

UNITED STATES  
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): October 13, 2020

**COLONY CAPITAL, INC.**

(Exact Name of Registrant as Specified in Its Charter)

Maryland  
(State or Other Jurisdiction of  
Incorporation or Organization)

001-37980  
(Commission  
File Number)

46-4591526  
(I.R.S. Employer  
Identification No.)

515 South Flower Street, 44th Floor  
Los Angeles, California 90071  
(Address of Principal Executive Offices, Including Zip Code)

(310) 282-8820  
Registrant's telephone number, including area code:

N/A  
(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 (see General Instruction A.2. below):

- 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)
- 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))

Securities registered pursuant to Section 12(b) of the Act:

Title of Class	Trading Symbol(s)	Name of Each Exchange on Which Registered
Class A Common Stock, \$0.01 par value	CLNY	New York Stock Exchange
Preferred Stock, 7.50% Series G Cumulative Redeemable, \$0.01 par value	CLNY.PRG	New York Stock Exchange
Preferred Stock, 7.125% Series H Cumulative Redeemable, \$0.01 par value	CLNY.PRH	New York Stock Exchange
Preferred Stock, 7.15% Series I Cumulative Redeemable, \$0.01 par value	CLNY.PRI	New York Stock Exchange
Preferred Stock, 7.125% Series J Cumulative Redeemable, \$0.01 par value	CLNY.PRJ	New York Stock Exchange

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

**Item 7.01 Regulation FD Disclosure.**

On October 13, 2020, Colony Capital, Inc. (the "Company") posted an investor presentation to its website at <http://www.clny.com> under the "Public Shareholders" tab, subheading "Presentations," which provides an overview of the pending transaction by affiliates of DataBank Holdings, Ltd. (collectively, "DataBank") to acquire zColo, the colocation business of Zayo Group Holdings. The zColo transaction is expected to close by year-end 2020; however, there is no assurance that the transaction will close in the timeframe contemplated or on the terms anticipated, if at all.

The Company owns a 20% controlling interest in DataBank, a leading provider of enterprise-class data center, cloud, and connectivity services.

A copy of the presentation is attached as Exhibit 99.1 hereto and is incorporated herein by reference.

The information included in this Current Report on Form 8-K, including Exhibit 99.1, shall not be deemed "filed" for the purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), or otherwise subject to the liabilities of that section, nor shall it be deemed incorporated by reference into any filing made by the Company under the Exchange Act or the Securities Act of 1933, as amended, except as shall be expressly set forth by specific reference in such a filing. The information contained on the Company's website is not incorporated by reference herein.

*Use of Website to Distribute Material Company Information*

The Company's website address is [www.clny.com](http://www.clny.com). The Company uses its website as a channel of distribution for important company information. Important information, including press releases, analyst presentations and financial information regarding the Company, is routinely posted on and accessible on the Public Shareholders subpage of its website, which is accessible by clicking on the tab labeled "Public Shareholders" on the website home page. The Company also uses its website to expedite public access to time-critical information regarding the Company in advance of or in lieu of distributing a press release or a filing with the U.S. Securities and Exchange Commission disclosing the same information. Therefore, investors should look to the Public Shareholders subpage of the Company's website for important and time-critical information. Visitors to the Company's website can also register to receive automatic e-mail and other notifications alerting them when new information is made available on the Public Shareholders subpage of the website.

**Item 9.01 Financial Statements and Exhibits.**

(d) Exhibits.

<b>Exhibit No.</b>	<b>Description</b>
99.1	<a href="#">DataBank/zColo Transaction Overview Presentation dated October 13, 2020</a>
104	Cover Page Interactive Data File (embedded within the Inline XBRL document)

