



**CBRE**

**CBRE GROUP, INC.**

**First Quarter 2017: Earnings Conference Call**

**APRIL 27, 2017**

## FORWARD-LOOKING STATEMENTS

This presentation contains statements that are forward looking within the meaning of the Private Securities Litigation Reform Act of 1995. These include statements regarding CBRE's future growth momentum, operations, market share, business outlook, and financial performance expectations. These statements are estimates only and actual results may ultimately differ from them. Except to the extent required by applicable securities laws, we undertake no obligation to update or publicly revise any of the forward-looking statements that you may hear today. Please refer to our first quarter earnings release, furnished on Form 8-K and our most recent annual report filed on Form 10-K, and in particular any discussion of risk factors or forward-looking statements therein, which are available on the SEC's website ([www.sec.gov](http://www.sec.gov)), for a full discussion of the risks and other factors that may impact any forward-looking statements that you may hear today. We may make certain statements during the course of this presentation, which include references to "non-GAAP financial measures," as defined by SEC regulations. Where required by these regulations, we have provided reconciliations of these measures to what we believe are the most directly comparable GAAP measures, which are attached hereto within the appendix.

# CONFERENCE CALL PARTICIPANTS

**Bob Sulentic**

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PRESIDENT AND  
CHIEF EXECUTIVE OFFICER

**Jim Groch**

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CHIEF FINANCIAL OFFICER

**Gil Borok**

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DEPUTY CHIEF FINANCIAL OFFICER AND  
CHIEF ACCOUNTING OFFICER

**Steve Iaco**

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CORPORATE COMMUNICATIONS

## Q1 2017 RESULTS

- Performance reflects strong operating momentum and CBRE's growing advantages
- Strategy to produce highly differentiated client outcomes
  - Targeted organic investments and acquisitions aimed at people, service offering, operating platform
  - Significant improvements in ability to provide integrated client solutions as well as digital and consultative capabilities
- Excellent top- and bottom-line organic growth in all three regions
  - Growth came against backdrop of lower sales market volumes
  - Earnings enhanced by steps to calibrate costs and invest in our strategy

## Q1 2017 HIGHLIGHTS

- Growth almost entirely organic
- 15.8% adjusted EBITDA margin on fee revenue
- 19% adjusted EPS growth with high quality earnings
- Highly disciplined approach to M&A and recruiting/retention
  - Three technology oriented acquisitions YTD 2017
  - Top brokerage professionals join and remain at CBRE because platform, scale, brand and integrated solutions enable them to do more for clients

