



Fortress Transportation and Infrastructure Investors LLC

Supplemental Information **First Quarter 2021**



FORTRESS
TRANSPORTATION
& INFRASTRUCTURE

Disclaimers

IN GENERAL. This disclaimer applies to this document and the verbal or written comments of any person presenting it. This document, taken together with any such verbal or written comments, is referred to herein as the “Presentation.”

FORWARD-LOOKING STATEMENTS. Certain statements in this Presentation may constitute “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995, of Fortress Transportation and Infrastructure Investors LLC (referred to in this Presentation as “FTAI,” the “Company,” or “we”), including without limitation, ability to achieve key investment objectives, expansion and growth opportunities, pipeline activity and investment of existing cash, ability to successfully close deals for which we have letters of intent or “LOIs”, actual results as compared to annualized data, expectations regarding additional Funds Available for Distribution (“FAD”) and/or EBITDA from investments, growth of and ability to expand Jefferson Terminal, Repauno and Long Ridge, whether equipment will be able to be leased, completion of new infrastructure and commencement of new operations within the Infrastructure business, bank borrowings and future debt and leverage capacity, financing activities and other such matters. These statements are based on management’s current expectations, estimates and beliefs and are subject to a number of trends and uncertainties that could cause actual results to differ materially from those described in the forward-looking statements, many of which are beyond our control. FTAI can give no assurance that its expectations will be attained. Accordingly, you should not place undue reliance on any forward-looking statements made in this Presentation. For a discussion of some of the risks and important factors that could affect such forward-looking statements including, but not limited to the ongoing COVID-19 pandemic, see the sections entitled “Risk Factors” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” in the Company’s most recent annual report on Form 10-K and quarterly report on Form 10-Q (when available) and other filings with the U.S. Securities and Exchange Commission, which are included on the Company’s website (www.ftandi.com). In addition, new risks and uncertainties emerge from time to time, and it is not possible for the Company to predict or assess the impact of every factor that may cause its actual results to differ from those contained in any forward-looking statements. Such forward-looking statements speak only as of the date of this Presentation. The Company expressly disclaims any obligation to release publicly any updates or revisions to any forward-looking statements contained herein to reflect any change in the Company’s expectations with regard thereto or change in events, conditions or circumstances on which any statement is based.

PAST PERFORMANCE. Past performance is not a reliable indicator of future results and should not be relied upon for any reason. Annualized data is presented for illustrative purposes only and should not be considered indicative of future performance or actual results for any period.

NO OFFER; NO RELIANCE. This Presentation is for informational purposes only and does not constitute an offer to sell, or a solicitation of an offer to buy, any security and may not be relied upon in connection with the purchase or sale of any security. Any such offer would only be made by means of formal documents, the terms of which would govern in all respects. You should not rely on this Presentation as the basis upon which to make any investment decision.

NON-GAAP FINANCIAL INFORMATION. This Presentation includes information based on financial measures that are not recognized under generally accepted accounting principles (GAAP), such as Adjusted EBITDA and FAD. You should use Non-GAAP information in addition to, and not as an alternative to, financial information prepared in accordance with GAAP. See Reconciliation and Glossary in the Appendix to this Presentation for reconciliations to the most comparable GAAP measures and an explanation of each of our Non-GAAP measures. Our Non-GAAP measures may not be identical or comparable to measures with the same name presented by other companies. Reconciliations of forward-looking Non-GAAP financial measures to their most directly comparable GAAP financial measures are not included in this Presentation because the most directly comparable GAAP financial measures are not available on a forward-looking basis without unreasonable effort.

FTAI Overview

Fortress Transportation and Infrastructure Investors (NYSE: FTAI) owns and operates high quality transportation and infrastructure assets

- Diversified portfolio across the equipment leasing and infrastructure sectors
- Key investment objectives⁽¹⁾:
 - Combine *income & growth* through a mix of equipment & infrastructure
 - Pay a *stable & growing* dividend

Equipment Leasing⁽²⁾

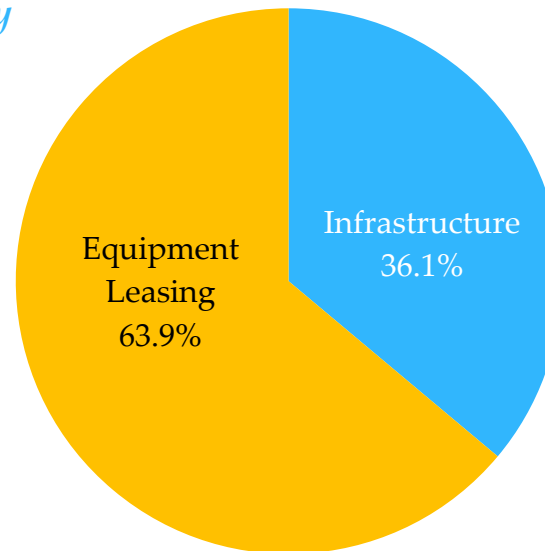
~\$1.8 billion book equity

- ✓ Aviation Platform
- ✓ Contracted cash flows
- ✓ Differentiated aviation leasing product

Infrastructure⁽³⁾

~\$1.0 billion book equity

- ✓ Jefferson Terminal
- ✓ Long Ridge Terminal
- ✓ Repauno Port & Rail Terminal



1) See "Disclaimers" at the beginning of the Presentation.

2) Equipment Leasing business is comprised of the Aviation Leasing segment, and Offshore Energy & Shipping Containers. Book equity is calculated as total equity less non-controlling interest in equity of consolidated subsidiaries as of March 31, 2021.

3) Infrastructure business is comprised of Jefferson Terminal, Ports & Terminals, car cleaning assets and investment in FYX. Book equity is calculated as total equity less non-controlling interest in equity of consolidated subsidiaries as of March 31, 2021.

