

Blackstone's 4Q'17 Supplemental Financial Data

February 1, 2018

Note: Effective 4Q'17, Total Segment measures have been redefined to eliminate inter-segment interest revenue and expense. This adjustment results in no change to Economic Income, ENI, DE and FRE on a Total Segment basis, but results in changes to each segment's Economic Income. All historical results since its inception in 1Q'14 have been recast. Please see the "Definitions" tab in this worksheet for Blackstone's Definitions of these measures. Effective 4Q'17, an insurance related multi-asset product in our Private Equity segment was reclassified to our Credit segment. All historical results since its inception in 3Q'16 have been recast.

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	Year-to-Date	
													4Q'16	4Q'17
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	\$ 2,397,779	\$ 2,680,391
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	144,858	156,816
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)	(79,644)	(66,416)
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	2,462,993	2,770,791
Performance Fees														
Realized Carried Interest	1,207,594	937,483	435,189	625,610	230,909	323,734	504,022	416,250	1,111,322	602,293	369,309	1,357,029	1,474,915	3,439,953
Realized Incentive Fees	29,670	47,819	34,785	82,472	28,450	29,363	30,295	83,993	47,137	41,106	101,198	187,858	172,101	377,299
Unrealized Carried Interest	373,852	(441,949)	(1,055,977)	(471,222)	47,606	88,268	106,157	239,210	(154,747)	65,080	432,597	(443,581)	481,241	(100,651)
Unrealized Incentive Fees	62,620	26,311	(53,346)	(42,834)	7,100	8,007	32,172	2,450	60,016	48,527	(8,472)	(108,548)	49,729	(8,477)
Total Performance Fees	1,673,736	569,664	(639,349)	194,026	314,065	449,372	672,646	741,903	1,063,728	757,006	894,632	992,758	2,177,986	3,708,124
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	199,869	436,194
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)	20,421	(131,206)
Total 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	220,290	304,988
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	96,399	142,920
Other	(4,872)	3,973	(841)	10,240	(6,248)	8,546	(425)	52,839	(8,287)	(62,469)	(34,144)	(35,151)	54,712	(140,051)
Total Revenues	2,500,331	1,193,290	(41,219)	867,590	917,514	1,152,383	1,384,023	1,558,460	1,837,477	1,492,796	1,667,927	1,788,572	5,012,380	6,786,772
Expenses														
Compensation														
Realized Carried Interest	292,248	238,032	97,799	165,721	58,503	87,581	168,427	141,443	366,191	195,289	134,014	531,067	455,954	1,226,561
Realized Incentive Fees	12,227	21,837	15,061	36,821	14,123	15,251	15,436	33,286	22,752	21,481	46,823	69,627	78,096	160,683
Unrealized Carried Interest	74,380	(50,559)	(228,697)	(107,820)	30,001	75,202	70,044	137,591	(4,387)	74,500	187,158	(151,899)	312,838	105,372
Unrealized Incentive Fees	24,961	6,131	(14,642)	(18,940)	3,448	2,689	13,508	1,489	23,139	20,600	(7,094)	(40,931)	21,134	(4,286)
Total Compensation and Benefits	733,654	504,793	199,096	316,236	393,478	466,878	536,010	554,872	696,722	617,127	663,699	713,898	1,951,238	2,691,446
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	148,022	192,838
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	431,836	424,866
Total Expenses	868,548	664,263	347,637	461,748	530,069	611,373	676,054	713,600	832,634	763,259	811,065	902,192	2,531,096	3,309,150
Economic Income (Loss)	\$ 1,631,783	\$ 529,027	\$ (388,856)	\$ 405,842	\$ 387,445	\$ 541,010	\$ 707,969	\$ 844,860	\$ 1,004,843	\$ 729,537	\$ 856,862	\$ 886,380	\$ 2,481,284	\$ 3,477,622
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	\$ 366,553,465	\$ 434,128,243
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	\$ 277,092,672	\$ 335,343,998

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	Year-to-Date	
													4Q'16	4Q'17
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	\$ 555,593	\$ 724,818
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	39,283	57,624
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)	(34,810)	(18,007)
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	560,066	764,435
Performance Fees														
Realized Carried Interest	382,978	546,575	214,532	330,902	30,282	57,056	26,398	131,532	582,681	198,168	101,918	274,421	245,268	1,157,188
Unrealized Carried Interest	566,822	(305,573)	(809,363)	(169,841)	73,875	85,047	144,754	122,015	(184,478)	9	80,326	90,929	425,691	(13,214)
Total Performance Fees	949,800	241,002	(594,831)	161,061	104,157	142,103	171,152	253,547	398,203	198,177	182,244	365,350	670,959	1,143,974
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	73,377	154,837
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)	(4,593)	(51,417)
Total 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	68,784	103,420
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	25,364	32,838
Other	(1,825)	2,515	471	4,693	(1,587)	3,395	411	18,239	(1,800)	(16,124)	(8,346)	(9,392)	20,458	(35,662)
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	1,345,631	2,009,005
Expenses														
Compensation	71,072	68,106	70,419	70,651	80,274	83,140	73,638	72,916	83,603	90,676	96,166	92,229	309,968	362,674
Performance Fee Compensation														
Realized Carried Interest	39,482	106,502	16,303	94,635	15,427	30,946	13,741	50,768	181,633	63,060	48,019	111,832	110,882	404,544
Unrealized Carried Interest	178,120	(25,574)	(141,448)	(21,270)	9,296	19,450	69,300	65,891	(39,356)	22,219	45,484	42,748	163,937	71,095
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	584,787	838,313
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	49,126	51,129
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	130,685	120,997
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	764,598	1,010,439
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	\$ 581,033	\$ 998,566
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	\$ 100,189,994	\$ 105,560,576
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	\$ 69,110,457	\$ 70,140,883

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	Year-to-Date	
													4Q'16	4Q'17
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	\$ 795,161	\$ 872,191
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	95,324	82,781
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)	(7,322)	(15,934)
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	883,163	939,038
Performance Fees														
Realized Carried Interest	811,249	363,983	169,051	290,450	200,627	266,382	461,980	274,495	519,841	389,004	261,122	954,505	1,203,484	2,124,472
Realized Incentive Fees	723	1,220	3,879	11,331	4,069	6,099	3,857	15,600	2,914	5,315	50,588	37,585	29,625	96,402
Unrealized Carried Interest	(181,019)	(188,608)	(128,854)	(182,061)	(11,522)	(84,875)	(113,449)	58,849	(22,268)	77,200	292,544	(493,952)	(150,997)	(146,476)
Unrealized Incentive Fees	6,069	3,935	2,784	8,014	9,765	5,942	14,445	9,375	18,713	22,608	(21,977)	(18,775)	39,527	569
Total Performance Fees	637,022	180,530	46,860	127,734	202,939	193,548	366,833	358,319	519,200	494,127	582,277	479,363	1,121,639	2,074,967
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	122,712	255,903
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)	(1,119)	(122,220)
Total 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	121,593	133,683
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	38,453	58,084
Other	(3,977)	1,077	(938)	2,416	(1,909)	2,231	(548)	16,749	(3,150)	(22,965)	(13,108)	(12,202)	16,523	(51,425)
Total Revenues	912,181	323,899	185,816	358,334	453,505	436,782	626,218	664,866	779,478	761,669	861,192	752,008	2,181,371	3,154,347
Expenses														
Compensation														
Realized Carried Interest	246,496	116,168	52,546	68,827	43,076	56,441	147,419	85,686	179,925	124,292	84,192	354,602	332,622	743,011
Realized Incentive Fees	356	671	1,838	5,813	2,133	3,300	1,764	4,888	1,364	2,931	21,887	20,011	12,085	46,193
Unrealized Carried Interest	(98,084)	(50,559)	(23,018)	(24,686)	27,703	14,257	(38,972)	41,787	11,798	59,174	113,731	(171,015)	44,775	13,688
Unrealized Incentive Fees	2,575	230	5,215	797	4,158	2,542	6,229	3,943	8,509	9,680	(10,005)	(8,215)	16,872	(31)
Total Compensation and Benefits	236,177	145,994	135,836	145,559	177,648	179,428	216,326	218,304	304,298	306,343	315,558	303,873	791,706	1,230,072
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	49,849	71,341
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	137,581	136,042
Total Expenses	273,896	186,748	174,997	196,000	221,762	227,362	260,614	269,398	349,797	354,509	363,842	369,307	979,136	1,437,455
Economic Income	\$ 638,285	\$ 137,151	\$ 10,819	\$ 162,334	\$ 231,743	\$ 209,420	\$ 365,604	\$ 395,468	\$ 429,681	\$ 407,160	\$ 497,350	\$ 382,701	\$ 1,202,235	\$ 1,716,892
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	\$ 101,963,652	\$ 115,340,363
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	\$ 72,030,054	\$ 83,984,824

