



CBRE GROUP, INC.

First Quarter 2015: Earnings Conference Call

April 29, 2015

CBRE



FORWARD-LOOKING STATEMENTS

This presentation contains statements that are forward looking within the meaning of the Private Securities Litigation Reform Act of 1995, including statements regarding our future growth momentum, operations, financial performance, business outlook, our adjusted earnings per share expectations, our normalized tax rate expectations, expectations regarding our currency hedging and Government Sponsored Enterprise lending activities, and our ability to close and integrate the Global WorkPlace Solutions acquisition, including the timing of that closing. These statements should be considered as estimates only and actual results may ultimately differ from these estimates. 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 report, filed on Form 8-K and our most recent annual report on Form 10-K, in particular any discussion of risk factors or forward-looking statements, which are filed with the SEC and available at 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 AND GLOBAL
DIRECTOR OF CORPORATE DEVELOPMENT**

Gil Borok

**DEPUTY CHIEF FINANCIAL OFFICER AND
CHIEF ACCOUNTING OFFICER**

Steve Iaco

**INVESTOR RELATIONS AND
CORPORATE COMMUNICATIONS**

FIRST QUARTER 2015 GLOBAL RESULTS

- Strong momentum continued in Q1 2015
- Seeing impact of our strategy
 - Enhancing service offering
 - Strengthening operating platform
 - Augmenting talent pool
 - Balance sheet strength and flexibility
- Q1 results
 - Americas served as a growth catalyst
 - APAC performed well, while EMEA growth slowed following a very strong Q1 2014
- Completed two in-fill acquisitions year-to-date in 2015
- Announced agreement to acquire Global WorkPlace Solutions
 - Expect to close late Q3 or early Q4 2015

Q1 2015 PERFORMANCE OVERVIEW

	Revenue	Fee Revenue ¹	EBITDA	Normalized EBITDA ²	Margin on Fee Revenue ³	Net Income ⁴	EPS ^{4,5}
Q1 2015	\$ 2,053 M	\$ 1,455 M	\$ 246 M	\$ 247 M	17.0%	GAAP \$ 93 M Adjusted \$ 106 M	GAAP \$ 0.28 Adjusted \$ 0.32
Q1 2014	\$ 1,861 M	\$ 1,328 M	\$ 197 M	\$ 199 M	15.0%	GAAP \$ 68 M Adjusted \$ 82 M	GAAP \$ 0.20 Adjusted \$ 0.25
Change from Q1 2014	▲ 10%	▲ 10%	▲ 25%	▲ 24%	▲ 2.0 pts	▲ 29% ⁶	▲ 28% ⁶

See slide 15 for footnotes.

Q1 2015 BUSINESS LINE REVENUE

Contractual revenue & leasing, which is largely recurring, is 70% of fee revenue

Revenue (\$ in millions)

	Contractual Revenue Sources				Leasing	Capital Markets		Other		Total
	Global Corporate Services ¹	Asset Services ¹	Investment Management	Appraisal & Valuation	Leasing	Sales	Commercial Mortgage Services	Development Services	Other	
Gross Revenue										
Q1 2015	\$ 695	\$ 252	\$ 110	\$ 108	\$ 447	\$ 309	\$ 104	\$ 10	\$ 18	\$ 2,053
Fee Revenue²										
Q1 2015	\$ 233	\$ 116	\$ 110	\$ 108	\$ 447	\$ 309	\$ 104	\$ 10	\$ 18	\$ 1,455
	70% of total fee revenue									
% of Q1 2015 Total Fee Revenue	16%	8%	8%	7%	31%	21%	7%	1%	1%	100%
Fee Revenue Growth Rate (Change Q1 2015-over-Q1 2014)										
USD	▲ 5%	▲ 2%	▼ -2%	▲ 13%	▲ 9%	▲ 16%	▲ 40%	◀▶ 0%	▼ -18%	▲ 10%
Local Currency	▲ 12%	▲ 8%	▲ 5%	▲ 20%	▲ 13%	▲ 21%	▲ 41%	◀▶ 0%	▼ -13%	▲ 15%

1. Global Corporate Services (GCS) and Asset Services revenue excludes associated leasing and sales revenue, most of which is contractual.

