Fortress Transportation and Infrastructure Investors LLC

Supplemental Information
Second Quarter 2016

FORTRESS
TRANSPORTATION
& INFRASTRUCTURE

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NON-GAAP FINANCIAL INFORMATION. This Presentation includes information based on financial measures that are not recognized under generally accepted accounting principles (GAAP), such as Adjusted Net Income, Adjusted EBITDA, and FAD. You should use non-GAAP information in addition to, and not as an alternative to, financial information prepared in accordance with GAAP. See Reconciliation and Glossary in the Appendix to this Presentation for reconciliations to the most comparable GAAP measures and an explanation of each of our non-GAAP measures. Our non-GAAP measures may not be identical or comparable to measures with the same name presented by other companies.

FTAI Overview

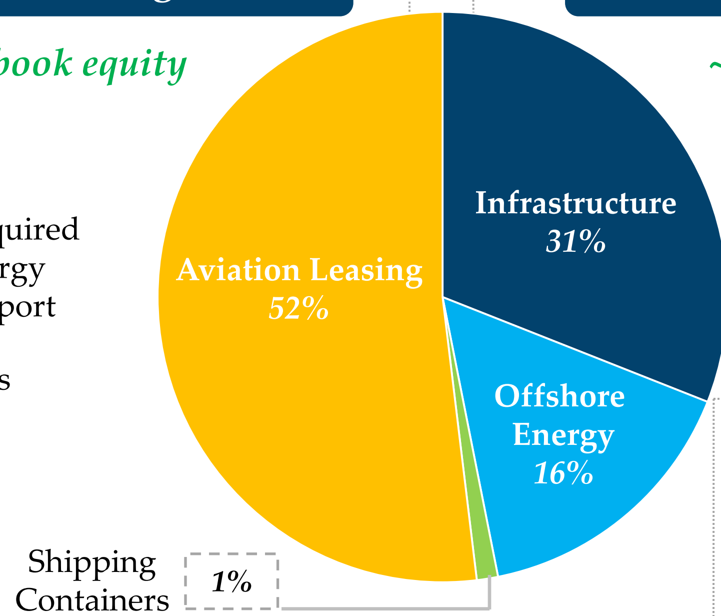
Fortress Transportation and Infrastructure Investors (NYSE: FTAI) owns and operates high quality transportation and infrastructure assets

- Diversified portfolio across the aviation, energy, intermodal transport and rail sectors
- Key investment objectives:
  - Combine ***income & growth*** through a mix of equipment & infrastructure
  - Pay a ***stable & growing*** dividend

Equipment Leasing[1]

~$581 million book equity

- ✓ Aviation Platform
- ✓ Opportunistically acquired assets in offshore energy and intermodal transport
- ✓ Contracted cash flows



Infrastructure[2]

*~$261 million book equity**

- ✓ Jefferson Terminal
- ✓ Central Maine & Quebec Railway
- ✓ Repauno Delaware Port
- ✓ Hannibal Terminal

Opportunity under exclusivity[3]

** Amounts do not include the July purchase of Repauno site for ~$25mm*

1) *Equipment Leasing business is comprised of Aviation Leasing, Offshore Energy, and Shipping Containers segments. Book equity is calculated as total equity less non-controlling interest in equity of consolidated subsidiaries as of June 30, 2016.*
2) *Infrastructure business is comprised of Jefferson Terminal and Railroad segments. Book equity is calculated as total equity less non-controlling interest in equity of consolidated subsidiaries as of June 30, 2016, and also includes $17.0 million investment in Hannibal Terminal development, $1.3mm of capitalized deal costs also related to Hannibal Terminal development, as well as $7.6 million of capitalized deal costs related to the Repauno Delaware Port, which were all included in the Corporate segment as of June 30, 2016.*
3) *There can be no assurance that we will be successful in acquiring any such assets or, if acquired, that they will generate returns meeting our expectations, or at all. Some of our committed investments and pipeline investments are subject to definitive documentation, agency consent and board approval. Committed investments and pipeline investments are also subject to varying degrees of diligence. There can be no assurance that we will complete any such investments. See "Forward-Looking Statements" at the beginning of this presentation.*

Second Quarter Highlights

Financial Performance

- Net Loss Attributable to Shareholders of ($11.2) million, or ($0.15) per share
- Total Funds Available for Distribution ("FAD") of $13.3 million(1)
- Adjusted Net Income (Loss) of ($5.4) million, or ($0.07) per share(1)
- Adjusted EBITDA of $14.0 million(1)

Portfolio Update

- Aviation revenue up 19% from prior quarter due to ongoing equipment purchases as well as improved engine lease utilization
- Signed two significant commercial contracts at Jefferson Terminal
- Terminated contract to purchase a new build offshore IRM vessel, which resulted in $4 million non-cash charge to FTAI during Q2'16

Acquisition Activity

- Invested $80 million in lease equipment during 1H'16, including $54 million in Q2'16
- Robust pipeline of aviation equipment opportunities, with over $80 million of signed deals and other significant opportunities expected to close during second half of 2016(2)
- Closed acquisition of Repauno site in early July for approximately $25 million

Capital Structure

- Total investable cash was approximately $230 million(3)
- Significant leverage capacity – total debt to capital ratio of 18% at June 30, 2016

1) *This is a Non-GAAP measure. See Reconciliation of Non-GAAP Measures section in Appendix for a reconciliation to the most comparable GAAP measure.*

2) *There can be no assurance that we will be successful in acquiring any such assets or, if acquired, that they will generate returns meeting our expectations, or at all. Some of our committed investments and pipeline investments are subject to definitive documentation, agency consent and board approval. Committed investments and pipeline investments are also subject to varying degrees of diligence. There can be no assurance that we will complete any such investments. See "Forward-Looking Statements" at the beginning of this presentation.*

3) *Investable cash is equal to cash on the corporate segment's balance sheet as of June 30, 2016, less July activity which included the $25mm purchase of Repauno site and approximately $7mm of other deal-related costs associated with the Repauno and Hannibal site developments as well as aviation segment equipment purchases.*

Consolidated Financial Results

- **Q2'16 Earnings**
  - ✓ *Net Loss Attributable to Shareholders of ($11.2) million*
  - ✓ *Net Cash Provided by Operating Activities of $4.8 million*
  - ✓ *Total FAD of $13.3 million*(1)
  - ✓ *Adjusted EBITDA of $14.0 million*(1)
  - ✓ *Adjusted Net Loss of ($5.4) million, or ($0.07) per share*(1)

- **Q2'16 Balance Sheet**
  - ✓ *Total assets of $1.6 billion*
  - ✓ *Total debt of $263 million (net of $7mm deferred financing costs)*
  - ✓ *Total cash of $276 million*

Financial Overview

($ in millions, except per share amounts)

Quarter Over Quarter Financial Results	*Q2'15*	*Q1'16*	*Q2'16*
Net Loss Attributable to Shareholders	($0.8)	($5.8)	($11.2)
Net Cash Provided by (Used in) Operating Activities	$8.4	($3.8)	$4.8
FAD(1)	$8.5	$32.9	$13.3
Adjusted EBITDA(1)	$17.1	$12.3	$14.0
Adjusted Net Income (Loss)(1)	$1.6	($6.5)	($5.4)
Adjusted EPS(1)	$0.02	($0.09)	($0.07)
Adjusted ROE(3)	0.7%	(2.3%)	(1.9%)
EPS	($0.01)	($0.08)	($0.15)

Balance Sheet & Liquidity	*June 30, 2016*
Equipment Leasing Assets	$713.7
Infrastructure Assets(2)	571.6
Corporate Assets(2)	289.3
Total Assets	**$1,574.6**
Debt	262.9
Total Equity	1,214.9
Total Debt + Total Equity	**$1,477.8**
Total Debt to Capital Ratio	17.8%

1) *This is a Non-GAAP measure. See Reconciliation of Non-GAAP Measures section in Appendix for a reconciliation to the most comparable GAAP measure.*
2) *Infrastructure Assets do not include $17.0 million investment related to Hannibal terminal development, $1.3mm of capitalized deal costs also related to Hannibal terminal development, as well as $7.6 million of capitalized deal costs related to Repauno port development, which were all included in the Corporate segment.*
3) *Adjusted ROE is calculated as adjusted net income for the quarter divided by monthly average total equity excluding non-controlling interest in equity of consolidated subsidiaries. The average is based on month-end equity amounts over the respective period. Adjusted ROE for quarterly periods is shown as an annualized return*

FORTRESS TRANSPORTATION & INFRASTRUCTURE

Pipeline Update as of June 30, 2016

- No significant changes from prior quarter – existing cash expected to be invested in:
  - Existing infrastructure investments
  - New aviation equipment
  - New infrastructure platforms
- Hannibal and Repauno port development opportunities
- Analyzing potential deals within rail, port and terminals space and other sectors which we know well

The Company is currently evaluating several potential investment opportunities (1)

1 *Add-ons*	2 *Equipment*	3 *New Platforms*
Jefferson *Hannibal* *Repauno* *CMQR*	*Aviation* *Engines & Aircraft*	*Infrastructure*

1) *There can be no assurance that we will be successful in acquiring any such assets or, if acquired, that they will generate returns meeting our expectations, or at all. Please see "Forward Looking Statements" at the beginning of this presentation.*

Highlights of Funds Available for Distribution

- Equipment leasing FAD was over $29 million for the quarter ended June 30, 2016
  - Aviation contributed $33 million of FAD, including $11.5 million from aviation equipment sales proceeds
- Corporate FAD includes approximately $1.6 million of acquisition and transaction expenses
- Additional potential upside to FAD from deployment of approximately $230 million of investable cash(1)

Funds Available for Distribution(2)

($ in millions)	**Q2'16**
Equipment Leasing Business FAD(3)	**$29.3**
Infrastructure Business FAD(3)	**(6.8)**
Corporate FAD(3)	**(9.2)**
Total FAD(3)	**$13.3**
Net Cash Provided by Operating Activities	**$4.8**

1) *There can be no assurance that additional FAD will be generated after deploying investable cash on balance sheet. Investable cash is equal to cash on the corporate segment's balance sheet as of June 30, 2016, less July activity which included the $25mm purchase of Repauno site and approximately $7mm of other deal-related costs associated with the Repauno and Hannibal site developments and aviation segment. See "Forward-Looking Statements" at the beginning of this presentation.*

2) *This is a Non-GAAP measure. See Reconciliation of Non-GAAP Measures section in Appendix for a reconciliation to the most comparable GAAP measure.*

3) *See "Equipment Leasing" and "Infrastructure" in Reconciliation of FAD in Appendix in the back of this presentation.*

Capital Structure & Financing Strategy

- Conservative approach to leverage
  - Current leverage of less than 20% of total capital with longer term target of 50%
  - Significant additional leverage capacity(1)
- Total book value attributable to FTAI shareholders' of approximately $1.1 billion, or $14.53 per share (2)

($s in millions)	June 30, 2016
Cash & Cash Equivalents	**$276**
Total Debt(3)	**$263**
Shareholders' Equity	$1,100
Non-controlling Interest	115
Total Equity	**$1,215**
Total Capitalization	**$1,478**
Debt/Total Capital	**18%**

1) Significant additional leverage capacity refers to our belief that we have the ability to access additional non-equity capital through an array of sources, including, but not limited to, our ability to obtain corporate debt. Our ability to access corporate debt is subject to a number of factors, including market conditions, company performance and the willingness of lenders to lend to us. For the avoidance of doubt, we do not currently have committed unused financing in place, and we cannot assure you that we will be able to obtain corporate debt on attractive terms or at all. Please see "Forward-Looking Statements" at the beginning of this presentation.

