

Blackstone's 2Q'14 Supplemental Financial Data

July 17, 2014

Total Segments

(Dollars in Thousands)	1Q'12	2Q'12	3Q'12	4Q'12	1Q'13	2Q'13	3Q'13	4Q'13	1Q'14	2Q'14	Year-to-Date	
											2Q'13	2Q'14
Revenues												
Management and Advisory Fees, Net												
Base Management Fees	\$ 395,506	\$ 381,344	\$ 398,088	\$ 416,465	\$ 408,747	\$ 425,674	\$ 437,294	\$ 469,092	\$ 476,878	\$ 496,570	\$ 834,421	\$ 973,448
Advisory Fees	75,846	93,372	59,951	128,248	67,020	120,734	83,602	139,158	69,963	114,914	187,754	184,877
Transaction and Other Fees, Net	38,471	49,453	45,126	94,069	37,974	66,464	42,806	59,733	59,910	49,196	104,438	109,106
Management Fee Offsets	(13,050)	(7,973)	(8,454)	(11,476)	(9,662)	(10,535)	(8,271)	(43,752)	(16,644)	(20,218)	(20,197)	(36,862)
Total Management and Advisory Fees, Net	496,773	516,196	494,711	627,306	504,079	602,337	555,431	624,231	590,107	640,462	1,106,416	1,230,569
Performance Fees												
Realized Carried Interest	13,560	55,929	83,765	174,168	294,170	183,288	182,654	283,846	333,623	641,659	477,458	975,282
Realized Incentive Fees	5,279	11,692	11,620	272,873	24,727	74,867	31,238	343,501	53,837	39,291	99,594	93,128
Unrealized Carried Interest	298,796	84,290	403,465	207,639	177,347	456,706	290,052	1,233,905	330,288	660,712	634,053	991,000
Unrealized Incentive Fees	68,121	(17,074)	104,149	(184,507)	107,755	4,358	40,992	(173,033)	61,266	56,776	112,113	118,042
Total Performance Fees	385,756	134,837	602,999	470,173	603,999	719,219	544,936	1,688,219	779,014	1,398,438	1,323,218	2,177,452
Investment Income (Loss)												
Realized	23,492	9,360	25,098	37,448	38,110	54,586	11,492	66,283	111,917	202,199	92,696	314,116
Unrealized	59,914	(25,624)	82,334	74,222	96,661	42,533	87,680	290,460	4,550	(26,228)	139,194	(21,678)
Total Investment Income (Loss)	83,406	(16,264)	107,432	111,670	134,771	97,119	99,172	356,743	116,467	175,971	231,890	292,438
Interest Income and Dividend Revenue	9,345	10,391	12,004	14,890	14,661	15,342	21,539	19,394	22,362	22,094	30,003	44,456
Other	(1,207)	(828)	2,477	4,707	2,143	(1,164)	4,708	4,621	869	(6)	979	863
Total Revenues	974,073	644,332	1,219,623	1,228,746	1,259,653	1,432,853	1,225,786	2,693,208	1,508,819	2,236,959	2,692,506	3,745,778
Expenses												
Compensation	254,772	268,884	259,561	247,559	266,977	306,477	279,498	262,688	306,545	323,015	573,454	629,560
Performance Fee Compensation												
Realized Carried Interest	7,938	7,899	22,023	58,573	89,437	75,910	60,369	31,485	149,398	260,301	165,347	409,699
Realized Incentive Fees	4,252	5,575	4,457	125,758	10,508	35,014	14,599	140,794	23,635	18,509	45,522	42,144
Unrealized Carried Interest	84,543	36,815	128,863	71,378	95,472	172,824	82,341	616,080	40,690	114,336	268,296	155,026
Unrealized Incentive Fees	12,779	(9,596)	44,254	(91,965)	44,478	3,084	11,084	(70,297)	23,531	24,692	47,562	48,223
Total Compensation and Benefits	364,284	309,577	459,158	411,303	506,872	593,309	447,891	980,750	543,799	740,853	1,100,181	1,284,652
Other Operating Expenses	109,521	113,038	127,456	131,430	114,444	120,152	122,872	129,171	139,774	145,111	234,596	284,885
Total Expenses	473,805	422,615	586,614	542,733	621,316	713,461	570,763	1,109,921	683,573	885,964	1,334,777	1,569,537
Economic Income	\$ 500,268	\$ 221,717	\$ 633,009	\$ 686,013	\$ 638,337	\$ 719,392	\$ 655,023	\$ 1,583,287	\$ 825,246	\$ 1,350,995	\$ 1,357,729	\$ 2,176,241

Private Equity

(Dollars in Thousands)	1Q'12	2Q'12	3Q'12	4Q'12	1Q'13	2Q'13	3Q'13	4Q'13	1Q'14	2Q'14	Year-to-Date	
											2Q'13	2Q'14
Revenues												
Management Fees, Net												
Base Management Fees	\$ 85,789	\$ 87,475	\$ 86,136	\$ 89,194	\$ 86,246	\$ 86,621	\$ 95,281	\$ 99,998	\$ 98,584	\$ 103,204	\$ 172,867	\$ 201,788
Transaction and Other Fees, Net	18,097	14,951	25,693	41,339	24,453	38,348	16,052	18,135	42,847	27,616	62,801	70,463
Management Fee Offsets	(3,782)	(672)	(767)	(705)	(480)	(1,950)	(2,080)	(1,173)	(1,713)	(4,246)	(2,430)	(5,959)
Total Management Fees, Net	100,104	101,754	111,062	129,828	110,219	123,019	109,253	116,960	139,718	126,574	233,238	266,292
Performance Fees												
Realized Carried Interest	3,933	28,781	31,592	45,491	139,892	3,899	85,121	101,081	119,805	212,394	143,791	332,199
Unrealized Carried Interest	34,051	(87,893)	128,746	73,477	(83,954)	182,926	(86,300)	385,560	167,065	502,210	98,972	669,275
Total Performance Fees	37,984	(59,112)	160,338	118,968	55,938	186,825	(1,179)	486,641	286,870	714,604	242,763	1,001,474
Investment Income (Loss)												
Realized	13,911	(6,195)	7,189	10,918	24,162	21,586	11,495	30,783	60,535	74,812	45,748	135,347
Unrealized	16,469	(28,337)	43,267	53,938	31,711	21,088	23,621	85,329	(9,033)	17,662	52,799	8,629
Total Investment Income (Loss)	30,380	(34,532)	50,456	64,856	55,873	42,674	35,116	116,112	51,502	92,474	98,547	143,976
Interest Income and Dividend Revenue	2,420	3,114	3,413	4,609	2,984	3,251	5,231	4,136	5,228	4,666	6,235	9,894
Other	(215)	562	1,650	420	424	366	1,521	1,948	864	564	790	1,428
Total Revenues	170,673	11,786	326,919	318,681	225,438	356,135	149,942	725,797	484,182	938,882	581,573	1,423,064
Expenses												
Compensation	52,547	53,775	62,424	53,963	60,203	63,747	55,800	56,370	73,307	73,038	123,950	146,345
Performance Fee Compensation												
Realized Carried Interest	320	804	1,048	1,507	16,246	877	19,824	2,006	85,771	112,720	17,123	198,491
Unrealized Carried Interest	(1,052)	(8,259)	43,228	24,638	16,619	88,111	(36,198)	274,201	(27,148)	66,194	104,730	39,046
Total Compensation and Benefits	51,815	46,320	106,700	80,108	93,068	152,735	39,426	332,577	131,930	251,952	245,803	383,882
Other Operating Expenses	28,881	30,521	30,944	40,499	29,168	32,178	30,024	32,767	33,006	39,193	61,346	72,199
Total Expenses	80,696	76,841	137,644	120,607	122,236	184,913	69,450	365,344	164,936	291,145	307,149	456,081
Economic Income (Loss)	\$ 89,977	\$ (65,055)	\$ 189,275	\$ 198,074	\$ 103,202	\$ 171,222	\$ 80,492	\$ 360,453	\$ 319,246	\$ 647,737	\$ 274,424	\$ 966,983

