W. P. Carey Inc. Investor Presentation

1Q19

Investing for the long run®

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Unless otherwise noted, all data in this presentation is as of March 31, 2019. Amounts may not sum to totals due to rounding.

I. Overview

Company Highlights

W. P. Carey (NYSE: WPC) is a REIT that specializes in investing in net lease commercial real estate, primarily in the U.S. and Northern and Western Europe

Size	One of the largest owners of net lease assets and among the top 25 REITs in the MSCI US REIT Index
Diversification	Highly diversified portfolio by geography, tenant, asset type and tenant industry
Track Record	Successful track record of investing and operating through multiple economic cycles since 1973 led by an experienced management team
Proactive Asset Management	U.S. and Europe-based asset management teams
Balance Sheet	Investment grade balance sheet with access to multiple forms of capital
CPA:17 Merger	Strategic $5.9 billion merger in 2018 simplified the company, improved earnings quality, enhanced diversification and increased size and scale

Google
Office
Venice, California

State of Andalucia
Office
Cordoba, Spain

W. P. CAREY

Business Model and Structure [1]

W. P. Carey is an internally-managed net lease REIT

Public REIT (NYSE: WPC)
~$19 billion of Enterprise Value [2]

Real Estate Portfolio [3]

- 1,168 net lease properties / 134 million sq. ft. / 10.2 year WALT / $1.1 billion of ABR
  - Primarily industrial, warehouse, office and retail
  - 310 tenants; top 10 tenants represent 23.2% of ABR
  - Properties located primarily in U.S. and Europe
  - 98.2% occupancy
  - 99% of leases have contractual rent increases, including 63% linked to CPI

Advisor to
$7.6 billion of AUM

- Corporate Property Associates 18 – Global (CPA:18) – Diversified / Net lease
- Carey Watermark Investors (CWI 1) – Lodging
- Carey Watermark Investors 2 (CWI 2) – Lodging
- Carey European Student Housing Fund (CESH) – Student Housing

(1) Data as of or for the quarter ended March 31, 2019 unless otherwise noted.
(2) Enterprise value represents equity market capitalization based on a stock price of $78.33 as of March 31, 2019, plus pro rata debt outstanding, less consolidated cash and cash equivalents.
(3) Portfolio information reflects pro rata ownership of real estate assets, excluding operating properties. "WALT" represents weighted average lease term and "ABR" represents pro rata contractual minimum annualized base rent (see definition in Disclosures).

Advancements Since REIT Conversion

Acquisitions

- Completed approximately $16.6 billion in investments on our balance sheet consisting of:
  - $12.9 billion through acquisition of CPA REITs [1]
  - $3.7 billion through single-asset or portfolio purchases

Balance Sheet & Capitalization

- $3.7 billion of USD and Euro-denominated bond issuance [2]
- Established $1.85 billion credit facility providing ample liquidity [3]
- Issued approximately $1.1 billion of total equity through inaugural offering and ATM issuance [4]
- Received investment grade ratings from Moody's and S&P
- Unsecured debt strategy initiated in 2014

Strategic

- Exited non-traded retail fundraising, ultimately leading to:
  - More valuable company based on stable and predictable earnings
  - Simplified business / disclosure
- Essentially became a pure-play net lease REIT with the CPA:17 merger

Operational Efficiency

- Reduced run rate G&A expense by approximately 30% between 2015 and 2017
- Continuing emphasis on streamlining cost structure
- Increased scale through CPA:17 merger, with minimal impact on G&A, exemplifies operating leverage inherent in our business

(1) Includes our acquisition of (i) Corporate Property Associates 15 Incorporated (CPA:15), which closed concurrently with our REIT conversion in 2012, (ii) Corporate Property Associates 16 –Global Incorporated (CPA:16) in 2014, and (iii) Corporate Property Associates 17 – Global Incorporated (CPA:17) in 2018.

(2) Euro-denominated issuance converted to USD based on the exchange rate at the time of issuance.

(3) After repaying term loans in 2018, our unsecured revolving credit facility capacity was $1.5 billion as of March 31, 2019. The aggregate principal amount available may be increased up to $2.35 billion, subject to certain conditions in our credit agreement.

(4) As of May 3, 2019.

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Investment Strategy

- Generate attractive risk-adjusted returns by identifying and investing in net-lease commercial real estate, primarily in the U.S. and Northern & Western Europe
- Protect downside by combining credit and real estate underwriting with sophisticated structuring and direct origination
- Acquire "mission-critical" assets essential to a tenant's operations
- Create upside through lease escalations, credit improvements and real estate appreciation
- Capitalize on existing tenant relationships through accretive expansions, renovations and follow-on deals
- Hallmarks of our approach:
  - Diversification by tenant, industry, property type and geography
  - Disciplined
  - Opportunistic
  - Proactive asset management
  - Conservative capital structure

Transactions Evaluated on Four Key Factors

Creditworthiness of Tenant	• Industry drivers and trends • Competitor analysis • Company history • Financial wherewithal
Criticality of Asset	• Corporate headquarters • Key distribution facility or profitable manufacturing plant • Critical R&D or data-center • Top performing retail stores
Fundamental Value of the Underlying Real Estate	• Local market analysis • Property condition • 3rd party valuation / replacement cost • Downside analysis / cost to re-lease
Transaction Structure and Pricing	• Lease terms – rent growth and maturity • Financial covenants • Security deposits / letters of credit

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Proactive Asset Management

Domestic and international asset management capabilities to address lease expirations, changing tenant credit profiles and asset repositioning or dispositions

- Asset management offices in New York and Amsterdam
- W. P. Carey has proven experience repositioning assets through re-leasing, restructuring and strategic disposition
- Properties are continually evaluated quarterly for credit quality, asset quality and asset criticality
- Generates value creation opportunities within our existing portfolio

Asset Management Expertise

Transaction

- Leasing
- Dispositions
- Lease modifications
- Credit and real estate risk analysis
- Building expansions and redevelopment
- Tenant distress and restructuring

Operational

- Lease compliance
- Insurance
- Property inspections
- Non-triple net lease administration
- Real estate tax
- Projections and portfolio valuation

Asset Management Risk Analysis

Tenant Credit	Bankruptcy	Watch List	Stable	Implied IG	Investment Grade
Asset Quality	Obsolete	Residual Risk	Stable	Class B	Class A
Asset Criticality	Not Critical	Non-Renewal	Possible Renewal	Critical-Renewal Likely	Highly Critical

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II. Real Estate Portfolio

Large Diversified Portfolio (1)

Number of Properties	1,168
Number of Tenants	310
Square Footage	134 million
ABR	$1.1 billion
US / Europe / Other (% of ABR)	64% / 34% / 2%
Contractual Rent Escalation: CPI-linked / Fixed / Other	63% / 33% / 3%
WALT	10.2 years
Occupancy	98.2%
Investment Grade Tenants (% of ABR)	28.6%
Top 10 Tenant Concentration (% of ABR)	23.2%

(1) Portfolio information reflects pro rata ownership of real estate assets (excluding operating properties) as of March 31, 2019.

