



Colliers
INTERNATIONAL

February 13, 2019

Colliers International Group Inc.

Fourth Quarter 2018 Financial Results

Forward-Looking Statements

This presentation includes or may include forward-looking statements. Forward-looking statements include the Company's financial performance outlook and statements regarding goals, beliefs, strategies, objectives, plans or current expectations. These statements involve known and unknown risks, uncertainties and other factors which may cause the actual results to be materially different from any future results, performance or achievements contemplated in the forward-looking statements. Such factors include: economic conditions, especially as they relate to commercial and consumer credit conditions and business spending; commercial real estate property values, vacancy rates and general conditions of financial liquidity for real estate transactions; the effects of changes in foreign exchange rates in relation to the US dollar on Canadian dollar, Australian dollar, UK pound sterling and Euro denominated revenues and expenses; competition in markets served by the Company; labor shortages or increases in commission, wage and benefit costs; disruptions or security failures in information technology systems; and political conditions or events, including elections, referenda, changes to international trade and immigration policies and any outbreak or escalation of terrorism or hostilities.

Additional factors and explanatory information are identified in the Company's Annual Information Form for the year ended December 31, 2017 under the heading "Risk Factors" (which factors are adopted herein and a copy of which can be obtained at www.sedar.com) and other periodic filings with Canadian and US securities regulators. Forward looking statements contained in this presentation are made as of the date hereof and are subject to change. All forward-looking statements in this press release are qualified by these cautionary statements. Except as required by applicable law, Colliers undertakes no obligation to publicly update or revise any forward-looking statement, whether as a result of new information, future events or otherwise.

Non-GAAP measures

This presentation makes reference to the non-GAAP measures Adjusted EBITDA and Adjusted EPS. Please refer to Appendix for reconciliations to GAAP measures.

Fourth Quarter 2018 Results



- Strong fourth quarter and full year results capping off an outstanding year
- Quarterly revenues up 16% (18% in local currencies) with internal growth of 7%
- Adjusted EPS of \$1.77, up 30% from the prior year quarter
- Total of 12 acquisitions completed in 2018, including two acquisitions in the fourth quarter (GMP Management (Australia) and Continental Real Estate Companies (Florida))
- Harrison Street Real Estate Capital, which together with our existing European investment management business, form our new Investment Management platform finished the year with \$26.4 billion of assets under management

Fourth Quarter 2018 Results Summary

(US\$ millions, except per share amounts)



	Q4 2018	Q4 2017	% Change over Q4 2017	
			USD	LC ⁽¹⁾
Revenue	889.9	763.9	16%	18%
Adjusted EBITDA	133.2	96.0	39%	39%
Adjusted EBITDA Margin	15.0%	12.6%		
Adjusted EPS	1.77	1.36	30%	
GAAP Operating Earnings	98.1	78.9	24%	
GAAP Operating Earnings Margin	11.0%	10.3%		
GAAP EPS	1.33	0.82	62%	

	Full Year 2018	Full Year 2017	% Change over Full Year 2017	
			USD	LC ⁽¹⁾
Revenue	2,825.4	2,435.2	16%	15%
Adjusted EBITDA	311.4	242.8	28%	27%
Adjusted EBITDA Margin	11.0%	10.0%		
Adjusted EPS	4.09	3.16	29%	
GAAP Operating Earnings	201.4	167.4	20%	
GAAP Operating Earnings Margin	7.1%	6.9%		
GAAP EPS	2.45	1.31	87%	

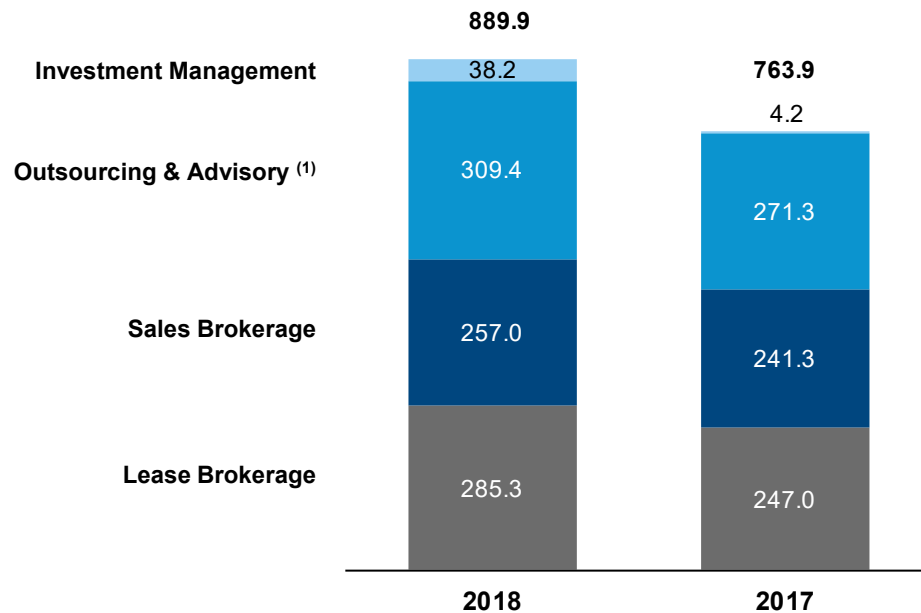
(1) Local currency ("LC") basis, excluding the effects of foreign currency exchange rate fluctuations

Fourth Quarter Consolidated Revenues

(US\$ millions)



