

ANNUAL MEETING OF STOCKHOLDERS OF  
**COLONY FINANCIAL, INC.**

May 2, 2011

**IMPORTANT NOTICE REGARDING THE AVAILABILITY OF PROXY MATERIALS FOR THE MEETING OF STOCKHOLDERS TO BE HELD ON MAY 2, 2011.**  
The Notice of Meeting, Proxy Statement and Proxy Card are available at <http://www.colonyfinancial.com/meeting.html>

Please sign, date and mail  
your proxy card in the  
envelope provided as soon  
as possible.

↓ Please detach along perforated line and mail in the envelope provided. ↓

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**PLEASE SIGN, DATE AND RETURN PROMPTLY IN THE ENCLOSED ENVELOPE. PLEASE MARK YOUR VOTE IN BLUE OR BLACK INK AS SHOWN HERE**

**THE BOARD OF DIRECTORS RECOMMEND A VOTE "FOR" ALL DIRECTOR NOMINEES IN PROPOSAL 1.**  
1. To elect five directors from the nominees named in the proxy statement to serve one-year terms expiring at the 2012 annual meeting of stockholders.

- FOR ALL NOMINEES
- WITHHOLD AUTHORITY FOR ALL NOMINEES
- FOR ALL EXCEPT (See instructions below)

**NOMINEES:**

- Thomas J. Barrack, Jr.
- Richard B. Saltzman
- George G. C. Parker
- John A. Somers
- John L. Steffens

**INSTRUCTIONS:** To withhold authority to vote for any individual nominee(s), mark "FOR ALL EXCEPT" and fill in the circle next to each nominee you wish to withhold, as shown here: ●

**THE BOARD OF DIRECTORS RECOMMENDS A VOTE "FOR" PROPOSAL 2.**

2. Approval of the 2011 Equity Incentive Plan approved by the Board of Directors of Colony Financial.

FOR  AGAINST  ABSTAIN

**THE BOARD OF DIRECTORS RECOMMENDS A VOTE "FOR" PROPOSAL 3.**

3. Approval of an advisory proposal regarding the compensation paid to Colony Financial's named Chief Financial Officer (the "Say on Pay" proposal).

FOR  AGAINST  ABSTAIN

**THE BOARD OF DIRECTORS RECOMMENDS A VOTE FOR THE OPTION OF "3 YEARS" IN PROPOSAL 4.**

4. An advisory vote to establish the frequency of submission to shareholders of "Say on Pay" proposals.

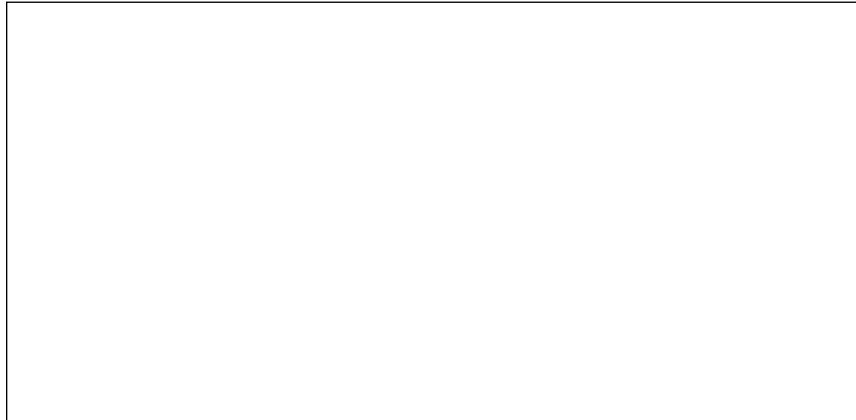
1 year  2 years  3 years  ABSTAIN

5. In their discretion, the proxies are authorized to vote upon such other business as may properly come before the meeting.

To change the address on your account, please check the box at right and indicate your new address in the address space above. Please note that changes to the registered name(s) on the account may not be submitted via this method.

Signature of Stockholder \_\_\_\_\_ Date: \_\_\_\_\_ Signature of Stockholder \_\_\_\_\_ Date: \_\_\_\_\_

**Note:** Please sign exactly as your name or names appear on this Proxy. When shares are held jointly, each holder should sign. When signing as executor, administrator, attorney, trustee or guardian, please give full title as such. If the signer is a corporation, please sign full corporate name by duly authorized officer, giving full title as such. If signer is a partnership, please sign in partnership name by authorized person.



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***COLONY FINANCIAL, INC.***

**Proxy for Annual Meeting of Stockholders on May 2, 2011**

**Solicited on Behalf of the Board of Directors**

The undersigned hereby appoints Darren J. Tangen and Ronald M. Sanders, and each of them, with full power of substitution and power to act alone, as proxies to vote all the shares of Common Stock which the undersigned would be entitled to vote if personally present and acting at the Annual Meeting of Stockholders of Colony Financial, Inc., to be held May 2, 2011 at 9:00 A.M. ET, at Bank of America Merrill Lynch, Bank of America Tower, One Bryant Park (42nd & 6th), 2nd Floor, Conference Room - 2 Bryant Park, New York, New York 10036, and at any adjournments or postponements thereof, and at the discretion of the proxies on any other matters that may properly come before the meeting. If specific voting instructions are not provided and the signed card is returned, the proxies will vote in accordance with the Board of Directors recommendations listed on the reverse side.

**(Continued and to be signed on the reverse side.)**