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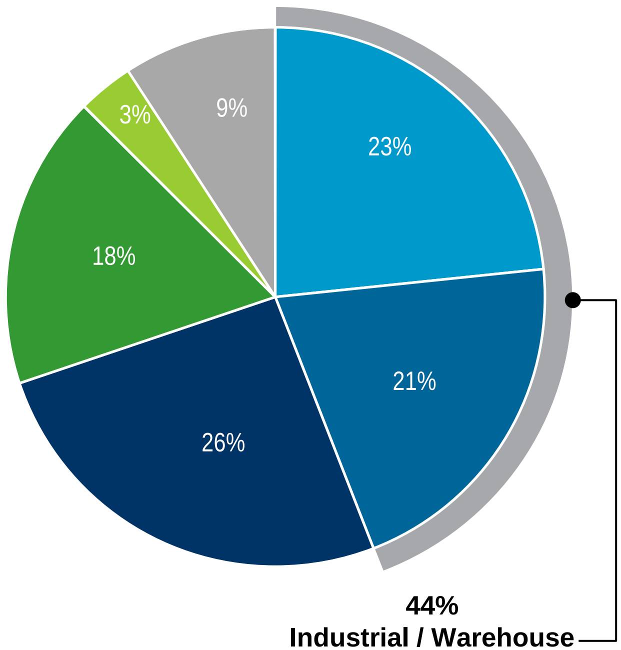
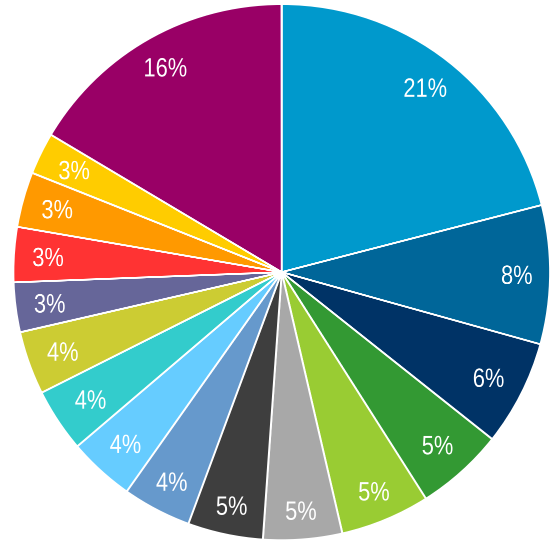
Property and Industry Diversification [1]

By Property Type (% of ABR)



Industrial	23%
Warehouse	21%
Office	26%
Retail [2]	18%
Self-storage (Net Lease)	3%
Other [3]	9%

By Tenant Industry (% of ABR)



Retail Stores [2]	21%
Consumer Services	8%
Automotive	6%
Business Services	5%
Cargo Transportation	5%
Grocery	5%
Healthcare and Pharmaceuticals	5%
Hotel, Gaming and Leisure	4%
Media: Advertising, Printing and Publishing	4%
Sovereign and Public Finance	4%
Construction and Building	4%
Beverage, Food and Tobacco	3%
Capital Equipment	3%
Containers, Packaging and Glass	3%
High Tech Industries	3%
Other [4]	16%

(1) Portfolio information reflects pro rata ownership of real estate assets as of 3/31/19, excluding operating properties.
(2) Includes automotive dealerships.
(3) Includes education facilities, hotels, movie theaters, fitness facilities, laboratories and student housing, which are all net-lease properties.
(4) Includes tenants in the following industries: durable consumer goods; aerospace and defense; banking; wholesale; chemicals, plastics and rubber; metals and mining; oil and gas; non-durable consumer goods; telecommunications; insurance; electricity; media: broadcasting and subscription; forest products and paper; consumer transportation; finance; real estate; and environmental industries.

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Top Ten Tenants (1)

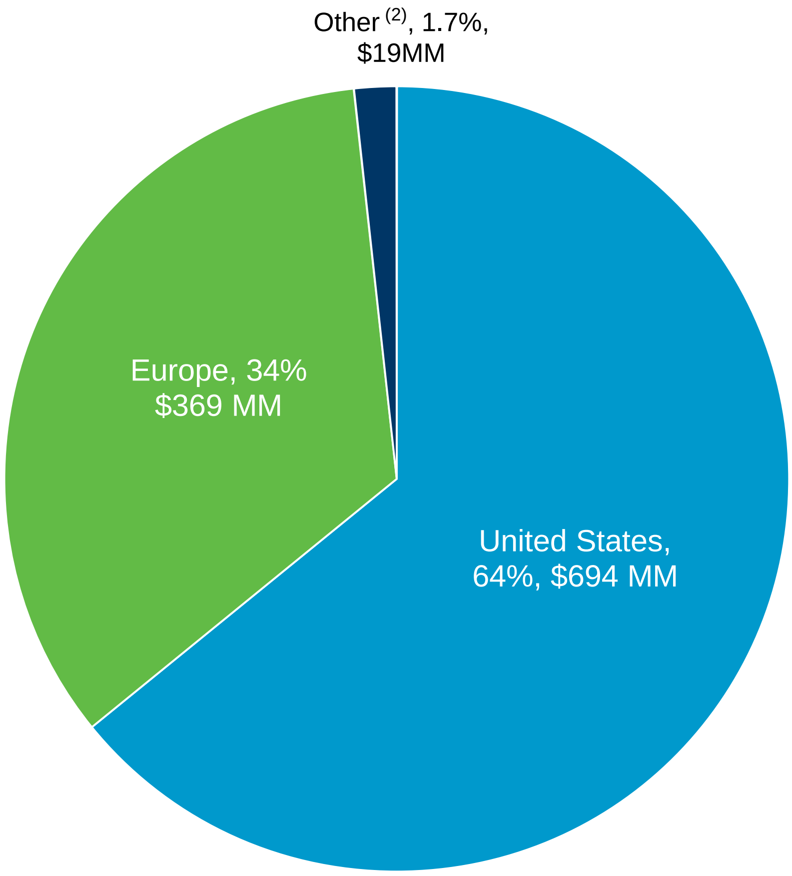
One of the lowest Top 10 concentrations among the net lease peer group

Top 10 Tenants					
	Description	Number of Properties	ABR ($ millions)	WALT (years)	% of Total
U-HAUL	Net lease self-storage properties in the U.S.	78	$36	5.1	3.3%
HELLWEG	Do-it-yourself retail properties in Germany	44	35	17.9	3.2%
State of Andalucia	Government office properties in Spain	70	28	15.7	2.6%
The New York Times	Media headquarters in New York City	1	28	5.0 (2)	2.6%
METRO	Business-to-business wholesale stores in Italy and Germany	20	27	8.0	2.5%
Pendragon PLC	Automotive dealerships in the United Kingdom	70	22	11.1	2.0%
Marriott	Net lease hotel properties in the U.S.	18	20	4.6	1.9%
Nord Anglia Education	K-12 private schools in the U.S.	3	18	24.4	1.7%
Advance Auto Parts	Distribution facilities in the U.S.	30	18	13.8	1.7%
Forterra	Industrial properties in the U.S. and Canada	27	18	24.2	1.7%
Top 10		**361**	**$251**	**12.3 yrs**	**23.2%**

(1) Portfolio information reflects pro rata ownership of real estate assets as of March 31, 2019, excluding operating properties.
(2) In January 2018, The New York Times exercised its option to repurchase this property in 4Q19.

