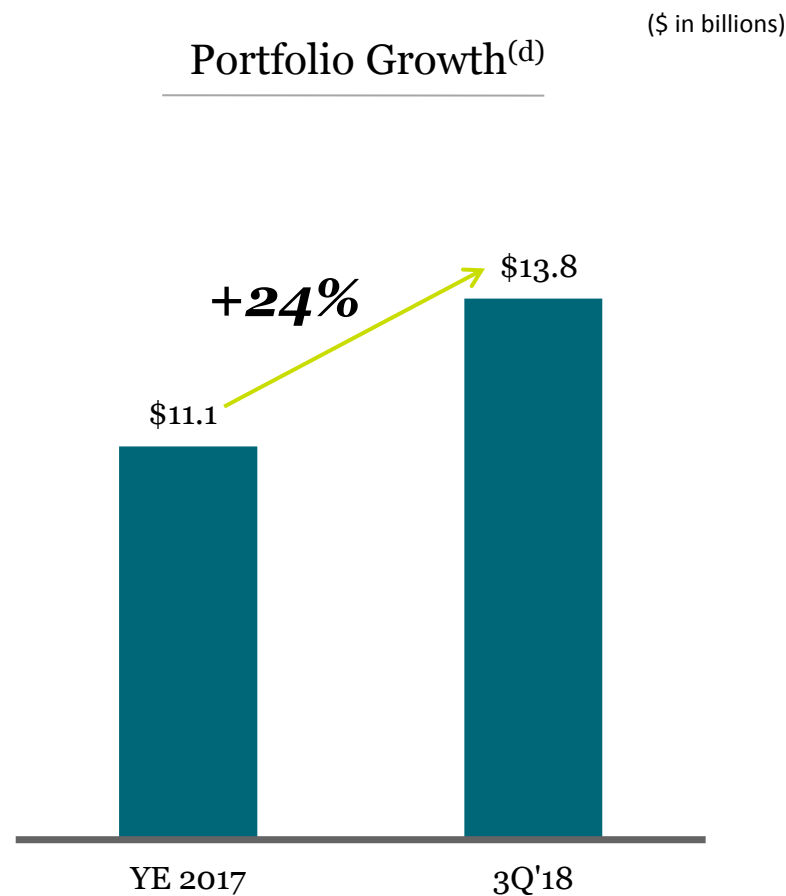
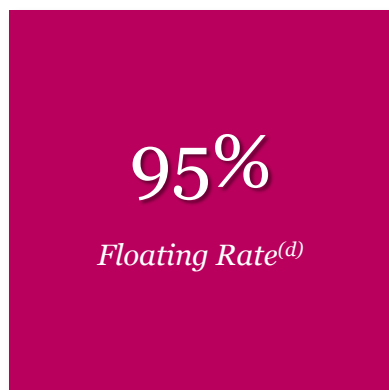
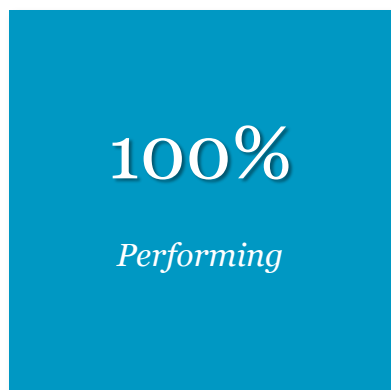
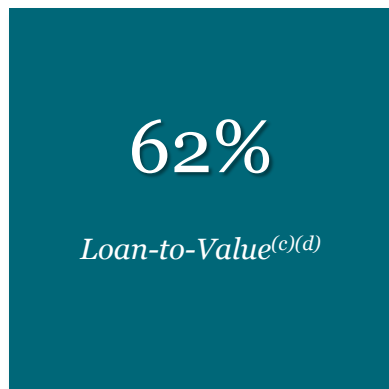
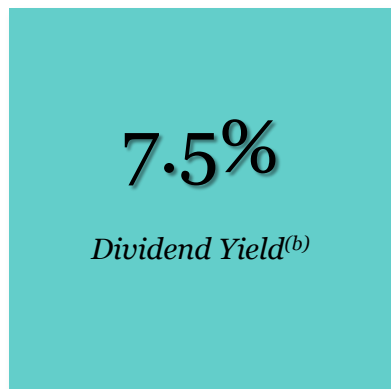


# Blackstone Mortgage Trust, Inc. Third Quarter 2018 Results

October 23, 2018

## BXMT Highlights

BXMT generated 3Q EPS of \$0.67 and Core EPS<sup>(a)</sup> of \$0.75 through continued growth in its first mortgage origination business



Information included in this presentation is as of or for the period ended September 30, 2018, unless otherwise indicated.

