W. P. Carey Inc. Capitalization & Leverage

4Q18

Investing for the long run®


Balance Sheet Progression

W. P. Carey remains committed to maintaining its credit rating, growing its pool of unencumbered assets and strengthening its balance sheet

- Since W. P. Carey was rated by S&P and Moody's in 2013, maturing mortgages have generally been paid off with proceeds from equity or unsecured notes and new acquisitions have been unencumbered

	December 2013 (1)	December 2018 (2)		% Change
Total mortgage debt	$3.1 billion	$2.7 billion	↓	(12%)
Secured debt as % of gross assets	35.9%	18.3%	↓	(18%)
Unencumbered net lease ABR (pro rata) (3)	$153 million	$565 million	↑	270%
Estimated unencumbered net lease asset value (4)	$2.0 billion	$7.5 billion	↑	277%
Unsecured credit rating	BBB- (S&P / stable) Baa2 (Moody's / stable)	BBB (S&P / stable) Baa2 (Moody's / stable)	↑	

(1) Pro forma for W. P. Carey's January 31, 2014 acquisition of CPA:16 - Global.
(2) Financial data as of December 31, 2018.
(3) "ABR" represents pro rata contractual minimum annualized base rent (see definition in Disclosures at end).
(4) Unencumbered net lease asset value reflects ABR at a 7.50% capitalization rate, consistent with capitalization rate in the covenants governing the Senior Unsecured Notes.

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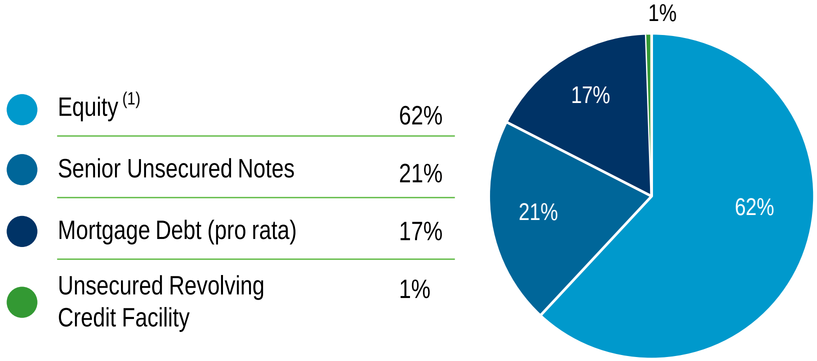
Balance Sheet Overview

Capitalization (%)



Capitalization ($MM)	12/31/18
Total Equity (1)	**$10,799**
Pro Rata Net Debt	
Senior Unsecured Notes USD	1,300
Senior Unsecured Notes EUR	2,290
Mortgage Debt, pro rata USD	2,067
Mortgage Debt, pro rata (EUR $831 / Other $58)	889
Unsecured Revolving Credit Facility USD	-
Unsecured Revolving Credit Facility (EUR $69 / Other $23)	92
Total Pro Rata Debt	**$6,638**
Less: Cash and Cash Equivalents	(218)
Total Pro Rata Net Debt	**$6,420**
Enterprise Value	**$17,219**
Total Capitalization	**$17,437**

Capital Markets and Balance Sheet

- March 2018: Issued €500MM of 2.125% Senior Unsecured Notes due 2027 through European subsidiary
- March 2018: Used bond proceeds to repay €325MM term loan, outstanding balance on the revolver and maturing mortgage debt
- October 2018: Completed $5.9B all-stock merger with CPA:17
- October 2018: Issued €500MM of 2.25% Senior Unsecured Notes due 2026 through European subsidiary
- 4Q18 – Feb. 2019: Issued ~$350MM of equity through the ATM program

Leverage Metrics	
Pro Rata Net Debt / Adjusted EBITDA (2)(4)	5.8x
Pro Rata Net Debt / Enterprise Value (1)(2)	37.3%
Total Consolidated Debt / Gross Assets (3)	42.8%
Weighted Average Interest Rate (pro rata)	3.6%
Weighted Average Debt Maturity (pro rata)	5.0 years

(1) Based on a closing stock price of $65.34 and 165,279,642 common shares outstanding as of December 31, 2018.
(2) 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.
(3) Gross assets represent consolidated total assets before accumulated depreciation on real estate. Gross assets are net of accumulated amortization on in-place lease and other intangible assets and above-market rent intangible assets.
(4) Adjusted EBITDA represents 4Q18 annualized Adjusted EBITDA, as reported in the Form 8-K furnished to the SEC on February 22, 2019.