Geographic Diversification (1)

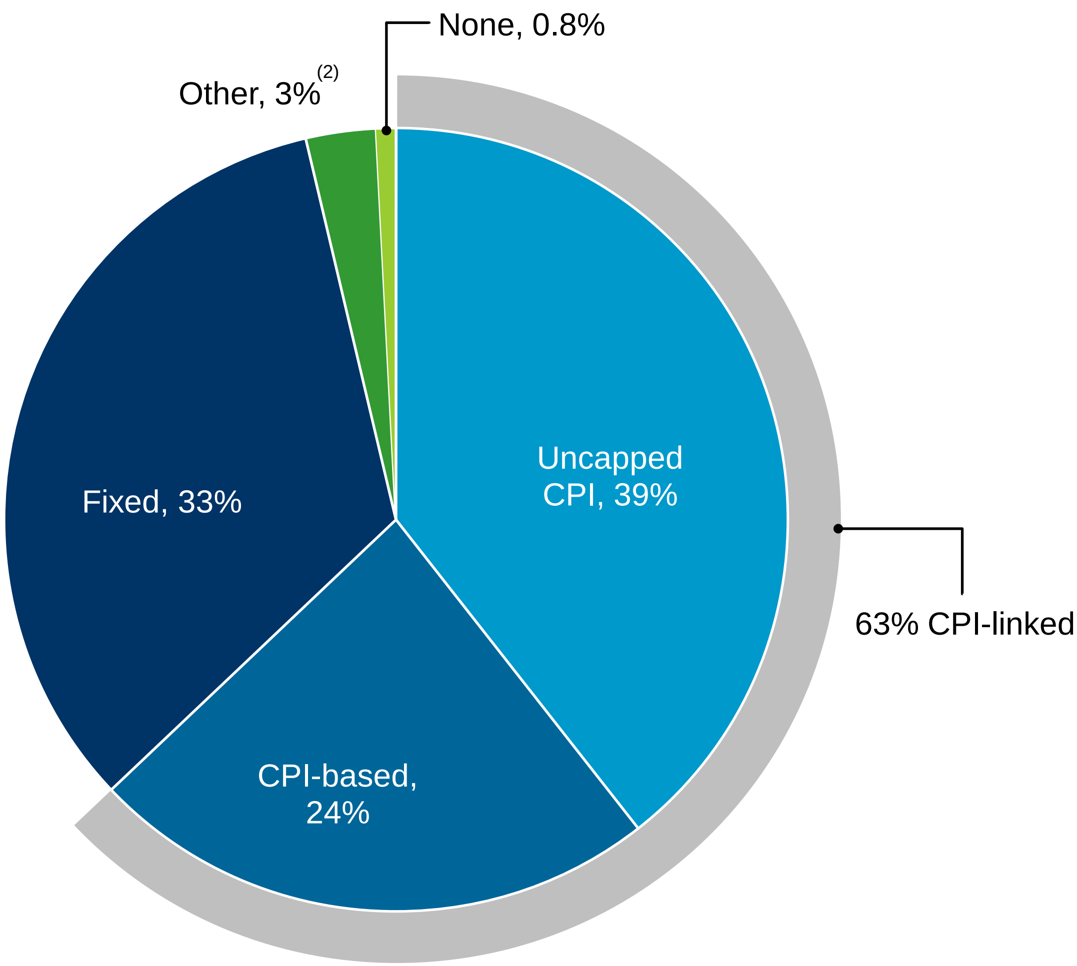
W. P. Carey has been investing internationally for 21 years, primarily in Western and Northern Europe



(1) Portfolio information reflects pro rata ownership of real estate assets (excluding operating properties) as of March 31, 2019.
(2) Includes Canada (1.0%), Mexico (0.4%) and Japan (0.3%).

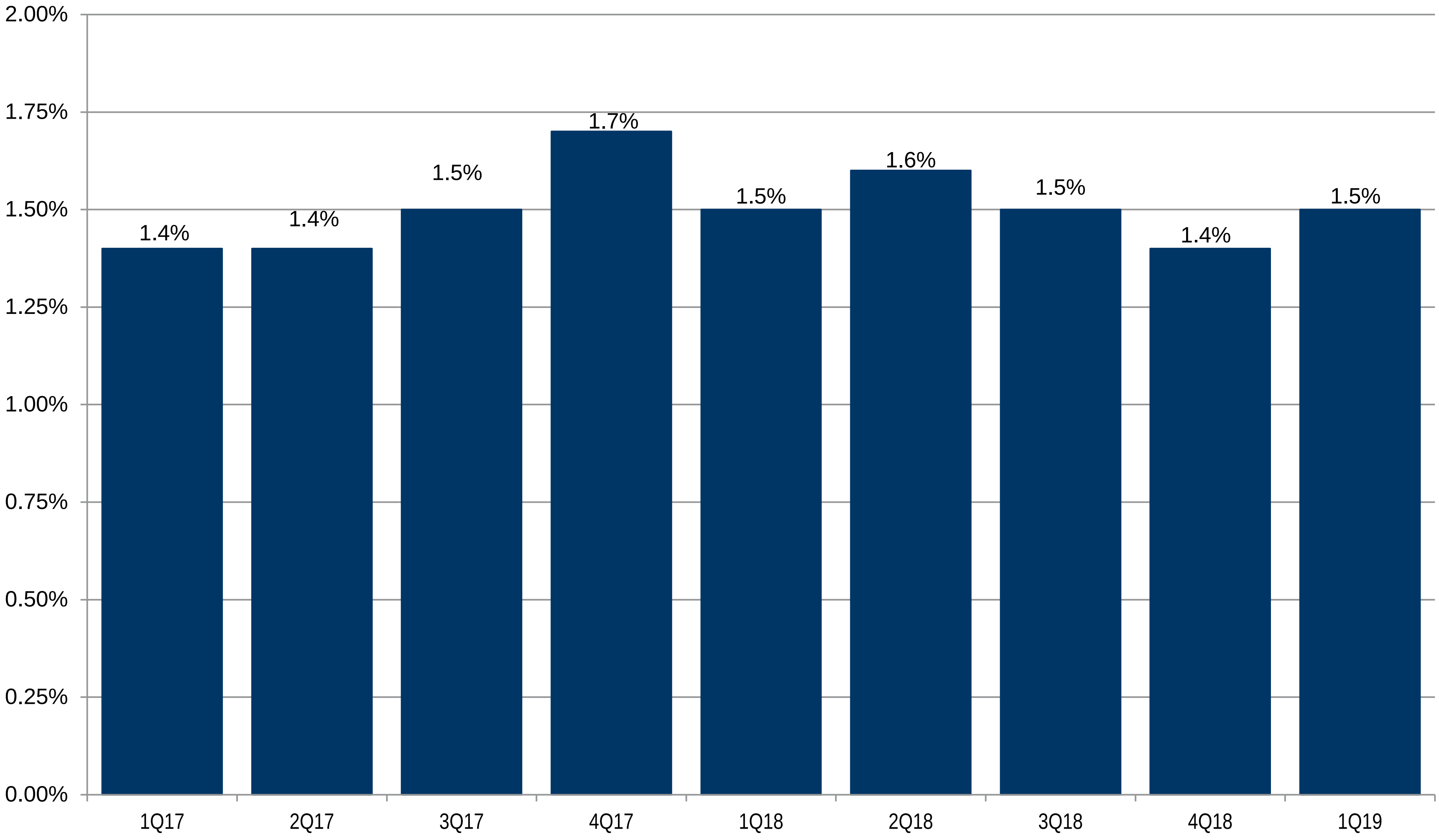
Internal Growth from Contractual Rent Increases (1)

