

## Blackstone Reports Third Quarter 2020 Results

New York, October 28, 2020: Blackstone (NYSE:BX) today reported its third quarter 2020 results.

Stephen A. Schwarzman, Chairman and Chief Executive Officer, said, “Blackstone reported excellent results in the third quarter, characterized by strong investment performance and earnings growth. We are also seeing positive forward momentum in both realizations and deployment. We remain the partner of choice for limited partners globally, who face a challenging investment environment of historically low interest rates. As the pandemic continues to disrupt the global economy and society at large, our people remain unwavering in their dedication to serving our clients.”

Blackstone issued a full detailed presentation of its third quarter 2020 results, which can be viewed at [www.blackstone.com](http://www.blackstone.com).

### Dividend

Blackstone has declared a quarterly dividend of \$0.54 per share to record holders of Class A common stock at the close of business on November 9, 2020. This dividend will be paid on November 16, 2020.

### Quarterly Investor Call Details

Blackstone will host its third quarter 2020 investor conference via public webcast on October 28, 2020 at 9:00 a.m. ET. To register, please use the following link: [https://event.webcasts.com/viewer/event.jsp?ei=1376908&tp\\_key=43b6f4dc8d](https://event.webcasts.com/viewer/event.jsp?ei=1376908&tp_key=43b6f4dc8d). For those unable to listen to the

live broadcast, there will be a webcast replay on the Shareholders section of Blackstone’s website at <https://ir.blackstone.com/>.

## About Blackstone

Blackstone is one of the world’s leading investment firms. We seek to create positive economic impact and long-term value for our investors, the companies we invest in, and the communities in which we work. We do this by using extraordinary people and flexible capital to help companies solve problems. Our \$584 billion in assets under management include investment vehicles focused on private equity, real estate, public debt and equity, life sciences, growth equity, opportunistic, non-investment grade credit, real assets and secondary funds, all on a global basis. Further information is available at [www.blackstone.com](http://www.blackstone.com). Follow Blackstone on Twitter [@Blackstone](https://twitter.com/Blackstone).

## Forward-Looking Statements

This presentation may contain forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended, which reflect our current views with respect to, among other things, our operations, taxes, earnings and financial performance, share repurchases and dividends. You can identify these forward-looking statements by the use of words such as “outlook,” “indicator,” “believes,” “expects,” “potential,” “continues,” “may,” “will,” “should,” “seeks,” “approximately,” “predicts,” “intends,” “plans,” “estimates,” “anticipates” or the negative version of these words or other comparable words. Such forward-looking statements are subject to various risks and uncertainties. Accordingly, there are or will be important factors that could cause actual outcomes or results to differ materially from those indicated in these statements. We believe these factors include but are not limited to the impact of the novel coronavirus (“COVID-19”), as well as those described under the section entitled “Risk Factors” in our Annual Report on Form 10-K for the year ended December 31, 2019 and in our Quarterly Report on Form 10-Q for the quarter ended March 31, 2020, as such factors may be updated from time to time in our periodic filings with the United States Securities and Exchange Commission (“SEC”), which are accessible on the SEC’s website at [www.sec.gov](http://www.sec.gov). These factors should not be construed as exhaustive and should be read in conjunction with the other cautionary statements that are included in this report and in our other periodic filings. The forward-looking statements speak only as of the date of this report, and we undertake no obligation to publicly update or review any forward-looking statement, whether as a result of new information, future developments or otherwise.

This presentation does not constitute an offer of any Blackstone Fund.

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**Blackstone**

# **Blackstone's Third Quarter 2020 Earnings**

**OCTOBER 28, 2020**

## BLACKSTONE'S THIRD QUARTER 2020 GAAP RESULTS

- GAAP Net Income was \$1.7 billion for the quarter and \$447 million year-to-date ("YTD"). GAAP Net Income Attributable to The Blackstone Group Inc. was \$795 million for the quarter and \$296 million year-to-date.

(\$ in thousands, except per share data) (unaudited)	3Q'19	3Q'20	3Q'19 YTD	3Q'20 YTD	3Q'19 LTM	3Q'20 LTM
<b>Revenues</b>						
Management and Advisory Fees, Net	\$ 878,151	\$ 1,053,851	\$ 2,528,255	\$ 2,958,411	\$ 3,325,809	\$ 3,902,311
Incentive Fees	8,254	13,498	42,301	40,959	58,098	128,569
Investment Income (Loss)						
Performance Allocations						
Realized	446,550	371,406	1,021,445	640,846	1,532,833	1,358,401
Unrealized	176,370	1,403,480	998,101	(981,678)	191,796	(853,447)
Principal Investments						
Realized	74,642	61,017	292,943	170,814	402,844	271,349
Unrealized	15,391	295,308	147,090	(332,295)	(71,075)	(264,382)
Total Investment Income (Loss)	712,953	2,131,211	2,459,579	(502,313)	2,056,398	511,921
Interest and Dividend Revenue	42,482	26,497	130,252	85,505	178,137	137,651
Other	93,273	(192,159)	86,403	(109,559)	133,326	(115,969)
<b>Total Revenues</b>	<b>\$ 1,735,113</b>	<b>\$ 3,032,898</b>	<b>\$ 5,246,790</b>	<b>\$ 2,473,003</b>	<b>\$ 5,751,768</b>	<b>\$ 4,564,483</b>
<b>Expenses</b>						
Compensation and Benefits						
Compensation	462,766	460,983	1,372,684	1,395,983	1,746,474	1,843,629
Incentive Fee Compensation	5,419	7,385	19,711	22,339	29,971	46,928
Performance Allocations Compensation						
Realized	155,663	142,149	367,883	253,141	580,057	548,200
Unrealized	94,907	509,474	446,440	(433,091)	143,572	(339,246)
Total Compensation and Benefits	718,755	1,119,991	2,206,718	1,238,372	2,500,074	2,099,511
General, Administrative and Other	171,067	171,041	492,437	497,658	645,956	684,629
Interest Expense	53,362	39,540	138,960	120,460	183,604	181,148
Fund Expenses	4,036	2,274	12,509	10,962	16,086	16,191
<b>Total Expenses</b>	<b>\$ 947,220</b>	<b>\$ 1,332,846</b>	<b>\$ 2,850,624</b>	<b>\$ 1,867,452</b>	<b>\$ 3,345,720</b>	<b>\$ 2,981,479</b>
<b>Other Income</b>						
Change in Tax Receivable Agreement Liability	174,606	(7,693)	174,606	(8,212)	174,606	(21,251)
Net Gains (Losses) from Fund Investment Activities	48,450	108,752	239,906	(60,325)	180,672	(17,402)
<b>Income Before Provision (Benefit) for Taxes</b>	<b>\$ 1,010,949</b>	<b>\$ 1,801,111</b>	<b>\$ 2,810,678</b>	<b>\$ 537,014</b>	<b>\$ 2,761,326</b>	<b>\$ 1,544,351</b>
Provision (Benefit) for Taxes	(156,786)	100,960	(76,895)	89,672	(47,529)	118,615
<b>Net Income</b>	<b>\$ 1,167,735</b>	<b>\$ 1,700,151</b>	<b>\$ 2,887,573</b>	<b>\$ 447,342</b>	<b>\$ 2,808,855</b>	<b>\$ 1,425,736</b>
Net Income (Loss) Attributable to Redeemable Non-Controlling Interests in Consolidated Entities	(8)	6,868	3,567	(12,027)	(736)	(15,715)
Net Income (Loss) Attributable to Non-Controlling Interests in Consolidated Entities	88,406	259,761	355,983	(90,938)	287,183	29,858
Net Income Attributable to Non-Controlling Interests in Blackstone Holdings	299,900	638,803	961,490	253,814	966,743	631,951
<b>Net Income Attributable to The Blackstone Group Inc. ("BX")</b>	<b>\$ 779,437</b>	<b>\$ 794,719</b>	<b>\$ 1,566,533</b>	<b>\$ 296,493</b>	<b>\$ 1,555,665</b>	<b>\$ 779,642</b>
Net Income Per Share of Class A Common Stock, Basic	\$ 1.15	\$ 1.14	\$ 2.32	\$ 0.43	\$ 2.30	\$ 1.13
Net Income Per Share of Class A Common Stock, Diluted	\$ 1.15	\$ 1.13	\$ 2.32	\$ 0.43	\$ 2.30	\$ 1.13
Income Before Provision (Benefit) for Taxes Margin	58.3%	59.4%	53.6%	21.7%	48.0%	33.8%

Throughout this presentation, all current period amounts are preliminary. Totals may not add due to rounding. See pages 34-35, Definitions and Dividend Policy, for definitions of terms used throughout this presentation. See additional notes on page 32.

### Financial Measures

- Fee Related Earnings (“FRE”) of \$611 million (\$0.51/share) in the quarter, up 39% year-over-year
  - FRE was \$2.2 billion for the last twelve months (“LTM”) (\$1.81/share), up 30% year-over-year
- Distributable Earnings (“DE”) of \$772 million (\$0.63/share) in the quarter, up 9% year-over-year
  - DE was \$2.8 billion for the LTM (\$2.24/share), up 4% year-over-year
- Net Accrued Performance Revenues of \$3.6 billion (\$2.96/share)

### Capital Metrics

- Total Assets Under Management (“AUM”) of \$584.4 billion, up 5% year-over-year
  - Fee-Earning AUM of \$444.5 billion, up 13% year-over-year
- Inflows of \$15.1 billion in the quarter and \$88.7 billion for the LTM
- Realizations of \$7.9 billion in the quarter and \$33.3 billion for the LTM
- Deployment of \$8.6 billion in the quarter and \$53.6 billion for the LTM

### Capital Returned to Shareholders

- Dividend of \$0.54 per common share payable on November 16, 2020
  - Dividends of \$1.91 per common share for the LTM
- Repurchased 2.0 million common shares in the quarter and 10.5 million common shares for the LTM
- \$769 million to be distributed to shareholders with respect to the third quarter through dividends and share repurchases, and \$2.9 billion for the LTM

**BLACKSTONE'S THIRD QUARTER 2020 SEGMENT EARNINGS**

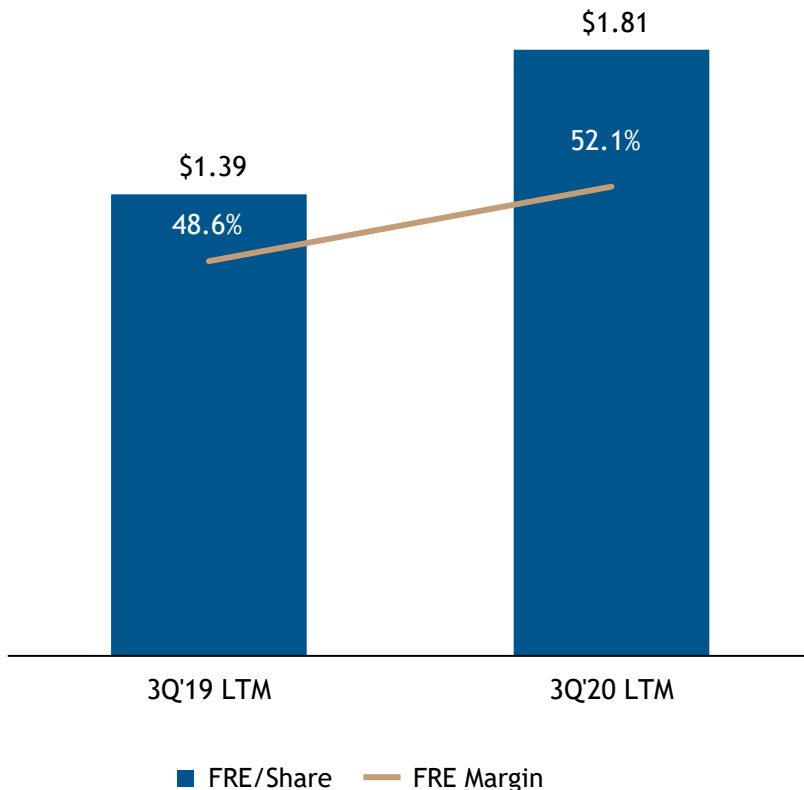
(\$ in thousands, except per share data)	3Q'19	3Q'20	% Change vs. 3Q'19	3Q'19 YTD	3Q'20 YTD	% Change vs. 3Q'19 YTD
Management and Advisory Fees, Net	\$ 880,345	\$ 1,057,840	20%	\$ 2,538,563	\$ 2,975,140	17%
Fee Related Performance Revenues	34,225	64,950	90%	55,628	92,449	66%
Fee Related Compensation	(329,834)	(360,633)	9%	(947,699)	(1,013,801)	7%
Other Operating Expenses	(144,351)	(151,213)	5%	(409,783)	(433,681)	6%
<b>Fee Related Earnings</b>	<b>\$ 440,385</b>	<b>\$ 610,944</b>	<b>39%</b>	<b>\$ 1,236,709</b>	<b>\$ 1,620,107</b>	<b>31%</b>
Realized Performance Revenues	420,840	319,954	(24)%	1,008,995	589,364	(42)%
Realized Performance Compensation	(143,870)	(121,730)	(15)%	(354,576)	(230,819)	(35)%
Realized Principal Investment Income	36,148	15,884	(56)%	185,613	55,112	(70)%
<b>Net Realizations</b>	<b>313,118</b>	<b>214,108</b>	<b>(32)%</b>	<b>840,032</b>	<b>413,657</b>	<b>(51)%</b>
<b>Total Segment Distributable Earnings</b>	<b>\$ 753,503</b>	<b>\$ 825,052</b>	<b>9%</b>	<b>\$ 2,076,741</b>	<b>\$ 2,033,764</b>	<b>(2)%</b>
Net Interest Income (Loss)	(7,767)	(12,731)	64%	55	(29,306)	n/m
Taxes and Related Payables	(35,815)	(40,225)	12%	(120,055)	(127,268)	6%
<b>Distributable Earnings</b>	<b>\$ 709,921</b>	<b>\$ 772,096</b>	<b>9%</b>	<b>\$ 1,956,741</b>	<b>\$ 1,877,190</b>	<b>(4)%</b>
<b>Additional Metrics:</b>						
FRE per Share	\$ 0.37	\$ 0.51	38%	\$ 1.03	\$ 1.35	31%
DE per Common Share	\$ 0.58	\$ 0.63	9%	\$ 1.59	\$ 1.52	(4)%
Total Segment Revenues	\$ 1,371,558	\$ 1,458,628	6%	\$ 3,788,799	\$ 3,712,065	(2)%
Total Assets Under Management	\$ 554,022,343	\$ 584,376,213	5%	\$ 554,022,343	\$ 584,376,213	5%
Fee-Earning Assets Under Management	\$ 394,138,443	\$ 444,511,078	13%	\$ 394,138,443	\$ 444,511,078	13%

Fee Related Earnings per Share is based on end of period DE Shares Outstanding (see page 23, Share Summary). DE per Common Share is based on DE Attributable to Common Shareholders (see page 22, Shareholder Dividends) and end of period Participating Common Shares outstanding. YTD per Share amounts represent the sum of the last three quarters. See pages 30-31 for the Reconciliation of GAAP to Total Segment Measures.

