TPG RE Finance Trust, Inc. Reports Operating Results for the Quarter Ended September 30, 2022

November 1, 2022

NEW YORK--(BUSINESS WIRE)-- TPG RE Finance Trust, Inc. (NYSE: TRTX) ("TRTX" or the "Company") reported its operating results for the quarter ended September 30, 2022. Regarding third quarter results, Doug Bouquard, Chief Executive Officer of TRTX, said: "Our Company's strong liquidity position and TPG's industry-leading global real estate platform enabled TRTX to opportunistically deploy $984.0 million into new investments during the third quarter and maintain ample liquidity of $571.3 million to navigate the current market environment."

THIRD QUARTER 2022 ACTIVITY

- Recognized GAAP net loss attributable to common stockholders of $(117.9) million, or $(1.52) per common share (based on a basic and diluted weighted average share count of 77.4 million common shares), and book value per common share on September 30, 2022 of $14.28.
- Declared on September 12, 2022 a cash dividend of $0.24 per share of common stock which was paid on October 25, 2022 to common stockholders of record as of September 28, 2022. The Company paid on September 30, 2022, to stockholders of record as of September 20, 2022, a quarterly dividend on its 6.25% Series C Cumulative Redeemable Preferred Stock of $0.3906 per share.
- Originated five and acquired at a discount five performing first mortgage loans with total loan commitments of $984.0 million, an aggregate initial unpaid principal balance of $950.1 million, a weighted average interest rate of the applicable benchmark rate plus 3.52%, a weighted average interest rate floor of 0.89% and a weighted average loan-to-value ratio of 64.8%. Additionally, funded $47.3 million of future funding obligations associated with previously originated loans.
- Received loan repayments of $371.1 million, including eight full loan repayments totaling $291.4 million, comprised primarily of the following property types: 77.6% office and 12.0% hotel.
- Weighted average risk rating of the Company's loan portfolio was 3.2 as of September 30, 2022, unchanged from June 30, 2022.
- Carried at quarter-end an allowance for credit losses of $225.6 million, or 390 basis points of total loan commitments, an increase of $132.3 million from $93.4 million, or 180 basis points of total loan commitments, as of June 30, 2022. Of the $225.6 million allowance for credit losses, $72.3 million relates to the Company's specific reserve.
- Closed an asset-specific financing arrangement with an institutional lender backed by five performing first mortgage loans. This financing is matched term, non-recourse, and non-mark-to-market.
- Ended the quarter with $571.3 million of total liquidity, comprised of: $210.7 million of cash-on-hand available for investment, net of $25.4 million held to satisfy liquidity covenants under the Company's secured financing agreements; undrawn capacity under secured financing arrangements of $48.6 million; and $286.6 million of reinvestment capacity in the Company's CRE CLOs. Additionally, the Company held unencumbered loan investments with an aggregate unpaid principal balance of $7.6 million as of September 30, 2022.
- Non-mark-to-market debt represented 74.9% of total borrowings at September 30, 2022.
- Weighted average interest rate floor for loan investments was 85 basis points as of September 30, 2022 compared to 90 basis points as of June 30, 2022. The Company's assets and liabilities are now fully rate-sensitive.
- Rate caps on substantially all of the Company's loans had a weighted average strike of 2.87% at September 30, 2022 as compared to 2.83% at June 30, 2022.

SUBSEQUENT EVENTS

- Acquired via deed-in-lieu of foreclosure an 845,919 square foot Class B office building in Dallas, Texas. At September 30, 2022, the related loan bore a "5" risk rating, which is the lowest rating of the Company's 1-5 risk rating system.

