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): November 6, 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 November 6, 2020, Colony Capital, Inc. (the "Company") issued a press release announcing its financial position as of September 30, 2020 and its financial results for the quarter ended September 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 November 6, 2020, the Company made available a Supplemental Financial Disclosure Presentation for the quarter ended September 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 November 6, 2020 as referenced in the press release, the Company has prepared a presentation, dated November 6, 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 Shareholders subpage of its website, which is accessible by clicking on the tab labeled "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 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 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 November 6, 2020
99.2	Supplemental Financial Disclosure Presentation for the quarter ended September 30, 2020
99.3	Earnings Presentation dated November 6, 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:	November 6, 2020		**COLONY CAPITAL, INC.**
		By:	/s/ Jacky Wu
			Jacky Wu
			Executive Vice President, Chief Financial Officer and Treasurer

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Exhibit 99.1

COLONY CAPITAL ANNOUNCES THIRD QUARTER 2020 FINANCIAL RESULTS

LOS ANGELES, November 6, 2020 - Colony Capital, Inc. (NYSE: CLNY) and subsidiaries (collectively, "Colony Capital," or the "Company") today announced financial results for the third quarter ended September 30, 2020. The Company reported (i) total revenues of $317 million, (ii) GAAP net income attributable to common stockholders of $(206) million, or $(0.44) per share and (iii) Core FFO excluding gains/losses of $4.8 million, or $0.01 per share.

"We made terrific progress on our digital transformation this quarter," said Marc Ganzi, President and Chief Executive Officer. "Bringing high-quality digital assets onto the balance sheet, growing our digital investment management franchise, and harvesting value from our legacy assets are our key priorities. We accomplished all three this quarter, supporting DataBank's acquisition of zColo, closing the Vantage hyperscale data center acquisition, raising over $1 billion of new third-party capital, and reaching an agreement to sell our hospitality business. When you combine those milestones along with a strong recovery in our underlying businesses, we returned to positive Core FFO ex-gains. Going to 2021, we're incredibly well-positioned and excited about the prospects for Colony 2.0."

HIGHLIGHTS

Return to Positive Core FFO

- During the third quarter, the Company continued to rebound from the impacts of COVID-19, generating positive Core FFO ex-gains/losses of approximately $5 million.
- The improvement was driven by a combination of the growing contribution of the Company's digital operating businesses and recovery in performance at its legacy businesses, most notably the hospitality segment.

Growing Digital Transformation Momentum

- Digital AUM of $23.3 billion now represents over 50% of total AUM, boosted by key digital balance sheet investments and success forming new third-party capital of $1.15 billion subsequent to June 30.
- In September, DataBank, a Colony Capital portfolio company, announced the acquisition of zColo for $1.4 billion, in a transaction that will transform DataBank into a leading U.S. edge data center operator serving blue-chip customers across 29 markets.

  As part of the Colony-led transaction, the Company committed $145 million to maintain its 20% ownership stake and is raising over $500 million of third-party co-invest capital.
- In July, a Colony-led consortium closed on a majority interest in Vantage Data Centers' portfolio of stabilized North American hyperscale data centers (Vantage SDC) and now owns 90% for $1.35 billion.

  Representing its second significant digital balance sheet investment, the Company invested $200 million for an approximate 13% ownership stake alongside $1.15 billion of third-party co-invest capital.

Financial Summary

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

Revenues	3Q 2020	3Q 2019
Property operating income	$246,122	$168,858
Interest income	14,816	40,237
Fee income	43,919	111,854
Other income	11,820	38,051
Total revenues	$316,677	$359,000
Net income to common stockholders	$(205,784)	$(554,953)
Core FFO	$(76,697)	$101,601
Core FFO per share	$(0.14)	$0.19
Core FFO excluding gains/losses	$4,782	$106,030
Core FFO excluding gains/losses per share	$0.01	$0.20
Balance Sheet & Other		
Liquidity (cash & undrawn RCF) (1)	$795,890	$620,209
Digital AUM (in billions)	$23.3	$13.8
% of Total AUM	50%	30%

Note: Revenues are consolidated while Core FFO and Liquidity are CLNY OP share

(1) Liquidity as of November 2, 2020 and November 5, 2019, respectively.

- The Company is expanding digital disclosures as it continues to streamline its non-Digital businesses and provide more transparent reporting. The prior Digital segment expands into three segments, Digital Investment Management, Digital Operating and Digital Other. Concurrent with this change, the Company's legacy business units will be condensed into two segments: Wellness Infrastructure and Other (which will continue to include subsegment disclosures).

Success Harvesting Legacy Value

- Hospitality Sale - In September, the Company reached an agreement to sell six of its hospitality portfolios to Highgate, in a transaction valued at $2.8 billion, including $67.5 million of gross proceeds on a consolidated basis and the assumption of $2.7 billion in consolidated investment-level debt. The six portfolios consist of over 22,000 rooms across 197 hotel properties. The hospitality sale represents a key milestone in Colony Capital's digital transformation and generates significant strategic and financial benefits to the Company as it exits the hospitality business. As a result of the pending sale, the Company's hospitality segment has been reclassified into discontinued operations.
- Other Monetizations – Since the end of the second quarter, the Company successfully divested an additional $90 million of Other assets, bringing year-to-date Other monetizations to $430 million. Based on the Company's most recent monetization efforts, it expects $600-700 million of full-year 2020 monetizations, which is at the high end of its original 2020 projections issued prior to COVID-19.

Finalized Key Corporate Initiatives

- In July, the Company closed a significant strategic investment from Wafra to invest over $400 million in the Digital Colony platform. In addition to providing permanent capital for the Company to invest in high-quality digital infrastructure assets, Wafra also committed to support Digital Colony's current and future investment products.
- In July, the Company successfully issued $300 million of exchangeable notes using all net proceeds to repurchase a majority of its 3.875% convertible notes due in January 2021 at 99.75% of par. In September, the Company repurchased another $81.3 million of the 2021 notes, at par, through a tender leaving $31.5 million outstanding and effectively addressing all near-term corporate debt maturities.

FINANCIAL STATUS & OUTLOOK

As of November 2, 2020, the Company had $796 million of liquidity, including $296 million of corporate cash-on-hand and the full $500 million of availability on the Company's corporate revolver. The Company currently remains in full compliance with all of its corporate revolver covenants and terms.

The Company expects the effects of COVID-19, the length and severity of which remains uncertain, to continue to be significant in future periods. 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.

The Company does intend, subject to the uncertainties created by COVID-19 as referenced above, to re-initiate annual forward guidance in connection with its fourth quarter 2020 earnings announcement in the first quarter of 2021.

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Digital Investment Management (IM)

During the third quarter 2020, the Digital IM segment generated revenues of $20.1 million, net income attributable to common stockholders of $1.7 million, Fee Related Earnings (FRE) of $8.9 million and Core FFO of $5.6 million.

Comparability of year-over-year (YoY) revenue and earnings are impacted by the partial period of ownership of Digital Bridge Holdings, which was acquired on July 26, 2019, and the strategic investment by Wafra for 31.5% of the Digital IM business on July 17, 2020.

- **Revenues:** Digital IM revenues were up 39% YoY, principally due to partial period results from the prior year.
- **FRE Margins:** FRE margin of 44% in 3Q was lower than the prior year period as the Company continues to invest in additional resources to support future investment product offerings, notably its flagship Digital Equity franchise and its new Digital Credit initiative.
- **FEEUM:** FEEUM grew 20% to $8.6 billion YoY, principally due to significant co-invest capital raised alongside Zayo, which is a Digital Colony Partners I (DCP I) portfolio company, Vantage North America and Europe, and the Company's investment in Vantage Stabilized Data Centers (Vantage SDC). The average management fee percentage decreased because co-invest capital bears lower average fees than commingled flagship investment products. In July, the Company raised approximately $1.15 billion of new capital commitments to close on Vantage SDC.

  Subsequent to quarter end, the Company expects to increase AUM by an additional $500 million including pending transactions. Pro forma for these pending transactions, FEEUM is expected to be $9.1 billion representing YTD growth of 33%.

Digital IM Summary

($ in millions, except where noted)

	3Q 2020(1)	3Q 2019(2)
Revenue	$ 20.1	$ 14.5
FRE / EBITDA	8.9	10.1
Core FFO	5.6	7.1
AUM (in billions)	22.2	13.8
FEEUM (in billions)	8.6	7.1
W.A. Management Fee %	0.9 %	1.0 %

Note: All figures are consolidated except Core FFO
(1) Wafra's strategic investment for 31.5% of Digital IM closed on July 17, 2020.
(2) The Company acquired Digital Bridge Holdings on July 25, 2019.

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Digital Operating

The Digital Operating segment details the financial performance of the digital infrastructure operating companies in which the Company maintains balance sheet investments. The Company currently owns a 20% stake in DataBank and a 13% in Vantage SDC; however, the financial results of these interests are presented on a consolidated basis (e.g. Revenues and Adjusted EBITDA) while Core FFO represents CLNY OP's share. Further detail on CLNY OP's share of the financial results are presented in the quarterly financial supplement.

In July 2020, the Company invested approximately $200 million as part of a $1.35 billion Colony-led acquisition of 90% of Vantage's portfolio of North American stabilized hyperscale data centers. The Company owns approximately 13% of the stabilized portfolio.

In September 2020, Databank announced the proposed acquisition of zColo for total consideration of $1.4 billion, which is anticipated to close in December 2020. The Company committed $145 million to maintain its 20% ownership stake and is raising over $500 million of third-party co-invest capital.

During the third quarter 2020, the Digital Operating segment generated revenues of $98.6 million, net income attributable to common stockholders of $(4.8) million, Adjusted EBITDA of $45.6 million and Core FFO of $4.4 million noting that Vantage SDC was acquired on July 22, 2020. The Company did not have an interest in DataBank or Vantage SDC in the prior year period and acquired its first operating company interest in December 2019 with the acquisition of a 20% stake in DataBank.

- **Solid Operating Company Growth**: On a consolidated basis, and as if DataBank and Vantage were owned in the prior period, the growth in data centers and maximum sellable RSF YOY was entirely attributable to DataBank as it executed on its growth plans.
- Leased critical I.T. square feet (SF) increased by 127 thousand with both DataBank and Vantage SDC contributing equally with Vantage stabilizing its utilization rate over the last twelve months and DataBank continuing to lease up and grow its footprint. Coupled with decreasing churn as a % of MRR YoY, annualized MRR increased by $78 million, or 26%.

Digital Operating Summary

($ in millions, except where noted)

	3Q 2020	3Q 2019[1]
Revenue	$98.6	$—
Adjusted EBITDA	45.6	—
Core FFO	4.4	—
Metrics		
Number of Data Centers	32	29
Max Critical I.T. SF	1,137,866	1,047,304
Leased SF	945,640	818,341
% Utilization Rate	83.1%	78.1%
MRR (Annualized)	$374.0	$296.2
Bookings (Annualized)	$9.4	$13.0
Quarterly Churn (% of Prior Quarter MRR)[3]	1.0%	1.2%

Note: All figures are consolidated except for Core FFO
(1) The Company did not own an interest in DataBank or Vantage SDC in the third quarter 2019.

Digital Other

This segment is composed of equity interests in digital investment vehicles managed by the Company, the largest of which is the Company's investment and commitment to DCP I, its flagship digital infrastructure private equity vehicle. This segment also includes the Company's investment and commitment to the digital liquid strategies and seed investments for future digital investment vehicles.

During the third quarter 2020, the Digital Other segment generated net income attributable to common stockholders of $5.6 million and Core FFO of $6.3 million, which was composed of an increase in the fair value of the Company's interest in DCP I and an increase in mark-to-market gains in digital liquid investments. For the third quarter 2019, the Digital Other segment included only the Company's investment in DCP I.

Digital Other Summary

($ in millions, except where noted)

	3Q 2020	3Q 2019
Equity Method Earnings	$ 4.4	$ (0.3)
Other Gain/Loss	2.9	—
Core FFO	6.3	(0.2)

Note: All figures are consolidated except for Core FFO

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Wellness Infrastructure

During the third quarter, the Wellness Infrastructure segment generated revenues of $124.2 million, net income attributable to common stockholders of $(11.3) million and Core FFO of $11.5 million, or $14.9 million excluding the effect of a one-time non-cash income tax expense related to the UK portfolio.

Despite the ongoing impacts of the COVID-19 pandemic, the Company's properties continued to perform well, with same-store NOI only down 1.7%.

Portfolio Performance & Outlook

- The decrease in revenues YoY was primarily due to portfolio sales and transfers.
- Strong contractual rent collections continued across the NNN and medical office building (MOB) portfolios, which represents 81% of segment NOI, with approximately 95% received in the third quarter.
- Same-store NOI decreased $1.0 million, or 1.7%, YoY to $61.4 million primarily due to the effects of COVID-19 including lower occupancy levels and higher operating expenses.
- Core FFO excluding gains/losses increased slightly YOY to $14.9 million due to lower interest expense from lower LIBOR offset by by a decrease in NOI from sales/transfers and the impact of COVID-19.

Wellness Infrastructure Summary

($ in millions)	3Q 2020	3Q 2019
Revenue	$ 124.2	$ 136.1
NOI	61.7	71.3
Interest Expense	32.3	46.0
Core FFO[(1)]	14.9	14.8
Same Store NOI	61.4	62.5

Note: All figures are consolidated except for Core FFO

(1) 3Q 2020 excludes the effect of a one-time non-cash income tax expense resulting from the remeasurement of deferred tax liabilities due to an increase in tax rate in the UK.

Capital Structure & Activity

- The wellness infrastructure portfolio has total consolidated debt of $2.8 billion ($2.0 billion CLNY OP share) with a weighted average interest rate of 4.1%.
- Conveyed the equity of 36 SHOP assets, which had a carrying value of $156 million as of June 30, 2020 and $157 million of consolidated debt ($125 million CLNY OP Share), to an affiliate of the lender.

Other

This segment is composed of other equity and debt investments (OED) and non-digital investment management business (Other IM). OED encompasses a diversified group of non-digital real estate and real estate-related equity and debt investments, including shares in Colony Credit Real Estate, Inc (NYSE: CLNC), other real estate equity and debt investments and other real estate related securities, among other holdings. Over time, the Company expects to monetize the bulk of its OED portfolio as it completes its digital transformation.

Other IM, which is separate from Digital IM, encompasses the Company's management of private real estate credit funds and related co-investment vehicles, CLNC, and NorthStar Healthcare, a public non-traded healthcare REIT. Many of the investments underlying these vehicles are co-owned by the Company's balance sheet and categorized under OED. 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 achievement of minimum return hurdles.

During the third quarter, the Other segment generated revenues of $69.3 million, net income attributable to common stockholders of $(32.5) million and Core FFO ex-gains/losses of $34.3 million. Core FFO ex-gains/losses decreased YoY primarily due to the divestment of investment management businesses of NorthStar Realty Europe (NRE) and the Light Industrial portfolio. In particular, third quarter 2019 results included a $65 million incentive and termination fee payment from NRE.

Legacy Other Summary

($ in millions)	3Q 2020	3Q 2019
Revenue	$ 69.3	$ 205.7
Equity method earnings	(67.5)	45.7
Core FFO	(43.1)	99.0
Core FFO excluding gains/losses	34.3	103.4

Note: All figures are consolidated except for Core FFO

Other Equity and Debt ("OED")

- **Continued monetizations:** $90 million of monetizations since June 30, 2020 across nine investments bringing YTD Other monetizations to $430 million (including the RXR divestiture in the first quarter). The largest monetization was a $30 million discounted payoff subsequent to quarter-end on a mortgage secured by two enclosed malls, two strip centers, and various pad sites located in GA, FL and TN. Based on the Company's most recent monetization efforts, it expects $600-700 million for the full year 2020, which is at the high end of its original 2020 projections issued prior to COVID-19.
- **THL Hotel Portfolio**: This portfolio is included in the overall sale of hospitality portfolios to Highgate and is classified in discontinued operations for the third quarter, but the related book value is included in the table below.
- **Impairments and Other Gains/Losses**: Excluding the THL hotel portfolio, the Company recorded impairments of $26 million consolidated, or $7 million CLNY OP share, which are added back in FFO and Core FFO. The Company also recorded other losses and equity method losses totaling $77 million, which was added back to Core FFO to calculate Core FFO excluding gains/losses. These impairments and losses resulted primarily from revaluations of European investments impacted by a second wave of COVID-19 related lockdowns.

