CBRE

CBRE GROUP, INC.

Fourth Quarter 2016: Earnings Conference Call

FEBRUARY 10, 2017

FORWARD-LOOKING STATEMENTS

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

CONFERENCE CALL PARTICIPANTS

Bob Sulentic

PRESIDENT AND
CHIEF EXECUTIVE OFFICER

Jim Groch

CHIEF FINANCIAL OFFICER

Gil Borok

DEPUTY CHIEF FINANCIAL OFFICER AND
CHIEF ACCOUNTING OFFICER

Steve Iaco

INVESTOR RELATIONS AND
CORPORATE COMMUNICATIONS

2016 RESULTS

- Double-digit adjusted earnings growth for the year and Q4 with excellent performance in all three regional services businesses
- 2016 revenue and adjusted EBITDA set new records
- Continued strong progress in advancing our strategy
  - Our talent base and operating platform advanced materially in 2016
- Focused on sustained progress in technology and data analytics
  - Capitalizing on CBRE's expertise and vast amounts of data

2016 RESULTS (CONTINUED)

- Double-digit adjusted EBITDA growth for company and each region
- 17.9% adjusted EBITDA margin on fee revenue vs. target of 17%
  - Materially exceeds diversified real estate services competitors[1]
  - Especially noteworthy with inclusion of full year of contractual fee revenue from acquired Global Workplace Solutions business
- Return on invested capital of 17.8% for the year

1. Based on the companies' publicly reported financial results.

2016 PERFORMANCE OVERVIEW

	Revenue	Fee Revenue[1]	EBITDA[2]	Adjusted EBITDA[3]	Fee Revenue Margin[4]	Net Income[5]	EPS[5,6]
						GAAP	
2016	$ 13,072 M	$ 8,717 M	$ 1,372 M	$ 1,561 M	17.9%	$ 572 M	$ 1.69
						Adjusted	
						$ 779 M	**$ 2.30**
						GAAP	
2015	$ 10,856 M	$ 7,730 M	$ 1,297 M	$ 1,413 M	18.3%	$ 547 M	$ 1.63
						Adjusted	
						$ 689 M	**$ 2.05**
			Change 2016-over-2015				
USD	▲20%	▲13%	▲ 6%	▲10%	▼40ps	▲13%[8]	▲12%[8]
Local Currency	▲23%	▲15%	▲ 8%[7]	▲13%[7]	n/a	▲16%[7,8]	▲15%[7,8]

See slide 18 for footnotes.

2016 NOTABLE OPERATING & FINANCIAL ACTIVITY

- Prudent approach to recruiting and M&A activity
  - Added hundreds of producers, net of departures, and invested in four infill acquisitions
  - Lower activity reflects our willingness to step aside when price and/or terms do not meet our underwriting standards
- Continued focused investment in technology and data analytics
- Balance sheet remains highly flexible
  - No required debt repayments until 2019
  - $3.5 billion of available liquidity from undrawn revolver and cash
  - Net debt of 1.2x adjusted EBITDA at year-end 2016

2016 BUSINESS LINE REVENUE

CONTRACTUAL FEE REVENUE & LEASING, WHICH IS LARGELY RECURRING[1], IS 73% OF FEE REVENUE - UP FROM 70% IN 2015

Revenue ($ in millions)

	Contractual Revenue Sources				Leasing	Capital Markets		Other		
	Occupier Outsourcing[2]	Property Management[2]	Investment Management	Valuation	Leasing	Sales	Commercial Mortgage Services	Development Services	Other	Total
Gross Revenue										
2016	$ 6,079	$ 1,045	$ 370	$ 504	$ 2,661	$ 1,699	$ 571	$ 57	$ 86	$ 13,072
Fee Revenue[3]										
2016	$ 2,265	$ 504	$ 370	$ 504	$ 2,661	$ 1,699	$ 571	$ 57	$ 86	$ 8,717
			73% of total fee revenue							
% of 2016 Total Fee Revenue	26%	6%	4%	6%	31%	19%	6%	1%	1%	100%
Fee Revenue Growth Rate (Change 2016-over-2015)										
USD	▲ 57%	▲ 3%	▼ -20%	◀ ▶ 0%	▲ 5%	◀ ▶ 0%	▲ 19%	▲ 6%	▲ 11%	▲ 13%
Local Currency	▲ 62%	▲ 4%	▼ -17%	▲ 3%	▲ 7%	▲ 1%	▲ 19%	▲ 6%	▲ 14%	▲ 15%

See slide 18 for footnotes.

Q4 2016 PERFORMANCE OVERVIEW

	Revenue	Fee Revenue[1]	EBITDA[2]	Adjusted EBITDA[3]	Fee Revenue Margin[4]	Net Income[5]	EPS[5,6]
Q4 2016	$ 3,824 M	$ 2,659 M	$ 525 M	$ 568 M	21.4%	GAAP $ 264 M **Adjusted** **$ 315 M**	GAAP $ 0.78 **Adjusted** **$ 0.93**
Q4 2015	$ 3,700 M	$ 2,555 M	$ 428 M	$ 518 M	20.3%	GAAP $ 180 M **Adjusted** **$ 271 M**	GAAP $ 0.53 **Adjusted** **$ 0.81**

Change Q4 2016-over-Q4 2015

	Revenue	Fee Revenue	EBITDA	Adjusted EBITDA	Fee Revenue Margin	Net Income	EPS
USD	▲ 3%	▲ 4%	▲23%	▲10%	▲110bps	▲16%[8]	▲15%[8]
Local Currency	▲ 6%	▲ 6%	▲27%[7]	▲13%[7]	n/a	▲20%[7,8]	▲19%[7,8]

See slide 18 for footnotes.