2) Book value per share calculation based on $1,100mm Shareholders' Equity divided by 75.7mm shares outstanding at June 30, 2016.

3) Total debt of $263mm is offset by approximately $7mm of deferred financing costs; gross debt outstanding was $270mm at June 30, 2016.

Jefferson Terminal – Commercial Update

- Executed 2 deals which are expected to meaningfully contribute to EBITDA[1]
- Pursuing other commercial opportunities including the following[2]:
  - Canadian crude by rail to ship or barge
  - Product barge-to-rail to Mexico
  - Propane rail-to-ship
  - Venezuelan crude terminaling
  - Additional ethanol customers

Recently Executed Commercial Deals

Green Plains *Joint Venture*

Timing:	Q2 2017
Product:	Ethanol
Mode:	Rail-to-truck/ship
Est. throughput (b/d):	21,000
Storage (bbl):	450,000
Add'l commentary:	50-50 JV

Local Oil Refinery

Timing:	Q3 2017
Product:	Atmospheric residue
Mode:	Ship-to-barge
Est. throughput (b/d):	15,000
Storage (bbl):	500,000
Add'l commentary:	Heated Tanks

1) *There can be no assurance that these deals will generate returns meeting our expectations or at all. Please see "Forward Looking Statements" at the beginning of this presentation*

2) *There can be no assurance that we will be successful in signing additional commercial contracts for the Jefferson business, or, if signed, that they will generate returns meeting our expectations, or at all. Please see "Forward Looking Statements" at the beginning of this presentation*

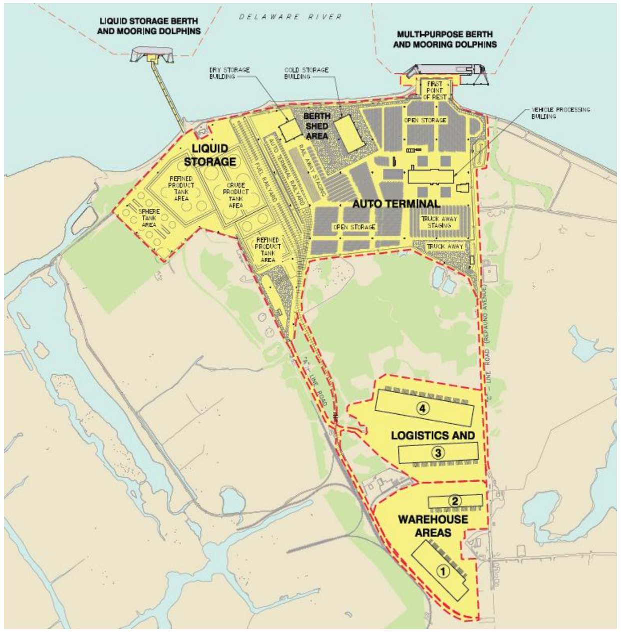
Repauno Update

- 1,800 acre multi-modal, deep-water port located along the Delaware River; closed acquisition of site in July 2016
- Significant opportunity to serve multiple industries in one of the most active U.S. seaport and industrial markets[1]
  - Roll-on / Roll-off cargo (including autos)
  - Energy storage (NGLs, crude oil, refined products)
  - Industrial warehouses for bulk and perishable products (fruits, vegetables, meats)
  - Solar generation (to be incorporated on rooftops of buildings and auto parking area)
- Permitting underway for 160,000 sq. ft. refrigerated warehouse with solar-powered roof and underground storage cavern
  - Expect construction to commence in second half of 2016, with targeted operational start dates during first half of 2017[1]
- Targeting receipt of larger site-wide land use and dock permits by year end[1]

Repauno Overview

Acres	1,800+
Water Depth	Currently 37'; dredging to 40'
Riparian Rights	3,700 feet
Rail Access	Conrail
Road Access	Access to I-295 and I-95
Underground Storage	Existing 186,000 bbl underground storage cavern

Repauno Initial Site Plan



1) *There can be no assurance that we will be successful in 1) achieving our development targets for Repauno on these time frames, or at all, and/or 2) signing commercial contracts for the Repauno business or, if signed, that they will generate returns meeting our expectations, or at all. Please see "Forward Looking Statements" at the beginning of this presentation.*

FORTRESS TRANSPORTATION & INFRASTRUCTURE

Aviation Leasing

- As of June 30, 2016, we own and manage 71 aviation assets including 24 aircraft and 47 engines, with 21 of 24 aircraft and 34 of 47 engines on lease
- Acquired $80 million of aviation equipment during first half of 2016, including approximately $54 million in Q2'16
- Sold two engines and one airframe during Q2'16 for $11.5 million of total proceeds, which generated a gain on sale of $1.5 million
- Engine lease utilization improved from 52% as of March 31, 2016 to 70% as of June 30, 2016
- Robust pipeline of aviation equipment opportunities, with over $80 million of signed deals and other significant opportunities expected to close during second half of 2016[1]

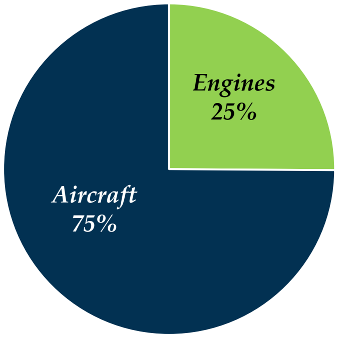
Financial Summary

($s in millions)

Statement of Operations	*Q2'15*	*Q1'16*	*Q2'16*
Total Revenue	$13.8	$18.0	$21.3
Total Expenses	(5.8)	(8.2)	(9.7)
Other[2]	0.1	1.1	(1.2)
Net Income Attributable to Shareholders	$8.1	$10.9	$12.8
Non-GAAP Measures			
Adjusted EBITDA[3]	$15.5	$19.8	$23.1
Adjusted Net Income[3]	$8.3	$10.5	$13.0
Adjusted ROE[4]	12.6%	10.7%	12.0%

Operating Data & Metrics

Net Leasing Equipment



($s in millions)	*As of June 30, 2016* Engines	Aircraft	Total
# Assets	47	24	71
Net Leasing Equipment	$116	$348	$464
Utilization[5]	70%	90%	85%
Remaining Lease Term (months)[6]	12	35	(n/a)

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2) *Includes Total other income, Provision for income taxes, less Net income attributable to non-controlling interest in consolidated subsidiaries.*
3) *This is a Non-GAAP measure. See Reconciliation of Non-GAAP Measures section in Appendix for a reconciliation to the most comparable GAAP measure.*
4) *Adjusted ROE is calculated as adjusted net income for the quarter divided by monthly average total equity excluding non-controlling interest in equity of consolidated subsidiaries. The average is based on month-end equity amounts over the respective period. Adjusted ROE for quarterly periods is shown as an annualized return.*
5) *Utilization is based on the net asset value of our on-hire leasing equipment as a percentage of the total net asset value of our leasing equipment (or stand-alone engine and aircraft portfolios, as applicable) at June 30, 2016.*
6) *Remaining lease term is based on the average remaining months for our aircraft and engine portfolios, weighted by the net asset value of the respective assets, which is gross asset value including lease intangibles, as applicable, and then net of accumulated depreciation, accumulated amortization and maintenance deposits, as applicable.*

FORTRESS TRANSPORTATION & INFRASTRUCTURE

Offshore Energy

- Market continues to be very weak with continued lack of activity in both construction and IMR, however, there is improved visibility for 2017 as backlog of maintenance projects are being tendered
- Construction Support Vessel
  - Recently extended 35-day charter which began in June
  - New options allow extension through end of September; project expected to net ~$20k per day(1)
- In discussions with potential charterers for ROV Support Vessel(1)
- Terminated contract to purchase new build offshore IRM vessel, which resulted in $4 million non cash charge to FTAI during Q2'16

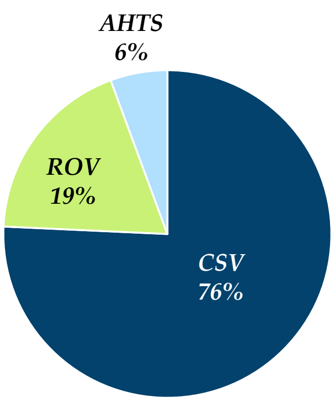
Financial Summary

($s in millions)

Statement of Operations	Q2'15	Q1'16	Q2'16
Total Revenue	$6.9	$0.5	$1.0
Total Expenses	(2.8)	(6.1)	(5.0)
Other(2)	(0.1)	0.2	(3.6)
Net Income (Loss) Attributable to Shareholders	$4.0	($5.4)	($7.6)
Non-GAAP Measures			
Adjusted EBITDA(3)	$6.5	($2.9)	($1.3)
Adjusted Net Income (Loss)(3)	4.0	($5.4)	($3.8)
Adjusted ROE(4)	13.1%	(16.2%)	(11.4%)

Operating Data & Metrics(5)

Net Leasing Equipment



($s in millions)	As of June 30, 2016		
	CSV	ROV	AHTS
Lease Expiration	Q3 2016	Off Lease	Q4 2023
Economic Interest	100%	85%	100%
Net Leasing Equipment	$134	$33	$10
Debt	$64	$2(6)	$ –

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4) *Adjusted ROE is calculated as adjusted net income for the quarter divided by monthly average total equity excluding non-controlling interest in equity of consolidated subsidiaries. The average is based on month-end equity amounts over the respective period. Adjusted ROE for quarterly periods is shown as an annualized return.*
5) *Figures based on relevant economic interest. "CSV" represents Construction Support Vessel, "ROV" represents remotely operated vehicle, "ROV Support Vessel", "AHTS" represents anchor handling tug supply, "AHTS Vessel", and "IMR" represents inspection, maintenance and repair "IMR Vessel".*
6) *The $2 million debt on the balance sheet as of June 30, 2016 relates to non-controlling interest with the Offshore Energy segment.*

Shipping Containers

- Continue to own and manage ~88,000 shipping containers via joint venture investment (~$10 million book value)
- Shipping Containers segment had Adjusted EBITDA of $0.8mm during Q2'16 and minimal impact to FAD

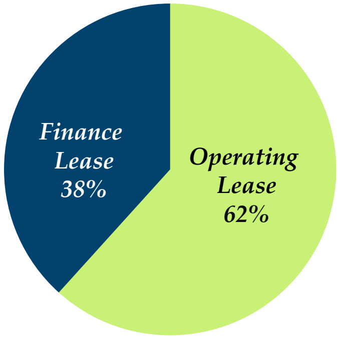
Financial Summary

($s in millions)

Statement of Operations	Q2'15	Q1'16	Q2'16
Total Revenue	$1.9	$1.1	$ –
Total Expenses	(0.7)	(0.4)	–
Other[1]	1.2	0.4	(0.2)
Net Income (Loss) Attributable to Shareholders	$2.4	$1.1	($0.2)
Non-GAAP Measures			
Adjusted EBITDA[2]	$10.3	$7.3	$0.8
Adjusted Net Income (Loss)[2]	$2.4	$1.1	($0.3)
Adjusted ROE[3]	17.2%	13.4%	(12.3%)

Operating Data & Metrics

Lease Type



($s in millions)	*As of June 30, 2016* *Portfolio 1*
No. of Units	88,000
Asset Value[4]	$38
Debt[4]	$26
Leverage	70%
Remaining Lease Term	~1 year
Utilization	92%

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4) *Figures for Portfolio 1 are adjusted for 51% ownership and excludes shareholder debt.*