## SUMMARY OF FINANCIALS

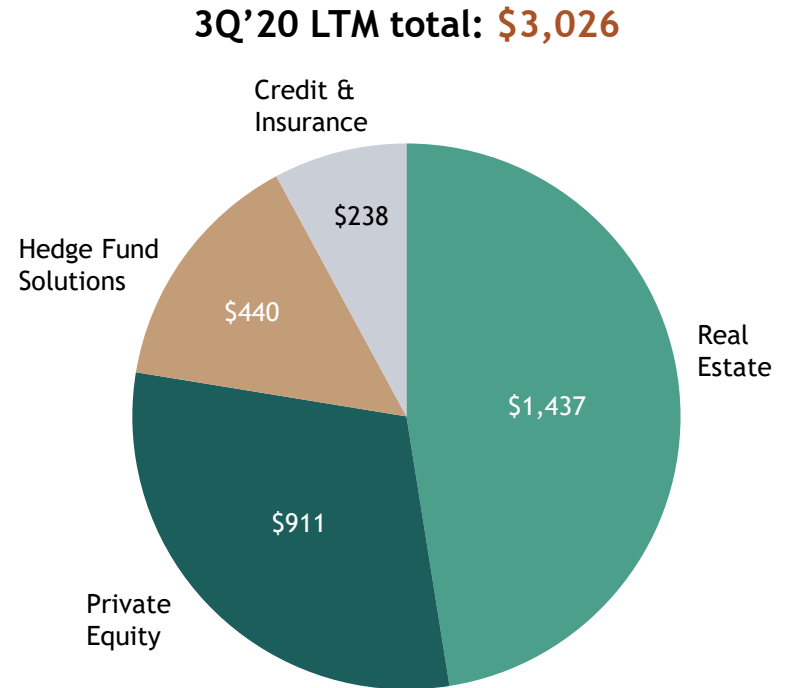
- LTM Fee Related Earnings of \$1.81 per share, an increase of 30% year-over-year.
- LTM Total Segment Distributable Earnings were \$3.0 billion, an increase of 7% year-over-year.

### Fee Related Earnings per Share



### Segment Distributable Earnings

(\$ in millions)





## INVESTMENT PERFORMANCE AND NET ACCRUED PERFORMANCE REVENUES

- Strong unrealized appreciation across strategies led to a 31% increase in Net Accrued Performance Revenues to \$3.6 billion (\$2.96/share) quarter-over-quarter.

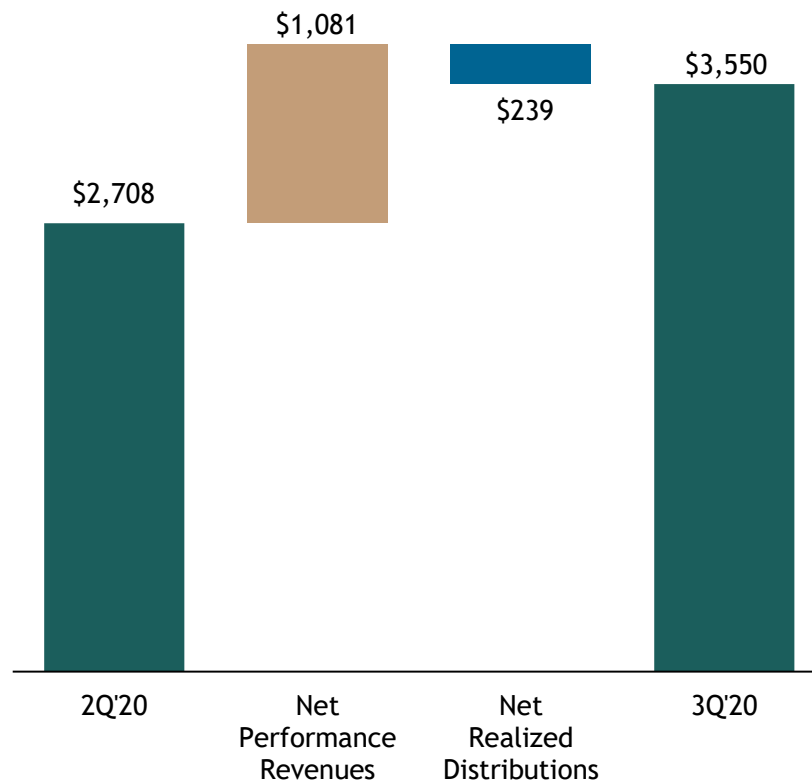
### Investment Performance

(appreciation / gross returns)

	3Q'20	3Q'20 LTM
<b>Real Estate</b>		
Opportunistic	6.4%	3.5%
Core+	3.5%	4.9%
<b>Private Equity</b>		
Corporate Private Equity	12.2%	2.3%
Tactical Opportunities	10.7%	10.7%
Secondaries	(13.2)%	(3.2)%
<b>Hedge Fund Solutions</b>		
BPS Composite	3.0%	2.1%
<b>Credit &amp; Insurance</b>		
Credit Composite	4.4%	1.1%

### Net Accrued Performance Revenues

(\$ in millions)



Investment Performance represents fund appreciation for Real Estate and Private Equity and gross returns for Hedge Fund Solutions and Credit & Insurance. BPS Composite net returns were 2.8% and 1.3% for 3Q'20 and 3Q'20 LTM, respectively. BPS Composite returns were 9.2% gross and 8.7% net for the six months ended 3Q'20. Credit Composite net returns were 4.0% and 0.6% for 3Q'20 and 3Q'20 LTM, respectively. Credit Composite returns were 15.0% gross and 14.0% net for the six months ended 3Q'20. See notes on pages 32-33 for additional details on investment performance.

## CAPITAL METRICS - ADDITIONAL DETAIL

- Inflows were \$15.1 billion in the quarter, bringing LTM inflows to \$88.7 billion.
- Realizations were \$7.9 billion in the quarter and \$33.3 billion for the LTM.
- Deployed \$8.6 billion in the quarter and \$53.6 billion for the LTM.
  - Committed an additional \$7.7 billion that was not yet deployed in the quarter.

(\$ in millions)	Inflows		Realizations		Capital Deployed	
	3Q'20	3Q'20 LTM	3Q'20	3Q'20 LTM	3Q'20	3Q'20 LTM
<b>Real Estate</b>	\$ 3,873	\$ 29,456	\$ 1,854	\$ 13,111	\$ 2,126	\$ 20,580
Opportunistic	259	3,040	579	7,829	679	11,280
Core+	2,299	14,769	517	3,114	830	7,779
BREDS	1,314	11,647	758	2,168	617	1,521
<b>Private Equity</b>	<b>3,942</b>	<b>26,317</b>	<b>4,665</b>	<b>11,994</b>	<b>4,134</b>	<b>20,482</b>
Corporate Private Equity	1,071	14,788	3,225	6,670	593	9,639
Tactical Opportunities	2,721	5,174	745	2,643	1,345	4,333
Secondaries	150	5,468	696	2,681	691	3,659
Infrastructure	-	888	-	-	1,505	2,851
<b>Hedge Fund Solutions</b>	<b>1,718</b>	<b>10,986</b>	<b>193</b>	<b>1,332</b>	<b>558</b>	<b>2,753</b>
<b>Credit &amp; Insurance</b>	<b>5,605</b>	<b>21,928</b>	<b>1,225</b>	<b>6,839</b>	<b>1,783</b>	<b>9,776</b>
<b>Total Blackstone</b>	<b>\$ 15,138</b>	<b>\$ 88,687</b>	<b>\$ 7,938</b>	<b>\$ 33,276</b>	<b>\$ 8,601</b>	<b>\$ 53,591</b>

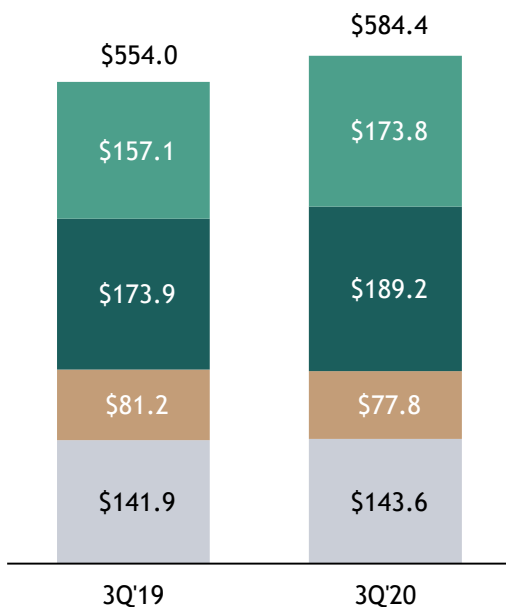
Corporate Private Equity also includes Core Private Equity, Life Sciences, and BTAS. Tactical Opportunities also includes Blackstone Growth.

## ASSETS UNDER MANAGEMENT

- Total AUM increased to \$584.4 billion, up 5% year-over-year, with \$15.1 billion of inflows in the quarter and \$88.7 billion for the LTM.
- Fee-Earning AUM of \$444.5 billion was up 13% year-over-year, with \$11.8 billion of inflows in the quarter and \$105.5 billion for the LTM.
- Perpetual Capital AUM reached \$115.2 billion, up 19% year-over-year.

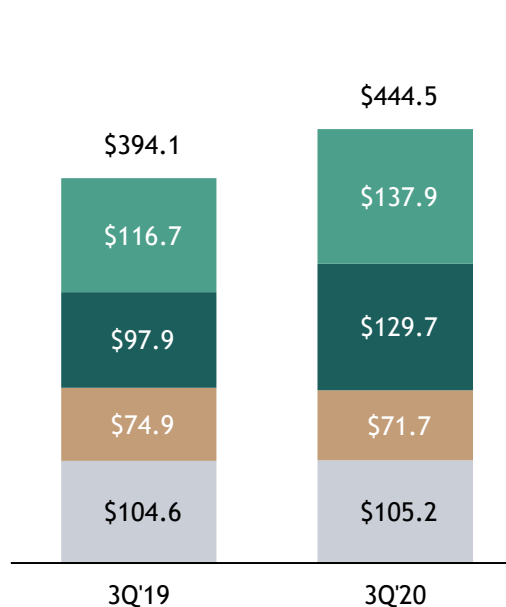
### Total AUM

(\$ in billions)



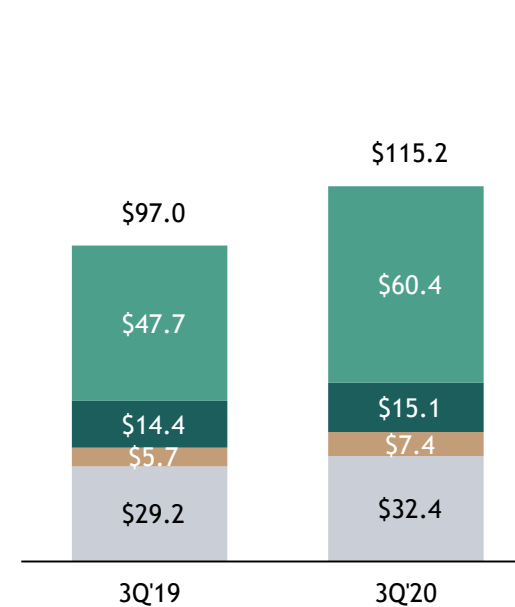
### Fee-Earning AUM

(\$ in billions)



### Perpetual Capital AUM

(\$ in billions)



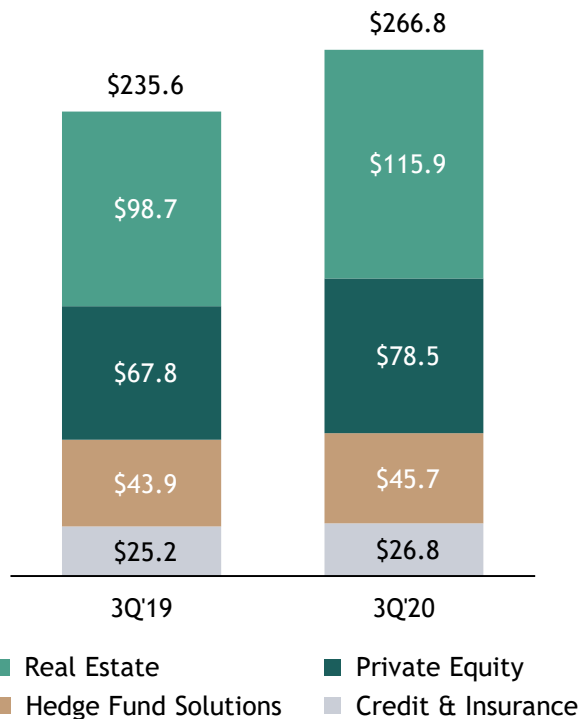
■ Real Estate 
 ■ Private Equity 
 ■ Hedge Fund Solutions 
 ■ Credit & Insurance

## ADDITIONAL CAPITAL DETAIL

- Invested Performance Eligible AUM reached \$266.8 billion at quarter end, up 13% year-over-year.
- Undrawn capital (“Total Dry Powder”) available for investment of \$152.4 billion.

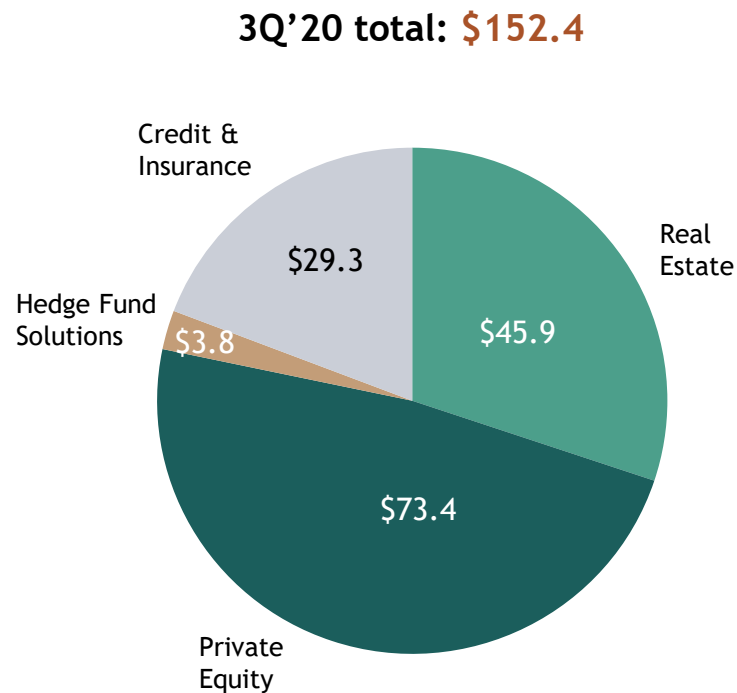
### Invested Performance Eligible AUM

(\$ in billions)



### Total Dry Powder

(\$ in billions)



# Segment Highlights

## REAL ESTATE

- **Total AUM:** Increased 11% to \$173.8 billion with inflows of \$3.9 billion in the quarter and \$29.5 billion for the LTM.
  - Inflows during the quarter included \$2.3 billion in Core+ and \$1.3 billion in BREDS.
  - Perpetual Capital increased 27% to \$60.4 billion, representing nearly 35% of Total AUM.
- **Realizations:** \$1.9 billion in the quarter and \$13.1 billion for the LTM; realizations in the quarter included the IPO of India's second REIT, Mindspace Business Parks.
  - Signed definitive agreement on October 15<sup>th</sup> for the recapitalization of BioMed Realty Trust for \$14.6 billion, generating \$6.5 billion of cumulative profits for BREP VIII and co-investors; expected close in the fourth quarter.
- **Capital Deployed:** \$2.1 billion in the quarter and \$20.6 billion for the LTM; deployments included BPP's interest in a studio and Class A office portfolio in Hollywood, CA.
  - Committed an additional \$905 million that was not yet deployed in the quarter.
- **Appreciation:** Opportunistic funds and Core+ funds appreciated 6.4% and 3.5% in the quarter, respectively, reflecting continued strong performance from investments in sectors including global logistics properties and life science office.

