



LEXINGTON REALTY TRUST

Third Quarter Investor Presentation
November 2016

Disclosure



This presentation contains certain forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended, which involve known and unknown risks, uncertainties or other factors not under Lexington Realty Trust's ("Lexington" or "LXP") control which may cause actual results, performance or achievements of Lexington to be materially different from the results, performance, or other expectations implied by these forward-looking statements. These factors include, but are not limited to, those factors and risks detailed in Lexington's filings with the Securities and Exchange Commission. Except as required by law, Lexington undertakes no obligation to (1) publicly release the results of any revisions to those forward-looking statements which may be made to reflect events or circumstances after the occurrence of unanticipated events or (2) update or supplement forward-looking statements that become untrue because of subsequent events. Accordingly, there is no assurance that Lexington's expectations will be realized.

For information on non-GAAP measures, please see the definitions at the end of the presentation.

Company Overview



LEXINGTON REALTY TRUST (NYSE: LXP)

Long History

Franchise founded in 1973

Public since 1993

Consistent dividend paying company for 23 years

Investment grade credit ratings by S&P, Moody's and Fitch

Portfolio Snapshot

\$4.7 billion company (gross book value)

199 properties, including land, across 42.8 million square feet in 40 U.S. states

Approximately 95% leased

Annualized dividend of \$0.70 per common share, paid quarterly

Experienced Team

Seasoned executive management averaging 20 years with LXP

Consistently improving portfolio quality

Prudent managers of capital

Experienced portfolio and asset management teams focused on enhancing operating results

Investment Features

- Focused Single-Tenant, Net-Lease Strategy
- Diversified Portfolio
- Attractive Growth Prospects
- Active Portfolio Management
- Consistent Operating Performance
- Flexible Balance Sheet
- Strong Dividend with Conservative Payout Ratio



Investment Strategy



INVESTMENT FOCUS	<ul style="list-style-type: none"> ▪ Three-pronged growth strategy—build-to-suit, sale-leaseback, investment purchases ▪ Long-term net leases, typically 15-20 years (can be shorter for industrial assets) ▪ Single-tenant properties
SECTOR	<ul style="list-style-type: none"> ▪ Office, industrial and select specialty assets
GROWTH	<ul style="list-style-type: none"> ▪ Effectively grow earnings and dividends through increased investment activity and annual rental growth
PORTFOLIO MANAGEMENT	<ul style="list-style-type: none"> ▪ Originate, operate and sell certain properties with 10 years or more of remaining lease term ▪ Continue to manage and operate properties in “core” markets or that are mission critical facilities
CAPITAL RECYCLING	<ul style="list-style-type: none"> ▪ Approximately 3-5% of portfolio on average per year (<i>portfolio maintenance, profit taking and residual risk management</i>) ▪ Exit non-core office markets and multi-tenant properties once stabilized ▪ Focus on assets sales that will maximize value and generate gains
ASSET MANAGEMENT	<ul style="list-style-type: none"> ▪ Tenant relationship focus ▪ Proactively manage lease expirations and weighted-average lease term ▪ Sustain high levels of occupancy
BALANCE SHEET	<ul style="list-style-type: none"> ▪ Maintain modest leverage ▪ Access to secured and investment-grade unsecured debt with balanced maturities ▪ Predominately long-term, fixed-rate debt

Investment Strategy Opportunities



Build-to-Suit Projects

- Ability to originate a transaction for a yield premium
- Less competition in market provides more opportunities with attractive pricing
- Potential to make favorable returns with less risk by managing exit strategy

Sale Leasebacks

- Ability to secure a long-term lease with existing tenant
- Real estate strategically essential to tenant—could lead to lower tenant default risk
 - Favorable returns compared to corporate bonds of similar credit risk

Advantages

Net-Lease Properties

- Sustained, predictable cash flows
- Low inflation risk due to tenant operating expense obligations
- High levels of occupancy and lower turnover
- Less cap-ex requirements
- Long-term leases with rent bumps

Long-Term Leases

- Total rent payable tends to exceed purchase price
- Likelihood of change in tenant needs
- Market rents can grow faster than lease escalations
- Wide window to optimize exit strategy and maximize returns

Portfolio Transformation Continues...



Through its focused strategy, Lexington continues to show meaningful progress towards creating a best-in-class net-lease REIT.

Portfolio Metrics	2013 ⁽¹⁾	Q3 2016 ⁽²⁾	Status
Office Exposure ⁽³⁾	61.3%	55.1%	↓
Industrial Exposure ⁽³⁾	25.2%	37.5%	↑
Multi-Tenant Exposure ⁽³⁾	7.9%	3.9%	↓
% of Revenue from Long-Term Leases ⁽⁴⁾	30.1%	37.0%	↑
Average Lease Duration(<i>years</i>) ⁽⁵⁾	8.2	8.6	↑
Unencumbered NOI	55.3%	74.2%	↑
Weighted-Avg. Debt Maturity (<i>years</i>)	7.0	8.4	↑
Weighted-Avg. Interest Rate	4.7%	4.1%	↓

(1) As of December 31, 2013. (2) As of September 30, 2016. (3) As a percentage of rent for the year ended December 31, 2013 and nine months ended September 30, 2016, respectively. GAAP rent recognized for consolidated properties owned as of December 31, 2013 and September 30, 2016, respectively. (4) Leases with remaining term of 10 years or longer. (5) Cash basis for consolidated properties owned as of each December 31, 2013 and September 30, 2016, respectively. Average lease duration for 2013 adjusted to reflect NY land leases through the first purchase option date.

2016 Business Plan and Progress



Dispositions

- Dispose of approximately \$600-\$700 million of office, multi-tenant, and NYC land investments
 - YTD, sold \$616.2 million of wholly-owned assets at average cash and GAAP capitalization rates of 5.1% and 10.6%, respectively⁽¹⁾
 - Lowered cash capitalization rate target range to 5.0%-5.50% from 5.50%-6.25%; GAAP capitalization rate range: 10.0-10.5%
 - Expect to complete up to an additional \$40 million by year end

Acquisitions

- Committed to fund \$281 million in build-to-suit projects (at January 1, 2016)
- \$128 million in build-to-suit projects remaining to fund⁽²⁾
- YTD, acquisition activity of \$214.1 million

Balance Sheet

- Retire approximately \$375 million of secured debt with disposition proceeds
 - Retired approximately \$360 million in secured debt⁽²⁾
- Add approximately \$175-\$200 million of longer-term debt and pay down credit line
 - Obtained \$197.2 million of 20-year non-recourse financing at a 4.04% interest rate
 - Currently no borrowings outstanding on \$400 million revolver compared to \$177 million at beginning of 2016
- Targeted net debt to Adjusted EBITDA of approximately 6.0x-6.5x by end of 2016 (at January 1, 2016)
 - Net debt to Adjusted EBITDA of 5.3x as of September 30, 2016

