SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 8-K

CURRENT REPORT
Pursuant to Section 13 OR 15(d) of the
Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): February 2, 2005

CB RICHARD ELLIS GROUP, INC.

(Exact name of registrant as specified in its charter)

Delaware	**001-32205**	**94-3391143**
(State or other jurisdiction of incorporation)	(Commission File Number)	(IRS Employer Identification No.)

865 South Figueroa Street, Suite 3400, Los Angeles, California	**90017**
(Address of Principal Executive Offices)	(Zip Code)

(213) 613-3226
Registrant's Telephone Number, Including Area Code

Not applicable
(Former Name or Former Address, if Changed Since Last Report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12(b))

☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

This Current Report on Form 8-K is filed by CB Richard Ellis Group, Inc., a Delaware corporation (the Company), in connection with the matters described herein.

Item 2.02 Results of Operations and Financial Condition

On February 2, 2005, the Company issued a press release reporting its financial results for the three and twelve months ended December 31, 2004. A copy of this release is furnished as Exhibit 99 to this report. The information contained in this report, including the Exhibit attached hereto, shall not be deemed "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, nor shall it be deemed incorporated by reference in any filing under the Securities Act of 1933, except as shall be expressly set forth by specific reference in such filing.

On February 3, 2005, the Company conducted a properly noticed conference call to discuss its results of operations for the fourth quarter of 2004 and to answer any questions raised by the call's audience. A copy of the presentation to be used in connection with this conference call is furnished as Exhibit 99.1 to this Form.

Signature

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

Date: February 3, 2005

CB RICHARD ELLIS GROUP, INC.

By: /s/ KENNETH J. KAY
Kenneth J. Kay
Chief Financial Officer

Exhibit 99

FOR IMMEDIATE RELEASE

For further information:

Kenneth Kay	Steve Iaco	Shelley Young
Sr. Executive Vice President and	Sr. Managing Director of	Director of
Chief Financial Officer	Corporate Communications	Investor Relations
213.438.4833	212.984.6535	212.984.8359

CB Richard Ellis Group, Inc. Reports Significantly Improved Fourth Quarter 2004 Results and Increases Full Year 2005 Guidance

Los Angeles, CA - February 2, 2005 — CB Richard Ellis Group, Inc. (NYSE:CBG) today reported full year 2004 diluted earnings per share of $0.91, or $1.65 excluding one-time items related to the Insignia acquisition and the Company's initial public offering. Based on the momentum exhibited by all of its business lines, the Company is revising its diluted earnings per share guidance upward for 2005 to a range of $1.95 to $2.05, excluding residual one-time Insignia-related and debt buy-back charges.

Fourth Quarter Highlights

For the fourth quarter of 2004, the Company generated revenue of $798.2 million, which was 28.5% ahead of the $621.3 million posted in the fourth quarter of 2003. The Company reported fourth quarter net income of $66.4 million, or $0.88 per diluted share. This was $76.5 million ahead of the fourth quarter of 2003, when the Company reported a net loss of $10.1 million, or $0.16 net loss per diluted share.

Excluding one-time items primarily related to the July 2003 acquisition of Insignia Financial Group, the Company would have earned net income(1) of $68.4 million, or $0.90 per diluted share in the fourth quarter of 2004, compared with $27.9 million of net income, or $0.44 per diluted share, in the fourth quarter of 2003. This constitutes an increase in net income, as adjusted, of 145.5%.

Revenue

The above-mentioned revenue increase of 28.5% for the fourth quarter of 2004 resulted from organic revenue growth fueled by strong investment property sales and improving leasing market fundamentals on a global basis.

EBITDA(2)

Earnings Before Interest, Taxes, Depreciation, and Amortization (EBITDA) totaled $134.4 million for the quarter ended December 31, 2004, an increase of $71.1 million, or 112.2%, from the same period last year. The increase was primarily driven by strong revenue growth combined with improved operating margins and the absence of Insignia merger-related costs in the current quarter, which significantly impacted fourth quarter 2003 results.

Interest Expense

Interest expense totaled $13.3 million for the fourth quarter of 2004, a decrease of $6.2 million, or 32.0%, compared with the same period last year. The decrease was driven by the interest savings realized from the repayments of higher interest debt starting in the fourth quarter of 2003 and continuing throughout 2004. The Company expects to achieve annual cash interest savings of approximately $16.0 million as a result of its de-leveraging efforts totaling approximately $150.0 million in 2004.

Management's Commentary

"Our fourth quarter results exceeded expectations," said Ray Wirta, chief executive officer of CB Richard Ellis. "Year-end business activity was exceptionally strong and we enter 2005 with good momentum. All of our business lines are performing well, led by continued strong investment sales and higher leasing revenues.

"Historically low interest rates continue to drive capital flows into real estate and commercial properties are trading hands at a strong pace. Leasing fundamentals have improved as job growth is causing companies to take on more space. Leasing markets showed a distinct upturn late in the year, particularly in major business centers like New York and London. Although landlord concessions have tightened, rents have not yet appreciated meaningfully. Assuming the rebound remains on course, we will see rental growth in 2005, especially in healthier markets where supply and demand are near equilibrium."

New Segmentation

Effective with the fourth quarter of 2004, the Company reorganized its business segments by separating the Global Investment Management business from its geographic regions. This has reduced revenues and earnings in the Americas, Europe, Middle East and Africa (EMEA), and Asia Pacific regions, but has had no impact on consolidated results. This action was taken in an effort to increase the Company's transparency of reporting in light

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of the growth in the Global Investment Management business. All periods presented have been restated to conform with the 2004 presentation.

Americas Region

Fourth quarter revenue for the Americas region, including the U.S., Canada, Mexico and South America, increased 29.5% to $541.1 million, compared with $417.7 million for the fourth quarter of 2003. This increase was primarily related to strong sales and leasing activity in the U.S.

Operating income for the Americas region totaled $58.1 million for the fourth quarter of 2004, compared with $17.0 million for the fourth quarter of 2003. The $41.1 million, or 240.5%, increase was driven by the aforementioned revenue growth as well as lower amortization expense related to Insignia net revenue backlog(3) and the lack of merger-related costs in the current quarter, which ended in the third quarter of 2004.

Excluding the impact of all one-time items, operating income for the Americas region would have been $62.9 million for the fourth quarter of 2004, an increase of $19.7 million as compared to the fourth quarter of last year. The Americas region's EBITDA totaled $73.6 million for the fourth quarter of 2004, an increase of $32.5 million or

79.4% from last year's fourth quarter.

EMEA Region

Revenue for the EMEA region, mainly consisting of operations in Europe, increased 18.5% to $166.8 million for the fourth quarter of 2004, compared with $140.8 million for the fourth quarter of 2003. Operating income for the EMEA region totaled $31.9 million for the current quarter, compared with an operating loss of $7.8 million for the same quarter last year. Excluding one-time items related to the Insignia acquisition, operating income for this region would have been $32.5 million, which represents an increase of $11.5 million as compared to the fourth quarter of 2003. EBITDA for the EMEA region totaled $34.1 million for the fourth quarter of 2004, an increase of $24.4 million or 250.9% from last year's same period results. The improvement over the 2003 fourth quarter primarily reflects strong investment sales activity.

Asia Pacific Region

In the Asia Pacific region, which includes operations in Asia, Australia and New Zealand, revenue totaled $50.4 million for the fourth quarter of 2004, an increase of 31.8% from $38.3 million for the fourth quarter of 2003. Operating income for the Asia Pacific segment totaled $9.2 million for the quarter ended December 31, 2004, compared with $4.7 million for the same period last year. EBITDA for the Asia Pacific segment totaled $10.0 million for the current quarter, an increase of $4.6 million, or 84.3%, from last year's same period results. The improved results reflect increasing market share in Australia and China. The Asia Pacific segment incurred minimal one-time costs associated with the Insignia acquisition.

