

**Thomas Properties Group, Inc.**  
**Supplemental Financial Information**

**For the First Quarter 2006**

**Thomas Properties Group, Inc.**  
**Supplemental Financial Information**  
**For the First Quarter 2006**

**TABLE OF CONTENTS**

---

**Corporate**

|                         |   |
|-------------------------|---|
| Company Background..... | 2 |
|-------------------------|---|

**Supplemental Financial Information**

|   |    |
|---|----|
| Operating and Financial Information .....           | 3  |
| Consolidated Statements of Operations .....         | 4  |
| Consolidated Balance Sheets .....                   | 5  |
| Pro-Rata Consolidated Statements of Operations..... | 6  |
| Pro-Rata Consolidated Balance Sheet .....           | 7  |
| Funds From Operations .....                         | 8  |
| Adjusted Funds From Operations.....                 | 9  |
| Debt Summary .....                                  | 10 |
| Portfolio Data .....                                | 12 |
| Investor Information.....                           | 15 |

---

This supplemental financial information, together with other statements and information publicly disseminated by Thomas Properties Group, Inc., contains 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 statements reflect management’s current views with respect to financial results related to future events. Such statements are also based on assumptions and expectations which may not be realized and are inherently subject to risks and uncertainties, many of which cannot be predicted with accuracy and some of which might not even be anticipated. Future events and actual results, financial or otherwise, may differ from the results discussed in the forward-looking statements. A discussion of some of the factors that may affect our future results is set forth under the captions “Management’s Discussion and Analysis of Financial Condition and Results of Operations” and “Risk Factors” in our Form 10-K for the year ended December 31, 2005.

**Thomas Properties Group, Inc.**  
**Supplemental Financial Information**

**COMPANY BACKGROUND**

---

Thomas Properties Group, Inc. (TPGI) is a full-service real estate operating company that owns, acquires, develops and manages office, retail and multi-family properties on a nationwide basis. We are the successor company to Thomas Properties Group, LLC and its affiliates (TPGI Predecessor). TPGI Predecessor was founded in 1996 by our Chairman, Chief Executive Officer and President, Mr. James A. Thomas.

Our properties are located in Southern California and Sacramento, California; Philadelphia, Pennsylvania; Northern Virginia; Houston, Texas; and Austin, Texas. As of March 31, 2006, we own interests in and asset manage 14 operating properties with 8.2 million rentable square feet and provide asset and/or property management services on behalf of third parties for an additional five operating properties with 2.6 million rentable square feet. We also own, hold interests in or have the ability to develop land suitable for the development of approximately 5.3 million rentable square feet of space.

**Thomas Properties Group, Inc.**  
**Supplemental Financial Information**

**OPERATING AND FINANCIAL INFORMATION**

---

**Financial Measures**

This supplemental financial information includes certain financial measures prepared in accordance with generally accepted accounting principles in the United States (“GAAP”) under the full consolidation accounting method, and certain financial measures prepared in accordance with the pro-rata consolidation method (non-GAAP). Along with net income, we use two additional measures, Funds From Operations (“FFO”) and Adjusted Funds From Operations (“AFFO”), to report operating results.

FFO and AFFO are non-GAAP financial measures and may not be directly comparable to similarly-titled measures reported by other companies. We believe the financial measures presented under the pro-rata consolidation method provide supplemental information helpful to an understanding of our results of operations. Although these financial measures are not presented in accordance with GAAP, we believe these measures assist investors in understanding our business and operating results. Our non-GAAP financial measures are not intended to be performance measures that should be regarded as alternatives to, or more meaningful than, our GAAP financial measures.

**Pro-Rata Consolidated Statements of Operations and Pro-Rata Consolidated Balance Sheet**

Included are pro-rata consolidated statements of operations for the three months ended March 31, 2006 and 2005, as well as a pro-rata consolidated balance sheet as of March 31, 2006, because we believe this information is useful to investors as this method reflects the manner in which we operate our business. We have made investments in which our economic ownership is less than 100% as a means of procuring additional investment opportunities and sharing risk. Under GAAP, these investments are not consolidated in our financial statements. Under the pro-rata consolidation method, we present the results of our investments proportionate to our share of ownership. We provide reconciliations from the full consolidation method to the pro-rata consolidation method in this supplemental financial information.

**Funds From Operations and Adjusted Funds From Operations**

We believe that FFO and AFFO, along with net income (loss), provide additional information about our operations and are helpful in understanding our operating results. See page 8 for a discussion of FFO and a reconciliation of FFO to net income (loss) and page 9 for a discussion of AFFO and a reconciliation of AFFO to net income (loss).