Real Estate

(Dollars in Thousands)	1Q'12	2Q'12	3Q'12	4Q'12	1Q'13	2Q'13	3Q'13	4Q'13	1Q'14	2Q'14	Year-to-Date	
											2Q'13	2Q'14
Revenues												
Management Fees, Net												
Base Management Fees	\$ 147,802	\$ 127,817	\$ 135,659	\$ 140,044	\$ 138,346	\$ 137,000	\$ 136,721	\$ 153,115	\$ 159,336	\$ 157,869	\$ 275,346	\$ 317,205
Transaction and Other Fees, Net	14,412	25,151	14,937	31,181	9,140	19,013	19,205	32,317	13,564	13,514	28,153	27,078
Management Fee Offsets	(8,627)	(5,357)	(6,034)	(8,591)	(7,286)	(6,312)	(2,385)	(6,838)	(9,224)	(7,702)	(13,598)	(16,926)
Total Management Fees, Net	153,587	147,611	144,562	162,634	140,200	149,701	153,541	178,594	163,676	163,681	289,901	327,357
Performance Fees												
Realized Carried Interest	8,617	13,539	51,845	91,113	68,773	143,481	93,878	180,641	194,658	417,826	212,254	612,484
Realized Incentive Fees	(1)	7,766	4,879	13,012	3,092	31,102	3,737	7,931	(26)	6,070	34,194	6,044
Unrealized Carried Interest	221,500	144,510	207,695	110,059	280,076	259,972	340,406	771,246	140,237	119,461	540,048	259,698
Unrealized Incentive Fees	7,914	(1,526)	6,150	(12,657)	2,400	(32,279)	2,481	(1,355)	2,737	(3,483)	(29,879)	(746)
Total Performance Fees	238,030	164,289	270,569	201,527	354,341	402,276	440,502	958,463	337,606	539,874	756,617	877,480
Investment Income (Loss)												
Realized	7,812	9,067	10,324	18,099	9,534	18,577	928	23,320	31,357	122,664	28,111	154,021
Unrealized	25,912	14,944	33,676	16,343	60,303	30,636	57,656	201,606	5,379	(50,437)	90,939	(45,058)
Total Investment Income	33,724	24,011	44,000	34,442	69,837	49,213	58,584	224,926	36,736	72,227	119,050	108,963
Interest Income and Dividend Revenue	2,552	3,277	3,581	5,038	4,298	4,396	6,060	6,809	6,110	8,009	8,694	14,119
Other	(709)	(590)	1,941	252	(133)	(274)	2,113	1,678	317	(218)	(407)	99
Total Revenues	427,184	338,598	464,653	403,893	568,543	605,312	660,800	1,370,470	544,445	783,573	1,173,855	1,328,018
Expenses												
Compensation	68,889	76,576	71,456	54,201	69,459	73,792	75,346	75,625	80,233	85,582	143,251	165,815
Performance Fee Compensation												
Realized Carried Interest	4,077	3,401	19,822	35,118	25,863	55,005	38,942	29,027	51,833	143,442	80,868	195,275
Realized Incentive Fees	2	3,871	2,570	6,617	1,724	15,733	1,919	4,502	(16)	3,081	17,457	3,065
Unrealized Carried Interest	54,275	31,677	47,940	31,590	89,057	78,604	99,323	299,853	56,985	27,339	167,661	84,324
Unrealized Incentive Fees	3,768	(629)	2,876	(6,598)	1,034	(16,329)	615	(335)	1,382	(1,783)	(15,295)	(401)
Total Compensation and Benefits	131,011	114,896	144,664	120,928	187,137	206,805	216,145	408,672	190,417	257,661	393,942	448,078
Other Operating Expenses	28,924	26,560	31,284	36,946	28,462	27,617	30,614	29,698	33,107	36,542	56,079	69,649
Total Expenses	159,935	141,456	175,948	157,874	215,599	234,422	246,759	438,370	223,524	294,203	450,021	517,727
Economic Income	\$ 267,249	\$ 197,142	\$ 288,705	\$ 246,019	\$ 352,944	\$ 370,890	\$ 414,041	\$ 932,100	\$ 320,921	\$ 489,370	\$ 723,834	\$ 810,291

Hedge Fund Solutions

(Dollars in Thousands)	1Q'12	2Q'12	3Q'12	4Q'12	1Q'13	2Q'13	3Q'13	4Q'13	1Q'14	2Q'14	Year-to-Date			
											2Q'13	2Q'14		
Revenues														
Management Fees, Net														
Base Management Fees	\$ 81,821	\$ 84,278	\$ 87,334	\$ 92,777	\$ 92,791	\$ 100,113	\$ 103,392	\$ 113,025	\$ 113,384	\$ 123,008	\$ 192,904	\$ 236,392		
Transaction and Other Fees, Net	92	65	4	27	4	61	295	263	93	126	65	219		
Management Fee Offsets	(335)	(375)	(382)	(322)	(324)	(714)	(1,200)	(1,149)	(1,455)	(1,531)	(1,038)	(2,986)		
Total Management Fees, Net	81,578	83,968	86,956	92,482	92,471	99,460	102,487	112,139	112,022	121,603	191,931	233,625		
Performance Fees														
Realized Incentive Fees	3,298	1,175	2,637	76,323	13,709	13,845	5,320	174,861	39,845	7,973	27,554	47,818		
Unrealized Incentive Fees	23,187	(10,981)	36,635	(39,799)	55,501	20,989	29,208	(97,980)	18,085	30,556	76,490	48,641		
Total Performance Fees	26,485	(9,806)	39,272	36,524	69,210	34,834	34,528	76,881	57,930	38,529	104,044	96,459		
Investment Income (Loss)														
Realized	503	929	637	5,201	852	13,668	(598)	13,691	16,820	2,394	14,520	19,214		
Unrealized	8,371	(3,636)	5,199	(1,417)	3,913	(12,054)	6,439	(7,604)	4,431	1,057	(8,141)	5,488		
Total Investment Income (Loss)	8,874	(2,707)	5,836	3,784	4,765	1,614	5,841	6,087	21,251	3,451	6,379	24,702		
Interest Income and Dividend Revenue	386	495	540	718	1,216	1,878	2,523	1,988	2,661	2,340	3,094	5,001		
Other	(127)	27	315	3,601	85	(254)	595	262	122	(203)	(169)	(81)		
Total Revenues	117,196	71,977	132,919	137,109	167,747	137,532	145,974	197,357	193,986	165,720	305,279	359,706		
Expenses														
Compensation	28,233	34,559	28,826	28,113	33,868	36,844	37,611	28,147	40,571	43,341	70,712	83,912		
Performance Fee Compensation														
Realized Incentive Fees	1,378	(345)	1,062	20,985	5,022	5,116	1,954	53,701	13,271	2,918	10,138	16,189		
Unrealized Incentive Fees	7,294	(2,820)	8,062	(11,219)	19,836	7,666	10,177	(34,823)	6,761	11,252	27,502	18,013		
Total Compensation and Benefits	36,905	31,394	37,950	37,879	58,726	49,626	49,742	47,025	60,603	57,511	108,352	118,114		
Other Operating Expenses	13,934	14,506	12,878	16,491	15,159	16,535	19,575	15,697	19,480	25,101	31,694	44,581		
Total Expenses	50,839	45,900	50,828	54,370	73,885	66,161	69,317	62,722	80,083	82,612	140,046	162,695		
Economic Income	\$ 66,357	\$ 26,077	\$ 82,091	\$ 82,739	\$ 93,862	\$ 71,371	\$ 76,657	\$ 134,635	\$ 113,903	\$ 83,108	\$ 165,233	\$ 197,011		