Global Investment Management Business

In the Global Investment Management segment, which consists of investment management operations in the U.S., Europe and Asia, revenue totaled $39.8 million for the fourth quarter of 2004, an increase of 62.6% from $24.5 million for the fourth quarter of 2003. Operating income for the Global Investment Management segment totaled $11.0 million for the quarter ended December 31, 2004, compared with $5.2 million for the same period last year. EBITDA for the Global Investment Management segment totaled $16.8 million for the fourth quarter of 2004, an increase of $9.6 million or 132.5% from last year's same period results. The improved results are primarily driven by incentive fees earned in Japan. The Global Investment Management segment incurred minimal one-time costs associated with the Insignia acquisition.

Business Line Performance

During the fourth quarter of 2004, the Company gained a number of corporate clients, including Alcan, among others, and expanded its relationships with several others, including Textron.

In property management, AMB Property Corporation retained CB Richard Ellis to manage a 25 million square foot portfolio of industrial properties in California.

The Company's commercial mortgage brokerage business also performed well in 2004 as total volume rose 21% from 2003 to $13.3 billion in 2004. In addition, the Global Investment Management business benefited from the strong market for publicly traded REITs as a means of realizing profits on assets within its investment portfolio. A $400 million J-REIT called New City Residence Investment Corp. was listed on the Tokyo Stock Exchange in December 2004 and a $257 million technology-property REIT (the first of its kind) called Digital Realty Trust was listed on the New York Stock Exchange under the ticker symbol "DLR" in October 2004.

Full Year Results**(4)**

Full year revenue increased by $735.0 million, or 45.1%, to $2.4 billion for the year ended December 31, 2004, compared to the prior year. Organic revenue growth was approximately 21% for 2004. The Company recorded net income of $64.7 million, or

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$0.91 per diluted share, for the year ended December 31, 2004 compared with a net loss of $34.7 million, or $0.68 net loss per diluted share, for the prior year.

Excluding one-time items, the Company would have earned net income of $117.9 million, or $1.65 per diluted share, for the year ended December 31, 2004 as compared to net income of $36.8 million, or $0.71 per diluted share, for the prior year.

EBITDA for the year ended December 31, 2004 was $245.3 million, representing an increase of $112.5 million, or 84.7%, from EBITDA of $132.8 million in 2003. The 2004 results included $54.9 million of merger-related charges, integration costs and one-time compensation expense (associated with the Company's initial public offering) versus $50.4 million of merger-related and integration charges in 2003.

Subsequent Event

In 2005, the Company repurchased $25.4 million of its outstanding 11¼% senior subordinated notes at a premium of $3.8 million. This is consistent with its stated objective of reducing debt and will generate additional interest savings of $2.9 million annually.

2005 Guidance

As previously mentioned, the Company is revising its guidance upward for 2005. CB Richard Ellis expects to achieve full year revenue growth of approximately 8% compared with 2004 and net income in the range of $149.0 million to $156.0 million, or diluted earnings per share in the range of $1.95 to $2.05, excluding residual one-time Insignia-related and debt buy-back charges totaling approximately $15.0 million (pre-tax).

The Company's fourth-quarter earnings conference call will be held on Thursday, February 3, 2005 at 10:30 a.m. EST. A live Webcast will be accessible through the Investor Relations section of the Company's Web site at www.cbre.com.

To access the call, dial 888-428-4474 (in the U.S.) and 612-288-0329 (outside the U.S.) and use access code 768011. A replay of the call will be available beginning at 2:00 p.m. EST on February 3, 2005 and ending at 2:59 a.m. EST on February 11, 2005. To access the replay, the dial-in number is 800-475-6701 (in the U.S.) and 320-365-3844 (outside the U.S.). The access code for the replay is 768011. A transcript of the call will be available on the Investor Relations section of the Web site.

About CB Richard Ellis
Headquartered in Los Angeles, CB Richard Ellis is the world's largest commercial real estate services firm (in terms of 2004 revenue). With approximately 13,500 employees, the company serves real estate owners, investors and occupiers through more than 220 offices worldwide (excluding affiliate and partner offices). The Company's core services include property sales, leasing and management; corporate services; facilities and project management; mortgage

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banking; investment management; appraisal and valuation; research; and consulting. For more information, visit the Company's Web site at www.cbre.com.

This release contains forward-looking statements within the meaning of the ''safe harbor'' provisions of the Private Securities Litigation Reform Act of 1995, including statements regarding our growth momentum in 2005; expectations of annual cash interest savings; rental growth in 2005; future operations; and future financial performance. These forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause the Company's actual results and performance in future periods to be materially different from any future results or performance suggested in forward-looking statements in this release. Any forward-looking statements speak only as of the date of this release and, except to the extent required by applicable securities laws, the Company expressly disclaims any obligation to update or revise any of them to reflect actual results, any changes in expectations or any change in events. If the Company does update one or more forward-looking statements, no inference should be drawn that it will make additional updates with respect to those or other forward-looking statements. Factors that could cause results to differ materially include, but are not limited to: commercial real estate vacancy levels; employment conditions and their effect on vacancy rates; property values; rental rates; any general economic recession domestically or internationally; general conditions of financial liquidity for real estate transactions; our ability to leverage our platform to sustain revenue growth; our ability to retain and incentivize producers; and our ability to pay down debt.

Additional information concerning factors that may influence CB Richard Ellis Group's financial information can be found in its press releases as well as its periodic filings with the Securities and Exchange Commission. In this regard, risk factors are specifically discussed under the headings "Risks Related to Our Business" and "Forward-Looking Statements" in CB Richard Ellis Group's Form 10-K/A for the year ended December 31, 2003, filed June 28, 2004. Such filings are available publicly and may be obtained off the company's website at www.cbre.com or upon request from the CB Richard Ellis Investor Relations Department at investorrelations@cbre.com.

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(1) A reconciliation of net income to net income, as adjusted for one-time items, is provided in the exhibits to this release.

(2) The Company's management believes that EBITDA is useful in evaluating its performance compared to that of other companies in its industry because the calculation of EBITDA generally eliminates the effects of financing and income taxes and the accounting effects of capital spending and acquisitions, which items may vary for different companies for reasons unrelated to overall operating performance. As a result, the Company's management uses EBITDA as a measure to evaluate the performance of various business lines and for other discretionary purposes, including as a significant component when measuring its performance under its employee incentive programs.

However, EBITDA is not a recognized measurement under U.S. generally accepted accounting principles (GAAP), and when analyzing the Company's operating performance, readers should use EBITDA in addition to, and not as an alternative for, operating income (loss) and net income (loss), each as determined in accordance with GAAP. Because not all companies use identical calculations, the Company's presentation of EBITDA may not be comparable to similarly titled measures of other companies. Furthermore, EBITDA is not intended to be a measure of free cash flow for management's discretionary use, as it does not consider certain cash requirements such as tax and debt service payments. The amounts shown for EBITDA also differ from the amounts calculated under similarly titled definitions in the Company's debt instruments, which are further adjusted to reflect certain other cash and non-cash charges and are used to determine compliance with financial covenants and the Company's ability to engage in certain activities, such as incurring additional debt and making certain restricted payments.

For a reconciliation of EBITDA with the most comparable financial measures calculated and presented in accordance with GAAP, see the section of this press release titled "Non-GAAP Financial Measures."

(3) The intangible asset amortization pertains to the net revenue backlog acquired in the Insignia transaction. Net income cannot be recognized from purchased backlog; hence this amortization expense offsets that portion of operating income that was generated from the Insignia backlog acquired.

(4) The operating results for 2004 include the operations of Insignia. However, the operating results from January 1 to July 23, 2003 do not include the operations of Insignia, as the Insignia acquisition occurred on July 23, 2003. As such, our consolidated financial statements after the Insignia acquisition are not directly comparable to our consolidated financial statements prior to the Insignia acquisition.

