

February 15, 2024

# Q4 2023 CBRE Earnings Call

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# Forward-Looking Statements

This presentation contains statements that are forward looking within the meaning of the Private Securities Litigation Reform Act of 1995, including, but not limited to, statements regarding the economic outlook, our business plans and capital allocation strategy, and our financial outlook. These statements involve risks and uncertainties that may cause actual results and trends to differ materially from those projected. 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 third quarter earnings release, furnished on Form 8-K, our most recent annual and quarterly reports filed on Form 10-K and Form 10-Q, respectively, 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 included in the appendix.

# Conference Call Participants



**Bob Sulentic**

Chair &  
Chief Executive Officer



**Emma Giamartino**

Chief Financial Officer



**Brad Burke**

Head of Investor  
Relations & Treasurer

## Consolidated Results Summary

- CBRE ended 2023 on a high note with fourth quarter year-over-year operating profit growth across all three of our business segments
- Despite a difficult year for commercial real estate, we delivered the third-highest full-year earnings in CBRE’s history as resilient businesses continued their strong growth

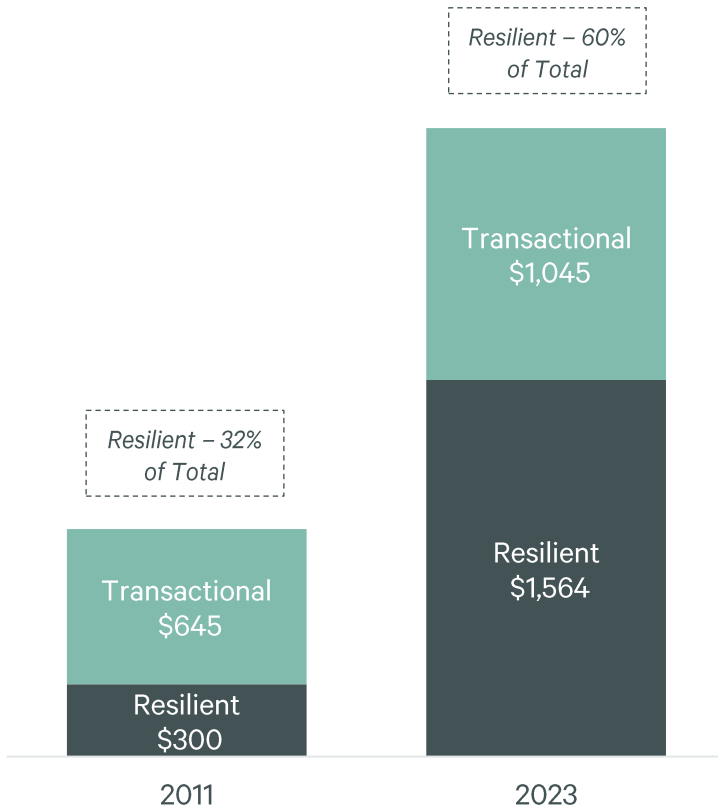
\$ in millions, except per share figures	Q4 2023	Q4 2022	2023/2022 % Change	
Revenue	\$8,950	\$8,194	▲	9 %
Net Revenue	5,187	4,975	▲	4 %
Core EBITDA	737	668	▲	10 %
GAAP EPS	\$1.55	\$0.25	▲	508 %
Core EPS	\$1.38	\$1.33	▲	4 %

\$ in millions, except per share figures	2023	2022	2023/2022 % Change	
Revenue	\$31,949	\$30,828	▲	4 %
Net Revenue	18,276	18,777	▼	(3)%
Core EBITDA	2,209	2,924	▼	(24)%
GAAP EPS	\$3.15	\$4.29	▼	(27)%
Core EPS	\$3.84	\$5.69	▼	(33)%

# CBRE's Business Mix is Increasingly Resilient

\$ in millions, totals may not sum due to rounding

## Reportable Segment Operating Profit



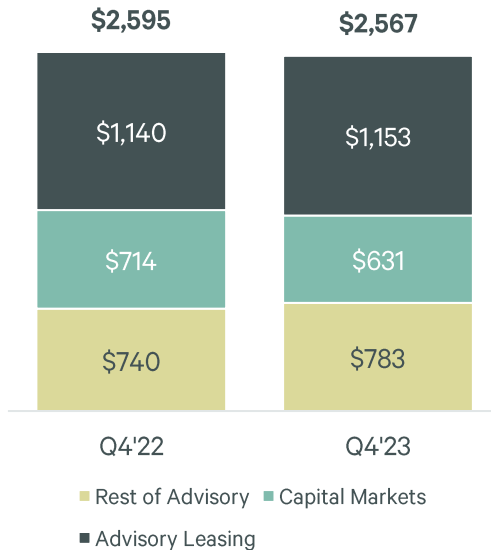
- Resilient businesses generated nearly \$1.6 billion of SOP in 2023 and are expected to generate \$1.8 billion of SOP in 2024
- Would represent six-fold increase from 2011, the first full year of market recovery following GFC
- Resilient businesses have grown more than three times as fast as transactional businesses since 2011
- Resilient businesses expected to be nearly double the size of entire business at a similar point in the last cycle

# Advisory Services

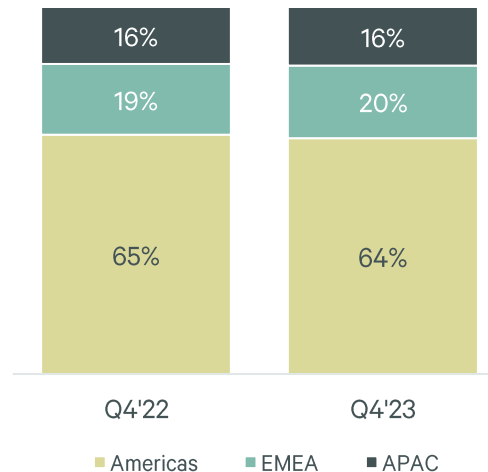
\$ in millions, totals may not sum due to rounding

- Total Advisory net revenue and SOP flat with prior year's Q4
- Modest leasing growth driven mostly by EMEA and APAC
- Globally, higher office leasing offset slightly lower industrial activity
- Within property sales, industrial and retail declined less than multifamily and office, supported by healthier fundamentals
- Commercial mortgage origination revenue growth attributable to interest earnings on escrow balances
- Remainder of Advisory business lines together achieved a 6% net revenue increase