Jefferson Terminal

- Executed 2 commercial deals which are expected to meaningfully contribute to EBITDA[1]
- Well-positioned to take advantage of growing export markets, including:
  - **Ethanol** – countries around the world are increasing ethanol use as a gasoline additive with environmental benefits at an attractive price
  - **Heavy Canadian undiluted crude** – rail to ship or barge of heavy Canadian undiluted crude has been and continues to be an attractive economic move. We are currently working on multiple opportunities in this area
- Total expenses increased $4.8 million during Q2'16 compared to Q1'16, which was primarily driven by a $4.4 million reversal of previously recognized equity-based compensation expense during Q1'16

Financial Summary

($s in millions)

Statement of Operations	*Q2'15*	*Q1'16*	*Q2'16*
Total Revenue	$5.4	$3.9	$3.1
Total Expenses	(16.0)	(10.2)	(15.0)
Other[2]	4.5	1.6	5.1
Net Income (Loss) Attributable to Shareholders	($6.1)	($4.7)	($6.8)
Non-GAAP Measures			
Adjusted EBITDA[3]	($1.6)	($1.6)	($1.5)
Adjusted Net Income (Loss)[3]	($5.7)	($6.3)	($6.5)
Adjusted ROE[4]	(11.8%)	(11.7%)	(11.7%)

Operating Data & Metrics

	Q1'16	*Q2'16*
Trains per month	0.7	–
Barges per month	3.3	1.7
Trucks per month	483.3	398.0
Total barrels per quarter	878,767	456,930
Storage Capacity Online (barrels)	700,000	700,000

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2) *Includes Total other income, Provision for income taxes, less Net income attributable to non-controlling interest in consolidated subsidiaries.*
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Railroad

- Revenue increased 38% and carloads increased 15% during Q2'16 compared with Q2'15
  - Traffic volume remains strong – continue to win new business with existing customers and convert haulage business to linehaul
  - Improved revenue per carload due to favorable change in mix between higher-margin linehaul traffic and lower-margin haulage traffic
- The modest decrease in revenues during Q2'16 compared with Q1'16 was attributable to seasonality of propane volumes and a change in linehaul and haulage mix during the same periods

Financial Summary

($s in millions)

Statement of Operations	Q2'15	Q1'16	Q2'16
Total Revenue	$5.6	$8.0	$7.7
Total Expenses	(7.7)	(7.9)	(8.0)
Other[1]	(0.1)	0.2	0.1
Net Income (Loss) Attributable to Shareholders	($2.2)	$0.3	($0.2)
Non-GAAP Measures			
Adjusted EBITDA[2]	($1.4)	$1.1	$0.6
Adjusted Net Income (Loss)[2]	($1.9)	$0.5	($0.1)
Adjusted ROE[3]	(87.0%)	15.4%	(4.0%)

Operating Data & Metrics

Carloads by Commodity	Q2'15	Q1'16	Q2'16
Building products	1,060	933	1,352
Chemicals & fertilizers	671	570	647
Feeds & grains	379	303	279
Finished wood products	1,833	1,764	1,786
Fuel & propane	340	873	720
Paper & wood pulp	1,189	1,774	1,732
Salt & minerals	559	471	413
Total Carloads	**6,031**	**6,688**	**6,929**

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Corporate

- Corporate segment includes G&A expenses, management fees, incentive allocations and expense reimbursement
- Total expenses also included $1.6 million and $1.1 million of acquisition and transaction expenses during Q2'16 and Q1'16, respectively

Financial Summary – Corporate Segment

($s in millions)

Statement of Operations	*Q2'15*	*Q1'16*	*Q2'16*
Total Revenue	$ —	$ —	$ —
Total Expenses	(7.1)	(8.0)	(9.2)
Other[1]	—	—	—
Net Income (Loss) Attributable to Shareholders	($7.1)	($8.0)	($9.2)
Non-GAAP Measures			
Adjusted EBITDA[2]	($5.5)	($6.9)	($7.6)
Adjusted Net Income (Loss)[2]	($5.5)	($6.9)	($7.6)

FORTRESS TRANSPORTATION & INFRASTRUCTURE

1) *Includes Total other income, Provision for income taxes, less Net income attributable to non-controlling interest in consolidated subsidiaries.*
2) *This is a Non-GAAP measure. See Reconciliation of Non-GAAP Measures section in Appendix for a reconciliation to the most comparable GAAP measure.*

Appendix:

- Statement of Operations by Segment
- Comparative Statements of Operations
- Condensed Balance Sheets by Segment
- Reconciliation of Non-GAAP measures
- Consolidated FAD reconciliation
- Glossary

Statement of Operations by Segment

FORTRESS TRANSPORTATION & INFRASTRUCTURE

Statement of Operations by Segment (unaudited)

For the Three Months Ended June 30, 2016	Equipment Leasing			Infrastructure			
($'s in thousands)	Aviation Leasing	Offshore Energy	Shipping Containers	Jefferson Terminal	Railroad	Corporate	Total
Revenues							
Equipment leasing revenues	$21,347	$979	$25	$—	$—	$—	$22,351
Infrastructure revenues	—	—	—	3,137	7,707	—	10,844
Total revenues	21,347	979	25	3,137	7,707	—	33,195
Expenses							
Operating expenses	1,166	2,401	12	6,698	7,268	6	17,551
General and administrative	—	—	—	—	—	3,361	3,361
Acquisition and transaction expenses	—	—	—	291	—	1,584	1,875
Management fees and incentive allocation to affiliate	—	—	—	—	—	4,231	4,231
Depreciation and amortization	8,504	1,670	—	3,993	534	—	14,701
Interest expense	—	936	—	3,984	200	—	5,120
Total expenses	9,670	5,007	12	14,966	8,002	9,182	46,839
Other income (expense)							
Equity in earnings of unconsolidated entities	—	—	(259)	—	—	—	(259)
Gain on sale of equipment and finance leases, net	1,509	—	—	—	36	—	1,545
Loss on extinguishment of debt	—	—	—	—	—	—	—
Asset impairment	—	(7,450)	—	—	—	—	(7,450)
Interest income	2	3	—	(133)	—	—	(128)
Other income (expense), net	—	—	—	58	—	—	58
Total other income (expense)	1,511	(7,447)	(259)	(75)	36	—	(6,234)
Income (loss) before income taxes	13,188	(11,475)	(246)	(11,904)	(259)	(9,182)	(19,878)
Provision (benefit) for income taxes	185	—	(9)	—	—	2	178
Net income (loss)	13,003	(11,475)	(237)	(11,904)	(259)	(9,184)	(20,056)
Less: Net income (loss) attributable to non-controlling interests in consolidated subsidiaries	193	(3,911)	—	(5,125)	(16)	(4)	(8,863)
Net income (loss) attributable to shareholders	12,810	(7,564)	(237)	(6,779)	(243)	(9,180)	(11,193)
Adjusted Net Income (Loss) [1]	12,977	(3,839)	(309)	(6,519)	(130)	(7,594)	(5,414)
Adjusted EBITDA[1]	$23,094	$(1,325)	$801	$(1,521)	$575	$(7,594)	$14,030

FORTRESS TRANSPORTATION & INFRASTRUCTURE

1) This is a Non-GAAP measure. See Reconciliation of Non-GAAP Measures section in Appendix for a reconciliation to the most comparable GAAP measure.

Statement of Operations by Segment (unaudited)

For the Six Months Ended June 30, 2016

($'s in thousands)	Equipment Leasing			Infrastructure			
	Aviation Leasing	Offshore Energy	Shipping Containers	Jefferson Terminal	Railroad	Corporate	Total
Revenues							
Equipment leasing revenues	$39,300	$1,464	$1,162	$—	$—	$—	$41,926
Infrastructure revenues	—	—	—	7,016	15,706	—	22,722
Total revenues	39,300	1,464	1,162	7,016	15,706	—	64,648
Expenses							
Operating expenses	1,983	6,002	42	9,386	14,490	6	31,909
General and administrative	—	—	—	—	—	5,949	5,949
Acquisition and transaction expenses	—	—	—	291	—	2,643	2,934
Management fees and incentive allocation to affiliate	—	—	—	—	—	8,579	8,579
Depreciation and amortization	15,931	3,258	—	7,669	1,060	—	27,918
Interest expense	—	1,871	410	7,788	354	—	10,423
Total expenses	17,914	11,131	452	25,134	15,904	17,177	87,712
Other income (expense)							
Equity in (loss) earnings of unconsolidated entities	—	—	(174)	—	—	—	(174)
Gain on sale of equipment and finance leases, net	2,717	—	304	—	246	—	3,267
Loss on extinguishment of debt	—	—	—	(1,579)	—	—	(1,579)
Asset impairment	—	(7,450)	—	—	—	—	(7,450)
Interest income	3	5	—	(127)	—	—	(119)
Other income (expense), net	—	—	(2)	100	—	—	98
Total other income (expense)	2,720	(7,445)	128	(1,606)	246	—	(5,957)
Income (loss) before income taxes	24,106	(17,112)	838	(19,724)	48	(17,177)	(29,021)
Provision (benefit) for income taxes	88	—	(13)	35	—	2	112
Net income (loss)	24,018	(17,112)	851	(19,759)	48	(17,179)	(29,133)
Less: Net income (loss) attributable to non-controlling interests in consolidated subsidiaries	290	(4,158)	—	(8,281)	(3)	(6)	(12,158)
Net income (loss) attributable to shareholders	23,728	(12,954)	851	(11,478)	51	(17,173)	(16,975)
Adjusted Net Income (Loss) [(1)]	23,452	(9,229)	778	(12,776)	360	(14,532)	(11,947)
Adjusted EBITDA[(1)]	$42,938	$(4,276)	$3,585	$(3,167)	$1,718	$(14,528)	$26,270

FORTRESS TRANSPORTATION & INFRASTRUCTURE

1) *This is a Non-GAAP measure. See Reconciliation of Non-GAAP Measures section in Appendix for a reconciliation to the most comparable GAAP measure.*

Statement of Operations by Segment (unaudited)

For the Three Months Ended June 30, 2015 *($'s in thousands)*	**Equipment Leasing**			**Infrastructure**			
	Aviation Leasing	Offshore Energy	Shipping Containers	Jefferson Terminal	Railroad	Corporate	Total
Revenues							
Equipment leasing revenues	$13,807	$6,932	$1,894	$—	$—	$—	$22,633
Infrastructure revenues	—	—	—	5,373	5,558	—	10,931
Total revenues	13,807	6,932	1,894	5,373	5,558	—	33,564
Expenses							
Operating expenses	377	390	117	9,501	7,215	—	17,600
General and administrative	—	—	—	—	—	1,989	1,989
Acquisition and transaction expenses	—	—	—	—	—	1,598	1,598
Management fees and incentive allocation to affiliate	—	—	—	—	—	3,485	3,485
Depreciation and amortization	5,396	1,489	—	3,461	419	—	10,765
Interest expense	—	952	625	3,019	161	—	4,757
Total expenses	5,773	2,831	742	15,981	7,795	7,072	40,194
Other income (loss)							
Equity in losses of unconsolidated entities	—	—	1,225	—	—	—	1,225
Gain on sale of equipment, net	284	—	—	—	4	—	288
Interest income (expense)	—	114	—	2	—	—	116
Other income	—	—	(2)	(1)	—	—	(3)
Total other income (loss)	284	114	1,223	1	4	—	1,626
Income (loss) before income taxes	8,318	4,215	2,375	(10,607)	(2,233)	(7,072)	(5,004)
Provision for income taxes	198	—	19	49	—	—	266
Net income (loss)	8,120	4,215	2,356	(10,656)	(2,233)	(7,072)	(5,270)
Less: Net income (loss) attributable to non-controlling interests in consolidated subsidiaries	—	189	—	(4,545)	(79)	2	(4,433)
Net income (loss) attributable to shareholders	8,120	4,026	2,356	(6,111)	(2,154)	(7,074)	(837)
Adjusted Net Income (Loss)[1]	8,288	4,026	2,376	(5,741)	(1,928)	(5,452)	1,569
Adjusted EBITDA[1]	$15,471	$6,381	$3,670	$(1,599)	$(1,369)	$(5,452)	$17,102

FORTRESS TRANSPORTATION & INFRASTRUCTURE

1) This is a Non-GAAP measure. See Reconciliation of Non-GAAP Measures section in Appendix for a reconciliation to the most comparable GAAP measure.