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	Year-to-Date	
													4Q'16	4Q'17
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	\$ 521,736	\$ 516,048
Transaction and Other Fees, Net	25	-	219	73	543	(5)	116	407	259	1,696	48	977	1,061	2,980
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	522,797	518,935
Performance Fees														
Realized Incentive Fees	10,516	16,915	2,783	37,983	2,684	(251)	4,572	35,172	14,684	6,995	14,217	118,447	42,177	154,343
Unrealized Carried Interest	-	8,014	(5,394)	(599)	32	801	(84)	(245)	3,797	143	635	231	504	4,806
Unrealized Incentive Fees	47,427	15,855	(29,711)	(41,655)	(2,935)	1,036	12,038	(9,354)	40,311	22,458	29,349	(89,153)	785	2,965
Total Performance Fees	57,943	40,784	(32,322)	(4,271)	(219)	1,586	16,526	25,573	58,792	29,596	44,201	29,525	43,466	162,114
Investment Income (Loss)														
Realized	(10,375)	(1,757)	(468)	(141)	(4,745)	(515)	(1,211)	(753)	(632)	225	1,316	8,165	(7,224)	9,074
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)	15,462	41,012
Total 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	8,238	50,086
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	13,864	21,525
Other	(1,607)	459	(66)	1,414	(1,388)	1,125	(260)	8,680	(1,610)	(10,720)	(5,859)	(6,191)	8,157	(24,380)
Total Revenues	183,391	173,606	96,714	130,515	115,133	144,425	160,534	176,430	207,567	165,747	187,127	167,839	596,522	728,280
Expenses														
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	185,320	176,782
Performance Fee Compensation														
Realized Incentive Fees	3,470	8,711	(436)	15,410	1,863	1,325	2,902	13,307	7,317	4,362	6,884	34,785	19,397	53,348
Unrealized Carried Interest	-	4,077	(3,041)	(213)	-	238	35	(92)	1,209	178	216	183	181	1,786
Unrealized Incentive Fees	15,651	3,764	(7,011)	(15,316)	(1,195)	480	4,557	(3,550)	14,004	9,242	10,397	(32,532)	292	1,111
Total Compensation and Benefits	75,225	62,393	33,920	33,012	54,837	46,479	54,700	49,174	70,134	61,143	61,844	39,906	205,190	233,027
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	24,524	31,618
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	75,870	68,265
Total Expenses	95,176	81,553	56,706	55,632	78,991	71,574	80,325	74,694	93,056	84,149	86,565	69,140	305,584	332,910
Economic Income	\$ 88,215	\$ 92,053	\$ 40,008	\$ 74,883	\$ 36,142	\$ 72,851	\$ 80,209	\$ 101,736	\$ 114,511	\$ 81,598	\$ 100,562	\$ 98,699	\$ 290,938	\$ 395,370
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	\$ 71,119,718	\$ 75,090,834
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	\$ 66,987,553	\$ 69,914,061

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	Year-to-Date	
													4Q'16	4Q'17
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	\$ 525,289	\$ 567,334
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	9,190	13,431
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)	(37,512)	(32,382)
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	496,967	548,383
Performance Fees														
Realized Carried Interest	13,367	26,925	51,606	4,258	-	296	15,644	10,223	8,800	15,121	6,269	128,103	26,163	158,293
Realized Incentive Fees	18,431	29,684	28,123	33,158	21,697	23,515	21,866	33,221	29,539	28,796	36,393	31,826	100,299	126,554
Unrealized Carried Interest	(11,951)	44,218	(112,366)	(118,721)	(14,779)	87,295	74,936	58,591	48,202	(12,272)	59,092	(40,789)	206,043	54,233
Unrealized Incentive Fees	9,124	6,521	(26,419)	(9,193)	270	1,029	5,689	2,429	992	3,461	(15,844)	(620)	9,417	(12,011)
Total Performance Fees	28,971	107,348	(59,056)	(90,498)	7,188	112,135	118,135	104,464	87,533	35,106	85,910	118,520	341,922	327,069
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	11,004	16,380
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)	10,671	1,419
Total 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	21,675	17,799
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	18,718	30,473
Other	3,493	34	(73)	1,717	(1,364)	1,795	(28)	9,171	(1,727)	(12,660)	(6,831)	(7,366)	9,574	(28,584)
Total Revenues	164,517	239,603	53,459	20,841	107,244	261,435	263,979	256,198	225,904	168,909	221,863	278,464	888,856	895,140
Expenses														
Compensation														
Realized Carried Interest	6,270	15,362	28,950	2,259	-	194	7,267	4,989	4,633	7,937	1,803	64,633	12,450	79,006
Realized Incentive Fees	8,401	12,455	13,659	15,598	10,127	10,626	10,770	15,091	14,071	14,188	18,052	14,831	46,614	61,142
Unrealized Carried Interest	(5,656)	21,497	(61,190)	(61,651)	(6,998)	41,257	39,681	30,005	21,962	(7,071)	27,727	(23,815)	103,945	18,803
Unrealized Incentive Fees	6,735	2,137	(12,846)	(4,421)	485	(333)	2,722	1,096	626	1,678	(7,486)	(184)	3,970	(5,366)
Total Compensation and Benefits	65,627	98,575	19,897	(6,351)	55,996	107,435	108,305	97,819	96,410	73,686	96,628	123,310	369,555	390,034
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	24,523	38,750
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	87,700	99,562
Total Expenses	86,163	120,730	43,534	15,407	80,226	134,775	134,602	132,175	125,713	109,326	128,019	165,288	481,778	528,346
Economic Income	\$ 78,354	\$ 118,873	\$ 9,925	\$ 5,434	\$ 27,018	\$ 126,660	\$ 129,377	\$ 124,023	\$ 100,191	\$ 59,583	\$ 93,844	\$ 113,176	\$ 407,078	\$ 366,794
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	\$ 93,280,101	\$ 138,136,470
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	\$ 68,964,608	\$ 111,304,230