Approximately 99% of leases have contractual rent increases, including 63% linked to CPI



(1) Portfolio information reflects pro rata ownership of real estate assets (excluding operating properties) as of March 31, 2019.
(2) Represents leases with percentage rent (i.e., participation in the gross revenues of the tenant above a stated level) and other increases.

Same Store ABR Growth

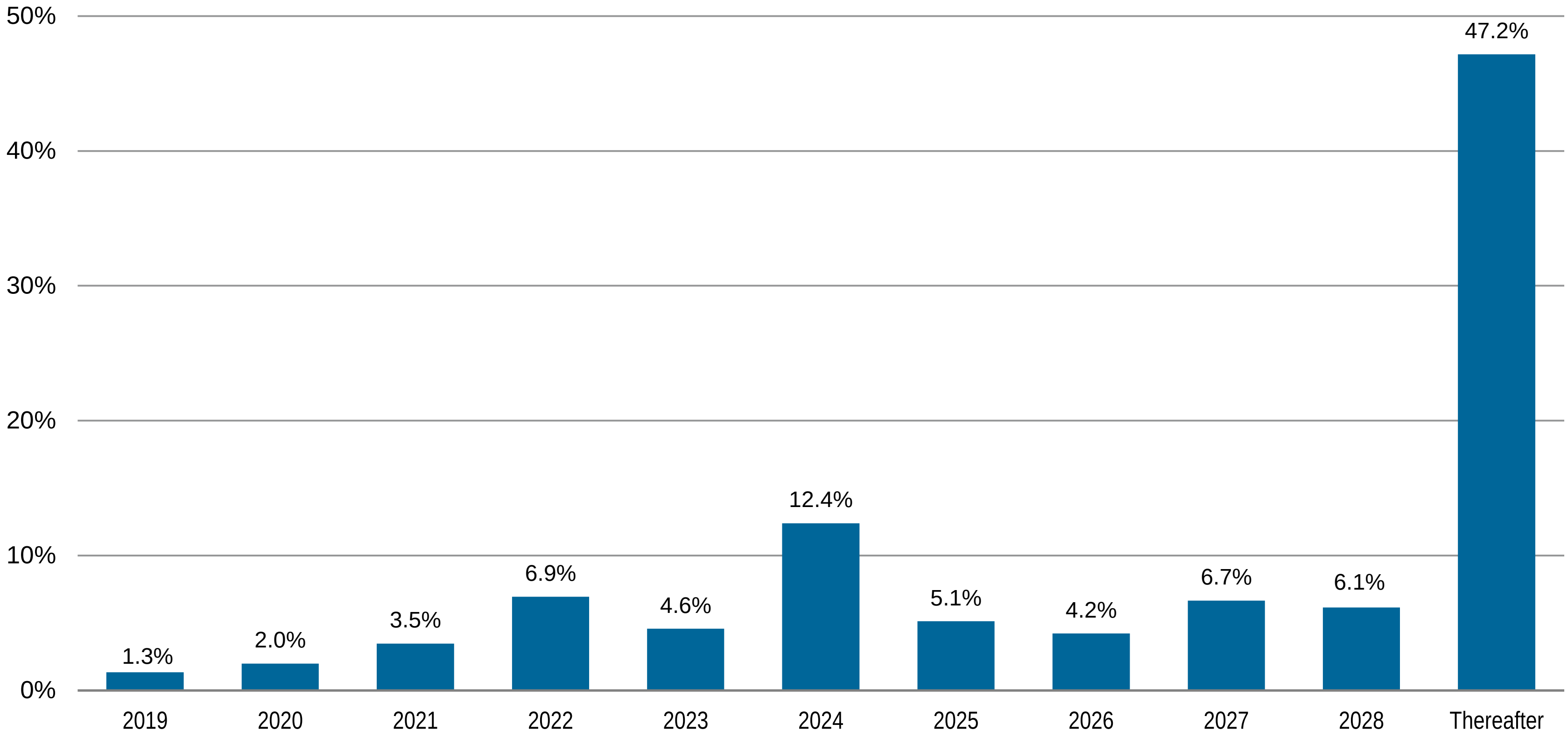


(1) Same store portfolio includes leases that were continuously in place for the four quarters ending in the current period. Excludes leases for properties that were acquired, sold or vacated, or were subject to lease renewals, extensions or modifications at any time that affected ABR during that period. For purposes of comparability, ABR is presented on a constant currency basis using exchange rates as of the most recent quarter.

Lease Expirations and Average Lease Term (1)

Weighted average lease term of 10.2 years

Lease Expirations (% ABR) (2)



(1) Portfolio information reflects pro rata ownership of real estate assets (excluding operating properties) as of March 31, 2019.
(2) Assumes tenants do not exercise any renewal options.

