W. P. Carey Inc.

Investor Presentation

Third Quarter 2017

W. P. CAREY

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Unless otherwise noted, all data in this presentation is as of September 30, 2017. Amounts may not sum to totals due to rounding.

I. Overview

Company Highlights

WPC is an internally managed publicly-traded REIT specializing in sale-leaseback investments of commercial real estate primarily in the U.S. and Europe

Size	One of the largest owners of net lease assets
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
Asset Management	U.S. and European asset management teams proactively manage tenant, property and leasing issues
Balance Sheet	Investment grade balance sheet with opportunity to access multiple forms of capital
Fee Income	Generates fee income from management of assets on behalf of non-traded investment programs

Google
Office
Venice, California

Tommy Hilfiger
Distribution Center
The Netherlands

Business Model and Structure [1]

WPC is an internally managed REIT and advisor to non-traded investment programs

Public REIT (NYSE: WPC)
$11.4 billion of Enterprise Value [2]

81% of AFFO [3]

19% of AFFO [3]

Owned Real Estate Portfolio

- 890 net lease properties / 86 million sq. ft. / 9.5 year WALT / $679 million of ABR [4]
  - Primarily industrial, office, retail and warehouse facilities
  - 211 tenants; top 10 tenants represent 31.8% of ABR
  - Properties located primarily in U.S. and Europe
  - 99.8% occupancy
  - Minimal exposure to unconsolidated JV assets (six ventures representing $19 million of ABR) [5]

Advisor to
$13.2 billion of AUM

- Diversified / net-lease [6]
  $8.1 billion AUM
- Lodging [7]
  $4.9 billion AUM
- Other [8]
  $0.2 billion AUM

(1) Data as of or for the quarter ended September 30, 2017 unless otherwise noted.
(2) Enterprise value represents equity market capitalization based on a stock price of $67.39 as of September 30, 2017 plus pro rata debt outstanding, less consolidated cash and cash equivalents.
(3) AFFO by segment for last twelve months ended September 30, 2017. Advisory AFFO includes fees associated with our investment management segment, including income related to our equity interests in the managed programs.
(4) Portfolio information reflects pro rata ownership and excludes two hotel operating properties. As used herein, "ABR" represents pro rata contractual minimum annualized base rent (see definition in Disclosures at end) and "WALT" represents weighted average lease term.
(5) Excludes a preferred equity position in a jointly owned investment.
(6) Represents Corporate Property Associates 17 - Global Incorporated ("CPA®:17-Global") and Corporate Property Associates 18 - Global Incorporated ("CPA®:18-Global").
(7) Represents Carey Watermark Investors Incorporated ("CWI 1") and Carey Watermark Investors 2 Incorporated ("CWI 2")
(8) Represents Carey European Student Housing Fund I, L.P. ("CESH I"), which raised funds through a private placement to develop, own and operate student housing and similar investments in Europe.

Recent Achievements [1]

Since REIT conversion in September 2012

Acquisitions

- Completed $9.6 billion in investments on our balance sheet comprised of:
  - $7.0 billion through acquisition of CPA® REITs [2]
  - $2.6 billion through single-asset or portfolio purchases

Balance Sheet & Capitalization

- $2.5 billion total bond issuance ($1.3 billion USD bonds and €1.0 billion Eurobonds) at rates well below WPC's average mortgage debt rate
- Issued $400 million of total equity through follow-on offering and ATM programs
- Amended credit facility increased capacity to $1.85 billion and lowered overall borrowing rates
- Received investment grade ratings from Moody's and S&P

Strategy

- Long-term strategy to invest exclusively for WPC's balance sheet
- Exit from non-traded retail fundraising, ultimately leading to:
  - More valuable company based on stable and predictable earnings
  - Simplified business / disclosure

Operational Efficiency

- G&A expenses reduced more than 25% since 2015 [3]
- Continued emphasis on streamlining cost structure going forward

(1) Data as of September 30, 2017.

(2) Includes acquisition of Corporate Property Associates® 15 Incorporated which closed concurrent with REIT conversion and acquisition of Corporate Property Associates® 16 - Global Incorporated.

(3) Excludes stock-based compensation.

Investment Strategy

- Generate attractive risk-adjusted returns by identifying and investing in commercial real estate, primarily in the U.S. and Western & Northern 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 continued success
- 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 • Historical financials
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

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
- WPC has proven experience repositioning assets through re-leasing, restructuring and strategic disposition
- Properties are evaluated quarterly for credit quality, asset quality and asset criticality

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

II. Owned Real Estate Portfolio

Large Diversified Portfolio [1]

Number of Properties	890
Number of Tenants	211
Square Footage	86 million
ABR	$679 million
US / Europe / Other (% of ABR)	65% / 30% / 5%
WALT	9.5 years
Occupancy	99.8%
Investment Grade Tenants (% of ABR) [2]	27.7%
Top 10 Tenant Concentration (% of ABR)	31.8%

(1) Portfolio information reflects pro rata ownership of real estate assets as of September 30, 2017 and excludes two hotel operating properties.

