
THE CARLYLE GROUP

GLOBAL ALTERNATIVE ASSET MANAGEMENT

Bank of America Merrill Lynch Banking and Financial Services Conference

Daniel A. D'Aniello

Co-Founder and Chairman

November 13, 2013

Important Information

Informational Purposes Only. This presentation has been prepared by The Carlyle Group L.P. (together with its affiliates, "Carlyle") and may only be used for informational purposes only. This presentation sets forth management's views as of November 11, 2013, unless otherwise indicated. Carlyle undertakes no obligation to update the information contained herein. Neither Carlyle nor any investment fund managed or sponsored by Carlyle or its affiliates or NGP Energy Capital Management (any such entity, a "Fund") makes any representation or warranty, express or implied, as to the accuracy or completeness of the information contained herein. Unless otherwise specified, the source for all graphs, charts and other information contained herein is Carlyle. In addition, certain information contained herein has been obtained from published and non-published sources prepared by other parties, which in certain cases have not been updated through the date hereof. While such information is believed to be reliable for the purpose used in this presentation, Carlyle does not assume any responsibility for the accuracy or completeness of such information and such information has not been independently verified by Carlyle. Nothing in this presentation constitutes the provision of any tax, accounting, financial, investment, regulatory, legal or other advice by Carlyle or its advisors. This presentation may not be referenced, quoted or linked by website, in whole or in part, except as agreed to in writing by Carlyle.

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. 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 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. These statements are subject to risks, uncertainties and assumptions, including those described under the section entitled "Risk Factors" in our Annual Report on Form 10-K for the year ended December 31, 2012 filed with the SEC on March 14, 2013, 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.

Not an Offer. This presentation provides an overview of Carlyle and is not intended to be taken by, and should not be taken by, any individual recipient as investment advice, a recommendation to buy, hold or sell any security, or an offer to sell or a solicitation of offers to purchase any security. An offer or solicitation for an investment in any Fund will occur only through an offering memorandum and related purchase documentation, and subject to the terms and conditions contained in such documents and in such Fund's operative agreements. The offering memorandum relating to any Fund contains additional information about the investment objective, terms and conditions of such Fund, tax information and risk disclosure that should be reviewed prior to making an investment decision regarding a Fund. This presentation is qualified in its entirety by such offering memorandum, which should be read completely before making any investment. An investment in a Fund would be speculative and would involve significant risks. Nothing in this presentation is intended to be taken by, and should not be taken by, any individual recipient as investment advice, a recommendation to buy, hold or sell any security, or an offer to sell or a solicitation of offers to purchase any security.

Performance Data. *Past performance is not indicative of future results and there can be no assurance that any Carlyle fund or strategy will achieve comparable results, or that any investments made by Carlyle in the future will be profitable.* The fund return information reflected in this presentation is not indicative of the performance of The Carlyle Group L.P. and is also not necessarily indicative of the future performance of any particular fund. There can be no assurance that any of Carlyle's funds or its other existing and future funds will achieve similar returns. As used throughout this document, and unless otherwise indicated, Gross Internal Rate of Return ("Gross IRR") represents the annualized IRR for the period indicated on limited partner invested capital based on contributions, distributions and unrealized value before management fees, expenses and carried interest, which will reduce returns and in the aggregate are expected to be substantial. 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. Gross multiple of invested capital ("Gross MOIC") represents total fair value, before management fees, expenses and carried interest, divided by cumulative invested capital. 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 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. This definition is used to calculate the Realized/Partially Realized Gross IRR and Gross MOIC. Unless otherwise specified, LTM, or last twelve months, refers to the period Q4 2012 through Q3 2013. Throughout this presentation, fundraising data excludes acquisitions, but includes fundraising activity post-acquisition.

Projections. Target, hypothetical or estimated fund performance returns (and other comparable phrases), management fee revenue and performance fee generation are hypothetical in nature and are shown for illustrative, informational purposes only. The target, hypothetical or estimated returns, revenue and fees, are based upon Carlyle's view of the potential returns for funds and investments and are subject to numerous factors and assumptions. No representation or warranty is made as to the reasonableness of the assumptions made or that all assumptions used in achieving the returns have been stated or fully considered. Changes in the assumptions may have a material impact on the projected returns presented. Actual results may vary significantly from the hypothetical illustrations shown.

Energy Funds and Hedge Funds. Detailed information about Carlyle's management fees and performance fees is available in Carlyle's public filings. Please note that certain metrics and projections contained in this Presentation include the Legacy Energy Funds and Carlyle's hedge funds. Please note that the Legacy Energy Funds (as defined in Carlyle's public filings), 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. Currently, Carlyle is only entitled to a revenue interest in NGP Energy Capital Management. The NGP Energy Capital Management funds are referred to herein as "NGP management fee funds." With respect to Carlyle's hedge funds (Claren Road Asset Management, Emerging Sovereign Group and Vermillion Asset Management), Carlyle has a specified percentage of the earnings of the businesses based on Carlyle's 55% ownership in the management companies.

Financial Information. In addition, for purposes of the non-financial operating and statistical data included in this presentation, including the aggregation of our non-U.S. dollar denominated investment funds, foreign currencies have been converted to U.S. dollars at the spot rate as of the last trading day of the reporting period when presenting period end balances, and the average rate for the period has been utilized when presenting activity during such period. With respect to capital commitments raised in foreign currencies, the conversion to U.S. dollars is based on the exchange rate as of the date of closing of such capital commitment. This presentation includes certain Non-GAAP financial measures, including Distributable Earnings ("DE") and EBITDA. These Non-GAAP financial measures should be considered only as supplemental to, and not as superior to, financial measures prepared in accordance with GAAP. Please refer to the Appendix of this presentation for a reconciliation of the non-GAAP financial measures included in this presentation to the most directly comparable financial measure prepared in accordance with GAAP. Please see Carlyle's public filings for the definition of "carry funds," "Fee-earning assets under management" or "Fee-earning AUM," and "Assets under management" or "AUM".

Comparison to Indexes. This presentation includes comparisons of the performance of certain Carlyle funds to public indices, including the S&P 500, the MSCI All Country World Index (ACWI), the HFRI Hedge Fund Index (HFRI) and the LSTA All Loans Index (LSTA). There are significant differences between the types of securities and assets typically acquired by U.S. and global buyout funds and the investments covered by the S&P 500, HFRI, LSTA, ACWI and other indices. Specifically, U.S. and global buyout funds typically make investments in securities and other assets that have a greater degree of risk and volatility, and less liquidity, than those securities included in the S&P 500, HFRI, LSTA, ACWI and other indices. Moreover, certain public indices may or may not reflect the reinvestment of dividends, interest or capital gains, and investors in the underlying securities are not subject to certain of the management fees, carried interest or expenses to which investors in U.S. and global buyout funds are typically subject.

We Are One of The Largest Global Alternative Asset Managers

THE CARLYLE GROUP

GLOBAL ALTERNATIVE ASSET MANAGEMENT

Large Capital Base

- \$185 billion AUM
- \$138 billion Fee-Earning AUM
- \$51 billion Dry Powder
- 122 Active funds
- 81 Fund of funds vehicles

Global Scale

- 34 offices in 21 countries
- 1,450+ employees
- 700+ investment professionals
- 200+ current portfolio companies
- 300+ active real estate investments

Strong Track Record

- \$92 billion invested¹
- \$98 billion distributed¹
- 460+ CPE transactions
 - 30% gross R/PR IRR²
- 640+ RA transactions
 - 26% gross R/PR IRR²
- Three largest hedge funds have returned 9%, 14%, & 6% respectively³

Note: As of 9/30/13

¹ Carry funds only.