(a) See Appendix for a definition and reconciliation to GAAP net income

(b) Based on annualized dividend and BXMT closing price as of October 22, 2018

(c) Reflects weighted average LTV as of the date investments were originated or acquired by BXMT

(d) Includes \$467 million of Non-Consolidated Senior Interests and investment exposure to the \$1.0 billion 2018 Single Asset Securitization through a \$99 million subordinate risk retention interest

## Third Quarter 2018 Results

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### Earnings & Dividends

- ▶ EPS of \$0.67 and Core Earnings<sup>(a)</sup> per share of \$0.75
- ▶ Book value per share increased to \$27.53, up 12% since 2013 re-IPO; paid \$0.62 per share dividend

### Originations

- ▶ \$1.4 billion of originations in 3Q and record YTD originations of \$7.2 billion, more than doubling 1Q-3Q 2017 volume
- ▶ Continued international growth: originated \$316 million of loans in Australia bringing YTD non-US originations to \$1.9 billion

### Portfolio Composition

- ▶ Portfolio grew 24% YTD to \$13.8 billion<sup>(b)</sup>
- ▶ 100% performing portfolio with a weighted average origination LTV<sup>(b)(c)</sup> of 62%

### Capitalization

- ▶ Issued 8.2 million shares at 1.21x P/B, generating \$270 million of gross proceeds and adding \$0.38 to book value per share through accretive issuance levels
- ▶ Grew credit capacity by \$2.2 billion YTD and expanded multi-currency funding capabilities

### Interest Rates

- ▶ 95% of the portfolio<sup>(b)</sup> is floating rate
- ▶ Floating rate assets and matched liabilities support book value and earnings stability

(a) See Appendix for a definition and reconciliation to GAAP net income

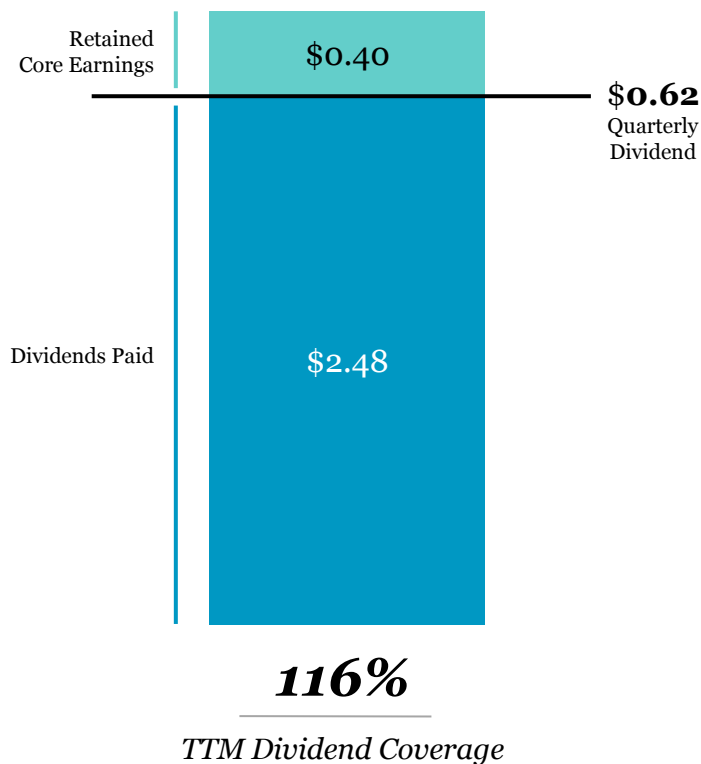
(b) Includes \$467 million of Non-Consolidated Senior Interests and investment exposure to the \$1.0 billion 2018 Single Asset Securitization through a \$99 million subordinate risk retention interest

(c) Reflects weighted average LTV as of the date investments were originated or acquired by BXMT

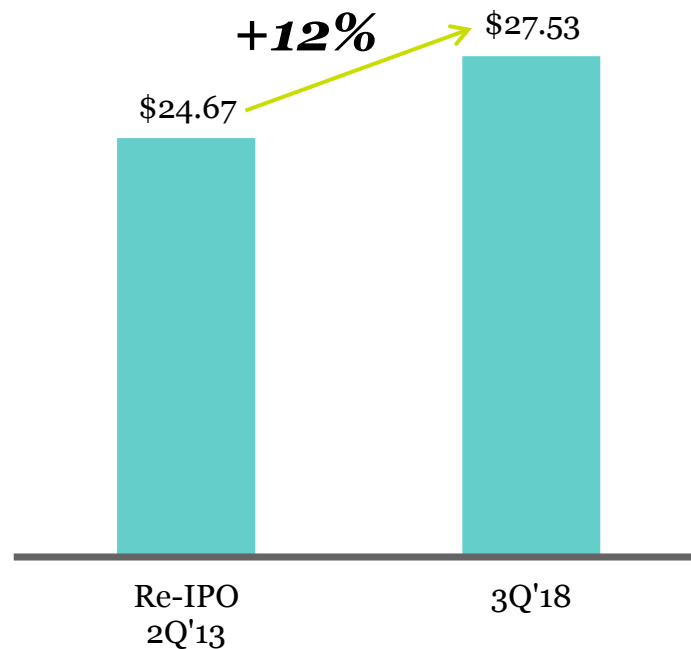
# Earnings & Dividends

- ▶ 3Q GAAP EPS of \$0.67 and Core Earnings<sup>(a)</sup> of \$0.75 per share, \$0.62 per share dividend equates to a 7.5% dividend yield<sup>(b)</sup>
- ▶ Earnings in excess of \$0.62 quarterly dividend contributed to book value, which has grown 12% since 2013 re-IPO

## TTM Core Earnings Per Share<sup>(c)</sup>



## Book Value Per Share Growth



(a) See Appendix for a definition and reconciliation to GAAP net income  
 (b) Based on annualized dividend and BXMT closing price as of October 22, 2018  
 (c) TTM GAAP EPS was \$2.49; retained Core Earnings refers to the amount of Core Earnings in excess of dividends paid for the periods presented

