

Blackstone Reports Second Quarter 2020 Results

New York, July 23, 2020: Blackstone (NYSE:BX) today reported its second quarter 2020 results.

Stephen A. Schwarzman, Chairman and Chief Executive Officer, said, “It was a strong quarter for our firm despite the continued market volatility. Investment performance rebounded sharply, we continued to deploy capital in high conviction sectors and our limited partners entrusted us with another \$20 billion of inflows across our expanding platform. We are very well positioned to navigate the road ahead with our long-term committed capital model and an industry-record \$156 billion of dry powder.”

Blackstone issued a full detailed presentation of its second quarter 2020 results, which can be viewed at www.blackstone.com.

Dividend

Blackstone has declared a quarterly dividend of \$0.37 per share to record holders of Class A common stock at the close of business on August 3, 2020. This dividend will be paid on August 10, 2020.

Quarterly Investor Call Details

Blackstone will host its second quarter 2020 investor conference via public webcast on July 23, 2020 at 9:00 a.m. ET. To register, please use the following link: https://event.webcasts.com/starthere.jsp?ei=1339494&tp_key=55ac978e77. 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 asset management businesses, with \$564 billion in assets under management, include investment vehicles focused on private equity, real estate, public debt and equity, 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. 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 and Section 21E of the Securities Exchange Act of 1934 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") and energy market dislocation, 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. 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 Second Quarter 2020 Earnings

JULY 23, 2020

BLACKSTONE'S SECOND QUARTER 2020 GAAP RESULTS

- GAAP Net Income (Loss) was \$1.4 billion for the quarter and \$(1.3) billion year-to-date (“YTD”). GAAP Net Income (Loss) Attributable to The Blackstone Group Inc. was \$568 million for the quarter and \$(498) million year-to-date.

(\$ in thousands, except per share data, unaudited)	2Q'19	2Q'20	2Q'19 YTD	2Q'20 YTD	2Q'19 LTM	2Q'20 LTM
Revenues						
Management and Advisory Fees, Net	\$ 840,378	\$ 969,728	\$ 1,650,104	\$ 1,904,560	\$ 3,227,667	\$ 3,726,611
Incentive Fees	21,915	15,300	34,047	27,461	59,643	123,325
Investment Income (Loss)						
Performance Allocations						
Realized	332,520	101,910	574,895	269,440	1,678,386	1,433,545
Unrealized	157,732	1,067,923	821,731	(2,385,158)	314,664	(2,080,557)
Principal Investments						
Realized	145,040	61,102	218,301	109,797	462,821	284,974
Unrealized	(37,345)	331,762	131,699	(627,603)	(33,626)	(544,299)
Total Investment Income (Loss)	597,947	1,562,697	1,746,626	(2,633,524)	2,422,245	(906,337)
Interest and Dividend Revenue	43,686	23,924	87,770	59,008	184,259	153,636
Other	(17,120)	(55,580)	(6,870)	82,600	49,421	169,463
Total Revenues	\$ 1,486,806	\$ 2,516,069	\$ 3,511,677	\$ (559,895)	\$ 5,943,235	\$ 3,266,698
Expenses						
Compensation and Benefits						
Compensation	438,521	458,457	909,918	935,000	1,702,993	1,845,412
Incentive Fee Compensation	8,886	8,432	14,292	14,954	31,803	44,962
Performance Allocations Compensation						
Realized	125,825	38,569	212,220	110,992	624,836	561,714
Unrealized	64,518	454,813	351,533	(942,565)	226,849	(753,813)
Total Compensation and Benefits	637,750	960,271	1,487,963	118,381	2,586,481	1,698,275
General, Administrative and Other	175,308	169,051	321,370	326,617	643,702	684,655
Interest Expense	43,596	39,276	85,598	80,920	171,597	194,970
Fund Expenses	5,586	4,083	8,473	8,688	14,352	17,953
Total Expenses	\$ 862,240	\$ 1,172,681	\$ 1,903,404	\$ 534,606	\$ 3,416,132	\$ 2,595,853
Other Income						
Change in Tax Receivable Agreement Liability	-	76	-	(519)	-	161,048
Net Gains (Losses) from Fund Investment Activities	61,131	158,297	191,456	(169,077)	199,060	(77,704)
Income (Loss) Before Provision (Benefit) for Taxes	\$ 685,697	\$ 1,501,761	\$ 1,799,729	\$ (1,264,097)	\$ 2,726,163	\$ 754,189
Provision (Benefit) for Taxes	38,736	147,415	79,891	(11,288)	136,055	(139,131)
Net Income (Loss)	\$ 646,961	\$ 1,354,346	\$ 1,719,838	\$ (1,252,809)	\$ 2,590,108	\$ 893,320
Net Income (Loss) Attributable to Redeemable Non-Controlling Interests in Consolidated Entities	1,095	(3,426)	3,575	(18,895)	1,841	(22,591)
Net Income (Loss) Attributable to Non-Controlling Interests in Consolidated Entities	80,744	294,378	267,577	(350,699)	341,878	(141,497)
Net Income (Loss) Attributable to Non-Controlling Interests in Blackstone Holdings	259,330	495,128	661,590	(384,989)	1,027,419	293,048
Net Income (Loss) Attributable to The Blackstone Group Inc. (“BX”)	\$ 305,792	\$ 568,266	\$ 787,096	\$ (498,226)	\$ 1,218,970	\$ 764,360
Net Income (Loss) Per Share of Class A Common Stock, Basic	\$ 0.45	\$ 0.81	\$ 1.17	\$ (0.74)	\$ 1.80	\$ 1.12
Net Income (Loss) Per Share of Class A Common Stock, Diluted	\$ 0.45	\$ 0.81	\$ 1.16	\$ (0.74)	\$ 1.79	\$ 1.12
Income (Loss) Before Provision (Benefit) for Taxes Margin	46.1%	59.7%	51.2%	225.8%	45.9%	23.1%

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 \$541 million (\$0.45/share) in the quarter, up 28% year-over-year
 - FRE was \$2.0 billion for the last twelve months (“LTM”) (\$1.67/share), up 27% year-over-year
- Distributable Earnings (“DE”) of \$548 million (\$0.43/share) in the quarter
 - DE was \$2.7 billion for the LTM (\$2.19/share)
- Net Accrued Performance Revenues of \$2.7 billion (\$2.25/share)

Capital Metrics

- Total Assets Under Management (“AUM”) of \$564.3 billion, up 3% year-over-year
 - Fee-Earning AUM of \$435.8 billion, up 12% year-over-year
- Inflows of \$20.3 billion in the quarter and \$93.9 billion for the LTM
- Realizations of \$7.4 billion in the quarter and \$35.1 billion for the LTM
- Deployment of \$12.8 billion in the quarter and \$61.1 billion for the LTM

Capital Returned to Shareholders

- Dividend of \$0.37 per common share payable on August 10, 2020
 - Dividends of \$1.86 per common share for the LTM
- Repurchased 2.0 million common shares in the quarter and 11.2 million common shares for the LTM
- \$590 million to be distributed to shareholders with respect to the second quarter through dividends and share repurchases, and \$2.9 billion for the LTM

BLACKSTONE'S SECOND QUARTER 2020 SEGMENT EARNINGS

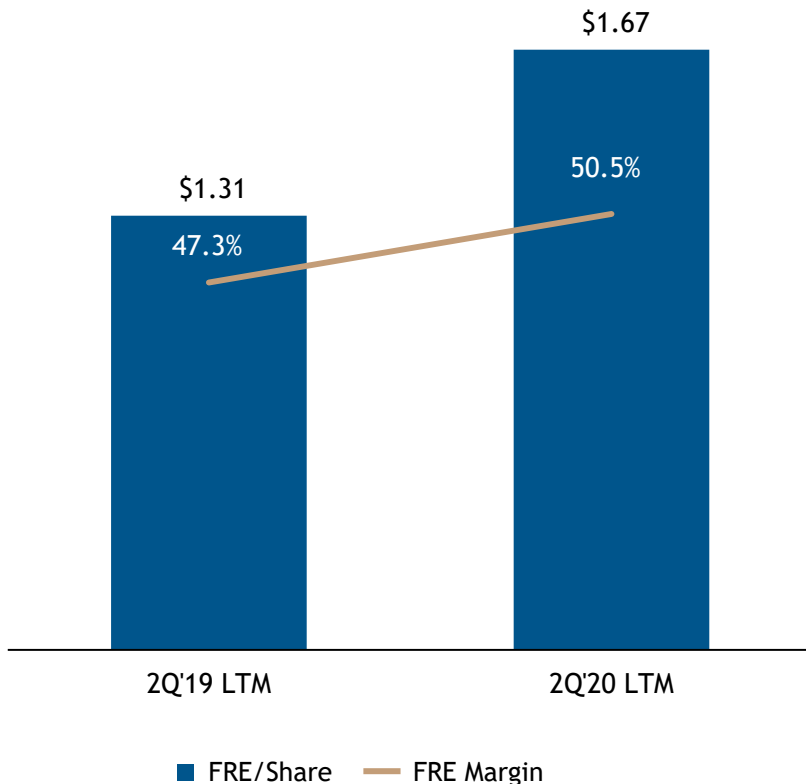
(\$ in thousands, except per share data)	2Q'19	2Q'20	% Change vs. 2Q'19	2Q'19 YTD	2Q'20 YTD	% Change vs. 2Q'19 YTD
Management and Advisory Fees, Net	\$ 844,156	\$ 976,733	16%	\$ 1,658,218	\$ 1,917,300	16%
Fee Related Performance Revenues	13,624	15,033	10%	21,403	27,499	28%
Fee Related Compensation	(293,834)	(306,904)	4%	(617,865)	(653,168)	6%
Other Operating Expenses	(142,121)	(143,583)	1%	(265,432)	(282,468)	6%
Fee Related Earnings	\$ 421,825	\$ 541,279	28%	\$ 796,324	\$ 1,009,163	27%
Realized Performance Revenues	341,386	102,177	(70)%	588,155	269,410	(54)%
Realized Performance Compensation	(125,466)	(37,787)	(70)%	(210,706)	(109,089)	(48)%
Realized Principal Investment Income	123,557	18,938	(85)%	149,465	39,228	(74)%
Net Realizations	339,477	83,328	(75)%	526,914	199,549	(62)%
Total Segment Distributable Earnings	\$ 761,302	\$ 624,607	(18)%	\$ 1,323,238	\$ 1,208,712	(9)%
Net Interest Income (Loss)	2,761	(12,634)	n/m	7,822	(16,575)	n/m
Taxes and Related Payables	(55,201)	(63,990)	16%	(84,240)	(87,043)	3%
Distributable Earnings	\$ 708,862	\$ 547,983	(23)%	\$ 1,246,820	\$ 1,105,094	(11)%
Additional Metrics:						
FRE per Share	\$ 0.35	\$ 0.45	29%	\$ 0.66	\$ 0.84	27%
DE per Common Share	\$ 0.57	\$ 0.43	(25)%	\$ 1.01	\$ 0.89	(12)%
Total Segment Revenues	\$ 1,322,723	\$ 1,112,881	(16)%	\$ 2,417,241	\$ 2,253,437	(7)%
Total Assets Under Management	\$ 545,482,337	\$ 564,330,088	3%	\$ 545,482,337	\$ 564,330,088	3%
Fee-Earning Assets Under Management	\$ 387,864,642	\$ 435,825,935	12%	\$ 387,864,642	\$ 435,825,935	12%

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 two quarters. See pages 30-31 for the Reconciliation of GAAP to Total Segment Measures.

