

April 27, 2023

# Q1 2023 CBRE Earnings Call

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# Forward-Looking Statements

This presentation contains statements that are forward looking within the meaning of the Private Securities Litigation Reform Act of 1995, including, but not limited to, statements regarding our earnings outlook. These statements involve risks and uncertainties that may cause actual results and trends to differ materially from those projected. 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 and quarterly reports filed on Form 10-K and Form 10-Q, respectively, and in particular any discussion of risk factors or forward-looking statements therein, which are available on the SEC's website ([www.sec.gov](http://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 &  
Chief Executive Officer



**Emma Giamartino**

Chief Financial Officer



**Brad Burke**

Senior Vice President,  
Investor Relations &  
Strategic Finance

## Consolidated Results Summary

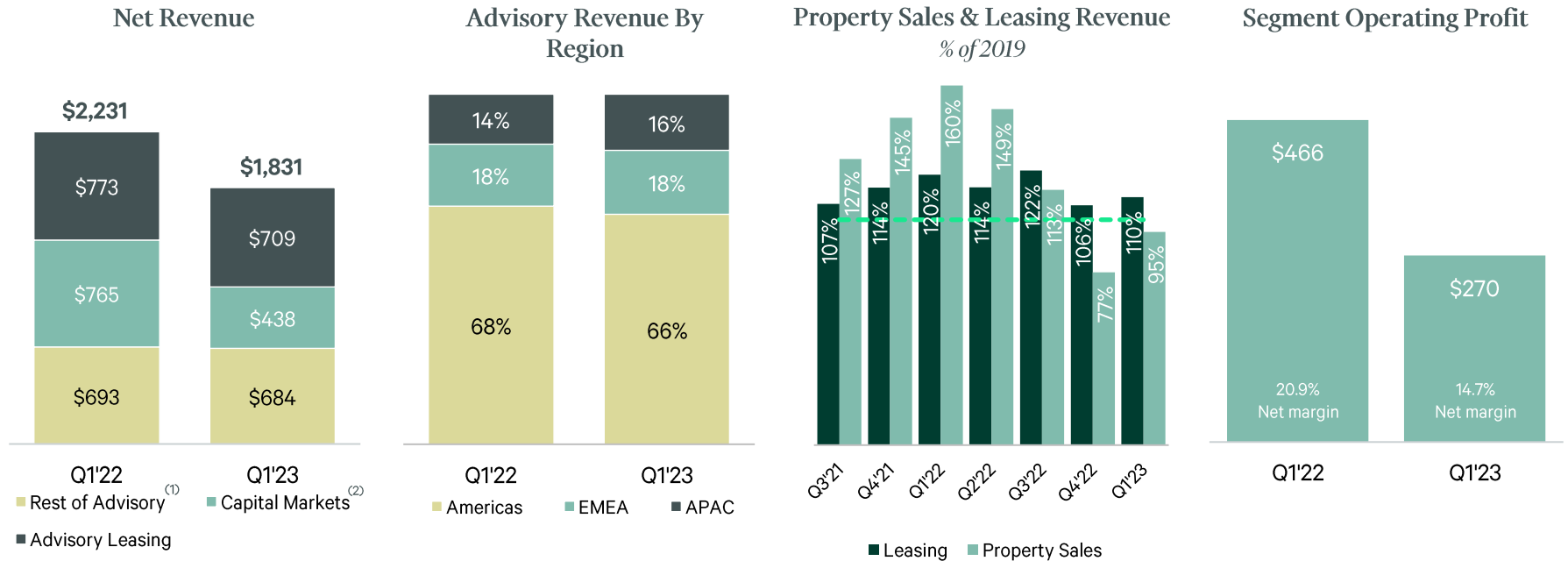
- Despite challenging conditions in the commercial real estate sector, our first quarter results slightly exceeded our expectations
- Performance relative to expectations led by cyclically resilient elements of our business and cost management efforts, more than offsetting greater-than-expected decline in property sales

\$ in millions, except per share figures	Q1 2023	Q1 2022		2023/2022 % Change
Revenue	\$7,411	\$7,333	▲	1%
Net Revenue	4,181	4,376	▼	(4)%
Core EBITDA	533	732	▼	(27)%
GAAP EPS	\$0.37	\$1.16	▼	(68)%
Core EPS	\$0.92	\$1.39	▼	(34)%

# Advisory Services

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

- Total Advisory net revenue declined 18% (16% local currency); in-line with expectations for a challenging start to the year
- Capital markets revenues declined 43% as investors continue to wait for lower borrowing costs and clarity on asset valuations
- Leasing revenue declined 8% (6% local currency). In local currency, leasing declined 10% in the Americas, 5% in EMEA and rose 26% in APAC, consistent with expectations for non-Americas markets to outperform
- Advisory net margins declined on negative operating leverage but overall in-line with expectations. Operating expenditures fell 2.5% as a result of cost mitigation efforts.