CB RICHARD ELLIS GROUP, INC.
OPERATING RESULTS
FOR THE THREE AND TWELVE MONTHS ENDED DECEMBER 31, 2004 AND 2003
(Dollars in thousands, except share data)

	Three Months Ended December 31, 2004	Three Months Ended December 31, 2003	Twelve Months Ended December 31, 2004	Twelve Months Ended December 31, 2003
Revenue	$ 798,189	$ 621,257	$ 2,365,096	$ 1,630,074
Costs and expenses:				
Cost of services	406,221	311,942	1,203,765	796,428
Operating, administrative and other	266,876	234,106	909,892	678,377
Depreciation and amortization	14,856	39,051	54,857	92,622
Merger-related charges	—	17,022	25,574	36,817
Operating income	110,236	19,136	171,008	25,830
Equity income from unconsolidated subsidiaries	9,355	5,183	19,475	14,365
Interest income	1,961	937	4,264	3,560
Interest expense	13,280	19,518	65,418	71,256
Loss on extinguishment of debt	—	6,639	21,075	13,479
Income (loss) before provision (benefit) for income taxes	108,272	(901)	108,254	(40,980)
Provision (benefit) for income taxes	41,839	9,183	43,529	(6,276)
Net income (loss)	$ 66,433	$ (10,084)	$ 64,725	$ (34,704)
Basic income (loss) per share	$ 0.91	$ (0.16)	$ 0.95	$ (0.68)
Weighted average shares outstanding for basic income (loss) per share	73,044,481	62,532,166	67,775,406	50,918,572
Diluted income (loss) per share	$ 0.88	$ (0.16)	$ 0.91	$ (0.68)

Weighted average shares outstanding for diluted income (loss) per share	75,814,979	62,532,166	71,345,073	50,918,572
EBITDA	$ 134,447	$ 63,370	$ 245,340	$ 132,817

CB RICHARD ELLIS GROUP, INC.
SEGMENT RESULTS
FOR THE THREE AND TWELVE MONTHS ENDED DECEMBER 31, 2004 AND 2003
(Dollars in thousands)

	Three Months Ended December 31,		Twelve Months Ended December 31,	
	2004	2003	2004	2003
Americas				
Revenue	$ 541,089	$ 417,676	$ 1,660,307	$ 1,155,461
Costs and expenses:				
Cost of services	310,602	228,677	924,856	609,629
Operating, administrative and other	160,907	146,881	569,195	438,425
Depreciation and amortization	11,525	20,595	37,514	56,865
Merger-related charges	—	4,475	22,038	20,367
Operating income	$ 58,055	$ 17,048	$ 106,704	$ 30,175
EBITDA	$ 73,554	$ 41,010	$ 154,506	$ 95,113
EMEA				
Revenue	$ 166,844	$ 140,812	$ 459,741	$ 298,725
Costs and expenses:				
Cost of services	73,257	65,091	206,258	135,864
Operating, administrative and other	59,477	54,071	207,326	136,644
Depreciation and amortization	2,170	17,362	12,050	31,110
Merger-related charges	—	12,055	3,205	15,958
Operating income (loss)	$ 31,940	$ (7,767)	$ 30,902	$ (20,851)
EBITDA	$ 34,129	$ 9,726	$ 42,433	$ 10,053
Asia Pacific				
Revenue	$ 50,422	$ 38,266	$ 151,034	$ 107,501
Costs and expenses:				
Cost of services	22,362	18,174	72,651	50,935
Operating, administrative and other	18,208	14,424	57,354	46,802
Depreciation and amortization	621	486	2,476	2,226
Merger-related charges	—	492	—	492
Operating income	$ 9,231	$ 4,690	$ 18,553	$ 7,046
EBITDA	$ 9,995	$ 5,422	$ 21,584	$ 9,633
Global Investment Management				
Revenue	$ 39,834	$ 24,503	$ 94,014	$ 68,387
Costs and expenses:				
Operating, administrative and other	28,284	18,730	76,017	56,506
Depreciation and amortization	540	608	2,817	2,421
Merger-related charges	—	—	331	—
Operating income	$ 11,010	$ 5,165	$ 14,849	$ 9,460
EBITDA	$ 16,769	$ 7,212	$ 26,817	$ 18,018

Non-GAAP Financial Measures

The following measures are considered “non-GAAP financial measures” under SEC guidelines:

(i) Net income, as adjusted for one-time items

(ii) Diluted earnings per share, as adjusted for one-time items

(iii) EBITDA

(iv) Operating income, as adjusted for one-time items

The Company believes that these non-GAAP financial measures provide a more complete understanding of ongoing operations and enhance comparability of current results to prior periods as well as presenting the effects of one-time items in all periods presented. The Company believes that investors may find it useful to see these non-GAAP financial measures to analyze financial performance without the impact of one-time items that may obscure trends in the underlying performance of its business.

Net income (loss), as adjusted for one-time items and diluted earnings per share, as adjusted for one-time items are calculated as follows (dollars in thousands):

Three Months Ended December 31,		Twelve Months Ended December 31,	
2004	2003	2004	2003

Net income (loss)	$ 66,433	$ (10,084)	$ 64,725	$ (34,704)
Amortization expense related to net revenue backlog acquired in the Insignia acquisition, net of tax	1,570	19,392	8,156	38,597
Merger-related charges related to the Insignia acquisition, net of tax	(444)	11,772	15,994	24,041
Integration costs related to the Insignia acquisition, net of tax	1,410	6,785	8,968	8,907
One-time compensation expense related to the initial public offering, net of tax	(260)	—	9,381	—
Loss on extinguishment of debt related to the initial public offering, net of tax	(296)	—	10,673	—
Net income, as adjusted	$ 68,413	$ 27,865	$ 117,897	$ 36,841
Diluted income per share, as adjusted	$ 0.90	$ 0.44	$ 1.65	$ 0.71
Weighted average shares outstanding for diluted income per share, as adjusted	75,814,979	63,495,996(1)	71,345,073	51,767,807(1)

(1) With adjustments to arrive at "Net income, as adjusted," a net loss translates into a net income position on an adjusted basis. Accordingly, the weighted average impact of the dilutive effect of potential common shares of 963,830 and 849,235 have been considered in determining the dilutive earnings per share on a adjusted basis for the three and twelve months ended December 31, 2003, respectively.

EBITDA for the Company is calculated as follows (dollars in thousands):

	Three Months Ended December 31,		Twelve Months Ended December 31,	
	2004	2003	2004	2003
Net income (loss)	$ 66,433	$ (10,084)	$ 64,725	$ (34,704)
Add:				
Depreciation and amortization	14,856	39,051	54,857	92,622
Interest expense	13,280	19,518	65,418	71,256
Loss on extinguishment of debt	—	6,639	21,075	13,479
Provision (benefit) for income taxes	41,839	9,183	43,529	(6,276)
Less:				
Interest income	1,961	937	4,264	3,560
EBITDA	$ 134,447	$ 63,370	$ 245,340	$ 132,817

Operating income (loss), as adjusted for one-time items is calculated as follows (dollars in thousands):

	Three Months Ended December 31,		Twelve Months Ended December 31,	
	2004	2003	2004	2003
Americas				
Operating income	$ 58,055	$ 17,048	$ 106,704	$ 30,175
Amortization expense relating to net revenue backlog acquired in the Insignia acquisition	2,794	13,932	9,717	34,491
Merger-related charges related to the Insignia acquisition	—	4,475	22,038	20,367
Integration costs related to the Insignia acquisition	2,063	7,758	11,638	10,667
One-time compensation expense related to the initial public offering	—	—	15,000	—
Operating income, as adjusted	$ 62,912	$ 43,213	$ 165,097	$ 95,700
EMEA				
Operating income (loss)	$ 31,940	$ (7,767)	$ 30,902	$ (20,851)
Amortization expense related to net revenue backlog acquired in the Insignia acquisition	—	14,191	3,324	24,617
Merger-related charges related to the Insignia acquisition	—	12,055	3,205	15,958
Integration costs related to the Insignia acquisition	518	2,459	2,701	2,973
Operating income, as adjusted	$ 32,458	$ 20,938	$ 40,132	$ 22,697
Asia Pacific				
Operating income	$ 9,231	$ 4,690	$ 18,553	$ 7,046
Merger-related charges related to the Insignia acquisition	—	492	—	492
Operating income, as adjusted	$ 9,231	$ 5,182	$ 18,553	$ 7,538
Global Investment Management				
Operating income	$ 11,010	$ 5,165	$ 14,849	$ 9,460
Merger-related charges related to the Insignia acquisition	—	—	331	—
Operating income, as adjusted	$ 11,010	$ 5,165	$ 15,180	$ 9,460