**Thomas Properties Group, Inc.**  
**Supplemental Financial Information**

**CONSOLIDATED STATEMENTS OF OPERATIONS**

(in thousands, except share and per share data)

|   | <b>Three months ended<br/>March 31, 2006</b> | <b>Three months ended<br/>March 31, 2005</b> |
|---|--|--|
| Revenues:   |  |  |
| Rental  | \$ 8,295                                     | \$ 8,280                                     |
| Tenant reimbursements   | 4,893  | 4,914  |
| Parking and other   | 897  | 1,443  |
| Investment advisory, management, leasing, and development services  | 1,414  | 1,369  |
| Investment advisory, management, leasing, and development services -<br>unconsolidated real estate entities | 2,173  | 1,627  |
| Total revenues  | 17,672                                       | 17,633                                       |
| Expenses:   |  |  |
| Rental property operating and maintenance   | 4,328  | 4,075  |
| Real estate taxes   | 1,456  | 1,459  |
| Investment advisory, management, leasing, and development services  | 1,803  | 1,473  |
| Rent - unconsolidated real estate entities  | 58   | 58   |
| Interest  | 5,487  | 6,312  |
| Depreciation and amortization   | 3,105  | 3,317  |
| General and administrative  | 3,274  | 2,840  |
| Total expenses  | 19,511                                       | 19,534                                       |
| Loss from early extinguishment of debt  | (360)  | -  |
| Interest income   | 676  | 417  |
| Equity in net loss of unconsolidated real estate entities   | (5,790)                                      | (1,328)                                      |
| Minority interests - unitholders in the Operating Partnership   | 4,203  | 1,511  |
| Minority interests in consolidated real estate entities   | (524)  | -  |
| Loss before benefit for income taxes  | (3,634)                                      | (1,301)                                      |
| Benefit for income taxes  | 1,429  | 525  |
| Net loss  | \$ (2,205)                                   | \$ (776)                                     |
| Loss per share - basic and diluted  | \$ (0.15)                                    | \$ (0.05)                                    |
| Weighted average common shares - basic and diluted  | 14,320,779                                   | 14,295,236                                   |

**Thomas Properties Group, Inc.**  
**Supplemental Financial Information**

**CONSOLIDATED BALANCE SHEETS**

(in thousands)

|  | <u>March 31, 2006</u><br>(unaudited) | <u>December 31, 2005</u> |
|--|--------------------------------------|--------------------------|
| <b>ASSETS</b>  |                                      |                          |
| Investments in real estate                                     | \$ 414,419                           | \$ 405,422               |
| Less accumulated depreciation                                  | (106,787)                            | (104,325)                |
|  | <u>307,632</u>                       | <u>301,097</u>           |
| Investment in real estate - development property held for sale | 7,787                                | 12,064                   |
|  | 315,419                              | 313,161                  |
| Investments in unconsolidated real estate entities             | 37,821                               | 41,124                   |
| Cash and cash equivalents                                      | 55,222                               | 63,915                   |
| Restricted cash  | 9,460                                | 15,511                   |
| Rents and other receivables, net                               | 1,981                                | 1,804                    |
| Receivables - unconsolidated real estate entities              | 4,359                                | 3,335                    |
| Deferred rents   | 21,781                               | 23,111                   |
| Deferred leasing and loan costs, net                           | 15,631                               | 16,173                   |
| Deferred tax asset   | 40,869                               | 39,440                   |
| Other assets   | 8,897                                | 4,313                    |
| Total assets   | <u>\$ 511,440</u>                    | <u>\$ 521,887</u>        |
| <b>LIABILITIES AND STOCKHOLDERS' EQUITY</b>                    |                                      |                          |
| Mortgage, other secured, and unsecured loans                   | \$ 322,911                           | \$ 325,179               |
| Accounts payable and other liabilities                         | 13,641                               | 13,545                   |
| Dividends and distributions payable                            | 1,916                                | 1,905                    |
| Prepaid rent   | 3,639                                | 3,753                    |
| Total liabilities  | <u>342,107</u>                       | <u>344,382</u>           |
| Minority interests:  |                                      |                          |
| Unitholders in the Operating Partnership                       | 68,790                               | 74,099                   |
| Minority interests in consolidated real estate entities        | -                                    | 26                       |
| Total minority interests                                       | <u>68,790</u>                        | <u>74,125</u>            |
| Common stock   | 143                                  | 143                      |
| Limited voting stock   | 167                                  | 167                      |
| Additional paid-in capital                                     | 106,545                              | 106,713                  |
| Retained deficit and dividends                                 | (6,312)                              | (3,379)                  |
| Unearned compensation, net                                     | -                                    | (264)                    |
| Total stockholders' equity                                     | <u>100,543</u>                       | <u>103,380</u>           |
| Total liabilities and stockholders' equity                     | <u>\$ 511,440</u>                    | <u>\$ 521,887</u>        |

**Thomas Properties Group, Inc.**  
**Supplemental Financial Information**

**PRO-RATA CONSOLIDATED STATEMENTS OF OPERATIONS (Non-GAAP)**

The following are the unaudited pro-rata consolidated statements of operations of TPGI for the three months ended March 31, 2006 and 2005, including a reconciliation from the consolidated statements of operations to the pro-rata consolidated statements of operations (in thousands).

