

**Blackstone**

Mortgage Trust

# **Blackstone Mortgage Trust, Inc.**

## **1Q 2021 Earnings Release & Company Supplemental**

**MAY 2021**

## FORWARD-LOOKING STATEMENTS AND OTHER MATTERS

---

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 and the impact of the COVID-19 pandemic. You can identify these forward-looking statements by the use of words such as "outlook," "objective," "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, 2020, as such factors may be further 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.

Slides 10-13 of this presentation reference numerical data relating to Blackstone that includes activities of Blackstone Real Estate's public and private portfolio companies, unless otherwise noted.

Information included in this presentation is as of or for the period ended March 31, 2021, unless otherwise noted.

## BXMT HIGHLIGHTS

- BXMT closed \$1.7 billion of new loans in the first quarter, surpassing 2020 total originations and driving nearly \$700 million<sup>(1)</sup> of portfolio growth to a record \$18.7 billion<sup>(2)</sup> at quarter-end
- 1Q '21 GAAP EPS of \$0.54 and Distributable EPS<sup>(3)</sup> of \$0.59, with elevated liquidity levels positioning BXMT well for future investment opportunities

### Strong Portfolio Growth

**\$1.7B**

1Q  
originations

Focus on high conviction sectors with well-capitalized sponsors

### Significant Dry Powder

**\$1.1B**

total  
liquidity<sup>(4)</sup>

Substantial liquidity to capitalize on growing origination volume

### Stable Credit

**100%**

interest  
collection

Current cash income generated from low-leverage first mortgage portfolio

(1) Represents net fundings of \$693 million for the three months ended March 31, 2021.

(2) Includes \$890 million of Non-Consolidated Senior Interests and investment exposure to the \$696 million 2018 Single Asset Securitization through a \$79 million subordinate interest.

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

(4) Total liquidity of \$1.1 billion primarily includes \$280 million of cash and \$837 million of available borrowings under credit facilities.

### Earnings

- 1Q GAAP earnings per share of \$0.54 and Distributable Earnings<sup>(1)</sup> per share of \$0.59; paid \$0.62 per share dividend
- Current income from stable first mortgage portfolio generated an attractive 9.0% yield on book<sup>(2)</sup> relative to USD LIBOR of 0.1%
- 1Q GAAP EPS includes a \$0.01 release of prior CECL reserves; book value per share of \$26.35 is net of a \$1.25 CECL reserve primarily recorded at the onset of COVID

### Portfolio

- \$1.7 billion of originations focused on industrial, multifamily, and life sciences
- Net fundings of \$693 million; \$1.5 billion of fundings outpacing \$799 million of repayments during the quarter
- \$18.7 billion<sup>(3)</sup> senior loan portfolio secured by institutional quality real estate in top markets, with a weighted average origination LTV<sup>(3)(4)</sup> of 65%
- Consistently strong credit performance, with 100% interest collection in 1Q

### Capitalization

- Priced \$200 million senior secured term loan add-on at L+2.25%, in-line with highly attractive 2019 term loan pricing
- Closed \$1.3 billion of accretive credit facility financing on increasingly favorable terms across multiple counterparties and currencies
- Issued \$1.0 billion CLO post quarter-end, adding well-structured and efficiently priced asset-level leverage and increasing total CLOs outstanding to \$3.5 billion

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

(2) Reflects ratio of annualized first quarter Distributable Earnings to BXMT book value. GAAP Yield on Book was 8.2% for the first quarter 2021.

(3) Includes \$890 million of Non-Consolidated Senior Interests and investment exposure to the \$696 million 2018 Single Asset Securitization through a \$79 million subordinate interest.

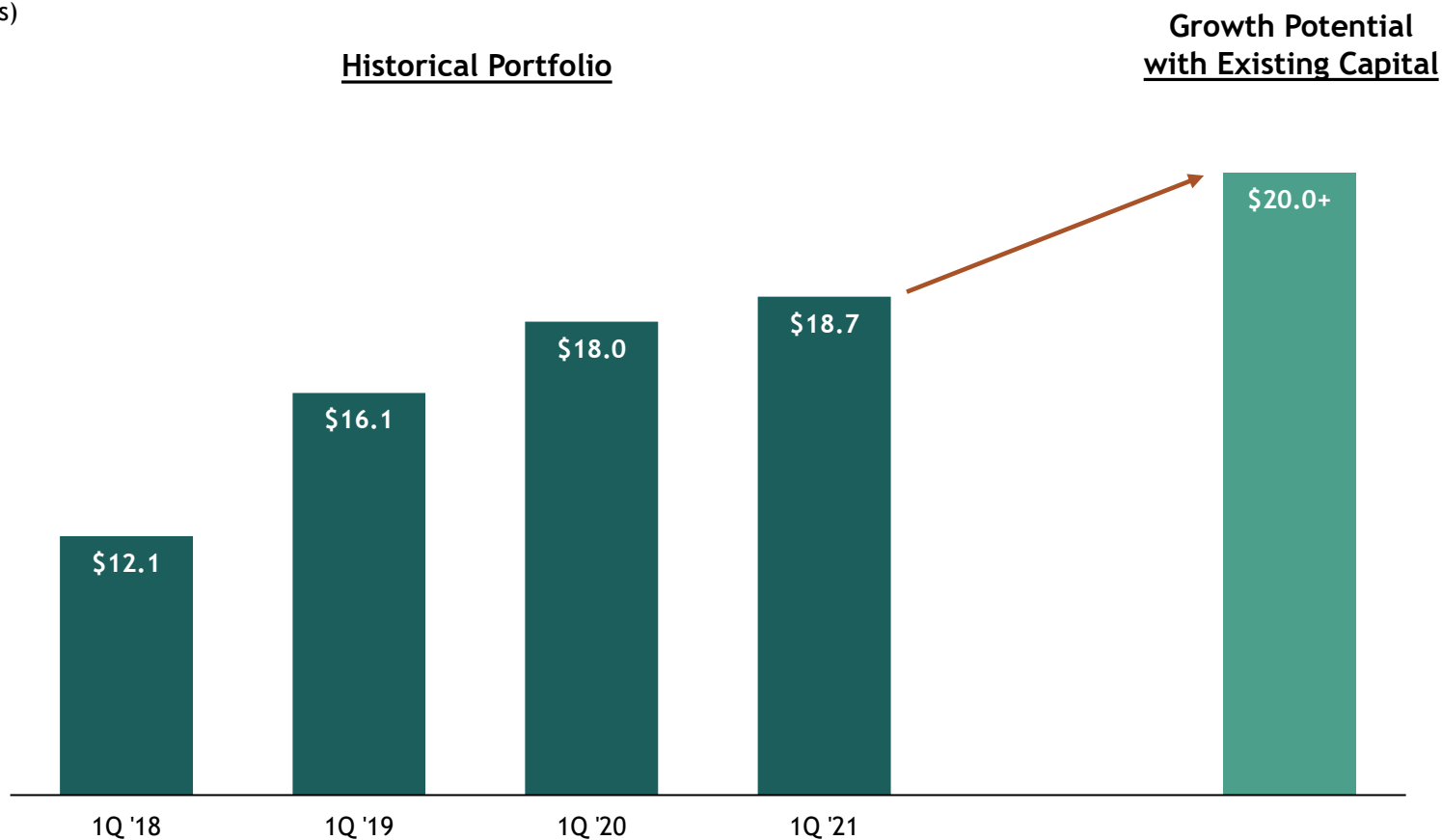
(4) Reflects weighted average LTV as of the date investments were originated or acquired by BXMT.