² Inception to date aggregate Realized & Partially Realized gross IRR. Gross IRRs do not include management & advisory fees, carried interest, taxes, transaction costs & other expenses borne by fund investors which will reduce returns & may be substantial. See "Important Information" at the beginning of this presentation.

³ Inception to date net annualized return on the Claren Road Master Fund and Opportunities Fund, and ESG Cross Border Equity Master Fund, respectively, our three largest hedge funds as of 9/30/13.

Our Business is Structured Across Four Main Operating Segments

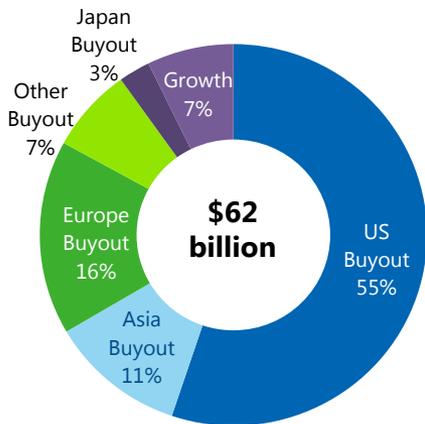
Corporate Private Equity

Strategy: Maintain & expand position as one of the largest, most diverse & consistent performing global private equity platforms

Operating Statistics:

- 14 fund families
- 262 investment professionals
- LTM DE: \$325 million

Assets Under Management



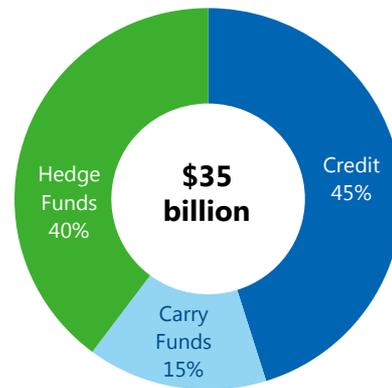
Global Market Strategies

Strategy: Build a top performing global, markets-focused investment platform

Operating Statistics:

- 7 strategies; 61 individual funds
- 212 investment professionals
- LTM DE: \$198 million

Assets Under Management



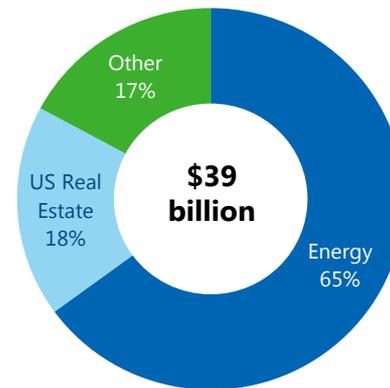
Real Assets

Strategy: Build best-in-class global natural resources & real estate platform

Operating Statistics:

- Power, Int'l Energy, 3 Real Estate strategies, Infrastructure
- 139 investment professionals
- LTM DE: \$71 million

Assets Under Management



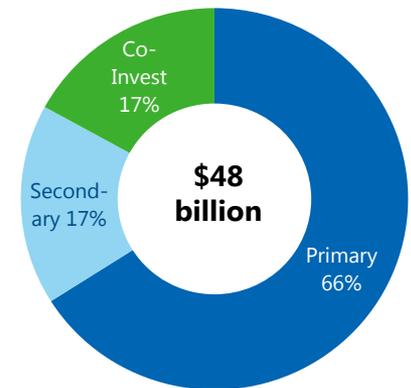
Solutions

Strategy: Build capability to assist investors in allocating & accessing full spectrum of alternatives

Operating Statistics:

- AlpInvest & Metropolitan¹
- 74 investment professionals
- LTM DE: \$33 million

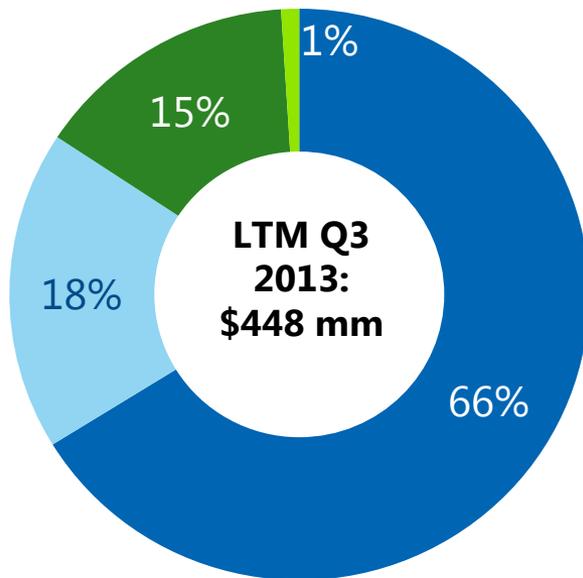
Assets Under Management



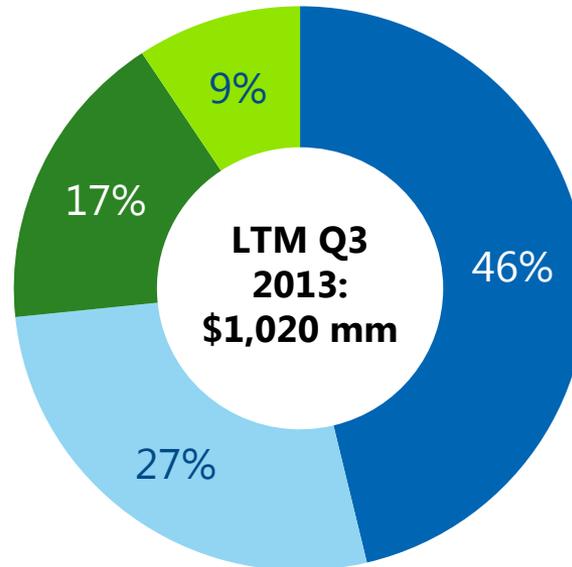
As of 9/30/13. Real Assets professionals do not include Riverstone Holdings or NGP Energy Capital Management professionals. 1. Metropolitan was acquired on November 1, 2013 and is not included in metrics. Sum of individual segment AUMs does not equal total AUM due to rounding.