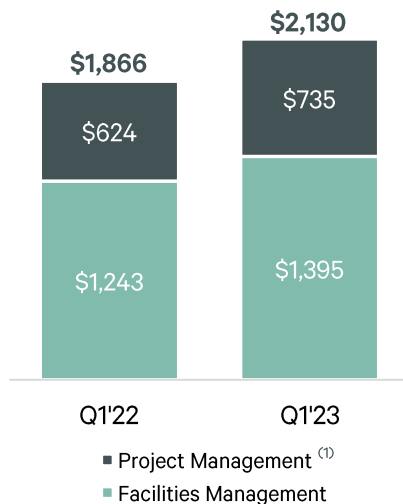
1. Includes Property Management, Valuation and Loan Servicing  
 2. Includes Property Sales and Commercial Mortgage Origination  
 Definitions and reconciliations are provided at the end of this presentation

# Global Workplace Solutions (GWS)

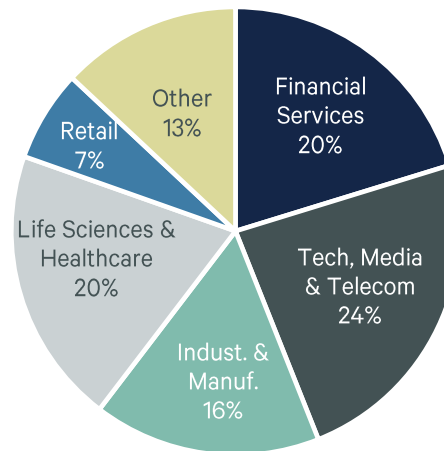
\$ in millions, totals may not sum due to rounding

- GWS net revenue grew by 14%, with both Facilities Management and Project Management growing by double digits
- Strong growth was driven by several of the large contract wins achieved last year
- GWS now represents significantly larger share of CBRE’s business; projected at over one-third of 2023 Core EBITDA, up from 23% in 2019
- Our pipeline of new business reached a record level at the end of the first quarter, as both existing clients and first-generation outsourcers increasingly focused on cost reductions

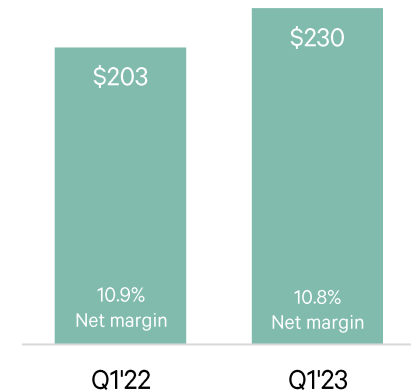
Net Revenue



Q1 2023 Facilities Management Revenue By Industry



Segment Operating Profit



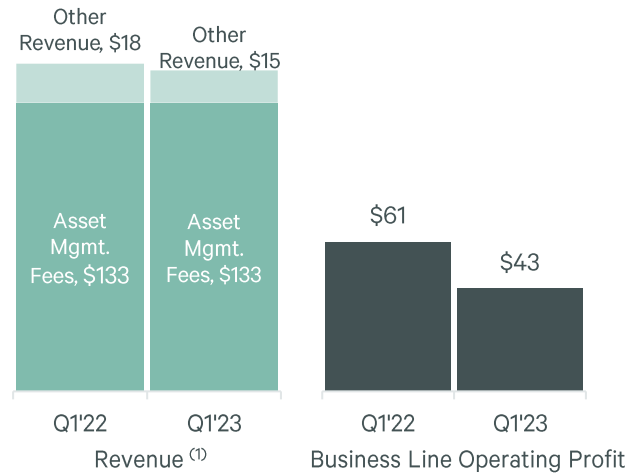
1. Project Management includes Turner & Townsend  
Definitions and reconciliations are provided at the end of this presentation

# Real Estate Investments

- REI Q1 SOP decline mostly attributable to difficult comparisons; Q1 2022 represents 2<sup>nd</sup> highest ever quarter for REI
- Development Business Line Operating Profit of \$90M driven by large industrial development sales in January
- We are focused on retaining optionality within Development to take advantage of eventual recovery
- Investment Management Business Line Operating Profit increased year-over-year excluding significant prior year mark to market co-investment gains