The Company does not allocate net interest expense or provision (benefit) for income taxes among its segments. Accordingly, EBITDA for segments is calculated as follows (dollars in thousands):

	Three Months Ended December 31, 2004	Three Months Ended December 31, 2003	Twelve Months Ended December 31, 2004	Twelve Months Ended December 31, 2003
Americas				
Operating income	$ 58,055	$ 17,048	$ 106,704	$ 30,175
Add:				
Depreciation and amortization	11,525	20,595	37,514	56,865
Equity income from unconsolidated subsidiaries	3,974	3,367	10,288	8,073
EBITDA	$ 73,554	$ 41,010	$ 154,506	$ 95,113
EMEA				
Operating income (loss)	$ 31,940	$ (7,767)	$ 30,902	$ (20,851)
Add:				
Depreciation and amortization	2,170	17,362	12,050	31,110
Equity income (loss) from unconsolidated subsidiaries	19	131	(519)	(206)
EBITDA	$ 34,129	$ 9,726	$ 42,433	$ 10,053
Asia Pacific				
Operating income	$ 9,231	$ 4,690	$ 18,553	$ 7,046
Add:				
Depreciation and amortization	621	486	2,476	2,226
Equity income from unconsolidated subsidiaries	143	246	555	361
EBITDA	$ 9,995	$ 5,422	$ 21,584	$ 9,633
Global Investment Management				
Operating income	$ 11,010	$ 5,165	$ 14,849	$ 9,460
Add:				
Depreciation and amortization	540	608	2,817	2,421
Equity income from unconsolidated subsidiaries	5,219	1,439	9,151	6,137
EBITDA	$ 16,769	$ 7,212	$ 26,817	$ 18,018

CB RICHARD ELLIS GROUP, INC.
CONDENSED CONSOLIDATED BALANCE SHEETS
(Dollars in thousands)

	December 31, 2004	December 31, 2003
Assets:		
Cash and cash equivalents	$ 256,896	$ 163,881
Restricted cash	9,213	14,899
Receivables, net	394,062	322,416
Warehouse receivable (1)	138,233	230,790
Property and equipment, net	137,703	113,569
Goodwill and other intangibles, net	935,161	951,289
Deferred compensation assets	102,578	76,389
Other assets, net	297,790	340,248
Total assets	$ 2,271,636	$ 2,213,481
Liabilities:		
Current liabilities, excluding debt	$ 637,165	$ 551,995
Warehouse line of credit (1)	138,233	230,790
Senior secured term loan tranche B	277,050	297,500
11¼% senior subordinated notes	205,032	226,173
9¾% senior notes	130,000	200,000
16% senior notes	—	35,472
Other debt (2)	22,492	82,907
Deferred compensation liability	160,281	138,037
Other long-term liabilities	135,510	111,022
Total liabilities	1,705,763	1,873,896
Minority interest	5,925	6,656
Stockholders' equity	559,948	332,929
Total liabilities and stockholders' equity	$ 2,271,636	$ 2,213,481

(1) Includes Freddie MAC loan receivables and related non-recourse warehouse line of credit of $138.2 million and $230.8 million at December 31, 2004 and 2003, respectively.
(2) Includes non-recourse debt relating to a building in Japan of $43.7 million at December 31, 2003.

Exhibit 99.1

Fourth Quarter 2004
Financial Results

Investor Conference Call
February 3, 2005

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Forward Looking Statements

This presentation contains statements that are forward looking within the meaning of the Private Securities Litigation Reform Act of 1995. These statements should be considered as estimates only and actual results may ultimately differ from these estimates. Except to the extent required by applicable securities laws, CB Richard Ellis undertakes no obligation to update or publicly revise any of the forward-looking statements that you may hear today. Please refer to our annual report on Form 10-K and our quarterly reports on Form 10-Q, which are filed with the SEC and available at the SEC's website (http://www.sec.gov), for a full discussion of the risks and other factors, that may impact any estimates that you may hear today. This is a public call and our responses to questions must be limited to information that is acceptable for dissemination within the public domain. In addition, we may make certain statements during the course of this presentation which include references to "non-GAAP financial measures," as defined by SEC regulations. As required by these regulations, we have provided reconciliations of these measures to what we believe are the most directly comparable GAAP measures, which are available in the fourth quarter earnings press release.

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Conference Call Participants

Ray Wirta – Chief Executive Officer

Brett White – President

Ken Kay – Senior Executive Vice President and Chief Financial Officer

Shelley Young – Director of Investor Relations

Link to searchable text of slide shown above

Highlights

- Fourth quarter and year-to-date 2004 revenue growth of 29% and 45%, respectively
- Strong investment properties sales and improved leasing fundamentals in 2004
- Net income, as adjusted for one-time items, of $117.9 million in 2004 versus $36.8 million in 2003, an increase of 220%
- Diluted earnings per share of $1.65 in 2004
- Improved earnings guidance for 2005

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Q4 2004 Performance: Overview

- Revenue totaled $798.2 million, 29% higher than the prior year quarter
- 9th straight quarter of double-digit year over year organic revenue growth
- Net income totaled $66.4 million, as compared to a net loss of $10.1 million for the same quarter last year
  - Excluding one-time items, net income for the quarter was $68.4 million, as compared to $27.9 million for the same quarter last year[1]
  - One-time items include the following:

After-tax adjustments ($ millions)	2004	2003
Amortization expense related to Insignia net revenue backlog	1.6	19.4
Merger-related and integration costs	1.4	18.6
Tax adjustments relating to Insignia merger-related charges, IPO and extinguishment of debt costs expensed in previous quarters	(1.0)	-
Total one-time items	2.0	38.0

1. Net income was adjusted for one time items of $2.0 million ($5.4 million before tax) and $38.0 million ($55.4 million before tax) for the quarters ending 12/31/2004 and 12/31/2003, respectively.

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Q4 2004 Performance: Overview

- **GAAP EPS of $0.88 vs. Adjusted EPS of $0.90[1]**
- **Operating income totaled $110.2 million, $91.1 million higher than the same quarter last year**
  - **Operating Income, excluding merger-related charges and integration costs, totaled $115.6 million for 2004 as compared to $74.5 million for 2003, an improvement of 55%**
- **EBITDA totaled $134.4 million, 112% higher than the same quarter last year**
  - **EBITDA was negatively impacted by one-time merger-related charges and integration costs of $2.6 million in 2004 and $27.3 million in 2003**

1. All EPS information is based upon diluted shares.

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Q4 Financial Results

($ in millions)	2004	2003	% Change
Revenue	798.2	621.3	29
Cost of Services	406.2	311.9	30
Operating, Admin. & Other	266.9	234.1	14
Depreciation & Amortization	14.9	39.1	-62
Merger-Related Charges	-	17.1	-100
Operating Income/loss	110.2	19.1	477
One Time Charges:			
Merger-Related Charges	-	17.1	-100
Integration Costs	2.6	10.2	-75
Backlog Amortization	2.8	28.1	-90
Operating Income, excluding One Time Charges	115.6	74.5	55

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Year-to-date Financial Results

($ in millions)	2004	2003 Reported[1]	% Change	2003 Incl. Insignia[2]	% Change
Revenue	2,365.1	1,630.1	45	1,948.8	21
Cost of Services	1,203.8	796.4	51	968.9	24
Operating, Admin. & Other	909.8	678.4	34	826.9	10
Depreciation & Amortization	54.9	92.6	-41	102.0	-46
Merger-Related Charges	25.6	36.8	-30	36.8	-30
Operating Income/loss	171.0	25.8	563	14.2	1,104
One Time Charges:					
Merger-Related Charges	25.6	36.8	-30	36.8	-30
Integration Costs	14.3	13.6	5	13.6	5
IPO-Related Compensation Expense	15.0	-	100	-	100
Backlog Amortization	13.0	59.1	-78	59.1	-78
Operating Income, excluding One Time Charges	238.9	135.3	77	123.7	93

1. Includes reported results of Insignia's commercial operations which were purchased on 7/23/03.
2. Includes reported results of Insignia's commercial operations prior to the acquisition on 7/23/03. The financial information including Insignia is presented for informational purposes only and does not purport to represent what CB Richard Ellis' results of operations or financial position would have been had the Insignia acquisition in fact occurred prior to the first seven months of 2003.

