ALEXANDRIA®

Alexandria Real Estate Equities, Inc.
Reports
Third Quarter Ended September 30, 2017, Financial and Operating Results
Strong Internal and External Growth and
Significant Near-Term Contractual Rent Growth

PASADENA, Calif. – October 30, 2017 – Alexandria Real Estate Equities, Inc. (NYSE:ARE) announced financial and operating results for the third quarter ended September 30, 2017.

Key highlights

“Green Star” designation from the Global Real Estate Sustainability Benchmark (“GRESB”)

In 3Q17, we were awarded a “Green Star” designation by GRESB and recognized as the top-ranked company in the U.S. in the GRESB Health & Well-being Module for our practices promoting the health, safety, and well-being of our tenants, employees, and partners.

Increased common stock dividend

Common stock dividend for 3Q17 of $0.86 per common share, up 6 cents, or 8%, over 3Q16; continuation of our strategy to share growth in cash flows from operating activities with our stockholders while also retaining a significant portion for reinvestment.

Strong internal growth

- Total revenues:
  - $285.4 million, up 23.9%, for 3Q17, compared to $230.4 million for 3Q16
  - $829.3 million, up 23.3%, for YTD 3Q17, compared to $672.5 million for YTD 3Q16
- Continued substantial leasing activity and strong rental rate growth, in light of minimal contractual lease expirations for 2017, and a highly leased value-creation pipeline:

	3Q17	YTD 3Q17
Total leasing activity – RSF	786,925	3,189,483
Lease renewals and re-leasing of space:		
Rental rate increases	24.2%	25.2%
Rental rate increases (cash basis)	10.0%	13.3%
RSF (included in total leasing activity above)	448,472	1,931,477

- Executed key leases during 3Q17:
  - 199,846 RSF at our development project at 100 Binney Street in our Cambridge submarket, including 130,803 RSF leased to Facebook, Inc.
  - 153,203 RSF renewal and expansion at 455 Mission Bay Boulevard South, with Nektar Therapeutics in our Mission Bay/SoMa submarket
  - 84,550 RSF at 10300 Campus Point Drive in our University Town Center submarket
- Same property net operating income growth:
  - 2.2% and 7.8% (cash basis) for 3Q17, compared to 3Q16
  - 2.3% and 6.2% (cash basis) for YTD 3Q17, compared to YTD 3Q16

Strong external growth; disciplined allocation of capital to visible, multiyear, highly leased value-creation pipeline

- 3Q17 key development projects placed into service, weighted toward the end of the quarter:
  - 341,776 RSF, 100% leased to Bristol-Myers Squibb Company and Facebook, Inc. at 100 Binney Street in our Cambridge submarket; expect delivery of the remaining 91,155 RSF, 100% leased in 1Q18; improvements in initial stabilized yield and initial stabilized yield (cash basis) of 50 and 40 bps to 8.2% and 7.4%, respectively, primarily driven by 18% cost savings from (i) redesign of space, (ii) competitive bidding and project management, and (iii) lower amount of office/laboratory space and higher office space; and
  - 17,620 RSF leased to ClubCorp Holdings, Inc. at 400 Dexter Avenue North in our Lake Union submarket.
- 81% leased on 1.5 million RSF development and redevelopment projects undergoing construction.
- Deliveries of new Class A properties drive significant growth in net operating income:

Delivery Date	RSF	Percentage Leased	Incremental Annual Net Operating Income
YTD 3Q17	663,672	100%	$51 million
4Q17	651,738	95%	$38 million to $42 million

- Development and redevelopment projects recently placed into service will drive contractual growth in cash rents aggregating $70 million, of which $60 million will commence through 3Q18 ($10 million in 4Q17, $23 million in 1Q18, $14 million in 2Q18, and $13 million in 3Q18).
- Completed strategic acquisitions of four development and redevelopment properties during 3Q17 for an aggregate purchase price of $110.7 million, consisting of: (i) a future development project aggregating 280,000 RSF in our South San Francisco submarket, (ii) two properties aggregating 203,757 RSF, including 59,173 RSF of space undergoing redevelopment in our Route 128 submarket, and (iii) a redevelopment project consisting of 45,039 RSF in our Rockville submarket.