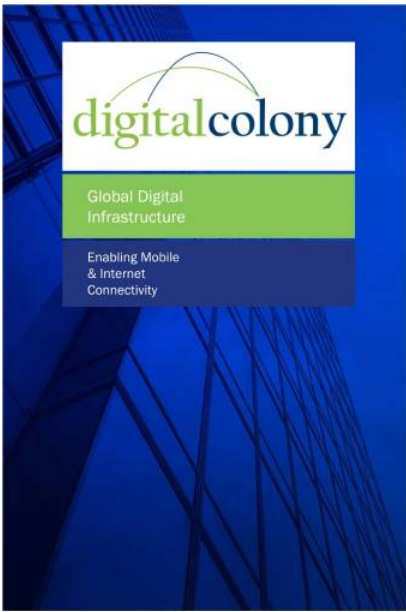
**SIGNATURES**

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

Date: October 13, 2020

**COLONY CAPITAL, INC.**

By: \_\_\_\_\_ /s/ Jacky Wu  
Jacky Wu  
Executive Vice President, Chief Financial Officer and Treasurer



# DATABANK / ZCOLO Transaction Overview

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# DISCLAIMER



This presentation 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 and intentions.

Forward-looking statements involve known and unknown risks, uncertainties, assumptions and contingencies, many of which are beyond the control of Colony Capital, Inc. (the "Company" or "Colony Capital") 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 Company's ability to build the leading digital real estate provider and funding source for the occupancy, infrastructure, equity and credit needs of the world's mobile communications and data-driven companies, the impact of COVID-19 on the global economy, including the Company's digital and legacy businesses, the Company's ability to continue driving strong growth in its digital business and accelerating its digital transformation, whether the pending acquisition of zColo by DataBank will be consummated within the timeframe anticipated or at all, whether the Company will realize the anticipated benefits of its DataBank investment, including the pending zColo acquisition, DataBank's performance and the impact of the transaction on the diversity and stability of its portfolio, whether anticipated synergies and business optimization initiatives in the pending zColo transaction will enhance the Company's economics for the transaction, the resilience and growth in demand for digital infrastructure, including datacenters, the Company's ability to continue deploying capital into high quality digital investments, the Company's ability to consummate anticipated co-investments in the z transaction, the Company's Fee-Earning Equity Under Management ("FEEUM") and its ability to continue FEEUM growth at the current pace or at all, whether Colony Capital will be able to maintain its qualification as a REIT for U.S. federal income tax purposes, the timing of and ability to deploy available capital, including whether any redeployment of capital will generate higher total returns, Colony Capital's leverage, including the Company's ability to reduce debt and the timing and amount of borrowings under its credit facility, increased interest rates and operating costs, adverse economic or estate developments in Colony Capital's markets, customer base expansion, including the maintenance of key customer relationships, the failure to successfully operate or lease acquired properties, decreased rental rates, increased vacancy rates or failure to renew or replace expiring leases, increased costs of capital expenditures, defaults on or non-renewal of leases by tenants, adverse general economic conditions, an unfavorable capital market environment, and other risks and uncertainties, including those detailed in the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2019, Quarterly Report on Form 10-Q for the quarter ended March 31, 2020 and Quarterly Report on Form 10-Q for the quarter ended June 30, 2020, each under the heading "Risk Factors," as such factors may be updated from time to time in our subsequent periodic filings with the U.S. Securities and Exchange Commission ("SEC").

All forward-looking statements reflect Colony Capital'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 Capital's reports filed from time to time with the SEC. Colony Capital cautions investors not to unduly rely on any forward-looking statements. The forward-looking statements speak only as of the date of this presentation. Colony Capital is under no duty to update any of these forward-looking statements after the date of this presentation, nor to conform prior statements to actual results or revised expectations, and Colony Capital does not intend to do so.

This presentation may contain statistics and other data that has been obtained or compiled from information made available by third-party service providers. Colony Capital has not independently verified such statistics or data.

This presentation is for informational purposes only and does not constitute an offer to sell or a solicitation of an offer to buy any securities of Colony Capital. This information is not intended to be indicative of future results. Actual performance of Colony Capital may vary materially.

