STAG INDUSTRIAL

SUPPLEMENTAL INFORMATION

UNAUDITED SECOND QUARTER 2017

Forward-Looking Statements

This supplemental information package contains certain 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. STAG Industrial, Inc. (STAG) intends such forward-looking statements to be covered by the safe harbor provisions for forward-looking statements contained in the Private Securities Litigation Reform Act of 1995 and includes this statement for purposes of complying with these safe harbor provisions. Forward-looking statements, which are based on certain assumptions and describe STAG's future plans, strategies and expectations, are generally identifiable by use of the words "believe," "will," "expect," "intend," "anticipate," "estimate," "should", "project" or similar expressions. You should not rely on forward-looking statements since they involve known and unknown risks, uncertainties and other factors that are, in some cases, beyond STAG's control and which could materially affect actual results, performances or achievements. Factors that may cause actual results to differ materially from current expectations include, but are not limited to, the risk factors discussed in STAG's most recent Annual Report on Form 10-K for the year ended December 31, 2016, as updated by the Company's subsequent reports filed with the Securities and Exchange Commission. Accordingly, there is no assurance that STAG's expectations will be realized. Except as otherwise required by the federal securities laws, STAG disclaims any obligation or undertaking to publicly release any updates or revisions to any forward-looking statement contained herein (or elsewhere) to reflect any change in STAG's expectations with regard thereto or any change in events, conditions or circumstances on which any such statement is based.

Defined Terms, Including Non-GAAP Measurements

Please refer to the Definitions section near the end of these materials for definitions of capitalized terms used herein, including, among others, Annualized Base Rental Revenue, Capitalization Rate and Retention, as well as non-GAAP financial measures, such as Adjusted EBITDA, Cash NOI, Core FFO and AFFO. These materials provide reconciliations of non-GAAP financial measures to net income (loss) in accordance with GAAP. None of the non-GAAP financial measures is intended as an alternative to net income (loss) in accordance with GAAP as a measure of the Company's financial performance.

STAG INDUSTRIAL

TABLE OF CONTENTS

OVERVIEW

Snapshot (June 30, 2017)	
Square Feet	67.7 million
Number of Buildings / States	342 / 37
Portfolio Occupancy	94.0%
Weighted Average Lease Term	4.8 years
Weighted Average Rent	$4.08/sf
Equity Market Cap	$2,657 million
Total Enterprise Value	$3,929 million
Net Debt to Run Rate Adjusted EBITDA	5.0x
Fixed Charge Coverage Ratio	3.9x
Monthly Dividend (annualized)	$0.116667 ($1.40)
Dividend Yield	5.1% (1)

(1) Based on the June 30, 2017 monthly dividend of $0.116667 annualized per common share and closing stock price as of June 30, 2017 of $27.60.


West Columbia, SC


Waukegan, IL

CONSOLIDATED BALANCE SHEETS

(in thousands, except share data)	June 30, 2017	December 31, 2016
Assets		
Rental Property:		
Land	$ 310,753	$ 272,162
Buildings and improvements, net of accumulated depreciation of $217,317 and $187,413, respectively	1,800,400	1,550,141
Deferred leasing intangibles, net of accumulated amortization of $257,790 and $237,456, respectively	322,503	294,533
Total rental property, net	2,433,656	2,116,836
Cash and cash equivalents	7,676	12,192
Restricted cash	8,783	9,613
Tenant accounts receivable, net	26,695	25,223
Prepaid expenses and other assets	24,611	20,821
Interest rate swaps	1,701	1,471
Assets held for sale, net	3,561	—
Total assets	**$ 2,506,683**	**$ 2,186,156**
Liabilities and Equity		
Liabilities:		
Unsecured credit facility	$ 130,000	$ 28,000
Unsecured term loans, net	446,954	446,608
Unsecured notes, net	398,101	397,966
Mortgage notes, net	146,641	163,565
Accounts payable, accrued expenses and other liabilities	37,547	35,389
Interest rate swaps	2,955	2,438
Tenant prepaid rent and security deposits	19,305	15,195
Dividends and distributions payable	11,153	9,728
Deferred leasing intangibles, net of accumulated amortization of $12,278 and $10,450, respectively	21,897	20,341
Total liabilities	**$ 1,214,553**	**$ 1,119,230**
Equity:		
Preferred stock, par value $0.01 per share, 15,000,000 shares authorized,		
Series B, 2,800,000 shares (liquidation preference of $25.00 per share) issued and outstanding at June 30, 2017 and December 31, 2016	70,000	70,000
Series C, 3,000,000 shares (liquidation preference of $25.00 per share) issued and outstanding at June 30, 2017 and December 31, 2016	75,000	75,000
Common stock, par value $0.01 per share, 150,000,000 shares authorized, 91,446,154 and 80,352,304 shares issued and outstanding at June 30, 2017 and December 31, 2016, respectively	914	804
Additional paid-in capital	1,572,943	1,293,706
Common stock dividends in excess of earnings	(474,756)	(410,978)
Accumulated other comprehensive loss	(1,781)	(1,496)
Total stockholders' equity	1,242,320	1,027,036
Noncontrolling interest	49,810	39,890
Total equity	**1,292,130**	**1,066,926**
Total liabilities and equity	**$ 2,506,683**	**$ 2,186,156**

CONSOLIDATED STATEMENTS OF OPERATIONS

(in thousands, except share data)	Three months ended June 30, 2017	Three months ended June 30, 2016[(1)]	Six months ended June 30, 2017	Six months ended June 30, 2016[(1)]
Revenue				
Rental income	$ 61,726	$ 51,715	$ 120,948	$ 103,064
Tenant recoveries	10,401	8,454	20,586	17,896
Other income	66	73	139	154
Total revenue	72,193	60,242	141,673	121,114
Expenses				
Property	13,635	11,759	26,911	24,414
General and administrative	7,939	7,751	16,710	18,770
Property acquisition costs	2,558	583	3,298	1,135
Depreciation and amortization	36,147	30,487	72,100	60,236
Loss on impairments	—	11,231	—	11,231
Loss on involuntary conversion	—	—	330	—
Other expenses	1,250	318	1,444	578
Total expenses	61,529	62,129	120,793	116,364
Other income (expense)				
Interest income	3	2	8	5
Interest expense	(10,634)	(10,490)	(21,111)	(21,337)
Loss on extinguishment of debt	(2)	(839)	(2)	(1,973)
Gain on the sales of rental property, net	1,337	3,273	1,662	20,946
Total other income (expense)	(9,296)	(8,054)	(19,443)	(2,359)
Net income (loss)	**$ 1,368**	**$ (9,941)**	**$ 1,437**	**$ 2,391**
Less: loss attributable to noncontrolling interest after preferred stock dividends	(44)	(718)	(145)	(232)
Net income (loss) attributable to STAG Industrial, Inc.	**$ 1,412**	**$ (9,223)**	**$ 1,582**	**$ 2,623**
Less: preferred stock dividends	2,448	4,001	4,897	6,913
Less: amount allocated to participating securities	83	95	166	195
Net loss attributable to common stockholders	**$ (1,119)**	**$ (13,319)**	**$ (3,481)**	**$ (4,485)**
Weighted average common shares outstanding — basic and diluted	88,181,117	67,910,361	85,012,106	67,899,789
Net loss per share — basic and diluted				
Net loss per share — basic and diluted	**$ (0.01)**	**$ (0.20)**	**$ (0.04)**	**$ (0.07)**

(1) In the fourth quarter of 2016, the Company revised the prior period rental property depreciation and amortization expense amounts and accumulated building and improvements depreciation amounts. Refer to the Company's Annual Report on Form 10-K for the year ended December 31, 2016, for a detailed discussion of the revision.

