

Fortress Investment Group LLC

Earnings Supplement

Third Quarter 2015



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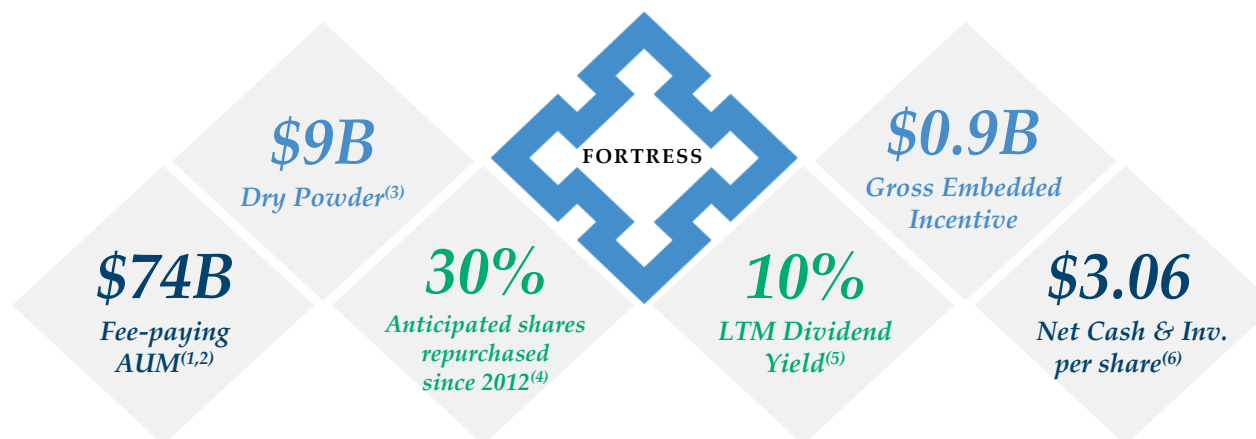
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Past performance. In all cases where historical performance is presented, please note that past performance is not a reliable indicator of future results and should not be relied upon as the basis for making an investment decision.

Non-GAAP Financial Data Information. Distributable Earnings (“DE”) is the primary metric used by management to measure Fortress’s operating performance. Consistent with GAAP, DE is the sole measure that management uses to manage, and thus report on, Fortress’s segments. DE differs from GAAP net income in a number of material ways. For a detailed description of the calculation of pre-tax DE and fund management DE, see Appendix slide #3a. Fortress aggregates its segment results to report consolidated segment results, as shown in Slide 3. The consolidated segment results are non-GAAP financial information. Consolidated segment results should not be considered a substitute for Fortress’s consolidated GAAP results. See Appendix Slide #3 for reconciliations of the components of Fortress’s consolidated segment results to the comparable GAAP measures. Fortress also uses weighted average dividend paying shares and units outstanding (used to calculate pre-tax DE per dividend paying share) and net cash and investments. See Appendix Slide #4 for reconciliations of these measures to the comparable GAAP measures.

Fortress Snapshot: 3Q 2015

Fortress Investment Group LLC (NYSE: FIG) is a highly diversified, global investment manager with \$74.3 billion^(1,2) of fee-paying AUM managed on behalf of over 1,800 investors worldwide



Alternative Businesses				Traditional Fixed Income
Credit & Real Estate	Private Equity	Permanent Capital	Liquid Markets	Logan Circle
Distressed assets and securities, special situations, real estate	Control-oriented equity investments	Six externally managed public companies	Daily trading in global markets	Actively managed, long-only fixed income
\$17.4bn ⁽²⁾ of AUM	\$9.2bn of AUM	\$6.9bn of AUM	\$7.4bn ⁽¹⁾ of AUM	\$33.4bn of AUM

- (1) Includes \$4.5 billion of AUM related to Affiliated Managers and \$1.8 billion of AUM related to the Macro Funds. In October 2015, Fortress announced it was closing the Macro Funds and expects to return most capital to investors by the end of 2015. See slide #4.
- (2) Includes \$3.0 billion of AUM related to co-managed funds. See slide #12.
- (3) Includes \$3.0 billion only available for follow-on investments, management fees and other fund expenses.
- (4) Based on 51.3 million shares repurchased in December 2012, 60.6 million shares repurchased in February 2014 and anticipated repurchase of 56.8 million Class A equivalent shares in November 2015.
- (5) Based on LTM dividends of \$0.62 per share and FIG's stock price as of October 28, 2015.
- (6) Net Cash & Investments, which is a non-GAAP financial measure, means cash & cash equivalents plus investments less debt outstanding. For a reconciliation of GAAP Book Value to Net Cash & Investments see appendix slide #5. Adjusted for the announced repurchase of 56.8 million Class A equivalent shares, Net Cash & Investments of \$2.85 per share (see appendix slide #6).

3Q and YTD 2015 Highlights

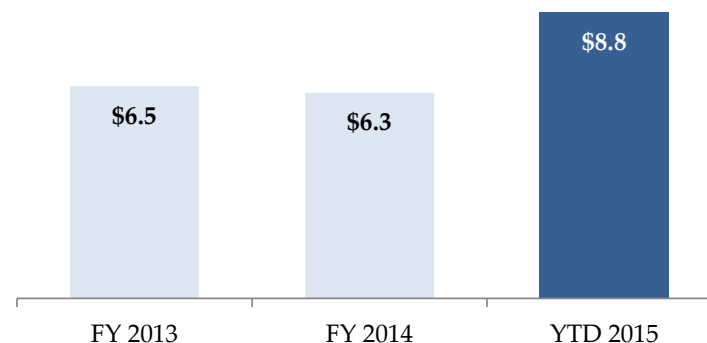
- **Strong YTD financial performance:**
 - Pre-tax distributable earnings (“DE”) of \$261 million, or \$0.58 per share, for the first nine months of 2015⁽¹⁾
 - Generated \$304 million of gross incentive income YTD, including a record \$154 million from the Credit PE funds and a record \$76 million from the Permanent Capital Vehicles (“PCVs”)
- **Robust fundraising activity:**
 - Raised \$8.8 billion of alternative capital and recorded \$1.7 billion of net client inflows for Logan Circle in YTD 2015
 - Post quarter end, anticipate closing Fortress Japan Opportunity Fund III at its targeted cap of \$1.1 billion
- **Post quarter end, announced closing of Fortress Macro Fund and planned 56.8 million share repurchase from a retiring Principal⁽²⁾**

Year-over-Year Financial Results⁽¹⁾ (millions)

	YTD 2014	YTD 2015	QoQ Δ
Fee-Paying AUM ⁽³⁾	\$66,046	74,330	+13%
Segment Revenues	\$718	\$738	+3%
Segment Expenses	\$471	\$469	(0)%
Fund Mgmt DE	\$230	\$251	+9%

Alternative Capital Raised (billions)

Raised 38% more alt. capital in YTD 2015 than all of 2014



(1) Fortress aggregates its segment results to report consolidated segment results. The consolidated segment results are non-GAAP financial information. Please see Appendix slide #3 for reconciliations of the components of consolidated segment results to the comparable GAAP measures.