2. "Fee Revenue" comprises gross revenue less client reimbursed costs largely associated with our employees who are dedicated to client facilities and subcontracted vendor work on behalf of our clients.

AMERICAS REVENUE

Total Q1 2015 revenue up 20% in USD and 21% in local currency

(\$ in millions)	Global Corporate Services & Asset Services ¹		Leasing	Sales
	Gross	Fee ²		
Q1 2015	\$ 530	\$ 160	\$ 329	\$ 208
USD³	▲ 14%	▲ 10%	▲ 18%	▲ 31%
Local Currency³	▲ 15%	▲ 12%	▲ 19%	▲ 32%

1. Global Corporate Services (GCS) and Asset Services revenue excludes associated leasing and sales revenue, most of which is contractual.

2. "Fee Revenue" comprises gross revenue less client reimbursed costs largely associated with our employees who are dedicated to client facilities and subcontracted vendor work on behalf of our clients.

3. Growth rate for Q1 2015 versus Q1 2014.

EMEA REVENUE

Total Q1 2015 revenue down 5% in USD or up 6% in local currency

(\$ in millions)	Global Corporate Services & Asset Services ¹		Leasing	Sales
	Gross	Fee ²		
Q1 2015	\$ 327	\$ 156	\$ 65	\$ 60
USD³	▼ -1%	▼ -2%	▼ -19%	▼ -6%
Local Currency³	▲ 9%	▲ 9%	▼ -6%	▲ 6%

1. Global Corporate Services (GCS) and Asset Services revenue excludes associated leasing and sales revenue, most of which is contractual.

2. "Fee Revenue" comprises gross revenue less client reimbursed costs largely associated with our employees who are dedicated to client facilities and subcontracted vendor work on behalf of our clients.

3. Growth rate for Q1 2015 versus Q1 2014.

ASIA PACIFIC REVENUE

Total Q1 2015 revenue up 7% in USD or 15% in local currency

(\$ in millions)	Global Corporate Services & Asset Services ¹		Leasing	Sales
	Gross	Fee ²		
Q1 2015	\$ 89	\$ 31	\$ 52	\$ 41
USD³	▲ 24%	▲ 4%	◀▶ 0%	▼ -7%
Local Currency³	▲ 30%	▲ 12%	▲ 8%	▲ 3%

1. Global Corporate Services (GCS) and Asset Services revenue excludes associated leasing and sales revenue, most of which is contractual.

2. "Fee Revenue" comprises gross revenue less client reimbursed costs largely associated with our employees who are dedicated to client facilities and subcontracted vendor work on behalf of our clients.

3. Growth rate for Q1 2015 versus Q1 2014.

GLOBAL CORPORATE SERVICES

Q1 2015 TOTAL CONTRACTS

New	26
Expansions	19
Renewals	13

HIGHLIGHTS

- Most new clients in any Q1 period
- Strong growth internationally
- Announced two acquisitions
 - Global WorkPlace Solutions
 - ESI (energy management on 180 million square feet)

