

THE CARLYLE GROUP
REPORTS THIRD QUARTER
2020 FINANCIAL RESULTS

OCTOBER 29, 2020

CARLYLE

The Carlyle Group Reports Third Quarter 2020 Financial Results

CARLYLE

WASHINGTON, DC – OCTOBER 29, 2020 – Global investment firm The Carlyle Group Inc. (NASDAQ: CG) today reported its unaudited results for the third quarter ended September 30, 2020.

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 November 10, 2020, payable on November 17, 2020.

Conference Call

Carlyle will host a conference call at 8:30 a.m. EDT on Thursday, October 29, 2020, to discuss its third quarter 2020 financial results. The call will be webcast live on Carlyle's investor relations website at www.carlyle.com and a replay will be available on our website shortly after the call.

About The Carlyle Group

The Carlyle Group (NASDAQ: CG) is a global investment firm with deep industry expertise that deploys private capital across four business segments: Corporate Private Equity, Real Assets, Global Credit and Investment Solutions. With \$230 billion of assets under management as of September 30, 2020, 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. Carlyle employs more than 1,800 people in 30 offices across six continents. Further information is available at www.carlyle.com. Follow Carlyle on Twitter @OneCarlyle.

“Carlyle’s third quarter results underscore our position of strength as we continue to adapt and perform in the current environment.

The resilience of our global platform and strong investment performance of our funds positions us to deliver attractive financial results for our shareholders this year and over the long term.”

- Carlyle CEO Kewsong Lee

Forward Looking Statements

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 expectations regarding the impact of COVID-19, 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, 2019 filed with the SEC on February 12, 2020 and in our Quarterly Report on Form 10-Q for the quarter ended March 31, 2020 filed with the SEC on April 30, 2020, 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.

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Third Quarter 2020 Earnings

Carlyle Third Quarter 2020 U.S. GAAP Results

- Net income attributable to The Carlyle Group Inc. common stockholders in Q3 2020 was \$295.5 million

(Dollars in millions, except per share amounts)

	3Q'19	3Q'20	YTD 3Q'19	YTD 3Q'20
REVENUES				
Fund management fees	\$ 359.5	\$ 363.8	\$ 1,103.8	\$ 1,091.5
Incentive fees	9.9	9.1	26.8	27.0
Investment income (loss), including performance allocations	324.6	584.1	1,565.1	72.4
Revenue from consolidated entities	51.3	56.3	149.5	164.5
All other revenues	23.3	21.3	71.5	64.5
Total Revenues	768.6	1,034.6	2,916.7	1,419.9
EXPENSES				
Cash-based compensation and benefits	200.0	222.2	631.9	639.0
Equity-based compensation	36.6	18.7	107.8	78.3
Performance allocations and incentive fee related compensation	92.6	250.6	391.6	343.7
General, administrative and other expenses	121.7	91.1	344.9	240.9
Expenses from consolidated entities	34.1	37.2	99.7	122.1
Interest and other non-operating expenses (income)	20.3	23.6	60.2	74.1
Total Expenses	505.3	643.4	1,636.1	1,498.1
Net investment gains (losses) of consolidated funds	(1.9)	23.9	(6.9)	(38.9)
Income (loss) before provision for income taxes¹	261.4	415.1	1,273.7	(117.1)
Provision (benefit) for income taxes	9.4	82.4	48.9	54.7
Net income (loss)	252.0	332.7	1,224.8	(171.8)
Net income (loss) attributable to non-controlling interests in consolidated entities	10.5	37.2	45.8	(1.2)
Net income (loss) attributable to Carlyle Holdings	241.5	295.5	1,179.0	(170.6)
Net income (loss) attributable to non-controlling interests in Carlyle Holdings	149.3	—	789.8	—
Net income (loss) attributable to The Carlyle Group Inc.	92.2	295.5	389.2	(170.6)
Net income attributable to Series A Preferred Unitholders	7.3	—	19.1	—
Series A Preferred Units redemption premium	16.5	—	16.5	—
Net income (loss) attributable to The Carlyle Group Inc. Common Stockholders	\$ 68.4	\$ 295.5	\$ 353.6	\$ (170.6)
Net income (loss) attributable to The Carlyle Group Inc. per common share:				
Basic	\$ 0.60	\$ 0.84	\$ 3.17	\$ (0.49)
Diluted	\$ 0.55	\$ 0.82	\$ 2.93	\$ (0.49)
Supplemental information:				
Income (loss) before provision for taxes margin ²	34.0 %	40.1 %	43.7 %	(8.2)%
Net performance revenues ³	\$ 19.8	\$ 226.8	\$ 317.5	\$ 387.9

- Our U.S. GAAP results for YTD Q3'20 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 is driven by the contribution of our existing 19.9% investment in Fortitude into the fund, and the subsequent accounting for our investment based on the net asset value of our limited partnership interest in the fund rather than a direct interest in Fortitude. This loss is more than offset by additional accrued performance allocations of \$732 million recognized as a result of the YTD appreciation in our funds.

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 Conversion, Net income (loss) attributable to Carlyle Holdings refers to the Net income (loss) of The Carlyle Group Inc. and its consolidated subsidiaries, net of non-controlling interests in consolidated entities. LTM results for the provision (benefit) for income taxes and net income (loss) attributable to Carlyle Holdings are not meaningful due to the change in our structure in connection with the Conversion. See Notes at end of document.

Carlyle Third Quarter 2020 Highlights

Financial Measures & Dividend

- Distributable Earnings (“DE”) of \$152 million for Q3 2020 on a pre-tax basis, or \$0.40 per common share on a post-tax basis. DE of \$525 million, or \$1.41 per common share for the YTD
- Fee Related Earnings ("FRE") of \$119 million for Q3 2020 and \$375 million for the YTD
- Realized Net Performance Revenues of \$40 million for Q3 2020 and \$159 million for the YTD
- Total Segment Net Accrued Performance Revenues of \$2.0 billion, up 14% YTD
- Declared a quarterly dividend of \$0.25 per common share, payable to stockholders of record as of November 10, 2020

Assets Under Management

- Total Assets Under Management: \$230 billion, up 2% YTD
- Fee-earning Assets Under Management: \$167 billion, up 3% YTD
- Available Capital for investment: \$74 billion

Key Metrics

- Fundraising: \$5.5 billion in Q3 2020 and \$17.8 billion YTD
- Invested Capital (carry funds): \$3.7 billion in Q3 2020 and \$9.6 billion YTD
- Realized Proceeds (carry funds): \$3.9 billion in Q3 2020 and \$14.1 billion YTD
- Carry Fund Appreciation: 5% in Q3 2020 and 2% YTD

Carlyle Third Quarter 2020 Total Segment Operating Results

(Dollars in millions, except per share amounts)

	3Q'19	3Q'20	YTD 3Q'19	YTD 3Q'20
SEGMENT REVENUES				
Fund management fees	\$ 384.6	\$ 389.1	\$ 1,180.7	\$ 1,157.0
Transaction and portfolio advisory fees, net and other	11.1	5.1	36.0	30.2
Total segment fee revenues	395.7	394.2	1,216.7	1,187.2
Realized performance revenues	118.3	86.8	209.4	410.6
Realized principal investment income ³	7.3	12.8	85.3	50.8
Interest income	6.5	2.7	18.0	11.2
Total Segment Revenues	\$ 527.8	\$ 496.5	\$ 1,529.4	\$ 1,659.8
SEGMENT EXPENSES				
Compensation and benefits				
Cash-based compensation and benefits	\$ 194.1	\$ 205.3	\$ 603.5	\$ 619.2
Realized performance revenues related compensation	60.6	46.9	123.9	251.6
Total compensation and benefits ⁴	254.7	252.2	727.4	870.8
General, administrative and other expenses	81.0	62.0	236.7	168.4
Depreciation and amortization expense	11.8	8.2	31.7	24.8
Interest expense	19.6	22.3	58.7	70.6
Total Segment Expenses	\$ 367.1	\$ 344.7	\$ 1,054.5	\$ 1,134.6
Total Segment Revenues	\$ 527.8	\$ 496.5	\$ 1,529.4	\$ 1,659.8
Total Segment Expenses	367.1	344.7	1,054.5	1,134.6
(=) Distributable Earnings	\$ 160.7	\$ 151.8	\$ 474.9	\$ 525.2
(-) Realized Net Performance Revenues	57.7	39.9	85.5	159.0
(-) Realized Principal Investment Income	7.3	12.8	85.3	50.8
(+) Net Interest	13.1	19.6	40.7	59.4
(=) Fee Related Earnings	\$ 108.8	\$ 118.7	\$ 344.8	\$ 374.8
After-tax Distributable Earnings, per common share¹	\$ 0.41	\$ 0.40	\$ 1.23	\$ 1.41
Dividend per common share²	\$ 0.31	\$ 0.25	\$ 0.93	\$ 0.75

(1) A reconciliation of Distributable Earnings to After-tax Distributable Earnings per common share is provided on page 29.

(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) Realized principal investment income in YTD 3Q'19 includes \$72 million of gain upon the final resolution of French tax litigation concerning a European Real Estate fund, reversing in part a loss that was recognized in 2015.

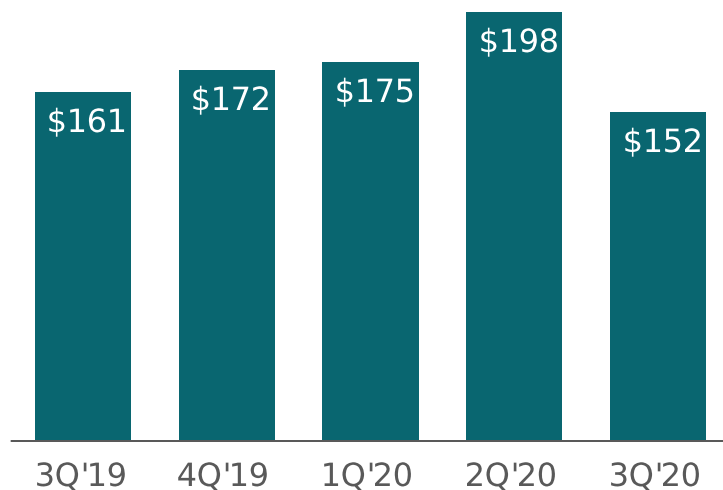
(4) Total Segment compensation and benefits exclude equity-based compensation, detailed below and as shown on page 30. These amounts include equity-based compensation reflected in (i) principal investment income and (ii) general, administration and other expense in our U.S. GAAP statement of operations, and excludes amounts related to shares issued in conjunction with a previous acquisition. Equity-based compensation in 3Q'20 reflects approximately \$7 million of forfeiture credits.

Equity-based compensation	\$ 38.9	\$ 21.1	\$ 116.6	\$ 87.4
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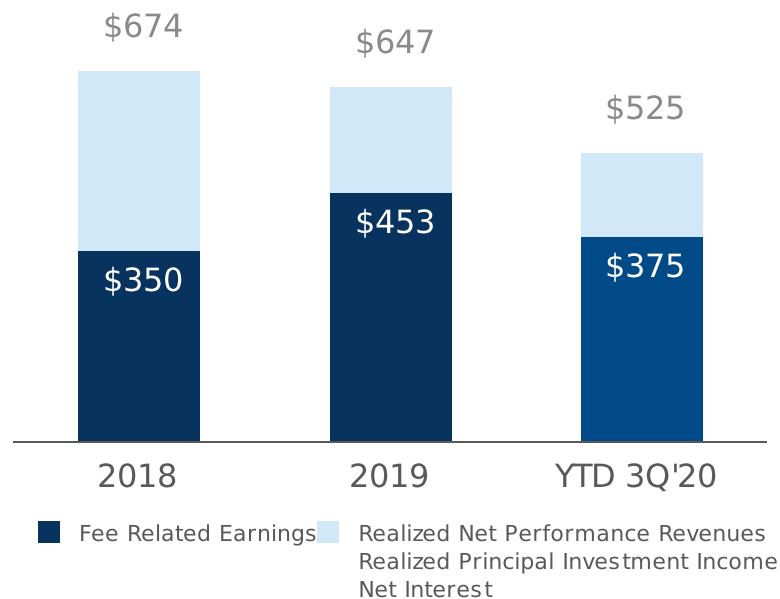
Distributable Earnings

- Distributable Earnings were \$152 million in Q3 2020 and \$525 million YTD
 - Fee Related Earnings accounted for 78% of Distributable Earnings in the quarter and 71% for the YTD period
- Realized Net Performance Revenues were \$40 million in Q3 2020 and \$159 million YTD
 - Corporate Private Equity and Real Assets contributed 52% and 34% of Realized Net Performance Revenue, respectively for the YTD period
- Realized Principal Investment Income was \$13 million in Q3 2020 and \$51 million YTD

Quarterly Distributable Earnings (\$mm)



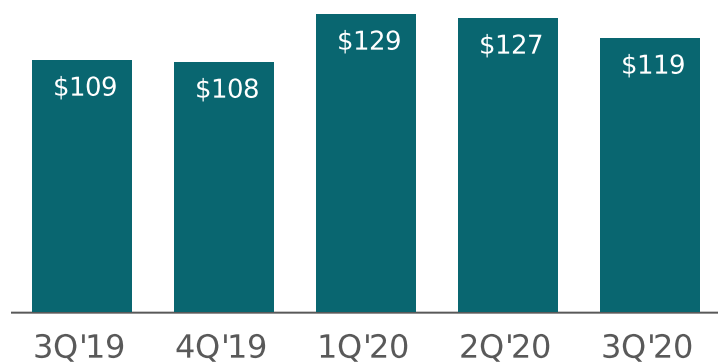
Annual Distributable Earnings (\$mm)



