

March 14, 2012

DRIVE SHACK INC.

Newcastle Increases its First Quarter Common Dividend to \$0.20 per share and Declares its Preferred Dividends

NEW YORK--(BUSINESS WIRE)-- Newcastle Investment Corp. (NYSE: NCT) announced today that its Board of Directors has declared a quarterly dividend of \$0.20 per common share for the first quarter of 2012, representing a 33% increase from the prior quarter's dividend of \$0.15 per common share. The dividend is payable on April 30, 2012 to shareholders of record on March 26, 2012.

Kenneth M. Riis, Newcastle's CEO commented, "I am pleased to announce our second common dividend increase since it was reinstated in the second quarter of 2011. Our ability to increase our dividend is a result of deploying capital at attractive returns and improving our overall operating results. As we complete new investments, we expect our operating results and cash flows to improve further."

The Board of Directors also declared dividends on the Company's Series B, Series C and Series D preferred stock for the period beginning February 1, 2012 and ending April 30, 2012. The dividends are payable on April 30, 2012 to shareholders of record on March 26, 2012. The Company will pay total dividends of \$0.609375, \$0.503125 and \$0.523438 per share on the 9.75% Series B, 8.05% Series C and 8.375% Series D preferred stock, respectively.

FORWARD-LOOKING STATEMENTS

Certain statements in this press release may constitute forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995, including, but not limited to statements regarding expected investment returns, total cash flows relative to total investment, the impact that loan prepayment and recapture rates will have on our investment returns, the impact of our investment in MSRs on our operating cash flows, and our ability to acquire assets with attractive returns. 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. Newcastle can give no assurance that its expectations will be attained. Factors that could cause actual results to differ materially from Newcastle's expectations include, but are not limited to, the risk that loan prepayment, recapture and delinquency rates differ from our current assumptions; the risk that we are not able to find additional suitably priced investments; and the risk that investments made or committed to be made cannot be financed on the basis and for the term at which we expect. Accordingly, you should not place undue reliance on any forward-looking statements contained in this press release. 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 Operation" in the Company's Quarterly Report on Form 10-Q, which is available

on the Company's website (www.newcastleinv.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 press release. Newcastle 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.

ABOUT NEWCASTLE

Newcastle Investment Corp. invests in real estate debt and other real estate related assets including excess mortgage servicing rights. Newcastle is organized and conducts its operations to qualify as a real estate investment trust (REIT) for federal income tax purposes. Newcastle is managed by an affiliate of Fortress Investment Group LLC, a global investment management firm. For more information regarding Newcastle Investment Corp. or to be added to our e-mail distribution list, please visit www.newcastleinv.com.

Newcastle Investment Corp.
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