Carlyle's Business Model Drives a Diverse Stream of Income

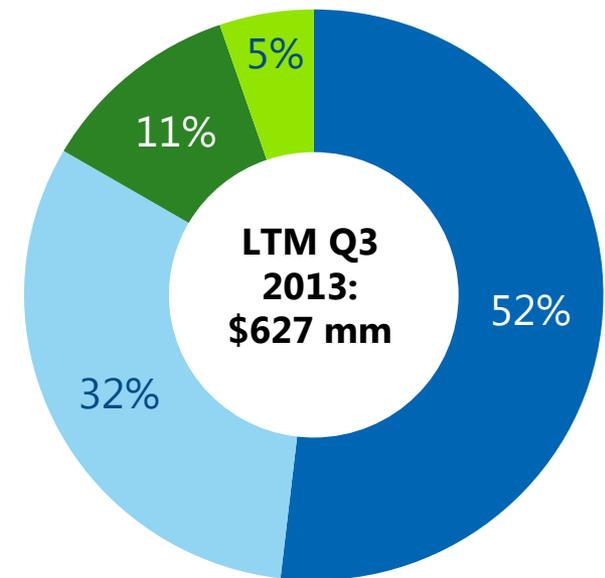
Net Realized Performance Fees



Management Fees

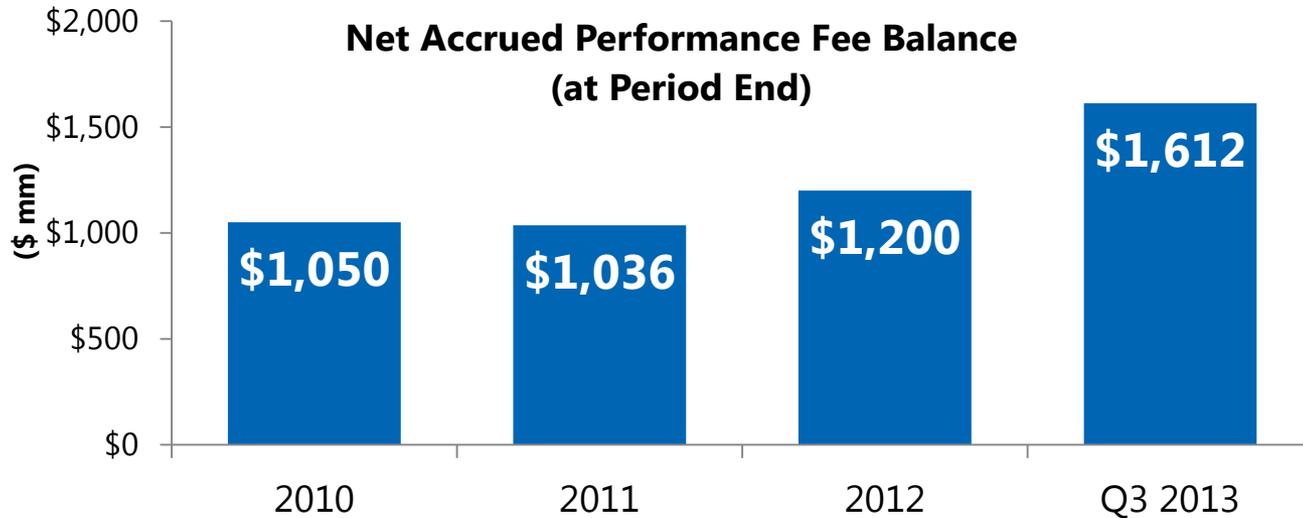


Distributable Earnings

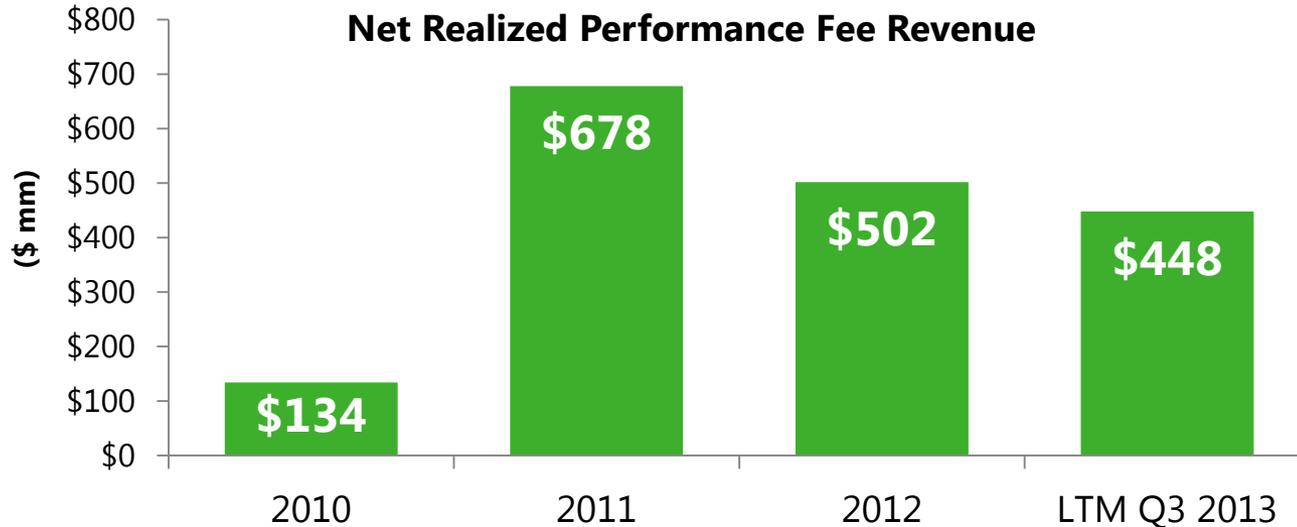


■ Corporate Private Equity ■ Global Market Strategies ■ Real Assets ■ Solutions

Strong Performance Has Led to Substantial Gains in Embedded Value



Fund appreciation has grown our net performance fee accrual...



...despite significant realizations over the last three years.

And Our “Big 11” Carry Funds and a Scaled Hedge Fund Platform Have Potential To Support Significant Performance Fee Generation

		Remaining Fair Value (\$ mm)	Net IRR 9/30/13	Accruing Carry	Taking Carry
Corporate Private Equity	Carlyle Partners V	\$13,491	13%	√	√
	Europe Partners III	6,780	8%		
	Carlyle Partners IV	5,358	13%	√	√
	Carlyle Asia Partners III	1,805	7%		
	Carlyle Asia Partners II	1,159	8%	√	
	Financial Services Partners I	1,034	10%	√	√
	Europe Technology Partners II ¹	792	8%	√	
Real Assets	Energy Partners IV	4,595	13%	√	√
	Energy Partners III	2,306	11%	√	√
	Carlyle Realty Partners V	1,348	7%		
	Carlyle Realty Partners VI	1,340	19%	√	
Global Market Strategies	Hedge Funds ²	\$14,048	n/a		

