UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT
Pursuant to Section 13 or 15(d)
of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): August 7, 2020

COLONY CAPITAL, INC.

(Exact Name of Registrant as Specified in Its Charter)

Maryland	001-37980	46-4591526
(State or Other Jurisdiction of Incorporation or Organization)	(Commission File Number)	(I.R.S. Employer Identification No.)

515 South Flower Street, 44th Floor
Los Angeles, California 90071
(Address of Principal Executive Offices, Including Zip Code)

(310) 282-8820
Registrant's telephone number, including area code:

N/A
(Former name or former address, if changed since last report.)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

Title of Class	Trading Symbol(s)	Name of Each Exchange on Which Registered
Class A Common Stock, $0.01 par value	CLNY	New York Stock Exchange
Preferred Stock, 7.50% Series G Cumulative Redeemable, $0.01 par value	CLNY.PRG	New York Stock Exchange
Preferred Stock, 7.125% Series H Cumulative Redeemable, $0.01 par value	CLNY.PRH	New York Stock Exchange
Preferred Stock, 7.15% Series I Cumulative Redeemable, $0.01 par value	CLNY.PRI	New York Stock Exchange
Preferred Stock, 7.125% Series J Cumulative Redeemable, $0.01 par value	CLNY.PRJ	New York Stock Exchange

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company ☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Item 2.02 Results of Operations and Financial Condition.

On August 7, 2020, Colony Capital, Inc. (the "Company") issued a press release announcing its financial position as of June 30, 2020 and its financial results for the quarter ended June 30, 2020. A copy of the press release is attached as Exhibit 99.1 to this Current Report on Form 8-K and is incorporated herein by reference.

On August 7, 2020, the Company made available a Supplemental Financial Disclosure Presentation for the quarter ended June 30, 2020 on the Company's website at www.clny.com. A copy of the Supplemental Financial Disclosure Presentation is attached as Exhibit 99.2 to this Current Report on Form 8-K and is incorporated herein by reference.

Item 7.01 Regulation FD Disclosure.

In connection with the earnings call to be held on August 7, 2020 as referenced in the press release, the Company has prepared a presentation, dated August 7, 2020 (the "Earnings Presentation"), a copy of which is attached as Exhibit 99.3 to this Current Report on Form 8-K and incorporated herein by reference.

The information included in this Current Report on Form 8-K (including Exhibits 99.1, 99.2 and 99.3 hereto) shall not be deemed "filed" for the purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), or otherwise subject to the liabilities of that section, nor shall it be deemed incorporated by reference into any filing made by the Company under the Exchange Act or the Securities Act of 1933, as amended, except as shall be expressly set forth by specific reference in such a filing.

Use of Website to Distribute Material Company Information

The Company's website address is www.clny.com. The Company uses its website as a channel of distribution for important company information. Important information, including press releases, analyst presentations and financial information regarding the Company, is routinely posted on and accessible on the Public Shareholders subpage of its website, which is accessible by clicking on the tab labeled "Public Shareholders" on the website home page. The Company also uses its website to expedite public access to time-critical information regarding the Company in advance of or in lieu of distributing a press release or a filing with the U.S. Securities and Exchange Commission disclosing the same information. Therefore, investors should look to the Public Shareholders subpage of the Company's website for important and time-critical information. Visitors to the Company's website can also register to receive automatic e-mail and other notifications alerting them when new information is made available on the Public Shareholders subpage of the website.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits. The following exhibits are being furnished herewith to this Current Report on Form 8-K.

Exhibit No.	Description
99.1	Press Release dated August 7, 2020
99.2	Supplemental Financial Disclosure Presentation for the quarter ended June 30, 2020
99.3	Earnings Presentation dated August 7, 2020
104	Cover Page Interactive Data File (embedded within the Inline XBRL document)

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, as amended, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Date:	August 7, 2020	**COLONY CAPITAL, INC.**	
		By:	/s/ Jacky Wu
			Jacky Wu
			Chief Financial Officer and Treasurer

Colony Capital

Exhibit 99.1

COLONY CAPITAL ANNOUNCES SECOND QUARTER 2020 FINANCIAL RESULTS

LOS ANGELES, August 7, 2020 - Colony Capital, Inc. (NYSE:CLNY) and subsidiaries (collectively, "Colony Capital," or the "Company") today announced financial results for the second quarter ended June 30, 2020. The Company reported (i) total revenues of $372 million, (ii) GAAP net income attributable to common stockholders of $(2,043) million, or $(4.33) per share and (iii) Core FFO of $(19.3) million or $(0.04) per share, excluding gains/losses, which excludes $2.1 billion CLNY OP share of non-cash impairments and other losses.

"Since our last earnings, Colony has delivered on many of the key commitments we've made to shareholders," said Marc Ganzi, President and Chief Executive Officer. "We've continued to drive strong growth in our digital business: (i) digital FEEUM is now up 22% for the year, well ahead of our prior 15% growth target for 2020, (ii) we brought in a strategic investor to our digital investment management business, boosting permanent investment capital and commitments to our digital investment products, and (iii) our investment in Vantage Data Centers' portfolio of stabilized hyperscale data centers brings the kind of high-quality digital assets onto our balance sheet that we've outlined to investors. Just as importantly, we executed a series of decisive steps to solidify our liquidity position by successfully renegotiating our revolver on favorable terms and issuing new exchangeable notes that extend corporate debt maturities. Near-term debt maturities have now been dealt with. Despite an adverse environment created by the COVID-19 pandemic, these developments position us to preserve value at our legacy assets, make significant progress on our digital transformation and accelerate our alignment with the powerful secular tailwinds driving growth in digital infrastructure."

HIGHLIGHTS

Resilient Underlying Businesses

- Despite the impact of COVID-19, the Company's digital portfolio companies across investment management and operating businesses grew core organic revenues approximately 9% on average YoY in the second quarter.
- The Company's digital investment management business continued to grow, with FEEUM increasing YTD by $1.5 billion, or 22%, accounting for the Vantage transaction in July.
- The Company's Healthcare segment generated revenues in the second quarter that decreased 2% year-over-year and collected 96% of contractual triple-net and medical office rents during the quarter.
- The Company's Hospitality segment experienced a sharp rebound from its trough occupancy of 22% during April to almost 40% during June 2020 generating positive NOI before FF&E for the month.

Completed Management Transition

- Marc Ganzi assumed the role of President and CEO and Jacky Wu assumed the role of CFO and Treasurer on July 1, 2020, finalizing the transition to a digital-focused management team.
- Tom Barrack will continue to serve as Executive Chairman and Mark Hedstrom will continue to serve as Chief Operating Officer.

Financial Summary

($ in thousands, except per share data and where noted)

Revenues	2Q 2020	2Q 2019
Property operating income	$ 293,816	$ 488,788
Interest income	22,376	35,055
Fee income	43,540	35,433
Other income	12,634	14,163
Total revenues	$ 372,366	$ 573,439
Net income to common stockholders	$ (2,042,790)	$ (468,890)
Core FFO	$ (154,211)	$ 58,815
Core FFO per share	$ (0.29)	$ 0.11
Core FFO excluding gains/losses	$ (19,323)	$ 69,488
Core FFO excluding gains/losses per share	$ (0.04)	$ 0.13
Balance Sheet & Other		
Liquidity (cash & undrawn RCF) [(1)]	$ 876,689	$ 397,806
Digital AUM (in billions)	$ 21.6	$ 1.9
Digital AUM %	47%	5%

Note: Revenues are consolidated while Core FFO and Liquidity are CLNY OP share
(1) Liquidity as of August 4, 2020 and August 6, 2019, respectively.

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Significant Events Accelerating Digital Transformation

- In July, the Company closed a significant strategic investment from Wafra to invest over $400 million in the Digital Colony platform, including over $250 million for a 31.5% ownership stake in Digital Colony at an $805 million valuation, validating the Company's 2019 acquisition of Digital Bridge. In addition to providing permanent capital for the Company to invest in high-quality digital infrastructure assets, Wafra has also committed over $150 million to Digital Colony's current and future investment products.
- In July, the Company closed on the Company's second significant balance sheet investment in a digital operating business, with a Colony-led investor group acquiring a majority stake in Vantage Data Centers' portfolio of 12 stabilized North American hyperscale data centers ("Stabilized VDC") for $1.2 billion, with $190 million allocated from the Company's balance sheet.
- With the closing of Stabilized VDC, Digital Colony's FEEUM stands at $8.3 billion, up 22% since the beginning of the year, ahead of the prior annual growth target of 15%.
- Digital AUM of $22 billion now represents approximately half of total AUM.

Delivered Path-To-Digital

- Delivered 'Path-to-Digital' with (i) $500 million revolver amendment and (ii) $300 million exchangeable notes issuance to address near-term corporate debt maturities. With over $875 million of liquidity, of which $114 million is earmarked to pay off the remaining balance of 2021 convertible debt, the Company remains focused on simplifying and executing its digital transformation through: (i) further monetization of legacy businesses, (ii) additional deployment of capital into high quality digital investments and (iii) continued growth of its digital investment management franchise.
- The impact of these corporate activities was enhanced by continued legacy asset monetizations, which now total approximately $340 million year-to-date, and the Wafra partnership.

Insight Into Value

- Legacy asset carrying values now align more closely to fair market values, with the recognition of $2.1 billion CLNY OP share of non-cash impairments and other losses (with further details herein).
- Introducing additional disclosures to improve investor insight into components of legacy and digital segment values as outlined herein and in the Company's second quarter earnings presentation.
- Received net proceeds of approximately $340 million from the monetization of non-core assets since the beginning of 2020, including $94 million in the second quarter.

FINANCIAL STATUS & OUTLOOK

As of August 5, 2020, the Company had $875 million of liquidity, including $375 million of corporate cash-on-hand and the full $500 million of availability on the Company's corporate revolver. The Company recently amended the terms of its revolver to right-size availability and enhanced financial flexibility. The Company currently has no borrowings outstanding on its revolver and remains in full compliance with all of its covenants and terms.

The Company's results of operations in the second quarter of 2020 were impacted by COVID-19, particularly within the legacy non-digital businesses, including our hospitality portfolio. The Company expects the effects of COVID-19 to continue to be significant in future periods. Further, while the Company has recently amended the terms of its revolver, issued $300 million of 2025 exchangeable notes to address near-term maturities and maintains ample liquidity to meet its operating needs, the length and severity of the crisis remain uncertain. The Company's business and operations will also be affected by the health of the capital markets and future government actions, among other factors. Consequently, the Company will continue to refrain from providing forward looking guidance with respect to Core FFO or other operating metrics.

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Digital

The Company made significant progress in its digital transformation since its last earnings report.

- In July, the Company closed a significant strategic investment from Wafra to invest over $400 million in the Digital Colony platform, including over $250 million for a 31.5% ownership stake in Digital Colony, the Company's digital investment management business, providing permanent capital for the Company to invest in high-quality digital infrastructure assets as well as commitments of over $150 million to Digital Colony's current and future investment products.
- In July, the Company closed on the Company's second significant balance sheet investment in a digital operating business, with a Colony-led investor group acquiring a majority stake in Vantage Data Centers' portfolio of 12 stabilized North American hyperscale data centers for $1.2 billion, with $190 million allocated from the Company's balance sheet.

During the second quarter 2020, the Digital segment generated revenue of $63.4 million, net income attributable to common stockholders of $8.5 million and Core FFO of $21.2 million

Digital Investment Management ("IM")

Digital IM generated $20.7 million of revenue, $9.3 million in Fee Related Earnings ("FRE"), net income of $1.9 million and Core FFO of $7.7 million.

- **Digital IM Growth**: Digital IM revenues grew 8% QoQ, reflecting the full-quarter contribution from the Zayo co-invest fees.
- **Digital IM FRE Margins:** As expected, FRE margins declined QoQ to 45% as Digital IM invested in additional resources to support future investment product offerings.
- **New FEEUM:** After the end of the quarter, the Company raised approximately $1.0 billion of new FEEUM to close on Stabilized VDC. This brings YTD FEEUM growth in the Digital IM business to 22%.
- **Wafra Investments:** Wafra's strategic investment in Digital Colony includes a minimum commitment to fund over $150 million to Digital Colony's current and next two investment products, with at least $80 million allocated to DCP I, and a commitment to invest in subsequent Digital Colony investment products.

Digital IM Summary

($ in millions, except where noted)

	2Q 2020	2Q 2019 (1)
Revenue	$ 20.7	N/A
FRE / EBITDA	9.3	N/A
Core FFO	7.7	3.5
AUM (in billions)	21.0	1.9
FEEUM (in billions)	7.7	1.9
W.A. Management Fee %	1.0%	1.2%

Note: All figures are consolidated except Core FFO

(1) Prior to the acquisition of Digital Bridge in July 2019, the Company owned a 50% interest in the investment management economics of Digital Colony Partners I which was accounted for as an equity method investment.

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Digital Balance Sheet - Operating Businesses

During the second quarter, Digital Operating Businesses generated revenues of $42.7 million, net income of $8.4 million and Core FFO of $13.5 million.

- **Continued DataBank Growth**: Continued growth in the second quarter YoY with MRR up 22% and EBITDA up 15%. All data centers remained open and operational, and DataBank opened one additional data center in Salt Lake City.

  DataBank generated solid net bookings during the quarter, in line with historical performance.

  Conditions remain generally favorable with increased customer demand for incremental power and bandwidth during the period.
- **Vantage Investment:** In July 2020, the Company invested approximately $190 million as part of a $1.2 billion Colony-led investment in Vantage Data Centers' portfolio of 12 North American stabilized hyperscale data centers. The Company owns 12.3% of the stabilized portfolio.

Digital Operating Businesses Summary

($ in millions, except where noted)

	2Q 2020	2Q 2019[(1)]
Revenue	$ 42.7	$ —
Core FFO	13.5	—
DataBank only:		
Adjusted EBITDA	$ 16.6	$ 14.4
Number of Data Centers	20	17
Total Capacity (RSF - raised sq. ft.)	563,637	454,490
Sellable RSF	456,649	359,126
Occupied RSF	316,697	258,489
% Utilization Rate	69.4%	72.0%
MRR (Annualized)	$ 171.4	$ 139.9
Bookings (Annualized)	$ 6.6	$ 6.6
Quarterly Churn (% of Prior Quarter MRR)	1.8%	1.9%

Note: All figures are consolidated except for Core FFO
(1) CLNY acquired a 20% interest in DataBank in the fourth quarter 2019.

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Healthcare (Wellness Infrastructure)

During the second quarter, the Healthcare segment generated revenues of $142.7 million, net income attributable to common stockholders of $(434.4) million and Core FFO of $15.1 million

Despite the unprecedented pressure on healthcare real estate owners and operators imposed by the COVID pandemic, the Company's healthcare properties performed well, with second quarter 2020 revenues decreasing 2% YoY.

Efforts to address COVID-19 have, in some cases, forced temporary closures of medical offices, restricted the admission of new senior housing and skilled nursing residents and patients, and caused the incurrence of unanticipated operating and staff expenses.

Portfolio Performance & Outlook

- Revenues decreased 2% primarily due to the sale of certain NNN properties in the prior year, and to a lesser extent, lower resident fees due to admissions restrictions related to COVID-19.
- The Company expects move-in restrictions at its Senior Housing Operated Properties (SHOP), which represents 15% of the healthcare portfolio's NOI, to continue to impact future periods.
- NOI decreased 22% YoY primarily driven by COVID-19 related labor costs as well as higher usage and cost of personal protective equipment at SHOP, which were not incurred in the prior year period.
- Core FFO increased 28% YoY. This increase was a result of reduced interest expense, due to lower interest rates and debt balances and the incurrence of one-time refinancing expenses in 2Q 2019. These positive variances were partially offset by lower NOI.
- Overall, rental collections in the medical office building and triple-net lease portfolios remain at levels consistent with pre-COVID levels; during the quarter contractual rent collections were 96%.

Healthcare Summary

($ in millions)

	2Q 2020	2Q 2019
Revenue	$ 142.7	$ 145.9
NOI	59.8	77.1
Interest Expense	34.7	57.1
Core FFO	15.1	11.8
Same Store NOI	59.9	71.1

Note: All figures are consolidated except for Core FFO

Capital Structure & Activity

- Sale activity is limited, given uncertain market conditions.
- The Company is focused on resolving portfolios with operating covenant defaults or potential defaults and, in select cases, seeking debt service forbearance or loan modifications.
- The healthcare portfolio has total consolidated debt of $2.9 billion ($2.1 billion CLNY OP share) with a weighted average interest rate of 3.9%.

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Hospitality

During the second quarter, the Hospitality segment generated revenues of $57.1 million, net income attributable to common stockholders of $(633.9) million and Core FFO of $(39.6) million.

The Company's Hospitality segment was materially impacted by COVID-19, including government mandated travel restrictions implemented in late March 2020. The Company's hotels experienced significant declines in occupancy, down 62% YoY, during the second quarter. These occupancy declines were compounded by lower average daily rates, resulting in average RevPAR of $29 during the quarter, down 73% from the prior year period.

Portfolio Performance & Outlook

- Reduced leisure and business travel due to travel restrictions and public anxiety surrounding the spread of COVID-19 led to declines in occupancy levels (30.2% average) and realized RevPAR (average $29).
- NOI before FF&E expense, reflecting performance at the operating level was negative during the quarter. Hotel management teams worked actively to cut operating cash burn by effectively reducing hotel footprints and cutting all non-essential expenses. A combination of these cost cutting initiatives and a recovery in occupancy resulted in positive NOI before FF&E during June.
- Average occupancy levels troughed in April at 22% and subsequently rebounded to 39% in June. They currently remain above 40% on a portfolio wide basis.
- Portfolios with extended stay concentrations (38% of hotels) and weekend leisure demand have outperformed.

Hospitality Summary

($ in millions)

	2Q 2020	2Q 2019
Average daily rate (in dollars)	$ 95	$ 134
Hotel occupancy rate %	30%	79%
Revenue	57.1	227.1
NOI before FF&E Reserve	(6.6)	82.7
Core FFO	(39.6)	35.8
Same Store NOI before FF&E Reserve	(6.6)	79.5

Note: All figures are consolidated except for Core FFO

($ in millions)	2020		
	April	May	June
Occupancy	22%	30%	39%
RevPAR (in dollars)	20	27	39
NOI before FF&E	(6.3)	(1.3)	1.0

Capital Structure & Activity

- The Hospitality segment owns its hotels through six separately financed portfolios (THL Hotel Portfolio is held in the OED segment), each capitalized with debt that is (i) not cross-collateralized between portfolios and (ii) non-recourse to the Company.
- The Company is in default under a majority of its non-recourse hospitality debt, but the Company has either (i) reached a modification / forbearance with its lenders or (ii) remains in active negotiations with lenders and servicers to modify debt terms in order to protect the value of individual investment-level portfolios or appoint a receiver on one portfolio. The individual portfolios are unable to fully service interest expense, but corporate cash is currently not being used to service debt and the Company does not anticipate allocating material amounts of its own capital to these portfolios.
- The hospitality portfolio has total consolidated debt of $2.7 billion ($2.5 billion CLNY OP share) with a weighted average interest rate of 3.3%.
- Individual asset sales have been put on hold as a result of COVID-19. When market conditions permit, the Company will evaluate all monetization opportunities, including (i) single asset sales, (ii) portfolio sales, and (iii) overall platform exits.

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Colony Credit Real Estate, Inc. ("CLNC")

Colony Credit Real Estate, Inc. is a publicly-traded (NYSE:CLNC) commercial real estate credit REIT externally managed by the Company with $4.7 billion in at-share assets and $1.7 billion in GAAP book equity value, $13.06 per share, as of June 30, 2020. The Company owns approximately 48.0 million shares and share equivalents, or 36%, of CLNC.

- **Net Income/Core FFO:** During the second quarter 2020, net income attributable to common stockholders was $(315.5) million and Core FFO ex-gains/losses was $13.6 million. The Company's Core FFO pickup from CLNC represents a 36% share of CLNC's Core Earnings.
- **Focus on Liquidity:** CLNC implemented a series of initiatives during the second quarter designed to boost liquidity and enhance financial flexibility, notably doubling liquidity to approximately $525 million while reducing recourse financing by over $600 million.
- **Carrying Value Adjustment:** As an equity method investment, the Company's carrying value in CLNC is periodically compared to the trading price of CLNC shares. Based on the differential between the prior carrying value and the value implied by CLNC's trading price, the Company took an other-than-temporary impairment charge to set carrying value based on CLNC's closing price of $7.02 per share as of June 30, 2020.
- **CLNC dividend:** CLNC suspended its monthly cash dividend beginning with the month ending April 30, 2020.

Note: All figures are consolidated except for Core FFO

CLNC Summary

($ in millions)

	2Q 2020	2Q 2019
Core FFO	$ (87.3)	$ 14.9
Core FFO excluding gains/losses	13.6	14.9
CLNC Shares owned by Colony Capital	48.0	48.0
% ownership interest	36.0%	36.0%

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Other Investment Management

During the second quarter, the Other Investment Management segment generated revenues of $30.2 million, net income attributable to common stockholders of $(446.7) million and Core FFO of $24.1 million.

The Company's non-digital investment management business had FEEUM of $8.5 billion as of June 30, 2020, down 28% from the prior year due principally to the sale of the light industrial platform and NorthStar Realty Europe. Excluding the light industrial platform and NorthStar Realty Europe, FEEUM was down 6% over the prior year.

The Company expects to continue to monetize investment franchises within its Other Investment Management segment, and in other cases for certain of these legacy investment funds to run-off as they reach the end of the respective fund's life.

- **Revenue and Core FFO:** Revenues from Other IM declined 30% YoY to $30.2 million in the second quarter, due to the reduction in FEEUM referenced above.
- **Reduction of goodwill and intangibles**: In the second quarter of 2020, the Company recognized a $515 million non-cash impairment to goodwill in its non-digital investment management business, which was added back to the Company's Core FFO. The net book value of such goodwill and intangibles following the reduction is $142 million, which principally reflects the value of the Company's management contract with CLNC.

Other IM Summary

($ in millions, except where noted)

	2Q 2020	2Q 2019
Revenue	$ 30.2	$ 43.2
Core FFO	24.8	31.5
AUM (in billions)	14.9	18.8
FEEUM (in billions)	8.5	12.2
W.A. Management Fee %	1.1%	1.0%

Note: All figures are consolidated except for Core FFO

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Other Equity and Debt ("OED")

During the second quarter, the OED segment generated revenues of $74.4 million, net income attributable to common stockholders of $(143.5) million and Core FFO ex-gains/losses of $(1.0) million.

The Company owns a diversified group of non-digital real estate and real estate-related debt and equity investments, many of which are through joint ventures with funds managed by the Company's other investment management business. Over time, the Company expects to monetize the bulk of its existing portfolio as it completes its digital transformation.

- **Enhanced Disclosure** - Given the segment's significant contribution to net book value and expectation that it will be a meaningful source of liquidity from monetizations over the course of the next 18 months, including the second half of 2020, the Company is providing enhanced disclosure on OED assets, as detailed below.
- **Sales and/or monetization:** During the second quarter, the Company monetized $94 million of OED or other non-core investments. Most notably, the Company recapped its interest in a grocery retail asset for $74 million, harvesting approximately 70% of the expected eventual value upfront. Year-to-date, the Company has generated approximately $340 million from OED and other non-core monetizations.
- **THL Hotel Portfolio Impacted by COVID**: The primary driver of reduced revenue and Core FFO from the OED segment, excluding the impact of monetizations over the last twelve months, is the impact of COVID-19 on the THL Hotel Portfolio, in which the Company owns a 55% stake.
    - THL consolidated revenues decreased $48 million.
    - In active negotiations with the portfolio's lender and servicer to modify debt terms in order to protect value.

OED Summary

($ in millions)

	2Q 2020	2Q 2019
Revenue	$ 74.4	$ 152.1
Equity method earnings	(28.5)	25.8
Core FFO	(35.9)	16.2
Core FFO excluding gains/losses	(1.0)	28.1

Note: All figures are consolidated except for Core FFO

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($ in millions)					CLNY OP Share Depreciated Carrying Value 6/30/2020		
Investment	**Investment Type**	**Property Type**	**Geography**	**CLNY Ownership %[1]**	**Assets**	**Equity**	**% of Total Equity**
Tolka Irish NPL Portfolio	Non-Performing First Mortgage Loans	Primarily Office	Ireland	100%	$ 356.2	$ 135.9	11%
Cortland Multifamily Preferred Equity	Preferred Equity	Multifamily	Primarily SouthEast US	100%	130.2	130.2	10%
THL Hotel Portfolio	Real Estate Equity	Hospitality	Nationwide	55%	569.1	104.6	8%
Bulk Industrial Portfolio	Real Estate Equity	Industrial	Nationwide	51%	188.7	68.9	5%
Ronan CRE Portfolio Loan	Mezzanine Loan	Office, Residential, Mixed-Use	Ireland / France	50%	66.1	66.1	5%
Origination DrillCo Joint Venture	Oil & Gas Well Development Financing	Oil & Gas	East Texas	100%	57.2	57.2	4%
AccorInvest	Real Estate Equity	Hospitality	Primarily Europe	1%	54.9	54.9	4%
McKillin Portfolio Loan	Debt Financing	Office and Personal Guarantee	Primarily US and UK	96%	44.3	44.3	3%
Dublin Docklands	Senior Loan with Profit Participation	Office & Residential	Ireland	15%	44.1	44.1	3%
France & Spain CRE Portfolio	Real Estate Equity	Primarily Office & Hospitality	France & Spain	33%	132.3	42.4	3%
Spencer Dock Loan	Mezzanine Loan with Profit Participation	Office, Hospitality & Residential	Ireland	20%	42.4	42.4	3%
CRC DrillCo Joint Venture	Oil & Gas Well Development Financing	Oil & Gas	California	25%	34.5	34.5	3%
Albertsons	Equity	Grocery Stores	Nationwide	n/a	33.5	33.5	3%
Remaining OED (>45 Investments)	Various	Various	Various	Various	655.4	415.2	33%
Total Other Equity and Debt					**$ 2,408.9**	**$ 1,274.2**	**100%**

(1) For % ownership represents CLNY OP's share of the entire investment accounting for all non-controlling interests including interests managed by the Company and other third parties.

