Fortress Transportation and Infrastructure Investors LLC

Supplemental Information
Third Quarter 2018

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 FAD and/or EBITDA from investments, growth of and ability to expand Jefferson Terminal, CMQR, Repauno and Long Ridge, whether equipment will be able to be leased including vessels within our Offshore Energy segment, whether lessees for certain Offshore Energy vessels will exercise their respective options to extend their charters, 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, 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 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 Net Income, 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

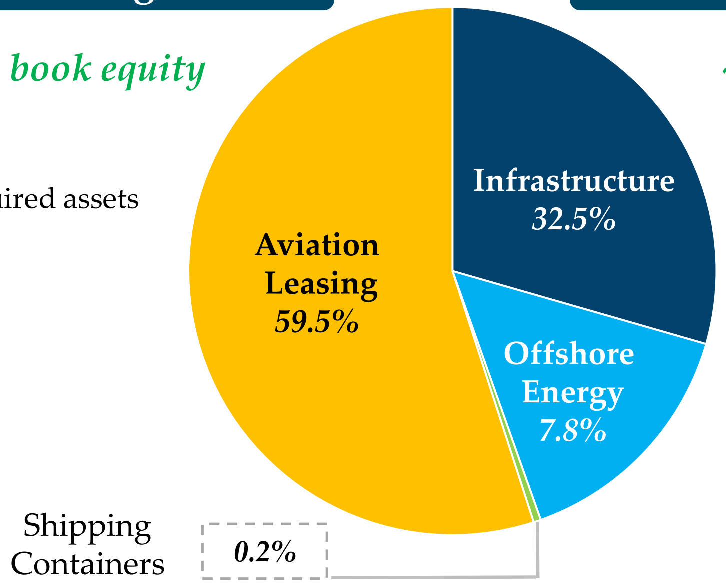
Fortress Transportation and Infrastructure Investors (NYSE: FTAI) owns and operates high quality transportation and infrastructure assets

- Diversified portfolio across the aviation, energy, intermodal transport and rail sectors
- Key investment objectives[(1)]:
  - Combine ***income & growth*** through a mix of equipment & infrastructure
  - Pay a ***stable & growing*** dividend

Equipment Leasing[(2)]

~$1,151 million book equity

- ✓ Aviation Platform
- ✓ Opportunistically acquired assets in offshore energy and intermodal transport
- ✓ Contracted cash flows



Infrastructure[(3)]

~$554 million book equity

- ✓ Jefferson Terminal
- ✓ Central Maine & Quebec Railway ("CMQR")
- ✓ Repauno Delaware Port
- ✓ Long Ridge Terminal

FORTRESS TRANSPORTATION & INFRASTRUCTURE

1) *See "Disclaimers" at the beginning of the Presentation.*
2) *Equipment Leasing business is comprised of Aviation Leasing, Offshore Energy, and Shipping Containers segments. Book equity is calculated as total equity less non-controlling interest in equity of consolidated subsidiaries as of September 30, 2018.*
3) *Infrastructure business is comprised of Jefferson Terminal, Ports & Terminals, and Railroad segments. Book equity is calculated as total equity less non-controlling interest in equity of consolidated subsidiaries as of September 30, 2018.*

Third Quarter Highlights

Financial Performance

- Net Income Attributable to Shareholders of $4.6 million
- Total Funds Available for Distribution ("FAD")(1) of $44.7 million
- Adjusted EBITDA(1) of $58.8 million
- Adjusted Net Income(1) of $6.5 million

Investment Activity

Aviation

- Invested ~$109.5 million in Aviation leasing equipment in Q3'18, and ~$300.0 million YTD through September 30, 2018
  - Closed additional ~$60.0 million since September 30, 2018
- Robust pipeline of aviation opportunities, with ~$235.0 million of in-place LOIs(2)(3) as of November 1, 2018

Infrastructure

- Canadian Crude-by-Rail ("CBR") program at Jefferson commenced operations in September
- Construction of 800k bbl crude storage and refined products capacity expansion at Jefferson both on schedule

Capital Structure

- Total investable cash was approximately $138.9 million(4)
- Issued additional $300.0 million of senior notes in September 2018
- Increased existing Corporate Credit Revolver capacity from $75.0mm to $125.0mm in August 2018

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) *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) *Represents understandings and arrangements in place as of November 1, 2018.*
4) *Investable cash is equal to cash on the Corporate segment's balance sheet as of September 30, 2018.*

Consolidated Financial Results

- **Q3'18 Financial Results**
  - ✓ *Net Income Attributable to Shareholders of $4.6 million*
  - ✓ *Net Cash Provided by Operating Activities of $27.3 million*
  - ✓ *Total FAD of $44.7 million(1)*
  - ✓ *Adjusted EBITDA of $58.8 million(1)*
  - ✓ *Adjusted Net Income of $6.5 million(1)*

- **Q3'18 Balance Sheet**
  - ✓ *Total assets of $2.5 billion*
  - ✓ *Total debt of $1.1 billion (net of $15.3mm deferred financing costs)*
  - ✓ *Total cash of $163.1 million*

Financial Overview

($ in millions, except per share amounts)

Quarter Over Quarter Financial Results	*Q3'17*	*Q2'18*	*Q3'18*
Net Income Attributable to Shareholders	$3.0	$0.8	$4.6
Net Cash Provided by Operating Activities	$19.2	$47.7	$27.3
FAD(1)	$73.6	$44.8	$44.7
Adjusted EBITDA(1)	$37.8	$52.2	$58.8
Adjusted Net Income(1)	$3.8	$2.6	$6.5
EPS	$0.04	$0.01	$0.05
Adjusted EPS(1)	$0.05	$0.03	$0.08
Adjusted ROE(2)	1.5%	1.0%	2.6%

Balance Sheet & Liquidity	*September 30, 2018*
Equipment Leasing Assets	$1,385.6
Infrastructure Assets	947.3
Corporate Assets	140.3
Total Assets	**$2,473.2**
Debt	1,137.9
Total Equity	1,062.3
Total Debt + Total Equity	**$2,200.2**
Total Debt to Capital Ratio	51.7%

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) *Adjusted ROE is calculated as adjusted net income for the quarter divided by monthly average total equity excluding non-controlling interest in equity of consolidated subsidiaries. The average is based on month-end equity amounts over the respective period. Adjusted 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]

- Equipment Leasing FAD was $71.6 million for the quarter ended September 30, 2018
  - Aviation contributed $75.7 million of FAD, including $3.9 million from aviation equipment sales proceeds
- Infrastructure FAD improved $2.3 million from prior quarter primarily due to improved results at Ports & Terminals
- Corporate FAD decreased $0.8 million from Q2'18 primarily due to incremental interest expense on the $300.0 million senior notes issued in September 2018 offset by lower Corporate G&A expenses

Funds Available for Distribution[1][2]

($s in millions)	*Q3'18*
Equipment Leasing Business FAD[2][3]	**$71.6**
Infrastructure Business FAD[2][3]	**(8.9)**
Corporate FAD[2]	**(18.0)**
Total FAD	**$44.7**
Net Cash Provided by Operating Activities	**$27.3**

FORTRESS TRANSPORTATION & INFRASTRUCTURE

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 "Equipment Leasing" and "Infrastructure" in Reconciliation of FAD in Appendix in the back of this presentation.*

Capital Structure & Financing Strategy

- Conservative approach to leverage
  - Leverage of approximately 51.7%[1] of total capital
- Total book value attributable to FTAI shareholders is approximately $1.0 billion, or $12.13 per share[2]

($s in millions)	**September 30, 2018**
Cash & Cash Equivalents	**$163.1**
Total Debt[3]	**$1,137.9**
Shareholders' Equity	$1,004.5
Non-controlling Interest	57.8
Total Equity	**$1,062.3**
Total Capitalization	**$2,200.2**
Debt/Total Capital	**51.7%**

FORTRESS TRANSPORTATION & INFRASTRUCTURE

1) *As of September 30, 2018.*
2) *Book value per share calculation based on $1,004.5mm Shareholders' Equity divided by 82.8mm shares outstanding at September 30, 2018.*
3) *Total debt is net of approximately $15.3mm of deferred financing costs; gross debt outstanding was $1,153.2mm at September 30, 2018.*

Aviation Leasing

- As of September 30, 2018, we owned and managed 197 aviation assets including 62 aircraft and 135 engines, with 59 of 62 aircraft and 101 of 135 engines on lease
- Invested ~$109.5 million in aviation equipment during Q3'18, and ~$300.0 million YTD through September 30, 2018
  - Closed additional ~$60.0 million since September 30, 2018
- Robust pipeline of aviation equipment opportunities, with ~$235.0 million of in-place LOIs(1)(2) as of November 1, 2018
- Sold 1 engine and 2 airframes in Q3'18 for $3.9 million in total proceeds and a gain of $0.2 million

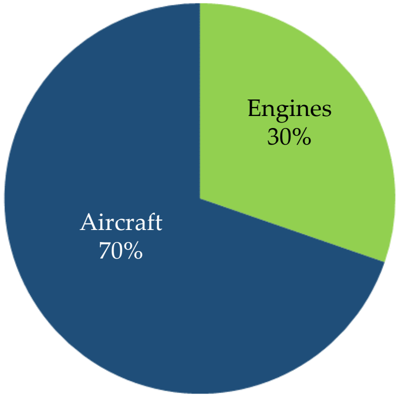
Financial Summary

($s in millions)

Statement of Operations	*Q3'17*	*Q2'18*	*Q3'18*
Total Revenue	$43.5	$56.1	$69.8
Total Expenses	(19.6)	(26.8)	(28.6)
Other(3)	1.4	4.4	(0.5)
Net Income Attributable to Shareholders	$25.3	$33.7	$40.7
Non-GAAP Measures			
Adjusted EBITDA(4)	$45.9	$64.8	$72.5
Adjusted Net Income(4)	$26.3	$33.9	$40.9
Adjusted ROE(5)	15.2%	16.3%	16.9%

Operating Data & Metrics

Net Leasing Equipment



($s in millions)	*As of September 30, 2018* Engines	Aircraft	Total
# Assets	135	62	197
Net Leasing Equipment	$328.9	$757.2	$1,086.1
Utilization(6)	79.1%	91.4%	87.2%
Remaining Lease Term (months)(7)	11	29	(n/a)

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2) *Represents understandings and arrangements in place as of November 1, 2018.*
3) *Includes Total other income, Provision for income taxes, less Net income (loss) attributable to non-controlling interest in consolidated subsidiaries.*
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) *Adjusted ROE is calculated as adjusted net income for the quarter divided by monthly average total equity excluding non-controlling interest in equity of consolidated subsidiaries. The average is based on month-end equity amounts over the respective period. Adjusted 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.*
6) *Utilization is based on the net asset value of our on-hire leasing equipment as a percentage of the total net asset value of our leasing equipment (or stand-alone engine and aircraft portfolios, as applicable) at September 30, 2018.*
7) *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[1]

- Scaled the Aviation segment from an Average Book Equity[2] of $647.3 million in Q2'17 to $975.9 million in Q3'18, while maintaining a strong return profile
  - Consistent **~20%** Annualized Adjusted EBITDA Return on Equity excluding gain on sale of assets

Financial Metrics	Q2'17	Q3'17	Q4'17	Q1'18	Q2'18	Q3'18
($s in thousands)						
Average Book Equity[2] {A}	**$647,321**	**$692,044**	**$738,419**	**$827,345**	**$894,082**	**$975,891**
Annualized Net Income[3]	$89,444	$101,376	$102,004	$106,812	$134,796	$162,976
Annualized Net Income excluding gain on sale of assets[3] {B}	$81,331	$89,888	$100,980	$106,891	$114,782	$162,116
Annualized Return on Equity excluding gain on sale of assets % {B/A}	*12.6%*	*13.0%*	*13.7%*	*12.9%*	*12.8%*	*16.6%*
Annualized Adjusted EBITDA[3]	$152,884	$183,700	$189,999	$224,843	$259,298	$289,808
Annualized Adjusted EBITDA excluding gain on sale of assets[3] {C}	$144,771	$172,212	$188,974	$224,923	$239,284	$288,948
Annualized Adjusted EBITDA Return on Equity excluding gain on sale of assets % {C/A}	*22.4%*	*24.9%*	*25.6%*	*27.2%*	*26.8%*	*29.6%*