				YTD		
Operating results	3Q17	3Q16	Change	3Q17	3Q16	Change
Net income (loss) attributable to Alexandria’s common stockholders – diluted:						
In millions	$ 51.3	$ 5.5	N/A	$ 108.6	$(126.0)	N/A
Per share	$ 0.55	$ 0.07	N/A	$ 1.20	$ (1.69)	N/A
Funds from operations attributable to Alexandria’s common stockholders – diluted, as adjusted:						
In millions	$ 140.8	$ 107.6	30.8%	$ 407.5	$ 305.8	33.3%
Per share	$ 1.51	$ 1.39	8.6%	$ 4.49	$ 4.09	9.8%

Items included in net income (loss) attributable to Alexandria's common stockholders
(amounts are shown after deducting any amounts attributable to noncontrolling interests):

					YTD			
	3Q17	3Q16	3Q17	3Q16	3Q17	3Q16	3Q17	3Q16
(In millions, except per share amounts)	Amount		Per Share – Diluted		Amount		Per Share – Diluted	
Gain on sales of real estate	$ 14.1	$ 0.1	$ 0.15	$ —	$ 14.5	$ 0.1	$ 0.15	$ —
Gain on sales of non-real estate investments	—	—	—	—	—	4.4	—	0.06
Impairment of:								
Rental properties	—	(6.3)	—	(0.08)	(0.2)	(94.7)	—	(1.27)
Land parcels	—	(1.8)	—	(0.02)	—	(98.0)	—	(1.32)
Non-real estate investments	—	(3.1)	—	(0.04)	(4.5)	(3.1)	(0.05)	(0.04)
Loss on early extinguishment of debt	—	(3.2)	—	(0.04)	(0.7)	(3.2)	(0.01)	(0.04)
Preferred stock redemption charge	—	(13.1)	—	(0.17)	(11.3)	(25.6)	(0.12)	(0.34)
Total	$ 14.1	$ (27.4)	$ 0.15	$ (0.35)	$ (2.2)	$ (220.1)	$ (0.03)	$ (2.95)
Weighted-average shares of common stock outstanding – diluted			93.3	77.4			90.8	74.5

See "Definitions and Reconciliations" on page 50 of our Supplemental Information for additional information.

Core operating metrics and internal growth as of 3Q17

- Percentage of annual rental revenue in effect from:
  - Investment-grade tenants: 50%
  - Class A properties in AAA locations: 78%
- Occupancy in North America: 96.1%
- Operating margin: 71%
- Adjusted EBITDA margin: 68%
- Weighted-average remaining lease term of Top 20 tenants: 13.2 years
- See "Strong internal growth" in the key highlights section on page 1 of this Earnings Press Release for information on our leasing activity, rental rate growth, and net operating income.

External growth

See page 1 of this Earnings Press Release for key highlights.

Balance sheet management

Key metrics	3Q17
Total market capitalization	$ 16.1 billion
Liquidity	$ 1.7 billion
Net debt to Adjusted EBITDA:	
Quarter annualized	6.1x
Trailing 12 months	6.4x
Fixed-charge coverage ratio:	
Quarter annualized	4.1x
Trailing 12 months	4.0x
Unhedged variable-rate debt as a percentage of total debt	12%
Current and future value-creation pipeline as a percentage of gross investments in real estate in North America	12%

Key capital events

- In August 2017, we entered into an "at the market" common stock offering program ("ATM program"), which allows us to sell up to an aggregate of $750.0 million of our common stock. During 3Q17, we sold an aggregate of 2.1 million shares of common stock for gross proceeds of $249.9 million, or $119.94 per share, and received net proceeds of $245.8 million. As of 3Q17, we had $500.1 million available for future sales of common stock under the ATM program.

Corporate social responsibility and industry leadership

- 48% of total annual rental revenue is expected from Leadership in Energy and Environmental Design ("LEED®") certified projects upon completion of 13 in-process projects.
- In 3Q17, we were awarded a "Green Star" designation by GRESB and recognized as the top-ranked company in the U.S. in the GRESB Health & Well-being Module for our practices promoting the health, safety, and well-being of our tenants, employees, and partners. Our GRESB score exceeded that of both the U.S. listed average REIT and the global GRESB average.
- In 3Q17, we expanded our support of the U.S. military with the kickoff of the future headquarters of The Honor Foundation in San Diego, in partnership with the Navy SEAL Foundation. We will provide 8,000 RSF of collaborative and innovative space at 11055 Roselle Street located in our Sorrento Valley submarket, where the organization will offer programs and events to help transition Navy SEALs and other U.S. Special Operations personnel back into private-sector jobs and careers.