Q4 2016 BUSINESS LINE REVENUE

CONTRACTUAL REVENUE & LEASING, WHICH IS LARGELY RECURRING[1], IS 70% OF FEE REVENUE

Revenue ($ in millions)

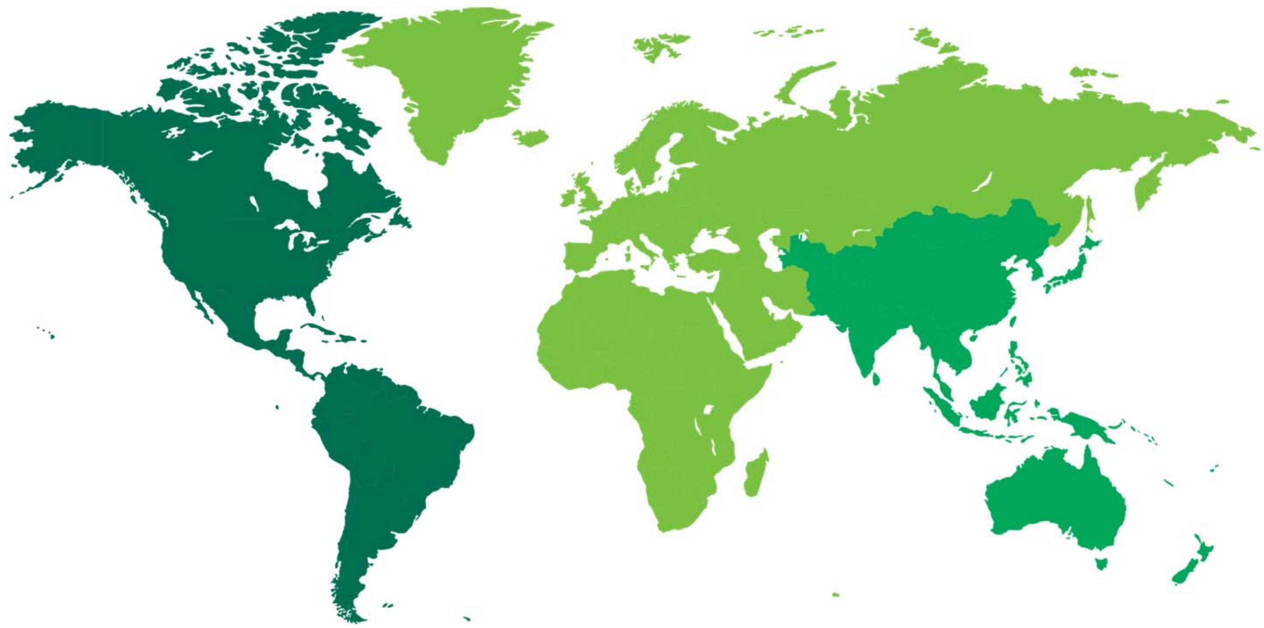
	Contractual Revenue Sources				Leasing	Capital Markets		Other		
	Occupier Outsourcing[2]	Property Management[2]	Investment Management	Valuation	Leasing	Sales	Commercial Mortgage Services	Development Services	Other	Total
Gross Revenue										
Q4 2016	$ 1,641	$ 271	$ 92	$ 149	$ 889	$ 564	$ 178	$ 14	$ 26	$ 3,824
Fee Revenue[3]										
Q4 2016	$ 613	$ 134	$ 92	$ 149	$ 889	$ 564	$ 178	$ 14	$ 26	$ 2,659
% of Q4 2016 Total Fee Revenue	23%	5%	3%	6%	33%	21%	7%	1%	1%	100%
Fee Revenue Growth Rate (Change Q4 2016-over-Q4 2015)										
USD	▲ 4%	▲ 3%	▼ -35%	▲ 4%	▲ 4%	▲ 8%	▲ 31%	▼ -14%	▲ 14%	▲ 4%
Local Currency	▲ 10%	▲ 4%	▼ -33%	▲ 6%	▲ 6%	▲ 8%	▲ 32%	▼ -14%	▲ 18%	▲ 6%

70% of total fee revenue

See slide 18 for footnotes.

REGIONAL SERVICES BUSINESSES OVERVIEW

Q4 2016 REGION HIGHLIGHTS (% INCREASE IN LOCAL CURRENCY)



Americas

- Fee Revenue[1] ▲7%
- Adjusted EBITDA ▲22%[2]

EMEA

- Fee Revenue[1] ▲9%
- Adjusted EBITDA ▲46%[2]

Asia Pacific

- Fee Revenue[1] ▲21%
- Adjusted EBITDA ▲74%[2]

See slide 18 for footnotes.

OCCUPIER OUTSOURCING

2016 TOTAL CONTRACTS

	Q4	Full Year
New	**47**	**170**
Expansions	**40**	**170**
Renewals	**23**	**92**

HIGHLIGHTS

- 110 total contracts signed in Q4 2016 including 47 new and 40 expansions
- 9 total contracts in health care sector
- 170 new contracts for 2016
  - Most in company history

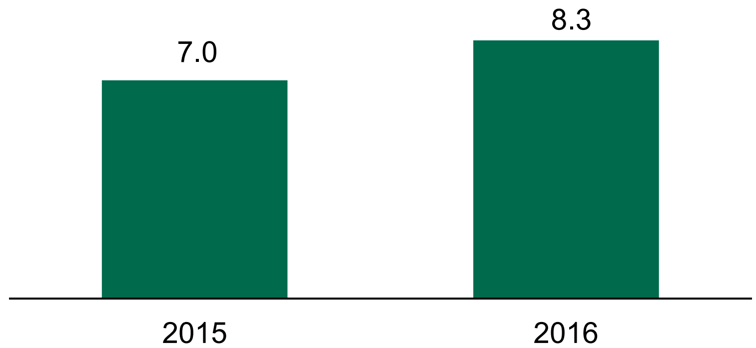
Q4 2016 Representative Clients

Facilities Management	Transaction Services	Project Management
Baptist Memorial Health Care	Macy's	Children's Hospital & Medical Center Omaha
JCPenney	Columbia	Georgia-Pacific

GLOBAL INVESTMENT MANAGEMENT

CAPITAL RAISED[1]

