



INVESTOR PRESENTATION

Fourth Quarter 2018





Federal Realty Investment Trust

NYSE: FRT

FEDERAL REALTY INVESTMENT TRUST

- Fully-integrated US retail real estate based company focused on risk adjusted capital allocation
- Own, manage and re/develop urban, mixed-use properties and high quality open air shopping centers
- 104 properties include ~3,000 tenants, in ~24 million square feet, and ~2,700 residential units
- Included in the S&P 500

CREDIT RATINGS⁽¹⁾

One of only six “A” rated REITs

Moody's

A3

Stable

S&P

A-

Stable

Fitch

A-

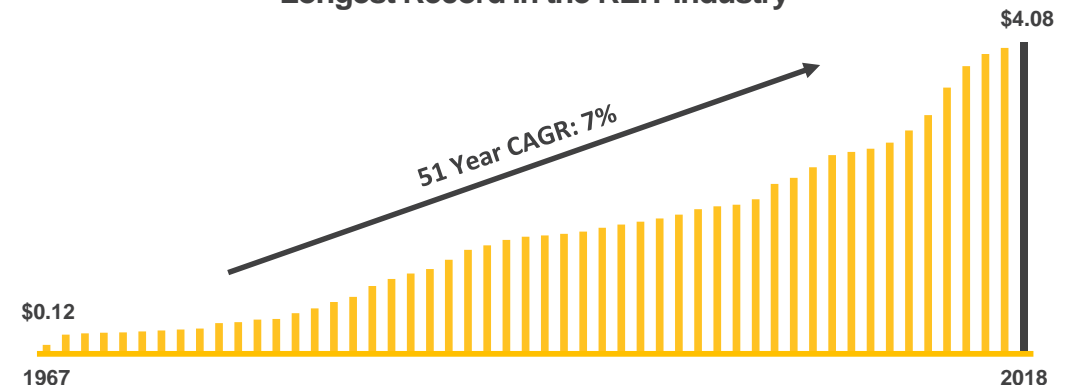
Stable

STRATEGIC METROPOLITAN MARKETS



51 CONSECUTIVE YEARS OF INCREASED DIVIDENDS

Longest Record in the REIT Industry

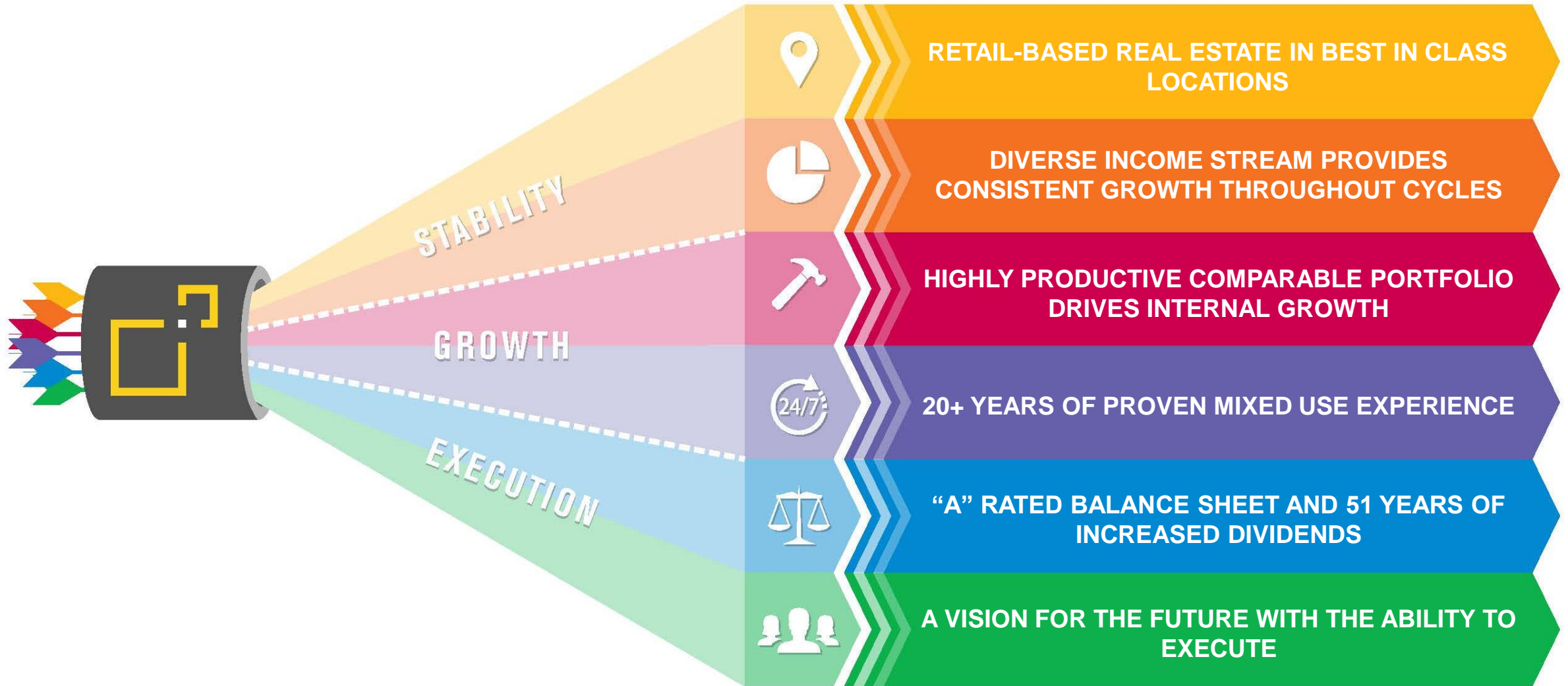


1) The complete ratings report can be accessed at www.federalrealty.com.



“Arrows in the Quiver”

Multifaceted Balanced Business Plan





Retail-Based Real Estate in Best in Class Locations

- 104 flexible retail-based properties located in 8 strategically selected major markets
 - Transit oriented, first ring suburban locations
- Real estate is a local business
 - Manageable portfolio size and number of markets allows senior management to be focused on each asset
- Long-term rent growth potential fueled by:
 - Superior income and population characteristics
 - Significant barriers to entry and
 - Strong demand characteristics
- Location matters more today than it ever has
 - Strive for our centers to be the consolidators in their respective trade areas
 - Retailers remain hyper focused on location as they right-size portfolios and open new stores
- Highly productive portfolio:
 - \$27.77 annualized base rent (ABR) per square foot as of 4Q18
 - 12% rent growth on comparable leases (TTM)
 - 95% leased portfolio as of 4Q18