Operating Metrics

	Q2'17	Q3'17	Q4'17	Q1'18	Q2'18	Q3'18
Aircraft	39	38	48	58	57	62
Engines	101	103	110	105	126	135
Total Aviation Assets	**140**	**141**	**158**	**163**	**183**	**197**

FORTRESS TRANSPORTATION & INFRASTRUCTURE

1) *See schedule in the Appendix for additional information and comparability to the Last Twelve Months.*
2) *Determined by taking the average Book Equity excluding Non-controlling interest of the two most recently completed quarters.*
3) *Annualized Net Income and Annualized Adjusted EBITDA are calculated by multiplying Net Income or Adjusted EBITDA, respectively, for the applicable period by four. Annualized data is presented for illustrative purposes only and should not be considered indicative of future performance or actual results for any period. Please refer to the Appendix for more information.*

Offshore Energy

- Market continues to be weak, but showing signs of stability and higher well intervention and inspection, maintenance and repair ("IMR") activity going forward[1]
- **Construction Support Vessel**
  - Initiating well intervention transition
- **ROV Support Vessel**
  - Contract expired October 2018; potential extension through 2018
- **AHTS Vessel**
  - Long-term finance lease through November 2023

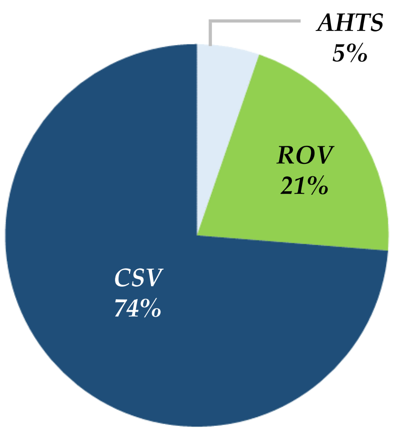
Financial Summary

($s in millions)

Statement of Operations	*Q3'17*	*Q2'18*	*Q3'18*
Total Revenue	$6.1	$3.2	$1.2
Total Expenses	(7.7)	(6.5)	(6.3)
Other[2]	1.2	--	(0.1)
Net Loss Attributable to Shareholders	($0.4)	($3.3)	($5.2)
Non-GAAP Measures			
Adjusted EBITDA[3]	$2.1	($0.8)	($2.6)
Adjusted Net Loss[3]	($0.4)	($3.3)	($5.2)
Adjusted ROE[4]	(1.0%)	(9.6%)	(15.5%)

Operating Data & Metrics[5]

Net Leasing Equipment & Direct Finance Leases



($s in millions)	*As of September 30, 2018* CSV	ROV	AHTS
Economic Interest	100%	100%	100%
Net Leasing Equipment & Direct Finance Leases	$123	$35	$9
Debt	$49	$ –	$ –

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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.*
4) *Adjusted ROE is calculated as adjusted net (loss) income for the quarter divided by monthly average total equity excluding non-controlling interest in equity of consolidated subsidiaries. The average is based on month-end equity amounts over the respective period. Adjusted 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.*
5) *Figures based on relevant economic interest. "CSV" represents Construction Support Vessel, "ROV" represents remotely operated vehicle, and "AHTS" represents anchor handling tug supply.*

FORTRESS TRANSPORTATION & INFRASTRUCTURE

Shipping Containers

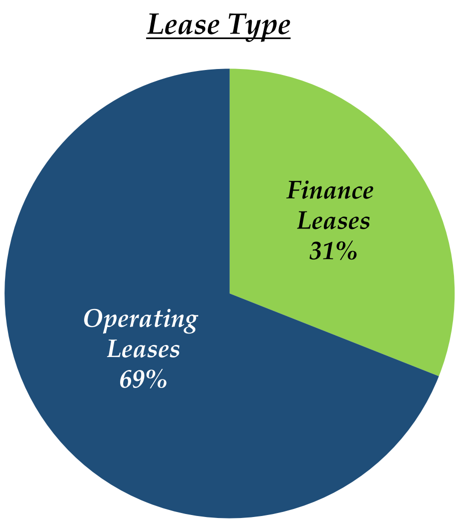
- Market for container leasing has rebounded
  - Lease rates have increased and overall utilization remains strong[1]
- Continue to own and manage 29,306 shipping containers via joint venture investment (~$3.6 million book value)
- Expected to run off by mid 2019[1]

Financial Summary

($s in millions)

Statement of Operations	*Q3'17*	*Q2'18*	*Q3'18*
Total Revenue	$--	$--	$--
Total Expenses	--	--	--
Other[2]	0.4	0.1	0.1
Net Income Attributable to Shareholders	$0.4	$0.1	$0.1
Non-GAAP Measures			
Adjusted EBITDA[3]	$0.5	$0.2	$0.1
Adjusted Net Income[3]	$0.4	$0.1	$0.1
Adjusted ROE[4]	39.3%	9.0%	9.5%

Operating Data & Metrics



	As of September 30, 2018
No. of Units	29,306
Asset Value[5]	$4mm
Debt	$--mm
Leverage	--%
Wtd. Avg. Lease Term	~0.1 year
Utilization	89%

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5) *Represents total assets of Intermodal Finance I, Ltd., adjusted for 51% ownership.*

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Jefferson Terminal

- Well-positioned to take advantage of growing local and export markets, including[1]:
  - **Refined Products** – Mexican market is new and rapidly expanding
  - **Ethanol** – global ethanol use is increasing as an environmentally-friendly gasoline additive at an attractive price
  - **Heavy Canadian undiluted crude** – heavy Canadian undiluted crude-by-rail into the Gulf of Mexico has been and continues to be an attractive economic opportunity
- Q3'18 revenue and operating expenses increased $15.2 million and ($12.6) million, respectively, from Q2'18 primarily due to the ramp up of Canadian Crude-by-Rail ("CBR") program in September 2018

Financial Summary

($s in millions)

Statement of Operations	*Q3'17*	*Q2'18*	*Q3'18*
Total Revenue	$1.7	$2.6	$17.8
Total Expenses	(12.4)	(20.5)	(33.1)
Other[2]	6.0	8.2	4.2
Net Loss Attributable to Shareholders	($4.7)	($9.7)	($11.1)
Non-GAAP Measures			
Adjusted EBITDA[3]	($2.7)	($3.1)	($4.1)
Adjusted Net Loss[3]	($6.1)	($10.3)	($10.9)
Adjusted ROE[4]	(9.6%)	(14.2%)	(15.1%)

Operating Data & Metrics

(Figures in bbls)

Quarterly Operating Data[5]	*Q2'18*	*Q3'18*
Refined Products Volumes	1,034,523	908,742
Ethanol Volumes	1,261,763	949,336
Crude Volumes	969,150	999,563
Total Volumes	3,265,436	2,857,641
Storage Capacity	2,118,373	2,118,373

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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.*
4) *Adjusted ROE is calculated as adjusted net loss for the quarter divided by monthly average total equity excluding non-controlling interest in equity of consolidated subsidiaries. The average is based on month-end equity amounts over the respective period. Adjusted 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.*
5) *Volume data comprised of the greater of the minimum volume commitments or actual inbound volumes.*

Railroad

- Total revenue increased ~7.9% year over year primarily due to a change in freight mix, an increase in higher-rate-line-haul volumes in chemical and fertilizer, and finished wood products
  - Overall carload volumes increased 3.8% year over year
- Total expenses increased ($1.3) million from same period prior year mainly due to higher compensation & benefits related to start-up costs for the car cleaning business, coupled with higher fuel costs

Financial Summary

($s in millions)

Statement of Operations	Q3'17	Q2'18	Q3'18
Total Revenue	$8.3	$8.8	$8.9
Total Expenses	(7.8)	(8.5)	(9.1)
Other(1)	(0.1)	(0.1)	0.1
Net Income (Loss) Attributable to Shareholders	$0.4	$0.2	($0.1)
Non-GAAP Measures			
Adjusted EBITDA(2)	$1.2	$0.9	$0.7
Adjusted Net Income (Loss)(2)	$0.5	$0.3	($0.1)
Adjusted ROE(3)	15.7%	7.5%	(2.1%)

Operating Data & Metrics(4)

Carloads by Commodity	Q3'17	Q2'18	Q3'18
Building products	827	784	831
Chemicals & fertilizers	819	1,073	1,005
Feeds & grains	257	303	308
Finished wood products	1,430	1,679	1,618
Fuel & propane	1,071	673	624
Paper & wood pulp	1,359	975	1,393
Salt & minerals	491	366	713
Total Carloads	**6,254**	**5,853**	**6,492**

1) *Includes Total other income, Provision for income taxes, less Net income (loss) attributable to non-controlling interest in consolidated subsidiaries.*
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4) *Excludes short-term detour haulage volumes for comparison purposes.*

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Ports and Terminals

- Ports and Terminals is comprised of Repauno port and Long Ridge Energy terminal
- Total revenue for Q3'18 is mainly comprised of frac sand transloading income from Long Ridge and revenue from butane sales at Repauno
- Total expenses in Q3'18 are primarily comprised of facility operations costs, cost of butane sales, and compensation and benefits

Financial Summary

($s in millions)

Statement of Operations	*Q3'17*	*Q2'18*	*Q3'18*
Total Revenue	$0.8	$1.3	$3.5
Total Expenses	(3.9)	(3.8)	(4.5)
Other[1]	--	--	0.1
Net Loss Attributable to Shareholders	($3.1)	($2.5)	($0.9)
Non-GAAP Measures			
Adjusted EBITDA[2]	($2.1)	($1.3)	$0.1
Adjusted Net Loss[2]	($3.1)	($2.4)	($0.8)
Adjusted ROE[3]	(14.4%)	(7.0%)	(1.5%)

1) *Includes Total other income, Provision for income taxes, less Net income (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.*
3) *Adjusted ROE is calculated as adjusted net loss for the quarter divided by monthly average total equity excluding non-controlling interest in equity of consolidated subsidiaries. The average is based on month-end equity amounts over the respective period. Adjusted 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.*

Corporate

- Corporate segment includes G&A expenses, management fees, incentive allocations, acquisition and transaction costs, interest expense, and expense reimbursement
- Total Expenses increased $1.2 million from prior quarter primarily due to incremental interest expense on the $300.0 million senior notes issued in September 2018 offset by lower Corporate G&A expenses

Financial Summary

($s in millions)

Statement of Operations	***Q3'17***	***Q2'18***	***Q3'18***
Total Revenue	$--	$--	$--
Interest Expense	(6.0)	(7.2)	(9.7)
Corporate Expenses(1)	(8.9)	(10.5)	(9.2)
Total Expenses	(14.9)	(17.7)	(18.9)
Other(2)	--	--	--
Net Loss Attributable to Shareholders	($14.9)	($17.7)	($18.9)
Non-GAAP Measures			
Adjusted EBITDA(3)	($7.1)	($8.5)	($7.9)
Adjusted Net Loss(3)	($13.8)	($15.7)	($17.5)

FORTRESS TRANSPORTATION & INFRASTRUCTURE

1) *Primarily comprised of G&A expenses, management fees, acquisition and transaction costs, and expense reimbursement.*
2) *Includes Total other income, Provision for income taxes, less Net income (loss) attributable to non-controlling interest in consolidated subsidiaries.*
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.*

Appendix:

- Aviation Leasing Historical Returns
- Statement of Operations by Segment
- Comparative Statements of Operations
- Condensed Balance Sheets by Segment
- Reconciliation of Non-GAAP Measures
- Consolidated FAD Reconciliation
- Glossary

