Third Quarter 2021 Financial Results

Colliers International Group Inc.
November 2, 2021

Accelerating success.

This presentation includes or may include forward-looking statements. Forward-looking statements include the Company's financial performance outlook and statements regarding goals, beliefs, strategies, objectives, plans or current expectations. These statements involve known and unknown risks, uncertainties and other factors which may cause the actual results to be materially different from any future results, performance or achievements contemplated in the forward-looking statements. Such factors include: economic conditions, especially as they relate to commercial and consumer credit conditions and business spending; commercial real estate property values, vacancy rates and general conditions of financial liquidity for real estate transactions; the effects of changes in foreign exchange rates in relation to the US dollar on Canadian dollar, Australian dollar, UK pound sterling and Euro denominated revenues and expenses; competition in markets served by the Company; labor shortages or increases in commission, wage and benefit costs; impact of pandemics on client demand, ability to deliver services and ensure the health and productivity of employees; disruptions or security failures in information technology systems; a change in or loss of our relationship with US government agencies, such as Fannie Mae or Ginnie Mae could significantly impact our ability to originate mortgage loans; a default on loans originated under the Fannie Mae Delegated Underwriting and Servicing DUS Program could materially affect our profitability as we are subject to sharing up to one-third of incurred losses; the effect of increases in interest rates on our cost of borrowing and political conditions or events, including elections, referenda, changes to international trade and immigration policies and any outbreak or escalation of terrorism or hostilities.

Additional factors and explanatory information are identified in the Company's Annual Information Form for the year ended December 31, 2020 under the heading "Risk Factors" (which factors are adopted herein and a copy of which can be obtained at www.sedar.com) and other periodic filings with Canadian and US securities regulators. Forward looking statements contained in this presentation are made as of the date hereof and are subject to change. All forward-looking statements in this press release are qualified by these cautionary statements. Except as required by applicable law, Colliers undertakes no obligation to publicly update or revise any forward-looking statement, whether as a result of new information, future events or otherwise.

Non-GAAP measures

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

Highlights

Strong third quarter results with continued momentum across all service lines

Completed the acquisition of Bergmann after quarter end

Announced two acquisitions – Antirion and Colliers Italy, both of which are expected to close by the end of Q1 2022

Announced ambitious 5-year, Enterprise'25 strategy

Increased financial outlook for 2021

(US$ millions, except per share amounts)

Three months ended September 30	2021 Q3	2020 Q3	%Change USD	%Change LC[1]
Revenue	1022.8	692.3	48%	46%
Adjusted EBITDA	123.6	92.1	34%	32%
Adjusted EBITDA Margin	12.1%	13.3%		
Adjusted EPS	1.27	1.08	18%	
GAAP Operating Earnings	76.0	52.1	46%	
GAAP Operating Earnings Margin	7.4%	7.5%		
GAAP diluted EPS	0.40	0.52	-23%	

Nine months ended September 30	2021 YTD	2020 YTD	% Change USD	% Change LC[1]
Revenue	2,743.7	1,873.1	46%	42%
Adjusted EBITDA	352.3	206.5	71%	65%
Adjusted EBITDA Margin	12.8%	11.0%		
Adjusted EPS	3.91	2.35	66%	
GAAP Operating Earnings[2]	-269.9	85.1	NM	
GAAP Operating Earnings Margin	-9.8%	4.5%		
GAAP diluted EPS[2]	-10.19	0.38	NM	