|  | <u>For the three months ended March 31, 2006</u> |  |                   | <u>For the three months ended March 31, 2005</u> |  |                 |
|--|--|--|-------------------|--|--|-----------------|
|  | <u>Consolidated</u>                              | <u>Plus<br/>Unconsolidated<br/>Investments at<br/>Pro-Rata</u> | <u>Pro-Rata</u>   | <u>Consolidated</u>                              | <u>Plus<br/>Unconsolidated<br/>Investments at<br/>Pro-Rata</u> | <u>Pro-Rata</u> |
| Revenues:  |  |  |                   |  |  |                 |
| Rental   | \$ 8,295   | \$ 6,002   | \$ 14,297         | \$ 8,280   | \$ 2,636   | \$ 10,916       |
| Tenant reimbursements  | 4,893  | 587  | 5,480             | 4,914  | 292  | 5,206           |
| Parking and other  | 897  | 915  | 1,812             | 1,443  | 410  | 1,853           |
| Investment advisory, management, leasing, and development services                                       | 1,414  | -  | 1,414             | 1,369  | -  | 1,369           |
| Investment advisory, management, leasing, and development services - unconsolidated real estate entities | 2,173  | -  | 2,173             | 1,627  | -  | 1,627           |
| Total revenues   | <u>17,672</u>                                    | <u>7,504</u>   | <u>25,176</u>     | <u>17,633</u>                                    | <u>3,338</u>   | <u>20,971</u>   |
| Expenses:  |  |  |                   |  |  |                 |
| Rental property operating and maintenance  | 4,328  | 3,767  | 8,095             | 4,075  | 1,873  | 5,948           |
| Real estate taxes  | 1,456  | 860  | 2,316             | 1,459  | 307  | 1,766           |
| Investment advisory, management, leasing, and development services                                       | 1,803  | -  | 1,803             | 1,473  | -  | 1,473           |
| Rent - unconsolidated real estate entities   | 58   | -  | 58                | 58   | -  | 58              |
| Interest   | 5,487  | 2,983  | 8,470             | 6,312  | 1,053  | 7,365           |
| Depreciation and amortization  | 3,105  | 5,748  | 8,853             | 3,317  | 1,381  | 4,698           |
| General and administrative   | 3,274  | -  | 3,274             | 2,840  | -  | 2,840           |
| Total expenses   | <u>19,511</u>                                    | <u>13,358</u>  | <u>32,869</u>     | <u>19,534</u>                                    | <u>4,614</u>   | <u>24,148</u>   |
| Loss from early extinguishment of debt   | (360)  | -  | (360)             | -  | -  | -               |
| Interest income  | 676  | -  | 676               | 417  | -  | 417             |
| Equity in net loss of unconsolidated real estate entities  | (5,790)  | 5,790  | -                 | (1,328)  | 1,328  | -               |
| Minority interests - unitholders in the Operating Partnership  | 4,203  | -  | 4,203             | 1,511  | -  | 1,511           |
| Minority interests in consolidated real estate entities  | (524)  | -  | (524)             | -  | -  | -               |
| Loss before income (loss) from discontinued operations and benefit for income taxes                      | (3,634)  | (64)   | (3,698)           | (1,301)  | 52   | (1,249)         |
| Income (loss) from discontinued operations   | -  | 64   | 64                | -  | (52)   | (52)            |
| Loss before benefit for income taxes   | (3,634)  | -  | (3,634)           | (1,301)  | -  | (1,301)         |
| Benefit for income taxes   | 1,429  | -  | 1,429             | 525  | -  | 525             |
| Net loss   | <u>\$ (2,205)</u>                                | <u>\$ -</u>  | <u>\$ (2,205)</u> | <u>\$ (776)</u>                                  | <u>\$ -</u>  | <u>\$ (776)</u> |

**Thomas Properties Group, Inc.**  
**Supplemental Financial Information**

**PRO-RATA CONSOLIDATED BALANCE SHEET (Non-GAAP)**

The following is the unaudited pro-rata consolidated balance sheet of TPGI as of March 31, 2006, including a reconciliation from the consolidated balance sheet to the pro-rata consolidated balance sheet (in thousands).

|  | <u>Consolidated</u> | <u>Plus<br/>Unconsolidated<br/>Investments at<br/>Pro-Rata</u> | <u>Pro-Rata</u>   |
|--|---------------------|--|-------------------|
| <b>ASSETS</b>  |                     |  |                   |
| Investments in real estate, net  | \$ 315,419          | \$ 180,782   | \$ 496,201        |
| Investments in unconsolidated real estate entities                           | 37,821              | (37,821)   | -                 |
| Cash and cash equivalents  | 55,222              | 2,936  | 58,158            |
| Restricted cash  | 9,460               | 6,892  | 16,352            |
| Rents, deferred rents and other receivables, net                             | 28,121              | 5,887  | 34,008            |
| Deferred charges and other assets, net                                       | 65,397              | 24,738   | 90,135            |
| Total assets   | <u>\$ 511,440</u>   | <u>\$ 183,414</u>  | <u>\$ 694,854</u> |
| <b>LIABILITIES AND STOCKHOLDERS' EQUITY</b>                                  |                     |  |                   |
| Mortgage, other secured, and unsecured loans                                 | 322,911             | 169,746  | 492,657           |
| Accounts payable, dividends and distributions payable, and other liabilities | 19,196              | 13,668   | 32,864            |
| Total liabilities  | 342,107             | 183,414  | 525,521           |
| Minority interests   | 68,790              | -  | 68,790            |
| Total stockholders' equity   | 100,543             | -  | 100,543           |
| Total liabilities and stockholders' equity                                   | <u>\$ 511,440</u>   | <u>\$ 183,414</u>  | <u>\$ 694,854</u> |

