

MAY 7, 2020

Q1 2020 EARNINGS CALL

CBRE



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 the impact of the COVID-19 pandemic on our business operations and financial position, CBRE's future growth momentum, operations, market share, business outlook, capital deployment, acquisition integration 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 first quarter earnings release, furnished on Form 8-K, our most recent annual report filed on Form 10-K and our most recent quarterly report filed on Form 10-Q, 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 included in the appendix.

CONFERENCE CALL PARTICIPANTS



Bob Sulentic

President and Chief Executive Officer



Leah Stearns

Chief Financial Officer



Kristyn Farahmand

Vice President, Investor Relations & Corporate Finance

CONSOLIDATED RESULTS SUMMARY

\$ IN MILLIONS EXCEPT PER SHARE FIGURES

	1Q20	1Q19	USD	Local Currency ¹
Revenue	\$5,889	\$5,136	▲ 15%	▲ 15%
Fee Revenue	\$2,693	\$2,429	▲ 11%	▲ 12%
Adjusted EBITDA	\$430	\$450	▼ (4%)	▼ (4%)
Earnings Per Diluted Share	\$0.51	\$0.48	▲ 5%	▲ 5%
Adjusted Earnings Per Diluted Share	\$0.75	\$0.79	▼ (5%)	▼ (5%)

- First quarter results solid despite impact of the emergence of COVID-19 pandemic issues in most markets towards the end of the quarter
- Strength in Advisory Services nearly offset REI results which were negatively impacted by lower co-investment returns due to mark-to-market adjustments

1. Local currency percent changes versus prior year is calculated by comparing current year results at prior year exchange rates versus prior year results.



BOB SULENTIC

CHIEF EXECUTIVE OFFICER

LEADERSHIP IN THE FACE OF COVID-19



Near-Term

- Challenges expected
- Economic contraction and logistical issues require clear leadership
- Helping clients, communities and employees through crisis



Intermediate-Term

- Every economic crisis catalyzes fundamental change for commercial real estate
- Focused on positioning the business to capitalize on evolution post-crisis



Long-Term

- Strong balance sheet and industry-leading position should help us extend leadership post-crisis
- Believe secular demand drivers remain firmly intact