## EARNINGS

- 1Q GAAP earnings per share of \$0.54 and Distributable Earnings<sup>(1)</sup> per share of \$0.59
- \$1.1 billion<sup>(2)</sup> of liquidity supports significant potential portfolio growth within existing capital base which represents embedded earnings power

### Track Record of Portfolio Growth

(\$ in billions)



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

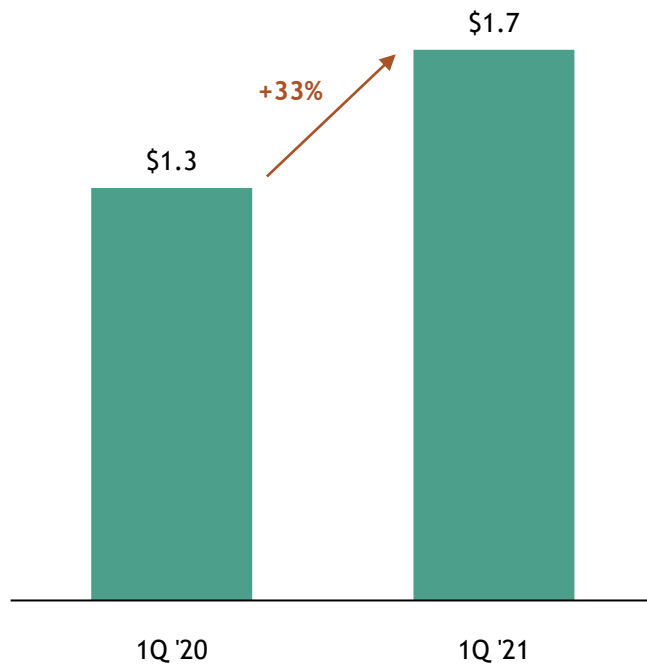
(2) Total liquidity of \$1.1 billion primarily includes \$280 million of cash and \$837 million of available borrowings under credit facilities.

## PORTFOLIO

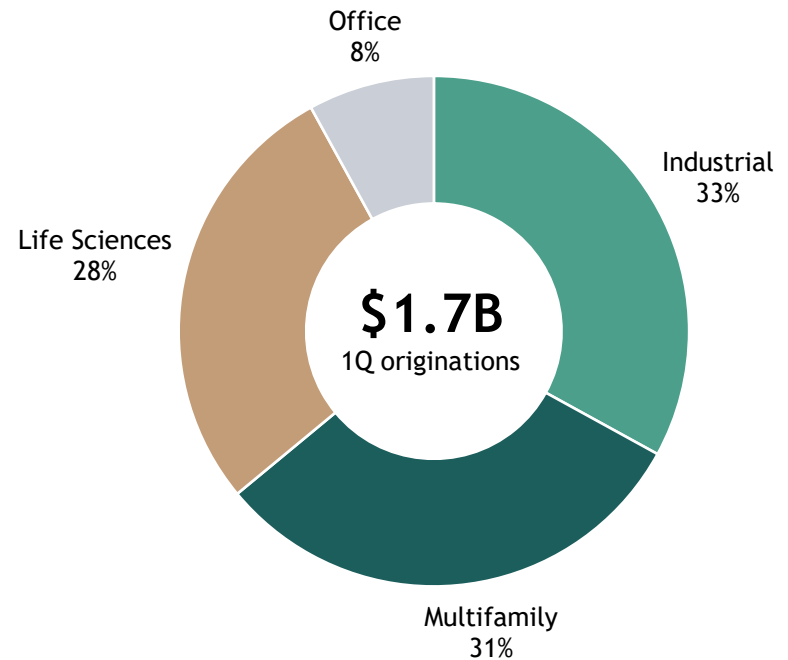
- \$1.7 billion of loans originated in 1Q; 83% new acquisition loans as transaction activity increases
- 92% of loans backed by assets in industrial, multifamily and life sciences sectors

### Origination Volume

(\$ in billions)



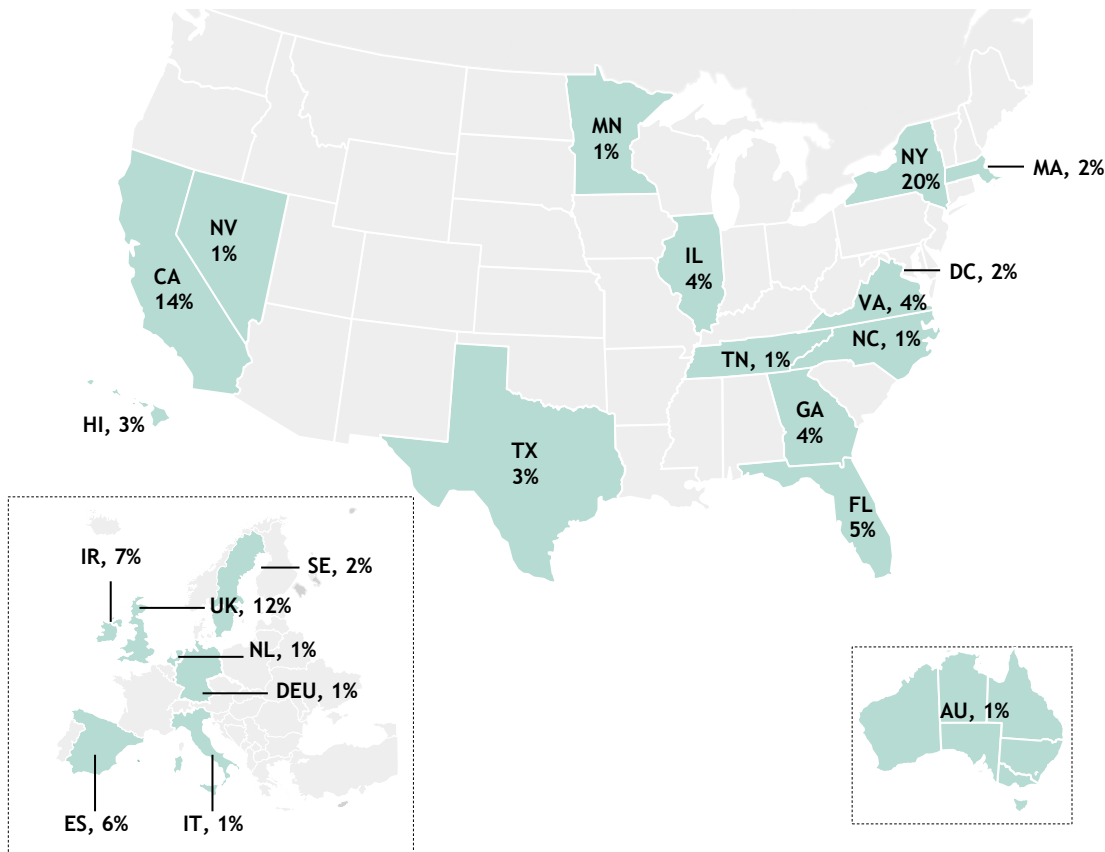
### 1Q Originations Collateral Profile



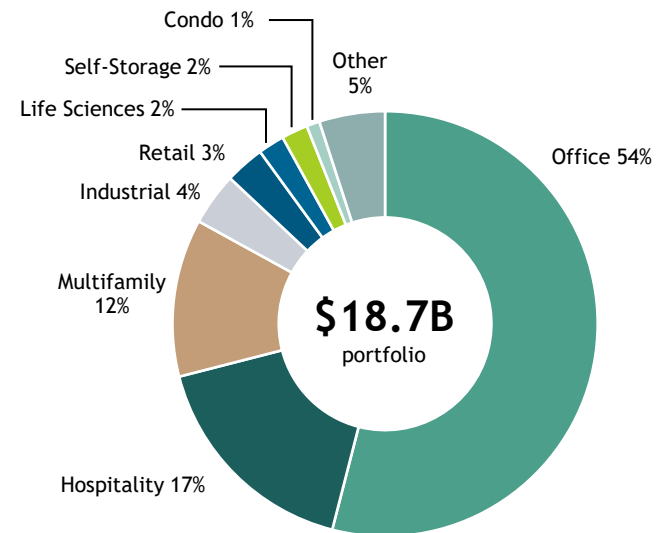
## PORTFOLIO

- \$18.7 billion<sup>(1)</sup> senior loan portfolio comprising 122 investments
- Continued strong portfolio credit with 98% of loans performing and 100% interest collected when due

### Major Market Focus<sup>(1)(2)</sup>



### Collateral Diversification<sup>(1)</sup>



(1) Includes \$890 million of Non-Consolidated Senior Interests and investment exposure to the \$696 million 2018 Single Asset Securitization through a \$79 million subordinate interest.