(\$ in thousands)			% Change				% Change	
	3Q'19	3Q'20	vs. 3Q'19	3Q'19 YTD	3Q'20 YTD	vs. 3Q'19 YTD		
Management Fees, Net	\$ 332,529	\$ 409,210	23%	\$ 894,345	\$ 1,207,638	35%		
Fee Related Performance Revenues	30,600	55,327	81%	48,348	66,383	37%		
Fee Related Compensation	(132,183)	(138,342)	5%	(344,794)	(375,278)	9%		
Other Operating Expenses	(43,897)	(42,566)	(3)%	(122,997)	(127,567)	4%		
<b>Fee Related Earnings</b>	<b>\$ 187,049</b>	<b>\$ 283,629</b>	<b>52%</b>	<b>\$ 474,902</b>	<b>\$ 771,176</b>	<b>62%</b>		
Realized Performance Revenues	282,379	18,872	(93)%	558,134	96,801	(83)%		
Realized Performance Compensation	(85,544)	(7,343)	(91)%	(183,186)	(33,282)	(82)%		
Realized Principal Investment Income	17,968	4,946	(72)%	63,257	13,819	(78)%		
<b>Net Realizations</b>	<b>214,803</b>	<b>16,475</b>	<b>(92)%</b>	<b>438,205</b>	<b>77,338</b>	<b>(82)%</b>		
<b>Segment Distributable Earnings</b>	<b>\$ 401,852</b>	<b>\$ 300,104</b>	<b>(25)%</b>	<b>\$ 913,107</b>	<b>\$ 848,514</b>	<b>(7)%</b>		
Segment Revenues	\$ 663,476	\$ 488,355	(26)%	\$ 1,564,084	\$ 1,384,641	(11)%		
Total AUM	\$ 157,076,273	\$ 173,796,594	11%	\$ 157,076,273	\$ 173,796,594	11%		
Fee-Earning AUM	\$ 116,749,305	\$ 137,877,640	18%	\$ 116,749,305	\$ 137,877,640	18%		

## PRIVATE EQUITY

- **Total AUM:** Increased 9% to \$189.2 billion with inflows of \$3.9 billion in the quarter and \$26.3 billion for the LTM.
  - Inflows included \$2.3 billion for Blackstone Growth which officially launched in the quarter.
  - Fee-Earning AUM increased 32% to \$129.7 billion, driven by commencement of investment periods for BCP VIII, BEP III, and BXLS V in the first quarter.
- **Realizations:** \$4.7 billion in the quarter and \$12.0 billion for the LTM; realizations in the quarter included sale of Cheniere Energy Partners.
- **Capital Deployed:** \$4.1 billion in the quarter and \$20.5 billion for the LTM.
  - Committed an additional \$4.1 billion that was not yet deployed in the quarter, including the acquisition of Ancestry.com and Takeda Consumer Healthcare.
- **Appreciation:** Corporate Private Equity increased 12.2% in the quarter, driven by strong performance in both private and public holdings.
  - Tactical Opportunities increased 10.7% in the quarter; Secondaries declined (13.2)% in the quarter, which reflects a reporting lag of its underlying funds.

(\$ in thousands)			% Change				% Change	
	3Q'19	3Q'20	vs. 3Q'19	3Q'19 YTD	3Q'20 YTD	vs. 3Q'19 YTD		
Management and Advisory Fees, Net	\$ 255,278	\$ 348,173	36%	\$ 785,977	\$ 883,905	12%		
Fee Related Compensation	(105,773)	(119,301)	13%	(318,467)	(322,494)	1%		
Other Operating Expenses	(38,235)	(45,702)	20%	(112,865)	(131,530)	17%		
<b>Fee Related Earnings</b>	<b>\$ 111,270</b>	<b>\$ 183,170</b>	<b>65%</b>	<b>\$ 354,645</b>	<b>\$ 429,881</b>	<b>21%</b>		
Realized Performance Revenues	124,231	295,239	138%	403,737	471,828	17%		
Realized Performance Compensation	(52,034)	(112,713)	117%	(154,671)	(192,372)	24%		
Realized Principal Investment Income	11,977	10,248	(14)%	80,022	38,011	(52)%		
<b>Net Realizations</b>	<b>84,174</b>	<b>192,774</b>	<b>129%</b>	<b>329,088</b>	<b>317,467</b>	<b>(4)%</b>		
<b>Segment Distributable Earnings</b>	<b>\$ 195,444</b>	<b>\$ 375,944</b>	<b>92%</b>	<b>\$ 683,733</b>	<b>\$ 747,348</b>	<b>9%</b>		
Segment Revenues	\$ 391,486	\$ 653,660	67%	\$ 1,269,736	\$ 1,393,744	10%		
Total AUM	\$ 173,858,400	\$ 189,153,816	9%	\$ 173,858,400	\$ 189,153,816	9%		
Fee-Earning AUM	\$ 97,936,871	\$ 129,701,748	32%	\$ 97,936,871	\$ 129,701,748	32%		

## HEDGE FUND SOLUTIONS

- **Total AUM:** \$77.8 billion with inflows of \$1.7 billion in the quarter and \$11.0 billion for the LTM.
  - Strong market appreciation of \$2.3 billion in the quarter.
  - Continued fundraising strength in new products with higher effective management fees.
  - October 1 subscriptions of \$486 million are not yet included in Total AUM.
- **Returns:** BPS Composite gross return of 3.0% in the quarter (2.8% net), bringing year-to-date gross return to (0.1)% ((0.7)% net).
  - Gross returns of 2.1% over the last twelve months (1.3% net), with less than one half of the volatility of broader markets.

(\$ in thousands)			% Change				% Change	
	3Q'19	3Q'20	vs. 3Q'19	3Q'19 YTD	3Q'20 YTD	vs. 3Q'19 YTD		
Management Fees, Net	\$ 141,367	\$ 147,315	4%	\$ 416,726	\$ 434,005	4%		
Fee Related Compensation	(38,898)	(41,405)	6%	(118,474)	(127,949)	8%		
Other Operating Expenses	(20,495)	(19,652)	(4)%	(59,492)	(56,126)	(6)%		
<b>Fee Related Earnings</b>	<b>\$ 81,974</b>	<b>\$ 86,258</b>	<b>5%</b>	<b>\$ 238,760</b>	<b>\$ 249,930</b>	<b>5%</b>		
Realized Performance Revenues	1,848	5,618	204%	17,899	8,867	(50)%		
Realized Performance Compensation	(1,000)	(1,257)	26%	(4,588)	(2,202)	(52)%		
Realized Principal Investment Income	1,480	(150)	n/m	13,503	(1,090)	n/m		
<b>Net Realizations</b>	<b>2,328</b>	<b>4,211</b>	<b>81%</b>	<b>26,814</b>	<b>5,575</b>	<b>(79)%</b>		
<b>Segment Distributable Earnings</b>	<b>\$ 84,302</b>	<b>\$ 90,469</b>	<b>7%</b>	<b>\$ 265,574</b>	<b>\$ 255,505</b>	<b>(4)%</b>		
Segment Revenues	\$ 144,695	\$ 152,783	6%	\$ 448,128	\$ 441,782	(1)%		
Total AUM	\$ 81,154,390	\$ 77,788,713	(4)%	\$ 81,154,390	\$ 77,788,713	(4)%		
Fee-Earning AUM	\$ 74,877,976	\$ 71,699,793	(4)%	\$ 74,877,976	\$ 71,699,793	(4)%		



## CREDIT & INSURANCE

- **Total AUM:** \$143.6 billion with inflows of \$5.6 billion in the quarter and \$21.9 billion for the LTM.
  - Inflows of \$1.7 billion for the fourth mezzanine / opportunistic fund in the quarter, bringing total raised to \$2.8 billion, including a close subsequent to quarter end.
  - Closed 3 CLOs (2 U.S. and 1 European) in the quarter for \$1.1 billion and 10 CLOs in the LTM for \$4.5 billion.
  - Global Direct Lending had inflows of \$585 million in the quarter, bringing Total AUM to \$21.3 billion and, subsequent to quarter end, began fundraising for the new continuously offered non-traded BDC, BCRED.
- **Realizations:** \$1.2 billion in the quarter and \$6.8 billion for the LTM.
- **Capital Deployed:** \$1.8 billion in the quarter and \$9.8 billion for the LTM; committed an additional \$2.6 billion that was not yet deployed in the quarter.
  - Deployment activity was driven primarily by the Global Direct Lending platform, which had one of its most active quarters since the launch of BGSL in 2018.
- **Returns:** Gross Credit Composite return of 4.4% for the quarter (4.0% net), driven by strong portfolio performance as well as continued recovery in both public and private credit markets.

(\$ in thousands)			% Change				% Change	
	3Q'19	3Q'20	vs. 3Q'19	3Q'19 YTD	3Q'20 YTD	vs. 3Q'19 YTD		
Management Fees, Net	\$ 151,171	\$ 153,142	1%	\$ 441,515	\$ 449,592	2%		
Fee Related Performance Revenues	3,625	9,623	165%	7,280	26,066	258%		
Fee Related Compensation	(52,980)	(61,585)	16%	(165,964)	(188,080)	13%		
Other Operating Expenses	(41,724)	(43,293)	4%	(114,429)	(118,458)	4%		
<b>Fee Related Earnings</b>	<b>\$ 60,092</b>	<b>\$ 57,887</b>	<b>(4)%</b>	<b>\$ 168,402</b>	<b>\$ 169,120</b>	<b>0%</b>		
Realized Performance Revenues	12,382	225	(98)%	29,225	11,868	(59)%		
Realized Performance Compensation	(5,292)	(417)	(92)%	(12,131)	(2,963)	(76)%		
Realized Principal Investment Income	4,723	840	(82)%	28,831	4,372	(85)%		
<b>Net Realizations</b>	<b>11,813</b>	<b>648</b>	<b>(95)%</b>	<b>45,925</b>	<b>13,277</b>	<b>(71)%</b>		
<b>Segment Distributable Earnings</b>	<b>\$ 71,905</b>	<b>\$ 58,535</b>	<b>(19)%</b>	<b>\$ 214,327</b>	<b>\$ 182,397</b>	<b>(15)%</b>		
Segment Revenues	\$ 171,901	\$ 163,830	(5)%	\$ 506,851	\$ 491,898	(3)%		
Total AUM	\$ 141,933,280	\$ 143,637,090	1%	\$ 141,933,280	\$ 143,637,090	1%		
Fee-Earning AUM	\$ 104,574,291	\$ 105,231,897	1%	\$ 104,574,291	\$ 105,231,897	1%		

# Supplemental Details

## TOTAL SEGMENTS

(\$ in thousands)	3Q'19	4Q'19	1Q'20	2Q'20	3Q'20	3Q'19 YTD	3Q'20 YTD
Base Management Fees	\$ 809,729	\$ 873,368	\$ 910,396	\$ 941,794	\$ 1,043,770	\$ 2,372,562	\$ 2,895,960
Transaction, Advisory and Other Fees, Net	92,702	95,073	50,665	48,292	33,628	219,347	132,585
Management Fee Offsets	(22,086)	(22,768)	(20,494)	(13,353)	(19,558)	(53,346)	(53,405)
Total Management and Advisory Fees, Net	880,345	945,673	940,567	976,733	1,057,840	2,538,563	2,975,140
Fee Related Performance Revenues	34,225	156,373	12,466	15,033	64,950	55,628	92,449
Fee Related Compensation	(329,834)	(388,879)	(346,264)	(306,904)	(360,633)	(947,699)	(1,013,801)
Other Operating Expenses	(144,351)	(161,359)	(138,885)	(143,583)	(151,213)	(409,783)	(433,681)
<b>Fee Related Earnings</b>	<b>\$ 440,385</b>	<b>\$ 551,808</b>	<b>\$ 467,884</b>	<b>\$ 541,279</b>	<b>\$ 610,944</b>	<b>\$ 1,236,709</b>	<b>\$ 1,620,107</b>
Realized Performance Revenues	420,840	651,647	167,233	102,177	319,954	1,008,995	589,364
Realized Performance Compensation	(143,870)	(249,359)	(71,302)	(37,787)	(121,730)	(354,576)	(230,819)
Realized Principal Investment Income	36,148	38,542	20,290	18,938	15,884	185,613	55,112
<b>Total Net Realizations</b>	<b>313,118</b>	<b>440,830</b>	<b>116,221</b>	<b>83,328</b>	<b>214,108</b>	<b>840,032</b>	<b>413,657</b>
<b>Total Segment Distributable Earnings</b>	<b>\$ 753,503</b>	<b>\$ 992,638</b>	<b>\$ 584,105</b>	<b>\$ 624,607</b>	<b>\$ 825,052</b>	<b>\$ 2,076,741</b>	<b>\$ 2,033,764</b>
Net Interest Income (Loss)	(7,767)	(2,496)	(3,941)	(12,634)	(12,731)	55	(29,306)
Taxes and Related Payables	(35,815)	(76,104)	(23,053)	(63,990)	(40,225)	(120,055)	(127,268)
<b>Distributable Earnings</b>	<b>\$ 709,921</b>	<b>\$ 914,038</b>	<b>\$ 557,111</b>	<b>\$ 547,983</b>	<b>\$ 772,096</b>	<b>\$ 1,956,741</b>	<b>\$ 1,877,190</b>
<b>Additional Metrics:</b>							
Total Segment Revenues	\$ 1,371,558	\$ 1,792,235	\$ 1,140,556	\$ 1,112,881	\$ 1,458,628	\$ 3,788,799	\$ 3,712,065
Total Assets Under Management	\$ 554,022,343	\$ 571,122,463	\$ 538,007,285	\$ 564,330,088	\$ 584,376,213	\$ 554,022,343	\$ 584,376,213
Fee-Earning Assets Under Management	\$ 394,138,443	\$ 408,074,852	\$ 423,055,037	\$ 435,825,935	\$ 444,511,078	\$ 394,138,443	\$ 444,511,078

## ASSETS UNDER MANAGEMENT - ROLLFORWARD

### Total AUM Rollforward

(\$ in millions)

	Three Months Ended September 30, 2020					Twelve Months Ended September 30, 2020				
	Real Estate	Private Equity	Hedge Fund Solutions	Credit & Insurance	Total	Real Estate	Private Equity	Hedge Fund Solutions	Credit & Insurance	Total
Beginning Balance	\$ 166,724	\$ 184,118	\$ 75,668	\$ 137,820	\$ 564,330	\$ 157,076	\$ 173,858	\$ 81,154	\$ 141,933	\$ 554,022
Inflows	3,873	3,942	1,718	5,605	15,138	29,456	26,317	10,986	21,928	88,687
Outflows	(1,655)	(546)	(1,665)	(1,679)	(5,545)	(3,512)	(1,907)	(13,306)	(9,576)	(28,302)
Net Flows	2,217	3,396	53	3,926	9,593	25,945	24,410	(2,321)	12,351	60,386
Realizations	(1,854)	(4,665)	(193)	(1,225)	(7,938)	(13,111)	(11,994)	(1,332)	(6,839)	(33,276)
Market Activity	6,710	6,305	2,260	3,116	18,390	3,887	2,879	287	(3,809)	3,244
Ending Balance	\$ 173,797	\$ 189,154	\$ 77,789	\$ 143,637	\$ 584,376	\$ 173,797	\$ 189,154	\$ 77,789	\$ 143,637	\$ 584,376
% Change	4%	3%	3%	4%	4%	11%	9%	(4)%	1%	5%

### Fee-Earning AUM Rollforward

(\$ in millions)

	Three Months Ended September 30, 2020					Twelve Months Ended September 30, 2020				
	Real Estate	Private Equity	Hedge Fund Solutions	Credit & Insurance	Total	Real Estate	Private Equity	Hedge Fund Solutions	Credit & Insurance	Total
Beginning Balance	\$ 134,260	\$ 129,284	\$ 70,200	\$ 102,081	\$ 435,826	\$ 116,749	\$ 97,937	\$ 74,878	\$ 104,574	\$ 394,138
Inflows	2,699	3,485	1,212	4,395	11,792	32,809	44,473	10,401	17,844	105,528
Outflows	(598)	(348)	(1,597)	(2,226)	(4,770)	(5,641)	(6,978)	(12,304)	(8,795)	(33,719)
Net Flows	2,101	3,136	(385)	2,169	7,022	27,168	37,495	(1,902)	9,049	71,809
Realizations	(1,435)	(1,599)	(191)	(868)	(4,093)	(8,998)	(4,456)	(1,287)	(5,189)	(19,930)
Market Activity	2,951	(1,119)	2,076	1,849	5,757	2,958	(1,274)	11	(3,202)	(1,507)
Ending Balance	\$ 137,878	\$ 129,702	\$ 71,700	\$ 105,232	\$ 444,511	\$ 137,878	\$ 129,702	\$ 71,700	\$ 105,232	\$ 444,511
% Change	3%	0%	2%	3%	2%	18%	32%	(4)%	1%	13%

Inflows include contributions, capital raised, other increases in available capital, purchases, inter-segment allocations and acquisitions. Outflows represent redemptions, client withdrawals and other decreases in available capital. Realizations represent realizations from the disposition of assets. Market Activity represents gains (losses) on portfolio investments and the impact of foreign exchange rate fluctuations. AUM is reported in the segment where the assets are managed.