Full-Year 2016 Guidance

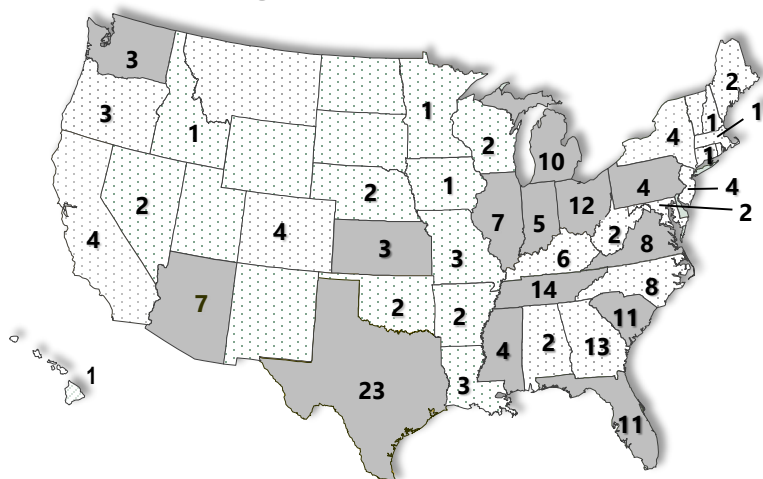
- Net Income Attributable to Common Shareholders now in range of \$0.40-\$0.44 per diluted common share⁽²⁾
- Increased 2016 Adjusted Company FFO guidance range to \$1.09-\$1.11 from \$1.07-\$1.10 per diluted common share⁽³⁾

Forward-looking statements: see disclaimer on page 2.

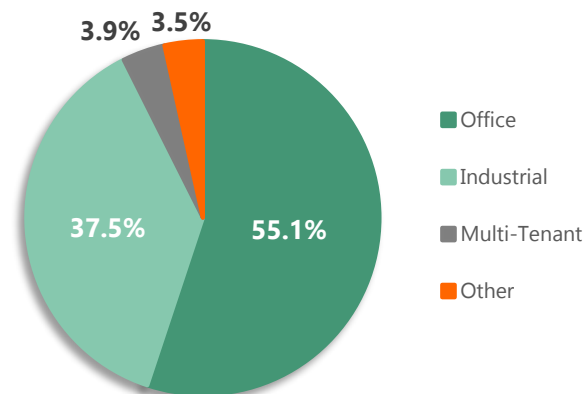
(1) As of November 4, 2016. Does not include non-consolidated property sales. (2) As of September 30, 2016. (3) 2016 Adjusted Company FFO guidance revised upward primarily due current execution of business plan and better visibility on transaction activity for the remainder of the year. Adjusted Company FFO previously referred to as Company FFO in the first quarter earnings press release and conference call. Guidance is forward looking, based on current expectations, and excludes the impact of certain items.

Well-Diversified Portfolio

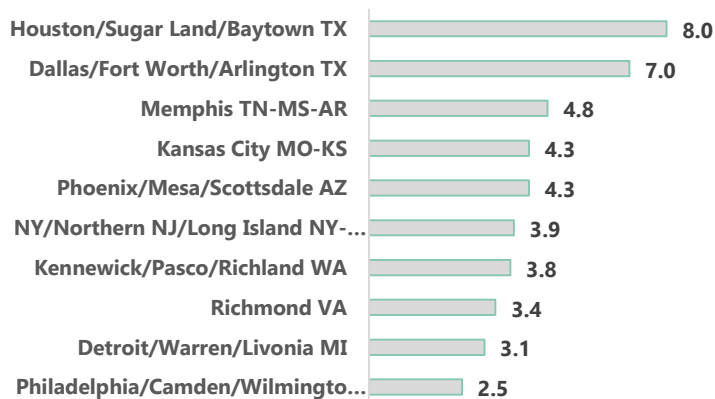
Geographic Diversification⁽¹⁾



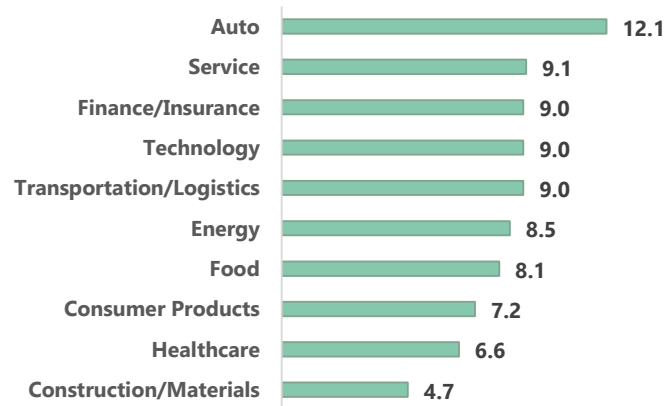
Revenue Sources by Property Type⁽²⁾



Top 10 Markets(%)(²)



Top 10 Industries(%)(²)



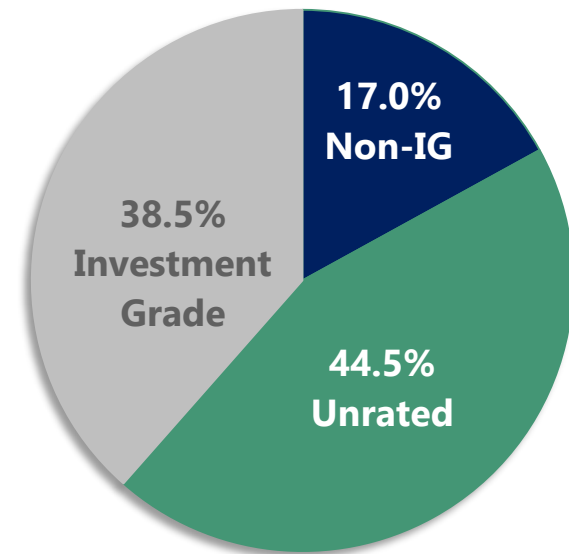
(1) As of September 30, 2016. States with rental revenue greater than \$10 million on an annualized GAAP basis in gray. (2) Nine months ended September 30, 2016 GAAP rent recognized for consolidated properties owned as of September 30, 2016.