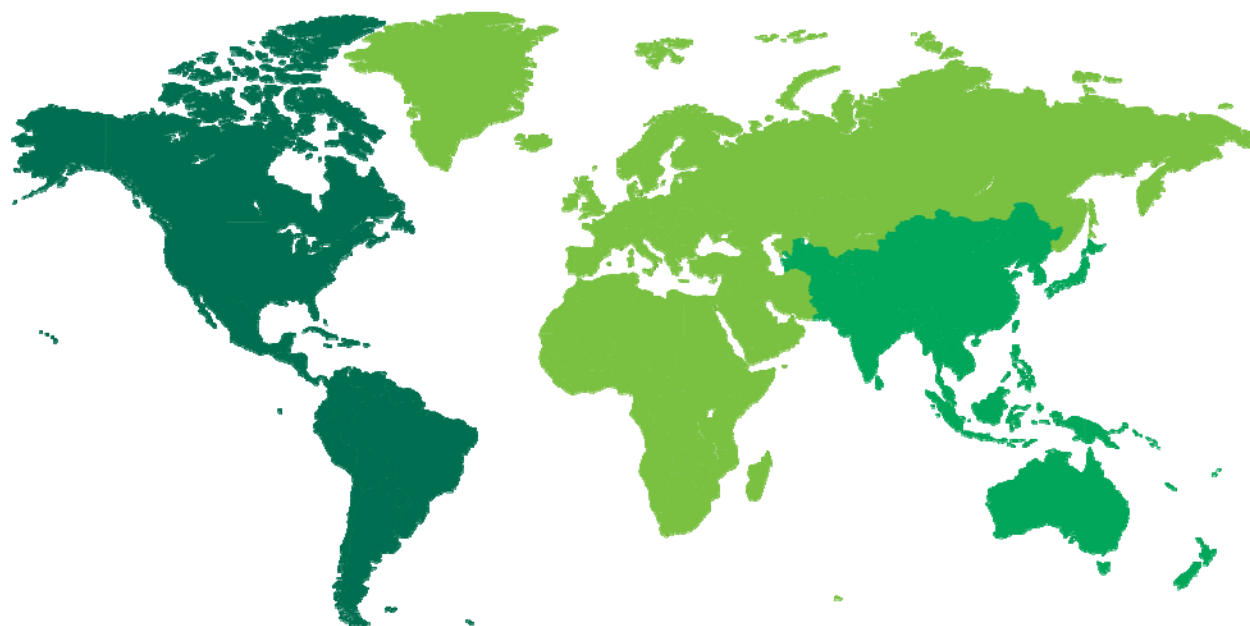
## Q1 2017 PERFORMANCE OVERVIEW

	Revenue	Fee Revenue <sup>1</sup>	EBITDA <sup>2</sup>	Adjusted EBITDA <sup>3</sup>	Fee Revenue Margin <sup>4</sup>	Net Income <sup>5</sup>	EPS <sup>5,6</sup>
						GAAP	
<b>Q1 2017</b>	\$ 2,981 M	\$ 1,921 M	\$ 307 M	\$ 303 M	15.8%	\$ 130 M	\$ 0.38
						<b>Adjusted</b>	
						<b>\$ 145 M</b>	<b>\$ 0.43</b>
						GAAP	
<b>Q1 2016</b>	\$ 2,847 M	\$ 1,836 M <sup>7</sup>	\$ 253 M	\$ 283 M	15.4%	\$ 82 M	\$ 0.24
						<b>Adjusted</b>	
						<b>\$ 121 M</b>	<b>\$ 0.36</b>
<b>Change Q1 2017-over-Q1 2016</b>							
<b>USD</b>	▲ 5%	▲ 5%	▲ 21%	▲ 7%	▲ 40bps	▲ 20% <sup>9</sup>	▲ 19% <sup>9</sup>
<b>Local Currency</b>	▲ 7%	▲ 7%	▲ 20% <sup>8</sup>	▲ 7% <sup>8</sup>	n/a	▲ 19% <sup>8,9</sup>	▲ 19% <sup>8,9</sup>

See slide 15 for footnotes.

# REGIONAL SERVICES BUSINESSES OVERVIEW

Q1 2017 REGION HIGHLIGHTS (% INCREASE IN LOCAL CURRENCY)



## Americas

- Fee Revenue<sup>1</sup> ▲ 5%
- Adjusted EBITDA ▲ 18%<sup>2</sup>

## EMEA

- Fee Revenue<sup>1</sup> ▲ 10%
- Adjusted EBITDA ▲ 39%<sup>2,3</sup>

## Asia Pacific

- Fee Revenue<sup>1</sup> ▲ 8%
- Adjusted EBITDA ▲ 10%<sup>2,3</sup>

See slide 15 for footnotes.

# Q1 2017 BUSINESS LINE REVENUE

CONTRACTUAL REVENUE & LEASING, WHICH IS LARGELY RECURRING<sup>1</sup>, IS 74% OF FEE REVENUE

## Revenue (\$ in millions)

	Contractual Revenue Sources				Leasing	Capital Markets		Other		Total
	Occupier Outsourcing <sup>2</sup>	Property Management <sup>2</sup>	Investment Management	Valuation	Leasing	Sales	Commercial Mortgage Services	Development Services	Other	
<b>Gross Revenue</b>										
Q1 2017	\$ 1,474	\$ 269	\$ 90	\$ 116	\$ 533	\$ 348	\$ 121	\$ 11	\$ 19	\$ 2,981
<b>Fee Revenue<sup>3</sup></b>										
Q1 2017	\$ 559	\$ 124	\$ 90	\$ 116	\$ 533	\$ 348	\$ 121	\$ 11	\$ 19	\$ 1,921
% of Q1 2017 Total Fee Revenue	29%	6%	5%	6%	28%	18%	6%	1%	1%	100%
<div style="text-align: center; border: 1px dashed green; border-radius: 50%; padding: 5px; display: inline-block;"> <b>74% of total fee revenue</b> </div>										
<b>Fee Revenue Growth Rate (Change Q1 2017-over-Q1 2016)</b>										
USD	▲ 4% <sup>4</sup>	▲ 6%	▼ -1%	▲ 6%	▲ 4%	▲ 5%	▲ 13%	▼ -27%	▲ 14%	▲ 5%
Local Currency	▲ 9% <sup>4</sup>	▲ 7%	▲ 3%	▲ 7%	▲ 4%	▲ 6%	▲ 14%	▼ -27%	▲ 15%	▲ 7%

See slide 15 for footnotes.



# OCCUPIER OUTSOURCING

## 2017 TOTAL CONTRACTS

	Q1
New	<b>30</b>
Expansions	<b>52</b>
Renewals	<b>27</b>

## HIGHLIGHTS

- 109 total contracts signed in Q1 2017
- 52 client expansions matches company high for a single quarter
- 16 total contracts in health care sector, including 14 expansions
- 29 total contracts in EMEA and APAC

## Q1 2017 Representative Clients

### Facilities Management



### Transaction Services



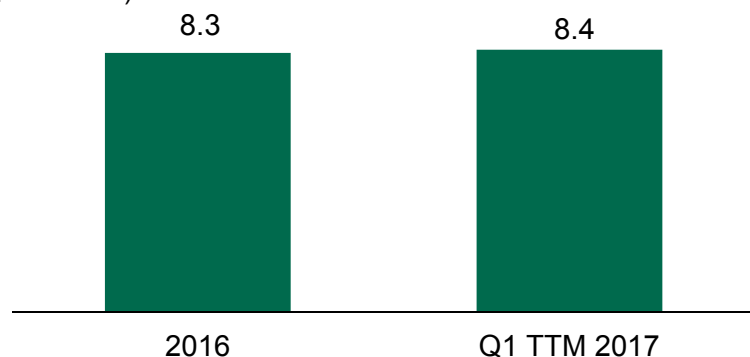
### Project Management



# GLOBAL INVESTMENT MANAGEMENT

## CAPITAL RAISED<sup>1</sup>

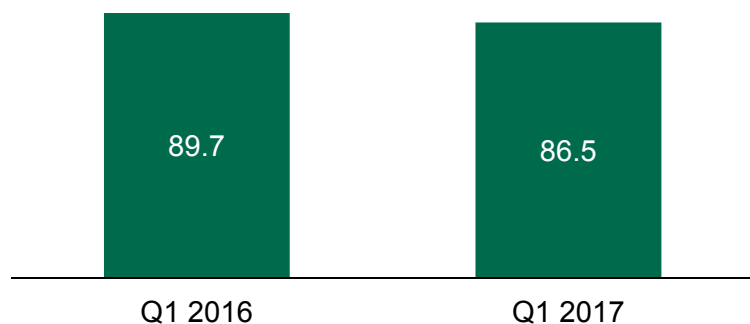
(\$ in billions)