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($ in millions)

Investment	Investment Type	Property Type	Geography	CLNY Ownership %[1]	CLNY OP Share Depreciated Carrying Value 9/30/2020 Assets	Equity	% of Total Equity
Colony Credit Real Estate, Inc. ("CLNC")	Public Company Common Shares	Various	Various	36%	$ 365.9	$ 365.9	24 %
Tolka Irish NPL Portfolio	Non-Performing First Mortgage Loans	Primarily Office	Ireland	100%	375.1	150.6	10 %
Cortland Multifamily Preferred Equity	Preferred Equity	Multifamily	Primarily SouthEast US	100%	116.6	116.6	8 %
Bulk Industrial Portfolio	Real Estate Equity	Industrial	Nationwide	51%	189.0	69.1	5 %
Ronan CRE Portfolio Loan	Mezzanine Loan	Office, Residential, Mixed-Use	Ireland / France	50%	65.2	65.2	4 %
Origination DrillCo Joint Venture	Oil & Gas Well Development Financing	Oil & Gas	East Texas	100%	62.0	62.0	4 %
Spencer Dock Loan	Mezzanine Loan with Profit Participation	Office, Hospitality & Residential	Ireland	20%	52.2	52.2	3 %
McKillin Portfolio Loan	Debt Financing	Office and Personal Guarantee	Primarily US and UK	96%	47.3	47.3	3 %
Dublin Docklands	Senior Loan with Profit Participation	Office & Residential	Ireland	15%	46.1	46.1	3 %
AccorInvest	Real Estate Equity	Hospitality	Primarily Europe	1%	45.8	45.8	3 %
France & Spain CRE Portfolio	Real Estate Equity	Primarily Office & Hospitality	France & Spain	33%	116.3	43.8	3 %
CRC DrillCo Joint Venture	Oil & Gas Well Development Financing	Oil & Gas	California	25%	36.3	36.3	2 %
Maranatha French Hotel Portfolio	Real Estate Equity	Hospitality	France	44%	39.4	32.3	2 %
Hendon Retail Portfolio[2]	A-Note Loan	Retail	US	100%	30.0	30.0	2 %
Remaining OED (>45 Investments)	Various	Various	Various	Various	1,044.0	370.5	24 %
Total Other Equity and Debt					**$ 2,631.2**	**$ 1,533.7**	**100 %**

(1) 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.
(2) Subsequent to quarter-end, the Company was paid $30 million through a discounted payoff of on a mortgage secured by two enclosed malls, two strip centers and various pad sites located in GA, FL and TN.

Other Investment Management

The Company's non-digital investment management business had FEEUM of $8.8 billion as of September 30, 2020, a decline of 23% from the prior year due principally to the sale of the light industrial platform and a decrease in annual CLNC base management fees primarily resulting from CLNC's third quarter 2019 portfolio bifurcation.

Other IM Summary

($ in billions)

	3Q 2020	3Q 2019
AUM (in billions)	14.7	17.6
FEEUM (in billions)	8.8	11.4
W.A. Management Fee %	1.1 %	1.1 %

Discontinued Operations

In September, the Company entered into a definitive agreement to sell five of the six hotel portfolios in its former Hospitality segment and its 55% interest in the THL Hotel Portfolio totaling 197 hotel properties. The sixth hotel portfolio is under receivership and the other 45% interest in the THL Hotel Portfolio continues to be held by investment vehicles managed by the Company. The transaction is valued at approximately $2.8 billion and acquirer's assumption of $2.7 billion of consolidated investment-level debt. Consummation of the sale is subject to customary closing conditions, including but not limited to, acquirer's assumption of the outstanding mortgage notes encumbering the hotel properties and third-party approvals. There can be no assurance that the sale will close in the timeframe contemplated or on the terms anticipated, if at all.

The Company's exit from the hospitality business represents a key milestone in its digital transformation. The sale of these hotel portfolios is a strategic shift that will have a significant effect on the Company's operations and financial results, and has met the criteria as held for sale and discontinued operations. For all current and prior periods presented, the related assets and liabilities are presented as assets and liabilities held for sale on the consolidated balance sheets and the related operating results are presented as loss from discontinued operations on the consolidated statement of operations. In the third quarter, additional write-downs were recorded to align the hotel values to the agreed upon selling price.

Below are selected operating statistics for the former Hospitality segment during the third quarter 2020.

	2020		
($ in millions)	July	August	September
Occupancy	45%	52%	49%
RevPAR (in dollars)	$46	$53	$50
NOI before FF&E	$4.8	$5.7	$3.2

In December 2019, the Company completed the sale of the light industrial portfolio and its related management platform, which represented the vast majority of the former industrial segment. The Company continues to own the bulk industrial assets which remain held for sale and are presented as discontinued operations on the consolidated statements of operations.

Other Corporate Matters

Exchangeable/Convertible 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 (3.875% Convertible Notes). 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. Subsequently, in September 2020, the Company completed a cash tender offer for the 3.875% Convertible Notes totaling $81.3 million leaving a remaining balance of $31.5 million.

Common Stock and Operating Company Units
As of November 2, 2020, the Company had 482.4 million shares of Class A and B common stock outstanding and the Company's operating partnership had 53.1 million operating company units outstanding and held by members other than the Company.

Preferred Dividends
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 were paid on October 15, 2020 to the respective stockholders of record on October 9, 2020.

On November 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 January 15, 2021 to the respective stockholders of record on January 11, 2021.

Third Quarter 2020 Conference Call
The Company will conduct an earnings presentation and conference call to discuss the financial results on Friday, November 6, 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 November 6, 2020, at 10:00 a.m. PT / 1:00 p.m. ET, through November 13, 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 13711868. International callers should dial (412) 317-6671 and enter the same conference ID number.

Earnings Presentation and Supplemental Financial Report
A Third Quarter 2020 Earnings Presentation and Supplemental Financial Report is available in the Presentations and Financial Information sections, respectively, of the 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 an approximately $47 billion portfolio of real assets on behalf of its shareholders and limited partners, including over $23 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, whether the Company, including its Core FFO ex-gains/losses and hospitality segment performance, will continue to rebound from the effects of COVID-19, whether the Company's wellness infrastructure segment, including contractual rent collections, will continue to perform well despite ongoing impacts of COVID-19, whether the Company will be able to reinitiate providing annual forward guidance in connection with the fourth quarter 2020 earnings announcement or at all, 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, the Company's ability to raise third party capital in its managed funds or co-investment structures and the pace of such fundraising (including as a result of the impact of COVID-19), the performance of DataBank, including whether the pending zColo transaction will be consummated and if so, whether it will transform DataBank into a leading U.S. edge data center operator, the actual amount of third party capital to be raised by the Company in the zColo transaction, the success and performance of the Company's future investment product offerings, including the Digital Equity franchise and Digital Credit initiative, 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 and harvest value at its legacy assets, the pace of growth in the Company's digital investment management franchise, the Company's ability to bring high quality digital assets onto the balance sheet, the resilience and growth in demand for digital infrastructure, 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 (including whether anticipated 2020 levels of OED monetizations will be achieved), the Company's ability to consummate the pending hospitality exit transaction and the amount of net proceeds to be received by the Company from the transaction, 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, the timing of and proceeds from OED monetizations and its impact on the Company's near-term liquidity, the impact of impairments, the Company's ability to successfully negotiate accommodations with lenders or refinance its mortgage debt on wellness infrastructure assets 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, 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 impact of management changes at CLNC, the Company's ability to minimize balance sheet commitments to its managed investment vehicles, customer demand for data centers, 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, Quarterly Report on Form 10-Q for the quarter ended March 31, 2020, and Quarterly Report on Form 10-Q for the quarter ended June 30, 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.

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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 Wellness Infrastructure 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 overall digital investment management business and is presented prior to the deduction for Wafra's 31.5% interest.

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 segment, net of depreciation, amortization and impairment previously adjusted for FFO; (ii) gains and losses from sales of investment management businesses and impairment write-downs associated investment management; (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 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.

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 and Vantage SDC

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 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)

ColonyCapital

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

	September 30, 2020 (Unaudited)	December 31, 2019
Assets		
Cash and cash equivalents	$ 658,446	$ 1,205,190
Restricted cash	167,109	91,063
Real estate, net	7,860,474	6,218,196
Loans receivable	1,325,144	1,566,328
Equity and debt investments	1,911,988	2,313,805
Goodwill	851,757	1,452,891
Deferred leasing costs and intangible assets, net	1,275,039	632,157
Assets held for disposition	4,379,558	5,743,085
Other assets	534,734	557,989
Due from affiliates	78,801	51,480
Total assets	$ 19,043,050	$ 19,832,184
Liabilities		
Debt, net	$ 7,085,994	$ 5,517,918
Accrued and other liabilities	789,866	887,519
Intangible liabilities, net	109,616	111,484
Liabilities related to assets held for disposition	3,908,474	3,862,521
Due to affiliates	1,279	34,064
Dividends and distributions payable	18,516	83,301
Preferred stock redemptions payable	—	402,855
Total liabilities	11,913,745	10,899,662
Commitments and contingencies		
Redeemable noncontrolling interests	287,231	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; 481,662 and 487,044 shares issued and outstanding, respectively	4,817	4,871
Class B, 1,000 shares authorized; 734 shares issued and outstanding	7	7
Additional paid-in capital	7,559,551	7,553,599
Accumulated deficit	(6,054,881)	(3,389,592)
Accumulated other comprehensive income	76,610	47,668
Total stockholders' equity	2,585,594	5,216,043
Noncontrolling interests in investment entities	4,085,739	3,254,188
Noncontrolling interests in Operating Company	170,741	456,184
Total equity	6,842,074	8,926,415
Total liabilities, redeemable noncontrolling interests and equity	$ 19,043,050	$ 19,832,184

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

	Three Months Ended September 30, 2020	Three Months Ended September 30, 2019
Revenues		
Property operating income	$ 246,122	$ 168,858
Interest income	14,816	40,237
Fee income	43,919	111,854
Other income	11,820	38,051
Total revenues	316,677	359,000
Expenses		
Property operating expense	108,393	80,877
Interest expense	71,849	74,592
Investment and servicing expense	30,532	8,605
Transaction costs	3,310	100
Depreciation and amortization	125,733	116,932
Provision for loan loss	—	17,233
Impairment loss	36,169	533,031
Compensation expense		
Cash and equity-based compensation	53,780	85,800
Carried interest and incentive fee compensation	912	10,846
Administrative expenses	23,500	21,968
Total expenses	454,178	949,984
Other income (loss)		
Gain on sale of real estate assets	13,258	8,221
Other gain (loss), net	(12,979)	(44,940)
Equity method earnings	(62,998)	46,777
Equity method earnings (losses) - carried interest	6,082	(474)
Loss before income taxes	(194,138)	(581,400)
Income tax benefit (expense)	9,922	(10,096)
Loss from continuing operations	(184,216)	(591,496)
Income from discontinued operations	(177,014)	25,654
Net loss	(361,230)	(565,842)
Net income (loss) attributable to noncontrolling interests:		
Redeemable noncontrolling interests	(2,158)	364
Investment entities	(149,154)	15,170
Operating Company	(22,651)	(53,560)
Net loss attributable to Colony Capital, Inc.	(187,267)	(527,816)
Preferred stock dividends	18,517	27,137
Net loss attributable to common stockholders	$ (205,784)	$ (554,953)
Basic loss per share		
Loss from continuing operations per basic common share	$ (0.22)	$ (1.16)
Net loss per basic common share	$ (0.44)	$ (1.16)
Diluted loss per share		
Loss from continuing operations per diluted common share	$ (0.22)	$ (1.16)
Net loss per diluted common share	$ (0.44)	$ (1.16)
Weighted average number of shares		
Basic	471,739	479,776
Diluted	471,739	479,776

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

	Three Months Ended September 30, 2020	Three Months Ended September 30, 2019
Net loss attributable to common stockholders	$ (205,784)	$ (554,953)
Adjustments for FFO attributable to common interests in Operating Company and common stockholders:		
Net loss attributable to noncontrolling common interests in Operating Company	(22,651)	(53,560)
Real estate depreciation and amortization	162,705	116,615
Impairment of real estate	142,767	177,900
Loss (gain) from sales of real estate	(12,332)	(12,928)
Less: Adjustments attributable to noncontrolling interests in investment entities	(146,905)	(67,498)
FFO attributable to common interests in Operating Company and common stockholders	(82,200)	(394,424)
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 segment, net of depreciation, amortization and impairment previously adjusted for FFO[1]	(10,529)	(39,959)
Gains and losses from sales of investment management businesses and impairment write-downs associated investment management	7,546	387,000
CLNC Core Earnings and NRE Cash Available for Distribution adjustments [2]	(27,256)	5,063
Equity-based compensation expense	8,380	11,590
Straight-line rent revenue and expense	(6,282)	(466)
Amortization of acquired above- and below-market lease values, net	(1,376)	(3,569)
Amortization of deferred financing costs and debt premiums and discounts	4,382	16,158
Unrealized fair value (gains) losses on interest rate and foreign currency hedges, and foreign currency remeasurements	1,952	93,322
Acquisition and merger-related transaction costs	7,963	101
Restructuring and merger integration costs [3]	6,839	18,592
Amortization and impairment of investment management intangibles	8,849	65,158
Non-real estate fixed asset depreciation, amortization and impairment	3,873	1,588
Gain on consolidation of equity method investment	—	(51,400)
Tax effect of Core FFO adjustments, net	(5,410)	(5,500)
Less: Adjustments attributable to noncontrolling interests in investment entities	6,572	(1,653)
Core FFO attributable to common interests in Operating Company and common stockholders	$ (76,697)	$ 101,601
Less: Core FFO (gains) losses	81,479	4,429
Core FFO ex-gains/losses attributable to common interests in Operating Company and common stockholders	$ 4,782	$ 106,030
Core FFO per common share / common OP unit [4]	$ (0.14)	$ 0.19
Core FFO per common share / common OP unit—diluted [4][5][6]	$ (0.14)	$ 0.19
Core FFO ex-gains/losses per common share / common OP unit [4]	$ 0.01	$ 0.20
Core FFO ex-gains/losses per common share / common OP unit—diluted [4][5][6]	$ 0.01	$ 0.20
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]	536,516	534,772
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]	536,516	562,709

(1) For the three months ended September 30, 2020 and September 30, 2019, net of $23.7 million consolidated or $8.9 million CLNY OP share and $47.4 million consolidated or $41.8 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 September 30, 2020 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; and weighted average performance stock units, which are subject to both a service condition and market condition.

(6) For the three months ended September 30, 2019, included in the calculation of diluted Core FFO per share is the effect of adding back $4.4 million of interest expense associated with convertible senior notes and 25.4 million of weighted average dilutive common share equivalents for the assumed conversion of the convertible senior notes; and are 2,451,400 weighted average performance stock units, which are subject to both a service condition and market condition, and 67,300 weighted average shares of non-participating restricted stock.

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

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

(In thousands)	Three Months Ended September 30, 2020
Total revenues	$ 124,193
Straight-line rent revenue and amortization of above- and below-market lease intangibles	(5,079)
Interest income	(2)
Property operating expenses [1]	(57,459)
NOI	**$ 61,653**

[1] Property operating expenses include property management fees paid to third parties.

