



**NEWS RELEASE**

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FOR IMMEDIATE RELEASE  
 February 12, 2015

**RECORD 2014 OPERATING RESULTS  
 ANNOUNCED BY NATIONAL RETAIL PROPERTIES, INC.**

**Orlando, Florida, February 12, 2015** – National Retail Properties, Inc. (NYSE: NNN), a real estate investment trust, today announced record operating results for the quarter and year ended December 31, 2014. Highlights include:

Operating Results:

- Revenues and net earnings, FFO, Recurring FFO and AFFO available to common stockholders and diluted per share amounts:

|  | Quarter Ended                         |            | Year Ended   |            |
|--|---------------------------------------|------------|--------------|------------|
|  | December 31,                          |            | December 31, |            |
|  | 2014                                  | 2013       | 2014         | 2013       |
|  | (in thousands, except per share data) |            |              |            |
| Revenues                                       | \$ 115,315                            | \$ 103,992 | \$ 434,847   | \$ 393,525 |
| Net earnings available to common stockholders  | \$ 44,898                             | \$ 35,382  | \$ 155,167   | \$ 132,222 |
| Net earnings per common share                  | \$ 0.35                               | \$ 0.29    | \$ 1.24      | \$ 1.10    |
| FFO available to common stockholders           | \$ 72,277                             | \$ 60,646  | \$ 260,977   | \$ 229,518 |
| FFO per common share                           | \$ 0.56                               | \$ 0.50    | \$ 2.09      | \$ 1.91    |
| Recurring FFO available to common stockholders | \$ 70,485                             | \$ 61,815  | \$ 259,441   | \$ 230,965 |
| Recurring FFO per common share                 | \$ 0.55                               | \$ 0.51    | \$ 2.08      | \$ 1.93    |
| AFFO available to common stockholders          | \$ 71,970                             | \$ 63,603  | \$ 264,043   | \$ 238,917 |
| AFFO per common share                          | \$ 0.56                               | \$ 0.52    | \$ 2.12      | \$ 1.99    |

- Portfolio occupancy was 98.6% at December 31, 2014, as compared to 98.8% at September 30, 2014 and 98.2% at December 31, 2013

2014 Highlights:

- Increased annual FFO per common share 9.4%
- Increased annual Recurring FFO per common share 7.8%
- Increased annual AFFO per common share 6.5%
- Dividend yield of 4.2% at December 31, 2014
- Dividends per common share increased to \$1.65 marking the 25th consecutive year of annual dividend increases - making the company one of only four equity REITs and one of only 99 public companies with 25 or more consecutive annual dividend increases
- Maintained high occupancy levels at 98.6% with weighted average remaining lease term of 12 years

### 2014 Highlights (continued):

- Invested \$618.1 million in 221 properties with an aggregate gross leasable area of approximately 2,417,000 square feet at an initial cash yield of 7.5%
- Sold 27 properties for \$55.4 million, producing \$10.9 million of gains on sale, net of income tax and noncontrolling interest at a cap rate of 7.2%
- Renewed 82% of 39 expiring leases at 101.1% of expiring rent with no tenant improvement expenditures
- Raised \$695.8 million of new long term capital at attractive pricing
  - Raised \$349.7 million in net proceeds from the issuance of 9,643,268 common shares
  - Raised \$346.1 million in net proceeds from the issuance of 3.90% senior unsecured notes due 2024
- Expanded unsecured bank credit facility to \$650 million while extending the term to January 2019 and reducing the interest rate to Libor + 92.5 basis points. As of December 31, 2014, there was no outstanding balance
- Paid off \$150 million principal amount of 6.25% senior unsecured notes due 2014
- 99% of properties are not encumbered with secured mortgage debt
- Total shareholder return of 35.8% for 2014 exceeds peers, industry averages and general equity averages
- Total annual shareholder return of 15.9% over the past 25 years exceeds peers, industry averages and general equity averages

### Investments and Dispositions for the quarter ended December 31, 2014:

- Investments:
  - \$86.6 million in property investments, including the acquisition of 19 properties with an aggregate gross leasable area of approximately 411,000 square feet
- Dispositions:
  - 3 properties with net proceeds of \$13.9 million, producing \$3.1 million of gains on sales, net of income tax

Craig Macnab, Chief Executive Officer, commented: "2014 was another excellent year for National Retail Properties. For the past three years, we have grown recurring FFO per share by, on average, 9.8% per annum. Importantly, we have sustained this multi-year performance while lowering the use of debt. Our fortress-like balance sheet and differentiated ability to source retail real estate for acquisition provides us with confidence that we can sustain our multi-year track record. Also, we are extremely proud to have raised our annual dividend for the 25<sup>th</sup> consecutive year joining the elite Dividend Aristocrat group of companies which have been able to consistently grow results through all types of economic environments."