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Impairments & Goodwill Writedowns

COVID-19 crisis has reinforced the critical role and the resilience of the digital real estate and infrastructure sector in a global economy that is increasingly reliant on digital infrastructure. Accordingly, in the second quarter of 2020, the Company determined that it would accelerate its shift to a digitally-focused strategy in order to better position the Company for growth. This digital transformation would require a rotation of the Company's non-digital assets into digital-focused investments. As a result, the Company shortened its assumptions of holding periods on its non-digital assets, in particular its hotel and healthcare assets, which significantly reduced the estimated undiscounted future net cash flows to be generated by these assets. The estimated undiscounted future net cash flows from these assets was further exacerbated by the negative effects of COVID-19 on property operations and market values. The estimated undiscounted future net cash flows for many non-Digital investments were in many cases lower than the respective carrying values. As a result, significant impairments were recognized in the second quarter of 2020 on the Company's non-digital assets. The acceleration of the Company's digital transformation and the overall reduction in value of the Company's non-digital balance sheet also caused a shortfall in the fair value of the Company's other investment management reporting unit over its carrying value, resulting in significant impairment to the other investment management goodwill in the second quarter of 2020.

The total impairments and other losses to CLNY OP share is $2.1 billion, which the Company believes aligned net carrying values more closely with fair market values.

Second Quarter 2020 Non-Cash Impairments and Other Loss

($ in millions)	Consolidated	CLNY OP Share			
			June 30, 2020		
	Non-Cash Impairments		Carrying Value of Assets[1]	Debt (principal)	Net Book Value
Healthcare	$ 661	$ 461	$ 2,691	$ 2,083	$ 608
Hospitality	661	627	2,468	2,496	(28) [2]
OED	493	203	2,409	1,135	1,274
CLNC	275	275	337	—	337
Goodwill and intangibles (Non-Digital)	515	515	142	—	142
Total	$ 2,605	$ 2,081	$ 8,047	$ 5,714	$ 2,333

(1) For Healthcare, Hospitality and OED, represents depreciated carrying value of all real estate assets, including tangible real estate and lease-related intangibles.
(2) The hospitality segment is composed of six separately financed portfolios, each capitalized with debt that is (i) not cross-collateralized between portfolios and (ii) non-recourse to the Company. Two of the underlying portfolios have negative carrying values of totaling $85 million for CLNY OP's share composed of $832 million of assets and $917 million of debt. Excluding this negative carrying value, the other four portfolios have an aggregate net book value of $56 million for CLNY OP's share.

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Other Corporate Matters

Corporate Revolving Credit Facility (“RCF”)
The Company entered into an amendment to its RCF to enhance financial flexibility during this period of economic and financial uncertainty and ensure availability over the extended term of the facility in order to secure a clear liquidity runway on its ‘Path-to-Digital.’ The terms of the amended revolver included:

- Modifications to certain financial covenants on revised, more favorable terms to the Company for the duration of the RCF;
- Borrowing base adjustments that reflect the growing contribution of digital infrastructure to the Company’s asset base and earnings;
- Right-sized aggregate commitments to (i) $500 million upon effectiveness of the amendment and (ii) $400 million on March 31, 2021; and
- Addition of certain customary restrictions on common equity dividends (subject to REIT requirements), share repurchases, preferred redemptions, and the voluntary repayment of indebtedness (with the exception of the Company’s convertible debt due 2021).

$300 Million Exchangeable Senior Notes
In July 2020, the Company issued $300 million aggregate principal amount of 5.75% exchangeable senior notes due 2025. The Company used the net proceeds to repurchase $289 million of the Company’s 3.875% convertible senior notes due 2021. This exchange enables the Company to eliminate near-term debt maturities while preserving an additional $300 million in liquidity to be used towards additional high-growth digital investments.

Common Stock and Operating Company Units
As of August 4, 2020, the Company had 482.2 million shares of Class A and B common stock outstanding and the Company’s operating partnership had 53.1 million operating company units outstanding held by members other than the Company or its subsidiaries.

Common and Preferred Dividends
The Company suspended its common dividend during the second quarter of 2020. In connection with the Company’s amendment to its revolver, the Company is restricted from paying a common stock dividend, except as necessary to maintain the Company’s REIT status. As financial and economic conditions normalize and the Company reestablishes a higher level of visibility into future results it expects to reinitiate a dividend policy in consultation with its revolver lending group.

On August 5, 2020, the Company’s Board declared cash dividends with respect to each series of the Company’s cumulative redeemable perpetual preferred stock in accordance with the terms of such series, as follows: with respect to each of the Series G preferred stock - $0.46875 per share, Series H preferred stock - $0.4453125 per share, Series I preferred stock - $0.446875 per share and Series J preferred stock - $0.4453125 per share, such dividends will be paid on October 15, 2020 to the respective stockholders of record on October 9, 2020.

Second Quarter 2020 Conference Call
The Company will conduct an earnings presentation and conference call to discuss the financial results on Friday, August 7, 2020 at 7:00 a.m. PT / 10:00 a.m. ET. The earnings presentation will be broadcast live over the Internet and can be accessed on the Public Shareholders section of the Company’s website at www.clny.com. A webcast of the presentation and conference call will be available for 90 days on the Company’s website. To participate in the event by telephone, please dial (877) 407-4018 ten minutes prior to the start time (to allow time for registration). International callers should dial (201) 689-8471.

For those unable to participate during the live call, a replay will be available starting August 7, 2020, at 10:00 a.m. PT / 1:00 p.m. ET, through August 14, 2020, at 8:59 p.m. PT / 11:59 p.m. ET. To access the replay, dial (844) 512-2921 (U.S.), and use passcode 13706785. International callers should dial (412) 317-6671 and enter the same conference ID number.

Earnings Presentation and Supplemental Financial Report
A Second Quarter 2020 Earnings Presentation and Supplemental Financial Report is available in the Presentations and Financial Information sections, respectively, of the Public Shareholders tab on the Company's website at www.clny.com. This information has also been furnished to the U.S. Securities and Exchange Commission in a Current Report on Form 8-K.

About Colony Capital, Inc.
Colony Capital, Inc. (NYSE: CLNY) is a leading global investment firm with a heritage of identifying and capitalizing on key secular trends in real estate. The Company manages a $46 billion portfolio of real assets on behalf of its shareholders and limited partners, including over $20 billion in digital real estate investments through Digital Colony, its digital infrastructure platform. Colony Capital, structured as a REIT, is headquartered in Los Angeles with key offices in Boca Raton, New York, and London, and has over 350 employees across 20 locations in 11 countries. For more information on Colony Capital, visit www.clny.com.

Cautionary Statement Regarding Forward-Looking Statements
This press release may contain forward-looking statements within the meaning of the federal securities laws. Forward-looking statements relate to expectations, beliefs, projections, future plans and strategies, anticipated events or trends and similar expressions concerning matters that are not historical facts. In some cases, you can identify forward-looking statements by the use of forward-looking terminology such as “may,” “will,” “should,” “expects,” “intends,” “plans,” “anticipates,” “believes,” “estimates,” “predicts,” or “potential” or the negative of these words and phrases or similar words or phrases which are predictions of or indicate future events or trends and which do not relate solely to historical matters. You can also identify forward-looking statements by discussions of strategy, plans or intentions.

Forward-looking statements involve known and unknown risks, uncertainties, assumptions and contingencies, many of which are beyond the Company’s control, and may cause the Company’s actual results to differ significantly from those expressed in any forward-looking statement. Factors that might cause such a difference include, without limitation, the Company’s ability to preserve the financial flexibility and liquidity necessary to maintain the long-term resilience of the Company and whether any of the Company’s customers, communities and shareholders will realize any related benefits, the impact of COVID-19 on the global economy, including the Company’s businesses, the Company’s ability to continue driving strong growth in its digital business and accelerating its digital transformation, whether the Company will realize the anticipated benefits of Wafra’s strategic investment in the Company’s digital investment management business, including whether the Wafra investment will become subject to redemption and the amount of commitments Wafra will make to the Company’s digital investment products, whether the Company will realize the anticipated benefits of its investment in Vantage Data Centers, including the performance and stability of its portfolio, whether the Company will preserve value at its legacy assets, make significant progress on its digital transformation, the resilience and growth in demand for digital infrastructure, the Company’s ability to continue deploying capital into high quality digital investments, the Company’s ability to simplify its business and further monetize legacy businesses, including the timing and amount of proceeds to be received by the Company if any, CLNC’s performance and its impact on the Company’s performance, the impact of management changes at CLNC, whether the Company’s operations of its non-digital business units will result in maximizing cash flows and value over time, including the impact of COVID-19 on such operations and cash flows, whether monetizations of Other Equity and Debt and other non-core investments will be a meaningful source of the Company’s liquidity, the impact of impairments, the Company’s ability to successfully negotiate accommodations with lenders or refinance its mortgage debt on healthcare and hospitality properties on attractive terms, or at all, and any resulting impact on the Company’s financial condition and liquidity, whether the Company will maintain or produce higher Core FFO per share (including or excluding gains and losses from sales of certain investments) in the coming quarters, or ever, the Company’s FEEUM and its ability to continue growth at the current pace or at all, whether the Company will continue to pay dividends on its preferred stock, the impact of changes to the Company’s management or board of directors, employee and organizational structure, including the implementation and timing of CEO succession plans, the Company’s financial flexibility and liquidity, including borrowing capacity under its revolving credit facility (including as a result of the impact of COVID-19), the use of sales proceeds and available liquidity, the performance of the Company’s investment in CLNC (including as a result of the impact of COVID-19), including the CLNC share price as compared to book value and how the Company evaluates the Company’s investment in CLNC, the Company’s ability to minimize balance sheet commitments to its managed investment vehicles, the performance of the Company’s investment in DataBank and whether the Company will continue to invest in edge/colocation data center sector and support future growth opportunities through potential add-on acquisitions and greenfield edge data center developments, and whether if consummated such additional investments and growth opportunities result in any of the benefits we anticipate or at all, customer demand for datacenters, the Company's portfolio composition, the Company's expected taxable income and net cash flows, excluding the contribution of gains, the Company’s ability to pay or grow the dividend at all in the future, the impact of any changes to the Company’s management agreements with NorthStar Healthcare Income, Inc., CLNC and other managed investment vehicles, whether Colony Capital will be able to maintain its qualification as a REIT for U.S. federal income tax purposes, the timing of and ability to deploy available capital, including whether any redeployment of capital will generate higher total returns, Colony Capital’s ability to maintain inclusion and relative performance on the RMZ, Colony Capital’s leverage, including the Company’s ability to reduce debt and the timing and amount of borrowings under its credit facility, increased interest rates and operating costs, adverse economic or real estate developments in Colony Capital’s markets, Colony Capital’s failure to successfully operate or lease acquired properties, decreased rental rates, increased vacancy rates or failure to renew or replace expiring leases, increased costs of capital expenditures, defaults on or non-renewal of leases by tenants, the impact of economic conditions (including the impact of COVID-19 on such conditions) on the borrowers of Colony Capital’s commercial real estate debt investments and the commercial mortgage loans underlying its commercial mortgage backed securities, adverse general and local economic conditions, an unfavorable capital market environment, decreased leasing activity or lease renewals, and other risks and uncertainties, including those detailed in the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2019 and Quarterly Report on Form 10-Q for the quarter ended March 31, 2020, each under the heading "Risk Factors," as such factors may be updated from time to time in our subsequent periodic filings with the U.S. Securities and Exchange Commission ("SEC"). All forward-looking statements reflect the Company's good faith beliefs, assumptions and expectations, but they are not guarantees of future performance. Additional information about these and other factors can be found in Colony Capital's reports filed from time to time with the SEC.

Colony Capital cautions investors not to unduly rely on any forward-looking statements. The forward-looking statements speak only as of the date of this press release. Colony Capital is under no duty to update any of these forward-looking statements after the date of this press release, nor to conform prior statements to actual results or revised expectations, and Colony Capital does not intend to do so.

Source: Colony Capital, Inc.
Investor Contacts:
Severin White
Managing Director, Head of Public Investor Relations
212-547-2777
swhite@clny.com

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Non-GAAP Financial Measures and Definitions

Assets Under Management ("AUM")
Assets owned by the Company's balance sheet and assets for which the Company and its affiliates provide investment management services, including assets for which the Company may or may not charge management fees and/or performance allocations. Balance sheet AUM is based on the undepreciated carrying value of digital investments and the impaired carrying value of non-digital investments as of the report date. Investment management AUM is based on the cost basis of managed investments as reported by each underlying vehicle as of the report date. AUM further includes uncalled capital commitments, but excludes CLNY OP's share of non wholly-owned real estate investment management platform's AUM. The Company's calculations of AUM may differ from the calculations of other asset managers, and as a result, this measure may not be comparable to similar measures presented by other asset managers.

CLNY Operating Partnership ("CLNY OP")
The operating partnership through which the Company conducts all of its activities and holds substantially all of its assets and liabilities. The Company is the sole managing member of, and directly owns 90.1% of the common units in, CLNY OP. The remaining 9.9% of common units in CLNY OP are held by third parties (primarily current and former employees of the Company). Each common unit is redeemable at the election of the holder for cash equal to the then fair value of one share of the Company's Class A common stock or, at the Company's option, one share of the Company's Class A common stock. CLNY OP share excludes noncontrolling interests in investment entities.

Earnings Before Interest, Tax, Depreciation, Amortization and Rent ("EBITDAR")
Represents earnings before interest, taxes, depreciation, amortization and rent for facilities accruing to the tenant/operator of the property (not the Company) for the period presented. The Company uses EBITDAR in determining TTM Lease Coverage for triple-net lease properties in its Healthcare Real Estate segment. EBITDAR has limitations as an analytical tool. EBITDAR does not reflect historical cash expenditures or future cash requirements for facility capital expenditures or contractual commitments. In addition, EBITDAR does not represent a property's net income or cash flow from operations and should not be considered an alternative to those indicators. The Company utilizes EBITDAR as a supplemental measure of the ability of the Company's operators/tenants to generate sufficient liquidity to meet related obligations to the Company.

Fee-Earning Equity Under Management ("FEEUM")
Equity for which the Company and its affiliates provides investment management services and derives management fees and/or performance allocations. FEEUM generally represents a) the basis used to derive fees, which may be based on invested equity, stockholders' equity, or fair value pursuant to the terms of each underlying investment management agreement and b) the Company's pro-rata share of fee bearing equity of each affiliate as presented and calculated by the affiliate. Affiliates include Alpine Energy LLC and American Healthcare Investors. The Company's calculations of FEEUM may differ materially from the calculations of other asset managers, and as a result, this measure may not be comparable to similar measures presented by other asset managers.

Fee Related Earnings ("FRE")
The Company calculates FRE for its investment management business within the digital segment as base management fees, other service fee income, and other income inclusive of cost reimbursements, less compensation expense (excluding equity-based compensation), administrative expenses, and other operating expenses related to the investment management business. The Company uses FRE as a supplemental performance measure as it may provide additional insight into the profitability of the digital investment management business.

Funds From Operations ("FFO") and Core Funds From Operations ("Core FFO")
The Company calculates funds from operations ("FFO") in accordance with standards established by the Board of Governors of the National Association of Real Estate Investment Trusts, which defines FFO as net income or loss calculated in accordance with GAAP, excluding (i) extraordinary items, as defined by GAAP; (ii) gains and losses from sales of depreciable real estate; (iii) impairment write-downs associated with depreciable real estate; (iv) gains and losses from a change in control in connection with interests in depreciable real estate or in-substance real estate, plus (v) real estate-related depreciation and amortization; and (vi) including similar adjustments for equity method investments. Included in FFO are gains and losses from sales of assets which are not depreciable real estate such as loans receivable, equity method investments, as well as equity and debt securities, as applicable.

The Company computes core funds from operations ("Core FFO") by adjusting FFO for the following items, including the Company's share of these items recognized by its unconsolidated partnerships and joint ventures: (i) gains and losses from sales of depreciable real estate within the Other Equity and Debt segment, net of depreciation, amortization and impairment previously adjusted for FFO; (ii) gains and losses from sales of businesses within the Investment Management segment and impairment write-downs associated with the Investment Management segment; (iii) equity-based compensation expense; (iv) effects of straight-line rent revenue and expense; (v) amortization of acquired above- and below-market lease values; (vi) amortization of deferred financing costs and debt premiums and discounts; (vii) unrealized fair value gains or losses on interest rate and foreign currency hedges, and foreign currency remeasurements; (viii) acquisition and merger related transaction costs; (ix) restructuring and merger integration costs; (x) amortization and impairment of finite-lived intangibles related to investment management contracts and customer relationships; (xi) gain on remeasurement of consolidated investment entities and the effect of amortization thereof; (xii) non-real estate fixed asset depreciation, amortization and impairment; (xiii) change in fair value of contingent consideration; and (xiv) tax effect on certain of the foregoing adjustments. Beginning with the first quarter of 2018, the Company's Core FFO from its interest in Colony Credit Real Estate (NYSE: CLNC) represented its percentage interest multiplied by CLNC's Core Earnings. Refer to CLNC's filings with the SEC for the definition and calculation of Core Earnings.

FFO and Core FFO should not be considered alternatives to GAAP net income as indications of operating performance, or to cash flows from operating activities as measures of liquidity, nor as indications of the availability of funds for our cash needs, including funds available to make distributions. FFO and Core FFO should not be used as supplements to or substitutes for cash flow from operating activities computed in accordance with GAAP. The Company's calculations of FFO and Core FFO may differ from methodologies utilized by other REITs for similar performance measurements, and, accordingly, may not be comparable to those of other REITs.

The Company uses FFO and Core FFO as supplemental performance measures because, in excluding real estate depreciation and amortization and gains and losses from property dispositions, it provides a performance measure that captures trends in occupancy rates, rental rates, and operating costs. The Company also believes that, as widely recognized measures of the performance of REITs, FFO and Core FFO will be used by investors as a basis to compare its operating performance with that of other REITs. However, because FFO and Core FFO exclude depreciation and amortization and capture neither the changes in the value of the Company's properties that resulted from use or market conditions nor the level of capital expenditures and leasing commissions necessary to maintain the operating performance of its properties, all of which have real economic effect and could materially impact the Company's results from operations, the utility of FFO and Core FFO as measures of the Company's performance is limited. FFO and Core FFO should be considered only as supplements to GAAP net income as a measure of the Company's performance. Additionally, Core FFO excludes the impact of certain fair value fluctuations, which, if they were to be realized, could have a material impact on the Company's operating performance. The Company also presents Core FFO excluding gains and losses from sales of certain investments as well as its share of similar adjustments for CLNC. The Company believes that such a measure is useful to investors as it excludes periodic gains and losses from sales of investments that are not representative of its ongoing operations.

This release also includes certain forward-looking non-GAAP information including Core FFO. Due to the high variability and difficulty in making accurate forecasts and projections of some of the information excluded from these estimates, together with some of the excluded information not being ascertainable or accessible, the Company is unable to quantify certain amounts that would be required to be included in the most directly comparable GAAP financial measures without unreasonable efforts.

Net Operating Income ("NOI")
NOI for our real estate segments represents total property and related income less property operating expenses, adjusted for the effects of (i) straight-line rental income adjustments; (ii) amortization of acquired above- and below-market lease adjustments to rental income; and (iii) other items such as adjustments for the Company's share of NOI of unconsolidated ventures.

The Company believes that NOI is a useful measure of operating performance of its respective real estate portfolios as it is more closely linked to the direct results of operations at the property level. NOI also reflects actual rents received during the period after adjusting for the effects of straight-line rents and amortization of above- and below- market leases; therefore, a comparison of NOI across periods better reflects the trend in occupancy rates and rental rates of the Company's properties.

NOI excludes historical cost depreciation and amortization, which are based on different useful life estimates depending on the age of the properties, as well as adjust for the effects of real estate impairment and gains or losses on sales of depreciated properties, which eliminate differences arising from investment and disposition decisions. This allows for comparability of operating performance of the Company's properties period over period and also against the results of other equity REITs in the same sectors. Additionally, by excluding corporate level expenses or benefits such as interest expense, any gain or loss on early extinguishment of debt and income taxes, which are incurred by the parent entity and are not directly linked to the operating performance of the Company's properties, NOI provides a measure of operating performance independent of the Company's capital structure and indebtedness. However, the exclusion of these items as well as others, such as capital expenditures and leasing costs, which are necessary to maintain the operating performance of the Company's properties, and transaction costs and administrative costs, may limit the usefulness of NOI. NOI may fail to capture significant trends in these components of U.S. GAAP net income (loss) which further limits its usefulness.

NOI should not be considered as an alternative to net income (loss), determined in accordance with U.S. GAAP, as an indicator of operating performance. In addition, the Company's methodology for calculating NOI involves subjective judgment and

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discretion and may differ from the methodologies used by other comparable companies, including other REITs, when calculating the same or similar supplemental financial measures and may not be comparable with other companies.

NOI before Reserve for Furniture, Fixtures and Equipment Expenditures (“NOI before FF&E Reserve”)
For our hospitality real estate segment, NOI before FF&E Reserve represents NOI before the deduction of reserve contributions for the repair, replacement and refurbishment of furniture, fixtures, and equipment ("FF&E"), which are typically 4% to 5% of revenues, and required under certain debt agreements and/or franchise and brand-managed hotel agreements.

TTM Lease Coverage
Represents the ratio of EBITDAR to recognized cash rent for owned facilities on a trailing twelve month basis. TTM Lease Coverage is a supplemental measure of a tenant’s/operator’s ability to meet their cash rent obligations to the Company. However, its usefulness is limited by, among other things, the same factors that limit the usefulness of EBITDAR.

The information related to the Company’s tenants/operators that is provided in this press release has been provided by, or derived from information provided by, such tenants/operators. The Company has not independently verified this information and has no reason to believe that such information is inaccurate in any material respect. The Company is providing this data for informational purposes only.

Definitions applicable to DataBank

Contracted Revenue Growth (“Bookings”)
The Company defines Bookings as either (1) a new data center customer contract for new or additional services over and above any services already being provided by DataBank as well as (2) an increase in contracted rates on the same services when a contract renews. In both instances a booking is considered to be generated when a new contract is signed with the recognition of new revenue to occur when the new contract begins billing.

Churn
The Company calculates Churn as the percentage of MRR lost during the period divided by the prior period’s MRR. Churn is intended to represent data center customer contracts which are terminated during the period, not renewed or are renewed at a lower rate.

Earnings before Interest, Taxes, Depreciation and Amortization for Real Estate (EBITDAre) and Adjusted EBITDA
The Company calculates EBITDAre in accordance with the standards established by the National Association of Real Estate Investment Trusts, which defines EBITDAre as net income or loss calculated in accordance with GAAP, excluding interest, taxes, depreciation and amortization, gains or losses from the sale of depreciated property, and impairment of depreciated property. The Company calculates Adjusted EBITDA by adjusting EBITDAre for the effects of straight-line rental income/expense adjustments and amortization of acquired above- and below-market lease adjustments to rental income, equity-based compensation expense, restructuring and integration costs, transaction costs from unsuccessful deals and business combinations, litigation expense, the impact of other impairment charges, gains or losses from sales of undepreciated land, and gains or losses on early extinguishment of debt and hedging instruments. Revenues and corresponding costs related to the delivery of services that are not ongoing, such as installation services, are also excluded from Adjusted EBITDA. The Company uses EBITDAre and Adjusted EBITDA as supplemental measures of our performance because they eliminate depreciation, amortization, and the impact of the capital structure from its operating results. However, because EBITDAre and Adjusted EBITDA are calculated before recurring cash charges including interest expense and taxes, and are not adjusted for capital expenditures or other recurring cash requirements, their utilization as a cash flow measurement is limited.

Monthly Recurring Revenue (“MRR”)
The Company defines MRR as revenue from ongoing services that is generally fixed in price and contracted for longer than 30 days.