First Quarter Highlights

Financial Performance

- Net Loss Attributable to Shareholders of \$34.5 million
- Total Funds Available for Distribution (“FAD”) of \$14.4 million⁽¹⁾
- Adjusted EBITDA of \$47.2 million⁽¹⁾

Investment Activity

Aviation

- Invested \$127.8 million in Aviation leasing equipment in Q1’21
- Robust pipeline of aviation opportunities, with ~\$170.0 million of in-place LOIs⁽²⁾ (primarily comprised of CFM56 engines and related aircraft) outstanding at March 31, 2021
- Harvested non-core aviation assets; sold 16x engines and 5x airframes for a total sales price of \$31.5 million and a gain of \$0.8 million
- Received FAA approval on our first PMA⁽³⁾ product in February 2021

Infrastructure

- Completed construction of 6 cross channel pipelines in February 2021
- Completed construction of Southern Star pipeline in April 2021
- Continued to advance on all expansion projects

Capital Structure

- Total investable cash was approximately \$142.4 million⁽⁴⁾ at March 31, 2021
- Issued 4.2 million of 8.25% fixed-rate series C preferred shares for gross proceeds of ~\$101.7 million in March 2021
- Issued \$500.0 million of unsecured notes with a 5.5% coupon and a maturity of 7 years in April 2021
 - Plan to use proceeds to redeem all of remaining \$400.0 million of 6.75% fixed rate unsecured notes due 2022 and for general corporate purposes

1) This is a Non-GAAP measure. See Reconciliation of Non-GAAP Measures section in Appendix for a reconciliation to the most comparable GAAP measure.

2) In-place LOIs represent understandings and arrangements in place. There can be no assurance that we will be successful in acquiring any such assets or, if acquired, that they will generate returns meeting our expectations, or at all. Some of our committed investments and pipeline investments are subject to definitive documentation, agency consent and board approval. Committed investments and pipeline investments are also subject to varying degrees of diligence. There can be no assurance that we will complete any such investments or transactions. See “Disclaimers” at the beginning of the Presentation.

3) Parts Manufacturer Approval.

4) Investable cash is equal to cash on the Corporate and Other balance sheet, excluding cash related to Offshore Energy, Shipping Containers, and car cleaning assets.

Consolidated Financial Results

Q1'21 Financial Results

- ✓ Net Loss Attributable to Shareholders of \$34.5 million
- ✓ Net Cash Used in Operating Activities of \$48.9 million
- ✓ Total FAD of \$14.4 million⁽¹⁾
- ✓ Adjusted EBITDA of \$47.2 million⁽¹⁾

Q1'21 Balance Sheet

- ✓ Total Assets of \$3.6 billion
- ✓ Total Debt of \$2.1 billion (net of \$34.9mm deferred financing costs)
- ✓ Total Cash of \$160.3 million

Financial Overview

(\$s in millions, except per share amounts)

Quarter Over Quarter Results	Q1'20	Q4'20	Q1'21
Net Loss Attributable to Shareholders	(\$2.9)	(\$60.5)	(\$34.5)
Net Cash (Used in) Provided by Operating Activities	(\$11.8)	\$34.7	(\$48.9)
FAD ⁽¹⁾	\$96.0	\$54.2	\$14.4
Adjusted EBITDA ⁽¹⁾	\$72.0	\$46.2	\$47.2
Losses Per Common Share – Continuing Operations	(\$0.05)	(\$0.70)	(\$0.40)
Earnings Per Common Share – Discontinued Operations	\$0.02	\$0.00	\$0.00
ROE ⁽²⁾	(0.9%)	(21.3%)	(12.8%)

Balance Sheet & Liquidity	March 31, 2021
Aviation Leasing Assets	\$1,806.7
Infrastructure Assets	1,441.6
Corporate and Other Assets	343.7
Total Assets	\$3,592.0
Debt	2,077.4
Total Equity	1,143.7
Total Debt + Total Equity	\$3,221.1
Total Debt to Capital Ratio	64.5%

1) This is a Non-GAAP measure. See Reconciliation of Non-GAAP Measures section in Appendix for a reconciliation to the most comparable GAAP measure.

2) ROE is calculated as net income (loss) attributable to shareholders for the quarter divided by quarterly average total equity excluding non-controlling interest in equity of consolidated subsidiaries. The average is based on quarter-end equity amounts over the two most recently completed quarters. ROE for quarterly periods is shown as an annualized return. Annualized data is presented for illustrative purposes only and should not be considered indicative of future performance or actual results for any period. Please see "Disclaimers" at the beginning of the Presentation.

Highlights of Funds Available for Distribution⁽¹⁾⁽²⁾

- Aviation Leasing FAD⁽²⁾ was \$60.6 million for the quarter ended March 31, 2021
 - Includes \$4.6 million from aviation equipment sales proceeds
- Infrastructure FAD⁽²⁾ decreased \$2.0 million from prior quarter primarily due to lower contribution from Jefferson resulting from lower crude activity offset by higher contribution from investment in Long Ridge resulting from higher gas and frac sand sales (higher margins & volumes)
- Corporate & Other FAD⁽²⁾ decreased \$8.5 million from prior quarter primarily due to higher interest expense resulting from higher revolver borrowings outstanding during the quarter and lower capitalization of interest expense coupled with lower FAD contribution from Offshore assets

Funds Available for Distribution⁽¹⁾⁽²⁾

<i>(\$s in millions)</i>	<i>Q1'21</i>
<i>Aviation Leasing Business FAD⁽³⁾</i>	\$60.6
<i>Infrastructure Business FAD⁽³⁾</i>	(\$3.8)
<i>Corporate and Other FAD⁽⁴⁾</i>	(\$42.4)
<i>Total FAD</i>	<i>\$14.4</i>
<i>Net Cash Used in Operating Activities</i>	<i>(\$48.9)</i>

1) There can be no assurance that additional FAD will be generated after deploying investable cash on balance sheet. See "Disclaimers" at the beginning of the Presentation.

2) This is a Non-GAAP measure. See Reconciliation of Non-GAAP Measures section in Appendix for a reconciliation to the most comparable GAAP measure.

3) See "Aviation Leasing" and "Infrastructure" in Reconciliation of FAD in Appendix at the end of this Presentation.

4) Includes Shipping Containers, Offshore Energy, and rail assets.

Capital Structure & Financing Strategy

- Conservative approach to leverage
 - Leverage of approximately 64.5%⁽¹⁾ of total capital
- Total book value attributable to FTAI common shareholders is approximately \$0.8 billion, or \$9.46 per common share⁽²⁾

(\$s in millions)	March 31, 2021
Cash & Cash Equivalents	<u>\$160.3</u>
Total Debt⁽³⁾	<u>\$2,077.4</u>
Shareholders' Equity	\$810.2
Preferred Equity	\$314.9
Non-controlling Interest	<u>\$18.6</u>
Total Equity	<u>\$1,143.7</u>
Total Capitalization	<u>\$3,221.1</u>
Debt/Total Capital	64.5%



Aviation Leasing

- As of March 31, 2021, we owned and managed 279 aviation assets, including 80 aircraft and 199 engines, with 67 of 80 aircraft and 114 of 199 engines on lease
- Invested ~\$127.8 million in aviation equipment during Q1'21
- Sold 16 engines and 5 airframes for a total sales price of \$31.5 million and a gain of \$0.8 million