Fee Related Earnings

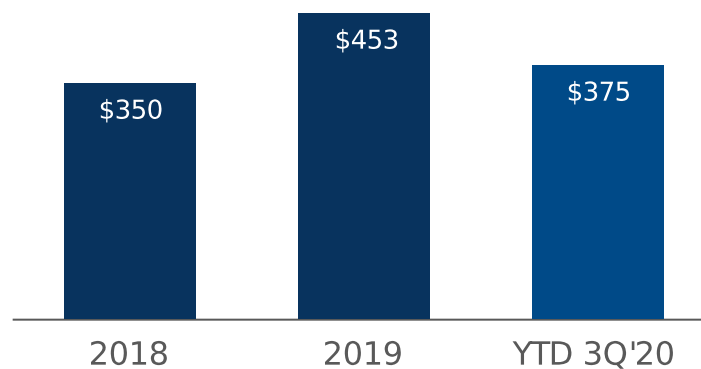
- Fee Related Earnings were \$119 million in Q3 2020, up from \$109 million in Q3 2019, with the increase driven by lower general & administrative expenses, partially offset by higher cash compensation expense. YTD Fee Related Earnings of \$375 million were 9% higher compared to \$345 million in the prior YTD period, with the increase YTD due largely to \$30 million in cost recoveries in Q1 2020.
- Fee Revenues were \$394 million in Q3 2020, roughly in line with \$396 million in Q3 2019. Q3 2020 was positively impacted by the recovery of \$8 million of previously deferred CLO subordinated management fees, while Q3 2019 included higher transaction fees. YTD fee revenue of \$1,187 million was down from \$1,217 million in the prior YTD period, with \$18 million of the difference attributable to lower catch-up management fees in 2020 YTD (no significant catch-up management fees in Q3 2020 or Q3 2019).
- Cash-based compensation & benefits were \$205 million in Q3 2020, a 6% increase from \$194 million in Q3 2019. YTD cash-based compensation & benefits of \$619 million were 3% higher compared to the prior YTD period.
- General & administrative expenses were \$62 million in Q3 2020, a 23% decline from Q3 2019, largely reflecting continuing low travel activity, conference expenditures, and related costs. G&A expenses were \$168 million YTD, down 29% from the prior YTD period.
- FRE margin was 30% in Q3 2020 and 32% YTD

Quarterly Fee Related Earnings (\$mm)



FRE Margin ¹	3Q'19	4Q'19	1Q'20	2Q'20	3Q'20
	27%	26%	33%	31%	30%

Annual Fee Related Earnings (\$mm)

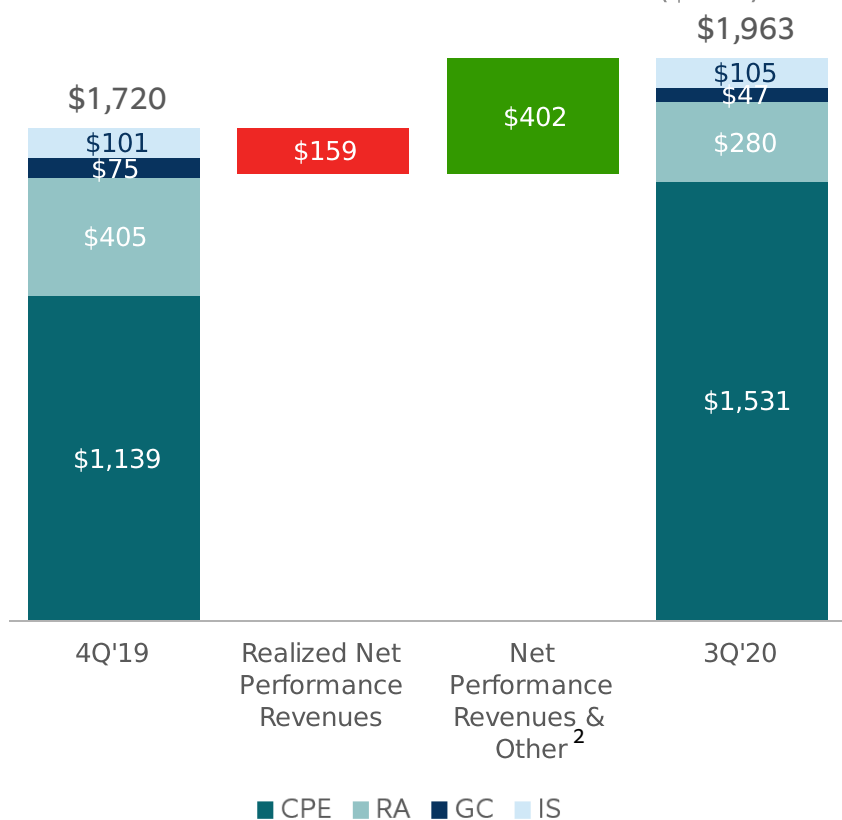


FRE Margin ¹	2018	2019	YTD 3Q'20
	25%	28%	32%

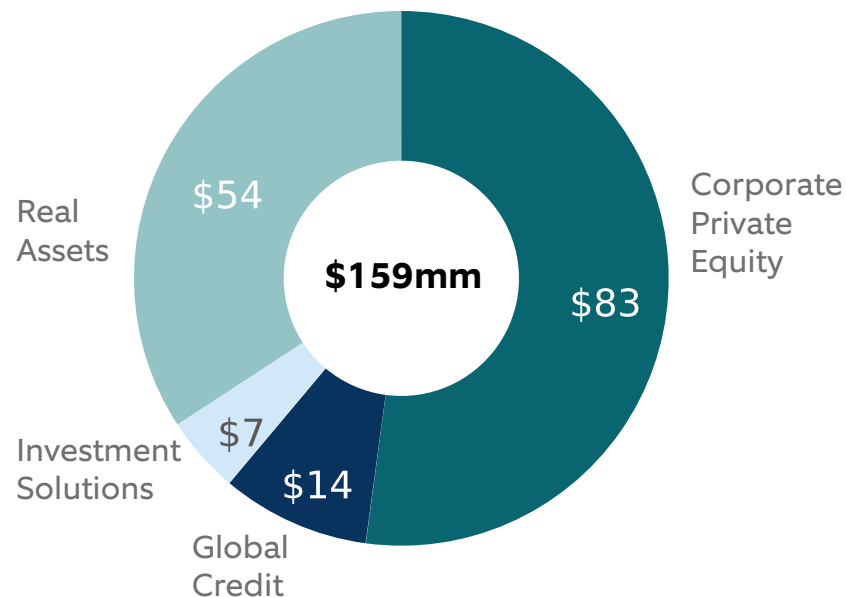
Performance Revenues

- Total Segment Net Accrued Performance Revenues¹ were \$2.0 billion as of Q3 2020, up 10% from \$1.8 billion last quarter, due largely to strong appreciation in our sixth U.S. Buyout fund and fourth Asia Buyout fund, and up 14% YTD
- Realized Net Performance Revenues were \$40 million in Q3 2020 and \$159 million YTD
 - Q3 2020 Realized Net Performance Revenues were primarily driven by exit activity in our U.S. Buyout and Financial Services funds

Net Accrued Performance Revenues (\$mm)

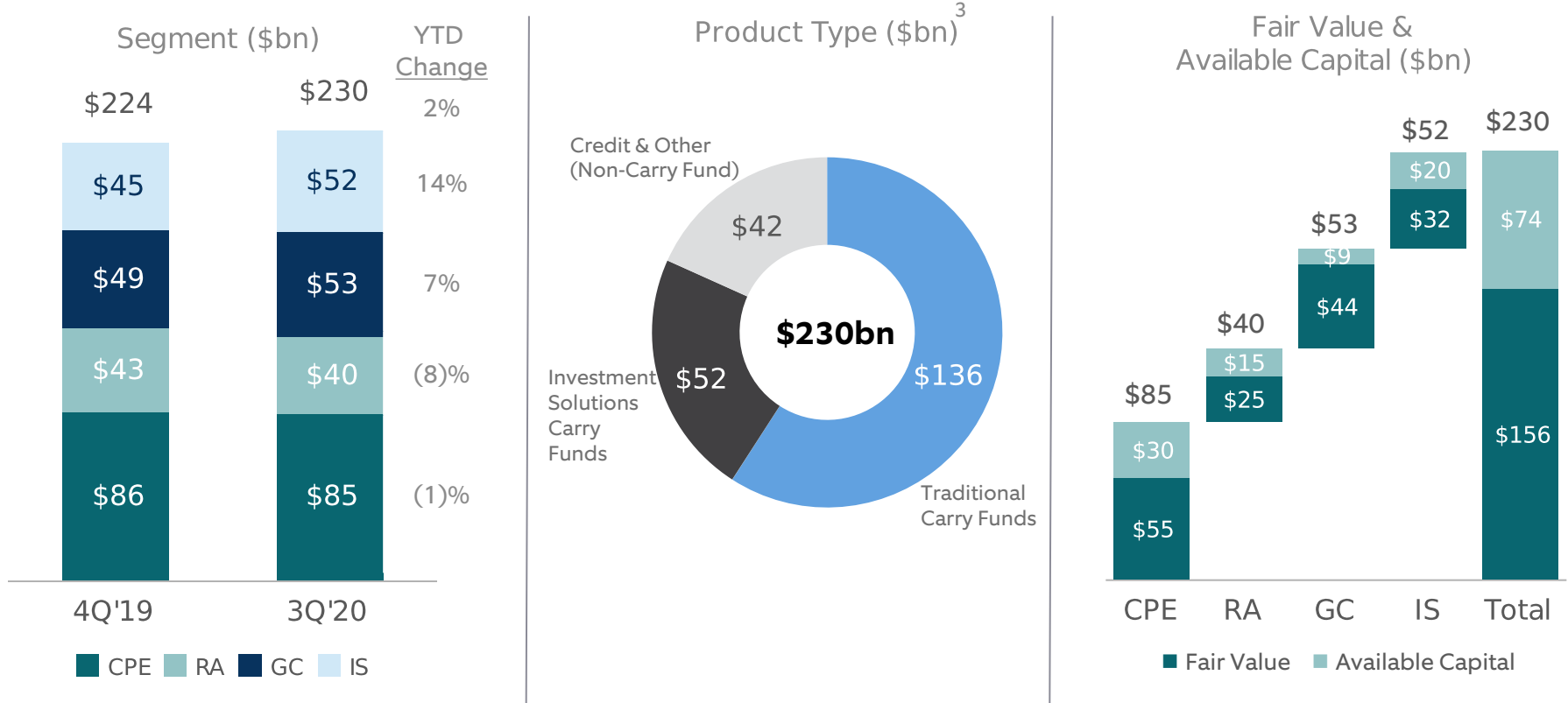


Realized Net Performance Revenues (\$mm)
YTD by Segment



Total Assets Under Management

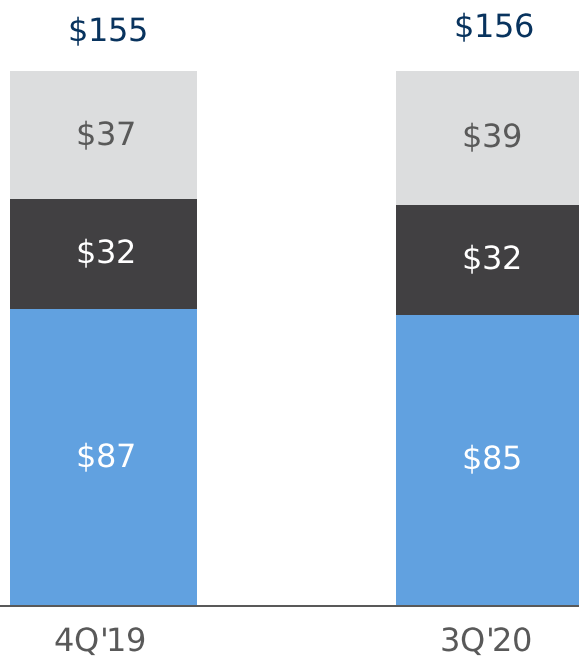
- Total Assets Under Management¹ of \$230 billion at September 30, 2020 increased 4% from the prior quarter and increased 2% YTD
- Available Capital² of \$74 billion at September 30, 2020 increased from \$73 billion in the prior quarter