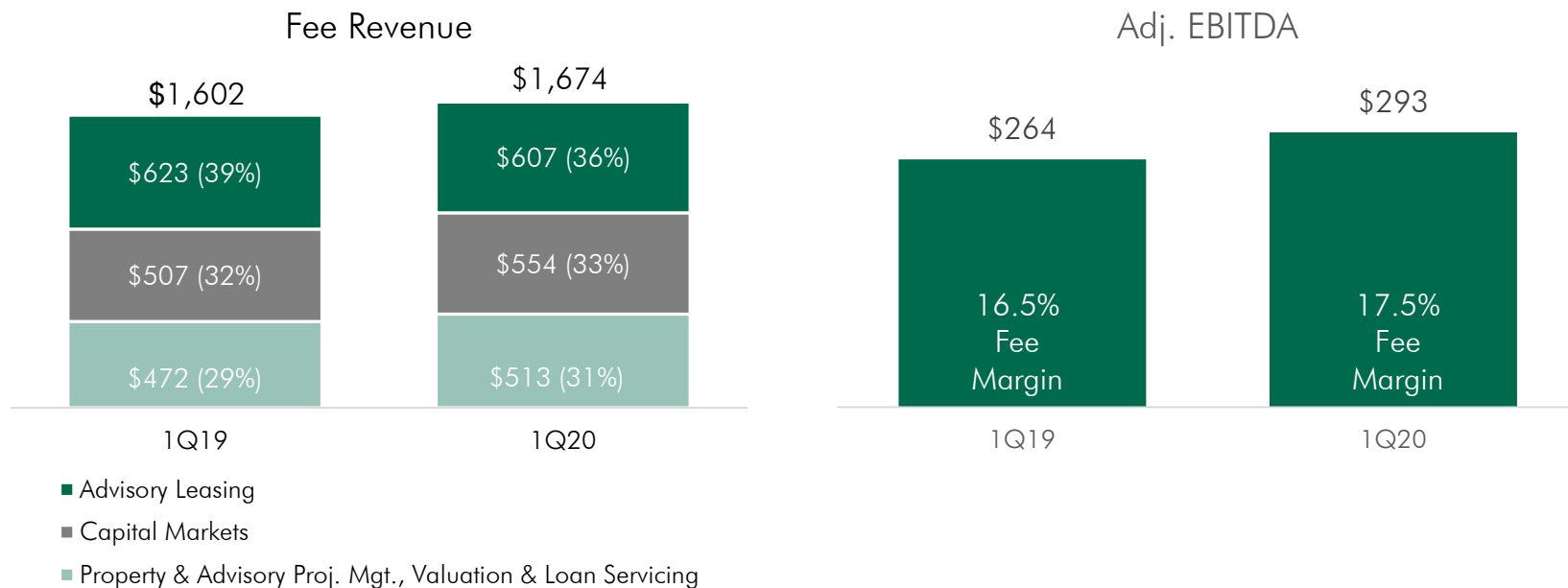


LEAH STEARNS

CHIEF FINANCIAL OFFICER

ADVISORY SERVICES

\$ IN MILLIONS, TOTALS MAY NOT SUM DUE TO ROUNDING



- Investment property sales increased 12% globally, 3% in the US
- Leasing contracted 2% globally as well as in the US
- Strong margin improvement across Advisory segment
- Covid-19 impacts to transactional business activity emerged in mid-March

GLOBAL WORKPLACE SOLUTIONS (GWS)

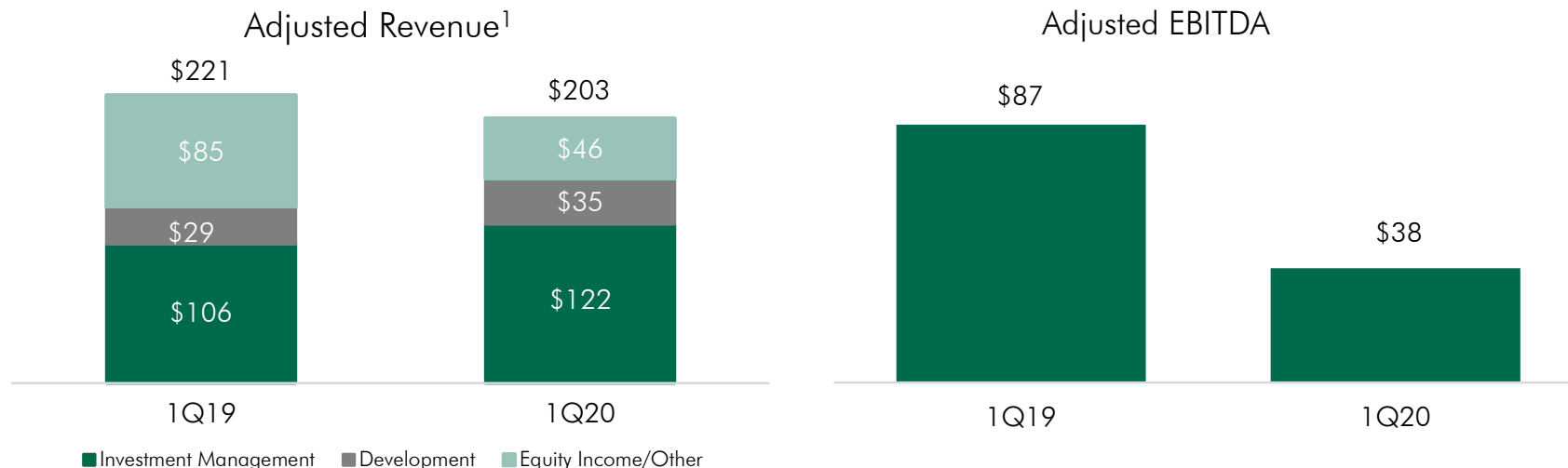
\$ IN MILLIONS, TOTALS MAY NOT SUM DUE TO ROUNDING



