

2016 NAREIT

HRForum

September 26-27, 2016 Grand Hyatt Denver • Denver, CO

All you wanted to know about
Investor Relations & REIT Metrics



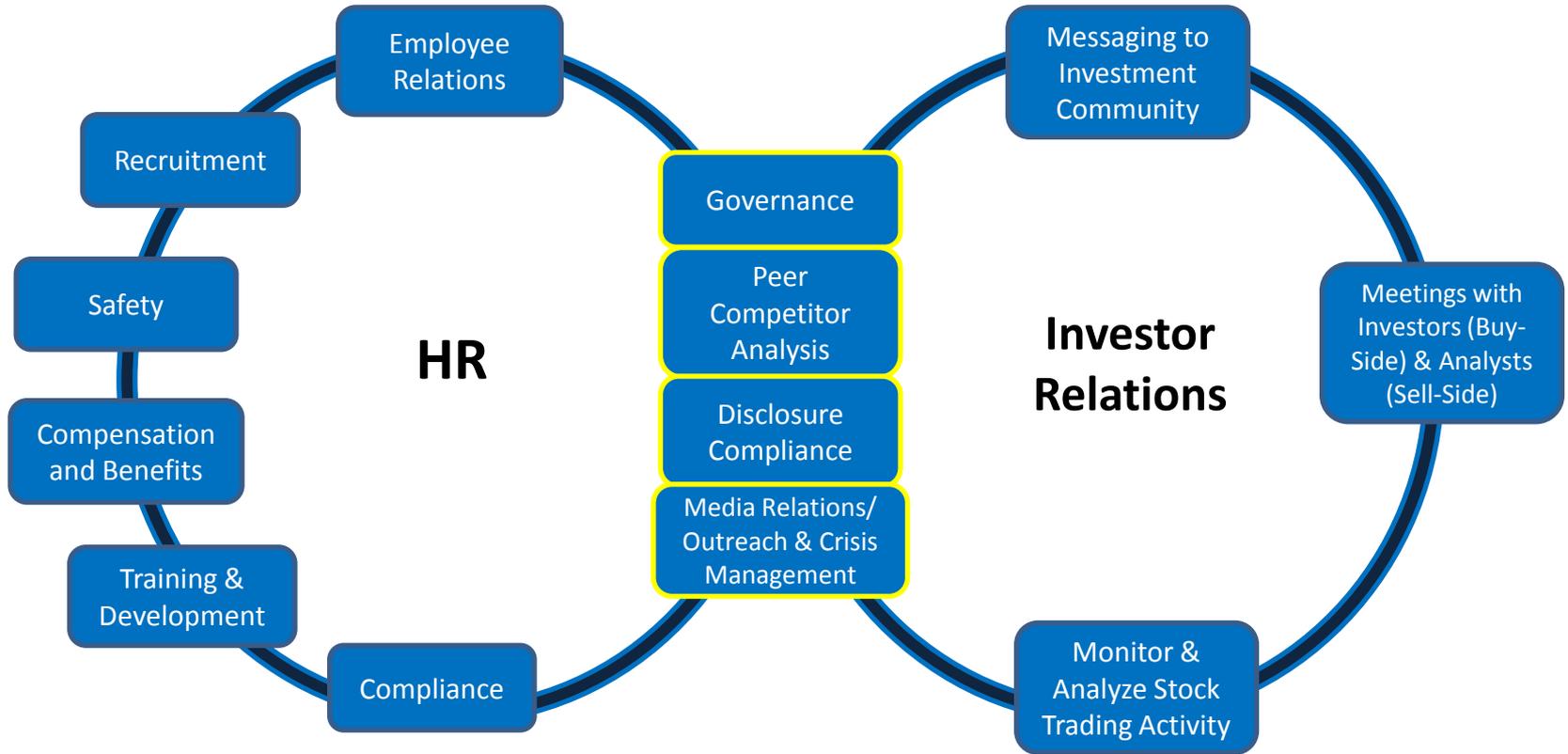
WHAT IS INVESTOR RELATIONS (IR)?

STRIP MALLS & RETAIL CENTERS



Real Estate	Investor Relations
Tenants	Shareholders
Leases	Shares of Stock
Anchor Store	Large Institutional Shareholder
Mom and Pop Shop	Small Retail Shareholder
Filling a Vacancy	Gaining New Investors
Expiring Lease	Retaining Shareholders

WHERE DO HR & IR MEET?



HOW IR HANDLES OVERLAPPING HR KEY ROLES & RESPONSIBILITIES

What we do:	How we do it:	With whom:
Governance	<ul style="list-style-type: none"> - <i>Executive Compensation</i> - <i>Annual shareholder meeting</i> - <i>Proxy voting</i> - <i>Activism/Shareholder proposals</i> - <i>Governance issues & hot topics</i> 	<ul style="list-style-type: none"> - Shareholders - Board of Directors - Executive <u>Mgmt</u> - Proxy Advisors
Peer Competitor Analysis	<ul style="list-style-type: none"> - <i>Defining Peer Group</i> - Analyze operating & financial metrics, demographics, tenant credit mix, etc. 	<ul style="list-style-type: none"> - Executive <u>Mgmt</u> - Board of Directors
Disclosure Compliance	<ul style="list-style-type: none"> - <i>Reg FD/Safe Harbor statement</i> - <i>Press releases & SEC filings (Proxy)</i> - Quarterly supplemental reports - Earnings & conference calls - Insider activity 	<ul style="list-style-type: none"> - Investors - Analysts - Employees - Executive Mgmt
Media Relations/ Outreach & Crisis Management	<ul style="list-style-type: none"> - Proactive response & outreach - <i>Media monitoring</i> - <i>Respond to rumors</i> - <i>Correct misstatements</i> - <i>Social Media</i> 	<ul style="list-style-type: none"> - Stockholders - Media - Employees



Westlake S.C. | Daly City, CA

Who is the Investment Community? Buy-Side & Sell-Side

BUY SIDE: INSTITUTIONAL INVESTORS

- Portfolio and money managers, as well as private wealth brokers who work for investment firms.
- Typically represent mutual funds, pension funds, sovereign wealth & endowments, and high net worth individuals.
- There are (4) primary groups of buy side investors:

Investor Types	Investment Strategy	Industry Examples
Index Investors	Invest based on market weight of companies in particular indices (i.e. S&P500, RMZ)	<ul style="list-style-type: none"> -The Vanguard Group, Inc. -BlackRock Fund Advisors -State Street Global Advisors (SSgA)
REIT Dedicated	Highly specialized investors focused primarily on the stocks of equity REITs (AKA – The REIT Mafia)	<ul style="list-style-type: none"> -J.P. Morgan Investment Management, Inc. -CBRE Clarion Securities, LLC -Fidelity Management & Research Company -APG Asset Management US, Inc.
Generalists	Diversified base of investors that look across all sectors – not as familiar with REITs but have an attraction to yield, inflation hedge & hard assets provided by REITs	<ul style="list-style-type: none"> -Capital World Investors -Putnam Investments -TCW Investment Management Company
Hedge Funds	More quantitative and technical oriented investors who tend to utilize “long/short” hedging strategies. Known as “fast money”	Remain anonymous to protect the innocent

SELL-SIDE: EQUITY RESEARCH

- Highly specialized group that follows a list of companies (typically in the same industry) and write research reports used by the Buy-Side
- A few examples of sell-side companies who provide research coverage are:



J.P.Morgan



- Typically build Earnings & NAV models to project the firms' financial results
- Speak with customers, suppliers, competitors, and other sources with knowledge of the industry.

SELL-SIDE: RESEARCH REPORTS

➤ Provide a set of financial estimates, a price target, and a recommendation as to the stock's expected performance.

