



CARLYLE

Carlyle Reports
First Quarter 2021
Financial Results

April 29, 2021

The Carlyle Group Reports First Quarter 2021 Financial Results

WASHINGTON, DC – April 29, 2021 – Global investment firm The Carlyle Group Inc. (NASDAQ: CG) today reported its unaudited results for the first quarter ended March 31, 2021.

Dividend

The Board of Directors has declared a quarterly dividend of \$0.25 per common share to holders of record at the close of business on May 11, 2021, payable on May 19, 2021.

Conference Call

Carlyle will host a conference call at 8:30 a.m. EDT on Thursday, April 29, 2021, to discuss its first quarter financial results. The call will be available via public webcast from the Shareholders section of Carlyle's website at www.carlyle.com and a replay will be available on our website soon after the call's completion.

About The Carlyle Group

The Carlyle Group (NASDAQ: CG) is a global investment firm with deep industry expertise that deploys private capital across three business segments: Global Private Equity, Global Credit and Investment Solutions. With \$260 billion of assets under management as of March 31, 2021, Carlyle's purpose is to invest wisely and create value on behalf of its investors, portfolio companies and the communities in which we live and invest. The Carlyle Group employs more than 1,800 people in 29 offices across five continents. Further information is available at www.carlyle.com. Follow The Carlyle Group on Twitter @OneCarlyle.

“Excellent fund performance this quarter drove a record net accrued carry balance and we have strong momentum thanks to well-positioned investment portfolios and robust deal activity across our global platform.

We believe our strong performance this quarter underscores how we'll continue to deliver value for our stakeholders as we execute on our long-term strategic plan.”

KEWSONG LEE

Chief Executive Officer

Forward Looking Statement

THIS PRESS RELEASE 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. These statements include, but are not limited to, statements related to our expectations regarding the performance of our business, our financial results, our liquidity and capital resources, contingencies, our dividend policy, our expected future dividend policy, the anticipated benefits from converting to a corporation and other non-historical statements. You can identify these forward-looking statements by the use of words such as “outlook,” “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, uncertainties and assumptions. Accordingly, there are or will be important factors that could

cause actual outcomes or results to differ materially from those indicated in these statements including, but not limited to, those described under the section entitled “Risk Factors” in our Annual Report on Form 10-K for the year ended December 31, 2020 filed with the SEC on February 11, 2021, as such factors may be updated from time to time in our periodic filings with the 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 release and in our filings with the SEC. We undertake no obligation to publicly update or review any forward-looking statements, whether as a result of new information, future developments or otherwise, except as required by applicable law.

This release does not constitute an offer for any Carlyle fund.

Contacts

INVESTOR RELATIONS

Daniel Harris
Phone: +1 (212) 813-4527
daniel.harris@carlyle.com

MEDIA

Leigh Farris
Phone: +1 (212) 813-4815
leigh.farris@carlyle.com

Brittany Berliner
Phone: +1 (212) 813-4839
brittany.berliner@carlyle.com

First Quarter 2021 Financial Results

Carlyle First Quarter 2021 U.S. GAAP Results

Net income attributable to The Carlyle Group Inc. common stockholders in Q1 2021 was \$869 million, a \$1.5 billion increase from a net loss of \$612.0 million in Q1 2020, reflecting the strong portfolio appreciation in Q1 2021 as compared to the depreciation at the onset of the pandemic

(Dollars in millions, except per share amounts)

	1Q'20	1Q'21
REVENUES		
Fund management fees	\$ 355.9	\$ 381.0
Incentive fees	8.9	9.5
Investment income (loss), including performance allocations	(1,190.9)	1,965.2
Revenue from consolidated entities	53.0	61.1
All other revenues	27.4	20.4
Total Revenues	(745.7)	2,437.2
EXPENSES		
Cash-based compensation and benefits	204.3	228.5
Equity-based compensation	29.1	32.4
Performance allocations and incentive fee related compensation	(442.5)	866.6
General, administrative and other expenses	69.6	91.7
Expenses from consolidated entities	45.6	42.4
Interest and other non-operating expenses (income)	24.1	23.6
Total Expenses	(69.8)	1,285.2
Net investment gains (losses) of consolidated funds	(113.1)	12.3
Income (loss) before provision for income taxes ¹	(789.0)	1,164.3
Provision (benefit) for income taxes	(80.0)	273.4
Net income (loss)	(709.0)	890.9
Net income (loss) attributable to non-controlling interests in consolidated entities	(97.0)	21.6
Net income (loss) attributable to The Carlyle Group Inc. Common Stockholders	\$ (612.0)	\$ 869.3
Net income (loss) attributable to The Carlyle Group Inc. per common share:		
Basic	\$ (1.76)	\$ 2.45
Diluted	\$ (1.76)	\$ 2.41
Supplemental information:		
Income (loss) before provision for taxes margin ²	105.8 %	47.8 %
Net performance revenues ³	\$ (495.1)	\$ 919.5

¹ General, administrative and other expenses in 1Q'20 include the positive impact of a \$30 million recovery of litigation costs (a contra expense). Excluding this, General, administrative and other expenses would have been \$100 million in 1Q'20.

² Provision (benefit) for income taxes in 1Q'20 reflects a tax benefit of \$170 million related to the net loss during the quarter, net of \$90 million in expense related to a reduction in the net deferred tax asset resulting from the Company's conversion from a partnership to a corporation on January 1, 2020 (the "Conversion").

Carlyle First Quarter 2021 Highlights

Financial Measures

- Distributable Earnings ("DE") of \$215 million for Q1 2021 on a pre-tax basis, or \$0.58 per common share on a post-tax basis
- Fee Related Earnings ("FRE") of \$129 million for Q1 2021
- Realized Net Performance Revenues of \$76 million for Q1 2021
- Total Segment Net Accrued Performance Revenues of \$3.2 billion, up 36% from Q4 2020
- Declared a quarterly dividend of \$0.25 per common share, payable to shareholders of record as of May 11, 2021

Assets Under Management

- Total Assets Under Management: \$260 billion, up 20% year-over-year
- Fee-earning Assets Under Management: \$173 billion, up 9% year-over-year
- Available Capital for investment: \$75 billion

Key Metrics

- Fundraising: \$7.8 billion in Q1 2021 and \$27.7 billion LTM
- Invested Capital (carry funds): \$5.5 billion in Q1 2021 and \$20.8 billion LTM
- Realized Proceeds (carry funds): \$6.4 billion in Q1 2021 and \$22.9 billion LTM
- Carry Fund Appreciation: 13% in Q1 2021 and 34% LTM

Carlyle 2021 Annual Meeting

- Carlyle will hold its first Annual Meeting of Shareholders on Tuesday, June 1, 2021, at 9:00 a.m. EDT

Carlyle First Quarter 2021 Total Segment Operating Results

(Dollars in millions, except per share amounts)

	1Q'20	1Q'21
SEGMENT REVENUES		
Fund management fees	\$ 381.5	\$ 392.2
Transaction and portfolio advisory fees, net and other	6.8	19.7
Total segment fee revenues	388.3	411.9
Realized performance revenues	171.6	168.4
Realized principal investment income (loss)	15.9	30.0
Interest income	5.3	2.2
Total Segment Revenues	\$ 581.1	\$ 612.5
SEGMENT EXPENSES		
Compensation and benefits		
Cash-based compensation and benefits	\$ 203.8	\$ 212.2
Realized performance revenues related compensation	123.4	92.4
Total compensation and benefits ³	327.2	304.6
General, administrative and other expenses ⁴	48.3	61.6
Depreciation and amortization expense	7.4	9.1
Interest expense	23.2	22.3
Total Segment Expenses	\$ 406.1	\$ 397.6
Total Segment Revenues	\$ 581.1	\$ 612.5
Total Segment Expenses	406.1	397.6
(=) Distributable Earnings	\$ 175.0	\$ 214.9
(-) Realized Net Performance Revenues	48.2	76.0
(-) Realized Principal Investment Income (Loss)	15.9	30.0
(+) Net Interest	17.9	20.1
(=) Fee Related Earnings	\$ 128.8	\$ 129.0
After-tax Distributable Earnings, per common share ¹	\$ 0.48	\$ 0.58
Dividend per common share ²	\$ 0.25	\$ 0.25

(1) A reconciliation of Distributable Earnings to After-tax Distributable Earnings per common share is provided on page 28.

(2) Our dividend policy as a Corporation is to pay dividends in the amount of \$0.25 per share of common stock (\$1.00 annually), beginning with the 4Q'19 dividend paid to stockholders in February 2020. See Notes at the end of the document for our Dividend Policy.

(3) Total Segment compensation and benefits exclude equity-based compensation, detailed below and as shown on page 29. These amounts include equity-based compensation reflected in (i) principal investment income and (ii) general, administration and other expense in our U.S. GAAP statement of operations.

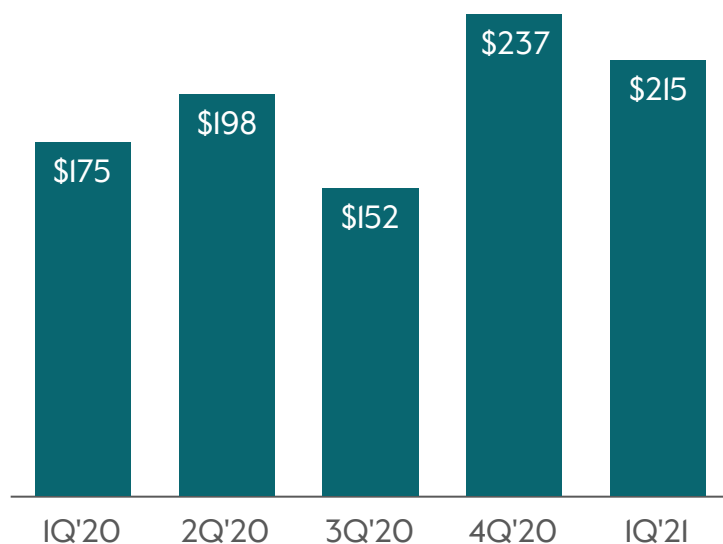
Equity-based compensation	\$ 31.7	\$ 34.9
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(4) General, administrative and other expenses in 1Q'20 include the positive impact of a \$30 million recovery of litigation costs (a contra expense). Excluding this, General, administrative and other expenses would have been \$78 million.

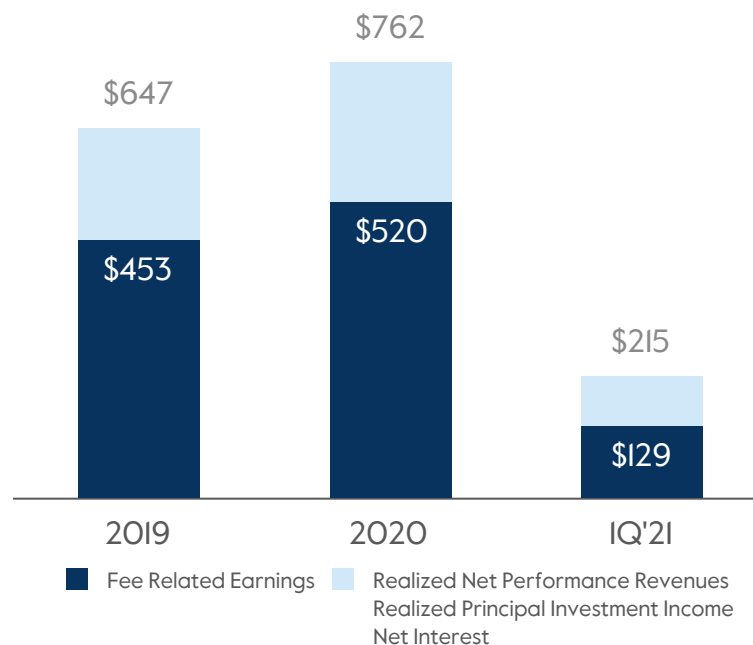
Distributable Earnings

- Distributable Earnings were \$215 million in Q1 2021
- Realized Net Performance Revenues were \$76 million in Q1 2021
- Realized Principal Investment Income was \$30 million in Q1 2021

Quarterly Distributable Earnings
(\$mn)



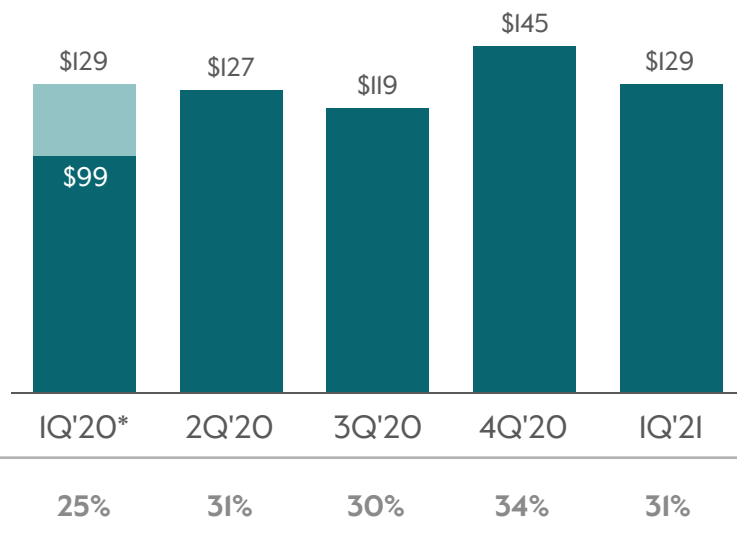
Distributable Earnings (\$mn)



