



CARLYLE

Carlyle Reports
Fourth Quarter and
Full Year 2022
Financial Results

FEBRUARY 7, 2023¹

¹ Please note that this version reflects an adjustment to the Global Private Equity fund performance table on page 24 from our earnings release previously issued on February 7, 2023. No changes were made to reported earnings.

Carlyle Reports Fourth Quarter and Full Year 2022 Financial Results

WASHINGTON, DC AND NEW YORK, NY – FEBRUARY 7, 2023 – Global investment firm The Carlyle Group Inc. (NASDAQ: CG) today reported its unaudited results for the fourth quarter and full year ended December 31, 2022.

Dividend

The Board of Directors has declared a quarterly dividend of \$0.325 per common share to holders of record at the close of business on February 22, 2023, payable on March 1, 2023.

Conference Call

Carlyle will host a conference call at 8:30 a.m. EST on Tuesday, February 7, 2023, to discuss its fourth quarter and full year 2022 financial results. The call will be available via public webcast from the Shareholders section of Carlyle's website at www.carlyle.com and a replay will be available on the website soon after the call's completion.

About Carlyle

Carlyle (NASDAQ: CG) is a global investment firm with deep industry expertise that deploys private capital across three business segments: Global Private Equity, Global Credit and Global Investment Solutions. With \$373 billion of assets under management as of December 31, 2022, 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 2,100 people in 29 offices across five continents. Further information is available at www.carlyle.com. Follow Carlyle on Twitter @OneCarlyle.

“Carlyle delivered strong financial performance for our stakeholders in 2022, despite the challenging market environment. With Harvey Schwartz as our new CEO, Carlyle is well-positioned to build on our strength and momentum to bolster the firm's position, capture opportunities, and create value for our investors and shareholders.”

WILLIAM CONWAY

Co-founder and Interim Chief Executive Officer

Forward Looking Statement

THIS PRESS RELEASE MAY CONTAIN FORWARD-LOOKING statements within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. These statements include, but are not limited to, statements related to our expectations regarding the performance of our business, our financial results, our liquidity and capital resources, contingencies, our expectations regarding the impact of COVID-19, our dividend policy, our expected future dividend policy, the anticipated benefits from converting to a corporation and other non-historical statements. You can identify these forward-looking statements by the use of words such as “outlook,” “believes,” “expects,” “potential,” “continues,” “may,” “will,” “should,” “seeks,” “approximately,” “predicts,” “intends,” “plans,” “estimates,” “anticipates” or the negative version of these words or other comparable words. Such forward-looking statements are subject to various risks, uncertainties and assumptions. Accordingly, there are or will be important factors that could

cause actual outcomes or results to differ materially from those indicated in these statements including, but not limited to, those described under the section entitled “Risk Factors” in our Annual Report on Form 10-K for the year ended December 31, 2021 filed with the SEC on February 10, 2022, 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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Fourth Quarter and Full Year 2022 Financial Results

Carlyle Fourth Quarter & Full Year 2022 U.S. GAAP Results

Net income attributable to The Carlyle Group Inc. common stockholders in Q4 2022 was \$127 million, and \$1.2 billion for FY2022, or \$0.35 and \$3.35 per share on a diluted basis, respectively

(Dollars in millions, except per share amounts)

