



W. P. Carey Inc. Capitalization & Leverage 1Q21

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⁾	March 2021	% Change	
Total mortgage debt	\$3.1 billion	\$729 million		(76%)
Secured debt as % of gross assets	35.9%	4.6%		(31%)
Unencumbered net lease ABR (pro rata) ⁽²⁾	\$153 million	\$1.0 billion		574%
Estimated unencumbered net lease asset value ⁽³⁾	\$2.0 billion	\$13.8 billion		574%
Unsecured credit rating	BBB- (S&P / stable) Baa2 (Moody's / stable)	BBB (S&P / stable) Baa2 (Moody's / stable)		

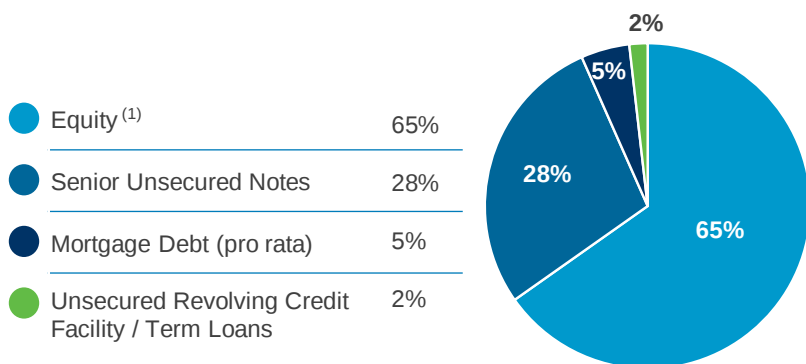
(1) Pro forma for W. P. Carey's January 31, 2014 acquisition of Corporate Property Associates:16 – Global Incorporated.

(2) "ABR" represents pro rata contractual minimum annualized base rent (see definition in Disclosures at end).

(3) 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.

Balance Sheet Overview

Capitalization (%)



Capital Markets and Balance Sheet

- **YTD 2021:** Raised \$171MM in net proceeds through ATM offering
- **Feb 2021:** Issued \$425MM of 2.25% Senior Unsecured USD Notes due 2033 to prepay secure debt
- **Feb 2021:** Issued €525MM of 0.95% Senior Unsecured EUR notes due 2030 and used the proceeds to redeem the outstanding 2.00% Senior Unsecured EUR notes due 2023
- **Oct 2020:** Issued \$500MM of 2.4% Senior Unsecured Notes due 2031
- **Jun 2020:** Issued ~\$382MM of equity through a forward offering, settling approximately \$200MM to date
- **Feb 2020:** Amended and restated \$2.1B credit facility, consisting of \$1.8B revolving line of credit, £150MM term loan, and a €96.5MM delayed draw term loan

(1) Based on a closing stock price of \$70.76 on March 31, 2021 and 177,520,962 common shares outstanding as of March 31, 2021.

(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 above-market rent intangible assets.

(4) Adjusted EBITDA represents 1Q21 annualized Adjusted EBITDA, as reported in the Form 8-K filed with the SEC on April 30, 2021.

Capitalization (\$MM)

3/31/21

Total Equity ⁽¹⁾ **\$12,561**

Pro Rata Net Debt

Senior Unsecured Notes USD	2,550
Senior Unsecured Notes EUR	2,961
Mortgage Debt, pro rata USD	551
Mortgage Debt, pro rata (EUR \$330 / Other \$48)	378
Unsecured Revolving Credit Facility USD	—
Unsecured Revolving Credit Facility (EUR — / Other \$22)	22
Unsecured Term Loans (EUR \$113 / GBP \$206)	320

Total Pro Rata Debt **\$6,781**

Less: Cash and Cash Equivalents (229)