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	Year-to-Date		
													4Q'16	4Q'17	
Revenues															
Transaction and Advisory Fees, Net	\$ 81,825	\$ 72,155	\$ 143,752	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Transaction and Advisory Fees	81,825	72,155	143,752	-	-	-	-	-	-	-	-	-	-	-	-
Investment Income (Loss)															
Realized	(230)	(159)	(479)	-	-	-	-	-	-	-	-	-	-	-	-
Unrealized	1,482	(523)	(998)	-	-	-	-	-	-	-	-	-	-	-	-
Total 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)	2012	2013	2014	2015	2016	2017
Revenues						
Management and Advisory Fees, Net						
Base Management Fees	\$ 1,591,403	\$ 1,740,807	\$ 1,987,529	\$ 2,196,583	\$ 2,397,779	\$ 2,680,391
Transaction, Advisory and Other Fees, Net	584,536	617,491	667,282	461,816	144,858	156,816
Management Fee Offsets	(40,953)	(72,220)	(86,771)	(93,494)	(79,644)	(66,416)
Total Management and Advisory Fees, Net	2,134,986	2,286,078	2,568,040	2,564,905	2,462,993	2,770,791
Performance Fees						
Realized Carried Interest	327,422	943,958	2,450,596	3,205,876	1,474,915	3,439,953
Realized Incentive Fees	301,464	474,333	261,745	194,746	172,101	377,299
Unrealized Carried Interest	994,190	2,158,010	1,708,961	(1,595,296)	481,241	(100,651)
Unrealized Incentive Fees	(29,311)	(19,928)	(29,425)	(7,249)	49,729	(8,477)
Total Performance Fees	1,593,765	3,556,373	4,391,877	1,798,077	2,177,986	3,708,124
Investment Income (Loss)						
Realized	95,398	170,471	543,425	418,808	199,869	436,194
Unrealized	190,846	517,334	(71,797)	(365,959)	20,421	(131,206)
Total Investment Income	286,244	687,805	471,628	52,849	220,290	304,988
Interest Income and Dividend Revenue	46,630	70,936	76,052	95,661	96,399	142,920
Other	5,149	10,308	9,405	8,500	54,712	(140,051)
Total Revenues	4,066,774	6,611,500	7,517,002	4,519,992	5,012,380	6,786,772
Expenses						
Compensation	1,030,776	1,115,640	1,153,511	1,189,219	1,083,216	1,203,116
Performance Fee Compensation						
Realized Carried Interest	96,433	257,201	815,643	793,800	455,954	1,226,561
Realized Incentive Fees	140,042	200,915	110,099	85,946	78,096	160,683
Unrealized Carried Interest	321,599	966,717	379,037	(312,696)	312,838	105,372
Unrealized Incentive Fees	(44,528)	(11,651)	(19,276)	(2,490)	21,134	(4,286)
Total Compensation and Benefits	1,544,322	2,528,822	2,439,014	1,753,779	1,951,238	2,691,446
Interest Expense	69,152	103,904	112,563	139,842	148,022	192,838
Other Operating Expenses	412,293	382,735	420,927	448,575	431,836	424,866
Total Expenses	2,025,767	3,015,461	2,972,504	2,342,196	2,531,096	3,309,150
Economic Income	\$ 2,041,007	\$ 3,596,039	\$ 4,544,498	\$ 2,177,796	\$ 2,481,284	\$ 3,477,622
Total Assets Under Management	\$ 210,219,960	\$ 265,757,630	\$ 290,381,069	\$ 336,384,575	\$ 366,553,465	\$ 434,128,243
Fee-Earning Assets Under Management	\$ 167,880,440	\$ 197,981,739	\$ 216,691,799	\$ 246,146,372	\$ 277,092,672	\$ 335,343,998

Private Equity

(Dollars in Thousands)	2012	2013	2014	2015	2016	2017
Revenues						
Management and Advisory Fees, Net						
Base Management Fees	\$ 348,594	\$ 368,146	\$ 415,841	\$ 502,640	\$ 555,593	\$ 724,818
Transaction, Advisory and Other Fees, Net	100,080	121,991	157,621	46,819	39,283	57,624
Management Fee Offsets	(5,926)	(5,683)	(19,146)	(36,760)	(34,810)	(18,007)
Total Management and Advisory Fees, Net	442,748	484,454	554,316	512,699	560,066	764,435
Performance Fees						
Realized Carried Interest	109,797	329,993	754,402	1,474,987	245,268	1,157,188
Unrealized Carried Interest	148,381	398,232	1,222,828	(717,955)	425,691	(13,214)
Total Performance Fees	258,178	728,225	1,977,230	757,032	670,959	1,143,974
Investment Income (Loss)						
Realized	25,823	88,026	202,719	189,649	73,377	154,837
Unrealized	85,337	161,749	(23,914)	(116,338)	(4,593)	(51,417)
Total Investment Income	111,160	249,775	178,805	73,311	68,784	103,420
Interest Income and Dividend Revenue	13,556	15,625	16,004	22,685	25,364	32,838
Other	2,417	4,259	6,569	5,854	20,458	(35,662)
Total Revenues	828,059	1,482,338	2,732,924	1,371,581	1,345,631	2,009,005
Expenses						
Compensation	222,709	240,150	280,499	280,248	309,968	362,674
Performance Fee Compensation						
Realized Carried Interest	3,679	38,953	266,393	256,922	110,882	404,544
Unrealized Carried Interest	58,555	342,733	210,446	(10,172)	163,937	71,095
Total Compensation and Benefits	284,943	621,836	757,338	526,998	584,787	838,313
Interest Expense	26,943	27,780	33,595	45,068	49,126	51,129
Other Operating Expenses	103,902	96,719	104,246	142,985	130,685	120,997
Total Expenses	415,788	746,335	895,179	715,051	764,598	1,010,439
Economic Income	\$ 412,271	\$ 736,003	\$ 1,837,745	\$ 656,530	\$ 581,033	\$ 998,566
Total Assets Under Management	\$ 51,002,973	\$ 65,675,031	\$ 73,073,252	\$ 94,280,074	\$ 100,189,994	\$ 105,560,576
Fee-Earning Assets Under Management	\$ 37,050,167	\$ 42,600,515	\$ 43,890,167	\$ 51,451,196	\$ 69,110,457	\$ 70,140,883

Real Estate

(Dollars in Thousands)	2012	2013	2014	2015	2016	2017
Revenues						
Management Fees, Net						
Base Management Fees	\$ 551,322	\$ 565,182	\$ 628,502	\$ 668,575	\$ 795,161	\$ 872,191
Transaction and Other Fees, Net	85,681	79,675	91,610	110,577	95,324	82,781
Management Fee Offsets	(28,609)	(22,821)	(34,443)	(26,840)	(7,322)	(15,934)
Total Management Fees, Net	608,394	622,036	685,669	752,312	883,163	939,038
Performance Fees						
Realized Carried Interest	165,114	486,773	1,487,762	1,634,733	1,203,484	2,124,472
Realized Incentive Fees	25,656	45,862	11,499	17,153	29,625	96,402
Unrealized Carried Interest	683,764	1,651,700	524,046	(680,542)	(150,997)	(146,476)
Unrealized Incentive Fees	(119)	(28,753)	(5,521)	20,802	39,527	569
Total Performance Fees	874,415	2,155,582	2,017,786	992,146	1,121,639	2,074,967
Investment Income (Loss)						
Realized	45,302	52,359	309,095	235,582	122,712	255,903
Unrealized	90,875	350,201	(58,930)	(231,889)	(1,119)	(122,220)
Total Investment Income	136,177	402,560	250,165	3,693	121,593	133,683
Interest Income and Dividend Revenue	14,448	21,563	24,403	33,501	38,453	58,084
Other	894	3,384	2,863	(1,422)	16,523	(51,425)
Total Revenues	1,634,328	3,205,125	2,980,886	1,780,230	2,181,371	3,154,347
Expenses						
Compensation	271,122	294,222	326,317	358,381	385,352	427,211
Performance Fee Compensation						
Realized Carried Interest	62,418	148,837	432,996	484,037	332,622	743,011
Realized Incentive Fees	13,060	23,878	5,980	8,678	12,085	46,193
Unrealized Carried Interest	165,482	566,837	197,174	(196,347)	44,775	13,688
Unrealized Incentive Fees	(583)	(15,015)	(2,751)	8,817	16,872	(31)
Total Compensation and Benefits	511,499	1,018,759	959,716	663,566	791,706	1,230,072
Interest Expense	29,219	28,321	34,232	42,562	49,849	71,341
Other Operating Expenses	94,495	88,070	105,995	125,513	137,581	136,042
Total Expenses	635,213	1,135,150	1,099,943	831,641	979,136	1,437,455
Economic Income	\$ 999,115	\$ 2,069,975	\$ 1,880,943	\$ 948,589	\$ 1,202,235	\$ 1,716,892
Total Assets Under Management	\$ 56,695,645	\$ 79,410,788	\$ 80,863,187	\$ 93,917,824	\$ 101,963,652	\$ 115,340,363
Fee-Earning Assets Under Management	\$ 41,931,339	\$ 50,792,803	\$ 52,563,068	\$ 67,345,357	\$ 72,030,054	\$ 83,984,824