Strong Tenant Diversification

Top 10 Tenants (GAAP Basis)

Top 10 Tenants ⁽¹⁾	% of Base Rent ^(1,2)
Preferred Freezer Services of Richland, LLC	3.8%
FedEx Corporation/Federal Express Corporation	3.5%
United States of America	3.1%
Metalsa Structural Products, Inc./ Dana Structural Products, LLC	2.9%
Nissan North America, Inc	2.8%
Swiss RE America Holding Corporation / Westport Insurance Corp.	2.2%
McGuireWoods LLP	2.1%
Morgan, Lewis & Bockius LLP	2.0%
Industrial Terminals Management, L.L.C.	1.9%
Xerox Corporation	1.9%
% of Top10 Tenants	26.1%

Revenue by Credit Rating ⁽³⁾



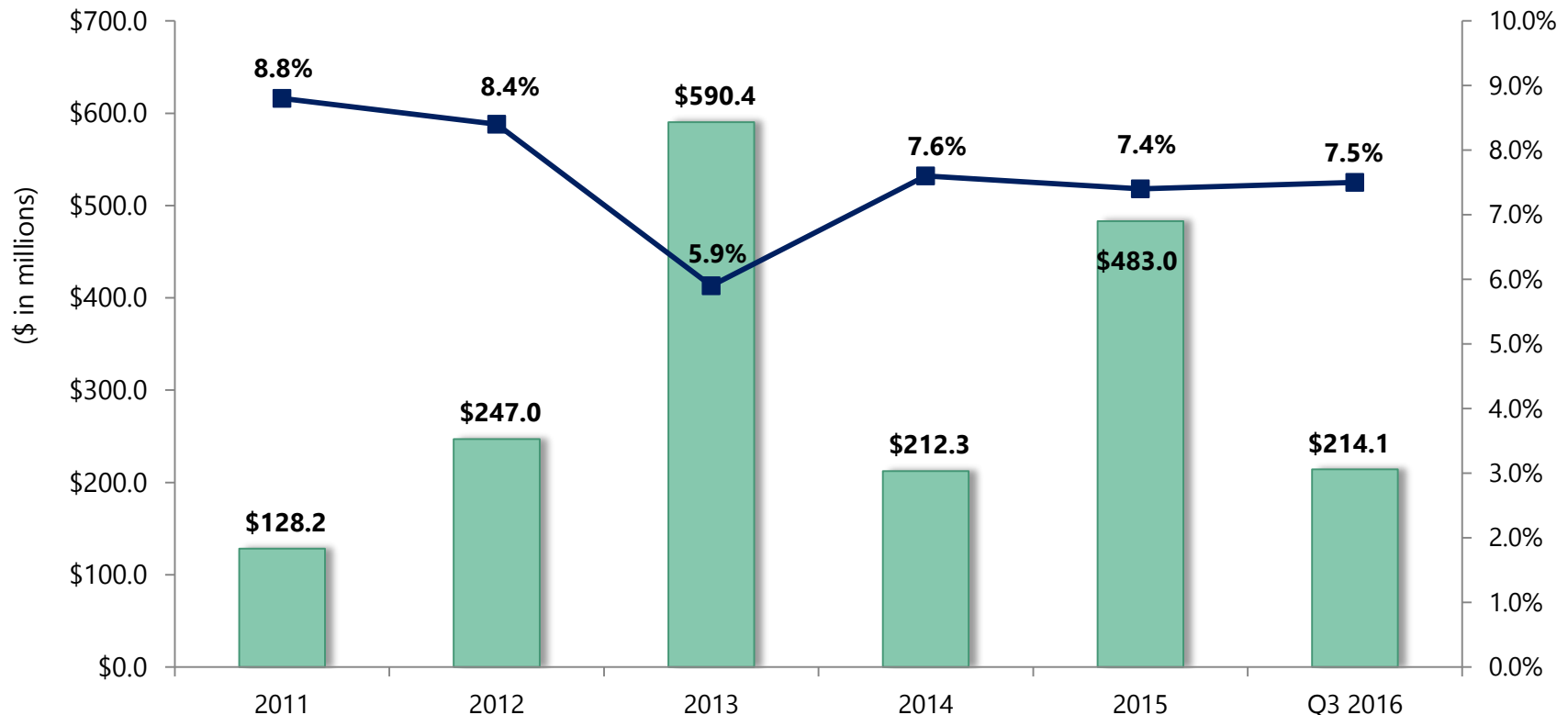
(1) Based on GAAP rent for the nine months ended September 30, 2016 for consolidated properties owned as of September 30, 2016. (2) Total shown may differ from detailed amounts due to rounding. (3) Based on GAAP rent for the nine months ended September 30, 2016, for consolidated properties owned as of September 30, 2016.

Execution: Strong Acquisition Activity



Lexington has been able to maintain strong acquisition activity with attractive pricing.

Property Acquisition Volume and Cap Rate⁽¹⁾



(1) Includes 100% of joint venture acquisitions (\$80 million in 2016, \$39.5 million in 2013, \$57.5 million in 2012 and \$15.3 million in 2011) and excludes the acquisition of NLS on September 1, 2012. There can be no assurance that 2016 capitalization rates will be attained in the future.

External Growth Prospects- Build-to-Suit Pipeline



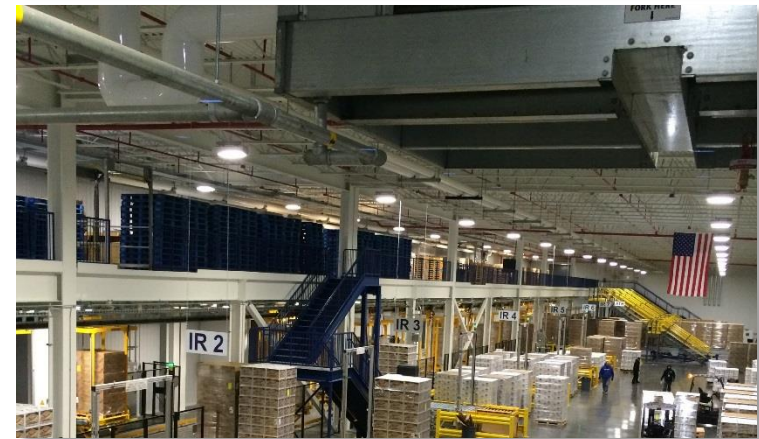
Future and 2016 completed build-to-suit investments are estimated to add consolidated annual revenue of \$28.5 million to the portfolio.⁽¹⁾

	On-Going			Completed	
	Lake Jackson, TX	Charlotte, NC	Opelika, AL	Anderson, SC	Houston, TX ⁽³⁾
Type	Office	Office	Industrial	Industrial	Private School
Square Feet	664,000	201,000	165,000	1,327,000	274,000
Estimated Completion Cost (millions)	\$166.2	\$62.4	\$37.0	\$61.3	\$80.0
GAAP Investment Balance 9/30/2016 (millions)	\$101.2	\$32.6	\$3.7	-	-
Lease Term	20 years	15 years	25 years	20 Years	20 years
Estimated GAAP Cap Rate	8.9%	9.5%	9.0%	7.2%	7.8%
Estimated Initial Cash Cap Rate	7.3%	8.3%	7.1%	6.0%	7.8%
Escalations	2% annually	2% annually	2% annually	2% Annually	Lesser of 2% or 2X CPI increase
Estimated Completion Date	Q4 2016/Q1 2017⁽²⁾	Q1 2017	Q2 2017	Q2 2016	Q3 2016

(1) No assurances can be given that any of these investments will be completed or, if completed, will perform to our expectations. (2) Three of the four buildings will come on line in the 4th Quarter of 2016 with the fourth to follow in the 1st Quarter of 2017. (3) Lexington has a 25% equity interest in the joint venture as of the date of September 30, 2016; Lexington is providing construction financing up to \$56.7 million to the joint venture, of which \$43.1 million was to be funded as of September 30, 2016.