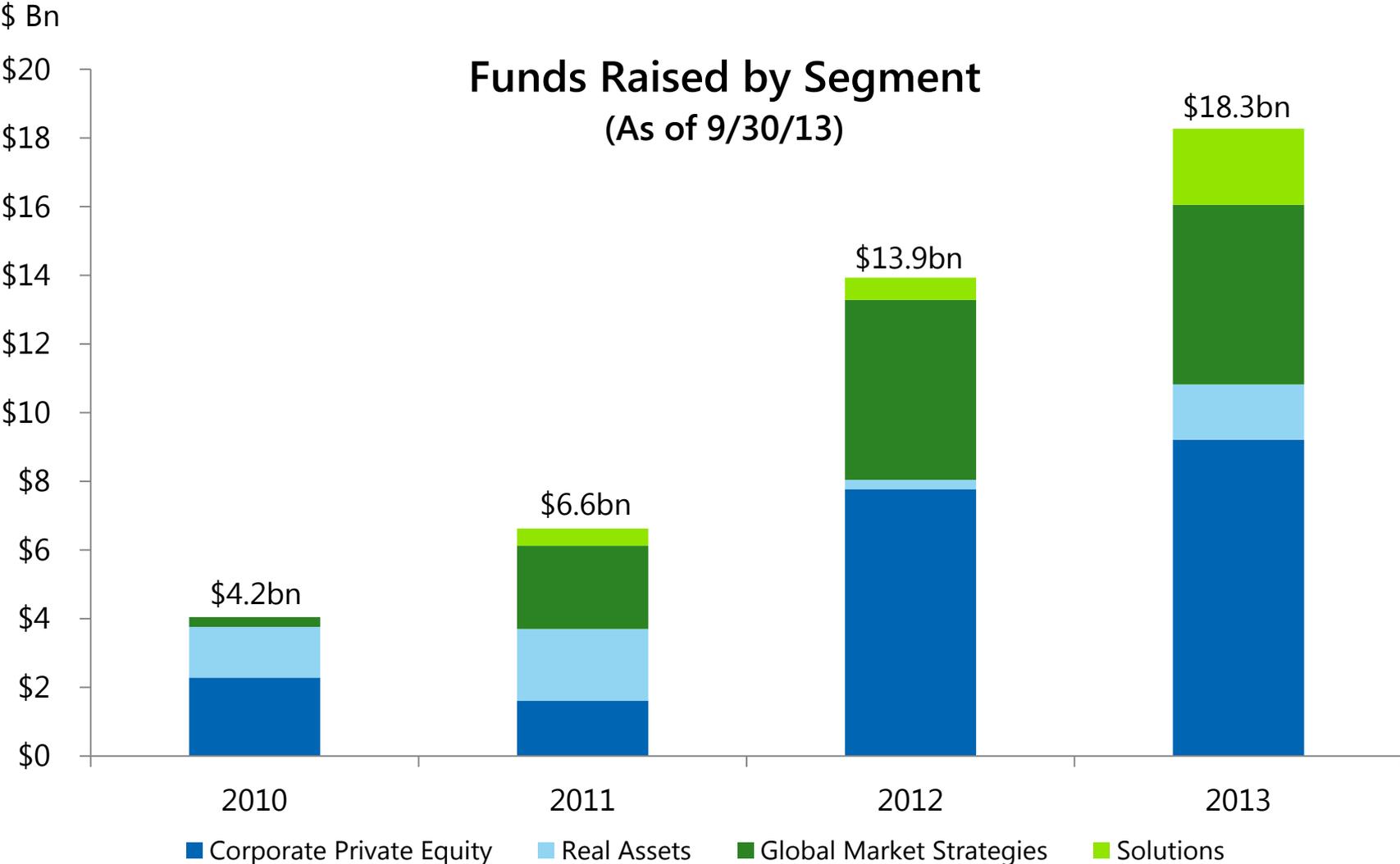
14 additional funds are currently accruing performance fees

As of September 30, 2013. Please see “Important Information” at the beginning of this presentation. Funds selected represent eleven carry funds which are currently accruing, or have the potential to accrue carry in the near future & Carlyle hedge funds. Funds are not representative of Carlyle’s entire portfolio & results may not be typical. For more information about the performance of Carlyle’s significant funds, please see Carlyle’s filings with the US Securities & Exchange Commission.

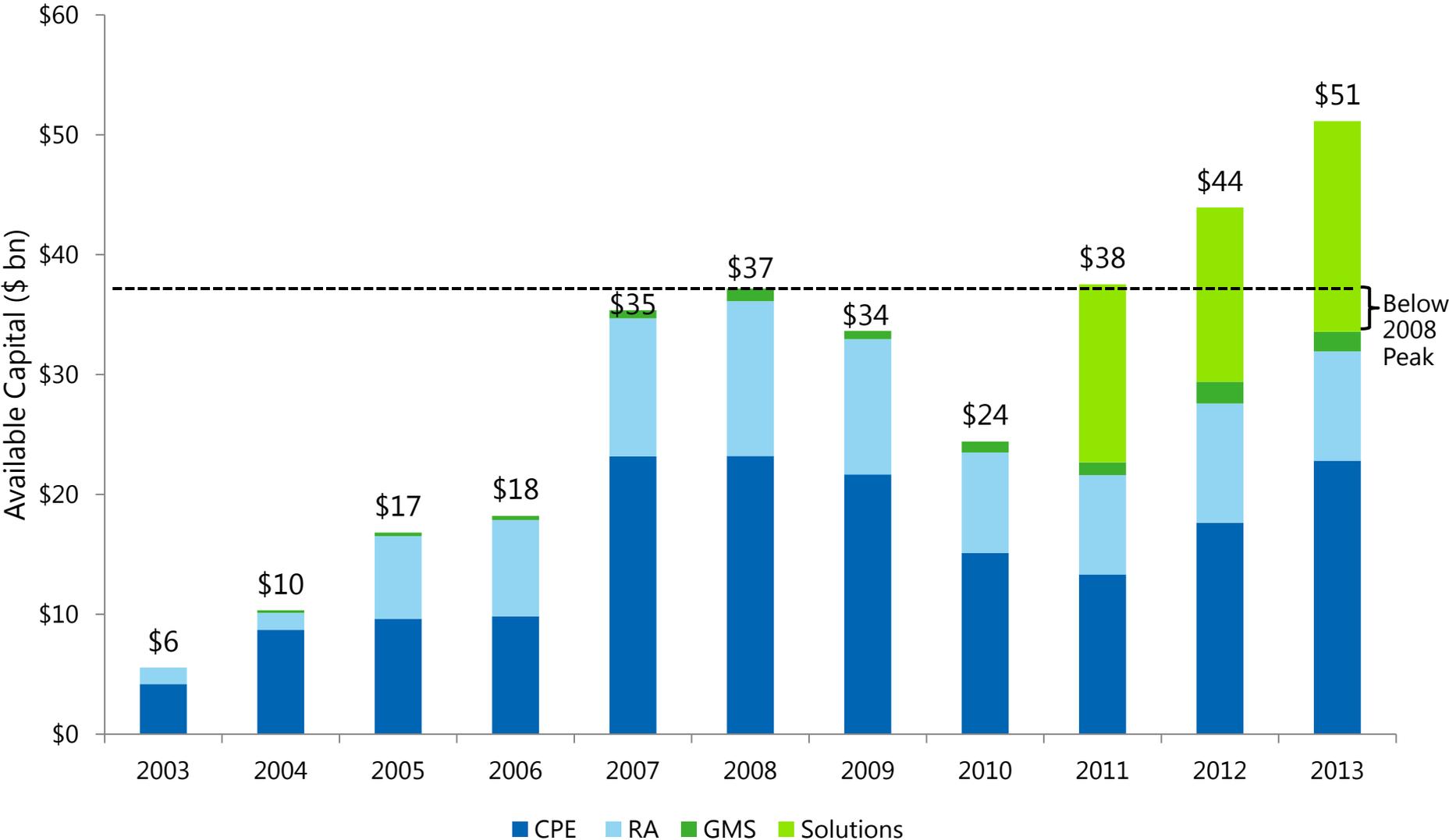
1 Carlyle Europe Technology Partners II, L.P. is not included in Carlyle’s SEC reporting as it is not considered “significant.”

2 Reflects total hedge fund AUM as of September 30, 2013.

We Have Raised \$18.3 Billion in 2013YTD Across All Segments



And We Now Have \$51 Billion of Dry Powder (\$31 billion in Carry Funds)



As of 9/30/13. There is no guarantee these trends will continue.

