



CBRE GROUP, INC.

Fourth Quarter 2014: Earnings Conference Call

February 4, 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 and business outlook. 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 fourth quarter earnings report, filed on Form 8-K, our most recent annual report on Form 10-K (as amended) and our most recent quarterly report on Form 10-Q, 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 or in our quarterly earnings report.

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**

FULL YEAR 2014 GLOBAL RESULTS



Revenue	Normalized EBITDA¹	Adjusted EPS²
\$9.0 billion	\$1.2 billion	\$1.68

See slide 17 for footnotes.

FULL YEAR 2014 PERFORMANCE OVERVIEW

Adjusted EPS^{1,2}, excluding carried interest, up 31%

	Revenue	EBITDA	Normalized EBITDA ⁴	Net Income ¹	EPS ^{1,2}
2014	\$ 9,050 M	\$ 1,142 M	\$ 1,166 M	GAAP \$ 485 M	GAAP \$ 1.45
				Adjusted \$ 561 M	Adjusted \$ 1.68
2013³	\$ 7,194 M	\$ 983 M	\$ 1,022 M	GAAP \$ 317 M	GAAP \$ 0.95
				Adjusted \$ 474 M	Adjusted \$ 1.43
Change from 2013	▲ 26%	▲ 16%	▲ 14%	▲ 18%⁵	▲ 17%⁵

See slide 17 for footnotes.

FULL YEAR 2014 BUSINESS LINE REVENUE

Contractual revenue & leasing, which is largely recurring, is 77% of total revenue

Revenue (\$ in millions)

	Contractual Revenue Sources			Leasing	Capital Markets		Other		Total
	Global Corporate Services and Asset Services ¹	Investment Management	Appraisal & Valuation	Leasing	Sales	Commercial Mortgage Services	Development Services	Other	
2014	\$ 3,714	\$ 469	\$ 461	\$ 2,369	\$ 1,527	\$ 376	\$ 50	\$ 84	\$ 9,050
% of 2014 Total	41%	5%	5%	26%	17%	4%	1%	1%	100%
2013²	\$ 2,475	\$ 539	\$ 415	\$ 2,052	\$ 1,290	\$ 312	\$ 51	\$ 60	\$ 7,194

77% of total revenue

Growth Rate (Change 2014-over- 2013)

USD	▲ 50%	▼ -13%	▲ 11%	▲ 15%	▲ 18%	▲ 21%	▼ -3%	▲ 39%	▲ 26%
Local Currency	▲ 51%	▼ -14%	▲ 12%	▲ 16%	▲ 20%	▲ 21%	▼ -3%	▲ 39%	▲ 27%

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

2. Includes discontinued operations. See slide 23 for details.

Q4 2014 PERFORMANCE OVERVIEW

Adjusted EPS^{1,2}, excluding carried interest, up 18%

	Revenue	EBITDA	Normalized EBITDA ⁴	Net Income ¹	EPS ^{1,2}
Q4 2014	\$ 2,787 M	\$ 392 M	\$ 412 M	GAAP \$ 204 M	GAAP \$ 0.61
				Adjusted \$ 227 M	Adjusted \$ 0.68
Q4 2013³	\$ 2,234 M	\$ 358 M	\$ 393 M	GAAP \$ 115 M	GAAP \$ 0.34
				Adjusted \$ 221 M	Adjusted \$ 0.67
Change from Q4 2013	▲ 25%	▲ 9%	▲ 5%	▲ 3%⁵	▲ 1%⁵

See slide 17 for footnotes.

Q4 2014 BUSINESS LINE REVENUE

Contractual revenue & leasing, which is largely recurring, is 74% of total revenue

Revenue (\$ in millions)

	Contractual Revenue Sources			Leasing	Capital Markets		Other		Total
	Global Corporate Services and Asset Services ¹	Investment Management	Appraisal & Valuation	Leasing	Sales	Commercial Mortgage Services	Development Services	Other	
Q4 2014	\$ 1,008	\$ 125	\$ 142	\$ 819	\$ 520	\$ 129	\$ 17	\$ 27	\$ 2,787
% of Q4 2014 Total	36%	4%	5%	29%	19%	5%	1%	1%	100%
Q4 2013²	\$ 674	\$ 168	\$ 123	\$ 682	\$ 458	\$ 96	\$ 15	\$ 18	\$ 2,234

