

# Blackstone's 2Q'18 Supplemental Financial Data

September 21, 2018 (Updated)

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

**Total Segments**

(Dollars in Thousands)	1Q'15	2Q'15	3Q'15	4Q'15	1Q'16	2Q'16	3Q'16	4Q'16	1Q'17	2Q'17	3Q'17	4Q'17	1Q'18	2Q'18	Year-to-Date	
															2Q'17	2Q'18
<b>Revenues</b>																
<b>Management and Advisory Fees, Net</b>																
Base Management Fees	\$ 516,397	\$ 516,492	\$ 564,287	\$ 599,407	\$ 586,703	\$ 593,996	\$ 593,509	\$ 623,571	\$ 642,958	\$ 671,368	\$ 669,902	\$ 696,163	\$ 707,156	\$ 692,915	\$ 1,314,326	\$ 1,400,071
Transaction, Advisory and Other Fees, Net	121,311	88,726	178,556	73,223	46,599	33,620	29,021	35,618	40,222	38,892	32,295	45,407	37,066	40,912	79,114	77,978
Management Fee Offsets	(17,945)	(18,434)	(34,176)	(22,939)	(20,101)	(15,396)	(20,850)	(23,297)	(33,599)	(13,424)	(10,215)	(9,178)	(8,178)	(10,833)	(47,023)	(19,011)
<b>Total Management and Advisory Fees, Net</b>	<b>619,763</b>	<b>586,784</b>	<b>708,667</b>	<b>649,691</b>	<b>613,201</b>	<b>612,220</b>	<b>601,680</b>	<b>635,892</b>	<b>649,581</b>	<b>696,836</b>	<b>691,982</b>	<b>732,392</b>	<b>736,044</b>	<b>722,994</b>	<b>1,346,417</b>	<b>1,459,038</b>
<b>Performance Revenues</b>																
Realized Incentive Fees	28,380	42,161	34,808	63,205	28,007	29,231	26,992	66,811	46,511	40,303	35,513	122,057	12,566	19,504	86,814	32,070
Realized Performance Allocations	1,208,884	943,141	435,166	644,877	231,352	323,866	507,325	433,432	1,111,948	603,096	434,994	1,422,830	269,642	503,555	1,715,044	773,197
Unrealized Performance Allocations	395,372	(427,864)	(1,069,440)	(488,437)	56,055	95,061	128,791	250,213	(124,078)	95,707	407,425	(484,486)	628,339	440,424	(28,371)	1,068,763
<b>Total Performance Revenues</b>	<b>1,632,636</b>	<b>557,438</b>	<b>(599,466)</b>	<b>219,645</b>	<b>315,414</b>	<b>448,158</b>	<b>663,108</b>	<b>750,456</b>	<b>1,034,381</b>	<b>739,106</b>	<b>877,932</b>	<b>1,060,401</b>	<b>910,547</b>	<b>963,483</b>	<b>1,773,487</b>	<b>1,874,030</b>
<b>Principal Investment Income (Loss)</b>																
Realized	107,792	136,497	87,526	86,993	(10,101)	53,670	60,634	95,666	202,894	100,887	60,188	72,225	28,693	94,647	303,781	123,340
Unrealized	81,849	(125,723)	(223,657)	(98,428)	(16,549)	6,101	27,253	3,616	(98,935)	(33,167)	17,384	(16,488)	13,978	52,126	(132,102)	66,104
<b>Total Principal Investment Income (Loss)</b>	<b>189,641</b>	<b>10,774</b>	<b>(136,131)</b>	<b>(11,435)</b>	<b>(26,650)</b>	<b>59,771</b>	<b>87,887</b>	<b>99,282</b>	<b>103,959</b>	<b>67,720</b>	<b>77,572</b>	<b>55,737</b>	<b>42,671</b>	<b>146,773</b>	<b>171,679</b>	<b>189,444</b>
Interest Income and Dividend Revenue	22,063	22,095	26,435	25,068	23,146	22,474	22,235	28,544	28,496	33,703	37,885	42,836	36,385	41,727	62,199	78,112
Other	(4,872)	3,973	(841)	10,240	(6,248)	8,546	(425)	52,839	(8,287)	(62,469)	(34,144)	(35,151)	(60,894)	94,416	(70,756)	33,522
<b>Total Revenues</b>	<b>2,459,231</b>	<b>1,181,064</b>	<b>(1,336)</b>	<b>893,209</b>	<b>918,863</b>	<b>1,151,169</b>	<b>1,374,485</b>	<b>1,567,013</b>	<b>1,808,130</b>	<b>1,474,896</b>	<b>1,651,227</b>	<b>1,856,215</b>	<b>1,664,753</b>	<b>1,969,393</b>	<b>3,283,026</b>	<b>3,634,146</b>
<b>Expenses</b>																
<b>Compensation</b>																
<b>Performance Compensation</b>																
Realized Incentive Fees	12,385	20,165	15,787	28,954	13,785	14,763	13,003	27,370	22,465	21,032	18,332	43,450	6,662	9,743	43,497	16,405
Realized Performance Allocations	292,090	239,704	97,073	173,588	58,841	88,069	170,860	147,359	366,478	195,738	162,505	557,244	112,062	186,398	562,216	298,460
Unrealized Performance Allocations	82,106	(45,965)	(229,447)	(116,116)	34,201	77,016	79,361	142,950	7,533	86,910	175,534	(166,183)	254,435	189,991	94,443	444,426
<b>Total Compensation and Benefits</b>	<b>716,419</b>	<b>503,256</b>	<b>212,988</b>	<b>326,880</b>	<b>394,230</b>	<b>466,003</b>	<b>531,819</b>	<b>558,742</b>	<b>685,503</b>	<b>608,937</b>	<b>659,169</b>	<b>740,545</b>	<b>709,486</b>	<b>703,522</b>	<b>1,294,440</b>	<b>1,413,008</b>
Interest Expense	30,465	36,506	35,957	36,914	36,497	36,020	36,419	39,086	39,450	40,294	40,749	72,345	38,238	38,885	79,744	77,123
Other Operating Expenses	104,429	122,964	112,584	108,598	100,094	108,475	103,625	119,642	96,462	105,838	106,617	115,949	107,092	122,466	202,300	229,558
<b>Total Expenses</b>	<b>851,313</b>	<b>662,726</b>	<b>361,529</b>	<b>472,392</b>	<b>530,821</b>	<b>610,498</b>	<b>671,863</b>	<b>717,470</b>	<b>821,415</b>	<b>755,069</b>	<b>806,535</b>	<b>928,839</b>	<b>854,816</b>	<b>864,873</b>	<b>1,576,484</b>	<b>1,719,689</b>
<b>Economic Income</b>	<b>\$ 1,607,918</b>	<b>\$ 518,338</b>	<b>\$ (362,865)</b>	<b>\$ 420,817</b>	<b>\$ 388,042</b>	<b>\$ 540,671</b>	<b>\$ 702,622</b>	<b>\$ 849,543</b>	<b>\$ 986,715</b>	<b>\$ 719,827</b>	<b>\$ 844,692</b>	<b>\$ 927,376</b>	<b>\$ 809,937</b>	<b>\$ 1,104,520</b>	<b>\$ 1,706,542</b>	<b>\$ 1,914,457</b>
Total Assets Under Management	\$ 310,451,289	\$ 332,723,546	\$ 333,925,521	\$ 336,384,575	\$ 343,705,462	\$ 356,281,669	\$ 361,040,173	\$ 366,553,465	\$ 368,196,917	\$ 371,056,281	\$ 387,449,746	\$ 434,128,243	\$ 449,613,826	\$ 439,386,656	\$ 371,056,281	\$ 439,386,656
Fee-Earning Assets Under Management	\$ 223,511,700	\$ 239,342,214	\$ 240,939,356	\$ 246,146,372	\$ 244,452,764	\$ 266,006,713	\$ 267,757,727	\$ 277,092,672	\$ 280,215,551	\$ 281,934,511	\$ 285,698,425	\$ 335,343,998	\$ 344,650,797	\$ 332,978,145	\$ 281,934,511	\$ 332,978,145

