

W.P. CAREY & CO. LLC

**Funds From Operations**  
*(in thousands except per share amounts)*

	<b>Three Months Ended March 31,</b>	
	<b><u>2001</u></b>	<b><u>2000</u></b>
Net income	\$ 12,639	\$ 9,625
(Gain) loss on sale of real estate	(217)	116
Funds from operations of equity investees in excess of equity income	388	(43)
Depreciation, amortization and other non-cash charges	6,542	3,522
Minority interest in (loss) income in excess of distributions	(44)	284
Straight-line rents	(242)	(493)
Deferred management income (1)	203	
Other		(45)
Funds from operations	\$ <u>19,269</u>	\$ <u>12,966</u>
<b>Funds From Operations per share - Basic and Diluted</b>	\$ <u>0.56</u>	\$ <u>0.51</u>
Weighted average shares outstanding:		
Basic	<u>34,268,798</u>	<u>25,624,346</u>
Diluted	<u>34,584,163</u>	<u>25,624,346</u>

**Note:**

(1) Represents adjustment for management income that has been deferred in accordance with SAB 101.



**W.P. CAREY & CO. LLC**

**Condensed Consolidated Statements of Income**  
*(in thousands except share and per share amounts)*

	<b>Three Months Ended March 31,</b>	
	<b><u>2001</u></b>	<b><u>2000</u></b>
Revenues:		
Rental income	\$ 11,826	\$ 12,743
Interest income from direct financing leases	8,189	8,324
Other interest income	243	35
Management income from affiliates	7,543	-
Other income	2,711	852
Revenue of hotel operations	<u>1,385</u>	<u>1,322</u>
	<u><b>31,897</b></u>	<u><b>23,276</b></u>
Expenses:		
Interest	5,596	6,010
Depreciation	2,612	2,919
Amortization	3,846	208
General and administrative	6,241	1,685
Property expenses	1,302	1,666
Operating expenses of hotel operations	<u>1,194</u>	<u>1,171</u>
	<u><b>20,791</b></u>	<u><b>13,659</b></u>
Income before minority interest, equity investments, gain (loss) on sale and income taxes	11,106	9,617
Minority interest in loss (income)	44	(870)
Income from equity investments	1,452	1,222
Net gain (loss) on sale of real estate	<u>217</u>	<u>(116)</u>
Income before income taxes	12,819	9,853
Provision for income taxes	<u>(180)</u>	<u>(228)</u>
Net income	<u><b>\$ 12,639</b></u>	<u><b>\$ 9,625</b></u>
Earnings per share		
Basic and Diluted	<u><b>\$ 0.37</b></u>	<u><b>\$ 0.38</b></u>
Weighted average shares outstanding:		
Basic	<u><b>34,268,978</b></u>	<u><b>25,624,346</b></u>
Diluted	<u><b>34,584,163</b></u>	<u><b>25,624,346</b></u>