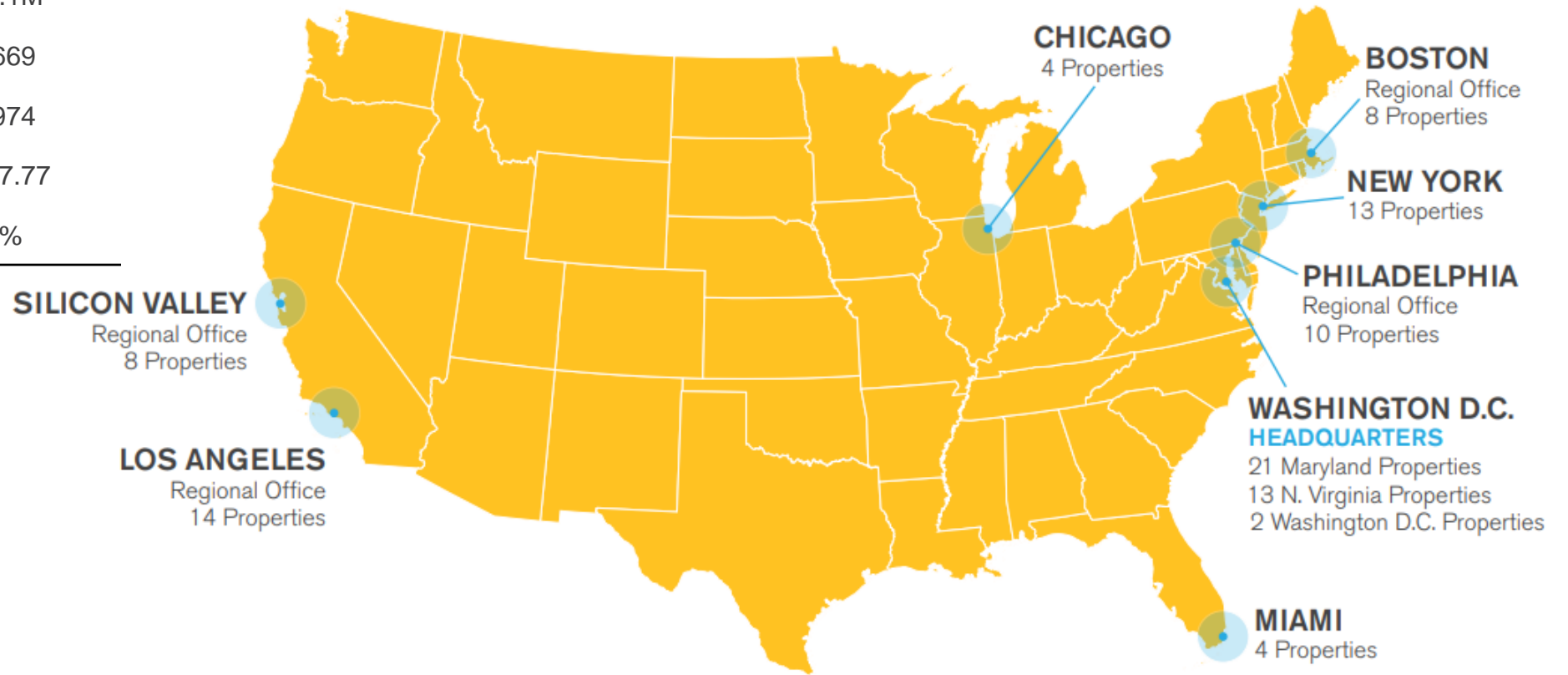
Real Estate is a Local Business

8 strategic metropolitan markets with 5 regional offices

Retail-Based Real Estate in Best in Class Locations

Total Portfolio as of 4Q18

Assets	104
SF	24.1M
Residential Units	2,669
Acres	1,974
Avg. Rent PSF	\$27.77
% Leased	95%



Note: Additional 7 properties located outside these markets are Barracks Road, Bristol Plaza, Eastgate Crossing, Gratiot Plaza, Lancaster, 29th Place and Willow Lawn



Location, Location, Location

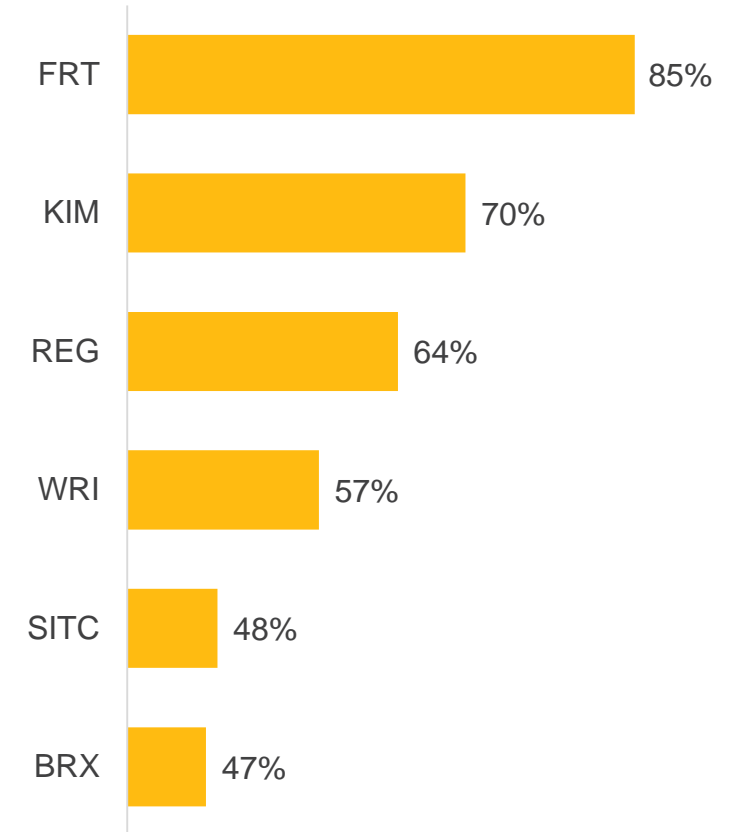
Superior demographics

Retail-Based Real Estate in Best in Class Locations

HOUSEHOLD INCOME & POPULATION VS. LARGE CAP, NATIONAL PEERS



TOP 20 MSA PENETRATION



Source: BAML Research, October 2018

Note: Shopping Center Peer Average representative of the Bloomberg Shopping Center Index members, Mall peer average representative of the Bloomberg Mall REIT index members. MSAs ranked by number of households.

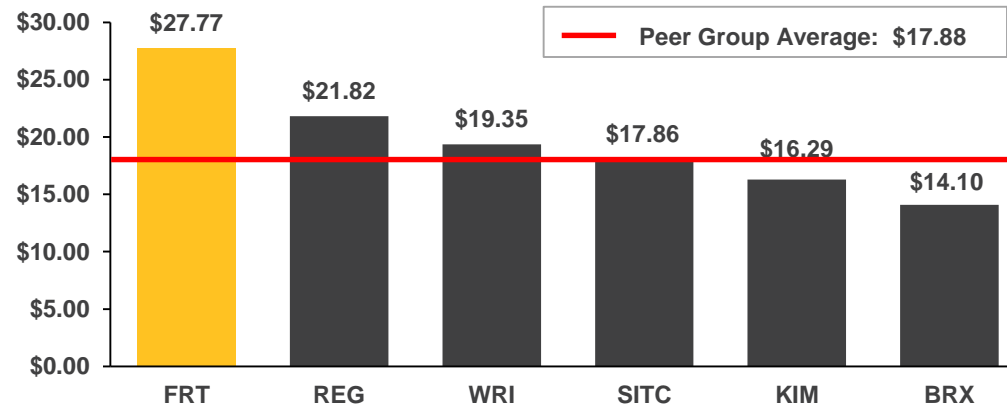


Premier Operating Portfolio

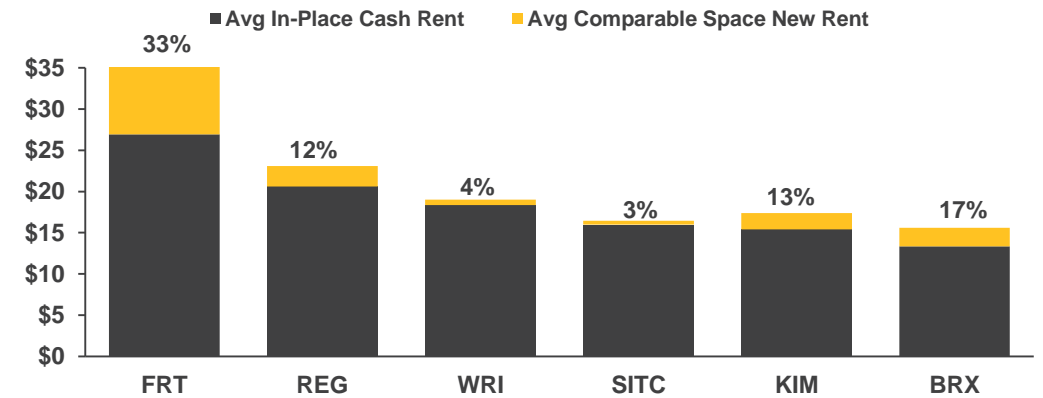
Key metrics

Retail-Based Real Estate in Best in Class Locations

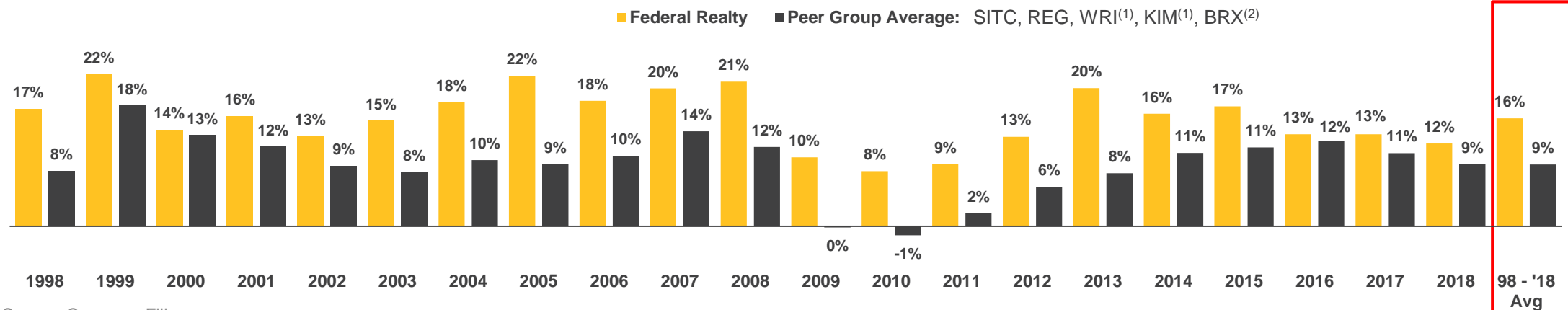
CASH RENTS PSF AS OF 4Q18



RECENT LEASING VS. AVG IN-PLACE RENT⁽¹⁾



COMPARABLE SPACE YEAR OVER YEAR RENT GROWTH



Source: Company Filings

1) Period 4Q16 – 4Q18

2) Only included in peer group results for periods in which data was reported

3) BRX data available as of 2013



The Keys to Our Success

Location based competitive advantages across portfolio



Picture: Plaza El Segundo and The Point, El Segundo, California

⁽¹⁾ Average within a 3-mile radius of all Federal Realty properties.