Aviation Leasing Historical Returns

Aviation Leasing Historical Returns

Financial Metrics ($s in thousands)	LTM Q1'18	Annualized Q1'18(2)	LTM Q2'18	Annualized Q2'18(2)	LTM Q3'18	Annualized Q3'18(2)
Book Equity	$851,068	$851,068	$937,097	$937,097	$1,014,685	$1,014,685
Average Book Equity(1) {A}	**$717,417**	**$827,345**	**$823,985**	**$894,082**	**$843,950**	**$975,891**
Net Income	$99,909	$106,812	$111,247	$134,796	$126,648	$162,976
Net Income excluding gain on sale of assets {B}	$94,773	$106,891	$103,136	$114,782	$121,192	$162,116
Annualized Return on Equity excluding gain on sale of assets % {B/A}	***13.2%***	***12.9%***	***12.5%***	***12.8%***	***14.4%***	***16.6%***
Adjusted EBITDA	$187,856	$224,843	$214,460	$259,298	$240,986	$289,808
Adjusted EBITDA excluding gain on sale of assets {C}	$182,720	$224,923	$206,349	$239,284	$235,532	$288,948
Annualized Adjusted EBITDA Return on Equity excluding gain on sale of assets % {C/A}	***25.5%***	***27.2%***	***25.0%***	***26.8%***	***27.9%***	***29.6%***

FORTRESS TRANSPORTATION & INFRASTRUCTURE

1) *Determined by taking the average Book Equity excluding Non-controlling interest of the two most recently completed periods.*
2) *Annualized Net Income and Annualized EBITDA are calculated by multiplying Net Income or Adjusted EBITDA, respectively, for the applicable period by four.*

Aviation Leasing Historical Returns

Financial Metrics *($s in thousands)*	LTM Q4'16	Annualized Q2'17[2]	LTM Q3'17	Annualized Q3'17[2]	LTM Q4'17	Annualized Q4'17[2]
Book Equity	$710,874	$710,874	$673,214	$673,214	$803,623	$803,623
Average Book Equity[1] {A}	**$574,081**	**$647,321**	**$568,266**	**$692,044**	**$666,595**	**$738,419**
Net Income	$76,288	$89,444	$84,993	101,376	$99,523	$102,004
Net Income excluding gain on sale of assets {B}	$69,731	$81,331	$75,564	$89,888	$89,838	$100,980
Annualized Return on Equity excluding gain on sale of assets % {B/A}	***12.1%***	***12.6%***	***13.3%***	***13.0%***	***13.5%***	***13.7%***
Adjusted EBITDA	$128,552	$152,884	$146,862	$183,700	$175,239	$189,999
Adjusted EBITDA excluding gain on sale of assets {C}	$121,965	$144,771	$137,433	$172,212	$165,554	$188,974
Annualized Adjusted EBITDA Return on Equity excluding gain on sale of assets % {C/A}	***21.2%***	***22.4%***	***24.2%***	***24.9%***	***24.8%***	***25.6%***

FORTRESS TRANSPORTATION & INFRASTRUCTURE

1) *Determined by taking the average Book Equity excluding Non-controlling interest of the two most recently completed periods.*
2) *Annualized Net Income and Annualized EBITDA are calculated by multiplying Net Income or Adjusted EBITDA, respectively, for the applicable period by four.*

Statement of Operations by Segment

Statement of Operations by Segment (unaudited)

For the Three Months Ended September 30, 2018	Equipment Leasing			Infrastructure				
($'s in thousands)	Aviation Leasing	Offshore Energy	Shipping Containers	Jefferson Terminal	Railroad	Ports & Terminals	Corporate	Total
Revenues								
Equipment leasing revenues	$69,791	$1,099	$—	$—	$—	$—	$—	$70,890
Infrastructure revenues	—	—	—	17,836	8,907	3,522	—	30,265
Total revenues	69,791	1,099	—	17,836	8,907	3,522	—	101,155
Expenses								
Operating expenses	2,115	3,751	—	23,893	8,274	3,634	—	41,667
General and administrative	—	—	—	—	—	—	4,012	4,012
Acquisition and transaction expenses	85	—	—	—	—	—	1,375	1,460
Management fees and incentive allocation to affiliate	—	—	—	—	—	—	3,846	3,846
Depreciation and amortization	26,343	1,627	—	4,999	613	840	—	34,422
Interest expense	—	959	—	4,257	233	—	9,693	15,142
Total expenses	28,543	6,337	—	33,149	9,120	4,474	18,926	100,549
Other income (expense)								
Equity in (losses) earnings of unconsolidated entities	(192)	—	113	(363)	—	—	—	(442)
Gain (loss) on sale of equipment and finance leases, net	215	—	—	—	47	—	—	262
Interest income	13	4	—	94	—	—	—	111
Other income (expense)	—	—	—	737	—	—	—	737
Total other income (expense)	36	4	113	468	47	—	—	668
Income (loss) before income taxes	41,284	(5,234)	113	(14,845)	(166)	(952)	(18,926)	1,274
Provision (benefit) for income taxes	540	4	(4)	11	—	—	—	551
Net income (loss)	40,744	(5,238)	117	(14,856)	(166)	(952)	(18,926)	723
Less: Net income (loss) attributable to non-controlling interests in consolidated subsidiaries	—	—	—	(3,759)	(26)	(70)	—	(3,855)
Net income (loss) attributable to shareholders	40,744	(5,238)	117	(11,097)	(140)	(882)	(18,926)	4,578
Adjusted Net Income (Loss)[1]	40,930	(5,234)	118	(10,857)	(96)	(785)	(17,571)	6,505
Adjusted EBITDA[1]	$72,452	($2,648)	$155	($4,064)	$699	$55	($7,878)	$58,771

FORTRESS TRANSPORTATION & INFRASTRUCTURE

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.

Statement of Operations by Segment (unaudited)

For the Three Months Ended September 30, 2017	Equipment Leasing			Infrastructure				
($'s in thousands)	Aviation Leasing	Offshore Energy	Shipping Containers	Jefferson Terminal	Railroad	Ports & Terminals	Corporate	Total
Revenues								
Equipment leasing revenues	$43,474	$6,117	$25	$—	$—	$—	$—	$49,616
Infrastructure revenues	—	—	—	1,730	8,258	758	—	10,746
Total revenues	43,474	6,117	25	1,730	8,258	758	—	60,362
Expenses								
Operating expenses	1,706	5,103	8	7,039	6,980	2,852	—	23,688
General and administrative	—	—	—	—	—	—	3,439	3,439
Acquisition and transaction expenses	6	—	—	—	—	—	1,726	1,732
Management fees and incentive allocation to affiliate	—	—	—	—	—	—	3,771	3,771
Depreciation and amortization	17,909	1,607	—	3,978	507	783	—	24,784
Interest expense	—	946	—	1,408	264	273	6,023	8,914
Total expenses	19,621	7,656	8	12,425	7,751	3,908	14,959	66,328
Other income (expense)								
Equity in losses of unconsolidated entities	(203)	—	359	(24)	—	—	—	132
Gain on sale of equipment and finance leases, net	2,871	—	—	—	(162)	—	—	2,709
Interest income	51	4	—	160	—	—	—	215
Other income	—	1,093	—	1,055	—	—	—	2,148
Total other income (expense)	2,719	1,097	359	1,191	(162)	—	—	5,204
Income (loss) before income taxes	26,572	(442)	376	(9,504)	345	(3,150)	(14,959)	(762)
Provision (benefit) for income taxes	927	(5)	(10)	(3)	—	—	—	909
Net income (loss)	25,645	(437)	386	(9,501)	345	(3,150)	(14,959)	(1,671)
Less: Net income (loss) attributable to non-controlling interests in consolidated subsidiaries	303	(62)	—	(4,806)	(104)	—	—	(4,669)
Net income (loss) attributable to shareholders	25,342	(375)	386	(4,695)	449	(3,150)	(14,959)	2,998
Adjusted Net Income (Loss)[1]	26,274	(380)	330	(6,081)	517	(3,150)	(13,673)	3,837
Adjusted EBITDA[1]	$45,894	$2,112	$526	($2,697)	$1,234	($2,094)	($7,210)	$37,765

FORTRESS TRANSPORTATION & INFRASTRUCTURE

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.*

Statement of Operations by Segment (unaudited)

For the Nine Months Ended September 30, 2018	Equipment Leasing			Infrastructure				
($'s in thousands)	Aviation Leasing	Offshore Energy	Shipping Containers	Jefferson Terminal	Railroad	Ports & Terminals	Corporate	Total
Revenues								
Equipment leasing revenues	$178,644	$7,310	$50	$—	$—	$—	$—	$186,004
Infrastructure revenues	—	—	—	21,639	28,742	5,593	—	55,974
Total revenues	178,644	7,310	50	21,639	28,742	5,593	—	241,978
Expenses								
Operating expenses	7,412	10,067	—	47,105	23,525	8,730	—	96,839
General and administrative	—	—	—	—	—	—	12,171	12,171
Acquisition and transaction expenses	308	—	—	—	—	—	4,426	4,734
Management fees and incentive allocation to affiliate	—	—	—	—	—	—	12,080	12,080
Depreciation and amortization	73,031	4,855	—	14,726	1,760	2,481	—	96,853
Interest expense	—	2,793	—	12,070	719	545	23,743	39,870
Total expenses	80,751	17,715	—	73,901	26,004	11,756	52,420	262,547
Other (expense) income								
Equity in (losses) earnings of unconsolidated entities	(542)	—	394	(450)	—	—	—	(598)
(Loss) gain on sale of equipment and finance leases, net	5,198	—	—	—	55	—	—	5,253
Interest income	119	12	—	230	—	—	—	361
Other income	—	—	—	2,074	—	—	—	2,074
Total other (expense) income	4,775	12	394	1,854	55	—	—	7,090
Income (loss) before income taxes	102,668	(10,393)	444	(50,408)	2,793	(6,163)	(52,420)	(13,479)
Provision for (benefit from) income taxes	1,546	9	(7)	32	—	—	—	1,580
Net income (loss)	101,122	(10,402)	451	(50,440)	2,793	(6,163)	(52,420)	(15,059)
Less: Net (loss) income attributable to non-controlling interests in consolidated subsidiaries	(24)	—	—	(20,017)	231	(94)	—	(19,904)
Net income (loss) attributable to shareholders	101,146	(10,402)	451	(30,423)	2,562	(6,069)	(52,420)	4,845
Adjusted Net Income (Loss)[1]	102,140	(10,400)	449	(29,831)	2,692	(5,816)	(47,432)	11,802
Adjusted EBITDA[1]	$193,488	($2,745)	$625	($10,803)	$5,022	($2,790)	($23,689)	$159,108

FORTRESS TRANSPORTATION & INFRASTRUCTURE

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.