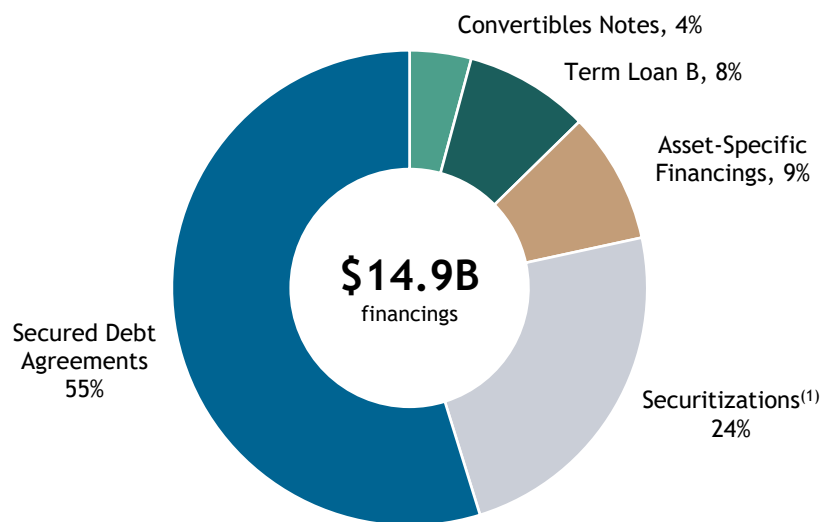
(2) States and countries comprising less than 1% of total loan portfolio are excluded.

## CAPITALIZATION

- BXMT continues to diversify and optimize its balance sheet with market leading financing executions
- Favorable terms achieved are reflective of return to pre-pandemic levels of liquidity and pricing for top-tier issuers

### Diversified Financing Sources

(outstanding balance)



### Capital Markets Activity



#### Term Loan B:

- Priced \$200 million add-on to \$737 million A-1 tranche (L+2.25% / 2026) at level consistent with previous best execution in 4Q 2019



#### Secured Debt Agreements:

- Closed \$1.3 billion of credit facility financings across multiple counterparties and currencies driving increasingly favorable economics and structure



#### Securitizations:

- Post quarter-end, closed \$1.0 billion BXMT 2021 FL-4 transaction, the fourth in BXMT's uniquely tailored CLO program

(1) Excludes notes sold from the \$1 billion CLO issuance in April 2021.

# **Company Supplemental**

- Blackstone Mortgage Trust, Inc. (NYSE: BXMT) is a best-in-class commercial mortgage REIT that originates senior mortgage loans on institutional quality real estate assets in North America, Europe, and Australia

### **Superior Sponsorship**

Affiliation with BX, the largest real estate private equity business in the world

### **Senior Lending Focused**

Attractive current income, conservative credit, and efficient leverage to drive returns

### **Large-Scale Portfolio**

Institutional quality real estate located in major markets

### **Stable Balance Sheet**

Long duration liabilities, with no capital markets mark-to-market

- Blackstone is the preeminent global alternative asset manager with market-leading businesses

**35 yr**  
investment  
record

**\$649B**  
assets under  
management

**40+**  
investing  
strategies

### Real Estate \$196B

- Opportunistic
- Core+
- Debt

### Hedge Fund Solutions \$82B

- Portfolio Solutions
- Direct Investing
- GP Participation



### Private Equity \$212B

- Corporate Private Equity
- Secondaries
- Tactical Opportunities
- Infrastructure
- Life Sciences
- Growth

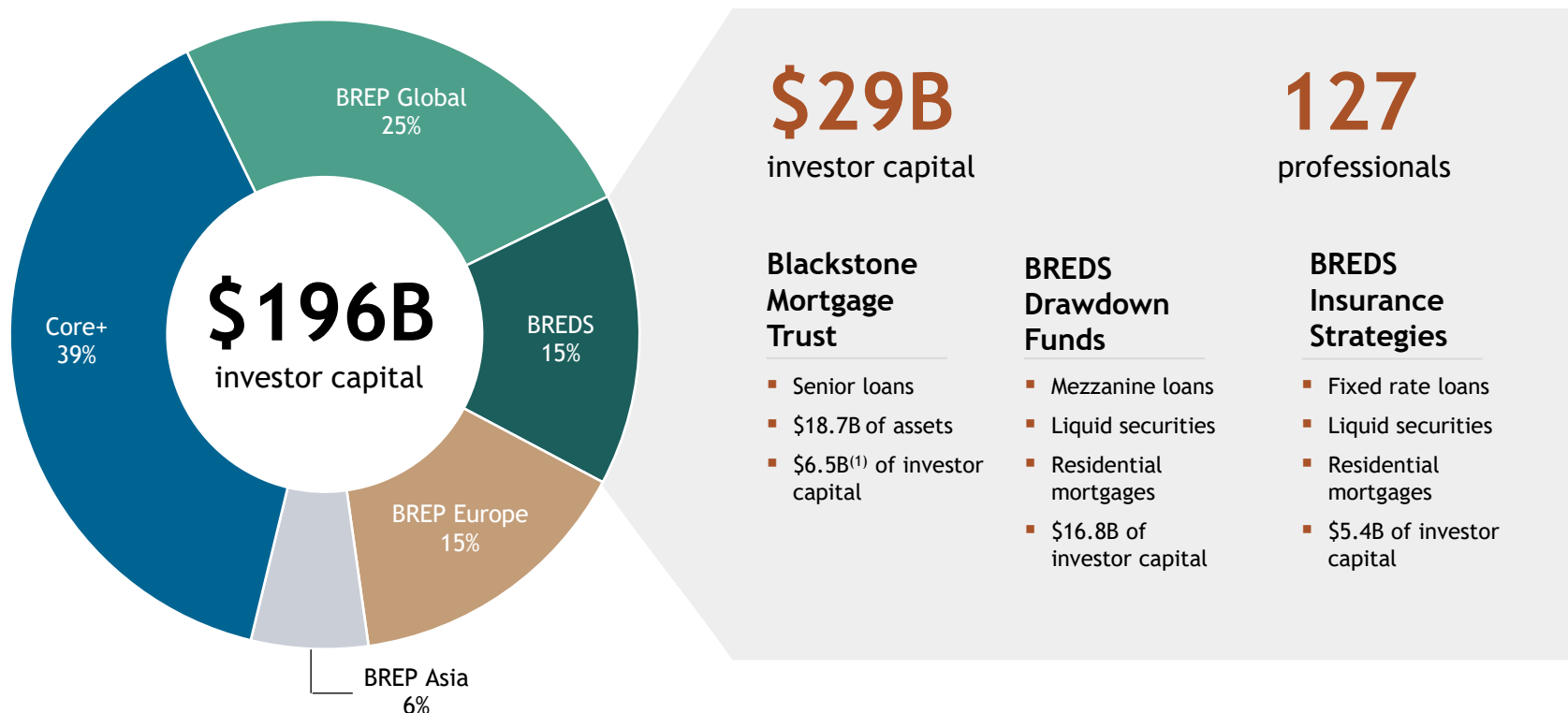
### Credit & Insurance \$159B

- Private Debt
- Liquid Credit
- Insurance Solutions

Note: All figures in this presentation are as of March 31, 2021, unless otherwise indicated. AUM is estimated and unaudited. Real Estate AUM reflects "investor capital" which, as used herein, includes co-investments and Blackstone' GP and side-by-side commitments, as applicable. Credit AUM is a combined figure that includes Credit, Harvest Fund Advisors ("Harvest"), and Blackstone Insurance Solutions ("BIS") businesses.

