Fortress Transportation and Infrastructure Investors LLC

Supplemental Information
Fourth Quarter 2016

FORTRESS
TRANSPORTATION
& INFRASTRUCTURE

Disclaimers

IN GENERAL. This disclaimer applies to this document and the verbal or written comments of any person presenting it. This document, taken together with any such verbal or written comments, is referred to herein as the "Presentation."

FORWARD-LOOKING STATEMENTS. Certain statements in this Presentation may constitute "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995, of Fortress Transportation and Infrastructure Investors LLC (referred to in this Presentation as "FTAI, " the "Company," or "we"), including without limitation, ability to achieve key investment objectives, expansion and growth opportunities, pipeline activity and investment of existing cash, ability to successfully close deals for which we have LOIs, actual results as compared to annualized data, expectations regarding additional FAD and/or EBITDA from investments, growth of Jefferson Terminal and CMQR, future development, use and permitting of Hannibal and Repauno, whether equipment will be able to be leased including vessels within our Offshore Energy segment currently off hire and expected profits from any future charters, completion of new tanks at Jefferson Terminal, bank borrowings and future debt and leverage capacity, financing activities and other such matters. These statements are based on management's current expectations and beliefs and are subject to a number of trends and uncertainties that could cause actual results to differ materially from those described in the forward-looking statements, many of which are beyond our control. FTAI can give no assurance that its expectations will be attained. Accordingly, you should not place undue reliance on any forward-looking statements made in this Presentation. For a discussion of some of the risks and important factors that could affect such forward-looking statements, see the sections entitled "Risk Factors" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" in the Company's most recently filed reports on Form 10-K and quarterly reports on Forms 10-Q (when available), which are included on the Company's website (www.ftandi.com). In addition, new risks and uncertainties emerge from time to time, and it is not possible for the Company to predict or assess the impact of every factor that may cause its actual results to differ from those contained in any forward-looking statements. Such forward-looking statements speak only as of the date of this Presentation. The Company expressly disclaims any obligation to release publicly any updates or revisions to any forward-looking statements contained herein to reflect any change in the Company's expectations with regard thereto or change in events, conditions or circumstances on which any statement is based.

PAST PERFORMANCE. Past performance is not a reliable indicator of future results. Annualized data is presented for illustrative purposes only and should not be considered indicative of future performance or actual results for any period.

NO OFFER; NO RELIANCE. This Presentation does not constitute an offer to sell, or a solicitation of an offer to buy, any security and may not be relied upon in connection with the purchase or sale of any security. Any such offer would only be made by means of formal documents, the terms of which would govern in all respects. You should not rely on this Presentation as the basis upon which to make any investment decision.

NON-GAAP FINANCIAL INFORMATION. This Presentation includes information based on financial measures that are not recognized under generally accepted accounting principles (GAAP), such as Adjusted Net Income, Adjusted EBITDA, and FAD. You should use non-GAAP information in addition to, and not as an alternative to, financial information prepared in accordance with GAAP. See Reconciliation and Glossary in the Appendix to this Presentation for reconciliations to the most comparable GAAP measures and an explanation of each of our non-GAAP measures. Our non-GAAP measures may not be identical or comparable to measures with the same name presented by other companies.

FTAI Overview

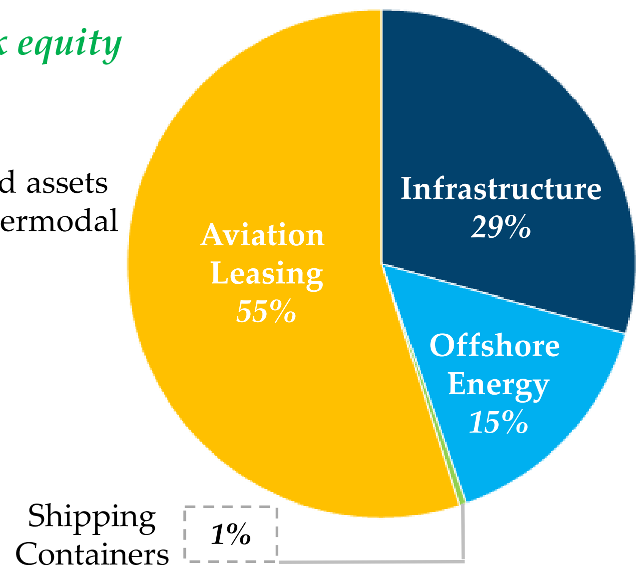
Fortress Transportation and Infrastructure Investors (NYSE: FTAI) owns and operates high quality transportation and infrastructure assets

- Diversified portfolio across the aviation, energy, intermodal transport and rail sectors
- Key investment objectives:
  - Combine ***income & growth*** through a mix of equipment & infrastructure
  - Pay a ***stable & growing*** dividend

Equipment Leasing(1)

~$705 million book equity

- ✓ Aviation Platform
- ✓ Opportunistically acquired assets in offshore energy and intermodal transport
- ✓ Contracted cash flows



Infrastructure(2)

~$296 million book equity

- ✓ Jefferson Terminal
- ✓ Central Maine & Quebec Railway
- ✓ Repauno Delaware Port
- ✓ Hannibal Terminal [3]

1) *Equipment Leasing business is comprised of Aviation Leasing, Offshore Energy, and Shipping Containers segments. Book equity is calculated as total equity less non-controlling interest in equity of consolidated subsidiaries as of December 31, 2016.*
2) *Infrastructure business is comprised of Jefferson Terminal and Railroad segments. Book equity is calculated as total equity less non-controlling interest in equity of consolidated subsidiaries as of December 31, 2016. It also includes investment in the Hannibal Terminal development of $19.4mm, including $1.5mm of capitalized deal costs, and book equity in the Repauno Delaware Port of $38.5mm. These investments were all included in the Corporate segment as of December 31, 2016.*
3) *We are currently reviewing various purchase settlement options with the owner. There can be no assurance that we will be successful in obtaining such extension or acquiring such assets or, if acquired, that they will generate returns meeting our expectations, or at all. Some of our committed investments and pipeline investments are subject to definitive documentation, agency consent and board approval. Committed investments and pipeline investments are also subject to varying degrees of diligence. There can be no assurance that we will complete any such investments. See "Disclaimers" at the beginning of the Presentation.*

FORTRESS TRANSPORTATION & INFRASTRUCTURE

Fourth Quarter Highlights

Financial Performance

- Net Loss Attributable to Shareholders of ($1.8) million
- Net Cash Provided by Operating Activities of $15.2 million
- Total Funds Available for Distribution ("FAD") of $20.5 million[(1)]
- Adjusted Net Income of $3.2 million[(1)]
- Adjusted EBITDA of $22.4 million[(1)]

Acquisition Activity

- Invested approximately $200.0 million in Aviation leasing equipment through December 31, 2016, including $84.0 million in Q4'16
- Robust pipeline of aviation equipment opportunities, with approximately $130.0 million of signed deals and LOIs[(2)] as of February 21, 2017
- Invested $15.0 million in an exclusive joint venture to develop advanced engine repairs
- Completed $10.5 million investment in equity securities of an offshore drilling company, which is currently public and valued at approximately $18.0 million as of December 31, 2016

Portfolio Update

- Infrastructure development at Repauno ramping up
- Construction for new projects at Jefferson Terminal on schedule

Capital Structure

- Total investable cash was approximately $56.4 million[(3)] at December 31, 2016
- Significant leverage capacity – total debt to capital ratio of 18.2% at December 31, 2016
- Entered into an unsecured credit agreement and borrowed $100.0 million in term loans on January 23, 2017

1) *This is a Non-GAAP measure. See Reconciliation of Non-GAAP Measures section in Appendix for a reconciliation to the most comparable GAAP measure.*
2) *There can be no assurance that we will be successful in acquiring any such assets or, if acquired, that they will generate returns meeting our expectations, or at all. Some of our committed investments and pipeline investments are subject to definitive documentation, agency consent and board approval. Committed investments and pipeline investments are also subject to varying degrees of diligence. There can be no assurance that we will complete any such investments. See "Disclaimers" at the beginning of the Presentation.*
3) *Investable cash is equal to cash on the Corporate segment's balance sheet as of December 31, 2016.*

Consolidated Financial Results

- **Q4’16 Financial Results**
  - ✓ *Net Loss Attributable to Shareholders of ($1.8) million*
  - ✓ *Net Cash Provided by Operating Activities of $15.2 million*
  - ✓ *Total FAD of $20.5 million*[(1)]
  - ✓ *Adjusted EBITDA of $22.4 million*[(1)]
  - ✓ *Adjusted Net Income of $3.2 million*[(1)]

- **Q4’16 Balance Sheet**
  - ✓ *Total assets of $1,547.3 million*
  - ✓ *Total debt of $259.5 million (net of $6.5mm deferred financing costs)*
  - ✓ *Total cash of $68.1 million*

Financial Overview

($ in millions, except per share amounts)

Quarter Over Quarter Financial Results	Q4’15	Q3’16	Q4’16
Net Loss Attributable to Shareholders	($4.7)	($1.3)	($1.8)
Net Cash Provided by Operating Activities	($3.3)	$14.7	$15.2
FAD[(1)]	$10.1	$10.1	$20.5
Adjusted EBITDA[(1)]	$15.1	$20.3	$22.4
Adjusted Net Income (Loss)[(1)]	($2.6)	$0.1	$3.2
EPS	($0.06)	($0.02)	($0.02)
Adjusted EPS[(1)]	($0.03)	—	$0.04
Adjusted ROE[(3)]	(0.9%)	—	1.2%

Balance Sheet & Liquidity	December 31, 2016
Equipment Leasing Assets	$850.5
Infrastructure Assets[(2)]	575.1
Corporate Assets[(2)]	121.7
Total Assets	**$1,547.3**
Debt	259.5
Total Equity	1,165.7
Total Debt + Total Equity	**$1,425.2**
Total Debt to Capital Ratio	18.2%

1) *This is a Non-GAAP measure. See Reconciliation of Non-GAAP Measures section in Appendix for a reconciliation to the most comparable GAAP measure.*
2) *Infrastructure Assets do not include investments in the Hannibal Terminal development of $19.4mm, including $1.5mm of capitalized deal costs, and assets in the Repauno Delaware Port of $45.4mm. These investments were all included in the Corporate segment as of December 31, 2016.*
3) *Adjusted ROE is calculated as adjusted net income for the quarter divided by monthly average total equity excluding non-controlling interest in equity of consolidated subsidiaries. The average is based on month-end equity amounts over the respective period. Adjusted ROE for quarterly periods is shown as an annualized return. Annualized data is presented for illustrative purposes only and should not be considered indicative of future performance or actual results for any period. Please see “Disclaimers” at the beginning of the Presentation.*

Pipeline Update as of December 31, 2016

- No significant changes from prior quarter – existing cash expected to be invested in:
  - Existing infrastructure investments
  - New aviation equipment
  - New infrastructure platforms
- Hannibal and Repauno port development opportunities
- Analyzing potential deals within rail, port and terminals space and other sectors we know well

The Company is currently evaluating several potential investment opportunities[(1)]

1 *Add-ons*	2 *Equipment*	3 *New Platforms*
Jefferson ***Hannibal*** ***Repauno*** ***CMQR***	***Aviation*** ***Engines & Aircraft***	***Infrastructure***

FORTRESS TRANSPORTATION & INFRASTRUCTURE

1) *There can be no assurance that we will be successful in making any investment or, if made, that they will generate returns meeting our expectations, or at all. Please see "Disclaimers" at the beginning of the Presentation.*

Highlights of Funds Available for Distribution(1)

- Equipment leasing FAD was $31.0 million for the quarter ended December 31, 2016
  - Aviation contributed $35.0 million of FAD, including $7.0 million from aviation equipment sales proceeds with a gain of $2.5 million
- Q4'16 Corporate FAD includes approximately $1.6 million of acquisition & transaction expenses, and $0.5 million of expenses related to Repauno

Funds Available for Distribution(1)

($s in millions)	*Q4'16*	*2016*
Equipment Leasing Business FAD(2)	**$31.0**	**$132.0**
Infrastructure Business FAD(2)	**(1.2)**	**(19.2)**
Corporate FAD(2)	**(9.3)**	**(36.0)**
Total FAD(3)	**$20.5**	**$76.8**
Net Cash Provided by Operating Activities	**$15.2**	**$30.9**

FORTRESS TRANSPORTATION & INFRASTRUCTURE

1) There can be no assurance that additional FAD will be generated after deploying investable cash on balance sheet. Investable cash is equal to cash on the Corporate segment's balance sheet as of December 31, 2016. See "Disclaimers" at the beginning of the Presentation.
2) This is a Non-GAAP measure. See Reconciliation of Non-GAAP Measures section in Appendix for a reconciliation to the most comparable GAAP measure.
3) See "Equipment Leasing" and "Infrastructure" in Reconciliation of FAD in Appendix in the back of this presentation.

