

July 31, 2020

Q2 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 second 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

	2Q20	2Q19	USD	Local Currency ¹
Revenue	\$5,381	\$5,714	▼ (6%)	▼ (4%)
Fee Revenue	\$2,256	\$2,849	▼ (21%)	▼ (19%)
Adjusted EBITDA	\$267	\$468	▼ (43%)	▼ (42%)
Earnings Per Diluted Share	\$0.24	\$0.66	▼ (63%)	▼ (62%)
Adjusted Earnings Per Diluted Share	\$0.35	\$0.81	▼ (57%)	▼ (56%)

- Second quarter results impacted by Covid-19 pandemic issues across major markets
 - Results include \$25 million in Covid-related costs and \$16 million from Covid-relief fund donation
 - Reduced EPS and Adjusted EPS by approximately \$0.10
- Strength in GWS offset pressure in more cyclical Advisory and REI segments

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

FORTIFIED BUSINESS WELL POSITIONED TO WITHSTAND COVID-19



Resiliency Improvements

- Double-digit GWS Adj. EBITDA growth points to resiliency of GWS business
- US Development business well positioned; expect to earn 2x more this year and next as compared to previous peak
- \$245B loan servicing portfolio generates recurring revenue
- Investment management earns significant majority of adj. EBITDA from recurring asset management fees



Emerging Occupier Trends

- Greater employee flexibility, expect increase in hybrid work
- Physical office remains important in hybrid work models
- Decades long densification trend to likely reverse
- Occupiers seeking guidance to navigate uncertain environment

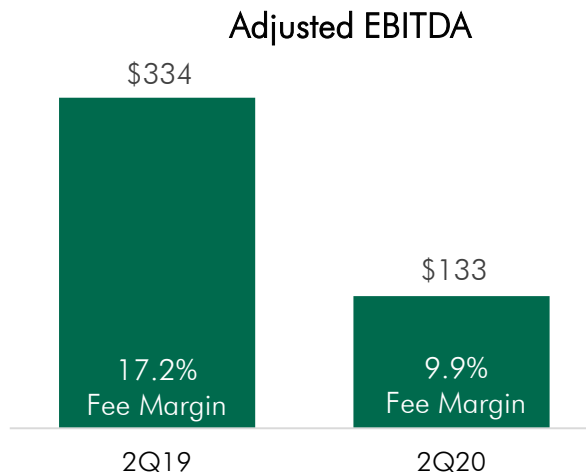
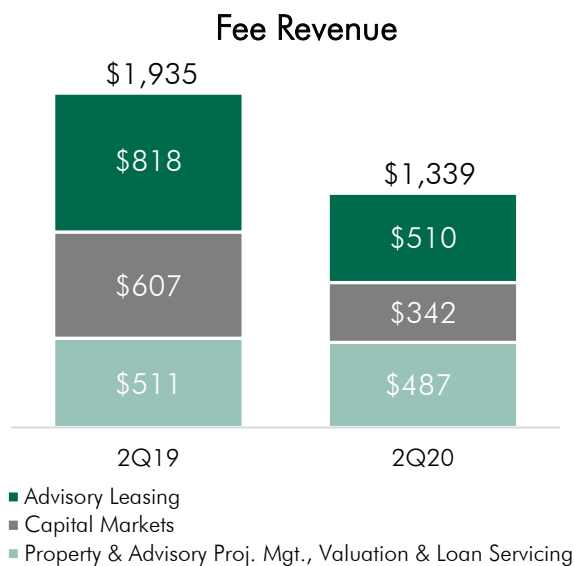