**Thomas Properties Group, Inc.**  
**Supplemental Financial Information**

**FUNDS FROM OPERATIONS (FFO) (Non-GAAP)**

We calculate FFO as defined by the National Association of Real Estate Investment Trusts. FFO represents net income (loss) (computed in accordance with GAAP), excluding gains (or losses) from sales of property, extraordinary items, real estate related depreciation and amortization (including capitalized leasing expenses, tenant allowances or improvements and excluding amortization of deferred financing costs) and after adjustments for unconsolidated partnerships and joint ventures.

The Company uses FFO as a supplemental performance measure because FFO excludes depreciation and amortization, gains and losses from property dispositions, and extraordinary items, it provides a performance measure that, when compared year over year, reflects the impact to operations from trends in occupancy rates, rental rates, operating costs, development and redevelopment activities, general and administrative expenses, and interest costs, providing perspective on operating performance not immediately apparent from net income. FFO should be considered only as a supplement to net income as a measure of our performance. FFO should not be used as a measure of our liquidity, nor is it indicative of funds available to fund our cash needs. FFO also should not be used as a supplement to or substitute for cash flow from operating activities (computed in accordance with GAAP).

**Reconciliation of Net Income (Loss) to FFO (in thousands):**

|  | <u>For the three months ended March 31, 2006</u> |  |                   | <u>For the three months ended March 31, 2005</u> |  |                   |
|--|--|--|-------------------|--|--|-------------------|
|  | <u>Consolidated</u>                              | <u>Plus<br/>Unconsolidated<br/>Investments at<br/>Pro-Rata</u> | <u>Pro-Rata</u>   | <u>Consolidated</u>                              | <u>Plus<br/>Unconsolidated<br/>Investments at<br/>Pro-Rata</u> | <u>Pro-Rata</u>   |
| Net loss   | \$ (2,205)                                       | \$ -   | \$ (2,205)        | \$ (776)   | \$ -   | \$ (776)          |
| Minority interests                                   | (3,679)  | -  | (3,679)           | (1,511)  | -  | (1,511)           |
| Depreciation and amortization                        | 3,105  | 5,748  | 8,853             | 3,317  | 1,453  | 4,770             |
| FFO  | <u>\$ (2,779)</u>                                | <u>\$ 5,748</u>  | <u>\$ 2,969</u>   | <u>\$ 1,030</u>                                  | <u>\$ 1,453</u>  | <u>\$ 2,483</u>   |
| TPGI share of FFO (1)                                | <u>\$ (1,289)</u>                                | <u>\$ 2,666</u>  | <u>\$ 1,377</u>   | <u>\$ 476</u>                                    | <u>\$ 672</u>  | <u>\$ 1,148</u>   |
| FFO per share – basic                                |  |  | <u>\$ 0.10</u>    |  |  | <u>\$ 0.08</u>    |
| FFO per share – diluted                              |  |  | <u>\$ 0.10</u>    |  |  | <u>\$ 0.08</u>    |
| Weighted average common shares outstanding - basic   |  |  | <u>14,320,779</u> |  |  | <u>14,295,236</u> |
| Weighted average common shares outstanding - diluted |  |  | <u>14,326,739</u> |  |  | <u>14,298,383</u> |

(1) Based on an interest in our operating partnership of 46.4% and 46.3% for the three months ended March 31, 2006 and 2005, respectively.

**Thomas Properties Group, Inc.**  
**Supplemental Financial Information**

**ADJUSTED FUNDS FROM OPERATIONS (AFFO) (Non-GAAP)**

We calculate AFFO by adding to or subtracting from FFO i) deferred income tax expense (benefit); ii) amortization of deferred financing costs; iii) non-cash compensation expense; iv) the adjustment to recognize rental revenues using the straight-line method; v) the adjustment to rental revenue to reflect the fair-market value of rents, and vi) gains or losses from sales of assets.

The Company uses AFFO as a supplemental performance measure as it further adjusts FFO by including the impact of gains or losses from sales of assets, and excluding deferred income tax expense, amortization of deferred financing costs, non-cash compensation expense, and straight-line and fair market value rent adjustments. AFFO should be considered only as a supplement to net income as a measure of our performance. AFFO should not be used as a measure of our liquidity, nor is it indicative of funds available to fund our cash needs. AFFO also should not be used as a supplement to or substitute for cash flow from operating activities (computed in accordance with GAAP).