(In thousands)	Three Months Ended September 30, 2020
Net income (loss)	$ (6,969)
Adjustments:	
Straight-line rent revenue and amortization of above- and below-market lease intangibles	(5,079)
Interest income	(2)
Interest expense	32,310
Transaction, investment and servicing costs	1,031
Depreciation and amortization	31,961
Impairment loss	2,451
Compensation and administrative expense	4,104
Gain on sale of real estate	(186)
Other (gain) loss, net	(3,836)
Income tax (benefit) expense	5,868
NOI	**$ 61,653**

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

(In thousands)		Three Months Ended September 30, 2020
Digital Investment Management Net income (loss)		3,539
Adjustments:		
Interest income		(2)
Depreciation and amortization		10,259
Compensation expense—equity-based		1,101
Administrative expenses—straight-line rent		14
Equity method (earnings) losses		(6,134)
Other (gain) loss, net		(32)
Income tax (benefit) expense		144
FRE	**$**	**8,889**

RECONCILIATION OF NET INCOME (LOSS) TO DIGITAL OPERATING ADJUSTED EBITDA

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

(In thousands)		Three Months Ended September 30, 2020
Total revenues	$	98,549
Property operating expenses		(37,544)
Administrative expenses		(2,895)
Compensation expense		(8,697)
Transaction, investment and servicing costs		(2,242)
EBITDAre:		**47,171**
Straight-line rent expenses and amortization of above- and below-market lease intangibles		(2,106)
Compensation expense—equity-based		148
Installation services		(65)
Restructuring & integration costs		470
Transaction, investment and servicing costs		(50)
Adjusted EBITDA:	**$**	**45,568**

(In thousands)		Three Months Ended September 30, 2020
Net income (loss) from continuing operations (Digital Operating)	$	(38,479)
Adjustments:		
Interest expense		18,589
Income tax (benefit) expense		(6,091)
Depreciation and amortization		73,107
Other (gain) loss		45
EBITDAre:		**47,171**
Straight-line rent expenses and amortization of above- and below-market lease intangibles		(2,106)
Compensation expense—equity-based		148
Installation services		(65)
Restructuring & integration costs		470
Transaction, investment and servicing costs		(50)
Adjusted EBITDA:	**$**	**45,568**

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The following table summarizes third quarter 2020 net income (loss) from continuing operations by segment:

(In thousands)	Net Income (Loss) from Continuing Operations
Digital Investment Management	$ 3,539
Digital Operating	(38,479)
Digital Other	6,757
Wellness Infrastructure	(6,969)
Other	(101,128)
Amounts Not Allocated to Segments	(47,936)
Total Consolidated	$ (184,216)

The following table presents third quarter 2019 net income (loss) and Core Funds From Operations by segment:

	OP pro rata share by segment						
($ in thousands; For the Three Months Ended September 30 ,2020; and Unaudited)	Digital IM	Digital Other	Wellness Infrastructure	Other	Discontinued Operations	Amounts not allocated to segments	CLNY consolidated as reported
Net income (loss) attributable to common stockholders	$ 38,160	$ (229)	$ (84,222)	$ (329,516)	$ (18,040)	$ (161,106)	$ (554,953)
Net income (loss) attributable to noncontrolling common interests in Operating Company	3,681	(22)	(8,142)	(31,808)	(1,817)	(15,452)	(53,560)
Net income (loss) attributable to common interests in Operating Company and common stockholders	41,841	(251)	(92,364)	(361,324)	(19,857)	(176,558)	(608,513)
Adjustments for FFO:							
Real estate depreciation and amortization	29	—	38,998	23,197	54,391	—	116,615
Impairment of real estate	—	—	92,885	53,146	31,869	—	177,900
Gain from sales of real estate	—	—	(833)	(7,417)	(4,678)	—	(12,928)
Less: Adjustments attributable to noncontrolling interests in investment entities	—	—	(29,890)	(24,005)	(13,603)	—	(67,498)
FFO	$ 41,870	$ (251)	$ 8,796	$ (316,403)	$ 48,122	$ (176,558)	$ (394,424)
Additional adjustments for Core FFO:							
Gains and losses from sales of depreciable real estate within the Other segment, net of depreciation, amortization and impairment previously adjusted for FFO	—	—	—	(39,962)	3	—	(39,959)
Gains and losses from sales of investment management businesses and impairment write-downs associated investment management	—	—	—	387,000	—	—	387,000
CLNC Core Earnings and NRE CAD adjustments	—	—	—	5,063	—	—	5,063
Equity-based compensation expense	—	—	907	4,557	1,002	5,124	11,590
Straight-line rent revenue and expense	38	—	3,524	(821)	(3,100)	(107)	(466)
Amortization of acquired above- and below-market lease values, net	—	—	(2,289)	(201)	(1,079)	—	(3,569)
Amortization of deferred financing costs and debt premiums and discounts	—	35	3,421	2,623	8,339	1,740	16,158
Unrealized fair value losses on interest rate and foreign currency hedges, and foreign currency remeasurements	—	—	2,580	(745)	—	91,487	93,322
Acquisition and merger-related transaction costs	—	—	—	101	—	—	101
Restructuring and merger integration costs	—	—	—	13,349	1,021	4,222	18,592
Amortization and impairment of investment management intangibles	4,711	—	—	60,447	—	—	65,158
Non-real estate fixed asset depreciation, amortization and impairment	27	—	—	34	24	1,503	1,588
Gain on consolidation of equity method investment	(51,400)	—	—	—	—	—	(51,400)
Tax effect of Core FFO adjustments, net	11,822	—	—	(16,120)	(234)	(968)	(5,500)
Less: Adjustments attributable to noncontrolling interests in investment entities	—	—	(2,138)	104	381	—	(1,653)
Core FFO	$ 7,068	$ (216)	$ 14,801	$ 99,026	$ 54,479	$ (73,557)	$ 101,601

Supplemental Financial Report

Third Quarter 2020

November 6, 2020

ColonyCapital

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, the impact of COVID-19 on the global economy, including the Company's businesses, whether the Company, including its Core FFO ex-gains/losses and hospitality segment performance, will continue to rebound from the effects of COVID-19, whether the Company's wellness infrastructure segment, including contractual rent collections, will continue to perform well despite ongoing impacts of COVID-19, 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, the Company's ability to raise third party capital in its managed funds or co-investment structures and the pace of such fundraising (including as a result of the impact of COVID-19), the performance of DataBank, including whether the pending zColo transaction will be consummated and if so, whether it will transform DataBank into a leading U.S. edge data center operator, the actual amount of third party capital to be raised by the Company in the zColo transaction, the success and performance of the Company's future investment product offerings, including the Digital Equity franchise and Digital Credit initiative, 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 and harvest value at its legacy assets, the pace of growth in the Company's digital investment management franchise, the Company's ability to bring high quality digital assets onto the balance sheet, the resilience and growth in demand for digital infrastructure, the Company's ability to simplify its business and further monetize legacy businesses and assets, including the timing and amount of proceeds to be received by the Company if any (including whether anticipated 2020 levels of OED monetizations will be achieved), the Company's ability to consummate the pending hospitality exit transaction and the amount of net proceeds to be received by the Company from the transaction, 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, the timing of and proceeds from OED monetization and its impact on the Company's near-term liquidity, the impact of impairments, the Company's ability to successfully negotiate accommodations with lenders or refinance its mortgage debt on wellness infrastructure assets 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, 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 impact of management changes at CLNC, the Company's ability to minimize balance sheet commitments to its managed investment vehicles, 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, 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, Quarterly Report on Form 10-Q for the quarter ended March 31, 2020, and Quarterly Report on Form 10-Q for the quarter ended June 30, 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.

Digital Operating 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 overall digital investment management business and is presented prior to the deduction for Wafra's 31.5% interest.

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.

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 Investment Management, Digital Operating, Digital Other, Wellness Infrastructure and Other.

Digital Investment Management
This business encompasses the investment and stewardship of third party capital in digital infrastructure and real estate. The Company's flagship opportunistic strategy is conducted through DCP and separately capitalized vehicles while other strategies, including digital credit and public equities, will be or are conducted through other investment vehicles. The Company earns management fees, generally based on the amount of assets or capital managed in investment vehicles, and have the potential to earn carried interest based on the performance of such investment vehicles subject to achievement of minimum return hurdles.

Digital Operating
This business is composed of balance sheet equity interests in digital infrastructure and real estate operating companies, which generally earns rental income from providing use of space and/or capacity in or on digital assets through leases, services and other agreements. The Company currently owns interests in two companies, DataBank's edge colocation data centers and Vantage stabilized hyperscale data centers ("Vantage SDC"), which are also portfolio companies under Digital IM for the equity interests owned by third party capital.

Digital Other
This segment is composed of equity interests in digital investment vehicles, the largest of which is the Company's investment and commitment to DCP. This segment also includes the Company's investment and commitment to the digital liquid strategies and seed investments for future digital investment vehicles.

Wellness Infrastructure
This segment is composed of a diverse portfolio of senior housing, skilled nursing facilities, medical office buildings, and hospitals. The Company earns rental income from 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, certain of the Company's senior housing properties are managed by operators under a RIDEA (REIT Investment Diversification and Empowerment Act) structure, which allows the Company to gain financial exposure to underlying operations of the facility in a tax efficient manner versus receiving contractual rent under a net lease arrangement.

Other
This segment is composed of other equity and debt investments ("OED") and non-digital investment management business ("Other IM"). OED encompasses a diversified group of non-digital real estate and real estate-related equity and debt investments, including shares in Colony Credit Real Estate, Inc ("CLNC"), other real estate equity and debt investments and other real estate related securities, among other holdings. Over time, the Company expects to monetize the bulk of its OED portfolio as it completes its digital evolution. Other IM, which is separate from Digital IM, encompasses the Company's management of private real estate credit funds and related co-investment vehicles, CLNC, and NorthStar Healthcare, a public non-traded healthcare REIT. Many of the investments underlying these vehicles are co-owned by the Company's balance sheet and categorized under OED. 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 achievement of minimum return hurdles.

Discontinued Operations
In September, the Company entered into a definitive agreement to sell five of the six hotel portfolios in its former Hospitality segment and its 55% interest in the THL Hotel Portfolio, with a total of 197 hotel properties. The sixth hotel portfolio is in the process of receivership and the other 45% interest in the THL Hotel Portfolio continues to be held by investment vehicles managed by the Company. The sale of these hotel portfolios is a strategic shift that will have a significant effect on the Company's operations and financial results, and has met the criteria as held for sale and discontinued operations. For all current and prior periods presented, the related assets and liabilities are presented as assets and liabilities held for sale on the consolidated balance sheets and the related operating results are presented as loss from discontinued operations on the consolidated statement of operations. In December 2019, the Company completed the sale of the light industrial portfolio and its related management platform, which represented the vast majority of the former industrial segment. The Company continues to own the bulk industrial assets which remain held for sale and are presented as discontinued operations on the consolidated statements of operations.

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.

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Ia. Financial Overview - Summary Metrics

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

Financial Data

Net income (loss) attributable to common stockholders	$	(205,784)
Net income (loss) attributable to common stockholders per basic share		(0.44)
Core FFO		(76,697)
Core FFO per basic share		(0.14)
Core FFO excluding gains/losses		4,782
Core FFO excluding gains/losses per basic share		0.01

Balance Sheet, Capitalization and Trading Statistics

Total consolidated assets	$	19,043,050
CLNY OP share of consolidated assets		10,087,808
Total consolidated debt[(1)]		7,165,859
CLNY OP share of consolidated debt[(1)]		3,683,660
Shares and OP units outstanding as of September 30, 2020[(2)]		535,473
Shares and OP units outstanding as of November 2, 2020[(2)]		535,439
Liquidation preference of perpetual preferred equity		1,033,750
Insider ownership of shares and OP units as of November 2, 2020		10.0 %
Digital Assets Under Management ("AUM")		$23.3 billion
Digital Fee Earning Equity Under Management ("FEEUM")		$8.6 billion
Total Company AUM		$46.8 billion
Total Company FEEUM		$17.4 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. Excludes $3.5 billion consolidated, or $3.0 billion CLNY OP share, of Hospitality and THL portfolio debt and $235 million consolidated, or $120 million CLNY OP share, of Bulk Industrial portfolio debt.
(2) The Company issued Wafra five warrants to purchase up to an aggregate of 5% (on a fully-diluted, post-transaction basis) of the Company's class A common stock. Each warrant entitles Wafra to purchase up to 5.35 million shares of the Company's class A common stock, with strike prices of $2.43, $3.00, $4.00, $5.00 and $6.00 per share for each warrant, exercisable until July 17, 2026.

Ib. Financial Overview - Summary of Segments

($ in thousands; as of or for the three months ended September 30, 2020, unless otherwise noted)	Consolidated amount	CLNY OP share of consolidated amount
Digital Investment Management[1]		
Third-party AUM ($ in millions)		$ 22,237
FEEUM ($ in millions)		8,554
Q3 2020 fee related earnings (FRE)[2]		8,889
Digital Operating		
Q3 2020 Adjusted EBITDA[3][4]	45,568	6,948
Investment-level non-recourse financing[5]	2,546,359	355,263
Digital Other		
Net carrying value	256,451	210,396

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) Includes a partial period of EBITDA for the Vantage SDC portfolio acquired on July 22, 2020.
(5) Represents unpaid principal balance.

($ in thousands except as noted; as of or for the three months ended September 30, 2020, unless otherwise noted)	Consolidated amount	CLNY OP share of consolidated amount
Wellness Infrastructure		
Q3 2020 net operating income[1][2]	$ 61,653	$ 43,732
Investment-level non-recourse financing[3]	2,773,688	1,963,248
Other		
Other Equity & Debt ("OED")[4]		
Assets	$ 5,228,820	$ 2,631,143
Debt[3]	2,068,626	1,097,262
Equity	$ 3,160,194	$ 1,533,881
Other Investment Management		
Third-party AUM ($ in millions)		14,679
FEEUM ($ in millions)		8,832
Q3 2020 fee revenue		23,871
Net Assets		
Cash and cash equivalents, restricted cash and other assets[5]	$ 1,393,008	$ 754,037
Accrued and other liabilities and dividends payable[6]	760,436	425,928
Net assets	$ 632,572	$ 328,109

Notes:
(1) NOI includes $1.0 million consolidated or $0.7 million CLNY OP share of interest earned related to $52 million consolidated or $37 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.
(2) For a reconciliation of net income/(loss) from continuing operations to NOI, please refer to the appendix to this presentation.
(3) Represents unpaid principal balance.
(4) Includes all components related to real estate assets, including tangible real estate and lease-related intangibles, and assets and liabilities classified as held for sale on the Company's financial statements. Includes THL hotel and Bulk Industrial portfolio assets and debt of $1.3 billion consolidated, or $0.7 billion CLNY OP share, and $1.1 billion consolidated, or $0.6 billion CLNY OP share, respectively. The THL hotel and Bulk Industrial portfolios are classified as held for sale and presented under discontinued operations for the third quarter 2020.
(5) Other assets excludes $15 million consolidated and CLNY OP share of margin/collateral value which is included in the assets of Digital Other investments shown on page 21 and $28.0 million consolidated or $15.6 million CLNY OP share of THL capital reserves which is included in OED assets shown on pages 25-27.
(6) Accrued and other liabilities excludes $97 million of derivative liability which is included in the debt of Digital Other investments shown on page 21 and $(47.7) million consolidated or $(26.5) million CLNY OP share of THL working capital reserves which is included in OED assets shown on pages 25-27.

