

Blackstone

Mortgage Trust

Blackstone Mortgage Trust, Inc.

3Q 2021 Earnings Release & Company Supplemental

NOVEMBER 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 September 30, 2021, unless otherwise noted.

- \$4.7 billion of originations led to \$2.9 billion of portfolio growth and a record \$22.0 billion⁽¹⁾ portfolio of high-quality senior loans at quarter-end
- Increased scale drove incremental earnings power, yielding GAAP EPS of \$0.56 and Distributable EPS⁽²⁾ of \$0.63 in the third quarter

Growing Portfolio

\$4.7B

originations

Consistent, disciplined focus on low-leverage loans to strong sponsors

Optimized Capitalization

\$3.5B

financing activity

Attractive capital markets executions enhance structure and cost of capital

Strong Earnings

102%

dividend coverage⁽³⁾

Robust portfolio growth generates increased earnings momentum

(1) Includes \$998 million of Non-Consolidated Senior Interests and investment exposure to the \$493 million 2018 Single Asset Securitization through a \$79 million subordinate interest.

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

(3) Reflects ratio of Distributable Earnings per share to dividends declared per share for three months ended September 30, 2021.

Earnings

- GAAP earnings per share of \$0.56 and Distributable Earnings⁽¹⁾ per share of \$0.63; declared \$0.62 per share dividend
- Portfolio growth drove a sequential increase in Distributable Earnings and 102% dividend coverage⁽²⁾ in the quarter
- CECL reserve decreased \$0.04 per share to \$0.86 per share due to continued positive credit migration and impact of recent originations

Investments

- Originated 38 loans totaling \$4.7 billion to well-capitalized borrowers with multifamily loans representing over 50% of the total
- \$3.9 billion of fundings exceeding \$886 million of repayments during the quarter and resulted in portfolio growth of \$2.9 billion
- Last twelve months originations of \$8.8 billion reflect credit quality and pace consistent with pre-pandemic levels, with a weighted average LTV⁽³⁾ of 66%

Portfolio

- \$22.0 billion⁽⁴⁾ senior loan portfolio secured by institutional quality real estate in major markets with a weighted average origination LTV⁽³⁾⁽⁴⁾ of 65%
- Accelerating investment pace and continued turnover produced a newer vintage portfolio, 31% of which was originated in the last year
- 98% performing portfolio with continued strong credit performance, 100% interest collections and reduced CECL reserve

Capitalization

- Closed \$2.8 billion of asset-level financings across 35 assets and nine counterparties on increasingly favorable economic and structural terms
- Priced \$400 million of five-year secured notes at 3.75% inaugurating BXMT as a bond issuer and further diversifying financing sources
- Issued 10 million shares of common stock at a premium to book value resulting in \$0.25 of accretion to book value per share and generating net proceeds of \$312 million

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

(2) Reflects ratio of Distributable Earnings per share to dividends declared per share for three months ended September 30, 2021.

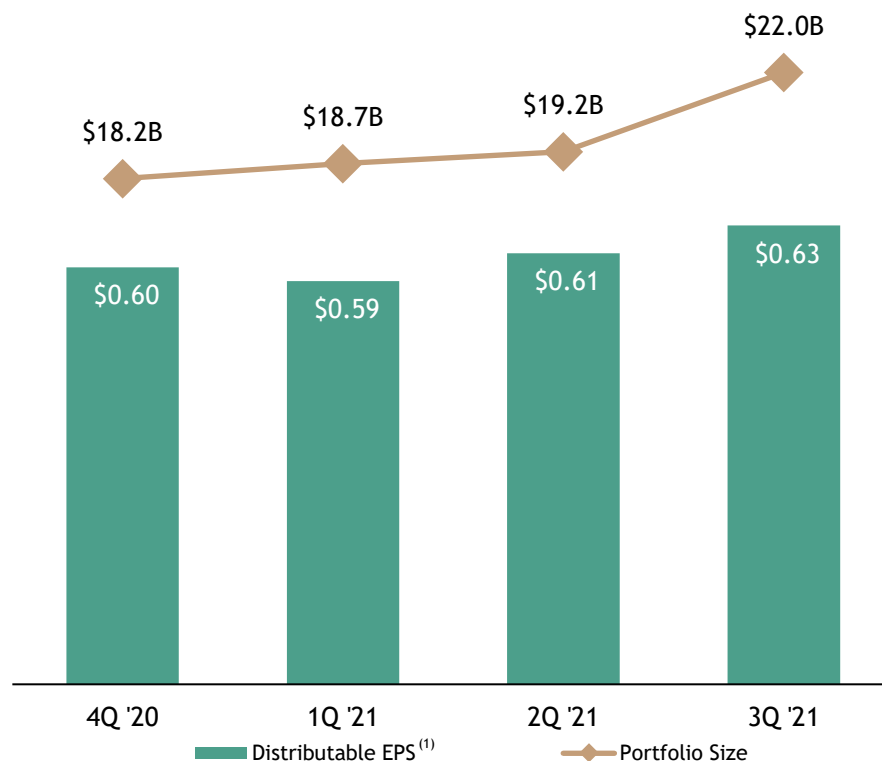
(3) Reflects weighted average LTV as of the date investments were originated or acquired by BXMT.

(4) Includes \$998 million of Non-Consolidated Senior Interests and investment exposure to the \$493 million 2018 Single Asset Securitization through a \$79 million subordinate interest.

EARNINGS

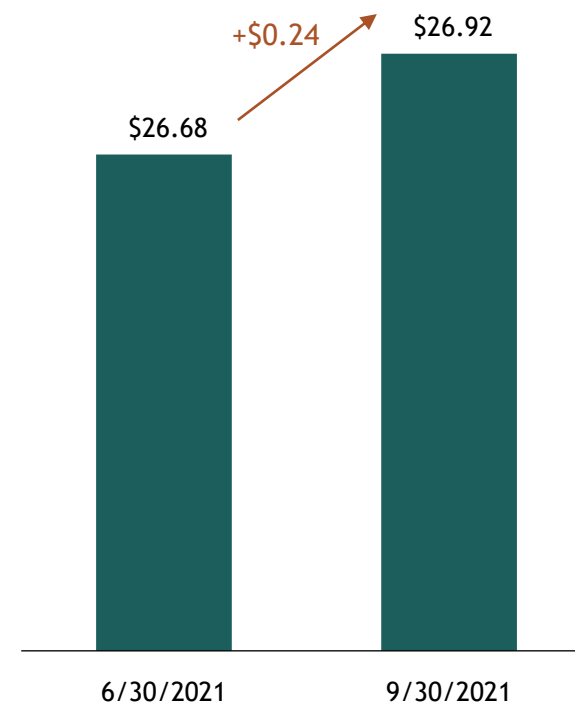
- 3Q GAAP earnings per share of \$0.56 and Distributable Earnings⁽¹⁾ per share of \$0.63
- Portfolio growth supported issuance of premium equity in 3Q, driving book value increase of \$0.24 per share