The Company issued a supplemental presentation detailing its third quarter 2022 operating results, which can be viewed at **http://investors.tpgrefinance.com/.**

CONFERENCE CALL AND WEBCAST INFORMATION

The Company will host a conference call and webcast to review its financial results with investors and other interested parties at 10:00 a.m. ET on Wednesday, November 2, 2022. To participate in the conference call, callers from the United States and Canada should dial +1 (877) 407-9716, and international callers should dial +1 (201) 493-6779, ten minutes prior to the scheduled call time. The webcast may also be accessed live by visiting the Company's investor relations website at **http://investors.tpgrefinance.com/event.**

REPLAY INFORMATION

A replay of the conference call will be available after 1:00 p.m. ET on Wednesday, November 2, 2022 through 11:59 p.m. ET on Wednesday, November 16, 2022. To access the replay, listeners may use +1 (844) 512-2921 (domestic) or +1 (412) 317-6671 (international). The passcode for the replay is 13730311. The replay will be available on the Company's website for one year after the call date.

ABOUT TRTX

TPG RE Finance Trust, Inc. is a commercial real estate finance company that originates, acquires, and manages primarily first mortgage loans secured by institutional properties located in primary and select secondary markets in the United States. The Company is externally managed by TPG RE Finance Trust Management, L.P., a part of TPG Real Estate, which is the real estate investment platform of global alternative asset management firm TPG Inc. (NASDAQ: TPG). For more information regarding TRTX, visit **https://www.tpgrefinance.com/.**

FORWARD-LOOKING STATEMENTS

This earnings release contains "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. These forward-looking statements are subject to various risks and uncertainties, including, without limitation, statements relating to the performance of the investments of TPG RE Finance Trust, Inc. (the "Company" or "TRTX"); the ultimate geographic spread, severity and duration of pandemics such as COVID-19 and its variants, actions that may be taken by governmental authorities to contain or address the impact of such pandemics, and the potential negative impacts of such pandemics on the global economy and the Company's financial condition and results of operations; the Company's ability to originate loans that are in the pipeline and under evaluation by the Company; financing needs and arrangements; and the risks, uncertainties and factors set forth under the heading "Risk Factors" in the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2021, as such risk factors may be updated from time to time in the Company's periodic filings with the Securities and Exchange Commission (the "SEC"), which are accessible on the SEC's website at www.sec.gov. Forward-looking statements are generally identifiable by use of forward-looking terminology such as "may," "will," "should," "potential," "intend," "expect," "endeavor," "seek," "anticipate," "estimate," "believe," "could," "project," "predict," "continue" or other similar words or expressions. Forward-looking statements are based on certain assumptions, discuss future expectations, describe existing or future plans and strategies, contain projections of results of operations, liquidity and/or financial condition or state other forward-looking information. Statements, among others, relating to the Company's ability to generate future growth and deliver value and returns, and the Company's ability to provide effective financing solutions for borrowers are forward-looking statements, and the Company cannot assure you that TRTX will achieve such results. The ability of TRTX to predict future events or conditions or their impact or the actual effect of existing or future plans or strategies is inherently uncertain. Although the Company believes that such forward-looking statements are based on reasonable assumptions, actual results and performance in the future could differ materially from those set forth in or implied by such forward-looking statements. You are cautioned not to place undue reliance on these forward-looking statements, which reflect the Company's views only as of the date of this earnings release. Except as required by law, neither the Company nor any other person assumes responsibility for the accuracy and completeness of the forward-looking statements appearing in this earnings release. The Company does not undertake any obligation to update any forward-looking statements contained in this earnings release as a result of new information, future events or otherwise. Past performance is not indicative nor a guarantee of future returns. Yield data are shown for illustrative purposes only and have limitations when used for comparison or for other purposes due to, among other matters, volatility, credit or other factors.

View source version on businesswire.com: https://www.businesswire.com/news/home/20221101005658/en/

INVESTOR RELATIONS CONTACT

+1 (212) 405-8500
IR@tpgrefinance.com

MEDIA CONTACT

TPG RE Finance Trust, Inc.
Courtney Power
+1 (415) 743-1550
media@tpg.com

Source: TPG RE Finance Trust, Inc.