74% of total revenue

Growth Rate (Change Q4 2014-over-Q4 2013)

USD	▲ 49%	▼ -26%	▲ 16%	▲ 20%	▲ 14%	▲ 34%	▲ 11%	▲ 54%	▲ 25%
Local Currency	▲ 52%	▼ -24%	▲ 21%	▲ 23%	▲ 17%	▲ 35%	▲ 11%	▲ 59%	▲ 27%

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

2. Includes discontinued operations. See slide 23 for details.

AMERICAS REVENUE

Total Q4 2014 revenue up 19% in USD and 20% in local currency

(\$ in millions)	Global Corporate Services and Asset Services ¹	Leasing	Sales
Q4 2014	\$ 545.9	\$ 579.8	\$ 309.0
USD ²	▲ 16%	▲ 24%	▲ 14%
Local Currency ²	▲ 17%	▲ 25%	▲ 15%
Full Year 2014	\$ 2,013.8	\$ 1,677.0	\$ 934.5
USD ³	▲ 14%	▲ 18%	▲ 15%
Local Currency ³	▲ 15%	▲ 19%	▲ 16%

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

2. Growth rate for Q4 2014 versus Q4 2013.

3. Growth rate for full year 2014 versus full year 2013.

EMEA REVENUE

Total Q4 2014 revenue up 71% in USD or 78% in local currency

(\$ in millions)	Global Corporate Services and Asset Services¹	Leasing	Sales
Q4 2014	\$ 371.6	\$ 147.2	\$ 142.1
USD ²	▲ 193% (▲ 4% ex. Norland)	▲ 15%	▲ 16%
Local Currency ²	▲ 201% (▲ 11% ex. Norland)	▲ 22%	▲ 23%
Full Year 2014	\$ 1,368.1	\$ 408.4	\$ 351.7
USD ³	▲ 232% (▲ 21% ex. Norland)	▲ 11%	▲ 28%
Local Currency ³	▲ 230% (▲ 19% ex. Norland)	▲ 9%	▲ 28%

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

2. Growth rate for Q4 2014 versus Q4 2013.

3. Growth rate for full year 2014 versus full year 2013.

ASIA PACIFIC REVENUE

Total Q4 2014 revenue up 8% in USD or 14% in local currency

(\$ in millions)	Global Corporate Services and Asset Services ¹	Leasing	Sales
Q4 2014	\$ 84.2	\$ 91.7	\$ 68.2
USD ²	▲ 15%	▲ 9%	▲ 5%
Local Currency ²	▲ 19%	▲ 15%	▲ 13%
Full Year 2014	\$ 318.7	\$ 282.8	\$ 239.8
USD ³	▲ 11%	▲ 7%	▲ 19%
Local Currency ³	▲ 16%	▲ 11%	▲ 25%

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

2. Growth rate for Q4 2014 versus Q4 2013.

3. Growth rate for full year 2014 versus full year 2013.

GLOBAL CORPORATE SERVICES

2014 TOTAL CONTRACTS

	Q4	Full Year
New	37	107
Expansions	15	65
Renewals	11	58

HIGHLIGHTS

- Record number of new clients in Q4 and full year 2014
 - 3 new public sector clients in Q4
 - 6 new clients in EMEA in Q4
- Strong expansions in client relationships
 - 9 expansions in Americas in Q4
 - 4 expansions in Asia Pacific in Q4