[†] Flexible Property Format – physical structures that can be readily modified to highest and best use.

[‡] Strong Landlord Friendly Leases – landlord retains significant control over the properties with minimal tenant protection. The better the real estate, the more leverage the landlord has.



Diverse Income Stream Provides Consistent Growth Throughout Cycles

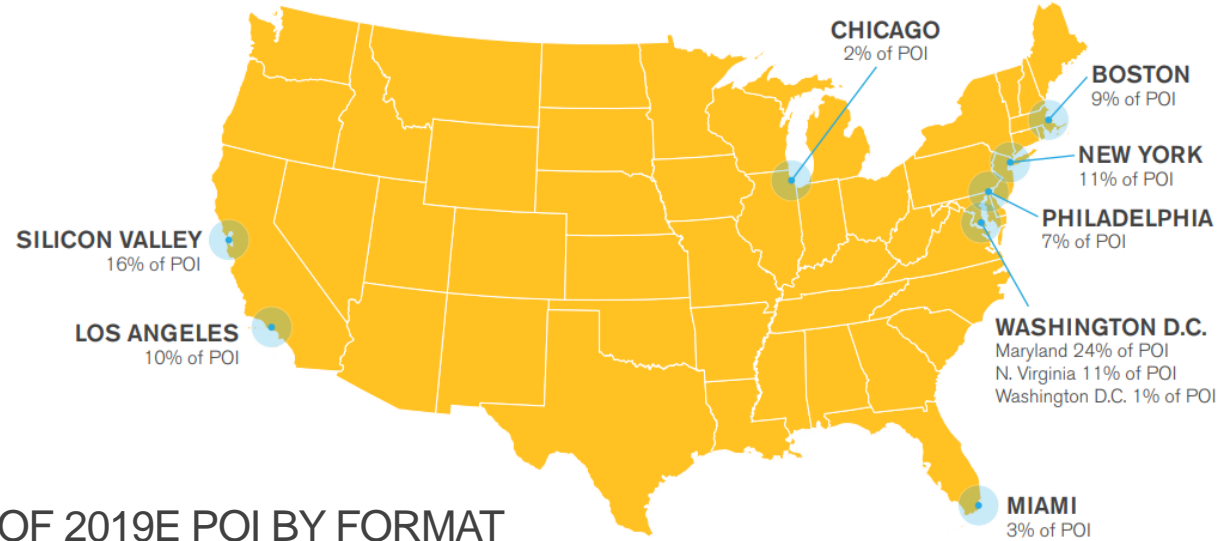
- Flexible properties purposefully positioned to be the real estate of choice for the widest selection of tenants and uses
 - Physical structures that can be readily modified to highest and best use cost effectively
- Diverse by:
 - Market
 - Format
 - Use
 - Retail sales category
 - Tenant
- Diversity provides consistency through cycles
 - 6% NAREIT FFO per share CAGR 2010 – 2018
 - 6% NAREIT FFO per share CAGR 2003 – 2018
 - ~6%+ targeted FFO per share CAGR over time



Diversified...

Percent of 2019E Property Operating Income (POI)

PERCENT OF 2019E POI BY MARKET (1)



PERCENT OF 2019E POI BY FORMAT



33%
Mixed Use/Urban
Santana Row



26%
Grocery-Anchored
Wildwood Shopping Center



25%
Super Regional
Plaza El Segundo



11%
Power Center
Federal Plaza

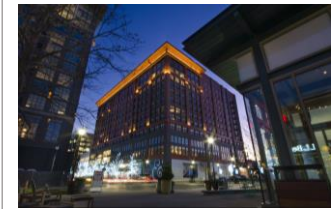


5%
Other
The Grove at Shrewsbury

BY USE



Retail



Residential



Office



Hotel

1) 6% of POI from additional properties located outside these markets



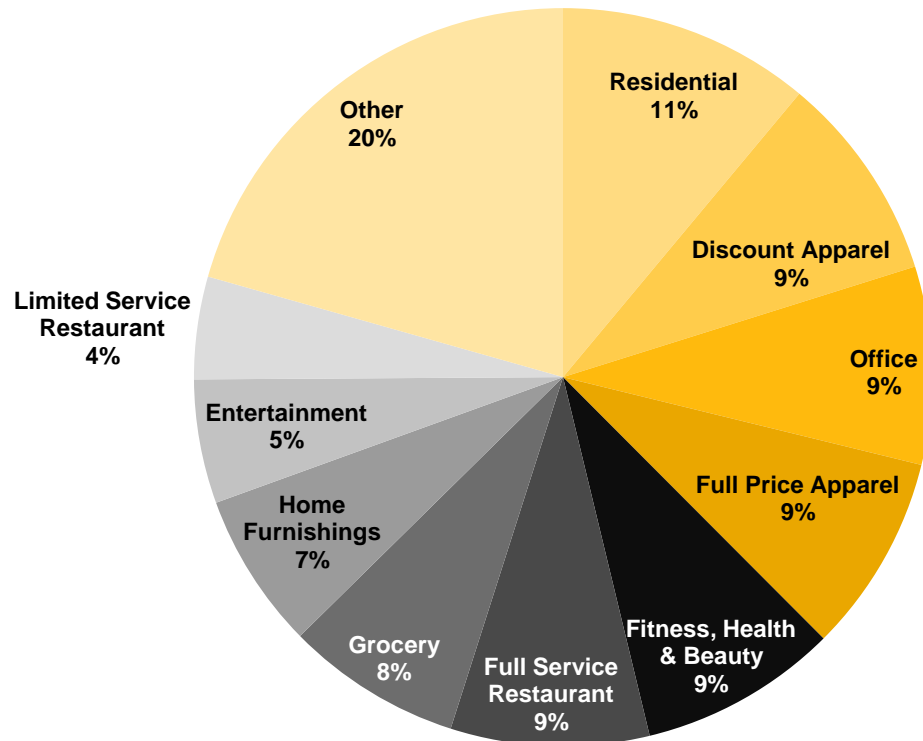
Diversified...

