

PENNSYLVANIA REAL ESTATE INVESTMENT TRUST

Form 424B3

September 06, 2002

Prospectus Supplement No. 1
 Dated September 6, 2002
 (to Prospectus dated August 13, 2002)

Filed Pursuant to Rule 424(b) (3)
 Registration No. 333-97337

PREIT
 [GRAPHIC OMITTED]

Pennsylvania Real Estate Investment Trust

1,176,627 SHARES OF BENEFICIAL INTEREST

The following information supplements the information set forth in the prospectus by adding a new section entitled Selected Financial Data. This prospectus supplement is not complete without, and may not be delivered or utilized except in connection with, the prospectus.

SELECTED FINANCIAL DATA

We adopted SFAS No. 142, "Goodwill and Other Intangible Assets," as of January 1, 2002. Although the adoption of SFAS No. 142 would not have had a substantial impact on our results of operations for the periods presented, the following selected financial data presents our results of operations for the periods presented in each case as if SFAS No. 142 had been in effect at the beginning of such period. The data is being provided for your information and should be read in conjunction with our financial statements, related notes and other financial information incorporated herein by reference.

| | (Thousands of dollars, except per share) | | | |
|--|---|---|---|---|
| | For the Year Ended December 31, 2001 ---- | For the Year Ended December 31, 2000 ---- | For the Year Ended December 31, 1999 ---- | For the Year Ended December 31, 1998 ---- |
| Operating Results | | | | |
| Total revenues | \$113,582 | \$101,856 | \$90,364 | \$62,395 |
| Income before extraordinary loss | \$19,789 | \$32,254 | \$20,739 | \$23,455 |
| Impact of goodwill amortization(2) | 423 | 291 | 215 | 115 |
| Adjusted income before extraordinary loss | \$20,212 | \$32,545 | \$20,954 | \$23,570 |
| Net income | \$19,789 | \$32,254 | \$20,739 | \$23,185 |
| Impact of goodwill amortization(2) | 423 | 291 | 215 | 115 |
| Adjusted net income | \$20,212 | \$32,545 | \$20,954 | \$23,300 |
| Basic earnings per share | \$1.35 | \$2.41 | \$1.56 | \$1.74 |
| Impact of goodwill amortization(2) | 0.03 | 0.02 | 0.02 | 0.01 |
| Adjusted basic earnings per share | \$1.38 | \$2.43 | \$1.58 | \$1.75 |

1

| | | | | |
|-------------------------------------|--------|--------|--------|--------|
| Diluted earnings per share | \$1.35 | \$2.41 | \$1.56 | \$1.74 |
| Impact of goodwill amortization(2) | 0.03 | 0.02 | 0.02 | 0.01 |
| Adjusted diluted earnings per share | \$1.38 | \$2.43 | \$1.58 | \$1.75 |

Balance Sheet Data

| | | | | |
|--------------------------------|-----------|-----------|-----------|-----------|
| Investments in real estate, at | | | | |
| Cost | \$650,460 | \$612,266 | \$577,521 | \$509,406 |
| Total assets | \$602,628 | \$576,663 | \$547,590 | \$481,615 |
| Total mortgage, bank and | | | | |
| Construction loans payable | \$360,373 | \$382,396 | \$364,634 | \$302,276 |
| Minority interest | \$36,768 | \$29,766 | \$32,489 | \$28,045 |
| Shareholders' equity | \$180,285 | \$143,906 | \$133,412 | \$137,082 |

Other Data

| | | | | |
|------------------------------|----------|----------|----------|----------|
| Cash flows from operating | | | | |
| Activities | \$37,655 | \$44,473 | \$29,437 | \$31,302 |
| Cash distributions per share | \$2.04 | \$1.92 | \$1.88 | \$1.88 |

(1) We changed from a fiscal year end to a calendar year end in 1997.

(2) We refer you to footnote 12 of Notes To Unaudited Consolidated Financial Statements from our Quarterly Report on Form 10-Q for the quarter ended June 30, 2002, filed on August 14, 2002, for information regarding the impact of SFAS No. 142.

2