Fair Value of Investments

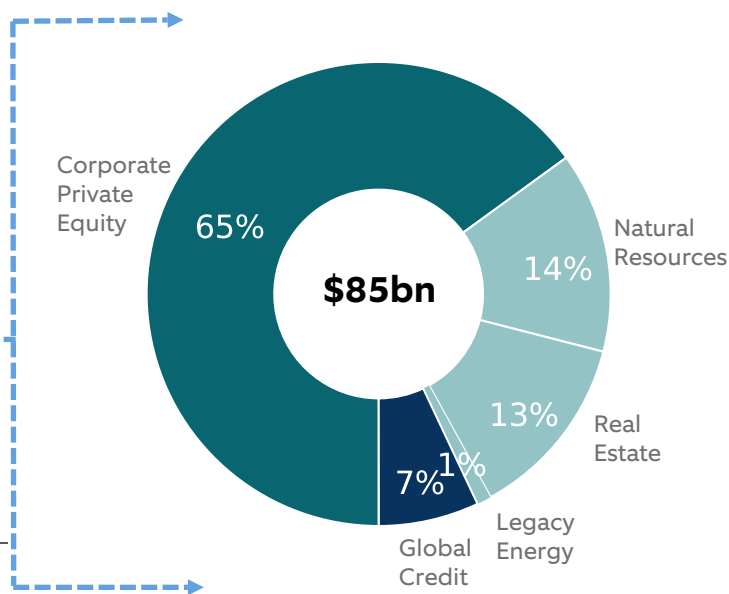
- Fair Value of Investments⁴ of \$156 billion at September 30, 2020 increased 5% from \$148 billion in the prior quarter, and is up 1% YTD
- Fair value in traditional carry funds of \$85 billion increased 5% from 2Q 2020 and is down (2)% YTD. The in-carry ratio of 45% increased from 40% in Q2 2020 due to our fifth Asia buyout fund moving into a carry position, as well as strong appreciation from other funds already in carry
- Fair value of our public portfolio remains at 14% of the traditional carry fund value, consistent with the prior quarter but up from 6% at the beginning of the year due to IPO activity in our Corporate Private Equity funds

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



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

Traditional Carry Funds



In-Carry Ratio⁵

45%

Publicly Traded

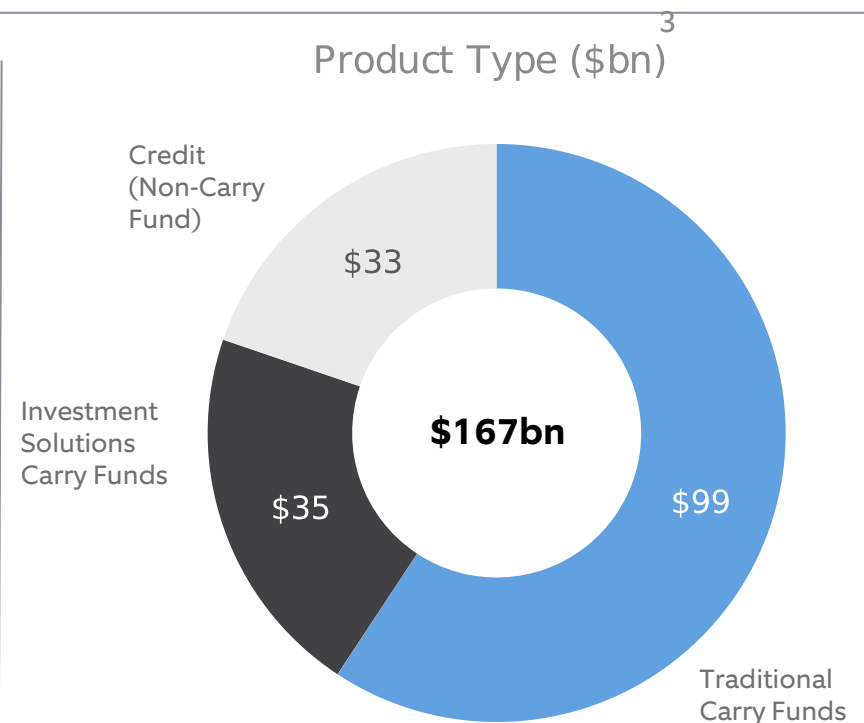
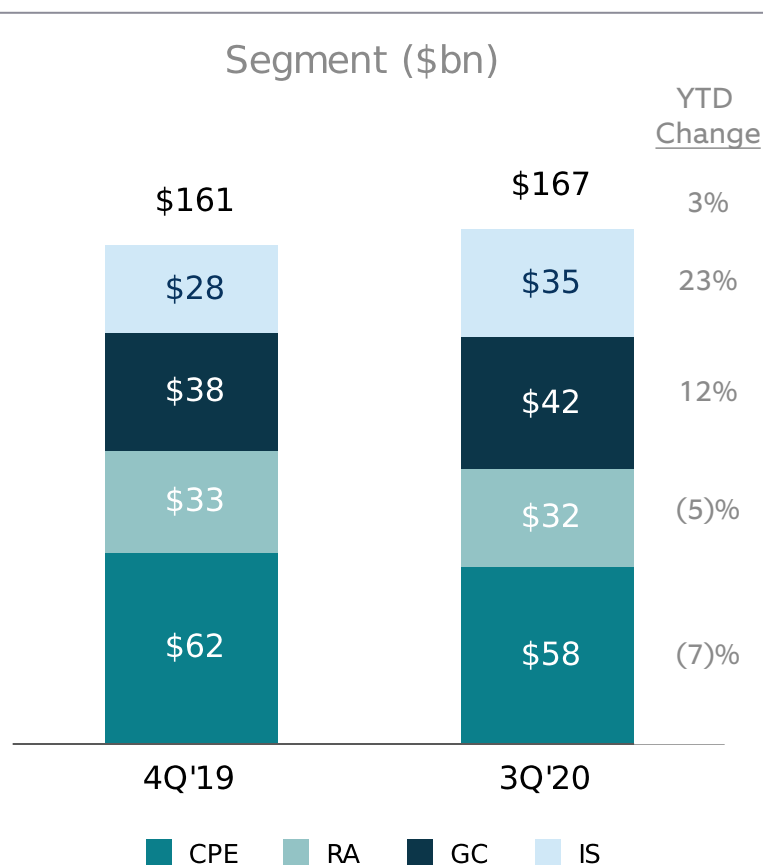
14%

Aged 4+ Years⁶

28%

Fee-earning Assets Under Management

- Fee-earning Assets Under Management⁷ of \$167 billion increased 3% from the prior quarter and 3% YTD, with growth in Global Credit (12% YTD) and Investment Solutions (23% YTD) partially offset by runoff in Corporate Private Equity and Real Assets
- Pending Fee-earning AUM⁸ of \$9.9 billion as of September 30, 2020 is up from \$8.5 billion in the prior quarter largely due to new Global Credit commitments that will earn fees as capital is deployed



Key Metrics Activity

- Fundraising was \$5.5 billion in Q3 2020 driven by activity in Investment Solutions and Global Credit, and \$17.8 billion YTD
- Invested Capital in carry funds was \$3.7 billion in Q3 2020 and \$9.6 billion YTD, with Corporate Private Equity and Investment Solutions the most active segments on a YTD basis
- Realized Proceeds in carry funds was \$3.9 billion in Q3 2020 driven by exit activity in Investment Solutions, and is \$14.1 billion YTD

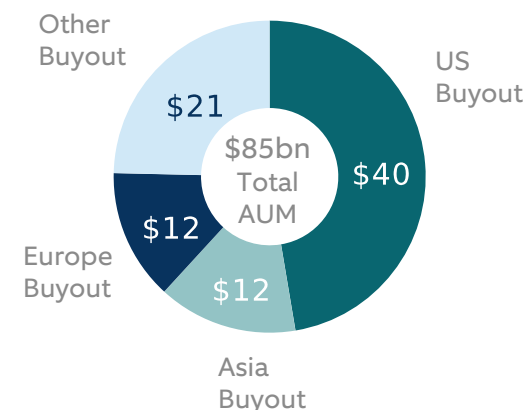
(\$bn)	Fundraising			Invested Capital <i>Carry Funds</i>			Realized Proceeds <i>Carry Funds</i>		
	3Q'20	YTD 3Q'20	LTM 3Q'20	3Q'20	YTD 3Q'20	LTM 3Q'20	3Q'20	YTD 3Q'20	LTM 3Q'20
Total	\$5.5	\$17.8	\$21.1	\$3.7	\$9.6	\$16.7	\$3.9	\$14.1	\$19.2
Corporate Private Equity	\$—	\$0.5	\$1.9	\$1.5	\$2.7	\$4.7	\$1.0	\$5.7	\$7.0
Real Assets ¹	\$0.2	\$1.9	\$2.4	\$0.6	\$2.2	\$4.8	\$1.0	\$2.7	\$4.6
Real Estate	\$0.2	\$0.9	\$1.2	\$0.5	\$1.2	\$1.7	\$0.3	\$1.6	\$2.5
Natural Resources	\$0.1	\$1.0	\$1.2	\$0.1	\$1.0	\$3.1	\$0.1	\$0.2	\$0.9
Global Credit	\$2.4	\$6.8	\$7.2	\$0.6	\$1.9	\$2.6	\$0.4	\$1.2	\$1.4
Investment Solutions	\$2.8	\$8.6	\$9.6	\$1.1	\$2.8	\$4.6	\$1.5	\$4.5	\$6.2



Segment Highlights

Corporate Private Equity

- **Fee Related Earnings** of \$61 million in Q3 2020 were down from \$68 million in Q3 2019, primarily driven by lower management and transaction fees, and partially offset by lower general & administrative expenses in the current quarter. Fee Related Earnings of \$207 million YTD were up 10% from \$188 million in the prior YTD period
- **Total AUM** of \$85.3 billion is down (1)% since the beginning of the year, as realizations exceeded new fundraising and fund appreciation
- **Invested Capital** of \$1.5 billion in Q3 2020 and \$2.7 billion YTD. Notable Q3 2020 investments included Victory Innovations (CP VII) and Shenzhen Salubris Pharmaceutical (CAP V). We have announced or signed an additional \$3 billion of new or follow-on transactions expected to close in the coming quarters
- **Realized Proceeds** of \$1.0 billion in Q3 2020 and \$5.7 billion YTD. **Realized Net Performance Revenues** of \$31 million in Q3 2020 were driven by exit activity in our sixth and fifth U.S. Buyout funds (CP VI/V) as well as our second Financial Services fund (CGFSP II)
- **Carry Funds** appreciated 5% in Q3 2020 and 8% YTD

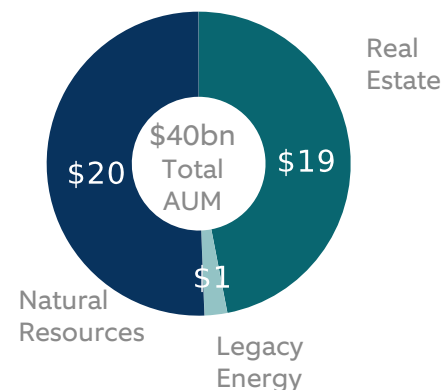


(Dollars in millions)

	3Q'19	3Q'20	YTD 3Q'19	YTD 3Q'20
Fund management fees	\$ 192.2	\$ 180.7	\$ 572.5	\$ 556.9
Transaction and portfolio advisory fees, net and other	8.7	3.2	23.5	9.9
Fee Revenues	\$ 200.9	\$ 183.9	\$ 596.0	\$ 566.8
Cash-based compensation and benefits	92.6	91.2	290.4	280.2
General, administration and other indirect expenses	34.8	28.2	102.2	68.4
Depreciation and amortization expense	5.7	3.8	15.1	11.6
Operating Expenses	\$ 133.1	\$ 123.2	\$ 407.7	\$ 360.2
(=) Fee Related Earnings	\$ 67.8	\$ 60.7	\$ 188.3	\$ 206.6
(+) Realized Performance Revenues	33.3	58.3	67.9	152.4
(-) Realized Performance Revenues Related Compensation	14.9	27.0	30.7	69.5
Realized Net Performance Revenues	18.4	31.3	37.2	82.9
(+) Realized Principal Investment Income (Loss)	1.8	5.0	0.5	29.4
(-) Net Interest	6.3	9.5	19.7	28.2
(=) Distributable Earnings	\$ 81.7	\$ 87.5	\$ 206.3	\$ 290.7

Real Assets

- **Fee Related Earnings** of \$23 million in Q3 2020 were down from \$26 million in Q3 2019 primarily driven by lower management fees, and partially offset by lower general & administrative and cash-based compensation expenses. Fee Related Earnings of \$69 million YTD compared to \$106 million in the prior YTD period
- **Total AUM** of \$40.0 billion declined (8)% YTD, driven by a decrease in fair value across the energy portfolio and \$2.7 billion of realized proceeds, partially offset by \$1.9 billion of fundraising
- **Fundraising** of \$0.2 billion in Q3 2020 included closings for our Core Plus real estate fund (CPI) and several co-investment vehicles
- **Invested Capital** of \$0.6 billion in Q3 2020 and \$2.2 billion YTD. Q3 2020 investment activity was driven by new and follow-on investment activity in our U.S. Real Estate funds
- **Realized Proceeds** of \$1.0 billion in Q3 2020 and \$2.7 billion YTD. **Realized Net Performance Revenues** of \$6 million in Q3 2020 were generated by U.S. and European Real Estate funds and co-investment vehicles
- **Carry Funds** appreciated 2% in Q3 2020 and depreciated (8)% YTD. Our Real Estate funds appreciated 3% in Q3 2020 and 4% YTD, while our Natural Resources funds appreciated 1% in Q3 2020 but depreciated (18)% YTD

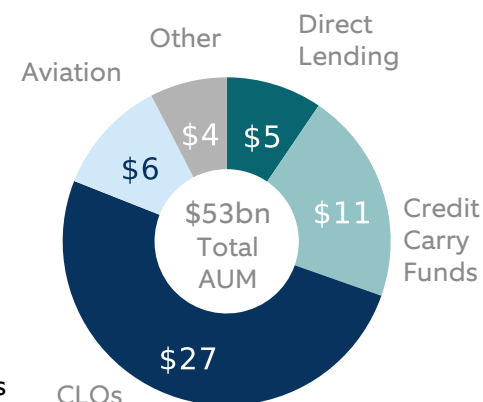


(Dollars in millions)