2014 Representative Clients

Facilities Management



Transaction Services



dentsu AEGIS network

Project Management

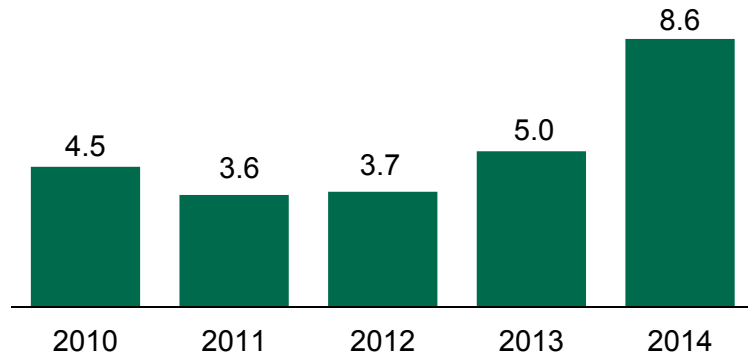
SIEMENS



GLOBAL INVESTMENT MANAGEMENT

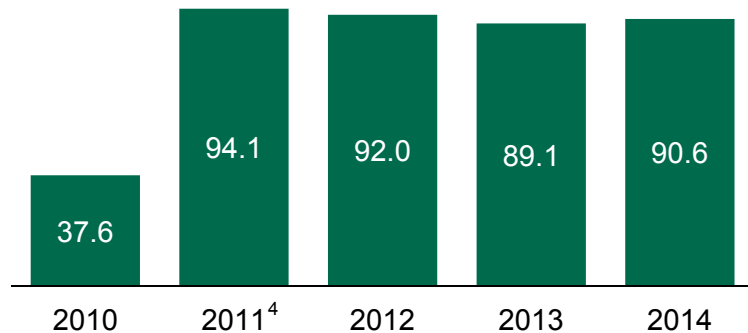
CAPITAL RAISED¹

(\$ in billions)



ASSETS UNDER MANAGEMENT (AUM)

(\$ in billions)



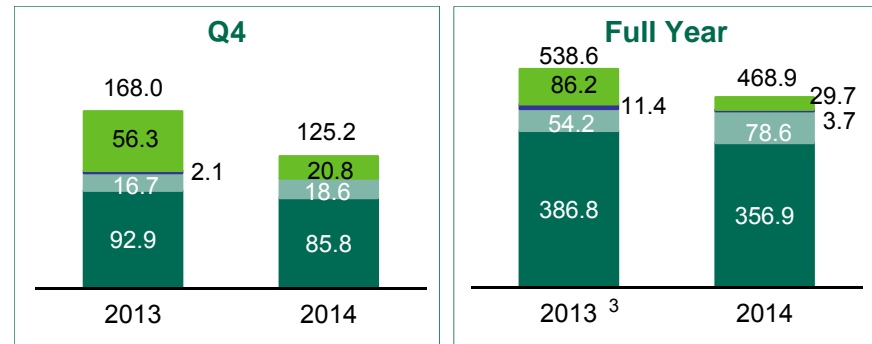
- 2014 AUM up \$5.8 billion in local currency (offset by \$4.3 billion of exchange rate impact)

See slide 17 for footnotes.

FINANCIAL RESULTS

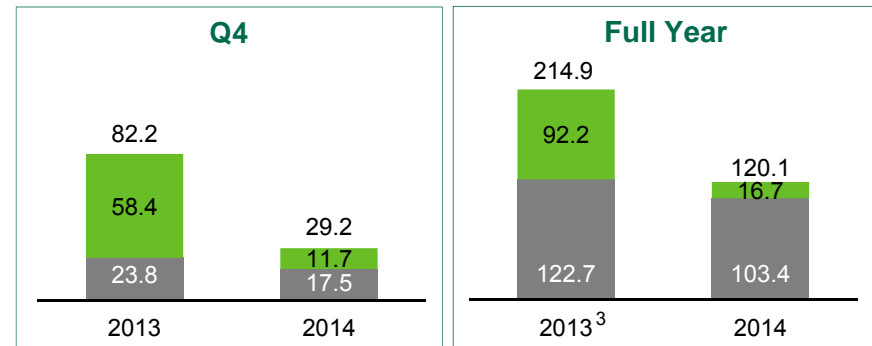
(\$ in millions)

