



Colony Capital, Inc. Announces Appointment of Thomas Barrack as CEO

November 7, 2018

Executive Chairman Tom Barrack Reassumes Role as Chief Executive Officer, Richard Saltzman Departs; Darren Tangen Becomes President and Mark Hedstrom to Assume Role as Chief Financial Officer

LOS ANGELES--(BUSINESS WIRE)--Nov. 7, 2018-- **Colony Capital, Inc. (NYSE: CLNY)** (collectively, "Colony Capital," or the "Company") announced today that its board of directors and its Chief Executive Officer, Richard Saltzman, have reached a mutual agreement in which Mr. Saltzman, who has served as CEO since going public four years ago, has resigned as CEO, President and as a director of the Company. Mr. Saltzman will remain in a non-executive capacity as Chairman of both Colony Credit Real Estate Inc. (NYSE: CLNC) and NorthStar Realty Europe (NYSE: NRE), which are externally managed by subsidiaries of the Company. Thomas J. Barrack, Jr., the Company's Executive Chairman, has taken on the additional role of CEO of the Company. In doing so, Mr. Barrack reassumes the position he held when he founded Colony as a private company in 1991, until 2014, when Colony merged into Colony Financial, Inc.

The Company will be implementing a set of additional organizational changes to further align with its increasing focus on its investment management business. Darren Tangen, the Company's current Chief Financial Officer, has been named President, effective immediately, and will resign as Chief Financial Officer, effective January 1, 2019. Effective January 1, 2019, Mark Hedstrom, the Company's current Chief Operating Officer, will reassume the additional responsibilities of Chief Financial Officer, a position he held prior to Colony's 2014 merger into Colony Financial, Inc.

Additionally, in connection with the exit of certain non-core business lines and as part of a reorganization and restructuring plan, Colony Capital will be commencing a series of steps to reduce overhead and match resources to its renewed set of missions, with an expected \$50 to \$55 million in total annual general and administrative cost reductions over the next 12 to 18 months. These cost reductions are designed to leave the Company more nimble and de-centralized, with a focus on pay-for-performance.

In a statement, the Company's board of directors said: "Since the combination of Colony Financial and Colony Capital to create the listed entity Colony Capital, and since the complex merger of Colony and the NorthStar entities, Mr. Saltzman has tirelessly worked to position the Company for the future. We are grateful for his contributions and wish him continued success. We are pleased that Tom will again be Colony's CEO."

"Today I leave Colony well positioned to invest and flourish through economic cycles. I am proud of what has been accomplished during my more than 15-year leadership stint at Colony Capital, including the last four years as a public company. More importantly, I am optimistic about the long-term outlook for the Company," Mr. Saltzman said. "Furthermore, I completely respect and embrace Tom's interest in returning to the CEO role as the Founder and driving force behind the Company for decades. I remain a substantial shareholder, and he has my full support."

Mr. Barrack said: "Richard has been my partner and friend for almost three decades. He is also one of the most highly regarded executives in our industry. Richard's impact on many of today's leading real estate companies cannot be overstated, and Colony is no exception. I thank Richard in particular for his help establishing a permanent balance sheet with which to invest alongside investors to increase alignment of interests and thus create greater value for shareholders and LPs alike."

About Colony Capital, Inc.

Colony Capital, Inc. (NYSE: CLNY) is a leading global investment management firm with assets under management of \$44 billion. The Company manages capital on behalf of its stockholders, as well as institutional and retail investors in private funds, non-traded and traded real estate investment trusts and registered investment companies. The Company has significant holdings in: (a) the healthcare, industrial and hospitality property sectors; (b) Colony Credit Real Estate, Inc. (NYSE: CLNC) and NorthStar Realty Europe Corp. (NYSE: NRE), which are both externally managed by subsidiaries of the Company; and (c) various other equity and debt investments. The Company is headquartered in Los Angeles with key offices in New York, Paris and London, and has over 400 employees across 17 locations in ten countries. For additional information regarding the Company and its management and business, please refer to www.clny.com.

Cautionary Statement Regarding Forward-Looking Statements

This press release may contain forward-looking statements within the meaning of the federal securities laws. Forward-looking statements relate to expectations, beliefs, projections, future plans and strategies, anticipated events or trends and similar expressions concerning matters that are not historical facts. In some cases, you can identify forward-looking statements by the use of forward-looking terminology such as "may," "will," "should," "expects," "intends," "plans," "anticipates," "believes," "estimates," "predicts," or "potential" or the negative of these words and phrases or similar words or phrases which are predictions of or indicate future events or trends and which do not relate solely to historical matters. You can also identify forward-looking statements by discussions of strategy, plans or intentions.

Forward-looking statements involve known and unknown risks, uncertainties, assumptions and contingencies, many of which are beyond the Company's control, and may cause the Company's actual results to differ significantly from those expressed in any forward-looking statement. Factors that might cause such a difference include, without limitation, our failure to achieve anticipated synergies in and benefits of the completed merger among NorthStar Asset Management Group Inc., Colony Capital, Inc. and NorthStar Realty Finance Corp., the impact of changes to Colony Capital's management, employee and organizational structure, the amount, timing and impact of cost reductions, including whether any anticipated benefits of such reductions will be realized, the Company's financial flexibility, the Company's ability to grow its investment management business, the timing and pace of growth of the Company's Industrial platform, the performance of the Company's investment in Colony Credit Real Estate, Inc., the Company's ability to maintain or create future permanent capital vehicles under its management, whether the Company will realize any anticipated benefits from the Digital Bridge partnership, the Company's ability to simplify its business and become more balance sheet-lite, the Company's portfolio composition, Colony Capital's liquidity, including its ability to continue to generate liquidity by more accelerated sales of non-core assets and businesses, whether the Company will complete or sponsor any compelling investment opportunities under a predominantly third-party capital model,

the Company's expected taxable income and net cash flows, excluding the contribution of gains, the Company's ability to grow the dividend at all in the future; the impact to the Company of the management agreement amendments with NorthStar Healthcare Income, Inc. and NorthStar Realty Europe Corp., whether Colony Capital will be able to maintain its qualification as a REIT for U.S. federal income tax purposes, the timing of and ability to deploy available capital, the timing of and ability to complete repurchases of Colony Capital's stock, Colony Capital's ability to maintain inclusion and relative performance on the RMZ, Colony Capital's leverage, including the Company's ability to reduce debt and the timing and amount of borrowings under its credit facility, whether the Company will benefit from the combination of its broker-dealer business with S2K Financial, increased interest rates and operating costs, adverse economic or real estate developments in Colony Capital's markets, Colony Capital's failure to successfully operate or lease acquired properties, decreased rental rates, increased vacancy rates or failure to renew or replace expiring leases, defaults on or non-renewal of leases by tenants, the impact of economic conditions on the borrowers of Colony Capital's commercial real estate debt investments and the commercial mortgage loans underlying its commercial mortgage backed securities, adverse general and local economic conditions, an unfavorable capital market environment, decreased leasing activity or lease renewals, and other risks and uncertainties detailed in our filings with the U.S. Securities and Exchange Commission ("SEC"). All forward-looking statements reflect the Company's good faith beliefs, assumptions and expectations, but they are not guarantees of future performance. Additional information about these and other factors can be found in Colony Capital's reports filed from time to time with the SEC.

Colony Capital cautions investors not to unduly rely on any forward-looking statements. The forward-looking statements speak only as of the date of this press release. Colony Capital is under no duty to update any of these forward-looking statements after the date of this press release, nor to conform prior statements to actual results or revised expectations, and Colony Capital does not intend to do so.

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