

CARLYLE

UBS Financial Services Conference

Curt Buser, Chief Financial Officer

August 2021

Important Information

This presentation has been prepared by The Carlyle Group Inc. (together with its affiliates, "Carlyle") and may only be used for informational purposes only. This presentation may not be referenced, quoted or linked by website, in whole or in part except as agreed to in writing by Carlyle. All information presented herein is as of June 30, 2021 unless otherwise specified.

On January 1, 2020, we completed our conversion from a Delaware limited partnership named The Carlyle Group L.P. into a Delaware corporation named The Carlyle Group Inc. Unless the context suggests otherwise, references in this report to "Carlyle", the "Company", "we", "us", and "our" refer (i) prior to the consummation of the conversion, to The Carlyle Group L.P. and its consolidated subsidiaries and (ii) from and after the consummation of the conversion, to The Carlyle Group Inc. and its consolidated subsidiaries. References to our common stock in periods prior to the conversion refer to the common units of The Carlyle Group L.P. References to our dividends in periods prior to the conversion refer to the distributions of The Carlyle Group L.P.

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 investment fund managed or sponsored by Carlyle or its affiliates ("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.

Although the information presented in this presentation has been obtained from sources that Carlyle believes to be reliable, Carlyle makes no representations as to its accuracy, validity, timeliness or completeness for any purpose. The information set forth herein does not purport to be complete and Carlyle is not responsible for errors and/or omissions with respect to the information contained herein. Unless otherwise expressly stated herein any analysis or outlook relating to the matters discussed herein express Carlyle's views only as of July 29, 2021.

Statements contained in this presentation that are not historical facts are based on current expectations, estimates, projections, opinions and/or beliefs of Carlyle. Such statements involve known and unknown risks, uncertainties and other factors, and undue reliance should not be placed thereon. Certain information contained in this presentation constitutes "forward-looking statements," which can be identified by the use of forward-looking terminology such as "may," "will," "should," "seek," "expect," "anticipate," "forecast," "project," "estimate," "intend," "continue," "target," or "believe" or the negatives thereof or other variations thereon or comparable terminology. Statements related to projected Distributable Earnings ("DE"), Fee Related Earnings ("FRE"), and fundraising for future periods could be impacted by the level of investment performance, our ability to fundraise and the fees we can charge on such commitments, the pace and scale of capital deployment which may not be consistent with historical levels, the pace and success of exit activity, changes in regulations and laws (including tax laws), our ability to scale existing businesses and wind-down underperforming businesses, our ability to manage expenses and retain key personnel, our ability to manage stock dilution and our ability to charge and retain transaction fees. Even if we were to achieve our goals, there is no guarantee that such fundraising will translate into increased earnings and margins. There can be no assurance that Carlyle's strategic goals will ultimately be realized or if realized, that they will have the effect of accelerating our growth or earnings. All projections assume benign market conditions. These statements are subject to risks, uncertainties and assumptions, including those listed in this disclaimer and described under the section entitled "Risk Factors" in our Annual Report on Form 10-K for the year ended December 31, 2020 as filed with the SEC on February 11, 2021 (the "Annual Report"), 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 presentation and in our filings with the SEC. The fund return information reflected in this presentation is not indicative of the performance of The Carlyle Group Inc. 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. See "Risk Factors — Risks Related to Our Business Operations — The historical returns attributable to our funds, including those presented in this report, should not be considered as indicative of the future results of our funds or of our future results or of any returns expected on an investment in our common units" in the Annual Report. As used throughout this document, and unless otherwise indicated, "Gross IRR" represents the annualized internal rate of return 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 substantial. "Net IRR" represents the annualized internal rate of return for the period indicated on limited partner invested capital based on contributions, distributions and unrealized value after management fees, expenses and carried interest (but not taxes borne by investors). "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. In considering investment performance information contained in this presentation, prospective investors should bear in mind that past performance is not necessarily indicative of future results and there can be no assurance that Carlyle or any Fund will achieve comparable results. Actual realized value of currently unrealized investments will depend on, among other factors, future operating results, the value of the assets and market conditions at the time of disposition, any related transaction costs and the timing and manner of sale, all of which may differ from the assumptions and circumstances on which the current unrealized valuations are based. Accordingly, the actual realized values of unrealized investments may differ materially from the values indicated herein. Unless otherwise specified, LTM, or last twelve months refers to the period of Q3 2020 through Q2 2021, and the prior rolling 12-month period refers to the period Q3 2019 to Q2 2020.

This presentation includes comparisons of certain private equity indices to various indexes including certain MSCI indexes (MSCI) and the S&P 500 and other indexes. The private equity indices do not represent the performance of any Fund or family of Funds. Recipients should not infer that any Fund is top quartile. There are significant differences between the types of securities and assets typically acquired by U.S. and global buyout funds, the investments covered by the MSCI, S&P 500 and other indexes. 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 these indexes and companies included in the indexes 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. Comparisons between private equity funds, Carlyle sponsored funds, the MSCI, S&P 500 and other indexes are included for informational purposes only. The private equity returns do not represent the performance of any Fund or family of Funds. Recipients should not infer that any Fund is top quartile.

Detailed information about Carlyle's management fees and performance revenues is available in Carlyle's public filings. Please note that certain metrics and projections contained in this Presentation include the Legacy Energy Funds and funds advised by NGP Energy Capital Management. 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 carried interest and management fees in certain funds advised by NGP Energy Capital Management. The NGP Energy Capital Management funds which solely earn management fees are referred to herein as "NGP predecessor funds."

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, Distributable Earnings ("DE") and Distributable 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," (FEAUM), and "Assets under management" or "AUM."

We Are A Leading Global Investment Firm

GLOBAL PRIVATE EQUITY \$150 BN

- Corporate Private Equity
- Real Estate
- Natural Resources



INVESTMENT SOLUTIONS

\$65 BN

- Primary
- Secondaries
- Co-investments

GLOBAL CREDIT

\$61 BN

- Liquid Credit
- Illiquid Credit
- Real Assets Credit

We Have Delivered Strong Financial Performance Over the Past 12 Months For Shareholders...



+21%
LTM¹



+48%
LTM¹



+125%
YoY

1. Fee Related Earnings and Distributable Earnings exclude the impact of a \$30 million expense recovery in IQ 2020.
As of June 30, 2021.

Our Investment Platform Is Firing On All Cylinders

Last 12-Month Data

CARRY FUND APPRECIATION

43%

51% CPE / 24% RE / 32% GC / 47% IS

ROBUST FUNDRAING

+56%

\$33.3 BN

STRONG DEPLOYMENT

+59%

\$26.1 BN

REALIZED PROCEEDS

+23%

\$25.9 BN

As of June 30, 2021.

Executing On Our Strategic Plan Will Accelerate Earnings and Platform Growth...

1



ACCELERATE / SCALE / EXPAND

Drive higher
management fees &
operating leverage

2



CAPTURE ADJACENCIES

Generate incremental &
diverse revenue streams

- Expand Insurance Solutions
- Leverage Capital Markets platform

3



INSTITUTIONALIZE

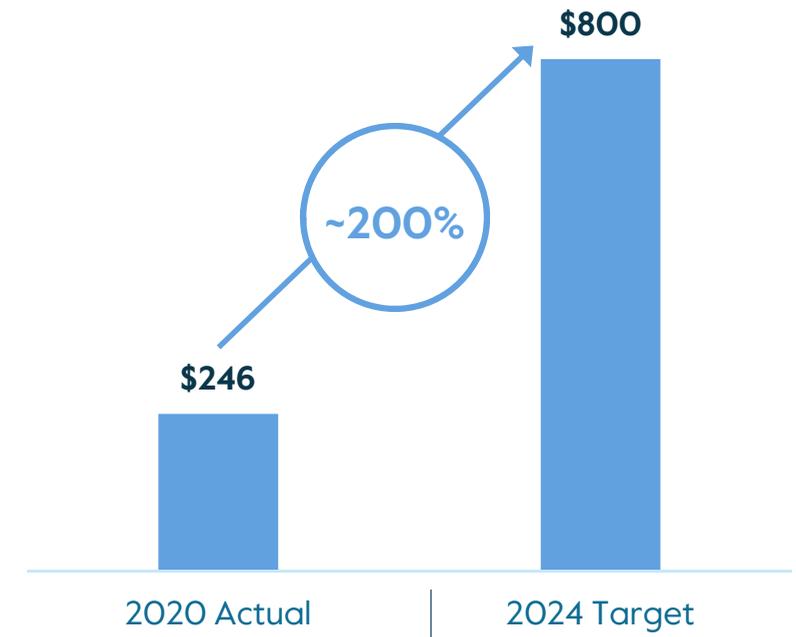
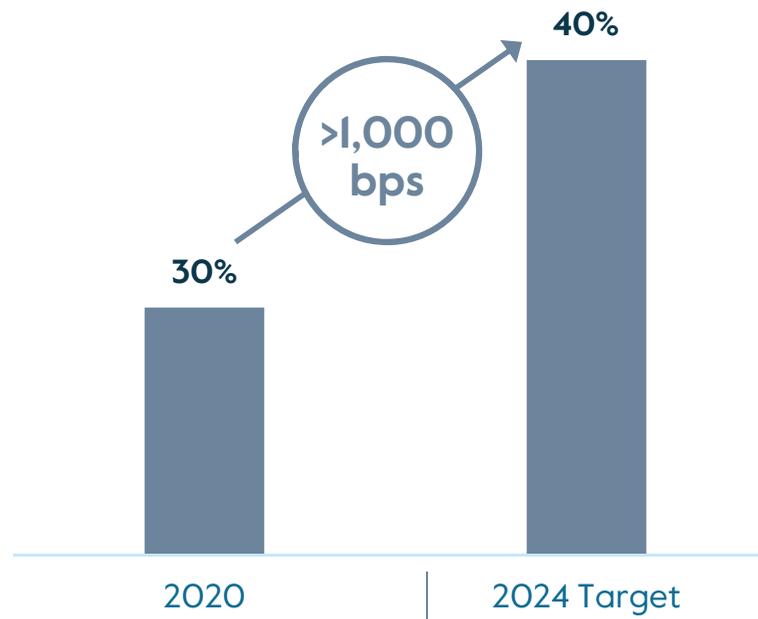
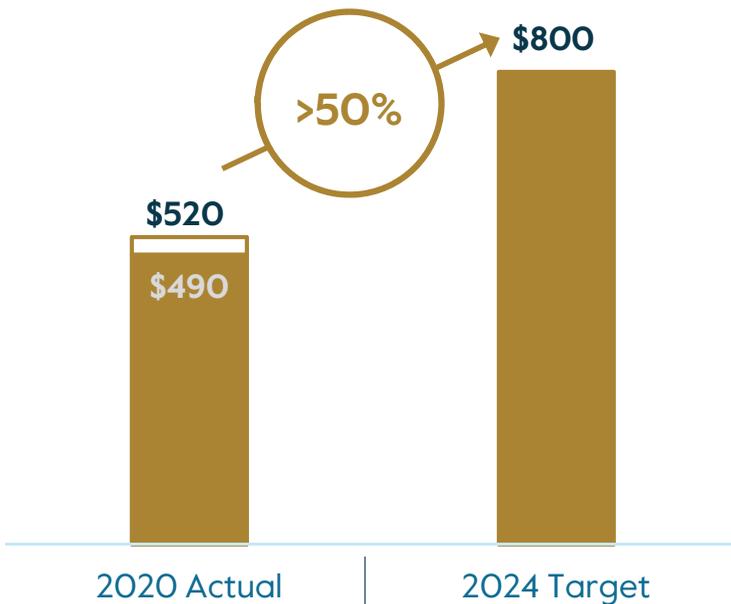
Control costs, align
senior execs with
performance, improve
margins

We Are Already Ahead Of Our Strategic Plan Financial Targets

ACCELERATING FEE RELATED EARNINGS (\$MN)

GROWING FRE MARGINS

ACCELERATING NET REALIZED PERFORMANCE REVENUE (\$MN)



IH'21 FRE of \$272 million with accelerating growth in 2022

IH'21 FRE margin of 33%

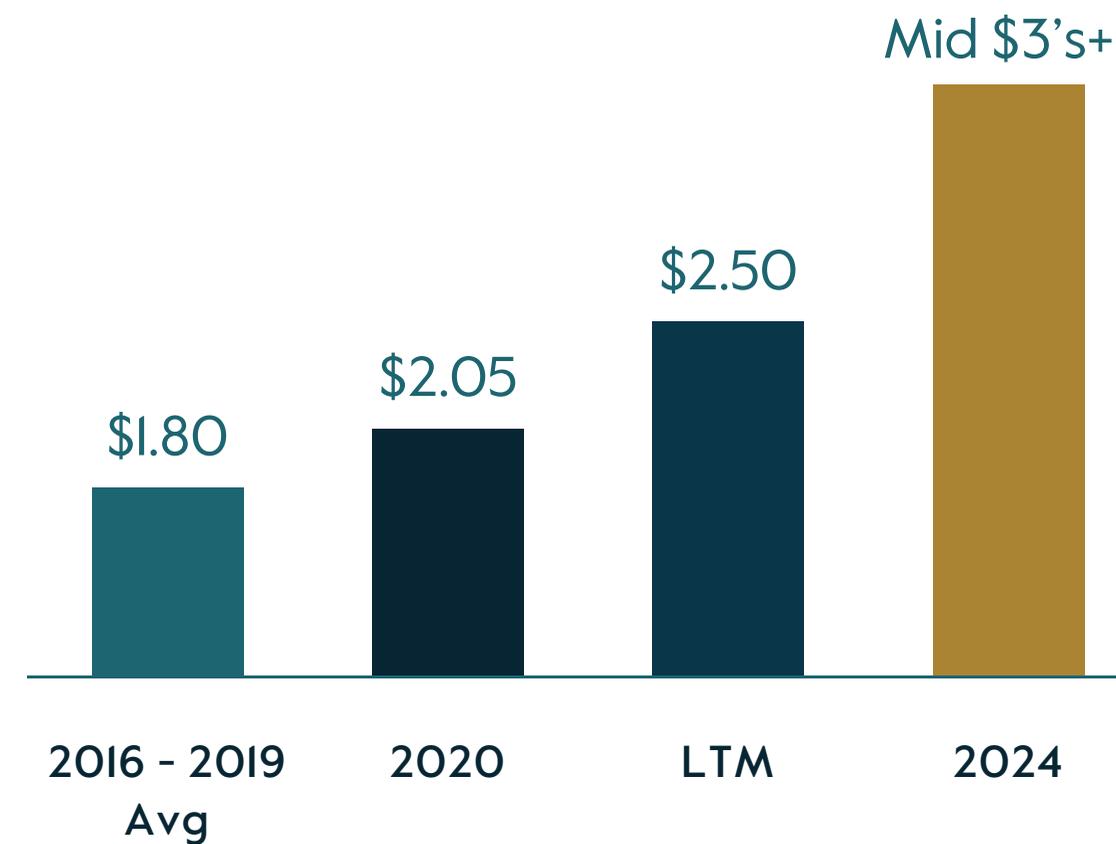
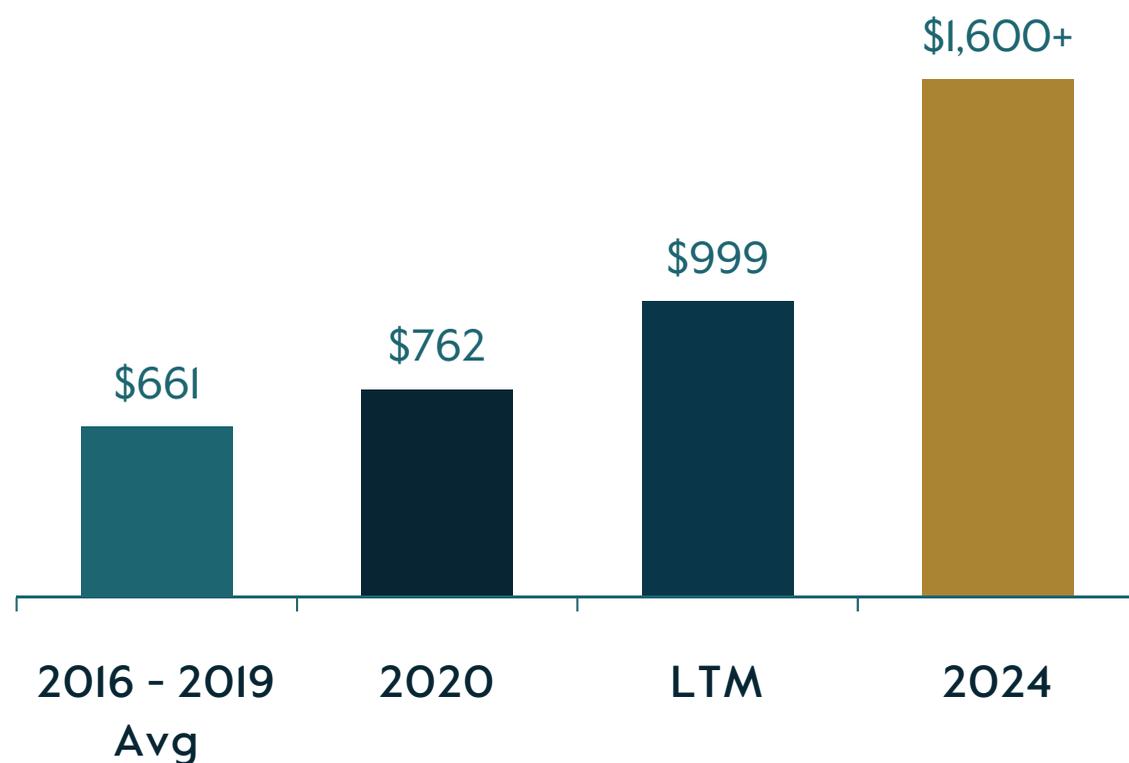
\$313 million in IH'21 with \$500mn+ expected in 2H'21. Expect to average ~\$800mn over the next several years