LEAH STEARNS

CHIEF FINANCIAL OFFICER

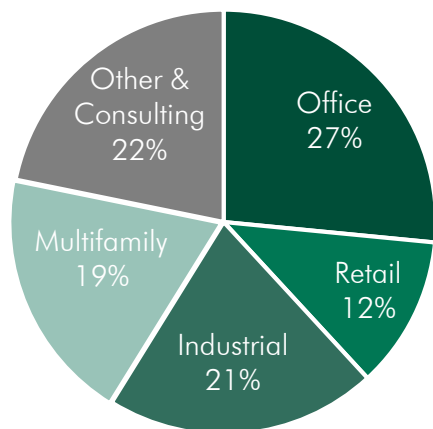
ADVISORY SERVICES

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

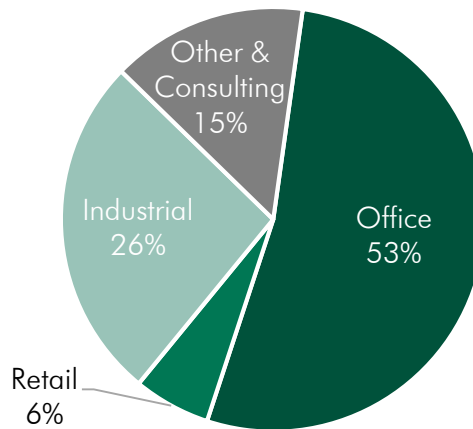


- Leasing contracted 38% and 43% globally and in the US, respectively
- Property sales fell 48% globally and 51% in the US
- Loan servicing revenue climbed 15% partially offsetting more cyclical business lines
- Adjusted EBITDA includes \$19M in incremental costs related to Covid and donation allocation

2Q20 Sales Revenue By Property Type

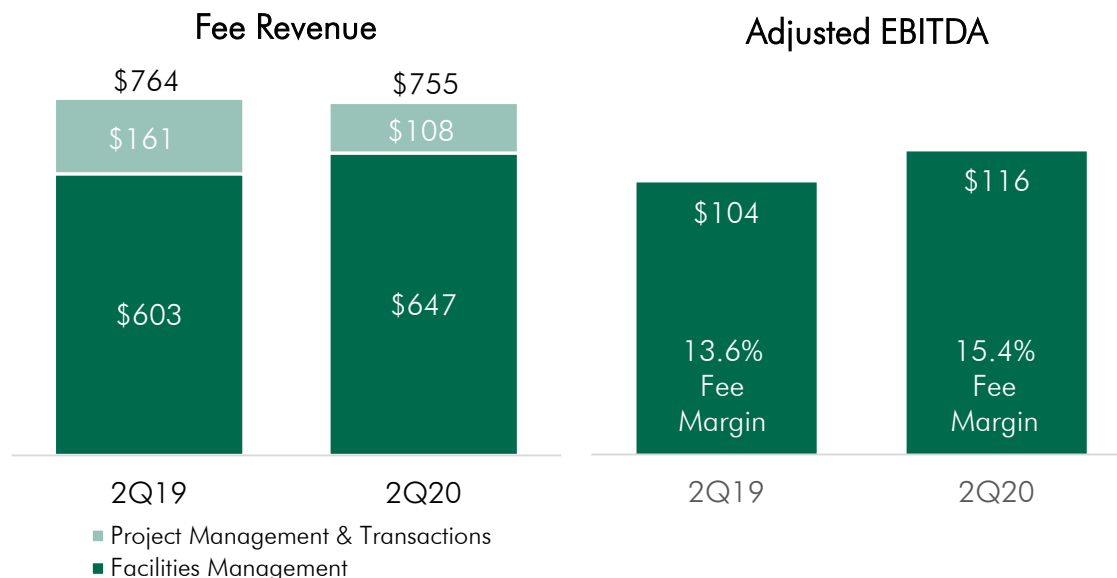


2Q20 Leasing Revenue By Property Type

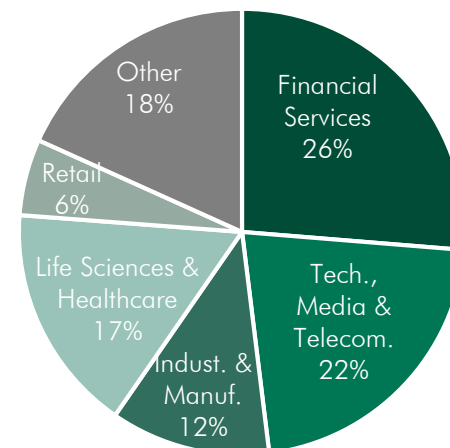


GLOBAL WORKPLACE SOLUTIONS (GWS)