Private Equity

(Dollars in Thousands)	1Q'15	2Q'15	3Q'15	4Q'15	1Q'16	2Q'16	3Q'16	4Q'16	1Q'17	2Q'17	3Q'17	4Q'17	1Q'18	2Q'18	Year-to-Date	
															2Q'17	2Q'18
<b>Revenues</b>																
Management and Advisory Fees, Net																
Base Management Fees	\$ 108,383	\$ 121,918	\$ 128,452	\$ 143,887	\$ 130,648	\$ 131,477	\$ 132,914	\$ 160,554	\$ 176,706	\$ 177,684	\$ 182,764	\$ 187,664	\$ 182,961	\$ 195,521	\$ 354,390	\$ 378,482
Transaction, Advisory and Other Fees, Net	22,788	(6,999)	11,906	19,124	8,920	11,089	11,511	7,763	16,176	17,289	8,748	15,411	11,094	12,780	33,465	23,874
Management Fee Offsets	(4,949)	(9,028)	(12,262)	(10,521)	(6,848)	(4,195)	(12,917)	(10,850)	(12,190)	(3,753)	(1,088)	(976)	(3,193)	(4,351)	(15,943)	(7,544)
Total Management and Advisory Fees, Net	126,222	105,891	128,096	152,490	132,720	138,371	131,508	157,467	180,692	191,220	190,424	202,099	190,862	203,950	371,912	394,812
Performance Revenues																
Realized Performance Allocations	382,978	546,575	214,532	330,902	30,282	57,056	26,398	131,532	582,681	198,168	101,918	274,421	77,123	138,171	780,849	215,294
Unrealized Performance Allocations	566,822	(305,573)	(809,363)	(169,841)	73,875	85,047	144,754	122,015	(184,478)	9	80,326	90,929	397,316	498,274	(184,469)	895,590
Total Performance Revenues	949,800	241,002	(594,831)	161,061	104,157	142,103	171,152	253,547	398,203	198,177	182,244	365,350	474,439	636,445	596,380	1,110,884
Principal Investment Income (Loss)																
Realized	44,816	50,258	46,917	47,658	(15,357)	22,926	15,469	50,339	81,294	41,168	7,077	25,298	6,338	32,600	122,462	38,938
Unrealized	31,487	(22,301)	(110,689)	(14,835)	15,440	(2,766)	8,869	(26,136)	(40,522)	(25,892)	17,300	(2,303)	17,368	84,247	(66,414)	101,615
Total Principal Investment Income	76,303	27,957	(63,772)	32,823	83	20,160	24,338	24,203	40,772	15,276	24,377	22,995	23,706	116,847	56,048	140,553
Interest Income and Dividend Revenue	5,185	5,121	5,546	6,833	6,259	5,712	5,883	7,510	6,661	7,922	9,046	9,209	8,543	11,549	14,583	20,092
Other	(1,825)	2,515	471	4,693	(1,587)	3,395	411	18,239	(1,800)	(16,124)	(8,346)	(9,392)	(16,408)	26,667	(17,924)	10,259
<b>Total Revenues</b>	<b>1,155,685</b>	<b>382,486</b>	<b>(524,490)</b>	<b>357,900</b>	<b>241,632</b>	<b>309,741</b>	<b>333,292</b>	<b>460,966</b>	<b>624,528</b>	<b>396,471</b>	<b>397,745</b>	<b>590,261</b>	<b>681,142</b>	<b>995,458</b>	<b>1,020,999</b>	<b>1,676,600</b>
<b>Expenses</b>																
Compensation																
Performance Compensation																
Realized Performance Allocations	39,482	106,502	16,303	94,635	15,427	30,946	13,741	50,768	181,633	63,060	48,019	111,832	33,045	68,513	244,693	101,558
Unrealized Performance Allocations	178,120	(25,574)	(141,448)	(21,270)	9,296	19,450	69,300	65,891	(39,356)	22,219	45,484	42,748	178,802	193,747	(17,137)	372,549
Total Compensation and Benefits	288,674	149,034	(54,726)	144,016	104,997	133,536	156,679	189,575	225,880	175,955	189,669	246,809	311,576	366,058	401,835	677,634
Interest Expense	9,145	12,762	10,725	12,436	12,113	11,942	12,084	12,987	10,427	10,728	10,804	19,170	10,133	12,773	21,155	22,906
Other Operating Expenses	27,301	47,222	30,205	38,257	31,980	32,184	31,750	34,771	27,761	28,592	32,166	32,478	31,151	36,047	56,353	67,198
<b>Total Expenses</b>	<b>325,120</b>	<b>209,018</b>	<b>(13,796)</b>	<b>194,709</b>	<b>149,090</b>	<b>177,662</b>	<b>200,513</b>	<b>237,333</b>	<b>264,068</b>	<b>215,275</b>	<b>232,639</b>	<b>298,457</b>	<b>352,860</b>	<b>414,878</b>	<b>479,343</b>	<b>767,738</b>
<b>Economic Income</b>	<b>\$ 830,565</b>	<b>\$ 173,468</b>	<b>\$ (510,694)</b>	<b>\$ 163,191</b>	<b>\$ 92,542</b>	<b>\$ 132,079</b>	<b>\$ 132,779</b>	<b>\$ 223,633</b>	<b>\$ 360,460</b>	<b>\$ 181,196</b>	<b>\$ 165,106</b>	<b>\$ 291,804</b>	<b>\$ 328,282</b>	<b>\$ 580,580</b>	<b>\$ 541,656</b>	<b>\$ 908,862</b>
Total Assets Under Management	\$ 76,327,189	\$ 92,026,337	\$ 91,490,669	\$ 94,280,074	\$ 95,466,227	\$ 99,685,655	\$ 99,719,374	\$ 100,189,994	\$ 99,707,057	\$ 100,019,716	\$ 102,453,979	\$ 105,560,576	\$ 111,414,214	\$ 119,524,518	\$ 100,019,716	\$ 119,524,518
Fee-Earning Assets Under Management	\$ 49,342,211	\$ 49,537,189	\$ 50,560,404	\$ 51,451,196	\$ 50,228,312	\$ 69,467,174	\$ 69,344,971	\$ 69,110,457	\$ 68,227,286	\$ 68,029,670	\$ 67,538,062	\$ 70,140,883	\$ 72,398,415	\$ 78,045,697	\$ 68,029,670	\$ 78,045,697

Real Estate

(Dollars in Thousands)	1Q'15	2Q'15	3Q'15	4Q'15	1Q'16	2Q'16	3Q'16	4Q'16	1Q'17	2Q'17	3Q'17	4Q'17	1Q'18	2Q'18	Year-to-Date	
															2Q'17	2Q'18
<b>Revenues</b>																
<b>Management Fees, Net</b>																
Base Management Fees	\$ 152,348	\$ 140,743	\$ 175,710	\$ 199,774	\$ 199,907	\$ 201,004	\$ 197,629	\$ 196,621	\$ 197,879	\$ 227,865	\$ 224,048	\$ 222,399	\$ 226,526	\$ 249,680	\$ 425,744	\$ 476,206
Transaction and Other Fees, Net	15,216	21,510	21,390	52,461	35,794	21,112	14,190	24,228	21,279	16,087	20,616	24,799	23,088	23,859	37,366	46,947
Management Fee Offsets	(4,866)	(5,428)	(10,147)	(6,399)	(3,595)	(1,219)	(842)	(1,666)	(3,550)	(5,018)	(4,232)	(3,134)	(1,668)	(3,785)	(8,568)	(5,453)
<b>Total Management Fees, Net</b>	<b>162,698</b>	<b>156,825</b>	<b>186,953</b>	<b>245,836</b>	<b>232,106</b>	<b>220,897</b>	<b>210,977</b>	<b>219,183</b>	<b>215,608</b>	<b>238,934</b>	<b>240,432</b>	<b>244,064</b>	<b>247,946</b>	<b>269,754</b>	<b>454,542</b>	<b>517,700</b>
<b>Performance Revenues</b>																
Realized Incentive Fees	812	461	3,876	11,167	4,201	6,099	3,857	15,478	2,882	4,878	3,778	20,094	4,375	11,394	7,760	15,769
Realized Performance Allocations	811,160	364,742	169,054	290,614	200,495	266,382	461,980	274,617	519,873	389,441	307,932	971,996	151,309	351,630	909,314	502,939
Unrealized Performance Allocations	(178,998)	(185,753)	(126,555)	(168,433)	(1,762)	(78,934)	(99,868)	69,094	(8,046)	89,688	273,731	(498,562)	226,442	(160,578)	81,642	65,864
<b>Total Performance Revenues</b>	<b>632,974</b>	<b>179,450</b>	<b>46,375</b>	<b>133,348</b>	<b>202,934</b>	<b>193,547</b>	<b>365,969</b>	<b>359,189</b>	<b>514,709</b>	<b>484,007</b>	<b>585,441</b>	<b>493,528</b>	<b>382,126</b>	<b>202,446</b>	<b>998,716</b>	<b>584,572</b>
<b>Principal Investment Income (Loss)</b>																
Realized	71,344	85,432	39,821	38,985	12,975	19,929	46,704	43,104	119,579	57,599	44,449	34,276	14,690	50,199	177,178	64,889
Unrealized	37,510	(107,691)	(95,382)	(66,326)	(2,137)	(8,902)	(6,725)	16,645	(83,853)	(20,519)	(8,319)	(9,529)	2,687	(28,044)	(104,372)	(25,357)
<b>Total Principal Investment Income</b>	<b>108,854</b>	<b>(22,259)</b>	<b>(55,561)</b>	<b>(27,341)</b>	<b>10,838</b>	<b>11,027</b>	<b>39,979</b>	<b>59,749</b>	<b>35,726</b>	<b>37,080</b>	<b>36,130</b>	<b>24,747</b>	<b>17,377</b>	<b>22,155</b>	<b>72,806</b>	<b>39,532</b>
Interest Income and Dividend Revenue	7,584	7,726	8,502	9,689	9,531	9,079	8,977	10,866	12,094	14,493	15,461	16,036	15,128	14,494	26,587	29,622
Other	(3,977)	1,077	(938)	2,416	(1,909)	2,231	(548)	16,749	(3,150)	(22,965)	(13,108)	(12,202)	(21,497)	30,457	(26,115)	8,960
<b>Total Revenues</b>	<b>908,133</b>	<b>322,819</b>	<b>185,331</b>	<b>363,948</b>	<b>453,500</b>	<b>436,781</b>	<b>625,354</b>	<b>665,736</b>	<b>774,987</b>	<b>751,549</b>	<b>864,356</b>	<b>766,173</b>	<b>641,080</b>	<b>539,306</b>	<b>1,526,536</b>	<b>1,180,386</b>
<b>Expenses</b>																
<b>Compensation</b>																
<b>Performance Compensation</b>																
Realized Incentive Fees	377	229	1,836	5,718	2,226	3,300	1,764	4,826	1,333	2,711	1,967	10,203	2,210	5,820	4,044	8,030
Realized Performance Allocations	246,475	116,610	52,548	68,922	42,983	56,441	147,419	85,748	179,956	124,512	104,112	364,410	54,183	109,233	304,468	163,416
Unrealized Performance Allocations	(97,560)	(50,875)	(18,048)	(21,053)	31,858	16,721	(33,468)	46,536	17,792	64,254	105,640	(172,254)	79,170	(51,370)	82,046	27,800
<b>Total Compensation and Benefits</b>	<b>234,126</b>	<b>145,448</b>	<b>135,591</b>	<b>148,395</b>	<b>177,645</b>	<b>179,350</b>	<b>215,601</b>	<b>219,110</b>	<b>301,783</b>	<b>301,743</b>	<b>317,472</b>	<b>310,849</b>	<b>248,387</b>	<b>173,282</b>	<b>603,526</b>	<b>421,669</b>
Interest Expense	9,191	10,149	10,829	12,393	12,290	12,149	12,272	13,138	14,635	14,787	15,028	26,891	14,149	11,389	29,422	25,538
Other Operating Expenses	28,528	30,605	28,332	38,048	31,824	35,785	32,016	37,956	30,864	33,379	33,256	38,543	29,417	36,026	64,243	65,443
<b>Total Expenses</b>	<b>271,845</b>	<b>186,202</b>	<b>174,752</b>	<b>198,836</b>	<b>221,759</b>	<b>227,284</b>	<b>259,889</b>	<b>270,204</b>	<b>347,282</b>	<b>349,909</b>	<b>365,756</b>	<b>376,283</b>	<b>291,953</b>	<b>220,697</b>	<b>697,191</b>	<b>512,650</b>
<b>Economic Income</b>	<b>\$ 636,288</b>	<b>\$ 136,617</b>	<b>\$ 10,579</b>	<b>\$ 165,112</b>	<b>\$ 231,741</b>	<b>\$ 209,497</b>	<b>\$ 365,465</b>	<b>\$ 395,532</b>	<b>\$ 427,705</b>	<b>\$ 401,640</b>	<b>\$ 498,600</b>	<b>\$ 389,890</b>	<b>\$ 349,127</b>	<b>\$ 318,609</b>	<b>\$ 829,345</b>	<b>\$ 667,736</b>
Total Assets Under Management	\$ 92,785,658	\$ 91,578,634	\$ 93,187,556	\$ 93,917,824	\$ 101,107,528	\$ 103,197,060	\$ 101,876,562	\$ 101,963,652	\$ 102,070,930	\$ 104,034,287	\$ 111,298,844	\$ 115,340,363	\$ 119,575,884	\$ 119,399,973	\$ 104,034,287	\$ 119,399,973
Fee-Earning Assets Under Management	\$ 50,783,247	\$ 62,683,857	\$ 64,858,622	\$ 67,345,357	\$ 67,298,439	\$ 66,744,550	\$ 65,785,083	\$ 72,030,054	\$ 71,904,741	\$ 73,710,243	\$ 75,081,521	\$ 83,984,824	\$ 87,284,578	\$ 88,776,501	\$ 73,710,243	\$ 88,776,501