Total Pro Rata Net Debt **\$6,552**

Enterprise Value **\$19,114**

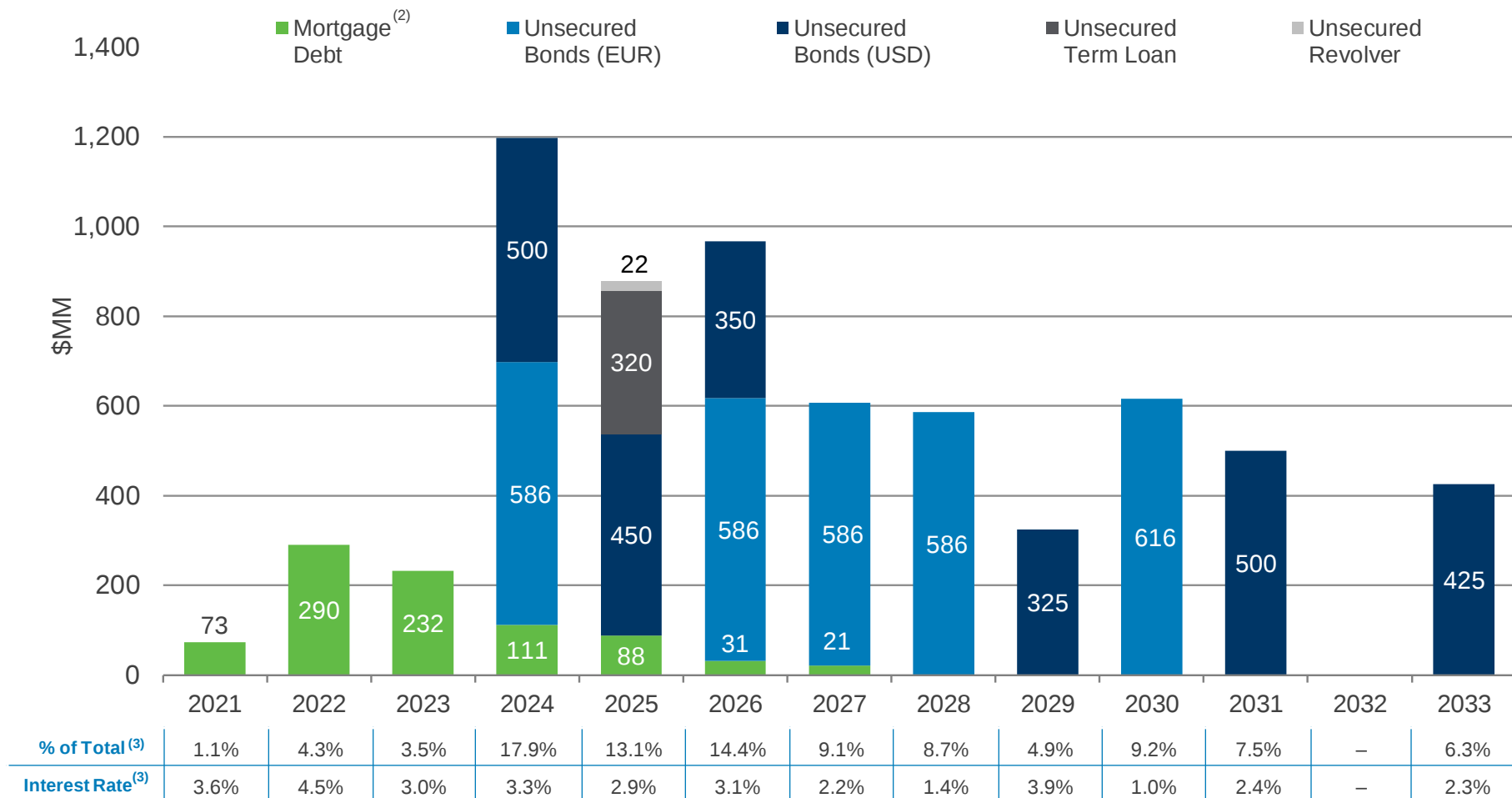
Total Capitalization **\$19,343**

Leverage Metrics

Pro Rata Net Debt / Adjusted EBITDA ⁽²⁾⁽⁴⁾	5.9x
Pro Rata Net Debt / Enterprise Value ⁽¹⁾⁽²⁾	34.3%
Total Consolidated Debt / Gross Assets ⁽³⁾	41.2%
Weighted Average Interest Rate (pro rata)	2.7%
Weighted Average Debt Maturity (pro rata)	5.9 years

Debt Maturity Schedule

Principal at Maturity ⁽¹⁾



(1) Reflects amount due at maturity, excluding unamortized discount and unamortized deferred financing costs.

(2) Reflects pro rata balloon payments due at maturity. W. P. Carey has two additional fully amortizing mortgages due in 2028 (\$9MM) and 2031 (\$3MM).