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



YTD Q2 2020 Revenue By Industry

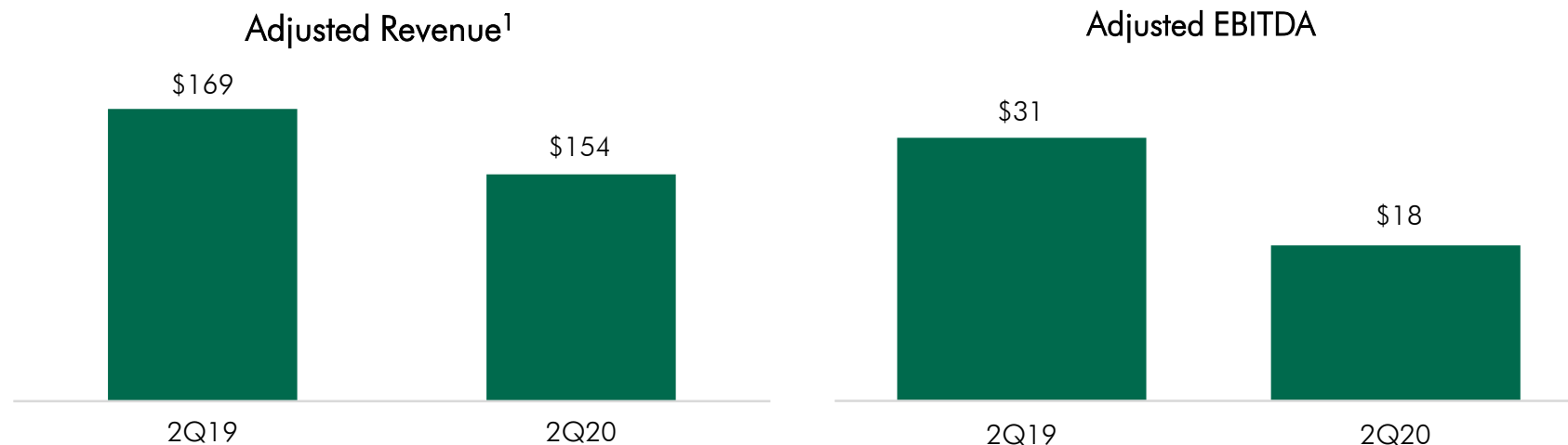


- Facilities management (FM) grew gross and fee revenue 13% and 7%, respectively
- Disciplined cost management drove Adjusted EBITDA growth of over 11% despite \$20M in incremental costs related to Covid and relief fund donation allocation
- Business well diversified across client types
- Pipeline weighted towards logistics, financial services and technology



REAL ESTATE INVESTMENTS

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



Development

- Well positioned for current environment; nearly 80% of in-process inventory related to industrial, multifamily, healthcare and office properties at least 90% leased
- Strong demand for high-quality assets despite challenging conditions

Investment Management

- Adjusted EBITDA grew 62% over the prior year driven by higher recurring fees and carried interest
- Focus on core and core plus strategies has been highly advantageous