	3Q'19	3Q'20	YTD 3Q'19	YTD 3Q'20
Fund management fees	\$ 78.1	\$ 67.4	\$ 261.3	\$ 222.4
Transaction and portfolio advisory fees, net and other	(0.1)	0.3	3.7	0.9
Fee Revenues	\$ 78.0	\$ 67.7	\$ 265.0	\$ 223.3
Cash-based compensation and benefits	33.1	31.3	102.9	102.6
General, administration and other indirect expenses	16.7	12.2	50.5	46.8
Depreciation and amortization expense	2.2	1.5	5.9	4.6
Operating Expenses	\$ 52.0	\$ 45.0	\$ 159.3	\$ 154.0
(=) Fee Related Earnings	\$ 26.0	\$ 22.7	\$ 105.7	\$ 69.3
(+) Realized Performance Revenues	65.0	12.2	94.5	99.3
(-) Realized Performance Revenues Related Compensation	29.2	5.9	52.4	44.9
Realized Net Performance Revenues	35.8	6.3	42.1	54.4
(+) Realized Principal Investment Income (Loss)	3.9	2.5	75.6	4.6
(-) Net Interest	2.4	3.9	7.4	12.6
(=) Distributable Earnings	\$ 63.3	\$ 27.6	\$ 216.0	\$ 115.7

Global Credit

- **Fee Related Earnings** of \$22 million in Q3 2020 nearly doubled from \$11 million in Q3 2019, driven by higher management fees and lower general & administrative expenses. Management fees of \$86 million in Q3 2020 increased 14% compared to Q3 2019, and included \$8 million of recovered subordinated CLO fees that were deferred in the first half of 2020. Fee Related Earnings of \$65 million YTD increased 91% compared to \$34 million in the prior YTD period
- **Total AUM** of \$53.0 billion increased 7% YTD, driven by inflows related to our recent Fortitude transaction as well as new SMA commitments across the platform
- **Fundraising** of \$2.4 billion in Q3 2020 included the closing of one new U.S. CLO, as well as commitments raised across multiple separately managed accounts
- **Invested Capital** from traditional carry funds was \$0.6 billion in Q3 2020 and \$1.9 billion YTD. In addition, we have issued \$1.5 billion of new CLOs and originated \$1.5 billion in our Direct Lending business, on a YTD basis
- **Carry funds** appreciated 4% in the quarter and depreciated (9)% YTD, with Q3 2020 performance driven by strong appreciation in our credit opportunities and structured credit carry funds

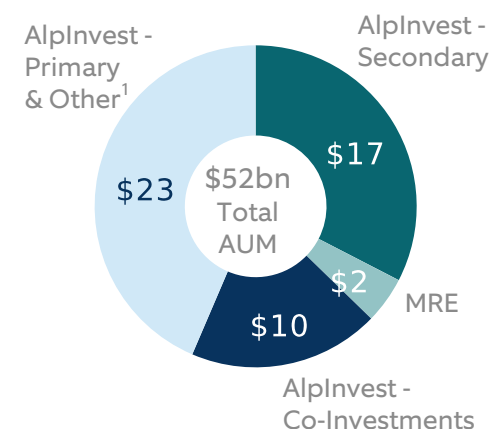


(Dollars in millions)

	3Q'19	3Q'20	YTD 3Q'19	YTD 3Q'20
Fund management fees	\$ 75.6	\$ 86.2	\$ 229.6	\$ 237.5
Transaction and portfolio advisory fees, net and other	2.5	1.6	8.8	19.4
Fee Revenues	\$ 78.1	\$ 87.8	\$ 238.4	\$ 256.9
Cash-based compensation and benefits	43.9	52.5	140.0	156.1
General, administration and other indirect expenses	20.9	12.0	57.9	30.7
Depreciation and amortization expense	2.4	1.8	6.5	5.2
Operating Expenses	\$ 67.2	\$ 66.3	\$ 204.4	\$ 192.0
(=) Fee Related Earnings	\$ 10.9	\$ 21.5	\$ 34.0	\$ 64.9
(+) Realized Performance Revenues	0.9	—	1.0	26.5
(-) Realized Performance Revenues Related Compensation	—	—	—	12.2
Realized Net Performance Revenues	0.9	—	1.0	14.3
(+) Realized Principal Investment Income (Loss)	2.2	4.5	8.2	14.9
(-) Net Interest	2.9	4.0	9.1	12.2
(=) Distributable Earnings	\$ 11.1	\$ 22.0	\$ 34.1	\$ 81.9

Investment Solutions

- **Fee Related Earnings** of \$14 million in Q3 2020 were up from \$4 million in Q3 2019 primarily driven by activating management fees on AlInvest's latest secondaries program. Fee Related Earnings of \$34 million YTD were double the \$17 million in the prior YTD period
- **Total AUM** of \$51.7 billion increased 14% YTD with fundraising of \$8.6 billion partially offset by \$4.5 billion of realized proceeds
- **Fundraising** of \$2.8 billion in Q3 2020 was largely driven by capital raised for AlInvest's latest secondaries program
- **Invested Capital** of \$1.1 billion in Q3 2020 and \$2.8 billion YTD
- **Realized Proceeds** of \$1.5 billion in Q3 2020 and \$4.5 billion YTD. **Realized Net Performance Revenues** of \$2 million in Q3 2020 remain low as funds in which Carlyle has significant performance revenue ownership continue to mature
- **Net Accrued Performance Revenues** of \$105 million as of Q3 2020 are higher than \$101 million at the beginning of the year. **Investment Solutions carry funds** appreciated 8% for the quarter and 3% YTD. Q3 2020 appreciation was positively impacted by AlInvest funds and mandates where Carlyle has meaningful performance revenue ownership, and which also moved into an accrued carry position for the first time.



(Dollars in millions)

	3Q'19	3Q'20	YTD 3Q'19	YTD 3Q'20
Fund management fees	\$ 38.7	\$ 54.8	\$ 117.3	\$ 140.2
Fee Revenues	\$ 38.7	\$ 54.8	\$ 117.3	\$ 140.2
Cash-based compensation and benefits	24.5	30.3	70.2	80.3
General, administration and other indirect expenses	8.6	9.6	26.1	22.5
Depreciation and amortization expense	1.5	1.1	4.2	3.4
Operating Expenses	\$ 34.6	\$ 41.0	\$ 100.5	\$ 106.2
(=) Fee Related Earnings	\$ 4.1	\$ 13.8	\$ 16.8	\$ 34.0
(+) Realized Performance Revenues	19.1	16.3	46.0	132.4
(-) Realized Performance Revenues Related Compensation	16.5	14.0	40.8	125.0
Realized Net Performance Revenues	2.6	2.3	5.2	7.4
(+) Realized Principal Investment Income (Loss)	(0.6)	0.8	1.0	1.9
(-) Net Interest	1.5	2.2	4.5	6.4
(=) Distributable Earnings	\$ 4.6	\$ 14.7	\$ 18.5	\$ 36.9



Supplemental Details

Carlyle Third Quarter 2020 Total Segment Results

(Dollars in millions, except per share amounts)

	3Q'19	4Q'19	1Q'20	2Q'20	3Q'20	YTD 3Q'19	YTD 3Q'20
SEGMENT REVENUES							
Fund management fees	\$ 384.6	\$ 390.2	\$ 381.5	\$ 386.4	\$ 389.1	\$ 1,180.7	\$ 1,157.0
Transaction and portfolio advisory fees, net and other	11.1	17.5	6.8	18.3	5.1	36.0	30.2
Total segment fee revenues	395.7	407.7	388.3	404.7	394.2	1,216.7	1,187.2
Realized performance revenues	118.3	164.9	171.6	152.2	86.8	209.4	410.6
Realized principal investment income	7.3	1.7	15.9	22.1	12.8	85.3	50.8
Interest income	6.5	6.4	5.3	3.2	2.7	18.0	11.2
Total Segment Revenues	\$ 527.8	\$ 580.7	\$ 581.1	\$ 582.2	\$ 496.5	\$ 1,529.4	\$ 1,659.8
SEGMENT EXPENSES							
Compensation and benefits							
Cash-based compensation and benefits	\$ 194.1	\$ 188.6	\$ 203.8	\$ 210.1	\$ 205.3	\$ 603.5	\$ 619.2
Realized performance revenues related compensation	60.6	86.3	123.4	81.3	46.9	123.9	251.6
Total compensation and benefits ¹	254.7	274.9	327.2	291.4	252.2	727.4	870.8
General, administrative and other expenses	81.0	94.6	48.3	58.1	62.0	236.7	168.4
Depreciation and amortization expense	11.8	16.5	7.4	9.2	8.2	31.7	24.8
Interest expense	19.6	23.0	23.2	25.1	22.3	58.7	70.6
Total Segment Expenses	\$ 367.1	\$ 409.0	\$ 406.1	\$ 383.8	\$ 344.7	\$ 1,054.5	\$ 1,134.6
Total Segment Revenues	527.8	580.7	581.1	582.2	496.5	1,529.4	1,659.8
Total Segment Expenses	367.1	409.0	406.1	383.8	344.7	1,054.5	1,134.6
(=) Distributable Earnings	\$ 160.7	\$ 171.7	\$ 175.0	\$ 198.4	\$ 151.8	\$ 474.9	\$ 525.2
(-) Realized Net Performance Revenues	57.7	78.6	48.2	70.9	39.9	85.5	159.0
(-) Realized Principal Investment Income	7.3	1.7	15.9	22.1	12.8	85.3	50.8
(+) Net Interest	13.1	16.6	17.9	21.9	19.6	40.7	59.4
(=) Fee Related Earnings	\$ 108.8	\$ 108.0	\$ 128.8	\$ 127.3	\$ 118.7	\$ 344.8	\$ 374.8
After-tax Distributable Earnings, per common share	\$ 0.41	\$ 0.47	\$ 0.48	\$ 0.53	\$ 0.40	\$ 1.23	\$ 1.41
Dividend per common share²	\$ 0.31	\$ 0.25	\$ 0.25	\$ 0.25	\$ 0.25	\$ 0.93	\$ 0.75

Note: Historical quarterly results by segment available in Q3 2020 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 30. These amounts include equity-based compensation reflected in (i) principal investment income and (ii) general, administrative and other expense in our U.S. GAAP statement of operations, and exclude amounts related to shares issued in conjunction with a previous acquisition. Equity-based compensation in 3Q'20 reflects approximately \$7 million of forfeiture credits.

Equity-based compensation	\$ 38.9	\$ 34.9	\$ 31.7	\$ 34.6	\$ 21.1	\$ 116.6	\$ 87.4
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(2) 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), beginning with the 4Q'19 dividend paid to shareholders in February 2020. See Notes at the end of the document for our Dividend Policy.

Total Segment Balance Sheet Highlights

- Balance sheet assets attributable to Carlyle stockholders (including net cash and equivalents, net accrued performance revenue and investments) totaled \$2.8 billion at September 30, 2020
- Balance sheet cash totaled \$0.9 billion as of September 30, 2020, with no balance drawn on our \$775 million revolving credit line

Key Balance Sheet Items ¹ (\$mn)	9/30/2020
Cash and Cash Equivalents	\$938.4
Net accrued performance revenues ² (net of related accrued compensation and accrued giveback)	\$1,963.4
Investments attributable to Carlyle stockholders ³	\$1,523.8
Debt obligations ⁴	\$1,617.0
Drawn revolving credit line (\$775 million remaining capacity)	\$0.0

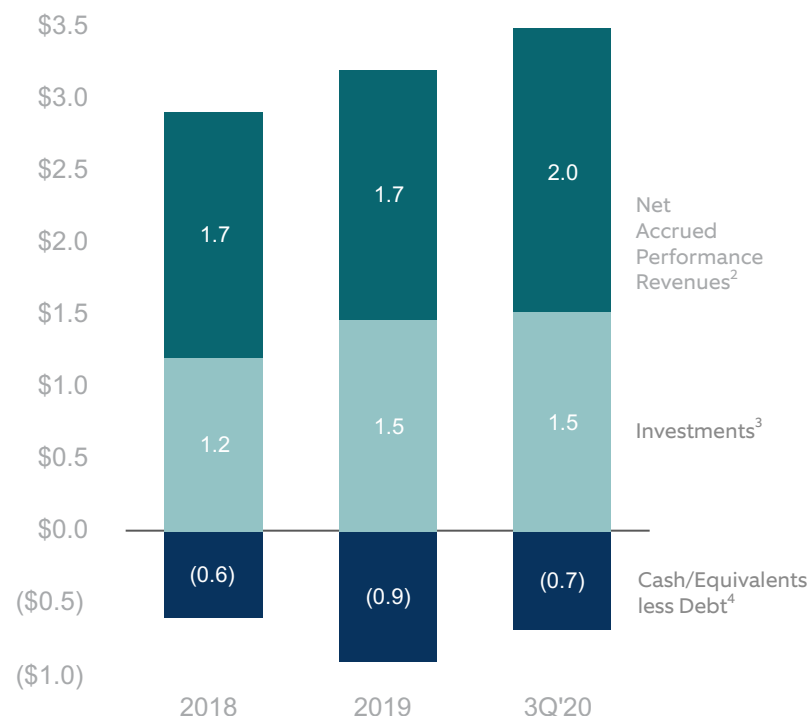
(1) Balance sheet amounts presented exclude the effect of U.S. GAAP consolidation eliminations on investments and accrued performance revenue, as well as cash and debt associated with Carlyle's consolidated funds.