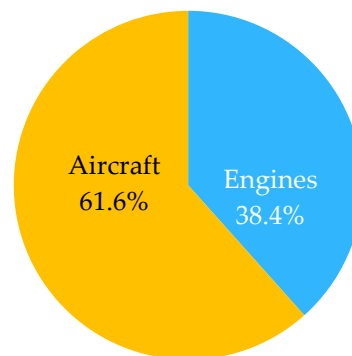
Financial Summary

(\$s in millions)

Statement of Operations	Q1'20	Q4'20	Q1'21
Total Revenue	\$83.0	56.5	56.1
Total Expenses	(39.4)	(63.0)	(40.1)
Other ⁽¹⁾	(2.5)	0.9	0.8
Net Income (Loss) Attributable to Shareholders	\$41.1	(\$5.6)	\$16.8
ROE ⁽²⁾	11.8%	(1.5%)	4.4%
Non-GAAP Measure			
Adjusted EBITDA ⁽³⁾	\$83.4	\$57.3	\$60.7

Operating Data & Metrics

Net Leasing Equipment



(\$s in millions)

	As of March 31, 2021		
	Engines	Aircraft	Total
# Assets	199	80	279
Net Leasing Equipment	\$577.6	\$926.6	\$1,504.2
Utilization ⁽⁴⁾	55.5%	84.4%	72.9%
Remaining Lease Term (months) ⁽⁵⁾	20	38	(n/a)

1) Includes Total other income, Provision for income taxes, less Net income attributable to non-controlling interest in consolidated subsidiaries.

2) ROE is calculated as net income attributable to shareholders for the quarter divided by quarterly average total equity excluding non-controlling interest in equity of consolidated subsidiaries. The average is based on quarter-end equity amounts over the two most recently completed quarters. ROE for quarterly periods is shown as an annualized return. Annualized data is presented for illustrative purposes only and should not be considered indicative of future performance or actual results for any period. Please see "Disclaimers" at the beginning of the Presentation.

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4) Utilization is based on the percent of days on-lease in the quarter weighted by the monthly average equity value of our aviation leasing equipment, excluding airframes.

5) Remaining Lease Term is based on the average remaining months for our aircraft and engine portfolios, weighted by the net asset value of the respective assets, which is gross asset value including lease intangibles, as applicable, net of accumulated depreciation, accumulated amortization and maintenance deposits, as applicable.

Aviation Leasing Historical Returns

- Scaled the Aviation segment from an Average Book Equity⁽¹⁾ of \$1,315.5 million in Q4'19 to \$1,539.7 million in Q1'21, while maintaining a strong return profile

Financial Metrics	Q4'19	Q1'20	Q2'20	Q3'20	Q4'20	Q1'21
(\$s in thousands)						
Average Book Equity ⁽¹⁾ {A}	\$1,315,470	\$1,391,697	\$1,439,145	\$1,486,634	\$1,485,179	\$1,539,681
Annualized Net Income ⁽²⁾	\$316,272	\$164,492	\$118,268	\$94,160	(\$22,324)	\$67,088
Annualized Net Income excluding gain on sale of assets ⁽²⁾ {B}	\$234,008	\$171,768	\$115,168	\$98,616	(\$29,756)	\$63,844
Annualized Return on Equity excluding gain on sale of assets % {B/A}	17.8%	12.3%	8.0%	6.6%	-2.0%	4.1%
Annualized Adjusted EBITDA ⁽²⁾	\$507,452	\$333,560	\$310,004	\$282,248	\$229,196	\$242,916
Annualized Adjusted EBITDA excluding gain on sale of assets {C}	\$425,188	\$340,836	\$306,904	\$286,704	\$221,764	\$239,672
Annualized Adjusted EBITDA Return on Equity excluding gain on sale of assets % {C/A}	32.3%	24.5%	21.3%	19.3%	14.9%	15.6%
Operating Metrics						
Aircraft	74	76	80	79	78	80
Engines	164	168	192	193	186	199
Total Aviation Assets	238	244	272	272	264	279

Jefferson Terminal

- Well-positioned to take advantage of growing local and export refined products and crude markets⁽¹⁾
- Net Loss increased q-o-q due to lower crude-by-rail movements resulting from the continued demand shock driven by Covid-19 pandemic coupled with unexpected production curtailments due to severely inclement weather in February 2021

Financial Summary

(\$s in millions)

Statement of Operations	Q1'20	Q4'20	Q1'21
Total Revenue	\$24.7	\$10.8	\$10.7
Total Expenses	(32.6)	(18.8)	(20.6)
Other ⁽²⁾	(0.1)	4.0	5.1
Net Loss Attributable to Shareholders	(\$8.0)	(\$4.0)	(\$4.8)
ROE ⁽³⁾	(6.9%)	(2.8%)	(3.2%)
Non-GAAP Measure			
Adjusted EBITDA ⁽⁴⁾	\$4.6	\$4.2	\$2.8

Operating Data & Metrics

(Figures in bbls)

Quarterly Operating Data ⁽⁵⁾	Q4'20	Q1'21
Refined Products Volume	2,451,348	2,641,174
Crude Volume	1,507,347	1,178,691
Total Volume	3,958,695	3,819,865
Storage Capacity	4,309,027	4,309,027

1) Please see "Disclaimers" at the beginning of the Presentation.

2) Includes Total other income, Equity investment income, Provision for income taxes, less Net loss attributable to non-controlling interest in consolidated subsidiaries.

3) ROE is calculated as net income attributable to shareholders for the quarter divided by quarterly average total equity excluding non-controlling interest in equity of consolidated subsidiaries. The average is based on quarter-end equity amounts over the two most recently completed quarters. ROE for quarterly periods is shown as an annualized return. Annualized data is presented for illustrative purposes only and should not be considered indicative of future performance or actual results for any period. Please see "Disclaimers" at the beginning of the Presentation.

4) This is a Non-GAAP measure. See Reconciliation of Non-GAAP Measures section in Appendix for a reconciliation to the most comparable GAAP measure.

5) Volume data comprised of the greater of the minimum volume commitments or actual revenue generating inbound or/and outbound volumes.