National Retail Properties invests primarily in high-quality retail properties subject generally to long-term, net leases. As of December 31, 2014, the company owned 2,054 properties in 47 states with a gross leasable area of approximately 22.5 million square feet and with a weighted average remaining lease term of 12 years. For more information on the company, visit [www.nnnreit.com](http://www.nnnreit.com).

Management will hold a conference call on February 12, 2015, at 9:30 a.m. ET to review these results. The call can be accessed on the National Retail Properties web site live at <http://www.nnnreit.com>. For those unable to listen to the live broadcast, a replay will be available on the company's web site. In addition, a summary of any earnings guidance given on the call will be posted to the company's web site.

*Statements in this press release that are not strictly historical are "forward-looking" statements. Forward-looking statements involve known and unknown risks, which may cause the company's actual future results to differ materially from expected results. These risks include, among others, general economic conditions, local real estate conditions, changes in interest rates, increases in operating costs, the preferences and financial condition of the company's tenants, the availability of capital, risks related to the company's status as a REIT and the profitability of the company's taxable subsidiary. Additional information concerning these and other factors that could cause actual results to differ materially from these forward-looking statements is contained from time to time in the company's Securities and Exchange Commission ("SEC") filings, including, but not limited to, the company's Annual Report on Form 10-K. Copies of each filing may be obtained from the company or the SEC. Such forward-looking statements should be regarded solely as reflections of the company's current operating plans and estimates. Actual operating results may differ materially from what is expressed or forecast in this press release. National Retail Properties, Inc. undertakes no obligation to publicly release the results of any revisions to these forward-looking statements that may be made to reflect events or circumstances after the date these statements were made.*

*The reported results are preliminary and not final and there can be no assurance that the results will not vary from the final information filed on Form 10-K with the SEC for the quarter and year ended December 31, 2014. In the opinion of management, all adjustments considered necessary for a fair presentation of these reported results have been made.*

*Funds From Operations, commonly referred to as FFO, is a relative non-GAAP financial measure of operating performance of an equity REIT in order to recognize that income-producing real estate historically has not depreciated on the basis determined under GAAP. FFO is defined by the National Association of Real Estate Investment Trusts ("NAREIT") and is used by the company as follows: net earnings*

*(computed in accordance with GAAP) plus depreciation and amortization of assets unique to the real estate industry, excluding gains (or including losses), any applicable taxes and noncontrolling interests on the disposition of certain assets, the company's share of these items from the company's unconsolidated partnerships and any impairment charges on a depreciable real estate asset.*

*FFO is generally considered by industry analysts to be the most appropriate measure of performance of real estate companies. FFO does not necessarily represent cash provided by operating activities in accordance with GAAP and should not be considered an alternative to net earnings as an indication of the company's performance or to cash flow as a measure of liquidity or ability to make distributions. Management considers FFO an appropriate measure of performance of an equity REIT because it primarily excludes the assumption that the value of the real estate assets diminishes predictably over time, and because industry analysts have accepted it as a performance measure. The company's computation of FFO may differ from the methodology for calculating FFO used by other equity REITs, and therefore, may not be comparable to such other REITs. A reconciliation of net earnings (computed in accordance with GAAP) to FFO, as defined by NAREIT, is included in the financial information accompanying this release.*

*Adjusted Funds From Operations ("AFFO") is a non-GAAP financial measure of operating performance used by many companies in the REIT industry. AFFO adjusts FFO for certain non-cash items that reduce or increase net income in accordance with GAAP. AFFO should not be considered an alternative to net earnings as an indication of the company's performance or to cash flow as a measure of liquidity or ability to make distributions. Management considers AFFO a useful supplemental measure of the company's performance. The company's computation of AFFO may differ from the methodology for calculating AFFO used by other equity REITs, and therefore, may not be comparable to such other REITs. A reconciliation of net earnings (computed in accordance with GAAP) to AFFO is included in the financial information accompanying this release.*