(2) Announced repurchase is subject to completion of definitive documentation and customary Board approvals.

(3) Includes \$4.5 billion of AUM related to Affiliated Managers, \$3.0 billion of AUM related to the co-managed funds and \$1.8 billion of AUM related to the Fortress Macro Funds. In October 2015, Fortress announced it was closing the Macro Funds and expects to return most capital to investors by the end of 2015.

Announced Closing of Macro Funds & Share Repurchase

Fortress intends to close its Macro hedge fund strategy and return most capital to investors by YE 2015; Announced planned repurchase of 56.8 million shares from a retiring Principal for \$4.50/share⁽¹⁾

- **Fortress Macro Funds and related managed accounts (the “Macro Funds”) had \$1.8 billion of AUM as of 3Q 2015**
 - Macro Funds accounted for **2%** of total FIG AUM as of 3Q 2015
 - In YTD 2015, the Macro Funds generated a pre-tax DE loss of \$8 million
- **Fortress expected to repurchase 56.8 million Class A equivalent shares (“shares”) from a retiring Principal⁽¹⁾**
 - Dividend paying share count would be reduced by **13%** upon completion of repurchase
 - Purchase price represented a **17%** discount to FIG’s share price at previous day’s close⁽⁴⁾

<i>(millions)</i>	Current	Adjusted ⁽³⁾	% Δ
YTD 2015 Pre-Tax DE ⁽²⁾	\$261	\$269	3%
Dividend Paying Shares	453	396	(13)%
YTD 2015 Pre-Tax DE/share	\$0.58	\$0.68	17%

(1) Announced repurchase is subject to completion of definitive documentation and customary Board approvals.

(2) Pre-Tax Distributable Earnings is a non-GAAP financial measure described in Fortress’s third quarter 2015 earnings release. For a reconciliation of GAAP Net Income to Pre-Tax Distributable Earnings, please see appendix slide #3.

(3) Adjusted to exclude Macro Fund results and completion of the anticipated repurchase of 56.8 million shares.

(4) Based on FIG’s share price as of October 12, 2015.

Repurchase Underscores History of Shareholder-Centric Management

Dividend policy calls for distribution of substantially all after-tax earnings in any given year

- Adjusted for the anticipated share repurchase, three major opportunistic repurchases since 2012 retired **~170 million shares at a weighted avg. price of ~\$4.70^(1,2,3)**

FIG Shareholder Distributions Since 2012

<i>(per share)</i>	FY 2012	FY 2013	FY 2014	YTD 2015	Total Since 2012
Base Quarterly Dividends	\$0.21	\$0.26	\$0.32	\$0.24	\$1.03
Top-up Dividends	-	-	\$0.48	-	\$0.48
Share Repurchases	\$0.34 ⁽¹⁾	\$0.73 ⁽²⁾	-	\$0.22 ⁽³⁾	\$1.29
Total	\$0.55	\$0.99	\$0.80	\$0.46	\$2.80
After-Tax DE^(3,4)	\$0.48	\$0.80	\$0.80	\$0.49	\$2.57
DE Payout %^(3,4)	115%	124%	100%	94%	109%

(1) Repurchased 51.3 million shares in December 2012 for a total purchase price of \$180 million. 536 million Class A and B shares outstanding at time of purchase.

(2) Repurchased 60.6 million shares from Nomura Investment Managers U.S.A. ("Nomura") in February 2014 for a cash payment of \$363 million. 496 million Class A and B shares outstanding at time of purchase. Fortress also agreed to engage Nomura to provide certain financial advisory and financing services until February 2017. In connection with the agreement to engage Nomura to provide these services, Fortress estimated the fair value of the related liability to be approximately \$30 million, which has been recorded as a reduction to equity as part of the repurchase of Class A shares.

(3) Announced repurchase of 56.8 million shares in October 2015, anticipated to be partially funded with a \$100 million cash payment. 453 million Class A and B shares outstanding at time of expected closing.

(4) Based on full year tax rate of 8%, 9% and 19% for FY 2012, FY 2013 and FY 2014, respectively, and assumed tax rate of 15% for YTD 2015.

Core Businesses: Strong Performance Not Reflected in Valuation

<i>(millions)</i>	FY 2013	3Q 2015	% Change
Fee-Paying AUM ^(1,2)	\$61,750	\$72,540	+17% ↑
Permanent Capital AUM	\$3,547	\$6,896	+94% ↑
Permanent Capital % of Alt. AUM ⁽¹⁾	10%	18%	+80% ↑
Dry Powder	\$7,130	\$8,795	+23% ↑
LTM Alternative Capital Raised ⁽¹⁾	\$6,478	\$10,226	+58% ↑
Gross Unrecognized Incentive Income	\$876	\$938	+7% ↑
Dividend Paying Shares Outstanding ⁽¹⁾	495	397	-20% ↓
FIG Stock Price ⁽³⁾	\$7.57	\$5.91	-22% ↓
P/E Ratio ⁽⁴⁾	10.8x	8.3x	-23% ↓
P/E Ratio ex. balance sheet ⁽⁵⁾	6.8x	4.3x	-37% ↓

(1) 3Q 2015 figures adjusted to exclude financial results related to the Macro Funds and to reflect completion of anticipated repurchase of 56.8 million shares.

(2) For 3Q 2015, includes \$4.5 billion of AUM related to Affiliated Managers and \$3.0 billion of AUM related to co-managed funds. Excludes \$1.8 billion of AUM related to Macro Funds.

(3) For FY 2013, reflects FIG stock price adjusted for dividends as of February 28, 2014. For 3Q 2015, reflects FIG stock price as of October 28, 2015.

(4) Based on FIG's stock price as of October 28, 2015 and consensus 2015 after-tax earnings estimate of \$0.71 per share sourced from Bloomberg. FIG does not represent or endorse externally sourced earnings estimates. Actual results may differ materially from stated estimates.