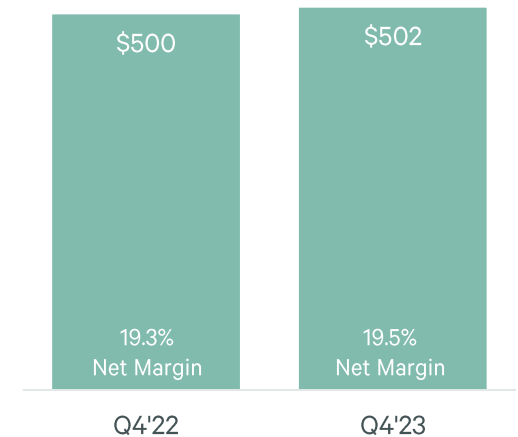
Net Revenue



Advisory Revenue by Region



Segment Operating Profit

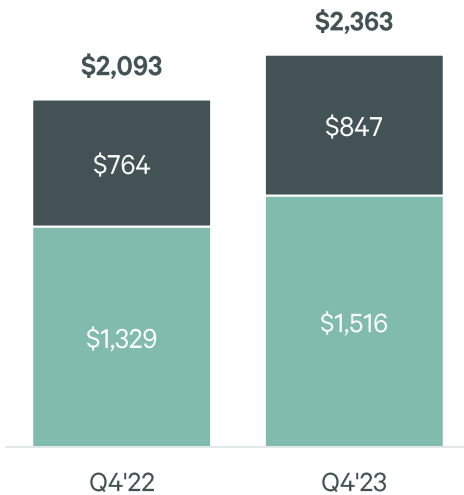


# Global Workplace Solutions (GWS)

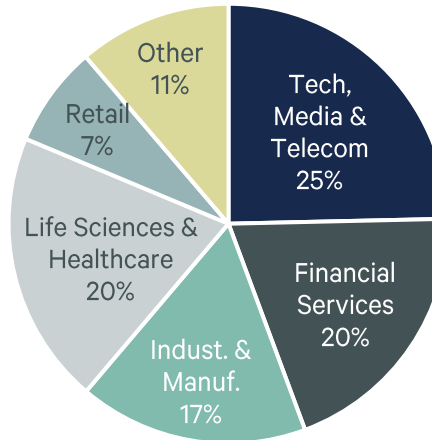
\$ in millions, totals may not sum due to rounding

- GWS net revenue and SOP continued to grow by double digits, supported by
  - Notably strong organic growth in our GWS Local business
  - Expansion of Turner & Townsend’s large-scale program management work globally
- Record quarter of pipeline conversion to wins, with balanced growth from expansions and first-generation outsourcing clients
- Continue to see opportunities for strong organic growth. Even after record conversions in Q4, our business pipeline ended 2023 10% higher than the prior year

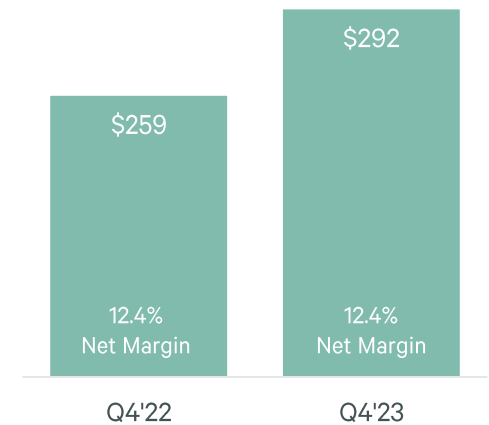
Net Revenue



Q4 2023 Facilities Management Revenue by Industry



Segment Operating Profit



■ Facilities Management ■ Project Management

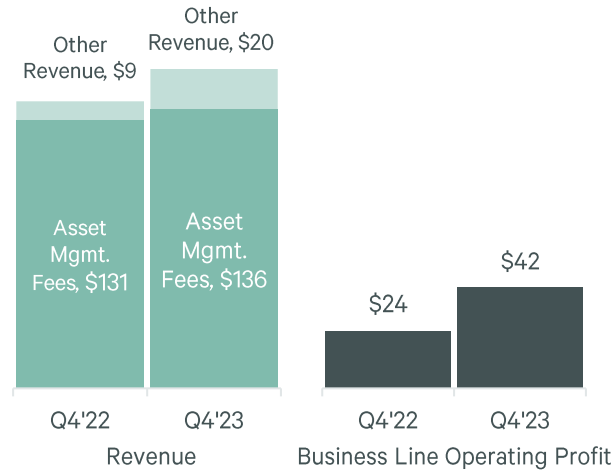


# Real Estate Investments

- Development operating profit exceeded expectations, driven by earlier-than-anticipated asset monetizations
- Investment Management operating profit increase led by both higher incentive and recurring asset management fees
- Investment Management AUM up \$3 billion for the quarter, largely driven by favorable currency movement and modest net capital inflows offsetting lower private asset values
- While asset value declines appear to be slowing, we anticipate values will remain under pressure in early 2024