Statement of Operations by Segment (unaudited)

For the Six Months Ended June 30, 2015	**Equipment Leasing**			**Infrastructure**			
($'s in thousands)	Aviation Leasing	Offshore Energy	Shipping Containers	Jefferson Terminal	Railroad	Corporate	Total
Revenues							
Equipment leasing revenues	$28,052	$13,799	$3,820	$—	$—	$—	$45,671
Infrastructure revenues	—	—	—	10,019	11,847	—	21,866
Total revenues	28,052	13,799	3,820	10,019	11,847	—	67,537
Expenses							
Operating expenses	715	961	170	16,174	14,299	—	32,319
General and administrative	—	—	—	—	—	2,337	2,337
Acquisition and transaction expenses	—	—	—	—	—	1,966	1,966
Management fees and incentive allocation to affiliate	—	—	—	—	—	5,899	5,899
Depreciation and amortization	10,652	2,978	—	6,769	928	—	21,327
Interest expense	—	1,908	1,267	6,106	291	—	9,572
Total expenses	11,367	5,847	1,437	29,049	15,518	10,202	73,420
Other income (loss)							
Equity in losses of unconsolidated entities	—	—	2,466	—	—	—	2,466
Gain on sale of equipment, net	284	—	—	—	7	—	291
Interest income (expense)	8	253	—	42	—	—	303
Other income	—	—	(9)	—	—	—	(9)
Total other income (loss)	292	253	2,457	42	7	—	3,051
Income (loss) before income taxes	16,977	8,205	4,840	(18,988)	(3,664)	(10,202)	(2,832)
Provision for income taxes	412	—	35	49	—	—	496
Net income (loss)	16,565	8,205	4,805	(19,037)	(3,664)	(10,202)	(3,328)
Less: Net income (loss) attributable to non-controlling interests in consolidated subsidiaries	—	370	—	(8,199)	(112)	2	(7,939)
Net income (loss) attributable to shareholders	16,565	7,835	4,805	(10,838)	(3,552)	(10,204)	4,611
Adjusted Net Income (Loss)[1]	16,750	7,835	4,849	(9,956)	(2,772)	(8,214)	8,492
Adjusted EBITDA[1]	$31,542	$12,548	$7,566	$(1,946)	$(1,589)	$(8,214)	$39,907

FORTRESS TRANSPORTATION & INFRASTRUCTURE

1) This is a Non-GAAP measure. See Reconciliation of Non-GAAP Measures section in Appendix for a reconciliation to the most comparable GAAP measure.

Comparative Statements of Operations

Consolidated - Comparative Statements of Operations (unaudited)

($'s in thousands)	Three Months Ended					Twelve Months Ended	
	June 30, 2015	September 30, 2015	December 31, 2015	March 31, 2016	June 30, 2016	June 30, 2015	June 30, 2016
Revenues							
Equipment leasing revenues	$22,633	$24,360	$22,712	$19,575	$22,351	$72,208	$88,998
Infrastructure revenues	10,931	10,873	11,086	11,878	10,844	34,828	44,681
Total revenues	33,564	35,233	33,798	31,453	33,195	107,036	133,679
Expenses							
Operating expenses	17,600	17,879	18,595	14,358	17,551	56,197	68,383
General and administrative	1,989	2,568	2,663	2,588	3,361	3,396	11,180
Acquisition and transaction expenses	1,598	2,206	1,511	1,059	1,875	2,943	6,651
Management fees and incentive allocation to affiliate	3,485	4,606	4,513	4,348	4,231	9,525	17,698
Depreciation and amortization	10,765	11,548	12,433	13,217	14,701	32,702	51,899
Interest expense	4,757	4,668	5,071	5,303	5,120	13,872	20,162
Total expenses	40,194	43,475	44,786	40,873	46,839	118,635	175,973
Other income (expense)							
Equity in (loss) earnings of unconsolidated entities	1,225	(9,584)	162	85	(259)	5,428	(9,596)
Gain on sale of equipment and finance leases, net	288	1,746	1,382	1,722	1,545	5,652	6,395
Loss on extinguishment of debt	—	—	—	(1,579)	—	—	(1,579)
Asset impairment	—	—	—	—	(7,450)	—	(7,450)
Interest income	116	159	117	9	(128)	475	157
Other income (expense), net	(3)	15	20	40	58	31	133
Total other income (expense)	1,626	(7,664)	1,681	277	(6,234)	11,586	(11,940)
Income (loss) before income taxes	(5,004)	(15,906)	(9,307)	(9,143)	(19,878)	(13)	(54,234)
Provision (benefit) for income taxes	266	150	(60)	(66)	178	812	202
Net loss	(5,270)	(16,056)	(9,247)	(9,077)	(20,056)	(825)	(54,436)
Less: Net loss attributable to non-controlling interests in consolidated subsidiaries	(4,433)	(4,318)	(4,548)	(3,295)	(8,863)	(13,142)	(21,024)
Net loss attributable to shareholders	(837)	(11,738)	(4,699)	(5,782)	(11,193)	12,317	(33,412)
Adjusted Net Income[(1)]	1,569	1,858	(2,563)	(6,532)	(5,414)	18,024	(12,651)
Adjusted EBITDA[(1)]	$17,102	$17,626	$15,089	$12,240	$14,030	$67,146	$58,985

FORTRESS TRANSPORTATION & INFRASTRUCTURE

1) This is a Non-GAAP measure. See Reconciliation of Non-GAAP Measures section in Appendix for a reconciliation to the most comparable GAAP measure.

Aviation - Comparative Statements of Operations (unaudited)

	Three Months Ended					Twelve Months Ended	
($'s in thousands)	June 30, 2015	September 30, 2015	December 31, 2015	March 31, 2016	June 30, 2016	June 30, 2015	June 30, 2016
Revenues							
Gross lease income	$11,565	$12,131	$14,349	$14,486	$16,385	$34,302	$57,351
Lease intangible amortization	(1,757)	(1,467)	(1,636)	(1,639)	(1,636)	(5,751)	(6,378)
Maintenance revenue	3,999	5,510	4,391	5,106	6,285	10,745	21,292
Other revenue	—	—	—	—	313	1,123	313
Total revenues	13,807	16,174	17,104	17,953	21,347	40,419	72,578
Expenses							
Operating expenses	377	1,208	897	817	1,166	1,575	4,088
Depreciation and amortization	5,396	6,122	6,775	7,427	8,504	16,394	28,828
Total expenses	5,773	7,330	7,672	8,244	9,670	17,969	32,916
Other income							
Gain on sale of equipment and finance leases, net	284	1,674	1,095	1,208	1,509	5,645	5,486
Interest income	—	3	—	1	2	20	6
Total other income	284	1,677	1,095	1,209	1,511	5,665	5,492
Income before income taxes	8,318	10,521	10,527	10,918	13,188	28,115	45,154
Provision (benefit) for income taxes	198	308	(52)	(97)	185	564	344
Net income	8,120	10,213	10,579	11,015	13,003	27,551	44,810
Less: Net income attributable to non-controlling interests in consolidated subsidiaries	—	—	21	97	193	—	311
Net income attributable to shareholders	8,120	10,213	10,558	10,918	12,810	27,551	44,499
Adjusted Net Income(1)	8,288	10,521	10,506	10,475	12,977	27,622	44,479
Adjusted EBITDA(1)	$15,471	$18,110	$18,896	$19,844	$23,094	$50,260	$79,944

1) This is a Non-GAAP measure. See Reconciliation of Non-GAAP Measures section in Appendix for a reconciliation to the most comparable GAAP measure.

Offshore Energy - Comparative Statements of Operations (unaudited)

($'s in thousands)	Three Months Ended					Twelve Months Ended	
	June 30, 2015	September 30, 2015	December 31, 2015	March 31, 2016	June 30, 2016	June 30, 2015	June 30, 2016
Revenues							
Lease income	$6,337	$5,816	$3,540	$75	$580	$21,582	$10,011
Finance lease income	419	418	418	410	399	1,680	1,645
Other revenue	176	201	39	—	—	591	240
Total revenues	6,932	6,435	3,997	485	979	23,853	11,896
Expenses							
Operating expenses	390	724	2,965	3,601	2,401	1,769	9,691
Depreciation and amortization	1,489	1,489	1,500	1,588	1,670	5,030	6,247
Interest expense	952	946	940	935	936	3,085	3,757
Total expenses	2,831	3,159	5,405	6,124	5,007	9,884	19,695
Other income (expense)							
Asset impairment	—	—	—	—	(7,450)	—	(7,450)
Interest income	114	115	115	2	3	413	235
Total other income (expense)	114	115	115	2	(7,447)	413	(7,215)
Income (loss) before income taxes	4,215	3,391	(1,293)	(5,637)	(11,475)	14,382	(15,014)
Provision (benefit) for income taxes	—	—	—	—	—	—	—
Net income (loss)	4,215	3,391	(1,293)	(5,637)	(11,475)	14,382	(15,014)
Less: Net income (loss) attributable to non-controlling interests in consolidated subsidiaries	189	196	110	(247)	(3,911)	733	(3,852)
Net income (loss) attributable to shareholders	4,026	3,195	(1,403)	(5,390)	(7,564)	13,649	(11,162)
Adjusted Net Income (Loss)[(1)]	4,026	3,195	(1,403)	(5,390)	(3,839)	13,642	(7,437)
Adjusted EBITDA[(1)]	$6,381	$5,544	$951	$(2,951)	$(1,325)	$21,528	$2,219

FORTRESS TRANSPORTATION & INFRASTRUCTURE

1) This is a Non-GAAP measure. See Reconciliation of Non-GAAP Measures section in Appendix for a reconciliation to the most comparable GAAP measure.

Shipping Containers - Comparative Statements of Operations (unaudited)

($'s in thousands)	Three Months Ended					Twelve Months Ended	
	June 30, 2015	September 30, 2015	December 31, 2015	March 31, 2016	June 30, 2016	June 30, 2015	June 30, 2016
Revenues							
Finance lease income	$1,869	$1,726	$1,586	$1,112	$—	$7,837	$4,424
Other revenue	25	25	25	25	25	99	100
Total revenues	1,894	1,751	1,611	1,137	25	7,936	4,524
Expenses							
Operating expenses	117	128	52	30	12	308	222
Interest expense	625	591	535	410	—	2,651	1,536
Total expenses	742	719	587	440	12	2,959	1,758
Other income (expense)							
Equity in (loss) earnings of unconsolidated entities	1,225	(9,584)	162	85	(259)	5,428	(9,596)
Gain on sale of equipment and finance leases, net	—	—	—	304	—	—	304
Other income (expense), net	(2)	(5)	—	(2)	—	(15)	(7)
Total other income (expense)	1,223	(9,589)	162	387	(259)	5,413	(9,299)
Income (loss) before income taxes	2,375	(8,557)	1,186	1,084	(246)	10,390	(6,533)
Provision (benefit) for income taxes	19	(164)	2	(4)	(9)	17	(175)
Net income (loss) attributable to shareholders	2,356	(8,393)	1,184	1,088	(237)	10,373	(6,358)
Adjusted Net Income (Loss)[(1)]	2,376	1,956	1,186	1,087	(309)	10,466	3,920
Adjusted EBITDA[(1)]	$3,670	$3,269	$2,984	$2,783	$801	$16,276	$9,837

1) This is a Non-GAAP measure. See Reconciliation of Non-GAAP Measures section in Appendix for a reconciliation to the most comparable GAAP measure.