IIa. Financial Results - Consolidated Balance Sheet

($ in thousands, except per share data) (unaudited)		As of September 30, 2020
Assets		
Cash and cash equivalents	$	658,446
Restricted cash		167,109
Real estate, net		7,860,474
Loans receivable		1,325,144
Equity and debt investments		1,911,988
Goodwill		851,757
Deferred leasing costs and intangible assets, net		1,275,039
Assets held for disposition		4,379,558
Other assets		534,734
Due from affiliates		78,801
Total assets	$	19,043,050
Liabilities		
Debt, net	$	7,085,994
Accrued and other liabilities		789,866
Intangible liabilities, net		109,616
Liabilities related to assets held for disposition		3,908,474
Due to affiliates		1,279
Dividends and distributions payable		18,516
Total liabilities		11,913,745
Commitments and contingencies		
Redeemable noncontrolling interests		287,231
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; 481,662 shares issued and outstanding		4,817
Class B, 1,000 shares authorized; 734 shares issued and outstanding		7
Additional paid-in capital		7,559,551
Accumulated deficit		(6,054,881)
Accumulated other comprehensive income		76,610
Total stockholders' equity		2,585,594
Noncontrolling interests in investment entities		4,085,739
Noncontrolling interests in Operating Company		170,741
Total equity		6,842,074
Total liabilities, redeemable noncontrolling interests and equity	$	19,043,050

IIb. Financial Results - Noncontrolling Interests' Share Balance Sheet

($ in thousands, except per share data) (unaudited)	As of September 30, 2020
Assets	
Cash and cash equivalents	$ 191,729
Restricted cash	90,053
Real estate, net	4,627,456
Loans receivable	607,857
Equity and debt investments	704,460
Goodwill	463,537
Deferred leasing costs and intangible assets, net	903,806
Assets held for disposition	993,891
Other assets	372,453
Total assets	$ 8,955,242
Liabilities	
Debt, net	$ 3,501,057
Accrued and other liabilities	313,336
Intangible liabilities, net	53,544
Liabilities related to assets held for disposition	714,335
Total liabilities	4,582,272
Commitments and contingencies	
Redeemable noncontrolling interests	287,231
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; 481,662 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	4,085,739
Noncontrolling interests in Operating Company	—
Total equity	4,085,739
Total liabilities, redeemable noncontrolling interests and equity	$ 8,955,242

	Three Months Ended September 30, 2020							
($ in thousands) (Unaudited)	**Digital Investment Management**	**Digital Operating**	**Digital Other**	**Wellness Infrastructure**	**Other**	**Discontinued Operations**	**Amounts not allocated to segments**	**Total**
Revenues								
Property operating income	$ —	$ 98,506	$ 16	$ 120,479	$ 27,121	$ —	$ —	$ 246,122
Interest income	2	—	2	992	12,566	—	1,254	14,816
Fee income	20,048	—	—	—	23,871	—	—	43,919
Other income	87	43	718	2,722	5,740	—	2,510	11,820
Total revenues	20,137	98,549	736	124,193	69,298	—	3,764	316,677
Expenses								
Property operating expense	—	37,544	—	57,459	13,390	—	—	108,393
Interest expense	—	18,589	—	32,310	6,479	—	14,471	71,849
Investment and servicing expense	—	2,237	1,141	1,031	24,871	—	1,252	30,532
Transaction costs	—	5	—	—	—	—	3,305	3,310
Depreciation and amortization	6,427	73,032	—	31,961	13,208	—	1,105	125,733
Impairment loss	3,832	—	—	2,451	29,886	—	—	36,169
Compensation expense								—
Cash and equity-based compensation	9,603	8,697	—	3,113	14,267	—	18,100	53,780
Carried interest and incentive compensation	912	—	—	—	—	—	—	912
Administrative expenses	1,846	2,970	82	991	5,853	—	11,758	23,500
Total expenses	22,620	143,074	1,223	129,316	107,954	—	49,991	454,178
Other income (loss)								
Gain on sale of real estate assets	—	—	—	186	13,072	—	—	13,258
Other gain (loss), net	32	(45)	2,917	3,836	(27,662)	—	(1,572)	(22,494)
Equity method earnings (loss)	52	—	4,400	—	(57,935)	—	—	(53,483)
Equity method earnings (loss) - carried interest	6,082	—	—	—	—	—	—	6,082
Income (loss) before income taxes	3,683	(44,570)	6,830	(1,101)	(111,181)	—	(47,799)	(194,138)
Income tax benefit (expense)	(144)	6,091	(73)	(5,868)	10,053	—	(137)	9,922
Income (loss) from continuing operations	3,539	(38,479)	6,757	(6,969)	(101,128)	—	(47,936)	(184,216)
Income (loss) from discontinued operations	—	—	—	—	—	(177,014)	—	(177,014)
Net income (loss)	3,539	(38,479)	6,757	(6,969)	(101,128)	(177,014)	(47,936)	(361,230)
Net income (loss) attributable to noncontrolling interests:								
Redeemable noncontrolling interests	(2,681)	—	523	—	—	—	—	(2,158)
Investment entities	4,299	(33,154)	—	5,629	(65,072)	(60,856)	—	(149,154)
Operating Company	191	(528)	618	(1,249)	(3,575)	(11,519)	(6,589)	(22,651)
Net income (loss) attributable to Colony Capital, Inc.	1,730	(4,797)	5,616	(11,349)	(32,481)	(104,639)	(41,347)	(187,267)
Preferred stock dividends	—	—	—	—	—	—	18,517	18,517
Net income (loss) attributable to common stockholders	$ 1,730	$ (4,797)	$ 5,616	$ (11,349)	$ (32,481)	$ (104,639)	$ (59,864)	$ (205,784)

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

	Three Months Ended September 30, 2020							
($ in thousands) (unaudited)	**Digital Investment Management**	**Digital Operating**	**Digital Other**	**Wellness Infrastructure**	**Other**	**Discontinued Operations**	**Amounts not allocated to segments**	**Total**
Revenues			—					
Property operating income	$ —	$ 82,912	$ —	$ 35,049	$ 17,149	$ —	$ —	$ 135,110
Interest income	—	—	—	300	5,832	—	—	6,132
Fee income	6,305	—	—	—	28	—	—	6,333
Other income	28	38	131	815	2,946	—	—	3,958
Total revenues	6,333	82,950	131	36,164	25,955	—	—	151,533
Expenses								
Property operating expense	—	31,647	—	16,710	8,205	—	—	56,562
Interest expense	—	15,640	—	9,276	4,443	—	—	29,359
Investment and servicing expense	—	2,143	3	312	12,626	—	—	15,084
Transaction costs	—	—	—	—	—	—	—	—
Depreciation and amortization	1,394	62,119	—	9,347	7,187	—	—	80,047
Impairment loss	1,207	—	—	730	18,863	—	—	20,800
Compensation expense								
Cash and equity-based compensation	2,520	6,956	—	—	2,010	—	—	11,486
Carried interest and incentive compensation	287	—	—	—	—	—	—	287
Administrative expenses	504	2,432	82	145	1,248	—	—	4,411
Total expenses	5,912	120,937	85	36,520	54,582	—	—	218,036
Other income (loss)								
Gain on sale of real estate assets	—	—	—	38	8,708	—	—	8,746
Other gain (loss), net	10	(39)	477	1,164	(14,965)	—	—	(13,353)
Equity method earnings (loss)	41	—	—	—	(28,328)	—	—	(28,287)
Equity method earnings (loss) - carried interest	4,832	—	—	—	—	—	—	4,832
Income (loss) before income taxes	5,304	(38,026)	523	846	(63,212)	—	—	(94,565)
Income tax benefit (expense)	(2)	4,872	—	(1,781)	(1,860)	—	—	1,229
Net income (loss)	5,302	(33,154)	523	(935)	(65,072)	—	—	(93,336)
Income (loss) from discontinued operations	—	—	—	—		(60,856)	—	(60,856)
Non-pro rata allocation of income (loss) to NCI	(3,684)	—	—	6,564	—	—	—	2,880
Net income (loss) attributable to noncontrolling interests	$ 1,618	$ (33,154)	$ 523	$ 5,629	$ (65,072)	$ (60,856)	$ —	$ (151,312)

	OP pro rata share by segment									
($ in thousands; For the Three Months Ended September 30 ,2020; and Unaudited)	**Digital IM**	**Digital Operating**	**Digital Other**	**Wellness Infrastructure**	**Other**	**Discontinued Operations**	**Amounts not allocated to segments**	**Total OP pro rata share**	**Amounts attributable to noncontrolling interests**	**CLNY consolidated as reported**
Net income (loss) attributable to common stockholders	$ 1,730	$ (4,797)	$ 5,616	$ (11,349)	$ (32,484)	$ (104,636)	$ (59,864)	$ (205,784)	$ —	$ (205,784)
Net income (loss) attributable to noncontrolling common interests in Operating Company	191	(528)	618	(1,249)	(3,572)	(11,522)	(6,589)	(22,651)	—	(22,651)
Net income (loss) attributable to common interests in Operating Company and common stockholders	1,921	(5,325)	6,234	(12,598)	(36,056)	(116,158)	(66,453)	(228,435)	—	(228,435)
Adjustments for FFO:										
Real estate depreciation and amortization	—	10,388	—	26,150	9,121	32,794	—	78,453	84,252	162,705
Impairment of real estate	—	—	—	1,694	7,312	63,027	—	72,033	70,734	142,767
Gain from sales of real estate	—	—	—	(148)	(4,449)	346	—	(4,251)	(8,081)	(12,332)
Less: Adjustments attributable to noncontrolling interests in investment entities	—	—	—	—	—	—	—	—	(146,905)	(146,905)
FFO	$ 1,921	$ 5,063	$ 6,234	$ 15,098	$ (24,072)	$ (19,991)	$ (66,453)	$ (82,200)	$ —	$ (82,200)
Additional adjustments for Core FFO:										
Gains and losses from sales of depreciable real estate within the Other segment, net of depreciation, amortization and impairment previously adjusted for FFO[1]	—	—	—	—	(4,461)	—	—	(4,461)	(6,068)	(10,529)
Gains and losses from sales of investment management businesses and impairment write-downs associated investment management	2,625	—	—	—	3,521	—	—	6,146	1,400	7,546
CLNC Core Earnings adjustments[2]	—	—	—	—	(27,256)	—	—	(27,256)	—	(27,256)
Equity-based compensation expense	166	29	—	729	2,452	202	4,659	8,237	143	8,380
Straight-line rent revenue and expense	10	(249)	—	(1,983)	(122)	(192)	(224)	(2,760)	(3,522)	(6,282)
Amortization of acquired above- and below-market lease values, net	—	106	—	(1,563)	68	(8)	—	(1,397)	21	(1,376)
Amortization of deferred financing costs and debt premiums and discounts	—	(397)	33	1,896	(1,440)	2,403	3,099	5,594	(1,212)	4,382
Unrealized fair value losses on interest rate and foreign currency hedges, and foreign currency remeasurements	—	(11)	—	(2,705)	5,909	—	—	3,193	(1,241)	1,952
Acquisition and merger-related transaction costs	—	5	—	—	153	4,500	3,305	7,963	—	7,963
Restructuring and merger integration costs[3]	—	—	—	—	667	—	6,172	6,839	—	6,839
Amortization and impairment of investment management intangibles	2,045	—	—	—	2,494	—	—	4,539	4,310	8,849
Non-real estate fixed asset depreciation, amortization and impairment	55	525	—	—	27	—	1,105	1,712	2,161	3,873
Tax effect of Core FFO adjustments, net	(1,185)	(642)	—	—	(1,019)	—	—	(2,846)	(2,564)	(5,410)
Less: Adjustments attributable to noncontrolling interests in investment entities	—	—	—	—	—	—	—	—	6,572	6,572
Core FFO	$ 5,637	$ 4,429	$ 6,267	$ 11,472	$ (43,079)	$ (13,086)	$ (48,337)	$ (76,697)	$ —	$ (76,697)
Less: Core FFO (gains) losses	—	—	—	3,412	77,340	727	—	81,479	—	81,479
Core FFO ex-gains/losses attributable to common interests in Operating Company and common stockholders	$ 5,637	$ 4,429	$ 6,267	$ 14,884	$ 34,261	$ (12,359)	$ (48,337)	$ 4,782	$ —	$ 4,782

Notes:
(1) Net of $23.7 million consolidated or $8.9 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 September 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 Operating	$ 2,546,359	$ 355,263	3.3	4.4 %
Wellness Infrastructure	2,773,688	1,963,248	3.8	4.1 %
Other	987,200	506,537	3.0	3.7 %
Trust Preferred Securities ("TruPS")[3]	280,117	280,117	15.7	3.1 % (4)
Total non-recourse debt[5]	**6,587,364**	**3,105,165**		
Corporate debt:				
$500 million revolving credit facility	—	—	N/A	N/A
Convertible/exchangeable senior notes[6]	545,107	545,107	3.9	5.4 %
Other corporate debt	33,388	33,388	5.2	5.0 %
Total corporate debt	**578,495**	**578,495**		
Total debt[5]	**$ 7,165,859**	**$ 3,683,660**		
Non-recourse debt - Fixed / Floating summary				
Fixed	$ 2,269,654	$ 612,236		
Floating	4,317,710	2,492,929		
Total non-recourse debt	**$ 6,587,364**	**$ 3,105,165**		
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 November 2, 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 0.15% and 3-month LIBOR of 0.23% for floating rate debt.
(3) Includes the TruPS, which were issued by trusts of which the sole assets are junior subordinated notes issued by NRF Holdco, LLC. NRF Holdco, LLC is a subsidiary of the Company and owns the Wellness Infrastructure segment, the Hospitality portfolio, 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) During the third quarter 2020, the Company entered into definitive agreement to sell all but one hospitality portfolio, which is under receivership. These assets and the Bulk Industrial portfolio are presented under discontinued operations for the third quarter 2020 and the related $3.5 billion consolidated, or $3.0 billion CLNY OP share, of Hospitality and THL portfolio debt, and $235 million consolidated, or $120 million CLNY OP share, of Bulk Industrial portfolio debt is excluded from above presentation.
(6) The 5.375% exchangeable senior notes is an obligation of NRF Holdco, LLC as the issuer, a subsidiary of the Company.

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

Revolving credit facility

Maximum principal amount	$ 500,000
Amount outstanding	—
Initial maturity	January 11, 2021
Fully-extended maturity	January 10, 2022
Interest rate	LIBOR + 2.50%

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

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

Notes:
(1) 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.
(2) The borrowing base is discounted by 10% at a Fixed Charge Coverage Ratio between 1.30 and 1.50 to 1.00.
(3) 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 September 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
5.75% Exchangeable senior notes	$ 300,000	July 15, 2025	5.75% fixed	$ 2.30	434.7826	130,435
3.875% Convertible senior notes	31,502	January 15, 2021	3.875% fixed	16.57	60.3431	1,901
5.0% Convertible senior notes	200,000	April 15, 2023	5.00% fixed	15.76	63.4700	12,694
5.375% Exchangeable senior notes[(2)]	13,605	June 15, 2033	5.375% fixed	12.04	83.0837	1,130
Total convertible debt	**$ 545,107**					

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) The 5.375% exchangeable senior notes is an obligation of NRF Holdco, LLC as the issuer, a subsidiary of the Company.