- Capital to deploy: approx. \$5.3 billion<sup>2</sup>
- Co-Investment: \$154.0 million<sup>2</sup>

## ASSETS UNDER MANAGEMENT (AUM)

(\$ in billions)



- AUM is up \$0.9 billion in local currency from Q1 2016, but down \$3.2 billion in USD.

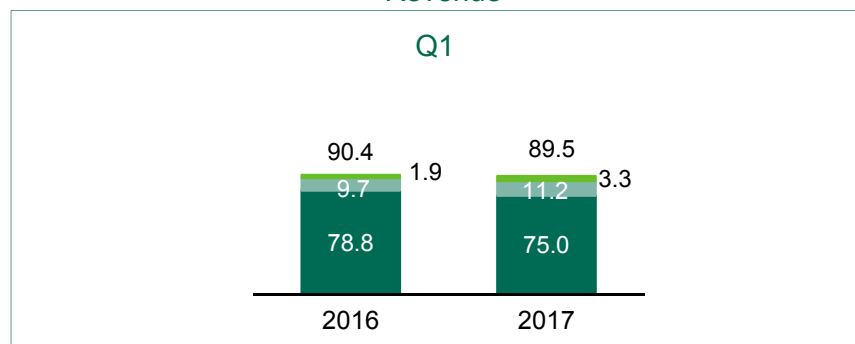
See slide 15 for footnotes.

CBRE

## FINANCIAL RESULTS

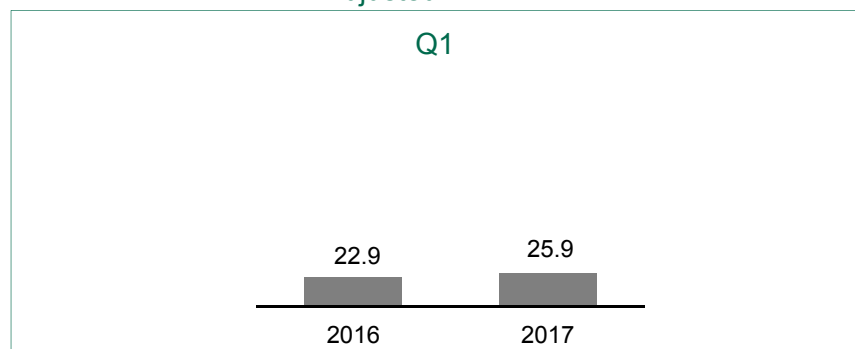
(\$ in millions)

### Revenue



- Asset Management
- Carried Interest
- Acquisition, Disposition, Incentive & Other