Note: 2020 Fee Related Earnings were \$520 million, or \$490 million excluding the impact of \$30 million in one-time recoveries; 2020 FRE margin of 30% excludes the impact of recoveries. Please see the "Important Information" slide for more information about the use of and reliance on projections, and The Carlyle Group's Investor Day materials located at www.carlyle.com for more information about its strategic plan.

Distributable Earnings Rapidly Scaling Towards Our Target

DISTRIBUTABLE EARNINGS (\$MN)

DISTRIBUTABLE EARNINGS PER SHARE



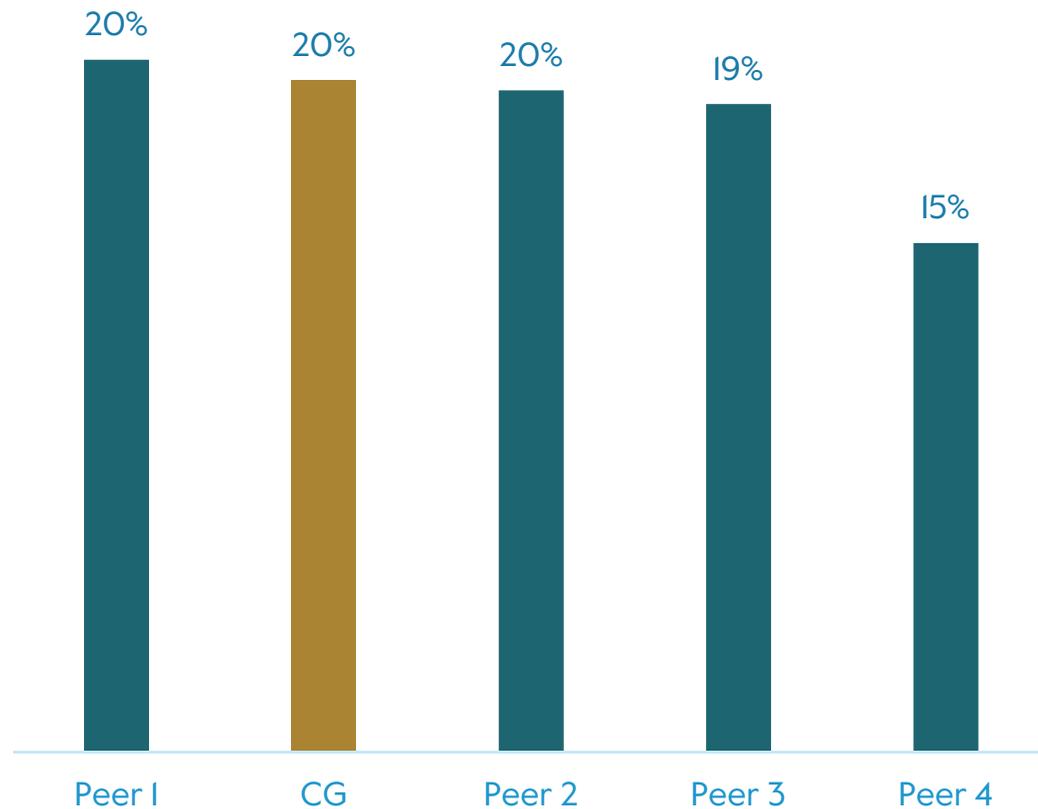
Effective DE Tax Rate

3-5% 5% 11% 20-22%

As of June 30, 2021. Please see the "Important Information" slide for more information about the use of and reliance on projections.

Recent FRE Performance Has Been Attractive

2015 – 2020 FRE CAGR

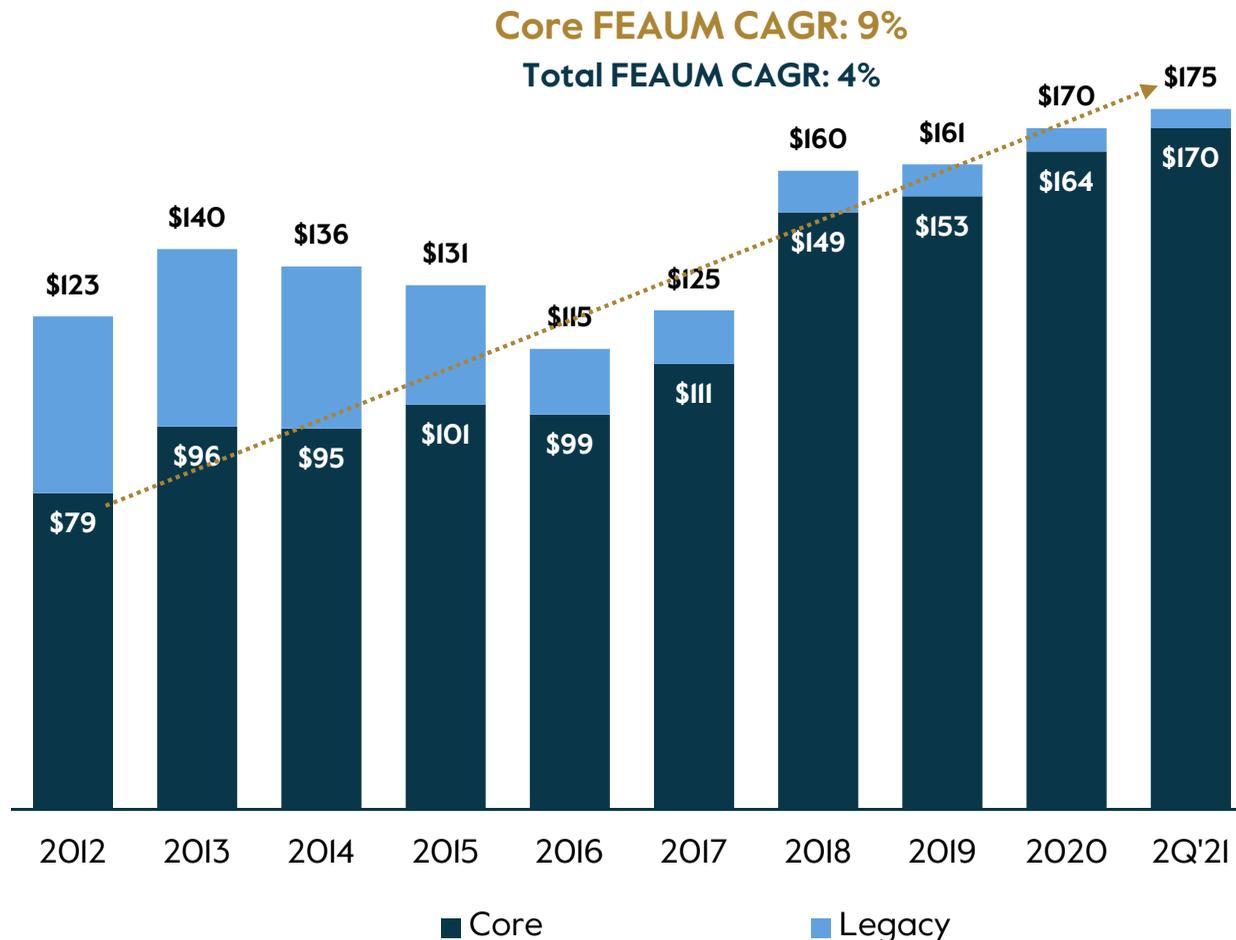


Firm	FRE Margin Expansion (2015 – 2020)
Peer 1	21%
Carlyle	14%
Peer 2	10%
Peer 3	8%
Peer 4	5%

Source: Company reports, Carlyle analysis.
 Note: Peers include Apollo, ARES, Blackstone & KKR.

Our Investment Platform Has Grown At Near 10% Core Growth Rate

FEE-EARNING AUM (\$BN)



- Fee-earning AUM of **\$175 billion** across Global Private Equity, Global Credit & Investment Solutions
- **Strong Core Fee-earning AUM' CAGR** of more than 9% since 2012, 10% including Pending Fee-earning AUM
- >98% of Fee-earning AUM in **locked up, long term fund structures** not subject to quarterly redemption
- **\$17.3 billion in Pending Fee-earning AUM** will activate fees upon fund initiation or capital deployment²

Note: Data as of June 30, 2021. There is no guarantee these trends will continue.

1) Core excludes Legacy FEAUM which consists of Hedge Funds, Legacy Energy, and Legacy APG / PGGM FEAUM.

2) Pending Fee-earning AUM of \$17.3 billion as of June 30, 2021 includes approximately \$6.9 billion in fund commitments that will activate as new funds turn on fees. The remaining amount will generally become fee-earning as the commitments are invested.

We are focused on the + in our
\$130bn+ fundraising target
(2021–2024)

WITH SUBSTANTIAL MOMENTUM

Buyout * Growth * Real Estate * Secondaries
CLOs * Opportunistic Credit * More to come...

Strategic Adjacency Growth To Further Scale FRE

Global Capital Markets

\$30 - 40 MN

CURRENT ANNUAL RUN RATE

EXPECT TO **DOUBLE** IN
THE NEXT COUPLE OF YEARS

Carlyle Insurance Solutions via Fortitude

LEVERAGES OUR
INVESTMENT
SOLUTIONS
PLATFORM

\$4.9 BN

Assets rotated /
committed to
~28 Carlyle
products

DRIVES
MULTIPLE
SOURCES OF
REVENUE

~\$50 MN

Fee run-rate on
related funds &
investment income
/ carry to come

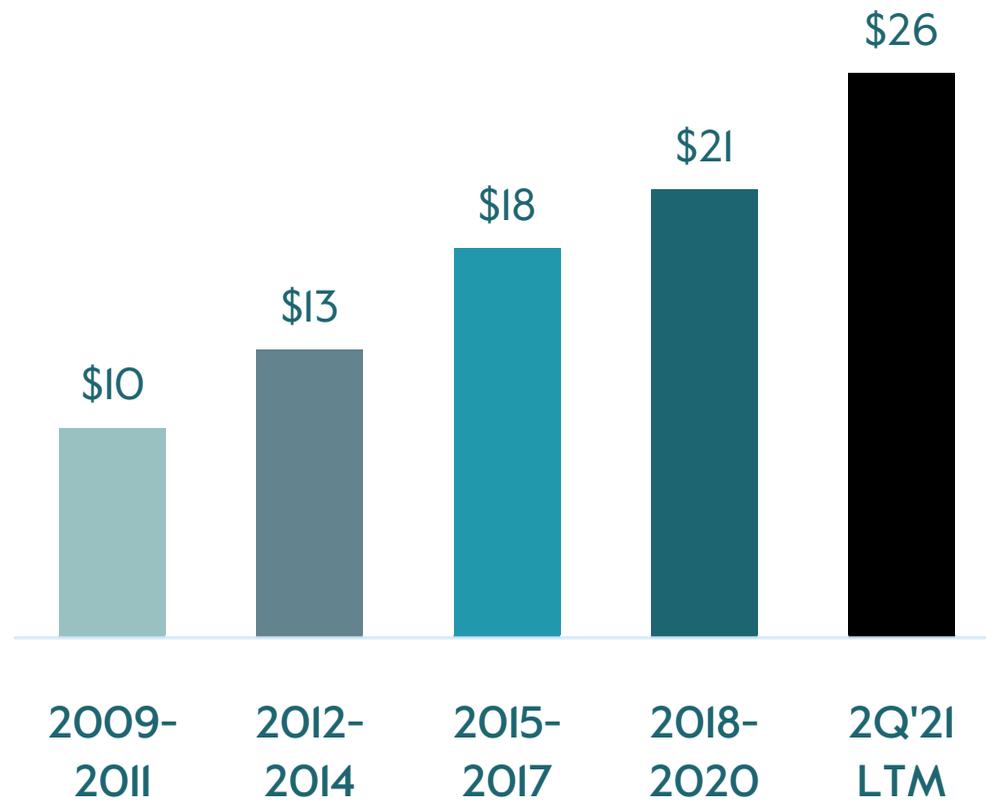
STRONG
OPERATING
FUNDAMENTALS

13-15%

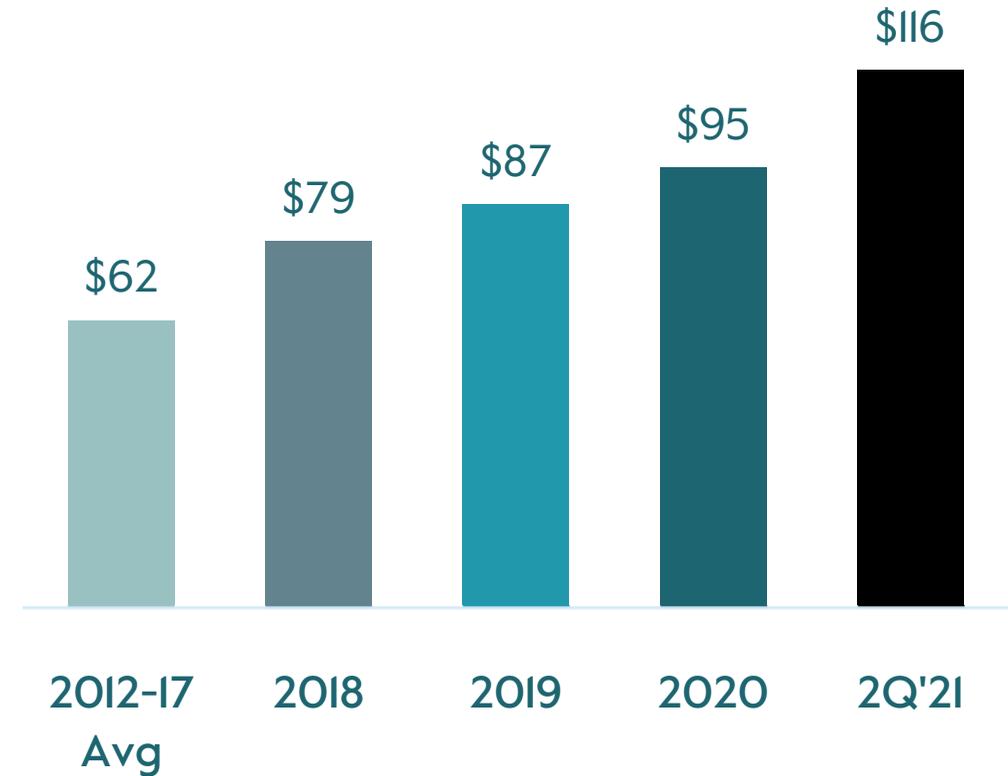
Mid-teens ROE
on \$465 MN
investment
into Fortitude

