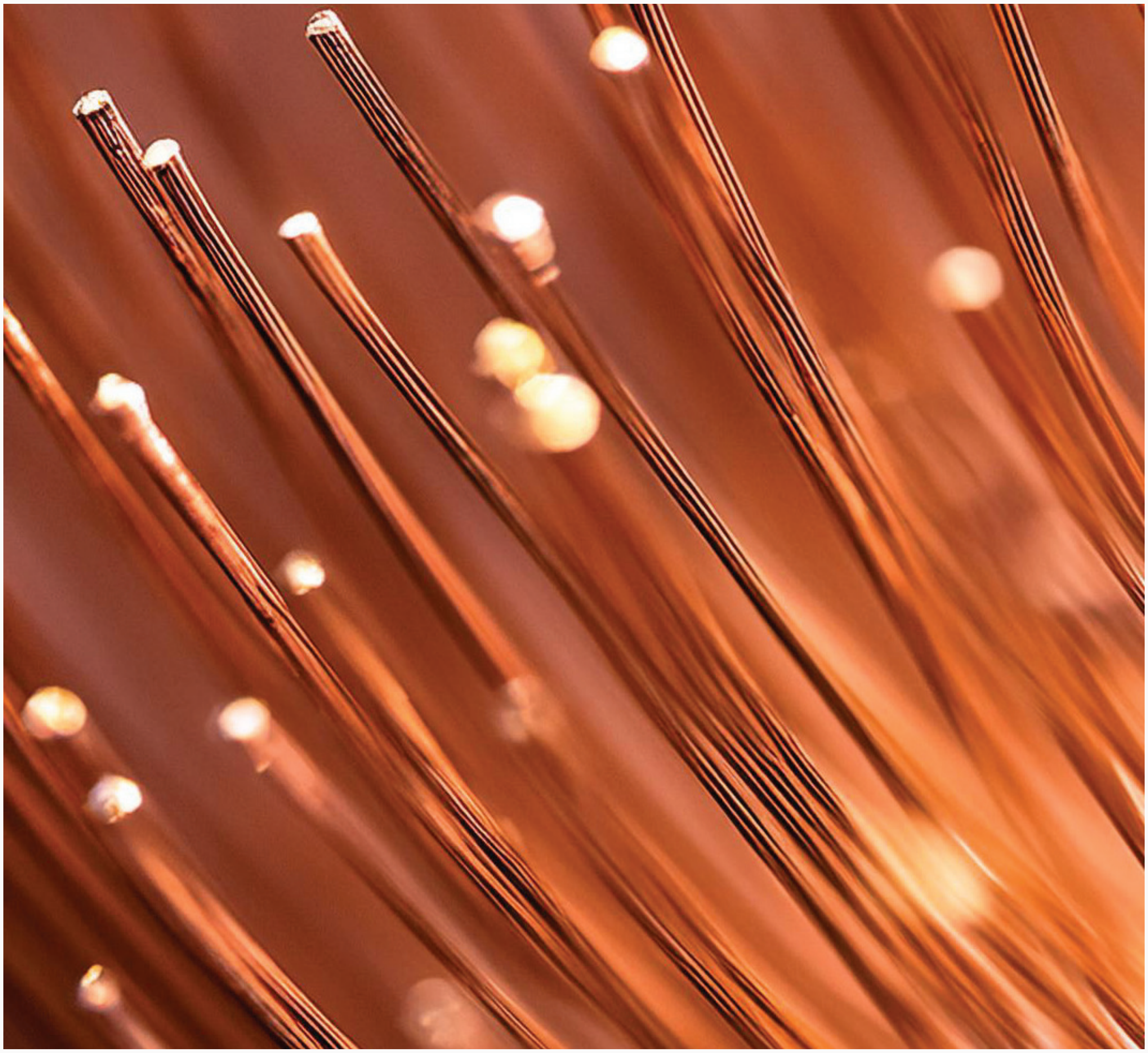
The Connection

Navigating 2025: The Case for Private Assets in a Changing Market

A Mid-Year Megatrends Update



SUMMER 2025

Navigating 2025:

The Case for Private Assets in a Changing Market

If you paused the market today, you'd think it had been a smooth ride. Stocks at all-time highs, volatility contained, inflation cooling. But that still frame hides just how much motion there's been behind the scenes. The first half of 2025 has packed in drawdowns, policy surprises, War and Peace, and more than a few macro head-fakes. On April 2, or "Liberation Day", we saw one of the largest single-day trading volumes in US equity market history. The two-day drop following, from April 3 and 4, was the fifth largest since 1950.[1] The markets look calm, but the narrative has been anything but.

The midway point of the year presents a natural moment to reflect on the macro environment, market dynamics, and how our investment megatrends are playing out across our portfolio.

We continue to see solid — though moderately decelerating — economic growth, alongside a steady decline in inflation. While current data has not yet reflected a pass-through of recent tariffs into consumer prices, we expect upward pressure on goods inflation to materialize at some point. Encouragingly, two major inflationary forces are easing and should help offset that risk. Shelter costs have slowed to their lowest levels since November 2021, while wage growth continues to moderate —an important development for roughly 30% of the inflation basket tied to services, which are especially sensitive to labor costs.[2] Taken together, the data should clear the way for the Fed to resume interest rate cuts in the second half of the year.

