

Blackstone's 3Q'18 Supplemental Financial Data

October 18, 2018

Note: Effective July 1, 2018, Fee Related Earnings, a Total Segment measure, has been redefined to include Fee Related Net Performance Revenues. Please refer to the Definitions for further information. There was no change to Economic Income and Distributable Earnings. All prior periods have been recast to reflect this definition.

Total Segments

(Dollars in Thousands)	1Q'16	2Q'16	3Q'16	4Q'16	1Q'17	2Q'17	3Q'17	4Q'17	1Q'18	2Q'18	3Q'18	Year-to-Date	
												3Q'17	3Q'18
Revenues													
Management and Advisory Fees, Net													
Base Management Fees	\$ 586,703	\$ 593,996	\$ 593,509	\$ 623,571	\$ 642,958	\$ 671,368	\$ 669,902	\$ 696,163	\$ 707,156	\$ 692,915	\$ 721,606	\$ 1,984,228	\$ 2,121,677
Transaction, Advisory and Other Fees, Net	46,599	33,620	29,021	35,618	40,222	38,892	32,295	45,407	37,066	40,912	73,944	111,409	151,922
Management Fee Offsets	(20,101)	(15,396)	(20,850)	(23,297)	(33,599)	(13,424)	(10,215)	(9,178)	(8,178)	(10,833)	(16,331)	(57,238)	(35,342)
Total Management and Advisory Fees, Net	613,201	612,220	601,680	635,892	649,581	696,836	691,982	732,392	736,044	722,994	779,219	2,038,399	2,238,257
Performance Revenues													
Realized Incentive Fees	28,007	29,231	26,992	66,811	46,511	40,303	35,513	122,057	12,566	19,504	9,800	122,327	41,870
Realized Performance Allocations	231,352	323,866	507,325	433,432	1,111,948	603,096	434,994	1,422,830	269,642	503,555	592,658	2,150,038	1,365,855
Unrealized Performance Allocations	56,055	95,061	128,791	250,213	(124,078)	95,707	407,425	(484,486)	628,339	440,424	298,931	379,054	1,367,694
Total Performance Revenues	315,414	448,158	663,108	750,456	1,034,381	739,106	877,932	1,060,401	910,547	963,483	901,389	2,651,419	2,775,419
Principal Investment Income (Loss)													
Realized	(10,101)	53,670	60,634	95,666	202,894	100,887	60,188	72,225	28,693	94,647	65,620	363,969	188,960
Unrealized	(16,549)	6,101	27,253	3,616	(98,935)	(33,167)	17,384	(16,488)	13,978	52,126	28,704	(114,718)	94,808
Total Principal Investment Income (Loss)	(26,650)	59,771	87,887	99,282	103,959	67,720	77,572	55,737	42,671	146,773	94,324	249,251	283,768
Interest Income and Dividend Revenue	23,146	22,474	22,235	28,544	28,496	33,703	37,885	42,836	36,385	41,727	49,936	100,084	128,048
Other	(6,248)	8,546	(425)	52,839	(8,287)	(62,469)	(34,144)	(35,151)	(60,894)	94,416	9,092	(104,900)	42,614
Total Revenues	918,863	1,151,169	1,374,485	1,567,013	1,808,130	1,474,896	1,651,227	1,856,215	1,664,753	1,969,393	1,833,960	4,934,253	5,468,106
Expenses													
Compensation													
Realized Incentive Fees	13,785	14,763	13,003	27,370	22,465	21,032	18,332	43,450	6,662	9,743	7,251	61,829	23,656
Realized Performance Allocations	58,841	88,069	170,860	147,359	366,478	195,738	162,505	557,244	112,062	186,398	200,442	724,721	498,902
Unrealized Performance Allocations	34,201	77,016	79,361	142,950	7,533	86,910	175,534	(166,183)	254,435	189,991	178,184	269,977	622,610
Total Compensation and Benefits	394,230	466,003	531,819	558,742	685,503	608,937	659,169	740,545	709,486	703,522	740,078	1,953,609	2,153,086
Interest Expense	36,497	36,020	36,419	39,086	39,450	40,294	40,749	72,345	38,238	38,885	40,923	120,493	118,046
Other Operating Expenses	100,094	108,475	103,625	119,642	96,462	105,838	106,617	115,949	107,092	122,466	128,745	308,917	358,303
Total Expenses	530,821	610,498	671,863	717,470	821,415	755,069	806,535	928,839	854,816	864,873	909,746	2,383,019	2,629,435
Economic Income	\$ 388,042	\$ 540,671	\$ 702,622	\$ 849,543	\$ 986,715	\$ 719,827	\$ 844,692	\$ 927,376	\$ 809,937	\$ 1,104,520	\$ 924,214	\$ 2,551,234	\$ 2,838,671
Total Assets Under Management	\$ 343,705,462	\$ 356,281,669	\$ 361,040,173	\$ 366,553,465	\$ 368,196,917	\$ 371,056,281	\$ 387,449,746	\$ 434,128,243	\$ 449,613,826	\$ 439,386,656	\$ 456,691,832	\$ 387,449,746	\$ 456,691,832
Fee-Earning Assets Under Management	\$ 244,452,764	\$ 266,006,713	\$ 267,757,727	\$ 277,092,672	\$ 280,215,551	\$ 281,934,511	\$ 285,698,425	\$ 335,343,998	\$ 344,650,797	\$ 332,978,145	\$ 342,261,123	\$ 285,698,425	\$ 342,261,123

Private Equity

(Dollars in Thousands)	1Q'16	2Q'16	3Q'16	4Q'16	1Q'17	2Q'17	3Q'17	4Q'17	1Q'18	2Q'18	3Q'18	Year-to-Date	
												3Q'17	3Q'18
Revenues													
Management and Advisory Fees, Net													
Base Management Fees	\$ 130,648	\$ 131,477	\$ 132,914	\$ 160,554	\$ 176,706	\$ 177,684	\$ 182,764	\$ 187,664	\$ 182,961	\$ 195,521	\$ 205,893	\$ 537,154	\$ 584,375
Transaction, Advisory and Other Fees, Net	8,920	11,089	11,511	7,763	16,176	17,289	8,748	15,411	11,094	12,780	21,709	42,213	45,583
Management Fee Offsets	(6,848)	(4,195)	(12,917)	(10,850)	(12,190)	(3,753)	(1,088)	(976)	(3,193)	(4,351)	(4,973)	(17,031)	(12,517)
Total Management and Advisory Fees, Net	132,720	138,371	131,508	157,467	180,692	191,220	190,424	202,099	190,862	203,950	222,629	562,336	617,441
Performance Revenues													
Realized Performance Allocations	30,282	57,056	26,398	131,532	582,681	198,168	101,918	274,421	77,123	138,171	290,012	882,767	505,306
Unrealized Performance Allocations	73,875	85,047	144,754	122,015	(184,478)	9	80,326	90,929	397,316	498,274	242,613	(104,143)	1,138,203
Total Performance Revenues	104,157	142,103	171,152	253,547	398,203	198,177	182,244	365,350	474,439	636,445	532,625	778,624	1,643,509
Principal Investment Income (Loss)													
Realized	(15,357)	22,926	15,469	50,339	81,294	41,168	7,077	25,298	6,338	32,600	44,408	129,539	83,346
Unrealized	15,440	(2,766)	8,869	(26,136)	(40,522)	(25,892)	17,300	(2,303)	17,368	84,247	19,140	(49,114)	120,755
Total Principal Investment Income	83	20,160	24,338	24,203	40,772	15,276	24,377	22,995	23,706	116,847	63,548	80,425	204,101
Interest Income and Dividend Revenue	6,259	5,712	5,883	7,510	6,661	7,922	9,046	9,209	8,543	11,549	13,258	23,629	33,350
Other	(1,587)	3,395	411	18,239	(1,800)	(16,124)	(8,346)	(9,392)	(16,408)	26,667	3,252	(26,270)	13,511
Total Revenues	241,632	309,741	333,292	460,966	624,528	396,471	397,745	590,261	681,142	995,458	835,312	1,418,744	2,511,912
Expenses													
Compensation													
Performance Compensation	80,274	83,140	73,638	72,916	83,603	90,676	96,166	92,229	99,729	103,798	117,031	270,445	320,558
Realized Performance Allocations	15,427	30,946	13,741	50,768	181,633	63,060	48,019	111,832	33,045	68,513	106,401	292,712	207,959
Unrealized Performance Allocations	9,296	19,450	69,300	65,891	(39,356)	22,219	45,484	42,748	178,802	193,747	119,135	28,347	491,684
Total Compensation and Benefits	104,997	133,536	156,679	189,575	225,880	175,955	189,669	246,809	311,576	366,058	342,567	591,504	1,020,201
Interest Expense	12,113	11,942	12,084	12,987	10,427	10,728	10,804	19,170	10,133	12,773	12,139	31,959	35,045
Other Operating Expenses	31,980	32,184	31,750	34,771	27,761	28,592	32,166	32,478	31,151	36,047	36,654	88,519	103,852
Total Expenses	149,090	177,662	200,513	237,333	264,068	215,275	232,639	298,457	352,860	414,878	391,360	711,982	1,159,098
Economic Income	\$ 92,542	\$ 132,079	\$ 132,779	\$ 223,633	\$ 360,460	\$ 181,196	\$ 165,106	\$ 291,804	\$ 328,282	\$ 580,580	\$ 443,952	\$ 706,762	\$ 1,352,814
Total Assets Under Management	\$ 95,466,227	\$ 99,685,655	\$ 99,719,374	\$ 100,189,994	\$ 99,707,057	\$ 100,019,716	\$ 102,453,979	\$ 105,560,576	\$ 111,414,214	\$ 119,524,518	\$ 126,184,368	\$ 102,453,979	\$ 126,184,368
Fee-Earning Assets Under Management	\$ 50,228,312	\$ 69,467,174	\$ 69,344,971	\$ 69,110,457	\$ 68,227,286	\$ 68,029,670	\$ 67,538,062	\$ 70,140,883	\$ 72,398,415	\$ 78,045,697	\$ 78,195,072	\$ 67,538,062	\$ 78,195,072

