



Fortress Transportation and  
Infrastructure Investors LLC

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Raymond James 39<sup>th</sup> Annual  
Institutional Conference

March 2018



FORTRESS  
TRANSPORTATION  
& INFRASTRUCTURE

# Disclaimers

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- **IN GENERAL.** This disclaimer applies to this document and the verbal or written comments of any person presenting it. This document, taken together with any such verbal or written comments, is referred to herein as the “Presentation.”
- **FORWARD-LOOKING STATEMENTS.** Certain statements in this Presentation may constitute “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995, of Fortress Transportation and Infrastructure Investors LLC (referred to in this Presentation as “FTAI,” the “Company,” or “we”), including without limitation, ability to achieve key investment objectives, expansion and growth opportunities, pipeline activity and investment of existing cash, ability to successfully close deals for which we have LOIs, actual results as compared to annualized data, expectations regarding additional FAD and/or EBITDA from investments, growth of Jefferson Terminal and CMQR, future development, use and permitting of Hannibal and Repauno, whether equipment will be able to be leased including vessels within our Offshore Energy segment, management’s expectations regarding the container leasing market, completion of new infrastructure at Jefferson Terminal, bank borrowings and future debt and leverage capacity, financing activities and other such matters. These statements are based on management’s current expectations and beliefs and are subject to a number of trends and uncertainties that could cause actual results to differ materially from those described in the forward-looking statements, many of which are beyond our control. FTAI can give no assurance that its expectations will be attained. Accordingly, you should not place undue reliance on any forward-looking statements made in this Presentation. For a discussion of some of the risks and important factors that could affect such forward-looking statements, see the sections entitled “Risk Factors” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” in the Company’s most recently filed annual reports on Form 10-K and quarterly reports on Forms 10-Q (when available), which are included on the Company’s website ([www.ftandi.com](http://www.ftandi.com)). In addition, new risks and uncertainties emerge from time to time, and it is not possible for the Company to predict or assess the impact of every factor that may cause its actual results to differ from those contained in any forward-looking statements. Such forward-looking statements speak only as of the date of this Presentation. The Company expressly disclaims any obligation to release publicly any updates or revisions to any forward-looking statements contained herein to reflect any change in the Company’s expectations with regard thereto or change in events, conditions or circumstances on which any statement is based.
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# 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<sup>(1)</sup>:
  - Combine *income & growth* through a mix of equipment & infrastructure
  - Pay a *stable & growing* dividend

## Equipment Leasing<sup>(2)</sup>

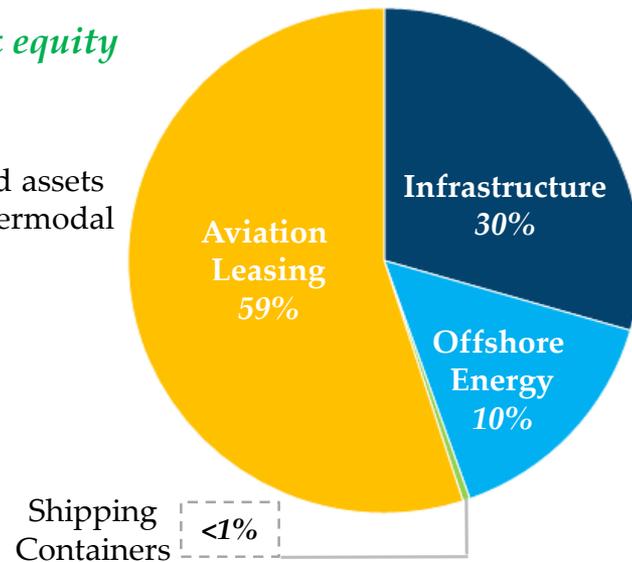
~\$946 million book equity

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

## Infrastructure<sup>(3)</sup>

~\$410 million book equity

- ✓ Jefferson Terminal
- ✓ Central Maine & Quebec Railway
- ✓ Repauno Delaware Port
- ✓ Long Ridge Terminal  
(formerly Hannibal)