Statement of Operations by Segment (unaudited)

For the Nine Months Ended September 30, 2017	Equipment Leasing			Infrastructure				
($'s in thousands)	Aviation Leasing	Offshore Energy	Shipping Containers	Jefferson Terminal	Railroad	Ports & Terminals	Corporate	Total
Revenues								
Equipment leasing revenues	$110,357	$10,955	$75	$—	$—	$—	$—	$121,387
Infrastructure revenues	—	—	—	9,622	24,323	897	—	34,842
Total revenues	110,357	10,955	75	9,622	24,323	897	—	156,229
Expenses								
Operating expenses	4,496	12,661	8	21,919	22,431	4,510	—	66,025
General and administrative	—	—	—	—	—	—	10,615	10,615
Acquisition and transaction expenses	276	—	—	—	—	—	4,788	5,064
Management fees and incentive allocation to affiliate	—	—	—	—	—	—	11,529	11,529
Depreciation and amortization	43,284	4,820	—	11,885	1,525	868	—	62,382
Interest expense	—	2,800	—	4,283	710	817	12,682	21,292
Total expenses	48,056	20,281	8	38,087	24,666	6,195	39,614	176,907
Other income (expense)								
Equity in losses of unconsolidated entities	(1,046)	—	(316)	(99)	—	—	—	(1,461)
Gain (loss) on sale of equipment and finance leases, net	6,932	—	—	—	(206)	—	—	6,726
Loss on extinguishment of debt	—	—	—	—	—	—	(2,456)	(2,456)
Interest income	210	11	—	361	—	—	—	582
Other income	—	1,093	—	1,087	—	—	—	2,180
Total other income (expense)	6,096	1,104	(316)	1,349	(206)	—	(2,456)	5,571
Income (loss) before income taxes	68,397	(8,222)	(249)	(27,116)	(549)	(5,298)	(42,070)	(15,107)
Provision for (benefit from) for income taxes	1,598	—	(44)	31	—	—	—	1,585
Net income (loss)	66,799	(8,222)	(205)	(27,147)	(549)	(5,298)	(42,070)	(16,692)
Less: Net (loss) income attributable to non-controlling interests in consolidated subsidiaries	445	(526)	—	(13,209)	(43)	(483)	—	(13,816)
Net income (loss) attributable to shareholders	66,354	(7,696)	(205)	(13,938)	(506)	(4,815)	(42,070)	(2,876)
Adjusted Net Income (Loss)[1]	68,227	(7,696)	(387)	(15,269)	(67)	(4,815)	(35,779)	4,214
Adjusted EBITDA[1]	$116,351	($323)	$1,003	($5,056)	$2,034	($3,130)	($22,144)	$88,735

FORTRESS TRANSPORTATION & INFRASTRUCTURE

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.*

Comparative Statements of Operations

Consolidated - Comparative Statements of Operations (unaudited)

	Three Months Ended					Twelve Months Ended	
($'s in thousands)	9/30/2017	12/31/2017[2]	3/31/2018	6/30/2018	9/30/2018	9/30/2017	9/30/2018[2]
Revenues							
Equipment leasing revenues	$49,616	$48,613	$55,784	$59,330	$70,890	$151,356	$234,617
Infrastructure revenues	10,746	12,817	13,060	12,649	30,265	47,219	68,791
Total revenues	60,362	61,430	68,844	71,979	101,155	198,575	303,408
Expenses							
Operating expenses	23,688	26,360	27,579	27,593	41,667	83,257	123,199
General and administrative	3,439	3,955	3,586	4,573	4,012	13,775	16,126
Acquisition and transaction expenses	1,732	2,242	1,766	1,508	1,460	6,758	6,976
Management fees and incentive allocation to affiliate	3,771	4,203	3,739	4,495	3,846	15,546	16,283
Depreciation and amortization	24,784	25,728	29,587	32,844	34,422	79,298	122,581
Interest expense	8,914	17,535	11,871	12,857	15,142	24,410	57,405
Total expenses	66,328	80,023	78,128	83,870	100,549	223,044	342,570
Other (expense) income							
Equity in (losses) earnings of unconsolidated entities	132	(140)	95	(251)	(442)	(6,118)	(738)
Gain (loss) on sale of equipment and finance leases, net	2,709	11,555	(5)	4,996	262	9,360	16,808
Loss on extinguishment of debt	—	—	—	—	—	(2,456)	—
Asset impairment	—	—	—	—	—	—	—
Interest income	215	106	176	74	111	631	467
Other income, net	2,148	893	180	1,157	737	2,199	2,967
Total other (expense) income	5,204	12,414	446	5,976	668	3,616	19,504
Losses before income taxes	(762)	(6,179)	(8,838)	(5,915)	1,274	(20,853)	(19,658)
Provision for income taxes	909	369	495	534	551	1,658	1,949
Net Loss	(1,671)	(6,548)	(9,333)	(6,449)	723	(22,511)	(21,607)
Less: Net loss attributable to non-controlling interests in consolidated subsidiaries	(4,669)	(9,558)	(8,761)	(7,288)	(3,855)	(17,822)	(29,462)
Net (loss) income attributable to shareholders	2,998	3,010	(572)	839	4,578	(4,689)	7,855
Adjusted Net (Loss) Income[1]	3,837	6,187	2,728	2,570	6,505	7,396	17,990
Adjusted EBITDA[1]	$37,765	$47,789	$48,121	$52,217	$58,771	$111,174	$206,898

FORTRESS TRANSPORTATION & INFRASTRUCTURE

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) Results of operations for the three months ended December 31, 2017 include a $5.9 million out of period adjustment to interest expense, including non-controlling interest of $2.3 million, which primarily relates to interest previously capitalized that should have been expensed ratably during the first nine months of 2017. We do not believe this out of period adjustment is material to our financial position or results of operations for any prior periods.

Aviation - Comparative Statements of Operations (unaudited)

	Three Months Ended					Twelve Months Ended	
($'s in thousands)	9/30/2017	12/31/2017	3/31/2018	6/30/2018	9/30/2018	9/30/2017	9/30/2018
Revenues							
Gross lease income	$27,842	$30,639	$36,535	$39,287	$45,069	$88,822	$151,530
Lease intangible amortization	(1,901)	(3,113)	(7,227)	(5,662)	(4,740)	(5,857)	(20,742)
Maintenance revenue	17,533	18,873	23,427	21,688	28,286	56,438	92,274
Finance lease income	—	—	—	247	800	—	1,047
Other revenue	—	37	—	558	376	2	971
Total revenues	43,474	46,436	52,735	56,118	69,791	139,405	225,080
Expenses							
Operating expenses	1,706	1,751	3,433	1,864	2,115	6,230	9,163
Acquisition and transaction expenses	6	165	157	66	85	356	473
Depreciation and amortization	17,909	18,511	21,813	24,875	26,343	54,346	91,542
Total expenses	19,621	20,427	25,403	26,805	28,543	60,932	101,178
Other income (expense)							
Equity in losses earnings of unconsolidated entities	(203)	(230)	(224)	(126)	(192)	(1,046)	(772)
Gain (loss) on sale of equipment and finance leases, net	2,871	256	(20)	5,003	215	9,429	5,454
Interest income	51	87	73	33	13	343	206
Total other income (expense)	2,719	113	(171)	4,910	36	8,726	4,888
Income before income taxes	26,572	26,122	27,161	34,223	41,284	87,199	128,790
Provision for income taxes	927	368	483	523	540	1,677	1,914
Net income	25,645	25,754	26,678	33,700	40,744	85,522	126,876
Less: Net (loss) income attributable to non-controlling interests in consolidated subsidiaries	303	252	(24)	—	—	530	228
Net income attributable to shareholders	25,342	25,502	26,702	33,700	40,744	84,992	126,648
Adjusted Net Income(1)	26,274	24,410	27,342	33,868	40,930	86,979	126,550
Adjusted EBITDA(1)	$45,894	$47,477	$56,210	$64,826	$72,452	$146,834	$240,965

FORTRESS TRANSPORTATION & INFRASTRUCTURE

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.

Offshore Energy - Comparative Statements of Operations (unaudited)

	Three Months Ended					Twelve Months Ended	
($'s in thousands)	9/30/2017	12/31/2017	3/31/2018	6/30/2018	9/30/2018	9/30/2017	9/30/2018
Revenues							
Lease income	$3,800	$1,138	$2,249	$1,868	$582	$7,791	$5,837
Finance lease income	385	380	367	365	364	1,554	1,476
Other revenue	1,932	634	408	954	153	2,505	2,149
Total revenues	6,117	2,152	3,024	3,187	1,099	11,850	9,462
Expenses							
Operating expenses	5,103	3,172	2,368	3,948	3,751	15,265	13,239
Depreciation and amortization	1,607	1,607	1,602	1,626	1,627	6,304	6,462
Interest expense	946	870	873	961	959	3,742	3,663
Total expenses	7,656	5,649	4,843	6,535	6,337	25,311	23,364
Other income (expense)							
Gain on sale of equipment	—	11,405	—	—	—	—	11,405
Asset impairment	—	—	—	—	—	—	—
Interest income	4	4	3	5	4	15	16
Other income	1,093	—	—	—	—	1,093	—
Total other income (expense)	1,097	11,409	3	5	4	1,108	11,421
(Loss) Income before income taxes	(442)	7,912	(1,816)	(3,343)	(5,234)	(12,353)	(2,481)
Provision for (benefit from) income taxes	(5)	11	3	2	4	—	20
Net loss (income)	(437)	7,901	(1,819)	(3,345)	(5,238)	(12,353)	(2,501)
Less: Net loss attributable to non-controlling interests in consolidated subsidiaries	(62)	—	—	—	—	(605)	—
Net (loss) income attributable to shareholders	(375)	7,901	(1,819)	(3,345)	(5,238)	(11,748)	(2,501)
Adjusted Net (Loss) Income[(1)]	(380)	7,912	(1,816)	(3,350)	(5,234)	(11,748)	(2,488)
Adjusted EBITDA[(1)]	$2,112	$10,389	$659	($756)	($2,648)	($2,041)	$7,644

FORTRESS TRANSPORTATION & INFRASTRUCTURE

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.

Shipping Containers - Comparative Statements of Operations (unaudited)

($'s in thousands)	Three Months Ended					Twelve Months Ended	
	9/30/2017	12/31/2017	3/31/2018	6/30/2018	9/30/2018	9/30/2017	9/30/2018
Revenues							
Finance lease income	$—	$—	$—	$—	$—	$1	$—
Other revenue	25	25	25	25	—	100	75
Total revenues	25	25	25	25	—	101	75
Expenses							
Operating expenses	8	1	—	—	—	8	1
Interest expense	—	—	—	—	—	—	—
Total expenses	8	1	—	—	—	8	1
Other income (expense)							
Equity in (losses) earnings of unconsolidated entities	359	312	171	110	113	(4,955)	706
Other expense, net	—	—	—	—	—	2	—
Total other (expense) income	359	312	171	110	113	(4,953)	706
(Loss) income before income taxes	376	336	196	135	113	(4,860)	780
Benefit from income taxes	(10)	(21)	(1)	(2)	(4)	(76)	(28)
Net (loss) income attributable to shareholders	386	357	197	137	117	(4,784)	808
Adjusted Net (Loss) Income(1)	330	474	196	135	118	(1,820)	923
Adjusted EBITDA(1)	$526	$442	$276	$194	$155	$354	$1,067

FORTRESS TRANSPORTATION & INFRASTRUCTURE

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.

Jefferson Terminal - Comparative Statements of Operations (unaudited)

($'s in thousands)	Three Months Ended 9/30/2017	12/31/2017[2]	3/31/2018	6/30/2018	9/30/2018	Twelve Months Ended 9/30/2017	9/30/2018[2]
Revenues							
Lease income	$—	$—	$—	$—	$—	$—	$—
Terminal services revenue	$1,730	$607	$1,253	$2,550	$2,522	$14,253	$6,932
Other revenue	—	—	—	—	15,314	—	15,314
Total revenues	1,730	607	1,253	2,550	17,836	14,253	22,246
Expenses							
Operating expenses	7,039	9,294	11,959	11,253	23,893	27,623	56,399
Acquisition and transaction expenses	—	—	—	—	—	—	—
Depreciation and amortization	3,978	4,308	4,790	4,937	4,999	15,796	19,034
Interest expense	1,408	9,285	3,528	4,285	4,257	5,980	21,355
Total expenses	12,425	22,887	20,277	20,475	33,149	49,399	96,788
Other income							
Equity in (losses) earnings of unconsolidated entities	(24)	(222)	148	(235)	(363)	(117)	(672)
Interest income	160	15	100	36	94	273	245
Other income, net	1,055	893	180	1,157	737	1,104	2,967
Total other income	1,191	686	428	958	468	1,260	2,540
Loss before income taxes	(9,504)	(21,594)	(18,596)	(16,967)	(14,845)	(33,886)	(72,002)
Provision for (benefit from) income taxes	(3)	11	11	10	11	50	43
Net loss	(9,501)	(21,605)	(18,607)	(16,977)	(14,856)	(33,936)	(72,045)
Less: Net loss attributable to non-controlling interests in consolidated subsidiaries	(4,806)	(9,782)	(8,949)	(7,309)	(3,759)	(17,143)	(29,799)
Net loss attributable to shareholders	(4,695)	(11,823)	(9,658)	(9,668)	(11,097)	(16,793)	(42,246)
Adjusted Net Loss[1]	(6,081)	(11,747)	(8,723)	(10,250)	(10,857)	(18,023)	(41,577)
Adjusted EBITDA[1]	($2,697)	($3,358)	($3,550)	($3,188)	($4,064)	($4,290)	($14,160)

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) Results of operations for the three months ended December 31, 2017 include a $5.9 million out of period adjustment to interest expense, including non-controlling interest of $2.3 million, which primarily relates to interest previously capitalized that should have been expensed ratably during the first nine months of 2017. We do not believe this out of period adjustment is material to our financial position or results of operations for any prior periods.