*In April 2014, the FASB issued Accounting Standards Update ("ASU") 2014-08, "Presentation of Financial Statements (Topic 205) and Property, Plant, and Equipment (Topic 360): Reporting Discontinued Operations and Disclosures of Disposal of Components of an Entity," effective for fiscal years beginning on or after December 15, 2014, with early adoption permitted beginning January 1, 2014. Under ASU 2014-08, only disposals representing a strategic shift in operations are to be presented as discontinued operations. NNN has elected early adoption of ASU 2014-08. This requires the company to continue to classify any property disposal or property classified as held for sale as of December 31, 2013, as discontinued operations prospectively. Therefore, the revenues and expenses related to these properties are presented as discontinued operations as of December 31, 2014. The company did not classify any additional properties as discontinued operations subsequent to December 31, 2013. The adoption of ASU 2014-08 did not have a significant impact on NNN's financial position or results of operations.*

**National Retail Properties, Inc.**  
(in thousands, except per share data)  
(unaudited)

|   | Quarter Ended    |                  | Year Ended        |                   |
|---|------------------|------------------|-------------------|-------------------|
|   | December 31,     |                  | December 31,      |                   |
|   | 2014             | 2013             | 2014              | 2013              |
| <b>Income Statement Summary</b>   |                  |                  |                   |                   |
| <b>Revenues:</b>  |                  |                  |                   |                   |
| Rental and earned income  | \$ 110,248       | \$ 99,120        | \$ 416,842        | \$ 376,424        |
| Real estate expense reimbursement from tenants                                | 4,093            | 3,998            | 13,875            | 13,340            |
| Interest and other income from real estate transactions                       | 510              | 373              | 2,296             | 1,471             |
| Interest income on commercial mortgage residual interests                     | 464              | 501              | 1,834             | 2,290             |
|   | <u>115,315</u>   | <u>103,992</u>   | <u>434,847</u>    | <u>393,525</u>    |
| <b>Operating expenses:</b>  |                  |                  |                   |                   |
| General and administrative  | 7,712            | 7,332            | 32,518            | 31,095            |
| Real estate   | 5,236            | 5,627            | 18,905            | 18,497            |
| Depreciation and amortization   | 30,376           | 27,182           | 116,162           | 99,274            |
| Impairment – commercial mortgage residual interests valuation                 | —                | 1,169            | 256               | 1,185             |
| Impairment losses and other charges, net of recoveries                        | 198              | 30               | 760               | 3,580             |
|   | <u>43,522</u>    | <u>41,340</u>    | <u>168,601</u>    | <u>153,631</u>    |
| <b>Other expenses (revenues):</b>   |                  |                  |                   |                   |
| Interest and other income   | (113)            | (60)             | (357)             | (1,493)           |
| Interest expense  | 21,830           | 20,209           | 85,510            | 85,822            |
| Real estate acquisition costs   | 202              | 35               | 1,391             | 1,485             |
|   | <u>21,919</u>    | <u>20,184</u>    | <u>86,544</u>     | <u>85,814</u>     |
| Income tax benefit (expense)  | 797              | (226)            | 75                | (74)              |
| Earnings from continuing operations   | 50,671           | 42,242           | 179,777           | 154,006           |
| Earnings from discontinued operations, net of income tax expense              | —                | 1,885            | 124               | 5,972             |
|   | <u>50,671</u>    | <u>44,127</u>    | <u>179,901</u>    | <u>159,978</u>    |
| Earnings before gain on disposition of real estate, net of income tax expense | 50,671           | 44,127           | 179,901           | 159,978           |
| Gain on disposition of real estate, net of income tax expense                 | 3,103            | 107              | 11,269            | 107               |
| Earnings including noncontrolling interests                                   | 53,774           | 44,234           | 191,170           | 160,085           |
| <b>Loss (earnings) attributable to noncontrolling interests:</b>              |                  |                  |                   |                   |
| Continuing operations   | (17)             | 7                | (569)             | 223               |
| Discontinued operations   | —                | —                | —                 | (163)             |
|   | <u>(17)</u>      | <u>7</u>         | <u>(569)</u>      | <u>60</u>         |
| Net earnings attributable to NNN  | 53,757           | 44,241           | 190,601           | 160,145           |
| Series D preferred stock dividends  | (4,762)          | (4,762)          | (19,047)          | (19,047)          |
| Series E preferred stock dividends  | (4,097)          | (4,097)          | (16,387)          | (8,876)           |
| Net earnings available to common stockholders                                 | <u>\$ 44,898</u> | <u>\$ 35,382</u> | <u>\$ 155,167</u> | <u>\$ 132,222</u> |