(FINANCIAL TABLES FOLLOW)

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COLONY CAPITAL, INC.
CONSOLIDATED BALANCE SHEETS
(In thousands, except per share data)

	June 30, 2020 (Unaudited)	December 31, 2019
Assets		
Cash and cash equivalents	$ 1,099,467	$ 1,205,190
Restricted cash	145,229	203,923
Real estate, net	8,987,902	10,860,518
Loans receivable	1,398,087	1,566,328
Equity and debt investments	1,825,448	2,313,805
Goodwill	851,757	1,452,891
Deferred leasing costs and intangible assets, net	565,221	638,853
Assets held for sale	705,217	870,052
Other assets	527,309	669,144
Due from affiliates	77,897	51,480
Total assets	$ 16,183,534	$ 19,832,184
Liabilities		
Debt, net	$ 9,211,114	$ 8,983,908
Accrued and other liabilities	869,947	1,015,898
Intangible liabilities, net	87,195	111,484
Liabilities related to assets held for sale	261,791	268,152
Due to affiliates	1,336	34,064
Dividends and distributions payable	18,516	83,301
Preferred stock redemptions payable	—	402,855
Total liabilities	10,449,899	10,899,662
Commitments and contingencies		
Redeemable noncontrolling interests	29,066	6,107
Equity		
Stockholders' equity:		
Preferred stock, $0.01 par value per share; $1,033,750 liquidation preference; 250,000 shares authorized; 41,350 shares issued and outstanding	999,490	999,490
Common stock, $0.01 par value per share		
Class A, 949,000 shares authorized; 481,391 and 487,044 shares issued and outstanding, respectively	4,814	4,871
Class B, 1,000 shares authorized; 734 shares issued and outstanding	7	7
Additional paid-in capital	7,540,197	7,553,599
Accumulated deficit	(5,849,098)	(3,389,592)
Accumulated other comprehensive income	44,367	47,668
Total stockholders' equity	2,739,777	5,216,043
Noncontrolling interests in investment entities	2,776,604	3,254,188
Noncontrolling interests in Operating Company	188,188	456,184
Total equity	5,704,569	8,926,415
Total liabilities, redeemable noncontrolling interests and equity	$ 16,183,534	$ 19,832,184

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COLONY CAPITAL, INC.
CONSOLIDATED STATEMENTS OF OPERATIONS
(In thousands, except per share data, unaudited)

	Three Months Ended June 30,	
	2020	2019
Revenues		
Property operating income	$ 293,816	$ 488,788
Interest income	22,376	35,055
Fee income	43,540	35,433
Other income	12,634	14,163
Total revenues	372,366	573,439
Expenses		
Property operating expense	193,643	279,240
Interest expense	106,786	141,738
Investment and servicing expense	11,394	20,017
Transaction costs	75	318
Depreciation and amortization	134,905	109,382
Provision for loan loss	—	15,003
Impairment loss	2,001,557	84,695
Compensation expense		
Cash and equity-based compensation	64,513	42,430
Carried interest and incentive fee compensation	(1,162)	1,146
Administrative expenses	20,405	20,146
Total expenses	2,532,116	714,115
Other income (loss)		
Gain on sale of real estate assets	2,868	6,077
Other gain (loss), net	(173,030)	(89,506)
Equity method earnings	(372,535)	(259,288)
Equity method earnings (losses) - carried interest	(2,324)	1,836
Loss before income taxes	(2,704,771)	(481,557)
Income tax benefit (expense)	(7,720)	(2,585)
Loss from continuing operations	(2,712,491)	(484,142)
Income from discontinued operations	(6,502)	(504)
Net loss	(2,718,993)	(484,646)
Net income (loss) attributable to noncontrolling interests:		
Redeemable noncontrolling interests	390	509
Investment entities	(470,052)	(13,414)
Operating Company	(225,057)	(29,989)
Net loss attributable to Colony Capital, Inc.	(2,024,274)	(441,752)
Preferred stock dividends	18,516	27,138
Net loss attributable to common stockholders	$ (2,042,790)	$ (468,890)
Basic loss per share		
Loss from continuing operations per basic common share	$ (4.33)	$ (0.98)
Net loss per basic common share	$ (4.33)	$ (0.98)
Diluted loss per share		
Loss from continuing operations per diluted common share	$ (4.33)	$ (0.98)
Net loss per diluted common share	$ (4.33)	$ (0.98)
Weighted average number of shares		
Basic	471,253	479,228
Diluted	471,253	479,228

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COLONY CAPITAL, INC.
FUNDS FROM OPERATIONS AND CORE FUNDS FROM OPERATIONS
(In thousands, except per share data, unaudited)

	Three Months Ended	
	June 30, 2020	June 30, 2019
Net loss attributable to common stockholders	$ (2,042,790)	$ (468,890)
Adjustments for FFO attributable to common interests in Operating Company and common stockholders:		
Net loss attributable to noncontrolling common interests in Operating Company	(225,057)	(29,989)
Real estate depreciation and amortization	131,722	159,496
Impairment of real estate	1,474,262	87,600
Loss (gain) from sales of real estate	4,919	(7,088)
Less: Adjustments attributable to noncontrolling interests in investment entities	(329,601)	(88,705)
FFO attributable to common interests in Operating Company and common stockholders	(986,545)	(347,576)
Additional adjustments for Core FFO attributable to common interests in Operating Company and common stockholders:		
Gains and losses from sales of depreciable real estate within the Other Equity and Debt segment, net of depreciation, amortization and impairment previously adjusted for FFO [(1)]	741	3,285
Gains and losses from sales of businesses within the Investment Management segment and impairment write-downs associated with the Investment Management segment	515,698	19,878
CLNC Core Earnings and NRE Cash Available for Distribution adjustments [(2)]	266,016	267,474
Equity-based compensation expense	10,716	9,385
Straight-line rent revenue and expense	(5,240)	(6,766)
Amortization of acquired above- and below-market lease values, net	(583)	(3,458)
Amortization of deferred financing costs and debt premiums and discounts	9,963	24,686
Unrealized fair value (gains) losses on interest rate and foreign currency hedges, and foreign currency remeasurements	(7,482)	89,133
Acquisition and merger-related transaction costs	332	1,283
Restructuring and merger integration costs [(3)]	13,046	361
Amortization and impairment of investment management intangibles	11,625	6,911
Non-real estate fixed asset depreciation, amortization and impairment	14,065	1,565
Amortization of gain on remeasurement of consolidated investment entities	12,891	28
Tax effect of Core FFO adjustments, net	2,263	(2,204)
Less: Adjustments attributable to noncontrolling interests in investment entities	(11,717)	(5,170)
Core FFO attributable to common interests in Operating Company and common stockholders	$ (154,211)	$ 58,815
Less: Core FFO (gains) losses	134,888	10,673
Core FFO ex-gains/losses attributable to common interests in Operating Company and common stockholders	$ (19,323)	$ 69,488
Core FFO per common share / common OP unit [(4)]	$ (0.29)	$ 0.11
Core FFO per common share / common OP unit—diluted [(4)(5)(6)]	$ (0.29)	$ 0.11
Core FFO ex-gains/losses per common share / common OP unit [(4)]	$ (0.04)	$ 0.13
Core FFO ex-gains/losses per common share / common OP unit—diluted [(4)(5)(6)]	$ (0.04)	$ 0.13
Weighted average number of common OP units outstanding used for Core FFO and Core FFO ex-gains/losses per common share and OP unit [(4)]	535,938	518,441
Weighted average number of common OP units outstanding used for Core FFO and Core FFO ex-gains/losses per common share and OP unit-diluted [(4)(5)(6)]	535,938	518,993

(1) For the three months ended June 30, 2020 and June 30, 2019, net of $2.1 million consolidated or $0.6 million CLNY OP share and $3.1 million consolidated or $1.0 million CLNY OP share, respectively, of depreciation, amortization and impairment charges previously adjusted to calculate FFO.

(2) Represents adjustments to align the Company's Core FFO with CLNC's definition of Core Portfolio Core Earnings and NRE's definition of Cash Available for Distribution ("CAD") to reflect the Company's percentage interest in the respective company's earnings.

(3) Restructuring and merger integration costs primarily represent costs and charges incurred as a result of corporate restructuring and reorganization to implement the digital evolution. These costs and charges include severance, retention, relocation, transition, shareholder settlement and other related restructuring costs, which are not reflective of the Company's core operating performance and the Company does not expect to incur these costs subsequent to the completion of the digital evolution.

(4) Calculated based on weighted average shares outstanding including participating securities and assuming the exchange of all common OP units outstanding for common shares.

(5) For the three months ended June 30, 2020 and June 30, 2019, excluded from the calculation of diluted Core FFO per share is the effect of adding back interest expense associated with convertible senior notes and weighted average dilutive common share equivalents for the assumed conversion of the convertible senior notes as the effect of including such interest expense and common share equivalents would be antidilutive. For the three months ended June 30, 2020, excluded from the calculation of diluted Core FFO per share are weighted average performance stock units, which are subject to both a service condition and market condition.

(6) For the three months ended June 30, 2019, included in the calculation of diluted Core FFO per share are 459,800 weighted average performance stock units, which are subject to both a service condition and market condition, and 92,700 weighted average shares of non-participating restricted stock.

COLONY CAPTITAL, INC.
RECONCILIATION OF NET INCOME (LOSS) TO NOI

The following tables present: (1) a reconciliation of property and other related revenues less property operating expenses for properties in our Healthcare and Hospitality segments to NOI and (2) a reconciliation of such segments' net income (loss) for the three months ended June 30, 2020 to NOI:

	Three Months Ended June 30, 2020	
(In thousands)	Healthcare	Hospitality
Total revenues	$ 142,680	$ 57,143
Straight-line rent revenue and amortization of above- and below-market lease intangibles	(8,071)	(16)
Interest income	(71)	—
Property operating expenses [(1)]	(74,752)	(63,733)
NOI[(2)]	$ 59,786	$ (6,606)

[(1)] For healthcare and hospitality, property operating expenses include property management fees paid to third parties.
[(2)] For hospitality, NOI is before FF&E Reserve.

	Three Months Ended June 30, 2020	
(In thousands)	Healthcare	Hospitality
Net income (loss)	$ (680,140)	$ (741,621)
Adjustments:		
Straight-line rent revenue and amortization of above- and below-market lease intangibles	(8,071)	(16)
Interest income	(71)	—
Interest expense	34,699	29,889
Transaction, investment and servicing costs	907	799
Depreciation and amortization	36,980	35,462
Impairment loss	661,255	660,751
Compensation and administrative expense	1,749	1,793
Other (gain) loss, net	342	(354)
Income tax (benefit) expense	12,136	6,691
NOI[(1)]	$ 59,786	$ (6,606)

[(1)] For hospitality, NOI is before FF&E Reserve.

ColonyCapital

The following table summarizes second quarter 2020 net income (loss) by segment:

(In thousands)	Net Income (Loss)
Digital	$ (6,546)
Healthcare	(680,140)
Hospitality	(741,621)
CLNC	(350,241)
Other Equity and Debt	(377,168)
Investment Management	(496,000)
Amounts Not Allocated to Segments	(67,277)
Total Consolidated	$ (2,718,993)

RECONCILIATION OF NET INCOME (LOSS) TO DIGITAL INVESTMENT MANAGEMENT FRE

(In thousands)	Three Months Ended June 30, 2020
Digital Investment Management	$ 1,880
Digital Balance Sheet (DataBank)	(21,142)
Digital Balance Sheet (excluding DataBank)	12,716
Net income (loss)	**(6,546)**
Digital Investment Management Net income (loss)	1,880
Adjustments:	
Interest income	(4)
Depreciation and amortization	6,604
Compensation expense—equity-based	682
Administrative expenses—straight-line rent	16
Equity method (earnings) losses	(157)
Other (gain) loss, net	8
Income tax (benefit) expense	278
FRE	**$ 9,307**

RECONCILIATION OF NET INCOME (LOSS) TO DATABANK ADJUSTED EBITDA

The following tables present: (1) a reconciliation of property and other related revenues less property operating expenses for DataBank to Adjusted EBITDA and (2) a reconciliation of net income (loss) for the three months ended June 30, 2020 to Adjusted EBITDA:

(In thousands)	Three Months Ended June 30, 2020
Total revenues	$ 42,021
Property operating expenses	(18,055)
Administrative expenses	(2,481)
Compensation expense	(7,983)
Transaction, investment and servicing costs	(576)
EBITDAre:	**12,926**
Straight-line rent expenses and amortization of above- and below-market lease intangibles	3,055
Amortization of leasing costs	(1,218)
Compensation expense—equity-based	296
Installation services	493
Restructuring & integration costs	445
Transaction, investment and servicing costs	576
Adjusted EBITDA:	**$ 16,573**

ColonyCapital

(In thousands)	Three Months Ended June 30, 2020
Net income (loss) from continuing operations	$ (21,142)
Adjustments:	
Interest expense	8,170
Income tax (benefit) expense	(2,673)
Depreciation and amortization	28,571
EBITDAre:	**12,926**
Straight-line rent expenses and amortization of above- and below-market lease intangibles	3,055
Amortization of leasing costs	(1,218)
Compensation expense—equity-based	296
Installation services	493
Restructuring & integration costs	445
Transaction, investment and servicing costs	576
Adjusted EBITDA:	**$ 16,573**

ColonyCapital

August 7, 2020

SUPPLEMENTAL FINANCIAL REPORT

SECOND QUARTER 2020

Cautionary Statement Regarding Forward-Looking Statements

This presentation may contain forward-looking statements within the meaning of the federal securities laws. Forward-looking statements relate to expectations, beliefs, projections, future plans and strategies, anticipated events or trends and similar expressions concerning matters that are not historical facts. In some cases, you can identify forward-looking statements by the use of forward-looking terminology such as “may,” “will,” “should,” “expects,” “intends,” “plans,” “anticipates,” “believes,” “estimates,” “predicts,” or “potential” or the negative of these words and phrases or similar words or phrases which are predictions of or indicate future events or trends and which do not relate solely to historical matters. You can also identify forward-looking statements by discussions of strategy, plans or intentions.

Forward-looking statements involve known and unknown risks, uncertainties, assumptions and contingencies, many of which are beyond the Company’s control, and may cause the Company’s actual results to differ significantly from those expressed in any forward-looking statement. Factors that might cause such a difference include, without limitation, the Company’s ability to build the leading digital real estate provider and funding source for the occupancy, infrastructure, equity and credit needs of the world’s mobile communications and data-driven companies, including, the impact of COVID-19 on the global economy, including the Company’s businesses, the Company’s ability to continue driving strong growth in its digital business and accelerating its digital transformation, whether the Company will realize the anticipated benefits of Wafra’s strategic investment in the Company’s digital investment management business, including whether the Wafra investment will become subject to redemption and the amount of commitments Wafra will make to the Company’s digital investment products, whether the Company will realize the anticipated benefits of its investment in Vantage Data Centers, including the performance and stability of its portfolio, whether the Company will preserve value at its legacy assets, make significant progress on its digital transformation, the resilience and growth in demand for digital infrastructure, the Company’s ability to continue deploying capital into high quality digital investments, the Company’s ability to simplify its business and further monetize legacy businesses, including the timing and amount of proceeds to be received by the Company if any, CLNC’s performance and its impact on the Company’s performance, the impact of management changes at CLNC, whether the Company’s operations of its non-digital business units will result in maximizing cash flows and value over time, including the impact of COVID-19 on such operations and cash flows, whether monetizations of Other Equity and Debt and other non-core investments will be a meaningful source of the Company’s liquidity, the impact of impairments, the Company’s ability to successfully negotiate accommodations with lenders or refinance its mortgage debt on healthcare and hospitality properties on attractive terms, or at all, and any resulting impact on the Company’s financial condition and liquidity, whether the Company will maintain or produce higher Core FFO per share (including or excluding gains and losses from sales of certain investments) in the coming quarters, or ever, the Company’s FEEUM and its ability to continue growth at the current pace or at all, whether the Company will continue to pay dividends on its preferred stock, the impact of changes to the Company’s management or board of directors, employee and organizational structure, including the implementation and timing of CEO succession plans, the Company’s financial flexibility and liquidity, including borrowing capacity under its revolving credit facility (including as a result of the impact of COVID-19), the use of sales proceeds and available liquidity, the performance of the Company’s investment in CLNC (including as a result of the impact of COVID-19), including the CLNC share price as compared to book value and how the Company evaluates the Company’s investment in CLNC, the Company’s ability to minimize balance sheet commitments to its managed investment vehicles, the performance of the Company’s investment in DataBank and whether the Company will continue to invest in edge/ colocation data center sector and support future growth opportunities through potential add-on acquisitions and greenfield edge data center developments, and whether if consummated such additional investments and growth opportunities result in any of the benefits we anticipate or at all, customer demand for datacenters, whether the Company will realize any anticipated benefits from the Alpine Energy joint venture, the Company's portfolio composition, the Company's expected taxable income and net cash flows, excluding the contribution of gains, the Company’s ability to pay or grow the dividend at all in the future, the impact of any changes to the Company’s management agreements with NorthStar Healthcare Income, Inc., CLNC and other managed investment vehicles, whether Colony Capital will be able to maintain its qualification as a REIT for U.S. federal income tax purposes, the timing of and ability to deploy available capital, including whether any redeployment of capital will generate higher total returns, the Company’s ability to maintain inclusion and relative performance on the RMZ, Colony Capital’s leverage, including the Company’s ability to reduce debt and the timing and amount of borrowings under its credit facility, increased interest rates and operating costs, adverse economic or real estate developments in Colony Capital’s markets, Colony Capital’s failure to successfully operate or lease acquired properties, decreased rental rates, increased vacancy rates or failure to renew or replace expiring leases, increased costs of capital expenditures, defaults on or non-renewal of leases by tenants, the impact of economic conditions (including the impact of COVID-19 on such conditions) on the borrowers of Colony Capital’s commercial real estate debt investments and the commercial mortgage loans underlying its commercial mortgage backed securities, adverse general and local economic conditions, an unfavorable capital market environment, decreased leasing activity or lease renewals, and other risks and uncertainties, including those detailed in the Company’s Annual Report on Form 10-K for the fiscal year ended December 31, 2019 and Quarterly Report on Form 10-Q for the quarter ended March 31, 2020, each under the heading “Risk Factors,” as such factors may be updated from time to time in our subsequent periodic filings with the U.S. Securities and Exchange Commission (“SEC”).

All forward-looking statements reflect Colony Capital’s good faith beliefs, assumptions and expectations, but they are not guarantees of future performance. Additional information about these and other factors can be found in Colony Capital’s reports filed from time to time with the SEC. Colony Capital cautions investors not to unduly rely on any forward-looking statements. The forward-looking statements speak only as of the date of this presentation. Colony Capital is under no duty to update any of these forward-looking statements after the date of this presentation, nor to conform prior statements to actual results or revised expectations, and Colony Capital does not intend to do so.

This presentation may contain statistics and other data that has been obtained or compiled from information made available by third-party service providers. Colony Capital has not independently verified such statistics or data.

This presentation is for informational purposes only and does not constitute an offer to sell or a solicitation of an offer to buy any securities of Colony Capital. This information is not intended to be indicative of future results. Actual performance of Colony Capital may vary materially.

The appendices herein contain important information that is material to an understanding of this presentation and you should read this presentation only with and in context of the appendices.

Important Note Regarding Non-GAAP Financial Measures

This supplemental package includes certain "non-GAAP" supplemental measures that are not defined by generally accepted accounting principles, or GAAP, including the financial metrics defined below, of which the calculations may from methodologies utilized by other REITs for similar performance measurements, and accordingly, may not be comparable to those of other REITs.

FFO: The Company calculates funds from operations ("FFO") in accordance with standards established by the Board of Governors of the National Association of Real Estate Investment Trusts, which defines FFO as net income or loss calculated in accordance with GAAP, excluding (i) extraordinary items, as defined by GAAP; (ii) gains and losses from sales of depreciable real estate; (iii) impairment write-downs associated with depreciable real estate; (iv) gains and losses from a change in control in connection with interests in depreciable real estate or in-substance real estate, plus (v) real estate-related depreciation and amortization; and (vi) including similar adjustments for equity method investments. Included in FFO are gains and losses from sales of assets which are not depreciable real estate such as loans receivable, equity method investments, as well as equity and debt securities, as applicable.

Core FFO: The Company computes core funds from operations ("Core FFO") by adjusting FFO for the following items, including the Company's share of these items recognized by its unconsolidated partnerships and joint ventures: (i) gains and losses from sales of depreciable real estate within the Other Equity and Debt segment, net of depreciation, amortization and impairment previously adjusted for FFO; (ii) gains and losses from sales of businesses within the Investment Management segment and impairment write-downs associated with the Investment Management segment; (iii) equity-based compensation expense; (iv) effects of straight-line rent revenue and expense; (v) amortization of acquired above- and below-market lease values; (vi) amortization of deferred financing costs and debt premiums and discounts; (vii) unrealized fair value gains or losses on interest rate and foreign currency hedges, and foreign currency remeasurements; (viii) acquisition and merger related transaction costs; (ix) restructuring and merger integration costs; (x) amortization and impairment of finite-lived intangibles related to investment management contracts and customer relationships; (xi) gain on remeasurement of consolidated investment entities and the effect of amortization thereof; (xii) non-real estate fixed asset depreciation, amortization and impairment; (xiii) change in fair value of contingent consideration; and (xiv) tax effect on certain of the foregoing adjustments. Beginning with the first quarter of 2018, the Company's Core FFO from its interest in Colony Credit Real Estate (NYSE: CLNC) represented its percentage interest multiplied by CLNC's Core Earnings. Refer to CLNC's filings with the SEC for the definition and calculation of Core Earnings.

FFO and Core FFO should not be considered alternatives to GAAP net income as indications of operating performance, or to cash flows from operating activities as measures of liquidity, nor as indications of the availability of funds for our cash needs, including funds available to make distributions. FFO and Core FFO should not be used as supplements to or substitutes for cash flow from operating activities computed in accordance with GAAP.

The Company uses FFO and Core FFO as supplemental performance measures because, in excluding real estate depreciation and amortization and gains and losses from property dispositions, it provides a performance measure that captures trends in occupancy rates, rental rates, and operating costs. The Company also believes that, as widely recognized measures of the performance of REITs, FFO and Core FFO will be used by investors as a basis to compare its operating performance with that of other REITs. However, because FFO and Core FFO exclude depreciation and amortization and capture neither the changes in the value of the Company's properties that resulted from use or market conditions nor the level of capital expenditures and leasing commissions necessary to maintain the operating performance of its properties, all of which have real economic effect and could materially impact the Company's results from operations, the utility of FFO and Core FFO as measures of the Company's performance is limited. FFO and Core FFO should be considered only as supplements to GAAP net income as a measure of the Company's performance. Additionally, Core FFO excludes the impact of certain fair value fluctuations, which, if they were to be realized, could have a material impact on the Company's operating performance. The Company also presents Core FFO excluding gains and losses from sales of certain investments as well as its share of similar adjustments for CLNC. The Company believes that such a measure is useful to investors as it excludes periodic gains and losses from sales of investments that are not representative of its ongoing operations.

DataBank Earnings before Interest, Taxes, Depreciation and Amortization for Real Estate (EBITDAre) and Adjusted EBITDA

The Company calculates EBITDAre in accordance with the standards established by the National Association of Real Estate Investment Trusts, which defines EBITDAre as net income or loss calculated in accordance with GAAP, excluding interest, taxes, depreciation and amortization, gains or losses from the sale of depreciated property, and impairment of depreciated property. The Company calculates Adjusted EBITDA by adjusting EBITDAre for the effects of straight-line rental income/expense adjustments and amortization of acquired above- and below-market lease adjustments to rental income, equity-based compensation expense, restructuring and integration costs, transaction costs from unsuccessful deals and business combinations, litigation expense, the impact of other impairment charges, gains or losses from sales of undepreciated land, and gains or losses on early extinguishment of debt and hedging instruments. Revenues and corresponding costs related to the delivery of services that are not ongoing, such as installation services, are also excluded from Adjusted EBITDA. The Company uses EBITDAre and Adjusted EBITDA as supplemental measures of our performance because they eliminate depreciation, amortization, and the impact of the capital structure from its operating results. However, because EBITDAre and Adjusted EBITDA are calculated before recurring cash charges including interest expense and taxes, and are not adjusted for capital expenditures or other recurring cash requirements, their utilization as a cash flow measurement is limited.

Important Note Regarding Non-GAAP Financial Measures

Fee Related Earnings ("FRE"): The Company calculates FRE for its investment management business within the digital segment as base management fees, other service fee income, and other income inclusive of cost reimbursements, less compensation expense (excluding equity-based compensation), administrative expenses, and other operating expenses related to the investment management business. The Company uses FRE as a supplemental performance measure as it may provide additional insight into the profitability of the digital investment management business.

NOI: NOI for our real estate segments represents total property and related income less property operating expenses, adjusted for the effects of (i) straight-line rental income adjustments; (ii) amortization of acquired above- and below-market lease adjustments to rental income; and (iii) other items such as adjustments for the Company's share of NOI of unconsolidated ventures.

The Company believes that NOI is a useful measure of operating performance of its respective real estate portfolios as it is more closely linked to the direct results of operations at the property level. NOI also reflects actual rents received during the period after adjusting for the effects of straight-line rents and amortization of above- and below- market leases; therefore, a comparison of NOI across periods better reflects the trend in occupancy rates and rental rates of the Company's properties.

NOI excludes historical cost depreciation and amortization, which are based on different useful life estimates depending on the age of the properties, as well as adjust for the effects of real estate impairment and gains or losses on sales of depreciated properties, which eliminate differences arising from investment and disposition decisions. This allows for comparability of operating performance of the Company's properties period over period and also against the results of other equity REITs in the same sectors. Additionally, by excluding corporate level expenses or benefits such as interest expense, any gain or loss on early extinguishment of debt and income taxes, which are incurred by the parent entity and are not directly linked to the operating performance of the Company's properties, NOI provides a measure of operating performance independent of the Company's capital structure and indebtedness. However, the exclusion of these items as well as others, such as capital expenditures and leasing costs, which are necessary to maintain the operating performance of the Company's properties, and transaction costs and administrative costs, may limit the usefulness of NOI. NOI may fail to capture significant trends in these components of U.S. GAAP net income (loss) which further limits its usefulness. NOI should not be considered as an alternative to net income (loss), determined in accordance with U.S. GAAP, as an indicator of operating performance.