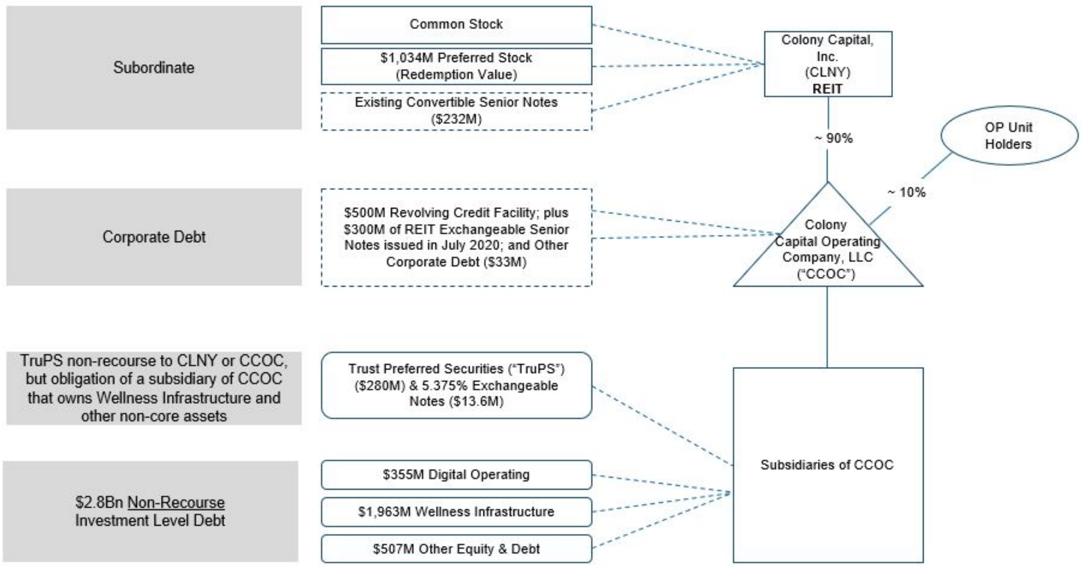
IIId. Capitalization - Debt Maturity and Amortization Schedules

($ in thousands; as of September 30, 2020)	Payments due by period[1]					
Consolidated debt	**2020**	**2021**	**2022**	**2023**	**2024 and after**	**Total**
Non-recourse debt:						
Digital Operating	$ 4,631	$ 18,576	$ 108,656	$ 1,108,939	$ 1,305,557	$ 2,546,359
Wellness Infrastructure	48,603	139,421	54,172	14,294	2,517,198	2,773,688
Other	164,845	177,818	110,109	92,299	442,129	987,200
TruPS[2]	—	—	—	—	280,117	280,117
Corporate debt:						
$500 million revolving credit facility	—	—	—	—	—	—
Convertible/exchangeable senior notes[3]	—	31,502	—	200,000	313,605	545,107
Other corporate debt	573	2,359	2,481	2,609	25,366	33,388
Total consolidated debt	**$ 218,652**	**$ 369,676**	**$ 275,418**	**$ 1,418,141**	**$ 4,883,972**	**$ 7,165,859**

Pro rata debt	**2020**	**2021**	**2022**	**2023**	**2024 and after**	**Total**
Non-recourse debt:						
Digital Operating	$ 636	$ 2,554	$ 13,739	$ 139,673	$ 198,661	$ 355,263
Wellness Infrastructure	34,248	111,818	42,472	10,006	1,764,704	1,963,248
Other	68,220	166,864	36,907	80,406	154,140	506,537
TruPS[2]	—	—	—	—	280,117	280,117
Corporate debt:						
$500 million revolving credit facility	—	—	—	—	—	—
Convertible/exchangeable senior notes[3]	—	31,502	—	200,000	313,605	545,107
Other corporate debt	573	2,359	2,481	2,609	25,366	33,388
Total pro rata debt	**$ 103,677**	**$ 315,097**	**$ 95,599**	**$ 432,694**	**$ 2,736,593**	**$ 3,683,660**

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 November 2, 2020, the latest practicable date that the information was available, and the extension option is at the Company's discretion.
(2) Includes the TruPS, which were issued by trusts of which the sole assets are junior subordinated notes issued by NRF Holdco, LLC. NRF Holdco, LLC is a subsidiary of the Company and owns the Wellness Infrastructure segment, the Hospitality portfolio, as well as certain OED. The Company is neither an obligor nor guarantor on the junior subordinated debt or TruPS.
(3) The 5.375% exchangeable senior notes is an obligation of NRF Holdco, LLC as the issuer, a subsidiary of the Company.

IIIe. Capitalization - Structure



IV. Digital Investment Management

Digital Third-party AUM & FEEUM

($ in millions, as of September 30, 2020, unless otherwise noted)	AUM CLNY OP Share	FEEUM CLNY OP Share	Fee Rate
Digital Colony Partners I	$ 5,686	$ 3,756	1.2 %
Separately Capitalized Portfolio Companies	7,747	2,487	0.9 %
Co-Investment (Sidecar) Capital	8,707	2,158	0.5 %
Liquid Strategies	97	153	0.5 %
Digital Investment Management Total	**$ 22,237**	**$ 8,554**	**0.9 %**

FRE[1]

($ in thousands, unless otherwise noted)	Q3 2020
Fee income	$ 20,048
Other income	87
Compensation expense—cash	(9,414)
Administrative expenses	(1,832)
FRE Total	**$ 8,889**

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 September 30, 2020, unless otherwise noted)

	Consolidated amount	CLNY OP share of consolidated amount
Asset[1]	$ 4,925,383	$ 724,234
Debt[2]	(2,546,359)	(355,263)
Net Carrying Value	**$ 2,379,024**	**$ 368,971**

Adjusted EBITDA[3]
($ in thousands, unless otherwise noted)

	Q3 2020	
	Consolidated amount	CLNY OP share of consolidated amount
Total revenues	$ 98,549	$ 15,600
Property operating expenses	(37,544)	(6,026)
Compensation and administrative expenses	(11,592)	(2,299)
Transaction, investment and servicing costs	(2,242)	(266)
EBITDAre[4]:	**$ 47,171**	**7,009**
Straight-line rent expenses and amortization of above- and below-market lease intangibles	(2,106)	(154)
Compensation expense—equity-based	148	30
Installation services	(65)	(13)
Restructuring & integration costs	470	94
Transaction, investment and servicing costs	(50)	(18)
Adjusted EBITDA[4]:	**$ 45,568**	**$ 6,948**

Operating Metrics
($ in millions, unless otherwise noted)

	9/30/20	9/30/19[5]
Number of Data Centers	32	29
Max Critical I.T. Square Feet	1,137,866	1,047,304
Leased Square Feet	945,640	818,341
% Utilization Rate	83.1 %	78.1 %
MRR (Annualized)	$ 374.0	$ 296.2
Bookings (Annualized)	$ 9.4	$ 13.0
Quarterly Churn (% of Prior Quarter MRR)	1.0 %	1.2 %

Notes:
(1) Includes all components related to real estate assets, including tangible real estate and lease-related intangibles
(2) Represents unpaid principal balance.
(3) For a reconciliation of net income/(loss) from continuing operations to adjusted EBITDA, please refer to the appendix to this presentation.
(4) Includes a partial quarter of EBITDAre and Adjusted EBITDA for the 12.4% interest in the Vantage SDC portfolio the Company acquired on July 22, 2020.
(5) The Company did not own an interest in DataBank or Vantage SDC in the third quarter 2019.

VI. Digital Other

Portfolio Overview

($ in thousand, as of September 30, 2020, unless otherwise noted)	**Consolidated amount**	**CLNY OP share of consolidated amount**
CLNY's GP Co-investments in DCP I Investments ($250 million total commitment)	$ 184,829	$ 176,329
Equity interests in digital investment vehicles[1]	71,622	34,067
Net carrying value	**$ 256,451**	**$ 210,396**

Notes:
(1) Net of $97 million of derivative liability from Accrued and Other Liabilities.

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

Net operating income	Consolidated amount	CLNY OP share of consolidated amount
Net operating income:		
Senior Housing - Operating	$ 12,011	$ 8,430
Medical Office Buildings	12,527	8,724
Triple-Net Lease:		
Senior Housing[(1)]	13,223	9,312
Skilled Nursing Facilities	22,304	16,160
Hospitals	1,588	1,106
Total net operating income	$ 61,653	$ 43,732

Portfolio overview	Total number of properties	Capacity	% Occupied[(2)]	TTM Lease Coverage[(3)]	WA Remaining Lease Term
Senior Housing - Operating	53	4,771 units	75.2 %	N/A	N/A
Medical Office Buildings	106	3.8 million sq. ft.	83.0 %	N/A	4.5
Triple-Net Lease:					
Senior Housing	65	3,529 units	79.1 %	1.3x	11.7
Skilled Nursing Facilities	88	10,458 beds	72.7 %	1.3x	5.1
Hospitals	9	456 beds	59.5 %	2.7x	9.6
Total	**321**				

Same store financial/operating results related to the segment

	% Occupied[(2)]		TTM Lease Coverage[(3)]		NOI		
	Q3 2020	Q3 2019	6/30/2020	6/30/2019	Q3 2020	Q3 2019	% Change
Senior Housing - Operating	75.2 %	82.0 %	N/A	N/A	$ 11,709	$ 13,254	(11.7)%
Medical Office Buildings	83.0 %	82.2 %	N/A	N/A	12,527	12,923	(3.1)%
Triple-Net Lease:							
Senior Housing	79.1 %	84.1 %	1.3x	1.3x	13,216	12,233	8.0 %
Skilled Nursing Facilities	72.7 %	82.5 %	1.3x	1.2x	22,310	23,230	(4.0)%
Hospitals	59.5 %	61.3 %	2.7x	1.7x	1,589	808	96.7 %
Total					**$ 61,351**	**$ 62,448**	**(1.8)%**

Notes:
(1) NOI includes $1.0 million consolidated or $0.7 million CLNY OP share of interest earned related to $52 million consolidated or $37 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.

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

Triple-Net Lease Coverage[(1)]

		% of Triple-Net Lease TTM NOI as of June 30, 2020			
TTM Lease Coverage	**# of Leases**	**Senior Housing**	**Skilled Nursing Facilities & Hospitals**	**% Triple-Net Lease NOI**	**WA Remaining Lease Term**
Less than 0.99x	3	— %	17 %	17 %	6 yrs
1.00x - 1.09x	2	5 %	— %	5 %	4 yrs
1.10x - 1.19x	2	— %	18 %	18 %	7 yrs
1.20x - 1.29x	2	— %	12 %	12 %	4 yrs
1.30x - 1.39x	1	28 %	— %	28 %	14 yrs
1.40x - 1.49x	—	— %	— %	— %	—
1.50x and greater	5	2 %	18 %	20 %	4 yrs
Total / W.A.	**15**	**35 %**	**65 %**	**100 %**	**8 yrs**

Revenue Mix[(2)]

	June 30, 2020 TTM		
	Private Pay	**Medicare**	**Medicaid**
Senior Housing - Operating	86 %	4 %	10 %
Medical Office Buildings	100 %	— %	— %
Triple-Net Lease:			
Senior Housing	61 %	— %	39 %
Skilled Nursing Facilities	25 %	22 %	54 %
Hospitals	32 %	56 %	11 %
W.A.	**60 %**	**10 %**	**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.

VIIb. Wellness Infrastructure - Portfolio Overview (cont'd)

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

Top 10 Geographic Locations by NOI

	Number of properties	NOI
United Kingdom	46	$ 10,497
Indiana	55	7,390
Florida	25	6,240
Pennsylvania	8	5,104
Oregon	31	4,657
Georgia	21	4,239
Illinois	35	3,794
Texas	29	3,476
Ohio	14	3,387
Washington	10	2,186
Total	**274**	**$ 50,970**

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	$ 10,497	77.7 %	1.3x	14 yrs
Senior Lifestyle	Sr. Housing / RIDEA	30	9,740	73.7 %	N/A	N/A
Sentosa	SNF / NNN	8	5,104	71.0 %	0.9x	8 yrs
Millers	SNF / NNN	28	3,990	64.6 %	1.9x	N/A
Wellington Healthcare	SNF / NNN	10	3,961	80.0 %	1.1x	6 yrs
Frontier	Sr. Housing / RIDEA / NNN	20	3,099	85.3 %	N/A	N/A
Opis	SNF / NNN	11	2,945	48.5 %	1.2x	3 yrs
Consulate	SNF / NNN	10	2,614	87.2 %	1.1x	7 yrs
WW Healthcare	SNF / NNN	5	1,323	70.5 %	1.3x	5 yrs
Regency Pacific	SNF / NNN	14	1,170	72.0 %	1.5x	9 yrs
Total		**182**	**$ 44,443**			

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

VIIIa. Other Equity and Debt

($ in millions)

Investment	Investment Type	Property Type	Geography	CLNY Ownership %[1]	CLNY OP Share Depreciated Carrying Value 9/30/2020 Assets	Equity	% of Total Equity
Colony Credit Real Estate, Inc. ("CLNC")	Public Company Common Shares	Various	Various	36%	$ 365.9	$ 365.9	24 %
Tolka Irish NPL Portfolio	Non-Performing First Mortgage Loans	Primarily Office	Ireland	100%	375.1	150.6	10 %
Cortland Multifamily Preferred Equity	Preferred Equity	Multifamily	Primarily SouthEast US	100%	116.6	116.6	8 %
Bulk Industrial Portfolio	Real Estate Equity	Industrial	Nationwide	51%	189.0	69.1	5 %
Ronan CRE Portfolio Loan	Mezzanine Loan	Office, Residential, Mixed-Use	Ireland / France	50%	65.2	65.2	4 %
Origination DrillCo Joint Venture	Oil & Gas Well Development Financing	Oil & Gas	East Texas	100%	62.0	62.0	4 %
Spencer Dock Loan	Mezzanine Loan with Profit Participation	Office, Hospitality & Residential	Ireland	20%	52.2	52.2	3 %
McKillin Portfolio Loan	Debt Financing	Office and Personal Guarantee	Primarily US and UK	96%	47.3	47.3	3 %
Dublin Docklands	Senior Loan with Profit Participation	Office & Residential	Ireland	15%	46.1	46.1	3 %
AccorInvest	Real Estate Equity	Hospitality	Primarily Europe	1%	45.8	45.8	3 %
France & Spain CRE Portfolio	Real Estate Equity	Primarily Office & Hospitality	France & Spain	33%	116.3	43.8	3 %
CRC DrillCo Joint Venture	Oil & Gas Well Development Financing	Oil & Gas	California	25%	36.3	36.3	2 %
Maranatha French Hotel Portfolio	Real Estate Equity	Hospitality	France	44%	39.4	32.3	2 %
Hendon Retail Portfolio[2]	A-Note Loan	Retail	US	100%	30.0	30.0	2 %
Remaining OED (>45 Investments)	Various	Various	Various	Various	1,044.0	370.5	24 %
Total Other Equity and Debt					**$ 2,631.2**	**$ 1,533.7**	**100 %**

(1) 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.
(2) Subsequent to quarter-end, the Company was paid $30 million through a discounted payoff of on a mortgage secured by two enclosed malls, two strip centers and various pad sites located in GA, FL and TN.

VIIIa. Other Equity and Debt

($ in millions) Investment	CLNY Ownership %[(1)]	CLNY OP Share Depreciated Carrying Value 9/30/2020 Assets	Equity	% of Total Equity	Description
Colony Credit Real Estate, Inc. ("CLNC")	36%	$ 365.9	$ 365.9	24 %	CLNC is a commercial real estate credit REIT externally managed by the Company with $4.3 billion in at-share assets and $1.7 billion in GAAP book equity value, as of September 30, 2020. The Company owns approximately 48.0 million shares and share equivalents, or 36%, of CLNC.
Tolka Irish NPL Portfolio	100%	375.1	150.6	10 %	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%	116.6	116.6	8 %	14% preferred equity to a multifamily owner and operator with over 60,000 multifamily units primarily located in the Sunbelt markets.
Bulk Industrial Portfolio	51%	189.0	69.1	5 %	Portfolio of industrial assets, consisting of six buildings totaling 4.2 million square feet in five industrial markets in the United States.
Ronan CRE Portfolio Loan	50%	65.2	65.2	4 %	EUR 93.8 million junior loan with an 11% coupon (4.5% cash interest and 6.5% PIK interest) and maturity in Jan-22 collateralized by a portfolio of 12 income-producing mixed-use assets and 5 residential and mixed-use development sites primarily in Ireland.
Origination DrillCo Joint Venture	100%	62.0	62.0	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.
Spencer Dock Loan	20%	52.2	52.2	3 %	EUR 222.6 million whole loan (EUR 155.4 million funded to date and EUR 67.2 million in residual commitment) with 71% profit participation in a Dublin mixed-use development of more than 1 million 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 currently under planning review.
McKillin Portfolio Loan	96%	47.3	47.3	3 %	GBP 49 million 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%	46.1	46.1	3 %	EUR 230 million 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.

VIIIa. Other Equity and Debt

Investment	CLNY Ownership %[(1)]	CLNY OP Share Depreciated Carrying Value 9/30/2020 Assets	Equity	% of Total Equity	Description
($ in millions)					
AccorInvest	1%	45.8	45.8	3 %	Ownership of a diversified portfolio of approximately 900 hotels located primarily in Europe and mostly within the economy and midscale segments managed by Accor. The Company's position sits alongside EUR 770 million of third-party capital managed by the Company, which combine to own approximately 22% of AccorInvest.
France & Spain CRE Portfolio	33%	116.3	43.8	3 %	Portfolio constituted by 29 office and hotel assets, of which 28 office properties are located in France (representing 50% of the portfolio) and 1 hotel in Spain (representing 50% of the portfolio).
CRC DrillCo Joint Venture	25%	36.3	36.3	2 %	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.
Maranatha French Hotel Portfolio	44%	39.4	32.3	2 %	Equity financing investment for restructuring and repositioning of the Maranatha Group, France's third-largest hotel group, which went to bankruptcy. Initial portfolio perimeter constituted by 37 hotels across France along with a management company.
Hendon Retail Portfolio[(2)]	100%	30.0	30.0	2 %	On October 13, 2020, closed on the discounted payoff with CLNY receiving $30 million. The mortgage was secured by two enclosed malls, two strip centers and various pad sites located in GA, FL and TN.
Remaining OED (>45 Investments)	Various	1,044.0	370.5	24 %	
Total Other Equity and Debt		**$ 2,631.2**	**$ 1,533.7**	**100 %**	

(1) 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.
(2) Subsequent to quarter-end, the Company was paid $30 million through a discounted payoff of on a mortgage secured by two enclosed malls, two strip centers and various pad sites located in GA, FL and TN.

