

Blackstone

Mortgage Trust

Blackstone Mortgage Trust, Inc.

2Q 2021 Earnings Release & Company Supplemental

AUGUST 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. 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 June 30, 2021, unless otherwise noted.

BXMT HIGHLIGHTS

- BXMT closed \$2.2 billion of new loans in the second quarter, driving over \$400 million of net portfolio growth to a record \$19.2 billion⁽¹⁾ portfolio at quarter-end
- GAAP EPS of \$0.89 and Distributable EPS⁽²⁾ of \$0.61; GAAP EPS includes a \$51 million CECL reserve reduction driven by improving credit environment

Strong Originations

\$2.2B

2Q
originations

Focus on low-leverage loans and well-capitalized sponsors

Growing Portfolio

\$19.2B

senior loan
portfolio

Net portfolio growth driving increased earnings power

Optimized Financing

\$3.7B

financing
activity

Pro-active capital markets execution enhancing structure and cost of capital

(1) Includes \$1.0 billion of Non-Consolidated Senior Interests and investment exposure to the \$623 million 2018 Single Asset Securitization through a \$79 million subordinate interest.

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

Earnings

- GAAP earnings per share of \$0.89 and Distributable Earnings⁽¹⁾ per share of \$0.61; paid \$0.62 per share dividend
- GAAP EPS includes a net \$0.34 release of prior CECL reserves, resulting in an increase in book value per share to \$26.68
- Sequential increase in Distributable Earnings driven by net portfolio growth, translating to 9.1% yield on book⁽²⁾ relative to USD LIBOR of 0.1%

Investments

- Originated 19 loans and 2 upsizes totaling \$2.2 billion, with 80% of new lending activity from repeat sponsor relationships
- Net portfolio growth of \$423 million as \$2.3 billion of fundings exceeded \$2.0 billion of repayments during the quarter
- Investment pace on par with pre-pandemic levels, with robust activity across geographies

Portfolio

- \$19.2 billion⁽³⁾ senior loan portfolio secured by institutional quality real estate in major markets
- Continued strong credit performance driving consistent interest collections and reduced CECL reserve levels
- 98% performing portfolio with a weighted average origination LTV⁽³⁾⁽⁴⁾ of 65%

Capitalization

- Upsized \$423 million Term Loan B-2 tranche and reduced interest rate by 250bps
- Closed \$2.5 billion of accretive credit facility financings on increasingly favorable terms across multiple counterparties and currencies
- Issued \$1.0 billion CLO, 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 second quarter Distributable Earnings to BXMT book value. GAAP Yield on Book was 13.3% for the second quarter 2021.

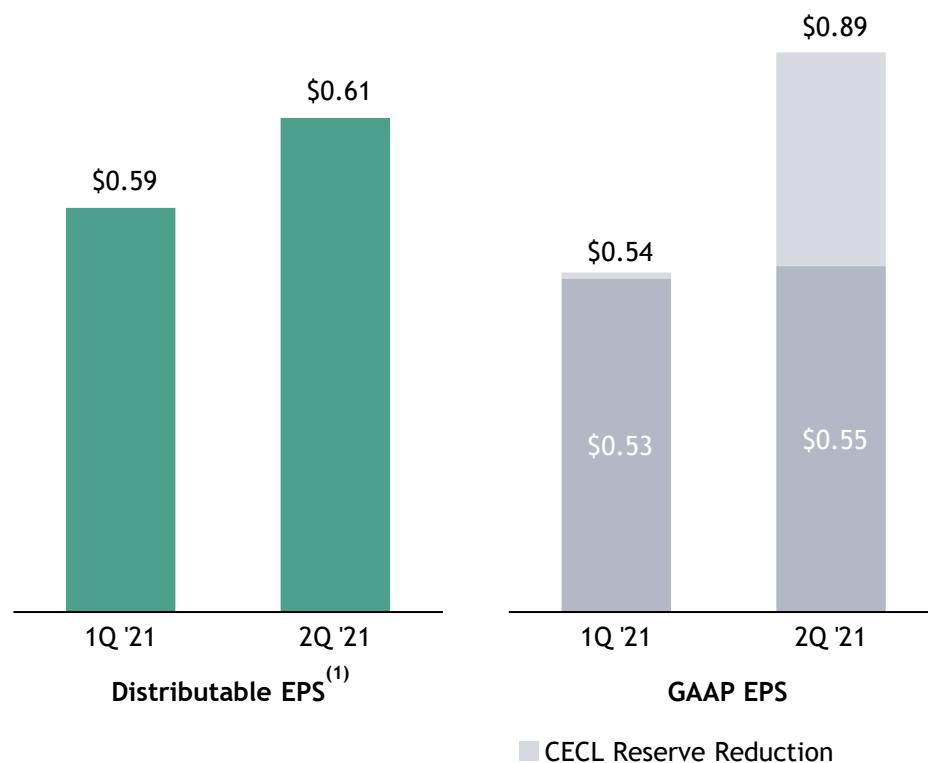
(3) Includes \$1.0 billion of Non-Consolidated Senior Interests and investment exposure to the \$623 million 2018 Single Asset Securitization through a \$79 million subordinate interest.

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

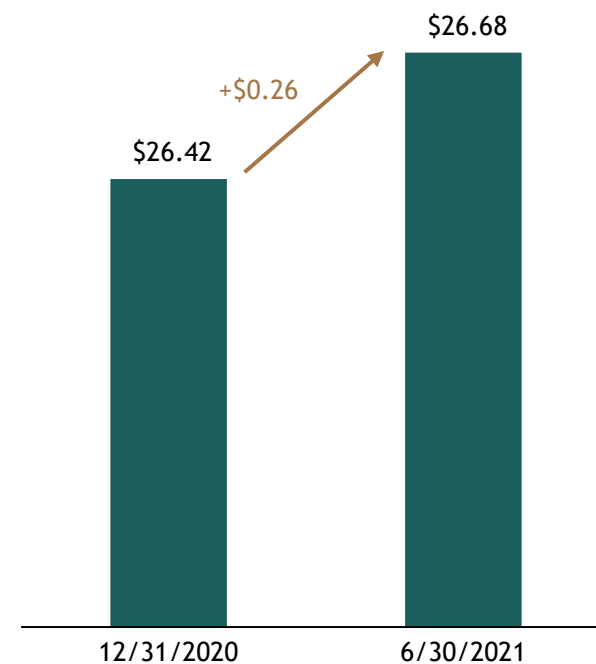
EARNINGS

- 2Q GAAP earnings per share of \$0.89 and Distributable Earnings⁽¹⁾ per share of \$0.61
- Increase in book value per share relative to prior year due to CECL reserve decrease, reflecting strong credit performance of the portfolio as the general economic recovery continues