NOI before Reserve for Furniture, Fixtures and Equipment Expenditures ("NOI before FF&E Reserve"): For our hospitality real estate segment, NOI before FF&E Reserve represents NOI before the deduction of reserve contributions for the repair, replacement and refurbishment of furniture, fixtures, and equipment ("FF&E"), which are typically 4% to 5% of revenues, and required under certain debt agreements and/or franchise and brand-managed hotel agreements.

Pro-rata: The Company presents pro-rata financial information, which is not, and is not intended to be, a presentation in accordance with GAAP. The Company computes pro-rata financial information by applying its economic interest to each financial statement line item on an investment-by-investment basis. Similarly, noncontrolling interests' share of assets, liabilities, profits and losses was computed by applying noncontrolling interests' economic interest to each financial statement line item. The Company provides pro-rata financial information because it may assist investors and analysts in estimating the Company's economic interest in its investments. However, pro-rata financial information as an analytical tool has limitations. Other equity REITs may not calculate their pro-rata information in the same methodology, and accordingly, the Company's pro-rata information may not be comparable to such other REITs' pro-rata information. As such, the pro-rata financial information should not be considered in isolation or as a substitute for our financial statements as reported under GAAP, but may be used as a supplement to financial information as reported under GAAP.

Tenant/operator provided information: The information related to the Company's tenants/operators that is provided in this presentation has been provided by, or derived from information provided by, such tenants/operators. The Company has not independently verified this information and has no reason to believe that such information is inaccurate in any material respect. The Company is providing this data for informational purposes only.

Note Regarding CLNY Reportable Segments / Consolidated and OP Share of Consolidated Amounts

This presentation includes supplemental financial information for the following segments: Digital, Healthcare Real Estate; Hospitality Real Estate; CLNC; Other Investment Management; and Other Equity and Debt.

Digital
The Company's Digital Segment is comprised of (i) the digital infrastructure and real estate investment management business, which currently manages the $4.1 billion DCP fund, separately capitalized digital real estate portfolio companies and other digital real estate investment funds and (ii) balance sheet equity interests in digital infrastructure and real estate operating businesses, including the 20% interest in DataBank, and GP co-investments in management funds, primarily comprised of the $250 million commitment to DCP.

Healthcare Real Estate
As of June 30, 2020, the consolidated healthcare portfolio consisted of 357 properties: 154 senior housing properties, 106 medical office properties, 88 skilled nursing facilities and 9 hospitals. The healthcare portfolio earns rental income from our senior housing, skilled nursing facilities and hospital assets that are under net leases to single tenants/operators and from medical office buildings which are both single tenant and multi-tenant. In addition, the Company also earns resident fee income from senior housing properties that are managed by operators under a REIT Investment Diversification and Empowerment Act of 2007 (“RIDEA”) structure.

Hospitality Real Estate
As of June 30, 2020, the consolidated hospitality portfolio consisted of 157 properties: 87 select service properties, 66 extended stay properties and 4 full service properties. The hospitality portfolio consists primarily of select service and extended stay hotels located mostly in major metropolitan markets in the U.S., with the majority affiliated with top hotel brands. The select service hospitality portfolio referred to as the THL Hotel Portfolio, which the Company acquired through consensual transfer during the third quarter 2017, is not included in the Hospitality Real Estate segment and is included in the Other Equity and Debt segment.

Colony Credit Real Estate, Inc. (“CLNC”)
Colony Credit Real Estate, Inc. is a commercial real estate credit REIT externally managed by the Company with $4.7 billion in assets and $1.7 billion in GAAP book equity value as of June 30, 2020. The Company owns approximately 48.0 million shares and share equivalents, or 36%, of CLNC and earns an annual base management fee of 1.5% on stockholders' equity (as defined in the CLNC management agreement) and an incentive fee of 20% of CLNC's Core Earnings over a 7% hurdle rate.

Other Investment Management
The Company's Other Investment Management segment includes the management of traditional commercial real estate investments through private real estate credit funds and related co-investment vehicles, CLNC, a public non-traded healthcare REIT and interests in other investment management platforms, among other smaller investment funds. The Company earns management fees, generally based on the amount of assets or capital managed, and contractual incentive fees or potential carried interest based on the performance of the investment vehicles managed subject to the achievement of minimum return hurdles.

Other Equity and Debt
The Company owns a diversified group of non-digital real estate and real estate-related debt and equity investments, many of which are through joint ventures with funds managed by the Company's other investment management business. Over time, the Company expects to monetize the bulk of its existing portfolio as it completes its digital transformation.

Throughout this presentation, consolidated figures represent the interest of both the Company (and its subsidiary Colony Capital Operating Company or the “CLNY OP”) and noncontrolling interests. Figures labeled as CLNY OP share represent the Company's pro-rata share.

Table of Contents

Ia. Financial Overview - Summary Metrics

($ and shares in thousands, except per share data and as noted; as of or for the three months ended June 30, 2020, unless otherwise noted) (Unaudited)

Financial Data

Net income (loss) attributable to common stockholders	$	(2,042,790)
Net income (loss) attributable to common stockholders per basic share		(4.33)
Core FFO		(154,211)
Core FFO per basic share		(0.29)
Core FFO excluding gains/losses		(19,323)
Core FFO excluding gains/losses per basic share		(0.04)

Balance Sheet, Capitalization and Trading Statistics

Total consolidated assets	$	16,183,534
CLNY OP share of consolidated assets		10,622,322
Total consolidated debt[1]		9,612,525
CLNY OP share of consolidated debt[1]		7,147,356
Shares and OP units outstanding as of June 30, 2020		535,201
Shares and OP units outstanding as of August 4, 2020		535,255
Liquidation preference of perpetual preferred equity		1,033,750
Insider ownership of shares and OP units as of August 4, 2020		9.9%
Digital Assets Under Management ("AUM")		$ 21.6 billion
Total Company AUM		$ 45.7 billion
Total Company Fee Earning Equity Under Management ("FEEUM")		$ 16.3 billion

Notes:
In evaluating the information presented throughout this presentation see the appendices to this presentation for definitions and reconciliations of non-GAAP financial measures to GAAP measures.
(1) Represents principal balance and excludes debt issuance costs, discounts and premiums.

Ib. Financial Overview - Summary of Segments

($ in thousands; as of or for the three months ended June 30, 2020, unless otherwise noted)	**Consolidated amount**	**CLNY OP share of consolidated amount**
Digital		
Digital Investment Management[1]		
Third-party AUM ($ in millions)		$ 21,015
FEEUM ($ in millions)		7,743
Q2 2020 fee related earnings (FRE)[2]		9,307
Annualized Q2 2020 FRE		37,228
Digital Balance Sheet		
GP co-investments[1] and DataBank - net carrying value	1,142,740	340,875
Balance sheet investment - DataBank - Q2 2020 Adjusted EBITDA[3]	16,573	3,223
Balance sheet investment - DataBank - annualized Q2 2020 Adjusted EBITDA	66,292	12,892
Healthcare Real Estate		
Q2 2020 net operating income[4][5]	59,786	42,390
Investment-level non-recourse financing[6]	2,922,442	2,082,733
Hospitality Real Estate		
Q2 2020 NOI before FF&E Reserve[5]	(6,606)	(6,431)
Investment-level non-recourse financing[6]	2,667,374	2,495,991

Notes:
(1) In July 2020, the Company closed on a strategic investment from Wafra of approximately $250 million for a 31.5% ownership stake in the Digital Investment Management business. Wafra also committed over $150 million to Digital Colony's current and future GP co-investments.
(2) For a reconciliation of net income/(loss) to FRE, please refer to the appendix to this presentation.
(3) For a reconciliation of net income/(loss) from continuing operations to Adjusted EBITDA, please refer to the appendix to this presentation.
(4) NOI includes $1.1 million consolidated or $0.7 million CLNY OP share of interest earned related to $49 million consolidated or $34 million CLNY OP share carrying value of healthcare real estate loans. This interest income is in the Interest Income line item on the Company's Statement of Operations.
(5) For a reconciliation of net income/(loss) from continuing operations to NOI, please refer to the appendix to this presentation.
(6) Represents unpaid principal balance.

Ib. Financial Overview - Summary of Segments (cont'd)

($ in thousands except as noted; as of or for the three months ended June 30, 2020, unless otherwise noted)	Consolidated amount	CLNY OP share of consolidated amount
CLNC		
Net carrying value of 36% interest	$ 336,513	$ 336,513
Other Investment Management		
Third-party AUM ($ in millions)		14,862
FEEUM ($ in millions)		8,515
Q2 2020 fee revenue and REIM platform equity method earnings		21,637
Other Equity and Debt [(1)]		
Assets[(2)]	5,108,479	2,430,032
Debt[(3)]	2,187,752	1,134,777
Equity	$ 2,920,727	$ 1,295,255
Net Assets		
Cash and cash equivalents, restricted cash and other assets[(4)]	1,833,870	1,523,289
Accrued and other liabilities and dividends payable[(5)]	795,121	524,053
Net assets	$ 1,038,749	$ 999,236

Notes:
(1) Includes assets and liabilities classified as held for sale on the Company's financial statements.
(2) Includes all components related to real estate assets, including tangible real estate and lease-related intangibles.
(3) Represents unpaid principal balance.
(4) Other assets excludes $16 million consolidated and CLNY OP share of margin/collateral value which is included in the assets of Digital balance sheet investments shown on page 21.
(5) Accrued and other liabilities excludes $96 million of derivative liability which is included in the debt of Digital balance sheet investments shown on page 21.

IIa. Financial Results - Consolidated Balance Sheet

($ in thousands, except per share data) (unaudited)	As of June 30, 2020	
Assets		
Cash and cash equivalents	$	1,099,467
Restricted cash		145,229
Real estate, net		8,987,902
Loans receivable		1,398,087
Equity and debt investments		1,825,448
Goodwill		851,757
Deferred leasing costs and intangible assets, net		565,221
Assets held for sale		705,217
Other assets		527,309
Due from affiliates		77,897
Total assets	$	16,183,534
Liabilities		
Debt, net	$	9,211,114
Accrued and other liabilities		869,947
Intangible liabilities, net		87,195
Liabilities related to assets held for sale		261,791
Due to affiliates		1,336
Dividends and distributions payable		18,516
Total liabilities		10,449,899
Commitments and contingencies		
Redeemable noncontrolling interests		29,066
Equity		
Stockholders' equity:		
Preferred stock, $0.01 par value per share; $1,033,750 liquidation preference; 250,000 shares authorized; 41,350 shares issued and outstanding		999,490
Common stock, $0.01 par value per share		
Class A, 949,000 shares authorized; 481,391 shares issued and outstanding		4,814
Class B, 1,000 shares authorized; 734 shares issued and outstanding		7
Additional paid-in capital		7,540,197
Accumulated deficit		(5,849,098)
Accumulated other comprehensive income		44,367
Total stockholders' equity		2,739,777
Noncontrolling interests in investment entities		2,776,604
Noncontrolling interests in Operating Company		188,188
Total equity		5,704,569
Total liabilities, redeemable noncontrolling interests and equity	$	16,183,534

IIb. Financial Results - Noncontrolling Interests’ Share Balance Sheet

($ in thousands, except per share data) (unaudited)	As of June 30, 2020
Assets	
Cash and cash equivalents	$ 94,565
Restricted cash	27,880
Real estate, net	2,934,826
Loans receivable	683,065
Equity and debt investments	656,120
Goodwill	377,464
Deferred leasing costs and intangible assets, net	215,685
Assets held for sale	383,472
Other assets	188,135
Total assets	$ 5,561,212
Liabilities	
Debt, net	$ 2,320,735
Accrued and other liabilities	271,069
Intangible liabilities, net	32,096
Liabilities related to assets held for sale	131,642
Total liabilities	2,755,542
Commitments and contingencies	
Redeemable noncontrolling interests	29,066
Equity	
Stockholders’ equity:	
Preferred stock, $0.01 par value per share; $1,033,750 liquidation preference; 250,000 shares authorized; 41,350 shares issued and outstanding	—
Common stock, $0.01 par value per share	
Class A, 949,000 shares authorized; 481,391 shares issued and outstanding	—
Class B, 1,000 shares authorized; 734 shares issued and outstanding	—
Additional paid-in capital	—
Accumulated deficit	—
Accumulated other comprehensive income	—
Total stockholders’ equity	—
Noncontrolling interests in investment entities	2,776,604
Noncontrolling interests in Operating Company	—
Total equity	2,776,604
Total liabilities, redeemable noncontrolling interests and equity	$ 5,561,212

IIc. Financial Results - Consolidated Segment Operating Results

	Three Months Ended June 30, 2020							
($ in thousands) (Unaudited)	Digital	Healthcare	Hospitality	CLNC	Other Investment Management	Other Equity and Debt	Amounts not allocated to segments	Total
Revenues								
Property operating income	$ 42,017	$ 139,983	$ 57,136	$ —	$ —	$ 54,680	$ —	$ 293,816
Interest income	6	1,058	—	—	19	19,197	2,096	22,376
Fee income	20,173	—	—	—	23,367	—	—	43,540
Other income	1,217	1,639	7	—	6,812	551	2,408	12,634
Total revenues	63,413	142,680	57,143	—	30,198	74,428	4,504	372,366
Expenses								
Property operating expense	18,055	74,752	63,733	—	—	37,103	—	193,643
Interest expense	8,184	34,699	29,889	—	—	17,683	16,331	106,786
Investment and servicing expense	816	907	799	—	42	7,659	1,171	11,394
Transaction costs	75	—	—	—	—	—	—	75
Depreciation and amortization	35,102	36,980	35,462	—	2,477	23,381	1,503	134,905
Impairment loss	—	661,255	660,751	—	515,000	152,254	12,297	2,001,557
Compensation expense								
Cash and equity-based compensation	17,872	1,366	1,460	—	13,191	2,768	27,856	64,513
Carried interest and incentive compensation	—	—	—	—	(1,162)	—	—	(1,162)
Administrative expenses	4,981	383	333	—	1,730	4,637	8,341	20,405
Total expenses	85,085	810,342	792,427	—	531,278	245,485	67,499	2,532,116
Other income (loss)								
Gain on sale of real estate assets	—	—	—	—	—	2,868	—	2,868
Other gain (loss), net	5,472	(342)	354	—	55	(174,351)	(4,218)	(173,030)
Equity method earnings (loss)	7,940	—	—	(350,241)	(1,709)	(28,525)	—	(372,535)
Equity method earnings (loss) - carried interest	—	—	—	—	(2,324)	—	—	(2,324)
Income (loss) before income taxes	(8,260)	(668,004)	(734,930)	(350,241)	(505,058)	(371,065)	(67,213)	(2,704,771)
Income tax benefit (expense)	1,714	(12,136)	(6,691)	—	8,697	760	(64)	(7,720)
Income (loss) from continuing operations	(6,546)	(680,140)	(741,621)	(350,241)	(496,361)	(370,305)	(67,277)	(2,712,491)
Income (loss) from discontinued operations	—	—	—	—	361	(6,863)	—	(6,502)
Net income (loss)	(6,546)	(680,140)	(741,621)	(350,241)	(496,000)	(377,168)	(67,277)	(2,718,993)
Net income (loss) attributable to noncontrolling interests:								
Redeemable noncontrolling interests	390	—	—	—	—	—	—	390
Investment entities	(16,393)	(197,869)	(37,919)	—	(42)	(217,829)	—	(470,052)
Operating Company	938	(47,861)	(69,839)	(34,757)	(49,215)	(15,809)	(8,514)	(225,057)
Net income (loss) attributable to Colony Capital, Inc.	8,519	(434,410)	(633,863)	(315,484)	(446,743)	(143,530)	(58,763)	(2,024,274)
Preferred stock dividends	—	—	—	—	—	—	18,516	18,516
Net income (loss) attributable to common stockholders	$ 8,519	$ (434,410)	$ (633,863)	$ (315,484)	$ (446,743)	$ (143,530)	$ (77,279)	$ (2,042,790)

IId. Financial Results - Noncontrolling Interests’ Share Segment Operating Results

	Three Months Ended June 30, 2020							
($ in thousands) (unaudited)	Digital	Healthcare	Hospitality	CLNC	Other Investment Management	Other Equity and Debt	Amounts not allocated to segments	Total
Revenues				—				
Property operating income	$ 33,610	$ 39,605	$ 4,028	$ —	$ —	$ 29,439	$ —	$ 106,682
Interest income	—	312	—	—	—	9,886	—	10,198
Fee income	—	—	—	—	5	—	—	5
Other income	49	498	1	—	—	—	—	548
Total revenues	33,659	40,415	4,029	—	5	39,325	—	117,433
Expenses								
Property operating expense	14,440	20,565	4,203	—	—	18,726	—	57,934
Interest expense	6,537	9,866	1,892	—	—	8,208	—	26,503
Investment and servicing expense	124	299	—	—	1	3,196	—	3,620
Transaction costs	—	—	—	—	—	—	—	—
Depreciation and amortization	22,791	10,749	2,242	—	—	12,708	—	48,490
Impairment loss	—	199,877	33,612	—	—	46,224	—	279,713
Compensation expense								
Cash and equity-based compensation	6,385	—	—	—	—	1,209	—	7,594
Carried interest and incentive compensation	—	—	—	—	—	—	—	—
Administrative expenses	2,001	82	5	—	33	1,854	—	3,975
Total expenses	52,278	241,438	41,954	—	34	92,125	—	427,829
Other income (loss)								
Gain on sale of real estate assets	—	—	—	—	—	1,912	—	1,912
Other gain (loss), net	359	(104)	6	—	—	(162,869)	—	(162,608)
Equity method earnings (loss)	120	—	—	—	(13)	(197)	—	(90)
Equity method earnings (loss) - carried interest	—	—	—	—	—	—	—	—
Income (loss) before income taxes	(18,140)	(201,127)	(37,919)	—	(42)	(213,954)	—	(471,182)
Income tax benefit (expense)	2,137	(3,684)	—	—	—	924	—	(623)
Net income (loss)	(16,003)	(204,811)	(37,919)	—	(42)	(213,030)	—	(471,805)
Income (loss) from discontinued operations	—	—	—	—	—	(4,799)	—	(4,799)
Non-pro rata allocation of income (loss) to NCI	—	6,942	—	—	—	—	—	6,942
Net income (loss) attributable to noncontrolling interests	$ (16,003)	$ (197,869)	$ (37,919)	$ —	$ (42)	$ (217,829)	$ —	$ (469,662)

IIe. Financial Results - Segment Reconciliation of Net Income to FFO & Core FFO

($ in thousands) (Unaudited)	Three Months Ended June 30, 2020									
	OP prorata share by segment								Amounts attributable to noncontrolling interests	CLNY consolidated as reported
	Digital	Healthcare	Hospitality	CLNC	Other Investment Management	Other Equity and Debt	Amounts not allocated to segments	Total OP pro rata share		
Net income (loss) attributable to common stockholders	$ 8,519	$ (434,410)	$ (633,863)	$ (315,484)	$ (446,743)	$ (143,530)	$ (77,279)	$ (2,042,790)	$ —	$ (2,042,790)
Net income (loss) attributable to noncontrolling common interests in Operating Company	938	(47,861)	(69,839)	(34,757)	(49,215)	(15,809)	(8,514)	(225,057)	—	(225,057)
Net income (loss) attributable to common interests in Operating Company and common stockholders	9,457	(482,271)	(703,702)	(350,241)	(495,958)	(159,339)	(85,793)	(2,267,847)	—	(2,267,847)
Adjustments for FFO:										
Real estate depreciation and amortization	5,178	30,636	33,220	4,968	68	11,153	—	85,223	46,499	131,722
Impairment of real estate	—	461,378	627,139	—	—	105,905	—	1,194,422	279,840	1,474,262
Gain from sales of real estate	—	—	(1)	—	—	1,658	—	1,657	3,262	4,919
Less: Adjustments attributable to noncontrolling interests in investment entities	—	—	—	—	—	—	—	—	(329,601)	(329,601)
FFO	$ 14,635	$ 9,743	$ (43,344)	$ (345,273)	$ (495,890)	$ (40,623)	$ (85,793)	$ (986,545)	$ —	$ (986,545)
Additional adjustments for Core FFO:										
Gains and losses from sales of depreciable real estate within the Other Equity and Debt segment, net of depreciation, amortization and impairment previously adjusted for FFO(1)	—	—	—	—	—	335	—	335	406	741
Gains and losses from sales of businesses within the Investment Management segment and impairment write-downs associated with the Investment Management segment	—	—	—	—	515,698	—	—	515,698	—	515,698
CLNC Core Earnings adjustments(2)	—	—	—	266,016	—	—	—	266,016	—	266,016
Equity-based compensation expense	741	412	430	564	1,944	341	6,047	10,479	237	10,716
Straight-line rent revenue and expense	295	(4,018)	(15)	—	—	(524)	(69)	(4,331)	(909)	(5,240)
Amortization of acquired above- and below-market lease values, net	345	(1,611)	—	(52)	—	11	—	(1,307)	724	(583)
Amortization of deferred financing costs and debt premiums and discounts	32	1,990	3,337	(149)	1	671	2,257	8,139	1,824	9,963
Unrealized fair value losses on interest rate and foreign currency hedges, and foreign currency remeasurements	—	241	—	(8,665)	(9)	885	—	(7,548)	66	(7,482)
Acquisition and merger-related transaction costs	75	—	—	257	—	—	—	332	—	332
Restructuring and merger integration costs(3)	—	—	—	—	323	—	12,723	13,046	—	13,046
Amortization and impairment of investment management intangibles	7,053	—	—	—	2,471	17	—	9,541	2,084	11,625
Non-real estate fixed asset depreciation, amortization and impairment	80	—	—	—	7	8	13,800	13,895	170	14,065
Amortization of gain on remeasurement of consolidated investment entities	—	—	—	—	—	6,445	—	6,445	6,446	12,891
Tax effect of Core FFO adjustments, net	(2,028)	8,355	—	—	(472)	(2,273)	(1,988)	1,594	669	2,263
Less: Adjustments attributable to noncontrolling interests in investment entities	—	—	—	—	—	—	—	—	(11,717)	(11,717)
Core FFO	$ 21,228	$ 15,112	$ (39,592)	$ (87,302)	$ 24,073	$ (34,707)	$ (53,023)	$ (154,211)	$ —	$ (154,211)
Less: Core FFO (gains) losses	—	—	(389)	100,867	—	34,410	—	134,888	—	134,888
Core FFO ex-gains/losses attributable to common interests in Operating Company and common stockholders	$ 21,228	$ 15,112	$ (39,981)	$ 13,565	$ 24,073	$ (297)	$ (53,023)	$ (19,323)	$ —	$ (19,323)

Notes:
(1) Net of $2.1 million consolidated or $0.6 million CLNY OP share of depreciation, amortization and impairment charges previously adjusted to calculate FFO.
(2) Represents adjustments to align the Company's Core FFO with CLNC's definition of Core Portfolio Core Earnings to reflect the Company's percentage interest in CLNC's earnings.
(3) Restructuring and merger integration costs primarily represent costs and charges incurred as a result of corporate restructuring and reorganization to implement the digital evolution. These costs and charges include severance, retention, relocation, transition, shareholder settlement and other related restructuring costs, which are not reflective of the Company's core operating performance and the Company does not expect to incur these costs subsequent to the completion of the digital transformation.

IIIa. Capitalization - Overview

($ in thousands; except per share data; as of June 30, 2020, unless otherwise noted)	Consolidated amount	CLNY OP share of consolidated amount	Wtd. avg. years remaining to maturity[1]	Wtd. avg. interest rate[2]
Debt (UPB)				
Non-recourse debt:				
Digital (DataBank)	$ 515,007	$ 103,105	4.4	5.5%
Healthcare	2,922,442	2,082,733	3.9	3.9%
Hospitality	2,667,374	2,495,991	0.8	3.3%
Other Equity and Debt	2,177,531	1,135,356	1.6	3.3%
Trust Preferred Securities ("TruPS")[3]	280,117	280,117	15.9	3.2% (4)
Total non-recourse debt	**8,562,471**	**6,097,302**		
Corporate debt:				
$500 million revolving credit facility[5]	400,000	400,000	1.5	2.7%
Convertible/exchangeable senior notes[6]	616,105	616,105	1.5	4.3%
Other corporate debt	33,949	33,949	5.4	5.0%
Total corporate debt	**1,050,054**	**1,050,054**		
Total debt	**$ 9,612,525**	**$ 7,147,356**		
Non-recourse debt - Fixed / Floating summary				
Fixed	$ 571,898	$ 414,933		
Floating	7,990,573	5,682,369		
Total non-recourse debt	**$ 8,562,471**	**$ 6,097,302**		
Perpetual preferred stock, redemption value				
Total perpetual preferred stock		**$ 1,033,750**		

Notes:
(1) Weighted Average Years Remaining to Maturity is based on initial maturity dates or extended maturity dates if the criteria to extend have been met as of August 4, 2020, the latest practicable date that the information was available, and the extension option is at the Company's discretion.
(2) Based on 1-month LIBOR of 0.16% and 3-month LIBOR of 0.30% for floating rate debt.
(3) The TruPS were issued by trusts of which the sole assets are junior subordinated notes issued by NRF Holdco, LLC. NRF Holdco is a subsidiary of the Company and owns the Healthcare and Hospitality segments as well as certain OED. The Company is neither an obligor nor guarantor on the junior subordinated debt or TruPS.
(4) Based on 3-month LIBOR plus rates between 2.50% to 3.25%.
(5) In July 2020, the Company repaid all outstanding amounts under the RCF.
(6) In July 2020, the Company issued $300 million aggregate principal amount of 5.75% exchangeable senior notes due 2025. The Company used the net proceeds to repurchase $289 million of the Company's 3.875% convertible senior notes due 2021.