(2) See page 33 for a reconciliation of net accrued performance revenues as of September 30, 2020 to U.S. GAAP.

(3) Investments exclude the equity investments by Carlyle in NGP Energy Capital Management and the portion of CLO and CCS investments attributable to Carlyle stockholders that were financed with debt. Refer to page 33 for a reconciliation to U.S. GAAP.

(4) Excludes approximately \$370 million of loans used to finance CLO and CCS investments and \$265 million of lease liabilities.

KEY BALANCE SHEET ITEMS (\$BN)



AUM and Fee-earning AUM Roll Forward

Total AUM Roll Forward (Unaudited)

(\$mm)

	Three Months Ended September 30, 2020					Nine Months Ended September 30, 2020				
	Corporate Private Equity	Real Assets	Global Credit	Investment Solutions ⁵	Total	Corporate Private Equity	Real Assets	Global Credit	Investment Solutions ⁵	Total
Balance, Beginning of Period	\$ 84,290	\$ 40,176	\$ 49,992	\$ 46,874	\$ 221,332	\$ 86,429	\$ 43,355	\$ 49,412	\$ 45,246	\$ 224,442
Inflows ¹	—	237	2,374	2,830	5,441	492	1,887	6,247	8,544	17,170
Outflows (including realizations) ²	(1,736)	(941)	(384)	(1,634)	(4,695)	(5,291)	(2,198)	(2,917)	(4,848)	(15,254)
Market Activity & Other ³	2,015	399	671	2,227	5,312	3,014	(3,153)	(106)	1,346	1,101
Foreign Exchange ⁴	736	80	350	1,436	2,602	661	60	367	1,445	2,533
Balance, End of Period	\$ 85,305	\$ 39,951	\$ 53,003	\$ 51,733	\$ 229,992	\$ 85,305	\$ 39,951	\$ 53,003	\$ 51,733	\$ 229,992

Fee-earning AUM Roll Forward (Unaudited)

(\$mm)

	Three Months Ended September 30, 2020					Nine Months Ended September 30, 2020				
	Corporate Private Equity	Real Assets ¹⁰	Global Credit	Investment Solutions	Total	Corporate Private Equity	Real Assets ¹⁰	Global Credit	Investment Solutions	Total
Balance, Beginning of Period	\$ 57,223	\$ 31,569	\$ 41,830	\$ 31,767	\$ 162,389	\$ 61,660	\$ 33,151	\$ 37,862	\$ 28,384	\$ 161,057
Inflows ⁶	114	501	703	2,821	4,139	202	2,017	5,220	9,268	16,707
Outflows (including realizations) ⁷	(219)	(762)	(569)	(499)	(2,049)	(4,321)	(3,623)	(1,879)	(2,747)	(12,570)
Market Activity & Other ⁸	(22)	171	68	(3)	214	(368)	(53)	338	(871)	(954)
Foreign Exchange ⁹	527	57	348	945	1,877	450	44	839	997	2,330
Balance, End of Period	\$ 57,623	\$ 31,536	\$ 42,380	\$ 35,031	\$ 166,570	\$ 57,623	\$ 31,536	\$ 42,380	\$ 35,031	\$ 166,570

Corporate Private Equity Fund Performance

(Reported in Local Currency, mm)

	Fund Vintage(1)	Investment Period End/ Fee Stepdown(2)	Committed Capital	TOTAL INVESTMENTS As of September 30, 2020								REALIZED/PARTIALLY REALIZED INVESTMENTS(7) As of September 30, 2020			
				Cumulative Invested Capital(3)	Realized Value(4)	Remaining Fair Value(5)	MOIC (6)	Gross IRR (9)(17)	Net IRR (10) (17)	In Accrued Carry/ Clawback(11)	LTM Realized Carry(12)	Cumulative Invested Capital(3)	Total Fair Value(13)	MOIC (6)	Gross IRR (9)(17)
CORPORATE PRIVATE EQUITY															
Fully Invested/Committed Funds(8)															
CP V	2007		\$ 13,719.7	\$ 13,238.2	\$ 26,195.5	\$ 1,556.3	2.1x	18%	14%	X	X	\$ 10,777.9	\$ 26,667.8	2.5x	24%
CP VI	2014		\$ 13,000.0	\$ 13,019.1	\$ 7,035.3	\$ 16,099.0	1.8x	18%	13%	X	X	\$ 3,948.3	\$ 6,099.4	1.5x	16%
CEP II	2003		€ 1,805.4	€ 2,048.4	€ 4,113.3	€ 24.3	2.0x	36%	20%	X	X	€ 1,888.9	€ 4,121.7	2.2x	43%
CEP III	2007		€ 5,294.9	€ 5,155.5	€ 10,995.5	€ 409.9	2.2x	19%	14%	X		€ 4,667.5	€ 11,265.9	2.4x	20%
CEP IV	2014		€ 3,669.5	€ 3,752.9	€ 1,909.5	€ 2,793.3	1.3x	8%	4%			€ 889.2	€ 1,597.0	1.8x	23%
CAP III	2008		\$ 2,551.6	\$ 2,543.2	\$ 4,416.5	\$ 197.4	1.8x	16%	11%	X	X	\$ 2,149.0	\$ 4,416.7	2.1x	19%
CAP IV	2014		\$ 3,880.4	\$ 4,043.5	\$ 3,000.4	\$ 3,725.9	1.7x	17%	11%	X		\$ 1,415.1	\$ 4,194.2	3.0x	35%
CJP II	2006		¥ 165,600.0	¥ 141,866.7	¥ 205,301.1	¥ 1,080.0	1.5x	7%	3%			¥ 134,666.7	¥ 203,831.2	1.5x	7%
CJP III	2013		¥ 119,505.1	¥ 91,191.7	¥ 74,632.4	¥ 90,091.3	1.8x	19%	12%	X		¥ 28,909.3	¥ 81,077.4	2.8x	37%
CGFSP II	2013		\$ 1,000.0	\$ 942.7	\$ 1,029.7	\$ 752.7	1.9x	23%	16%	X	X	\$ 485.9	\$ 1,006.3	2.1x	29%
CEOF I	2011		\$ 1,119.1	\$ 1,173.6	\$ 1,409.8	\$ 323.5	1.5x	12%	8%	X		\$ 766.7	\$ 1,323.9	1.7x	22%
CEOF II	2015		\$ 2,400.0	\$ 2,055.9	\$ 190.5	\$ 2,032.6	1.1x	3%	Neg			\$ 110.0	\$ 137.5	1.3x	13%
CETP III	2014		€ 656.6	€ 592.1	€ 1,062.6	€ 407.1	2.5x	42%	29%	X	X	€ 236.6	€ 1,063.7	4.5x	53%
CAGP IV	2008		\$ 1,041.4	\$ 954.1	\$ 1,088.6	\$ 145.8	1.3x	7%	2%			\$ 778.7	\$ 1,085.1	1.4x	9%
All Other Active Funds, Coinvestments and SMAs(14)	Various			\$ 10,653.2	\$ 10,718.4	\$ 5,019.8	1.5x	11%	9%			\$ 5,761.4	\$ 10,987.5	1.9x	16%
Fully Realized Funds, Coinvestments and SMAs(15)	Various			\$ 25,110.8	\$ 63,851.0	\$ 11.2	2.5x	33%	28%			\$ 25,110.8	\$ 63,862.2	2.5x	33%
Total Fully Invested/Committed Funds				\$ 89,480.3	\$ 142,782.8	\$ 34,988.8	2.0x	26%	18%			\$ 61,859.1	\$ 143,636.4	2.3x	27%
Funds in the Investment Period(8)															
CP VII	2018	May-24	\$ 18,510.0	\$ 8,733.6	\$ 262.7	\$ 8,933.7	1.1x	NM	NM						
CEP V	2018	Oct-24	€ 6,416.4	€ 1,683.3	€ 8.0	€ 1,573.8	0.9x	NM	NM						
CAP V	2018	Jun-24	\$ 6,554.2	\$ 1,692.0	\$ 280.2	\$ 1,964.1	1.3x	42%	13%	X					
CGP	2015	Mar-21	\$ 3,588.0	\$ 2,813.3	\$ 209.8	\$ 2,812.0	1.1x	2%	1%						
CJP IV	2020	Jan-26	¥ 258,000.0	¥ —	¥ —	¥ —	n/a	n/a	n/a						
CGFSP III	2018	Dec-23	\$ 1,004.6	\$ 441.4	\$ 3.9	\$ 516.2	1.2x	NM	NM						
CETP IV	2019	Jul-25	€ 1,350.0	€ 339.4	€ —	€ 321.8	0.9x	NM	NM						
All Other Funds, Coinvestments and SMAs(16)	Various			\$ 3,692.7	\$ 426.7	\$ 3,726.3	1.1x	NM	NM						
Total Funds in the Investment Period				\$ 19,744.2	\$ 1,192.7	\$ 20,174.3	1.1x	5%	Neg			\$ 82.2	\$ 298.5	3.6x	60%
TOTAL CORPORATE PRIVATE EQUITY(18)				\$ 109,224.5	\$ 143,975.5	\$ 55,163.1	1.8x	25%	17%			\$ 61,941.3	\$ 143,934.9	2.3x	27%

Real Assets Fund Performance

(Reported in Local Currency, mm)

	Fund Vintage(1)	Investment Period End/ Fee Stepdown(2)	Committed Capital	TOTAL INVESTMENTS As of September 30, 2020							REALIZED/PARTIALLY REALIZED INVESTMENTS(7) As of September 30, 2020				
				Cumulative Invested Capital(3)	Realized Value(4)	Remaining Fair Value(5)	MOIC (6)	Gross IRR (9)(17)	Net IRR (10) (17)	In Accrued Carry/ (Clawback) (11)	LTM Realized Carry/ (Clawback)(12)	Cumulative Invested Capital(3)	Total Fair Value(13)	MOIC (6)	Gross IRR (9)(17)
REAL ASSETS															
Fully Invested/Committed Funds(8)															
CRP IV	2004		\$ 950.0	\$ 1,215.2	\$ 1,985.0	\$ 10.0	1.6x	7%	4%			\$ 1,157.2	\$ 1,983.8	1.7x	7%
CRP V	2006		\$ 3,000.0	\$ 3,349.1	\$ 5,090.5	\$ 792.3	1.8x	12%	9%	X	X	\$ 3,227.0	\$ 5,794.7	1.8x	13%
CRP VI	2010		\$ 2,340.0	\$ 2,163.4	\$ 3,600.5	\$ 302.5	1.8x	27%	18%	X	X	\$ 1,705.9	\$ 3,450.9	2.0x	32%
CRP VII	2014		\$ 4,161.6	\$ 3,734.3	\$ 3,652.7	\$ 2,210.5	1.6x	19%	12%	X	X	\$ 1,953.3	\$ 3,534.8	1.8x	26%
CEREP III	2007		€ 2,229.5	€ 2,052.7	€ 2,395.7	€ 84.6	1.2x	4%	1%			€ 1,911.6	€ 2,392.9	1.3x	5%
CIEP I	2013		\$ 2,500.0	\$ 2,326.3	\$ 860.6	\$ 2,196.4	1.3x	14%	6%			\$ 665.4	\$ 1,344.2	2.0x	22%
NGP X	2012		\$ 3,586.0	\$ 3,343.9	\$ 2,972.3	\$ 562.6	1.1x	2%	Neg			\$ 2,231.6	\$ 2,900.4	1.3x	10%
NGP XI	2014		\$ 5,325.0	\$ 4,925.7	\$ 1,651.3	\$ 3,439.0	1.0x	1%	Neg			\$ 1,428.4	\$ 1,582.8	1.1x	33%
Energy III	2005		\$ 3,800.0	\$ 3,569.7	\$ 5,248.6	\$ 152.3	1.5x	9%	5%			\$ 3,152.1	\$ 5,044.9	1.6x	11%
Energy IV	2007		\$ 5,979.1	\$ 6,372.8	\$ 6,950.8	\$ 443.1	1.2x	5%	1%		(X)	\$ 5,990.5	\$ 7,233.7	1.2x	7%
Renew II	2008		\$ 3,417.5	\$ 2,833.5	\$ 3,008.4	\$ 911.5	1.4x	6%	3%	(X)		\$ 2,376.5	\$ 2,948.8	1.2x	6%
All Other Active Funds, Coinvestments and SMAs(19)	Various			\$ 5,380.4	\$ 6,602.1	\$ 2,247.2	1.6x	8%	7%			\$ 3,548.2	\$ 6,559.2	1.8x	11%
Fully Realized Funds, Coinvestments and SMA's(20)	Various			\$ 8,698.7	\$ 12,716.8	\$ 2.9	1.5x	20%	11%			\$ 8,698.7	\$ 12,719.7	1.5x	20%
Total Fully Invested/Committed Funds				\$ 50,319.2	\$ 57,148.0	\$ 13,369.5	1.4x	11%	6%			\$ 38,375.6	\$ 57,902.8	1.5x	13%
Funds in the Investment Period(8)															
CRP VIII	2017	May-22	\$ 5,505.1	\$ 2,583.0	\$ 343.4	\$ 2,779.7	1.2x	NM	NM						
NGP XII	2017	Jul-22	\$ 4,277.6	\$ 2,127.9	\$ 0.1	\$ 2,081.5	1.0x	NM	NM						
CIEP II	2019	Apr-25	\$ 2,256.9	\$ 363.6	\$ —	\$ 345.4	0.9x	NM	NM						
CPP II	2014	Apr-21	\$ 1,526.7	\$ 1,229.4	\$ 318.6	\$ 1,214.2	1.2x	10%	4%						
CPI	2016	n/a	\$ 3,393.6	\$ 2,903.1	\$ 560.8	\$ 2,923.6	1.2x	13%	11%	X	X				
CGIOF	2018	Sep-23	\$ 2,201.4	\$ 319.4	\$ 28.8	\$ 183.2	0.7x	NM	NM						
All Other Funds, Coinvestments and SMAs(21)	Various			\$ 1,912.0	\$ 254.9	\$ 1,798.0	1.1x	NM	NM						
Total Funds in the Investment Period				\$ 11,438.3	\$ 1,506.6	\$ 11,325.7	1.1x	9%	2%			\$ 428.7	\$ 768.4	1.8x	NM
TOTAL REAL ASSETS(18)				\$ 61,757.6	\$ 58,654.6	\$ 24,695.2	1.3x	11%	6%			\$ 38,804.3	\$ 58,671.3	1.5x	13%