	4Q'21	4Q'22	FY'20	FY'21	FY'22
REVENUES					
Fund management fees	\$ 484.6	\$ 497.2	\$ 1,486.0	\$ 1,667.5	\$ 2,030.1
Incentive fees	15.8	21.1	37.0	48.8	63.7
Investment income, including performance allocations ¹	1,403.4	51.3	1,095.2	6,721.9	1,898.0
Revenue from consolidated entities	67.9	106.4	226.8	253.2	311.0
All other revenues	27.4	43.4	89.6	90.7	135.9
Total Revenues	1,999.1	719.4	2,934.6	8,782.1	4,438.7
EXPENSES					
Cash-based compensation and benefits	222.8	272.3	849.6	908.0	1,052.0
Equity-based compensation	41.1	14.7	105.0	163.1	154.0
Performance allocations and incentive fee related compensation	605.2	(21.3)	779.1	2,961.0	719.9
General, administrative and other expenses	131.3	188.6	349.3	431.7	575.8
Expenses from consolidated entities	45.0	74.5	163.5	178.5	211.6
Interest and other non-operating expenses	37.4	28.6	86.8	114.8	111.4
Total Expenses	1,082.8	557.4	2,333.3	4,757.1	2,824.7
Net investment gains (losses) of consolidated funds	(7.1)	9.5	(21.3)	2.5	(41.5)
Income before provision for income taxes²	909.2	171.5	580.0	4,027.5	1,572.5
Provision for income taxes	248.8	12.9	197.2	982.3	287.8
Net income	660.4	158.6	382.8	3,045.2	1,284.7
Net income attributable to non-controlling interests	12.8	31.4	34.6	70.5	59.7
Net income attributable to The Carlyle Group Inc. Common Stockholders	\$ 647.6	\$ 127.2	\$ 348.2	\$ 2,974.7	\$ 1,225.0
Net income attributable to The Carlyle Group Inc. per common share:					
Basic	\$ 1.82	\$ 0.35	\$ 0.99	\$ 8.37	\$ 3.39
Diluted	\$ 1.77	\$ 0.35	\$ 0.97	\$ 8.20	\$ 3.35
Supplemental information:					
Income before provision for taxes margin ³	45.5 %	23.8 %	19.8 %	45.9 %	35.4 %
Effective tax rate	27.4 %	7.5 %	34.0 %	24.4 %	18.3 %
Net performance revenues ⁴	\$ 638.1	\$ 2.6	\$ 856.8	\$ 3,123.6	\$ 607.6

¹ Fund management fees increased 3% in 4Q'22 and 22% in FY 2022 from the comparable periods in 2021, reflecting the activation of fees on our latest vintage U.S. Buyout and U.S. real estate carry funds in 4Q'21 and Europe Technology carry fund in 1Q'22, the impact of investment activity in funds on which management fees are based on invested capital, as well as management fees from the CBAM acquisition in 1Q'22, the Fortitude strategic advisory services agreement, which was effective April 1, 2022, and the Abingworth acquisition in 3Q'22. These increases were partially offset by the impacts of realizations in funds on which management fees are based on invested capital and basis stepdowns from commitments to invested capital on prior vintage funds.

² Investment income (loss), including performance allocations, for FY 2022 reflects 11% appreciation in our carry portfolio, compared to 41% appreciation in our carry portfolio for FY 2021. Investment income in FY 2022 also includes an investment loss of \$177 million related to the dilution of our ownership in Fortitude in connection with the capital raise and initial drawdown in 2Q'22 (see Note 1 at the end of the document for additional information).

³ Equity-based compensation in 4Q'22 reflects the impact of a reduction in the number of shares expected to vest under certain performance-based restricted stock awards based on full year results. FY 2022 equity-based compensation decreased 6% compared to FY 2021, reflecting fewer shares expected to vest under certain performance-based restricted stock awards in 2022 relative to 2021, partially offset by approximately \$10 million of net expense in FY 2022 related to the modification of certain restricted stock awards in connection with the departure of our former chief executive officer.