Increasing EPS



GAAP EPS	\$0.57	\$0.54	\$0.89	\$0.56
----------	--------	--------	--------	--------

Increasing Book Value



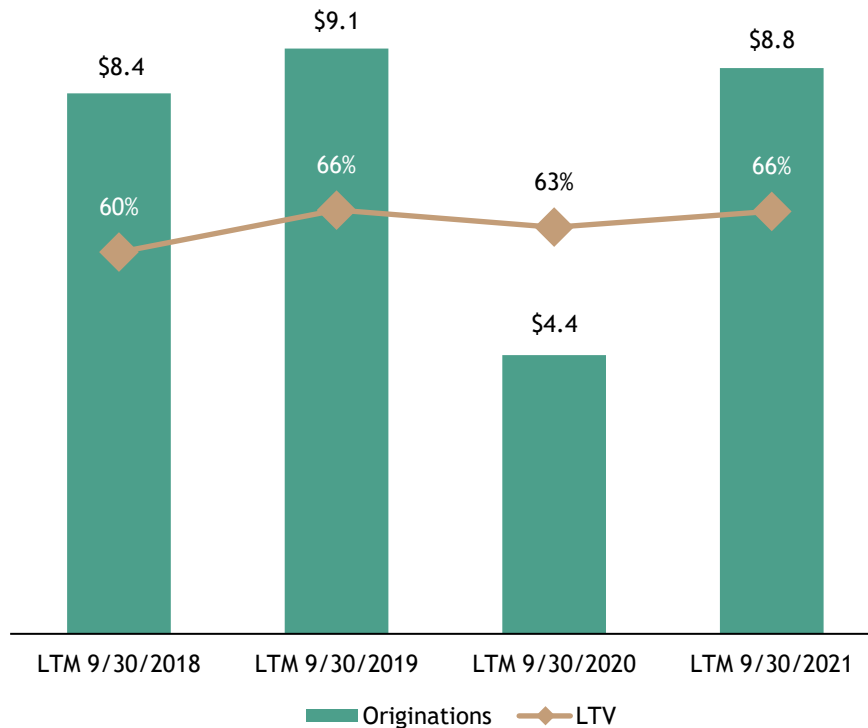
(1) See Appendix for a definition and reconciliation to GAAP net income.

INVESTMENTS

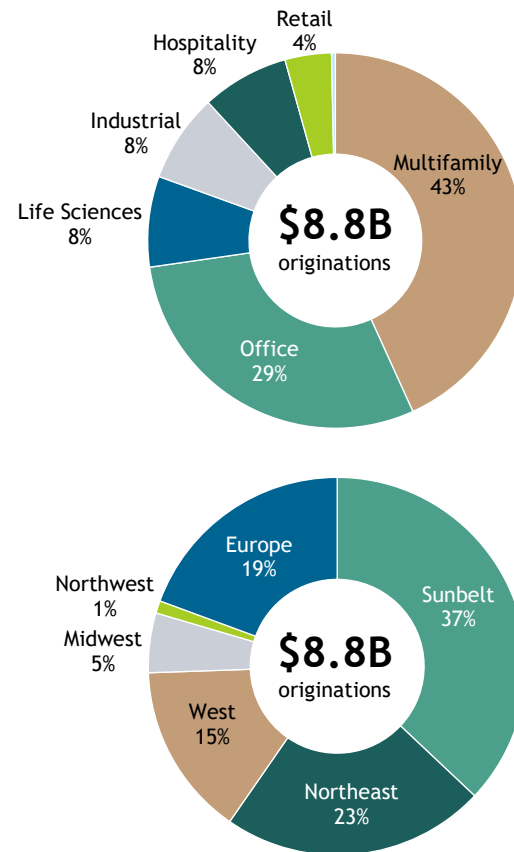
- LTM originations of \$8.8 billion with a weighted average 66% LTV represent a continuation of pre-pandemic pace and leverage profile
- Investment mix reflects expanding activity in multifamily (43%) and Sunbelt (37%) markets

Origination Volume and LTV

(\$ in billions)