Capital Structure & Financing Strategy

- Conservative approach to leverage
  - Current leverage of less than 20% of total capital with longer term target of 50%
  - Significant additional leverage capacity[1]
- Total book value attributable to FTAI shareholders is approximately $1.1 billion, or $13.90 per share [2]

($s in millions)	**December 31, 2016**
Cash & Cash Equivalents	**$68**
Total Debt[3][4]	**$260**
Shareholders' Equity	$1,054
Non-controlling Interest	112
Total Equity	**$1,166**
Total Capitalization	**$1,426**
Debt/Total Capital	**18.2%**

1) *Based on management's current views. Significant additional leverage capacity refers to our belief that we have the ability to access additional non-equity capital through an array of sources, including, but not limited to, our ability to obtain corporate debt. Our ability to access corporate debt is subject to a number of factors, including market conditions, company performance and the willingness of lenders to lend to us. For the avoidance of doubt, we do not currently have committed unused financing in place, and we cannot assure you that we will be able to obtain corporate debt on attractive terms or at all. Please see "Disclaimers" at the beginning of the Presentation.*
2) *Book value per share calculation based on $1,053.8mm Shareholders' Equity divided by 75.8mm shares outstanding at December 31, 2016.*
3) *Total debt is net of approximately $6.5mm of deferred financing costs; gross debt outstanding was $266.0mm at December 31, 2016.*
4) *On January 23, 2017, the Company entered into an unsecured credit agreement and borrowed $100.0mm in term loans. Including these loans, the total debt to capital ratio increased to 23.6%.*

Repauno Update

- 1,630 acre multi-modal, deep-water port located along the Delaware River; closed acquisition of site in June 2016
- Significant opportunity to serve multiple industries in one of the most active U.S. seaport and industrial markets
  - Roll-on / Roll-off cargo (including autos)
  - Energy storage (NGLs, crude oil, refined products)
  - Industrial warehouses for bulk and perishable products (fruits, vegetables, meats)
  - Solar generation (to be incorporated on rooftops of buildings and auto parking area)
- Permitting & construction underway for underground storage cavern
  - Targeted operational start date within Q2'17(1)
- Targeting receipt of larger site-wide land use and dock permits by March / April 2017(1)

Repauno Overview

Acres	**1,630**
Water Depth	**Currently 37'; dredging to 40'**
Riparian Rights	**3,700 feet**
Rail Access	**Conrail**
Road Access	**Access to I-295 and I-95**
Underground Storage	**Existing 186,000 bbl underground storage cavern**

Repauno Initial Site Plan

1) *There can be no assurance that we will be successful in i) achieving our development, use and permit targets for Repauno on these time frames, or at all, and/or ii) signing commercial contracts for the Repauno business or, if signed, that they will generate returns that meet our expectations, or at all. Please see "Disclaimers" at the beginning of the Presentation.*

Aviation Leasing

- As of December 31, 2016, we owned and managed 92 aviation assets including 26 aircraft and 66 engines, with 24 of 26 aircraft and 46 of 66 engines on lease
- Acquired close to $200.0 million of aviation equipment in 2016, including approximately $84.0 million in Q4'16
- Robust pipeline of aviation equipment opportunities, with approximately $130.0 million of signed deals and LOIs(1) as of February 21, 2017
- Sold 1 aircraft and 1 engine in Q4'16 for $7.0 million in total proceeds and a gain of $2.5 million

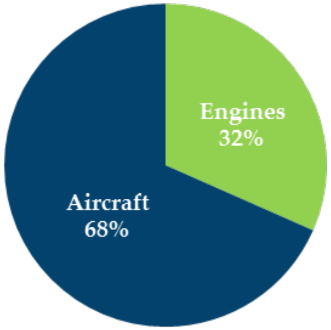
Financial Summary

($s in millions)

Statement of Operations	*Q4'15*	*Q3'16*	*Q4'16*
Total Revenue	$17.1	$27.1	$29.0
Total Expenses	(7.7)	(10.3)	(12.9)
Other(2)	1.2	(0.2)	2.6
Net Income Attributable to Shareholders	$10.6	$16.6	$18.7
Non-GAAP Measures			
Adjusted EBITDA(3)	$18.9	$27.6	$30.5
Adjusted Net Income(3)	$10.5	$16.6	$18.7
Adjusted ROE(4)	11.1%	14.7%	14.6%

Operating Data & Metrics

Net Leasing Equipment



($s in millions)	*As of December 31, 2016*		
	Engines	*Aircraft*	*Total*
# Assets	66	26	92
Net Leasing Equipment	$176	$378	$554
Utilization(5)	69.8%	92.9%	84.8%
Remaining Lease Term (months)(6)	13	31	*(n/a)*

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3) *This is a Non-GAAP measure. See Reconciliation of Non-GAAP Measures section in Appendix for a reconciliation to the most comparable GAAP measure.*
4) *Adjusted ROE is calculated as adjusted net income for the quarter divided by monthly average total equity excluding non-controlling interest in equity of consolidated subsidiaries. The average is based on month-end equity amounts over the respective period. Adjusted ROE for quarterly periods is shown as an annualized return. Annualized data is presented for illustrative purposes only and should not be considered indicative of future performance or actual results for any period. Please see "Disclaimers" at the beginning of the Presentation.*
5) *Utilization is based on the net asset value of our on-hire leasing equipment as a percentage of the total net asset value of our leasing equipment (or stand-alone engine and aircraft portfolios, as applicable) at December 31, 2016.*
6) *Remaining Lease Term is based on the average remaining months for our aircraft and engine portfolios, weighted by the net asset value of the respective assets, which is gross asset value including lease intangibles, as applicable, net of accumulated depreciation, accumulated amortization and maintenance deposits, as applicable.*

Aviation Leasing Historical Returns[1]

- Scaled the Aviation segment from a Book Equity[2] of $377.0 million in Q3'15 to $549.4 million in Q4'16 while maintaining a strong return profile
  - Consistent ~20% Annualized Adjusted EBITDA Return on Equity excluding gain on sale of assets

Financial Metrics

($s in thousands)

	Q3'15	Q4'15	Q1'16	Q2'16	Q3'16	Q4'16
Average Book Equity[2] {A}	**$327,854**	**$384,385**	**$398,847**	**$421,612**	**$450,303**	**$506,337**
Annualized Net Income[3]	$40,852	$42,232	$43,672	$51,240	$66,552	$74,548
Annualized Net Income excluding gain on sale of assets {B}	$34,155	$37,856	$38,840	$45,202	$66,552	$64,561
Annualized Return on Equity excluding gain on sale of assets % {B/A}	***10.4%***	***9.8%***	***9.7%***	***10.7%***	***14.8%***	***12.8%***
Annualized Adjusted EBITDA[3]	$72,440	$75,584	$79,376	$92,376	$110,328	$121,932
Annualized Adjusted EBITDA excluding gain on sale of assets {C}	$65,743	$71,208	$74,544	$86,338	$110,328	$111,945
Annualized Adjusted EBITDA Return on Equity excluding gain on sale of assets % {C/A}	***20.1%***	***18.5%***	***18.7%***	***20.5%***	***24.5%***	***22.1%***

Operating Metrics

	Q3'15	Q4'15	Q1'16	Q2'16	Q3'16	Q4'16
Aircraft	17	18	18	24	25	26
Engines	41	42	47	47	52	66
Total Aviation Assets	**58**	**60**	**65**	**71**	**77**	**92**

1) *See schedule in the Appendix for additional information and comparability to the information based on the Last Twelve Months.*
2) *Determined by taking the average Total Equity excluding Non-controlling interest of the two most recently completed quarters.*
3) *Annualized Net Income and Annualized Adjusted EBITDA are calculated by multiplying Net Income or Adjusted EBITDA, respectively, for the applicable period by four. Annualized data is presented for illustrative purposes only and should not be considered indicative of future performance or actual results for any period. Please refer to the Appendix for more information. Please see "Disclaimers" at the beginning of the Presentation.*

FORTRESS TRANSPORTATION & INFRASTRUCTURE

Offshore Energy

- Market continues to be very weak with lack of activity in both construction and Inspection Maintenance and Repair ("IMR"), however, there is improved visibility for 2017 as backlog of maintenance projects are being tendered
- Construction Support Vessel
  - Look to secure short-term work in Q1'17[1]
- ROV Support Vessel
  - Target 6-9 month charter in the Middle East with March 2017 start[1]
  - Completed IMR campaign in Malaysia in October 2016
- AHTS Vessel (Subsea 88)
  - Performance on target; finance lease with leading Mexican offshore vessel operator through November 2023

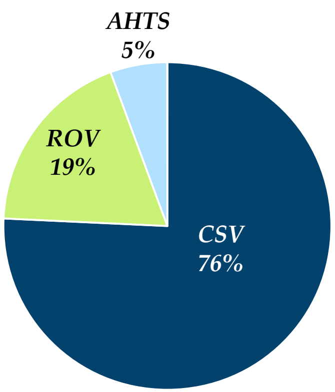
Financial Summary

($s in millions)

Statement of Operations	*Q4'15*	*Q3'16*	*Q4'16*
Total Revenue	$4.0	$3.0	$0.9
Total Expenses	(5.4)	(5.0)	(5.0)
Other[2]	0.0	0.1	–
Net Income (Loss) Attributable to Shareholders	($1.4)	($1.9)	($4.1)
Non-GAAP Measures			
Adjusted EBITDA[3]	$1.0	$0.6	($1.7)
Adjusted Net Income (Loss)[3]	($1.4)	($1.9)	($4.1)
Adjusted ROE[4]	(4.4%)	(5.7%)	(11.7%)

Operating Data & Metrics[5]