Consumer and business sentiment has been reactive to headlines, particularly surrounding trade tensions and geopolitical conflict in the Middle East. But the news cycle hasn't matched the fundamentals on the ground. Data from a subset of our portfolio companies continues to tell a steadier story. Freight volumes have normalized faster than expected, and across industrial, orders, pricing, and volumes remain resilient despite the trade tariff uncertainty.[3] Labor markets are broadly stable; hiring intentions have been pulled back, but layoffs remain minimal.[4]

Public markets have responded positively to solid economic data and signs of progress on trade negotiations. The S&P 500 closed out June at an all-time high. However, current valuations appear to reflect little concern for lofty valuations in this environment. The S&P 500's Shiller CAPE ratio now stands at ~35x — its 97th percentile since 1881.[5] Historically, entering the market at these elevated multiples has been associated with lower forward returns for public equities.

1. Bloomberg, as of April 4, 2025. Based on S&P 500 returns.
2. US Bureau of Labor Statistics, as of May 31, 2025.
3. Blackstone Portfolio Operations, Carrix Freight Traffic Volumes and BX Industrial Company Price & Volume Index, as of May 31, 2025.
4. Blackstone Portfolio Operations and CHRO survey reflecting responses from 64 Americas portfolio companies (~183,000 CHROs) as of June 30, 2025, largely with Blackstone's Private Equity (including BXG/BTO), Private Infrastructure, Private Real Estate and Private Credit businesses. The responding portfolio companies are not necessarily a representative sample of companies across Blackstone's portfolio and the views expressed do not necessarily reflect the views of Blackstone. The views expressed reflect the respondent's views as of the date of their responses, and Blackstone does not undertake any responsibility to advise you of any changes in such views.
5. Bloomberg and Standard & Poor's. "S&P CAPE Shiller P/E Ratio" is the price earnings ratio based on average inflation-adjusted earnings from the previous 10 years. Historical sample size extends from January 31, 1980 through May 2025. Current S&P 500 CAPE Shiller is as of May 31, 2025.

More Frequent and Shorter-Lived Dislocation Underscores the Potential Need for Diversification and Flexibility

Figure 1: Number of Dislocations

3-yr avg (1995–2002) vs. total (2022–2025)

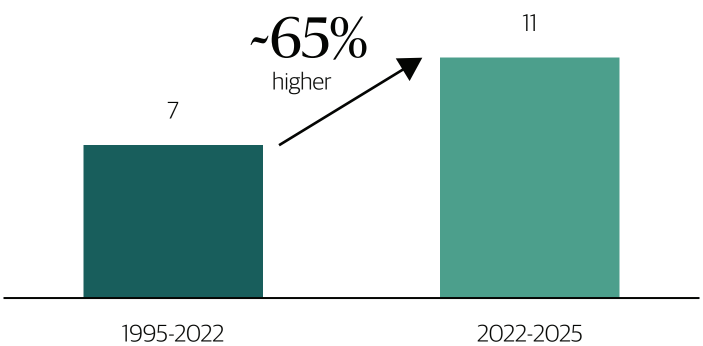
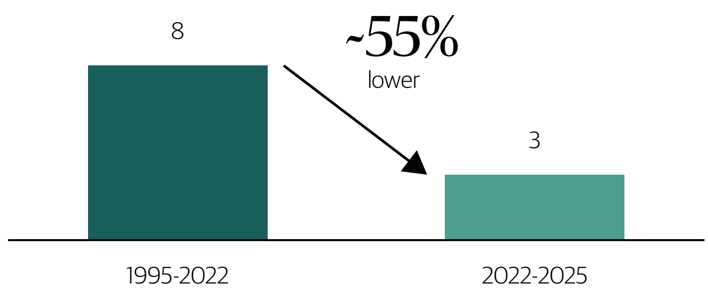


Figure 2: Average Duration of Dislocations

(Days)



Source: Bloomberg, CBOE, BofA Merrill Lynch, and J.P. Morgan. Equity, rate, and foreign exchange volatility represented by the VIX Index, MOVE Index, and J.P. Morgan Global FX Volatility Index, respectively. Note: Periods represent five-year intervals based on June month-end observations. Dislocations are defined by periods when equity, rate, or FX volatility are two-standard standard deviations above long-term averages.

This backdrop underscores the value of private markets, which have historically outperformed across cycles, but especially in periods following high public market valuations. At current CAPE levels, private equity has delivered an average excess return of 900 basis points over the S&P 500 over the subsequent five years. At the same time, market dislocations have become more frequent and shorter lived in recent history. Even over the much shorter window from 2022 to 2025, rolling three-year periods have already seen 65% more dislocations than the entire 1995–2022 period, while the duration of disruptions has dropped by 55%, suggesting a more reactive environment. This trend highlights the importance of diversification and the flexibility to respond quickly when opportunities arise. Possessing capital and the ability to act during short periods of volatility is crucial and benefits private market managers, as these moments often create unique opportunities where private markets can step in.

A portfolio diversified across asset classes — spanning both public and private markets — can potentially deliver higher returns with lower volatility, particularly in today's uncertain environment. Whether growth or income focused, portfolios that incorporate alternatives have historically shown compelling long-term performance: 10-year annualized returns are 33% higher with 53% less volatility for growth strategies, and 47% higher returns with 39% lower volatility for income strategies.[6]

Private equity continues to offer access to a broader opportunity set as the number of publicly listed companies in the US has declined by 40% since 1996. Skilled private equity managers can take a long-term view, drive operational improvements, and unlock growth in ways that public investors often cannot. Adding private real estate and private credit can further enhance portfolio construction — potentially delivering higher-yielding income streams, reducing correlation to public markets, and offering tangible downside protection. Infrastructure investing, both through equity and credit, opens access to secular growth in areas such as digital infrastructure, utilities, and energy.