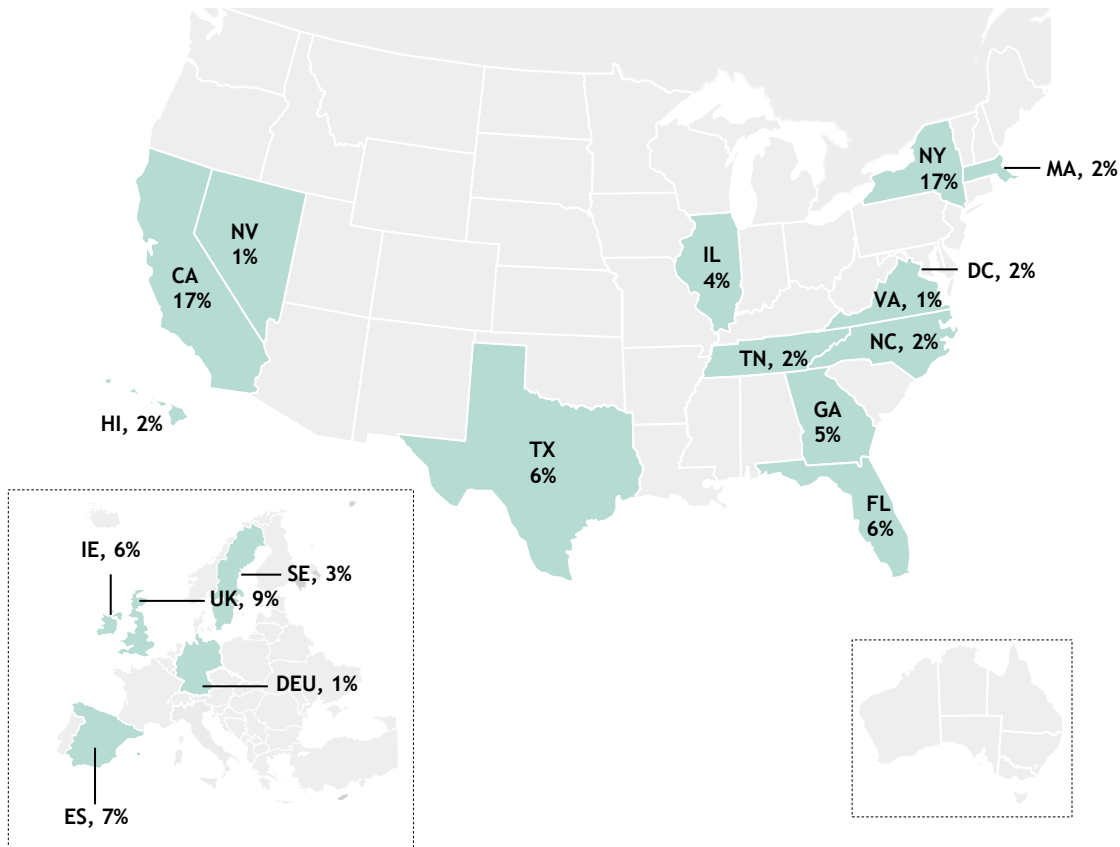
LTM Origination Mix



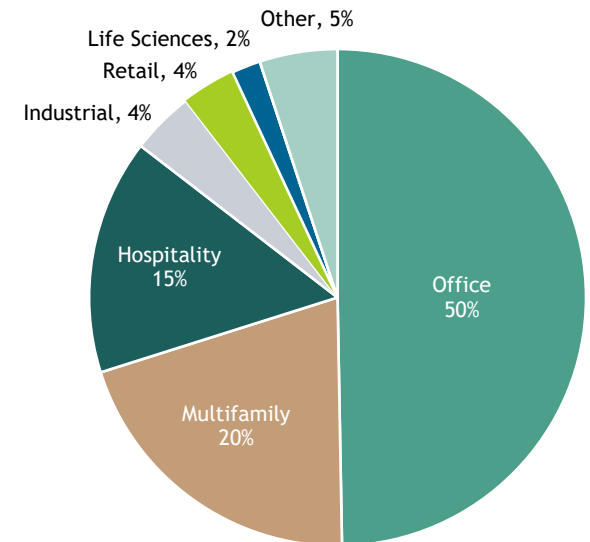
PORTFOLIO

- \$22.0 billion⁽¹⁾ senior loan portfolio comprising 157 investments with a weighted average origination LTV of 65%
- 31% of BXMT's portfolio originated in the last twelve months reflecting more recent market conditions

Major Market Focus⁽¹⁾⁽²⁾



Collateral Diversification⁽¹⁾



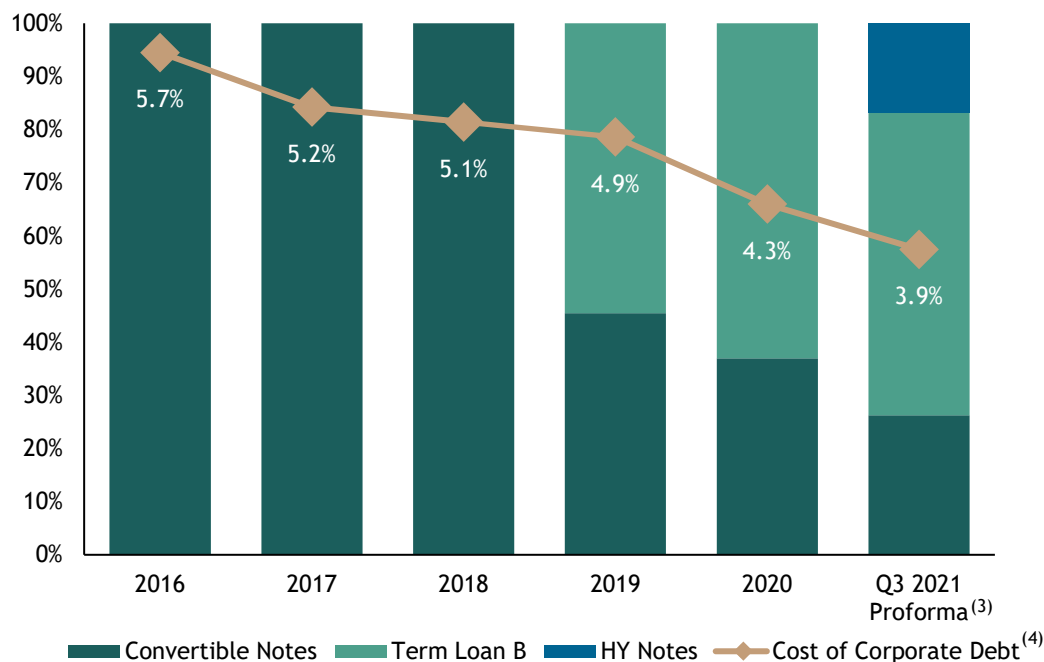
(1) Includes \$998 million of Non-Consolidated Senior Interests and investment exposure to the \$493 million 2018 Single Asset Securitization through a \$79 million subordinate interest.

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

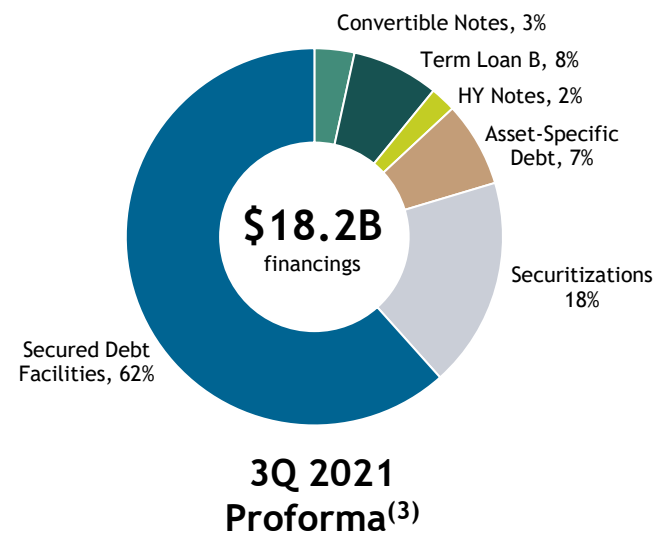
CAPITALIZATION

- \$2.8 billion of asset-level financings, \$400 million of secured notes and \$312 million of follow-on common equity represent a continued increase in balance sheet scale, diversification and efficiency
- Quarter-end liquidity⁽¹⁾ of \$1.1 billion and debt-to-equity ratio⁽²⁾ of 3.1x support ongoing growth within current capitalization

Corporate Debt Progression



Diversified Financing Sources (outstanding balance)



(1) Quarter-end liquidity of \$1.1 billion includes \$211 million of cash, \$452 million of immediately available borrowings and \$395 million of net proceeds due on settlement of the secured notes priced on September 24, 2021 and settled on October 5, 2021.

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

(3) Reflects the \$400 million secured notes, which priced on September 24, 2021 at 3.75% and settled on October 5, 2021.

(4) Represents annual interest expense on corporate debt over the weighted average balance of debt outstanding.