Ports and Terminals

- Ports and Terminals is comprised of the Repauno Port and a 50.1% investment in Long Ridge Energy Terminal
- Revenue increased \$5.8 million q-o-q, primarily due to an unrealized gain of \$7.9 million on butane derivatives at Repauno
 - Repauno entered into short-term forward purchase and sales contracts of butane in Q1'21
- As a result of the sale of a 49.9% interest in Long Ridge in Q4'19, Long Ridge's results are no longer consolidated, and are shown in Other Income as "Equity in earnings (losses) of unconsolidated entities"
 - FTAI's proportional share of Long Ridge's net income was \$1.5 million in Q1'21 (vs. net income of \$0.7 million in Q4'20)

Financial Summary

(\$s in millions)

<i>Statement of Operations</i>	<i>Q1'20</i>	<i>Q4'20</i>	<i>Q1'21</i>
<i>Total Revenue</i>	\$0.3	\$2.3	\$8.1
<i>Total Expenses</i>	(3.6)	(4.5)	(5.6)
<i>Other⁽¹⁾</i>	1.3	0.8	1.3
<i>Net (Loss) Income Attributable to Shareholders</i>	(\$2.0)	(\$1.4)	\$3.8
<i>ROE⁽²⁾</i>	(2.4%)	(1.5%)	4.1%
<i>Non-GAAP Measure</i>			
<i>Adjusted EBITDA⁽³⁾</i>	(\$1.3)	\$0.4	\$0.1

1) Includes Total other income, Provision for income taxes, less Net (loss) income attributable to non-controlling interest in consolidated subsidiaries.

2) ROE is calculated as net income attributable to shareholders for the quarter divided by quarterly average total equity excluding non-controlling interest in equity of consolidated subsidiaries. The average is based on quarter-end equity amounts over the two most recently completed quarters. ROE for quarterly periods is shown as an annualized return. Annualized data is presented for illustrative purposes only and should not be considered indicative of future performance or actual results for any period. Please see "Disclaimers" at the beginning of the Presentation.

3) This is a Non-GAAP measure. See Reconciliation of Non-GAAP Measures section in Appendix for a reconciliation to the most comparable GAAP measure.

Corporate and Other

- Corporate and Other includes G&A expenses, management fees, incentive allocations, acquisition and transaction costs, interest expense, expense reimbursement, and preferred dividends, as well as operating results from rail car cleaning, Offshore Energy, and Shipping Containers
- Total Revenue decreased \$3.9 million compared to Q4'20, primarily due to lower revenue generated from offshore assets
- Total Expenses increased (\$4.2) million compared to Q4'20, primarily due to higher interest expense offset by lower Corporate G&A and lower operating expenses resulting from lower utilization of offshore assets
- “Other” is primarily comprised of preferred dividends. Q4'20 also includes a \$6.9 million loss on debt extinguishment resulting from the early repayment of \$300 million of senior unsecured notes due 2022

Financial Summary

(\$s in millions)

<i>Statement of Operations</i>	<i>Q1'20</i>	<i>Q4'20</i>	<i>Q1'21</i>
<i>Total Revenue</i>	\$4.8	\$6.1	\$2.2
<i>Total Expenses</i>	(35.6)	(44.0)	(48.2)
<i>Other⁽¹⁾</i>	(4.5)	(11.6)	(4.4)
<i>Net Loss Attributable to Shareholders</i>	(\$35.3)	(\$49.5)	(\$50.4)
<i>Non-GAAP Measure</i>			
<i>Adjusted EBITDA⁽²⁾</i>	(\$14.6)	(\$15.7)	(\$16.5)

1) Includes Total other income, Provision for income taxes, income from discontinued operations, and preferred dividends less Net loss attributable to non-controlling interest in consolidated subsidiaries.

2) This is a Non-GAAP measure. See Reconciliation of Non-GAAP Measures section in Appendix for a reconciliation to the most comparable GAAP measure.

Appendix:

- **Statement of Operations by Segment**
- **Comparative Statements of Operations**
- **Condensed Balance Sheets by Segment**
- **Reconciliation of Non-GAAP measures**
- **Consolidated FAD reconciliation**
- **Glossary**

Statement of Operations by Segment

Statement of Operations by Segment (unaudited)

For the Three Months Ended March 31, 2021

(\$ in thousands)

	Equipment Leasing	Infrastructure		Corporate and Other	Total
	Aviation Leasing	Jefferson Terminal	Ports and Terminals		
Revenues					
Equipment leasing revenues	\$ 56,101	\$ —	\$ —	\$ 506	\$ 56,607
Infrastructure revenues	—	10,719	8,096	1,727	20,542
Total revenues	\$ 56,101	\$ 10,719	\$ 8,096	\$ 2,233	\$ 77,149
Expenses					
Operating expenses	4,250	11,721	3,102	5,924	24,997
General and administrative	—	—	—	4,252	4,252
Acquisition and transaction expenses	1,196	—	—	447	1,643
Management fees and incentive allocation to affiliate	—	—	—	3,990	3,990
Depreciation and amortization	32,563	7,718	2,211	2,043	44,535
Asset impairment	2,100	—	—	—	2,100
Interest expense	—	1,203	279	31,508	32,990
Total expenses	\$ 40,109	\$ 20,642	\$ 5,592	\$ 48,164	\$ 114,507
Other income (expense)					
Equity in (losses) earnings of unconsolidated entities	(340)	—	1,542	172	1,374
Gain on sale of assets, net	811	—	—	—	811
Interest income	267	—	—	18	285
Other income	—	181	—	—	181
Total other income	\$ 738	\$ 181	\$ 1,542	\$ 190	\$ 2,651
Income (loss) from continuing operations before income taxes	16,730	(9,742)	4,046	(45,741)	(34,707)
(Benefit from) provision for income taxes	(42)	57	154	—	169
Net income (loss) from continuing operations	\$ 16,772	\$ (9,799)	\$ 3,892	\$ (45,741)	\$ (34,876)
Less: Net (loss) income attributable to non-controlling interests in consolidated subsidiaries	—	(5,016)	55	—	(4,961)
Less: Dividends on preferred shares	—	—	—	4,625	4,625
Net income (loss) from continuing operations attributable to shareholders	\$ 16,772	\$ (4,783)	\$ 3,837	\$ (50,366)	\$ (34,540)
Adjusted EBITDA⁽¹⁾	\$ 60,729	\$ 2,828	\$ 132	\$ (16,535)	\$ 47,154

Statement of Operations by Segment (unaudited)

For the Three Months Ended March 31, 2020

(\$ in thousands)