Real Estate

(Dollars in Thousands)	1Q'16	2Q'16	3Q'16	4Q'16	1Q'17	2Q'17	3Q'17	4Q'17	1Q'18	2Q'18	3Q'18	Year-to-Date	
												3Q'17	3Q'18
Revenues													
Management Fees, Net													
Base Management Fees	\$ 199,907	\$ 201,004	\$ 197,629	\$ 196,621	\$ 197,879	\$ 227,865	\$ 224,048	\$ 222,399	\$ 226,526	\$ 249,680	\$ 254,088	\$ 649,792	\$ 730,294
Transaction and Other Fees, Net	35,794	21,112	14,190	24,228	21,279	16,087	20,616	24,799	23,088	23,859	45,678	57,982	92,625
Management Fee Offsets	(3,595)	(1,219)	(842)	(1,666)	(3,550)	(5,018)	(4,232)	(3,134)	(1,668)	(3,785)	(8,265)	(12,800)	(13,718)
Total Management Fees, Net	232,106	220,897	210,977	219,183	215,608	238,934	240,432	244,064	247,946	269,754	291,501	694,974	809,201
Performance Revenues													
Realized Incentive Fees	4,201	6,099	3,857	15,478	2,882	4,878	3,778	20,094	4,375	11,394	5,898	11,538	21,667
Realized Performance Allocations	200,495	266,382	461,980	274,617	519,873	389,441	307,932	971,996	151,309	351,630	297,710	1,217,246	800,649
Unrealized Performance Allocations	(1,762)	(78,934)	(99,868)	69,094	(8,046)	89,688	273,731	(498,562)	226,442	(160,578)	31,877	355,373	97,741
Total Performance Revenues	202,934	193,547	365,969	359,189	514,709	484,007	585,441	493,528	382,126	202,446	335,485	1,584,157	920,057
Principal Investment Income (Loss)													
Realized	12,975	19,929	46,704	43,104	119,579	57,599	44,449	34,276	14,690	50,199	16,197	221,627	81,086
Unrealized	(2,137)	(8,902)	(6,725)	16,645	(83,853)	(20,519)	(8,319)	(9,529)	2,687	(28,044)	269	(112,691)	(25,088)
Total Principal Investment Income	10,838	11,027	39,979	59,749	35,726	37,080	36,130	24,747	17,377	22,155	16,466	108,936	55,998
Interest Income and Dividend Revenue	9,531	9,079	8,977	10,866	12,094	14,493	15,461	16,036	15,128	14,494	18,556	42,048	48,178
Other	(1,909)	2,231	(548)	16,749	(3,150)	(22,965)	(13,108)	(12,202)	(21,497)	30,457	4,190	(39,223)	13,150
Total Revenues	453,500	436,781	625,354	665,736	774,987	751,549	864,356	766,173	641,080	539,306	666,198	2,390,892	1,846,584
Expenses													
Compensation	100,578	102,888	99,886	82,000	102,702	110,266	105,753	108,490	112,824	109,599	124,475	318,721	346,898
Performance Compensation													
Realized Incentive Fees	2,226	3,300	1,764	4,826	1,333	2,711	1,967	10,203	2,210	5,820	3,289	6,011	11,319
Realized Performance Allocations	42,983	56,441	147,419	85,748	179,956	124,512	104,112	364,410	54,183	109,233	89,879	408,580	253,295
Unrealized Performance Allocations	31,858	16,721	(33,468)	46,536	17,792	64,254	105,640	(172,254)	79,170	(51,370)	48,898	187,686	76,698
Total Compensation and Benefits	177,645	179,350	215,601	219,110	301,783	301,743	317,472	310,849	248,387	173,282	266,541	920,998	688,210
Interest Expense	12,290	12,149	12,272	13,138	14,635	14,787	15,028	26,891	14,149	11,389	13,584	44,450	39,122
Other Operating Expenses	31,824	35,785	32,016	37,956	30,864	33,379	33,256	38,543	29,417	36,026	39,787	97,499	105,230
Total Expenses	221,759	227,284	259,889	270,204	347,282	349,909	365,756	376,283	291,953	220,697	319,912	1,062,947	832,562
Economic Income	\$ 231,741	\$ 209,497	\$ 365,465	\$ 395,532	\$ 427,705	\$ 401,640	\$ 498,600	\$ 389,890	\$ 349,127	\$ 318,609	\$ 346,286	\$ 1,327,945	\$ 1,014,022
Total Assets Under Management	\$ 101,107,528	\$ 103,197,060	\$ 101,876,562	\$ 101,963,652	\$ 102,070,930	\$ 104,034,287	\$ 111,298,844	\$ 115,340,363	\$ 119,575,884	\$ 119,399,973	\$ 119,942,029	\$ 111,298,844	\$ 119,942,029
Fee-Earning Assets Under Management	\$ 67,298,439	\$ 66,744,550	\$ 65,785,083	\$ 72,030,054	\$ 71,904,741	\$ 73,710,243	\$ 75,081,521	\$ 83,984,824	\$ 87,284,578	\$ 88,776,501	\$ 90,772,735	\$ 75,081,521	\$ 90,772,735

Hedge Fund Solutions

(Dollars in Thousands)	1Q'16	2Q'16	3Q'16	4Q'16	1Q'17	2Q'17	3Q'17	4Q'17	1Q'18	2Q'18	3Q'18	Year-to-Date		
												3Q'17	3Q'18	
Revenues														
Management Fees, Net														
Base Management Fees	\$ 130,158	\$ 130,123	\$ 130,305	\$ 131,150	\$ 128,468	\$ 128,698	\$ 129,410	\$ 129,472	\$ 129,228	\$ 129,553	\$ 129,554	\$ 386,576	\$ 388,335	
Transaction and Other Fees, Net	543	(5)	116	407	259	1,696	48	977	345	812	766	2,003	1,923	
Management Fee Offsets	-	-	-	-	-	-	(28)	(65)	-	-	-	(28)	-	
Total Management Fees, Net	130,701	130,118	130,421	131,557	128,727	130,394	129,430	130,384	129,573	130,365	130,320	388,551	390,258	
Performance Revenues														
Realized Incentive Fees	2,212	(464)	1,398	27,649	14,087	6,548	12,186	74,031	8,171	6,887	3,847	32,821	18,905	
Realized Performance Allocations	472	213	3,174	7,523	597	447	2,031	44,416	2,006	383	138	3,075	2,527	
Unrealized Performance Allocations	(1,787)	853	3,640	(1,861)	18,815	14,849	10,327	(35,647)	5,061	9,930	13,171	43,991	28,162	
Total Performance Revenues	897	602	8,212	33,311	33,499	21,844	24,544	82,800	15,238	17,200	17,156	79,887	49,594	
Principal Investment Income (Loss)														
Realized	(4,745)	(515)	(1,211)	(753)	(632)	225	1,316	8,165	640	7,766	2,024	909	10,430	
Unrealized	(12,291)	9,357	12,219	6,177	18,293	11,578	12,723	(1,582)	440	(4,841)	8,474	42,594	4,073	
Total Principal Investment Income (Loss)	(17,036)	8,842	11,008	5,424	17,661	11,803	14,039	6,583	1,080	2,925	10,498	43,503	14,503	
Interest Income and Dividend Revenue	3,075	2,754	2,839	5,196	3,997	4,674	5,316	7,538	4,812	5,152	6,672	13,987	16,636	
Other	(1,388)	1,125	(260)	8,680	(1,610)	(10,720)	(5,859)	(6,191)	(10,288)	17,619	(639)	(18,189)	6,692	
Total Revenues	116,249	143,441	152,220	184,168	182,274	157,995	167,470	221,114	140,415	173,261	164,007	507,739	477,683	
Expenses														
Compensation	54,169	44,436	47,206	39,509	47,604	47,361	44,347	37,470	50,300	48,086	50,213	139,312	148,599	
Performance Compensation														
Realized Incentive Fees	1,535	684	485	11,611	7,014	4,097	5,862	20,159	4,034	4,155	3,284	16,973	11,473	
Realized Performance Allocations	328	641	2,417	1,696	303	265	1,022	14,626	2,415	937	1,314	1,590	4,666	
Unrealized Performance Allocations	(652)	238	1,260	(539)	6,422	5,968	3,541	(12,814)	2,186	2,772	4,142	15,931	9,100	
Total Compensation and Benefits	55,380	45,999	51,368	52,277	61,343	57,691	54,772	59,441	58,935	55,950	58,953	173,806	173,838	
Interest Expense	6,047	5,964	6,032	6,481	6,543	6,688	6,763	11,624	6,271	5,900	6,459	19,994	18,630	
Other Operating Expenses	18,107	19,131	19,593	19,039	16,379	16,318	17,958	17,610	18,785	18,494	20,753	50,655	58,032	
Total Expenses	79,534	71,094	76,993	77,797	84,265	80,697	79,493	88,675	83,991	80,344	86,165	244,455	250,500	
Economic Income	\$ 36,715	\$ 72,347	\$ 75,227	\$ 106,371	\$ 98,009	\$ 77,298	\$ 87,977	\$ 132,439	\$ 56,424	\$ 92,917	\$ 77,842	\$ 263,284	\$ 227,183	
Total Assets Under Management	\$ 68,475,416	\$ 68,649,878	\$ 70,113,508	\$ 71,119,718	\$ 73,303,381	\$ 72,476,444	\$ 74,219,563	\$ 75,090,834	\$ 78,657,551	\$ 77,403,078	\$ 80,005,136	\$ 74,219,563	\$ 80,005,136	
Fee-Earning Assets Under Management	\$ 64,831,253	\$ 64,973,999	\$ 66,434,971	\$ 66,987,553	\$ 68,812,528	\$ 67,824,464	\$ 69,037,961	\$ 69,914,061	\$ 73,570,498	\$ 71,889,290	\$ 74,558,599	\$ 69,037,961	\$ 74,558,599	