Q4 Revenues



% Change over Q4 2017	USD	LC
Investment Management	NM	NM
Outsourcing & Advisory	14%	16%
Sales Brokerage	7%	8%
Lease Brokerage	15%	17%
Total	16%	18%

Revenue Mix	Q4 2018	Q4 2017
Investment Management	4%	1%
Outsourcing & Advisory	35%	35%
Sales Brokerage	29%	32%
Lease Brokerage	32%	32%
Total	100%	100%

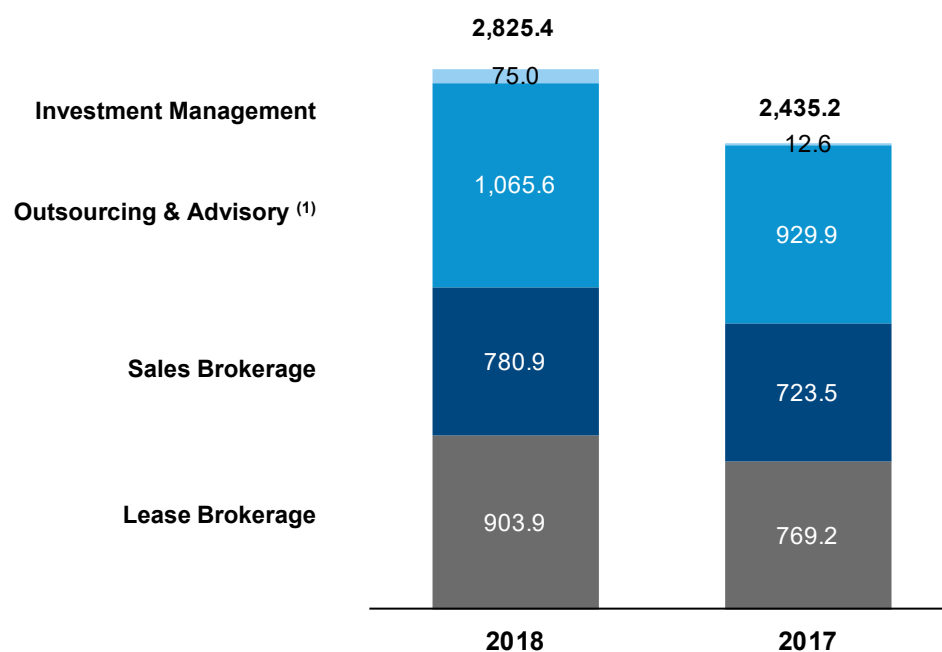
(1) Outsourcing & Advisory services include: Corporate Solutions, Valuation & Advisory Services, Property Management Services, Project Management, Workplace Solutions, Property Marketing and Research Services.

Full Year Consolidated Revenues

(US\$ millions)



Full Year Revenues



% Change over 2017	USD	LC
Investment Management	NM	NM
Outsourcing & Advisory	14%	14%
Sales Brokerage	8%	7%
Lease Brokerage	18%	17%
Total	16%	15%

Revenue Mix	2018 Full Year	2017 Full Year
Investment Management	3%	1%
Outsourcing & Advisory	38%	38%
Sales Brokerage	27%	30%
Lease Brokerage	32%	31%
Total	100%	100%

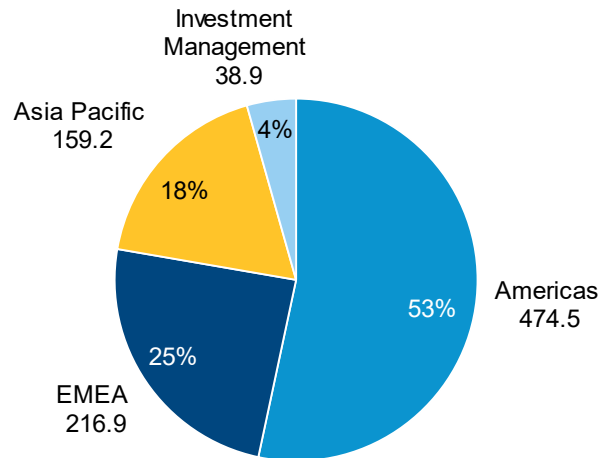
(1) Outsourcing & Advisory services include: Corporate Solutions, Valuation & Advisory Services, Property Management Services, Project Management, Workplace Solutions, Property Marketing and Research Services.

Fourth Quarter Geographic Split

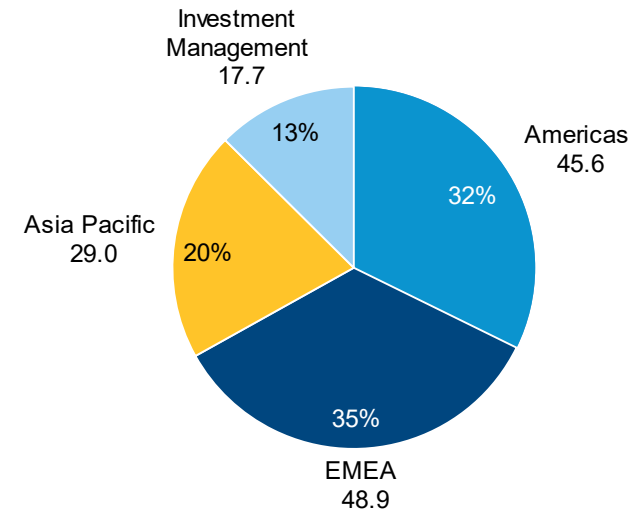
(US\$ millions)