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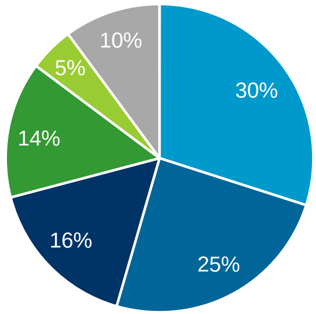
Property and Industry Diversification (1)

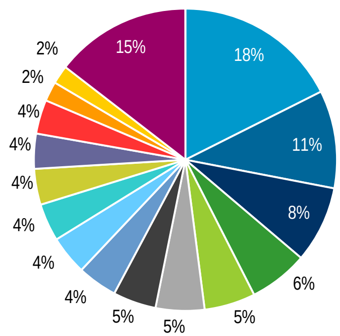
By Property Type (% of ABR)

Industrial	30%
Office	25%
Retail	16%
Warehouse	14%
Self-storage (2)	5%
Other (3)	10%



By Tenant Industry (% of ABR)

Retail Stores (4)	18%
Consumer Services	11%
Automotive	8%
Sovereign and Public Finance	6%
Construction and Building	5%
Hotel, Gaming and Leisure	5%
Beverage, Food and Tobacco	5%
Cargo Transportation	4%
Healthcare and Pharmaceuticals	4%
Containers, Packaging and Glass	4%
High Tech Industries	4%
Media: Advertising, Printing and Publishing	4%
Capital Equipment	4%
Business Services	2%
Wholesale	2%
Other (5)	15%



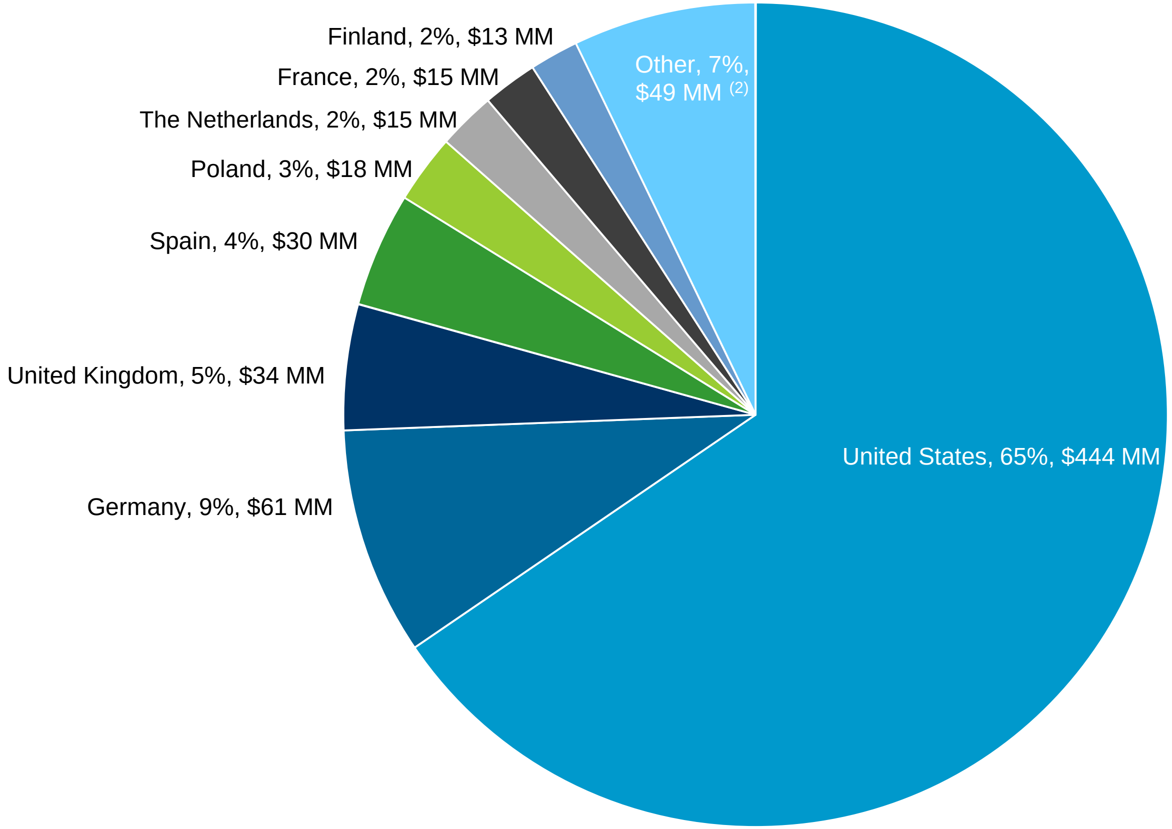
Top 10 Tenants

	Number of Properties	ABR ($ millions)	WALT (years)	% of Total
HELLWEG	53	$36	12.4	5.3%
U-HAUL (2)	78	32	6.6	4.7%
State of Andalucia	70	29	17.2	4.2%
Pendragon PLC	70	21	12.6	3.2%
Marriott (2)	18	20	6.1	3.0%
FORTERRA	49	18	18.5	2.6%
OBI	18	16	6.7	2.4%
True Value	7	16	5.3	2.3%
Universal Technical Institute	5	14	4.5	2.1%
ABCgroup	14	14	19.2	2.0%
Top 10	**382**	**$216**	**11.1 yrs**	**31.8%**

