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The Carlyle Group Completes Acquisition of Metropolitan Real Estate Equity Management

Acquisition Continues Growth of Carlyle's Solutions Platform

WASHINGTON--(BUSINESS WIRE)-- Global alternative asset manager The Carlyle Group (NASDAQ: CG) today announced that it has closed its acquisition of Metropolitan Real Estate Equity Management, LLC, a global real estate multi-manager with more than \$2.6 billion in capital commitments. Equity for the transaction came from Carlyle's balance sheet. Financial terms were not released.

Metropolitan is now part of Carlyle's Solutions platform, which also includes AlpInvest, the \$48 billion private equity fund of funds business, bringing Solutions AUM to \$50.6 billion. Metropolitan's management team, led by David Sherman, remains in place. In addition to his role as Co-Chief Investment Officer, Mr. Sherman is now Head of Real Estate within the Solutions platform. Mr. Sherman and his team will continue to run the Metropolitan investment committee and to make all investment decisions.

Jacques Chappuis, Carlyle Managing Director and Head of the Solutions group, said, "Metropolitan is a proven performer with seasoned management. Their addition to our Solutions platform strengthens our ability to serve the evolving and complex needs of our investors. We are pleased to welcome David Sherman and his team to Carlyle."

David Sherman, President and Co-Chief Investment Officer of Metropolitan, said, "We look forward to this new chapter for Metropolitan. Carlyle's global scale, collaborative approach and investor support services will bolster our ability to serve our fund investors."

Established in 2002 and based in New York City, Metropolitan is one of the largest managers of indirect investments in global real estate. Since inception, Metropolitan has raised more than \$2.6 billion across 16 commingled funds of funds with investments in more than 80 managers. Its more than 180 real estate fund investments include new partnerships, secondary interests and co-investments — in the U.S., Europe, Asia and Latin America. The firm has 40 employees with five offices in the U.S., Europe and Asia.

About The Carlyle Group

The Carlyle Group (NASDAQ: CG) is a global alternative asset manager with \$180 billion of assets under management across 118 funds and 81 fund of funds vehicles as of June 30, 2013. Carlyle's purpose is to invest wisely and create value on behalf of its investors, many of whom are public pensions. Carlyle invests across four segments — Corporate Private Equity, Real Assets, Global Market Strategies and Global Solutions — in Africa, Asia, Australia, Europe, the Middle East, North America and South America. Carlyle has expertise in various industries, including: aerospace, defense & government services, consumer & retail, energy, financial services, healthcare, industrial, technology & business services, telecommunications & media and transportation. The Carlyle Group employs more than 1,400 people in 34 offices across six continents.

Web: www.carlyle.com

Videos: www.youtube.com/onecarlyle

Tweets: www.twitter.com/onecarlyle

Podcasts: www.carlyle.com/about-carlyle/market-commentary/481

About Metropolitan Real Estate Equity Management

Founded in 2002, Metropolitan Real Estate Equity Management is a privately owned, registered investment advisor with more than \$2.6 billion in capital commitments across 22 partnerships (16 funds of funds and six feeder funds), representing a wide range of clients, including institutional investors, endowments and foundations and high net worth investors. Metropolitan constructs and manages vintage year U.S., non-U.S., global and custom portfolios, with a focus on private, indirect investments in value-add and opportunistic real estate. The firm's investment team is comprised of nine senior members with more than 200 years of combined experience. Metropolitan has offices in New York, San Francisco, Boston, London, and Hong Kong.

Web: <http://mreem.com/>

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