Credit

(Dollars in Thousands)	1Q'12	2Q'12	3Q'12	4Q'12	1Q'13	2Q'13	3Q'13	4Q'13	1Q'14	2Q'14	Year-to-Date	
											2Q'13	2Q'14
Revenues												
Management Fees, Net												
Base Management Fees	\$ 80,094	\$ 81,774	\$ 88,959	\$ 94,450	\$ 91,364	\$ 101,940	\$ 101,900	\$ 102,954	\$ 105,574	\$ 112,489	\$ 193,304	\$ 218,063
Transaction and Other Fees, Net	5,725	9,184	4,486	21,480	4,374	9,002	7,058	8,152	3,344	7,064	13,376	10,408
Management Fee Offsets	(306)	(1,569)	(1,271)	(1,858)	(1,572)	(1,559)	(2,606)	(34,592)	(4,252)	(6,739)	(3,131)	(10,991)
Total Management Fees, Net	85,513	89,389	92,174	114,072	94,166	109,383	106,352	76,514	104,666	112,814	203,549	217,480
Performance Fees												
Realized Carried Interest	1,010	13,609	328	37,564	85,505	35,908	3,655	2,124	19,160	11,439	121,413	30,599
Realized Incentive Fees	1,982	2,751	4,104	183,538	7,926	29,920	22,181	160,709	14,018	25,248	37,846	39,266
Unrealized Carried Interest	43,245	27,673	67,024	24,103	(18,775)	13,808	35,946	77,099	22,986	39,041	(4,967)	62,027
Unrealized Incentive Fees	37,020	(4,567)	61,364	(132,051)	49,854	15,648	9,303	(73,698)	40,444	29,703	65,502	70,147
Total Performance Fees	83,257	39,466	132,820	113,154	124,510	95,284	71,085	166,234	96,608	105,431	219,794	202,039
Investment Income (Loss)												
Realized	683	5,638	6,697	2,593	3,328	901	496	(627)	3,071	2,223	4,229	5,294
Unrealized	9,211	(9,156)	(736)	5,450	1,093	4,381	(1,042)	9,519	3,079	4,521	5,474	7,600
Total Investment Income (Loss)	9,894	(3,518)	5,961	8,043	4,421	5,282	(546)	8,892	6,150	6,744	9,703	12,894
Interest Income and Dividend Revenue	2,425	1,752	2,673	2,480	4,547	4,071	5,288	4,240	5,861	4,892	8,618	10,753
Other	(238)	(787)	(678)	529	1,828	(1,063)	(357)	119	(259)	11	765	(248)
Total Revenues	180,851	126,302	232,950	238,278	229,472	212,957	181,822	255,999	213,026	229,892	442,429	442,918
Expenses												
Compensation	37,143	42,845	50,236	51,853	45,521	55,941	53,250	31,802	50,752	51,310	101,462	102,062
Performance Fee Compensation												
Realized Carried Interest	3,541	3,694	1,153	21,948	47,328	20,028	1,603	452	11,794	4,139	67,356	15,933
Realized Incentive Fees	2,872	2,049	825	98,156	3,762	14,165	10,726	82,591	10,380	12,510	17,927	22,890
Unrealized Carried Interest	31,320	13,397	37,695	15,150	(10,204)	6,109	19,216	42,026	10,853	20,803	(4,095)	31,656
Unrealized Incentive Fees	1,717	(6,147)	33,316	(74,148)	23,608	11,747	292	(35,139)	15,388	15,223	35,355	30,611
Total Compensation and Benefits	76,593	55,838	123,225	112,959	110,015	107,990	85,087	121,732	99,167	103,985	218,005	203,152
Other Operating Expenses	17,096	15,749	33,527	18,116	20,962	22,961	23,451	29,566	32,839	22,159	43,923	54,998
Total Expenses	93,689	71,587	156,752	131,075	130,977	130,951	108,538	151,298	132,006	126,144	261,928	258,150
Economic Income	\$ 87,162	\$ 54,715	\$ 76,198	\$ 107,203	\$ 98,495	\$ 82,006	\$ 73,284	\$ 104,701	\$ 81,020	\$ 103,748	\$ 180,501	\$ 184,768

Financial Advisory

(Dollars in Thousands)	1Q'12	2Q'12	3Q'12	4Q'12	1Q'13	2Q'13	3Q'13	4Q'13	1Q'14	2Q'14	Year-to-Date	
											2Q'13	2Q'14
Revenues												
Advisory Fees	\$ 75,846	\$ 93,372	\$ 59,951	\$ 128,248	\$ 67,020	\$ 120,734	\$ 83,602	\$ 139,158	\$ 69,963	\$ 114,914	\$ 187,754	\$ 184,877
Transaction and Other Fees, Net	145	102	6	42	3	40	196	866	62	876	43	938
Total Advisory and Transaction Fees	75,991	93,474	59,957	128,290	67,023	120,774	83,798	140,024	70,025	115,790	187,797	185,815
Investment Income (Loss)												
Realized	583	(79)	251	637	234	(146)	(829)	(884)	134	106	88	240
Unrealized	(49)	561	928	(92)	(359)	(1,518)	1,006	1,610	694	969	(1,877)	1,663
Total Investment Income (Loss)	534	482	1,179	545	(125)	(1,664)	177	726	828	1,075	(1,789)	1,903
Interest Income and Dividend Revenue	1,562	1,753	1,797	2,045	1,616	1,746	2,437	2,221	2,502	2,187	3,362	4,689
Other	82	(40)	(751)	(95)	(61)	61	836	614	(175)	(160)	-	(335)
Total Revenues	78,169	95,669	62,182	130,785	68,453	120,917	87,248	143,585	73,180	118,892	189,370	192,072
Expenses												
Compensation	67,960	61,129	46,619	59,429	57,926	76,153	57,491	70,744	61,682	69,744	134,079	131,426
Total Compensation and Benefits	67,960	61,129	46,619	59,429	57,926	76,153	57,491	70,744	61,682	69,744	134,079	131,426
Other Operating Expenses	20,686	25,702	18,823	19,378	20,693	20,861	19,208	21,443	21,342	22,116	41,554	43,458
Total Expenses	88,646	86,831	65,442	78,807	78,619	97,014	76,699	92,187	83,024	91,860	175,633	174,884
Economic Income (Loss)	\$ (10,477)	\$ 8,838	\$ (3,260)	\$ 51,978	\$ (10,166)	\$ 23,903	\$ 10,549	\$ 51,398	\$ (9,844)	\$ 27,032	\$ 13,737	\$ 17,188

Total Segments

(Dollars in Thousands)	2009	2010	2011	2012	2013
Revenues					
Management and Advisory Fees, Net					
Base Management Fees	\$ 999,829	\$ 1,069,471	\$ 1,281,185	\$ 1,591,403	\$ 1,740,807
Advisory Fees	390,718	426,140	382,240	357,417	410,514
Transaction and Other Fees, Net	115,040	137,748	247,513	227,119	206,977
Management Fee Offsets	(17,161)	(2,313)	(33,393)	(40,953)	(72,220)
Total Management and Advisory Fees, Net	1,488,426	1,631,046	1,877,545	2,134,986	2,286,078
Performance Fees					
Realized Carried Interest	29,452	244,963	138,907	327,422	943,958
Realized Incentive Fees	44,812	116,700	89,029	301,464	474,333
Unrealized Carried Interest	100,304	457,002	971,518	994,190	2,158,010
Unrealized Incentive Fees	65,563	107,624	(24,928)	(29,311)	(19,928)
Total Performance Fees	240,131	926,289	1,174,526	1,593,765	3,556,373
Investment Income					
Realized	29,544	46,915	102,575	95,398	170,471
Unrealized	3,880	501,634	82,689	190,846	517,334
Total Investment Income	33,424	548,549	185,264	286,244	687,805
Interest Income and Dividend Revenue	22,492	36,096	38,844	46,630	70,936
Other	7,096	(618)	7,415	5,149	10,308
Total Revenues	1,791,569	3,141,362	3,283,594	4,066,774	6,611,500
Expenses					
Compensation	769,856	859,114	960,569	1,030,776	1,115,640
Performance Fee Compensation					
Realized Carried Interest	2,844	70,716	43,615	96,433	257,201
Realized Incentive Fees	22,260	57,600	55,912	140,042	200,915
Unrealized Carried Interest	(69,824)	165,340	237,944	321,599	966,717
Unrealized Incentive Fees	43,641	63,306	(20,759)	(44,528)	(11,651)
Total Compensation and Benefits	768,777	1,216,076	1,277,281	1,544,322	2,528,822
Other Operating Expenses	299,029	344,516	421,342	481,445	486,639
Total Expenses	1,067,806	1,560,592	1,698,623	2,025,767	3,015,461
Economic Income	\$ 723,763	\$ 1,580,770	\$ 1,584,971	\$ 2,041,007	\$ 3,596,039