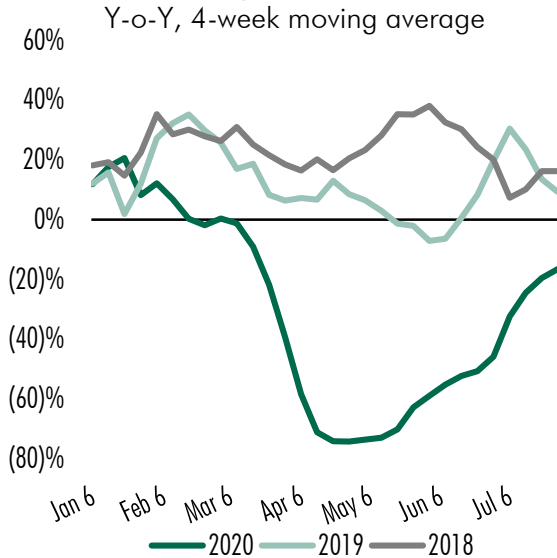
Flexible Space Solutions (Hana)

- Impacted by mandatory shut-down driving lower revenue and longer ramp-up periods for new units
- New unit pipeline building partially reflecting higher demand for asset-light opportunities

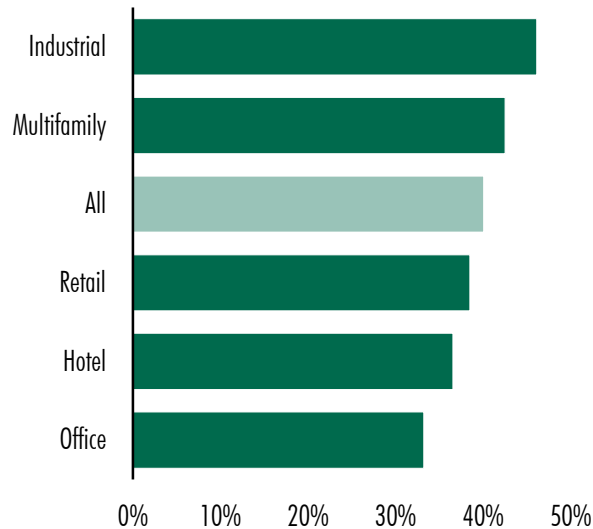
1. Adjusted Revenue for Development is shown net of cost of sales.

2020 OUTLOOK: PROVIDING QUALITATIVE GUIDANCE FOR THE YEAR

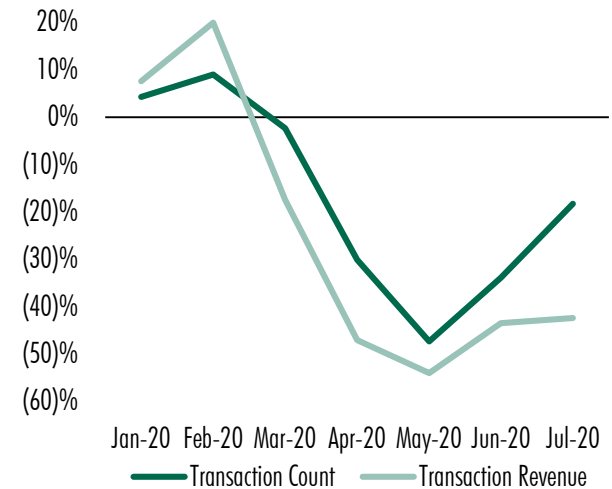
% Change in # of Signed Confidentiality Agreements
Y-o-Y, 4-week moving average