Net Leasing Equipment



($s in millions)	As of December 31, 2016 *CSV*	*ROV*	*AHTS*
Lease Expiration	Off Lease	Off Lease	Q4 2023
Economic Interest	100%	85%	100%
Net Leasing Equipment	$132	$32	$10
Debt	$61	$2[6]	$ –

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4) *Adjusted ROE is calculated as adjusted net income for the quarter divided by monthly average total equity excluding non-controlling interest in equity of consolidated subsidiaries. The average is based on month-end equity amounts over the respective period. Adjusted ROE for quarterly periods is shown as an annualized return. Annualized data is presented for illustrative purposes only and should not be considered indicative of future performance or actual results for any period. Please see "Disclaimers" at the beginning of the Presentation.*
5) *Figures based on relevant economic interest. "CSV" represents Construction Support Vessel, "ROV" represents remotely operated vehicle, and "AHTS" represents anchor handling tug supply.*
6) *The $2.0 million debt on the balance sheet as of December 31, 2016 relates to non-controlling interest with the Offshore Energy segment.*

FORTRESS TRANSPORTATION & INFRASTRUCTURE

Shipping Containers

- Market for container leasing is rebounding, with lease rates, new box prices and residual values increasing[1]
- Continue to own and manage ~76,000 shipping containers via joint venture investment (~$4.1 million book value)
- Shipping Containers segment had Adjusted EBITDA of ($0.6) million in Q4'16 and minimal impact to FAD

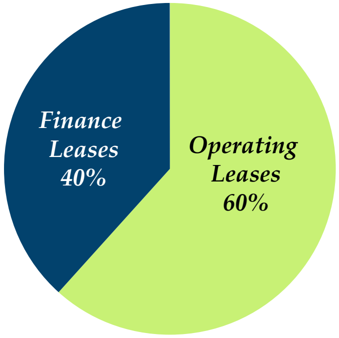
Financial Summary

($s in millions)

Statement of Operations	*Q4'15*	*Q3'16*	*Q4'16*
Total Revenue	$1.6	$ –	$ –
Total Expenses	(0.6)	–	–
Other[2]	0.2	(1.1)	(4.6)
Net Income (Loss) Attributable to Shareholders	$1.2	($1.1)	($4.6)
Non-GAAP Measures			
Adjusted EBITDA[3]	$3.0	($0.3)	($0.6)
Adjusted Net Income (Loss)[3]	$1.2	($1.2)	($1.4)
Adjusted ROE[4]	11.7%	(51.3%)	(75.7%)

Operating Data & Metrics

Lease Type



($s in millions)	***As of December 31, 2016*** ***Portfolio 1***
No. of Units	76,000
Asset Value[5]	$22
Debt[5]	$17
Leverage	75%
Remaining Lease Term	~1 year
Utilization	88%

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5) Figures for Portfolio 1 are adjusted for 51% ownership and excludes shareholder debt.

FORTRESS TRANSPORTATION & INFRASTRUCTURE

Jefferson Terminal

- Commenced development of two commercial projects which we believe will meaningfully contribute to EBITDA[1]
- Well-positioned to take advantage of growing export markets, including[1]:
  - **Ethanol** – countries around the world are increasing ethanol use as a gasoline additive with environmental benefits at an attractive price
  - **Heavy Canadian undiluted crude** – heavy Canadian undiluted crude-by-rail into the Gulf has been and continues to be an attractive economic opportunity

Financial Summary

($s in millions)

Statement of Operations	*Q4'15*	*Q3'16*	*Q4'16*
Total Revenue	$4.0	$4.3	$4.6
Total Expenses	(15.5)	(14.8)	(11.3)
Other[2]	4.6	4.8	3.9
Net Loss Attributable to Shareholders	($6.9)	($5.7)	($2.8)
Non-GAAP Measures			
Adjusted EBITDA[3]	($1.9)	($0.8)	$0.7
Adjusted Net Loss[3]	($6.4)	($5.7)	($2.7)
Adjusted ROE[4]	(12.3%)	(10.3%)	(4.9%)

Operating Data & Metrics

	Q3'16	*Q4'16*
Trains per month	1.3	3.3
Barges per month	1.2	0.3
Trucks per month	348.8	353.0
Total barrels per quarter	596,941	803,609
Storage Capacity Online (barrels)	700,000	700,000

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Railroad

- Revenue increased 9% in Q4'16 compared to Q4'15
  - CMQR continues to grow the line-haul segment of the business at impressive rate(1)
- Total Expenses increased 10% during Q4'16 compared to Q4'15, primarily due to a difference in timing for when CMQR recognized 45G tax credits

Financial Summary

($s in millions)

Statement of Operations	*Q4'15*	*Q3'16*	*Q4'16*
Total Revenue	$7.1	$7.4	$7.7
Total Expenses	(6.9)	(7.1)	(7.6)
Other(2)	0.4	0.0	0.1
Net Income (Loss) Attributable to Shareholders	$0.6	$0.3	$0.2
Non-GAAP Measures			
Adjusted EBITDA(3)	$1.4	$0.9	$0.9
Adjusted Net Income (Loss)(3)	$0.8	$0.3	$0.2
Adjusted ROE(4)	25.2%	10.7%	7.2%

Operating Data & Metrics

Carloads by Commodity	*Q4'15*	*Q3'16*	*Q4'16*
Building products	710	1,234	1,070
Chemicals & fertilizers	512	635	619
Feeds & grains	220	248	209
Finished wood products	1,699	1,943	1,466
Fuel & propane	702	626	966
Paper & wood pulp	1,520	1,517	1,152
Salt & minerals	527	436	450
Total Carloads	**5,890**	**6,639**	**5,932**

1) Please see "Disclaimers" at the beginning of the Presentation.
2) Includes Total other income, Provision for income taxes, less Net income attributable to non-controlling interest in consolidated subsidiaries.
3) This is a Non-GAAP measure. See Reconciliation of Non-GAAP Measures section in Appendix for a reconciliation to the most comparable GAAP measure.
4) Adjusted ROE is calculated as adjusted net income for the quarter divided by monthly average total equity excluding non-controlling interest in equity of consolidated subsidiaries. The average is based on month-end equity amounts over the respective period. Adjusted ROE for quarterly periods is shown as an annualized return. Annualized data is presented for illustrative purposes only and should not be considered indicative of future performance or actual results for any period. Please see "Disclaimers" at the beginning of the Presentation.

Corporate

- Corporate segment includes G&A expenses, management fees, incentive allocations and expense reimbursement
- Total expenses for Q4'16 also includes $0.5 million of expenses related to Repauno

Financial Summary – Corporate Segment

($s in millions)

Statement of Operations	***Q4'15***	***Q3'16***	***Q4'16***
Total Revenue	$ —	$ —	$ —
Total Expenses	(8.7)	(9.6)	(9.2)
Other[1]	—	—	—
Net Loss Attributable to Shareholders	($8.7)	($9.6)	($9.2)
Non-GAAP Measures			
Adjusted EBITDA[2]	($7.2)	($7.7)	($7.4)
Adjusted Net Loss[2]	($7.2)	($8.0)	($7.5)

1) Includes Total other income, Provision for income taxes, less Net income attributable to non-controlling interest in consolidated subsidiaries.
2) This is a Non-GAAP measure. See Reconciliation of Non-GAAP Measures section in Appendix for a reconciliation to the most comparable GAAP measure.

Appendix:

- Aviation Leasing Historical Returns
- Statement of Operations by Segment
- Comparative Statements of Operations
- Condensed Balance Sheets by Segment
- Reconciliation of Non-GAAP Measures
- Consolidated FAD Reconciliation
- Glossary

Aviation Leasing Historical Returns

Aviation Leasing Historical Returns

Financial Metrics	LTM Q2'15	Annualized Q2'15	LTM Q3'15	Annualized Q3'15	LTM Q4'15	Annualized Q4'15
($s in thousands)						
Book Equity	$278,697	$278,697	$377,010	$377,010	$391,759	$391,759
Average Book Equity[1] {A}	**$190,118**	**$267,988**	**$241,078**	**$327,854**	**$325,217**	**$384,385**
Net Income[2]	$27,551	$32,480	$33,462	$40,852	$37,336	$42,232
Net Income excluding gain on sale of assets {B}	$21,906	$31,343	$27,991	$34,155	$34,283	$37,856
Annualized Return on Equity excluding gain on sale of assets % {B/A}	***11.5%***	***11.7%***	***11.6%***	***10.4%***	***10.5%***	***9.8%***
Adjusted EBITDA[2]	$50,760	$61,884	$60,860	$72,440	$68,548	$75,584
Adjusted EBITDA excluding gain on sale of assets {C}	$45,115	$60,747	$55,389	$65,743	$65,495	$71,208
Annualized Adjusted EBITDA Return on Equity excluding gain on sale of assets % {C/A}	***23.7%***	***22.7%***	***23.0%***	***20.1%***	***20.1%***	***18.5%***

FORTRESS TRANSPORTATION & INFRASTRUCTURE

1) *Determined by taking the average Total Equity excluding Non-controlling interest for the two most recently completed periods.*
2) *Annualized Net Income and Annualized EBITDA are calculated by multiplying Net Income or Adjusted EBITDA, respectively, for the applicable period by four. Annualized data is presented for illustrative purposes only and should not be considered indicative of future performance or actual results for any period. Please see "Disclaimers" at the beginning of the Presentation.*

Aviation Leasing Historical Returns

Financial Metrics

($s in thousands)

Financial Metrics	LTM Q2'16	Annualized Q2'16	LTM Q3'16	Annualized Q3'16	LTM Q4'16	Annualized Q4'16
Book Equity	$437,288	$437,288	$463,138	$463,318	$547,964	$549,357
Average Book Equity[1] {A}	**$357,992**	**$421,612**	**$420,164**	**$450,303**	**$470,558**	**$506,337**
Net Income[2]	$44,449	$51,240	$50,924	$66,552	$59,003	$74,548
Net Income excluding gain on sale of assets {B}	$39,013	$45,202	$47,113	$66,552	$53,789	$64,561
Annualized Return on Equity excluding gain on sale of assets % {B/A}	***10.9%***	***10.7%***	***11.2%***	***14.8%***	***11.4%***	***12.8%***
Adjusted EBITDA[2]	$79,994	$92,376	$89,416	$110,328	$101,003	$121,932
Adjusted EBITDA excluding gain on sale of assets {C}	$74,458	$86,338	$85,605	$110,328	$95,789	$111,945
Annualized Adjusted EBITDA Return on Equity excluding gain on sale of assets % {C/A}	***20.8%***	***20.5%***	***20.4%***	***24.5%***	***20.4%***	***22.1%***

FORTRESS TRANSPORTATION & INFRASTRUCTURE

1) *Determined by taking the average Book Equity excluding Non-controlling interest for the two most recently completed periods.*
2) *Annualized Net Income and Annualized EBITDA are calculated by multiplying Net Income or Adjusted EBITDA, respectively, for the applicable period by four. Annualized data is presented for illustrative purposes only and should not be considered indicative of future performance or actual results for any period. Please see "Disclaimers" at the beginning of the Presentation.*

Statement of Operations by Segment

Statement of Operations by Segment (unaudited)