Acquisitions

September 30, 2017

(Dollars in thousands)

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						Square Footage			
Property	**Submarket/Market**	**Date of Purchase**	**Number of Properties**	**Anticipated Use**	**Occupancy**	**Operating**	**Redevelopment**	**Future Development**	**Purchase Price**
1H17:									
325 Binney Street	Cambridge/Greater Boston	3/29/17	—	Office/lab, residential	N/A	—	—	208,965	$ 80,250
88 Bluxome Street	Mission Bay/SoMa/San Francisco	1/10/17	1	Office/lab	100%	232,470	—	1,070,925	130,000
960 Industrial Road	Greater Stanford/San Francisco	5/17/17	1	Office/lab	100%	195,000	—	500,000	64,959
825 and 835 Industrial Road	Greater Stanford/San Francisco	6/1/17	—	Office/lab	N/A	—	—	530,000	85,000
1450 Page Mill Road (1)	Greater Stanford/San Francisco	6/1/17	1	Office	100%	77,634	—	—	85,300
3050 Callan Road and Vista Wateridge	Torrey Pines/Sorrento Mesa/ San Diego	3/24/17	—	Office/lab	N/A	—	—	229,000	8,250
5 Laboratory Drive	Research Triangle Park/RTP	5/25/17	1	Office/lab	N/A	—	175,000	—	8,750
			4			505,104	175,000	2,538,890	462,509
3Q17:									
266 and 275 Second Avenue	Route 128/Greater Boston	7/11/17	2	Office/lab	100%	144,584	59,173	—	71,000
201 Haskins Way	South San Francisco/ San Francisco	9/11/17	1	Office/lab	100%	23,840	—	280,000	33,000
9900 Medical Center Drive	Rockville/Maryland	8/4/17	1	Office/lab	N/A	—	45,039	—	6,700
			4			168,424	104,212	280,000	110,700
Pending:									
1455 and 1515 Third Street (acquisition of remaining 49% interest)	Mission Bay/SoMa/San Francisco	11/10/16	2	Ground lease	100%	422,980	—	—	37,800 (2)
Other									60,000
							279,212	2,818,890	$ 671,009

We expect to provide total estimated costs at completion and related yields of development and redevelopment projects in the future.

(1) Technology office building, subject to a 51-year ground lease, located in Stanford Research Park, a collaborative business community that supports innovative companies in their research and development pursuits. This recently constructed building is 100% leased to Infosys Limited for 12 years, and we expect initial stabilized yields of 7.3% and 5.8% (cash basis).

(2) Acquisition of the remaining 49% interest in our unconsolidated real estate joint venture with Uber Technologies, Inc. ("Uber") was completed in November 2016. A portion of the consideration is payable in three equal installments upon Uber's completion of construction milestones. The first installment of $18.9 million was paid in 2Q17. We expect the second and third installments to be paid in 4Q17 and 1Q18, respectively.

Dispositions

September 30, 2017

(Dollars in thousands)

Property/Market/Submarket	Date of Sale	RSF	Net Operating Income (1)	Net Operating Income (Cash Basis) (1)	Contractual Sales Price	Gain
6146 Nancy Ridge Drive/San Diego/Sorrento Mesa	1/6/17	21,940	N/A	N/A	$ 3,000	$ 270
1401/1413 Research Boulevard/Maryland/Rockville (2)	5/17/17	90,000	N/A	N/A	7,937	111
360 Longwood Avenue/Greater Boston/Longwood Medical Area (3)	7/6/17	203,090	$ 4,313	$ 4,168	65,701	14,106
					$ **76,638**	$ 14,487

(1) Represents annualized amounts for the quarter ended prior to the date of sale. Net operating income (cash basis) excludes straight-line rent and amortization of acquired below-market leases.

(2) In May 2017, we completed the sale of a partial interest in our land parcels at 1401/1413 Research Boulevard, located in our Rockville submarket. The sale was executed with a distinguished retail real estate developer for the development of a 90,000 RSF retail shopping center. We contributed the land parcels at a fair value of $7.9 million into a new entity, our partner contributed $3.9 million, and we received a distribution of $0.7 million. In addition, the real estate joint venture obtained a non-recourse secured construction loan with aggregate commitments of $25.0 million, which is expected to fund the remaining construction costs to complete the project, and we do not expect to make additional equity contributions to the real estate joint venture.

