Phillips Edison & Company Secures 10-year, $200 Million Secured Debt Facility

December 23, 2019

New 10-year, interest-only facility at 3.35% interest extends debt maturity profile to 5.1 years

Company has refinanced $575 million of debt in 2019

CINCINNATI--(BUSINESS WIRE)-- Phillips Edison & Company, Inc. (PECO or the Company), an internally-managed real estate investment trust (REIT) and one of the nation's largest owners and operators of grocery-anchored shopping centers, today announced that it has secured a 10-year, $200 million secured debt facility through Hartford Investment Management Company (HIMCO). The Company intends to use the proceeds from the loan to prepay upcoming loan maturities, maturing in 2020 and 2021, and for general corporate purposes.

The 3.35 percent interest-only note is secured by 16 grocery-anchored shopping centers and extends the Company's debt maturity profile to 5.1 years from 4.3 years at September 30, 2019. Together with this secured financing, the Company has refinanced a total of $575 million of debt over the past three months.

"Over the past three months, we have capitalized on the current interest rate environment through a series of refinancing activities," commented John Caulfield, Chief Financial Officer of Phillips Edison and Company. "We are excited to build our relationship with HIMCO, closing on a secured 10-year fixed note and extending the maturity profile of our debt. Combined with the recent refinancing of two other term loans, our capital markets activity has improved our cost of capital and maintains our flexibility to capitalize on accretive long-term opportunities."

Previously, in September 2019, the Company repriced a $200 million term loan, lowering the interest rate spread from 1.75 percent over LIBOR to 1.25 percent over LIBOR, while maintaining the current maturity of September 2024. In October, the Company repriced a $175 million term loan, lowering the interest rate spread from 1.75 percent over LIBOR to 1.25 percent over LIBOR, while maintaining the current maturity of October 2024. In total, the Company's recent refinancing activities have reduced its weighted average interest rate by nine basis points to 3.46 percent.

KeyBank Real Estate Capital and Fifth Third Bank served as the Company's advisors for this transaction.

About Phillips Edison & Company

Phillips Edison & Company, Inc. (PECO), an internally-managed REIT, is one of the nation's largest owners and operators of grocery-anchored shopping centers. PECO's diversified portfolio of well-occupied neighborhood shopping centers features a mix of national and regional retailers selling necessity-based goods and services in fundamentally strong markets throughout the United States. Through its vertically-integrated operating platform, the Company manages a portfolio of 330 properties, including 294 wholly-owned properties comprising approximately 33.2 million square feet across 32 states (as of September 30, 2019). PECO has generated strong operating results over its 28+ year history and has partnered with leading institutional commercial real estate investors including TPG Real Estate and The Northwestern Mutual Life Insurance Company. The Company remains exclusively focused on creating great grocery-anchored shopping experiences and improving the communities it serves one center at a time. For more information, please visit www.phillipsedison.com.

About Hartford Investment Management Company

At Hartford Investment Management Company (HIMCO), our sole business is asset management. Our investment philosophy is centered on the belief that markets overreact, and risk can become mispriced at the global, interest rate, inflation, sector and security levels. Identifying and exploiting these relative-value opportunities is key to delivering the tailored outcomes our clients expect. We have a long history of providing innovative, customer-focused investment strategies on behalf of The Hartford, as well as Retail and Institutional clients. As of September 30, 2019, HIMCO had approximately $98 billion in assets under management across the fixed income, equity and alternatives markets and more than 125 investment professionals that averaged 17 years of investment industry experience across multiple cycles.

Forward-Looking Statements

Certain statements contained in this press release of Phillips Edison & Company, Inc. ("we," the "Company," "our," or "us") other than historical facts may be considered forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended (the "Securities Act"), and Section 21E of the Securities Exchange Act of 1934, as amended (the "Exchange Act"). We intend for all such forward-looking statements to be covered by the applicable safe harbor provisions for forward-looking statements contained in those acts. Such forward-looking statements can generally be identified by our use of forward-looking terminology such as "may," "will," "expect," "intend," "anticipate," "estimate," "believe," "continue," "seek," "objective," "goal," "strategy," "plan," "should," "could," "potential," or other similar words. Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date this report is filed with the U.S. Securities and Exchange Commission ("SEC"). Such statements include, in particular, statements about our plans, capital structure, leverage, strategies, and prospects, and are subject to certain risks and uncertainties, including known and unknown risks, which could cause actual results to differ materially from those projected or anticipated. These risks include, without limitation, (i) changes in national, regional, or local economic climates; (ii) local market conditions, including an oversupply of space in, or a reduction in demand for, properties similar to those in our portfolio; (iii) vacancies, changes in market rental rates, and the need to periodically repair, renovate, and re-let space; (iv) changes in interest rates and the availability of permanent mortgage financing; (v) competition from other available properties and the attractiveness of properties in our portfolio to our tenants; (vi) the financial stability of tenants, including the ability of tenants to pay rent; (vii) changes in tax, real estate, environmental, and zoning laws; (viii) the concentration of our portfolio in a limited number of industries, geographies, or investments; and (ix) any of the other risks included in the Company's SEC filings. Therefore, such statements are not intended to be a guarantee of our performance in future periods.

See Part I, Item 1A. Risk Factors of our 2018 Annual Report on Form 10-K, filed with the SEC on March 13, 2019, and Part II, Item 1A. Risk Factors of our Quarterly Report on Form 10-Q, filed with the SEC on November 7, 2019, and any subsequent filings for a discussion of some of the risks and uncertainties, although not all of the risks and uncertainties, that could cause actual results to differ materially from those presented in our forward-looking statements. Except as required by law, we do not undertake any obligation to update or revise any forward-looking statements contained in this release.

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