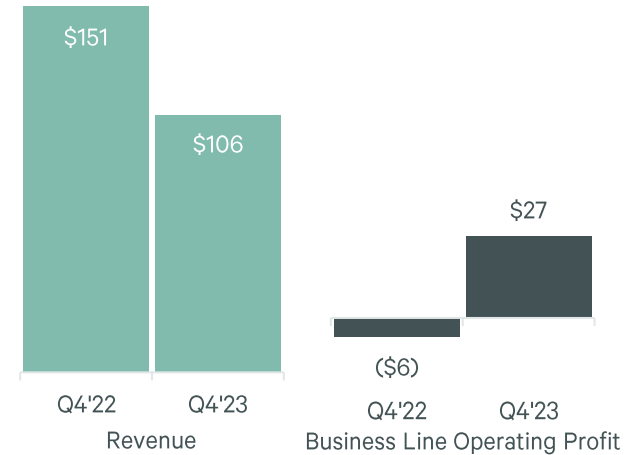
## Investment Management

\$ Millions



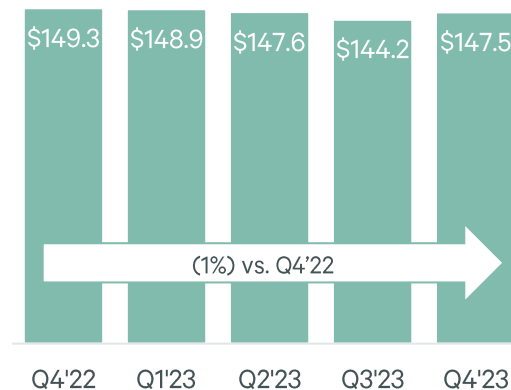
## Development

\$ Millions



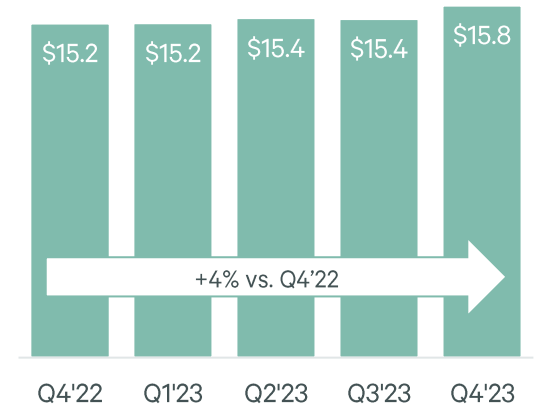
## Assets Under Management

\$ Billions



## In-Process Inventory

\$ Billions



# Capital Allocation

## CBRE Capital Allocation (\$ billions)



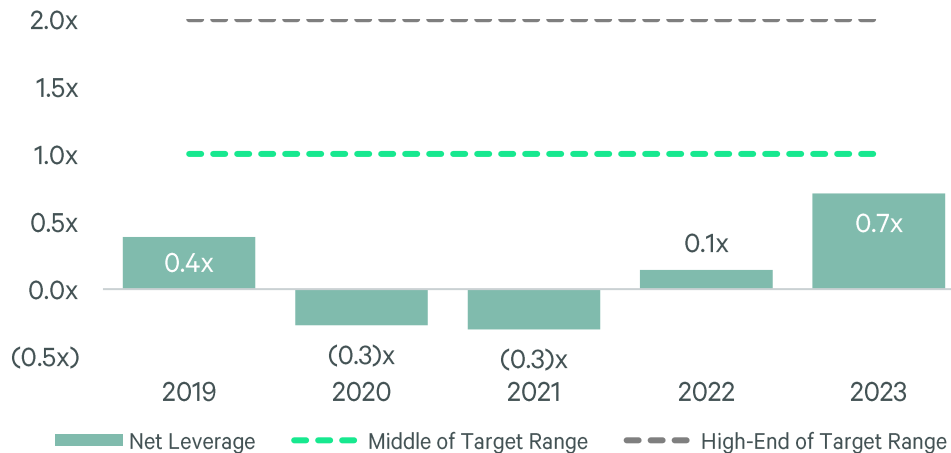
## Pro Forma TTM Q1 2024

■ M&A / Other	\$1.4
■ Share Repurchases	0.5
■ Co-investments	0.5
<b>Capital Allocation</b>	<b>\$2.4</b>

## Capital Allocation Strategy

- On track to deploy more than \$2 billion of capital for the 12 months ending Q1 2024
- This capital deployment includes
  - M&A, mostly in our resilient businesses
  - Record co-investment commitments in REI
  - Share repurchases at a time when we believe they have been attractively valued
- By thoughtfully using our balance sheet, we made targeted, opportunistic investments while other investors have been largely on the sidelines

## CBRE Net Leverage



## 2024 Outlook

### Advisory

- Expect total Advisory net revenue to increase by mid-to-high single digits
- Anticipate mid-teens SOP growth with expected margin improvement

### GWS

- Expect mid-teens SOP growth, including expected partial year contribution from J&J acquisition
- Majority of net revenue from sizeable Q4 2023 wins in H2 as clients are onboarded

### REI

- Expect total REI segment SOP in 2024 slightly below 2023's level
- Development operating profit to remain subdued
- IM operating profit to increase modestly from 2023 as market conditions stabilize

### Consolidated

- Expect to achieve Core EPS in the range of \$4.25 to \$4.65, heavily weighted to H2 2024
- Continue to see path to returning to prior peak Core EPS in 2025 supported by continued double-digit growth in resilient businesses