Investment Pace and Invested Capital Have Increased As Our Platform Has Grown

ANNUAL CARRY FUND INVESTED CAPITAL AVERAGE (\$BN)



**REMAINING FAIR VALUE (\$BN)¹
Global Private Equity & Global Credit Carry Funds**



Note: Alpinvest acquired in 2011

1) Fair Value of Investments generally reflects the unrealized carrying value of investments for all Global Private Equity and Global Credit carry funds, and related co-investment vehicles.

Strong Appreciation Across The Breadth Of Our Global Platform

	GROSS IRR	MOIC
Carlyle Partners VI	21%	2.3x
Carlyle Asia Partners IV	20%	2.0x
Carlyle Europe Partners IV	13%	1.5x
Carlyle Europe Tech Partners III	46%	3.0x
Carlyle Real Estate Partners VII	19%	1.6x
Carlyle Credit Opportunities Fund I	21%	1.2x

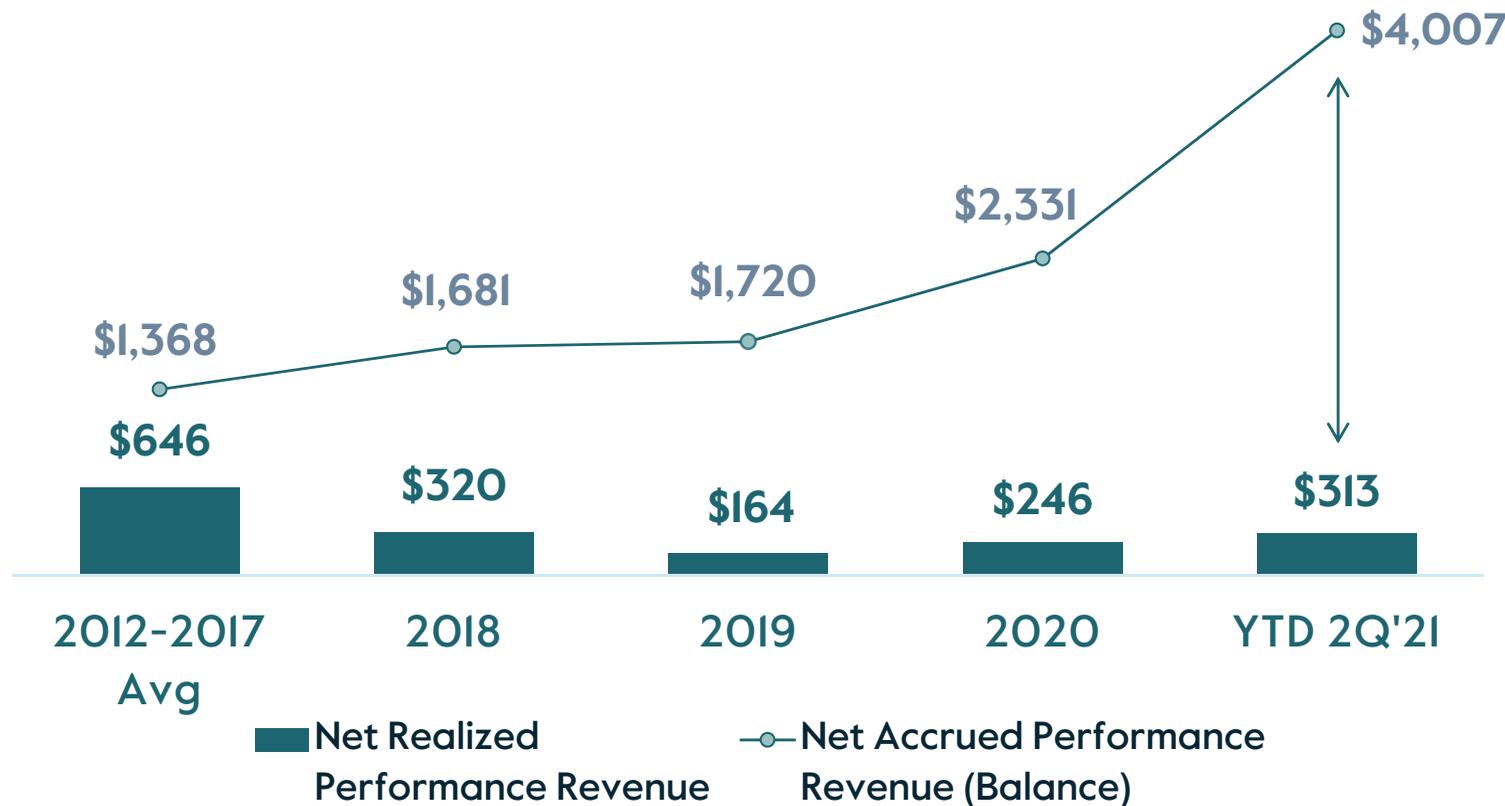
As of June 30, 2021.

Note: Total fund and co-investment. Net IRR as follows: CP VI 16%, CAP IV 15%, CEP IV 7%, CETP III 33%, CRP VII 12%, CCOF I 15%.

Please see The Carlyle Group Inc.'s filings with the U.S. Securities and Exchange Commission for more information about the performance of Carlyle's significant funds.

Our Net Accrued Performance Revenue Is At A Record Level

PERFORMANCE REVENUES (\$MN)

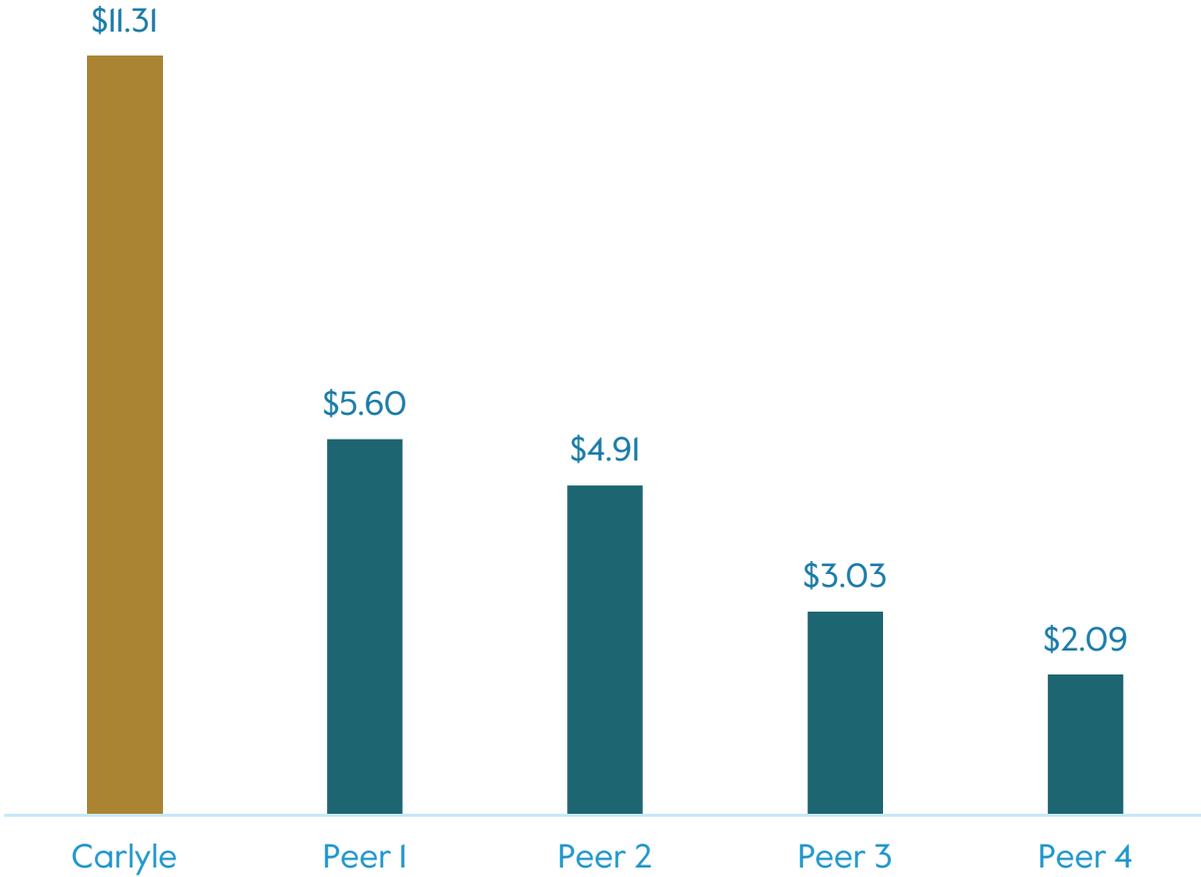


\$4.0 Billion
OF NET ACCRUED PERFORMANCE REVENUE POISED TO ACCELERATE DISTRIBUTABLE EARNINGS GROWTH

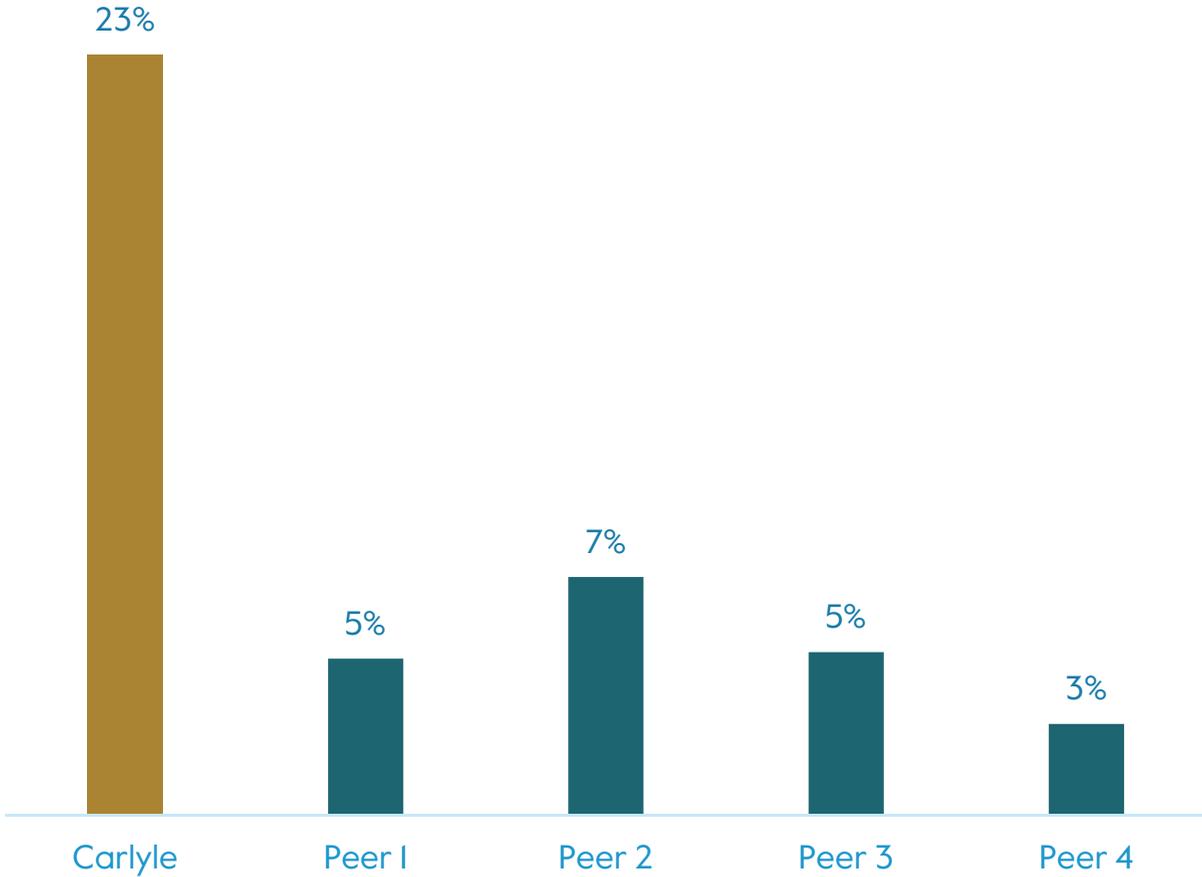
Net accrued performance revenues as of June 30, 2021 are net of \$21 million in accrued giveback obligations and \$4.0 billion in accrued performance allocations and incentive fee compensation related to non-controlling interests. We generally earn performance revenues (or carried interest) from our 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. Please see The Carlyle Group Inc.'s filings with the U.S. Securities and Exchange Commission for more information about the amount of accrued carry (clawback) by fund for each of Carlyle's significant funds.