(3) Represents the sale of a condominium interest for 49% of the building RSF, or 203,090 RSF, in our unconsolidated real estate joint venture property. Net operating income, net operating income (cash basis), and contractual sales price represent our 27.5% share related to the sale of the condominium interest. In August 2017, the unconsolidated real estate joint venture entered into a mortgage loan agreement, secured by the remaining interest in the property. During the nine months ended September 30, 2017, we received a cash distribution of $38.8 million from the joint venture, primarily from the condominium sale and loan refinancing.

(Dollars in millions, except per share amounts)

The following updated guidance is based on our current view of existing market conditions and assumptions for the year ending December 31, 2017. There can be no assurance that actual amounts will be materially higher or lower than these expectations. See our discussion of "forward-looking statements" on page 6 of this Earnings Press Release.

Summary of Key Changes in Guidance	As of 10/30/17	As of 7/31/17
EPS, FFO per share, and FFO per share, as adjusted	See below	See below
Key sources and uses of capital	See update below	

Summary of Key Changes in Guidance	As of 10/30/17	As of 7/31/17
Rental rate increase up 1%	20.5% to 23.5%	19.5% to 22.5%
Rental rate increase (cash basis) up 3%	10.5% to 13.5%	7.5% to 10.5%

Earnings per Share and Funds From Operations per Share Attributable to Alexandria's Common Stockholders – Diluted	As of 10/30/17	As of 7/31/17
Earnings per share	$1.57 to $1.59	$1.40 to $1.46
Depreciation and amortization	4.45	4.45
Less: our share of gain on sale of real estate from unconsolidated JVs	(0.15)	—
Allocation to unvested restricted stock awards	(0.04)	(0.04)
Funds from operations per share	$5.83 to $5.85	$5.81 to $5.87
Add: impairment of non-real estate investments [1]	0.05	0.05
Add: loss on early extinguishment of debt	0.01	0.01
Add: preferred stock redemption charge [2]	0.12	0.12
Funds from operations per share, as adjusted	$6.01 to $6.03	$5.99 to $6.05

Key Credit Metrics	As of 10/30/17
Net debt to Adjusted EBITDA – 4Q17 annualized	5.3x to 5.8x
Net debt and preferred stock to Adjusted EBITDA – 4Q17 annualized	5.3x to 5.8x
Fixed-charge coverage ratio – 4Q17 annualized	Greater than 4.0x
Value-creation pipeline as a percentage of gross real estate as of December 31, 2017	Less than 10%

Key Assumptions	Low	High
Occupancy percentage in North America as of December 31, 2017	96.6%	97.2%
Lease renewals and re-leasing of space:		
Rental rate increases	20.5%	23.5%
Rental rate increases (cash basis)	10.5%	13.5%
Same property performance:		
Net operating income increase	2.0%	4.0%
Net operating income increase (cash basis)	5.5%	7.5%
Straight-line rent revenue	$ 107	$ 112
General and administrative expenses [7]	$ 68	$ 73
Capitalization of interest [7]	$ 48	$ 58
Interest expense [7]	$ 131	$ 141

Key Sources and Uses of Capital	Range		Midpoint		Key Items Remaining after 9/30/17
Sources of capital:					
Net cash provided by operating activities after dividends	$ 115	$ 135	$ 125		
Incremental debt	388	298	343		
Real estate dispositions and common equity	1,080	1,350	1,215	[3]	
Total sources of capital	$ 1,583	$ 1,783	$ 1,683		
Uses of capital:					
Construction	$ 815	$ 915	$ 865		$ 243
Acquisitions	620	720	670	[4]	$ 79 [5]
7.00% Series D preferred stock repurchases	18	18	18	[6]	
6.45% Series E preferred stock redemption	130	130	130		
Total uses of capital	$ 1,583	$ 1,783	$ 1,683		
Incremental debt (included above):					
Issuance of unsecured senior notes payable	$ 425	$ 425	$ 425		
Borrowings – secured construction loans	200	250	225		
Repayments of secured notes payable	(5)	(10)	(8)		
Repayment of unsecured senior bank term loan	(200)	(200)	(200)		
$1.65 billion unsecured senior line of credit/other	(32)	(167)	(99)		
Incremental debt	$ 388	$ 298	$ 343		

