

PENNSYLVANIA REAL ESTATE INVESTMENT TRUST  
Form 425  
June 09, 2003

Filed by Pennsylvania Real Estate Investment Trust  
Subject Company: Crown American Realty Trust  
Pursuant to Rule 425 under the Securities Act of 1933  
And Deemed Filed Pursuant to Rule 14a-12  
Under the Securities Exchange Act of 1934  
Commission File No.: 1-6300

[Images of stores omitted]

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[PREIT logo omitted]

Pennsylvania Real Estate Investment Trust

Annual Shareholder Meeting

June 5, 2003

[Listed on NYSE as PEI]

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[PREIT logo omitted]

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Ron Rubin

Chairman and CEO

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[PREIT logo omitted]

Recent Events

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- o Purchase of 6 Rouse Assets
  - o Sale of Multifamily Portfolio
  - o Merger Agreement with Crown
- 

[PREIT logo omitted]

Strategy

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- o Value Retail
- o Concentrated in Mid - Atlantic Region

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- o Repositioning

[PREIT logo omitted]

Next Steps...

- o Complete remaining Rouse/Multifamily
- o Close Crown transaction
- o Complete integration
- o Reposition properties
- o Dispositions of non-core retail assets
- o Acquisitions consistent with strategy

[PREIT logo omitted]

Jon Weller

President and COO

[PREIT logo omitted]

PREIT People Make It Happen

[Image of PREIT employees omitted]

[PREIT logo omitted]

Location Map  
Pro Forma

Location Map  
Pro Forma

Wisconsin		Massachusetts	
Properties	Sq. Ft.	Properties	
Valley View Mall	587,000	Dartmouth Mall	

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Pennsylvania -----			New Jersey -----
Properties -----	Sq. Ft. -----		Properties -----
Beaver Valley Mall	1,175,046		Phillipsburg Mall
Capital City Mall	609,757		Rio Mall*
Carlisle City Mall (3)	341,885		
Chambersburg Mall	454,583		Delaware -----
Creekview Shopping Center	425,002		Properties -----
Crest Plaza Shopping Center	155,294		Christiana Power Center 1
Festival at Exton	142,649		
Laurel Mall*	558,802		
Lehigh Valley Mall*	1,051,145		Maryland -----
Logan Valley Mall	784,364		Properties -----
Lycoming Mall	794,635		Francis Scott Key Mall
Metroplex Shopping Center*	778,190		Prince George's Plaza
Nittany Mall	531,209		Valley Mall
North Hanover Mall	449,905		
Northeast Tower Center	472,102		Virginia -----
Palmer Park Mall	446,739		Properties -----
Paxton Towne Center	715,248		New River Valley Mall
Red Rose Commons*	463,042		Patrick Henry Mall
Schuykill Mall (2)	729,239		
Shenango Valley Mall (2)	513,367		North Carolina -----
South Mall	406,727		Properties -----
Springfield Park I & II*	268,500		Jacksonville Mall
The Court at Oxford Valley*	704,486		
Uniontown Mall (2)	697,936		South Carolina -----
Viewmont Mall	770,460		Properties -----
Washington Crown Center	670,738		Magnolia Mall
West Manchester Mall(2)	703,448		The Commons at Magnolia
Whitehall Mall*	533,721		
Willow Grove Park*	1,203,624		Georgia -----
Wyoming Valley Mall	917,909		Properties -----
			Mount Brewery Square (2)
			Florida -----
			Properties -----
			South Blanding Village

[Map of Eastern United States omitted]

[PREIT logo omitted]

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## Significant Presence in Pennsylvania and the Mid-Atlantic Pro Forma

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[Pie Chart omitted. Data is as follows:

- o Pennsylvania - 61%
- o New Jersey - 13%
- o Maryland - 7%
- o Virginia - 3%
- o West Virginia - 3%
- o South Carolina - 2%
- o Alabama - 2%
- o Massachusetts - 2%
- o Wisconsin - 2%
- o Other - 5%]

Total Sq Ft: 33.5M

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- o Data based on total square footage. Information for PREIT excludes properties under construction, as well as multifamily and industrial assets. Pro forma for the acquisition of all 6 Rouse assets.
- o Crown and PREIT data as of December 31, 2002 Form 10K. Rouse information per PREIT's March 6, 2003 press release.

[PREIT logo omitted]

## Asset Type December 31, 2002

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### PREIT portfolio by Square Footage

[Pie chart omitted. Data is as follows:

- o Strip Center - 6%
- o Power Center - 24%
- o Mall - 34%
- o Multifamily - 36%]

Total Sq Ft: 18.5M

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[PREIT logo omitted]

## Asset Type Pro Forma

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### Combined portfolio by Square Footage

[Pie chart omitted. Data is as follows:

- o Strip Center - 3%
- o Power Center - 13%
- o Mall - 84%]

Total Sq Ft: 33.5M

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[PREIT logo omitted]

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Ed Glickman  
Executive VP and CFO  
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[PREIT logo omitted]

Performance!  
(in millions)

-----  
2001                      2002  
Gross Revenues from Real Estate    \$100.2                      \$114.6  
Company proportionate  
Share of JVs-Revenues                      35.6                      43.7  
-----  
Total Revenues                      \$136.7                      \$158.3  
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[PREIT logo omitted]

Performance!  
(in millions)

-----  
2001                      2002  
Gross Revenues from Real Estate    \$100.2                      \$114.6  
Property Operating Expenses                      33.0                      37.6  
-----  
NOI:WO Properties                      67.2                      77.0  
Company proportionate  
Share of JVs-Revenues                      23.9                      28.6  
-----  
NOI                      \$91.1                      \$105.6  
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See Exhibit A for reconciliation to net income.