- Renewal rate over 90% reflecting the compelling value proposition of this business
- New business wins driven by large, high-quality clients in the transportation and logistics and life sciences sectors
- Q1 2020 Adjusted EBITDA includes negative impact of approximately \$11 million due to a client settlement; impacted Adjusted EBITDA margin by approximately 1.1%

REAL ESTATE INVESTMENTS

\$ IN MILLIONS, TOTALS MAY NOT SUM DUE TO ROUNDING



DEVELOPMENT

- Year started strong with several deals previously expected to close in late Q4 closing within the first 30 days of the year; impacts of COVID-19 began late in the quarter
- Strong stable of equity partners positioned to hold through downturn with increased exposure to core

INVESTMENT MANAGEMENT

- Co-investments were about \$27 lower primarily related to the pressure in the public securities market
- Recurring revenue growth of 7% vs. prior year period

FLEXIBLE SPACE SOLUTIONS (HANA)

- 5 locations opened, discussion with property owners to help meet their flexible workspace needs

1. Adjusted Revenue for Development is shown net of cost of sales.

2020 OUTLOOK

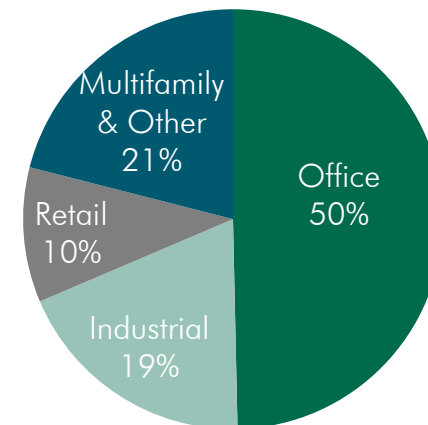
PROVIDING QUALITATIVE GUIDANCE FOR THE YEAR

- Anticipate business contraction in Q2 2020; timing of recovery dependent on remediating the impacts of COVID-19 public health crisis
 - Advisory expected to face significant pressure; U.S. leasing and property sales down over 40% vs. prior year since April
 - GWS to be relatively resilient but subdued growth expected given economic uncertainty and operational challenges onboarding clients under shelter in place orders
 - REI adjusted EBITDA contribution to be reduced in near-term but positioned to capitalize on potential opportunities to accelerate long-term performance