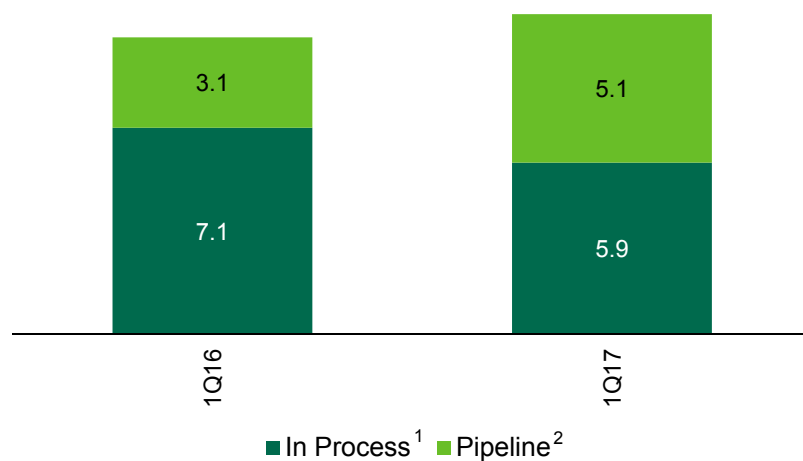
### Adjusted EBITDA<sup>3</sup>



# DEVELOPMENT SERVICES

## PROJECTS IN PROCESS/PIPELINE

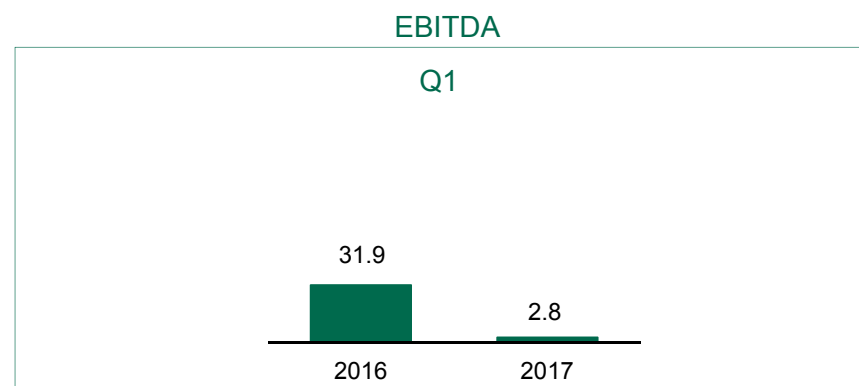
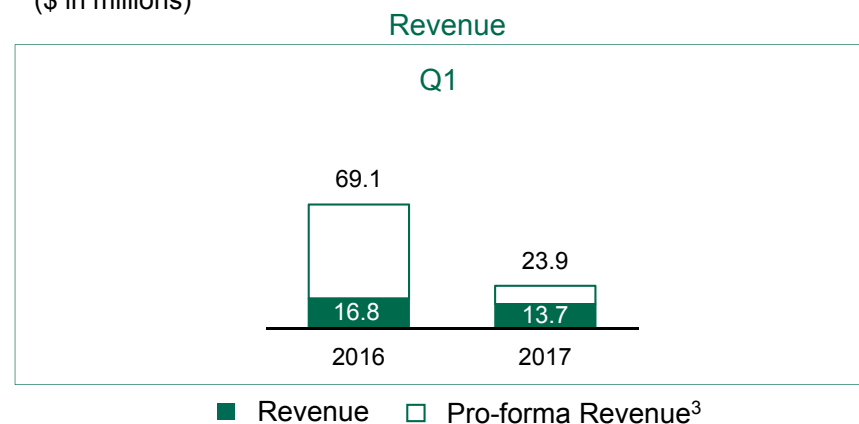
(\$ in billions)



- \$125.9 million of co-investments at the end of Q1 2017
- \$15.6 million in repayment guarantees on outstanding debt balances at the end of Q1 2017

## FINANCIAL RESULTS

(\$ in millions)



See slide 15 for footnotes.

## Q1 2017 SUMMARY

- Regional services businesses achieved combined growth in local currency of:
  - 7% in fee revenue<sup>1</sup>
  - 19% in adjusted EBITDA<sup>2</sup>
  
- Continued strong organic growth reflects:
  - Successful integration of Global Workplace Solutions
  - Market share gains in transaction businesses

See slide 15 for footnotes.

## 2017 OUTLOOK

- Commercial real estate services sector has attractive growth dynamics
- Global economy continues to grow at modest clip
- Market fundamentals remain sound
- CBRE's business has positive momentum
- Q1 is seasonally the lightest quarter for revenue and earnings
  - Caution against using Q1 as a barometer for full-year performance



**SUPPLEMENTAL SLIDES AND GAAP  
RECONCILIATION TABLES**

# FOOTNOTES

Note – Local currency percent changes versus prior year is a non-GAAP measure noted on slides 6, 7, 8, 12, 16, 19, 20 and 21. These percent changes are calculated by comparing current year results at prior year exchange rates versus prior year results. In addition, we have not reconciled the (non-GAAP) adjusted earnings per share guidance referenced in this presentation to the most directly comparable GAAP measure because this cannot be done without unreasonable effort due to the variability and low visibility with respect to costs related to acquisitions, cost elimination expenses, carried interest incentive compensation and financing costs, which are potential adjustments to future earnings. We expect the variability of these items to have a potentially unpredictable, and a potentially significant, impact on our future GAAP financial results.

## Slide 6

1. Fee revenue is gross revenue less both client reimbursed costs largely associated with employees that are dedicated to client facilities and subcontracted vendor work performed for clients.
2. EBITDA represents earnings before net interest expense, income taxes, depreciation and amortization.
3. Adjusted EBITDA excludes (from EBITDA) certain carried interest incentive compensation (reversal) expense to align with the timing of associated revenue, cost elimination expenses and integration and other costs related to acquisitions.
4. Fee revenue margin is based on adjusted EBITDA.
5. Adjusted net income and adjusted EPS exclude amortization expense related to certain intangible assets attributable to acquisitions, cost elimination expenses, integration and other costs related to acquisitions, and adjusts certain carried interest incentive compensation (reversal) expense to align with the timing of associated revenue as well as adjusts the provision for income taxes for such charges.
6. All EPS information is based on diluted shares.
7. We discovered that we understated fee revenue from the acquired GWS business by about \$20M in Q1 2016. This had the effect of modestly understating growth in fee revenue in Q1 2016. While the number is de-minimus, and it had no impact on profits or GAAP revenue, not correcting it now, would have resulted in overstating our fee revenue growth in Occupier Outsourcing in Q1 of 2017. A similar adjustment will be made in the next three quarters.
8. Excludes the impact of all currency effects; including hedging. See slide 16 for summary of Q1 currency effects versus prior year.
9. Based on adjusted results.

## Slide 7

1. Fee revenue is gross revenue less both client reimbursed costs largely associated with employees that are dedicated to client facilities and subcontracted vendor work performed for clients.
2. Adjusted EBITDA excludes (from EBITDA) cost elimination expenses and integration and other costs related to acquisitions. Excludes the impact of all currency effects; including hedging.
3. Certain adjustments have been made to 2016 fee revenue to conform with current-year presentation.