VIIIb. Other Investment Management

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

Segment	Products	Description	CLNY OP Share AUM	CLNY OP Share FEEUM	CLNY OP Share Fee Rate	CLNY OP Share Fee Revenues (in thousands)
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	$ 8,552	$ 5,689	.8 %	$ 12,085
Public Company	• Colony Credit Real Estate, Inc.	• NYSE-listed credit focused REIT • Contract with base management fees with potential for incentive fees	2,728	1,961	1.5 %	7,355
Retail Companies	• NorthStar Healthcare Income	• Manage public non-traded vehicles earning asset management and performance fees	3,399	1,182 (1)	1.5 %	4,431
Total			**$ 14,679**	**$ 8,832**		**$ 23,871**

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

($ in millions)	CLNY OP Share					
Segment		**9/30/20**	**% of Grand Total**		**9/30/19**	**% of Grand Total**
Digital investment management		22,237	47.5 %		13,796	30.3 %
Digital operating	$	724	1.5 %	$	—	— %
Digital other		308	.7 %		53	.1 %
Digital AUM	**$**	**23,269**	**49.7 %**	**$**	**13,849**	**30.4 %**
Wellness Infrastructure		2,564	5.5 %		3,746	8.2 %
Hospitality		2,502	5.3 %		3,843	8.4 %
Other(1)		3,611	7.7 %		4,806	10.6 %
Industrial		189	.4 %		1,711	3.8 %
Legacy balance sheet AUM		**8,866**	**18.9 %**		**14,106**	**31.0 %**
CLNC(2)		2,728	5.8 %		3,522	7.7 %
Legacy Institutional		8,552	18.3 %		10,601	23.3 %
Retail Companies		3,399	7.3 %		3,440	7.6 %
Legacy Investment Management AUM		**14,679**	**31.4 %**		**17,563**	**38.6 %**
Grand Total AUM	**$**	**46,814**	**100.0 %**	**$**	**45,518**	**100.0 %**

Notes:
(1) Includes the Company's 36% ownership share of CLNC's total pro-rata share of assets of $4.3 billion as of September 30, 2020 and $5.6 billion as of September 30, 2019.
(2) Represents third-party 64% ownership share of CLNC's total pro-rata share of assets of $4.3 billion as of September 30, 2020 and $5.6 billion as of September 30, 2019.

APPENDICES

Xa. 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 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.

Wellness Infrastructure same store portfolio: defined as properties in operation throughout the full periods presented under the comparison and included 321 properties in the comparisons. Properties acquired or disposed during these periods are excluded for the same store portfolio.

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.

Xa. 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 Wellness Infrastructure 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

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

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

NOI Determined as Follows

	Wellness Infrastructure
Total revenues	$ 124,193
Straight-line rent revenue and amortization of above- and below-market lease intangibles	(5,079)
Interest income	(2)
Property operating expenses[(1)]	(57,459)
NOI	$ 61,653

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

	Wellness Infrastructure
Income (loss)	$ (6,969)
Adjustments:	
Straight-line rent revenue and amortization of above- and below-market lease intangibles	(5,079)
Interest income	(2)
Interest expense	32,310
Transaction, investment and servicing costs	1,031
Depreciation and amortization	31,961
Impairment loss	2,451
Compensation and administrative expense	4,104
Gain on sale of real estate	(186)
Other (gain) loss, net	(3,836)
Income tax (benefit) expense	5,868
NOI	$ 61,653

Notes:

(1) Property operating expenses includes property management fees paid to third parties.

Xc. Appendices - Reconciliations of Net Income (Loss) to Digital IM FRE and Digital Operating Adjusted EBITDA

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

Digital Investment Management FRE Determined as Follows

Digital Investment Management Net income (loss)		3,539
Adjustments:		
Interest income		(2)
Depreciation and amortization		10,259
Compensation expense—equity-based		1,101
Administrative expenses—straight-line rent		14
Equity method (earnings) losses		(6,134)
Other (gain) loss, net		(32)
Income tax (benefit) expense		144
FRE	**$**	**8,889**

Digital Operating Adjusted EBITDA Determined as Follows

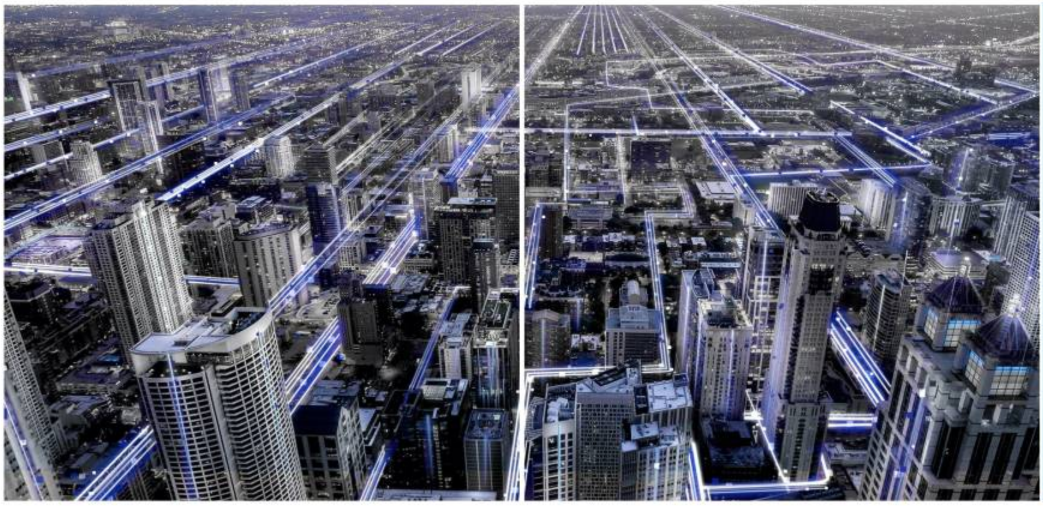
Net income (loss) from continuing operations	$	(38,479)
Adjustments:		
Interest expense		18,589
Income tax (benefit) expense		(6,091)
Depreciation and amortization		73,107
Other gain loss		45
EBITDAre:		**47,171**
Straight-line rent expenses and amortization of above- and below-market lease intangibles		(2,106)
Compensation expense—equity-based		148
Installation services		(65)
Restructuring & integration costs		470
Transaction, investment and servicing costs		(50)
Adjusted EBITDA:	**$**	**45,568**

Xd. Appendices - Assets and Liabilities of Assets Presented Under Discontinued Operations

($ in thousands; for the three months ended September 30, 2020)	Hospitality and THL	Bulk Industrial
Assets		
Restricted cash	$ 69,033	$ —
Real estate, net	3,517,983	342,758
Deferred leasing costs and intangible assets, net	1,851	23,599
Other assets	80,198	4,247
Total assets held for disposition—discontinued operations	**3,669,065**	**370,604**
Liabilities		
Debt, net	3,479,355	233,627
Lease intangibles and other liabilities	165,010	2,230
Total liabilities related to assets held for disposition—discontinued operations	**$ 3,644,365**	**$ 235,857**

THIRD QUARTER 2020 EARNINGS PRESENTATION

November 6, 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 simi
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
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significantly 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 conten
the demand for and 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 t
accelerate the Company's initiatives related to digital transformation, 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 in
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, the performance of DataBank, inc
the pending zColo transaction will be consummated and if so, whether it will transform DataBank into a leading U.S. edge data center operator or result in any of the other anticipated benefits, the actual amount of third party capital to be raised by the
zColo transaction, DataBank's ability to complete additional strategic investments and realize any benefits from such investments, the success and performance of the Company's future investment product offerings, including the Digital Equity franc
Credit initiative, whether the Company will realize the anticipated benefits 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 sto
Company's liquidity will be sufficient to fund growth in digital transformation, the Company's ability to monetize certain legacy assets in the timing and in the amounts anticipated or at all and the impact of such monetizations on the Company's liqui
business and continue to grow its digital assets under management, the Company's ability to bring high quality digital assets onto the balance sheet, the Company's ability to consummate the pending hospitality exit transaction and whether any of
strategic and financial benefits of the transaction will be realized, including the amount of net proceeds to be received by the Company from the transaction, whether balance sheet investments combined with investment management will resul
benefits for the Company's stockholders, 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, the impact of in
impact of changes to the Company's management or board of directors, employee and organizational structure, the Company's financial flexibility and liquidity, including borrowing capacity under its revolving credit facility (including as a result of the ir
19), the use of sales proceeds and available liquidity, the performance of the Company's investment in Colony Credit Real Estate, Inc. (CLNC) (including as a result of the impact of COVID-19), the impact of management changes at CLNC, the Com
minimize balance sheet commitments to its managed investment vehicles, rent escalators, whether the Company's future investments will be accretive, the Company's ability to raise third party capital in new vehicles including through new strategies,
expected taxable income and net cash flows, excluding the contribution of gains, 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 q
(including as a result of the impact of COVID-19), the Company's fee earning equity under management (FEEUM), digital investment management revenue and fee related earnings and its ability to continue growth of such metrics at the current pa
Company's ability to pay or grow the dividend at all in the 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
operations, the impact of any changes to the Company's management 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
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 Ca
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 Ca
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 impa
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
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, Quarterly Report on Form 10-Q for the
March 31, 2020 and Quarterly Report on Form 10-Q for the quarter ended June 30, 2020, 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 Exchan
("SEC").

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vary materially.

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Agenda

#	Section
1	Business Update
2	3Q20 Financial Results
3	Executing The Digital Playbook
4	Q&A

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1 Business Update

Digital Transformation

Executing a strategic plan to rotate the balance sheet and redeploy 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:

- Hospitality Real Estate (UNDER CONTRACT)
- Industrial Real Estate (SOLD 4Q 19)
- Healthcare Real Estate
- CLNC
- Other Equity and Debt
- Investment Management

Where We Are Today – Transitioning into Digital

Strategic Rationale

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

Where We're Going – Digital Infrastructure

Enabling Mobile and Interne Connectivity

Towers
Data Cent
Digital
Fiber
Small Cell

Digital Equity & Digital Credit

Continuing Progress On Rotation

Key 3Q Highlights Demonstrates Ability to Deliver The Digital Transformation

Landmark sale of Hospitality Business

- **$2.8B** transaction value
- Reduces consolidated debt by $2.7B
- Generates significant strategic and financial benefits for CLNY shareholders
- Removes management distraction and oversight
- Simplifies CLNY's business to focus exclusively on digital infrastructure assets

DataBank Acquisition of zCo

- **$1.4B** acquisition led by Colony Capital
- DataBank emerges as a leading national E colocation operator
  - Serving **29** key markets via **64** data centers over **1 million** sq ft
- Expanded footprint provides broad geogra coverage and scale
- Colony deploys **$145M** from balance shee **$500M** of incremental co-invest FEEUM
- Accretive transaction relative to initial inve and publicly traded peers
  - Synergies and business optimization initiati further enhance economics and returns

Hospitality Sale Simplifies Business Profile

Key Milestone in Digital Transformation

- Agreement to sell hospitality portfolios in **$2.8B** transaction
  - $67.5M of gross consolidated proceeds to CLNY
  - Represents an 8.5% cap rate on 2019 NOI and 3.3% cap rate on trailing twelve-month NOI as of 9/30/20
- Sale of a non-core legacy business highly impacted by COVID-19 with minimal expected cash flows for the next two or three years as the lodging market recovers
- Buyer is strong hospitality steward with an excellent track record, will assume all debt and contingent liabilities
- Shedding significant CLNY share of debt of $3.0B(1) with annual cash interest savings of $110M
- Anticipate approximately $7M of annual G&A savings

Significant Decrease in Debt and Leverage Ra

Performance During Pandemic(2)

	2020				
	Apr	May	Jun	Jul	Aug
Occupancy	22%	30%	39%	45%	52%
RevPAR	$20	$27	$39	$46	$53
NOI before FF&E ($M)	($6.3)	($1.3)	$1.0	$4.8	$5.7
Qtrly Cash Interest Exp. ($M)		$24.7			$23.4
Qtrly Core FFO ($M)		($39.6)			($12.8

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(1) Decrease in CLNY's share of debt includes $702 million of CLNY share of debt in the Inland hotel portfolio, which is under receivership and not part of the hospitality portfolio sale.
(2) Includes prior hospitality segment results only, does not include THL hotel portfolio results.

DataBank + zColo: Transformative Acquisition

zColo is Highly Complementary to the DataBank Platform

- DataBank emerges as a leading U.S. EDGE colocation operator for hyperscale, technology and content customers
  - zColo adds a diverse mix of strategically-important enterprise and interconnect data centers across attractive new markets
  - Scale customer relationships and geographic coverage crucial to capturing Edge demand from technology firms looking to monetize the Edge
- Expanded footprint provides broad geographic coverage and scale
  - Larger DataBank portfolio will serve expansion of cloud/content workloads into primary and secondary Edge markets with exceptional base of diversified, blue-chip customers
- Deal leverages strong leadership with track record of successful growth
  - 5 acquisitions in past 3 years; 10%+ organic top-line growth since original acquisition
  - Optimization opportunities already identified
- $1.4B acquisition led by Colony Capital
  - Colony investing $145M from balance sheet to maintain 20% ownership
  - Additional $500M in new coinvest FEEUM
  - Accretive acquisition economics

Scaled Pro Forma Footprint

			Pro Com
Markets	9	23	
Data Centers	20	44	
Carrier Hotels (incl. in Data Centers)	5	13	
Built MW	54	84	
Colo SF	457k	778k	1
Cross Connects	6.8k	23.1k	2
Revenue (LQA)	$176M	$280M	$

National Edge Footprint Serves Cloud and Edge De

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CLNY 3Q20: Promises Made, Promises Kept

Finalized key corporate initiatives and continued to deliver on digital transformation

Finalized Key Corporate Initiatives: De-lever

- Paid down revolver, **$500M** available
- Closed ~**$400M** strategic Wafra investment
- Issued **$300M** of 2025 convertible notes, proceeds paid down bulk of Jan 2021 convertible notes.
- **Successful tender offer for $81M of remaining Jan 2021 convertible notes ($32M remaining balance) yields interest savings**

Investing in High-Quality Digital Assets

- Closed **$200M** Vantage Stabilized Data Center Portfolio (Vantage SDC) investment
- **Vantage SDC completed $1.3B securitization at 1.8%, lower interest rate drives improved IRRs**
- **DataBank buys zColo**

$1.4B
Colony-led transaction

$145M
invested from CLNY balance sheet

Harvest Legacy – Streamline the Organization

- **$46M G&A savings** YTD and expect to save **$60M** exceeding original **$40M** plan
- ~**$430M** of YTD **OED monetizations; $600-700M** projected for FY2020
- **Hospitality Sale**

$2.8B
sale of hospitality portfolio announced;

will shed:

$2.7B of debt | **44%(1)** debt reduction

Delivering o… Core Digital Gr…

- **$2.3B** of net FEEUM rais…
- **33%** YTD FEEUM growth… **15%** guidance

$1.3B in net FEEU… after 6/30/20
Coinvest capital… sheet investment eco…

$800M
Vantage Europe, NA and…

$500M
Pending commitments

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(1) Reduction calculated on CLNY's share of total companywide debt and includes a reduction for debt related to the Inland portfolio, which is under receivership and not part of the hospitality portfolio sale.

