



**NEWS RELEASE**

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FOR IMMEDIATE RELEASE  
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**FIRST QUARTER 2024 OPERATING RESULTS  
 ANNOUNCED BY NNN REIT, INC.**

**Orlando, Florida, May 1, 2024** – NNN REIT, Inc. (NYSE: NNN), a real estate investment trust, today announced its operating results for the quarter ended March 31, 2024. Highlights include:

Operating Results:

- Revenues and net earnings, FFO, Core FFO and AFFO and diluted per share amounts:

	Quarter Ended March 31,	
	2024	2023
	(dollars in thousands, except per share data)	
Revenues	\$ 215,407	\$ 204,108
Net earnings	\$ 94,371	\$ 90,167
Net earnings per share	\$ 0.52	\$ 0.50
FFO	\$ 151,261	\$ 145,549
FFO per share	\$ 0.83	\$ 0.80
Core FFO	\$ 151,578	\$ 145,972
Core FFO per share	\$ 0.83	\$ 0.80
AFFO	\$ 153,259	\$ 148,166
AFFO per share	\$ 0.84	\$ 0.82

First Quarter 2024 Highlights:

- FFO and Core FFO per share increased 3.8% over prior year results
- AFFO per share increased 2.4% over prior year results
- Maintained high occupancy levels at 99.4%, with a weighted average remaining lease term of 10.0 years, at March 31, 2024 as compared to 99.5% at December 31, 2023 and 99.4% at March 31, 2023
- \$124.5 million in property investments, including the acquisition of 20 properties with an aggregate gross leasable area of approximately 284,000 square feet at an initial cash cap rate of 8.0%
- Sold six properties for \$18.5 million, producing \$4.8 million of gains on sales
- Raised \$21.5 million in net proceeds from the issuance of 519,494 common shares
- Maintained sector leading 11.8 year weighted average debt maturity

Steve Horn, Chief Executive Officer, commented: "NNN's first quarter was consistent and predictable with nearly \$125 million in property acquisitions, yielding an initial cash cap rate of eight percent with an 18-year weighted average remaining lease term. With our strong property portfolio combined with over \$1 billion of liquidity and strategic balance sheet management, NNN remains positioned to deliver long-term shareholder value as we progress through the year."

NNN REIT invests primarily in high-quality retail properties subject generally to long-term, net leases. As of March 31, 2024, the company owned 3,546 properties in 49 states with a gross leasable area of approximately 36.1 million square feet and a weighted average remaining lease term of 10.0 years. NNN is one of only three publicly traded real estate investment trusts to have increased annual dividends for 34 or more consecutive years. For more information on the company, visit [www.nnnreit.com](http://www.nnnreit.com).

Management will hold a conference call on May 1, 2024, at 10:30 a.m. ET to review its results of operations. The call can be accessed on the NNN REIT website live at [www.nnnreit.com](http://www.nnnreit.com). For those unable to listen to the live broadcast, a replay will be available on the company's website. In addition, a summary of any earnings guidance given on the call will be posted to the company's website.

*Statements in this press release that are not strictly historical are "forward-looking" statements. These statements generally are characterized by the use of terms such as "believe," "expect," "intend," "may," "estimated," or other similar words or expressions. Forward-looking statements involve known and unknown risks, which may cause the company's actual future results to differ materially from expected results. These risks include, among others, general economic conditions, including inflation, local real estate conditions, changes in interest rates, increases in operating costs, the preferences and financial condition of the company's tenants, the availability of capital, risks related to the company's status as a real estate investment trust ("REIT"), and the potential impacts of an epidemic or pandemic on the company's business operations, financial results, and financial position on the world economy. Additional information concerning these and other factors that could cause actual results to differ materially from these forward-looking statements is contained from time to time in the company's Securities and Exchange Commission (the "Commission") filings, including, but not limited to, the company's (i) Annual Report on Form 10-K for the year ended December 31, 2023 and (ii) Quarterly Report on Form 10-Q for the quarter ended March 31, 2024. Copies of each filing may be obtained from the company or the Commission. Such forward-looking statements should be regarded solely as reflections of the company's current operating plans and estimates. Actual operating results may differ materially from what is expressed or forecast in this press release. NNN REIT, Inc. undertakes no obligation to publicly release the results of any revisions to these forward-looking statements that may be made to reflect events or circumstances after the date these statements were made.*