of Confidentiality Agreements in June 2020 vs. Previous 2-Year Average



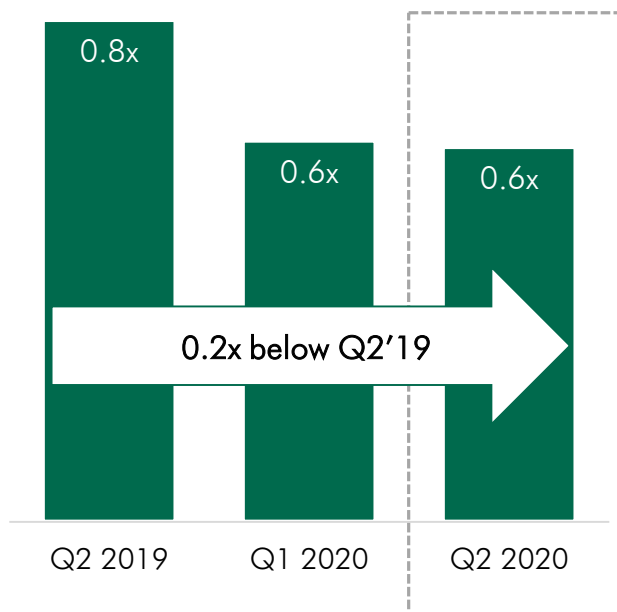
Y-o-Y % Change in US Transaction Count & Revenue
Leasing & Property Sales



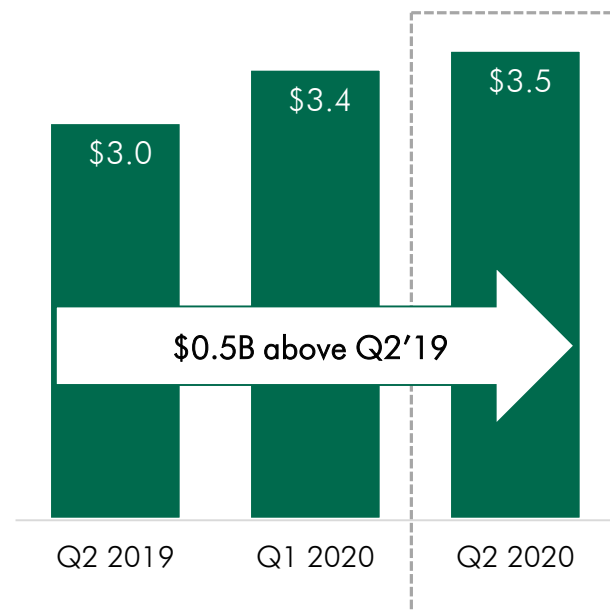
- Robust pipeline built pre-Covid onset drove stronger than expected Q2 results
 - Future leasing and sales performance requires pipeline replenishment
 - Carefully monitoring forward-looking indicators to gauge pipeline rebuilding
 - Improving transaction count trend but weighted to smaller deals
- Industrial and multifamily lead recovery in June; shift to e-commerce continuing to boost industrial transactions

ENHANCED FINANCIAL RESILIENCY POSITIONS US WELL

Net Debt to TTM Adj. EBITDA



Total Liquidity
\$ Billions



- Continued to strengthen balance sheet and liquidity position despite challenging macroeconomic conditions
- Expect to continue prioritizing liquidity preservation over pursuing large, discretionary capital outlays
 - Seek more visibility on the timing and strength of the economic recovery

ACCELERATING DIVERSITY AND INCLUSION INITIATIVES



Diverse Leadership

- Increased diversity meaningfully within Board of Directors and Executive Management Committee since 2015
- Put more women into key leadership positions
- Need to do more with ethnic diversity, particularly in management and brokerage ranks



Accelerate Progress

- Appointed first Chief Diversity Officer, Tim Dismond, to accelerate progress on diversity and inclusion
 - Tim is a long-tenured senior leader at CBRE
 - Previously served as President of the GWS South Division
- Joins 12-member Global Executive Committee and reports to CEO
- Committed to resources/support to accelerate gains

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 costs primarily associated with workforce optimization efforts in response to the Covid-19 pandemic, 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, costs incurred in connection with a litigation settlement 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.

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 costs primarily associated with workforce optimization efforts in response to the Covid-19 pandemic, 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, and costs associated with our reorganization, including cost-savings initiatives.

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.

