

# Investment Facts

(As of September 30, 2017, unless noted)

The Monthly Dividend Company®

## Company Description

Realty Income, The Monthly Dividend Company®, is an S&P 500 company. For 48 years our investors have enjoyed monthly dividends, which have steadily increased over time. The monthly dividend is supported by over 5,000 freestanding commercial properties that generate rental revenue from long-term net lease agreements. Realty Income was founded in 1969 and became a NYSE public company in October 1994. NYSE Ticker Symbol: "O".



## AT A GLANCE:

### Stock Information (as of October 25, 2017)

Ticker Symbol: "O" - NYSE  
52-Week High/Low: \$63.60 / \$52.72

### Dividend Information (as of October 25, 2017)

Annualized Dividend Amount: \$2.544  
Monthly Dividend Amount: \$0.212  
Dividend Yield: 4.7%

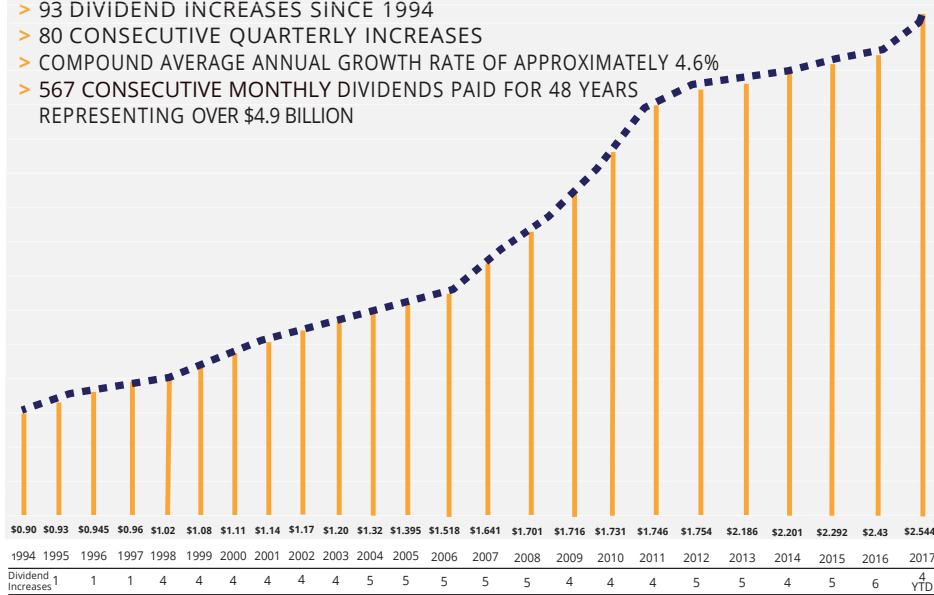
### Investment Highlights: (since 1994 NYSE listing)

- Compound average annual return of 16.4%
- Compound average annual dividend growth rate of approximately 4.6%
- Dividend growth of 183% (as of October 25, 2017)
- Over \$4.9 billion in dividends paid (as of October 25, 2017)
- 93 dividend increases (as of October 25, 2017)
- Approximately \$13.1 billion in real estate investments since 2010 (including 2013 acquisition of ARCT)
- Total capitalization of \$22 billion
- Total equity market capitalization of \$16 billion
- Total debt outstanding of approximately \$5.8 billion
- Baa1 / BBB+ / BBB+ corporate debt ratings from Moody's / Standard & Poor's / Fitch
- Member of S&P 500 index
- Member of S&P High Yield Dividend Aristocrats® index<sup>(1)</sup>

## ANNUALIZED DIVIDENDS AND DIVIDEND INCREASES

(AS OF OCTOBER 25, 2017)

- > 93 DIVIDEND INCREASES SINCE 1994
- > 80 CONSECUTIVE QUARTERLY INCREASES
- > COMPOUND AVERAGE ANNUAL GROWTH RATE OF APPROXIMATELY 4.6%
- > 567 CONSECUTIVE MONTHLY DIVIDENDS PAID FOR 48 YEARS REPRESENTING OVER \$4.9 BILLION



\*Annualized dividend amount reflects the December declared dividend rate per share multiplied by twelve with the exception of the 2017 column which reflects the current declared dividend rate per share multiplied by twelve.