Credit

(Dollars in Thousands)	1Q'16	2Q'16	3Q'16	4Q'16	1Q'17	2Q'17	3Q'17	4Q'17	1Q'18	2Q'18	3Q'18	Year-to-Date	
												3Q'17	3Q'18
Revenues													
Management Fees, Net													
Base Management Fees	\$ 125,990	\$ 131,392	\$ 132,661	\$ 135,246	\$ 139,905	\$ 137,121	\$ 133,680	\$ 156,628	\$ 168,441	\$ 118,161	\$ 132,071	\$ 410,706	\$ 418,673
Transaction and Other Fees, Net	1,342	1,424	3,204	3,220	2,508	3,820	2,883	4,220	2,539	3,461	5,791	9,211	11,791
Management Fee Offsets	(9,658)	(9,982)	(7,091)	(10,781)	(17,859)	(4,653)	(4,867)	(5,003)	(3,317)	(2,697)	(3,093)	(27,379)	(9,107)
Total Management Fees, Net	117,674	122,834	128,774	127,685	124,554	136,288	131,696	155,845	167,663	118,925	134,769	392,538	421,357
Performance Revenues													
Realized Incentive Fees	21,594	23,596	21,737	23,684	29,542	28,877	19,549	27,932	20	1,223	55	77,968	1,298
Realized Performance Allocations	103	215	15,773	19,760	8,797	15,040	23,113	131,997	39,204	13,371	4,798	46,950	57,373
Unrealized Performance Allocations	(14,271)	88,095	80,265	60,965	49,631	(8,839)	43,041	(41,206)	(480)	92,798	11,270	83,833	103,588
Total Performance Revenues	7,426	111,906	117,775	104,409	87,970	35,078	85,703	118,723	38,744	107,392	16,123	208,751	162,259
Principal Investment Income (Loss)													
Realized	(2,974)	11,330	(328)	2,976	2,653	1,895	7,346	4,486	7,025	4,082	2,991	11,894	14,098
Unrealized	(17,561)	8,412	12,890	6,930	7,147	1,666	(4,320)	(3,074)	(6,517)	764	821	4,493	(4,932)
Total Principal Investment Income (Loss)	(20,535)	19,742	12,562	9,906	9,800	3,561	3,026	1,412	508	4,846	3,812	16,387	9,166
Interest Income and Dividend Revenue	4,281	4,929	4,536	4,972	5,744	6,614	8,062	10,053	7,902	10,532	11,450	20,420	29,884
Other	(1,364)	1,795	(28)	9,171	(1,727)	(12,660)	(6,831)	(7,366)	(12,701)	19,673	2,289	(21,218)	9,261
Total Revenues	107,482	261,206	263,619	256,143	226,341	168,881	221,656	278,667	202,116	261,368	168,443	616,878	631,927
Expenses													
Compensation													
Performance Compensation	52,382	55,691	47,865	46,638	55,118	56,954	56,532	67,845	73,474	55,907	62,482	168,604	191,863
Realized Incentive Fees	10,024	10,779	10,754	10,933	14,118	14,224	10,503	13,088	418	(232)	678	38,845	864
Realized Performance Allocations	103	41	7,283	9,147	4,586	7,901	9,352	66,376	22,419	7,715	2,848	21,839	32,982
Unrealized Performance Allocations	(6,301)	40,607	42,269	31,062	22,675	(5,531)	20,869	(23,863)	(5,723)	44,842	6,009	38,013	45,128
Total Compensation and Benefits	56,208	107,118	108,171	97,780	96,497	73,548	97,256	123,446	90,588	108,232	72,017	267,301	270,837
Interest Expense	6,047	5,965	6,031	6,480	7,845	8,091	8,154	14,660	7,685	8,823	8,741	24,090	25,249
Other Operating Expenses	18,183	21,375	20,266	27,876	21,458	27,549	23,237	27,318	27,739	31,899	31,551	72,244	91,189
Total Expenses	80,438	134,458	134,468	132,136	125,800	109,188	128,647	165,424	126,012	148,954	112,309	363,635	387,275
Economic Income	\$ 27,044	\$ 126,748	\$ 129,151	\$ 124,007	\$ 100,541	\$ 59,693	\$ 93,009	\$ 113,243	\$ 76,104	\$ 112,414	\$ 56,134	\$ 253,243	\$ 244,652
Total Assets Under Management	\$ 78,656,291	\$ 84,749,076	\$ 89,330,729	\$ 93,280,101	\$ 93,115,549	\$ 94,525,834	\$ 99,477,360	\$ 138,136,470	\$ 139,966,177	\$ 123,059,087	\$ 130,560,299	\$ 99,477,360	\$ 130,560,299
Fee-Earning Assets Under Management	\$ 62,094,760	\$ 64,820,990	\$ 66,192,702	\$ 68,964,608	\$ 71,270,996	\$ 72,370,134	\$ 74,040,881	\$ 111,304,230	\$ 111,397,306	\$ 94,266,657	\$ 98,734,717	\$ 74,040,881	\$ 98,734,717

Total Segments

(Dollars in Thousands)	2013	2014	2015	2016	2017
Revenues					
Management and Advisory Fees, Net					
Base Management Fees	\$ 1,740,807	\$ 1,987,529	\$ 2,196,583	\$ 2,397,779	\$ 2,680,391
Transaction, Advisory and Other Fees, Net	617,491	667,282	461,816	144,858	156,816
Management Fee Offsets	(72,220)	(86,771)	(93,494)	(79,644)	(66,416)
Total Management and Advisory Fees, Net	2,286,078	2,568,040	2,564,905	2,462,993	2,770,791
Performance Revenues					
Realized Incentive Fees	231,000	173,106	168,554	151,041	244,384
Realized Performance Allocations	1,187,291	2,539,235	3,232,068	1,495,975	3,572,868
Unrealized Performance Allocations	2,155,528	1,696,407	(1,590,369)	530,120	(105,432)
Total Performance Revenues	3,573,819	4,408,748	1,810,253	2,177,136	3,711,820
Principal Investment Income (Loss)					
Realized	170,471	543,425	418,808	199,869	436,194
Unrealized	517,334	(71,797)	(365,959)	20,421	(131,206)
Total Principal Investment Income	687,805	471,628	52,849	220,290	304,988
Interest Income and Dividend Revenue	70,936	76,052	95,661	96,399	142,920
Other	10,308	9,405	8,500	54,712	(140,051)
Total Revenues	6,628,946	7,533,873	4,532,168	5,011,530	6,790,468
Expenses					
Compensation	1,115,640	1,153,511	1,189,219	1,083,216	1,203,116
Performance Compensation					
Realized Incentive Fees	102,149	78,271	77,291	68,921	105,279
Realized Performance Allocations	355,967	847,471	802,455	465,129	1,281,965
Unrealized Performance Allocations	964,339	368,493	(309,422)	333,528	103,794
Total Compensation and Benefits	2,538,095	2,447,746	1,759,543	1,950,794	2,694,154
Interest Expense	103,904	112,563	139,842	148,022	192,838
Other Operating Expenses	382,735	420,927	448,575	431,836	424,866
Total Expenses	3,024,734	2,981,236	2,347,960	2,530,652	3,311,858
Economic Income	\$ 3,604,212	\$ 4,552,637	\$ 2,184,208	\$ 2,480,878	\$ 3,478,610
Total Assets Under Management	\$ 265,757,630	\$ 290,381,069	\$ 336,384,575	\$ 366,553,465	\$ 434,128,243
Fee-Earning Assets Under Management	\$ 197,981,739	\$ 216,691,799	\$ 246,146,372	\$ 277,092,672	\$ 335,343,998

Private Equity

(Dollars in Thousands)	2013	2014	2015	2016	2017
Revenues					
Management and Advisory Fees, Net					
Base Management Fees	\$ 368,146	\$ 415,841	\$ 502,640	\$ 555,593	\$ 724,818
Transaction, Advisory and Other Fees, Net	121,991	157,621	46,819	39,283	57,624
Management Fee Offsets	(5,683)	(19,146)	(36,760)	(34,810)	(18,007)
Total Management and Advisory Fees, Net	484,454	554,316	512,699	560,066	764,435
Performance Revenues					
Realized Performance Allocations	329,993	754,402	1,474,987	245,268	1,157,188
Unrealized Performance Allocations	398,232	1,222,828	(717,955)	425,691	(13,214)
Total Performance Revenues	728,225	1,977,230	757,032	670,959	1,143,974
Principal Investment Income (Loss)					
Realized	88,026	202,719	189,649	73,377	154,837
Unrealized	161,749	(23,914)	(116,338)	(4,593)	(51,417)
Total Principal Investment Income	249,775	178,805	73,311	68,784	103,420
Interest Income and Dividend Revenue	15,625	16,004	22,685	25,364	32,838
Other	4,259	6,569	5,854	20,458	(35,662)
Total Revenues	1,482,338	2,732,924	1,371,581	1,345,631	2,009,005
Expenses					
Compensation	240,150	280,499	280,248	309,968	362,674
Performance Compensation					
Realized Performance Allocations	38,953	266,393	256,922	110,882	404,544
Unrealized Performance Allocations	342,733	210,446	(10,172)	163,937	71,095
Total Compensation and Benefits	621,836	757,338	526,998	584,787	838,313
Interest Expense	27,780	33,595	45,068	49,126	51,129
Other Operating Expenses	96,719	104,246	142,985	130,685	120,997
Total Expenses	746,335	895,179	715,051	764,598	1,010,439
Economic Income	\$ 736,003	\$ 1,837,745	\$ 656,530	\$ 581,033	\$ 998,566
Total Assets Under Management	\$ 65,675,031	\$ 73,073,252	\$ 94,280,074	\$ 100,189,994	\$ 105,560,576
Fee-Earning Assets Under Management	\$ 42,600,515	\$ 43,890,167	\$ 51,451,196	\$ 69,110,457	\$ 70,140,883

Real Estate

(Dollars in Thousands)	2013	2014	2015	2016	2017
Revenues					
Management Fees, Net					
Base Management Fees	\$ 565,182	\$ 628,502	\$ 668,575	\$ 795,161	\$ 872,191
Transaction and Other Fees, Net	79,675	91,610	110,577	95,324	82,781
Management Fee Offsets	(22,821)	(34,443)	(26,840)	(7,322)	(15,934)
Total Management Fees, Net	622,036	685,669	752,312	883,163	939,038
Performance Revenues					
Realized Incentive Fees	26,619	3,150	16,316	29,635	31,632
Realized Performance Allocations	506,016	1,496,111	1,635,570	1,203,474	2,189,242
Unrealized Performance Allocations	1,645,392	521,148	(659,739)	(111,470)	(143,189)
Total Performance Revenues	2,178,027	2,020,409	992,147	1,121,639	2,077,685
Principal Investment Income (Loss)					
Realized	52,359	309,095	235,582	122,712	255,903
Unrealized	350,201	(58,930)	(231,889)	(1,119)	(122,220)
Total Principal Investment Income	402,560	250,165	3,693	121,593	133,683
Interest Income and Dividend Revenue	21,563	24,403	33,501	38,453	58,084
Other	3,384	2,863	(1,422)	16,523	(51,425)
Total Revenues	3,227,570	2,983,509	1,780,231	2,181,371	3,157,065
Expenses					
Compensation	294,222	326,317	358,381	385,352	427,211
Performance Compensation					
Realized Incentive Fees	13,996	1,720	8,160	12,116	16,214
Realized Performance Allocations	158,719	437,256	484,555	332,591	772,990
Unrealized Performance Allocations	563,597	195,685	(187,536)	61,647	15,432
Total Compensation and Benefits	1,030,534	960,978	663,560	791,706	1,231,847
Interest Expense	28,321	34,232	42,562	49,849	71,341
Other Operating Expenses	88,070	105,995	125,513	137,581	136,042
Total Expenses	1,146,925	1,101,205	831,635	979,136	1,439,230
Economic Income	\$ 2,080,645	\$ 1,882,304	\$ 948,596	\$ 1,202,235	\$ 1,717,835
Total Assets Under Management	\$ 79,410,788	\$ 80,863,187	\$ 93,917,824	\$ 101,963,652	\$ 115,340,363
Fee-Earning Assets Under Management	\$ 50,792,803	\$ 52,563,068	\$ 67,345,357	\$ 72,030,054	\$ 83,984,824