Jefferson Terminal - Comparative Statements of Operations (unaudited)

($'s in thousands)	Three Months Ended					Twelve Months Ended	
	June 30, 2015	September 30, 2015	December 31, 2015	March 31, 2016	June 30, 2016	June 30, 2015	June 30, 2016
Revenues							
Lease income	$1,410	$1,030	$770	$—	$—	$4,145	$1,800
Terminal services revenue	3,963	3,202	3,254	3,879	3,137	9,851	13,472
Total revenues	5,373	4,232	4,024	3,879	3,137	13,996	15,272
Expenses							
Operating expenses	9,501	8,599	8,381	2,688	6,698	25,218	26,366
Acquisition and transaction expenses	—	—	—	—	291	364	291
Depreciation and amortization	3,461	3,469	3,659	3,676	3,993	9,487	14,797
Interest expense	3,019	2,988	3,452	3,804	3,984	7,658	14,228
Total expenses	15,981	15,056	15,492	10,168	14,966	42,727	55,682
Other income (expense)							
Gain on sale of equipment and finance leases, net	—	—	(199)	—	—	—	(199)
Loss on extinguishment of debt	—	—	—	(1,579)	—	—	(1,579)
Interest income	2	41	2	6	(133)	42	(84)
Other income (expense), net	(1)	20	20	42	58	46	140
Total other income (expense)	1	61	(177)	(1,531)	(75)	88	(1,722)
Loss before income taxes	(10,607)	(10,763)	(11,645)	(7,820)	(11,904)	(28,643)	(42,132)
Provision (benefit) for income taxes	49	4	(12)	35	—	231	27
Net loss	(10,656)	(10,767)	(11,633)	(7,855)	(11,904)	(28,874)	(42,159)
Less: Net loss attributable to non-controlling interests in consolidated subsidiaries	(4,545)	(4,454)	(4,723)	(3,156)	(5,125)	(13,765)	(17,458)
Net loss attributable to shareholders	(6,111)	(6,313)	(6,910)	(4,699)	(6,779)	(15,109)	(24,701)
Adjusted Net Income (Loss)[1]	(5,741)	(5,762)	(6,435)	(6,257)	(6,519)	(13,069)	(24,973)
Adjusted EBITDA[1]	$(1,599)	$(1,827)	$(1,934)	$(1,646)	$(1,521)	$(2,515)	$(6,928)

FORTRESS TRANSPORTATION & INFRASTRUCTURE

1) This is a Non-GAAP measure. See Reconciliation of Non-GAAP Measures section in Appendix for a reconciliation to the most comparable GAAP measure.

Railroad - Comparative Statements of Operations (unaudited)

($'s in thousands)	Three Months Ended					Twelve Months Ended	
	June 30, 2015	September 30, 2015	December 31, 2015	March 31, 2016	June 30, 2016	June 30, 2015	June 30, 2016
Revenues							
Rail revenues	$5,558	$6,641	$7,062	$7,999	$7,707	$20,832	$29,409
Total revenues	5,558	6,641	7,062	7,999	7,707	20,832	29,409
Expenses							
Operating expenses	7,215	7,220	6,300	7,222	7,268	27,327	28,010
Acquisition and transaction expenses	—	—	—	—	—	438	—
Depreciation and amortization	419	468	499	526	534	1,791	2,027
Interest expense	161	143	144	154	200	478	641
Total expenses	7,795	7,831	6,943	7,902	8,002	30,034	30,678
Other income (expense)							
Gain on sale of equipment and finance leases, net	4	72	486	210	36	7	804
Total other income (expense)	4	72	486	210	36	7	804
Income (loss) before income taxes	(2,233)	(1,118)	605	307	(259)	(9,195)	(465)
Provision (benefit) for income taxes	—	—	—	—	—	—	—
Net income (loss)	(2,233)	(1,118)	605	307	(259)	(9,195)	(465)
Less: Net income (loss) attributable to non-controlling interests in consolidated subsidiaries	(79)	(54)	45	13	(16)	(112)	(12)
Net income (loss) attributable to shareholders	(2,154)	(1,064)	560	294	(243)	(9,083)	(453)
Adjusted Net Income (Loss)[(1)]	(1,928)	(884)	758	491	(130)	(7,737)	235
Adjusted EBITDA[(1)]	$(1,369)	$(302)	$1,367	$1,144	$575	$(5,504)	$2,784

FORTRESS TRANSPORTATION & INFRASTRUCTURE

1) This is a Non-GAAP measure. See Reconciliation of Non-GAAP Measures section in Appendix for a reconciliation to the most comparable GAAP measure.

Corporate - Comparative Statements of Operations (unaudited)

	Three Months Ended					Twelve Months Ended	
($'s in thousands)	June 30, 2015	September 30, 2015	December 31, 2015	March 31, 2016	June 30, 2016	June 30, 2015	June 30, 2016
Expenses							
Operating expenses	—	—	—	—	6	—	6
General and administrative	1,989	2,568	2,663	2,588	3,361	3,396	11,180
Acquisition and transaction expenses	1,598	2,206	1,511	1,059	1,584	2,141	6,360
Management fees and incentive allocation to affiliate	3,485	4,606	4,513	4,348	4,231	9,525	17,698
Total expenses	7,072	9,380	8,687	7,995	9,182	15,062	35,244
Income (loss) before income taxes	(7,072)	(9,380)	(8,687)	(7,995)	(9,182)	(15,062)	(35,244)
Provision (benefit) for income taxes	—	2	2	—	2	—	6
Net income (loss)	(7,072)	(9,382)	(8,689)	(7,995)	(9,184)	(15,062)	(35,250)
Less: Net income (loss) attributable to non-controlling interests in consolidated subsidiaries	2	(6)	(1)	(2)	(4)	2	(13)
Net income (loss) attributable to shareholders	(7,074)	(9,376)	(8,688)	(7,993)	(9,180)	(15,064)	(35,237)
Adjusted Net Income (Loss)[(1)]	(5,452)	(7,168)	(7,175)	(6,938)	(7,594)	(12,900)	(28,875)
Adjusted EBITDA[(1)]	$(5,452)	$(7,168)	$(7,175)	$(6,934)	$(7,594)	$(12,899)	$(28,871)

FORTRESS TRANSPORTATION & INFRASTRUCTURE

1) This is a Non-GAAP measure. See Reconciliation of Non-GAAP Measures section in Appendix for a reconciliation to the most comparable GAAP measure.

Condensed Balance Sheets by Segment

Condensed Balance Sheets by Segment

As of June 30, 2016

($'s in thousands)	Equipment Leasing			Infrastructure			
	Aviation Leasing	Offshore Energy	Shipping Containers	Jefferson Terminal	Railroad	Corporate	Total
Gross Property, Plant and Equipment (PP&E)	$—	$—	$—	$288,230	$31,160	$—	$319,390
Spare parts	—	—	—	2,831	—	—	2,831
Accumulated Depreciation on PP&E	—	—	—	(15,646)	(4,004)	—	(19,650)
Net PP&E	—	—	—	275,415	27,156	—	302,571
Gross Leasing Equipment	511,072	185,656	—	44,326	—	—	741,054
Accumulated Depreciation on Leasing Equipment	(46,258)	(12,962)	—	(2,100)	—	—	(61,320)
Net Leasing Equipment	464,814	172,694	—	42,226	—	—	679,734
Intangible Assets	10,585	—	—	29,019	128	—	39,732
Goodwill	—	—	—	115,991	593	—	116,584
All Other Assets	22,402	33,101	10,082	67,757	13,271		146,613
Total Assets	497,801	205,795	10,082	530,408	41,148	289,318	1,574,552
Debt	—	65,664	—	185,225	12,019	—	262,908
All Other Liabilities	59,324	2,771	—	14,734	14,288	5,579	96,696
Total Liabilities	59,324	68,435	—	199,959	26,307	5,579	359,604
Shareholders' equity	437,288	133,826	10,082	222,351	12,808	283,186	1,099,541
Non-controlling interest in equity of consolidated subsidiaries	1,189	3,534	—	108,098	2,033	553	115,407
Total Equity	438,477	137,360	10,082	330,449	14,841	283,739	1,214,948
Total Liabilities and Equity	$497,801	$205,795	$10,082	$530,408	$41,148	$289,318	$1,574,552

FORTRESS TRANSPORTATION & INFRASTRUCTURE

Condensed Balance Sheets by Segment

As of December 31, 2015

($'s in thousands)	Equipment Leasing			Infrastructure			
	Aviation Leasing	Offshore Energy	Shipping Containers	Jefferson Terminal	Railroad	Corporate	Total
Gross Property, Plant and Equipment (PP&E)	$—	$—	$—	$285,294	$27,599	$—	$312,893
Accumulated Depreciation on PP&E	—	—	—	(10,308)	(2,907)	—	(13,215)
Net PP&E	—	—	—	274,986	24,692	—	299,678
Gross Leasing Equipment	452,602	184,284	—	44,326	—	—	681,212
Accumulated Depreciation on Leasing Equipment	(33,281)	(9,704)	—	(1,546)	—	—	(44,531)
Net Leasing Equipment	419,321	174,580	—	42,780	—	—	636,681
Intangible Assets	13,184	—	—	30,795	150	—	44,129
Goodwill	—	—	—	115,991	593	—	116,584
All Other Assets	11,027	39,366	85,917	18,794	8,501	384,128	547,733
Total Assets	443,532	213,946	85,917	483,346	33,936	384,128	1,644,805
Debt	—	68,673	45,778	142,835	8,935	—	266,221
All Other Liabilities	50,873	5,555	125	16,735	10,528	4,082	87,898
Total Liabilities	50,873	74,228	45,903	159,570	19,463	4,082	354,119
Shareholders' equity	391,760	132,026	40,014	210,262	12,759	379,462	1,166,283
Non-controlling interest in equity of consolidated subsidiaries	899	7,692	—	113,514	1,714	584	124,403
Total Equity	392,659	139,718	40,014	323,776	14,473	380,046	1,290,686
Total Liabilities and Equity	$443,532	$213,946	$85,917	$483,346	$33,936	$384,128	$1,644,805

Reconciliation of Non-GAAP Measures

Adjusted Net Income Reconciliation by Segment (unaudited)

