

Blackstone's 1Q'18 Supplemental Financial Data

April 19, 2018

Note: Effective January 1, 2018, Blackstone adopted new GAAP guidance on revenue recognition and implemented a change in accounting principle related to Carried Interest and Incentive Allocations, which will be accounted for under the GAAP guidance for equity method investments. This adjustment did not have a material impact on Blackstone's historical financial results, but resulted in changes to previously reported GAAP Net Income Attributable to The Blackstone Group L.P. and Economic Income. This adjustment results in no change to Fee Related Earnings or Distributable Earnings. All historical results presented have been recast to reflect these changes.

Total Segments

(Dollars in Thousands)	1Q'15	2Q'15	3Q'15	4Q'15	1Q'16	2Q'16	3Q'16	4Q'16	1Q'17	2Q'17	3Q'17	4Q'17	1Q'18	Last Twelve Months	
														1Q'17	1Q'18
Revenues															
Management and Advisory Fees, Net															
Base Management Fees	\$ 516,397	\$ 516,492	\$ 564,287	\$ 599,407	\$ 586,703	\$ 593,996	\$ 593,509	\$ 623,571	\$ 642,958	\$ 671,368	\$ 669,902	\$ 696,163	\$ 707,156	\$ 2,454,034	\$ 2,744,589
Transaction, Advisory and Other Fees, Net	121,311	88,726	178,556	73,223	46,599	33,620	29,021	35,618	40,222	38,892	32,295	45,407	37,066	138,481	153,660
Management Fee Offsets	(17,945)	(18,434)	(34,176)	(22,939)	(20,101)	(15,396)	(20,850)	(23,297)	(33,599)	(13,424)	(10,215)	(9,178)	(8,178)	(93,142)	(40,995)
Total Management and Advisory Fees, Net	619,763	586,784	708,667	649,691	613,201	612,220	601,680	635,892	649,581	696,836	691,982	732,392	736,044	2,499,373	2,857,254
Performance Revenues															
Realized Incentive Fees	28,380	42,161	34,808	63,205	28,007	29,231	26,992	66,811	46,511	40,303	35,513	122,057	12,566	169,545	210,439
Realized Performance Allocations	1,208,884	943,141	435,166	644,877	231,352	323,866	507,325	433,432	1,111,948	603,096	434,994	1,422,830	269,642	2,376,571	2,730,562
Unrealized Performance Allocations	395,372	(427,864)	(1,069,440)	(488,437)	56,055	95,061	128,791	250,213	(124,078)	95,707	407,425	(484,486)	628,339	349,987	646,985
Total Performance Revenues	1,632,636	557,438	(599,466)	219,645	315,414	448,158	663,108	750,456	1,034,381	739,106	877,932	1,060,401	910,547	2,896,103	3,587,986
Principal Investment Income (Loss)															
Realized	107,792	136,497	87,526	86,993	(10,101)	53,670	60,634	95,666	202,894	100,887	60,188	72,225	28,693	412,864	261,993
Unrealized	81,849	(125,723)	(223,657)	(98,428)	(16,549)	6,101	27,253	3,616	(98,935)	(33,167)	17,384	(16,488)	13,978	(61,965)	(18,293)
Total Principal Investment Income (Loss)	189,641	10,774	(136,131)	(11,435)	(26,650)	59,771	87,887	99,282	103,959	67,720	77,572	55,737	42,671	350,899	243,700
Interest Income and Dividend Revenue	22,063	22,095	26,435	25,068	23,146	22,474	22,235	28,544	28,496	33,703	37,885	42,836	36,385	101,749	150,809
Other	(4,872)	3,973	(841)	10,240	(6,248)	8,546	(425)	52,839	(8,287)	(62,469)	(34,144)	(35,151)	(60,894)	52,673	(192,658)
Total Revenues	2,459,231	1,181,064	(1,336)	893,209	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	5,900,797	6,647,091
Expenses															
Compensation															
Realized Incentive Fees	12,385	20,165	15,787	28,954	13,785	14,763	13,003	27,370	22,465	21,032	18,332	43,450	6,662	77,601	89,476
Realized Performance Allocations	292,090	239,704	97,073	173,588	58,841	88,069	170,860	147,359	366,478	195,738	162,505	557,244	112,062	772,766	1,027,549
Unrealized Performance Allocations	82,106	(45,965)	(229,447)	(116,116)	34,201	77,016	79,361	142,950	7,533	86,910	175,534	(166,183)	254,435	306,860	350,696
Total Compensation and Benefits	716,419	503,256	212,988	326,880	394,230	466,003	531,819	558,742	685,503	608,937	659,169	740,545	709,486	2,242,067	2,718,137
Interest Expense	30,465	36,506	35,957	36,914	36,497	36,020	36,419	39,086	39,450	40,294	40,749	72,345	38,238	150,975	191,626
Other Operating Expenses	104,429	122,964	112,584	108,598	100,094	108,475	103,625	119,642	96,462	105,838	106,617	115,949	107,092	428,204	435,496
Total Expenses	851,313	662,726	361,529	472,392	530,821	610,498	671,863	717,470	821,415	755,069	806,535	928,839	854,816	2,821,246	3,345,259
Economic Income (Loss)	\$ 1,607,918	\$ 518,338	\$ (362,865)	\$ 420,817	\$ 388,042	\$ 540,671	\$ 702,622	\$ 849,543	\$ 986,715	\$ 719,827	\$ 844,692	\$ 927,376	\$ 809,937	\$ 3,079,551	\$ 3,301,832
Total Assets Under Management	\$ 310,451,289	\$ 332,723,546	\$ 333,925,521	\$ 336,384,575	\$ 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	\$ 368,196,917	\$ 449,613,826
Fee-Earning Assets Under Management	\$ 223,511,700	\$ 239,342,214	\$ 240,939,356	\$ 246,146,372	\$ 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	\$ 280,215,551	\$ 344,650,797