Hedge Fund Solutions

(Dollars in Thousands)	2012	2013	2014	2015	2016	2017
Revenues						
Management Fees, Net						
Base Management Fees	\$ 346,210	\$ 409,321	\$ 482,981	\$ 524,386	\$ 521,736	\$ 516,048
Transaction and Other Fees, Net	188	623	569	317	1,061	2,980
Management Fee Offsets	(1,414)	(3,387)	(5,014)	171	-	(93)
Total Management Fees, Net	344,984	406,557	478,536	524,874	522,797	518,935
Performance Fees						
Realized Incentive Fees	83,433	207,735	140,529	68,197	42,177	154,343
Unrealized Carried Interest	-	-	-	2,021	504	4,806
Unrealized Incentive Fees	9,042	7,718	(879)	(8,084)	785	2,965
Total Performance Fees	92,475	215,453	139,650	62,134	43,466	162,114
Investment Income (Loss)						
Realized	7,270	27,613	21,550	(12,741)	(7,224)	9,074
Unrealized	8,517	(9,306)	5,132	(1,435)	15,462	41,012
Total Investment Income (Loss)	15,787	18,307	26,682	(14,176)	8,238	50,086
Interest Income and Dividend Revenue	2,139	7,605	7,735	11,194	13,864	21,525
Other	3,816	688	1,855	200	8,157	(24,380)
Total Revenues	459,201	648,610	654,458	584,226	596,522	728,280
Expenses						
Compensation	119,731	136,470	131,658	179,484	185,320	176,782
Performance Fee Compensation						
Realized Incentive Fees	23,080	65,793	42,451	27,155	19,397	53,348
Unrealized Carried Interest	-	-	-	823	181	1,786
Unrealized Incentive Fees	1,317	2,856	(273)	(2,912)	292	1,111
Total Compensation and Benefits	144,128	205,119	173,836	204,550	205,190	233,027
Interest Expense	4,274	13,880	16,761	21,049	24,524	31,618
Other Operating Expenses	53,535	53,086	66,392	63,468	75,870	68,265
Total Expenses	201,937	272,085	256,989	289,067	305,584	332,910
Economic Income	\$ 257,264	\$ 376,525	\$ 397,469	\$ 295,159	\$ 290,938	\$ 395,370
Total Assets Under Management	\$ 46,092,505	\$ 55,657,463	\$ 63,585,670	\$ 69,105,425	\$ 71,119,718	\$ 75,090,834
Fee-Earning Assets Under Management	\$ 43,478,791	\$ 52,865,837	\$ 61,417,558	\$ 65,665,439	\$ 66,987,553	\$ 69,914,061

Credit

(Dollars in Thousands)	2012	2013	2014	2015	2016	2017
Revenues						
Management Fees, Net						
Base Management Fees	\$ 345,277	\$ 398,158	\$ 460,205	\$ 500,982	\$ 525,289	\$ 567,334
Transaction and Other Fees, Net	40,875	28,586	18,161	6,371	9,190	13,431
Management Fee Offsets	(5,004)	(40,329)	(28,168)	(30,065)	(37,512)	(32,382)
Total Management Fees, Net	381,148	386,415	450,198	477,288	496,967	548,383
Performance Fees						
Realized Carried Interest	52,511	127,192	208,432	96,156	26,163	158,293
Realized Incentive Fees	192,375	220,736	109,717	109,396	100,299	126,554
Unrealized Carried Interest	162,045	108,078	(37,913)	(198,820)	206,043	54,233
Unrealized Incentive Fees	(38,234)	1,107	(23,025)	(19,967)	9,417	(12,011)
Total Performance Fees	368,697	457,113	257,211	(13,235)	341,922	327,069
Investment Income (Loss)						
Realized	15,611	4,098	9,354	7,186	11,004	16,380
Unrealized	4,769	13,951	5,055	(16,258)	10,671	1,419
Total Investment Income (Loss)	20,380	18,049	14,409	(9,072)	21,675	17,799
Interest Income and Dividend Revenue	9,330	18,146	19,867	18,268	18,718	30,473
Other	(1,174)	527	(2,310)	5,171	9,574	(28,584)
Total Revenues	778,381	880,250	739,375	478,420	888,856	895,140
Expenses						
Compensation	182,077	186,514	188,200	190,189	202,576	236,449
Performance Fee Compensation						
Realized Carried Interest	30,336	69,411	116,254	52,841	12,450	79,006
Realized Incentive Fees	103,902	111,244	61,668	50,113	46,614	61,142
Unrealized Carried Interest	97,562	57,147	(28,583)	(107,000)	103,945	18,803
Unrealized Incentive Fees	(45,262)	508	(16,252)	(8,395)	3,970	(5,366)
Total Compensation and Benefits	368,615	424,824	321,287	177,748	369,555	390,034
Interest Expense	1,986	24,652	16,762	21,207	24,523	38,750
Other Operating Expenses	82,502	72,288	70,204	66,879	87,700	99,562
Total Expenses	453,103	521,764	408,253	265,834	481,778	528,346
Economic Income	\$ 325,278	\$ 358,486	\$ 331,122	\$ 212,586	\$ 407,078	\$ 366,794
Total Assets Under Management	\$ 56,428,837	\$ 65,014,348	\$ 72,858,960	\$ 79,081,252	\$ 93,280,101	\$ 138,136,470
Fee-Earning Assets Under Management	\$ 45,420,143	\$ 51,722,584	\$ 58,821,006	\$ 61,684,380	\$ 68,964,608	\$ 111,304,230

Financial Advisory

(Dollars in Thousands)	2012	2013	2014	2015	2016	2017
Revenues						
Transaction and Advisory Fees, Net	\$ 357,712	\$ 386,616	\$ 399,321	\$ 297,732	\$ -	\$ -
Total Transaction and Advisory Fees	357,712	386,616	399,321	297,732	-	-
Investment Income (Loss)						
Realized	1,392	(1,625)	707	(868)	-	-
Unrealized	1,348	739	860	(39)	-	-
Total Investment Income (Loss)	2,740	(886)	1,567	(907)	-	-
Interest Income and Dividend Revenue	7,157	7,997	8,043	10,013	-	-
Other	(804)	1,450	428	(1,303)	-	-
Total Revenues	366,805	395,177	409,359	305,535	-	-
Expenses						
Compensation	235,137	258,284	226,837	180,917	-	-
Total Compensation and Benefits	235,137	258,284	226,837	180,917	-	-
Interest Expense	6,730	9,271	11,213	9,956	-	-
Other Operating Expenses	77,859	72,572	74,090	49,730	-	-
Total Expenses	319,726	340,127	312,140	240,603	-	-
Economic Income	\$ 47,079	\$ 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