Revenue



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

Normalized EBITDA²

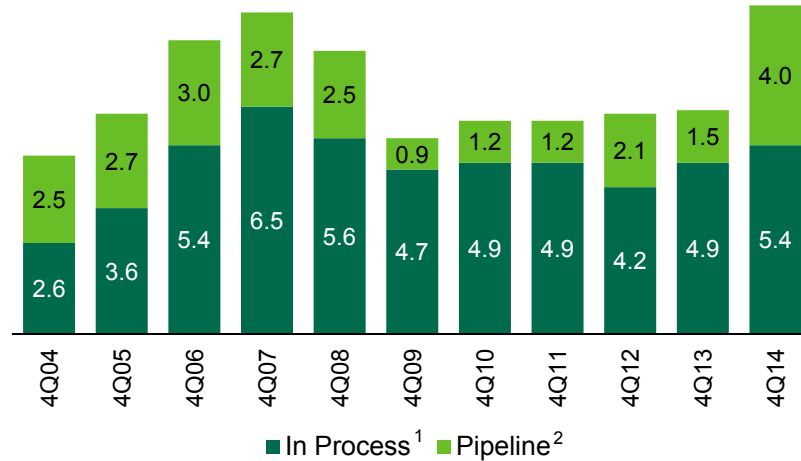


- Capital to deploy: \$5.9 billion⁵
- Co-Investment: \$150.4 million⁵

DEVELOPMENT SERVICES

PROJECTS IN PROCESS/PIPELINE

(\$ in billions)

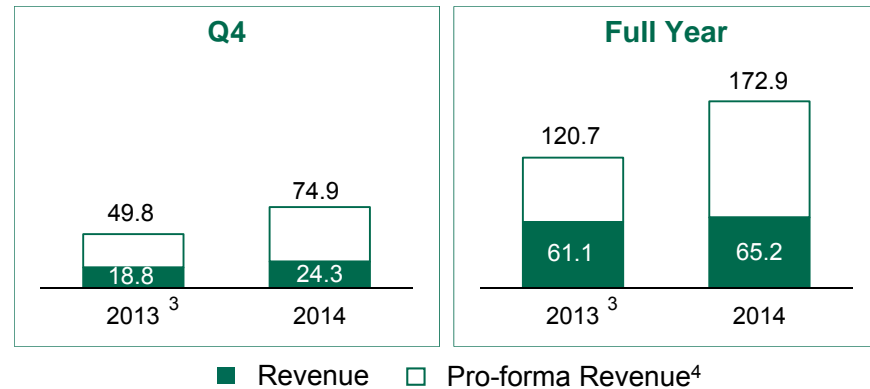


- \$118.8 million of co-investments at the end of Q4 2014
- \$10.1 million in repayment guarantees on outstanding debt balances at the end of Q4 2014

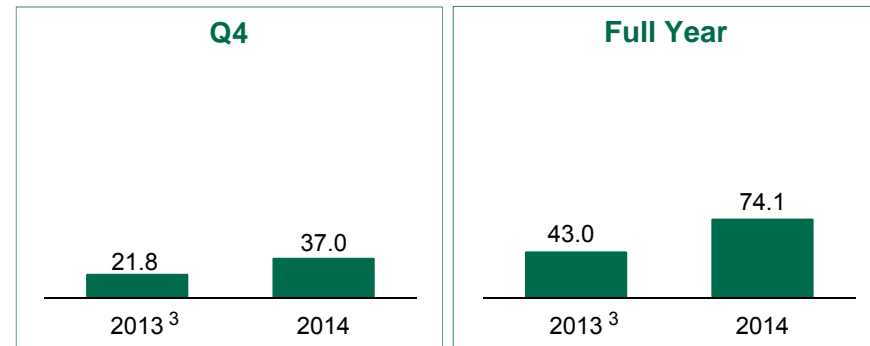
FINANCIAL RESULTS

(\$ in millions)

Revenue



Normalized EBITDA



See slide 17 for footnotes.

2015 BUSINESS OUTLOOK

- Leasing revenue expected to improve at low double-digit rate
- Global Corporate Services revenue poised for continued mid-teens growth
- Capital markets (property sales and commercial mortgage services) revenue expected to grow at high single-digit rate
- Regional services businesses, combined, expected to achieve further operating leverage and margin improvement
- Normalized EBITDA from combined principal businesses (investment management and development services) expected to perform in line with 2014
- Expect to achieve 2015 adjusted EPS in the range of \$1.90 - \$1.95

Note – we have not reconciled the non-GAAP EPS guidance to the most directly comparable GAAP measure because this cannot be done without unreasonable effort.