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2004 Revenue Breakdown

(In $ millions)	Quarter ended December 31,			Year-to-date December 31,			
					2003		
						Incl.	
	2004	2003	% Change	2004	Reported1	Insignia2	% Change
Investment Sales	283.5	174.3	63	807.4	512.6	568.8	42
Leasing	327.9	300.0	9	986.3	692.5	890.1	11
Property and Facilities Management	52.1	46.1	13	185.3	143.6	176.0	5
Appraisal and Valuation	50.4	41.0	23	156.4	111.3	130.0	20
Commercial Mortgage Brokerage	34.3	29.1	18	106.7	81.6	81.6	31
Investment Management	38.3	21.8	76	90.7	64.0	67.0	35
Other	11.7	9.0	30	32.3	24.5	35.3	-8
	798.2	621.3	29	2,365.1	1,630.1	1,948.8	21

1. Includes reported results of Insignia's commercial operations which were purchased on 7/23/03.
2. Includes reported results of Insignia's commercial operations prior to the acquisition on 7/23/03. The financial information including Insignia is presented for informational purposes only and does not purport to represent what CB Richard Ellis' results of operations or financial position would have been had the Insignia acquisition in fact occurred prior to 7/23/2003.

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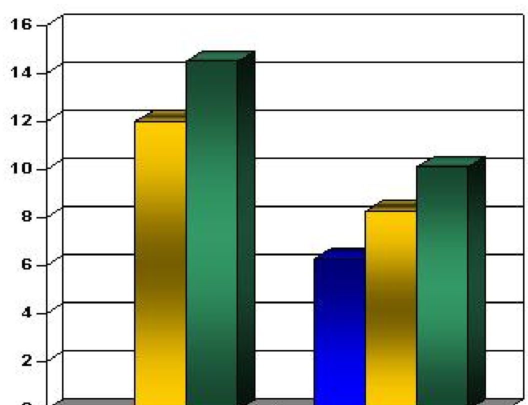
Operating Income Margins



	4th Quarter	Full Year
2003 incl. Insignia	NA	6.3
2003	12.0	8.3
2004	14.5	10.1

2003 incl. Insignia ■ 2003 ■ 2004

Continued margin improvement due to:

- ***Robust revenue growth***
- ***Productivity improvements***
- ***Operating leverage***

Notes:
Operating income margins exclude merger-related charges, integration expenses, amortization of Insignia revenue backlog and IPO related compensation expense.
The financial information including Insignia is presented for informational purposes only and does not purport to represent what CB Richard Ellis results of operations or financial position would have been had the Insignia acquisition in fact occurred prior to 2003.

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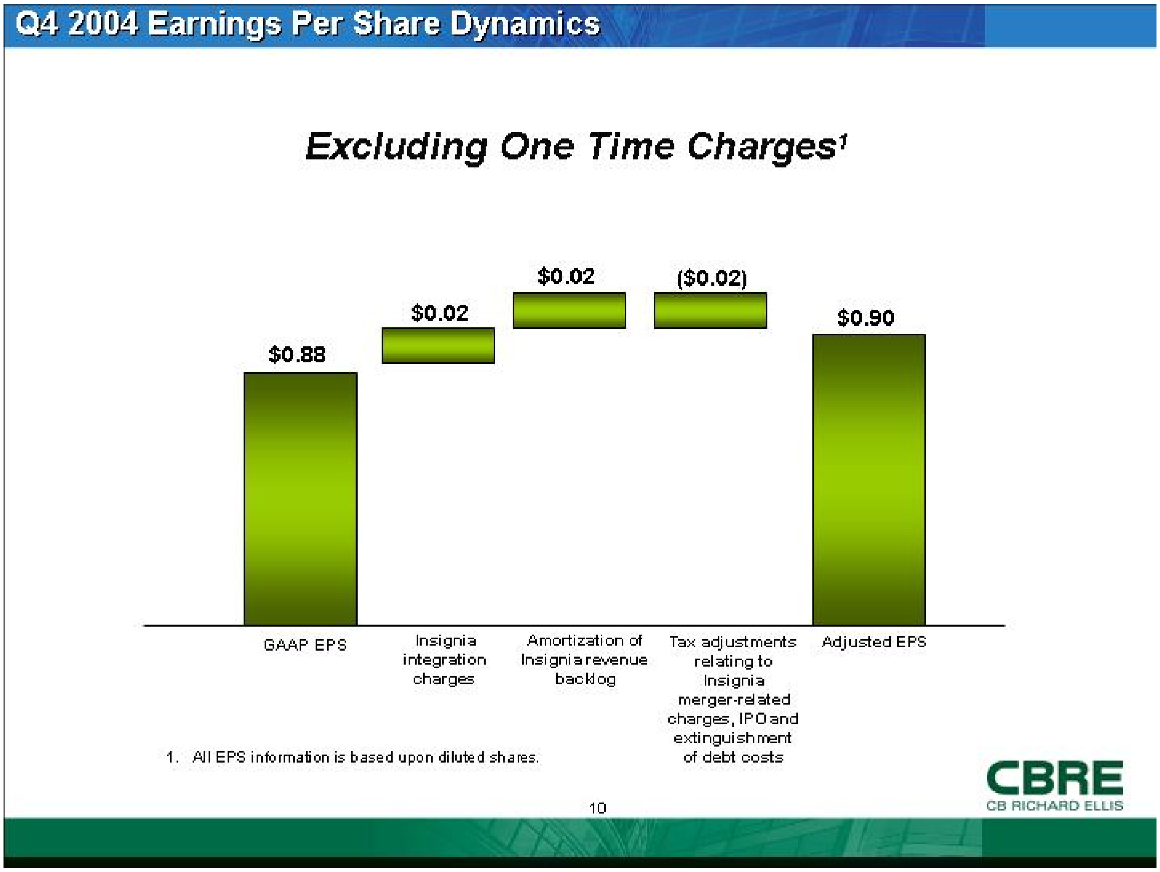

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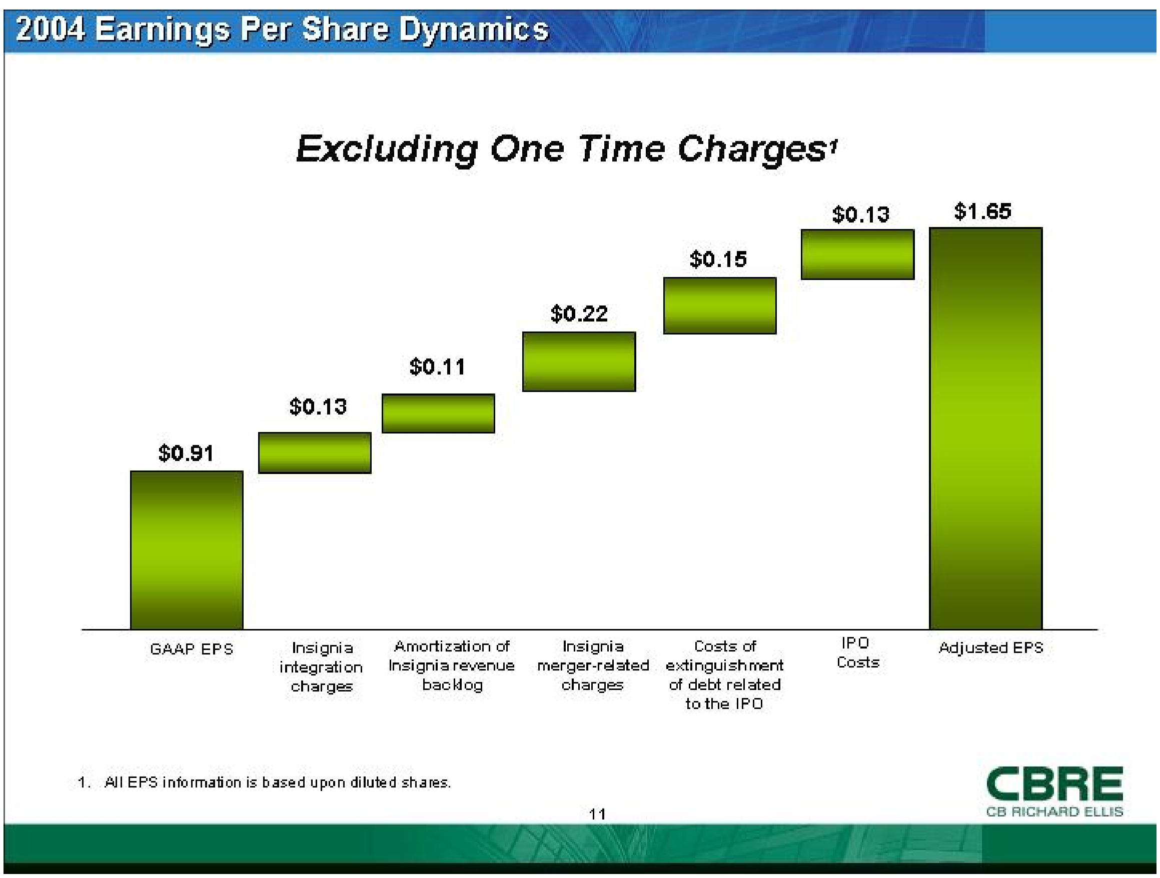