Private Equity

(Dollars in Thousands)	2009	2010	2011	2012	2013
Revenues					
Management Fees, Net					
Base Management Fees	\$ 270,509	\$ 263,307	\$ 331,997	\$ 348,594	\$ 368,146
Transaction and Other Fees, Net	86,336	72,243	133,004	100,080	96,988
Management Fee Offsets	-	(188)	(27,073)	(5,926)	(5,683)
Total Management Fees, Net	356,845	335,362	437,928	442,748	459,451
Performance Fees					
Realized Carried Interest	34,021	156,869	37,393	109,797	329,993
Unrealized Carried Interest	303,491	151,494	33,490	148,381	398,232
Total Performance Fees	337,512	308,363	70,883	258,178	728,225
Investment Income					
Realized	36,968	15,332	44,988	25,823	88,026
Unrealized	33,269	153,288	9,476	85,337	161,749
Total Investment Income	70,237	168,620	54,464	111,160	249,775
Interest Income and Dividend Revenue	7,756	14,044	13,749	13,556	15,602
Other	2,845	2,021	1,810	2,417	4,259
Total Revenues	775,195	828,410	578,834	828,059	1,457,312
Expenses					
Compensation					
Performance Fee Compensation					
Realized Carried Interest	741	32,627	1,465	3,679	38,953
Unrealized Carried Interest	20,307	21,320	(2,229)	58,555	342,733
Total Compensation and Benefits	202,314	233,292	216,792	284,943	617,806
Other Operating Expenses	82,471	109,589	120,918	130,845	124,137
Total Expenses	284,785	342,881	337,710	415,788	741,943
Economic Income	\$ 490,410	\$ 485,529	\$ 241,124	\$ 412,271	\$ 715,369

Real Estate

(Dollars in Thousands)	2009	2010	2011	2012	2013
Revenues					
Management Fees, Net					
Base Management Fees	\$ 328,447	\$ 338,428	\$ 394,778	\$ 551,322	\$ 565,182
Transaction and Other Fees, Net	25,838	59,914	109,510	85,681	79,675
Management Fee Offsets	(2,467)	(1,071)	(4,950)	(28,609)	(22,821)
Total Management Fees, Net	351,818	397,271	499,338	608,394	622,036
Performance Fees					
Realized Carried Interest	(9,597)	16,113	22,844	165,114	486,773
Realized Incentive Fees	6,558	24,175	9,629	25,656	45,862
Unrealized Carried Interest	(259,583)	218,706	913,418	683,764	1,651,700
Unrealized Incentive Fees	7,403	38,265	3,658	(119)	(28,753)
Total Performance Fees	(255,219)	297,259	949,549	874,415	2,155,582
Investment Income (Loss)					
Realized	6,164	11,251	27,972	45,302	52,359
Unrealized	(125,624)	318,979	92,648	90,875	350,201
Total Investment Income (Loss)	(119,460)	330,230	120,620	136,177	402,560
Interest Income and Dividend Revenue	6,030	11,173	12,902	14,448	21,563
Other	3,261	(336)	(1,061)	894	3,384
Total Revenues	(13,570)	1,035,597	1,581,348	1,634,328	3,205,125
Expenses					
Compensation					
Performance Fee Compensation					
Realized Carried Interest	489	4,545	10,103	62,418	148,837
Realized Incentive Fees	3,020	11,299	4,564	13,060	23,878
Unrealized Carried Interest	(117,394)	103,406	221,140	165,482	566,837
Unrealized Incentive Fees	3,410	19,458	3,106	(583)	(15,015)
Total Compensation and Benefits	47,640	321,885	475,684	511,499	1,018,759
Other Operating Expenses	56,325	74,189	103,859	123,714	116,391
Total Expenses	103,965	396,074	579,543	635,213	1,135,150
Economic Income (Loss)	\$ (117,535)	\$ 639,523	\$ 1,001,805	\$ 999,115	\$ 2,069,975

Hedge Fund Solutions

(Dollars in Thousands)	2009	2010	2011	2012	2013
Revenues					
Management Fees, Net					
Base Management Fees	\$ 227,596	\$ 272,773	\$ 315,863	\$ 346,210	\$ 409,321
Transaction and Other Fees, Net	2,224	3,572	2,798	188	623
Management Fee Offsets	(242)	(330)	(980)	(1,414)	(3,387)
Total Management Fees, Net	229,578	276,015	317,681	344,984	406,557
Performance Fees					
Realized Incentive Fees	30,709	56,626	11,472	83,433	207,735
Unrealized Incentive Fees	1	2,982	774	9,042	7,718
Total Performance Fees	30,710	59,608	12,246	92,475	215,453
Investment Income (Loss)					
Realized	(113)	9,818	17,722	7,270	27,613
Unrealized	51,898	19,361	(19,031)	8,517	(9,306)
Total Investment Income (Loss)	51,785	29,179	(1,309)	15,787	18,307
Interest Income and Dividend Revenue	1,040	1,869	2,025	2,139	7,605
Other	258	97	7,902	3,816	688
Total Revenues	313,371	366,768	338,545	459,201	648,610
Expenses					
Compensation	88,512	95,386	128,959	119,731	136,470
Performance Fee Compensation					
Realized Incentive Fees	11,228	20,633	3,498	23,080	65,793
Unrealized Incentive Fees	(21)	1,067	234	1,317	2,856
Total Compensation and Benefits	99,719	117,086	132,691	144,128	205,119
Other Operating Expenses	43,166	51,360	65,072	57,809	66,966
Total Expenses	142,885	168,446	197,763	201,937	272,085
Economic Income	\$ 170,486	\$ 198,322	\$ 140,782	\$ 257,264	\$ 376,525

Credit

(Dollars in Thousands)	2009	2010	2011	2012	2013
Revenues					
Management Fees, Net					
Base Management Fees	\$ 173,277	\$ 194,963	\$ 238,547	\$ 345,277	\$ 398,158
Transaction and Other Fees, Net	642	1,657	1,880	40,875	28,586
Management Fee Offsets	(14,452)	(724)	(390)	(5,004)	(40,329)
Total Management Fees, Net	159,467	195,896	240,037	381,148	386,415
Performance Fees					
Realized Carried Interest	5,028	71,981	78,670	52,511	127,192
Realized Incentive Fees	7,545	35,899	67,928	192,375	220,736
Unrealized Carried Interest	56,396	86,802	24,610	162,045	108,078
Unrealized Incentive Fees	58,159	66,377	(29,360)	(38,234)	1,107
Total Performance Fees	127,128	261,059	141,848	368,697	457,113
Investment Income (Loss)					
Realized	(14,918)	9,700	11,299	15,611	4,098
Unrealized	44,118	9,472	(708)	4,769	13,951
Total Investment Income	29,200	19,172	10,591	20,380	18,049
Interest Income and Dividend Revenue	2,412	3,038	3,369	9,330	18,146
Other	767	(488)	(853)	(1,174)	527
Total Revenues	318,974	478,677	394,992	778,381	880,250
Expenses					
Compensation					
Performance Fee Compensation					
Realized Carried Interest	1,614	33,544	32,047	30,336	69,411
Realized Incentive Fees	8,012	25,668	47,850	103,902	111,244
Unrealized Carried Interest	27,263	40,614	19,033	97,562	57,147
Unrealized Incentive Fees	40,252	42,781	(24,099)	(45,262)	508
Total Compensation and Benefits	186,745	265,864	203,419	368,615	424,824
Other Operating Expenses	37,495	39,106	49,955	84,488	96,940
Total Expenses	224,240	304,970	253,374	453,103	521,764
Economic Income	\$ 94,734	\$ 173,707	\$ 141,618	\$ 325,278	\$ 358,486