For the Three Months Ended December 31, 2016	Equipment Leasing			Infrastructure			
($s in thousands)	Aviation Leasing	Offshore Energy	Shipping Containers	Jefferson Terminal	Railroad	Corporate	Total
Revenues							
Equipment leasing revenues	$29,048	$895	$26	$—	$—	$—	$29,969
Infrastructure revenues	—	—	—	4,631	7,730	16	12,377
Total revenues	29,048	895	26	4,631	7,730	16	42,346
Expenses							
Operating expenses	1,734	2,604	—	5,704	6,971	219	17,232
General and administrative	—	—	—	—	—	3,160	3,160
Acquisition and transaction expenses	80	—	—	—	—	1,614	1,694
Management fees and incentive allocation to affiliate	—	—	—	—	—	4,017	4,017
Depreciation and amortization	11,062	1,484	—	3,911	455	4	16,916
Interest expense	—	942	—	1,697	218	261	3,118
Total expenses	12,876	5,030	—	11,312	7,644	9,275	46,137
Other income (expense)							
Equity in losses of unconsolidated entities	—	—	(4,639)	(18)	—	—	(4,657)
Gain on sale of equipment and finance leases, net	2,497	—	—	—	137	—	2,634
Loss on extinguishment of debt	—	—	—	—	—	—	—
Asset impairment	—	—	—	—	—	—	—
Interest income	133	4	—	(88)	—	—	49
Other income, net	—	—	2	17	—	—	19
Total other income (expense)	2,630	4	(4,637)	(89)	137	—	(1,955)
Income (loss) before income taxes	18,802	(4,131)	(4,611)	(6,770)	223	(9,259)	(5,746)
Provision (benefit) for income taxes	79	—	(32)	19	—	7	73
Net income (loss)	18,723	(4,131)	(4,579)	(6,789)	223	(9,266)	(5,819)
Less: Net income (loss) attributable to non-controlling interests in consolidated subsidiaries	85	(79)	—	(3,934)	12	(90)	(4,006)
Net income (loss) attributable to shareholders	18,638	(4,052)	(4,579)	(2,855)	211	(9,176)	(1,813)
Adjusted Net Income (Loss) [1]	18,752	(4,052)	(1,433)	(2,754)	239	(7,570)	3,182
Adjusted EBITDA[1]	$30,483	$(1,718)	$(649)	$766	$874	$(7,317)	$22,439

FORTRESS TRANSPORTATION & INFRASTRUCTURE

1) This is a Non-GAAP measure. See Reconciliation of Non-GAAP Measures section in Appendix for a reconciliation to the most comparable GAAP measure.

Statement of Operations by Segment (unaudited)

For the Year Ended December 31, 2016	Equipment Leasing			Infrastructure			
($s in thousands)	Aviation Leasing	Offshore Energy	Shipping Containers	Jefferson Terminal	Railroad	Corporate	Total
Revenues							
Equipment leasing revenues	$95,408	$5,328	$1,213	$—	$—	$—	$101,949
Infrastructure revenues	—	—	—	15,902	30,837	32	46,771
Total revenues	95,408	5,328	1,213	15,902	30,837	32	148,720
Expenses							
Operating expenses	4,609	11,014	43	21,886	27,975	642	66,169
General and administrative	—	—	—	—	—	12,314	12,314
Acquisition and transaction expenses	80	—	—	400	—	5,836	6,316
Management fees and incentive allocation to affiliate	—	—	—	—	—	16,742	16,742
Depreciation and amortization	36,369	6,411	—	15,500	1,926	4	60,210
Interest expense	—	3,747	410	13,501	754	545	18,957
Total expenses	41,058	21,172	453	51,287	30,655	36,083	180,708
Other income (expense)							
Equity in losses of unconsolidated entities	—	—	(5,974)	(18)	—	—	(5,992)
Gain on sale of equipment and finance leases, net	5,214	—	304	—	423	—	5,941
Loss on extinguishment of debt	—	—	—	(1,579)	—	—	(1,579)
Asset impairment	—	(7,450)	—	—	—	—	(7,450)
Interest income	142	13	—	(19)	—	—	136
Other income (expense), net	—	—	—	602	—	—	602
Total other income (expense)	5,356	(7,437)	(5,670)	(1,014)	423	—	(8,342)
Income (loss) before income taxes	59,706	(23,281)	(4,910)	(36,399)	605	(36,051)	(40,330)
Provision (benefit) for income taxes	267	—	(86)	74	—	13	268
Net income (loss)	59,439	(23,281)	(4,824)	(36,473)	605	(36,064)	(40,598)
Less: Net income (loss) attributable to non-controlling interests in consolidated subsidiaries	435	(4,368)	—	(16,456)	23	(168)	(20,534)
Net income (loss) attributable to shareholders	59,004	(18,913)	(4,824)	(20,017)	582	(35,896)	(20,064)
Adjusted Net Income (Loss) (1)	58,768	(15,188)	(1,838)	(21,249)	941	(30,066)	(8,632)
Adjusted EBITDA(1)	$101,003	$(5,389)	$2,673	$(3,180)	$3,474	$(29,553)	$69,028

FORTRESS TRANSPORTATION & INFRASTRUCTURE

1) This is a Non-GAAP measure. See Reconciliation of Non-GAAP Measures section in Appendix for a reconciliation to the most comparable GAAP measure.

Statement of Operations by Segment (unaudited)

For the Three Months Ended December 31, 2015	**Equipment Leasing**			**Infrastructure**			
($s in thousands)	Aviation Leasing	Offshore Energy	Shipping Containers	Jefferson Terminal	Railroad	Corporate	Total
Revenues							
Equipment leasing revenues	$17,104	$3,997	$1,611	$—	$—	$—	$22,712
Infrastructure revenues	—	—	—	4,024	7,062	—	11,086
Total revenues	17,104	3,997	1,611	4,024	7,062	—	33,798
Expenses							
Operating expenses	897	2,965	52	8,381	6,300	—	18,595
General and administrative	—	—	—	—	—	2,663	2,663
Acquisition and transaction expenses	—	—	—	—	—	1,511	1,511
Management fees and incentive allocation to affiliate	—	—	—	—	—	4,513	4,513
Depreciation and amortization	6,775	1,500	—	3,659	499	—	12,433
Interest expense	—	940	535	3,452	144	—	5,071
Total expenses	7,672	5,405	587	15,492	6,943	8,687	44,786
Other income (expense)							
Equity in losses of unconsolidated entities	—	—	162	—	—	—	162
Gain on sale of equipment and finance leases, net	1,095	—	—	(199)	486	—	1,382
Interest income (expense)	—	115	—	2	—	—	117
Other income	—	—	—	20	—	—	20
Total other income (expense)	1,095	115	162	(177)	486	—	1,681
Income (loss) before income taxes	10,527	(1,293)	1,186	(11,645)	605	(8,687)	(9,307)
Provision (benefit) for income taxes	(52)	—	2	(12)	—	2	(60)
Net income (loss)	10,579	(1,293)	1,184	(11,633)	605	(8,689)	(9,247)
Less: Net income (loss) attributable to non-controlling interests in consolidated subsidiaries	21	110	—	(4,723)	45	(1)	(4,548)
Net income (loss) attributable to shareholders	10,558	(1,403)	1,184	(6,910)	560	(8,688)	(4,699)
Adjusted Net Income (Loss)[(1)]	10,506	(1,403)	1,186	(6,435)	758	(7,175)	(2,563)
Adjusted EBITDA[(1)]	$18,896	$951	$2,984	$(1,934)	$1,367	$(7,175)	$15,089

FORTRESS TRANSPORTATION & INFRASTRUCTURE

1) This is a Non-GAAP measure. See Reconciliation of Non-GAAP Measures section in Appendix for a reconciliation to the most comparable GAAP measure.

Statement of Operations by Segment (unaudited)

For the Year Ended December 31, 2015	Equipment Leasing			Infrastructure			
($s in thousands)	Aviation Leasing	Offshore Energy	Shipping Containers	Jefferson Terminal	Railroad	Corporate	Total
Revenues							
Equipment leasing revenues	$61,330	$24,231	$7,182	$—	$—	$—	$92,743
Infrastructure revenues	—	—	—	18,275	25,550	—	43,825
Total revenues	61,330	24,231	7,182	18,275	25,550	—	136,568
Expenses							
Operating expenses	2,820	4,650	350	33,154	27,819	—	68,793
General and administrative	—	—	—	—	—	7,568	7,568
Acquisition and transaction expenses	—	—	—	—	—	5,683	5,683
Management fees and incentive allocation to affiliate	—	—	—	—	—	15,018	15,018
Depreciation and amortization	23,549	5,967	—	13,897	1,895	—	45,308
Interest expense	—	3,794	2,393	12,546	578	—	19,311
Total expenses	26,369	14,411	2,743	59,597	30,292	28,269	161,681
Other income (expense)							
Equity in losses of unconsolidated entities	—	—	(6,956)	—	—	—	(6,956)
Gain on sale of equipment and finance leases, net	3,053	—	—	(199)	565	—	3,419
Interest income (expense)	11	483	—	85	—	—	579
Other income	—	—	(14)	40	—	—	26
Total other income (expense)	3,064	483	(6,970)	(74)	565	—	(2,932)
Income (loss) before income taxes	38,025	10,303	(2,531)	(41,396)	(4,177)	(28,269)	(28,045)
Provision (benefit) for income taxes	668	—	(127)	41	—	4	586
Net income (loss)	37,357	10,303	(2,404)	(41,437)	(4,177)	(28,273)	(28,631)
Less: Net income (loss) attributable to non-controlling interests in consolidated subsidiaries	21	676	—	(17,376)	(121)	(5)	(16,805)
Net income (loss) attributable to shareholders	37,336	9,627	(2,404)	(24,061)	(4,056)	(28,268)	(11,826)
Adjusted Net Income (Loss)[1]	37,777	9,627	7,991	(22,153)	(2,898)	(22,557)	7,787
Adjusted EBITDA[1]	$68,548	$19,043	$13,819	$(5,707)	$(524)	$(22,557)	$72,622

FORTRESS TRANSPORTATION & INFRASTRUCTURE

1) This is a Non-GAAP measure. See Reconciliation of Non-GAAP Measures section in Appendix for a reconciliation to the most comparable GAAP measure.