Q1 2015 Representative Clients

Facilities Management



Transaction Services



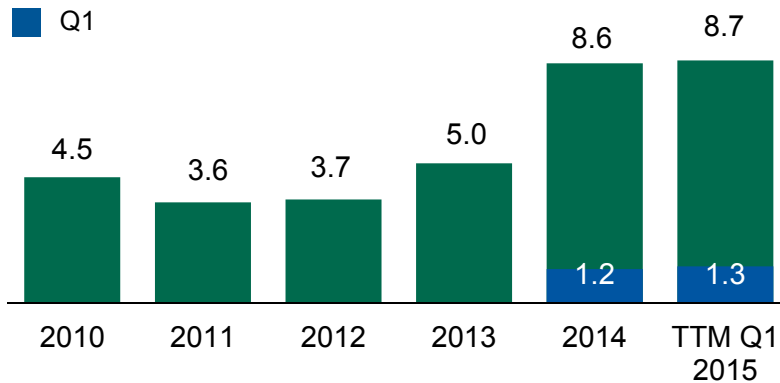
Project Management



GLOBAL INVESTMENT MANAGEMENT

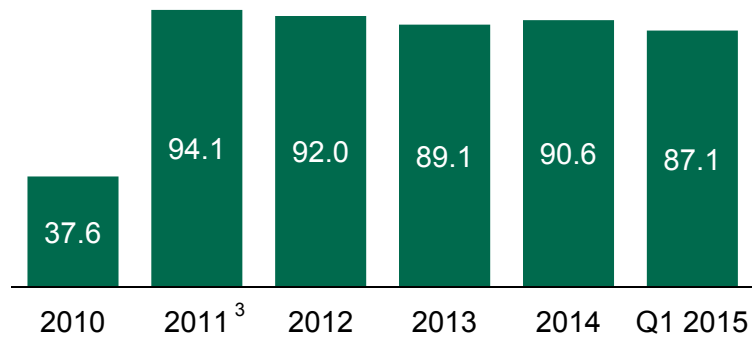
CAPITAL RAISED¹

(\$ in billions)



ASSETS UNDER MANAGEMENT (AUM)

(\$ in billions)

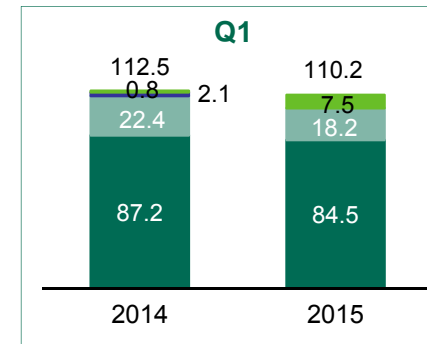


- Q1 2015 AUM flat vs Q4 2014 in local currency (USD driven by \$3.5B of exchange rate impact)
- Q1 2015 AUM up \$5B versus Q1 2014 in local currency

FINANCIAL RESULTS

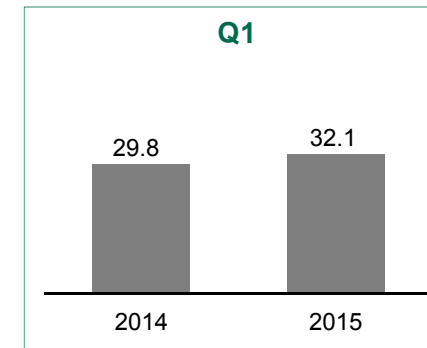
(\$ in millions)

Revenue



- Asset Management
- Acquisition, Disposition & Incentive
- Carried Interest
- Rental

Normalized EBITDA²



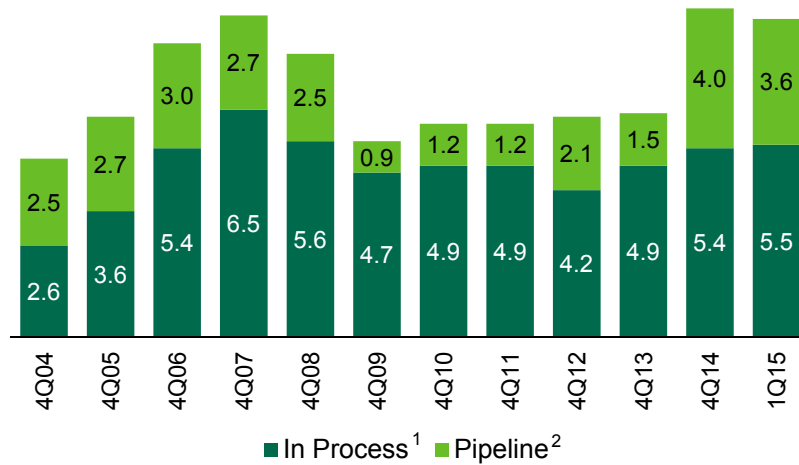
- Capital to deploy: \$5.7 billion⁴
- Co-Investment: \$141.4 million⁴

See slide 15 for footnotes.