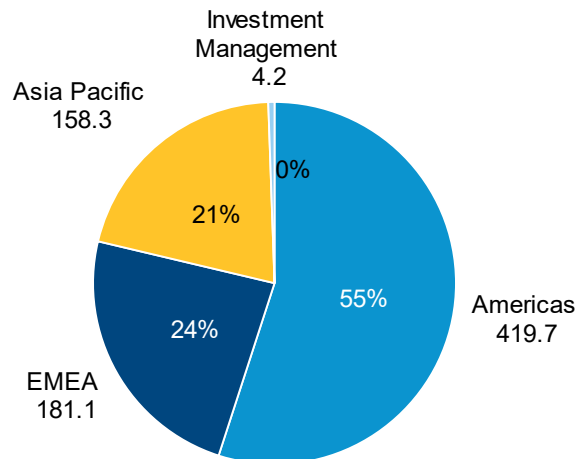
Q4 2018 Revenues



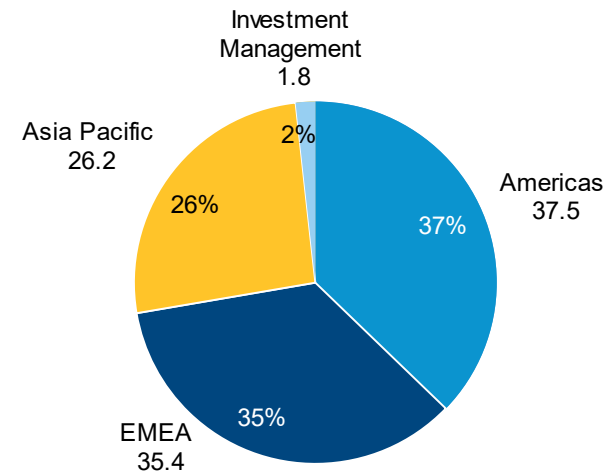
Q4 2018 Adjusted EBITDA¹



Q4 2017 Revenues



Q4 2017 Adjusted EBITDA²



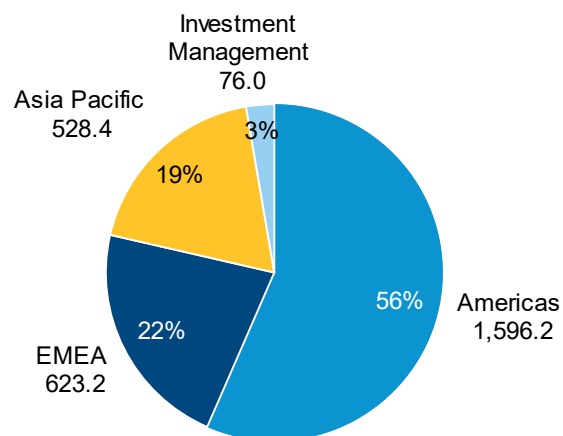
(1) Q4 2018 GAAP Operating Earnings: \$34.3M Americas, \$38.9M EMEA, \$27.2M Asia Pacific, \$11.1M Investment Management
 (2) Q4 2017 GAAP Operating Earnings: \$31.2M Americas, \$29.2M EMEA, \$24.3M Asia Pacific, \$1.8M Investment Management

Full Year Geographic Split

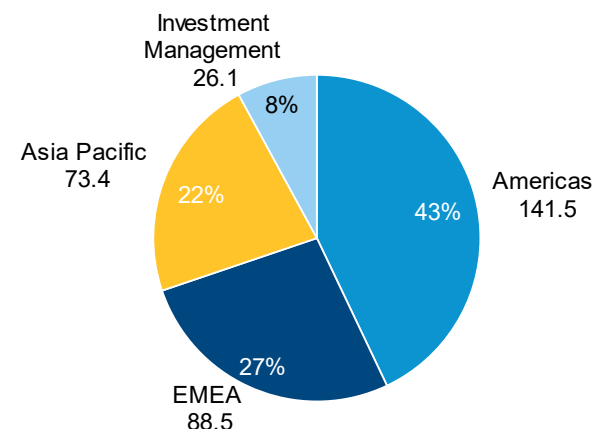
(US\$ millions)



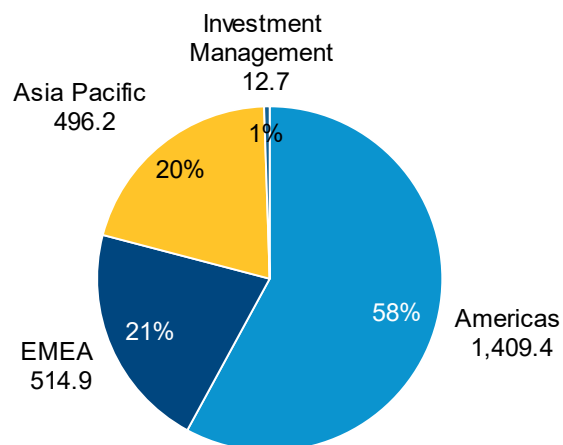
2018 Revenues



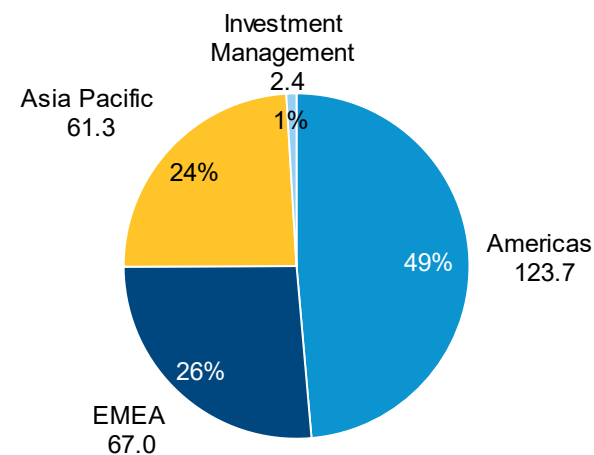
2018 Adjusted EBITDA¹



2017 Revenues



2017 Adjusted EBITDA²



(1) 2018 GAAP Operating Earnings: \$105.5M Americas, \$53.9M EMEA, \$66.2M Asia Pacific, \$12.3M Investment Management