Build-to-Suit Investment Rationale: Preferred Freezer

- Acquired in Q4 2015 for approx. \$152 million
- Attractive GAAP cap rate of 8.6% and initial cash cap rate of 7.1%
- 456,400 sq. foot state-of-the-art industrial facility located in Washington State
- Lease payments backed by strong credit—ConAgra Foods, Inc.
- Obtained \$110 million, 10-year mortgage financing at a 4% fixed rate
- Long-term lease of 20 years
- 2016 cash-on-cash return of approximately 15%
- Attractive long-term estimated internal rate of returns (IRR):



Investment Hold (years)	Exit Cap Rate	Estimated IRR
10	7.0%	20.3%
10	8.0%	18.3%
10	9.0%	16.4%
10	10.0%	14.6%

Build-to-Suit Investment Rationale: McGuireWoods

- Acquired in Q4 2015 for approx. \$101.5 million⁽¹⁾
- Attractive GAAP cap rate of 9.0% and initial cash cap rate of 8.2%⁽¹⁾
- 330,000 sq. foot new office building in desired Richmond, VA location
- Match-funded 15-year financing with 15-year lease
 - 5.2% fixed interest rate, 10-yr interest only followed by 30-year amortization
 - Significantly reduces residual risk
- As is, estimated cash-on-cash returns ranging from 10.5%-13.6% (life of lease)
- Strong tenant, McGuireWoods, occupying majority of building
- Ability to lease up approximately 16% of space for further value creation

Estimated Internal Rate of Return (IRR) Scenarios

Conservative Scenario⁽²⁾

Price/SF Sold	\$250	\$225	\$200	\$162 (Debt Balance)
Estimated IRR	10.35%	9.79%	9.16%	8.14%

Lease-up scenario⁽³⁾

Price/SF Sold	\$250	\$225	\$200	\$162 (Debt Balance)
Estimated IRR	12.20%	11.76%	11.28%	10.54%



(1) Initial basis does not include \$8.1 million for estimated earnout lease payments for developer leased space. Initial yields include \$4.0 million of earnout lease payments earned.

(2) Assumes remaining two floors stay vacant over the hold period.

(3) Assumes remaining two floors are leased by January 1, 2017 and McGuireWoods exercises their expansion options for this space in year 5 and 10.

Dow Chemical Financing

- \$197.2 million first mortgage secured by build-to-suit for the Dow Chemical Company (S&P: BBB) in Lake Jackson, Texas
 - A significant portion to be completed in Q4 2016 (3 of 4 buildings)
 - 20-year lease term
- Lexington's maximum commitment to fund on this project is \$166.2 million (inclusive of commitment fee and return on equity)
 - 8.9% estimated GAAP cap rate
 - 7.3% initial cash cap rate
- Minimum spread of loan proceeds over purchase price = \$31.0 million
 - Created immediate and significant value for shareholders
- Match-funded 20-year financing with 20-year lease
 - Loan bears an attractive fixed interest rate of 4.04%
- Scheduled annual excess cash flow of approximately \$250,000



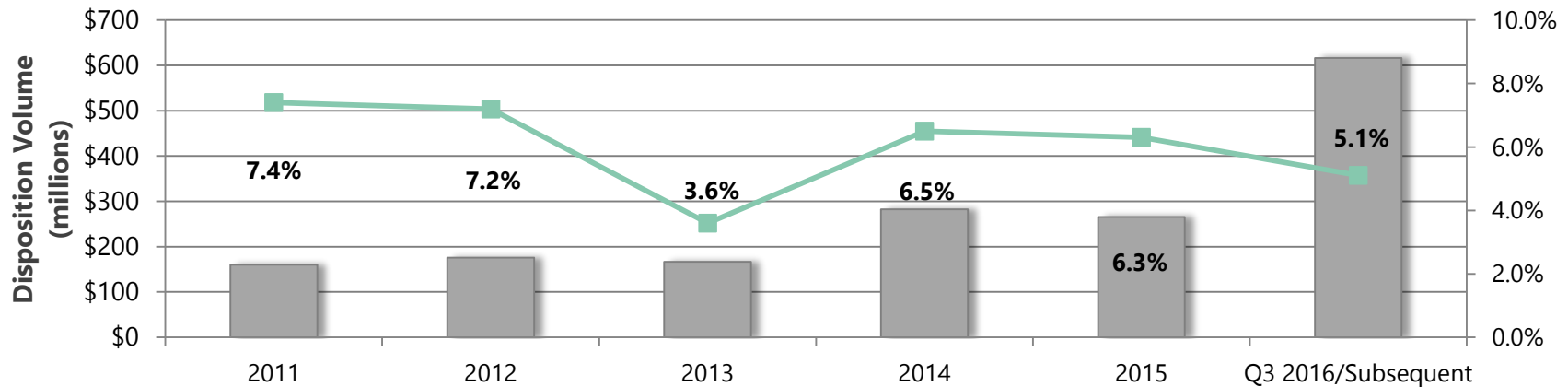
Renderings of future property.

Portfolio Repositioning Activity

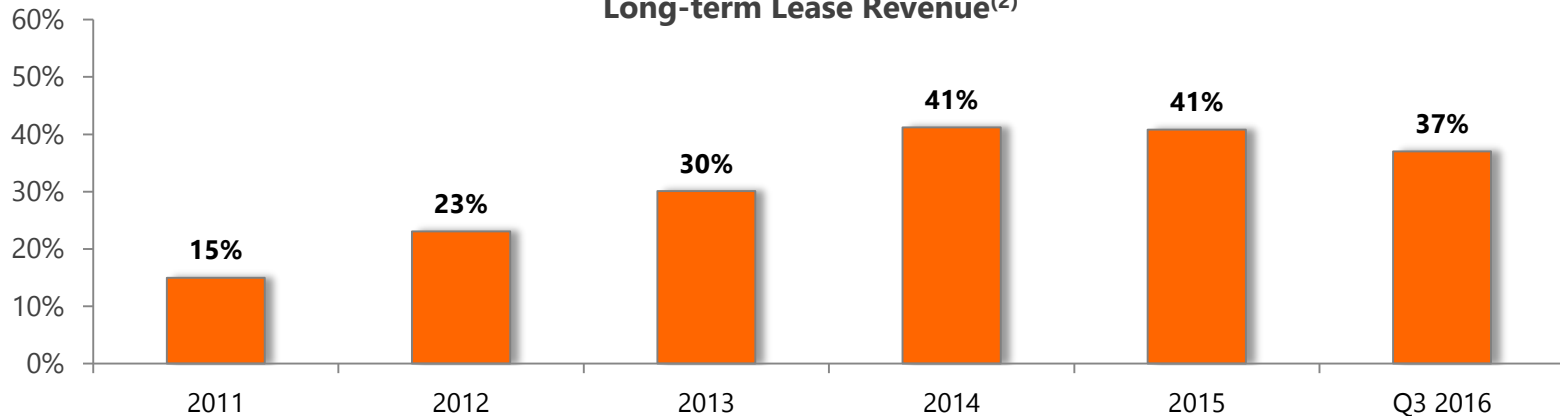


Lexington has consistently used proceeds from non-core dispositions to recycle capital into higher-quality properties.