FORTRESS TRANSPORTATION & INFRASTRUCTURE

Railroad - Comparative Statements of Operations (unaudited)

	Three Months Ended					Twelve Months Ended	
($'s in thousands)	9/30/2017	12/31/2017	3/31/2018	6/30/2018	9/30/2018	9/30/2017	9/30/2018
Revenues							
Rail revenues	$8,258	$8,284	$11,047	$8,788	$8,907	$32,053	$37,026
Total revenues	8,258	8,284	11,047	8,788	8,907	32,053	37,026
Expenses							
Operating expenses	6,980	7,535	7,438	7,813	8,274	29,402	31,060
Depreciation and amortization	507	512	573	574	613	1,980	2,272
Interest expense	264	319	345	141	233	928	1,038
Total expenses	7,751	8,366	8,356	8,528	9,120	32,310	34,370
Other (expense) income							
(Loss) Gain on sale of equipment and finance leases, net	(162)	(106)	15	(7)	47	(69)	(51)
Total other (expense) income	(162)	(106)	15	(7)	47	(69)	(51)
(Loss) income before income taxes	345	(188)	2,706	253	(166)	(326)	2,605
Net (loss) income	345	(188)	2,706	253	(166)	(326)	2,605
Less: Net income (loss) attributable to non-controlling interests in consolidated subsidiaries	(104)	(27)	206	51	(26)	(31)	204
Net (loss) income attributable to shareholders	449	(161)	2,500	202	(140)	(295)	2,401
Adjusted Net (Loss) Income[1]	517	86	2,543	245	(96)	171	2,778
Adjusted EBITDA[1]	$1,234	$867	$3,406	$917	$699	$2,907	$5,889

FORTRESS TRANSPORTATION & INFRASTRUCTURE

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.

Ports and Terminals - Comparative Statements of Operations (unaudited)

	Three Months Ended					Twelve Months Ended	
($'s in thousands)	9/30/2017	12/31/2017	3/31/2018	6/30/2018	9/30/2018	9/30/2017	9/30/2018
Revenues							
Lease Income	$455	$517	$382	$417	$273	$610	$1,589
Other revenue	303	3,409	378	894	3,249	303	7,930
Total revenues	758	3,926	760	1,311	3,522	913	9,519
Expenses							
Operating expenses	2,852	4,607	2,381	2,715	3,634	4,712	13,337
Depreciation and amortization	783	790	809	832	840	872	3,271
Interest expense	273	271	272	273	—	1,078	816
Total expenses	3,908	5,668	3,462	3,820	4,474	6,662	17,424
Loss before income taxes	(3,150)	(1,742)	(2,702)	(2,509)	(952)	(5,749)	(7,905)
Provision for (benefit from) income taxes	—	—	(1)	1	—	8	—
Net loss	(3,150)	(1,742)	(2,701)	(2,510)	(952)	(5,757)	(7,905)
Less: Net (loss) income attributable to non-controlling interests in consolidated subsidiaries	—	(1)	6	(30)	(70)	(571)	(95)
Net loss attributable to shareholders	(3,150)	(1,741)	(2,707)	(2,480)	(882)	(5,186)	(7,810)
Adjusted Net Loss[1]	(3,150)	(1,442)	(2,645)	(2,386)	(785)	(5,178)	(7,258)
Adjusted EBITDA[1]	($2,094)	($384)	($1,564)	($1,281)	$55	($3,254)	($3,174)

FORTRESS TRANSPORTATION & INFRASTRUCTURE

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.

Corporate - Comparative Statements of Operations (unaudited)

	Three Months Ended					Twelve Months Ended	
($'s in thousands)	9/30/2017	12/31/2017	3/31/2018	6/30/2018	9/30/2018	9/30/2017	9/30/2018
Expenses							
Operating expenses	$—	$—	$—	$—	$—	$17	$—
General and administrative	3,439	3,955	3,586	4,573	4,012	13,775	16,126
Acquisition and transaction expenses	1,726	2,077	1,609	1,442	1,375	6,402	6,503
Management fees and incentive allocation to affiliate	3,771	4,203	3,739	4,495	3,846	15,546	16,283
Interest expense	6,023	6,790	6,853	7,197	9,693	12,682	30,533
Total expenses	14,959	17,025	15,787	17,707	18,926	48,422	69,445
Other expense							
Loss on extinguishment of debt	—	—	—	—	—	(2,456)	—
Total other expense	—	—	—	—	—	(2,456)	—
Loss before income taxes	(14,959)	(17,025)	(15,787)	(17,707)	(18,926)	(50,878)	(69,445)
Provision for income taxes	—	—	—	—	—	1	—
Net loss	(14,959)	(17,025)	(15,787)	(17,707)	(18,926)	(50,879)	(69,445)
Less: Net loss attributable to non-controlling interests in consolidated subsidiaries	—	—	—	—	—	(2)	—
Net loss attributable to shareholders	(14,959)	(17,025)	(15,787)	(17,707)	(18,926)	(50,877)	(69,445)
Adjusted Net Loss[1]	(13,673)	(13,506)	(14,169)	(15,692)	(17,571)	(42,986)	(60,938)
Adjusted EBITDA[1]	($7,210)	($7,644)	($7,316)	($8,495)	($7,878)	($23,337)	($31,333)

FORTRESS TRANSPORTATION & INFRASTRUCTURE

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.

Condensed Balance Sheets by Segment

Condensed Balance Sheets by Segment

As of September 30, 2018	Equipment Leasing			Infrastructure				
($'s in thousands)	Aviation Leasing	Offshore Energy	Shipping Containers	Jefferson Terminal	Railroad	Ports and Terminals	Corporate	Total
Gross Property, Plant and Equipment (PP&E)	$—	$—	$—	$403,259	$56,277	$254,432	$—	$713,968
Spare parts	—	—	—	1,519	—	—	—	1,519
Accumulated Depreciation on PP&E	—	—	—	(43,907)	(7,976)	(4,144)	—	(56,027)
Net PP&E	—	—	—	360,871	48,301	250,288	—	659,460
Gross Leasing Equipment	1,264,234	185,640	—	44,326	—	—	—	1,494,200
Accumulated Depreciation on Leasing Equipment	(178,152)	(27,397)	—	(4,594)	—	—	—	(210,143)
Net Leasing Equipment	1,086,082	158,243	—	39,732	—	—	—	1,284,057
Intangible Assets	14,604	—	—	21,023	26	—	—	35,653
Goodwill	—	—	—	115,990	594	—	—	116,584
All Other Assets	95,406	27,562	3,658	81,779	12,113	16,597	140,292	377,407
Total Assets	1,196,092	185,805	3,658	619,395	61,034	266,885	140,292	2,473,161
Debt	—	49,075	—	234,642	21,899	—	832,251	1,137,867
All Other Liabilities	181,407	3,727	93	31,381	16,770	31,176	8,420	272,974
Total Liabilities	181,407	52,802	93	266,023	38,669	31,176	840,671	1,410,841
Shareholders' equity	1,014,685	133,003	3,565	299,622	19,260	235,255	(700,903)	1,004,487
Non-controlling interest in equity of consolidated subsidiaries	—	—	—	53,750	3,105	454	524	57,833
Total Equity	1,014,685	133,003	3,565	353,372	22,365	235,709	(700,379)	1,062,320
Total Liabilities and Equity	$1,196,092	$185,805	$3,658	$619,395	$61,034	$266,885	$140,292	$2,473,161

FORTRESS TRANSPORTATION & INFRASTRUCTURE

Condensed Balance Sheets by Segment

As of December 31, 2017	Equipment Leasing			Infrastructure				
($'s in thousands)	Aviation Leasing	Offshore Energy	Shipping Containers	Jefferson Terminal	Railroad	Ports and Terminals	Corporate	Total
Gross Property, Plant and Equipment (PP&E)	$—	$—	$—	$362,171	$46,776	$119,978	$—	$528,925
Spare parts	—	—	—	1,629	—	—	—	1,629
Accumulated Depreciation on PP&E	—	—	—	(32,680)	(6,263)	(1,662)	—	(40,605)
Net PP&E	—	—	—	331,120	40,513	118,316	—	489,949
Gross Leasing Equipment	987,921	185,614	—	44,327	—	—	—	1,217,862
Accumulated Depreciation on Leasing Equipment	(117,430)	(22,542)	—	(3,760)	—	—	—	(143,732)
Net Leasing Equipment	870,491	163,072	—	40,567	—	—	—	1,074,130
Intangible Assets	16,295	—	—	23,688	60	—	—	40,043
Goodwill	—	—	—	115,990	594	—	—	116,584
All Other Assets	65,757	32,029	4,429	67,964	10,822	5,377	48,722	235,100
Total Assets	952,543	195,101	4,429	579,329	51,989	123,693	48,722	1,955,806
Debt	—	53,590	—	184,942	22,513	—	442,219	703,264
All Other Liabilities	145,882	3,263	100	25,217	14,047	14,229	14,729	217,467
Total Liabilities	145,882	56,853	100	210,159	36,560	14,229	456,948	920,731
Shareholders' equity	803,624	138,248	4,329	287,756	12,692	109,169	(408,750)	947,068
Non-controlling interest in equity of consolidated subsidiaries	3,037	—	—	81,414	2,737	295	524	88,007
Total Equity	806,661	138,248	4,329	369,170	15,429	109,464	(408,226)	1,035,075
Total Liabilities and Equity	$952,543	$195,101	$4,429	$579,329	$51,989	$123,693	$48,722	$1,955,806

Reconciliation of Non-GAAP Measures

Adjusted Net Income (Loss) Reconciliation by Segment (unaudited)

For the Three Months Ended September 30, 2018

($'s in thousands)	Aviation Leasing	Offshore Energy	Shipping Containers	Jefferson Terminal	Railroad	Ports & Terminals	Corporate	Total
Net income (loss) attributable to shareholders	$40,744	($5,238)	$117	($11,097)	($140)	($882)	($18,926)	**$4,578**
Add: Provision for income taxes	540	4	(4)	11	—	—	—	**551**
Add: Equity-based compensation expense	—	—	—	89	46	97	—	**232**
Add: Acquisition and transaction expenses	85	—	—	—	—	—	1,375	**1,460**
Add: Losses on the modification or extinguishment of debt and capital lease obligations	—	—	—	—	—	—	—	**—**
Add: Changes in fair value of non-hedge derivative instruments	—	—	—	385	—	—	—	**385**
Add: Asset impairment charges	—	—	—	—	—	—	—	**—**
Add: Pro-rata share of Adjusted Net Income from unconsolidated entities [(1)]	(192)	—	118	(363)	—	—	—	**(437)**
Add: Incentive allocations	—	—	—	—	—	—	(20)	**(20)**
Less: Cash payments for income taxes	(439)	—	—	(6)	—	—	—	**(445)**
Less: Equity in losses (earnings) of unconsolidated entities	192	—	(113)	363	—	—	—	**442**
Less: Non-controlling share of adjustments to Adjusted Net Income [(2)(3)(4)]	—	—	—	(239)	(2)	—	—	**(241)**
Adjusted Net Income (Loss)	**$40,930**	**($5,234)**	**$118**	**($10,857)**	**($96)**	**($785)**	**($17,571)**	**$6,505**