	Equipment Leasing		Infrastructure		Corporate and Other	Total
	Aviation Leasing	Jefferson Terminal	Ports and Terminals			
Revenues						
Equipment leasing revenues	\$ 82,992	\$ —	\$ —	\$ 3,457	\$ 86,449	
Infrastructure revenues	—	24,741	314	1,336	26,391	
Total revenues	\$ 82,992	\$ 24,741	\$ 314	\$ 4,793	\$ 112,840	
Expenses						
Operating expenses	4,071	21,943	2,000	5,430	33,444	
General and administrative	—	—	—	4,663	4,663	
Acquisition and transaction expenses	2,724	—	782	(312)	3,194	
Management fees and incentive allocation to affiliate	—	—	—	4,766	4,766	
Depreciation and amortization	32,631	7,226	376	1,964	42,197	
Interest expense	—	3,428	393	19,040	22,861	
Total expenses	\$ 39,426	\$ 32,597	\$ 3,551	\$ 35,551	\$ 111,125	
Other income (expense)						
Equity in (losses) earnings of unconsolidated entities	(591)	—	906	(50)	265	
Loss on sale of assets, net	(1,819)	—	—	—	(1,819)	
Loss on extinguishment of debt	—	(4,724)	—	—	(4,724)	
Interest income	12	22	—	7	41	
Other income	—	33	—	—	33	
Total other (expense) income	\$ (2,398)	\$ (4,669)	\$ 906	\$ (43)	\$ (6,204)	
Income (loss) from continuing operations before income taxes	41,168	(12,525)	(2,331)	(30,801)	(4,489)	
Provision for (benefit from) income taxes	45	135	(281)	3	(98)	
Net income (loss) from continuing operations	\$ 41,123	\$ (12,660)	\$ (2,050)	\$ (30,804)	\$ (4,391)	
Less: Net loss attributable to non-controlling interests in consolidated subsidiaries	—	(4,661)	(75)	—	(4,736)	
Less: Dividends on preferred shares	—	—	—	4,539	4,539	
Net income (loss) from continuing operations attributable to shareholders	\$ 41,123	\$ (7,999)	\$ (1,975)	\$ (35,343)	\$ (4,194)	
Adjusted EBITDA⁽¹⁾	\$ 83,390	\$ 4,569	\$ (1,316)	\$ (14,648)	\$ 71,995	

Comparative Statements of Operations

Consolidated - Comparative Statements of Operations (unaudited)

(\$s in thousands)	Three Months Ended				
	3/31/2020	6/30/2020	9/30/2020	12/31/2020	3/31/2021
Revenues					
Equipment leasing revenues	\$ 86,449	\$ 79,834	\$ 69,799	\$ 61,852	\$ 56,607
Infrastructure revenues	26,391	14,475	13,910	13,786	20,542
Total revenues	\$ 112,840	\$ 94,309	\$ 83,709	\$ 75,638	\$ 77,149
Expenses					
Operating expenses	33,444	24,572	23,128	28,368	24,997
General and administrative	4,663	4,388	4,241	4,867	4,252
Acquisition and transaction expenses	3,194	3,661	2,442	571	1,643
Management fees and incentive allocation to affiliate	4,766	4,756	4,591	4,406	3,990
Depreciation and amortization	42,197	41,720	42,626	45,857	44,535
Asset impairment	—	10,476	3,915	19,587	2,100
Interest expense	22,861	21,794	26,904	26,647	32,990
Total expenses	\$ 111,125	\$ 111,367	\$ 107,847	\$ 130,303	\$ 114,507
Other income (expense)					
Equity in earnings (losses) of unconsolidated entities	265	(3,209)	(2,501)	406	1,374
(Loss) gain on sale of assets, net	(1,819)	768	(1,114)	1,857	811
Loss on extinguishment of debt	(4,724)	—	—	(6,943)	—
Interest income	41	22	58	41	285
Other income (expense)	33	(1)	—	38	181
Total other (expense) income	\$ (6,204)	\$ (2,420)	\$ (3,557)	\$ (4,601)	\$ 2,651
Loss from continuing operations before income taxes	(4,489)	(19,478)	(27,695)	(59,266)	(34,707)
(Benefit from) provision for income taxes	(98)	(3,750)	(2,486)	429	169
Net loss from continuing operations	\$ (4,391)	\$ (15,728)	\$ (25,209)	\$ (59,695)	\$ (34,876)
Net income from discontinued operations, net of income taxes	1,331	—	—	—	—
Net loss	(3,060)	(15,728)	(25,209)	(59,695)	(34,876)
Less: Net loss attributable to non-controlling interests in consolidated subsidiaries	(4,736)	(4,112)	(3,876)	(3,798)	(4,961)
Dividends on preferred shares	4,539	4,079	4,625	4,626	4,625
Net loss attributable to shareholders	\$ (2,863)	\$ (15,695)	\$ (25,958)	\$ (60,523)	\$ (34,540)
Adjusted EBITDA⁽¹⁾	\$ 71,995	\$ 66,472	\$ 58,636	\$ 46,203	\$ 47,154

Aviation Leasing - Comparative Statements of Operations (unaudited)

(\$ in thousands)	Three Months Ended				
	3/31/2020	6/30/2020	9/30/2020	12/31/2020	3/31/2021
Revenues					
Lease income	\$ 46,941	\$ 42,505	\$ 38,537	\$ 38,348	\$ 39,789
Maintenance revenue	31,995	27,105	25,609	16,753	15,508
Finance lease income	429	413	591	827	403
Other revenue	3,627	5,236	1,754	541	401
Total revenues	\$ 82,992	\$ 75,259	\$ 66,491	\$ 56,469	\$ 56,101
Expenses					
Operating expenses	4,071	4,577	4,515	7,504	4,250
Acquisition and transaction expenses	2,724	2,061	2,060	(158)	1,196
Depreciation and amortization	32,631	32,203	33,014	36,056	32,563
Asset impairment	—	10,476	3,915	19,587	2,100
Total expenses	\$ 39,426	\$ 49,317	\$ 43,504	\$ 62,989	\$ 40,109
Other income (expense)					
Equity in losses of unconsolidated entities	(591)	(594)	(247)	(500)	(340)
(Loss) gain on sale of assets, net	(1,819)	775	(1,114)	1,858	811
Interest income	12	17	41	24	267
Total other (expense) income	\$ (2,398)	\$ 198	\$ (1,320)	\$ 1,382	\$ 738
Income (loss) before income taxes	41,168	26,140	21,667	(5,138)	16,730
Provision for (benefit from) income taxes	45	(3,427)	(1,873)	443	(42)
Net income (loss)	\$ 41,123	\$ 29,567	\$ 23,540	\$ (5,581)	\$ 16,772
Less: Net income attributable to non-controlling interests in consolidated subsidiaries	—	—	—	—	—
Net income (loss) attributable to shareholders	\$ 41,123	\$ 29,567	\$ 23,540	\$ (5,581)	\$ 16,772
Adjusted EBITDA⁽¹⁾	\$ 83,390	\$ 77,501	\$ 70,562	\$ 57,299	\$ 60,729