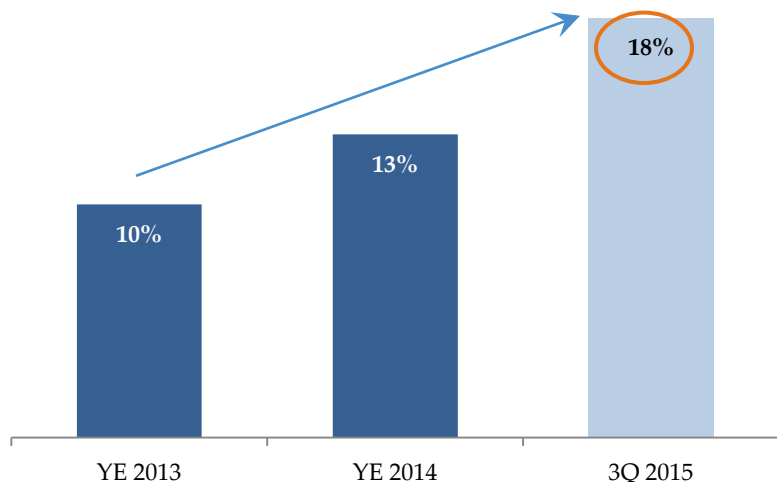
(5) Based on Net Cash & Investments of \$2.85 per share, adjusted to reflect completion of anticipated repurchase of 56.8 million shares (see appendix slide #6). Net Cash & Investments is a non-GAAP financial measure. For a reconciliation of GAAP Book Value to Net Cash & Investments see appendix slide #5.

Core Business: Differentiated by Valuable Long-Term Capital Base

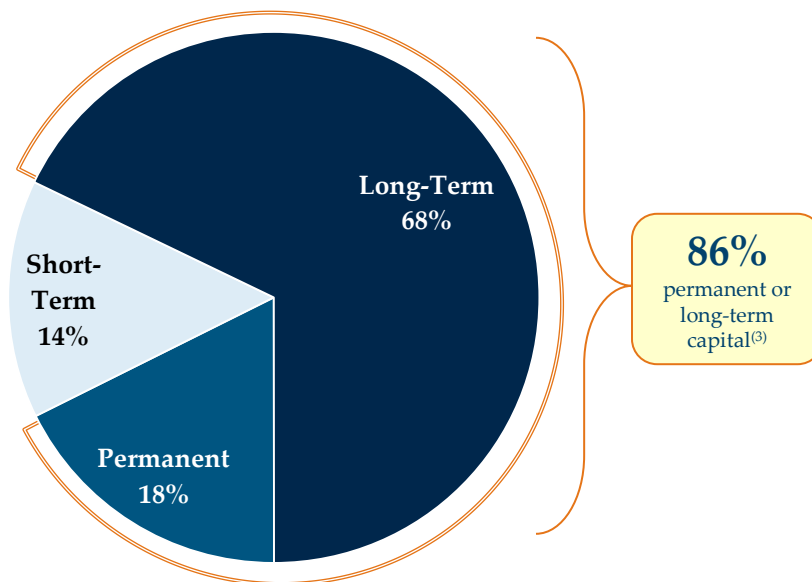
Continued growth of unlimited duration permanent capital drives stable, high-value recurring management fees and supports quarterly base dividend

- Quarterly base dividend of \$0.08 per share sized to reflect after-tax net management fees
- Annual base dividend of \$0.32 per share implies **minimum annual dividend yield of 5%⁽¹⁾**

Increasing Permanent Capital % of Alternative Capital⁽²⁾



Duration of Alternative Capital Base⁽²⁾

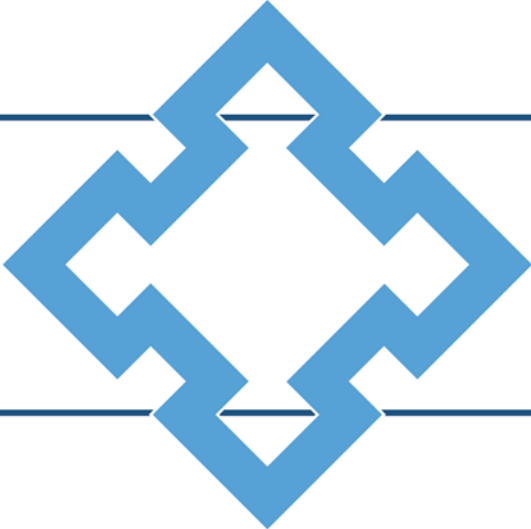


(1) Based on FIG's stock price as of October 28, 2015.

(2) Excludes \$1.8 billion of AUM related to the Macro Funds.

(3) Long-term reflects funds which had a term of three years or longer at inception, funds which have a PE style redemption and funds which do not allow for redemptions.

Segment Overview

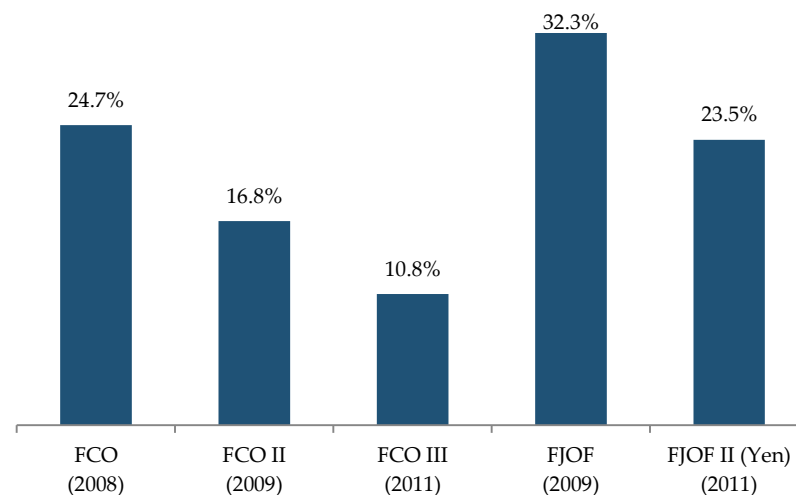


Credit Private Equity Funds

- Uptick in realization activity drove increase in earnings
 - **\$70 million** of gross incentive income in the quarter and **\$154 million** in YTD 2015
- On pace to close three next-generation flagship Credit PE Funds in 2015 at their targeted caps
 - **Closed \$5 billion** next-generation Credit Opportunities fund, Fortress Credit Opportunities Fund IV
 - **Closed \$1 billion** next-generation Global Real Estate fund, Fortress Real Estate Opportunities Fund II
 - **In process of closing \$1 billion** next-generation Japan Real Estate fund, Fortress Japan Opportunity Fund III
- Substantial embedded value points to potential earnings upside
 - **\$7.7 billion⁽¹⁾** of dry powder that will begin generating fees if invested
 - **\$818 million** of gross unrecognized incentive income, 96% of which resides in funds out of their investment period

Financial Results (\$ millions)	3Q 2015	2Q 2015	3Q 2014	YTD 2015	YTD 2014
Segment Revenues	99	90	65	240	192
Expenses ⁽³⁾	(66)	(61)	(49)	(172)	(144)
Fund Management DE	33	29	16	68	48
Net Investment Income	5	3	2	9	6
Pre-Tax DE	38	32	18	77	54
Fee-Paying AUM	8,356	8,247	7,083	8,356	7,083

Annualized Net Returns Since Inception⁽²⁾



(1) Includes \$2.8 billion of capital that is only available for follow-on investments, management fees and other fund expenses.