➤ Stock recommendations typically phrased as "Buy", "Sell", or "Hold" (others include: Overweight, Out perform, Neutral & Underweight)



July 27, 2016
Earnings Release and Operating Results

KIM / NYSE \$31.12

Kimco Realty Corporation

Please see important disclosures and analyst certification on pages 3 - 4 of this report.

Real Estate - Retail

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Sales: 1-800-666-9174
Trading: 1-800-333-2005

KIM Statistics

Market Cap. (mil)	\$13,080.00
Avg. Daily Vol.	2,638,000
52 Wk. Range	\$31.00 - \$22.07
Sh. Out. (diluted, mil)	416.7
Dividend	\$1.02
Dividend Yield	3.28%
Data/Total Cap.	30.9%
NAV Estimate	\$20.31
Implied Cap Rate	5.16%

KIM Estimates

	Q1	Q2	Q3	Q4	
FFO	Mar	Jun	Sep	Dec	FY
2016	\$0.38A	\$0.38F	\$0.32E	\$0.30E	\$1.48E
2017	\$0.45E	\$0.42E	\$0.43E	\$0.42E	\$1.72E
2018	—	—	—	—	\$1.75E

	Mar	Jun	Sep	Dec	FY
Core FFO					
2016	\$0.37A	\$0.37F	\$0.30E	\$0.30E	\$1.51E
2017	\$0.41E	\$0.42E	\$0.43E	\$0.42E	\$1.67E
2018	—	—	—	—	\$1.75E

	Mar	Jun	Sep	Dec	FY
AFFO					
2016	\$0.29A	\$0.29F	\$0.32E	\$0.33E	\$1.24E
2017	\$0.35E	\$0.36E	\$0.36E	\$0.36E	\$1.43E
2018	—	—	—	—	\$1.51E

KIM Multiples

	FY16E	FY17E	FY18E
PIFFO	21.3x	18.1x	17.6x
PICore FFO	20.6x	18.6x	17.8x
PIAFFO	25.1x	21.8x	20.6x

Rating: Overweight
Target Price: \$32.00

Strategic Initiatives for Further Simplification Announced; Results in Line

Action

Our outlook is unchanged after KIM reported 2Q16 results, which were in line with us and a penny shy of consensus. Operating metrics were improved with SSNOI growth of 3.1%, +40 bps q/q leased rate, and a strong operating margin. Leasing volumes were down sequentially but rent spreads improved. KIM also announced key strategic initiatives including the early repayment of CAD \$350MM and \$428MM of debt (link) and the merging of Kimco Realty Services, Inc., a TRS, into Kimco. We view these initiatives, especially the merging of the TRS into KIM, as value-creating net positives, which should be increasingly important if an Albertsons IPO materializes. Management expects these initiatives will result in annualized cost savings of \$29MM, including \$9.5MM in 2016. Finally, '16 FFOPS as adjusted guidance of \$1.48 - \$1.52 was unchanged, despite changes to some underlying assumptions. Ahead of tomorrow's call, we reiterate our Overweight rating and \$32 price target.

Key Points

- **Results:** 2Q16 core FFOPS of \$0.37 was in line with our estimate. Results were +0.4% y/y and +1.1% sequentially.
- **Operating metrics:** SSNOI growth (including redev) was 3.1%, slightly ahead of the midpoint of guidance (2.5% - 3.5%). The leased rate moved higher on improved small-shop occupancy. Rent spreads widened, while leasing volumes were sequentially lower. Please see page 2 for additional details.
- **'16 guidance:** Core FFOPS guidance was unchanged at \$1.48 - \$1.52, but disposition guidance was raised by \$175MM to \$1B - \$1.15B.
- **Transaction activity:** KIM acquired 3 properties for \$164.4MM (pro-rata) during the quarter and sold 34 properties and 1 land parcel for \$562.9MM (pro-rata). 2Q dispositions included KIM's interest in 22 Canadian shopping centers, leaving 6 properties to be sold to complete KIM's exit from Canada.
- **Re/development activity:** KIM's development pipeline decreased from \$575MM to \$539MM on a pro-rata basis as the acquisition of

SELL-SIDE: KIMCO RESEARCH COVERAGE (as of 6/30/16)

- Sell-side establishes the company's earnings (FFO) consensus estimates
- Kimco currently has ~25 different sell-side firms that cover us (one of the highest levels in the REIT industry)

Broker	3Q16 FFO	2016 FFO	Recommendation	Target Price
ARGUS RESEARCH COMPANY	N/A	1.51	HOLD	N/A
BARCLAYS	0.20	1.38	BUY	34.00 ↑
BOENNING & SCATTERGOOD, INC.	0.18	1.39	HOLD	N/A
BOFA MERRILL LYNCH	0.18	1.38	STRONG BUY	34.00
BTIG	0.23	1.44	STRONG BUY	34.00 ↑
CANACCORD GENUITY	0.17	1.35	STRONG BUY	34.00 ↑
CAPITAL ONE SOUTHCOAST, INC.	0.16	1.38	BUY	32.00
CITI	0.18	1.36	HOLD	32.00 ↑
CREDIT SUISSE- NORTH AMERICA	N/A	1.41	HOLD	30.00 ↑
DEUTSCHE BANK RESEARCH	0.17	1.39	HOLD	28.00 ↑
EVERCORE ISI	0.18	1.33	HOLD	29.00
GOLDMAN SACHS & CO.	0.16	1.37	HOLD	31.00 ↑
GREENSTREET	N/A	N/A	SELL	N/A
JPMORGAN	0.17	1.38	BUY	32.00 ↑
MIZUHO	N/A	N/A	NEUTRAL	29.50
MORGAN STANLEY	N/A	N/A	HOLD	29.00
RAYMOND JAMES	N/A	N/A	HOLD	N/A
RBC CAPITAL MARKETS	0.16	1.38	BUY	34.00 ↑
ROBERT W. BAIRD & Co., INC.	N/A	N/A	HOLD	32.00
SANDLER O'NEILL & PARTNERS L.P.	0.25	1.44	HOLD	31.00 ↑
STIFEL NICOLAUS & COMPANY, INC.	0.17	1.35	STRONG BUY	33.00 ↑
SUNTRUST ROBINSON HUMPHREY	0.17	1.37	HOLD	31.00 ↑
UBS (US)	N/A	N/A	HOLD	30.00 ↑
WELLS FARGO SECURITIES, LLC	0.17	1.34	HOLD	N/A
CONSENSUS **	0.18	1.39	Hold	31.55

KIMCO 2016 FFO GUIDANCE: \$1.34 - \$1.42

Source: Data from First Call

↑↓ Reflects change in target price since June 30, 2016



The Marketplace at Factoria, Bellevue, WA

Key Metrics in the REIT Industry

REIT FINANCIAL METRICS: FFO

FFO

The standard reporting measure defined by NAREIT of operating performance for the REIT industry

START: NET INCOME

MINUS (-)

(-) Pref Stock Dividends
(-) Gains on sales of Operating properties

PLUS (+)

(+) Depreciation of Operating RE
(+) Impairments of Operating RE

EQUALS (=)

FFO AVAILABLE TO COMMON SHAREHOLDERS

RECURRING FFO

FFO adjusted for non-recurring items

START:

FFO AVAILABLE TO COMMON SHAREHOLDERS

MINUS (-)

(-) Transactional Income & Expenses

EQUALS (=)

RECURRING FFO

ADJUSTED FFO

also called cash/funds available for distribution (CAD/FAD)

Used to determine a REIT's true cash flow

START:

FFO AVAILABLE TO COMMON SHAREHOLDERS

MINUS (-)

(-) Capitalized Expenditures

(-)/+ Adjust for straight-line rent
(-)/+ Adjust for FAS 141/142/143 income

EQUALS (=)

ADJUSTED FFO (also CAD/FAD)

REIT FINANCIAL METRICS



FFO Multiple=

$$\frac{\text{Stock Price/share}}{\text{* FFO/share}}$$

Measures the REIT's current share price relative to its FFO per-share.