Private Equity

(Dollars in Thousands)	1Q'15	2Q'15	3Q'15	4Q'15	1Q'16	2Q'16	3Q'16	4Q'16	1Q'17	2Q'17	3Q'17	4Q'17	1Q'18	Last Twelve Months	
														1Q'17	1Q'18
Revenues															
Management and Advisory Fees, Net															
Base Management Fees	\$ 108,383	\$ 121,918	\$ 128,452	\$ 143,887	\$ 130,648	\$ 131,477	\$ 132,914	\$ 160,554	\$ 176,706	\$ 177,684	\$ 182,764	\$ 187,664	\$ 182,961	\$ 601,651	\$ 731,073
Transaction, Advisory and Other Fees, Net	22,788	(6,999)	11,906	19,124	8,920	11,089	11,511	7,763	16,176	17,289	8,748	15,411	11,094	46,539	52,542
Management Fee Offsets	(4,949)	(9,028)	(12,262)	(10,521)	(6,848)	(4,195)	(12,917)	(10,850)	(12,190)	(3,753)	(1,088)	(976)	(3,193)	(40,152)	(9,010)
Total Management and Advisory Fees, Net	126,222	105,891	128,096	152,490	132,720	138,371	131,508	157,467	180,692	191,220	190,424	202,099	190,862	608,038	774,605
Performance Revenues															
Realized Performance Allocations	382,978	546,575	214,532	330,902	30,282	57,056	26,398	131,532	582,681	198,168	101,918	274,421	77,123	797,667	651,630
Unrealized Performance Allocations	566,822	(305,573)	(809,363)	(169,841)	73,875	85,047	144,754	122,015	(184,478)	9	80,326	90,929	397,316	167,338	568,580
Total Performance Revenues	949,800	241,002	(594,831)	161,061	104,157	142,103	171,152	253,547	398,203	198,177	182,244	365,350	474,439	965,005	1,220,210
Principal Investment Income (Loss)															
Realized	44,816	50,258	46,917	47,658	(15,357)	22,926	15,469	50,339	81,294	41,168	7,077	25,298	6,338	170,028	79,881
Unrealized	31,487	(22,301)	(110,689)	(14,835)	15,440	(2,766)	8,869	(26,136)	(40,522)	(25,892)	17,300	(2,303)	17,368	(60,555)	6,473
Total Principal Investment Income (Loss)	76,303	27,957	(63,772)	32,823	83	20,160	24,338	24,203	40,772	15,276	24,377	22,995	23,706	109,473	86,354
Interest Income and Dividend Revenue	5,185	5,121	5,546	6,833	6,259	5,712	5,883	7,510	6,661	7,922	9,046	9,209	8,543	25,766	34,720
Other	(1,825)	2,515	471	4,693	(1,587)	3,395	411	18,239	(1,800)	(16,124)	(8,346)	(9,392)	(16,408)	20,245	(50,270)
Total Revenues	1,155,685	382,486	(524,490)	357,900	241,632	309,741	333,292	460,966	624,528	396,471	397,745	590,261	681,142	1,728,527	2,065,619
Expenses															
Compensation															
Performance Compensation															
Realized Performance Allocations	39,482	106,502	16,303	94,635	15,427	30,946	13,741	50,768	181,633	63,060	48,019	111,832	33,045	277,088	255,956
Unrealized Performance Allocations	178,120	(25,574)	(141,448)	(21,270)	9,296	19,450	69,300	65,891	(39,356)	22,219	45,484	42,748	178,802	115,285	289,253
Total Compensation and Benefits	288,674	149,034	(54,726)	144,016	104,997	133,536	156,679	189,575	225,880	175,955	189,669	246,809	311,576	705,670	924,009
Interest Expense	9,145	12,762	10,725	12,436	12,113	11,942	12,084	12,987	10,427	10,728	10,804	19,170	10,133	47,440	50,835
Other Operating Expenses	27,301	47,222	30,205	38,257	31,980	32,184	31,750	34,771	27,761	28,592	32,166	32,478	31,151	126,466	124,387
Total Expenses	325,120	209,018	(13,796)	194,709	149,090	177,662	200,513	237,333	264,068	215,275	232,639	298,457	352,860	879,576	1,099,281
Economic Income (Loss)	\$ 830,565	\$ 173,468	\$ (510,694)	\$ 163,191	\$ 92,542	\$ 132,079	\$ 132,779	\$ 223,633	\$ 360,460	\$ 181,196	\$ 165,106	\$ 291,804	\$ 328,282	\$ 848,951	\$ 966,388
Total Assets Under Management	\$ 76,327,189	\$ 92,026,337	\$ 91,490,669	\$ 94,280,074	\$ 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	\$ 99,707,057	\$ 111,414,214
Fee-Earning Assets Under Management	\$ 49,342,211	\$ 49,537,189	\$ 50,560,404	\$ 51,451,196	\$ 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	\$ 68,227,286	\$ 72,398,415

Real Estate

(Dollars in Thousands)	1Q'15	2Q'15	3Q'15	4Q'15	1Q'16	2Q'16	3Q'16	4Q'16	1Q'17	2Q'17	3Q'17	4Q'17	1Q'18	Last Twelve Months	
														1Q'17	1Q'18
Revenues															
Management Fees, Net															
Base Management Fees	\$ 152,348	\$ 140,743	\$ 175,710	\$ 199,774	\$ 199,907	\$ 201,004	\$ 197,629	\$ 196,621	\$ 197,879	\$ 227,865	\$ 224,048	\$ 222,399	\$ 226,526	\$ 793,133	\$ 900,838
Transaction and Other Fees, Net	15,216	21,510	21,390	52,461	35,794	21,112	14,190	24,228	21,279	16,087	20,616	24,799	23,088	80,809	84,590
Management Fee Offsets	(4,866)	(5,428)	(10,147)	(6,399)	(3,595)	(1,219)	(842)	(1,666)	(3,550)	(5,018)	(4,232)	(3,134)	(1,668)	(7,277)	(14,052)
Total Management Fees, Net	162,698	156,825	186,953	245,836	232,106	220,897	210,977	219,183	215,608	238,934	240,432	244,064	247,946	866,665	971,376
Performance Revenues															
Realized Incentive Fees	812	461	3,876	11,167	4,201	6,099	3,857	15,478	2,882	4,878	3,778	20,094	4,375	28,316	33,125
Realized Performance Allocations	811,160	364,742	169,054	290,614	200,495	266,382	461,980	274,617	519,873	389,441	307,932	971,996	151,309	1,522,852	1,820,678
Unrealized Performance Allocations	(178,998)	(185,753)	(126,555)	(168,433)	(1,762)	(78,934)	(99,868)	69,094	(8,046)	89,688	273,731	(498,562)	226,442	(117,754)	91,299
Total Performance Revenues	632,974	179,450	46,375	133,348	202,934	193,547	365,969	359,189	514,709	484,007	585,441	493,528	382,126	1,433,414	1,945,102
Principal Investment Income (Loss)															
Realized	71,344	85,432	39,821	38,985	12,975	19,929	46,704	43,104	119,579	57,599	44,449	34,276	14,690	229,316	151,014
Unrealized	37,510	(107,691)	(95,382)	(66,326)	(2,137)	(8,902)	(6,725)	16,645	(83,853)	(20,519)	(8,319)	(9,529)	2,687	(82,835)	(35,680)
Total Principal Investment Income (Loss)	108,854	(22,259)	(55,561)	(27,341)	10,838	11,027	39,979	59,749	35,726	37,080	36,130	24,747	17,377	146,481	115,334
Interest Income and Dividend Revenue	7,584	7,726	8,502	9,689	9,531	9,079	8,977	10,866	12,094	14,493	15,461	16,036	15,128	41,016	61,118
Other	(3,977)	1,077	(938)	2,416	(1,909)	2,231	(548)	16,749	(3,150)	(22,965)	(13,108)	(12,202)	(21,497)	15,282	(69,772)
Total Revenues	908,133	322,819	185,331	363,948	453,500	436,781	625,354	665,736	774,987	751,549	864,356	766,173	641,080	2,502,858	3,023,158
Expenses															
Compensation															
Realized Incentive Fees	377	229	1,836	5,718	2,226	3,300	1,764	4,826	1,333	2,711	1,967	10,203	2,210	11,223	17,091
Realized Performance Allocations	246,475	116,610	52,548	68,922	42,983	56,441	147,419	85,748	179,956	124,512	104,112	364,410	54,183	469,564	647,217
Unrealized Performance Allocations	(97,560)	(50,875)	(18,048)	(21,053)	31,858	16,721	(33,468)	46,536	17,792	64,254	105,640	(172,254)	79,170	47,581	76,810
Total Compensation and Benefits	234,126	145,448	135,591	148,395	177,645	179,350	215,601	219,110	301,783	301,743	317,472	310,849	248,387	915,844	1,178,451
Interest Expense	9,191	10,149	10,829	12,393	12,290	12,149	12,272	13,138	14,635	14,787	15,028	26,891	14,149	52,194	70,855
Other Operating Expenses	28,528	30,605	28,332	38,048	31,824	35,785	32,016	37,956	30,864	33,379	33,256	38,543	29,417	136,621	134,595
Total Expenses	271,845	186,202	174,752	198,836	221,759	227,284	259,889	270,204	347,282	349,909	365,756	376,283	291,953	1,104,659	1,383,901
Economic Income	\$ 636,288	\$ 136,617	\$ 10,579	\$ 165,112	\$ 231,741	\$ 209,497	\$ 365,465	\$ 395,532	\$ 427,705	\$ 401,640	\$ 498,600	\$ 389,890	\$ 349,127	\$ 1,398,199	\$ 1,639,257
Total Assets Under Management	\$ 92,785,658	\$ 91,578,634	\$ 93,187,556	\$ 93,917,824	\$ 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	\$ 102,070,930	\$ 119,575,884
Fee-Earning Assets Under Management	\$ 50,783,247	\$ 62,683,857	\$ 64,858,622	\$ 67,345,357	\$ 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	\$ 71,904,741	\$ 87,284,578