# Originations

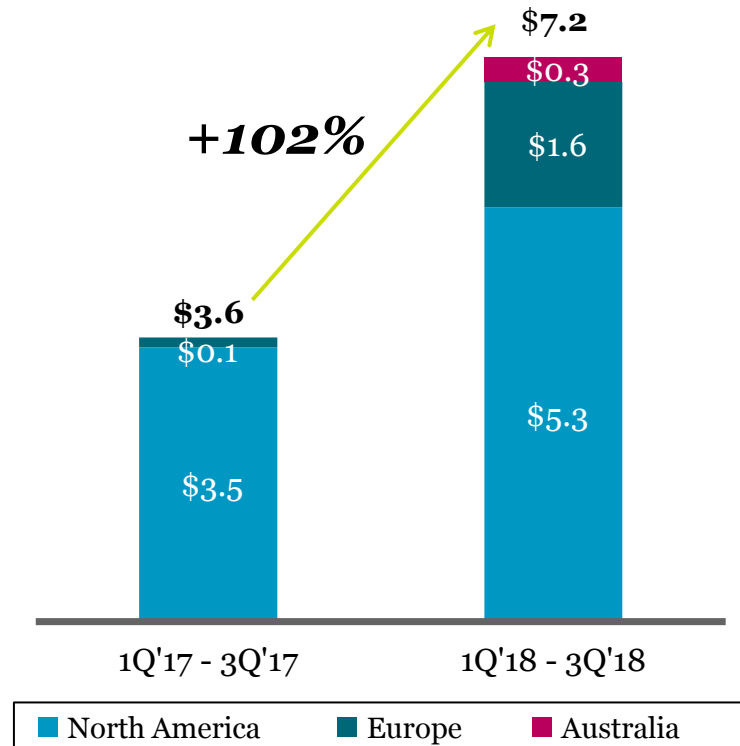
- ▶ Origination volume of \$1.4 billion in 3Q; \$7.2 billion YTD volume is more than double 1Q-3Q 2017 volume
- ▶ Blackstone Real Estate's scale and reach provide opportunities to access attractive investments in a wide range of markets

(\$ in billions)

## YTD 2018 Origination Highlights

- ✓ 100% performing
- ✓ 100% floating rate
- ✓ 59% LTV<sup>(a)</sup>
- ✓ \$286 million average loan size<sup>(b)</sup>

## Origination Volume

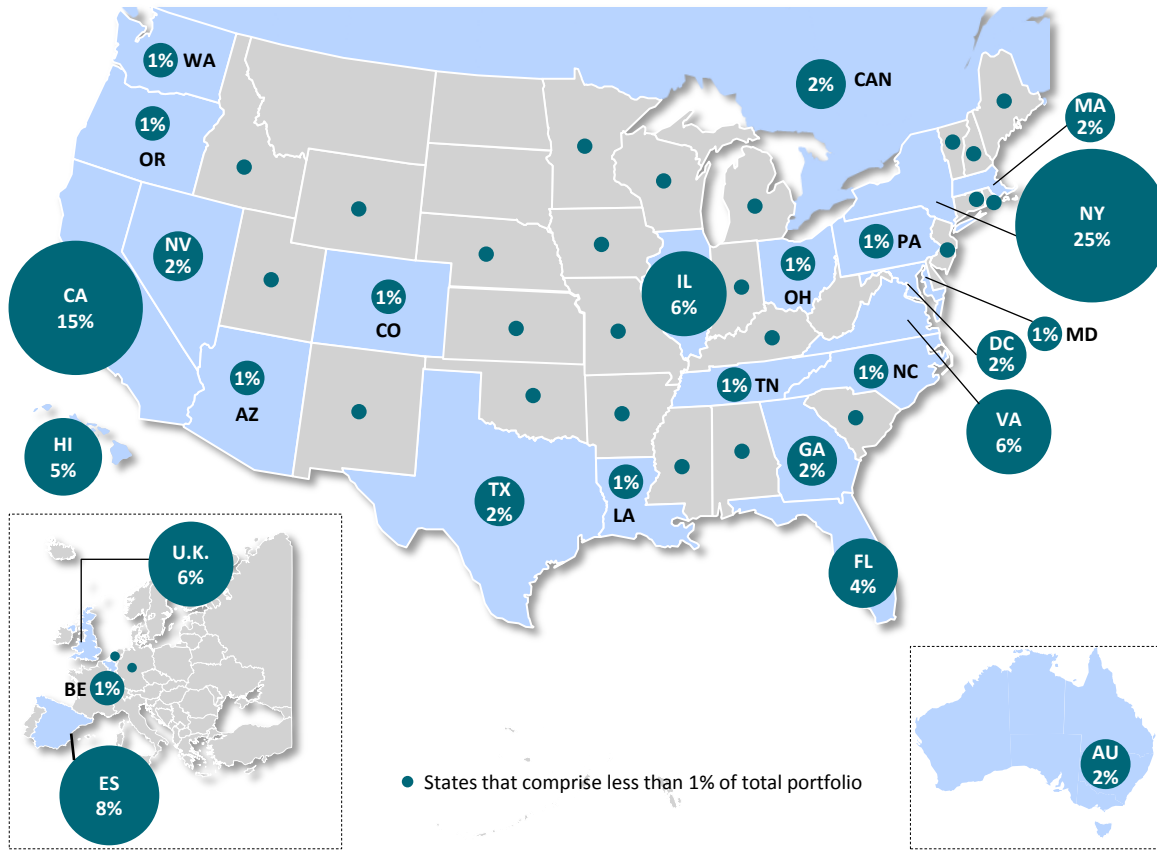


(a) Reflects weighted average LTV as of the date investments were originated or acquired by BXMT  
 (b) Excludes loans originated in the Walker & Dunlop joint venture