Financial Advisory

(Dollars in Thousands)	2009	2010	2011	2012	2013
Revenues					
Advisory Fees	\$ 390,718	\$ 426,140	\$ 382,240	\$ 357,417	\$ 410,514
Transaction and Other Fees, Net	-	362	321	295	1,105
Total Advisory and Transaction Fees	390,718	426,502	382,561	357,712	411,619
Investment Income (Loss)					
Realized	1,443	814	594	1,392	(1,625)
Unrealized	219	534	304	1,348	739
Total Investment Income (Loss)	1,662	1,348	898	2,740	(886)
Interest Income and Dividend Revenue	5,254	5,972	6,799	7,157	8,020
Other	(35)	(1,912)	(383)	(804)	1,450
Total Revenues	397,599	431,910	389,875	366,805	420,203
Expenses					
Compensation	232,359	277,949	248,695	235,137	262,314
Total Compensation and Benefits	232,359	277,949	248,695	235,137	262,314
Other Operating Expenses	79,572	70,272	81,538	84,589	82,205
Total Expenses	311,931	348,221	330,233	319,726	344,519
Economic Income	\$ 85,668	\$ 83,689	\$ 59,642	\$ 47,079	\$ 75,684

Reconciliation of GAAP to Non-GAAP Measures

(Dollars in Thousands)	1Q'12	2Q'12	3Q'12	4Q'12	1Q'13	2Q'13	3Q'13	4Q'13	1Q'14	2Q'14	Year-to-Date	
											2Q'13	2Q'14
Net Income (Loss) Attributable to The Blackstone Group L.P.	\$ 58,325	\$ (74,964)	\$ 128,824	\$ 106,413	\$ 167,635	\$ 211,148	\$ 171,164	\$ 621,255	\$ 265,617	\$ 517,016	\$ 378,783	\$ 782,633
Net Income (Loss) Attributable to Non-Controlling Interests in Blackstone Holdings	107,405	(53,027)	183,431	169,918	207,090	249,134	208,332	675,289	299,505	543,819	456,224	843,324
Net Income (Loss) Attributable to Non-Controlling Interests in Consolidated Entities	197,643	239,934	(157,607)	(180,011)	(9,452)	27,944	30,231	149,834	43,961	140,061	18,492	184,022
Net Income (Loss) Attributable to Redeemable Non-Controlling Interests in Consolidated Entities	54,259	(17,666)	41,854	25,151	62,316	22,366	51,188	47,445	45,792	22,486	84,682	68,278
Net Income	\$ 417,632	\$ 94,277	\$ 196,502	\$ 121,471	\$ 427,589	\$ 510,592	\$ 460,915	\$ 1,493,823	\$ 654,875	\$ 1,223,382	\$ 938,181	\$ 1,878,257
Provision for Taxes	38,753	41,337	39,237	65,696	50,993	56,082	57,477	91,090	54,097	83,282	107,075	137,379
Income Before Provision for Taxes	\$ 456,385	\$ 135,614	\$ 235,739	\$ 187,167	\$ 478,582	\$ 566,674	\$ 518,392	\$ 1,584,913	\$ 708,972	\$ 1,306,664	\$ 1,045,256	\$ 2,015,636
IPO and Acquisition-Related Charges (a)	244,897	268,936	248,179	317,499	186,962	178,706	190,525	166,514	177,024	178,568	365,668	355,592
Amortization of Intangibles (b)	50,888	39,435	33,338	26,487	25,657	24,322	27,525	29,139	29,003	28,310	49,979	57,313
(Income) Loss Associated with Non-Controlling Interests of Consolidated Entities (c)	(251,902)	(222,268)	115,753	154,860	(52,864)	(50,310)	(81,419)	(197,279)	(89,753)	(162,547)	(103,174)	(252,300)
Economic Income	\$ 500,268	\$ 221,717	\$ 633,009	\$ 686,013	\$ 638,337	\$ 719,392	\$ 655,023	\$ 1,583,287	\$ 825,246	\$ 1,350,995	\$ 1,357,729	\$ 2,176,241
Taxes (d)	(9,051)	(9,368)	(11,257)	(16,032)	(10,031)	(16,152)	(14,792)	(41,189)	(11,312)	(25,032)	(26,183)	(36,344)
Economic Net Income	\$ 491,217	\$ 212,349	\$ 621,752	\$ 669,981	\$ 628,306	\$ 703,240	\$ 640,231	\$ 1,542,098	\$ 813,934	\$ 1,325,963	\$ 1,331,546	\$ 2,139,897
Taxes (d)	9,051	9,368	11,257	16,032	10,031	16,152	14,792	41,189	11,312	25,032	26,183	36,344
Performance Fee Adjustment (e)	(385,756)	(134,837)	(602,999)	(470,173)	(603,999)	(719,219)	(544,936)	(1,688,219)	(779,014)	(1,398,438)	(1,323,218)	(2,177,452)
Investment (Income) Loss Adjustment (f)	(83,406)	16,264	(107,432)	(111,670)	(134,771)	(97,119)	(99,172)	(356,743)	(116,467)	(175,971)	(231,890)	(292,438)
Investment Income (Loss) - Blackstone's Treasury Cash Management Strategies (g)	6,310	1,892	12,877	4,690	(1,729)	(21,452)	(712)	4,319	7,810	6,684	(23,181)	14,494
Performance Fee Compensation and Benefits Adjustment (h)	109,512	40,693	199,597	163,744	239,895	286,832	168,393	718,062	237,254	417,838	526,727	655,092
Fee Related Earnings	\$ 146,928	\$ 145,729	\$ 135,052	\$ 272,604	\$ 137,733	\$ 168,434	\$ 178,596	\$ 260,706	\$ 174,829	\$ 201,108	\$ 306,167	\$ 375,937
Realized Performance Fees (i)	6,649	54,147	68,905	262,710	218,952	147,231	138,924	455,068	214,427	402,140	366,183	616,567
Realized Investment Income (j)	23,492	9,360	25,098	37,448	38,110	54,586	11,492	66,283	111,917	202,199	92,696	314,116
Adjustment Related to Realized Investment (Income) Loss - Blackstone's Treasury Cash Management Strategies (k)	(5,897)	(1,280)	(8,251)	(6,444)	(3,820)	1,469	6,672	8,873	(1,344)	(1,059)	(2,351)	(2,403)
Taxes and Related Payables Including Payable Under Tax Receivable Agreement (l)	(9,051)	(19,552)	(31,169)	(72,553)	(12,148)	(44,220)	(31,756)	(68,610)	(31,054)	(44,841)	(56,368)	(75,895)
Equity-Based Compensation (m)	7,846	6,809	6,813	68,572	12,085	10,985	8,745	98,309	16,337	11,250	23,070	27,587
Distributable Earnings	\$ 169,967	\$ 195,213	\$ 196,448	\$ 562,337	\$ 390,912	\$ 338,485	\$ 312,673	\$ 820,629	\$ 485,112	\$ 770,797	\$ 729,397	\$ 1,255,909
Interest Expense	13,554	12,850	18,163	24,585	26,069	25,960	25,268	26,607	30,398	34,082	52,029	64,480
Taxes and Related Payables Including Payable Under Tax Receivable Agreement (l)	9,051	19,552	31,169	72,553	12,148	44,220	31,756	68,610	31,054	44,841	56,368	75,895
Depreciation and Amortization	10,268	10,391	8,895	12,681	8,643	9,116	8,956	8,726	10,373	7,170	17,759	17,543
Adjusted EBITDA	\$ 202,840	\$ 238,006	\$ 254,675	\$ 672,156	\$ 437,772	\$ 417,781	\$ 378,653	\$ 924,572	\$ 556,937	\$ 856,890	\$ 855,553	\$ 1,413,827