Corporate Private Equity Is Our Largest Segment

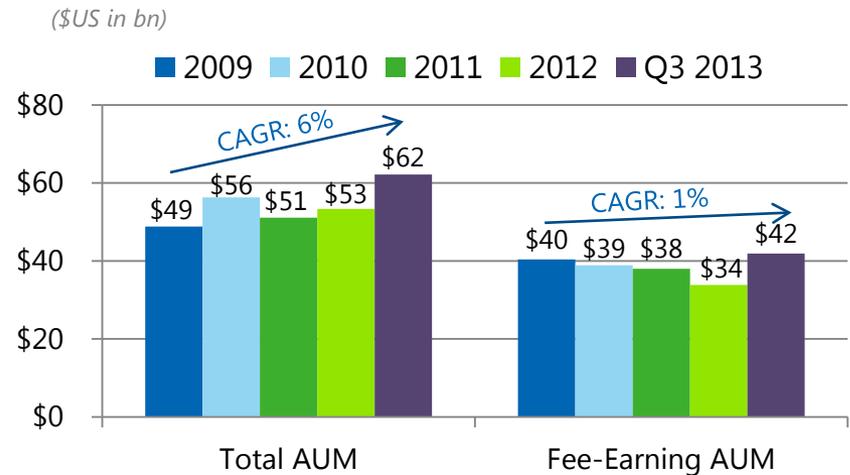
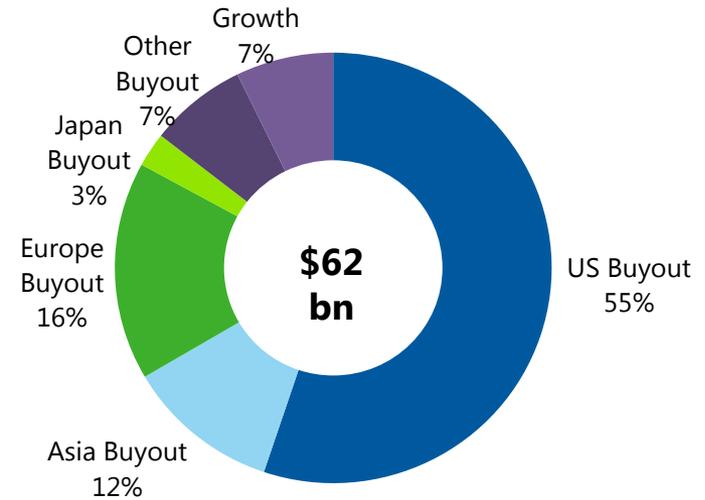
Strategy

- Continue to achieve absolute returns for our fund investors
- Maintain & expand position as one of the largest, most diverse, and consistent performing global private equity platforms

Operating Statistics

- 14 fund families
- 150+ Portfolio Companies
- 262 investment professionals
- 26 Operating Executives
- LTM DE: \$324 million
- LTM ENI: \$626 million

Assets Under Management



Carlyle Global Market Strategies ("GMS") Is a Major Growth Driver

Overview

Global, multi-product & markets-focused investment platform

Seize today's investment opportunities by
 1) partnering with existing investment management platforms and launching new investment strategies; and 2) appropriately scaling current products

Statistics

7 distinct investment strategies

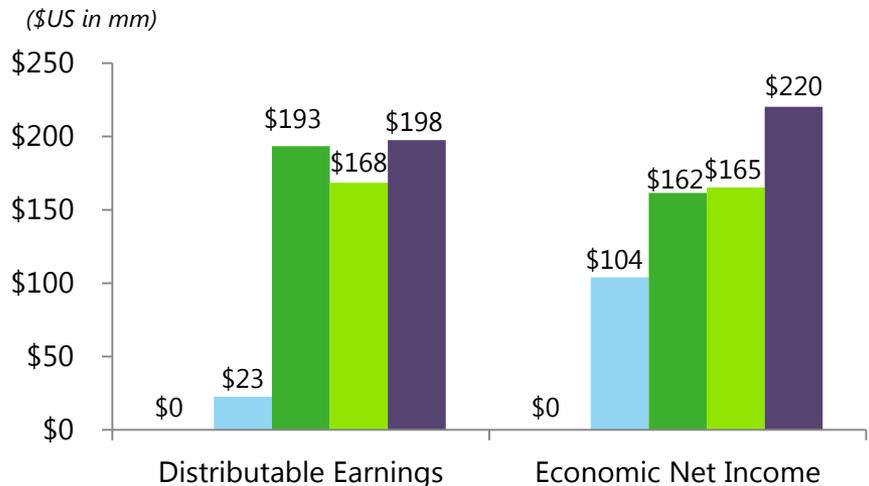
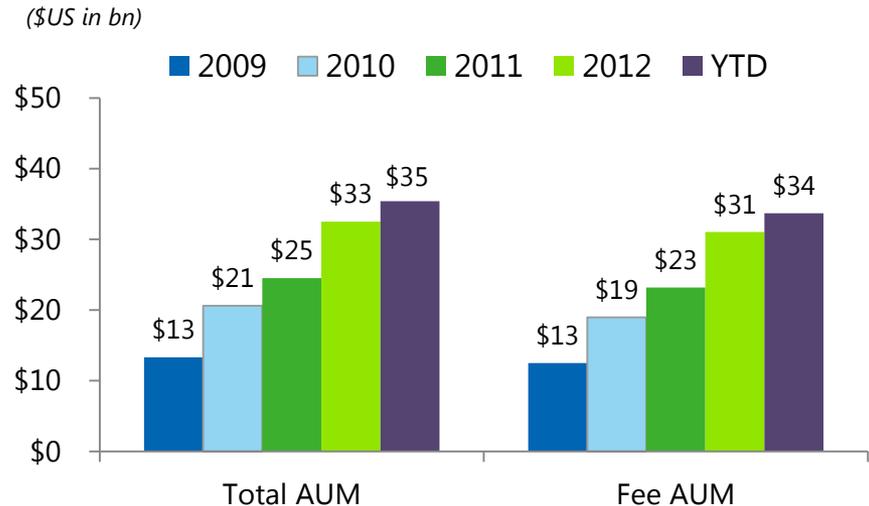
61 individual funds

148 investment professionals¹

34 Carlyle offices worldwide

Diversified investor base

Performance Metrics



Note: as of 9/30/2013. DE, ENI figures are calculated for last twelve months period ending 9/30/13. (1) Excludes 3 GMS Management investment professionals, not dedicated to any particular fund and 61 middle and back office professionals.

Global Market Strategies Offers a Diverse Set of Investment Opportunities

(AUM \$US in bn)

Fund Family	Product		# Team Members	AUM	# Funds
	Line	Strategy			
Structured Credit	Structured Credit ¹	Leveraged Loans	21	\$16.1	39
	Strategic Partners	Distressed	8	\$1.5	3
Carry Funds & Financing	Carlyle GMS Finance ²	Corporate Lending	20	\$2.3	5
	Energy Mezzanine	Energy Lending	14	\$1.5	1
Hedge Funds	Claren Road	L/S Corporate Credit	33	\$7.8	2
	Emerging Sovereign	L/S EM Equities, Macro	23	\$5.0	7
	Vermillion	Commodities	29	\$1.3	4
Total GMS			148	\$35.4	61

Note: As of 9/30/2013.

1. Excludes Churchill Cayman Financial Ltd., a \$1.5 billion CLO.

2. Comprised of a majority of the former investment team of Churchill Financial LLC & currently manages Churchill Cayman Financial Ltd., a \$1.5 billion CLO; as well as Carlyle GMS Finance and a co-invest vehicle, Carlyle's Business Development Companies; and Carlyle Mezzanine Partners, which consists of 4 investment professionals and 2 funds totaling \$0.6 billion in AUM.