Increasing EPS



Increasing Book Value



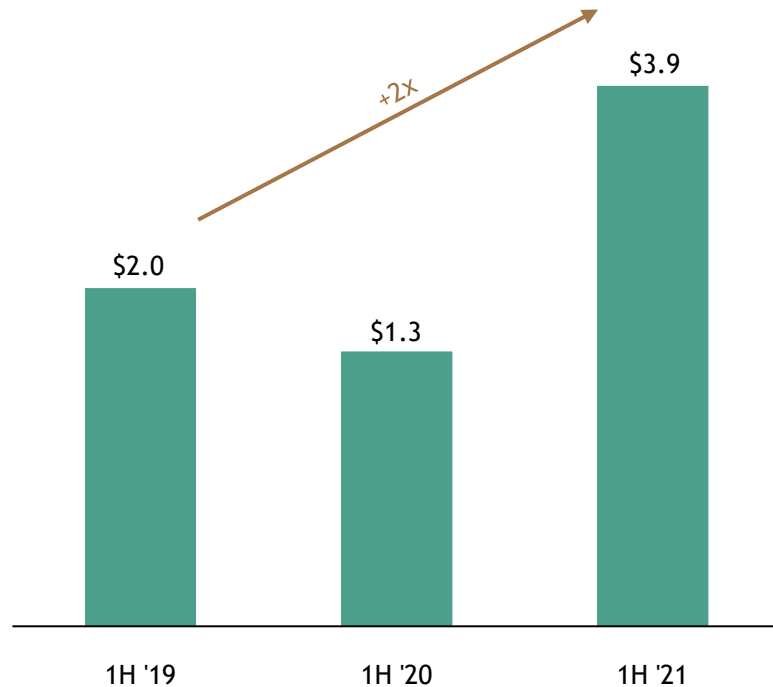
(1) See Appendix for a definition and reconciliation to GAAP net income.

INVESTMENTS

- 2Q originations of \$2.2 billion with strong activity across all primary sectors and markets
- \$1.4 billion of liquidity⁽¹⁾ supports continued growth of portfolio and earnings power within existing capital base

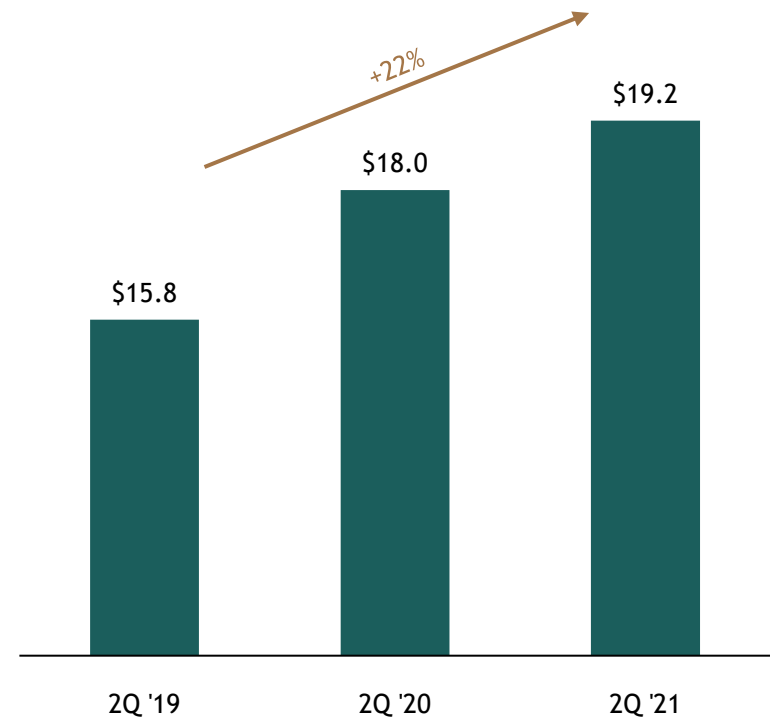
Origination Volume

(\$ in billions)



Track Record of Portfolio Growth

(\$ in billions)

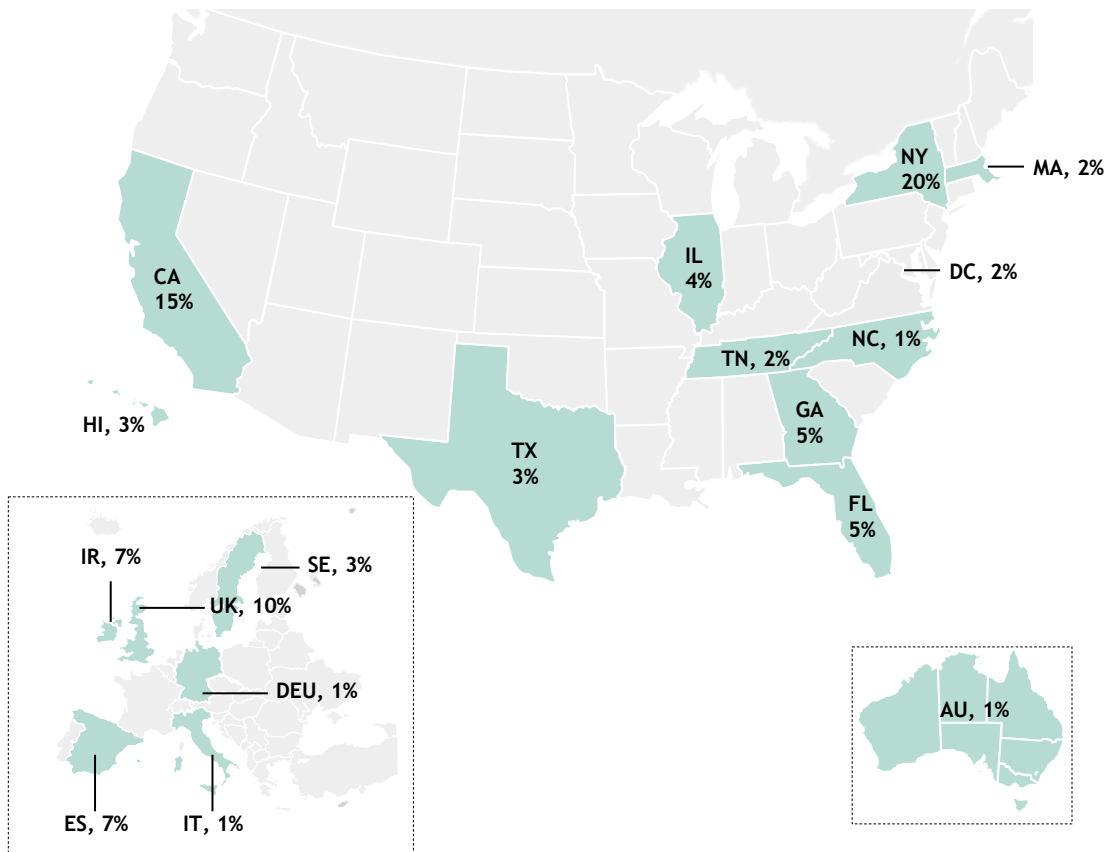


(1) Total liquidity of \$1.4 billion primarily includes \$290 million of cash and \$1.1 billion of immediately available borrowings under credit facilities.