Carlyle Net Accrued Performance Revenue Per Share Is >2x Peers

NET ACCRUED PERFORMANCE REVENUE PER SHARE



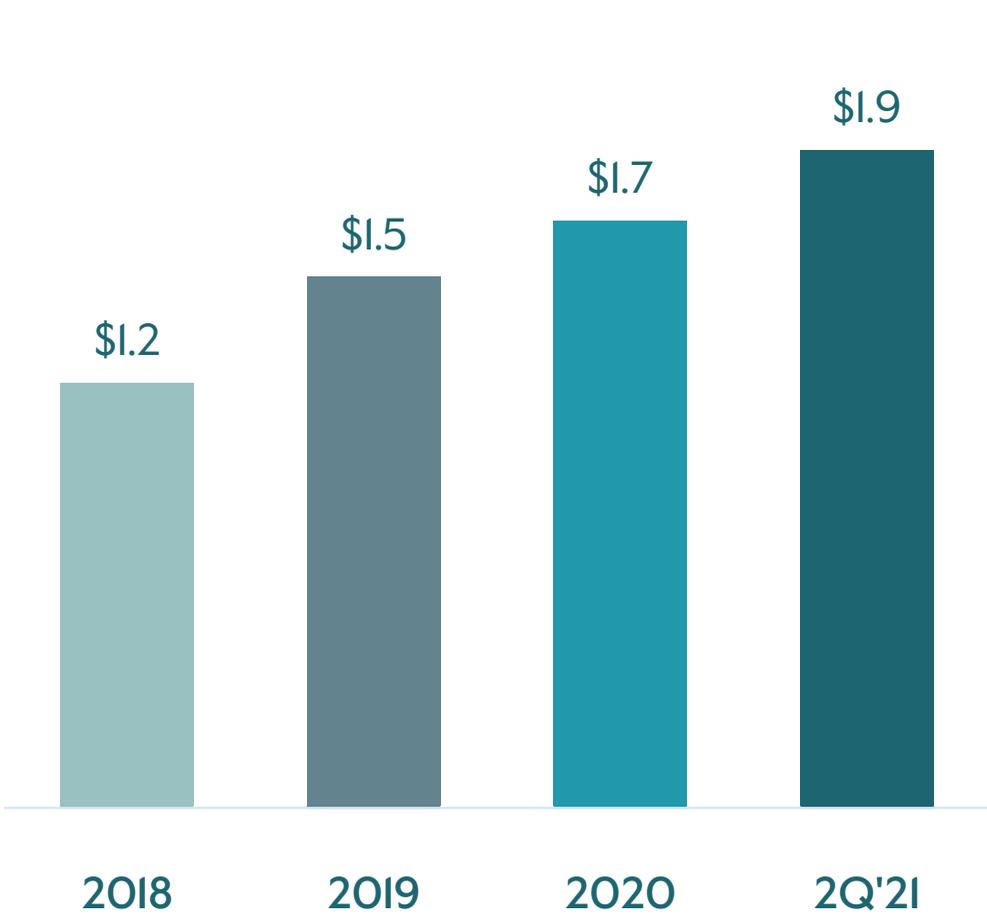
NET ACCRUED PERFORMANCE REVENUE AS A % OF MARKET CAP



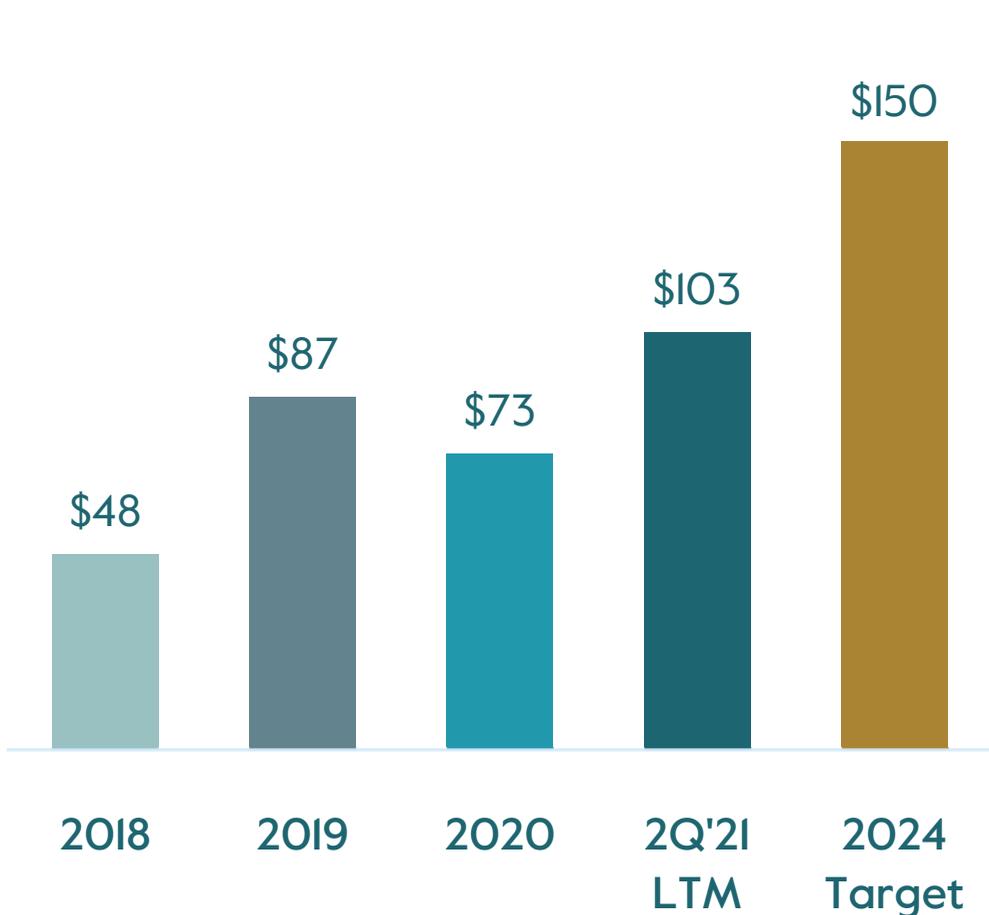
Note: Data as of Q2 2021. Market capitalization as of August 5, 2021. Net accrued performance revenue per share calculated as net accrued carry divided by fully exchanged share count, before taxes. Peers include Apollo, ARES, Blackstone and KKR.

Our Balance Sheet Is Rapidly Becoming a Source of Strength

INVESTMENTS ATTRIBUTABLE TO CARLYLE SHAREHOLDERS¹ (\$BN)



REALIZED PRINCIPAL INVESTMENT INCOME (\$MN)



¹) Investments exclude the equity investments by Carlyle in NGP Energy Capital Management and also exclude the portion of CLO investments attributable to Carlyle stockholders that were financed with debt. Refer to end notes for a reconciliation to U.S. GAAP.

Capital Strategy To Drive Sustainable Platform Growth



Accelerating Fee
Related Earnings
Drives
**Dividend
Growth**



Increasing
Performance
Revenues
**Builds
Retained Earnings**



Reinvesting Retained
Earnings to drive
**High Value
Fee Related Earnings
Growth**

Scale Largest Funds
Organically

Seed New Products &
Teams

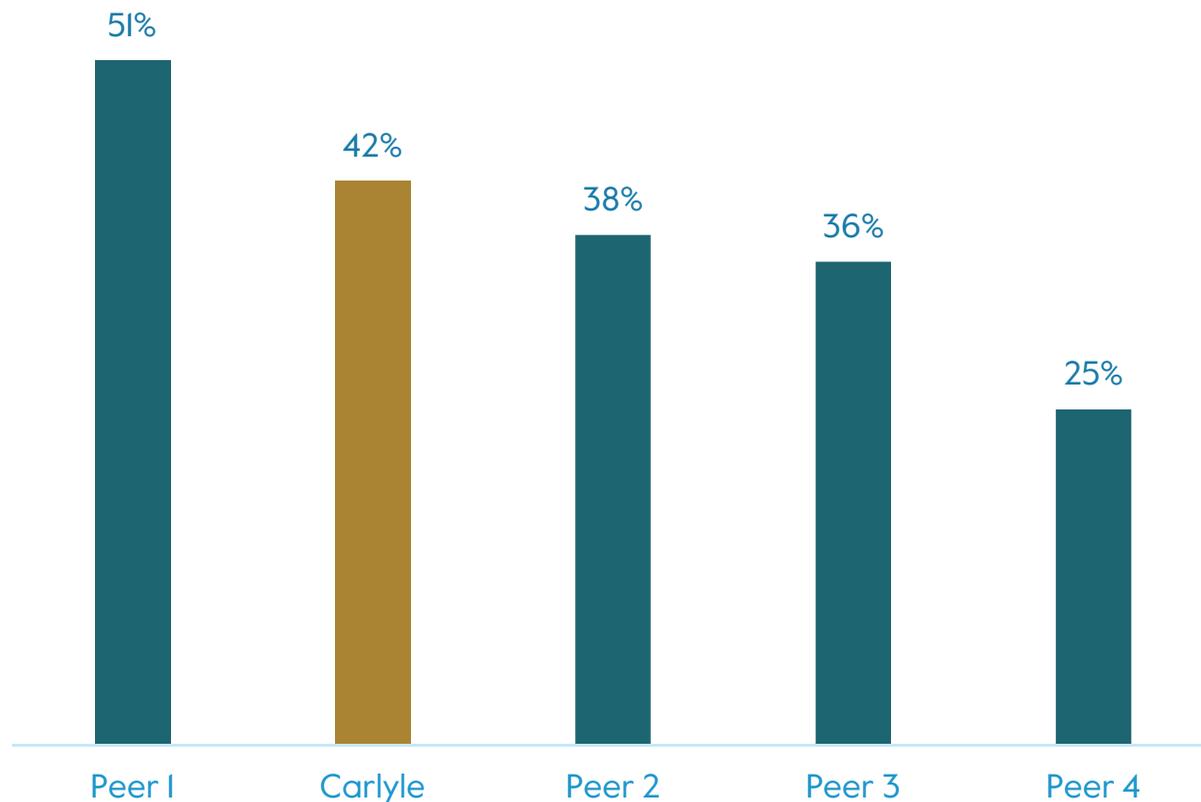
Grow Capital Markets &
Insurance Adjacencies

Strategic M&A

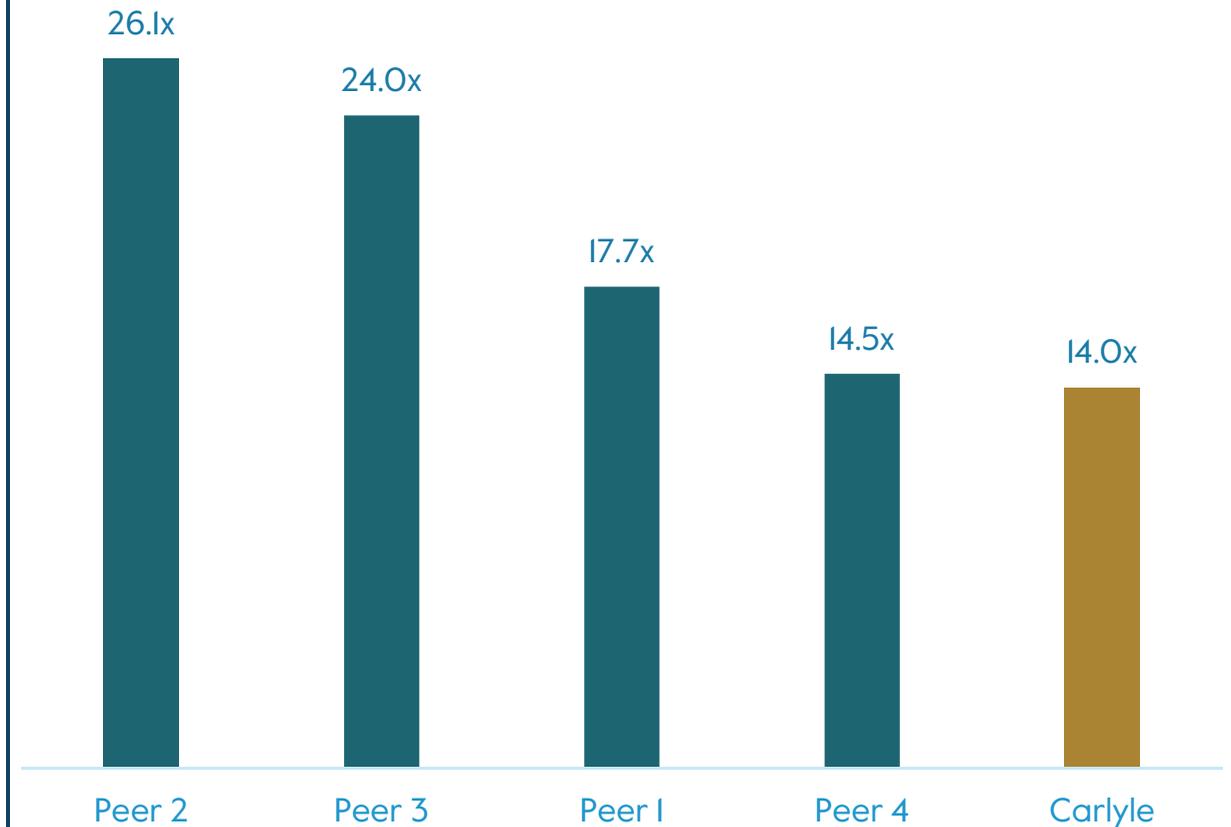
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Analysts Expect CG Earnings To Grow Near Peer High Level While CG Trades At A Compelling Valuation

CONSENSUS 2020-2022 EPS CAGR



PRICE / EARNINGS ON 2022 CONSENSUS



Note: Data as of Q2 2021. Market capitalization as of August 5, 2021. Peers include Apollo, ARES, Blackstone and KKR.

We Are Well Positioned To Deliver Attractive Results For All Stakeholders

- Our investment platform is **firing on all cylinders**
- We are delivering attractive results for shareholders that are both **larger and faster than expected**
- We are **ahead of our strategic plan** to deliver at least \$1.6 billion in DE/Share by 2024
- We have **line of sight to significant growth** in Fee Related Earnings and Net Realized Performance Revenue over the next few quarters
- We have a **record level of Net Accrued Performance Revenue** that should convert to earnings over the coming years
- Capital strategy to fund **sustainable platform growth** from retained earnings

Think Bigger

Perform Better

Move Faster

Appendix I: Segment Summaries

We Are a Global Private Equity Powerhouse

GLOBAL PRIVATE EQUITY

\$150 BN AUM

CORPORATE PRIVATE EQUITY

\$101 BN

Americas **\$64 BN**

Asia & Japan **\$18 BN**

Europe **\$17 BN**

Other CPE **\$2 BN**

REAL ESTATE

\$26 BN

US Opportunistic **\$17 BN**

US Core Plus **\$6 BN**

Europe Real Estate & Other **\$2 BN**

NATURAL RESOURCES

\$23 BN

NGP Energy **\$11 BN**

International Energy **\$8 BN**

Infrastructure **\$5 BN**

Note: Totals may not sum due to rounding. Data presented as of June 30, 2021. Infrastructure includes infrastructure, renewables and power.