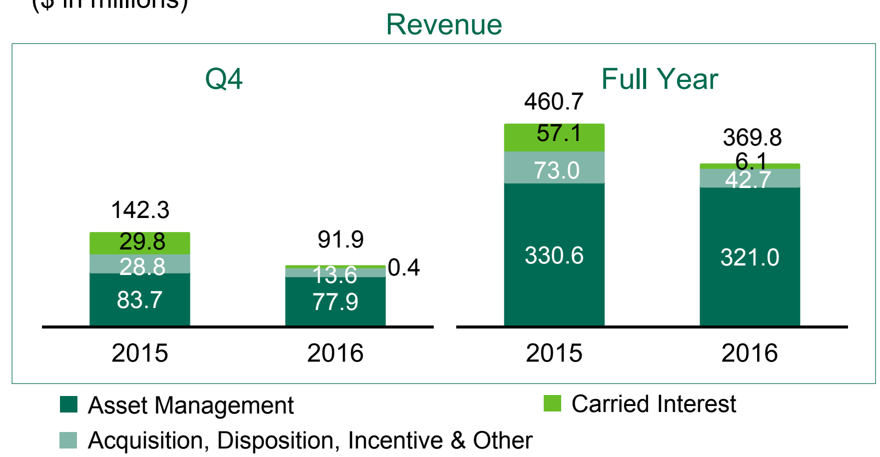
($ in billions)



- Capital to deploy: approx. $5.5 billion[2]
- Co-Investment: $139.3 million[2]

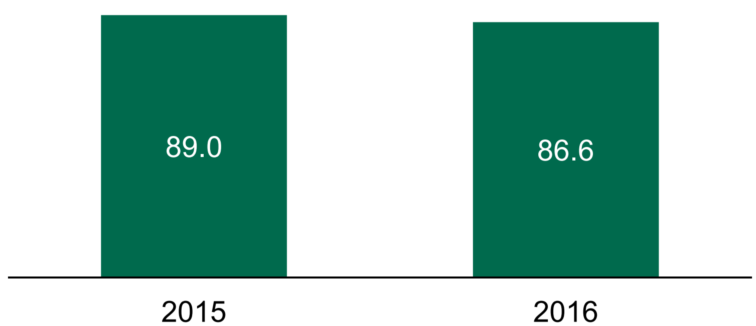
FINANCIAL RESULTS

($ in millions)

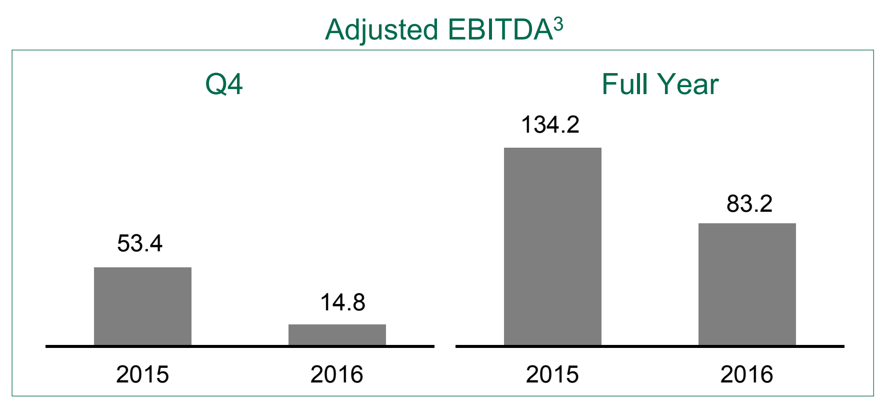


ASSETS UNDER MANAGEMENT (AUM)

($ in billions)



- AUM is up $2.1 billion in local currency from Q4 2015, but down $2.4 billion in USD.

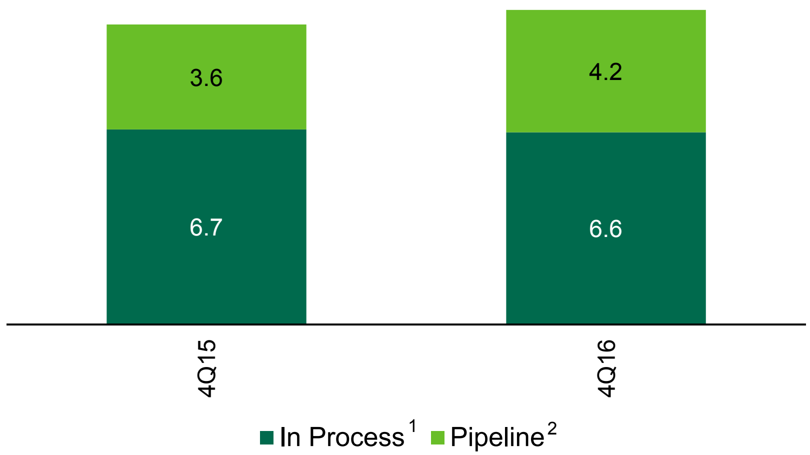


See slide 18 for footnotes.

DEVELOPMENT SERVICES

PROJECTS IN PROCESS/PIPELINE

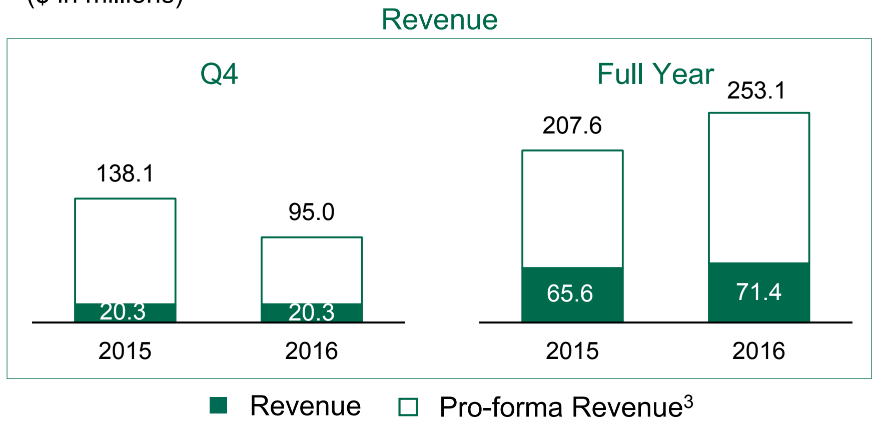
($ in billions)