Comparative Statements of Operations

Consolidated - Comparative Statements of Operations (unaudited)

($s in thousands)	Three Months Ended December 31, 2015	Three Months Ended March 31, 2016	Three Months Ended June 30, 2016	Three Months Ended September 30, 2016	Three Months Ended December 31, 2016	Year Ended December 31, 2014	Year Ended December 31, 2015	Year Ended December 31, 2016
Revenues								
Equipment leasing revenues	$22,712	$19,575	$22,351	$30,054	$29,969	$43,984	$92,743	$101,949
Infrastructure revenues	11,086	11,878	10,844	11,672	12,377	13,946	43,825	46,771
Total revenues	33,798	31,453	33,195	41,726	42,346	57,930	136,568	148,720
Expenses								
Operating expenses	18,595	14,358	17,551	17,028	17,232	27,223	68,793	66,169
General and administrative	2,663	2,588	3,361	3,205	3,160	2,007	7,568	12,314
Acquisition and transaction expenses	1,511	1,059	1,875	1,688	1,694	11,450	5,683	6,316
Management fees and incentive allocation to affiliate	4,513	4,348	4,231	4,146	4,017	5,463	15,018	16,742
Depreciation and amortization	12,433	13,217	14,701	15,376	16,916	15,998	45,308	60,210
Interest expense	5,071	5,303	5,120	5,416	3,118	5,872	19,311	18,957
Total expenses	44,786	40,873	46,839	46,859	46,137	68,013	161,681	180,708
Other income (expense)								
Equity in (loss) earnings of unconsolidated entities	162	85	(259)	(1,161)	(4,657)	6,093	(6,956)	(5,992)
Gain on sale of equipment and finance leases, net	1,382	1,722	1,545	40	2,634	7,576	3,419	5,941
Loss on extinguishment of debt	—	(1,579)	—	—	—	—	—	(1,579)
Asset impairment	—	—	(7,450)	—	—	—	—	(7,450)
Interest income (expense)	117	9	(128)	206	49	186	579	136
Other income (expense), net	20	40	58	485	19	20	26	602
Total other income (expense)	1,681	277	(6,234)	(430)	(1,955)	13,875	(2,932)	(8,342)
Income (loss) before income taxes	(9,307)	(9,143)	(19,878)	(5,563)	(5,746)	3,792	(28,045)	(40,330)
Provision (benefit) for income taxes	(60)	(66)	178	83	73	874	586	268
Net loss	(9,247)	(9,077)	(20,056)	(5,646)	(5,819)	2,918	(28,631)	(40,598)
Less: Net loss attributable to non-controlling interests in consolidated subsidiaries	(4,548)	(3,295)	(8,863)	(4,370)	(4,006)	(4,862)	(16,805)	(20,534)
Net loss attributable to shareholders	(4,699)	(5,782)	(11,193)	(1,276)	(1,813)	7,780	(11,826)	(20,064)
Adjusted Net Income (Loss)[1]	(2,563)	(6,532)	(5,414)	133	3,182	20,657	7,787	(8,632)
Adjusted EBITDA[1]	$15,089	$12,240	$14,030	$20,319	$22,439	$47,037	$72,622	$69,028

FORTRESS TRANSPORTATION & INFRASTRUCTURE

1) This is a Non-GAAP measure. See Reconciliation of Non-GAAP Measures section in Appendix for a reconciliation to the most comparable GAAP measure.

Aviation - Comparative Statements of Operations (unaudited)

($s in thousands)	Three Months Ended December 31, 2015	Three Months Ended March 31, 2016	Three Months Ended June 30, 2016	Three Months Ended September 30, 2016	Three Months Ended December 31, 2016	Year Ended December 31, 2014	Year Ended December 31, 2015	Year Ended December 31, 2016
Revenues								
Gross lease income	$14,349	$14,486	$16,385	$20,547	$20,052	$17,685	$49,940	$71,470
Lease intangible amortization	(1,636)	(1,639)	(1,636)	(1,508)	(664)	(2,694)	(7,016)	(5,447)
Maintenance revenue	4,391	5,106	6,285	7,646	9,660	5,964	17,286	28,697
Other revenue	—	—	313	375	—	3	1,120	688
Total revenues	17,104	17,953	21,347	27,060	29,048	20,958	61,330	95,408
Expenses								
Operating expenses	897	817	1,166	892	1,734	1,713	2,820	4,609
Acquisition and transaction expenses	—	—	—	—	80		—	80
Depreciation and amortization	6,775	7,427	8,504	9,376	11,062	9,445	23,549	36,369
Total expenses	7,672	8,244	9,670	10,268	12,876	11,158	26,369	41,058
Other income								
Gain on sale of equipment and finance leases, net	1,095	1,208	1,509	—	2,497	7,576	3,053	5,214
Interest income	—	1	2	6	133	26	11	142
Total other income	1,095	1,209	1,511	6	2,630	7,602	3,064	5,356
Income before income taxes	10,527	10,918	13,188	16,798	18,802	17,402	38,025	59,706
Provision (benefit) for income taxes	(52)	(97)	185	100	79	490	668	267
Net income	10,579	11,015	13,003	16,698	18,723	16,912	37,357	59,439
Less: Net income attributable to non-controlling interests in consolidated subsidiaries	21	97	193	60	85	—	21	435
Net income attributable to shareholders	10,558	10,918	12,810	16,638	18,638	16,912	37,336	59,004
Adjusted Net Income[(1)]	10,506	10,475	12,977	16,564	18,752	17,136	37,777	58,768
Adjusted EBITDA[(1)]	$18,896	$19,844	$23,094	$27,582	$30,483	$29,541	$68,548	$101,003

FORTRESS TRANSPORTATION & INFRASTRUCTURE

1) This is a Non-GAAP measure. See Reconciliation of Non-GAAP Measures section in Appendix for a reconciliation to the most comparable GAAP measure.

Offshore Energy - Comparative Statements of Operations (unaudited)

($s in thousands)	Three Months Ended					Year Ended		
	December 31, 2015	March 31, 2016	June 30, 2016	September 30, 2016	December 31, 2016	December 31, 2014	December 31, 2015	December 31, 2016
Revenues								
Lease income	$3,540	$75	$580	$2,561	$496	$12,690	$21,959	$3,712
Finance lease income	418	410	399	403	398	1,716	1,665	1,610
Other revenue	39	—	—	5	1	224	607	6
Total revenues	3,997	485	979	2,969	895	14,630	24,231	5,328
Expenses								
Operating expenses	2,965	3,601	2,401	2,408	2,604	1,054	4,650	11,014
Depreciation and amortization	1,500	1,588	1,670	1,669	1,484	2,801	5,967	6,411
Interest expense	940	935	936	934	942	1,248	3,794	3,747
Total expenses	5,405	6,124	5,007	5,011	5,030	5,103	14,411	21,172
Other income (expense)								
Asset impairment	—	—	(7,450)	—	—	—	—	(7,450)
Interest income	115	2	3	4	4	160	483	13
Total other income (expense)	115	2	(7,447)	4	4	160	483	(7,437)
Income (loss) before income taxes	(1,293)	(5,637)	(11,475)	(2,038)	(4,131)	9,687	10,303	(23,281)
Provision (benefit) for income taxes	—	—	—	—	—	—	—	—
Net income (loss)	(1,293)	(5,637)	(11,475)	(2,038)	(4,131)	9,687	10,303	(23,281)
Less: Net income (loss) attributable to non-controlling interests in consolidated subsidiaries	110	(247)	(3,911)	(131)	(79)	704	676	(4,368)
Net income (loss) attributable to shareholders	(1,403)	(5,390)	(7,564)	(1,907)	(4,052)	8,983	9,627	(18,913)
Adjusted Net Income (Loss)[1]	(1,403)	(5,390)	(3,839)	(1,907)	(4,052)	8,976	9,627	(15,188)
Adjusted EBITDA[1]	$951	$(2,951)	$(1,325)	$605	$(1,718)	$12,786	$19,043	$(5,389)

FORTRESS TRANSPORTATION & INFRASTRUCTURE

1) This is a Non-GAAP measure. See Reconciliation of Non-GAAP Measures section in Appendix for a reconciliation to the most comparable GAAP measure.

Shipping Containers - Comparative Statements of Operations (unaudited)

($s in thousands)	Three Months Ended					Year Ended		
	December 31, 2015	March 31, 2016	June 30, 2016	September 30, 2016	December 31, 2016	December 31, 2014	December 31, 2015	December 31, 2016
Revenues								
Finance lease income	$1,586	$1,112	$—	$—	$1	$8,297	$7,082	$1,113
Other revenue	25	25	25	25	25	99	100	100
Total revenues	1,611	1,137	25	25	26	8,396	7,182	1,213
Expenses								
Operating expenses	52	30	12	1	—	257	350	43
Interest expense	535	410	—	—	—	2,840	2,393	410
Total expenses	587	440	12	1	—	3,097	2,743	453
Other income (expense)								
Equity in (loss) earnings of unconsolidated entities	162	85	(259)	(1,161)	(4,639)	6,093	(6,956)	(5,974)
Gain on sale of equipment and finance leases, net	—	304	—	—	—	—	—	304
Other expense, net	—	(2)	—	—	2	(26)	(14)	—
Total other income (expense)	162	387	(259)	(1,161)	(4,637)	6,067	(6,970)	(5,670)
Income (loss) before income taxes	1,186	1,084	(246)	(1,137)	(4,611)	11,366	(2,531)	(4,910)
Provision (benefit) for income taxes	2	(4)	(9)	(41)	(32)	100	(127)	(86)
Net income (loss)	1,184	1,088	(237)	(1,096)	(4,579)	11,266	(2,404)	(4,824)
Net income (loss) attributable to shareholders	1,184	1,088	(237)	(1,096)	(4,579)	11,266	(2,404)	(4,824)
Adjusted Net Income (Loss)[1]	1,186	1,087	(309)	(1,183)	(1,433)	11,453	7,991	(1,838)
Adjusted EBITDA[1]	$2,984	$2,783	$801	$(263)	$(649)	$17,807	$13,819	$2,673

FORTRESS TRANSPORTATION & INFRASTRUCTURE

1) This is a Non-GAAP measure. See Reconciliation of Non-GAAP Measures section in Appendix for a reconciliation to the most comparable GAAP measure.

Jefferson Terminal - Comparative Statements of Operations (unaudited)

($s in thousands)	Three Months Ended					Year Ended		
	December 31, 2015	March 31, 2016	June 30, 2016	September 30, 2016	December 31, 2016	December 31, 2014	December 31, 2015	December 31, 2016
Revenues								
Lease income	$770	$—	$—	$—	$—	$1,325	$4,620	$—
Terminal services revenue	3,254	3,879	3,137	4,255	4,631	2,652	13,655	15,902
Total revenues	4,024	3,879	3,137	4,255	4,631	3,977	18,275	15,902
Expenses								
Operating expenses	8,381	2,688	6,698	6,796	5,704	9,095	33,154	21,886
Acquisition and transaction expenses	—	—	291	109	—	5,494	—	400
Depreciation and amortization	3,659	3,676	3,993	3,920	3,911	2,763	13,897	15,500
Interest expense	3,452	3,804	3,984	4,016	1,697	1,552	12,546	13,501
Total expenses	15,492	10,168	14,966	14,841	11,312	18,904	59,597	51,287
Other income (expense)								
Equity in (loss) earnings of unconsolidated entities	—	—	—	—	(18)		—	(18)
Gain on sale of equipment and finance leases, net	(199)	—	—	—	—	—	(199)	—
Loss on extinguishment of debt	—	(1,579)	—	—	—	—	—	(1,579)
Interest income	2	6	(133)	196	(88)	—	85	(19)
Other income (expense), net	20	42	58	485	17	46	40	602
Total other income (expense)	(177)	(1,531)	(75)	681	(89)	46	(74)	(1,014)
Loss before income taxes	(11,645)	(7,820)	(11,904)	(9,905)	(6,770)	(14,881)	(41,396)	(36,399)
Provision (benefit) for income taxes	(12)	35	—	20	19	284	41	74
Net loss	(11,633)	(7,855)	(11,904)	(9,925)	(6,789)	(15,165)	(41,437)	(36,473)
Less: Net loss attributable to non-controlling interests in consolidated subsidiaries	(4,723)	(3,156)	(5,125)	(4,241)	(3,934)	(5,566)	(17,376)	(16,456)
Net loss attributable to shareholders	(6,910)	(4,699)	(6,779)	(5,684)	(2,855)	(9,599)	(24,061)	(20,017)
Adjusted Net Loss(1)	(6,435)	(6,257)	(6,519)	(5,719)	(2,754)	(3,209)	(22,153)	(21,249)
Adjusted EBITDA(1)	$(1,934)	$(1,646)	$(1,521)	$(779)	$766	$(620)	$(5,707)	$(3,180)

1) This is a Non-GAAP measure. See Reconciliation of Non-GAAP Measures section in Appendix for a reconciliation to the most comparable GAAP measure.