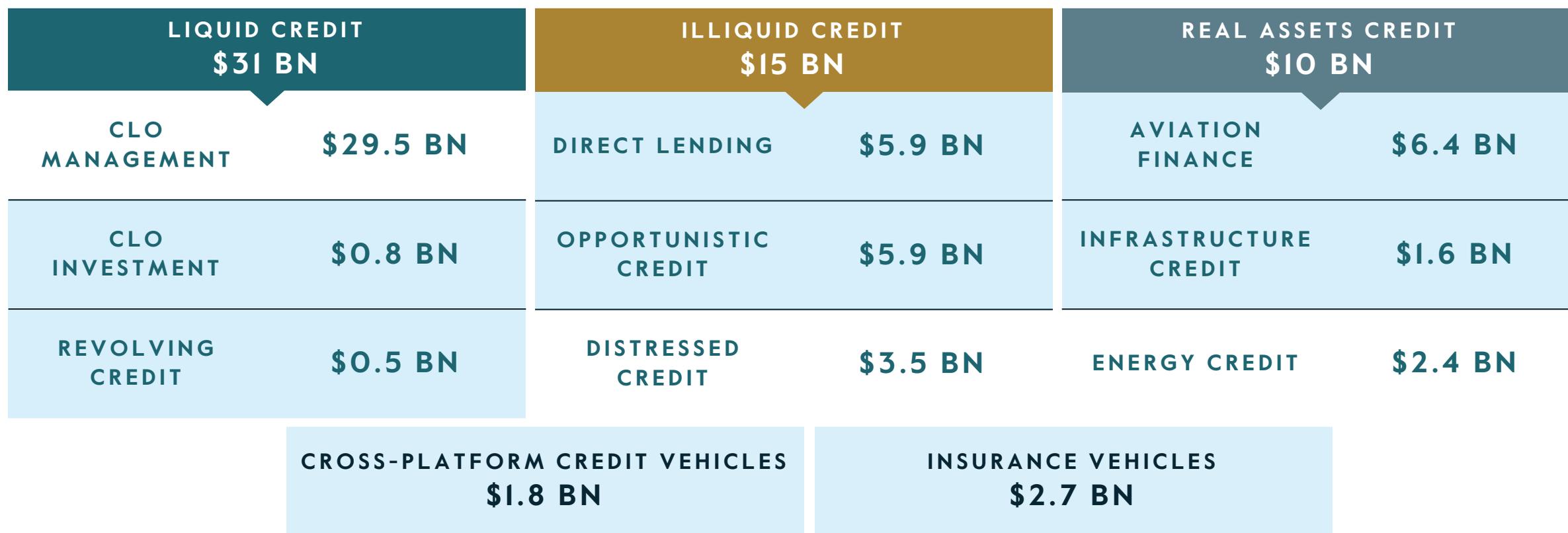
Carlyle's Global Private Equity Funds Have Historically Performed Well Through Volatile Periods

FUND	INVESTING PERIOD	TOTAL INVESTMENTS		REALIZED/ PARTIALLY REALIZED	
		MOIC	GROSS IRR	MOIC	GROSS IRR
Carlyle Partners IV	2004 – 2007	2.4X	16%	2.4X	16%
Carlyle Partners V	2007 – 2013	2.1X	18%	2.5X	24%
Carlyle Partners VI	2014 – 2018	2.4X	23%	2.6X	28%
Carlyle Partners VII	2018 – 2024	1.2X	20%	2.6X	56%
Carlyle Asia Partners II	2006 – 2008	1.9X	11%	1.9X	11%
Carlyle Asia Partners III	2008 – 2013	1.9X	17%	2.1X	19%
Carlyle Asia Partners IV	2014 – 2018	2.0X	20%	3.3X	35%
Carlyle Asia Partners V	2018 – 2024	1.5X	57%	1.9X	164%
Carlyle Europe Partners II	2003 – 2007	2.0X	36%	2.2X	43%
Carlyle Europe Partners III	2007 – 2013	2.3X	19%	2.5X	20%
Carlyle Europe Partners IV	2014 – 2018	1.7X	17%	2.2X	27%
Carlyle Europe Partners V	2014 – 2018	1.1X	NM	n/a	n/a
Carlyle Realty Partners V	2006 – 2011	1.8X	12%	1.8X	13%
Carlyle Realty Partners VI	2011 – 2014	1.8X	27%	2.0X	31%
Carlyle Realty Partners VII	2014 – 2017	1.6X	19%	1.8X	25%
Carlyle Realty Partners VIII	2017 – 2022	1.4X	40%	1.8X	51%

Data as of June 30, 2021. Past performance is not indicative of future results and there is no guarantee these trends will continue. Investment period begins at fund inception date. Total Investments represents both realized as well as unrealized fund investments, while Realized/Partially Realized only represents fully realized investments or investments when total proceeds received represent at least 85% of invested capital and such investment is not fully realized. MOIC is multiple of invested capital. Net IRR as follows: CP IV 13%, CP V 14%, CP VI 18%, CP VII 9%, CAP II 8%, CAP III 12%, CAP IV 14%, CAP V 31%, CEP II 20%, CEP III 14%, CEP IV 11%, CEP V NM, CRP V 9%, CRP VI 18%, CRP VII 12%, CRP VIII 20%. See "Important Information" for more information on the calculation of gross IRRs, gross MOIC, net IRRs, and realized and partially realized investments. See The Carlyle Group Inc.'s filings with the U.S. Securities and Exchange Commission for more information on the performance of the firm's significant funds.

Our Global Credit Platform Is Growing & Diversified

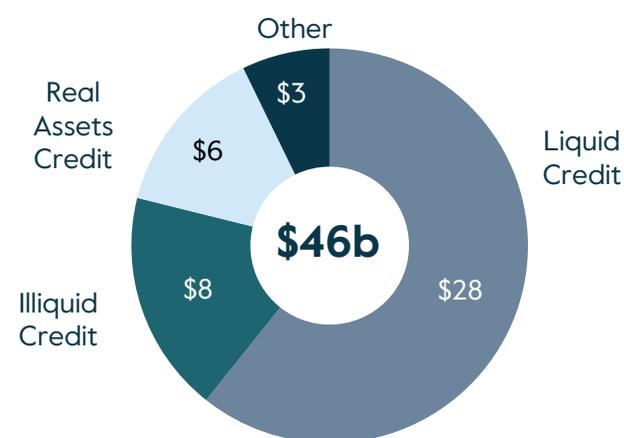
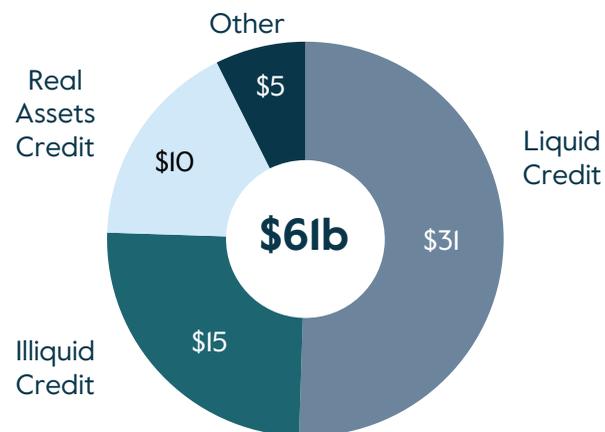
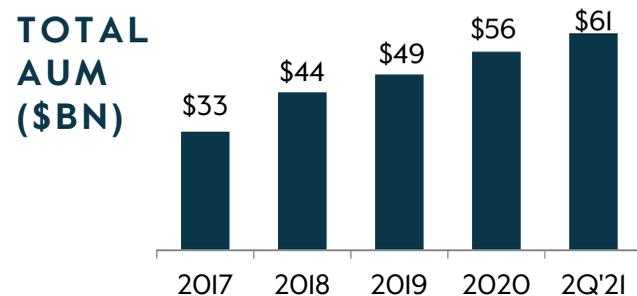
Global Credit \$61 Billion AUM



■ Represents augmented or new strategies since 2016.

Note: Totals may not sum due to rounding. Data presented as of June 30, 2021.

Global Credit Delivering Attractive Platform and Earnings Growth



- Focused on enhancing and scaling Global Credit platform
 - Private credit accelerating as an asset class
 - New credit teams capable of managing higher AUM with limited new investment
 - Growth via organic/inorganic means to address significant white space
- Solid core platform
 - Leading US/Europe CLO business
 - Carry fund platform across Opportunistic Credit, Distressed Credit, Structured Credit and Aviation
 - Growing Direct Lending platform with \$5.9 bn of AUM
- Scaling progress reflected in LTM FRE of \$102 million, more than double \$48 million in 2019

FINANCIAL METRICS (\$MN)

	2018	2019	2020	LTM
Fee Related Earnings¹	\$72	\$48	\$99	\$102
Net Realized Performance Revenues	5	1	14	-
Distributable Earnings	78	48	116	109

Note: Data as of June 30, 2021.

1) 2018 includes net recoveries of \$32 million associated with our commodities business.

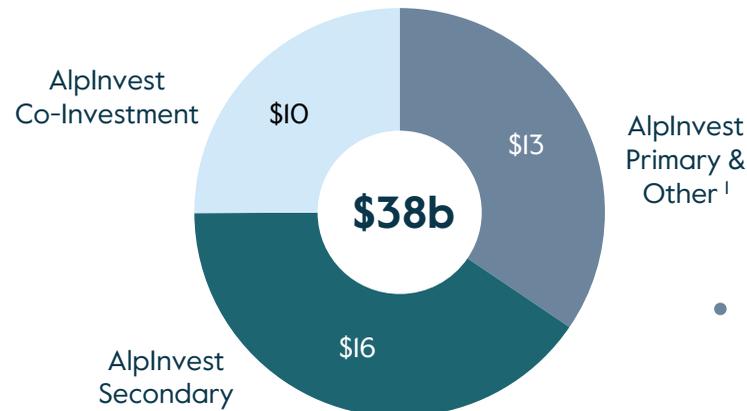
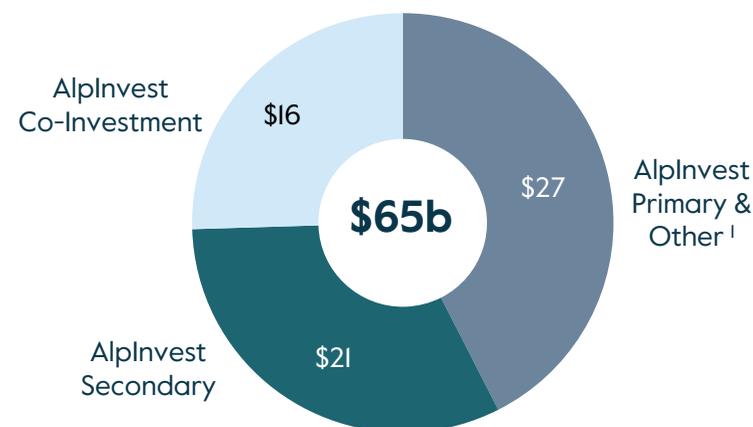
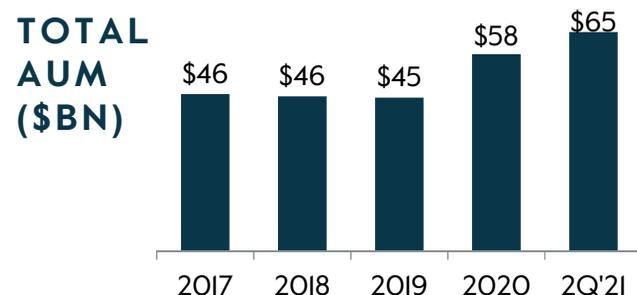
We Have An Industry-Leading Investment Solutions Business

AlpInvest \$65 Billion AUM



Note: Data as of June 30, 2021. There is no guarantee these trends will continue.
In Q2 2021, Carlyle divested Metropolitan Real Estate and it's metrics are no longer included in our Investment Solutions segment.

Investment Solutions Positioned For Growth



- Impressive investment performance with performance fee upside
 - AlInvest 13% Net IRR & 1.7x MOIC since inception
 - \$251 million of Net Accrued Performance Revenues positioned to drive increasing net realized performance revenues in Investment Solutions
- Fundraising momentum driving significant FRE growth
 - Raised \$8 billion for latest AlInvest Secondary program & \$3.8 billion for latest Co-Investment Fund strategy
 - LTM FRE of \$55 million more than three times \$17 million in 2019

FINANCIAL METRICS (\$MN)

	2018	2019	2020	LTM
Fee Related Earnings	\$34	\$17	\$37	\$55
Net Realized Performance Revenues	10	6	11	10
Distributable Earnings	39	19	41	61

Note: Data as of June 30, 2021. See The Carlyle Group Inc.'s filings with the U.S. Securities and Exchange Commission for more information on fund performance.

I) Includes Mezzanine funds.

Appendix II: Reconciliations

Key Metrics Summary

	Quarterly Data											
	3Q'18	4Q'18	1Q'19	2Q'19	3Q'19	4Q'19	1Q'20	2Q'20	3Q'20	4Q'20	1Q'21	2Q'21
Fee Related Earnings (\$ mm)	89.0	175.4	103.3	132.7	108.8	108.0	128.8	127.3	118.7	144.9	129.0	143.2
Global Private Equity	70.4	126.5	84.3	115.9	93.8	93.6	101.2	91.3	83.4	107.1	94.2	93.5
Global Credit	9.3	41.9	12.5	10.6	10.9	13.8	19.3	24.1	21.5	34.5	21.4	24.9
Investment Solutions	9.3	7.0	6.5	6.2	4.1	0.6	8.3	11.9	13.8	3.3	13.4	24.8
Distributable Earnings (\$ mm)	210.0	210.5	100.8	213.4	160.7	171.7	175.0	198.4	151.8	236.9	214.9	395.4
Global Private Equity	187.5	158.6	80.2	197.1	145.0	157.1	134.8	156.5	115.1	198.1	178.2	337.6
Global Credit	10.0	42.7	14.2	8.8	11.1	14.3	31.8	28.1	22.0	34.3	23.1	29.6
Investment Solutions	12.5	9.2	6.4	7.5	4.6	0.3	8.4	13.8	14.7	4.5	13.6	28.2
Total AUM (\$ bn)	212.3	216.5	221.5	222.7	221.8	224.4	216.9	221.3	230.0	245.8	259.8	275.9
Global Private Equity	127.6	126.4	130.4	130.7	129.0	129.8	120.2	124.5	125.3	131.8	137.5	150.1
<i>Corporate Private Equity</i>	81.6	80.8	84.3	83.9	84.1	86.4	80.4	84.3	85.3	90.7	95.7	100.7
<i>Real Estate</i>	19.4	18.6	19.0	19.4	18.9	18.4	18.3	18.3	18.6	19.4	19.2	25.5
<i>Natural Resources</i>	22.0	23.0	23.2	24.0	23.1	22.4	19.7	20.3	20.4	20.9	22.0	23.3
Global Credit	37.4	44.4	45.6	46.6	48.0	49.4	48.8	50.0	53.0	55.9	58.8	61.1
Investment Solutions	47.3	45.7	45.4	45.4	44.8	45.2	48.0	46.9	51.7	58.1	63.6	64.6
Fee-earning AUM (\$ bn)	147.4	159.6	160.0	158.4	158.8	161.1	158.2	162.4	166.6	170.1	173.1	174.9
Global Private Equity	87.9	95.3	94.8	93.7	93.9	94.8	92.0	88.8	89.2	91.6	90.6	90.5
<i>Corporate Private Equity</i>	56.3	62.4	61.9	60.5	61.2	61.7	61.1	57.2	57.6	60.0	59.1	58.8
<i>Real Estate</i>	12.0	11.8	12.1	11.7	11.8	11.5	11.4	11.7	12.1	12.1	12.1	12.6
<i>Natural Resources</i>	16.2	17.8	17.8	18.4	18.4	19.1	18.0	18.4	18.2	18.3	18.5	18.3
Global Credit	30.1	35.2	36.5	35.9	37.1	37.9	38.1	41.8	42.4	42.1	43.3	45.9
Investment Solutions	29.5	29.1	28.7	28.8	27.7	28.4	28.2	31.8	35.0	36.4	39.3	38.5
Net Accrued Perf Revenue (\$ mm)	1,912	1,681	1,828	1,915	1,777	1,720	1,201	1,783	1,963	2,331	3,165	4,007
Global Private Equity	1,785	1,544	1,673	1,750	1,610	1,544	1,062	1,662	1,811	2,115	2,891	3,632
<i>Corporate Private Equity</i>	1,215	1,069	1,125	1,168	1,114	1,139	776	1,400	1,531	1,814	2,543	3,213
<i>Real Estate</i>	314	270	305	368	361	310	283	259	278	298	345	376
<i>Natural Resources</i>	275	224	241	211	134	97	6	6	6	6	6	46
Global Credit	34	56	72	69	70	75	29	38	47	72	83	124
Investment Solutions	93	81	84	97	97	101	110	84	105	145	191	251