SUMMARY OF FINANCIALS

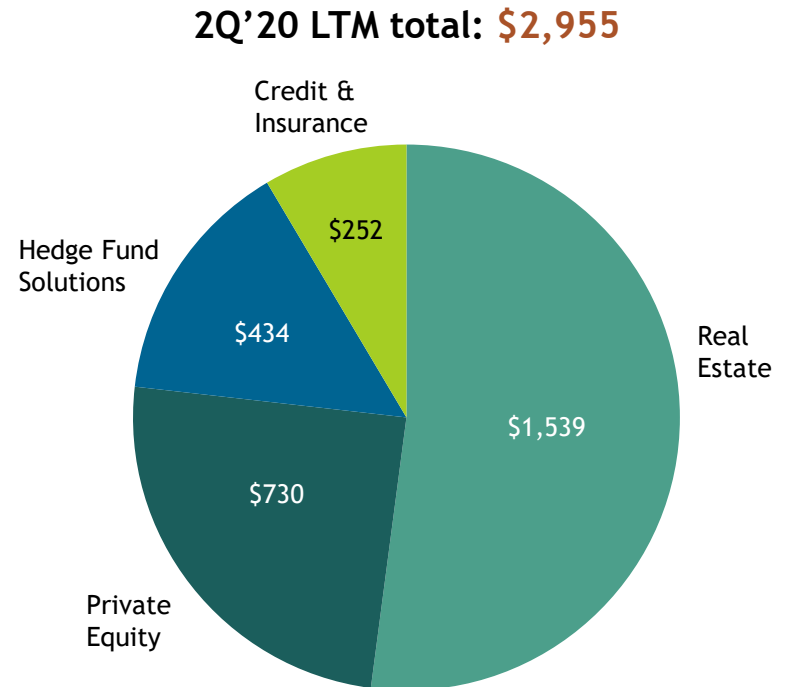
- LTM Fee Related Earnings of \$1.67 per share, an increase of 27% year-over-year.
- LTM Total Segment Distributable Earnings were \$3.0 billion, an increase of 3% year-over-year.

Fee Related Earnings per Share



Segment Distributable Earnings

(\$ in millions)



INVESTMENT PERFORMANCE AND NET ACCRUED PERFORMANCE REVENUES

- Unrealized appreciation across strategies led to a 24% increase in Net Accrued Performance Revenues to \$2.7 billion (\$2.25/share) quarter-over-quarter.

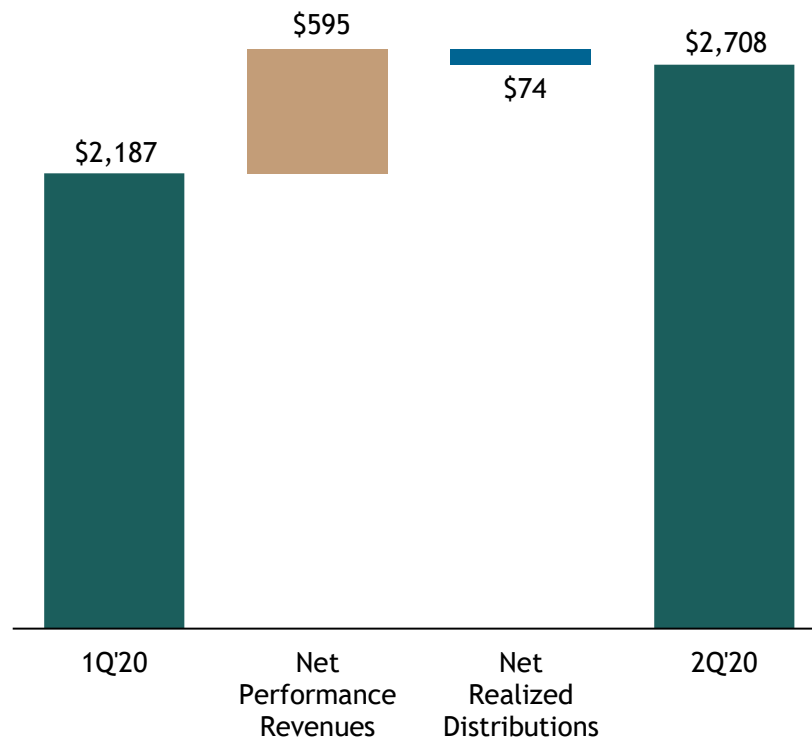
Investment Performance

(appreciation / gross returns)

	2Q'20	2Q'20 LTM
Real Estate		
Opportunistic	1.6%	0.6%
Core+	3.0%	4.7%
Private Equity		
Corporate Private Equity	12.8%	(7.7)%
Tactical Opportunities	10.8%	1.9%
Secondaries	3.8%	20.8%
Hedge Fund Solutions		
BPS Composite	6.0%	(0.6)%
Credit & Insurance		
Credit Composite	10.1%	(2.1)%

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 5.8% and (1.4)% for 2Q'20 and 2Q'20 LTM, respectively. Credit Composite net returns were 9.6% and (2.3)% for 2Q'20 and 2Q'20 LTM, respectively. See notes on pages 32-33 for additional details on investment performance. Blackstone | 5

CAPITAL METRICS - ADDITIONAL DETAIL

- Inflows were \$20.3 billion in the quarter, bringing LTM inflows to \$93.9 billion.
- Realizations were \$7.4 billion in the quarter and \$35.1 billion for the LTM.
- Deployed \$12.8 billion in the quarter and \$61.1 billion for the LTM.
 - Committed an additional \$2.8 billion during the quarter that is not yet deployed.

(\$ in millions)	Inflows		Realizations		Capital Deployed	
	2Q'20	2Q'20 LTM	2Q'20	2Q'20 LTM	2Q'20	2Q'20 LTM
Real Estate	\$ 4,885	\$ 32,330	\$ 2,264	\$ 15,833	\$ 5,855	\$ 26,619
Opportunistic	516	4,936	1,215	10,143	4,078	14,610
Core+	1,457	15,735	698	3,287	1,421	10,600
BREDS	2,912	11,658	351	2,403	355	1,409
Private Equity	5,203	25,630	2,990	10,141	5,038	22,157
Corporate Private Equity	701	14,937	1,661	4,634	2,263	10,708
Tactical Opportunities	367	3,769	876	2,876	533	4,673
Secondaries	3,246	6,036	454	2,631	896	5,430
Infrastructure	888	888	-	-	1,346	1,346
Hedge Fund Solutions	3,324	12,432	517	1,445	877	2,854
Credit & Insurance	6,858	23,549	1,580	7,668	1,062	9,517
Total Blackstone	\$ 20,269	\$ 93,941	\$ 7,351	\$ 35,087	\$ 12,832	\$ 61,147

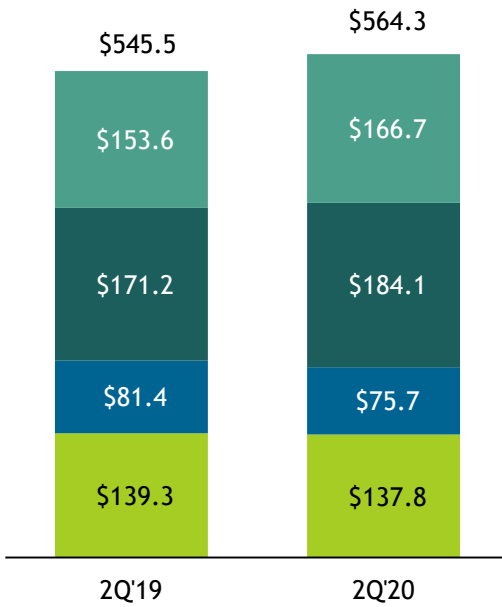
Corporate Private Equity also includes Core Private Equity, Life Sciences, and BTAS.

ASSETS UNDER MANAGEMENT

- Total AUM increased to \$564.3 billion, up 3% year-over-year, with \$20.3 billion of inflows in the quarter and \$93.9 billion for the LTM.
- Fee-Earning AUM of \$435.8 billion was up 12% year-over-year, with \$15.6 billion of inflows in the quarter and \$111.7 billion for the LTM.
- Perpetual Capital AUM reached \$109.5 billion, up 19% year-over-year.

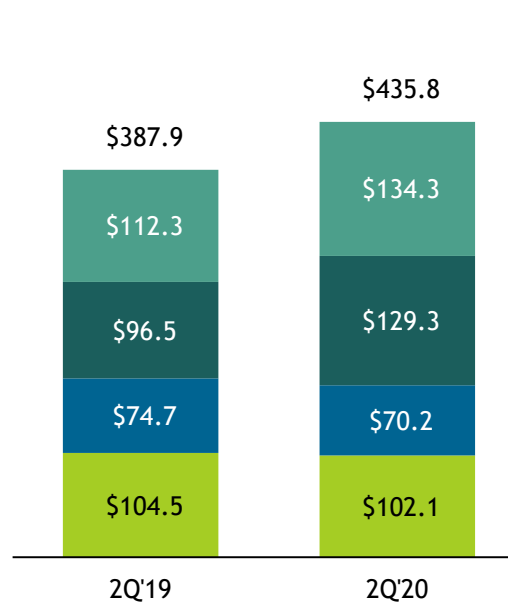
Total AUM

(\$ in billions)



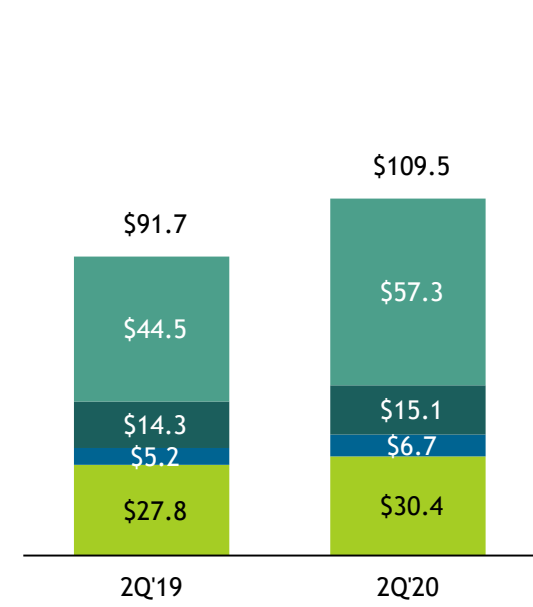
Fee-Earning AUM

(\$ in billions)



Perpetual Capital AUM

(\$ in billions)



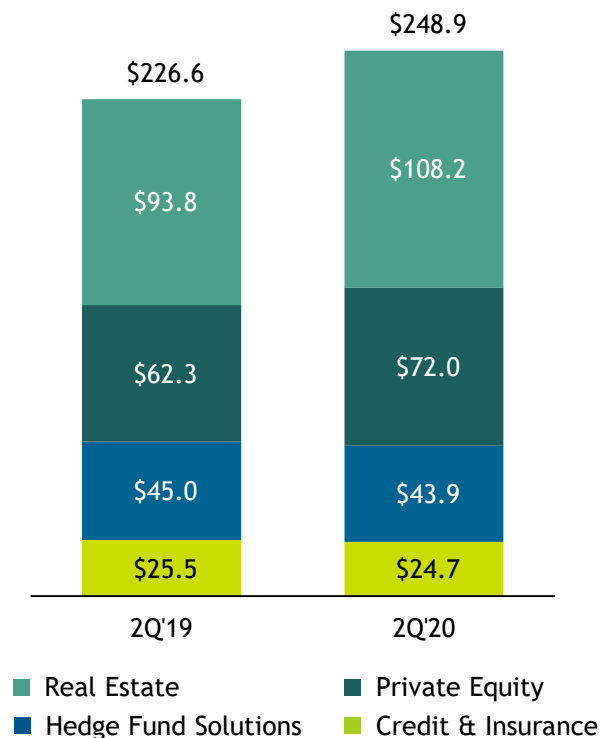
■ Real Estate
 ■ Private Equity
 ■ Hedge Fund Solutions
 ■ Credit & Insurance

ADDITIONAL CAPITAL DETAIL

- Invested Performance Eligible AUM reached \$248.9 billion at quarter end, up 10% year-over-year.
- Undrawn capital (“Total Dry Powder”) available for investment of \$155.9 billion, driven by fundraising activity for the latest flagship funds.