DEVELOPMENT SERVICES

PROJECTS IN PROCESS/PIPELINE

(\$ in billions)



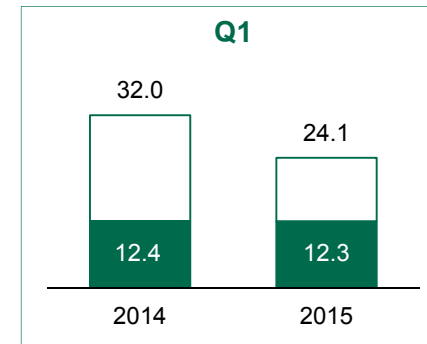
- \$121.5 million of co-investments at the end of Q1 2015
- \$11.9 million in repayment guarantees on outstanding debt balances at the end of Q1 2015

See slide 15 for footnotes.

FINANCIAL RESULTS

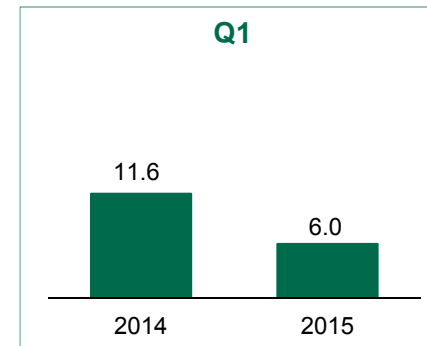
(\$ in millions)

Revenue



■ Revenue □ Pro-forma Revenue³

EBITDA



KEY TAKEAWAYS

Major accomplishments in Q1 2015:

- Announced our largest strategic acquisition in eight years to advance our occupier strategy
- Continued to enhance competitive position through people and platform investments
- Again generated outstanding financial results

Good underlying momentum in our business and CBRE's advantages as the global market leader becoming more pronounced

Strong start to the year while maintaining expectations for 2015 adjusted EPS of \$1.90 to \$1.95, which is 15% growth at the mid-point

- Q1 comprises a small portion of annual earnings
- Currency hedges are marked-to-market each quarter
- GSE lending expected to taper off later in the year

**SUPPLEMENTAL SLIDES AND GAAP
RECONCILIATION TABLES**

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FOOTNOTES

Slides 5

1. "Fee Revenue" comprises gross revenue less client reimbursed costs largely associated with our employees who are dedicated to client facilities and subcontracted vendor work on behalf of our clients.
2. Normalized EBITDA excludes certain carried interest incentive compensation expense and integration and other costs related to acquisitions.
3. Margin on fee revenue is based on Normalized EBITDA.
4. Adjusted net income and adjusted EPS exclude amortization expense related to certain intangible assets attributable to acquisitions, the write-off of financing costs, integration and other costs related to acquisitions, and adjusts the timing of certain carried interest incentive compensation expense to match the timing of such expense with related revenue.
5. All EPS information is based on diluted shares.
6. Based on adjusted results.

Slide 11

1. Excludes securities business.
2. Normalized EBITDA excludes certain carried interest compensation expense.
3. In 2011, CBRE acquired the real estate investment management operations of ING Group in Europe, Asia and its global securities business.
4. As of March 31, 2015.

Slide 12

1. In Process figures include Long-Term Operating Assets (LTOA) of \$0.2 billion for 1Q 15, \$0.3 billion for 4Q 14, \$0.9 billion for 4Q 13, \$1.2 billion for 4Q 12, \$1.5 billion for 4Q 11, \$1.6 billion for 4Q 10, and \$1.4 billion for 4Q 09. 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 those 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 includes equity in unconsolidated subsidiaries and gains on sales of assets net of non-controlling interest.

U.S. MARKET STATISTICS

U.S. VACANCY					U.S. ABSORPTION TRENDS (in MSF)				
	4Q14	1Q15	2Q15 F	4Q15F	4Q14	1Q15	2013	2014	2015F
Office	14.0%	13.9%	13.9%	13.7%	13.9	15.2	36.0	52.7	32.3
Industrial	10.3 %	10.1%	10.1%	10.1%	75.5	64.4	241.2	225.8	133.5
Retail	11.4%	11.2%	10.8%	9.9%	10.4	8.3	29.1	24.7	50.6