(1) Portfolio information reflects pro rata ownership of real estate assets as of September 30, 2017 and excludes two hotel operating properties.
(2) These are also net-leased properties.
(3) Includes education facility, hotel, movie theater, fitness facility and student housing, which are all net-lease properties.
(4) Includes automotive dealerships.
(5) Includes ABR from tenants in the following industries: Consumer Goods, Durable; Grocery; Aerospace & Defense; Chemicals, Plastics, & Rubber; Metals & Mining; Oil & Gas; Banking; Consumer Goods, Non-Durable; Telecommunications; Insurance; Energy: Electricity; Media: Broadcasting & Subscriptions; Forest Products & Paper; and Environmental Industries.

Geographic Diversification (1)

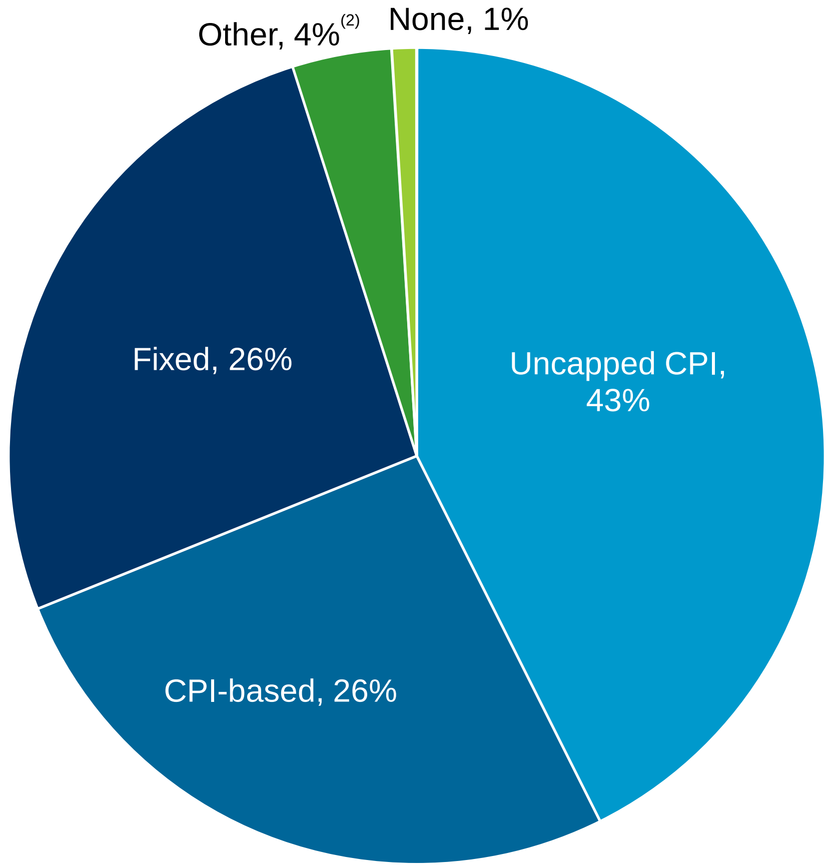
WPC has been investing internationally for 19 years, primarily in Western and Northern Europe



(1) Portfolio information reflects pro rata ownership of real estate assets as of September 30, 2017 and excludes two hotel operating properties.
(2) Includes Canada, Australia, Norway, Hungary, Austria, Thailand, Mexico, Sweden, Belgium, and Japan.

Internal Growth from Contractual Rent Increases [1]

- Approximately 99% of leases have contractual rent increases, including 69% linked to CPI
- Minimal exposure to operating expenses