## DECONSOLIDATED BALANCE SHEET HIGHLIGHTS

- At September 30, 2020, Blackstone had \$5.6 billion in total cash, cash equivalents, and corporate treasury investments and \$11.1 billion of cash and net investments, or \$9.21 per share.
- Blackstone has a \$1.6 billion undrawn credit revolver and maintains A+/A+ ratings.
  - On September 29, 2020, Blackstone issued \$500 million of 10.5-year notes at 1.6% coupon and \$400 million of 30-year notes at 2.8% coupon.

(\$ in millions)	3Q'20
Cash and Cash Equivalents	\$ 2,629
Corporate Treasury Investments	2,935
GP/Fund Investments	1,948
Net Accrued Performance Revenues	3,550
<b>Cash and Net Investments</b>	<b>\$ 11,062</b>
Outstanding Bonds (at par)	5,658

### Cash and Net Investments

(per share)



**A+ / A+**

rated by S&P and Fitch

**\$1.6B**

undrawn credit revolver  
with September 2023 maturity

**\$5.6B**

total cash  
and corporate treasury

## NET ACCRUED PERFORMANCE REVENUES - ADDITIONAL DETAIL

(\$ in millions, except per share data)	3Q'19	2Q'20	3Q'20	3Q'20 Per Share
<b>Real Estate</b>				
BREP IV	\$ 11	\$ 7	\$ 8	\$ 0.01
BREP V	16	1	7	0.01
BREP VI	75	45	46	0.04
BREP VII	501	238	238	0.20
BREP VIII	597	604	782	0.65
BREP IX	-	6	90	0.07
BREP Europe IV	221	105	104	0.09
BREP Europe V	171	99	179	0.15
BREP Asia I	162	85	102	0.08
BPP	257	225	227	0.19
BREIT	59	-	-	-
BREDS	28	3	6	0.00
BTAS	45	22	42	0.04
<b>Real Estate</b>	<b>\$ 2,142</b>	<b>\$ 1,441</b>	<b>\$ 1,831</b>	<b>\$ 1.52</b>
<b>Private Equity</b>				
BCP IV	24	19	19	0.02
BCP VI	723	521	668	0.56
BCP VII	382	307	458	0.38
BCP Asia	7	18	40	0.03
BEP I	133	63	23	0.02
BEP II	8	-	-	-
BEP III	-	3	-	-
BCEP	36	43	85	0.07
Tactical Opportunities	106	55	148	0.12
Secondaries	133	155	76	0.06
Life Sciences	4	8	7	0.01
BTAS/Other	53	7	20	0.02
<b>Private Equity</b>	<b>\$ 1,607</b>	<b>\$ 1,199</b>	<b>\$ 1,544</b>	<b>\$ 1.29</b>
<b>Hedge Fund Solutions</b>	<b>\$ 57</b>	<b>\$ 26</b>	<b>\$ 54</b>	<b>\$ 0.04</b>
<b>Credit &amp; Insurance</b>	<b>\$ 235</b>	<b>\$ 42</b>	<b>\$ 121</b>	<b>\$ 0.10</b>
<b>Net Accrued Performance Revenues</b>	<b>\$ 4,042</b>	<b>\$ 2,708</b>	<b>\$ 3,550</b>	<b>\$ 2.96</b>

## 3Q'20 QoQ Rollforward

(\$ in millions)

	2Q'20	Net Performance Revenues	Net Realized Distributions	3Q'20
Real Estate	\$ 1,441	\$ 435	\$ (45)	\$ 1,831
Private Equity	1,199	529	(184)	1,544
HFS	26	33	(5)	54
Credit & Insurance	42	84	(5)	121
<b>Total</b>	<b>\$ 2,708</b>	<b>\$ 1,081</b>	<b>\$ (239)</b>	<b>\$ 3,550</b>
<i>QoQ Change</i>				31%

## 3Q'20 LTM Rollforward

(\$ in millions)

	3Q'19	Net Performance Revenues	Net Realized Distributions	3Q'20
Real Estate	\$ 2,142	\$ 164	\$ (475)	\$ 1,831
Private Equity	1,607	250	(313)	1,544
HFS	57	90	(93)	54
Credit & Insurance	235	(64)	(51)	121
<b>Total</b>	<b>\$ 4,042</b>	<b>\$ 440</b>	<b>\$ (932)</b>	<b>\$ 3,550</b>
<i>YoY Change</i>				(12)%

## INVESTMENT RECORDS AS OF SEPTEMBER 30, 2020<sup>(a)</sup>

Fund (Investment Period Beginning Date / Ending Date)	Committed		Available		Unrealized Investments		Realized Investments		Total Investments		Net IRRs (d)	
	Capital	Capital (b)	Value	MOIC (c)	Value	MOIC (c)	Value	MOIC (c)	Value	MOIC (c)	Realized	Total
<b>Real Estate</b>												
Pre-BREP	\$ 140,714	\$ -	\$ -	n/a	\$ 345,190	2.5x	\$ 345,190	2.5x	\$ 345,190	2.5x	33%	33%
BREP I (Sep 1994 / Oct 1996)	380,708	-	-	n/a	1,327,708	2.8x	1,327,708	2.8x	1,327,708	2.8x	40%	40%
BREP II (Oct 1996 / Mar 1999)	1,198,339	-	-	n/a	2,531,614	2.1x	2,531,614	2.1x	2,531,614	2.1x	19%	19%
BREP III (Apr 1999 / Apr 2003)	1,522,708	-	-	n/a	3,330,406	2.4x	3,330,406	2.4x	3,330,406	2.4x	21%	21%
BREP IV (Apr 2003 / Dec 2005)	2,198,694	-	33,534	0.1x	4,544,926	2.2x	4,578,460	1.7x	4,578,460	1.7x	28%	12%
BREP V (Dec 2005 / Feb 2007)	5,539,418	-	170,327	0.7x	13,070,382	2.4x	13,240,709	2.3x	13,240,709	2.3x	12%	11%
BREP VI (Feb 2007 / Aug 2011)	11,060,444	-	566,600	2.3x	27,181,375	2.5x	27,747,975	2.5x	27,747,975	2.5x	13%	13%
BREP VII (Aug 2011 / Apr 2015)	13,496,823	1,711,538	5,559,666	1.2x	22,853,427	2.1x	28,413,093	1.9x	28,413,093	1.9x	22%	14%
BREP VIII (Apr 2015 / Jun 2019)	16,567,256	2,737,862	18,983,652	1.5x	7,274,206	1.7x	26,257,858	1.5x	26,257,858	1.5x	26%	14%
*BREP IX (Jun 2019 / Dec 2024)	20,891,658	14,629,333	7,094,976	1.1x	1,001,040	1.4x	8,096,016	1.2x	8,096,016	1.2x	n/m	16%
<b>Total Global BREP</b>	<b>\$ 72,996,762</b>	<b>\$ 19,078,733</b>	<b>\$ 32,408,755</b>	<b>1.3x</b>	<b>\$ 83,460,274</b>	<b>2.2x</b>	<b>\$ 115,869,029</b>	<b>1.9x</b>	<b>\$ 115,869,029</b>	<b>1.9x</b>	<b>18%</b>	<b>15%</b>
BREP Int'l (Jan 2001 / Sep 2005)	€ 824,172	€ -	€ -	n/a	€ 1,373,170	2.1x	€ 1,373,170	2.1x	€ 1,373,170	2.1x	23%	23%
BREP Int'l II (Sep 2005 / Jun 2008) (e)	1,629,748	-	-	n/a	2,576,670	1.8x	2,576,670	1.8x	2,576,670	1.8x	8%	8%
BREP Europe III (Jun 2008 / Sep 2013)	3,205,167	-	380,890	0.6x	5,738,120	2.5x	6,119,010	2.1x	6,119,010	2.1x	20%	14%
BREP Europe IV (Sep 2013 / Dec 2016)	6,710,146	1,337,217	2,555,556	1.3x	8,999,310	2.0x	11,554,866	1.8x	11,554,866	1.8x	22%	15%
BREP Europe V (Dec 2016 / Oct 2019)	7,949,959	1,602,716	7,876,826	1.3x	778,365	2.6x	8,655,191	1.3x	8,655,191	1.3x	50%	10%
*BREP Europe VI (Oct 2019 / Apr 2025)	9,786,439	7,287,480	2,380,731	1.0x	-	n/a	2,380,731	1.0x	2,380,731	1.0x	n/a	(12)%
<b>Total BREP Europe</b>	<b>€ 30,105,631</b>	<b>€ 10,227,413</b>	<b>€ 13,194,003</b>	<b>1.2x</b>	<b>€ 19,465,635</b>	<b>2.1x</b>	<b>€ 32,659,638</b>	<b>1.6x</b>	<b>€ 32,659,638</b>	<b>1.6x</b>	<b>16%</b>	<b>12%</b>
BREP Asia I (Jun 2013 / Dec 2017)	\$ 4,598,089	\$ 1,281,985	\$ 3,132,457	1.4x	\$ 4,295,614	1.9x	\$ 7,428,071	1.6x	\$ 7,428,071	1.6x	20%	12%
*BREP Asia II (Dec 2017 / Jun 2023)	7,302,307	4,160,393	3,402,501	1.1x	228,667	1.6x	3,631,168	1.1x	3,631,168	1.1x	44%	2%
BREP Co-Investment (f)	7,055,974	154,831	1,977,271	2.7x	13,309,647	2.1x	15,286,918	2.2x	15,286,918	2.2x	15%	16%
<b>Total BREP</b>	<b>\$ 127,797,844</b>	<b>\$ 36,663,494</b>	<b>\$ 56,042,120</b>	<b>1.3x</b>	<b>\$ 125,828,531</b>	<b>2.2x</b>	<b>\$ 181,870,651</b>	<b>1.8x</b>	<b>\$ 181,870,651</b>	<b>1.8x</b>	<b>17%</b>	<b>15%</b>
*Core+ BPP (Various) (g)	n/a	n/a	34,168,173	n/a	7,275,374	n/a	41,443,547	n/a	41,443,547	n/a	n/m	8%
*Core+ BREIT (Various) (h)	n/a	n/a	18,967,371	n/a	581,771	n/a	19,549,142	n/a	19,549,142	n/a	n/a	8%
*BREDS High-Yield (Various) (i)	19,993,148	10,225,525	2,641,559	1.0x	13,095,502	1.3x	15,737,061	1.2x	15,737,061	1.2x	11%	10%
<b>Private Equity</b>												
<b>Corporate Private Equity</b>												
BCP I (Oct 1987 / Oct 1993)	\$ 859,081	\$ -	\$ -	n/a	\$ 1,741,738	2.6x	\$ 1,741,738	2.6x	\$ 1,741,738	2.6x	19%	19%
BCP II (Oct 1993 / Aug 1997)	1,361,100	-	-	n/a	3,256,819	2.5x	3,256,819	2.5x	3,256,819	2.5x	32%	32%
BCP III (Aug 1997 / Nov 2002)	3,967,422	-	-	n/a	9,184,688	2.3x	9,184,688	2.3x	9,184,688	2.3x	14%	14%
BCOM (Jun 2000 / Jun 2006)	2,137,330	24,575	12,368	n/a	2,953,649	1.4x	2,966,017	1.4x	2,966,017	1.4x	6%	6%
BCP IV (Nov 2002 / Dec 2005)	6,773,182	189,764	164,991	2.1x	21,417,821	2.9x	21,582,812	2.9x	21,582,812	2.9x	36%	36%
BCP V (Dec 2005 / Jan 2011)	21,009,112	1,035,259	739,282	1.5x	37,212,862	1.9x	37,952,144	1.9x	37,952,144	1.9x	8%	8%
BCP VI (Jan 2011 / May 2016)	15,202,400	1,164,970	10,954,940	1.7x	17,663,965	2.1x	28,618,905	1.9x	28,618,905	1.9x	18%	12%
BCP VII (May 2016 / Feb 2020)	18,808,535	2,514,185	21,067,624	1.3x	1,763,411	1.8x	22,831,035	1.4x	22,831,035	1.4x	48%	12%
*BCP VIII (Feb 2020 / Feb 2026)	24,839,835	24,799,808	(739)	n/a	-	n/a	(739)	n/a	(739)	n/a	n/a	n/a
Energy I (Aug 2011 / Feb 2015)	2,441,558	142,138	646,099	0.9x	3,328,596	1.9x	3,974,695	1.7x	3,974,695	1.7x	15%	10%
Energy II (Feb 2015 / Feb 2020)	4,913,595	280,193	3,595,443	0.8x	350,161	2.1x	3,945,604	0.9x	3,945,604	0.9x	58%	(12)%
*Energy III (Feb 2020 / Feb 2026)	4,213,068	3,653,144	494,356	1.0x	-	n/a	494,356	1.0x	494,356	1.0x	n/a	n/m
*BCP Asia (Dec 2017 / Dec 2023)	2,417,554	1,319,702	1,575,821	1.5x	160,023	2.2x	1,735,844	1.5x	1,735,844	1.5x	159%	28%
*Core Private Equity (Jan 2017 / Jan 2021) (j)	4,756,127	1,429,242	5,022,859	1.5x	468,926	1.8x	5,491,785	1.5x	5,491,785	1.5x	36%	17%
<b>Total Corporate Private Equity</b>	<b>\$ 113,699,899</b>	<b>\$ 36,552,980</b>	<b>\$ 44,273,044</b>	<b>1.3x</b>	<b>\$ 99,502,659</b>	<b>2.1x</b>	<b>\$ 143,775,703</b>	<b>1.8x</b>	<b>\$ 143,775,703</b>	<b>1.8x</b>	<b>16%</b>	<b>15%</b>

Notes on page 21. BREP - Blackstone Real Estate Partners, BREIT - Blackstone Real Estate Income Trust, BPP - Blackstone Property Partners, BREDS - Blackstone Real Estate Debt Strategies, BCP - Blackstone Capital Partners, BCOM - Blackstone Communications.