**SUPPLEMENTAL SLIDES AND GAAP
RECONCILIATION TABLES**

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FOOTNOTES

Slide 4

1. Normalized EBITDA excludes certain carried interest incentive compensation expense, cost containment expenses and integration and other costs related to acquisitions.
2. Adjusted EPS excludes certain carried interest incentive compensation expense, amortization expense related to certain intangible assets attributable to acquisitions, the write-off of financing costs. All EPS information is based on diluted shares.

Slides 5 & 7

1. Adjusted net income and adjusted EPS exclude certain carried interest incentive compensation expense, amortization expense related to certain intangible assets attributable to acquisitions, the write-off of financing costs, a non-amortizable intangible asset impairment, cost containment expenses, and integration and other costs related to acquisitions.
2. All EPS information is based on diluted shares.
3. Includes discontinued operations. See slide 23 for details.
4. Normalized EBITDA excludes certain carried interest incentive compensation expense, cost containment expenses and integration and other costs related to acquisitions.
5. Based on adjusted results.

Slide 13

1. Excludes securities business.
2. Normalized EBITDA excludes certain carried interest compensation expense, cost containment expenses and integration and other costs related to acquisitions.
3. Includes discontinued operations. See slide 23 for details.
4. In 2011, CBRE acquired the real estate investment management operations of ING Group in Europe, Asia and its global securities business.
5. As of December 31, 2014.

Slide 14

1. In Process figures include Long-Term Operating Assets (LTOA) of \$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. Includes discontinued operations. See slide 23 for details.
4. 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				
	4Q13	4Q14	1Q15F	4Q15F
Office	14.9%	13.9%	13.9%	13.9%
Industrial	11.2%	10.3%	10.3%	10.0%
Retail	11.5%	11.4%	11.1%	9.9%

U.S. ABSORPTION TRENDS (in MSF)					
	4Q13	4Q14	2013	2014	2015F
Office	13.9	15.2	36.0	52.5	34.2
Industrial	75.5	64.4	241.2	224.1	163.2
Retail	10.4	8.3	28.9	31.6	50.0

Source: CBRE Econometric Advisors (EA) Outlooks 4Q 2014 preliminary

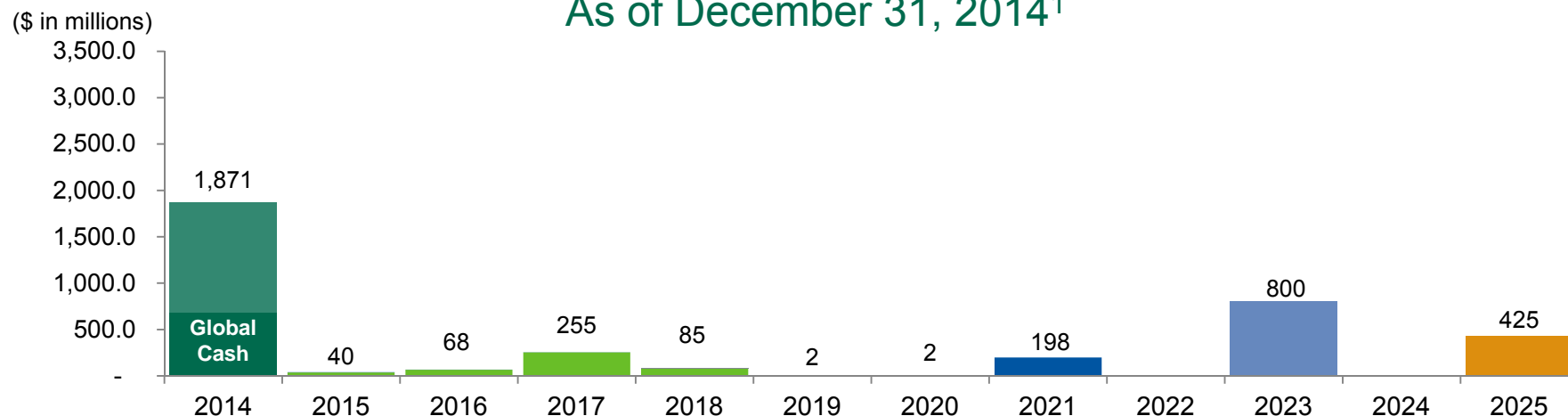
	Cap Rates Stable			Cap Rate Growth
	4Q13	3Q14	4Q14	4Q15F
Office				
Volume (\$B)	38.6	31.3	35.8	
Cap Rate	6.9%	6.8%	6.7%	-10 to +20 bps
Industrial				
Volume (\$B)	15.1	12.8	16.3	
Cap Rate	7.5%	7.2%	7.0%	-10 to +20 bps
Retail				
Volume (\$B)	19.3	19.8	23.7	
Cap Rate	7.0%	6.8%	6.7%	-10 to +10 bps