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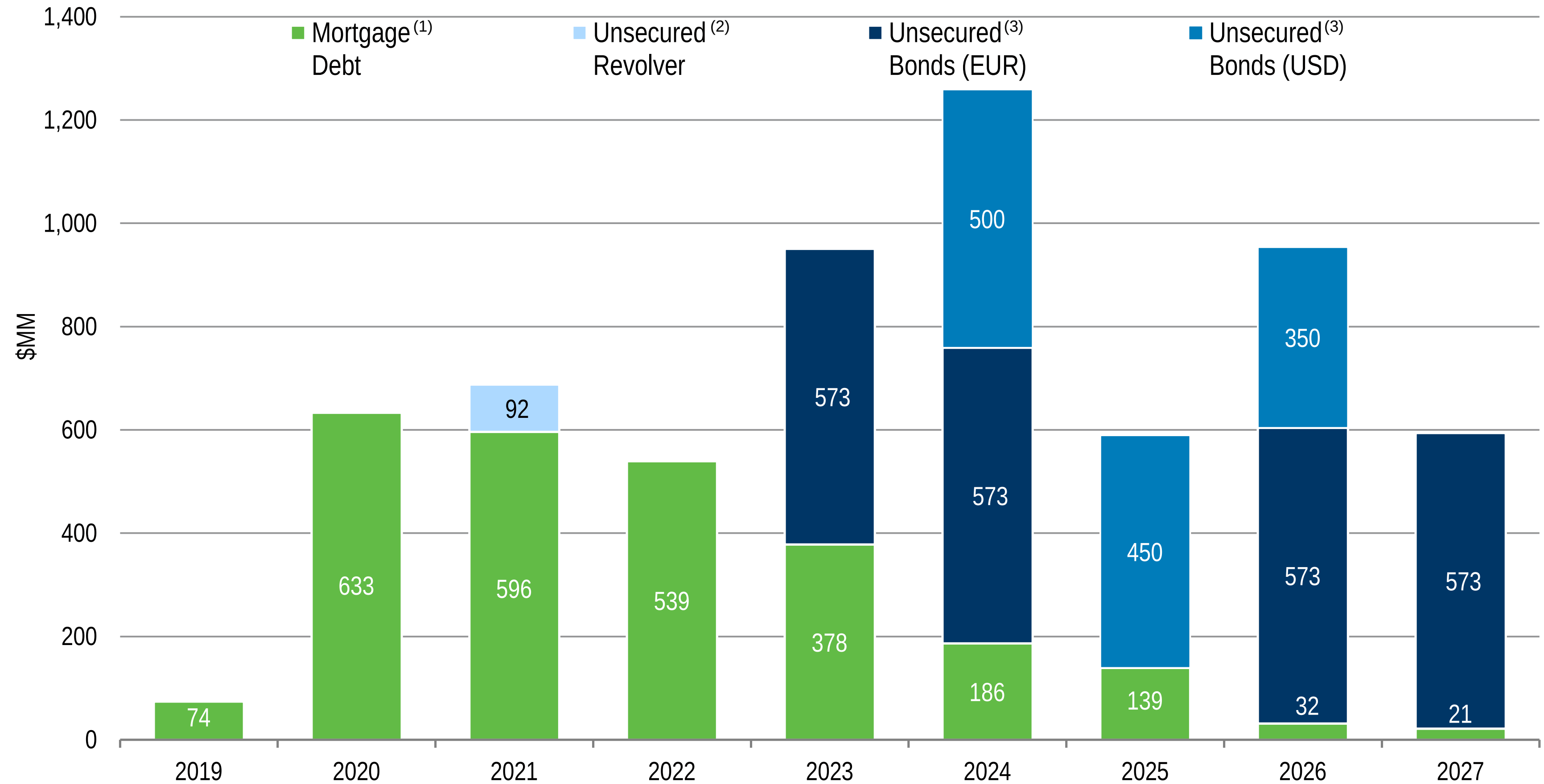
Debt Maturity Schedule

Principal at Maturity



	2019	2020	2021	2022	2023	2024	2025	2026	2027
% of Total (4)	1.1%	10.0%	11.2%	9.0%	15.1%	20.0%	9.5%	14.7%	9.1%
Interest Rate (4)	5.3%	4.9%	3.9%	4.5%	2.7%	3.5%	4.6%	3.2%	2.3%