\* Represents funds that are currently in their investment period and open ended funds.

## INVESTMENT RECORDS AS OF SEPTEMBER 30, 2020<sup>(a)</sup> - (CONT'D)

Fund (Investment Period Beginning Date / Ending Date)	Committed		Available		Unrealized Investments		Realized Investments		Total Investments		Net IRRs (d)	
	Capital	Capital (b)	Value	MOIC (c)	Value	MOIC (c)	Value	MOIC (c)	Value	MOIC (c)	Realized	Total
<b>Private Equity (continued)</b>												
<b>Tactical Opportunities</b>												
*Tactical Opportunities (Various)	\$ 22,722,239	\$ 8,056,105	\$ 11,386,499	1.1x	\$ 10,532,523	1.7x	\$ 21,919,022	1.4x	17%	9%		
*Tactical Opportunities Co-Investment and Other (Various)	8,868,691	1,894,773	5,592,365	1.4x	2,575,630	1.5x	8,167,995	1.4x	19%	15%		
<b>Total Tactical Opportunities</b>	<b>\$ 31,590,930</b>	<b>\$ 9,950,878</b>	<b>\$ 16,978,864</b>	<b>1.2x</b>	<b>\$ 13,108,153</b>	<b>1.7x</b>	<b>\$ 30,087,017</b>	<b>1.4x</b>	<b>18%</b>	<b>10%</b>		
*Blackstone Growth (Jul 2020 / Jul 2025)	2,458,155	2,162,576	241,414	n/m	-	n/a	241,414	n/m	n/a	n/m		
<b>Strategic Partners (Secondaries)</b>												
Strategic Partners I-V (Various) (k)	11,865,053	1,673,692	770,700	n/m	16,943,163	n/m	17,713,863	1.5x	n/a	13%		
Strategic Partners VI (Apr 2014 / Apr 2016) (k)	4,362,750	1,188,738	1,130,603	n/m	3,353,270	n/m	4,483,873	1.4x	n/a	13%		
Strategic Partners VII (May 2016 / Mar 2019) (k)	7,489,970	2,410,875	4,415,089	n/m	2,083,051	n/m	6,498,140	1.3x	n/a	12%		
Strategic Partners Real Assets II (May 2017 / Jun 2020) (k)	1,749,807	325,923	1,114,593	n/m	426,661	n/m	1,541,254	1.2x	n/a	13%		
*Strategic Partners VIII (Mar 2019 / Jul 2023) (k)	10,763,600	5,241,049	2,719,357	n/m	295,999	n/m	3,015,356	1.2x	n/a	17%		
*Strategic Partners Real Estate, SMA and Other (Various) (k)	7,678,402	2,828,096	2,436,489	n/m	1,438,476	n/m	3,874,965	1.2x	n/a	11%		
*Strategic Partners Infra III (Jun 2020 / Jul 2024) (k)	3,250,100	2,942,929	96,155	n/m	-	n/a	96,155	2.0x	n/a	n/m		
<b>Total Strategic Partners (Secondaries)</b>	<b>\$ 47,159,682</b>	<b>\$ 16,611,302</b>	<b>\$ 12,682,986</b>	<b>n/m</b>	<b>\$ 24,540,620</b>	<b>n/m</b>	<b>\$ 37,223,606</b>	<b>1.4x</b>	<b>n/a</b>	<b>13%</b>		
*Infrastructure (Various)	13,658,063	10,643,283	2,878,931	1.0x	-	n/a	2,878,931	1.0x	n/a	(10)%		
<b>Life Sciences</b>												
Clarus IV (Jan 2018 / Jan 2020)	910,000	406,941	596,134	1.4x	22,327	1.3x	618,461	1.4x	13%	14%		
*BXLs V (Jan 2020 / Jan 2025)	4,679,227	4,477,028	242,132	1.2x	-	n/a	242,132	1.2x	n/a	n/m		
<b>Credit</b>												
Mezzanine / Opportunistic I (Jul 2007 / Oct 2011)	\$ 2,000,000	\$ 97,114	\$ 17,566	0.9x	\$ 4,774,711	1.6x	\$ 4,792,277	1.6x	n/a	17%		
Mezzanine / Opportunistic II (Nov 2011 / Nov 2016)	4,120,000	1,033,255	933,246	0.7x	5,519,086	1.6x	6,452,332	1.3x	n/a	9%		
*Mezzanine / Opportunistic III (Sep 2016 / Sep 2021)	6,639,133	2,248,377	4,648,184	1.1x	2,249,490	1.6x	6,897,674	1.2x	n/a	9%		
Stressed / Distressed I (Sep 2009 / May 2013)	3,253,143	76,000	1,305	0.0x	5,774,236	1.6x	5,775,541	1.3x	n/a	9%		
Stressed / Distressed II (Jun 2013 / Jun 2018)	5,125,000	551,437	951,873	0.7x	4,395,666	1.2x	5,347,539	1.0x	n/a	(2)%		
*Stressed / Distressed III (Dec 2017 / Dec 2022)	7,356,380	4,313,296	1,704,234	0.9x	1,466,071	1.3x	3,170,305	1.0x	n/a	(2)%		
Energy I (Nov 2015 / Nov 2018)	2,856,867	1,063,343	1,451,567	0.9x	1,080,273	1.8x	2,531,840	1.1x	n/a	3%		
*Energy II (Feb 2019 / Feb 2024)	3,616,081	2,980,268	680,742	1.1x	192,782	1.5x	873,524	1.1x	n/a	18%		
European Senior Debt I (Feb 2015 / Feb 2019)	€ 1,964,689	€ 285,535	€ 1,676,028	1.0x	€ 1,399,136	1.5x	€ 3,075,164	1.1x	n/a	4%		
*European Senior Debt II (Jun 2019 / Jun 2024)	€ 4,088,344	€ 3,416,289	€ 662,325	1.0x	€ 123,072	1.8x	€ 785,397	1.1x	n/a	n/m		
<b>Total Credit Drawdown Funds (I)</b>	<b>\$ 41,872,262</b>	<b>\$ 16,704,048</b>	<b>\$ 13,130,787</b>	<b>0.9x</b>	<b>\$ 27,165,985</b>	<b>1.5x</b>	<b>\$ 40,296,772</b>	<b>1.2x</b>	<b>n/a</b>	<b>9%</b>		
*Direct Lending BDC BGSL (Various) (m)	3,770,397	1,243,928	2,540,903	n/a	186,679	n/a	2,727,582	n/a	n/a	8%		

Notes on page 21. BXLs - Blackstone Life Sciences, BGSL - Blackstone / GSO Secured Lending.

\* Represents funds that are currently in their investment period and open ended funds.



## INVESTMENT RECORDS AS OF SEPTEMBER 30, 2020 - NOTES

The returns presented herein represent those of the applicable Blackstone Funds and not those of The Blackstone Group Inc.

- n/m Not meaningful generally due to the limited time since initial investment.
- n/a Not applicable.
- (a) Excludes investment vehicles where Blackstone does not earn fees.
- (b) Available Capital represents total investable capital commitments, including side-by-side, adjusted for certain expenses and expired or recallable capital and may include leverage, less invested capital. This amount is not reduced by outstanding commitments to investments.
- (c) Multiple of Invested Capital (“MOIC”) represents carrying value, before management fees, expenses and Performance Revenues, divided by invested capital.
- (d) Unless otherwise indicated, Net Internal Rate of Return (“IRR”) represents the annualized inception to September 30, 2020 IRR on total invested capital based on realized proceeds and unrealized value, as applicable, after management fees, expenses and Performance Revenues. IRRs are calculated using actual timing of limited partner cash flows. Initial inception date of cash flows may differ from the Investment Period Beginning Date.
- (e) The 8% Realized Net IRR and 8% Total Net IRR exclude investors that opted out of the Hilton investment opportunity. Overall BREP International II performance reflects a 7% Realized Net IRR and a 7% Total Net IRR.
- (f) BREP Co-Investment represents co-investment capital raised for various BREP investments. The Net IRR reflected is calculated by aggregating each co-investment’s realized proceeds and unrealized value, as applicable, after management fees, expenses and Performance Revenues.
- (g) BPP represents the Core+ real estate funds which invest with a more modest risk profile and lower leverage. Committed Capital and Available Capital are not regularly reported to investors in our Core+ strategy and are not applicable in the context of these funds.
- (h) Unrealized Investment Value reflects BREIT’s net asset value as of September 30, 2020. Realized Investment Value represents BREIT’s cash distributions, net of servicing fees. The BREIT net return reflects a per share blended return, assuming BREIT had a single share class, reinvestment of all dividends received during the period, and no upfront selling commission, net of all fees and expenses incurred by BREIT. These returns are not representative of the returns experienced by any particular investor or share class. Inception to date net returns are presented on an annualized basis and are from January 1, 2017. Committed Capital and Available Capital are not regularly reported to investors in our Core+ strategy and are not applicable in the context of this vehicle.
- (i) BREDS High-Yield represents the flagship real estate debt drawdown funds only and excludes BREDS High-Grade.
- (j) Blackstone Core Equity Partners is a core private equity fund which invests with a more modest risk profile and longer hold period than traditional private equity.
- (k) Realizations are treated as return of capital until fully recovered and therefore unrealized and realized MOICs are not meaningful. If information is not available on a timely basis, returns are calculated from results that are reported on a three month lag and therefore do not include the impact of economic and market activities in the quarter in which such events occur.
- (l) Funds presented represent the flagship credit drawdown funds only. The Total Credit Net IRR is the combined IRR of the credit drawdown funds presented.
- (m) Unrealized Investment Value reflects BGSL’s net asset value as of September 30, 2020. Realized Investment Value represents BGSL’s cash distributions. BGSL’s net return is annualized and calculated since inception starting on November 20, 2018, as the change in NAV per share during the period, plus distributions per share (assuming dividends and distributions are reinvested in accordance with the Company’s dividend reinvestment plan) divided by the beginning NAV per share.

## SHAREHOLDER DIVIDENDS

- Generated \$0.63 of Distributable Earnings per common share during the quarter, bringing the year-to-date amount to \$1.52 per common share.
- Blackstone declared a quarterly dividend of \$0.54 per common share to record holders as of November 9, 2020; payable on November 16, 2020.

(\$ in thousands, except per share data)	3Q'19	4Q'19	1Q'20	2Q'20	3Q'20	% Change vs. 3Q'19	3Q'19 YTD	3Q'20 YTD	% Change vs. 3Q'19 YTD
Distributable Earnings	\$ 709,921	\$ 914,038	\$ 557,111	\$ 547,983	\$ 772,096	9%	\$ 1,956,741	\$ 1,877,190	(4)%
Add: Other Payables Attributable to Common Shareholders	24,578	63,796	9,200	45,673	23,461	(5)%	78,849	78,334	(1)%
DE before Certain Payables	734,499	977,834	566,311	593,656	795,557	8%	2,035,590	1,955,524	(4)%
Percent to Common Shareholders	56%	57%	58%	58%	58%		56%	58%	
DE before Certain Payables Attributable to Common Shareholders	413,900	556,133	325,990	344,390	464,233	12%	1,144,234	1,134,613	(1)%
Less: Other Payables Attributable to Common Shareholders	(24,578)	(63,796)	(9,200)	(45,673)	(23,461)	(5)%	(78,849)	(78,334)	(1)%
DE Attributable to Common Shareholders	389,322	492,337	316,790	298,717	440,772	13%	1,065,385	1,056,279	(1)%
<b>DE per Common Share</b>	<b>\$ 0.58</b>	<b>\$ 0.72</b>	<b>\$ 0.46</b>	<b>\$ 0.43</b>	<b>\$ 0.63</b>	<b>9%</b>	<b>\$1.59</b>	<b>\$1.52</b>	<b>(4)%</b>
Less: Retained Capital per Common Share	\$ (0.09)	\$ (0.11)	\$ (0.07)	\$ (0.06)	\$ (0.09)	-	\$ (0.25)	\$ (0.22)	(12)%
<b>Actual Dividend per Common Share</b>	<b>\$ 0.49</b>	<b>\$ 0.61</b>	<b>\$ 0.39</b>	<b>\$ 0.37</b>	<b>\$ 0.54</b>	<b>10%</b>	<b>\$ 1.34</b>	<b>\$ 1.30</b>	<b>(3)%</b>
Record Date					Nov 9, 2020				
Payable Date					Nov 16, 2020				

## SHARE SUMMARY

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- Distributable Earnings Shares Outstanding as of quarter end of 1,201 million shares.
    - Repurchased 2.0 million common shares in the quarter and 10.5 million common shares for the LTM.
    - Available authorization remaining was \$307 million at September 30, 2020.
- 

	3Q'19	4Q'19	1Q'20	2Q'20	3Q'20
Participating Common Shares	675,640,119	680,457,424	687,869,905	697,597,036	700,649,135
Participating Partnership Units	523,338,040	515,973,657	507,101,000	504,912,855	500,054,874
<b>Distributable Earnings Shares Outstanding</b>	<b>1,198,978,159</b>	<b>1,196,431,081</b>	<b>1,194,970,905</b>	<b>1,202,509,891</b>	<b>1,200,704,009</b>