(1) Primarily related to two non-real estate investments in 2Q17.
(2) Includes charges aggregating $5.8 million related to the repurchases of 501,115 outstanding shares of our Series D Convertible Preferred Stock in 1Q17. Additionally, in March 2017, we announced the redemption of our Series E Redeemable Preferred Stock and recognized a $5.5 million preferred stock redemption charge. We completed the redemption in April 2017. Excludes any charges related to future repurchases of our Series D Convertible Preferred Stock.
(3) Includes 6.2 million shares of our common stock issued during YTD 3Q17 for net proceeds of $705.4 million, and 4.8 million shares of our common stock subject to forward equity sales agreements, with anticipated aggregate net proceeds of $495.5 million to be settled in 4Q17, subject to adjustments as provided in the forward equity sales agreements. Also includes dispositions completed during YTD 3Q17. See "Dispositions" on page 4 of this Earnings Press Release for additional information.
(4) Acquisitions guidance increased by $80.0 million from $590.0 million in our July 31, 2017, forecast primarily for the completed acquisition of 201 Haskins Way in September 2017 and one pending acquisition. See "Acquisitions" on page 3 of this Earnings Press Release for additional information.
(5) Includes the second construction milestone installment payment for the 2016 acquisition of the remaining 49% interest in our unconsolidated real estate joint venture with Uber at 1455 and 1515 Third Street in our Mission Bay/SoMa submarket and one pending acquisition.
(6) Guidance for repurchases of our 7.00% Series D preferred stock decreased by $77.0 million to reflect actual redemptions through 3Q17.
(7) We expect to be at the top end of our guidance ranges for general and administrative expenses and capitalization of interest, and the low end of our guidance range for interest expense.

We will host a conference call on Tuesday, October 31, 2017, at 3:00 p.m. Eastern Time ("ET")/noon Pacific Time ("PT"), which is open to the general public to discuss our financial and operating results for the third quarter ended September 30, 2017. To participate in this conference call, dial (877) 270-2148 or (412) 902-6510 shortly before 3:00 p.m. ET/noon PT and ask the operator to join the Alexandria Real Estate Equities, Inc. call. The audio webcast can be accessed at www.are.com in the "For Investors" section. A replay of the call will be available for a limited time from 5:00 p.m. ET/2:00 p.m. PT on Tuesday, October 31, 2017. The replay number is (877) 344-7529 or (412) 317-0088, and the confirmation code is 10112246.

Additionally, a copy of this Earnings Press Release and Supplemental Information for the third quarter ended September 30, 2017, is available in the "For Investors" section of our website at www.are.com or by following this link: http://www.are.com/fs/2017q3.pdf.

For any questions, please contact Joel S. Marcus, chairman, chief executive officer, and founder, at (626) 578-9693 or Dean A. Shigenaga, executive vice president, chief financial officer, and treasurer, at (626) 578-0777.

About the Company

Alexandria Real Estate Equities, Inc. (NYSE:ARE), an S&P 500® company, is an urban office real estate investment trust ("REIT") uniquely focused on collaborative life science and technology campuses in AAA innovation cluster locations, with a total market capitalization of $16.1 billion and an asset base in North America of 28.6 million square feet, as of September 30, 2017. The asset base in North America includes 20.6 million RSF of operating properties, including 1.5 million RSF of development and redevelopment of new Class A properties currently undergoing construction. Additionally, the asset base in North America includes 8.0 million SF of future development projects, including 1.1 million SF of near-term projects undergoing marketing for lease and pre-construction activities and 3.3 million SF of intermediate-term development projects. Founded in 1994, Alexandria pioneered this niche and has since established a significant market presence in key locations, including Greater Boston, San Francisco, New York City, San Diego, Seattle, Maryland, and Research Triangle Park. Alexandria has a longstanding and proven track record of developing Class A properties clustered in urban life science and technology campuses that provide its innovative tenants with highly dynamic and collaborative environments that enhance their ability to successfully recruit and retain world-class talent and inspire productivity, efficiency, creativity, and success. We believe these advantages result in higher occupancy levels, longer lease terms, higher rental income, higher returns, and greater long-term asset value. For additional information on Alexandria, please visit www.are.com.