	Annual Data					
	FY'16	FY'17	FY'18	FY'19	FY'20	LTM 2Q'21
Fee Related Earnings (\$ mm)	32.6	192.0	350.4	452.8	519.7	535.8
Global Private Equity	184.2	77.9	244.6	387.6	383.0	378.2
Global Credit	(174.9)	82.0	71.9	47.8	99.4	102.3
Investment Solutions	23.3	32.1	33.9	17.4	37.3	55.3
Distributable Earnings (\$ mm)	651.7	670.0	673.9	646.6	762.1	999.0
Global Private Equity	788.7	512.7	557.5	579.4	604.5	829.0
Global Credit	(157.4)	126.9	77.5	48.4	116.2	109.0
Investment Solutions	20.4	30.4	38.9	18.8	41.4	61.0
Total AUM (\$ bn)	157.6	195.1	216.5	224.4	245.8	275.9
Global Private Equity	85.1	115.4	126.4	129.8	131.8	150.1
<i>Corporate Private Equity</i>	50.9	72.6	80.8	86.4	90.7	100.7
<i>Real Estate</i>	12.8	18.3	18.6	18.4	19.4	25.5
<i>Natural Resources</i>	15.3	19.4	23.0	22.4	20.9	23.3
Global Credit	29.4	33.3	44.4	49.4	55.9	61.1
Investment Solutions	43.1	46.3	45.7	45.2	58.1	64.6
Fee-earning AUM (\$ bn)	115.0	124.6	159.6	161.1	170.1	174.9
Global Private Equity	63.8	67.2	95.3	94.8	91.6	90.5
<i>Corporate Private Equity</i>	36.3	35.6	62.4	61.7	60.0	58.8
<i>Real Estate</i>	7.7	12.0	11.8	11.5	12.1	12.6
<i>Natural Resources</i>	14.3	15.8	17.8	19.1	18.3	18.3
Global Credit	24.1	27.3	35.2	37.9	42.1	45.9
Investment Solutions	27.1	30.2	29.1	28.4	36.4	38.5
Net Accrued Perf Revenue (\$ mm)	1,071	1,717	1,681	1,720	2,331	4,007
Global Private Equity	991	1,616	1,544	1,544	2,115	3,632
<i>Corporate Private Equity</i>	706	1,140	1,069	1,139	1,814	3,213
<i>Real Estate</i>	250	312	270	310	298	376
<i>Natural Resources</i>	52	180	224	97	6	46
Global Credit	35	27	56	75	72	124
Investment Solutions	45	74	81	101	145	251

Note: Segments and annual amounts may not sum due to rounding. Total AUM, Fee-earning AUM and Net Accrued Performance Revenue as of period end. In the fourth quarter of 2020, our Corporate Private Equity and Real Assets segments were combined into a new segment named Global Private Equity. The impact of the Legacy Energy funds is included in the total for Global Private Equity, but is excluded within the Global Private Equity strategy breakout, for all periods presented. Total AUM refers to the assets we manage or advise. Fee-earning AUM refers to the assets we manage or advise from which we derive recurring fund management fees. For detailed definitions of the operating metrics above, please see The Carlyle Group Inc.'s filings with the U.S. Securities and Exchange Commission.

Key Metrics Summary, continued

	Quarterly Data											
Fundraising (\$ bn)	6.0	7.1	6.9	3.5	5.7	3.3	7.5	4.8	5.5	9.7	7.8	10.4
Global Private Equity	2.9	5.1	4.2	2.1	2.5	1.9	1.6	0.5	0.2	1.2	1.4	6.7
Corporate Private Equity	1.8	2.4	3.6	0.5	1.9	1.4	0.5	0.0	0.0	0.1	0.5	0.5
Real Estate	0.7	0.4	0.1	0.1	0.1	0.3	0.5	0.2	0.2	0.7	0.6	5.9
Natural Resources	0.4	2.2	0.5	1.4	0.5	0.2	0.6	0.3	0.1	0.3	0.2	0.3
Global Credit	2.0	1.4	1.5	1.0	2.8	0.4	1.6	2.9	2.4	3.2	3.2	2.4
Investment Solutions	1.2	0.6	1.2	0.4	0.4	1.0	4.3	1.4	2.8	5.3	3.2	1.2
Invested Capital (\$ bn)	3.3	11.5	3.4	7.3	3.4	7.1	3.0	2.9	3.7	8.7	5.5	8.1
Global Private Equity	1.9	9.5	2.0	5.0	1.8	4.6	1.5	1.4	2.1	6.2	4.3	4.4
Corporate Private Equity	1.1	7.8	1.1	4.2	1.0	2.0	0.7	0.5	1.5	4.8	3.2	2.7
Real Estate	0.4	0.6	0.5	0.6	0.6	0.5	0.2	0.5	0.5	0.7	0.4	1.0
Natural Resources	0.3	1.1	0.3	0.3	0.2	2.1	0.5	0.3	0.1	0.7	0.6	0.7
Global Credit	0.1	0.4	0.4	0.8	0.7	0.7	0.8	0.5	0.6	0.7	0.3	1.6
Investment Solutions	1.3	1.6	1.1	1.4	0.9	1.8	0.7	1.0	1.1	1.8	1.0	2.2
Realized Proceeds (\$ bn)	6.4	4.9	4.7	4.4	5.7	5.1	4.5	5.7	3.9	6.9	6.4	8.7
Global Private Equity	3.2	2.5	2.5	2.3	2.8	3.2	2.7	3.7	2.0	3.7	4.0	5.4
Corporate Private Equity	1.5	1.7	0.9	1.6	1.1	1.3	2.2	2.6	1.0	2.6	3.2	3.5
Real Estate	0.8	0.5	0.2	0.4	1.2	0.9	0.5	0.8	0.3	0.7	0.3	1.1
Natural Resources	0.5	0.3	0.8	0.2	0.3	0.8	0.0	0.1	0.1	0.1	0.3	0.6
Global Credit	0.1	0.2	0.4	0.3	1.0	0.2	0.3	0.4	0.4	0.7	0.4	0.6
Investment Solutions	3.1	2.2	1.8	1.9	1.9	1.7	1.5	1.5	1.5	2.6	1.9	2.7
Fund Appreciation	3 %	(2)%	3 %	2 %	2 %	2 %	(7)%	5 %	5 %	8 %	13 %	11 %
Global Private Equity												
Corporate Private Equity	1 %	(2)%	3 %	1 %	1 %	3 %	(8)%	13 %	5 %	11 %	15 %	12 %
Real Estate	3 %	(1)%	5 %	6 %	3 %	1 %	(1)%	2 %	3 %	3 %	4 %	11 %
Natural Resources	3 %	(7)%	3 %	(4)%	(3)%	(1)%	(22)%	3 %	1 %	3 %	7 %	9 %
Global Credit	1 %	(2)%	5 %	1 %	(2)%	(1)%	(21)%	8 %	4 %	7 %	8 %	8 %
Investment Solutions	5 %	2 %	3 %	4 %	7 %	1 %	1 %	(6)%	8 %	7 %	14 %	12 %

	Annual Data						
Fundraising (\$ bn)	8.2	43.3	33.1	19.3	27.5	33.3	
Global Private Equity	2.0	30.8	22.6	10.6	3.5	9.5	
Corporate Private Equity	0.8	20.5	16.9	7.4	0.6	1.2	
Real Estate	0.8	6.2	2.0	0.6	7.6	7.4	
Natural Resources	0.4	4.0	3.7	2.6	1.3	1.0	
Global Credit	3.5	6.6	6.3	5.7	10.1	11.3	
Investment Solutions	2.8	5.9	4.2	3.0	13.9	12.5	
Invested Capital (\$ bn)	17.9	22.0	22.4	21.3	18.3	26.1	
Global Private Equity	12.9	15.5	16.5	13.4	11.1	16.9	
Corporate Private Equity	7.9	11.1	11.3	8.2	7.5	12.2	
Real Estate	1.9	2.0	2.0	2.3	1.9	2.6	
Natural Resources	2.9	2.4	3.2	2.9	1.7	2.1	
Global Credit	0.7	2.1	1.2	2.6	2.6	3.2	
Investment Solutions	4.3	4.4	4.7	5.3	4.6	6.1	
Realized Proceeds (\$ bn)	29.4	26.0	24.0	19.9	21.0	25.9	
Global Private Equity	20.4	15.7	13.9	10.7	12.1	15.1	
Corporate Private Equity	14.8	11.2	8.8	5.0	8.4	10.3	
Real Estate	2.8	2.2	3.1	2.7	2.3	2.5	
Natural Resources	2.5	1.2	0.9	2.1	0.3	1.1	
Global Credit	0.4	0.6	0.8	1.8	1.8	2.1	
Investment Solutions	8.6	9.6	9.4	7.3	7.1	8.7	
Fund Appreciation	12 %	20 %	9 %	9 %	10 %	43 %	
Global Private Equity							
Corporate Private Equity	11 %	32 %	5 %	8 %	19 %	51 %	
Real Estate	19 %	18 %	8 %	16 %	8 %	24 %	
Natural Resources	24 %	30 %	6 %	(5)%	(16)%	23 %	
Global Credit	(11)%	11 %	5 %	1 %	(2)%	32 %	
Investment Solutions	12 %	10 %	19 %	15 %	10 %	47 %	

Note: Segments and annual amounts may not sum due to rounding. In the fourth quarter of 2020, our Corporate Private Equity and Real Assets segments were combined into a new segment named Global Private Equity. The impact of the Legacy Energy funds is included in the total for Global Private Equity, but is excluded within the Global Private Equity strategy breakout, for all periods presented.

Fundraising excludes acquisitions; funds denominated in a currency other than U.S. Dollars have been converted at the spot rate as of the date of closing of such commitment. Invested Capital and Realized Proceeds represent carry funds only (including related coinvestments and separately managed accounts); for purposes of aggregation, transactions denominated in a currency other than U.S. Dollars have been converted at the average rate for the period presented. Fund Appreciation/(Depreciation) represents unrealized gain/(loss) for the period on a total return basis before fees and expenses; fund only, does not include coinvestment; the percentage of return is calculated as: ending remaining investment fair market value plus net investment outflow (sales proceeds minus net purchases) minus beginning remaining investment fair market value divided by beginning remaining investment fair market value.

For detailed definitions of the operating metrics above, please see The Carlyle Group Inc.'s filings with the U.S. Securities and Exchange Commission.

U.S. GAAP Statement of Operations¹

(Dollars in millions, except per share amounts)

	2012	2013	2014	2015	2016	2017	2018	2019	2020	LTM 2Q'21
REVENUES										
Fund management fees	\$ 977.6	\$ 984.6	\$ 1,166.3	\$ 1,085.2	\$ 1,076.1	\$ 1,026.9	\$ 1,272.0	\$ 1,476.2	\$ 1,486.0	\$ 1,533.7
Incentive fees	40.0	145.7	4.1	22.7	36.4	35.3	30.2	35.9	37.0	39.0
Investment income (loss)										
Performance allocations	1,001.1	2,229.6	1,670.3	802.2	715.4	2,058.6	622.9	799.1	1,635.9	5,248.5
Principal investment income (loss)	36.4	18.8	(7.2)	15.2	160.5	232.0	186.3	769.3	(540.7)	542.0
Total investment income (loss)	1,037.5	2,248.4	1,663.1	817.4	875.9	2,290.6	809.2	1,568.4	1,095.2	5,790.5
Interest and other income	14.5	11.9	20.6	18.6	23.9	36.7	101.3	97.3	89.6	87.8
Interest and other income of Consolidated Funds	903.5	1,043.1	956.0	975.5	166.9	177.7	214.5	199.2	226.8	241.8
Revenue of a real estate VIE	—	7.5	70.2	86.8	95.1	109.0	—	—	—	—
Total Revenues	2,973.1	4,441.2	3,880.3	3,006.2	2,274.3	3,676.2	2,427.2	3,377.0	2,934.6	7,692.8
EXPENSES										
Compensation and benefits										
Cash-based compensation and benefits	624.5	738.0	789.0	632.2	647.1	652.7	746.7	833.4	849.6	893.1
Equity-based compensation	201.7	322.4	344.0	378.0	334.6	320.3	239.9	140.0	105.0	125.0
Performance allocations and incentive fee related compensation	317.7	1,183.7	872.9	510.9	353.1	988.3	376.3	436.7	779.1	2,546.6
Total compensation and benefits	1,143.9	2,244.1	2,005.9	1,521.1	1,334.8	1,961.3	1,362.9	1,410.1	1,733.7	3,564.7
General, administrative and other expenses	357.5	496.4	526.8	712.8	521.1	276.8	460.7	494.4	349.3	400.3
Interest	24.6	45.5	55.7	58.0	61.3	65.5	82.2	82.1	94.0	92.7
Interest and other expenses of Consolidated Funds	758.1	890.6	1,042.0	1,039.3	128.5	197.6	164.6	131.8	163.5	167.5
Interest and other expenses of a real estate VIE and loss on deconsolidation	—	33.8	175.3	144.6	207.6	202.5	—	—	—	—
Other non-operating expenses	7.1	(16.5)	(30.3)	(7.4)	(11.2)	(71.4)	1.1	1.3	(7.2)	(10.4)
Total Expenses	2,291.2	3,693.9	3,775.4	3,468.4	2,242.1	2,632.3	2,071.5	2,119.7	2,333.3	4,214.8
Net investment gains (losses) of consolidated funds	1,758.0	696.7	887.0	864.4	13.1	88.4	4.5	(23.9)	(21.3)	51.2
Income (loss) before provision for income taxes ²	2,439.9	1,444.0	991.9	402.2	45.3	1,132.3	360.2	1,233.4	580.0	3,529.2
Provision (benefit) for income taxes	40.4	96.2	76.8	2.1	30.0	124.9	31.3	49.0	197.2	804.5
Net income (loss)	2,399.5	1,347.8	915.1	400.1	15.3	1,007.4	328.9	1,184.4	382.8	2,724.7
Net income (loss) attributable to non-controlling interests in consolidated entities	1,756.7	676.0	485.5	537.9	41.0	72.5	33.9	36.6	34.6	116.1
Net income (loss) attributable to Carlyle Holdings	642.8	671.8	429.6	(137.8)	(25.7)	934.9	295.0	1,147.8	348.2	2,608.6
Net income attributable to non-controlling interests in Carlyle Holdings	622.5	567.7	343.8	(119.4)	(32.1)	690.8	178.5	766.9	—	—
Net income (loss) attributable to The Carlyle Group Inc.	20.3	104.1	85.8	(18.4)	6.4	244.1	116.5	380.9	348.2	2,608.6
Net income attributable to Series A Preferred Shareholders	—	—	—	—	—	6.0	23.6	19.1	—	—
Series A Preferred Unit redemption premium	—	—	—	—	—	—	—	16.5	—	—
Net income (loss) attributable to The Carlyle Group Inc. Common Stockholders	\$ 20.3	\$ 104.1	\$ 85.8	\$ (18.4)	\$ 6.4	\$ 238.1	\$ 92.9	\$ 345.3	\$ 348.2	\$ 2,608.6
Net income (loss) attributable to The Carlyle Group Inc. per common share										
Basic	\$ 0.48	\$ 2.24	\$ 1.35	\$ (0.24)	\$ 0.08	\$ 2.58	\$ 0.89	\$ 3.05	\$ 0.99	\$ 7.37
Diluted	\$ 0.41	\$ 2.05	\$ 1.23	\$ (0.30)	\$ (0.08)	\$ 2.38	\$ 0.82	\$ 2.82	\$ 0.97	\$ 7.22
Income before provision for income taxes margin ³	82.1 %	32.5 %	25.6 %	13.4 %	2.0 %	30.8 %	14.8 %	36.5 %	19.8 %	45.9 %

See Notes at end of document.