Global Credit Fund Performance (Carry Funds Only)

(\$mm)

				TOTAL INVESTMENTS As of September 30, 2020							
	Fund Vintage(1)	Investment Period End/ Fee Stepdown(2)	Committed Capital	Cumulative Invested Capital(25)	Realized Value(4)	Remaining Fair Value(5)	MOIC (6)	Gross IRR (9)(17)	Net IRR (10)(17)	In Accrued Carry/ (Clawback)(11)	LTM Realized Carry/ (Clawback)(12)
GLOBAL CREDIT (CARRY FUNDS ONLY)											
Active Fully Invested/Committed Funds(8)											
CSP II	2007		\$ 1,352.3	\$ 1,352.3	\$ 2,430.8	\$ 61.8	1.8x	17%	11%	X	
CSP III	2011		\$ 702.8	\$ 702.8	\$ 846.2	\$ 178.1	1.5x	21%	11%		
CEMOF I	2011		\$ 1,382.5	\$ 1,606.2	\$ 868.1	\$ 123.6	0.6x	Neg	Neg		
CEMOF II	2015		\$ 2,819.2	\$ 1,692.6	\$ 672.5	\$ 969.3	1.0x	Neg	Neg		
CSC	2017		\$ 838.2	\$ 1,303.4	\$ 599.0	\$ 753.0	1.0x	4%	3%		
All Other Active Funds, Coinvestments and SMAs(22)	Various			\$ 2,608.2	\$ 2,659.2	\$ 365.6	1.2x	7%	2%		
Fully Realized Funds, Coinvestments and SMAs(23)	Various			\$ 1,312.1	\$ 1,804.7	\$ —	1.4x	12%	7%		
Total Fully Invested/Committed Funds				\$ 10,577.4	\$ 9,880.6	\$ 2,451.3	1.2x	8%	2%		
Funds in the Investment Period(8)											
CSP IV	2016	Dec-20	\$ 2,500.0	\$ 1,589.4	\$ 708.0	\$ 1,013.2	1.1x	7%	Neg		
CCOF	2017	Jun-22	\$ 2,373.4	\$ 2,229.9	\$ 581.4	\$ 1,954.1	1.1x	22%	14%	X	
All Other Funds, Coinvestments and SMAs(24)	Various			\$ 871.5	\$ 290.2	\$ 585.2	1.0x	NM	NM		
Total Funds in the Investment Period				\$ 4,690.8	\$ 1,579.6	\$ 3,552.5	1.1x	NM	NM		
TOTAL GLOBAL CREDIT				\$ 15,268.3	\$ 11,460.2	\$ 6,003.8	1.1x	8%	2%		

Investment Solutions Fund Performance

(Reported in Local Currency, mm)

INVESTMENT SOLUTIONS(27)	Fund Vintage	Fund Size	TOTAL INVESTMENTS As of September 30, 2020								
			Cumulative Invested Capital(3)(28)	Realized Value(28)	Remaining Fair Value	Total Fair Value(29)	MOIC(6)	Gross IRR(17)(30)	Net IRR(10)(17)		
AlpInvest											
Fully Committed Funds(26)											
Main Fund I - Fund Investments	2000	€ 5,174.6	€ 4,226.1	€ 6,899.8	€ 70.1	€ 6,969.9	1.6x	12%	11%		
Main Fund II - Fund Investments	2003	€ 4,545.0	€ 4,796.1	€ 7,417.6	€ 268.4	€ 7,686.0	1.6x	10%	9%		
Main Fund III - Fund Investments	2005	€ 11,500.0	€ 12,827.4	€ 18,960.7	€ 2,274.1	€ 21,234.8	1.7x	10%	9%		
Main Fund IV - Fund Investments	2009	€ 4,877.3	€ 5,386.6	€ 6,852.6	€ 3,228.8	€ 10,081.4	1.9x	17%	16%		
Main Fund V - Fund Investments	2012	€ 5,080.0	€ 5,233.8	€ 3,394.4	€ 5,024.8	€ 8,419.2	1.6x	16%	15%		
Main Fund VI - Fund Investments	2015	€ 1,106.4	€ 906.1	€ 355.6	€ 962.9	€ 1,318.5	1.5x	19%	18%		
Main Fund II - Secondary Investments	2003	€ 998.4	€ 1,000.0	€ 1,811.8	€ 15.5	€ 1,827.4	1.8x	27%	26%		
Main Fund III - Secondary Investments	2006	€ 2,250.0	€ 2,333.2	€ 3,521.4	€ 54.4	€ 3,575.9	1.5x	11%	10%		
Main Fund IV - Secondary Investments	2010	€ 1,859.1	€ 1,933.3	€ 3,131.2	€ 153.5	€ 3,284.6	1.7x	19%	18%		
Main Fund V - Secondary Investments	2011	€ 4,272.8	€ 4,106.4	€ 5,168.2	€ 1,576.6	€ 6,744.8	1.6x	19%	18%		
Main Fund VI - Secondary Investments	2017	€ 5,180.6	€ 3,767.1	€ 632.4	€ 3,746.9	€ 4,379.3	1.2x	10%	7%		
Main Fund III - Co-Investments	2006	€ 2,760.0	€ 2,744.3	€ 3,527.9	€ 446.9	€ 3,974.8	1.4x	6%	5%		
Main Fund IV - Co-Investments	2010	€ 1,475.0	€ 1,336.2	€ 3,205.3	€ 383.6	€ 3,588.9	2.7x	23%	22%		
Main Fund V - Co-Investments	2012	€ 1,124.2	€ 1,033.0	€ 1,927.0	€ 831.8	€ 2,758.8	2.7x	29%	27%		
Main Fund VI - Co-Investments	2014	€ 1,114.6	€ 928.4	€ 1,300.1	€ 884.7	€ 2,184.8	2.4x	27%	25%		
Main Fund II - Mezzanine Investments	2004	€ 700.0	€ 747.6	€ 1,023.2	€ 8.9	€ 1,032.0	1.4x	7%	7%		
Main Fund III - Mezzanine Investments	2006	€ 2,000.0	€ 1,958.1	€ 2,486.7	€ 173.2	€ 2,659.9	1.4x	10%	9%		
All Other Active Funds(31)	Various		€ 2,897.2	€ 1,738.7	€ 1,700.1	€ 3,438.8	1.2x	5%	3%		
Fully Realized Funds	Various		€ 2,100.9	€ 4,761.1	€ 4.2	€ 4,765.3	2.3x	35%	32%		
Total Fully Committed Funds			€ 60,261.8	€ 78,115.7	€ 21,809.3	€ 99,925.1	1.7x	13%	12%		
Funds in the Commitment Period(26)											
Main Fund VII - Secondary Investments	2020	€ 6,203.1	€ 345.1	€ 0.1	€ 368.9	€ 369.0	1.1x	NM	NM		
Main Fund VII - Co-Investments	2017	€ 2,491.3	€ 1,770.6	€ 51.5	€ 2,065.5	€ 2,117.0	1.2x	12%	8%		
All Other Funds(31)	Various		€ 1,673.4	€ 109.0	€ 1,991.2	€ 2,100.2	1.3x	20%	17%		
Total Funds in the Commitment Period			€ 3,789.0	€ 160.6	€ 4,425.6	€ 4,586.2	1.2x	15%	12%		
TOTAL ALPINVEST			€ 64,050.8	€ 78,276.3	€ 26,235.0	€ 104,511.3	1.6x	13%	12%		
TOTAL ALPINVEST (USD)(32)			\$ 75,080.1	\$ 91,755.2	\$ 30,752.5	\$ 122,507.7	1.6x				
Metropolitan Real Estate											
Active Fully Committed Funds	Various		\$ 2,586.0	\$ 2,744.5	\$ 577.8	\$ 3,322.3	1.3x	7%	4%		
Fully Realized Funds	Various		\$ 596.7	\$ 721.4	\$ 0.5	\$ 721.9	1.2x	4%	2%		
Total Fully Committed Funds(26)			\$ 3,182.7	\$ 3,466.0	\$ 578.3	\$ 4,044.3	1.3x	6%	4%		
MRE Secondaries Fund II	2017	\$ 1,091.8	\$ 302.4	\$ 73.1	\$ 254.4	\$ 327.5	1.1x	7%	Neg		
All Other Funds in the Commitment Period	Various		\$ 177.0	\$ 30.8	\$ 152.9	\$ 183.7	1.0x	NM	NM		
Total Funds in the Commitment Period(26)			\$ 479.4	\$ 103.9	\$ 407.3	\$ 511.2	1.1x	5%	Neg		
TOTAL METROPOLITAN REAL ESTATE			\$ 3,662.1	\$ 3,569.9	\$ 985.6	\$ 4,555.5	1.2x	6%	3%		



Reconciliations & Disclosures

Reconciliation for Distributable Earnings Per Share (Unaudited)

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

	3Q'19	4Q'19	1Q'20	2Q'20	3Q'20	YTD 3Q'20	LTM 3Q'20	QoQ	YoY	LTM
FEE RELATED EARNINGS	\$ 108.8	\$ 108.0	\$ 128.8	\$ 127.3	\$ 118.7	\$ 374.8	\$ 482.8	(7)%	9%	(7)%
DISTRIBUTABLE EARNINGS	\$ 160.7	\$ 171.7	\$ 175.0	\$ 198.4	\$ 151.8	\$ 525.2	\$ 696.9	(23)%	(6)%	2%
DISTRIBUTABLE EARNINGS, TAX AND PER SHARE INFORMATION ¹										
Distributable Earnings	\$ 160.7	\$ 171.7	\$ 175.0	\$ 198.4	\$ 151.8	\$ 525.2	\$ 696.9			
Less: Estimated current corporate, foreign, state and local taxes ²	8.5	5.2	7.7	10.7	10.7	29.1	34.3			
Less: Preferred share distributions	7.3	—	—	—	—	—	—			
DISTRIBUTABLE EARNINGS, NET attributable to common stockholders	\$ 144.9	\$ 166.5	\$ 167.3	\$ 187.7	\$ 141.1	\$ 496.1	\$ 662.6			
DISTRIBUTABLE EARNINGS, NET per common share outstanding	\$ 0.41	\$ 0.47	\$ 0.48	\$ 0.53	\$ 0.40	\$ 1.41	\$ 1.88			
Dividend per common share*	\$ 0.31	\$ 0.25	\$ 0.25	\$ 0.25	\$ 0.25	\$ 0.75	\$ 1.00			
TOTAL OUTSTANDING SHARES (in millions)	346.7	347.2	348.4	348.7	353.3	353.3	353.3			
Shares eligible for dividend (in millions)**	117.8	349.4	348.7	353.3	353.6	353.6	353.6			

* 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), beginning with the 4Q'19 dividend paid to shareholders in February 2020. See Notes at the end of the document for our Dividend Policy.

** Shares eligible for dividend include 0.3 million common shares that will be issued in November 2020 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 September 30, 2020 because they will participate in the dividend paid on common shares in November 2020.

Totals may not sum due to rounding. Information reported for periods prior to the Conversion on January 1, 2020 reflect the results of the Partnership. See Notes at end of document.