(2) 2017 GAAP Operating Earnings: \$88.0M Americas, \$45.6M EMEA, \$55.1M Asia Pacific, \$2.3M Investment Management

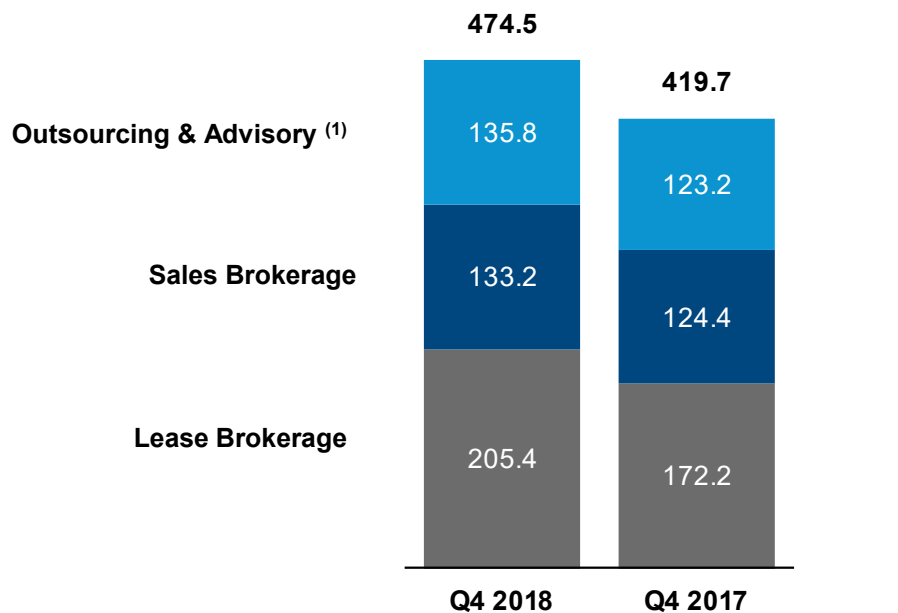
Americas Q4

(US\$ millions)



- Revenues up 14% in local currencies, with 9% from internal growth and 5% growth from recent acquisitions
- Internal growth generated primarily from Lease Brokerage activity, led by Canada
- Adjusted EBITDA up 22%, with margin benefitting from operating leverage on existing operations

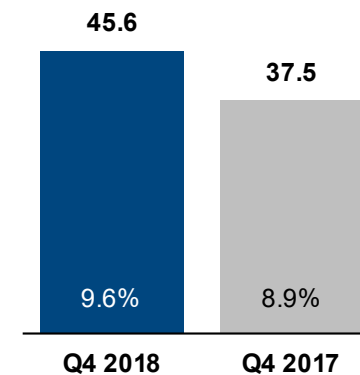
Revenue



Revenue Growth	USD	LC	Internal Growth (LC)
	13%	14%	9%

Adjusted EBITDA²

(Adjusted EBITDA Margin)



(1) Outsourcing & Advisory services include: Corporate Solutions, Valuation & Advisory Services, Property Management Services, Project Management, Workplace Solutions, Property Marketing and Research Services

(2) GAAP Operating Earnings: Q4 2018 \$34.3M at 7.2% margin ; Q4 2017 \$31.2M at 7.4% margin

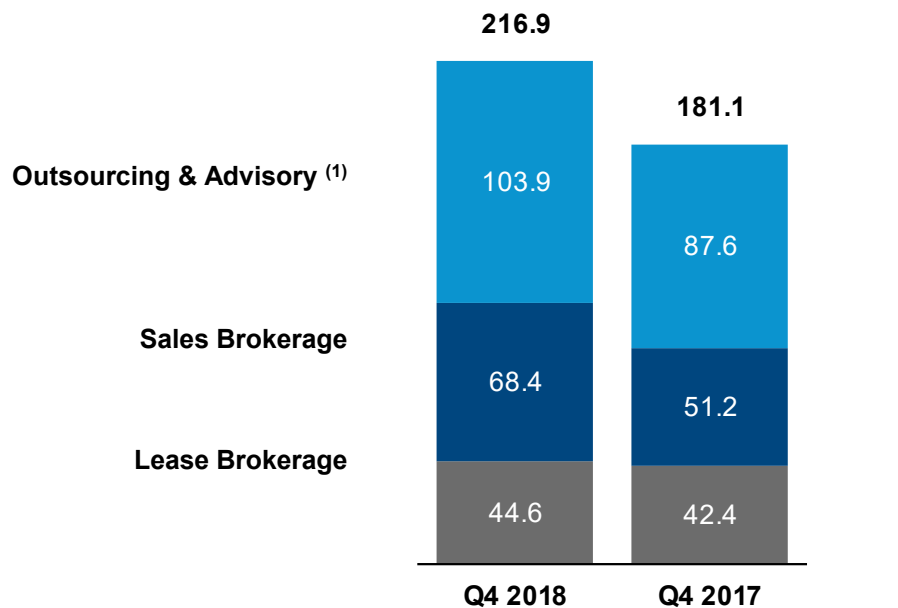
EMEA Q4

(US\$ millions)