Tenant Diversification

Diverse Income Stream Provides Consistent Growth Throughout Cycles

BY CATEGORY⁽¹⁾

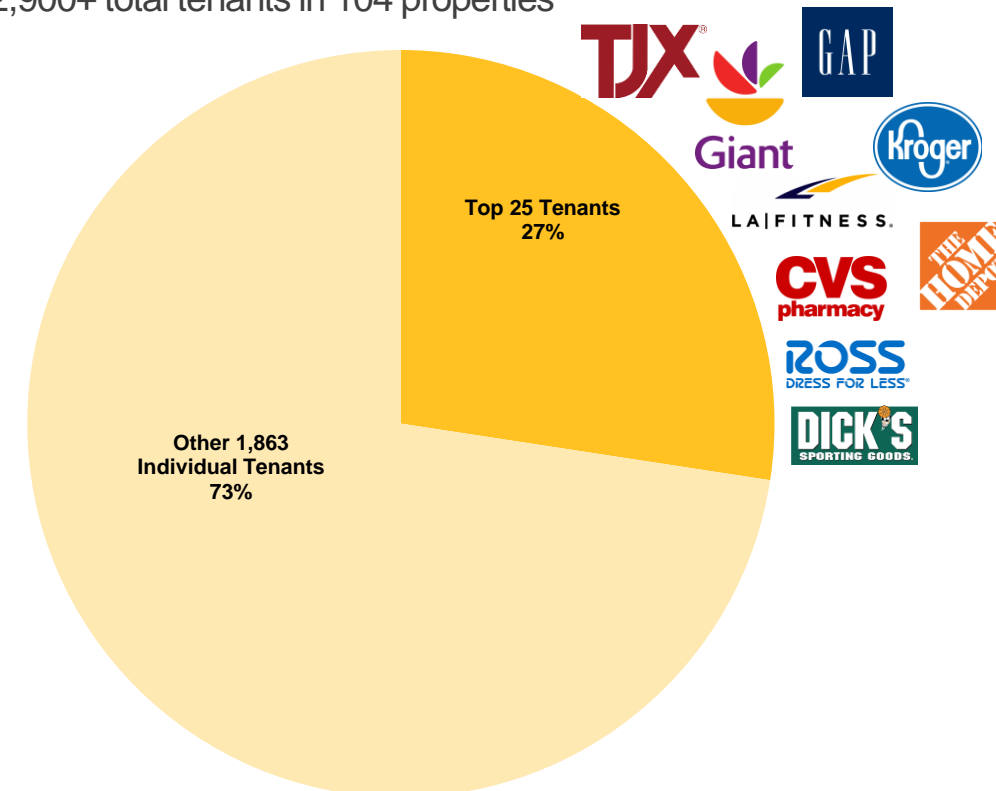
- No single retail category greater than 9%
- “Other” represents 18 additional categories with no category larger than ~4%



1) Other category includes drug stores, banks, specialty foods, dollar stores, electronics, pets, office supply, auto, etc

BY TENANT

- No tenant greater than 2.7% of commercial ABR
- Top 25 tenants only account for 27% of ABR
- 2,900+ total tenants in 104 properties



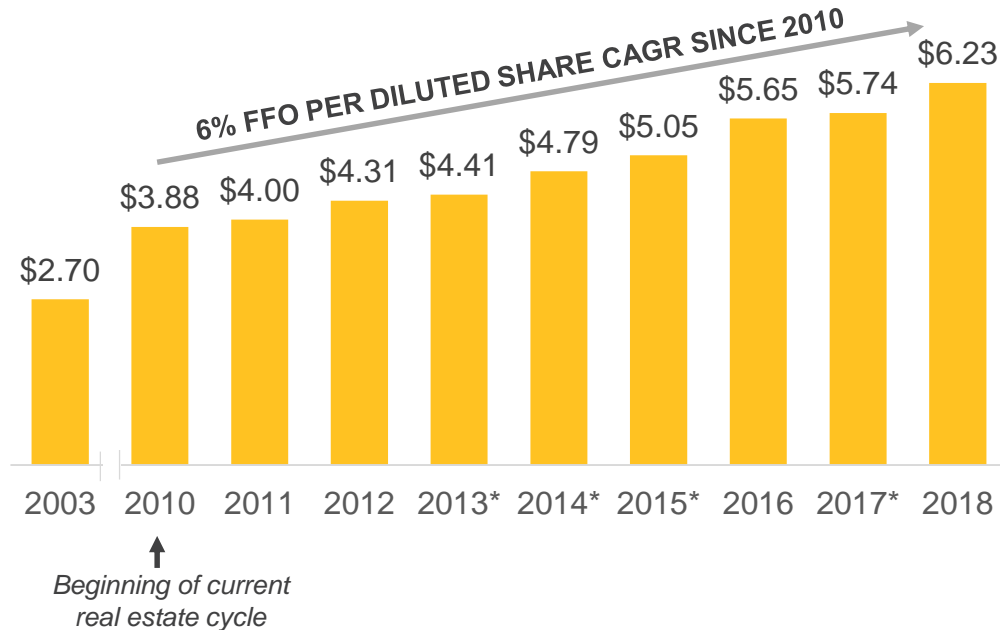


Consistent Increasing Growth

Track record matters

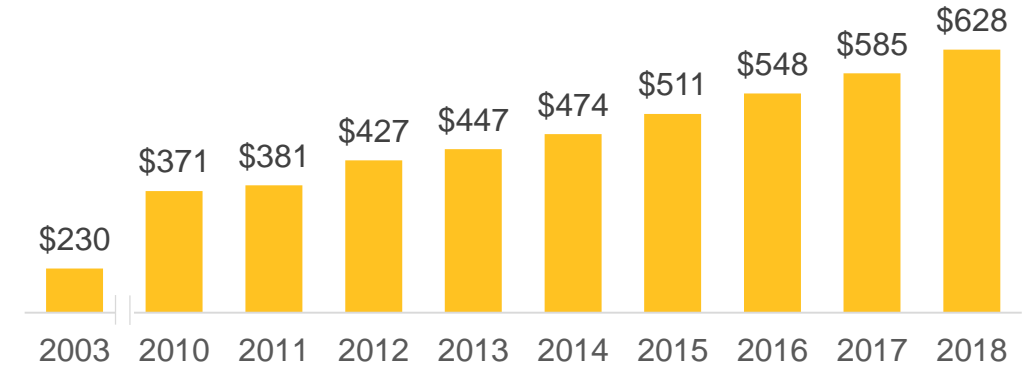
NAREIT FFO

- ONLY publicly traded shopping center company to grow NAREIT FFO per share every year since 2010
- FRT and SPG are the only 2 out of 24 publicly traded retail REITs to grow NAREIT FFO per share every year since 2010

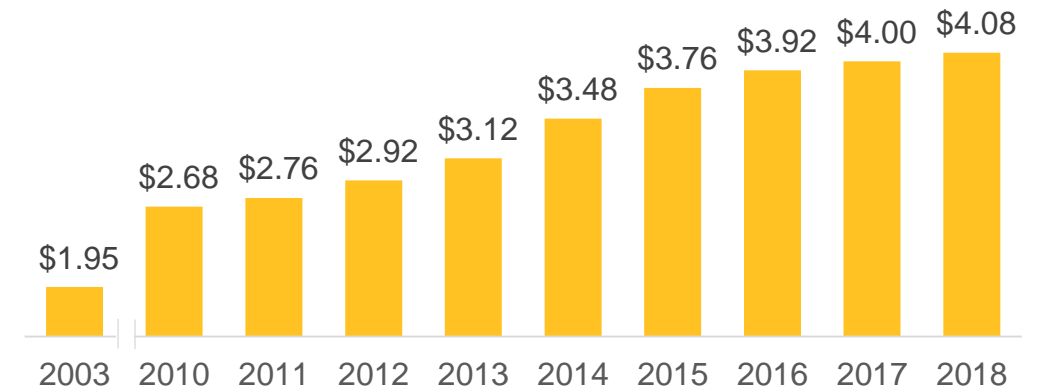


* NAREIT FFO includes charge for early extinguishment of debt

PROPERTY OPERATING INCOME (IN MILLIONS)