# Reconciliations and Disclosures

## RECONCILIATION OF GAAP TO NON-GAAP MEASURES

(\$ in thousands)	QTD					YTD		LTM	
	3Q'19	4Q'19	1Q'20	2Q'20	3Q'20	3Q'19	3Q'20	3Q'19	3Q'20
<b>Net Income (Loss) Attributable to The Blackstone Group Inc.</b>	\$ 779,437	\$ 483,149	\$ (1,066,492)	\$ 568,266	\$ 794,719	\$ 1,566,533	\$ 296,493	\$ 1,555,665	\$ 779,642
Net Income (Loss) Attributable to Non-Controlling Interests in Blackstone Holdings	299,900	378,137	(880,117)	495,128	638,803	961,490	253,814	966,743	631,951
Net Income (Loss) Attributable to Non-Controlling Interests in Consolidated Entities	88,406	120,796	(645,077)	294,378	259,761	355,983	(90,938)	287,183	29,858
Net Income (Loss) Attributable to Redeemable Non-Controlling Interests in Consolidated Entities	(8)	(3,688)	(15,469)	(3,426)	6,868	3,567	(12,027)	(736)	(15,715)
<b>Net Income (Loss)</b>	<b>\$ 1,167,735</b>	<b>\$ 978,394</b>	<b>\$ (2,607,155)</b>	<b>\$ 1,354,346</b>	<b>\$ 1,700,151</b>	<b>\$ 2,887,573</b>	<b>\$ 447,342</b>	<b>\$ 2,808,855</b>	<b>\$ 1,425,736</b>
Provision (Benefit) for Taxes	(156,786)	28,943	(158,703)	147,415	100,960	(76,895)	89,672	(47,529)	118,615
<b>Income (Loss) Before Provision (Benefit) for Taxes</b>	<b>\$ 1,010,949</b>	<b>\$ 1,007,337</b>	<b>\$ (2,765,858)</b>	<b>\$ 1,501,761</b>	<b>\$ 1,801,111</b>	<b>\$ 2,810,678</b>	<b>\$ 537,014</b>	<b>\$ 2,761,326</b>	<b>\$ 1,544,351</b>
Transaction-Related Charges (a)	(82,547)	94,715	46,994	76,160	47,283	113,898	170,437	190,329	265,152
Amortization of Intangibles (b)	16,483	16,482	16,483	16,483	16,483	49,449	49,449	64,841	65,931
Impact of Consolidation (c)	(88,398)	(117,108)	660,546	(290,952)	(266,629)	(359,550)	102,965	(286,447)	(14,143)
Unrealized Performance Revenues (d)	(176,604)	(128,333)	3,453,446	(1,067,923)	(1,403,480)	(998,335)	982,043	(191,804)	853,710
Unrealized Performance Allocations Compensation (e)	94,907	93,845	(1,397,378)	454,813	509,474	446,440	(433,091)	143,572	(339,246)
Unrealized Principal Investment (Income) Loss (f)	5,219	(34,974)	616,610	(223,316)	(177,125)	(78,353)	216,169	82,306	181,195
Other Revenues (g)	(92,843)	6,435	(138,151)	55,606	192,623	(85,882)	110,078	(132,736)	116,513
Equity-Based Compensation (h)	58,570	51,743	87,472	89,341	89,862	178,451	266,675	221,553	318,418
Administrative Fee Adjustment (i)	-	-	-	-	2,719	-	2,719	-	2,719
Taxes and Related Payables (j)	(35,815)	(76,104)	(23,053)	(63,990)	(40,225)	(120,055)	(127,268)	(174,118)	(203,372)
<b>Distributable Earnings</b>	<b>\$ 709,921</b>	<b>\$ 914,038</b>	<b>\$ 557,111</b>	<b>\$ 547,983</b>	<b>\$ 772,096</b>	<b>\$ 1,956,741</b>	<b>\$ 1,877,190</b>	<b>\$ 2,678,822</b>	<b>\$ 2,791,228</b>
Taxes and Related Payables (j)	35,815	76,104	23,053	63,990	40,225	120,055	127,268	174,118	203,372
Net Interest (Income) Loss (k)	7,767	2,496	3,941	12,634	12,731	(55)	29,306	(11,978)	31,802
<b>Total Segment Distributable Earnings</b>	<b>\$ 753,503</b>	<b>\$ 992,638</b>	<b>\$ 584,105</b>	<b>\$ 624,607</b>	<b>\$ 825,052</b>	<b>\$ 2,076,741</b>	<b>\$ 2,033,764</b>	<b>\$ 2,840,962</b>	<b>\$ 3,026,402</b>
Realized Performance Revenues (l)	(420,840)	(651,647)	(167,233)	(102,177)	(319,954)	(1,008,995)	(589,364)	(1,492,692)	(1,241,011)
Realized Performance Compensation (m)	143,870	249,359	71,302	37,787	121,730	354,576	230,819	554,221	480,178
Realized Principal Investment Income (n)	(36,148)	(38,542)	(20,290)	(18,938)	(15,884)	(185,613)	(55,112)	(232,711)	(93,654)
<b>Fee Related Earnings</b>	<b>\$ 440,385</b>	<b>\$ 551,808</b>	<b>\$ 467,884</b>	<b>\$ 541,279</b>	<b>\$ 610,944</b>	<b>\$ 1,236,709</b>	<b>\$ 1,620,107</b>	<b>\$ 1,669,780</b>	<b>\$ 2,171,915</b>
<b>Adjusted EBITDA Reconciliation</b>									
<b>Distributable Earnings</b>	<b>\$ 709,921</b>	<b>\$ 914,038</b>	<b>\$ 557,111</b>	<b>\$ 547,983</b>	<b>\$ 772,096</b>	<b>\$ 1,956,741</b>	<b>\$ 1,877,190</b>	<b>\$ 2,678,822</b>	<b>\$ 2,791,228</b>
Interest Expense (o)	52,815	57,351	41,540	38,924	39,228	137,683	119,692	179,475	177,043
Taxes and Related Payables (j)	35,815	76,104	23,053	63,990	40,225	120,055	127,268	174,118	203,372
Depreciation and Amortization	6,895	7,666	7,512	8,110	9,568	18,684	25,190	24,648	32,856
<b>Adjusted EBITDA</b>	<b>\$ 805,446</b>	<b>\$ 1,055,159</b>	<b>\$ 629,216</b>	<b>\$ 659,007</b>	<b>\$ 861,117</b>	<b>\$ 2,233,163</b>	<b>\$ 2,149,340</b>	<b>\$ 3,057,063</b>	<b>\$ 3,204,499</b>

## RECONCILIATION OF GAAP TO NON-GAAP MEASURES - NOTES

Note: See pages 34-35, Definitions and Dividend Policy.

- (a) This adjustment removes Transaction-Related Charges, which are excluded from Blackstone's segment presentation. 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 removes the amortization of transaction-related intangibles, which are excluded from Blackstone's segment presentation. This amount includes amortization of intangibles associated with Blackstone's investment in Pátria, which is accounted for under the equity method.
- (c) This adjustment reverses the effect of consolidating Blackstone Funds, which are excluded from Blackstone's segment presentation. This adjustment includes the elimination of Blackstone's interest in these funds and the removal of amounts associated with the ownership of Blackstone consolidated operating partnerships held by non-controlling interests.
- (d) This adjustment removes Unrealized Performance Revenues on a segment basis. The Segment Adjustment represents the add back of performance revenues earned from consolidated Blackstone Funds which have been eliminated in consolidation.

	QTD					YTD		LTM	
	3Q'19	4Q'19	1Q'20	2Q'20	3Q'20	3Q'19	3Q'20	3Q'19	3Q'20
GAAP Unrealized Performance Allocations	\$ 176,370	\$ 128,231	\$ (3,453,081)	\$ 1,067,923	\$ 1,403,480	\$ 998,101	\$ (981,678)	\$ 191,796	\$ (853,447)
Segment Adjustment	234	102	(365)	-	-	234	(365)	8	(263)
Unrealized Performance Revenues	\$ 176,604	\$ 128,333	\$ (3,453,446)	\$ 1,067,923	\$ 1,403,480	\$ 998,335	\$ (982,043)	\$ 191,804	\$ (853,710)

- (e) This adjustment removes Unrealized Performance Allocations Compensation.
- (f) This adjustment removes Unrealized Principal Investment Income (Loss) on a segment basis. The Segment Adjustment represents (1) the add back of Principal Investment Income, including general partner income, earned from consolidated Blackstone Funds which have been eliminated in consolidation, and (2) the removal of amounts associated with the ownership of Blackstone consolidated operating partnerships held by non-controlling interests.

	QTD					YTD		LTM	
	3Q'19	4Q'19	1Q'20	2Q'20	3Q'20	3Q'19	3Q'20	3Q'19	3Q'20
GAAP Unrealized Principal Investment Income (Loss)	\$ 15,391	\$ 67,913	\$ (959,365)	\$ 331,762	\$ 295,308	\$ 147,090	\$ (332,295)	\$ (71,075)	\$ (264,382)
Segment Adjustment	(20,610)	(32,939)	342,755	(108,446)	(118,183)	(68,737)	116,126	(11,231)	83,187
Unrealized Principal Investment Income (Loss)	\$ (5,219)	\$ 34,974	\$ (616,610)	\$ 223,316	\$ 177,125	\$ 78,353	\$ (216,169)	\$ (82,306)	\$ (181,195)

- (g) This adjustment removes Other Revenues on a segment basis. The Segment Adjustment represents (1) the add back of Other Revenues earned from consolidated Blackstone Funds which have been eliminated in consolidation, and (2) the removal of certain Transaction-Related Charges.

	QTD					YTD		LTM	
	3Q'19	4Q'19	1Q'20	2Q'20	3Q'20	3Q'19	3Q'20	3Q'19	3Q'20
GAAP Other Revenue	\$ 93,273	\$ (6,410)	\$ 138,180	\$ (55,580)	\$ (192,159)	\$ 86,403	\$ (109,559)	\$ 133,326	\$ (115,969)
Segment Adjustment	(430)	(25)	(29)	(26)	(464)	(521)	(519)	(590)	(544)
Other Revenues	\$ 92,843	\$ (6,435)	\$ 138,151	\$ (55,606)	\$ (192,623)	\$ 85,882	\$ (110,078)	\$ 132,736	\$ (116,513)

- (h) This adjustment removes Equity-Based Compensation on a segment basis.
- (i) This adjustment adds an amount equal to an administrative fee collected on a quarterly basis from certain holders of Blackstone Holdings Partnership Units. The administrative fee is accounted for as a capital contribution under GAAP, but is reflected as a reduction of Other Operating Expenses in Blackstone's segment presentation.

## RECONCILIATION OF GAAP TO NON-GAAP MEASURES - NOTES

(j) Taxes represent the total GAAP tax provision adjusted to include only the current tax provision (benefit) calculated on Income (Loss) Before Provision (Benefit) for Taxes and adjusted to exclude the tax impact of any divestitures. Related Payables represent tax-related payables including the amount payable under the Tax Receivable Agreement. Please refer to page 34 for the full definition of Taxes and Related Payables.

	QTD					YTD		LTM	
	3Q'19	4Q'19	1Q'20	2Q'20	3Q'20	3Q'19	3Q'20	3Q'19	3Q'20
Taxes	\$ 26,933	\$ 63,930	\$ 16,274	\$ 48,462	\$ 32,518	\$ 76,486	\$ 97,254	\$ 115,461	\$ 161,184
Related Payables	8,882	12,174	6,779	15,528	7,707	43,569	30,014	58,657	42,188
Taxes and Related Payables	\$ 35,815	\$ 76,104	\$ 23,053	\$ 63,990	\$ 40,225	\$ 120,055	\$ 127,268	\$ 174,118	\$ 203,372

(k) This adjustment removes Interest and Dividend Revenue less Interest Expense on a segment basis. The Segment Adjustment represents (1) the add back of Interest and Dividend Revenue earned from consolidated Blackstone Funds which have been eliminated in consolidation, and (2) the removal of interest expense associated with the Tax Receivable Agreement.

	QTD					YTD		LTM	
	3Q'19	4Q'19	1Q'20	2Q'20	3Q'20	3Q'19	3Q'20	3Q'19	3Q'20
GAAP Interest and Dividend Revenue	\$ 42,482	\$ 52,146	\$ 35,084	\$ 23,924	\$ 26,497	\$ 130,252	\$ 85,505	\$ 178,137	\$ 137,651
Segment Adjustment	2,566	2,709	2,515	2,366	-	7,486	4,881	13,316	7,590
Interest and Dividend Revenue	\$ 45,048	\$ 54,855	\$ 37,599	\$ 26,290	\$ 26,497	\$ 137,738	\$ 90,386	\$ 191,453	\$ 145,241
GAAP Interest Expense	\$ 53,362	\$ 60,688	\$ 41,644	\$ 39,276	\$ 39,540	\$ 138,960	\$ 120,460	\$ 183,604	\$ 181,148
Segment Adjustment	(547)	(3,337)	(104)	(352)	(312)	(1,277)	(768)	(4,129)	(4,105)
Interest Expense	\$ 52,815	\$ 57,351	\$ 41,540	\$ 38,924	\$ 39,228	\$ 137,683	\$ 119,692	\$ 179,475	\$ 177,043
Net Interest Income (Loss)	\$ (7,767)	\$ (2,496)	\$ (3,941)	\$ (12,634)	\$ (12,731)	\$ 55	\$ (29,306)	\$ 11,978	\$ (31,802)

(l) This adjustment removes the total segment amount of Realized Performance Revenues.

(m) This adjustment removes the total segment amount of Realized Performance Compensation.

(n) This adjustment removes the total segment amount of Realized Principal Investment Income.

(o) This adjustment adds back Interest Expense on a segment basis.

## Reconciliation of GAAP Shares of Class A Common Stock Outstanding to Distributable Earnings Shares Outstanding

	QTD				
	3Q'19	4Q'19	1Q'20	2Q'20	3Q'20
GAAP Shares of Class A Common Stock Outstanding	666,257,305	671,157,692	676,630,489	676,874,583	680,680,748
Unvested Participating Common Shares	9,382,814	9,299,732	11,239,416	20,722,453	19,968,387
Total Participating Common Shares	675,640,119	680,457,424	687,869,905	697,597,036	700,649,135
Participating Partnership Units	523,338,040	515,973,657	507,101,000	504,912,855	500,054,874
Distributable Earnings Shares Outstanding	1,198,978,159	1,196,431,081	1,194,970,905	1,202,509,891	1,200,704,009

## Disclosure of Weighted-Average Shares of Class A Common Stock Outstanding

	QTD					YTD		LTM	
	3Q'19	4Q'19	1Q'20	2Q'20	3Q'20	3Q'19	3Q'20	3Q'19	3Q'20
Total GAAP Weighted-Average Shares of Class A Common Stock Outstanding - Basic	675,963,129	679,420,988	676,305,359	698,534,168	700,184,580	674,714,040	695,049,997	675,196,841	691,121,413
Weighted-Average Shares of Unvested Deferred Restricted Class A Common Stock	256,629	274,520	-	123,340	343,386	265,007	287,578	263,789	284,314
Weighted-Average Blackstone Holdings Partnership Units	-	-	-	505,754,449	-	-	-	-	-
Total GAAP Weighted-Average Shares of Class A Common Stock Outstanding - Diluted	676,219,758	679,695,508	676,305,359	1,204,411,957	700,527,966	674,979,047	695,337,575	675,460,630	691,405,727