## The "Magic" of Rising Dividends Over Time

**Increased Income = Increased investment return potential over time.** The longer shareholders own Realty Income, the higher their "yield on cost potential," the greater the increase in dividend income, and the greater the potential for enhanced returns.

**Example:** Investors who purchased Realty Income shares on 12/31/2006 and collect their dividends have received (as of 9/30/2017):

> **9.2%** yield on cost

> **106%** increase in the value of the original investment

> **68%** increase in the amount of annual dividend income

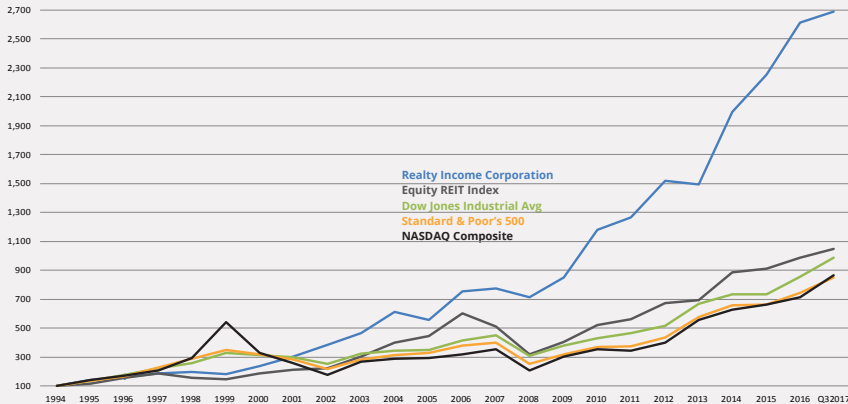
> **76%** of the original investment paid back as dividend income

1,000 Shares Purchased on	Original Investment	Investment Value as of 9/30/2017	Original Annual Dividend Income	Current Annual Dividend Income	Original Yield	Current Yield on Cost at 9/30/2017	Dividends Received Through 9/30/2017	% of Original Investment Received in Dividends
12/31/06	\$27,700	<b>\$57,190</b>	\$1,518	<b>\$2,544</b>	5.5%	<b>9.2%</b>	\$21,052	76%



## Dividend Reinvestment Can Potentially Enhance Investment Returns

Comparison of \$100 Invested in Realty Income in 1994 vs. Major Stock Indices



## Realty Income Performance vs. Major Stock Indices

	Realty Income		Equity REIT Index <sup>(2)</sup>		Dow Jones Industrial Average		S&P 500		NASDAQ Composite	
	Dividend Yield	Total Return <sup>(3)</sup>	Dividend Yield	Total Return <sup>(4)</sup>	Dividend Yield	Total Return <sup>(4)</sup>	Dividend Yield	Total Return <sup>(4)</sup>	Dividend Yield	Total Return <sup>(5)</sup>
2004	5.2%	32.7%	4.7%	31.6%	2.2%	5.6%	1.8%	10.9%	0.6%	8.6%
2005	6.5%	(9.2%)	4.6%	12.2%	2.6%	1.7%	1.9%	4.9%	0.9%	1.4%
2006	5.5%	34.8%	3.7%	35.1%	2.5%	19.0%	1.9%	15.8%	0.8%	9.5%
2007	6.1%	3.2%	4.9%	(15.7%)	2.7%	8.8%	2.1%	5.5%	0.8%	9.8%
2008	7.3%	(8.2%)	7.6%	(37.7%)	3.6%	(31.8%)	3.2%	(37.0%)	1.3%	(40.5%)
2009	6.6%	19.3%	3.7%	28.0%	2.6%	22.6%	2.0%	26.5%	1.0%	43.9%
2010	5.1%	38.6%	3.5%	27.9%	2.6%	14.0%	1.9%	15.1%	1.2%	16.9%
2011	5.0%	7.3%	3.8%	8.3%	2.8%	8.3%	2.3%	2.1%	1.3%	(1.8%)
2012	4.5%	20.1%	3.5%	19.7%	3.0%	10.2%	2.5%	16.0%	2.6%	15.9%
2013	5.8%	(1.8%)	3.9%	2.9%	2.3%	29.6%	2.0%	32.4%	1.4%	38.3%
2014	4.6%	33.7%	3.6%	28.0%	2.3%	10.0%	2.0%	13.7%	1.3%	13.4%
2015	4.4%	13.0%	3.9%	2.8%	2.6%	0.2%	2.2%	1.4%	1.4%	5.7%
2016	4.2%	16.0%	4.0%	8.6%	2.5%	16.5%	2.1%	12.0%	1.4%	7.5%
Q3 2017	4.4%	2.8%	3.9%	6.0%	2.4%	15.5%	2.0%	14.2%	1.0%	20.7%
<b>Compound Average Annual Total Return<sup>(6)</sup></b>	<b>16.4%</b>		<b>10.8%</b>		<b>10.4%</b>		<b>9.7%</b>		<b>9.8%</b>	