[PREIT logo omitted]

Investment In Real Estate  
(in millions)  
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	2001	2002
Investment in Real Estate	\$636.3	\$739.4
Company proportionate Share of JVs Investment in Real Estate	198.1 -----	213.6 -----
Total Investment in Real Estate	\$834.4	\$953.0

[PREIT logo omitted]

Stock Price

[Line chart detailing stock price from December 2001 through current omitted.  
Data as follows:

Date	Stock Price
-----	-----
12/31/2001	\$23.20
1/31/2002	\$23.28
2/28/2002	\$23.10
3/31/2002	\$25.50
4/30/2002	\$25.70
5/31/2002	\$25.90
6/30/2002	\$27.11
7/31/2002	\$25.70
8/31/2002	\$26.25
9/30/2002	\$25.76
10/31/2002	\$25.65
11/30/2002	\$25.31
12/31/2002	\$26.00
1/31/2003	\$25.70
2/28/2003	\$25.90
3/31/2003	\$28.65
4/30/2003	\$28.55
5/31/2003	\$28.22
6/04/2003	\$28.53]

[PREIT logo omitted]

Market Capitalization  
(in millions)

Pro Forma Market Cap Est.: \$2.7 Billion

[Chart detailing Market Capitalization from 1998 through 2003 pro forma estimate  
omitted. Data as follows:

Period	Market Capitalization
-----	-----
1998	\$692.6
1999	\$703.7
2000	\$812.5
2001	\$915.2

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2002	\$1097.3
2003-	
pro forma est.	\$2679.5]

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[PREIT logo omitted]

Funds From Operations  
(per share)

[Chart detailing funds from Operations (per share) from 1998 through 2003 pro forma estimate omitted. Data as follows:

Period	FFO per share
-----	-----
1998	\$2.45
1999	\$2.65
2000	\$3.06
2001	\$2.70
2002	\$2.85
2003-	
pro forma est.	\$3.40]

See Exhibit A for reconciliation to net income.

[PREIT logo omitted]

Balance Sheet  
Pro Forma Estimate

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[Pie chart omitted, Data is as follows:

- o Debt - 61%
- o Common Stock - 34%
- o Preferred Stock - 5%]

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Pro Forma Market Cap Est.: \$2.7 Billion

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[PREIT logo omitted]

## Summary

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- o Company is undergoing transformation
  - o New strategic focus
  - o Enhanced position in the capital markets
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[PREIT logo omitted]

## Forward Looking Statements

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This presentation contains forward-looking statements. Forward-looking statements relate to expectations, beliefs, projections, future plans and strategies, anticipated events or trends and other matters that are not historical facts. These forward-looking statements reflect PREIT's current views about future events and are subject to risks, uncertainties, assumptions and changes in circumstances that may cause future events, achievements or results to differ materially from those expressed by the forward-looking statements. In particular, PREIT may not be able to consummate the merger with Crown's or the acquisition of Echelon Mall and Plymouth Meeting Mall from the Rouse Company on previously announced terms, on otherwise favorable terms to PREIT, or at all. If such transactions are consummated, PREIT's actual results may differ significantly from those expressed in any forward-looking statement. Certain factors that could cause PREIT not to consummate such transactions or could cause PREIT's actual results to differ materially from expected results include, without limitation, failure of the requisite number of PREIT and Crown shareholders to approve the merger, the satisfaction of closing conditions applicable to such transactions (some of which are beyond PREIT's control); and other economic, business or competitive factors. In addition, PREIT's business is subject to uncertainties regarding the revenues, operating expenses, leasing activities, occupancy rates, and other competitive factors relating to PREIT's portfolio and the properties proposed to be acquired and changes in local market conditions as well as general economic, financial and political conditions, including the possibility of outbreak or escalation of war or terrorist attacks, any of which may cause future events, achievements or results to differ materially from those expressed by the forward-looking statements. PREIT does not intend to and disclaims any duty or obligation to update or revise any forward-looking statements or industry information set forth in this document to reflect new information, future events or otherwise.