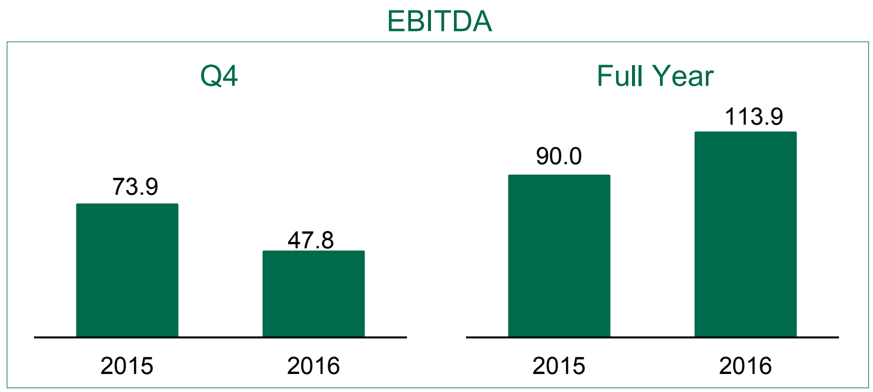


- $121.6 million of co-investments at the end of Q4 2016
- $15.7 million in repayment guarantees on outstanding debt balances at the end of Q4 2016

FINANCIAL RESULTS

($ in millions)





See slide 18 for footnotes.

Q4 2016 FINANCIAL HIGHLIGHTS

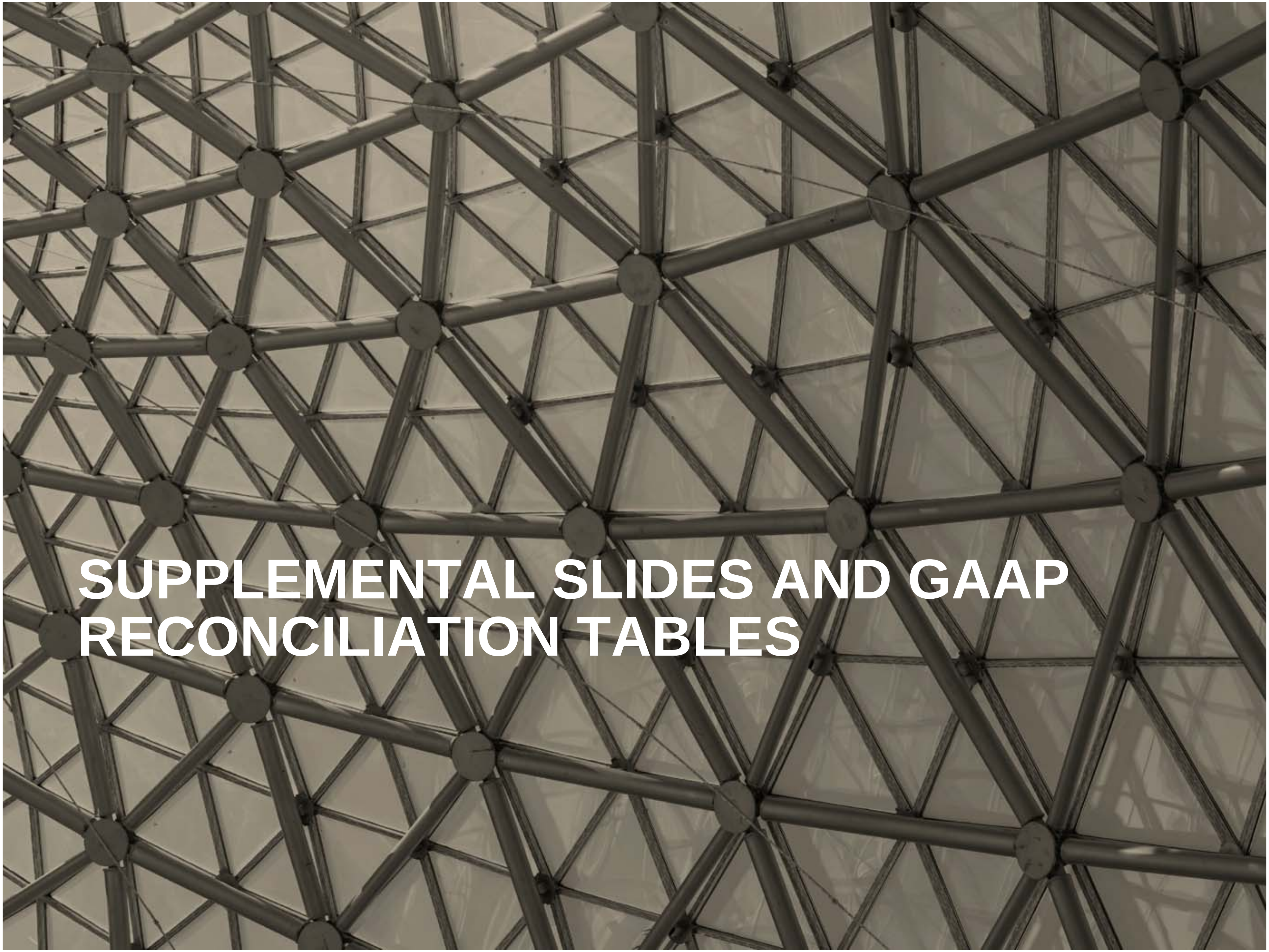
- Regional businesses performed very well
  - ▲9% fee revenue[1,3]
  - ▲33% adjusted EBITDA[2]

- Leasing and capital markets outperformed the market
  - ▲6% leasing revenue[3]
  - ▲13% capital markets revenue[3]

See slide 18 for footnotes.

2017 OUTLOOK

- Capital Markets revenue - Property Sales and Mortgage Services – expected to increase at a low to mid-single digit rate
- Leasing revenue expected to grow at a mid-single digit rate
- Occupier Outsourcing fee revenue expected to grow by approximately 10%, with a weighting to the second half of the year
- Real estate investment businesses (Investment Management and Development Services) anticipated to produce combined adjusted EBITDA that is flat to slightly down from 2016
- Adjusted EBITDA margin on fee revenue expected to remain strong at 17½ % to 18%
- Overall, we expect to achieve earnings-per-share for 2017 in the range of $2.35 to $2.45
  - Anticipate 6 cent per share headwind from negative currency movement
  - At the midpoint, our growth rate would be 4% in U.S. dollars, or 7% in local currency



SUPPLEMENTAL SLIDES AND GAAP RECONCILIATION TABLES

FOOTNOTES

Note – Local currency percent changes versus prior year is a non-GAAP measure noted on slides 6, 8, 9, 10, 11, 15, 22, 23 and 24. These percent changes are calculated by comparing current year results at prior year exchange rates versus prior year results. In addition, we have not reconciled the (non-GAAP) adjusted earnings per share guidance 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, cost elimination expenses, carried interest incentive compensation and financing costs, which are potential adjustments to future earnings. We expect the variability of these items to have a potentially unpredictable, and a potentially significant, impact on our future GAAP financial results.