($'s in thousands)	For the Three Months Ended June 30, 2016							For the Three Months Ended June 30, 2015						
	Aviation Leasing	Offshore Energy	Shipping Containers	Jefferson Terminal	Railroad	Corporate	Total	Aviation Leasing	Offshore Energy	Shipping Containers	Jefferson Terminal	Railroad	Corporate	Total
Net (loss) income attributable to shareholders	$12,810	$(7,564)	$(237)	$(6,779)	$(243)	$(9,180)	$(11,193)	$8,120	$4,026	$2,356	$(6,111)	$(2,154)	$(7,074)	$(837)
Add: Provision for income taxes	185	—	(9)	—	—	2	178	198	—	19	49	—	—	266
Add: Equity-based compensation expense	—	—	—	—	118	—	118	—	—	—	919	237	24	1,180
Add: Acquisition and transaction expenses	—	—	—	291	—	1,584	1,875	—	—	—	—	—	1,598	1,598
Add: Losses on the modification or extinguishment of debt and capital lease obligations	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Add: Changes in fair value of non-hedge derivative instruments	—	—	—	—	—	—	—	—	—	1	—	—	—	1
Add: Asset impairment charges	—	7,450	—	—	—	—	7,450	—	—	—	—	—	—	—
Add: Pro-rata share of Adjusted Net Income from unconsolidated entities (1)	—	—	(322)	—	—	—	(322)	—	—	1,225	—	—	—	1,225
Add: Incentive allocations	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Less: Cash payments for income taxes	(18)	—	—	(51)	—	—	(69)	(30)	—	—	(283)	—	—	(313)
Less: Equity in earnings of unconsolidated entities	—	—	259	—	—	—	259	—	—	(1,225)	—	—	—	(1,225)
Less: Non-controlling share of adjustments to Adjusted Net Income(2)(3)(4)(5)	—	(3,725)	—	20	(5)	—	(3,710)	—	—	—	(315)	(11)	—	(326)
Adjusted Net Income (Loss)	$12,977	$(3,839)	$(309)	$(6,519)	$(130)	$(7,594)	$(5,414)	$8,288	$4,026	$2,376	$(5,741)	$(1,928)	$(5,452)	$1,569

Adjusted Net Income Reconciliation by Segment (unaudited)

($'s in thousands)	For the Six Months Ended June 30, 2016							For the Six Months Ended June 30, 2015						
	Aviation Leasing	Offshore Energy	Shipping Containers	Jefferson Terminal	Railroad	Corporate	Total	Aviation Leasing	Offshore Energy	Shipping Containers	Jefferson Terminal	Railroad	Corporate	Total
Net (loss) income attributable to shareholders	$23,728	$(12,954)	$851	$(11,478)	$51	$(17,173)	$(16,975)	$16,565	$7,835	$4,805	$(10,838)	$(3,552)	$(10,204)	$4,611
Add: Provision for income taxes	88	—	(13)	35	—	2	112	412	—	35	49	—	—	496
Add: Equity-based compensation expense	—	—	—	(4,168)	322	—	(3,846)	—	—	—	1,772	804	24	2,600
Add: Acquisition and transaction expenses	—	—	—	291	—	2,643	2,934	—	—	—	—	—	1,966	1,966
Add: Losses on the modification or extinguishment of debt and capital lease obligations	—	—	—	1,579	—	—	1,579	—	—	—	—	—	—	—
Add: Changes in fair value of non-hedge derivative instruments	—	—	3	—	—	—	3	—	—	9	—	—	—	9
Add: Asset impairment charges	—	7,450	—	—	—	—	7,450	—	—	—	—	—	—	—
Add: Pro-rata share of Adjusted Net Income from unconsolidated entities [(1)]	—	—	(237)	—	—	—	(237)	—	—	2,466	—	—	—	2,466
Add: Incentive allocations	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Less: Cash payments for income taxes	(364)	—	—	(52)	—	(4)	(420)	(227)	—	—	(283)	—	—	(510)
Less: Equity in earnings of unconsolidated entities	—	—	174	—	—	—	174	—	—	(2,466)	—	—	—	(2,466)
Less: Non-controlling share of adjustments to Adjusted Net Income[(2)(3)(4)(5)]	—	(3,725)	—	1,017	(13)	—	(2,721)	—	—	—	(656)	(24)	—	(680)
Adjusted Net Loss	$23,452	$(9,229)	$778	$(12,776)	$360	$(14,532)	$(11,947)	$16,750	$7,835	$4,849	$(9,956)	$(2,772)	$(8,214)	$8,492

FORTRESS TRANSPORTATION & INFRASTRUCTURE

Adjusted Net Income Reconciliation by Segment (unaudited)

($'s in thousands)	For the Last Twelve Months Ended June 30, 2016							For the Last Twelve Months Ended June 30, 2015						
	Aviation Leasing	Offshore Energy	Shipping Containers	Jefferson Terminal	Railroad	Corporate	Total	Aviation Leasing	Offshore Energy	Shipping Containers	Jefferson Terminal	Railroad	Corporate	Total
Net (loss) income attributable to shareholders	$44,499	$(11,162)	$(6,358)	$(24,701)	$(453)	$(35,237)	$(33,412)	$27,551	$13,649	$10,373	$(15,109)	$(9,083)	$(15,064)	$12,317
Add: Provision for income taxes	344	—	(175)	27	—	6	202	564	—	17	231	—	—	812
Add: Equity-based compensation expense	—	—	—	(2,508)	725	—	(1,783)	—	—	—	2,909	932	24	3,865
Add: Acquisition and transaction expenses	—	—	—	291	—	6,360	6,651	—	—	—	364	438	2,141	2,943
Add: Losses on the modification or extinguishment of debt and capital lease obligations	—	—	—	1,579	—	—	1,579	—	—	—	—	—	—	—
Add: Changes in fair value of non-hedge derivative instruments	—	—	8	—	—	—	8	—	—	14	—	—	—	14
Add: Asset impairment charges	—	7,450	—	—	—	—	7,450	—	—	—	—	—	—	—
Add: Pro-rata share of Adjusted Net Income from unconsolidated entities [1]	—	—	849	—	—	—	849	—	—	5,490	—	—	—	5,490
Add: Incentive allocations	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Less: Cash payments for income taxes	(364)	—	—	(49)	—	(4)	(417)	(493)	(7)	—	(283)	—	(1)	(784)
Less: Equity in earnings of unconsolidated entities	—	—	9,596	—	—	—	9,596	—	—	(5,428)	—	—	—	(5,428)
Less: Non-controlling share of adjustments to Adjusted Net Income[2][3][4][5]	—	(3,725)	—	388	(37)	—	(3,374)	—	—	—	(1,181)	(24)	—	(1,205)
Adjusted Net Income	$44,479	$(7,437)	$3,920	$(24,973)	$235	$(28,875)	$(12,651)	$27,622	$13,642	$10,466	$(13,069)	$(7,737)	$(12,900)	$18,024

Adjusted EBITDA Reconciliation by Segment (unaudited)

For the Three Months Ended June 30, 2016

($'s in thousands)	Aviation Leasing	Offshore Energy	Shipping Containers	Jefferson Terminal	Railroad	Corporate	Total
Net (loss) income attributable to shareholders	$12,810	$(7,564)	$(237)	$(6,779)	$(243)	$(9,180)	$(11,193)
Add: Provision for income taxes	185	—	(9)	—	—	2	178
Add: Equity-based compensation expense	—	—	—	—	118	—	118
Add: Acquisition and transaction expenses	—	—	—	291	—	1,584	1,875
Add: Losses on the modification or extinguishment of debt and capital lease obligations	—	—	—	—	—	—	—
Add: Changes in fair value of non-hedge derivative instruments	—	—	—	—	—	—	—
Add: Asset impairment charges	—	7,450	—	—	—	—	7,450
Add: Incentive allocations	—	—	—	—	—	—	—
Add: Depreciation & amortization expense (6)(9)	10,140	1,670	—	3,993	534	—	16,337
Add: Interest expense	—	936	—	3,984	200	—	5,120
Add: Pro-rata share of Adjusted EBITDA from unconsolidated entities (7)(11)	—	—	788	—	—	—	788
Less: Equity in earnings of unconsolidated entities	—	—	259	—	—	—	259
Less: Non-controlling share of Adjusted EBITDA (8)(10)(12)(13)(14)	(41)	(3,817)	—	(3,010)	(34)	—	(6,902)
Adjusted EBITDA	$23,094	$(1,325)	$801	$(1,521)	$575	$(7,594)	$14,030

For the Three Months Ended June 30, 2015

($'s in thousands)	Aviation Leasing	Offshore Energy	Shipping Containers	Jefferson Terminal	Railroad	Corporate	Total
Net (loss) income attributable to shareholders	$8,120	$4,026	$2,356	$(6,111)	$(2,154)	$(7,074)	$(837)
Add: Provision for income taxes	198	—	19	49	—	—	266
Add: Equity-based compensation expense	—	—	—	919	237	24	1,180
Add: Acquisition and transaction expenses	—	—	—	—	—	1,598	1,598
Add: Losses on the modification or extinguishment of debt and capital lease obligations	—	—	—	—	—	—	—
Add: Changes in fair value of non-hedge derivative instruments	—	—	1	—	—	—	1
Add: Asset impairment charges	—	—	—	—	—	—	—
Add: Incentive allocations	—	—	—	—	—	—	—
Add: Depreciation & amortization expense (6)(9)	7,153	1,489	—	3,461	419	—	12,522
Add: Interest expense	—	952	625	3,019	161	—	4,757
Add: Pro-rata share of Adjusted EBITDA from unconsolidated entities (7)(11)	—	—	1,894	—	—	—	1,894
Less: Equity in earnings of unconsolidated entities	—	—	(1,225)	—	—	—	(1,225)
Less: Non-controlling share of Adjusted EBITDA (8)(10)(12)(13)(14)	—	(86)	—	(2,936)	(32)	—	(3,054)
Adjusted EBITDA	$15,471	$6,381	$3,670	$(1,599)	$(1,369)	$(5,452)	$17,102

Adjusted EBITDA Reconciliation by Segment (unaudited)

($'s in thousands)	For the Six Months Ended June 30, 2016							For the Six Months Ended June 30, 2015						
	Aviation Leasing	Offshore Energy	Shipping Containers	Jefferson Terminal	Railroad	Corporate	Total	Aviation Leasing	Offshore Energy	Shipping Containers	Jefferson Terminal	Railroad	Corporate	Total
Net (loss) income attributable to shareholders	$23,728	$(12,954)	$851	$(11,478)	$51	$(17,173)	$(16,975)	$16,565	$7,835	$4,805	$(10,838)	$(3,552)	$(10,204)	$4,611
Add: Provision for income taxes	88	—	(13)	35	—	2	112	412	—	35	49	—	—	496
Add: Equity-based compensation expense	—	—	—	(4,168)	322	—	(3,846)	—	—	—	1,772	804	24	2,600
Add: Acquisition and transaction expenses	—	—	—	291	—	2,643	2,934	—	—	—	—	—	1,966	1,966
Add: Losses on the modification or extinguishment of debt and capital lease obligations	—	—	—	1,579	—	—	1,579	—	—	—	—	—	—	—
Add: Changes in fair value of non-hedge derivative instruments	—	—	3	—	—	—	3	—	—	9	—	—	—	9
Add: Asset impairment charges	—	7,450	—	—	—	—	7,450	—	—	—	—	—	—	—
Add: Incentive allocations	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Add: Depreciation & amortization expense [(6)(9)]	19,204	3,258	—	7,669	1,060	—	31,191	14,565	2,978	—	6,769	928	—	25,240
Add: Interest expense	—	1,871	410	7,788	354	—	10,423	—	1,908	1,267	6,106	291	—	9,572
Add: Pro-rata share of Adjusted EBITDA from unconsolidated entities [(7)(11)]	—	—	2,160	—	—	—	2,160	—	—	3,916	—	—	—	3,916
Less: Equity in earnings of unconsolidated entities	—	—	174	—	—	—	174	—	—	(2,466)	—	—	—	(2,466)
Less: Non-controlling share of Adjusted EBITDA [(8)(10)(12)(13)(14)]	(82)	(3,901)	—	(4,883)	(69)	—	(8,935)	—	(173)	—	(5,804)	(60)	—	(6,037)
Adjusted EBITDA	$42,938	$(4,276)	$3,585	$(3,167)	$1,718	$(14,528)	$26,270	$31,542	$12,548	$7,566	$(1,946)	$(1,589)	$(8,214)	$39,907