Jefferson Terminal - Comparative Statements of Operations (unaudited)

(\$ in thousands)	Three Months Ended				
	3/31/2020	6/30/2020	9/30/2020	12/31/2020	3/31/2021
Revenues					
Lease income	\$ 120	\$ 287	\$ 368	\$ 411	\$ 430
Terminal services revenues	16,411	12,794	11,329	10,353	10,289
Crude marketing revenues	8,210	—	—	—	—
Total revenues	\$ 24,741	\$ 13,081	\$ 11,697	\$ 10,764	\$ 10,719
Expenses					
Operating expenses	21,943	12,290	9,661	9,178	11,721
Depreciation and amortization	7,226	7,160	7,250	7,398	7,718
Interest expense	3,428	2,310	1,487	2,201	1,203
Total expenses	\$ 32,597	\$ 21,760	\$ 18,398	\$ 18,777	\$ 20,642
Other income (expense)					
Loss on sale of assets, net	—	(7)	—	(1)	—
Loss on extinguishment of debt	(4,724)	—	—	—	—
Interest income	22	—	—	—	—
Other income (expense)	33	(1)	—	38	181
Total other (expense) income	\$ (4,669)	\$ (8)	\$ —	\$ 37	\$ 181
Loss before income taxes	(12,525)	(8,687)	(6,701)	(7,976)	(9,742)
Provision for income taxes	135	74	3	66	57
Net Loss	\$ (12,660)	\$ (8,761)	\$ (6,704)	\$ (8,042)	\$ (9,799)
Less: Net loss attributable to non-controlling interests in consolidated subsidiaries	(4,661)	(4,020)	(3,809)	(3,993)	(5,016)
Net loss attributable to shareholders	\$ (7,999)	\$ (4,741)	\$ (2,895)	\$ (4,049)	\$ (4,783)
Adjusted EBITDA⁽¹⁾	\$ 4,569	\$ 2,968	\$ 4,348	\$ 4,233	\$ 2,828

Ports and Terminals - Comparative Statements of Operations (unaudited)

(\$s in thousands)	Three Months Ended				3/31/2021
	3/31/2020	6/30/2020	9/30/2020	12/31/2020	
Revenues					
Terminal services revenues	\$ —	\$ —	\$ —	\$ —	\$ 132
Other revenue	314	—	1,242	2,299	7,964
Total revenues	\$ 314	\$ —	\$ 1,242	\$ 2,299	\$ 8,096
Expenses					
Operating expenses	2,000	1,875	2,704	3,748	3,102
Acquisition and transaction expenses	782	19	20	86	—
Depreciation and amortization	376	378	368	375	2,211
Interest expense	393	354	298	290	279
Total expenses	\$ 3,551	\$ 2,626	\$ 3,390	\$ 4,499	\$ 5,592
Other income (expense)					
Equity in earnings (losses) of unconsolidated entities	906	(2,582)	(2,285)	739	1,542
Total other (expense) income	\$ 906	\$ (2,582)	\$ (2,285)	\$ 739	\$ 1,542
(Loss) income before income taxes	(2,331)	(5,208)	(4,433)	(1,461)	4,046
(Benefit from) provision for income taxes	(281)	(597)	(656)	(257)	154
Net (loss) income	\$ (2,050)	\$ (4,611)	\$ (3,777)	\$ (1,204)	\$ 3,892
Less: Net (loss) income attributable to non-controlling interests in consolidated subsidiaries	(75)	(92)	(67)	195	55
Net (loss) income attributable to shareholders	\$ (1,975)	\$ (4,519)	\$ (3,710)	\$ (1,399)	\$ 3,837
Adjusted EBITDA⁽¹⁾	\$ (1,316)	\$ (885)	\$ (837)	\$ 438	\$ 132

Corporate and Other - Comparative Statements of Operations (unaudited)

	Three Months Ended					3/31/2021
	3/31/2020	6/30/2020	9/30/2020	12/31/2020		
<i>(\$s in thousands)</i>						
Revenues						
Equipment leasing revenues						
Lease income	\$ 2,872	\$ 2,129	\$ 1,903	\$ 4,241	\$	438
Other revenue	585	2,446	1,405	1,142		68
Total equipment leasing revenues	3,457	4,575	3,308	5,383		506
Infrastructure revenues						
Other revenue	1,336	1,394	971	723		1,727
Total infrastructure revenues	1,336	1,394	971	723		1,727
Total revenues	\$ 4,793	\$ 5,969	\$ 4,279	\$ 6,106	\$	2,233
Expenses						
Operating expenses	5,430	5,830	6,248	7,938		5,924
General and administrative	4,663	4,388	4,241	4,867		4,252
Acquisition and transaction expenses	(312)	1,581	362	643		447
Management fees and incentive allocation to affiliate	4,766	4,756	4,591	4,406		3,990
Depreciation and amortization	1,964	1,979	1,994	2,028		2,043
Interest expense	19,040	19,130	25,119	24,156		31,508
Total expenses	\$ 35,551	\$ 37,664	\$ 42,555	\$ 44,038	\$	48,164
Other income (expense)						
Equity in (losses) earnings of unconsolidated entities	(50)	(33)	31	167		172
Loss on extinguishment of debt	—	—	—	(6,943)		—
Interest income	7	5	17	17		18
Total other (expense) income	\$ (43)	\$ (28)	\$ 48	\$ (6,759)	\$	190
Loss before income taxes	(30,801)	(31,723)	(38,228)	(44,691)		(45,741)
Provision for income taxes	3	200	40	177		—
Net loss	\$ (30,804)	\$ (31,923)	\$ (38,268)	\$ (44,868)	\$	(45,741)
Less: Net loss attributable to non-controlling interests in consolidated subsidiaries	—	—	—	—		—
Dividends on preferred shares	4,539	4,079	4,625	4,626		4,625
Net loss attributable to shareholders	\$ (35,343)	\$ (36,002)	\$ (42,893)	\$ (49,494)	\$	(50,366)
Adjusted EBITDA⁽¹⁾	\$ (14,648)	\$ (13,112)	\$ (15,437)	\$ (15,767)	\$	(16,535)

Condensed Balance Sheets by Segment

Condensed Balance Sheets by Segment

As of March 31, 2021

(\$ in thousands)

Gross Property, Plant and Equipment (PP&E)