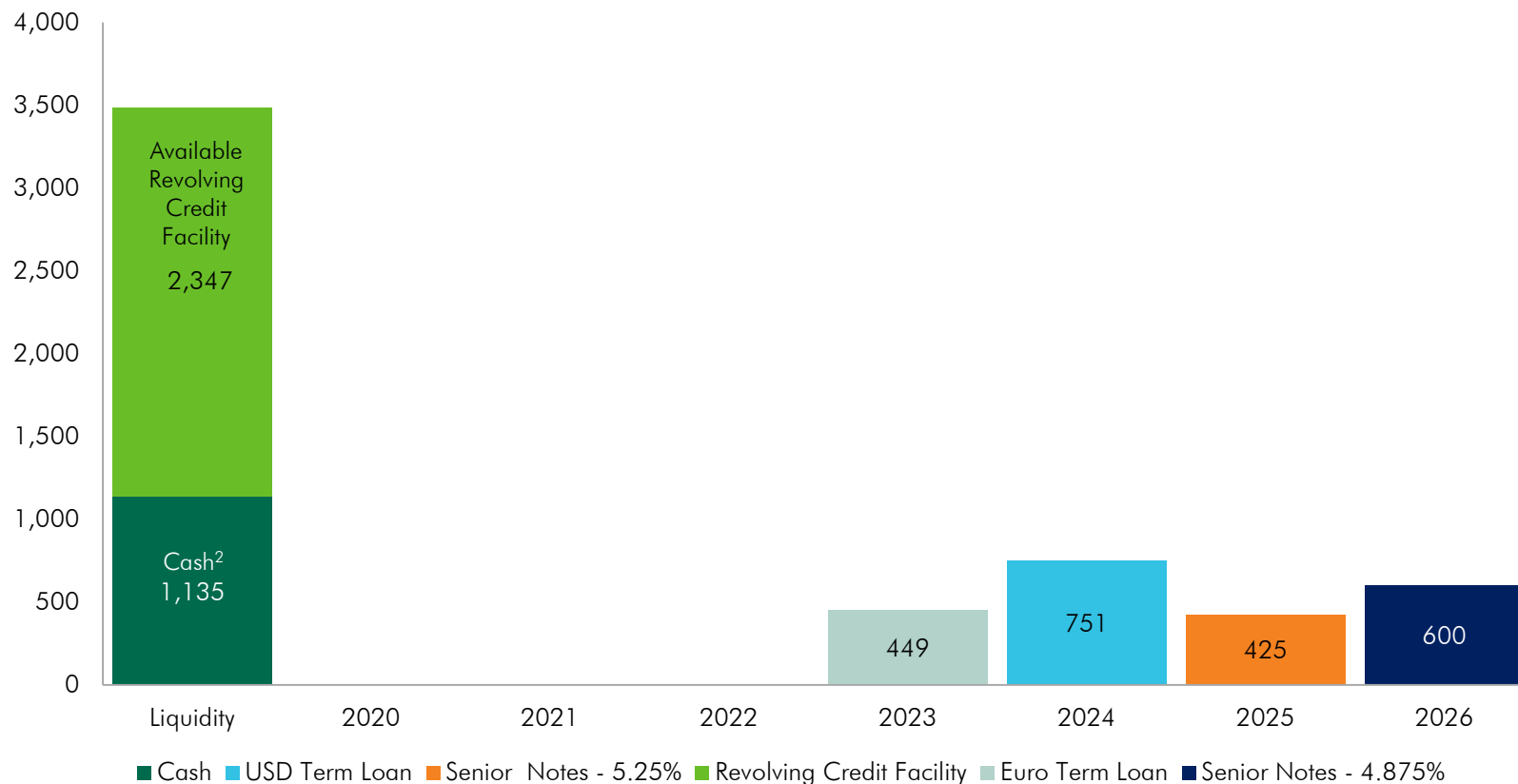
Net Debt: calculated as total debt (excluding non-recourse debt) less cash available for company use.

SUPPLEMENTAL SLIDES, GAAP RECONCILIATION TABLES

MANDATORY AMORTIZATION AND MATURITY SCHEDULE

AS OF JUNE 30, 2020¹

(\$ in millions)



1. \$2,800 million revolving credit facility matures in March 2024. As of June 30, 2020, revolving credit facility availability balance was \$451.0 million.