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

36 yr
investment
record

\$731B
assets under
management

100%
alternatives
focused

Real Estate \$230B

- Opportunistic
- Core+
- Debt

Hedge Fund Solutions \$81B

- Portfolio Solutions
- Direct Investing
- GP Participation



Private Equity \$232B

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

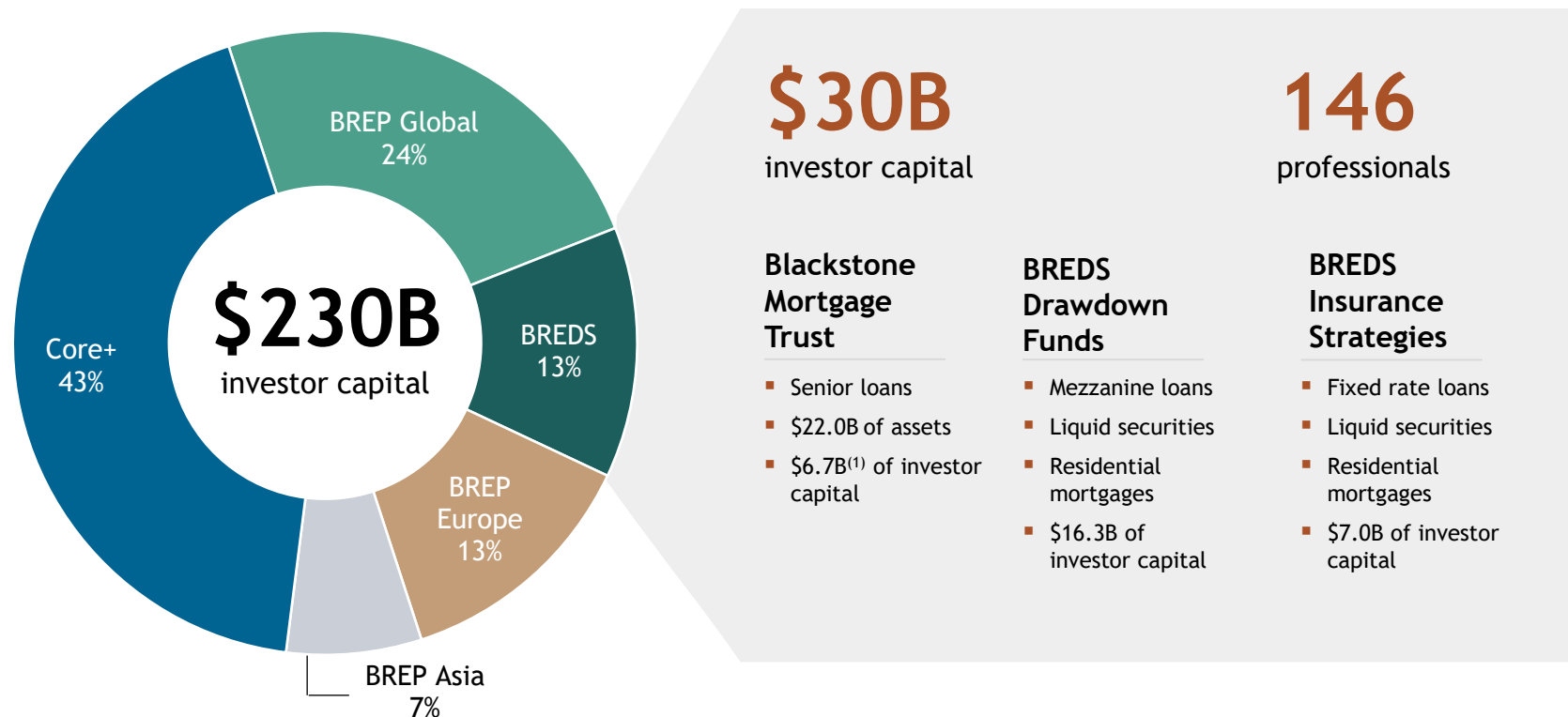
Credit & Insurance \$188B

- 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 is the largest owner of commercial real estate globally

Investor Capital Under Management



Note: Largest owner based on estimated market value per Real Capital Analytics, as of September 30, 2021. Excludes governmental entities and religious organizations. "Investor capital" includes co-investments and Blackstone's 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 common stock, public convertible notes and term loans.

- 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

\$448B

gross asset value⁽¹⁾

10k+

assets in 39 countries⁽²⁾

48k+

portfolio company professionals⁽³⁾

Real Estate Global Portfolio Companies

Logistics



Residential



Office



Hospitality



Retail



Other



Note: There can be no assurance that any Blackstone fund or investment will achieve its objectives or avoid substantial losses. See "Important Disclosure Information", including "Blackstone Proprietary Data" and "Service Providers".

(1) Represents the total real estate value of all drawn, closed and committed investments in our BREP, Core+ and BREDS strategies plus dry powder. There can be no assurance that committed but not yet closed transactions will close as expected or at all.

(2) Asset count excludes U.S. single family rental homes.

(3) As of June 30, 2021.

- Over 700 people in 10 offices,⁽¹⁾ across one fully integrated real estate platform

Blackstone Advantage

Global Business

- 702 professionals
- 10 global offices⁽¹⁾

Scale Capital

- \$230 billion RE AUM
- \$46 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

(1) Seoul office is scheduled to open in H1 2022.

- BXMT's unique investment process is complemented by a 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
Will Skinner Chief Operating Officer of BREDS, Senior Managing Director
Michael Wiebolt Head of BREDS Liquid Strategies, 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

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

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
48 professionals

Clarke Hitch Managing Director
J.T. Sizemore Managing Director
Michael Nagelberg Managing Director

Originations (Europe)