Hedge Fund Solutions

(Dollars in Thousands)	2013	2014	2015	2016	2017
Revenues					
Management Fees, Net					
Base Management Fees	\$ 409,321	\$ 482,981	\$ 524,386	\$ 521,736	\$ 516,048
Transaction and Other Fees, Net	623	569	317	1,061	2,980
Management Fee Offsets	(3,387)	(5,014)	171	-	(93)
Total Management Fees, Net	406,557	478,536	524,874	522,797	518,935
Performance Revenues					
Realized Incentive Fees	132,825	83,567	43,853	30,795	106,852
Realized Performance Allocations	74,910	56,962	24,344	11,382	47,491
Unrealized Performance Allocations	6,105	(2,495)	(3,978)	845	8,344
Total Performance Revenues	213,840	138,034	64,219	43,022	162,687
Principal Investment Income (Loss)					
Realized	27,613	21,550	(12,741)	(7,224)	9,074
Unrealized	(9,306)	5,132	(1,435)	15,462	41,012
Total Principal Investment Income (Loss)	18,307	26,682	(14,176)	8,238	50,086
Interest Income and Dividend Revenue	7,605	7,735	11,194	13,864	21,525
Other	688	1,855	200	8,157	(24,380)
Total Revenues	646,997	652,842	586,311	596,078	728,853
Expenses					
Compensation	136,470	131,658	179,484	185,320	176,782
Performance Compensation					
Realized Incentive Fees	44,264	26,894	17,856	14,315	37,132
Realized Performance Allocations	21,529	15,557	9,299	5,082	16,216
Unrealized Performance Allocations	2,004	(825)	(1,285)	307	3,117
Total Compensation and Benefits	204,267	173,284	205,354	205,024	233,247
Interest Expense	13,880	16,761	21,049	24,524	31,618
Other Operating Expenses	53,086	66,392	63,468	75,870	68,265
Total Expenses	271,233	256,437	289,871	305,418	333,130
Economic Income	\$ 375,764	\$ 396,405	\$ 296,440	\$ 290,660	\$ 395,723
Total Assets Under Management	\$ 55,657,463	\$ 63,585,670	\$ 69,105,425	\$ 71,119,718	\$ 75,090,834
Fee-Earning Assets Under Management	\$ 52,865,837	\$ 61,417,558	\$ 65,665,439	\$ 66,987,553	\$ 69,914,061

Credit

(Dollars in Thousands)	2013	2014	2015	2016	2017
Revenues					
Management Fees, Net					
Base Management Fees	\$ 398,158	\$ 460,205	\$ 500,982	\$ 525,289	\$ 567,334
Transaction and Other Fees, Net	28,586	18,161	6,371	9,190	13,431
Management Fee Offsets	(40,329)	(28,168)	(30,065)	(37,512)	(32,382)
Total Management Fees, Net	386,415	450,198	477,288	496,967	548,383
Performance Revenues					
Realized Incentive Fees	71,556	86,389	108,385	90,611	105,900
Realized Performance Allocations	276,372	231,760	97,167	35,851	178,947
Unrealized Performance Allocations	105,799	(45,074)	(208,697)	215,054	42,627
Total Performance Revenues	453,727	273,075	(3,145)	341,516	327,474
Principal Investment Income (Loss)					
Realized	4,098	9,354	7,186	11,004	16,380
Unrealized	13,951	5,055	(16,258)	10,671	1,419
Total Principal Investment Income (Loss)	18,049	14,409	(9,072)	21,675	17,799
Interest Income and Dividend Revenue	18,146	19,867	18,268	18,718	30,473
Other	527	(2,310)	5,171	9,574	(28,584)
Total Revenues	876,864	755,239	488,510	888,450	895,545
Expenses					
Compensation	186,514	188,200	190,189	202,576	236,449
Performance Compensation					
Realized Incentive Fees	43,889	49,657	51,275	42,490	51,933
Realized Performance Allocations	136,766	128,265	51,679	16,574	88,215
Unrealized Performance Allocations	56,005	(36,813)	(110,429)	107,637	14,150
Total Compensation and Benefits	423,174	329,309	182,714	369,277	390,747
Interest Expense	24,652	16,762	21,207	24,523	38,750
Other Operating Expenses	72,288	70,204	66,879	87,700	99,562
Total Expenses	520,114	416,275	270,800	481,500	529,059
Economic Income	\$ 356,750	\$ 338,964	\$ 217,710	\$ 406,950	\$ 366,486
Total Assets Under Management	\$ 65,014,348	\$ 72,858,960	\$ 79,081,252	\$ 93,280,101	\$ 138,136,470
Fee-Earning Assets Under Management	\$ 51,722,584	\$ 58,821,006	\$ 61,684,380	\$ 68,964,608	\$ 111,304,230

Financial Advisory

(Dollars in Thousands)	2013	2014	2015	2016	2017
Revenues					
Transaction and Advisory Fees, Net	\$ 386,616	\$ 399,321	\$ 297,732	\$ -	\$ -
Total Transaction and Advisory Fees	386,616	399,321	297,732	-	-
Principal Investment Income (Loss)					
Realized	(1,625)	707	(868)	-	-
Unrealized	739	860	(39)	-	-
Total Principal Investment Income (Loss)	(886)	1,567	(907)	-	-
Interest Income and Dividend Revenue	7,997	8,043	10,013	-	-
Other	1,450	428	(1,303)	-	-
Total Revenues	395,177	409,359	305,535	-	-
Expenses					
Compensation	258,284	226,837	180,917	-	-
Total Compensation and Benefits	258,284	226,837	180,917	-	-
Interest Expense	9,271	11,213	9,956	-	-
Other Operating Expenses	72,572	74,090	49,730	-	-
Total Expenses	340,127	312,140	240,603	-	-
Economic Income	\$ 55,050	\$ 97,219	\$ 64,932	\$ -	\$ -

Note: On October 1, 2015 Blackstone spun-off its Financial Advisory business, which did not include Blackstone's capital markets services business. The results of Blackstone's capital markets services business have been reclassified from the Financial Advisory segment to the Private Equity segment. All prior periods have been recast to reflect this reclassification.

Reconciliation of GAAP to Non-GAAP Measures

(Dollars in Thousands)	1Q'16	2Q'16	3Q'16	4Q'16	1Q'17	2Q'17	3Q'17	4Q'17	1Q'18	2Q'18	3Q'18	Year-to-Date	
												3Q'17	3Q'18
Net Income Attributable to The Blackstone Group L.P.	\$ 160,074	\$ 198,444	\$ 310,027	\$ 370,469	\$ 451,909	\$ 337,407	\$ 377,920	\$ 304,138	\$ 367,872	\$ 742,042	\$ 442,742	\$ 1,167,236	\$ 1,552,656
Net Income Attributable to Non-Controlling Interests in Blackstone Holdings	131,478	201,648	282,798	344,175	409,046	283,637	340,202	359,438	320,208	678,952	360,576	1,032,885	1,359,736
Net Income Attributable to Non-Controlling Interests in Consolidated Entities	40,086	64,729	82,653	58,684	138,685	112,944	113,446	132,364	155,499	129,078	143,101	365,075	427,678
Net Income (Loss) Attributable to Redeemable Non-Controlling Interests in Consolidated Entities	(6,401)	(2,049)	10,764	1,663	2,000	991	3,215	7,600	(1,275)	905	2,569	6,206	2,199
Net Income	\$ 325,237	\$ 462,772	\$ 686,242	\$ 774,991	\$ 1,001,640	\$ 734,979	\$ 834,783	\$ 803,540	\$ 842,304	\$ 1,550,977	\$ 948,988	\$ 2,571,402	\$ 3,342,269
Provision for Taxes	9,146	47,415	27,714	48,087	57,437	29,608	59,512	59,512	54,495	138,731	26,798	146,557	220,024
Income Before Provision for Taxes	\$ 334,383	\$ 510,187	\$ 713,956	\$ 823,078	\$ 1,059,077	\$ 764,587	\$ 894,295	\$ 1,400,130	\$ 896,799	\$ 1,689,708	\$ 975,786	\$ 2,717,959	\$ 3,562,293
Transaction-Related Charges (a)	64,136	69,956	60,029	70,816	56,979	57,831	55,714	(347,055)	52,489	(470,078)	79,242	170,524	(338,347)
Amortization of Intangibles (b)	23,208	23,208	22,054	15,996	11,344	11,344	11,344	14,265	14,873	14,873	14,856	34,032	44,602
Impact of Consolidation (c)	(33,685)	(62,680)	(93,417)	(60,347)	(140,685)	(113,935)	(116,661)	(139,964)	(154,224)	(129,983)	(145,670)	(371,281)	(429,877)
Economic Income	\$ 388,042	\$ 540,671	\$ 702,622	\$ 849,543	\$ 986,715	\$ 719,827	\$ 844,692	\$ 927,376	\$ 809,937	\$ 1,104,520	\$ 924,214	\$ 2,551,234	\$ 2,838,671
(Taxes) (d)	(16,794)	(21,234)	(20,985)	(33,250)	(18,805)	(24,168)	(22,552)	(36,006)	(18,228)	(20,026)	(12,793)	(65,525)	(51,047)
Economic Net Income	\$ 371,248	\$ 519,437	\$ 681,637	\$ 816,293	\$ 967,910	\$ 695,659	\$ 822,140	\$ 891,370	\$ 791,709	\$ 1,084,494	\$ 911,421	\$ 2,485,709	\$ 2,787,624
Taxes (d)	16,794	21,234	20,985	33,250	18,805	24,168	22,552	36,006	18,228	20,026	12,793	65,525	51,047
Performance Revenues (e)	(315,414)	(448,158)	(663,108)	(750,456)	(1,034,381)	(739,106)	(877,932)	(1,060,401)	(910,547)	(963,483)	(901,389)	(2,651,419)	(2,775,419)
Principal Investment (Income) Loss (f)	26,650	(59,771)	(87,887)	(99,282)	(103,959)	(67,720)	(77,572)	(55,737)	(42,671)	(146,773)	(94,324)	(249,251)	(283,768)
Other Revenues (g)	6,248	(8,546)	425	(52,839)	8,287	62,469	34,144	35,151	60,894	(9,416)	(9,092)	104,900	(42,614)
Net Interest (Income) Loss (h)	13,351	13,546	14,184	10,542	10,954	6,591	2,864	29,509	1,853	(2,842)	(9,013)	20,409	(10,002)
Performance Compensation (i)	106,827	179,848	263,224	317,679	396,476	303,680	356,371	434,511	373,159	386,132	385,877	1,056,527	1,145,168
Fee Related Net Performance Revenues (j)	13,304	15,547	13,505	14,105	15,513	15,660	37,426	24,913	3,842	25,179	16,441	68,599	45,462
Equity-Based Compensation - Non-Performance Compensation Related (k)	20,963	16,852	16,624	19,308	26,650	25,442	24,141	17,177	40,248	31,483	33,514	76,233	105,245
Fee Related Earnings	\$ 259,971	\$ 249,989	\$ 259,589	\$ 308,600	\$ 306,255	\$ 326,843	\$ 344,134	\$ 352,499	\$ 336,715	\$ 339,800	\$ 346,228	\$ 977,232	\$ 1,022,743
Net Realized Performance Revenues, Non-Fee Related (l)	174,490	236,388	338,503	312,948	757,267	413,517	255,913	923,499	163,542	304,650	381,386	1,426,697	849,578
Realized Principal Investment Income (Loss) (m)	(10,101)	53,670	60,634	95,666	202,894	100,887	60,188	72,225	28,693	94,647	65,620	363,969	188,960
Net Interest Income (Loss) (h)	(13,351)	(13,546)	(14,184)	(10,542)	(10,954)	(6,591)	(2,864)	(29,509)	(1,853)	2,842	9,013	(20,409)	10,002
Taxes and Related Payables Including Payable Under Tax Receivable Agreement (n)	(16,794)	(31,588)	(51,089)	(67,678)	(25,324)	(53,291)	(31,805)	(79,568)	(25,042)	(41,797)	(32,963)	(110,420)	(99,802)
Distributable Earnings	\$ 394,215	\$ 494,913	\$ 593,453	\$ 638,994	\$ 1,230,138	\$ 781,365	\$ 625,566	\$ 1,239,146	\$ 502,055	\$ 700,142	\$ 769,284	\$ 2,637,069	\$ 1,971,481
Interest Expense (o)	36,497	36,020	36,419	39,086	39,450	40,294	40,749	72,345	38,238	38,885	40,923	120,493	118,046
Taxes and Related Payables Including Payable Under Tax Receivable Agreement (n)	16,794	31,588	51,089	67,678	25,324	53,291	31,805	79,568	25,042	41,797	32,963	110,420	99,802
Depreciation and Amortization	6,292	6,331	7,338	12,010	6,216	6,392	6,027	6,593	6,251	5,986	5,681	18,635	17,918
Adjusted EBITDA	\$ 453,798	\$ 568,852	\$ 688,299	\$ 757,768	\$ 1,301,128	\$ 881,342	\$ 704,147	\$ 1,397,652	\$ 571,586	\$ 786,810	\$ 848,851	\$ 2,886,617	\$ 2,207,247