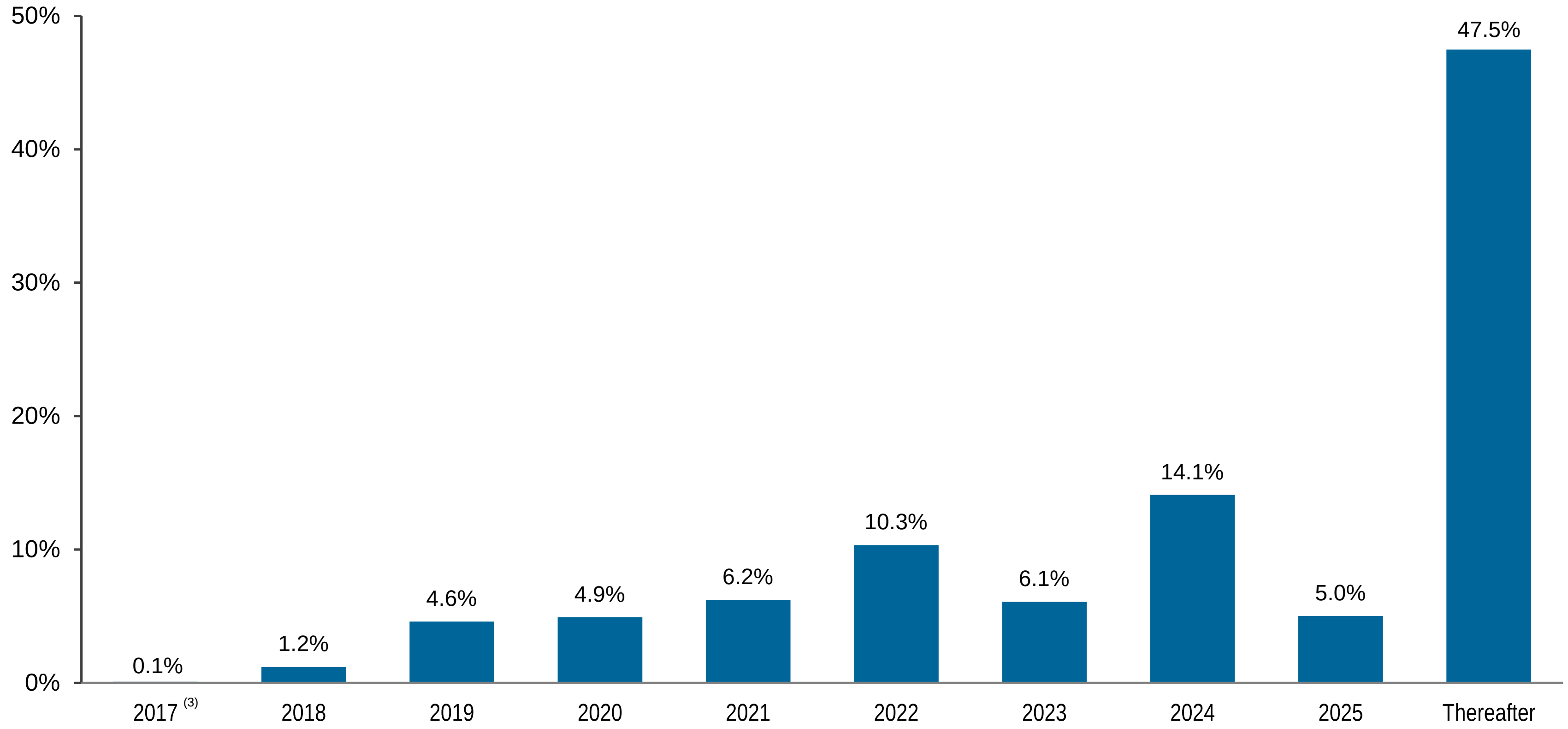


(1) Portfolio information reflects pro rata ownership of real estate assets as of September 30, 2017 and excludes two hotel operating properties.
(2) Represents leases with percentage rent.

Lease Expirations and Average Lease Term [1]

Weighted average lease term of 9.5 years

Lease Expirations (% ABR) [2]