Hedge Fund Solutions

(Dollars in Thousands)	1Q'15	2Q'15	3Q'15	4Q'15	1Q'16	2Q'16	3Q'16	4Q'16	1Q'17	2Q'17	3Q'17	4Q'17	1Q'18	2Q'18	Year-to-Date	
															2Q'17	2Q'18
<b>Revenues</b>																
<b>Management Fees, Net</b>																
Base Management Fees	\$ 130,637	\$ 130,216	\$ 133,592	\$ 129,941	\$ 130,158	\$ 130,123	\$ 130,305	\$ 131,150	\$ 128,468	\$ 128,698	\$ 129,410	\$ 129,472	\$ 129,228	\$ 129,553	\$ 257,166	\$ 258,781
Transaction and Other Fees, Net	25	-	219	73	543	(5)	116	407	259	1,696	48	977	345	812	1,955	1,157
Management Fee Offsets	(280)	(608)	(507)	1,566	-	-	-	-	-	-	(28)	(65)	-	-	-	-
<b>Total Management Fees, Net</b>	<b>130,382</b>	<b>129,608</b>	<b>133,304</b>	<b>131,580</b>	<b>130,701</b>	<b>130,118</b>	<b>130,421</b>	<b>131,557</b>	<b>128,727</b>	<b>130,394</b>	<b>129,430</b>	<b>130,384</b>	<b>129,573</b>	<b>130,365</b>	<b>259,121</b>	<b>259,938</b>
<b>Performance Revenues</b>																
Realized Incentive Fees	10,503	11,232	2,799	19,319	2,212	(464)	1,398	27,649	14,087	6,548	12,186	74,031	8,171	6,887	20,635	15,058
Realized Performance Allocations	13	5,683	(16)	18,664	472	213	3,174	7,523	597	447	2,031	44,416	2,006	383	1,044	2,389
Unrealized Performance Allocations	13,179	10,725	(4,488)	(23,394)	(1,787)	853	3,640	(1,861)	18,815	14,849	10,327	(35,647)	5,061	9,930	33,664	14,991
<b>Total Performance Revenues</b>	<b>23,695</b>	<b>27,640</b>	<b>(1,705)</b>	<b>14,589</b>	<b>897</b>	<b>602</b>	<b>8,212</b>	<b>33,311</b>	<b>33,499</b>	<b>21,844</b>	<b>24,544</b>	<b>82,800</b>	<b>15,238</b>	<b>17,200</b>	<b>55,343</b>	<b>32,438</b>
<b>Principal Investment Income (Loss)</b>																
Realized	(10,375)	(1,757)	(468)	(141)	(4,745)	(515)	(1,211)	(753)	(632)	225	1,316	8,165	640	7,766	(407)	8,406
Unrealized	4,483	2,032	(6,411)	(1,539)	(12,291)	9,357	12,219	6,177	18,293	11,578	12,723	(1,582)	440	(4,841)	29,871	(4,401)
<b>Total Principal Investment Income (Loss)</b>	<b>(5,892)</b>	<b>275</b>	<b>(6,879)</b>	<b>(1,680)</b>	<b>(17,036)</b>	<b>8,842</b>	<b>11,008</b>	<b>5,424</b>	<b>17,661</b>	<b>11,803</b>	<b>14,039</b>	<b>6,583</b>	<b>1,080</b>	<b>2,925</b>	<b>29,464</b>	<b>4,005</b>
Interest Income and Dividend Revenue	2,565	2,480	2,677	3,472	3,075	2,754	2,839	5,196	3,997	4,674	5,316	7,538	4,812	5,152	8,671	9,964
Other	(1,607)	459	(66)	1,414	(1,388)	1,125	(260)	8,680	(1,610)	(10,720)	(5,859)	(6,191)	(10,288)	17,619	(12,330)	7,331
<b>Total Revenues</b>	<b>149,143</b>	<b>160,462</b>	<b>127,331</b>	<b>149,375</b>	<b>116,249</b>	<b>143,441</b>	<b>152,220</b>	<b>184,168</b>	<b>182,274</b>	<b>157,995</b>	<b>167,470</b>	<b>221,114</b>	<b>140,415</b>	<b>173,261</b>	<b>340,269</b>	<b>313,676</b>
<b>Expenses</b>																
<b>Compensation</b>																
<b>Performance Compensation</b>																
Realized Incentive Fees	3,466	6,187	384	7,819	1,535	684	485	11,611	7,014	4,097	5,862	20,159	4,034	4,155	11,111	8,189
Realized Performance Allocations	4	2,524	(820)	7,591	328	641	2,417	1,696	303	265	1,022	14,626	2,415	937	568	3,352
Unrealized Performance Allocations	4,146	4,306	(1,101)	(8,636)	(652)	238	1,260	(539)	6,422	5,968	3,541	(12,814)	2,186	2,772	12,390	4,958
<b>Total Compensation and Benefits</b>	<b>63,720</b>	<b>58,858</b>	<b>42,871</b>	<b>39,905</b>	<b>55,380</b>	<b>45,999</b>	<b>51,368</b>	<b>52,277</b>	<b>61,343</b>	<b>57,691</b>	<b>54,772</b>	<b>59,441</b>	<b>58,935</b>	<b>55,950</b>	<b>119,034</b>	<b>114,885</b>
Interest Expense	4,547	5,032	5,428	6,042	6,047	5,964	6,032	6,481	6,543	6,688	6,763	11,624	6,271	5,900	13,231	12,171
Other Operating Expenses	15,404	14,128	17,358	16,578	18,107	19,131	19,593	19,039	16,379	16,318	17,958	17,610	18,785	18,494	32,697	37,279
<b>Total Expenses</b>	<b>83,671</b>	<b>78,018</b>	<b>65,657</b>	<b>62,525</b>	<b>79,534</b>	<b>71,094</b>	<b>76,993</b>	<b>77,797</b>	<b>84,265</b>	<b>80,697</b>	<b>79,493</b>	<b>88,675</b>	<b>83,991</b>	<b>80,344</b>	<b>164,962</b>	<b>164,335</b>
<b>Economic Income</b>	<b>\$ 65,472</b>	<b>\$ 82,444</b>	<b>\$ 61,674</b>	<b>\$ 86,850</b>	<b>\$ 36,715</b>	<b>\$ 72,347</b>	<b>\$ 75,227</b>	<b>\$ 106,371</b>	<b>\$ 98,009</b>	<b>\$ 77,298</b>	<b>\$ 87,977</b>	<b>\$ 132,439</b>	<b>\$ 56,424</b>	<b>\$ 92,917</b>	<b>\$ 175,307</b>	<b>\$ 149,341</b>
Total Assets Under Management	\$ 66,378,908	\$ 67,829,866	\$ 68,405,948	\$ 69,105,425	\$ 68,475,416	\$ 68,649,878	\$ 70,113,508	\$ 71,119,718	\$ 73,303,381	\$ 72,476,444	\$ 74,219,563	\$ 75,090,834	\$ 78,657,551	\$ 77,403,078	\$ 72,476,444	\$ 77,403,078
Fee-Earning Assets Under Management	\$ 64,114,498	\$ 65,512,170	\$ 65,182,338	\$ 65,665,439	\$ 64,831,253	\$ 64,973,999	\$ 66,434,971	\$ 66,987,553	\$ 68,812,528	\$ 67,824,464	\$ 69,037,961	\$ 69,914,061	\$ 73,570,498	\$ 71,889,290	\$ 67,824,464	\$ 71,889,290