## BLACKSTONE'S THIRD QUARTER 2020 GAAP BALANCE SHEET RESULTS

(\$ in thousands) (unaudited)	3Q'19	4Q'19	1Q'20	2Q'20	3Q'20
<b>Assets</b>					
Cash and Cash Equivalents	\$ 2,468,563	\$ 2,172,441	\$ 2,068,326	\$ 1,976,512	\$ 2,628,895
Cash Held by Blackstone Funds and Other	375,981	351,210	318,003	343,201	85,218
Investments	22,204,460	22,281,682	16,430,701	18,973,373	14,423,456
Accounts Receivable	755,777	975,075	696,729	498,600	477,601
Due from Affiliates	2,464,163	2,594,873	2,706,112	2,431,512	2,817,304
Intangible Assets, Net	415,257	397,508	379,758	362,008	344,258
Goodwill	1,869,860	1,869,860	1,869,860	1,869,860	1,869,860
Other Assets	402,670	382,493	541,896	501,351	544,905
Right-of-Use Assets	490,882	471,059	542,757	568,663	544,361
Deferred Tax Assets	938,158	1,089,305	1,392,352	1,319,301	1,305,707
<b>Total Assets</b>	<b>\$ 32,385,771</b>	<b>\$ 32,585,506</b>	<b>\$ 26,946,494</b>	<b>\$ 28,844,381</b>	<b>\$ 25,041,565</b>
<b>Liabilities and Equity</b>					
Loans Payable	\$ 11,270,245	\$ 11,080,723	\$ 10,392,903	\$ 10,839,568	\$ 5,570,888
Due to Affiliates	984,969	1,026,871	1,247,098	1,268,571	1,064,336
Accrued Compensation and Benefits	3,623,258	3,796,044	1,965,237	2,551,056	3,349,418
Securities Sold, Not Yet Purchased	87,051	75,545	51,498	51,395	51,231
Repurchase Agreements	163,059	154,118	105,133	80,620	80,597
Operating Lease Liabilities	558,253	542,994	605,809	637,946	621,408
Accounts Payable, Accrued Expenses and Other Liabilities	1,069,475	806,159	1,000,708	919,195	804,009
<b>Total Liabilities</b>	<b>17,756,310</b>	<b>17,482,454</b>	<b>15,368,386</b>	<b>16,348,351</b>	<b>11,541,887</b>
<b>Redeemable Non-Controlling Interests in Consolidated Entities</b>	<b>93,667</b>	<b>87,651</b>	<b>72,066</b>	<b>68,564</b>	<b>63,384</b>
<b>Equity</b>					
Class A Common Stock, \$0.00001 par value (680,680,748 shares issued and outstanding as of September 30, 2020)	7	7	7	7	7
Class B Common Stock, \$0.00001 par value (1 share issued and outstanding as of September 30, 2020)	-	-	-	-	-
Class C Common Stock, \$0.00001 par value (1 share issued and outstanding as of September 30, 2020)	-	-	-	-	-
Additional Paid-in-Capital	6,292,765	6,428,647	6,298,093	6,272,040	6,243,722
Retained Earnings	456,814	609,625	(871,948)	(574,295)	(36,432)
Accumulated Other Comprehensive Loss	(35,173)	(28,495)	(41,533)	(36,758)	(27,407)
Non-Controlling Interests in Consolidated Entities	4,035,513	4,186,069	3,591,160	3,900,429	3,946,190
Non-Controlling Interests in Blackstone Holdings	3,785,868	3,819,548	2,530,263	2,866,043	3,310,214
<b>Total Equity</b>	<b>14,535,794</b>	<b>15,015,401</b>	<b>11,506,042</b>	<b>12,427,466</b>	<b>13,436,294</b>
<b>Total Liabilities and Equity</b>	<b>\$ 32,385,771</b>	<b>\$ 32,585,506</b>	<b>\$ 26,946,494</b>	<b>\$ 28,844,381</b>	<b>\$ 25,041,565</b>

During 3Q'20, Blackstone deconsolidated CLO vehicles as a result of ownership restructuring. The deconsolidation of CLO vehicles reduced Blackstone's GAAP consolidated Total Assets, Total Liabilities and Non-Controlling Interests in Consolidated Entities by \$6.8 billion, \$6.6 billion, and \$216 million, respectively. See page 29, Reconciliation of GAAP to Non-GAAP Balance Sheet Measures.



## RECONCILIATION OF GAAP TO NON-GAAP BALANCE SHEET MEASURES

(\$ in thousands)	3Q'19	4Q'19	1Q'20	2Q'20	3Q'20
Investments of Consolidated Blackstone Funds	\$ 8,481,233	\$ 8,380,698	\$ 7,275,752	\$ 7,943,531	\$ 1,500,398
Equity Method Investments					
Partnership Investments	3,864,453	4,035,675	3,553,538	3,873,346	4,144,249
Accrued Performance Allocations	7,003,889	7,180,449	3,761,585	4,715,510	6,112,904
Corporate Treasury Investments	2,588,529	2,419,587	1,653,950	2,205,843	2,390,982
Other Investments	266,356	265,273	185,876	235,143	274,923
<b>Total GAAP Investments</b>	<b>\$ 22,204,460</b>	<b>\$ 22,281,682</b>	<b>\$ 16,430,701</b>	<b>\$ 18,973,373</b>	<b>\$ 14,423,456</b>
<b>Accrued Performance Allocations - GAAP</b>	<b>\$ 7,003,889</b>	<b>\$ 7,180,449</b>	<b>\$ 3,761,585</b>	<b>\$ 4,715,510</b>	<b>\$ 6,112,904</b>
Impact of Consolidation (a)	237	384	19	19	1
Due from Affiliates - GAAP (b)	18,955	154,980	20,910	20,642	21,499
Less: Net Realized Performance Revenues (c)	(129,129)	(214,662)	(31,719)	(38,592)	(75,328)
Less: Accrued Performance Compensation - GAAP (d)	(2,851,817)	(3,021,899)	(1,563,672)	(1,989,219)	(2,509,357)
<b>Net Accrued Performance Revenues</b>	<b>\$ 4,042,135</b>	<b>\$ 4,099,252</b>	<b>\$ 2,187,123</b>	<b>\$ 2,708,360</b>	<b>\$ 3,549,719</b>
<b>Corporate Treasury Investments - GAAP</b>	<b>\$ 2,588,529</b>	<b>\$ 2,419,587</b>	<b>\$ 1,653,950</b>	<b>\$ 2,205,843</b>	<b>\$ 2,390,982</b>
Impact of Consolidation (a)	163,183	164,243	131,248	141,371	143,131
Other Assets (e)	440,982	602,707	374,064	271,615	525,864
Other Liabilities (f)	(80,086)	(74,898)	(46,635)	(69,326)	(124,734)
<b>Corporate Treasury Investments - Deconsolidated</b>	<b>\$ 3,112,608</b>	<b>\$ 3,111,639</b>	<b>\$ 2,112,627</b>	<b>\$ 2,549,503</b>	<b>\$ 2,935,243</b>
<b>Partnership and Other Investments - GAAP</b>	<b>\$ 4,130,809</b>	<b>\$ 4,300,948</b>	<b>\$ 3,739,414</b>	<b>\$ 4,108,489</b>	<b>\$ 4,419,172</b>
Impact of Consolidation (g)	(2,289,139)	(2,409,218)	(2,111,945)	(2,316,855)	(2,470,797)
<b>GP/Fund Investments - Deconsolidated</b>	<b>\$ 1,841,670</b>	<b>\$ 1,891,730</b>	<b>\$ 1,627,469</b>	<b>\$ 1,791,634</b>	<b>\$ 1,948,375</b>
<b>Loans Payable - GAAP</b>	<b>\$ 11,270,245</b>	<b>\$ 11,080,723</b>	<b>\$ 10,392,903</b>	<b>\$ 10,839,568</b>	<b>\$ 5,570,888</b>
Impact of Consolidation (h)	(6,492,686)	(6,479,867)	(5,817,702)	(6,232,787)	(99)
Outstanding Bonds - Carrying Value	4,777,559	4,600,856	4,575,201	4,606,781	5,570,789
Unamortized Discount	82,336	81,094	79,449	78,319	87,361
<b>Outstanding Bonds (at par) - Deconsolidated</b>	<b>\$ 4,859,895</b>	<b>\$ 4,681,950</b>	<b>\$ 4,654,650</b>	<b>\$ 4,685,100</b>	<b>\$ 5,658,150</b>

- (a) This adjustment adds back investments in consolidated Blackstone Funds which have been eliminated in consolidation.
- (b) Represents GAAP accrued performance revenue recorded within Due from Affiliates.
- (c) Represents Performance Revenues realized but not yet distributed as of the reporting date and are included in Distributable Earnings in the period they are realized.
- (d) Represents GAAP accrued performance compensation associated with Accrued Performance Allocations and is recorded within Accrued Compensation and Benefits and Due to Affiliates.
- (e) This adjustment adds other assets related to Treasury Operations that are recorded within Accounts Receivable, reverse repurchase agreements and Due from Affiliates.
- (f) This adjustment adds other liabilities related to Treasury Operations that are recorded within Accounts Payable, Accrued Expenses and Other Liabilities, Repurchase Agreements and securities sold short, not yet purchased.
- (g) This adjustment removes amounts associated with the ownership of Blackstone consolidated operating partnerships held by non-controlling interests and adds back investments in consolidated Blackstone Funds which have been eliminated in consolidation.
- (h) This adjustment removes amounts related to consolidated Blackstone Funds.

## RECONCILIATION OF GAAP TO TOTAL SEGMENTS

(\$ in thousands)	QTD					YTD		LTM	
	3Q'19	4Q'19	1Q'20	2Q'20	3Q'20	3Q'19	3Q'20	3Q'19	3Q'20
<b>Management and Advisory Fees, Net</b>									
GAAP	\$ 878,151	\$ 943,900	\$ 934,832	\$ 969,728	\$ 1,053,851	\$ 2,528,255	\$ 2,958,411	\$ 3,325,809	\$ 3,902,311
Segment Adjustment (a)	2,194	1,773	5,735	7,005	3,989	10,308	16,729	10,949	18,502
<b>Total Segment</b>	<b>\$ 880,345</b>	<b>\$ 945,673</b>	<b>\$ 940,567</b>	<b>\$ 976,733</b>	<b>\$ 1,057,840</b>	<b>\$ 2,538,563</b>	<b>\$ 2,975,140</b>	<b>\$ 3,336,758</b>	<b>\$ 3,920,813</b>
<b>GAAP Realized Performance Revenues to Total Segment Fee Related Performance Revenues</b>									
GAAP									
Incentive Fees	8,254	87,610	12,161	15,300	13,498	42,301	40,959	58,098	128,569
Investment Income - Realized Performance Allocations	446,550	717,555	167,530	101,910	371,406	1,021,445	640,846	1,532,833	1,358,401
GAAP	\$ 454,804	\$ 805,165	\$ 179,691	\$ 117,210	\$ 384,904	\$ 1,063,746	\$ 681,805	\$ 1,590,931	\$ 1,486,970
Total Segment									
Less: Realized Performance Revenues	(420,840)	(651,647)	(167,233)	(102,177)	(319,954)	(1,008,995)	(589,364)	(1,492,692)	(1,241,011)
Segment Adjustment (b)	261	2,855	8	-	-	877	8	1,574	2,863
<b>Total Segment</b>	<b>\$ 34,225</b>	<b>\$ 156,373</b>	<b>\$ 12,466</b>	<b>\$ 15,033</b>	<b>\$ 64,950</b>	<b>\$ 55,628</b>	<b>\$ 92,449</b>	<b>\$ 99,813</b>	<b>\$ 248,822</b>
<b>GAAP Compensation to Total Segment Fee Related Compensation</b>									
GAAP									
Compensation	462,766	447,646	476,543	458,457	460,983	1,372,684	1,395,983	1,746,474	1,843,629
Incentive Fees Compensation	5,419	24,589	6,522	8,432	7,385	19,711	22,339	29,971	46,928
Realized Performance Allocations Compensation	155,663	295,059	72,423	38,569	142,149	367,883	253,141	580,057	548,200
GAAP	\$ 623,848	\$ 767,294	\$ 555,488	\$ 505,458	\$ 610,517	\$ 1,760,278	\$ 1,671,463	\$ 2,356,502	\$ 2,438,757
Total Segment									
Less: Realized Performance Compensation	(143,870)	(249,359)	(71,302)	(37,787)	(121,730)	(354,576)	(230,819)	(554,221)	(480,178)
Less: Equity-Based Compensation - Operating Compensation	(56,139)	(51,612)	(85,334)	(87,205)	(88,180)	(170,072)	(260,719)	(210,040)	(312,331)
Less: Equity-Based Compensation - Performance Compensation	(2,431)	(131)	(2,138)	(2,136)	(1,682)	(8,379)	(5,956)	(11,513)	(6,087)
Segment Adjustment (c)	(91,574)	(77,313)	(50,450)	(71,426)	(38,292)	(279,552)	(160,168)	(353,745)	(237,481)
<b>Total Segment</b>	<b>\$ 329,834</b>	<b>\$ 388,879</b>	<b>\$ 346,264</b>	<b>\$ 306,904</b>	<b>\$ 360,633</b>	<b>\$ 947,699</b>	<b>\$ 1,013,801</b>	<b>\$ 1,226,983</b>	<b>\$ 1,402,680</b>
<b>GAAP General, Administrative and Other to Total Segment Other Operating Expenses</b>									
GAAP	\$ 171,067	\$ 186,971	\$ 157,566	\$ 169,051	\$ 171,041	\$ 492,437	\$ 497,658	\$ 645,956	\$ 684,629
Segment Adjustment (d)	(26,716)	(25,612)	(18,681)	(25,468)	(19,828)	(82,654)	(63,977)	(106,148)	(89,589)
<b>Total Segment</b>	<b>\$ 144,351</b>	<b>\$ 161,359</b>	<b>\$ 138,885</b>	<b>\$ 143,583</b>	<b>\$ 151,213</b>	<b>\$ 409,783</b>	<b>\$ 433,681</b>	<b>\$ 539,808</b>	<b>\$ 595,040</b>
<b>Realized Performance Revenues</b>									
GAAP									
Incentive Fees	8,254	87,610	12,161	15,300	13,498	42,301	40,959	58,098	128,569
Investment Income - Realized Performance Allocations	446,550	717,555	167,530	101,910	371,406	1,021,445	640,846	1,532,833	1,358,401
GAAP	\$ 454,804	\$ 805,165	\$ 179,691	\$ 117,210	\$ 384,904	\$ 1,063,746	\$ 681,805	\$ 1,590,931	\$ 1,486,970
Total Segment									
Less: Fee Related Performance Revenues	(34,225)	(156,373)	(12,466)	(15,033)	(64,950)	(55,628)	(92,449)	(99,813)	(248,822)
Segment Adjustment (b)	261	2,855	8	-	-	877	8	1,574	2,863
<b>Total Segment</b>	<b>\$ 420,840</b>	<b>\$ 651,647</b>	<b>\$ 167,233</b>	<b>\$ 102,177</b>	<b>\$ 319,954</b>	<b>\$ 1,008,995</b>	<b>\$ 589,364</b>	<b>\$ 1,492,692</b>	<b>\$ 1,241,011</b>

