



# Investor Presentation

REAL ESTATE PARTNER TO THE WORLD'S LEADING COMPANIES

November 2024

REALTY  INCOME  
The Monthly Dividend Company®



# Safe Harbor For Forward-Looking Statements

This presentation contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995, Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Exchange Act of 1934, as amended. When used in this presentation, the words “estimated,” “anticipated,” “expect,” “believe,” “intend,” “continue,” “should,” “may,” “likely,” “plans,” and similar expressions are intended to identify forward-looking statements. Forward-looking statements include discussions of our business and portfolio; growth strategies and intentions to acquire or dispose of properties (including geographies, timing, partners, clients and terms); re-leases, re-development and speculative development of properties and expenditures related thereto; future operations and results; the announcement of operating results, strategy, plans, and the intentions of management; guidance; settlement of shares of common stock sold pursuant to forward sale confirmations under our At-the-Market ("ATM") program; dividends, including the amount, timing and payments of dividends related thereto; and trends in our business, including trends in the market for long-term leases of freestanding, single-client properties. Forward-looking statements are subject to risks, uncertainties, and assumptions about us, which may cause our actual future results to differ materially from expected results. Some of the factors that could cause actual results to differ materially are, among others, our continued qualification as a real estate investment trust; general domestic and foreign business, economic, or financial conditions; competition; fluctuating interest and currency rates; inflation and its impact on our clients and us; access to debt and equity capital markets and other sources of funding (including the terms and partners of such funding); continued volatility and uncertainty in the credit markets and broader financial markets; other risks inherent in the real estate business including our clients' solvency, client defaults under leases, increased client bankruptcies, potential liability relating to environmental matters, illiquidity of real estate investments, and potential damages from natural disasters; impairments in the value of our real estate assets; changes in domestic and foreign income tax laws and rates; property ownership through joint ventures, partnerships and other arrangements which may limit control of the underlying investments; epidemics or pandemics including measures taken to limit their spread, the impacts on us, our business, our clients, and the economy generally; the loss of key personnel; the outcome of any legal proceedings to which we are a party or which may occur in the future; acts of terrorism and war; the anticipated benefits from mergers and acquisitions including from the merger with Spirit Realty Capital, Inc.; and those additional risks and factors discussed in our reports filed with the U.S. Securities and Exchange Commission. Readers are cautioned not to place undue reliance on forward-looking statements. Forward-looking statements are not guarantees of future plans and performance and speak only as of the date of this press release. Actual plans and operating results may differ materially from what is expressed or forecasted in this presentation and forecasts made in the forward-looking statements discussed in this presentation might not materialize. We do not undertake any obligation to update forward-looking statements or publicly release the results of any forward-looking statements that may be made to reflect events or circumstances after the date these statements were made.

## Clients, Trademarks and Logos

Realty Income is not affiliated or associated with, is not endorsed by, does not endorse, and is not sponsored by or a sponsor of the clients or of their products or services pictured or mentioned. The names, logos and all related product and service names, design marks and slogans are the trademarks or service marks of their respective companies.

# Table of Contents

● REALTY INCOME <b>OVERVIEW</b> AND <b>INVESTMENT THESIS</b>	4
● <b>TIME-TESTED</b> TOTAL OPERATIONAL RETURN APPROACH	10
● CONSISTENT CURATION OF <b>NEW GROWTH VERTICALS</b>	13
● PERFORMANCE <b>TRACK RECORD</b>	18
● <b>STRONG</b> BALANCE SHEET	25
● <b>DIVERSIFIED, HIGH-QUALITY</b> REAL ESTATE PORTFOLIO	28
● LEVERAGING <b>SIZE AND SCALE</b> TO DRIVE <b>PROFITABLE GROWTH</b>	35
● <b>PRUDENT CAPITAL ALLOCATION</b> FRAMEWORK	40
● GROWING <b>INTERNATIONAL PORTFOLIO</b>	44
● <b>SUSTAINABILITY</b> OVERVIEW	47
● TOP INDUSTRY INVESTMENT THESES	50
● 2024 GUIDANCE AND NON-GAAP RECONCILIATIONS	56

# Realty Income is the Global Leader in a Fragmented Net Lease Sector

## SIZE, SCALE AND QUALITY

**~\$83B**  
enterprise value

**~\$4.9B**  
annualized base rent

**A3 / A-**  
credit ratings by Moody's & S&P

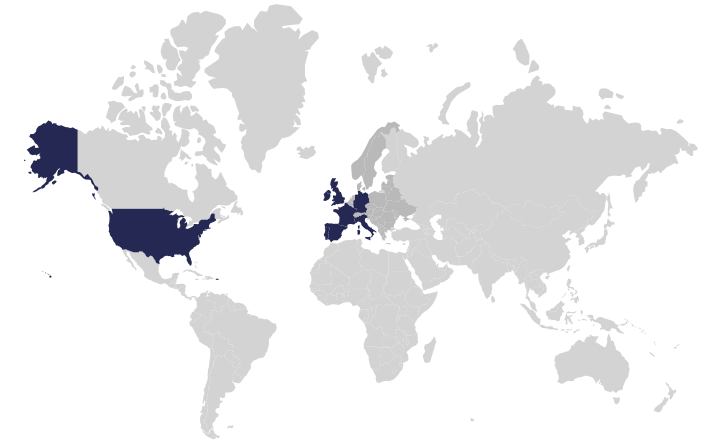
**55**  
years of operating history

**15,457**  
commercial real estate properties

**~32%**  
of rent from investment grade clients<sup>(1)</sup>

## GROWING GLOBAL PRESENCE

**7<sup>th</sup>** largest global REIT<sup>(2)</sup> with properties in **8 countries** and nearly **\$58B<sup>(3)</sup>** in gross real estate value

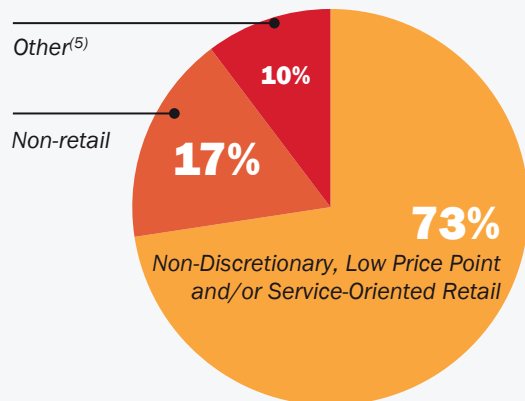


## DIVERSIFIED REAL ESTATE PORTFOLIO

**337**  
million square feet

**1,552**  
clients

**90**  
industries



**~90%**  
of total rent is resilient to economic downturns and/or isolated from e-commerce pressures

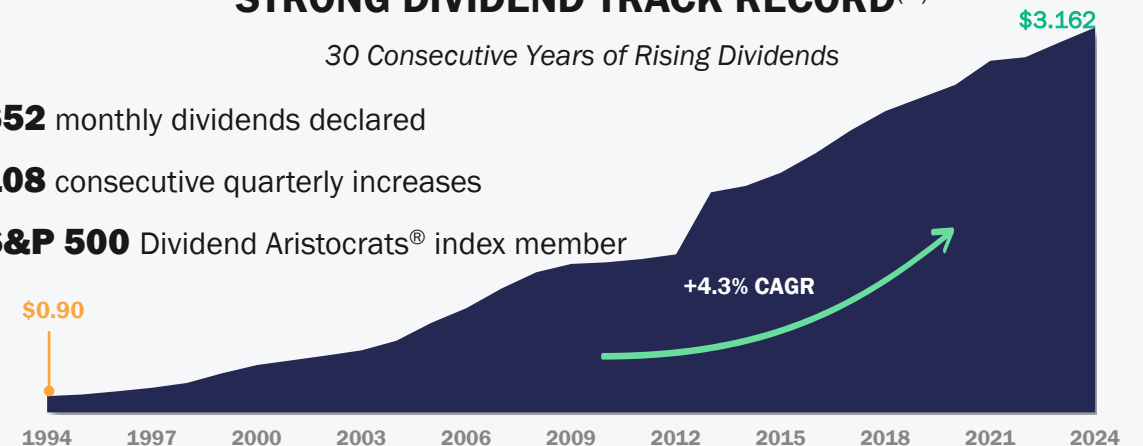
## STRONG DIVIDEND TRACK RECORD<sup>(5)</sup>

30 Consecutive Years of Rising Dividends

**652** monthly dividends declared

**108** consecutive quarterly increases

**S&P 500** Dividend Aristocrats<sup>®</sup> index member



<sup>(1)</sup> Investment Grade Clients are our clients with a credit rating, and our clients that are subsidiaries or affiliates of companies with a credit rating, as of the balance sheet date, of Baa3/BBB- or higher from one of the three major rating agencies (Moody's/S&P/Fitch).

<sup>(2)</sup> As measured by equity market capitalization of FTSE EPRA Nareit Global REITs TR Index Constituents. As of 09/30/2024.

<sup>(3)</sup> Gross real estate book value reflects historical year end real estate held for investment, at cost (in millions). YTD 2024 represents gross real estate book value as of 09/30/2024.

<sup>(4)</sup> As of October 2024 dividend declaration.

<sup>(5)</sup> "Other" category includes Gaming properties.

# Highlights of the Quarter

## Third Quarter Results

- Deployed **\$740 million** in investments at an initial weighted average cash yield of **7.4%**, including **\$378 million** invested in the U.S. at an initial weighted average cash yield of **7.4%**, with the balance of **\$362 million** invested in Europe at an initial weighted average cash yield of **7.3%**.
- Delivered AFFO per share of **\$1.05**, representing **2.9% growth compared to last year**.
- Occupancy at quarter-end was **98.7%**. Rent recapture rent across 170 leases renewed was **105.0%**.
- Utilized our proprietary predictive analytics tools alongside our team's expertise to sell **92 properties** for total net proceeds of **\$249 million**.
- Ended the quarter with **\$5.2 billion of available liquidity**, with manageable debt maturities through 2025. (see page 27)

## Private Capital Business

- Evolving Realty Income's platform to diversify and enlarge Realty Income's access to equity capital by **entering the private capital business**, which is expected to enhance our ability to grow earnings and dividend, expand our addressable market, and reduce our reliance on public equity.

## 2024 Outlook

- Increased annual **acquisition volume guidance** to approximately **\$3.5 billion** and raised the low-end of **AFFO guidance** to \$4.17 to \$4.21 per share, representing **4.8% year-over-year growth at the midpoint of the range**.
- Updated **annual disposition guidance to \$550-\$600 million**, which will continue to represent an additional source of capital.

# Secular Growth Thesis: Opportunity to Consolidate Significant Addressable Market

Quantum of opportunity and low market saturation affords ample runway for growth

Europe is an attractive growth avenue with limited direct competition

## AGGREGATE NET LEASE

Market

**\$8.5 T**

**\$5.4 T**

Combined enterprise value of public net lease REITs of **~\$7 billion<sup>(1)</sup>**

Combined enterprise value of public net lease REITs of **~\$229 billion<sup>(2)</sup>**

EUROPE  
UNITED STATES

## PUBLIC NET LEASE

Peers

**12**  
peers

**2**  
peers

Public net lease REITs account for **< 0.1%** of total European net lease addressable market

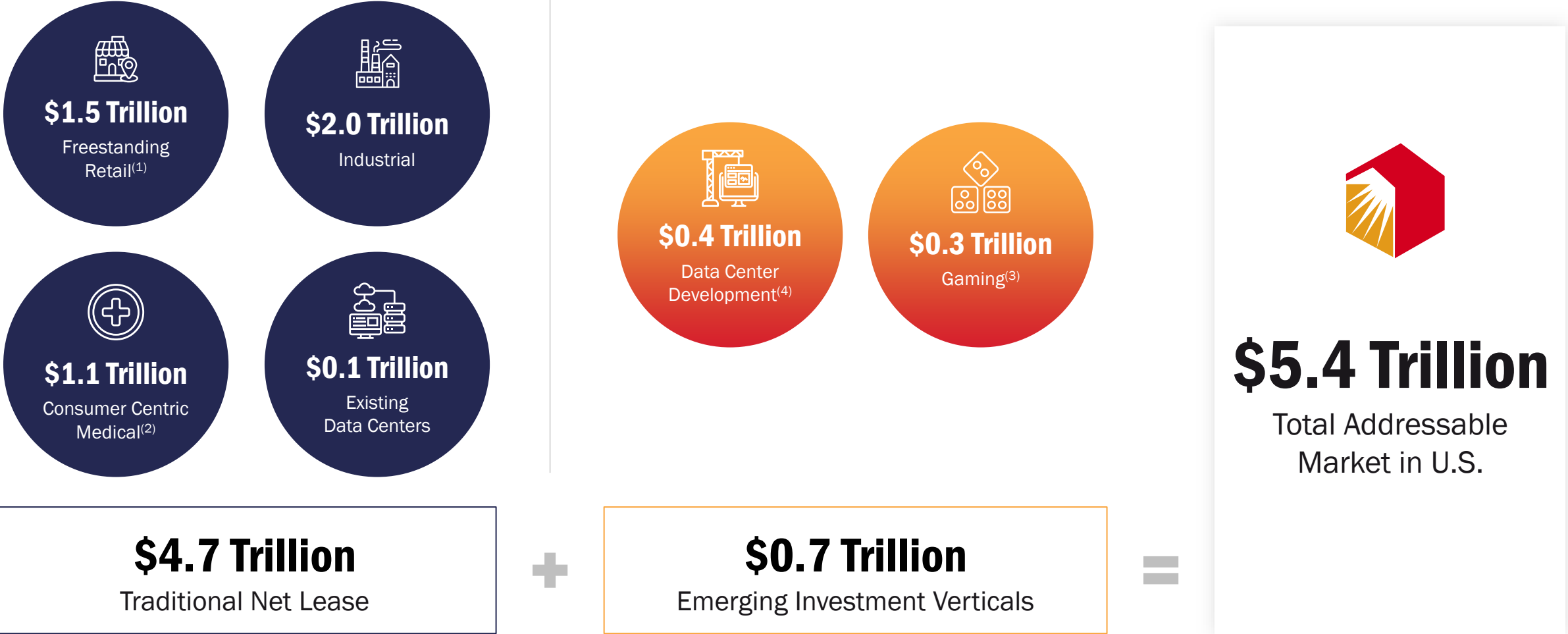
Public net lease REITs account **< 4%** of total US net lease addressable market

**To achieve similar market saturation, Realty Income's enterprise value in Europe would approximate ~\$130B, or ~11X the current portfolio size**

<sup>(1)</sup> Includes LXI and SUPR, as of 09/30/24.

<sup>(2)</sup> Includes the following net lease peers: ADC, BNL, EPR, EPRT, FCPT, GLPI, GTY, LXP, NNN, NTST, VICI, and WPC, as of 9/30/24.

# Expansive Market Potential in the US



**Source:** Nareit and CoStar. As of 2Q21. Represents estimated commercial property value for Realty Income's target sectors. Excludes public REIT ownership in each sector.  
<sup>(1)</sup> Calculated as ~60% of total retail real estate, applying an equivalent percentage share of malls and shopping centers to retail real estate values as relative share of the total US retail gross leasable area based on Coresight Research as of 1Q23.  
<sup>(2)</sup> Source: McKinsey & Co.  
<sup>(3)</sup> TAM calculated by applying a 7.0% cap rate to estimated gaming industry property NOI. Gaming industry property NOI is based on Gross Gaming Revenue excluding tribal gaming and REIT-owned properties as of 2022 per American Gaming Association, an assumed 50% gross gaming revenue contribution to total property revenue and 35% property EBITDAR margins based on industry averages, and 1.5x EBITDAR-to-Rent Coverage.  
<sup>(4)</sup> Represents the aggregate estimated value of the US data center construction market from 2023 through 2027. Source: Grand View Research.

# Vast Breadth of Opportunities in Europe

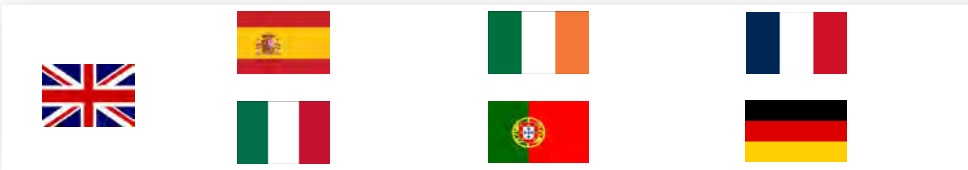


**\$2.6 Trillion**  
United Kingdom



**\$5.9 Trillion**  
Rest of Developed Europe<sup>(1)</sup>

**\$8.5 Trillion**  
Total Addressable Market in Europe



Realty Income's existing markets account for **over 75%** of the European total addressable market

Source: EPRA, FTSE, Bloomberg, 4Q23.

<sup>(1)</sup> Rest of developed Europe includes Austria, Belgium, Denmark, Finland, France, Germany, Ireland, Italy, Luxembourg, Netherlands, Norway, Poland, Portugal, Spain, Sweden, Switzerland.



# Crystallizing Value Creation: Illustrative Sale-Leaseback Scenarios

**SLB transactions:** Inherently a deleveraging and value-enhancing exercise for shareholders of corporate sellers

**\$500 MILLION SALE-LEASEBACK TRANSACTION AT 6.0% CAP RATE**  
**\$30 MILLION ANNUAL LEASE PAYMENT**

## CORPORATE SELLER USES PROCEEDS TO DE-LEVER BALANCE SHEET...

\$ IN MILLIONS	PRE-SLB	ADJUSTMENTS	POST-SLB
Real Estate	\$500	(\$500)	\$0
<b>Total Debt</b>	<b>\$3,100</b>	<b>(\$500)</b>	<b>\$2,600</b>
Rent	\$0	\$30	\$30
<b>Total Lease Adj. Debt<sup>(1)</sup></b>	<b>\$3,100</b>	<b>(\$500) + \$225</b>	<b>\$2,825</b>
EBITDA	\$800	(\$30)	\$770
Total Debt / EBITDA	3.9x		3.4x
<b>Lease Adj. Debt / EBITDAR</b>	<b>3.9x</b>		<b>3.5x</b>

## CORPORATE SELLER USES PROCEEDS FOR SHARE BUYBACK...

\$ IN MILLIONS	PRE-SLB	ADJUSTMENTS	POST-SLB
Real Estate	\$500	(\$500)	\$0
<b>Total Debt</b>	<b>\$3,100</b>		<b>\$3,100</b>
Common Equity Capitalization	\$6,000	(\$500) + \$140	\$5,640
Shares Outstanding	100	(\$500/\$60)	91.7
Price/Share	\$60		\$61.5
<b>Earnings</b>	<b>\$500</b>	<b>(\$30)</b>	<b>\$470</b>
<b>EPS</b>	<b>\$5.00</b>		<b>\$5.13</b>
<b>P/E</b>	<b>12.0x</b>		<b>12.0x</b>

**Note:** The information on this slide is for illustrative purposes only and contains many assumptions that may and will differ depending on many factors, including the company, the transaction and the market generally.

<sup>(1)</sup> Assuming rating agency rent capitalization at 7.5x.

**Note:** Assuming constant P/E | Corporate seller uses \$500 million of SLB proceeds to buy back 8.3 million shares at \$60/share.

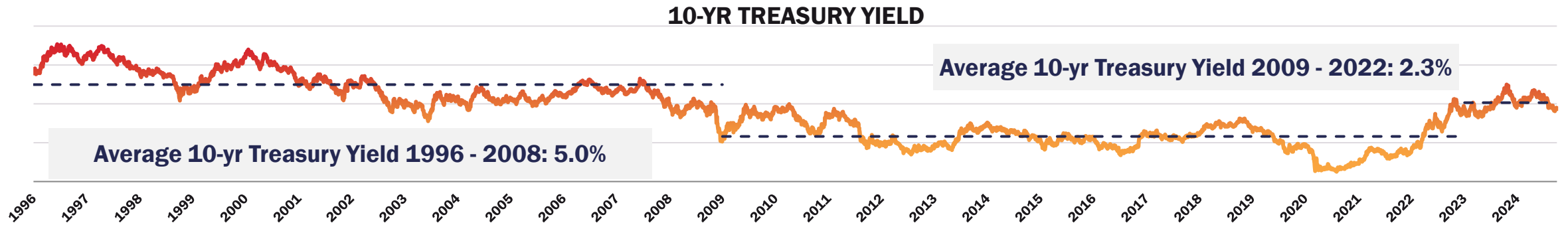
# Time-Tested Total Operational Return Approach

Realty Income has generated a positive Total Operational Return in each year as a public company.