Solving the 40% Problem

A number of structural and macroeconomic factors today support the case for diversifying the traditional 40% fixed income allocation in a standard portfolio. First, we are operating in a different inflationary regime. Since 2022, stocks and bonds have been positively correlated nearly 80% of the time, limiting the diversification benefits they typically provide. Historical analysis shows that when monthly CPI readings are at or above 2%, stock-bond correlations tend to turn positive — undermining the traditional 60/40 portfolio structure.

6. Annualized returns and volatility are calculated based on the quarterly returns over the 20-year period from September 30, 2004 to September 30, 2024.

60/40 Portfolio Is Challenged in the Current Environment

Figure 3: Bonds Down 40% from Their 2020 Peak
(Barclays US Long Treasury Index)

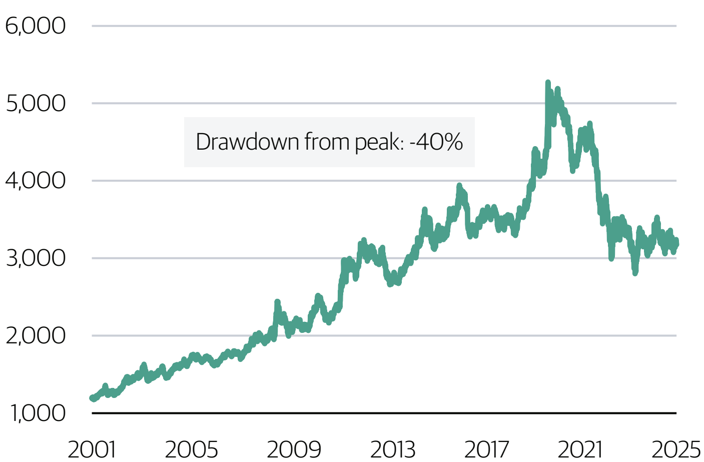
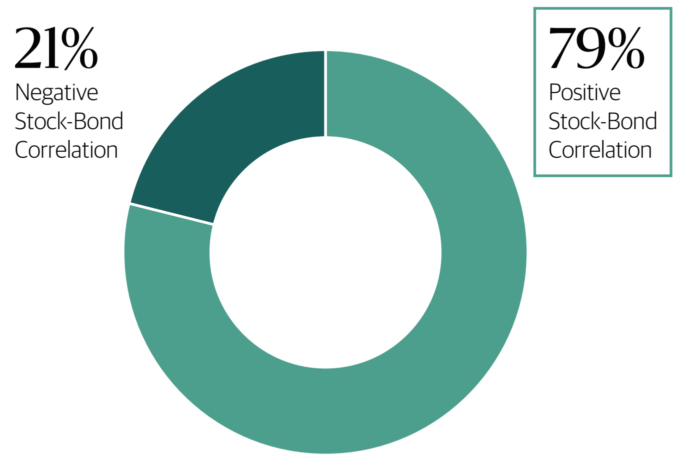


Figure 4: Stock-Bond Correlation Positive ~80% of the Time
(2022–Present)



Source: Bloomberg Barclays US Long Treasury Index as of May 30, 2025 and Bloomberg, as of March 31, 2025. Based on monthly returns from January 2022 to March 2025 between the S&P 500 Index (stocks) and Bloomberg US Treasury Index (bonds).

Second, we are transitioning out of a multi-decade bond bull market, during which interest rates steadily declined from over 16% in the 1980s to near zero pre-2021. The Fed's use of quantitative easing following the GFC suppressed yields and bolstered bond returns. Looking ahead, interest rates are more likely to remain range-bound as the Fed continues to reduce its balance sheet, which may limit the upside potential of traditional fixed income.

Meanwhile, the evolution of credit markets presents compelling alternatives. Private credit offers structural advantages — most notably, insulation from daily public market volatility. During recent bouts of market stress surrounding Liberation Day, public spreads widened to levels not seen since COVID-19 pandemic, while private credit markets remained active and were able to provide necessary capital to borrowers. These assets, often floating rate, help mitigate interest rate risk, and skilled underwriting provides a buffer against credit risk. The asset class is also expanding into high-growth sectors such as energy, digital infrastructure, and transportation, with cash-flow-backed structures such as asset-backed financing.

Importantly, these strategies can offer downside protection, low correlation to public markets, and consistent income — helping support portfolio resilience. With implied bond market volatility up 40% since the Fed began raising rates, the case for broader diversification beyond traditional fixed income has only grown stronger.

Finally, thematic investing remains a cornerstone of our approach. Our ability to identify megatrends early — whether in AI, power, the digital economy, or life sciences — is enhanced by Blackstone's position as the world's largest alternative asset manager. This unique access allows us to detect trends before they appear in official data, positioning us ahead of the curve across cycles.