FORTRESS TRANSPORTATION & INFRASTRUCTURE

Adjusted EBITDA Reconciliation by Segment (unaudited)

For the Last Twelve Months Ended June 30, 2016

($'s in thousands)	Aviation Leasing	Offshore Energy	Shipping Containers	Jefferson Terminal	Railroad	Corporate	Total
Net (loss) income attributable to shareholders	$44,499	$(11,162)	$(6,358)	$(24,701)	$(453)	$(35,237)	$(33,412)
Add: Provision for income taxes	344	—	(175)	27	—	6	202
Add: Equity-based compensation expense	—	—	—	(2,508)	725	—	(1,783)
Add: Acquisition and transaction expenses	—	—	—	291	—	6,360	6,651
Add: Losses on the modification or extinguishment of debt and capital lease obligations	—	—	—	1,579	—	—	1,579
Add: Changes in fair value of non-hedge derivative instruments	—	—	8	—	—	—	8
Add: Asset impairment charges	—	7,450	—	—	—	—	7,450
Add: Incentive allocations	—	—	—	—	—	—	—
Add: Depreciation & amortization expense [6][9]	35,204	6,247	—	14,797	2,027	—	58,275
Add: Interest expense	—	3,757	1,536	14,228	641	—	20,162
Add: Pro-rata share of Adjusted EBITDA from unconsolidated entities [7][11]	—	—	5,230	—	—	—	5,230
Less: Equity in earnings of unconsolidated entities	—	—	9,596	—	—	—	9,596
Less: Non-controlling share of Adjusted EBITDA [8][10][12][13][14]	(103)	(4,073)	—	(10,641)	(156)	—	(14,973)
Adjusted EBITDA	$79,944	$2,219	$9,837	$(6,928)	$2,784	$(28,871)	$58,985

For the Last Twelve Months Ended June 30, 2015

($'s in thousands)	Aviation Leasing	Offshore Energy	Shipping Containers	Jefferson Terminal	Railroad	Corporate	Total
Net (loss) income attributable to shareholders	$27,551	$13,649	$10,373	$(15,109)	$(9,083)	$(15,064)	$12,317
Add: Provision for income taxes	564	—	17	231	—	—	812
Add: Equity-based compensation expense	—	—	—	2,909	932	24	3,865
Add: Acquisition and transaction expenses	—	—	—	364	438	2,141	2,943
Add: Losses on the modification or extinguishment of debt and capital lease obligations	—	—	—	—	—	—	—
Add: Changes in fair value of non-hedge derivative instruments	—	—	14	—	—	—	14
Add: Asset impairment charges	—	—	—	—	—	—	—
Add: Incentive allocations	—	—	—	—	—	—	—
Add: Depreciation & amortization expense [6][9]	22,145	5,030	—	9,487	1,791	—	38,453
Add: Interest expense	—	3,085	2,651	7,658	478	—	13,872
Add: Pro-rata share of Adjusted EBITDA from unconsolidated entities [7][11]	—	—	8,649	—	—	—	8,649
Less: Equity in earnings of unconsolidated entities	—	—	(5,428)	—	—	—	(5,428)
Less: Non-controlling share of Adjusted EBITDA [8][10][12][13][14]	—	(236)	—	(8,055)	(60)	—	(8,351)
Adjusted EBITDA	$50,260	$21,528	$16,276	$(2,515)	$(5,504)	$(12,899)	$67,146

Notes to Non-GAAP reconciliations – Adjusted Net Income (Loss)

(1) Pro-rata share of Adjusted Net Income from unconsolidated entities includes the Company's proportionate share of the unconsolidated entities' net income adjusted for the excluded and included items detailed in the table above, for which there were no adjustments, for three and six months ended June 30, 2016 and 2015. Pro-rata share of Adjusted Net Income from unconsolidated entities includes the Company's proportionate share of the unconsolidated entities' net income adjusted for asset impairment charges of $10,508 for the twelve months ended June 30, 2016 and loss on extinguishment of debt of $62 for the twelve months ended June 30, 2015.

(2) The Company's non-controlling share of Adjusted Net Income is comprised of the following for the three months ended June 30, 2016 and 2015: (i) equity-based compensation of $5 and $377, (ii) provision for income tax of $0 and $20, and (iii) asset impairment charges of $3,725 and $0, less (iv) cash tax payments of $20 and$71, respectively. Non-controlling share of Adjusted Net Income is comprised of the following for the six months ended June 30, 2016 and 2015: (i) equity-based compensation of $(1,614) and $731, (ii) provision for income tax of $14 and $20, (iii) loss on extinguishment of debt of $616 and $0, and (iv) asset impairment charges of $3,725 and $0, less (v) cash tax payments of $20 and $71, respectively. The Company's non-controlling share of Adjusted Net Income is comprised of the following for the twelve months ended June 30, 2016 and 2015, respectively: (i) equity-based compensation of $(958) and $1,185, (ii) provision for income tax of $10 and $91, (iii) loss on extinguishment of debt of $616 and $0, and (iv) asset impairment charges of $3,725 and $0, less (v) cash tax payments of $19 and $71, respectively.

(3) Jefferson Terminal's non-controlling share of Adjusted Net Income is comprised of the following for the three months ended June 30, 2016 and 2015: (i) equity-based compensation of $0 and $366, (ii) provision for income tax of $0 and $20, and (iii) cash tax payments of $20 and $71, respectively. Non-controlling share of Adjusted Net Income is comprised of the following for the six months ended June 30, 2016 and 2015: (i) equity-based compensation of $(1,627) and $707, (ii) provision for income tax of $14 and $20, and (iii) loss on extinguishment of debt of $616 and $0, less (iv) cash tax payments of $20 and $71, respectively. Non-controlling share of Adjusted Net Income is comprised of the following for the twelve months ended June 30, 2016 and 2015, respectively: (i) equity-based compensation of $(995) and $1,161, (ii) provision for income tax of $10 and $91, and (iii) loss on extinguishment of debt of $616 and $0, less (iv) cash tax payments of $19 and $71.

(4) Railroad's non-controlling share of Adjusted Net Income is comprised of equity-based compensation of $5 and $11, respectively, for the three months ended June 30, 2016 and June 30, 2015. Non-controlling share of Adjusted Net Income is comprised of equity-based compensation of $13 and $24, respectively, for the six months ended June 30, 2016 and June 30, 2015. Non-controlling share of Adjusted Net Income is comprised of equity-based compensation of $37 and $24, respectively, for the twelve months ended June 30, 2016 and 2015.

(5) Offshore's non-controlling share of Adjusted Net Income is comprised of asset impairment charges of $3,725 and $0 for the three months ended June 30, 2016 and 2015, respectively. Non-controlling share of Adjusted Net Income is comprised of asset impairment charges of $3,725 and $0 for the six months ended June 30, 2016 and 2015, respectively. Non-controlling share of Adjusted Net Income is comprised of equity-based compensation of $3,725 and $0, respectively, for the twelve months ended June 30, 2016 and 2015.

Notes to Non-GAAP reconciliations – Adjusted EBITDA

(6) The Company's depreciation and amortization expense includes $14,701 and $10,765 of depreciation and amortization expense, $1,576 and $1,697 of lease intangible amortization, and $60 and $60 of amortization for lease incentives in the three months ended June 30, 2016 and 2015, respectively. Depreciation and amortization expense includes $27,918 and $21,327 of depreciation and amortization expense, $3,154 and $3,793 of lease intangible amortization, and $119 and $120 of amortization for lease incentives in the six months ended June 30, 2016 and 2015, respectively. The Company's depreciation and amortization expense includes $51,899 and $32,702 of depreciation and amortization expense, $6,135 and $5,631 of lease intangible amortization, and $242 and $120 of amortization for lease incentives in the twelve months ended June 30, 2016 and 2015, respectively.

(7) The Company's pro-rata share of Adjusted EBITDA from unconsolidated entities includes the following items for the three months ended June 30, 2016 and 2015: (i) net (loss) income of $(320) and $1,172, (ii) interest expense of $257 and $415, and (iii) depreciation and amortization expense of $851 and $307, respectively. The Company's pro-rata share of Adjusted EBITDA from unconsolidated entities includes the following items for the six months ended June 30, 2016 and 2015: (i) net income (loss) of $(267) and $2,357, (ii) interest expense of $661 and $948, and (iii) depreciation and amortization expense of $1,766 and $611, respectively. The Company's pro-rata share of Adjusted EBITDA from unconsolidated entities includes the following items for the twelve months ended June 30, 2016 and 2015: (i) net income of $(9,789) and $5,252, (ii) interest expense of $1,491 and $2,236, (iii) depreciation and amortization expense of $3,021 and $1,161, and (iv) asset impairment charges of $10,508 and $0, respectively.

(8) The Company's non-controlling share of Adjusted EBITDA is comprised of the following items for the three months ended June 30, 2016 and 2015: (i) equity based compensation of $5 and $377, (ii) provision for income taxes of $0 and $20, (iii) interest expense of $1,490 and $1,207, (iv) depreciation and amortization expense of $1,682 and $1,450, and (v) asset impairment charges of $3,725 and $0, respectively. Non-controlling share of Adjusted EBITDA is comprised of the following items for the six months ended June 30, 2016 and 2015: (i) equity based compensation of $(1,614) and $731, (ii) provision for income taxes of $14 and $20, (iii) interest expense of $2,956 and $2,445, (iv) depreciation and amortization expense of $3,238 and $2,841, (v) loss on extinguishment of debt of $616 and $0, and (vi) asset impairment charges of $3,725 and $0, respectively. The Company's non-controlling share of Adjusted EBITDA is comprised of the following items for the twelve months ended June 30, 2016 and 2015: (i) equity based compensation of $(958) and $1,185, (ii) provision for income taxes of $10 and $91, (iii) interest expense of $5,437 and $3,016, (iv) depreciation and amortization expense of $6,143 and $4,059, and (v) loss on extinguishment of debt of $616 and $0, respectively.

(9) Aviation Leasing's depreciation and amortization expense includes $8,504 and $5,396 of depreciation expense, $1,576 and $1,697 of lease intangible amortization, and $60 and $60 of amortization for lease incentives in the three months ended June 30, 2016 and 2015, respectively. Depreciation and amortization expense includes $15,931 and $10,652 of depreciation expense, $3,154 and $3,793 of lease intangible amortization, and $119 and $120 of amortization for lease incentives in the six months ended June 30, 2016 and 2015, respectively. Aviation Leasing's depreciation and amortization expense includes $28,828 and $16,394 of depreciation expense, $6,135 and $5,631 of lease intangible amortization, and $242 and $120 of amortization for lease incentives in the twelve months ended June 30, 2016 and 2015, respectively.