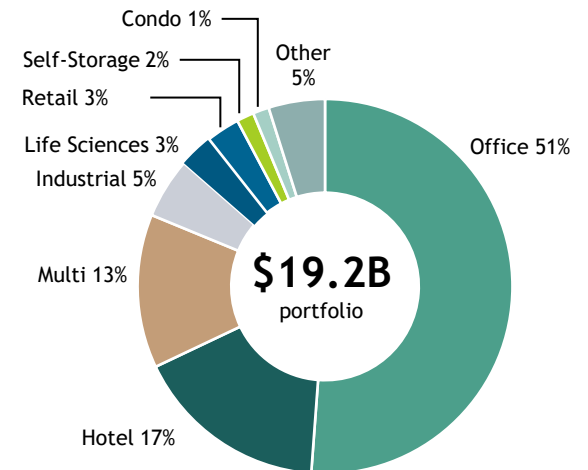
PORTFOLIO

- \$19.2 billion⁽¹⁾ senior loan portfolio comprised of 125 investments, with an average origination LTV of 65%
- Continued strong portfolio credit with 98% performing loans and 100% interest collected when due

Major Market Focus⁽¹⁾⁽²⁾



Collateral Diversification⁽¹⁾



(1) Includes \$1.0 billion of Non-Consolidated Senior Interests and investment exposure to the \$623 million 2018 Single Asset Securitization through a \$79 million subordinate interest.

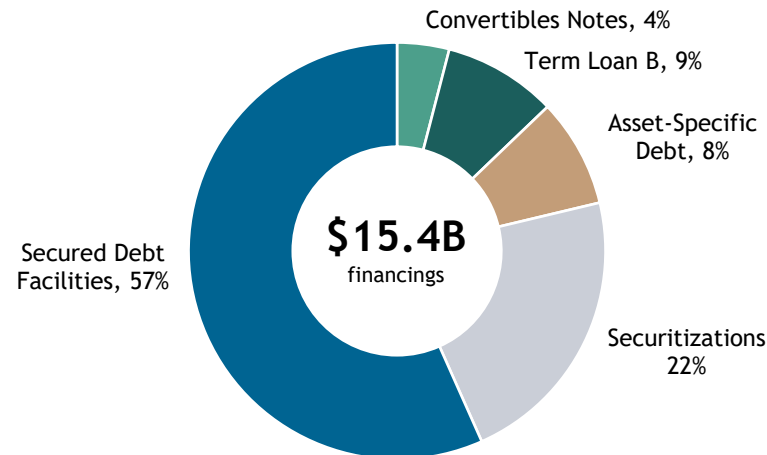
(2) States and countries comprising less than 1% of total loan portfolio are excluded.

CAPITALIZATION

- Executions across the capital structure continue to increase balance sheet efficiency and reduce cost of capital
- \$3.7 billion of financing activities resulted in increased liquidity of \$1.4 billion and a debt-to-equity ratio⁽¹⁾ of 2.7x

Diversified Financing Sources

(outstanding balance)



Capital Markets Activity



Term Loan B:

- Repriced \$423 million Term Loan B-2 tranche to L+2.75%, including \$100 million upside



Secured Debt:

- Closed \$2.5 billion of credit facility financings on favorable economic and structural terms



Securitizations:

- Closed \$1.0 billion BXMT 2021 FL-4 transaction with an 80% advance rate and a weighted average coupon of L+1.27%

(1) Represents (i) total outstanding secured debt, asset-specific debt, term loans, and convertible notes, less cash, to (ii) total equity.