Disposition Volume and Cap Rate⁽¹⁾



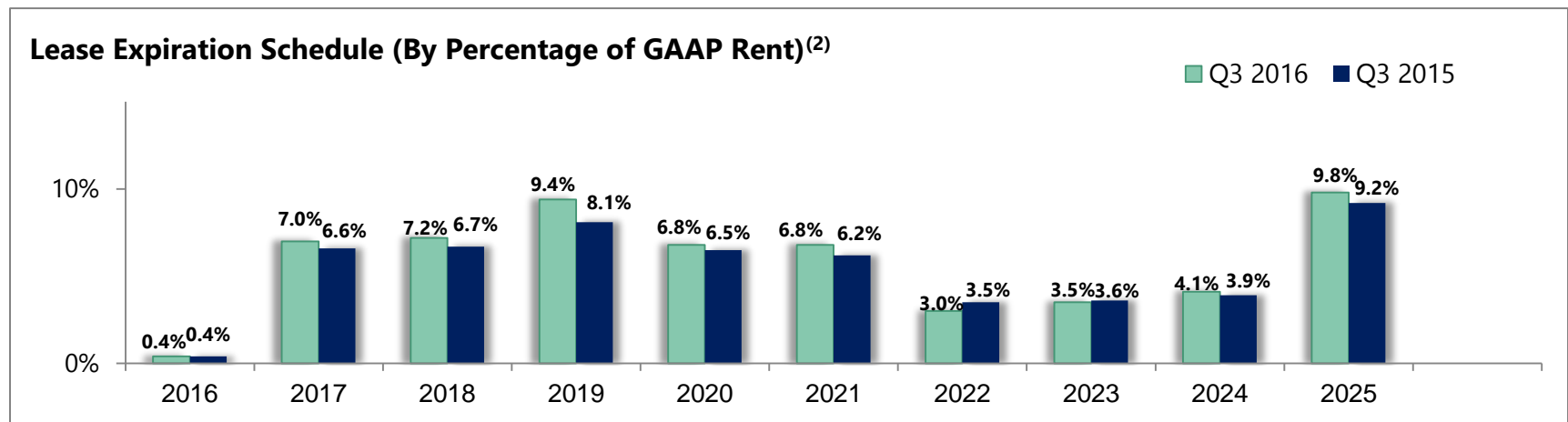
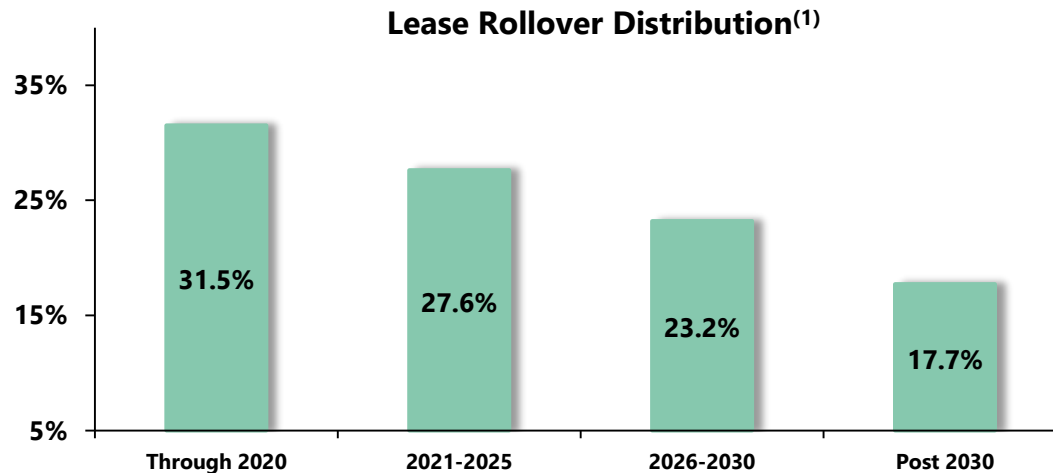
Long-term Lease Revenue⁽²⁾



(1) As of November 4, 2016. Includes assets disposed of that were either vacant or not stabilized. Does not include non-consolidated property sales. (2) Revenue from leases longer than ten years. Based on consolidated GAAP rent.

Managing Lease Expirations

Balanced rollover with continued focus on addressing expirations.



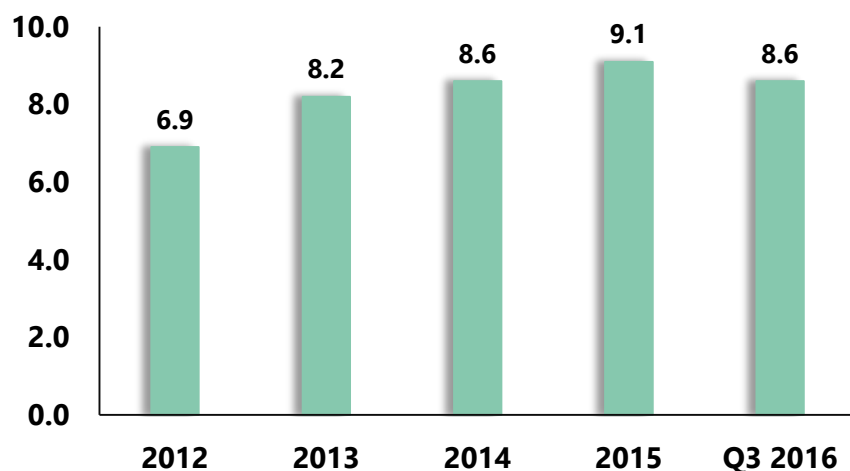
(1) Based on consolidated GAAP rent for the nine months ended September 30, 2016, excluding parking operations.

(2) As a percentage of consolidated GAAP rent for the nine months ended September 30, 2016 and September 30, 2015 for single-tenant leases, excluding parking operations.

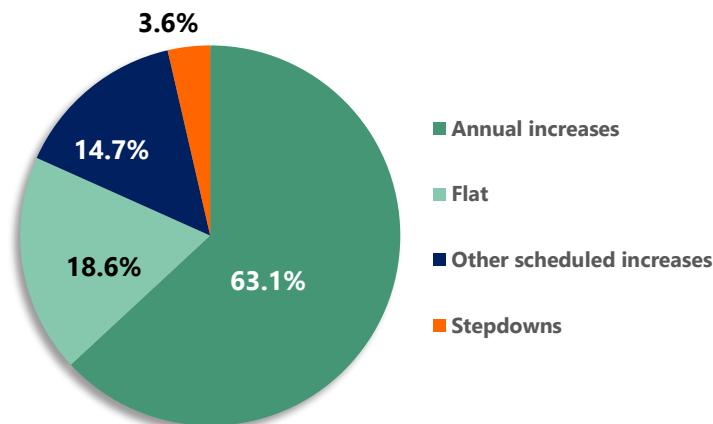
Stable and Predictable Cash Flows



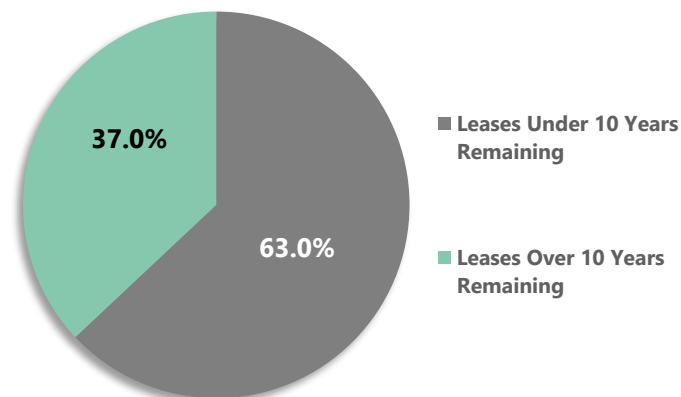
Weighted-Average Lease Term⁽¹⁾
(In Years)