See Reconciliation of GAAP to Non-GAAP Measures – Notes.

Reconciliation of GAAP to Non-GAAP Measures

(Dollars in Thousands)

	2013	2014	2015	2016	2017
Net Income Attributable to The Blackstone Group L.P.	\$ 1,175,346	\$ 1,588,827	\$ 713,188	\$ 1,039,014	\$ 1,471,374
Net Income Attributable to Non-Controlling Interests in Blackstone Holdings	1,343,874	1,705,001	686,529	960,099	1,392,323
Net Income Attributable to Non-Controlling Interests in Consolidated Entities	198,557	335,070	219,900	246,152	497,439
Net Income Attributable to Redeemable Non-Controlling Interests in Consolidated Entities	183,315	74,794	11,145	3,977	13,806
Net Income	\$ 2,901,092	\$ 3,703,692	\$ 1,630,762	\$ 2,249,242	\$ 3,374,942
Provision for Taxes	255,642	291,173	190,398	132,362	743,147
Income Before Provision for Taxes	\$ 3,156,734	\$ 3,994,865	\$ 1,821,160	\$ 2,381,604	\$ 4,118,089
Transaction-Related Charges (a)	722,707	856,382	489,563	264,937	(176,531)
Amortization of Intangibles (b)	106,643	111,254	104,530	84,466	48,297
Impact of Consolidation (c)	(381,872)	(409,864)	(231,045)	(250,129)	(511,245)
Economic Income	\$ 3,604,212	\$ 4,552,637	\$ 2,184,208	\$ 2,480,878	\$ 3,478,610
(Taxes) (d)	(82,164)	(199,512)	(27,527)	(92,263)	(101,531)
Economic Net Income	\$ 3,522,048	\$ 4,353,125	\$ 2,156,681	\$ 2,388,615	\$ 3,377,079
Taxes (d)	82,164	199,512	27,527	92,263	101,531
Performance Revenues (e)	(3,573,819)	(4,408,748)	(1,810,253)	(2,177,136)	(3,711,820)
Principal Investment Income (f)	(687,805)	(471,628)	(52,849)	(220,290)	(304,988)
Other Revenues (g)	(10,308)	(9,405)	(8,500)	(54,712)	140,051
Net Interest (Income) Loss (h)	32,968	36,511	44,181	51,623	49,918
Performance Compensation (i)	1,422,455	1,294,235	570,324	867,578	1,491,038
Fee Related Net Performance Revenues (j)	20,031	32,561	57,354	56,461	93,512
Equity-Based Compensation - Non-Performance Compensation Related (k)	130,124	45,133	96,901	73,747	93,410
Fee Related Earnings	\$ 937,858	\$ 1,071,296	\$ 1,081,366	\$ 1,078,149	\$ 1,329,731
Net Realized Performance Revenues, Non-Fee Related (l)	940,144	1,757,131	2,469,665	1,062,329	2,350,196
Realized Principal Investment Income (m)	170,471	543,425	418,808	199,869	436,194
Net Interest Income (Loss) (h)	(32,968)	(36,511)	(44,181)	(51,623)	(49,918)
Taxes and Related Payables Including Payable Under Tax Receivable Agreement (n)	(156,734)	(280,788)	(90,470)	(167,149)	(189,988)
Distributable Earnings	\$ 1,858,771	\$ 3,054,553	\$ 3,835,188	\$ 2,121,575	\$ 3,876,215
Interest Expense (o)	103,904	112,563	139,842	148,022	192,838
Taxes and Related Payables Including Payable Under Tax Receivable Agreement (n)	156,734	280,788	90,470	167,149	189,988
Depreciation and Amortization	35,441	32,300	27,213	31,971	25,228
Adjusted EBITDA	\$ 2,154,850	\$ 3,480,204	\$ 4,092,713	\$ 2,468,717	\$ 4,284,269

See Reconciliation of GAAP to Non-GAAP Measures – Notes.

Reconciliation of GAAP to Non-GAAP Measures – Notes

Note: See Definitions.

- (a) This adjustment removes Transaction-Related Charges. Transaction-Related Charges arise from corporate actions including acquisitions, divestitures, and Blackstone's initial public offering. They consist primarily of equity-based compensation charges, gains and losses on contingent consideration arrangements, changes in the balance of the tax receivable agreement resulting from a change in tax law or similar event, transaction costs and any gains or losses associated with these corporate actions.
- (b) This adjustment adds the amortization of transaction-related intangibles including intangibles associated with Blackstone's investment in Pátria, which is accounted for under the equity method.
- (c) This adjustment represents the effect of consolidating Blackstone Funds, the elimination of Blackstone's interest in these funds, the increase to revenue representing the reimbursement of certain expenses by Blackstone Funds, which are presented gross under GAAP but netted against Other Operating Expenses in the segment presentation, and the removal of amounts associated with the ownership of Blackstone consolidated operating partnerships held by non-controlling interests.
- (d) Taxes represent the total GAAP tax provision adjusted to include only the current tax provision (benefit) calculated on Income (Loss) Before Provision for Taxes and adjusted to exclude the tax impact on any divestitures.
- (e) This adjustment removes total segment Performance Revenues.
- (f) This adjustment removes total segment Principal Investment Income (Loss).
- (g) This adjustment removes total segment Other Revenues.
- (h) This adjustment removes total segment Interest and Dividend Revenue less total segment Interest Expense.
- (i) This adjustment removes the total segment amount of Performance Compensation, comprised of Incentive Fee Compensation and Performance Allocations Compensation.
- (j) Fee Related Net Performance Revenues refers to the realized portion of Performance Revenues from Perpetual Capital that are (i) measured and received on a recurring basis and (ii) not dependent on realization events from the underlying investments ("Fee Related Performance Revenues"), net of directly related cash compensation expense.
- (k) This adjustment removes the component of total segment Compensation that is equity-based.
- (l) This adjustment adds the total segment amounts of Realized Incentive Fees and Realized Performance Allocations, net of realized Performance Compensation and excluding Fee Related Net Performance Revenues.
- (m) This adjustment adds the total segment amount of Realized Principal Investment Income.
- (n) Taxes and Related Payables Including Payable Under Tax Receivable Agreement represent the total GAAP tax provision adjusted to include only the current tax provision (benefit) calculated on Income (Loss) Before Provision for Taxes and to exclude the tax impact on any divestitures and the Payable Under Tax Receivable Agreement.
- (o) This adjustment adds back the total segment amount of Interest Expense.

Walkdown of Financial Metrics

	1Q'16	2Q'16	3Q'16	4Q'16	1Q'17	2Q'17	3Q'17	4Q'17	1Q'18	2Q'18	3Q'18	Year-to-Date	
												3Q'17	3Q'18
▶ Management and Advisory Fees, Net (a)	\$ 613,201	\$ 612,220	\$ 601,680	\$ 635,892	\$ 649,581	\$ 696,836	\$ 691,982	\$ 732,392	\$ 736,044	\$ 722,994	\$ 779,219	\$ 2,038,399	\$ 2,238,257
▶ Fee Related Net Performance Revenues (b)	13,304	15,547	13,505	14,105	15,513	15,660	37,426	24,913	3,842	25,179	16,441	68,599	45,462
▶ Fee Related Compensation (b)	(266,440)	(269,303)	(251,971)	(221,755)	(262,377)	(279,815)	(278,657)	(288,857)	(296,079)	(285,907)	(320,687)	(820,849)	(902,673)
▶ Other Operating Expenses (a)	(100,094)	(108,475)	(103,625)	(119,642)	(96,462)	(105,838)	(106,617)	(115,949)	(107,092)	(122,466)	(128,745)	(308,917)	(358,303)
Fee Related Earnings	\$ 259,971	\$ 249,989	\$ 259,589	\$ 308,600	\$ 306,255	\$ 326,843	\$ 344,134	\$ 352,499	\$ 336,715	\$ 339,800	\$ 346,228	\$ 977,232	\$ 1,022,743
▶ Net Realized Performance Revenues, Non-Fee Related (b)	174,490	236,388	338,503	312,948	757,267	413,517	255,913	923,499	163,542	304,650	381,386	1,426,697	849,578
▶ Realized Principal Investment Income (Loss) (a)	(10,101)	53,670	60,634	95,666	202,894	100,887	60,188	72,225	28,693	94,647	65,620	363,969	188,960
▶ Net Interest Income (Loss) (b)	(13,351)	(13,546)	(14,184)	(10,542)	(10,954)	(6,591)	(2,864)	(29,509)	(1,853)	2,842	9,013	(20,409)	10,002
▶ Taxes and Related Payables (b)(c)	(16,794)	(31,588)	(51,089)	(67,678)	(25,324)	(53,291)	(31,805)	(79,568)	(25,042)	(41,797)	(32,963)	(110,420)	(99,802)
Distributable Earnings	\$ 394,215	\$ 494,913	\$ 593,453	\$ 638,994	\$ 1,230,138	\$ 781,365	\$ 625,566	\$ 1,239,146	\$ 502,055	\$ 700,142	\$ 769,284	\$ 2,637,069	\$ 1,971,481
▶ Net Unrealized Performance Revenues (b)	21,854	18,045	49,430	107,263	(131,611)	8,797	231,891	(318,303)	373,904	250,433	120,747	109,077	745,084
▶ Unrealized Principal Investment Income (Loss) (a)	(16,549)	6,101	27,253	3,616	(98,935)	(33,167)	17,384	(16,488)	13,978	52,126	28,704	(114,718)	94,808
▶ Other Revenue (a)	(6,248)	8,546	(425)	52,839	(8,287)	(62,469)	(34,144)	(35,151)	(60,894)	94,416	9,092	(104,900)	42,614
▶ Add Back: Related Payables (b)(d)	-	10,354	30,104	34,428	6,519	29,123	9,253	43,562	6,814	21,771	20,170	44,895	48,755
▶ Less: Equity-Based Compensation (b)(e)	(22,024)	(18,522)	(18,178)	(20,847)	(29,914)	(27,990)	(27,810)	(21,396)	(44,148)	(34,394)	(36,576)	(85,714)	(115,118)
Economic Net Income	\$ 371,248	\$ 519,437	\$ 681,637	\$ 816,293	\$ 967,910	\$ 695,659	\$ 822,140	\$ 891,370	\$ 791,709	\$ 1,084,494	\$ 911,421	\$ 2,485,709	\$ 2,787,624

Fee Earnings

Distributable Earnings

Economic Net Income

(a) Represents the total segment amounts of the respective captions.