FFO Payout Ratio=

$$\frac{\text{Annual Dividend/share}}{\text{* FFO/share}}$$

The proportion of FFO paid out as dividends to shareholders.



Dividend Yield=

$$\frac{\text{Annual Dividend/share}}{\text{Stock Price/share}}$$

Indicates how much a company pays out in dividends each year relative to its share price.

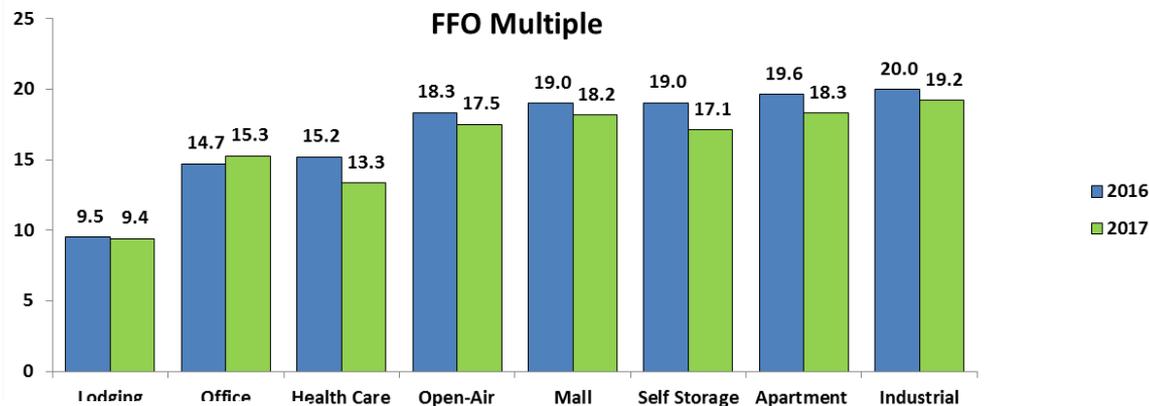
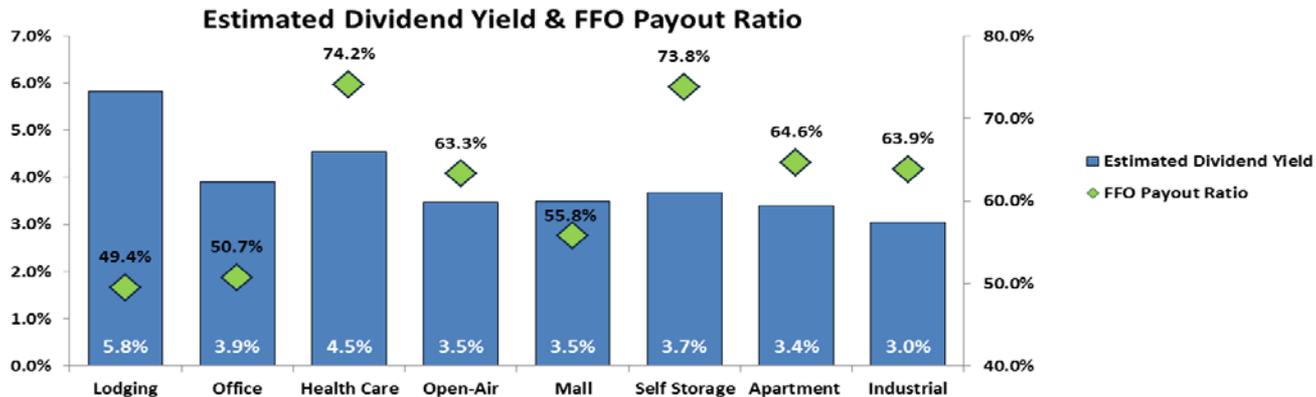


Total Shareholder Return (TSR)=

$$\text{Change in Price} + \text{Dividends Paid}$$

The total return of a stock to an investor.

REIT FINANCIAL METRICS BY SECTOR



Data as of June 30, 2018.

Source: SNL Financial, an offering of S&P Global Market Intelligence

REIT FINANCIAL METRICS: NAV

Net Asset Value “NAV”: Main valuation metric used to calculate approximate liquidation value of the company

NAV

ABC COMPANY

<i>Pro-rata annual net operating income (NOI)</i>	\$1,000,000
\div Cap Rate*	\div 5%
<i>Market Value (MV) of Operating Assets *</i>	\$20,000,000

PLUS (+)

(+) MV of JV fee income**	\$100,000
(+) Cash & cash equivalents	\$400,000
(+) Construction in Progress & Land Held for Development	\$500,000
(+) Other Assets	\$1,000,000

GROSS ASSET VALUE **\$22,000,000**

MINUS (-)

(-) Debt	\$4,000,000
(-) Other Liabilities	\$750,000

NAV **\$17,250,000**

\div Shares Outstanding \div 500,000

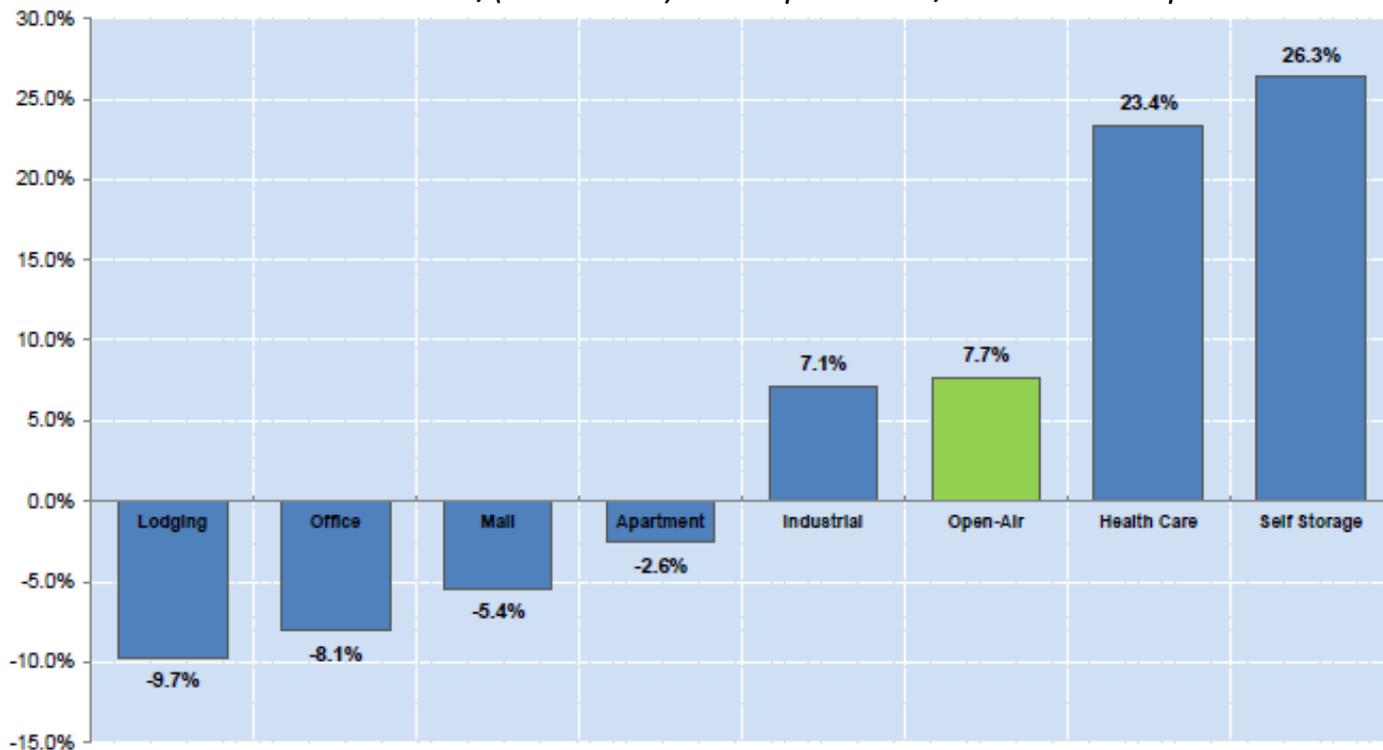
NAV/SHARE **\$34.50**

*The capitalization rate is the rate of return on a real estate investment property based on the income that the property is expected to generate. The capitalization rate is used to estimate the investor's potential return on his or her investment. ** Value of JV fee (third party/mgmt) income = JV fee income/Cap Rate