# Stable Growth in a Variety of Interest Rate Environments

On average, Realty Income has generated ~5% AFFO growth and ~11% total operational return in a variety of interest rate environments



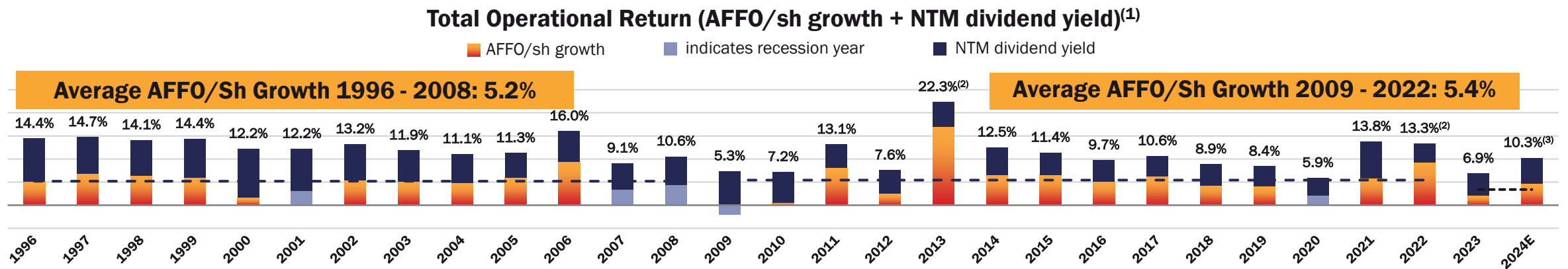
~6%  
 Historical Avg. Dividend Yield

+

~5%  
 Historical Average AFFO per Share CAGR

=

~11%  
 Historical Average Total Operational Return



Source: Bloomberg

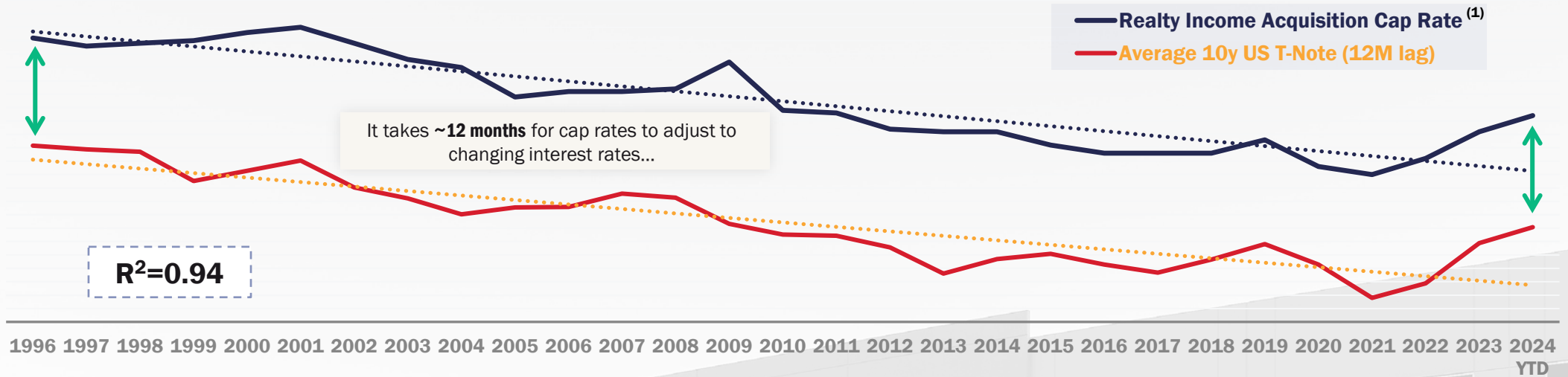
<sup>(1)</sup> Annual AFFO/sh excludes positive earnings from Crest Net Lease, Inc., a subsidiary of Realty Income, as earnings do not reflect recurring business operations.

<sup>(2)</sup> \$3.2 billion ARCT acquisition was completed in January 2013. Merger transaction with VREIT was completed in November 2021. Merger transaction with Spirit was completed in January 2024.

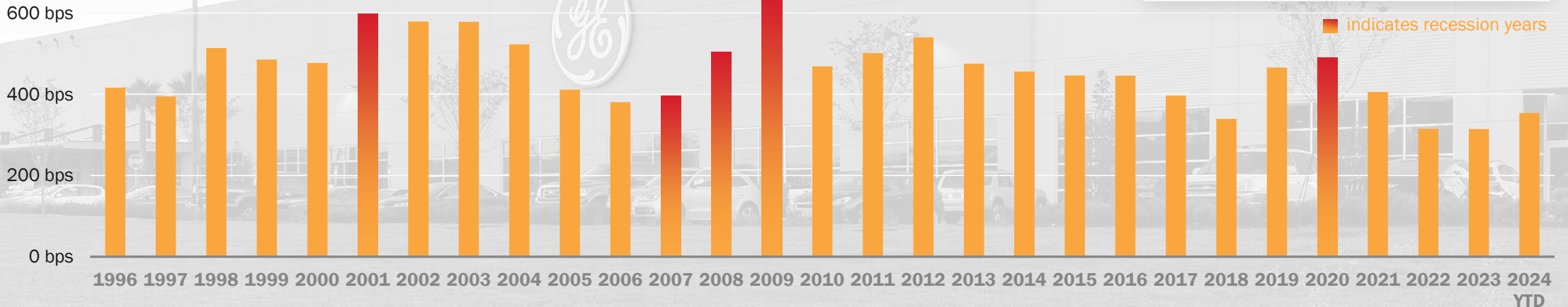
<sup>(3)</sup> Assumes \$3.162 annualized dividend per share as of October 2024 dividend declaration.

# Structural Advantage: Investment Spreads Persist Even as Interest Rates Rise

**RISING INTEREST RATES DO NOT POSE SIGNIFICANT EARNINGS HEADWIND TO THE NET LEASE BUSINESS MODEL**



**RECESSIONARY ENVIRONMENT PRESENTS ATTRACTIVE ACQUISITIONS OPPORTUNITIES**



<sup>(1)</sup> Weighted average initial cash lease yield during each year.











# Consistent Curation of New Growth Verticals

Size, scale, and access to capital allow for significant opportunity to grow earnings through multiple channels.

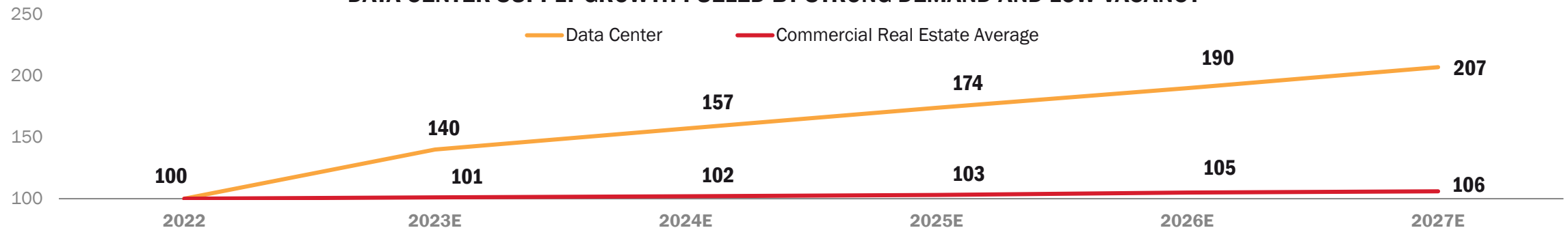


# Data Center JV Presents an Attractive Net Lease Investment in Rapidly Expanding Vertical

## Key Deal Terms

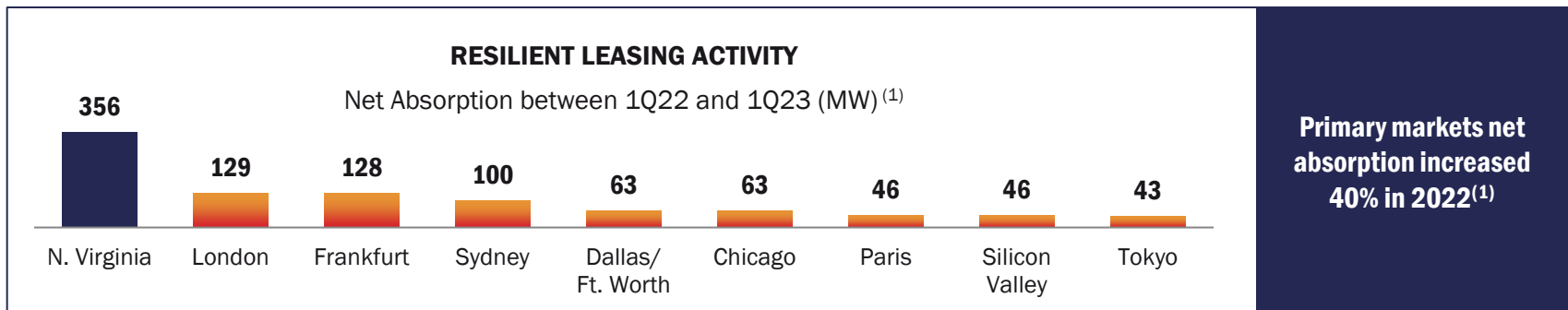
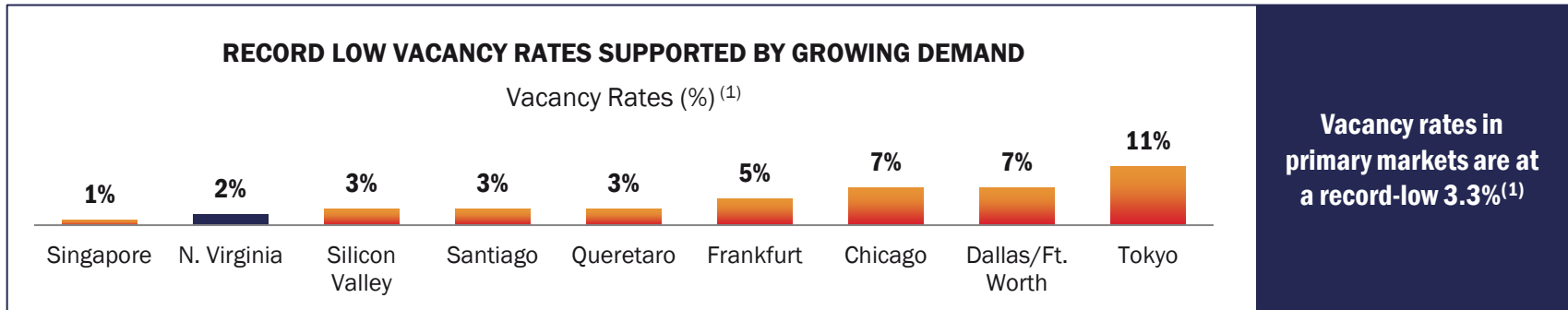
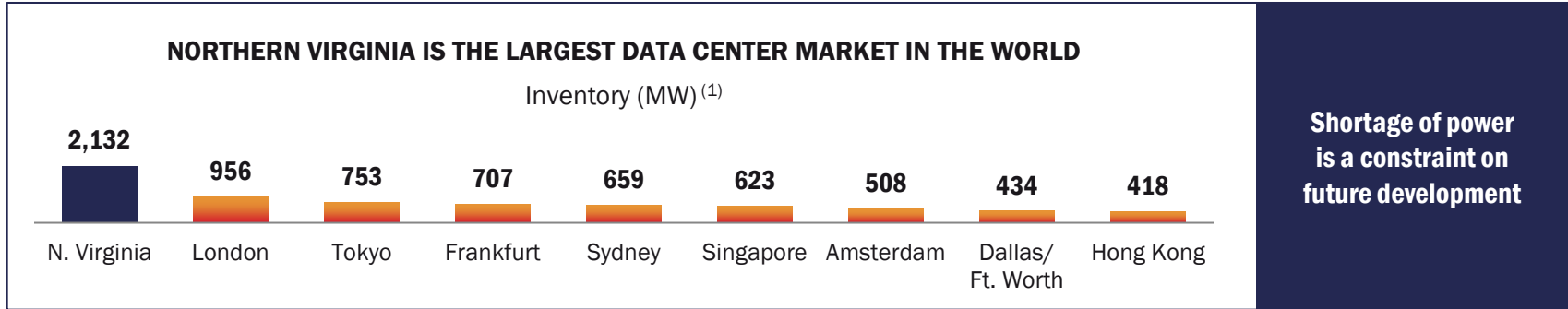
 <p><b>\$200mm</b> Initial Equity Contribution</p>	 <p><b>\$640mm</b> Total Equity Contribution if Client Exercises Full Expansion Option</p>	 <p><b>\$800mm</b> Total Development Cost</p>	 <p><b>6.9%</b> Initial Cash Lease Yield</p>	 <p><b>+2.0%</b> Contractual Rent Escalators</p>
 <p><b>Digital Realty</b> Leading Partner</p>	 <p><b>Northern Virginia</b> Largest Data Center Market Globally</p>	 <p><b>S&amp;P 100 investment grade company</b> Client Credit Quality</p>	 <p><b>10 years</b> Initial Lease Term</p>	 <p><b>16MW/48MW</b> Data Center Initial Capacity/ Expansion Capacity</p>

**DATA CENTER SUPPLY GROWTH FUELED BY STRONG DEMAND AND LOW VACANCY<sup>(1)</sup>**



<sup>(1)</sup> US Only. Indexed to 100. Source: Green Street Research. Data as of 4Q23.

# Strong Global Data Center Fundamentals Support Long-Term Growth



## Long Term Tailwind: New Technologies Continue to Spur Strong Data Center Demand

- Information and communications technology and artificial intelligence usage has grown substantially and is expected to support continued significant net absorption for related infrastructure across most major markets.
- Limited supply and strong demand are pushing asking rates up across markets, with wholesale colocation increasing by 7% in 1H23<sup>(1)</sup>. Pricing fundamentals are expected to remain robust as the rate of new development lags the rising demand.

<sup>(1)</sup> Source: CBRE Research, 2023.

# Partnering with a Blue-Chip Operator in One of the Largest European Retail Single Tenant Net Lease Transactions in 2023

## Client

- The world's third **largest sporting goods retailer** generating **over €15B** in revenues across **1,751 stores**<sup>(1)</sup>
- **Investment grade** profile with an **A-2 S&P Short-Term Rating**
- Decathlon's commitment to sustainability is exhibited by its objective to bring the entire portfolio to level 1 – EDGE certification

## Subject Portfolio

- **High performing stores**, with sales ~17% above Decathlon's system-wide average
- Includes assets located in **three of the five largest markets** in the European Union
- Subject portfolio's stores are core to Decathlon's **omni-channel strategy**

## Investment Thesis

- Entered **three new countries** in continental Europe (France, Germany and Portugal). The portfolio also includes assets in Italy and Spain where Realty Income is already present
- **Well established portfolio** of assets with an average operating history of ~18 years and Decathlon's average operating history of 30+ years across five countries in the portfolio
- Portfolio secured by **long-term leases** and **strong CFC**

Source: Decathlon filings

<sup>(1)</sup> Behind Nike and Adidas. As of FY2022.

In 2023, Realty Income purchased **82 assets** across **5 countries** for **€527M** and...



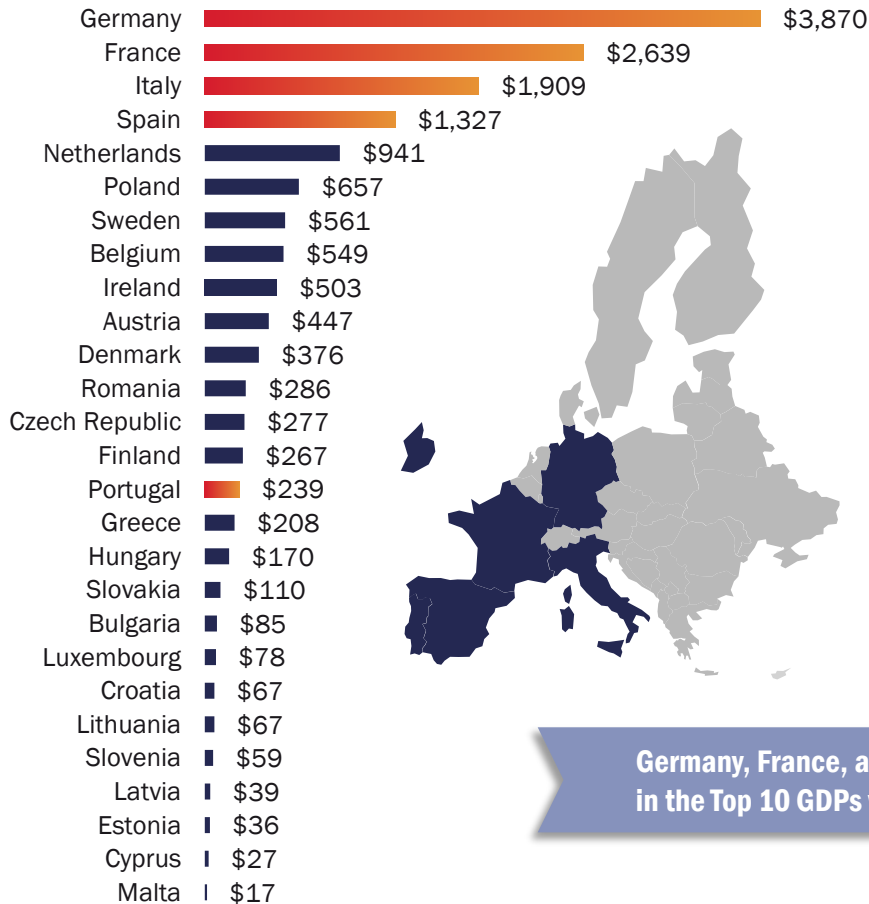
...Decathlon accounted for **approx. 1% of total annualized rental income**, exemplifying the **benefits of size and scale**



# Decathlon Sale-Leaseback: Broadening Realty Income's European Platform

## EUROPEAN UNION COUNTRIES – 2022 GDP

\$ in billions



Germany, France, and Italy are in the Top 10 GDPs worldwide

### FRANCE

- **3<sup>rd</sup> largest** commercial real estate market in Europe
- **2<sup>nd</sup> largest** population in the EU with a median income of over \$16,000 (compared to the US median income of ~\$19,000)<sup>(1)(2)</sup>
- Recent liberalization measures support **accelerated investment** and **declining unemployment rate**

### GERMANY

- **Leading GDP level** across EU
- **Largest** population in the EU with a median income of ~\$17,000<sup>(1)(2)</sup>
- Germany is the most open economy among G7 states based on the foreign trade contribution to GDP<sup>(3)</sup>

### PORTUGAL

- Economy supported by a **robust labor market** and record high employment and activity rates<sup>(4)</sup>
- Tourism accounts for **15% of the GDP** and has **increased 30% year-over-year, or 11% above pre-pandemic levels**<sup>(5)</sup>

Source: Statista, Eurostat, US International Trade Administration, Reuters

<sup>(1)</sup> Populations as of January 2023.

<sup>(2)</sup> Median incomes as of 12/31/2022

<sup>(3)</sup> Source: Santander Trade.

<sup>(4)</sup> European Commission – Economic Forecast for Portugal.

<sup>(5)</sup> As of May 2023.

# Performance Track Record

Superior operating metrics with limited downside volatility relative to peers.