IIIb. Capitalization - Revolving Credit Facility

($ in thousands, except as noted; as of June 30, 2020)

Revolving credit facility	
Maximum principal amount	$ 500,000
Amount outstanding[(1)]	400,000
Initial maturity	January 11, 2021
Fully-extended maturity	January 10, 2022
Interest rate	LIBOR + 2.50%

Financial covenants as defined in the Credit Agreement[(2)]:	**Covenant level**
Consolidated Tangible Net Worth	Minimum $1,740 million
Consolidated Fixed Charge Coverage Ratio[(3)]	Minimum 1.30 to 1.00
Interest Coverage Ratio[(4)]	Minimum 3.00 to 1.00
Consolidated Leverage Ratio	Maximum 0.65 to 1.00

Company status: As of June 30, 2020, CLNY is meeting all required covenant threshold levels.

Notes:
(1) In July 2020, the Company repaid all outstanding amounts under the RCF.
(2) The Company's credit agreement allows for the exclusion of the assets, debt, fixed charges and earnings of investments with non-recourse debt at the Company's election.
(3) The borrowing base is discounted by 10% at a Fixed Charge Coverage Ratio between 1.30 and 1.50 to 1.00.
(4) Interest Coverage Ratio represents the ratio of the sum of (1) earnings from borrowing base assets and (2) certain investment management earnings divided by the greater of (a) actual interest expense on the revolving credit facility and (b) the average balance of the facility multiplied by 7.0% for the applicable quarter.

IIIc. Capitalization - Convertible/Exchangeable Notes & Perpetual Preferred Stock

($ in thousands; except per share data; as of June 30, 2020, unless otherwise noted)

Convertible/exchangeable debt

Description	Outstanding principal	Final due date[1]	Interest rate	Conversion price (per share of common stock)	Conversion ratio	Conversion shares
3.875% Convertible senior notes[2]	$ 402,500	January 15, 2021	3.875% fixed	$ 16.57	60.3431	24,288
5.0% Convertible senior notes	200,000	April 15, 2023	5.00% fixed	15.76	63.4700	12,694
5.375% Exchangeable senior notes	13,605	June 15, 2033	5.375% fixed	12.04	83.0837	1,130
Total convertible debt	**$ 616,105**					

Perpetual preferred stock

Description	Liquidation preference	Shares outstanding (In thousands)	Callable period
Series G 7.5% cumulative redeemable perpetual preferred stock	86,250	3,450	Callable
Series H 7.125% cumulative redeemable perpetual preferred stock	287,500	11,500	Callable
Series I 7.15% cumulative redeemable perpetual preferred stock	345,000	13,800	On or after June 5, 2022
Series J 7.125% cumulative redeemable perpetual preferred stock	315,000	12,600	On or after September 22, 2022
Total preferred stock	**$ 1,033,750**	**41,350**	

Notes:
(1) Callable at principal amount only if CLNY common stock has traded at least 130% of the conversion price for 20 of 30 consecutive trading days: on or after April 22, 2020, for the 5.0% convertible senior notes; on or after January 22, 2019, for the 3.875% convertible senior notes; and on or after on or after June 15, 2020, for the 5.375% exchangeable senior notes.
(2) In July 2020, the Company issued $300 million aggregate principal amount of 5.75% exchangeable senior notes due 2025. The Company used the net proceeds to repurchase $289 million of the Company's 3.875% convertible senior notes due 2021.

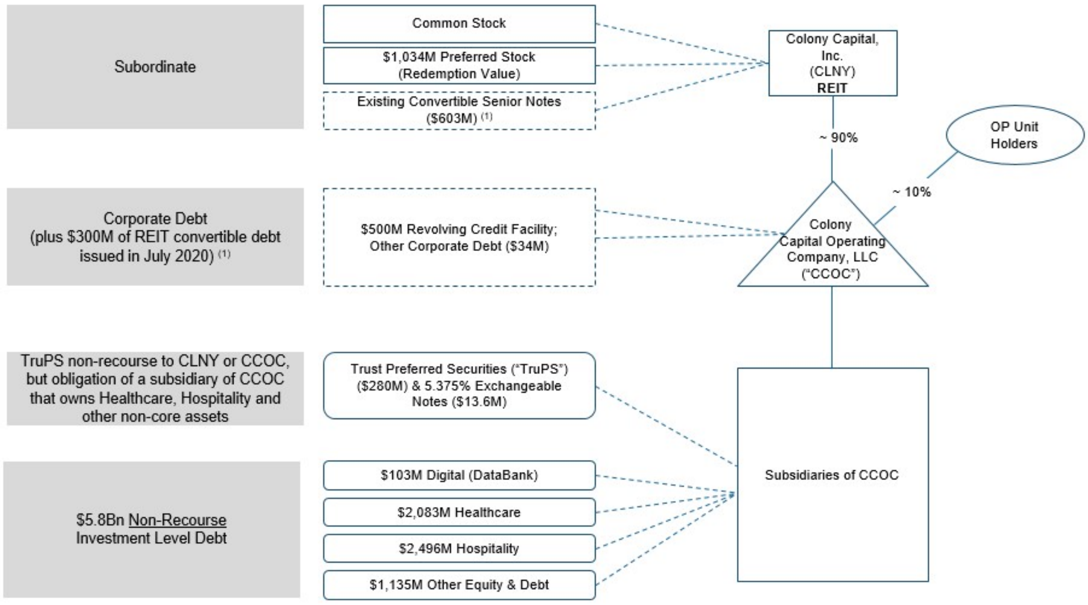
IIId. Capitalization - Debt Maturity and Amortization Schedules

($ in thousands; as of June 30, 2020)	Payments due by period[1]					
Consolidated debt	**2020**	**2021**	**2022**	**2023**	**2024 and after**	**Total**
Non-recourse debt:						
Digital (DataBank)	$ 1,647	$ 3,346	$ 3,896	$ 32,646	$ 473,472	$ 515,007
Healthcare	51,810	289,211	133,044	11,957	2,436,420	2,922,442
Hospitality	1,550,324	855,000	—	—	262,050	2,667,374
Other Equity and Debt	1,105,412	179,054	143,040	91,600	658,425	2,177,531
TruPS[2]	—	—	—	—	280,117	280,117
Corporate debt:						
$500 million revolving credit facility[3]	—	—	400,000	—	—	400,000
Convertible/exchangeable senior notes[4]	—	402,500	—	200,000	13,605	616,105
Other corporate debt	1,134	2,359	2,481	2,609	25,366	33,949
Total consolidated debt	**$ 2,710,327**	**$ 1,731,470**	**$ 682,461**	**$ 338,812**	**$ 4,149,455**	**$ 9,612,525**

Pro rata debt	**2020**	**2021**	**2022**	**2023**	**2024 and after**	**Total**
Non-recourse debt:						
Digital (DataBank)	$ 330	$ 670	$ 780	$ 6,536	$ 94,789	$ 103,105
Healthcare	36,601	231,162	98,550	8,366	1,708,054	2,082,733
Hospitality	1,466,816	767,125	—	—	262,050	2,495,991
Other Equity and Debt	573,433	166,287	47,923	80,248	267,465	1,135,356
TruPS[2]	—	—	—	—	280,117	280,117
Corporate debt:						
$500 million revolving credit facility[3]	—	—	400,000	—	—	400,000
Convertible/exchangeable senior notes[4]	—	402,500	—	200,000	13,605	616,105
Other corporate debt	1,134	2,359	2,481	2,609	25,366	33,949
Total pro rata debt	**$ 2,078,314**	**$ 1,570,103**	**$ 549,734**	**$ 297,759**	**$ 2,651,446**	**$ 7,147,356**

Notes:
(1) Weighted Average Years Remaining to Maturity is based on initial maturity dates or extended maturity dates if the criteria to extend have been met as of August 4, 2020, the latest practicable date that the information was available, and the extension option is at the Company's discretion.
(2) The TruPS were issued by trusts of which the sole assets are junior subordinated notes issued by NRF Holdco, LLC. NRF Holdco is a subsidiary of the Company and owns the Healthcare and Hospitality segments as well as certain OED. The Company is neither an obligor nor guarantor on the junior subordinated debt or TruPS.
(3) In July 2020, the Company repaid all outstanding amounts under the RCF.
(4) In July 2020, the Company issued $300 million aggregate principal amount of 5.75% exchangeable senior notes due 2025. The Company used the net proceeds to repurchase $289 million of the Company's 3.875% convertible senior notes due 2021.

IIIe. Capitalization - Structure



Notes:
(1) In July 2020, the Company issued $300 million aggregate principal amount of 5.75% exchangeable senior notes due 2025. The Company used the net proceeds to repurchase $289 million of the Company's 3.875% convertible senior notes due 2021.

IVa. Digital - Overview and Summary Metrics

Digital Portfolio Overview

($ in thousands, as of June 30, 2020, unless otherwise noted)	**Consolidated amount**	**CLNY OP share of consolidated amount**
Digital Investment Management[1]		
Third-party AUM ($ in millions)		$ 21,015
FEEUM ($ in millions)		7,743
Q2 2020 fee related earnings (FRE)[2]		9,307
Annualized Q2 2020 FRE		37,228
Digital Balance Sheet		
GP co-investments[1] and DataBank - net carrying value	1,142,740	340,875
DataBank - Q2 2020 Adjusted EBITDA[3]	16,573	3,318
DataBank - annualized Q2 2020 Adjusted EBITDA	66,292	13,272

Notes:
(1) In July 2020, the Company closed on a strategic investment from Wafra of approximately $250 million for a 31.5% ownership stake in the Digital Investment Management business. Wafra also committed over $150 million to Digital Colony's current and future GP co-investments.
(2) For a reconciliation of net income/(loss) to FRE, please refer to the appendix to this presentation.
(3) For a reconciliation of net income/(loss) from continuing operations to Adjusted EBITDA, please refer to the appendix to this presentation.

IVb. Digital - Investment Management

Digital Third-party AUM & FEEUM

($ in millions, as of June 30, 2020, unless otherwise noted)	AUM CLNY OP Share	FEEUM CLNY OP Share	Fee Rate
Digital Colony Partners I	$ 5,665	$ 3,756	1.2%
Separately Capitalized Portfolio Companies	9,556	3,019	0.8%
Co-Investment (Sidecar) Capital	5,692	841	0.5%
Liquid Strategies	102	127	0.4%
Digital Investment Management Total	**$ 21,015**	**$ 7,743**	**1.0%**

FRE[(1)]

($ in thousands, unless otherwise noted)	Q2 2020
Fee income	$ 20,173
Other income	552
Compensation expense—cash	(9,208)
Administrative expenses	(2,210)
FRE Total	**$ 9,307**

Notes:
(1) For a reconciliation of net income/(loss) to FRE, please refer to the appendix to this presentation.

Portfolio Overview

($ in thousand, as of June 30, 2020, unless otherwise noted)	Consolidated amount	CLNY OP share of consolidated amount
Digital GP Co-investments		
CLNY's GP Co-investments in DCP I Investments ($250 million total commitment) and Other GP Co-investments - net carrying value[1]	$ 161,287	$ 144,388
DataBank		
Asset	1,496,460	299,591
Debt	515,007	103,104
Net carrying value	981,453	196,487
Digital Balance Sheet Investments - Total Net Carrying Value	**$ 1,142,740**	**$ 340,875**

DataBank Adjusted EBITDA[2]

($ in thousands, unless otherwise noted)	Consolidated amount	CLNY OP share of consolidated amount
Total revenues	$ 42,021	$ 8,413
Property operating expenses	(18,055)	(3,615)
Compensation and administrative expenses	(10,464)	(2,095)
Transaction, investment and servicing costs	(576)	(115)
EBITDAre:	**12,926**	**2,588**
Straight-line rent expenses and amortization of above- and below-market lease intangibles	3,055	612
Amortization of leasing costs	(1,218)	(244)
Compensation expense—equity-based	296	59
Installation services	493	99
Restructuring & integration costs	445	89
Transaction, investment and servicing costs	576	115
Adjusted EBITDA:	**$ 16,573**	**$ 3,318**

DataBank Operating Metrics

($ in millions, unless otherwise noted)	Q2 2020	Q2 2019
Number of Data Centers	20	17
Total Capacity (RSF - raised sq. ft.)	563,637	454,490
Sellable RSF	456,649	359,126
Occupied RSF	316,697	258,489
% Utilization Rate	69.4%	72.0%
MRR (Annualized)	$ 171.4	$ 139.9
Bookings (Annualized)	$ 6.6	$ 6.6
Quarterly Churn (% of Prior Quarter MRR)	1.8%	1.9%

Notes:
(1) Net of $96 million of derivative liability.
(2) For a reconciliation of net income/(loss) from continuing operations to adjusted EBITDA, please refer to the appendix to this presentation.

Va. Healthcare Real Estate - Summary Metrics and Operating Results

($ in thousands; as of or for the three months ended June 30, 2020, unless otherwise noted)

Net operating income	Consolidated amount	CLNY OP share of consolidated amount
Net operating income:		
Senior Housing - Operating	$ 8,987	$ 6,292
Medical Office Buildings	13,368	9,309
Triple-Net Lease:		
Senior Housing[1]	12,845	9,049
Skilled Nursing Facilities	22,572	16,338
Hospitals	2,014	1,402
Total net operating income	$ 59,786	$ 42,390

Portfolio overview	Total number of properties	Capacity	% Occupied[2]	TTM Lease Coverage[3]	WA Remaining Lease Term
Senior Housing - Operating	89	6,898 units	79.3%	N/A	N/A
Medical Office Buildings	106	3.8 million sq. ft.	83.4%	N/A	4.5
Triple-Net Lease:					
Senior Housing	65	3,529 units	83.5%	1.4x	11.9
Skilled Nursing Facilities	88	10,458 beds	82.5%	1.3x	5.3
Hospitals	9	456 beds	66.9%	1.9x	9.9
Total	**357**				

Same store financial/operating results related to the segment

	% Occupied[2]		TTM Lease Coverage[3]		NOI		
	Q2 2020	Q2 2019	3/31/2020	3/31/2019	Q2 2020	Q2 2019	% Change
Senior Housing - Operating	79.3%	83.1%	N/A	N/A	$ 8,987	$ 16,469	(45.4)%
Medical Office Buildings	83.4%	82.3%	N/A	N/A	13,368	13,471	(0.8)%
Triple-Net Lease:							
Senior Housing	83.5%	84.7%	1.4x	1.3x	12,845	14,483	(11.3)%
Skilled Nursing Facilities	82.5%	82.9%	1.2x	1.2x	22,572	24,051	(6.1)%
Hospitals	66.9%	65.9%	1.9x	1.4x	2,014	2,624	(23.2)%
Total					**$ 59,786**	**$ 71,098**	**(15.9)%**

Notes:
(1) NOI includes $1.1 million consolidated or $0.7 million CLNY OP share of interest earned related to $49 million consolidated or $34 million CLNY OP share carrying value of healthcare real estate loans. This interest income is in the Interest Income line item on the Company's Statement of Operations. For a reconciliation of net income/(loss) attributable to common stockholders to NOI, please refer to the appendix to this presentation.
(2) Occupancy % for Senior Housing - Operating represents average of the presented quarter, MOB's is as of last day in the quarter and Triple-Net Lease represents average of the prior quarter. Occupancy represents real estate property operator's patient occupancy for all types except MOB.
(3) Represents the ratio of the tenant's/operator's EBITDAR to cash rent payable to the Company's Healthcare Real Estate segment on a trailing twelve month basis and as of the prior quarter due to timing of data availability from tenant/operators. Refer to Important Notes Regarding Non-GAAP Financial Measures and Definitions pages in this presentation for additional information regarding the use of tenant/operator EBITDAR.

Vb. Healthcare Real Estate - Portfolio Overview

(As of or for the three months ended June 30, 2020, unless otherwise noted)

Triple-Net Lease Coverage[(1)]

		% of Triple-Net Lease TTM NOI as of March 31, 2020			
TTM Lease Coverage	**# of Leases**	**Senior Housing**	**Skilled Nursing Facilities & Hospitals**	**% Triple-Net Lease NOI**	**WA Remaining Lease Term**
Less than 0.99x	4	5%	10%	15%	5 yrs
1.00x - 1.09x	1	—%	11%	11%	7 yrs
1.10x - 1.19x	2	—%	21%	21%	6 yrs
1.20x - 1.29x	2	—%	4%	4%	5 yrs
1.30x - 1.39x	1	—%	2%	2%	9 yrs
1.40x - 1.49x	1	27%	—%	27%	14 yrs
1.50x and greater	4	2%	18%	20%	4 yrs
Total / W.A.	**15**	**34%**	**66%**	**100%**	**8 yrs**

Revenue Mix[(2)]

	March 31, 2020 TTM		
	Private Pay	**Medicare**	**Medicaid**
Senior Housing - Operating	87%	3%	10%
Medical Office Buildings	100%	—%	—%
Triple-Net Lease:			
Senior Housing	54%	6%	40%
Skilled Nursing Facilities	27%	21%	52%
Hospitals	28%	63%	9%
W.A.	**58%**	**12%**	**30%**

Notes:

(1) Represents the ratio of the tenant's/operator's EBITDAR to cash rent payable to the Company's Healthcare Real Estate segment on a trailing twelve month basis and due to timing of availability of data tenants/operators provide information from prior quarter. Refer to Important Notes Regarding Non-GAAP Financial Measures and Definitions pages in this presentation for additional information regarding the use of tenant/operator EBITDAR. Represents leases with EBITDAR coverage in each listed range. Excludes interest income associated with triple-net lease senior housing and hospital types. Caring Homes (U.K.) lease (EBITDAR) coverage includes additional collateral provided by the operator.

(2) Revenue mix represents percentage of revenues derived from private, Medicare and Medicaid payor sources and as of the prior quarter due to timing of data availability from tenant/operators. The payor source percentages for the hospital category excludes two operating partners, who do not track or report payor source data and totals approximately one-third of NOI in the hospital category. Overall percentages are weighted by NOI exposure in each category.

Vb. Healthcare Real Estate - Portfolio Overview (cont'd)

($ in thousands; as of or for the three months ended June 30, 2020, unless otherwise noted)

Top 10 Geographic Locations by NOI

	Number of properties	NOI
United Kingdom	46	$ 10,125
Indiana	55	7,352
Florida	25	6,516
Illinois	35	5,251
Pennsylvania	8	5,019
Georgia	21	4,302
Oregon	31	4,143
Ohio	14	3,354
Colorado	8	2,051
Texas	29	2,010
Total	**272**	**$ 50,123**

Top 10 Operators/Tenants by NOI

	Property Type/Primary Segment	Number of properties	NOI	% Occupied	TTM Lease Coverage	WA Remaining Lease Term
Caring Homes (U.K.)[(1)]	Sr. Housing / NNN	46	$ 10,125	83.5%	1.5x	14 yrs
Senior Lifestyle	Sr. Housing / RIDEA	66	6,758	78.7%	N/A	N/A
Sentosa	SNF / NNN	8	5,019	84.0%	1.2x	8 yrs
Millers	SNF / NNN	28	3,990	69.0%	1.9x	N/A
Wellington Healthcare	SNF / NNN	10	3,935	90.0%	1.0x	7 yrs
Frontier	Sr. Housing / RIDEA / NNN	20	3,241	86.1%	N/A	N/A
Opis	SNF / NNN	11	2,950	90.0%	1.2x	4 yrs
Consulate	SNF / NNN	10	2,623	89.1%	0.9x	8 yrs
WW Healthcare	SNF / NNN	5	1,293	78.6%	1.3x	5 yrs
Regency Pacific	SNF / NNN	14	1,161	76.8%	1.1x	9 yrs
Total		**218**	**$ 41,095**			

Notes:
(1) Caring Homes (U.K.) lease (EBITDAR) coverage includes additional collateral provided by the operator.

VIa. Hospitality Real Estate - Summary Metrics and Operating Results

($ in thousands; as of or for the three months ended June 30, 2020, unless otherwise noted)

NOI before FF&E Reserve	**Consolidated amount**	**CLNY OP share of consolidated amount**
NOI before FF&E Reserve:		
Select Service	$ (9,792)	$ (9,345)
Extended Stay	4,691	4,398
Full Service	(1,505)	(1,484)
Total NOI before FF&E Reserve[1]	$ (6,606)	$ (6,431)

Portfolio overview by type

	Number of hotels	**Number of rooms**	**Avg. qtr. % occupancy**	**Avg. daily rate (ADR)**	**RevPAR**	**NOI before FF&E Reserve**	**NOI before FF&E Reserve margin**
Select service	87	11,737	21.7%	$ 88	$ 19	$ (9,792)	(44.3)%
Extended stay	66	7,936	44.7%	97	43	4,691	14.4 %
Full service	4	966	13.3%	167	22	(1,505)	(59.4)%
Total / W.A.	**157**	**20,639**	**30.2%**	**$ 95**	**$ 29**	**$ (6,606)**	**(11.6)%**

Same store financial/operating results related to the segment by brand

	Avg. qtr. % occupancy		**Avg. daily rate (ADR)**		**RevPAR**		**NOI before FF&E Reserve**		
Brand	**Q2 2020**	**Q2 2019**	**Q2 2020**	**Q2 2019**	**Q2 2020**	**Q2 2019**	**Q2 2020**	**Q2 2019**	**% Change**
Marriott	28.2%	77.9%	$ 96	$ 133	$ 27	$ 104	$ (6,807)	$ 61,153	(111.1)%
Hilton	34.6%	82.4%	93	135	32	112	(249)	13,848	(101.8)%
Other	45.1%	87.4%	92	141	41	123	450	4,515	(90.0)%
Total / W.A.	**30.2%**	**79.2%**	**$ 95**	**$ 134**	**$ 29**	**$ 106**	**$ (6,606)**	**$ 79,516**	**(108.3)%**

($ in millions)	2020		
	April	May	June
Occupancy	22%	30%	39%
RevPAR (in dollars)	20	27	39
NOI before FF&E	(6.3)	(1.3)	1.0

Notes:
(1) Q2 2020 FF&E reserve was $1.9 million consolidated or $1.8 million CLNY OP share. For a reconciliation of net income/(loss) attributable to common stockholders to NOI please refer to the appendix to this presentation.

VIb. Hospitality Real Estate - Portfolio Overview

($ in thousands; as of June 30, 2020, unless otherwise noted)

Top 10 Geographic Locations by Revenue	**Number of hotels**	**Number of rooms**	**Number of rooms-select service**	**Number of rooms-extended stay**	**Number of rooms-full service**	**Revenue**
Texas	26	2,939	1,661	1,278	—	$ 7,945
California	18	2,254	1,243	1,011	—	7,371
Florida	12	2,066	1,188	291	587	7,219
New Jersey	12	1,884	718	942	224	4,345
New York	8	1,010	710	300	—	3,063
Washington	5	664	160	504	—	2,753
New Hampshire	6	662	339	323	—	2,707
Virginia	9	1,183	920	263	—	2,401
Louisiana	3	340	225	115	—	1,939
North Carolina	7	981	831	150	—	1,833
Total / W.A.	**106**	**13,983**	**7,995**	**5,177**	**811**	**$ 41,576**

VII. CLNC

($ in thousands, except as noted and per share data; as of June 30, 2020, unless otherwise noted)	Consolidated amount	CLNY OP share of consolidated amount
Colony Credit Real Estate, Inc. (NYSE: CLNC)		
CLNY OP interest in CLNC as of August 4, 2020	36.4%	36.4%
CLNC shares beneficially owned by OP and common stockholders	48.0 million	48.0 million
Net carrying value - CLNC	$ 336,513	$ 336,513

VIIIa. Other Investment Management - Summary Metrics

($ in thousands, except as noted; as of June 30, 2020)

Fee Revenue		**CLNY OP Share**
Institutional funds	$	11,708
Colony Credit Real Estate (NYSE:CLNC)		7,223
Retail companies		4,431
Non-wholly owned REIM platforms (equity method earnings)		(1,725)
Total reported fee revenue and REIM platform equity method earnings	**$**	**21,637**
Operating Results		
Revenues		
Total fee revenue and REIM earnings of investments in unconsolidated ventures	$	21,637
Interest Income and Other Income		6,831
Expenses		
Investment and servicing expense		41
Depreciation and amortization		2,477
Impairment loss		515,000
Compensation expense		
Cash and equity-based compensation		13,191
Carried interest and incentive compensation(1)		(1,162)
Administrative expenses		1,697
Total expenses		531,244
Other gain (loss), net		55
Equity method earnings		29
Equity method earnings—carried interest(1)		(2,324)
Income tax benefit (expense)		8,697
Income (loss) from discontinued operations		361
Net loss attributable to common interests in OP and common stockholders		**(495,958)**
Real estate depreciation and amortization		68
(Gains) and losses from sales of businesses and impairment write-downs associated with the Investment Management segment		515,698
Equity-based compensation expense		1,944
Amortization of deferred financing costs and debt premiums and discounts		1
Unrealized fair value losses on interest rate and foreign currency hedges, and foreign currency remeasurements		(9)
Restructuring and merger integration costs		323
Amortization and impairment of investment management intangibles		2,471
Non-real estate fixed asset depreciation, amortization and impairment		7
Tax effect of Core FFO adjustments, net		(472)
Core FFO	**$**	**24,073**

Notes:
(1) Net income and Core FFO included the reversal of net unrealized carried interest income as a result of fair value decreases in certain of the Company's managed investments.