(b) See Walkdown of Financial Metrics – Calculation of Certain Non-GAAP Financial Metrics for details.

(c) Represents the total GAAP tax provision adjusted to include only the current tax provision (benefit) calculated on Income (Loss) Before Provision for Taxes and to exclude the tax impact on any divestitures and the Payable Under Tax Receivable Agreement.

(d) Represents tax-related payables including the Payable Under Tax Receivable Agreement, which is a component of Taxes and Related Payables.

(e) Represents equity-based award expense included in Economic Income. Which excludes all transaction-related equity-based charges.

Walkdown of Financial Metrics

(Dollars in Thousands)

	2013	2014	2015	2016	2017		
▶ Management and Advisory Fees, Net (a)	\$ 2,286,078	\$ 2,568,040	\$ 2,564,905	\$ 2,462,993	\$ 2,770,791	Fee Earnings	Distributable Earnings
▶ Fee Related Net Performance Revenues (b)	20,031	32,561	57,354	56,461	93,512		
▶ Fee Related Compensation (b)	(985,516)	(1,108,378)	(1,092,318)	(1,009,469)	(1,109,706)		
▶ Other Operating Expenses (a)	(382,735)	(420,927)	(448,575)	(431,836)	(424,866)		
Fee Related Earnings	\$ 937,858	\$ 1,071,296	\$ 1,081,366	\$ 1,078,149	\$ 1,329,731		
▶ Net Realized Performance Revenues, Non-Fee Related (b)	940,144	1,757,131	2,469,665	1,062,329	2,350,196	Economic Net Income	
▶ Realized Principal Investment Income (a)	170,471	543,425	418,808	199,869	436,194		
▶ Net Interest (Loss) (b)	(32,968)	(36,511)	(44,181)	(51,623)	(49,918)		
▶ Taxes and Related Payables (b)(c)	(156,734)	(280,788)	(90,470)	(167,149)	(189,988)		
Distributable Earnings	\$ 1,858,771	\$ 3,054,553	\$ 3,835,188	\$ 2,121,575	\$ 3,876,215		
▶ Net Unrealized Performance Revenues (b)	1,191,189	1,327,914	(1,280,947)	196,592	(209,226)	Economic Net Income	
▶ Unrealized Principal Investment Income (Loss) (a)	517,334	(71,797)	(365,959)	20,421	(131,206)		
▶ Other Revenue (a)	10,308	9,405	8,500	54,712	(140,051)		
▶ Add Back: Related Payables (b)(d)	74,570	81,276	62,943	74,886	88,457		
▶ Less: Equity-Based Compensation (b)(e)	(130,124)	(48,226)	(103,044)	(79,571)	(107,110)		
Economic Net Income	\$ 3,522,048	\$ 4,353,125	\$ 2,156,681	\$ 2,388,615	\$ 3,377,079		

(a) Represents the total segment amounts of the respective captions.

(b) See Walkdown of Financial Metrics – Calculation of Certain Non-GAAP Financial Metrics for details.

(c) Represents the total GAAP tax provision adjusted to include only the current tax provision (benefit) calculated on Income (Loss) Before Provision for Taxes and to exclude the tax impact on any divestitures and the Payable Under Tax Receivable Agreement.

(d) Represents tax-related payables including the Payable Under Tax Receivable Agreement, which is a component of Taxes and Related Payables.

(e) Represents equity-based award expense included in Economic Income. Which excludes all transaction-related equity-based charges.

Walkdown of Financial Metrics – Calculation of Certain Non-GAAP Financial Metrics

(Dollars in Thousands)	1Q'16	2Q'16	3Q'16	4Q'16	1Q'17	2Q'17	3Q'17	4Q'17	1Q'18	2Q'18	3Q'18	Year-to-Date	
												3Q'17	3Q'18
Realized Incentive Fees - Fee Related (a)	\$ 24,209	\$ 27,937	\$ 23,715	\$ 25,569	\$ 27,214	\$ 28,356	\$ 19,007	\$ 31,579	\$ 3,785	\$ 11,268	\$ 5,898	\$ 74,577	\$ 20,951
Realized Performance Allocations - Fee Related (a)	-	-	-	-	-	-	46,779	16,510	52	34,247	24,401	46,779	58,700
Fee Related Performance Revenues	\$ 24,209	\$ 27,937	\$ 23,715	\$ 25,569	\$ 27,214	\$ 28,356	\$ 65,786	\$ 48,089	\$ 3,837	\$ 45,515	\$ 30,299	\$ 121,356	\$ 79,651
Less: Realized Incentive Fees Compensation - Fee Related (a)	(10,905)	(12,390)	(10,210)	(11,464)	(11,701)	(12,696)	(8,445)	(13,867)	(1,958)	(5,756)	(3,289)	(32,842)	(11,003)
Less: Realized Performance Allocations Compensation - Fee Related (a)	-	-	-	-	-	-	(19,915)	(9,309)	1,963	(14,580)	(10,569)	(19,915)	(23,186)
Fee Related Net Performance Revenues	\$ 13,304	\$ 15,547	\$ 13,505	\$ 14,105	\$ 15,513	\$ 15,660	\$ 37,426	\$ 24,913	\$ 3,842	\$ 25,179	\$ 16,441	\$ 68,599	\$ 45,462
Compensation	(287,403)	(286,155)	(268,595)	(241,063)	(289,027)	(305,257)	(302,798)	(306,034)	(336,327)	(317,390)	(354,201)	(897,082)	(1,007,918)
Less: Equity-Based Compensation - Non-Performance Compensation Related (b)	20,963	16,852	16,624	19,308	26,650	25,442	24,141	17,177	40,248	31,483	33,514	76,233	105,245
Fee Related Compensation	\$ (266,440)	\$ (269,303)	\$ (251,971)	\$ (221,755)	\$ (262,377)	\$ (279,815)	\$ (278,657)	\$ (288,857)	\$ (296,079)	\$ (285,907)	\$ (320,687)	\$ (820,849)	\$ (902,673)
Realized Incentive Fees	28,007	29,231	26,992	66,811	46,511	40,303	35,513	122,057	12,566	19,504	9,800	122,327	41,870
Realized Performance Allocations	231,352	323,866	507,325	433,432	1,111,948	603,096	434,994	1,422,830	269,642	503,555	592,658	2,150,038	1,365,855
Less: Realized Incentive Fees Compensation	(13,785)	(14,763)	(13,003)	(27,370)	(22,465)	(21,032)	(18,332)	(43,450)	(6,662)	(9,743)	(7,251)	(61,829)	(23,656)
Less: Realized Performance Allocations Compensation	(58,841)	(88,069)	(170,860)	(147,359)	(366,478)	(195,738)	(162,505)	(557,244)	(112,062)	(186,398)	(200,442)	(724,721)	(498,902)
Plus: Equity-Based Compensation - Performance Compensation Related (c)	1,061	1,670	1,554	1,539	3,264	2,548	3,669	4,219	3,900	2,911	3,062	9,481	9,873
Less: Fee Related Net Performance Revenues	(13,304)	(15,547)	(13,505)	(14,105)	(15,513)	(15,660)	(37,426)	(24,913)	(3,842)	(25,179)	(16,441)	(68,599)	(45,462)
Net Realized Performance Revenues, Non-Fee Related	\$ 174,490	\$ 236,388	\$ 338,503	\$ 312,948	\$ 757,267	\$ 413,517	\$ 255,913	\$ 923,499	\$ 163,542	\$ 304,650	\$ 381,386	\$ 1,426,697	\$ 849,578
Interest Income and Dividend Revenue	23,146	22,474	22,235	28,544	28,496	33,703	37,885	42,836	36,385	41,727	49,936	100,084	128,048
Less: Interest Expense	(36,497)	(36,020)	(36,419)	(39,086)	(39,450)	(40,294)	(40,749)	(72,345)	(38,238)	(38,885)	(40,923)	(120,493)	(118,046)
Net Interest (Loss)	\$ (13,351)	\$ (13,546)	\$ (14,184)	\$ (10,542)	\$ (10,954)	\$ (6,591)	\$ (2,864)	\$ (29,509)	\$ (1,853)	\$ 2,842	\$ 9,013	\$ (20,409)	\$ 10,002
Taxes and Related Payables (d)	\$ (16,794)	\$ (31,588)	\$ (51,089)	\$ (67,678)	\$ (25,324)	\$ (53,291)	\$ (31,805)	\$ (79,568)	\$ (25,042)	\$ (41,797)	\$ (32,963)	\$ (110,420)	\$ (99,802)
Unrealized Performance Allocations	56,055	95,061	128,791	250,213	(124,078)	95,707	407,425	(484,486)	628,339	440,424	298,931	379,054	1,367,694
Less: Unrealized Performance Allocations Compensation	(34,201)	(77,016)	(79,361)	(142,950)	(7,533)	(86,910)	(175,534)	166,183	(254,435)	(189,991)	(178,184)	(269,977)	(622,610)
Net Unrealized Performance Revenues	\$ 21,854	\$ 18,045	\$ 49,430	\$ 107,263	\$ (131,611)	\$ 8,797	\$ 231,891	\$ (318,303)	\$ 373,904	\$ 250,433	\$ 120,747	\$ 109,077	\$ 745,084
Related Payables (e)	\$ -	\$ 10,354	\$ 30,104	\$ 34,428	\$ 6,519	\$ 29,123	\$ 9,253	\$ 43,562	\$ 6,814	\$ 21,771	\$ 20,170	\$ 44,895	\$ 48,755
Equity-Based Compensation - Non-Performance Compensation Related (b)	20,963	16,852	16,624	19,308	26,650	25,442	24,141	17,177	40,248	31,483	33,514	76,233	105,245
Plus: Equity-Based Compensation - Performance Compensation Related (c)	1,061	1,670	1,554	1,539	3,264	2,548	3,669	4,219	3,900	2,911	3,062	9,481	9,873
Equity-Based Compensation (f)	\$ 22,024	\$ 18,522	\$ 18,178	\$ 20,847	\$ 29,914	\$ 27,990	\$ 27,810	\$ 21,396	\$ 44,148	\$ 34,394	\$ 36,576	\$ 85,714	\$ 115,118

Unless otherwise noted, all amounts are the respective captions from the Total Segment information.