Distributable Earnings and Fee Related Earnings

(Dollars in millions)

SEGMENT REVENUES

	2012	2013	2014	2015	2016	2017	2018	2019	2020	LTM 2Q'21
Fund management fees	\$ 943.2	\$ 1,054.7	\$ 1,229.3	\$ 1,197.9	\$ 1,085.8	\$ 1,081.0	\$ 1,361.8	\$ 1,570.9	\$ 1,559.2	\$ 1,593.3
Transaction and portfolio advisory fees, net and other	58.5	61.7	93.7	42.4	60.6	59.0	63.2	53.5	56.9	67.1
Total segment fee revenues	1,001.7	1,116.4	1,323.0	1,240.3	1,146.4	1,140.0	1,425.0	1,624.4	1,616.1	1,660.4
Realized performance revenues	869.1	1,128.6	1,323.7	1,434.8	1,215.8	1,085.3	682.4	374.3	586.1	884.7
Realized principal investment income (loss)	16.3	10.6	(6.1)	(64.8)	44.9	(25.8)	48.1	87.0	73.0	102.8
Interest income	4.7	1.8	2.2	4.8	10.2	16.7	30.4	24.4	14.3	9.8
Total Segment Revenues	\$ 1,891.8	\$ 2,257.4	\$ 2,642.8	\$ 2,615.1	\$ 2,417.3	\$ 2,216.2	\$ 2,185.9	\$ 2,110.1	\$ 2,289.5	\$ 2,657.7

SEGMENT EXPENSES

Compensation and benefits										
Cash-based compensation and benefits	\$ 561.9	\$ 588.8	\$ 682.5	\$ 649.8	\$ 601.3	\$ 658.0	\$ 740.7	\$ 792.1	\$ 821.5	\$ 837.2
Realized performance revenues related compensation	368.2	454.1	590.9	646.3	590.5	532.7	362.7	210.2	339.8	444.1
Total compensation and benefits ²	930.1	1,042.9	1,273.4	1,296.1	1,191.8	1,190.7	1,103.4	1,002.3	1,161.3	1,281.3
General, administrative and other expenses ³	227.2	309.4	318.1	312.8	483.5	258.9	298.8	331.3	241.4	252.2
Depreciation and amortization expense	21.5	24.3	22.4	25.6	29.0	31.1	35.1	48.2	33.5	35.2
Interest expense	24.5	43.6	55.7	58.1	61.3	65.5	74.7	81.7	91.2	90.0
Total Segment Expenses	\$ 1,203.3	\$ 1,420.2	\$ 1,669.6	\$ 1,692.6	\$ 1,765.6	\$ 1,546.2	\$ 1,512.0	\$ 1,463.5	\$ 1,527.4	\$ 1,658.7

Total Segment Revenues	\$ 1,891.8	\$ 2,257.4	\$ 2,642.8	\$ 2,615.1	\$ 2,417.3	\$ 2,216.2	\$ 2,185.9	\$ 2,110.1	\$ 2,289.5	\$ 2,657.7
Total Segment Expenses	1,203.3	1,420.2	1,669.6	1,692.6	1,765.6	1,546.2	1,512.0	1,463.5	1,527.4	1,658.7
(=) Distributable Earnings	\$ 688.5	\$ 837.2	\$ 973.2	\$ 922.5	\$ 651.7	\$ 670.0	\$ 673.9	\$ 646.6	\$ 762.1	\$ 999.0
(-) Realized Net Performance Revenues	500.9	674.5	732.8	788.5	625.3	552.6	319.7	164.1	246.3	440.6
(-) Realized Principal Investment Income (Loss)	16.3	10.6	(6.1)	(64.8)	44.9	(25.8)	48.1	87.0	73.0	102.8
(+) Net Interest	19.8	41.8	53.5	53.3	51.1	48.8	44.3	57.3	76.9	80.2
(=) Fee Related Earnings	\$ 191.1	\$ 193.9	\$ 300.0	\$ 252.1	\$ 32.6	\$ 192.0	\$ 350.4	\$ 452.8	\$ 519.7	\$ 535.8

FRE Margin ¹	19.1 %	17.4 %	22.7 %	20.3 %	2.8 %	16.8 %	24.6 %	27.9 %	30.3 %	32.3 %
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See Notes at end of document.

Reconciliation of GAAP to Total Segment Information

(Dollars in millions)

	2012	2013	2014	2015	2016	2017	2018	2019	2020	LTM 2Q'21
INCOME (LOSS) BEFORE PROVISION FOR INCOME TAXES	\$ 2,439.9	\$ 1,444.0	\$ 991.9	\$ 402.2	\$ 45.3	\$ 1,132.3	\$ 360.2	\$ 1,233.4	\$ 580.0	\$ 3,529.2
Adjustments:										
Partner compensation ¹	(265.4)	—	—	—	—	—	—	—	—	—
Net unrealized performance revenues	(14.2)	(516.9)	(74.6)	396.8	231.6	(625.2)	50.2	(42.3)	(598.7)	(2,230.6)
Unrealized principal investment (income) loss ²	(25.2)	53.2	5.0	(42.4)	(5.4)	(73.0)	(48.8)	(590.9)	556.2	(378.1)
Adjusted unrealized principal investment (income) loss from Fortitude Re ³	—	—	—	—	—	—	(11.7)	(140.9)	104.4	—
Equity-based compensation ⁴	201.9	330.1	349.6	381.3	343.0	365.1	252.2	151.5	116.6	135.5
Acquisition or disposition related charges (credits), including amortization of intangibles	128.3	260.4	242.5	288.8	94.2	35.7	22.3	52.0	38.1	58.3
Tax (expense) benefit associated with certain foreign performance revenues	(9.5)	(34.9)	(25.3)	(14.9)	(15.1)	(9.2)	(1.5)	(14.3)	(7.9)	(29.2)
Net (income) loss attributable to non-controlling interests in consolidated entities	(1,756.7)	(676.0)	(485.5)	(537.9)	(41.0)	(72.5)	(33.9)	(36.6)	(34.6)	(116.1)
Lease assignment and termination costs / Right-of-use asset impairment	—	—	—	50.0	—	—	66.9	—	—	26.8
Reserve for litigation and contingencies	—	—	—	—	—	(25.0)	—	—	—	—
Debt extinguishment costs	—	—	—	—	—	—	7.8	0.1	—	—
Other adjustments, including severance and Conversion costs in 2019 and 2020	(10.6)	(22.7)	(30.4)	(1.4)	(0.9)	(58.2)	10.2	34.6	8.0	3.2
DISTRIBUTABLE EARNINGS	\$ 688.5	\$ 837.2	\$ 973.2	\$ 922.5	\$ 651.7	\$ 670.0	\$ 673.9	\$ 646.6	\$ 762.1	\$ 999.0
Realized net performance revenues ⁵	500.9	674.5	732.8	788.5	625.3	552.6	319.7	164.1	246.3	440.6
Realized principal investment income ⁵	16.3	10.6	(6.1)	(64.8)	44.9	(25.8)	48.1	87.0	73.0	102.8
Net interest	19.8	41.8	53.5	53.3	51.1	48.8	44.3	57.3	76.9	80.2
FEE RELATED EARNINGS	\$ 191.1	\$ 193.9	\$ 300.0	\$ 252.1	\$ 32.6	\$ 192.0	\$ 350.4	\$ 452.8	\$ 519.7	\$ 535.8

See Notes at end of document.

Reconciliation of GAAP to Total Segment Information

<i>(Dollars in millions)</i>	Total Reportable Segments	Consolidated Funds	Reconciling Items	Carlyle Consolidated ¹		Total Reportable Segments	Consolidated Funds	Reconciling Items	Carlyle Consolidated ¹	
	For the Year Ended December 31, 2012						For the Year Ended December 31, 2017			
Revenues	\$ 1,891.8	\$ 903.5	\$ 177.8	\$ 2,973.1	²	\$ 2,216.2	\$ 177.7	\$ 1,282.3	\$ 3,676.2	²
Expenses	\$ 1,203.3	\$ 923.9	\$ 164.0	\$ 2,291.2	²	\$ 1,546.2	\$ 240.4	\$ 845.7	\$ 2,632.3	²
Other income (loss)	\$ —	\$ 1,755.5	\$ 2.5	\$ 1,758.0	³	\$ —	\$ 123.5	\$ (35.1)	\$ 88.4	³
Distributable Earnings	\$ 688.5	\$ 1,735.1	\$ 16.3	\$ 2,439.9	⁴	\$ 670.0	\$ 60.8	\$ 401.5	\$ 1,132.3	⁴
For the Year Ended December 31, 2013						For the Year Ended December 31, 2018				
Revenues	\$ 2,257.4	\$ 1,043.1	\$ 1,140.7	\$ 4,441.2	²	\$ 2,185.9	\$ 214.5	\$ 26.8	\$ 2,427.2	²
Expenses	\$ 1,420.2	\$ 1,169.4	\$ 1,104.3	\$ 3,693.9	²	\$ 1,512.0	\$ 213.3	\$ 346.2	\$ 2,071.5	²
Other income (loss)	\$ —	\$ 701.3	\$ (4.6)	\$ 696.7	³	\$ —	\$ 4.5	\$ —	\$ 4.5	³
Distributable Earnings	\$ 837.2	\$ 575.0	\$ 31.8	\$ 1,444.0	⁴	\$ 673.9	\$ 5.7	\$ (319.4)	\$ 360.2	⁴
For the Year Ended December 31, 2014						For the Year Ended December 31, 2019				
Revenues	\$ 2,642.8	\$ 956.0	\$ 281.5	\$ 3,880.3	²	\$ 2,110.1	\$ 199.2	\$ 1,067.7	\$ 3,377.0	²
Expenses	\$ 1,669.6	\$ 1,286.5	\$ 819.3	\$ 3,775.4	²	\$ 1,463.5	\$ 165.6	\$ 490.6	\$ 2,119.7	²
Other income (loss)	\$ —	\$ 898.4	\$ (11.4)	\$ 887.0	³	\$ —	\$ (23.9)	\$ —	\$ (23.9)	³
Distributable Earnings	\$ 973.2	\$ 567.9	\$ (549.2)	\$ 991.9	⁴	\$ 646.6	\$ 9.7	\$ 577.1	\$ 1,233.4	⁴
For the Year Ended December 31, 2015						For the Year Ended December 31, 2020				
Revenues	\$ 2,615.1	\$ 975.5	\$ (584.4)	\$ 3,006.2	²	\$ 2,289.5	\$ 226.8	\$ 418.3	\$ 2,934.6	²
Expenses	\$ 1,692.6	\$ 1,258.8	\$ 517.0	\$ 3,468.4	²	\$ 1,527.4	\$ 206.2	\$ 599.7	\$ 2,333.3	²
Other income (loss)	\$ —	\$ 886.9	\$ (22.5)	\$ 864.4	³	\$ —	\$ (21.3)	\$ —	\$ (21.3)	³
Distributable Earnings	\$ 922.5	\$ 603.6	\$ (1,123.9)	\$ 402.2	⁴	\$ 762.1	\$ (0.7)	\$ (181.4)	\$ 580.0	⁴
For the Year Ended December 31, 2016						For the Twelve Months Ended June 30, 2021				
Revenues	\$ 2,417.3	\$ 166.9	\$ (309.9)	\$ 2,274.3	²	\$ 2,657.7	\$ 241.8	\$ 4,793.3	\$ 7,692.8	²
Expenses	\$ 1,765.6	\$ 153.1	\$ 323.4	\$ 2,242.1	²	\$ 1,658.7	\$ 216.0	\$ 2,340.1	\$ 4,214.8	²
Other income (loss)	\$ —	\$ 13.1	\$ —	\$ 13.1	³	\$ —	\$ 51.2	\$ —	\$ 51.2	³
Distributable Earnings	\$ 651.7	\$ 26.9	\$ (633.3)	\$ 45.3	⁴	\$ 999.0	\$ 77.0	\$ 2,453.2	\$ 3,529.2	⁴

See Notes at end of document.