**National Retail Properties, Inc.**  
(in thousands, except per share data)  
(unaudited)

|  | December 31,   |                | December 31,   |                |
|--|----------------|----------------|----------------|----------------|
|  | <u>2014</u>    | <u>2013</u>    | <u>2014</u>    | <u>2013</u>    |
| Weighted average common shares outstanding:              |                |                |                |                |
| Basic  | <u>128,332</u> | <u>121,118</u> | <u>124,258</u> | <u>118,204</u> |
| Diluted  | <u>128,813</u> | <u>121,309</u> | <u>124,710</u> | <u>119,865</u> |
| Net earnings per share available to common stockholders: |                |                |                |                |
| Basic:   |                |                |                |                |
| Continuing operations                                    | \$ 0.35        | \$ 0.27        | \$ 1.24        | \$ 1.06        |
| Discontinued operations                                  | <u>—</u>       | <u>0.02</u>    | <u>—</u>       | <u>0.05</u>    |
| Net earnings   | <u>\$ 0.35</u> | <u>\$ 0.29</u> | <u>\$ 1.24</u> | <u>\$ 1.11</u> |
| Diluted:   |                |                |                |                |
| Continuing operations                                    | \$ 0.35        | \$ 0.27        | \$ 1.24        | \$ 1.05        |
| Discontinued operations                                  | <u>—</u>       | <u>0.02</u>    | <u>—</u>       | <u>0.05</u>    |
| Net earnings   | <u>\$ 0.35</u> | <u>\$ 0.29</u> | <u>\$ 1.24</u> | <u>\$ 1.10</u> |

**National Retail Properties, Inc.**  
(in thousands, except per share data)  
(unaudited)

|  | Quarter Ended<br>December 31, |                  | Year Ended<br>December 31, |                   |
|--|-------------------------------|------------------|----------------------------|-------------------|
|  | 2014                          | 2013             | 2014                       | 2013              |
| <b><u>Funds From Operations (FFO) Reconciliation:</u></b>                  |                               |                  |                            |                   |
| Net earnings available to common stockholders                              | \$ 44,898                     | \$ 35,382        | \$ 155,167                 | \$ 132,222        |
| Real estate depreciation and amortization:                                 |                               |                  |                            |                   |
| Continuing operations  | 30,284                        | 27,124           | 115,888                    | 99,048            |
| Discontinued operations  | —                             | 12               | 3                          | 343               |
| Gain on disposition of real estate, net of tax and noncontrolling interest | (3,103)                       | (1,975)          | (10,904)                   | (5,442)           |
| Impairment charges – real estate   | 198                           | 103              | 823                        | 3,347             |
| Total FFO adjustments  | <u>27,379</u>                 | <u>25,264</u>    | <u>105,810</u>             | <u>97,296</u>     |
| FFO available to common stockholders                                       | <u>\$ 72,277</u>              | <u>\$ 60,646</u> | <u>\$ 260,977</u>          | <u>\$ 229,518</u> |
| FFO per common share:  |                               |                  |                            |                   |
| Basic  | <u>\$ 0.56</u>                | <u>\$ 0.50</u>   | <u>\$ 2.10</u>             | <u>\$ 1.94</u>    |
| Diluted  | <u>\$ 0.56</u>                | <u>\$ 0.50</u>   | <u>\$ 2.09</u>             | <u>\$ 1.91</u>    |
| <b><u>Recurring Funds from Operations Reconciliation:</u></b>              |                               |                  |                            |                   |
| Net earnings available to common stockholders                              | \$ 44,898                     | \$ 35,382        | \$ 155,167                 | \$ 132,222        |
| Total FFO adjustments  | <u>27,379</u>                 | <u>25,264</u>    | <u>105,810</u>             | <u>97,296</u>     |
| FFO available to common stockholders                                       | <u>72,277</u>                 | <u>60,646</u>    | <u>260,977</u>             | <u>229,518</u>    |
| Impairment – commercial mortgage residual interests valuation              | —                             | 1,169            | 256                        | 1,185             |
| Impairment charges – real estate   | —                             | —                | —                          | 759               |
| Income tax benefit   | (1,792)                       | —                | (1,792)                    | —                 |
| Notes receivable redemption income   | —                             | —                | —                          | (497)             |
| Total Recurring FFO adjustments  | <u>(1,792)</u>                | <u>1,169</u>     | <u>(1,536)</u>             | <u>1,447</u>      |
| Recurring FFO available to common stockholders                             | <u>\$ 70,485</u>              | <u>\$ 61,815</u> | <u>\$ 259,441</u>          | <u>\$ 230,965</u> |
| Recurring FFO per common share:  |                               |                  |                            |                   |
| Basic  | <u>\$ 0.55</u>                | <u>\$ 0.51</u>   | <u>\$ 2.09</u>             | <u>\$ 1.95</u>    |
| Diluted  | <u>\$ 0.55</u>                | <u>\$ 0.51</u>   | <u>\$ 2.08</u>             | <u>\$ 1.93</u>    |