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Consolidated Balance Sheets

($ in millions)	12/31/2004	12/31/2003	Variance
	(Unaudited) As of		
Assets			
Cash and cash equivalents	256.9	163.9	93.0
Restricted cash	9.2	14.9	(5.7)
Receivables, net	394.1	322.4	71.7
Warehouse receivable[1]	138.2	230.8	(92.6)
Property and equiment, net	137.7	113.6	24.1
Goodwill and other intagible assets, net	935.1	951.3	(16.2)
Deferred compensation assets	102.6	76.4	26.2
Other assets, net	297.8	340.2	(42.4)
Total assets	2,271.6	2,213.5	58.1

1. Represents Freddie Mac loan receivables which are offset by the related non-recourse warehouse line of credit facility.

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Consolidated Balance Sheets (cont.)

($ in millions)	12/31/2004	12/31/2003	Variance
	(Unaudited) As of		
Liabilities			
Current liabilities, excluding debt	637.2	552.0	85.2
Warehouse line of credit[1]	138.2	230.8	(92.6)
Senior secured term loan tranche B	277.1	297.5	(20.4)
$11^{1/4}$% senior subordinated notes	205.0	226.2	(21.2)
$9^{3/4}$% senior notes	130.0	200.0	(70.0)
16% senior notes	-	35.5	(35.5)
Other debt[2]	22.5	82.9	(60.4)
Deferred compensation liabilities	160.2	138.0	22.2
Other long-term liabilities	135.5	111.0	24.5
Total liabilities	1,705.7	1,873.9	(168.2)
Minority interest	5.9	6.7	(0.8)
Stokcholders' equity	560.0	332.9	227.1
Total liabilities and stockholders' equity	2,271.6	2,213.5	58.1

1. Represents the non-recourse warehouse line of credit which supports the Freddie Mac loan receivables.
2. Includes non-recourse debt relating to a building investment in Japan of $43.7 million at December 31, 2003.

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Capitalization

($ in millions)	As of 12/31/2004	As of 12/31/2003	% Change
Cash	256.9	163.9	57
Revolver	-	-	-
Tranche B loan	277.1	297.5	-7
Other debt[1]	22.5	39.2	-43
9 3/4% senior notes	130.0	200.0	-35
11 1/4% senior subordinated notes[2]	205.0	226.2	-9
Total CB Richard Ellis Services debt	634.6	762.9	-17
16% senior notes	-	35.5	-100
Total debt	634.6	798.4	-21
Shareholders' equity	558.9	332.9	68
Total capitalization	1,193.5	1,131.3	5
Total net debt	377.7	634.5	-40

1. Excludes $138.2 million and $230.8 million of warehouse facility at December 31, 2004 and December 31, 2003, respectively. Also excludes non-recourse debt relating to a building investment in Japan of $43.7 million at December 31, 2003.
2. The 2004 balance does not reflect $25.4 million of notes repurchased year-to-date in 2005.

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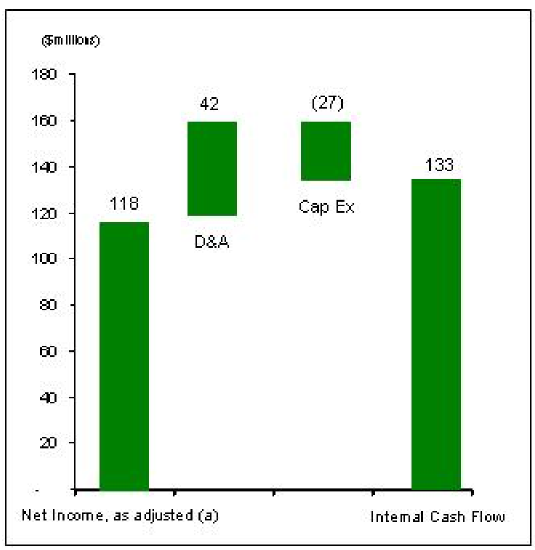
2004 Normalized Internal Cash Flow

- Strong cash flow generation
- Low capital intensity
- 2004 capital expenditures exclude $12.0 million related to the integration of Insignia



(a) Reconciliation of forecast net income to net income, as adjusted provided on page 21.

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2005 Guidance

- Revenue growth of approximately 8%
- Net income within the range of $149 to $156 million
- Earnings per share growth of approximately 18% to 24% resulting in a guidance range of $1.95 to $2.05[1]

1. Excluding residual one-time Insignia and debt buy-back charges of approximately $15 million pre-tax

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Q4 2004 Segment Performance

(In $ millions)	Revenue			Adjusted Operating Income[1]		
	2004	2003	% Chg.	2004	2003	% Chg.
Americas	541.1	417.7	30%	62.9	43.2	46%
EMEA	166.8	140.8	19%	32.5	21.0	55%
Asia Pacific	50.4	38.3	32%	9.2	5.2	77%
Global Investment Management	39.8	24.5	62%	11.0	5.2	112%

1. Adjusted operating income excludes one time items including the amortization expense relating to the net revenue backlog acquired in the Insignia acquisition, merger-related and integration charges associated with the Insignia acquisition.

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CBRE Recent Wins

Americas

- **Alcan** – Providing transaction management services for facilities in 60 countries with total portfolio estimated at approximately 30 million square feet
- **Berkshire Realty Holdings** – Disposed of a national apartment portfolio comprised of 38 properties with a combined value of more than $814 million[1]
- **AMB Property Corporation** – Providing facilities management service to a 25 million square feet portfolio of industrial properties.

EMEA

- **Travelodge** – Negotiated $720 million sale-leaseback transaction involving 135 properties
- **The Mall Fund** – Completed the acquisition of three shopping center buildings for $707 million

Asia Pacific

- **Star Tower** – Appointed as agent to sell one of the largest and most prestigious office buildings in Asia
- **Australia Post Building** – Completed the sale of this office building in Melbourne for $111 million

1. 35 properties were closed in the 4th quarter of 2004 with the remaining three properties scheduled to close in the 1st quarter of 2005.