Slides 6 & 9

1. Fee revenue is gross revenue less both client reimbursed costs largely associated with employees that are dedicated to client facilities and subcontracted vendor work performed for clients.
2. EBITDA represents earnings before net interest expense, write-off of financing costs on extinguished debt, income taxes, depreciation and amortization.
3. Adjusted EBITDA excludes (from EBITDA) certain carried interest incentive compensation (reversal) expense to align with the timing of associated revenue, cost elimination expenses and integration and other costs related to acquisitions.
4. Fee revenue margin is based on adjusted EBITDA.
5. Adjusted net income and adjusted EPS exclude amortization expense related to certain intangible assets attributable to acquisitions, the write-off of financing costs on extinguished debt, cost elimination expenses, integration and other costs related to acquisitions, and adjusts certain carried interest incentive compensation (reversal) expense to align with the timing of associated revenue as well as adjusts the provision for income taxes for such charges.
6. All EPS information is based on diluted shares.
7. Excludes the impact of all currency effects; including hedging. See slide 19 for summary of Q4 and full year 2016 currency effects versus prior year.
8. Based on adjusted results.

Slides 8 & 10

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

Slides 11 & 15

1. Fee revenue is gross revenue less both client reimbursed costs largely associated with employees that are dedicated to client facilities and subcontracted vendor work performed for clients.
2. Excludes the impact of all currency effects (including hedging).
3. Percent change is in local currency.

Slide 13

1. Excludes securities business.
2. As of December 31, 2016.
3. Adjusted EBITDA excludes (from EBITDA) certain carried interest incentive compensation (reversal) expense to align with the timing of associated revenue and cost elimination expenses.

Slide 14

1. In Process figures include Long-Term Operating Assets (LTOA) of $0.2 billion for 4Q 16 and $0.1 billion for 4Q 15. LTOA are projects that have achieved a stabilized level of occupancy or have been held 18-24 months following shell completion or acquisition.
2. Pipeline deals are projects we are pursuing which we believe have a greater than 50% chance of closing or where land has been acquired and the projected construction start is more than 12 months out.
3. Pro-forma revenue is revenue plus equity income from unconsolidated subsidiaries and gain on disposition of real estate, net of non-controlling interest. The company believes that investors may find this measure useful to analyze the financial performance of our Development Services segment because it is more reflective of its total operations.

OTHER FINANCIAL METRICS

($ in millions)	2017 Forecast	Twelve Months Ended December 31, 2016	Twelve Months Ended December 31, 2015
Depreciation	approx. $ 165	$ 152.8	$ 138.7
Adjusted amortization [1]	approx. $ 120	103.0	88.8
Net interest expense	approx. $ 135	136.8	112.6
Adjusted income taxes [2]		389.8	383.5
Adjusted income tax rate [2]	32.0%	33.4%	35.7%

2016 Currency Effects vs. Prior Year

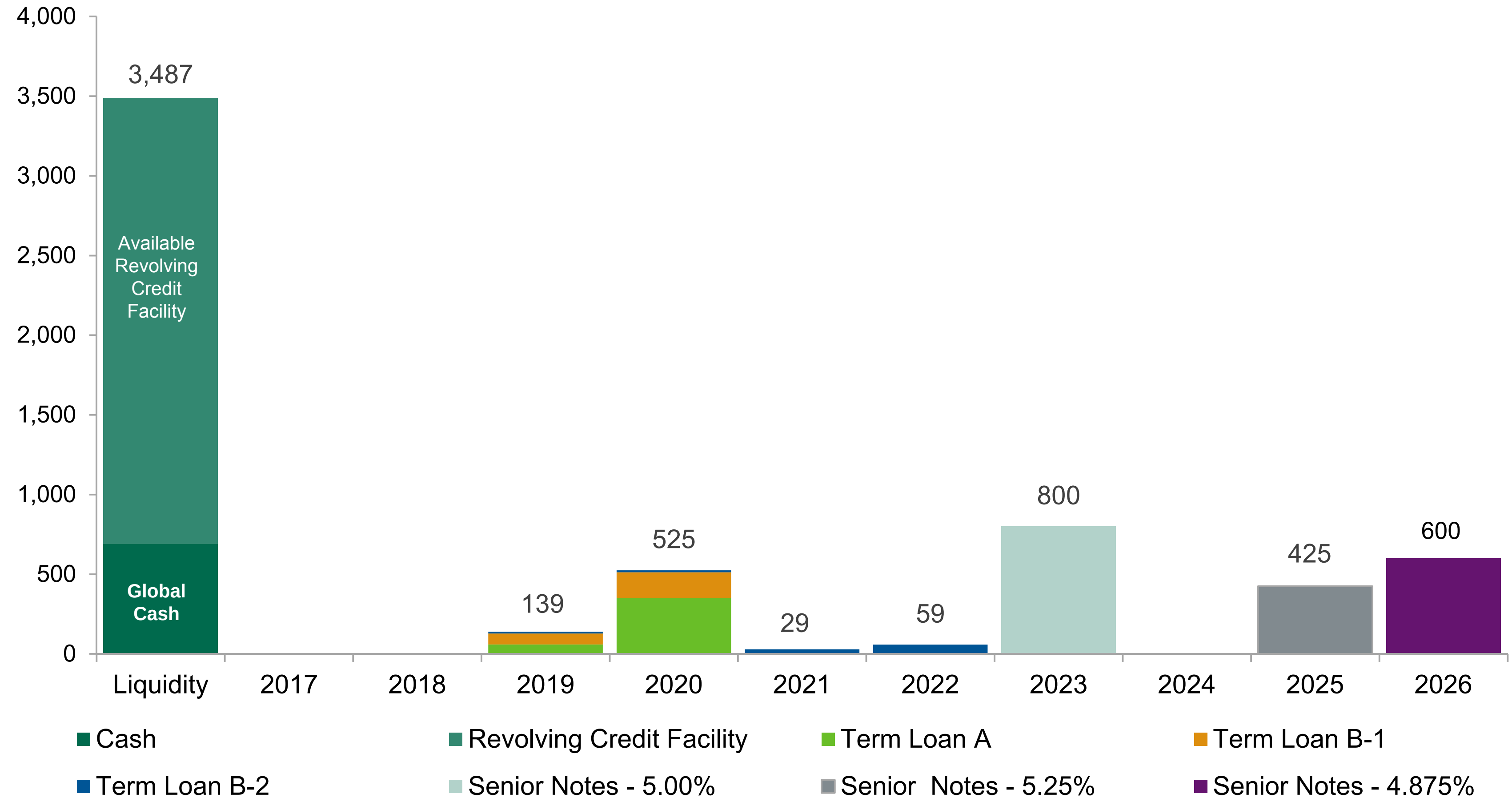
	Q4	Full Year
2016 currency translation as well as other exchange rate transaction gains/(losses) during 2016 against same prior year period (pre-tax adjusted EBITDA impact)	($14.7 million)	($16.2 million)
2016 marking-to-market of currency hedges against same prior year period (pre-tax adjusted EBITDA impact)	($1.1 million)	($16.5 million)