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

\$684B
assets under
management

100%
alternatives
focused

Real Estate \$208B

- Opportunistic
- Core+
- Debt

Hedge Fund Solutions \$79B

- Portfolio Solutions
- Direct Investing
- GP Participation



Private Equity \$224B

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

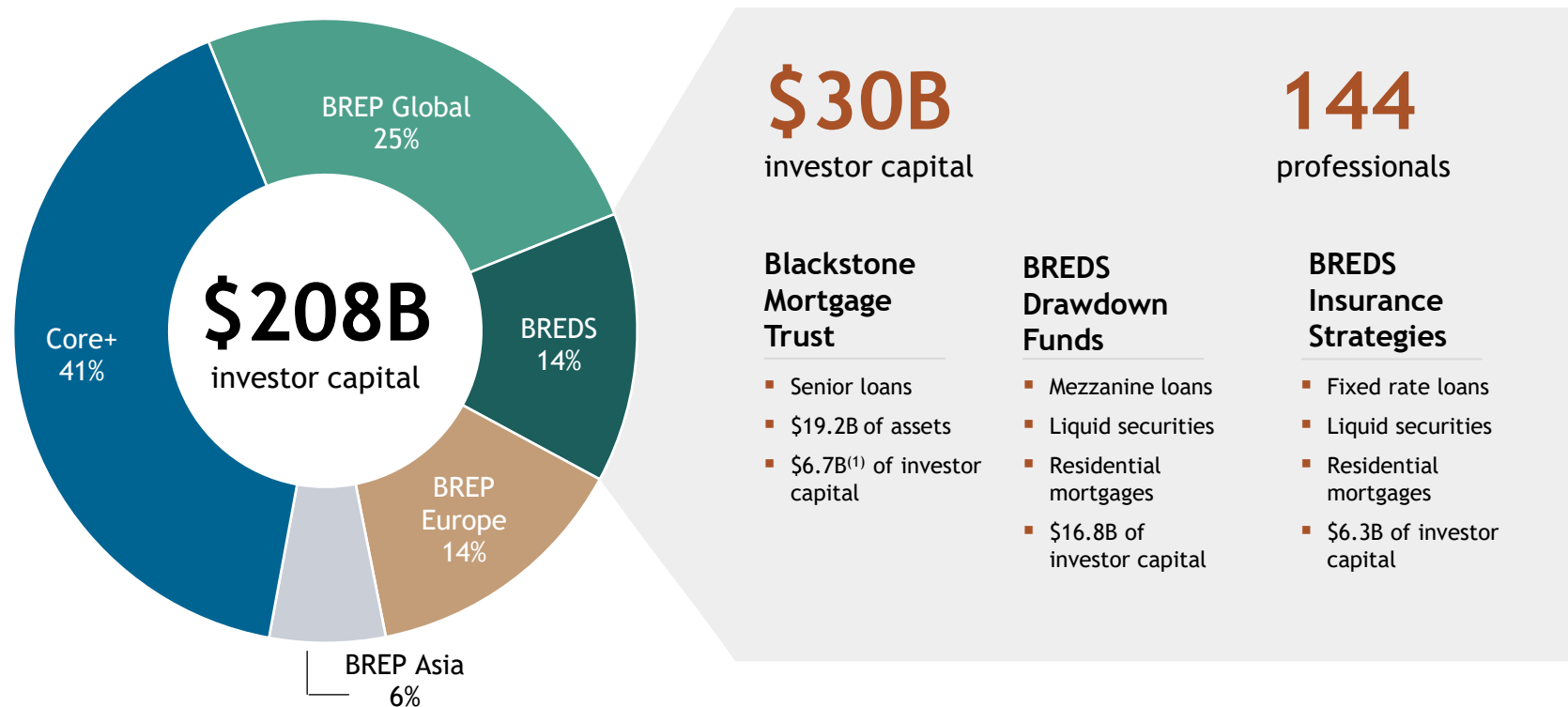
Credit & Insurance \$174B

- Private Debt
- Liquid Credit
- Insurance Solutions

Note: Totals may not sum due to rounding. AUM is estimated and unaudited. Real Estate AUM reflects "investor capital" which, as used herein, includes co-investments and Blackstone's 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 June 30, 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⁽¹⁾

Office	228M square feet		
Logistics	931M square feet		
Hotel	165k owned keys		
Residential	275k 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).

- Over 650 people in 9 offices, across one fully integrated real estate platform

Blackstone Advantage

Global Business

- 658 professionals
- 9 global offices

Scale Capital

- \$208 billion RE AUM
- \$33 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
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*
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

46 professionals

Originations (Europe)

Michael Nagelberg
Managing Director

13 professionals

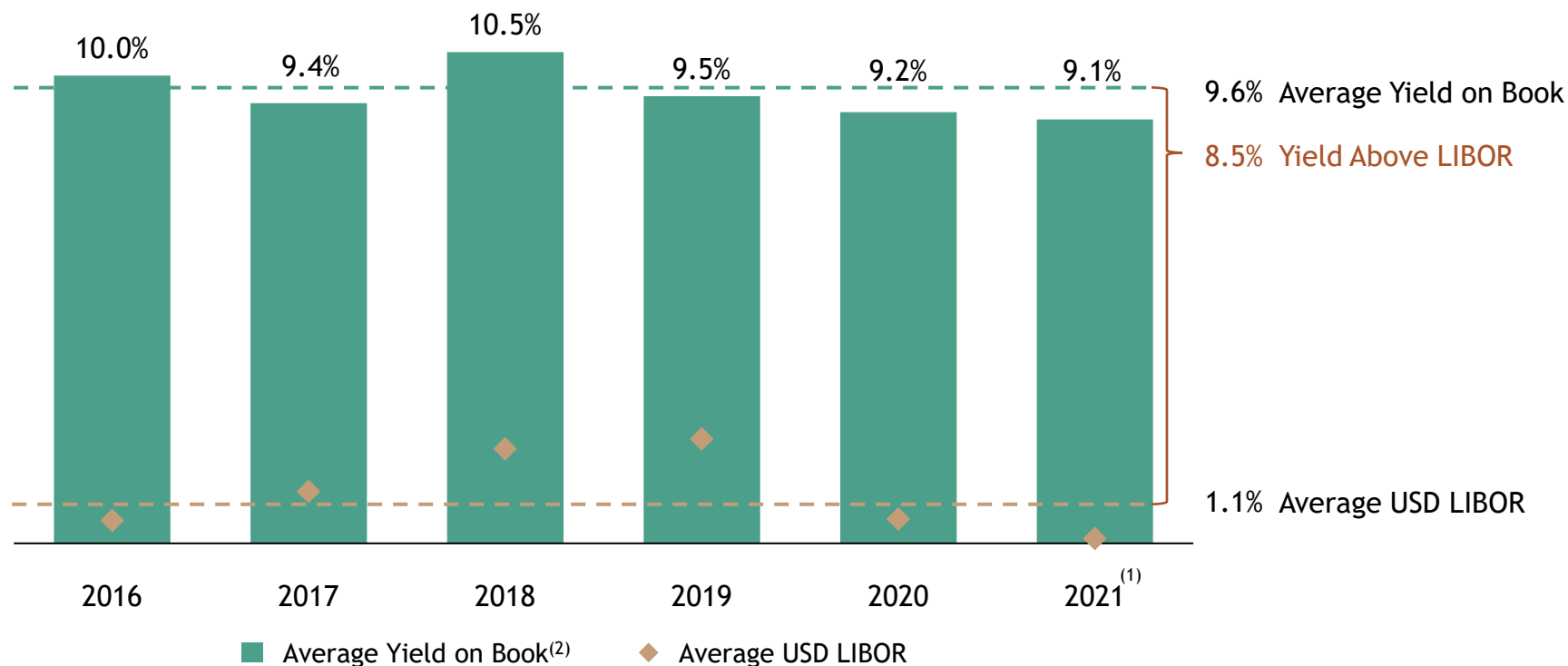
Capital Markets / Asset Management / Finance