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This document includes "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. Such forward-looking statements include, without limitation, statements regarding our 2017 earnings per share attributable to Alexandria's common stockholders – diluted, 2017 funds from operations per share attributable to Alexandria's common stockholders – diluted, net operating income, and our projected sources and uses of capital. You can identify the forward-looking statements by their use of forward-looking words, such as "forecast," "guidance," "projects," "estimates," "anticipates," "believes," "expects," "intends," "may," "plans," "seeks," "should," or "will," or the negative of those words or similar words. These forward-looking statements are based on our current expectations, beliefs, projections, future plans and strategies, anticipated events or trends, and similar expressions concerning matters that are not historical facts, as well as a number of assumptions concerning future events. There can be no assurance that actual results will not be materially higher or lower than these expectations. These statements are subject to risks, uncertainties, assumptions, and other important factors that could cause actual results to differ materially from the results discussed in the forward-looking statements. Factors that might cause such a difference include, without limitation, our failure to obtain capital (debt, construction financing, and/or equity) or refinance debt maturities, increased interest rates and operating costs, adverse economic or real estate developments in our markets, our failure to successfully place into service and lease any properties undergoing development or redevelopment and our existing space held for future development or redevelopment (including new properties acquired for that purpose), our failure to successfully operate or lease acquired properties, decreased rental rates, increased vacancy rates or failure to renew or replace expiring leases, defaults on or non-renewal of leases by tenants, adverse general and local economic conditions, an unfavorable capital market environment, decreased leasing activity or lease renewals, and other risks and uncertainties detailed in our filings with the Securities and Exchange Commission ("SEC"). Accordingly, you are cautioned not to place undue reliance on such forward-looking statements. All forward-looking statements are made as of the date of this Earnings Press Release, and unless otherwise stated, we assume no obligation to update this information and expressly disclaim any obligation to update or revise any forward-looking statements, whether as a result of new information, future events, or otherwise. For more discussion relating to risks and uncertainties that could cause actual results to differ materially from those anticipated in our forward-looking statements, and risks to our business in general, please refer to our SEC filings, including our most recent annual report on Form 10-K and any subsequent quarterly reports on Form 10-Q.

Consolidated Statements of Income

September 30, 2017

(In thousands, except per share amounts)

	Three Months Ended					Nine Months Ended	
	9/30/17	6/30/17	3/31/17	12/31/16	9/30/16	9/30/17	9/30/16
Revenues:							
Rental	$ 216,021	$ 211,942	$ 207,193	$ 187,315	$ 166,591	$ 635,156	$ 486,505
Tenant recoveries	67,058	60,470	61,346	58,270	58,681	188,874	165,385
Other income	2,291	647	2,338	3,577	5,107	5,276	20,654
Total revenues	285,370	273,059	270,877	249,162	230,379	829,306	672,544
Expenses:							
Rental operations	83,469	76,980	77,087	73,244	72,002	237,536	205,164
General and administrative	17,636	19,234	19,229	17,458	15,854	56,099	46,426
Interest	31,031	31,748	29,784	31,223	25,850	92,563	75,730
Depreciation and amortization	107,788	104,098	97,183	95,222	77,133	309,069	218,168
Impairment of real estate	—	203	—	16,024	8,114	203	193,237
Loss on early extinguishment of debt	—	—	670	—	3,230	670	3,230
Total expenses	239,924	232,263	223,953	233,171	202,183	696,140	741,955
Equity in earnings (losses) of unconsolidated real estate joint ventures	14,100	589	361	86	273	15,050	(270)
Gain on sales of real estate – rental properties	—	—	270	3,715	—	270	—
Gain on sales of real estate – land parcels	—	111	—	—	90	111	90
Net income (loss)	59,546	41,496	47,555	19,792	28,559	148,597	(69,591)
Net income attributable to noncontrolling interests	(5,773)	(7,275)	(5,844)	(4,488)	(4,084)	(18,892)	(11,614)
Net income (loss) attributable to Alexandria Real Estate Equities, Inc.'s stockholders	53,773	34,221	41,711	15,304	24,475	129,705	(81,205)
Dividends on preferred stock	(1,302)	(1,278)	(3,784)	(3,835)	(5,007)	(6,364)	(16,388)
Preferred stock redemption charge	—	—	(11,279)	(35,653)	(13,095)	(11,279)	(25,614)
Net income attributable to unvested restricted stock awards	(1,198)	(1,313)	(987)	(943)	(921)	(3,498)	(2,807)
Net income (loss) attributable to Alexandria Real Estate Equities, Inc.'s common stockholders	$ 51,273	$ 31,630	$ 25,661	$ (25,127)	$ 5,452	$ 108,564	$ (126,014)
Net income (loss) per share attributable to Alexandria Real Estate Equities, Inc.'s common stockholders – basic and diluted	$ 0.55	$ 0.35	$ 0.29	$ (0.31)	$ 0.07	$ 1.20	$ (1.69)
Weighted-average shares of common stock outstanding:							
Basic	92,598	90,215	88,147	80,800	76,651	90,336	74,526
Diluted	93,296	90,745	88,200	80,800	77,402	90,766	74,526
Dividends declared per share of common stock	$ 0.86	$ 0.86	$ 0.83	$ 0.83	$ 0.80	$ 2.55	$ 2.40