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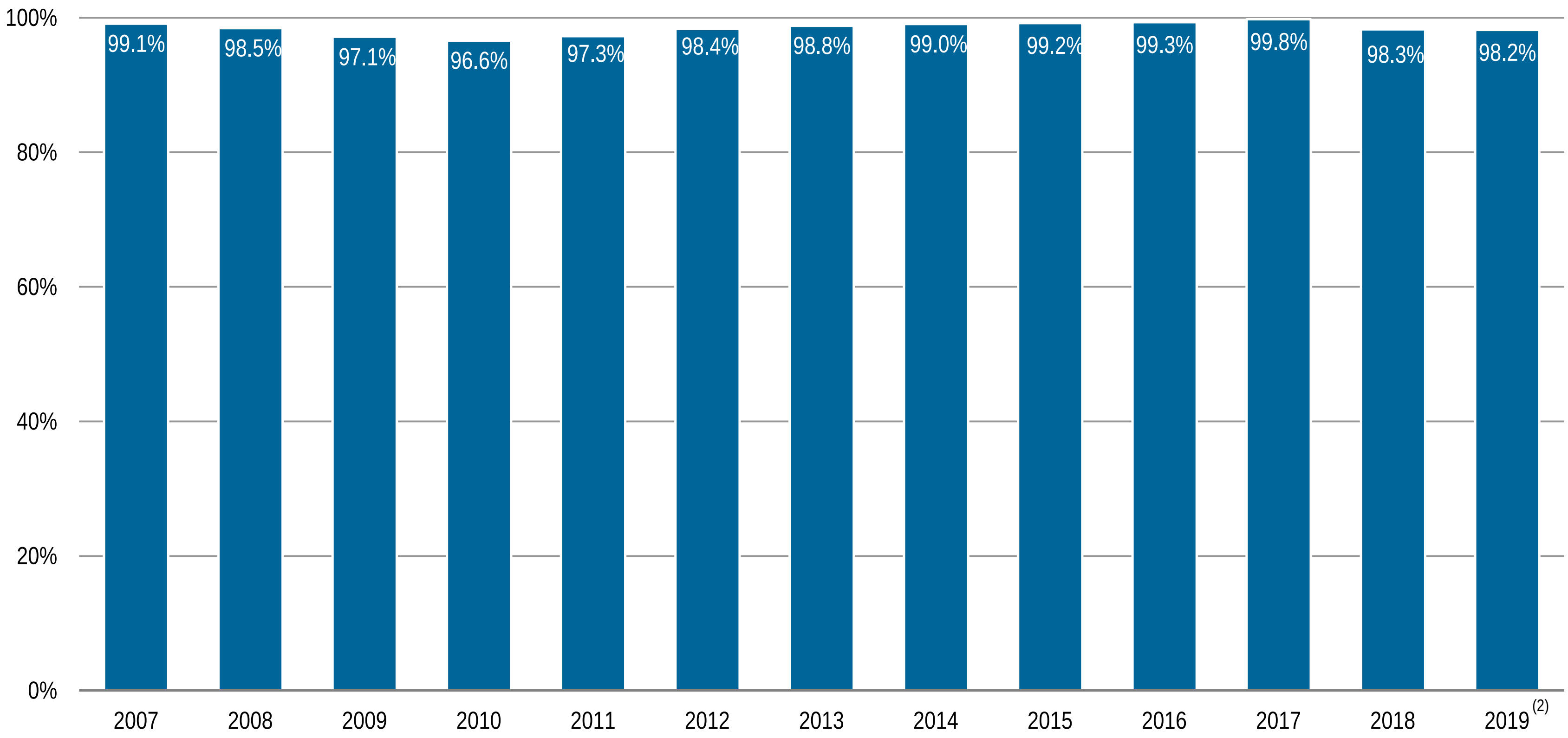
Historical Occupancy [1]

Stable occupancy maintained during the credit crisis and economic downturn

Occupancy (% Square Feet)



(1) Includes W. P. Carey and the following CPA REITs: Corporate Property Associates 12 Incorporated, Corporate Property Associates 14 Incorporated, CPA:15, CPA:16, CPA:17 and CPA:18, as applicable. Portfolio information excludes operating properties.

(2) As of March 31, 2019.

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Recent Acquisitions – Case Studies

Completed investments totaling $1.2 billion since the beginning of 2018

- Comprised of $1.0 billion of on-balance-sheet acquisitions and $163 million of capital investment projects

Recent Acquisitions

Danske Fragtmænd

June 2018

Purchase Price: $187 million

Facility Type: Warehouse/Logistics

Location: Denmark

Size: 1,986,823 square feet; 15 properties

Lease Term: 18-year lease

Rent Escalation: CPI-based

Faurecia

December 2018

Purchase Price: $55 million (1)

Facility Type: Industrial

Location: France, Poland, Mexico

Size: 641,057 square feet; 3 properties

Lease Term: MX: 19 years Europe: 15 years

Rent Escalation: Uncapped CPI

Orgill

March 2019

Purchase Price: $38 million

Facility Type: Warehouse

Location: U.S.

Size: 763,371 square feet

Lease Term: 15-year lease

Rent Escalation: Fixed

(1) In addition to the acquisitions, W. P. Carey entered into an agreement to fund a $5.5 million expansion to the Poland facility, totaling approximately 72,000 sq.ft.

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Capital Investment Projects – Case Studies

Capital investment projects have become a more meaningful part of our investment activity

- Completed on-balance-sheet capital investment projects totaling $112 million in 2018 and $52 million in 1Q19
- An additional $197 million of development projects currently in process

Recent Development Activity

Harbor Freight Tools

Completed March 2019

HARBOR FREIGHT TOOLS
Quality Tools at Ridiculously Low Prices

Investment: $46 million Build-to-Suit

Facility Type: Warehouse

Location: U.S.

Size: 1,000,000 square feet

Lease Term: 20-year lease

Rent Escalation: Fixed

Nippon Express

Expected Completion 2019

NIPPON EXPRESS

Investment: $20 million Expansion

Facility Type: Warehouse/Logistics

Location: Rotterdam, Netherlands

Size: 353,239 square feet (expansion size)

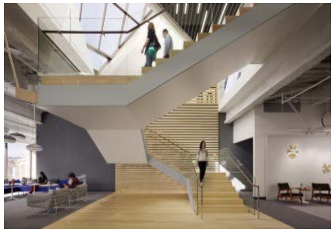
Lease Term: 10-year lease

Rent Escalation: CPI-based

Astellas

Expected Completion 2019

astellas



Investment: $52 million Redevelopment

Facility Type: Laboratory

Location: U.S.

Size: 260,876 square feet (includes expansion)

Lease Term: 18-year lease

Rent Escalation: Fixed

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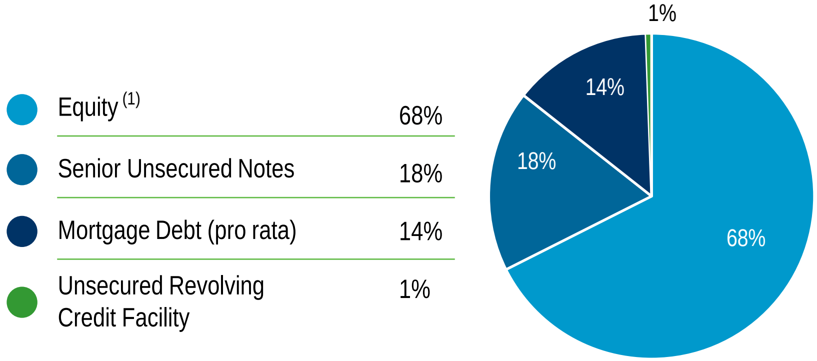
III. Balance Sheet

Balance Sheet Overview

Capitalization (%)