63 professionals

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⁽¹⁾

Attractive Relative Value

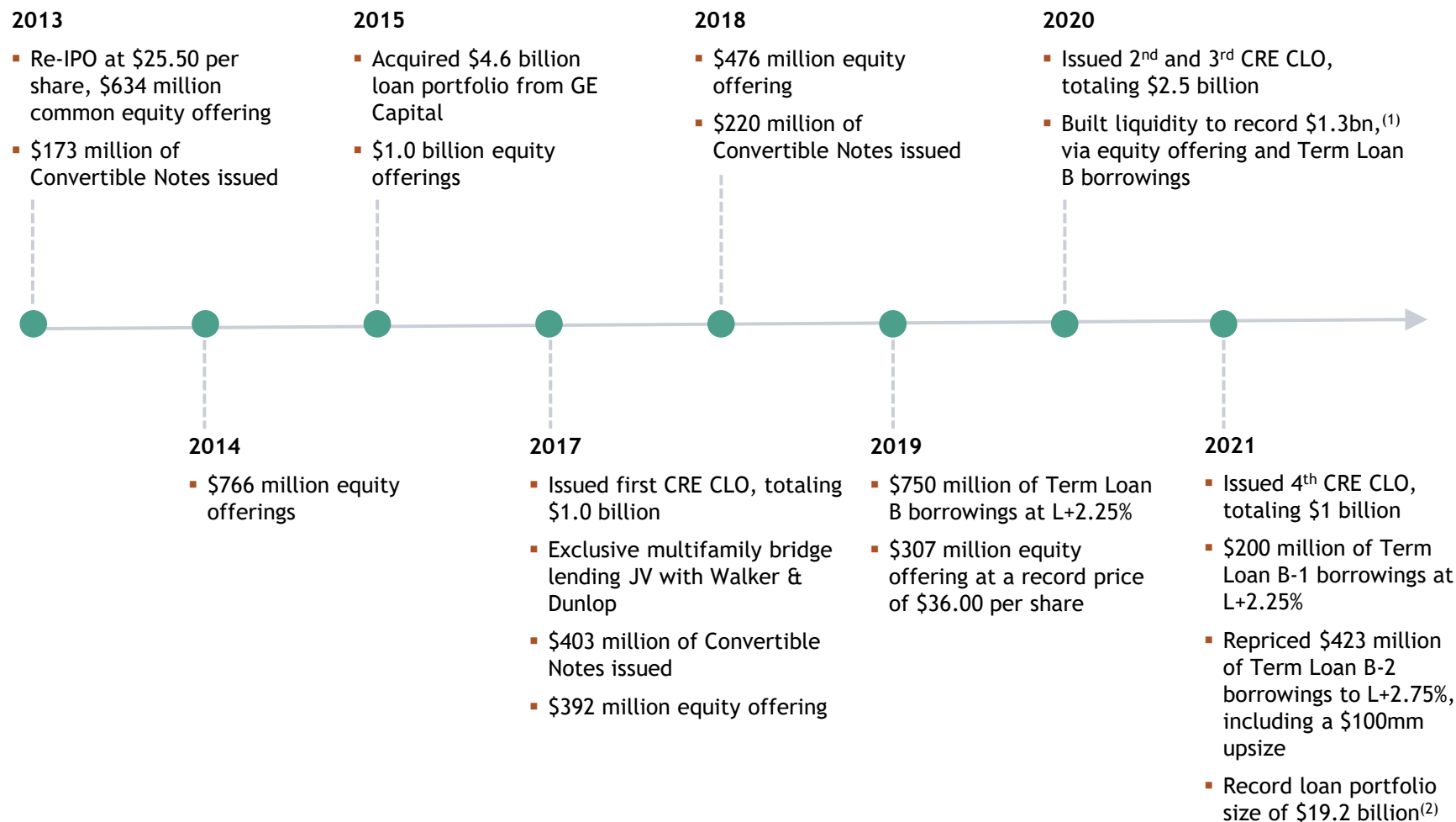


(1) For comparability, 2021 represents the six months ended June 30, 2021 annualized.

(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 10.8% for the periods ended December 31, 2016, 2017, 2018, 2019, 2020, and June 30, 2021, respectively. GAAP Average Yield on Book was 8.3% over the six periods. GAAP Average Yield on Book above LIBOR was 7.2% 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 6/30/21. Includes \$1.0 billion of Non-Consolidated Senior Interests and investment exposure to the \$623 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

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

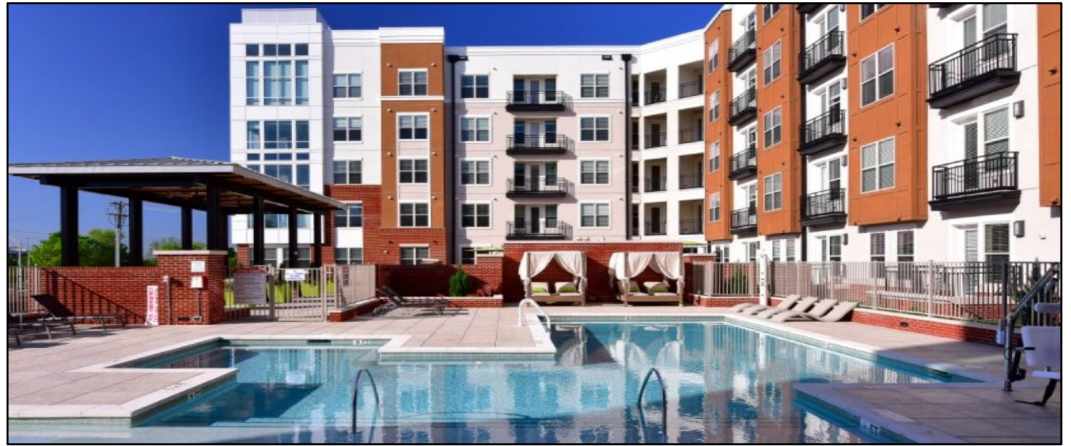
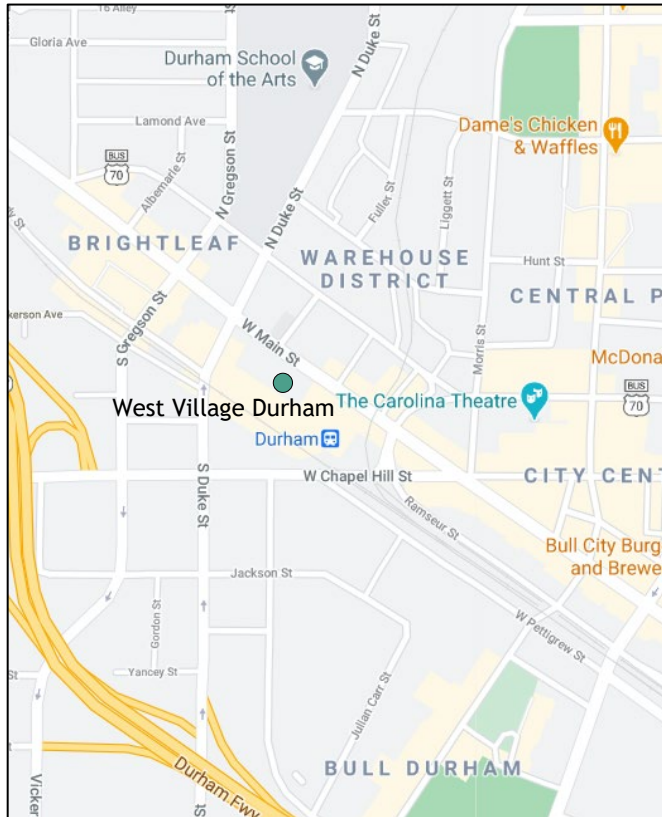
Note: The composition of the various categories of REITs being compared with BXMT, as well as the characteristics compared, reflect our current views as of the date appearing in this material only and are not based on any index or other established categorization.