Source: CBRE Econometric Advisors (EA) Outlooks 1Q 2015 preliminary

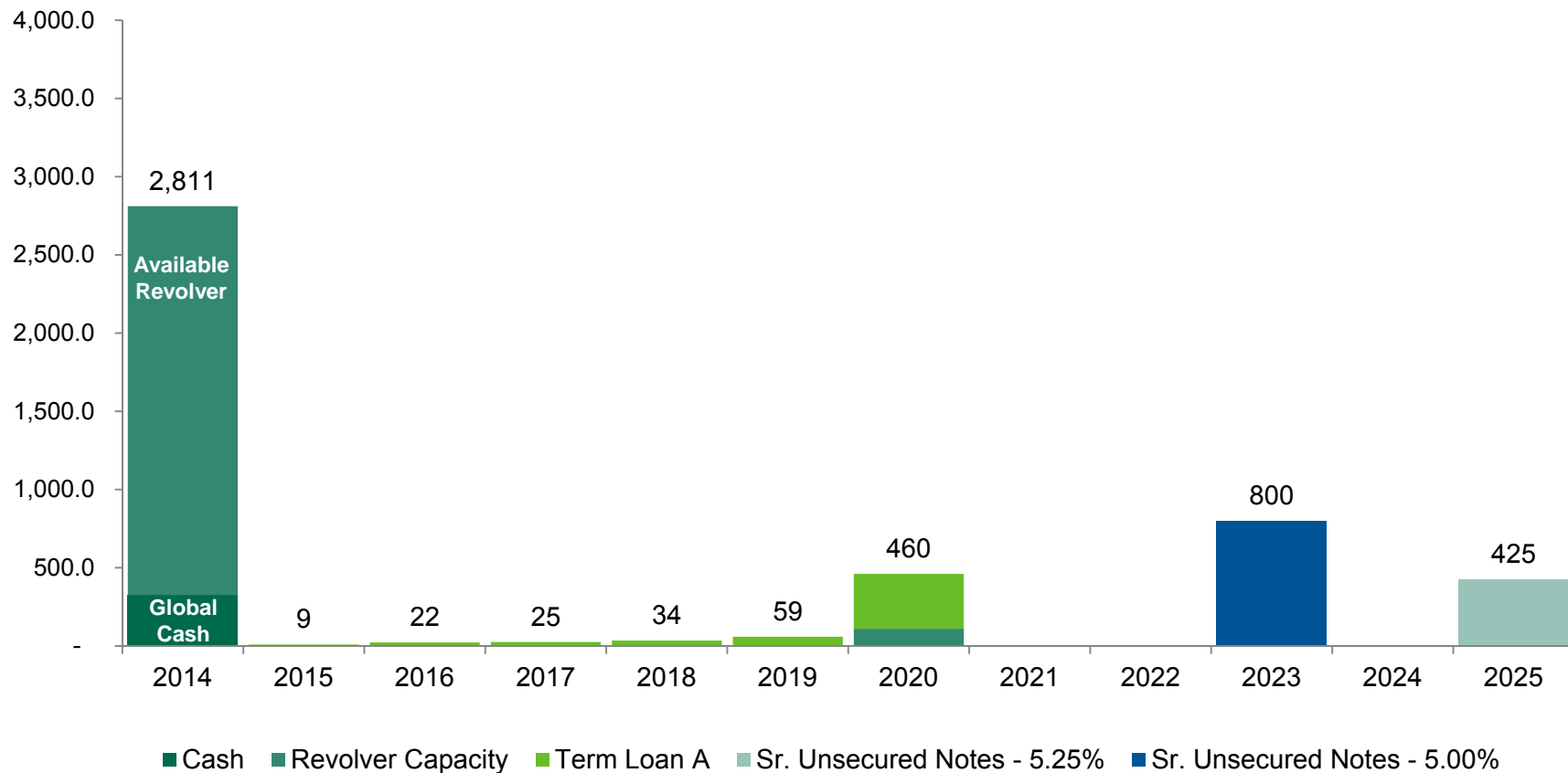
U.S. Cap Rates			
	1Q14	4Q14	1Q15
Office			
Volume (\$B)	23.4	37.1	33.3
Cap Rate	6.8%	6.8%	6.5%
Industrial			
Volume (\$B)	10.6	17.0	20.9
Cap Rate	7.3%	7.0%	6.8%
Retail			
Volume (\$B)	22.8	25.0	23.8
Cap Rate	6.8%	6.7%	6.4%

Source: CBRE EA estimates from RCA data April 2015

MANDATORY AMORTIZATION AND MATURITY SCHEDULE

(\$ in millions)

As of March 31, 2015¹



1. \$2,600.0 million revolver facility and term loan A mature in January 2020. As of March 31, 2015, the outstanding revolver balance was \$110.0 million.

