

## W. P. Carey Announces \$158 Million Bank Pekao Transaction in Poland

*Acquisition of bank's headquarters from institutional investor parallels trend in European net-lease deals*

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NEW YORK, April 1, 2014 /PRNewswire/ -- W. P. Carey Inc. (NYSE: WPC), a global net-lease real estate investment trust specializing in corporate sale-leaseback financing, build-to-suit construction financing and the acquisition of single-tenant net-lease properties, announced today that two of its publicly held non-traded REIT affiliates, CPA<sup>®</sup>:17 – Global and CPA<sup>®</sup>:18 – Global, have jointly acquired the headquarters of Bank Pekao S.A. in Warsaw, Poland, from CA Immo.



### Key facts:

- **Strong tenant:** Bank Pekao is the second largest bank in Poland. It is publicly traded on the Warsaw Stock Exchange with an equity market capitalization of nearly \$17 billion (€12 billion) and is rated "BBB+ / Stable" by S&P.
- **Critical office asset:** Located in the "Airport Corridor" along the main route from the airport to the city center, the facility, built in 2009 by Hochtief, is a modern Class-A building serving as Bank Pekao's headquarters and housing more than 2,000 employees.
- **Liquidity provided:** The seller, CA Immo, is Austria's second largest property investor and is seeking to focus and balance out its asset portfolio in Warsaw. CPA<sup>®</sup>:17 – Global and CPA<sup>®</sup>:18 – Global acquired the headquarters building subject to an existing long-term net-lease with Bank Pekao S.A.
- **Acquisition cost:** Approximately \$158 million (€115 million).
- **Balance Sheet Strength:** The acquisition was closed on an all-equity basis, providing a fast, committed, low-risk closing process.

### Quotes

Jeffrey Lefleur, Managing Director of W. P. Carey, commented:

"Following CPA<sup>®</sup>:17 – Global's recent acquisition of H&M's Distribution Center in Poznan and the strong local economic tailwinds, we are delighted to have completed another transaction in Poland. This transaction fits well with our strategy of acquiring critical assets with strong covenants in thriving, well-connected locations. It also reinforces our position as an active investor in European properties that benefit from in-place, long-term net leases.

"The acquisition of Bank Pekao's headquarters also demonstrated our ability to provide a well-known institutional investor like CA Immo with a reliable, all-equity buyer and a fast and efficient closing process.

"Poland is the second largest economy in Central Eastern Europe—behind Russia—with projected GDP growth and a healthy and liquid banking industry.

"By European standards, Poland has experienced solid growth in the last ten years. According to data by Eurostats, real GDP growth has averaged 4.0% since 2004, compared with a growth rate of 1.3% for Germany, its closest trading partner. During the prolonged financial crisis that affected most of Western Europe, it is remarkable that Poland's growth rate remained positive."

Dr. Bruno Ettenauer, CEO of CA Immo said: "Following the recently established takeover of the AXA portfolio shares in Warsaw, the sale of the Lipowy office building was the next step to balance out our local asset portfolio. W. P. Carey's cooperation, deal expertise and financial strength allowed us to structure and close a transaction that met our respective goals."

#### **W. P. Carey Inc.**

W. P. Carey Inc. is a leading global net-lease REIT that provides long-term sale-leaseback and build-to-suit financing solutions for companies worldwide. It also acts as the manager to a series of non-traded REITs. The Company's owned and managed diversified global investment portfolio had a combined enterprise value of approximately \$15 billion at December 31, 2013. Its corporate finance-focused credit and real estate underwriting process is a constant that has been successfully leveraged across a wide variety of industries and property types. Furthermore, its portfolio of long-term leases with creditworthy tenants has an established history of generating stable cash flows, enabling it to deliver consistent and rising dividend income to investors for over four decades. [www.wpcarey.com](http://www.wpcarey.com)

*This press release contains forward-looking statements within the meaning of the Federal securities laws. The statements of Mr. Lefleur are examples of forward looking statements. A number of factors could cause CPA<sup>®</sup>:17 Global's and/or CPA<sup>®</sup>:18 – Global's actual results, performance or achievement to differ materially from those anticipated. Among those risks, trends and uncertainties are the general economic climate; the supply of and demand for office and industrial properties; interest rate levels; the availability of financing; and other risks associated with the acquisition and ownership of properties, including risks that the tenants will not pay rent, or that costs may be greater than anticipated; and risks related to CPA<sup>®</sup>:18 – Global's offering of shares. For further information on factors that could impact either CPA<sup>®</sup>:17 – Global or CPA<sup>®</sup>:18 – Global, reference is made to CPA<sup>®</sup>:17 – Global's or CPA<sup>®</sup>:18 – Global's respective filings with the Securities and Exchange Commission.*

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