2 3Q20 Financial Results

3Q20 Summary Results

($ millions except per share & AUM)	3Q19	2Q20	3Q20	Q/Q%
Total Company				
Consolidated Revenues	$359.0	$286.7	$316.7	+10%
Core FFO (ex Gains/Loss)	$106.0	($19.3)	$4.8	*Nm*
per share	*$0.20*	*($0.04)*	*$0.01*	
Net Income (CLNY Shareholder)	($555.0)	($2,042.8)	($205.8)	*Nm*
per share	*($1.16)*	*($4.33)*	*($0.44)*	
AUM ($B)	$45.5	$45.7	$46.8	+3%
% Digital	*30%*	*47%*	*50%*	*+3%*
Core Digital Segments[1]				
Consolidated Revenues	$14.5	$62.7	$118.7	+89%
CLNY share of Revenues[2]	*$14.5*	*$29.1*	*$29.4*	*+1%*
Consolidated FRE / Adjusted EBITDA	$10.1	$25.9	$54.5	>100%
CLNY share of FRE / Adjusted EBITDA[2]	*$10.1*	*$12.6*	*$13.3*	*+5%*
Core FFO (ex Gains/Loss)	$7.1	$9.5	$10.1	+6%
per share	*$0.01*	*$0.02*	*$0.02*	*+6%*
AUM ($B)	$13.8	$21.6	$23.3	+8%

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(1) Includes Digital Operating and Digital Investment Management segments. Excludes Digital Other segment.
(2) Excludes non-controlling interest. Refer to the appendix for Non-GAAP Reconciliations.

Expanding Digital Disclosures

Prior Segmentation	TRANSFORMATION	New Segmentation
Digital (1)	Expanded Disclosure	(1) Digital Investment Management (2) Digital Operating (3) Digital Other
Healthcare/Wellness Infra (2)	Unchanged	(4) Wellness Infra
Other Investment Mgmt (3) CLNC (4) Other Equity & Debt (5)	Combined	(5) Other (with similar subsegment disclosures)
Hospitality (6)	Discontinued Ops[(1)]	*No longer a segment*

As we continue to streamline and si our businesses an further the Digital transformation, we also streamlining simplifying our fina disclosures while emphasizing our Digital results

(1) Purchase agreement for the entire Hospitality segment signed in October 2020; Sale not expected to be completed until 2021.

3Q20 – Return to Positive Core FFO

Continued Execution of Strategic Plan Driving Q/Q Improvements While Advancing an All-Digital Future

2Q20

Digital Acquisitions and Growth

- Acquisition of Vantage hyperscale datacenters
- zColo acquisition will fuel further growth in 4Q20

G&A Reduction

- Reduction of 42 non-Digital FTEs since YE2019
- $40M G&A reduction plan on track
- Expected run-rate G&A of $100-$120M by 2023

Lower Interest Expense

- Paydown of revolver: $400M in 3Q20, $600M YTD
- Paydown of 2021 Convertible notes
- Zero near-term maturities

Improved Legacy

- Improvements at Hospitality due to COVID related re-openings
- Reduction of QoQ impairment losses (>$2B in 2Q20)

3Q20

Digital Earnings Summary

Core Digital Revenues(1)

CLNY %	3Q19	2Q20	3Q20
Digital IM	100%	100%	69%
Digital Operating	n/a	20%	16%

Consolidated Digital Revenues increased to $119M in 3Q20, driven by acquisitions of Databank in 4Q19 and Vantage in 3Q20

- Fee revenues in 3Q19 were a stub period following acquisition of Digital Bridge in July 2019

Consolidated Digital FRE / Adjusted EBITDA(1)

	3Q19	2Q20	3Q20
Digital IM	100%	100%	69%
Digital Operating	n/a	20%	15%

Consolidated Digital FRE and Adjusted EBITDA increased to $54 during 3Q20

- Recurring margins increased 500 basis points quarter to quarter to 46
- FRE expected to be $9.9M pro forma for run-rate fee earnings from pen zColo, ExteNet and Vantage transactions

(1) Includes Digital Operating and Digital Investment Management segments. Excludes Digital Other segment.

Progress Towards 2023 Targets

Investment Management

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

Investments in professionals to support future product growth impacted 3Q20 FRE margin

Digital Operating

Digital operating businesses on the balance sheet increased earnings contribution due to the investment in Vantage SDC in July 2020

Additional earnings anticipated upon closing of the zColo transaction and as balance sheet continues to rotate

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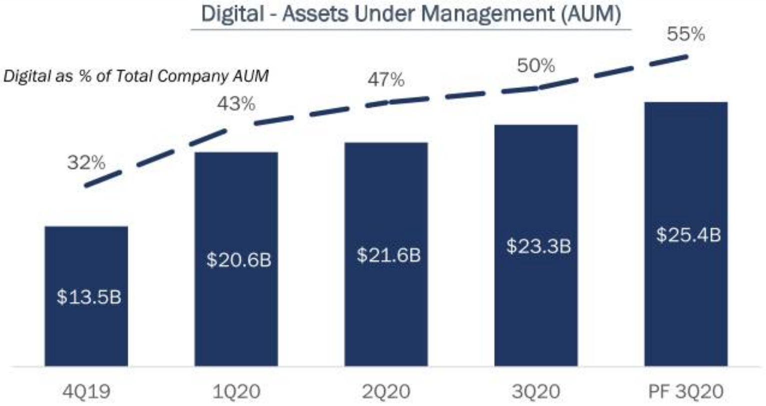
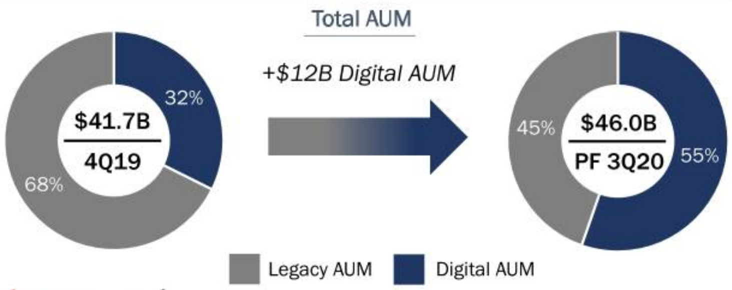
(1) Represents annualized 3Q20 consolidated results, normalized to exclude a one-time expense gross-up during 2Q20.
(2) Includes pro-forma adjustments for run-rate fee earnings expected from announced zColo, ExteNet and Vantage transactions anticipated to close in 4Q20.
(3) Represents annualized 3Q20 pro-rata results; excludes Digital Other segment.

Rapid Expansion of Digital AUM and FEEUM





~90% and ~30% YTD growth in pro forma AUM and FEEU respectively

- Driven by Zayo, Vantage Europe, Vantage SDC and zColo transactions completed with significant third-party capita

Digital now represents more than 50% of total AUM

- PF for pending acquisition of zColo by DataBank and Van Europe and North America upsize
- PF for agreement to sell Hospitality and THL for $2.8B

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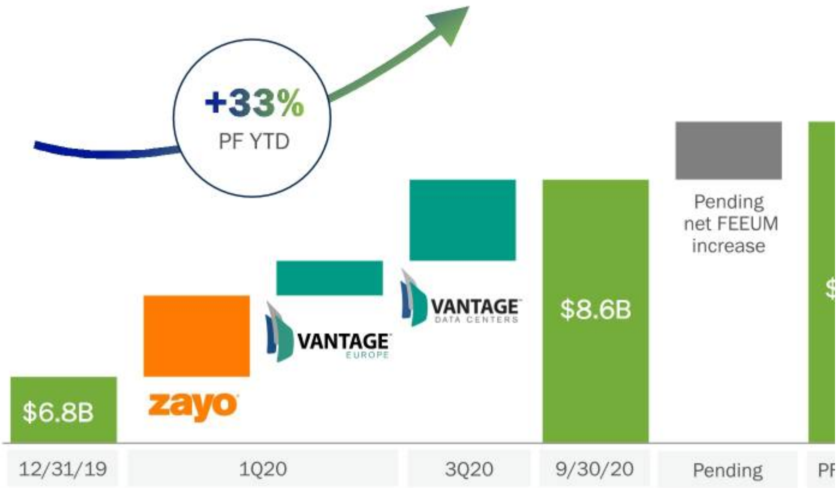
Investment Management FEEUM Growth

33% growth in digital FEEUM in first 10 months of 2020…far exceeding our 15% guidance for the year

High Quality Relationships and Fees

- Leveraging long-standing relationships built on success
- **Zayo (1Q20):** Landmark **$14.3B** take-private added **~$700M** was fee-bearing co-invest capital
- **Vantage Europe (1Q20 – 3Q20):** to accelerate European expansion raised net **~$130M** of FEEUM in 1Q20 and another **~$180M** FEEUM in the 3Q20.
- **Vantage SDC (3Q20):** Raised net **~$600M** FEEUM alongside CLNY balance sheet investment
- **Pending Commitments: ~$500M** of net FEEUM which includes zColo and additional Vantage platform fundings

Exceeding Expectations



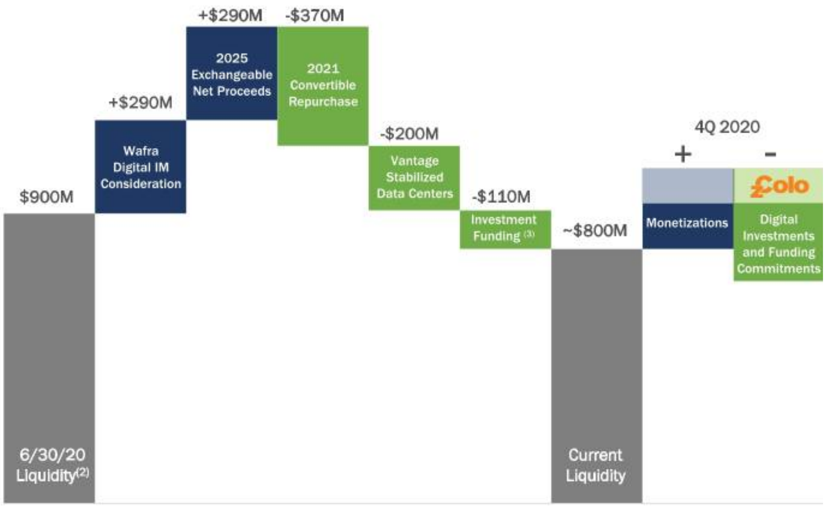
Extending Maturities, Maximizing Liquidity

Managing Corporate Liabilities

- No corporate debt maturities until 2023[(1)]
- 3.8 years of weighted average maturity[(1)]
- 5% weighted average interest rate[(1)]

Significant Liquidity for Digital Transformation

Year end liquidity forecasted to increase from a range of $625-$725M to $650-$75
favorable outlook for 4Q20 OED monetizations



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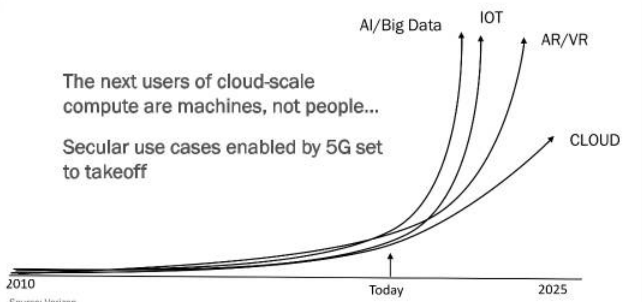
(1) Except for $32M of convertible debt maturing in January 2021, which the Company will pay off at maturity. Weighted average maturity and interest rate excludes preferred equity.
(2) Represents the Company's share of corporate cash, which is calculated as consolidated cash of $1.1B as of 6/30/20 excluding $95M of cash from noncontrolling interest entities and $205M of the Company's 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 revolv
(3) Primarily fundings for Digital and preexisting commitments to legacy funds. Total digital fundings of $82M.

3 Executing The Digital Playbook

Colony Grows At The Edge

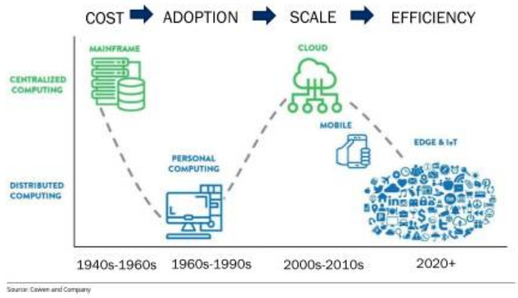
The Emerging Edge Opportunity

Exponential Growth in New & Emerging Use Cases...



Source: Verizon

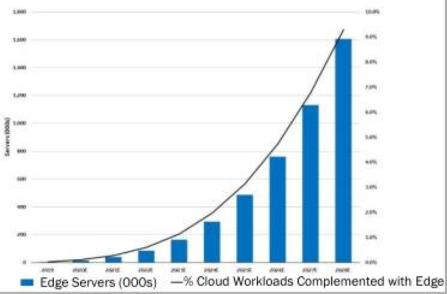
...Pushes Demand Back to The EDGE...



Source: Cowen and Company

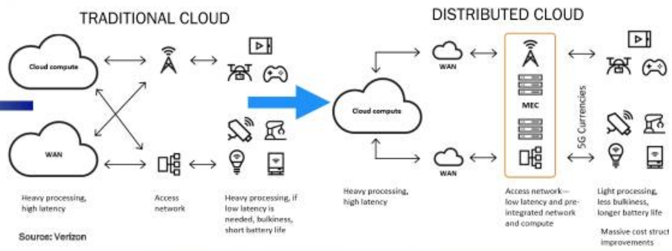
...Driving Strong Growth in Edge Server Deployment

Estimated that 1.6M Edge Servers will support 10% of cloud workloads by 2028



Source: Cowen and Company

...Forcing Changes in Network Architecture...



Source: Verizon

LOWER LATENCY, FASTER SPEEDS, GREATER RESOURCE EFFICIENCY

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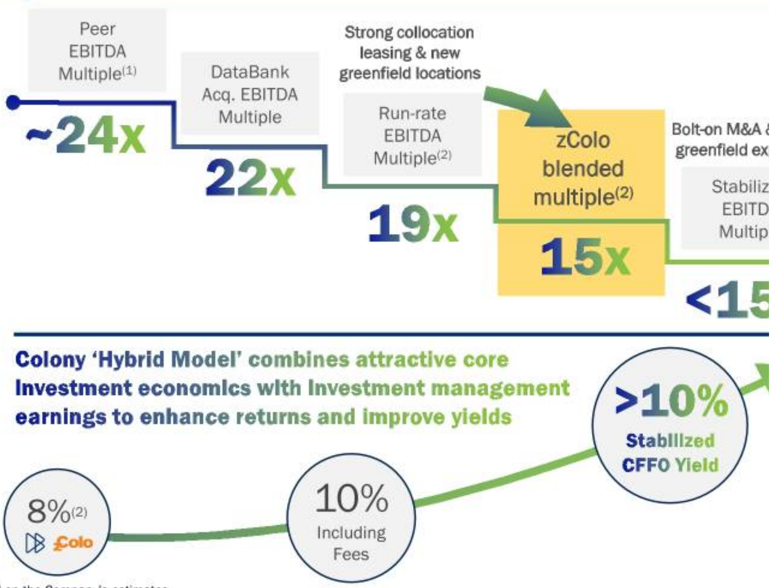
DataBank + zColo Value Creation

zColo acquisition is highly accretive to the DataBank investment

zColo Transaction Overview

- Purchase Price: $1.4B
- Equity Investment of $720M
  - $145M funded by CLNY to maintain 20% stake, bringing total CLNY investment to ~$335M
  - Transaction will add $500M+ of co-invest FEEUM
- Total funded acquisition debt of $550M; $725M including capital lease obligations
- Accretive transaction relative to initial investment and publicly traded peers
  - Synergies and business optimization initiatives will further enhance economics and returns

zColo's Accretive Impact



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(1) Represents the implied EBITDA trading multiples of retail colocation based on the Company's estimates.
(2) Based on EBITDA including booked but not billed income, which represents income from signed leases that have not taken occupancy and mid-quarter installs, and estimated synergies in the case of zColo, but excluding known churn and startup losses.