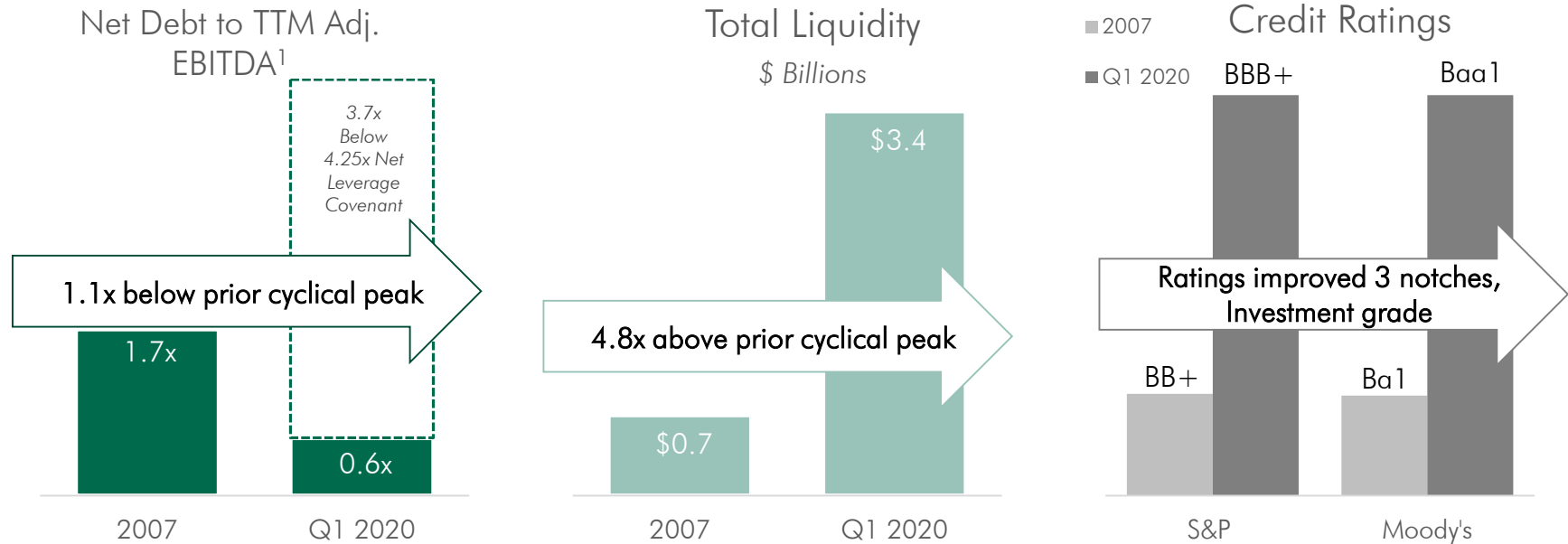
Expected 2020 Performance By Asset Class

Relatively Resilient	Relatively Pressured
Health Care	Hotel
Industrial	Office
Select Multi-Family	Retail

2019 Global Transaction Value by Asset Class
Leasing & Sales

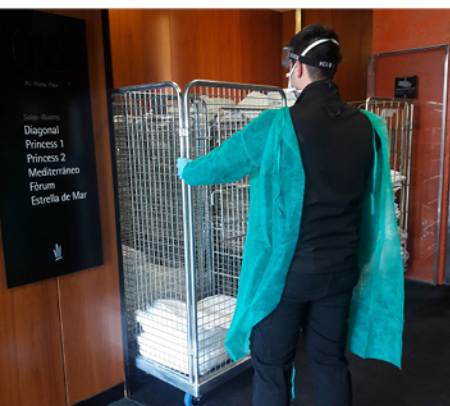


ENHANCED FINANCIAL RESILIENCY POSITIONS US WELL



- Strong balance sheet with no maturities until 2023, ample liquidity and investment grade credit ratings
- Enables company to focus on optimizing cost structure in response to economic environment while remaining committed to extending long-term leadership position

1. The Company adopted new revenue recognition guidance (ASC 606) in 2018. TTM Q1 2020 figures reflect ASC 606. We have not made a similar restatement for 2007, and this period continues to be reported under the accounting standards in effect at that time.



HELPING CLIENTS, COMMUNITIES & EMPLOYEES RESPOND TO COVID-19



United. We Rise.
To support those in need.

EMPLOYEE RESILIENCE FUND



NON-GAAP MEASURES AND DEFINITIONS



NON-GAAP FINANCIAL MEASURES

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

- i. fee revenue
- ii. contractual fee revenue
- iii. adjusted revenue for the Real Estate Investments segment
- iv. net income attributable to CBRE Group, Inc., as adjusted (which we also refer to as “adjusted net income”)
- v. 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”)
- vi. adjusted EBITDA and adjusted EBITDA on fee revenue margin
- vii. net debt

These measures are not recognized measurements under United States generally accepted accounting principles, or “GAAP.” When analyzing our operating performance, investors 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. 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 these measures useful to analyze the financial performance of our Global Workplace Solutions segment and Property & Advisory Project Management business line and our business generally. Fee revenue 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 revenue: the company believes that investors may find this measure useful to analyze the financial performance of our Real Estate Investments segment because it is more reflective of this segment's total operations.