For the Three Months Ended September 30, 2017

($'s in thousands)	Aviation Leasing	Offshore Energy	Shipping Containers	Jefferson Terminal	Railroad	Ports & Terminals	Corporate	Total
Net income (loss) attributable to shareholders	$25,342	($375)	$386	($4,695)	$449	(3,150)	($14,959)	**$2,998**
Add: Provision for income taxes	927	(5)	(10)	(3)	—	—	—	**909**
Add: Equity-based compensation expense	—	—	—	90	75	—	—	**165**
Add: Acquisition and transaction expenses	6	—	—	—	—	—	1,726	**1,732**
Add: Losses on the modification or extinguishment of debt and capital lease obligations	—	—	—	—	—	—	—	**—**
Add: Changes in fair value of non-hedge derivative instruments	—	—	—	(1,036)	—	—	—	**(1,036)**
Add: Asset impairment charges	—	—	—	—	—	—	—	**—**
Add: Pro-rata share of Adjusted Net Income from unconsolidated entities [(1)]	(203)	—	313	(24)	—	—	—	**86**
Add: Incentive allocations	—	—	—	—	—	—	—	**—**
Less: Cash payments for income taxes	(1)	—	—	3	—	—	(440)	**(438)**
Less: Equity in losses (earnings) of unconsolidated entities	203	—	(359)	24	—	—	—	**(132)**
Less: Non-controlling share of adjustments to Adjusted Net Income [(2)(3)(4)]	—	—	—	(440)	(7)	—	—	**(447)**
Adjusted Net Income (Loss)	**$26,274**	**($380)**	**$330**	**($6,081)**	**$517**	**($3,150)**	**($13,673)**	**$3,837**

FORTRESS TRANSPORTATION & INFRASTRUCTURE

Adjusted Net Income (Loss) Reconciliation by Segment (unaudited)

($'s in thousands)	For the Nine Months Ended September 30, 2018							
	Aviation Leasing	Offshore Energy	Shipping Containers	Jefferson Terminal	Railroad	Ports & Terminals	Corporate	Total
Net income (loss) attributable to shareholders	$101,146	($10,402)	$451	($30,423)	$2,562	($6,069)	($52,420)	**$4,845**
Add: Provision for income taxes	1,546	9	(7)	32	—	—	—	**1,580**
Add: Equity-based compensation expense	—	—	—	269	138	253	9	**669**
Add: Acquisition and transaction expenses	308	—	—	—	—	—	4,426	**4,734**
Add: Losses on the modification or extinguishment of debt and capital lease obligations	—	—	—	—	—	—	—	**—**
Add: Changes in fair value of non-hedge derivative instruments	—	—	—	567	—	—	—	**567**
Add: Asset impairment charges	—	—	—	—	—	—	—	**—**
Add: Pro-rata share of Adjusted Net (Loss) Income from unconsolidated entities [1]	(542)	—	399	(450)	—	—	—	**(593)**
Add: Incentive allocations	—	—	—	—	—	—	553	**553**
Less: Cash payments for income taxes	(860)	(7)	—	(43)	—	—	—	**(910)**
Less: Equity in losses (earnings) of unconsolidated entities	542	—	(394)	450	—	—	—	**598**
Less: Non-controlling share of adjustments to Adjusted Net Loss (Income) [2][3][4]	—	—	—	(233)	(8)	—	—	**(241)**
Adjusted Net Income (Loss)	**$102,140**	**($10,400)**	**$449**	**($29,831)**	**$2,692**	**($5,816)**	**($47,432)**	**$11,802**

($'s in thousands)	For the Nine Months Ended September 30, 2017							
	Aviation Leasing	Offshore Energy	Shipping Containers	Jefferson Terminal	Railroad	Ports & Terminals	Corporate	Total
Net income (loss) attributable to shareholders	$66,354	($7,696)	($205)	($13,938)	($506)	(4,815)	($42,070)	**($2,876)**
Add: Provision for income taxes	1,598	—	(44)	31	—	—	—	**1,585**
Add: Equity-based compensation expense	—	—	—	228	467	—	—	**695**
Add: Acquisition and transaction expenses	276	—	—	—	—	—	4,788	**5,064**
Add: Losses on the modification or extinguishment of debt and capital lease obligations	—	—	—	—	—	—	2,456	**2,456**
Add: Changes in fair value of non-hedge derivative instruments	—	—	—	(1,036)	—	—	—	**(1,036)**
Add: Asset impairment charges	—	—	—	—	—	—	—	**—**
Add: Pro-rata share of Adjusted Net Loss from unconsolidated entities [1]	(1,046)	—	(454)	(99)	—	—	—	**(1,599)**
Less: Cash payments for income taxes	(1)	—	—	(79)	—	—	(953)	**(1,033)**
Less: Equity in losses (earnings) of unconsolidated entities	1,046	—	316	99	—	—	—	**1,461**
Less: Non-controlling share of adjustments to Adjusted Net Income [2][3][4]	—	—	—	(475)	(28)	—	—	**(503)**
Adjusted Net Income (Loss)	**$68,227**	**($7,696)**	**($387)**	**($15,269)**	**($67)**	**($4,815)**	**($35,779)**	**$4,214**

FORTRESS TRANSPORTATION & INFRASTRUCTURE

Adjusted Net Income (Loss) Reconciliation by Segment (unaudited)

For the Last Twelve Months Ended September 30, 2018

($'s in thousands)	Aviation Leasing	Offshore Energy	Shipping Containers	Jefferson Terminal[5]	Railroad	Ports & Terminals	Corporate	Total[5]
Net income (loss) attributable to shareholders	$126,648	($2,501)	$808	($42,246)	$2,401	($7,810)	($69,445)	**$7,855**
Add: Provision for income taxes	1,914	20	(28)	43	—	—	—	**1,949**
Add: Equity-based compensation expense	—	—	—	359	401	548	9	**1,317**
Add: Acquisition and transaction expenses	473	—	—	—	—	—	6,503	**6,976**
Add: Losses on the modification or extinguishment of debt and capital lease obligations	—	—	—	—	—	—	—	**—**
Add: Changes in fair value of non-hedge derivative instruments	—	—	—	582	—	—	—	**582**
Add: Asset impairment charges	—	—	—	—	—	—	—	**—**
Add: Pro-rata share of Adjusted Net (Loss) Income from unconsolidated entities[1]	(772)	—	849	(672)	—	—	—	**(595)**
Add: Incentive allocations	—	—	—	—	—	—	1,067	**1,067**
Less: Cash payments for income taxes	(2,485)	(7)	—	(43)	—	4	928	**(1,603)**
Less: Equity in losses (earnings) of unconsolidated entities	772	—	(706)	672	—	—	—	**738**
Less: Non-controlling share of adjustments to Adjusted Net Income[2][3][4]	—	—	—	(272)	(24)	—	—	**(296)**
Adjusted Net Income (Loss)	**$126,550**	**($2,488)**	**$923**	**($41,577)**	**$2,778**	**($7,258)**	**($60,938)**	**$17,990**

For the Last Twelve Months Ended September 30, 2017

($'s in thousands)	Aviation Leasing	Offshore Energy	Shipping Containers	Jefferson Terminal	Railroad	Ports & Terminals	Corporate	Total
Net income (loss) attributable to shareholders	$84,992	($11,748)	($4,784)	($16,793)	($295)	(5,195)	($50,866)	**($4,689)**
Add: Provision for income taxes	1,677	—	(76)	50	—	8	(1)	**1,658**
Add: Equity-based compensation expense	—	—	—	345	496	—	—	**841**
Add: Acquisition and transaction expenses	356	—	—	—	—	—	6,402	**6,758**
Add: Losses on the modification or extinguishment of debt and capital lease obligations	—	—	—	—	—	—	2,456	**2,456**
Add: Changes in fair value of non-hedge derivative instruments	—	—	—	(1,036)	—	—	—	**(1,036)**
Add: Asset impairment charges	—	—	—	—	—	—	—	**—**
Add: Pro-rata share of Adjusted Net Loss from unconsolidated entities[1]	(1,046)	—	(1,915)	(99)	—	—	—	**(3,060)**
Add: Incentive allocations	—	—	—	—	—	—	—	**—**
Less: Cash payments for income taxes	(46)	—	—	(79)	—	—	(968)	**(1,093)**
Less: Equity in losses (earnings) of unconsolidated entities	1,046	—	4,955	117	—	—	—	**6,118**
Less: Non-controlling share of adjustments to Adjusted Net Income[2][3][4]	—	—	—	(528)	(29)	—	—	**(557)**
Adjusted Net Income (Loss)	**$86,979**	**($11,748)**	**($1,820)**	**($18,023)**	**$172**	**(5,187)**	**($42,977)**	**$7,396**

Adjusted EBITDA Reconciliation by Segment (unaudited)

For the Three Months Ended September 30, 2018

($s in thousands)	Aviation Leasing	Offshore Energy	Shipping Containers	Jefferson Terminal	Railroad	Ports & Terminals	Corporate	Total
Net income (loss) attributable to shareholders	$40,744	($5,238)	$117	($11,097)	($140)	(882)	($18,926)	**$4,578**
Add: Provision for (benefit from) income taxes	540	4	(4)	11	—	—	—	**551**
Add: Equity-based compensation expense	—	—	—	89	46	97	—	**232**
Add: Acquisition and transaction expenses	85	—	—	—	—	—	1,375	**1,460**
Add: Losses on the modification or extinguishment of debt and capital lease obligations	—	—	—	—	—	—	—	**—**
Add: Changes in fair value of non-hedge derivative instruments	—	—	—	385	—	—	—	**385**
Add: Asset impairment charges	—	—	—	—	—	—	—	**—**
Add: Incentive allocations	—	—	—	—	—	—	(20)	**(20)**
Add: Depreciation & amortization expense [(5)(8)]	31,083	1,627	—	4,999	613	840	—	**39,162**
Add: Interest expense	—	959	—	4,257	233	—	9,693	**15,142**
Add: Pro-rata share of Adjusted EBITDA from unconsolidated entities [(6)(13)(14)(15)]	(192)	—	155	439	—	—	—	**402**
Less: Equity in losses (earnings) of unconsolidated entities	192	—	(113)	363	—	—	—	**442**
Less: Non-controlling share of Adjusted EBITDA [(7)(9)(10)(11)(12)]	—	—	—	(3,510)	(53)	—	—	**(3,563)**
Adjusted EBITDA	**$72,452**	**($2,648)**	**$155**	**($4,064)**	**$699**	**55**	**($7,878)**	**$58,771**

For the Three Months Ended September 30, 2017

($s in thousands)	Aviation Leasing	Offshore Energy	Shipping Containers	Jefferson Terminal	Railroad	Ports & Terminals	Corporate	Total
Net income (loss) attributable to shareholders	$25,342	($375)	$386	($4,695)	$449	(3,150)	($14,959)	**$2,998**
Add: Provision for (benefit from) income taxes	927	(5)	(10)	(3)	—	—	—	**909**
Add: Equity-based compensation expense	—	—	—	90	75	—	—	**165**
Add: Acquisition and transaction expenses	6	—	—	—	—	—	1,726	**1,732**
Add: Losses on the modification or extinguishment of debt and capital lease obligations	—	—	—	—	—	—	—	**—**
Add: Changes in fair value of non-hedge derivative instruments	—	—	—	(1,036)	—	—	—	**(1,036)**
Add: Asset impairment charges	—	—	—	—	—	—	—	**—**
Add: Incentive allocations	—	—	—	—	—	—	—	**—**
Add: Depreciation & amortization expense [(5)(8)]	19,811	1,607	—	3,978	507	783	—	**26,686**
Add: Interest expense	—	946	—	1,408	264	273	6,023	**8,914**
Add: Pro-rata share of Adjusted EBITDA from unconsolidated entities [(8)(13)(14)(15)]	(203)	—	509	(24)	—	—	—	**282**
Less: Equity in losses (earnings) of unconsolidated entities	203	—	(359)	24	—	—	—	**(132)**
Less: Non-controlling share of Adjusted EBITDA [(7)(9)(10)(11)(12)]	(192)	(61)	—	(2,439)	(61)	—	—	**(2,753)**
Adjusted EBITDA	**$45,894**	**$2,112**	**$526**	**($2,697)**	**$1,234**	**(2,094)**	**($7,210)**	**$37,765**