A History of Digital Colony Value Add

DATABANK

Since acquisition in 2016, DataBank has transformed from a regional midwestern business to a scaled national data center operator, benefiting from Digital Colony's alpha creation strategies

Management Augmentation

- Digital Colony Operating Partner, Raul Martynek, appointed CEO of DataBank in 2017
- Digital Colony's Senior Advisor, Michael Foust, Chairman of DataBank since July 2016 acquisition
- Executive team augmented from Digital Colony's network, EVP of Corporate Development, SVP of Sales, SVP of Marketing, VP of Finance and VP of Network Engineering

Strategic Development and Financing

- Digital Colony has raised approximately $1.4B in equity and helped arrange/refi debt facilities totaling approximately $1.5B from leading institutional investors
- Digital Colony investment team facilitated customer acquisition/anchor tenant expansion
- zColo acquisition funded with $145M CLNY capital; Digital Colony responsible for raising $500M+ of coinvest equity capital and $600M of debt to fund acquisition

M&A Execution

- Digital Colony senior investment team helped source and execute five add-on acquisitions which have driven consistent accretive growth for investors:
  - 365 Data Centers; C7; Edge Hosting; PNC data center; LightBound
- Digital Colony relationships critical to sealing EdgePresence 'micro data center' investment
- Transformative zColo acquisition managed by Colony Capital digital investment team. Deal financed by Digital Colony capital markets group.

2016

Digital Colony predeces
acquires DataBank

3x

EBITDA since acquisition

2019

Colony acquires 20%
stake, first balance she
investment

2020

Colony supports DataBa
acquisition of zColo

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DataBank Executing On Converged Networks

Strategic investments enable DataBank customers access to Edge connectivity and the entire Colony digital ecos

From a scaled national footprint with onramps to global internet traffic…

…to the "far Edge" with modular data centers a the foot of cell towers

+ Colo

$1.4B Acquisition announced Sep-20

+ Edge Presence

DataBank $30M strategic investment in Edge Presence Oct-2

Ecosystem Benefits

digitalcolony

DATABANK verticalbridge

Edge Presence also partnering with Digi portfolio company Vertical Bridge, the la private tower owner in the US; currently at 12 Vertical Bridge locations

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Continuing to Deliver on Our Commitments

Commitment	YTD Highlights	Future
Address Near-Term Corporate Debt Maturities and Enhance Liquidity	Paid down 2021 converts, issued $300M of new 2025 converts. Amended revolver to clear Path-to-Digital	COMPLETED
Commit Significant Capital Towards Digital Infrastructure Growth	Deployed over $530M between DataBank/ zColo and Vantage SDC in the last year	Another significant balance she investment within the next six r Pipeline is robust
Deliver on Core Digital Investment Management Growth	+33% growth in digital FEEUM, exceeding 15% original guidance and updated 30% target	Focus on growth of flagship Dig Equity and emerging Credit frar
Simplification – Legacy Asset Monetizations and Cost Reductions	Monetized $430M of legacy assets to-date; Hospitality business sale under contract; $46M run-rate G&A savings YTD	By end of year, achieve $600-7 total legacy asset sales, sharpe on G&A, hit $60M run-rate savi

Building Long-Term Value for Colony Capital Shareholders

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4 Q&A Session

Digital Colony Universe

Our companies operate and manage ~350,000 sites, >140,000 route miles of dense metro fiber, >40,000 small cell nodes an
>95 data centers globally

Capital Source	Earnings Stream	MTP	vertical bridge	exteNet	atp	DataBank (Colo)	Vantage	FreshWave Group
		2013	2014	2015	2016 /2017	2016 /2020	2017	2018
		~2,400 active sites ~5,100 total sites[2]	~6,300 active sites ~289,000 total sites[2]	~32,300 nodes[3] ~430 networks[3] ~3,600 route miles fiber[3]	~3,000 active sites ~39,000 total sites[2]	64 data centers[4]	13 operating hyper scale campuses; 4 currently under dev.	~5,000 nodes ~5,000 towers[5] ~150 networks[5]
		Towers	Towers	Small Cells	Towers	Enterprise DC	Hyperscale DC	Small Cells
Capital Source	Earnings Stream	*15 Distinct Digital Operating Companies/Platforms Across Four Capital Sources*						
Original Digital Bridge Separately Capitalized Cos	Management Fees	●	●	●	●	●	●	
Digital Colony Partners I (DCPI) (1)	Management Fees & Carried Interest				●			●
Co-Invest Capital	Management Fees & Carried Interest					●	●	
CLNY Balance Sheet	Earnings From Investment					●	●	

Capital Source	Earnings Stream	Digita	aptum	beanfield	Highline	Wildstone	zayo	Vantage Europe
		2018	2019	2019	2019	2020	2020	2020
		~300 tower sites 1,400+ total sites[2]	14 data centers	~3,200 on-net locations ~2,400 route miles	~580 active sites ~713 total sites[2],[3]	~2,600 total sites	136,000+ route miles, ~35,000 on-net buildings	1 operating hyper scale campus; 6 currently under dev.
		Towers	Enterprise DC	Fiber	Towers	Outdoor Digital Infra	Fiber	Hyperscale DC
Original Digital Bridge Separately Capitalized Cos	Management Fees							
Digital Colony Partners I (DCPI) (1)	Management Fees & Carried Interest	●	●	●	●	●	●	●
Co-Invest Capital	Management Fees & Carried Interest						●	●
CLNY Balance Sheet	Earnings From Investment							

Notes: All figures as of September 30, 2020 except otherwise noted. With respect to ATP, DataBank, ExteNet, MTP, Vantage Europe, Vantage North America, and Vertical Bridge, in addition to Colony Capital's indirect ownership in DataBank and Vantage North America and Digital Colony Partners' ownership in ATP and Vantage Europe, Digital Colony provides investment advisory services to investment vehicles that have invested ir such business and provides certain business services to such businesses. In addition, certain employees of Digital Colony serve on the boards of directors (or similar governing bodies) of such companies or holding companies thereof.

(1) CLNY balance sheet has a $250M commitment to DCP I, of which $172M has been funded; (2) "Active sites" represents owned and other revenue generating sites, while "total sites" includes other sites on which the company has marketing/management rights; for Digita, "total sites" includes certain micro data centers and IoT sites; (3) Includes contracted and in construction ("CIC") networks; (4) Includes under construction sites and signed but not closed transactions; (5) Includes BBNB (contracted) sites and other active near-term pipeline opportunities.

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Non-GAAP Reconciliations

Core Funds from Operations *(in thousands, except per share)*	Total CLNY for the Three Months Ended September 30, 2020	Total CLNY June 30, 2020	Total CLNY September 30, 2019	Core Digital Segments[7] for the Three Months Ended September 30, 2020	Core Digital Segments[7] June 30, 2020	Core Digital Segments[7] September 30, 2019	Hospitality for the T September 30, 2020
Net income (loss) attributable to common stockholders	$ (205,784)	$ (2,042,790)	$ (554,953)	$ (3,067)	$ (2,476)	$ 38,160	$ (38,967)
Adjustments for FFO attributable to common interests in Operating Company and common stockholders:							
Net income (loss) attributable to noncontrolling common interests in Operating Company	(22,651)	(225,057)	(53,560)	(337)	(273)	3,681	(4,290)
Real estate depreciation and amortization	162,705	131,722	116,615	70,474	25,773	29	27,397
Impairment of real estate	142,767	1,474,262	177,900	-	-	-	(69)
Gain from sales of real estate	(12,332)	4,919	(12,928)	-	-	-	11
Less: Adjustments attributable to noncontrolling interests in investment entities	(146,905)	(329,601)	(67,498)	(60,086)	(20,595)	-	(1,784)
FFO attributable to common interests in Operating Company and common stockholders	(82,200)	(986,545)	(394,424)	6,984	2,429	41,870	(17,702)
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]	(10,529)	741	(39,959)	-	-	-	-
Gains and losses from sales of investment management businesses and impairment write-downs associated investment management	7,546	515,698	387,000	3,832	-	-	-
CLNC Core Earnings and NRE Cash Available for Distribution adjustments[2]	(27,256)	266,016	5,063	-	-	-	-
Equity-based compensation expense	8,380	10,716	11,590	338	978	-	202
Straight-line rent revenue and expense	(6,282)	(5,240)	(466)	(2,821)	1,410	38	(14)
Amortization of acquired above- and below-market lease values, net	(1,376)	(583)	(3,569)	790	1,723	-	-
Amortization of deferred financing costs and debt premiums and discounts	4,382	9,963	16,158	(3,208)	-	-	2,302
Unrealized fair value losses on interest rate and foreign currency hedges, and foreign currency	1,952	(7,482)	93,322	(87)	-	-	-
Acquisition and merger-related transaction costs	7,963	332	101	5	596	-	2,500
Restructuring and merger integration costs[3]	6,839	13,046	18,592	-	-	-	-
Amortization and impairment of investment management intangibles	8,849	11,625	65,158	6,319	9,103	4,711	-
Non-real estate fixed asset depreciation, amortization and impairment	3,873	14,065	1,588	2,714	226	27	-
Gain on consolidation of equity method investment	-	-	(51,400)	-	-	(51,400)	-
Amortization of gain on remeasurement of consolidated investment entities	-	12,891	-	-	-	-	-
Tax effect of Core FFO adjustments, net	(5,410)	2,263	(5,500)	(4,391)	(5,002)	11,822	-
Less: Adjustments attributable to noncontrolling interests in investment entities	6,572	(11,717)	(1,653)	(409)	(1,952)	-	(91)
Core FFO attributable to common interests in Operating Company and common stockholders	$ (76,697)	$ (154,211)	$ 101,601	$ 10,066	$ 9,511	$ 7,068	$ (12,803)
Less: Core FFO (gains) losses	81,479	134,888	4,429	-	-	-	-
Core FFO ex-gains/losses attributable to common interests in Operating Company and common stockholders	$ 4,782	$ (19,323)	$ 106,030	$ 10,066	$ 9,511	$ 7,068	$ (12,803)
Core FFO per common share / common OP unit[4]	$ (0.14)	$ (0.29)	$ 0.19	$ 0.02	$ 0.02	$ 0.01	$ (0.02)
Core FFO per common share / common OP unit—diluted[4][5][6]	$ (0.14)	$ (0.29)	$ 0.18	$ 0.02	$ 0.02	$ 0.01	$ (0.02)
Core FFO ex-gains/losses per common share / common OP unit[4]	$ 0.01	$ (0.04)	$ 0.20	$ 0.02	$ 0.02	$ 0.01	$ (0.02)
Core FFO ex-gains/losses per common share / common OP unit—diluted[4][5][6]	$ 0.01	$ (0.04)	$ 0.20	$ 0.02	$ 0.02	$ 0.01	$ (0.02)
W.A. number of common OP units outstanding used for Core FFO per common share and OP unit[4]	536,516	535,938	534,772	536,516	535,938	534,772	536,516
W.A. number of common OP units outstanding used for Core FFO per common share and OP unit-diluted[4][5][6]	536,516	535,938	562,709	536,516	535,938	562,709	536,516

(1) For the three months ended September 30, 2020, June 30, 2020 and September 30, 2019, net of $23.7 million consolidated or $8.9 million CLNY OP share, $2.1 million consolidated or $0.6 million CLNY OP share and $47.4 million consolidated or $41.8 million CLNY OP share, respect depreciation, 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 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 September 30, 2020 and June 30, 2020 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 assum conversion of the convertible senior notes as the effect of including such interest expense and common share equivalents would be antidilutive; and weighted average performance stock units, which are subject to both a service condition and market condition.

(6) For the three months ended September 30, 2019, included in the calculation of diluted Core FFO per share is the effect of adding back $4.4 million of interest expense associated with convertible senior notes and 25.4 million of weighted average dilutive common share equivalents for th assumed conversion of the convertible senior notes; and are 2,451,400 weighted average performance stock units, which are subject to both a service condition and market condition, and 67,300 weighted average shares of non-participating restricted stock.

(7) Includes Digital Operating and Digital Investment Management segments; excludes Digital Other.

Non-GAAP Reconciliations

(In thousands)	Three Months Ended September 30, 2020	June 30, 2020	September 30, 2019
CLNY Share of Consolidated Revenues			
Total Revenues	$316,677	$286,734	$359,000
Less: Non-controlling interest	(151,533)	(99,721)	(82,344)
CLNY pro-rata share of Revenues	**$165,144**	**$187,013**	**$276,656**
Digital Net Income (Loss)			
Digital Investment Management	$3,539	$1,880	$41,841
Digital Operating	(38,479)	(21,142)	-
Digital Other	6,757	12,716	(251)
Digital Net Income (Loss)	**($28,183)**	**($6,546)**	**$41,590**
Digital Investment Management FRE Determined as Follows			
Net income (loss)	$3,539	$1,880	$41,841
Adjustments:			
Interest income	(2)	(4)	(7)
Interest expense	-	-	1,585
Depreciation and amortization	10,259	6,604	4,753
Compensation expense—equity-based	1,101	682	-
Administrative expenses—straight-line rent	14	16	37
Transaction Costs	-	-	199
Equity method earnings (losses)[(1)]	(6,134)	(157)	14
Other gain (loss), net	(32)	8	(51,401)
Income tax expense (benefit)	144	278	13,090
Fee related earnings	**$8,889**	**$9,307**	**$10,111**
Fee income	$20,048	$20,173	$13,989
Other income	87	552	521
Compensation expense—cash	(9,414)	(9,208)	(3,891)
Administrative expenses	(1,832)	(2,210)	(1,370)
Equity method earnings (losses)[(1)]	n/a	n/a	862
Fee related earnings	**$8,889**	**$9,307**	**$10,111**
CLNY ownership	70.9%	100.0%	100.0%
CLNY pro-rata share of FRE	**$6,306**	**$9,307**	**$10,111**

(In thousands)	Three Months Ended September 30, 2020	June 30, 2020
Digital Operating Adjusted EBITDA Determined as Follows		
Net income (loss) from continuing operations	($38,479)	($21,1
Adjustments:		
Interest expense	18,589	8,1
Income tax (benefit) expense	(6,091)	(2,6
Depreciation and amortization	73,107	28,5
Other (gain) loss	45	
EBITDAre	47,171	12,9
Straight-line rent expenses and amortization of above- and below-market lease intangibles	(2,106)	3,0
Amortization of leasing costs	-	(1,2
Compensation expense—equity-based	148	2
Installation services	(65)	4
Restructuring & integration costs	470	4
Transaction, investment and servicing costs	(50)	5
Adjusted EBITDA	**$45,568**	**$16,5**
CLNY ownership	15.2%	20.
CLNY pro-rata share of Adjusted EBITDA	**$6,948**	**$3,3**
Hospitality NOI		
Net income (loss) from discontinued operations	($45,735)	($741,6
Adjustments:		
Straight-line rent revenue and amortization of above- and below-market lease intangibles	(15)	
Interest income	(16)	
Interest expense	27,248	29,8
Transaction, investment and servicing costs	3,779	7
Depreciation and amortization	27,397	35,4
Impairment loss	(69)	660,7
Compensation and administrative expense	994	1,7
Other (gain) loss, net	123	(3
Income tax (benefit) expense	(51)	6,6
Hospitality NOI	**$13,655**	**($6,6**

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(1) For the three months ended September 30, 2019, FRE includes the equity method earnings from the 50% interest in the manager of the $4 billion Digital Colony Partners fund prior to the closing of the DBH acquisition.

Important Note Regarding Non-GAAP Financial Measur

This presentation 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 sim
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, excludin
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 es
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 a
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
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 se
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
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 custor
(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 foreg
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 Earning

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 m
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 rat
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
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
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. Addi
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
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.

Digital Operating 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 de
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 e
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, l
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
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
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.

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 (excluc
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

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 adju
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
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 r
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
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
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 in
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 administrativ
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 indic
performance. In addition, the Company's methodology for calculating NOI involves subjective judgment and discretion and may differ from the methodologies used by other comparable companies, including other REITs, when calculating the same or similar supplemental financial m
not be comparable with other companies.

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 a
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 as
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
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