Consolidated Balance Sheets

September 30, 2017

(In thousands)

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	9/30/17	6/30/17	3/31/17	12/31/16	9/30/16
Assets					
Investments in real estate	$ 10,046,521	$ 9,819,413	$ 9,470,667	$ 9,077,972	$ 7,939,179
Investments in unconsolidated real estate joint ventures	33,692	58,083	50,457	50,221	133,580
Cash and cash equivalents	118,562	124,877	151,209	125,032	157,928
Restricted cash	27,713	20,002	18,320	16,334	16,406
Tenant receivables	9,899	8,393	9,979	9,744	9,635
Deferred rent	402,353	383,062	364,348	335,974	318,286
Deferred leasing costs	208,265	201,908	202,613	195,937	191,765
Investments	485,262	424,920	394,471	342,477	320,989
Other assets	213,056	205,009	206,562	201,197	206,133
Total assets	$ 11,545,323	$ 11,245,667	$ 10,868,626	$ 10,354,888	$ 9,293,901
Liabilities, Noncontrolling Interests, and Equity					
Secured notes payable	$ 1,153,890	$ 1,127,348	$ 1,083,758	$ 1,011,292	$ 789,450
Unsecured senior notes payable	2,801,290	2,800,398	2,799,508	2,378,262	2,377,482
Unsecured senior line of credit	314,000	300,000	—	28,000	416,000
Unsecured senior bank term loans	547,860	547,639	547,420	746,471	746,162
Accounts payable, accrued expenses, and tenant security deposits	740,070	734,189	782,637	731,671	605,181
Dividends payable	83,402	81,602	78,976	76,914	66,705
Preferred stock redemption liability	—	—	130,000	—	—
Total liabilities	5,640,512	5,591,176	5,422,299	4,972,610	5,000,980
Commitments and contingencies					
Redeemable noncontrolling interests	11,418	11,410	11,320	11,307	9,012
Alexandria Real Estate Equities, Inc.'s stockholders' equity:					
7.00% Series D cumulative convertible preferred stock	74,386	74,386	74,386	86,914	161,792
6.45% Series E cumulative redeemable preferred stock	—	—	—	130,000	130,000
Common stock	943	921	899	877	768
Additional paid-in capital	5,287,777	5,059,180	4,855,686	4,672,650	3,649,263
Accumulated other comprehensive income (loss)	43,864	22,677	21,460	5,355	(31,745)
Alexandria Real Estate Equities, Inc.'s stockholders' equity	5,406,970	5,157,164	4,952,431	4,895,796	3,910,078
Noncontrolling interests	486,423	485,917	482,576	475,175	373,831
Total equity	5,893,393	5,643,081	5,435,007	5,370,971	4,283,909
Total liabilities, noncontrolling interests, and equity	$ 11,545,323	$ 11,245,667	$ 10,868,626	$ 10,354,888	$ 9,293,901

Funds From Operations and Funds From Operations per Share

September 30, 2017

(In thousands, except per share amounts)

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The following tables present a reconciliation of net income (loss) attributable to Alexandria's common stockholders, the most directly comparable financial measure presented in accordance with generally accepted accounting principles ("GAAP"), including our share of amounts from consolidated and unconsolidated real estate joint ventures, to funds from operations attributable to Alexandria's common stockholders – diluted, and funds from operations attributable to Alexandria's common stockholders – diluted, as adjusted, and related per share amounts. Amounts allocable to unvested restricted stock awards are not material and are not presented separately within the per share table below. Per share amounts may not add due to rounding.