(2) For additional investment performance disclosure please see Appendix slide #2.

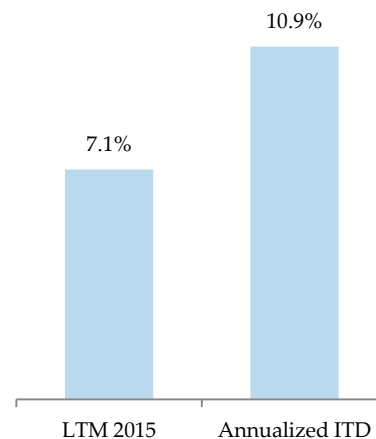
(3) Includes segment expenses and principal performance payments.

Credit Hedge Funds

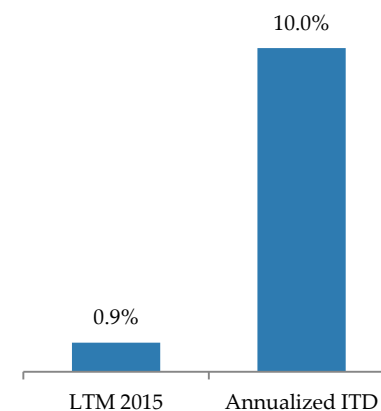
- **Continue to deliver strong and consistent investment performance**
 - **14%:** five year annualized net returns for DBSO LP through September 30, 2015 (including 5% net returns in YTD 2015)
 - **57:** months over the last 60 months where DBSO LP has generated positive net returns
 - In October 2015, DBSO named “Best Credit Fund with over \$1 billion of AUM” at *HFMWeek’s 2015 US Performance Awards*
- **All flagship Credit Hedge Fund NAV valued above HWMs at quarter end**
 - \$5.5 billion of incentive-eligible NAV above incentive income thresholds as of third quarter 2015
- **Added \$3.0 billion of AUM after becoming co-manager with Mount Kellett Capital Management LP (“Mount Kellett”) of the Mount Kellett investment funds and related accounts (the “co-managed funds”)**

Financial Results (\$ millions)	3Q 2015	2Q 2015	3Q 2014	YTD 2015	YTD 2014
Segment Revenues	38	79	58	170	187
Expenses ⁽³⁾	(25)	(43)	(35)	(100)	(112)
Fund Management DE	13	36	23	70	75
Net Investment Income	-	-	(5)	1	(2)
Pre-Tax DE	13	36	18	71	73
Fee-Paying AUM ⁽¹⁾	9,070	6,244	6,140	9,070	6,140

DBSO LP Net Returns⁽²⁾
\$4.4B of AUM



DBSO Ltd Net Returns⁽²⁾
\$1.2B of AUM



(1) Includes \$3.0 billion of AUM related to co-managed funds as of 3Q 2015.
 (2) For additional investment performance disclosure please see Appendix slide #2.
 (3) Includes segment expenses and principal performance payments.

Private Equity Funds

- **Fund V investment valuations up 13% in first nine months of 2015**
 - YTD 2015 valuation gains primarily driven by a 21% increase in Springleaf's (NYSE: LEAF) stock price
 - LEAF stock price up 11% since quarter end through October 28, 2015
- **Main PE Funds currently valued at multiple of 1.6x net invested capital⁽¹⁾**
 - Over \$11 billion of value creation since trough in 1Q 2009
 - Four key investments account for 80% of total NAV of main PE Funds: Florida⁽²⁾, LEAF, Holiday and Nationstar (NYSE: NSM)
- **Expectations for increased balance sheet realization activity and distributions in the near-term**
 - \$356 million of net embedded gains that would be recognized in DE if PE-related investments were liquidated at 3Q 2015 values

Financial Results (\$ millions)	3Q 2015	2Q 2015	3Q 2014	YTD 2015	YTD 2014
Segment Revenues	29	29	33	87	107
Expenses ⁽³⁾	(13)	(15)	(15)	(42)	(38)
Fund Management DE	16	14	18	45	69
Net Investment Income	-	-	-	-	95
Pre-Tax DE	16	14	18	45	164
Fee-Paying AUM	9,195	9,587	9,787	9,195	9,787

PE Fund (vintage)	Fund NAV	Gross Multiple ⁽¹⁾	Select Investments
Fund I (1999)	Liquidated	3.0x	
Fund II (2002)	In Liquidation	1.8x	
Fund III (2004)	\$0.8bn	1.2x	NSM
Fund IV (2006)	\$2.0bn	1.1x	NSM, Holiday, Florida ⁽²⁾
Fund V (2007)	\$5.1bn	1.8x	LEAF, Florida ⁽²⁾
Total Main PE Funds	\$8.0bn	1.6x	

(1) For additional investment performance disclosure please see Appendix slide #2.

(2) Florida includes Florida East Coast Railway and Florida East Coast Industries.

(3) Includes segment expenses and principal performance payments.

Permanent Capital Vehicles

- **Robust investment activity has led to AUM growth and increased pre-tax DE**
 - \$6.9 billion of AUM represents a **23% CAGR** since YE 2011
 - \$74 million in YTD 2015 pre-tax DE represents a **36% CAGR** since FY 2011
- **Attractive current run-rate earnings with tremendous growth potential**
 - Unlimited duration capital makes management fee streams extremely valuable
 - Significant opportunities to capture small market share in enormous, addressable markets and still be very large
 - Market caps of largest peers total over **\$125 billion⁽¹⁾**

Financial Results (\$ millions)	3Q 2015	2Q 2015	3Q 2014	YTD 2015	YTD 2014
Segment Revenues	26	97	33	145	91
Expenses ⁽²⁾	(18)	(36)	(27)	(72)	(67)
Fund Management DE	8	61	6	73	24
Net Investment Income	-	1	1	1	2
Pre-Tax DE	8	62	7	74	26
Fee-Paying AUM	6,896	6,948	4,411	6,896	4,411

Permanent Capital Vehicle	Investment Focus	Market Cap ⁽¹⁾	Largest "Peer" Market Cap ⁽¹⁾	Addressable Market ⁽³⁾
New Residential (NRZ)	MSRs & Related Assets	\$2.8bn	NLY: \$9bn	\$20tn
Newcastle (NCT)	Real Estate Debt & Golf Business	\$0.3bn	STWD: \$5bn	\$7tn
New Senior (SNR)	Healthcare REIT	\$0.9bn	HCN: \$24bn	\$260bn
New Media (NEWM)	Local Print & Digital Media	\$0.8bn	GCI: \$2bn	\$26bn
Eurocastle (ECT)	Italian NPLs	\$0.6bn	UL: \$25bn	\$205bn
FTAI ⁽²⁾	Transportation & Infrastructure	\$1.0bn	KMI: \$62bn	\$3tn

(1) Market Cap based on stock prices as of October 28, 2015.