VIIIb. Other Investment Management – Assets Under Management

($ in millions, except as noted; as of June 30, 2020, unless otherwise noted)

Segment	Products	Description	AUM CLNY OP Share	FEEUM CLNY OP Share	Fee Rate
Other Institutional Funds	• Credit • Opportunistic • Other co-investment vehicles	• 27 years of institutional investment management experience • Sponsorship of private equity funds and vehicles earning asset management fees and performance fees • More than 300 investor relationships	8,460	5,612	.8%
Public Company	• Colony Credit Real Estate, Inc.	• NYSE-listed credit focused REIT • Contract with base management fees with potential for incentive fees	3,003	1,721	1.5%
Retail Companies	• NorthStar Healthcare Income	• Manage public non-traded vehicles earning asset management and performance fees	3,399	1,182 (1)	1.5%
Total			**$ 14,862**	**$ 8,515**	

Notes:
(1) FEEUM of NorthStar Healthcare Income represents its most recently published Net Asset Value.

IX. Other Equity and Debt

					CLNY OP Share Depreciated Carrying Value 6/30/2020		
($ in millions)							
Investment	**Investment Type**	**Property Type**	**Geography**	**CLNY Ownership %(1)**	**Assets**	**Equity**	**% of Total Equity**
Tolka Irish NPL Portfolio	Non-Performing First Mortgage Loans	Primarily Office	Ireland	100%	$ 356.2	$ 135.9	11%
Cortland Multifamily Preferred Equity	Preferred Equity	Multifamily	Primarily SouthEast US	100%	130.2	130.2	10%
THL Hotel Portfolio	Real Estate Equity	Hospitality	Nationwide	55%	569.1	104.6	8%
Bulk Industrial Portfolio	Real Estate Equity	Industrial	Nationwide	51%	188.7	68.9	5%
Ronan CRE Portfolio Loan	Mezzanine Loan	Office, Residential, Mixed-Use	Ireland / France	50%	66.1	66.1	5%
Origination DrillCo Joint Venture	Oil & Gas Well Development Financing	Oil & Gas	East Texas	100%	57.2	57.2	4%
AccorInvest	Real Estate Equity	Hospitality	Primarily Europe	1%	54.9	54.9	4%
McKillin Portfolio Loan	Debt Financing	Office and Personal Guarantee	Primarily US and UK	96%	44.3	44.3	3%
Dublin Docklands	Senior Loan with Profit Participation	Office & Residential	Ireland	15%	44.1	44.1	3%
France & Spain CRE Portfolio	Real Estate Equity	Primarily Office & Hospitality	France & Spain	33%	132.3	42.4	3%
Spencer Dock Loan	Mezzanine Loan with Profit Participation	Office, Hospitality & Residential	Ireland	20%	42.4	42.4	3%
CRC DrillCo Joint Venture	Oil & Gas Well Development Financing	Oil & Gas	California	25%	34.5	34.5	3%
Albertsons	Equity	Grocery Stores	Nationwide	n/a	33.5	33.5	3%
Remaining OED (>45 Investments)	Various	Various	Various	Various	655.4	415.2	33%
Total Other Equity and Debt					**$ 2,408.9**	**$ 1,274.2**	**100%**

(1) For % ownership represents CLNY OP's share of the entire investment accounting for all non-controlling interests including interests managed by the Company and other third parties.

IX. Other Equity and Debt

($ in millions)

Investment	CLNY Ownership %[1]	CLNY OP Share Depreciated Carrying Value 6/30/2020 Assets	Equity	% of Total Equity	Description
Tolka Irish NPL Portfolio	100%	$ 356.2	$ 135.9	11%	NPL portfolio backed by nine assets primarily composed of high quality office buildings in prime Irish locations in Greater Dublin.
Cortland Multifamily Preferred Equity	100%	130.2	130.2	10%	14% preferred equity to a multifamily owner and operator with over 60,000 multifamily units primarily located in the Sunbelt markets.
THL Hotel Portfolio	55%	569.1	104.6	8%	Portfolio of 89 primarily extended-stay and select-service hotels with $843mm of debt that is non-recourse to CLNY; currently pursuing modification with lenders and servicer, but no assurances can be made that a successful medication will be executed.
Bulk Industrial Portfolio	51%	188.7	68.9	5%	Portfolio of industrial assets, consisting of six buildings totaling 4,182,526 square feet in five industrial markets in the United States.
Ronan CRE Portfolio Loan	50%	66.1	66.1	5%	EUR 93.8M junior loan with a 14% return (partial PIK) and maturity in Jan-22 collateralized by a portfolio of 12 income-producing office assets and 5 residential and mixed-use development sites primarily in Ireland.
Origination DrillCo Joint Venture	100%	57.2	57.2	4%	8 producing oil & gas wells in east Texas, in which Colony receives a majority of the cash flows until Colony receives an agreed upon return at which point its share will decrease to a minority of the cash flows. Going forward, the Company does not anticipate funding material capital.
AccorInvest	1%	54.9	54.9	4%	Ownership of a diversified portfolio of approximately 900 hotels located primarily in Europe and mostly within the economy and midscale segments managed by AccorHotels. The Company's position sits alongside EUR 770M of third-party capital managed by the Company, which combine to own approximately 22% of AccorInvest.
McKillin Portfolio Loan	96%	44.3	44.3	3%	GBP 49M note secured by (i) pledge of borrower's equity interest in a Boston office tower, (ii) other commercial real estate collateral and (iii) borrower's personal guarantee, which is capped in amount.
Dublin Docklands	15%	44.1	44.1	3%	EUR 230M acquisition and pre-development financing with 70% profit participation on a prime waterfront freehold site in Dublin's Docklands (1.86ha) with planning permission for a mixed used development comprising 4 properties (2 residential and 2 office blocks). Enabling works are underway for site preparation.
France & Spain CRE Portfolio	33%	132.3	42.4	3%	Portfolio initially constituted by 34 office and hotel assets, of which 32 office properties were located in France (representing 60% of the portfolio) and 2 hotels in Spain (representing 40% of the portfolio).

IX. Other Equity and Debt

		CLNY OP Share Depreciated Carrying Value 6/30/2020			
($ in millions)					
Investment	**CLNY Ownership %(1)**	**Assets**	**Equity**	**% of Total Equity**	**Description**
Spencer Dock Loan	20%	42.4	42.4	3%	EUR 222.6M whole loan (EUR 129.5M funded to date and EUR 93.1M in residual commitment) with 71% profit participation in a Dublin mixed-use development of more than 1M square feet. The South Site (accounting for 56.4% of total NIA) is entirely pre let to SalesForce and Dalata, while the North Site (accounting for 43.6% of total NIA) is attracting significant interest for a potential forward funding scheme.
CRC DrillCo Joint Venture	25%	34.5	34.5	3%	Bankruptcy remote interest in ~175 producing oil & gas wells in California operated by California Resources Corp, through Alpine Energy Capital, in which Alpine receives a majority of the cash flows until Colony receives an agreed upon return at which point its share will decrease to a minority of the cash flows. Going forward, the Company does not anticipate funding material capital.
Albertsons	n/a	33.5	33.5	3%	
Remaining OED (>45 Investments)	Various	655.4	415.2	33%	
Total Other Equity and Debt		**$ 2,408.9**	**$ 1,274.2**	**100%**	

(1) For % ownership represents CLNY OP's share of the entire investment accounting for all non-controlling interests including interests managed by the Company and other third parties.

X. Total Company Assets Under Management

($ in millions)	CLNY OP Share					
Segment		6/30/20	% of Grand Total		6/30/19	% of Grand Total
Digital balance sheet[1]	$	540	1.2%	$	56	.2%
Digital investment management		21,016	46.0%		1,880	5.3%
Digital AUM	**$**	**21,556**	**47.2%**	**$**	**1,936**	**5.5%**
Healthcare		2,691	5.9%		3,917	11.1%
Hospitality		2,468	5.4%		3,907	11.0%
CLNC[3]		1,722	3.8%		2,154	6.1%
Other Equity and Debt[1][2]		2,409	5.3%		3,207	9.1%
Industrial[2]		—	—%		1,465	4.1%
Legacy balance sheet AUM		**9,290**	**20.3%**		**14,650**	**41.4%**
CLNC[4]		3,003	6.6%		3,707	10.5%
Legacy Institutional		8,460	18.5%		10,170	28.7%
Retail Companies		3,399	7.4%		3,446	9.7%
NRE		—	—%		1,494	4.2%
Other Investment Management AUM		**14,862**	**32.5%**		**18,817**	**53.2%**
Grand Total AUM	**$**	**45,708**	**100.0%**	**$**	**35,403**	**100.0%**

Notes:
(1) For purposes of comparison period over period, June 30, 2019 Digital balance sheet AUM includes $56 million of digital assets which were previously classified under Other Equity and Debt.
(2) For purposes of comparison period over period, June 30, 2019 Other Equity and Debt includes $190 million of bulk industrial assets which were previously classified under Industrial.
(3) Represents the Company's 36% ownership share of CLNC's total pro-rata share of assets of $4.7 billion as of June 30, 2020 and $5.8 billion as of June 30, 2019.
(4) Represents third-party 64% ownership share of CLNC's total pro-rata share of assets of $4.7 billion as of June 30, 2020 and $5.8 billion as of June 30, 2019.

APPENDICES

XIa. Appendices - Definitions

Assets Under Management (“AUM”)
Assets owned by the Company’s balance sheet and assets for which the Company and its affiliates provide investment management services, including assets for which the Company may or may not charge management fees and/or performance allocations. Balance sheet AUM is based on the undepreciated carrying value of digital investments and the impaired carrying value of non-digital investments as of the report date. Investment management AUM is based on the cost basis of managed investments as reported by each underlying vehicle as of the report date. AUM further includes uncalled capital commitments, but excludes CLNY OP’s share of non wholly-owned real estate investment management platform’s AUM. The Company's calculations of AUM may differ from the calculations of other asset managers, and as a result, this measure may not be comparable to similar measures presented by other asset managers.

Contracted Revenue Growth (“Bookings”)
The Company defines Bookings as either (1) a new data center customer contract for new or additional services over and above any services already being provided by DataBank as well as (2) an increase in contracted rates on the same services when a contract renews. In both instances a booking is considered to be generated when a new contract is signed with the recognition of new revenue to occur when the new contract begins billing.

Churn
The Company calculates Churn as the percentage of MRR lost during the period divided by the prior period’s MRR. Churn is intended to represent data center customer contracts which are terminated during the period, not renewed or are renewed at a lower rate.

CLNY Operating Partnership (“CLNY OP”)
The operating partnership through which the Company conducts all of its activities and holds substantially all of its assets and liabilities. CLNY OP share excludes noncontrolling interests in investment entities.

Fee-Earning Equity Under Management (“FEEUM”)
Equity for which the Company and its affiliates provides investment management services and derives management fees and/or performance allocations. FEEUM generally represents the basis used to derive fees, which may be based on invested equity, stockholders’ equity, or fair value pursuant to the terms of each underlying investment management agreement. The Company's calculations of FEEUM may differ materially from the calculations of other asset managers, and as a result, this measure may not be comparable to similar measures presented by other asset managers.

Healthcare same store portfolio: defined as properties in operation throughout the full periods presented under the comparison and included 357 properties in the comparisons. Properties acquired or disposed during these periods are excluded for the same store portfolio.

Hospitality same store portfolio: defined as hotels in operation throughout the full periods presented under the comparison and included 157 hotels.

Monthly Recurring Revenue (“MRR”)
The Company defines MRR as revenue from ongoing services that is generally fixed in price and contracted for longer than 30 days.

NOI: Net Operating Income. NOI for the Company's real estate segments represents total property and related income less property operating expenses, adjusted for the effects of (i) straight-line rental income adjustments; (ii) amortization of acquired above- and below-market lease adjustments to rental income; and (iii) other items such as adjustments for the Company’s share of NOI of unconsolidated ventures.

NOI before FF&E Reserve: For our hospitality real estate segment, NOI before FF&E Reserve represents NOI before the deduction of reserve contributions for the repair, replacement and refurbishment of furniture, fixtures, and equipment ("FF&E"), which are typically 4% to 5% of revenues, and required under certain debt agreements and/or franchise and brand-managed hotel agreements.

XIa. Appendices - Definitions

Earnings Before Interest, Tax, Depreciation, Amortization and Rent ("EBITDAR")
Represents earnings before interest, taxes, depreciation, amortization and rent for facilities accruing to the tenant/operator of the property (not the Company) for the period presented. The Company uses EBITDAR in determining TTM Lease Coverage for triple-net lease properties in its Healthcare Real Estate segment. EBITDAR has limitations as an analytical tool. EBITDAR does not reflect historical cash expenditures or future cash requirements for facility capital expenditures or contractual commitments. In addition, EBITDAR does not represent a property's net income or cash flow from operations and should not be considered an alternative to those indicators. The Company utilizes EBITDAR as a supplemental measure of the ability of the Company's operators/tenants to generate sufficient liquidity to meet related obligations to the Company.

TTM Lease Coverage
Represents the ratio of EBITDAR to recognized cash rent for owned facilities on a trailing twelve month basis. TTM Lease Coverage is a supplemental measure of a tenant's/operator's ability to meet their cash rent obligations to the Company. However, its usefulness is limited by, among other things, the same factors that limit the usefulness of EBITDAR.

ADR: Average Daily Rate

RevPAR: Revenue per Available Room

UPB: Unpaid Principal Balance

REIM: Real Estate Investment Management

XIb. Appendices - Reconciliation of Net Income (Loss) to NOI

($ in thousands; for the three months ended June 30, 2020)

NOI Determined as Follows

	Healthcare	Hospitality
Total revenues	$ 142,680	$ 57,143
Straight-line rent revenue and amortization of above- and below-market lease intangibles	(8,071)	(16)
Interest income	(71)	—
Property operating expenses[1]	(74,752)	(63,733)
NOI[2]	$ 59,786	$ (6,606)

Reconciliation of Net Income (Loss) from Continuing Operations to NOI

	Healthcare	Hospitality
Income (loss)	$ (680,140)	$ (741,621)
Adjustments:		
Straight-line rent revenue and amortization of above- and below-market lease intangibles	(8,071)	(16)
Interest income	(71)	—
Interest expense	34,699	29,889
Transaction, investment and servicing costs	907	799
Depreciation and amortization	36,980	35,462
Impairment loss	661,255	660,751
Compensation and administrative expense	1,749	1,793
Other (gain) loss, net	342	(354)
Income tax (benefit) expense	12,136	6,691
NOI[2]	$ 59,786	$ (6,606)

Notes:

(1) For healthcare and hospitality, property operating expenses includes property management fees paid to third parties.

(2) For hospitality, NOI is before FF&E Reserve.

XIc. Appendices - Reconciliation of Net Income (Loss) to Digital investment management FRE and DataBank Adjusted EBITDA

($ in thousands; for the three months ended June 30, 2020)

Digital Investment Management FRE Determined as Follows

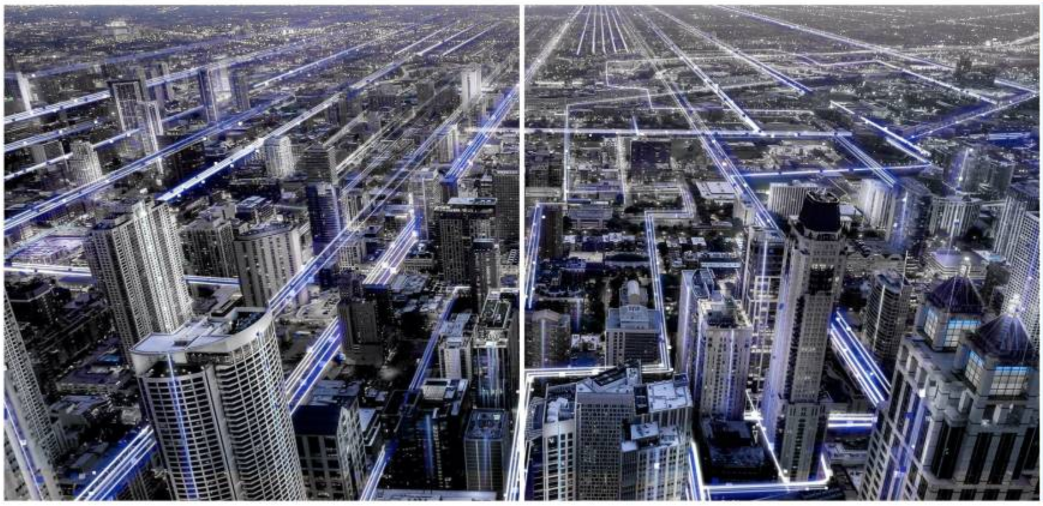
Digital Investment Management	$	1,880
Digital Balance Sheet (DataBank)		(21,142)
Digital Balance Sheet (ex-DataBank)		12,716
Net income (loss)		**(6,546)**
Digital Investment Management Net income (loss)		1,880
Adjustments:		
Interest income		(4)
Depreciation and amortization		6,604
Compensation expense—equity-based		682
Administrative expenses—straight-line rent		16
Equity method (earnings) losses		(157)
Other (gain) loss, net		8
Income tax (benefit) expense		278
FRE	**$**	**9,307**

DataBank Adjusted EBITDA Determined as Follows

Net income (loss) from continuing operations	$	(21,142)
Adjustments:		
Interest expense		8,170
Income tax (benefit) expense		(2,673)
Depreciation and amortization		28,571
EBITDAre:		**12,926**
Straight-line rent expenses and amortization of above- and below-market lease intangibles		3,055
Amortization of leasing costs		(1,218)
Compensation expense—equity-based		296
Installation services		493
Restructuring & integration costs		445
Transaction, investment and servicing costs		576
Adjusted EBITDA:	**$**	**16,573**

Q2 2020 EARNINGS PRESENTATION

August 7, 2020



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This presentation may contain forward-looking statements within the meaning of the federal securities laws. Forward-looking statements relate to expectations, beliefs, projections, future plans and strategies, anticipated events or trends and similar express
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negative of these words and phrases or similar words or phrases which are predictions of or indicate future events or trends and which do not relate solely to historical matters. You can also identify forward-looking statements by discussions of strategy, plans o

Forward-looking statements involve known and unknown risks, uncertainties, assumptions and contingencies, many of which are beyond the control of Colony Capital, Inc. (the "Company" or "Colony Capital"), and may cause the Company's actual results to di
from those expressed in any forward-looking statement. Factors that might cause such a difference include, without limitation, the Company's ability to execute on its digital transformation in the manner and within the timeframe contemplated if at all, the
growth in the digital infrastructure market, the earnings profile for digital investments and the predictability of such earnings, the potential impact of COVID-19 on the Company's business and operations, including the ability to execute on or accelerate
initiatives related to its strategic pivot to digital real estate and infrastructure, whether the Company will achieve its projected deployment rate in digital infrastructure, whether the Company will realize the anticipated benefits of Wafra's strategic investment ir
digital investment management business, including whether the Wafra investment will become subject to redemption and the amount of commitments Wafra will make to the Company's digital investment products, whether the Company will realize the anti
of its investment in Vantage Data Centers, including the performance and stability of its portfolio, the impact of the Company's capital structure on the trading price of its stock, whether the Company's liquidity will be sufficient to fund growth in digital trar
Company's ability to monetize certain legacy assets, simplify its business and continue to grow its digital assets under management, whether balance sheet investments combined with investment management will result in anticipated benefits for the Company
the impact of management changes at Colony Credit Real Estate, Inc. (CLNC), whether the Company's operations of its non-digital business units will result in maximizing cash flows and value over time, including the impact of COVID-19 on such operations anc
impact of impairments, the mix of the Company's digital and legacy asset portfolios, the impact of changes to the Company's management or board of directors, employee and organizational structure, the Company's financial flexibility and liquidity, inclu
capacity under its revolving credit facility (including as a result of the impact of COVID-19), the use of sales proceeds and available liquidity, the performance of the Company's investment in CLNC (including as a result of the impact of COVID-19), the Com
minimize balance sheet commitments to its managed investment vehicles, the performance of the Company's investment in DataBank and whether the Company will continue to invest in edge/ colocation data center sector and support future growth oppor
potential add-on acquisitions and greenfield edge data center developments, and whether if consummated such additional investments and growth opportunities result in any of the benefits the Company anticipates or at all, rent escalators, whether the Co
investments will be accretive, the Company's ability to raise third party capital in new vehicles including through new strategies, whether the Company will continue to generate liquidity by additional sales of assets in its Other Equity and Debt segment (ot
related investments) within the timeframe, in the amounts targeted or at all, the Company's expected taxable income and net cash flows, excluding the contribution of gains, whether the Company will maintain or produce higher Core FFO per share (includ
gains and losses from sales of certain investments) in the coming quarters, or ever, the Company's fee earning equity under management (FEEUM) and its ability to continue growth at the current pace or at all, the Company's ability to pay or grow the divid
future, whether the Company will continue to pay preferred dividends, the Company's trading multiples, the ability to achieve targeted G&A savings including the impact of such savings of the Company's operations, the impact of any changes to the Company
agreements with NorthStar Healthcare Income, Inc. and CLNC and other managed investment vehicles, whether Colony Capital will be able to maintain its qualification as a REIT for U.S. federal income tax purposes, the timing of and ability to deploy available c
whether any redeployment of capital will generate higher total returns, the Company's ability to maintain inclusion and relative performance on the RMZ, Colony Capital's leverage, including the Company's ability to reduce debt and the timing and amour
under its credit facility, increased interest rates and operating costs, adverse economic or real estate developments in Colony Capital's markets, Colony Capital's failure to successfully operate or lease acquired properties, decreased rental rates, increased
failure to renew or replace expiring leases, increased costs of capital expenditures, defaults on or non-renewal of leases by tenants, the impact of economic conditions on the borrowers of Colony Capital's commercial real estate debt investments and the comm
loans underlying its commercial mortgage backed securities, adverse general and local economic conditions, an unfavorable capital market environment, decreased leasing activity or lease renewals, and other risks and uncertainties, including those detailed ir
Annual Report on Form 10-K for the fiscal year ended December 31, 2019 and Quarterly Report on Form 10-Q for the quarter ended March 31, 2020, under the heading "Risk Factors," as such factors may be updated from time to time in our subsequent periodi
U.S. Securities and Exchange Commission ("SEC").

All forward-looking statements reflect Colony Capital's good faith beliefs, assumptions and expectations, but they are not guarantees of future performance. Additional information about these and other factors can be found in Colony Capital's reports filed fr
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date of this presentation, nor to conform prior statements to actual results or revised expectations, and Colony Capital does not intend to do so.

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materially.