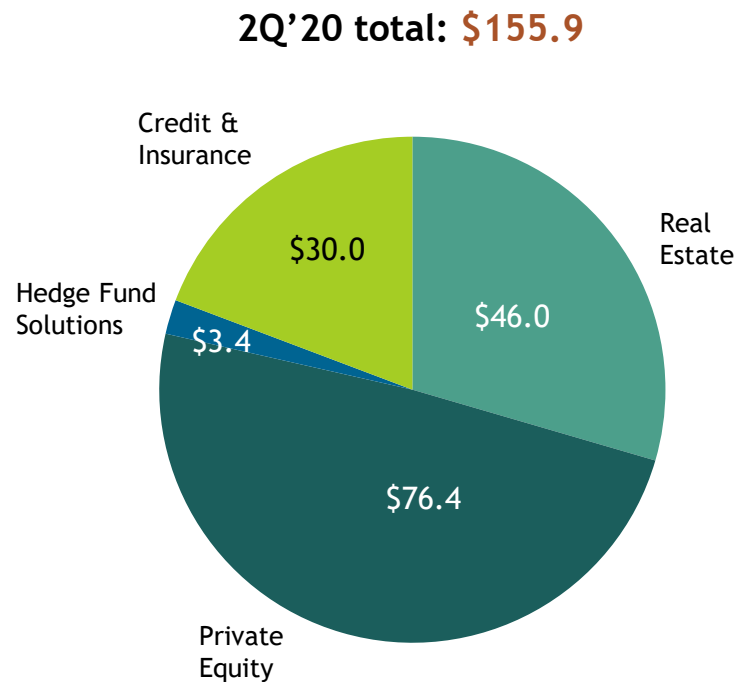
Invested Performance Eligible AUM

(\$ in billions)



Total Dry Powder

(\$ in billions)



Segment Highlights

REAL ESTATE

- **Total AUM:** Increased 9% to \$166.7 billion with inflows of \$4.9 billion in the quarter and \$32.3 billion for the LTM.
 - Raised \$2.1 billion in BREDS IV and \$945 million in BREIT.
 - Fee-Earning AUM increased 20% to \$134.3 billion with inflows of \$3.6 billion in the quarter and \$37.6 billion for the LTM.
- **Realizations:** \$2.3 billion in the quarter and \$15.8 billion for the LTM; realizations in the quarter were primarily driven by public sales in BREP, including the first secondary offering for Embassy India Office REIT.
- **Capital Deployed:** \$5.9 billion in the quarter and \$26.6 billion for the LTM; diverse investment activity in the quarter was driven by the acquisition of a U.K. student housing portfolio, a Japanese residential portfolio and a minority stake in a public Australian casino operator.
 - Committed an additional \$650 million in the quarter that is not yet deployed; commitments in the quarter included BPP's partnership interest in a studio and Class A office portfolio in Hollywood, CA.
- **Appreciation:** Opportunistic funds and Core+ funds appreciated 1.6% and 3.0% in the quarter, respectively, reflecting portfolio positioning and strong performance from sectors less impacted by COVID-19.

(\$ in thousands)			% Change				% Change	
	2Q'19	2Q'20	vs. 2Q'19	2Q'19 YTD	2Q'20 YTD	vs. 2Q'19 YTD		
Management Fees, Net	\$ 277,940	\$ 412,307	48%	\$ 561,816	\$ 798,428	42%		
Fee Related Performance Revenues	11,072	6,505	(41)%	17,748	11,056	(38)%		
Fee Related Compensation	(97,795)	(116,640)	19%	(212,611)	(236,936)	11%		
Other Operating Expenses	(40,114)	(44,525)	11%	(79,100)	(85,001)	7%		
Fee Related Earnings	\$ 151,103	\$ 257,647	71%	\$ 287,853	\$ 487,547	69%		
Realized Performance Revenues	198,573	34,209	(83)%	275,755	77,929	(72)%		
Realized Performance Compensation	(67,742)	(12,547)	(81)%	(97,642)	(25,939)	(73)%		
Realized Principal Investment Income	47,420	1,573	(97)%	45,289	8,873	(80)%		
Net Realizations	178,251	23,235	(87)%	223,402	60,863	(73)%		
Segment Distributable Earnings	\$ 329,354	\$ 280,882	(15)%	\$ 511,255	\$ 548,410	7%		
Segment Revenues	\$ 535,005	\$ 454,594	(15)%	\$ 900,608	\$ 896,286	(0)%		
Total AUM	\$ 153,604,820	\$ 166,723,844	9%	\$ 153,604,820	\$ 166,723,844	9%		
Fee-Earning AUM	\$ 112,287,094	\$ 134,260,348	20%	\$ 112,287,094	\$ 134,260,348	20%		

PRIVATE EQUITY

- **Total AUM:** Increased 8% to \$184.1 billion with inflows of \$5.2 billion in the quarter and \$25.6 billion for the LTM.
 - Inflows in the quarter included a \$2.8 billion close of the third infrastructure Secondaries' fund, bringing total commitments to \$3.75 billion including a close subsequent to quarter end.
 - Fee-Earning AUM up 34% to \$129.3 billion, driven by commencement of investment periods for BCP VIII, BEP III, and BXLS V in the first quarter.
- **Realizations:** \$3.0 billion in the quarter and \$10.1 billion for the LTM.
- **Capital Deployed:** \$5.0 billion in the quarter and \$22.2 billion for the LTM across regions, including the acquisition of HealthEdge in the quarter.
 - Committed an additional \$1.1 billion that was not yet deployed in the quarter.
- **Appreciation:** Corporate Private Equity increased 12.8% in the quarter, driven by strong publics performance and partial recovery in the private portfolio.
 - Tactical Opportunities increased 10.8% in the quarter; Secondaries' appreciated 3.8% in the quarter.

(\$ in thousands)			% Change				% Change	
	2Q'19	2Q'20	vs. 2Q'19	2Q'19 YTD	2Q'20 YTD	vs. 2Q'19 YTD		
Management and Advisory Fees, Net	\$ 278,976	\$ 269,560	(3)%	\$ 530,699	\$ 535,732	1%		
Fee Related Compensation	(105,107)	(92,825)	(12)%	(212,694)	(203,193)	(4)%		
Other Operating Expenses	(40,429)	(44,827)	11%	(74,630)	(85,828)	15%		
Fee Related Earnings	\$ 133,440	\$ 131,908	(1)%	\$ 243,375	\$ 246,711	1%		
Realized Performance Revenues	122,907	64,513	(48)%	279,506	176,589	(37)%		
Realized Performance Compensation	(52,081)	(25,016)	(52)%	(102,637)	(79,659)	(22)%		
Realized Principal Investment Income	42,906	17,416	(59)%	68,045	27,763	(59)%		
Net Realizations	113,732	56,913	(50)%	244,914	124,693	(49)%		
Segment Distributable Earnings	\$ 247,172	\$ 188,821	(24)%	\$ 488,289	\$ 371,404	(24)%		
Segment Revenues	\$ 444,789	\$ 351,489	(21)%	\$ 878,250	\$ 740,084	(16)%		
Total AUM	\$ 171,171,687	\$ 184,118,135	8%	\$ 171,171,687	\$ 184,118,135	8%		
Fee-Earning AUM	\$ 96,467,272	\$ 129,284,112	34%	\$ 96,467,272	\$ 129,284,112	34%		

Secondaries' appreciation reflects a reporting lag of its underlying funds.

HEDGE FUND SOLUTIONS

- **Total AUM:** \$75.7 billion with inflows of \$3.3 billion in the quarter and \$12.4 billion for the LTM.
 - Total AUM growth in the quarter principally driven by record market appreciation of \$3.8 billion across products, offsetting net flows of \$(1.3) billion.
 - July 1 subscriptions of \$181 million are not yet included in Total AUM.
- **Returns:** BPS Composite gross return of 6.0% in the quarter (5.8% net), was highest quarterly gross return since 2000.
 - Gross returns of (3.1)% year-to-date ((3.5)% net) in line with the S&P 500 Total Return, with less than one half the volatility.

(\$ in thousands)			% Change				% Change	
	2Q'19	2Q'20	vs. 2Q'19	2Q'19 YTD	2Q'20 YTD	vs. 2Q'19 YTD		
Management Fees, Net	\$ 137,713	\$ 146,318	6%	\$ 275,359	\$ 286,690	4%		
Fee Related Compensation	(36,622)	(40,353)	10%	(79,576)	(86,544)	9%		
Other Operating Expenses	(21,112)	(17,807)	(16)%	(38,997)	(36,474)	(6)%		
Fee Related Earnings	\$ 79,979	\$ 88,158	10%	\$ 156,786	\$ 163,672	4%		
Realized Performance Revenues	11,960	1,482	(88)%	16,051	3,249	(80)%		
Realized Performance Compensation	(2,175)	0	(100)%	(3,588)	(945)	(74)%		
Realized Principal Investment Income	12,306	(331)	n/m	12,023	(940)	n/m		
Net Realizations	22,091	1,151	(95)%	24,486	1,364	(94)%		
Segment Distributable Earnings	\$ 102,070	\$ 89,309	(13)%	\$ 181,272	\$ 165,036	(9)%		
Segment Revenues	\$ 161,979	\$ 147,469	(9)%	\$ 303,433	\$ 288,999	(5)%		
Total AUM	\$ 81,435,680	\$ 75,668,139	(7)%	\$ 81,435,680	\$ 75,668,139	(7)%		
Fee-Earning AUM	\$ 74,653,420	\$ 70,200,141	(6)%	\$ 74,653,420	\$ 70,200,141	(6)%		

CREDIT & INSURANCE

- **Total AUM:** \$137.8 billion with inflows of \$6.9 billion in the quarter and \$23.5 billion for the LTM.
 - U.S. Direct Lending strategy had inflows of \$1.6 billion in the quarter and priced a \$400 million senior unsecured notes offering for the BDC subsequent to quarter end, bringing total investable capital to \$15.8 billion, inclusive of anticipated leverage.
 - Launched 4 CLOs (2 U.S. and 2 European) in the quarter for \$1.7 billion and priced 1 additional CLO for \$400 million.
 - Raised \$795 million for the fourth mezzanine / opportunistic fund in the quarter and \$450 million subsequent to quarter end.
- **Realizations:** \$1.6 billion in the quarter and \$7.7 billion for the LTM.
- **Capital Deployed:** \$1.1 billion in the quarter and \$9.5 billion for the LTM; committed an additional \$533 million in the quarter that is not yet deployed.
- **Returns:** Gross Credit Composite return of 10.1% for the quarter, driven by broad recovery in public credit markets and resilient performance across the private portfolio.