Railroad - Comparative Statements of Operations (unaudited)

($s in thousands)	Three Months Ended					Year Ended		
	December 31, 2015	March 31, 2016	June 30, 2016	September 30 30, 2016	December 31, 2016	December 31, 2014	December 31, 2015	December 31, 2016
Revenues								
Rail revenues	$7,062	$7,999	$7,707	$7,401	$7,730	$9,969	$25,550	$30,837
Total revenues	7,062	7,999	7,707	7,401	7,730	9,969	25,550	30,837
Expenses								
Operating expenses	6,300	7,222	7,268	6,514	6,971	15,104	27,819	27,975
Acquisition and transaction expenses	—	—	—	—	—	5,646	—	—
Depreciation and amortization	499	526	534	411	455	989	1,895	1,926
Interest expense	144	154	200	182	218	187	578	754
Total expenses	6,943	7,902	8,002	7,107	7,644	21,926	30,292	30,655
Other income								
Gain on sale of equipment and finance leases, net	486	210	36	40	137	—	565	423
Total other income	486	210	36	40	137	—	565	423
Income (loss) before income taxes	605	307	(259)	334	223	(11,957)	(4,177)	605
Provision (benefit) for income taxes	—	—	—	—	—	—	—	—
Net income (loss)	605	307	(259)	334	223	(11,957)	(4,177)	605
Less: Net income (loss) attributable to non-controlling interests in consolidated subsidiaries	45	13	(16)	14	12	—	(121)	23
Net income (loss) attributable to shareholders	560	294	(243)	320	211	(11,957)	(4,056)	582
Adjusted Net Income (Loss)[1]	758	491	(130)	342	238	(6,183)	(2,898)	941
Adjusted EBITDA[1]	$1,367	$1,143	$575	$882	$873	$(5,007)	$(524)	$3,474

FORTRESS TRANSPORTATION & INFRASTRUCTURE

1) This is a Non-GAAP measure. See Reconciliation of Non-GAAP Measures section in Appendix for a reconciliation to the most comparable GAAP measure.

Corporate - Comparative Statements of Operations (unaudited)

($s in thousands)	Three Months Ended					Year Ended		
	December 31, 2015	March 31, 2016	June 30, 2016	September 30, 2016	December 31, 2016	December 31, 2014	December 31, 2015	December 31, 2016
Revenues								
Infrastructure revenues	$—	$—	$—	$16	$16	$—	$—	$32
Total revenues	—	—	—	16	16	—	—	32
Expenses								
Operating expenses	—	—	6	417	219	—	—	642
General and administrative	2,663	2,588	3,361	3,205	3,160	2,007	7,568	12,314
Acquisition and transaction expenses	1,511	1,059	1,584	1,579	1,614	310	5,683	5,836
Management fees and incentive allocation to affiliate	4,513	4,348	4,231	4,146	4,017	5,463	15,018	16,742
Depreciation and amortization	—	—	—	—	4		—	4
Interest expense	—	—	—	284	261	45	—	545
Total expenses	8,687	7,995	9,182	9,631	9,275	7,825	28,269	36,083
Loss before income taxes	(8,687)	(7,995)	(9,182)	(9,615)	(9,259)	(7,825)	(28,269)	(36,051)
Provision for income taxes	2	—	2	4	7	—	4	13
Net loss	(8,689)	(7,995)	(9,184)	(9,619)	(9,266)	(7,825)	(28,273)	(36,064)
Less: Net loss attributable to non-controlling interests in consolidated subsidiaries	(1)	(2)	(4)	(72)	(90)	—	(5)	(168)
Net loss attributable to shareholders	(8,688)	(7,993)	(9,180)	(9,547)	(9,176)	(7,825)	(28,268)	(35,896)
Adjusted Net Loss(1)	(7,175)	(6,938)	(7,594)	(7,964)	(7,570)	(7,516)	(22,557)	(30,066)
Adjusted EBITDA(1)	$(7,175)	$(6,934)	$(7,594)	$(7,708)	$(7,317)	$(7,470)	$(22,557)	$(29,553)

1) This is a Non-GAAP measure. See Reconciliation of Non-GAAP Measures section in Appendix for a reconciliation to the most comparable GAAP measure.

Condensed Balance Sheets by Segment

Condensed Balance Sheets by Segment

As of December 31, 2016

($s in thousands)	Equipment Leasing			Infrastructure			
	Aviation Leasing	Offshore Energy	Shipping Containers	Jefferson Terminal	Railroad	Corporate	Total
Gross Property, Plant and Equipment (PP&E)	$—	$—	$—	$296,145	$34,715	$44,490	$375,350
Spare parts	—	—	—	2,833	—	—	2,833
Accumulated Depreciation on PP&E	—	—	—	(21,149)	(4,849)	(4)	(26,002)
Net PP&E	—	—	—	277,829	29,866	44,486	352,181
Gross Leasing Equipment	619,625	185,614	—	44,326	—	—	849,565
Accumulated Depreciation on Leasing Equipment	(65,343)	(16,115)	—	(2,652)	—	—	(84,110)
Net Leasing Equipment	554,282	169,499	—	41,674	—	—	765,455
Intangible Assets	11,607	—	—	27,242	105	—	38,954
Goodwill	—	—	—	115,990	594	—	116,584
All Other Assets	59,791	51,045	4,333	71,903	9,863	77,203	274,138
Total Assets	625,680	220,544	4,333	534,638	40,428	121,689	1,547,312
Debt	—	62,655	—	184,702	12,155	—	259,512
All Other Liabilities	74,989	3,347	—	20,834	12,816	10,134	122,120
Total Liabilities	74,989	66,002	—	205,536	24,971	10,134	381,632
Shareholders' equity	549,357	151,217	4,333	225,015	13,343	110,547	1,053,812
Non-controlling interest in equity of consolidated subsidiaries	1,334	3,325	—	104,087	2,114	1,008	111,868
Total Equity	550,691	154,542	4,333	329,102	15,457	111,555	1,165,680
Total Liabilities and Equity	$625,680	$220,544	$4,333	$534,638	$40,428	$121,689	$1,547,312

Condensed Balance Sheets by Segment

As of December 31, 2015

($s in thousands)	Equipment Leasing			Infrastructure			
	Aviation Leasing	Offshore Energy	Shipping Containers	Jefferson Terminal	Railroad	Corporate	Total
Gross Property, Plant and Equipment (PP&E)	$—	$—	$—	$285,294	$27,599	$—	$312,893
Accumulated Depreciation on PP&E	—	—	—	(10,308)	(2,907)	—	(13,215)
Net PP&E	—	—	—	274,986	24,692	—	299,678
Gross Leasing Equipment	452,602	184,284	—	44,326	—	—	681,212
Accumulated Depreciation on Leasing Equipment	(33,281)	(9,704)	—	(1,546)	—	—	(44,531)
Net Leasing Equipment	419,321	174,580	—	42,780	—	—	636,681
Intangible Assets	13,184	—	—	30,795	150	—	44,129
Goodwill	—	—	—	115,991	593	—	116,584
All Other Assets	11,027	39,366	85,917	18,794	8,501	384,128	547,733
Total Assets	443,532	213,946	85,917	483,346	33,936	384,128	1,644,805
Debt	—	68,673	45,778	142,835	8,935	—	266,221
All Other Liabilities	50,873	5,555	125	16,735	10,528	4,082	87,898
Total Liabilities	50,873	74,228	45,903	159,570	19,463	4,082	354,119
Shareholders' equity	391,760	132,026	40,014	210,262	12,759	379,462	1,166,283
Non-controlling interest in equity of consolidated subsidiaries	899	7,692	—	113,514	1,714	584	124,403
Total Equity	392,659	139,718	40,014	323,776	14,473	380,046	1,290,686
Total Liabilities and Equity	$443,532	$213,946	$85,917	$483,346	$33,936	$384,128	$1,644,805

Reconciliation of Non-GAAP Measures

Adjusted Net Income Reconciliation by Segment (unaudited)

($s in thousands)	For the Three Months Ended December 31, 2016							For the Three Months Ended December 31, 2015						
	Aviation Leasing	Offshore Energy	Shipping Containers	Jefferson Terminal	Railroad	Corporate	Total	Aviation Leasing	Offshore Energy	Shipping Containers	Jefferson Terminal	Railroad	Corporate	Total
Net (loss) income attributable to shareholders	$18,638	$(4,052)	$(4,579)	$(2,855)	$211	$(9,176)	$(1,813)	$10,558	$(1,403)	$1,184	$(6,910)	$560	$(8,688)	$(4,699)
Add: Provision for income taxes	79	—	(32)	19	—	7	73	(52)	—	2	(12)	—	2	(60)
Add: Equity-based compensation expense	—	—	—	117	29	—	146	—	—	—	757	211	—	968
Add: Acquisition and transaction expenses	80	—	—	—	—	1,614	1,694	—	—	—	—	—	1,511	1,511
Add: Losses on the modification or extinguishment of debt and capital lease obligations	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Add: Changes in fair value of non-hedge derivative instruments	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Add: Asset impairment charges	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Add: Pro-rata share of Adjusted Net Income from unconsolidated entities (1)	—	—	(1,461)	—	—	—	(1,461)	—	—	162	—	—	—	162
Less: Cash payments for income taxes	(45)	—	—	—	—	(15)	(60)	—	—	—	—	—	—	—
Less: Equity in earnings of unconsolidated entities	—	—	4,639	18	—	—	4,657	—	—	(162)	—	—	—	(162)
Less: Non-controlling share of adjustments to Adjusted Net Income (2)(3)(4)(5)	—	—	—	(53)	(1)	—	(54)	—	—	—	(270)	(13)	—	(283)
Adjusted Net Income	$18,752	$(4,052)	$(1,433)	$(2,754)	$239	$(7,570)	$3,182	$10,506	$(1,403)	$1,186	$(6,435)	$758	$(7,175)	$(2,563)

FORTRESS TRANSPORTATION & INFRASTRUCTURE

Adjusted Net Income Reconciliation by Segment (unaudited)