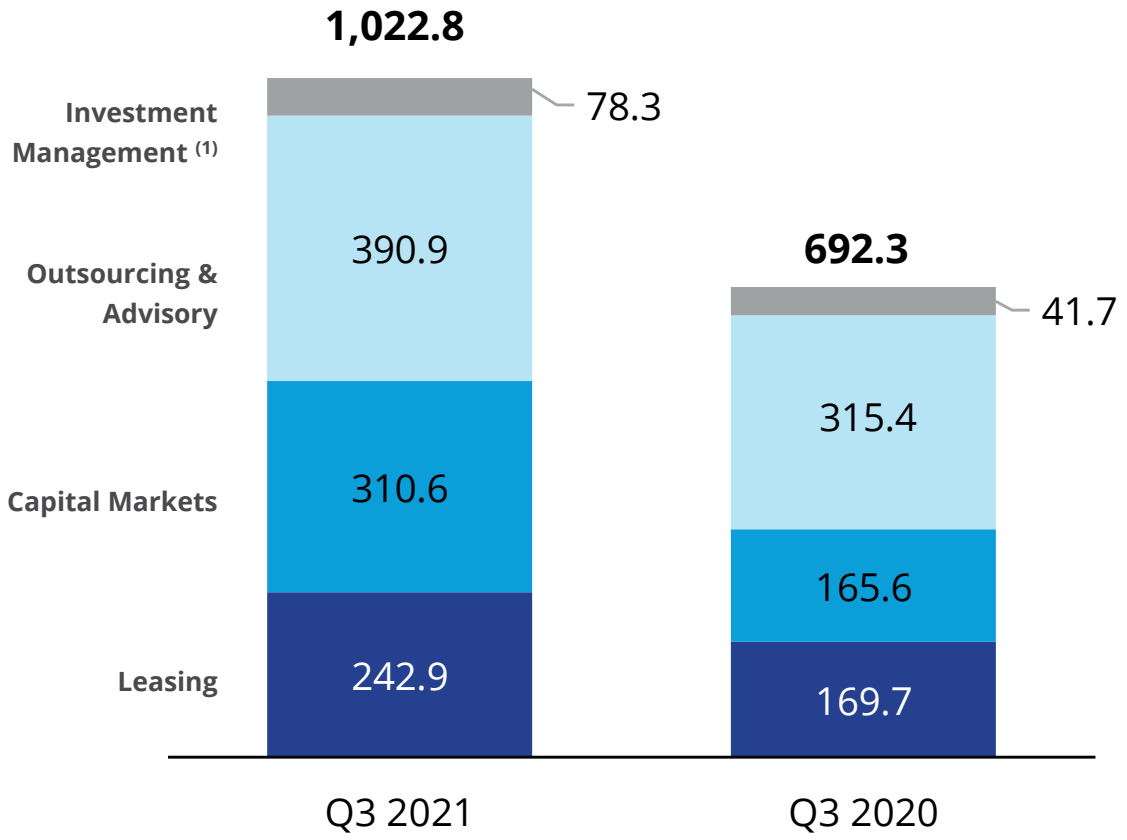
[1] Local Currency
[2] For the nine months ended September 30, 2021, GAAP operating earnings and GAAP diluted EPS include a $471.9 million settlement of Long-Term Incentive Arrangement ("LTIA") with the Company's Chairman & CEO

Third Quarter
Consolidated Revenues

(US$ millions)

% Change over Q3 2020	USD	LC
Investment Management	88%	87%
Outsourcing & Advisory	24%	22%
Capital Markets	88%	85%
Leasing	43%	41%
Total	**48%**	**46%**

Revenue Mix	Q3 2021	Q3 2020
Investment Management	8%	6%
Outsourcing & Advisory	38%	46%
Capital Markets	30%	24%
Leasing	24%	24%
Total	**100%**	**100%**



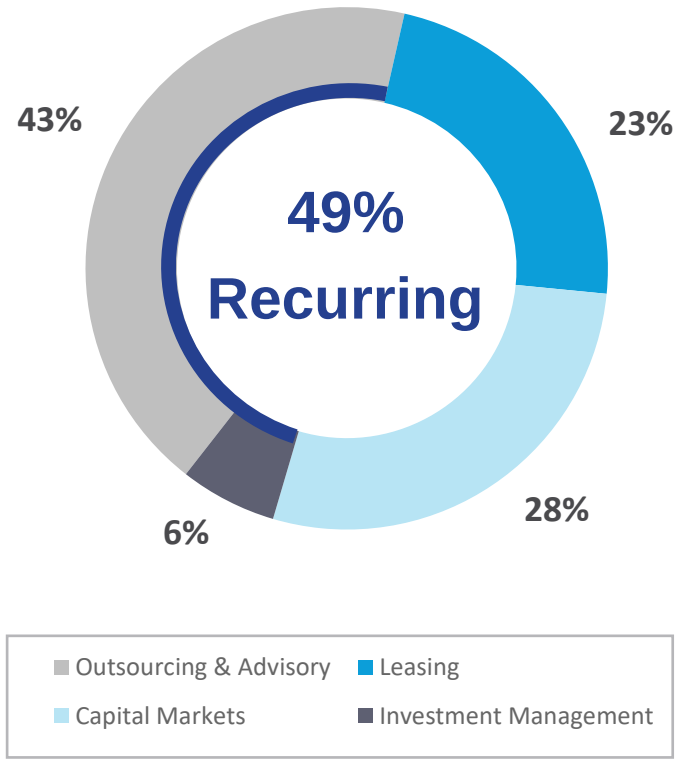
Local currency internal growth: 45%

(1) *Investment Management LC revenue growth, excluding pass-through carried interest, was 50%*