(10) Offshore Energy's non-controlling share of Adjusted EBITDA is comprised of the following items for the three months ended June 30, 2016 and 2015: (i) depreciation expense of $62 and $56, (ii) interest expense of $30 and $30, and (iii) asset impairment charges of $3,725 and $0, respectively. Non-controlling share of Adjusted EBITDA is comprised of the following items for the six months ended June 30, 2016 and 2015: (i) depreciation expense of $121 and $112, (ii) interest expense of $55 and $61, and (iii) asset impairment charges of $3,725 and $0, respectively. Offshore Energy's non-controlling share of Adjusted EBITDA is comprised of the following items for the twelve months ended June 30, 2016 and 2015: (i) depreciation expense of $234 and $225, (ii) interest expense of $114 and $11, and (iii) asset impairment charges of $3,725 and $0, respectively.

(11) Shipping Container's pro-rata share of Adjusted EBITDA from unconsolidated entities includes the following items for the three months ended June 30, 2016 and 2015: (i) net income (loss) of $(320) and $1,172, (ii) interest expense of $257 and $415, and (iii) depreciation and amortization expense of $851 and $307, respectively. The Company's pro-rata share of Adjusted EBITDA from unconsolidated entities includes the following items for six months ended June 30, 2016 and 2015: (i) net income of $(267) and $2,357, (ii) interest expense of $661 and $948, and (iii) depreciation and amortization expense of $1,766 and $611, respectively. Shipping Container's pro-rata share of Adjusted EBITDA from unconsolidated entities includes the following items for the twelve months ended June 30, 2016 and 2015: (i) net income of $(9,789) and $5,252, (ii) interest expense of $1,491 and $2,236, (iii) depreciation and amortization expense of $3,021 and $1,161, and (iv) asset impairment charges of $10,508 and $0, respectively.

(12) Jefferson Terminal's non-controlling share of Adjusted EBITDA is comprised of the following items for the three months ended June 30, 2016 and 2015: (i) equity-based compensation of $0 and $366, (ii) provision for income taxes of $0 and $20, (iii) interest expense of $1,452 and $1,171, and (iv) depreciation and amortization expense of $1,558 and $1,379, respectively. Non-controlling share of Adjusted EBITDA is comprised of the following items for the six months ended June 30, 2016 and 2015: (i) equity-based compensation of $(1,627) and $707, (ii) provision for income taxes of $14 and $20, (iii) interest expense of $2,887 and $2,375, (iv) loss on extinguishment of debt of $616 and $0 and (v) depreciation and amortization expense of $2,993 and $2,702, respectively. Jefferson Terminal's non-controlling share of Adjusted EBITDA is comprised of the following items for the twelve months ended June 30, 2016 and 2015: (i) equity-based compensation of $(995) and $1,161, (ii) provision for income taxes of $10 and $91, (iii) interest expense of $5,295 and $2,996, (iv) loss on extinguishment of debt of $616 and $0, and (v) depreciation and amortization expense of $5,715 and $3,807, respectively.

(13) Railroad's non-controlling share of Adjusted EBITDA is comprised of the following items for the three months ended June 30, 2016 and 2015: (i) equity-based compensation of $5 and $11, (ii) interest expense of $8 and $6, and (iii) depreciation and amortization expense of $21 and $15, respectively. Non-controlling share of Adjusted EBITDA is comprised of the following items for the six months ended June 30, 2016 and 2015: (i) equity-based compensation of $13 and $24, (ii) interest expense of $14 and $9, and (iii) depreciation and amortization expense of $42 and $27, respectively. Railroad's non-controlling share of Adjusted EBITDA is comprised of the following items for the twelve months ended June 30, 2016 and 2015: (i) equity-based compensation of $37 and $24, (ii) interest expense of $28 and $9, and (iii) depreciation and amortization expense of $91 and $27.

(14) Aviation Leasing's non-controlling share of Adjusted EBITDA is comprised of depreciation expense of $41 and $0 for the three months ended June 30, 2016 and 2015, respectively. Non-controlling share of Adjusted EBITDA is comprised of depreciation expense of $82 and $0 for the six months ended June 30, 2016 and 2015, respectively. Aviation Leasing's non-controlling share of Adjusted EBITDA is comprised of depreciation expense of $103 and $0 for the twelve months ended June 30, 2016 and 2015, respectively.

Consolidated FAD Reconciliation

(in thousands)	Three Months Ended September 30, 2014	December 31, 2014	March 31, 2015	June 30, 2015	Twelve months ended June 30, 2015	Three Months Ended September 30, 2015	December 31, 2015	March 31, 2016	June 30, 2016	Twelve months ended June 30, 2016
Net Cash Provided by (Used in) Operating Activities	$(34,362)	$(3,765)	$6,222	$8,409	$(23,496)	$12,239	$(3,342)	$(3,799)	$4,789	9,887
Add: Principal Collections on Finance Leases	3,363	2,903	2,941	3,201	12,408	11,270	2,880	2,204	98	16,452
Add: Proceeds from sale of assets[1]	5,178	17,536	121	1,504	24,339	7,628	5,265	75,928	11,555	100,376
Add: Return of Capital Distributions from Unconsolidated Entities	3,904	2,757	933	351	7,945	1,637	807	401	31	2,876
Less: Required Payments on Debt Obligations[2]	(22,125)	(4,245)	(4,255)	(4,378)	(35,003)	(11,131)	(3,997)	(47,660)	(1,563)	(64,351)
Less: Capital Distributions to Non-Controlling Interest	(189)	(143)	(111)	(143)	(586)	(55)	(12)	—	—	(67)
Exclude: Changes in Working Capital	40,934	10,482	7,751	(415)	58,752	(5,704)	8,472	5,784	(1,622)	6,930
Funds Available for Distribution (FAD)	$(3,297)	$25,525	$13,602	$8,529	$44,359	$15,884	$10,073	$32,858	$13,288	$72,103

(1) Proceeds from sale of assets includes $500 received in December 2015 for a deposit on the sale of a commercial jet engine, which was completed in the six months ended June 30, 2016.

(2) Required payments on debt obligations excludes $98,750 repayment upon the termination of the Jefferson Terminal Credit Agreement and $5,748 repayment under the CMQR Credit Agreement in the six months ended June 30, 2016, which were voluntary refinancing as repayment of these amounts were not required at this time.

FORTRESS TRANSPORTATION & INFRASTRUCTURE

Consolidated FAD Reconciliation

(in thousands)	Three Months Ended June 30, 2015				Three Months Ended June 30, 2016			
	Equipment Leasing	Infrastructure	Corporate	Total	Equipment Leasing	Infrastructure	Corporate	Total
Funds Available for Distribution (FAD)	**$23,433**	**$(7,860)**	**$(7,048)**	**$8,525**	**$29,273**	**$(6,802)**	**$(9,183)**	**$13,288**
Less: Principal Collections on Finance Leases				(3,201)				(98)
Less: Proceeds from sale of assets				(1,504)				(11,555)
Less: Return of Capital Distributions from Unconsolidated Entities				(351)				(31)
Add: Required Payments on Debt Obligations				4,378				1,563
Add: Capital Distributions to Non-Controlling Interest				143				—
Include: Changes in Working Capital				415				1,622
Net Cash from Operating Activities				**$8,405**				**$4,789**

FORTRESS TRANSPORTATION & INFRASTRUCTURE

Consolidated FAD Reconciliation

(in thousands)	Six Months Ended June 30, 2015				Six Months Ended June 30, 2016			
	Equipment Leasing	Infrastructure	Corporate	Total	Equipment Leasing	Infrastructure	Corporate	Total
Funds Available for Distribution (FAD)	**$44,809**	**$(12,501)**	**$(10,177)**	**$22,131**	**$75,330**	**$(12,003)**	**$(17,181)**	**$46,146**
Less: Principal Collections on Finance Leases				(6,142)				(2,302)
Less: Proceeds from sale of assets				(1,625)				(87,483)
Less: Return of Capital Distributions from Unconsolidated Entities				(1,284)				(432)
Add: Required Payments on Debt Obligations				8,633				49,223
Add: Capital Distributions to Non-Controlling Interest				254				—
Include: Changes in Working Capital				(7,336)				(4,162)
Net Cash from Operating Activities				**$14,631**				**$990**

(1) Proceeds from sale of assets includes $500 received in December 2015 for a deposit on the sale of a commercial jet engine, which was completed in the six months ended June 30, 2016.

(2) Required payments on debt obligations excludes $98,750 repayment upon the termination of the Jefferson Terminal Credit Agreement and $5,748 repayment under the CMQR Credit Agreement in the six months ended June 30, 2016, which were voluntary refinancing as repayment of these amounts were not required at this time.

Glossary

Adjusted EBITDA (Non-GAAP)

We view Adjusted EBITDA as a secondary measurement to Adjusted Net Income, which we believe serves as a useful supplement to investors, analysts and management to measure the economic performance of deployed revenue generating assets between periods on a consistent basis, and which we believe measures our financial performance and helps identify operational factors that management can impact in the short-term, namely our cost structure and expenses. Adjusted EBITDA may not be comparable to similarly titled measures of other companies because other entities may not calculate Adjusted EBITDA in the same manner.

Adjusted EBITDA is defined as net income attributable to shareholders, adjusted (a) to exclude the impact of provision for income taxes, equity-based compensation expense, acquisition and transaction expenses, losses on the modification or extinguishment of debt and capital lease obligations, changes in fair value of non-hedge derivative instruments, asset impairment charges, incentive allocations, depreciation and amortization expense, and interest expense, (b) to include the impact of our pro-rata share of Adjusted EBITDA from unconsolidated entities, and (c) to exclude the impact of equity in earnings of unconsolidated entities and the non-controlling share of Adjusted EBITDA.

Adjusted Net Income

The Chief Operating Decision Maker ("CODM") utilizes Adjusted Net Income as the key performance measure. This performance measure provides the CODM with the information necessary to assess operational performance, as well as make resource and allocation decisions.

Adjusted Net Income is defined as net income attributable to shareholders, adjusted (a) to exclude the impact of provision for income taxes, equity-based compensation expense, acquisition and transaction expenses, losses on the modification or extinguishment of debt and capital lease obligations, changes in fair value of non-hedge derivative instruments, asset impairment charges, incentive allocations, and equity in earnings of unconsolidated entities, (b) to include the impact of cash income tax payments, our pro-rata share of the Adjusted Net Income from unconsolidated entities (collectively "Adjusted Net Income"), and (c) to exclude the impact of the non-controlling share of Adjusted Net Income. We evaluate investment performance for each reportable segment primarily based on Adjusted Net Income. We believe that net income attributable to shareholders, as defined by GAAP, is the most comparable earnings measurement with which to reconcile Adjusted Net Income.

Adjusted EPS (Non-GAAP)

Adjusted EPS is a non-GAAP measure calculated as Adjusted Net Income divided by Weighted Average Common Shares Outstanding.

Debt to Capital Ratio

Debt to Capital Ratio is calculated as Total Debt divided by Total Debt plus Total Equity.

Funds Available for Distribution (Non-GAAP)

Funds Available for Distribution ("FAD") is defined as cash from operating activities plus principal collections on finance leases, proceeds from sale of assets, and return of capital distributions from unconsolidated entities, less required payments on debt obligations and capital distributions to non-controlling interest, and excluding changes in working capital. We use FAD in evaluating our ability to meet our stated dividend policy. FAD is not a financial measure in accordance with GAAP. We believe FAD will be a useful metric for investors and analysts for similar purposes. However, FAD is subject to a number of limitations and assumptions and there can be no assurance that we will generate FAD sufficient to meet our intended dividends. The GAAP measure most directly comparable to FAD is net cash provided by operating activities.

Return on Equity

Return on Equity is calculated as Adjusted Net Income divided by average Shareholders' Equity plus Other Comprehensive Income