($s in thousands)	For the Year Ended December 31, 2016							For the Year Ended December 31, 2015						
	Aviation Leasing	Offshore Energy	Shipping Containers	Jefferson Terminal	Railroad	Corporate	Total	Aviation Leasing	Offshore Energy	Shipping Containers	Jefferson Terminal	Railroad	Corporate	Total
Net (loss) income attributable to shareholders	$59,004	$(18,913)	$(4,824)	$(20,017)	$582	$(35,896)	$(20,064)	$37,336	$9,627	$(2,404)	$(24,061)	$(4,056)	$(28,268)	$(11,826)
Add: Provision for income taxes	267	—	(86)	74	—	13	268	668	—	(127)	41	—	4	586
Add: Equity-based compensation expense	—	—	—	(4,051)	379	—	(3,672)	—	—	—	3,432	1,206	24	4,662
Add: Acquisition and transaction expenses	80	—	—	400	—	5,836	6,316	—	—	—	—	—	5,683	5,683
Add: Losses on the modification or extinguishment of debt and capital lease obligations	—	—	—	1,579	—	—	1,579	—	—	—	—	—	—	—
Add: Changes in fair value of non-hedge derivative instruments	—	—	3	—	—	—	3	—	—	14	—	—	—	14
Add: Asset impairment charges	—	7,450	—	—	—	—	7,450	—	—	—	—	—	—	—
Add: Pro-rata share of Adjusted Net Income from unconsolidated entities [1]	—	—	(2,905)	—	—	—	(2,905)	—	—	3,552	—	—	—	3,552
Less: Cash payments for income taxes	(583)	—	—	(52)	—	(19)	(654)	(227)	—	—	(280)	—	—	(507)
Less: Equity in earnings of unconsolidated entities	—	—	5,974	18	—	—	5,992	—	—	6,956	—	—	—	6,956
Less: Non-controlling share of adjustments to Adjusted Net Income [2][3][4][5]	—	(3,725)	—	800	(20)	—	(2,945)	—	—	—	(1,285)	(48)	—	(1,333)
Adjusted Net Income	$58,768	$(15,188)	$(1,838)	$(21,249)	$941	$(30,066)	$(8,632)	$37,777	$9,627	$7,991	$(22,153)	$(2,898)	$(22,557)	$7,787

FORTRESS TRANSPORTATION & INFRASTRUCTURE

Adjusted EBITDA Reconciliation by Segment (unaudited)

For the Three Months Ended December 31, 2016

($s in thousands)	Aviation Leasing	Offshore Energy	Shipping Containers	Jefferson Terminal	Railroad	Corporate	Total
Net income (loss) attributable to shareholders	$18,638	$(4,052)	$(4,579)	$(2,855)	$211	$(9,176)	$(1,813)
Add: Provision for income taxes	79	—	(32)	19	—	7	73
Add: Equity-based compensation expense	—	—	—	117	29	—	146
Add: Acquisition and transaction expenses	80	—	—	—	—	1,614	1,694
Add: Losses on the modification or extinguishment of debt and capital lease obligations	—	—	—	—	—	—	—
Add: Changes in fair value of non-hedge derivative instruments	—	—	—	—	—	—	—
Add: Asset impairment charges	—	—	—	—	—	—	—
Add: Depreciation & amortization expense [6][9]	11,727	1,484	—	3,911	454	4	17,580
Add: Interest expense	—	942	—	1,697	218	261	3,118
Add: Pro-rata share of Adjusted EBITDA from unconsolidated entities [7]	—	—	(677)	—	—	—	(677)
Less: Equity in earnings of unconsolidated entities	—	—	4,639	18	—	—	4,657
Less: Non-controlling share of Adjusted EBITDA[8][10][11][12][13][14][15]	(41)	(92)	—	(2,141)	(38)	(27)	(2,339)
Adjusted EBITDA	$30,483	$(1,718)	$(649)	$766	$874	$(7,317)	$22,439

For the Three Months Ended December 31, 2015

($s in thousands)	Aviation Leasing	Offshore Energy	Shipping Containers	Jefferson Terminal	Railroad	Corporate	Total
Net income (loss) attributable to shareholders	$10,558	$(1,403)	$1,184	$(6,910)	$560	$(8,688)	$(4,699)
Add: Provision for income taxes	(52)	—	2	(12)	—	2	(60)
Add: Equity-based compensation expense	—	—	—	757	211	—	968
Add: Acquisition and transaction expenses	—	—	—	—	—	1,511	1,511
Add: Losses on the modification or extinguishment of debt and capital lease obligations	—	—	—	—	—	—	—
Add: Changes in fair value of non-hedge derivative instruments	—	—	—	—	—	—	—
Add: Asset impairment charges	—	—	—	—	—	—	—
Add: Depreciation & amortization expense [6][9]	8,411	1,500	—	3,659	499	—	14,069
Add: Interest expense	—	940	535	3,452	144	—	5,071
Add: Pro-rata share of Adjusted EBITDA from unconsolidated entities [7]	—	—	1,425	—	—	—	1,425
Less: Equity in earnings of unconsolidated entities	—	—	(162)	—	—	—	(162)
Less: Non-controlling share of Adjusted EBITDA[8][10][11][12][13][14][15]	(21)	(86)	—	(2,880)	(47)	—	(3,034)
Adjusted EBITDA	$18,896	$951	$2,984	$(1,934)	$1,367	$(7,175)	$15,089

Adjusted EBITDA Reconciliation by Segment (unaudited)

For the Year Ended December 31, 2016

($s in thousands)	Aviation Leasing	Offshore Energy	Shipping Containers	Jefferson Terminal	Railroad	Corporate	Total
Net income (loss) attributable to shareholders	$59,004	$(18,913)	$(4,824)	$(20,017)	$582	$(35,896)	$(20,064)
Add: Provision for income taxes	267	—	(86)	74	—	13	268
Add: Equity-based compensation expense	—	—	—	(4,051)	379	—	(3,672)
Add: Acquisition and transaction expenses	80	—	—	400	—	5,836	6,316
Add: Losses on the modification or extinguishment of debt and capital lease obligations	—	—	—	1,579	—	—	1,579
Add: Changes in fair value of non-hedge derivative instruments	—	—	3	—	—	—	3
Add: Asset impairment charges	—	7,450	—	—	—	—	7,450
Add: Depreciation & amortization expense [6][9]	41,816	6,411	—	15,500	1,925	4	65,656
Add: Interest expense	—	3,747	410	13,501	754	545	18,957
Add: Pro-rata share of Adjusted EBITDA from unconsolidated entities [7]	—	—	1,196	—	—	—	1,196
Less: Equity in earnings of unconsolidated entities	—	—	5,974	18	—	—	5,992
Less: Non-controlling share of Adjusted EBITDA[8][10][11][12][13][14][15]	(164)	(4,084)	—	(10,184)	(166)	(55)	(14,653)
Adjusted EBITDA	$101,003	$(5,389)	$2,673	$(3,180)	$3,474	$(29,553)	$69,028

For the Year Ended December 31, 2015

($s in thousands)	Aviation Leasing	Offshore Energy	Shipping Containers	Jefferson Terminal	Railroad	Corporate	Total
Net income (loss) attributable to shareholders	$37,336	$9,627	$(2,404)	$(24,061)	$(4,056)	$(28,268)	$(11,826)
Add: Provision for income taxes	668	—	(127)	41	—	4	586
Add: Equity-based compensation expense	—	—	—	3,432	1,206	24	4,662
Add: Acquisition and transaction expenses	—	—	—	—	—	5,683	5,683
Add: Losses on the modification or extinguishment of debt and capital lease obligations	—	—	—	—	—	—	—
Add: Changes in fair value of non-hedge derivative instruments	—	—	14	—	—	—	14
Add: Asset impairment charges	—	—	—	—	—	—	—
Add: Depreciation & amortization expense [6][9]	30,565	5,967	—	13,897	1,895	—	52,324
Add: Interest expense	—	3,794	2,393	12,546	578	—	19,311
Add: Pro-rata share of Adjusted EBITDA from unconsolidated entities [7]	—	—	6,987	—	—	—	6,987
Less: Equity in earnings of unconsolidated entities	—	—	6,956	—	—	—	6,956
Less: Non-controlling share of Adjusted EBITDA[8][10][11][12][13][14][15]	(21)	(345)	—	(11,562)	(147)	—	(12,075)
Adjusted EBITDA	$68,548	$19,043	$13,819	$(5,707)	$(524)	$(22,557)	$72,622

Notes to Non-GAAP Reconciliations - Adjusted Net Income (Loss)

($'s in thousands)

(1) Pro-rata share of Adjusted Net Income from unconsolidated entities for the three months ended December 31, 2016 and 2015 includes the Company's proportionate share of the unconsolidated entities' net income adjusted for $3,068 and $0 of asset impairment charges, respectively.

Pro-rata share of Adjusted Net Income from unconsolidated entities for the year ended December 31, 2016 and 2015 includes the Company's proportionate share of the unconsolidated entities' net income adjusted for and $3,068 and $10,508 of asset impairment charges, respectively.

(2) Non-controlling share of Adjusted Net Income (Loss) is comprised of the following for the three months ended December 31, 2016 and 2015: (i) equity-based compensation of $47 and $288 and (ii) provision for income tax of $7 and $(5), respectively.

Non-controlling share of Adjusted Net Income (Loss) is comprised of the following for the year ended December 31, 2016 and 2015: (i) equity-based compensation of $(1,561) and $1,387, (ii) provision for income tax of $29 and $16, (iii) acquisition and transaction expenses of $156 and $0, (iv) loss on extinguishment of debt of $616 and $0, and (v) asset impairment of $3,725 and $0, less (vi) cash tax payments of $20 and $70, respectively.

(3) Jefferson Terminal's non-controlling share of Adjusted Net Income is comprised of the following for the three months ended December 31, 2016 and 2015: (i) equity-based compensation of $46 and $275, and (ii) provision for income tax of $7 and $(5), respectively.

Jefferson Terminal's non-controlling share of Adjusted Net Income (Loss) is comprised of the following for the year ended December 31, 2016 and 2015: (i) equity-based compensation of $(1,581) and $1,339, (ii) provision for income tax of $29 and $16, (iii) acquisition and transaction expenses of $156 and $0, and (iv) loss on extinguishment of debt of $616 and $0 less (v) cash tax payments of $20 and $70, respectively.

(4) CMQR's non-controlling share of Adjusted Net Income (Loss) is comprised of equity-based compensation of $1 and $13 for the three months ended December 31, 2016 and 2015, respectively.

CMQR's non-controlling share of Adjusted Net Income (Loss) is comprised of equity-based compensation of $20 and $48, respectively, for the year ended December 31, 2016 and 2015, respectively.

(5) Offshore's non-controlling share of Adjusted Net Income is comprised of asset impairment charges of $3,725 and $0, for the year ended December 31, 2016 and 2015, respectively.

Notes to Non-GAAP Reconciliations - Adjusted EBITDA

($'s in thousands)

(6) The Company's depreciation and amortization expense includes $16,916 and $12,433 of depreciation and amortization expense, $422 and $1,576 of lease intangible amortization, and $242 and $60 of amortization for lease incentives in the three months ended December 31, 2016 and 2015, respectively.

The Company's depreciation and amortization expense includes $60,210 and $45,308 of depreciation and amortization expense, $4,979 and $6,774 of lease intangible amortization, and $467 and $242 of amortization for lease incentives in the year ended December 31, 2016 and 2015, respectively.

(7) The Company's pro-rata share of Adjusted EBITDA from unconsolidated entities includes the following items for the three months ended December 31, 2016 and 2015:(i) net income (loss) of $(4,686) and $113, (ii) interest expense of $391 and $356, (iii) depreciation and amortization expense of $550 and $956, and (iv) asset impairment charges of $3,068 and $0, respectively.

The Company's pro-rata share of Adjusted EBITDA from unconsolidated entities includes the following items for the year ended December 31, 2016 and 2015: (i) net income (loss) of $(6,161) and $(7,165), (ii) interest expense of $1,323 and $1,778, (iii) depreciation and amortization expense of $2,966 and $1,866, and (iv) asset impairment charges of $3,068 and $10,508, respectively.