With respect to adjusted net income, adjusted EPS, adjusted EBITDA and adjusted EBITDA on fee revenue margin: 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—and in the case of adjusted EBITDA and adjusted EBITDA on revenue and fee revenue margin—the effects of financings and income tax and the accounting effects of capital spending. All of these measures and adjusted revenue may vary for different companies for reasons unrelated to overall operating performance. In the case of adjusted EBITDA, this measure is not intended to be a measure 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 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. 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 net debt the company believes that investors use this measure when calculating the company's net leverage ratio.



DEFINITIONS

Adjusted EBITDA: EBITDA represents earnings before net interest expense, write-off of financing costs on extinguished debt, income taxes, depreciation, amortization and asset impairments. Amounts shown for adjusted EBITDA further remove (from EBITDA) the impact of fair value adjustments to real estate assets acquired in the Telford Acquisition (purchase accounting) that were sold in period, costs incurred related to legal entity restructuring, integration and other costs related to acquisitions, certain carried interest incentive compensation (reversal) expense to align with the timing of associated revenue, and costs associated with our reorganization, including cost-savings initiatives, merger-related charges and loss on trading securities acquired in the Trammell Crow Company acquisition. Adjusted EBITDA on revenue and fee revenue margins represents adjusted EBITDA divided by revenue and fee revenue, respectively.

Adjusted EBITDA Margin: the percentage that results from dividing Adjusted EBITDA by Revenue or Fee Revenue.

Adjusted Net Income: excludes the effect of select items from GAAP net income and GAAP earnings per diluted share as well as adjust the provision for income taxes for such charges. Adjustments during the periods presented included asset impairments, non-cash depreciation and amortization expense related to certain assets attributable to acquisitions, the impact of fair value adjustments to real estate assets acquired in the Telford Acquisition (purchase accounting) that were sold in period, costs incurred related to legal entity restructuring, integration and other costs related to acquisitions, certain carried interest incentive compensation (reversal) expense to align with the timing of associated revenue, costs associated with our reorganization, including cost-savings initiatives, and write-off of financing costs on extinguished debt.

Adjusted Earnings Per Diluted Share: adjusted net income divided by the weighted average diluted shares outstanding.

Adjusted Revenue for the Real Estate Investments segment: reflects revenue for this segment, less the direct cost of revenue, along with equity income from unconsolidated subsidiaries and gain on disposition of real estate, net of non-controlling interests. Adjusted revenue also removes the impact of fair value adjustments to real estate assets acquired in the Telford acquisition (purchase accounting) that were sold in the period.

Fee Revenue: gross revenue less both client reimbursed costs largely associated with employees that are dedicated to client facilities and subcontracted vendor work performed for clients.

Liquidity: includes cash available for company use, which is cash and cash equivalents excluding restricted cash and cash in consolidated affiliates not available for company use, as well as availability under the Company's revolving credit facilities.