# Track Record of Attractive Total Return Through Consistent Earnings and Dividend Growth

## PROVEN TRACK RECORD OF RETURNS

**14.1%**

Compound Annual Total Return Since 1994 NYSE Listing

**0.5**

Beta vs. S&P 500 Since 1994 NYSE Listing<sup>(1)</sup>

## STABILITY AND GROWTH OF EARNINGS

**29 of 29**

Years of Positive Total Operational Return<sup>(2)</sup>

**5.7%**

Median AFFO Per Share Growth Since 1996<sup>(3)</sup>

## CONSISTENTLY INCREASING DIVIDENDS

**4.3%**

Compound Annual Dividend Growth Rate Since 1994 NYSE Listing

**S&P 500 Dividend Aristocrats®**

Index Member

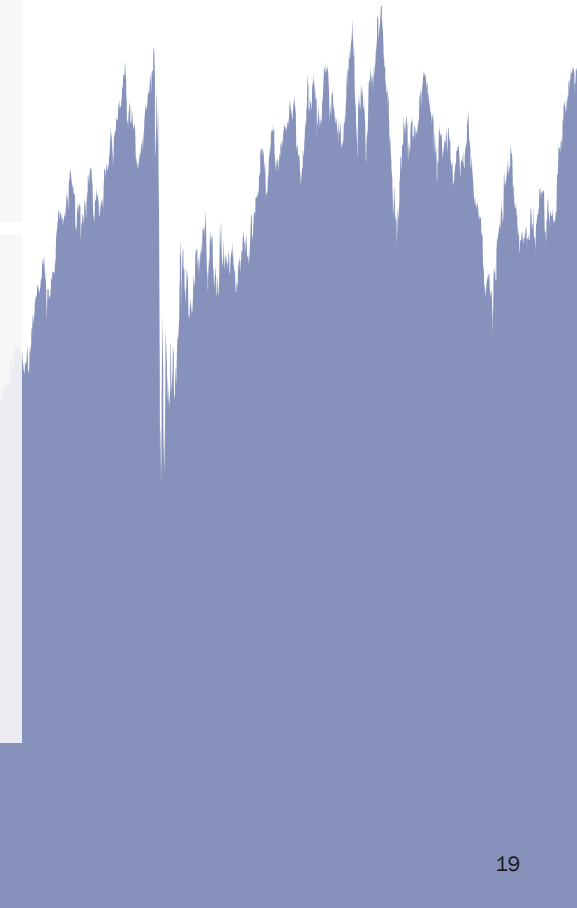
## POSITIONED FOR CONTINUED GROWTH

**~\$14T**

Estimated Global Net Lease Addressable Market<sup>(4)</sup>

**~\$59B**

Sourced Acquisition Opportunities in 2023



All data as of 3Q24, unless otherwise noted

<sup>(1)</sup> Beta measured using monthly frequency.

<sup>(2)</sup> Total operational return consists of the sum of annual earnings per share growth and dividend yield. Earnings per share is represented by AFFO per share. Calculated as of 1996 to capture full year of financial history since 1994 public listing.

<sup>(3)</sup> Measured as AFFO per share growth | Excludes positive earnings from Crest Net Lease, a subsidiary of Realty Income, as earnings do not reflect recurring business operations.

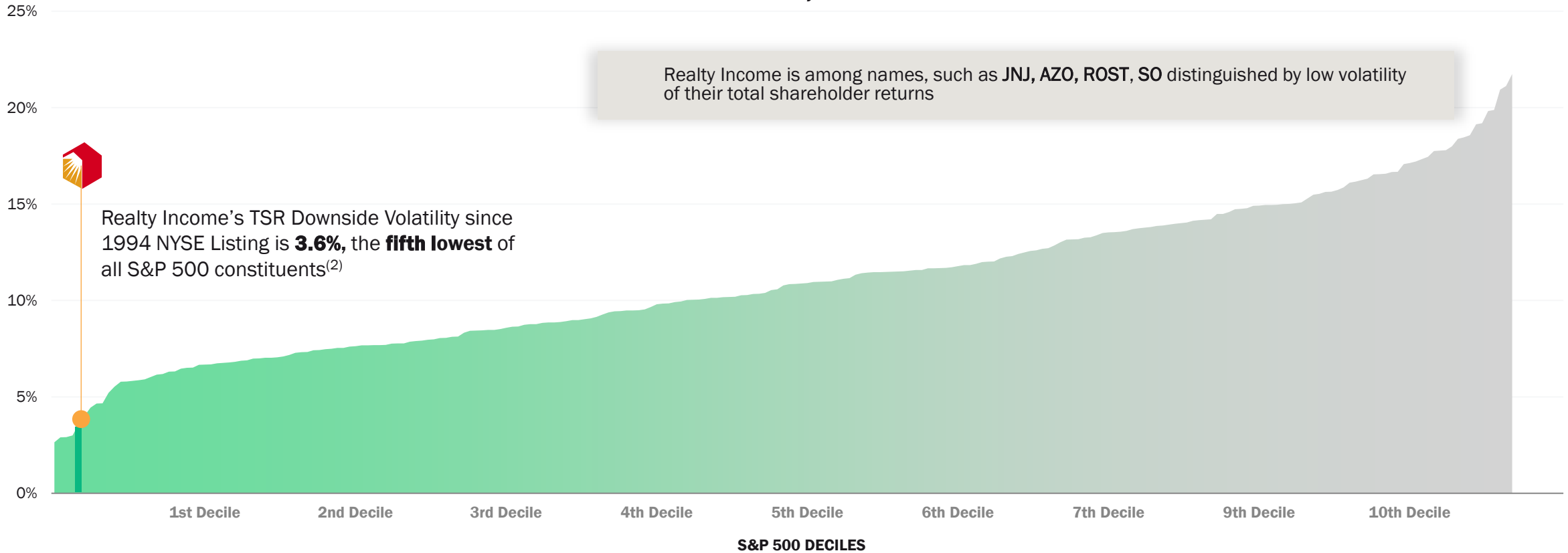
<sup>(4)</sup> Refer to pages 6-8 for calculation methodology.

**Note:** Background area chart reflects Realty Income's total shareholder return since 10/18/1994 through 09/30/2024.

# Stable Earnings and Low Dividend Volatility Support Low Share Price Volatility

## ANNUAL TOTAL SHAREHOLDER RETURN AMONG S&P 500 COMPANIES:

*Downside Volatility Since 1994<sup>(1)</sup>*



Source: Bloomberg

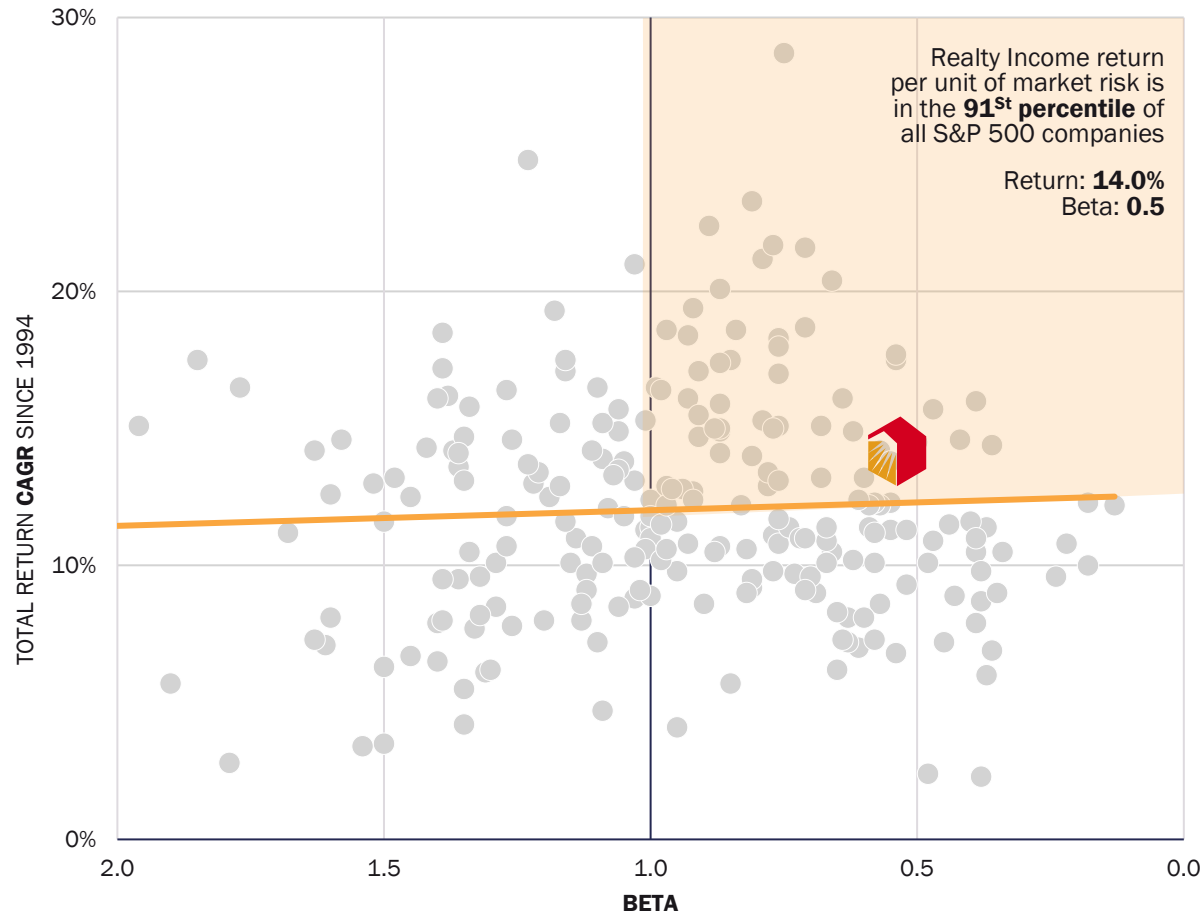
<sup>(1)</sup> "Downside volatility" calculated as the standard deviation of annual total shareholder returns where positive values are assigned "0" value.

<sup>(2)</sup> n=243 S&P 500 constituents as of 12/31/2023 with trading histories dating to 10/18/1994.

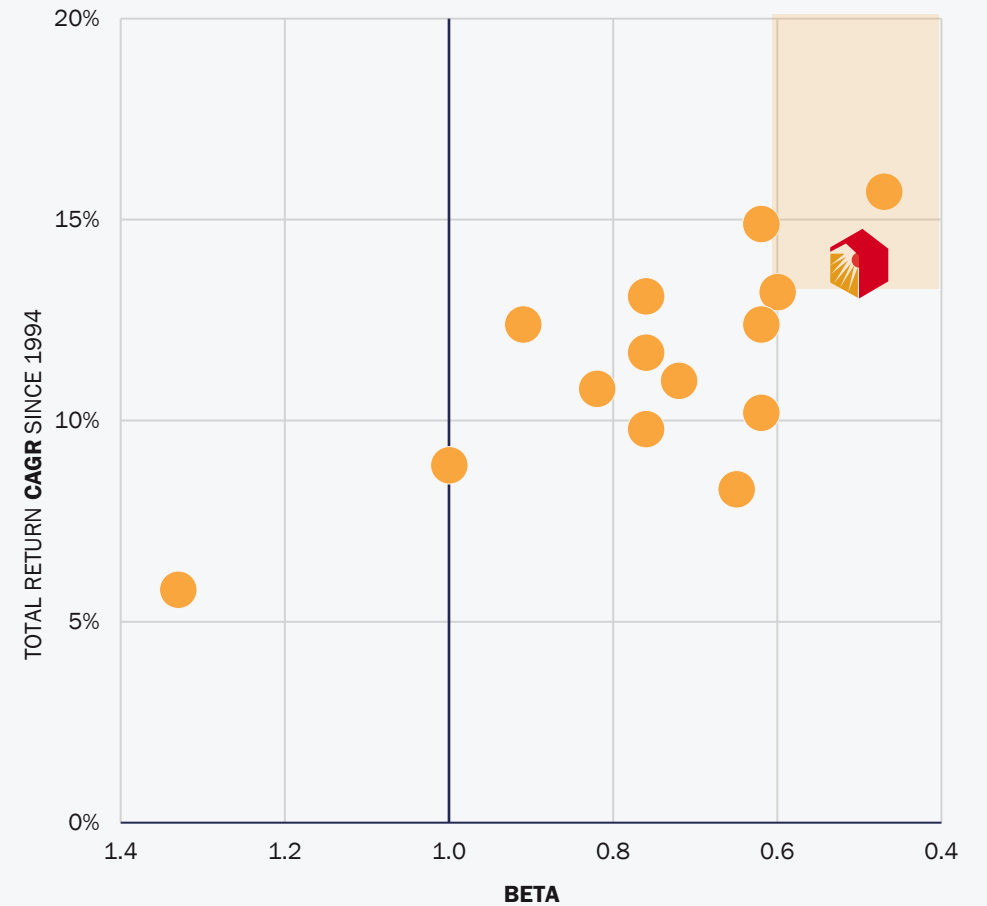
# Attractive Risk/Reward vs. S&P 500 Companies and REIT Peers

Historically, **Realty Income** delivered more return per unit of risk vs. majority of **S&P 500** companies and **S&P 500 REITs**

S&P 500 Members<sup>(1)(2)</sup>



S&P 500 REITs<sup>(1)</sup>



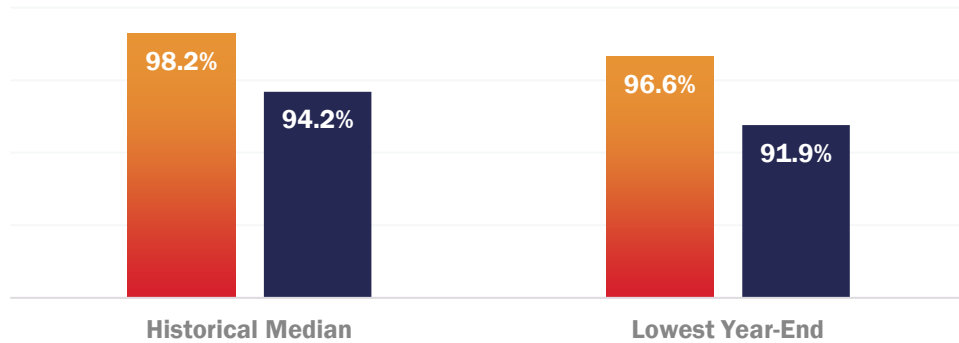
Source: Bloomberg. As of 09/30/2024.

<sup>(1)</sup> Excludes companies without trading histories dating to 10/18/1994. Beta measured using monthly frequency.

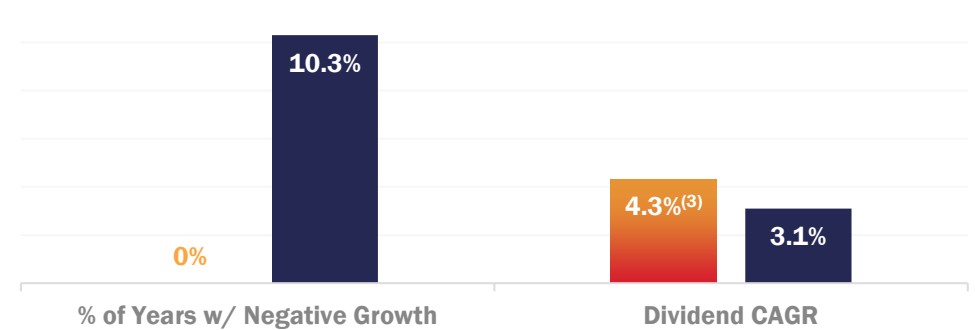
<sup>(2)</sup> n=240.

# Superior Stability vs S&P 500 REITs: Favorable Occupancy, Dividend Growth, Credit Rating and Total Return

PORTFOLIO OCCUPANCY<sup>(1)</sup>



DIVIDEND GROWTH<sup>(2)</sup>



AVG. CREDIT RATING (S&P/MOODY'S)<sup>(4)</sup>



# OF YEARS WITH TSR < -10%<sup>(2)</sup>



Source: SNL, Bloomberg

<sup>(1)</sup> Data since 12/31/2000 through 09/30/2024 (where available). Excludes companies without trading histories dating to 10/18/1994 and the S&P 500 non-property REITs. Data for S&P 500 REITs is calculated as median of the group.

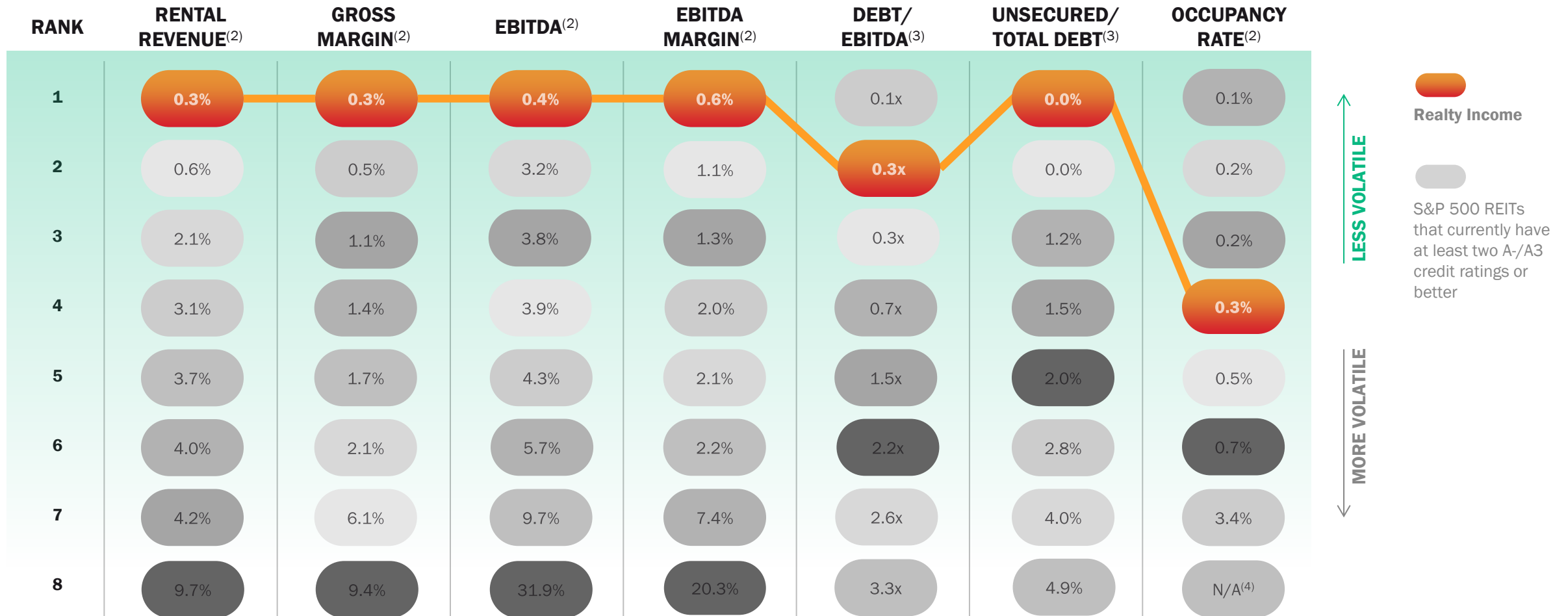
<sup>(2)</sup> Data since 01/01/1995 through 12/31/2023. Excludes companies without trading histories dating to 10/18/1994 and the S&P 500 non-property REITs. Data for S&P 500 REITs is calculated as median of the group.

<sup>(3)</sup> As of July 2024 dividend declaration.

<sup>(4)</sup> Current S&P 500 REITs, excluding the S&P 500 non-property REITs. Credit ratings as of 0/30/2024.

# Realty Income Exhibited the Lowest Operational and Financial Volatility During Great Recession vs. A-Rated S&P 500 REITs<sup>(1)</sup>

2007 – 2009 relative volatility rankings



Source: SNL as sourced from company filings. Metrics include non-GAAP measures that could be calculated differently from how Realty Income calculates such metrics or how each company calculates as of today.

<sup>(1)</sup> Represents REITs with A3/A- credit ratings or better by Moody's and S&P as of 12/31/2023.

<sup>(2)</sup> Downside Volatility calculated as the standard deviation around zero of quarterly percentage changes in each metric shown, where positive changes are replaced with zero.

<sup>(3)</sup> Upside Volatility calculated as the standard deviation around zero of quarterly percentage changes, where negative changes are replaced with zero.

<sup>(4)</sup> Company did not report consolidated quarterly portfolio occupancy during 2007-2009.