Credit

(Dollars in Thousands)	1Q'15	2Q'15	3Q'15	4Q'15	1Q'16	2Q'16	3Q'16	4Q'16	1Q'17	2Q'17	3Q'17	4Q'17	1Q'18	2Q'18	Year-to-Date	
															2Q'17	2Q'18
<b>Revenues</b>																
<b>Management Fees, Net</b>																
Base Management Fees	\$ 125,029	\$ 123,615	\$ 126,533	\$ 125,805	\$ 125,990	\$ 131,392	\$ 132,661	\$ 135,246	\$ 139,905	\$ 137,121	\$ 133,680	\$ 156,628	\$ 168,441	\$ 118,161	\$ 277,026	\$ 286,602
Transaction and Other Fees, Net	1,457	2,060	1,289	1,565	1,342	1,424	3,204	3,220	2,508	3,820	2,883	4,220	2,539	3,461	6,328	6,000
Management Fee Offsets	(7,850)	(3,370)	(11,260)	(7,585)	(9,658)	(9,982)	(7,091)	(10,781)	(17,859)	(4,653)	(4,867)	(5,003)	(3,317)	(2,697)	(22,512)	(6,014)
<b>Total Management Fees, Net</b>	<b>118,636</b>	<b>122,305</b>	<b>116,562</b>	<b>119,785</b>	<b>117,674</b>	<b>122,834</b>	<b>128,774</b>	<b>127,685</b>	<b>124,554</b>	<b>136,288</b>	<b>131,696</b>	<b>155,845</b>	<b>167,663</b>	<b>118,925</b>	<b>260,842</b>	<b>286,588</b>
<b>Performance Revenues</b>																
Realized Incentive Fees	17,065	30,468	28,133	32,719	21,594	23,596	21,737	23,684	29,542	28,877	19,549	27,932	20	1,223	58,419	1,243
Realized Performance Allocations	14,733	26,141	51,596	4,697	103	215	15,773	19,760	8,797	15,040	23,113	131,997	39,204	13,371	23,837	52,575
Unrealized Performance Allocations	(5,631)	52,737	(129,034)	(126,769)	(14,271)	88,095	80,265	60,965	49,631	(8,839)	43,041	(41,206)	(480)	92,798	40,792	92,318
<b>Total Performance Revenues</b>	<b>26,167</b>	<b>109,346</b>	<b>(49,305)</b>	<b>(89,353)</b>	<b>7,426</b>	<b>111,906</b>	<b>117,775</b>	<b>104,409</b>	<b>87,970</b>	<b>35,078</b>	<b>85,703</b>	<b>118,723</b>	<b>38,744</b>	<b>107,392</b>	<b>123,048</b>	<b>146,136</b>
<b>Principal Investment Income (Loss)</b>																
Realized	2,237	2,723	1,735	491	(2,974)	11,330	(328)	2,976	2,653	1,895	7,346	4,486	7,025	4,082	4,548	11,107
Unrealized	6,887	2,760	(10,177)	(15,728)	(17,561)	8,412	12,890	6,930	7,147	1,666	(4,320)	(3,074)	(6,517)	764	8,813	(5,753)
<b>Total Principal Investment Income (Loss)</b>	<b>9,124</b>	<b>5,483</b>	<b>(8,442)</b>	<b>(15,237)</b>	<b>(20,535)</b>	<b>19,742</b>	<b>12,562</b>	<b>9,906</b>	<b>9,800</b>	<b>3,561</b>	<b>3,026</b>	<b>1,412</b>	<b>508</b>	<b>4,846</b>	<b>13,361</b>	<b>5,354</b>
Interest Income and Dividend Revenue	4,293	4,433	4,468	5,074	4,281	4,929	4,536	4,972	5,744	6,614	8,062	10,053	7,902	10,532	12,358	18,434
Other	3,493	34	(73)	1,717	(1,364)	1,795	(28)	9,171	(1,727)	(12,660)	(6,831)	(7,366)	(12,701)	19,673	(14,387)	6,972
<b>Total Revenues</b>	<b>161,713</b>	<b>241,601</b>	<b>63,210</b>	<b>21,986</b>	<b>107,482</b>	<b>261,206</b>	<b>263,619</b>	<b>256,143</b>	<b>226,341</b>	<b>168,881</b>	<b>221,656</b>	<b>278,667</b>	<b>202,116</b>	<b>261,368</b>	<b>395,222</b>	<b>463,484</b>
<b>Expenses</b>																
<b>Compensation</b>																
<b>Performance Compensation</b>																
Realized Incentive Fees	8,542	13,749	13,567	15,417	10,024	10,779	10,754	10,933	14,118	14,224	10,503	13,088	418	(232)	28,342	186
Realized Performance Allocations	6,129	14,068	29,042	2,440	103	41	7,283	9,147	4,586	7,901	9,352	66,376	22,419	7,715	12,487	30,134
Unrealized Performance Allocations	(2,600)	26,178	(68,850)	(65,157)	(6,301)	40,607	42,269	31,062	22,675	(5,531)	20,869	(23,863)	(5,723)	44,842	17,144	39,119
<b>Total Compensation and Benefits</b>	<b>61,948</b>	<b>101,119</b>	<b>25,083</b>	<b>(5,436)</b>	<b>56,208</b>	<b>107,118</b>	<b>108,171</b>	<b>97,780</b>	<b>96,497</b>	<b>73,548</b>	<b>97,256</b>	<b>123,446</b>	<b>90,588</b>	<b>108,232</b>	<b>170,045</b>	<b>198,820</b>
Interest Expense	4,547	5,208	5,409	6,043	6,047	5,965	6,031	6,480	7,845	8,091	8,154	14,660	7,685	8,823	15,936	16,508
Other Operating Expenses	15,989	16,947	18,228	15,715	18,183	21,375	20,266	27,876	21,458	27,549	23,237	27,318	27,739	31,899	49,007	59,638
<b>Total Expenses</b>	<b>82,484</b>	<b>123,274</b>	<b>48,720</b>	<b>16,322</b>	<b>80,438</b>	<b>134,458</b>	<b>134,468</b>	<b>132,136</b>	<b>125,800</b>	<b>109,188</b>	<b>128,647</b>	<b>165,424</b>	<b>126,012</b>	<b>148,954</b>	<b>234,988</b>	<b>274,966</b>
<b>Economic Income</b>	<b>\$ 79,229</b>	<b>\$ 118,327</b>	<b>\$ 14,490</b>	<b>\$ 5,664</b>	<b>\$ 27,044</b>	<b>\$ 126,748</b>	<b>\$ 129,151</b>	<b>\$ 124,007</b>	<b>\$ 100,541</b>	<b>\$ 59,693</b>	<b>\$ 93,009</b>	<b>\$ 113,243</b>	<b>\$ 76,104</b>	<b>\$ 112,414</b>	<b>\$ 160,234</b>	<b>\$ 188,518</b>
Total Assets Under Management	\$ 74,959,534	\$ 81,288,709	\$ 80,841,348	\$ 79,081,252	\$ 78,656,291	\$ 84,749,076	\$ 89,330,729	\$ 93,280,101	\$ 93,115,549	\$ 94,525,834	\$ 99,477,360	\$ 138,136,470	\$ 139,966,177	\$ 123,059,087	\$ 94,525,834	\$ 123,059,087
Fee-Earning Assets Under Management	\$ 59,271,744	\$ 61,608,998	\$ 60,337,992	\$ 61,684,380	\$ 62,094,760	\$ 64,820,990	\$ 66,192,702	\$ 68,964,608	\$ 71,270,996	\$ 72,370,134	\$ 74,040,881	\$ 111,304,230	\$ 111,397,306	\$ 94,266,657	\$ 72,370,134	\$ 94,266,657