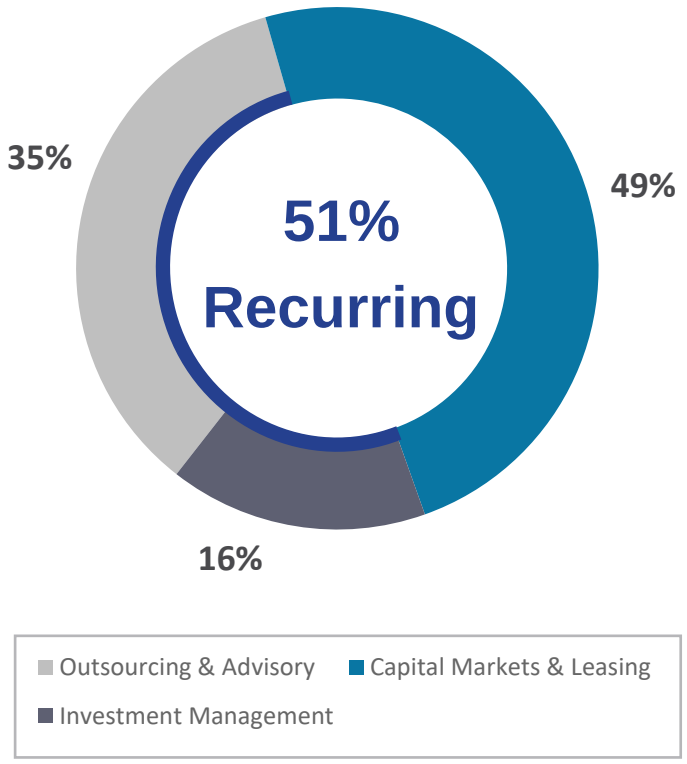
Trailing Twelve Months Ended September 30, 2021

Service Diversification

TTM Q3 2021 Revenue By Service Line



TTM Q3 2021 AEBITDA By Service Line

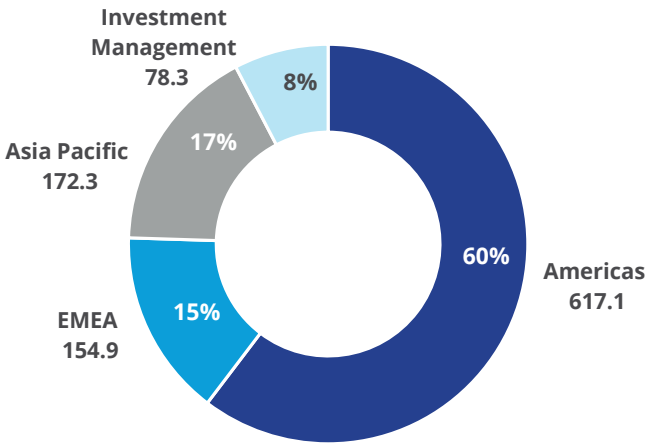


Shown on a proforma basis including completed acquisitions

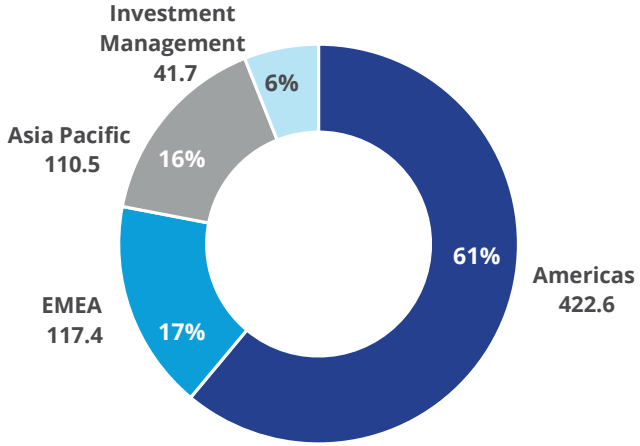
Third Quarter
Geographic Mix

(US$ millions)