													Year-to-Date	
	1Q'15	2Q'15	3Q'15	4Q'15	1Q'16	2Q'16	3Q'16	4Q'16	1Q'17 ^(o)	2Q'17	3Q'17	4Q'17	4Q'16	4Q'17
(Dollars in Thousands)														
Net Income (Loss) Attributable to The Blackstone Group L.P.	\$ 629,448	\$ 134,168	\$ (254,697)	\$ 200,870	\$ 159,753	\$ 198,626	\$ 312,905	\$ 367,951	\$ 461,825	\$ 342,775	\$ 384,642	\$ 281,588	\$ 1,039,235	\$ 1,470,830
Net Income (Loss) Attributable to Non-Controlling Interests in Blackstone Holdings	645,230	134,870	(247,318)	150,734	131,202	201,805	285,267	342,010	417,258	287,979	345,650	340,992	960,284	1,391,879
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	246,152	497,439
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	3,977	13,806
Net Income (Loss)	\$ 1,364,001	\$ 349,534	\$ (483,864)	\$ 394,679	\$ 324,640	\$ 463,111	\$ 691,589	\$ 770,308	\$ 1,019,768	\$ 744,689	\$ 846,953	\$ 762,544	\$ 2,249,648	\$ 3,373,954
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	59,590	132,362	743,147
Income (Loss) Before Provision for Taxes	\$ 1,463,345	\$ 392,785	\$ (482,291)	\$ 440,909	\$ 333,786	\$ 510,526	\$ 719,303	\$ 818,395	\$ 1,077,205	\$ 774,297	\$ 906,465	\$ 1,359,134	\$ 2,382,010	\$ 4,117,101
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)	264,937	(176,531)
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	84,466	48,297
(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)	(250,129)	(511,245)
Economic Income (Loss)	\$ 1,631,783	\$ 529,027	\$ (388,856)	\$ 405,842	\$ 387,445	\$ 541,010	\$ 707,969	\$ 844,860	\$ 1,004,843	\$ 729,537	\$ 856,862	\$ 886,380	\$ 2,481,284	\$ 3,477,622
(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)	(92,263)	(101,531)
Economic Net Income (Loss)	\$ 1,622,064	\$ 508,440	\$ (415,926)	\$ 435,691	\$ 370,651	\$ 519,776	\$ 686,984	\$ 811,610	\$ 986,038	\$ 705,369	\$ 834,310	\$ 850,374	\$ 2,389,021	\$ 3,376,091
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	92,263	101,531
Performance Fee Adjustment (e)	(1,673,736)	(569,664)	639,349	(194,026)	(314,065)	(449,372)	(672,646)	(741,903)	(1,063,728)	(757,006)	(894,632)	(992,758)	(2,177,986)	(3,708,124)
Investment (Income) Loss 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)	(220,290)	(304,988)
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	(54,712)	140,051
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	51,623	49,918
Performance Fee Compensation and Benefits Adjustment (i)	403,816	215,441	(130,479)	75,782	106,075	180,723	267,415	313,809	407,695	311,870	360,901	407,864	868,022	1,488,330
Equity-Based Compensation - Non-Incentive Fee 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	73,747	93,410
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	\$ 1,021,688	\$ 1,236,219
Net Realized Performance Fees (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	1,118,790	2,443,708
Realized 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	199,869	436,194
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)	(51,623)	(49,918)
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)	(167,149)	(189,988)
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	\$ 2,121,575	\$ 3,876,215
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	148,022	192,838
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	167,149	189,988
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	31,971	25,228
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	\$ 2,468,717	\$ 4,284,269

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

Reconciliation of GAAP to Non-GAAP Measures

(Dollars in Thousands)	2012	2013	2014	2015	2016	2017 ^(o)
Net Income Attributable to The Blackstone Group L.P.	\$ 218,598	\$ 1,171,202	\$ 1,584,589	\$ 709,789	\$ 1,039,235	\$ 1,470,830
Net Income Attributable to Non-Controlling Interests in Blackstone Holdings	407,727	1,339,845	1,701,100	683,516	960,284	1,391,879
Net Income Attributable to Non-Controlling Interests in Consolidated Entities	99,959	198,557	335,070	219,900	246,152	497,439
Net Income Attributable to Redeemable Non-Controlling Interests in Consolidated Entities	103,598	183,315	74,794	11,145	3,977	13,806
Net Income	\$ 829,882	\$ 2,892,919	\$ 3,695,553	\$ 1,624,350	\$ 2,249,648	\$ 3,373,954
Provision for Taxes	185,023	255,642	291,173	190,398	132,362	743,147
Income Before Provision for Taxes	\$ 1,014,905	\$ 3,148,561	\$ 3,986,726	\$ 1,814,748	\$ 2,382,010	\$ 4,117,101
Transaction-Related Charges (a)	1,079,511	722,707	856,382	489,563	264,937	(176,531)
Amortization of Intangibles (b)	150,148	106,643	111,254	104,530	84,466	48,297
(Income) Associated with Non-Controlling Interests of Consolidated Entities (c)	(203,557)	(381,872)	(409,864)	(231,045)	(250,129)	(511,245)
Economic Income	\$ 2,041,007	\$ 3,596,039	\$ 4,544,498	\$ 2,177,796	\$ 2,481,284	\$ 3,477,622
(Taxes) (d)	(45,708)	(82,164)	(199,512)	(27,527)	(92,263)	(101,531)
Economic Net Income	\$ 1,995,299	\$ 3,513,875	\$ 4,344,986	\$ 2,150,269	\$ 2,389,021	\$ 3,376,091
Taxes (d)	45,708	82,164	199,512	27,527	92,263	101,531
Performance Fee Adjustment (e)	(1,593,765)	(3,556,373)	(4,391,877)	(1,798,077)	(2,177,986)	(3,708,124)
Investment (Income) Adjustment (f)	(286,244)	(687,805)	(471,628)	(52,849)	(220,290)	(304,988)
Other Revenue (g)	(5,149)	(10,308)	(9,405)	(8,500)	(54,712)	140,051
Net Interest Loss (h)	22,522	32,968	36,511	44,181	51,623	49,918
Performance Fee Compensation and Benefits Adjustment (i)	513,546	1,413,182	1,285,503	564,560	868,022	1,488,330
Equity-Based Compensation - Non-Incentive Fee Related (j)	90,040	130,124	45,133	96,901	73,747	93,410
Fee Related Earnings	\$ 781,957	\$ 917,827	\$ 1,038,735	\$ 1,024,012	\$ 1,021,688	\$ 1,236,219
Net Realized Performance Fees (k)	392,411	960,175	1,789,692	2,527,019	1,118,790	2,443,708
Realized Investment Income (l)	95,398	170,471	543,425	418,808	199,869	436,194
Net Interest (Loss) (h)	(22,522)	(32,968)	(36,511)	(44,181)	(51,623)	(49,918)
Taxes and Related Payables Including Payable Under Tax Receivable Agreement (m)	(132,325)	(156,734)	(280,788)	(90,470)	(167,149)	(189,988)
Distributable Earnings	\$ 1,114,919	\$ 1,858,771	\$ 3,054,553	\$ 3,835,188	\$ 2,121,575	\$ 3,876,215
Interest Expense (n)	69,152	103,904	112,563	139,842	148,022	192,838
Taxes and Related Payables Including Payable Under Tax Receivable Agreement (m)	132,325	156,734	280,788	90,470	167,149	189,988
Depreciation and Amortization	42,235	35,441	32,300	27,213	31,971	25,228
Adjusted EBITDA	\$ 1,358,631	\$ 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 Fees.
- (f) This adjustment removes from EI the total segment amount of 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 Fees, including Incentive Fee Related equity-based award expense.
- (j) Represents Non-Incentive Fee Related equity-based award expense and excludes all transaction-related equity-based charges.
- (k) Represents the adjustment for realized Performance Fees net of corresponding actual amounts due under Blackstone's profit sharing plans related thereto. Equals the sum of Net Realized Incentive Fees and Net Realized Carried Interest.
- (l) Represents the adjustment for Blackstone's Realized 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.
- (o) Effective January 1, 2017, Fee Related Earnings, a Total Segment measure, has been redefined to exclude all Equity-Based Compensation and Other Revenue. Distributable Earnings, a Total Segment measure, has been redefined to exclude Other Revenue. All prior periods have been recast to reflect this definition.