A Mid-Year Megatrends Update

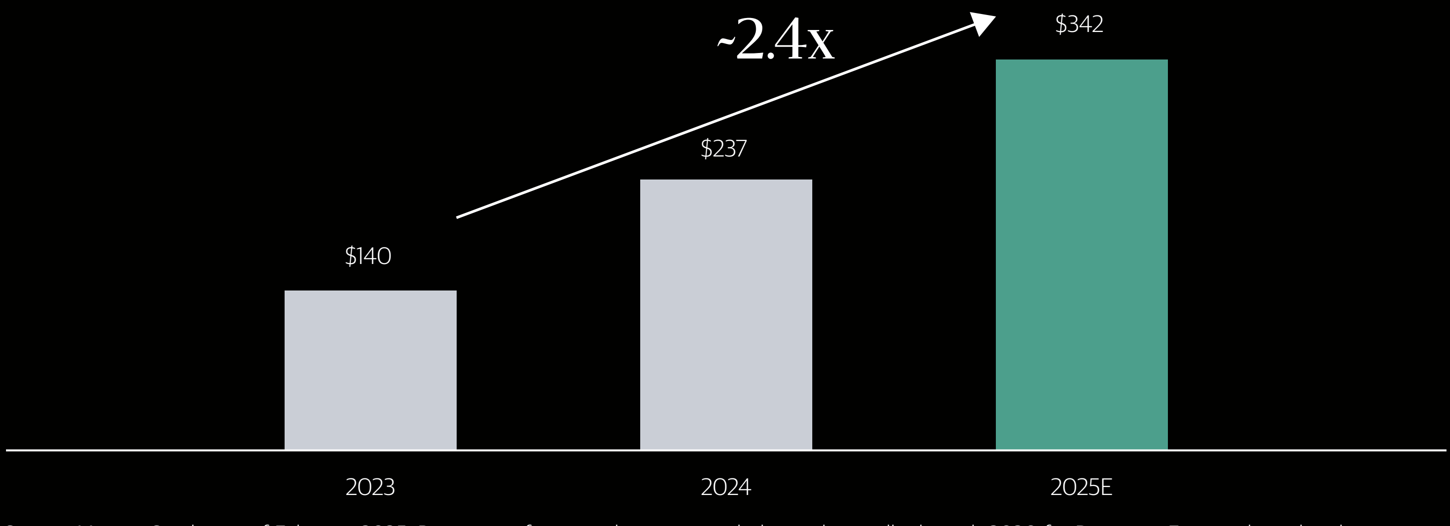
Ken Caplan
Global Co-Chief
Investment Officer

While public markets have experienced significant volatility this year — particularly following Liberation Day on April 2 — our confidence in our highest-conviction megatrends remains stronger than ever. In fact, this environment has only reinforced the attractiveness of these themes. Private markets are uniquely positioned to capitalize on these secular growth opportunities, enabling managers with the capital, experience, insights, and capabilities to deliver differentiated and uncorrelated returns. Across the firm, we've continued to lean into our highest-conviction areas such as AI, the digital economy, power, and life sciences — as we build the financial and physical infrastructure of the future. We are also seeing clear signs that the real estate sector is in the recovery phase of the cycle, presenting compelling opportunities across the asset class.

AI

Our highest conviction themes remain AI and digitalization. AI adoption is still in its infancy, and we are focused on investing in the "picks and shovels" of the digital economy — the critical infrastructure and tools that will help power its growth. Across the firm, we are the world's largest data center provider, with QTS and AirTrunk, the largest data center platforms in the US and Asia, along with owning the largest powered land bank in Europe. Although headlines around DeepSeek and Microsoft gave the market some pause earlier this year, as we've said before, you need to look past the headlines and focus on fundamentals — and the fundamentals have only strengthened. Within our data center portfolio, year-to-date rent growth in the US stands at 12%, marking the fourth consecutive year of double-digit growth. Over the past four years, rents have grown over 100%, with vacancy remaining under 2% and a record leasing pipeline in place, as of Q1. Turning to the industry, the top five hyperscalers are collectively forecasted to spend \$342B on data center CapEx in 2025 — an ~44% year-over-year increase.

Figure 5: Data Center CapEx by the Five Largest Hyperscalers (Meta, Google, Oracle, Microsoft, Amazon)
(\$ in billions)



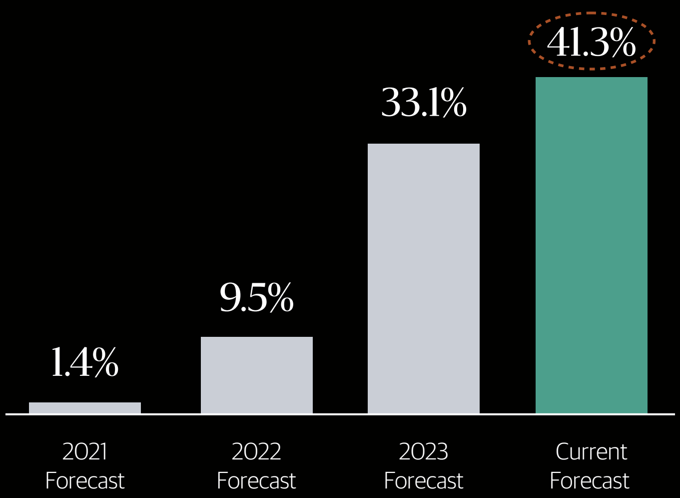
Source: Morgan Stanley, as of February 2025. Represents forecasted summer peak demand annually through 2030 for Dominion Energy, the utility that services Northern Virginia (largest data center market globally). Current forecasts represent forecasts as of 2024. Percentage changes are calculated based on 2025 forecasts for each respective year.

We continue to grow our data center pipeline and capture this opportunity broadly across the firm and across the digital infrastructure ecosystem. Our investment in CoreWeave is a great example of this thematic investing approach and ability to be a capital solutions provider. We first met the company in 2022, after performing a bottom-up sector analysis, when it had just \$30M in revenue. We led the first-ever GPU financing with a \$2.3B structured debt deal followed by \$7.6B more backed by take-or-pay contracts with leading hyperscalers in the largest-ever private credit deal. CoreWeave has since scaled and gone public, with the stock rising over 300% since its IPO in March of this year – a strong example of how we delivered differentiated returns through thematic investing and capital solutions.