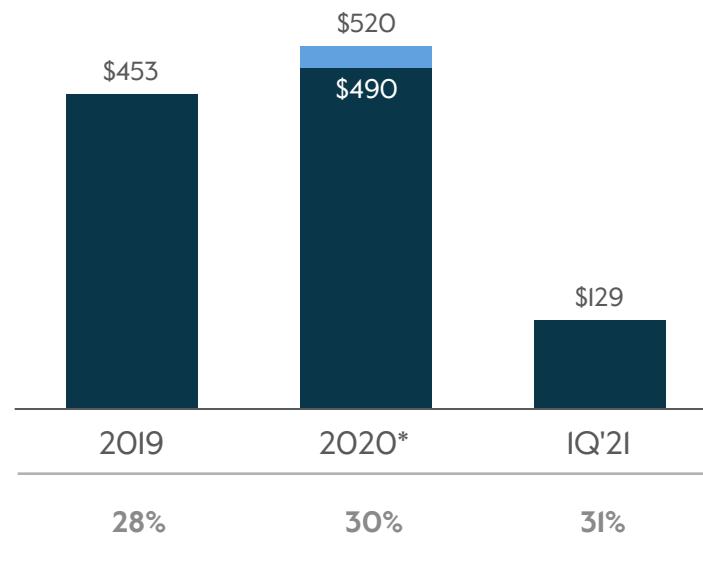
Fee Related Earnings

- Fee Related Earnings were \$129 million in Q1 2021, in line with \$129 million in Q1 2020. Adjusting for a \$30 million litigation cost recovery in Q1 2020, FRE increased from \$99 million in Q1 2020
- Fee revenues were \$412 million in Q1 2021, a 6% increase from \$388 million in Q1 2020, driven by underwriting and placement fees in Carlyle Global Capital Markets, higher transaction fees, and higher management fees in Investment Solutions
- Cash-based compensation & benefits were \$212 million in Q1 2021, a 4% increase from \$204 million in Q1 2020
- General & administrative expenses were \$62 million in Q1 2021, an increase of 28% from Q1 2020, which benefited from \$30 million in litigation cost recovery. Excluding this impact, as adjusted G&A expenses declined 21% compared to Q1 2020 due to lower travel and conference related costs and lower professional fees, both of which are expected to increase in subsequent quarters
- FRE margin was 31% in Q1 2021, up from an as adjusted 25% in Q1 2020

Quarterly Fee Related Earnings (\$mn)



Fee Related Earnings (\$mn)



* 1Q'20 and FY 2020 Fee Related Earnings were \$129 million and \$520 million, respectively, or \$99 million and \$490 million, respectively, excluding the impact of \$30 million in one-time litigation cost recoveries. FRE Margin of 25% and 30% in 1Q'20 and FY 2020, respectively, excludes the impact of litigation cost recoveries.

Performance Revenues

- Net Accrued Performance Revenues¹ were \$3.2 billion as of Q1 2021, up 36% from Q4 2020, largely driven by strong appreciation in our sixth U.S. Buyout fund, while our fourth Europe Buyout fund and seventh U.S. Buyout fund also posted strong appreciation and moved into carry in Q1 2021
- Realized Net Performance Revenues were \$76 million in Q1 2021, and were primarily driven by exit activity in our second Financial Services fund, our sixth U.S. Buyout fund and our third Japan Buyout fund

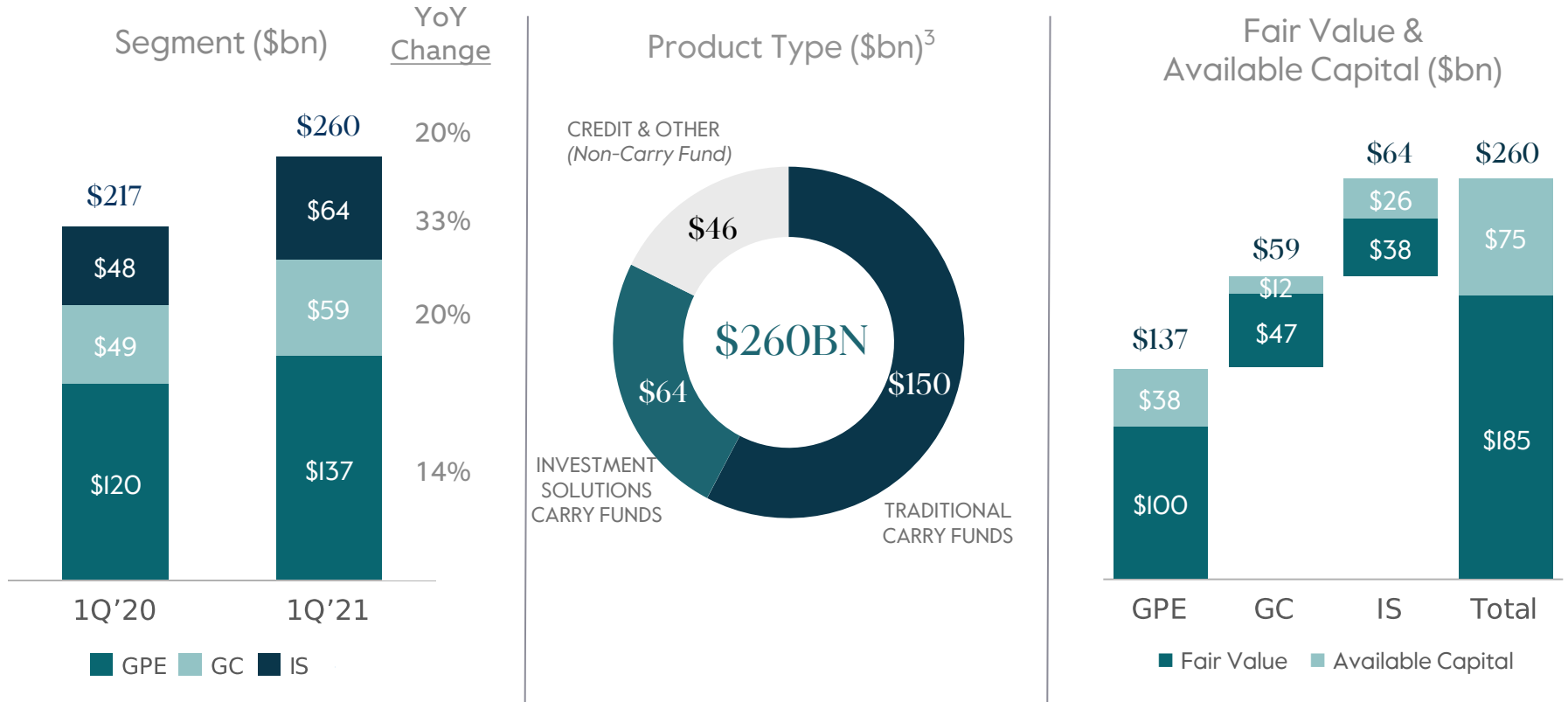
Net Accrued Performance Revenues (\$mn)



(\$mn)	Net Accrued Performance Revenues		Realized Net Performance Revenues
	1Q'20	1Q'21	1Q'21
Global Private Equity ³	\$ 1,062	\$ 2,891	\$ 74
<i>Corporate Private Equity</i>	776	2,543	71
<i>Real Estate</i>	283	345	3
<i>Natural Resources</i>	6	6	—
Global Credit	29	83	—
Investment Solutions	110	191	2
Total	\$ 1,201	\$ 3,165	\$ 76

Total Assets Under Management

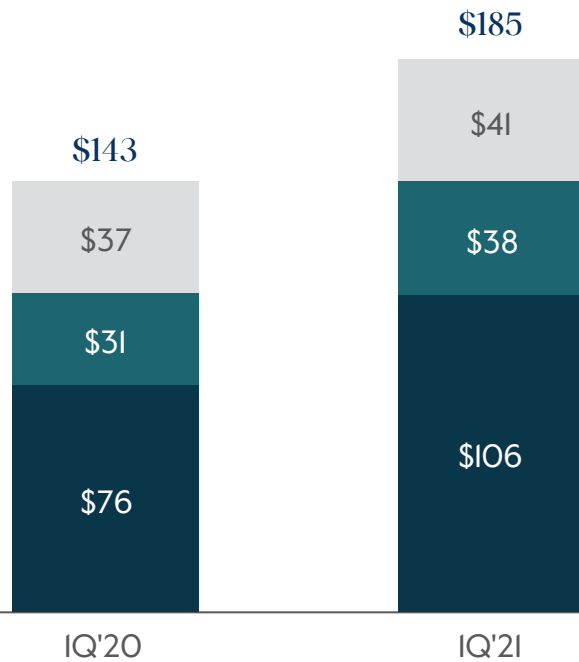
- Total Assets Under Management¹ rose to a record \$260 billion at March 31, 2021, increasing 6% from the prior quarter and 20% from one year ago, with the sequential increase in Q1 2021 largely attributable to strong appreciation across our carry fund portfolio
- Available Capital² of \$75 billion at March 31, 2021 is consistent with \$76 billion in the prior quarter, as active investment activity offset new capital raised for our carry funds



Fair Value of Investments

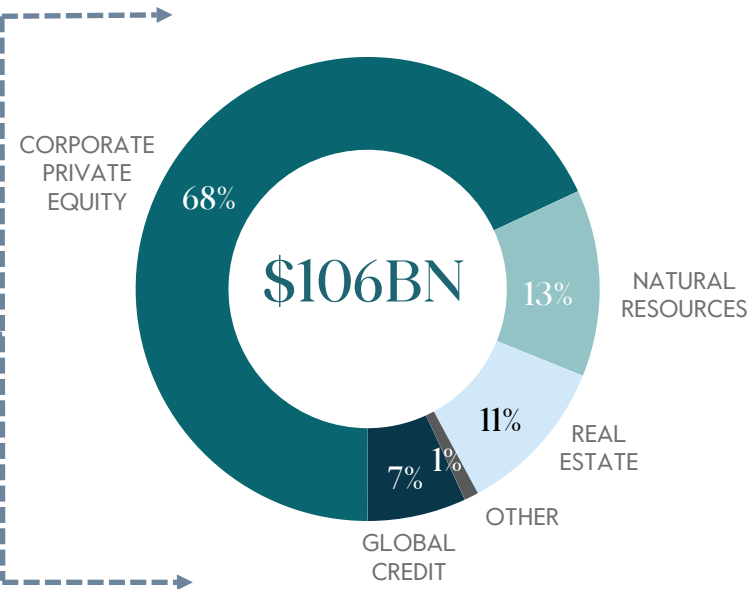
- Fair Value of Investments⁴ of \$185 billion at March 31, 2021 increased 9% from \$169 billion in the prior quarter, and is up 29% from one year ago
- Fair value in traditional carry funds of \$106 billion increased 11% from 4Q 2020 and is up 38% YoY. The in-carry ratio of 64% increased from 45% in Q4 2020 due to our seventh U.S. buyout fund, fourth Europe Buyout fund, and fourth Europe Technology fund moving into a carry position, as well as strong appreciation from other funds already in carry
- Fair value of our public portfolio comprised 19% of the traditional carry fund value at the end of Q1 2021, up from 15% in the prior quarter and from 8% one year ago

Fair Value of Investments
By Product Type (\$bn)³



Credit & Other (Non-Carry Fund)
 Investment Solutions Carry Funds
 Traditional Carry Funds (GPE/GC)

Traditional Carry Funds



In-Carry Ratio⁵

64%

Publicly Traded

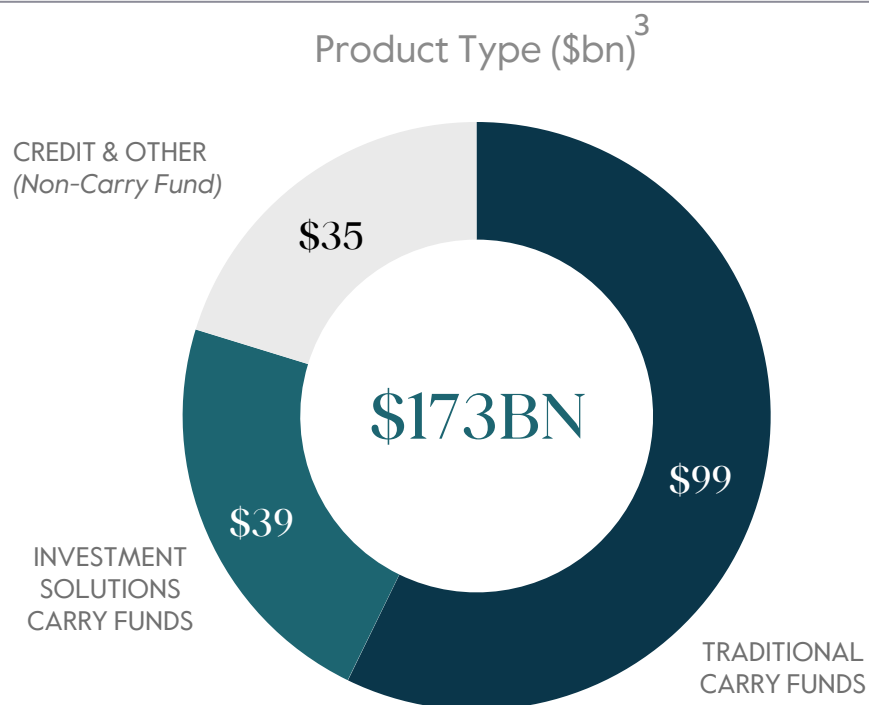
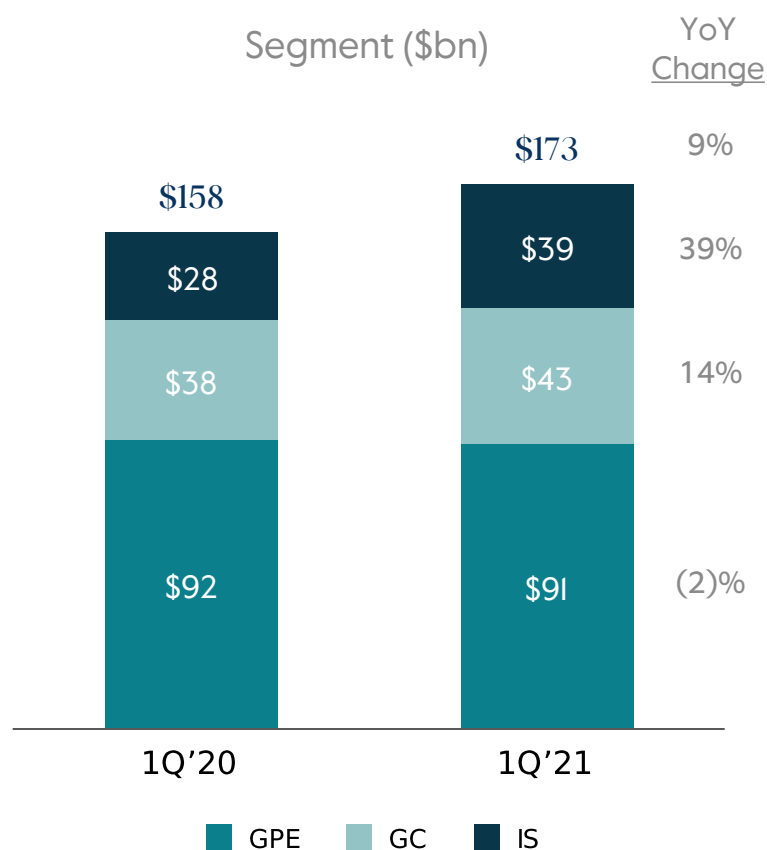
19%