FORTRESS TRANSPORTATION & INFRASTRUCTURE

Adjusted EBITDA Reconciliation by Segment (unaudited)

For the Nine Months Ended September 30, 2018

($s in thousands)	Aviation Leasing	Offshore Energy	Shipping Containers	Jefferson Terminal	Railroad	Ports & Terminals	Corporate	Total
Net income (loss) attributable to shareholders	$101,146	($10,402)	$451	($30,423)	$2,562	(6,069)	($52,420)	**$4,845**
Add: Provision for (benefit from) income taxes	1,546	9	(7)	32	—	—	—	**1,580**
Add: Equity-based compensation expense	—	—	—	269	138	253	9	**669**
Add: Acquisition and transaction expenses	308	—	—	—	—	—	4,426	**4,734**
Add: Losses on the modification or extinguishment of debt and capital lease obligations	—	—	—	—	—	—	—	**—**
Add: Changes in fair value of non-hedge derivative instruments	—	—	—	567	—	—	—	**567**
Add: Asset impairment charges	—	—	—	—	—	—	—	**—**
Add: Incentive allocations	—	—	—	—	—	—	553	**553**
Add: Depreciation & amortization expense (5)(8)	90,660	4,855	—	14,726	1,760	2,481	—	**114,482**
Add: Interest expense	—	2,793	—	12,070	719	545	23,743	**39,870**
Add: Pro-rata share of Adjusted EBITDA from unconsolidated entities (6)(13)(14)(15)	(542)	—	575	352	—	—	—	**385**
Less: Equity in losses (earnings) of unconsolidated entities	542	—	(394)	450	—	—	—	**598**
Less: Non-controlling share of Adjusted EBITDA (7)(9)(10)(11)(12)	(172)	—	—	(8,846)	(157)	—	—	**(9,175)**
Adjusted EBITDA	**$193,488**	**($2,745)**	**$625**	**($10,803)**	**$5,022**	**(2,790)**	**($23,689)**	**$159,108**

For the Nine Months Ended September 30, 2017

($s in thousands)	Aviation Leasing	Offshore Energy	Shipping Containers	Jefferson Terminal	Railroad	Ports & Terminals	Corporate	Total
Net income (loss) attributable to shareholders	$66,354	($7,696)	($205)	($13,938)	($506)	(4,815)	($42,070)	**($2,876)**
Add: Provision for (benefit from) income taxes	$1,598	—	(44)	31	—	—	—	**1,585**
Add: Equity-based compensation expense	—	—	—	228	467	—	—	**695**
Add: Acquisition and transaction expenses	276	—	—	—	—	—	4,788	**5,064**
Add: Losses on the modification or extinguishment of debt and capital lease obligations	—	—	—	—	—	—	2,456	**2,456**
Add: Changes in fair value of non-hedge derivative instruments	—	—	—	(1,036)	—	—	—	**(1,036)**
Add: Asset impairment charges	—	—	—	—	—	—	—	**—**
Add: Depreciation & amortization expense (5)(8)	48,477	4,820	—	11,885	1,525	868	—	**67,575**
Add: Interest expense	—	2,800	—	4,283	710	817	12,682	**21,292**
Add: Pro-rata share of Adjusted EBITDA from unconsolidated entities (6)(13)(14)(15)	(1,046)	—	936	(99)	—	—	—	**(209)**
Less: Equity in losses (earnings) of unconsolidated entities	1,046	—	316	99	—	—	—	**1,461**
Less: Non-controlling share of Adjusted EBITDA (7)(9)(10)(11)(12)	(354)	(247)	—	(6,509)	(162)	—	—	**(7,272)**
Adjusted EBITDA	**$116,351**	**($323)**	**$1,003**	**($5,056)**	**$2,034**	**(3,130)**	**($22,144)**	**$88,735**

Adjusted EBITDA Reconciliation by Segment (unaudited)

For the Last Twelve Months Ended September 30, 2018

($s in thousands)	Aviation Leasing	Offshore Energy	Shipping Containers	Jefferson Terminal[5]	Railroad	Ports & Terminals	Corporate	Total[5]
Net income (loss) attributable to shareholders	$126,648	($2,501)	$808	($42,246)	$2,401	(7,810)	($69,445)	**$7,855**
Add: Provision for (benefit from) income taxes	1,914	20	(28)	43	—	—	—	**1,949**
Add: Equity-based compensation expense	—	—	—	359	401	548	9	**1,317**
Add: Acquisition and transaction expenses	473	—	—	—	—	—	6,503	**6,976**
Add: Losses on the modification or extinguishment of debt and capital lease obligations	—	—	—	—	—	—	—	**—**
Add: Changes in fair value of non-hedge derivative instruments	—	—	—	582	—	—	—	**582**
Add: Asset impairment charges	—	—	—	—	—	—	—	**—**
Add: Incentive allocations	—	—	—	—	—	—	1,067	**1,067**
Add: Depreciation & amortization expense[(5)(8)]	112,285	6,462	—	19,034	2,272	3,271	—	**143,324**
Add: Interest expense	—	3,663	—	21,354	1,038	817	30,533	**57,405**
Add: Pro-rata share of Adjusted EBITDA from unconsolidated entities[(7)(13)(14)(15)]	(772)	—	993	130	—	—	—	**351**
Less: Equity in losses (earnings) of unconsolidated entities	772	—	(706)	672	—	—	—	**738**
Less: Non-controlling share of Adjusted EBITDA[(7)(9)(10)(11)(12)]	(355)	—	—	(14,088)	(223)	—	—	**(14,666)**
Adjusted EBITDA	**$240,965**	**$7,644**	**$1,067**	**($14,160)**	**$5,889**	**(3,174)**	**($31,333)**	**$206,898**

For the Last Twelve Months Ended September 30, 2017

($s in thousands)	Aviation Leasing	Offshore Energy	Shipping Containers	Jefferson Terminal	Railroad	Ports & Terminals	Corporate	Total
Net income (loss) attributable to shareholders	$84,992	($11,748)	($4,784)	($16,793)	($295)	(5,195)	($50,866)	**($4,689)**
Add: Provision for (benefit from) income taxes	1,677	—	(76)	50	—	8	(1)	**1,658**
Add: Equity-based compensation expense	—	—	—	345	496	—	—	**841**
Add: Acquisition and transaction expenses	356	—	—	—	—	—	6,402	**6,758**
Add: Losses on the modification or extinguishment of debt and capital lease obligations	—	—	—	—	—	—	2,456	**2,456**
Add: Changes in fair value of non-hedge derivative instruments	—	—	—	(1,036)	—	—	—	**(1,036)**
Add: Asset impairment charges	—	—	—	—	—	—	—	**—**
Add: Depreciation & amortization expense[(5)(8)]	60,204	6,304	—	15,796	1,979	872	—	**85,155**
Add: Interest expense	—	3,742	—	5,980	928	1,078	12,682	**24,410**
Add: Pro-rata share of Adjusted EBITDA from unconsolidated entities[(6)(13)(14)(15)]	(1,046)	—	259	(99)	—	—	—	**(886)**
Less: Equity in losses (earnings) of unconsolidated entities	1,046	—	4,955	117	—	—	—	**6,118**
Less: Non-controlling share of Adjusted EBITDA[(7)(9)(10)(11)(12)]	(395)	(339)	—	(8,650)	(200)	(27)	—	**(9,611)**
Adjusted EBITDA	**$146,834**	**($2,041)**	**$354**	**($4,290)**	**$2,908**	**(3,264)**	**($29,327)**	**$111,174**

FORTRESS TRANSPORTATION & INFRASTRUCTURE

Notes to Non-GAAP reconciliations

$s in thousands

(1) Pro-rata share of Adjusted Net Income (Loss) from unconsolidated entities includes the Company's proportionate share of the unconsolidated entities' net income adjusted for the excluded and included items detailed in the table above.

(2) Non-controlling share of Adjusted Net (Loss) Income includes the following items for the three months ended September 30, 2018 and 2017: (i) equity-based compensation of $19 and $43, (ii) provision for income tax of $2 and $(1), and (iii) changes in fair value of non-hedge derivative instruments of $221 and $404 less (iv) cash tax payments of $1 and $(1), respectively.

Includes the following items for the nine months ended September 30, 2018 and 2017: (i) equity-based compensation of $96 and $118, (ii) provision for income tax of $10 and $12, and (iii) changes in fair value of non-hedge derivative instruments of $149 and $404, less (iv) cash tax payments of $14 and $31, respectively.

Includes the following items for the twelve months ended September 30, 2018 and 2017: (i) equity-based compensation of $146 and $165, (ii) provision for income tax of $14 and $19, and (iii) changes in fair value of non-hedge derivative instruments of $150 and $404, less (iv) cash tax payments of $14 and $31, respectively.

(3) Jefferson Terminal's non-controlling share of Adjusted Net Income (Loss) includes the following items for the three months ended September 30, 2018 and 2017: (i) equity-based compensation of $17 and $36, (ii) provision for income taxes of $2 and $(1), (iii) changes in fair value of non-hedge derivative instruments of $221 and $404, less (iv) cash paid for income taxes of $1 and $(1), respectively.

Includes the following items for the nine months ended September 30, 2018 and 2017: (i) equity-based compensation of $88 and $90, (ii) provision for income taxes of $10 and $12, (iii) changes in fair value of non-hedge derivative instruments of $149 and $404, less (iv) cash paid for income taxes of $14 and $31, respectively.

Includes the following items for the twelve months ended September 30, 2018 and 2017: (i) equity-based compensation of $122 and $136, (ii) provision for income taxes of $14 and $19, (iii) changes in fair value of non-hedge derivative instruments of $150 and $404, less (iv) cash paid for income taxes of $14 and $31, respectively.

(4) CMQR's non-controlling share of Adjusted Net Income includes equity-based compensation of $2 and $7 for the three months ended September 30, 2018 and 2017, respectively, and $8 and $28 for the nine months ended September 30, 2018 and 2017, respectively.

Includes equity-based compensation of $24 and $29 for the twelve months ended September 30, 2018 and 2017, respectively.

Notes to Non-GAAP reconciliations

$s in thousands

(5) Depreciation and amortization expense includes the following items for the three months ended September 30, 2018 and 2017: $34,422 and $24,784 of depreciation and amortization expense, $1,911 and $1,147 of lease intangible amortization, and $2,829 and $755 of amortization for lease incentives, respectively.

Includes the following items for the nine months ended September 30, 2018 and 2017: $96,853 and $62,382 of depreciation and amortization expense, $5,913 and $3,494 of lease intangible amortization, and $11,716 and $1,699 of amortization for lease incentives, respectively.

Includes the following items for the twelve months ended September 30, 2018 and 2017: $122,581 and $79,297 of depreciation and amortization expense, $7,134 and $3,917 of lease intangible amortization, and $13,609 and $1,941 of amortization for lease incentives, respectively.

(6) The Company's pro-rata share of Adjusted EBITDA from unconsolidated entities includes the following items for the three months ended September 30, 2018 and 2017: (i) net (loss) income of $(483) and $86, (ii) interest expense of $97 and $176, and (iii) depreciation and amortization expense of $788 and $20, respectively.

Includes the following items for the nine months ended September 30, 2018 and 2017: (i) net loss of $734 and $1,599, (ii) interest expense of $303 and $650, and (iii) depreciation and amortization expense of $28 and $740, respectively.

Includes the following items for the twelve months ended September 30, 2018 and 2017: (i) net loss of $921 and $6,284, (ii) interest expense of $438 and $1,041, (iii) depreciation and amortization expense of $834 and $1,289, and (iv) shipping impairment of $0 and $3,068, respectively.