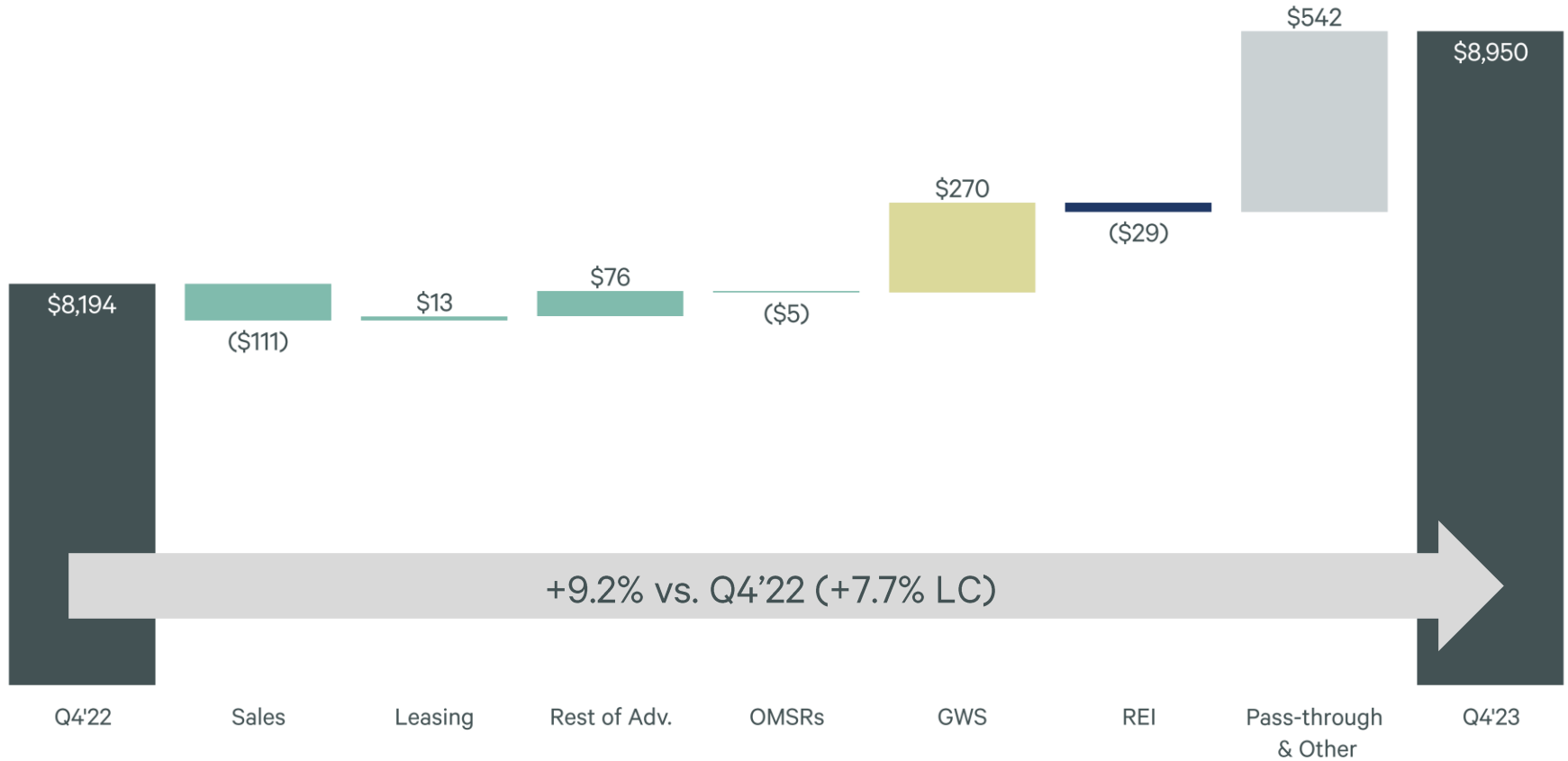


# Appendix

# Revenue

\$ in millions, totals may not sum due to rounding

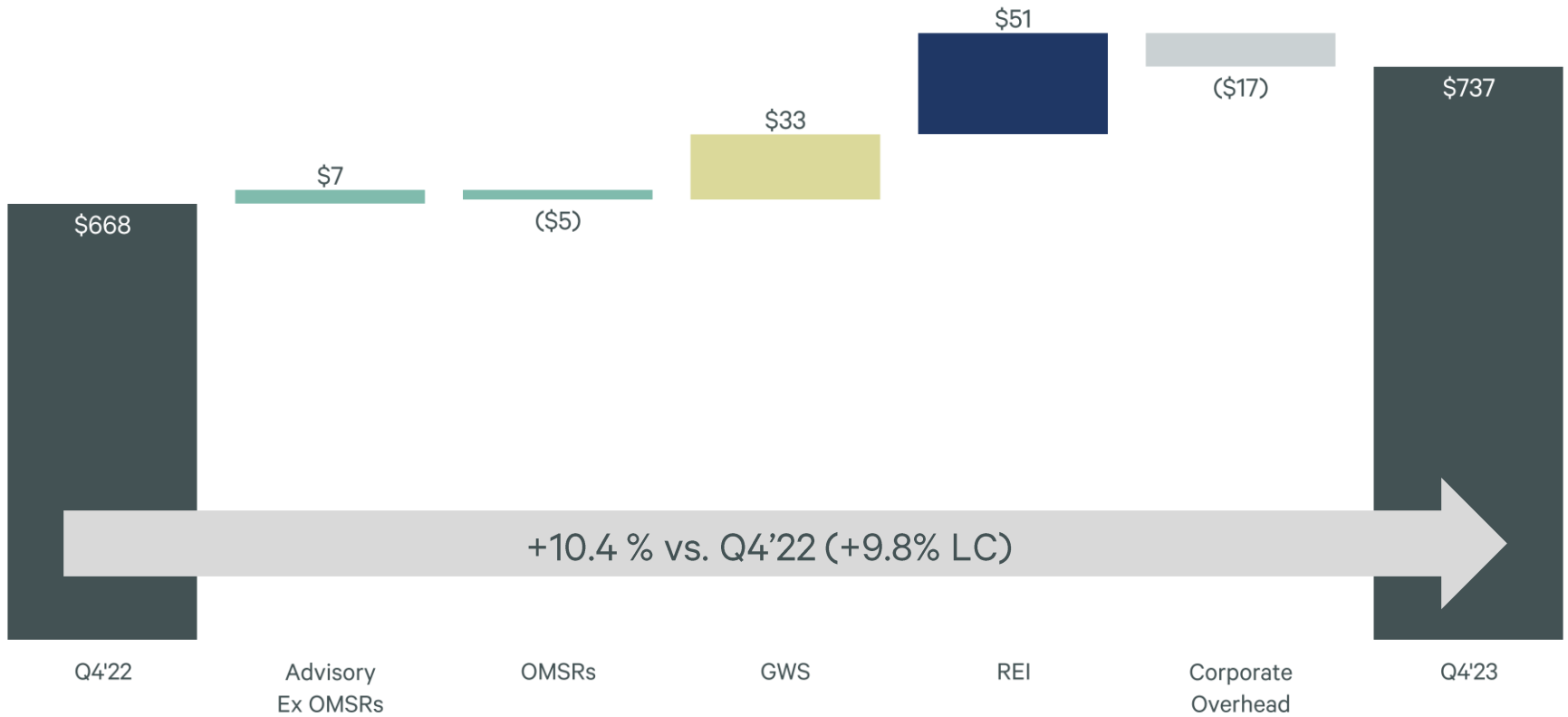
- Advisory
- Global Workplace Solutions (GWS)
- Real Estate Investments (REI)



# Core EBITDA

\$ in millions, totals may not sum due to rounding

- Advisory
- Global Workplace Solutions (GWS)
- Real Estate Investments (REI)



## 2023 Revenue

\$ in millions, totals may not sum due to rounding

	Leasing	Property Sales	CMO	Loan Servicing	Valuation	Property Management	Global Workplace Solutions	Development	Investment Management	Total <sup>(1)</sup>
<b>Revenue</b>										
2023	\$3,503	\$1,610	\$424	\$317	\$716	\$1,928	\$22,515	\$360	\$591	\$31,949
<i>Less pass-through costs associated with revenue</i>	—	—	—	—	—	88	13,585	—	—	13,673
<b>Net Revenue</b>										
2023	3,503	1,610	424	317	716	1,840	8,930	360	591	18,276
% of Total Net Revenue	19%	9%	2%	2%	4%	10%	49%	2%	3%	100%
<b>Net Revenue Growth Rate (2023 vs. 2022)</b>										
USD	▼ (10)%	▼ (36)%	▼ (25)%	▲ 2%	▼ (6)%	▲ 4%	▲ 13%	▼ (30)%	▼ (1)%	▼ (3)%

1. Total includes impact of Corporate eliminations of (\$17) million  
Definitions and reconciliations are provided at the end of this presentation