Real Assets Has Leading Real Estate and Energy Capabilities

Strategy

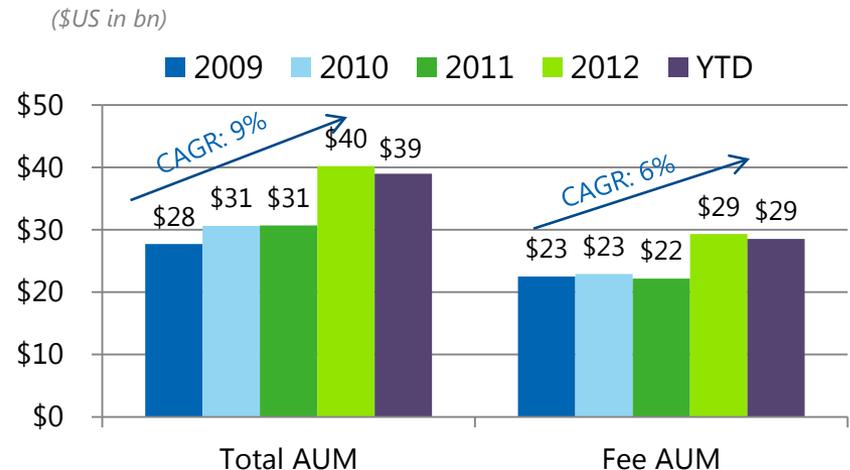
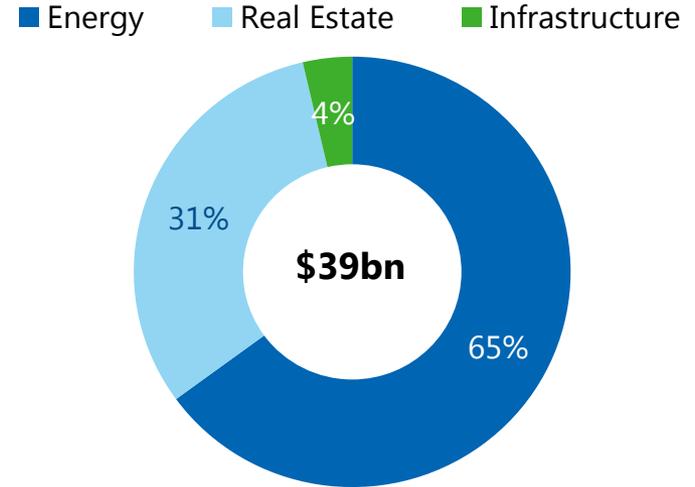
- Build best-in-class global natural resources and real estate platform

Operating Statistics

- 28 active funds
- 139 investment professionals
- 640+ real assets investments since inception
- 300+ active real estate investments
- \$9.1 billion of dry powder

Note: as of 9/30/2013.

Assets Under Management

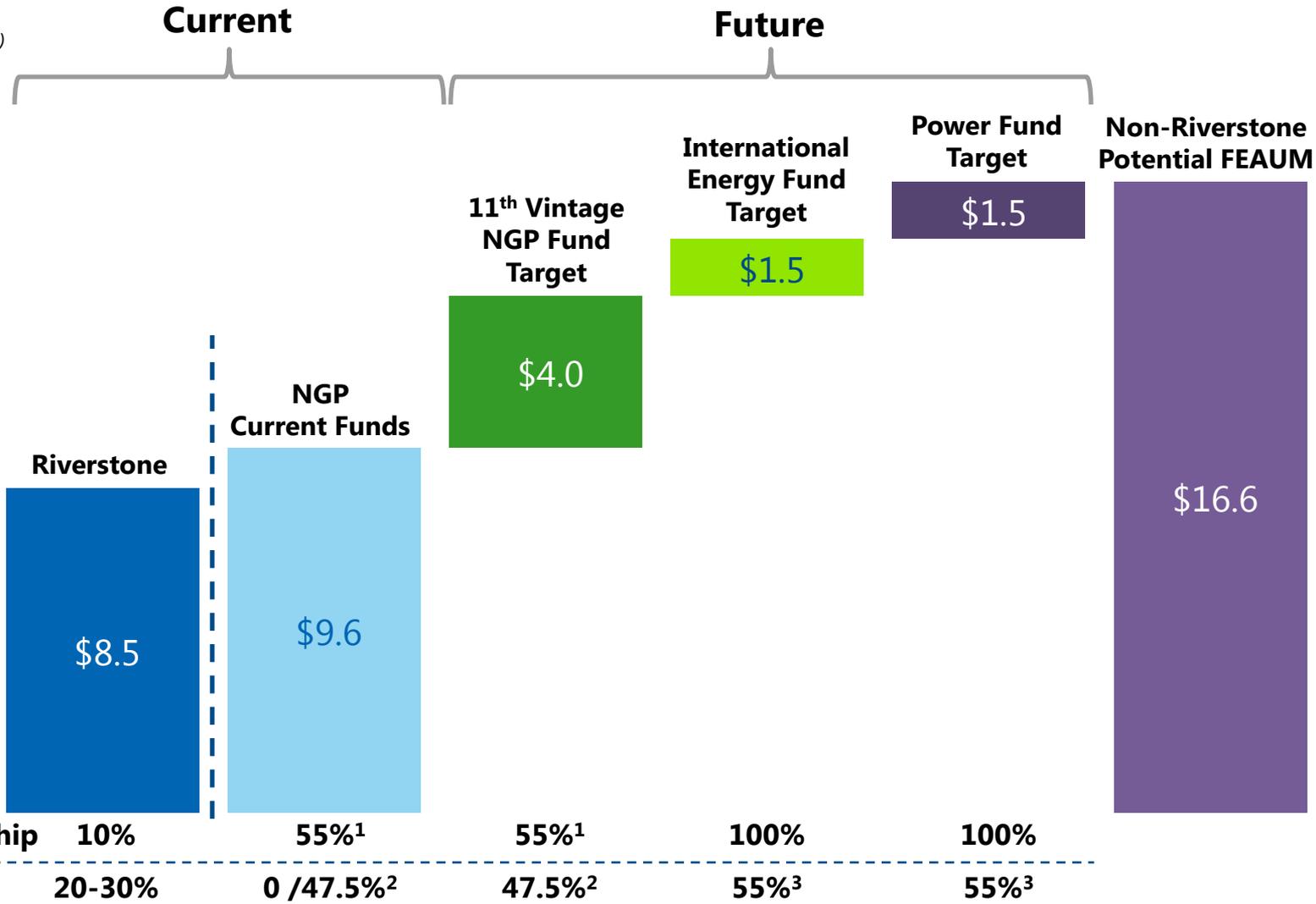


Global Real Estate Platform Has Both Earnings and Opportunities

	United States	Europe	Asia
Position	<ul style="list-style-type: none"> • Leading platform with strong track record • Plan to scale through 7th fund 	<ul style="list-style-type: none"> • Turnaround story • Potential for managed accounts 	<ul style="list-style-type: none"> • Looking to scale vs opportunity
Current AUM	\$7.0 billion	\$3.2 billion	\$2.0 billion
Backdrop	<ul style="list-style-type: none"> • Improving jobs situation • Bust bigger than boom • Housing shortage 	<ul style="list-style-type: none"> • Out of recession • Recovery lags U.S. • Unemployment high but not likely to significantly worsen • Traditional lenders being replaced 	<ul style="list-style-type: none"> • Growing middle class • Strong retail growth • Urbanization • Rise of tier-2,-3, and -4 cities in China

A Reconstituted Natural Resources Platform More Than Replaces Our Legacy Exposure to a Fast Growing Area

(Fee Earning AUM \$US in bn)



Note: As of 9/30/13. For illustrative purposes only. There is no guarantee any of these funds will reach their targets or that our fee-earning AUM will grow as set forth above. See "Important Information" at the beginning of this presentation.