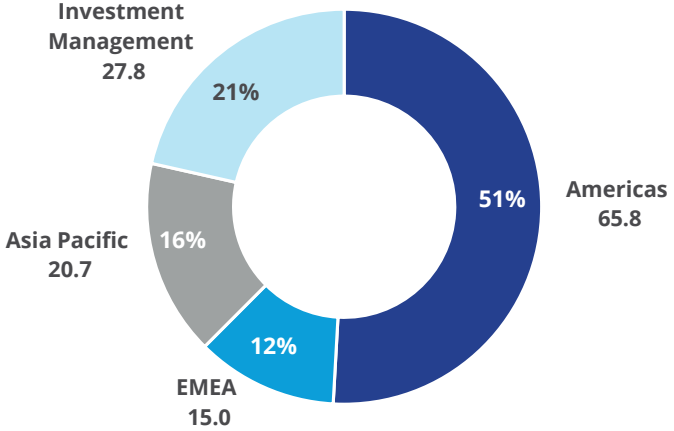
Q3 2021 Revenues



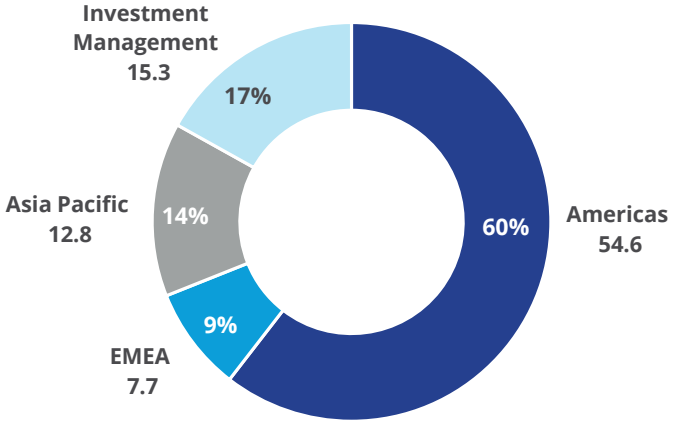
Q3 2020 Revenues



Q3 2021 AEBITDA



Q3 2020 AEBITDA



(1) Q3 2021 GAAP Operating Earnings: $48.9M Americas, $11.4M EMEA, $18.3M Asia Pacific, $19.8M Investment Management

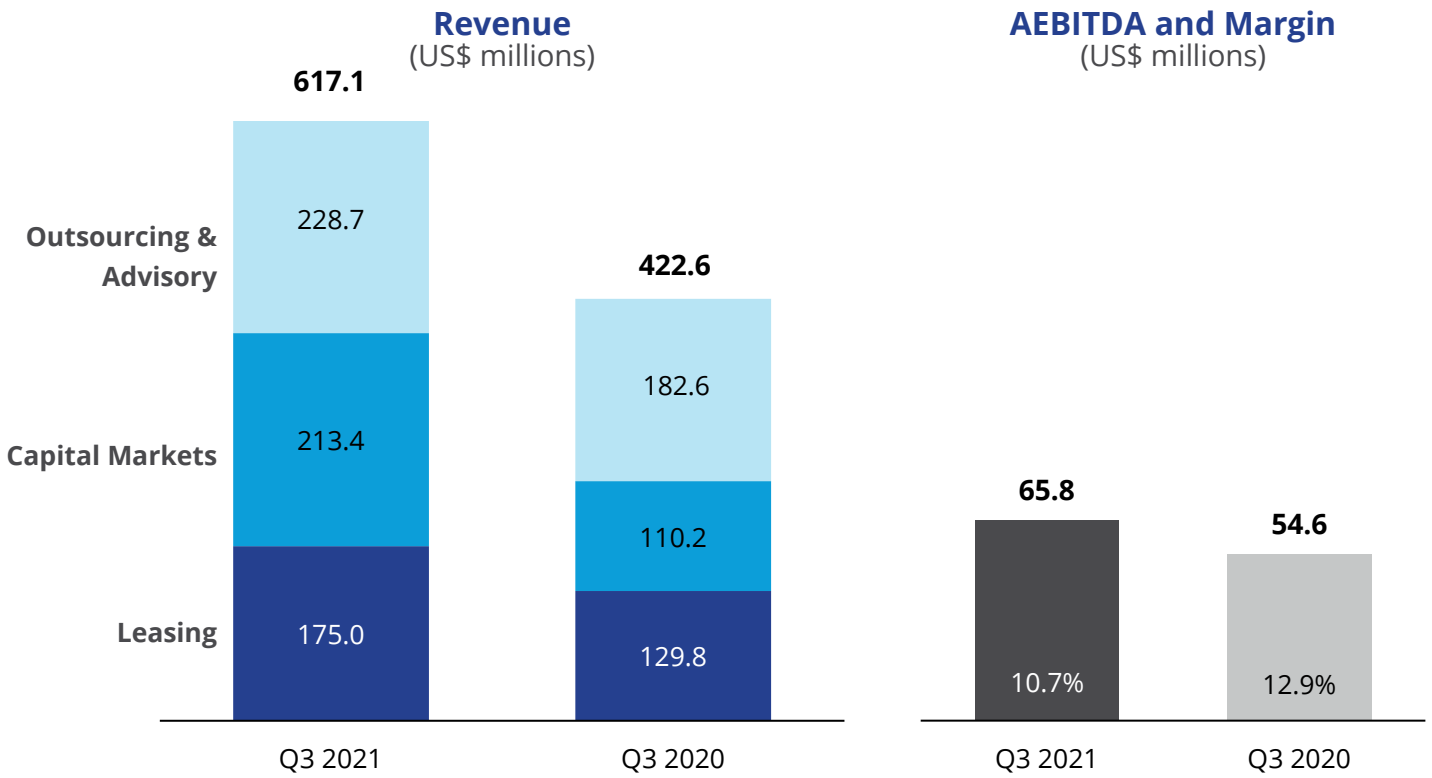
(2) Q3 2020 GAAP Operating Earnings: $40.4M Americas, ($1.4M) EMEA, $8.5M Asia Pacific, $7.9M Investment Management