Carlyle Fourth Quarter and Full Year 2022 Highlights

Financial Measures

- Distributable Earnings (“DE”) was \$433 million in Q4 2022 on a pre-tax basis, or \$1.01 per common share on a post-tax basis. FY 2022 DE was \$1.9 billion, or \$4.34 per common share
- Fee Related Earnings (“FRE”) was \$202 million for Q4 2022 and \$834 million for FY 2022
- Realized Net Performance Revenues of \$219 million for Q4 2022 and \$1.0 billion for FY 2022
- Net Accrued Performance Revenues of \$4.0 billion, up 2% year-over-year
- Declared a quarterly dividend of \$0.325 per common share, payable to stockholders of record as of February 22, 2023

Assets Under Management

- Total Assets Under Management: \$373 billion, up 24% year-over-year
- Fee-earning Assets Under Management: \$267 billion, up 38% year-over-year
- Perpetual Capital Fee-earning AUM: \$58 billion, representing 22% of the total Fee-earning AUM
- Pending Fee-earning AUM: \$11 billion
- Available Capital for investment: \$72 billion

Key Metrics

- Fundraising: \$4.9 billion in Q4 2022 and \$29.9 billion in FY 2022
- Invested Capital (carry funds): \$6.8 billion in Q4 2022 and \$34.8 billion in FY 2022
- Realized Proceeds (carry funds): \$8.6 billion in Q4 2022 and \$33.8 billion in FY 2022
- Carry Fund Appreciation: 0% in Q4 2022 and 11% in FY 2022

Dividend

- Carlyle’s Board of Directors approved an increase in the common stock dividend to an annual rate of \$1.40 per share, commencing with the first quarter 2023 dividend anticipated to be paid in May 2023

Carlyle Fourth Quarter & Full Year 2022

Total Segment Operating Results

(Dollars in millions, except per share amounts)

	4Q'21	4Q'22	FY'21	FY'22
SEGMENT REVENUES				
Fund management fees	\$ 466.7	\$ 512.4	\$ 1,654.6	\$ 1,996.9
Transaction and portfolio advisory fees, net and other	38.5	17.7	97.0	111.1
Fee related performance revenues ¹	12.2	29.1	43.2	129.3
Total segment fee revenues	517.4	559.2	1,794.8	2,237.3
Realized performance revenues	1,305.3	459.7	2,938.6	1,980.7
Realized principal investment income	70.4	23.8	209.5	150.6
Interest income	1.7	16.3	7.2	32.8
Total Segment Revenues	\$ 1,894.8	\$ 1,059.0	\$ 4,950.1	\$ 4,401.4
SEGMENT EXPENSES				
Compensation and benefits				
Cash-based compensation and benefits	\$ 243.9	\$ 242.0	\$ 891.5	\$ 994.2
Realized performance revenues related compensation	622.6	241.2	1,409.0	982.2
Total compensation and benefits ²	866.5	483.2	2,300.5	1,976.4
General, administrative and other expenses	90.4	104.8	267.6	369.8
Depreciation and amortization expense	8.6	10.3	37.6	38.9
Interest expense	26.5	27.7	100.7	107.3
Total Segment Expenses	\$ 992.0	\$ 626.0	\$ 2,706.4	\$ 2,492.4
Total Segment Revenues	\$ 1,894.8	\$ 1,059.0	\$ 4,950.1	\$ 4,401.4
Total Segment Expenses	992.0	626.0	2,706.4	2,492.4
(=) Distributable Earnings	\$ 902.8	\$ 433.0	\$ 2,243.7	\$ 1,909.0
(-) Realized Net Performance Revenues	682.7	218.5	1,529.6	998.5
(-) Realized Principal Investment Income	70.4	23.8	209.5	150.6
(+) Net Interest	24.8	11.4	93.5	74.5
(=) Fee Related Earnings	\$ 174.5	\$ 202.1	\$ 598.1	\$ 834.4
After-tax Distributable Earnings, per common share³	\$ 2.01	\$ 1.01	\$ 5.01	\$ 4.34
Dividend per common share⁴	\$ 0.25	\$ 0.325	\$ 1.00	\$ 1.30

(1) Fee related performance revenues are the realized portion of performance revenues that are measured and received on a recurring basis, are not dependent on the disposition of investments, and which are not at risk of giveback. The related compensation expense is included in cash-based compensation and benefits.