Accumulated Depreciation on PP&E

Net PP&E

Gross Leasing Equipment

Accumulated Depreciation on Leasing Equipment

Net Leasing Equipment

Intangible Assets

Goodwill

All Other Assets

Total Assets

Debt

All Other Liabilities

Total Liabilities

Shareholders' equity

Non-controlling interest in equity of consolidated subsidiaries

Total Equity

Total Liabilities and Equity

	Equipment Leasing	Infrastructure		Corporate and Other	Total
	Aviation Leasing	Jefferson Terminal	Ports and Terminals		
Gross Property, Plant and Equipment (PP&E)	\$ 847	\$ 786,168	\$ 284,340	\$ 35,138	\$ 1,106,493
Accumulated Depreciation on PP&E	(160)	(96,744)	(7,343)	(1,258)	(105,505)
Net PP&E	\$ 687	\$ 689,424	\$ 276,997	\$ 33,880	\$ 1,000,988
Gross Leasing Equipment	1,881,449	44,179	—	188,962	2,114,590
Accumulated Depreciation on Leasing Equipment	(377,235)	(7,339)	—	(45,200)	(429,774)
Net Leasing Equipment	\$ 1,504,214	\$ 36,840	\$ —	\$ 143,762	\$ 1,684,816
Intangible Assets	4,669	12,140	—	—	16,809
Goodwill	—	122,735	—	—	122,735
All Other Assets	297,160	133,968	169,452	166,119	766,699
Total Assets	\$ 1,806,730	\$ 995,107	\$ 446,449	\$ 343,761	\$ 3,592,047
Debt	—	274,919	25,000	1,777,483	2,077,402
All Other Liabilities	211,881	104,879	20,774	33,459	370,993
Total Liabilities	\$ 211,881	\$ 379,798	\$ 45,774	\$ 1,810,942	\$ 2,448,395
Shareholders' equity	1,594,849	598,815	399,060	(1,467,705)	1,125,019
Non-controlling interest in equity of consolidated subsidiaries	—	16,494	1,615	524	18,633
Total Equity	\$ 1,594,849	\$ 615,309	\$ 400,675	\$ (1,467,181)	\$ 1,143,652
Total Liabilities and Equity	\$ 1,806,730	\$ 995,107	\$ 446,449	\$ 343,761	\$ 3,592,047

Condensed Balance Sheets by Segment

As of December 31, 2020

(\$ in thousands)

	Equipment Leasing	Infrastructure		Corporate and Other	Total
	Aviation Leasing	Jefferson Terminal	Ports and Terminals		
Gross Property, Plant and Equipment (PP&E)	\$ 699	\$ 755,468	\$ 274,812	\$ 29,937	\$ 1,060,916
Accumulated Depreciation on PP&E	(126)	(90,191)	(5,132)	(1,104)	(96,553)
Net PP&E	\$ 573	\$ 665,277	\$ 269,680	\$ 28,833	\$ 964,363
Gross Leasing Equipment	1,809,263	44,179	—	188,962	2,042,404
Accumulated Depreciation on Leasing Equipment	(356,771)	(7,063)	—	(43,311)	(407,145)
Net Leasing Equipment	\$ 1,452,492	\$ 37,116	\$ —	\$ 145,651	\$ 1,635,259
Intangible Assets	5,758	13,028	—	—	18,786
Goodwill	—	122,735	—	—	122,735
All Other Assets	245,382	151,772	130,537	119,143	646,834
Total Assets	\$ 1,704,205	\$ 989,928	\$ 400,217	\$ 293,627	\$ 3,387,977
Debt	—	253,473	25,000	1,626,289	1,904,762
All Other Liabilities	219,692	112,156	13,242	38,804	383,894
Total Liabilities	\$ 219,692	\$ 365,629	\$ 38,242	\$ 1,665,093	\$ 2,288,656
Shareholders' equity	1,484,513	603,514	360,621	(1,371,990)	1,076,658
Non-controlling interest in equity of consolidated subsidiaries	—	20,785	1,354	524	22,663
Total Equity	\$ 1,484,513	\$ 624,299	\$ 361,975	\$ (1,371,466)	\$ 1,099,321
Total Liabilities and Equity	\$ 1,704,205	\$ 989,928	\$ 400,217	\$ 293,627	\$ 3,387,977

Reconciliation of Non-GAAP Measures

Adjusted EBITDA Reconciliation by Segment (unaudited)

For the Three Months Ended March 31, 2021

(\$s in thousands)

	Aviation Leasing	Jefferson Terminal	Ports and Terminals	Corporate and Other	Total
Net income (loss) attributable to shareholders from continuing operations	\$ 16,772	\$ (4,783)	\$ 3,837	\$ (50,366)	\$ (34,540)
Add: (Benefit from) provision for income taxes	(42)	57	154	—	169
Add: Equity-based compensation expense	—	841	273	—	1,114
Add: Acquisition and transaction expenses	1,196	—	—	447	1,643
Add: Losses on the modification or extinguishment of debt and capital lease obligations	—	—	—	—	—
Add: Changes in fair value of non-hedge derivative instruments	—	—	(7,964)	—	(7,964)
Add: Asset impairment charges	2,100	—	—	—	2,100
Add: Incentive allocations	—	—	—	—	—
Add: Depreciation & amortization expense ⁽¹⁾	40,671	7,718	2,211	2,043	52,643
Add: Interest expense	—	1,203	279	31,508	32,990
Add: Pro-rata share of Adjusted EBITDA from unconsolidated entities ⁽²⁾	(308)	—	2,705	5	2,402
Less: Equity in losses (earnings) of unconsolidated entities	340	—	(1,542)	(172)	(1,374)
Less: Non-controlling share of Adjusted EBITDA ⁽³⁾	—	(2,208)	179	—	(2,029)
Adjusted EBITDA	\$ 60,729	\$ 2,828	\$ 132	\$ (16,535)	\$ 47,154

For the Three Months Ended March 31, 2020

(\$s in thousands)

	Aviation Leasing	Jefferson Terminal	Ports and Terminals	Corporate and Other	Total
Net income (loss) attributable to shareholders from continuing operations	\$ 41,123	\$ (7,999)	\$ (1,975)	\$ (35,343)	\$ (4,194)
Add: Provision for (benefit from) income taxes	45	135	(281)	3	(98)
Add: Equity-based compensation expense	—	215	76	—	291
Add: Acquisition and transaction expenses	2,724	—	782	(312)	3,194
Add: Losses on the modification or extinguishment of debt and capital lease obligations	—	4,724	—	—	4,724
Add: Changes in fair value of non-hedge derivative instruments	—	181	—	—	181
Add: Asset impairment charges	—	—	—	—	—
Add: Incentive allocations	—	—	—	—	—
Add: Depreciation & amortization expense ⁽¹⁾	39,498	7,226	376	1,964	49,064
Add: Interest expense	—	3,428	393	19,040	22,861
Add: Pro-rata share of Adjusted EBITDA from unconsolidated entities ⁽²⁾	(591)	—	228	(50)	(413)
Less: Equity in losses (earnings) of unconsolidated entities	591	—	(906)	50	(265)
Less: Non-controlling share of Adjusted EBITDA ⁽³⁾	—	(3,341)	(9)	—	(3,350)
Adjusted EBITDA	\$ 83,390	\$ 4,569	\$ (1,316)	\$ (14,648)	\$ 71,995