## Financial Advisory

(Dollars in Thousands)	1Q'15	2Q'15	3Q'15	4Q'15	1Q'16	2Q'16	3Q'16	4Q'16	1Q'17	2Q'17	3Q'17	4Q'17	1Q'18	2Q'18	Year-to-Date	
															2Q'17	2Q'18
<b>Revenues</b>																
Transaction and Advisory Fees, Net	\$ 81,825	\$ 72,155	\$ 143,752	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Transaction and Advisory Fees	81,825	72,155	143,752	-	-	-	-	-	-	-	-	-	-	-	-	-
Principal Investment Income (Loss)																
Realized	(230)	(159)	(479)	-	-	-	-	-	-	-	-	-	-	-	-	-
Unrealized	1,482	(523)	(998)	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Principal Investment Income (Loss)	1,252	(682)	(1,477)	-	-	-	-	-	-	-	-	-	-	-	-	-
Interest Income and Dividend Revenue	2,436	2,335	5,242	-	-	-	-	-	-	-	-	-	-	-	-	-
Other	(956)	(112)	(235)	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total Revenues</b>	<b>84,557</b>	<b>73,696</b>	<b>147,282</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Expenses</b>																
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	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total Expenses</b>	<b>88,193</b>	<b>66,214</b>	<b>86,196</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Economic Income</b>	<b>\$ (3,636)</b>	<b>\$ 7,482</b>	<b>\$ 61,086</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

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

## Total Segments

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



## Private Equity

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

## Real Estate

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

## Hedge Fund Solutions

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

## Credit

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

## Financial Advisory

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

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

**Reconciliation of GAAP to Non-GAAP Measures**

(Dollars in Thousands)	1Q'15	2Q'15	3Q'15	4Q'15	1Q'16	2Q'16	3Q'16	4Q'16	1Q'17	2Q'17	3Q'17	4Q'17	1Q'18	2Q'18	Year-to-Date	
															2Q'17	2Q'18
<b>Net Income Attributable to The Blackstone Group L.P.</b>	\$ 616,823	\$ 128,515	\$ (240,957)	\$ 208,807	\$ 160,074	\$ 198,444	\$ 310,027	\$ 370,469	\$ 451,909	\$ 337,407	\$ 377,920	\$ 304,138	\$ 367,872	\$ 742,042	\$ 789,316	\$ 1,109,914
Net Income Attributable to Non-Controlling Interests in Blackstone Holdings	633,990	129,834	(235,067)	157,772	131,478	201,648	282,798	344,175	409,046	283,637	340,202	359,438	320,208	678,952	692,683	999,160
Net Income Attributable to Non-Controlling Interests in Consolidated Entities	81,796	66,716	30,671	40,717	40,086	64,729	82,653	58,684	138,685	112,944	113,446	132,364	155,499	129,078	251,629	284,577
Net Income (Loss) Attributable to Redeemable Non-Controlling Interests in Consolidated Entities	7,527	13,780	(12,520)	2,358	(6,401)	(2,049)	10,764	1,663	2,000	991	3,215	7,600	(1,275)	905	2,991	(370)
<b>Net Income</b>	\$ 1,340,136	\$ 338,845	\$ (457,873)	\$ 409,654	\$ 325,237	\$ 462,772	\$ 686,242	\$ 774,991	\$ 1,001,640	\$ 734,979	\$ 834,783	\$ 803,540	\$ 842,304	\$ 1,550,977	\$ 1,736,619	\$ 2,393,281
Provision for Taxes	99,344	43,251	1,573	46,230	9,146	47,415	27,714	48,087	57,437	29,608	59,512	596,590	54,495	138,731	87,045	193,226
<b>Income Before Provision for Taxes</b>	\$ 1,439,480	\$ 382,096	\$ (456,300)	\$ 455,884	\$ 334,383	\$ 510,187	\$ 713,956	\$ 823,078	\$ 1,059,077	\$ 764,587	\$ 894,295	\$ 1,400,130	\$ 896,799	\$ 1,689,708	\$ 1,823,664	\$ 2,586,507
Transaction-Related Charges (a)	231,862	192,018	80,962	(15,279)	64,136	69,956	60,029	70,816	56,979	57,831	55,714	(347,055)	52,489	(470,078)	114,810	(417,589)
Amortization of Intangibles (b)	25,899	24,720	30,624	23,287	23,208	23,208	22,054	15,996	11,344	11,344	11,344	14,265	14,873	14,873	22,688	29,746
Impact of Consolidation (c)	(89,323)	(80,496)	(18,151)	(43,075)	(33,685)	(62,680)	(93,417)	(60,347)	(140,685)	(113,935)	(116,661)	(139,964)	(154,224)	(129,983)	(254,620)	(284,207)
<b>Economic Income</b>	\$ 1,607,918	\$ 518,338	\$ (362,865)	\$ 420,817	\$ 388,042	\$ 540,671	\$ 702,622	\$ 849,543	\$ 986,715	\$ 719,827	\$ 844,692	\$ 927,376	\$ 809,937	\$ 1,104,520	\$ 1,706,542	\$ 1,914,457
(Taxes) (d)	(9,719)	(20,587)	(27,070)	29,849	(16,794)	(21,234)	(20,985)	(33,250)	(18,805)	(24,168)	(22,552)	(36,006)	(18,228)	(20,026)	(42,973)	(38,254)
<b>Economic Net Income</b>	\$ 1,598,199	\$ 497,751	\$ (389,935)	\$ 450,666	\$ 371,248	\$ 519,437	\$ 681,637	\$ 816,293	\$ 967,910	\$ 695,659	\$ 822,140	\$ 891,370	\$ 791,709	\$ 1,084,494	\$ 1,663,569	\$ 1,876,203
Taxes (d)	9,719	20,587	27,070	(29,849)	16,794	21,234	20,985	33,250	18,805	24,168	22,552	36,006	18,228	20,026	42,973	38,254
Performance Revenues (e)	(1,632,636)	(557,438)	599,466	(219,645)	(315,414)	(448,158)	(663,108)	(750,456)	(1,034,381)	(739,106)	(877,932)	(1,060,401)	(910,547)	(963,483)	(1,773,487)	(1,874,030)
Principal Investment Income (f)	(189,641)	(10,774)	136,131	11,435	26,650	(59,771)	(87,887)	(99,282)	(103,959)	(67,720)	(77,572)	(55,737)	(42,671)	(146,773)	(171,679)	(189,444)
Other Revenues (g)	4,872	(3,973)	841	(10,240)	6,248	(8,546)	425	(52,839)	8,287	62,469	34,144	35,151	60,894	(94,416)	70,756	(33,522)
Net Interest (Income) Loss (h)	8,402	14,411	9,522	11,846	13,351	13,546	14,184	10,542	10,954	6,591	2,864	29,509	1,853	(2,842)	17,545	(989)
Performance Compensation (i)	386,581	213,904	(116,587)	86,426	106,827	179,848	263,224	317,679	396,476	303,680	356,371	434,511	373,159	386,132	700,156	759,291
Fee Related Net Performance Revenues (j)	9,247	15,281	16,633	16,193	13,304	15,547	13,505	14,105	15,513	15,660	37,426	24,913	3,842	25,179	31,173	29,021
Equity-Based Compensation - Non-Performance Compensation Related (k)	42,248	27,994	15,690	10,969	20,963	16,852	16,624	19,308	26,650	25,442	24,141	17,177	40,248	31,483	52,092	71,731
<b>Fee Related Earnings</b>	\$ 236,991	\$ 217,743	\$ 298,831	\$ 327,801	\$ 259,971	\$ 249,989	\$ 259,589	\$ 308,600	\$ 306,255	\$ 326,843	\$ 344,134	\$ 352,499	\$ 336,715	\$ 339,800	\$ 633,098	\$ 676,515
Net Realized Performance Revenues (l)	934,939	725,986	359,243	506,851	187,794	251,935	352,008	327,053	772,780	429,177	293,339	948,412	167,384	329,829	1,201,957	497,213
Fee Related Net Performance Revenues (j)	(9,247)	(15,281)	(16,633)	(16,193)	(13,304)	(15,547)	(13,505)	(14,105)	(15,513)	(15,660)	(37,426)	(24,913)	(3,842)	(25,179)	(31,173)	(29,021)
Realized Principal Investment Income (m)	107,792	136,497	87,526	86,993	(10,101)	53,670	60,634	95,666	202,894	100,887	60,188	72,225	28,693	94,647	303,781	123,340
Net Interest Income (Loss) (h)	(8,402)	(14,411)	(9,522)	(11,846)	(13,351)	(13,546)	(14,184)	(10,542)	(10,954)	(6,591)	(2,864)	(29,509)	(1,853)	2,842	(17,545)	989
Taxes and Related Payables Including Payable Under Tax Receivable Agreement (n)	(16,994)	(20,587)	(27,070)	(25,819)	(16,794)	(31,588)	(51,089)	(67,678)	(25,324)	(53,291)	(31,805)	(79,568)	(25,042)	(41,797)	(78,615)	(66,839)
<b>Distributable Earnings</b>	\$ 1,245,079	\$ 1,029,947	\$ 692,375	\$ 867,787	\$ 394,215	\$ 494,913	\$ 593,453	\$ 638,994	\$ 1,230,138	\$ 781,365	\$ 625,566	\$ 1,239,146	\$ 502,055	\$ 700,142	\$ 2,011,503	\$ 1,202,197
Interest Expense (o)	30,465	36,506	35,957	36,914	36,497	36,020	36,419	39,086	39,450	40,294	40,749	72,345	38,238	38,885	79,744	77,123
Taxes and Related Payables Including Payable Under Tax Receivable Agreement (n)	16,994	20,587	27,070	25,819	16,794	31,588	51,089	67,678	25,324	53,291	31,805	79,568	25,042	41,797	78,615	66,839
Depreciation and Amortization	6,927	6,715	6,719	6,852	6,292	6,331	7,338	12,010	6,216	6,392	6,027	6,593	6,251	5,986	12,608	12,237
<b>Adjusted EBITDA</b>	\$ 1,299,465	\$ 1,093,755	\$ 762,121	\$ 937,372	\$ 453,798	\$ 568,852	\$ 688,299	\$ 757,768	\$ 1,301,128	\$ 881,342	\$ 704,147	\$ 1,397,652	\$ 571,586	\$ 786,810	\$ 2,182,470	\$ 1,358,396