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# COMPELLING TRANSACTION RATIONALE



zColo is highly complementary to the DataBank platform

- DataBank emerges as a leading U.S. edge colocation operator for hyperscale, technology and content customers
  - zColo adds a diverse mix of strategically-important enterprise and interconnect data centers across attractive new markets
  - Scale, customer relationships and geographic coverage crucial to capturing edge demand from technology firms looking to monetize the Edge
- Expanded footprint provides broad geographic coverage and scale
  - Larger DataBank portfolio will serve expansion of cloud/content workloads into primary and secondary edge markets
- zColo will contribute an exceptional base of diversified, blue-chip customers
  - Customer base expands from ~1,500 to ~3,000 and includes key cloud, content, and social media companies most likely to drive incremental future demand
  - Key customer relationships scaled across new markets and geographies
- Deal leverages strong leadership with track record of successful growth
  - 5 acquisitions in past 3 years; 10%+ organic top-line growth since DC acquisition
  - Accretive acquisition economics, optimization opportunities already identified

Source: DataBank and zColo company information as of 6/30/2020

Scaled Pro Forma Footprint			
			Tot
Markets	9	23	
Data Centers	20	44	
Carrier Hotels (incl. in Data Centers)	5	13	
Built MW	54	84	
Colo SF	457k	778k	1
Cross Connects	6.8k	23.1k	:
Revenue (LQA)	\$176M	\$280M	\$

## DataBank Executive Team



**Mike Foust**  
Executive Chairman  
Former CEO of Digital Realty; 30+ year career in real estate & data center



**Raul Martynek**  
CEO  
20+ year career in telecom & internet infrastructure; former CEO of NetAccess



**Kevin**  
President  
25+ year finance and exec

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# NATIONAL EDGE FOOTPRINT WITH 30K X-CONNECTS digital

Diverse Footprint Creates Platform Serving Cloud and Edge Demand



Source: DataBank and zColo company information as of 6/30/2020

European markets pending inclusion subject to regulatory approvals

			Total
Markets	9	23	32
Data Centers	20	44	64
Built MW	54	84	138
Colo SF	457k	778k	1,235k
Cross Connects	6.8k	23.1k	29.9k

- Ideal Product Mix**
- 8 New Tier 1 Markets**
- 12 New Edge Markets**
- 13 New Carrier Hotels**
- ~30K X-Connects**

# PRO FORMA TRANSACTION SUMMARY



- Purchase Price: \$1.4 billion
- zColo Q2 annualized Adj EBITDA<sup>1,2</sup>: \$86m
- Equity Investment of \$720m
  - \$145m funded by CLNY to maintain 20% position, brings total CLNY investment to \$332m
  - Transaction adds \$500m+ of co-invest FEEUM
- Total funded acquisition debt of \$550m. Including capital lease obligations, \$725m
- Accretive transaction relative to initial investment and publicly traded peers;
  - Synergies and business optimization initiatives will further enhance economics

<sup>1</sup> zColo figures represent preliminary 'carve-out' estimates from Zayo Group and remain subject to final adjustment

<sup>2</sup> zColo adjusted EBITDA figures presented reflect standalone cost adjustments, capital lease obligations and pass-through network reimbursements to synchronize comparability with DataBank definitions

## FINANCIAL PROFILE

Last Quarter Annualized (\$ in millions)	DataBank	zColo	Pro Forma Combined	CLNY OP Share - 20%
	LQA 2Q20	LQA 2Q20	LQA 2Q20	
Revenue	\$176	\$280	\$456	\$91
EBITDA	\$66	\$86	\$152	\$30
EBITDA Margin	38%	31%	33%	

## CAPITALIZATION

(millions of \$, as of 6/30)	DataBank	zColo	Pro Forma Combined	CLNY OP Share - 20%
Debt (incl. capital lease obligations)	\$515	\$725	\$1,240	\$248
Equity	941	720	1,661	332
Total Capitalization	\$1,456	\$1,445	\$2,901	\$580

## TRANSACTION STATS

	zColo
Purchase Price	\$1,400
Capital Lease & Other Purchase Liability Adjustments Adjustments made to sync with DataBank EBITDA definition	185
Adjusted Enterprise Value	1,215
zColo 2Q20 Annualized Adj EBITDA (as above)	\$86
Trailing Multiple Does not factor synergies, BBNB, operational improvements	14.2x