Notes to Non-GAAP reconciliations - Adjusted EBITDA

(\$s in thousands)

⁽¹⁾ Total

Includes the following items for the three months ended March 31, 2021 and 2020: (i) depreciation and amortization expense of \$44,535 and \$42,197, (ii) lease intangible amortization of \$752 and \$1,132 and (iii) amortization for lease incentives of \$7,356 and \$5,735, respectively.

Aviation Leasing

Includes the following items for the three months ended March 31, 2021 and 2020: (i) depreciation expense of \$32,563 and \$32,631, (ii) lease intangible amortization of \$752 and \$1,132 and (iii) amortization for lease incentives of \$7,356 and \$5,735, respectively.

⁽²⁾ Total

Includes the following items for the three months ended March 31, 2021 and 2020: (i) net income of \$1,180 and \$223, (ii) interest expense of \$187 and \$35, (iii) depreciation and amortization expense of \$1,912 and \$962, (iv) acquisition and transaction expenses of \$0 and \$81 and (v) changes in fair value of non-hedge derivatives of \$(877) and \$(1,714), respectively.

Aviation Leasing

Includes the following items for the three months ended March 31, 2021 and 2020: (i) net loss of \$(340) and \$(591) and (ii) depreciation and amortization of \$32 and \$0, respectively.

Ports and Terminals

Includes the following items for the three months ended March 31, 2021 and 2020: (i) net income of \$1,542 and \$894, (ii) interest expense of \$160 and \$5, (iii) depreciation and amortization expense of \$1,880 and \$962, (iv) acquisition and transaction expenses of \$0 and \$81 and (v) changes in fair value of non-hedge derivative instruments of \$(877) and \$(1,714), respectively.

Corporate and Other

Includes the following items for the three months ended March 31, 2021 and 2020: (i) net loss of \$(22) and \$(80) and (ii) interest expense of \$27 and \$30, respectively.

Notes to Non-GAAP reconciliations - Adjusted EBITDA (continued)

(\$s in thousands)

⁽³⁾ Total

Includes the following items for the three months ended March 31, 2021 and 2020: (i) equity-based compensation of \$198 and \$47, (ii) provision for income taxes of \$13 and \$28, (iii) interest expense of \$281 and \$720, (iv) depreciation and amortization expense of \$1,811 and \$1,524, (v) changes in fair value of non-hedge derivative instruments of \$(274) and \$38 and (vi) loss on extinguishment of debt of \$0 and \$993 respectively.

Jefferson Terminal

Includes the following items for the three months ended March 31, 2021 and 2020: (i) equity-based compensation of \$189 and \$45, (ii) provision for income taxes of \$13 and \$28, (iii) interest expense of \$271 and \$720, (iv) changes in fair value of non-hedge derivative instruments of \$0 and \$38, (v) depreciation and amortization expense of \$1,735 and \$1,517 and (vi) loss on extinguishment of debt of \$0 and \$993, respectively.

Ports and Terminals

Includes the following items for the three months ended March 31, 2021 and 2020: (i) equity-based compensation of \$9 and \$2, (ii) interest expense of \$10 and \$0, (iii) depreciation and amortization expense of \$76 and \$7 and (iv) changes in fair value of non-hedge derivative instruments of \$(274) and \$0 respectively.

Consolidated FAD Reconciliation

	Three Months Ended March 31, 2021				Three Months Ended March 31, 2020			
	Aviation Leasing	Infrastructure	Corporate and Other	Total	Aviation Leasing	Infrastructure	Corporate and Other	Total
<i>(\$s in thousands)</i>								
Funds Available for Distribution (FAD)	\$ 60,653	\$ (3,841)	\$ (42,405)	\$ 14,407	\$ 121,254	\$ 1,703	\$ (26,920)	\$ 96,037
Less: Principal Collections on Finance Leases				(395)				(320)
Less: Proceeds from sale of assets				(4,574)				(28,568)
Less: Return of Capital Distributions from Unconsolidated Entities				—				—
Add: Required Payments on Debt Obligations				—				—
Add: Capital Distributions to Non-Controlling Interest				—				—
Include: Changes in Working Capital				(58,370)				(78,955)
Net Cash from Operating Activities				\$ (48,932)				\$ (11,806)

Glossary

Adjusted EBITDA

The Chief Operating Decision Maker (“CODM”) utilizes Adjusted EBITDA as our key performance measure. Adjusted EBITDA is not a financial measure in accordance with GAAP. This performance measure provides the CODM with the information necessary to assess operational performance, as well as making resource and allocation decisions. The Company believes Adjusted EBITDA is a useful metric for investors and analysts for similar purposes of assessing its operational performance.

Adjusted EBITDA is defined as net income attributable to shareholders, adjusted (a) to exclude the impact of provision for income taxes, equity-based compensation expense, acquisition and transaction expenses, losses on the modification or extinguishment of debt and capital lease obligations, changes in fair value of non-hedge derivative instruments, asset impairment charges, incentive allocations, depreciation and amortization expense, and interest expense, (b) to include the impact of our pro-rata share of Adjusted EBITDA from unconsolidated entities, and (c) to exclude the impact of equity in earnings of unconsolidated entities and the non-controlling share of Adjusted EBITDA.

Debt to Capital Ratio

Debt to Capital Ratio is calculated as Total Debt divided by Total Debt plus Total Equity.

Funds Available for Distribution

Funds Available for Distribution (“FAD”) is defined as net cash provided by operating activities plus principal collections on finance leases, proceeds from sale of assets, and return of capital distributions from unconsolidated entities, less required payments on debt obligations and capital distributions to non-controlling interest, and excluding changes in working capital. The Company uses FAD in evaluating its ability to meet its stated dividend policy. The Company believes FAD is a useful metric for investors and analysts for similar purposes. FAD is not a financial measure in accordance with GAAP. The GAAP measure most directly comparable to FAD is net cash provided by operating activities.