Power

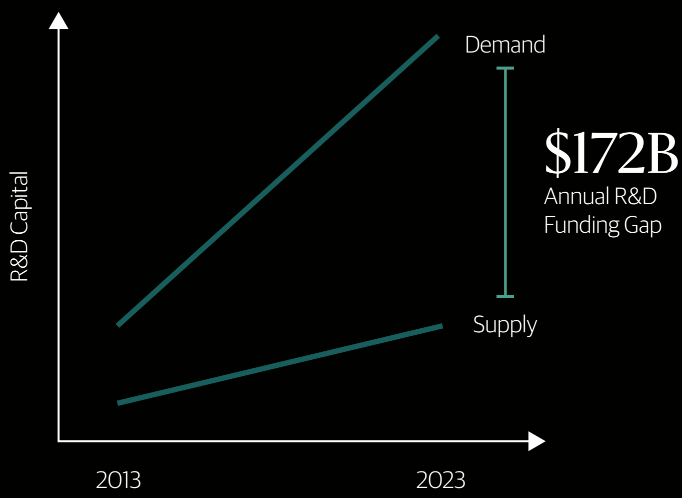
Our conviction in power is just as strong. US power demand forecasts are being consistently revised upward, with data center demand expected to rise over 300% by 2030. Grid planners now estimate 5.5% annual growth — up from 0.5% in 2021. Power demand forecasts have increased every year since we acquired QTS in 2021. The latest projection for Northern Virginia, the world's largest data center market, calls for 41% growth between 2025 and 2030, compared to just 1% growth in the 2021 forecast. This dramatic shift highlights how early we positioned ourselves in a market where demand for data centers, and the power that fuels them, continues to accelerate. Data center investing today is principally constrained by timelines to utility power grid access at scale with timelines of as long as 5 to 7+ years depending on geography. We believe this creates an especially attractive investment opportunity in electric utilities, which are critical for delivering electricity to data centers and other power-intensive industries. Blackstone has focused on investing behind utilities in fast-growing markets, including NIPSCO (Northern Indiana Public Service Company) and our pending investment in TNMX Energy (Texas-New Mexico Energy), both of which are seeing power demand growth well above the national rate within their respective service areas.[7] More broadly, we are investing across the entire power ecosystem — generation, transmission, distribution, critical equipment, and services — through a combination of debt and equity strategies to meet the rising demand from electrification and industrial reshoring. Meeting this rising electricity demand will require a mix of renewable and traditional energy sources, each offering attractive investment opportunities. Our portfolio company Invenergy, the largest independent renewables developer in the US, has developed nearly 10% of all renewables in the country and is playing a central role in the transition to a lower-carbon grid.

Figure 6: North Virginia Power Forecast
Projected 5-Year Growth, 2025–2030



Source: PJM Load Forecast Report, as of February 1, 2024. Represents forecasted summer peak demand annually through 2030 for Dominion Energy, the utility that services Northern Virginia (largest data center market globally). Current forecasts represent forecasts as of 2024. Percentage changes are calculated based on 2025 forecasts for each respective year.

Figure 7: Annual Biopharma R&D Funding Gap
(R&D Capital)



Source: Evaluate Pharma and Morgan Stanley, as of January 2024. The annual funding gap is Blackstone's estimate of the gap between the annual spread between the demand for medicine and device development capital and the supply of development capital from Biopharma and MedTech companies through R&D budgets.

Life Sciences

Life sciences remains a key focus, as we continue to fill the supply and demand gap for both medicines and medical devices. Scientists are leveraging AI and machine learning alongside genetics and genomics to identify disease-causing genes at an unprecedented pace. Yet the high cost of drug development — averaging $2.6 billion per new medicine — means the pace of innovation struggles to keep up, leaving one in three new therapies unfunded and contributing to a $172 billion annual R&D gap. The strategy potentially offers investors uncorrelated returns, especially important in today's environment, as returns are derived from the success of the products. Our recent sale of Anthos to Novartis in April for up to $3.1B reflects firsthand the uncorrelated

7. Over the past six years, based on TXNM service area annual power demand growth rate of ~6% and US rate of ~0.4%. Source: Capital IQ; FERC filings (2025).

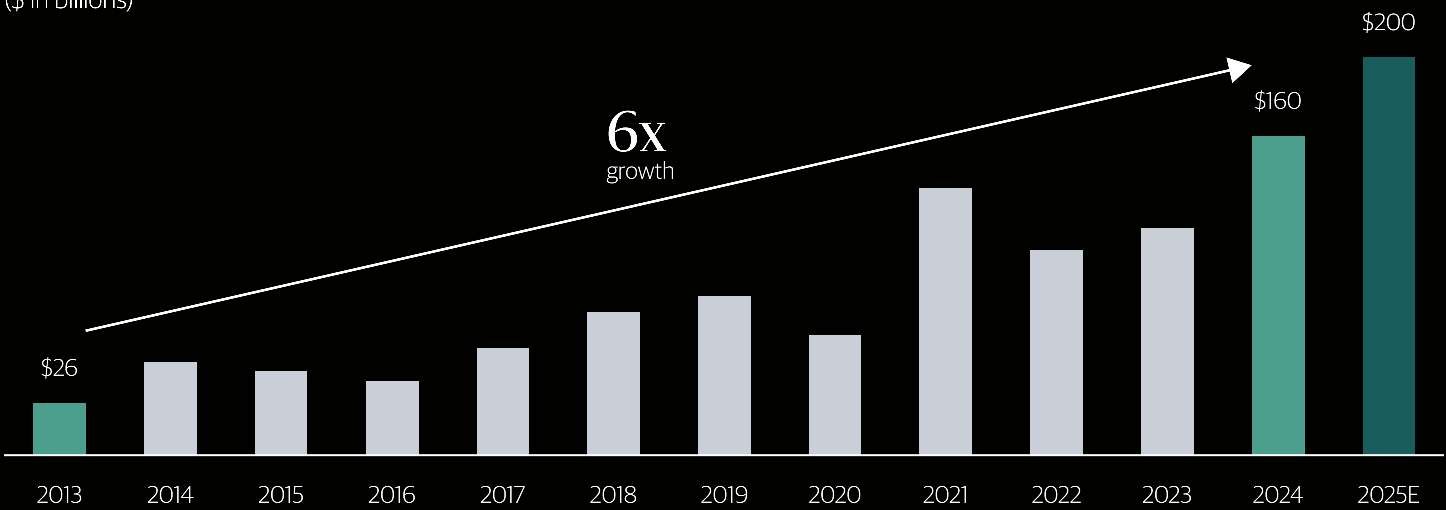
nature of the strategy. We built Anthos from the ground up after acquiring Abelacimab from Novartis during its early clinical development, which showed a strong potential to prevent strokes. We assembled a premier management team, designing the clinical development plan while maintaining a controlling equity stake. Abelacimab has shown up to 93% reduction in bleeding vs. competitors and is now in Phase 3 trials for stroke and embolism prevention.[8] As technology helps accelerate medical breakthroughs, the opportunity set continues to grow in both scale and significance.