TARGET INVESTMENTS

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

SAMPLE TRANSACTION: WEST VILLAGE DURHAM

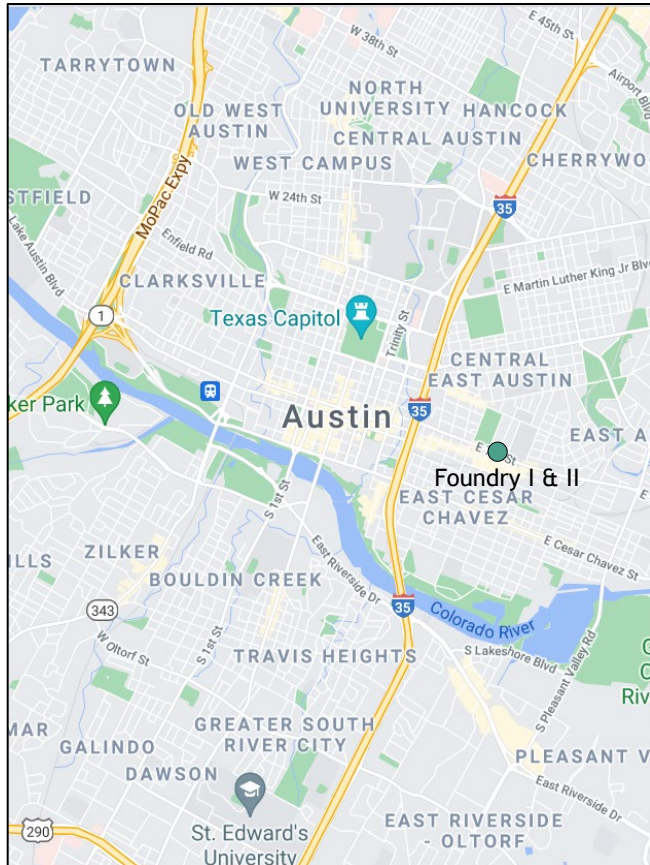
- \$184 million floating rate, first mortgage loan secured by West Village Durham
 - Cash-flowing, high-quality 608-unit multifamily asset located in Durham, NC; 72% LTV⁽¹⁾
- The property is well-located in a highly amenitized location in downtown Durham, an attractive growth market with strong demand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



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

SAMPLE TRANSACTION: FOUNDRY I & II

- \$111 million floating rate, first mortgage loan secured by Foundry I & II
 - Newly-built two-building crossed office portfolio in Austin, TX; 58% LTV⁽¹⁾
 - Located in East Austin, a growing office submarket adjacent to downtown that has seen significant development
- Premier asset in a rapidly growing submarket with a strong tech employer base



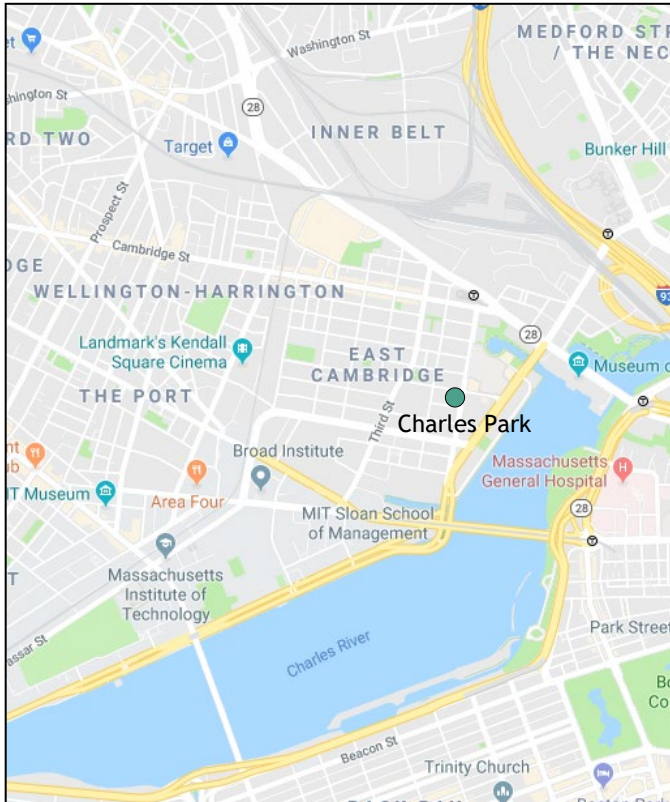
(1) Reflects the LTV as of the date the loan was originated on Foundry I.



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

SAMPLE TRANSACTION: CHARLES PARK

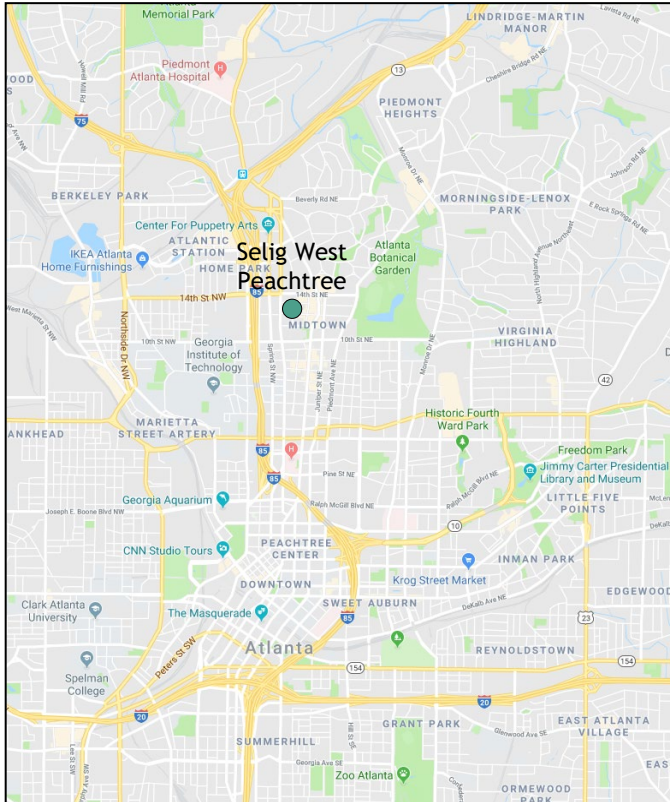
- \$491 million floating rate, first mortgage loan secured by Charles Park
 - Lab conversion of a 405k SF, two-building office complex; 66% LTV⁽¹⁾
 - Well-located in the top biotechnology cluster in the world
- Property is located in East Cambridge, MA, with close proximity to multiple public transit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