**National Retail Properties, Inc.**  
(in thousands, except per share data)  
(unaudited)

|   | Quarter Ended    |                  | Year Ended        |                   |
|---|------------------|------------------|-------------------|-------------------|
|   | December 31,     |                  | December 31,      |                   |
|   | 2014             | 2013             | 2014              | 2013              |
| <b><u>Adjusted Funds From Operations (AFFO) Reconciliation:</u></b> |                  |                  |                   |                   |
| Net earnings available to common stockholders                       | \$ 44,898        | \$ 35,382        | \$ 155,167        | \$ 132,222        |
| Total FFO adjustments   | 27,379           | 25,264           | 105,810           | 97,296            |
| Total Recurring FFO adjustments                                     | (1,792)          | 1,169            | (1,536)           | 1,447             |
| Recurring FFO available to common stockholders                      | <u>70,485</u>    | <u>61,815</u>    | <u>259,441</u>    | <u>230,965</u>    |
| <br>  |                  |                  |                   |                   |
| Straight-line accrued rent  | (318)            | 483              | (1,731)           | 165               |
| Net capital lease rent adjustment                                   | 356              | 343              | 1,369             | 1,573             |
| Below market rent amortization                                      | (692)            | (613)            | (2,631)           | (2,445)           |
| Stock based compensation expense                                    | 2,450            | 1,934            | 9,224             | 7,459             |
| Capitalized interest expense  | (311)            | (359)            | (1,629)           | (1,369)           |
| Convertible debt interest expense                                   | —                | —                | —                 | 2,072             |
| Notes receivable redemption income                                  | —                | —                | —                 | 497               |
| Total AFFO adjustments  | <u>1,485</u>     | <u>1,788</u>     | <u>4,602</u>      | <u>7,952</u>      |
| AFFO available to common stockholders                               | <u>\$ 71,970</u> | <u>\$ 63,603</u> | <u>\$ 264,043</u> | <u>\$ 238,917</u> |
| <br>  |                  |                  |                   |                   |
| AFFO per common share:  |                  |                  |                   |                   |
| Basic   | <u>\$ 0.56</u>   | <u>\$ 0.53</u>   | <u>\$ 2.12</u>    | <u>\$ 2.02</u>    |
| Diluted   | <u>\$ 0.56</u>   | <u>\$ 0.52</u>   | <u>\$ 2.12</u>    | <u>\$ 1.99</u>    |
| <br>  |                  |                  |                   |                   |
| <b><u>Other Information:</u></b>                                    |                  |                  |                   |                   |
| Percentage rent   | <u>\$ 585</u>    | <u>\$ 757</u>    | <u>\$ 1,074</u>   | <u>\$ 1,558</u>   |
| Amortization of debt costs  | <u>\$ 716</u>    | <u>\$ 658</u>    | <u>\$ 2,782</u>   | <u>\$ 3,118</u>   |
| Scheduled debt principal amortization (excluding maturities)        | <u>\$ 326</u>    | <u>\$ 275</u>    | <u>\$ 1,151</u>   | <u>\$ 1,070</u>   |
| Non-real estate depreciation expense                                | <u>\$ 98</u>     | <u>\$ 63</u>     | <u>\$ 297</u>     | <u>\$ 248</u>     |