# Q4'23 Revenue

\$ in millions, totals may not sum due to rounding

	Leasing	Property Sales	CMO	Loan Servicing	Valuation	Property Management	Global Workplace Solutions	Development	Investment Management	Total <sup>(1)</sup>
<b>Revenue</b>										
Q4'23	\$1,153	\$475	\$156	\$80	\$208	\$518	\$6,103	\$106	\$156	\$8,950
<i>Less pass-through costs associated with revenue</i>	—	—	—	—	—	23	3,740	—	—	3,763
<b>Net Revenue</b>										
Q4'23	1,153	475	156	80	208	495	2,363	106	156	5,187
% of Total Net Revenue	22%	9%	3%	2%	4%	10%	46%	2%	3%	100%
<b>Net Revenue Growth Rate (Q4'23 vs. Q4'22)</b>										
USD	▲ 1%	▼ (19)%	▲ 23%	▲ 6%	▼ (1)%	▲ 9%	▲ 13%	▼ (30)%	▲ 11%	▲ 4%

1. Total includes impact of Corporate eliminations of (\$6) million  
Definitions and reconciliations are provided at the end of this presentation





Non-GAAP  
Measures and  
Definitions

# Non-GAAP Financial Measures

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

- i. Net revenue
- ii. Core EBITDA
- iii. Business line operating profit/loss
- iv. Segment operating profit on revenue and net revenue margins
- v. Net debt
- vi. Core net income attributable to CBRE Group, Inc. stockholders, as adjusted (which we also refer to as “core adjusted net income”)
- vii. Core EPS

These measures are not recognized measurements under United States generally accepted accounting principles (GAAP). When analyzing our operating performance, investors should use these measures 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. The company believes 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 net revenue, net revenue is gross revenue less costs largely associated with subcontracted vendor work performed for clients. We believe that investors may find this measure useful to analyze the company’s overall financial performance because it excludes costs reimbursable by clients that generally have no margin, and as such provides greater visibility into the underlying performance of our business.

With respect to Core EBITDA, business line operating profit/loss, and segment operating profit on revenue and net revenue margins, 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 their calculations generally eliminate the accounting effects of acquisitions, which would include impairment charges of goodwill and intangibles created from acquisitions, 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 Core EBITDA, this measure is not intended to be a measure of free cash flow for our management’s discretionary use because it does not consider cash requirements such as tax and debt service payments. The Core EBITDA measure 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. The company also uses segment operating profit and core EPS as significant components when measuring our operating performance under our employee incentive compensation programs.

With respect to core EBITDA, core EPS and core adjusted net income, the company believes that investors may find these measures useful to analyze the underlying performance of operations without the impact of strategic non-core equity investments (Altus Power, Inc. and certain other investments) that are not directly related to our business segments. These can be volatile and are often non-cash in nature.

With respect to net debt, the company believes that investors use this measure when calculating the company’s net leverage ratio.

# Definitions

**Core EBITDA:** Core EBITDA represents earnings, inclusive of non-controlling interest, before net interest expense, write-off of financing costs on extinguished debt, income taxes, depreciation and amortization, asset impairments, adjustments related to certain carried interest incentive compensation expense (reversal) to align with the timing of associated revenue, fair value adjustments to real estate assets acquired in the Telford acquisition (purchase accounting) that were sold in the period, costs incurred related to legal entity restructuring, costs associated with efficiency and cost-reduction initiatives, provisions associated with Telford fire safety remediation, integration and other costs related to acquisitions and a one-time gain associated with remeasuring an investment in an unconsolidated subsidiary to fair value as of the date the remaining controlling interest was acquired. It also removes the fair value changes, on a pre-tax basis, of certain strategic non-core non-controlling equity investments that are not directly related to our business segments (including venture capital “VC” related investments).

**Core adjusted Earnings Per Diluted Share:** adjusted earnings per diluted share less the fair value changes and related tax impact of certain strategic non-core non-controlling equity investments that are not directly related to our business segments (including venture capital “VC” related investments).

**Core adjusted Net Income:** net income attributable to CBRE as adjusted less the fair value changes and related tax impact of certain strategic non-core non-controlling equity investments that are not directly related to our business segments (including venture capital “VC” related investments).

**Liquidity:** includes cash available for company use, as well as availability under the Company’s revolving credit facilities.

**Net Debt (net cash):** calculated as cash and cash equivalents less total debt (excluding non-recourse debt).

**Net Revenue:** gross revenue less costs largely associated with subcontracted vendor work performed for clients. These costs are reimbursable by clients and generally have no margin.

**Segment operating profit:** Segment operating profit is the measure reported to the chief operating decision maker (CODM) for purposes of making decisions about allocating resources to each segment and assessing performance of each segment. Segment operating profit represents earnings before net interest expense, write-off of financing costs on extinguished debt, income taxes, depreciation and amortization and asset impairments, as well as adjustments related to the following: certain carried interest incentive compensation expense (reversal) to align with the timing of associated revenue, fair value adjustments to real estate assets acquired in the Telford Acquisition (purchase accounting) that were sold in the period, costs incurred related to legal entity restructuring, costs associated with workforce optimization, transformation initiatives, costs associated with efficiency and cost-reduction initiatives, provisions associated with Telford fire safety remediation, integration and other costs related to acquisitions and a one-time gain associated with remeasuring an investment in an unconsolidated subsidiary to fair value as of the date the remaining controlling interest was acquired.

**Segment operating profit on revenue margin:** represents segment operating profit divided by revenue.

**Segment operating profit on net revenue margin:** represents segment operating profit divided by net revenue.

**Business line operating profit:** contribution from each line of business to the respective reportable segment’s operating profit.

**Resilient businesses:** includes Global Workplace Solutions; loan servicing, valuations, and property management from Advisory Services; and asset management fees in the investment management business.

**Transactional businesses:** includes leasing, property sales, and mortgage origination from Advisory Services; and development and incentive fees from Real Estate Investments.