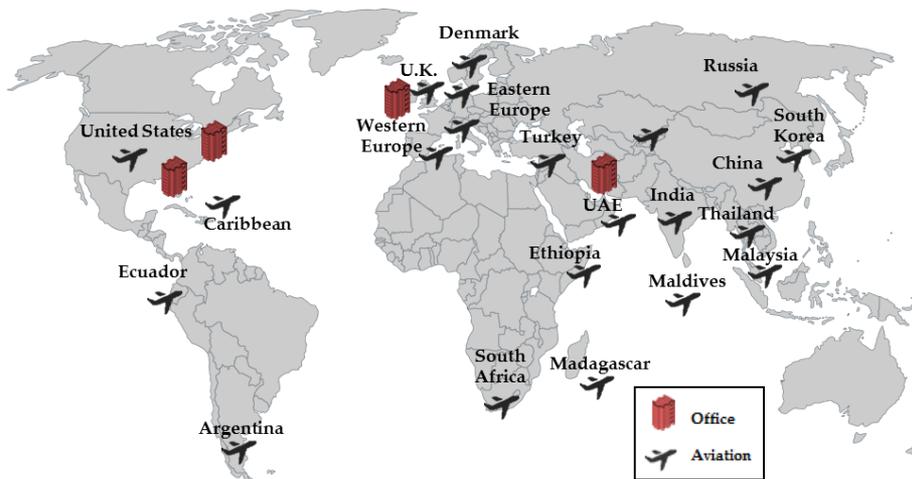
1) See "Disclaimers" at the beginning of the Presentation.

2) 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 December 31, 2017.

3) Infrastructure business is comprised of Jefferson Terminal, Ports & Terminals, and Railroad segments. Book equity is calculated as total equity less non-controlling interest in equity of consolidated subsidiaries as of December 31, 2017.

# Aviation: A Differentiated Model – Engines the Key!<sup>(1)</sup>

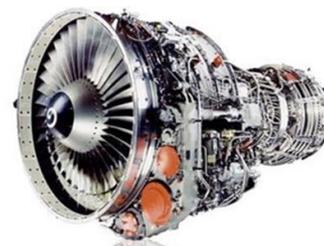
## Engines and Aircraft for Dividend Coverage



- Engine leasing core competency
- Annualized Adjusted EBITDA<sup>(2)</sup> is 25.6% of equity.
- No debt on portfolio
- Approximately \$180.0 million of LOIs at the end of 4Q 2017
- Team, capital structure, focus = sustainable advantage – becoming a brand

### Aviation Leasing

- 48 passenger aircraft
- 110 commercial jet engines
- *Shareholders' equity of \$803.6 million*