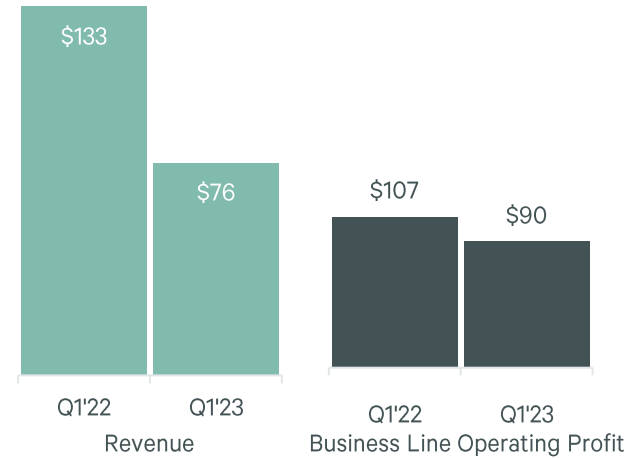
## Investment Management

\$ Millions



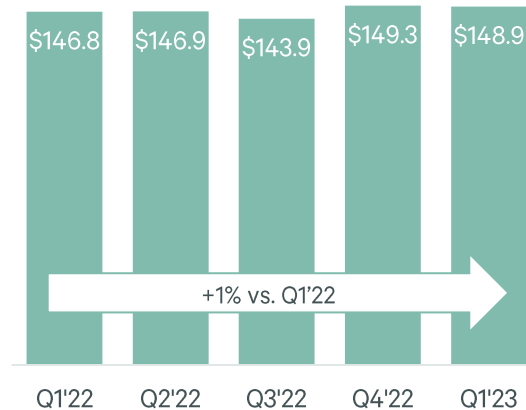
## Development

\$ Millions



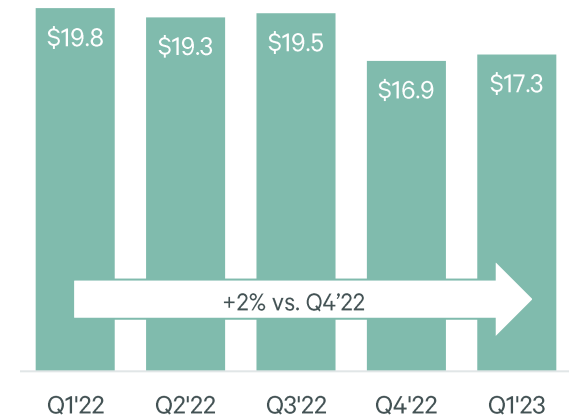
## Assets Under Management

\$ Billions



## In-Process Inventory

\$ Billions



1. 'Other Revenue' includes incentive/acquisition/disposition and other fees as well as carried interest  
Definitions and reconciliations are provided at the end of this presentation



# Capital Allocation and Outlook

## **Capital Allocation: Expect to deploy more capital in next 12 months vs. prior 12 months**

- M&A pipeline includes multiple large, attractive opportunities which could transform CBRE's existing offerings
- If unable to convert larger pursuits, CBRE will accelerate share repurchase activity well above Q1 2023 levels

## **Maintaining outlook for 2023 Core EPS decline of low-to-mid double digits despite expectations for more pronounced decline in transaction revenue**

- Expect delayed recovery due to constrained debt liquidity and heightened market uncertainty
- Anticipate property sales revenue to decline nearly 20% and leasing revenue to decline high single-digits
- Continue to expect 2024 Core EPS to exceed prior peak level

## **Stronger growth in cyclically resilient businesses and cost management efforts largely offset impact of weaker transaction outlook**

- More uncertainty in current outlook than 60 days ago given more challenging economic environment