Stephen Plavin^{*(1)} Senior Managing Director
14 professionals

*Member of BREDS Investment Committee

Asset Management / Capital Markets / Finance

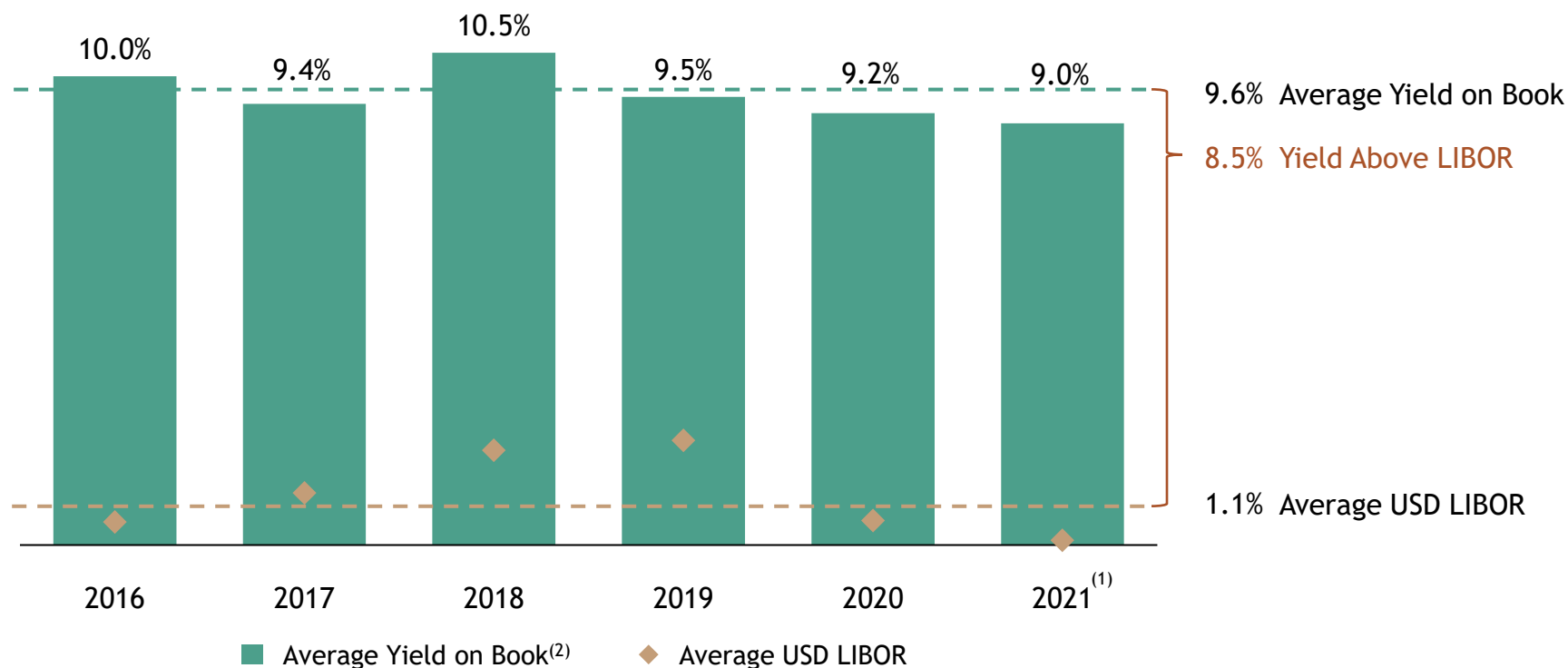
63 professionals

(1) As of October 29, 2021.

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

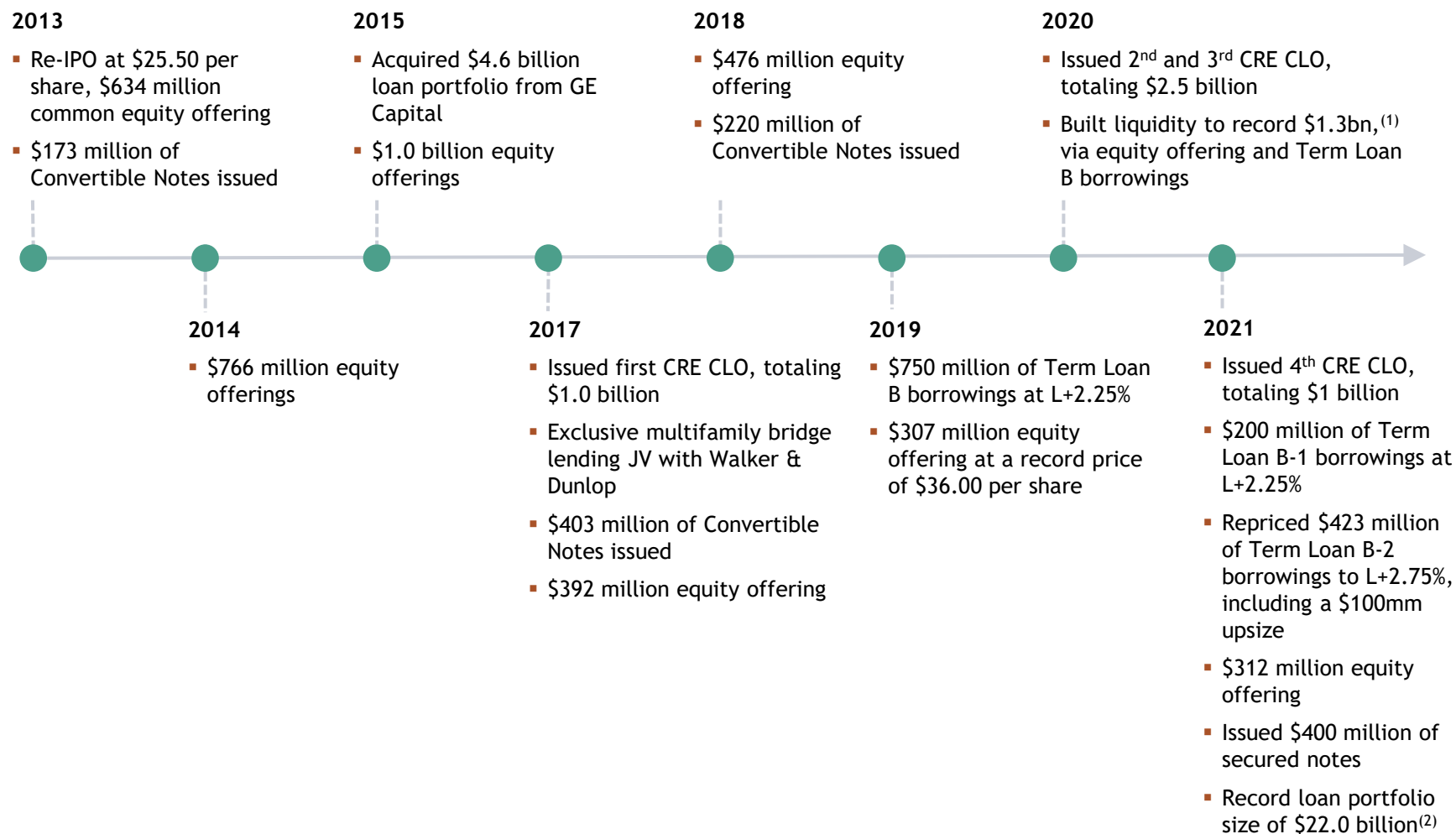


(1) For comparability, 2021 represents the nine months ended September 30, 2021 annualized.