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## Investor Notice

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In connection with the merger with Crown American Realty Trust, PREIT and Crown American Realty Trust intend to file a joint proxy statement/prospectus on Form S-4 and other materials with the Securities and Exchange Commission. SECURITY HOLDERS ARE URGED TO READ THESE MATERIALS WHEN THEY BECOME AVAILABLE BECAUSE THEY WILL CONTAIN IMPORTANT INFORMATION. Investors and security holders may obtain a free copy of these materials when they become available as well as other materials filed with the Securities and Exchange Commission concerning PREIT and Crown American Realty Trust at the Securities and Exchange Commission's website at <http://www.sec.gov>. In addition, these materials and other documents filed by PREIT may be obtained for free by directing a request to Pennsylvania Real Estate Investment Trust at The Bellevue, 200 S. Broad Street, Philadelphia, PA 19102; Attn: Investor Relations. In addition, these materials and other documents filed by Crown American Realty Trust may be obtained for free by directing a request to Crown American Realty at Pasquerilla Plaza, Johnstown, Pennsylvania 15901; Attn: Investor Relations.

PREIT and Crown American Realty Trust, and their respective trustees and executive officers and other members of their management and employees, may be deemed to be participants in the solicitation of proxies from the shareholders of PREIT and Crown American Realty Trust in connection with the merger. Information about the trustees and executive officers of PREIT and their ownership of PREIT shares is set forth in the proxy statement for PREIT's 2003 Annual Meeting of Shareholders, which was filed with the Securities and Exchange Commission on April 30, 2003. Information about the trustees and executive officers of Crown American Realty Trust and their ownership of Crown American Realty Trust stock is set forth in the Crown American Realty Trust's Annual Report on Form 10-K and the amendment to its Form 10-K filed with the Securities and Exchange Commission on March 31, 2003 and April 22, 2003, respectively. Investors may obtain additional information regarding the interests of such participants by reading the joint proxy statement/prospectus when its becomes available.

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## Exhibit A - Reconciliation to Net Income

	Year Ended 12/31 (in thousands e		
	2002	2001	2000
Gross revenues from real estate	\$ 114,599	\$ 100,215	\$ 97,447
Property operating expenses	(37,548)	(33,037)	(32,251)
Net operating income: wholly-owned properties	77,051	67,178	65,196
Company's proportionate share of partnerships and joint ventures net operating income	28,592	23,913	21,102
Combined net operating income (1)	105,643	91,091	86,298

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Company's share of PREIT-RUBIN, Inc.

net operating (loss) income	--	--	(4,498)
Interest and other income	711	361	1,385
Management fees	11,003	11,336	--
General and administrative expenses	(24,747)	(23,577)	(4,953)
	-----	-----	-----
Interest expense	92,610	79,211	78,232
Depreciation and amortization	(41,697)	(35,594)	(34,315)
PREIT-RUBIN, Inc. income taxes	(28,857)	(23,634)	(19,668)
Minority interest in operating partnership	--	--	--
Discontinued operations	(2,194)	(2,499)	(3,627)
Gains on sales of real estate	(269)	198	1,334
	-----	-----	-----
Net income	\$ 23,678	\$ 19,789	\$ 32,254
	=====	=====	=====
Net income per share	\$ 1.44	\$ 1.35	\$ 2.41
	=====	=====	=====

See definition slide for net operating income definition.

### Exhibit A (continued) - Reconciliation to Net Income

Funds From Operations

	Year Ended 12/31		
	2002	2001	2000
Net income	\$ 23,678	\$ 19,789	\$ 32,254
Minority interest in operating partnership	2,194	2,499	3,627
Minority interest in discontinued operations	421	25	157
Gains on sales of interests in real estate	--	(2,107)	(10,298)
Gains on dispositions of discontinued operations	(4,085)	--	--
Depreciation and amortization:			
Wholly owned & consolidated partnerships, net	21,151	17,145	14,825
Unconsolidated partnerships & joint ventures	7,446	6,264	4,585
Discontinued operations	285	406	403
Excess purchase price over net assets acquired	--	423	291
Prepayment fee	77	255	--
	-----	-----	-----
Funds from operations (2)	\$ 51,167	\$ 44,699	\$ 45,844
	=====	=====	=====
FFO per share	\$ 2.85	\$ 2.70	\$ 3.06
	=====	=====	=====

See definition slide for funds from operations definition.

### Exhibit A (continued) - Definitions

- (1) Net Operating Income ("NOI") is derived from real estate revenues (determined in accordance with GAAP) minus property operating expenses (determined in accordance with GAAP). NOI does not represent cash generated from operating activities in accordance with GAAP and should not be considered to be an alternative to net income (determined in accordance with GAAP) as an indication of the Company's financial performance or to be an alternative to cash flow from operating activities (determined in accordance

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with GAAP) as a measure of the Company's liquidity; nor is it indicative of funds available for the Company's cash needs, including its ability to make cash distributions. In addition, the Company's measure of NOI as presented may not be comparable to similarly titled measures reported by other companies.

- (2) Funds from operations ("FFO") is defined as income before gains (losses) on property sales and extraordinary items (computed in accordance with generally accepted accounting principles ("GAAP") plus real estate depreciation and similar adjustments for unconsolidated joint ventures after adjustments for non-real estate depreciation and amortization for financing costs. FFO should not be construed as an alternative to net income (as determined in accordance with GAAP) as an indicator of the Company's operating performance, or to cash flows from operating activities (as determined in accordance with GAAP) as a measure of liquidity. In addition, the Company's measure of FFO as presented may not be comparable to similarly titled measures reported by other companies.