Aged 4+ Years⁶

33%

Fee-earning Assets Under Management

- Fee-earning Assets Under Management⁷ rose to a record \$173 billion at the end of Q1 2021, increasing 2% from the prior quarter and 9% from one year ago, driven by strong fundraising activity in Global Credit (14% YoY) and Investment Solutions (39% YoY) partially offset by realization activity in Global Private Equity
- Pending Fee-earning AUM⁸ of \$12.7 billion as of March 31, 2021 is a decrease from \$13.4 billion in the prior quarter, largely due to the activation of previously raised mandates in Investment Solutions, partially offset by new Global Private Equity commitments that will earn fees as capital is deployed



Key Metrics Activity

- Fundraising was \$7.8 billion in Q1 2021 driven by strong CLO origination activity in Global Credit and broad based fundraising activity at AlInvest
- Invested Capital in carry funds was \$5.5 billion in Q1 2021, led by activity in Europe, Asia, U.S., and Japan Buyout, as well as AlInvest
- Realized Proceeds in carry funds was \$6.4 billion in Q1 2021, driven by exit activity in Europe, Asia, and U.S. Buyout, as well as AlInvest and Financial Services

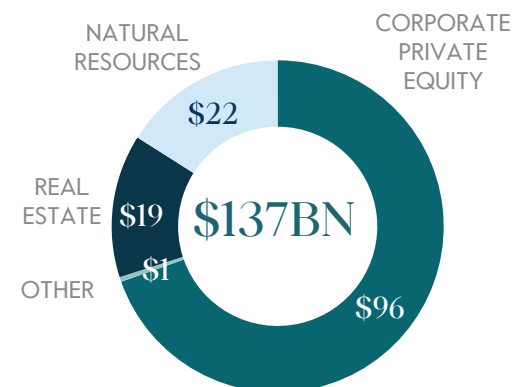
(\$bn)	FUNDRAISING		INVESTED CAPITAL <i>Carry Funds</i>		REALIZED PROCEEDS <i>Carry Funds</i>	
	1Q'21	LTM 1Q'21	1Q'21	LTM 1Q'21	1Q'21	LTM 1Q'21
Total	\$7.8	\$27.7	\$5.5	\$20.8	\$6.4	\$22.9
Global Private Equity ¹	\$1.4	\$3.3	\$4.3	\$13.8	\$4.0	\$13.4
Corporate Private Equity	\$0.5	\$0.6	\$3.2	\$10.0	\$3.2	\$9.4
Real Estate	\$0.6	\$1.7	\$0.4	\$2.1	\$0.3	\$2.2
Natural Resources	\$0.2	\$1.0	\$0.6	\$1.7	\$0.3	\$0.6
Global Credit	\$3.2	\$11.7	\$0.3	\$2.1	\$0.4	\$2.0
Investment Solutions	\$3.2	\$12.7	\$1.0	\$5.0	\$1.9	\$7.6

Segment Highlights

Global Private Equity

- **Fee Related Earnings** of \$94 million in Q1 2021 were up from an adjusted \$80 million in Q1 2020 (when excluding the impact of \$21 million in cost recovery in Q1 2020), primarily driven by lower general & administrative expenses and higher transaction fees, partially offset by lower management fees
- **Total AUM** of \$137 billion is up 4% since the prior quarter, as portfolio appreciation and new fundraising exceeded impact of realizations
- **Invested Capital** of \$4.3 billion in Q1 2021 and \$13.8 billion for the LTM. Notable Q1 2021 investments included Flender (CEP V/CAP V) and Acrotec (CEP V). We have announced or signed an additional \$1 billion of new or follow-on transactions expected to close in the coming quarters
- **Realized Proceeds** of \$4.0 billion in Q1 2021 was driven by exits in PA Consulting (CEP IV), PIB Group (CGFSP II) and various secondary stock sales amongst others, and was \$13.4 billion for the LTM
- **Realized Net Performance Revenues** of \$74 million in Q1 2021 were driven by exit activity in our second Financial Services fund (CGFSP II) and sixth U.S. Buyout fund (CP VI), as well as our third Japan Buyout fund (CJP III), which realized carry for the first time in Q1 2021. **Realized investment income** of \$24 million was primarily driven by our fourth Europe Buyout fund (CEP IV), as well as our fourth Asia Buyout fund (CAP IV) and our second Financial Services fund (CGFSP II)

TOTAL AUM



(Dollars in millions)

Fund management fees	
Transaction and portfolio advisory fees, net and other	
Fee Revenues	
Cash-based compensation and benefits	
General, administration and other indirect expenses	
Depreciation and amortization expense	
Operating Expenses	
(=) Fee Related Earnings	
(+) Realized Performance Revenues	
(-) Realized Performance Revenues Related Compensation	
Realized Net Performance Revenues	
(+) Realized Principal Investment Income (Loss)	
(-) Net Interest	
(=) Distributable Earnings	

	1Q'20	1Q'21
	\$ 268.7	\$ 260.2
	4.2	10.6
	\$ 272.9	\$ 270.8
	129.7	129.1
	37.2	41.4
	4.8	6.1
	\$ 171.7	\$ 176.6
	\$ 101.2	\$ 94.2
	65.2	134.1
	29.7	60.2
	35.5	73.9
	10.2	23.7
	12.1	13.6
	\$ 134.8	\$ 178.2

CARRY FUND APPRECIATION

IQ 2021 / LTM IQ'21

15% / 50%

CORPORATE PRIVATE EQUITY

4% / 13%

REAL ESTATE

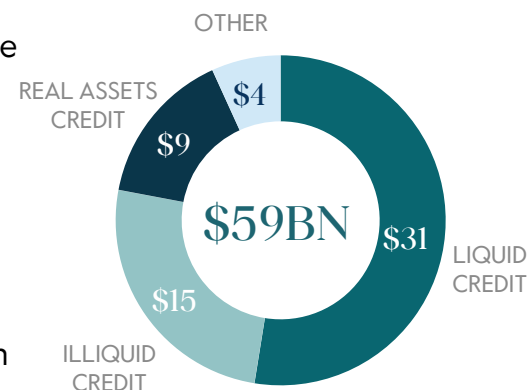
7% / 16%

NATURAL RESOURCES

Global Credit

- **Fee Related Earnings** of \$21 million in Q1 2021 increased more than 60% from an adjusted \$13 million in Q1 2020 (when excluding the impact of \$6 million in cost recovery in Q1 2020), driven by higher management fees and Global Capital Markets fees
- **Total AUM** of \$58.8 billion increased 20% from one year ago and 5% sequentially, with the increase in the quarter driven by incremental capital from new CLO issuance and fundraising in our second opportunistic credit fund
- **Fundraising** of \$3.2 billion in Q1 2021 included the closing of four CLOs as well as commitments raised in our second opportunistic credit fund and separately managed accounts (SMAs)
- **Invested Capital** from traditional carry funds was \$0.3 billion in Q1 2021 and \$2.1 billion over the LTM. In addition, we issued \$2.2 billion of new CLOs and originated \$0.5 billion in our Direct Lending business in Q1 2021

TOTAL AUM



(Dollars in millions)

Fund management fees	
Transaction and portfolio advisory fees, net and other	
Fee Revenues	
Cash-based compensation and benefits	
General, administration and other indirect expenses	
Depreciation and amortization expense	
Operating Expenses	
(=) Fee Related Earnings	
(+) Realized Performance Revenues	
(-) Realized Performance Revenues Related Compensation	
Realized Net Performance Revenues	
(+) Realized Principal Investment Income (Loss)	
(-) Net Interest	
(=) Distributable Earnings	

	1Q'20	1Q'21
	\$ 73.0	\$ 80.0
	2.6	8.8
	\$ 75.6	\$ 88.8
	49.1	53.7
	5.6	11.8
	1.6	1.9
	\$ 56.3	\$ 67.4
	\$ 19.3	\$ 21.4
	21.0	0.1
	9.7	—
	11.3	0.1
	5.1	5.9
	3.9	4.3
	\$ 31.8	\$ 23.1

CARRY FUND APPRECIATION

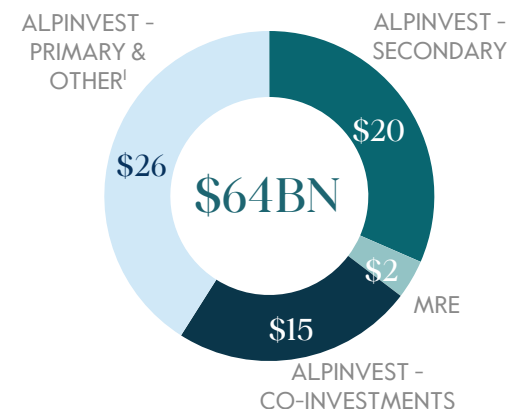
8%
IQ 2021

31%
LTM IQ'21

Investment Solutions

- **Fee Related Earnings** of \$13 million in Q1 2021 increased 160% from an adjusted \$5 million in Q1 2020 (excluding the impact of \$3 million in cost recovery in Q1 2020), primarily driven by the activation of management fees on Alpinvest's latest secondaries program
- **Total AUM** of \$64 billion increased 33% from one year ago due largely to fundraising of \$12.7 billion over the LTM period as well as fair value appreciation, partially offset by \$7.6 billion of realized proceeds
- **Fundraising** of \$3.2 billion in Q1 2021 was driven by capital raised for Alpinvest's latest coinvestment program, as well as closings in several separately managed accounts
- **Invested Capital** of \$1.0 billion in Q1 2021 and \$5.0 billion for the LTM
- **Realized Proceeds** of \$1.9 billion in Q1 2021 and \$7.6 billion for the LTM

TOTAL AUM



(Dollars in millions)

	1Q'20	1Q'21
Fund management fees	\$ 39.8	\$ 52.0
Transaction and portfolio advisory fees, net and other	—	0.3
Fee Revenues	\$ 39.8	\$ 52.3
Cash-based compensation and benefits	25.0	29.4
General, administration and other indirect expenses	5.5	8.4
Depreciation and amortization expense	1.0	1.1
Operating Expenses	\$ 31.5	\$ 38.9
(=) Fee Related Earnings	\$ 8.3	\$ 13.4
(+) Realized Performance Revenues	85.4	34.2
(-) Realized Performance Revenues Related Compensation	84.0	32.2
Realized Net Performance Revenues	1.4	2.0
(+) Realized Principal Investment Income (Loss)	0.6	0.4
(-) Net Interest	1.9	2.2
(=) Distributable Earnings	\$ 8.4	\$ 13.6

CARRY FUND APPRECIATION

14%
IQ 2021

24%
LTM IQ'21

Supplemental Details

Carlyle First Quarter 2021 Total Segment Results

(Dollars in millions, except per share amounts)

	1Q'20	2Q'20	3Q'20	4Q'20	1Q'21
SEGMENT REVENUES					
Fund management fees	\$ 381.5	\$ 386.4	\$ 389.1	\$ 402.2	\$ 392.2
Transaction and portfolio advisory fees, net and other	6.8	18.3	5.1	26.7	19.7
Total segment fee revenues	388.3	404.7	394.2	428.9	411.9
Realized performance revenues	171.6	152.2	86.8	175.5	168.4
Realized principal investment income	15.9	22.1	12.8	22.2	30.0
Interest income	5.3	3.2	2.7	3.1	2.2
Total Segment Revenues	\$ 581.1	\$ 582.2	\$ 496.5	\$ 629.7	\$ 612.5
SEGMENT EXPENSES					
Compensation and benefits					
Cash-based compensation and benefits	\$ 203.8	\$ 210.1	\$ 205.3	\$ 202.3	\$ 212.2
Realized performance revenues related compensation	123.4	81.3	46.9	88.2	92.4
Total compensation and benefits ¹	327.2	291.4	252.2	290.5	304.6
General, administrative and other expenses ²	48.3	58.1	62.0	73.0	61.6
Depreciation and amortization expense	7.4	9.2	8.2	8.7	9.1
Interest expense	23.2	25.1	22.3	20.6	22.3
Total Segment Expenses	\$ 406.1	\$ 383.8	\$ 344.7	\$ 392.8	\$ 397.6
Total Segment Revenues	581.1	582.2	496.5	629.7	612.5
Total Segment Expenses	406.1	383.8	344.7	392.8	397.6
(=) Distributable Earnings	\$ 175.0	\$ 198.4	\$ 151.8	\$ 236.9	\$ 214.9
(-) Realized Net Performance Revenues	48.2	70.9	39.9	87.3	76.0
(-) Realized Principal Investment Income	15.9	22.1	12.8	22.2	30.0
(+) Net Interest	17.9	21.9	19.6	17.5	20.1
(=) Fee Related Earnings	\$ 128.8	\$ 127.3	\$ 118.7	\$ 144.9	\$ 129.0
After-tax Distributable Earnings, per common share	\$ 0.48	\$ 0.53	\$ 0.40	\$ 0.64	\$ 0.58
Dividend per common share	\$ 0.25	\$ 0.25	\$ 0.25	\$ 0.25	\$ 0.25

Note: Historical and quarterly results by segment available in Q1 2021 financial supplement on Carlyle's investor relations website.