# Superior Stability vs. Peers: Demonstrated Consistent Growth Through 2020 Pandemic

**+3.1%**

2020 Dividend Growth

**1** of **8** Retail Net Lease REITs<sup>(2)</sup>

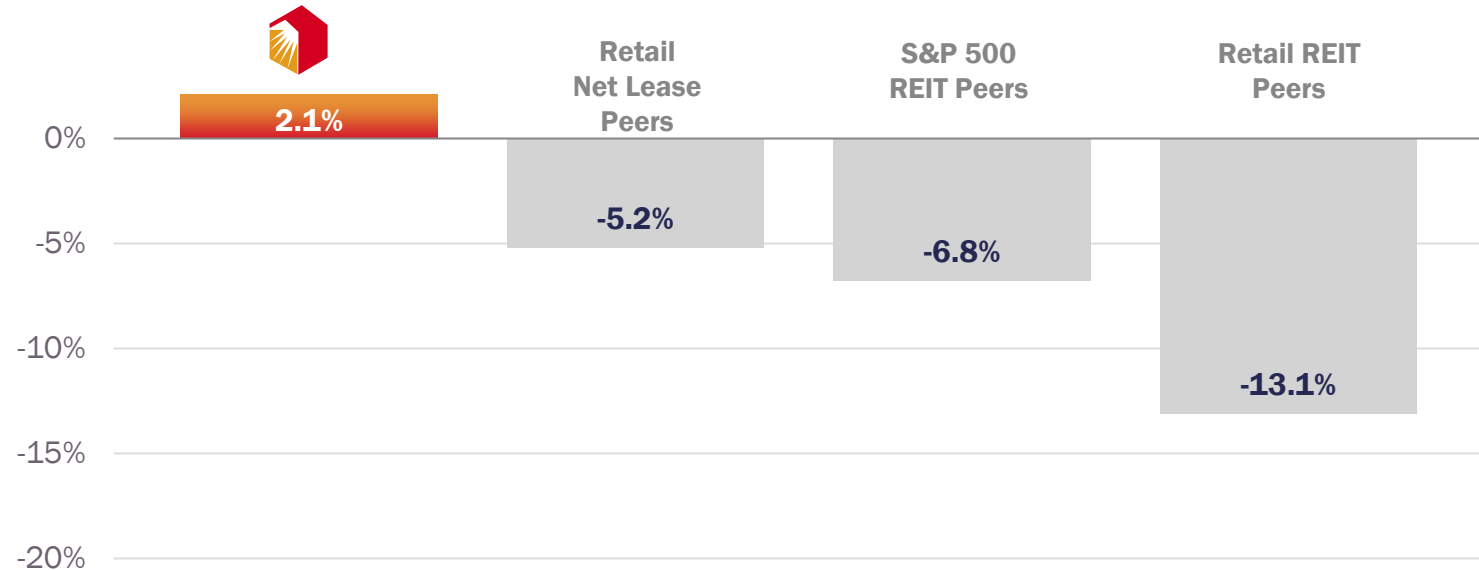
**1** of **15** S&P 500 REITs<sup>(3)</sup>

**1** of **7** Retail REITs<sup>(4)</sup>

**THAT INCREASED DIVIDEND IN 2020**

## 2020 EARNINGS PER SHARE

Growth<sup>(1)</sup>



**1** of **4** Retail Net Lease REITs<sup>(2)</sup>

**1** of **7** S&P 500 REITs<sup>(3)</sup>

**1** of **4** Retail REITs<sup>(4)</sup>

**WITH POSITIVE EARNINGS GROWTH IN 2020**

Source: SNL, Bloomberg, Company Filings. Data as of 12/31/2020.

<sup>(1)</sup> Measured as median AFFO/sh growth rate for retail net lease peers and median FFO/sh growth rates for S&P 500 and retail REIT peers.

<sup>(2)</sup> Retail net lease peers include retail-focused REITs, such as ADC, EPRT, FCPT, GTY, NNN, SRC, STOR, VER, WPC.

<sup>(3)</sup> Includes 22 S&P 500 constituents, excluding the S&P 500 non-property REITs.

<sup>(4)</sup> 25 total Retail REITs including shopping center and mall REITs, and ADC, EPRT, FCPT, GTY, NNN, O, SRC, STOR, VER.

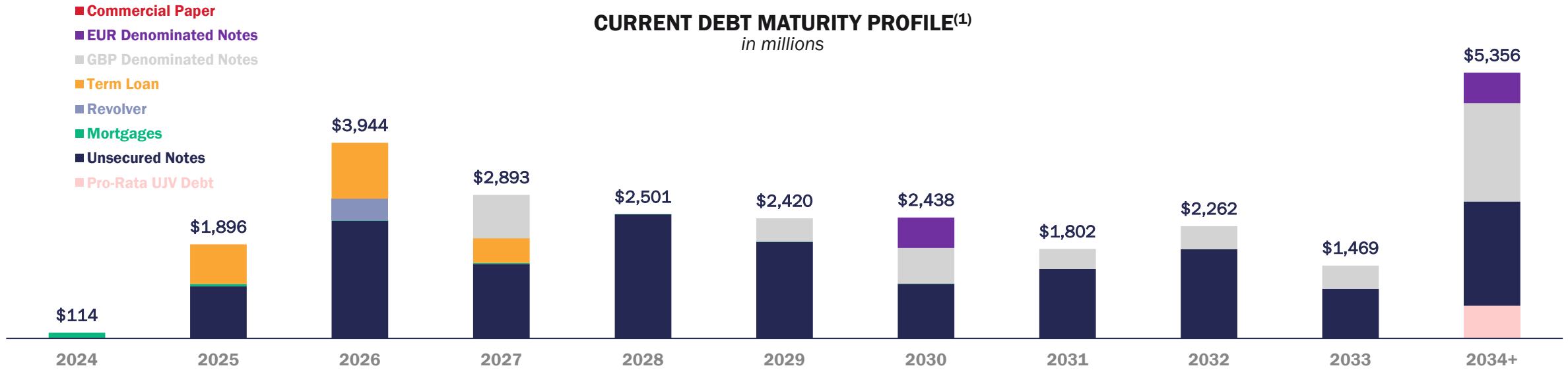


# Strong Balance Sheet

Our conservative capital structure supports superior financial flexibility.



# Strong Balance Sheet – One of Only Eight S&P 500 REITs with Two A3/A- Ratings or Better



**FAVORABLE CREDIT RATINGS**  
Long-Term Unsecured Debt Rating

MOODY'S

**A3 / Stable**

S&P Global

**A- / Stable**

**KEY CREDIT METRICS**

Low Leverage /  
High Coverage Ratios

**5.4x**

Net Debt  
to Annualized Pro Forma  
Adj. EBITDAre<sup>(2)</sup>

**4.6x**

Fixed Charge  
Coverage Ratio

Conservative Long-Term  
Debt Profile

**99%**

Unsecured

**97%**

Fixed Rate

**6.9 years**

Weighted Average  
Term to Maturity  
for Notes & Bonds

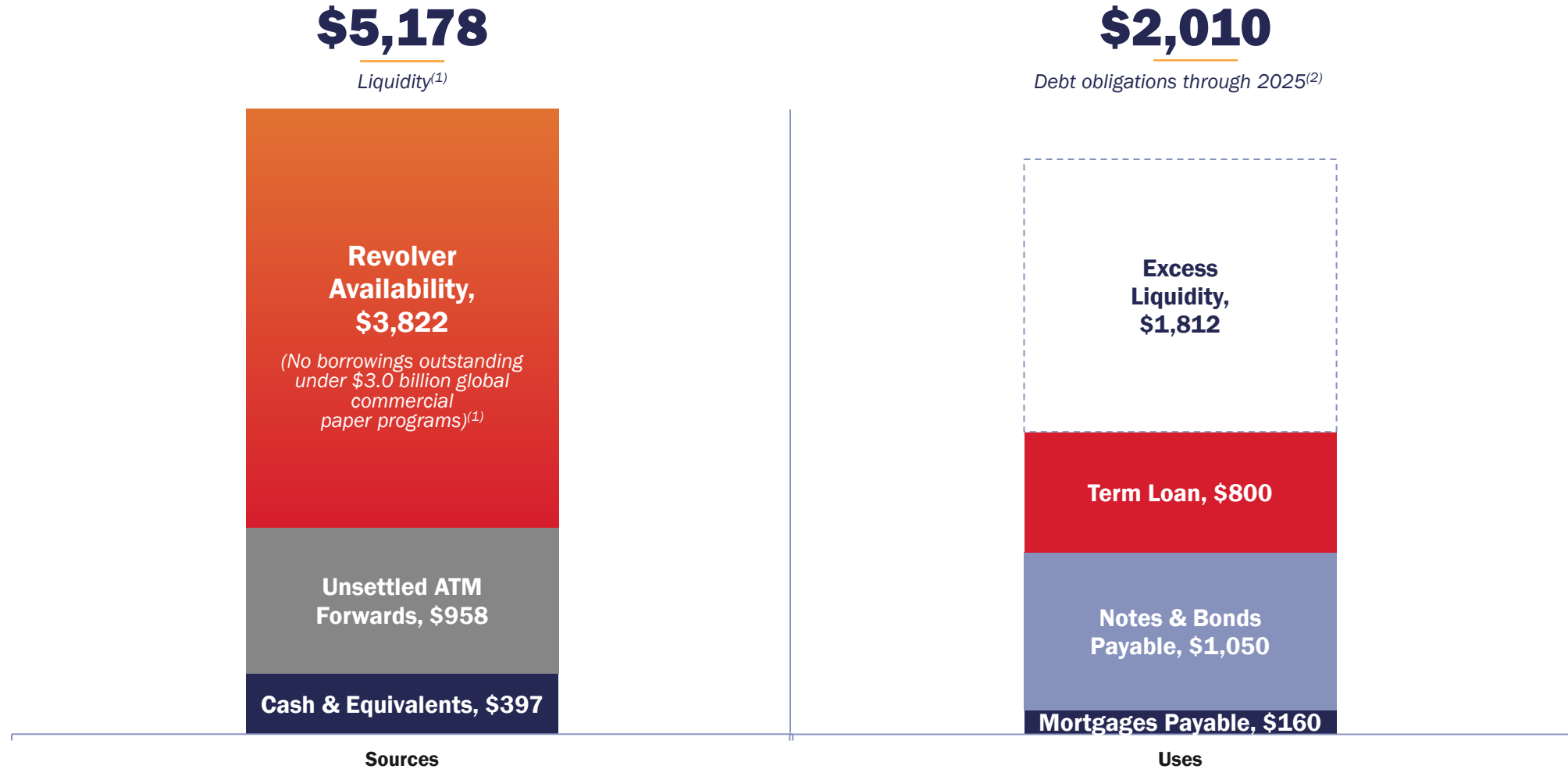
**33%**

Debt to Total  
Market Cap

<sup>(1)</sup> As of 9/30/2024, there were \$427.5 million of outstanding borrowings under the revolving credit facility and no commercial paper outstanding.<sup>(2)</sup> As of 0/30/2024, there was a carrying balance of \$846.6 million USD outstanding under our revolving credit facility.

<sup>(2)</sup> Net Debt/Annualized Pro Forma Adjusted EBITDAre is a ratio used by management as a measure of leverage. It is calculated as net debt (which we define as total debt per our consolidated balance sheet, excluding deferred financing costs and net premiums and discounts, but including our proportionate share on debt from unconsolidated entities, less cash and cash equivalents), divided by Annualized Pro Forma Adjusted EBITDAre. The Annualized Pro Forma Adjustments, which include transaction accounting adjustments in accordance with U.S GAAP, consist of adjustments to incorporate Adjusted EBITDAre from investments we acquired or stabilized during the applicable quarter and remove Adjusted EBITDAre from investments we disposed of during the applicable quarter, giving pro forma effect to all transactions as if they occurred at the beginning of the applicable period. Our calculation includes all adjustments consistent with the requirements to present Adjusted EBITDAre on a pro forma basis in accordance with Article 11 of Regulation S-X. The annualized Pro Forma Adjustments are consistent with the debt service coverage ratio calculated under financial covenants for our senior unsecured notes.

# Significant Liquidity and Low Borrowing Costs Support Enhanced Financial Flexibility



**Note:** Values shown in millions. Totals may not foot due to rounding. As of 9/30/2024.

**Uses:** Excludes interest expense, ground leases paid by Realty Income or our clients, and commitments under construction contracts.

<sup>(1)</sup> We have a \$1.5 billion U.S. Dollar-denominated commercial paper program and a \$1.5 billion Euro-denominated commercial paper program. We use our \$4.25 billion revolving credit facility as a liquidity backstop for the repayment of the notes issued under our commercial paper program. The revolver has a \$1 billion accordion feature, which is subject to obtaining lender commitments. Unsettled ATM forward amount shown excludes proceeds raised after 09/30/2024; as of 11/04/2024, there were ~\$969 million unsettled ATM forwards.

<sup>(2)</sup> Excluding revolver and commercial paper maturities.

# Diversified, High-Quality Real Estate Portfolio

Diversified exposure to cash flows guaranteed by best-in-class, blue-chip operators.



# Diversified High-Quality Portfolio

## CLIENT DIVERSIFICATION – TOP 20 CLIENTS

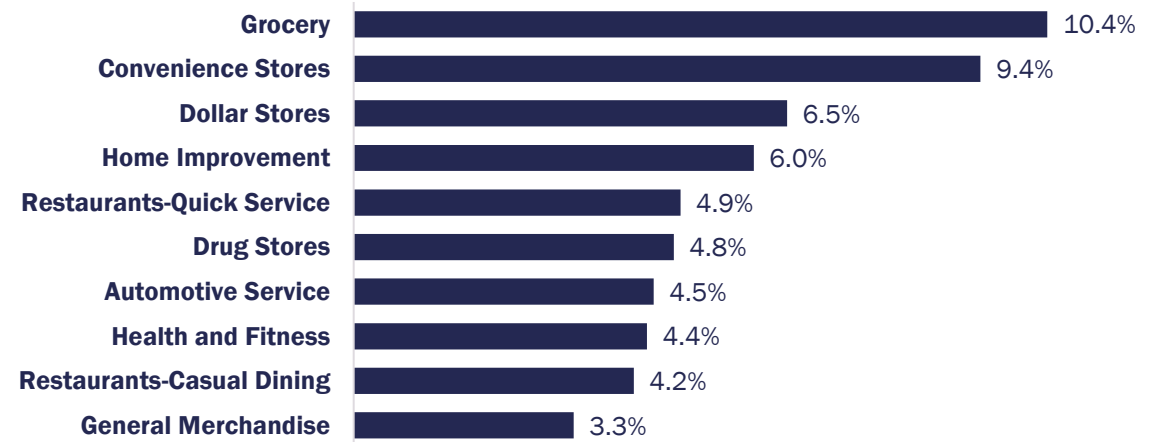
% of Total Annualized Contractual Rent<sup>(1)(2)</sup>

Denotes IG-Rated Client



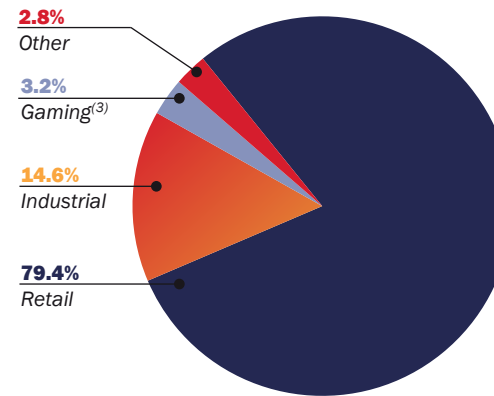
## INDUSTRY DIVERSIFICATION

% of Annualized Contractual Rent<sup>(1)</sup>



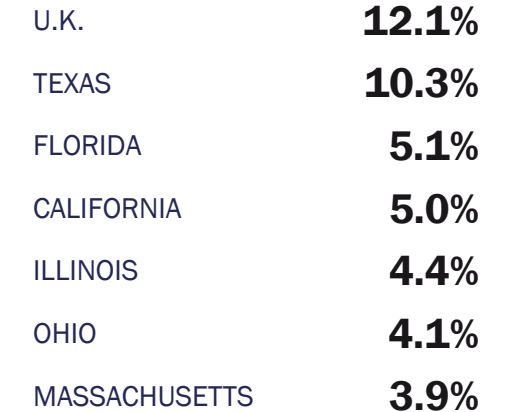
## PROPERTY TYPE DIVERSIFICATION

% of Annualized Contractual Rent<sup>(1)</sup>



## GEOGRAPHIC DIVERSIFICATION

% of Annualized Contractual Rent<sup>(1)</sup>



Note: Orange indicates investment grade clients that are companies or their subsidiaries with a credit rating, as of the balance sheet date, of Baa3/BBB- or higher from one of the three major rating agencies (Moody's/S&P/Fitch).

<sup>(1)</sup> Total Annualized Contractual Rent of our acquisitions and properties under development is the monthly aggregate cash amount charged to clients, inclusive of monthly base rent receivables, as of the balance sheet date, multiplied by 12, excluding percentage rent, interest income on loans and preferred equity investments, and including our pro rata share of such revenues from properties owned by unconsolidated joint ventures. We believe total annualized contractual rent is a useful supplemental operating measure, as it excludes entities that were no longer owned at the balance sheet date and includes the annualized rent from properties acquired during the quarter. Total annualized contractual rent has not been reduced to reflect reserves recorded as reductions to GAAP rental revenue in the periods presented.

<sup>(2)</sup> Excludes non-rental contractual income on loans and investments.

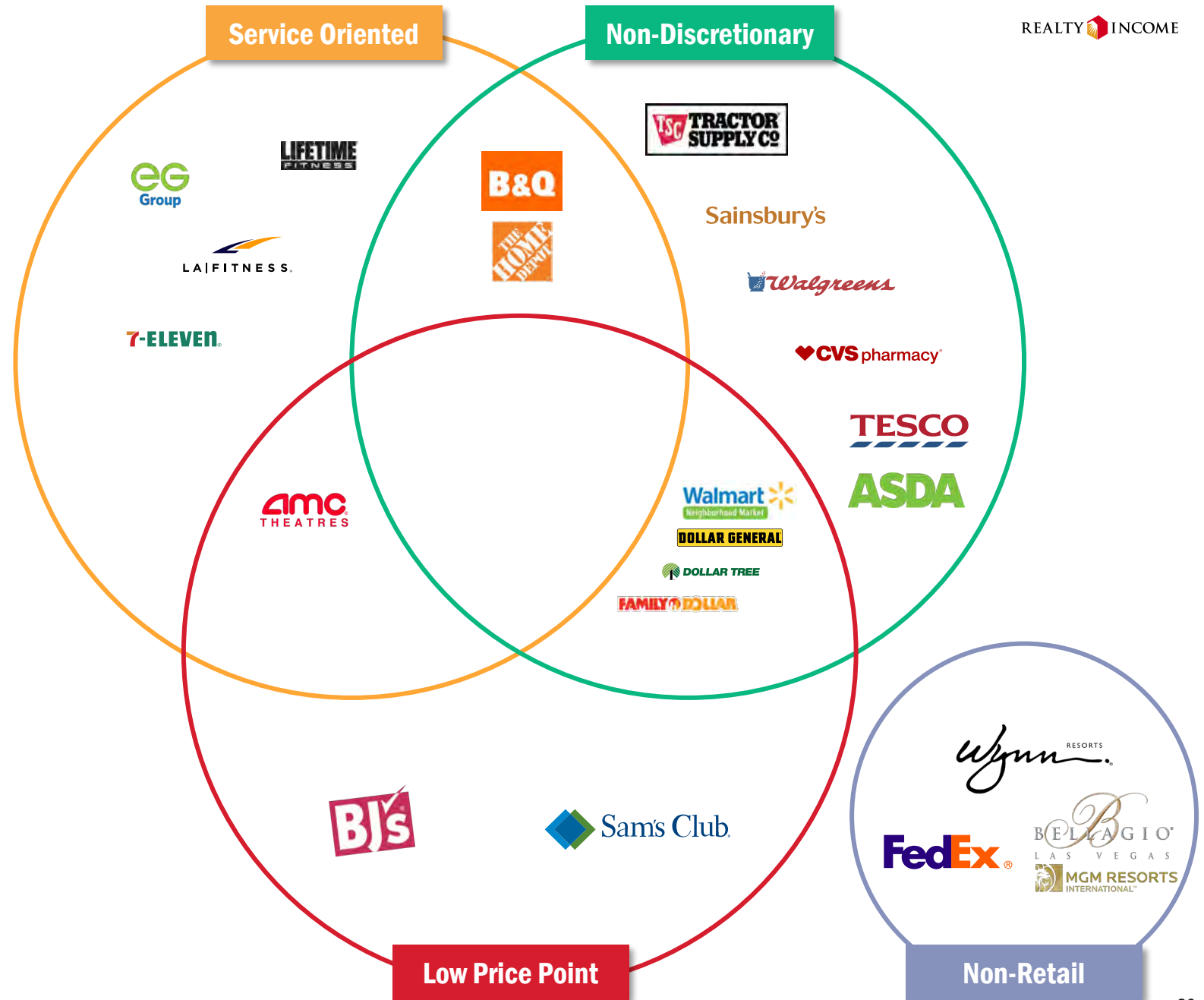
<sup>(3)</sup> Includes our pro rata share of leasable square feet of properties owned by unconsolidated joint ventures.