Capital Markets and Balance Sheet

- YTD 2019: Prepaid ~$290MM of mortgages with ATM proceeds [(2)]
- 4Q18 – May 2019: Issued ~$660MM of equity through the ATM program
- October 2018: Issued €500MM of 2.25% Senior Unsecured Notes due 2026 through European subsidiary
- October 2018: Completed $5.9B all-stock merger with CPA:17
- March 2018: Used bond proceeds to repay €325MM term loan, outstanding balance on the revolver and maturing mortgage debt
- March 2018: Issued €500MM of 2.125% Senior Unsecured Notes due 2027 through European subsidiary

Capitalization ($MM)	3/31/19
Total Equity [(1)]	**$13,288**
Pro Rata Net Debt	
Senior Unsecured Notes USD	1,300
Senior Unsecured Notes EUR	2,247
Mortgage Debt, pro rata USD	1,868
Mortgage Debt, pro rata (EUR $806 / Other $47)	853
Unsecured Revolving Credit Facility USD	30
Unsecured Revolving Credit Facility (EUR $55 / Other $22)	77
Total Pro Rata Debt	**$6,375**
Less: Cash and Cash Equivalents	(243)
Total Pro Rata Net Debt	**$6,132**
Enterprise Value	**$19,420**
Total Capitalization	**$19,663**

Leverage Metrics

Pro Rata Net Debt / Adjusted EBITDA [(3)(5)]	5.8x
Pro Rata Net Debt / Enterprise Value [(1)(3)]	31.6%
Total Consolidated Debt / Gross Assets [(4)]	41.0%
Weighted Average Interest Rate (pro rata)	3.6%
Weighted Average Debt Maturity (pro rata)	4.8 years

(1) Based on a closing stock price of $78.33 and 169,636,526 common shares outstanding as of March 31, 2019.
(2) As of April 30, 2019.
(3) Pro rata net debt to enterprise value and pro rata net debt to Adjusted EBITDA are based on pro rata debt less consolidated cash and cash equivalents.
(4) Gross assets represent consolidated total assets before accumulated depreciation on real estate. Gross assets are net of accumulated amortization on in-place lease and above-market rent intangible assets.
(5) Adjusted EBITDA represents 1Q19 annualized Adjusted EBITDA, as reported in the Form 8-K furnished to the SEC on May 3, 2019.

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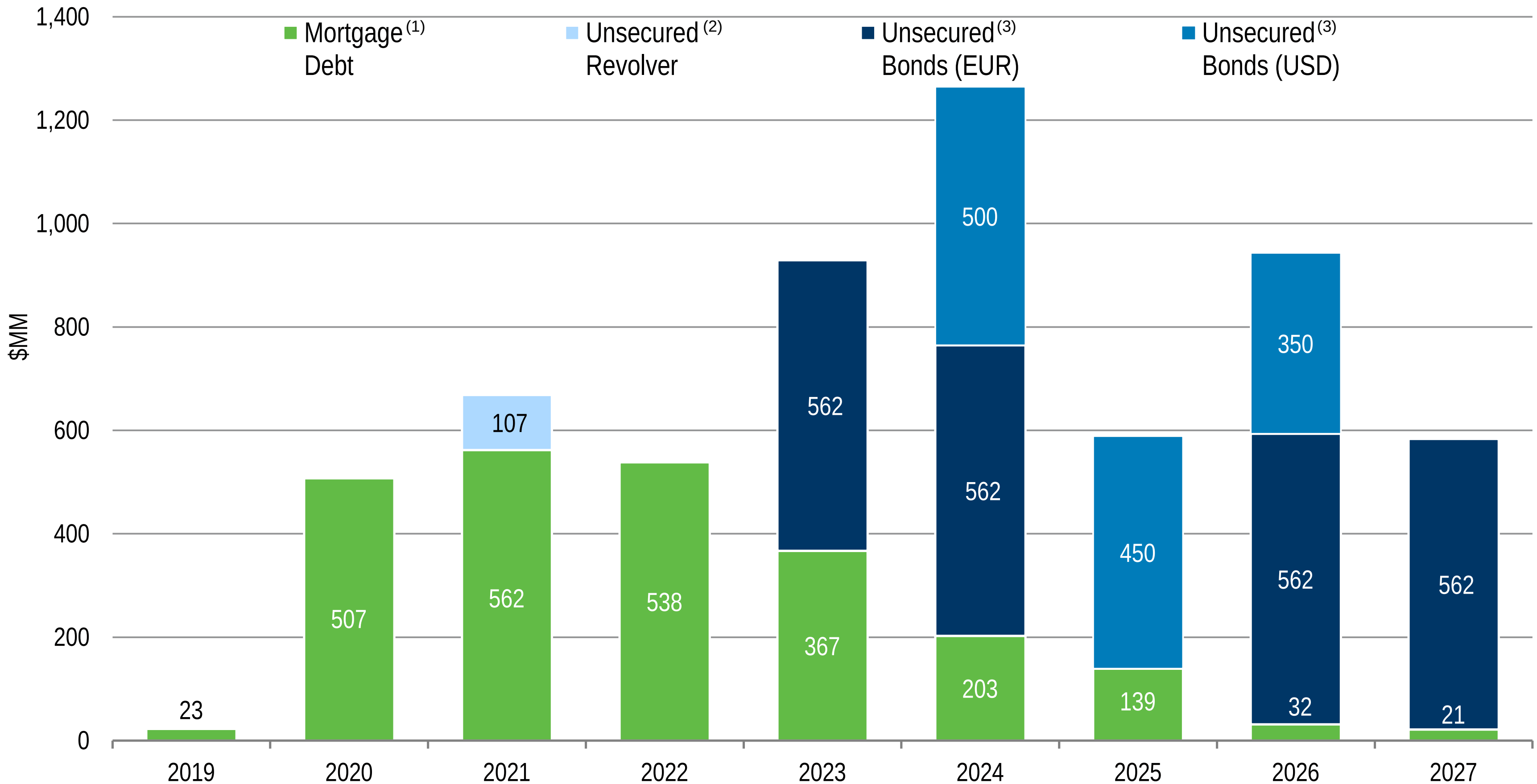
Debt Maturity Schedule

Principal at Maturity



	2019	2020	2021	2022	2023	2024	2025	2026	2027
% of Total (4)	0.4%	8.4%	11.2%	9.3%	15.3%	20.9%	9.9%	15.2%	9.3%
Interest Rate (4)	6.1%	4.9%	3.9%	4.5%	2.7%	3.6%	4.6%	3.2%	2.3%

(1) Reflects pro rata balloon payments due at maturity. W. P. Carey has two additional fully amortizing mortgages due in 2028 ($11MM) and 2031 ($4MM).
(2) Unsecured revolver has initial maturity in 2021 with two six-month extension options.
(3) Reflects amount due at maturity, excluding unamortized discount and unamortized deferred financing costs.
(4) Reflects the weighted average percentage of debt outstanding and the weighted average interest rate for each year based on the total outstanding balance.