(1) Total Segment compensation and benefits exclude equity-based compensation, detailed below and as shown on page 29. These amounts include equity-based compensation reflected in (i) principal investment income and (ii) general, administration and other expense in our U.S. GAAP statement of operations, and excludes amounts related to shares issued in conjunction with a previous acquisition.

Equity-based compensation	\$ 31.7	\$ 34.6	\$ 21.1	\$ 29.2	\$ 34.9
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(2) General, administrative and other expenses in 1Q'20 include the positive impact of a \$30 million recovery of litigation costs (a contra expense). Excluding this, General, administrative and other expenses would have been \$78 million in 1Q'20.

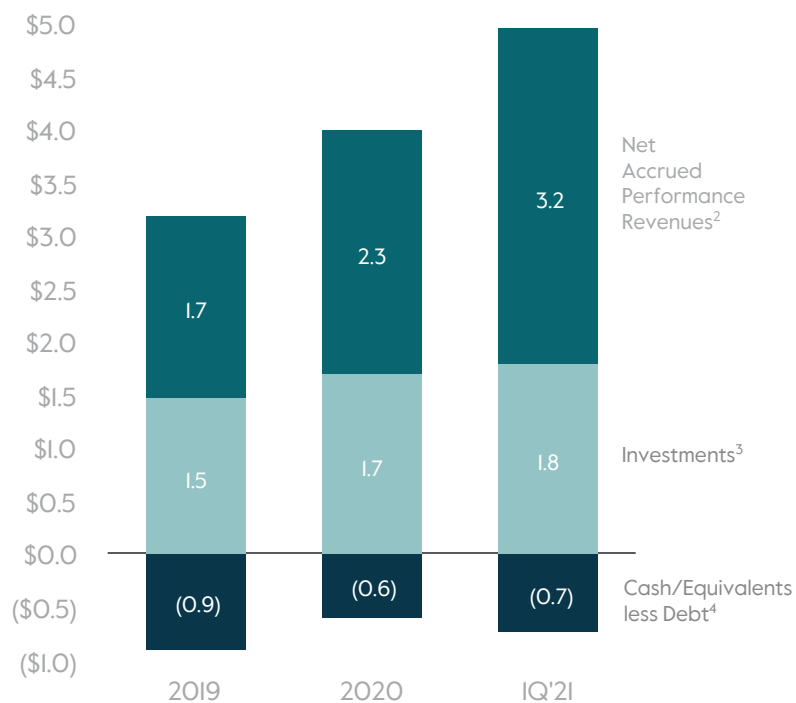
Total Segment Balance Sheet Highlights

- Balance sheet assets attributable to Carlyle shareholders (including net cash and equivalents, net accrued performance revenue and investments) totaled \$4.3 billion at March 31, 2021
- Balance sheet cash totaled \$0.9 billion as of March 31, 2021, with no balance drawn on our \$775 million revolving credit line

Key Balance Sheet Items ¹ (\$mn)	3/31/2021
Cash and Cash Equivalents	\$880.4
Net accrued performance revenues ² (net of related accrued compensation and accrued giveback)	\$3,164.6
Investments attributable to Carlyle shareholders ³	\$1,781.2
Debt obligations ⁴	\$1,617.5
Drawn revolving credit line (\$775 million remaining capacity)	\$0.0

- (1) Balance sheet amounts presented exclude the effect of U.S. GAAP consolidation eliminations on investments and accrued performance revenue, as well as cash and debt associated with Carlyle's consolidated funds.
- (2) Net accrued performance revenues as of March 31, 2021 are net of \$21 million in accrued giveback obligations and \$3.3 billion in accrued performance allocations and incentive fee compensation. See page 33 for a reconciliation to U.S. GAAP.
- (3) Investments exclude the equity investments by Carlyle in NGP Energy Capital Management and the portion of CLO investments attributable to Carlyle stockholders that were financed with debt. Refer to page 33 for a reconciliation to U.S. GAAP.
- (4) Excludes approximately \$323 million of loans used to finance CLO investments and \$520 million of lease liabilities.

KEY BALANCE SHEET ITEMS (\$BN)



AUM and Fee-earning AUM Roll Forward

Total AUM Roll Forward (Unaudited)

(\$mn)	Three Months Ended March 31, 2021			
	Global Private Equity	Global Credit	Investment Solutions ⁵	Total
Balance, Beginning of Period	\$ 131,780	\$ 55,881	\$ 58,108	\$ 245,769
Inflows ¹	1,397	3,198	3,198	7,793
Outflows (including realizations) ²	(4,780)	(975)	(2,101)	(7,856)
Market Activity & Other ³	10,056	1,092	6,042	17,190
Foreign Exchange ⁴	(1,002)	(359)	(1,691)	(3,052)
Balance, End of Period	\$ 137,451	\$ 58,837	\$ 63,556	\$ 259,844

Twelve Months Ended March 31, 2021			
Global Private Equity	Global Credit	Investment Solutions ⁵	Total
\$ 120,177	\$ 48,802	\$ 47,954	\$ 216,933
3,341	11,437	12,784	27,562
(12,514)	(4,628)	(8,267)	(25,409)
25,249	2,666	8,795	36,710
1,198	560	2,290	4,048
\$ 137,451	\$ 58,837	\$ 63,556	\$ 259,844

Fee-earning AUM Roll Forward (Unaudited)

(\$mn)	Three Months Ended March 31, 2021			
	Global Private Equity ¹⁰	Global Credit	Investment Solutions	Total
Balance, Beginning of Period	\$ 91,571	\$ 42,133	\$ 36,398	\$ 170,102
Inflows ⁶	636	2,694	4,629	7,959
Outflows (including realizations) ⁷	(983)	(1,321)	(1,270)	(3,574)
Market Activity & Other ⁸	96	122	290	508
Foreign Exchange ⁹	(761)	(342)	(760)	(1,863)
Balance, End of Period	\$ 90,559	\$ 43,286	\$ 39,287	\$ 173,132

Twelve Months Ended March 31, 2021			
Global Private Equity ¹⁰	Global Credit	Investment Solutions	Total
\$ 91,979	\$ 38,065	\$ 28,202	\$ 158,246
5,236	8,002	14,305	27,543
(7,445)	(4,329)	(4,274)	(16,048)
(74)	531	(444)	13
863	1,017	1,498	3,378
\$ 90,559	\$ 43,286	\$ 39,287	\$ 173,132

Global Private Equity Fund Performance

(Reported in Local Currency, mn)

Fund (Fee Initiation Date / Stepdown Date)	Committed Capital	Cumulative Invested Capital(1)	Percent Invested	TOTAL INVESTMENTS As of March 31, 2021						REALIZED/PARTIALLY REALIZED INVESTMENTS(5) As of March 31, 2021			
				Realized Value(2)	Remaining Fair Value(3)	MOIC (4)	Gross IRR (6)(12)	Net IRR (7)(12)	Net Accrued Carry/ (Clawback)(8)	Total Fair Value(9)	MOIC (4)	Gross IRR (6)(12)	
CORPORATE PRIVATE EQUITY													
CP VII (May 2018 / May 2024)	\$ 18,510	\$ 12,042	65%	\$ 530	\$ 13,866	1.2x	19%	9%	\$ 72	\$ 987	2.8x	66%	
CP VI (May 2013 / May 2018)	\$ 13,000	\$ 13,078	101%	\$ 8,786	\$ 19,695	2.2x	21%	16%	\$ 1,372	\$ 11,831	2.5x	28%	
CP V (Jun 2007 / May 2013)	\$ 13,720	\$ 13,238	96%	\$ 26,225	\$ 1,978	2.1x	18%	14%	\$ 183	\$ 26,870	2.5x	24%	
CEP V (Oct 2018 / Sep 2024)	€ 6,436	€ 2,617	41%	€ 12	€ 2,791	1.1x	NM	NM	\$ —	n/a	n/a	n/a	
CEP IV (Sep 2014 / Oct 2018)	€ 3,752	€ 3,753	100%	€ 2,816	€ 3,203	1.6x	16%	10%	\$ 220	€ 2,677	2.2x	27%	
CEP III (Jul 2007 / Dec 2012)	€ 5,295	€ 5,156	97%	€ 10,995	€ 563	2.2x	19%	14%	\$ 47	€ 11,458	2.5x	20%	
CEP II (Sep 2003 / Sep 2007)	€ 1,805	€ 2,048	113%	€ 4,113	€ 26	2.0x	36%	20%	\$ 3	€ 4,123	2.2x	43%	
CAP V (Jun 2018 / Jun 2024)	\$ 6,554	\$ 2,882	44%	\$ 280	\$ 3,801	1.4x	55%	28%	\$ 80	n/a	n/a	n/a	
CAP IV (Jul 2013 / Jun 2018)	\$ 3,880	\$ 4,044	104%	\$ 3,539	\$ 4,012	1.9x	19%	13%	\$ 308	\$ 4,536	3.2x	35%	
CAP III (Jun 2008 / Jul 2013)	\$ 2,552	\$ 2,543	100%	\$ 4,417	\$ 273	1.8x	17%	11%	\$ 28	\$ 4,417	2.1x	19%	
CJP IV (Oct 2020 / Oct 2026)	¥ 258,000	¥ 28,572	11%	¥ —	¥ 28,572	1.0x	NM	NM	\$ —	n/a	n/a	n/a	
CJP III (Sep 2013 / Aug 2020)	¥ 119,505	¥ 91,192	76%	¥ 94,734	¥ 76,979	1.9x	19%	12%	\$ 45	¥ 115,313	3.0x	33%	
CJP II (Oct 2006 / Jul 2013)	¥ 165,600	¥ 141,867	86%	¥ 205,301	¥ 1,080	1.5x	7%	3%	\$ —	¥ 203,831	1.5x	7%	
CGFSP III (Dec 2017 / Dec 2023)	\$ 1,005	\$ 870	87%	\$ 5	\$ 1,046	1.2x	22%	10%	\$ 10	n/a	n/a	n/a	
CGFSP II (Jun 2013 / Dec 2017)	\$ 1,000	\$ 943	94%	\$ 1,599	\$ 500	2.2x	26%	19%	\$ 36	\$ 1,599	2.3x	28%	
CEOF II (Nov 2015 / Mar 2020)	\$ 2,400	\$ 2,103	88%	\$ 398	\$ 2,342	1.3x	10%	6%	\$ —	\$ 390	1.5x	29%	
CEOF I (Sep 2011 / Nov 2015)	\$ 1,119	\$ 1,174	105%	\$ 1,505	\$ 274	1.5x	12%	8%	\$ 32	\$ 1,359	1.8x	23%	
CETP IV (Jul 2019 / Jul 2025)	€ 1,350	€ 667	49%	€ —	€ 792	1.2x	NM	NM	\$ 8	n/a	n/a	n/a	
CETP III (Jul 2014 / Jul 2019)	€ 657	€ 602	92%	€ 1,063	€ 592	2.7x	44%	31%	\$ 42	€ 1,064	4.5x	53%	
CGP II (Dec 2020 / Jan 2025)	\$ 1,840	\$ 175	10%	\$ —	\$ 175	1.0x	NM	NM	\$ —	n/a	n/a	n/a	
CGP (Jan 2015 / Mar 2021)	\$ 3,588	\$ 2,933	82%	\$ 317	\$ 3,155	1.2x	5%	4%	\$ —	n/a	n/a	n/a	
CAGP IV (Aug 2008 / Dec 2014)	\$ 1,041	\$ 954	92%	\$ 1,118	\$ 124	1.3x	7%	2%	\$ —	\$ 1,116	1.4x	8%	
All Other Active Funds & Vehicles(10)		\$ 16,883	n/a	\$ 16,372	\$ 10,761	1.6x	12%	10%	\$ 52	\$ 16,754	2.1x	17%	
Fully Realized Funds & Vehicles(11)		\$ 23,422	n/a	\$ 59,542	\$ —	2.5x	28%	21%	\$ 4	\$ 59,542	2.5x	28%	
TOTAL CORPORATE PRIVATE EQUITY(13)		\$ 117,091	n/a	\$ 149,672	\$ 72,327	1.9x	26%	18%	\$ 2,543	\$ 154,989	2.4x	27%	

Global Private Equity Fund Performance, continued

(Reported in Local Currency, mn)