- Blackstone Real Estate is a premier debt and equity investment and asset management platform

## Investor Capital Under Management



Note: Investor capital includes co-investments and Blackstone GP and side-by-side commitments, as applicable. Totals may not sum due to rounding. There can be no assurance that any Blackstone Fund or investment will be able to implement its investment strategy, achieve its objectives or avoid losses.

(1) Reflects the value of BXMT's common stock, public convertible notes, and term loans as of March 31, 2021.

- As one of the largest owners of real estate in every sector and geography, Blackstone's unparalleled reach across the real estate market drives proprietary insight which enables best-in-class investment performance
- BXMT's underwriting and credit process is fully integrated with the Blackstone platform, resulting in highly-informed investment decisions

### Current Holdings<sup>(1)</sup>

Office	<b>226M</b> square feet		
Logistics	<b>927M</b> square feet		
Hotel	<b>104k</b> owned keys		
Residential	<b>265k</b> units		

### Portfolio Companies



Note: In addition to wholly-owned assets, figures include leased assets, collateral, assets managed through stakes in publicly-traded companies and assets owned through joint-ventures (reflected at 100%), as applicable. Excludes other assets. See "Important Disclosure Information".

(1) Numerical data relating to Blackstone includes activities of Blackstone Real Estate's public & private portfolio companies (unless otherwise noted).

- Nearly 600 people in 9 offices, across one fully integrated real estate platform

---

### Blackstone Advantage

#### Global Business

- 591 professionals
- 9 global offices

#### Scale Capital

- \$196 billion RE AUM
- \$29 billion raised in LTM

#### Long View

- Long term capital commitments
- Never a forced seller

---

### Constant Communication

#### Weekly

- Partners' Meeting
- Global ICMs
- Investment Review Committees

#### Quarterly

- Board Meetings
- Portfolio Asset Review

#### Annual

- Regional Strategy Session

---

### Integrated Perspective

1

global real estate  
platform

1

investment process—  
same people,  
same process

- Blackstone's unique investment process is complemented by fully-integrated corporate infrastructure

## BREDS Investment Committee

**Kenneth Caplan**  
BX Global Co-Head of Real Estate,  
Senior Managing Director

**Rob Harper**  
Head of BX Real Estate US Asset Management,  
Senior Managing Director

**Nadeem Meghji**  
Head of Real Estate Americas,  
Senior Managing Director

**Stephen Plavin<sup>(1)</sup>**  
Senior Managing Director

**Will Skinner**  
Chief Operating Officer of BREDS,  
Senior Managing Director

**Kathleen McCarthy**  
BX Global Co-Head of Real Estate,  
Senior Managing Director

**Tim Johnson**  
Global Head of Originations,  
Senior Managing Director

**Michael Nash**  
Executive Chairman of BXMT,  
Senior Managing Director

**Jonathan Pollack**  
Global Head of BREDS,  
Senior Managing Director

**Michael Wiebolt**  
Head of BREDS Liquid Strategies,  
Senior Managing Director

## BXMT Officers

**Katie Keenan<sup>(1)\*</sup>**  
Chief Executive Officer of BXMT,  
Senior Managing Director

**Tony Marone**  
Chief Financial Officer,  
Managing Director

**Weston Tucker**  
Head of Investor Relations,  
Senior Managing Director

\*Member of BREDS Investment  
Committee

**Douglas Armer**  
EVP Capital Markets, Treasurer,  
Managing Director

**Rob Sitman**  
Head of Loan Asset Management,  
Managing Director

**Leon Volchyok**  
Head of Legal & Compliance and Secretary,  
Managing Director

## Originations (U.S.)

**Michael Eglit**  
Managing Director

**Austin Pena**  
Managing Director

**Jimmy Yung**  
Managing Director

**Clarke Hitch**  
Managing Director

**J.T. Sizemore**  
Managing Director

**38 professionals**

## Originations (Europe)

**Michael Nagelberg**  
Managing Director

**14 professionals**

## Capital Markets / Asset Management / Finance

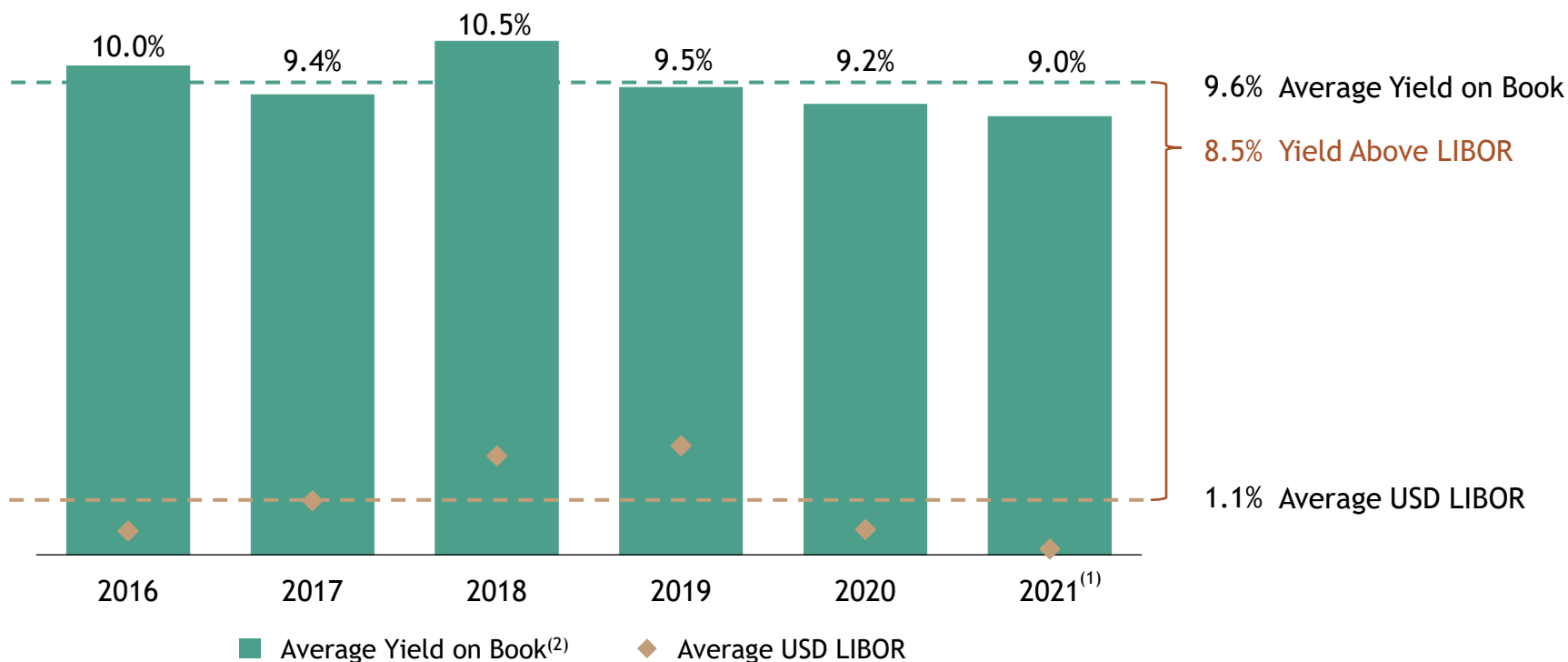
**55 professionals**

(1) Katie Keenan will become Chief Executive Officer of BXMT as of 6/30/21, succeeding Steve Plavin. Steve will remain as a key member of the BREDS team, overseeing the BREDS European platform.