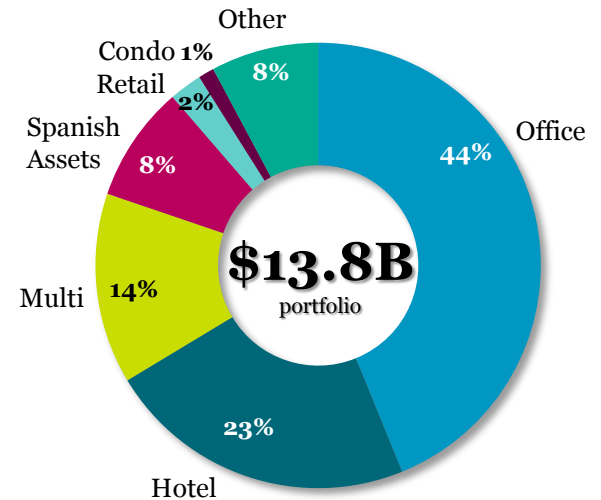
## Portfolio Composition

- ▶ \$13.8 billion portfolio<sup>(a)</sup> (113 assets) secured by institutional quality real estate, with 54% in gateway markets
- ▶ High quality 100% performing portfolio with low weighted average LTV<sup>(a)(b)</sup> of 62%

### Major Market Focus<sup>(a)</sup>



### Collateral Diversification<sup>(a)</sup>



### Weighted Average LTV<sup>(a)(b)</sup>

62%

(a) Includes \$467 million of Non-Consolidated Senior Interests and investment exposure to the \$1.0 billion 2018 Single Asset Securitization through a \$99 million subordinate risk retention interest  
 (b) Reflects weighted average LTV as of the date investments were originated or acquired by BXMT

## Capitalization

- ▶ Increased credit capacity by \$2.2 billion YTD and expanded multi-currency funding capabilities
- ▶ Total asset-level financing capacity of \$13.5 billion was 72% utilized at quarter-end
- ▶ \$270 million of equity raised at 1.21x P/B resulting in \$0.38 per share of book value accretion

### Financing (Outstanding Balance)

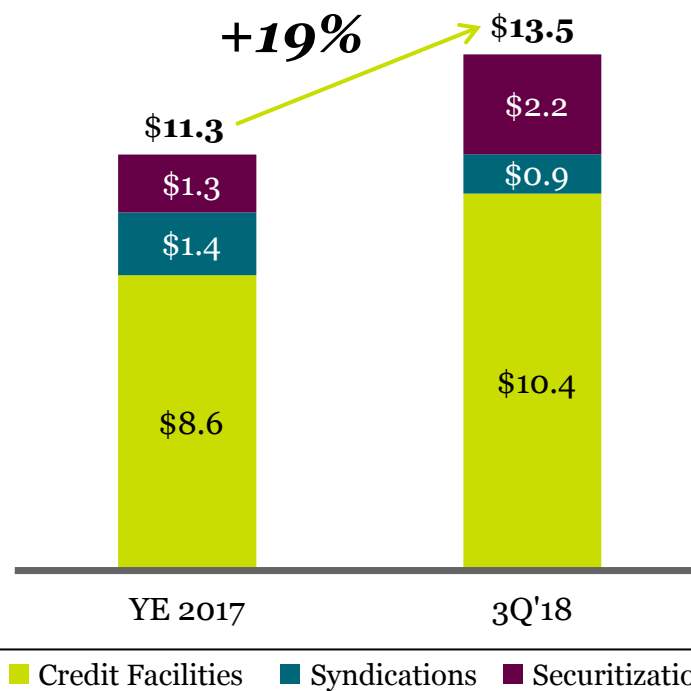
<b>Credit Facilities</b>	11 Credit Providers	\$6.9
<b>Corporate Debt</b>	Convertible Notes and Secured Facility	\$0.8
<b>Corporate Obligations</b>		\$7.7
<b>Securitized Debt<sup>(a)</sup></b>	CLO and Single Asset Securitizations	\$2.2
<b>Senior Loan Interests<sup>(b)</sup></b>	Senior Syndications	\$0.5

**2.3x**

*Debt-to-Equity Ratio<sup>(c)</sup>*

(\$ in billions)

### Credit Capacity Growth



(a) Includes \$1.3 billion of consolidated securitized debt obligation as well as \$0.9 billion of securitized debt held by third-parties in the \$1.0 billion 2018 Single Asset Securitization, which is not consolidated on BXMT's balance sheet. Refer to our consolidated financial statements for further discussion of the subordinated risk retention interest related to the 2018 Single Asset Securitization.

(b) Includes \$81 million of loan participations sold and \$467 million of Non-Consolidated Senior Interests, which result from non-recourse sales of senior loan interests in loans BXMT originates. BXMT's net investments in these loans are reflected in the form of mezzanine or other subordinate loans on BXMT's balance sheet.