Fund (Fee Initiation Date / Stepdown Date)	Committed Capital	Cumulative Invested Capital(1)	Percent Invested	TOTAL INVESTMENTS As of March 31, 2021						REALIZED/PARTIALLY REALIZED INVESTMENTS(5) As of March 31, 2021			
				Realized Value(2)	Remaining Fair Value(3)	MOIC (4)	Gross IRR (6)(12)	Net IRR (7)(12)	Net Accrued Carry/(Clawback)(8)	Total Fair Value(12)	MOIC (4)	Gross IRR (6)(12)	
REAL ESTATE													
CRP VIII (Aug 2017 / May 2022)	\$ 5,505	\$ 3,212	58%	\$ 828	\$ 3,225	1.3x	29%	11%	\$ 72	\$ 820	1.9x	57%	
CRP VII (Jun 2014 / Dec 2017)	\$ 4,162	\$ 3,787	91%	\$ 3,840	\$ 2,199	1.6x	19%	12%	\$ 98	\$ 3,710	1.8x	26%	
CRP VI (Mar 2011 / Jun 2014)	\$ 2,340	\$ 2,159	92%	\$ 3,629	\$ 269	1.8x	27%	18%	\$ 2	\$ 3,471	2.0x	32%	
CRP V (Nov 2006 / Mar 2011)	\$ 3,000	\$ 3,349	112%	\$ 5,106	\$ 796	1.8x	12%	9%	\$ 143	\$ 5,815	1.8x	13%	
CRP IV (Jan 2005 / Nov 2006)	\$ 950	\$ 1,216	128%	\$ 1,954	\$ 9	1.6x	7%	4%	\$ —	\$ 1,953	1.7x	7%	
CPI (May 2016 / n/a)	\$ 5,076	\$ 3,250	75%	\$ 683	\$ 3,389	1.3x	14%	13%	\$ 21	\$ 231	1.6x	NM	
CEREP III (Jun 2007 / May 2012)	€ 2,230	€ 2,053	92%	€ 2,414	€ 77	1.2x	4%	1%	\$ —	€ 2,443	1.2x	4%	
All Other Active Funds & Vehicles(14)		\$ 3,295	n/a	\$ 3,024	\$ 2,069	1.5x	10%	8%	\$ 8	\$ 2,762	1.7x	11%	
Fully Realized Funds & Vehicles(15)		\$ 5,212	n/a	\$ 6,900	\$ 2	1.3x	13%	6%	\$ —	\$ 6,903	1.3x	13%	
TOTAL REAL ESTATE(13)		\$ 27,893	n/a	\$ 28,802	\$ 12,049	1.5x	12%	7%	\$ 345	\$ 28,534	1.6x	12%	
NATURAL RESOURCES													
CIEP II (Apr 2019 / Apr 2025)	\$ 2,286	\$ 841	37%	\$ 7	\$ 817	1.0x	NM	NM	\$ —	n/a	n/a	n/a	
CIEP I (Sep 2013 / Jun 2019)	\$ 2,500	\$ 2,334	93%	\$ 918	\$ 2,330	1.4x	14%	7%	\$ —	\$ 1,425	2.1x	23%	
CPP II (Sep 2014 / Apr 2021)	\$ 1,527	\$ 1,229	81%	\$ 324	\$ 1,310	1.3x	11%	6%	\$ —	n/a	n/a	n/a	
CGIOF (Dec 2018 / Sep 2023)	\$ 2,201	\$ 544	25%	\$ 84	\$ 386	0.9x	NM	NM	\$ —	\$ 34	2.3x	NM	
NGP XII (Jul 2017 / Jul 2022)	\$ 4,278	\$ 2,238	52%	\$ 34	\$ 2,428	1.1x	NM	NM	\$ —	n/a	n/a	n/a	
NGP XI (Oct 2014 / Jul 2017)	\$ 5,325	\$ 4,954	93%	\$ 1,795	\$ 3,882	1.1x	4%	2%	\$ —	\$ 1,843	1.2x	33%	
NGP X (Jan 2012 / Dec 2014)	\$ 3,586	\$ 3,346	93%	\$ 3,036	\$ 458	1.0x	1%	Neg	\$ —	\$ 2,926	1.3x	9%	
All Other Active Funds & Vehicles(17)		\$ 3,004	n/a	\$ 1,245	\$ 2,574	1.3x	11%	8%	\$ 6	\$ 1,463	2.1x	26%	
Fully Realized Funds & Vehicles(18)		\$ 1,190	n/a	\$ 1,435	\$ 1	1.2x	3%	1%	\$ —	\$ 1,436	1.2x	3%	
TOTAL NATURAL RESOURCES(13)		\$ 19,680	n/a	\$ 8,878	\$ 14,184	1.2x	6%	2%	\$ 6	\$ 37,660	1.6x	11%	
Legacy Energy Funds(16)		\$ 16,741	n/a	\$ 23,526	\$ 589	1.4x	12%	6%	\$ (4)	\$ 23,549	1.5x	14%	

Global Credit Fund Performance (Carry Funds Only)

(\$ mn)

Fund (Fee Initiation Date / Stepdown Date)	Committed Capital	Cumulative Invested Capital(19)	Percent Invested	TOTAL INVESTMENTS As of March 31, 2021						
				Realized Value(2)	Remaining Fair Value(3)	MOIC (4)	Gross IRR (6)(12)	Net IRR (7)(12)	Net Accrued Carry/(Clawback)(8)	
GLOBAL CREDIT CARRY FUNDS										
CSP IV (Apr 2016 / Dec 2020)	\$ 2,500	\$ 1,947	78%	\$ 866	\$ 1,441	1.2x	16%	5%	\$ —	
CSP III (Dec 2011 / Aug 2015)	\$ 703	\$ 706	100%	\$ 847	\$ 166	1.4x	20%	10%	\$ (1)	
CSP II (Dec 2007 / Jun 2011)	\$ 1,352	\$ 1,352	100%	\$ 2,431	\$ 62	1.8x	17%	11%	\$ 7	
CCOF II (Nov 2020 / Oct 2025)	\$ 2,197	\$ 90	4%	\$ —	\$ 100	1.1x	NM	NM	\$ —	
CCOF I (Nov 2017 / Sep 2022)	\$ 2,373	\$ 2,850	120%	\$ 1,109	\$ 2,252	1.2x	22%	15%	\$ 40	
CEMOF II (Dec 2015 / Jun 2019)	\$ 2,819	\$ 1,697	60%	\$ 746	\$ 1,109	1.1x	4%	Neg	\$ —	
CEMOF I (Dec 2010 / Dec 2015)	\$ 1,383	\$ 1,606	116%	\$ 891	\$ 155	0.7x	Neg	Neg	\$ —	
CSC (Mar 2017/ n/a)	\$ 838	\$ 1,303	155%	\$ 759	\$ 749	1.2x	14%	10%	\$ 19	
All Other Active Funds & Vehicles(20)		\$ 3,356	n/a	\$ 2,893	\$ 962	1.1x	7%	2%	\$ 18	
Fully Realized Funds & Vehicles(21)		\$ 1,447	n/a	\$ 1,988	\$ —	1.4x	12%	7%	\$ —	
TOTAL GLOBAL CREDIT CARRY FUNDS		\$ 16,354	n/a	\$ 12,530	\$ 6,996	1.2x	10%	4%	\$ 83	

Investment Solutions Fund Performance

(Reported in Local Currency, mn)

INVESTMENT SOLUTIONS(22)(27)	Vintage Year	Fund Size	TOTAL INVESTMENTS As of March 31, 2021									
			Cumulative Invested Capital (1)(24)	Realized Value (24)	Remaining Fair Value(24)	Total Fair Value(9)(24)	MOIC(4)	Gross IRR (12)(25)	Net IRR (12)(28)	Net Accrued Carry/(Clawback)(8)		
AlpInvest(23)												
Main Fund VI - Fund Investments	2015	€ 1,106	€ 970	€ 521	€ 1,166	€ 1,687	1.7x	25%	23%	\$	2	
Main Fund V - Fund Investments	2012	€ 5,080	€ 5,366	€ 4,369	€ 5,612	€ 9,981	1.9x	19%	18%	\$	16	
Main Fund IV - Fund Investments	2009	€ 4,877	€ 5,424	€ 7,391	€ 3,553	€ 10,944	2.0x	18%	17%	\$	2	
Main Fund III - Fund Investments	2005	€ 11,500	€ 12,833	€ 19,442	€ 2,367	€ 21,809	1.7x	10%	10%	\$	—	
Main Fund II - Fund Investments	2003	€ 4,545	€ 4,806	€ 7,460	€ 274	€ 7,734	1.6x	10%	9%	\$	—	
Main Fund I - Fund Investments	2000	€ 5,175	€ 4,218	€ 6,908	€ 56	€ 6,964	1.7x	12%	11%	\$	—	
Main Fund VII - Secondary Investments	2020	\$ 8,141	\$ 1,191	\$ 10	\$ 1,374	\$ 1,384	1.2x	NM	NM	\$	6	
AlpInvest Secondaries Fund VII	2020	\$ 6,769	\$ 842	\$ 7	\$ 973	\$ 980	1.2x	NM	NM	\$	4	
Main Fund VI - Secondary Investments	2017	\$ 6,017	\$ 4,749	\$ 1,259	\$ 4,870	\$ 6,129	1.3x	14%	12%	\$	33	
AlpInvest Secondaries Fund VI	2017	\$ 3,333	\$ 2,613	\$ 655	\$ 2,660	\$ 3,315	1.3x	13%	10%	\$	21	
Main Fund V - Secondary Investments	2011	€ 4,273	€ 4,159	€ 5,535	€ 1,518	€ 7,053	1.7x	20%	19%	\$	28	
AlpInvest Secondaries Fund V	2012	\$ 756	\$ 649	\$ 725	\$ 281	\$ 1,005	1.5x	16%	13%	\$	11	
Main Fund IV - Secondary Investments	2010	€ 1,859	€ 1,934	€ 3,197	€ 119	€ 3,316	1.7x	19%	18%	\$	—	
Main Fund III - Secondary Investments	2006	€ 2,250	€ 2,343	€ 3,545	€ 59	€ 3,604	1.5x	11%	10%	\$	—	
Main Fund II - Secondary Investments	2003	€ 998	€ 999	€ 1,821	€ 8	€ 1,830	1.8x	27%	26%	\$	—	
Main Fund VII - Co-Investments	2017	\$ 2,842	\$ 2,332	\$ 64	\$ 3,373	\$ 3,437	1.5x	22%	18%	\$	36	
AlpInvest Co-Investment Fund VII	2017	\$ 1,688	\$ 1,419	\$ 30	\$ 2,098	\$ 2,128	1.5x	22%	18%	\$	25	
Main Fund VI - Co-Investments	2014	€ 1,115	€ 935	€ 1,345	€ 1,008	€ 2,353	2.5x	28%	26%	\$	12	
Main Fund V - Co-Investments	2012	€ 1,124	€ 1,037	€ 2,178	€ 695	€ 2,873	2.8x	29%	27%	\$	6	
Main Fund IV - Co-Investments	2010	€ 1,475	€ 1,339	€ 3,242	€ 565	€ 3,808	2.8x	24%	22%	\$	—	
Main Fund III - Co-Investments	2006	€ 2,760	€ 2,755	€ 3,673	€ 434	€ 4,107	1.5x	6%	5%	\$	—	
Main Fund III - Mezzanine Investments	2006	€ 2,000	€ 1,964	€ 2,510	€ 170	€ 2,680	1.4x	10%	9%	\$	—	
Main Fund II - Mezzanine Investments	2004	€ 700	€ 752	€ 1,036	€ 9	€ 1,045	1.4x	8%	7%	\$	—	
All Other Active Funds & Vehicles (26)	Various	€	€ 6,132	€ 2,437	€ 5,666	€ 8,103	1.3x	10%	8%	\$	49	
Fully Realized Funds & Vehicles	Various	€	€ 2,136	€ 4,824	€ 2	€ 4,826	2.3x	35%	32%	\$	—	
TOTAL ALPINVEST (USD)(13)		\$	\$ 77,822	\$ 96,601	\$ 35,983	\$ 132,584	1.7x	14%	13%	\$	191	
Metropolitan Real Estate												
MRE Secondaries Fund II	2017	\$ 1,092	\$ 401	\$ 90	\$ 345	\$ 434	1.1x	7%	Neg	\$	0	
All Other Active Funds & Vehicles	Various	\$	\$ 2,880	\$ 2,829	\$ 791	\$ 3,620	1.3x	6%	4%	\$	1	
Fully Realized Funds & Vehicles	Various	\$	\$ 597	\$ 721	\$ —	\$ 722	1.2x	4%	2%	\$	—	
TOTAL METROPOLITAN REAL ESTATE		\$	\$ 3,877	\$ 3,640	\$ 1,136	\$ 4,776	1.2x	6%	3%	\$	1	

Note: Entries for AlpInvest Secondaries Fund VII, AlpInvest Secondaries Fund VI, AlpInvest Secondaries Fund V and AlpInvest Co-Investments Fund VII reflect the commingled fund vehicle as a breakout of the Main Fund line above, which also includes related SMA vehicles. Figures and performance for these commingled fund breakouts are included in, and are not incremental to, the Main Fund figures. Commingled funds are shown to the extent they meet the significant size thresholds for disclosing individual carry funds across our platform.