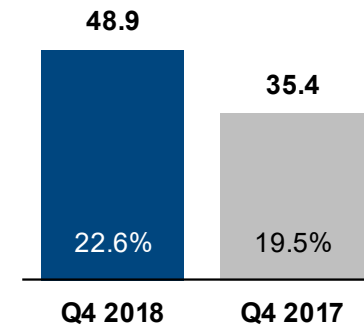
- Revenues up 21% in local currencies, with 15% growth from recent acquisitions and 6% from internal growth
- Internal growth split evenly among service lines, particularly in Germany and France
- Adjusted EBITDA was \$48.9 million with margin expansion from improved results in France and the favourable impact of recent acquisitions

Revenue



Adjusted EBITDA²

(Adjusted EBITDA Margin)



Revenue Growth	USD	LC	Internal Growth (LC)
	20%	21%	6%

(1) Outsourcing & Advisory services include: Corporate Solutions, Valuation & Advisory Services, Property Management Services, Project Management, Workplace Solutions, Property Marketing and Research Services

(2) GAAP Operating Earnings: Q4 2018 \$38.9M at 17.9% margin; Q4 2017 \$29.2M at 16.1% margin

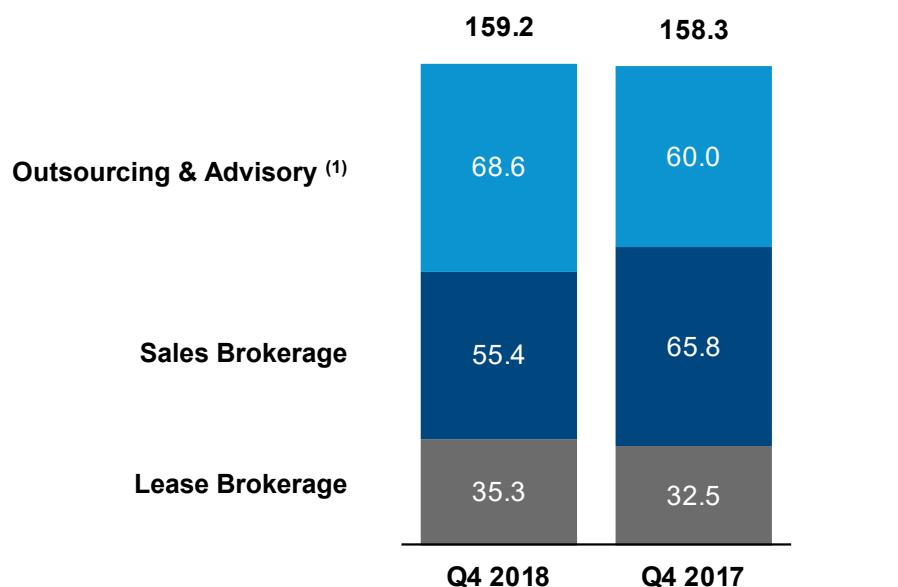
Asia Pacific Q4

(US\$ millions)



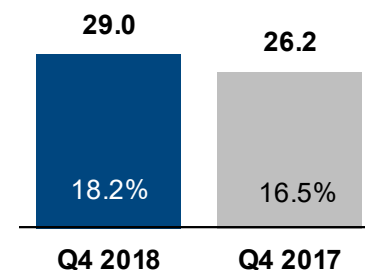
- Revenues up 5% in local currencies, with 3% from internal growth and 2% growth from recent acquisitions
- Internal growth in LC led by an increase in Lease Brokerage and Outsourcing & Advisory
- Adjusted EBITDA up 11% with margin improvement in Hong Kong and Singapore markets

Revenue



Adjusted EBITDA²

(Adjusted EBITDA Margin)



	USD	LC	Internal Growth (LC)
Revenue Growth	1%	5%	3%

(1) Outsourcing & Advisory services include: Corporate Solutions, Valuation & Advisory Services, Property Management Services, Project Management, Workplace Solutions, Property Marketing and Research Services

(2) GAAP Operating Earnings: Q4 2018 \$27.2M at 17.1% margin; Q4 2017 \$24.3M at 15.3% margin

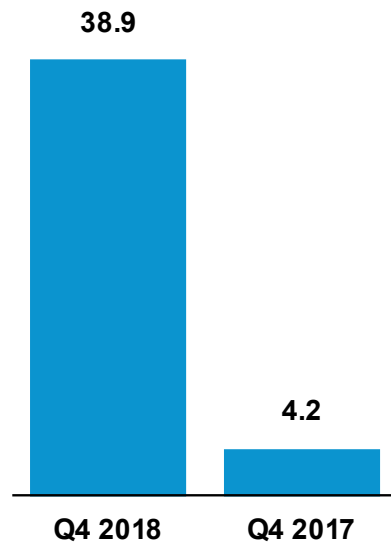
Investment Management Q4

(US\$ millions)