(\$ in thousands)			% Change				% Change	
	2Q'19	2Q'20	vs. 2Q'19	2Q'19 YTD	2Q'20 YTD	vs. 2Q'19 YTD		
Management Fees, Net	\$ 149,527	\$ 148,548	(1)%	\$ 290,344	\$ 296,450	2%		
Fee Related Performance Revenues	2,552	8,528	234%	3,655	16,443	350%		
Fee Related Compensation	(54,310)	(57,086)	5%	(112,984)	(126,495)	12%		
Other Operating Expenses	(40,466)	(36,424)	(10)%	(72,705)	(75,165)	3%		
Fee Related Earnings	\$ 57,303	\$ 63,566	11%	\$ 108,310	\$ 111,233	3%		
Realized Performance Revenues	7,946	1,973	(75)%	16,843	11,643	(31)%		
Realized Performance Compensation	(3,468)	(224)	(94)%	(6,839)	(2,546)	(63)%		
Realized Principal Investment Income	20,925	280	(99)%	24,108	3,532	(85)%		
Net Realizations	25,403	2,029	(92)%	34,112	12,629	(63)%		
Segment Distributable Earnings	\$ 82,706	\$ 65,595	(21)%	\$ 142,422	\$ 123,862	(13)%		
Segment Revenues	\$ 180,950	\$ 159,329	(12)%	\$ 334,950	\$ 328,068	(2)%		
Total AUM	\$ 139,270,150	\$ 137,819,970	(1)%	\$ 139,270,150	\$ 137,819,970	(1)%		
Fee-Earning AUM	\$ 104,456,856	\$ 102,081,334	(2)%	\$ 104,456,856	\$ 102,081,334	(2)%		

Credit Composite net return was 9.6% for 2Q'20.

Supplemental Details

TOTAL SEGMENTS

(\$ in thousands)	2Q'19	3Q'19	4Q'19	1Q'20	2Q'20	2Q'19 YTD	2Q'20 YTD
Base Management Fees	\$ 805,315	\$ 809,729	\$ 873,368	\$ 910,396	\$ 941,794	\$ 1,562,833	\$ 1,852,190
Transaction, Advisory and Other Fees, Net	61,495	92,702	95,073	50,665	48,292	126,645	98,957
Management Fee Offsets	(22,654)	(22,086)	(22,768)	(20,494)	(13,353)	(31,260)	(33,847)
Total Management and Advisory Fees, Net	844,156	880,345	945,673	940,567	976,733	1,658,218	1,917,300
Fee Related Performance Revenues	13,624	34,225	156,373	12,466	15,033	21,403	27,499
Fee Related Compensation	(293,834)	(329,834)	(388,879)	(346,264)	(306,904)	(617,865)	(653,168)
Other Operating Expenses	(142,121)	(144,351)	(161,359)	(138,885)	(143,583)	(265,432)	(282,468)
Fee Related Earnings	\$ 421,825	\$ 440,385	\$ 551,808	\$ 467,884	\$ 541,279	\$ 796,324	\$ 1,009,163
Realized Performance Revenues	341,386	420,840	651,647	167,233	102,177	588,155	269,410
Realized Performance Compensation	(125,466)	(143,870)	(249,359)	(71,302)	(37,787)	(210,706)	(109,089)
Realized Principal Investment Income	123,557	36,148	38,542	20,290	18,938	149,465	39,228
Total Net Realizations	339,477	313,118	440,830	116,221	83,328	526,914	199,549
Total Segment Distributable Earnings	\$ 761,302	\$ 753,503	\$ 992,638	\$ 584,105	\$ 624,607	\$ 1,323,238	\$ 1,208,712
Net Interest Income (Loss)	2,761	(7,767)	(2,496)	(3,941)	(12,634)	7,822	(16,575)
Taxes and Related Payables	(55,201)	(35,815)	(76,104)	(23,053)	(63,990)	(84,240)	(87,043)
Distributable Earnings	\$ 708,862	\$ 709,921	\$ 914,038	\$ 557,111	\$ 547,983	\$ 1,246,820	\$ 1,105,094
Additional Metrics:							
Total Segment Revenues	\$ 1,322,723	\$ 1,371,558	\$ 1,792,235	\$ 1,140,556	\$ 1,112,881	\$ 2,417,241	\$ 2,253,437
Total Assets Under Management	\$ 545,482,337	\$ 554,022,343	\$ 571,122,463	\$ 538,007,285	\$ 564,330,088	\$ 545,482,337	\$ 564,330,088
Fee-Earning Assets Under Management	\$ 387,864,642	\$ 394,138,443	\$ 408,074,852	\$ 423,055,037	\$ 435,825,935	\$ 387,864,642	\$ 435,825,935

ASSETS UNDER MANAGEMENT - ROLLFORWARD

Total AUM Rollforward

(\$ in millions)

	Three Months Ended June 30, 2020					Twelve Months Ended June 30, 2020				
	Real Estate	Private Equity	Hedge Fund Solutions	Credit & Insurance	Total	Real Estate	Private Equity	Hedge Fund Solutions	Credit & Insurance	Total
Beginning Balance	\$ 160,935	\$ 174,696	\$ 73,721	\$ 128,656	\$ 538,007	\$ 153,605	\$ 171,172	\$ 81,436	\$ 139,270	\$ 545,482
Inflows	4,885	5,203	3,324	6,858	20,269	32,330	25,630	12,432	23,549	93,941
Outflows	(714)	(669)	(4,619)	(2,347)	(8,348)	(2,422)	(1,711)	(14,711)	(9,921)	(28,765)
Net Flows	4,171	4,534	(1,295)	4,511	11,921	29,908	23,919	(2,280)	13,628	65,175
Realizations	(2,264)	(2,990)	(517)	(1,580)	(7,351)	(15,833)	(10,141)	(1,445)	(7,668)	(35,087)
Market Activity	3,882	7,879	3,759	6,233	21,753	(956)	(832)	(2,043)	(7,411)	(11,241)
Ending Balance	\$ 166,724	\$ 184,118	\$ 75,668	\$ 137,820	\$ 564,330	\$ 166,724	\$ 184,118	\$ 75,668	\$ 137,820	\$ 564,330
% Change	4%	5%	3%	7%	5%	9%	8%	(7)%	(1)%	3%

Fee-Earning AUM Rollforward

(\$ in millions)

	Three Months Ended June 30, 2020					Twelve Months Ended June 30, 2020				
	Real Estate	Private Equity	Hedge Fund Solutions	Credit & Insurance	Total	Real Estate	Private Equity	Hedge Fund Solutions	Credit & Insurance	Total
Beginning Balance	\$ 130,424	\$ 128,301	\$ 68,214	\$ 96,115	\$ 423,055	\$ 112,287	\$ 96,467	\$ 74,653	\$ 104,457	\$ 387,865
Inflows	3,573	3,981	3,481	4,552	15,586	37,562	44,181	12,123	17,843	111,709
Outflows	(730)	(1,946)	(4,548)	(2,081)	(9,305)	(5,595)	(6,738)	(13,118)	(8,415)	(33,866)
Net Flows	2,843	2,035	(1,068)	2,471	6,282	31,967	37,443	(995)	9,428	77,844
Realizations	(998)	(1,118)	(512)	(1,078)	(3,707)	(10,461)	(4,592)	(1,360)	(5,969)	(22,382)
Market Activity	1,992	66	3,566	4,573	10,196	467	(35)	(2,098)	(5,835)	(7,501)
Ending Balance	\$ 134,260	\$ 129,284	\$ 70,200	\$ 102,081	\$ 435,826	\$ 134,260	\$ 129,284	\$ 70,200	\$ 102,081	\$ 435,826
% Change	3%	1%	3%	6%	3%	20%	34%	(6)%	(2)%	12%

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.

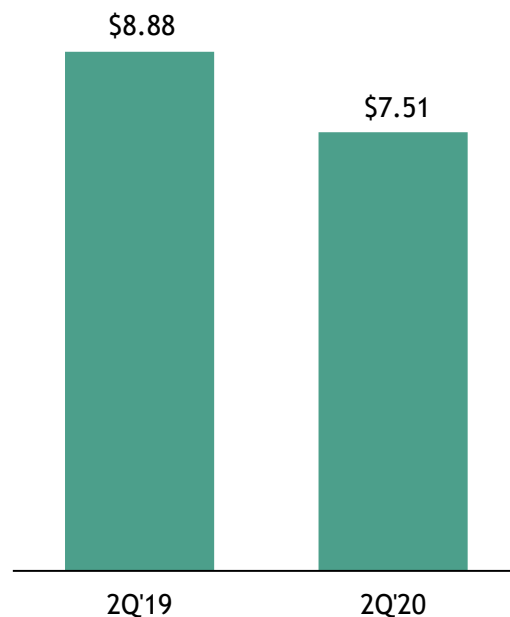
DECONSOLIDATED BALANCE SHEET HIGHLIGHTS

- At June 30, 2020, Blackstone had \$4.5 billion in total cash, cash equivalents, and corporate treasury investments and \$9.0 billion of cash and net investments, or \$7.51 per share.
- Blackstone has a \$1.6 billion undrawn credit revolver and maintains A+/A+ ratings.