(2) Includes segment expenses and principal performance payments.

(3) Based on FIG estimates as of October 2015.

Liquid Markets

- **Announced closing of Fortress Macro Funds in October 2015**
 - Macro Funds had \$1.8 billion of AUM at quarter end, representing 2% of total FIG AUM
 - Macro Funds generated \$8 million in pre-tax DE losses in YTD 2015
 - Expect to return most capital to fund investors by end of 2015
- **\$4.5 billion of AUM on Affiliated Manager platform generated \$10 million of pre-tax earnings in first nine months of 2015**
 - Minority ownership interest in Graticule Asset Management Asia L.P. unchanged

Financial Results ⁽¹⁾ (\$ millions)	3Q 2015	2Q 2015	3Q 2014	YTD 2015	YTD 2014
Segment Revenues	16	18	35	56	106
Expenses ⁽²⁾	(21)	(24)	(30)	(70)	(87)
Fund Management DE ⁽³⁾	(3)	(7)	5	(4)	19
Net Investment Income	(1)	1	(9)	3	(7)
Pre-Tax DE	(4)	(6)	(4)	(1)	12
Fee-Paying AUM ⁽⁴⁾	7,367	7,377	7,529	7,367	7,529

Liquid Hedge Fund	Investment Focus/Strategy	AUM
Affiliated Managers	▪ Asia Macro	\$4.5bn
Fortress Partners Funds	▪ Endowment-Style	\$0.5bn
Fortress Centaurus Global Funds	▪ Global, Equity Biased Event Driven	\$0.2bn
Fortress Convex Asia Funds	▪ Volatility-Based	\$0.2bn
Drawbridge Global Macro Funds	▪ Global Macro	\$0.2bn

- (1) Prior to 1Q 2015, includes results from the Fortress Asia Macro Funds and related managed accounts. In January 2015, the Fortress Asia Macro Funds and related managed accounts transitioned to Graticule on Fortress's affiliated manager platform ("Affiliated Managers"). Affiliated Managers had \$4.5 billion of AUM as of 3Q 2015.
- (2) Includes segment expenses and principal performance payments.
- (3) Includes \$2 million, \$(1) million and \$10 million of earnings from Affiliated Managers for 3Q 2015, 2Q 2015 and YTD 2015, respectively.
- (4) Includes \$1.8 billion of AUM related to the Fortress Macro Funds as of 3Q 2015.

Logan Circle

- **Exceptional investment performance drives significant institutional investor demand**
 - Since inception, **15 out of 16** Logan Circle fixed income strategies outperformed respective benchmarks
 - Net client inflows of \$1.7 billion in the first nine months of 2015 and **\$7.2 billion** since beginning of 2014
- **High incremental margins with AUM growth going forward**
- **Tremendous opportunity to capture incremental market share in the traditional asset management space**
 - Top five firms manage **\$9 trillion**, or approximately 25%, of total worldwide institutional AUM⁽¹⁾

Financial Results (\$ millions)	3Q 2015	2Q 2015	3Q 2014	YTD 2015	YTD 2014
Segment Revenues	13	14	13	40	35
Expenses ⁽²⁾	(13)	(14)	(14)	(41)	(40)
Fund Management DE	-	-	(1)	(1)	(5)
Net Investment Income	-	-	(1)	-	-
Pre-Tax DE	-	-	(2)	(1)	(5)
Fee-Paying AUM	33,446	33,564	31,096	33,446	31,096

(\$ millions)	Assumed Logan Circle AUM ⁽³⁾		
	\$40,000	\$50,000	\$60,000
Assumed Mgmt Fee Rate (bps) ⁽³⁾	17	17	17
Annual Management Fees	\$68	\$85	\$102
Assumed Operating Margin ⁽³⁾	12.5%	25.0%	35.0%
Annual Operating Expenses	\$(59)	\$(64)	\$(66)
Pre-Tax DE	\$9	\$21	\$36
Pre-Tax DE per share ⁽⁴⁾	\$0.02	\$0.05	\$0.09

(1) Source: Pensions and Investments, May 2015.

(2) Includes segment expenses and principal performance payments.

(3) The hypothetical assumptions for AUM, fee rates, management fees and expenses are presented solely for illustrative purposes and actual results could differ materially. AUM figures presented assume additional net client inflows and there can be no assurance as to the occurrence or the timing of such events, which are subject to a variety of factors outside of Fortress's control. Assumed management fee rates based on average management fee rate as of September 30, 2015. Assumed operating margin based on Fortress estimates.

(4) Based on 397 million dividend paying shares outstanding, adjusted for anticipated repurchase of 56.8 million shares.

Balance Sheet Value: Significant Implications for DE & Dividends

Intend to unlock and distribute underappreciated embedded value through balance sheet monetizations and distributions

- Transition from \$1.1 billion size, adjusted for anticipated repurchase⁽⁴⁾, to **\$300 - \$500 million** “maintenance” balance sheet
- \$1.60 to \$2.10 per share⁽¹⁾**: implied potential distributions (assuming no further appreciation)

Adjusted Balance Sheet: \$1.1 Billion⁽⁴⁾

(\$ millions)	Remaining Expected Life - by Fund Maturity			
	< 3 Years	> 3 Years	Other	Total
Cash & Cash Equivalents ⁽²⁾	237	-	-	237
Direct Equity/Other	-	-	22	22
PE Investments	618	3	14	635
Credit PE Investments	12	213	-	225
Hedge Fund Investments	39	-	181	220
Other Investments	6	-	17	23
Total Cash & Investments	912	216	234	1,363
Less: Debt Outstanding ⁽³⁾	(231)	-	-	(231)
Net Cash & Investments⁽⁴⁾	681	216	234	1,132
Per Share⁽¹⁾	\$1.72	\$0.54	\$0.59	\$2.85

50% of balance sheet investment value resides in our four largest PE investments: Florida⁽⁵⁾, Springleaf, Holiday, Nationstar

Potential Balance Sheet: \$0.3bn to \$0.5bn

(per share) ⁽¹⁾	Low	High
Current B/S	\$2.85	\$2.85
Potential Future B/S	~\$0.75	~\$1.25
Available for Distribution	\$2.10	\$1.60

(1) Based on 397 million dividend paying shares outstanding, adjusted for anticipated repurchase of 56.8 million shares.

(2) Based on \$337 million of cash as of 3Q 2015, adjusted for \$100 million expected cash payment to be made in connection with anticipated share repurchase.