Reconciliation of GAAP to Total Segment Information

(Dollars in millions)

	3Q'19	4Q'19	1Q'20	2Q'20	3Q'20	YTD 3Q'19	YTD 3Q'20	FY'18	FY'19	LTM 3Q'20
INCOME (LOSS) BEFORE PROVISION FOR INCOME TAXES	\$ 261.4	\$ (40.3)	\$ (789.0)	\$ 256.8	\$ 415.1	\$ 1,273.7	\$ (117.1)	\$ 360.2	\$ 1,233.4	\$ (157.4)
Adjustments:										
Net unrealized performance revenues	126.2	69.7	528.9	(587.4)	(180.3)	(112.0)	(238.8)	50.2	(42.3)	(169.1)
Unrealized principal investment (income) loss ¹	(198.7)	81.3	264.7	459.5	(81.0)	(672.2)	643.2	(48.8)	(590.9)	724.5
Adjusted unrealized principal investment (income) loss from Fortitude Re	(68.1)	(5.7)	22.8	81.6	—	(135.2)	104.4	(11.7)	(140.9)	98.7
Equity-based compensation ²	38.9	34.9	31.7	34.6	21.1	116.6	87.4	252.2	151.5	122.3
Acquisition related charges, including amortization of intangibles and impairment	11.2	13.4	3.0	7.1	18.5	38.6	28.6	22.3	52.0	42.0
Other non-operating expense (income)	0.3	0.3	0.2	0.5	0.6	1.0	1.3	1.1	1.3	1.6
Tax (expense) benefit associated with certain foreign performance revenues	(10.8)	(1.0)	11.2	0.7	(7.8)	(13.3)	4.1	(1.5)	(14.3)	3.1
Net (income) loss attributable to non-controlling interests in consolidated entities	(10.5)	9.2	97.0	(58.6)	(37.2)	(45.8)	1.2	(33.9)	(36.6)	10.4
Lease assignment and termination costs	—	—	—	—	—	—	—	66.9	—	—
Debt extinguishment costs	—	—	—	—	—	0.1	—	7.8	0.1	—
Corporate conversion costs, severance and other adjustments	10.8	9.9	4.5	3.6	2.8	23.4	10.9	9.1	33.3	20.8
DISTRIBUTABLE EARNINGS	\$ 160.7	\$ 171.7	\$ 175.0	\$ 198.4	\$ 151.8	\$ 474.9	\$ 525.2	\$ 673.9	\$ 646.6	\$ 696.9
Realized net performance revenues	57.7	78.6	48.2	70.9	39.9	85.5	159.0	319.7	164.1	237.6
Realized principal investment income	7.3	1.7	15.9	22.1	12.8	85.3	50.8	48.1	87.0	52.5
Net interest	13.1	16.6	17.9	21.9	19.6	40.7	59.4	44.3	57.3	76.0
FEE RELATED EARNINGS	\$ 108.8	\$ 108.0	\$ 128.8	\$ 127.3	\$ 118.7	\$ 344.8	\$ 374.8	\$ 350.4	\$ 452.8	\$ 482.8

(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 is driven by the contribution of our existing 19.9% investment in Fortitude into the fund, and the subsequent accounting for our investment 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. 2018 includes amounts related to the IPO.

Reconciliation of GAAP to Total Segment Information, continued

(Dollars in millions)	Total Reportable Segments	Consolidated Funds	Reconciling Items	Carlyle Consolidated ¹	Total Reportable Segments	Consolidated Funds	Reconciling Items	Carlyle Consolidated ¹	
	Three Months Ended September 30, 2019					Year to Date September 30, 2019			
Revenues	\$ 527.8	\$ 51.3	\$ 189.5	\$ 768.6 ²	\$ 1,529.4	\$ 149.5	\$ 1,237.8	\$ 2,916.7 ²	
Expenses	\$ 367.1	\$ 44.1	\$ 94.1	\$ 505.3 ²	\$ 1,054.5	\$ 124.6	\$ 457.0	\$ 1,636.1 ²	
Other income (loss)	\$ —	\$ (1.9)	\$ —	\$ (1.9) ³	\$ —	\$ (6.9)	\$ —	\$ (6.9) ³	
Distributable Earnings	\$ 160.7	\$ 5.3	\$ 95.4	\$ 261.4 ⁴	\$ 474.9	\$ 18.0	\$ 780.8	\$ 1,273.7 ⁴	
Three Months Ended December 31, 2019					Year to Date September 30, 2020				
Revenues	\$ 580.7	\$ 49.7	\$ (170.1)	\$ 460.3 ²	\$ 1,659.8	\$ 164.5	\$ (404.4)	\$ 1,419.9 ²	
Expenses	\$ 409.0	\$ 41.0	\$ 33.6	\$ 483.6 ²	\$ 1,134.6	\$ 148.8	\$ 214.7	\$ 1,498.1 ²	
Other income (loss)	\$ —	\$ (17.0)	\$ —	\$ (17.0) ³	\$ —	\$ (38.9)	\$ —	\$ (38.9) ³	
Distributable Earnings	\$ 171.7	\$ (8.3)	\$ (203.7)	\$ (40.3) ⁴	\$ 525.2	\$ (23.2)	\$ (619.1)	\$ (117.1) ⁴	
Three Months Ended March 31, 2020					Year Ended December 31, 2018				
Revenues	\$ 581.1	\$ 53.0	\$ (1,379.8)	\$ (745.7) ²	\$ 2,185.9	\$ 214.5	\$ 26.8	\$ 2,427.2 ²	
Expenses	\$ 406.1	\$ 53.8	\$ (529.7)	\$ (69.8) ²	\$ 1,512.0	\$ 213.3	\$ 346.2	\$ 2,071.5 ²	
Other income (loss)	\$ —	\$ (113.1)	\$ —	\$ (113.1) ³	\$ —	\$ 4.5	\$ —	\$ 4.5 ³	
Distributable Earnings	\$ 175.0	\$ (113.9)	\$ (850.1)	\$ (789.0) ⁴	\$ 673.9	\$ 5.7	\$ (319.4)	\$ 360.2 ⁴	
Three Months Ended June 30, 2020					Year Ended December 31, 2019				
Revenues	\$ 582.2	\$ 55.2	\$ 493.6	\$ 1,131.0 ²	\$ 2,110.1	\$ 199.2	\$ 1,067.7	\$ 3,377.0 ²	
Expenses	\$ 383.8	\$ 47.1	\$ 493.6	\$ 924.5 ²	\$ 1,463.5	\$ 165.6	\$ 490.6	\$ 2,119.7 ²	
Other income (loss)	\$ —	\$ 50.3	\$ —	\$ 50.3 ³	\$ —	\$ (23.9)	\$ —	\$ (23.9) ³	
Distributable Earnings	\$ 198.4	\$ 58.4	\$ —	\$ 256.8 ⁴	\$ 646.6	\$ 9.7	\$ 577.1	\$ 1,233.4 ⁴	
Three Months Ended September 30, 2020					Twelve Months Ended September 30, 2020				
Revenues	\$ 496.5	\$ 56.3	\$ 481.8	\$ 1,034.6 ²	\$ 2,240.5	\$ 214.2	\$ (574.5)	\$ 1,880.2 ²	
Expenses	\$ 344.7	\$ 47.9	\$ 250.8	\$ 643.4 ²	\$ 1,543.6	\$ 189.8	\$ 248.3	\$ 1,981.7 ²	
Other income (loss)	\$ —	\$ 23.9	\$ —	\$ 23.9 ³	\$ —	\$ (55.9)	\$ —	\$ (55.9) ³	
Distributable Earnings	\$ 151.8	\$ 32.3	\$ 231.0	\$ 415.1 ⁴	\$ 696.9	\$ (31.5)	\$ (822.8)	\$ (157.4) 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 33.

(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 30.

Reconciliation of GAAP to Total Segment Information, continued

(Dollars in millions)

	Carlyle Consolidated	Reconciling Items ¹	Total Reportable Segments	Carlyle Consolidated	Reconciling Items ¹	Total Reportable Segments
	Three Months Ended September 30, 2019			Year to Date September 30, 2019		
Performance revenues	\$ 112.4	\$ 5.9	\$ 118.3	\$ 709.1	\$ (499.7)	\$ 209.4
Performance revenues related compensation expense	\$ 92.6	\$ (32.0)	\$ 60.6	\$ 391.6	\$ (267.7)	\$ 123.9
Net performance revenues	\$ 19.8	\$ 37.9	\$ 57.7	\$ 317.5	\$ (232.0)	\$ 85.5
Principal investment income (loss)	\$ 212.2	\$ (204.9)	\$ 7.3	\$ 856.0	\$ (770.7)	\$ 85.3
	Three Months Ended December 31, 2019			Year to Date September 30, 2020		
Performance revenues	\$ 90.0	\$ 74.9	\$ 164.9	\$ 731.6	\$ (321.0)	\$ 410.6
Performance revenues related compensation expense	\$ 45.1	\$ 41.2	\$ 86.3	\$ 343.7	\$ (92.1)	\$ 251.6
Net performance revenues	\$ 44.9	\$ 33.7	\$ 78.6	\$ 387.9	\$ (228.9)	\$ 159.0
Principal investment income (loss)	\$ (86.7)	\$ 88.4	\$ 1.7	\$ (659.2)	\$ 710.0	\$ 50.8
	Three Months Ended March 31, 2020			Year Ended December 31, 2018		
Performance revenues	\$ (937.6)	\$ 1,109.2	\$ 171.6	\$ 622.9	\$ 59.5	\$ 682.4
Performance revenues related compensation expense	\$ (442.5)	\$ 565.9	\$ 123.4	\$ 376.3	\$ (13.6)	\$ 362.7
Net performance revenues	\$ (495.1)	\$ 543.3	\$ 48.2	\$ 246.6	\$ 73.1	\$ 319.7
Principal investment income (loss)	\$ (253.3)	\$ 269.2	\$ 15.9	\$ 186.3	\$ (138.2)	\$ 48.1
	Three Months Ended June 30, 2020			Year Ended December 31, 2019		
Performance revenues	\$ 1,191.8	\$ (1,039.6)	\$ 152.2	\$ 799.1	\$ (424.8)	\$ 374.3
Performance revenues related compensation expense	\$ 535.6	\$ (454.3)	\$ 81.3	\$ 436.7	\$ (226.5)	\$ 210.2
Net performance revenues	\$ 656.2	\$ (585.3)	\$ 70.9	\$ 362.4	\$ (198.3)	\$ 164.1
Principal investment income (loss)	\$ (512.6)	\$ 534.7	\$ 22.1	\$ 769.3	\$ (682.3)	\$ 87.0
	Three Months Ended September 30, 2020			Twelve Months Ended September 30, 2020		
Performance revenues	\$ 477.4	\$ (390.6)	\$ 86.8	\$ 821.6	\$ (246.1)	\$ 575.5
Performance revenues related compensation expense	\$ 250.6	\$ (203.7)	\$ 46.9	\$ 388.8	\$ (50.9)	\$ 337.9
Net performance revenues	\$ 226.8	\$ (186.9)	\$ 39.9	\$ 432.8	\$ (195.2)	\$ 237.6
Principal investment income (loss)	\$ 106.7	\$ (93.9)	\$ 12.8	\$ (745.9)	\$ 798.4	\$ 52.5

Reconciliation of GAAP to Total Segment Information, continued

(Dollars in millions)

	3Q'19	4Q'19	1Q'20	2Q'20	3Q'20	YTD 3Q'19	YTD 3Q'20	FY'18	FY'19	LTM 3Q'20
REVENUE RECONCILING ITEMS										
Unrealized performance revenues	\$ (87.4)	\$ (113.9)	\$ (1,109.0)	\$ 1,037.1	\$ 387.6	\$ 381.7	\$ 315.7	\$ (42.7)	\$ 267.8	\$ 201.8
Unrealized principal investment income (loss)	198.7	(81.3)	(264.7)	(459.5)	81.0	672.2	(643.2)	48.8	590.9	(724.5)
Adjusted unrealized principal investment income (loss) from Fortitude Re	68.1	5.7	(22.8)	(81.6)	—	135.2	(104.4)	11.7	140.9	(98.7)
Adjustments related to expenses associated with NGP Management and its affiliates	(4.1)	(4.0)	(3.9)	(3.9)	(4.0)	(12.2)	(11.8)	(18.9)	(16.2)	(15.8)
Tax expense (benefit) associated with certain performance revenues	0.2	0.1	—	0.1	(0.1)	0.2	—	(4.9)	0.3	0.1
Non-Carlyle economic interests in acquired businesses and other adjustments to present certain costs on a net basis	29.3	25.1	(77.7)	56.8	57.6	92.4	36.7	92.5	117.5	61.8
Elimination of revenues of Consolidated Funds	(15.3)	(1.8)	98.3	(55.4)	(40.3)	(31.7)	2.6	(59.7)	(33.5)	0.8
Total Revenue Reconciling Items	\$ 189.5	\$ (170.1)	\$ (1,379.8)	\$ 493.6	\$ 481.8	\$ 1,237.8	\$ (404.4)	\$ 26.8	\$ 1,067.7	\$ (574.5)
EXPENSE RECONCILING ITEMS										
Unrealized performance revenues related compensation	\$ 38.8	\$ (44.2)	\$ (580.1)	\$ 449.7	\$ 207.2	\$ 269.7	\$ 76.8	\$ 7.4	\$ 225.5	\$ 32.6
Equity-based compensation	38.9	34.9	31.7	34.6	21.1	116.6	87.4	252.2	151.5	122.3
Acquisition-related charges, including amortization of intangibles and impairment	11.2	13.4	3.0	7.1	18.5	38.6	28.6	22.3	52.0	42.0
Other non-operating expense (income)	0.3	0.3	0.2	0.5	0.6	1.0	1.3	1.1	1.3	1.6
Tax (expense) benefit associated with certain foreign performance revenues related compensation	(10.8)	(1.0)	11.2	0.7	(7.8)	(13.3)	4.1	(6.2)	(14.3)	3.1
Non-Carlyle economic interests in acquired businesses and other adjustments to present certain costs on a net basis	14.9	29.2	8.0	5.2	19.2	45.8	32.4	34.3	75.0	61.6
Lease assignment and termination costs	—	—	—	—	—	—	—	66.9	—	—
Debt extinguishment costs	—	—	—	—	—	0.1	—	7.8	0.1	—
Corporate conversions costs, severance and other adjustments	10.8	9.9	4.5	3.6	2.8	23.4	10.9	9.1	33.3	20.8
Elimination of expenses of Consolidated Funds	(10.0)	(8.9)	(8.2)	(7.8)	(10.8)	(24.9)	(26.8)	(48.7)	(33.8)	(35.7)
Total Expense Reconciling Items	\$ 94.1	\$ 33.6	\$ (529.7)	\$ 493.6	\$ 250.8	\$ 457.0	\$ 214.7	\$ 346.2	\$ 490.6	\$ 248.3

Reconciliation for Total Segment Information, continued

RECONCILIATION OF TOTAL INVESTMENTS ATTRIBUTABLE TO THE CARLYLE GROUP INC.