Hedge Fund Solutions

(Dollars in Thousands)	1Q'15	2Q'15	3Q'15	4Q'15	1Q'16	2Q'16	3Q'16	4Q'16	1Q'17	2Q'17	3Q'17	4Q'17	1Q'18	Last Twelve Months	
														1Q'17	1Q'18
Revenues															
Management Fees, Net															
Base Management Fees	\$ 130,637	\$ 130,216	\$ 133,592	\$ 129,941	\$ 130,158	\$ 130,123	\$ 130,305	\$ 131,150	\$ 128,468	\$ 128,698	\$ 129,410	\$ 129,472	\$ 129,228	\$ 520,046	\$ 516,808
Transaction and Other Fees, Net	25	-	219	73	543	(5)	116	407	259	1,696	48	977	345	777	3,066
Management Fee Offsets	(280)	(608)	(507)	1,566	-	-	-	-	-	-	(28)	(65)	-	-	(93)
Total Management Fees, Net	130,382	129,608	133,304	131,580	130,701	130,118	130,421	131,557	128,727	130,394	129,430	130,384	129,573	520,823	519,781
Performance Revenues															
Realized Incentive Fees	10,503	11,232	2,799	19,319	2,212	(464)	1,398	27,649	14,087	6,548	12,186	74,031	8,171	42,670	100,936
Realized Performance Allocations	13	5,683	(16)	18,664	472	213	3,174	7,523	597	447	2,031	44,416	2,006	11,507	48,900
Unrealized Performance Allocations	13,179	10,725	(4,488)	(23,394)	(1,787)	853	3,640	(1,861)	18,815	14,849	10,327	(35,647)	5,061	21,447	(5,410)
Total Performance Revenues	23,695	27,640	(1,705)	14,589	897	602	8,212	33,311	33,499	21,844	24,544	82,800	15,238	75,624	144,426
Principal Investment Income (Loss)															
Realized	(10,375)	(1,757)	(468)	(141)	(4,745)	(515)	(1,211)	(753)	(632)	225	1,316	8,165	640	(3,111)	10,346
Unrealized	4,483	2,032	(6,411)	(1,539)	(12,291)	9,357	12,219	6,177	18,293	11,578	12,723	(1,582)	440	46,046	23,159
Total Principal Investment Income (Loss)	(5,892)	275	(6,879)	(1,680)	(17,036)	8,842	11,008	5,424	17,661	11,803	14,039	6,583	1,080	42,935	33,505
Interest Income and Dividend Revenue	2,565	2,480	2,677	3,472	3,075	2,754	2,839	5,196	3,997	4,674	5,316	7,538	4,812	14,786	22,340
Other	(1,607)	459	(66)	1,414	(1,388)	1,125	(260)	8,680	(1,610)	(10,720)	(5,859)	(6,191)	(10,288)	7,935	(33,058)
Total Revenues	149,143	160,462	127,331	149,375	116,249	143,441	152,220	184,168	182,274	157,995	167,470	221,114	140,415	662,103	686,994
Expenses															
Compensation															
Performance Compensation	56,104	45,841	44,408	33,131	54,169	44,436	47,206	39,509	47,604	47,361	44,347	37,470	50,300	178,755	179,478
Performance Compensation															
Realized Incentive Fees	3,466	6,187	384	7,819	1,535	684	485	11,611	7,014	4,097	5,862	20,159	4,034	19,794	34,152
Realized Performance Allocations	4	2,524	(820)	7,591	328	641	2,417	1,696	303	265	1,022	14,626	2,415	5,057	18,328
Unrealized Performance Allocations	4,146	4,306	(1,101)	(8,636)	(652)	238	1,260	(539)	6,422	5,968	3,541	(12,814)	2,186	7,381	(1,119)
Total Compensation and Benefits	63,720	58,858	42,871	39,905	55,380	45,999	51,368	52,277	61,343	57,691	54,772	59,441	58,935	210,987	230,839
Interest Expense	4,547	5,032	5,428	6,042	6,047	5,964	6,032	6,481	6,543	6,688	6,763	11,624	6,271	25,020	31,346
Other Operating Expenses	15,404	14,128	17,358	16,578	18,107	19,131	19,593	19,039	16,379	16,318	17,958	17,610	18,785	74,142	70,671
Total Expenses	83,671	78,018	65,657	62,525	79,534	71,094	76,993	77,797	84,265	80,697	79,493	88,675	83,991	310,149	332,856
Economic Income	\$ 65,472	\$ 82,444	\$ 61,674	\$ 86,850	\$ 36,715	\$ 72,347	\$ 75,227	\$ 106,371	\$ 98,009	\$ 77,298	\$ 87,977	\$ 132,439	\$ 56,424	\$ 351,954	\$ 354,138
Total Assets Under Management	\$ 66,378,908	\$ 67,829,866	\$ 68,405,948	\$ 69,105,425	\$ 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	\$ 73,303,381	\$ 78,657,551
Fee-Earning Assets Under Management	\$ 64,114,498	\$ 65,512,170	\$ 65,182,338	\$ 65,665,439	\$ 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	\$ 68,812,528	\$ 73,570,498