(\$ in millions)	2Q'20
Cash and Cash Equivalents	\$ 1,977
Corporate Treasury Investments	2,550
GP/Fund Investments	1,792
Net Accrued Performance Revenues	2,708
Cash and Net Investments	\$ 9,026
Outstanding Bonds (at par)	4,685

Cash and Net Investments

(per share)



A+ / A+

rated by S&P and Fitch

\$1.6B

undrawn credit revolver
with September 2023 maturity

\$4.5B

total cash
and corporate treasury

NET ACCRUED PERFORMANCE REVENUES - ADDITIONAL DETAIL

(\$ in millions, except per share data)	2Q'19	1Q'20	2Q'20	2Q'20 Per Share
Real Estate				
BREP IV	\$ 11	\$ 8	\$ 7	\$ 0.01
BREP V	54	-	1	0.00
BREP VI	88	51	45	0.04
BREP VII	536	309	238	0.20
BREP VIII	517	517	604	0.50
BREP IX	-	-	6	0.00
BREP International II	25	-	-	-
BREP Europe IV	209	123	105	0.09
BREP Europe V	161	110	99	0.08
BREP Asia I	154	85	85	0.07
BPP	240	196	225	0.19
BREIT	36	-	-	-
BREDS	20	2	3	0.00
BTAS	41	45	22	0.02
Real Estate	\$ 2,093	\$ 1,446	\$ 1,441	\$ 1.20
Private Equity				
BCP IV	24	23	19	0.02
BCP VI	755	283	521	0.43
BCP VII	293	115	307	0.26
BCP Asia	6	14	18	0.02
BEP I	134	-	63	0.05
BEP II	54	-	-	-
BEP III	-	-	3	0.00
BCEP	30	33	43	0.04
Tactical Opportunities	128	36	55	0.05
Secondaries	98	136	155	0.13
Life Sciences	-	7	8	0.01
BTAS/Other	52	73	7	0.01
Private Equity	\$ 1,573	\$ 720	\$ 1,199	\$ 1.00
Hedge Fund Solutions	\$ 64	\$ 15	\$ 26	\$ 0.02
Credit & Insurance	\$ 242	\$ 6	\$ 42	\$ 0.03
Net Accrued Performance Revenues	\$ 3,973	\$ 2,187	\$ 2,708	\$ 2.25

2Q'20 QoQ Rollforward

(\$ in millions)

	1Q'20	Net Performance Revenues	Net Realized Distributions	2Q'20
Real Estate	\$ 1,446	\$ 21	\$ (25)	\$ 1,441
Private Equity	720	520	(42)	1,199
HFS	15	12	(1)	26
Credit & Insurance	6	42	(6)	42
Total	\$ 2,187	\$ 595	\$ (74)	\$ 2,708
<i>QoQ Change</i>				24%

2Q'20 LTM Rollforward

(\$ in millions)

	2Q'19	Net Performance Revenues	Net Realized Distributions	2Q'20
Real Estate	\$ 2,093	\$ 3	\$ (655)	\$ 1,441
Private Equity	1,573	(169)	(205)	1,199
HFS	64	53	(92)	26
Credit & Insurance	242	(151)	(49)	42
Total	\$ 3,973	\$ (264)	\$ (1,001)	\$ 2,708
<i>YoY Change</i>				(32)%

INVESTMENT RECORDS AS OF JUNE 30, 2020^(a)

Fund (Investment Period Beginning Date / Ending Date)	Committed Capital		Available Capital (b)		Unrealized Investments		Realized Investments		Total Investments		Net IRRs (d)				
					Value	MOIC (c)	Value	MOIC (c)	Value	MOIC (c)	Realized	Total			
Real Estate															
Pre-BREP	\$	140,714	\$	-	\$	-	n/a	\$	345,190	2.5x	\$	345,190	2.5x	33%	33%
BREP I (Sep 1994 / Oct 1996)		380,708		-		-	n/a		1,327,708	2.8x		1,327,708	2.8x	40%	40%
BREP II (Oct 1996 / Mar 1999)		1,198,339		-		-	n/a		2,531,614	2.1x		2,531,614	2.1x	19%	19%
BREP III (Apr 1999 / Apr 2003)		1,522,708		-		-	n/a		3,330,406	2.4x		3,330,406	2.4x	21%	21%
BREP IV (Apr 2003 / Dec 2005)		2,198,694		-		28,986	0.0x		4,544,926	2.2x		4,573,912	1.7x	28%	12%
BREP V (Dec 2005 / Feb 2007)		5,539,418		-		161,954	0.6x		13,047,811	2.4x		13,209,765	2.3x	12%	11%
BREP VI (Feb 2007 / Aug 2011)		11,060,444		-		559,459	2.2x		27,131,368	2.5x		27,690,827	2.5x	13%	13%
BREP VII (Aug 2011 / Apr 2015)		13,496,823		1,693,447		5,596,958	1.2x		22,816,881	2.1x		28,413,839	1.9x	22%	15%
BREP VIII (Apr 2015 / Jun 2019)		16,567,310		2,644,464		17,563,805	1.4x		7,132,698	1.7x		24,696,503	1.5x	26%	12%
*BREP IX (Jun 2019 / Dec 2024)		20,891,658		14,814,901		6,240,053	1.0x		983,331	1.4x		7,223,384	1.1x	n/m	8%
Total Global BREP	\$	72,996,816	\$	19,152,812	\$	30,151,215	1.2x	\$	83,191,933	2.2x	\$	113,343,148	1.8x	18%	15%
BREP Int'l (Jan 2001 / Sep 2005)	€	824,172	€	-	€	-	n/a	€	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	8%	8%
BREP Europe III (Jun 2008 / Sep 2013)		3,205,167		467,119		410,184	0.6x		5,737,320	2.5x		6,147,504	2.1x	20%	14%
BREP Europe IV (Sep 2013 / Dec 2016)		6,709,145		1,337,987		2,594,032	1.4x		8,988,619	2.0x		11,582,651	1.8x	23%	15%
BREP Europe V (Dec 2016 / Oct 2019)		7,949,959		1,595,473		7,454,498	1.2x		721,076	2.7x		8,175,574	1.3x	53%	8%
*BREP Europe VI (Oct 2019 / Apr 2025)		9,794,768		7,638,299		2,121,888	1.0x		-	n/a		2,121,888	1.0x	n/m	n/m
Total BREP Europe	€	30,112,959	€	11,038,878	€	12,580,602	1.2x	€	19,396,855	2.1x	€	31,977,457	1.6x	16%	12%
BREP Asia I (Jun 2013 / Dec 2017)	\$	5,096,753	\$	1,728,257	\$	3,139,012	1.3x	\$	4,129,266	1.9x	\$	7,268,278	1.6x	21%	11%
*BREP Asia II (Dec 2017 / Jun 2023)		7,302,307		4,416,827		3,054,983	1.1x		207,162	1.5x		3,262,145	1.1x	36%	0%
BREP Co-Investment (f)		7,055,974		154,594		1,787,693	2.4x		13,289,404	2.1x		15,077,097	2.1x	15%	16%
Total BREP	\$	126,131,248	\$	37,853,566	\$	52,536,503	1.2x	\$	125,287,061	2.2x	\$	177,823,564	1.8x	17%	15%
*Core+ BPP (Various) (g)		n/a		n/a		33,191,570	n/a		40,280,952	n/a		n/a	n/a	n/m	8%
*Core+ BREIT (Various) (h)		n/a		n/a		17,384,357	n/a		465,068	n/a		17,849,425	n/a	n/a	7%
*BREDS High-Yield (Various) (i)		18,600,464		8,894,151		3,013,387	1.0x		12,492,057	1.3x		15,505,444	1.2x	11%	10%
Private Equity															
Corporate Private Equity															
BCP I (Oct 1987 / Oct 1993)	\$	859,081	\$	-	\$	-	n/a	\$	1,741,738	2.6x	\$	1,741,738	2.6x	19%	19%
BCP II (Oct 1993 / Aug 1997)		1,361,100		-		-	n/a		3,256,819	2.5x		3,256,819	2.5x	32%	32%
BCP III (Aug 1997 / Nov 2002)		3,967,422		-		-	n/a		9,184,688	2.3x		9,184,688	2.3x	14%	14%
BCOM (Jun 2000 / Jun 2006)		2,137,330		24,575		11,891	n/a		2,953,649	1.4x		2,965,540	1.4x	6%	6%
BCP IV (Nov 2002 / Dec 2005)		6,773,182		195,824		161,183	2.2x		21,417,821	2.9x		21,579,004	2.9x	36%	36%
BCP V (Dec 2005 / Jan 2011)		21,013,658		1,039,805		627,552	0.7x		37,166,512	1.9x		37,794,064	1.9x	9%	8%
BCP VI (Jan 2011 / May 2016)		15,202,400		1,239,853		9,921,527	1.4x		16,493,176	2.1x		26,414,703	1.8x	18%	11%
BCP VII (May 2016 / Feb 2020)		18,865,679		3,397,863		18,925,185	1.3x		1,685,595	1.8x		20,610,780	1.3x	47%	10%
*BCP VIII (Feb 2020 / Feb 2026)		24,985,447		24,985,447		-	n/a		-	n/a		-	n/a	n/a	n/a
Energy I (Aug 2011 / Feb 2015)		2,441,558		157,049		1,211,172	1.2x		2,744,604	1.9x		3,955,776	1.6x	17%	10%
Energy II (Feb 2015 / Feb 2020)		4,914,044		263,873		3,447,078	0.8x		332,436	2.0x		3,779,514	0.8x	58%	(15)%
*Energy III (Feb 2020 / Feb 2026)		4,227,166		4,087,226		127,103	1.8x		-	n/a		127,103	1.8x	n/a	n/m
*BCP Asia (Dec 2017 / Dec 2023)		2,394,966		1,393,730		1,241,822	1.3x		54,308	1.7x		1,296,130	1.3x	92%	14%
*Core Private Equity (Jan 2017 / Jan 2021) (j)		4,756,707		1,381,730		4,260,653	1.2x		418,053	1.6x		4,678,706	1.3x	36%	10%
Total Corporate Private Equity	\$	113,899,740	\$	38,166,975	\$	39,935,166	1.2x	\$	97,449,399	2.1x	\$	137,384,565	1.7x	16%	14%

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 JUNE 30, 2020^(a) - (CONT'D)