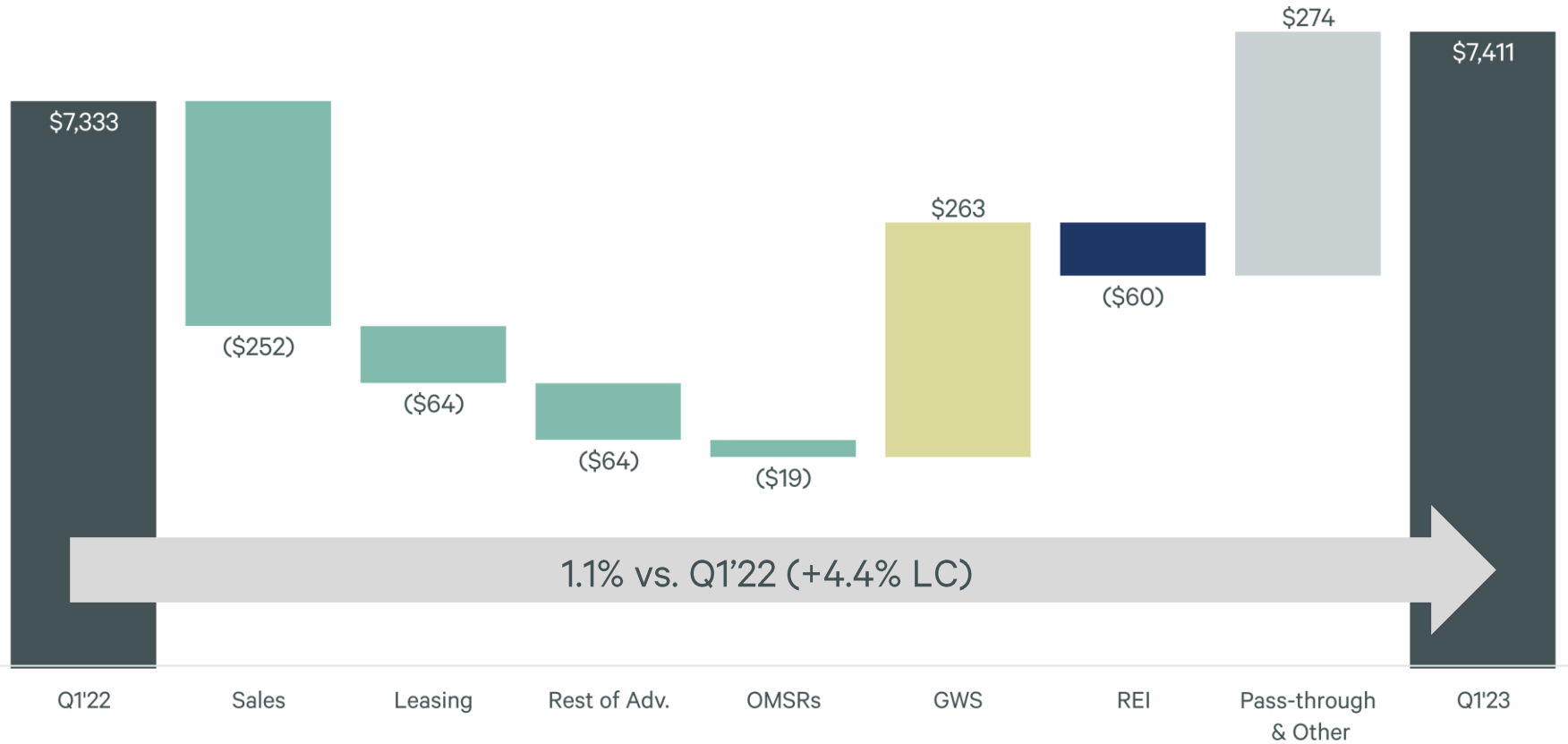


# Appendix

# Revenue

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

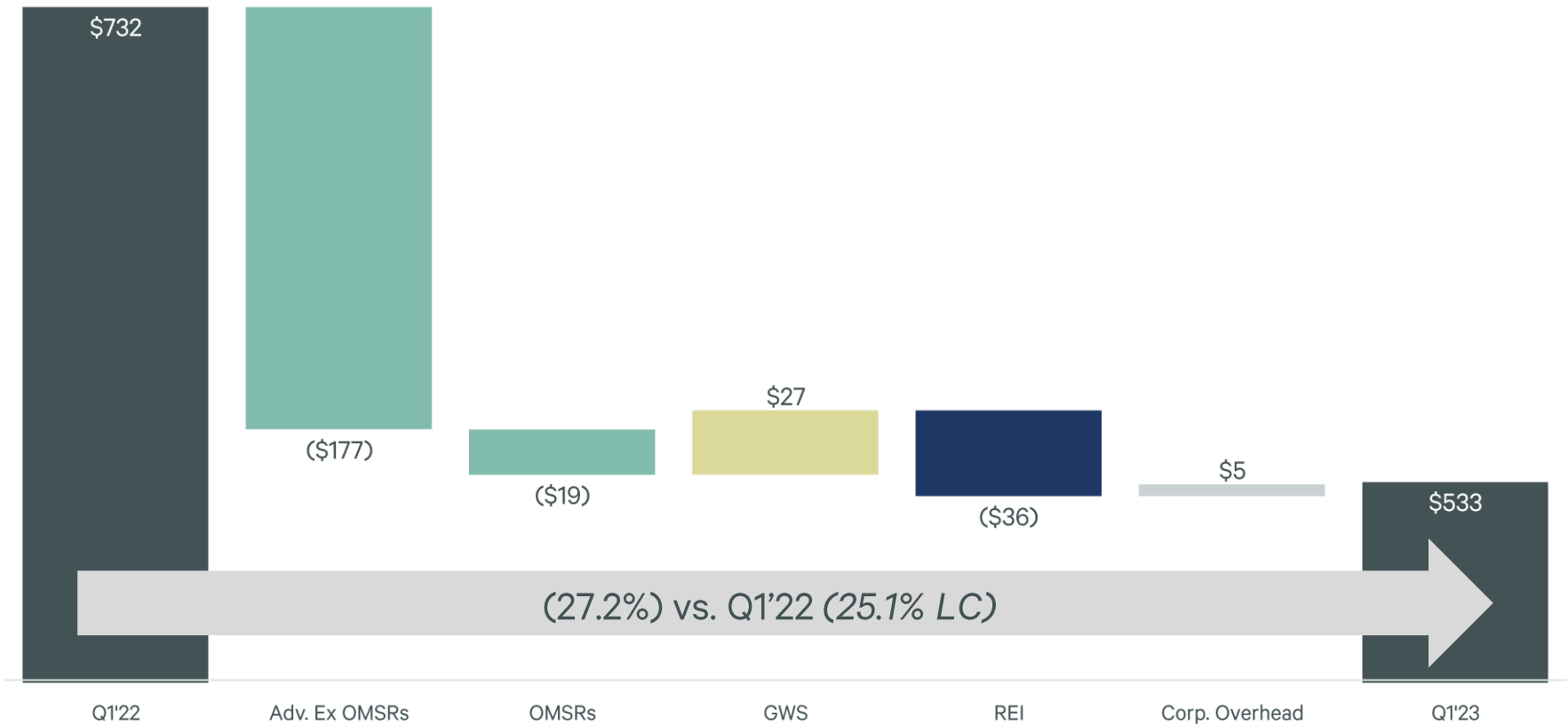
- Advisory
- Global Workplace Solutions (GWS)
- Real Estate Investments (REI)



# Core EBITDA

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

- Advisory
- Global Workplace Solutions (GWS)
- Real Estate Investments (REI)



# TTM Q1'23 Revenue

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

	Leasing	Property Sales	CMO	Loan Servicing	Valuation	Property Management	Global Workplace Solutions	Development	Investment Management	Total <sup>(1)</sup>
<b>Revenue</b>										
TTM Q1'23	\$3,808	\$2,270	\$489	\$315	\$749	\$1,858	\$20,383	\$458	\$592	\$30,906
<i>Less pass-through costs associated with revenue</i>	—	—	—	—	—	77	12,248	—	—	12,325
<b>Net Revenue</b>										
TTM Q1'23	3,808	2,270	489	315	749	1,781	8,135	458	592	18,581
% of Total Net Revenue	20%	12%	3%	2%	4%	10%	44%	2%	3%	100%
<b>Net Revenue Growth Rate (Q1'23 vs. Q1'22)</b>										
USD	▲ 7%	▼ (25)%	▼ (31)%	▲ 1%	▼ (1)%	▲ 3%	▲ 19%	▼ (22)%	▲ 3%	▲ 3%
Local Currency	▲ 10%	▼ (21)%	▼ (30)%	▲ 2%	▲ 5%	▲ 8%	▲ 24%	▼ (16)%	▲ 11%	▲ 7%