## Slide 8

1. Contractual revenue refers to revenue derived from our Occupier Outsourcing, Property Management, Investment Management and Valuation businesses. We regard leasing revenue as largely recurring because unlike most other transaction businesses, leasing activity normally takes place when leases expire. The average lease expires in five to six years. This means that, on average, in a typical year approximately 17% to 20% of leases roll over and a new leasing decision must be made. When a lease expires in the ordinary course, we expect it to be renewed, extended or the tenant to vacate the space to lease another space in the market. In each instance, a transaction is completed. If there is a downturn in economic activity, some tenants may seek a short term lease extension, often a year, before making a longer term commitment. In this scenario, that delayed leasing activity tends to be stacked on top of the normal activity in the following year. Thus, we characterize leasing as largely recurring because we expect an expiration of a lease, in the ordinary course, to lead to an opportunity for a leasing commission from such completed transaction.
2. Occupier Outsourcing and Property Management revenue excludes associated leasing and sales revenue, most of which is contractual.
3. Fee revenue is gross revenue less both client reimbursed costs largely associated with employees that are dedicated to client facilities and subcontracted vendor work performed for clients.
4. Certain adjustments have been made to 2016 fee revenue to conform with current-year presentation.

## Slide 10

1. Excludes securities business.
2. As of March 31, 2017.
3. Adjusted EBITDA excludes (from EBITDA) certain carried interest incentive compensation (reversal) expense to align with the timing of associated revenue and cost elimination expenses.

## Slide 11

1. In Process figures include Long-Term Operating Assets (LTOA) of \$0.2 billion for 1Q 17 and \$0.2 billion for 1Q 16. LTOA are projects that have achieved a stabilized level of occupancy or have been held 18-24 months following shell completion or acquisition.
2. Pipeline deals are projects we are pursuing which we believe have a greater than 50% chance of closing or where land has been acquired and the projected construction start is more than 12 months out.
3. Pro-forma revenue is revenue plus equity income from unconsolidated subsidiaries and gain on disposition of real estate, net of non-controlling interest. The company believes that investors may find this measure useful to analyze the financial performance of our Development Services segment because it is more reflective of its total operations.

## Slide 12

1. Fee revenue is gross revenue less both client reimbursed costs largely associated with employees that are dedicated to client facilities and subcontracted vendor work performed for clients. Certain adjustments have been made to 2016 fee revenue to conform with current-year presentation.
2. Excludes the impact of all currency effects; including hedging.

## OTHER FINANCIAL METRICS

(\$ in millions)	Three Months Ended March 31,	
	2017	2016
Depreciation	\$ 38.4	\$ 37.4
Adjusted amortization <sup>1</sup>	28.7	24.7
Net interest expense	31.6	33.3
Adjusted income taxes <sup>2</sup>	59.7	66.4
Adjusted income tax rate <sup>2</sup>	29.2%	35.5%

### Q1 2017 Currency Effects vs. Prior Year

Q1 currency translation as well as other exchange rate transaction gains/(losses) during Q1 2017 against same prior year period (pre-tax adjusted EBITDA impact) (\$6.1 million)

Q1 marking-to-market of currency hedges against same prior year period (pre-tax adjusted EBITDA impact)<sup>3</sup> \$7.5 million

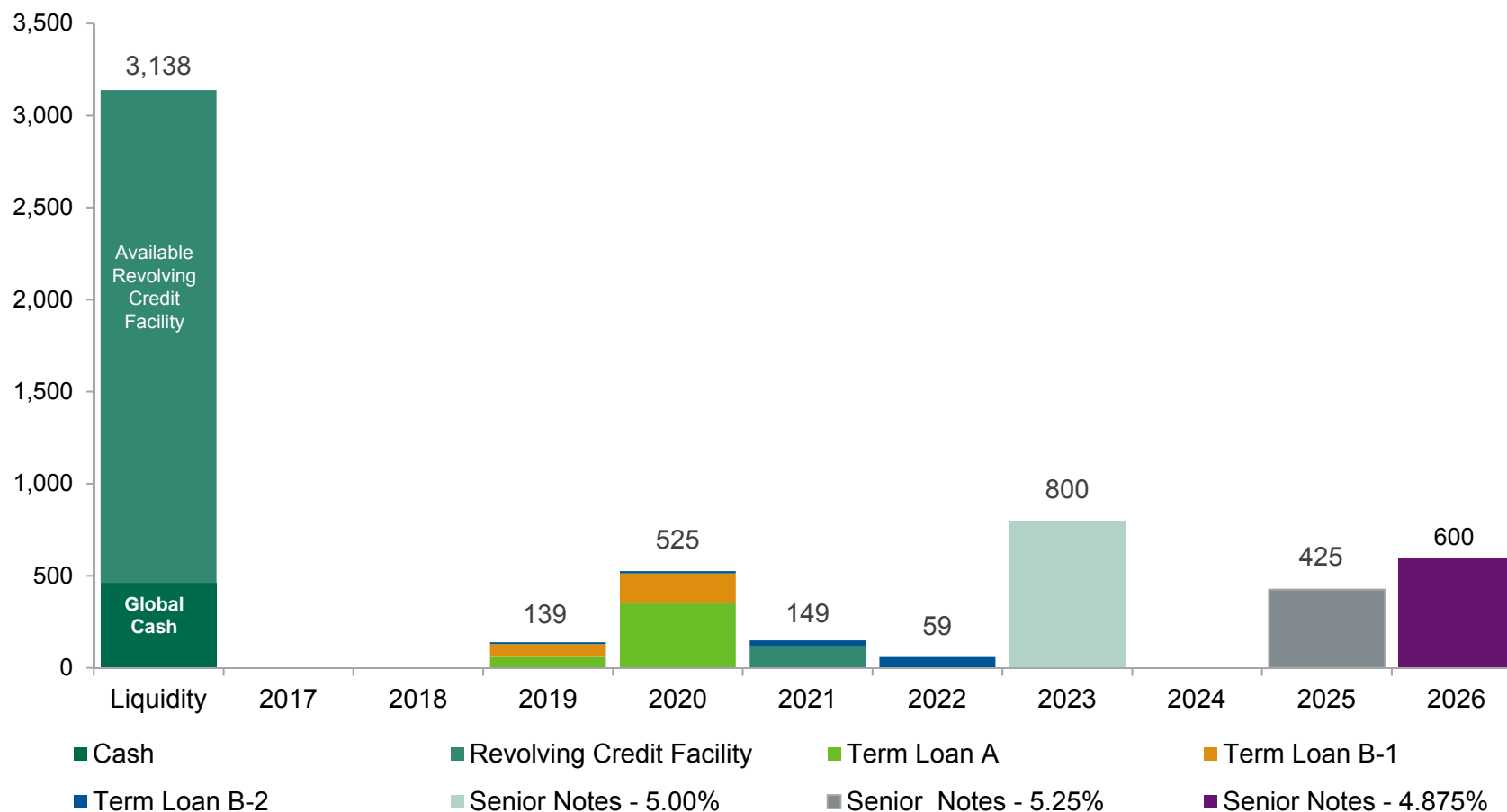
1. Excludes \$26.9M and \$24.9M of amortization expense related to certain intangible assets attributable to acquisitions for Q1 2017 and Q1 2016, respectively.
2. Adjusted income taxes and adjusted income tax rate include the tax effect on select items, including amortization expense related to certain intangibles attributable to acquisitions, cost elimination expenses, integration and other costs related to acquisitions, and adjusts certain carried interest incentive compensation (reversal) expense to align with the timing of associated revenue. This amount was \$8.5 million in Q1 2017 and \$16.3 million in Q1 2016. Also adjusts pre-tax income for portion attributable to non-controlling interests.
3. This amount represents hedging losses in the prior year that did not recur in the current year. As of December 31, 2016, we had no foreign currency exchange forward contracts outstanding. We do not intend to hedge our foreign currency denominated EBITDA in 2017.