The Rise of Secondaries

The rapid growth of the private equity market has created a compelling opportunity in secondaries. Capital committed to primary private equity funds has grown more than threefold since 2009 — from $300 billion to roughly $1.0 trillion. In contrast, the secondaries market has grown more than sevenfold since 2013 — from $28 billion in 2013 to over $200 billion expected in 2025.[9] Even with this growth, the secondary market still represents only ~1.5% of global alternative assets, highlighting the substantial runway ahead.

With IPO and M&A activity still subdued, secondaries are playing a critical role in providing liquidity to long-dated private investments. Our scale, data advantage, and extensive network — with over 6,000 unique funds and more than 1,850 GP relationships — position us well in this increasingly important market. We are targeting opportunities that leverage these competitive advantages, and in 2024 alone, our secondaries platform invested $10 billion across 107 transactions involving approximately 600 underlying fund interests. Year to date, the Strategic Partners team has reviewed over 600 transactions, representing more than $230 billion, across its Private Equity, Real Estate, and Infrastructure strategies. The current environment reflects a buyers' market, characterized by a large and growing source of supply with an annual turnover of ~1% and ~1.1 years of secondary dry powder overhang. Secondaries have emerged as a structural solution, offering both buyers and sellers flexibility in a historically illiquid asset class. With strong secular tailwinds in place, we believe the opportunity in secondaries is only accelerating.

Figure 8: Secondaries Market Transaction Volume
($ in billions)



Source: Evercore, as of February 2025, and UBS, as of May 15, 2025.

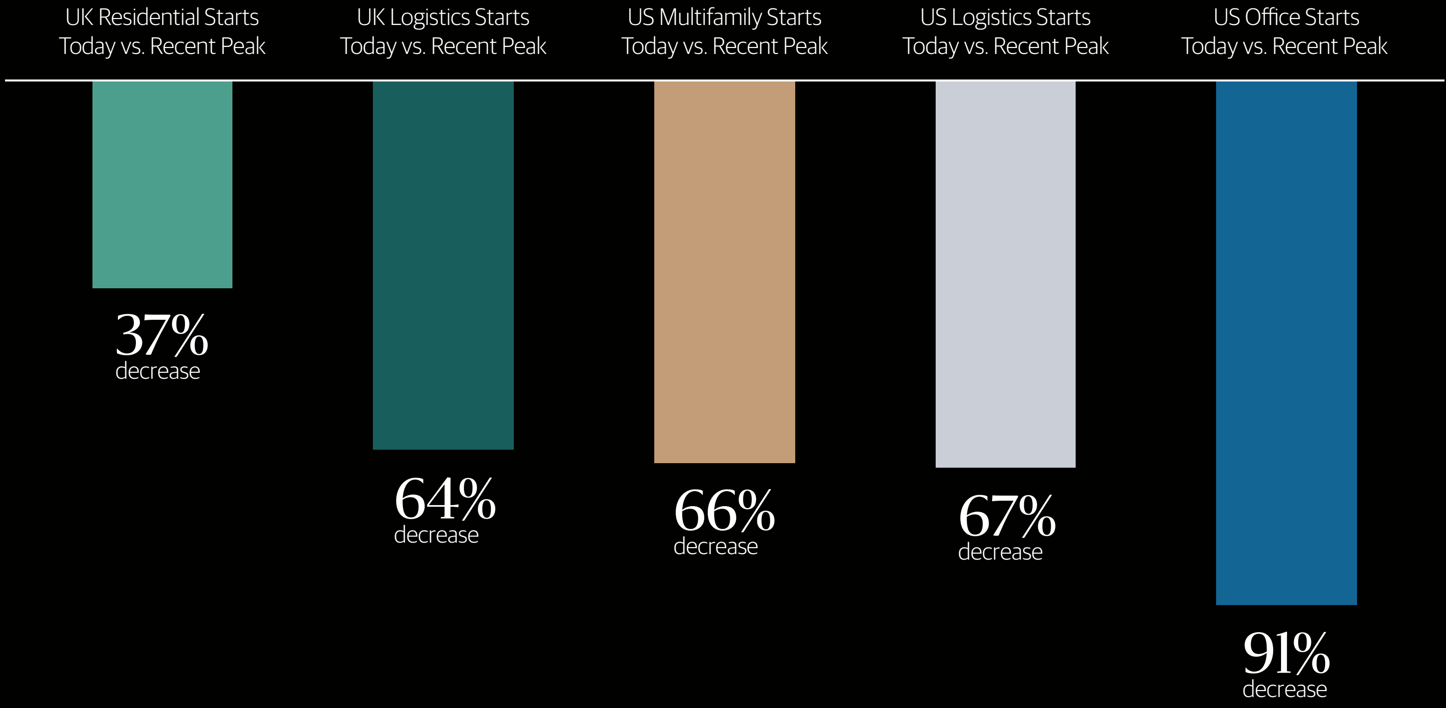
Real Estate Recovery

Finally, we believe real estate is now in a recovery phase. Supply has sharply contracted; prices have reset amid higher interest rates; financing cost and availability continue to improve, and tenant demand remains strong within our top sectors of logistics, rental housing, and data centers that collectively represent ~75% of our global real estate portfolio. The long-term structural tailwinds in these areas, combined with a healthier market dynamic, are driving our continued enthusiasm for our existing portfolio as well as for new investments.