NET OPERATING INCOME (NOI) & CASH NOI

(in thousands)	Three months ended June 30, 2017	Three months ended June 30, 2016[1]	Six months ended June 30, 2017	Six months ended June 30, 2016[1]
Net income (loss)	$ 1,368	$ (9,941)	$ 1,437	$ 2,391
Asset management fee income	(13)	(65)	(43)	(106)
General and administrative	7,939	7,751	16,710	18,770
Property acquisition costs	2,558	583	3,298	1,135
Depreciation and amortization	36,147	30,487	72,100	60,236
Interest income	(3)	(2)	(8)	(5)
Interest expense	10,634	10,490	21,111	21,337
Loss on impairments	—	11,231	—	11,231
Loss on involuntary conversion	—	—	330	—
Loss on extinguishment of debt	2	839	2	1,973
Other expenses	359	318	553	578
Loss on incentive fee	891	—	891	—
Gain on the sales of rental property, net	(1,337)	(3,273)	(1,662)	(20,946)
Net operating income	**$ 58,545**	**$ 48,418**	**$ 114,719**	**$ 96,594**
Net operating income	$ 58,545	$ 48,418	$ 114,719	$ 96,594
Straight-line rent adjustments, net	(1,445)	(845)	(2,669)	(1,243)
Straight-line termination income adjustments, net	(367)	(54)	(111)	(107)
Intangible amortization in rental income, net	1,259	1,521	2,555	3,187
Cash net operating income	**$ 57,992**	**$ 49,040**	**$ 114,494**	**$ 98,431**
Cash net operating income	$ 57,992			
Cash NOI from acquisitions' and dispositions' timing	3,390			
Cash termination income	(20)			
Run Rate Cash NOI	**$ 61,362**			

(1) In the fourth quarter of 2016, the Company revised the prior period rental property depreciation and amortization expense amounts and accumulated building and improvements depreciation amounts. Refer to the Company's Annual Report on Form 10-K for the year ended December 31, 2016, for a detailed discussion of the revision.

FUNDS FROM OPERATIONS (FFO) & CORE FFO

(in thousands, except share data)	Three months ended June 30, 2017	Three months ended June 30, 2016[(1)]	Six months ended June 30, 2017	Six months ended June 30, 2016[(1)]
Net income (loss)	**$ 1,368**	**$ (9,941)**	**$ 1,437**	**$ 2,391**
Rental property depreciation and amortization	36,076	30,421	71,955	60,121
Loss on impairments	—	11,231	—	11,231
Gain on the sales of rental property, net	(1,337)	(3,273)	(1,662)	(20,946)
Funds from operations	**$ 36,107**	**$ 28,438**	**$ 71,730**	**$ 52,797**
Preferred stock dividends	(2,448)	(4,001)	(4,897)	(6,913)
Other expenses	—	(95)	—	(195)
Funds from operations attributable to common stockholders and unit holders	**$ 33,659**	**$ 24,342**	**$ 66,833**	**$ 45,689**
Funds from operations attributable to common stockholders and unit holders	**$ 33,659**	**$ 24,342**	**$ 66,833**	**$ 45,689**
Intangible amortization in rental income, net	1,259	1,521	2,555	3,187
Termination income	(387)	(74)	(695)	(128)
Property acquisition costs	2,558	583	3,298	1,135
Loss on extinguishment of debt	2	839	2	1,973
Severance costs	—	—	—	3,063
Loss on involuntary conversion	—	—	330	—
Loss on incentive fee	891	—	891	—
(Gain) loss on swap ineffectiveness	129	—	(27)	—
Core funds from operations	**$ 38,111**	**$ 27,211**	**$ 73,187**	**$ 54,919**
Weighted average common shares, participating securities, performance units and other units				
Weighted average common shares outstanding	88,181,117	67,910,361	85,012,106	67,899,789
Weighted average participating securities outstanding	237,382	275,426	238,598	280,442
Weighted average units outstanding	3,766,671	3,702,373	3,734,632	3,691,289
Weighted average common shares, participating securities, and other units - basic	**92,185,170**	**71,888,160**	**88,985,336**	**71,871,520**
Weighted average performance units and outperformance plan	670,419	258,904	666,213	163,593
Weighted average common shares, participating securities, performance and other units - diluted	**92,855,589**	**72,147,064**	**89,651,549**	**72,035,113**
Core funds from operations per share / unit - basic	**$ 0.41**	**$ 0.38**	**$ 0.82**	**$ 0.76**
Core funds from operations per share / unit - diluted	**$ 0.41**	**$ 0.38**	**$ 0.82**	**$ 0.76**

(1) In the fourth quarter of 2016, the Company revised the prior period rental property depreciation and amortization expense amounts and accumulated building and improvements depreciation amounts. Refer to the Company's Annual Report on Form 10-K for the year ended December 31, 2016, for a detailed discussion of the revision.

ADJUSTED EBITDA & ADJUSTED FUNDS FROM OPERATIONS (AFFO)

(in thousands)	Three months ended June 30, 2017	Three months ended June 30, 2016[(1)]	Six months ended June 30, 2017	Six months ended June 30, 2016[(1)]
Net income (loss)	$ 1,368	$ (9,941)	$ 1,437	$ 2,391
Intangible amortization in rental income, net	1,259	1,521	2,555	3,187
Straight-line rent adjustments, net	(1,444)	(815)	(2,667)	(1,185)
Non-cash compensation expense	2,388	2,044	4,775	4,085
Termination income	(387)	(74)	(695)	(128)
Property acquisition costs	2,558	583	3,298	1,135
Depreciation and amortization	36,147	30,487	72,100	60,236
Interest income	(3)	(2)	(8)	(5)
Interest expense	10,634	10,490	21,111	21,337
Severance costs	—	—	—	3,063
Loss on impairments	—	11,231	—	11,231
Loss on involuntary conversion	—	—	330	—
Loss on extinguishment of debt	2	839	2	1,973
Loss on incentive fee	891	—	891	—
Gain on the sales of rental property, net	$ (1,337)	$ (3,273)	$ (1,662)	$ (20,946)
Adjusted EBITDA	**$ 52,076**	**$ 43,090**	**$ 101,467**	**$ 86,374**
Adjusted EBITDA	$ 52,076			
Adjusted EBITDA from acquisitions' and dispositions' timing	3,390			
Run Rate Adjusted EBITDA	**$ 55,466**			
Core funds from operations	$ 38,111	$ 27,211	$ 73,187	$ 54,919
Non-rental property depreciation and amortization	71	66	145	115
Straight-line rent adjustments, net	(1,444)	(815)	(2,667)	(1,185)
Recurring capital expenditures	(410)	(284)	(635)	(753)
Renewal lease commissions and tenant improvements	(1,736)	(406)	(2,625)	(1,137)
Non-cash portion of interest expense	506	401	1,007	780
Non-cash compensation expense	2,388	2,044	4,775	4,085
Adjusted funds from operations [(2)]	**$ 37,486**	**$ 28,217**	**$ 73,187**	**$ 56,824**

(1) In the fourth quarter of 2016, the Company revised the prior period rental property depreciation and amortization expense amounts and accumulated building and improvements depreciation amounts. Refer to the Company's Annual Report on Form 10-K for the year ended December 31, 2016, for a detailed discussion of the revision.
(2) Excludes Non-Recurring Capital Expenditures of approximately $6,119, $8,781, $2,436 and $4,693 and new leasing commissions and tenant improvements of approximately $596, $1,788, $167 and $857 for the three and six months ended June 30, 2017 and June 30, 2016, respectively.