Supplemental  
Slides, GAAP  
Reconciliation  
Tables

# Debt, Leverage and Liquidity

\$ in millions, totals may not sum due to rounding

## CBRE Capital Structure as of December 31, 2023 <sup>(1)</sup>

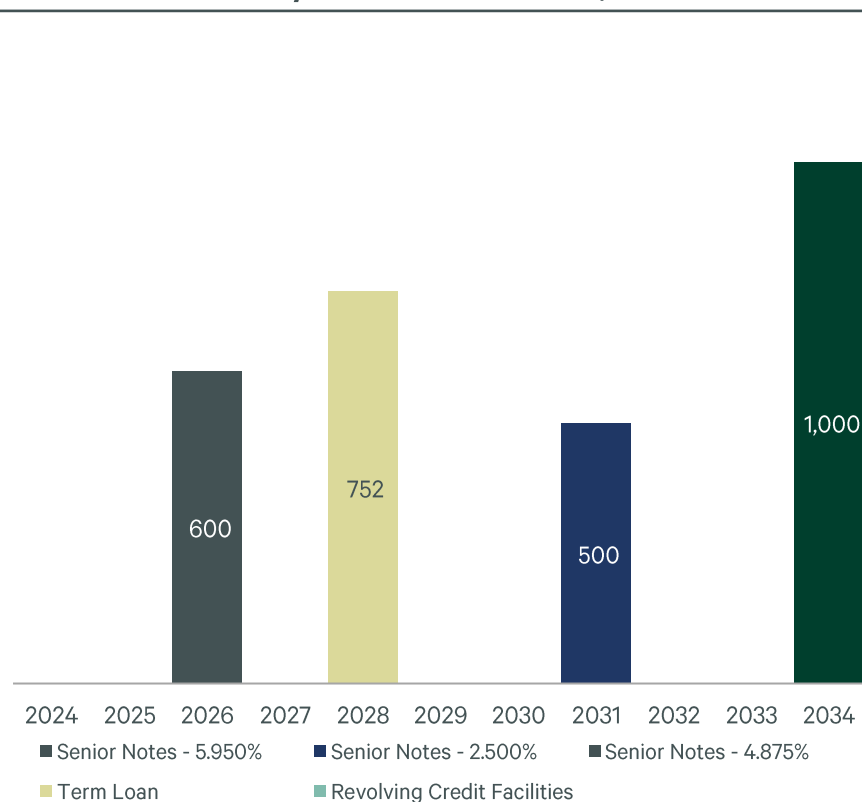
Revolving Credit Facility	--
Current portion LTD	9
Senior Term Loans, net	743
4.875% Senior Notes, due 2026	597
2.500% Senior Notes, due 2031	490
5.950% Senior Notes, due 2034	974
Other Debt <sup>(2) (3)</sup>	16
<b>Total Debt</b>	<b>\$2,830</b>
Less: Cash	1,265
<b>Net Debt</b>	<b>\$1,565</b>
TTM Core EBITDA	2,209
<b>Net Leverage <sup>(4)</sup></b>	<b>0.71x</b>

## CBRE Liquidity as of December 31, 2023

Cash	1,265
Available Revolving Credit Facilities <sup>(5)</sup>	3,668
<b>Liquidity</b>	<b>\$4,933</b>

1. Excludes warehouse facilities for loans originated on behalf of the FHA and other government sponsored enterprises outstanding, which are non-recourse to CBRE Group, Inc.
2. Excludes non-recourse notes payable on real estate, net of unamortized debt issuance costs
3. Includes \$10M outstanding balance on 120M GBP Turner & Townsend revolver which matures in 2027
4. Net leverage is net debt divided by TTM Core EBITDA
5. Includes outstanding capacity on 120M GBP Turner & Townsend revolver with an additional accordion option of 20M GBP

## Maturity Profile as of December 31, 2023



## 2022 Revenue

\$ in millions, totals may not sum due to rounding

	Leasing	Property Sales	CMO	Loan Servicing	Valuation	Property Management	Global Workplace Solutions	Development	Investment Management	Total <sup>(1)</sup>
<b>Revenue</b>										
2022	\$3,872	\$2,523	\$563	\$311	\$764	\$1,850	\$19,851	\$515	\$595	\$30,828
<i>Less pass-through costs associated with revenue</i>	—	—	—	—	—	73	11,979	—	—	12,051
<b>Net Revenue</b>										
2022	3,872	2,523	563	311	764	1,777	7,872	515	595	18,777

1. Total includes impact of Corporate eliminations of (\$16) million  
Definitions and reconciliations are provided at the end of this presentation

## Q4'22 Revenue

\$ in millions, totals may not sum due to rounding

	Leasing	Property Sales	CMO	Loan Servicing	Valuation	Property Management	Global Workplace Solutions	Development	Investment Management	Total <sup>(1)</sup>
<b>Revenue</b>										
Q4'22	\$1,140	\$587	\$127	\$75	\$210	\$475	\$5,294	\$151	\$140	\$8,194
<i>Less pass-through costs associated with revenue</i>	—	—	—	—	—	19	3,201	—	—	3,219
<b>Net Revenue</b>										
Q4'22	1,140	587	127	75	210	456	2,093	151	140	4,975

1. Total includes impact of Corporate eliminations of (\$3) million  
Definitions and reconciliations are provided at the end of this presentation

## Summarized Cash Flow Activity

\$ in millions, totals may not sum due to rounding

	Year Ended December 31,	
	2023	2022
Net cash provided by operating activities	480	1,629
Net cash used in investing activities	(681)	(832)
Net cash provided by (used in) financing activities	154	(1,766)
Effect of FX rate changes on cash, cash equivalents and restricted cash	13	(166)
<b>Net decrease in cash, cash equivalents and restricted cash</b>	<b>\$(34)</b>	<b>\$(1,135)</b>



## Other Financial Metrics

Totals may not sum due to rounding

(\$ in millions)	Three Months Ended,				
	December 31, 2023	September 30, 2023	June 30, 2023	March 31, 2023	December 31, 2022
OMSR Gains	\$23.7	\$22.2	\$21.1	\$16.7	\$28.7
Amortization	(\$35.0)	(\$35.4)	(\$37.1)	(\$36.6)	(\$38.5)

(\$ in millions)	Q4 2023 over	Q3 2023 over	Q2 2023 over	Q1 2023 over	Q4 2022 over
	Q4 2022	Q3 2022	Q2 2022	Q1 2022	Q4 2021
OMSR Gains	(\$5.0)	(\$12.5)	(\$14.3)	(\$18.5)	(\$15.8)
Amortization	\$3.6	\$4.0	\$7.5	\$4.6	\$15.9

(\$ in billions)	As of				
	December 31, 2023	September 30, 2023	June 30, 2023	March 31, 2023	December 31, 2022
Loan Servicing Balance	\$410.5	\$396.3	\$395.8	\$386.0	\$381.2