The sharp decline in new construction starts is particularly noteworthy. US logistics and multifamily starts are down over 65% from 2022 peak levels and at historically low levels.[10] In the US, it costs 50% more on average to build

8. Anthos Therapeutics, as of November 12, 2023.
9. UBS, as of May 15, 2025.
10. Analytics Top 150-tracked markets. Multifamily starts are distinct from US Census completions (which have recently been elevated), starts and permits, and total housing supply (which include both single family and multifamily), which may differ in volume over a given period. CoStar, as of January 15, 2025. Represents annual starts as a percentage of prior year-end stock figures.

Figure 9: New Supply Collapsing Across Most Real Estate Sectors Globally



Source: Reflects annual starts as a percentage of prior year-end stock figures, unless otherwise noted. U.K. Residential: Office for National Statistics, as of March 31, 2025. Figure reflects 2024 starts vs. recent peak (2022) based on absolute unit count construction starts for total residential units (owned and rented). U.K. Logistics: CoStar, as of May 1, 2025. Figure reflects Q1'25 LTM starts vs. recent peak (2021). US Multifamily: RealPage Market Analytics, as of March 31, 2025. Figure reflects Q1'25 LTM starts vs. recent peak (2022). Represents institutional-quality product across RealPage Market Analytics Top 150-tracked markets. US Logistics: CoStar, as of May 1, 2025. Figure reflects Q1'25 LTM starts vs. recent peak (2022). US Office: CoStar, as of June 8, 2025. Figure reflects Q1'25 LTM starts vs. recent peak (2019).

today than it did five years ago. Higher costs have also exacerbated the housing supply shortage, as we are still short 4–5 million homes in the US.[11] The cost of owning a home in the US has also significantly increased and is ~44% higher than the cost of renting — up sharply from the ~5% historical average and further fueling rental demand.[12] We are seeing this supply and demand dynamic not only in the US but also globally, adding to our view that now is a time to lean in.

Other Themes

While these highlighted megatrends represent some of our biggest and highest-conviction themes, we are also enthusiastic about several other areas: private credit, the growing participation of individual investors in private markets, travel and experiences, the broader digitization of the economy and franchise businesses to name a few.

We remain positive on the US, but are equally focused on capturing the potential we see across markets in India, Japan, and Europe. In India, strong secular tailwinds — including a growing middle class, a large working-age population, and an increasingly integrated economy — are creating powerful long-term opportunities. Japan, one of our fastest-growing markets globally and a region where we've been active for over 18 years, is undergoing a generational shift, supported by structural reforms, rising capital investment, and renewed consumer strength. In Europe, a new phase of synchronized fiscal and monetary policy support is unlocking liquidity, catalyzing growth, and creating a multiplier effect that ripples through the economy. We look forward to sharing more on these and other high-conviction themes in future pieces.

11. Source: US Brookings Institute, as of November 2024. Reflects the cumulative shortfall from 2006 to 2023.
12. Tricon average values, as of 3/14/2025. Cost to own reflects underwritten homeownership cost for Tricon's SFR product. Represents the difference between monthly cost of ownership (including mortgage payments, taxes, maintenance costs, insurance, and HOA fees) and monthly rents for Tricon portfolios. Assumptions include 3.5% down payment; 7.0% FHA 30-year fixed rate mortgage; 3.5% amortized loan closing costs; 1% maintenance costs; insurance, HOA, and RET per Tricon U/W.

Authors

Joe Zidle | Chief Investment Strategist, Private Wealth

Ken Caplan | Global Co-Chief Investment Officer

Winfield Sickles | Managing Director, Private Wealth

Kristin Roesch | Vice President, Private Wealth

Anav Bagla | Associate, Private Wealth

At the heart of our *Insights* lies a wide set of timely articles, educational publications and market views. For more information, please visit our *Insights* page at www.blackstone.com/insights/.

Important Disclosure Information

None of the information contained herein constitutes an offer to sell, or a solicitation of an offer to buy, any security or instrument, or a solicitation of interest in any Blackstone vehicle, account or strategy. If any such offer is made, it will only be by means of an offering memorandum or prospectus, which would contain material information including certain risks of investing including, but not limited to, loss of all or a significant portion of the investment due to leveraging, short-selling, or other speculative practices, lack of liquidity and volatility of returns. Nothing herein constitutes investment advice or recommendations and should not be relied upon as a basis for making an investment decision.

Recipients should bear in mind that past performance does not predict future returns and there can be no assurance that a fund will achieve comparable results, implement its investment strategy, achieve its objectives or avoid substantial losses or that any expected returns will be met.

The views expressed in this commentary are the personal views of Joe Zidle and Mike Forman and do not necessarily reflect the views of Blackstone Inc. (together with its affiliates, "Blackstone"). All information in this commentary is believed to be reliable as of the date on which this commentary was issued, and has been obtained from public sources believed to be reliable. No representation or warranty, either express or implied, is provided in relation to the accuracy or completeness of the information contained herein.