STAG INDUSTRIAL

ACQUISITIONS

SECOND QUARTER 2017 ACQUISITIONS						
Location (CBSA)	**Date Acquired**	**Square Feet**	**Buildings**	**Purchase Price ($MM)**	**Weighted Average Lease Term (Years)**	**Capitalization Rate**
Chicago-Naperville-Elgin, IL-IN-WI	4/11/2017	261,075	2	$13.8	5.2	
Gaffney, SC	4/20/2017	226,968	1	7.2	15.0	
Dayton, OH	5/4/2017	569,966	1	29.7	14.8	
Rockford, IL	5/10/2017	336,204	1	22.9	7.0	
San Diego-Carlsbad, CA	5/31/2017	205,440	1	19.4	2.9	
Kansas City, MO-KS	6/1/2017	270,869	1	16.3	4.5	
Philadelphia-Camden-Wilmington, PA-NJ-DE-MD	6/6/2017	245,749	1	16.0	9.5	
Cincinnati, OH-KY-IN	6/6/2017	224,921	1	11.5	9.2	
Charlotte-Concord-Gastonia, NC-SC	6/8/2017	275,000	1	6.7	3.0	
Laredo, TX	6/13/2017	206,810	1	13.5	12.0	
Pittsburgh, PA	6/16/2017	297,200	1	23.7	7.5	
Chicago-Naperville-Elgin, IL-IN-WI	6/26/2017	102,500	1	5.9	4.9	
New Haven-Milford, CT	6/27/2017	105,000	1	8.2	5.3	
Dallas-Fort Worth-Arlington, TX	6/28/2017	389,546	1	28.6	18.5	
Houston-The Woodlands-Sugar Land, TX	6/29/2017	232,800	3	24.9	9.1	
Lebanon, PA	6/29/2017	211,358	1	7.9	4.3	
Minneapolis-St. Paul-Bloomington, MN-WI	6/29/2017	108,628	1	10.0	9.4	
Detroit-Warren-Dearborn, MI	6/30/2017	303,760	1	19.4	2.9	
Total/weighted average		**4,573,794**	**21**	**$285.6**	**9.1**	**7.2%**

2017 ACQUISITIONS					
Quarter	**Square Feet**	**Buildings**	**Purchase Price ($MM)**	**Weighted Average Lease Term (Years)**	**Capitalization Rate**
Q1	2,334,622	11	$99.8	6.2	8.2%
Q2	4,573,794	21	285.6	9.1	7.2%
Total/weighted average	**6,908,416**	**32**	**$385.4**	**8.1**	**7.5%**

STAG INDUSTRIAL

DISPOSITIONS

SECOND QUARTER 2017 DISPOSITIONS				
Location (CBSA)	**Date Disposed**	**Square Feet**	**Buildings**	**Gross Proceeds ($MM)**
Baltimore-Columbia-Towson, MD	4/6/2017	34,800	2	
Tulsa, OK	5/31/2017	100,100	1	
Total		**134,900**	**3**	**$6.5**

2017 DISPOSITIONS			
Quarter	**Square Feet**	**Buildings**	**Gross Proceeds ($MM)**
Q1	113,379	1	$4.1
Q2	134,900	3	6.5
Total	**248,279**	**4**	**$10.6**

SAME STORE NOI

(in thousands, except building count data and square footage)	Three months ended June 30, 2017	2016	Change	% Change	Six months ended June 30, 2017	2016	Change	% Change
Same store square footage	49,324,723				48,879,095			
Same store buildings	248				245			
% of total portfolio	72.9%				72.2%			
Occupancy percentage at quarter end	94.5%	95.9%		(1.4)%	94.4%	95.9%		(1.5)%
Average occupancy percentage	94.8%	95.9%		(1.1)%	95.2%	95.9%		(0.7)%
Total GAAP operating revenue (excluding termination income)	$53,751	$53,278	$473		$106,733	$106,028	$705	
Total GAAP operating expenses	(10,180)	(9,536)	(644)		(20,151)	(19,063)	(1,088)	
Same store operating GAAP NOI	**$43,571**	**$43,742**	**($171)**	**(0.4%)**	**$86,582**	**$86,965**	**($383)**	**(0.4%)**
Total same store cash operating revenue (excluding termination income)	54,228	53,735	493		107,944	107,331	613	
Total same store cash operating expenses	(10,174)	(9,530)	(644)		(20,139)	(19,051)	(1,088)	
Same store operating cash NOI	**$44,054**	**$44,205**	**($151)**	**(0.3%)**	**$87,805**	**$88,280**	**($475)**	**(0.5%)**
Same store Flex/office cash NOI	$1,293	$1,250	$43	3.4%	$2,373	$2,542	($169)	(6.6%)

CAPITAL EXPENDITURES

(in thousands)

CAPITAL EXPENDITURES, TENANT IMPROVEMENTS, AND LEASE COMMISSIONS SUMMARY

	Three Months Ended June 30,		Six Months Ended June 30,	
	2017	**2016**	**2017**	**2016**
Renewal tenant improvements and lease commissions	$1,736	$392	$2,520	$1,123
New tenant improvements and lease commissions	561	86	1,749	775
Total tenant improvements (TIs) and lease commissions (LCs)	**$2,297**	**$478**	**$4,269**	**$1,898**
Recurring capital expenditures	$392	$274	$616	$631
Non-recurring capital expenditures	5,978	2,437	8,625	4,684
Total recurring and non-recurring capital expenditures	**$6,370**	**$2,711**	**$9,241**	**$5,315**
Total operating portfolio capital expenditures, TIs and LCs	**$8,667**	**$3,189**	**$13,510**	**$7,213**
Flex/office capital expenditures	**$193**	**$104**	**$319**	**$226**
Acquisition capital expenditures	**$1,658**	**$3,578**	**$2,521**	**$4,766**
Building expansions and redevelopment	**$2,982**	**$1,580**	**$4,313**	**$3,146**
Total capital expenditures, building expansions, TIs, and LCs	**$13,500**	**$8,451**	**$20,663**	**$15,351**