# Reconciliation of Net Income to Core Adjusted Net Income and Core Earnings Per Share

\$ in millions, except for per share data, totals may not sum due to rounding

	Three Months Ended December 31,		Year Ended December 31,	
	2023	2022	2023	2022
Net income attributable to CBRE Group, Inc.	\$477	\$81	\$986	\$1,407
Plus / minus:				
Non-cash depreciation and amortization expense related to certain assets attributable to acquisitions	38	45	167	166
Integration and other costs related to acquisitions	2	17	62	40
Carried interest incentive compensation reversal to align with the timing of associated revenue	(5)	(13)	(7)	(4)
Impact of fair value adjustments to real estate assets acquired in the Telford acquisition (purchase accounting) that were sold in period	—	(1)	—	(5)
Costs incurred related to legal entity restructuring	9	1	13	13
Asset impairments	—	22	—	59
Write-off of financing costs on extinguished debt	—	—	—	2
Impact of adjustments on non-controlling interest	(6)	(15)	(33)	(40)
Costs associated with efficiency and cost-reduction initiatives	14	99	159	118
Provision associated with Telford's fire safety remediation efforts	—	139	—	186
One-time gain associated with remeasuring an investment in an unconsolidated subsidiary to fair value as of the date the remaining controlling interest was acquired	(34)	—	(34)	—
Net fair value adjustments on strategic non-core investments	(76)	167	(32)	175
Tax impact of adjusted items, tax benefit attributable to legal entity restructuring, and strategic non-core investments	7	(117)	(82)	(254)
<b>Core net income attributable to CBRE Group, Inc., as adjusted</b>	<b>\$426</b>	<b>\$424</b>	<b>\$1,199</b>	<b>\$1,863</b>
<b>Core diluted income per share attributable to CBRE Group, Inc., as adjusted</b>	<b>\$1.38</b>	<b>\$1.33</b>	<b>\$3.84</b>	<b>\$5.69</b>
<b>Weighted average shares outstanding for diluted income per share</b>	<b>308.5</b>	<b>319.2</b>	<b>312.6</b>	<b>327.7</b>

1. CBRE has not reconciled the (non-GAAP) Core EPS forward-looking guidance included 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, 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.

## Reconciliation of Net Income to Core EBITDA

\$ in millions, totals may not sum due to rounding

	Three Months Ended December 31,	
	2023	2022
Net income attributable to CBRE Group, Inc.	\$477	\$81
Net income attributable to non-controlling interests	18	5
Net income	495	86
Add:		
Depreciation and amortization	157	160
Asset impairments	—	22
Interest expense, net of interest income	40	18
Write-off of financing costs on extinguished debt	—	—
Provision for (benefit from) income taxes	136	(25)
Integration and other costs related to acquisitions	2	17
Carried interest incentive compensation reversal to align with the timing of associated revenue	(5)	(13)
Impact of fair value adjustments to real estate assets acquired in the Telford acquisition (purchase accounting) that were sold in period	—	(1)
Costs incurred related to legal entity restructuring	9	1
Costs associated with efficiency and cost-reduction initiatives	14	99
Provision associated with Telford's fire safety remediation efforts	—	139
One-time gain associated with remeasuring an investment in an unconsolidated subsidiary to fair value as of the date the remaining controlling interest was acquired	(34)	--
Net fair value adjustments on strategic non-core investments	(76)	167
<b>Core EBITDA</b>	<b>\$737</b>	<b>\$668</b>

# Reconciliation of Resilient and Transactional to Segment Operating Profit

\$ in millions, totals may not sum due to rounding

	Year ended 2023
<b>Segment Operating Profit</b>	
Advisory Services	1,364
Global Workplace Solutions	1,006
Real Estate Investments	239
<b>Total Reportable Segment Operating Profit</b>	<b>\$2,609</b>
<b>Operating Profit associated with:</b>	
Transactional businesses	1,045
Resilient businesses	
Global Workplace Solutions	1,006
Other resilient businesses	558
<b>Total Resilient and Transactional Businesses</b>	<b>\$2,609</b>

## Reconciliation of Resilient and Transactional to Segment Operating Profit

\$ in millions, totals may not sum due to rounding

<b>Reportable Segment Operating Profit</b>	<b>2011</b>	<b>% of Total</b>	<b>2023</b>	<b>% of Total</b>
Resilient	300	32%	1,564	60%
Transactional	645	68%	1,045	40%
<b>Total</b>	<b>\$945</b>		<b>\$2,609</b>	

## 2023 Resilient and Transactional Revenue

\$ in millions, totals may not sum due to rounding

	Revenue	Less pass-through costs associated with revenue	Net Revenue
Leasing	3,503	--	3,503
Property Sales	1,610	--	1,610
CMO	424	--	424
Development & Other REI	413	--	413
<b>Transactional</b>	<b>\$5,951</b>	<b>--</b>	<b>\$5,951</b>
Loan Servicing	317	--	317
Valuation	716	--	716
Property Management	1,928	88	1,840
Facilities Management	15,205	9,399	5,806
Project Management	7,310	4,186	3,124
Asset management fees, included in Investment Management	539	--	539
<b>Resilient</b>	<b>\$26,015</b>	<b>13,673</b>	<b>\$12,342</b>
<b>Total Resilient and Transactional Businesses</b>	<b>\$31,966</b>	<b>\$13,673</b>	<b>\$18,293</b>

## Reconciliation of Revenue to Net Revenue

\$ in millions, totals may not sum due to rounding

	Three Months Ended December 31,		Year Ended, December 31	
	2023	2022	2023	2022
Revenue	\$8,950	\$8,194	\$31,949	\$30,828
Less:				
Pass through costs also recognized as revenue	3,763	3,219	13,673	12,051
<b>Net Revenue</b>	<b>\$5,187</b>	<b>\$4,975</b>	<b>\$18,276</b>	<b>\$18,777</b>

## Reconciliation of Revenue to Net Revenue and Net Margin

\$ in millions, totals may not sum due to rounding

	Three Months Ended December 31,		Year Ended December 31,	
	2023	2022	2023	2022
Advisory Revenue	\$2,591	\$2,613	\$8,499	\$9,883
Less:				
Pass through costs also recognized as revenue	23	19	88	73
<b>Advisory Net Revenue</b>	<b>\$2,567</b>	<b>\$2,595</b>	<b>\$8,411</b>	<b>\$9,811</b>
<b>Advisory Segment Operating Profit</b>	<b>\$502</b>	<b>\$500</b>	<b>\$1,364</b>	<b>\$1,910</b>
Advisory net margin	19.5%	19.3%	16.2%	19.5%