(2) Total Segment compensation and benefits exclude equity-based compensation, detailed below and as shown on page 30. The equity-based compensation below also include amounts reflected in (i) principal investment income and (ii) general, administration and other expense in our U.S. GAAP statement of operations.

Equity-based compensation

\$ 43.4 \$ 16.9

\$ 172.9 \$ 161.9

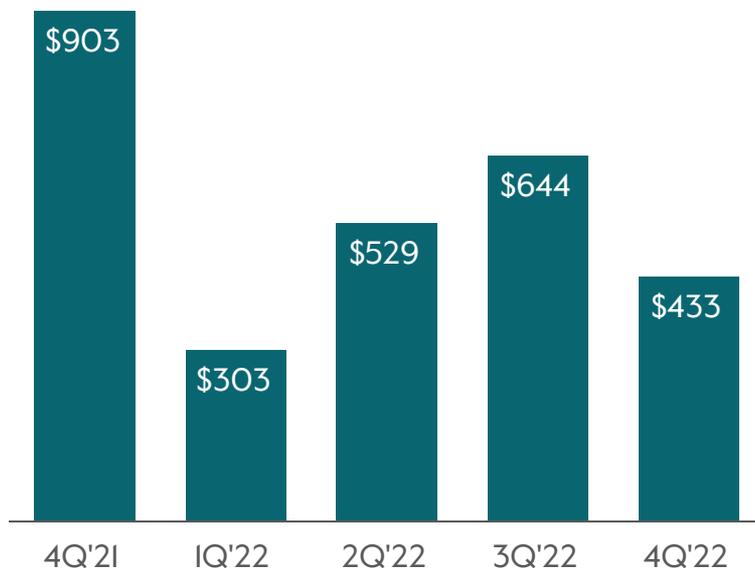
(3) A reconciliation of Distributable Earnings to After-tax Distributable Earnings per common share is provided on page 29.

(4) The Board of Directors has declared a quarterly dividend of \$0.325 per common share to holders of record at the close of business on February 22, 2023, payable on March 1, 2023. See Notes at the end of the document for our Dividend Policy.

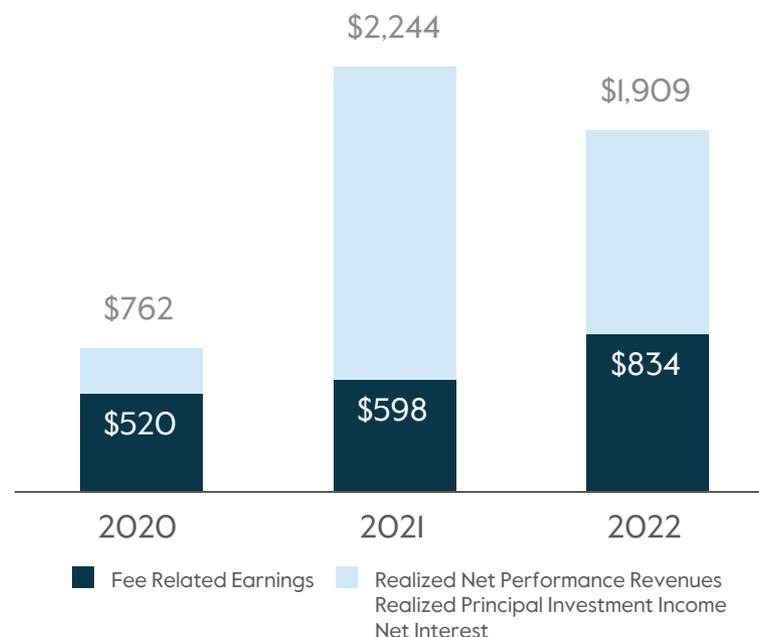
Distributable Earnings

- Distributable Earnings were \$433 million in Q4 2022 and \$1.9 billion for FY 2022
- Realized Net Performance Revenues were \$219 million in Q4 2022 and \$1.0 billion for FY 2022
 - Q4 2022 Realized Net Performance Revenues were primarily driven by exit activity in our Asia buyout funds, our fourth Europe technology fund which realized carry for the first time in Q4 2022, our U.S. buyout funds, our eighth U.S. real estate fund and our first credit opportunities fund
- Realized Principal Investment Income was \$24 million in Q4 2022 and \$151 million for FY 2022