DIVIDENDS PER SHARE



Diverse Income Stream Provides Consistent Growth Throughout Cycles

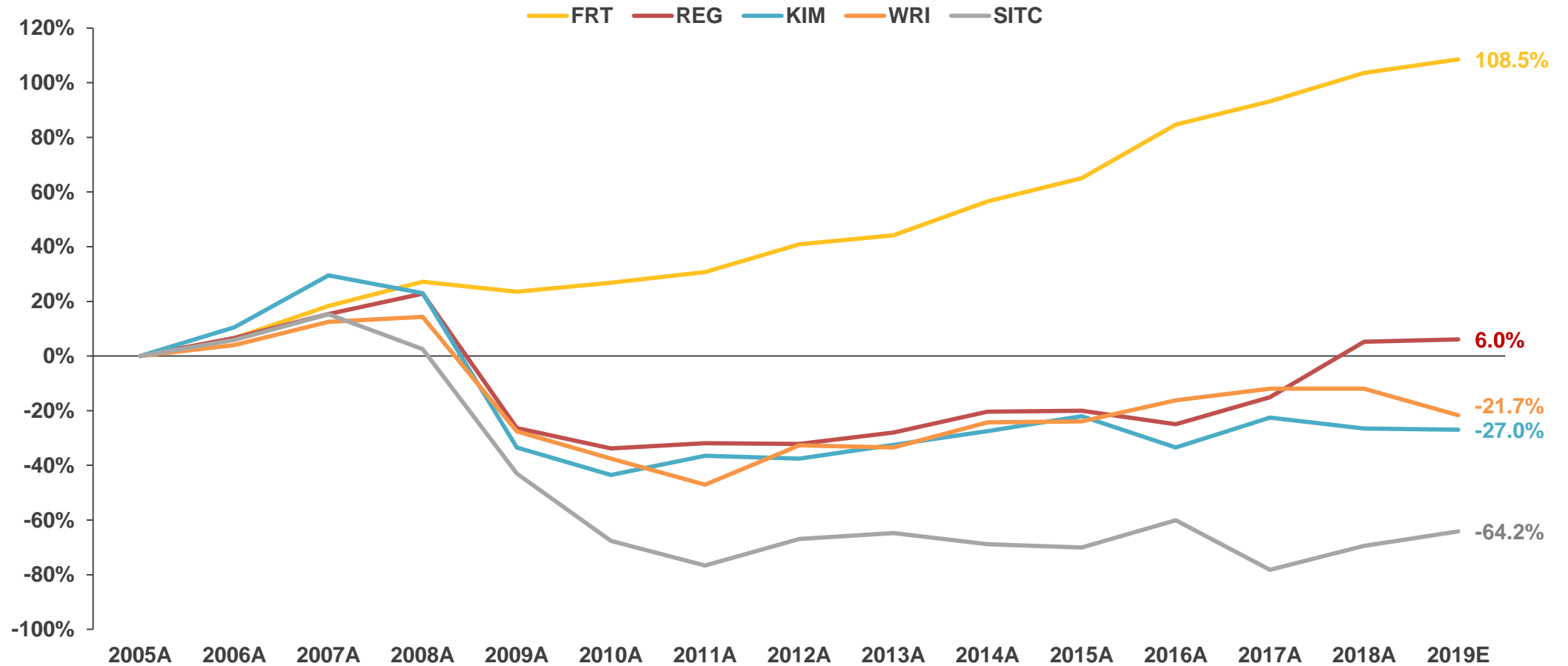


Cycle Tested Growth

Track record matters

Diverse Income Stream Provides Consistent Growth Throughout Cycles

CUMULATIVE CHANGE IN NAREIT FFO PER SHARE SINCE 2005 VS. LARGE CAP, NATIONAL PEERS



Source: Company Filings

Note: 2019E is the midpoint of latest guidance provided by each company.



Highly Productive Comparable Portfolio Drives Internal Growth

- Comparable property portfolio is ~90% of the company's annual POI
- Outsized internal growth driven by:
 - Contractual rent bumps
 - Inherent mark to market[†]
 - Ability to generate redevelopment opportunities within the existing portfolio
 - Remerchandising opportunities
- Larger properties on larger pieces of land and flexible formats allow for more redevelopment opportunities
 - Our centers average ~250,000 SF on 21 acres of land⁽¹⁾
 - Focus on highest and best use for the property in its submarket

1) Excludes urban and street retail properties

†: Mark to market – in place current rents less than current market rents



Internal Investment and Growth Opportunities

Value creation

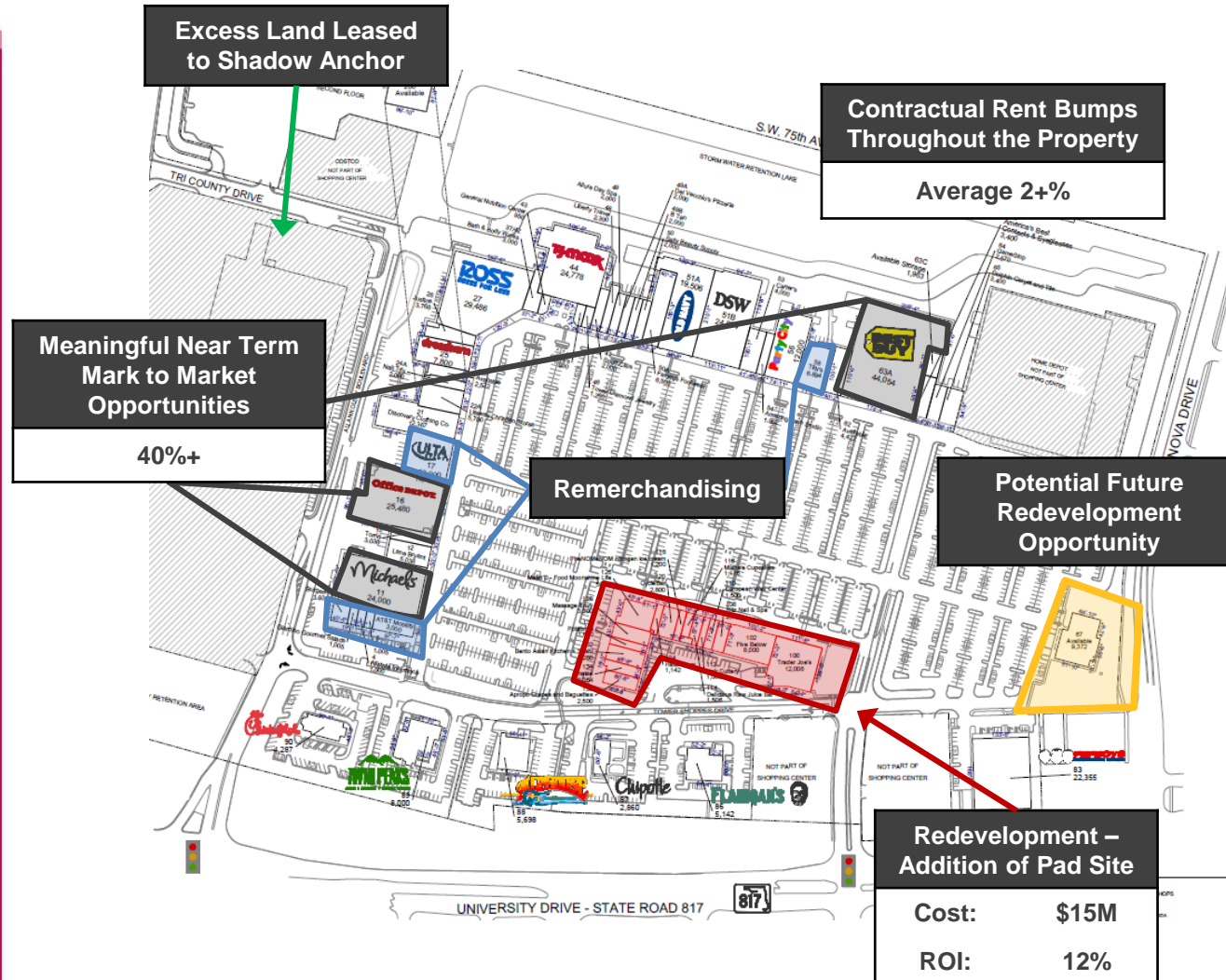
- Investment in our properties positions the assets for the future
 - Investment often does not create value if not in great locations where demand exceeds supply
- Properties purposefully positioned to accommodate a diverse mix of tenants
- Natural lease expirations and underperforming tenants yield opportunities throughout the portfolio
 - Redevelopment – expiring legacy leases may contractually “free-up” the property for potential additional SF, pad sites, residential and/or office opportunities
 - Remerchandising – the effect of tenant upgrades is felt throughout the center
 - Mark to market – released at higher market rents
- Redevelopment yields of 6-12% vs. 4-6% stabilized cap rates drive value creation
 - \$132m in process at an 7% average return on investment
 - Several additional projects to be added in the next 12 months
- Pipeline of opportunities replenishes itself as tenants rollover



Tower Shops Case Study

\$100 million of incremental value creation since 2011⁽¹⁾

Highly Productive Comparable Portfolio Drives
Internal Growth



REDEVELOPMENT & REMERCHANDISING

- Purchased property in January 2011
- Façade renovations and site improvements
- New 50k SF Trader Joe's anchored pad site
- Pad site merchandising strategy transformed the center from a power center to a regional hybrid with multiple demand drivers
- Additional potential redevelopment opportunities on the property

INCREMENTAL VALUE CREATION⁽¹⁾

	At Acquisition	Redev	2017
Total Investment	\$70M	+ \$27M	= \$97M
NOI	\$4M	+ \$6M	= \$10M

Incremental Value Creation: ~\$100 million

1) Assumes 5% cap rate



20+ Years of Proven Mixed Use Experience

- Fully integrated developer/redeveloper
 - We are real estate people first and foremost
- Ability to focus on the highest and best use for the property
- Demonstrated experience integrating uses:
 - Retail
 - Residential
 - Office
 - Hotel
 - Other
- Creating neighborhoods where communities can live, work, shop, dine and play
- Creating the right retail focused environment drives outsized returns for vertical densification
- 3.9 million SF and 1,672 residential units of entitled mixed use development opportunities within our portfolio
 - Additional ~9 million SF of potential future mixed use entitlements
 - Selectively acquire additional raw material (~\$1 billion in acquisitions since 2013)

Value Creation at Santana Row

Creation of the “right street”

The last three projects at Santana Row have created \$195 million of incremental value for the property...