Credit

(Dollars in Thousands)	1Q'15	2Q'15	3Q'15	4Q'15	1Q'16	2Q'16	3Q'16	4Q'16	1Q'17	2Q'17	3Q'17	4Q'17	1Q'18	Last Twelve Months	
														1Q'17	1Q'18
Revenues															
Management Fees, Net															
Base Management Fees	\$ 125,029	\$ 123,615	\$ 126,533	\$ 125,805	\$ 125,990	\$ 131,392	\$ 132,661	\$ 135,246	\$ 139,905	\$ 137,121	\$ 133,680	\$ 156,628	\$ 168,441	\$ 539,204	\$ 595,870
Transaction and Other Fees, Net	1,457	2,060	1,289	1,565	1,342	1,424	3,204	3,220	2,508	3,820	2,883	4,220	2,539	10,356	13,462
Management Fee Offsets	(7,850)	(3,370)	(11,260)	(7,585)	(9,658)	(9,982)	(7,091)	(10,781)	(17,859)	(4,653)	(4,867)	(5,003)	(3,317)	(45,713)	(17,840)
Total Management Fees, Net	118,636	122,305	116,562	119,785	117,674	122,834	128,774	127,685	124,554	136,288	131,696	155,845	167,663	503,847	591,492
Performance Revenues															
Realized Incentive Fees	17,065	30,468	28,133	32,719	21,594	23,596	21,737	23,684	29,542	28,877	19,549	27,932	20	98,559	76,378
Realized Performance Allocations	14,733	26,141	51,596	4,697	103	215	15,773	19,760	8,797	15,040	23,113	131,997	39,204	44,545	209,354
Unrealized Performance Allocations	(5,631)	52,737	(129,034)	(126,769)	(14,271)	88,095	80,265	60,965	49,631	(8,839)	43,041	(41,206)	(480)	278,956	(7,484)
Total Performance Revenues	26,167	109,346	(49,305)	(89,353)	7,426	111,906	117,775	104,409	87,970	35,078	85,703	118,723	38,744	422,060	278,248
Principal Investment Income (Loss)															
Realized	2,237	2,723	1,735	491	(2,974)	11,330	(328)	2,976	2,653	1,895	7,346	4,486	7,025	16,631	20,752
Unrealized	6,887	2,760	(10,177)	(15,728)	(17,561)	8,412	12,890	6,930	7,147	1,666	(4,320)	(3,074)	(6,517)	35,379	(12,245)
Total Principal Investment Income (Loss)	9,124	5,483	(8,442)	(15,237)	(20,535)	19,742	12,562	9,906	9,800	3,561	3,026	1,412	508	52,010	8,507
Interest Income and Dividend Revenue	4,293	4,433	4,468	5,074	4,281	4,929	4,536	4,972	5,744	6,614	8,062	10,053	7,902	20,181	32,631
Other	3,493	34	(73)	1,717	(1,364)	1,795	(28)	9,171	(1,727)	(12,660)	(6,831)	(7,366)	(12,701)	9,211	(39,558)
Total Revenues	161,713	241,601	63,210	21,986	107,482	261,206	263,619	256,143	226,341	168,881	221,656	278,667	202,116	1,007,309	871,320
Expenses															
Compensation															
Performance Compensation	49,877	47,124	51,324	41,864	52,382	55,691	47,865	46,638	55,118	56,954	56,532	67,845	73,474	205,312	254,805
Realized Incentive Fees															
Realized Incentive Fees	8,542	13,749	13,567	15,417	10,024	10,779	10,754	10,933	14,118	14,224	10,503	13,088	418	46,584	38,233
Realized Performance Allocations	6,129	14,068	29,042	2,440	103	41	7,283	9,147	4,586	7,901	9,352	66,376	22,419	21,057	106,048
Unrealized Performance Allocations	(2,600)	26,178	(68,850)	(65,157)	(6,301)	40,607	42,269	31,062	22,675	(5,531)	20,869	(23,863)	(5,723)	136,613	(14,248)
Total Compensation and Benefits	61,948	101,119	25,083	(5,436)	56,208	107,118	108,171	97,780	96,497	73,548	97,256	123,446	90,588	409,566	384,838
Interest Expense	4,547	5,208	5,409	6,043	6,047	5,965	6,031	6,480	7,845	8,091	8,154	14,660	7,685	26,321	38,590
Other Operating Expenses	15,989	16,947	18,228	15,715	18,183	21,375	20,266	27,876	21,458	27,549	23,237	27,318	27,739	90,975	105,843
Total Expenses	82,484	123,274	48,720	16,322	80,438	134,458	134,468	132,136	125,800	109,188	128,647	165,424	126,012	526,862	529,271
Economic Income	\$ 79,229	\$ 118,327	\$ 14,490	\$ 5,664	\$ 27,044	\$ 126,748	\$ 129,151	\$ 124,007	\$ 100,541	\$ 59,693	\$ 93,009	\$ 113,243	\$ 76,104	\$ 480,447	\$ 342,049
Total Assets Under Management	\$ 74,959,534	\$ 81,288,709	\$ 80,841,348	\$ 79,081,252	\$ 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	\$ 93,115,549	\$ 139,966,177
Fee-Earning Assets Under Management	\$ 59,271,744	\$ 61,608,998	\$ 60,337,992	\$ 61,684,380	\$ 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	\$ 71,270,996	\$ 111,397,306

Financial Advisory

(Dollars in Thousands)	1Q'15	2Q'15	3Q'15	4Q'15	1Q'16	2Q'16	3Q'16	4Q'16	1Q'17	2Q'17	3Q'17	4Q'17	1Q'18	Last Twelve Months		
														1Q'17	1Q'18	
Revenues																
Transaction and Advisory Fees, Net	\$ 81,825	\$ 72,155	\$ 143,752	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Transaction and Advisory Fees	81,825	72,155	143,752	-	-	-	-	-	-	-	-	-	-	-	-	-
Principal Investment Income (Loss)																
Realized	(230)	(159)	(479)	-	-	-	-	-	-	-	-	-	-	-	-	-
Unrealized	1,482	(523)	(998)	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Principal Investment Income (Loss)	1,252	(682)	(1,477)	-	-	-	-	-	-	-	-	-	-	-	-	-
Interest Income and Dividend Revenue	2,436	2,335	5,242	-	-	-	-	-	-	-	-	-	-	-	-	-
Other	(956)	(112)	(235)	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Revenues	84,557	73,696	147,282	-	-	-	-	-	-	-	-	-	-	-	-	-
Expenses																
Compensation	67,951	48,797	64,169	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Compensation and Benefits	67,951	48,797	64,169	-	-	-	-	-	-	-	-	-	-	-	-	-
Interest Expense	3,035	3,355	3,566	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Operating Expenses	17,207	14,062	18,461	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Expenses	88,193	66,214	86,196	-	-	-	-	-	-	-	-	-	-	-	-	-
Economic Income (Loss)	\$ (3,636)	\$ 7,482	\$ 61,086	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

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.