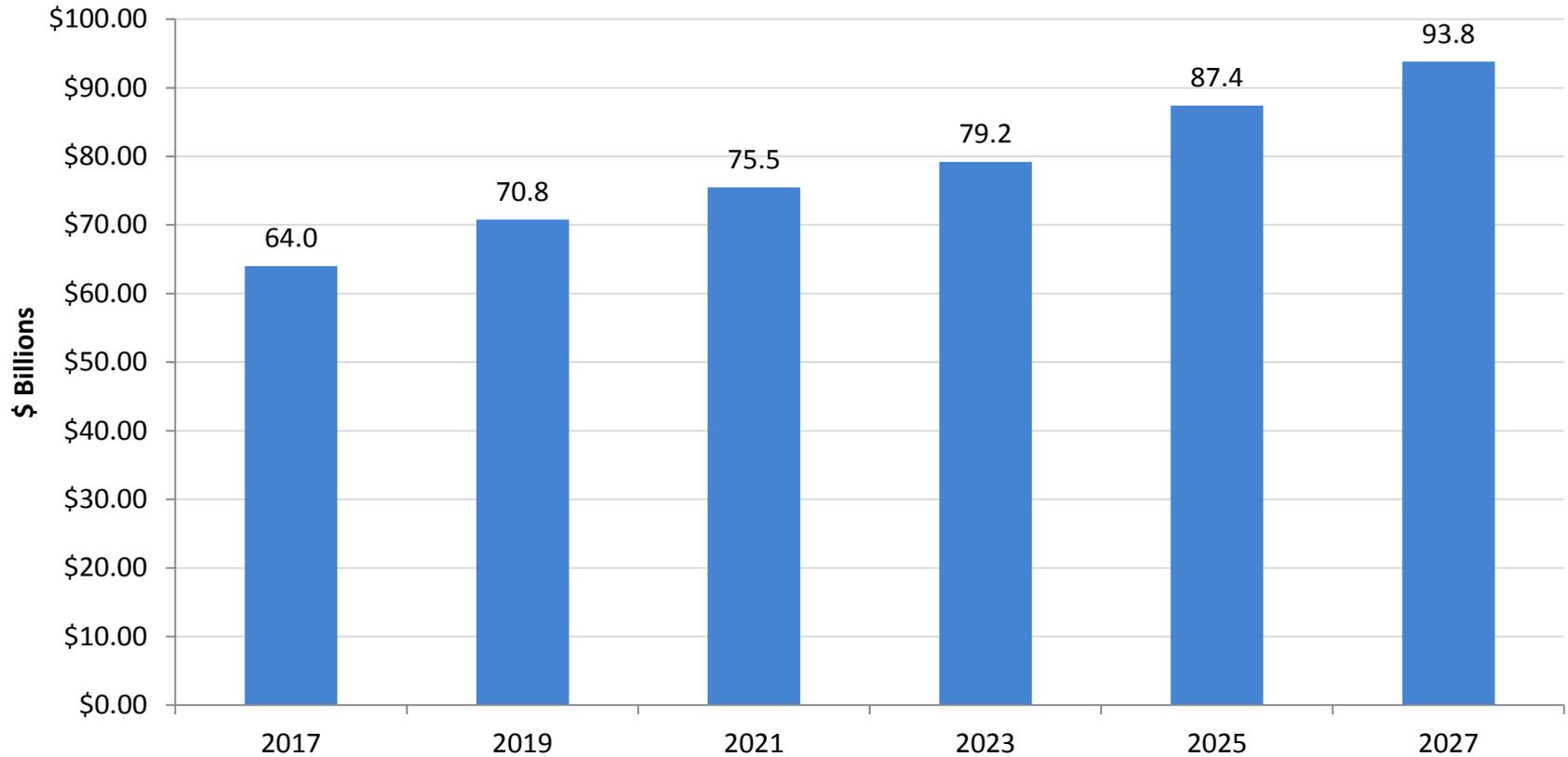


1) As of December 31, 2017.

2) Adjusted EBITDA is a non-GAAP measure. Annualized Adjusted EBITDA is Annualized Adjusted EBITDA Return on Equity excluding gain on sale of assets, for Q4 2017. Annualized data is presented for illustrative purposes only, and should not be considered indicative of future performance or actual results for any period. Please refer to the Aviation Leasing Historical Returns and Reconciliation of Non-GAAP Measures sections, included in the Appendix of the Company's Q4 2017 Earnings Supplement posted on the Company's website, for a reconciliation to the most comparable GAAP measure.

# FTAI Target Aviation Market Forecast

## 10 Year Forecast



These projections are based on the sums of values of the A320, 737, 747, 757, and 767 passenger aircraft families forecasted at 2.0% inflation.

- A320 Family and 737NG Family Target Market: 12-20 years
- 767, 757, 747-400 Target Market: 12-25 years

# Existing Infrastructure Investments

## *Assets with multiple growth avenues*



*Jefferson Terminal*

- Terminal in Beaumont, Texas, one of North America's largest crude oil refining regions
  - Currently handles crude, ethanol and refined products destined for Mexico
  - Located near 6 major refineries with 2.2 mm b/d capacity
- Strategically located to serve the Gulf coast with international export capabilities
  - Rare Class I rail connectivity (UP, BNSF, KC)
- Sole handler of liquid hydrocarbons in Beaumont