## Reconciliation of Revenue to Net Revenue and Net Margin

\$ in millions, totals may not sum due to rounding

	Three Months Ended December 31,		Year Ended December 31,	
	2023	2022	2023	2022
Global Workplace Solutions revenue	\$6,103	\$5,294	\$22,515	\$19,851
Less:				
Pass through costs also recognized as revenue	3,740	3,201	13,585	11,979
<b>Global Workplace Solutions net revenue</b>	<b>\$2,363</b>	<b>\$2,093</b>	<b>\$8,930</b>	<b>\$7,872</b>
<b>Global Workplace Solutions Segment Operating Profit</b>	<b>\$292</b>	<b>\$259</b>	<b>\$1,006</b>	<b>\$899</b>
Global Workplace Solutions net margin	12.4%	12.4%	11.3%	11.4%

## Reconciliation of Revenue to Net Revenue

\$ in millions, totals may not sum due to rounding

	Three Months Ended December 31,		Year Ended December 31,	
	2023	2022	2023	2022
Global Workplace Solutions Facilities Management revenue	\$3,995	\$3,908	\$15,205	\$15,201
Less:				
Pass through costs also recognized as revenue	2,479	2,580	9,399	10,064
<b>Global Workplace Solutions Facilities Management net revenue</b>	<b>\$1,516</b>	<b>\$1,329</b>	<b>\$5,806</b>	<b>\$5,137</b>

	Three Months Ended December 31,		Year Ended December 31,	
	2023	2022	2023	2022
Global Workplace Solutions Project Management revenue	\$2,108	\$1,385	\$7,310	\$4,650
Less:				
Pass through costs also recognized as revenue	1,261	621	4,186	1,915
<b>Global Workplace Solutions Project Management net revenue</b>	<b>\$847</b>	<b>\$764</b>	<b>\$3,124</b>	<b>\$2,735</b>

## Reconciliation of Net Margin

\$ in millions, totals may not sum due to rounding

	Three Months Ended December 31,		Year Ended December 31,	
	2023	2022	2023	2022
Real Estate Investments net revenue	\$262	\$291	\$952	\$1,110
<b>Real Estate Investments Segment Operating Profit</b>	<b>\$68</b>	<b>\$17</b>	<b>\$239</b>	<b>\$518</b>
Real Estate Investments net margin	25.9%	5.9%	25.1%	46.7%

# Reconciliation of Real Estate Investments Business Line Operating Profit to Segment Operating Profit

\$ in millions, totals may not sum due to rounding

	Three Months Ended December 31,		Year Ended December 31,	
	2023	2022	2023	2022
Investment Management Operating Profit	42	24	151	187
Development Operating Profit	27	(6)	86	333
Segment Overhead Operating Profit (Loss)	(1)	(1)	2	(2)
<b>REI Segment Operating Profit</b>	<b>\$68</b>	<b>\$17</b>	<b>\$239</b>	<b>\$518</b>

# Reconciliation of Net Income to Core EBITDA

\$ in millions, totals may not sum due to rounding

	Year Ended December 31,				
	2023	2022	2021	2020	2019
Net income attributable to CBRE Group, Inc.	\$986	\$1,407	\$1,837	\$752	\$1,282
Net income attributable to non-controlling interests	42	17	5	4	9
Net income	1,027	1,424	1,842	756	1,291
Add:					
Depreciation and amortization	622	613	526	502	439
Asset impairments	—	59	—	89	90
Interest expense, net of interest income	149	69	50	68	86
Provision for income taxes	250	234	567	214	70
Write-off of financing costs on extinguished debt	—	2	—	76	3
Costs associated with our reorganization, including cost-savings initiatives	—	—	—	—	50
Integration and other costs related to acquisitions	63	41	45	2	15
Costs associated with workforce optimization efforts	—	—	—	38	—
Costs associated with transformation initiatives	—	—	—	155	—
Costs incurred related to legal entity restructuring	13	13	—	9	7
Impact of fair value adjustments to real estate assets acquired in the Telford Acquisition (purchase accounting) that were sold in period	—	(5)	(6)	12	9
Carried interest incentive compensation expense (reversal) to align with the timing of associated revenue	(7)	(4)	50	(23)	13
Costs associated with efficiency and cost-reduction initiatives	159	118	—	—	—
Provision associated with Telford's fire safety remediation efforts	—	186	—	—	—
One-time gain associated with remeasuring an investment in an unconsolidated subsidiary to fair value as of the date the remaining controlling interest was acquired	(34)	—	—	—	—
Net fair value adjustments on strategic non-core investments	(32)	175	(54)	2	(3)
Net gain on deconsolidation upon merger of the SPAC with and into Altus Power, net of associated costs	—	—	(156)	—	—
<b>Core EBITDA</b>	<b>\$2,209</b>	<b>\$2,924</b>	<b>\$2,864</b>	<b>\$1,898</b>	<b>\$2,070</b>

Note: CBRE has not reconciled the (non-GAAP) Core EBITDA forward-looking guidance included 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, 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.

## Debt and Leverage

\$ in millions, totals may not sum due to rounding

	Cash	Revolving Credit Facility	Senior term loans (1)	Senior notes (1)	Current Portion LTD (1)	Other debt (2) (3) (4)	Total Debt	Less: Cash	Net debt (net cash)	TTM Core EBITDA	Net leverage (5)	Warehouse Lines of Credit (2)	Non-Recourse Notes Payable on Real Estate (4)
2019	972	--	745	1,017	--	6	<b>1,768</b>	972	<b>796</b>	2,070	<b>0.4x</b>	977	12
2020	1,896	--	786	595	--	7	<b>1,387</b>	1,896	<b>(509)</b>	1,898	<b>(0.3x)</b>	1,384	80
2021	2,431	--	455	1,084	--	33	<b>1,571</b>	2,431	<b>(860)</b>	2,864	<b>(0.3x)</b>	1,277	48
2022	1,318	178	--	1,085	428	43	<b>1,734</b>	1,318	<b>416</b>	2,924	<b>0.1x</b>	448	25
2023	1,265	--	743	2,061	9	16	<b>2,830</b>	1,265	<b>1,565</b>	2,209	<b>0.7x</b>	666	36

1. Outstanding amounts are reflected net of unamortized debt issuance costs.

2. Excludes warehouse facilities for loans originated on behalf of the FHA and other government sponsored enterprises outstanding, which are non-recourse to CBRE Group, Inc.

3. Includes outstanding balances of \$10M and \$32M as of December 31, 2023 and 2022, respectively, related to the 120M GBP Turner & Townsend revolver which matures in 2027 and an outstanding balance of \$27M as of December 31, 2021 related to the prior 80M GBP revolver that was replaced by the current facility in 2022.

4. Excludes non-recourse notes payable on real estate, net of unamortized debt issuance costs.

5. Net leverage is net debt (net cash) divided by TTM Core EBITDA.