Americas

Strong Capital Markets activity, especially in the industrial and multi-family asset classes

Outsourcing & Advisory revenues up strongly on robust growth in Engineering & Design, Valuation and Mortgage services

Adjusted EBITDA growth impacted by performance-based incentives and higher discretionary and variable costs



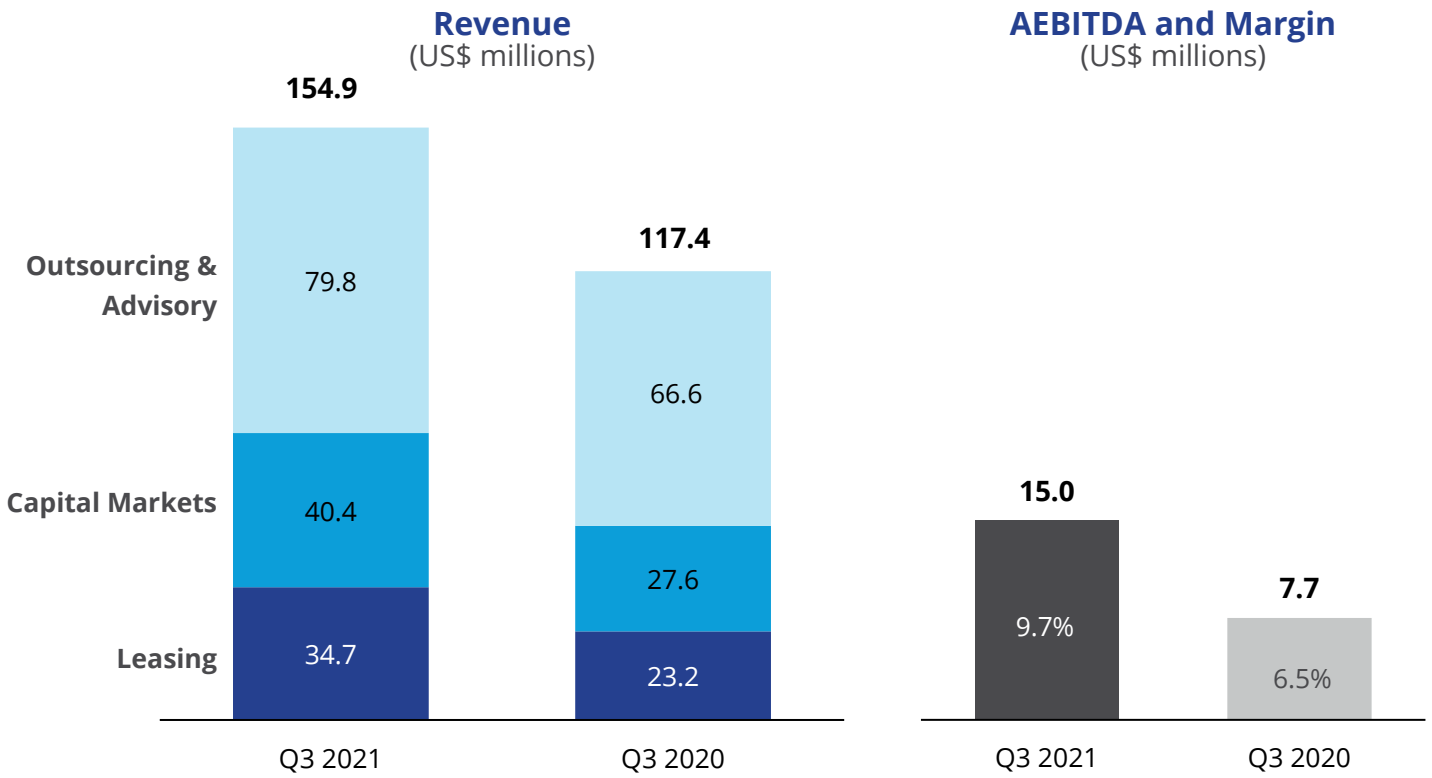
	USD	LC
Revenue Growth	46%	45%

GAAP Operating Earnings: Q3 2021 $48.9M at 7.9% margin; Q3 2020 $40.4M at 9.6% margin