1. Excludes amortization expense related to certain intangible assets attributable to acquisitions.
2. Adjusted income taxes and adjusted income tax rate include the tax effect on select items, including amortization expense related to certain intangibles attributable to acquisitions, the write-off of financing costs on extinguished debts, cost elimination expenses, integration and other costs related to acquisitions, and adjusts certain carried interest incentive compensation (reversal) expense to align with the timing of associated revenue. Also adjusts pre-tax income for portion attributable to non-controlling interests.

MANDATORY AMORTIZATION AND MATURITY SCHEDULE

AS OF DECEMBER 31, 2016[1]

($ in millions)



1. $2,800 million revolving credit facility matures in March 2021. As of December 31, 2016, the revolving credit facility balance was $0.

CAPITALIZATION

($ in millions)	As of December 31, 2016
Cash[1]	$ 689
Revolving credit facility	-
Senior term loan A[2]	405
Senior term loan B-1[2]	229
Senior term loan B-2[2]	110
Senior notes – 5.00%[2]	790
Senior notes – 4.875%[2]	591
Senior notes – 5.25%[2]	422
Other debt[3,4]	-
Total debt	$ 2,547
Stockholders' equity	3,019
Total capitalization	$ 5,566
Total net debt	**$ 1,858**
Net debt to TTM Q4 2016 Adjusted EBITDA	**1.19x**

1. Excludes $73.3 million of cash in consolidated funds and other entities not available for company use at December 31, 2016.
2. Outstanding amount is reflected net of unamortized debt issuance costs.
3. Excludes $1,254.7 million of warehouse facilities for loans originated on behalf of the FHA and other government sponsored enterprises outstanding at December 31, 2016, which are non-recourse to CBRE Group, Inc.
4. Excludes non-recourse notes payable on real estate, net of unamortized debt issuance costs, of $22.7 million at December 31, 2016.

AMERICAS REVENUE

Q4 2016 FEE REVENUE UP 7% IN USD AND IN LOCAL CURRENCY

($ in millions)	Occupier Outsourcing & Property Management[1]		Leasing	Sales
	Gross	Fee[2]		
Q4 2016	$ 879	$ 321	$ 619	$ 343
USD[3]	▲ 6%	▲ 5%	▲ 3%	▲ 3%
Local Currency[3]	▲ 6%	▲ 6%	▲ 3%	▲ 3%

1. Occupier Outsourcing and Property Management revenue excludes associated leasing and sales revenue, most of which is contractual.
2. Fee revenue is gross revenue less both client reimbursed costs largely associated with employees that are dedicated to client facilities and subcontracted vendor work performed for clients.
3. Growth rate for Q4 2016 versus Q4 2015.

EMEA REVENUE

Q4 2016 FEE REVENUE DOWN 1% IN USD OR UP 9% IN LOCAL CURRENCY

($ in millions)	Occupier Outsourcing & Property Management[1]		Leasing	Sales
	Gross	Fee[2]		
Q4 2016	$ 813	$ 344	$ 159	$ 117
USD[3]	▼ 3%	▲ 1%	▼ 3%	◀▶ 0%
Local Currency[3]	▲ 7%	▲ 11%	▲ 6%	▲ 8%

1. Occupier Outsourcing and Property Management revenue excludes associated leasing and sales revenue, most of which is contractual.
2. Fee revenue is gross revenue less both client reimbursed costs largely associated with employees that are dedicated to client facilities and subcontracted vendor work performed for clients.
3. Growth rate for Q4 2016 versus Q4 2015.

ASIA PACIFIC REVENUE

Q4 2016 FEE REVENUE UP 25% IN USD OR 21% IN LOCAL CURRENCY

($ in millions)	Occupier Outsourcing & Property Management[1]		Leasing	Sales
	Gross	Fee[2]		
Q4 2016	$ 216	$ 78	$ 108	$ 103
USD[3]	▲ 14%	▲ 12%	▲ 25%	▲ 42%
Local Currency[3]	▲ 14%	▲ 10%	▲ 22%	▲ 35%

1. Occupier Outsourcing and Property Management revenue excludes associated leasing and sales revenue, most of which is contractual.
2. Fee revenue is gross revenue less both client reimbursed costs largely associated with employees that are dedicated to client facilities and subcontracted vendor work performed for clients.
3. Growth rate for Q4 2016 versus Q4 2015.