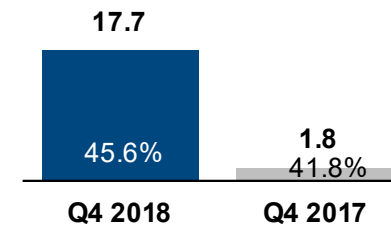


- New segment comprised of Harrison Street (acquired July 2018) and the existing European investment management business previously reported within the EMEA segment
- \$26.4 Billion of AUM at December 31, 2018

Revenue



Adjusted EBITDA¹ (Adjusted EBITDA Margin)



(1) GAAP Operating Earnings: Q4 2018 \$11.1M at 28.5% margin; Q4 2017 \$1.7M at 41.4% margin

Capitalization & Capital Allocation

(US\$ millions)



	December 31, 2018	December 31, 2017
Cash	\$ 127.0	\$ 108.5
Total Debt	672.1	249.9
Net Debt	\$ 545.1	\$ 141.4
Redeemable non-controlling interests	343.4	145.5
Shareholders' equity	392.0	303.0
Total capitalization	\$ 1,280.4	\$ 589.9
Net debt / pro forma adjusted EBITDA	1.6	0.6

	3 Months Ended	
	December 31, 2018	December 31, 2017
Capital Expenditures	\$ 14.0	\$ 10.6
Acquisition Spend ⁽¹⁾	\$ 14.8	\$ 12.5

	12 Months Ended	
	December 31, 2018	December 31, 2017
Capital Expenditures	\$ 35.6	\$ 39.5
Acquisition Spend ⁽¹⁾	\$ 605.5	\$ 104.3

Highlights

- Net debt / pro forma adjusted EBITDA leverage of 1.6 at December 31, 2018, down from pro forma leverage of 2.2 at the start of the quarter
- Closed two acquisitions in Q4
- Capital expenditures driven by investments in office space and IT systems/software

¹ Includes business acquisitions, contingent acquisition consideration and purchase of non-controlling interests in subsidiaries.

Looking Ahead



2019 Consolidated full year outlook

- Predicated on stable market conditions, despite a number of ongoing geopolitical events
- High single digit consolidated revenue growth, consisting of low single digit internal growth and the balance from previously completed acquisitions
- Consolidated adjusted EBITDA margin improvement of 100-120 bps, including acquisitions
- Consolidated income tax rate of 29% - 30%
- Consolidated NCI share of earnings of 18% - 20%
- Low double digit adjusted EPS growth on full year basis
- Future acquisitions will be incremental to growth rate assumptions above

Enterprise 2020 Plan

- Entering year 4 of 5 year plan, Colliers remains well on-track to achieving growth targets

Appendix

Reconciliation of non-GAAP measures



Appendix

Reconciliation of GAAP earnings to adjusted EBITDA



<i>(US\$ thousands)</i>	Three months ended		Twelve months ended	
	December 31, 2018	December 31, 2017	December 31, 2018	December 31, 2017
Net earnings	\$ 65,847	\$ 40,955	\$ 128,574	\$ 94,074
Income tax	25,428	33,839	53,260	61,907
Other income, net	(240)	1,868	(1,281)	(500)
Interest expense, net	7,093	2,188	20,845	11,895
Operating earnings	98,128	78,850	201,398	167,376
Depreciation and amortization	23,428	13,610	78,730	52,992
Acquisition-related items	7,710	1,260	21,975	14,927
Restructuring costs	2,521	1,300	2,938	3,104
Stock-based compensation expense	1,416	1,013	6,394	4,425
Adjusted EBITDA	\$ 133,203	\$ 96,033	\$ 311,435	\$ 242,824

Appendix

Reconciliation of GAAP earnings to adjusted net earnings and adjusted earnings per share



<i>(US\$ thousands)</i>	Three months ended		Twelve months ended	
	December 31, 2018	December 31, 2017	December 31, 2018	December 31, 2017
Net earnings	\$ 65,847	\$ 40,955	\$ 128,574	\$ 94,074
Non-controlling interest share of earnings	(14,917)	(7,564)	(23,207)	(20,319)
Income tax expense on enactment of US Tax Reform	-	13,325	-	13,325
Amortization of intangible assets	15,534	6,511	48,157	26,658
Acquisition-related items	7,710	1,260	21,975	14,927
Restructuring costs	2,521	1,300	2,938	3,104
Stock-based compensation expense	1,416	1,013	6,394	4,425
Income tax on adjustments	(5,244)	(2,298)	(15,657)	(8,820)
Non-controlling interest on adjustments	(2,458)	(582)	(6,435)	(3,359)
Adjusted net earnings	\$ 70,409	\$ 53,920	\$ 162,739	\$ 124,015

<i>(US\$)</i>	Three months ended		Twelve months ended	
	December 31, 2018	December 31, 2017	December 31, 2018	December 31, 2017
Diluted net earnings per common share	\$ 1.33	\$ 0.82	\$ 2.45	\$ 1.31
Non-controlling interest redemption increment	(0.05)	0.02	0.19	0.57
Income tax expense on enactment of US Tax Reform	-	0.34	-	0.34
Amortization of intangible assets, net of tax	0.24	0.10	0.77	0.43
Acquisition-related items	0.17	0.03	0.47	0.34
Restructuring costs, net of tax	0.05	0.02	0.05	0.06
Stock-based compensation expense, net of tax	0.04	0.03	0.16	0.11
Adjusted EPS	\$ 1.77	\$ 1.36	\$ 4.09	\$ 3.16