Scheduled Rental Increases⁽²⁾



Lease Type⁽³⁾



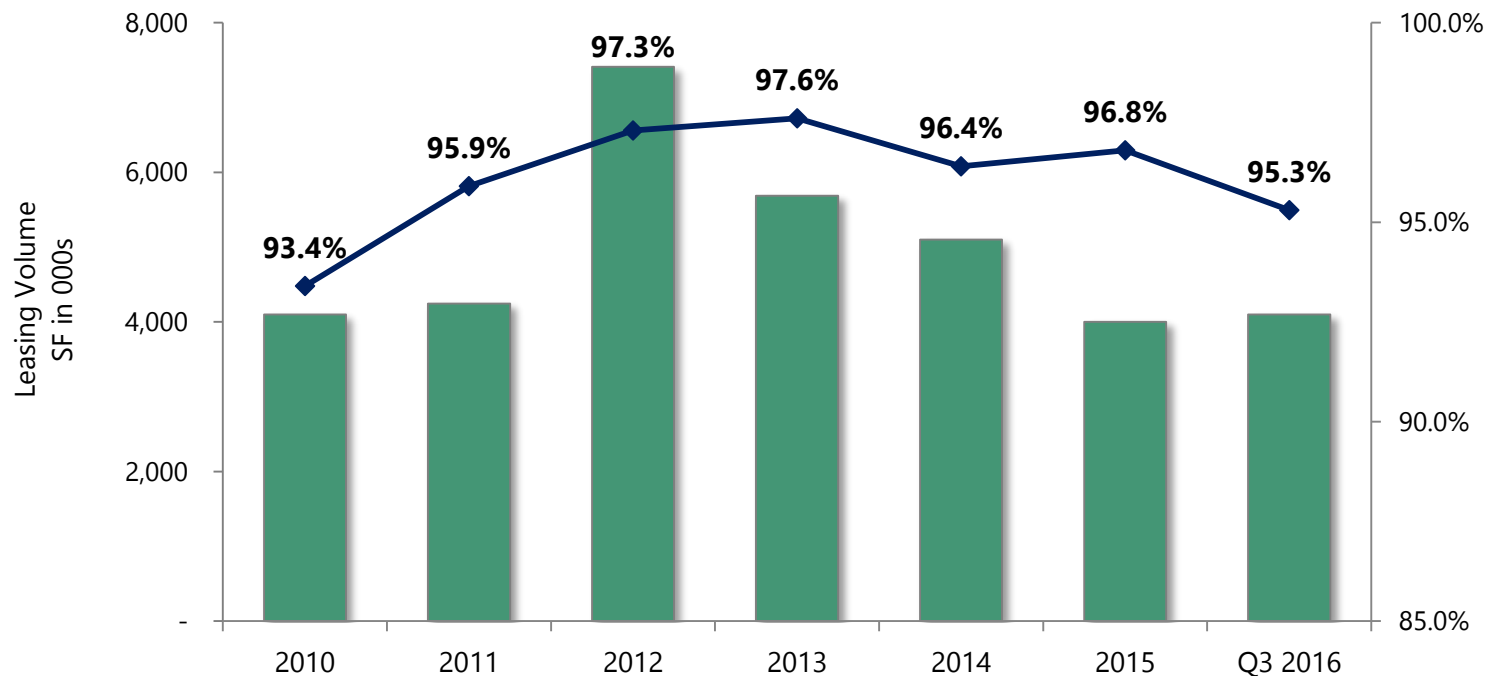
(1) As of September 30, 2016. Years 2013, 2014 and 2015 adjusted to reflect NY land leases to the first purchase option date. Decrease in weighted-average lease term as a result of selling NY land investments in the third quarter of 2016. (2) Based on consolidated cash rent for the nine months ended September 30, 2016 for single-tenant leases. Excludes parking operations. (3) Based on GAAP rent for the nine months ended September 30, 2016.

Strong Operational Performance



LXP continues to maintain consistent occupancy through its proactive leasing efforts.

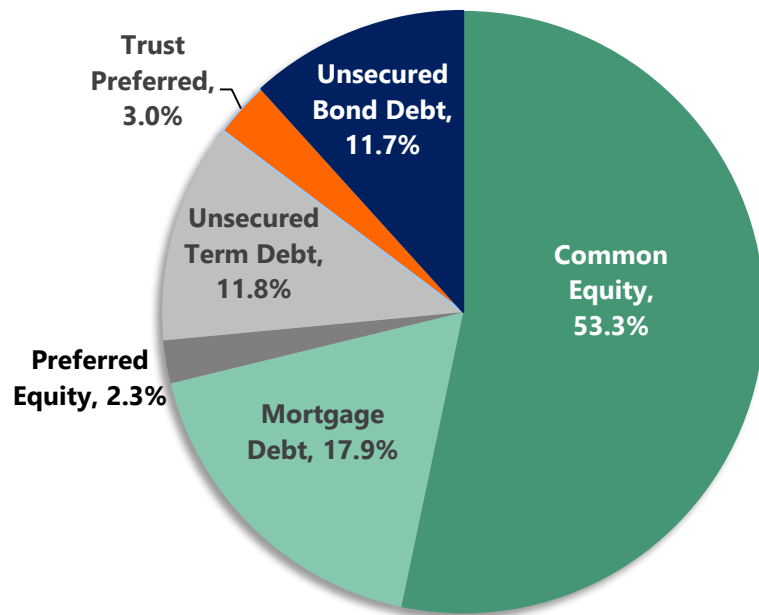
Historical Occupancy and Leasing Volume



Flexible Capital Structure⁽¹⁾



Focus on maintaining maximum flexibility to access most advantageous source of capital.



Debt

	<u>Amount</u> <i>(\$ in Millions)</i>	<u>Interest Rate/</u> <u>Coupon</u>
Unsecured Credit Facility – 2019	\$ -	L + 100 bps
Unsecured Term Loan Due 2020	250.0	2.19%
Unsecured Term Loan Due 2021	255.0	2.52%
Unsecured bonds due 2023	250.0	4.25%
Unsecured bonds due 2024	250.0	4.40%
Mortgages	765.0	4.65%
Trust Preferred	129.1	6.80%
Total – Debt	\$ 1,899.1	4.1%

Preferred

Preferred C	\$ 96.8	6.50%
Total – Preferred	\$ 96.8	
Total – Common equity⁽²⁾	\$2,276.5	
Total	\$4,274.4	

(1) Data reflects balances at September 30, 2016.