(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 9.8% for the periods ended December 31, 2016, 2017, 2018, 2019, 2020, and September 30, 2021, respectively. GAAP Average Yield on Book was 8.1% over the six periods. GAAP Average Yield on Book above LIBOR was 7.0% 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 9/30/21. Includes \$998 million of Non-Consolidated Senior Interests and investment exposure to the \$493 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	✓	✗	✗	✓

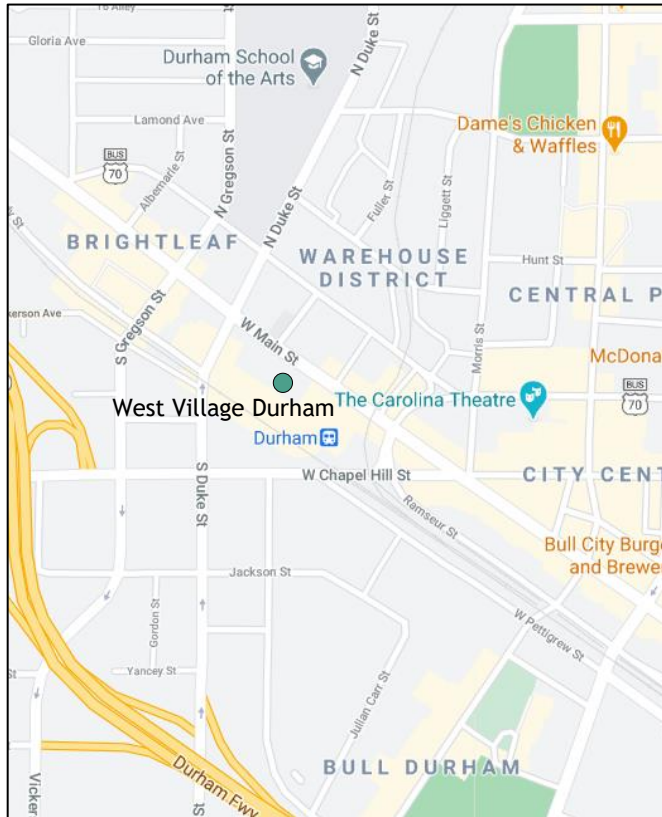
Note: The composition of the various categories of REITs being compared with BXMT, as well as the characteristics compared, reflect our current views as of the date appearing in this material only and are not based on any index or other established categorization.

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

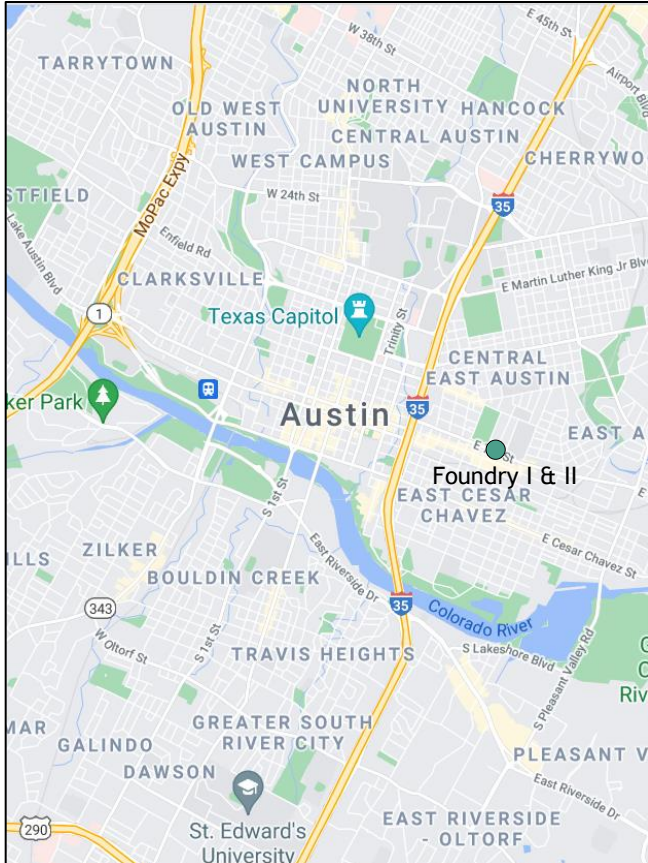
- \$184 million floating rate, first mortgage loan secured by West Village Durham
 - Cash-flowing, high-quality 608-unit multifamily asset located in Durham, NC; 72% LTV⁽¹⁾
- The property is well-located in a highly amenitized location in downtown Durham, an attractive growth market with strong demand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



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

SAMPLE TRANSACTION: FOUNDRY I & II

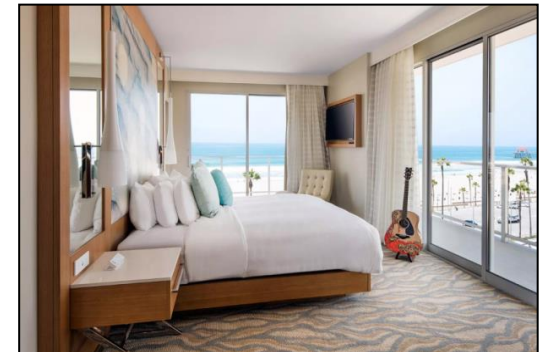
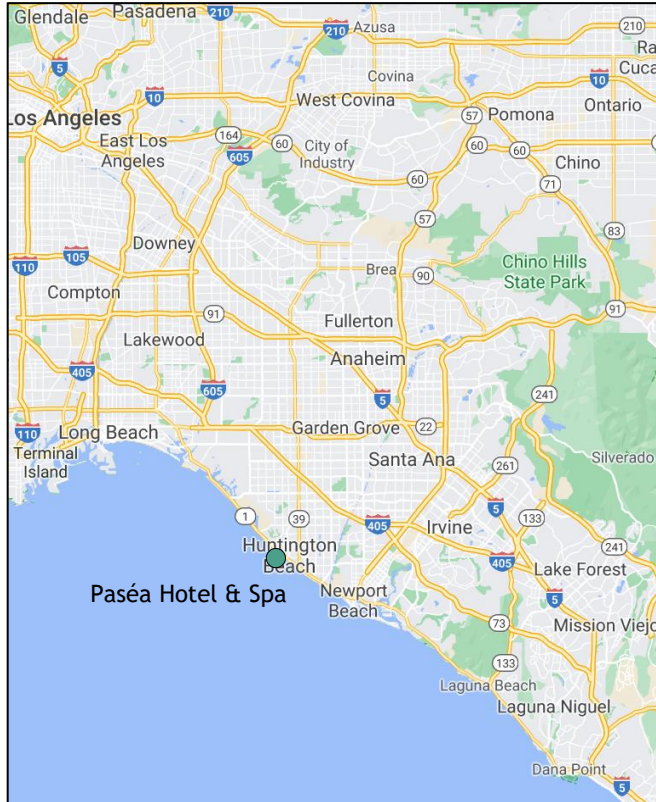
- \$111 million floating rate, first mortgage loan secured by Foundry I & II
 - Newly-built two-building crossed office portfolio in Austin, TX; 56% LTV⁽¹⁾
 - Located in East Austin, a growing office submarket adjacent to downtown that has seen significant development
- Premier asset in a rapidly growing submarket with a strong tech employer base