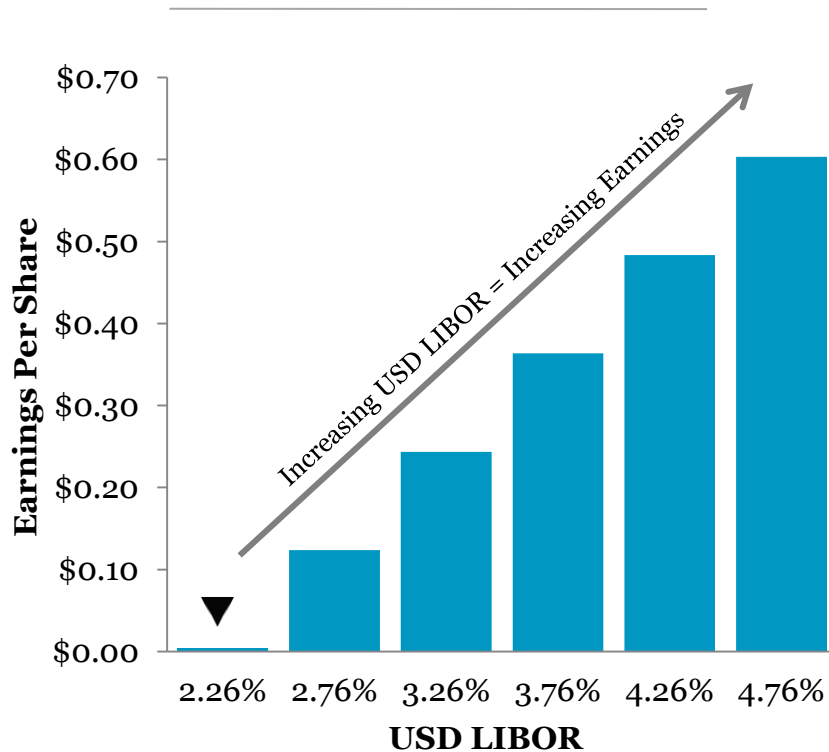
(c) Represents (i) total outstanding secured debt agreements and convertible notes, less cash, to (ii) total equity

## Interest Rates

- ▶ 95% of the portfolio<sup>(a)</sup> is floating rate
- ▶ A 1.0% increase in USD LIBOR would increase earnings per share by \$0.24 per annum<sup>(b)</sup>

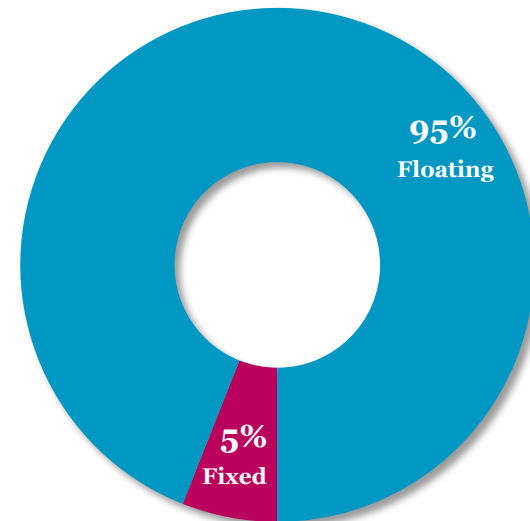
### Earnings Sensitivity to USD LIBOR<sup>(b)</sup>

(Annual Dollars of Earnings per Share)



### Portfolio Fixed vs. Floating<sup>(a)</sup>

(% of Total Portfolio Exposure)



(a) Includes \$467 million of Non-Consolidated Senior Interests and investment exposure to the \$1.0 billion 2018 Single Asset Securitization through a \$99 million subordinate risk retention interest  
 (b) Changes in interest rates and credit spreads may affect our net interest income from loans and other investments. Reflects impact on net income, net of incentive fees. See Appendix for important disclosures.



# Appendix

## Appendix – Third Quarter 2018 Operating Results & Net Funding

### Operating Results

(\$ in millions)

	GAAP Net Income	Adjustments	Core Earnings
Interest Income	\$ 203.1	\$—	\$ 203.1
Interest Expense	(98.0)	0.6	(97.4)
Management and Incentive Fees	(18.4)	—	(18.4)
General and Administrative Expenses	(1.7)	—	(1.7)
Non-Cash Compensation	(6.7)	6.7	—
Realized Foreign Currency Gain, net <sup>(a)</sup>	—	1.9	1.9
Net Income Attributable to Non-controlling Interests	(0.1)	—	(0.1)
<b>Total</b>	<b>\$ 78.2</b>	<b>\$ 9.2</b>	<b>\$ 87.4</b>

**\$0.67**

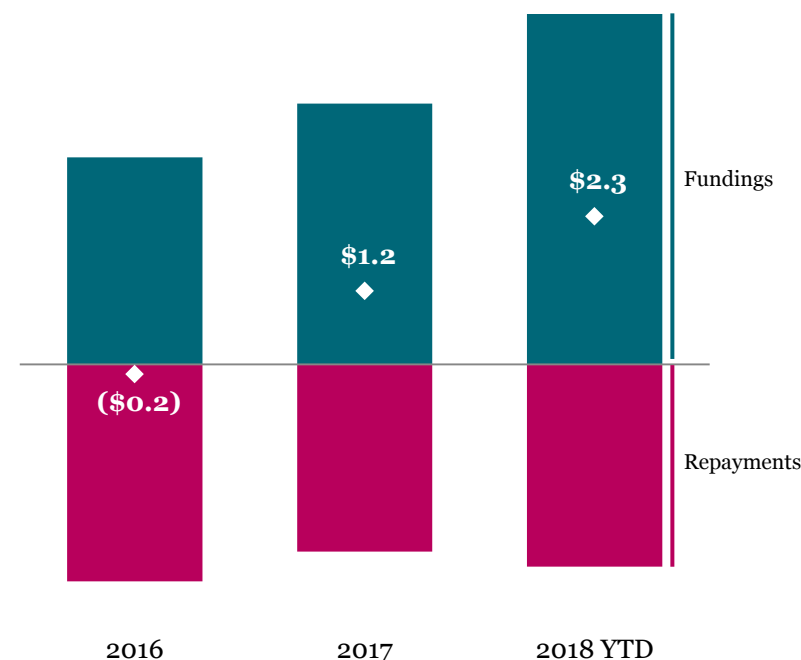
Net Income per Share

**\$0.75**

Core Earnings per Share

### Net Funding<sup>(b)</sup>

(\$ in billions)