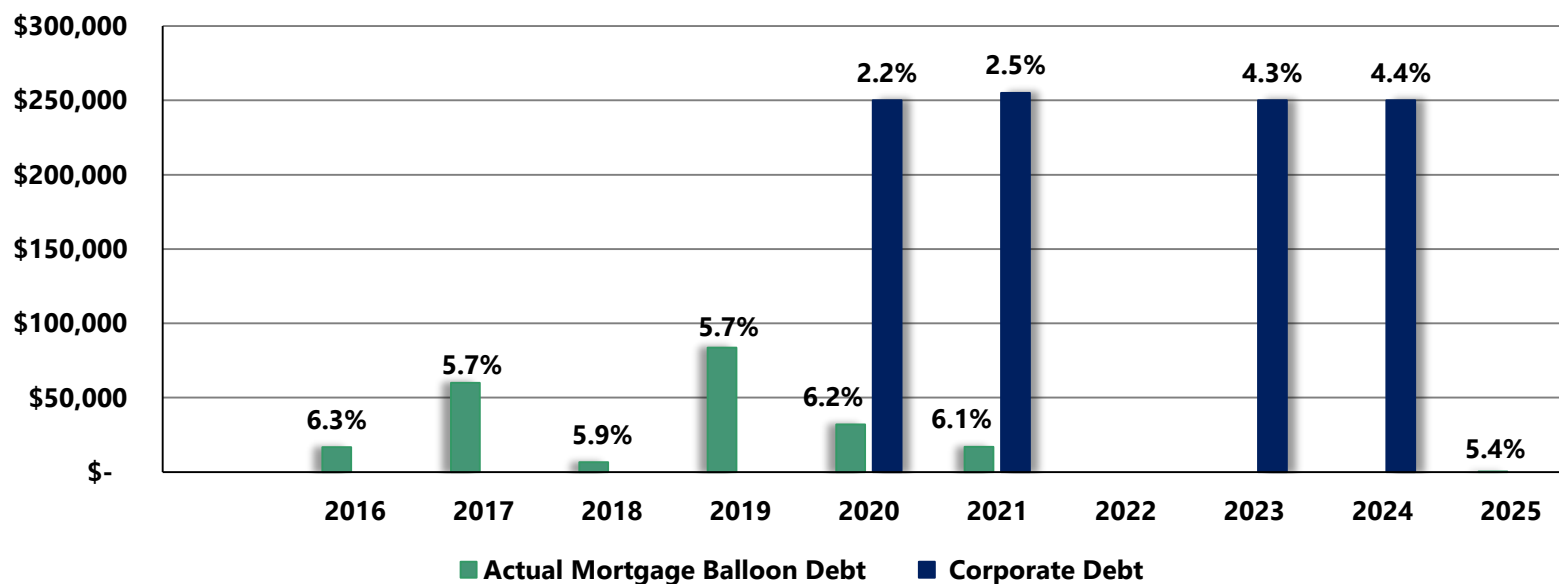
(2) Data includes OP Units and reflects a common share price of \$9.45 at November 4, 2016.

Balance Sheet Strategy



Lexington will focus on extending maturities, unencumbering assets, maintaining its investment-grade ratings and selectively utilizing secured financing.

LXP Debt Maturity Profile (\$000's)⁽¹⁾

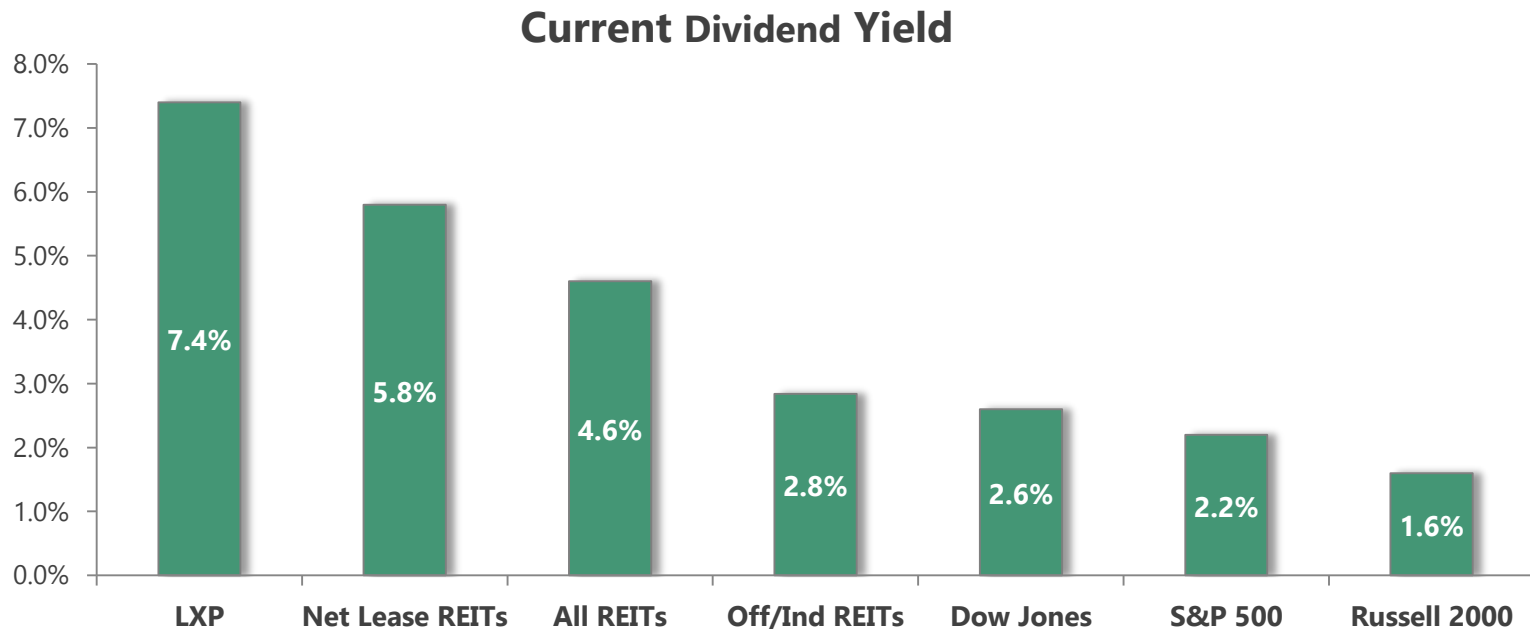


(1) As of September 30, 2016. Percentage denotes weighted-average interest rate.

Strong Dividend Yield



Strong dividend yield relative to its peers, REITs and other equity investments.