## BXMT EARNINGS CONSISTENCY

- BXMT has a proven track record of delivering attractive relative value to investors through consistent earnings in its stable senior loan portfolio, demonstrated by an average 9.6% yield on book over the previous six periods<sup>(1)</sup>

### Attractive Relative Value

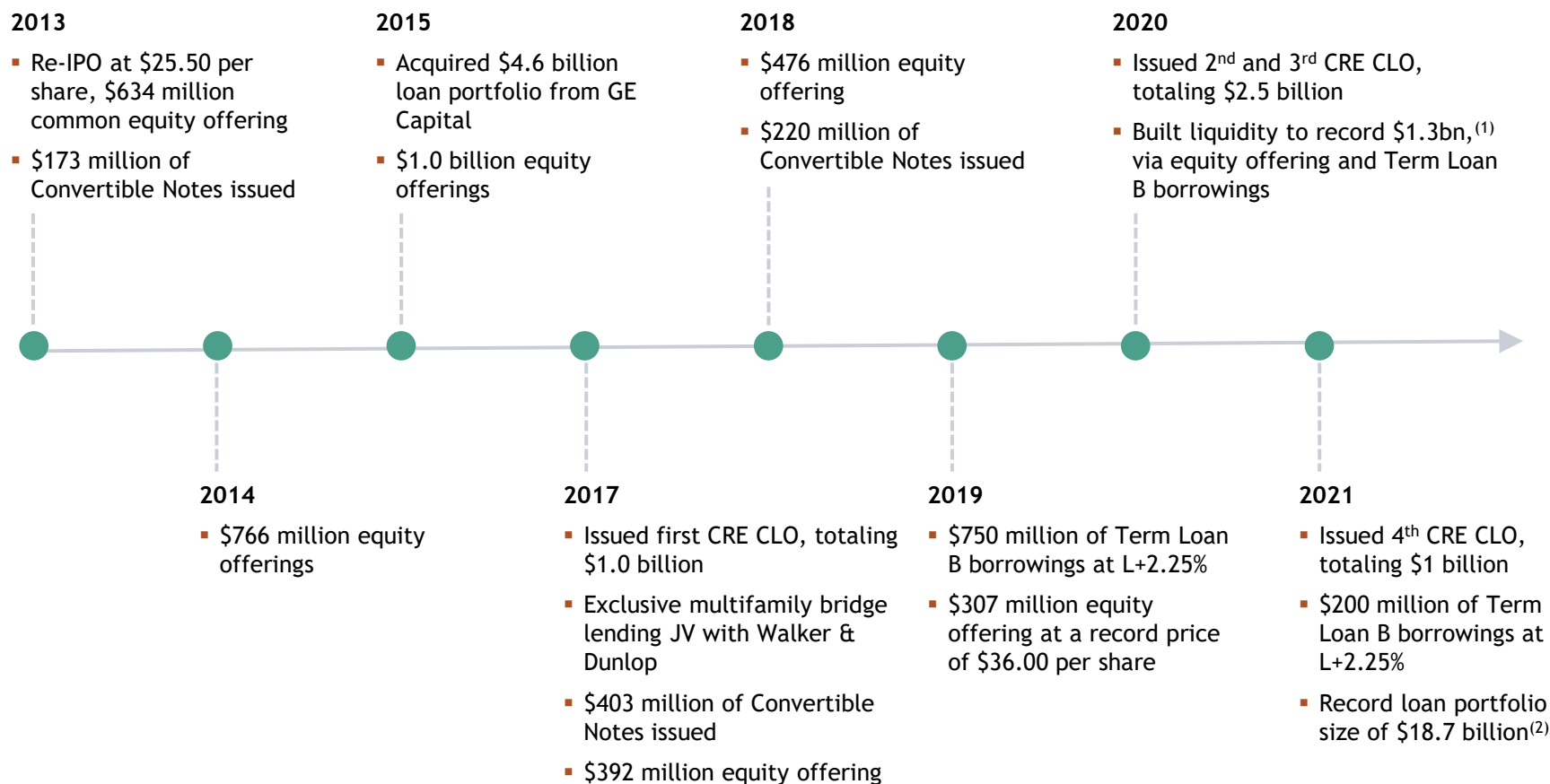


(1) For comparability, 2021 represents the three months ended March 31, 2021 annualized.

(2) Reflects ratio of Distributable Earnings to a quarterly average BXMT book value. GAAP Yield on Book was 9.5%, 8.3%, 9.0%, 8.3%, 3.6%, and 8.2% for the periods ended December 31, 2016, 2017, 2018, 2019, 2020, and March 31, 2021, respectively. GAAP Average Yield on Book was 7.8% over the six periods. GAAP Average Yield on Book above LIBOR was 6.8% over the six periods. See Appendix for a reconciliation of Distributable Earnings to GAAP net income.

## BXMT TRACK RECORD OF INNOVATION

- BXMT's innovative approach and market-leading positioning has enabled consistent growth and continued optimization on both sides of the balance sheet



(1) Total liquidity as of 6/30/20. Includes \$1.3 billion of cash and \$97 million of available borrowings under credit facilities, reduced by \$22 million of pending net principal payments.

(2) Loan portfolio as of 3/31/21. Includes \$890 million of Non-Consolidated Senior Interests and investment exposure to the \$696 million 2018 Single Asset Securitization through a \$79 million subordinate interest.

## BXMT RELATIVE VALUE

- Blackstone provides compelling relative value compared to other listed real estate products

	<b>Blackstone</b> Mortgage Trust	<b>Other Comm</b> <b>mREITs</b>	<b>Agency Resi</b> <b>mREITs</b>	<b>Equity</b> <b>REITs</b>
Dividend Yield	✓	✓	✓	✗
Senior Loans	✓	✗	✓	✗
Floating Rate	✓	✓	✗	✗
Low Earnings Volatility	✓	✗	✗	✓

Note: The composition of the various categories of REITs being compared with BXMT, as well as the characteristics compared, reflect our current views as of the date appearing in this material only and are not based on any index or other established categorization.

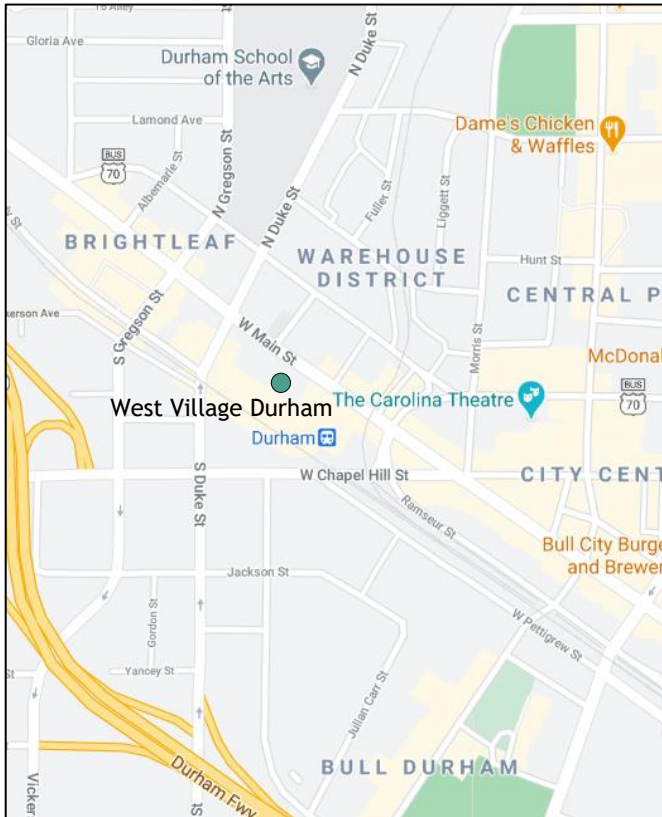
## TARGET INVESTMENTS

---

<b>Loan Size</b>	\$50 million to \$500+ million
<b>Collateral</b>	First mortgages on stabilized or transitional assets
<b>Property Type</b>	All commercial property types
<b>Geographies</b>	North America, Europe and Australia
<b>Loan to Value</b>	Last dollar 50% to 75%
<b>Rate</b>	Libor + 2.50% and higher, scaled to risk
<b>Term</b>	3 to 5 years
<b>Amortization</b>	Typically interest only
<b>Fees</b>	Typically 1.0% origination fee and 0.25% to 0.50% extension fees
<b>Prepayment</b>	12 to 24 months of spread maintenance