# MANDATORY AMORTIZATION AND MATURITY SCHEDULE

AS OF MARCH 31, 2017<sup>1</sup>

(\$ in millions)



1. \$2,800 million revolving credit facility matures in March 2021. As of March 31, 2017, the revolving credit facility balance was \$120 million.

# CAPITALIZATION

(\$ in millions)	<u>As of March 31, 2017</u>
Cash <sup>1</sup>	\$ 460
Revolving credit facility	120
Senior term loan A <sup>2</sup>	405
Senior term loan B-1 <sup>2</sup>	230
Senior term loan B-2 <sup>2</sup>	110
Senior notes – 5.00% <sup>2</sup>	791
Senior notes – 4.875% <sup>2</sup>	591
Senior notes – 5.25% <sup>2</sup>	422
Other debt <sup>3,4</sup>	-
<b>Total debt</b>	<b>\$ 2,669</b>
Stockholders' equity	3,212
<b>Total capitalization</b>	<b>\$ 5,881</b>
<b>Total net debt</b>	<b>\$ 2,209</b>
<b>Net debt to TTM Q1 2017 Adjusted EBITDA</b>	<b>1.40x</b>

1. Excludes \$72.9 million of cash in consolidated funds and other entities not available for company use at March 31, 2017.

2. Outstanding amount is reflected net of unamortized debt issuance costs.

3. Excludes \$671.5 million of warehouse facilities for loans originated on behalf of the FHA and other government sponsored enterprises outstanding at March 31, 2017, which are non-recourse to CBRE Group, Inc.

4. Excludes non-recourse notes payable on real estate, net of unamortized debt issuance costs, of \$24.5 million at March 31, 2017.

# AMERICAS REVENUE

Q1 2017 FEE REVENUE UP 6% IN USD OR UP 5% IN LOCAL CURRENCY

(\$ in millions)	Occupier Outsourcing & Property Management <sup>1</sup>		Leasing	Sales
	Gross	Fee <sup>2</sup>		
<b>Q1 2017</b>	\$ 875	\$ 313	\$ 398	\$ 234
USD <sup>3</sup>	▲ 9%	▲ 9%	▲ 2%	▲ 6%
Local Currency <sup>3</sup>	▲ 9%	▲ 8%	▲ 2%	▲ 6%

1. Occupier Outsourcing and Property Management revenue excludes associated leasing and sales revenue, most of which is contractual.

2. Fee revenue is gross revenue less both client reimbursed costs largely associated with employees that are dedicated to client facilities and subcontracted vendor work performed for clients.

3. Growth rate for Q1 2017 versus Q1 2016.

# EMEA REVENUE

Q1 2017 FEE REVENUE UP 2% IN USD OR UP 10% IN LOCAL CURRENCY

(\$ in millions)	Occupier Outsourcing & Property Management <sup>1</sup>		Leasing	Sales
	Gross	Fee <sup>2</sup>		
<b>Q1 2017</b>	\$ 661	\$ 293	\$ 75	\$ 67
USD <sup>3</sup>	▼ -1%	▼ -1%	▲ 6%	▲ 8%
Local Currency <sup>3</sup>	▲ 7%	▲ 7%	▲ 12%	▲ 16%

1. Occupier Outsourcing and Property Management revenue excludes associated leasing and sales revenue, most of which is contractual.

2. Fee revenue is gross revenue less both client reimbursed costs largely associated with employees that are dedicated to client facilities and subcontracted vendor work performed for clients.