*Funds From Operations, commonly referred to as "FFO", is a relative non-GAAP financial measure of operating performance of an equity REIT in order to recognize that income-producing real estate historically has not depreciated on the basis determined under GAAP. FFO is defined by the National Association of Real Estate Investment Trusts ("NAREIT") and is used by the company as follows: net earnings (computed in accordance with GAAP) plus depreciation and amortization of assets unique to the real estate industry, excluding gains (or including losses), any applicable taxes and noncontrolling interests on the disposition of certain assets, the company's share of these items from the company's noncontrolling interests and any impairment charges on a depreciable real estate asset.*

*FFO is generally considered by industry analysts to be the most appropriate measure of performance of real estate companies. FFO does not necessarily represent cash provided by operating activities in accordance with GAAP and should not be considered an alternative to net earnings as an indication of the company's performance or to cash flow as a measure of liquidity or ability to make distributions. Management considers FFO an appropriate measure of performance of an equity REIT because it primarily excludes the assumption that the value of the real estate assets diminishes predictably over time, and because industry analysts have accepted it as a performance measure. The company's computation of FFO may differ from the methodology for calculating FFO used by other equity REITs, and therefore, may not be comparable to such other REITs. A reconciliation of net earnings (computed in accordance with GAAP) to FFO, as defined by NAREIT, is included in the financial information accompanying this release.*

*Core Funds From Operations ("Core FFO") is a non-GAAP measure of operating performance that adjusts FFO to eliminate the impact of certain GAAP income and expense amounts that the company believes are infrequent and unusual in nature and/or not related to its core real estate operations. Exclusion of these items from similar FFO-type metrics is common within the REIT industry, and management believes that presentation of Core FFO provides investors with a potential metric to assist in their evaluation of the company's operating performance across multiple periods and in comparison to the operating*

*performance of its peers because it removes the effect of unusual items that are not expected to impact the company's operating performance on an ongoing basis. Core FFO is used by management in evaluating the performance of the company's core business operations and is a factor in determining management compensation. Items included in calculating FFO that may be excluded in calculating Core FFO may include items such as transaction related gains, income or expense, impairments on land or commercial mortgage residual interests, executive retirement costs or other non-core amounts as they occur. The company's computation of Core FFO may differ from the methodology for calculating Core FFO used by other equity REITs, and therefore, may not be comparable to such other REITs. A reconciliation of net earnings (computed in accordance with GAAP) to Core FFO is included in the financial information accompanying this release.*

*Adjusted Funds From Operations ("AFFO") is a non-GAAP financial measure of operating performance used by many companies in the REIT industry. AFFO adjusts FFO for certain non-cash items that reduce or increase net income in accordance with GAAP. AFFO should not be considered an alternative to net earnings, as an indication of the company's performance or to cash flow as a measure of liquidity or ability to make distributions. Management considers AFFO a useful supplemental measure of the company's performance. The company's computation of AFFO may differ from the methodology for calculating AFFO used by other equity REITs, and therefore, may not be comparable to such other REITs. A reconciliation of net earnings (computed in accordance with GAAP) to AFFO is included in the financial information accompanying this release.*

**NNN REIT, Inc.**  
(dollars in thousands, except per share data)  
(unaudited)

	Quarter Ended March 31,	
	2024	2023
<b>Income Statement Summary</b>		
Revenues:		
Rental income	\$ 214,825	\$ 203,630
Interest and other income from real estate transactions	582	478
	215,407	204,108
Operating expenses:		
General and administrative	12,584	12,251
Real estate	7,154	6,846
Depreciation and amortization	60,615	59,148
Leasing transaction costs	33	75
Impairment losses – real estate, net of recoveries	1,204	2,640
Executive retirement costs	317	423
	81,907	81,383
Gain on disposition of real estate	4,821	6,300
Earnings from operations	138,321	129,025
Other expenses (revenues):		
Interest and other income	(119)	(33)
Interest expense	44,069	38,891
	43,950	38,858
Net earnings	\$ 94,371	\$ 90,167
Weighted average shares outstanding:		
Basic	181,794,208	180,845,503
Diluted	182,212,897	181,434,345
Net earnings per share available to stockholders:		
Basic	\$ 0.52	\$ 0.50
Diluted	\$ 0.52	\$ 0.50