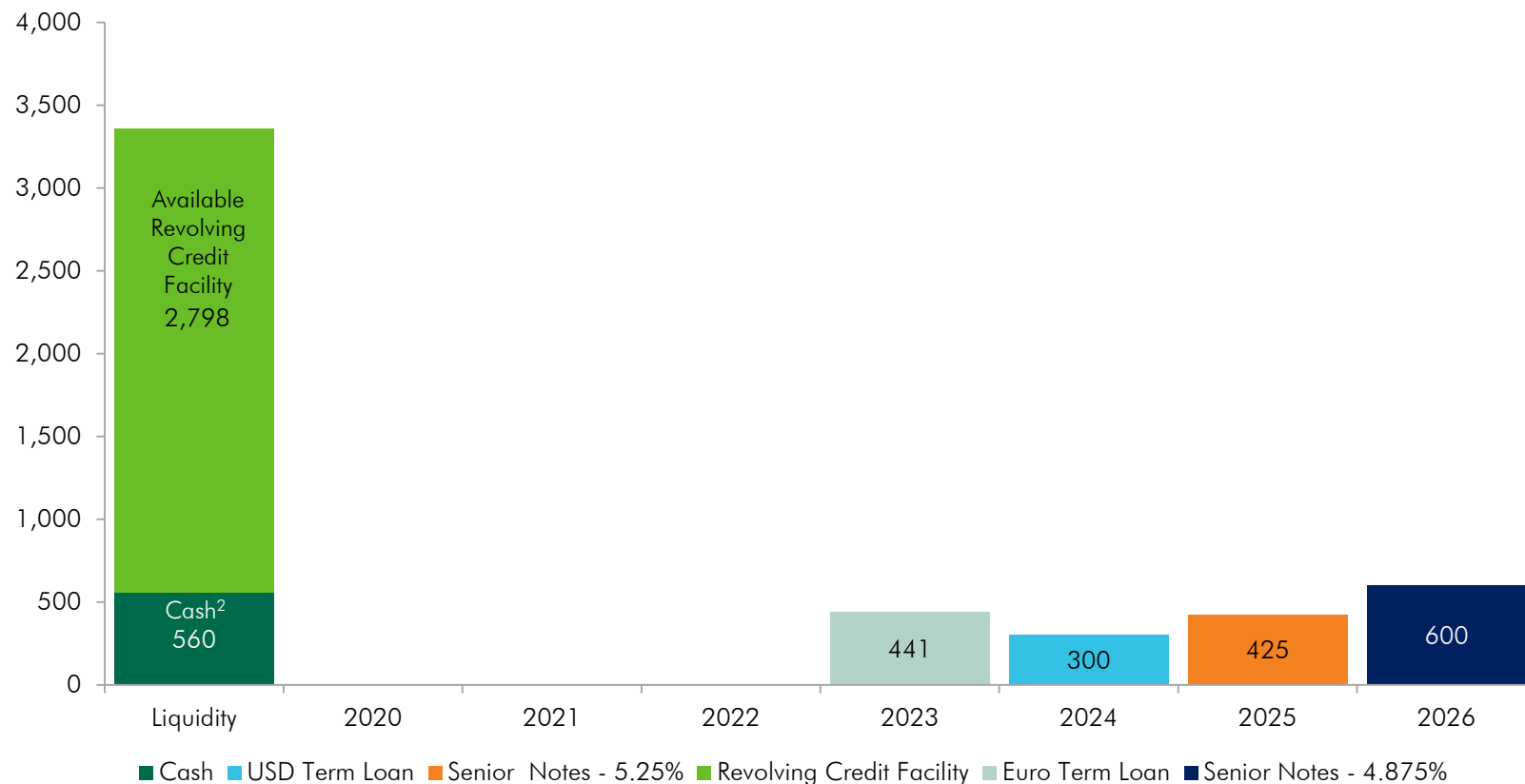
Net Debt: calculated as total debt (excluding non-recourse debt) less cash available for company use.

SUPPLEMENTAL SLIDES, GAAP RECONCILIATION TABLES

MANDATORY AMORTIZATION AND MATURITY SCHEDULE

AS OF MARCH 31, 2020¹

(\$ in millions)



1. \$2,800 million revolving credit facility matures in March 2024. As of March 31, 2020, there was no balance outstanding on this facility other than letters of credit totaling \$2.0 million.