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

SAMPLE TRANSACTION: PASÉA HOTEL & SPA

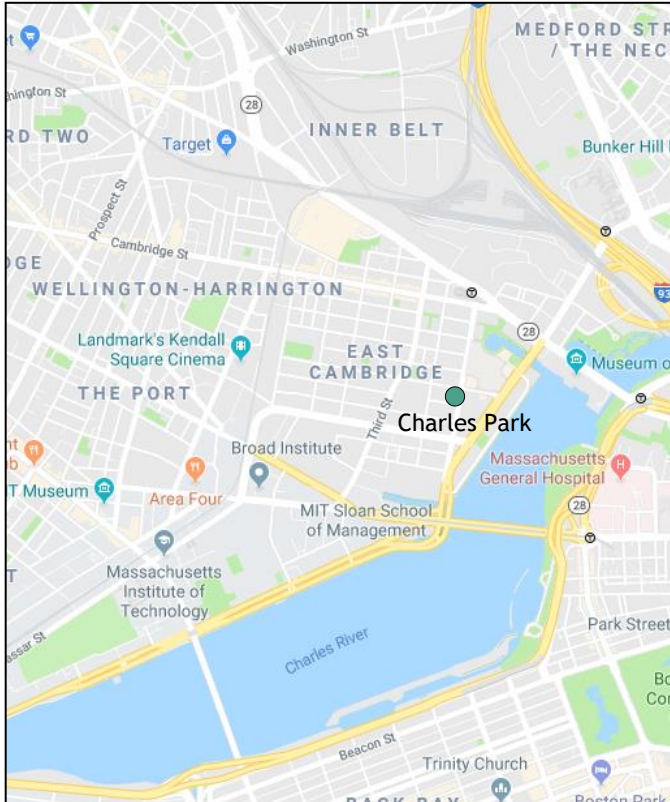
- \$133 million floating rate, first mortgage loan secured by Paséa Hotel & Spa
 - Newly-built 250-key beachfront hotel located in Huntington Beach, CA; 59% LTV⁽¹⁾
 - First beachfront hotel with unobstructed views built in Ocean County since 2009
- Premier asset in an irreplaceable location in a drive-to market, catering to transient demand



(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⁽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: 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

3Q 2021 Operating Results

(\$ in millions)

	GAAP Net Income	Adjustments	Distributable Earnings
Interest income	\$200.1	\$ -	\$200.1
Interest expense	(82.7)	0.1	(82.6)
Management and incentive fees	(19.3)	-	(19.3)
General and administrative expenses and taxes	(2.8)	-	(2.8)
Increase in current expected credit loss reserve	(2.8)	2.8	-
Non-cash compensation	(8.1)	8.1	-
Realized hedging and foreign currency loss, net ⁽¹⁾	-	(0.8)	(0.8)
Net income attributable to non-controlling interests	(0.6)	(0.1)	(0.7)
Total	\$83.8	\$10.1	\$93.9

\$0.56

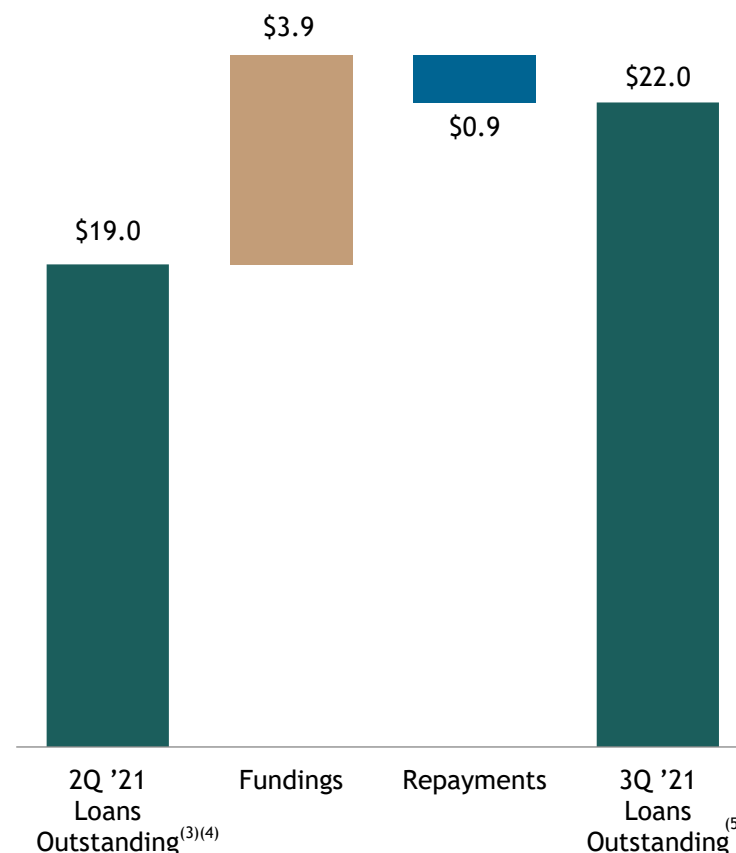
net income per share

\$0.63

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 \$155 million of non-cash fluctuations in foreign currency rates during the period for comparability to our total loan portfolio as of June 30, 2021.

(4) 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.

(5) Includes \$998 million of Non-Consolidated Senior Interests and investment exposure to the \$493 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	\$ 1,275	\$ 1,238	\$ 1,233	+ 2.53 %	+ 2.99 %	12/23/2024	Dublin - IE	Office	\$450 / sqft	74 %
Loan 2	Senior loan	3/22/2018	858	858	857	+ 3.25 %	+ 3.42 %	3/15/2023	Diversified - Spain	Mixed-Use	n / a	71 %
Loan 3	Senior loan	11/25/2019	724	690	692	+ 2.30 %	+ 2.59 %	12/9/2024	New York	Office	\$988 / sqft	65 %
Loan 4	Senior loan	3/30/2021	570	570	564	+ 3.20 %	+ 3.41 %	5/15/2026	Diversified - SE	Industrial	\$104 / sqft	76 %
Loan 5	Senior loan ⁽³⁾	8/7/2019	746	441	87	+ 3.12 %	+ 3.60 %	9/9/2025	Los Angeles	Office	\$298 / sqft	59 %
Loan 6	Senior loan	8/22/2018	363	363	362	+ 3.15 %	+ 3.28 %	8/9/2023	Maui	Hospitality	\$471,391 / key	61 %
Loan 7	Senior loan	9/23/2019	405	349	346	+ 3.00 %	+ 3.22 %	11/15/2024	Diversified - Spain	Hospitality	\$190,703 / key	62 %
Loan 8	Senior loan	4/11/2018	355	345	344	+ 2.85 %	+ 3.10 %	5/1/2023	New York	Office	\$437 / sqft	71 %
Loan 9	Senior loan ⁽³⁾	8/6/2015	325	325	59	5.75 %	5.85 %	10/29/2022	Diversified - EUR	Other	n / a	71 %
Loan 10	Senior loan	1/11/2019	324	324	321	+ 4.35 %	+ 4.70 %	1/11/2026	Diversified - UK	Other	\$320 / sqft	74 %
Loan 11	Senior loan	3/16/2021	491	310	306	+ 3.85 %	+ 4.15 %	4/9/2026	Boston	Life Sciences	\$765 / sqft	66 %
Loan 12	Senior loan	2/27/2020	300	297	296	+ 2.70 %	+ 3.04 %	3/9/2025	New York	Mixed-Use	\$933 / sqft	59 %
Loan 13	Senior loan	9/30/2019	306	297	297	+ 3.66 %	+ 3.75 %	9/9/2024	Chicago	Office	\$257 / sqft	58 %
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	10/23/2018	290	274	273	+ 2.80 %	+ 3.04 %	11/9/2024	Atlanta	Office	\$255 / sqft	64 %
Loans 16 - 156	Senior loans ⁽³⁾	Various	18,641	14,557	14,084	+ 3.26 ^{%(6)}	+ 3.59 ^{%(6)}	Various	Various	Various	Various	64 %
CECL reserve					(130)							
Total/Wtd. avg.			\$ 26,258	\$ 21,520	\$ 20,276	+ 3.22 ^{%(6)}	+ 3.55 ^{%(6)}	3.3 yrs				66 %