Investment concepts mentioned in this commentary may be unsuitable for investors depending on their specific investment objectives and financial position. Tax considerations, margin requirements, commissions and other transaction costs may significantly affect the economic consequences of any transaction. Concepts referenced in this commentary can and should be reviewed carefully with one's investment and tax advisors.

Index Comparison. The volatility and risk profile of the indices presented in this document is likely to be materially different from that of the fund. In addition, the indices employ different investment guidelines and criteria than the fund and do not employ leverage; as a result, the holdings in the fund and the liquidity of such holdings may differ significantly from the securities that comprise the indices. The indices are not subject to fees or expenses and it may not be possible to invest in the indices. A summary of the investment guidelines for the indices presented is available upon request. In the case of equity indices, performance of the indices reflects the reinvestment of dividends.

No Assurance of Investment Return. Prospective investors should be aware that an investment in a fund is speculative and involves a high degree of risk. There can be no assurance that a fund will achieve comparable results, implement its investment strategy, achieve its objectives or avoid substantial losses or that any expected returns will be met. A fund's performance may be volatile. An investment should only be considered by sophisticated investors who can afford to lose all or a substantial amount of their investment. A fund's fees and expenses may offset or exceed its profits.

Third-Party Information. Certain information contained herein has been obtained from sources outside Blackstone, which in certain cases have not been updated through the date hereof. While such information is believed to be reliable for purposes used herein, no representations are made as to the accuracy or completeness thereof and none of Blackstone, its funds, nor any of their affiliates takes any responsibility for, and has not independently verified, any such information. In particular, you should note that, since many investments of the Funds may be unquoted, net asset value figures in relation to funds may be based wholly or partly on estimates of the values of such funds' investments provided by the originating banks of those underlying investments or other market counterparties, which estimates may themselves have been subject to no verification or auditing process or may relate to a valuation at a date before the relevant net asset valuation for such fund, or which have otherwise been estimated by Blackstone.

Trends. There can be no assurances that any of the trends described herein will continue or will not reverse. **Past performance does not predict future returns.**

NOTICE TO INVESTORS IN THE UK AND THE EEA

In the UK, Belgium, Denmark, Finland, The Republic of Ireland, Italy, Lichtenstein, and Norway, this communication issued by Blackstone Europe LLP ("BELL") of 40 Berkeley Square, London, W1J 5AL (registration number OC352581), which is authorized and regulated by the Financial Conduct Authority (the "FCA") (firm reference number 520839) in the United Kingdom and which maintains appropriate licenses in other relevant jurisdictions.

In the EEA, other than in Belgium, Denmark, Finland, the Republic of Ireland, Italy, Lichtenstein, or Norway, this communication is made by Blackstone Europe Fund Management S.à r.l. ("BEFM") of 2-4 Rue Eugène Ruppert, L-2453, Luxembourg (registration number B212124), which is authorized by the Luxembourg Commission de Surveillance du Secteur Financier (reference number A00001974).

This communication is intended only for the person to whom it has been sent, is strictly confidential and must not be distributed onward. This communication does not constitute a solicitation to buy any security or instrument, or a solicitation of interest in any Blackstone fund, account or strategy. The content of this communication should not be construed as legal, tax or investment advice.

ISRAEL

No action has been or will be taken in Israel that would permit a public offering of a fund, or distribution of this document to the public in Israel. This document has not been approved by the Israel Securities Authority. This document is being distributed only to and is directed only at persons who are Qualified Investors within the meaning of The Securities Law, 5728-1968 (Israel). Persons who are not Qualified Investors must not act on or rely on this document or any of its contents. Any investment or investment activity to which this document relates is available only to Qualified Investors and will be engaged in only with Qualified Investors. Qualified Investors in receipt of this document must not distribute, publish, reproduce, or disclose this document (in whole or in part) to any person who is not a Qualified Investor. Neither the general partner, nor the investment advisor, is registered or intends to register as an investment adviser or an investment portfolio manager under the Israeli regulation of investment advice and investment portfolio management law, 5755-1995 (the "investment law"). Furthermore, these interests are not being offered by a licensed marketer of securities pursuant to the investment law.

SWITZERLAND

In Switzerland, this material is for the exclusive use of qualified investors as defined in article 10(3) Swiss Collective Investment Schemes Act ("CISA").

MIDDLE EAST (UAE, DIFC, ADGM, Jordan, Saudi Arabia, Lebanon, Kuwait, Qatar, Bahrain, and Oman)

The information contained in this document does not constitute and should not be construed as an offer of, an invitation or proposal to make an offer for, recommendation to apply for, or an opinion or guidance on a financial product, service and/or strategy. Whilst great care has been taken to ensure that the information contained in this document is accurate, no responsibility can be accepted for any errors, mistakes or omissions or for any action taken in reliance thereon. The information in this document does not constitute investment advice and should not be relied upon as the basis for any investment decision. You may only reproduce, circulate and use this document (or any part of it) with the consent of Blackstone. The information contained in this document is for information purposes only. It is not intended for and should not be distributed to, or relied upon by, members of the public. No marketing or solicitation or inducement activities are being used to offer or market any specific products based on the information contained herein. The information contained in this document is general and may contain statements that are not purely historical in nature but are "forward-looking statements". These include, amongst other things, projections, forecasts or estimates of income. These forward-looking statements are based upon certain assumptions, some of which are described in other relevant documents or materials. All information contained herein is subject to change without notice. If you do not understand the contents of this document, you should consult an authorized financial adviser.

Approved for professional / qualified investors in the EEA, UK, Israel, Switzerland, UAE, DIFC, ADGM, Jordan, Saudi Arabia, Lebanon, Kuwait, Qatar, Bahrain, and Oman.