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

## Reconciliation of GAAP to Non-GAAP Measures

(Dollars in Thousands)

	2013	2014	2015	2016	2017
<b>Net Income Attributable to The Blackstone Group L.P.</b>	<b>\$ 1,175,346</b>	<b>\$ 1,588,827</b>	<b>\$ 713,188</b>	<b>\$ 1,039,014</b>	<b>\$ 1,471,374</b>
Net Income Attributable to Non-Controlling Interests in Blackstone Holdings	1,343,874	1,705,001	686,529	960,099	1,392,323
Net Income Attributable to Non-Controlling Interests in Consolidated Entities	198,557	335,070	219,900	246,152	497,439
Net Income Attributable to Redeemable Non-Controlling Interests in Consolidated Entities	183,315	74,794	11,145	3,977	13,806
<b>Net Income</b>	<b>\$ 2,901,092</b>	<b>\$ 3,703,692</b>	<b>\$ 1,630,762</b>	<b>\$ 2,249,242</b>	<b>\$ 3,374,942</b>
Provision for Taxes	255,642	291,173	190,398	132,362	743,147
<b>Income Before Provision for Taxes</b>	<b>\$ 3,156,734</b>	<b>\$ 3,994,865</b>	<b>\$ 1,821,160</b>	<b>\$ 2,381,604</b>	<b>\$ 4,118,089</b>
Transaction-Related Charges (a)	722,707	856,382	489,563	264,937	(176,531)
Amortization of Intangibles (b)	106,643	111,254	104,530	84,466	48,297
Impact of Consolidation (c)	(381,872)	(409,864)	(231,045)	(250,129)	(511,245)
<b>Economic Income</b>	<b>\$ 3,604,212</b>	<b>\$ 4,552,637</b>	<b>\$ 2,184,208</b>	<b>\$ 2,480,878</b>	<b>\$ 3,478,610</b>
(Taxes) (d)	(82,164)	(199,512)	(27,527)	(92,263)	(101,531)
<b>Economic Net Income</b>	<b>\$ 3,522,048</b>	<b>\$ 4,353,125</b>	<b>\$ 2,156,681</b>	<b>\$ 2,388,615</b>	<b>\$ 3,377,079</b>
Taxes (d)	82,164	199,512	27,527	92,263	101,531
Performance Revenues (e)	(3,573,819)	(4,408,748)	(1,810,253)	(2,177,136)	(3,711,820)
Principal Investment Income (f)	(687,805)	(471,628)	(52,849)	(220,290)	(304,988)
Other Revenues (g)	(10,308)	(9,405)	(8,500)	(54,712)	140,051
Net Interest (Income) Loss (h)	32,968	36,511	44,181	51,623	49,918
Performance Compensation (i)	1,422,455	1,294,235	570,324	867,578	1,491,038
Fee Related Net Performance Revenues (j)	20,031	32,561	57,354	56,461	93,512
Equity-Based Compensation - Non-Performance Compensation Related (k)	130,124	45,133	96,901	73,747	93,410
<b>Fee Related Earnings</b>	<b>\$ 937,858</b>	<b>\$ 1,071,296</b>	<b>\$ 1,081,366</b>	<b>\$ 1,078,149</b>	<b>\$ 1,329,731</b>
Net Realized Performance Revenues (l)	960,175	1,789,692	2,527,019	1,118,790	2,443,708
Fee Related Net Performance Revenues (j)	(20,031)	(32,561)	(57,354)	(56,461)	(93,512)
Realized Principal Investment Income (m)	170,471	543,425	418,808	199,869	436,194
Net Interest Income (Loss) (h)	(32,968)	(36,511)	(44,181)	(51,623)	(49,918)
Taxes and Related Payables Including Payable Under Tax Receivable Agreement (n)	(156,734)	(280,788)	(90,470)	(167,149)	(189,988)
<b>Distributable Earnings</b>	<b>\$ 1,858,771</b>	<b>\$ 3,054,553</b>	<b>\$ 3,835,188</b>	<b>\$ 2,121,575</b>	<b>\$ 3,876,215</b>
Interest Expense (o)	103,904	112,563	139,842	148,022	192,838
Taxes and Related Payables Including Payable Under Tax Receivable Agreement (n)	156,734	280,788	90,470	167,149	189,988
Depreciation and Amortization	35,441	32,300	27,213	31,971	25,228
<b>Adjusted EBITDA</b>	<b>\$ 2,154,850</b>	<b>\$ 3,480,204</b>	<b>\$ 4,092,713</b>	<b>\$ 2,468,717</b>	<b>\$ 4,284,269</b>

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

## Reconciliation of GAAP to Non-GAAP Measures – Notes

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Note: See Definitions.

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



Walkdown of Financial Metrics

	1Q'15	2Q'15	3Q'15	4Q'15	1Q'16	2Q'16	3Q'16	4Q'16	1Q'17	2Q'17	3Q'17	4Q'17	1Q'18	2Q'18	Year-to-Date	
															2Q'17	2Q'18
▶ Management and Advisory Fees, Net (a)	\$ 619,763	\$ 586,784	\$ 708,667	\$ 649,691	\$ 613,201	\$ 612,220	\$ 601,680	\$ 635,892	\$ 649,581	\$ 696,836	\$ 691,982	\$ 732,392	\$ 736,044	\$ 722,994	\$ 1,346,417	\$ 1,459,038
▶ Fee Related Net Performance Revenues (b)	9,247	15,281	16,633	16,193	13,304	15,547	13,505	14,105	15,513	15,660	37,426	24,913	3,842	25,179	31,173	29,021
▶ Fee Related Compensation (b)	(287,590)	(261,358)	(313,885)	(229,485)	(266,440)	(269,303)	(251,971)	(221,755)	(262,377)	(279,815)	(278,657)	(288,857)	(296,079)	(285,907)	(542,192)	(581,986)
▶ Other Operating Expenses (a)	(104,429)	(122,964)	(112,584)	(108,598)	(100,094)	(108,475)	(103,625)	(119,642)	(96,462)	(105,838)	(106,617)	(115,949)	(107,092)	(122,466)	(202,300)	(229,558)
<b>Fee Related Earnings</b>	<b>\$ 236,991</b>	<b>\$ 217,743</b>	<b>\$ 298,831</b>	<b>\$ 327,801</b>	<b>\$ 259,971</b>	<b>\$ 249,989</b>	<b>\$ 259,589</b>	<b>\$ 308,600</b>	<b>\$ 306,255</b>	<b>\$ 326,843</b>	<b>\$ 344,134</b>	<b>\$ 352,499</b>	<b>\$ 336,715</b>	<b>\$ 339,800</b>	<b>\$ 633,098</b>	<b>\$ 676,515</b>
▶ Net Realized Performance Revenues (b)	934,939	725,986	359,243	506,851	187,794	251,935	352,008	327,053	772,780	429,177	293,339	948,412	167,384	329,829	1,201,957	497,213
▶ Fee Related Net Performance Revenues (b)	(9,247)	(15,281)	(16,633)	(16,193)	(13,304)	(15,547)	(13,505)	(14,105)	(15,513)	(15,660)	(37,426)	(24,913)	(3,842)	(25,179)	(31,173)	(29,021)
▶ Realized Principal Investment Income (Loss) (a)	107,792	136,497	87,526	86,993	(10,101)	53,670	60,634	95,666	202,894	100,887	60,188	72,225	28,693	94,647	303,781	123,340
▶ Net Interest Income (Loss) (b)	(8,402)	(14,411)	(9,522)	(11,846)	(13,351)	(13,546)	(14,184)	(10,542)	(10,954)	(6,591)	(2,864)	(29,509)	(1,853)	2,842	(17,545)	989
▶ Taxes and Related Payables (b)(c)	(16,994)	(20,587)	(27,070)	(25,819)	(16,794)	(31,588)	(51,089)	(67,678)	(25,324)	(53,291)	(31,805)	(79,568)	(25,042)	(41,797)	(78,615)	(66,839)
<b>Distributable Earnings</b>	<b>\$ 1,245,079</b>	<b>\$ 1,029,947</b>	<b>\$ 692,375</b>	<b>\$ 867,787</b>	<b>\$ 394,215</b>	<b>\$ 494,913</b>	<b>\$ 593,453</b>	<b>\$ 638,994</b>	<b>\$ 1,230,138</b>	<b>\$ 781,365</b>	<b>\$ 625,566</b>	<b>\$ 1,239,146</b>	<b>\$ 502,055</b>	<b>\$ 700,142</b>	<b>\$ 2,011,503</b>	<b>\$ 1,202,197</b>
▶ Net Unrealized Performance Revenues (b)	313,266	(381,899)	(839,993)	(372,321)	21,854	18,045	49,430	107,263	(131,611)	8,797	231,891	(318,303)	373,904	250,433	(122,814)	624,337
▶ Unrealized Principal Investment Income (Loss) (a)	81,849	(125,723)	(223,657)	(98,428)	(16,549)	6,101	27,253	3,616	(98,935)	(33,167)	17,384	(16,488)	13,978	52,126	(132,102)	66,104
▶ Other Revenue (a)	(4,872)	3,973	(841)	10,240	(6,248)	8,546	(425)	52,839	(8,287)	(62,469)	(34,144)	(35,151)	(60,894)	94,416	(70,756)	33,522
▶ Add Back: Related Payables (b)(d)	7,275	-	-	55,668	-	10,354	30,104	34,428	6,519	29,123	9,253	43,562	6,814	21,771	35,642	28,585
▶ Less: Equity-Based Compensation (b)(e)	(44,398)	(28,547)	(17,819)	(12,280)	(22,024)	(18,522)	(18,178)	(20,847)	(29,914)	(27,990)	(27,810)	(21,396)	(44,148)	(34,394)	(57,904)	(78,542)
<b>Economic Net Income</b>	<b>\$ 1,598,199</b>	<b>\$ 497,751</b>	<b>\$ (389,935)</b>	<b>\$ 450,666</b>	<b>\$ 371,248</b>	<b>\$ 519,437</b>	<b>\$ 681,637</b>	<b>\$ 816,293</b>	<b>\$ 967,910</b>	<b>\$ 695,659</b>	<b>\$ 822,140</b>	<b>\$ 891,370</b>	<b>\$ 791,709</b>	<b>\$ 1,084,494</b>	<b>\$ 1,663,569</b>	<b>\$ 1,876,203</b>