Reconciliation of GAAP to Total Segment Information

(Dollars in millions)

	Carlyle Consolidated	Reconciling Items ¹	Total Reportable Segments	Carlyle Consolidated	Reconciling Items ¹	Total Reportable Segments
	For the Year Ended December 31, 2012			For the Year Ended December 31, 2017		
Performance revenues	\$ 1,041.1	\$ (172.0)	\$ 869.1	\$ 2,058.6	\$ (973.3)	\$ 1,085.3
Performance revenues related compensation expense	\$ 317.7	\$ 50.5	\$ 368.2	\$ 988.3	\$ (455.6)	\$ 532.7
Net performance revenues	\$ 723.4	\$ (222.5)	\$ 500.9	\$ 1,070.3	\$ (517.7)	\$ 552.6
Principal investment income (loss)	\$ 36.4	\$ (20.1)	\$ 16.3	\$ 232.0	\$ (257.8)	\$ (25.8)
	For the Year Ended December 31, 2013			For the Year Ended December 31, 2018		
Performance revenues	\$ 2,375.3	\$ (1,246.7)	\$ 1,128.6	\$ 622.9	\$ 59.5	\$ 682.4
Performance revenues related compensation expense	\$ 1,183.7	\$ (729.6)	\$ 454.1	\$ 376.3	\$ (13.6)	\$ 362.7
Net performance revenues	\$ 1,191.6	\$ (517.1)	\$ 674.5	\$ 246.6	\$ 73.1	\$ 319.7
Principal investment income (loss)	\$ 18.8	\$ (8.2)	\$ 10.6	\$ 186.3	\$ (138.2)	\$ 48.1
	For the Year Ended December 31, 2014			For the Year Ended December 31, 2019		
Performance revenues	\$ 1,674.4	\$ (350.7)	\$ 1,323.7	\$ 799.1	\$ (424.8)	\$ 374.3
Performance revenues related compensation expense	\$ 872.9	\$ (282.0)	\$ 590.9	\$ 436.7	\$ (226.5)	\$ 210.2
Net performance revenues	\$ 801.5	\$ (68.7)	\$ 732.8	\$ 362.4	\$ (198.3)	\$ 164.1
Principal investment income (loss)	\$ (7.2)	\$ 1.1	\$ (6.1)	\$ 769.3	\$ (682.3)	\$ 87.0
	For the Year Ended December 31, 2015			For the Year Ended December 31, 2020		
Performance revenues	\$ 824.9	\$ 609.9	\$ 1,434.8	\$ 1,635.9	\$ (1,049.8)	\$ 586.1
Performance revenues related compensation expense	\$ 510.9	\$ 135.4	\$ 646.3	\$ 779.1	\$ (439.3)	\$ 339.8
Net performance revenues	\$ 314.0	\$ 474.5	\$ 788.5	\$ 856.8	\$ (610.5)	\$ 246.3
Principal investment income (loss)	\$ 15.2	\$ (80.0)	\$ (64.8)	\$ (540.7)	\$ 613.7	\$ 73.0
	For the Year Ended December 31, 2016			For the Twelve Months Ended June 30, 2021		
Performance revenues	\$ 715.4	\$ 500.4	\$ 1,215.8	\$ 5,248.5	\$ (4,363.8)	\$ 884.7
Performance revenues related compensation expense	\$ 353.1	\$ 237.4	\$ 590.5	\$ 2,546.6	\$ (2,102.5)	\$ 444.1
Net performance revenues	\$ 362.3	\$ 263.0	\$ 625.3	\$ 2,701.9	\$ (2,261.3)	\$ 440.6
Principal investment income (loss)	\$ 160.5	\$ (115.6)	\$ 44.9	\$ 542.0	\$ (439.2)	\$ 102.8

See Notes at end of document.

Reconciliation of GAAP to Total Segment Information

(Dollars in millions)

	2012	2013	2014	2015	2016	2017	2018	2019	2020	LTM 2Q'21
REVENUE RECONCILING ITEMS										
Unrealized performance revenues	\$ 126.9	\$ 1,164.7	\$ 384.2	\$ (525.1)	\$ (464.1)	\$ 1,089.5	\$ (42.7)	\$ 267.8	\$ 1,031.0	\$ 4,345.4
Unrealized principal investment income (loss)	25.2	(53.2)	(5.0)	42.4	5.4	73.0	48.8	590.9	(556.2)	378.1
Adjusted unrealized principal investment income (loss) from Fortitude Re	—	—	—	—	—	—	11.7	140.9	(104.4)	—
Adjustments related to expenses associated with NGP Management and its affiliates	(1.0)	(77.2)	(74.7)	(71.9)	(71.2)	(62.5)	(18.9)	(16.2)	(15.3)	(14.1)
Tax expense (benefit) associated with certain performance revenues	—	—	—	—	—	0.9	(4.9)	0.3	0.5	0.6
Non-Carlyle economic interests in acquired businesses and other adjustments to present certain costs on a net basis	198.0	299.2	201.2	134.5	254.4	237.9	92.5	117.5	96.6	203.9
Elimination of revenues of Consolidated Funds	(171.3)	(192.8)	(224.2)	(164.3)	(34.4)	(56.5)	(59.7)	(33.5)	(33.9)	(120.6)
Total Revenue Reconciling Items	\$ 177.8	\$ 1,140.7	\$ 281.5	\$ (584.4)	\$ (309.9)	\$ 1,282.3	\$ 26.8	\$ 1,067.7	\$ 418.3	\$ 4,793.3
EXPENSE RECONCILING ITEMS										
Partner compensation	\$ (265.4)	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
Unrealized performance revenues related compensation	112.7	647.8	309.6	(128.3)	(232.5)	464.4	7.4	225.5	432.3	2,114.8
Equity-based compensation	201.9	330.1	349.6	381.3	343.0	365.1	252.2	151.5	116.6	135.5
Acquisition or disposition related charges (credits), including amortization of intangibles	128.3	260.4	242.5	288.8	94.2	35.7	22.3	52.0	38.1	58.3
Other non-operating expense (income)	7.1	(16.5)	(30.3)	(7.4)	(11.2)	(71.4)	1.1	1.3	(7.2)	(7.9)
Tax (expense) benefit associated with certain foreign performance revenues related compensation	(9.5)	(34.9)	(25.3)	(14.9)	(15.1)	(8.4)	(6.2)	(14.3)	(8.4)	(29.9)
Non-Carlyle economic interests in acquired businesses and other adjustments to present certain costs on a net basis	174.9	198.9	214.9	161.0	159.3	114.9	34.3	75.0	55.8	79.9
Reserve for litigation and contingencies	—	—	—	50.0	—	(25.0)	—	—	—	—
Lease assignment and termination costs / Right-of-use asset impairment	—	—	—	—	—	—	66.9	—	—	26.8
Debt extinguishment costs	—	—	—	—	—	—	7.8	0.1	—	—
Other, including severance and Conversion costs in 2019 and 2020	(17.7)	(6.2)	(0.1)	6.0	10.3	13.2	9.1	33.3	15.2	11.1
Elimination of expenses of Consolidated Funds	(168.3)	(275.3)	(241.6)	(219.5)	(24.6)	(42.8)	(48.7)	(33.8)	(42.7)	(48.5)
Total Expense Reconciling Items	\$ 164.0	\$ 1,104.3	\$ 819.3	\$ 517.0	\$ 323.4	\$ 845.7	\$ 346.2	\$ 490.6	\$ 599.7	\$ 2,340.1

See Notes at end of document.

Reconciliation of Investments and Accrued Performance Allocations

RECONCILIATION OF TOTAL INVESTMENTS ATTRIBUTABLE TO THE CARLYLE GROUP INC.

(Dollars in millions)

	06/30/21
INVESTMENTS, EXCLUDING PERFORMANCE ALLOCATIONS	\$ 2,496.4
Less: Amounts attributable to non-controlling interests in Consolidated Funds	(233.3)
Plus: Investments in Consolidated Funds, eliminated in consolidation	161.4
Less: Strategic equity method investments in NGP Management ¹	(373.8)
Less: Investment in NGP general partners - accrued performance allocations ¹	(1.1)
TOTAL INVESTMENTS ATTRIBUTABLE TO THE CARLYLE GROUP INC.	2,049.6
Less: CLO loans and other borrowings attributable to The Carlyle Group Inc. ²	(191.0)
TOTAL INVESTMENTS ATTRIBUTABLE TO THE CARLYLE GROUP INC., NET OF CLO LOANS AND OTHER BORROWINGS	\$ 1,858.6

RECONCILIATION OF ACCRUED PERFORMANCE ALLOCATIONS

(Dollars in millions)

	06/30/21
ACCRUED PERFORMANCE ALLOCATIONS, NET OF ACCRUED GIVEBACK OBLIGATIONS	\$ 8,124.9
Plus: Accrued performance allocations from NGP Carry Funds ³	1.1
Less: Accrued performance allocation-related expense	(4,043.8)
Less: Deferred taxes on certain foreign accrued performance allocations	(62.3)
Less: Net accrued performance allocations attributable to non-controlling interests in consolidated entities	(14.5)
NET ACCRUED PERFORMANCE REVENUES BEFORE TIMING DIFFERENCES	4,005.4
Plus: Timing differences between the period when accrued performance allocations are realized and the period they are collected/distributed	1.2
NET ACCRUED PERFORMANCE REVENUES ATTRIBUTABLE TO THE CARLYLE GROUP INC.	\$ 4,006.6

Definitions

Distributable Earnings (“DE”)

Distributable Earnings, or “DE”, is a key performance benchmark used in our industry and is evaluated regularly by management in making resource deployment and compensation decisions, and in assessing the performance of our three segments. We also use DE in our budgeting, forecasting, and the overall management of our segments. We believe that reporting DE is helpful to understanding our business and that investors should review the same supplemental financial measure that management uses to analyze our segment performance. DE is intended to show the amount of net realized earnings without the effects of consolidation of the Consolidated Funds. DE is derived from our segment reported results and is an additional measure to assess performance.

Distributable Earnings differs from income (loss) before provision for income taxes computed in accordance with U.S. GAAP in that it includes certain tax expenses associated with performance revenues (comprised of performance allocations and incentive fees), and does not include unrealized performance allocations and related compensation expense, unrealized principal investment income, equity-based compensation expense, net income (loss) attributable to non-Carlyle interest in consolidated entities, or charges (credits) related to Carlyle corporate actions and non-recurring items. Charges (credits) related to Carlyle corporate actions and non-recurring items include: charges associated with acquisitions or strategic investments, changes in the tax receivable agreement liability, corporate conversion costs, amortization and any impairment charges associated with acquired intangible assets, transaction costs associated with acquisitions and dispositions, charges associated with earnouts and contingent consideration including gains and losses associated with the estimated fair value of contingent consideration issued in conjunction with acquisitions or strategic investments, impairment charges associated with lease right-of-use assets, gains and losses from the retirement of debt, charges associated with contract terminations and employee severance. We believe the inclusion or exclusion of these items provides investors with a meaningful indication of our core operating performance.

Fee Related Earnings (“FRE”)

Fee Related Earnings, or “FRE”, is a component of DE and is used to assess the ability of the business to cover direct base compensation and operating expenses from total fee revenues. FRE differs from income (loss) before provision for income taxes computed in accordance with U.S. GAAP in that it adjusts for the items included in the calculation of DE and also adjusts DE to exclude net realized performance revenues, realized principal investment income from investments in Carlyle funds, net interest (interest income less interest expense), and certain general, administrative and other expenses when the timing of any future payment is uncertain.

Distributable Earnings per Common Share After Tax

DE per common share after tax represents DE less estimated current corporate, foreign, state and local taxes, divided by shares eligible for the dividend in each period. 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.

Endnotes

PAGE 32: U.S. GAAP STATEMENT OF OPERATIONS

- (1) On January 1, 2020, The Carlyle Group L.P. (the "Partnership") completed its conversion from a Delaware limited partnership to a Delaware corporation, The Carlyle Group Inc. Information reported for periods prior to the Conversion on January 1, 2020 reflect the results of the Partnership. References to The Carlyle Group Inc., our common stock and our dividends in periods prior to the Conversion refer to The Carlyle Group L.P., its common units and distributions. For periods subsequent to the Conversion, Net income (loss) attributable to Carlyle Holdings, refers to Net income (loss) of The Carlyle Group Inc. and its consolidated subsidiaries, net of non-controlling interests in consolidated entities.
- (2) 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 34.
- (3) Income (loss) before provision for taxes margin is equal to Income (loss) before provision for taxes, divided by Total revenues.

PAGE 33: DISTRIBUTABLE EARNINGS AND FEE RELATED EARNINGS

- (1) FRE Margin is calculated as Fee Related Earnings, divided by Total Segment Fee Revenues. FRE Margin for 2020 excludes the impact of \$30 million in litigation cost recoveries.

PAGE 34: RECONCILIATION OF TOTAL SEGMENTS TO INCOME BEFORE PROVISION FOR INCOME TAXES

- (1) Adjustments for partner compensation due to senior Carlyle professionals for compensation and performance fees allocated to them, which amount were classified as distributions from partners' capital in the consolidated financial statements for periods prior to the reorganization and initial public offering in May 2012.
- (2) Adjustments to unrealized principal investment income for the year ended December 31, 2020 are inclusive of \$211.8 million of unrealized gains resulting from changes in the fair value of embedded derivatives related to certain reinsurance contracts included in Fortitude Re's U.S. GAAP financial statements prior to the contribution of our investment in Fortitude Holdings to Carlyle FRL, L.P. on June 2, 2020 (see Note 5 to the consolidated financial statements in our Annual Report on Form 10-K for the year ended December 31, 2020). At the time of our contribution of our investment to Carlyle FRL, L.P. we began accounting for our investment under the equity method based on our net asset value in the fund, which is an investment company that accounts for its investment in Fortitude Holdings at fair value. This resulted in an unrealized loss in principal investment income (loss) of \$(620.7) million during the year ended December 31, 2020. Adjustments to unrealized principal investment income during the years ended December 31, 2019 and 2018 are inclusive of \$582.0 million and \$46.2 million of unrealized gains, respectively, on embedded derivatives.
- (3) Adjusted unrealized principal investment income (loss) from the investment in Fortitude Re represents 19.9% of Fortitude Holdings' estimated net income (loss) for the respective periods through June 2, 2020, excluding the unrealized gains (losses) related to embedded derivatives.
- (4) Equity-based compensation includes amounts presented in principal investment income and general, administrative and other expenses in our U.S. GAAP consolidated statements of operations.
- (5) See reconciliations to the most directly comparable U.S. GAAP measure on page 36.

Endnotes

PAGE 35: RECONCILIATION OF TOTAL SEGMENTS TO INCOME BEFORE PROVISION FOR INCOME TAXES

- (1) The Distributable Earnings in the Carlyle Consolidated column is income before provision for income taxes, which is the U.S. GAAP measure that is most directly comparable to Distributable Earnings.
- (2) See detailed breakdown of revenue and expense adjustments on page 39.
- (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 34.

PAGE 36: ADJUSTMENTS TO PERFORMANCE REVENUES AND PRINCIPAL INVESTMENT INCOME

- (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 the 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, and adjustments to reflect the Company's share of UrbPlan net losses, until UrbPlan was deconsolidated during 2017, as investment losses for the Non-GAAP results. See Note 15 to the consolidated financial statements in our Annual Report on Form 10-K for the year ended December 31, 2017 for further information regarding UrbPlan, and Note 5 to the consolidated financial statements in our Annual Report on Form 10-K for the year ended December 31, 2020 for further information regarding NGP.

PAGE 38: RECONCILIATION OF INVESTMENTS AND ACCRUED PERFORMANCE ALLOCATIONS

- (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 \$210.0 million in CLO loans as of June 30, 2021, \$191.0 million are collateralized by investments attributable to The Carlyle Group Inc. The remaining \$19.0 million in CLO loans are collateralized by investments attributable to non-controlling interests.
- (3) Accrued performance allocations from NGP Carry Funds are recorded as an investment in the U.S. GAAP balance sheet.