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'15	2Q'15	3Q'15	4Q'15	1Q'16	2Q'16	3Q'16	4Q'16	1Q'17	2Q'17	3Q'17	4Q'17	1Q'18	Last Twelve Months	
														1Q'17	1Q'18
Net Income (Loss) Attributable to The Blackstone Group L.P.	\$ 616,823	\$ 128,515	\$ (240,957)	\$ 208,807	\$ 160,074	\$ 198,444	\$ 310,027	\$ 370,469	\$ 451,909	\$ 337,407	\$ 377,920	\$ 304,138	\$ 367,872	\$ 1,330,849	\$ 1,387,337
Net Income (Loss) Attributable to Non-Controlling Interests in															
Blackstone Holdings	633,990	129,834	(235,067)	157,772	131,478	201,648	282,798	344,175	409,046	283,637	340,202	359,438	320,208	1,237,667	1,303,485
Net Income Attributable to Non-Controlling Interests in Consolidated Entities	81,796	66,716	30,671	40,717	40,086	64,729	82,653	58,684	138,685	112,944	113,446	132,364	155,499	344,751	514,253
Net Income (Loss) Attributable to Redeemable Non-Controlling Interests in Consolidated Entities	7,527	13,780	(12,520)	2,358	(6,401)	(2,049)	10,764	1,663	2,000	991	3,215	7,600	(1,275)	12,378	10,531
Net Income (Loss)	\$ 1,340,136	\$ 338,845	\$ (457,873)	\$ 409,654	\$ 325,237	\$ 462,772	\$ 686,242	\$ 774,991	\$ 1,001,640	\$ 734,979	\$ 834,783	\$ 803,540	\$ 842,304	\$ 2,925,645	\$ 3,215,606
Provision for Taxes	99,344	43,251	1,573	46,230	9,146	47,415	27,714	48,087	57,437	29,608	59,512	596,590	54,495	180,653	740,205
Income (Loss) Before Provision for Taxes	\$ 1,439,480	\$ 382,096	\$ (456,300)	\$ 455,884	\$ 334,383	\$ 510,187	\$ 713,956	\$ 823,078	\$ 1,059,077	\$ 764,587	\$ 894,295	\$ 1,400,130	\$ 896,799	\$ 3,106,298	\$ 3,955,811
Transaction-Related Charges (a)	231,862	192,018	80,962	(15,279)	64,136	69,956	60,029	70,816	56,979	57,831	55,714	(347,055)	52,489	257,780	(181,021)
Amortization of Intangibles (b)	25,899	24,720	30,624	23,287	23,208	23,208	22,054	15,996	11,344	11,344	11,344	14,265	14,873	72,602	51,826
(Income) Associated with Non-Controlling Interests of Consolidated Entities (c)	(89,323)	(80,496)	(18,151)	(43,075)	(33,685)	(62,680)	(93,417)	(60,347)	(140,685)	(113,935)	(116,661)	(139,964)	(154,224)	(357,129)	(524,784)
Economic Income (Loss)	\$ 1,607,918	\$ 518,338	\$ (362,865)	\$ 420,817	\$ 388,042	\$ 540,671	\$ 702,622	\$ 849,543	\$ 986,715	\$ 719,827	\$ 844,692	\$ 927,376	\$ 809,937	\$ 3,079,551	\$ 3,301,832
(Taxes) Benefit (d)	(9,719)	(20,587)	(27,070)	29,849	(16,794)	(21,234)	(20,985)	(33,250)	(18,805)	(24,168)	(22,552)	(36,006)	(18,228)	(94,274)	(100,954)
Economic Net Income (Loss)	\$ 1,598,199	\$ 497,751	\$ (389,935)	\$ 450,666	\$ 371,248	\$ 519,437	\$ 681,637	\$ 816,293	\$ 967,910	\$ 695,659	\$ 822,140	\$ 891,370	\$ 791,709	\$ 2,985,277	\$ 3,200,878
Taxes (Benefit) (d)	9,719	20,587	27,070	(29,849)	16,794	21,234	20,985	33,250	18,805	24,168	22,552	36,006	18,228	94,274	100,954
Performance Revenues Adjustment (e)	(1,632,636)	(557,438)	599,466	(219,645)	(315,414)	(448,158)	(663,108)	(750,456)	(1,034,381)	(739,106)	(877,932)	(1,060,401)	(910,547)	(2,896,103)	(3,587,986)
Principal Investment Income Adjustment (f)	(189,641)	(10,774)	136,131	11,435	26,650	(59,771)	(87,887)	(99,282)	(103,959)	(67,720)	(77,572)	(55,737)	(42,671)	(350,899)	(243,700)
Other Revenue (g)	4,872	(3,973)	841	(10,240)	6,248	(8,546)	425	(52,839)	8,287	62,469	34,144	35,151	60,894	(52,673)	192,658
Net Interest Loss (h)	8,402	14,411	9,522	11,846	13,351	13,546	14,184	10,542	10,954	6,591	2,864	29,509	1,853	49,226	40,817
Performance Compensation and Benefits Adjustment (i)	386,581	213,904	(116,587)	86,426	106,827	179,848	263,224	317,679	396,476	303,680	356,371	434,511	373,159	1,157,227	1,467,721
Equity-Based Compensation - Non-Performance Compensation Related (j)	42,248	27,994	15,690	10,969	20,963	16,852	16,624	19,308	26,650	25,442	24,141	17,177	40,248	79,434	107,008
Fee Related Earnings	\$ 227,744	\$ 202,462	\$ 282,198	\$ 311,608	\$ 246,667	\$ 234,442	\$ 246,084	\$ 294,495	\$ 290,742	\$ 311,183	\$ 306,708	\$ 327,586	\$ 332,873	\$ 1,065,763	\$ 1,278,350
Net Realized Performance Revenues (k)	934,939	725,986	359,243	506,851	187,794	251,935	352,008	327,053	772,780	429,177	293,339	948,412	167,384	1,703,776	1,838,312
Realized Principal Investment Income (Loss) (l)	107,792	136,497	87,526	86,993	(10,101)	53,670	60,634	95,666	202,894	100,887	60,188	72,225	28,693	412,864	261,993
Net Interest (Loss) (h)	(8,402)	(14,411)	(9,522)	(11,846)	(13,351)	(13,546)	(14,184)	(10,542)	(10,954)	(6,591)	(2,864)	(29,509)	(1,853)	(49,226)	(40,817)
Taxes and Related Payables Including Payable Under Tax Receivable Agreement (m)	(16,994)	(20,587)	(27,070)	(25,819)	(16,794)	(31,588)	(51,089)	(67,678)	(25,324)	(53,291)	(31,805)	(79,568)	(25,042)	(175,679)	(189,706)
Distributable Earnings	\$ 1,245,079	\$ 1,029,947	\$ 692,375	\$ 867,787	\$ 394,215	\$ 494,913	\$ 593,453	\$ 638,994	\$ 1,230,138	\$ 781,365	\$ 625,566	\$ 1,239,146	\$ 502,055	\$ 2,957,498	\$ 3,148,132
Interest Expense (n)	30,465	36,506	35,957	36,914	36,497	36,020	36,419	39,086	39,450	40,294	40,749	72,345	38,238	150,975	191,626
Taxes and Related Payables Including Payable Under Tax Receivable Agreement (m)	16,994	20,587	27,070	25,819	16,794	31,588	51,089	67,678	25,324	53,291	31,805	79,568	25,042	175,679	189,706
Depreciation and Amortization	6,927	6,715	6,719	6,852	6,292	6,331	7,338	12,010	6,216	6,392	6,027	6,593	6,251	31,895	25,263
Adjusted EBITDA	\$ 1,299,465	\$ 1,093,755	\$ 762,121	\$ 937,372	\$ 453,798	\$ 568,852	\$ 688,299	\$ 757,768	\$ 1,301,128	\$ 881,342	\$ 704,147	\$ 1,397,652	\$ 571,586	\$ 3,316,047	\$ 3,554,727

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
(Income) Associated with Non-Controlling Interests of Consolidated Entities (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 Adjustment (e)	(3,573,819)	(4,408,748)	(1,810,253)	(2,177,136)	(3,711,820)
Principal Investment Income Adjustment (f)	(687,805)	(471,628)	(52,849)	(220,290)	(304,988)
Other Revenue (g)	(10,308)	(9,405)	(8,500)	(54,712)	140,051
Net Interest Loss (h)	32,968	36,511	44,181	51,623	49,918
Performance Compensation and Benefits Adjustment (i)	1,422,455	1,294,235	570,324	867,578	1,491,038
Equity-Based Compensation - Non-Performance Compensation Related (j)	130,124	45,133	96,901	73,747	93,410
Fee Related Earnings	\$ 917,827	\$ 1,038,735	\$ 1,024,012	\$ 1,021,688	\$ 1,236,219
Net Realized Performance Revenues (k)	960,175	1,789,692	2,527,019	1,118,790	2,443,708
Realized Principal Investment Income (l)	170,471	543,425	418,808	199,869	436,194
Net Interest (Loss) (h)	(32,968)	(36,511)	(44,181)	(51,623)	(49,918)
Taxes and Related Payables Including Payable Under Tax Receivable Agreement (m)	(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 (n)	103,904	112,563	139,842	148,022	192,838
Taxes and Related Payables Including Payable Under Tax Receivable Agreement (m)	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

- (a) This adjustment adds back to Income (Loss) Before Provision (Benefit) for Taxes amounts for Transaction-Related Charges which include principally equity-based compensation charges associated with Blackstone's initial public offering and certain long-term retention programs outside of annual deferred compensation, adjustments to the Tax Receivable Agreement Liability and other corporate actions.
- (b) This adjustment adds back to Income (Loss) Before Provision (Benefit) for Taxes amounts for the Amortization of Intangibles which are associated with Blackstone's initial public offering and other corporate actions.
- (c) This adjustment adds back to Income (Loss) Before Provision (Benefit) for Taxes the amount of (Income) Loss Associated with Non-Controlling Interests of Consolidated Entities.
- (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 from EI the total segment amount of Performance Revenues, comprised of Incentive Fees and Performance Allocations.
- (f) This adjustment removes from EI the total segment amount of Principal Investment Income (Loss).
- (g) This adjustment removes from EI the total segment amount of Other Revenue.
- (h) This adjustment represents Interest Income and Dividend Revenue less Interest Expense.
- (i) This adjustment removes from expenses the compensation and benefit amounts related to Blackstone's profit sharing plans related to Performance Revenues, including Performance Compensation Related equity-based award expense.
- (j) Represents Non-Performance Compensation Related equity-based award expense and excludes all transaction-related equity-based charges.
- (k) Represents the adjustment for realized Performance Revenues net of corresponding actual amounts due under Blackstone's profit sharing plans related thereto.
- (l) Represents the adjustment for Blackstone's Realized Principal Investment Income (Loss).
- (m) 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.
- (n) Represents Total Segment Interest Expense.