Fee Earnings

Distributable Earnings

Economic Net Income

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

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

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

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

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

## Walkdown of Financial Metrics

(Dollars in Thousands)

	2013	2014	2015	2016	2017		
▶ Management and Advisory Fees, Net (a)	\$ 2,286,078	\$ 2,568,040	\$ 2,564,905	\$ 2,462,993	\$ 2,770,791	Fee Earnings	Distributable Earnings
▶ Fee Related Net Performance Revenues (b)	20,031	32,561	57,354	56,461	93,512		
▶ Fee Related Compensation (b)	(985,516)	(1,108,378)	(1,092,318)	(1,009,469)	(1,109,706)		
▶ Other Operating Expenses (a)	(382,735)	(420,927)	(448,575)	(431,836)	(424,866)		
<b>Fee Related Earnings</b>	<b>\$ 937,858</b>	<b>\$ 1,071,296</b>	<b>\$ 1,081,366</b>	<b>\$ 1,078,149</b>	<b>\$ 1,329,731</b>		
▶ Net Realized Performance Revenues (b)	960,175	1,789,692	2,527,019	1,118,790	2,443,708		
▶ Fee Related Net Performance Revenues (b)	(20,031)	(32,561)	(57,354)	(56,461)	(93,512)		
▶ Realized Principal Investment Income (a)	170,471	543,425	418,808	199,869	436,194		
▶ Net Interest (Loss) (b)	(32,968)	(36,511)	(44,181)	(51,623)	(49,918)		
▶ Taxes and Related Payables (b)(c)	(156,734)	(280,788)	(90,470)	(167,149)	(189,988)		
<b>Distributable Earnings</b>	<b>\$ 1,858,771</b>	<b>\$ 3,054,553</b>	<b>\$ 3,835,188</b>	<b>\$ 2,121,575</b>	<b>\$ 3,876,215</b>		
▶ Net Unrealized Performance Revenues (b)	1,191,189	1,327,914	(1,280,947)	196,592	(209,226)		
▶ Unrealized Principal Investment Income (Loss) (a)	517,334	(71,797)	(365,959)	20,421	(131,206)		
▶ Other Revenue (a)	10,308	9,405	8,500	54,712	(140,051)		
▶ Add Back: Related Payables (b)(d)	74,570	81,276	62,943	74,886	88,457		
▶ Less: Equity-Based Compensation (b)(e)	(130,124)	(48,226)	(103,044)	(79,571)	(107,110)		
<b>Economic Net Income</b>	<b>\$ 3,522,048</b>	<b>\$ 4,353,125</b>	<b>\$ 2,156,681</b>	<b>\$ 2,388,615</b>	<b>\$ 3,377,079</b>		