2Q 2021 Operating Results

(\$ in millions)

	GAAP Net Income	Adjustments	Distributable Earnings
Interest income	\$196.3	\$ -	\$196.3
Interest expense	(82.4)	0.2	(82.2)
Management and incentive fees	(21.5)	-	(21.5)
General and administrative expenses and taxes	(2.8)	-	(2.8)
Decrease in current expected credit loss reserve	50.9	(50.9)	-
Non-cash compensation	(8.0)	8.0	-
Realized hedging and foreign currency income, net ⁽¹⁾	-	0.7	0.7
Net income attributable to non-controlling interests	(0.9)	0.3	(0.6)
Total	\$131.6	(\$41.7)	\$89.9

\$0.89

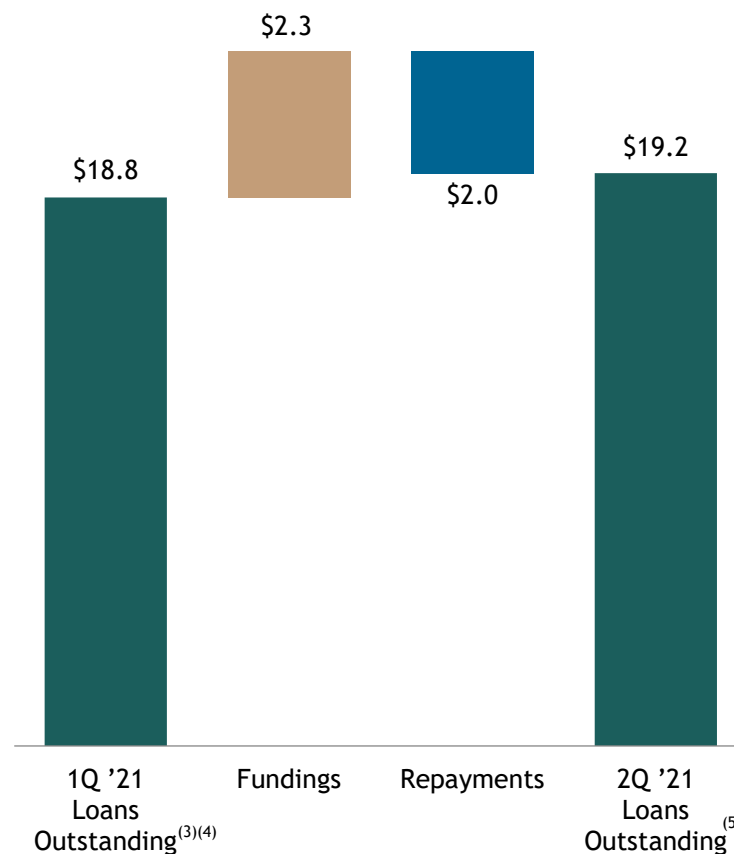
net income per share

\$0.61

distributable earnings per share

Net Fundings⁽²⁾

(\$ 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) Amounts may not add due to rounding.

(3) Adjusted to reflect \$37 million of non-cash fluctuations in foreign currency rates during the period for comparability to our total loan portfolio as of March 31, 2021.

(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.

(5) Includes \$1.0 billion of Non-Consolidated Senior Interests and investment exposure to the \$623 million 2018 Single Asset Securitization through a \$79 million subordinate interest.

Portfolio Details⁽¹⁾

(\$ in millions)

	Loan Type	Origination Date ⁽²⁾	Total Loan ⁽³⁾	Principal Balance ⁽³⁾	Net Book Value	Spread	All-in Yield	Maximum Maturity ⁽⁴⁾	Location	Property Type	Loan Per SQFT / Unit / Key	Origination LTV ⁽²⁾
Loan 1	Senior loan	8/14/2019	\$ 1,334	\$ 1,295	\$ 1,290	+ 2.53 %	+ 2.99 %	12/23/2024	Dublin - IE	Office	\$471 / sqft	74 %
Loan 2	Senior loan	3/22/2018	905	905	904	+ 3.25 %	+ 3.42 %	3/15/2023	Diversified - Spain	Mixed-Use	n/a	71 %
Loan 3	Senior loan	11/25/2019	724	669	670	+ 2.30 %	+ 2.59 %	12/9/2024	New York	Office	\$958 / sqft	65 %
Loan 4	Senior loan	3/30/2021	584	584	578	+ 3.20 %	+ 3.41 %	5/15/2026	Diversified - SE	Industrial	\$107 / sqft	76 %
Loan 5	Senior loan ⁽³⁾	8/7/2019	746	390	77	+ 3.12 %	+ 3.60 %	9/9/2025	Los Angeles	Office	\$263 / sqft	59 %
Loan 6	Senior loan	8/22/2018	363	363	362	+ 3.15 %	+ 3.49 %	8/9/2023	Maui	Hospitality	\$471,391 / key	61 %
Loan 7	Senior loan	9/23/2019	415	356	353	+ 3.00 %	+ 3.22 %	11/15/2024	Diversified - Spain	Hospitality	\$194,433 / key	62 %
Loan 8	Senior loan	10/23/2018	352	349	349	+ 3.40 %	+ 3.53 %	1/24/2022	New York	Mixed-Use	\$591 / sqft	65 %
Loan 9	Senior loan	4/11/2018	355	345	344	+ 2.85 %	+ 3.10 %	5/1/2023	New York	Office	\$437 / sqft	71 %
Loan 10	Senior loan ⁽³⁾	8/6/2015	334	334	61	5.75 %	5.85 %	10/29/2022	Diversified - EUR	Other	n/a	71 %
Loan 11	Senior loan	1/11/2019	332	332	329	+ 4.35 %	+ 4.70 %	1/11/2026	Diversified - UK	Other	\$328 / sqft	74 %
Loan 12	Senior loan	3/16/2021	491	307	303	+ 3.85 %	+ 4.15 %	4/9/2026	Boston	Life Sciences	\$759 / sqft	66 %
Loan 13	Senior loan	2/27/2020	300	294	292	+ 2.70 %	+ 3.04 %	3/9/2025	New York	Mixed-Use	\$921 / sqft	59 %
Loan 14	Senior loan	11/30/2018	286	286	285	n/m % ⁽⁵⁾	n/m % ⁽⁵⁾	8/9/2025	New York	Hospitality	\$306,870 / key	73 %
Loan 15	Senior loan	9/30/2019	306	286	286	+ 3.66 %	+ 3.75 %	9/9/2024	Chicago	Office	\$248 / sqft	58 %
Loans 16 - 124	Senior loans ⁽³⁾	Various	14,663	11,435	10,956	+ 3.29 % ⁽⁶⁾	+ 3.62 % ⁽⁶⁾	Various	Various	Various	Various	64 %
CECL reserve					(129)							
Total/Wtd. avg.			\$ 22,489	\$ 18,529	\$ 17,308	+ 3.25 % ⁽⁶⁾	+ 3.58 % ⁽⁶⁾	3.1 yrs				66 %