U.S. MARKET STATISTICS

U.S. VACANCY

	4Q15	4Q16	1Q17F	4Q17F
Office	13.1%	12.9%	**12.9%**	**13.0%**
Industrial	9.0%	8.4%	**8.5%**	**8.7%**
Retail	10.7%	10.2%	**10.1%**	**10.0%**

U.S. ABSORPTION TRENDS (in MSF)

	4Q15	4Q16	2016	2017F
Office	19.5	14.7	41.2	**48.9**
Industrial	72.9	40.6	244.9	**136.2**
Retail	18.9	4.2	29.2	**17.1**

Source: CBRE Econometric Advisors (EA) Outlooks 4Q 2016 preliminary

U.S. INVESTMENT VOLUME AND CAP RATES

	4Q15	4Q16
Office		
Volume ($B)	42.18	39.69
Cap Rate	6.7%	6.7%
Industrial		
Volume ($B)	26.87	16.65
Cap Rate	6.7%	6.9%

	4Q15	4Q16
Retail		
Volume ($B)	23.89	17.29
Cap Rate	6.5%	6.6%
Multi Family		
Volume ($B)	52.22	43.95
Cap Rate	5.9%	5.6%

Source: CBRE EA estimates from RCA data January 2017

NON-GAAP FINANCIAL MEASURES

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

i. fee revenue
ii. contractual fee revenue
iii. net income attributable to CBRE Group, Inc., as adjusted (which we also refer to as "adjusted net income")
iv. diluted income per share attributable to CBRE Group, Inc. shareholders, as adjusted (which we also refer to as "adjusted earnings per share" or "adjusted EPS")
v. EBITDA and adjusted EBITDA
vi. Return on Invested Capital (ROIC)

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

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

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

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

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

RECONCILIATION OF ADJUSTED EBITDA TO EBITDA TO NET INCOME

($ in millions)	Three Months Ended December 31, 2016	Three Months Ended December 31, 2015	Twelve Months Ended December 31, 2016	Twelve Months Ended December 31, 2015
Adjusted EBITDA	$ 568.5	$ 517.6	$ 1,561.0	$ 1,412.7
Adjustments:				
Integration and other costs related to acquisitions	52.2	24.0	125.7	48.9
Cost elimination expenses [1]	-	40.4	78.5	40.4
Carried interest incentive compensation (reversal) expense to align with the timing of associated revenue	(9.0)	25.6	(15.6)	26.1
EBITDA	525.3	427.6	1,372.4	1,297.3
Add:				
Interest income	2.5	1.4	8.1	6.3
Less:				
Depreciation and amortization	96.9	98.6	366.9	314.1
Interest expense	35.8	35.8	144.9	118.9
Write-off of financing costs on extinguished debt	-	-	-	2.7
Provision for income taxes	131.1	114.6	296.7	320.8
Net income attributable to CBRE Group, Inc.	$ 264.0	$ 180.0	$ 572.0	$ 547.1

1. Represents cost-elimination expenses relating to a program initiated in the fourth quarter of 2015 and completed in the third quarter of 2016 to reduce the Company's global cost structure after several years of significant revenue and related cost growth. Cost-elimination expenses incurred in the twelve months ended December 31, 2016 consisted of $73.6 million, of severance costs related to headcount reductions in connection with the program and $4.9 million, of third-party contract termination costs.

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

	Three Months Ended December 31,		Twelve Months Ended December 31,	
($ in millions, except per share amounts)	**2016**	**2015**	**2016**	**2015**
Net income attributable to CBRE Group, Inc.	$ 264.0	$ 180.0	$ 572.0	$ 547.1
Integration and other costs related to acquisitions	52.2	24.0	125.7	48.9
Amortization expense related to certain intangible assets attributable to acquisitions	29.3	39.8	111.1	86.6
Cost elimination expenses	-	40.4	78.5	40.4
Carried-interest incentive compensation (reversal) expense to align with the timing of associated revenue	(9.0)	25.6	(15.6)	26.1
Write-off of financing costs on extinguished debt	-	-	-	2.7
Tax impact of adjusted items	(21.8)	(38.3)	(93.2)	(62.6)
Adjusted net income	$ 314.7	$ 271.5	$ 778.5	$ 689.2
Adjusted diluted earnings per share	$ 0.93	$ 0.81	$ 2.30	$ 2.05
Weighted average shares outstanding for diluted income per share	338,839,469	337,223,824	338,424,563	336,414,856

RECONCILIATION OF REVENUE TO FEE REVENUE AND CONTRACTUAL FEE REVENUE

($ in millions)	Three Months Ended December 31, 2016	Three Months Ended December 31, 2015	Twelve Months Ended December 31, 2016	Twelve Months Ended December 31, 2015
Consolidated revenue	$ 3,823.8	$ 3,700.2	$ 13,071.6	$ 10,855.8
Less:				
Client reimbursed costs largely associated with employees dedicated to client facilities and subcontracted vendor work performed for clients	1,164.5	1,144.9	4,354.5	3,125.5
Consolidated fee revenue	$ 2,659.3	$ 2,555.3	$ 8,717.1	$ 7,730.3
Less:				
Non-contractual fee revenue	1,671.3	1,550.8	5,073.9	4,830.9
Contractual fee revenue	$ 988.0	$ 1,004.5	$ 3,643.2	$ 2,899.4

	2016	2015
U.K. revenue	$ 561.0	$ 621.6
Less:		
Client reimbursed costs largely associated with employees dedicated to client facilities and subcontracted vendor work performed for clients	232.3	255.0
U.K. fee revenue	$ 328.7	$ 366.6

RECONCILIATION OF REVENUE TO FEE REVENUE BY SEGMENT

	Three Months Ended December 31,	
($ in millions)	2016	2015
Americas revenue	$ 2,096.8	$ 1,971.1
Less:		
Client reimbursed costs largely associated with employees dedicated to client facilities and subcontracted vendor work performed for clients	557.3	526.5
Americas fee revenue	$ 1,539.5	$ 1,444.6
EMEA revenue	$ 1,152.1	$ 1,186.9
Less:		
Client reimbursed costs largely associated with employees dedicated to client facilities and subcontracted vendor work performed for clients	469.2	499.2
EMEA fee revenue	$ 682.9	$ 687.7
Asia Pacific revenue	$ 462.8	$ 379.5
Less:		
Client reimbursed costs largely associated with employees dedicated to client facilities and subcontracted vendor work performed for clients	138.0	119.2
Asia Pacific fee revenue	$ 324.8	$ 260.3