Source: BofA Merrill Lynch Global Research

SECTOR NAV PREMIUM/(DISCOUNT)

$NAV\ PREMIUM/(DISCOUNT) = NAV\ per\ share / Current\ stock\ price$



Data as of June 30, 2016.

Source: SNL Financial, an offering of S&P Global Market Intelligence

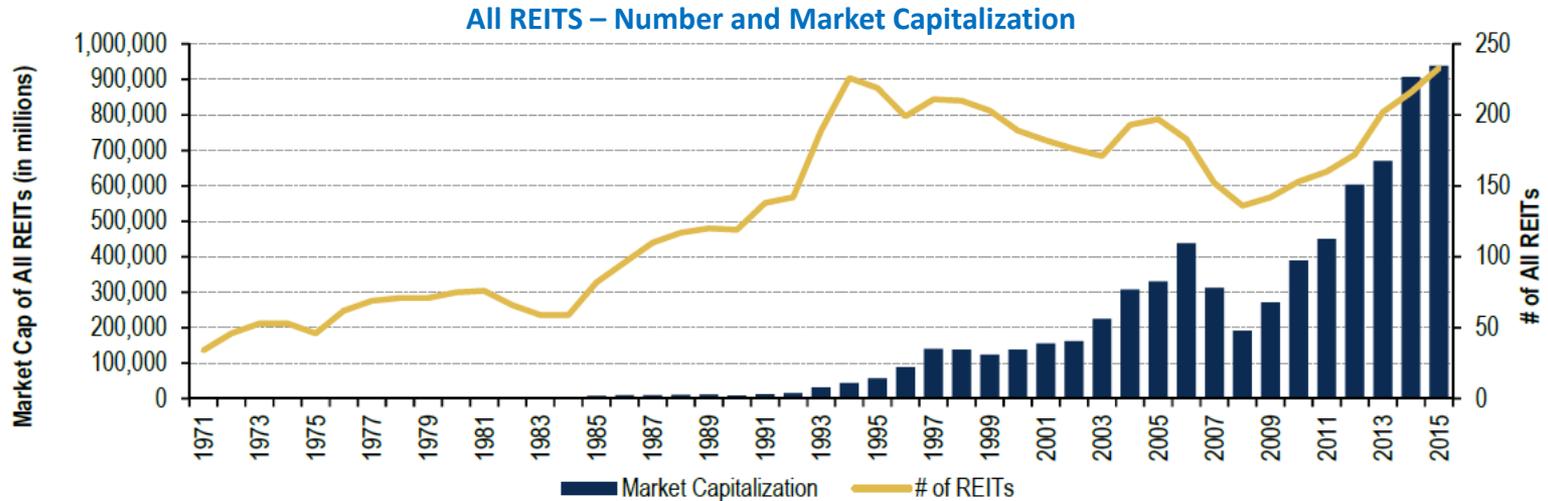
REIT FINANCIAL METRICS

➤ Enterprise Value

A measure of a company's total value, calculated as the market capitalization plus debt, minority interest and preferred shares, minus total cash and cash equivalents.

➤ Market Capitalization

A company's share price multiplied by the number of shares the company has outstanding.



Source: NAREIT; Note: Includes all REITs: equity, mortgage, and hybrid REITs; as of 12/31/15

REIT OPERATING METRICS

➤ OCCUPANCY %:

Amount of space being occupied. Calculated using the occupied space divided by total space of the property.

➤ LEASING SPREADS:

Difference between the current rent (\$) vs. the prior rent (\$) on the same unit within a property within the past four quarters. A spread is calculated for all comparable leases which include renewals, options and new leases.

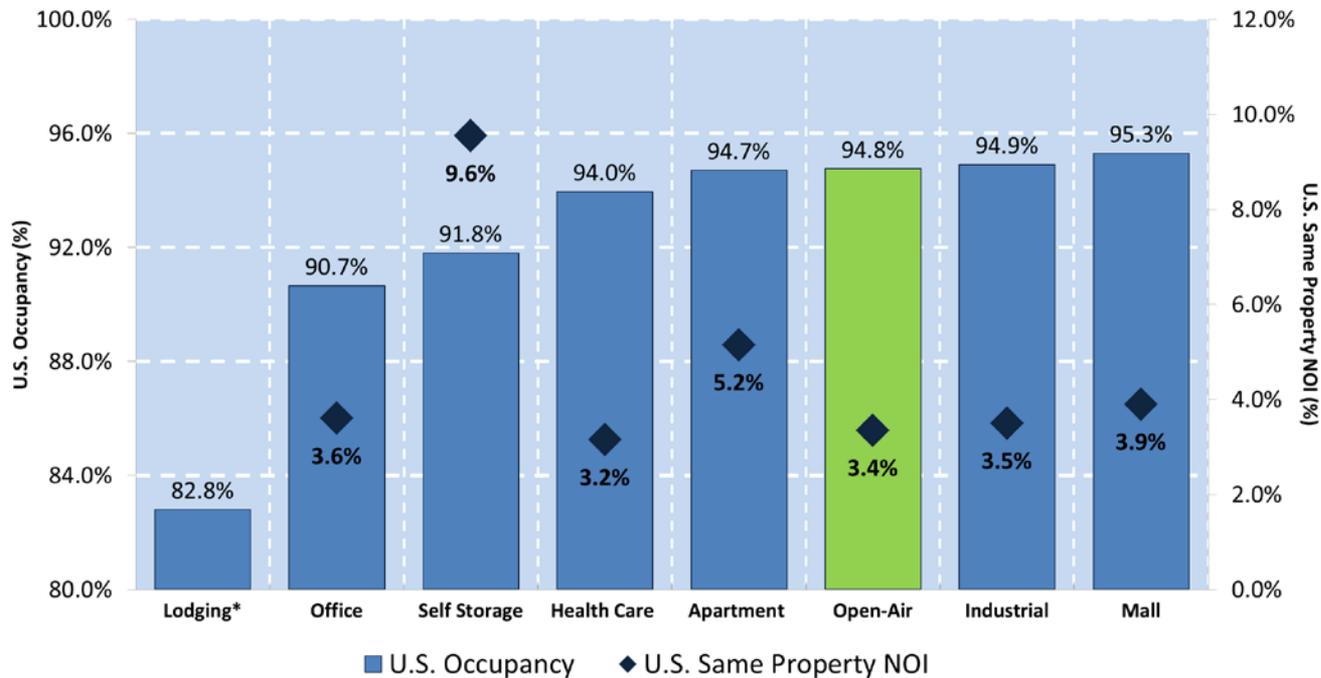
➤ SAME SITE NET OPERATING INCOME (NOI) CHANGE:

Measures NOI on the same pool of properties that were owned and operated for the entirety of both reporting periods. This provides insight as to how a portfolio of assets are performing.