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Unsecured Bond Covenants [1]

Investment grade balance sheet with Baa2/stable rating from Moody's and BBB/stable rating from S&P

Senior Unsecured Notes [2]

	Metric	Covenant	March 31, 2019
Total Leverage	Total Debt / Total Assets	≤ 60%	39.7%
Secured Debt Leverage	Secured Debt / Total Assets	≤ 40%	16.2%
Fixed Charge Coverage	Consolidated EBITDA / Annual Debt Service Charge	≥ 1.5x	4.7x
Maintenance of Unencumbered Asset Value	Unencumbered Assets / Total Unsecured Debt	≥ 150%	239.7%

(1) This is a summary of the key financial covenants for our Senior Unsecured Notes, along with estimated calculations of our compliance with those covenants at the end of the period presented. These ratios are not measures of our liquidity or performance and serve only to demonstrate our ability to incur additional debt, as permitted by the covenants governing the Senior Unsecured Notes.

(2) As of March 31, 2019, our Senior Unsecured Notes consisted of the following note issuances: (i) $500 million 4.6% senior unsecured notes due 2024, (ii) €500 million 2.0% senior unsecured notes due 2023, (iii) $450 million 4.0% senior unsecured notes due 2025, (iv) $350 million 4.25% senior unsecured notes due 2026 (v) €500 million 2.25% senior unsecured notes due 2024, (vi) €500 million 2.125% senior unsecured notes due 2027 and (vii) €500 million 2.25% senior unsecured notes due 2026.

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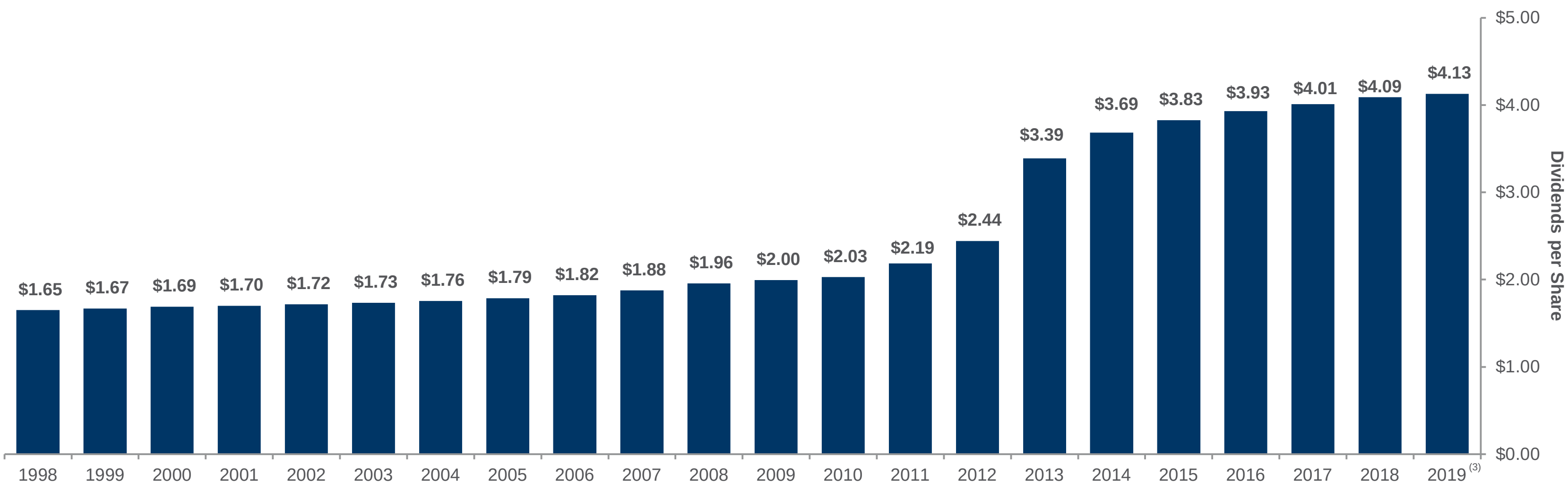
History of Consistent Dividend Growth

W. P. Carey has increased its dividend every year since going public in 1998

- Current annualized dividend of $4.13 with a yield of 5.3% (1)
- Conservative and stable payout ratio since conversion to a REIT in September 2012

Dividends per Share & Payout Ratio (2)



Note: Past performance does not guarantee future results.
(1) Based on a stock price of $78.33 as of March 31, 2019.
(2) Full year distributions declared per share, excluding special dividends, divided by full year AFFO per diluted share.
(3) Dividend per share reflects 1Q19 dividend annualized.

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IV. Investment Management

Summary of Non-Traded Investment Programs

Total AUM of $7.6 billion, including $1.4 billion of net lease AUM

- Closed merger with CPA:17 in October 2018
- Exited non-traded retail fundraising in June 2017

	CPA:18	CWI 1	CWI 2	CESH I
Investment focus	Diversified / Net Lease	Lodging / Hospitality	Lodging / Hospitality	Student Housing
Fundraising Status	Closed	Closed	Closed	Closed
AUM	$2.4B	$2.9B	$2.0B	$263MM
Net lease assets	$1.4B	--	--	--
NAV per share	$8.73	$10.39	$11.41	-- (1)
General liquidation guideline (2)	Beginning after the 7th anniversary of the closing of the initial public offering in 2015	Beginning 6 years following the termination of the initial public offering in 2013 (3)	Beginning 6 years following the termination of the initial public offering in 2017 (3)	Beginning 5 years after raising the minimum offering amount in 2016

(1) We own limited partnership units of CESH I at its private placement price of $1,000 per unit; we currently do not intend to calculate a net asset value per unit for CESH I.
(2) Based on general liquidation guidelines set forth in the respective prospectuses; ultimately, liquidation is approved by the independent directors of each program (except for CESH I, which is determined by its general partner).
(3) The boards of directors of the CWI REITs have formed special committees and begun the process of evaluating strategic alternatives, including a combination with each other. There can be no assurance as to the form or timing of any transaction or that any transaction will be pursued at all.

Cautionary Statement Concerning Forward-Looking Statements

Certain of the matters discussed in this communication constitute forward-looking statements within the meaning of the Securities Act of 1933 and the Exchange Act of 1934, both as amended by the Private Securities Litigation Reform Act of 1995. The forward-looking statements include, among other things, statements regarding the intent, belief or expectations of W. P. Carey and can be identified by the use of words such as "may," "will," "should," "would," "assume," "outlook," "seek," "plan," "believe," "expect," "anticipate," "intend," "estimate," "forecast" and other comparable terms. These forward-looking statements include, but are not limited to, statements regarding our corporate strategy and estimated or future economic performance and results; underlying assumptions about our portfolio (e.g., occupancy rate, lease terms, and tenant credit quality, including our expectations about tenant bankruptcies and interest coverage), possible new acquisitions and dispositions, and our international exposure and acquisition volume; our capital structure, future capital expenditure levels (including any plans to fund our future liquidity needs), and future leverage and debt service obligations; prospective statements regarding our capital markets program, including our credit ratings and "at-the market" ("ATM") program; the outlook for the investment programs that we manage, including possible liquidity events for those programs; statements that we make regarding our ability to remain qualified for taxation as a real estate investment trust ("REIT").