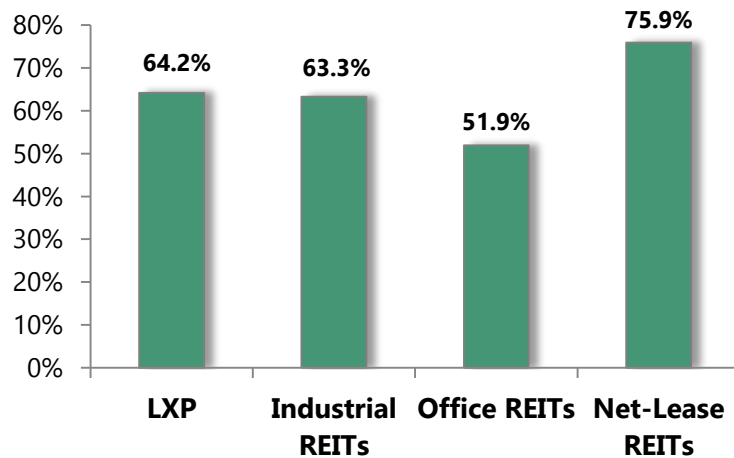
Source: KeyBanc and Bloomberg as of November 4, 2016. LXP's current dividend yield reflects common share price of \$9.45 at November 4, 2016.

Conservative Payout Ratio

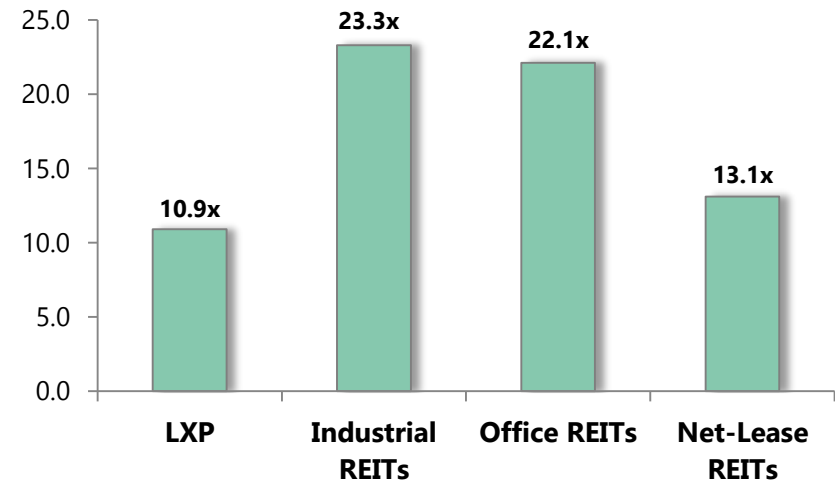


LXP believes its low payout ratio relative to its peers could improve growth prospects over time.

2016 Estimated FFO Payout Ratio



2016 Estimated AFFO Multiples



Source: KeyBanc. Data as of November 4, 2016.

Investment Features

Focused Single-Tenant, Net-Lease Strategy

Diversified Portfolio

Attractive Growth Prospects

Active Portfolio Management

Consistent Operating Performance

Flexible Balance Sheet

Strong Dividend with Conservative Payout Ratio



Non-GAAP Measures-Definitions



Lexington has used non-GAAP financial measures as defined by the Securities and Exchange Commission Regulation G in this presentation.

Lexington believes that the measures defined below are helpful to investors in measuring Lexington's performance or that of an individual investment. Since these measures exclude certain items which are included in their respective most comparable Generally Accepted Accounting Principles ("GAAP") measures, reliance on the measures has limitations; management compensates for these limitations by using the measures simply as supplemental measures that are weighed in balance with other GAAP measures. These measures are not necessarily indications of our cash flow available to fund cash needs. Additionally, they should not be used as an alternative to the respective most comparable GAAP measures when evaluating Lexington's financial performance or cash flow from operating, investing, or financing activities or liquidity.

Funds from Operations and Adjusted Company FFO(FFO and Adjusted Company FFO): Lexington believes that Funds from Operations, or FFO, which is a non-GAAP measure, is a widely recognized and appropriate measure of the performance of an equity real estate investment trust ("REIT"). Lexington believes FFO is frequently used by securities analysts, investors and other interested parties in the evaluation of REITs, many of which present FFO when reporting their results. FFO is intended to exclude GAAP historical cost depreciation and amortization of real estate and related assets, which assumes that the value of real estate diminishes ratably over time. Historically, however, real estate values have risen or fallen with market conditions. As a result, FFO provides a performance measure that, when compared year over year, reflects the impact to operations from trends in occupancy rates, rental rates, operating costs, development activities, interest costs and other matters without the inclusion of depreciation and amortization, providing perspective that may not necessarily be apparent from net income.

The National Association of Real Estate Investment Trusts, or NAREIT, defines FFO as "net income (or loss) computed in accordance with GAAP, excluding gains (or losses) from sales of property, plus real estate depreciation and amortization and after adjustments for nonconsolidated partnerships and joint ventures." NAREIT clarified its computation of FFO to exclude impairment charges on depreciable real estate owned directly or indirectly. FFO does not represent cash generated from operating activities in accordance with GAAP and is not indicative of cash available to fund cash needs.

Lexington presents FFO available to common shareholders and unitholders - basic and also presents FFO available to all equityholders and unitholders - diluted on a company-wide basis as if all securities that are convertible, at the holder's option, into Lexington's common shares, are converted at the beginning of the period. Lexington also presents Adjusted Company FFO available to all equityholders and unitholders - diluted which adjusts FFO available to all equityholders and unitholders - diluted for certain items which we believe are not indicative of the operating results of Lexington's real estate portfolio. Lexington believes this is an appropriate presentation as it is frequently requested by security analysts, investors and other interested parties. Since others do not calculate these measures in a similar fashion, these measures may not be comparable to similarly titled measures as reported by others. These measures should not be considered as an alternative to net income as an indicator of Lexington's operating performance or as an alternative to cash flow as a measure of liquidity.

Non-GAAP Measures-Definitions, cont.



Net operating income (NOI): a measure of operating performance used to evaluate the individual performance of an investment. This measure is not presented or intended to be viewed as a liquidity or performance measure that presents a numerical measure of Lexington's historical or future financial performance, financial position or cash flows.

Initial cash capitalization rate, internal rate of return (IRR), and cash-on-cash return: measures of operating performance used to evaluate the individual performance of an investment. These measures are not presented or intended to be viewed as liquidity or performance measures that present a numerical measure of Lexington's historical or future financial performance, financial position or cash flows. Expectations may not be realized.

Adjusted EBITDA: Adjusted EBITDA represents EBITDA (earnings before interest, taxes, depreciation and amortization) modified to include other adjustments to GAAP net income for gains on sales of properties, impairment charges, debt satisfaction gains (charges), net, non-cash charges, net, straight-line adjustments and adjustments for pro-rata share of non-wholly owned entities. Lexington's calculation of Adjusted EBITDA may not be comparable to similarly titled measures used by other companies. Lexington believes that net income is the most directly comparable GAAP measure to Adjusted EBITDA.



LEXINGTON REALTY TRUST

A real estate investment trust specializing in single-tenant commercial properties.