3. Growth rate for Q1 2017 versus Q1 2016. Certain adjustments have been made to 2016 fee revenue to conform with current-year presentation.

# ASIA PACIFIC REVENUE

Q1 2017 FEE REVENUE UP 10% IN USD OR 8% IN LOCAL CURRENCY

(\$ in millions)	Occupier Outsourcing & Property Management <sup>1</sup>		Leasing	Sales
	Gross	Fee <sup>2</sup>		
<b>Q1 2017</b>	\$ 206	\$ 76	\$ 61	\$ 45
USD <sup>3</sup>	▲ 10%	▲ 11%	▲ 13%	▼ -1%
Local Currency <sup>3</sup>	▲ 10%	▲ 11%	▲ 11%	▼ -4%

1. Occupier Outsourcing and Property Management revenue excludes associated leasing and sales revenue, most of which is contractual.

2. Fee revenue is gross revenue less both client reimbursed costs largely associated with employees that are dedicated to client facilities and subcontracted vendor work performed for clients.

3. Growth rate for Q1 2017 versus Q1 2016. Certain adjustments have been made to 2016 fee revenue to conform with current-year presentation.

## U.S. MARKET STATISTICS

U.S. VACANCY					U.S. ABSORPTION TRENDS (in MSF)			
	1Q16	1Q17	2Q17F	4Q17F	1Q16	1Q17	2016	2017F
<b>Office</b>	13.1%	13.0%	<b>12.8%</b>	<b>12.9%</b>	8.0	7.2	41.2	<b>48.9</b>
<b>Industrial</b>	8.5%	8.0%	<b>8.1%</b>	<b>8.2%</b>	63.4	33.1	244.9	<b>136.2</b>
<b>Retail</b>	10.5%	10.1%	<b>10.1%</b>	<b>10.0%</b>	17.6	14.5	29.2	<b>17.1</b>

Source: CBRE Econometric Advisors (EA) Outlooks 1Q 2017 preliminary

### U.S. INVESTMENT VOLUME AND CAP RATES

	1Q16	1Q17		1Q16	1Q17
<b>Office</b>			<b>Retail</b>		
Volume (\$B)	31.64	27.69	Volume (\$B)	19.47	17.59
Cap Rate	6.6%	6.8%	Cap Rate	6.6%	6.6%
<b>Industrial</b>			<b>Multi Family</b>		
Volume (\$B)	13.42	13.85	Volume (\$B)	40.22	25.98
Cap Rate	7.2%	7.0%	Cap Rate	5.7%	5.4%

Source: CBRE EA estimates from RCA data April 2017

## NON-GAAP FINANCIAL MEASURES

The following measures are considered “non-GAAP financial measures” under SEC guidelines:

- i. fee revenue
- ii. contractual fee revenue
- iii. net income attributable to CBRE Group, Inc., as adjusted (which we also refer to as “adjusted net income”)
- iv. diluted income per share attributable to CBRE Group, Inc. shareholders, as adjusted (which we also refer to as “adjusted earnings per share” or “adjusted EPS”)
- v. EBITDA and adjusted EBITDA

None of these measures is a recognized measurement under United States generally accepted accounting principles, or “GAAP,” and when analyzing our operating performance, readers should use them in addition to, and not as an alternative for, their most directly comparable financial measure calculated and presented in accordance with GAAP. Because not all companies use identical calculations, our presentation of these measures may not be comparable to similarly titled measures of other companies.

Our management generally uses these non-GAAP financial measures to evaluate operating performance and for other discretionary purposes, and the company believes that these measures provide a more complete understanding of ongoing operations, enhance comparability of current results to prior periods and may be useful for investors to analyze our financial performance because they eliminate the impact of selected charges that may obscure trends in the underlying performance of our business. The company further uses certain of these measures, and believes that they are useful to investors, for purposes described below.

With respect to fee revenue: the company believes that investors may find this measure useful to analyze the financial performance of our Occupier Outsourcing and Property Management business lines and our business generally because it excludes costs reimbursable by clients, and as such provides greater visibility into the underlying performance of our business.

With respect to contractual fee revenue: the company believes that investors may find this measure useful to analyze our overall financial performance because it identifies revenue streams that are typically more stable over time.

With respect to adjusted net income, adjusted EPS, EBITDA and adjusted EBITDA: the company believes that investors may find these measures useful in evaluating our operating performance compared to that of other companies in our industry because these calculations generally eliminate the accounting effects of acquisitions, which would include impairment charges of goodwill and intangibles created from acquisitions—and in the case of EBITDA and adjusted EBITDA—the effects of financings and income tax and the accounting effects of capital spending. All of these measures may vary for different companies for reasons unrelated to overall operating performance. In the case of EBITDA and adjusted EBITDA, these measures are not intended to be measures of free cash flow for our management’s discretionary use because they do not consider cash requirements such as tax and debt service payments. The EBITDA and adjusted EBITDA measures calculated herein may also differ from the amounts calculated under similarly titled definitions in our credit facilities and debt instruments, which amounts are further adjusted to reflect certain other cash and non-cash charges and are used by us to determine compliance with financial covenants therein and our ability to engage in certain activities, such as incurring additional debt and making certain restricted payments. The company also uses adjusted EBITDA and adjusted EPS as significant components when measuring our operating performance under our employee incentive compensation programs.