**Reconciliation of Net Income (Loss) to AFFO (in thousands):**

|  | <u>For the three months ended March 31, 2006</u> |  |                   | <u>For the three months ended March 31, 2005</u> |  |                   |
|--|--|--|-------------------|--|--|-------------------|
|  | <u>Consolidated</u>                              | <u>Plus<br/>Unconsolidated<br/>Investments at<br/>Pro-Rata</u> | <u>Pro-Rata</u>   | <u>Consolidated</u>                              | <u>Plus<br/>Unconsolidated<br/>Investments at<br/>Pro-Rata</u> | <u>Pro-Rata</u>   |
| Net loss   | \$ (2,205)                                       | \$ -   | \$ (2,205)        | \$ (776)   | \$ -   | \$ (776)          |
| Minority interests                                   | (3,679)  | -  | (3,679)           | (1,511)  | -  | (1,511)           |
| Depreciation and amortization                        | 3,105  | 5,748  | 8,853             | 3,317  | 1,453  | 4,770             |
| FFO  | (2,779)  | 5,748  | 2,969             | 1,030  | 1,453  | 2,483             |
| Deferred income tax benefit                          | (1,429)  | -  | (1,429)           | (525)  | -  | (525)             |
| Amortization of deferred financing costs             | 172  | 292  | 464               | 175  | 147  | 322               |
| Non-cash compensation expense                        | 145  | -  | 145               | 132  | -  | 132               |
| Straight-line rent adjustments                       | 1,329  | (696)  | 633               | 1,176  | (372)  | 804               |
| Fair market value of rent adjustments                | (69)   | 24   | (45)              | (109)  | (84)   | (193)             |
| AFFO   | <u>\$ (2,631)</u>                                | <u>\$ 5,368</u>  | <u>\$ 2,737</u>   | <u>\$ 1,879</u>                                  | <u>\$ 1,144</u>  | <u>\$ 3,023</u>   |
| TPGI share of AFFO (1)                               | <u>\$ (1,220)</u>                                | <u>\$ 2,489</u>  | <u>\$ 1,269</u>   | <u>\$ 869</u>                                    | <u>\$ 529</u>  | <u>\$ 1,398</u>   |
| AFFO per share – basic                               |  |  | <u>\$ 0.09</u>    |  |  | <u>\$ 0.10</u>    |
| AFFO per share – diluted                             |  |  | <u>\$ 0.09</u>    |  |  | <u>\$ 0.10</u>    |
| Weighted average common shares outstanding - basic   |  |  | <u>14,320,779</u> |  |  | <u>14,295,236</u> |
| Weighted average common shares outstanding - diluted |  |  | <u>14,326,739</u> |  |  | <u>14,298,383</u> |

(1) Based on an interest in our operating partnership of 46.4% and 46.3% for the three months ended March 31, 2006 and 2005, respectively.

**Thomas Properties Group, Inc.**  
**Supplemental Financial Information**

**DEBT SUMMARY**

A summary of our outstanding consolidated debt as of March 31, 2006 is as follows (in thousands):

|                                       | <u>Interest rate</u>          | <u>Outstanding debt</u> | <u>Maturity date</u> |
|---------------------------------------|-------------------------------|-------------------------|----------------------|
| <b><u>Secured debt</u></b>            |                               |                         |                      |
| One Commerce Square mortgage loan (1) | 5.7 %                         | \$ 130,000              | 1/6/16               |
| Two Commerce Square:                  |                               |                         |                      |
| Mortgage loan (2)                     | 6.3                           | 118,697                 | 5/09/13              |
| Senior mezzanine loan (3) (4)         | 17.3                          | 42,841                  | 1/09/10              |
| Junior A mezzanine loan (3) (5)       | 15.0                          | 3,973                   | 1/09/10              |
| Campus El Segundo mortgage loan (6)   | Prime Rate or<br>LIBOR + 2.25 | 19,500                  | 10/10/07             |
| Four Points Centre mortgage loan (7)  | Prime Rate                    | 4,000                   | 8/28/06              |
| Total secured debt                    |                               | <u>\$ 319,011</u>       |                      |
| <b><u>Unsecured debt</u></b>          |                               |                         |                      |
| Former minority partner (8)           | 5.0 %                         | <u>\$ 3,900</u>         | 10/12/09             |

- (1) The mortgage loan is subject to interest only payments for the first five years, and thereafter, principal and interest payments are due based on a thirty-year amortization schedule. The loan is subject to yield maintenance payments for any prepayments prior to October 2015, and beginning January 2009, may be defeased.
- (2) The mortgage loan may be defeased after October 2005, and may be prepaid after February 2013.
- (3) These loans are guaranteed by Mr. Thomas up to an aggregate maximum of \$7,500,000. We have agreed to indemnify Mr. Thomas in the event his guarantees are called upon.
- (4) The senior mezzanine loan bears interest at a rate such that the weighted average of the rate on this loan and the rate on the mortgage loan secured by Two Commerce Square equals 9.2% per annum. The effective interest rate on this loan as of March 31, 2006 was 17.3% per annum. The loan may not be prepaid prior to August 9, 2009, and thereafter is subject to yield maintenance payments unless the loan is prepaid within 60 days of maturity. The loan is secured by our ownership interest in the real estate entities that own Two Commerce Square.
- (5) Interest at a rate of 10% per annum is payable currently, and additional interest of 5% per annum is deferred until maturity. The loan is subject to the greater of 3% of the principal amount or a yield maintenance premium for any prepayments. The loan is secured by our ownership interest in the real estate entities that own Two Commerce Square.
- (6) At March 31, 2006, \$13,000,000 and \$6,500,000 of the mortgage loan bears interest at 6.57% per annum and 7.00% per annum, respectively.
- (7) The prime rate as of March 31, 2006 was 7.75% per annum.
- (8) The loan is due to our former minority partner in TPG-El Segundo Partners, LLC. Principal and interest are due at maturity.