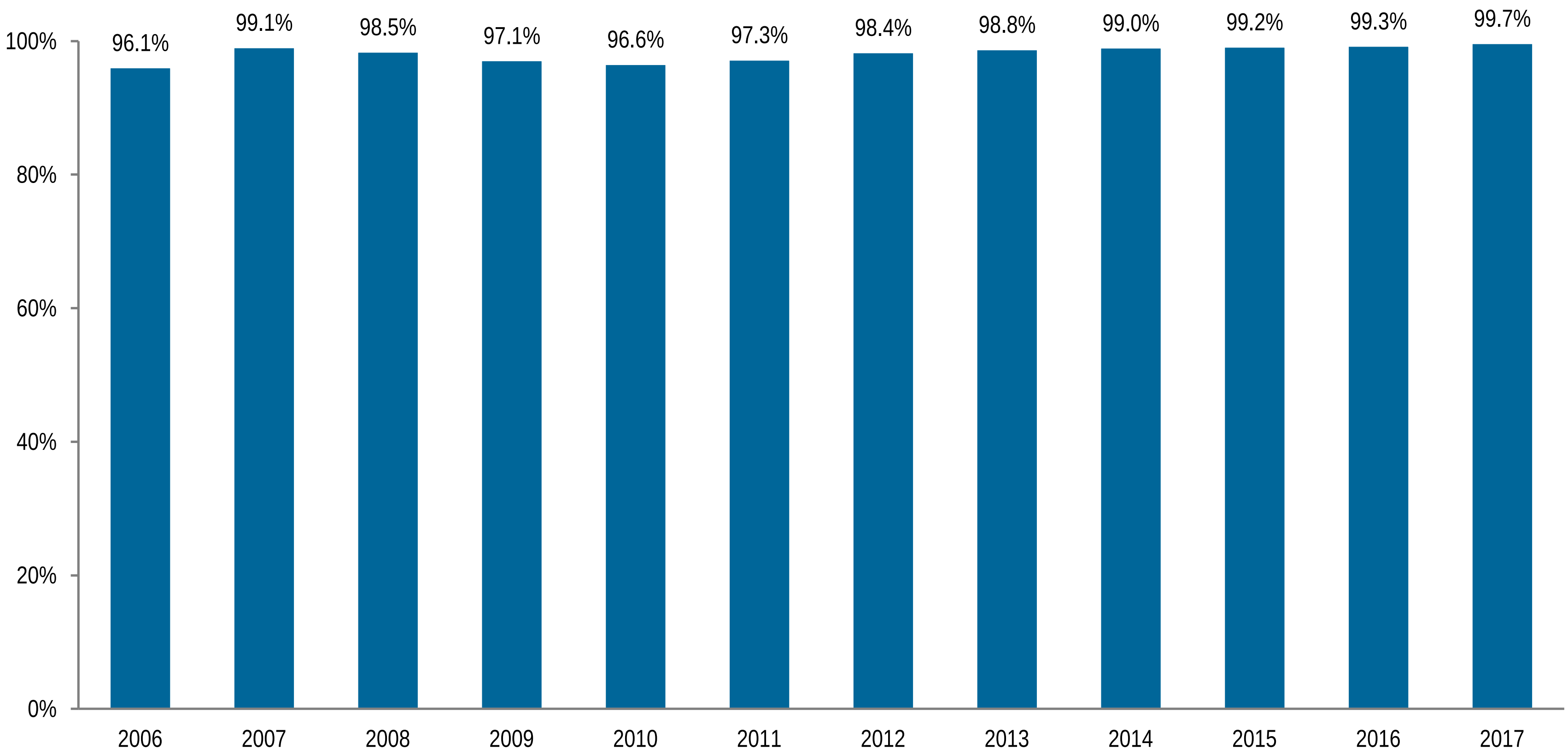


(1) Portfolio information reflects pro rata ownership of real estate assets as of September 30, 2017 and excludes two hotel operating properties.
(2) Assumes tenants do not exercise any renewal options.
(3) Includes one month-to-month lease with ABR of $0.1 million.

Historical Occupancy [1]

Stable occupancy maintained during the credit crisis and economic downturn

Occupancy (% Square Feet)



(1) Includes WPC and the CPA® REITs (collectively, Corporate Property Associates® 12 Incorporated, Corporate Property Associates® 14 Incorporated, Corporate Property Associates® 15 Incorporated, Corporate Property Associates® 16 - Global Incorporated, Corporate Property Associates® 17 - Global Incorporated and Corporate Property Associates® 18 - Global Incorporated). Portfolio information excludes operating properties.

Investment Activity

Completed on balance sheet acquisitions totaling $608 million since the beginning of 2016

- Acquisitions located primarily in North America with a weighted average lease term of approximately 20 years

Select Acquisitions

Forterra (2Q16)

Purchase Price: $218 million

Facility Type: Industrial

Location: U.S. and Canada

Size: 4,069,982 square feet; 49 properties

Lease Term: 20-year lease

Rent Escalation: Fixed 2%

Nord Anglia Education (2Q16)

Purchase Price: $168 million

Facility Type: Education

Location: U.S.

Size: 591,874 square feet; 3 properties

Lease Term: 25-year lease

Rent Escalation: CPI Uncapped

ABC Group (4Q16)

Purchase Price: $141 million

Facility Type: Industrial

Location: U.S., Canada and Mexico

Size: 2,376,462 square feet; 14 properties

Lease Term: 20-year lease

Rent Escalation: CPI

Other: Three USD denominated master leases

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Development Projects

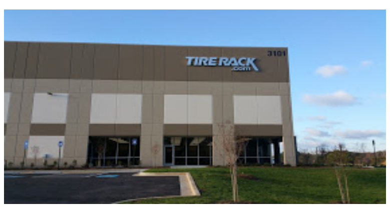
Completed on balance sheet development projects totaling $71 million since the beginning of 2016

- Assets located primarily in North America with a weighted average lease term of approximately 20 years
- An additional $83 million of development projects currently in progress with completion dates during 2018

Select Completed Development Activity

Tire Rack (4Q16)

McCall Road
Distribution Center [1]



Purchase Price: $14 million
Facility Type: Industrial
Location: U.S.
Size: 365,640 square feet
Lease Term: 12.5-year lease
Rent Escalation: Fixed 2.25%

Nord Anglia Education (2Q17)

NORD ANGLIA EDUCATION

Purchase Price: $18 million
Facility Type: Education Facility
Location: U.S.
Size: 40,000 square feet
Lease Term: 25-year lease
Rent Escalation: CPI Uncapped

Inghams (2Q17)

INGHAM'S Heart of the Table

Purchase Price: $15 million
Facility Type: Industrial
Location: Australia
Size: 386,705 square feet; 2 properties
Lease Term: 18-year lease
Rent Escalation: CPI

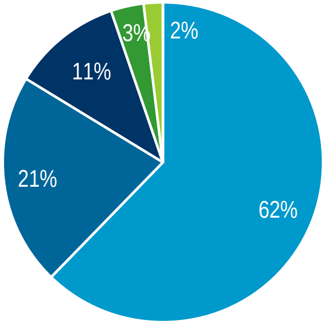
(1) Multitenant building; lease term and rent escalation calculated on weighted average basis