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Agenda

#	Section
1	Current State of Digital Infrastructure
2	Delivering On Our Commitments
3	Q2 Financial Results
4	Executing The Digital Playbook
5	Why Own CLNY Today
6	Q&A Session

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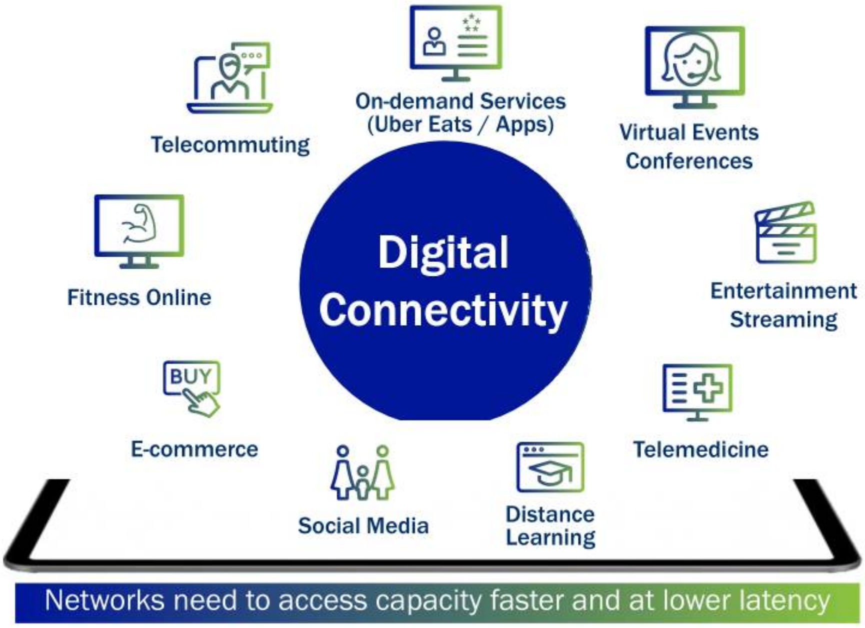
1 Current State Of Digital Infrastructure

Global Connectivity After COVID



- Our personal and professional li were already migrating to digital platforms…then COVID-19 hit
- Unprecedented demand for MO BETTER, FASTER connectivity
- Networks are being stressed like never before

+25%
AT&T in the U.S. vs their baseline network traffic
Source: AT&T; April 2020

+50%
Vodafone in Europ baseline network t
Source: The Guardian; Ma

Increased Demand For Digital Infrastructure

Infrastructure supply remains insufficient

Remote Access	E-Commerce	Entertainment & Fitness	Health & Wellness
			
5 billion Record Single Day Meeting Minutes in Microsoft Teams during Q2 [1]	**$89 billion** Amazon Q2 Revenue +40% Y/Y, up from 26% last qtr[2]	**15.8M** Netflix net additions in the 1st quarter of 2020 [3]	**+65%** Medical app downloads growth at the peak of COVID-19 compared to Jan. 2020 [4]

	Remote Access	E-Commerce	Entertainment & Fitness	Health & Wellness
Demand Drivers	Working from home, Remote-learning, Virtual self help	Produce / Groceries, Food Delivery, Logistics	On-demand media, Home Fitness, Social Media	Rural Access / mHealth, Remote monitoring, Day / Online Trading
Software Applications	Zoom and Teams, LinkedIn, WhatsApp, FaceTime	Instacart, Alibaba, Uber Eats, Amazon, Walmart	Mirror, Peloton (60-day wait for a bike), Netflix, Disney+, TikTok, Instagram	WebMD, Medici, Senior Care / Living, FinTech, Wealth Apps

- 5G digital infrastructu investment support increased demand
- COVID-19 acceleratec long-term industry tre

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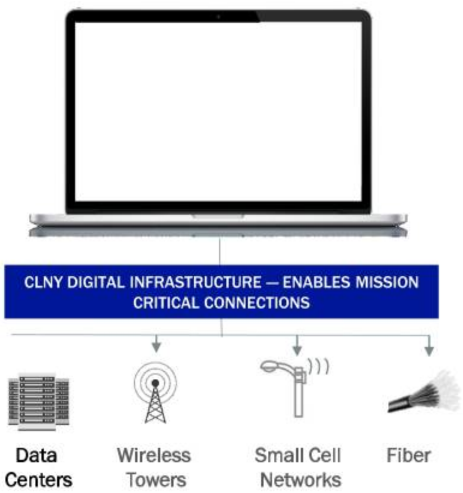
Sources: (1) MSFT earnings, 7/22/20; (2) AMZN earnings report, 7/30/20; (3) TechCrunch; 2020; (4) Hootsuite Digital Q3 Report; 2020

Network Demand Is Mission Critical

High capacity workloads require more bandwidth and digital infrastructure

- No more off-peak… companies must be online all the time
- Evolving demands require new architecture: new levels of orchestration and agility
- CLNY enables customer deployment of digital infrastructure



zoom

169% ↑

YoY Revenue $ Growth, Q1 2020

Source: CNBC; June 2020

WhatsApp

50M+

active users since th
start of the pandemi

Source: WSJ; July 2020

Microsoft

75M +

active users, Microsoft's Azure Wide Area Network added 110 Terabits of capacity and 12 new edge sites

Source: Microsoft; June 2020

Cisco webex

25B ↑

meeting minutes in
2020 – more than t
average volume

Source: Cisco; June 2020

Digital Infrastructure Total Addressable Market

Digital Colony's projected deployment of $2.5B per year represents 1% of Digital Infrastructure TAM

$241B

Digital Infrastructure Equity Activity ($378B total TAM)

(USD in billions)

39M New Rout Depl

87K New Built

133K New Cells

1.4K New & Co Abso

Source: RBC (05/2020), SMA (05/2020), Altman Vilandrie & Co. (05/2020), Digital Colony estimates (05/2020).
(1) New Fiber Route Miles Deployed is inclusive of metro route miles, subsea route miles and FTTH homes passed.

$1 Trillion Opportunity in Global Mobile Capex

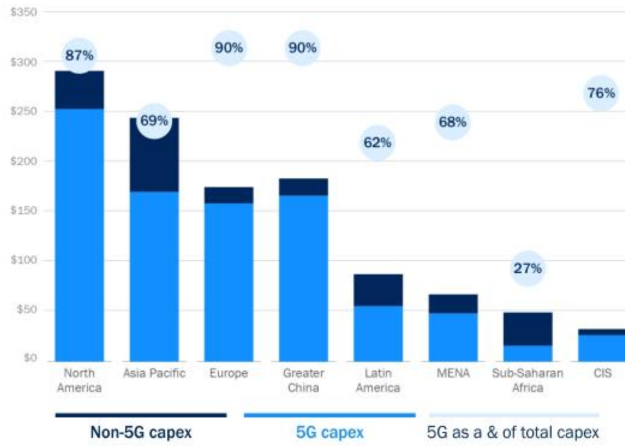
Without technology, "social distancing" would have meant isolation. Mobile is keeping us connected

Global Mobile Data Usage

Global mobile data usage expected to grow almost **4x** by 2025, driven by smartphone adoption and affordable high-speed network services

Global Mobile Capex

$1.1 trillion Global Mobile Capex is projected worldwide between and 2025, roughly 80% in 5G networks



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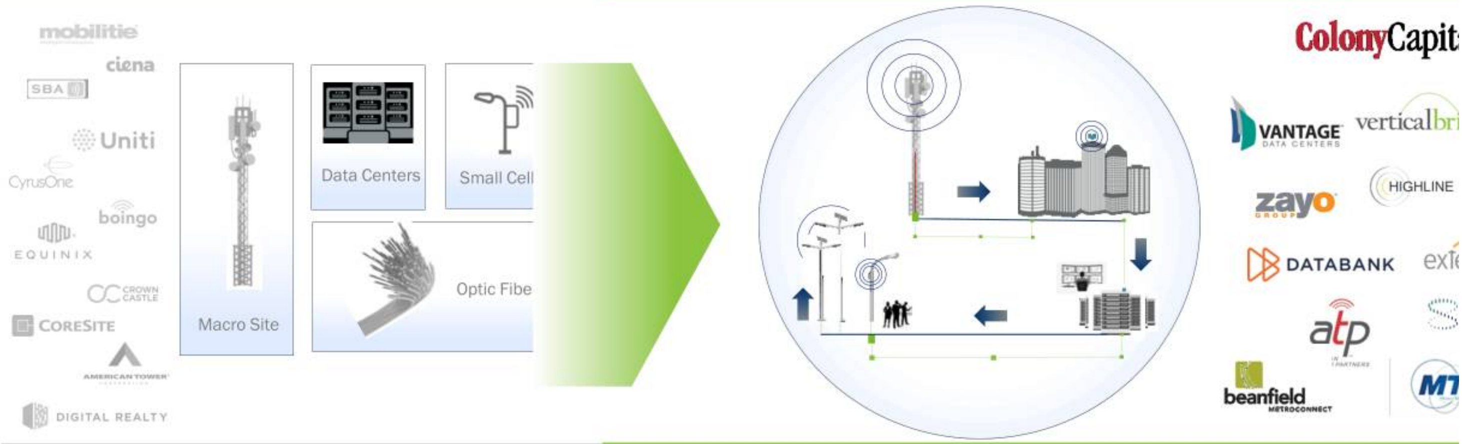
Source: *GSMA The Mobile Economy March 2020*

CLNY's Differentiated End-to-End Converged Vision for 5

Colony Capital is delivering customers the next-generation of mobile and internet connectivity solution

Traditional Siloed Digital Infrastructure Approach	Hyper-Converged Digital Architecture



Today's Infrastructure 3G and 4G: Coverage and Densification	Next Gen Networks 5G and Beyond: Performance, Speed, and ON DEMAND

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2 Delivering On Our Commitments

CLNY Q2 2020: Promises Made, Promises Kept

Addressed All Near-Term Corporate Debt Maturities and Enhanced Liquidity

- **$500M** revolver amendment; improved covenants and flexibility
- **$300M** of 5-year exchangeable notes; paydown and extend maturities

Committed Significant Capital Towards Digital Infrastructure Growth

- Deployed **nearly $20B** of capital towards 7 deals completed during COVID-19
- **$400M** strategic investment from Wafra into Digital Colony –capital to pursue strategic investments

Sharp Focus on Costs and Streamlining the Organization

- **$38M** G&A savings executed to date and expect to exceed original **$40M** plan
- Full gross **$50M** savings anticipated to be achieved by Q1 2021

Best in Class Team Driving Change — One Team, One Mission

- Improved company-wide communications with weekly meetings
- Additional capabilities: credit and investor relations
- Seasoned experience and depth — positioning CLNY for growth and success

Delivering on Digital Growth

- Promised **15%** F Growth in FY202 **YTD** exceeding expectations
- Digital fee reven increased **8%** Q
- Added premier a stabilized Vanta Centers portfoli of new FEEUM

Summary Business Update

Corporate	Credit Facility	**Amended to $500M**: 18 months of runway with flexibility to execute digital transformation
	Convertible Notes	**Issued $300M**: 5.75% with a 25% conversion premium and 5-year term used to address $403M Jan. 2021 convertible debt extending maturities
	Overall G&A	**Executed $38M savings / $40M plan**: Expect to be ahead of $40M G&A savings plan
	Common Dividend	Suspended until digital earnings drive positive taxable income
Business Units	Digital	**Secured ~$400M strategic investment**: Wafra IM and GP commitments **Deployed ~$200M in Valhalla**: Raised $1.0B of FEEUM 2nd Half of 2020: Continue to deploy balance of DCP I
	Hospitality	Continue negotiations with lenders and servicers on non-recourse hospitality debt held across seven siloed portfolios Rebounded from trough with June 2020 EBITDA positive
	Wellness Infrastructure	Maintained core FFO contributions Q/Q while continuing to work with properties to maintain high collections
	OED & Other	**$340M of YTD monetizations**: Continue to make progress 2nd Half 2020
	CLNC	**Stabilized base**: Enhanced financial flexibility by doubling liquidity to $525M while reducing recourse financing by over $600 2nd Half 2020: Continue to maximize / preserve cash flow and optimize portfolio and focus on offense

Colony's Capital Stack Has Responded

- Colony's decisive steps to stabilize liquidity have been recognized on the credit side
- Need to stabilize top of the stack to build foundation for future performance
- Common equity most levered to participate in exposure to digital infrastructure thematic

	March/April Trough	July 31, 2020	% Perfor Incre
2021 Convertible Notes	82	99	Back a
2023 Convertible Notes	75	92	+23
Colony Preferred Stock (Series I, $25 par)	$8.50	$19.76	+13
Colony Common Stock	$1.41	$1.92	+36

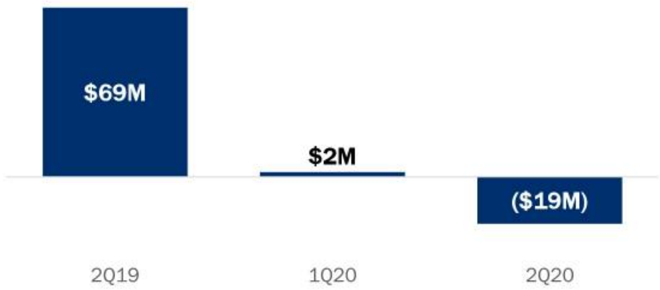
3 Q2 Financial Results

2nd Quarter Results

($ millions except per share & AUM)	2Q19	1Q20	2Q20	Y/Y%
Revenues	$573.4	$507.5	$372.4	-35.1
Core FFO (ex Gains/Loss)	$69.5	$2.3	($19.3)	nm
per share	*$0.13*	*$0.00*	*($0.04)*	*nm*
Net Income (CLNY Shareholder)	($468.9)	($361.6)	($2,042.8)	nm
per share	*($0.98)*	*($0.73)*	*($4.33)*	*nm*
AUM ($B)	$35.4	$49.9	$45.7	29.2
% Digital	*5.4%*	*41.3%*	*47.1%*	*nm*

Core FFO and Digital Core FFO

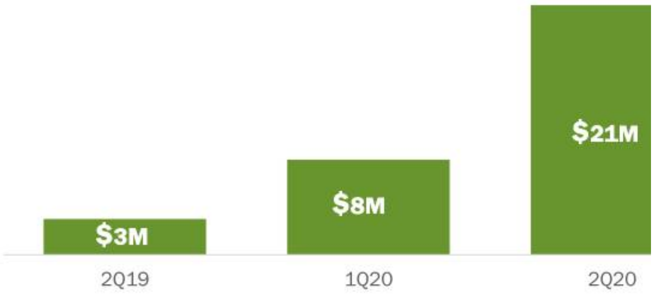
Total Core FFO (ex Gains / Loss)



Decline in total Core FFO driven nearly entirely by Hotels

- Digital contributed $21M of Core FFO in 2Q20
- Digital FRE + Databank Core FFO of $9M
- Hospitality positive NOI in June; Occupancy +17% from April trough

Digital Core FFO

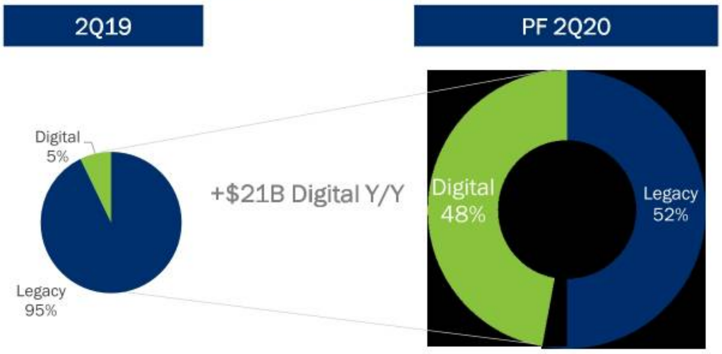


Digital Core FFO was $21M in 2Q20, +$18M Y/Y

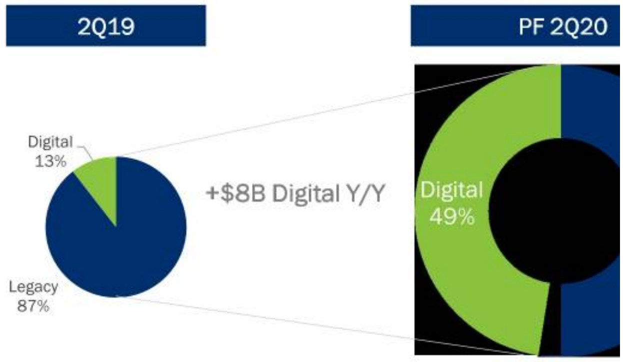
- $6M increase Y/Y from recurring Digital FRE and Databank
- Digital Funds (liquid funds and DCP fair value) +$12M Y/Y
- Digital % of AUM/FEEUM drives future FFO growth

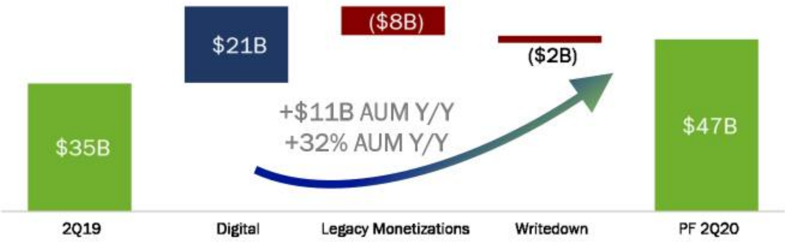
Rapid Expansion of Digital AUM and FEEUM

Assets Under Management (AUM)



Fee Earning Equity Under Management (FEEUM)





Digital now accounts for over 48% of AUM and FEEUM

- Digital IM valuation uplift >**2x** return Y/Y
- Digital FEEUM +22% YTD, exceeding prior guidance
- Robust M&A pipeline ahead (Towers, Data Centers)

Legacy Assets re-valued w/COVID & Digital Transformation

- ~$2.1B impairments taken in Q2 2020
- New leadership focused on digital growth

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Note: PF 2Q20 AUM ($47B) & FEEUM ($17B) are pro forma amounts for the Vantage Stabilized Data Center ("VDC") transaction, which closed in July 2020

Extending Maturities, Maximizing Liquidity

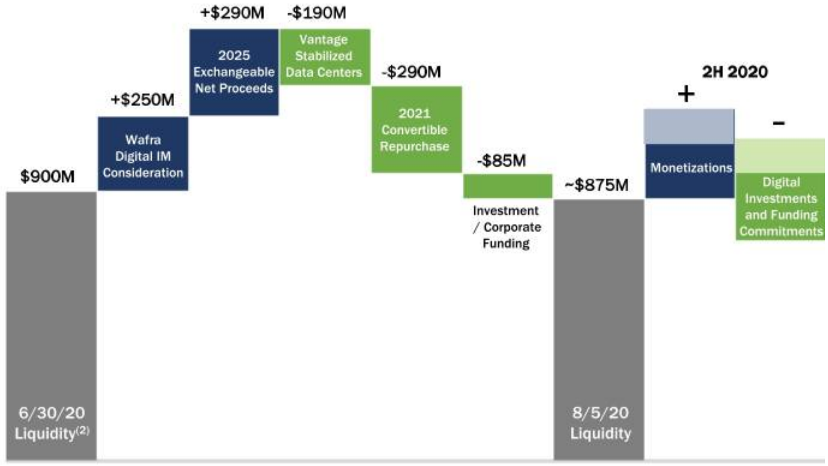
Next Corporate Debt Maturity 2023[1]

3.8 YEARS
Weighted Avg. Maturity

5.2%
Weighted Avg. Coupon

Significant Liquidity for Digital Transformation

Strategic investments, capital structure transactions and legacy monetizations have positioned the Company for long-term digital growth



(1) Pro forma for paydown of remaining outstanding 3.875% convertible notes balance of $113M; $400M of outstanding LOC balance paid down subsequent to 6/30/20; excludes amortization related to other corporate debt which is captured in the 2024+ maturity amount.

(2) Represents the Company's share of corporate cash, which is calculated as consolidated cash of $1099.5M as of 6/30/20 excluding $94.6M of cash from noncontrolling interest entities and $205M of the Company's share of cash at subsidiaries as of 6/30/20, plus undrawn availability of $100M as of 6/30/20 on the Company's $500M corporate revolver, which will decrease to $400M on 3/31/21 based on the terms of the revolver.

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4 Executing The Digital Playbook

Digital Transformation

Executing a strategic plan to rotate the balance sheet and recycle capital into digital infrastructure

Where We Were Legacy Colony	Where We Are Today Transitioning into Digital	Where We're Going Digital Infrastructure

Where We Were – Legacy Colony

Diversified REIT managing industrial, healthcare and hospitality holdings as well as embedded institutional and retail investment management business.

Six Legacy Segments:

- Healthcare Real Estate
- Industrial Real Estate
- Hospitality Real Estate
- Colony Credit Real Estate
- Other Equity and Debt
- Investment Management

Where We Are Today – Transitioning into Digital

STRATEGIC RATIONALE

- Align Colony With Key Secular Trends
- Simplification
- Predictable Digital Earnings
- Attractive Returns On Invested Capital

Where We're Going – Digital Infrastructure

Enabling Mobile and Interne
Connectivity

- Towers
- Data Cent
- Fiber
- Small Cell
- Digital

Digital Equity

Digital Cre

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Executing on Our Strategy

Seven proprietary, transformative deals deploying nearly **$20 billion**, closing six financings accessing **$12 billion** in credit during unprecedented times

HIGHLINE

$117M DCP

Highline do Brasil, investment marks entrance in digital infrastructure market in Brazil

DATABANK

$190M CLNY

$190 million investment by Colony Capital

December 2019

VANTAGE DATA CENTERS

$268M DCP

Vantage Europe embarks upon USD $2 billion European expansion; enters five new European markets

February 2020

zayo GROUP

$14.3B DCP

Digital Colony leads significant take-private. 5th largest media & communications LBO

March 2020

SCALA DATA CENTERS

$410M DCP

Digital Colony launches Scala, a Latin American hyperscale data center platform

April 2020

Wildstone

$358M DCP

Digital Colony completes combination of premium outdoor media assets

June 2020

VANTAGE DATA CENTERS

$3.5B

Colony-led i
group acqu
majority sta
portfolio of
class North
hyperscale
centers.

July 2

FOCUSED ON PROPRIETARY STRATEGIC IDEAS UTILIZING PROVEN INVESTMENT FRAMEWORK

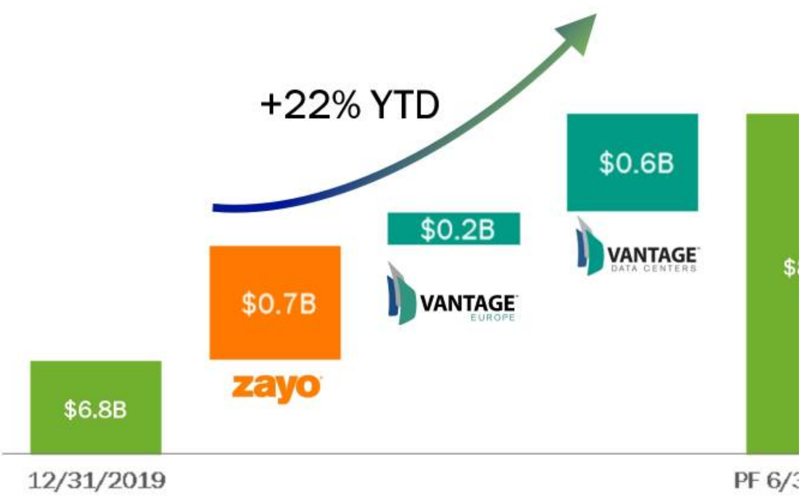
FEEUM Growth Exceeding Expectations

22% growth in digital FEEUM in first 7 months of 2020…far exceeding our 15% annual budget by 50%

High Quality Relationships And Fees

- Leveraging long-standing relationships built on success
- Partnering with new sources of capital looking to access fast-growing digital infrastructure vertical.
  - Wafra partnership designed to accelerate this growth
- Zayo: Landmark **$14.3B** take-private added ~**$700M** was fee-bearing co-invest capital
- Vantage Europe: Raised **$400M** of committed capital to accelerate European expansion ~**$200M** of fee-bearing capital called to-date
- Vantage Stabilized Data Centers: Raised net ~**$600M** FEEUM in July 2020 alongside Colony balance sheet investment of **$190M**

Exceeding Expectations



Note: PF 2Q20 FEEUM ($17B) is a pro forma amount for the Vantage Stabilized Data Center transaction, which closed in July 2020

Case Study: Hyperscale Data Centers

In July 2020 we combined balance sheet investing and investment management to generate high quality excess return for shareholders with stable earnings from blue chip digital infrastructure assets and limited partners

Rationale and Colony Advantage

High Quality and Predictable Assets

- 12 hyperscale data centers with over 150MW of capacity
- 98 Long term leases, rent escalators
- High-quality, investment grade customers

Transaction Summary

- Colony-led consortium acquired 80% of VDC for $1.2B in July
  - Colony invested $190M alongside $1.0B of FEEUM
- Acquisition EBITDA multiple of 21x[(1)]
  - Discount to 25x EBITDA public trading multiples[(2)]
- *Colony advantage*: effective 17x EBITDA multiple including investment management fees
- Further buy down of multiple from escalators and re-leasing spreads

Accretive Acquisition Strategy

Generating long term stable cash flows and strong returns through proprieta sourcing and investment management economics

Peer EBITDA Multiple[(2)]
~26x

Acquisition EBITDA Multiple[(1)]
21x

Effective EBITDA Multiple
17x
Factor 3rd Party Investment Mgmt Fees

Stabilized EBIT Multiple
<17x
Structured Uplif Cash Flows upon Lease Up

(1) Based on 2Q20 annualized EBITDA including booked but not billed income, which represents income from signed leases that have not taken occupancy.
(2) Represents the implied EBITDA trading multiples of wholesale / hybrid colocation data centers based on the Company's estimates.

Case Study: Edge Compute Provider

DATAB

DataBank is well positioned for the migration to 5G and proliferation of low latency applications, which are pushir processing to the edge which is driving significant organic growth

Rationale and Colony Advantage

High Quality Growth Assets

- 20 enterprise colocation data centers with national scale in Tier II markets with high growth characteristics
- 2Q20 year-over-year monthly recurring revenue (MRR) growth of 9.5%

Transaction Summary

- Colony acquired a 20% interest for $190M in December 2019
- 22x acquisition multiple based on actual annualized 2Q20 EBITDA of $66M
- 19x multiple based on run-rate 2Q20 EBITDA of $76M(1)
  - Which is a 5.0 x discount to 24x EBITDA public trading multiples(2)
- Core organic growth enhanced by highly accretive greenfield edge data center developments and bolt-on acquisitions is expected to stabilize the effective EBITDA multiple to less than 15x

Accretive Acquisition Strategy

Generating excess return through proprietary sourcing of new M&A, greenfie development and core collocation leasing expertise

(1) Based on 2Q20 annualized EBITDA including booked but not billed income, which represents income from signed leases that have not taken occupancy and mid-quarter installs,but excluding known churn and startup losses.
(2) Represents the implied EBITDA trading multiples of retail colocation based on the Company's estimates.
(3) Includes the impact of annual fee income of $4.7M from institutional third-party investors.