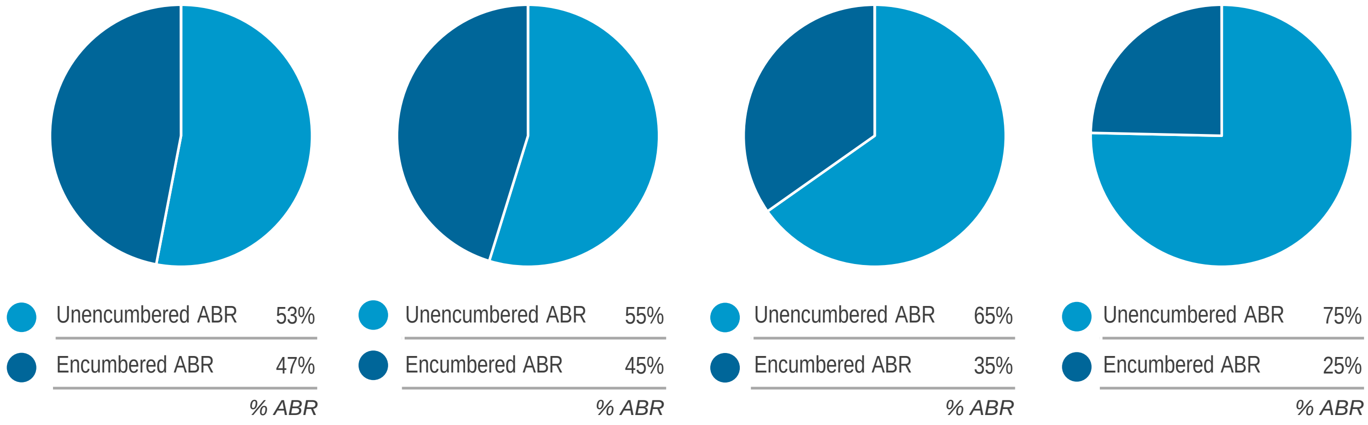
(1) Reflects pro rata balloon payments due at maturity. WPC has two additional fully amortizing mortgages due in 2028 ($11MM) and 2031 ($4MM).
(2) Unsecured revolver has initial maturity in 2021 with two six-month extension options.
(3) Reflects amount due at maturity, excluding unamortized discount 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.

Unencumbered Pool

Unencumbered ABR Based on Scheduled Debt Maturity Repayments (1)

	As of Dec. 31, 2018	As of Dec. 31, 2019	As of Dec. 31, 2020	As of Dec. 31, 2021
Unencumbered ABR	$565MM	$584MM	$695MM	$804MM

Analysis excludes potential future unencumbered acquisitions, dispositions and contractual rent increases



(1) Projection based on unencumbered ABR as of December 31, 2018 and excluding operating properties. Assumes that W. P. Carey will choose not to refinance maturing mortgages with mortgage debt and that such properties and associated ABR will become unencumbered, which may not occur.

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	December 31, 2018
Total Leverage	Total Debt / Total Assets	≤ 60%	41.8%
Secured Debt Leverage	Secured Debt / Total Assets	≤ 40%	17.9%
Fixed Charge Coverage	Consolidated EBITDA / Annual Debt Service Charge	≥ 1.5x	4.42x
Maintenance of Unencumbered Asset Value	Unencumbered Assets / Total Unsecured Debt	≥ 150%	223.1%

(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 December 31, 2018 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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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: the impact of the merger with Corporate Property Associates 17 – Global Incorporated (“CPA:17”); our corporate strategies, estimated or future economic performance and results, our capital structure and expenditure levels, leverage and debt service obligations, credit ratings, financing transactions and plans to fund our liquidity needs, and our capital markets programs.

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, 2018, as well as 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 December 31, 2018 unless otherwise noted.

Amounts may not sum to totals due to rounding.

Past performance does not guarantee future results.

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Disclosures

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. For the three months ended December 31, 2018, we also modified Adjusted EBITDA for the pro rata share of cash NOI for the partial period with an amount estimated to be equivalent to the additional pro rata share of cash NOI necessary to reflect ownership of properties acquired in the CPA:17 Merger for the full quarter; we also reduced Adjusted EBITDA for advisory fees received from CPA:17 – Global during that quarter. 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 December 31, 2018. 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.

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