(8) The Company's non-controlling share of Adjusted EBITDA is comprised of the following items for the three months ended December 31, 2016 and 2015: (i) equity based compensation of $47 and $288, (ii) provision for income taxes of $7 and $(5), (iii) interest expense of $630 and $1,296, and (iv) depreciation and amortization expense of $1,655 and $1,455, respectively.

The Company's non-controlling share of Adjusted EBITDA is comprised of the following items for the year ended December 31, 2016 and 2015: (i) equity based compensation of $(1,561) and $1,387, (ii) provision for income taxes of $29 and $16, (iii) interest expense of $5,124 and $4,926, (iv) depreciation and amortization expense of $6,564 and $5,746, (v) loss on extinguishment of debt of $616 and $0, (vi) asset impairment charges of $3,725 and $0, and (vii) acquisition and transaction expenses of $156 and $0, respectively.

(9) Aviation Leasing's depreciation and amortization expense includes $11,062 and $6,775 of depreciation expense, $422 and $1,576 of lease intangible amortization, and $241 and $60 of amortization for lease incentives in the three months ended December 31, 2016 and 2015, respectively.

Aviation Leasing's depreciation and amortization expense includes $36,369 and $23,549 of depreciation expense, $4,979 and $6,774 of lease intangible amortization, and $468 and $242 of amortization for lease incentives in the year ended December 31, 2016 and 2015, respectively.

Notes to Non-GAAP Reconciliations - Adjusted EBITDA (continued)

($'s in thousands)

(10) Aviation Leasing's non-controlling share of Adjusted EBITDA is comprised of depreciation expense of $41 and $21 for the three months ended December 31, 2016 and 2015, respectively.

Aviation Leasing's non-controlling share of Adjusted EBITDA is comprised of depreciation expense of $164 and $21 for the year ended December 31, 2016 and 2015, respectively.

(11) Offshore's non-controlling share of Adjusted EBITDA is comprised of the following items for the three months ended December 31, 2016 and 2015: (i) depreciation expense of $62 and $56, and (ii) interest expense of $30 and $30, respectively.

Offshore's non-controlling share of Adjusted EBITDA is comprised of the following items for the year ended December 31, 2016 and 2015: (i) depreciation expense of $245 and $225, (ii) interest expense of $114 and $120, and (iii) asset impairment charges of $3,725 and $0, respectively.

(12) Jefferson Terminal's non-controlling share of Adjusted EBITDA is comprised of the following items for the three months ended December 31, 2016 and 2015: (i) equity-based compensation of $46 and $275, (ii) provision for income taxes of $7 and $(5), (iii) interest expense of $561 and $1,258, and (v) depreciation and amortization expense of $1,527 and $1,352, respectively.

Jefferson Terminal's non-controlling share of Adjusted EBITDA is comprised of the following items for the year ended December 31, 2016 and 2015: (i) equity-based compensation of $(1,581) and $1,339, (ii) provision for income taxes of $29 and $16, (iii) interest expense of $4,914 and $4,783, (iv) loss on extinguishment of debt of $616 and $0, (v) acquisition and transaction expenses of $156 and $0, and (vi) depreciation and amortization expense of $6,050 and $5,424, respectively.

(13) Railroad's non-controlling share of Adjusted EBITDA is comprised of the following items for the three months ended December 31, 2016 and 2015: (i) equity-based compensation of $1 and $13, (ii) interest expense of $12 and $8, and (iii) depreciation and amortization expense of $25 and $26, respectively.

Railroad's non-controlling share of Adjusted EBITDA is comprised of the following items for the year ended December 31, 2016 and 2015: (i) equity-based compensation of $20 and $48, (ii) interest expense of $41 and $23, and (iii) depreciation and amortization expense of $105 and $76, respectively.

(14) Corporate's non-controlling share of Adjusted EBITDA is comprised of the following items for the three months ended December 31, 2016 and 2015: (i) interest expense of $27 and $0, respectively.

Corporate's non-controlling share of Adjusted EBITDA is comprised of the following items for the year ended December 31, 2016 and 2015: (i) interest expense of $55 and $0, respectively.

Consolidated FAD Reconciliation

($s in thousands)	Three Months Ended				Year Ended	Three Months Ended				Year Ended
	March 31, 2015	June 30, 2015	September 30, 2015	December 31, 2015	December 31, 2015	March 31, 2016	June 30, 2016	September 30, 2016	December 31, 2016	December 31, 2016
Net Cash Provided by (Used in) Operating Activities	$6,222	$8,409	$12,239	$(3,342)	$23,528	$(3,799)	$4,789	$14,672	$15,241	30,903
Add: Principal Collections on Finance Leases	2,941	3,201	11,270	2,880	20,292	2,204	98	104	107	2,513
Add: Proceeds from sale of assets[(1)]	121	1,504	7,628	5,265	14,518	75,928	11,555	47	7,345	94,875
Add: Return of Capital Distributions from Unconsolidated Entities	933	351	1,637	807	3,728	401	31	—	—	432
Less: Required Payments on Debt Obligations[(2)]	(4,255)	(4,378)	(11,131)	(3,997)	(23,761)	(47,660)	(1,563)	(2,882)	(1,563)	(53,668)
Less: Capital Distributions to Non-Controlling Interest	(111)	(143)	(55)	(12)	(321)	—	—	—	—	—
Exclude: Changes in Working Capital	7,751	(415)	(5,704)	8,472	10,104	5,784	(1,622)	(1,792)	(640)	1,730
Funds Available for Distribution (FAD)	$13,602	$8,529	$15,884	$10,073	$48,088	$32,858	$13,288	$10,149	$20,490	$76,785

(1) The three months ended March 31, 2016 includes $500 received in December 2015 for a deposit on the sale of a commercial jet engine which was completed in the three months ended March 31, 2016.

(2) The three months ended March 31, 2016 excludes $98,750 of repayments upon termination of the Jefferson Credit Agreement in the three months ended March 31, 2016, which was a voluntary refinancing, and not a required payment on debt.

FORTRESS TRANSPORTATION & INFRASTRUCTURE

Consolidated FAD Reconciliation

(in thousands)	Three Months Ended December 31, 2015				Three Months Ended December 31, 2016			
	Equipment Leasing	Infrastructure	Corporate	Total	Equipment Leasing	Infrastructure	Corporate	Total
Funds Available for Distribution (FAD)	**$24,149**	**$(5,377)**	**$(8,699)**	**$10,073**	**$30,924**	**$(1,165)**	**$(9,269)**	**$20,490**
Less: Principal Collections on Finance Leases				(2,880)				(107)
Less: Proceeds from sale of assets				(5,265)				(7,345)
Less: Return of Capital Distributions from Unconsolidated Entities				(807)				—
Add: Required Payments on Debt Obligations				3,997				1,563
Add: Capital Distributions to Non-Controlling Interest				12				—
Include: Changes in Working Capital				(8,472)				640
Net Cash from Operating Activities				**$(3,342)**				**$15,241**

Consolidated FAD Reconciliation

(in thousands)	Year Ended December 31, 2015				Year Ended December 31, 2016			
	Equipment Leasing	Infrastructure	Corporate	Total	Equipment Leasing	Infrastructure	Corporate	Total
Funds Available for Distribution (FAD)	**$102,326**	**$(25,974)**	**$(28,264)**	**$48,088**	**$132,014**	**$(19,164)**	**$(36,065)**	**$76,785**
Less: Principal Collections on Finance Leases				(20,292)				(2,513)
Less: Proceeds from sale of assets[1]				(14,518)				(94,875)
Less: Return of Capital Distributions from Unconsolidated Entities				(3,728)				(432)
Add: Required Payments on Debt Obligations[2]				23,761				53,668
Add: Capital Distributions to Non-Controlling Interest				321				—
Include: Changes in Working Capital				(10,104)				(1,730)
Net Cash from Operating Activities				**$23,528**				**$30,903**

(1) Proceeds from sale of assets includes $500 received in December 2015 for a deposit on the sale of a commercial jet engine, which was completed in the nine months ended December 31, 2016.

(2) Required payments on debt obligations excludes $98,750 repayment upon the termination of the Jefferson Terminal Credit Agreement and $5,748 repayment under the CMQR Credit Agreement in the nine months ended December 31, 2016, which were voluntary refinancing as repayment of these amounts were not required at this time.

Glossary

Adjusted EBITDA

We view Adjusted EBITDA as a secondary measurement to Adjusted Net Income, which we believe serves as a useful supplement to investors, analysts and management to measure economic performance of deployed revenue generating assets between periods on a consistent basis, and which we believe measures our financial performance and helps identify operational factors that management can impact in the short-term, namely our cost structure and expenses. Adjusted EBITDA may not be comparable to similarly titled measures of other companies because other entities may not calculate Adjusted EBITDA in the same manner.

Adjusted EBITDA is defined as net income attributable to shareholders, adjusted (a) to exclude the impact of provision for income taxes, equity-based compensation expense, acquisition and transaction expenses, losses on the modification or extinguishment of debt and capital lease obligations, changes in fair value of non-hedge derivative instruments, asset impairment charges, incentive allocations, depreciation and amortization expense, and interest expense, (b) to include the impact of our pro-rata share of Adjusted EBITDA from unconsolidated entities, and (c) to exclude the impact of equity in earnings of unconsolidated entities and the non-controlling share of Adjusted EBITDA.

Adjusted Net Income

The Chief Operating Decision Maker ("CODM") utilizes Adjusted Net Income as the key performance measure. This performance measure provides the CODM with the information necessary to assess operational performance, as well as make resource and allocation decisions.

Adjusted Net Income is defined as net income attributable to shareholders, adjusted (a) to exclude the impact of provision for income taxes, equity-based compensation expense, acquisition and transaction expenses, losses on the modification or extinguishment of debt and capital lease obligations, changes in fair value of non-hedge derivative instruments, asset impairment charges, incentive allocations, and equity in earnings of unconsolidated entities, (b) to include the impact of cash income tax payments, and our pro-rata share of the Adjusted Net Income from unconsolidated entities, and (c) to exclude the impact of the non-controlling share of Adjusted Net Income. We evaluate investment performance for each reportable segment primarily based on Adjusted Net Income. We believe that net income attributable to shareholders, as defined by GAAP, is the most comparable earnings measurement with which to reconcile Adjusted Net Income.

Adjusted EPS

Adjusted EPS is a non-GAAP measure calculated as Adjusted Net Income divided by Weighted Average Common Shares Outstanding.

Debt to Capital Ratio

Debt to Capital Ratio is calculated as Total Debt divided by Total Debt plus Total Equity.

Funds Available for Distribution

Funds Available for Distribution ("FAD") is defined as cash from operating activities plus principal collections on finance leases, proceeds from sale of assets, and return of capital distributions from unconsolidated entities, less required payments on debt obligations and capital distributions to non-controlling interest, and excluding changes in working capital. The Company uses FAD in evaluating our ability to meet our stated dividend policy. FAD is not a financial measure in accordance with GAAP. The Company believes FAD will be a useful metric for investors and analysts for similar purposes. However, FAD is subject to a number of limitations and assumptions and there can be no assurance that the Company will generate FAD sufficient to meet our intended dividends. The GAAP measure most directly comparable to FAD is net cash provided by operating activities.

Return on Equity

Return on Equity is calculated as Adjusted Net Income divided by average Shareholders' Equity plus Other Comprehensive Income.