Appendix

Full year regional
details



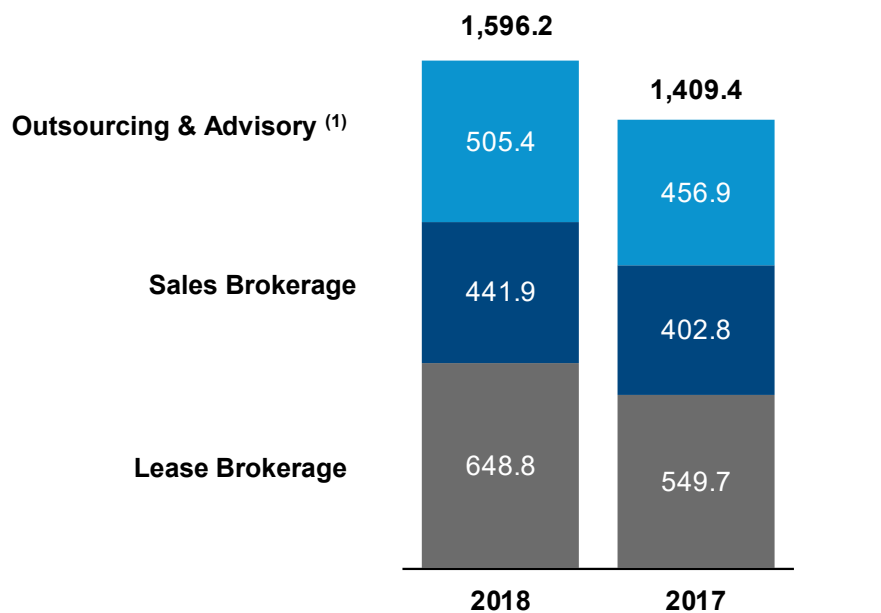
Americas Full Year

(US\$ millions)



- Revenues up 13% in local currencies, with 8% from internal growth and 5% growth from recent acquisitions
- Internal growth driven by Lease Brokerage revenues
- Adjusted EBITDA up 14%, with margin benefitting from operating leverage

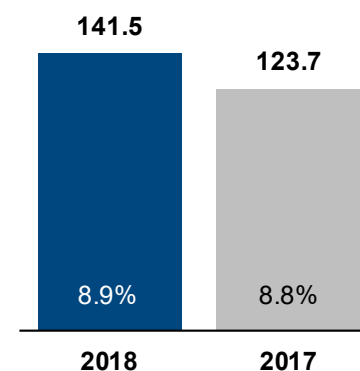
Revenue



	USD	LC	Internal Growth (LC)
Revenue Growth	13%	13%	8%

Adjusted EBITDA²

(Adjusted EBITDA Margin)



(1) Outsourcing & Advisory services include: Corporate Solutions, Valuation & Advisory Services, Property Management Services, Project Management, Workplace Solutions, Property Marketing and Research Services

(2) GAAP Operating Earnings: 2018 \$105.5M at 6.6% margin ; 2017 \$88.0M at 6.2% margin

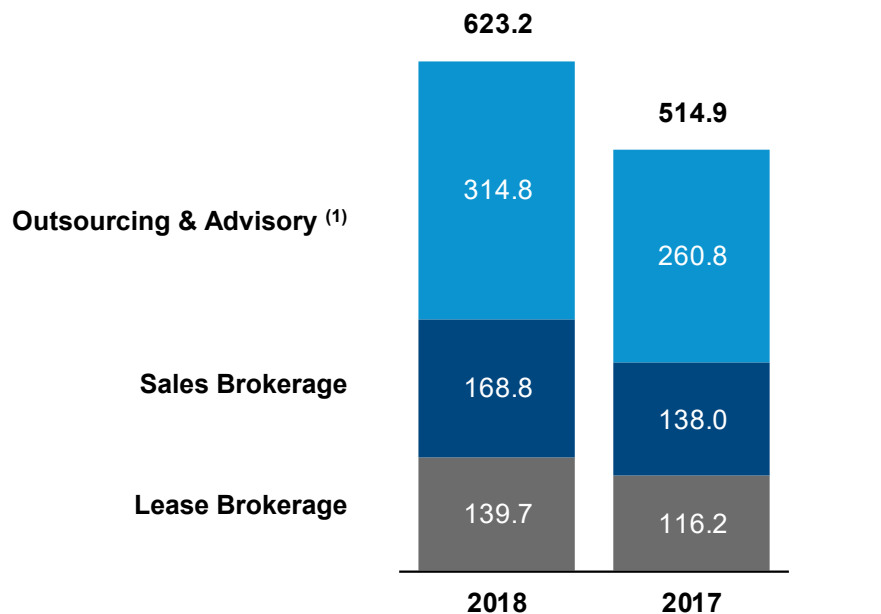
EMEA Full Year

(US\$ millions)



- Revenues up 17% in local currencies, with 14% growth from recent acquisitions and 3% from internal growth
- Internal growth concentrated in Lease Brokerage, primarily in Germany
- Adjusted EBITDA was \$88.5 million with a margin of 14.2%, favourably impacted by recent acquisitions

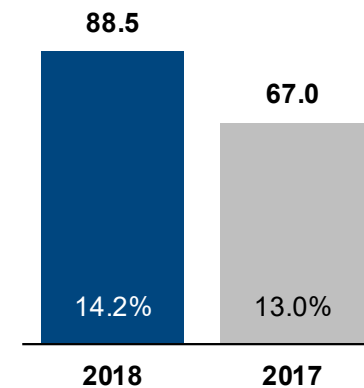
Revenue



	USD	LC	Internal Growth (LC)
Revenue Growth	21%	17%	3%

Adjusted EBITDA²

(Adjusted EBITDA Margin)