<sup>(4)</sup> Represents our proportionate share of the common equity ownership in the unconsolidated joint venture of the Bellagio Las Vegas.

# Top 20 Clients Resistant to Changing Consumer Behavior

All top 20 clients fall into at least one category:

- Non-Discretionary
- Low Price Point
- Service Oriented
- Non-Retail



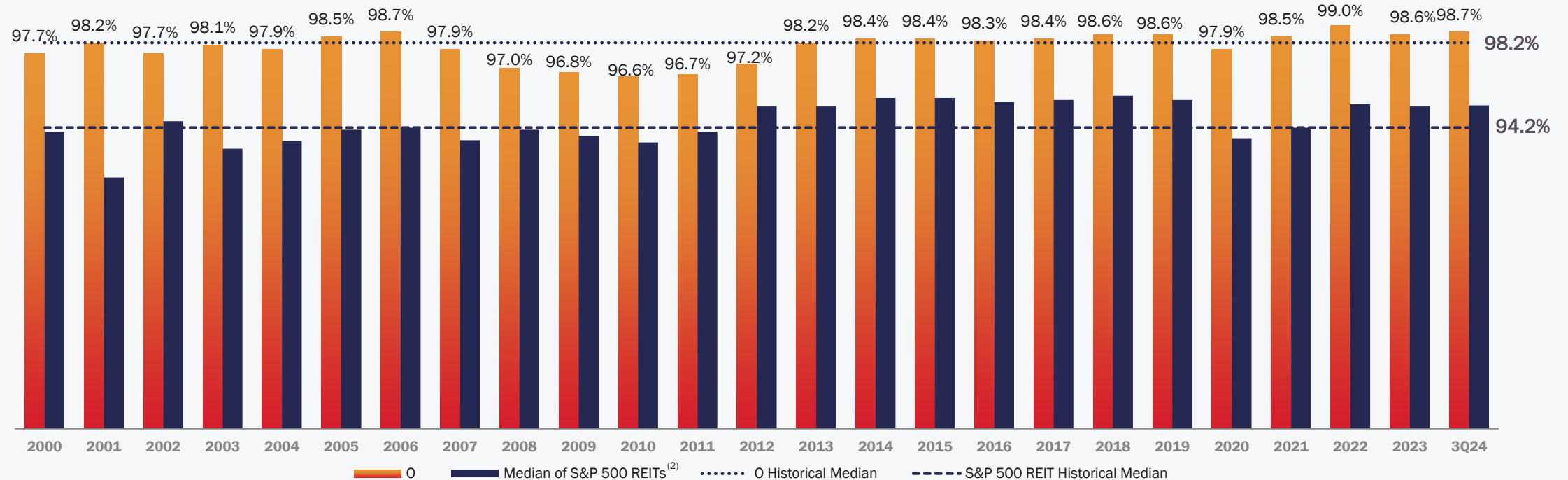
Note: Walmart represented by both Neighborhood Markets and Sam's Club.

# Historically Stable Cash Flows Supported by High-Quality Real Estate Portfolio

## CONSISTENCY BY DESIGN:

- ✓ **Careful underwriting** at acquisition
- ✓ **Long initial lease term**
- ✓ **Strong** underlying real estate **quality**
- ✓ Strategy of owning “**mission critical**” locations
- ✓ **Diversified client industries** with strong fundamentals
- ✓ **Prudent disposition activity**

High Occupancy<sup>(1)</sup> Levels Have Been Consistent During Various **Economic Cycles**



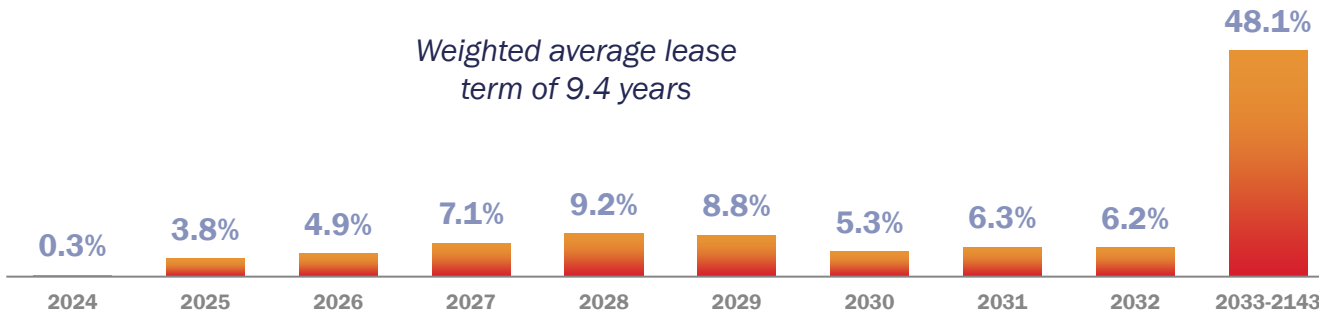
<sup>(1)</sup> Occupancy calculated based on number of properties. Excludes properties with ancillary leases only, such as cell towers and billboards, and properties with possession pending.

<sup>(2)</sup> Based on publicly available information as of 09/30/2024. Excludes the S&P 500 non-property REITs.

# Proven Track Record of Value-Add Asset and Portfolio Management

Lease Expiration Schedule<sup>(1)</sup> Provides Visibility into Future **Cash Flows**

Weighted average lease term of 9.4 years

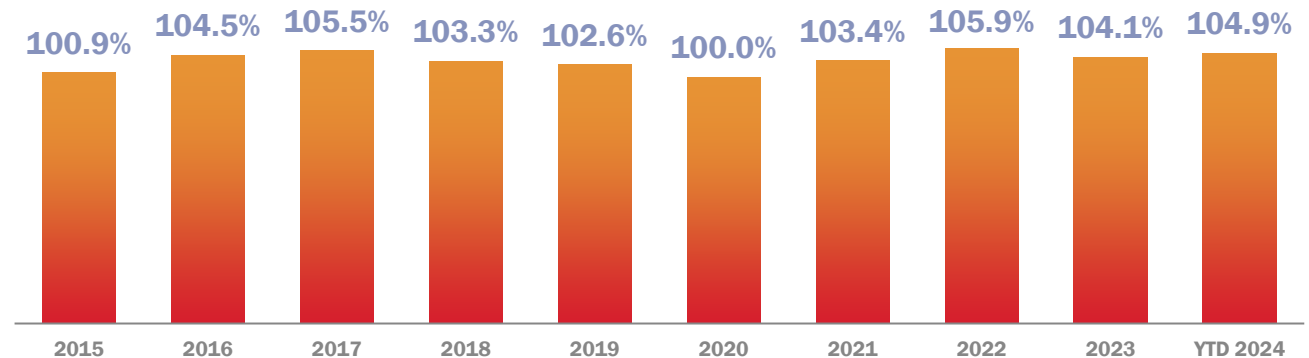


## MAXIMIZING REAL ESTATE VALUE:

- ✓ **Strategic management** of rollovers
- ✓ Proactively addressing portfolio **“watch list”**
- ✓ Resolved over 6,500 lease expirations since **1996**

- **Rents** at or below market at acquisition result in above **100%** recapture ratios at **expiration**
- Re-leased over **5,500** properties at **102.7%** recapture rate since **1996**
- One of the few net lease companies that report re-leasing results

**Accretive Re-Leasing Activity** is a Result of Prudent Underwriting



<sup>(1)</sup> Lease expiration schedule represents percentage of total portfolio annualized contractual rent.



# Diligent Underwriting Process Has Resulted in Minimal Exposure to Retail Bankruptcies

Realty Income’s strategy is to invest in clients with a **non-discretionary, low price point**, and/or **service-oriented component** to their business.

**Vast majority of the 207 U.S.** retailer bankruptcies since **2018** are associated with companies that lack **at least one of these characteristics**.

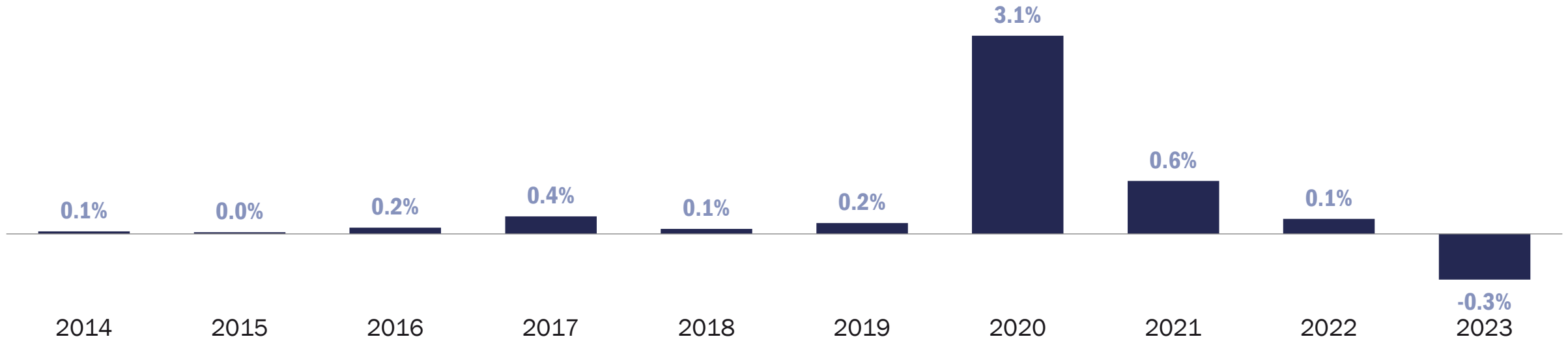
## TOTAL RETAILER BANKRUPTCIES SINCE 2018

## REALTY INCOME EXPOSURE AND STRATEGY

<b>42 Apparel</b>	Limited exposure to the industry; existing exposure is primarily with off-price retailers that have fared better.
<b>35 Casual Dining</b>	Visibility into rent coverage and thoughtful lease structuring (i.e., master leases) help mitigate bankruptcy impact. Top clients are large, national operators with access to capital that paid essentially all rent due during the pandemic.
<b>21 QSR</b>	Exposure primarily to large, national chain with significant scale.
<b>17 Home and Furniture</b>	Limited exposure to the industry and bankruptcies.
<b>11 Grocery</b>	Immaterial exposure to bankruptcies in Grocery. Top two U.S. grocery clients (Kroger & Walmart) have significant size, scale, and access to capital to expand their omni-channel platforms. In the UK, Sainsbury’s & Tesco are among top three grocery operators.
<b>11 General Merchandise</b>	Exposure to clients selling non-discretionary and/or low price point goods.
<b>9 Entertainment</b>	Immaterial exposure to entertainment clients outside of the movie theaters.
<b>7 Health and Fitness</b>	Top two clients are large, national operators with strong scale and access to capital, one of which paid 100% of rent through the duration of the pandemic.
<b>5 Specialty Retailer</b>	Limited exposure to the industry, primarily with clients selling low price point goods.
<b>4 Sporting Goods</b>	Limited exposure to this industry and immaterial exposure to bankruptcies, as Realty Income has been proactively addressing its investment in this industry since 2016.
<b>42 Other Retail</b>	No exposure to other retailers that filed bankruptcy.

# Diversified Real Estate Portfolio Supports Cash Flow Stability

**HISTORICAL BAD DEBT AS A PERCENTAGE OF TOTAL REVENUE<sup>(1)</sup>**



**PORTFOLIO QUALITY EVIDENCED IN THROUGH-CYCLE PERFORMANCE:**

- Aggregate bad debt represented **37 bps** of the aggregate total revenue<sup>(1)</sup> from 2014 to 2023
- Excluding 2020 and 2023, total bad debt expense represented **23 bps** of the aggregate revenue<sup>(1)</sup>

<sup>(1)</sup>Total revenue excludes tenant reimbursements.

# Leveraging Size and Scale to Drive Profitable Growth

Earnings growth remains strong as size of portfolio continues to increase.



THE HOME DEPOT



# Size and Scale as a Competitive Advantage

Inherent advantages of size and scale drive...

## **1** OPTIMIZED PORTFOLIO PROFITABILITY

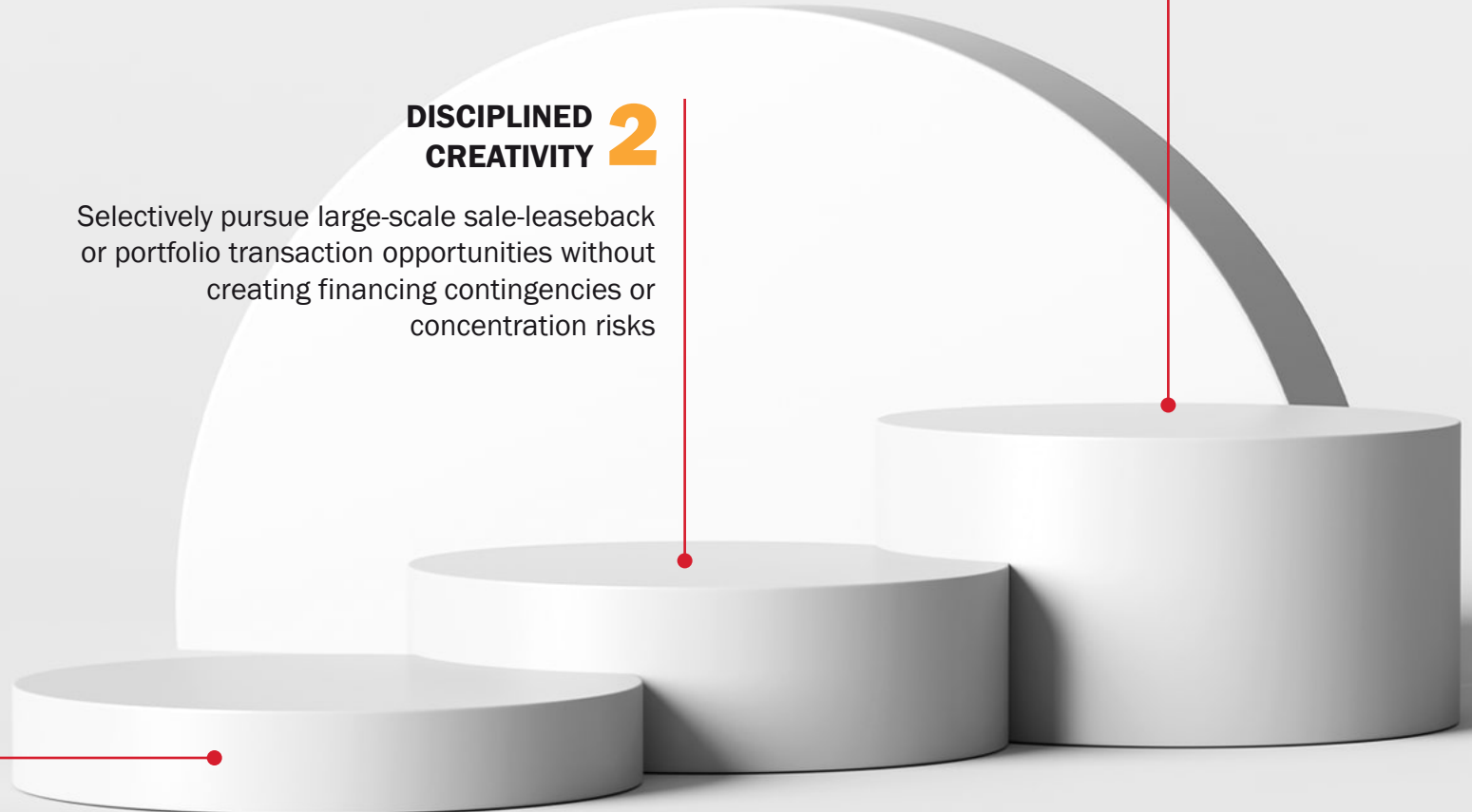
Leverage our 55-year history and trove of portfolio data to capitalize on unique insights driven by predictive analytics

## **CALCULATED CONSOLIDATION 3**

Take advantage of attractive consolidation opportunities in the extremely fragmented net lease space

## **DISCIPLINED CREATIVITY 2**

Selectively pursue large-scale sale-leaseback or portfolio transaction opportunities without creating financing contingencies or concentration risks



# Earnings Growth Remains Strong As Size of Portfolio Continues to Increase

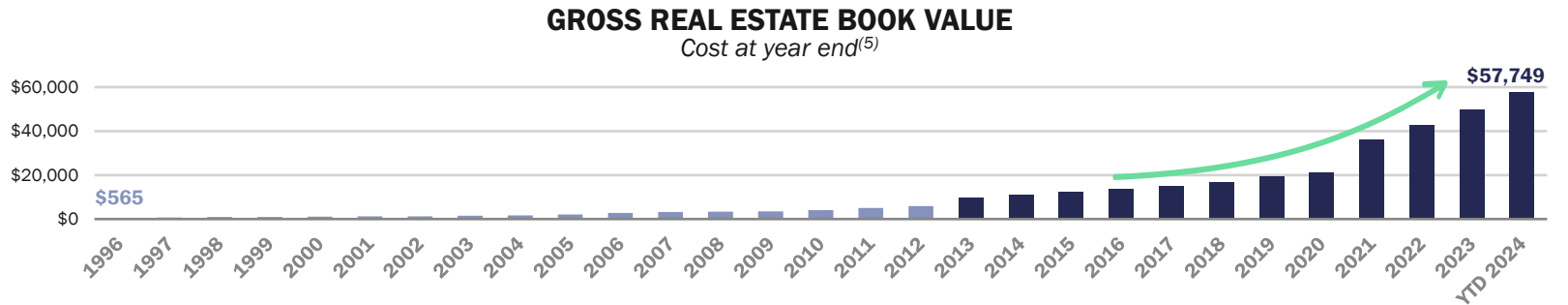
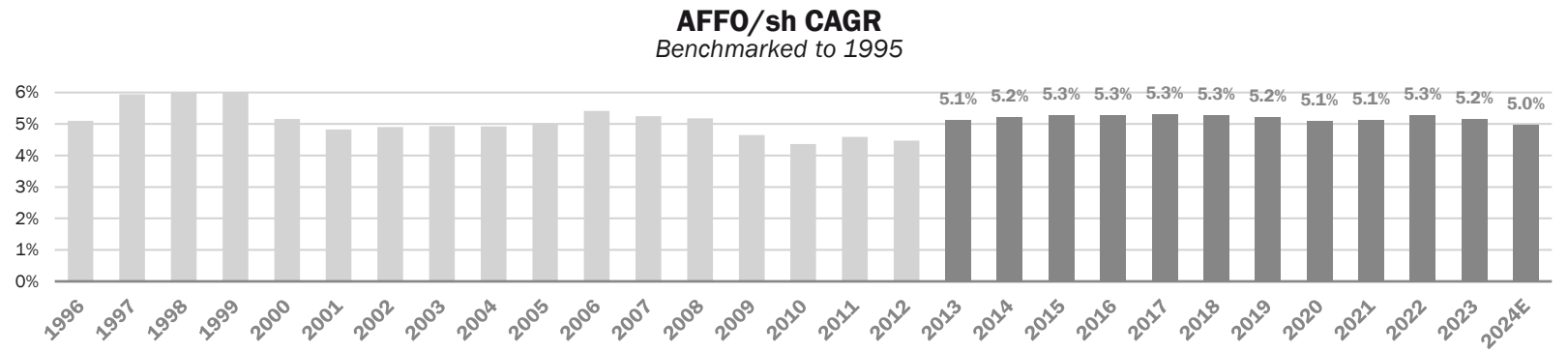
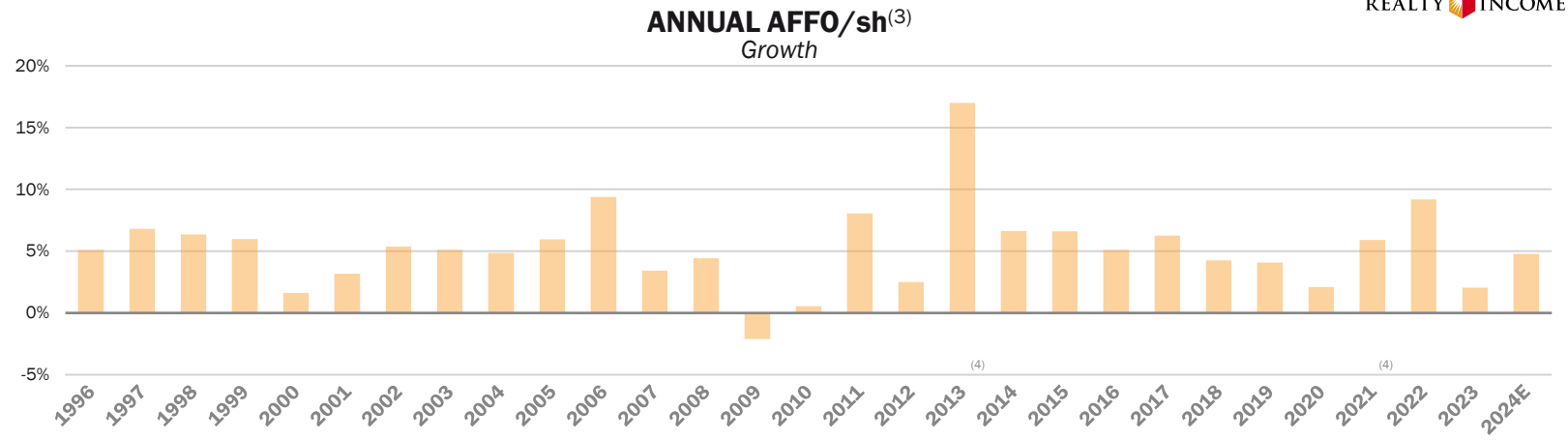
## AFFO/SH GROWTH:

**5%** MEDIAN GROWTH<sup>(3)</sup>  
(1995-2023)

- Stronger historical growth rate vs. REITs (**4.2%**)<sup>(1)</sup>
- Positive earnings growth in **27** of **28** years<sup>(3)</sup>
- Modest annual downside volatility of **3.6%**<sup>(2)</sup>

**5%** CAGR  
(1995-2023)

- Proven track record of maintaining **5%+** earnings **CAGR** since listing regardless of size
- In 2012, portfolio **GREAV** was < **\$6B** and earnings CAGR was **4.5%**
- Earnings growth has accelerated as portfolio real estate value crossed **\$10B**:
  - **6%** AFFO/sh CAGR since 2012



<sup>(1)</sup> Median FFO/sh growth rate as of 12/31/2023 | Represents all REITs currently included in MSCI REIT Index with earnings history since 2000 | Source: SNL.