## SAMPLE TRANSACTION: WEST VILLAGE DURHAM

- \$184 million floating rate, first mortgage loan secured by West Village Durham
  - Cash-flowing, high-quality 608-unit multifamily asset located in Durham, NC; 72% LTV<sup>(1)</sup>
- The property is well-located in a highly amenitized location in downtown Durham, an attractive growth market with strong demand drivers



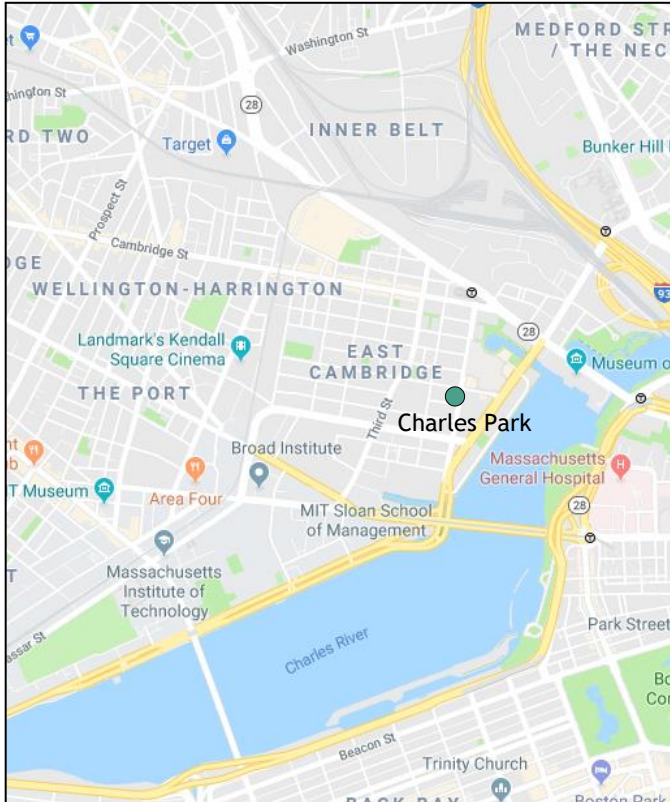
(1) Reflects the LTV as of the date the loan was originated.

\_\_\_\_\_



## SAMPLE TRANSACTION: CHARLES PARK

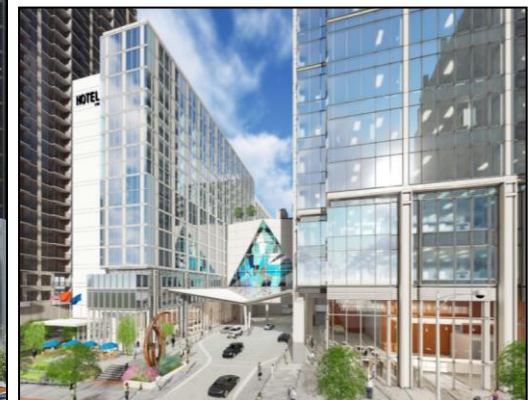
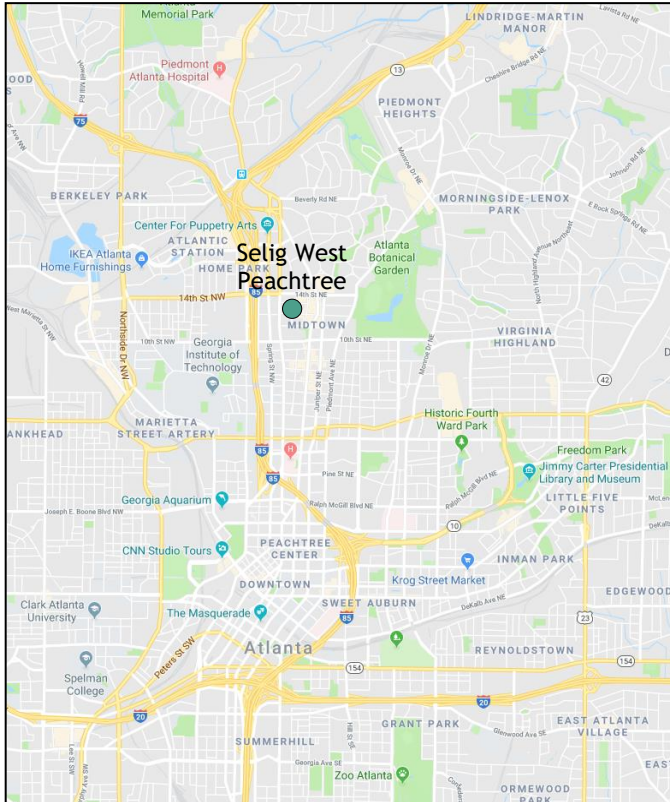
- \$491 million floating rate, first mortgage loan secured by Charles Park
  - Lab conversion of a 405k SF, two-building office complex; 66% LTV<sup>(1)</sup>
  - Well-located in the top biotechnology cluster in the world
- Property is located in East Cambridge, MA, with close proximity to multiple public transit lines, MIT, and Harvard



(1) Reflects the LTV as of the date the loan was originated.

## SAMPLE TRANSACTION: SELIG WEST PEACHTREE

- \$354 million floating rate, first mortgage loan secured by Selig West Peachtree
  - Mixed-use development project in Midtown Atlanta, with strong sponsorship and a dynamic location
  - Asset includes 673k SF of office (96% pre-leased to Google), 64 condo units, and a 178-key hotel
- Close proximity to amenities, transportation hubs, and major highways



(1) Reflects the LTV as of the date the loan was originated.

## SAMPLE TRANSACTION: DUTCH MULTIFAMILY

- €107 million floating rate, first mortgage loan secured by a portfolio of residential and office assets
  - 819 residential units and 2 office buildings; 65% LTV<sup>(1)</sup> and 98% occupied residential units
  - Initial funding of €87 million with €20 million future funding for additional building improvements
- Assets are well-located in city centers of four regional Dutch cities, within a ~1-hour commute from Amsterdam



(1) Reflects the LTV as of the date the loan was originated.

# Appendix

## 1Q 2021 Operating Results

(\$ in millions)

	GAAP Net Income	Adjustments	Distributable Earnings
Interest income	\$187.5	\$ -	\$187.5
Interest expense	(78.4)	-	(78.4)
Management and incentive fees	(19.2)	-	(19.2)
General and administrative expenses and taxes	(2.6)	-	(2.6)
Decrease in current expected credit loss reserve	1.3	(1.3)	-
Non-cash compensation	(8.1)	8.1	-
Realized hedging and foreign currency income, net <sup>(1)</sup>	-	0.2	0.2
Net income attributable to non-controlling interests	(0.6)	-	(0.6)
<b>Total</b>	<b>\$79.9</b>	<b>\$7.0</b>	<b>\$86.9</b>