These statements are based on the current expectations of the management of W. P. Carey. It is important to note that W. P. Carey's actual results could be materially different from those projected in such forward-looking statements. There are a number of risks and uncertainties that could cause actual results to differ materially from the forward-looking statements. Other unknown or unpredictable factors could also have material adverse effects on future results, performance or achievements of W. P. Carey. Discussions of some of these other important factors and assumptions are contained in W. P. Carey's filings with the SEC and are available at the SEC's website at http://www.sec.gov, including Part I, Item 1A. Risk Factors in W. P. Carey's Annual Report on Form 10-K for the year ended December 31, 2018. In light of these risks, uncertainties, assumptions and factors, the forward-looking events discussed in this communication may not occur. Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date of this communication, unless noted otherwise. Except as required under the federal securities laws and the rules and regulations of the SEC, W. P. Carey does not undertake any obligation to release publicly any revisions to the forward-looking statements to reflect events or circumstances after the date of this communication or to reflect the occurrence of unanticipated events.

All data presented herein is as of March 31, 2019 unless otherwise noted.

Amounts may not sum to totals due to rounding.

Past performance does not guarantee future results.

Disclosures

The following non-GAAP financial measures are used in this presentation

FFO and AFFO

Due to certain unique operating characteristics of real estate companies, as discussed below, the National Association of Real Estate Investment Trusts, Inc. ("NAREIT"), an industry trade group, has promulgated a non-GAAP measure known as FFO, which we believe to be an appropriate supplemental measure, when used in addition to and in conjunction with results presented in accordance with GAAP, to reflect the operating performance of a REIT. The use of FFO is recommended by the REIT industry as a supplemental non-GAAP measure. FFO is not equivalent to nor a substitute for net income or loss as determined under GAAP.

We define FFO, a non-GAAP measure, consistent with the standards established by the White Paper on FFO approved by the Board of Governors of NAREIT, as restated in December 2018. The White Paper defines FFO as net income or loss computed in accordance with GAAP, excluding gains or losses from sales of property, impairment charges on real estate, gains or losses on changes in control of interests in real estate and depreciation and amortization from real estate assets; and after adjustments for unconsolidated partnerships and jointly owned investments. Adjustments for unconsolidated partnerships and jointly owned investments are calculated to reflect FFO. Our FFO calculation complies with NAREIT's policy described above.

We modify the NAREIT computation of FFO to include other adjustments to GAAP net income to adjust for certain noncash charges such as amortization of real estate-related intangibles, deferred income tax benefits and expenses, straightline rents, stock-based compensation, non-cash environmental accretion expense and amortization of deferred financing costs. Our assessment of our operations is focused on long-term sustainability and not on such non-cash items, which may cause short-term fluctuations in net income but have no impact on cash flows. Additionally, we exclude non-core income and expenses such as gains or losses from extinguishment of debt, restructuring and related compensation expenses and merger and acquisition expenses. We also exclude realized and unrealized gains/losses on foreign currency exchange transactions (other than those realized on the settlement of foreign currency derivatives), which are not considered fundamental attributes of our business plan and do not affect our overall long-term operating performance. We refer to our modified definition of FFO as AFFO. We exclude these items from GAAP net income to arrive at AFFO as they are not the primary drivers in our decision-making process and excluding these items provides investors a view of our portfolio performance over time and makes it more comparable to other REITs which are currently not engaged in acquisitions, mergers and restructuring which are not part of our normal business operations. AFFO also reflects adjustments for unconsolidated partnerships and jointly owned investments. We use AFFO as one measure of our operating performance when we formulate corporate goals, evaluate the effectiveness of our strategies and determine executive compensation.

We believe that AFFO is a useful supplemental measure for investors to consider as we believe it will help them to better assess the sustainability of our operating performance without the potentially distorting impact of these short-term fluctuations. However, there are limits on the usefulness of AFFO to investors. For example, impairment charges and unrealized foreign currency losses that we exclude may become actual realized losses upon the ultimate disposition of the properties in the form of lower cash proceeds or other considerations. We use our FFO and AFFO measures as supplemental financial measures of operating performance. We do not use our FFO and AFFO measures as, nor should they be considered to be, alternatives to net income computed under GAAP or as alternatives to net cash provided by operating activities computed under GAAP or as indicators of our ability to fund our cash needs.

Disclosures (cont'd)

The following non-GAAP financial measures are used in this presentation (cont'd)

EBITDA and Adjusted EBITDA

We believe that EBITDA is a useful supplemental measure to investors and analysts for assessing the performance of our business segments because (i) it removes the impact of our capital structure from our operating results and (ii) because it is helpful when comparing our operating performance to that of companies in our industry without regard to such items, which can vary substantially from company to company. Adjusted EBITDA as disclosed represents EBITDA, modified to include other adjustments to GAAP net income for certain non-cash charges, such as impairments, non-cash rent adjustments and unrealized gains and losses from our hedging activity. Additionally, we exclude gains and losses on sale of real estate, which are not considered fundamental attributes of our business plans and do not affect our overall long-term operating performance. We exclude these items from adjusted EBITDA as they are not the primary drivers in our decision-making process. Adjusted EBITDA reflects adjustments for unconsolidated partnerships and jointly owned investments. Our assessment of our operations is focused on long-term sustainability and not on such non-cash and non-core items, which may cause short-term fluctuations in net income but have no impact on cash flows. We believe that adjusted EBITDA is a useful supplemental measure to investors and analysts, although it does not represent net income that is computed in accordance with GAAP. Accordingly, adjusted EBITDA should not be considered as an alternative to net income or as an indicator of our financial performance. EBITDA and adjusted EBITDA as calculated by us may not be comparable to similarly titled measures of other companies.

Pro Rata Metrics

This disclosure contains certain metrics prepared under the pro rata consolidation method. We refer to these metrics as pro rata metrics. We have a number of investments, usually with our affiliates, in which our economic ownership is less than 100%. Under the full consolidation method, we report 100% of the assets, liabilities, revenues and expenses of those investments that are deemed to be under our control or for which we are deemed to be the primary beneficiary, even if our ownership is less than 100%. Also, for all other jointly owned investments, which we do not control, we report our net investment and our net income or loss from that investment. Under the pro rata consolidation method, we present our proportionate share, based on our economic ownership of these jointly owned investments, of the assets, liabilities, revenues and expenses of those investments. Multiplying each of our jointly owned investments' financial statement line items by our percentage ownership and adding or subtracting those amounts from our totals, as applicable, may not accurately depict the legal and economic implications of holding an ownership interest of less than 100% in our jointly owned investments.

ABR

ABR represents contractual minimum annualized base rent for our net-leased properties, net of receivable reserves as determined by GAAP, and reflects exchange rates as of March 31, 2019. If there is a rent abatement, we annualize the first monthly contractual base rent following the free rent period. ABR is not applicable to operating properties and is presented on a pro rata basis.

W. P. CAREY