

Report of Organizational Actions Affecting Basis of Securities

▶ See separate instructions.

Part I Reporting Issuer			
1 Issuer's name The Blackstone Group Inc.		2 Issuer's employer identification number (EIN) 20-8875684	
3 Name of contact for additional information Blackstone Shareholder Relations	4 Telephone No. of contact 888-756-8443	5 Email address of contact Blackstoneshareholderrelations@blackstone.com	
6 Number and street (or P.O. box if mail is not delivered to street address) of contact 345 Park Ave		7 City, town, or post office, state, and ZIP code of contact New York, NY 10154	
8 Date of action July 1, 2019		9 Classification and description Class A, Class B, and Class C Common Stock	
10 CUSIP number 09260D107	11 Serial number(s)	12 Ticker symbol BX	13 Account number(s)

Part II Organizational Action Attach additional statements if needed. See back of form for additional questions.

14 Describe the organizational action and, if applicable, the date of the action or the date against which shareholders' ownership is measured for the action ▶ On July 1, 2019, The Blackstone Group L.P. (the "Partnership") converted from a Delaware limited partnership to a Delaware corporation (the "Conversion") named The Blackstone Group Inc. (the "Corporation"). Each common unit of the partnership ("Common Unit") outstanding immediately prior to the effective time of the conversion was converted into one share of Class A common stock of the Corporation. The special voting unit of the Partnership outstanding immediately prior to the effective time of the conversion was converted into one share of Class B common stock of the Corporation. Each general partner unit of the Partnership outstanding immediately prior to the effective time of the conversion was converted into one share of Class C common stock of the Corporation.

The Conversion was treated as a Section 351 contribution by the Partnership of its assets, the stock of Blackstone Holdings I/II GP Inc. and Blackstone Holdings IV GP L.P. and the interests owned in unincorporated entities, and liabilities to the Corporation in exchange for Class A, Class B and Class C common stock of the Corporation. As part of the Conversion, the Partnership was treated as terminating under Section 708 and the unitholders received the Corporation stock in the deemed liquidation.

15 Describe the quantitative effect of the organizational action on the basis of the security in the hands of a U.S. taxpayer as an adjustment per share or as a percentage of old basis ▶ The Conversion qualifies for the non-recognition of gain or loss to the unitholders for U.S. federal income tax purposes except the unitholder could recognize gain to the extent that the unitholder's share of the Partnership's liabilities exceeds its outside basis in the Common Units.

The unitholders will take basis in the common share of the Corporation equal to their prior basis in the Common Units of the Partnership, reduced by their share of liabilities.

16 Describe the calculation of the change in basis and the data that supports the calculation, such as the market values of securities and the valuation dates ▶ Not applicable

Part II Organizational Action *(continued)*

17 List the applicable Internal Revenue Code section(s) and subsection(s) upon which the tax treatment is based ▶ Section 351, Section 708, Section 731, Section 732

18 Can any resulting loss be recognized? ▶ No loss may be recognized in connection with the Conversion.

19 Provide any other information necessary to implement the adjustment, such as the reportable tax year ▶ The U.S. federal income tax consequences of the Conversion are taken into account in the tax year of each unitholder that includes July 1, 2019. The final Form K-1 filed by the Partnership for the tax year ended 2019 may contain tax information relevant to a unitholder's basis adjustments resulting from the Conversion.

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

Sign Here

Signature ▶  Date ▶ 8/14/2019

Print your name ▶ Michael Chae Title ▶ Senior Managing Director

Paid Preparer Use Only	Print/Type preparer's name	Preparer's signature	Date	Check <input type="checkbox"/> if self-employed	PTIN
	Firm's name ▶				Firm's EIN ▶
	Firm's address ▶				Phone no.