Levare
108 Unit Residential Building



Misora
212 Unit Residential Building



500 Santana
Class A Office Building

Total Cost	\$35 million	\$76 million	\$113 million
ROI	9%	8%	9%
Incremental Value Creation⁽¹⁾	\$35 million	\$60 million	\$100 million

with more on the way...



700 Santana
Class A Office Building

\$205 - 215 million
7-8%
\$140 million⁽²⁾

1) Assumes 4.5% cap rate.

2) Assumes midpoint of expected cost range and midpoint of expected ROI range.



Residential and Office Expertise

Maximizing real estate value



RESIDENTIAL

- 2,669 residential units in 13 unique projects at 7 properties with 587 additional units underway
- Comparable property residential: 96% leased as of 4Q18
- Residential units at our mixed use properties command up to a 25% rent premium to the market
- 11% of ABR



OFFICE

- 2.1 million square feet⁽¹⁾ of office with an additional 896k SF underway
- 95% occupied as of 4Q18
- Office product at our mixed use properties commands up to a 15% rent premium to the market because of the highly amenitized environment
- 9% of ABR currently, trending toward 10%

1) Includes 741,500 square foot Partners Healthcare building at Assembly Row

In Process Mixed-Use Development

Assembly Row, Pike & Rose, Santana Row and Cocowalk



ASSEMBLY ROW PHASE 2 & 3



PIKE & ROSE PHASE 2 & 3



700 SANTANA ROW



COCOWALK

Location

Somerville, MA

North Bethesda, MD

San Jose, CA

Miami, FL

**Cost⁽¹⁾
Cost to Date**

Phase 2: \$290 - \$305 million
\$290 million
Phase 3: \$465 - \$485 million
\$67 million

Phase 2: \$200 - \$207 million
\$197 million
Phase 3: \$128 - \$135 million
\$23 million

\$205 - \$215 million
\$150 million

\$75 - \$80 million
\$23 million

ROI

Phase 2: 7%
Phase 3: 6%

Phase 2: 6%
Phase 3: 6-7%

7-8%

6-7%

Update⁽²⁾:

- Phase 2 Retail: 85% leased
- Phase 2 Residential: 96% leased
- Phase 3: 150k SF of office leased to Puma, projected opening in 2022

- Phase 2 Retail & Residential: 95%+ leased
- Phase 3: Projected opening 2021

- On budget and on schedule
- Office 100% leased to Splunk Inc.

- On budget and on schedule
- Multiple spaces leased

Note: As of 4Q18.

1) Excludes cost of condos at Assembly Row and Pike & Rose.

2) As of 12/31/18

Experts at Creating Neighborhoods

Assembly Row and Pike & Rose

ASSEMBLY ROW



PIKE & ROSE





Shadow Pipeline of Mixed Use Opportunities

3.9 million SF and 1,672 residential units of entitled mixed use development opportunities

20+ Years of Proven Mixed Use Experience

Property	Location	Acres	Completed and In-Process ⁽¹⁾		Additional By-Right Entitlements		Potential Future Entitlements
			Commercial SF	Residential Units	Commercial SF	Residential Units	Square Feet ⁽³⁾
Assembly Row	Somerville, MA	65	1,260,000	947	1,500,000	329	
Bethesda Row	Bethesda, MD	17	534,000	180			475,000
Graham Park	Falls Church, VA	19	260,000			210	
Montrose Crossing	Rockville, MD	36	364,000				2,000,000
Pan Am	Fairfax, VA	25	227,000		153,000		200,000
Pike 7	Tysons Corner, VA	13	164,000		177,000		2,155,000
Pike and Rose	North Bethesda, MD	24	683,000	765	740,000	741	
Rollingwood	Silver Spring, MD	14		282			600,000
Santana Row / Santana West	San Jose, CA	50	1,203,000	662	1,321,000	395	
Village at Shirlington	Arlington, VA	16	264,000				237,000
Additional Near Term Densification Opportunities ⁽²⁾							3,607,400
	Total	279	4,959,000	2,836	3,891,000	1,672	9,274,400

Note: Actual Square footage and residential units could differ significantly when final redevelopment plans are completed.

- 1) Assumes full build out of in process SF and residential units. Assembly Row completed SF does not include the Partner Healthcare owned building. Does not include hotel square footage.
- 2) Additional opportunities includes 8 properties.
- 3) Includes commercial and residential square footage. Potential future entitlements square footage are estimates



“A” Rated Balance Sheet and 51 Years of Increased Dividends

- “A” rated balance sheet provides a cost of capital competitive advantage
 - One of only 6 REITs with an “A” rating by both S&P and Moody’s (SPG, PSA, FRT, AVB, O, CPT)
- Opportunistic and balanced capital raising philosophy paired with judicious capital allocation strategy
- Long term vision for our real estate and our balance sheet
- Funding future capital needs through a balanced opportunistic approach
 - Excess free cash flow (\$70-\$90 million annually)⁽¹⁾
 - Non-dilutive, tax-efficient dispositions
 - Opportunistic common equity through ATM program
 - Unsecured notes
 - Preferred equity
- 51 consecutive years of dividend increases at a ~7% CAGR
 - REIT record
 - 1 of only 25 S&P 500 companies with 50+ years of increased dividends

1) Free cash flow after dividends, interest, G&A, maintenance capex and leasing costs.



Balance Sheet...

Balance sheet snapshot

CREDIT RATINGS⁽¹⁾

Moody's

A3

Stable

S&P

A-

Stable

Fitch

A-

Stable

CAPITAL STRUCTURE AS OF 4Q18

Debt to Total Market Cap 26%

Net Debt to EBITDA⁽²⁾ 5.3x

Fixed Charge Coverage⁽³⁾ 4.3x

Fixed Rate Debt 91%

Weighted Average Interest Rate 3.88%

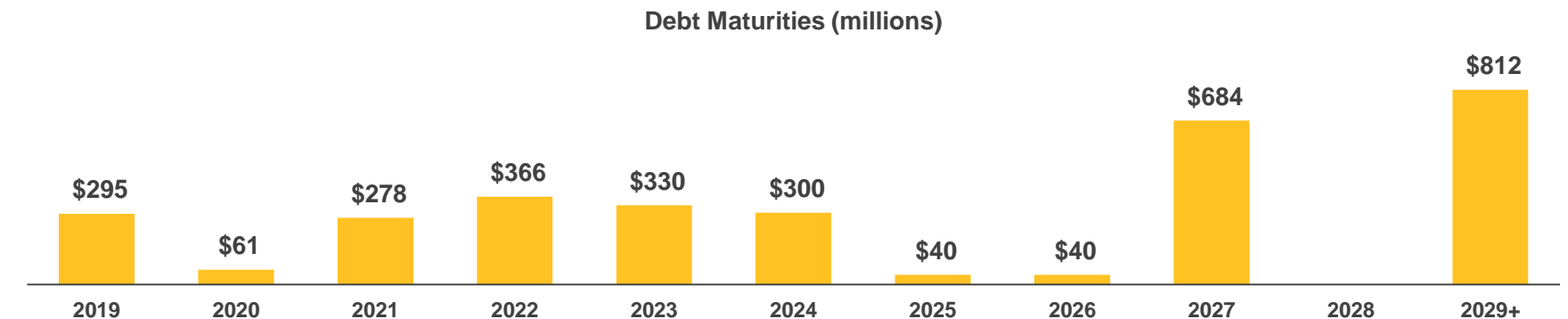
Weighted Average Maturity 10 years

Dividend Payout Ratio as % of FFO 65%

2019 FUNDING SOURCES

- Free cash flow of ~\$80-\$90 million
- Leverage neutral debt capital of ~\$125-\$150 million
- Line of credit
- Potential dispositions
- Opportunistic use of ATM

WELL LADDERED DEBT MATURITY SCHEDULE



1) The complete ratings report can be accessed at www.federalrealty.com.