1. Total includes impact of Corporate eliminations of (\$16) million  
Definitions and reconciliations are provided at the end of this presentation

# Q1'23 Revenue

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

	Leasing	Property Sales	CMO	Loan Servicing	Valuation	Property Management	Global Workplace Solutions	Development	Investment Management	Total <sup>(1)</sup>
<b>Revenue</b>										
Q1'23	\$709	\$367	\$71	\$77	\$166	\$464	\$5,338	\$76	\$147	\$7,411
<i>Less pass-through costs associated with revenue</i>	—	—	—	—	—	23	3,208	—	—	3,230
<b>Net Revenue</b>										
Q1'23	709	367	71	77	166	441	2,130	76	147	4,181
% of Total Net Revenue	17%	9%	2%	2%	4%	11%	51%	2%	4%	100%
<b>Net Revenue Growth Rate (Q1'23 vs. Q1'22)</b>										
USD	▼ (8)%	▼ (41)%	▼ (51)%	▲ 5%	▼ (9)%	▲ 1%	▲ 14%	▼ (43)%	▼ (2)%	▼ (4)%
Local Currency	▼ (6)%	▼ (38)%	▼ (51)%	▲ 5%	▼ (5)%	▲ 4%	▲ 18%	▼ (39)%	▲ 3%	▼ (1)%

1. Total includes impact of Corporate eliminations of (\$4) million  
Definitions and reconciliations are provided at the end of this presentation



Non-GAAP  
Measures And  
Definitions

# Non-GAAP Financial Measures

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

- i. Net revenue
- ii. Core EBITDA
- iii. Business line operating profit/loss
- iv. Segment operating profit on revenue and net revenue margins
- v. Net debt
- vi. Core net income attributable to CBRE Group, Inc. stockholders, as adjusted (which we also refer to as “core adjusted net income”)
- vii. Core EPS

These measures are not recognized measurements under United States generally accepted accounting principles (GAAP). When analyzing our operating performance, investors should use these measures 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 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 net revenue, net revenue is gross revenue less costs largely associated with subcontracted vendor work performed for clients. We believe that investors may find this measure useful to analyze the company’s overall financial performance because it excludes costs reimbursable by clients that generally have no margin, and as such provides greater visibility into the underlying performance of our business.

With respect to Core EBITDA, business line operating profit/loss, and segment operating profit on revenue and net revenue margins, 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, 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 Core EBITDA, this measure is not intended to be a measure of free cash flow for our management’s discretionary use because it does not consider cash requirements such as tax and debt service payments. The Core EBITDA measure 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 segment operating profit and core EPS as significant components when measuring our operating performance under our employee incentive compensation programs.

With respect to core EBITDA, core EPS and core adjusted net income, the company believes that investors may find these measures useful to analyze the underlying performance of operations without the impact of strategic non-core equity investments (Altus Power, Inc. and certain other investments) that are not directly related to our business segments. These can be volatile and are often non-cash in nature.

With respect to net debt, the company believes that investors use this measure when calculating the company’s net leverage ratio.



# Definitions

**Core EBITDA:** Core EBITDA represents earnings, inclusive of non-controlling interest, before net interest expense, write-off of financing costs on extinguished debt, income taxes, depreciation and amortization, asset impairments, adjustments related to certain carried interest incentive compensation expense (reversal) to align with the timing of associated revenue, fair value adjustments to real estate assets acquired in the Telford acquisition (purchase accounting) that were sold in the period, costs incurred related to legal entity restructuring, costs associated with efficiency and cost-reduction initiatives, provisions associated with Telford fire safety remediation and integration and other costs related to acquisitions. It also removes the fair value changes, on a pre-tax basis, of certain strategic non-core non-controlling equity investments that are not directly related to our business segments (including venture capital “VC” related investments).

**Core adjusted Earnings Per Diluted Share:** adjusted earnings per diluted share less the fair value changes and related tax impact of certain strategic non-core non-controlling equity investments that are not directly related to our business segments (including venture capital “VC” related investments).

**Core adjusted Net Income:** net income attributable to CBRE as adjusted less the fair value changes and related tax impact of certain strategic non-core non-controlling equity investments that are not directly related to our business segments (including venture capital “VC” related investments).

**Liquidity:** includes cash available for company use, as well as availability under the Company’s revolving credit facilities.

**Net Debt (net cash):** calculated as cash and cash equivalents less total debt (excluding non-recourse debt).

**Net Revenue:** gross revenue less costs largely associated with subcontracted vendor work performed for clients. These costs are reimbursable by clients and generally have no margin.