Quarterly Distributable Earnings (\$mn)



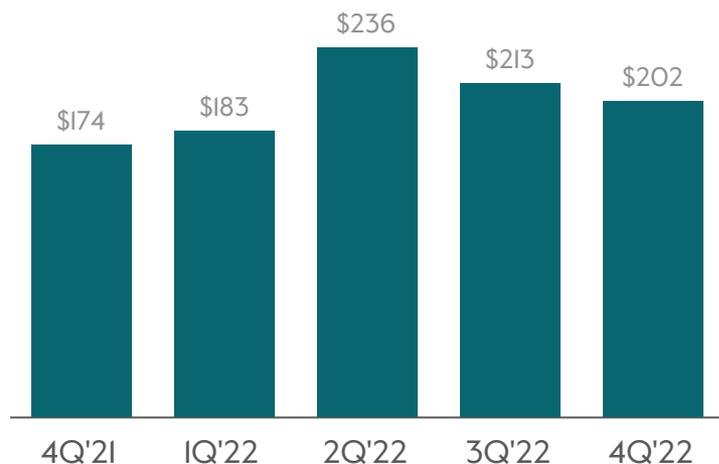
Annual Distributable Earnings (\$mn)



Fee Related Earnings

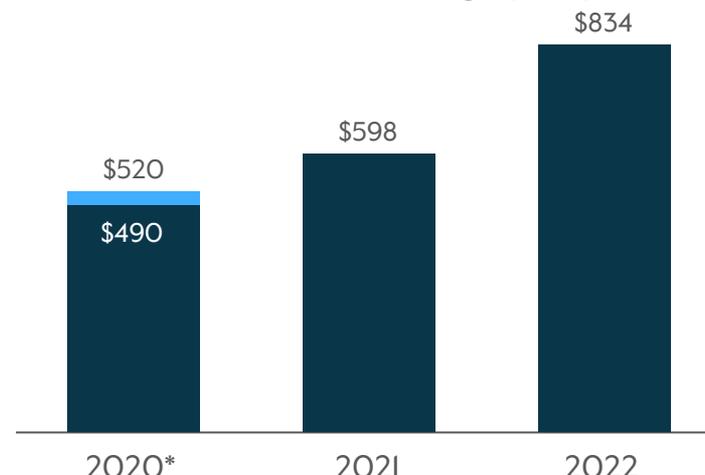
- Fee Related Earnings were \$202 million in Q4 2022, compared to \$174 million in Q4 2021. FY 2022 Fee Related Earnings of \$834 million increased 40% from \$598 million in FY 2021, driven by a 25% increase in total fee revenues. FRE margin expanded to 37% in 2022 compared to 33% in 2021
- Fund management fees of \$512 million in Q4 2022 increased 10% compared to Q4 2021, reflecting fee activations and the impact of the Fortitude, CBAM and Abingworth transactions. Q4 2022 also included \$6 million of catch-up management fees, compared to \$1 million in Q4 2021. For FY 2022, fund management fees of \$2.0 billion increased 21% from \$1.7 billion in FY 2021. Transaction fees and portfolio advisory fees were \$18 million in Q4 2022 and a record \$111 million for FY 2022, compared to \$39 million in Q4 2021 and \$97 million for FY 2021
- Fee related performance revenues¹ totaled \$29 million in Q4 2022, up from \$12 million in Q4 2021 and were \$129 million for FY 2022, a three-fold increase from \$43 million for FY 2021. Fee related performance revenues, net of related compensation expense, were \$16 million in Q4 2022 and \$69 million for FY 2022
- Cash-based compensation & benefits were \$242 million in Q4 2022, compared to \$244 million in Q4 2021. For FY 2022, cash-based compensation & benefits of \$994 million increased 12% from FY 2021, reflecting continuing investment to support new growth initiatives and further expansion into adjacent businesses and new product development and distribution
- General & administrative expenses were \$105 million in Q4 2022, up 16% from Q4 2021, and \$370 million for FY 2022, up 38% from FY 2021, primarily driven by an increased level of professional fees and travel & entertainment expenses, reflecting our overall growth as well as a return to pre-pandemic travel activity levels