III. Balance Sheet

Balance Sheet Overview

Capitalization (%)

Equity [1]	62%
Senior Unsecured Notes	21%
Mortgage Debt (pro rata)	11%
Unsecured Term Loan	3%
Unsecured Revolving Credit Facility	2%



Recent Capital Markets Activity

- **3Q17** – Raised $23 million of net proceeds year-to-date through our ATM program
- **2Q17** – Executed delayed draw term loan component of credit facility, €89 million draw, increasing total term loan to €325 million
- **1Q17** – Issued €500 million of 2.25% Senior Unsecured Notes due 2024 (through newly-established European subsidiary)
  – Amended credit facility and increased capacity of unsecured line of credit to $1.85 billion
  – Renewed our $400 million ATM program
- **3Q16** – Issued $350 million of 4.25% Senior Unsecured Notes due 2026
  – Raised $84 million of net proceeds in 2016 through our ATM program

Capitalization ($ millions)	September 30, 2017
Total Equity [1]	**$7,204**
Senior Unsecured Notes	2,481
Mortgage Debt (pro rata)	1,275
Unsecured Term Loan	384
Unsecured Revolving Credit Facility	224
Total Pro Rata Debt	**$4,363**
Less: Cash and Cash Equivalents	170
Total Pro Rata Net Debt	**$4,194**
Enterprise Value	**$11,398**
Total Capitalization	**$11,567**

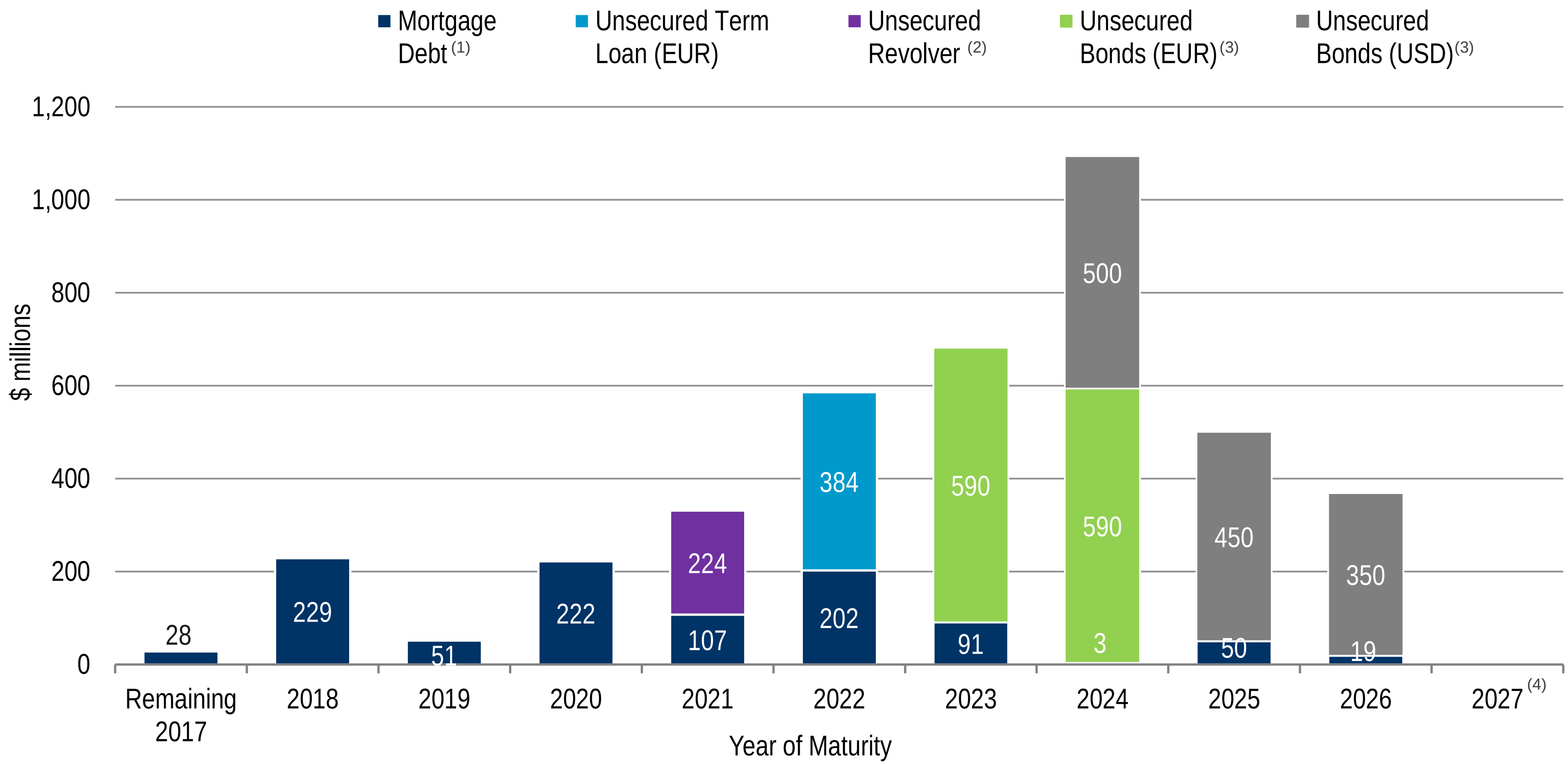
Leverage Metrics

Pro Rata Net Debt / Adjusted EBITDA [2][3]	5.5x
Pro Rata Net Debt / Enterprise Value [1][3]	36.8%
Total Consolidated Debt / Gross Assets [4]	48.3%
Weighted Average Interest Rate	3.5%