Fund (Investment Period Beginning Date / Ending Date)	Committed Capital	Available Capital (b)	Unrealized Investments		Realized Investments		Total Investments		Net IRRs (d)		
			Value	MOIC (c)	Value	MOIC (c)	Value	MOIC (c)	Realized	Total	
Private Equity (continued)											
Tactical Opportunities											
*Tactical Opportunities (Various)	\$ 22,555,525	\$ 8,618,210	\$ 9,886,307	1.0x	\$ 10,267,342	1.7x	\$ 20,153,649	1.3x	18%	7%	
*Tactical Opportunities Co-Investment and Other (Various)	8,515,156	2,201,908	5,435,077	1.3x	2,075,769	1.5x	7,510,846	1.4x	22%	14%	
Total Tactical Opportunities	\$ 31,070,681	\$ 10,820,118	\$ 15,321,384	1.1x	\$ 12,343,111	1.7x	\$ 27,664,495	1.3x	19%	9%	
Strategic Partners (Secondaries)											
Strategic Partners I-V (Various) (k)	11,865,053	1,696,017	933,357	n/m	16,866,422	n/m	17,799,779	1.5x	n/a	13%	
Strategic Partners VI (Apr 2014 / Apr 2016) (k)	4,362,750	1,201,160	1,423,216	n/m	3,244,976	n/m	4,668,192	1.5x	n/a	15%	
Strategic Partners VII (May 2016 / Mar 2019) (k)	7,489,970	2,511,941	5,499,667	n/m	1,812,567	n/m	7,312,234	1.5x	n/a	20%	
Strategic Partners Real Assets II (May 2017 / Jun 2020) (k)	1,749,807	264,740	1,161,342	n/m	394,475	n/m	1,555,817	1.2x	n/a	16%	
*Strategic Partners VIII (Mar 2019 / Jul 2023) (k)	10,763,600	5,469,228	3,418,251	n/m	188,363	n/m	3,606,614	1.4x	n/a	58%	
*Strategic Partners Real Estate, SMA and Other (Various) (k)	7,678,402	2,963,642	2,742,203	n/m	1,354,601	n/m	4,096,804	1.3x	n/a	17%	
*Strategic Partners Infra III (Jun 2020 / Jul 2024) (k)	3,240,000	2,941,474	-	n/a	-	n/a	-	n/a	n/a	n/a	
Total Strategic Partners (Secondaries)	\$ 47,149,582	\$ 17,048,202	\$ 15,178,036	n/m	\$ 23,861,404	n/m	\$ 39,039,440	1.5x	n/a	14%	
*Infrastructure (Various)	13,658,063	11,307,674	2,201,896	0.9x	-	n/a	2,201,896	0.9x	n/a	(11)%	
Life Sciences											
Clarus IV (Jan 2018 / Jan 2020)	910,000	440,014	570,869	1.4x	20,207	1.3x	591,076	1.4x	6%	18%	
*Bxls V (Jan 2020 / Jan 2025)	4,385,171	4,182,973	240,675	1.2x	-	n/a	240,675	1.2x	n/a	n/m	
Credit (l)											
Mezzanine / Opportunistic I (Jul 2007 / Oct 2011)	\$ 2,000,000	\$ 97,114	\$ 15,554	0.8x	\$ 4,774,329	1.6x	\$ 4,789,883	1.6x	n/a	17%	
Mezzanine / Opportunistic II (Nov 2011 / Nov 2016)	4,120,000	1,033,255	884,201	0.6x	5,492,318	1.6x	6,376,519	1.3x	n/a	9%	
*Mezzanine / Opportunistic III (Sep 2016 / Sep 2021)	6,639,133	2,497,919	4,260,490	1.0x	2,202,749	1.6x	6,463,239	1.2x	n/a	8%	
Stressed / Distressed I (Sep 2009 / May 2013)	3,253,143	76,000	10,770	0.0x	5,772,930	1.6x	5,783,700	1.3x	n/a	9%	
Stressed / Distressed II (Jun 2013 / Jun 2018)	5,125,000	555,590	903,246	0.6x	4,376,500	1.2x	5,279,746	1.0x	n/a	(3)%	
*Stressed / Distressed III (Dec 2017 / Dec 2022)	7,356,380	4,167,110	1,720,727	0.8x	1,217,223	1.4x	2,937,950	1.0x	n/a	(9)%	
Energy I (Nov 2015 / Nov 2018)	2,856,867	1,072,376	1,409,774	0.9x	1,046,757	1.7x	2,456,531	1.1x	n/a	2%	
*Energy II (Feb 2019 / Feb 2024)	3,616,081	3,017,574	621,160	1.0x	176,873	1.4x	798,033	1.1x	n/a	12%	
Euro											
European Senior Debt I (Feb 2015 / Feb 2019)	€ 1,964,689	€ 305,089	€ 1,661,274	1.0x	€ 1,376,818	1.5x	€ 3,038,092	1.1x	n/a	4%	
*European Senior Debt II (Jun 2019 / Jun 2024)	€ 4,088,344	€ 3,672,670	€ 413,190	1.0x	€ 101,399	1.5x	€ 514,589	1.1x	n/a	n/m	
Total Credit	\$ 41,872,262	\$ 16,984,573	\$ 12,155,856	0.8x	\$ 26,728,090	1.5x	\$ 38,883,946	1.2x	n/a	8%	

Notes on page 21. Bxls - Blackstone Life Sciences.

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

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 callable capital and may include leverage, less invested capital. This amount is not reduced by outstanding commitments to investments.
- (c) Multiple of Invested Capital (“MOIC”) represents carrying value, before management fees, expenses and Performance Revenues, divided by invested capital.
- (d) Net Internal Rate of Return (“IRR”) represents the annualized inception to June 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 cash flow 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 June 30, 2020. Realized Investment Value represents BREIT’s cash distributions, net of servicing fees. 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.
- (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.

SHAREHOLDER DIVIDENDS

- Generated \$0.43 of Distributable Earnings per common share during the quarter, bringing the year-to-date amount to \$0.89 per common share.
- Blackstone declared a quarterly dividend of \$0.37 per common share to record holders as of August 3, 2020; payable on August 10, 2020.

(\$ in thousands, except per share data)	2Q'19	3Q'19	4Q'19	1Q'20	2Q'20	% Change vs. 2Q'19	2Q'19 YTD	2Q'20 YTD	% Change vs. 2Q'19 YTD
Distributable Earnings	\$ 708,862	\$ 709,921	\$ 914,038	\$ 557,111	\$ 547,983	(23)%	\$ 1,246,820	\$ 1,105,094	(11)%
Add: Other Payables Attributable to Common Shareholders	39,673	24,578	63,796	9,200	45,673	15%	54,271	54,873	1%
DE before Certain Payables	748,535	734,499	977,834	566,311	593,656	(21)%	1,301,091	1,159,967	(11)%
Percent to Common Shareholders	56%	56%	57%	58%	58%		56%	58%	
DE before Certain Payables Attributable to Common Shareholders	419,502	413,900	556,133	325,990	344,390	(18)%	730,334	670,380	(8)%
Less: Other Payables Attributable to Common Shareholders	(39,673)	(24,578)	(63,796)	(9,200)	(45,673)	15%	(54,271)	(54,873)	1%
DE Attributable to Common Shareholders	379,829	389,322	492,337	316,790	298,717	(21)%	676,063	615,507	(9)%
DE per Common Share	\$ 0.57	\$ 0.58	\$ 0.72	\$ 0.46	\$ 0.43	(25)%	\$1.01	\$0.89	(12)%
Less: Retained Capital per Common Share	\$ (0.09)	\$ (0.09)	\$ (0.11)	\$ (0.07)	\$ (0.06)	(33)%	\$ (0.16)	\$ (0.13)	(19)%
Actual Dividend per Common Share	\$ 0.48	\$ 0.49	\$ 0.61	\$ 0.39	\$ 0.37	(23)%	\$ 0.85	\$ 0.76	(11)%
Record Date					Aug 3, 2020				
Payable Date					Aug 10, 2020				

SHARE SUMMARY

- Distributable Earnings Shares Outstanding as of quarter end of 1,203 million shares.
 - Repurchased 2.0 million common shares in the quarter and 11.2 million common shares for the LTM.
 - Available authorization remaining was \$413 million at June 30, 2020.
-

	2Q'19	3Q'19	4Q'19	1Q'20	2Q'20
Participating Common Shares	669,561,793	675,640,119	680,457,424	687,869,905	697,597,036
Participating Partnership Units	525,165,724	523,338,040	515,973,657	507,101,000	504,912,855
Distributable Earnings Shares Outstanding	1,194,727,517	1,198,978,159	1,196,431,081	1,194,970,905	1,202,509,891

Reconciliations and Disclosures

RECONCILIATION OF GAAP TO NON-GAAP MEASURES

(\$ in thousands)	QTD					YTD		LTM	
	2Q'19	3Q'19	4Q'19	1Q'20	2Q'20	2Q'19	2Q'20	2Q'19	2Q'20
Net Income (Loss) Attributable to The Blackstone Group Inc.	\$ 305,792	\$ 779,437	\$ 483,149	\$(1,066,492)	\$ 568,266	\$ 787,096	\$ (498,226)	\$ 1,218,970	\$ 764,360
Net Income (Loss) Attributable to Non-Controlling Interests in Blackstone Holdings	259,330	299,900	378,137	(880,117)	495,128	661,590	(384,989)	1,027,419	293,048
Net Income (Loss) Attributable to Non-Controlling Interests in Consolidated Entities	80,744	88,406	120,796	(645,077)	294,378	267,577	(350,699)	341,878	(141,497)
Net Income (Loss) Attributable to Redeemable Non-Controlling Interests in Consolidated Entities	1,095	(8)	(3,688)	(15,469)	(3,426)	3,575	(18,895)	1,841	(22,591)
Net Income (Loss)	\$ 646,961	\$ 1,167,735	\$ 978,394	\$(2,607,155)	\$ 1,354,346	\$ 1,719,838	\$(1,252,809)	\$ 2,590,108	\$ 893,320
Provision (Benefit) for Taxes	38,736	(156,786)	28,943	(158,703)	147,415	79,891	(11,288)	136,055	(139,131)
Income (Loss) Before Provision (Benefit) for Taxes	\$ 685,697	\$ 1,010,949	\$ 1,007,337	\$(2,765,858)	\$ 1,501,761	\$ 1,799,729	\$(1,264,097)	\$ 2,726,163	\$ 754,189
Transaction-Related Charges (a)	106,994	(82,547)	94,715	46,994	76,160	196,445	123,154	352,118	135,322
Amortization of Intangibles (b)	16,483	16,483	16,482	16,483	16,483	32,966	32,966	63,214	65,931
Impact of Consolidation (c)	(81,839)	(88,398)	(117,108)	660,546	(290,952)	(271,152)	369,594	(343,719)	164,088
Unrealized Performance Revenues (d)	(157,398)	(176,604)	(128,333)	3,453,446	(1,067,923)	(821,731)	2,385,523	(314,131)	2,080,586
Unrealized Performance Allocations Compensation (e)	64,518	94,907	93,845	(1,397,378)	454,813	351,533	(942,565)	226,849	(753,813)
Unrealized Principal Investment (Income) Loss (f)	56,353	5,219	(34,974)	616,610	(223,316)	(83,572)	393,294	48,383	363,539
Other Revenues (g)	20,150	(92,843)	6,435	(138,151)	55,606	6,961	(82,545)	(48,985)	(168,953)
Equity-Based Compensation (h)	53,105	58,570	51,743	87,472	89,341	119,881	176,813	199,559	287,126
Taxes and Related Payables (i)	(55,201)	(35,815)	(76,104)	(23,053)	(63,990)	(84,240)	(87,043)	(171,266)	(198,962)
Distributable Earnings	\$ 708,862	\$ 709,921	\$ 914,038	\$ 557,111	\$ 547,983	\$ 1,246,820	\$ 1,105,094	\$ 2,738,185	\$ 2,729,053
Taxes and Related Payables (i)	55,201	35,815	76,104	23,053	63,990	84,240	87,043	171,266	198,962
Net Interest (Income) Loss (j)	(2,761)	7,767	2,496	3,941	12,634	(7,822)	16,575	(28,758)	26,838
Total Segment Distributable Earnings	\$ 761,302	\$ 753,503	\$ 992,638	\$ 584,105	\$ 624,607	\$ 1,323,238	\$ 1,208,712	\$ 2,880,693	\$ 2,954,853
Realized Performance Revenues (k)	(341,386)	(420,840)	(651,647)	(167,233)	(102,177)	(588,155)	(269,410)	(1,644,011)	(1,341,897)
Realized Performance Compensation (l)	125,466	143,870	249,359	71,302	37,787	210,706	109,089	601,124	502,318
Realized Principal Investment Income (m)	(123,557)	(36,148)	(38,542)	(20,290)	(18,938)	(149,465)	(39,228)	(262,183)	(113,918)
Fee Related Earnings	\$ 421,825	\$ 440,385	\$ 551,808	\$ 467,884	\$ 541,279	\$ 796,324	\$ 1,009,163	\$ 1,575,623	\$ 2,001,356
Adjusted EBITDA Reconciliation									
Distributable Earnings	\$ 708,862	\$ 709,921	\$ 914,038	\$ 557,111	\$ 547,983	\$ 1,246,820	\$ 1,105,094	\$ 2,738,185	\$ 2,729,053
Interest Expense (n)	43,230	52,815	57,351	41,540	38,924	84,868	80,464	167,583	190,630
Taxes and Related Payables (i)	55,201	35,815	76,104	23,053	63,990	84,240	87,043	171,266	198,962
Depreciation and Amortization	6,000	6,895	7,666	7,512	8,110	11,789	15,622	23,434	30,183
Adjusted EBITDA	\$ 813,293	\$ 805,446	\$ 1,055,159	\$ 629,216	\$ 659,007	\$ 1,427,717	\$ 1,288,223	\$ 3,100,468	\$ 3,148,828