Colony Capital ESG Initiatives

Colony Capital is committed to promoting ESG initiatives at the firm and portfolio company level

Our Goals

1. Efficiently Manage Resources
2. Create a Positive Impact
3. Invest Responsibly
4. Lead Transparently

Initiatives Creating Impact

verticalbridge

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June 2020

Vertical Bridge became the world's first carbon neutral towerco

Our Principles

ENVIRONMENT

We seek to improve our performance by reducin water use, waste, and c emissions while lowerin costs

SOCIAL

Our goal is to create a p impact for our stakehol community through me engagement, contributi volunteerism

GOVERNANCE

We manage and operat business by taking all o stakeholders' needs an into consideration for lo growth and sustainabilit

Delivering Our Commitment

Responsible Investment Policy	Colony Capital is a PRI Signatory as of May 2020. The firm's Responsible Investment Policy incorporates the six responsible investment principles promoted by the PRI.
Diversity & Inclusion	A diverse and inclusive work environment leads to the strongest results. CLNY committee coordinates Colony's various D&I programs with a focus on scalable initiatives
Due Diligence	DCP integrates ESG analysis into the due diligence of potential investments. Reports include key company-level and macro ESG risks and opportunities
NGO Partnerships	CLNY and DCP are members of BSR, Business for Social Responsibility, a leading NGO that helps analyze ESG issues in potential and current investments DCP is a partner of Telecom Sans Frontiers, a charitable organization that specializes in deploying emergency-response technologies in disaster-hit and disadvantaged areas

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5 Why Own CLNY Today

Investment Case

Investment Highlights

Significant Opportunity in Digital Infrastructure	Powerful secular tailwinds driving digital infrastructure investment. CLNY well positioned for emerging digital themes: convergence, international, edge
Deep and Experienced Management Team	Alignment with the premier investor and deal team in digital infrastructure; over 2 years investing and operating digital assets; 100s of years of cumulative experien
Differentiated High Growth Strategy	Only global REIT to own, manage, and operate across the digital ecosystem with underwriting and hands on, operational alpha creation strategy
Business Simplification Rerates CLNY	Valuation model transitions from sum-of-the-parts to earnings-driven framework; Management focus on reduction in complexity, growth in value-per-share

Proven Track Record of Success

REVAMP OF SENIOR MANAGEMENT

Leading transformation to Colony 2.0

Marc Ganzi
Chief Executive Officer

Jacky Wu
CFO & Treasurer

Ben Jenkins
CIO, Digital Investment Management

Justin Chang
CIO, Digital Balance Sheet Investments

Karren Fink
Global Head of Human Resources

Kevin Smithen
Global Head of Strategy and Capital Formation

Donna L. Hansen
Chief Administrative Officer & Global Head of Tax

Seve
Head
Investo

EXPERIENCED DIGITAL INVESTMENT TEAM

BOCA RATON

Jeff Ginsberg
Managing Director & COO

Jon Mauck
Managing Director

Steven Sonnenstein
Managing Director

Warren Roll
Managing Director

Leslie Golden
Managing Director

Geneviève Maltais-Boisvert
Principal

Morgan Jones
Vice President

Clay Gregory
Vice President

NEW YORK

Tom Yanagi
Managing Director

Dean Criares
Managing Director Digital Credit

Geoff Goldschein
Managing Director, General Counsel

Sadiq Malik
Managing Director

Scott McBride
Principal

Hayden Boucher
Principal

LONDON

James Burke
Principal

Manjari Govada
Vice President

SIN

Wil

GLOBAL INDUSTRY LEADERS SECOND TO NONE

- >95 data centers
- >135k fiber route miles
- ~350k tower sites
- >35k small cell nodes

DATA CENTER TEAM

NORTH AMERICA

Sureel Choksi
Senior Advisor
Board Member of Zayo and Scala; President and CEO of Vantage

Brokaw Price
Operating Partner
A 20+ year veteran in the data center sector

Raul Martynek
Senior Advisor
CEO of DataBank

GLOBAL

Michael Foust
Senior Advisor
Chairman of Databank and Vantage

SOUTH AMERICA

Marcos Peigo
Senior Advisor
CEO of Scala Data Centers

TOWER TEAM

NORTH AMERICA

Alex Gellman
Senior Advisor
Board Member of Highline and FreshWave; CEO of Vertical Bridge

EUROPE

Graham Payne
Senior Advisor
CEO of FreshWave Group.

SOUTH AMERICA

Daniel Seiner
Senior Advisor
CEO of Andean Telecom Partners

Jose Sola
Senior Advisor
CEO of Mexico Tower Partners

Fernando Viotti
Senior Advisor
CEO of Highline

FIBER & SMALL CELL TEAM

NORTH AMERICA

Jim Hyde
Senior Advisor
CEO of ExteNet Systems

David Pistacchio
Operating Partner
Chairman of Beanfield; Board Member of Aptum and Zayo

Richard Coyle
Senior Advisor
COO of ExteNet Systems

SOUTH A

Dan Arn
Senior Ad
CEO and B
Beanfield T

Murray (
Operating
Chairman (

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Colony's Differentiated Strategy

We operate across the digital ecosystem

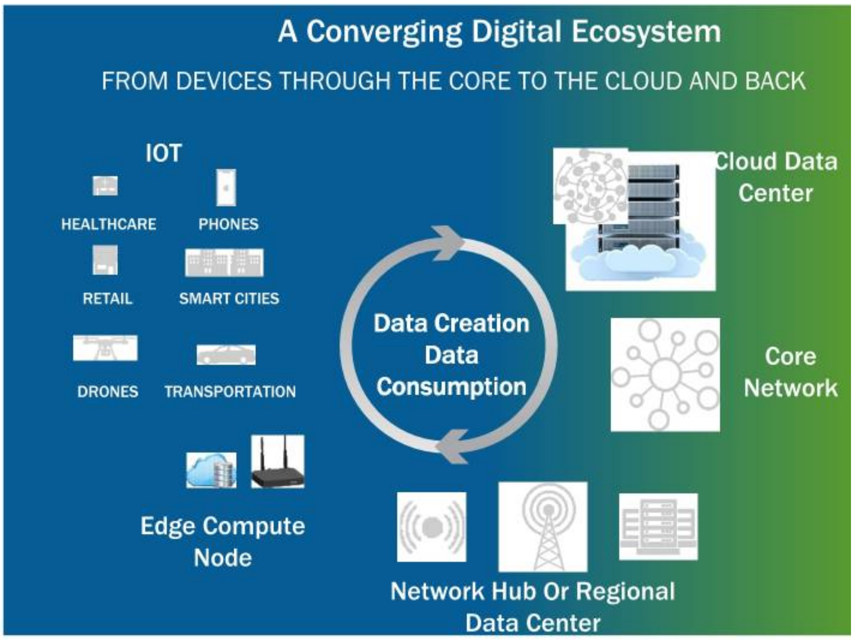
- Digital infrastructure is converging
- Customer solution provider
- Flexibility to evolve with opportunity set

With an exclusive focus on digital

- Underwriting/Asset selection — not all assets alike
- Proprietary ideas—proprietary deal flow
- Operating expertise in-house
- Timing - to seize market opportunity

Investment horizon

- Long term framework
- Global perspective
- Massive global TAM



Moving From: Sum-Of-The-Parts…

Historically, Colony has been valued on Sum-Of-The-Parts basis

- Diverse set of businesses
- Complicated peer comparison

~$2.1 billion impairments bring asset values in line with fair value given accelerated disposition

Corporate finance activity puts CLNY in positive net cash position

As Colony monetizes legacy assets and redeploys capital into digital assets, valuation shifts to…

Summary Pro Forma Book Value

	Assets	Liabilities	Equity
Digital Operating Businesses *(Databank, Vantage, DCP I and other GP Coinvest)*	$978	($447)	$531
Digital Investment Management *($805M Valuation @ 68.5%)*	551	0	551
Total Digital Businesses	**$1,530**	**($447)**	**$1,083**
Healthcare	$2,691	($2,083)	$608
Hospitality	1,636	(1,579)	56
CLNC Shares	337	0	337
Other Equity & Debt	2,409	(1,135)	1,274
Other Investment Management	142	0	142
TruPS	0	(280)	(280)
Total Legacy Businesses	**$7,214**	**($5,077)**	**$2,137**
Cash & Other Assets, net of debt and liabilities	$296		$296
Preferred Equity		(1,034)	(1,034)
Subtotal	**$296**	**($1,034)**	**($738)**
Pro Forma Net Book Value			$2,482
Shares & OP Units Outstanding (diluted)[1]			665.6
Pro Forma Net Book Value / Share			$3.73

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into D

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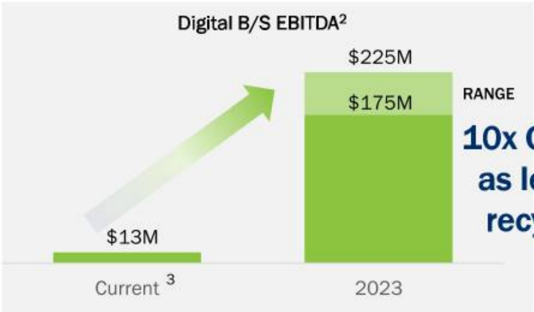
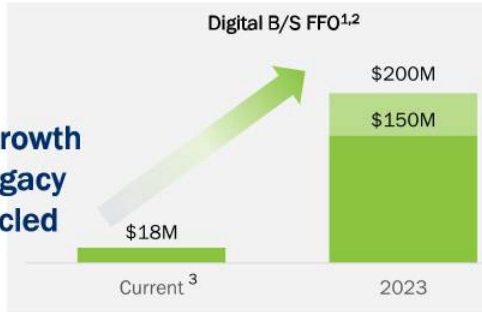
Note: Refer to appendix for reconciliation of net book value as of June 30, 2020 to Pro Forma Net Book Value.
(1) Assumes conversion of $300M 2025 exchangeable notes, which have 130.4M underlying shares.

...To An Earnings Driven Model

Digital IM revenue and FRE will continue to grow rapidly as Colony expands the magnitude and scope of its investment products

Digital balance sheet investments drive EBITDA and FFO growth as legacy monetizations are redeployed into high quality digital infrastructure assets





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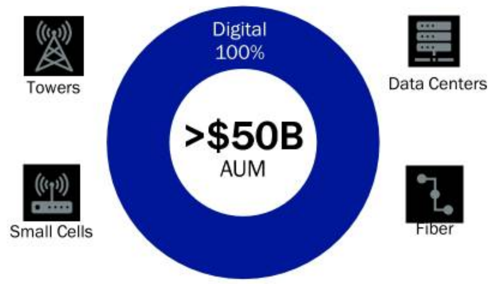
(1) Represents consolidated amounts
(2) Represents pro-rata amounts; EBITDA does not include equity method earnings from certain balance sheet investments such as GP co-investments.
(3) Represents 2Q20 annualized results, while FFO represents annualized results for DataBank and 2Q20 results for equity method investments.

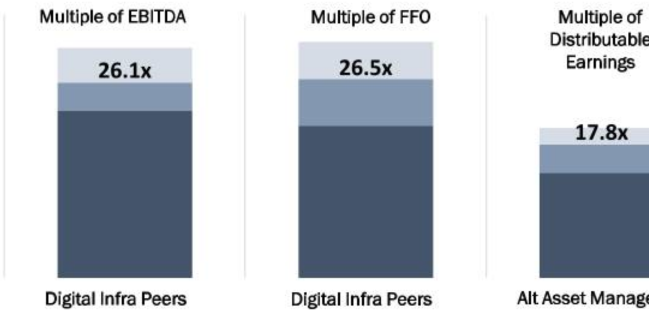
A New Digital Pure Play

2023 CLNY Profile



Business Profile	
% Digital IM/Digital Operating	35/65
Active Business Sectors	1
Revenue Growth	**>10%**
EBITDA Growth	**>20%**
Core FFO	$200-275M

Average Peer Trading Multiples



Revenue Growth	**3-7%**
EBITDA Growth	**5-10**

Digital Infra Peers: AMT, CCI, SBAC, COR, CONE, DLR, EQIX, QTS
Alt Asset Managers: APO, ARES, BX, CG, KKR

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Continuing to Deliver on Our Commitments

CLNY 1st Half 2020	CLNY 2nd Half 2020
Address Near-Term Corporate Debt Maturities and Enhanced Liquidity	COMPLETED
Committed Significant Capital Towards Digital Infrastructure Growth	Continue Adding High Quality Balance Sheet Assets
Implemented G&A Cost Program – Monetized $100m of Legacy Assets	Simplification - Continued Focus on Monetizing Legacy Assets and Sharp Focus on Costs
Established Best in Class Team Driving Change - One Team, One Mission	Committed to Attracting the Industry's Best Talent
Delivering on Core Digital Growth, FEEUM +22% YTD	Targeting Continued FEEUM Growth +30% by End of Year

Building Long-term Value for Colony Capital Shareholders

6 Q&A Session

Pro Forma Book Value Reconciliation

Net Book Value as of June 30, 2020		Notes:
Total Stockholders' Equity	$2,740	
Noncontrolling Interests in Operating Company	188	
less: Preferred Equity Liquidation Preference	(1,034)	
Net Book Value: CLNY OP	**$1,894**	
deduct: Carrying value of debt discount	(138)	Difference between carrying value and par value of debt
deduct: Transaction costs	(16)	Estimated transaction costs: exchangeable notes and Wafra
add: Wafra valuation uplift[1]	358	Difference between $805M Wafra valuation and 6/30 carrying value of Dig
add: 2025 Exchangeable notes	300	Assumes conversion of exchangeable notes
add: Negative equity value of hospitality[2]	85	Add back negative book value of two hotel portfolios as all debt is non-reco
Total Pro Forma Adjustments	**$588**	
PF Net Book Value: CLNY OP	**2,482**	

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(1) PF Net Book Value gives credit to the $805 million valuation from the Wafra transaction, but actual book value as of 9/30/20 will not reflect the full valuation uplift.
(2) Pro forma book value excludes CLNY OP's share of carrying value of the assets and debt of two hotel portfolios with negative equity value composed of $832 million of assets and $917 million of debt.

Important Note Regarding Non-GAAP Financial Measur

This supplemental package includes certain "non-GAAP" supplemental measures that are not defined by generally accepted accounting principles, or GAAP, including the financial metrics defined below, of which the calculations may from methodologie
other REITs for similar performance measurements, and accordingly, may not be comparable to those of other REITs.

FFO: The Company calculates funds from operations ("FFO") in accordance with standards established by the Board of Governors of the National Association of Real Estate Investment Trusts, which defines FFO as net income or loss calculated in accor
GAAP, excluding (i) extraordinary items, as defined by GAAP; (ii) gains and losses from sales of depreciable real estate; (iii) impairment write-downs associated with depreciable real estate; (iv) gains and losses from a change in control in connection with
depreciable real estate or in-substance real estate, plus (v) real estate-related depreciation and amortization; and (vi) including similar adjustments for equity method investments. Included in FFO are gains and losses from sales of assets which are not
real estate such as loans receivable, equity method investments, as well as equity and debt securities, as applicable.

Core FFO: The Company computes core funds from operations ("Core FFO") by adjusting FFO for the following items, including the Company's share of these items recognized by its unconsolidated partnerships and joint ventures: (i) gains and losses fro
depreciable real estate within the Other Equity and Debt segment, net of depreciation, amortization and impairment previously adjusted for FFO; (ii) gains and losses from sales of businesses within the Investment Management segment and impairmer
associated with the Investment Management segment; (iii) equity-based compensation expense; (iv) effects of straight-line rent revenue and expense; (v) amortization of acquired above- and below market lease values; (vi) amortization of deferred finar
debt premiums and discounts; (vii) unrealized fair value gains or losses on interest rate and foreign currency hedges, and foreign currency remeasurements; (viii) acquisition and merger related transaction costs; (ix) restructuring and merger integration
amortization and impairment of finite lived intangibles related to investment management contracts and customer relationships; (xi) gain on remeasurement of consolidated investment entities and the effect of amortization thereof; (xii) Non-real estate
depreciation, amortization and impairment; (xiii) change in fair value of contingent consideration; and (xiv) tax effect on certain of the foregoing adjustments. Beginning with the first quarter of 2018, the Company's Core FFO from its interest in Colony C
Estate (NYSE: CLNC) represented its percentage interest multiplied by CLNC's Core Earnings. Refer to CLNC's filings with the SEC for the definition and calculation of Core Earnings.

FFO and Core FFO should not be considered alternatives to GAAP net income as indications of operating performance, or to cash flows from operating activities as measures of liquidity, nor as indications of the availability of funds for our cash needs, in
available to make distributions. FFO and Core FFO should not be used as supplements to or substitutes for cash flow from operating activities computed in accordance with GAAP.

The Company uses FFO and Core FFO as supplemental performance measures because, in excluding real estate depreciation and amortization and gains and losses from property dispositions, it provides a performance measure that captures trends in
rates, rental rates, and operating costs. The Company also believes that, as widely recognized measures of the performance of REITs, FFO and Core FFO will be used by investors as a basis to compare its operating performance with that of other REITs.
because FFO and Core FFO exclude depreciation and amortization and capture neither the changes in the value of the Company's properties that resulted from use or market conditions nor the level of capital expenditures and leasing commissions nec
maintain the operating performance of its properties, all of which have real economic effect and could materially impact the Company's results from operations, the utility of FFO and Core FFO as measures of the Company's performance is limited. FFO
should be considered only as supplements to GAAP net income as a measure of the Company's performance. Additionally, Core FFO excludes the impact of certain fair value fluctuations, which, if they were to be realized, could have a material impact o
Company's operating performance. The Company also presents Core FFO excluding gains and losses from sales of certain investments as well as its share of similar adjustments for CLNC. The Company believes that such a measure is useful to investo
excludes periodic gains and losses from sales of investments that are not representative of its ongoing operations.

DataBank Earnings before Interest, Taxes, Depreciation and Amortization for Real Estate (EBITDAre) and Adjusted EBITDA
The Company calculates EBITDAre in accordance with the standards established by the National Association of Real Estate Investment Trusts, which defines EBITDAre as net income or loss calculated in accordance with GAAP, excluding interest, taxes,
and amortization, gains or losses from the sale of depreciated property, and impairment of depreciated property. The Company calculates Adjusted EBITDA by adjusting EBITDAre for the effects of straight-line rental income/expense adjustments and an
acquired above- and below-market lease adjustments to rental income, equity-based compensation expense, restructuring and integration costs, transaction costs from unsuccessful deals and business combinations, litigation expense, the impact of o
impairment charges, gains or losses from sales of undepreciated land, and gains or losses on early extinguishment of debt and hedging instruments. Revenues and corresponding costs related to the delivery of services that are not ongoing, such as ins
services, are also excluded from Adjusted EBITDA. The Company uses EBITDAre and Adjusted EBITDA as supplemental measures of our performance because they eliminate depreciation, amortization, and the impact of the capital structure from its ope
However, because EBITDAre and Adjusted EBITDA are calculated before recurring cash charges including interest expense and taxes and are not adjusted for capital expenditures or other recurring cash requirements, their utilization as a cash flow mea
limited.

Fee Related Earnings ("FRE"): The Company calculates FRE for its investment management business within the digital segment as base management fees, other service fee income, and other income inclusive of cost reimbursements, less compensati
(excluding equity-based compensation), administrative expenses, and other operating expenses related to the investment management business. The Company uses FRE as a supplemental performance measure as it may provide additional insight into
profitability of the digital investment management business.

Pro-rata: The Company presents pro-rata financial information, which is not, and is not intended to be, a presentation in accordance with GAAP. The Company computes pro-rata financial information by applying its economic interest to each financial st
item on an investment-by-investment basis. Similarly, noncontrolling interests' share of assets, liabilities, profits and losses was computed by applying noncontrolling interests' economic interest to each financial statement line item. The Company provi
financial information because it may assist investors and analysts in estimating the Company's economic interest in its investments. However, pro-rata financial information as an analytical tool has limitations. Other equity REITs may not calculate thei
information in the same methodology, and accordingly, the Company's pro-rata information may not be comparable to such other REITs' pro-rata information. As such, the pro-rata financial information should not be considered in isolation or as a substi
financial statements as reported under GAAP but may be used as a supplement to financial information as reported under GAAP.

Non-GAAP Reconciliations

Core Funds from Operations	Three Months Ended June 30, 2020	March 31, 2020	June 30, 2019
Net loss attributable to common stockholders	$ (2,042,790)	$ (361,633)	$ (468,890)
Adjustments for FFO attributable to common interests in Operating Company and common stockholders:			
Net loss attributable to noncontrolling common interests in Operating Company	(225,057)	(39,601)	(29,989)
Real estate depreciation and amortization	131,722	130,523	159,496
Impairment of real estate	1,474,262	308,268	87,600
Gain from sales of real estate	4,919	(7,933)	(7,088)
Less: Adjustments attributable to noncontrolling interests in investment entities	(329,601)	(82,329)	(88,705)
FFO attributable to common interests in Operating Company and common stockholders	(986,545)	(52,705)	(347,576)
Additional adjustments for Core FFO attributable to common interests in Operating Company and common			
Gains and losses from sales of depreciable real estate within the Other Equity and Debt segment, net of depreciation, amortization and impairment previously adjusted for FFO [1]	741	(14,111)	3,285
Gains and losses from sales of businesses within the Investment Management segment and impairment write-downs associated with the Investment Management segment	515,698	(26,371)	19,878
CLNC Core Earnings and NRE Cash Available for Distribution adjustments [2]	266,016	5,300	267,474
Equity-based compensation expense	10,716	8,857	9,385
Straight-line rent revenue and expense	(5,240)	(2,027)	(6,766)
Amortization of acquired above- and below-market lease values, net	(583)	(3,645)	(3,458)
Amortization of deferred financing costs and debt premiums and discounts	9,963	14,974	24,686
Unrealized fair value losses on interest rate and foreign currency hedges, and foreign currency	(7,482)	18,821	89,133
Acquisition and merger-related transaction costs	332	1,139	1,283
Restructuring and merger integration costs [3]	13,046	15,674	361
Amortization and impairment of investment management intangibles	11,625	9,182	6,911
Non-real estate fixed asset depreciation, amortization and impairment	14,065	4,048	1,565
Amortization of gain on remeasurement of consolidated investment entities	12,891	105	28
Tax effect of Core FFO adjustments, net	2,263	449	(2,204)
Less: Adjustments attributable to noncontrolling interests in investment entities	(11,717)	327	(5,170)
Core FFO attributable to common interests in Operating Company and common stockholders	$ (154,211)	$ (19,983)	$ 58,815
Less: Core FFO (gains) losses	134,888	22,286	10,673
Core FFO ex-gains/losses attributable to common interests in Operating Company and common stockholders	$ (19,323)	$ 2,303	$ 69,488
Core FFO per common share / common OP unit [4]	$ (0.29)	$ (0.04)	$ 0.11
Core FFO per common share / common OP unit—diluted [4][5][6]	$ (0.29)	$ (0.04)	$ 0.11
Core FFO ex-gains/losses per common share / common OP unit [4]	$ (0.04)	$ 0.00	$ 0.13
Core FFO ex-gains/losses per common share / common OP unit—diluted [4][5][6]	$ (0.04)	$ 0.00	$ 0.13
W.A. number of common OP units outstanding used for Core FFO per common share and OP unit [4]	535,938	540,441	518,441
W.A number of common OP units outstanding used for Core FFO per common share and OP unit-diluted [4][5][6]	535,938	540,441	518,993

(In thousands)	Three Months Ended June 30, 2020	March 31,
Digital Investment Management	$1,880	$
Digital Balance Sheet (DataBank)	(21,142)	(1
Digital Balance Sheet (ex-DataBank)	12,716	(
Net income (loss)	**($6,546)**	**($1**
Digital Investment Management FRE Determined as Follows		
Net income (loss)	$1,880	$
Adjustments:		
Interest income	(4)	
Depreciation and amortization	6,604	
Compensation expense—equity-based	682	
Administrative expenses—straight-line rent	16	
Equity method earnings (losses)	(157)	
Other gain (loss), net	8	
Income tax expense (benefit)	278	
Fee related earnings	**$9,307**	**$1**
Fee income	$20,173	$1
Other income	552	
Compensation expense—cash	(9,208)	(
Administrative expenses	(2,210)	(
Fee related earnings	**$9,307**	**$1**
DataBank Adjusted EBITDA Determined as Follows		
Net income (loss) from continuing operations	($21,142)	($1
Adjustments:		
Interest expense	8,170	
Income tax (benefit) expense	(2,673)	(
Depreciation and amortization	28,571	3
EBITDAre	12,926	1
Straight-line rent expenses and amortization of above- and below-market lease intangibles	3,055	
Amortization of leasing costs	(1,218)	
Compensation expense—equity-based	296	
Installation services	493	
Restructuring & integration costs	445	
Transaction, investment and servicing costs	576	
Adjusted EBITDA	**$16,573**	**$1**

1) For the three months ended June 30, 2020, March 31, 2020 and June 30, 2019, net of $2.1 million consolidated or $0.6 million CLNY OP share, $32.6 million consolidated or $26.9 million CLNY OP share and $3.1 million consolidated or $1.0 million CLNY OP share, respectively, of depr amortization and impairment charges previously adjusted to calculate FFO.
2) Represents adjustments to align the Company's Core FFO and NRE's Cash Available for Distribution ("CAD") with CLNC's definition of Core Earnings and NRE's definition of CAD to reflect the Company's percentage interest in the respective company's earnings.
3) Restructuring and merger integration costs primarily represent costs and charges incurred as a result of corporate restructuring and reorganization to implement the digital evolution. These costs and charges include severance, retention, relocation, transition, shareholder settlement and c restructuring costs, which are not reflective of the Company's core operating performance and the Company does not expect to incur these costs subsequent to the completion of the digital evolution.
4) Calculated based on weighted average shares outstanding including participating securities and assuming the exchange of all common OP units outstanding for common shares.
5) For the three months ended June 30, 2020, March 31, 2020 and June 30, 2019, excluded from the calculation of diluted FFO and Core FFO per share is the effect of adding back interest expense associated with convertible senior notes and weighted average dilutive common share equiv the assumed conversion of the convertible senior notes as the effect of including such interest expense and common share equivalents would be antidilutive. For the three months ended June 30, 2020 and March 31, 2020, excluded from the calculation of diluted FFO and Core FFO per s weighted average performance stock units, which are subject to both a service condition and market condition.
6) For the three months ended June 30, 2019, included in the calculation of diluted Core FFO per share are 459,800 weighted average performance stock units, which are subject to both a service condition and market condition, and 92,700 weighted average shares of non-participating res