# \$0.54

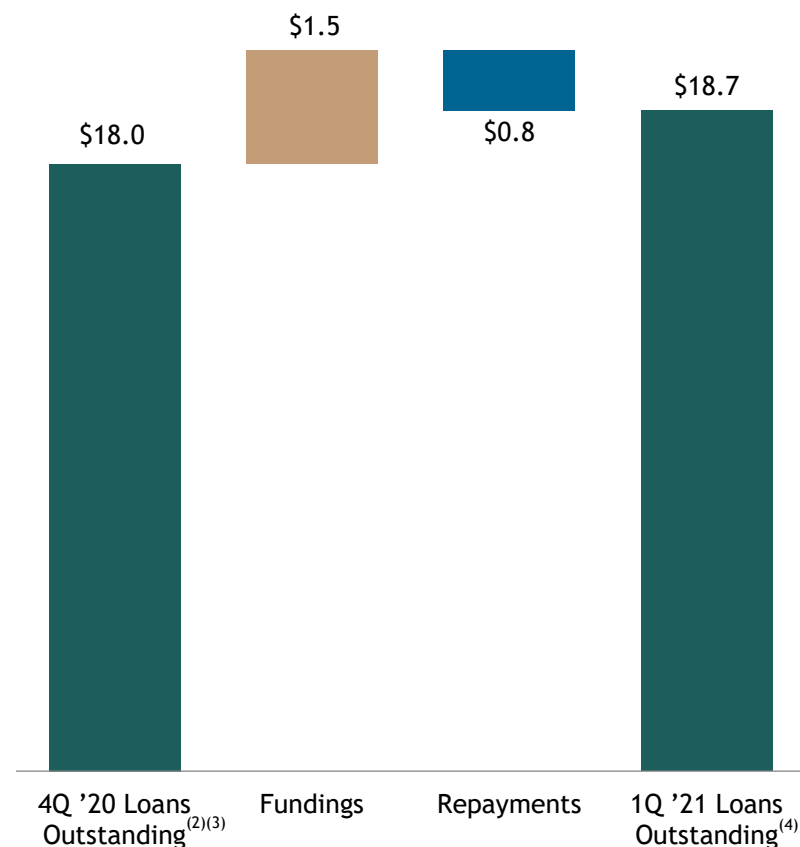
net income per share

# \$0.59

distributable earnings per share

## Net Fundings

(\$ in billions)



(1) Primarily represents the repatriation of net interest income earned during the quarter from non-USD investments. The difference between the value of such income on the date of conversion to USD and our cumulative basis in such income is not included in GAAP net income, but rather as a component of Other Comprehensive Income on our consolidated balance sheet.

(2) Adjusted to reflect \$0.2 billion of non-cash fluctuations in foreign currency rates during the period for comparability to our total loan portfolio as of March 31, 2021.

(3) Includes \$802 million of Non-Consolidated Senior Interests and investment exposure to the \$736 million 2018 Single Asset Securitization through a \$79 million subordinate interest.

(4) Includes \$890 million of Non-Consolidated Senior Interests and investment exposure to the \$696 million 2018 Single Asset Securitization through a \$79 million subordinate interest.

## Portfolio Details<sup>(1)</sup>

(\$ in millions)

	Loan Type	Origination Date <sup>(2)</sup>	Total Loan <sup>(3)</sup>	Principal Balance <sup>(3)</sup>	Net Book Value	Cash Coupon	All-in Yield	Maximum Maturity <sup>(4)</sup>	Location	Property Type	Loan Per SQFT / Unit / Key	Origination LTV <sup>(2)</sup>
Loan 1	Senior loan	8/14/2019	\$ 1,265	\$ 1,265	\$ 1,259	L + 2.50 %	L + 2.84 %	12/23/2024	Dublin - IE	Office	\$460 / sqft	74 %
Loan 2	Senior loan	3/22/2018	922	922	920	L + 3.25 %	L + 3.42 %	3/15/2023	Diversified - Spain	Mixed-Use	n/a	71 %
Loan 3	Senior loan	11/25/2019	724	655	656	L + 2.30 %	L + 2.59 %	12/9/2024	New York	Office	\$939 / sqft	65 %
Loan 4	Senior loan	5/11/2017	647	620	620	L + 3.40 %	L + 3.57 %	6/10/2023	Washington DC	Office	\$304 / sqft	62 %
Loan 5	Senior loan	8/22/2018	363	363	362	L + 3.15 %	L + 3.49 %	8/9/2023	Maui	Hospitality	\$471,391 / key	61 %
Loan 6	Senior loan	3/30/2021	572	360	356	L + 3.20 %	L + 3.41 %	5/15/2026	Diversified - SE	Industrial	\$66 / sqft	76 %
Loan 7	Senior loan	10/23/2018	352	349	349	L + 3.40 %	L + 3.53 %	1/24/2022	New York	Mixed-Use	\$591 / sqft	65 %
Loan 8	Senior loan	4/11/2018	355	345	344	L + 2.85 %	L + 3.10 %	5/1/2023	New York	Office	\$437 / sqft	71 %
Loan 9	Senior loan <sup>(3)</sup>	8/7/2019	746	341	67	L + 3.12 %	L + 3.55 %	9/9/2025	Los Angeles	Office	\$230 / sqft	59 %
Loan 10	Senior loan <sup>(3)</sup>	8/6/2015	334	334	61	5.74 %	5.85 %	10/29/2022	Diversified - EUR	Other	n/a	71 %
Loan 11	Senior loan	1/11/2019	331	331	328	L + 4.35 %	L + 4.70 %	1/11/2026	Diversified - UK	Other	\$327 / sqft	74 %
Loan 12	Senior loan	3/16/2021	491	307	303	L + 3.85 %	L + 4.15 %	4/9/2026	Boston	Life Sciences	\$759 / sqft	66 %
Loan 13	Senior loan	2/27/2020	300	288	286	L + 2.70 %	L + 3.03 %	3/9/2025	New York	Mixed-Use	\$904 / sqft	59 %
Loan 14	Senior loan	11/30/2018	286	286	285	n/m <sup>(5)</sup>	n/m <sup>(5)</sup>	8/9/2025	New York	Hospitality	\$306,870 / key	73 %
Loan 15	Senior loan	9/30/2019	306	280	280	L + 3.66 %	L + 3.75 %	9/9/2024	Chicago	Office	\$243 / sqft	58 %
Loans 16 - 121	Senior loans <sup>(3)</sup>	Various	14,213	10,988	10,585	L + 3.35 % <sup>(6)</sup>	L + 3.71 % <sup>(6)</sup>	Various	Various	Various	Various	63 %
CECL reserve					(172)							
Total/Wtd. avg.			\$ 22,207	\$ 18,033	\$ 16,888	L + 3.28 % <sup>(6)</sup>	L + 3.62 % <sup>(6)</sup>	3.1 yrs	65 %			

(1) Portfolio excludes our \$79 million subordinate interest in the \$696 million 2018 Single Asset Securitization.

(2) Date loan was originated or acquired by us, and the LTV as of such date. Origination dates are subsequently updated to reflect material loan modifications.

(3) 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 March 31, 2021, five loans in the portfolio have been financed with an aggregate \$890 million of Non-Consolidated Senior Interests, which are included in the table above.

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

(5) This loan is accounted for under the cost recovery method.

(6) Consists of both floating and fixed rates. Coupon and all-in yield assume applicable floating benchmark rates for weighted-average calculation. Excludes loans under the cost-recovery method.

## Consolidated Balance Sheets

(\$ in thousands, except per share data)

	March 31, 2021	December 31, 2020
<b>Assets</b>		
Cash and cash equivalents	\$280,126	\$289,970
Loans receivable	17,060,102	16,572,715
Current expected credit loss reserve	(172,100)	(173,549)
<b>Loans receivable, net</b>	<b>16,888,002</b>	<b>16,399,166</b>
Other assets	186,582	269,819
<b>Total assets</b>	<b>\$17,354,710</b>	<b>\$16,958,955</b>
<b>Liabilities and equity</b>		
Secured debt agreements, net	\$8,124,787	\$7,880,536
Securitized debt obligations, net	2,875,241	2,922,499
Asset-specific debt agreements, net	430,448	391,269
Secured term loans, net	1,235,808	1,041,704
Convertible notes, net	617,242	616,389
Other liabilities	167,091	202,327
<b>Total liabilities</b>	<b>13,450,617</b>	<b>13,054,724</b>
Commitments and contingencies	—	—
<b>Equity</b>		
Class A common stock, \$0.01 par value	1,470	1,468
Additional paid-in capital	4,710,986	4,702,713
Accumulated other comprehensive income	11,284	11,170
Accumulated deficit	(840,717)	(829,284)
<b>Total Blackstone Mortgage Trust, Inc. stockholders' equity</b>	<b>3,883,023</b>	<b>3,886,067</b>
Non-controlling interests	21,070	18,164
<b>Total equity</b>	<b>3,904,093</b>	<b>3,904,231</b>
<b>Total liabilities and equity</b>	<b>\$17,354,710</b>	<b>\$16,958,955</b>