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Favorable Trends

- Robust investment sales market in the U.S. despite measured increases in short-term interest rates in the second half of 2004
- Strong investment sales activity is expected to continue into 2005
- Increased corporate confidence and sustained employment growth have bolstered U.S. leasing markets
- Proactive business development strategy resulted in numerous new fortune 500 client relationships
- Record performance in mortgage brokerage
- Active investment market in Europe and Asia Pacific

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Summary

- **Record Performance**
  - ✓ Strong revenue, EBITDA, net income and earnings per share in the fourth quarter and full year 2004

- **Macro Trends**
  - ✓ Continued strength in investment property sales market and higher capital allocations to real estate
  - ✓ Further improvement in the global leasing market fueled by steady job growth
  - ✓ Increased industrial productivity and consumer spending

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Appendix

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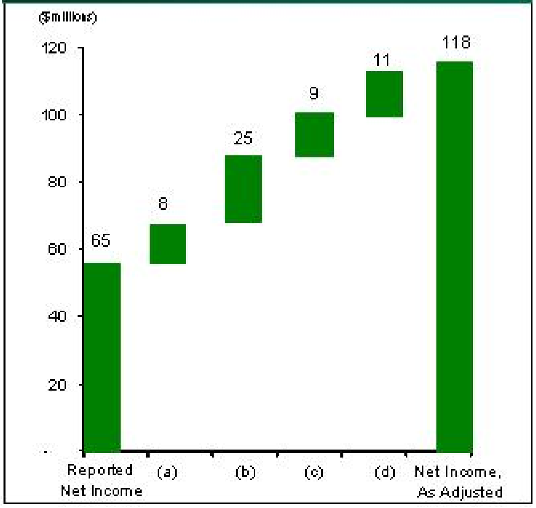
Reconciliation of Net Income to Net Income, As Adjusted

2004 Results



(a) Intangible asset amortization expense related to Insignia net revenue backlog

(b) Insignia merger and integration related costs

(c) One-time IPO related compensation expense

(d) Costs of extinguishment of debt related to the IPO

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Consolidated Net Income to EBITDA reconciliation

(In 000s)	Three Months Ended December 31		Twelve Months Ended December 31	
	2004	2003	2004	2003
Net income (loss)	$ 66,433	$ (10,084)	64,725	$ (34,704)
Add:				
Depreciation and amortization	14,856	39,051	54,857	92,622
Interest expense	13,280	19,518	65,418	71,256
Loss on extinguishment of debt	-	6,639	21,075	13,479
Provision (benefit) for income taxes	41,839	9,183	43,529	(6,276)
Less:				
Interest income	1,961	937	4,264	3,560
EBITDA	$ 134,447	$ 63,370	245,340	$ 132,817

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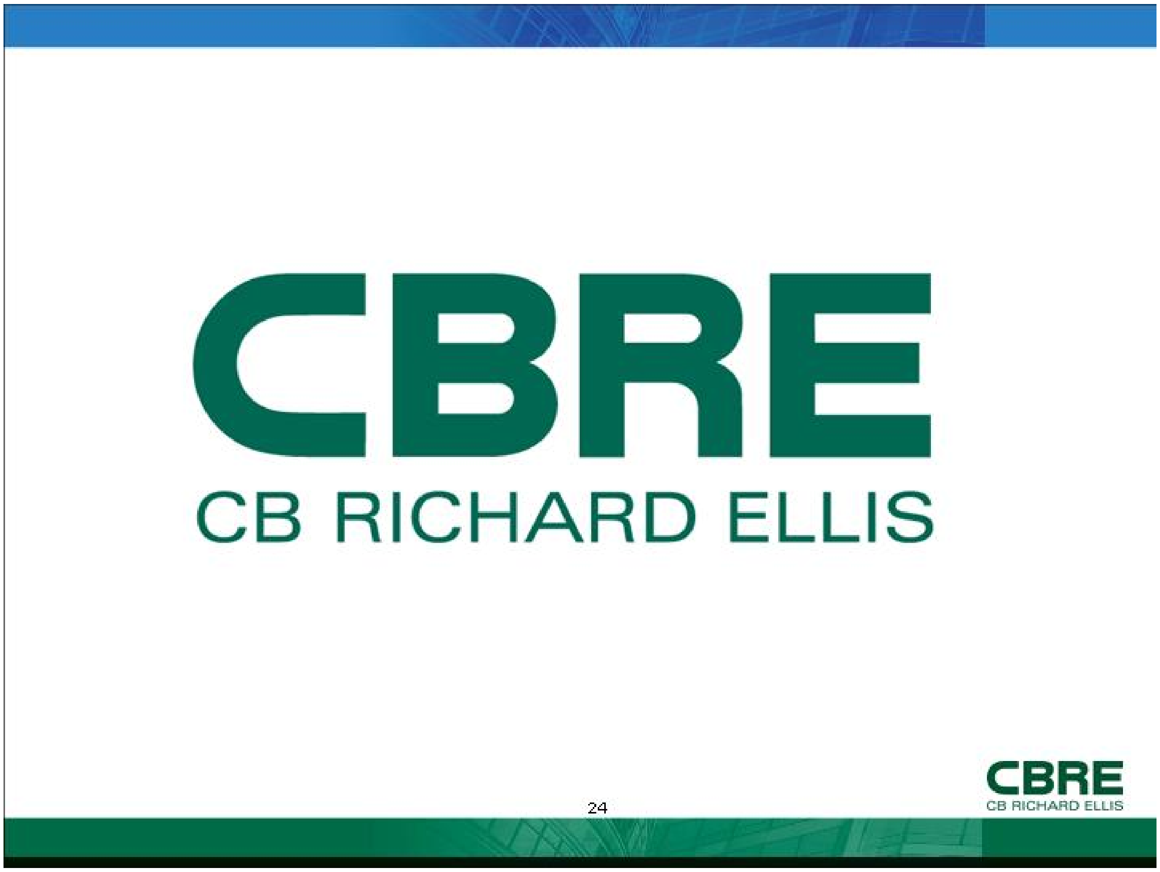

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Fourth Quarter 2004
Financial Results

Investor Conference Call
February 3, 2005

[GRAPHIC]

[LOGO]

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Brett White – President

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- Strong investment properties sales and improved leasing fundamentals in 2004
- Net income, as adjusted for one-time items, of $117.9 million in 2004 versus $36.8 million in 2003, an increase of 220%
- Diluted earnings per share of $1.65 in 2004
- Improved earnings guidance for 2005

Q4 2004 Performance: Overview

- Revenue totaled $798.2 million, 29% higher than the prior year quarter
- 9th straight quarter of double-digit year over year organic revenue growth
- Net income totaled $66.4 million, as compared to a net loss of $10.1 million for the same quarter last year
  - Excluding one-time items, net income for the quarter was $68.4 million, as compared to $27.9 million for the same quarter last year(1)
  - One-time items include the following:

After-tax adjustments ($ millions)	2004	2003
Amortization expense related to Insignia net revenue backlog	1.6	19.4
Merger-related and integration costs	1.4	18.6
Tax adjustments relating to Insignia merger-related charges, IPO and extinguishment of debt costs expensed in previous quarters	(1.0)	—
Total one-time items	2.0	38.0

(1) Net income was adjusted for one time items of $2.0 million ($5.4 million before tax) and $38.0 million ($55.4 million before tax) for the quarters ending 12/31/2004 and 12/31/2003, respectively.

- GAAP EPS of $0.88 vs. Adjusted EPS of $0.90(1)
- Operating income totaled $110.2 million, $91.1 million higher than the same quarter last year
  - Operating Income, excluding merger-related charges and integration costs, totaled $115.6 million for 2004 as compared to $74.5 million for 2003, an improvement of 55%
- EBITDA totaled $134.4 million, 112% higher than the same quarter last year
  - EBITDA was negatively impacted by one-time merger-related charges and integration costs of $2.6 million in 2004 and $27.3 million in 2003

(1) All EPS information is based upon diluted shares.

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Operating Income/loss	110.2	19.1	477

One Time Charges:			
Merger-Related Charges	—	17.1	-100
Integration Costs	2.6	10.2	-75
Backlog Amortization	2.8	28.1	-90
Operating Income, excluding One Time Charges	115.6	74.5	55

Year-to-date Financial Results

		2003			
($ in millions)	2004	Reported(1)	% Change	Incl. Insignia(2)	% Change
Revenue	2,365.1	1,630.1	45	1,948.8	21
Cost of Services	1,203.8	796.4	51	968.9	24
Operating, Admin. & Other	909.8	678.4	34	826.9	10
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(2) Includes reported results of Insignia's commercial operations prior to the acquisition on 7/23/03. The financial information including Insignia is presented for informational purposes only and does not purport to represent what CB Richard Ellis' results of operations or financial position would have been had the Insignia acquisition in fact occurred prior to the first seven months of 2003.