EMEA

Strong growth across all service lines

Adjusted EBITDA increased on higher revenues and cost savings implemented during the pandemic



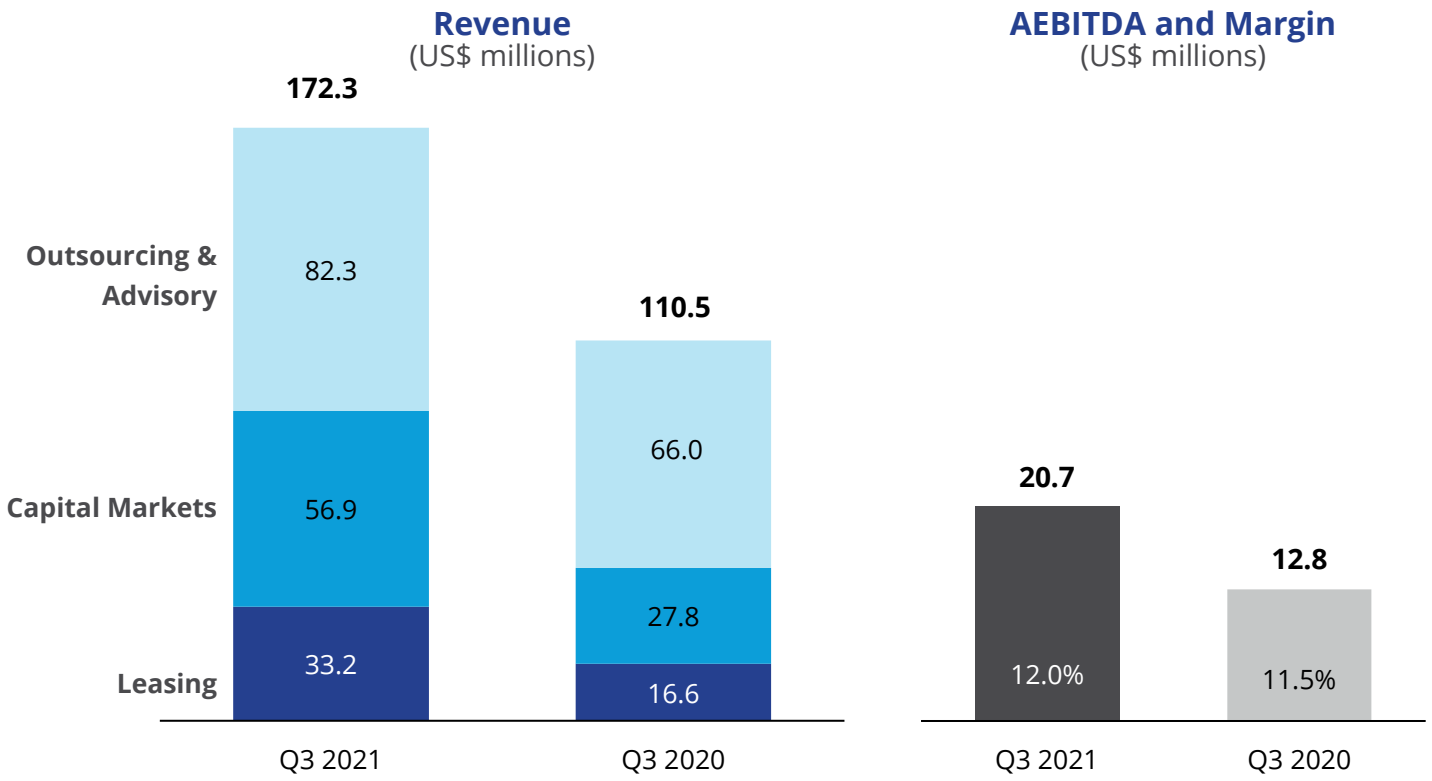
	USD	LC
Revenue Growth	32%	29%

GAAP Operating Earnings: Q3 2021 $11.4M at 7.4% margin; Q3 2020 ($1.4M) at (1.2%) margin

APAC

Robust growth across all service lines and geographies, particularly in Australia and New Zealand

Improvement in margin attributable to operating leverage



	USD	LC
Revenue Growth	56%	51%

GAAP Operating Earnings: Q3 2021 $18.3M at 10.6% margin; Q3 2020 $8.5M at 7.7% margin