## Consolidated Statements of Operations

(\$ in thousands, except per share data)

	Three Months Ended March 31,	
	2021	2020
Income from loans and other investments		
Interest and related income	\$187,524	\$204,875
Less: Interest and related expenses	78,372	104,239
<b>Income from loans and other investments, net</b>	<b>109,152</b>	<b>100,636</b>
Other expenses		
Management and incentive fees	19,207	19,277
General and administrative expenses	10,597	11,791
<b>Total other expenses</b>	<b>29,804</b>	<b>31,068</b>
Decrease (increase) in current expected credit loss reserve	1,293	(122,702)
<b>Income (loss) before income taxes</b>	<b>80,641</b>	<b>(53,134)</b>
Income tax provision	101	149
<b>Net income (loss)</b>	<b>80,540</b>	<b>(53,283)</b>
Net income attributable to non-controlling interests	(638)	(67)
<b>Net income (loss) attributable to Blackstone Mortgage Trust, Inc.</b>	<b>\$79,902</b>	<b>\$(53,350)</b>
Per share information (basic and diluted)		
<b>Net income (loss) per share of common stock</b>	<b>\$0.54</b>	<b>\$(0.39)</b>
Weighted-average shares of common stock outstanding	147,336,936	135,619,264

## Per Share Calculations

(in thousands, except per share data)

### Distributable Earnings Reconciliation

	Three Months Ended	
	March 31, 2021	December 31, 2020
Net income <sup>(1)</sup>	\$79,902	\$83,616
Decrease in current expected credit loss reserve	(1,293)	(5,813)
Non-cash compensation expense	8,085	8,554
Realized hedging and foreign currency income, net <sup>(2)</sup>	172	582
Other items	130	921
Adjustments attributable to non-controlling interests, net	(47)	74
<b>Distributable Earnings</b>	<b>\$86,949</b>	<b>\$87,934</b>
Weighted-average shares outstanding, basic and diluted	147,337	146,675
<b>Distributable Earnings per share, basic and diluted</b>	<b>\$0.59</b>	<b>\$0.60</b>

### Book Value per Share

	Three Months Ended	
	March 31, 2021	December 31, 2020
Stockholders' equity	\$3,883,023	\$3,886,067
Shares		
Class A common stock	147,031	146,780
Deferred stock units	318	307
<b>Total outstanding</b>	<b>147,349</b>	<b>147,087</b>
<b>Book value per share</b>	<b>\$26.35</b>	<b>\$26.42</b>

### Earnings per Share

	Three Months Ended	
	March 31, 2021	December 31, 2020
Net income <sup>(1)</sup>	\$79,902	\$83,616
Weighted-average shares outstanding, basic and diluted	147,337	146,675
<b>Per share amount, basic and diluted</b>	<b>\$0.54</b>	<b>\$0.57</b>

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

(2) Primarily represents the repatriation of net interest income earned during the quarter from non-USD investments. The difference between the value of such income on the date of conversion to USD and our cumulative basis in such income is not included in GAAP net income, but rather as a component of Other Comprehensive Income on our consolidated balance sheet.

## Reconciliation of Net Income to Distributable Earnings

(in thousands, except per share data)

	Three Months Ended March 31,	Years Ended December 31,				
	2021	2020	2019	2018	2017	2016
Net income <sup>(1)</sup>	\$79,902	\$137,670	\$305,567	\$285,078	\$217,631	\$238,297
(Decrease) increase in current expected credit loss reserve	(1,293)	167,653	-	-	-	-
Non-cash compensation expense	8,085	34,532	30,656	28,154	24,031	19,427
Realized hedging and foreign currency income, net <sup>(2)</sup>	172	10,852	14,172	6,723	2,450	-
GE purchase discount accretion adjustment <sup>(3)</sup>	-	-	-	8,706	(1,035)	(3,662)
CT Legacy Portfolio net income	-	-	-	-	-	(5,949)
Other items	130	1,487	300	2,084	2,059	1,373
Adjustments attributable to non-controlling interests, net	(47)	(204)	-	-	-	-
<b>Distributable Earnings</b>	<b>\$86,949</b>	<b>\$351,990</b>	<b>\$350,695</b>	<b>\$330,745</b>	<b>\$245,136</b>	<b>\$249,486</b>
Weighted-average shares outstanding, basic and diluted	147,337	141,796	130,085	113,857	95,964	94,165
<b>Net income per share, basic and diluted</b>	<b>\$0.54</b>	<b>\$0.97</b>	<b>\$2.35</b>	<b>\$2.50</b>	<b>\$2.27</b>	<b>\$2.53</b>
<b>Distributable Earnings per share, basic and diluted</b>	<b>\$0.59</b>	<b>\$2.48</b>	<b>\$2.70</b>	<b>\$2.90</b>	<b>\$2.55</b>	<b>\$2.65</b>

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

(2) The three months ended March 31, 2021 primarily represents the repatriation of net interest income earned during the quarter from non-USD investments. The difference between the value of such income on the date of conversion to USD and our cumulative basis in such income is not included in GAAP net income, but rather as a component of Other Comprehensive Income on our consolidated balance sheet. Prior years primarily represent 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 were not included in GAAP net income, but rather as a component of Other Comprehensive Income in our consolidated financial statements.

(3) Historically, we have deferred in Distributable Earnings the accretion of a purchase discount attributable to a certain pool of GE portfolio loans acquired in May 2015, until repayment in full of the remaining loans in the pool was substantially assured. During the year ended December 31, 2018, it was determined that 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 Distributable Earnings during the year ended December 31, 2018.

## DEFINITIONS

---

**Distributable Earnings:** Blackstone Mortgage Trust, Inc. ("BXMT") discloses Distributable Earnings in this presentation. Distributable 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").

Distributable Earnings is a non-GAAP measure, which we define as GAAP net income (loss), including realized gains and losses not otherwise included in GAAP net income (loss), and excluding (i) non-cash equity compensation expense, (ii) depreciation and amortization, (iii) unrealized gains (losses), and (iv) certain non-cash items. Distributable 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 our Manager, subject to approval by a majority of our independent directors. During the three months ended March 31, 2021, we recorded an \$1.3 million decrease in current expected credit loss reserve, or CECL reserve, which has been excluded from Distributable Earnings consistent with other unrealized gains (losses) pursuant to our existing policy for reporting Distributable Earnings and the terms of the management agreement between our Manager and us.

We believe that Distributable Earnings provides meaningful information to consider in addition to our net income and cash flow from operating activities determined in accordance with GAAP. This adjusted measure helps us to evaluate our performance excluding the effects of certain transactions and GAAP adjustments that we believe are not necessarily indicative of our current loan portfolio and operations. We believe Distributable Earnings is a useful financial metric for existing and potential future holders of our class A common stock as historically, over time, Distributable Earnings has been a strong indicator of our dividends per share. Distributable Earnings mirrors the terms of our management agreement between our Manager and us for purposes of calculating our incentive fee expense.

Distributable 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 our GAAP cash flows from operations, a measure of our liquidity, or an indication of funds available for our cash needs. In addition, our methodology for calculating Distributable Earnings may differ from the methodologies employed by other companies to calculate the same or similar supplemental performance measures, and accordingly, our reported Distributable Earnings may not be comparable to the Distributable 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.

**Non-Consolidated Securitized Debt Obligations:** Senior securitized debt held by third-parties in the 2018 Single Asset Securitization. These non-recourse securitized debt obligations, which are excluded from the GAAP balance sheet, constitute additional financing capacity and are included in discussions of the loan portfolio.