RECONCILIATION OF CAPITAL EXPENDITURES TO STATEMENT OF CASH FLOWS

	Three Months 2017	Three Months 2016	Six Months 2017	Six Months 2016
Additions to building and other capital improvements per cash flow statement	$8,223	$7,533	$14,238	$11,201
Non-cash additions to building and building improvements per cash flow statement	9	1,008	519	1,017
Change in additions of land and building and improvements included in in accounts payable, accrued expenses and other liabilities per cash flow statement	2,957	(554)	1,572	1,207
New and renewal lease commissions	2,311	464	4,334	1,926
Total capital expenditures, building expansions, TIs, and LCs	**$13,500**	**$8,451**	**$20,663**	**$15,351**

PORTFOLIO CHARACTERISTICS

BUILDING TYPE AS OF JUNE 30, 2017						
		Square Footage			Annualized Base Rental Revenue	
Building Type	# of Buildings	Amount	%	Occupancy	Amount	%
Warehouse	274	60,590,490	89.5%	94.6%	$229,342,588	88.3%
Light manufacturing	53	5,841,973	8.6%	97.2%	23,223,989	8.9%
Total operating portfolio	**327**	**66,432,463**	**98.1%**	**94.8%**	**$252,566,577**	**97.2%**
Redevelopment	1	307,315	0.5%	—%	—	—%
Flex / office	14	935,786	1.4%	69.0%	7,255,313	2.8%
Total portfolio / weighted average	**342**	**67,675,564**	**100.0%**	**94.0%**	**$259,821,890**	**100.0%**

OPERATING PORTFOLIO BUILDINGS BY LOCATION AS OF JUNE 30, 2017						
		Square Footage			Annualized Base Rental Revenue	
Location Classification	# of Buildings	Amount	%	Occupancy	Amount	%
Primary (greater than 200 million net rentable square feet)	84	17,528,950	26.4%	92.7%	$71,195,486	28.2%
Secondary (25 million to 200 million net rentable square feet)	198	41,875,293	63.0%	96.4%	157,907,600	62.5%
Tertiary (less than 25 million net rentable square feet)	45	7,028,220	10.6%	90.8%	23,463,491	9.3%
Total / weighted average	**327**	**66,432,463**	**100.0%**	**94.8%**	**$252,566,577**	**100.0%**

STAG INDUSTRIAL

PORTFOLIO OCCUPANCY BRIDGE

PORTFOLIO SQUARE FOOTAGE CHANGES	Three Months Ended June 30, 2017		Six Months Ended June 30, 2017	
Total square feet beginning of period	**63,249,447**		**60,878,204**	
Acquisitions	4,573,794		6,908,416	
Dispositions	(134,900)		(248,279)	
Building expansions	—		150,000	
Remeasurements / other	(12,777)		(12,777)	
Total square feet end of period	**67,675,564**		**67,675,564**	
OCCUPANCY CHANGES				
Occupied square feet beginning of period (occupancy)	**59,969,668**	**(94.8%)**	**57,623,688**	**(94.7%)**
Expirations:				
Expiring square footage	(1,804,836)		(2,990,289)	
Lease terminations	—		(285,000)	
Total expirations	**(1,804,836)**		**(3,275,289)**	
Leases commencing:				
Renewal leases	1,085,796		1,693,404	
New leases	107,700		1,006,605	
Expansion leases	—		150,000	
Redevelopment net lease activity	—		—	
Temporary net lease activity	(89,000)		(222,675)	
Flex/Office net lease activity	15,000		15,000	
Total leasing activity	**1,119,496**		**2,642,334**	
Occupied acquired square feet	4,349,108		6,670,953	
Occupied disposed square feet	—		(28,250)	
Total occupancy activity from acquisitions & dispositions	**4,349,108**		**6,642,703**	
Occupied square feet at June 30, 2017 (occupancy)	**63,633,436**	**(94.0%)**	**63,633,436**	**(94.0%)**

LEASING & RETENTION STATISTICS

SECOND QUARTER 2017 OPERATING PORTFOLIO LEASING ACTIVITY									
Lease Type	**Square Feet**	**W.A. Lease Term (Years)**	**Cash Base Rent $/SF**	**GAAP Base Rent $/SF**	**Lease Commissions $/SF**	**Tenant Improvement $/SF**	**Total Costs $/SF**	**Cash Rent Change**	**GAAP Rent Change**
New leases	390,316	3.4	$4.13	$4.33	$0.82	$0.26	$1.08	(7.7)%	(2.5)%
Renewal leases	2,865,561	6.1	4.01	4.15	0.58	0.31	0.89	(2.4)%	7.0%
Total /weighted avg new & renewal	**3,255,877**	**5.8**	**$4.02**	**$4.17**	**$0.61**	**$0.30**	**$0.91**	**(2.7)%**	**6.4%**

2017 OPERATING PORTFOLIO LEASING ACTIVITY									
Lease Type	**Square Feet**	**W.A. Lease Term (Years)**	**Cash Base Rent $/SF**	**GAAP Base Rent $/SF**	**Lease Commissions $/SF**	**Tenant Improvement $/SF**	**Total Costs $/SF**	**Cash Rent Change**	**GAAP Rent Change**
New leases	1,289,221	4.3	$4.19	$4.35	$1.15	$0.63	$1.77	4.3%	8.6%
Renewal leases	5,541,526	5.6	3.81	3.96	0.43	0.21	0.64	0.2%	8.1%
Total /weighted avg new & renewal	**6,830,747**	**5.3**	**$3.88**	**$4.03**	**$0.56**	**$0.29**	**$0.85**	**0.9%**	**8.2%**

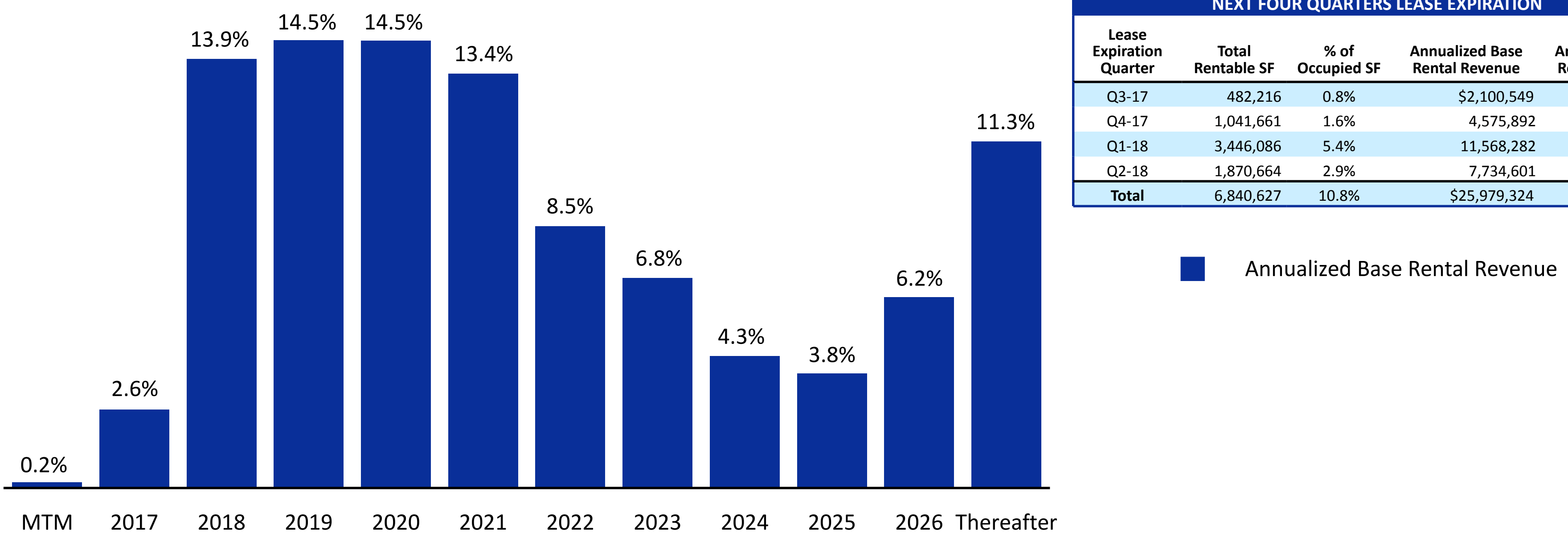
Note: The tables above represents leases signed during the quarter and does not reflect leases commencing during the quarter.