**National Retail Properties, Inc.**  
(in thousands)  
(unaudited)

**Earnings from Discontinued Operations:** Effective January 1, 2014, NNN has early adopted ASU 2014-08. Under ASU 2014-08, only disposals representing a strategic shift in operations are to be presented as discontinued operations. This requires the company to continue to classify any property disposal or property classified as held for sale as of December 31, 2013, as discontinued operations prospectively. Therefore, the revenues and expenses related to these properties are presented as discontinued operations as of December 31, 2014. The company did not classify any additional properties as discontinued operations subsequent to December 31, 2013.

|  | Quarter Ended<br>December 31, |                 | Year Ended<br>December 31, |                 |
|--|-------------------------------|-----------------|----------------------------|-----------------|
|  | 2014                          | 2013            | 2014                       | 2013            |
| <b>Revenues:</b>   |                               |                 |                            |                 |
| Rental and earned income   | \$ —                          | \$ 110          | \$ —                       | \$ 1,858        |
| Real estate expense reimbursement from tenants   | 5                             | 6               | 23                         | 97              |
| Interest and other income from real estate transactions  | —                             | —               | 21                         | 33              |
|  | <u>5</u>                      | <u>116</u>      | <u>44</u>                  | <u>1,988</u>    |
| <b>Expenses:</b>   |                               |                 |                            |                 |
| General and administrative   | —                             | —               | —                          | 6               |
| Real estate  | 5                             | 14              | 9                          | 203             |
| Depreciation and amortization  | —                             | 12              | 3                          | 343             |
| Impairment losses and other charges  | —                             | 73              | 63                         | 541             |
| Interest   | —                             | —               | —                          | 41              |
| Real estate acquisition costs  | —                             | —               | —                          | 209             |
|  | <u>5</u>                      | <u>99</u>       | <u>75</u>                  | <u>1,343</u>    |
| Gain on disposition of real estate   | —                             | 1,870           | 155                        | 6,272           |
| Income tax expense   | —                             | (2)             | —                          | (945)           |
| Earnings from discontinued operations attributable to NNN,<br>including noncontrolling interests | —                             | 1,885           | 124                        | 5,972           |
| Loss attributable to noncontrolling interests  | —                             | —               | —                          | (163)           |
| Earnings from discontinued operations attributable to NNN  | <u>\$ —</u>                   | <u>\$ 1,885</u> | <u>\$ 124</u>              | <u>\$ 5,809</u> |



**National Retail Properties, Inc.**  
(in thousands)  
(unaudited)

|  | <u>December 31,<br/>2014</u> | <u>December 31,<br/>2013</u> |
|--|------------------------------|------------------------------|
| <b>Balance Sheet Summary</b>   |                              |                              |
| <b>Assets:</b>   |                              |                              |
| Cash and cash equivalents  | \$ 10,604                    | \$ 1,485                     |
| Receivables, net of allowance  | 3,013                        | 4,107                        |
| Mortgages, notes and accrued interest receivable   | 11,075                       | 17,119                       |
| Real estate:   |                              |                              |
| Accounted for using the operating method, net of accumulated depreciation and amortization | 4,717,680                    | 4,259,384                    |
| Accounted for using the direct financing method  | 16,974                       | 18,342                       |
| Real estate held for sale  | 5,395                        | 9,324                        |
| Commercial mortgage residual interests   | 11,626                       | 11,721                       |
| Accrued rental income, net of allowance  | 25,659                       | 24,797                       |
| Debt costs, net of accumulated amortization  | 16,453                       | 12,877                       |
| Other assets   | 108,235                      | 95,367                       |
| Total assets   | <u>\$ 4,926,714</u>          | <u>\$ 4,454,523</u>          |
| <b>Liabilities:</b>  |                              |                              |
| Line of credit payable   | \$ —                         | \$ 46,400                    |
| Mortgages payable, net of unamortized premium  | 26,339                       | 9,475                        |
| Notes payable, net of unamortized discount   | 1,714,715                    | 1,514,184                    |
| Accrued interest payable   | 17,396                       | 17,142                       |
| Other liabilities  | 85,172                       | 89,037                       |
| Total liabilities  | <u>1,843,622</u>             | <u>1,676,238</u>             |
| Stockholders' equity of NNN  | 3,082,515                    | 2,777,045                    |
| Noncontrolling interests   | 577                          | 1,240                        |
| Total equity   | <u>3,083,092</u>             | <u>2,778,285</u>             |
| Total liabilities and equity   | <u>\$ 4,926,714</u>          | <u>\$ 4,454,523</u>          |
| <br>   |                              |                              |
| Common shares outstanding  | <u>132,010</u>               | <u>121,992</u>               |
| <br>   |                              |                              |
| Gross leasable area, Property Portfolio (square feet)                                      | <u>22,479</u>                | <u>20,402</u>                |