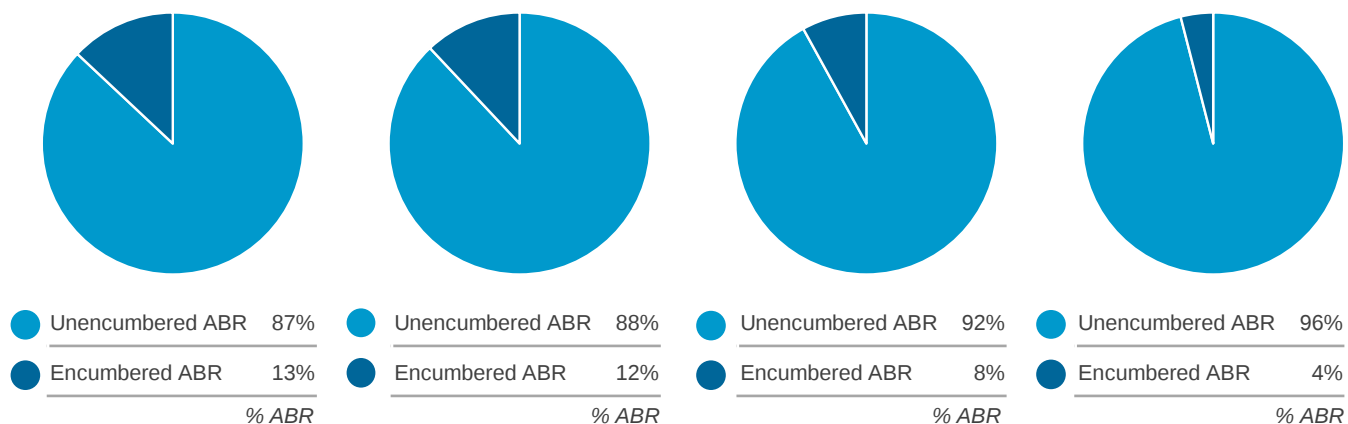
(3) Reflects the weighted average percentage of debt outstanding and the weighted average interest rate for each year based on the total outstanding balance.

Unencumbered Pool

Unencumbered ABR Based on Scheduled Debt Maturity Repayments ⁽¹⁾

	At Mar. 31, 2021	At Dec. 31, 2021	At Dec. 31, 2022	At Dec. 31, 2023
Unencumbered ABR	\$1.0BN	\$1.0BN	\$1.1BN	\$1.1BN

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



(1) Projection based on unencumbered ABR as of March 31, 2021 and excludes 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	March 31, 2021
Total Leverage	Total Debt / Total Assets	≤ 60%	41.6%
Secured Debt Leverage	Secured Debt / Total Assets	≤ 40%	4.6%
Fixed Charge Coverage	Consolidated EBITDA / Annual Debt Service Charge	≥ 1.5x	5.7x
Maintenance of Unencumbered Asset Value	Unencumbered Assets / Total Unsecured Debt	≥ 150%	232.0%

(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, 2021, our Senior Unsecured Notes consisted of the following note issuances: (i) \$500 million 4.60% senior unsecured notes due 2024, (ii) €500 million 2.25% senior unsecured notes due 2024, (iii) \$450 million 4.00% senior unsecured notes due 2025, (iv) \$350 million 4.25% senior unsecured notes due 2026, (v) €500 million 2.25% senior unsecured notes due 2026, (vi) €500 million 2.125% senior unsecured notes due 2027, (vii) €500 million 1.35% senior unsecured notes due 2028, (viii) \$325 million 3.85% senior unsecured notes due 2029, (ix) €525 million 0.95% senior unsecured notes due 2030, (x) \$500 million 2.40% senior unsecured notes due 2031, and (xi) \$425 million 2.25% senior unsecured notes due 2033.

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 the eventual liquidation of our remaining investment management programs.

These statements are based on the current expectations of our management and 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, like the risks related to the effects of pandemics and global outbreaks of contagious diseases (such as the current COVID-19 pandemic), which could have material adverse effects on our future results, performance or achievements and cause our actual results to differ materially from the forward-looking statements. 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, 2020. 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.

In addition, given the significant uncertainty regarding the duration and severity of the impact of the COVID-19 pandemic, W. P. Carey is unable to predict our tenants’ continued ability to pay rent. Therefore, information provided regarding historical rent collections should not serve as an indication of expected future rent collections.

All data presented herein is as of March 31, 2021 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

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) 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 noncore 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.

Other Metrics

Pro Rata Metrics

This presentation 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 and reflects exchange rates as of December 31, 2020 or March 31, 2021. 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.