(a) Represents the Fee Related component of each of the captions.

(b) Represents the equity-based compensation expense component of Compensation.

(c) Represents the total equity-based compensation expense component of Realized Incentive Fees Compensation and Realized Performance Allocations Compensation.

(d) Represents the total GAAP tax provision adjusted to include only the current tax provision (benefit) calculated on Income (Loss) Before Provision for Taxes and to exclude the tax impact on any divestitures and the Payable Under Tax Receivable Agreement.

(e) Represents tax-related payables including the Payable Under Tax Receivable Agreement, which is a component of Taxes and Related Payables.

(f) Represents all equity-based compensation expenses included in Economic Income. This excludes all transaction-related equity-based charges.

Walkdown of Financial Metrics – Calculation of Certain Non-GAAP Financial Metrics

(Dollars in Thousands)	2013	2014	2015	2016	2017
Realized Incentive Fees - Fee Related (a)	\$ 38,761	\$ 63,921	\$ 101,119	\$ 101,430	\$ 106,156
Realized Performance Allocations - Fee Related (a)	-	-	-	-	63,289
Fee Related Performance Revenues	\$ 38,761	\$ 63,921	\$ 101,119	\$ 101,430	\$ 169,445
Less: Realized Incentive Fees Compensation - Fee Related (a)	(18,730)	(31,360)	(43,765)	(44,969)	(46,709)
Less: Realized Performance Allocations Compensation - Fee Related (a)	-	-	-	-	(29,224)
Fee Related Net Performance Revenues	\$ 20,031	\$ 32,561	\$ 57,354	\$ 56,461	\$ 93,512
Compensation	(1,115,640)	(1,153,511)	(1,189,219)	(1,083,216)	(1,203,116)
Less: Equity-Based Compensation - Non-Performance Compensation Related (b)	130,124	45,133	96,901	73,747	93,410
Fee Related Compensation	\$ (985,516)	\$ (1,108,378)	\$ (1,092,318)	\$ (1,009,469)	\$ (1,109,706)
Realized Incentive Fees	231,000	173,106	168,554	151,041	244,384
Realized Performance Allocations	1,187,291	2,539,235	3,232,068	1,495,975	3,572,868
Less: Realized Incentive Fees Compensation	(102,149)	(78,271)	(77,291)	(68,921)	(105,279)
Less: Realized Performance Allocations Compensation	(355,967)	(847,471)	(802,455)	(465,129)	(1,281,965)
Plus: Equity-Based Compensation - Performance Compensation Related (c)	-	3,093	6,143	5,824	13,700
Less: Fee Related Net Performance Revenues	(20,031)	(32,561)	(57,354)	(56,461)	(93,512)
Net Realized Performance Revenues, Non-Fee Related	\$ 940,144	\$ 1,757,131	\$ 2,469,665	\$ 1,062,329	\$ 2,350,196
Interest Income and Dividend Revenue	70,936	76,052	95,661	96,399	142,920
Less: Interest Expense	(103,904)	(112,563)	(139,842)	(148,022)	(192,838)
Net Interest (Loss)	\$ (32,968)	\$ (36,511)	\$ (44,181)	\$ (51,623)	\$ (49,918)
Taxes and Related Payables (d)	\$ (156,734)	\$ (280,788)	\$ (90,470)	\$ (167,149)	\$ (189,988)
Unrealized Performance Allocations	2,155,528	1,696,407	(1,590,369)	530,120	(105,432)
Less: Unrealized Performance Allocations Compensation	(964,339)	(368,493)	309,422	(333,528)	(103,794)
Net Unrealized Performance Revenues	\$ 1,191,189	\$ 1,327,914	\$ (1,280,947)	\$ 196,592	\$ (209,226)
Related Payables (e)	\$ 74,570	\$ 81,276	\$ 62,943	\$ 74,886	\$ 88,457
Equity-Based Compensation - Non-Performance Compensation Related (b)	130,124	45,133	96,901	73,747	93,410
Plus: Equity-Based Compensation - Performance Compensation Related (c)	-	3,093	6,143	5,824	13,700
Equity-Based Compensation (f)	\$ 130,124	\$ 48,226	\$ 103,044	\$ 79,571	\$ 107,110

Unless otherwise noted, all amounts are the respective captions from the Total Segment information.

(a) Represents the Fee Related component of each of the captions.

(b) Represents the equity-based compensation expense component of Compensation.

(c) Represents the total equity-based compensation expense component of Realized Incentive Fees Compensation and Realized Performance Allocations Compensation.

(d) Represents the total GAAP tax provision adjusted to include only the current tax provision (benefit) calculated on Income (Loss) Before Provision for Taxes and to exclude the tax impact on any divestitures and the Payable Under Tax Receivable Agreement.

(e) Represents tax-related payables including the Payable Under Tax Receivable Agreement, which is a component of Taxes and Related Payables.

(f) Represents all equity-based compensation expenses included in Economic Income. This excludes all transaction-related equity-based charges.

Investment Records as of September 30, 2018^(a)

(Dollars in Thousands, Except Where Noted)

Fund (Investment Period Beginning Date / Ending Date)	Committed Capital	Available Capital (b)	Unrealized Investments			Realized Investments		Total Investments		Net IRRs (d)	
			Value	MOIC (c)	% Public	Value	MOIC (c)	Value	MOIC (c)	Realized	Total
Private Equity											
BCP I (Oct 1987 / Oct 1993)	\$ 859,081	\$ -	\$ -	n/a	-	\$ 1,741,738	2.6x	\$ 1,741,738	2.6x	19%	19%
BCP II (Oct 1993 / Aug 1997)	1,361,100	-	-	n/a	-	3,256,819	2.5x	3,256,819	2.5x	32%	32%
BCP III (Aug 1997 / Nov 2002)	3,967,422	-	-	n/a	-	9,184,688	2.3x	9,184,688	2.3x	14%	14%
BCOM (Jun 2000 / Jun 2006)	2,137,330	24,575	17,447	1.4x	-	2,953,649	1.4x	2,971,096	1.4x	7%	6%
BCP IV (Nov 2002 / Dec 2005)	6,773,182	207,524	770,288	0.9x	60%	20,861,464	3.1x	21,631,752	2.9x	41%	36%
BCP V (Dec 2005 / Jan 2011)	21,022,215	1,048,362	2,148,761	1.1x	30%	36,254,085	2.0x	38,402,846	1.9x	9%	8%
BCP VI (Jan 2011 / May 2016)	15,191,118	1,750,783	17,300,679	1.9x	35%	10,388,364	2.1x	27,689,043	1.9x	21%	15%
BEP I (Aug 2011 / Feb 2015)	2,435,346	223,625	2,734,648	1.7x	45%	1,828,396	2.2x	4,563,044	1.9x	25%	15%
BEP II (Feb 2015 / Feb 2021)	4,919,256	1,560,360	3,337,879	1.5x	-	186,221	1.9x	3,524,100	1.5x	48%	17%
BCP VII (May 2016 / May 2022)	18,559,346	10,783,682	9,046,515	1.3x	-	402,432	1.3x	9,448,947	1.3x	21%	22%
BCP Asia (Dec 2017 / Dec 2023) (e)	2,369,469	2,201,623	137,164	1.2x	-	-	n/a	137,164	1.2x	n/a	n/m
BEP III (TBD)	3,198,311	3,198,311	-	n/a	-	-	n/a	-	n/a	n/a	n/a
Total Corporate Private Equity	\$ 82,793,176	\$ 20,998,845	\$ 35,493,381	1.6x	23%	\$ 87,057,856	2.2x	\$ 122,551,237	2.0x	17%	16%
Tactical Opportunities	21,508,073	11,014,336	10,022,805	1.3x	11%	5,777,258	1.7x	15,800,063	1.4x	23%	12%
Tactical Opportunities Co-Investment and Other	4,946,019	1,317,372	3,832,000	1.2x	2%	1,235,479	1.6x	5,067,479	1.3x	28%	16%
Total Tactical Opportunities	\$ 26,454,092	\$ 12,331,708	\$ 13,854,805	1.3x	9%	\$ 7,012,737	1.7x	\$ 20,867,542	1.4x	23%	12%
Strategic Partners I-V and Co-Investment (f)	11,913,117	1,798,461	1,810,766	n/m	-	15,813,541	n/m	17,624,307	1.5x	n/a	13%
Strategic Partners VI LBO, RE and SMA (f)	7,402,171	2,047,468	3,361,831	n/m	-	2,964,370	n/m	6,326,201	1.5x	n/a	20%
Strategic Partners VII (f)	7,669,970	2,396,585	4,669,166	n/m	-	645,883	n/m	5,315,049	1.4x	n/a	40%
Strategic Partners RA II (f)	1,898,154	1,065,577	419,404	n/m	-	32,263	n/m	451,667	1.1x	n/a	18%
Total Strategic Partners	\$ 28,883,412	\$ 7,308,091	\$ 10,261,167	n/m	-	\$ 19,456,057	n/m	\$ 29,717,224	1.5x	n/a	14%
BCEP (Jan 2017 / Jan 2021) (g)	4,755,616	2,603,351	2,351,861	1.1x	-	-	n/a	2,351,861	1.1x	n/a	7%
Other Funds and Co-Investment (h)	1,539,393	325,028	72,084	0.9x	22%	635,564	0.9x	707,648	0.9x	n/m	n/m
Real Estate											
Pre-BREP	\$ 140,714	\$ -	\$ -	n/a	-	\$ 345,190	2.5x	\$ 345,190	2.5x	33%	33%
BREP I (Sep 1994 / Oct 1996)	380,708	-	-	n/a	-	1,327,708	2.8x	1,327,708	2.8x	40%	40%
BREP II (Oct 1996 / Mar 1999)	1,198,339	-	-	n/a	-	2,531,614	2.1x	2,531,614	2.1x	19%	19%
BREP III (Apr 1999 / Apr 2003)	1,522,708	-	-	n/a	-	3,330,406	2.4x	3,330,406	2.4x	21%	21%
BREP IV (Apr 2003 / Dec 2005)	2,198,694	-	301,446	0.4x	24%	4,259,544	2.2x	4,560,990	1.7x	34%	12%
BREP V (Dec 2005 / Feb 2007)	5,539,418	-	783,714	1.8x	35%	12,536,269	2.4x	13,319,983	2.3x	12%	11%
BREP VI (Feb 2007 / Aug 2011)	11,060,444	-	1,352,439	1.6x	3%	26,167,065	2.6x	27,519,504	2.5x	14%	13%
BREP VII (Aug 2011 / Apr 2015)	13,495,034	2,057,992	11,396,491	1.7x	19%	17,467,417	2.1x	28,863,908	1.9x	28%	17%
BREP VIII (Apr 2015 / Oct 2020)	16,429,229	7,814,227	12,028,819	1.4x	2%	4,328,795	1.5x	16,357,614	1.4x	28%	17%
Total Global BREP	\$ 51,965,288	\$ 9,872,219	\$ 25,862,909	1.5x	11%	\$ 72,294,008	2.3x	\$ 98,156,917	2.0x	19%	16%
BREP Int'l (Jan 2001 / Sep 2005)	€ 824,172	€ -	€ -	n/a	-	€ 1,369,016	2.1x	€ 1,369,016	2.1x	23%	23%
BREP Int'l II (Sep 2005 / Jun 2008) (i)	1,629,748	-	105,181	1.0x	-	2,334,143	1.8x	2,439,324	1.7x	8%	8%
BREP Europe III (Jun 2008 / Sep 2013)	3,205,167	463,074	773,749	1.0x	-	5,497,856	2.5x	6,271,605	2.1x	21%	15%
BREP Europe IV (Sep 2013 / Dec 2016)	6,709,145	1,332,728	4,476,835	1.5x	14%	6,957,202	2.0x	11,434,037	1.8x	25%	18%
BREP Europe V (Dec 2016 / Jun 2022)	7,868,436	3,523,103	5,121,036	1.2x	-	14,155	n/m	5,135,191	1.2x	n/m	18%
Total Euro BREP	€ 20,236,668	€ 5,318,905	€ 10,476,801	1.3x	6%	€ 16,172,372	2.1x	€ 26,649,173	1.7x	16%	14%
BREP Asia I (Jun 2013 / Dec 2017)	\$ 5,096,216	\$ 1,759,883	\$ 4,041,221	1.4x	-	\$ 2,883,151	1.8x	\$ 6,924,372	1.5x	21%	15%
BREP Asia II (Dec 2017 / Jun 2023)	7,123,119	6,930,266	348,643	n/m	-	-	n/a	348,643	1.0x	n/m	n/m
BREP Co-Investment (j)	6,892,347	146,573	2,130,069	1.8x	49%	11,818,812	2.1x	13,948,881	2.1x	16%	16%
Total BREP	\$ 95,859,327	\$ 24,880,999	\$ 44,716,236	1.4x	10%	\$ 107,630,873	2.2x	\$ 152,347,109	1.9x	18%	16%
BPP (k)	\$ 25,332,010	\$ 2,797,024	\$ 27,127,479	1.2x	-	\$ 2,693,606	n/m	\$ 29,821,085	1.2x	n/m	11%
BREDS (l)	\$ 13,240,239	\$ 4,078,535	\$ 3,393,396	1.1x	-	\$ 9,712,652	1.3x	\$ 13,106,048	1.2x	11%	11%
Hedge Fund Solutions											
BSCH (Dec 2013 / Jun 2020) (m)	\$ 3,298,575	\$ 2,326,290	\$ 1,004,382	1.0x	-	\$ 275,472	n/a	\$ 1,279,854	1.3x	n/a	6%
BSCH Co-Investment	276,000	164,903	102,202	0.9x	-	26,443	n/a	128,645	1.1x	n/a	9%
Total Hedge Fund Solutions	\$ 3,574,575	\$ 2,491,193	\$ 1,106,584	1.0x	-	\$ 301,915	n/a	\$ 1,408,499	1.3x	n/a	6%
Credit (n)											
Mezzanine I (Jul 2007 / Oct 2011)	\$ 2,000,000	\$ 97,114	\$ 36,499	0.7x	-	\$ 4,770,982	1.6x	\$ 4,807,481	1.6x	n/a	17%
Mezzanine II (Nov 2011 / Nov 2016)	4,120,000	1,146,274	2,412,906	1.1x	-	4,214,546	1.6x	6,627,452	1.3x	n/a	13%
Mezzanine III (Sep 2016 / Sep 2021)	6,639,133	3,198,430	3,056,152	1.1x	-	781,375	1.5x	3,837,527	1.2x	n/a	13%
Stressed / Distressed Investing I (Sep 2009 / May 2013)	3,253,143	175,000	417,477	0.7x	-	5,573,234	1.5x	5,990,711	1.4x	n/a	11%
Stressed / Distressed Investing II (Jun 2013 / Jun 2018)	5,125,000	584,021	2,501,490	1.1x	-	3,480,028	1.4x	5,981,518	1.2x	n/a	11%
Stressed / Distressed Investing III (Dec 2017 / Dec 2022)	7,356,380	6,357,485	863,400	1.1x	-	208,102	1.2x	1,111,502	1.1x	n/a	n/a
Energy Select Opportunities (Nov 2015 / Nov 2018)	2,856,867	1,108,540	2,032,185	1.2x	-	523,100	1.6x	2,555,285	1.2x	n/a	16%
Euro											
European Senior Debt Fund (Feb 2015 / Feb 2019)	€ 1,964,689	€ 1,599,931	€ 1,967,235	1.0x	-	€ 739,301	1.5x	€ 2,706,536	1.1x	n/a	10%
Total Credit	\$ 33,616,933	\$ 14,525,185	\$ 13,605,053	1.1x	-	\$ 20,439,621	1.5x	\$ 34,044,674	1.3x	n/a	13%