**National Retail Properties, Inc**  
Debt Summary  
As of December 31, 2014  
(in thousands)  
(unaudited)

| <u>Unsecured Debt</u>    | <u>Principal</u>    | <u>Principal, Net<br/>of Discount</u> | <u>Stated Rate</u> | <u>Effective<br/>Rate</u> | <u>Maturity Date</u> |
|--------------------------|---------------------|---------------------------------------|--------------------|---------------------------|----------------------|
| Line of credit payable   | \$ —                | \$ —                                  | L + 92.5 bps       | —                         | January 2019         |
| Unsecured notes payable: |                     |                                       |                    |                           |                      |
| 2015                     | 150,000             | 149,952                               | 6.150%             | 6.185%                    | December 2015        |
| 2017                     | 250,000             | 249,693                               | 6.875%             | 6.924%                    | October 2017         |
| 2021                     | 300,000             | 296,946                               | 5.500%             | 5.690%                    | July 2021            |
| 2022                     | 325,000             | 321,005                               | 3.800%             | 3.984%                    | October 2022         |
| 2023                     | 350,000             | 347,790                               | 3.300%             | 3.388%                    | April 2023           |
| 2024                     | 350,000             | 349,329                               | 3.900%             | 3.924%                    | June 2024            |
| Total                    | <u>1,725,000</u>    | <u>1,714,715</u>                      |                    |                           |                      |
| Total unsecured debt     | <u>\$ 1,725,000</u> | <u>\$ 1,714,715</u>                   |                    |                           |                      |

| <u>Mortgages Payable</u> | <u>Principal<br/>Balance</u> | <u>Interest Rate</u> | <u>Maturity Date</u>   |
|--------------------------|------------------------------|----------------------|------------------------|
| Mortgage <sup>(1)</sup>  | \$ 15,099                    | 5.230%               | July 2023              |
| Mortgage <sup>(1)</sup>  | 6,180                        | 5.750%               | April 2016             |
| Mortgage <sup>(1)</sup>  | 2,922                        | 6.400%               | February 2017          |
| Mortgage                 | 1,577                        | 6.900%               | January 2017           |
| Mortgage <sup>(2)</sup>  | 561                          | 8.660%               | Sept 2016 - April 2019 |
|                          | <u>\$ 26,339</u>             |                      |                        |

<sup>(1)</sup> Includes unamortized premium

<sup>(2)</sup> Represents the total balance of three separate mortgage loans and their weighted average interest rate