(7) The Company's non-controlling share of Adjusted EBITDA includes the following items for the three months ended September 30, 2018 and 2017: (i) equity based compensation of $19 and $43, (ii) provision for income taxes of $2 and $(1), (iii) interest expense of $1,512 and $485, (iv) depreciation and amortization expense of $1,809 and $1,822, and (v) changes in fair value of non-hedge derivative instruments of $221 and $404, respectively.

Includes the following items for the nine months ended September 30, 2018 and 2017: (i) equity based compensation of $96 and $118, (ii) provision for income taxes of $10 and $12, (iii) interest expense of $3,823 and $1,489, (iv) depreciation and amortization expense of $5,097 and $5,249, and (v) changes in fair value of non-hedge derivative instruments of $149 and $404, respectively.

Includes the following items for the twelve months ended September 30, 2018 and 2017: (i) equity based compensation of $146 and $166, (ii) provision for income taxes of $14 and $19, (iii) interest expense of $7,365 and $2,118, (iv) depreciation and amortization expense of $6,991 and $6,904, and (v) changes in fair value of non-hedge derivative instruments of $150 and $404, respectively.

Notes to Non-GAAP reconciliations

$s in thousands

(8) Aviation Leasing's depreciation and amortization expense includes (i) $26,343 and $17,909 of depreciation expense, (ii) $1,911 and $1,147 of lease intangible amortization, and (iii) $2,829 and $755 of amortization for lease incentives during the three months ended September 30, 2018 and 2017, respectively.

Includes (i) $73,031 and $43,284 of depreciation expense, (ii) $5,913 and $3,494 of lease intangible amortization, and (iii) $11,716 and $1,699 of amortization for lease incentives during the nine months ended September 30, 2018 and 2017, respectively.

Includes (i) $91,542 and $54,346 of depreciation expense, (ii) $7,134 and $3,917 of lease intangible amortization, and (iii) $13,609 and $1,941 of amortization for lease incentives during the twelve months ended September 30, 2018 and 2017, respectively.

(9) Aviation Leasing's non-controlling share of Adjusted EBITDA includes $0 and $192 of depreciation expense during the three months ended September 30, 2018 and 2017, respectively. Includes $172 and $354 of depreciation expense during the nine months ended September 30, 2018 and 2017, respectively.

Includes $355 and $395 of depreciation expense during the twelve months ended September 30, 2018 and 2017, respectively.

(10) Offshore's non-controlling share of Adjusted EBITDA includes the following items for the three months ended September 30, 2018 and 2017: (i) depreciation expense of $0 and $42 and (ii) interest expense of $0 and $19, respectively.

Includes the following items for the nine months ended September 30, 2018 and 2017: (i) depreciation expense of $0 and $165 and (ii) interest expense of $0 and $82, respectively.

Includes the following items for the twelve months ended September 30, 2018 and 2017: (i) depreciation expense of $0 and $227 and (ii) interest expense of $0 and $112, respectively.

(11) Jefferson Terminal's non-controlling share of Adjusted EBITDA includes the following items for the three months ended September 30, 2018 and 2017: (i) equity-based compensation of $17 and $36, (ii) provision for income taxes of $2 and $(1), (iii) interest expense of $1,498 and $447, (iv) changes in fair value of non-hedge derivative instruments of $221 and $404, and (vii) depreciation and amortization expense of $1,772 and $1,553, respectively.

Includes the following items for the nine months ended September 30, 2018 and 2017: (i) equity-based compensation of $88 and $90, (ii) provision for income taxes of $10 and $12, (iii) interest expense of $3,780 and $1,364, (iv) changes in fair value of non-hedge derivative instruments of $149 and $404, and (vii) depreciation and amortization expense of $4,819 and $4,639, respectively.

Includes the following items for the twelve months ended September 30, 2018 and 2017: (i) equity-based compensation of $122 and $137, (ii) provision for income taxes of $14 and $19, (iii) interest expense of $7,302 and $1,925, (iv) changes in fair value of non-hedge derivative instruments of $150 and $404, and (vii) depreciation and amortization expense of $6,500 and $6,165, respectively.

Notes to Non-GAAP reconciliations

$s in thousands

(12) CMQR's non-controlling share of Adjusted EBITDA includes the following items for the three months ended September 30, 2018 and 2017: (i) equity-based compensation of $2 and $7, (ii) interest expense of $14 and $19, and (iii) depreciation and amortization expense of $37 and $35, respectively.

Includes the following items for the nine months ended September 30, 2018 and 2017: (i) equity-based compensation of $8 and $28, (ii) interest expense of $43 and $43, and (iii) depreciation and amortization expense of $106 and $91, respectively.

Includes the following items for the twelve months ended September 30, 2018 and 2017: (i) equity-based compensation of $24 and $29, (ii) interest expense of $63 and $55, and (iii) depreciation and amortization expense of $136 and $116, respectively.

(13) Aviation Leasing’s pro-rata share of Adjusted EBITDA from unconsolidated entities includes the proportionate share of the unconsolidated entities’ net income adjusted for the excluded and included items detailed in the table above, for which there were no adjustments.

(14) Shipping Container's pro-rata share of Adjusted EBITDA from unconsolidated entities includes the following items for the three months ended September 30, 2018 and 2017: (i) net income of $58 and $313, (ii) interest expense of $97 and $176, and (iii) depreciation and amortization expense of $0 and $20, respectively.

Includes the following items for the nine months ended September 30, 2018 and 2017: (i) net income (loss) of $244 and $(454), (ii) interest expense of $303 and $650, and (iii) depreciation and amortization expense of $28 and $740, respectively.

Includes the following items for the twelve months ended September 30, 2018 and 2017: (i) net income (loss) of $509 and $(5,139), (ii) interest expense of $438 and $1,041, (iii) depreciation and amortization expense of $46 and $1,289, and (iv) shipping impairment of $0 and $3,068, respectively.

(15) Jefferson Terminal’s pro-rata share of Adjusted EBITDA from unconsolidated entities includes the proportionate share of the unconsolidated entities’ net income adjusted for the excluded and included items detailed in the table above.

Consolidated FAD Reconciliation

($s in thousands)	Three Months Ended September 30, 2017				Three Months Ended September 30, 2018			
	Equipment Leasing	Infrastructure	Corporate	Total	Equipment Leasing	Infrastructure	Corporate	Total
Funds Available for Distribution (FAD)	**$96,905**	**($8,463)**	**($14,799)**	**$73,643**	**$71,609**	**($8,871)**	**($18,023)**	**$44,715**
Less: Principal Collections on Finance Leases				(122)				(119)
Less: Proceeds from sale of assets				(56,852)				(3,957)
Less: Return of Capital Distributions from Unconsolidated Entities				—				(872)
Add: Required Payments on Debt Obligations				5,243				3,107
Add: Capital Distributions to Non-Controlling Interest				—				—
Include: Changes in Working Capital				(2,744)				(15,611)
Net Cash from Operating Activities				**$19,168**				**$27,263**

Consolidated FAD Reconciliation

($s in thousands)	Nine Months Ended September 30, 2017				Nine Months Ended September 30, 2018			
	Equipment Leasing	Infrastructure	Corporate	Total	Equipment Leasing	Infrastructure	Corporate	Total
Funds Available for Distribution (FAD)	**$187,168**	**($18,293)**	**($38,872)**	**$130,003**	**$206,853**	**($32,408)**	**($50,509)**	**$123,936**
Less: Principal Collections on Finance Leases				(347)				(658)
Less: Proceeds from sale of assets				(87,144)				(30,487)
Less: Return of Capital Distributions from Unconsolidated Entities				—				(872)
Add: Required Payments on Debt Obligations				8,368				6,231
Add: Capital Distributions to Non-Controlling Interest				—				—
Include: Changes in Working Capital				1,563				(11,735)
Net Cash from Operating Activities				**$52,443**				**$86,415**

FORTRESS TRANSPORTATION & INFRASTRUCTURE

Consolidated FAD Reconciliation

($s in thousands)	Three Months Ended December 31, 2016	Three Months Ended March 31, 2017	Three Months Ended June 30, 2017	Three Months Ended September 30, 2017	LTM September 30, 2017	Three Months Ended December 31, 2017(1)	Three Months Ended March 31, 2018	Three Months Ended June 30, 2018	Three Months Ended September 30, 2018	LTM September 30, 2018
Net Cash from Operating Activities	**$15,241**	**$17,680**	**$15,595**	**$19,168**	**$67,684**	**$16,054**	**$11,470**	**$47,682**	**$27,263**	**$102,469**
Add: Principal Collections on Finance Leases	107	110	115	122	454	126	129	410	119	784
Add: Proceeds from sale of assets	7,345	9,885	20,407	56,852	94,489	34,275	6,174	20,356	3,957	64,762
Add: Return of Capital Distributions from Unconsolidated Entities	—	—	—	—	—	—	—	—	872	872
Less: Required Payments on Debt Obligations	(1,563)	(1,562)	(1,563)	(5,243)	(9,931)	—	(1,562)	(1,562)	(3,107)	(6,231)
Less: Capital Distributions to Non-Controlling Interest	—	—	—	—	—	(254)	—	—	—	(254)
Exclude: Changes in Working Capital	(640)	(4,365)	58	2,744	(2,203)	(2,952)	18,226	(22,102)	15,611	8,783
Funds Available for Distribution (FAD)	**$20,490**	**$21,748**	**$34,612**	**$73,643**	**$150,493**	**$47,249**	**$34,437**	**$44,784**	**$44,715**	**$171,185**

FORTRESS TRANSPORTATION & INFRASTRUCTURE

1) *FAD for the three months ended December 31, 2017 includes a $5.9 million out of period adjustment, which primarily relates to interest previously capitalized that should have been expensed ratably during the first nine months of 2017. We do not believe this out of period adjustment is material to FAD for any prior periods.*

Glossary

Adjusted EBITDA

We view Adjusted EBITDA as a secondary measurement to Adjusted Net Income (Loss), which we believe serves as a useful supplement to investors, analysts and management to measure economic performance of deployed revenue generating assets between periods on a consistent basis, and which we believe measures our financial performance and helps identify operational factors that management can impact in the short-term, namely our cost structure and expenses. Adjusted EBITDA may not be comparable to similarly titled measures of other companies because other entities may not calculate Adjusted EBITDA in the same manner.

Adjusted EBITDA is defined as net income (loss) 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.

Adjusted Net Income

The Chief Operating Decision Maker ("CODM") utilizes Adjusted Net Income (Loss) as the key performance measure. This performance measure provides the CODM with the information necessary to assess operational performance, as well as make resource and allocation decisions.

Adjusted Net Income (Loss) is defined as net income (loss) 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, and equity in earnings (losses) of unconsolidated entities, (b) to include the impact of cash income tax payments, and our pro-rata share of the Adjusted Net Income (Loss) from unconsolidated entities, and (c) to exclude the impact of the non-controlling share of Adjusted Net Income (Loss). We evaluate investment performance for each reportable segment primarily based on Adjusted Net Income (Loss). We believe that net income (loss) attributable to shareholders, as defined by GAAP, is the most comparable earnings measurement with which to reconcile Adjusted Net Income (Loss).

Adjusted EPS

Adjusted EPS is a non-GAAP measure calculated as Adjusted Net Income (Loss) divided by Weighted Average Common Shares Outstanding.

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 cash from 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 our ability to meet our stated dividend policy. FAD is not a financial measure in accordance with GAAP. The Company believes FAD will be a useful metric for investors and analysts for similar purposes. However, FAD is subject to a number of limitations and assumptions and there can be no assurance that the Company will generate FAD sufficient to meet our intended dividends. The GAAP measure most directly comparable to FAD is net cash provided by operating activities.

Return on Equity

Return on Equity ("ROE") is calculated as Adjusted Net Income (Loss) divided by average Shareholders' Equity plus Other Comprehensive Income.