Reconciliations & Disclosures

Reconciliation for Distributable Earnings Per Share (Unaudited)

(Dollars in millions,
except per share data and where noted)

	1Q'20	2Q'20	3Q'20	4Q'20	1Q'21	QoQ	YoY
FEE RELATED EARNINGS	\$ 128.8	\$ 127.3	\$ 118.7	\$ 144.9	\$ 129.0	(11)%	—%
DISTRIBUTABLE EARNINGS	\$ 175.0	\$ 198.4	\$ 151.8	\$ 236.9	\$ 214.9	(9)%	23%
DISTRIBUTABLE EARNINGS, TAX AND PER SHARE INFORMATION							
Distributable Earnings	\$ 175.0	\$ 198.4	\$ 151.8	\$ 236.9	\$ 214.9		
Less: Estimated current corporate, foreign, state and local taxes ¹	7.7	10.7	10.7	10.7	9.8		
DISTRIBUTABLE EARNINGS, NET attributable to common stockholders	\$ 167.3	\$ 187.7	\$ 141.1	\$ 226.2	\$ 205.1		
DISTRIBUTABLE EARNINGS, NET per common share outstanding	\$ 0.48	\$ 0.53	\$ 0.40	\$ 0.64	\$ 0.58		
Dividend per common share*	\$ 0.25	\$ 0.25	\$ 0.25	\$ 0.25	\$ 0.25		
TOTAL OUTSTANDING SHARES (in millions)	348.4	348.7	353.3	353.5	354.5		
Shares eligible for dividend (in millions)**	348.7	353.3	353.5	354.8	354.7		

* Our dividend policy as a Corporation is to pay dividends in an initial amount of \$0.25 per share of common stock (\$1.00 annually). See Notes at the end of the document for our Dividend Policy.

** Shares eligible for dividend include 0.2 million common shares that will be issued in May 2021 in connection with the vesting of restricted stock units. For purposes of this calculation, these common shares have been added to the common shares outstanding as of March 31, 2021 because they will participate in the dividend paid on common shares in May 2021.

Reconciliation of GAAP to Total Segment Information

(Dollars in millions)

	1Q'20	2Q'20	3Q'20	4Q'20	1Q'21	FY'19	FY'20
INCOME (LOSS) BEFORE PROVISION FOR INCOME TAXES	\$ (789.0)	\$ 256.8	\$ 415.1	\$ 697.1	\$ 1,164.3	\$ 1,233.4	\$ 580.0
Adjustments:							
Net unrealized performance revenues	528.9	(587.4)	(180.3)	(359.9)	(846.4)	(42.3)	(598.7)
Unrealized principal investment (income) loss ¹	264.7	459.5	(81.0)	(87.0)	(131.3)	(590.9)	556.2
Adjusted unrealized principal investment (income) loss from Fortitude Re	22.8	81.6	—	—	—	(140.9)	104.4
Equity-based compensation ²	31.7	34.6	21.1	29.2	34.9	151.5	116.6
Acquisition or disposition related charges, including amortization of intangibles	3.0	7.1	18.5	9.5	19.0	52.0	38.1
Tax (expense) benefit associated with certain foreign performance revenues	11.2	0.7	(7.8)	(12.0)	(6.0)	(14.3)	(7.9)
Net (income) loss attributable to non-controlling interests in consolidated entities	97.0	(58.6)	(37.2)	(35.8)	(21.6)	(36.6)	(34.6)
Debt extinguishment costs	—	—	—	—	—	0.1	—
Other adjustments, including severance and Conversion costs in 2019 and 2020	4.7	4.1	3.4	(4.2)	2.0	34.6	8.0
DISTRIBUTABLE EARNINGS	\$ 175.0	\$ 198.4	\$ 151.8	\$ 236.9	\$ 214.9	\$ 646.6	\$ 762.1
Realized net performance revenues	48.2	70.9	39.9	87.3	76.0	164.1	246.3
Realized principal investment income	15.9	22.1	12.8	22.2	30.0	87.0	73.0
Net interest	17.9	21.9	19.6	17.5	20.1	57.3	76.9
FEE RELATED EARNINGS	\$ 128.8	\$ 127.3	\$ 118.7	\$ 144.9	\$ 129.0	\$ 452.8	\$ 519.7

(1) The U.S. GAAP results for 2Q'20 include a loss in principal investment income (loss) of \$(621) million related to the closing of the transaction in which a Carlyle-affiliated investment fund purchased additional interests in Fortitude from AIG. The loss was driven by the contribution of our existing 19.9% investment in Fortitude into the fund, and the subsequent accounting for our investment which is based on the net asset value of our limited partnership interest in the fund rather than a direct investment in Fortitude.

(2) Equity-based compensation includes amounts reflected in principal investment income and general, administrative and other expense in our U.S. GAAP statement of operations, as well as amounts related to shares issued in conjunction with a previous acquisition and amounts related.

Reconciliation of GAAP to Total Segment Information, continued

<i>(Dollars in millions)</i>	Total Reportable Segments		Consolidated Funds		Reconciling Items		Carlyle Consolidated ¹	
Three Months Ended March 31, 2020								
Revenues	\$	581.1	\$	53.0	\$	(1,379.8)	\$	(745.7) ²
Expenses	\$	406.1	\$	53.8	\$	(529.7)	\$	(69.8) ²
Other income (loss)	\$	—	\$	(113.1)	\$	—	\$	(113.1) ³
Distributable Earnings	\$	175.0	\$	(113.9)	\$	(850.1)	\$	(789.0) ⁴
Three Months Ended June 30, 2020								
Revenues	\$	582.2	\$	55.2	\$	493.6	\$	1,131.0 ²
Expenses	\$	383.8	\$	47.1	\$	493.6	\$	924.5 ²
Other income (loss)	\$	—	\$	50.3	\$	—	\$	50.3 ³
Distributable Earnings	\$	198.4	\$	58.4	\$	—	\$	256.8 ⁴
Three Months Ended September 30, 2020								
Revenues	\$	496.5	\$	56.3	\$	481.8	\$	1,034.6 ²
Expenses	\$	344.7	\$	47.9	\$	250.8	\$	643.4 ²
Other income (loss)	\$	—	\$	23.9	\$	—	\$	23.9 ³
Distributable Earnings	\$	151.8	\$	32.3	\$	231.0	\$	415.1 ⁴
Three Months Ended December 31, 2020								
Revenues	\$	629.7	\$	62.3	\$	822.7	\$	1,514.7 ²
Expenses	\$	392.8	\$	57.4	\$	385.0	\$	835.2 ²
Other income (loss)	\$	—	\$	17.6	\$	—	\$	17.6 ³
Distributable Earnings	\$	236.9	\$	22.5	\$	437.7	\$	697.1 ⁴
Three Months Ended March 31, 2021								
Revenues	\$	612.5	\$	61.1	\$	1,763.6	\$	2,437.2 ²
Expenses	\$	397.6	\$	56.5	\$	831.1	\$	1,285.2 ²
Other income (loss)	\$	—	\$	12.3	\$	—	\$	12.3 ³
Distributable Earnings	\$	214.9	\$	16.9	\$	932.5	\$	1,164.3 ⁴
Year Ended December 31, 2019								
Revenues	\$	2,110.1	\$	199.2	\$	1,067.7	\$	3,377.0 ²
Expenses	\$	1,463.5	\$	165.6	\$	490.6	\$	2,119.7 ²
Other income (loss)	\$	—	\$	(23.9)	\$	—	\$	(23.9) ³
Distributable Earnings	\$	646.6	\$	9.7	\$	577.1	\$	1,233.4 ⁴
Year Ended December 31, 2020								
Revenues	\$	2,289.5	\$	226.8	\$	418.3	\$	2,934.6 ²
Expenses	\$	1,527.4	\$	206.2	\$	599.7	\$	2,333.3 ²
Other income (loss)	\$	—	\$	(21.3)	\$	—	\$	(21.3) ³
Distributable Earnings	\$	762.1	\$	(0.7)	\$	(181.4)	\$	580.0 ⁴

(1) The Distributable Earnings in the Carlyle Consolidated column is income before provision for income taxes, which is the GAAP measure that is most directly comparable to Distributable Earnings.

(2) See detailed breakdown of revenue and expense adjustments on page 32.

(3) The Other Income (Loss) adjustment results from the Consolidated Funds which were eliminated in consolidation to arrive at Carlyle's total Other Income (Loss).

(4) See the reconciliation for Distributable Earnings and Fee Related Earnings on page 29.

Reconciliation of GAAP to Total Segment Information, continued

<i>(Dollars in millions)</i>	Carlyle Consolidated	Reconciling Items ¹	Total Reportable Segments	Carlyle Consolidated	Reconciling Items ¹	Total Reportable Segments
	Three Months Ended March 31, 2020			Year Ended December 31, 2019		
Performance revenues	\$ (937.6)	\$ 1,109.2	\$ 171.6	\$ 799.1	\$ (424.8)	\$ 374.3
Performance revenues related compensation expense	\$ (442.5)	\$ 565.9	\$ 123.4	\$ 436.7	\$ (226.5)	\$ 210.2
Net performance revenues	\$ (495.1)	\$ 543.3	\$ 48.2	\$ 362.4	\$ (198.3)	\$ 164.1
Principal investment income (loss)	\$ (253.3)	\$ 269.2	\$ 15.9	\$ 769.3	\$ (682.3)	\$ 87.0
	Three Months Ended June 30, 2020			Year Ended December 31, 2020		
Performance revenues	\$ 1,191.8	\$ (1,039.6)	\$ 152.2	\$ 1,635.9	\$ (1,049.8)	\$ 586.1
Performance revenues related compensation expense	\$ 535.6	\$ (454.3)	\$ 81.3	\$ 779.1	\$ (439.3)	\$ 339.8
Net performance revenues	\$ 656.2	\$ (585.3)	\$ 70.9	\$ 856.8	\$ (610.5)	\$ 246.3
Principal investment income (loss)	\$ (512.6)	\$ 534.7	\$ 22.1	\$ (540.7)	\$ 613.7	\$ 73.0
	Three Months Ended September 30, 2020					
Performance revenues	\$ 477.4	\$ (390.6)	\$ 86.8			
Performance revenues related compensation expense	\$ 250.6	\$ (203.7)	\$ 46.9			
Net performance revenues	\$ 226.8	\$ (186.9)	\$ 39.9			
Principal investment income (loss)	\$ 106.7	\$ (93.9)	\$ 12.8			
	Three Months Ended December 31, 2020					
Performance revenues	\$ 904.3	\$ (728.8)	\$ 175.5			
Performance revenues related compensation expense	\$ 435.4	\$ (347.2)	\$ 88.2			
Net performance revenues	\$ 468.9	\$ (381.6)	\$ 87.3			
Principal investment income (loss)	\$ 118.5	\$ (96.3)	\$ 22.2			
	Three Months Ended March 31, 2021					
Performance revenues	\$ 1,786.1	\$ (1,617.7)	\$ 168.4			
Performance revenues related compensation expense	\$ 866.6	\$ (774.2)	\$ 92.4			
Net performance revenues	\$ 919.5	\$ (843.5)	\$ 76.0			
Principal investment income (loss)	\$ 179.1	\$ (149.1)	\$ 30.0			

Reconciliation of GAAP to Total Segment Information, continued

(Dollars in millions)

	1Q'20	2Q'20	3Q'20	4Q'20	1Q'21	FY'19	FY'20
REVENUE RECONCILING ITEMS							
Unrealized performance revenues	\$ (1,109.0)	\$ 1,037.1	\$ 387.6	\$ 715.3	\$ 1,621.8	\$ 267.8	\$ 1,031.0
Unrealized principal investment income (loss)	(264.7)	(459.5)	81.0	87.0	131.3	590.9	(556.2)
Adjusted unrealized principal investment income (loss) from Fortitude Re	(22.8)	(81.6)	—	—	—	140.9	(104.4)
Adjustments related to expenses associated with NGP Management and its affiliates	(3.9)	(3.9)	(4.0)	(3.5)	(3.6)	(16.2)	(15.3)
Tax expense (benefit) associated with certain performance revenues	—	0.1	(0.1)	0.5	(0.1)	0.3	0.5
Non-Carlyle economic interests in acquired businesses and other adjustments to present certain costs on a net basis	(77.7)	56.8	57.6	59.9	45.3	117.5	96.6
Elimination of revenues of Consolidated Funds	98.3	(55.4)	(40.3)	(36.5)	(31.1)	(33.5)	(33.9)
Total Revenue Reconciling Items	\$ (1,379.8)	\$ 493.6	\$ 481.8	\$ 822.7	\$ 1,763.6	\$ 1,067.7	\$ 418.3
EXPENSE RECONCILING ITEMS							
Unrealized performance revenues related compensation	\$ (580.1)	\$ 449.7	\$ 207.2	\$ 355.5	\$ 775.3	\$ 225.5	\$ 432.3
Equity-based compensation	31.7	34.6	21.1	29.2	34.9	151.5	116.6
Acquisition or disposition related charges (credits), including amortization of intangibles	3.0	7.1	18.5	9.5	19.0	52.0	38.1
Other non-operating expense (income)	0.2	0.5	0.6	(8.5)	—	1.3	(7.2)
Tax (expense) benefit associated with certain foreign performance revenues related compensation	11.2	0.7	(7.8)	(12.5)	(5.9)	(14.3)	(8.4)
Non-Carlyle economic interests in acquired businesses and other adjustments to present certain costs on a net basis	8.0	5.2	19.2	23.4	19.9	75.0	55.8
Debt extinguishment costs	—	—	—	—	—	0.1	—
Other, including severance and Conversion costs in 2020	4.5	3.6	2.8	4.3	2.0	33.3	15.2
Elimination of expenses of Consolidated Funds	(8.2)	(7.8)	(10.8)	(15.9)	(14.1)	(33.8)	(42.7)
Total Expense Reconciling Items	\$ (529.7)	\$ 493.6	\$ 250.8	\$ 385.0	\$ 831.1	\$ 490.6	\$ 599.7

Reconciliation for Total Segment Information, continued

RECONCILIATION OF TOTAL INVESTMENTS ATTRIBUTABLE TO THE CARLYLE GROUP INC.