	Three Months Ended					Nine Months Ended	
	9/30/17	6/30/17	3/31/17	12/31/16	9/30/16	9/30/17	9/30/16
Net income (loss) attributable to Alexandria's common stockholders	**$ 51,273**	**$ 31,630**	**$ 25,661**	**$ (25,127)**	**$ 5,452**	**$ 108,564**	**$ (126,014)**
Depreciation and amortization	107,788	104,098	97,183	95,222	77,133	309,069	218,168
Noncontrolling share of depreciation and amortization from consolidated real estate JVs	(3,608)	(3,735)	(3,642)	(2,598)	(2,224)	(10,985)	(6,751)
Our share of depreciation and amortization from unconsolidated real estate JVs	383	324	412	655	658	1,119	2,052
Gain on sales of real estate – rental properties	—	—	(270)	(3,715)	—	(270)	—
Our share of gain on sales of real estate from unconsolidated real estate JVs	(14,106)	—	—	—	—	(14,106)	—
Gain on sales of real estate – land parcels	—	(111)	—	—	(90)	(111)	(90)
Impairment of real estate – rental properties	—	203	—	3,506	6,293	203	94,688
Allocation to unvested restricted stock awards	(957)	(685)	(561)	—	(438)	(2,185)	(14)
Funds from operations attributable to Alexandria's common stockholders – diluted [(1)]	**140,773**	**131,724**	**118,783**	**67,943**	**86,784**	**391,298**	**182,039**
Non-real estate investment income	—	—	—	—	—	—	(4,361)
Impairment of land parcels and non-real estate investments	—	4,491	—	12,511	4,886	4,491	101,028
Loss on early extinguishment of debt	—	—	670	—	3,230	670	3,230
Preferred stock redemption charge	—	—	11,279	35,653	13,095	11,279	25,614
Allocation to unvested restricted stock awards	—	(58)	(150)	(605)	(359)	(227)	(1,736)
Funds from operations attributable to Alexandria's common stockholders – diluted, as adjusted	**$ 140,773**	**$ 136,157**	**$ 130,582**	**$ 115,502**	**$ 107,636**	**$ 407,511**	**$ 305,814**
Net income (loss) per share attributable to Alexandria's common stockholders	**$ 0.55**	**$ 0.35**	**$ 0.29**	**$ (0.31)**	**$ 0.07**	**$ 1.20**	**$ (1.69)**
Depreciation and amortization	1.11	1.10	1.06	1.15	0.97	3.26	2.85
Gain on sales of real estate – rental properties	—	—	—	(0.05)	—	—	—
Our share of gain on sales of real estate from unconsolidated real estate JVs	(0.15)	—	—	—	—	(0.15)	—
Impairment of real estate – rental properties	—	—	—	0.05	0.08	—	1.27
Funds from operations per share attributable to Alexandria's common stockholders – diluted [(1)]	**1.51**	**1.45**	**1.35**	**0.84**	**1.12**	**4.31**	**2.43**
Non-real estate investment income	—	—	—	—	—	—	(0.06)
Impairment of land parcels and non-real estate investments	—	0.05	—	0.15	0.06	0.05	1.34
Loss on early extinguishment of debt	—	—	0.01	—	0.04	0.01	0.04
Preferred stock redemption charge	—	—	0.12	0.43	0.17	0.12	0.34
Funds from operations per share attributable to Alexandria's common stockholders – diluted, as adjusted	**$ 1.51**	**$ 1.50**	**$ 1.48**	**$ 1.42**	**$ 1.39**	**$ 4.49**	**$ 4.09**
Weighted-average shares of common stock outstanding for calculating funds from operations per share and funds from operations, as adjusted, per share – diluted	93,296	90,745	88,200	81,280	77,402	90,766	74,778

(1) Calculated in accordance with standards established by the Advisory Board of Governors of the National Association of Real Estate Investment Trusts (the "NAREIT Board of Governors") in its April 2002 White Paper and related implementation guidance.