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 Pátia, 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	
	2Q'19	3Q'19	4Q'19	1Q'20	2Q'20	2Q'19	2Q'20	2Q'19	2Q'20
GAAP Unrealized Performance Allocations	\$ 157,732	\$ 176,370	\$ 128,231	\$ (3,453,081)	\$ 1,067,923	\$ 821,731	\$ (2,385,158)	\$ 314,664	\$ (2,080,557)
Segment Adjustment	(334)	234	102	(365)	-	-	(365)	(533)	(29)
Unrealized Performance Revenues	\$ 157,398	\$ 176,604	\$ 128,333	\$ (3,453,446)	\$ 1,067,923	\$ 821,731	\$ (2,385,523)	\$ 314,131	\$ (2,080,586)

- (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	
	2Q'19	3Q'19	4Q'19	1Q'20	2Q'20	2Q'19	2Q'20	2Q'19	2Q'20
GAAP Unrealized Principal Investment Income (Loss)	\$ (37,345)	\$ 15,391	\$ 67,913	\$ (959,365)	\$ 331,762	\$ 131,699	\$ (627,603)	\$ (33,626)	\$ (544,299)
Segment Adjustment	(19,008)	(20,610)	(32,939)	342,755	(108,446)	(48,127)	234,309	(14,757)	180,760
Unrealized Principal Investment Income (Loss)	\$ (56,353)	\$ (5,219)	\$ 34,974	\$ (616,610)	\$ 223,316	\$ 83,572	\$ (393,294)	\$ (48,383)	\$ (363,539)

- (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	
	2Q'19	3Q'19	4Q'19	1Q'20	2Q'20	2Q'19	2Q'20	2Q'19	2Q'20
GAAP Other Revenue	\$ (17,120)	\$ 93,273	\$ (6,410)	\$ 138,180	\$ (55,580)	\$ (6,870)	\$ 82,600	\$ 49,421	\$ 169,463
Segment Adjustment	(3,030)	(430)	(25)	(29)	(26)	(91)	(55)	(436)	(510)
Other Revenues	\$ (20,150)	\$ 92,843	\$ (6,435)	\$ 138,151	\$ (55,606)	\$ (6,961)	\$ 82,545	\$ 48,985	\$ 168,953

- (h) This adjustment removes Equity-Based Compensation on a segment basis.

RECONCILIATION OF GAAP TO NON-GAAP MEASURES - NOTES

- (i) 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.

	QTD					YTD		LTM	
	2Q'19	3Q'19	4Q'19	1Q'20	2Q'20	2Q'19	2Q'20	2Q'19	2Q'20
Taxes	\$ 34,209	\$ 26,933	\$ 63,930	\$ 16,274	\$ 48,462	\$ 49,553	\$ 64,736	\$ 101,321	\$ 155,599
Related Payables	20,992	8,882	12,174	6,779	15,528	34,687	22,307	69,945	43,363
Taxes and Related Payables	\$ 55,201	\$ 35,815	\$ 76,104	\$ 23,053	\$ 63,990	\$ 84,240	\$ 87,043	\$ 171,266	\$ 198,962

- (j) This adjustment removes Interest and Dividend Revenue less Interest Expense 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 interest expense associated with the Tax Receivable Agreement.

	QTD					YTD		LTM	
	2Q'19	3Q'19	4Q'19	1Q'20	2Q'20	2Q'19	2Q'20	2Q'19	2Q'20
GAAP Interest and Dividend Revenue	\$ 43,686	\$ 42,482	\$ 52,146	\$ 35,084	\$ 23,924	\$ 87,770	\$ 59,008	\$ 184,259	\$ 153,636
Segment Adjustment	2,305	2,566	2,709	2,515	2,366	4,920	4,881	12,082	10,156
Interest and Dividend Revenue	\$ 45,991	\$ 45,048	\$ 54,855	\$ 37,599	\$ 26,290	\$ 92,690	\$ 63,889	\$ 196,341	\$ 163,792
GAAP Interest Expense	\$ 43,596	\$ 53,362	\$ 60,688	\$ 41,644	\$ 39,276	\$ 85,598	\$ 80,920	\$ 171,597	\$ 194,970
Segment Adjustment	(366)	(547)	(3,337)	(104)	(352)	(730)	(456)	(4,014)	(4,340)
Interest Expense	\$ 43,230	\$ 52,815	\$ 57,351	\$ 41,540	\$ 38,924	\$ 84,868	\$ 80,464	\$ 167,583	\$ 190,630
Net Interest Income (Loss)	\$ 2,761	\$ (7,767)	\$ (2,496)	\$ (3,941)	\$ (12,634)	\$ 7,822	\$ (16,575)	\$ 28,758	\$ (26,838)

- (k) This adjustment removes the total segment amounts of Realized Performance Revenues.

- (l) This adjustment removes the total segment amounts of Realized Performance Compensation.

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

- (n) 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				
	2Q'19	3Q'19	4Q'19	1Q'20	2Q'20
GAAP Shares of Class A Common Stock Outstanding	660,588,369	666,257,305	671,157,692	676,630,489	676,874,583
Unvested Participating Common Shares	8,973,424	9,382,814	9,299,732	11,239,416	20,722,453
Total Participating Common Shares	669,561,793	675,640,119	680,457,424	687,869,905	697,597,036
Participating Partnership Units	525,165,724	523,338,040	515,973,657	507,101,000	504,912,855
Distributable Earnings Shares Outstanding	1,194,727,517	1,198,978,159	1,196,431,081	1,194,970,905	1,202,509,891

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

	QTD					YTD		LTM	
	2Q'19	3Q'19	4Q'19	1Q'20	2Q'20	2Q'19	2Q'20	2Q'19	2Q'20
Total GAAP Weighted-Average Shares of Class A Common Stock Outstanding - Basic	673,655,305	675,963,129	679,420,988	676,305,359	698,534,168	674,079,074	677,041,769	676,828,114	685,032,993
Weighted-Average Shares of Unvested Deferred Restricted Class A Common Stock	330,639	256,629	274,520	-	123,340	269,196	-	257,322	262,625
Weighted-Average Blackstone Holdings Partnership Units	-	-	-	-	505,754,449	526,244,006	-	524,831,943	-
Total GAAP Weighted-Average Shares of Class A Common Stock Outstanding - Diluted	673,985,944	676,219,758	679,695,508	676,305,359	1,204,411,957	1,200,592,276	677,041,769	1,201,917,379	685,295,618

BLACKSTONE'S SECOND QUARTER 2020 GAAP BALANCE SHEET RESULTS

(\$ in thousands) (Unaudited)	2Q'19	3Q'19	4Q'19	1Q'20	2Q'20
Assets					
Cash and Cash Equivalents	\$ 1,484,444	\$ 2,468,563	\$ 2,172,441	\$ 2,068,326	\$ 1,976,512
Cash Held by Blackstone Funds and Other	324,609	375,981	351,210	318,003	343,201
Investments	22,242,040	22,204,460	22,281,682	16,430,701	18,973,373
Accounts Receivable	802,066	755,777	975,075	696,729	498,600
Due from Affiliates	2,211,737	2,464,163	2,594,873	2,706,112	2,431,512
Intangible Assets, Net	433,007	415,257	397,508	379,758	362,008
Goodwill	1,869,860	1,869,860	1,869,860	1,869,860	1,869,860
Other Assets	354,253	402,670	382,493	541,896	501,351
Right-of-Use Assets	507,065	490,882	471,059	542,757	568,663
Deferred Tax Assets	743,132	938,158	1,089,305	1,392,352	1,319,301
Total Assets	\$ 30,972,213	\$ 32,385,771	\$ 32,585,506	\$ 26,946,494	\$ 28,844,381
Liabilities and Equity					
Loans Payable	\$ 10,676,138	\$ 11,270,245	\$ 11,080,723	\$ 10,392,903	\$ 10,839,568
Due to Affiliates	1,081,899	984,969	1,026,871	1,247,098	1,268,571
Accrued Compensation and Benefits	3,308,595	3,623,258	3,796,044	1,965,237	2,551,056
Securities Sold, Not Yet Purchased	128,512	87,051	75,545	51,498	51,395
Repurchase Agreements	207,676	163,059	154,118	105,133	80,620
Operating Lease Liabilities	574,619	558,253	542,994	605,809	637,946
Accounts Payable, Accrued Expenses and Other Liabilities	929,688	1,069,475	806,159	1,000,708	919,195
Total Liabilities	16,907,127	17,756,310	17,482,454	15,368,386	16,348,351
Redeemable Non-Controlling Interests in Consolidated Entities	101,310	93,667	87,651	72,066	68,564
Equity					
The Blackstone Group L.P. Partners' Capital	6,335,897	-	-	-	-
Class A Common Stock, \$0.00001 par value (676,874,583 shares issued and outstanding as of June 30, 2020)	-	7	7	7	7
Class B Common Stock, \$0.00001 par value (1 share issued and outstanding as of June 30, 2020)	-	-	-	-	-
Class C Common Stock, \$0.00001 par value (1 share issued and outstanding as of June 30, 2020)	-	-	-	-	-
Additional Paid-in-Capital	-	6,292,765	6,428,647	6,298,093	6,272,040
Retained Earnings	-	456,814	609,625	(871,948)	(574,295)
Accumulated Other Comprehensive Loss	(27,542)	(35,173)	(28,495)	(41,533)	(36,758)
Non-Controlling Interests in Consolidated Entities	3,869,303	4,035,513	4,186,069	3,591,160	3,900,429
Non-Controlling Interests in Blackstone Holdings	3,786,118	3,785,868	3,819,548	2,530,263	2,866,043
Total Equity	13,963,776	14,535,794	15,015,401	11,506,042	12,427,466
Total Liabilities and Equity	\$ 30,972,213	\$ 32,385,771	\$ 32,585,506	\$ 26,946,494	\$ 28,844,381

See page 29, Reconciliation of GAAP to Non-GAAP Balance Sheet Measures.