Source: CBRE EA estimates from RCA data January 2015

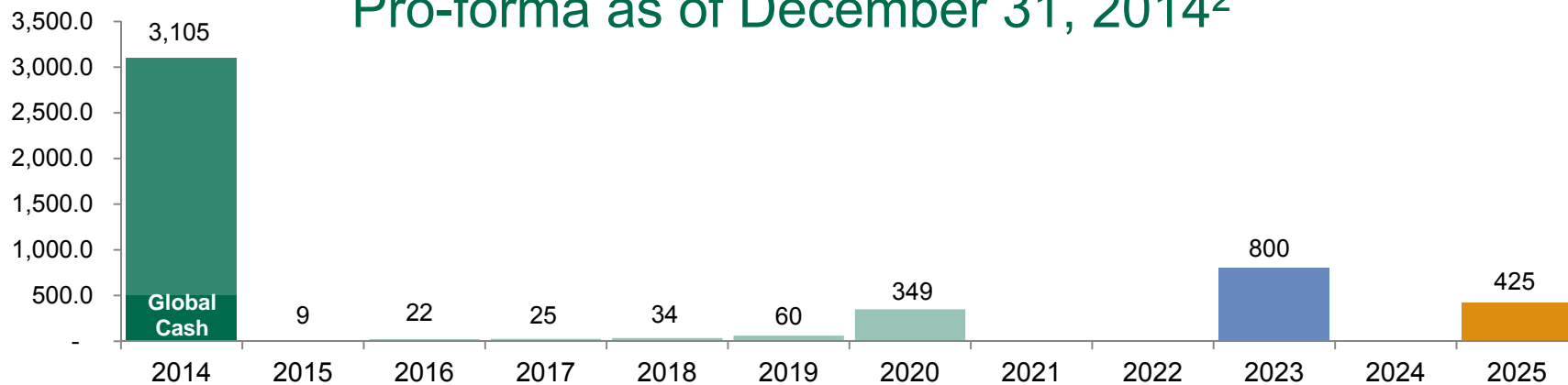
Source: CBRE EA estimates

MANDATORY AMORTIZATION AND MATURITY SCHEDULE

As of December 31, 2014¹



Pro-forma as of December 31, 2014²



- Cash
- Revolver Capacity
- Term Loan A (paid off 01/2015)
- New Term Loan A
- Term Loan B (paid off 01/2015)
- Sr. Unsecured Notes - 5.25%
- Sr. Unsecured Notes - 5.00%
- Revolver (paid off 01/2015)

1. \$1,200.0 million revolver facility matures in March 2018. As of December 31, 2014, the outstanding revolver balance was \$4.8 million.

2. Pro-forma gives effect to a revolver facility of \$2,600 million and a new term loan A of \$500 million, which mature in January 2020.

CAPITALIZATION

(\$ in millions)	As of December 31, 2014	Pro-forma as of December 31, 2014
Cash ¹	\$ 682.9	\$ 512.2
Revolving credit facility	4.8	-
Senior secured term loan A	434.4	-
Senior secured term loan B	211.2	-
Senior secured term loan A - New	-	500.0
Senior unsecured notes – 5.0%	800.0	800.0
Senior unsecured notes – 5.25%	426.8	426.8
Other debt ^{2,3}	2.8	2.8
Total debt	\$ 1,880.0	\$ 1,729.6
Stockholders' equity	2,259.8	2,259.8
Total capitalization	4,139.8	3,989.4
Total net debt	\$ 1,197.1	\$ 1,217.4
Net debt to Normalized EBITDA	1.0x	1.0x

1. Excludes \$58.0 million of cash in consolidated funds and other entities not available for Company use at December 31, 2014.