2017 OPERATING PORTFOLIO RETENTION						
Quarter	**Expiring Square Footage**	**Retained Square Footage**	**W.A. Lease Term (Years)**	**Retention**	**Cash Rent Change**	**GAAP Rent Change**
Q1	1,185,453	607,608	3.4	51.3%	13.4%	23.6%
Q2	1,804,836	1,085,796	6.0	60.2%	(1.3)%	2.2%
Total / weighted average	**2,990,289**	**1,693,404**	**5.1**	**56.6%**	**4.5%**	**10.3%**

LEASE EXPIRATION SCHEDULE

LEASE EXPIRATION SCHEDULE AS OF JUNE 30, 2017

Lease Expiration Year	Number of Leases Expiring	Total Rentable SF	% of Occupied SF	Annualized Base Rental Revenue	% of Total Annualized Base Rental Revenue
Available	N/A	4,042,128	N/A	N/A	N/A
MTM	5	182,388	0.3%	$568,150	0.2%
2017	15	1,523,877	2.4%	6,676,441	2.6%
2018	56	9,183,635	14.4%	36,142,744	13.9%
2019	55	9,393,033	14.7%	37,746,905	14.5%
2020	44	8,928,712	14.0%	37,687,920	14.5%
2021	49	8,188,145	12.9%	34,902,763	13.4%
2022	42	5,137,960	8.1%	22,104,266	8.5%
2023	22	5,095,801	8.0%	17,740,123	6.8%
2024	12	2,802,081	4.4%	11,184,268	4.3%
2025	13	2,334,842	3.7%	9,733,205	3.8%
2026	19	4,247,652	6.7%	16,126,810	6.2%
Thereafter	28	6,615,310	10.4%	29,208,295	11.3%
Total / weighted average	**360**	**67,675,564**	**100.0%**	**$259,821,890**	**100.0%**



NEXT FOUR QUARTERS LEASE EXPIRATION

Lease Expiration Quarter	Total Rentable SF	% of Occupied SF	Annualized Base Rental Revenue	% of Total Annualized Base Rental Revenue
Q3-17	482,216	0.8%	$2,100,549	0.8%
Q4-17	1,041,661	1.6%	4,575,892	1.8%
Q1-18	3,446,086	5.4%	11,568,282	4.5%
Q2-18	1,870,664	2.9%	7,734,601	3.0%
Total	6,840,627	10.8%	$25,979,324	10.0%

TENANT PROFILE

TENANT PROFILE	
	June 30, 2017
Profile	
Number of Tenants	296
Average Tenant Size (Square Feet)	214,978
Average Annualized Base Rental Revenue Per Square Foot	$4.08
Average Annualized Base Rental Revenue Per Tenant	$877,777
Credit [1]	
Tenants Publicly Rated	55.8%
Tenants Rated Investment Grade	27.5%
Tenant Revenue > $100 Million	85.5%
Tenant Revenue > $1 Billion	59.9%

(1) Based on annualized base rent and the inclusion of tenants, guarantors, and / or non-guarantor parents.

PORTFOLIO DIVERSIFICATION

GEOGRAPHIC DIVERSIFICATION June 30, 2017		
#	Market[1]	ABR %
1	Philadelphia, PA	9.5%
2	Chicago, IL	9.0%
3	Greenville/Spartanburg, SC	4.5%
4	Milwaukee/Madison, WI	3.7%
5	Cincinnati/Dayton, OH	3.6%
6	Charlotte, NC	3.5%
7	Detroit, MI	3.1%
8	West Michigan, MI	2.8%
9	Westchester/So Connecticut, CT/NY	2.5%
10	Cleveland, OH	2.3%
	Top 10 Markets	**44.5%**
	Top 11-20 Markets	**18.7%**
	Total Top 20 Markets	**63.2%**

TENANT DIVERSIFICATION June 30, 2017		
#	Tenant[2]	ABR %
1	General Service Administration	2.7%
2	XPO Logistics	2.1%
3	Deckers Outdoor	1.6%
4	TriMas Corporation	1.5%
5	Solo Cup	1.5%
6	FedEx	1.0%
7	Generation Brands	1.0%
8	DHL	1.0%
9	Perrigo	0.9%
10	American Tire Distributors Inc	0.9%
	Top 10 Tenants	**14.2%**
	Top 11-20 Tenants	**8.1%**
	Total Top 20 Tenants	**22.3%**

INDUSTRY DIVERSIFICATION June 30, 2017		
#	Industry	ABR %
1	Automotive	14.0%
2	Air Freight & Logistics	12.5%
3	Ind Equip, Component & Metals	11.0%
4	Containers & Packaging	10.2%
5	Food & Beverages	8.4%
6	Retail	6.3%
7	Household Durables	5.2%
8	Personal Products	5.2%
9	Business Services	5.2%
10	Building Materials	3.9%
	Top 10 Industries	**81.9%**
	Top 11-20 Industries	**18.1%**
	Total Industries	**100.0%**

(1) As defined by CoStar.
(2) Based on annualized base rent and the inclusion of tenants, guarantors, and / or non-guarantor parents.