Walkdown of Financial Metrics

	Year-to-Date													
	1Q'15	2Q'15	3Q'15	4Q'15	1Q'16	2Q'16	3Q'16	4Q'16	1Q'17	2Q'17	3Q'17	4Q'17	4Q'16	4Q'17
▶ 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	\$ 2,462,993	\$ 2,770,791
▶ 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)	(1,009,469)	(1,109,706)
▶ 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)	(431,836)	(424,866)
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	\$ 1,021,688	\$ 1,236,219
▶ Net Realized Incentive Fees (b)	19,593	26,535	21,853	46,962	15,388	15,782	16,413	52,246	27,649	22,173	58,044	122,450	99,829	230,316
▶ Net Realized Carried Interest (b)	915,346	699,451	337,390	459,889	172,406	236,153	335,595	274,807	745,131	407,004	235,295	825,962	1,018,961	2,213,392
▶ Realized 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	199,869	436,194
▶ 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)	(51,623)	(49,918)
▶ 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)	(167,149)	(189,988)
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	\$ 2,121,575	\$ 3,876,215
▶ Net Unrealized Incentive Fees (b)	37,659	20,180	(38,704)	(23,894)	3,652	5,318	18,664	961	36,877	27,927	(1,378)	(67,617)	28,595	(4,191)
▶ Net Unrealized Carried Interest (b)	299,472	(391,390)	(827,280)	(363,402)	17,605	13,066	36,113	101,619	(150,360)	(9,420)	245,439	(291,682)	168,403	(206,023)
▶ Unrealized 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)	20,421	(131,206)
▶ 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)	54,712	(140,051)
▶ Add Back: Related Payables (b)(d)	7,275	-	-	55,668	-	10,354	30,104	34,428	6,519	29,123	9,253	43,562	74,886	88,457
▶ 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)	(79,571)	(107,110)
Economic Net Income (Loss)	\$ 1,622,064	\$ 508,440	\$ (415,926)	\$ 435,691	\$ 370,651	\$ 519,776	\$ 686,984	\$ 811,610	\$ 986,038	\$ 705,369	\$ 834,310	\$ 850,374	\$ 2,389,021	\$ 3,376,091

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)

	2012	2013	2014	2015	2016	2017		
▶ Management and Advisory Fees, Net (a)	\$ 2,134,986	\$ 2,286,078	\$ 2,568,040	\$ 2,564,905	\$ 2,462,993	\$ 2,770,791	Fee Earnings	Distributable Earnings
▶ Fee Related Compensation (b)	(940,736)	(985,516)	(1,108,378)	(1,092,318)	(1,009,469)	(1,109,706)		
▶ Other Operating Expenses (a)	(412,293)	(382,735)	(420,927)	(448,575)	(431,836)	(424,866)		
Fee Related Earnings	\$ 781,957	\$ 917,827	\$ 1,038,735	\$ 1,024,012	\$ 1,021,688	\$ 1,236,219		
▶ Net Realized Incentive Fees (b)	161,422	273,418	154,739	114,943	99,829	230,316		
▶ Net Realized Carried Interest (b)	230,989	686,757	1,634,953	2,412,076	1,018,961	2,213,392		
▶ Realized Investment Income (a)	95,398	170,471	543,425	418,808	199,869	436,194		
▶ Net Interest (Loss) (b)	(22,522)	(32,968)	(36,511)	(44,181)	(51,623)	(49,918)		
▶ Taxes and Related Payables (b)(c)	(132,325)	(156,734)	(280,788)	(90,470)	(167,149)	(189,988)		
Distributable Earnings	\$ 1,114,919	\$ 1,858,771	\$ 3,054,553	\$ 3,835,188	\$ 2,121,575	\$ 3,876,215		
▶ Net Unrealized Incentive Fees (b)	15,217	(8,277)	(10,149)	(4,759)	28,595	(4,191)		
▶ Net Unrealized Carried Interest (b)	672,591	1,191,293	1,329,924	(1,282,600)	168,403	(206,023)		
▶ Unrealized Investment Income (Loss) (a)	190,846	517,334	(71,797)	(365,959)	20,421	(131,206)		
▶ Other Revenue (a)	5,149	10,308	9,405	8,500	54,712	(140,051)		
▶ Add Back: Related Payables (b)(d)	86,617	74,570	81,276	62,943	74,886	88,457		
▶ Less: Equity-Based Compensation (b)(e)	(90,040)	(130,124)	(48,226)	(103,044)	(79,571)	(107,110)		
Economic Net Income	\$ 1,995,299	\$ 3,513,875	\$ 4,344,986	\$ 2,150,269	\$ 2,389,021	\$ 3,376,091		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	Year-to-Date	
													4Q'16	4Q'17
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)	\$ (1,083,216)	\$ (1,203,116)
Less: Equity-Based Compensation - Non-Incentive Fee Related	42,248	27,994	15,690	10,969	20,963	16,852	16,624	19,308	26,650	25,442	24,141	17,177	73,747	93,410
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)	\$ (1,009,469)	\$ (1,109,706)
Realized Incentive Fees	29,670	47,819	34,785	82,472	28,450	29,363	30,295	83,993	47,137	41,106	101,198	187,858	172,101	377,299
Less: Realized Incentive Fee Compensation	(12,227)	(21,837)	(15,061)	(36,821)	(14,123)	(15,251)	(15,436)	(33,286)	(22,752)	(21,481)	(46,823)	(69,627)	(78,096)	(160,683)
Plus: Equity-Based Compensation - Incentive Fee Related	2,150	553	2,129	1,311	1,061	1,670	1,554	1,539	3,264	2,548	3,669	4,219	5,824	13,700
Net Realized Incentive Fees	\$ 19,593	\$ 26,535	\$ 21,853	\$ 46,962	\$ 15,388	\$ 15,782	\$ 16,413	\$ 52,246	\$ 27,649	\$ 22,173	\$ 58,044	\$ 122,450	\$ 99,829	\$ 230,316
Realized Carried Interest	1,207,594	937,483	435,189	625,610	230,909	323,734	504,022	416,250	1,111,322	602,293	369,309	1,357,029	1,474,915	3,439,953
Less: Realized Carried Interest Compensation	(292,248)	(238,032)	(97,799)	(165,721)	(58,503)	(87,581)	(168,427)	(141,443)	(366,191)	(195,289)	(134,014)	(531,067)	(455,954)	(1,226,561)
Net Realized Carried Interest	\$ 915,346	\$ 699,451	\$ 337,390	\$ 459,889	\$ 172,406	\$ 236,153	\$ 335,595	\$ 274,807	\$ 745,131	\$ 407,004	\$ 235,295	\$ 825,962	\$ 1,018,961	\$ 2,213,392
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	96,399	142,920
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)	(148,022)	(192,838)
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)	\$ (51,623)	\$ (49,918)
Taxes and Related Payables (a)	\$ (16,994)	\$ (20,587)	\$ (27,070)	\$ (25,819)	\$ (16,794)	\$ (31,588)	\$ (51,089)	\$ (67,678)	\$ (25,324)	\$ (53,291)	\$ (31,805)	\$ (79,568)	\$ (167,149)	\$ (189,988)
Unrealized Incentive Fees	62,620	26,311	(53,346)	(42,834)	7,100	8,007	32,172	2,450	60,016	48,527	(8,472)	(108,548)	49,729	(8,477)
Less: Unrealized Incentive Fee Compensation	(24,961)	(6,131)	14,642	18,940	(3,448)	(2,689)	(13,508)	(1,489)	(23,139)	(20,600)	7,094	40,931	(21,134)	4,286
Net Unrealized Incentive Fees	\$ 37,659	\$ 20,180	\$ (38,704)	\$ (23,894)	\$ 3,652	\$ 5,318	\$ 18,664	\$ 961	\$ 36,877	\$ 27,927	\$ (1,378)	\$ (67,617)	\$ 28,595	\$ (4,191)
Unrealized Carried Interest	373,852	(441,949)	(1,055,977)	(471,222)	47,606	88,268	106,157	239,210	(154,747)	65,080	432,597	(443,581)	481,241	(100,651)
Less: Unrealized Carried Interest Compensation	(74,380)	50,559	228,697	107,820	(30,001)	(75,202)	(70,044)	(137,591)	4,387	(74,500)	(187,158)	151,899	(312,838)	(105,372)
Net Unrealized Carried Interest	\$ 299,472	\$ (391,390)	\$ (827,280)	\$ (363,402)	\$ 17,605	\$ 13,066	\$ 36,113	\$ 101,619	\$ (150,360)	\$ (9,420)	\$ 245,439	\$ (291,682)	\$ 168,403	\$ (206,023)
Related Payables (b)	\$ 7,275	\$ -	\$ -	\$ 55,668	\$ -	\$ 10,354	\$ 30,104	\$ 34,428	\$ 6,519	\$ 29,123	\$ 9,253	\$ 43,562	\$ 74,886	\$ 88,457
Equity-Based Compensation - Non-Incentive Fee Related	42,248	27,994	15,690	10,969	20,963	16,852	16,624	19,308	26,650	25,442	24,141	17,177	73,747	93,410
Plus: Equity-Based Compensation - Incentive Fee Related	2,150	553	2,129	1,311	1,061	1,670	1,554	1,539	3,264	2,548	3,669	4,219	5,824	13,700
Equity-Based Compensation (c)	\$ 44,398	\$ 28,547	\$ 17,819	\$ 12,280	\$ 22,024	\$ 18,522	\$ 18,178	\$ 20,847	\$ 29,914	\$ 27,990	\$ 27,810	\$ 21,396	\$ 79,571	\$ 107,110

