

March 14, 2008

DRIVE SHACK INC.

Newcastle Decreases Common Stock Dividend to Increase Retained Earnings and Declares its Preferred Stock Dividends

NEW YORK, March 14 /PRNewswire-FirstCall/ -- Newcastle Investment Corp. (NYSE: NCT) announced today that its Board of Directors has declared a quarterly dividend of \$0.25 per common share. The dividend is payable on April 30, 2008, to stockholders of record on April 7, 2008.

Given the current market environment, we believe that retaining a significant portion of our earnings to make accretive investments and increase liquidity is in the best interest of our shareholders. Retained earnings will be available to invest in new assets, to buy back stock and to increase cash. Management expects the \$0.25 per share dividend to reflect approximately fifty percent of the cash generated from operations in the quarter.

The Board of Directors of Newcastle has also declared dividends on the Company's 9.75% Series B, 8.05% Series C and 8.38% Series D Cumulative Redeemable Preferred Stock. The Company will pay dividends of \$0.609375, \$0.503125 and \$0.523438 per share on the Series B, Series C and Series D preferred stock, respectively. The dividends for the preferred stock cover the period beginning February 1, 2008 and ending April 30, 2008. These dividends are payable on April 30, 2008 to holders of record on April 7, 2008.

About Newcastle

Newcastle Investment Corp. invests in real estate debt and other real estate related assets. 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 alternative investment and asset management firm with approximately \$40 billion in assets under management as of September 30, 2007. For more information regarding Newcastle Investment Corp. or to be added to our e-mail distribution list, please visit www.newcastleinv.com.

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