been charged to the tenant.

Square Feet
''Square feet'' or ''SF'' refers to the area that can be rented to tenants, defined as (i) for office and other assets, rentable square footage defined in the current lease and for vacant space the rentable square footage defined in the previous lease for that space, (ii) for multifamily assets, management's estimate of approximate rentable square feet, (iii) for the assets under construction and the near-term development assets, management's estimate of approximate rentable square feet based on current design plans as of December 31, 2017, or (iv) for future development assets, management's estimate of developable gross square feet based on its current business plans with respect to real estate owned or controlled as of December 31, 2017.

Transaction and Other Costs
Transaction and other costs include costs associated with the spin-off from Vornado and combination with JBG including closing costs, professional and consulting fees (investment banking, legal, accounting), severance charges, retention payments, system integration, and costs incurred under the transition services agreement with Vornado. Transaction and other costs also includes dead deal expenses.

Under Construction
''Under construction'' refers to assets that were under construction as of December 31, 2017.