(1) Outsourcing & Advisory services include: Corporate Solutions, Valuation & Advisory Services, Property Management Services, Project Management, Workplace Solutions, Property Marketing and Research Services

(2) GAAP Operating Earnings: 2018 \$53.9M at 8.6% margin; 2017 \$45.6M at 8.9% margin

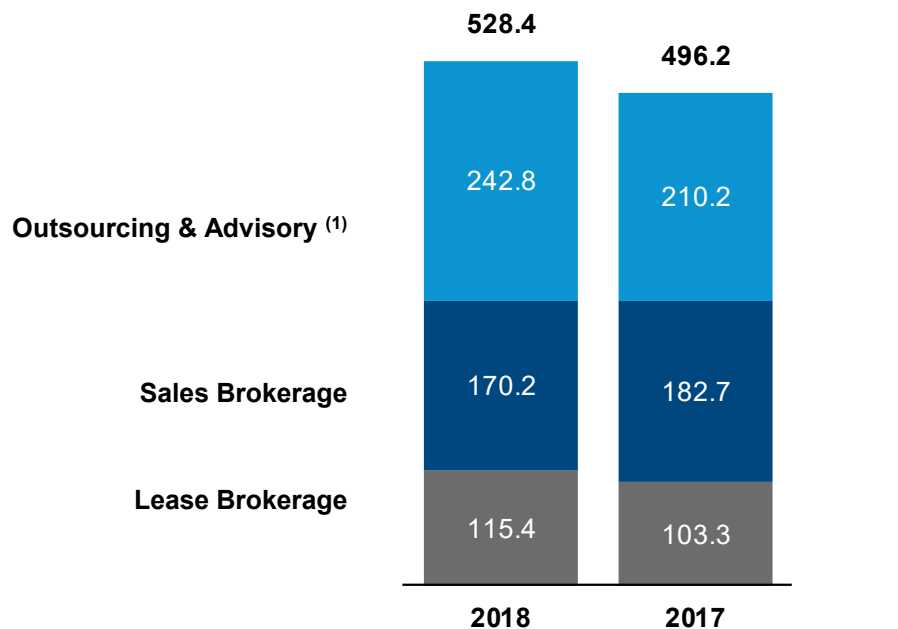
Asia Pacific Full Year

(US\$ millions)



- Revenues up 8% in local currencies, with 5% internal growth and 3% growth from recent acquisitions
- Internal growth in LC led by an increase in Lease Brokerage and Outsourcing & Advisory
- Adjusted EBITDA up 20% with margin improvement from operating leverage in Asia and the turn to profitability for the Company's new Japan operations which were founded in 2017

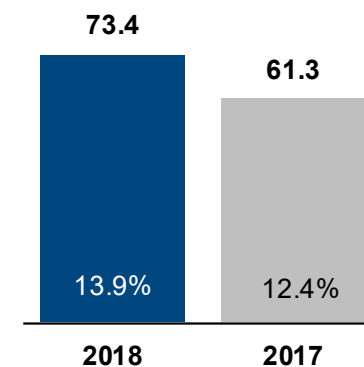
Revenue



Revenue Growth	USD	LC	Internal Growth (LC)
	6%	8%	5%

Adjusted EBITDA²

(Adjusted EBITDA Margin)



(1) Outsourcing & Advisory services include: Corporate Solutions, Valuation & Advisory Services, Property Management Services, Project Management, Workplace Solutions, Property Marketing and Research Services

(2) GAAP Operating Earnings: 2018 \$66.2M at 12.5% margin; 2017 \$55.1M at 11.1% margin

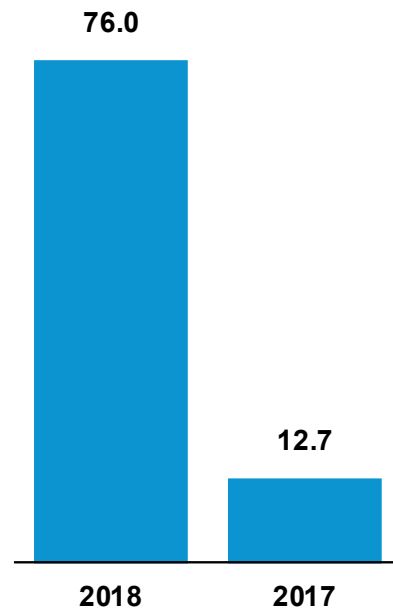
Investment Management Full Year

(US\$ millions)



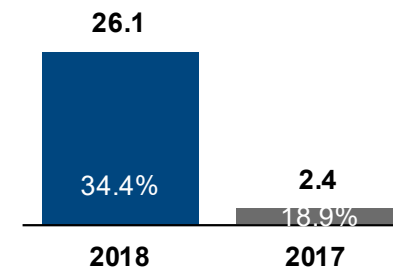
- New segment comprised of Harrison Street (acquired July 2018) and the existing European investment management business previously reported within the EMEA segment
- \$26.4 Billion of AUM at December 31, 2018

Revenue



Adjusted EBITDA¹

(Adjusted EBITDA Margin)



(1) GAAP Operating Earnings: 2018 \$12.3M at 16.2% margin; 2017 \$2.3M at 17.9% margin