2. Excludes \$79.1 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)

	June 30, 2020	March 31, 2020	June 30, 2019
Cash ¹	\$1,135	\$560	\$394
Revolving credit facility	451	-	230
Senior term loans ²	746	738	750
Senior notes ²	1,017	1,017	1,016
Other debt ^{3,4}	9	8	3
Total debt	\$2,223	\$1,762	\$1,999
Less: Cash ¹	\$1,135	\$560	\$394
Total net debt	\$1,088	\$1,202	\$1,605
TTM Adjusted EBITDA	\$1,843	\$2,044	\$2,037
Net debt to TTM Adjusted EBITDA	0.59x	0.59x	0.79x

	June 30, 2020	March 31, 2020	June 30, 2019
Cash ¹	\$1,135	\$560	\$394
Revolving credit facility availability	2,347	2,798	2,568
Total liquidity	\$3,482	\$3,358	\$2,962

1. Excludes \$79.1 million, \$68.4 million and \$141.8 of cash in consolidated funds and other entities not available for company use at June 30, 2020, March 31, 2020 and June 30, 2019, respectively.
2. Outstanding amounts for 2020 reflected net of unamortized debt issuance costs.
3. Excludes \$753.9 million, \$1,258.8 million and \$1,350.0 million of warehouse facilities for loans originated on behalf of the FHA and other government sponsored enterprises outstanding at June 30, 2020, March 31, 2020 and June 30, 2019, 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 \$31.0 million, \$10.8 million and \$10.1 million at June 30, 2020, March 31, 2020 and June 30, 2019, respectively.



SUMMARIZED CASH FLOW ACTIVITY

TOTALS MAY NOT ADD DUE TO ROUNDING

(\$ in millions)

Net cash provided by (used in) operating activities

Net cash used in investing activities

Net cash 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

Six Months Ended June,

2020

2019

\$6 (\$293)

(136) (148)

377 186

(27) 5

\$220 (\$251)

OTHER FINANCIAL METRICS

		Three Months Ended					
(\$ in thousands)		June 30, 2020	March 31, 2020	December 31, 2019	September 30, 2019	June 30, 2019	March 31, 2019
OMSR Gains		\$37,729	\$35,596	\$40,301	\$59,562	\$44,309	\$38,270
Amortization		(\$31,903)	(\$30,503)	(\$33,244)	(\$32,784)	(\$29,282)	(\$27,698)
		Q2 2020 over Q2 2019	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
OMSR Gains		(\$6,580)	(\$2,674)	(\$16,459)	\$13,939	\$5,072	\$6,153
Amortization		(\$2,621)	(\$2,805)	(\$1,295)	(\$2,504)	(\$2,658)	(\$805)
		As of					
(\$ in billions)		June 30, 2020	March 31, 2020	December 31, 2019	September 30, 2019	June 30, 2019	March 31, 2019
Loan Servicing Balance		\$245.3	\$240.0	\$230.1	\$223.0	\$210.3	\$201.6

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

TOTALS MAY NOT ADD DUE TO ROUNDING

(\$ in millions, except per share amounts)

Net income attributable to CBRE Group, Inc.

Costs associated with workforce optimization efforts¹

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 initiatives²

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 June 30,

2020

2019

\$81.9 \$223.7

37.6 -

18.5 19.6

1.2 -

0.7 -

0.2 9.0

(7.5) 8.3

- 33.8

(14.9) (17.4)

\$117.7 \$277.1

\$0.35 \$0.81

337.4 340.5

1. Represents costs incurred primarily related to workforce optimization initiated and executed in the second quarter of 2020 as part of management's cost containment efforts in response to the Covid-19 pandemic. The charges are cash expenditures primarily for severance costs incurred related to this effort.