**National Retail Properties, Inc.**  
**Property Portfolio**

**Top 20 Lines of Trade**

| Line of Trade   | As of December 31,  |                     |
|---|---------------------|---------------------|
|   | 2014 <sup>(1)</sup> | 2013 <sup>(2)</sup> |
| 1. Convenience stores                                   | 18.0%               | 19.7%               |
| 2. Restaurants - full service                           | 9.1%                | 9.7%                |
| 3. Automotive service                                   | 7.2%                | 7.6%                |
| 4. Restaurants - limited service                        | 6.5%                | 5.5%                |
| 5. Theaters   | 5.2%                | 4.5%                |
| 6. Family entertainment centers                         | 5.1%                | 2.3%                |
| 7. Automotive parts                                     | 4.7%                | 5.1%                |
| 8. Health and fitness                                   | 3.9%                | 4.3%                |
| 9. Banks  | 3.7%                | 4.1%                |
| 10. Sporting goods                                      | 3.5%                | 3.7%                |
| 11. Recreational vehicle dealers, parts and accessories | 3.1%                | 3.2%                |
| 12. Wholesale clubs                                     | 2.9%                | 3.1%                |
| 13. Drug stores   | 2.5%                | 2.6%                |
| 14. Consumer electronics                                | 2.4%                | 2.7%                |
| 15. Travel plazas                                       | 2.3%                | 2.1%                |
| 16. Home improvement                                    | 2.1%                | 2.5%                |
| 17. Medical service providers                           | 2.0%                | 1.6%                |
| 18. Home furnishings                                    | 1.9%                | 1.6%                |
| 19. Grocery   | 1.6%                | 1.5%                |
| 20. General merchandise                                 | 1.6%                | 1.5%                |
| Other   | 10.7%               | 11.1%               |
| Total   | 100.0%              | 100.0%              |

**Top 10 States**

| State             | % of Total <sup>(1)</sup> | State           | % of Total <sup>(1)</sup> |
|-------------------|---------------------------|-----------------|---------------------------|
| 1. Texas          | 20.4%                     | 6. Virginia     | 4.2%                      |
| 2. Florida        | 9.7%                      | 7. Indiana      | 4.0%                      |
| 3. North Carolina | 5.5%                      | 8. Ohio         | 3.3%                      |
| 4. Illinois       | 5.0%                      | 9. Pennsylvania | 3.3%                      |
| 5. Georgia        | 4.9%                      | 10. California  | 3.1%                      |

<sup>(1)</sup> Based on the annualized base rent for all leases in place as of December 31, 2014.

<sup>(2)</sup> Based on the annualized base rent for all leases in place as of December 31, 2013.

**National Retail Properties, Inc.  
Property Portfolio**

**Top Tenants (>2.0%)**

|                                   | <u>Properties</u> | <u>% of Total <sup>(1)</sup></u> |
|-----------------------------------|-------------------|----------------------------------|
| Energy Transfer Partners (Sunoco) | 125               | 6.5%                             |
| Mister Car Wash                   | 87                | 4.6%                             |
| Pantry                            | 86                | 4.0%                             |
| 7-Eleven                          | 78                | 3.9%                             |
| LA Fitness                        | 21                | 3.8%                             |
| SunTrust                          | 121               | 3.6%                             |
| AMC Theatre                       | 15                | 3.2%                             |
| Camping World                     | 25                | 3.1%                             |
| Chuck E. Cheese's                 | 53                | 3.0%                             |
| BJ's Wholesale Club               | 7                 | 2.9%                             |
| Best Buy                          | 19                | 2.4%                             |
| Gander Mountain                   | 10                | 2.2%                             |

**Lease Expirations<sup>(2)</sup>**

|      | <u>% of<br/>Total<sup>(1)</sup></u> | <u># of<br/>Properties</u> | <u>Gross Leasable<br/>Area <sup>(3)</sup></u> |            | <u>% of<br/>Total<sup>(1)</sup></u> | <u># of<br/>Properties</u> | <u>Gross<br/>Leasable Area<br/><sup>(3)</sup></u> |
|------|-------------------------------------|----------------------------|---|------------|-------------------------------------|----------------------------|---|
| 2015 | 1.2%                                | 30                         | 384,000                                       | 2021       | 4.4%                                | 102                        | 1,005,000   |
| 2016 | 1.5%                                | 31                         | 558,000                                       | 2022       | 6.4%                                | 95                         | 1,171,000   |
| 2017 | 3.2%                                | 49                         | 1,074,000                                     | 2023       | 3.0%                                | 55                         | 946,000   |
| 2018 | 6.9%                                | 182                        | 1,643,000                                     | 2024       | 2.9%                                | 50                         | 771,000   |
| 2019 | 3.4%                                | 74                         | 1,030,000                                     | 2025       | 5.4%                                | 122                        | 931,000   |
| 2020 | 3.9%                                | 112                        | 1,406,000                                     | Thereafter | 57.8%                               | 1,114                      | 11,019,000  |

(1) Based on the annual base rent of \$439,823,000, which is the annualized base rent for all leases in place as of December 31, 2014.

(2) As of December 31, 2014, the weighted average remaining lease term is 12 years.

(3) Square feet.