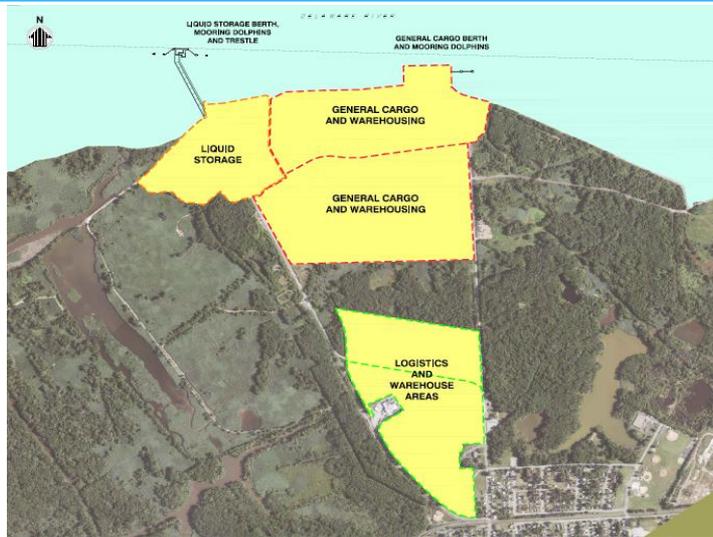


*CMQR*

- Short line railroad from Montreal to Maine
- Acquired out of bankruptcy
  - 480 miles of owned track
  - ~25,000 annual carloads
- Improving undermanaged assets
- Experienced management team driving organic growth
- Evaluating industrial development opportunities along the railroad

# Additional Infrastructure Opportunities

## Assets under development



### Repauno Port

- 1,630 acre deep-water seaport and logistics hub
- On the Delaware River near Philadelphia
- Active industrial market
  - Liquid storage logistics and warehouse facility
  - Water Depth: 40'
  - Rail connectivity to Conrail
  - Access to I-295 / I-95



### Long Ridge Energy Terminal

- 1,660 acre industrial port and rail facility
- Heart of the Marcellus and Utica
  - Currently dry bulk storage and logistics facility
- Existing site infrastructure, connectivity, and access to low-price gas
- Permitting 485 MW gas-fired power plant
- Potential for NGL logistical facility and integration with Repauno

# Capital Structure & Financing Strategy

- Conservative approach to leverage
  - Leverage of approximately 40%<sup>(1)</sup> of total capital with longer term objective not to exceed 50%
  - Significant additional leverage capacity<sup>(2)</sup>
- Total book value attributable to FTAI shareholders is approximately \$1.0 billion, or \$12.49 per share<sup>(3)</sup>

(\$s in millions)	December 31, 2017
Cash & Cash Equivalents	\$59
<b>Total Debt<sup>(4)(5)</sup></b>	<b>\$703</b>
Shareholders' Equity	\$947
Non-controlling Interest	88
<b>Total Equity</b>	<b>\$1,035</b>
<b>Total Capitalization</b>	<b>\$1,738</b>
<b>Debt/Total Capital</b>	<b>40.5%</b>

1) As of December 31, 2017

2) Based on management's current views and estimates. 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 "Disclaimers" at the beginning of the Presentation.

3) Book value per share calculation based on \$947.1mm Shareholders' Equity divided by 75.8mm shares outstanding at December 31, 2017.

4) Total debt is net of approximately \$11.4mm of deferred financing costs; gross debt outstanding was \$714.7mm at December 31, 2017.

5) Includes additional \$100.0mm senior notes issued in December 2017.

# FTAI: Summary<sup>(1)</sup>

- Aviation:** Growing portfolio generating significant contracted cash flow to cover dividend.
- Infrastructure:** Attractive, well located, North American port and railroad terminals with multiple opportunities to grow over many years.

## Valuation

	2017 Dividend Yield Sensitivity				Book Value Multiple Sensitivity <sup>(3)</sup>		
	10.0%	7.5%	5.0%		2.0x	1.5x	1.0x
Implied Stock Price	\$13.20	\$17.60	\$26.40	Implied Stock Price	\$25.98	\$19.48	\$13.00
% Change <sup>(2)</sup>	-19%	8%	63%	% Change <sup>(2)</sup>	60%	20%	-20%