(3) Based on \$75 million of debt outstanding as of 3Q 2015, adjusted for \$156 million expected promissory note to be issued in connection with anticipated share repurchase.

(4) Net Cash & Investments, which is a non-GAAP financial measure, means cash & cash equivalents plus investments less debt outstanding. For a reconciliation of GAAP Book Value to Net Cash & Investments see appendix slide #5.

(5) Florida includes Florida East Coast Railway and Florida East Coast Industries.

Key Takeaway: *An Even More Compelling Investment Proposition Today*

1

Commitment to Shareholders

Demonstrated commitment to shareholders through dividends and highly accretive buybacks

2

Underappreciated Embedded Value

Substantial embedded value on balance sheet and in funds not yet reflected in earnings

3

Strong & Consistent Credit Business

Best-in-class Credit franchise well positioned to deploy capital in periods of market dislocation

4

Growing Permanent Capital Business

High-multiple Permanent Capital franchise with robust growth prospects

5

Undervalued Core PE Business

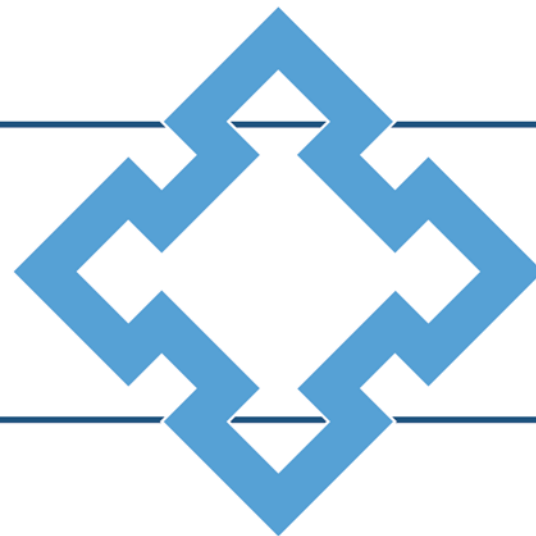
Significant remaining value to harvest in traditional PE funds with potential carry upside

6

Earnings Upside From Logan Circle

Potential for AUM growth and margin expansion from run-rate profitable Logan Circle business

Appendix



Appendix Slide #1: Consolidated Results

Pre-tax DE of \$261 million, or \$0.58 per dividend paying share, for YTD 2015

Distributable Earnings (\$ millions)⁽¹⁾

 FORTRESS	3Q 2015	2Q 2015	3Q 2014	YTD 2015	YTD 2014
Management Fees	151	144	149	434	448
Incentive Income	70	183	88	304	270
Segment Revenues	221	327	237	738	718
Operating Expenses	(112)	(121)	(112)	(348)	(325)
Profit Sharing Expenses	(37)	(54)	(54)	(121)	(146)
Segment Expenses	(149)	(175)	(166)	(469)	(471)
Earnings From Affiliated Managers	2	(1)	-	10	-
Principal Performance Payments	(7)	(18)	(4)	(28)	(17)
Fund Management DE	67	133	67	251	230
Net Investment Income	2	4	(12)	10	93
Pre-Tax DE	69	137	55	261	323
per dividend paying share	\$0.15	\$0.30	\$0.12	\$0.58	\$0.72

(1) Segment Revenues, Segment Expenses, Fund Management Distributable Earnings and Pre-Tax Distributable Earnings are non-GAAP financial measures described in Fortress's third quarter 2015 earnings release. The release is available in the "Public Shareholders" section of Fortress's website, www.fortress.com. For a reconciliation of GAAP Revenues, GAAP Expenses and GAAP Net Income to Segment Revenues, Segment Expenses and Pre-Tax Distributable Earnings, please see Appendix slide #3.

Appendix Slide #2

Credit Hedge Funds

Net returns are for Drawbridge Special Opportunities Fund LP only and exclude certain other funds, which may have returns that are materially lower than those presented herein. The performance data contained herein reflects returns for a "new issue eligible," single investor class as of the close of business on the last day of the relevant period. Net returns reflect performance data after taking into account management fees borne by the Fund and incentive allocations. The returns for the Drawbridge Special Opportunities Funds reflect the performance of each fund excluding special investments and the performance of the redeeming capital accounts.

Credit PE Funds

Net returns are for Fortress Credit Opportunities Funds I, Credit Opportunities Fund II, Credit Opportunities Fund III, Japan Opportunity Fund and Japan Opportunity Fund II (Yen) only and exclude certain other funds, which may have returns that are materially lower than those presented herein. Net returns represent net annualized internal rates of return to limited partners after management fees and incentive allocations, and are computed on an inception-to-date basis consistent with industry standards. Incentive allocations are computed based on a hypothetical liquidation of the net assets of each fund as of the balance sheet date. Returns are calculated for the investors as a whole. The computation of such returns for an individual investor may vary from these returns based on different management fee and incentive arrangements, and the timing of capital transactions.

Private Equity Funds

Gross multiple equals current NAV plus inception to date distributions, divided by the lesser of capital committed or equity invested. For purposes of calculating the gross multiple, equity invested excludes capital called for management fees and other expenses. The inclusion of such amounts would reduce the gross multiple. Gross multiple is not an accurate indicator of the Company's proximity to incentive income thresholds and is different from the statistic which would be computed based on the Company's periodic 34 Act reporting, which reports net amounts. Multiples are for Fortress Investment Fund I, Fortress Investment Fund II, Fortress Investment Fund III, Fortress Investment Fund IV, and Fortress Investment Fund V only and exclude certain other funds, which may have multiples that are materially lower than those presented herein.

Appendix Slide #3

Reconciliation of GAAP Net Income (Loss) to Pre-tax Distributable Earnings and Fund Management DE (dollars in millions)