## RECONCILIATION OF GAAP TO TOTAL SEGMENTS - (CONT'D)

(\$ in thousands)	QTD					YTD		LTM	
	3Q'19	4Q'19	1Q'20	2Q'20	3Q'20	3Q'19	3Q'20	3Q'19	3Q'20
<b>Realized Performance Compensation</b>									
<b>GAAP</b>									
Incentive Fee Compensation	\$ 5,419	\$ 24,589	\$ 6,522	\$ 8,432	\$ 7,385	\$ 19,711	\$ 22,339	\$ 29,971	\$ 46,928
Realized Performance Allocations Compensation	155,663	295,059	72,423	38,569	142,149	367,883	253,141	580,057	548,200
<b>GAAP</b>	<b>\$ 161,082</b>	<b>\$ 319,648</b>	<b>\$ 78,945</b>	<b>\$ 47,001</b>	<b>\$ 149,534</b>	<b>\$ 387,594</b>	<b>\$ 275,480</b>	<b>\$ 610,028</b>	<b>\$ 595,128</b>
<b>Total Segment</b>									
Less: Fee Related Performance Compensation	(14,781)	(70,158)	(5,505)	(7,078)	(26,122)	(24,639)	(38,705)	(44,294)	(108,863)
Less: Equity-Based Compensation - Performance Compensation	(2,431)	(131)	(2,138)	(2,136)	(1,682)	(8,379)	(5,956)	(11,513)	(6,087)
<b>Total Segment</b>	<b>\$ 143,870</b>	<b>\$ 249,359</b>	<b>\$ 71,302</b>	<b>\$ 37,787</b>	<b>\$ 121,730</b>	<b>\$ 354,576</b>	<b>\$ 230,819</b>	<b>\$ 554,221</b>	<b>\$ 480,178</b>
<b>Realized Principal Investment Income</b>									
<b>GAAP</b>	<b>\$ 74,642</b>	<b>\$ 100,535</b>	<b>\$ 48,695</b>	<b>\$ 61,102</b>	<b>\$ 61,017</b>	<b>\$ 292,943</b>	<b>\$ 170,814</b>	<b>\$ 402,844</b>	<b>\$ 271,349</b>
Segment Adjustment (e)	(38,494)	(61,993)	(28,405)	(42,164)	(45,133)	(107,330)	(115,702)	(170,133)	(177,695)
<b>Total Segment</b>	<b>\$ 36,148</b>	<b>\$ 38,542</b>	<b>\$ 20,290</b>	<b>\$ 18,938</b>	<b>\$ 15,884</b>	<b>\$ 185,613</b>	<b>\$ 55,112</b>	<b>\$ 232,711</b>	<b>\$ 93,654</b>
<b>GAAP Interest and Dividend Revenue net of Interest Expense to Total Segment Net Interest Income (Loss)</b>									
<b>GAAP</b>									
Interest and Dividend Revenue	42,482	52,146	35,084	23,924	26,497	130,252	85,505	178,137	137,651
Interest Expense	(53,362)	(60,688)	(41,644)	(39,276)	(39,540)	(138,960)	(120,460)	(183,604)	(181,148)
<b>GAAP</b>	<b>\$ (10,880)</b>	<b>\$ (8,542)</b>	<b>\$ (6,560)</b>	<b>\$ (15,352)</b>	<b>\$ (13,043)</b>	<b>\$ (8,708)</b>	<b>\$ (34,955)</b>	<b>\$ (5,467)</b>	<b>\$ (43,497)</b>
Segment Adjustment (f)	3,113	6,046	2,619	2,718	312	8,763	5,649	17,445	11,695
<b>Total Segment</b>	<b>\$ (7,767)</b>	<b>\$ (2,496)</b>	<b>\$ (3,941)</b>	<b>\$ (12,634)</b>	<b>\$ (12,731)</b>	<b>\$ 55</b>	<b>\$ (29,306)</b>	<b>\$ 11,978</b>	<b>\$ (31,802)</b>

This analysis reconciles the components of Total Segment Distributable Earnings (page 3) to their equivalent GAAP measures, reported on the Consolidated Statement of Operations (page 1). Segment basis presents revenues and expenses on a basis that deconsolidates the investment funds Blackstone manages and excludes the amortization of intangibles, the expense of equity-based awards and Transaction-Related Charges.

- Represents (1) the add back of net management fees earned from consolidated Blackstone Funds which have been eliminated in consolidation, and (2) the removal of revenue from the reimbursement of certain expenses by the Blackstone Funds, which are presented gross under GAAP but netted against Management and Advisory Fees, Net in the Total Segment measures.
- Represents the add back of Performance Revenues earned from consolidated Blackstone Funds which have been eliminated in consolidation.
- Represents the removal of Transaction-Related Charges that are not recorded in the Total Segment measures.
- Represents the removal of (1) the amortization of transaction-related intangibles, and (2) certain expenses reimbursed by the Blackstone Funds, which are presented gross under GAAP but netted against Management and Advisory Fees, Net in the Total Segment measures. Beginning in 3Q'20, includes a reduction equal to an administrative fee collected on a quarterly basis from certain holders of Blackstone Holdings Partnership Units which is accounted for as a capital contribution under GAAP, but is reflected as a reduction of Other Operating Expenses in Blackstone's segment presentation.
- Represents (1) the add back of Principal Investment Income, including general partner income, earned from consolidated Blackstone Funds which have been eliminated in consolidation, and (2) the removal of amounts associated with the ownership of Blackstone consolidated operating partnerships held by non-controlling interests.
- Represents (1) the add back of Interest and Dividend Revenue earned from consolidated Blackstone Funds which have been eliminated in consolidation, and (2) the removal of interest expense associated with the Tax Receivable Agreement.

## NOTES

### Notes to page 1 - Blackstone's Third Quarter 2020 GAAP Results

- Effective July 1, 2019, The Blackstone Group L.P. converted from a Delaware limited partnership to a Delaware corporation, The Blackstone Group Inc. (the "Conversion"). This presentation includes results for The Blackstone Group L.P. prior to the Conversion. As of any time prior to the Conversion, references to "Blackstone," "the Company," "our" and similar terms mean The Blackstone Group L.P. and its consolidated subsidiaries and, as of any time after the Conversion, The Blackstone Group Inc. and its consolidated subsidiaries.
- All references to shares or per share amounts prior to the Conversion refer to units or per unit amounts. Unless otherwise noted, references to "common stock" and "common shares" refer to Class A common stock.
- Income (Loss) Before Provision (Benefit) for Taxes Margin is calculated by dividing Income (Loss) Before Provision (Benefit) for Taxes by Total Revenues.

### Notes to page 2 - Blackstone's Third Quarter 2020 Highlights

- The changes in carrying value, fund returns and composite returns presented throughout this presentation represent those of the applicable Blackstone Funds and not those of Blackstone.
- See Notes to page 18 regarding Net Accrued Performance Revenue redefinition.

### Notes to page 5 - Investment Performance and Net Accrued Performance Revenues

- Effective 1Q'20, the Credit segment was renamed Credit & Insurance; however, there was no change to the composition of the segment or historical results.
- Effective 1Q'20, Core+ appreciation was updated to include BREIT and represents a weighted average of BREIT's per share appreciation and BPP appreciation for the period. The returns are weighted based on the average of BREIT's monthly net asset values and the average of BPP's quarterly adjusted beginning period market values for the period. This presentation provides a more holistic view of Core+ by including BREIT performance.
- Effective 1Q'20, Corporate Private Equity appreciation was updated to include Core Private Equity appreciation. This presentation provides a more holistic view of Corporate Private Equity by including Core Private Equity performance.
- Results for the Secondaries business (also referred to as Strategic Partners) are reported on a three month lag from the Secondaries' fund financial statements, which generally report based on a three month lag from the underlying fund investments unless information is available on a more timely basis. As a result, the appreciation presented herein does not include the impact of economic and market activity in the current quarter. Current market activity is expected to affect reported results in upcoming quarters.
- The BPS Composite gross and net returns are based on the BAAM Principal Solutions ("BPS") Composite, which does not include BAAM's individual investor solutions (liquid alternatives), strategic capital (seeding and minority interests), strategic opportunities (co-invests), and advisory (non-discretionary) platforms, except for investments by BPS funds directly into those platforms. BAAM-managed funds in liquidation and non fee-paying assets (net returns only) are also excluded. The funds/accounts that comprise the BPS Composite are not managed within a single fund or account and are managed with different mandates. There is no guarantee that BAAM would have made the same mix of investments in a stand-alone fund/account. The BPS Composite is not an investible product and, as such, the performance of the BPS Composite does not represent the performance of an actual fund or account.

## NOTES - (CONT'D)

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### Notes to page 5 - Investment Performance and Net Accrued Performance Revenues (Cont'd)

- Effective 1Q'20, Credit returns are presented as a composite return instead of separate returns for performing credit and distressed. The Credit Composite now also includes the long only strategy. The Credit Composite return is a weighted average of (a) the return based on the combined quarterly cash flows of performing credit and distressed fee-earning funds and (b) the weighted average quarterly return of all long only strategy fee-earning funds. Only fee-earning funds exceeding \$100 million of fair value at the beginning of each respective quarter-end are included and funds in liquidation are excluded. Credit returns exclude Blackstone Funds that were contributed to GSO as part of Blackstone's acquisition of GSO in March 2008.

### Notes to page 18 - Net Accrued Performance Revenues - Additional Detail

- Effective 1Q'20, NAPR has been redefined to exclude Performance Revenues realized but not yet distributed as of the reporting date. This update aligns the presentation of DE and NAPR. All prior periods have been recast to reflect this definition.
- Per Share calculations are based on end of period DE Shares Outstanding (see page 23, Share Summary).

### Notes to page 22 - Shareholder Dividends

- DE before Certain Payables represents Distributable Earnings before the deduction for the Payable Under Tax Receivable Agreement and tax expense (benefit) of wholly owned subsidiaries.
- Per Share calculations are based on end of period Participating Common Shares (page 23, Share Summary); actual dividends are paid to shareholders as of the applicable record date.
- Retained capital is withheld pro rata from common and Blackstone Holdings Partnership unitholders. Common shareholders' share was \$63 million for 3Q'20 and \$153 million for 3Q'20 YTD.
- Common Shareholders receive tax benefits from deductions taken by Blackstone's corporate tax paying subsidiaries and bear responsibility for the deduction from Distributable Earnings of the Payable Under Tax Receivable Agreement and certain other tax-related payables.

### Notes to page 23 - Share Summary

- Participating Common Shares and Participating Partnership Units include both issued and outstanding shares and unvested shares that participate in dividends.

## DEFINITIONS AND DIVIDEND POLICY

Blackstone discloses the following operating metrics and 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:

- **Segment Distributable Earnings**, or “**Segment DE**”, is Blackstone’s segment profitability measure used to make operating decisions and assess performance across Blackstone’s four segments. Segment DE represents the net realized earnings of Blackstone’s segments and is the sum of Fee Related Earnings and Net Realizations for each segment. Blackstone’s segments are presented on a basis that deconsolidates Blackstone Funds, eliminates non-controlling ownership interests in Blackstone’s consolidated operating partnerships, removes the amortization of intangible assets and removes Transaction-Related Charges. Segment DE excludes unrealized activity and is derived from and reconciled to, but not equivalent to, its most directly comparable GAAP measure of Income (Loss) Before Provision (Benefit) for Taxes.
  - **Net Realizations** is presented on a segment basis and is the sum of Realized Principal Investment Income and Realized Performance Revenues (which refers to Realized Performance Revenues excluding Fee Related Performance Revenues), less Realized Performance Compensation (which refers to Realized Performance Compensation excluding Fee Related Performance Compensation and Equity-Based Performance Compensation).
  - **Total Segment Revenues** and **Segment Revenues** represent Net Management and Advisory Fees, Fee Related Performance Revenues, Realized Performance Revenues and Realized Principal Investment Income.
- **Distributable Earnings**, or “**DE**”, is derived from Blackstone’s segment reported results. DE is used to assess performance and amounts available for dividends to Blackstone shareholders, including Blackstone personnel and others who are limited partners of the Blackstone Holdings Partnerships. DE is the sum of Segment DE plus Net Interest Income (Loss) less Taxes and Related Payables. DE excludes unrealized activity and is derived from and reconciled to, its most directly comparable GAAP measure of Income (Loss) Before Provision (Benefit) for Taxes.
  - **Net Interest Income (Loss)** is presented on a segment basis and is equal to Interest and Dividend Revenue less Interest Expense, adjusted for the impact of consolidation of Blackstone Funds, and interest expense associated with the Tax Receivable Agreement.
  - **Taxes and Related Payables** represent the total GAAP tax provision adjusted to include only the current tax provision (benefit) calculated on Income (Loss) Before Provision (Benefit) for Taxes and including the Payable under the Tax Receivable Agreement. Further, the current tax provision utilized when calculating Taxes and Related Payables and DE reflects the benefit of deductions available to the company on certain expense items that are excluded from the underlying calculation of Segment DE and Total Segment Distributable Earnings, such as equity-based compensation charges and certain Transaction-Related Charges where there is a current tax provision or benefit. The economic assumptions and methodologies that impact the implied income tax provision are the same as those methodologies and assumptions used in calculating the current income tax provision for Blackstone’s consolidated statements of operations under U.S. GAAP, excluding the impact of divestitures and accrued tax contingencies and refunds which are reflected when paid or received. Management believes that including the amount payable under the tax receivable agreement and utilizing the current income tax provision adjusted as described above when calculating DE is meaningful as it increases comparability between periods and more accurately reflects earnings that are available for distribution to shareholders.
- **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 Performance Revenues, less (a) Fee Related Compensation on a segment basis, 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 (Benefit) for Taxes.

## DEFINITIONS AND DIVIDEND POLICY - (CONT'D)

- **Fee Related Compensation** is presented on a segment basis and refers to the compensation expense, excluding Equity-Based Compensation, directly related to (a) Management and Advisory Fees, Net and (b) Fee Related Performance Revenues, referred to as Fee Related Performance Compensation.
- **Fee Related 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.
- **Other Operating Expenses** is presented on a segment basis and is equal to General, Administrative and Other Expenses, adjusted to (a) remove the amortization of transaction-related intangibles, (b) remove certain expenses reimbursed by the Blackstone Funds which are netted against Management and Advisory Fees, Net in Blackstone's segment presentation, and (c) add an administrative fee collected on a quarterly basis from certain holders of Blackstone Holdings Partnership Units. The administrative fee is accounted for as a capital contribution under GAAP, but is reflected as a reduction of Other Operating Expenses in Blackstone's segment presentation.
- **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.
- **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. Adjusted EBITDA represents Distributable Earnings plus the addition of (a) Interest Expense on a segment basis, (b) Taxes and Related Payables, and (c) Depreciation and Amortization. Adjusted EBITDA is derived from and reconciled to, but not equivalent to, its most directly comparable GAAP measure of Income (Loss) Before Provision (Benefit) for Taxes.
- **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.
- **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.

Dividend Policy. Blackstone's intention is to pay to holders of Class A common stock a quarterly dividend representing approximately 85% of The Blackstone Group Inc.'s share of Distributable Earnings, subject to adjustment by amounts determined by Blackstone's board of directors to be necessary or appropriate to provide for the conduct of its business, to make appropriate investments in its business and funds, to comply with applicable law, any of its debt instruments or other agreements, or to provide for future cash requirements such as tax-related payments, clawback obligations and dividends to shareholders for any ensuing quarter. The dividend amount could also be adjusted upward in any one quarter. All of the foregoing is subject to the qualification that the declaration and payment of any dividends are at the sole discretion of Blackstone's board of directors and our board of directors may change our dividend policy at any time, including, without limitation, to eliminate such dividends entirely.

## FORWARD-LOOKING STATEMENTS

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This presentation may contain forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended, which reflect our current views with respect to, among other things, our operations, taxes, earnings and financial performance, share repurchases and dividends. You can identify these forward-looking statements by the use of words such as “outlook,” “indicator,” “believes,” “expects,” “potential,” “continues,” “may,” “will,” “should,” “seeks,” “approximately,” “predicts,” “intends,” “plans,” “estimates,” “anticipates” or the negative version of these words or other comparable words. Such forward-looking statements are subject to various risks and uncertainties. Accordingly, there are or will be important factors that could cause actual outcomes or results to differ materially from those indicated in these statements. We believe these factors include but are not limited to the impact of the novel coronavirus (“COVID-19”), as well as those described under the section entitled “Risk Factors” in our Annual Report on Form 10-K for the year ended December 31, 2019 and in our Quarterly Report on Form 10-Q for the quarter ended March 31, 2020, as such factors may be updated from time to time in our periodic filings with the United States Securities and Exchange Commission (“SEC”), which are accessible on the SEC’s website at [www.sec.gov](http://www.sec.gov). These factors should not be construed as exhaustive and should be read in conjunction with the other cautionary statements that are included in this report and in our other periodic filings. The forward-looking statements speak only as of the date of this report, and we undertake no obligation to publicly update or review any forward-looking statement, whether as a result of new information, future developments or otherwise.

This presentation does not constitute an offer of any Blackstone Fund.