Walkdown of Financial Metrics

	1Q'15	2Q'15	3Q'15	4Q'15	1Q'16	2Q'16	3Q'16	4Q'16	1Q'17	2Q'17	3Q'17	4Q'17	1Q'18	Last Twelve Months	
														1Q'17	1Q'18
▶ Management and Advisory Fees, Net (a)	\$ 619,763	\$ 586,784	\$ 708,667	\$ 649,691	\$ 613,201	\$ 612,220	\$ 601,680	\$ 635,892	\$ 649,581	\$ 696,836	\$ 691,982	\$ 732,392	\$ 736,044	\$ 2,499,373	\$ 2,857,254
▶ Fee Related Compensation (b)	(287,590)	(261,358)	(313,885)	(229,485)	(266,440)	(269,303)	(251,971)	(221,755)	(262,377)	(279,815)	(278,657)	(288,857)	(296,079)	(1,005,406)	(1,143,408)
▶ Other Operating Expenses (a)	(104,429)	(122,964)	(112,584)	(108,598)	(100,094)	(108,475)	(103,625)	(119,642)	(96,462)	(105,838)	(106,617)	(115,949)	(107,092)	(428,204)	(435,496)
Fee Related Earnings	\$ 227,744	\$ 202,462	\$ 282,198	\$ 311,608	\$ 246,667	\$ 234,442	\$ 246,084	\$ 294,495	\$ 290,742	\$ 311,183	\$ 306,708	\$ 327,586	\$ 332,873	\$ 1,065,763	\$ 1,278,350
▶ Net Realized Performance Revenues (b)	934,939	725,986	359,243	506,851	187,794	251,935	352,008	327,053	772,780	429,177	293,339	948,412	167,384	1,703,776	1,838,312
▶ Realized Principal Investment Income (Loss) (a)	107,792	136,497	87,526	86,993	(10,101)	53,670	60,634	95,666	202,894	100,887	60,188	72,225	28,693	412,864	261,993
▶ Net Interest (Loss) (b)	(8,402)	(14,411)	(9,522)	(11,846)	(13,351)	(13,546)	(14,184)	(10,542)	(10,954)	(6,591)	(2,864)	(29,509)	(1,853)	(49,226)	(40,817)
▶ Taxes and Related Payables (b)(c)	(16,994)	(20,587)	(27,070)	(25,819)	(16,794)	(31,588)	(51,089)	(67,678)	(25,324)	(53,291)	(31,805)	(79,568)	(25,042)	(175,679)	(189,706)
Distributable Earnings	\$ 1,245,079	\$ 1,029,947	\$ 692,375	\$ 867,787	\$ 394,215	\$ 494,913	\$ 593,453	\$ 638,994	\$ 1,230,138	\$ 781,365	\$ 625,566	\$ 1,239,146	\$ 502,055	\$ 2,957,498	\$ 3,148,132
▶ Net Unrealized Performance Revenues (b)	313,266	(381,899)	(839,993)	(372,321)	21,854	18,045	49,430	107,263	(131,611)	8,797	231,891	(318,303)	373,904	43,127	296,289
▶ Unrealized Principal Investment Income (Loss) (a)	81,849	(125,723)	(223,657)	(98,428)	(16,549)	6,101	27,253	3,616	(98,935)	(33,167)	17,384	(16,488)	13,978	(61,965)	(18,293)
▶ Other Revenue (a)	(4,872)	3,973	(841)	10,240	(6,248)	8,546	(425)	52,839	(8,287)	(62,469)	(34,144)	(35,151)	(60,894)	52,673	(192,658)
▶ Add Back: Related Payables (b)(d)	7,275	-	-	55,668	-	10,354	30,104	34,428	6,519	29,123	9,253	43,562	6,814	81,405	88,752
▶ Less: Equity-Based Compensation (b)(e)	(44,398)	(28,547)	(17,819)	(12,280)	(22,024)	(18,522)	(18,178)	(20,847)	(29,914)	(27,990)	(27,810)	(21,396)	(44,148)	(87,461)	(121,344)
Economic Net Income (Loss)	\$ 1,598,199	\$ 497,751	\$ (389,935)	\$ 450,666	\$ 371,248	\$ 519,437	\$ 681,637	\$ 816,293	\$ 967,910	\$ 695,659	\$ 822,140	\$ 891,370	\$ 791,709	\$ 2,985,277	\$ 3,200,878

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 (Benefit) for Taxes 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 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	\$ 917,827	\$ 1,038,735	\$ 1,024,012	\$ 1,021,688	\$ 1,236,219
▶ Net Realized Performance Revenues (b)	960,175	1,789,692	2,527,019	1,118,790	2,443,708
▶ 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)
▶ 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

Fee
Earnings

Distributable

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 (Benefit) for Taxes 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'15	2Q'15	3Q'15	4Q'15	1Q'16	2Q'16	3Q'16	4Q'16	1Q'17	2Q'17	3Q'17	4Q'17	1Q'18	Last Twelve Months	
														1Q'17	1Q'18
Compensation	\$ (329,838)	\$ (289,352)	\$ (329,575)	\$ (240,454)	\$ (287,403)	\$ (286,155)	\$ (268,595)	\$ (241,063)	\$ (289,027)	\$ (305,257)	\$ (302,798)	\$ (306,034)	\$ (336,327)	\$ (1,084,840)	\$ (1,250,416)
Less: Equity-Based Compensation - Non-Performance Compensation Related (a)	42,248	27,994	15,690	10,969	20,963	16,852	16,624	19,308	26,650	25,442	24,141	17,177	40,248	79,434	107,008
Fee Related Compensation	\$ (287,590)	\$ (261,358)	\$ (313,885)	\$ (229,485)	\$ (266,440)	\$ (269,303)	\$ (251,971)	\$ (221,755)	\$ (262,377)	\$ (279,815)	\$ (278,657)	\$ (288,857)	\$ (296,079)	\$ (1,005,406)	\$ (1,143,408)
Realized Incentive Fees	28,380	42,161	34,808	63,205	28,007	29,231	26,992	66,811	46,511	40,303	35,513	122,057	12,566	169,545	210,439
Realized Performance Allocations	1,208,884	943,141	435,166	644,877	231,352	323,866	507,325	433,432	1,111,948	603,096	434,994	1,422,830	269,642	2,376,571	2,730,562
Less: Realized Incentive Fees Compensation	(12,385)	(20,165)	(15,787)	(28,954)	(13,785)	(14,763)	(13,003)	(27,370)	(22,465)	(21,032)	(18,332)	(43,450)	(6,662)	(77,601)	(89,476)
Less: Realized Performance Allocations Compensation	(292,090)	(239,704)	(97,073)	(173,588)	(58,841)	(88,069)	(170,860)	(147,359)	(366,478)	(195,738)	(162,505)	(557,244)	(112,062)	(772,766)	(1,027,549)
Plus: Equity-Based Compensation - Performance Compensation Related (a)	2,150	553	2,129	1,311	1,061	1,670	1,554	1,539	3,264	2,548	3,669	4,219	3,900	8,027	14,336
Net Realized Performance Revenues	\$ 934,939	\$ 725,986	\$ 359,243	\$ 506,851	\$ 187,794	\$ 251,935	\$ 352,008	\$ 327,053	\$ 772,780	\$ 429,177	\$ 293,339	\$ 948,412	\$ 167,384	\$ 1,703,776	\$ 1,838,312
Interest Income and Dividend Revenue	22,063	22,095	26,435	25,068	23,146	22,474	22,235	28,544	28,496	33,703	37,885	42,836	36,385	101,749	150,809
Less: Interest Expense	(30,465)	(36,506)	(35,957)	(36,914)	(36,497)	(36,020)	(36,419)	(39,086)	(39,450)	(40,294)	(40,749)	(72,345)	(38,238)	(150,975)	(191,626)
Net Interest (Loss)	\$ (8,402)	\$ (14,411)	\$ (9,522)	\$ (11,846)	\$ (13,351)	\$ (13,546)	\$ (14,184)	\$ (10,542)	\$ (10,954)	\$ (6,591)	\$ (2,864)	\$ (29,509)	\$ (1,853)	\$ (49,226)	\$ (40,817)
Taxes and Related Payables (b)	\$ (16,994)	\$ (20,587)	\$ (27,070)	\$ (25,819)	\$ (16,794)	\$ (31,588)	\$ (51,089)	\$ (67,678)	\$ (25,324)	\$ (53,291)	\$ (31,805)	\$ (79,568)	\$ (25,042)	\$ (175,679)	\$ (189,706)
Unrealized Performance Allocations	395,372	(427,864)	(1,069,440)	(488,437)	56,055	95,061	128,791	250,213	(124,078)	95,707	407,425	(484,486)	628,339	349,987	646,985
Less: Unrealized Performance Allocations Compensation	(82,106)	45,965	229,447	116,116	(34,201)	(77,016)	(79,361)	(142,950)	(7,533)	(86,910)	(175,534)	166,183	(254,435)	(306,860)	(350,696)
Net Unrealized Performance Revenues	\$ 313,266	\$ (381,899)	\$ (839,993)	\$ (372,321)	\$ 21,854	\$ 18,045	\$ 49,430	\$ 107,263	\$ (131,611)	\$ 8,797	\$ 231,891	\$ (318,303)	\$ 373,904	\$ 43,127	\$ 296,289
Related Payables (c)	\$ 7,275	\$ -	\$ -	\$ 55,668	\$ -	\$ 10,354	\$ 30,104	\$ 34,428	\$ 6,519	\$ 29,123	\$ 9,253	\$ 43,562	\$ 6,814	\$ 81,405	\$ 88,752
Equity-Based Compensation - Non-Performance Compensation Related (a)	42,248	27,994	15,690	10,969	20,963	16,852	16,624	19,308	26,650	25,442	24,141	17,177	40,248	79,434	107,008
Plus: Equity-Based Compensation - Performance Compensation Related (a)	2,150	553	2,129	1,311	1,061	1,670	1,554	1,539	3,264	2,548	3,669	4,219	3,900	8,027	14,336
Equity-Based Compensation	\$ 44,398	\$ 28,547	\$ 17,819	\$ 12,280	\$ 22,024	\$ 18,522	\$ 18,178	\$ 20,847	\$ 29,914	\$ 27,990	\$ 27,810	\$ 21,396	\$ 44,148	\$ 87,461	\$ 121,344