2) Net debt to EBITDA calculated as (total debt - cash) / EBITDA

3) Ratio of EBITDARE to combined fixed charges and preferred share dividends

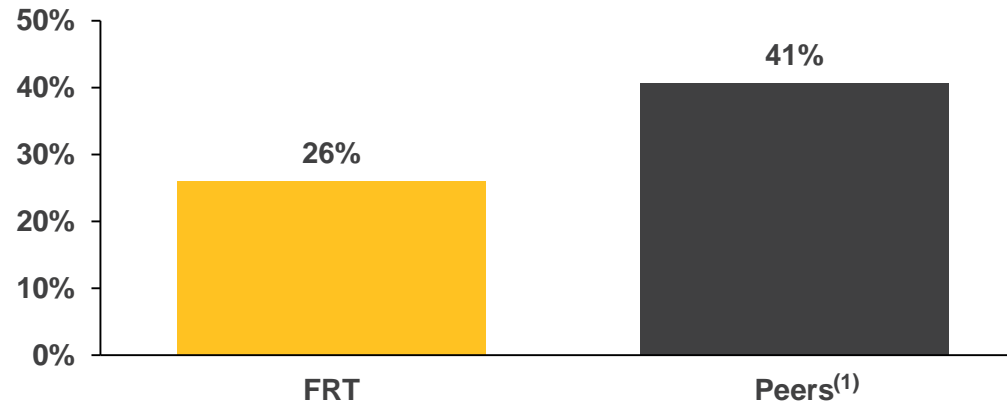


Capital Structure and Bottom Line Results

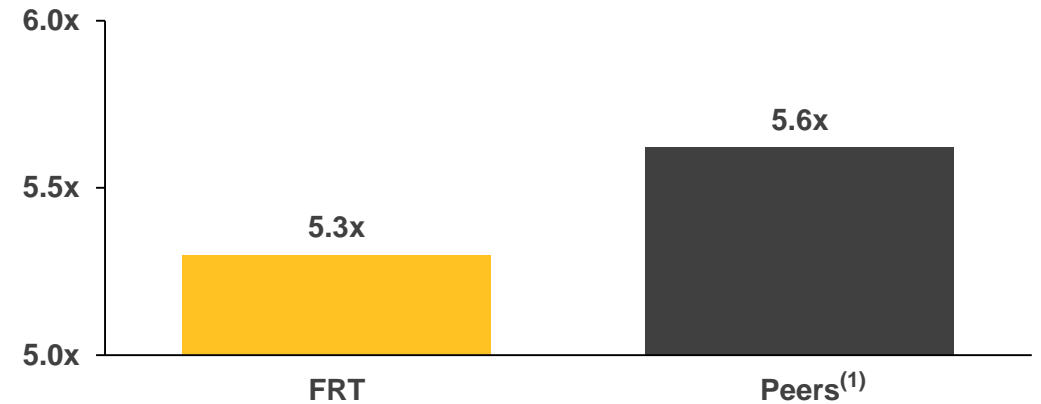
Conservative capital structure supports consistent results

"A" Rated Balance Sheet and 51 Years of Increased Dividends

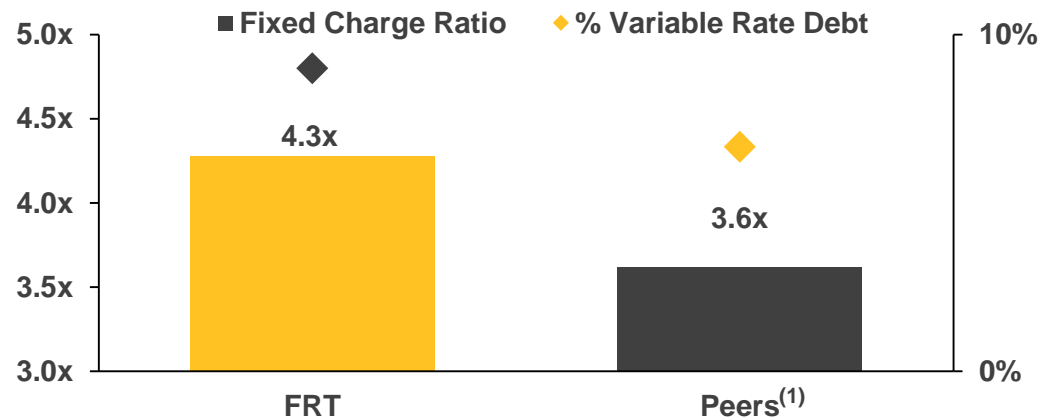
NET DEBT TO MARKET CAP



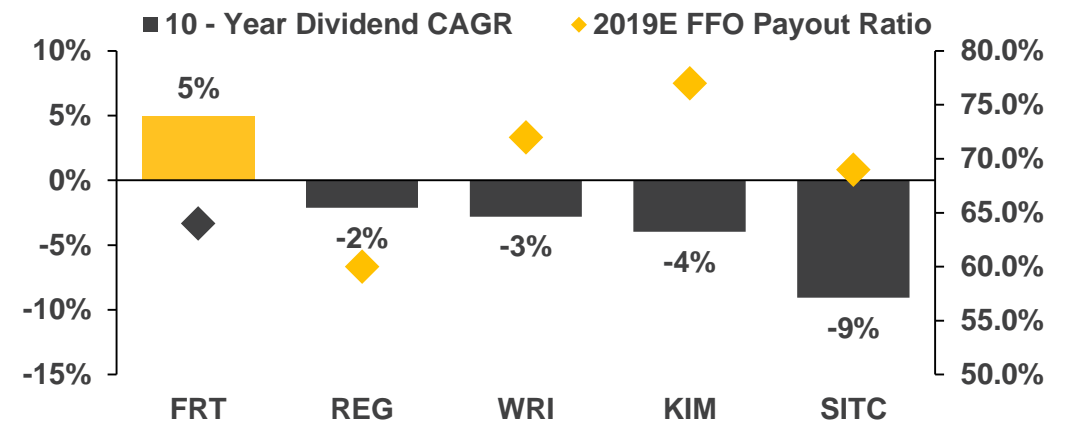
NET DEBT TO EBITDA



FIXED CHARGE COVERAGE VS. % VARIABLE DEBT



10 -YEAR DIVIDEND CAGR VS FFO PAYOUT



Source: Company SEC Filings, Citigroup Research.

Note: As of 4Q18 unless otherwise noted

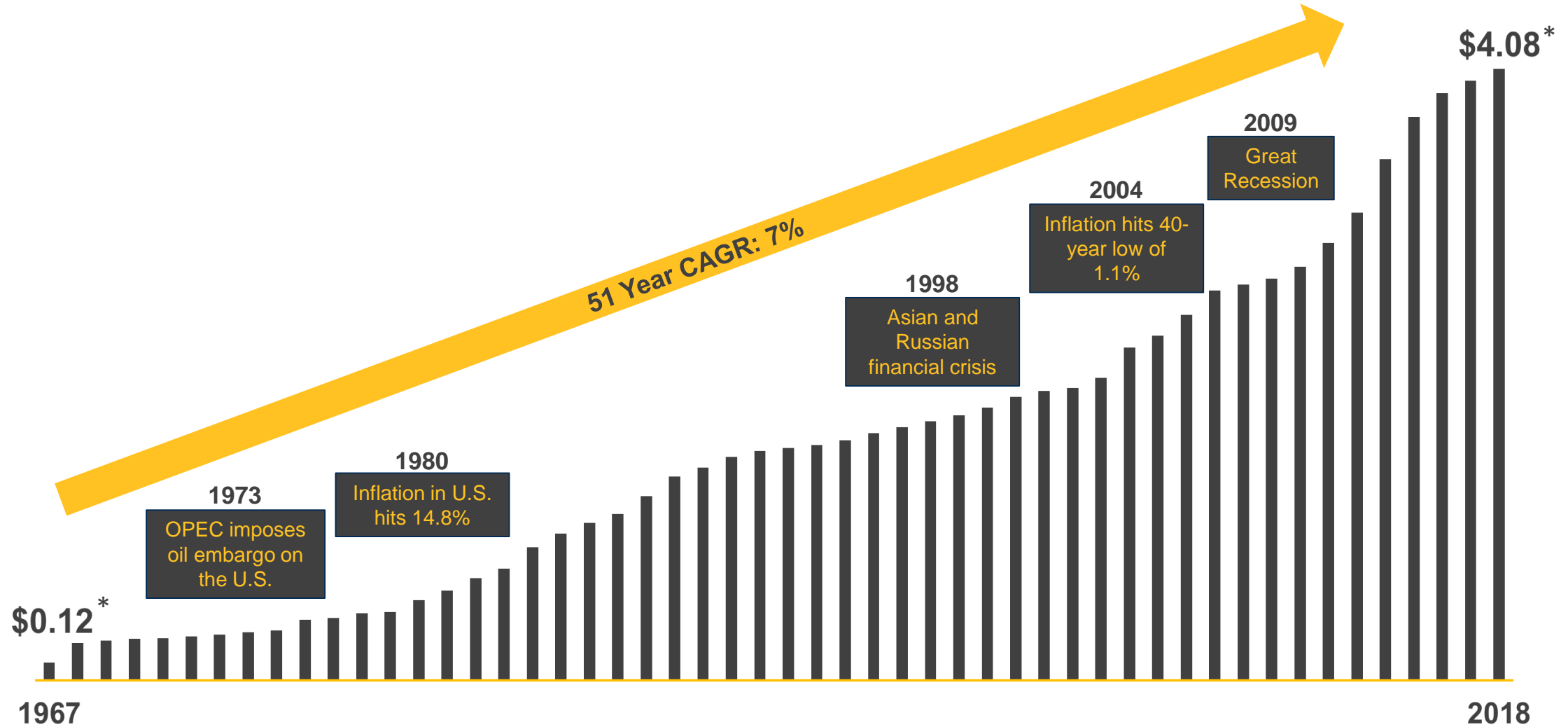
1) Peers represent large cap national peers: REG, WRI, KIM, BRX, SITC.