(Dollars in millions)

	03/31/21
INVESTMENTS, EXCLUDING PERFORMANCE ALLOCATIONS	\$ 2,512.5
Less: Amounts attributable to non-controlling interests in Consolidated Funds	(224.9)
Plus: Investments in Consolidated Funds, eliminated in consolidation	174.6
Less: Strategic equity method investments in NGP Management ¹	(374.1)
TOTAL INVESTMENTS ATTRIBUTABLE TO THE CARLYLE GROUP INC.	2,088.1
Less: CLO loans and other borrowings attributable to The Carlyle Group Inc. ²	(306.9)
TOTAL INVESTMENTS ATTRIBUTABLE TO THE CARLYLE GROUP INC., NET OF CLO LOANS AND OTHER BORROWINGS	\$ 1,781.2

RECONCILIATION OF ACCRUED PERFORMANCE ALLOCATIONS

(Dollars in millions)

	03/31/21
ACCRUED PERFORMANCE ALLOCATIONS, NET OF ACCRUED GIVEBACK OBLIGATIONS	\$ 6,511.4
Less: Accrued performance allocation-related expense	(3,271.1)
Less: Deferred taxes on certain foreign accrued performance allocations	(59.0)
Less: Net accrued performance allocations attributable to non-controlling interests in consolidated entities	(10.1)
NET ACCRUED PERFORMANCE REVENUES BEFORE TIMING DIFFERENCES	3,171.2
Plus: Timing differences between the period when accrued performance allocations are realized and the period they are collected/distributed	(6.6)
NET ACCRUED PERFORMANCE REVENUES ATTRIBUTABLE TO THE CARLYLE GROUP INC.	\$ 3,164.6

(1) The Company has equity interests in NGP Management Company, L.L.C. ("NGP Management"), the general partners of certain carry funds advised by NGP, and principal investments in certain NGP funds. These equity interests are accounted for as investments under the equity method of accounting. Total investments attributable to The Carlyle Group Inc. excludes the strategic equity method investment in NGP Management and investments in the general partners of certain NGP carry funds.

(2) Of the \$325.7 million in CLO loans as of March 31, 2021, \$306.9 million are collateralized by investments attributable to The Carlyle Group Inc.

GAAP Statement of Operations (Unaudited)

(Dollars in millions, except per share amounts)

	1Q'20	2Q'20	3Q'20	4Q'20	1Q'21	FY'19	FY'20
REVENUES							
Fund management fees	\$ 355.9	\$ 371.8	\$ 363.8	\$ 394.5	\$ 381.0	\$ 1,476.2	\$ 1,486.0
Incentive fees	8.9	9.0	9.1	10.0	9.5	35.9	37.0
Investment income (loss)							
Performance allocations	(937.6)	1,191.8	477.4	904.3	1,786.1	799.1	1,635.9
Principal investment income (loss)	(253.3)	(512.6)	106.7	118.5	179.1	769.3	(540.7)
Total investment income (loss)	(1,190.9)	679.2	584.1	1,022.8	1,965.2	1,568.4	1,095.2
Interest and other income	27.4	15.8	21.3	25.1	20.4	97.3	89.6
Interest and other income of Consolidated Funds	53.0	55.2	56.3	62.3	61.1	199.2	226.8
Total Revenues	(745.7)	1,131.0	1,034.6	1,514.7	2,437.2	3,377.0	2,934.6
EXPENSES							
Compensation and benefits							
Cash-based compensation and benefits	204.3	212.5	222.2	210.6	228.5	833.4	849.6
Equity-based compensation	29.1	30.5	18.7	26.7	32.4	140.0	105.0
Performance allocations and incentive fee related compensation	(442.5)	535.6	250.6	435.4	866.6	436.7	779.1
Total compensation and benefits	(209.1)	778.6	491.5	672.7	1,127.5	1,410.1	1,733.7
General, administrative and other expenses	69.6	80.2	91.1	108.4	91.7	494.4	349.3
Interest	23.9	25.9	23.0	21.2	23.0	82.1	94.0
Interest and other expenses of Consolidated Funds	45.6	39.3	37.2	41.4	42.4	131.8	163.5
Other non-operating expenses	0.2	0.5	0.6	(8.5)	0.6	1.3	(7.2)
Total Expenses	(69.8)	924.5	643.4	835.2	1,285.2	2,119.7	2,333.3
Net investment gains (losses) of consolidated funds	(113.1)	50.3	23.9	17.6	12.3	(23.9)	(21.3)
Income (loss) before provision for income taxes	(789.0)	256.8	415.1	697.1	1,164.3	1,233.4	580.0
Provision (benefit) for income taxes	(80.0)	52.3	82.4	142.5	273.4	49.0	197.2
Net income (loss)	(709.0)	204.5	332.7	554.6	890.9	1,184.4	382.8
Net income (loss) attributable to non-controlling interests in consolidated entities	(97.0)	58.6	37.2	35.8	21.6	36.6	34.6
Net income (loss) attributable to Carlyle Holdings	(612.0)	145.9	295.5	518.8	869.3	1,147.8	348.2
Net income attributable to non-controlling interests in Carlyle Holdings	—	—	—	—	—	766.9	—
Net income (loss) attributable to The Carlyle Group Inc.	(612.0)	145.9	295.5	518.8	869.3	380.9	348.2
Net income attributable to Series A Preferred Shareholders	—	—	—	—	—	19.1	—
Series A Preferred Unit redemption premium	—	—	—	—	—	16.5	—
Net income (loss) attributable to The Carlyle Group Inc. Common Stockholders	\$ (612.0)	\$ 145.9	\$ 295.5	\$ 518.8	\$ 869.3	\$ 345.3	\$ 348.2
Net income (loss) attributable to The Carlyle Group Inc. per common share							
Basic	\$ (1.76)	\$ 0.42	\$ 0.84	\$ 1.47	\$ 2.45	\$ 3.05	\$ 0.99
Diluted	\$ (1.76)	\$ 0.41	\$ 0.82	\$ 1.44	\$ 2.41	\$ 2.82	\$ 0.97
Weighted-average common shares (in millions)							
Basic	348.2	348.6	351.6	353.4	354.2	113.1	350.5
Diluted	348.2	357.3	358.4	359.7	360.5	122.6	358.4
Income before provision for income taxes margin	105.8 %	22.7 %	40.1 %	46.0 %	47.8 %	36.5 %	19.8 %

On January 1, 2020, The Carlyle Group L.P. (the "Partnership") completed its conversion from a Delaware limited partnership to a Delaware corporation, The Carlyle Group Inc. Information reported for periods prior to the Conversion on January 1, 2020 reflect the results of the Partnership. References to The Carlyle Group Inc., our common stock and our dividends in periods prior to the Conversion refer to The Carlyle Group L.P., its common units and distributions. For periods subsequent to the Conversion, Net income (loss) attributable to Carlyle Holdings, refers to Net income (loss) of The Carlyle Group Inc. and its consolidated subsidiaries, net of non-controlling interests in consolidated entities. See Notes at end of document.

GAAP Balance Sheet (Unaudited)

	As of March 31, 2021			
	Consolidated Operating Entities	Consolidated Funds	Eliminations	Consolidated
<i>(Dollars in millions)</i>				
ASSETS				
Cash and cash equivalents	\$ 880.4	\$ —	\$ —	\$ 880.4
Cash and cash equivalents of Consolidated Funds	—	174.6	—	174.6
Restricted cash	6.6	—	—	6.6
Investments, including performance allocations of \$6,532.0 million	9,219.1	—	(174.6)	9,044.5
Investments of Consolidated Funds	—	5,824.8	—	5,824.8
Due from affiliates and other receivables, net	251.5	—	(5.8)	245.7
Due from affiliates and other receivables of Consolidated Funds, net	—	169.8	—	169.8
Fixed assets, net	148.9	—	—	148.9
Lease right-of-use assets, net	364.7	—	—	364.7
Deposits and other	51.8	—	—	51.8
Intangible assets, net	45.0	—	—	45.0
Deferred tax assets	18.5	—	—	18.5
Total assets	\$ 10,986.5	\$ 6,169.2	\$ (180.4)	\$ 16,975.3
LIABILITIES & EQUITY				
Debt obligations	\$ 1,940.6	\$ —	\$ —	\$ 1,940.6
Loans payable of Consolidated Funds	—	5,459.8	—	5,459.8
Accounts payable, accrued expenses and other liabilities	215.5	—	—	215.5
Accrued compensation and benefits	3,579.3	—	—	3,579.3
Due to affiliates	408.1	—	—	408.1
Deferred revenue	343.8	—	—	343.8
Deferred tax liabilities	245.2	—	—	245.2
Other liabilities of Consolidated Funds	—	530.6	—	530.6
Lease liabilities	519.6	—	—	519.6
Accrued giveback obligations	20.6	—	—	20.6
Total liabilities	7,272.7	5,990.4	—	13,263.1
Total equity	3,713.8	178.8	(180.4)	3,712.2
Total liabilities and equity	\$ 10,986.5	\$ 6,169.2	\$ (180.4)	\$ 16,975.3

Notes

Dividend Policy

Under our dividend policy for our common stock that we adopted in connection with the Conversion, we expect to pay our common stockholders an annualized dividend of \$1.00 per share of common stock, equal to a quarterly dividend of \$0.25 per share of common stock. The declaration and payment of any dividends to holders of our common stock are subject to the discretion of our Board of Directors, which may change our dividend policy at any time or from time to time, and the terms of our certificate of incorporation. There can be no assurance that dividends will be made as intended or at all or that any particular dividend policy will be maintained.

Non-GAAP Financial Measures

This press release contains 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. These non-GAAP financial measures should be considered in addition to and not as a substitute for, or superior to, financial measures presented in accordance with U.S. GAAP. The reasons management believes that these non-GAAP financial measures provide useful information are set forth in our most recent Annual Report on Form 10-K filed with the SEC.

Notes on Carlyle Consolidated GAAP Results (Page 5)

- (1) Income (loss) before provision for income taxes is the GAAP measure that is most directly comparable to Distributable Earnings, which management uses to measure the performance of the business. A full reconciliation is included starting on page 29.
- (2) Income (loss) before provision for taxes margin is equal to Income (loss) before provision for taxes, divided by Total revenues.
- (3) Net performance revenues are equal to Performance revenues less Performance revenues related compensation expense.

Note on Fee Related Earnings (Page 9)

- (1) FRE Margin is calculated as Fee Related Earnings, divided by Total Segment Fee Revenues.

Notes on Performance Revenues (Page 10)

- (1) We generally earn performance revenues (or carried interest) from our carry funds representing a 20% allocation of profits generated on third-party capital, and on which the general partner receives a special residual allocation of income from limited partners, which we refer to as carried interest, in the event that specified investment returns are achieved by the fund. Disclosures referring to carry funds also include the impact of certain commitments that do not earn carried interest, but are either part of, or associated with our carry funds. The rate of carried interest, as well as the share of carried interest allocated to Carlyle, may vary across the carry fund platform. See "Non-GAAP Financial Measures" for more information. A reconciliation of accrued performance allocations to total segment net accrued performance revenues is included on page 33.
- (2) Includes the change in performance revenue accrual driven by positive or negative movements in portfolio valuation, incremental preferred return and fees, foreign exchange fluctuations and acquisition/divestiture activity. See "Non-GAAP Financial Measures" for more information. A reconciliation of performance revenues to net realized performance revenues is included on page 31.
- (3) Total for Global Private Equity includes Legacy Energy funds. The impact of these funds is no longer significant to our results of operations.

Notes on Assets Under Management (Pages 11-13)

- (1) Total Assets Under Management refers to the assets we manage or advise, and reflects the sum of the unrealized Fair Value of Investments and Available Capital.
- (2) Available Capital refers to the amount of capital commitments available to be called for investments, which may be reduced for equity invested that is funded via fund credit facility and expected to be called from investors at a later date, plus any additional assets/liabilities at the fund level other than active investments. Amounts previously called may be added back to available capital following certain distributions.
- (3) Credit (Non-Carry Funds) includes our CLOs, business development companies and related managed accounts, the Carlyle Tactical Private Credit Fund, as well as securitization vehicles and various managed accounts in our Carlyle Aviation business. "Other" includes the NGP Predecessor funds and certain managed account vehicles.
- (4) Fair Value of Investments generally reflects the unrealized carrying value of investments for all carry funds, related co-investment vehicles and separately managed accounts, the aggregate collateral balance of our CLOs and other securitization vehicles, and the gross asset value of our business development companies.
- (5) The In-Carry Ratio represents the percentage of Fair Value in our Traditional Carry Funds (Global Private Equity and Global Credit), which is accruing performance revenue as of the quarter-end reporting date. This metric does not address the realization of performance revenue.

Notes, continued

Notes on Assets Under Management (Pages 11-13) (continued)

(6) Reflects the percentage of Fair Value in our Traditional Carry Funds attributable to investments originated in Q4 2016 or prior. Investments that include follow-on tranches are fully recognized based on the date of the initial investment activity.

(7) Fee-earning Assets Under Management refers to the assets we manage or advise from which we derive recurring fund management fees, and is calculated as the basis on which management fees would be called, if called on the effective reporting date.

(8) Pending Fee-earning Assets Under Management refers to commitments that have been raised, and will become Fee-earning Assets Under Management upon the activation of recurring fund management fees on the commitments, or as the capital is invested, depending on the fee structure of the fund or vehicle.