<sup>(2)</sup> Volatility of earnings growth, where positive year-over-year growth is replaced with "0".

<sup>(3)</sup> Excludes positive earnings from Crest Net Lease, Inc., a subsidiary of Realty Income, as earnings do not reflect recurring business operations.


<sup>(4)</sup> \$3.2 billion ARCT acquisition was completed in January 2013. Merger transaction with VREIT was completed in November 2021. Merger transaction with Spirit was completed in January 2024.

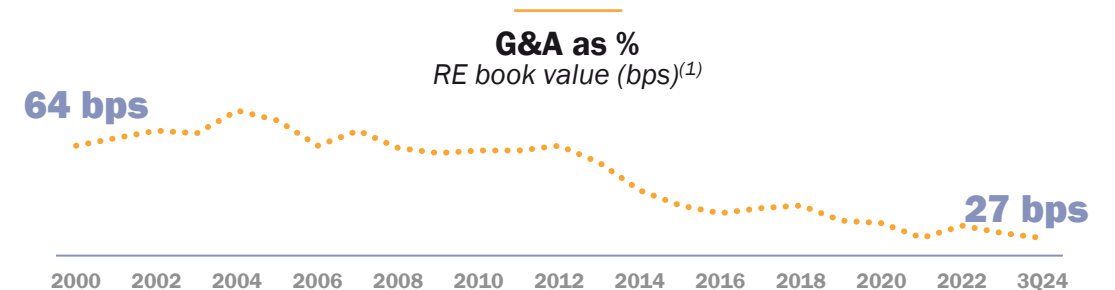
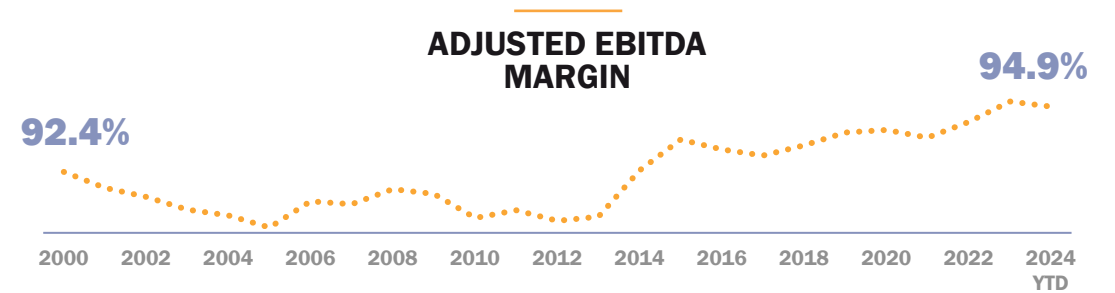
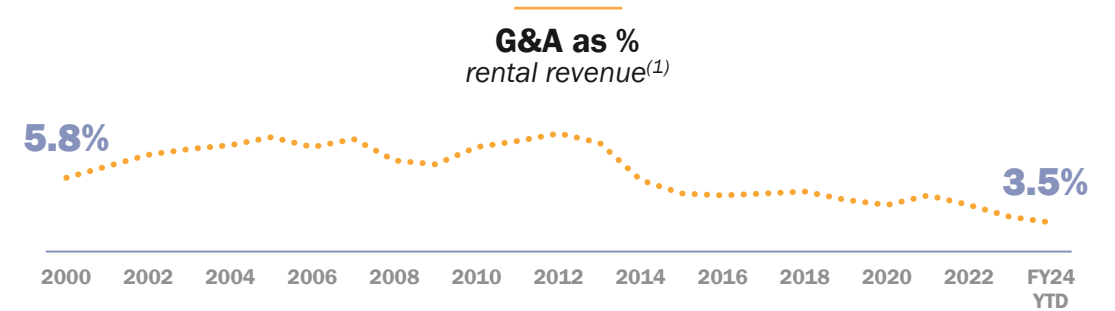
<sup>(5)</sup> Gross real estate book value reflects historical year end real estate held for investment, at cost (in millions). YTD 2024 represents gross real estate book value as of 09/30/2024.

# Benefits of Size and Scale: Greater EBITDA Flow-Through to Bottom Line

Portfolio growth resulted in improved operating margins, which compare favorably vs. industry peers

Operating efficiencies continue to scale as Realty Income grows

Year-to-date as of 9/30/2024, unless noted		NET LEASE PEER MEDIAN <sup>(2)</sup>	S&P 500 REIT PEER MEDIAN <sup>(3)</sup>
G&A AS % OF TOTAL REVENUE	<b>3.5%</b>	<b>8.0%</b>	<b>9.3%</b>
ADJUSTED EBITDA MARGIN	<b>94.9%</b>	<b>90.1%</b>	<b>79.6%</b>
LTM G&A AS % OF RE BOOK VALUE	<b>27 bps</b>	<b>80 bps</b>	<b>66 bps</b>



Source: Bloomberg

<sup>(1)</sup> 2018 G&A excludes \$18.7 million severance to former CEO paid in 4Q18 | 2020 G&A excludes \$3.5 million severance to former CFO paid in 1Q20. Percentage of rental revenue calculation excludes reimbursements.

<sup>(2)</sup> Based on trailing twelve months. Represents the “traditional” net lease peers.

<sup>(3)</sup> Based on trailing twelve months.

Note: Metrics include non-GAAP measures that could be calculated differently by each company from how Realty Income calculates such metrics.

# Benefits of Size and Scale

Capacity to Buy in Bulk at “Wholesale” Prices While Maintaining Diversification

## LARGER SIZE PROVIDES GROWTH OPTIONALITY

### TRANSACTION SIZE & IMPACT TO RENT CONCENTRATION<sup>(1)</sup>

TOTAL ABR <sup>(2)</sup>	\$100	\$200	\$300	\$400	\$500	\$1,000
\$200	3%	7%	10%	12%	15%	26%
\$400	2%	3%	5%	7%	8%	15%
\$600	1%	2%	3%	4%	6%	10%
\$800	1%	2%	3%	3%	4%	8%
\$1,000	1%	1%	2%	3%	3%	7%
\$2,000	<1%	<1%	1%	1%	2%	3%
\$3,000	<1%	<1%	<1%	<1%	1%	2%
\$4,000	<1%	<1%	<1%	<1%	<1%	<2%

Peers with smaller denominators lack ability to buy in bulk without incurring material diversification risk

Significant scale allows Realty Income to pursue large sale-leaseback transactions without compromising prudent client and industry diversification metrics

(1) Assumes 7.0% initial cash lease yield | in millions.  
 (2) Total Annualized Contractual Rent of our acquisitions and properties under development is the monthly aggregate cash amount charged to clients, inclusive of monthly base rent receivables, as of the balance sheet date, multiplied by 12, excluding percentage rent, interest income on loans and preferred equity investments, and including our pro rata share of such revenues from properties owned by unconsolidated joint ventures. We believe total annualized contractual rent is a useful supplemental operating measure, as it excludes entities that were no longer owned at the balance sheet date and includes the annualized rent from properties acquired during the quarter. Total annualized contractual rent has not been reduced to reflect reserves recorded as reductions to GAAP rental revenue in the periods presented.

## SCALE AND SIZE BENEFITS ILLUSTRATED

### Encore Boston Harbor Transaction (Dec 2022)

**\$1.7B**

Sale-leaseback transaction at ~5.9% cap rate

**3.1M**

Square Feet

**30Y**

Lease Term

**<3%**

Realty Income's Annual Revenue

- The Encore Boston Harbor is a LEED Platinum certified, premium super-regional resort and casino providing five-star dining, gaming, shopping and entertainment
- The property is uniquely positioned as the only integrated resort and casino located in the Boston metropolitan area
- Additionally, Encore holds one of only three Class I gaming licenses available in Massachusetts
- 5.6 million gaming age residents live within a 90-minute drive of the property

### Rent Increase Terms

Years 1 – 10 Annual 1.75% increase

Years 11 – 30 Greater of 1.75% or CPI\*

\*CPI increase capped at 2.50%



# Prudent Capital Allocation Framework

Building a high-quality real estate portfolio through prudent, top-down, data-driven investment process.

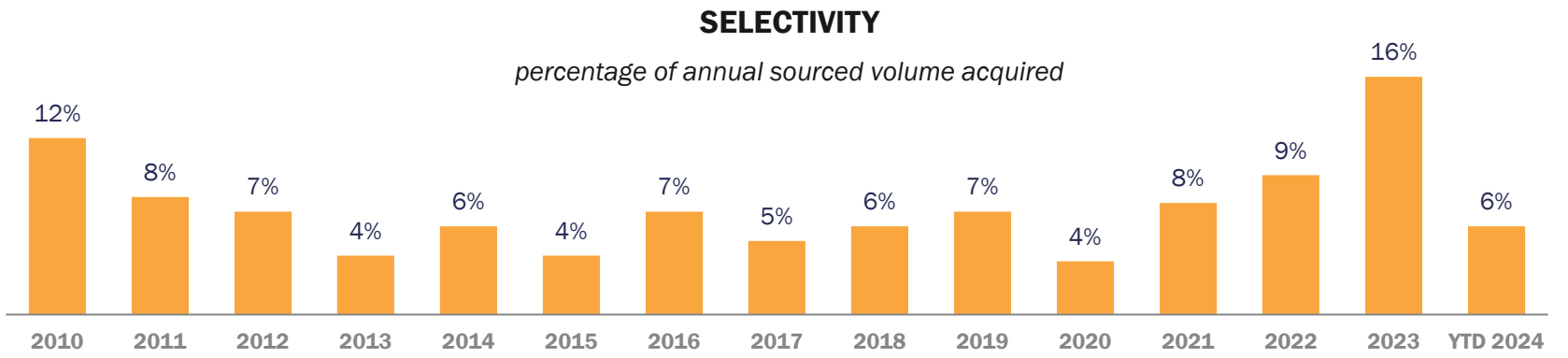
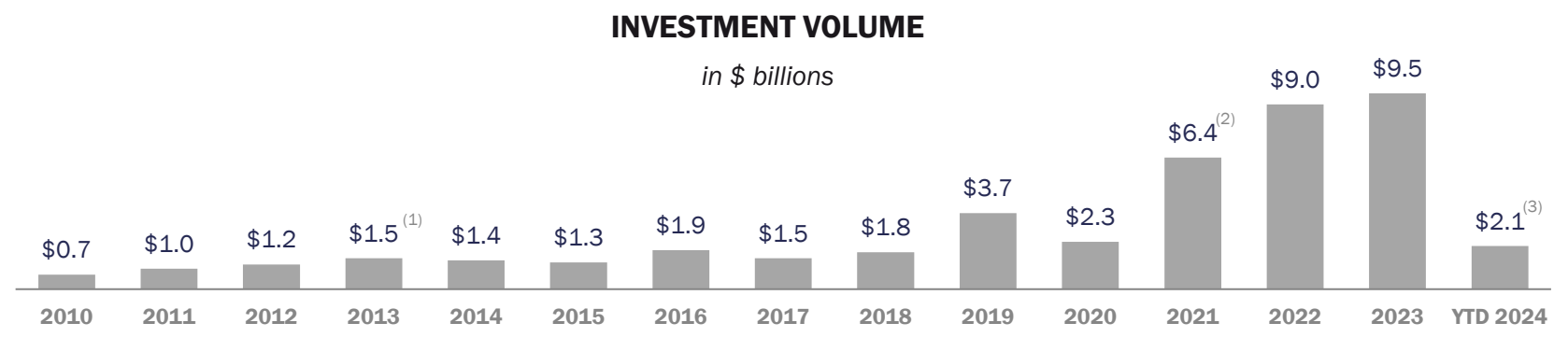
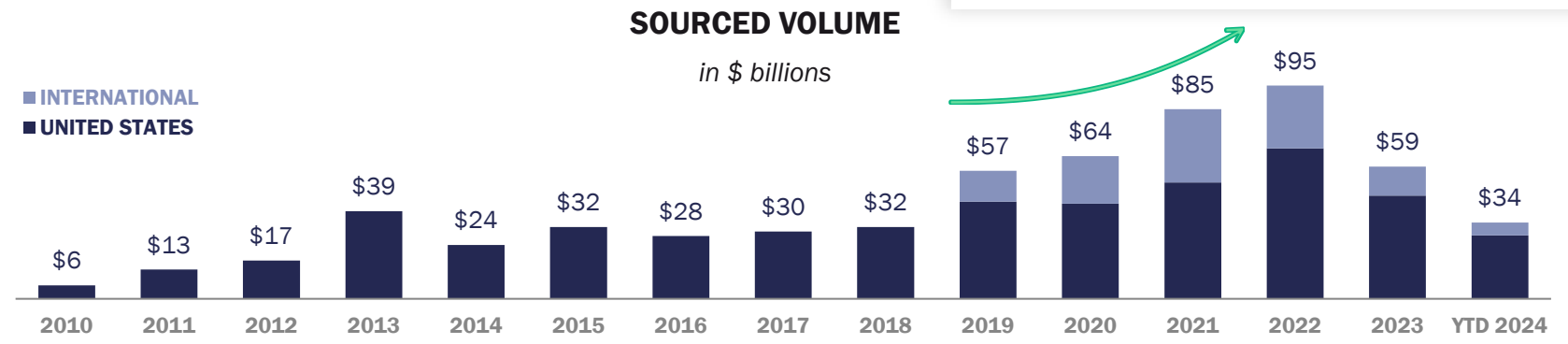




# Realty Income's External Growth Opportunities are Broad and Diverse

International opportunities have added **nearly 30%** to Realty Income's **sourcing volume** since 2019

International Expansion Has Accelerated **Sourcing Volume** Over the Last 5 Years, Supporting Continued **Selectivity**



<sup>(1)</sup> Excludes \$3.2 billion ARCT transaction.  
<sup>(2)</sup> Excludes the VEREIT merger.  
<sup>(3)</sup> Excludes the Spirit merger.

# Curating Best-in-Class Portfolio Through Thoughtful Investment Process Supported by Proprietary Data Across More than 15,450 Properties

## RESEARCH AND STRATEGY



## REVIEW OF REAL ESTATE FUNDAMENTALS



## ANALYSIS OF CLIENT FINANCIAL STRENGTH

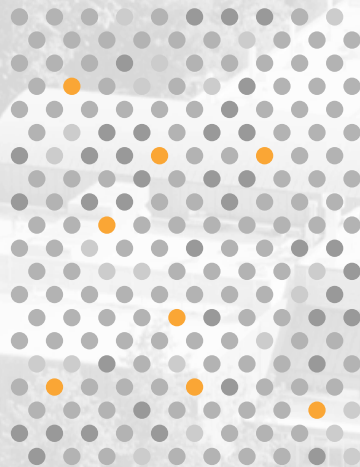


## INVESTMENT COMMITTEE DISCUSSION AND DECISION

SELECTIVITY: 6%

**\$2.1**  
BILLION  
YTD 2024  
INVESTMENT  
VOLUME

**\$33.9** >  
BILLION  
YTD 2024 SOURCED  
OPPORTUNITIES



### Strategic Objectives:

- Identify “Mega Trends”
- Research Geographies, Industries and Prospective Clients
- “Big Data” Analysis of New and Existing Industries
- Construct Optimal Portfolio

### Considerations Include:

- Market & Location
- Surrounding Demographics
- Traffic Counts, Access & Signage
- Rent Relative to Market
- Price vs Replacement Cost
- Lease Term & Rent Escalators
- Alternative Use and Fungibility
- IRR Scenario Analysis

### Key Insights:

- Long-Term Industry Trends
- Competitive Landscape
- Corporate Financial Profile
- Client’s Long-Term Growth Strategy
- Store-Level Performance
- ESG Metrics

### Discussion Points:

- Fit in Portfolio and Company Strategy
- Consideration of Overall Opportunity
- Pricing and Other Deal Terms
- Investment Spreads and Long-Term IRR vs Long-Term WACC

# Investment Strategy Illustration: Returns Must Exceed Long-Term WACC

WACC viewpoint balances near-term earnings per share growth with long-term value accretion

## LONG-TERM

*Weighted Average Cost of Capital*

- **Drives investment decision-making at the property level**
- Considers required “growth” component of equity returns
- Long-term WACC is the hurdle rate for acquisitions
- Focus on higher long-term IRR discourages risk-taking

## KEY ASSUMPTIONS & CALCULATION:

### LONG-TERM COST OF EQUITY

Beta vs. S&P 500 (since S&P 500 Index Inclusion on 4/6/15) <sup>(1)</sup>	0.76
Long-Term 10-Year U.S. Yield (Fitted Instantaneous Forward Rate) <sup>(1)</sup>	5.0%
Equity Market Risk Premium (S&P 500 Earnings Yield vs 10Y UST) <sup>(1)</sup>	2.5%
<b>Long-Term Cost of Equity (CAPM methodology)</b>	<b>6.9%</b>
Dividend Yield	4.9%
Assumed Long-Term Dividend Growth Rate	4.0%
<b>Long-Term Cost of Equity (Yield + Growth methodology)</b>	<b>8.9%</b>
<b>Long-Term Cost of Equity (Average of two methodologies)</b>	<b>7.9%</b>

## KEY ASSUMPTIONS & CALCULATION:

### LONG-TERM WACC

<b>65% Long-Term Cost of Equity</b>	<b>7.9%</b>
<b>35% Cost of Debt (unsecured, 10-year, fixed)</b>	<b>5.0%</b>
<b>Long-Term WACC</b>	<b>6.9%</b>

## SHORT-TERM

*Nominal 1<sup>st</sup>-Year Weighted Average Cost of Capital*

- **Used to measure initial (year one) earnings accretion**
- Higher stock price (lower cost) supports more robust growth
- Spread on short-term WACC required to generate accretion
- Unwilling to sacrifice quality to generate wider spreads

## KEY ASSUMPTIONS & CALCULATION:

### NOMINAL 1<sup>ST</sup>-YEAR WACC<sup>(2)</sup>

<b>47% Equity: AFFO yield</b>	<b>6.7%</b>
<b>35% Debt: Unsecured, 10-year, fixed</b>	<b>5.0%</b>
<b>18% Retained Free Cash Flow</b>	<b>0%</b>
<b>Nominal 1<sup>st</sup>-Year WACC</b>	<b>4.0%</b>



**LOW NOMINAL WACC** supports ability to spread invest in high-quality real estate opportunities



**LONG-TERM WACC** considers growth requirements of equity and supports focus on residual value of acquisitions

**Note:** Realty Income’s cost of capital information uses illustrative assumptions only. Actual results and calculations may vary materially from these illustrative calculations.