CAPITALIZATION

(\$ in millions)	As of March 31, 2015
Cash ¹	\$ 324.6
Revolving credit facility	110.0
Senior secured term loan A	500.0
Senior unsecured notes – 5.00%	800.0
Senior unsecured notes – 5.25%	426.8
Other debt ^{2,3}	2.8
Total debt	\$ 1,839.6
Stockholders' equity	2,259.3
Total capitalization	4,098.9
Total net debt	\$ 1,515.0
Net debt to TTM Q1 Normalized EBITDA	1.2x

1. Excludes \$54.4 million of cash in consolidated funds and other entities not available for Company use at March 31, 2015.

2. Excludes \$1,065.9 million of aggregate warehouse facilities outstanding at March 31, 2015.

3. Excludes non-recourse notes payable on real estate of \$43.2 million at March 31, 2015.

RECONCILIATION OF GROSS REVENUE TO FEE REVENUE

(\$ in millions)	Three Months Ended March 31,	
	2015	2014
GCS revenue	\$ 694.9	\$ 644.9
Less:		
Client reimbursed costs largely associated with employees dedicated to client facilities and subcontracted vendor work performed for clients	461.5	422.8
GCS fee revenue	\$ 233.3	\$ 222.1
AS revenue	\$ 252.4	\$ 224.2
Less:		
Client reimbursed costs largely associated with employees dedicated to client facilities and subcontracted vendor work performed for clients	135.8	109.7
AS fee revenue	\$ 116.6	\$ 114.7
Consolidated revenue	\$ 2,052.5	\$ 1,860.8
Less:		
Client reimbursed costs largely associated with employees dedicated to client facilities and subcontracted vendor work performed for clients	597.4	532.5
Consolidated fee revenue	\$ 1,455.1	\$ 1,328.3

RECONCILIATION OF NORMALIZED EBITDA TO EBITDA TO NET INCOME

(\$ in millions)	Three Months Ended March 31,	
	2015	2014
Normalized EBITDA	\$ 246.7	\$ 198.8
Adjustments:		
Integration and other costs related to acquisitions	3.2	-
Carried interest incentive compensation expense to match current period revenues ¹	(2.8)	1.6
EBITDA	246.3	197.2
Add:		
Interest income	2.3	1.6
Less:		
Depreciation and amortization	69.9	65.2
Interest expense	26.2	28.0
Write-off of financing costs	2.7	-
Provision for income taxes	56.9	37.9
Net Income attributable to CBRE Group, Inc.	\$ 92.9	\$ 67.7

1. Carried interest incentive compensation expense is related to funds that began recording carried interest expense for the first time in Q2 2013 and beyond.

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

	Three Months Ended March 31,	
	2015	2014
(\$ in millions, except per share amounts)		
Net income attributable to CBRE Group, Inc.	\$ 92.9	\$ 67.7
Amortization expense related to certain intangible assets attributable to acquisitions, net of tax	11.1	13.7
Integration and other costs related to acquisitions, net of tax	2.0	-
Write-off of financing costs, net of tax	1.6	-
Carried-interest incentive compensation expense to match current period revenues, net of tax ¹	(1.6)	1.0
Adjusted net income attributable to CBRE Group, Inc.	\$ 106.0	\$ 82.4
Adjusted diluted income per share attributable to CBRE Group, Inc.	\$ 0.32	\$ 0.25
Weighted average shares outstanding for diluted income per share	335,698,590	333,349,519

1. Carried interest incentive compensation expense is related to funds that began recording carried interest expense in Q2 2013 and beyond.