STAG INDUSTRIAL

CAPITAL STRUCTURE & DIVIDENDS

CAPITAL STRUCTURE	
	Three months ended June 30, 2017
Weighted average common shares, participating securities, performance units and other units	
Weighted average common shares outstanding	88,181,117
Weighted average participating securities outstanding	237,382
Weighted average units outstanding	3,766,671
Weighted average common shares, participating securities, and other units - basic	92,185,170
Weighted average performance units and outperformance plan	670,419
Weighted average common shares, participating securities, performance and other units - diluted	92,855,589
Fully diluted common shares, participating securities, performance units and other units (at quarter end)	96,267,514
Enterprise Value as of June 30, 2017 (in millions)	
Equity Market Capitalization	$2,657
Debt (principal balance)	1,127
Preferred Equity	145
Enterprise Value	$3,929

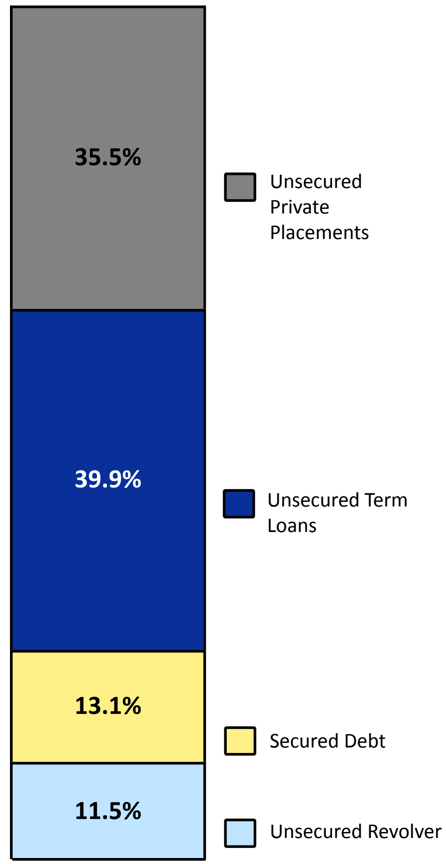
COMMON DIVIDEND INFORMATION	
	June 30, 2017
Dividend declared per common share (quarterly) (1)	$0.3500
Dividend yield (at quarter end)	5.1%
AFFO dividend payout ratio	87.5%

(1) Sum of quarter's monthly declared dividends.

DEBT SUMMARY

AS OF JUNE 30, 2017 (in millions)				
Category	**Committed**	**Principal Balance**	**Interest Rate[(1)(2)]**	**Current Maturity[(2)]**
Unsecured debt:				
Unsecured Credit Facility [(3)]	$450.0	$130.0	L + 1.15%	12/18/2019
Unsecured Term Loan C [(3)]	150.0	150.0	L + 1.30%	9/29/2020
Unsecured Term Loan B [(3)]	150.0	150.0	L + 1.30%	3/21/2021
Unsecured Term Loan A [(3)]	150.0	150.0	L + 1.30%	3/31/2022
Series F Unsecured Notes	100.0	100.0	3.98%	1/5/2023
Series A Unsecured Notes	50.0	50.0	4.98%	10/1/2024
Series D Unsecured Notes	100.0	100.0	4.32%	2/20/2025
Series B Unsecured Notes	50.0	50.0	4.98%	7/1/2026
Series C Unsecured Notes	80.0	80.0	4.42%	12/30/2026
Series E Unsecured Notes	20.0	20.0	4.42%	2/20/2027
Total / weighted average unsecured [(4)]	**$1,300.0**	**$980.0**	**3.36%**	**5.3 years**
Secured debt:				
Connecticut General Life Insurance Company -1 Facility		35.0	6.50%	2/1/2018
Connecticut General Life Insurance Company -2 Facility		36.5	5.75%	2/1/2018
Connecticut General Life Insurance Company -3 Facility		16.0	5.88%	2/1/2018
Wells Fargo Bank, National Association CMBS Loan		55.8	4.31%	12/1/2022
Thrivent Financial for Lutherans		4.0	4.78%	12/15/2023
Total / weighted average secured		**$147.3**	**5.37%**	**2.6 years**
Total / weighted average		**$1,127.3**	**3.62%**	**4.9 years**
Add: fair market value premiums		0.1		
Less: total unamortized deferred financing fees and debt issuance costs		(5.7)		
Total book value		**$1,121.7**		