**Note:** All of these dividend yields are calculated as annualized dividends based on the last dividend paid in applicable time period divided by the closing price as of period end.

Dividend yield sources: NAREIT website and Bloomberg, except for the 1994 NASDAQ dividend yield which was sourced from Datastream / Thomson Financial.

(1) The S&P High Yield Dividend Aristocrats<sup>®</sup> index is designed to measure the performance of companies within the S&P Composite 1500<sup>®</sup> that have followed a managed-dividends policy of consistently increasing dividends every year for at least 20 years.

(2) FTSE NAREIT US Equity REIT Index, as per NAREIT website.

(3) Calculated as the difference between the closing stock price as of period end less the closing stock price as of previous period, plus dividends paid in period, divided by closing stock price as of end of previous period. Does not include reinvestment of dividends for the annual percentages.

(4) Includes reinvestment of dividends. Source: NAREIT website and Factset.

(5) Price only index, does not include dividends. Source: Factset.

(6) All of these Compound Average Annual Total Return rates are calculated in the same manner: from Realty Income's NYSE listing on October 18, 1994 through September 30, 2017, and (except for NASDAQ) assuming reinvestment of dividends. Past performance does not guarantee future performance. Realty Income presents this data for informational purposes only and makes no representation about its future performance or how it will compare in performance to other indices in the future.

## Company Highlights

- > Focus on paying monthly rather than quarterly dividends
- > Track record of regularly increasing the dividend
- > Long-term real estate leases provide dependable revenue from which we pay dividends
- > Conservative capital structure
- > 20+ years trading on the New York Stock Exchange
- > Diversified sources of lease revenue—tenant, industry, geography and property type
  - 251 commercial tenants
  - 47 industries
  - 49 states and Puerto Rico
- > Member of S&P High Yield Dividend Aristocrats<sup>®</sup> index<sup>(1)</sup>
- > Asset growth from 630 properties in 1994 to 5,062 properties

## Top 20 Tenant Diversification

Walgreens*	6.6%
FedEx*	5.2%
LA Fitness	4.1%
Dollar General*	4.0%
Dollar Tree / Family Dollar	3.6%
AMC Theatres	3.6%
Circle K (Couche-Tard)*	2.5%
Walmart / Sam's Club*	2.4%
BJ's Wholesale Clubs	2.2%
Treasury Wine Estates	2.1%
CVS Pharmacy*	1.9%
Super America (Tesoro)*	1.9%
GPM Investments / Fas Mart	1.8%
Regal Cinemas	1.8%
Rite Aid	1.8%
7-Eleven*	1.7%
Life Time Fitness	1.7%
TBC Corporation (Sumitomo)*	1.6%
Kroger*	1.3%
NPC International	1.2%

\*Tenants with investment-grade credit rating, including subsidiaries of investment-grade rated companies

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**Note:** Past performance doesn't guarantee future performance.  
In addition, dividends are paid only when declared by our Board of Directors