**NNN REIT, Inc.**

(dollars in thousands, except per share data)  
(unaudited)

	Quarter Ended March 31,	
	2024	2023
<b>Funds From Operations ("FFO") Reconciliation:</b>		
Net earnings	\$ 94,371	\$ 90,167
Real estate depreciation and amortization	60,507	59,042
Gain on disposition of real estate	(4,821)	(6,300)
Impairment losses – depreciable real estate, net of recoveries	1,204	2,640
Total FFO adjustments	<u>56,890</u>	<u>55,382</u>
FFO	<u>\$ 151,261</u>	<u>\$ 145,549</u>
FFO per share:		
Basic	<u>\$ 0.83</u>	<u>\$ 0.80</u>
Diluted	<u>\$ 0.83</u>	<u>\$ 0.80</u>
<b>Core Funds From Operations ("Core FFO") Reconciliation:</b>		
Net earnings	\$ 94,371	\$ 90,167
Total FFO adjustments	56,890	55,382
FFO	151,261	145,549
Executive retirement costs	317	423
Total Core FFO adjustments	317	423
Core FFO	<u>\$ 151,578</u>	<u>\$ 145,972</u>
Core FFO per share:		
Basic	<u>\$ 0.83</u>	<u>\$ 0.81</u>
Diluted	<u>\$ 0.83</u>	<u>\$ 0.80</u>

**NNN REIT, Inc.**  
(dollars in thousands, except per share data)  
(unaudited)

	Quarter Ended March 31,	
	2024	2023
<b>Adjusted Funds From Operations ("AFFO") Reconciliation:</b>		
Net earnings	\$ 94,371	\$ 90,167
Total FFO adjustments	56,890	55,382
Total Core FFO adjustments	317	423
Core FFO	151,578	145,972
Straight-line accrued rent, net of reserves	36	(469)
Net capital lease rent adjustment	54	79
Below-market rent amortization	(117)	(112)
Stock based compensation expense	3,567	3,101
Capitalized interest expense	(1,859)	(405)
Total AFFO adjustments	1,681	2,194
AFFO	<u>\$ 153,259</u>	<u>\$ 148,166</u>
AFFO per share:		
Basic	<u>\$ 0.84</u>	<u>\$ 0.82</u>
Diluted	<u>\$ 0.84</u>	<u>\$ 0.82</u>
<b>Other Information:</b>		
Rental income from operating leases <sup>(1)</sup>	<u>\$ 209,084</u>	<u>\$ 198,183</u>
Earned income from direct financing leases <sup>(1)</sup>	<u>\$ 119</u>	<u>\$ 144</u>
Percentage rent <sup>(1)</sup>	<u>\$ 888</u>	<u>\$ 763</u>
Real estate expense reimbursement from tenants <sup>(1)</sup>	\$ 4,734	\$ 4,540
Real estate expenses	(7,154)	(6,846)
Real estate expenses, net of tenant reimbursements	<u>\$ (2,420)</u>	<u>\$ (2,306)</u>
Amortization of debt costs	<u>\$ 1,301</u>	<u>\$ 1,199</u>
Scheduled debt principal amortization (excluding maturities)	<u>\$ —</u>	<u>\$ 173</u> <sup>(2)</sup>
Non-real estate depreciation expense	<u>\$ 111</u>	<u>\$ 109</u>

<sup>(1)</sup> For the quarters ended March 31, 2024 and 2023, the aggregate of such amounts is \$214,825 and \$203,630, respectively, and is classified as rental income on the income statement summary.

<sup>(2)</sup> In April 2023, NNN repaid the remaining mortgages payable principal balance of \$9,774.

## NNN REIT, Inc.

### 2024 Earnings Guidance

Guidance is based on current plans and assumptions and subject to risks and uncertainties more fully described in this press release and the company's reports filed with the Commission.