2004 Revenue Breakdown

	Quarter ended December 31,			Year-to-date December 31,			
					2003		
(In $ millions)	2004	2003	% Change	2004	Reported(1)	Incl. Insignia(2)	% Change
Investment Sales	283.5	174.3	63	807.4	512.6	568.8	42
Leasing	327.9	300.0	9	986.3	692.5	890.1	11
Property and Facilities Management	52.1	46.1	13	185.3	143.6	176.0	5
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Commercial Mortgage Brokerage	34.3	29.1	18	106.7	81.6	81.6	31
Investment Management	38.3	21.8	76	90.7	64.0	67.0	35
Other	11.7	9.0	30	32.3	24.5	35.3	-8
	798.2	621.3	29	2,365.1	1,630.1	1,948.8	21

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Operating Income Margins

[CHART]

	4th Quarter	Full Year

2003 incl. Insignia	NA	6.3
2003	12.0	8.3
2004	14.5	10.1

Continued margin improvement due to:

- ***Robust revenue growth***
- ***Productivity improvements***
- ***Operating leverage***

Notes:
Operating income margins exclude merger-related charges, integration expenses, amortization of Insignia revenue backlog and IPO related compensation expense.
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Q4 2004 Earnings Per Share Dynamics

Excluding One Time Charges(1)

[CHART]

(1) All EPS information is based upon diluted shares.

2004 Earnings Per Share Dynamics

Excluding One Time Charges(1)

[CHART]

(1) All EPS information is based upon diluted shares.

Consolidated Balance Sheets

($ in millions)	**12/31/2004**	**As of 12/31/2003 (Unaudited)**	**Variance**
Assets			
Cash and cash equivalents	256.9	163.9	93.0
Restricted cash	9.2	14.9	(5.7)
Receivables, net	394.1	322.4	71.7
Warehouse receivable(1)	138.2	230.8	(92.6)
Property and equiment, net	137.7	113.6	24.1
Goodwill and other intagible assets, net	935.1	951.3	(16.2)
Deferred compensation assets	102.6	76.4	26.2
Other assets, net	297.8	340.2	(42.4)
Total assets	2,271.6	2,213.5	58.1

(1) Represents Freddie Mac loan receivables which are offset by the related non-recourse warehouse line of credit facility.

($ in millions)	**12/31/2004**	**As of 12/31/2003 (Unaudited)**	**Variance**
Liabilities			
Current liabilities, excluding debt	637.2	552.0	85.2
Warehouse line of credit(1)	138.2	230.8	(92.6)
Senior secured term loan tranche B	277.1	297.5	(20.4)
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9 3/4% senior notes	130.0	200.0	(70.0)
16% senior notes	—	35.5	(35.5)
Other debt(2)	22.5	82.9	(60.4)
Deferred compensation liabilities	160.2	138.0	22.2
Other long-term liabilities	135.5	111.0	24.5

Total liabilities	1,705.7	1,873.9	(168.2)
Minority interest	5.9	6.7	(0.8)
Stokcholders' equity	560.0	332.9	227.1
Total liabilities and stockholders' equity	2,271.6	2,213.5	58.1

(1) Represents the non-recourse warehouse line of credit which supports the Freddie Mac loan receivables.
(2) Includes non-recourse debt relating to a building investment in Japan of $43.7 million at December 31, 2003.

Capitalization

($ in millions)	As of 12/31/2004	As of 12/31/2003	% Change
Cash	256.9	163.9	57
Revolver	—	—	—
Tranche B loan	277.1	297.5	-7
Other debt(1)	22.5	39.2	-43
9 3/4% senior notes	130.0	200.0	-35
11 1/4% senior subordinated notes(2)	205.0	226.2	-9
Total CB Richard Ellis Services debt	634.6	762.9	-17
16% senior notes	—	35.5	-100
Total debt	634.6	798.4	-21
Shareholders' equity	558.9	332.9	68
Total capitalization	1,193.5	1,131.3	5
Total net debt	377.7	634.5	-40

(1) Excludes $138.2 million and $230.8 million of warehouse facility at December 31, 2004 and December 31, 2003, respectively. Also excludes non-recourse debt relating to a building investment in Japan of $43.7 million at December 31, 2003.
(2) The 2004 balance does not reflect $25.4 million of notes repurchased year-to-date in 2005.

2004 Normalized Internal Cash Flow

- Strong cash flow generation
- Low capital intensity
- 2004 capital expenditures exclude $12.0 million related to the integration of Insignia

[CHART]

(a) Reconciliation of forecast net income to net income, as adjusted provided on page 21.

2005 Guidance

- Revenue growth of approximately 8%
- Net income within the range of $149 to $156 million
- Earnings per share growth of approximately 18% to 24% resulting in a guidance range of $1.95 to $2.05(1)

(1) Excluding residual one-time Insignia and debt buy-back charges of approximately $15 million pre-tax.

Q4 2004 Segment Performance

	Revenue			Adjusted Operating Income(1)		
(In $ millions)	2004	2003	% Chg.	2004	2003	% Chg.
Americas	541.1	417.7	30%	62.9	43.2	46%
EMEA	166.8	140.8	19%	32.5	21.0	55%
Asia Pacific	50.4	38.3	32%	9.2	5.2	77%

Global Investment Management	39.8	24.5	62%	11.0	5.2	112%

(1) Adjusted operating income excludes one time items including the amortization expense relating to the net revenue backlog acquired in the Insignia acquisition, merger-related and integration charges associated with the Insignia acquisition.

CBRE Recent Wins

Americas

- **Alcan** – Providing transaction management services for facilities in 60 countries with total portfolio estimated at approximately 30 million square feet
- **Berkshire Realty Holdings** – Disposed of a national apartment portfolio comprised of 38 properties with a combined value of more than $814 million(1)
- **AMB Property Corporation** – Providing facilities management service to a 25 million square feet portfolio of industrial properties.

EMEA

- **Travelodge** – Negotiated $720 million sale-leaseback transaction involving 135 properties
- **The Mall Fund** – Completed the acquisition of three shopping center buildings for $707 million

Asia Pacific

- **Star Tower** – Appointed as agent to sell one of the largest and most prestigious office buildings in Asia
- **Australia Post Building** – Completed the sale of this office building in Melbourne for $111 million

(1) 35 properties were closed in the 4th quarter of 2004 with the remaining three properties scheduled to close in the 1st quarter of 2005.

Favorable Trends

- Robust investment sales market in the U.S. despite measured increases in short-term interest rates in the second half of 2004
- Strong investment sales activity is expected to continue into 2005
- Increased corporate confidence and sustained employment growth have bolstered U.S. leasing markets
- Proactive business development strategy resulted in numerous new fortune 500 client relationships
- Record performance in mortgage brokerage
- Active investment market in Europe and Asia Pacific

Summary

- **Record Performance**
  - Strong revenue, EBITDA, net income and earnings per share in the fourth quarter and full year 2004
- **Macro Trends**
  - Continued strength in investment property sales market and higher capital allocations to real estate
  - Further improvement in the global leasing market fueled by steady job growth
  - Increased industrial productivity and consumer spending

Appendix

Reconciliation of Net Income to Net Income, As Adjusted

2004 Results

[CHART]

(a) Intangible asset amortization expense related to Insignia net revenue backlog

(b) Insignia merger and integration related costs

(c) One-time IPO related compensation expense

(d) Costs of extinguishment of debt related to the IPO

Consolidated Net Income to EBITDA reconciliation

	Three Months Ended December 31		Twelve Months Ended December 31	
(In 000s)	**2004**	**2003**	**2004**	**2003**
Net income (loss)	$ 66,433	$ (10,084)	64,725	$ (34,704)
Add:				
Depreciation and amortization	14,856	39,051	54,857	92,622
Interest expense	13,280	19,518	65,418	71,256
Loss on extinguishment of debt	—	6,639	21,075	13,479
Provision (benefit) for income taxes	41,839	9,183	43,529	(6,276)
Less:				
Interest income	1,961	937	4,264	3,560
EBITDA	$ 134,447	$ 63,370	245,340	$ 132,817

[LOGO]