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

Reconciliation of GAAP to Non-GAAP Measures

(Dollars in Thousands)

	2009	2010	2011	2012	2013
Net Income (Loss) Attributable to The Blackstone Group L.P.	\$ (715,291)	\$ (370,028)	\$ (168,303)	\$ 218,598	\$ 1,171,202
Net Income (Loss) Attributable to Non-Controlling Interests in Blackstone Holdings	(1,792,174)	(668,444)	(83,234)	407,727	1,339,845
Net Income (Loss) Attributable to Non-Controlling Interests in Consolidated Entities	(14,328)	343,498	7,953	99,959	198,557
Net Income (Loss) Attributable to Redeemable Non-Controlling Interests in Consolidated Entities	131,097	87,651	(24,869)	103,598	183,315
Net Income (Loss)	\$ (2,390,696)	\$ (607,323)	\$ (268,453)	\$ 829,882	\$ 2,892,919
Provision for Taxes	99,230	84,669	345,711	185,023	255,642
Income (Loss) Before Provision for Taxes	\$ (2,291,466)	\$ (522,654)	\$ 77,258	\$ 1,014,905	\$ 3,148,561
IPO and Acquisition-Related Charges (a)	2,973,950	2,369,195	1,269,932	1,079,511	722,707
Amortization of Intangibles (b)	158,048	165,378	220,865	150,148	106,643
(Income) Loss Associated with Non-Controlling Interests of Consolidated Entities (c)	(116,769)	(431,149)	16,916	(203,557)	(381,872)
Economic Income	\$ 723,763	\$ 1,580,770	\$ 1,584,971	\$ 2,041,007	\$ 3,596,039
Taxes (d)	(51,086)	(28,932)	(45,763)	(45,708)	(82,164)
Economic Net Income	\$ 672,677	\$ 1,551,838	\$ 1,539,208	\$ 1,995,299	\$ 3,513,875
Taxes (d)	51,086	28,932	45,763	45,708	82,164
Performance Fee Adjustment (e)	(240,131)	(926,289)	(1,174,526)	(1,593,765)	(3,556,373)
Investment (Income) Adjustment (f)	(33,424)	(548,549)	(185,264)	(286,244)	(687,805)
Investment Income (Loss) - Blackstone's Treasury Cash Management Strategies (g)	12,367	15,277	4,600	25,769	(19,574)
Performance Fee Compensation and Benefits Adjustment (h)	(1,079)	356,962	316,712	513,546	1,413,182
Fee Related Earnings	\$ 461,496	\$ 478,171	\$ 546,493	\$ 700,313	\$ 745,469
Realized Performance Fees (i)	49,160	233,347	128,409	392,411	960,175
Realized Investment Income (j)	29,544	46,915	102,575	95,398	170,471
Adjustment Related to Realized Investment (Income) Loss - Blackstone's Treasury Cash Management Strategies (k)	(10,142)	(7,782)	(6,057)	(21,872)	13,194
Taxes and Related Payables Including Payable Under Tax Receivable Agreement (l)	(51,086)	(48,867)	(74,696)	(132,325)	(156,734)
Equity-Based Compensation (m)	66,789	68,900	84,626	90,040	130,124
Distributable Earnings	\$ 545,761	\$ 770,684	\$ 781,350	\$ 1,123,965	\$ 1,862,699
Interest Expense	10,238	36,666	53,201	69,152	103,904
Taxes and Related Payables Including Payable Under Tax Receivable Agreement (l)	51,086	48,867	74,696	132,325	156,734
Depreciation and Amortization	23,750	26,629	32,764	42,235	35,441
Adjusted EBITDA	\$ 630,835	\$ 882,846	\$ 942,011	\$ 1,367,677	\$ 2,158,778

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

Reconciliation of GAAP to Non-GAAP Measures - Notes

- (a) The 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 long-term retention programs outside of annual deferred compensation 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 and includes the amount of Management Fee Revenues associated with Consolidated CLO Entities.
- (d) Taxes represent the current tax provision (benefit) calculated on Income (Loss) Before Provision (Benefit) for Taxes.
- (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 represents the realized and unrealized gain on Blackstone's Treasury Cash Management Strategies which are a component of Investment Income (Loss) but included in Fee Related Earnings.
- (h) This adjustment removes from expenses the compensation and benefit amounts related to Blackstone's profit sharing plans related to Performance Fees.
- (i) Represents the adjustment for realized Performance Fees net of corresponding actual amounts due under Blackstone's profit sharing plans related thereto.
- (j) Represents the adjustment for Blackstone's Investment Income (Loss) - Realized.
- (k) Represents the elimination of Realized Investment Income (Loss) attributable to Blackstone's Treasury Cash Management Strategies which is a component of both Fee Related Earnings and Realized Investment Income (Loss).
- (l) Taxes and Related Payables Including Payable Under Tax Receivable Agreement represent the current tax provision (benefit) calculated on Income (Loss) Before Provision (Benefit) for Taxes and the Payable Under Tax Receivable Agreement.
- (m) Represents equity-based award expense included in Economic Income.