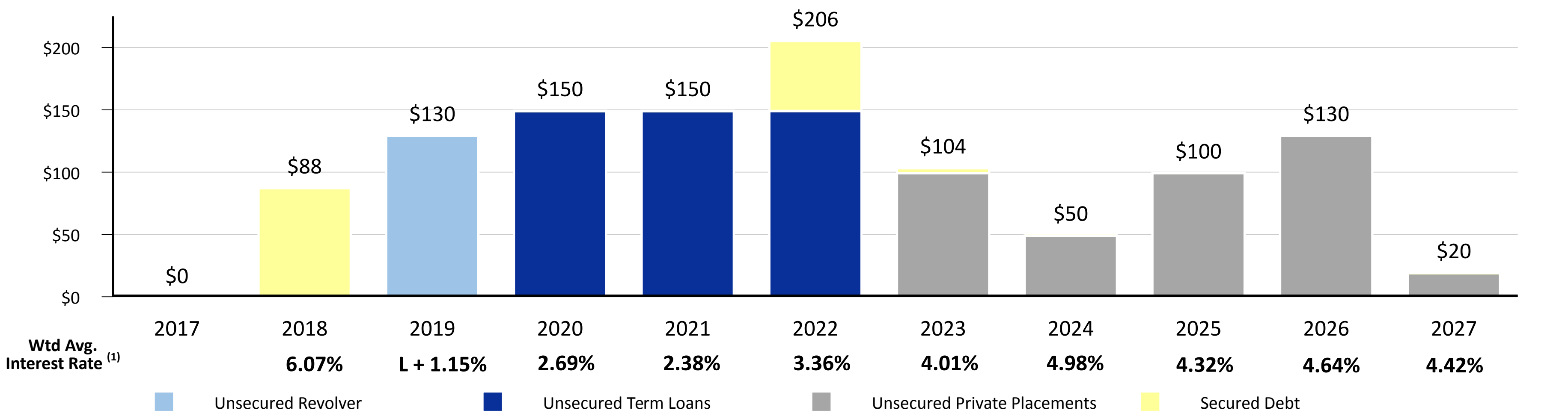
PRINCIPAL BALANCE



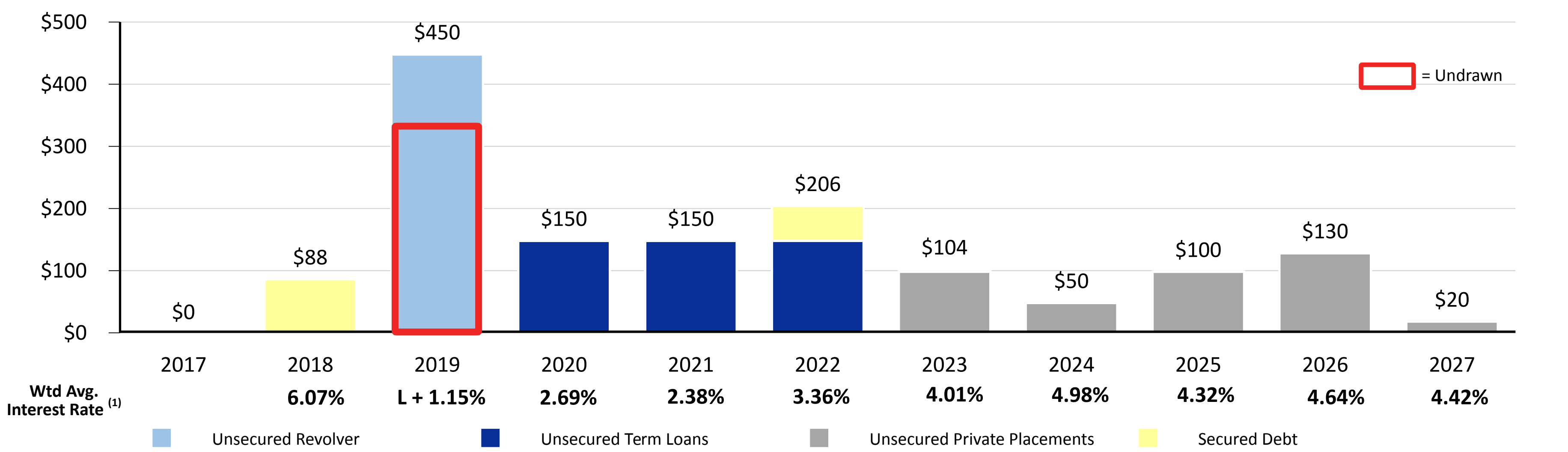
(1) Current interest rate as of June 30, 2017. At June 30, 2017 the one-month LIBOR was 1.22389%. The current interest rates presented in the table above are not adjusted to include the amortization of deferred financing fees or debt issuance costs incurred in obtaining debt or the unamortized fair market value premium.
(2) The weighted average interest rate and weighted average debt maturity is calculated based on the principal balance outstanding as of June 30, 2017.
(3) The interest rate on these unsecured facilities represents the interest rate as of June 30, 2017 based on the Company's Consolidated Leverage Level, as defined in the respective loan agreements.
(4) The weighted average interest rate was calculated using the current swapped notional amount of $450 million of debt, and excludes any fair market value premiums or discounts and also excludes the amortization of deferred financing fees and debt issuance costs incurred in obtaining debt. As of June 30 2017, one-month LIBOR for Unsecured Term Loan A, B, and C is swapped to a fixed rate of 1.70%, 1.08%, and 1.39%, respectively.

DEBT MATURITY SCHEDULE

(in millions) PRINCIPAL BALANCE AS OF JUNE 30, 2017



(in millions) FULLY COMMITTED AS OF JUNE 30, 2017



(1) The weighted average interest rate for unsecured debt was calculated using the current swapped notional amount of $450 million of debt, and excludes any fair market value premiums or discounts and also excludes the amortization of deferred financing fees and debt issuance costs incurred in obtaining debt. As of June 30 2017, one-month LIBOR for Unsecured Term Loan A, B, and C is swapped to a fixed rate of 1.70%, 1.08%, and 1.39%, respectively.

STAG INDUSTRIAL

DEBT METRICS & COVENANTS

DEBT METRICS	June 30, 2017
Net debt / adjusted EBITDA ratio	5.4x
Net debt / run rate adjusted EBITDA ratio	5.0x
Interest coverage ratio	5.2x
Net debt / total real estate cost basis (at quarter end)	38.9%
Total debt / total enterprise value (at quarter end)	28.7%
Liquidity	$320.8 million

UNSECURED DEBT COVENANTS[1]	Covenant	June 30, 2017
Consolidated Leverage Ratio	< 60%	36.5%
Secured Leverage Ratio	< 40%	4.8%
Unencumbered Leverage Ratio	< 60%	36.4%
Interest Coverage Ratio	> 1.5x	5.2x
Unsecured Interest Coverage Ratio	> 1.75x	6.8x
Fixed Charge Coverage Ratio	> 1.5x	3.9x

(1) Calculations as stipulated in the respective unsecured debt agreements. Please refer to the agreements for definitions and calculation detail.

NON-GAAP FINANCIAL MEASURES & OTHER DEFINITIONS

Acquisition Capital Expenditures: We define Acquisition Capital Expenditures as Recurring and Non-Recurring Capital Expenditures identified at the time of acquisition and underwritten to occur in the first 12 months. Acquisition Capital Expenditures also include new lease commissions and tenant improvements for space that was not occupied under the Company's ownership.

Adjusted Earnings before Interest, Taxes, Depreciation, and Amortization (Adjusted EBITDA): We define Adjusted EBITDA as net income (loss) (computed in accordance with GAAP) before interest, tax, depreciation and amortization, property acquisition costs, gain on the sales of rental property, termination income, straight-line rent adjustments, non-cash compensation, intangible amortization in rental income, loss on impairments, loss on involuntary conversion, loss on extinguishment of debt, loss on incentive fee, and other non-recurring items.

We define Annualized Adjusted EBITDA as Adjusted EBITDA multiplied by four.

We define Run Rate Adjusted EBITDA as Adjusted EBITDA plus incremental Adjusted EBITDA related to acquisitions acquired in each quarter for which a full quarter's results were not reflected less Adjusted EBITDA related to the quarter's dispositions. Run Rate Adjusted EBITDA does not reflect the Company's historical results and does not predict future results, which may be substantially different.

Adjusted EBITDA and Run Rate EBITDA should not be considered as an alternative to net income (determined in accordance with GAAP) as an indication of our performance, and we believe that to understand our performance further, Adjusted EBITDA and Run Rate Adjusted EBITDA should be compared with our reported net income or net loss in accordance with GAAP, as presented in our consolidated financial statements. We believe that Adjusted EBITDA and Run Rate Adjusted EBITDA are helpful to investors as supplemental measures of the operating performance of a real estate company because they are direct measures of the actual operating results of our properties. We also use these measures in ratios to compare our performance to that of our industry peers.

Annualized Base Rental Revenue: We define Annualized Base Rental Revenue as the monthly base cash rent for the applicable property or properties (which is different from rent calculated in accordance with GAAP for purposes of our financial statements), multiplied by 12. If a tenant is in a free rent period the annualized rent is calculated based on the first contractual monthly base rent amount multiplied by 12.

Capitalization Rate: We define Capitalization Rate as the estimated weighted average cash capitalization rate, calculated by dividing (i) the Company's estimate of year one cash net operating income from the applicable property's operations stabilized for occupancy (post-lease-up for vacant properties), which does not include termination income, miscellaneous other income, capital expenditures, general and administrative costs, reserves, tenant improvements and leasing commissions, credit loss, or vacancy loss, by (ii) the purchase price plus estimated Acquisition Capital Expenditures. These capitalization rate estimates are subject to risks, uncertainties, and assumptions and are not guarantees of future performance, which may be affected by known and unknown risks, trends, uncertainties, and factors that are beyond our control, including those risk factors contained in our Annual Report on Form 10-K for the year ended December 31, 2016.

Comparable Lease: We define a Comparable Lease as a lease with a similar lease structure as compared to the previous in-place lease, excluding new leases for space that was not occupied under our ownership, leases on space with downtime in excess of two years, leases with materially different lease structures, leases associated with known vacates at the time of acquisition, and leases with credit-related modifications.

NON-GAAP FINANCIAL MEASURES & OTHER DEFINITIONS

Core Based Statistical Area (CBSA): We define Core Based Statistical Area ("CBSA") as a U.S. geographic area defined by the Office of Management and Budget that consists of one or more counties (or equivalents) anchored by an urban center of at least 10,000 people plus adjacent counties that are socioeconomically tied to the urban center by commuting.

Enterprise Value: We define Enterprise Value as Equity Market Capitalization plus the liquidation value of our preferred stock plus the amounts outstanding under our unsecured credit facility, unsecured term loans, unsecured notes, and mortgage notes.