➤ REVENUE PER AVAILABLE ROOM (RevPAR):

A performance metric used in the hotel industry. Calculated by multiplying a hotel's average daily room rate (ADR) by its occupancy rate. It may also be calculated by dividing a hotel's total room revenue by the total number of available rooms in the period being measured.

REIT OPERATING METRICS: SECTOR ANALYSIS



Data as of 6/30/2016

*U.S. Same Property NOI unavailable for Lodging sector

Source: SNL Financial, an offering of S&P Global Market Intelligence

MONITOR & ANALYZE KIMCO STOCK TRADING ACTIVITY

Factors affecting stock price



1) Macro Environment

- Interest Rates
- Consumer spending
- Employment rates
- Changes in currency
- World Events (i.e. BREXIT)



2) Flow of Funds

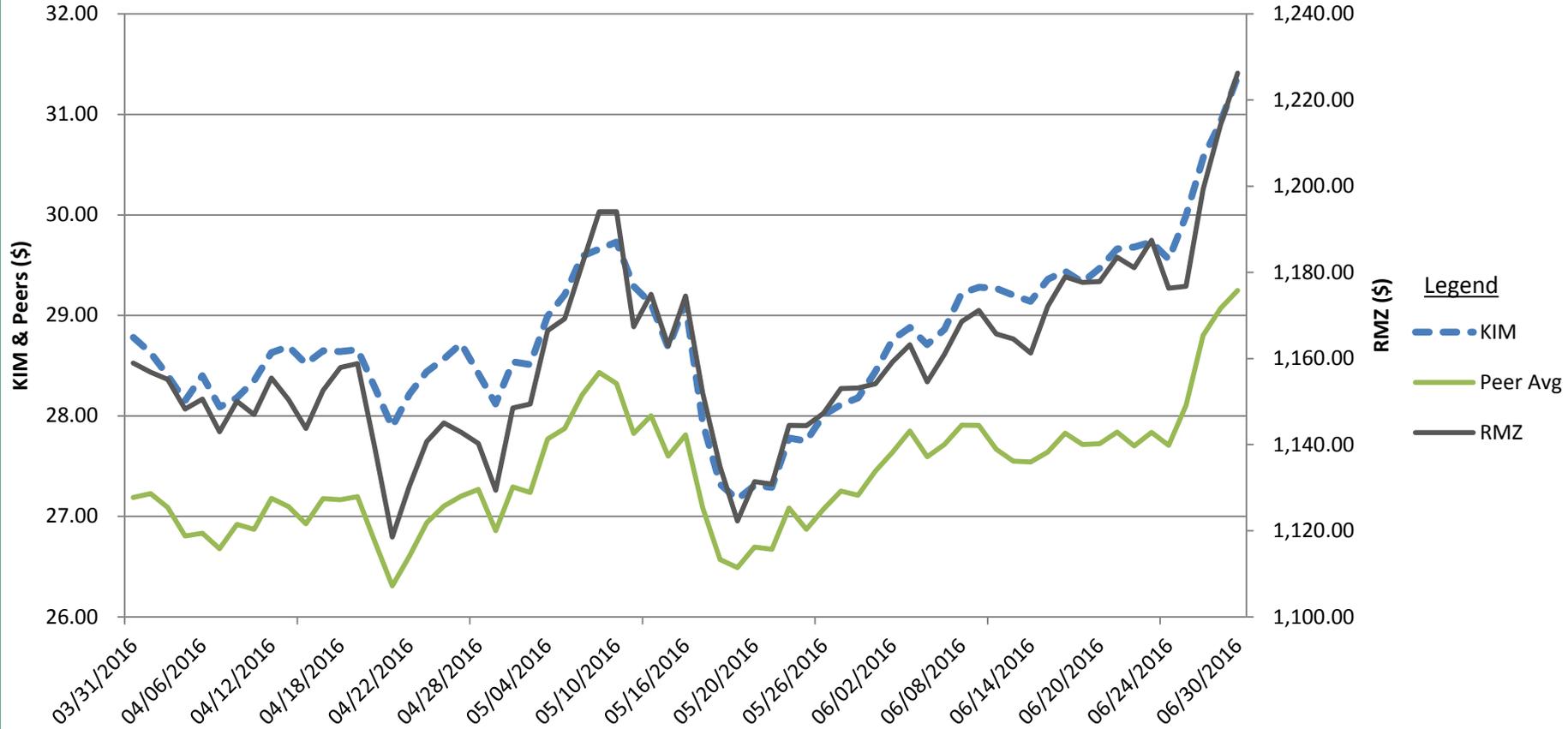
- 401k Contribution
- GIC's Separation



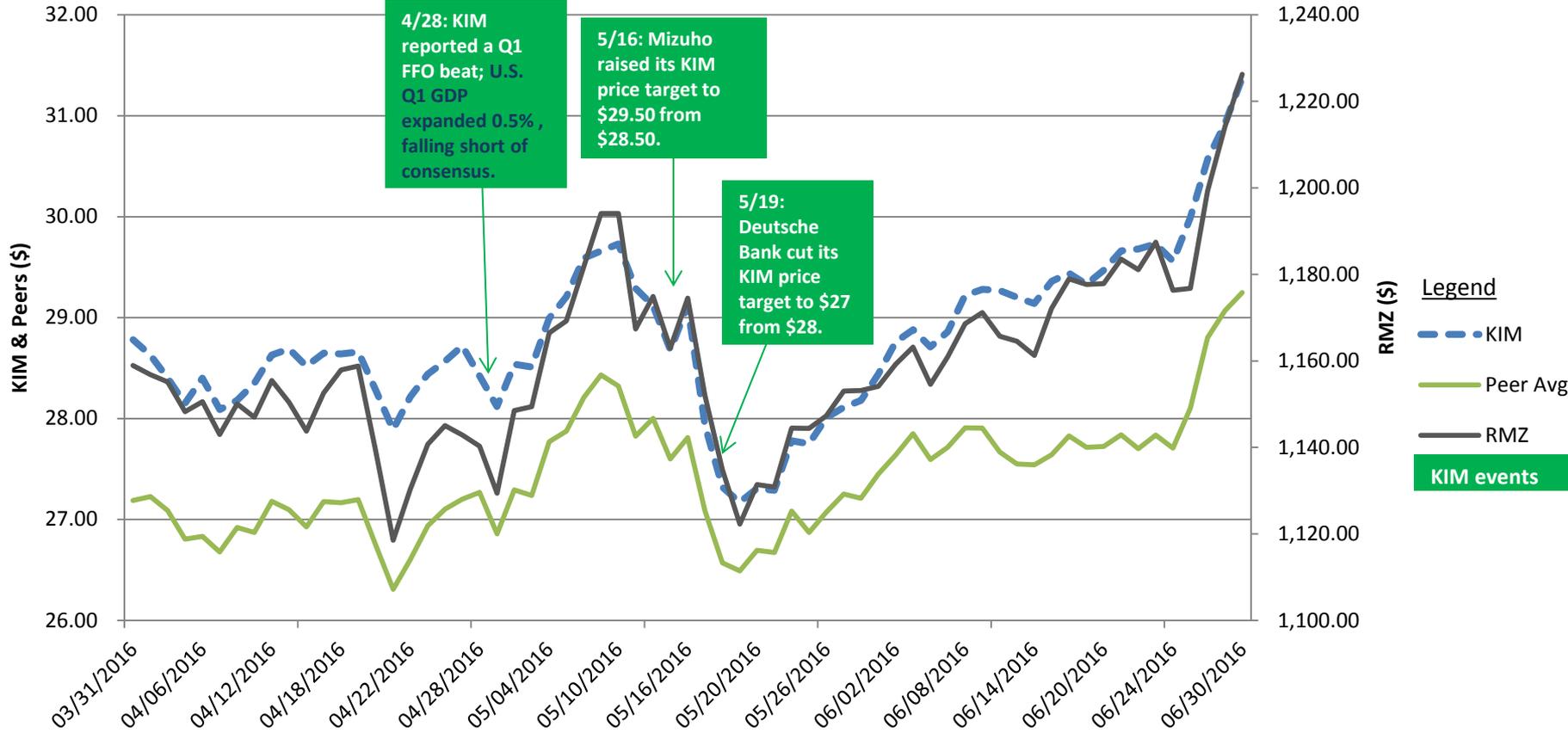
3) Quarterly Reporting

- 90 Day scorecard

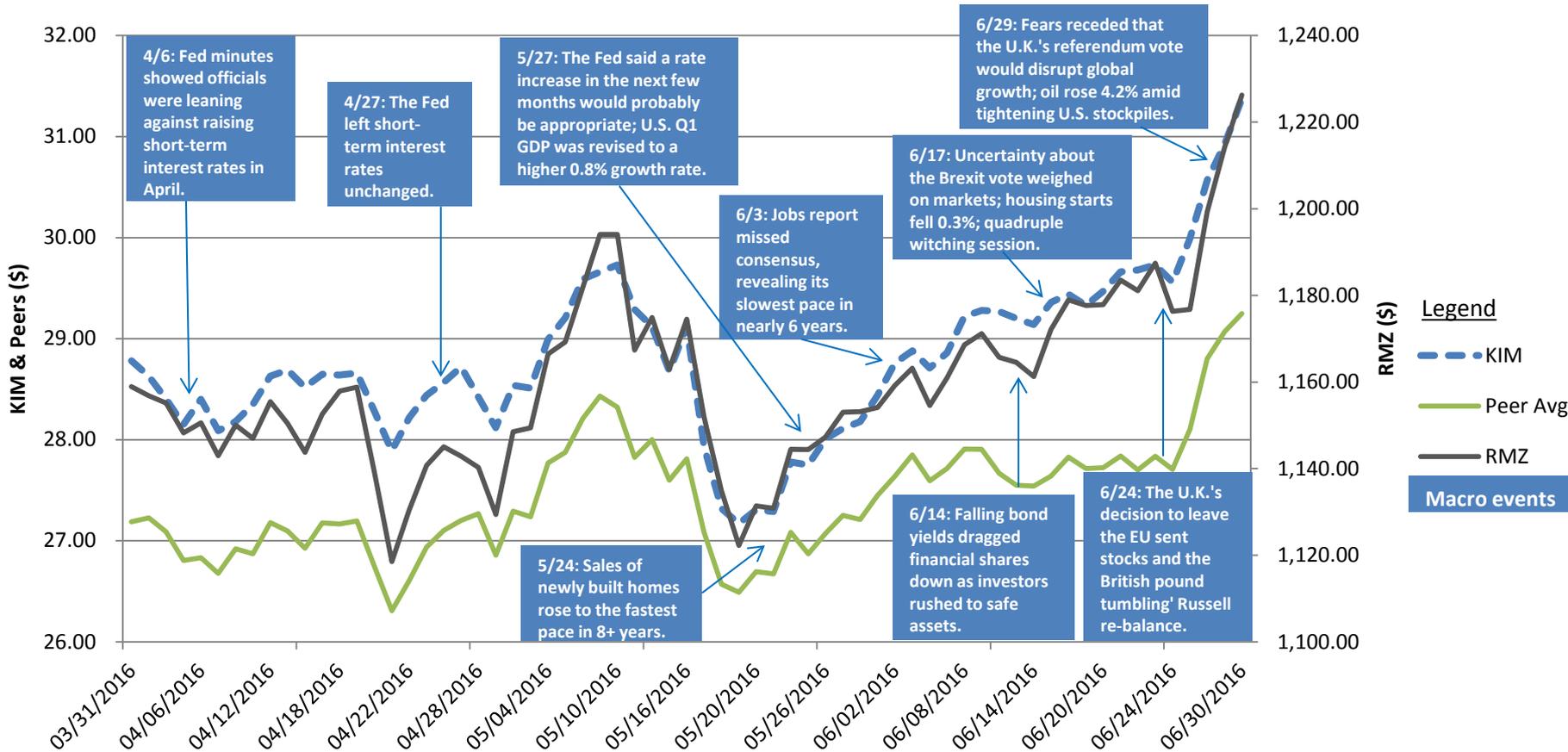
MONITOR & ANALYZE KIMCO STOCK TRADING ACTIVITY



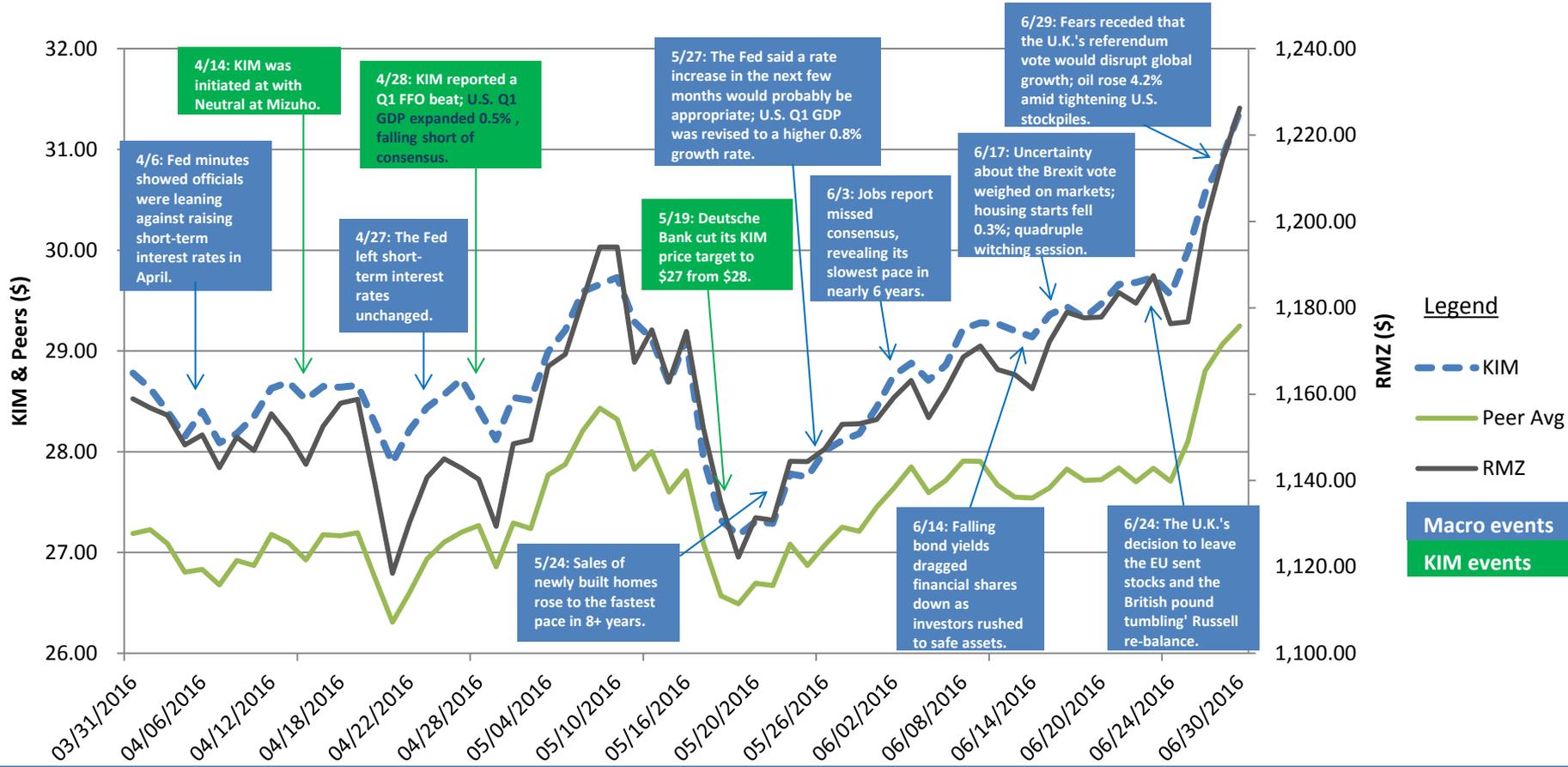
MONITOR & ANALYZE KIMCO STOCK TRADING ACTIVITY