2. Excludes \$501.2 million of aggregate warehouse facilities outstanding at December 31, 2014.

3. Excludes non-recourse notes payable on real estate of \$42.8 million at December 31, 2014.

RECONCILIATION OF NORMALIZED EBITDA TO EBITDA TO NET INCOME

(\$ in millions)	Three Months Ended December 31,		Twelve Months Ended December 31,	
	2014	2013	2014	2013
Normalized EBITDA	\$ 412.4	\$ 392.7	\$ 1,166.1	\$ 1,022.3
Adjustments:				
Carried interest incentive compensation expense ¹	20.4	5.7	23.8	9.2
Cost containment expenses	-	17.6	-	17.6
Integration and other costs related to acquisitions	-	11.1	-	12.6
EBITDA	392.0	358.3	1,142.3	982.9
Add:				
Interest income	1.9	1.2	6.2	6.3
Less:				
Depreciation and amortization	69.4	53.0	265.1	191.3
Interest expense	27.7	27.5	112.0	138.4
Write-off of financing costs	-	-	23.1	56.3
Non-amortizable intangible asset impairment	-	98.1	-	98.1
Provision for income taxes	92.5	66.3	263.8	188.6
Net Income attributable to CBRE Group, Inc.	\$ 204.3	\$ 114.6	\$ 484.5	\$ 316.5

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

RECONCILIATION OF NET INCOME TO NET INCOME, AS ADJUSTED

	Three Months Ended December 31,		Twelve Months Ended December 31,	
	2014	2013	2014	2013
(\$ in millions, except per share amounts)				
Net income attributable to CBRE Group, Inc.	\$ 204.3	\$ 114.6	\$ 484.5	\$ 316.5
Carried-interest incentive compensation expense pertaining to future periods, net of tax ¹	12.3	3.4	14.4	5.5
Amortization expense related to certain intangible assets attributable to acquisitions, net of tax	11.0	5.9	48.3	19.7
Write-off of financing costs, net of tax	(0.1)	(0.1)	13.9	34.0
Non-amortizable intangible asset impairment, net of tax	-	74.3	-	74.3
Cost containment expenses, net of tax	-	12.9	-	12.9
Integration and other costs related to acquisitions, net of tax	-	10.3	-	11.4
Net income attributable to CBRE Group, Inc., as adjusted	\$ 227.5	\$ 221.3	\$ 561.1	\$ 474.3
Diluted income per share attributable to CBRE Group, Inc., as adjusted	\$ 0.68	\$ 0.67	\$ 1.68	\$ 1.43
Carried-interest pertaining to current periods, net of tax	7.0	35.0	10.0	55.3
Net income attributable to CBRE Group, Inc., as adjusted, excluding carried interest	\$ 220.5	\$ 186.3	\$ 551.1	\$ 419.0
Diluted income per share attributable to CBRE Group, Inc., as adjusted, excluding carried interest	\$ 0.66	\$ 0.56	\$ 1.65	\$ 1.26
Weighted average shares outstanding for diluted income per share	335,106,838	332,519,441	334,171,509	331,762,854

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

RECONCILIATION OF DISCONTINUED OPERATIONS

(\$ in millions)	Discontinued Operations for the Three Months Ended December 31, 2013			Discontinued Operations for the Twelve Months Ended December 31, 2013		
	Global Investment Management	Development Services	Total	Global Investment Management	Development Services	Total
Revenue	\$ -	\$ 0.4	\$ 0.4	\$ 1.5	\$ 7.9	\$ 9.4
EBITDA ¹	\$ -	\$ 0.4	\$ 0.4	\$ 1.4	\$ 6.5	\$ 7.9
Less:						
Depreciation & amortization	-	-	-	0.5	0.4	0.9
Interest expense	-	0.2	0.2	1.0	2.3	3.3
Provision for income taxes	-	-	-	-	1.3	1.3
Net income (loss) attributable to CBRE Group, Inc.	\$ -	\$ 0.2	\$ 0.2	\$ (0.1)	\$ 2.3	\$ 2.4

1. There are no selected charges attributable to discontinued operations.