	Full Year 2012	Full Year 2013	Three Months Ended				Full Year 2014	Three Months Ended			Nine Months Ended September 30, 2015
			March 31, 2014	June 30, 2014	September 30, 2014	December 31, 2014		March 31, 2015	June 30, 2015	September 30, 2015	
GAAP Net Income (Loss)	\$ 219	\$ 484	\$ 9	\$ 73	\$ 17	\$ 141	\$ 240	\$ 87	\$ 5	\$ (26)	\$ 66
Principals' and Others' Interests in (Income) Loss of Consolidated Subsidiaries	(141)	(283)	(6)	(42)	(13)	(79)	(140)	(52)	(2)	12	(42)
Redeemable non-controlling interests in Income (Loss)	-	-	-	-	2	(1)	1	-	-	-	-
GAAP Net Income (Loss) Attributable to Class A Shareholders	\$ 78	\$ 201	\$ 3	\$ 31	\$ 6	\$ 61	\$ 101	\$ 35	\$ 3	\$ (14)	\$ 24
Private Equity incentive income	(2)	20	37	(8)	36	29	94	3	19	21	43
Hedge Fund, PCV and Logan Circle incentive income	-	-	30	26	21	(77)	-	23	80	1	104
Reserve for clawback	8	7	2	-	-	-	2	-	-	-	-
Distributions of earnings from equity method investees	6	15	9	47	6	10	72	4	9	5	18
Losses (earnings) from equity method investees	(142)	(124)	(17)	(20)	(38)	7	(68)	(27)	33	23	29
Losses (gains) on options	(6)	(25)	5	1	23	1	30	(32)	9	27	4
Losses (gains) on other Investments	(41)	(15)	5	42	(16)	(17)	14	(1)	(5)	14	8
Impairment of investments	(1)	(1)	-	-	(3)	-	(3)	(3)	-	(1)	(4)
Adjust income from the receipt of options	(22)	(43)	-	(1)	(5)	-	(6)	(4)	(21)	-	(25)
Gain on transfer of Graticule	-	-	-	-	-	-	-	(134)	-	-	(134)
Employee, Principal and director compensation	219	47	12	6	6	12	36	20	6	2	28
Adjust non-controlling interests related to Fortress Operating Group units	133	277	5	40	11	78	134	52	1	(12)	41
Tax receivable agreement liability reduction	9	9	-	-	4	29	33	-	8	-	8
Adjust income taxes	39	66	6	8	3	(10)	7	18	(5)	3	16
Adjust transfer of interest in Graticule	-	-	-	-	-	-	-	101	-	-	101
Pre-tax Distributable Earnings	\$ 278	\$ 434	\$ 97	\$ 172	\$ 55	\$ 123	\$ 446	\$ 55	\$ 137	\$ 69	\$ 261
Investment Loss (income)	(16)	(36)	(10)	(97)	11	(14)	(109)	(5)	(4)	(3)	(12)
Interest Expense	15	5	-	1	1	1	3	1	-	1	2
Fund Management DE	\$ 277	\$ 403	\$ 87	\$ 76	\$ 67	\$ 110	\$ 340	\$ 51	\$ 133	\$ 67	\$ 251
GAAP Revenues	\$ 970	\$ 1,265	\$ 237	\$ 270	\$ 243	\$ 455	\$ 1,205	\$ 227	\$ 308	\$ 264	\$ 799
Adjust management fees	-	(1)	-	-	-	(1)	(1)	(1)	1	-	-
Adjust incentive income	5	29	69	17	57	(47)	96	27	100	22	149
Adjust income from the receipt of options	(22)	(43)	-	(1)	(5)	-	(6)	(4)	(21)	-	(25)
Other revenues	(196)	(217)	(55)	(56)	(57)	(65)	(233)	(59)	(61)	(65)	(185)
Segment Revenues	\$ 757	\$ 1,033	\$ 251	\$ 230	\$ 238	\$ 343	\$ 1,062	\$ 190	\$ 327	\$ 221	\$ 738
GAAP Expenses	\$ 908	\$ 898	\$ 231	\$ 216	\$ 235	\$ 310	\$ 992	\$ 329	\$ 258	\$ 224	\$ 811
Adjust interest expense	(16)	(5)	-	(1)	(1)	(1)	(3)	(1)	-	(1)	(2)
Adjust employee, Principal and director compensation affiliates	(219)	(35)	(12)	(6)	(3)	(3)	(24)	(18)	(2)	(1)	(21)
Adjust Principal Performance Payments	(188)	(214)	(54)	(52)	(55)	(70)	(231)	(59)	(61)	(64)	(184)
Adjust Principal Performance Payments	(26)	(47)	(9)	(9)	(9)	(15)	(42)	(5)	(20)	(9)	(34)
Adjust transfer of interest in Graticule	-	-	-	-	-	-	-	(101)	-	-	(101)
Other	1	(2)	-	-	(1)	1	-	-	-	-	-
Segment Expenses	\$ 460	\$ 595	\$ 157	\$ 148	\$ 166	\$ 221	\$ 692	\$ 145	\$ 175	\$ 149	\$ 469

Appendix Slide #3A

“Distributable earnings” is Fortress’s supplemental measure of operating performance used by management in analyzing segment and overall results. It reflects the value created which management considers available for distribution during any period. As compared to generally accepted accounting principles (“GAAP”) net income, distributable earnings excludes the effects of unrealized gains (or losses) on illiquid investments, reflects contingent revenue which has been received as income to the extent it is not expected to be reversed, and disregards expenses which do not require an outlay of assets, whether currently or on an accrued basis. Distributable earnings is reflected on an unconsolidated and pre-tax basis, and, therefore, the interests in consolidated subsidiaries related to Fortress Operating Group units (held by the principals) and income tax expense are added back in its calculation. Distributable earnings is not a measure of cash generated by operations which is available for distribution nor should it be considered in isolation or as an alternative to cash flow or net income in accordance with GAAP and it is not necessarily indicative of liquidity or cash available to fund the Company’s operations. For a complete discussion of distributable earnings and its reconciliation to GAAP, as well as an explanation of the calculation of distributable earnings impairment, see note 10 to the financial statements included in the Company’s Quarterly Report on Form 10-Q for the year ended September 30, 2015.

Fortress’s management uses distributable earnings:

- in its determination of periodic distributions to equity holders;
- in making operating decisions and assessing the performance of each of the Company’s core businesses;
- for planning purposes, including the preparation of annual operating budgets; and
- as a valuation measure in strategic analyses in connection with the performance of its funds and the performance of its employees.

Growing distributable earnings is a key component to the Company’s business strategy and distributable earnings is the supplemental measure used by management to evaluate the economic profitability of each of the Company’s businesses and total operations. Therefore, Fortress believes that it provides useful information to investors in evaluating its operating performance. Fortress’s definition of distributable earnings is not based on any definition contained in its amended and restated operating agreement.

“Fund management DE” is equal to pre-tax distributable earnings excluding our direct investment-related results. Fund management DE is comprised of “Pre-tax Distributable Earnings” excluding “Investment Income (Loss)” and “Interest Expense.” Fund management DE and its components are used by management to analyze and measure the performance of our investment management business on a stand-alone basis. Fortress defines segment operating margin to be equal to fund management DE divided by segment revenues. The Company believes that it is useful to provide investors with the opportunity to review our investment management business using the same metrics. Fund management DE and its components are subject to the same limitations as pre-tax distributable earnings, as described above.