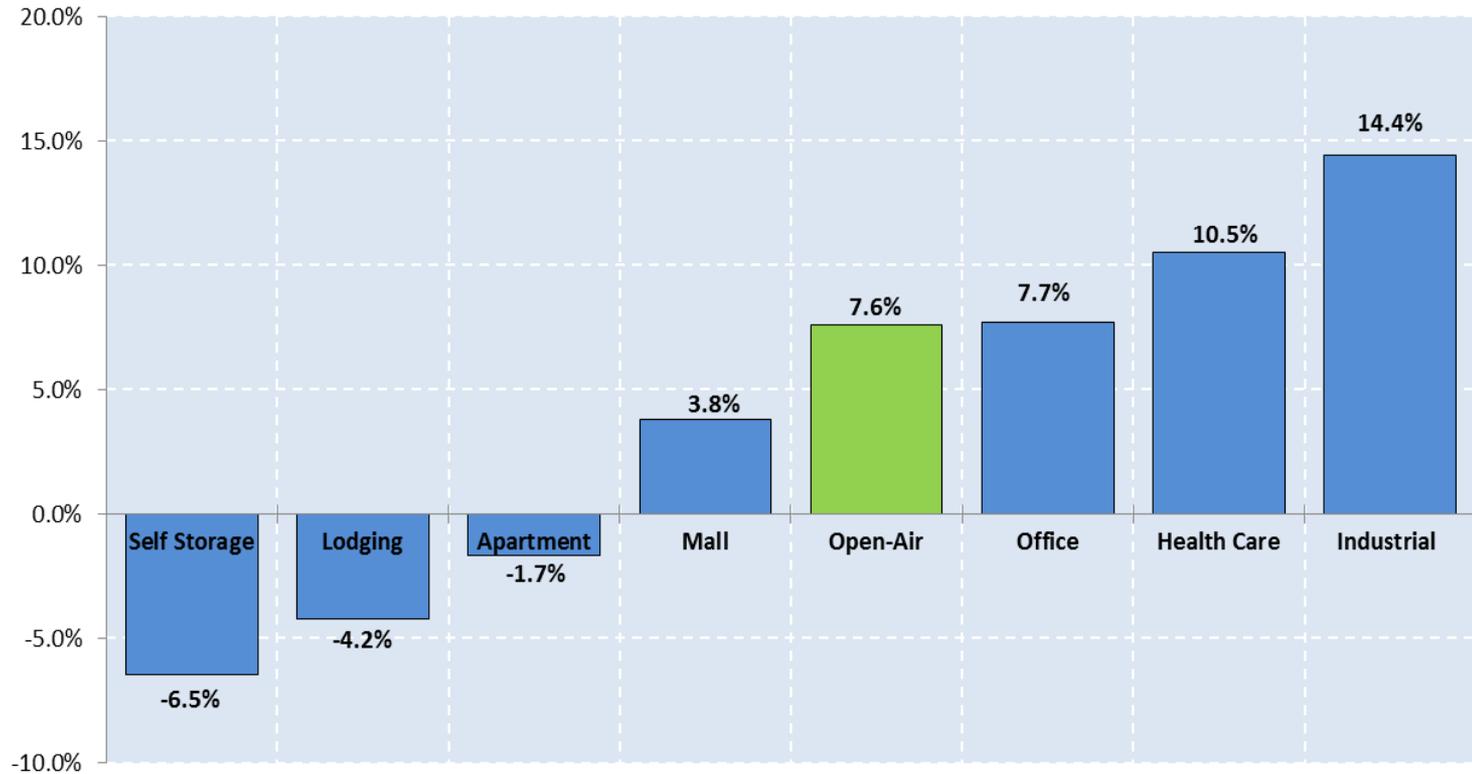
MONITOR & ANALYZE KIMCO STOCK TRADING ACTIVITY



MONITOR & ANALYZE KIMCO STOCK TRADING ACTIVITY



SECTOR 2Q16 PRICE PERFORMANCE



Source: IPREO, Global Markets Intelligence

GICS REIT SECTOR BREAKOUT

Global Industry Classification Standard (GICS) = A global standard for categorizing companies into sectors and industries developed in August 1999

- Covers more than 34,000 companies in developed and developing countries



Consumer Discretionary
Consumer Staples
Energy
Financials
Health Care
Industrials
Information Technology
Materials
Telecommunication Services
Utilities

....and Real Estate (split from 'Financials' on 8/31/2016)

- Implications of GICS Real Estate Breakout



Westlake Shopping Center, Daly City, CA

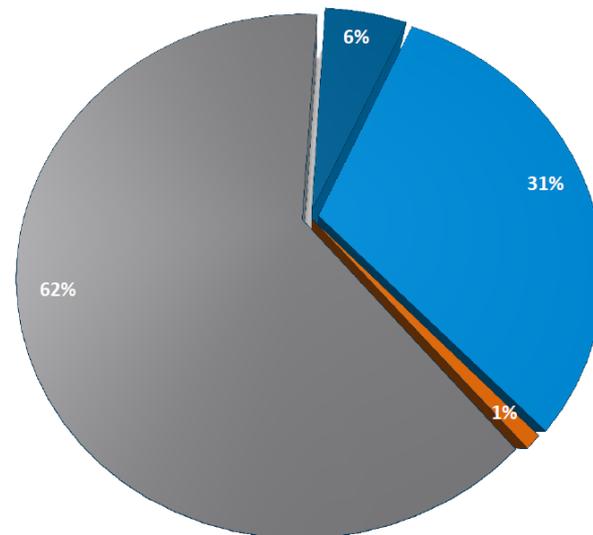
Governance

PROXY ADVISOR FIRMS & LEVEL OF INFLUENCE

Top REIT Investors	Advisory Firm Influence
The Vanguard Group, Inc.	Internal Guidelines
BlackRock Fund Advisors	Internal Guidelines
JPMorgan Investment Management, Inc.	ISS - Moderate Influence
SSgA Funds Management, Inc.	Internal Guidelines
Fidelity Management & Research Co.	Internal Guidelines
CBRE Clarion Securities LLC	ISS - Moderate Influence
APG Asset Management US, Inc.	ISS - Moderate Influence
Morgan Stanley Investment Management	ISS - Moderate Influence
T. Rowe Price Associates, Inc.	Internal Guidelines
PGGM Vermogensbeheer BV	Internal Guidelines
Robeco Investment Management, Inc.	ISS - Strong Influence
Invesco Advisers, Inc.	ISS - Moderate Influence
Northern Trust Investments, Inc.	ISS - Moderate Influence
Shinko Asset Management Co., Ltd.	Internal Guidelines
Dimensional Fund Advisors LP	ISS - Strong Influence
Lord, Abnett & Co. LLC	ISS - Moderate Influence
Delaware Management Business Trust	ISS- Strong Influence
Sumitomo Mitsui Asset Management Co.	Internal Guidelines



Advisory Firm Level of Influence



■ Internal Guidelines ■ ISS - Strong ■ ISS - Moderate ■ GL - Strong

PROXY ADVISORY SUMMARY: ISS

I. Quick Score – Corporate Governance Assessment

Management Proposals:	
Election of Directors	FOR
Say on Pay	FOR
Ratification of Auditors	FOR

QuickScore*	3
Board Structure	4
Shareholder Rights	3
Compensation	2
Audit	10

* A decile score of 1 indicates lower governance risk, while a 10 indicates higher governance risk.