(1) Based on stock a price of $67.39 as of September 30, 2017 and 106,897,515 common shares outstanding as of September 30, 2017.
(2) Adjusted EBITDA represents 3Q17 annualized Adjusted EBITDA, as reported in a Form 8-K furnished to the SEC on November 3, 2017.
(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 tenant relationship intangible assets.

Debt Maturity Schedule

Principal at Maturity



	Remaining 2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027
% of Total (5)	0.7%	5.4%	1.3%	5.8%	8.0%	14.3%	16.7%	26.3%	12.3%	9.0%	0.3%
Interest Rate (5)	5.6%	3.6%	6.1%	4.8%	3.0%	2.7%	2.6%	3.5%	4.1%	4.5%	5.8%

(1) Reflects pro rata balloon payments due at maturity, excluding principal amortization.
(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) 2027 is comprised of a single mortgage that is fully amortizing with no principal due at maturity.
(5) Reflects the weighted average percentage of debt outstanding and the weighted average interest rate for each year based on the total outstanding balance.

Unsecured Bond Covenants [1]

- Investment grade balance sheet with Baa2/stable rating from Moody's and BBB/stable rating from S&P
- S&P recently upgraded the Company's Senior Unsecured Notes from BBB- to BBB

Senior Unsecured Notes [2]

	Metric	Covenant	September 30, 2017
Total Leverage	Total Debt / Total Assets	≤ 60%	46.0%
Secured Debt Leverage	Secured Debt / Total Assets	≤ 40%	13.3%
Fixed Charge Coverage	Consolidated EBITDA / Annual Debt Service Charge	≥ 1.5x	4.7x
Maintenance of Unencumbered Asset Value	Unencumbered Assets / Total Unsecured Debt	≥ 150%	187.5%

(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.

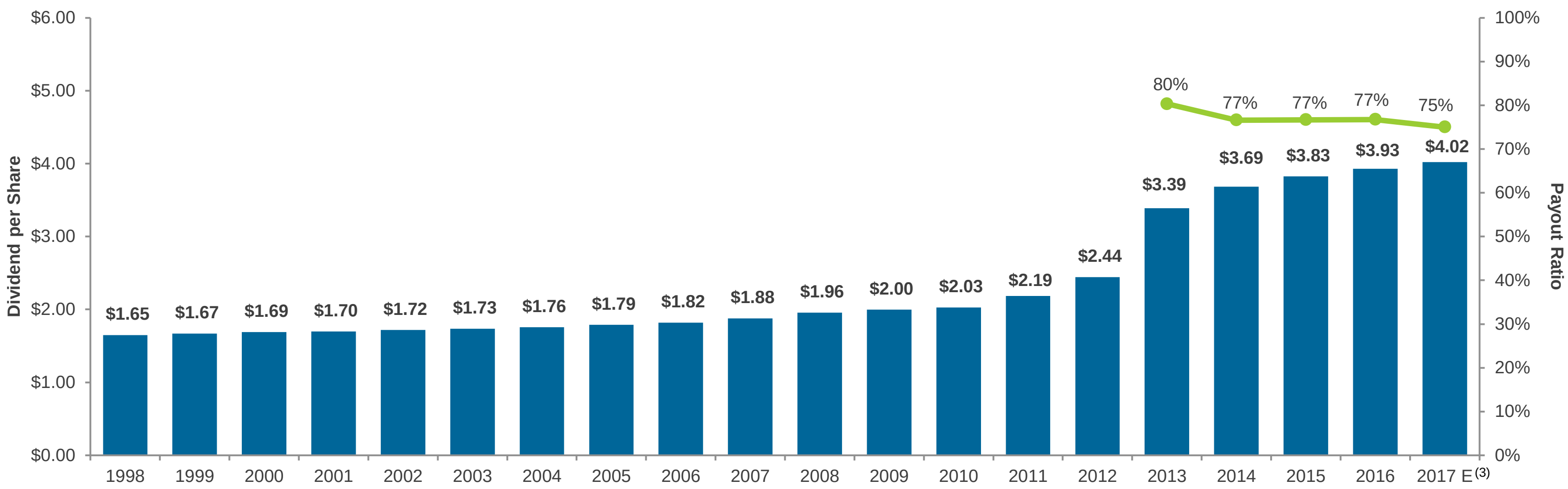
(2) Our Senior Unsecured Notes currently consist of the following note issuances: (i) $500 million 4.6% senior unsecured notes due 2024, (ii) €500 million 2.0% senior unsecured notes due 2023, (iii) $450 million 4.0% senior unsecured notes due 2025, (iv) $350 million 4.250% senior unsecured notes due 2026 and (v) €500,000,000 2.250% Senior Notes due 2024.