51 Consecutive Years of Increased Annual Dividends

Dividend king

"A" Rated Balance Sheet and 51 Years of Increased Dividends



* Fourth quarter annualized dividend per share



A Vision for the Future with the Ability to Execute

- Executive team averages 17+ years at Federal Realty
 - Deep knowledge and understanding of our properties, their individualized business plans and markets
- Proven ability to make smart, risk-adjusted capital allocation decisions throughout investment cycles
 - Since senior management team took over in 2003, Federal has outperformed⁽¹⁾:
 - S&P 500 Index (420 bps on average annually)
 - S&P 500 REIT Index (350 bps on average annually)
 - FTSE NAREIT, All Equity REIT Index (310 bps on average annually)
 - Bloomberg Shopping Center REIT Index (660 bps on average annually)
- Signature placemaking strategy has been developed over decades
- Commitment to strong environmental, social and governance practices
- Diverse board of directors focused on creating value for shareholders

1) As of 12/31/17



Seasoned Executive Team

Visionaries with the proven ability to successfully execute



Don Wood
President & CEO

Joined FRT in 1998⁽¹⁾



Dan Guglielmono
EVP – CFO & Treasurer

Joined FRT in 2016



Dawn Becker
EVP – General Counsel & Secretary

Joined FRT in 1997



Jeff Berkes
EVP – Western Region, President

Joined FRT in 2000



Wendy Seher
EVP – Eastern Region, President

Joined FRT in 2002



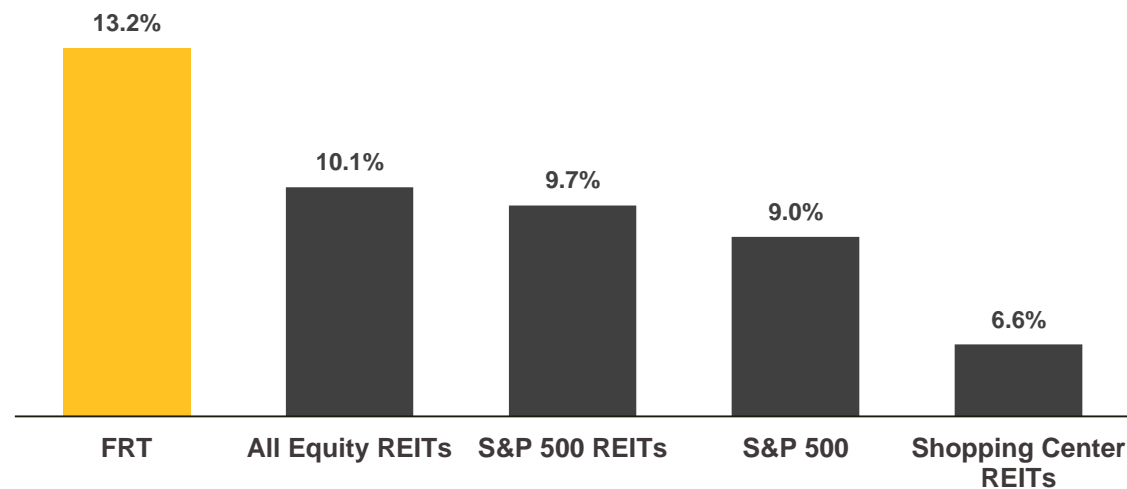
Jan Sweetnam
EVP – Western Region, COO

Joined FRT in 1997

EXECUTIVE LEADERSHIP

- Average 17+ years at Federal Realty and 25+ years of real estate experience
- Lean and nimble corporate structure enables management to be closer to the real estate and the real estate decisions which can affect properties for decades
- Proven ability to make smart, risk-adjusted capital allocation decisions throughout investment cycles

TOTAL ANNUAL RETURN SINCE 2003⁽¹⁾⁽²⁾



1) Don Wood has been President and CEO since January 2003.

2) Indexes represent: FTSE NAREIT All Equity REITs Total Return Index, S&P 500 Real Estate Investment Trusts REITS Industry GICS Level 3 Index, S&P 500 Total Return Index, Bloomberg Shopping Center REIT Index



Retail Experience of the Future

Placemaking has been a part of Federal's DNA for decades

A Vision for the Future with the Ability to Execute

- Developed over decades, Federal's signature placemaking strategy sets our centers apart:
 - Attention to detail
 - Visionary planning
 - Distinctive design
 - Thoughtful and strategic merchandising
 - Diverse mix of tenants
 - Community focused





Commitment to Sustainability Initiatives

Development, operations and partnerships

A Vision for the Future with the Ability to Execute

SUSTAINABLE DEVELOPMENT

- Invested over \$1.2 billion in green certified construction projects since 2012
- Utilize energy modeling
- Prioritize water management
- Take advantage of existing transit infrastructure



SHOPPING CENTER OPERATIONS

- Leader in utilizing locations to generate renewable energy
- \$35 million invested in 22 rooftop solar systems since 2010
 - \$12 million in process for 10 additional systems
- LED lighting installed at 60% of our properties, resulting in energy savings



INNOVATIVE PARTNERSHIPS

- Up Top Acres – converting green roofs to urban rooftop farms
- Freight Farms – shipping containers retrofitted with vertical farming capabilities





History of Strong Corporate Governance

Commitment to practices and policies that best serve our shareholders

- Annual election of all Trustees
 - Board cannot be classified without shareholder approval
- Robust annual assessment of Board, committees and individual trustees
- Trustee election by majority vote
- Equity ownership requirements for Board and senior management
- Clawback policy in place
- Prohibition on hedging and pledging



DON WOOD

President and CEO of Federal Realty



JOE VASSALLUZZO

Non-executive Chairman at Office Depot

Former Vice Chairman of Staples



GAIL STEINEL

Principal of Executive Advisors

Former Executive VP of BearingPoint



WARREN THOMPSON

President and Chairman of Thompson Hospitality Corporation

Current Director at Duke Realty



JON BORTZ

President, CEO and Chairman of Pebblebrook Hotel Trust

Former President, CEO and Trustee of LaSalle Hotel Properties



LIZ HOLLAND

CEO of Abbell Associates

Current ICSC[†] Board Member, former ICSC Chairman



DAVID FAEDER

Managing Partner of Fountain Square Properties

Former Vice Chairman, President, EVP and CFO of Sunrise Senior Living



MARK ORDAN

Former Chairman and CEO of Quality Care Properties, Inc.

Former CEO of Washington Prime Group



Safe Harbor and Non-GAAP Information:

Federal Realty Investment Trust

Certain matters included in this presentation may be forward looking statements within the meaning of federal securities laws. Actual future performance and results may differ materially from those included in forward looking statements. Please refer to our most recent annual report on Form 10K and quarterly report on Form 10Q filed with the SEC which include risk factors and other information that could cause actual results to differ from what is included in forward looking statements.

This presentation includes certain non-GAAP financial measures that the company considers meaningful measures of financial performance. Additional information regarding these non-GAAP measures, including reconciliations to GAAP, are included in documents we have filed with the SEC.

Definitions of terms not defined in this presentation can be found in our documents filed with the SEC.