Total Shareholder Returns (%)	1 Yr	3 Yr	5 Yr
Company	9.34	15.41	12.27
GICS 4040	-4.54	9.17	10.15
S&P500	1.38	15.13	12.57

PROXY ADVISORY SUMMARY: ISS

Peer Groups

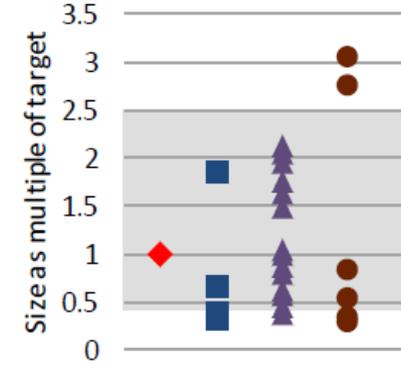
ISS AND COMPANY DISCLOSED PEER GROUPS

ISS- Selected Peers (4)	Retail Properties of America, Inc.	Taubman Centers, Inc. Vornado Realty Trust
	AvalonBay Communities, Inc.	Boston Properties, Inc. DDR Corp.
	CBL & Associates Properties, Inc.	Equity Residential General Growth Properties, Inc.
	Duke Realty Corporation	Realty Income Corporation SL Green Realty Corp. Ventas, Inc.
Shared Peers (14)	Federal Realty Investment Trust	
	Public Storage Regency Centers Corporation	
	The Macerich Company	
	Brixmor Property Group Inc.	Brookfield Office Properties Inc.
	Equity One, Inc.	Marriott International, Inc.
	Prologis, Inc.	Weingarten Realty Investors

The shaded area represents the overlap group of companies that are in both ISS' comparison group and the company's disclosed CEO compensation benchmarking peer group. Excludes company peers for which financial data is not available. For more information on the ISS peer group methodology, visit www.issgovernance.com/policy/USCompensation

PEER GROUP SIZE ANALYSIS

Size (by revenue) of the ISS, company and overlap peer groups. Gray indicates 0.4- 2.5 times the company's revenue.



◆ Kimco Realty Corporation

■ ISS Only

▲ Shared

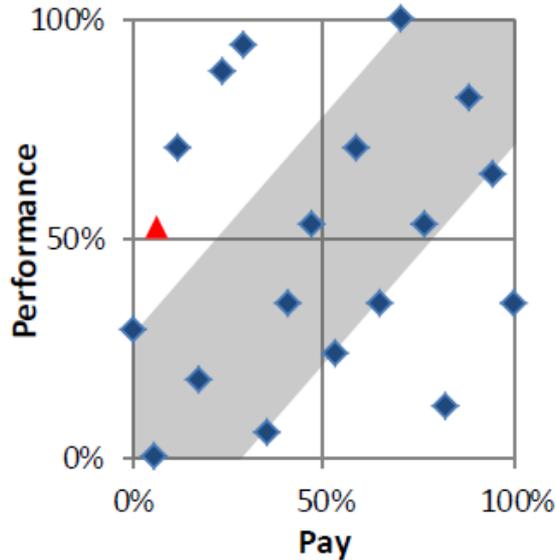
● Company Only

PROXY ADVISORY SUMMARY: ISS

II. Pay for Performance (P4P) – Executive Compensation

RELATIVE ALIGNMENT

The chart plots percentiles of the annualized 3-year performance and pay rankings for the company (▲) and ISS' derived peers (◆). The gray bar indicates pay and performance alignment.



PAY MAGNITUDE

Pay in \$thousands. The gray band represents 25th to 75th percentile of CEO pay of ISS' selected peer group, and the blue line represents the 50th percentile.

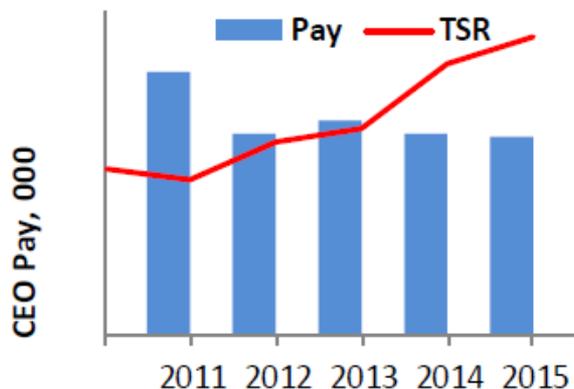


PROXY ADVISORY SUMMARY: ISS

II. Pay for Performance (P4P) – Executive Compensation

ABSOLUTE ALIGNMENT

CEO granted pay trends versus value of a \$100 investment made on the first day of the five-year period.



	2011	2012	2013	2014	2015
Pay(\$000)	4,243	3,208	3,427	3,220	3,194
Indexed TSR	93.74	116.06	123.38	163.17	178.41
CEO	Henry	Henry	Henry	Henry	Henry

PAY-FOR-PERFORMANCE QUANTITATIVE SCREEN

Measure	Result	Level
Relative degree of alignment	54	Better than 90% of Companies*
Multiple of peer group median	0.45	Better than 92% of Companies
Absolute alignment	19	Better than 77% of Companies
Initial Quantitative Screen	Low Concern	

*Constituents of Russell 3000 Index.

PROXY ADVISORY REPORT SUMMARY: ISS

Executive Summary

Evaluation Component	Level of Concern
<i>Non-Performance-Based Pay Elements</i>	Low
<i>Peer Group Benchmarking</i>	Low
<i>Severance/CIC Arrangements</i>	Low
<i>Comp Committee Communication/Responsiveness</i>	Low
<i>Pay for Performance Evaluation</i>	Low
ISS Recommendation: FOR	



Sunset Valley Marketfair | Austin, TX

Q&A



Santee Trolley Square | Santee, CA

SHOPPING CENTER ACRONYMS AND COMMON TERMS

GLA	Gross Leasable Area. The amount of square feet in a unit or a shopping center.
PSF	Per Square Foot. Used when referring to a metric, like rent, that needs to be quantified by a single unit of square footage.
ABR	Annual Base Rent. The amount of rental income for a one year time period.
CAM	Common Area Maintenance. Common areas are the areas of a shopping center available to all of the tenants and all of the patrons, such as parking lots, sidewalks, etc. Traditionally the common areas are maintained by the landlord and billed back to the tenants to pay their pro rata share of the total expense.
TI	Tenant Improvement (allowance): money given to the tenant in their lease negotiations to build out there space. Part of the cost of a deal.
AI	Ancillary Income: income produced outside of the leasing of square footage to a tenant. Examples include: common area space rental, storage rental, pylon signs, solar panels, etc.
NNN/ Net Lease	Recovery lease type that defines whether a tenant will maintain their own CAM, insurance and Real estate taxes or whether the landlord will maintain these items and charge the tenant their proportionate share.
Cap Rate	Capitalization Rate: The ratio of net operating income to property asset value. Income divided by market value.
Lease Termination Agreement or Fee	A lease termination agreement or fee is the one time financial penalty (described in the lease agreement) paid by the party (tenant or landlord) who chooses to terminate the lease prior to the end of the lease term specified in the lease agreement.