Note on Q1 2021 Key Metrics Activity (Page 14)

(1) Total for Global Private Equity includes Legacy Energy funds. The impact of these funds is no longer significant to our results of operations.

Note on Investment Solutions (Page 18)

(1) Includes Mezzanine funds.

Notes on Total AUM Roll Forward (Page 22)

(1) Inflows generally reflects the impact of gross fundraising during the period. For funds or vehicles denominated in foreign currencies, this reflects translation at the average quarterly rate, while the separately reported Fundraising metric is translated at the spot rate for each individual closing. New CLO warehouse assets are recognized as an inflow to AUM, while corresponding fundraising will not be recognized until CLO issuance.

(2) Outflows includes distributions net of recallable or recyclable amounts in our carry funds, related co-investment vehicles, separately managed accounts and the NGP Predecessor Funds, gross redemptions in our open-ended funds, runoff of CLO collateral balances and the expiration of available capital.

(3) Market Activity & Other generally represents realized and unrealized gains (losses) on portfolio investments in our carry funds and related co-investment vehicles, the NGP Predecessor Funds and separately managed accounts, as well as the net impact of fees, expenses and non-investment income, change in gross asset value for our business development companies and other changes in AUM.

(4) Foreign Exchange represents the impact of foreign exchange rate fluctuations on the translation of our non-U.S. dollar denominated funds. Activity during the period is translated at the average rate for the period. Ending balances are translated at the spot rate as of the period end.

(5) The fair market values for our Investment Solutions primary and secondary carry funds are based on the latest available valuations of the underlying limited partnership interests (in most cases as of December 31, 2020) as provided by their general partners, plus the net cash flows since the latest valuation, up to March 31, 2021.

Notes on Fee-earning AUM Roll Forward (Page 22)

(6) Inflows represents limited partner capital raised by our carry funds or separately managed accounts for which management fees based on commitments were activated during the period, the fee-earning commitments invested in vehicles for which management fees are based on invested capital, the fee-earning collateral balance of new CLO issuances, as well as gross subscriptions in vehicles for which management fees are based on net asset value. Inflows exclude fundraising amounts during the period for which fees have not yet been activated, which are referenced as Pending Fee-earning AUM.

(7) Outflows represents the impact of realizations from vehicles with management fees based on remaining invested capital at cost or fair value, changes in basis for funds where the investment period, weighted-average investment period or commitment fee period has expired during the period, reductions for funds that are no longer calling for management fees, gross redemptions in open-ended funds, and runoff of CLO collateral balances. Realizations for funds earning management fees based on commitments during the period do not affect Fee-earning AUM.

(8) Market Activity & Other represents realized and unrealized gains (losses) on portfolio investments in our carry funds based on the lower of cost or fair value and net asset value, as well as activity of funds with fees based on gross asset value.

(9) Foreign Exchange represents the impact of foreign exchange rate fluctuations on the translation of our non-U.S. dollar denominated funds. Activity during the period is translated at the average rate for the period. Ending balances are translated at the spot rate as of the period end.

(10) Energy III, Energy IV, and Renew II (collectively, the "Legacy Energy Funds"), are managed with Riverstone Holdings LLC and its affiliates. Affiliates of both Carlyle and Riverstone act as investment advisers to each of the Legacy Energy Funds. Carlyle has a minority representation on the management committees of Energy IV and Renew II. Carlyle and Riverstone each hold half of the seats on the management committee of Energy III, but the investment period for this fund has expired and the remaining investments in such fund are being disposed of in the ordinary course of business.

Notes, continued

Notes on Fund Performance Tables (Pages 23-26)

- (1) Represents the original cost of investments since inception of the fund.
- (2) Represents all realized proceeds since inception of the fund.
- (3) Represents remaining fair value, before management fees, expenses and carried interest, and may include remaining escrow values for realized investments.
- (4) Multiple of invested capital ("MOIC") represents total fair value, before management fees, expenses and carried interest, divided by cumulative invested capital.
- (5) An investment is considered realized when the investment fund has completely exited, and ceases to own an interest in, the investment. An investment is considered partially realized when the total amount of proceeds received in respect of such investment, including dividends, interest or other distributions and/or return of capital, represents at least 85% of invested capital and such investment is not yet fully realized. Because part of our value creation strategy involves pursuing best exit alternatives, we believe information regarding Realized/Partially Realized MOIC and Gross IRR, when considered together with the other investment performance metrics presented, provides investors with meaningful information regarding our investment performance by removing the impact of investments where significant realization activity has not yet occurred. Realized/Partially Realized MOIC and Gross IRR have limitations as measures of investment performance, and should not be considered in isolation. Such limitations include the fact that these measures do not include the performance of earlier stage and other investments that do not satisfy the criteria provided above. The exclusion of such investments will have a positive impact on Realized/Partially Realized MOIC and Gross IRR in instances when the MOIC and Gross IRR in respect of such investments are less than the aggregate MOIC and Gross IRR. Our measurements of Realized/Partially Realized MOIC and Gross IRR may not be comparable to those of other companies that use similarly titled measures.
- (6) Gross Internal Rate of Return ("Gross IRR") represents an annualized time-weighted return on Limited Partner invested capital, based on contributions, distributions and unrealized fair value as of the reporting date, before the impact of management fees, partnership expenses and carried interest. For fund vintages 2017 and after, Gross IRR includes the impact of interest expense related to the funding of investments on fund lines of credit. Gross IRR is calculated based on the timing of Limited Partner cash flows, which may differ to varying degrees from the timing of actual investment cash flows for the fund. Subtotal Gross IRR aggregations for multiple funds are calculated based on actual cash flow dates for each fund and represent a theoretical time-weighted return for a Limited Partner who invested sequentially in each fund.
- (7) Net Internal Rate of Return ("Net IRR") represents an annualized time-weighted return on Limited Partner invested capital, based on contributions, distributions and unrealized fair value as of the reporting date, after the impact of all management fees, partnership expenses and carried interest, including current accruals. Net IRR is calculated based on the timing of Limited Partner cash flows, which may differ to varying degrees from the timing of actual investment cash flows for the fund. Fund level IRRs are based on aggregate Limited Partner cash flows, and this blended return may differ from that of individual Limited Partners. As a result, certain funds may generate accrued performance revenues with a blended Net IRR that is below the preferred return hurdle for that fund. Subtotal Net IRR aggregations for multiple funds are calculated based on actual cash flow dates for each fund and represent a theoretical time-weighted return for a Limited Partner who invested sequentially in each fund.
- (8) Represents the net accrued performance fee balance/(giveback obligation) as of the current quarter end.
- (9) Represents all realized proceeds combined with remaining fair value, before management fees, expenses and carried interest.
- (10) Aggregate includes the following funds, as well as all active co-investments, separately managed accounts (SMAs), and stand-alone investments arranged by us: CVP II, MENA, CCI, CSSAF I, CSABF, CPF, CAP Growth I, and CBPF II.
- (11) Aggregate includes the following funds, as well as related co-investments, separately managed accounts (SMAs), and certain other stand-alone investments arranged by us: CP I, CP II, CP III, CP IV, CEP I, CAP I, CAP II, CBPF I, CJP I, CMG, CVP I, CUSGF III, CGFSP I, CEVP I, CETP I, CETP II, CAVP I, CAVP II, CAGP III and Mexico.
- (12) For funds marked "NM," IRR may be positive or negative, but is not considered meaningful because of the limited time since initial investment and early stage of capital deployment. For funds marked "Neg," IRR is considered meaningful but is negative as of reporting period end.
- (13) For purposes of aggregation, funds that report in foreign currency have been converted to U.S. dollars at the reporting period spot rate.
- (14) Aggregate includes the following funds, as well as all active co-investments, separately managed accounts (SMAs), and stand-alone investments arranged by us: CCR and CER.
- (15) Aggregate includes the following funds, as well as related co-investments, separately managed accounts (SMAs), and certain other stand-alone investments arranged by us: CRP I, CRP II, CRP III, CRCP I, CAREP I, CAREP II, CEREP I, and CEREP II.
- (16) Aggregate includes the following Legacy Energy funds and related co-investments: Energy I, Energy II, Energy III, Energy IV, Renew I, and Renew II.
- (17) Aggregate includes the following funds, as well as all active co-investments, separately managed accounts (SMAs), and stand-alone investments arranged by us: NGP GAP, CPOCP, CRSEF, and NGP RP.
- (18) Aggregate includes the following funds, as well as related co-investments, separately managed accounts (SMAs), and certain other stand-alone investments arranged by us: CIP.
- (19) Represents the original cost of investments since the inception of the fund. For CSP II and CSP III, reflects amounts net of investment level recallable proceeds which is adjusted to reflect recyclability of invested capital for the purpose of calculating the fund MOIC.

Notes, continued

Notes on Fund Performance Tables (Pages 23-26)

(20) Aggregate includes the following funds, as well as all active co-investments, separately managed accounts (SMAs), and stand-alone investments arranged by us: SASOF II, SASOF III, and SASOF IV.

(21) Aggregate includes the following funds, as well as related co-investments, separately managed accounts (SMAs), and certain other stand-alone investments arranged by us: CSP I, CMP I, CMP II, and CASCOF.

(22) Includes private equity and mezzanine primary fund investments, secondary fund investments and co-investments originated by the AlInvest team, as well as real estate primary fund investments, secondary fund investments and co-investments originated by the Metropolitan Real Estate team. Excluded from the performance information shown are a) investments that were not originated by AlInvest, b) Direct Investments, which was spun off from AlInvest in 2005, and c) LP co-investment vehicles advised by AlInvest. As of March 31, 2021, these excluded investments represent \$2.4 billion of AUM at AlInvest.

(23) "Main Fund" entries represent a combination of a commingled fund and SMA vehicles which together comprise a "program" vintage. Indented lines shown for AlInvest Secondaries Funds VII, VI, V and AlInvest Co-Investment Fund VII reflect a breakout of the commingled fund, which is part of the larger program vintage.

(24) To exclude the impact of FX, all foreign currency cash flows have been converted to the currency representing a majority of the capital committed to the relevant fund at the reporting period spot rate.

(25) Gross Internal Rate of Return ("Gross IRR") represents the annualized IRR for the period indicated on Limited Partner invested capital based on investment contributions, distributions and unrealized value of the underlying funds, before management fees, expenses and carried interest at the AlInvest/Metropolitan Real Estate level.

(26) Aggregate includes Main Fund VII - Fund Investments, Main Fund VIII - Fund Investments, Main Fund IX - Fund Investments, Main Fund X - Fund Investments, Main Fund XI - Fund Investments, Main Fund IV - Mezzanine Investments, Main Fund V - Mezzanine Investments, all 'clean technology' private equity investments, all strategic co-investment mandates that invest in co-investment opportunities arising out of an investor's own separate private equity relationships and invitations, all strategic capital mandates, any state-focused investment mandates, and all other investors whose investments are not reflected in a Main Fund.

(27) As used herein, 'Main Funds' are each comprised of (i) an anchor mandate(s) (i.e., generally the largest account(s) within a strategy's investment program) and (ii) AlInvest's other advisory client mandates with investment periods that fall within the relevant investment periods under the mandate of the anchor mandate(s) (but do not overlap with more than one such investment period). AlInvest's commingled funds, AlInvest Secondaries Fund VI ("ASF VI"), ASF VII and AlInvest Co-Investment Fund VII ("ACF VII") are part of the Main Funds. Mezzanine Main Funds include mezzanine investments across all strategies (i.e., Primary Funds, Secondaries, and Co-Investments).

(28) Net Internal Rate of Return ("Net IRR") represents the annualized IRR for the period indicated on Limited Partner invested capital based on contributions, distributions and unrealized value after management fees, expenses and carried interest. Fund level IRRs are based on aggregate Limited Partner cash flows, and this blended return may differ from that of individual Limited Partners. As a result, certain funds may generate accrued performance revenues with a blended Net IRR that is below the preferred return hurdle for that fund.

Notes on Reconciliation for Distributable Earnings per Share (Page 28)

(l) Estimated current corporate, foreign, state and local taxes represents the total GAAP Provision (benefit) for income taxes adjusted to include only the current tax provision (benefit) applied to Net income (loss) attributable to The Carlyle Group Inc. This adjustment used to calculate Distributable Earnings, Net attributable to common stockholders reflects the benefit of deductions available to the company on certain expense items that are excluded from the underlying calculation of Distributable Earnings, such as equity-based compensation expense and charges (credits) related to corporate actions and non-recurring items. Management believes that using the estimated current tax provision (benefit) in this manner more accurately reflects earnings that are available to be distributed to common stockholders.

Notes on Reconciliation of GAAP to Total Segment Information (Page 31)

(l) Adjustments to performance revenues and principal investment income (loss) relate to (i) unrealized performance allocations net of related compensation expense and unrealized principal investment income, which are excluded from the segment results, (ii) amounts earned from the Consolidated Funds, which were eliminated in the U.S. GAAP consolidation but were included in the segment results, (iii) amounts attributable to non-controlling interests in consolidated entities, which were excluded from the segment results, (iv) the reclassification of NGP performance revenues, which are included in principal investment income in U.S. GAAP financial statements, (v) the reclassification of certain incentive fees from business development companies, which are included in fund management fees in the segment results, and (vi) the reclassification of tax expenses associated with certain foreign performance revenues. Adjustments to principal investment income (loss) also include the reclassification of earnings for the investments in NGP Management and its affiliates to the appropriate operating captions for the segment results, and the exclusion of charges associated with the investment in NGP Management and its affiliates that are excluded from the segment results.