History of Consistent Dividend Growth

WPC has increased its dividend every year since going public in 1998

- Current annualized dividend of $4.02 with a yield of 6.0% (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 $67.39 as of September 30, 2017.

(2) Full year distributions declared per share, excluding special dividends, divided by full year AFFO per diluted share.

(3) Dividend per share reflects 3Q17 dividend annualized. Payout ratio is calculated using year-to-date dividend declared over year-to-date AFFO per share.

IV. Investment Management

Summary of Managed Programs as of September 30, 2017

Total AUM of $13.2 billion including approximately $6.4 billion of net lease AUM

	CPA®:17 – Global	CPA®:18 – Global	CWI 1	CWI 2	CESH I
Investment focus	Diversified / Net Lease	Diversified / Net Lease	Lodging / Hospitality	Lodging / Hospitality	Student Housing
Fundraising Status	Closed	Closed	Closed	Closed	Closed
AUM	$5.8 billion	$2.4 billion	$3.1 billion	$1.9 billion	$155 million
Net lease assets (1)	$5.0 billion	$1.4 billion	--	--	--
NAV per share	$10.11	$8.24	$10.80	$10.74	-- (2)
General liquidation guideline (3)	8 - 12 years following investment of substantially all proceeds from the initial public offering ("IPO") in 2011	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	Beginning 6 years following the termination of the initial public offering in 2017	Beginning 5 years after raising the minimum offering amount in 2016

$13.2 bn

$6.4 bn

(1) Net lease assets include current construction value of in-process net lease build-to-suit assets.
(2) We own limited partnership units of CESH I at its private placement price of $1,000 per unit; we do not intend to calculate a net asset value per unit.
(3) Based on general liquidation guidelines set forth in the respective prospectuses; ultimately, liquidation is approved by the independent directors of the respective funds.

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 Securities 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 Inc. (“WPC”) and can be identified by the use of words such as “may,” “will,” “should,” “would,” “will be,” “will continue,” “will likely result,” “believe,” “project,” “expect,” “anticipate,” “intend,” “estimate” and other comparable terms. These forward-looking statements may include, but are not limited to, statements regarding: our estimated or future economic performance and results, including our underlying assumptions, occupancy rates, credit ratings, and possible new acquisitions and dispositions by us and for our investment management programs (including any capital recycling); our future growth prospects, capital expenditure levels, financing transactions and plans to fund our liquidity needs; our projected assets under management; our corporate strategy, including our continuing ability to qualify as a real estate investment trust (“REIT”); our annualized dividends, including the amount and timing of any future dividends; our international exposure and acquisition volume; our expectations about tenant credit quality and interest coverage; our portfolio lease terms; the investment management programs, including their earnings; our capital structure; our existing or future leverage and debt service obligations; and our capital markets programs, including our ability to sell shares under our ATM program and the use of any proceeds from that program.

These statements are based on the current expectations of our management. It is important to note that our 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 these forward-looking statements. Other unknown or unpredictable factors could also have material adverse effects on our business, financial condition, liquidity, results of operations, AFFO and prospects. You should exercise caution in relying on forward-looking statements as they involve known and unknown risks, uncertainties and other factors that may materially affect our future results, performance, achievements or transactions. Discussions of some of these other important factors and assumptions are contained in our filings with the Securities and Exchange Commission (the “SEC”) and are available on the SEC’s website at http://www.sec.gov, including “Item 1A. Risk Factors” in our Annual Report on Form 10-K for the year ended December 31, 2016, and in other filings we make with the SEC from time to time. Moreover, because we operate in a very competitive and rapidly changing environment, new risks are likely to emerge from time to time. Given these risks and uncertainties, potential investors are cautioned not to place undue reliance on these forward-looking statements as a prediction of future results, which speak only as of the date of this presentation, unless noted otherwise. Except as required by federal securities laws and the rules and regulations of the SEC, we do not undertake to revise or update any forward-looking statements.

All data presented herein is as of September 30, 2017 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., or 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 revised in February 2004. 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, 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 compensation, gains or losses from extinguishment of debt and deconsolidation of subsidiaries, and unrealized foreign currency exchange gains and losses. 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 certain lease termination income, restructuring and other compensation-related expenses resulting from a reduction in headcount and employee severance arrangements and other expenses (which includes expenses related to the formal strategic review that we completed in May 2016 and accruals for estimated one-time legal settlement expenses). We also exclude realized gains/losses on foreign 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. 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 earnings computed under GAAP or as alternatives to cash from 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 merger expenses related to our merger with Corporate Property Associates 16 – Global Incorporated, which are considered non-core, and gains and losses in 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. 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 supplemental package 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.

ABR

ABR represents contractual minimum annualized base rent for our net-leased properties and reflects exchange rates as of the date of this report. 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.