	2024 Guidance
Net earnings per share excluding any gains on disposition of real estate, impairment charges, and executive retirement costs	\$1.94 - \$2.00 per share
Real estate depreciation and amortization per share	\$1.31 per share
Core FFO per share	\$3.25 - \$3.31 per share
AFFO per share	\$3.29 - \$3.35 per share
General and administrative expenses	\$46 - \$48 Million
Real estate expenses, net of tenant reimbursements	\$9 - \$11 Million
Acquisition volume	\$400 - \$500 Million
Disposition volume	\$80 - \$120 Million

**NNN REIT, Inc.**  
(dollars in thousands)  
(unaudited)

	March 31, 2024	December 31, 2023
<b>Balance Sheet Summary</b>		
<b>Assets:</b>		
Real estate portfolio, net of accumulated depreciation and amortization	\$ 8,586,856	\$ 8,535,851
Cash and cash equivalents	1,128	1,189
Restricted cash and cash held in escrow	—	3,966
Receivables, net of allowance of \$717 and \$669, respectively	3,569	3,649
Accrued rental income, net of allowance of \$4,153 and \$4,168, respectively	34,404	34,611
Debt costs, net of accumulated amortization of \$24,525 and \$23,952, respectively	2,723	3,243
Other assets	77,062	79,459
Total assets	\$ 8,705,742	\$ 8,661,968
<b>Liabilities:</b>		
Line of credit payable	\$ 116,200	\$ 132,000
Notes payable, net of unamortized discount and unamortized debt costs	4,229,933	4,228,544
Accrued interest payable	75,487	34,374
Other liabilities	109,264	109,593
Total liabilities	4,530,884	4,504,511
Total equity	4,174,858	4,157,457
Total liabilities and equity	\$ 8,705,742	\$ 8,661,968
Common shares outstanding	183,350,322	182,474,770
Gross leasable area, Property Portfolio (square feet)	36,137,000	35,966,000

**NNN REIT, Inc.**  
**Debt Summary**  
As of March 31, 2024  
(dollars in thousands)  
(unaudited)

<b>Unsecured Debt</b>	Principal	Principal, Net of Unamortized Discount	Stated Rate	Effective Rate	Maturity Date
Line of credit payable	\$ 116,200	\$ 116,200	SOFR + 87.5 bps	6.185%	June 2025
<b>Unsecured notes payable:</b>					
2024	350,000	349,982	3.900%	3.924%	June 2024
2025	400,000	399,817	4.000%	4.029%	November 2025
2026	350,000	348,811	3.600%	3.733%	December 2026
2027	400,000	399,361	3.500%	3.548%	October 2027
2028	400,000	398,559	4.300%	4.388%	October 2028
2030	400,000	399,192	2.500%	2.536%	April 2030
2033	500,000	488,912	5.600%	5.905%	October 2033
2048	300,000	296,156	4.800%	4.890%	October 2048
2050	300,000	294,457	3.100%	3.205%	April 2050
2051	450,000	442,096	3.500%	3.602%	April 2051
2052	450,000	440,114	3.000%	3.118%	April 2052
<b>Total</b>	<u>4,300,000</u>	<u>4,257,457</u>			
<b>Total unsecured debt<sup>(1)</sup></b>	<u>\$ 4,416,200</u>	<u>\$ 4,373,657</u>			
<b>Debt costs</b>		\$ (42,595)			
<b>Accumulated amortization</b>		15,071			
<b>Debt costs, net of accumulated amortization</b>		(27,524)			
<b>Notes payable, net of unamortized discount and unamortized debt costs</b>		<u>\$ 4,229,933</u>			

<sup>(1)</sup> Unsecured debt has a weighted average interest rate of 4.0% and a weighted average maturity of 11.8 years.

As of March 31, 2024, Net Debt / EBITDA based on current quarter EBITDA annualized is 5.5x.

**NNN REIT, Inc.**  
**Debt Summary – Continued**  
As of March 31, 2024  
(unaudited)

**Credit Facility and Note Covenants**

The following is a summary of key financial covenants for the company's unsecured credit facility and notes, as defined and calculated per the terms of the facility's credit agreement and the notes' governing documents, respectively, which are included in the company's filings with the Commission. These calculations, which are not based on U.S. GAAP measurements, are presented to investors to show that as of March 31, 2024, the company believes it is in compliance with the covenants.