Walkdown of Financial Metrics

	Year-to-Date											
	1Q'12	2Q'12	3Q'12	4Q'12	1Q'13	2Q'13	3Q'13	4Q'13	1Q'14	2Q'14	2Q'13	2Q'14
(Dollars in Thousands)												
▶ Base Management Fees (a)	\$ 395,506	\$ 381,344	\$ 398,088	\$ 416,465	\$ 408,747	\$ 425,674	\$ 437,294	\$ 469,092	\$ 476,878	\$ 496,570	\$ 834,421	\$ 973,448
▶ Advisory Fees (a)	75,846	93,372	59,951	128,248	67,020	120,734	83,602	139,158	69,963	114,914	187,754	184,877
▶ Transaction and Other Fees, Net (a)	38,471	49,453	45,126	94,069	37,974	66,464	42,806	59,733	59,910	49,196	104,438	109,106
▶ Management Fee Offsets (a)	(13,050)	(7,973)	(8,454)	(11,476)	(9,662)	(10,535)	(8,271)	(43,752)	(16,644)	(20,218)	(20,197)	(36,862)
▶ Interest Income and Other Revenue (b)	14,448	11,455	27,358	24,287	15,075	(7,274)	25,535	28,334	31,041	28,772	7,801	59,813
▶ Compensation (a)	(254,772)	(268,884)	(259,561)	(247,559)	(266,977)	(306,477)	(279,498)	(262,688)	(306,545)	(323,015)	(573,454)	(629,560)
▶ Other Operating Expenses (a)	(109,521)	(113,038)	(127,456)	(131,430)	(114,444)	(120,152)	(122,872)	(129,171)	(139,774)	(145,111)	(234,596)	(284,885)
Fee Related Earnings	\$ 146,928	\$ 145,729	\$ 135,052	\$ 272,604	\$ 137,733	\$ 168,434	\$ 178,596	\$ 260,706	\$ 174,829	\$ 201,108	\$ 306,167	\$ 375,937
▶ Net Realized Incentive Fees (b)	1,027	6,117	7,163	147,115	14,219	39,853	16,639	202,707	30,202	20,782	54,072	50,984
▶ Net Realized Carried Interest (b)	5,622	48,030	61,742	115,595	204,733	107,378	122,285	252,361	184,225	381,358	312,111	565,583
▶ Net Realized Investment Income (b)	17,595	8,080	16,847	31,004	34,290	56,055	18,164	75,156	110,573	201,140	90,345	311,713
▶ Taxes and Related Payables (c)	(9,051)	(19,552)	(31,169)	(72,553)	(12,148)	(44,220)	(31,756)	(68,610)	(31,054)	(44,841)	(56,368)	(75,895)
▶ Equity-Based Compensation (d)	7,846	6,809	6,813	68,572	12,085	10,985	8,745	98,309	16,337	11,250	23,070	27,587
Distributable Earnings	\$ 169,967	\$ 195,213	\$ 196,448	\$ 562,337	\$ 390,912	\$ 338,485	\$ 312,673	\$ 820,629	\$ 485,112	\$ 770,797	\$ 729,397	\$ 1,255,909
▶ Net Unrealized Incentive Fees (b)	55,342	(7,478)	59,895	(92,542)	63,277	1,274	29,908	(102,736)	37,735	32,084	64,551	69,819
▶ Net Unrealized Carried Interest (b)	214,253	47,475	274,602	136,261	81,875	283,882	207,711	617,825	289,598	546,376	365,757	835,974
▶ Net Unrealized Investment Income (Loss) (b)	59,501	(26,236)	77,708	75,976	102,210	62,516	81,720	277,268	(1,916)	(31,853)	164,726	(33,769)
▶ Add Back: Related Payables (e)	-	10,184	19,912	56,521	2,117	28,068	16,964	27,421	19,742	19,809	30,185	39,551
▶ Less: Equity-Based Compensation (d)	(7,846)	(6,809)	(6,813)	(68,572)	(12,085)	(10,985)	(8,745)	(98,309)	(16,337)	(11,250)	(23,070)	(27,587)
Economic Net Income	\$ 491,217	\$ 212,349	\$ 621,752	\$ 669,981	\$ 628,306	\$ 703,240	\$ 640,231	\$ 1,542,098	\$ 813,934	\$ 1,325,963	\$ 1,331,546	\$ 2,139,897

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 Metric Components for details.

(c) Represents the current tax provision (benefit) calculated on Income (Loss) Before Provision (Benefit) for Taxes and the Payable Under Tax Receivable Agreement.

(d) Represents equity-based award expense included in Economic Income.

(e) Represents tax-related payables including the Payable Under Tax Receivable Agreement.

Walkdown of Financial Metrics

(Dollars in Thousands)

	2009	2010	2011	2012	2013	
▶ Base Management Fees (a)	\$ 999,829	\$ 1,069,471	\$ 1,281,185	\$ 1,591,403	\$ 1,740,807	Fee Earnings
▶ Advisory Fees (a)	390,718	426,140	382,240	357,417	410,514	
▶ Transaction and Other Fees, Net (a)	115,040	137,748	247,513	227,119	206,977	
▶ Management Fee Offsets (a)	(17,161)	(2,313)	(33,393)	(40,953)	(72,220)	
▶ Interest Income and Other Revenue (b)	41,955	50,755	50,859	77,548	61,670	
▶ Compensation (a)	(769,856)	(859,114)	(960,569)	(1,030,776)	(1,115,640)	
▶ Other Operating Expenses (a)	(299,029)	(344,516)	(421,342)	(481,445)	(486,639)	
Fee Related Earnings	\$ 461,496	\$ 478,171	\$ 546,493	\$ 700,313	\$ 745,469	Distributable Earnings
▶ Net Realized Incentive Fees (b)	22,552	59,100	33,117	161,422	273,418	
▶ Net Realized Carried Interest (b)	26,608	174,247	95,292	230,989	686,757	
▶ Net Realized Investment Income (b)	19,402	39,133	96,518	73,526	183,665	
▶ Taxes and Related Payables (c)	(51,086)	(48,867)	(74,696)	(132,325)	(156,734)	
▶ Equity-Based Compensation (d)	66,789	68,900	84,626	90,040	130,124	Economic Net Income
Distributable Earnings	\$ 545,761	\$ 770,684	\$ 781,350	\$ 1,123,965	\$ 1,862,699	
▶ Net Unrealized Incentive Fees (b)	21,922	44,318	(4,169)	15,217	(8,277)	
▶ Net Unrealized Carried Interest (b)	170,128	291,662	733,574	672,591	1,191,293	
▶ Net Unrealized Investment Income (b)	1,655	494,139	84,146	186,949	523,714	
▶ Add Back: Related Payables (e)	-	19,935	28,933	86,617	74,570	
▶ Less: Equity-Based Compensation (d)	(66,789)	(68,900)	(84,626)	(90,040)	(130,124)	
Economic Net Income	\$ 672,677	\$ 1,551,838	\$ 1,539,208	\$ 1,995,299	\$ 3,513,875	

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

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

(c) Represents the current tax provision (benefit) calculated on Income (Loss) Before Provision (Benefit) for Taxes and the Payable Under Tax Receivable Agreement.

(d) Represents equity-based award expense included in Economic Income.

(e) Represents tax-related payables including the Payable Under Tax Receivable Agreement.

Walkdown of Financial Metrics - Calculation of Certain Non-GAAP Financial Metric Components