Appendix Slide #4

Reconciliation of Weighted Average Class A Shares Outstanding (Used for Basic EPS) to Weighted Average Dividend Paying Shares and Units Outstanding (Used for DEPS)

	Three Months Ended September 30,		Nine Months Ended September 30,		Twelve Months Ended December 31,		
	2015	2014	2015	2014	2014	2013	2012
Weighted Average Class A Shares Outstanding (Used for Basic EPS)	216,439,077	208,014,692	216,138,405	210,874,640	210,303,241	236,246,296	214,399,422
Weighted average fully vested restricted Class A share units with dividend equivalent rights	(737,423)	(88,508)	(3,871,624)	(1,789,026)	(1,379,649)	(2,207,612)	(3,194,380)
Weighted average restricted Class A shares	(716,942)	(1,045,134)	(778,913)	(1,006,503)	(1,016,240)	(921,261)	(737,309)
Weighted Average Class A Shares Outstanding	214,984,712	206,881,050	211,487,868	208,079,111	207,907,352	233,117,423	210,467,733
Weighted average restricted Class A shares ¹	716,942	1,045,134	778,913	1,006,503	1,016,240	921,261	749,007
Weighted average fully vested restricted Class A share units which are entitled to dividend equivalent payments	737,423	88,508	3,871,624	1,789,026	1,379,649	2,207,612	3,194,380
Weighted average unvested restricted Class A share units which are entitled to dividend equivalent payments	10,825,209	7,513,984	10,119,674	7,016,497	7,017,047	4,883,186	6,609,155
Weighted average Fortress Operating Group units	226,331,513	226,331,513	226,331,513	232,790,917	231,162,793	249,534,372	299,559,853
Weighted average Fortress Operating Group RPU ²	-	-	-	-	-	2,434,703	12,817,851
Weighted Average Class A Shares Outstanding (Used for DEPS)	453,595,799	441,860,189	452,589,592	450,682,054	448,483,081	493,098,557	533,397,979
Weighted average vested and unvested restricted Class A share units which are not entitled to dividend equivalent payments	12,477,524	13,592,852	12,535,142	13,167,782	13,310,978	15,321,401	18,419,024
Weighted Average Fully Diluted Shares and Units Outstanding (Used for Diluted DEPS)	466,073,323	455,453,041	465,124,734	463,849,836	461,794,059	508,419,958	551,817,003

“Dividend paying shares and units” represents the number of shares and units outstanding at the end of the period which were entitled to receive dividends or related distributions. The Company believes it is useful for investors in computing the aggregate amount of cash required to make a current per share distribution of a given amount per share. It excludes certain potentially dilutive equity instruments, primarily non-dividend paying restricted Class A share units, and, therefore, is limited in its usefulness in computing per share amounts. Accordingly, dividend paying shares and units should be considered only as a supplement and not an alternative to GAAP basic and diluted shares outstanding. The Company’s calculation of dividend paying shares and units may be different from the calculation used by other companies and, therefore, comparability may be limited.

(1) Includes both fully vested and unvested restricted Class A shares.

(2) Includes both fully vested and unvested Fortress Operating Group RPU.

Appendix Slide #5

Reconciliation of GAAP Book Value Per Share to Net Cash and Investments Per Share (dollars and shares in thousands)

	As of September 30, 2015		As of December 31, 2014	
	GAAP Book Value	Net Cash and Investments	GAAP Book Value	Net Cash and Investments
Cash and Cash equivalents	\$ 337,109	\$ 337,109	\$ 391,089	\$ 391,089
Investments	1,125,443	1,125,443	1,121,545	1,121,545
Investments in options ³²	33,849	-	71,844	-
Due from Affiliates	195,619	-	326,575	-
Deferred Tax Asset, net	426,274	-	417,623	-
Other Assets	158,420	-	173,708	-
Total Assets	2,276,714	1,462,552	2,502,384	1,512,634
Debt Obligations Payable	\$ 75,000	\$ 75,000	\$ 75,000	\$ 75,000
Accrued Compensation and Benefits	242,492	-	374,709	-
Due to Affiliates	383,685	-	375,424	-
Deferred Incentive Income	348,267	-	304,526	-
Other Liabilities	124,303	-	88,053	-
Total Liabilities	1,173,747	75,000	1,217,712	75,000
Less: Redeemable Non-controlling Interests	-	-	1,717	-
Net	\$ 1,102,967	\$ 1,387,552	\$ 1,282,955	\$ 1,437,634
	Shares Outstanding	Dividend Paying Shares and Units Outstanding	Shares Outstanding	Dividend Paying Shares and Units Outstanding
Class A Shares	214,985	214,985	207,490	207,490
Restricted Class A Shares	729	729	1,045	1,045
Fortress Operating Group Units	226,332	226,332	226,332	226,332
Fully Vested Class A Shares - Dividend Paying	-	1,123	-	194
Unvested Class A Shares - Dividend Paying	-	10,135	-	7,002
Shares Outstanding	442,046	453,304	434,867	442,063
Per Share	\$ 2.50	\$ 3.06	\$ 2.95	\$ 3.25

Net cash and investments represents cash and cash equivalents plus investments less debt outstanding. The Company believes that net cash and investments is a useful supplemental measure because it provides investors with information regarding the Company's net investment assets. Net cash and investments excludes certain assets (investments in options, due from affiliates, deferred tax asset, other assets) and liabilities (due to affiliates, accrued compensation and benefits, deferred incentive income and other liabilities), and its utility as a measure of financial position is limited. Accordingly, net cash and investments should be considered only as a supplement and not an alternative to GAAP book value as a measure of the Company's financial position. The Company's calculation of net cash and investments may be different from the calculation used by other companies and, therefore, comparability may be limited.

- (1) The intrinsic value of options in equity method investees totaled \$20 million at quarter end and is included in our undistributed, unrecognized incentive income. This value represents incentive income that would have been recorded in Distributable Earnings if Fortress had exercised all of its in-the-money options it holds in the permanent capital vehicles and sold all of the resulting shares at their September 30, 2015 closing price and differs from the fair value derived from option pricing models included in the table above.

Appendix Slide #6

Adjusted Net Cash & Investments⁽¹⁾

<i>(millions)</i>	As of 3Q 2015	<i>Planned repurchase adjustments⁽²⁾</i>	Adjusted 3Q 2015
Cash & Cash Equivalents	\$337	\$(100)	\$227
Investments	\$1,125		\$1,125
Total Cash & Investments	\$1,463		\$1,363
Less: Debt Outstanding	\$75	\$156	\$231
Net Cash & Investments⁽¹⁾	\$1,388		\$1,132
Dividend Paying Shares and Units Outstanding	453	(57)	397
Per Share	\$3.06		\$2.85

(1) Net Cash & Investments, which is a non-GAAP financial measure, means cash & cash equivalents plus investments less debt outstanding. For a reconciliation of GAAP Book Value to Net Cash & Investments see appendix slide #5.

(2) Announced repurchase is subject to completion of definitive documentation and customary Board approvals.

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