**\$2.3 billion**

YTD 2018 Net Fundings

**\$466 million**

3Q'18 Net Fundings

(a) Primarily represents the forward points earned on our foreign currency forward contracts, which reflect the interest rate differentials between the applicable base rate for our foreign currency investments and USD LIBOR. These forward contracts effectively convert the rate exposure to USD LIBOR, resulting in additional interest income earned in U.S. dollar terms. These amounts are not included in GAAP net income, but rather as a component of Other Comprehensive Income in our consolidated financial statements.

(b) Excludes the impact of changes in foreign currency rates and related hedges for non-USD investments

## Portfolio Details

(\$ in millions)

	Loan Type	Origination Date <sup>(a)</sup>	Total Loan <sup>(b)(c)</sup>	Principal Balance <sup>(b)(c)</sup>	Net Book Value	Cash Coupon	All-in Yield	Maximum Maturity <sup>(d)</sup>	Location	Property Type	Loan Per SQFT / Unit / Key	Origination LTV <sup>(a)</sup>
Loan 1	Senior loan	3/22/2018	\$ 1,160	\$ 1,160	\$ 1,153	L + 3.15 %	L + 3.40 %	3/15/23	Diversified - Spain	Spanish Assets	n/a	71 %
Loan 2	Senior loan	5/11/2017	753	679	675	L + 3.40 %	L + 3.60 %	6/10/2023	Northern Virginia	Office	\$332 / sqft	62 %
Loan 3	Senior loan <sup>(b)</sup>	8/6/2015	481	481	88	4.48 %	5.82 %	10/29/2022	Diversified - EUR	Other	n/a	71 %
Loan 4	Senior loan	5/1/2015	355	340	339	L + 2.85 %	L + 3.02 %	5/1/2023	New York	Office	\$431 / sqft	68 %
Loan 5	Senior loan	2/13/2018	330	312	312	L + 3.42 %	L + 3.54 %	3/9/2023	New York	Multi	\$756,199 / unit	62 %
Loan 6	Senior loan	1/7/2015	315	309	309	L + 3.50 %	L + 3.71 %	1/9/2021	New York	Office	\$264 / sqft	53 %
Loan 7	Senior loan	3/31/2017	339	267	264	L + 3.50 %	L + 3.88 %	8/9/2023	Maui	Hotel	\$351,479 / key	61 %
Loan 8	Senior loan	8/3/2016	276	229	228	L + 4.66 %	L + 5.25 %	8/9/2021	New York	Office	\$314 / sqft	57 %
Loan 9	Senior loan	12/22/2017	225	225	223	L + 2.80 %	L + 3.16 %	1/9/2023	Chicago	Multi	\$326,087 / unit	65 %
Loan 10	Senior loan	5/9/2018	219	219	217	L + 3.00 %	L + 3.24 %	5/9/2023	New York	Industrial	\$62 / sqft	70 %
Loan 11	Senior loan	6/23/2015	221	214	214	L + 3.65 %	L + 3.78 %	5/8/2022	Washington DC	Office	\$239 / sqft	72 %
Loan 12	Senior loan	6/4/2015	208	208	210	L + 4.19 %	L + 4.14 %	5/21/2021	Diversified - CAN	Hotel	\$43,920 / key	54 %
Loan 13	Senior loan	4/15/2016	225	200	198	L + 3.25 %	L + 3.84 %	4/9/2023	New York	Office	\$186 / sqft	40 %
Loan 14	Senior loan	2/25/2014	195	195	195	L + 4.01 %	L + 4.46 %	3/9/2021	Diversified - US	Hotel	\$102,470 / key	55 %
Loan 15	Senior loan	6/4/2018	190	190	188	L + 3.50 %	L + 3.86 %	6/9/2024	New York	Hotel	\$313,015 / key	52 %
Loans 16 - 112	Senior loans	Various	10,352	7,499	7,365	5.87 % <sup>(e)</sup>	6.22 % <sup>(e)</sup>	Various	Various	Various	Various	63 %
<b>Total/Wtd. avg.</b>			<b>\$ 15,844</b>	<b>\$ 12,727</b>	<b>\$ 12,177</b>	<b>5.52 %</b>	<b>5.89 %</b>	<b>3.8 yrs</b>				<b>63 %</b>

(a) Date loan was originated or acquired by BXMT, and the LTV as of such date

(b) In certain instances, loans are financed through the non-recourse sale of a senior loan interest that is not included in the consolidated financial statements. As of September 30, 2018, three loans in the portfolio have been financed with an aggregate \$467 million of Non-Consolidated Senior Interests, which are included in the table above.

(c) Portfolio excludes our \$99 million subordinate risk retention interest in the \$1.0 billion 2018 Single Asset Securitization

(d) Maximum maturity assumes all extension options are exercised; however, floating rate loans generally may be repaid prior to their final maturity without penalty

(e) Consists of both floating and fixed rates. Coupon and all-in yield assume applicable floating benchmark rates for weighted-average calculation.