**Segment operating profit:** Segment operating profit is the measure reported to the chief operating decision maker (CODM) for purposes of making decisions about allocating resources to each segment and assessing performance of each segment. Segment operating profit represents earnings before net interest expense, write-off of financing costs on extinguished debt, income taxes, depreciation and amortization and asset impairments, as well as adjustments related to the following: certain carried interest incentive compensation expense (reversal) to align with the timing of associated revenue, fair value adjustments to real estate assets acquired in the Telford Acquisition (purchase accounting) that were sold in the period, costs incurred related to legal entity restructuring, costs associated with workforce optimization, transformation initiatives, costs associated with efficiency and cost-reduction initiatives, provisions associated with Telford fire safety remediation and integration and other costs related to acquisitions.

**Segment operating profit revenue margin:** represents segment operating profit divided by revenue.

**Segment operating profit revenue net margin:** represents segment operating profit divided by net revenue.

**Business line operating profit:** contribution from each line of business to the respective reportable segment’s operating profit.



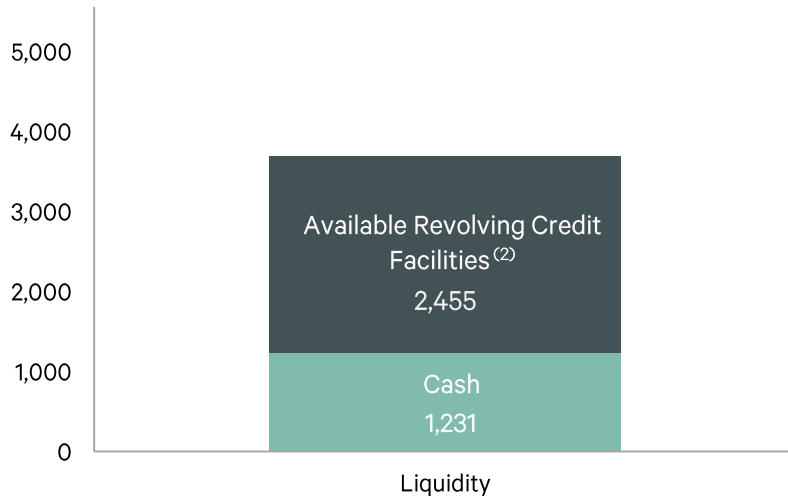
Supplemental  
Slides, GAAP  
Reconciliation  
Tables

# Mandatory Amortization and Maturity Schedule

\$ in millions, totals may not sum due to rounding | As of March 31, 2023

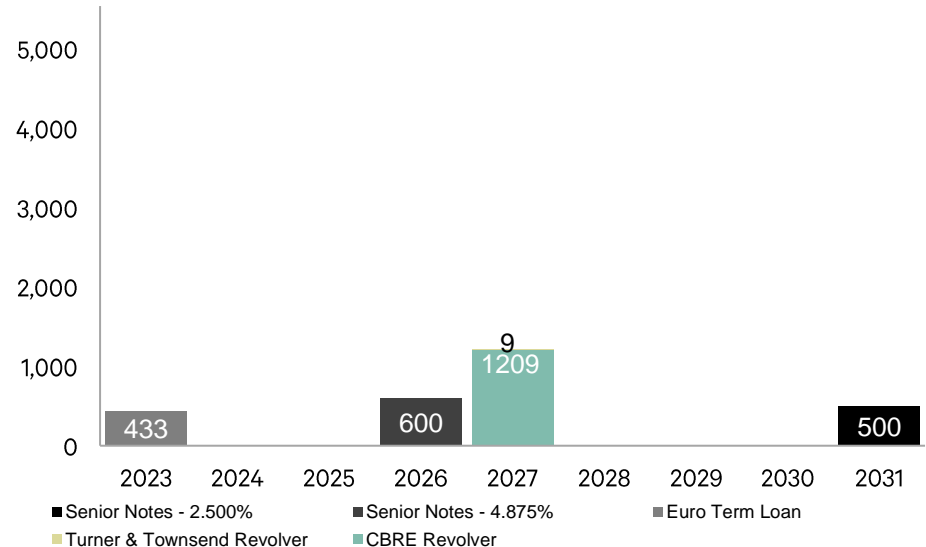
## Liquidity <sup>(1)</sup>

- Robust liquidity at approximately \$3.7 billion, enabling net leverage of around 0.6x



## Maturity Schedule

- No significant maturities until December 2023 <sup>(3)</sup>
- Pre-payable debt allows for further flexibility
- Mix of EUR and USD denominated debt that matches business exposure and acts as a natural hedge



1. Liquidity includes cash available for company use, as well as availability under the Company's revolving credit facilities  
 2. Includes outstanding capacity on 120M GBP Turner & Townsend revolver with an additional accordion option of 20M GBP. Maturity extended to 2027 during Q1 2022  
 3. Maturities on revolvers represent the maturity of the facilities

# Debt and Leverage

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

	March 31, 2023
Cash	\$1,231
Revolving Credit Facility	1,209
Senior notes	1,087
Current maturities of long-term debt	433
Other debt <sup>(1) (2)</sup>	17
<b>Total Debt</b>	<b>\$2,746</b>
Less: Cash	1,231
<b>Net debt</b>	<b>\$1,515</b>
TTM Core EBITDA	2,725
<b>Net leverage <sup>(3)</sup></b>	<b>0.56x</b>