Equity Market Capitalization: We define Equity Market Capitalization as the period ended closing stock price multiplied by total shares and units at quarter end.

Fixed Charge Coverage Ratio: We define the Fixed Charge Coverage Ratio as Adjusted EBITDA divided by cash interest expense, preferred dividends paid and principal payments.

Funds from Operations (FFO), Core FFO, and Adjusted FFO (AFFO): We define FFO in accordance with the standards established by the National Association of Real Estate Investment Trusts ("NAREIT"). FFO represents net income (loss) (computed in accordance with GAAP), excluding gains (or losses) from sales of depreciable operating property, impairment write-downs of depreciable real estate, real estate related depreciation and amortization (excluding amortization of deferred financing costs and fair market value of debt adjustment) and after adjustments for unconsolidated partnerships and joint ventures. Core FFO and AFFO exclude property acquisition costs, lease termination income, intangible amortization in rental income, loss on extinguishment of debt, loss on involuntary conversion, gain (loss) on swap ineffectiveness, loss on incentive fee, and non-recurring other expenses. AFFO also excludes non-rental property depreciation and amortization, straight-line rent adjustments, non-cash portion of interest expense, non-cash compensation expense and deducts recurring capital expenditures and lease renewal commissions and tenant improvements.

None of FFO, Core FFO or AFFO should be considered as an alternative to net income (determined in accordance with GAAP) as an indication of our performance, and we believe that to understand our performance further, these measurements should be compared with our reported net income or net loss in accordance with GAAP, as presented in our consolidated financial statements. We use FFO as a supplemental performance measure because it is a widely recognized measure of the performance of REITs. FFO may be used by investors as a basis to compare our operating performance with that of other REITs. We and investors may use Core FFO and AFFO similarly as FFO.

However, because FFO, Core FFO and AFFO exclude, among other items, depreciation and amortization and capture neither the changes in the value of our buildings that result from use or market conditions nor the level of capital expenditures and leasing commissions necessary to maintain the operating performance of our buildings, all of which have real economic effects and could materially impact our results from operations, the utility of these measures as measures of our performance is limited. In addition, other REITs may not calculate FFO in accordance with the NAREIT definition as we do, and, accordingly, our FFO may not be comparable to such other REITs' FFO. Similarly, our calculations of Core FFO and AFFO may not be comparable to similarly titled measures disclosed by other REITs.

GAAP: U.S. generally accepted accounting principles.

NON-GAAP FINANCIAL MEASURES & OTHER DEFINITIONS

GAAP Rent Change: We define GAAP Rent Change as the percentage change in the average base rent over the contractual lease term (excluding above/below market lease amortization) of the Comparable Lease.

Interest Coverage Ratio: We define the Interest Coverage Ratio as Adjusted EBITDA divided by interest expense less the non-cash portion of interest expense.

Liquidity: We define Liquidity as the amount of aggregate undrawn nominal commitments the Company could immediately borrow under the Company's unsecured debt instruments, consistent with the financial covenants, plus unrestricted cash balances.

Location Classification: We define primary markets as the 29 largest industrial metropolitan areas, which each have approximately 200 million or more in net rentable square footage. We define secondary industrial markets as the markets which each have net rentable square footage ranging from approximately 25 million to approximately 200 million. We define tertiary markets as markets with less than 25 million square feet of net rentable square footage.

Net operating income (NOI), Cash NOI, and Run Rate Cash NOI: We define NOI as rental income, including reimbursements, less property expenses and real estate taxes, which excludes depreciation, amortization, loss on impairments, general and administrative expenses, interest expense, interest income, corporate sub-lease rental income, asset management fee income, property acquisition costs, loss on involuntary conversion, loss on extinguishment of debt, gain on sales of rental property, loss on incentive fee, and other expenses.

We define Cash NOI as NOI less straight-line rent adjustments and less intangible amortization in rental income.

We define Run Rate Cash NOI as Cash NOI plus Cash NOI adjusted for a full period of acquisitions and dispositions, less cash termination income. Run Rate Cash NOI does not reflect the Company's historical results and does not predict future results, which may be substantially different.

We consider NOI, Cash NOI and Run Rate Cash NOI to be appropriate supplemental performance measures to net income because we believe they help us and investors understand the core operations of our buildings. None of these measures should be considered as an alternative to net income (determined in accordance with GAAP) as an indication of our performance, and we believe that to understand our performance further, these measurements should be compared with our reported net income or net loss in accordance with GAAP, as presented in our consolidated financial statements. Further, our calculations of NOI, Cash NOI and Run Rate NOI may not be comparable to similarly titled measures disclosed by other REITs.

Non-Recurring Capital Expenditures: We define Non-Recurring Capital Expenditures as capital items for upgrades or items that previously did not exist at a building or capital items which have a longer useful life, such as roof replacements.

Occupancy Rate: We define Occupancy Rate as the percentage of total leasable square footage for which the lease term has commenced as of the close of the reporting period.

Operating Portfolio: We define our Operating Portfolio as including all warehouse and light manufacturing assets and excluding non-core flex/office assets and assets under redevelopment. Our Operating Portfolio also excludes billboard, parking lot and cell tower leases.

Pipeline: We define Pipeline as a point in time measure that includes all of the transactions under consideration by the Company's acquisitions group that have passed the initial screening process. The pipeline also includes transactions under contract and transactions with non-binding LOIs.

NON-GAAP FINANCIAL MEASURES & OTHER DEFINITIONS

Real Estate Cost Basis: We define Real Estate Cost Basis as the book value of rental property and deferred leasing intangibles, exclusive of the related accumulated depreciation and amortization.

Recurring Capital Expenditures: We define Recurring Capital Expenditures as capital items required to sustain existing systems and capital items which generally have a shorter useful life.

Renewal Lease: We define a Renewal Lease as a lease signed by an existing tenant to extend the term for twelve months or more, including (i) a renewal of the same space as the current lease at lease expiration, (ii) a renewal of only a portion of the current space at lease expiration and (iii) an early renewal or workout, which ultimately does extend the original term for twelve months or more.

Retention: We define Retention as the percentage determined by taking Renewal Lease square footage commencing in the period divided by square footage of leases expiring in the period. Neither the Renewal Leases nor leases expiring include Temporary Leases or License Agreements. Retention excludes leases associated with known vacates at the time of acquisition, leases with credit-related modifications, and early terminations.

Same Store: We define Same Store properties as properties that were fully operating for the entirety of the comparative periods presented. Same Store properties exclude properties acquired after the first day in the earliest comparable period presented, properties that were disposed at any time during the comparative periods, and properties that underwent redevelopment at any time during the comparative periods.

Temporary Leases/License Agreements: We define a Temporary Lease or a License Agreement as any lease that is signed for an initial term of less than twelve months; this includes short-term new leases and short-term renewal leases.

Weighted Average Lease Term: We define Weighted Average Lease Term as the contractual lease term in years as of the lease start date weighted by square footage. Weighted Average Lease Term related to acquired assets reflects the remaining lease term in years as of the acquisition date weighted by square footage.