## Consolidated Balance Sheets

(\$ in thousands, except per share data)

	September 30, 2018	December 31, 2017
<b>Assets</b>		
Cash and cash equivalents	\$ 86,987	\$ 69,654
Restricted cash	—	32,864
Loans receivable, net	12,176,516	10,056,732
Other assets	155,972	99,575
<b>Total assets</b>	<b>\$ 12,419,475</b>	<b>\$ 10,258,825</b>
<b>Liabilities and equity</b>		
Secured debt agreements, net	\$ 6,841,759	\$ 5,273,855
Loan participations sold, net	81,044	80,415
Securitized debt obligations, net	1,284,362	1,282,412
Convertible notes, net	780,951	563,911
Other liabilities	123,366	140,826
<b>Total liabilities</b>	<b>9,111,482</b>	<b>7,341,419</b>
Commitments and contingencies	—	—
<b>Equity</b>		
Class A common stock, \$0.01 par value	1,197	1,079
Additional paid-in capital	3,898,841	3,506,861
Accumulated other comprehensive loss	(32,849)	(29,706)
Accumulated deficit	(566,417)	(567,168)
<b>Total Blackstone Mortgage Trust, Inc. stockholders' equity</b>	<b>3,300,772</b>	<b>2,911,066</b>
Non-controlling interests	7,221	6,340
<b>Total equity</b>	<b>3,307,993</b>	<b>2,917,406</b>
<b>Total liabilities and equity</b>	<b>\$ 12,419,475</b>	<b>\$ 10,258,825</b>

## Consolidated Statements of Operations

(\$ in thousands, except per share data)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2018	2017	2018	2017
Income from loans and other investments				
Interest and related income	\$ 203,107	\$ 146,446	\$ 550,011	\$ 391,787
Less: Interest and related expenses	97,955	67,891	255,677	168,917
Income from loans and other investments, net	105,152	78,555	294,334	222,870
Other expenses				
Management and incentive fees	18,368	13,243	56,248	40,557
General and administrative expenses	8,443	7,419	25,897	22,219
Total other expenses	26,811	20,662	82,145	62,776
Income before income taxes	78,341	57,893	212,189	160,094
Income tax provision	48	83	272	265
<b>Net income</b>	<b>\$ 78,293</b>	<b>\$ 57,810</b>	<b>\$ 211,917</b>	<b>\$ 159,829</b>
Net income attributable to non-controlling interests	(128)	(88)	(481)	(88)
<b>Net income attributable to Blackstone Mortgage Trust, Inc.</b>	<b>\$ 78,165</b>	<b>\$ 57,722</b>	<b>\$ 211,436</b>	<b>\$ 159,741</b>
<b>Per share information (basic and diluted)</b>				
Weighted-average shares of common stock outstanding	116,203,140	95,013,087	111,251,864	95,004,188
<b>Net income per share of common stock</b>	<b>\$ 0.67</b>	<b>\$ 0.61</b>	<b>\$ 1.90</b>	<b>\$ 1.68</b>

## Per Share Calculations

(Amounts in thousands, except per share data)

### Core Earnings Reconciliation

	Three Months Ended	
	September 30, 2018	June 30, 2018
Net income <sup>(a)</sup>	\$ 78,165	\$ 72,312
GE purchase discount accretion adjustment <sup>(b)</sup>	—	8,723
Non-cash compensation expense	6,734	6,778
Realized foreign currency gain, net <sup>(c)</sup>	1,930	1,998
Other items	590	565
<b>Core Earnings</b>	<b>\$ 87,419</b>	<b>\$ 90,376</b>
Weighted-average shares outstanding, basic and diluted	116,203	109,069
<b>Core Earnings per share, basic and diluted</b>	<b>\$ 0.75</b>	<b>\$ 0.83</b>

### Book Value per Share

	Three Months Ended	
	September 30, 2018	June 30, 2018
Stockholders' equity	\$ 3,300,772	\$ 3,023,480
Shares		
Class A common stock	119,669	111,442
Deferred stock units	221	213
Total outstanding	119,890	111,655
<b>Book value per share</b>	<b>\$ 27.53</b>	<b>\$ 27.08</b>

### Earnings per Share

	Three Months Ended	
	September 30, 2018	June 30, 2018
Net income <sup>(a)</sup>	\$ 78,165	\$ 72,312
Weighted-average shares outstanding, basic and diluted	116,203	109,069
<b>Earnings per share, basic and diluted</b>	<b>\$ 0.67</b>	<b>\$ 0.66</b>

(a) Represents net income attributable to Blackstone Mortgage Trust, Inc.

(b) Historically, we have deferred in Core Earnings the accretion of purchase discount attributable to a certain pool of GE portfolio investments acquired in May 2015, until repayment in full of the remaining investments in the pool was substantially assured. During the three months ended June 30, 2018, it was determined that repayment of the remaining loans in the deferral pool was substantially assured. As such, the \$8.7 million of deferred purchase discount, which has been previously recognized in GAAP net income, was realized in Core Earnings during the three months ended June 30, 2018.

(c) Primarily represents the forward points earned on our foreign currency forward contracts, which reflect the interest rate differentials between the applicable base rate for our foreign currency investments and USD LIBOR. These forward contracts effectively convert the rate exposure to USD LIBOR, resulting in additional interest income earned in U.S. dollar terms. These amounts are not included in GAAP net income, but rather as a component of Other Comprehensive Income in our consolidated financial statements.