**Thomas Properties Group, Inc.**  
**Supplemental Financial Information**

**DEBT SUMMARY - continued**

As of March 31, 2006, our company had investments in entities owning unconsolidated properties with stated ownership percentages ranging from 21.3% to 50.0%. We do not have control of these entities, and none of the entities are considered variable interest entities. Therefore, we account for them using the equity method of accounting. The table below summarizes the outstanding debt for the unconsolidated properties as of March 31, 2006 (in thousands):

|  | Interest<br>Rate | Principal<br>Amount | Maturity<br>Date | TPGI Share of<br>Principal Amount |
|--|------------------|---------------------|------------------|-----------------------------------|
| City National Plaza (1)  |                  |                     |                  |                                   |
| Senior mortgage loan (2) .....   | LIBOR + 1.75 %   | \$ 200,000          | 7/11/06          | \$ 42,684                         |
| Senior mezzanine loan (2) .....  | LIBOR + 4.50     | 81,297              | 7/11/06          | 17,350                            |
| Junior mezzanine loan .....  | LIBOR + 6.15     | 25,000              | 7/11/06          | 5,335                             |
| San Felipe Plaza senior mortgage loan.....   | 5.28             | 101,500             | 8/11/10          | 25,375                            |
| 2500 City West senior mortgage loan .....  | 5.28             | 70,000              | 8/11/10          | 17,500                            |
| Brookhollow Central I, II and III / Intercontinental Center senior mortgage loan (3) ..... | LIBOR + 2.25     | 53,000              | 8/9/07           | 13,250                            |
| 2121 Market Street (4).....  | 6.10             | 19,600              | 8/1/33           | 9,800                             |
| Four Falls Corporate Center  |                  |                     |                  |                                   |
| Note A .....   | 5.31             | 42,200              | 3/6/10           | 10,550                            |
| Note B (3) (5) .....   | LIBOR + 3.25 (6) | 7,867               | 3/6/10           | 1,967                             |
| Oak Hill Plaza/Walnut Hill Plaza   |                  |                     |                  |                                   |
| Note A .....   | 5.31             | 35,300              | 3/6/10           | 8,825                             |
| Note B (3) (5) .....   | LIBOR + 3.25 (6) | 5,400               | 3/6/10           | 1,350                             |
| Valley Square Office Park (7)  |                  |                     |                  |                                   |
| Note A (3) (5).....  | LIBOR + 1.75 (6) | 27,500              | 3/1/07           | 6,875                             |
| Note B (3) (5).....  | LIBOR + 3.25 (6) | 2,800               | 3/1/07           | 700                               |
| Reflections I.....   | 5.23             | 23,111              | 4/1/15           | 5,778                             |
| Reflections II.....  | 5.22             | 9,629               | 4/1/15           | 2,407                             |
|  |                  | <u>\$ 704,204</u>   |                  | <u>\$ 169,746</u>                 |

- (1) The joint venture that owns this property has purchased interest rate cap agreements for the outstanding City National Plaza loans, and also is required to purchase interest rate cap agreements for each future advance under the \$125 million senior mezzanine loan.
- (2) The mortgage and senior mezzanine loans are subject to exit fees equal to .25% and .5%, respectively, of the loan amounts, however, under certain circumstances the exit fees will be waived.
- (3) The joint venture that owns these properties has purchased interest rate cap agreements for these loans.
- (4) The 2121 Market Street mortgage loan is prepayable without penalty after May 1, 2013, at which date the outstanding principal amount of this debt will be approximately \$17.2 million. The interest rate will increase to the greater of 8.1% or the treasury rate plus 2.0% on August 1, 2013. Any amounts over the initial interest rate may be deferred to the extent excess cash is not available to make such payments. Provided there is no deferred interest, the loan balance will be fully amortized on August 1, 2033, the maturity date of the loan.
- (5) These loans are subject to exit fees equal to 1% of the loan amounts, however, under certain circumstances the exit fees will be waived.
- (6) These loans bear interest at the greater of the one month LIBOR or 2.25%, plus the applicable margin. As of March 31, 2006, one month LIBOR exceeded 2.25%.
- (7) This property was sold on April 27, 2006 and the loans were repaid.