<b>Key Covenants</b>	Required	March 31, 2024
<b>Unsecured Bank Credit Facility:</b>		
Maximum leverage ratio	< 0.60	0.39
Minimum fixed charge coverage ratio	> 1.50	4.43
Maximum secured indebtedness ratio	< 0.40	—
Unencumbered asset value ratio	> 1.67	2.64
Unencumbered interest ratio	> 1.75	4.39
<b>Unsecured Notes:</b>		
Limitation on incurrence of total debt	≤ 60%	40.9%
Limitation on incurrence of secured debt	≤ 40%	—
Debt service coverage ratio	≥ 1.50	4.4
Maintenance of total unencumbered assets	≥ 150%	244%

**NNN REIT, Inc.**  
**Property Portfolio**  
As of March 31, 2024

**Top 20 Lines of Trade**

Lines of Trade	As of March 31,	
	2024 <sup>(1)</sup>	2023 <sup>(2)</sup>
1. Automotive service	16.3%	14.4%
2. Convenience stores	16.2%	16.3%
3. Restaurants – full service	8.6%	9.0%
4. Restaurants – limited service	8.5%	8.9%
5. Family entertainment centers	6.7%	5.8%
6. Recreational vehicle dealers, parts and accessories	4.6%	4.1%
7. Health and fitness	4.4%	4.8%
8. Theaters	4.1%	4.3%
9. Equipment rental	2.9%	3.1%
10. Wholesale clubs	2.5%	2.6%
11. Automotive parts	2.4%	2.6%
12. Drug stores	2.3%	2.6%
13. Home improvement	2.2%	2.3%
14. Furniture	2.0%	2.1%
15. Medical service providers	1.8%	1.9%
16. General merchandise	1.4%	1.5%
17. Consumer electronics	1.3%	1.4%
18. Home furnishings	1.3%	1.4%
19. Travel plazas	1.3%	1.3%
20. Pet supplies and services	1.1%	0.9%
Other	8.1%	8.7%
Total	100.0%	100.0%

**Top 10 States**

State	% of Total <sup>(1)</sup>	State	% of Total <sup>(1)</sup>
1. Texas	16.9%	6. North Carolina	3.8%
2. Florida	9.4%	7. Tennessee	3.7%
3. Illinois	5.1%	8. Indiana	3.7%
4. Ohio	4.9%	9. Virginia	3.3%
5. Georgia	4.8%	10. California	3.2%

As a percentage of annual base rent, which is the annualized base rent for all leases in place.

<sup>(1)</sup> \$831,010,000 as of March 31, 2024.

<sup>(2)</sup> \$781,909,000 as of March 31, 2023.

**NNN REIT, Inc.**  
**Property Portfolio – Continued**  
As of March 31, 2024

**Top 20 Tenants**

Tenant	# of Properties	% of Total <sup>(1)</sup>
1. 7-Eleven	138	4.4%
2. Mister Car Wash	121	4.1%
3. Camping World	47	3.8%
4. Dave & Buster's	32	3.5%
5. LA Fitness	28	3.0%
6. GPM Investments (convenience stores)	150	2.9%
7. Flynn Restaurant Group (Taco Bell/Arby's)	204	2.7%
8. AMC Theatre	20	2.7%
9. BJ's Wholesale Club	13	2.5%
10. Mavis Tire Express Services	140	2.2%
11. Couche Tard (Pantry)	92	2.2%
12. Sunoco	61	2.0%
13. Walgreens	49	1.9%
14. Chuck-E-Cheese	53	1.8%
15. United Rentals	49	1.6%
16. Frisch's Restaurants	68	1.6%
17. Fikes (convenience stores)	58	1.5%
18. Life Time Fitness	3	1.3%
19. Bob Evans	106	1.3%
20. Best Buy	16	1.3%

**Lease Expirations<sup>(2)</sup>**

	% of Total <sup>(1)</sup>	# of Properties	Gross Leasable Area <sup>(3)</sup>		% of Total <sup>(1)</sup>	# of Properties	Gross Leasable Area <sup>(3)</sup>
2024	1.2%	39	534,000	2030	3.7%	115	1,560,000
2025	4.5%	176	1,539,000	2031	7.2%	185	2,697,000
2026	4.7%	211	2,111,000	2032	5.8%	215	2,328,000
2027	8.1%	235	3,591,000	2033	4.8%	137	1,460,000
2028	5.7%	230	2,173,000	Thereafter	50.1%	1,853	15,972,000
2029	4.2%	126	1,874,000				

<sup>(1)</sup> Based on the annual base rent of \$831,010,000, which is the annualized base rent for all leases in place as of March 31, 2024.

<sup>(2)</sup> As of March 31, 2024, the weighted average remaining lease term is 10.0 years.

<sup>(3)</sup> Square feet.