RECONCILIATION OF REVENUE TO FEE REVENUE

($ in millions)	Three Months Ended December 31, 2016	Three Months Ended December 31, 2015	Twelve Months Ended December 31, 2016	Twelve Months Ended December 31, 2015
Occupier Outsourcing revenue [1]	$ 1,640.6	$ 1,598.1	$ 6,078.6	$ 4,034.9
Less:				
Client reimbursed costs largely associated with employees dedicated to client facilities and subcontracted vendor work performed for clients	1,028.1	1,010.8	3,814.1	2,591.3
Occupier Outsourcing fee revenue [1]	$ 612.5	$ 587.3	$ 2,264.5	$ 1,443.6
Property Management revenue [1]	$ 270.8	$ 264.9	$ 1,044.9	$ 1,025.4
Less:				
Client reimbursed costs largely associated with employees dedicated to client facilities and subcontracted vendor work performed for clients	136.5	134.1	540.4	534.1
Property Management fee revenue [1]	$ 134.3	$ 130.8	$ 504.5	$ 491.3

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

SEGMENT RECONCILIATION OF NET INCOME TO EBITDA TO ADJUSTED EBITDA

($ in millions)	Three Months Ended December 31, 2016	Three Months Ended December 31, 2015	Twelve Months Ended December 31, 2016	Twelve Months Ended December 31, 2015
Americas net income	$ 138.1	$ 124.1	$ 369.2	$ 410.9
Adjustments:				
Depreciation and amortization	67.7	64.1	254.1	198.9
Interest expense, net	19.4	17.3	84.0	34.8
Write-off of financing costs on extinguished debt	-	-	-	2.7
Royalty and management service income	(13.1)	(23.1)	(36.4)	(32.8)
Provision for income taxes	75.8	54.9	185.0	204.2
EBITDA	$ 287.9	$ 237.3	$ 855.9	$ 818.7
Integration and other costs related to acquisitions	25.2	11.4	71.4	33.3
Cost-elimination expenses	-	7.5	22.3	7.5
Americas adjusted EBITDA	$ 313.1	$ 256.2	$ 949.6	$ 859.5
EMEA net income	$ 54.5	$ 7.4	$ 73.8	$ 32.4
Adjustments:				
Depreciation and amortization	16.0	23.8	66.6	68.4
Interest expense, net	4.8	7.7	16.8	41.3
Royalty and management service expense	4.2	9.7	4.9	5.4
Provision for income taxes	18.9	20.0	38.0	35.5
EBITDA	$ 98.4	$ 68.6	$ 200.1	$ 183.0
Integration and other costs related to acquisitions	25.4	7.9	47.9	8.9
Cost-elimination expenses	-	20.0	25.6	20.0
EMEA adjusted EBITDA	$ 123.8	$ 96.5	$ 273.6	$ 211.9
Asia Pacific net income	$ 36.9	$ 0.2	$ 51.0	$ 29.8
Adjustments:				
Depreciation and amortization	4.8	4.2	17.8	15.6
Interest expense, net	1.6	1.3	2.9	4.0
Royalty and management service expense	7.0	11.2	26.6	22.6
Provision for income taxes	17.0	4.6	26.7	26.9
EBITDA	$ 67.3	$ 21.5	$ 125.0	$ 98.9
Integration and other costs related to acquisitions	1.6	4.7	6.5	6.8
Cost-elimination expenses	-	11.4	9.3	11.4
Asia Pacific adjusted EBITDA	$ 68.9	$ 37.6	$ 140.8	$ 117.1

SEGMENT RECONCILIATION OF NET INCOME TO EBITDA TO ADJUSTED EBITDA

($ in millions)	Three Months Ended December 31, 2016	Three Months Ended December 31, 2015	Twelve Months Ended December 31, 2016	Twelve Months Ended December 31, 2015
Global Investment Management net income	$ 5.9	$ 3.9	$ 13.6	$ 22.4
Adjustments:				
Depreciation and amortization	7.8	5.9	25.9	29.0
Interest expense, net	7.3	7.9	30.4	31.5
Royalty and management service expense	1.9	2.2	4.9	4.8
Provision for income taxes	0.9	6.4	2.6	18.9
EBITDA	$ 23.8	$ 26.3	$ 77.4	$ 106.6
Cost-elimination expenses	-	1.5	21.3	1.5
Carried interest incentive compensation (reversal) expense	(9.0)	25.6	(15.5)	26.1
Global Investment Management adjusted EBITDA	$ 14.8	$ 53.4	$ 83.2	$ 134.2
Development Services net income	$ 28.6	$ 44.4	$ 64.4	$ 51.6
Adjustments:				
Depreciation and amortization	0.5	0.5	2.5	2.2
Interest expense, net	0.1	0.1	2.7	0.9
Provision for income taxes	18.6	28.9	44.3	35.3
Development Services EBITDA	$ 47.8	$ 73.9	$ 113.9	$ 90.0

DEVELOPMENT SERVICES RECONCILIATION OF REVENUE TO PRO-FORMA REVENUE

	Three Months Ended December 31,		Twelve Months Ended December 31,	
($ in millions)	2016	2015	2016	2015
Revenue	$ 20.3	$ 20.3	$ 71.4	$ 65.6
Add:				
Equity income from unconsolidated subsidiaries	74.8	117.2	170.2	136.4
Gain on disposition of real estate	-	0.7	15.9	10.8
Less:				
Non-controlling interest	0.1	0.1	4.4	5.2
Pro-forma Revenue	$ 95.0	$ 138.1	$ 253.1	$ 207.6

RETURN ON INVESTED CAPITAL (ROIC)

($ in millions)	Twelve Months Ended December 31, 2016
Adjusted EBITDA	$ 1,561.0
Depreciation	152.8
Adjusted amortization	103.0
Adjusted EBIT	1,305.2
Tax rate applied	33.4%
Adjusted after-tax earnings before interest [1]	$ 869.6
Net debt (annual average) [2]	2,034.0
Shareholders equity (annual average) [2]	2,863.6
Invested capital (annual average) [2]	$ 4,897.6
After-tax ROIC	17.8%

1. Adjusted After-Tax Earnings Before Interest includes the impact of adjusting the provision for income taxes to a normalized rate as well as excludes certain carried interest compensation expense (reversal) to align with the timing of associated revenue, cost elimination expenses, integration and other costs related to acquisitions and amortization expense related to certain intangible assets attributable to acquisitions.
2. Annual average is the average of the beginning and year end balances.