



## Colony NorthStar Announces Agreement to Sell The Townsend Group to Aon

September 1, 2017

LOS ANGELES--(BUSINESS WIRE)--Sep. 1, 2017-- Colony NorthStar, Inc. ("Colony NorthStar" or the "Company") (NYSE:CLNS), a leading global real estate and investment management firm, announced today it has entered into a definitive agreement to sell The Townsend Group ("Townsend") to Aon plc, the leading global professional services firm providing a broad range of risk, retirement and health solutions. Colony NorthStar is the majority owner of Townsend, a leading provider of global investment management and advisory services primarily focused on real estate with assets under advisory totaling approximately \$175.7 billion and assets under management totaling approximately \$14.5 billion as of December 31, 2016.

Aon has agreed to acquire Townsend for \$475 million, subject to certain purchase price adjustments. Net proceeds to affiliates of Colony NorthStar, Inc. for its ownership interest after transaction and other expenses is estimated to be approximately \$379 million. Subject to certain customary and negotiated closing conditions, the deal is expected to close over the next six months.

"The divestiture of Townsend is definitely bittersweet for Colony NorthStar," said Richard B. Saltzman, President and Chief Executive Officer of Colony NorthStar, "but we're extremely pleased that the talented Townsend team has found a great new home with Aon. Townsend is a terrific non-core legacy NorthStar business, but by the closing of the Colony Capital/NorthStar merger in January of this year, it became clear that the market perceived a conflict with Colony's institutional investment management business. For these reasons, Colony NorthStar's sale of Townsend to Aon is a winning outcome for all three organizations."

Terry Ahern, chief executive officer of Townsend, will continue to lead real estate and real asset investment services as part of Aon's Global Retirement & Investment organization.

Morgan Stanley & Co. LLC acted as exclusive financial advisor for the transaction.

### About The Townsend Group

Townsend is a leading provider of global investment management and advisory services primarily focused on real estate. Townsend's clients include many large pension funds, foundations, endowments, corporations, government agencies, and financial institutions. Townsend provides custom real asset solutions to help these institutions meet the needs and objectives of their investment programs. Townsend serves a diverse set of global institutional investors, across over 90 client portfolios, providing real estate and real asset allocation advisory services to clients. As of December 31, 2016, Townsend's assets under management, which consist of those assets of clients in which Townsend has discretionary authority to execute transactions, were approximately \$14.5 billion, and its advisory assets, which consist of those assets of clients to which Townsend provides investment advice in some capacity but does not execute transactions on behalf of such clients, were approximately \$175.7 billion.

### About Colony NorthStar, Inc.

Colony NorthStar, Inc. (NYSE:CLNS) is a leading global real estate and investment management firm. The Company resulted from the January 2017 merger between Colony Capital, Inc., NorthStar Asset Management Group Inc. and NorthStar Realty Finance Corp. The Company has significant property holdings in the healthcare, industrial and hospitality sectors, other equity and debt investments and an embedded institutional and retail investment management business. The Company currently has assets under management of \$56 billion and manages capital on behalf of its stockholders, as well as institutional and retail investors in private funds, non-traded and traded real estate investment trusts and registered investment companies. In addition, the Company owns NorthStar Securities, LLC, a captive broker-dealer platform which raises capital in the retail market. The firm maintains principal offices in Los Angeles and New York, with more than 500 employees in offices located across 18 cities in ten countries. The Company will elect to be taxed as a REIT for U.S. federal income tax purposes. For additional information regarding the Company and its management and business, please refer to [www.clns.com](http://www.clns.com).

### Cautionary Statement Regarding Forward-Looking Statements

This press release may contain forward-looking statements within the meaning of the federal securities laws. Forward-looking statements relate to expectations, beliefs, projections, future plans and strategies, anticipated events or trends and similar expressions concerning matters that are not historical facts. In some cases, you can identify forward-looking statements by the use of forward-looking terminology such as "may," "will," "should," "expects," "intends," "plans," "anticipates," "believes," "estimates," "predicts," or "potential" or the negative of these words and phrases or similar words or phrases which are predictions of or indicate future events or trends and which do not relate solely to historical matters. You can also identify forward-looking statements by discussions of strategy, plans or intentions.

Forward-looking statements involve known and unknown risks, uncertainties, assumptions and contingencies, many of which are beyond the Company's control, and may cause the Company's actual results to differ significantly from those expressed in any forward-looking statement. Factors that might cause such a difference include, without limitation, the risk that a condition to closing of the transaction described herein may not be satisfied; changes with respect to the performance of the Townsend Group; the failure to receive, on a timely basis or otherwise, (i) the required approvals by governmental or regulatory agencies and third parties or (ii) consent of the clients of Townsend; each party's ability to consummate the transaction; greater than expected operating costs and/or business disruption; and the impact of legislative, regulatory and competitive changes, and other risks and uncertainties detailed in our filings with the U.S. Securities and Exchange Commission ("SEC"). All forward-looking statements reflect the Company's good faith beliefs, assumptions and expectations, but they are not guarantees of future performance. Additional information about these and other factors can be found in Colony NorthStar's reports filed from time to time with the SEC.

Colony NorthStar cautions investors not to unduly rely on any forward-looking statements. The forward-looking statements speak only as of the date of this press release. Colony NorthStar is under no duty to update any of these forward-looking statements after the date of this press release, nor to conform prior statements to actual results or revised expectations, and Colony NorthStar does not intend to do so.

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