RECONCILIATION OF GAAP TO NON-GAAP BALANCE SHEET MEASURES

(\$ in thousands)	2Q'19	3Q'19	4Q'19	1Q'20	2Q'20
Investments of Consolidated Blackstone Funds	\$ 8,633,794	\$ 8,481,233	\$ 8,380,698	\$ 7,275,752	\$ 7,943,531
Equity Method Investments					
Partnership Investments	3,802,565	3,864,453	4,035,675	3,553,538	3,873,346
Accrued Performance Allocations	6,743,542	7,003,889	7,180,449	3,761,585	4,715,510
Corporate Treasury Investments	2,797,908	2,588,529	2,419,587	1,653,950	2,205,843
Other Investments	264,231	266,356	265,273	185,876	235,143
Total GAAP Investments	\$ 22,242,040	\$ 22,204,460	\$ 22,281,682	\$ 16,430,701	\$ 18,973,373
Accrued Performance Allocations - GAAP	\$ 6,743,542	\$ 7,003,889	\$ 7,180,449	\$ 3,761,585	\$ 4,715,510
Impact of Consolidation (a)	607	237	384	19	19
Due from Affiliates - GAAP (b)	25,022	18,955	154,980	20,910	20,642
Less: Net Realized Performance Revenues (c)	(71,352)	(129,129)	(214,662)	(31,719)	(38,592)
Less: Accrued Performance Compensation - GAAP (d)	(2,724,998)	(2,851,817)	(3,021,899)	(1,563,672)	(1,989,219)
Net Accrued Performance Revenues	\$ 3,972,821	\$ 4,042,135	\$ 4,099,252	\$ 2,187,123	\$ 2,708,360
Corporate Treasury Investments - GAAP	\$ 2,797,908	\$ 2,588,529	\$ 2,419,587	\$ 1,653,950	\$ 2,205,843
Impact of Consolidation (a)	160,644	163,183	164,243	131,248	141,371
Other Assets (e)	425,823	440,982	602,707	374,064	271,615
Other Liabilities (f)	(91,016)	(80,086)	(74,898)	(46,635)	(69,326)
Corporate Treasury Investments - Deconsolidated	\$ 3,293,359	\$ 3,112,608	\$ 3,111,639	\$ 2,112,627	\$ 2,549,503
Partnership and Other Investments - GAAP	\$ 4,066,796	\$ 4,130,809	\$ 4,300,948	\$ 3,739,414	\$ 4,108,489
Impact of Consolidation (g)	(2,209,825)	(2,289,139)	(2,409,218)	(2,111,945)	(2,316,855)
GP/Fund Investments - Deconsolidated	\$ 1,856,971	\$ 1,841,670	\$ 1,891,730	\$ 1,627,469	\$ 1,791,634
Loans Payable - GAAP	\$ 10,676,138	\$ 11,270,245	\$ 11,080,723	\$ 10,392,903	\$ 10,839,568
Impact of Consolidation (h)	(6,536,221)	(6,492,686)	(6,479,867)	(5,817,702)	(6,232,787)
Outstanding Bonds - Carrying Value	4,139,917	4,777,559	4,600,856	4,575,201	4,606,781
Unamortized Discount	66,033	82,336	81,094	79,449	78,319
Outstanding Bonds (at par) - Deconsolidated	\$ 4,205,950	\$ 4,859,895	\$ 4,681,950	\$ 4,654,650	\$ 4,685,100

- (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	
	2Q'19	3Q'19	4Q'19	1Q'20	2Q'20	2Q'19	2Q'20	2Q'19	2Q'20
Management and Advisory Fees, Net									
GAAP	\$ 840,378	\$ 878,151	\$ 943,900	\$ 934,832	\$ 969,728	\$ 1,650,104	\$ 1,904,560	\$ 3,227,667	\$ 3,726,611
Segment Adjustment (a)	3,778	2,194	1,773	5,735	7,005	8,114	12,740	7,965	16,707
Total Segment	\$ 844,156	\$ 880,345	\$ 945,673	\$ 940,567	\$ 976,733	\$ 1,658,218	\$ 1,917,300	\$ 3,235,632	\$ 3,743,318
GAAP Realized Performance Revenues to Total Segment Fee Related Performance Revenues									
GAAP									
Incentive Fees	21,915	8,254	87,610	12,161	15,300	34,047	27,461	59,643	123,325
Investment Income - Realized Performance Allocation:	332,520	446,550	717,555	167,530	101,910	574,895	269,440	1,678,386	1,433,545
GAAP	\$ 354,435	\$ 454,804	\$ 805,165	\$ 179,691	\$ 117,210	\$ 608,942	\$ 296,901	\$ 1,738,029	\$ 1,556,870
Total Segment									
Less: Realized Performance Revenues	(341,386)	(420,840)	(651,647)	(167,233)	(102,177)	(588,155)	(269,410)	(1,644,011)	(1,341,897)
Segment Adjustment (b)	575	261	2,855	8	-	616	8	1,869	3,124
Total Segment	\$ 13,624	\$ 34,225	\$ 156,373	\$ 12,466	\$ 15,033	\$ 21,403	\$ 27,499	\$ 95,887	\$ 218,097
GAAP Compensation to Total Segment Fee Related Compensation									
GAAP									
Compensation	438,521	462,766	447,646	476,543	458,457	909,918	935,000	1,702,993	1,845,412
Incentive Fees Compensation	8,886	5,419	24,589	6,522	8,432	14,292	14,954	31,803	44,962
Realized Performance Allocations Compensation	125,825	155,663	295,059	72,423	38,569	212,220	110,992	624,836	561,714
GAAP	\$ 573,232	\$ 623,848	\$ 767,294	\$ 555,488	\$ 505,458	\$ 1,136,430	\$ 1,060,946	\$ 2,359,632	\$ 2,452,088
Total Segment									
Less: Realized Performance Compensation	(125,466)	(143,870)	(249,359)	(71,302)	(37,787)	(210,706)	(109,089)	(601,124)	(502,318)
Less: Equity-Based Compensation - Operating Compensation	(50,225)	(56,139)	(51,612)	(85,334)	(87,205)	(113,933)	(172,539)	(187,415)	(280,290)
Less: Equity-Based Compensation - Performance Compensation	(2,880)	(2,431)	(131)	(2,138)	(2,136)	(5,948)	(4,274)	(12,144)	(6,836)
Segment Adjustment (c)	(100,827)	(91,574)	(77,313)	(50,450)	(71,426)	(187,978)	(121,876)	(327,255)	(290,763)
Total Segment	\$ 293,834	\$ 329,834	\$ 388,879	\$ 346,264	\$ 306,904	\$ 617,865	\$ 653,168	\$ 1,231,694	\$ 1,371,881
GAAP General, Administrative and Other to Total Segment Other Operating Expenses									
GAAP	\$ 175,308	\$ 171,067	\$ 186,971	\$ 157,566	\$ 169,051	\$ 321,370	\$ 326,617	\$ 643,702	\$ 684,655
Segment Adjustment (d)	(33,187)	(26,716)	(25,612)	(18,681)	(25,468)	(55,938)	(44,149)	(119,500)	(96,477)
Total Segment	\$ 142,121	\$ 144,351	\$ 161,359	\$ 138,885	\$ 143,583	\$ 265,432	\$ 282,468	\$ 524,202	\$ 588,178
Realized Performance Revenues									
GAAP									
Incentive Fees	21,915	8,254	87,610	12,161	15,300	34,047	27,461	59,643	123,325
Investment Income - Realized Performance Allocation:	332,520	446,550	717,555	167,530	101,910	574,895	269,440	1,678,386	1,433,545
GAAP	\$ 354,435	\$ 454,804	\$ 805,165	\$ 179,691	\$ 117,210	\$ 608,942	\$ 296,901	\$ 1,738,029	\$ 1,556,870
Total Segment									
Less: Fee Related Performance Revenues	(13,624)	(34,225)	(156,373)	(12,466)	(15,033)	(21,403)	(27,499)	(95,887)	(218,097)
Segment Adjustment (b)	575	261	2,855	8	-	616	8	1,869	3,124
Total Segment	\$ 341,386	\$ 420,840	\$ 651,647	\$ 167,233	\$ 102,177	\$ 588,155	\$ 269,410	\$ 1,644,011	\$ 1,341,897

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

(\$ in thousands)	QTD					YTD		LTM	
	2Q'19	3Q'19	4Q'19	1Q'20	2Q'20	2Q'19	2Q'20	2Q'19	2Q'20
Realized Performance Compensation									
GAAP									
Incentive Fee Compensation	\$ 8,886	\$ 5,419	\$ 24,589	\$ 6,522	\$ 8,432	\$ 14,292	\$ 14,954	\$ 31,803	\$ 44,962
Realized Performance Allocations Compensation	125,825	155,663	295,059	72,423	38,569	212,220	110,992	624,836	561,714
GAAP	\$ 134,711	\$ 161,082	\$ 319,648	\$ 78,945	\$ 47,001	\$ 226,512	\$ 125,946	\$ 656,639	\$ 606,676
Total Segment									
Less: Fee Related Performance Compensation	(6,365)	(14,781)	(70,158)	(5,505)	(7,078)	(9,858)	(12,583)	(43,371)	(97,522)
Less: Equity-Based Compensation - Performance Compensation	(2,880)	(2,431)	(131)	(2,138)	(2,136)	(5,948)	(4,274)	(12,144)	(6,836)
Total Segment	\$ 125,466	\$ 143,870	\$ 249,359	\$ 71,302	\$ 37,787	\$ 210,706	\$ 109,089	\$ 601,124	\$ 502,318
Realized Principal Investment Income									
GAAP	\$ 145,040	\$ 74,642	\$ 100,535	\$ 48,695	\$ 61,102	\$ 218,301	\$ 109,797	\$ 462,821	\$ 284,974
Segment Adjustment (e)	(21,483)	(38,494)	(61,993)	(28,405)	(42,164)	(68,836)	(70,569)	(200,638)	(171,056)
Total Segment	\$ 123,557	\$ 36,148	\$ 38,542	\$ 20,290	\$ 18,938	\$ 149,465	\$ 39,228	\$ 262,183	\$ 113,918
GAAP Interest and Dividend Revenue net of Interest Expense to Total Segment Net Interest Income (Loss)									
GAAP									
Interest and Dividend Revenue	43,686	42,482	52,146	35,084	23,924	87,770	59,008	184,259	153,636
Interest Expense	(43,596)	(53,362)	(60,688)	(41,644)	(39,276)	(85,598)	(80,920)	(171,597)	(194,970)
GAAP	\$ 90	\$ (10,880)	\$ (8,542)	\$ (6,560)	\$ (15,352)	\$ 2,172	\$ (21,912)	\$ 12,662	\$ (41,334)
Segment Adjustment (f)	2,671	3,113	6,046	2,619	2,718	5,650	5,337	16,096	14,496
Total Segment	\$ 2,761	\$ (7,767)	\$ (2,496)	\$ (3,941)	\$ (12,634)	\$ 7,822	\$ (16,575)	\$ 28,758	\$ (26,838)

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.
- 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 Other Revenues 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 Second 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 Second 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)

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 \$42 million for 2Q'20 and \$90 million for 2Q'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, but not equivalent 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 excluding the tax impact of any divestitures and including the Payable under the Tax Receivable Agreement.
- **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.
 - **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.

DEFINITIONS AND DIVIDEND POLICY - (CONT'D)

- **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

This presentation may contain forward-looking statements within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934 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 COVID-19 and energy market dislocation, 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. 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.