

Report of Organizational Actions Affecting Basis of Securities

▶ See separate instructions.

Part I Reporting Issuer

1 Issuer's name Realty Income Corporation		2 Issuer's employer identification number (EIN) 33-0580106	
3 Name of contact for additional information		4 Telephone No. of contact 760-741-2111	5 Email address of contact
6 Number and street (or P.O. box if mail is not delivered to street address) of contact 600 La Terraza Blvd		7 City, town, or post office, state, and Zip code of contact Escondido, CA 92025-3873	
8 Date of action January 22, 2013		9 Classification and description Common Stock	
10 CUSIP number 756109-104	11 Serial number(s)	12 Ticker symbol O	13 Account number(s)

Part II Organizational Action Attach additional statements if needed. See back of form for additional questions.

14 Describe the organizational action and, if applicable, the date of the action or the date against which shareholders' ownership is measured for the action ▶ **On January 22, 2013, American Realty Capital Trust, Inc. was merged into Realty Income Corporation.**

In the merger, each common share of American Realty Capital Trust, Inc. was converted into 0.2874 common shares of Realty Income Corporation plus \$0.35 cents as consideration.

15 Describe the quantitative effect of the organizational action on the basis of the security in the hands of a U.S. taxpayer as an adjustment per share or as a percentage of old basis ▶ **The organizational action applies only to former shareholders of American Realty Capital Trust, Inc. The organizational action does not affect the basis of original Realty Income Corporation shareholders. Due to the nature of the organizational action, the effect on the stock basis cannot be quantified for each shareholder with a common adjustment per share or a common percentage of old basis. The effect on stock basis in the hands of each shareholder is dependent on each shareholder's set of facts and circumstances.**

16 Describe the calculation of the change in basis and the data that supports the calculation, such as the market values of securities and the valuation dates ▶ **The possible effect on the stock basis in the hands of each shareholder is dependent on each shareholder's set of facts and circumstances. The effect on stock basis determined at the shareholder level is based on the factors reported on this form and each shareholder's basis in American Realty Capital Trust common stock immediately before the organizational action.**

The closing price of Realty Income Corporation common stock on January 22, 2013 was \$44.04 per share.

Realty Income Corporation common stock consideration was 0.2874 for each common share of American Realty Capital Trust, Inc.

Realty Income Corporation cash consideration was \$0.35 for each common share of American Realty Capital Trust, Inc.

Part II Organizational Action (continued)

17 List the applicable Internal Revenue Code section(s) and subsection(s) upon which the tax treatment is based ▶ _____

I.R.C. sections 368(a)(1)(A), 354(a), 356(a) and 358.

18 Can any resulting loss be recognized? ▶ _____

No. The parties intended for the transaction to be respected as a reorganization under IRC Section 368(a)(1)(A).

19 Provide any other information necessary to implement the adjustment, such as the reportable tax year ▶ _____

The organizational action applies only to American Realty Capital Trust, Inc. shareholders and is reportable in their tax year that includes January 22, 2013.

The company strongly recommends that each former American Realty Capital Trust, Inc. shareholder consult his or her tax advisor regarding the tax implications of this transaction.

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

Sign Here

Signature ▶ *Greg Fahey* Date ▶ 3-2-2013

Print your name ▶ Greg Fahey Title ▶ Senior Vice President, Controller

Paid Preparer Use Only

Print/Type preparer's name	Preparer's signature	Date	Check <input type="checkbox"/> if self-employed	PTIN
Firm's name ▶			Firm's EIN ▶	
Firm's address ▶			Phone no.	