(1) Portfolio excludes our \$79 million subordinate interest in the \$493 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 September 30, 2021, four loans in the portfolio have been financed with an aggregate \$998 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. 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)

	September 30, 2021	December 31, 2020
Assets		
Cash and cash equivalents	\$211,180	\$289,970
Loans receivable	20,406,466	16,572,715
Current expected credit loss reserve	(130,388)	(173,549)
Loans receivable, net	\$20,276,078	\$16,399,166
Other assets	218,614	269,819
Total assets	\$20,705,872	\$16,958,955
Liabilities and equity		
Secured debt, net	\$11,170,330	\$7,880,536
Securitized debt obligations, net	2,836,049	2,922,499
Asset-specific debt, net	320,895	391,269
Term loans, net	1,329,637	1,041,704
Convertible notes, net	618,985	616,389
Other liabilities	159,424	202,327
Total liabilities	\$16,435,320	\$13,054,724
Commitments and contingencies	—	—
Equity		
Class A common stock, \$0.01 par value	1,570	1,468
Additional paid-in capital	5,039,384	4,702,713
Accumulated other comprehensive income	9,874	11,170
Accumulated deficit	(814,278)	(829,284)
Total Blackstone Mortgage Trust, Inc. stockholders' equity	\$4,236,550	\$3,886,067
Non-controlling interests	34,002	18,164
Total equity	\$4,270,552	\$3,904,231
Total liabilities and equity	\$20,705,872	\$16,958,955

Consolidated Statements of Operations

(\$ in thousands, except per share data)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2021	2020	2021	2020
Income from loans and other investments				
Interest and related income	\$200,114	\$193,939	\$583,941	\$590,797
Less: Interest and related expenses	82,690	78,978	243,413	268,070
Income from loans and other investments, net	\$117,424	\$114,961	\$340,528	\$322,727
Other expenses				
Management and incentive fees	19,342	18,985	60,094	58,758
General and administrative expenses	10,841	11,242	32,108	34,320
Total other expenses	\$30,183	\$30,227	\$92,202	\$93,078
(Increase) decrease in current expected credit loss reserve	(2,767)	6,055	49,432	(173,466)
Income before income taxes	\$84,474	\$90,789	\$297,758	\$56,183
Income tax provision	70	20	346	192
Net income	\$84,404	\$90,769	\$297,412	\$55,991
Net income attributable to non-controlling interests	(647)	(909)	(2,158)	(1,937)
Net income attributable to Blackstone Mortgage Trust, Inc.	\$83,757	\$89,860	\$295,254	\$54,054
Per share information (basic and diluted)				
Net income per share of common stock	\$0.56	\$0.61	\$2.00	\$0.39
Weighted-average shares of common stock outstanding	149,214,819	146,484,651	147,971,737	140,157,620

Per Share Calculations

(in thousands, except per share data)

Distributable Earnings Reconciliation

	Three Months Ended	
	September 30, 2021	June 30, 2021
Net income ⁽¹⁾	\$83,757	\$131,595
Increase (decrease) in current expected credit loss reserve	2,767	(50,906)
Non-cash compensation expense	8,080	8,020
Realized hedging and foreign currency (loss) income, net ⁽²⁾	(768)	744
Other items	116	194
Adjustments attributable to non-controlling interests, net	(39)	248
Distributable Earnings	\$93,913	\$89,895
Weighted-average shares outstanding, basic and diluted	149,215	147,343
Distributable Earnings per share, basic and diluted	\$0.63	\$0.61

Book Value per Share

	Three Months Ended	
	September 30, 2021	June 30, 2021
Stockholders' equity	\$4,236,550	\$3,930,961
Shares		
Class A common stock	157,016	147,016
Deferred stock units	356	328
Total outstanding	157,372	147,344
Book value per share	\$26.92	\$26.68

Earnings per Share

	Three Months Ended	
	September 30, 2021	June 30, 2021
Net income ⁽¹⁾	\$83,757	\$131,595
Weighted-average shares outstanding, basic and diluted	149,215	147,343
Per share amount, basic and diluted	\$0.56	\$0.89

(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				Years Ended December 31,				
	Sep 30, 2021	June 30, 2021	Mar 31, 2021	Dec 31, 2020	2020	2019	2018	2017	2016
Net income ⁽¹⁾	\$83,757	\$131,595	\$79,902	\$83,616	\$137,670	\$305,567	\$285,078	\$217,631	\$238,297
Increase in current expected credit loss reserve	2,767	(50,906)	(1,293)	(5,813)	167,653	-	-	-	-
Non-cash compensation expense	8,080	8,020	8,085	8,554	34,532	30,656	28,154	24,031	19,427
Realized hedging and foreign currency income, net ⁽²⁾	(768)	744	172	582	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	116	194	130	921	1,487	300	2,084	2,059	1,373
Adjustments attributable to non-controlling interests, net	(39)	248	(47)	74	(204)	-	-	-	-
Distributable Earnings	\$93,913	\$89,895	\$86,949	\$87,934	\$351,990	\$350,695	\$330,745	\$245,136	\$249,486
Weighted-average shares outstanding, basic and diluted	149,215	147,343	147,337	146,675	141,796	130,085	113,857	95,964	94,165
Net income per share, basic and diluted	\$0.56	\$0.89	\$0.54	\$0.57	\$0.97	\$2.35	\$2.50	\$2.27	\$2.53
Distributable Earnings per share, basic and diluted	\$0.63	\$0.61	\$0.59	\$0.60	\$2.48	\$2.70	\$2.90	\$2.55	\$2.65

(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.

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 September 30, 2021, we recorded a \$3 million increase 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.