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

(a) 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.

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

(c) 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)	2012	2013	2014	2015	2016	2017
Compensation	\$ (1,030,776)	\$ (1,115,640)	\$ (1,153,511)	\$ (1,189,219)	\$ (1,083,216)	\$ (1,203,116)
Less: Equity-Based Compensation - Non-Incentive Fee Related	90,040	130,124	45,133	96,901	73,747	93,410
Fee Related Compensation	\$ (940,736)	\$ (985,516)	\$ (1,108,378)	\$ (1,092,318)	\$ (1,009,469)	\$ (1,109,706)
Realized Incentive Fees	301,464	474,333	261,745	194,746	172,101	377,299
Less: Realized Incentive Fee Compensation	(140,042)	(200,915)	(110,099)	(85,946)	(78,096)	(160,683)
Plus: Equity-Based Compensation - Incentive Fee Related	-	-	3,093	6,143	5,824	13,700
Net Realized Incentive Fees	\$ 161,422	\$ 273,418	\$ 154,739	\$ 114,943	\$ 99,829	\$ 230,316
Realized Carried Interest	327,422	943,958	2,450,596	3,205,876	1,474,915	3,439,953
Less: Realized Carried Interest Compensation	(96,433)	(257,201)	(815,643)	(793,800)	(455,954)	(1,226,561)
Net Realized Carried Interest	\$ 230,989	\$ 686,757	\$ 1,634,953	\$ 2,412,076	\$ 1,018,961	\$ 2,213,392
Interest Income and Dividend Revenue	46,630	70,936	76,052	95,661	96,399	142,920
Less: Interest Expense	(69,152)	(103,904)	(112,563)	(139,842)	(148,022)	(192,838)
Net Interest (Loss)	\$ (22,522)	\$ (32,968)	\$ (36,511)	\$ (44,181)	\$ (51,623)	\$ (49,918)
Taxes and Related Payables (a)	\$ (132,325)	\$ (156,734)	\$ (280,788)	\$ (90,470)	\$ (167,149)	\$ (189,988)
Unrealized Incentive Fees	(29,311)	(19,928)	(29,425)	(7,249)	49,729	(8,477)
Less: Unrealized Incentive Fee Compensation	44,528	11,651	19,276	2,490	(21,134)	4,286
Net Unrealized Incentive Fees	\$ 15,217	\$ (8,277)	\$ (10,149)	\$ (4,759)	\$ 28,595	\$ (4,191)
Unrealized Carried Interest	994,190	2,158,010	1,708,961	(1,595,296)	481,241	(100,651)
Less: Unrealized Carried Interest Compensation	(321,599)	(966,717)	(379,037)	312,696	(312,838)	(105,372)
Net Unrealized Carried Interest	\$ 672,591	\$ 1,191,293	\$ 1,329,924	\$ (1,282,600)	\$ 168,403	\$ (206,023)
Related Payables (b)	\$ 86,617	\$ 74,570	\$ 81,276	\$ 62,943	\$ 74,886	\$ 88,457
Equity-Based Compensation - Non-Incentive Fee Related	90,040	130,124	45,133	96,901	73,747	93,410
Plus: Equity-Based Compensation - Incentive Fee Related	-	-	3,093	6,143	5,824	13,700
Equity-Based Compensation (c)	\$ 90,040	\$ 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 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.