2. 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

TOTALS MAY NOT ADD DUE TO ROUNDING

	Three Months Ended June,		Trailing Twelve Months Ended		
	2020	2019	June 30, 2020	March 31, 2020	June 30, 2019
(\$ in millions)					
Net income attributable to CBRE Group, Inc.	\$81.9	\$223.7	\$1,148.3	\$1,290.1	\$1,072.4
Add:					
Depreciation and amortization	116.4	106.5	457.1	447.2	442.7
Interest expense, net of interest income	18.0	24.6	73.9	80.6	93.9
Write-off of financing costs on extinguished debt	-	-	-	-	2.6
Provision for income taxes	18.8	62.5	33.5	77.2	303.0
Asset impairments	-	-	75.9	75.9	89.0
EBITDA	\$235.1	\$417.3	\$1,788.7	\$1,971.0	\$2,003.6
Adjustments:					
Costs associated with workforce optimization efforts ¹	37.6	-	37.6	-	-
Impact of fair value adjustments to real estate assets acquired in the Telford Acquisition (purchase accounting) that were sold in period	1.2	-	16.3	15.1	-
Costs incurred related to legal entity restructuring	0.7	-	10.8	10.1	-
Integration and other costs related to acquisitions	0.2	9.0	7.3	16.1	18.2
Carried interest incentive compensation (reversal) expense to align with the timing of associated revenue	(7.5)	8.3	(17.8)	(2.0)	18.9
Costs associated with our reorganization, including cost-savings initiatives ²	-	33.8	-	33.8	87.5
Costs incurred in connection with litigation settlement	-	-	-	-	8.8
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	-	-	-	-	(100.4)
Adjusted EBITDA	\$267.3	\$468.5	\$1,842.9	\$2,044.1	\$2,027.8

1. Represents costs incurred primarily related to workforce optimization initiated and executed in the second quarter of 2020 as part of management's cost containment efforts in response to the Covid-19 pandemic. The charges are cash expenditures primarily for severance costs incurred related to this effort.
2. 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

TOTALS MAY NOT ADD DUE TO ROUNDING
(\$ IN MILLIONS)

		Three Months Ended June 30,	
		2020	2019
Global Workplace Solutions revenue		\$3,666.8	\$3,385.5
Less:			
Client reimbursed costs largely associated with employees dedicated to client facilities and subcontracted vendor work performed for clients		2,911.5	2,621.1
Global Workplace Solutions fee revenue		\$755.3	\$764.3
		Three Months Ended June 30,	
		2020	2019
Property & Advisory Project Management revenue		\$512.2	\$555.8
Less:			
Client reimbursed costs largely associated with employees dedicated to client facilities and subcontracted vendor work performed for clients		\$213.8	\$243.5
Property & Advisory Project Management fee revenue		\$298.4	\$312.4
		Three Months Ended June 30,	
		2020	2019
Consolidated revenue		\$5,381.4	\$5,714.1
Less:			
Client reimbursed costs largely associated with employees dedicated to client facilities and subcontracted vendor work performed for clients		3,125.3	2,864.6
Consolidated fee revenue		\$2,256.0	\$2,849.5

RECONCILIATION OF REAL ESTATE INVESTMENTS REVENUE TO ADJUSTED REVENUE

		Three Months Ended June 30,	
		2020	2019
(\$ in millions), totals may not sum due to rounding			
Real Estate Investments Revenue		\$161.6	\$149.7
Adjustments			
Less: Cost of revenue		30.0	-
Add: Gain on disposition of real estate		(0.5)	-
Add: Equity income from unconsolidated subsidiaries		21.3	19.0
Less: Net loss attributable to non-controlling interests		-	(0.3)
Add: Impact of fair value adjustments to real estate assets acquired in the Telford Acquisition (purchase accounting) that were sold in period		1.2	-
Net adjustments		(8.0)	19.3
Real Estate Investments Adjusted Revenue		\$153.6	\$169.0