(Dollars in Thousands)	1Q'12	2Q'12	3Q'12	4Q'12	1Q'13	2Q'13	3Q'13	4Q'13	1Q'14	2Q'14	Year-to-Date	
											2Q'13	2Q'14
Interest Income and Dividend Revenue	\$ 9,345	\$ 10,391	\$ 12,004	\$ 14,890	\$ 14,661	\$ 15,342	\$ 21,539	\$ 19,394	\$ 22,362	\$ 22,094	\$ 30,003	\$ 44,456
Other Revenue	(1,207)	(828)	2,477	4,707	2,143	(1,164)	4,708	4,621	869	(6)	979	863
Investment Income (Loss) - Blackstone's Treasury Cash Management Strategies (a)	6,310	1,892	12,877	4,690	(1,729)	(21,452)	(712)	4,319	7,810	6,684	(23,181)	14,494
Interest Income and Other Revenue	\$ 14,448	\$ 11,455	\$ 27,358	\$ 24,287	\$ 15,075	\$ (7,274)	\$ 25,535	\$ 28,334	\$ 31,041	\$ 28,772	\$ 7,801	\$ 59,813
Realized Incentive Fees	5,279	11,692	11,620	272,873	24,727	74,867	31,238	343,501	53,837	39,291	99,594	93,128
Less: Realized Incentive Fee Compensation	(4,252)	(5,575)	(4,457)	(125,758)	(10,508)	(35,014)	(14,599)	(140,794)	(23,635)	(18,509)	(45,522)	(42,144)
Net Realized Incentive Fees	\$ 1,027	\$ 6,117	\$ 7,163	\$ 147,115	\$ 14,219	\$ 39,853	\$ 16,639	\$ 202,707	\$ 30,202	\$ 20,782	\$ 54,072	\$ 50,984
Realized Carried Interest	13,560	55,929	83,765	174,168	294,170	183,288	182,654	283,846	333,623	641,659	477,458	975,282
Less: Realized Carried Interest Compensation	(7,938)	(7,899)	(22,023)	(58,573)	(89,437)	(75,910)	(60,369)	(31,485)	(149,398)	(260,301)	(165,347)	(409,699)
Net Realized Carried Interest	\$ 5,622	\$ 48,030	\$ 61,742	\$ 115,595	\$ 204,733	\$ 107,378	\$ 122,285	\$ 252,361	\$ 184,225	\$ 381,358	\$ 312,111	\$ 565,583
Realized Investment Income	23,492	9,360	25,098	37,448	38,110	54,586	11,492	66,283	111,917	202,199	92,696	314,116
Adjustment Related to Realized Investment (Income) Loss - Blackstone's Treasury Cash Management Strategies (b)	(5,897)	(1,280)	(8,251)	(6,444)	(3,820)	1,469	6,672	8,873	(1,344)	(1,059)	(2,351)	(2,403)
Net Realized Investment Income	\$ 17,595	\$ 8,080	\$ 16,847	\$ 31,004	\$ 34,290	\$ 56,055	\$ 18,164	\$ 75,156	\$ 110,573	\$ 201,140	\$ 90,345	\$ 311,713
Equity-Based Compensation (c)	\$ 7,846	\$ 6,809	\$ 6,813	\$ 68,572	\$ 12,085	\$ 10,985	\$ 8,745	\$ 98,309	\$ 16,337	\$ 11,250	\$ 23,070	\$ 27,587
Taxes and Related Payables (d)	\$ (9,051)	\$ (19,552)	\$ (31,169)	\$ (72,553)	\$ (12,148)	\$ (44,220)	\$ (31,756)	\$ (68,610)	\$ (31,054)	\$ (44,841)	\$ (56,368)	\$ (75,895)
Unrealized Incentive Fees	68,121	(17,074)	104,149	(184,507)	107,755	4,358	40,992	(173,033)	61,266	56,776	112,113	118,042
Less: Unrealized Incentive Fee Compensation	(12,779)	9,596	(44,254)	91,965	(44,478)	(3,084)	(11,084)	70,297	(23,531)	(24,692)	(47,562)	(48,223)
Net Unrealized Incentive Fees	\$ 55,342	\$ (7,478)	\$ 59,895	\$ (92,542)	\$ 63,277	\$ 1,274	\$ 29,908	\$ (102,736)	\$ 37,735	\$ 32,084	\$ 64,551	\$ 69,819
Unrealized Carried Interest	298,796	84,290	403,465	207,639	177,347	456,706	290,052	1,233,905	330,288	660,712	634,053	991,000
Less: Unrealized Carried Interest Compensation	(84,543)	(36,815)	(128,863)	(71,378)	(95,472)	(172,824)	(82,341)	(616,080)	(40,690)	(114,336)	(268,296)	(155,026)
Net Unrealized Carried Interest	\$ 214,253	\$ 47,475	\$ 274,602	\$ 136,261	\$ 81,875	\$ 283,882	\$ 207,711	\$ 617,825	\$ 289,598	\$ 546,376	\$ 365,757	\$ 835,974
Unrealized Investment Income (Loss)	59,914	(25,624)	82,334	74,222	96,661	42,533	87,680	290,460	4,550	(26,228)	139,194	(21,678)
Less: Investment (Income) Loss - Blackstone's Treasury Cash Management Strategies (a)	(6,310)	(1,892)	(12,877)	(4,690)	1,729	21,452	712	(4,319)	(7,810)	(6,684)	23,181	(14,494)
Less: Adjustment Related to Realized Investment (Income) Loss - Blackstone's Treasury Cash Management Strategies (b)	5,897	1,280	8,251	6,444	3,820	(1,469)	(6,672)	(8,873)	1,344	1,059	2,351	2,403
Net Unrealized Investment Income (Loss)	\$ 59,501	\$ (26,236)	\$ 77,708	\$ 75,976	\$ 102,210	\$ 62,516	\$ 81,720	\$ 277,268	\$ (1,916)	\$ (31,853)	\$ 164,726	\$ (33,769)
Related Payables	\$ -	\$ 10,184	\$ 19,912	\$ 56,521	\$ 2,117	\$ 28,068	\$ 16,964	\$ 27,421	\$ 19,742	\$ 19,809	\$ 30,185	\$ 39,551

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

(a) Represents the inclusion of Investment Income from Blackstone's Treasury Cash Management Strategies.

(b) Represents the elimination of Realized Investment Income attributable to Blackstone's Treasury Cash Management Strategies which is a component of both Fee Related Earnings and Realized Investment Income (Loss).

(c) Represents equity-based award expense included in Economic Income.

(d) Represents the current tax provision (benefit) calculated on Income (Loss) Before Provision (Benefit) for Taxes and the Payable Under Tax Receivable Agreement.

Walkdown of Financial Metrics - Calculation of Certain Non-GAAP Financial Metric Components

(Dollars in Thousands)	2009	2010	2011	2012	2013
Interest Income and Dividend Revenue	\$ 22,492	\$ 36,096	\$ 38,844	\$ 46,630	\$ 70,936
Other Revenue	7,096	(618)	7,415	5,149	10,308
Investment Income (Loss) - Blackstone's Treasury Cash Management Strategies (a)	12,367	15,277	4,600	25,769	(19,574)
Interest Income and Other Revenue	\$ 41,955	\$ 50,755	\$ 50,859	\$ 77,548	\$ 61,670
Realized Incentive Fees	44,812	116,700	89,029	301,464	474,333
Less: Realized Incentive Fee Compensation	(22,260)	(57,600)	(55,912)	(140,042)	(200,915)
Net Realized Incentive Fees	\$ 22,552	\$ 59,100	\$ 33,117	\$ 161,422	\$ 273,418
Realized Carried Interest	29,452	244,963	138,907	327,422	943,958
Less: Realized Carried Interest Compensation	(2,844)	(70,716)	(43,615)	(96,433)	(257,201)
Net Realized Carried Interest	\$ 26,608	\$ 174,247	\$ 95,292	\$ 230,989	\$ 686,757
Realized Investment Income	29,544	46,915	102,575	95,398	170,471
Adjustment Related to Realized Investment (Income) Loss - Blackstone's Treasury Cash Management Strategies (b)	(10,142)	(7,782)	(6,057)	(21,872)	13,194
Net Realized Investment Income	\$ 19,402	\$ 39,133	\$ 96,518	\$ 73,526	\$ 183,665
Equity-Based Compensation (c)	\$ 66,789	\$ 68,900	\$ 84,626	\$ 90,040	\$ 130,124
Taxes and Related Payables (d)	\$ (51,086)	\$ (48,867)	\$ (74,696)	\$ (132,325)	\$ (156,734)
Unrealized Incentive Fees	65,563	107,624	(24,928)	(29,311)	(19,928)
Less: Unrealized Incentive Fee Compensation	(43,641)	(63,306)	20,759	44,528	11,651
Net Unrealized Incentive Fees	\$ 21,922	\$ 44,318	\$ (4,169)	\$ 15,217	\$ (8,277)
Unrealized Carried Interest	100,304	457,002	971,518	994,190	2,158,010
Less: Unrealized Carried Interest Compensation	69,824	(165,340)	(237,944)	(321,599)	(966,717)
Net Unrealized Carried Interest	\$ 170,128	\$ 291,662	\$ 733,574	\$ 672,591	\$ 1,191,293
Unrealized Investment Income	3,880	501,634	82,689	190,846	517,334
Less: Investment (Income) Loss - Blackstone's Treasury Cash Management Strategies (a)	(12,367)	(15,277)	(4,600)	(25,769)	19,574
Less: Adjustment Related to Realized Investment (Income) Loss - Blackstone's Treasury Cash Management Strategies (b)	10,142	7,782	6,057	21,872	(13,194)
Net Unrealized Investment Income	\$ 1,655	\$ 494,139	\$ 84,146	\$ 186,949	\$ 523,714
Related Payables	\$ -	\$ 19,935	\$ 28,933	\$ 86,617	\$ 74,570

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

(a) Represents the inclusion of Investment Income from Blackstone's Treasury Cash Management Strategies.

(b) Represents the elimination of Realized Investment Income attributable to Blackstone's Treasury Cash Management Strategies which is a component of both Fee Related Earnings and Realized Investment Income (Loss).

(c) Represents equity-based award expense included in Economic Income.

(d) Represents the current tax provision (benefit) calculated on Income (Loss) Before Provision (Benefit) for Taxes and the Payable Under Tax Receivable Agreement.