Investment Records as of September 30, 2018 – Notes

The returns presented herein represent those of the applicable Blackstone Funds and not those of The Blackstone Group L.P.

- n/m Not meaningful.
- n/a Not applicable.
- (a) Preliminary.
- (b) Available Capital represents total investable capital commitments, including side-by-side, adjusted for certain expenses and expired or callable capital and may include leverage, less invested capital. This amount is not reduced by outstanding commitments to investments.
- (c) Multiple of Invested Capital (“MOIC”) represents carrying value, before management fees, expenses and Carried Interest, divided by invested capital.
- (d) Net Internal Rate of Return (“IRR”) represents the annualized inception to September 30, 2018 IRR on total invested capital based on realized proceeds and unrealized value, as applicable, after management fees, expenses and Carried Interest.
- (e) Includes foreign currency gain or loss on invested undrawn capital, if any.
- (f) Realizations are treated as return of capital until fully recovered and therefore unrealized and realized MOICs are not meaningful.
- (g) BCEP, or Blackstone Core Equity Partners, is a core private equity fund which invests with a more modest risk profile and longer hold period.
- (h) Returns for Other Funds and Co-Investment are not meaningful as these funds have limited transaction activity.
- (i) The 8% Realized Net IRR and 8% Total Net IRR exclude investors that opted out of the Hilton investment opportunity. Overall BREP International II performance reflects a 7% Realized Net IRR and a 6% Total Net IRR.
- (j) BREP Co-Investment represents co-investment capital raised for various BREP investments. The Net IRR reflected is calculated by aggregating each co-investment’s realized proceeds and unrealized value, as applicable, after management fees, expenses and Carried Interest.
- (k) BPP represents the core+ real estate funds which invest with a more modest risk profile and lower leverage. Excludes BREIT.
- (l) Excludes Capital Trust drawdown funds.
- (m) BSCH, or Blackstone Strategic Capital Holdings, is focused on acquiring strategic minority positions in alternative asset managers.
- (n) Funds presented represent the flagship credit drawdown funds only. The Total Credit Net IRR is the combined IRR of the eight credit drawdown funds presented.

Definitions

Blackstone discloses the following financial measures that are calculated and presented on the basis of methodologies other than in accordance with generally accepted accounting principles in the United States of America (“non-GAAP”) in this presentation:

- **Economic Income**, or “**EI**”, represents segment net income before taxes and is used as a key measure of value creation, a benchmark of performance and in making resource deployment and compensation decisions across Blackstone’s four segments. EI presents revenues and expenses on a basis that deconsolidates the investment funds Blackstone manages, and excludes the amortization of intangibles and other transaction-related charges.
 - **Transaction-Related Charges** arise from corporate actions including acquisitions, divestitures, and Blackstone’s initial public offering. They consist primarily of equity-based compensation charges, gains and losses on contingent consideration arrangements, changes in the balance of the tax receivable agreement resulting from a change in tax law or similar event, transaction costs and any gains or losses associated with these corporate actions.
- **Economic Net Income**, or “**ENI**”, represents EI adjusted to include current period taxes. Current period taxes represent the total GAAP tax provision adjusted to include only the current tax provision (benefit) calculated on Income (Loss) Before Provision for Taxes and adjusted to exclude the tax impact of any divestitures.
- **Fee Related Earnings**, or “**FRE**”, is a performance measure used to assess Blackstone’s ability to generate profits from revenues that are measured and received on a recurring basis and not subject to future realization events. FRE equals management and advisory fees (net of management fee reductions and offsets) plus Fee Related Net Performance Revenues, less (a) fee related cash compensation expense, and (b) Other Operating Expenses. FRE is derived from and reconciled to, but not equivalent to, its most directly comparable GAAP measure of Income (Loss) Before Provision for Taxes.
 - **Fee Related Net Performance Revenues** refers to the realized portion of Performance Revenues from Perpetual Capital that are (a) measured and received on a recurring basis and (b) not dependent on realization events from the underlying investments (“Fee Related Performance Revenues”), net of directly related cash compensation expense.
- **Distributable Earnings**, or “**DE**”, which is derived from Blackstone’s segment reported results, is a supplemental measure used to assess performance and amounts available for distributions to Blackstone unitholders, including Blackstone personnel and others who are limited partners of the Blackstone Holdings Partnerships. DE is intended to show the amount of net realized earnings without the effects of the consolidation of the Blackstone Funds. DE is the sum across all segments of: (a) Total Management, Advisory and Other Fees, Net, (b) Interest and Dividend Revenue, (c) Realized Incentive Fees, (d) Realized Performance Allocations, and (e) Realized Principal Investment Income (Loss); less (a) Compensation, excluding the expense of equity-based awards, (b) Realized Incentive Fee Compensation, (c) Realized Performance Allocations Compensation, (d) Interest Expense, (e) Other Operating Expenses, and (f) Taxes and Related Payables Under the Tax Receivable Agreement. DE is reconciled to Blackstone’s Consolidated Statement of Operations.
- **Adjusted Earnings Before Interest, Taxes and Depreciation and Amortization**, or “**Adjusted EBITDA**”, is a supplemental measure used to assess performance derived from Blackstone’s segment results and may be used to assess its ability to service its borrowings.
- **Performance Revenues** collectively refers to: (a) Incentive Fees, and (b) Performance Allocations.
- **Performance Compensation** collectively refers to: (a) Incentive Fee Compensation, and (b) Performance Allocations Compensation.
- **Perpetual Capital** refers to the component of assets under management with an indefinite term, that is not in liquidation, and for which there is no requirement to return capital to investors through redemption requests in the ordinary course of business, except where funded by new capital inflows. Includes co-investment capital with an investor right to convert into Perpetual Capital.