(Dollars in millions)

	09/30/20
INVESTMENTS, EXCLUDING PERFORMANCE ALLOCATIONS	\$ 2,300.0
Less: Amounts attributable to non-controlling interests in Consolidated Funds	(192.2)
Plus: Investments in Consolidated Funds, eliminated in consolidation	145.6
Less: Strategic equity method investments in NGP Management ¹	(376.1)
TOTAL INVESTMENTS ATTRIBUTABLE TO THE CARLYLE GROUP INC.	1,877.3
Less: CLO loans and other borrowings attributable to The Carlyle Group Inc. ²	(353.5)
TOTAL INVESTMENTS ATTRIBUTABLE TO THE CARLYLE GROUP INC., NET OF CLO LOANS AND OTHER BORROWINGS	\$ 1,523.8

RECONCILIATION OF ACCRUED PERFORMANCE ALLOCATIONS

(Dollars in millions)

	09/30/20
ACCRUED PERFORMANCE ALLOCATIONS, NET OF ACCRUED GIVEBACK OBLIGATIONS	\$ 4,166.7
Plus: Accrued performance allocations from NGP Carry Funds ³	—
Less: Accrued performance allocation-related expense	(2,154.3)
Plus: Receivable for giveback obligation from current and former employees	—
Less: Deferred taxes on accrued performance allocations	(49.5)
Less: Net accrued performance allocations attributable to non-controlling interests in consolidated entities	(1.2)
NET ACCRUED PERFORMANCE REVENUES BEFORE TIMING DIFFERENCES	1,961.7
Plus: Timing differences between the period when accrued performance allocations are realized and the period they are collected/distributed	1.7
NET ACCRUED PERFORMANCE REVENUES ATTRIBUTABLE TO THE CARLYLE GROUP INC.	\$ 1,963.4

(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 \$350.0 million in CLO loans and other borrowings as of September 30, 2020, \$331.2 million are collateralized by investments attributable to The Carlyle Group Inc. Also includes \$22.3 million of borrowings under a credit facility to fund Carlyle Capital Solutions investments.

(3) Accrued performance allocations are presented as an investment in the U.S. GAAP balance sheet.

GAAP Statement of Operations (Unaudited)

(Dollars in millions, except per share amounts)

	3Q'19	3Q'20	YTD 3Q'19	YTD 3Q'20
REVENUES				
Fund management fees	\$ 359.5	\$ 363.8	\$ 1,103.8	\$ 1,091.5
Incentive fees	9.9	9.1	26.8	27.0
Investment income (loss)				
Performance allocations	112.4	477.4	709.1	731.6
Principal investment income (loss)	212.2	106.7	856.0	(659.2)
Total investment income (loss)	324.6	584.1	1,565.1	72.4
Interest and other income	23.3	21.3	71.5	64.5
Interest and other income of Consolidated Funds	51.3	56.3	149.5	164.5
Total Revenues	768.6	1,034.6	2,916.7	1,419.9
EXPENSES				
Compensation and benefits				
Cash-based compensation and benefits	200.0	222.2	631.9	639.0
Equity-based compensation	36.6	18.7	107.8	78.3
Performance allocations and incentive fee related compensation	92.6	250.6	391.6	343.7
Total compensation and benefits	329.2	491.5	1,131.3	1,061.0
General, administrative and other expenses	121.7	91.1	344.9	240.9
Interest	20.0	23.0	59.2	72.8
Interest and other expenses of Consolidated Funds	34.1	37.2	99.7	122.1
Other non-operating expenses	0.3	0.6	1.0	1.3
Total Expenses	505.3	643.4	1,636.1	1,498.1
Net investment gains (losses) of consolidated funds	(1.9)	23.9	(6.9)	(38.9)
Income (loss) before provision for income taxes	261.4	415.1	1,273.7	(117.1)
Provision (benefit) for income taxes	9.4	82.4	48.9	54.7
Net income (loss)	252.0	332.7	1,224.8	(171.8)
Net income (loss) attributable to non-controlling interests in consolidated entities	10.5	37.2	45.8	(1.2)
Net income (loss) attributable to Carlyle Holdings	241.5	295.5	1,179.0	(170.6)
Net income attributable to non-controlling interests in Carlyle Holdings	149.3	—	789.8	—
Net income (loss) attributable to The Carlyle Group Inc.	92.2	295.5	389.2	(170.6)
Net income attributable to Series A Preferred Unitholders	7.3	—	19.1	—
Series A Preferred Unit redemption premium	16.5	—	16.5	—
Net income (loss) attributable to The Carlyle Group Inc. Common Stockholders	\$ 68.4	\$ 295.5	\$ 353.6	\$ (170.6)
Net income (loss) attributable to The Carlyle Group Inc. per common share				
Basic	\$ 0.60	\$ 0.84	\$ 3.17	\$ (0.49)
Diluted	\$ 0.55	\$ 0.82	\$ 2.93	\$ (0.49)

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. For periods subsequent to Conversion, Net income (loss) attributable to Carlyle Holdings refers to the Net income (loss) of The Carlyle Group Inc. and its consolidated subsidiaries, net of non-controlling interests in consolidated entities. LTM results for the provision (benefit) for income taxes and net income (loss) attributable to Carlyle Holdings are not meaningful due to the change in our structure in connection with the Conversion. See Notes at end of document.

GAAP Balance Sheet (Unaudited)

	As of September 30, 2020			
	Consolidated Operating Entities	Consolidated Funds	Eliminations	Consolidated
(Dollars in millions)				
ASSETS				
Cash and cash equivalents	\$ 938.4	\$ —	\$ —	\$ 938.4
Cash and cash equivalents of Consolidated Funds	—	377.8	—	377.8
Restricted cash	0.4	—	—	0.4
Investments, including performance allocations of \$4,184.2 million	6,629.8	—	(145.6)	6,484.2
Investments of Consolidated Funds	—	5,414.8	—	5,414.8
Due from affiliates and other receivables, net	253.1	—	(5.9)	247.2
Due from affiliates and other receivables of Consolidated Funds, net	—	100.3	—	100.3
Fixed assets, net	133.9	—	—	133.9
Lease right-of-use assets, net	187.7	—	—	187.7
Deposits and other	53.3	0.2	—	53.5
Intangible assets, net	51.9	—	—	51.9
Deferred tax assets	212.1	—	—	212.1
Total assets	\$ 8,460.6	\$ 5,893.1	\$ (151.5)	\$ 14,202.2
LIABILITIES & EQUITY				
Debt obligations	\$ 1,987.1	\$ —	\$ —	\$ 1,987.1
Loans payable of Consolidated Funds	—	5,263.7	—	5,263.7
Accounts payable, accrued expenses and other liabilities	311.8	—	—	311.8
Accrued compensation and benefits	2,684.2	—	—	2,684.2
Due to affiliates	448.0	—	—	448.0
Deferred revenue	272.4	—	(0.1)	272.3
Deferred tax liabilities	47.2	—	—	47.2
Other liabilities of Consolidated Funds	—	475.2	—	475.2
Lease liabilities	265.0	—	—	265.0
Accrued giveback obligations	17.5	—	—	17.5
Total liabilities	6,033.2	5,738.9	(0.1)	11,772.0
Total equity	2,427.4	154.2	(151.4)	2,430.2
Total liabilities and equity	\$ 8,460.6	\$ 5,893.1	\$ (151.5)	\$ 14,202.2

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 34.
- (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 32.

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 & Other (Non-Carry Funds) includes our CLOs, business development companies and related managed accounts, the Carlyle Tactical Private Credit Fund, securitization vehicles and various managed accounts in our Carlyle Aviation business, AUM related to capital raised from third-party investors to acquire a 76.6% interest in Fortitude Holdings, the NGP Predecessor funds and certain other managed account vehicles. Carry funds in the Global Credit segment are included in "Traditional Carry Funds"
- (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 (Corporate Private Equity, Real Assets 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.
- (6) Reflects the percentage of Fair Value in our traditional carry funds attributable to investments originated in Q4 2015 or prior. Investments that include follow-on tranches are fully recognized based on the date of the initial investment activity.

Notes, continued

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

(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 Q3 2020 Key Metric Activity (Page 14)

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

Note on Investment Solutions (Page 19)

(1) Includes Mezzanine funds.

Notes on Total AUM Roll Forward (Page 23)

(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.

(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 June 30, 2020) as provided by their general partners, plus the net cash flows since the latest valuation, up to September 30, 2020.

Notes on Fee-earning AUM Roll Forward (Page 23)

(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 24-27)

- (1) The data presented herein that provides “inception to date” performance results of our segments relates to the period following the formation of the first fund within each segment. For our Corporate Private Equity segment our first fund was formed in 1990. For our Real Assets segment our first fund was formed in 1997. For our Global Credit segment our first carry fund was formed in 2004.
- (2) Represents the fund's investment period end date or, if different, the date at which the management fee calculation basis is scheduled to step down from commitments to remaining invested capital at cost (where applicable). This measure is only relevant and reported for funds currently in the investment period.
- (3) Represents the original cost of investments since inception of the fund.
- (4) Represents all realized proceeds since inception of the fund.
- (5) Represents remaining fair value, before management fees, expenses and carried interest, and may include remaining escrow values for realized investments.
- (6) Multiple of invested capital (“MOIC”) represents total fair value, before management fees, expenses and carried interest, divided by cumulative invested capital.
- (7) 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. We do not present Realized/Partially Realized performance information separately for funds that are still in the investment period because of the relatively insignificant level of realizations for funds of this type. However, to the extent such funds have had realizations, they are included in the Realized/Partially Realized performance information presented for Total Corporate Private Equity and Total Real Assets.
- (8) Fully Invested funds are past the expiration date of the investment period as defined in the respective limited partnership agreement. In instances where a successor fund has had its first capital call, the predecessor fund is categorized as fully invested.
- (9) 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.
- (10) 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.
- (11) Fund has a net accrued performance fee balance/(giveback obligation) as of the current quarter end, driven by a significant portion of the fund's asset base.
- (12) Fund has generated realized net performance fees/(realized giveback) in the last twelve months.
- (13) Represents all realized proceeds combined with remaining fair value, before management fees, expenses and carried interest.
- (14) Aggregate includes the following funds, as well as related co-investments, separately managed accounts (SMAs), and certain other stand-alone investments arranged by us: CVP II, MENA, CCI, CSSAF I, CSABF, and CPF.
- (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: 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.
- (16) Aggregate includes the following funds, as well as related co-investments, separately managed accounts (SMAs), and certain other stand-alone investments arranged by us: CAP Growth I and CBPF II.
- (17) For funds marked “NM,” IRR may be positive or negative, but is considered not meaningful because of the limited time since initial investment and early stage of capital deployment. For funds marked “Neg,” IRR is negative as of reporting period end.
- (18) For purposes of aggregation, funds that report in foreign currency have been converted to U.S. dollars at the reporting period spot rate.
- (19) Aggregate includes the following funds, as well as related co-investments, separately managed accounts (SMAs), and certain other stand-alone investments arranged by us: NGP GAP and CPOCP.
- (20) Aggregate includes the following funds: CRP I, CRP II, CRP III, CRCP I, CAREP I, CAREP II, CEREP I, CEREP II, Energy I, Energy II, Renew I, and CIP.
- (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: CCR, CRSEF, CER, and NGP RP.

Notes, continued

Notes on Fund Performance Tables (Pages 24-27), continued

- (22) Aggregate includes the following funds, as well as related co-investments, separately managed accounts (SMAs), and certain other stand-alone investments arranged by us: SASOF II and SASOF III.
- (23) 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.
- (24) Aggregate includes the following funds, as well as related co-investments, separately managed accounts (SMAs), and certain other stand-alone investments arranged by us: SASOF IV.
- (25) Represents the original cost of investments net of investment level recallable proceeds which is adjusted to reflect recyclability of invested capital for the purpose of calculating the fund MOIC.
- (26) Fully Committed funds are past the expiration date of the commitment period as defined in the respective limited partnership agreement.
- (27) 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, and b) Direct Investments, which was spun off from AlInvest in 2005, and c) LP co-investment vehicles advised by AlInvest. As of September 30, 2020, these excluded investments represent \$0.5 billion of AUM at AlInvest.
- (28) To exclude the impact of FX, all AlInvest foreign currency cash flows have been converted to Euro at the reporting period spot rate.
- (29) Represents all realized proceeds combined with remaining fair value, before management fees, expenses and carried interest. To exclude the impact of FX, all AlInvest foreign currency cash flows have been converted to Euro at the reporting period spot rate.
- (30) 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 investments, before management fees, expenses and carried interest at the AlInvest/Metropolitan Real Estate level.
- (31) 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, AlInvest CleanTech Funds and funds which are not included as part of a main fund.
- (32) Represents the U.S. dollar equivalent balance translated at the spot rate as of period end.

Notes on Reconciliation for Distributable Earnings per Share (Page 29)

- (1) For periods prior to the Conversion on January 1, 2020, the current corporate income taxes payable on Distributable Earnings allocated to Carlyle Holdings I GP Inc. and estimated current Tax Receivable Agreement payments owed have been added to the estimated current corporate, foreign, state, and local taxes and total Distributable Earnings, net attributable to common stockholders has been recast accordingly.
- (2) 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 32)

- (1) 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.