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

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

Investment Records as of December 31, 2017^(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	19,313	1.5x	-	2,953,649	1.4x	2,972,962	1.4x	7%	6%
BCP IV (Nov 2002 / Dec 2005)	6,773,182	209,846	756,129	0.8x	48%	20,677,725	3.2x	21,433,854	2.8x	42%	36%
BCP V (Dec 2005 / Jan 2011)	21,024,739	1,055,337	2,413,319	1.1x	43%	35,757,252	2.0x	38,170,571	1.9x	9%	8%
BCP VI (Jan 2011 / May 2016)	15,199,202	1,857,593	15,493,831	1.6x	20%	8,470,999	2.0x	23,964,830	1.7x	23%	13%
BEP I (Aug 2011 / Feb 2015)	2,437,639	157,170	2,558,266	1.5x	31%	1,323,850	2.0x	3,882,116	1.6x	32%	13%
BEP II (Feb 2015 / Feb 2021)	4,882,737	1,926,610	2,487,414	1.2x	-	47,388	2.1x	2,534,802	1.2x	n/m	10%
BCP VII (May 2016 / May 2022)	18,507,997	13,697,870	4,147,133	1.2x	-	267,852	1.1x	4,414,985	1.2x	n/m	9%
BCP Asia (Dec 2017 / Dec 2023)	1,576,564	1,423,640	-	n/a	-	-	n/a	-	n/a	n/a	n/a
Total Corporate Private Equity	\$ 78,726,993	\$ 20,352,641	\$ 27,875,405	1.4x	19%	\$ 83,681,960	2.2x	\$ 111,557,365	1.9x	17%	15%
Tactical Opportunities	16,565,845	6,853,971	9,534,468	1.2x	8%	4,458,750	1.7x	13,993,218	1.3x	25%	11%
Tactical Opportunities Co-Investment and Other	4,822,889	2,379,805	3,452,342	1.1x	-	885,924	1.7x	4,338,266	1.2x	n/a	13%
Strategic Partners I-V and Co-Investment (e)	11,862,658	1,718,537	2,300,197	n/m	-	15,147,965	n/m	17,448,162	1.5x	n/a	13%
Strategic Partners VI LBO, RE and SMA (e)	7,402,171	2,571,351	3,170,940	n/m	-	2,320,522	n/m	5,491,462	1.4x	n/a	20%
Strategic Partners VII (e)	7,489,970	3,780,343	3,103,959	n/m	-	237,950	n/m	3,341,909	1.2x	n/a	73%
Strategic Partners RA II (e)	1,491,009	1,167,065	221,364	n/m	-	5,582	n/m	226,946	1.0x	n/a	n/m
BCEP (Jan 2017 / Jan 2021) (f)	4,755,133	3,377,340	1,374,222	1.0x	-	-	n/a	1,374,222	1.0x	n/m	n/m
Other Funds and Co-Investment (g)	1,096,679	513	42,895	0.8x	36%	637,938	0.9x	680,833	0.9x	n/a	n/a
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	-	353,666	0.4x	38%	4,193,163	2.2x	4,546,829	1.7x	35%	12%
BREP V (Dec 2005 / Feb 2007)	5,539,418	-	1,753,688	2.0x	29%	11,558,245	2.4x	13,311,933	2.3x	13%	11%
BREP VI (Feb 2007 / Aug 2011)	11,060,444	556,763	2,073,204	2.0x	23%	25,369,422	2.6x	27,442,626	2.5x	14%	13%
BREP VII (Aug 2011 / Apr 2015)	13,495,014	2,063,092	12,489,255	1.6x	21%	15,571,767	2.1x	28,061,022	1.9x	30%	18%
BREP VIII (Apr 2015 / Oct 2020)	16,435,028	9,361,391	9,519,459	1.3x	1%	3,320,192	1.5x	12,839,651	1.4x	34%	18%
Total Global BREP	\$ 51,971,067	\$ 11,981,246	\$ 26,189,272	1.5x	15%	\$ 67,547,707	2.3x	\$ 93,736,979	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) (h)	1,629,748	-	196,692	0.7x	22%	2,215,612	2.0x	2,412,304	1.7x	10%	8%
BREP Europe III (Jun 2008 / Sep 2013)	3,205,167	459,102	1,412,710	1.5x	-	4,929,306	2.5x	6,342,016	2.2x	22%	16%
BREP Europe IV (Sep 2013 / Dec 2016)	6,707,671	1,444,315	5,083,569	1.5x	6%	5,483,833	2.0x	10,567,402	1.7x	28%	18%
BREP Europe V (Dec 2016 / Jun 2022)	7,809,546	5,455,395	2,446,991	1.2x	-	-	n/a	2,446,991	1.2x	n/a	21%
Total Euro BREP	€ 20,176,304	€ 7,358,812	€ 9,139,962	1.3x	4%	€ 13,997,767	2.1x	€ 23,137,729	1.7x	18%	14%
BREP Asia (Jun 2013 / Dec 2017)	\$ 5,094,145	\$ 2,039,069	\$ 4,058,820	1.4x	-	\$ 2,354,105	1.8x	\$ 6,412,925	1.5x	24%	17%
BREP Asia II (Dec 2017 / Jun 2023)	5,872,995	5,872,995	-	n/a	-	-	n/a	-	n/a	n/a	n/a
BREP Co-Investment (i)	6,872,697	146,573	2,524,738	1.8x	58%	11,289,288	2.1x	13,814,026	2.1x	16%	16%
Total BREP	\$ 94,515,478	\$ 28,874,136	\$ 43,680,859	1.5x	13%	\$ 99,227,773	2.2x	\$ 142,908,632	1.9x	19%	16%
BPP (j)	\$ 22,714,906	\$ 3,385,428	\$ 22,077,318	1.1x	-	\$ 1,687,447	3.1x	\$ 23,764,765	1.2x	n/m	12%
BREDS (k)	\$ 13,256,252	5,918,948	\$ 2,877,439	1.1x	-	\$ 8,470,740	1.3x	\$ 11,348,179	1.3x	12%	11%
Hedge Fund Solutions											
BSCH (Dec 2013 / Jun 2020) (l)	\$ 3,298,575	2,598,501	\$ 816,577	1.0x	-	\$ 195,909	n/a	\$ 1,012,486	1.3x	n/a	6%
BSCH Co-Investment	276,000	193,020	109,490	1.0x	-	19,626	n/a	129,116	1.2x	n/a	16%
Total Hedge Fund Solutions	\$ 3,574,575	\$ 2,791,521	\$ 926,067	1.0x	-	\$ 215,535	n/a	\$ 1,141,602	1.3x	n/a	6%
Credit (m)											
Mezzanine I (Jul 2007 / Oct 2011)	\$ 2,000,000	\$ 97,114	\$ 57,318	1.0x	-	\$ 4,767,097	1.6x	\$ 4,824,415	1.6x	n/a	17%
Mezzanine II (Nov 2011 / Nov 2016)	4,120,000	1,154,965	2,642,627	1.1x	-	3,735,972	1.5x	6,378,599	1.3x	n/a	13%
Mezzanine III (Sep 2016 / Sep 2021)	6,639,133	4,417,141	2,256,846	1.1x	-	482,139	1.4x	2,738,985	1.1x	n/a	14%
Stressed / Distressed Investing I (Sep 2009 / May 2013)	3,253,143	275,357	372,255	0.6x	-	5,541,335	1.5x	5,913,590	1.4x	n/a	11%
Stressed / Distressed Investing II (Jun 2013 / Jun 2018)	5,125,000	880,783	3,517,251	1.1x	-	2,045,005	1.5x	5,562,256	1.2x	n/a	14%
Stressed / Distressed Investing III (Dec 2017 / Dec 2022)	6,652,790	6,465,005	29,292	0.9x	-	-	n/a	29,292	0.9x	n/a	n/a
Energy Select Opportunities (Nov 2015 / Nov 2018)	2,856,867	1,308,588	1,640,289	1.1x	-	268,018	1.7x	1,908,307	1.2x	n/a	21%
Euro											
European Senior Debt Fund (Feb 2015 / Feb 2018)	€ 1,964,689	€ 1,882,793	€ 1,654,112	1.0x	-	€ 507,929	1.5x	€ 2,162,041	1.1x	n/a	10%
Total Credit	\$ 32,913,343	\$ 16,859,811	\$ 12,502,136	1.1x	-	\$ 17,413,704	1.6x	\$ 29,915,840	1.3x	n/a	14%

Realized and Unrealized Investments amounts were adjusted in 4Q'17 to account for a change in methodology regarding the treatment of current income, which now recognizes all proceeds as Realized Value.

Investment Records as of December 31, 2017 – 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 December 31, 2017 IRR on total invested capital based on realized proceeds and unrealized value, as applicable, after management fees, expenses and Carried Interest.

(e) Realizations are treated as return of capital until fully recovered and therefore unrealized and realized MOICs are not meaningful.

(f) BCEP, or Blackstone Core Equity Partners, is a core private equity fund which invests with a more modest risk profile and longer hold period.

(g) Returns for Other Funds and Co-Investment are not meaningful as these funds have limited transaction activity.

(h) 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 8% Realized Net IRR and a 6% Total Net IRR. Previous quarters' Investment Records reflected the overall BREP International II performance.

(i) 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.

(j) BPP represents the core+ real estate funds which invest with a more modest risk profile and lower leverage. Excludes BREIT.

(k) Excludes Capital Trust drawdown funds.

(l) BSCH, or Blackstone Strategic Capital Holdings, is a permanent capital vehicle focused on acquiring strategic minority positions in alternative asset managers.

(m) 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.
- 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 fees and related performance fee 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 fee revenues less (a) compensation expenses (which excludes amortization of equity-based awards, Carried Interest and Incentive Fee 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 Performance Fees, and (d) Realized Investment Income (Loss); less (a) Compensation, excluding the expense of equity-based awards, (b) Realized Performance Fee Compensation, (c) Interest Expense, (d) Other Operating Expenses, and (e) 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.