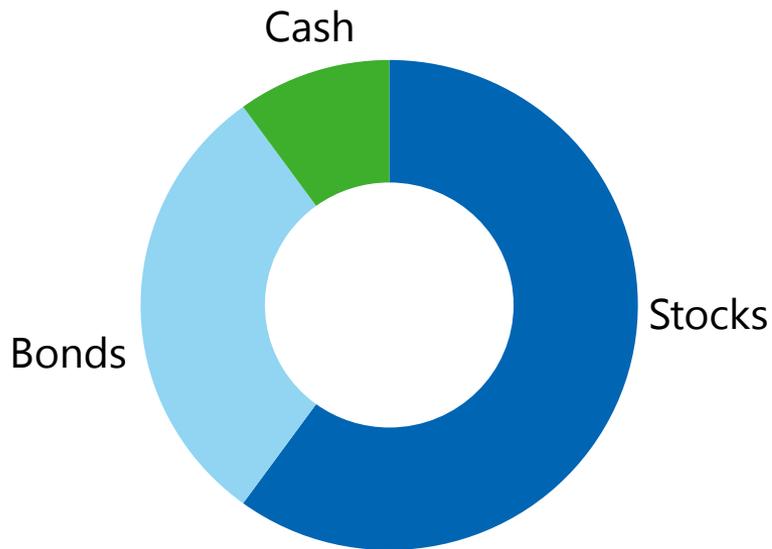
1 Assumes purchase of additional 7.5% revenue interest in 2014 for \$7.5 million.

2 Assumes exercise of carry option on NGP X (\$3.6 billion of current Fee-Earning AUM) and NGP XI for a total of ~\$105 million.

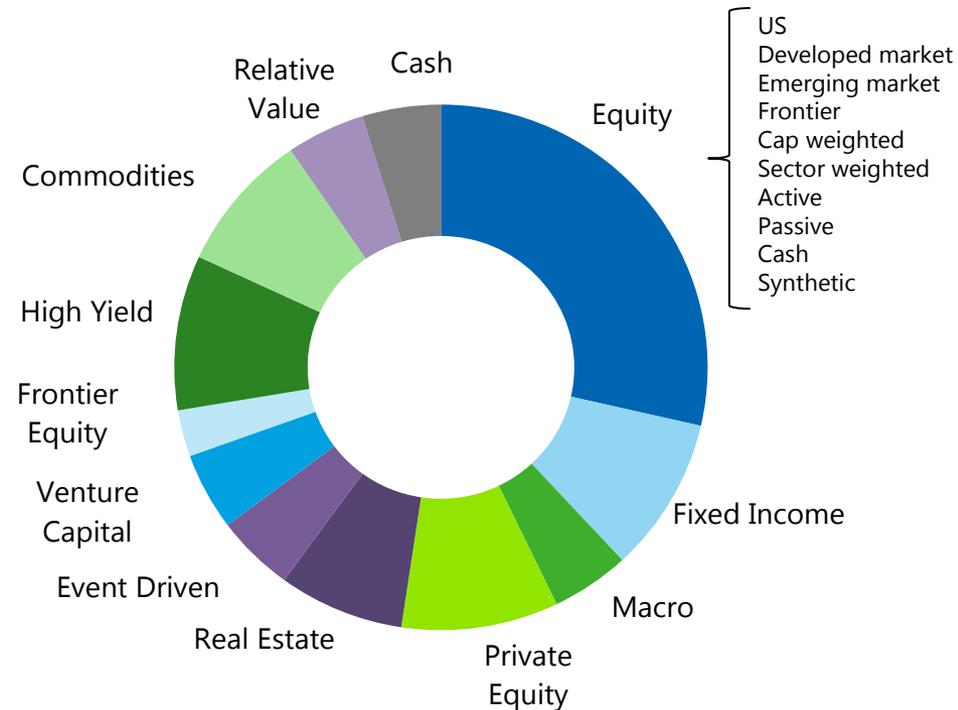
3 55% owned by Carlyle; 45% owned by investment professionals.

Our Clients Face an Increasingly Complex World

Portfolio construction was once simple...



...but has become significantly more complex



In Solutions, Expanded Capabilities Will Provide a Complete Toolbox for our Investors

Investment Inputs

Private equity

- Primaries, secondaries, co-investments

Real Estate

- Primaries, secondaries, co-investments

Hedge Funds

- Primaries, secondaries, co-investments

Other

Investment Process

Define Portfolio Objectives

Portfolio Construction

Portfolio Implementation

Portfolio Management

Investment Output

Customized & commingled portfolios of private equity, real estate & hedge funds

Customized multi-asset class portfolios

Liquid alternatives

Outcome-oriented solutions, for example:

- Tail risk hedges
- Inflation hedges
- Yielding portfolios

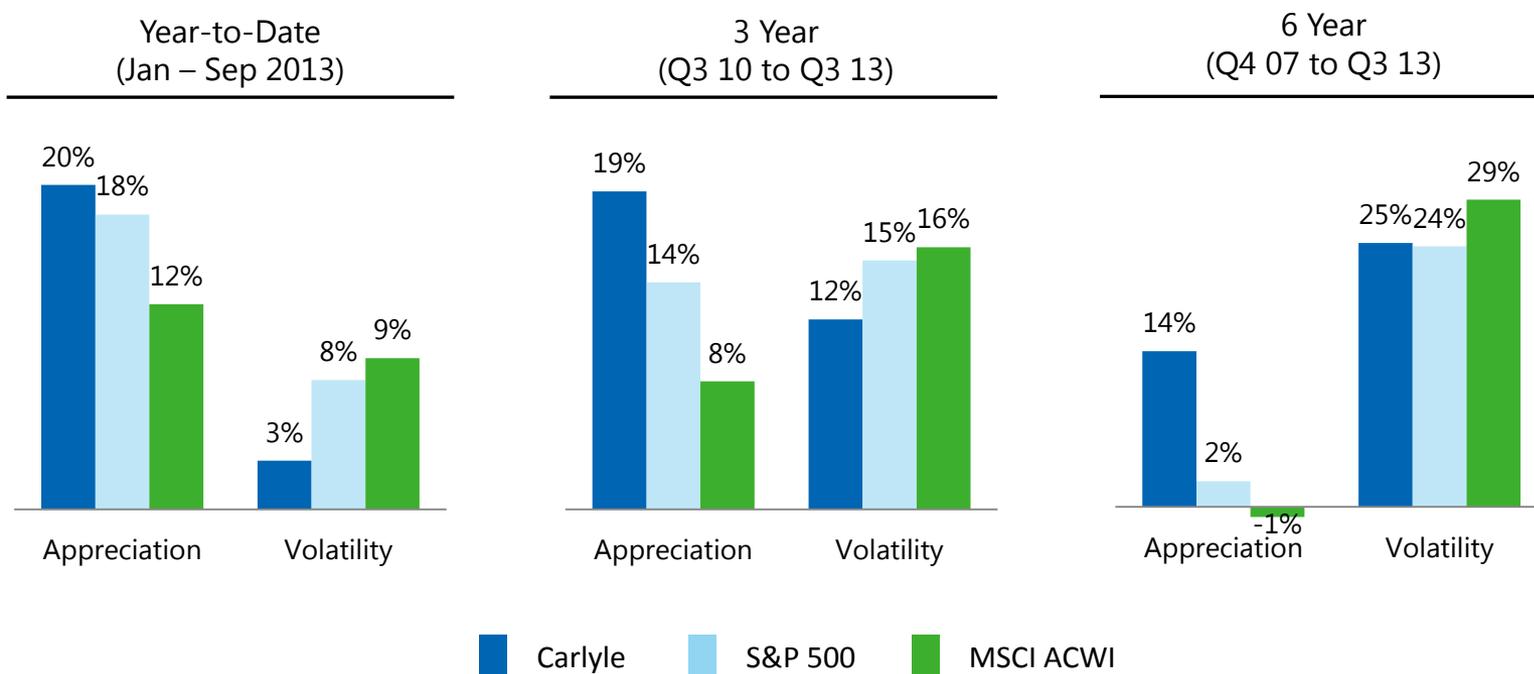
Strategic Focus Should Lead to Increasing Unitholder Distributions