2. Excludes \$68.4 million of cash in consolidated funds and other entities not available for company use.

DEBT, LEVERAGE AND LIQUIDITY

TOTALS MAY NOT ADD DUE TO ROUNDING

(\$ in millions)

	March 31, 2020	December 31, 2007
Cash ¹	\$560	\$343
Revolving credit facility	-	227.1
Senior term loans ²	738	1,787
Senior notes ²	1,017	-
Other debt ^{3,4}	8	22
Total debt	\$1,762	\$2,036
Less: Cash ¹	\$560	\$343
Total net debt	\$1,202	\$1,693
TTM Adjusted EBITDA	\$2,044	\$970
Net debt to TTM Adjusted EBITDA	0.59x	1.75x

	March 31, 2020	December 31, 2007
Cash ¹	\$560	\$343
Revolving credit facility availability	2,798	361
Total liquidity	\$3,358	\$704

1. Excludes \$68.4 million of cash in consolidated funds and other entities not available for company use at March 31, 2020.

2. Outstanding amounts for 2020 reflected net of unamortized debt issuance costs. In the third quarter of 2015, we early adopted ASU 2015-03, which required that debt issuance costs related to a recognized debt liability be presented as a direct deduction from the carrying amount of that debt liability. Amounts presented for 2007 reflect the accounting guidance applicable at that time (i.e. debt issuance costs were included in other assets and not reflected as a direct deduction from carrying amount debt liabilities).

3. Excludes \$1,258.8 million and \$255.8 million of warehouse facilities for loans originated on behalf of the FHA and other government sponsored enterprises outstanding at March 31, 2020 and December 31, 2007, respectively, which are non-recourse to CBRE Group, Inc.

4. Excludes non-recourse notes payable on real estate, net of unamortized debt issuance costs, of \$10.8 million and \$459.4 million at March 31, 2020 and December 31, 2007, respectively. As of December 31, 2007 also excludes a \$42.6 million non-recourse revolving credit facility in our development services line of business.

SUMMARIZED CASH FLOW ACTIVITY

(\$ in millions)

Net cash used in operating activities

Net cash used in investing activities

Net cash (used in) provided by financing activities

Effect of FX rate changes on cash and cash equivalents and restricted cash

Net decrease in cash and cash equivalents and restricted cash

Three Months Ended March 31,

2020

2019

(\$136)

(\$393)

(92)

(74)

(94)

300

(39)

(9)

(\$361)

(\$176)

OTHER FINANCIAL METRICS

	Three Months Ended					
(\$ in thousands)	March 31, 2020	December 31, 2019	September 30, 2019	June 30, 2019	March 31, 2019	December 31, 2018
OMSR Gains	35,596	40,301	59,562	44,309	38,270	56,760
Amortization	(30,503)	(33,244)	(32,784)	(29,282)	(27,698)	(31,949)
(\$ in thousands)	Q1 2020 over Q1 2019	Q4 2019 over Q4 2018	Q3 2019 over Q3 2018	Q2 2019 over Q2 2018	Q1 2019 over Q1 2018	Q4 2018 over Q4 2017
OMSR Gains	(2,674)	(16,459)	13,939	5,072	6,153	7,674
Amortization	(2,805)	(1,295)	(2,504)	(2,658)	(805)	(5,898)
	As of					
(\$ in billions)	March 31, 2020	December 31, 2019	September 30, 2019	June 30, 2019	March 31, 2019	December 31, 2018
Loan Servicing Balance	240.0	230.1	223.0	210.3	201.6	192.8

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

(\$ in millions, except per share amounts)

Net income attributable to CBRE Group, Inc.

Asset impairments

Non-cash depreciation and amortization expense related to certain assets attributable to acquisitions

Impact of fair value adjustments to real estate assets acquired in the Telford Acquisition (purchase accounting) that were sold in period

Costs incurred related to legal entity restructuring

Integration and other costs related to acquisitions

Carried-interest incentive compensation expense (reversal) to align with the timing of associated revenue

Costs associated with our reorganization, including cost-savings initiatives ¹

Write-off of financing costs on extinguished debt

Tax impact of adjusted items

Adjusted net income

Adjusted diluted earnings per share

Weighted average shares outstanding for diluted income per share (millions)

Three Months Ended March 31,

2020

2019

172.2 164.4

75.2 89.0

20.1 22.2

5.8 -

3.2 -

0.8 -

(7.8) 7.3

- 15.8

- 2.6

(15.3) (33.8)

\$254.1 \$267.5

\$0.75 \$0.79

339.7 340.2

1. Primarily represents severance costs related to headcount reductions in connection with our reorganization announced in the third quarter of 2018 that became effective January 1, 2019.