(1) Portfolio excludes our \$79 million subordinate interest in the \$623 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 June 30, 2021, five loans in the portfolio have been financed with an aggregate \$1.0 billion 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. Spread 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)

	June 30, 2021	December 31, 2020
Assets		
Cash and cash equivalents	\$289,552	\$289,970
Loans receivable	17,436,843	16,572,715
Current expected credit loss reserve	(128,945)	(173,549)
Loans receivable, net	\$17,307,898	\$16,399,166
Other assets	304,297	269,819
Total assets	\$17,901,747	\$16,958,955
Liabilities and equity		
Secured debt, net	\$8,709,818	\$7,880,536
Securitized debt obligations, net	2,833,778	2,922,499
Asset-specific debt, net	292,122	391,269
Term loans, net	1,332,130	1,041,704
Convertible notes, net	618,111	616,389
Other liabilities	158,833	202,327
Total liabilities	\$13,944,792	\$13,054,724
Commitments and contingencies	—	—
Equity		
Class A common stock, \$0.01 par value	1,470	1,468
Additional paid-in capital	4,719,203	4,702,713
Accumulated other comprehensive income	10,743	11,170
Accumulated deficit	(800,455)	(829,284)
Total Blackstone Mortgage Trust, Inc. stockholders' equity	\$3,930,961	\$3,886,067
Non-controlling interests	25,994	18,164
Total equity	\$3,956,955	\$3,904,231
Total liabilities and equity	\$17,901,747	\$16,958,955

Consolidated Statements of Operations

(\$ in thousands, except per share data)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2021	2020	2021	2020
Income from loans and other investments				
Interest and related income	\$196,303	\$191,982	\$383,827	\$396,857
Less: Interest and related expenses	82,352	\$84,853	160,723	189,092
Income from loans and other investments, net	\$113,951	\$107,129	\$223,104	\$207,765
Other expenses				
Management and incentive fees	21,545	20,496	40,752	39,773
General and administrative expenses	10,669	11,286	21,267	23,078
Total other expenses	\$32,214	\$31,782	\$62,019	\$62,851
Decrease (increase) in current expected credit loss reserve	50,906	(56,819)	52,199	(179,521)
Income (loss) before income taxes	\$132,643	\$18,528	\$213,284	\$(34,607)
Income tax provision	175	23	276	173
Net income (loss)	\$132,468	\$18,505	\$213,008	\$(34,780)
Net income attributable to non-controlling interests	(873)	(961)	(1,511)	(1,028)
Net income (loss) attributable to Blackstone Mortgage Trust, Inc.	\$131,595	\$17,544	\$211,497	\$(35,808)
Per share information (basic and diluted)				
Net income (loss) per share of common stock	\$0.89	\$0.13	\$1.44	\$(0.26)
Weighted-average shares of common stock outstanding	147,342,822	138,299,418	147,339,895	136,959,341

Per Share Calculations

(in thousands, except per share data)

Distributable Earnings Reconciliation

	Three Months Ended	
	June 30, 2021	March 31, 2021
Net income ⁽¹⁾	\$131,595	\$79,902
Decrease in current expected credit loss reserve	(50,906)	(1,293)
Non-cash compensation expense	8,020	8,085
Realized hedging and foreign currency income, net ⁽²⁾	744	172
Other items	194	130
Adjustments attributable to non-controlling interests, net	248	(47)
Distributable Earnings	\$89,895	\$86,949
Weighted-average shares outstanding, basic and diluted	147,343	147,337
Distributable Earnings per share, basic and diluted	\$0.61	\$0.59

Book Value per Share

	Three Months Ended	
	June 30, 2021	March 31, 2021
Stockholders' equity	\$3,930,961	\$3,883,023
Shares		
Class A common stock	147,016	147,031
Deferred stock units	328	318
Total outstanding	147,344	147,349
Book value per share	\$26.68	\$26.35

Earnings per Share

	Three Months Ended	
	June 30, 2021	March 31, 2021
Net income ⁽¹⁾	\$131,595	\$79,902
Weighted-average shares outstanding, basic and diluted	147,343	147,337
Per share amount, basic and diluted	\$0.89	\$0.54

(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)

	6 Months Ended	Years Ended December 31,				
	June 30, 2021	2020	2019	2018	2017	2016
Net income ⁽¹⁾	\$211,497	\$137,670	\$305,567	\$285,078	\$217,631	\$238,297
Increase in current expected credit loss reserve	(\$52,199)	167,653	-	-	-	-
Non-cash compensation expense	\$16,105	34,532	30,656	28,154	24,031	19,427
Realized hedging and foreign currency income, net ⁽²⁾	\$916	10,852	14,172	6,723	2,450	-
GE purchase discount accretion adjustment ⁽³⁾	-	-	-	8,706	(1,035)	(3,662)
CT Legacy Portfolio net income	-	-	-	-	-	(5,949)
Other items	324	1,487	300	2,084	2,059	1,373
Adjustments attributable to non-controlling interests, net	201	(204)	-	-	-	-
Distributable Earnings	\$176,844	\$351,990	\$350,695	\$330,745	\$245,136	\$249,486
Weighted-average shares outstanding, basic and diluted	147,340	141,796	130,085	113,857	95,964	94,165
Net income per share, basic and diluted	\$1.44	\$0.97	\$2.35	\$2.50	\$2.27	\$2.53
Distributable Earnings per share, basic and diluted	\$1.20	\$2.48	\$2.70	\$2.90	\$2.55	\$2.65

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

(2) The six months ended June 30, 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 June 30, 2021, we recorded a \$51 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.