I. Generate Attractive Returns For Our Fund Investors

- Sector Experts
- Global Footprint
- Operating Executives
- OneCarlyle

Appreciation of Carlyle Funds^(1,2,3): Carlyle CPE Funds vs. S&P 500 and MSCI ACWI



1 Appreciation / (Depreciation) represents unrealized gain / (losses) for the period on a total return basis before fees and expenses. The percentage of return is calculated as: Ending Remaining Investment FMV plus net investment outflow (sales proceeds minus net purchases) minus Beginning Remaining Investment FMV divided by Beginning Remaining Investment FMV.

2 Volatility based on quarterly returns for year-to-date and 3-year period and annual returns from 2008 to 2012 for the Q4 07 to Q3 13 analysis

3 All non-USD values are converted at the spot rate of the most recent quarter end period (e.g., QoQ appreciation for Q3 13 would be converted at Q3 13 FX rates)

II. Grow the Investment Platform

- Attractive Fund Offerings
- Leverage Our Scale
- Distinctive Performance → Attractive Fee Constructs

Investment/Fund Teams Added in the Past 5 Years

Organic in Blue /Acquired in Green

2009	2010	2011	2012	2013 YTD
South America Buyout	Claren Road Energy Mezzanine RMB Fund	AlpInvest ESG Sub-Saharan Africa Peru Buyout	NGP Energy Capital Management Middle Market Finance/BDC Power Vermillion Ireland Growth	Int'l Energy Metropolitan RE Fund of Funds CPG Carlyle Global PE-40Act RIC ¹

¹ Central Park Group is the investment advisor to this Fund.

III. Deepen & Expand Investor Base

- **Product Specialists**

- **Broad Geographic Coverage**

- **HNW/Retail Offerings**

Carlyle Fundraising Team

- ~80 Person Team
- 2 Management
- 23 Geographically Focused
- 14 Product Specialists
- 8 HNW Specialists
- 30 Project Management, Fulfillment & Support

~1,450 Carlyle Employees

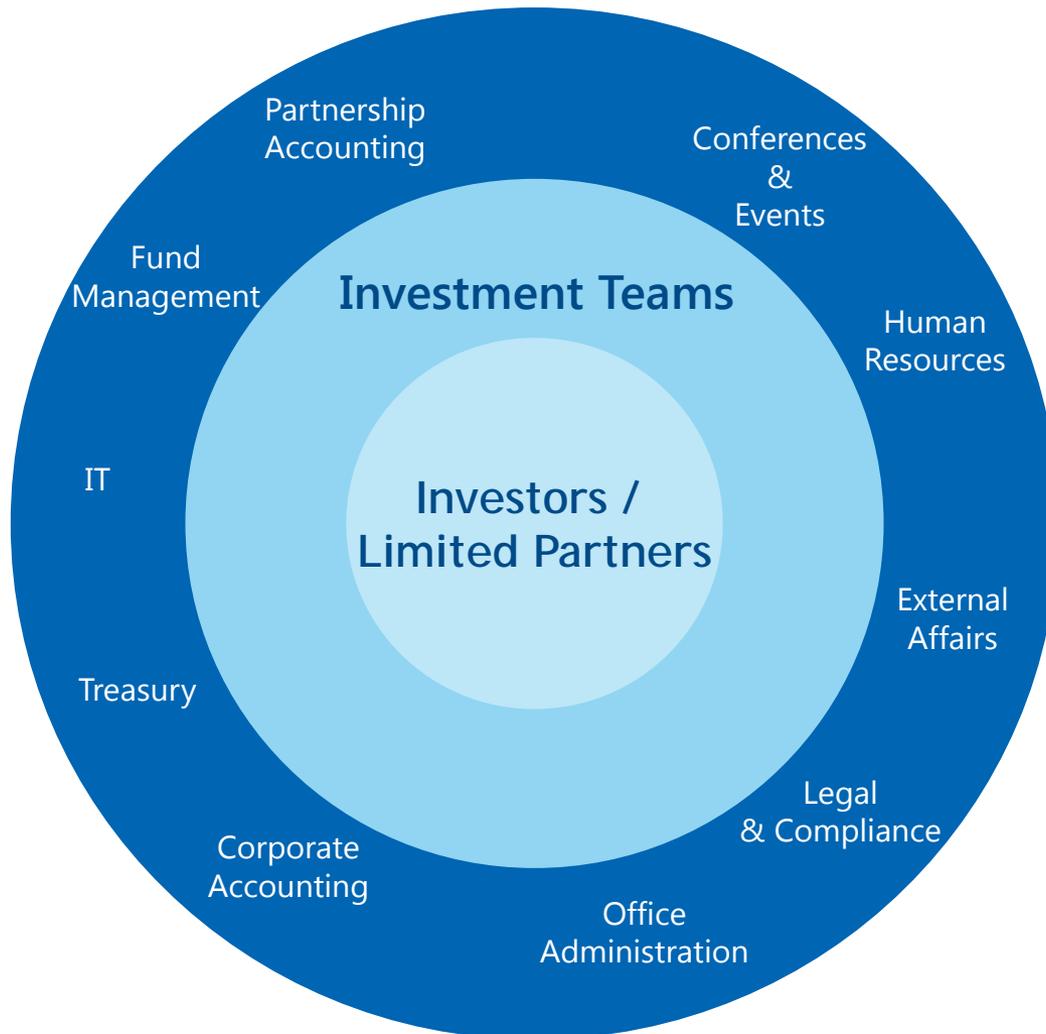


2012 & 2013

- \$32 bn in new commitments
- Closes on 27 different funds
- \$2.6 bn raised from HNW investors
- 181 new investors, committing ~ \$4.6 bn
- 62% of capital from investors in 6 or more funds
- Over 1600 investors

IV. Support with World Class Investor Services

• Investor Reporting • Portfolio Analytics • Fund Launch • Acquisition Integration • Corp. Functions



- 5,033 legal entities – 325 new ones so far this year
- ~4,250 bank accounts across 100 banks
- ~118,000 cash transactions each year
- >225 firm/fund audits each year
- >50,000 K-1s and other tax filings each year
- ~7,800 unique investor requests each year

Carlyle is a

Multi-Fund



Multi-Discipline



Multi-Geography

One Culture

Global Alternative Asset Manager