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

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

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

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

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

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

(Dollars in Thousands)	1Q'15	2Q'15	3Q'15	4Q'15	1Q'16	2Q'16	3Q'16	4Q'16	1Q'17	2Q'17	3Q'17	4Q'17	1Q'18	2Q'18	Year-to-Date	
															2Q'17	2Q'18
Realized Incentive Fees - Fee Related (a)	\$ 16,164	\$ 26,647	\$ 29,254	\$ 29,054	\$ 24,209	\$ 27,937	\$ 23,715	\$ 25,569	\$ 27,214	\$ 28,356	\$ 19,007	\$ 31,579	\$ 3,785	\$ 11,268	\$ 55,570	\$ 15,053
Realized Performance Allocations - Fee Related (a)	-	-	-	-	-	-	-	-	-	-	46,779	16,510	52	34,247	-	34,299
Less: Realized Incentive Fees Compensation - Fee Related (a)	(6,917)	(11,366)	(12,621)	(12,861)	(10,905)	(12,390)	(10,210)	(11,464)	(11,701)	(12,696)	(8,445)	(13,867)	(1,958)	(5,756)	(24,397)	(7,714)
Less: Realized Performance Allocations Compensation - Fee Related (a)	-	-	-	-	-	-	-	-	-	-	(19,915)	(9,309)	1,963	(14,580)	-	(12,617)
<b>Fee Related Net Performance Revenues</b>	<b>\$ 9,247</b>	<b>\$ 15,281</b>	<b>\$ 16,633</b>	<b>\$ 16,193</b>	<b>\$ 13,304</b>	<b>\$ 15,547</b>	<b>\$ 13,505</b>	<b>\$ 14,105</b>	<b>\$ 15,513</b>	<b>\$ 15,660</b>	<b>\$ 37,426</b>	<b>\$ 24,913</b>	<b>\$ 3,842</b>	<b>\$ 25,179</b>	<b>\$ 31,173</b>	<b>\$ 29,021</b>
Compensation	(329,838)	(289,352)	(329,575)	(240,454)	(287,403)	(286,155)	(268,595)	(241,063)	(289,027)	(305,257)	(302,798)	(306,034)	(336,327)	(317,390)	(594,284)	(653,717)
Less: Equity-Based Compensation - Non-Performance Compensation Related (b)	42,248	27,994	15,690	10,969	20,963	16,852	16,624	19,308	26,650	25,442	24,141	17,177	40,248	31,483	52,092	71,731
<b>Fee Related Compensation</b>	<b>\$ (287,590)</b>	<b>\$ (261,358)</b>	<b>\$ (313,885)</b>	<b>\$ (229,485)</b>	<b>\$ (266,440)</b>	<b>\$ (269,303)</b>	<b>\$ (251,971)</b>	<b>\$ (221,755)</b>	<b>\$ (262,377)</b>	<b>\$ (279,815)</b>	<b>\$ (278,657)</b>	<b>\$ (288,857)</b>	<b>\$ (296,079)</b>	<b>\$ (285,907)</b>	<b>\$ (542,192)</b>	<b>\$ (581,986)</b>
Realized Incentive Fees	28,380	42,161	34,808	63,205	28,007	29,231	26,992	66,811	46,511	40,303	35,513	122,057	12,566	19,504	86,814	32,070
Realized Performance Allocations	1,208,884	943,141	435,166	644,877	231,352	323,866	507,325	433,432	1,111,948	603,096	434,994	1,422,830	269,642	503,555	1,715,044	773,197
Less: Realized Incentive Fees Compensation	(12,385)	(20,165)	(15,787)	(28,954)	(13,785)	(14,763)	(13,003)	(27,370)	(22,465)	(21,032)	(18,332)	(43,450)	(6,662)	(9,743)	(43,497)	(16,405)
Less: Realized Performance Allocations Compensation	(292,090)	(239,704)	(97,073)	(173,588)	(58,841)	(88,069)	(170,860)	(147,359)	(366,478)	(195,738)	(162,505)	(557,244)	(112,062)	(186,398)	(562,216)	(298,460)
Plus: Equity-Based Compensation - Performance Compensation Related (c)	2,150	553	2,129	1,311	1,061	1,670	1,554	1,539	3,264	2,548	3,669	4,219	3,900	2,911	5,812	6,811
<b>Net Realized Performance Revenues</b>	<b>\$ 934,939</b>	<b>\$ 725,986</b>	<b>\$ 359,243</b>	<b>\$ 506,851</b>	<b>\$ 187,794</b>	<b>\$ 251,935</b>	<b>\$ 352,008</b>	<b>\$ 327,053</b>	<b>\$ 772,780</b>	<b>\$ 429,177</b>	<b>\$ 293,339</b>	<b>\$ 948,412</b>	<b>\$ 167,384</b>	<b>\$ 329,829</b>	<b>\$ 1,201,957</b>	<b>\$ 497,213</b>
Interest Income and Dividend Revenue	22,063	22,095	26,435	25,068	23,146	22,474	22,235	28,544	28,496	33,703	37,885	42,836	36,385	41,727	62,199	78,112
Less: Interest Expense	(30,465)	(36,506)	(35,957)	(36,914)	(36,497)	(36,020)	(36,419)	(39,086)	(39,450)	(40,294)	(40,749)	(72,345)	(38,238)	(38,885)	(79,744)	(77,123)
<b>Net Interest (Loss)</b>	<b>\$ (8,402)</b>	<b>\$ (14,411)</b>	<b>\$ (9,522)</b>	<b>\$ (11,846)</b>	<b>\$ (13,351)</b>	<b>\$ (13,546)</b>	<b>\$ (14,184)</b>	<b>\$ (10,542)</b>	<b>\$ (10,954)</b>	<b>\$ (6,591)</b>	<b>\$ (2,864)</b>	<b>\$ (29,509)</b>	<b>\$ (1,853)</b>	<b>\$ 2,842</b>	<b>\$ (17,545)</b>	<b>\$ 989</b>
<b>Taxes and Related Payables (d)</b>	<b>\$ (16,994)</b>	<b>\$ (20,587)</b>	<b>\$ (27,070)</b>	<b>\$ (25,819)</b>	<b>\$ (16,794)</b>	<b>\$ (31,588)</b>	<b>\$ (51,089)</b>	<b>\$ (67,678)</b>	<b>\$ (25,324)</b>	<b>\$ (53,291)</b>	<b>\$ (31,805)</b>	<b>\$ (79,568)</b>	<b>\$ (25,042)</b>	<b>\$ (41,797)</b>	<b>\$ (78,615)</b>	<b>\$ (66,839)</b>
Unrealized Performance Allocations	395,372	(427,864)	(1,069,440)	(488,437)	56,055	95,061	128,791	250,213	(124,078)	95,707	407,425	(484,486)	628,339	440,424	(28,371)	1,068,763
Less: Unrealized Performance Allocations Compensation	(82,106)	45,965	229,447	116,116	(34,201)	(77,016)	(79,361)	(142,950)	(7,533)	(86,910)	(175,534)	166,183	(254,435)	(189,991)	(94,443)	(444,426)
<b>Net Unrealized Performance Revenues</b>	<b>\$ 313,266</b>	<b>\$ (381,899)</b>	<b>\$ (839,993)</b>	<b>\$ (372,321)</b>	<b>\$ 21,854</b>	<b>\$ 18,045</b>	<b>\$ 49,430</b>	<b>\$ 107,263</b>	<b>\$ (131,611)</b>	<b>\$ 8,797</b>	<b>\$ 231,891</b>	<b>\$ (318,303)</b>	<b>\$ 373,904</b>	<b>\$ 250,433</b>	<b>\$ (122,814)</b>	<b>\$ 624,337</b>
<b>Related Payables (e)</b>	<b>\$ 7,275</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 55,668</b>	<b>\$ -</b>	<b>\$ 10,354</b>	<b>\$ 30,104</b>	<b>\$ 34,428</b>	<b>\$ 6,519</b>	<b>\$ 29,123</b>	<b>\$ 9,253</b>	<b>\$ 43,562</b>	<b>\$ 6,814</b>	<b>\$ 21,771</b>	<b>\$ 35,642</b>	<b>\$ 28,585</b>
Equity-Based Compensation - Non-Performance Compensation Related (b)	42,248	27,994	15,690	10,969	20,963	16,852	16,624	19,308	26,650	25,442	24,141	17,177	40,248	31,483	52,092	71,731
Plus: Equity-Based Compensation - Performance Compensation Related (c)	2,150	553	2,129	1,311	1,061	1,670	1,554	1,539	3,264	2,548	3,669	4,219	3,900	2,911	5,812	6,811
<b>Equity-Based Compensation (f)</b>	<b>\$ 44,398</b>	<b>\$ 28,547</b>	<b>\$ 17,819</b>	<b>\$ 12,280</b>	<b>\$ 22,024</b>	<b>\$ 18,522</b>	<b>\$ 18,178</b>	<b>\$ 20,847</b>	<b>\$ 29,914</b>	<b>\$ 27,990</b>	<b>\$ 27,810</b>	<b>\$ 21,396</b>	<b>\$ 44,148</b>	<b>\$ 34,394</b>	<b>\$ 57,904</b>	<b>\$ 78,542</b>

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

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

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

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

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

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

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

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

(Dollars in Thousands)	2013	2014	2015	2016	2017
Realized Incentive Fees - Fee Related (a)	\$ 38,761	\$ 63,921	\$ 101,119	\$ 101,430	\$ 106,156
Realized Performance Allocations - Fee Related (a)	-	-	-	-	63,289
Less: Realized Incentive Fees Compensation - Fee Related (a)	(18,730)	(31,360)	(43,765)	(44,969)	(46,709)
Less: Realized Performance Allocations Compensation - Fee Related (a)	-	-	-	-	(29,224)
<b>Fee Related Net Performance Revenues</b>	<b>\$ 20,031</b>	<b>\$ 32,561</b>	<b>\$ 57,354</b>	<b>\$ 56,461</b>	<b>\$ 93,512</b>
Compensation	(1,115,640)	(1,153,511)	(1,189,219)	(1,083,216)	(1,203,116)
Less: Equity-Based Compensation - Non-Performance Compensation Related (b)	130,124	45,133	96,901	73,747	93,410
<b>Fee Related Compensation</b>	<b>\$ (985,516)</b>	<b>\$ (1,108,378)</b>	<b>\$ (1,092,318)</b>	<b>\$ (1,009,469)</b>	<b>\$ (1,109,706)</b>
Realized Incentive Fees	231,000	173,106	168,554	151,041	244,384
Realized Performance Allocations	1,187,291	2,539,235	3,232,068	1,495,975	3,572,868
Less: Realized Incentive Fees Compensation	(102,149)	(78,271)	(77,291)	(68,921)	(105,279)
Less: Realized Performance Allocations Compensation	(355,967)	(847,471)	(802,455)	(465,129)	(1,281,965)
Plus: Equity-Based Compensation - Performance Compensation Related (c)	-	3,093	6,143	5,824	13,700
<b>Net Realized Performance Revenues</b>	<b>\$ 960,175</b>	<b>\$ 1,789,692</b>	<b>\$ 2,527,019</b>	<b>\$ 1,118,790</b>	<b>\$ 2,443,708</b>
Interest Income and Dividend Revenue	70,936	76,052	95,661	96,399	142,920
Less: Interest Expense	(103,904)	(112,563)	(139,842)	(148,022)	(192,838)
<b>Net Interest (Loss)</b>	<b>\$ (32,968)</b>	<b>\$ (36,511)</b>	<b>\$ (44,181)</b>	<b>\$ (51,623)</b>	<b>\$ (49,918)</b>
<b>Taxes and Related Payables (d)</b>	<b>\$ (156,734)</b>	<b>\$ (280,788)</b>	<b>\$ (90,470)</b>	<b>\$ (167,149)</b>	<b>\$ (189,988)</b>
Unrealized Performance Allocations	2,155,528	1,696,407	(1,590,369)	530,120	(105,432)
Less: Unrealized Performance Allocations Compensation	(964,339)	(368,493)	309,422	(333,528)	(103,794)
<b>Net Unrealized Performance Revenues</b>	<b>\$ 1,191,189</b>	<b>\$ 1,327,914</b>	<b>\$ (1,280,947)</b>	<b>\$ 196,592</b>	<b>\$ (209,226)</b>
<b>Related Payables (e)</b>	<b>\$ 74,570</b>	<b>\$ 81,276</b>	<b>\$ 62,943</b>	<b>\$ 74,886</b>	<b>\$ 88,457</b>
Equity-Based Compensation - Non-Performance Compensation Related (b)	130,124	45,133	96,901	73,747	93,410
Plus: Equity-Based Compensation - Performance Compensation Related (c)	-	3,093	6,143	5,824	13,700
<b>Equity-Based Compensation (f)</b>	<b>\$ 130,124</b>	<b>\$ 48,226</b>	<b>\$ 103,044</b>	<b>\$ 79,571</b>	<b>\$ 107,110</b>

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

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

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

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

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

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

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

## Definitions

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

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