# RECONCILIATION OF ADJUSTED EBITDA TO EBITDA TO NET INCOME

(\$ in millions)	Three Months Ended March 31,	
	2017	2016
Adjusted EBITDA	\$ 303.2	\$ 282.7
Adjustments:		
Integration and other costs related to acquisitions	11.9	17.2
Cost elimination expenses <sup>1</sup>	-	12.4
Carried interest incentive compensation (reversal) expense to align with the timing of associated revenue	(15.2)	0.5
EBITDA	306.5	252.6
Add:		
Interest income	2.4	1.5
Less:		
Depreciation and amortization	94.0	87.0
Interest expense	34.0	34.8
Provision for income taxes	51.3	50.1
Net income attributable to CBRE Group, Inc.	\$ 129.6	\$ 82.2

1. Represents cost-elimination expenses relating to a program initiated in the fourth quarter of 2015 and completed in the third quarter of 2016 to reduce the Company's global cost structure after several years of significant revenue and related cost growth. Cost-elimination expenses incurred during the three months ended March 31, 2016 consisted of \$11.8 million of severance costs related to headcount reductions in connection with the program and \$0.6 million of third-party contract termination costs.



## RECONCILIATION OF NET INCOME TO ADJUSTED NET INCOME AND ADJUSTED EARNINGS PER SHARE

(\$ in millions, except per share amounts)	Three Months Ended March 31,	
	2017	2016
Net income attributable to CBRE Group, Inc.	\$ 129.6	\$ 82.2
Amortization expense related to certain intangible assets attributable to acquisitions	27.0	24.8
Integration and other costs related to acquisitions	11.9	17.2
Cost elimination expenses	-	12.4
Carried-interest incentive compensation (reversal) expense to align with the timing of associated revenue	(15.2)	0.5
Tax impact of adjusted items	(8.5)	(16.3)
Adjusted net income	\$ 144.8	\$ 120.8
Adjusted diluted earnings per share	\$ 0.43	\$ 0.36
Weighted average shares outstanding for diluted income per share	339,690,579	337,506,232

## RECONCILIATION OF REVENUE TO FEE REVENUE AND CONTRACTUAL FEE REVENUE

	Three Months Ended March 31,	
	2017	2016 <sup>1</sup>
(\$ in millions)		
Consolidated revenue	\$ 2,981.2	\$ 2,846.7
Less:		
Client reimbursed costs largely associated with employees dedicated to client facilities and subcontracted vendor work performed for clients	1,060.1	1,010.3
Consolidated fee revenue	\$ 1,921.1	\$ 1,836.4
Less:		
Non-contractual fee revenue	1,031.6	982.3
Contractual fee revenue	\$ 889.5	\$ 854.1
U.K. revenue	\$ 432.1	\$ 459.4
Less:		
Client reimbursed costs largely associated with employees dedicated to client facilities and subcontracted vendor work performed for clients	188.7	204.2
U.K. fee revenue	\$ 243.4	\$ 255.2

1. Certain adjustments have been made to 2016 fee revenue to conform with current-year presentation.

## RECONCILIATION OF REVENUE TO FEE REVENUE BY SEGMENT

(\$ in millions)	Three Months Ended March 31,	
	2017	2016 <sup>1</sup>
Americas revenue	\$ 1,692.6	\$ 1,587.9
Less:		
Client reimbursed costs largely associated with employees dedicated to client facilities and subcontracted vendor work performed for clients	562.0	516.8
Americas fee revenue	\$ 1,130.6	\$ 1,071.1
EMEA revenue	\$ 844.2	\$ 840.3
Less:		
Client reimbursed costs largely associated with employees dedicated to client facilities and subcontracted vendor work performed for clients	368.5	374.6
EMEA fee revenue	\$ 475.7	\$ 465.7
Asia Pacific revenue	\$ 341.1	\$ 311.4
Less:		
Client reimbursed costs largely associated with employees dedicated to client facilities and subcontracted vendor work performed for clients	129.6	118.9
Asia Pacific fee revenue	\$ 211.5	\$ 192.5

1. Certain adjustments have been made to 2016 fee revenue to conform with current-year presentation.

## RECONCILIATION OF REVENUE TO FEE REVENUE

(\$ in millions)	Three Months Ended March 31,	
	2017	2016
Occupier Outsourcing revenue <sup>1</sup>	\$ 1,474.2	\$ 1,413.3
Less:		
Client reimbursed costs largely associated with employees dedicated to client facilities and subcontracted vendor work performed for clients	915.1	877.0
Occupier Outsourcing fee revenue <sup>1</sup>	\$ 559.1	\$ 536.3
Property Management revenue <sup>1</sup>	\$ 269.3	\$ 250.7
Less:		
Client reimbursed costs largely associated with employees dedicated to client facilities and subcontracted vendor work performed for clients	145.0	133.3
Property Management fee revenue <sup>1</sup>	\$ 124.3	\$ 117.4

1. Occupier Outsourcing and Property Management revenue excludes associated leasing and sales revenue, most of which is contractual.

## DEVELOPMENT SERVICES RECONCILIATION OF REVENUE TO PRO-FORMA REVENUE

(\$ in millions)	Three Months Ended March 31,	
	2017	2016
Revenue	\$ 13.7	\$ 16.8
Add:		
Equity income from unconsolidated subsidiaries	8.9	47.4
Gain on disposition of real estate	1.4	4.8
Less:		
Non-controlling interest	0.1	(0.1)
Pro-forma Revenue	\$ 23.9	\$ 69.1