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

(a) Represents equity-based award expense included in Economic Income, which excludes all transaction-related equity-based charges.

(b) 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.

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

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

(Dollars in Thousands)	2013	2014	2015	2016	2017
Compensation	\$ (1,115,640)	\$ (1,153,511)	\$ (1,189,219)	\$ (1,083,216)	\$ (1,203,116)
Less: Equity-Based Compensation - Non-Performance Related (a)	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 (a)	-	3,093	6,143	5,824	13,700
Net Realized Performance Revenues	\$ 960,175	\$ 1,789,692	\$ 2,527,019	\$ 1,118,790	\$ 2,443,708
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 (b)	\$ (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 (c)	\$ 74,570	\$ 81,276	\$ 62,943	\$ 74,886	\$ 88,457
Equity-Based Compensation - Non-Performance Compensation Related (a)	130,124	45,133	96,901	73,747	93,410
Plus: Equity-Based Compensation - Performance Compensation Related (a)	-	3,093	6,143	5,824	13,700
Equity-Based Compensation	\$ 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 equity-based award expense included in Economic Income, which excludes all transaction-related equity-based charges.

(b) 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.

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

Investment Records as of March 31, 2018^(a)

(Dollars in Thousands, Except Where Noted)

Fund (Investment Period Beginning Date / Ending Date)	Committed		Unrealized Investments			Realized Investments		Total Investments		Net IRRs (d)		
	Capital	Available Capital (b)	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	17,393		1.4x	2,953,649	1.4x	2,971,042	1.4x	7%	6%	
BCP IV (Nov 2002 / Dec 2005)	6,773,182	209,294	702,682		0.7x	20,677,725	3.2x	21,380,407	2.8x	42%	36%	
BCP V (Dec 2005 / Jan 2011)	21,026,008	1,056,606	2,256,174		1.1x	35,892,518	2.0x	38,148,692	1.9x	9%	8%	
BCP VI (Jan 2011 / May 2016)	15,190,284	1,807,564	16,676,954		1.7x	8,567,871	2.0x	25,244,825	1.8x	22%	14%	
BEP I (Aug 2011 / Feb 2015)	2,437,617	159,896	2,513,248		1.5x	1,384,179	2.0x	3,897,427	1.6x	29%	12%	
BEP II (Feb 2015 / Feb 2021) (e)	4,868,538	1,831,339	2,621,584		1.3x	55,898	2.5x	2,677,482	1.3x	n/m	13%	
BCP VII (May 2016 / May 2022)	18,551,468	12,824,126	5,233,973		1.3x	282,579	1.1x	5,516,552	1.3x	n/m	15%	
BCP Asia (Dec 2017 / Dec 2023) (f)	1,797,100	1,627,752	103		n/m	-	n/a	103	n/m	n/a	n/m	
Total Corporate Private Equity	\$ 78,969,130	\$ 19,541,152	\$ 30,022,111		1.4x	\$ 83,997,664	2.2x	\$ 114,019,775	1.9x	17%	15%	
Tactical Opportunities	17,551,322	7,729,918	10,003,228		1.2x	4,653,915	1.7x	14,657,143	1.4x	23%	12%	
Tactical Opportunities Co-Investment and Other	5,257,448	1,449,306	3,823,716		1.2x	1,130,175	1.6x	4,953,891	1.2x	n/a	15%	
Strategic Partners I-V and Co-Investment (g)	11,862,592	1,743,623	2,154,396		n/m	15,360,143	n/m	17,514,539	1.5x	n/a	13%	
Strategic Partners VI LBO, RE and SMA (g)	7,402,171	2,345,359	3,362,791		n/m	2,540,056	n/m	5,902,847	1.4x	n/a	21%	
Strategic Partners VII (g)	7,669,970	2,685,945	4,204,924		n/m	281,924	n/m	4,486,848	1.3x	n/a	63%	
Strategic Partners RA II (g)	1,806,807	1,465,246	251,324		n/m	5,582	n/m	256,906	1.2x	n/a	n/m	
BCEP (Jan 2017 / Jan 2021) (h)	4,755,133	3,376,278	1,451,222		1.1x	-	n/a	1,451,222	1.1x	n/a	4%	
Other Funds and Co-Investment (i)	1,129,258	513	66,087		0.9x	639,492	0.9x	705,579	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	-	356,962		0.4x	4,193,319	2.2x	4,550,281	1.7x	35%	12%	
BREP V (Dec 2005 / Feb 2007)	5,539,418	-	1,757,545		2.0x	11,571,333	2.4x	13,328,878	2.3x	13%	11%	
BREP VI (Feb 2007 / Aug 2011)	11,060,444	556,442	2,031,419		2.0x	25,400,275	2.6x	27,431,694	2.5x	14%	13%	
BREP VII (Aug 2011 / Apr 2015)	13,495,014	2,063,162	12,300,534		1.7x	16,197,932	2.1x	28,498,466	1.9x	29%	18%	
BREP VIII (Apr 2015 / Oct 2020)	16,411,403	8,884,917	10,308,128		1.4x	3,700,071	1.5x	14,008,199	1.4x	28%	17%	
Total Global BREP	\$ 51,947,442	\$ 11,504,521	\$ 26,754,588		1.5x	\$ 68,597,848	2.3x	\$ 95,352,436	2.0x	20%	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) (j)	1,629,748	-	178,866		0.7x	2,242,404	2.0x	2,421,270	1.7x	10%	8%	
BREP Europe III (Jun 2008 / Sep 2013)	3,205,167	454,762	1,402,919		1.5x	4,965,527	2.5x	6,368,446	2.2x	22%	16%	
BREP Europe IV (Sep 2013 / Dec 2016)	6,709,008	1,296,578	5,053,183		1.5x	5,855,191	2.0x	10,908,374	1.7x	28%	18%	
BREP Europe V (Dec 2016 / Jun 2022)	7,855,508	4,494,806	3,571,217		1.2x	12,559	2.5x	3,583,776	1.2x	n/m	20%	
Total Euro BREP	€ 20,223,603	€ 6,246,146	€ 10,206,185		1.3x	€ 14,444,697	2.1x	€ 24,650,882	1.7x	18%	14%	
BREP Asia I (Jun 2013 / Dec 2017)	\$ 5,095,494	\$ 1,893,763	\$ 4,268,941		1.4x	\$ 2,435,863	1.8x	\$ 6,704,804	1.5x	23%	17%	
BREP Asia II (Dec 2017 / Jun 2023)	6,911,267	6,755,702	323,200		1.0x	-	n/a	323,200	1.0x	n/a	n/a	
BREP Co-Investment (k)	6,892,347	146,573	2,311,814		1.8x	55%	11,510,361	2.1x	13,822,175	2.0x	16%	16%
Total BREP	\$ 95,605,403	\$ 28,073,264	\$ 45,861,628		1.5x	\$ 101,124,888	2.2x	\$ 146,986,516	1.9x	19%	16%	
BPP (l)	\$ 23,755,472	\$ 3,425,136	\$ 23,531,250		1.2x	\$ 1,947,913	n/m	\$ 25,479,163	1.2x	n/m	12%	
BREDS (m)	\$ 13,242,063	\$ 5,244,979	\$ 3,094,557		1.1x	\$ 8,872,128	1.3x	\$ 11,966,685	1.3x	12%	11%	
Hedge Fund Solutions												
BSCH (Dec 2013 / Jun 2020) (n)	\$ 3,298,575	\$ 2,351,974	\$ 950,535		1.0x	\$ 246,864	n/a	\$ 1,197,399	1.3x	n/a	6%	
BSCH Co-Investment	276,000	164,903	104,812		0.9x	22,953	n/a	127,765	1.1x	n/a	11%	
Total Hedge Fund Solutions	\$ 3,574,575	\$ 2,516,877	\$ 1,055,347		1.0x	\$ 269,817	n/a	\$ 1,325,164	1.3x	n/a	6%	
Credit (o)												
Mezzanine I (Jul 2007 / Oct 2011)	\$ 2,000,000	\$ 97,114	\$ 44,779		0.8x	\$ 4,769,092	1.6x	\$ 4,813,871	1.6x	n/a	17%	
Mezzanine II (Nov 2011 / Nov 2016)	4,120,000	1,159,450	2,539,622		1.1x	3,938,808	1.5x	6,478,430	1.3x	n/a	13%	
Mezzanine III (Sep 2016 / Sep 2021)	6,639,133	4,074,443	2,546,836		1.1x	548,379	1.5x	3,095,215	1.1x	n/a	13%	
Stressed / Distressed Investing I (Sep 2009 / May 2013)	3,253,143	175,000	382,975		0.6x	5,541,392	1.5x	5,924,367	1.4x	n/a	11%	
Stressed / Distressed Investing II (Jun 2013 / Jun 2018)	5,125,000	704,060	2,979,367		1.1x	2,670,978	1.4x	5,650,345	1.2x	n/a	13%	
Stressed / Distressed Investing III (Dec 2017 / Dec 2022)	7,331,130	6,876,354	454,546		1.1x	10,482	n/a	465,028	1.1x	n/a	n/a	
Energy Select Opportunities (Nov 2015 / Nov 2018)	2,856,867	1,382,309	1,583,917		1.2x	383,558	1.7x	1,967,475	1.2x	n/a	19%	
Euro												
European Senior Debt Fund (Feb 2015 / Feb 2019)	€ 1,964,689	€ 1,636,988	€ 1,712,615		1.0x	€ 556,585	1.6x	€ 2,269,200	1.1x	n/a	11%	
Total Credit	\$ 33,591,683	\$ 16,482,061	\$ 12,638,301		1.1x	\$ 18,496,740	1.5x	\$ 31,135,041	1.3x	n/a	14%	