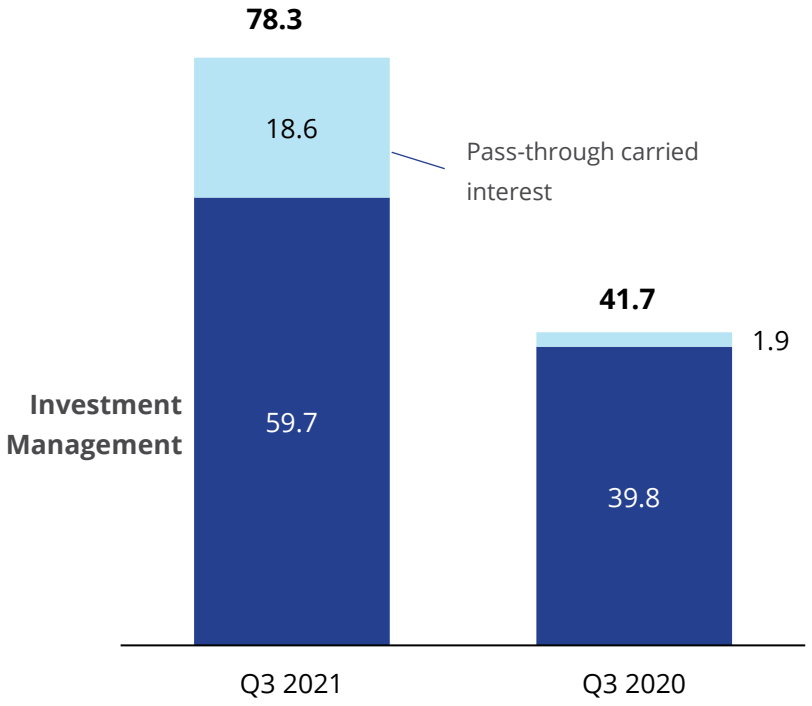
Investment Management

Strong management fee growth from increased AUM

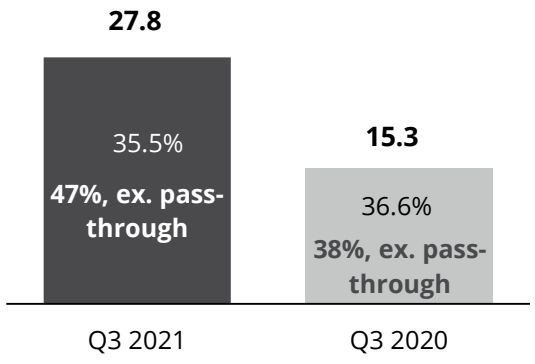
Raised a record $4.9 billion year to date

AUM of $46.1 billion on September 30, 2021, up 17% from December 31, 2020 and up 27% from September 30, 2020

Revenue
(US$ millions)



AEBITDA and Margin
(US$ millions)



	USD	LC
Revenue Growth	88%	87%
Revenue Growth *(excluding pass-through carried interest)*	**50%**	**50%**

GAAP Operating Earnings: Q3 2021 $19.8M at 25.3% margin; Q3 2020 $7.9M at 19.0% margin

(US$ millions)

Capitalization & Capital Allocation

	September 30, 2021	December 31, 2020	September 30, 2020
Cash	**$ 134.1**	$ 156.6	$ 129.2
Total Debt	**378.7**	479.9	643.9
Net Debt	**$ 244.6**	$ 323.3	$ 514.7
Convertible Notes	**224.9**	224.0	223.7
Redeemable non-controlling interests	**474.6**	442.4	431.2
Shareholders' equity	**542.6**	586.1	532.4
Total capitalization	**$ 1,486.7**	$ 1,575.8	$ 1,702.0
Net debt / pro forma adjusted EBITDA - Leverage Ratio [1]	**0.5x**	1.0x	1.5x

	Nine months ended	
	September 30, 2021	September 30, 2020
Capital Expenditures	**$ 44.5**	$ 29.5
Acquisition Spend [2]	**$ 31.1**	$ 240.2

Highlights

- Leverage ratio of 0.5x
- Proceeds from new Senior Notes drawn on October 7, 2021
  - Repaid revolving credit facility in full, $1 billion of unused credit now available
- Anticipated capital expenditures of $55-$60 million in 2021
  - Investments in office space and IT systems/software, including deferrals from 2020

(1) Net debt for financial leverage ratio excludes restricted cash, warehouse credit facilities and convertible notes, in accordance with debt agreements

(2) Includes business acquisitions, contingent acquisition consideration and purchases of non-controlling interests in subsidiaries