**Thomas Properties Group, Inc.**  
**Supplemental Financial Information**

**PORTFOLIO DATA (as of March 31, 2006)**

**Our Ownership Properties**

| Core Properties         | Location         | TPGI<br>Percentage<br>Interest | Year Built/<br>Renovated | Rentable<br>Square<br>Feet (1) | Percent<br>Leased (2) | Annualized<br>Rent (3) | Annualized Net Rent<br>Per Leased Square<br>Foot (4) |
|-------------------------|------------------|--------------------------------|--------------------------|--------------------------------|-----------------------|------------------------|--|
| One Commerce Square     | Philadelphia, PA | 89.0%                          | 1987                     | 942,866                        | 94.4%                 | \$ 11,705,964          | \$ 13.25   |
| Two Commerce Square     | Philadelphia, PA | 89.0                           | 1992                     | 953,276                        | 99.3                  | 26,054,824             | 27.68  |
| 2121 Market Street (5)  | Philadelphia, PA | 50.0                           | 2001                     | 20,835                         | 100.0                 | 356,350                | 17.10  |
| Reflections I           | Reston, VA       | 25.0                           | 2000                     | 123,546                        | 100.0                 | 2,724,189              | 22.05  |
| Reflections II          | Reston, VA       | 25.0                           | 1984/2001                | 64,253                         | 100.0                 | 1,637,322              | 25.48  |
| 2500 City West          | Houston, TX      | 25.0                           | 1982                     | 578,284                        | 95.3                  | 5,304,695              | 9.84   |
| Total/Weighted Average: |                  |                                |                          | <u>2,683,060</u>               | <u>96.8%</u>          | <u>\$ 47,783,344</u>   | <u>\$ 18.58</u>                                      |

| Value-Add Properties              | Location                  | TPGI<br>Percentage<br>Interest | Year Built     | Rentable<br>Square<br>Feet (1) | Percent<br>Leased (2) | Annualized<br>Rent (3) | Annualized Net Rent<br>Per Leased Square<br>Foot (4) |
|-----------------------------------|---------------------------|--------------------------------|----------------|--------------------------------|-----------------------|------------------------|--|
| City National Plaza (6)           | Los Angeles, CA           | 21.3%                          | 1972-1973      | 2,639,373                      | 60.6%                 | \$ 14,618,544          | \$ 10.94   |
| Four Falls Corporate Center       | Conshohocken, PA          | 25.0                           | 1987           | 253,985                        | 83.2                  | 2,611,290              | 13.23  |
| Oak Hill Plaza                    | Wayne/King of Prussia, PA | 25.0                           | 1982           | 164,360                        | 81.0                  | 1,640,486              | 12.32  |
| Walnut Hill Plaza                 | Wayne/King of Prussia, PA | 25.0                           | 1986           | 150,573                        | 60.5                  | 986,626                | 10.83  |
| Valley Square Office Park (7)     | Blue Bell, PA             | 25.0                           | 1982/1988      | 293,936                        | 86.7                  | 2,704,827              | 10.61  |
| San Felipe Plaza                  | Houston, TX               | 25.0                           | 1984           | 980,472                        | 85.6                  | 7,243,030              | 8.90   |
| Brookhollow Central I, II and III | Houston, TX               | 25.0                           | 1972/1979/1981 | 804,181                        | 74.4                  | 5,056,238              | 8.67   |
| Intercontinental Center           | Houston, TX               | 25.0                           | 1983           | 196,895                        | 90.5                  | 1,088,954              | 7.53   |
| Total/Weighted Average:           |                           |                                |                | <u>5,483,775</u>               | <u>71.2%</u>          | <u>\$ 35,949,995</u>   | <u>\$ 10.11</u>                                      |

- (1) For purposes of the tables above, both on-site and off-site parking is excluded. Total portfolio square footage includes office properties and mixed-use space (including retail), but excludes 168 apartment units at 2121 Market Street. Some of the properties have been re-measured in accordance with Building Owners and Managers Association (BOMA) 1996 standards, and the rentable area for these properties reflects the BOMA 1996 measurement guidelines. For the other properties, the rentable area is calculated consistent with leases in place on the property and local market conventions.
- (2) Percent leased represents the sum of the square footage of the signed leases as a percentage of rentable area described in (1) above.
- (3) Annualized rent represents the annualized monthly contractual rent under existing leases as of March 31, 2006. For leases with a remaining term of less than one year, annualized rent includes only the amounts through the expiration of the lease. Annualized rent reflects total base rent before any one-time or non-recurring rent abatements, but after annually recurring rent credits and is shown on a net basis. For any tenant under a partial gross lease (which requires the tenant to reimburse the landlord for its pro-rata share of operating expenses in excess of a stated expense stop) or under a full gross lease (which does not require the tenant to reimburse the landlord for any operating expenses) the unreimbursed portion of current year operating expenses (which may be estimates as of such date) are subtracted from gross rent. Total projected recurring rent credits for leases in effect as of March 31, 2006 for the twelve months ending March 31, 2007 are \$752,999. There are no operating expense credits.
- (4) Annualized net rent per leased square foot represents annualized rent as computed above, divided by the total square footage under lease as of the same date.
- (5) The information presented for 2121 Market Street represents the information for two retail/office tenants only, and excludes the 168 residential units.
- (6) The annualized rent information presented for City National Plaza does not include certain information for two leases. In July 2004, 163,680 and 63,014 square feet were leased to Jones Day and Fulbright & Jaworski, respectively. The space for Fulbright & Jaworski was delivered in May 2005 and the tenant will begin paying operating expenses in September 2006 and rent in January 2007. The space for Jones Day was delivered in July 2005 and the tenant will begin paying rent and operating expenses in November 2006.
- (7) This property was sold on April 27, 2006.