<sup>(1)</sup> Source: Bloomberg.

<sup>(2)</sup> AFFO yield is based on a NTM AFFO/sh basis. Cost of 10-year, fixed, unsecured debt equals the approximate weighted average cost of borrowing in US, UK, and Europe based on expected funding needs by jurisdiction in 2024. Retained free cash flow activity is on a NTM basis. Totals may not sum due to rounding.

# Growing International Portfolio

After entering the European market in May 2019 via a sale-leaseback transaction with Sainsbury's, Realty Income has continued to expand its presence in the region, positioning the company for future growth.



# European Portfolio Snapshot

SINCE ENTERING THE MARKET IN MAY 2019, REALTY INCOME HAS CONTINUED TO GROW ITS EUROPEAN PRESENCE, WITH INVESTMENTS OF **~\$11.3 BILLION** TO-DATE

**483**  
properties

**43**  
industries

**41M**  
leasable square  
feet

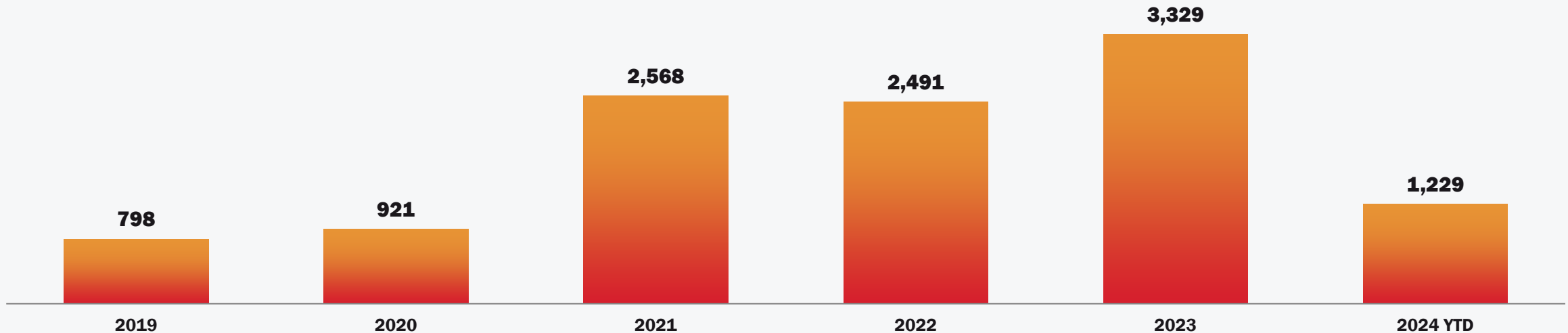
**>\$700M**  
annualized  
contractual rent

**~8.9**  
years weighted  
average remaining  
lease term

**14.6%**  
of total portfolio annualized  
contractual rent

## REALTY INCOME'S ANNUAL INVESTMENT VOLUMES IN EUROPE<sup>(1)</sup>

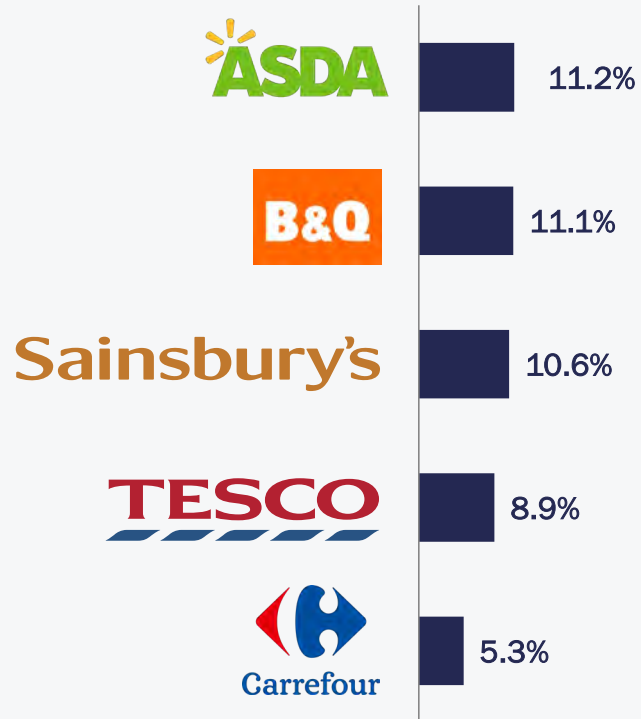
(in \$ millions)



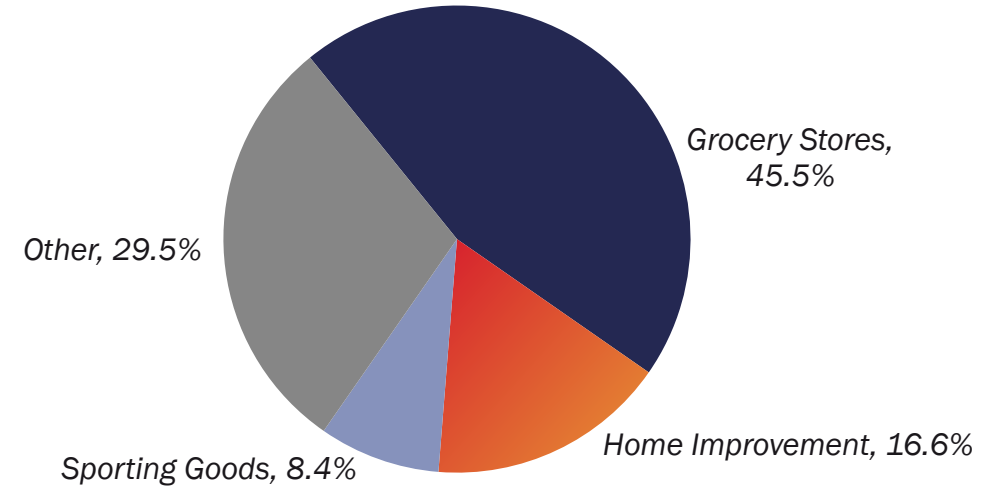
<sup>(1)</sup> Includes international acquisitions and international developmental properties, as well as a senior secured note issued by a parent company of Asda based in the U.K. in 2024.

# European Portfolio Snapshot (continued)

**CLIENT DIVERSIFICATION – TOP 5 EUROPEAN CLIENTS<sup>(1)</sup>**  
 % of European Annualized Contractual Rent



**EUROPEAN PORTFOLIO BY INDUSTRY<sup>(1)</sup>**  
 % of European Annualized Contractual Rent



## KEY HIGHLIGHTS

- ✓ **Diversified portfolio** leased to clients operating in non-discretionary industries
- ✓ Tesco and Sainsbury's are the **top grocers** in the U.K.<sup>(2)</sup>, and Carrefour is the **2nd largest grocer** in Spain<sup>(3)</sup>
- ✓ B&Q (Kingfisher) is the **largest home improvement retailer** in the U.K. and is the 2<sup>nd</sup> largest in France<sup>(4)</sup>

<sup>(1)</sup> Based on percentages of total European portfolio annualized contractual rent as of 09/30/2024.

<sup>(2)</sup> Based on market share. Source: Kantar World Panel Great Britain as of 04/14/2024.

<sup>(3)</sup> Source: Kantar World Panel Spain as of 03/24/2023.

<sup>(4)</sup> Source: Mintel and Morgan Stanley Research, 2023.

# Sustainability Overview

As real estate and sustainability landscapes continue to evolve, Realty Income is harnessing the power of partnerships to meet challenges head-on and pioneer solutions that will help us and our clients meet our mutual sustainability goals.

From our employees to our clients, and from our local communities to our operations around the world, Realty Income continues to advance sustainability initiatives with invested stakeholders.



# | Committed to Advancing Sustainability Strategy

As real estate partner to the world's leading companies, Realty Income's **thoughtful collaborations** with clients and strategic partners allow the company to adopt sustainable practices across the value chain to contribute to a **more equitable, inclusive, and environmentally conscious future**



## ENVIRONMENTAL

Strive to embed environmental responsibility into corporate operations and partner with clients to reduce environmental impacts associated with our properties



## SOCIAL

Committed to providing an engaging work environment, being a responsible global citizen, and building enduring relationships with our communities



## GOVERNANCE

Board of Directors plays a key role in overseeing ESG, including embedding sustainability into our strategy, business activities, leadership, and risk management

Visit Realty Income's annual [sustainability report](#) to view additional details and recent accomplishments





# Sustainability Focus Areas

## Environmental

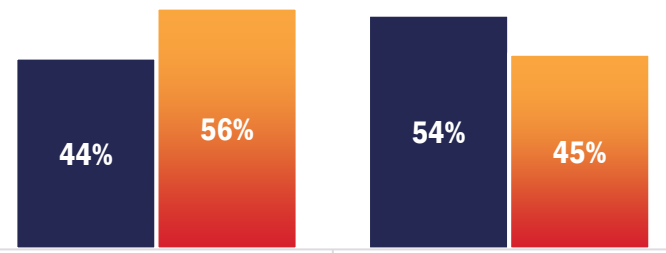
- **Investing** in green certified buildings.
- **Financing** with Green Bonds.
- **Innovating** solutions for scope 3 emissions reporting.
- **Incorporating** “Green Lease Clauses.”
- **Engaging** with our clients on ESG priorities.
- **Scaling** collaborative client engagement on renewable energy and energy efficient initiatives.
- **Working** to grow sustainable portfolio initiatives.
- **Building** ESG resources and tools.
- **Assessing and preparing** for ongoing ESG regulatory requirements and climate risk reporting.

## Social

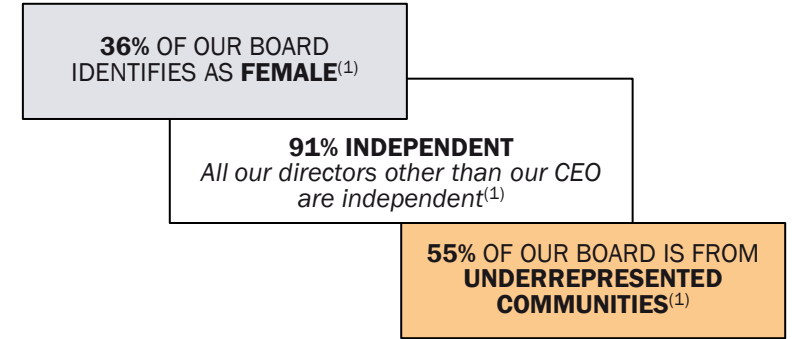
- **Hiring and Retention** – Competitive pay & benefits; internal talent mobility; mentorship.
- **Engagement** – Employee Engagement surveys every 18 months.
- **Employee Health, Safety, & Wellbeing** – “O”verall Wellbeing Program.
- **Human Rights** – [Human Rights Policy on our website.](#)
- **Human Capital Development** – Continued education, training, and development.
- **Inclusion & Belonging Committee** – led by a steering committee & supported by volunteers.
- **Community Service** – Community partnerships and charitable contributions.

## Governance

- **Overseeing ESG** while embedding sustainability into our strategy and leadership.
- **Annual Elections** with a majority vote standard in uncontested elections.
- **Our Directors conduct annual self-evaluations** and participate in continuing education, including training on ESG.
- **Enterprise Risk Management is conducted annually** by our Board and Management Team.
- **Our Board provides oversight** of the company’s ESG programs and performance.



56% of our employees & 45% of our managers identify as women<sup>(2)</sup>



<sup>(1)</sup> As of 04/15/2024. As referenced in the 2024 Annual Proxy Report.  
<sup>(2)</sup> As of 12/31/2023.

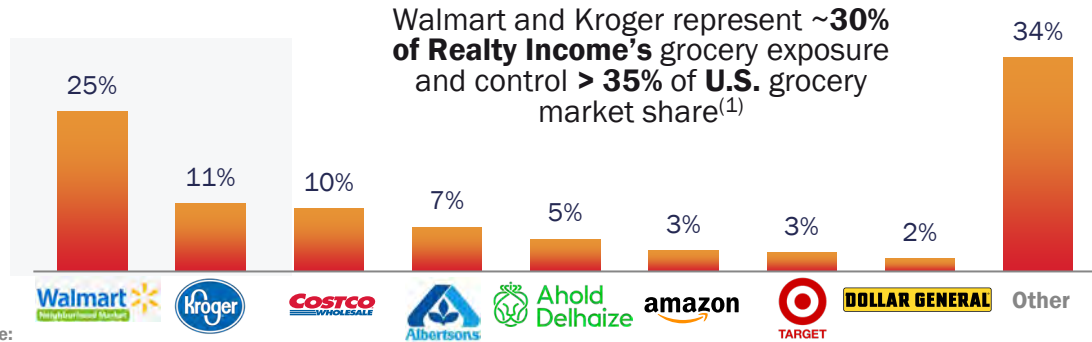
# Top Industry Investment Theses



# Grocery Stores (10.4% of ABR)

## EXPOSURE TO TOP OPERATORS IN AN ESSENTIAL, E-COMMERCE RESISTANT INDUSTRY

U.S. Grocery Market Share<sup>(1)</sup>



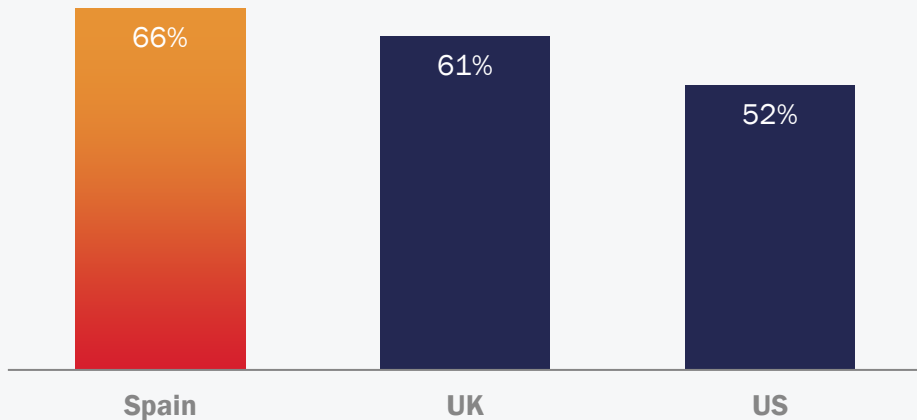
Source:  
<sup>(1)</sup> Numerator Research, 2023.  
<sup>(2)</sup> Kantar World Panel for 12 weeks ending 04/14/2024.

U.K. Grocery Market Share<sup>(2)</sup>



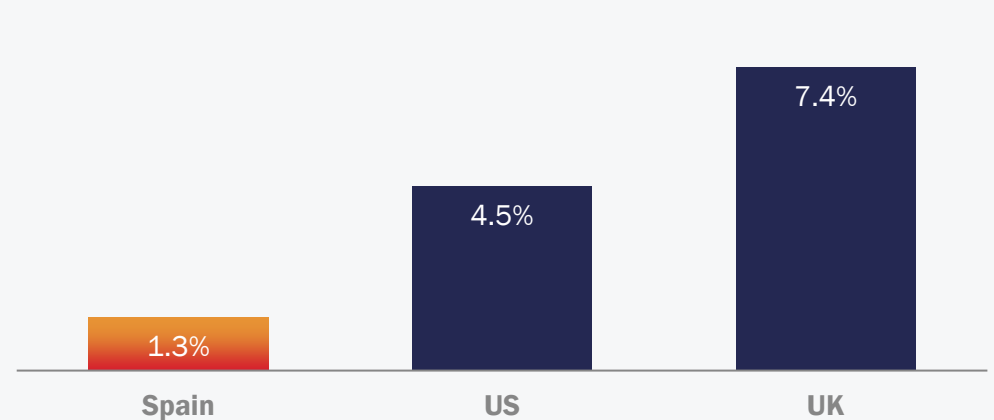
## POSITIVE OUTLOOK ON THE SPANISH GROCERY INDUSTRY: Food-at-home spending more prevalent, online grocery spending less common

Food-at-Home as a % of Total Food Expenditure<sup>(3)</sup>



Source:  
<sup>(3)</sup> Statista.com, Gov.uk, USDA ERS.  
<sup>(4)</sup> CBRE, Statista.com, Multichannelmerchant.com, Kantar.

Pre-COVID Online Grocery Penetration<sup>(4)</sup>



# Convenience Stores (9.4% of ABR)

Quality real estate locations with inelastic demand

**~20%** of all shoppers claim to visit a **c-store** to purchase food-to-go<sup>(1)</sup>.

**~70%** of **inside sales** are generated by customers **not buying gas**<sup>(2)</sup>.

**165M** people shop in **convenience stores** everyday<sup>(3)</sup>.

## 2040 SNAPSHOT



In 2040, EVs will make up about 6% of all vehicles on the road, while EVs will account for about 10% of all new vehicle sales.



VEHICLES ON THE ROAD IN 2040<sup>(4)</sup>

AVG AGE OF CARS ON THE ROAD 11.8 YEARS<sup>(4)</sup>

## GROSS MARGIN<sup>(3)</sup>



**~9% Margin**

Gasoline



**30%+ Margin**

In Store Sales

**~70% of gross profit is generated from inside sales**

Source:

<sup>(1)</sup> Explorer Research.

<sup>(2)</sup> Realty Income estimates based on industry component data.

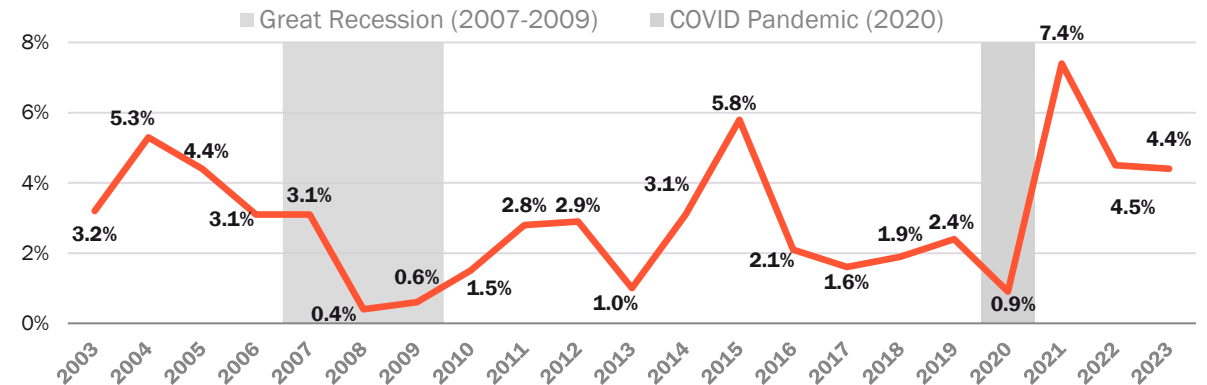
<sup>(3)</sup> National Association of Convenience Stores. Gross margins are averages over the past five years.

<sup>(4)</sup> U.S. Energy Information Administration and Bureau of Transportation Statistics.

<sup>(5)</sup> Seven & i Corporate Filings.