Quarterly Fee Related Earnings (\$mn)



FRE Margin ²	4Q'21	1Q'22	2Q'22	3Q'22	4Q'22
	34%	36%	40%	37%	36%

Fee Related Earnings (\$mn)



FRE Margin	2020*	2021	2022
	30%	33%	37%

* FY 2020 Fee Related Earnings were \$520 million, or \$490 million excluding the impact of \$30 million in one-time litigation cost recoveries. FRE Margin of 30% in FY 2020 excludes the impact of litigation cost recoveries.

Investment Performance

CARRY FUNDS			
	Fair Value of Investments (\$ bn)	Appreciation (Depreciation)	
		4Q'22	FY'22
Total Carry Funds	\$182	0%	11%
Global Private Equity			
Corporate Private Equity	\$83	1%	6%
Real Estate	\$18	(1)%	16%
Infrastructure & Natural Resources	\$22	2%	48%
Global Credit	\$15	2%	3%
Global Investment Solutions	\$44	(3)%	6%

LIQUID CREDIT*					
	Fair Value of Investments (\$ bn)	Loan Level Return		Average Annual Default Rate	
		4Q'22	FY'22	FY'22	Last 3 Years
U.S. CLOs	\$37	3%	(1)%	0.3%	0.8%
European CLOs	\$11	3%	(4)%	0.6%	0.6%

ILLIQUID & OTHER CREDIT		
	Fair Value of Investments (\$ bn)	Dividend Yield
Business Development Companies	\$4	10%
Carlyle Tactical Private Credit	\$2	10%

- Carry fund appreciation was flat across our investment portfolio in the fourth quarter, compared to increases across global equity markets, while full year appreciation of 11% outperformed compared to declines in global equity markets for the year, reflecting resilient operating performance of our portfolio companies and investments, strong risk management and the benefits of our diversified portfolio construction
- Infrastructure and Natural Resources posted appreciation of 2% in the fourth quarter and 48% for the full year, reflecting continued strength in our infrastructure and energy portfolios
- Global Investment Solutions depreciation was 3% in the fourth quarter while appreciation was 6% for the year. Excluding the investment-level impact of foreign currency translation, appreciation was flat in the fourth quarter and 4% for the year

*FY'22 Loan Level Return and FY'22 and Last 3 Years Average Annual Default Rate exclude CLOs acquired as part of the March 2022 CBAM transaction

Totals may not sum due to rounding.

Performance Revenues

- Net Accrued Performance Revenues¹ were \$4.0 billion as of Q4 2022, down 3% from the prior quarter and up 2% from one year ago reflecting the impact of full year appreciation in our carry fund portfolio of 11%, partially offset by realizations
- Realized Net Performance Revenues were \$219 million in Q4 2022 and \$1.0 billion for FY 2022
 - Q4 2022 Realized Net Performance Revenues were primarily driven by exit activity in our Asia buyout funds, our fourth Europe technology fund which realized carry for the first time in Q4 2022, our U.S. buyout funds, our eighth U.S. real estate fund and our first credit opportunities fund

