



## Colony Capital Completes Additional Steps in Ongoing Digital Transformation and Strategic Plan

July 1, 2020

*Marc Ganzi Becomes President and Chief Executive Officer of Colony Capital;  
Jacky Wu Assumes Role of Chief Financial Officer*

*Founder Tom Barrack Remains as Executive Chairman and Longtime CFO and COO Mark Hedstrom to Continue as Chief Operating Officer*

*Corporate Revolver Right-Sized and Amended to Enhance Financial Flexibility*

*Board of Directors Declares Preferred Dividend for 2Q 2020*

LOS ANGELES--(BUSINESS WIRE)--Jul. 1, 2020-- Colony Capital, Inc. (NYSE:CLNY) and its subsidiaries (collectively, "Colony Capital" or the "Company") today announced the completion of the latest steps in connection with its ongoing digital transformation and strategic plan.

### ***Marc Ganzi Assumes Role of President and Chief Executive Officer and Jacky Wu Assumes Role of Chief Financial Officer of Colony Capital***

As previously disclosed, Marc C. Ganzi assumed the role of Colony Capital's Chief Executive Officer today, succeeding Thomas J. Barrack, Jr., who will continue in his role as Executive Chairman. In connection with Mr. Ganzi's appointment the Company's Board of Directors (the "Board") appointed Mr. Ganzi as a member of the Board and as President of the Company, effective today. In addition, as previously disclosed, Jacky Wu has assumed the role of Chief Financial Officer and Treasurer, effective today.

"Three years ago we embarked on a pivot to the digital frontier and its incredible potential of growth and opportunity," said Mr. Barrack. "The final piece we needed to complete this critical transition is the exact right CEO to lead Colony in its transformation and build on Colony's strong global legacy. I am confident that under Marc's leadership, Colony Capital will be positioned as the premier investment partner for companies enabling the next generation of mobile and internet connectivity."

"I want to thank Tom for his visionary leadership in building Colony Capital into a best-in-class real estate investment platform over the past three decades," said Mr. Ganzi. "In today's uncertain environment, global communications infrastructure and the digital ecosystem it comprises have never been more essential in bridging the digital divide and connecting communities, businesses and individuals around the world. Colony is poised to capitalize on a wide variety of attractive investment opportunities to provide greater connectivity and services for our customers and superior value for our shareholders. I look forward to working closely with the Board, Jacky, and the rest of our executive management team to execute on our shared vision."

In connection with Mr. Ganzi's appointment to the Board, Charles W. Schoenherr has resigned from the Company's Board of Directors, effective July 1, 2020.

"On behalf of the entire Board, I want to thank Charlie for his many contributions and dedicated service to Colony Capital. We wish him all the best," said Mr. Barrack.

### ***Corporate Revolver Right-Sized and Amended to Enhance Financial Flexibility***

Colony Capital entered into an amendment to its revolving credit facility ("RCF"), which improves the terms of its financial covenants to account for the impact of COVID-19 on its legacy assets and increases the borrowing base capacity for digital infrastructure investments to facilitate the Company's digital transformation.

"The corporate revolver amendment progresses two of the key priorities we have highlighted to investors, demonstrating our commitment to de-lever the balance sheet and building a clear liquidity runway on our 'Path-to-Digital,'" said Mr. Ganzi. "I want to thank our lending partners for their flexibility and constructive approach to this process and appreciate their continuing commitment to helping Colony achieve its long-term goals."

Key terms of the amendment include:

- Modifications to certain financial covenants on revised, more favorable, terms to the Company for the duration of the RCF;
- Borrowing base adjustments that reflect the growing contribution of digital infrastructure to the Company's asset base and earnings;
- Right-sized aggregate commitments to (i) \$500 million upon effectiveness of the amendment and (ii) \$400 million on March 31, 2021; and
- Addition of certain customary restrictions on common equity dividends (subject to REIT requirements), share repurchases, preferred redemptions, and the voluntary repayment of indebtedness (with the exception of the Company's convertible debt due 2021)

The amended terms of the RCF were informed by (i) management's assessment of the potential impacts of the COVID-19 pandemic on its business operations, cash needs, and financial results across a variety of scenarios, including the potential for an extended period of economic disruption caused by COVID-19 and (ii) management's focus on maintaining ample liquidity through periods of economic uncertainty.

Resetting the RCF covenants creates an effective 18-month runway to January 2022, the RCF's extended maturity date. This enhances the Company's financial flexibility by allowing it to make full use of the RCF across a variety of economic scenarios, by which time the Company expects

its business will be substantially rotated to digital.

In connection with the signing of the amendment, the Company paid down \$200 million of the outstanding balance on the RCF, reducing the amount drawn to \$400 million. Subsequent to this paydown, the Company has liquidity of approximately \$900 million, including corporate cash-on-hand of approximately \$800 million and undrawn revolver capacity of \$100 million.

### **Board of Directors Declares Preferred Dividend for 2Q 2020**

On June 30, 2020, the Company's Board declared cash dividends with respect to each series of the Company's cumulative redeemable perpetual preferred stock in accordance with the terms of such series, as follows: with respect to each of the Series G preferred stock - \$0.46875 per share, Series H preferred stock - \$0.4453125 per share, Series I preferred stock - \$0.446875 per share and Series J preferred stock - \$0.4453125 per share, such dividends to be paid on July 15, 2020 to the respective stockholders of record on July 10, 2020. The Board determined that improvements in the trajectory of the COVID-19 pandemic, the Company's liquidity and general economic conditions since the early May 2020 board meeting warrant the declaration of the preferred dividends. The Board remains vigilant in its assessment of the impact of COVID-19 and will continue to prioritize liquidity through this period of unprecedented disruption.

### **About Colony Capital**

Colony Capital, Inc. (NYSE: CLNY) is a leading global investment firm with a heritage of identifying and capitalizing on key secular trends in real estate. The Company manages a \$50 billion portfolio of real assets on behalf of its shareholders and limited partners, including over \$20 billion in digital real estate investments through Digital Colony, its digital infrastructure platform. Colony Capital, structured as a REIT, is headquartered in Los Angeles with key offices in Boca Raton, New York, and London, and has over 350 employees across 20 locations in 12 countries. For more information on Colony visit [www.clny.com](http://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. Forward-looking statements involve known and unknown risks, uncertainties, assumptions and contingencies, many of which are beyond our control, and may cause actual results to differ significantly from those expressed in any forward-looking statement. Factors that might cause such a difference include, without limitation, the Company's ability to successfully transition to a digital focused strategy, and achieve the anticipated benefits of such transition, including the magnitude of potential growth and opportunity in the digital industry, the demand for global communications infrastructure, the Company's ability to capitalize on a wide variety of attractive investment opportunities to provide greater connectivity and services for the Company's customers and superior value for its shareholders, the impact of COVID-19 on the U.S. and global economy, including the duration and extent of the impact of COVID-19 on the operating performance of the Company's real estate businesses and investments, the Company's ability to de-lever, the Company's liquidity and financial flexibility, the Company's ability to complete its rotation to digital within the timeframe anticipated or at all, whether the RCF amendments will result in the anticipated benefits and the Company's ability to meet the financial and other covenants in the amended RCF, including the ability of the Company to exercise RCF extension options, the Company's ability to continue to pay dividends on its preferred stock, and other risks and uncertainties, including those detailed in Colony Capital's Annual Report on Form 10-K for the year ended December 31, 2019, Quarterly Report on Form 10-Q for the quarter ended March 31, 2020 and its other reports filed from time to time with the Securities and Exchange Commission. 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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