## 7-ELEVEN: INSIDE SAME-STORE SALES:

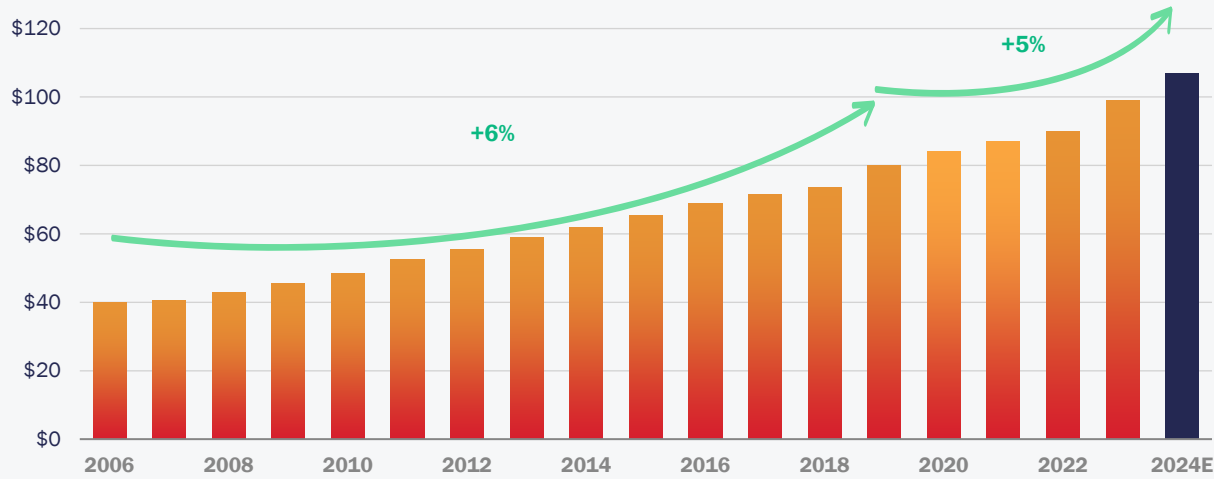
19 Consecutive Years of Positive Same-Store Sales Growth<sup>(5)</sup>



# Dollar Stores (6.5% of ABR)

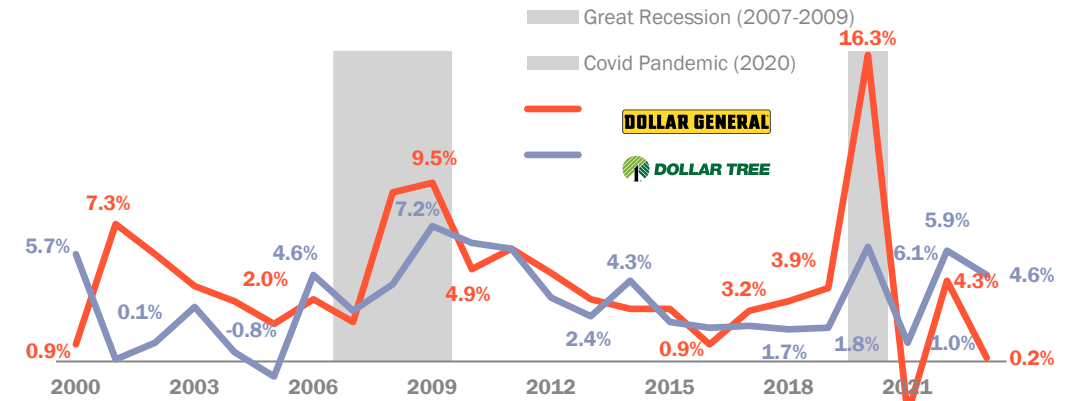
**Growing industry:** 89% of all shoppers across geographies, income levels, and demographics shop at discount retailers.

**US Discount Store Market Size**  
(in billions)<sup>(1)</sup>



**Dollar General & Dollar Tree:**  
Same-Store Sales Growth<sup>(2)</sup>

**Counter-cyclical** protection due to a trade down effect and e-commerce resiliency.



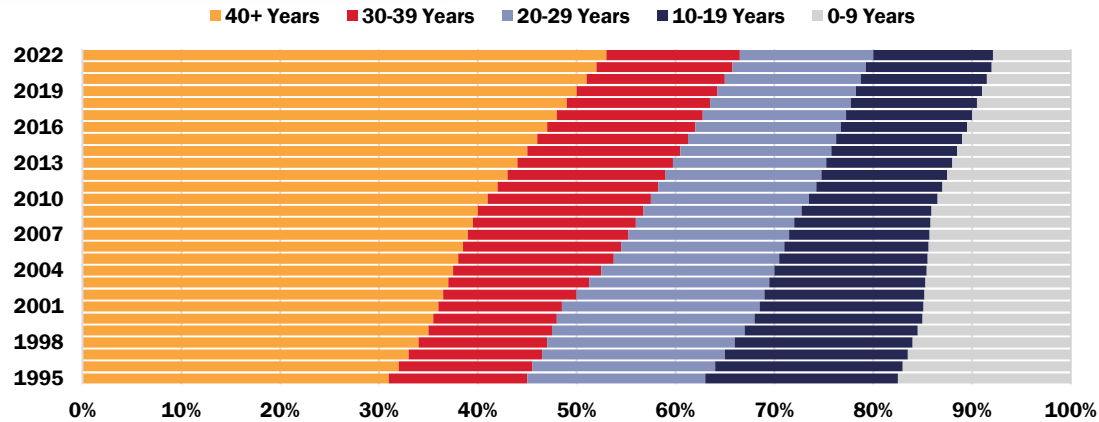
Source:

<sup>(1)</sup> National Retail Federation.

<sup>(2)</sup> Dollar General and Dollar Tree Corporate Filings as of 2023.

# Home Improvement (6.0% of ABR)

Aging U.S. Housing Stock Supports Home Improvement Spend<sup>(1)</sup>

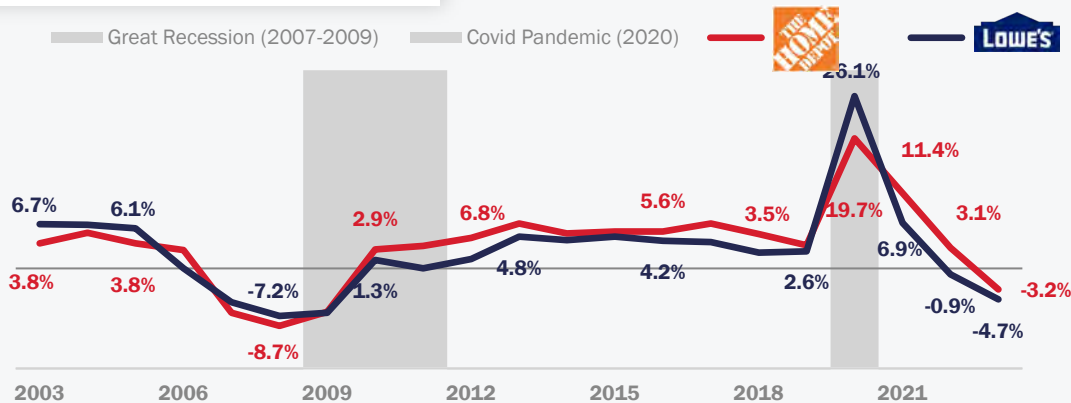


**~\$1T** estimated home improvement market size in the U.S.<sup>(1)(2)</sup>

**2/3** of Lowe's sales are non-discretionary<sup>(2)</sup>.

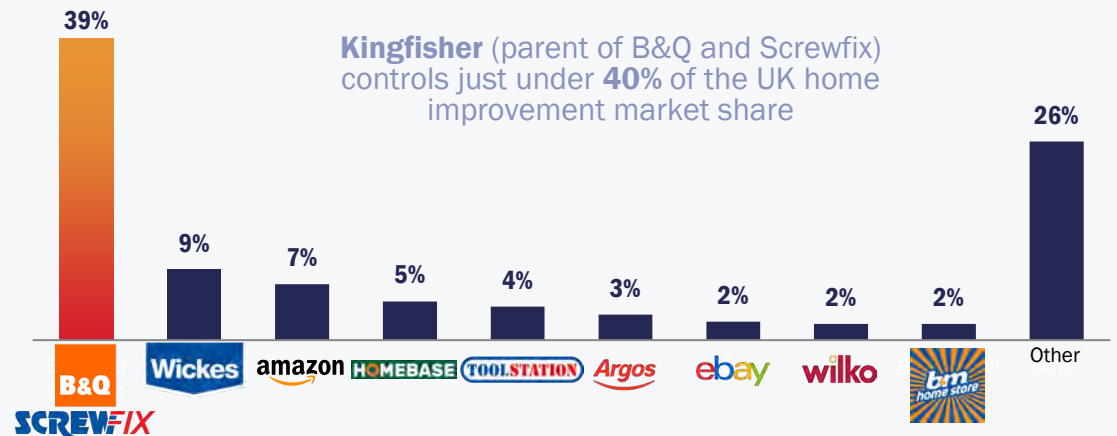
**53%** of homes in the U.S. are older than 40 years, supporting growing home improvement investments<sup>(1)</sup>.

Same Store Sales for the Two Largest U.S. Home Improvement Retailers<sup>(1)(2)</sup>



Source:  
<sup>(1)</sup> Home Depot company filings as of 2023.  
<sup>(2)</sup> Lowe's company filings as of 2023.  
<sup>(3)</sup> Mintel, Morgan Stanley Research, 2023.

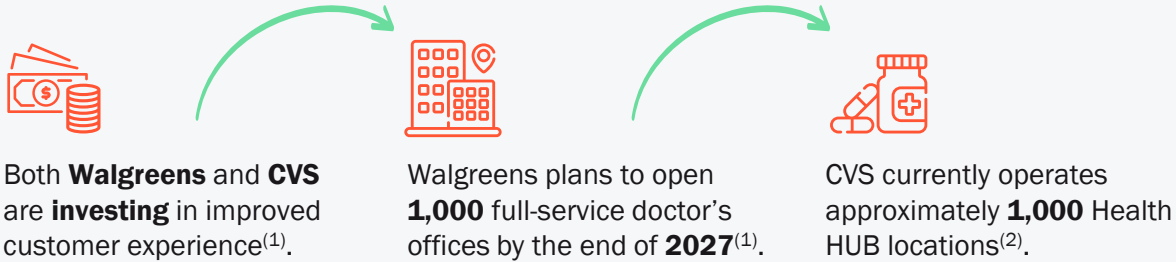
U.K. Home Improvement Market Share<sup>(3)</sup>



Kingfisher (parent of B&Q and Screwfix) controls just under **40%** of the UK home improvement market share

# Drug Stores (4.8% of ABR)

**Bundled service partnerships and vertical integration** among incumbents insulates industry from outside threats.



**Source:**  
<sup>(1)</sup> CVS and Walgreens Corporate Filings.  
<sup>(2)</sup> CVS filings.  
<sup>(3)</sup> CVS and Walgreens Corporate Filings as reported by IQVIA.  
<sup>(4)</sup> Walgreens Corporate Filings | Latest reported quarter.

**80%**

Of the scope of a **typical primary care** physician treatable at an **on-site clinic**<sup>(1)</sup>.

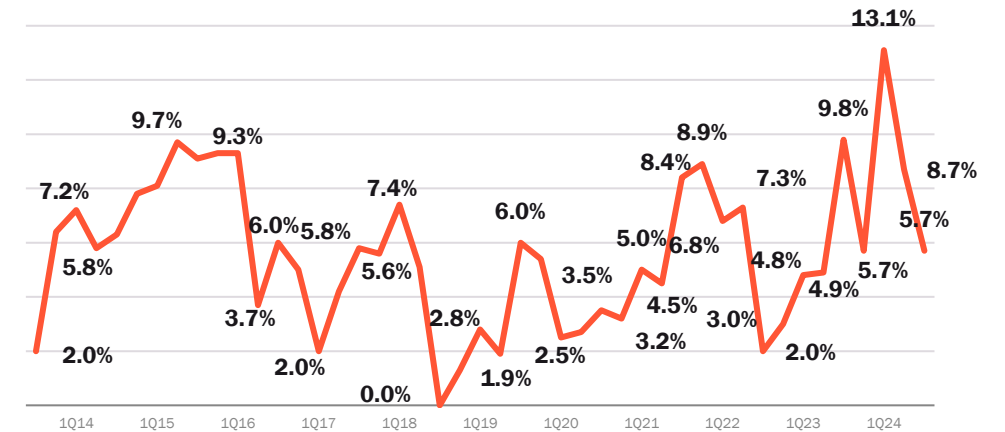
**85%**

Of the **US** population lives within **3 miles** of a **Walgreens or CVS**<sup>(2)</sup>.

**>40%**

Combined **retail prescription market share** of **Walgreens and CVS**<sup>(3)</sup>.

**Walgreens Pharmacy:** 44 of 45 Quarters of Positive Comparable Sales Growth<sup>(4)</sup>.



# 2024 Guidance and Non-GAAP Reconciliations





# 2024 Guidance

	PRIOR 2024 GUIDANCE <sup>(1)</sup>	REVISED 2024 GUIDANCE
NET INCOME PER SHARE <sup>(2)</sup>	\$1.21 to \$1.30	\$1.15 to \$1.20
REAL ESTATE DEPRECIATION AND IMPAIRMENTS PER SHARE	\$2.92	\$2.96
OTHER ADJUSTMENTS PER SHARE <sup>(3)</sup>	\$0.06	\$0.05
NORMALIZED FFO PER SHARE <sup>(2)(4)</sup>	\$4.19 to \$4.28	\$4.16 to \$4.21
AFFO PER SHARE <sup>(4)</sup>	\$4.15 to \$4.21	\$4.17 to \$4.21
SAME STORE RENT GROWTH <sup>(5)</sup>	Approximately 1.0%	Approximately 1.0%
OCCUPANCY	Over 98%	Over 98%
CASH G&A EXPENSES (% OF REVENUES) <sup>(6)(7)</sup>	Approximately 3.0%	Approximately 3.0%
NON-REIMBURSABLE PROPERTY EXPENSES (% OF REVENUES) <sup>(6)</sup>	1.0% - 1.5%	1.2% - 1.5%
INCOME TAX EXPENSES	\$65 to \$75 Million	\$65 to \$75 Million
INVESTMENT VOLUME <sup>(8)</sup>	Approximately \$3.0 Billion	Approximately \$3.5 Billion
DISPOSITION VOLUME	\$400 to \$500 Million	\$550 to \$600 Million

<sup>(1)</sup> As issued on August 5, 2024.

<sup>(2)</sup> Net income per share and Normalized FFO per share include non-cash interest expense impact related to Spirit merger.

<sup>(3)</sup> Includes gain on sales of properties and merger, transaction and other costs.

<sup>(4)</sup> Normalized FFO per share and AFFO per share exclude merger and integration-related costs associated with our merger with Spirit. Per share amounts may not add due to rounding.

<sup>(5)</sup> Reserve reversals recognized in 2023 represent an approximately 30 basis point headwind to same store rent growth in 2024. Consistent with prior quarters, the full year Same Store Pool does not include the Spirit portfolio.

<sup>(6)</sup> Revenue excludes contractually obligated reimbursements by our clients. Cash G&A expenses excludes stock-based compensation expense.

<sup>(7)</sup> G&A expenses inclusive of stock-based compensation expense as a percentage of rental revenue, excluding reimbursements, is expected to be approximately 3.4% - 3.7% in 2024.

<sup>(8)</sup> Investment volume excludes merger with Spirit Realty, which closed January 23, 2024.

# Adjusted Funds From Operations (AFFO)

(in thousands, except per share data)

	Three months ended September 30,		Nine months ended September 30,	
	2024	2023	2024	2023
Net income available to common stockholders	\$ 261,781	\$ 233,473	\$ 648,281	\$ 653,904
Cumulative adjustments to calculate Normalized FFO <sup>(1)</sup>	601,755	505,557	2,026,929	1,459,050
Normalized FFO available to common stockholders	863,536	739,030	2,675,210	2,112,954
Excess of redemption value over carrying value of preferred shares redeemed	5,116	—	5,116	—
Amortization of share-based compensation	6,401	6,231	22,920	20,154
Amortization of net debt discounts (premiums) and deferred financing costs	4,861	(10,244)	9,861	(34,441)
Amortization of acquired interest rate swap value <sup>(2)</sup>	3,711	—	10,225	—
Non-cash change in allowance for credit losses <sup>(3)</sup>	63,769	—	74,315	—
Leasing costs and commissions	(2,841)	(1,392)	(5,897)	(6,868)
Recurring capital expenditures	(151)	(52)	(203)	(190)
Straight-line rent and expenses, net	(43,930)	(42,791)	(136,377)	(113,239)
Amortization of above and below-market leases, net	12,973	24,939	41,053	61,967
Proportionate share of adjustments for unconsolidated entities	(2,152)	—	(1,770)	—
Other adjustments <sup>(4)</sup>	4,279	5,649	5,064	3,499
AFFO available to common stockholders	\$ 915,572	\$ 721,370	\$ 2,699,517	\$ 2,043,836
AFFO allocable to dilutive noncontrolling interests	1,467	1,357	4,413	4,170
Diluted AFFO	\$ 917,039	\$ 722,727	\$ 2,703,930	\$ 2,048,006
AFFO per common share:				
Basic	\$ 1.05	\$ 1.02	\$ 3.14	\$ 3.00
Diluted	\$ 1.05	\$ 1.02	\$ 3.14	\$ 2.99
Distributions paid to common stockholders	\$ 687,144	\$ 543,343	\$ 1,999,858	\$ 1,555,679
AFFO available to common stockholders in excess of distributions paid to common stockholders	\$ 228,428	\$ 178,027	\$ 699,659	\$ 488,157
Weighted average number of common shares used for AFFO:				
Basic	870,665	709,165	858,679	681,419
Diluted	873,974	711,338	861,300	683,925

<sup>(1)</sup> See Normalized FFO calculations on page 10 of earnings press release for reconciling items.

<sup>(2)</sup> Includes the amortization of the purchase price allocated to interest rate swaps acquired in the Spirit merger.

<sup>(3)</sup> Credit losses primarily consist of a financing receivable impairment for a client in the convenience store industry that defaulted on their lease payments to us.

<sup>(4)</sup> Includes non-cash foreign currency losses (gains) from remeasurement to USD, mark-to-market adjustments on investments and derivatives that are non-cash in nature, straight-line payments from cross-currency swaps, obligations related to financing lease liabilities, adjustments allocable to noncontrolling interests, and gains and losses on the sale of loans receivable.

# Adjusted EBITDAre

(dollars in thousands)

Adjusted EBITDAre, Annualized Adjusted EBITDAre, Pro Forma Adjusted EBITDAre, Annualized Pro Forma Adjusted EBITDAre, Net Debt/Annualized Adjusted EBITDAre, and Net Debt/Annualized Pro Forma Adjusted EBITDAre are non-GAAP financial measures. Please see the Glossary for our definition and an explanation of how we utilize these metrics.

	Three months ended September 30,	
	2024	2023
Net income	\$ 271,124	\$ 233,877
Interest	261,261	184,121
Income taxes	15,355	11,336
Depreciation and amortization	602,339	495,566
Provisions for impairment	96,920	16,808
Merger, transaction, and other costs	8,610	2,884
Gain on sales of real estate	(50,563)	(7,572)
Foreign currency and derivative loss, net	1,672	2,813
Proportionate share of adjustments from unconsolidated entities	20,340	—
Quarterly Adjusted EBITDAre	\$ 1,227,058	\$ 939,833
Annualized Adjusted EBITDAre <sup>(1)</sup>	\$ 4,908,232	\$ 3,759,332
Annualized Pro Forma Adjustments	\$ 29,347	\$ 74,503
Annualized Pro Forma Adjusted EBITDAre	\$ 4,937,579	\$ 3,833,835
Total debt per the consolidated balance sheet, excluding deferred financing costs and net premiums and discounts	\$ 26,437,045	\$ 20,388,406
Proportionate share of unconsolidated entities debt, excluding deferred financing costs	659,190	—
Less: Cash and cash equivalents	(396,956)	(344,129)
Net Debt <sup>(2)</sup>	\$ 26,699,279	\$ 20,044,277
Net Debt/Annualized Adjusted EBITDAre	5.4x	5.3x
Net Debt/Annualized Pro Forma Adjusted EBITDAre	5.4x	5.2x

<sup>(1)</sup> We calculate Annualized Adjusted EBITDAre by multiplying the Quarterly Adjusted EBITDAre by four.

<sup>(2)</sup> Net Debt is total debt per our consolidated balance sheets, excluding deferred financing costs and net premiums and discounts, but including our proportionate share of debt from unconsolidated entities, less cash and cash equivalents.