**Thomas Properties Group, Inc.**  
**Supplemental Financial Information**

**Our Development Properties**

|                                  | Location         | TPGI<br>Percentage<br>Interest | Number<br>of Acres | Potential Property Types   | Potential Rentable<br>Square Feet Upon<br>Completion/<br>Development |
|----------------------------------|------------------|--------------------------------|--------------------|----------------------------|--|
| Four Points Centre               | Austin, TX       | 100%                           | 230.4(1)           | Office/R&D/Hotel           | 1,430,000(2)   |
| The Square at Four Points Centre | Austin, TX       | 100                            | 29.4               | Retail                     | 230,000  |
| 2101 Market Street               | Philadelphia, PA | 100                            | 1.7                | Residential/ Office/Retail | 975,000(3)   |
| Campus El Segundo                | El Segundo, CA   | 100                            | 46.5               | Office/Retail/R&D/Hotel    | 2,175,000(4)   |
| 2500 City West land              | Houston, TX      | 25                             | 6.3                | Residential/ Office/Retail | 500,000(5)   |
| Total                            |                  |                                | <u>314.3</u>       |                            | <u>5,310,000</u>   |

- (1) Includes 182 acres designated as a habitat preserve.
- (2) The property will support the development of 280,000 rentable square feet of office space, 900,000 rentable square feet of office and research and development space, and a 250,000 rentable square feet (approximately 250 rooms) hotel.
- (3) Currently, the three parcels have a combined floor area ratio ("FAR") of 975,000 square feet. If certain city approvals are obtained, the combined FAR will be 1,500,000 square feet.
- (4) We have entitled Campus El Segundo for a 2,175,000 square foot mixed-use project with commercial, retail and community serving components. Approximately 19.1 acres of this property is currently classified as held for sale.
- (5) The property will support the development of at least 500,000 rentable feet of residential, office, or retail space.

**Thomas Properties Group, Inc.**  
**Supplemental Financial Information**

**Our Managed Properties**

| Managed Properties      | Location          | Year Built/Renovated | Rentable<br>Square Feet (1) | Percent<br>Leased |
|-------------------------|-------------------|----------------------|-----------------------------|-------------------|
| 800 South Hope Street   | Los Angeles, CA   | 1985/2000            | 242,176                     | 90.1%             |
| Valencia Town Center    | Valencia, CA      | 1996-2001            | 393,626                     | 99.4              |
| Pacific Financial Plaza | Newport Beach, CA | 1982/1993            | 279,474                     | 100.0             |
| 1835 Market Street      | Philadelphia, PA  | 1986-1987            | 686,503                     | 90.8              |
| CalEPA Headquarters     | Sacramento, CA    | 2000                 | 950,939                     | 100.0             |
| Total/Weighted Average  |                   |                      | 2,552,718                   | 96.5%             |

- (1) For purposes of the table above, both on-site and off-site parking is excluded. Total portfolio square footage includes office properties and mixed-use space (including retail). Valencia Town Center was re-measured in accordance with Building Owners and Managers Association (BOMA) 1996 standards, and the rentable area for this property reflects the BOMA 1996 measurement guidelines. For the other properties, the rentable area is calculated consistent with leases in place on the property and local market conventions.

**Thomas Properties Group, Inc.  
Supplemental Financial Information**

**INVESTOR INFORMATION**

---

**Principal Corporate Office**

Thomas Properties Group, Inc.  
515 South Flower Street  
Sixth Floor  
Los Angeles, CA 90071  
Phone: (213) 613-1900  
Fax: (213) 633-4760  
www.tpgre.com

The information contained on our website is not incorporated herein by reference and does not constitute a part of this supplemental financial information.

**Investor Relations**

Diana M. Laing  
Chief Financial Officer  
515 South Flower Street  
Sixth Floor  
Los Angeles, CA 90071  
Phone: (213) 613-1900  
E-mail: dlaing@tpgre.com

**Transfer Agent and Registrar**

Computershare  
P.O. Box 43023  
Providence, RI 02940-3023  
Phone: (781) 575-2879

**Stock Market Listing**

Nasdaq: TPGI

**Board of Directors and Executive Officers**

|                   |   |
|-------------------|---|
| James A. Thomas   | Chairman, President and CEO                   |
| Randall L. Scott  | Executive Vice President, Director            |
| John R. Sischo    | Executive Vice President, Director            |
| Thomas S. Ricci   | Executive Vice President                      |
| Diana M. Laing    | Chief Financial Officer and Secretary         |
| Robert D. Morgan  | Vice President, Accounting and Administration |
| R. Bruce Andrews  | Director                                      |
| Edward D. Fox     | Director                                      |
| Winston H. Hickox | Director                                      |
| Daniel Neidich    | Director                                      |