1. Excludes warehouse facilities for loans originated on behalf of the FHA and other government sponsored enterprises outstanding, which are non-recourse to CBRE Group, Inc.
2. Excludes non-recourse notes payable on real estate, net of unamortized debt issuance costs
3. Net leverage is net debt divided by TTM Core EBITDA

# Liquidity

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

	March 31, 2023
Cash	\$1,231
Revolving Credit Facilities Available <sup>(1)</sup>	2,455
<b>Total Liquidity</b>	<b>\$3,686</b>

1. Includes outstanding capacity on 120M GBP Turner & Townsend revolver with an additional accordion option of 20M GBP

## Summarized Cash Flow Activity

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

	Three Months Ended March 31,	
	2023	2022
Net cash used in operating activities	(745)	(394)
Net cash used in investing activities	(115)	(96)
Net cash provided by (used in) financing activities	761	(209)
Effect of FX rate changes on cash, cash equivalents and restricted cash	14	(49)
<b>Net decrease in cash, cash equivalents and restricted cash</b>	<b>\$(85)</b>	<b>\$(747)</b>

## Other Financial Metrics

Totals may not sum due to rounding

(\$ in millions)	Three Months Ended				
	March 31, 2023	December 31, 2022	September 30, 2022	June 30, 2022	March 31, 2022
OMSR Gains	\$16.7	\$28.7	\$34.7	\$35.4	\$35.2
Amortization	\$(36.5)	\$(38.5)	\$(39.4)	\$(44.6)	\$(41.1)

(\$ in millions)	Q1 2023 over	Q4 2022 over	Q3 2022 over	Q2 2022 over	Q1 2022 over
	Q1 2022	Q4 2021	Q3 2021	Q2 2021	Q1 2021
OMSR Gains	\$(18.5)	\$(15.8)	\$(13.9)	\$(6.4)	\$(15.0)
Amortization	\$4.6	\$15.9	\$2.9	\$(4.9)	\$(5.3)

(\$ in billions)	As of				
	March 31, 2023	December 31, 2022	September 30, 2022	June 30, 2022	March 31, 2022
Loan Servicing Balance	\$386.0	\$381.2	\$350.0	\$348.1	\$339.7

# Reconciliation of Net Income to Core Adjusted Net Income and Core Earnings Per Share

\$ in millions, except for per share data, totals may not sum due to rounding

	Three Months Ended March 31,	
	2023	2022
Net income attributable to CBRE Group, Inc.	\$116.9	\$392.3
Plus / minus:		
Non-cash depreciation and amortization expense related to certain assets attributable to acquisitions and restructuring activities	49.2	41.0
Carried interest incentive compensation expense to align with the timing of associated revenue	7.0	22.9
Impact of fair value adjustments to real estate assets acquired in the Telford acquisition (purchase accounting) that were sold in period	—	(1.7)
Costs incurred related to legal entity restructuring	—	1.7
Integration and other costs related to acquisitions	18.1	8.1
Asset impairments	—	10.4
Net fair value adjustments on strategic non-core investments	26.2	136.4
Impact of adjustments on non-controlling interest	(10.2)	(9.1)
Costs associated with efficiency and cost-reduction initiatives	138.2	—
Tax impact of adjusted items, tax benefit attributable to legal entity restructuring, and strategic non-core investments	(55.8)	(132.7)
<b>Core net income attributable to CBRE Group, Inc., as adjusted</b>	<b>\$289.7</b>	<b>\$469.2</b>
<b>Core diluted income per share attributable to CBRE Group, Inc., as adjusted</b>	<b>\$0.92</b>	<b>\$1.39</b>
<b>Weighted average shares outstanding for diluted income per share</b>	<b>315.4</b>	<b>337.1</b>

1. CBRE has not reconciled the (non-GAAP) Core EPS forward-looking 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, 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.



# Reconciliation of Net Income to Core EBITDA

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

	Three Months Ended March 31,		Twelve Months Ended March 31,
	2023	2022	2023
Net income attributable to CBRE Group, Inc.	\$116.9	\$392.3	\$1,132.0
Net income attributable to non-controlling interests	8.2	4.0	20.8
Net income	125.1	396.3	1,152.8
Add:			
Depreciation and amortization	161.5	149.0	625.5
Asset impairments	—	10.4	48.4
Interest expense, net of interest income	28.4	12.8	84.6
Write-off of financing costs on extinguished debt	—	—	1.9
Provision for (benefit from) income taxes	28.0	(3.7)	266.0
Provision associated with Telford's fire safety remediation efforts	—	—	185.9
Costs associated with efficiency and cost-reduction initiatives	138.2	—	255.8
Costs incurred related to legal entity restructuring	—	1.7	11.8
Integration and other costs related to acquisitions	18.1	8.1	50.7
Impact of fair value adjustments to real estate assets acquired in the Telford acquisition (purchase accounting) that were sold in period	—	(1.7)	(3.4)
Carried interest incentive compensation expense (reversal) to align with the timing of associated revenue	7.0	22.9	(20.1)
Net fair value adjustments on strategic non-core investments	26.2	136.4	65.0
<b>Core EBITDA</b>	<b>\$532.6</b>	<b>\$732.1</b>	<b>\$2,724.8</b>