Investment Records as of March 31, 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 March 31, 2018 IRR on total invested capital based on realized proceeds and unrealized value, as applicable, after management fees, expenses and Carried Interest.
- (e) Total Net IRR represents the compound annual rate of return based on actual limited partner cash flows and valuations after management fees (excluding management fees funded using its revolving credit facility), expenses and the general partners' allocation of profits. Including management fees funded using the revolving credit facility, BEP II's Total Net IRR would have been 13%. BEP II's Realized Net IRR is not meaningful.
- (f) Includes foreign currency gain or loss on invested undrawn capital, if any.
- (g) Realizations are treated as return of capital until fully recovered and therefore unrealized and realized MOICs are not meaningful.
- (h) BCEP, or Blackstone Core Equity Partners, is a core private equity fund which invests with a more modest risk profile and longer hold period.
- (i) Returns for Other Funds and Co-Investment are not meaningful as these funds have limited transaction activity.
- (j) The 10% 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 9% Realized Net IRR and a 6% Total Net IRR.
- (k) 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.
- (l) BPP represents the core+ real estate funds which invest with a more modest risk profile and lower leverage. Excludes BREIT.
- (m) Excludes Capital Trust drawdown funds.
- (n) BSCH, or Blackstone Strategic Capital Holdings, is a permanent capital vehicle focused on acquiring strategic minority positions in alternative asset managers.
- (o) 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:

- Blackstone uses Economic Income, or “EI”, as a key measure of value creation, a benchmark of its performance and in making resource deployment and compensation decisions across its four segments. EI represents segment net income before taxes excluding transaction-related charges. Transaction-related charges arise from Blackstone’s initial public offering (“IPO”) and certain long-term retention programs outside of annual deferred compensation and other corporate actions, including acquisitions. Transaction-related charges include certain equity-based compensation charges, the amortization of intangible assets and contingent consideration associated with acquisitions. EI presents revenues and expenses on a basis that deconsolidates the investment funds Blackstone manages.
- Economic Net Income, or “ENI”, represents EI adjusted to include current period taxes. 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.
- Performance Revenue collectively refers to: (a) Realized Incentive Fees, and (b) Performance Allocations. Performance Compensation collectively refers to the related compensation and benefit amounts for: (a) Realized Incentive Fees Compensation, and (b) Performance Allocations.
- Blackstone uses Fee Related Earnings, or “FRE”, which is derived from EI, as a measure to highlight earnings from operations excluding: (a) the income related to performance revenues and related performance compensation, (b) income earned from Blackstone’s investments in the Blackstone Funds, (c) net interest income (loss), (d) equity-based compensation, and (e) Other Revenue. Blackstone uses FRE as a measure to assess whether recurring revenue from its businesses is sufficient to adequately cover all of its operating expenses and generate profits. FRE equals contractual management fee revenues less (a) compensation expenses (which excludes amortization of equity-based awards, and Performance Compensation), and (b) other operating expenses.
- Distributable Earnings, or “DE”, which is derived from Blackstone’s segment reported results, is a supplemental measure 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, which is a component of ENI, is the sum across all segments of: (a) Total Management, Advisory and Other Fees, Net, (b) Interest and Dividend Revenue, (c) Realized Incentive Fees, and (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, (f) Taxes and Related Payables Under the Tax Receivable Agreement. DE is reconciled to Blackstone's Consolidated Statement of Operations.
- Blackstone uses Adjusted Earnings Before Interest, Taxes and Depreciation and Amortization, or “Adjusted EBITDA”, as a supplemental non-GAAP measure derived from segment reported results and may be used to assess its ability to service its borrowings. Adjusted EBITDA represents DE plus the addition of (a) Interest Expense, (b) Taxes and Related Payables including Payable Under Tax Receivable Agreement, and (c) Depreciation and Amortization.