RECONCILIATION OF NET INCOME TO ADJUSTED EBITDA

	Three Months Ended March 31,		Trailing Twelve Month Ended March 31,	Twelve Months Ended December 31,
(\$ in millions)	2020	2019	2020	2007 ¹
Net income attributable to CBRE Group, Inc.	\$172.2	\$164.4	\$1,290.1	\$390.5
Add:				
Depreciation and amortization	113.8	105.8	447.2	113.7
Interest expense, net of interest income	16.0	21.2	80.6	135.8
Write-off of financing costs on extinguished debt	-	2.6	-	-
Provision for income taxes	51.2	43.9	77.2	194.3
Asset impairments	75.2	89.0	75.9	-
EBITDA	\$428.4	\$426.9	\$1,971.0	\$834.3
Adjustments:				
Impact of fair value adjustments to real estate assets acquired in the Telford Acquisition (purchase accounting) that were sold in period	5.8	-	15.1	-
Costs incurred related to legal entity restructuring	3.2	-	10.1	-
Integration and other costs related to acquisitions	0.8	-	16.1	45.2
Carried interest incentive compensation (reversal) expense to align with the timing of associated revenue ²	(7.8)	7.3	(2.0)	-
Costs associated with our reorganization, including cost-savings initiatives ³	-	15.8	33.8	-
Merger-related charges	-	-	-	56.9
Loss on trading securities acquired in the Trammell Crow Company Acquisition	-	-	-	33.7
Adjusted EBITDA	\$430.4	\$450.0	\$2,044.1	\$970.1

1. Includes an immaterial amount of activity from discontinued operations.

2. Carried interest adjustments began after 2007.

3. Primarily represents severance costs related to headcount reductions in connection with our reorganization announced in the third quarter of 2018 that became effective January 1, 2019.

RECONCILIATION OF REVENUE TO FEE REVENUE

	Three Months Ended March 31	
	2020	2019
Global Workplace Solutions revenue	\$3,746.2	\$3,165.9
Less:		
Client reimbursed costs largely associated with employees dedicated to client facilities and subcontracted vendor work performed for clients	2,938.6	2,474.0
Global Workplace Solutions fee revenue	\$807.6	\$691.9
	Three Months Ended March 31	
	2020	2019
Property & Advisory Project Management revenue	\$565.9	\$520.9
Less:		
Client reimbursed costs largely associated with employees dedicated to client facilities and subcontracted vendor work performed for clients	\$257.3	\$232.8
Property & Advisory Project Management fee revenue	\$308.6	\$288.1
	Three Months Ended March 31	
	2020	2019
Consolidated revenue	\$5,889.2	\$5,135.5
Less:		
Client reimbursed costs largely associated with employees dedicated to client facilities and subcontracted vendor work performed for clients	3,195.9	2,706.8
Consolidated fee revenue	\$2,693.3	\$2,428.7

RECONCILIATION OF REAL ESTATE INVESTMENTS REVENUE TO ADJUSTED REVENUE

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

Real Estate Investments Revenue

Adjustments

Less: Cost of revenue

Add: Gain on disposition of real estate

Add: Equity income from unconsolidated subsidiaries

Less: Net income attributable to non-controlling interests

Add: Impact of fair value adjustments to real estate assets acquired in the Telford Acquisition (purchase accounting) that were sold in period

Net adjustments

Real Estate Investments Adjusted Revenue

Three Months Ended March 31

2020

2019

\$211.5

\$135.2

55.0

-

22.8

19.2

18.9

72.8

1.1

6.7

5.8

-

(8.6)

85.3

\$202.8

\$220.5