# Reconciliation of Resilient and Non-Resilient to Segment Operating Profit

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

	TTM Q1 2023
<b>Segment Operating Profit</b>	
Advisory Services	1,714
Global Workplace Solutions	926
Real Estate Investments	483
<b>Total Reportable Segment (Business) Operating Profit</b>	<b>\$3,123</b>
<b>Operating Profit associated with:</b>	
Non-Resilient business lines <sup>(1)</sup>	1,615
Resilient businesses <sup>(2)</sup>	1,508
Global Workplace Solutions	926
Other resilient lines of business	582
<b>Total Resilient and non-resilient business lines</b>	<b>\$3,123</b>

Note: the above reconciliation of operating profit from resilient and non-resilient business lines represents management's best estimates and is only to demonstrate the resiliency of CBRE's various lines of business

1. Includes leasing, sales, mortgage origination and global development

2. Includes Global Workplace Solutions; loan servicing, project management, and valuations business lines from Advisory Services; asset management fees from our investment management business within Real Estate Investments

# Reconciliation of Revenue to Net Revenue

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

	Leasing	Property Sales	CMO	Loan Servicing	Valuation	Property Management	Global Workplace Solutions	Development	Investment Management	Total <sup>(1)</sup>
<b>Revenue</b>										
TTM Q1'22	\$3,559	\$3,017	\$706	\$311	\$755	\$1,768	\$17,879	\$586	\$574	\$29,140
<i>Less pass-through costs associated with revenue</i>	—	—	—	—	—	46	11,067	—	—	11,114
<b>Net Revenue</b>										
TTM Q1'22	\$3,559	\$3,017	\$706	\$311	\$755	\$1,721	\$6,811	\$586	\$574	\$18,027

1. Total includes impact of Corporate eliminations of \$(19) million and revenue from Hana of \$4 million

# Reconciliation of Revenue to Net Revenue

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

	Leasing	Property Sales	CMO	Loan Servicing	Valuation	Property Management	Global Workplace Solutions	Development	Investment Management	Total <sup>(1)</sup>
<b>Revenue</b>										
Q1'22	\$773	\$620	\$145	\$74	\$181	\$456	\$4,806	\$133	\$151	\$7,333
<i>Less pass-through costs associated with revenue</i>	—	—	—	—	—	18	2,940	—	—	2,957
<b>Net Revenue</b>										
Q1'22	\$773	\$620	\$145	\$74	\$181	\$438	\$1,866	\$133	\$151	\$4,376

1. Total includes impact of Corporate eliminations of \$(5) million

# Reconciliation of Revenue to Net Revenue

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

	Three Months Ended March 31,	
	2023	2022
Revenue	\$7,411	\$7,333
Less:		
Pass through costs also recognized as revenue	3,230	2,957
<b>Net Revenue</b>	<b>\$4,181</b>	<b>\$4,376</b>

# Reconciliation of Revenue to Net Revenue and Net Margin

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

	Three Months Ended March 31,	
	2023	2022
Advisory Revenue	\$1,854	\$2,248
Less:		
Pass through costs also recognized as revenue	23	18
<b>Advisory Net Revenue</b>	<b>\$1,831</b>	<b>\$2,231</b>
<b>Advisory Segment Operating Profit</b>	<b>\$270</b>	<b>\$466</b>
Advisory net margin	14.7%	20.9%

# Reconciliation of Revenue to Net Revenue and Net Margin

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

	Three Months Ended March 31,	
	2023	2022
Global Workplace Solutions revenue	\$5,338	\$4,806
Less:		
Pass through costs also recognized as revenue	3,208	2,939
<b>Global Workplace Solutions net revenue</b>	<b>\$2,130</b>	<b>\$1,866</b>
<b>Global Workplace Solutions Segment Operating Profit</b>	<b>\$230</b>	<b>\$203</b>
Global Workplace Solutions net margin	10.8%	10.9%

1. CBRE has not reconciled the (non-GAAP) GWS SOP net margin growth forward-looking 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 integration and acquisitions and restructuring related charges 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 GWS future GAAP financial results.

# Reconciliation of Revenue to Net Revenue and Net Margin

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

	Three Months Ended March 31,	
	2023	2022
Global Workplace Solutions Facilities Management revenue	\$3,680	\$3,801
Less:		
Pass through costs also recognized as revenue	2,285	2,558
<b>Global Workplace Solutions Facilities Management net revenue</b>	<b>\$1,395</b>	<b>\$1,243</b>

	Three Months Ended March 31,	
	2023	2022
Global Workplace Solutions Project Management revenue	\$1,658	\$1,005
Less:		
Pass through costs also recognized as revenue	923	381
<b>Global Workplace Solutions Project Management net revenue</b>	<b>\$735</b>	<b>\$624</b>



# Reconciliation of Net Margin

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

	Three Months Ended March 31,	
	2023	2022
Real Estate Investments net revenue	\$224	\$284
<b>Real Estate Investments Segment Operating Profit</b>	<b>\$131</b>	<b>\$167</b>
Real Estate Investments net margin	58.7%	58.9%

# Reconciliation of Real Estate Investments Business Line Operating Profit to Segment Operating Profit

\$ in millions, except for per share data, totals may not sum due to rounding

	Three Months Ended March 31,	
	2023	2022
Investment Management Operating Profit	43	61
Development Operating Profit	90	107
Hana and Segment Overhead Operating Loss	(1)	(1)
<b>REI Segment Operating Profit</b>	<b>\$131</b>	<b>\$167</b>