(US$ millions)

2021 Outlook

- Full year revenue and Adjusted EBITDA to exceed the top end of the previously provided outlook
- The previously provided outlook for the full year 2021, relative to 2020, was a revenue increase of 20% to 30% and an Adjusted EBITDA increase of 25% to 35%
- Risks to the outlook:
  - Changes in Capital Markets and Leasing transaction velocity in the traditionally strong fourth quarter as the pandemic continues to impact operations
  - Higher than anticipated increases in operating costs, which were reduced during the pandemic
- This financial outlook is based on the Company's best available information as of the date of this presentation and remains subject to change based on numerous macroeconomic, health, social, geo-political and related factors

Appendix

Reconciliation of non-GAAP measures

Reconciliation of GAAP earnings to adjusted EBITDA

(US$ thousands)	Three months ended September 30, 2021	Three months ended September 30, 2020	Nine months ended September 30, 2021	Nine months ended September 30, 2020
Net earnings (loss)	**$ 50,496**	$ 31,979	$ **(337,298)**	$ 44,921
Income tax	**18,771**	11,740	**48,490**	19,066
Other income, including equity earnings from non-consolidated investments	**(1,601)**	(509)	**(5,547)**	(1,479)
Interest expense, net	**8,300**	8,864	**24,500**	22,627
Operating earnings (loss)	**75,966**	52,074	**(269,855)**	85,135
Settlement of long-term incentive arrangement ("LTIA")	**-**	-	**471,928**	-
Depreciation and amortization	**34,588**	36,281	**106,939**	87,111
Gains attributable to MSRs	**(5,812)**	(6,888)	**(20,728)**	(7,397)
Equity income from non-consolidated entites	**1,487**	482	**4,625**	1,451
Acquisition-related items	**14,231**	4,965	**49,773**	11,499
Restructuring costs	**523**	3,374	**1,466**	22,681
Stock-based compensation expense	**2,658**	1,832	**8,180**	6,056
Adjusted EBITDA	**$ 123,641**	$ 92,120	$ **352,328**	$ 206,536

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

(US$ thousands)	Three months ended September 30, 2021	Three months ended September 30, 2020	Nine months ended September 30, 2021	Nine months ended September 30, 2020
Net earnings (loss)	**$ 50,496**	$ 31,979	**$ (337,298)**	$ 44,921
Non-controlling interest share of earnings	**(13,623)**	(6,264)	**(33,148)**	(13,906)
Interest on Convertible Notes	**2,300**	2,314	**6,900**	3,373
Settlement of LTIA	**-**	-	**471,928**	-
Amortization of intangible assets	**23,148**	25,912	**74,019**	59,013
Gains attributable to MSRs	**(5,812)**	(6,888)	**(20,728)**	(7,397)
Acquisition-related items	**14,231**	4,965	**49,773**	11,499
Restructuring costs	**523**	3,374	**1,466**	22,681
Stock-based compensation expense	**2,658**	1,832	**8,180**	6,056
Income tax on adjustments	**(8,934)**	(6,988)	**(27,117)**	(20,235)
Non-controlling interest on adjustments	**(3,125)**	(2,625)	**(9,920)**	(7,222)
Adjusted net earnings	**$ 61,862**	$ 47,611	**$ 184,055**	$ 98,783

(US$)	Three months ended September 30, 2021	Three months ended September 30, 2020	Nine months ended September 30, 2021	Nine months ended September 30, 2020
Diluted net (loss) earnings per common share	**$ 0.37**	$ 0.48	**$ (9.20)**	$ 0.37
Interest on Convertible Notes, net of tax	**0.04**	0.04	**0.11**	0.06
Non-controlling interest redemption increment	**0.39**	0.10	**1.34**	0.37
Settlement of LTIA	**-**	-	**10.02**	-
Amortization expense, net of tax	**0.28**	0.38	**0.94**	0.88
Gains attributable to MSRs, net of tax	**(0.07)**	(0.12)	**(0.25)**	(0.14)
Acquisition-related items	**0.20**	0.10	**0.75**	0.27
Restructuring costs, net of tax	**0.01**	0.06	**0.02**	0.40
Stock-based compensation expense, net of tax	**0.05**	0.04	**0.18**	0.14
Adjusted EPS	**$ 1.27**	$ 1.08	**$ 3.91**	$ 2.35
Diluted weighted average shares for Adjusted EPS (thousands)	**48,722**	44,181	**47,111**	42,075

Adjusted EPS is calculated using the "if-converted" method of calculating earnings per share in relation to the Convertible Notes, which were issued on May 19, 2020