## Reconciliation of Net Income to Core Earnings

(Amounts in thousands, except per share data)

	TTM Ended	Three Months Ended			
	Sept 30, 2018	Sept 30, 2018	June 30, 2018	Mar 31, 2018	Dec 31, 2017
Net income <sup>(a)</sup>	\$ 269,326	\$ 78,165	\$ 72,312	\$ 60,958	\$ 57,891
GE purchase discount accretion adjustment <sup>(b)</sup>	8,223	—	8,723	(17)	(483)
Non-cash compensation expense	26,709	6,734	6,778	6,976	6,221
Realized foreign currency gain, net <sup>(c)</sup>	5,137	1,930	1,998	854	355
Other items	2,208	590	565	534	519
Core Earnings	\$ 311,603	\$ 87,419	\$ 90,376	\$ 69,305	\$ 64,503
Weighted-average shares outstanding, basic and diluted	108,116	116,203	109,069	108,398	98,811
<b>Net income per share, basic and diluted</b>	<b>\$ 2.49</b>	<b>\$ 0.67</b>	<b>\$ 0.66</b>	<b>\$ 0.56</b>	<b>\$ 0.59</b>
<b>Core Earnings per share, basic and diluted</b>	<b>\$ 2.88</b>	<b>\$ 0.75</b>	<b>\$ 0.83</b>	<b>\$ 0.64</b>	<b>\$ 0.65</b>

(a) Represents net income attributable to Blackstone Mortgage Trust, Inc.

(b) Historically, we have deferred in Core Earnings the accretion of purchase discount attributable to a certain pool of GE portfolio investments acquired in May 2015, until repayment in full of the remaining investments in the pool was substantially assured. During the three months ended June 30, 2018, it was determined that repayment of the remaining loans in the deferral pool was substantially assured. As such, the \$8.7 million of deferred purchase discount, which has been previously recognized in GAAP net income, was realized in Core Earnings during the three months ended June 30, 2018.

(c) Primarily represents the forward points earned on our foreign currency forward contracts, which reflect the interest rate differentials between the applicable base rate for our foreign currency investments and USD LIBOR. These forward contracts effectively convert the rate exposure to USD LIBOR, resulting in additional interest income earned in U.S. dollar terms. These amounts are not included in GAAP net income, but rather as a component of Other Comprehensive Income in our consolidated financial statements.

## Definitions

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**Core Earnings:** Blackstone Mortgage Trust, Inc. (“BXMT”) discloses Core Earnings in this presentation. Core Earnings is a financial measure that is calculated and presented on the basis of methodologies other than in accordance with generally accepted accounting principles in the United States of America (“GAAP”).

Core Earnings is an adjusted measure that helps BXMT evaluate its performance excluding the effects of certain transactions and GAAP adjustments that it believes are not necessarily indicative of its current loan origination portfolio and operations. Although according to its management agreement BXMT calculates the incentive and base management fees due to its Manager using Core Earnings before incentive fees expense, BXMT reports Core Earnings after incentive fees expense, as BXMT believes this is a more meaningful presentation of the economic performance of its class A common stock.

Core Earnings is defined as GAAP net income (loss), including realized gains and losses not otherwise included in GAAP net income (loss), and excluding (i) net income (loss) attributable to the CT Legacy Portfolio, (ii) non-cash equity compensation expense, (iii) depreciation and amortization, (iv) unrealized gains (losses), and (v) certain non-cash items. Core Earnings may also be adjusted from time to time to exclude one-time events pursuant to changes in GAAP and certain other non-cash charges as determined by BXMT’s manager, subject to approval by a majority of its independent directors.

Core Earnings does not represent net income or cash generated from operating activities and should not be considered as an alternative to GAAP net income, or an indication of BXMT’s GAAP cash flows from operations, a measure of BXMT’s liquidity, or an indication of funds available for its cash needs. In addition, BXMT’s methodology for calculating Core Earnings may differ from the methodologies employed by other companies to calculate the same or similar supplemental performance measures, and accordingly, its reported Core Earnings may not be comparable to the Core Earnings reported by other companies.

**Non-Consolidated Senior Interests:** Senior interests in loans originated and syndicated to third parties. These non-recourse loan participations, which are excluded from the GAAP balance sheet, constitute additional financing capacity and are included in discussions of the loan portfolio.

**Earnings Sensitivity to LIBOR:** Reflects the impact on net income, net of incentive fees, assuming no changes in credit spreads, portfolio composition, or asset performance. Assumes no change in general and administrative expenses, management fees, or other non-interest expenses relative to those incurred for the quarter ended September 30, 2018.



## Forward-Looking Statements

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This presentation may contain forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended, which reflect BXMT's current views with respect to, among other things, its operations and financial performance. You can identify these forward-looking statements by the use of words such as "outlook," "indicator," "believes," "expects," "potential," "continues," "may," "will," "should," "seeks," "predicts," "intends," "plans," "estimates," "anticipates" or the negative version of these words or other comparable words. Such forward-looking statements are subject to various risks and uncertainties. Accordingly, there are or will be important factors that could cause actual outcomes or results to differ materially from those indicated in these statements. BXMT believes these factors include but are not limited to those described under the section entitled "Risk Factors" in its Annual Report on Form 10-K for the fiscal year ended December 31, 2017, as such factors may be updated from time to time in its periodic filings with the Securities and Exchange Commission ("SEC") which are accessible on the SEC's website at [www.sec.gov](http://www.sec.gov). These factors should not be construed as exhaustive and should be read in conjunction with the other cautionary statements that are included in this presentation and in the filings. BXMT assumes no obligation to update or supplement forward-looking statements that become untrue because of subsequent events or circumstances.