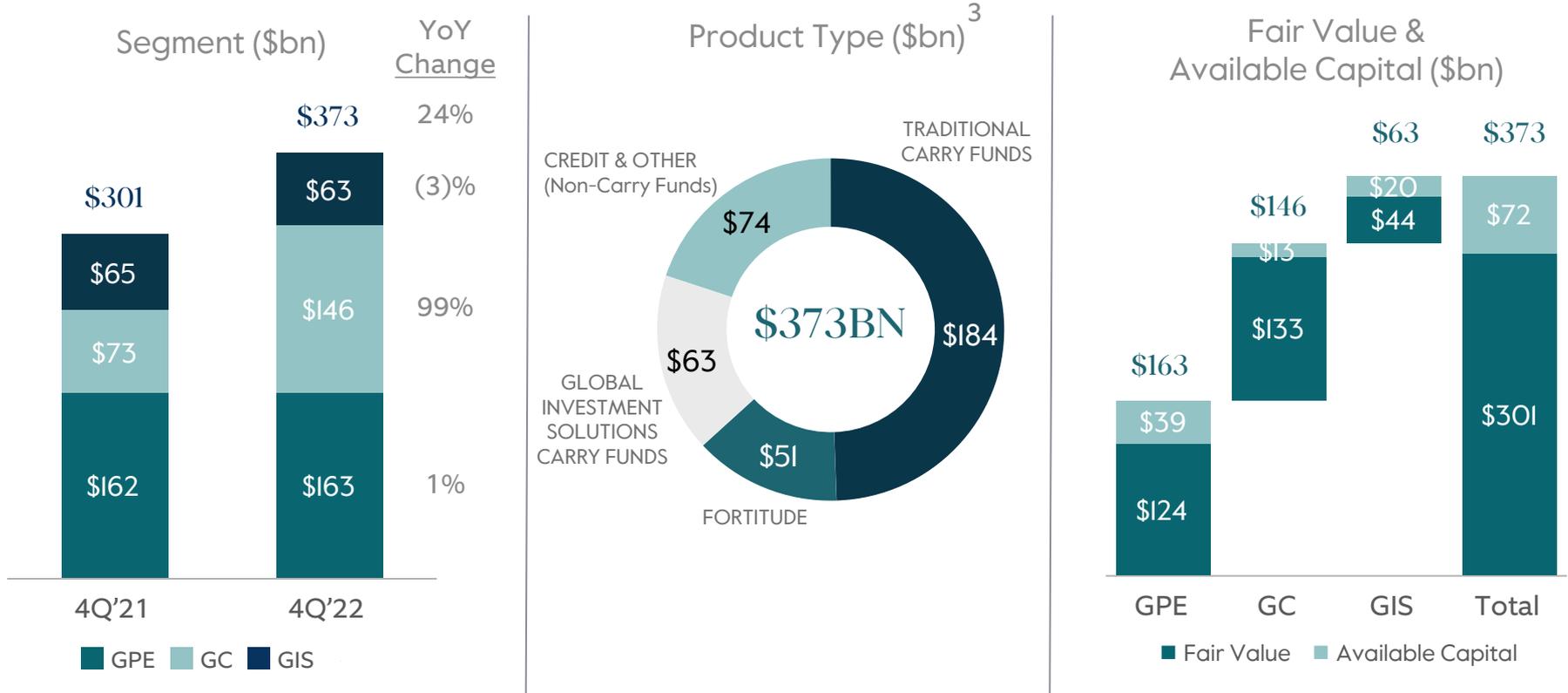
Net Accrued Performance Revenues
(\$mn)



(\$mn)	Net Accrued Performance Revenues		Realized Net Performance Revenues (Clawback)
	4Q'21	4Q'22	FY'22
Global Private Equity ³	\$ 3,414	\$ 3,489	\$ 905
<i>Corporate Private Equity</i>	2,980	2,314	821
<i>Real Estate</i>	298	276	87
<i>Infrastructure & Natural Resources</i>	140	899	—
Global Credit	161	102	70
Global Investment Solutions	319	374	23
Total	\$ 3,894	\$ 3,965	\$ 999

Total Assets Under Management

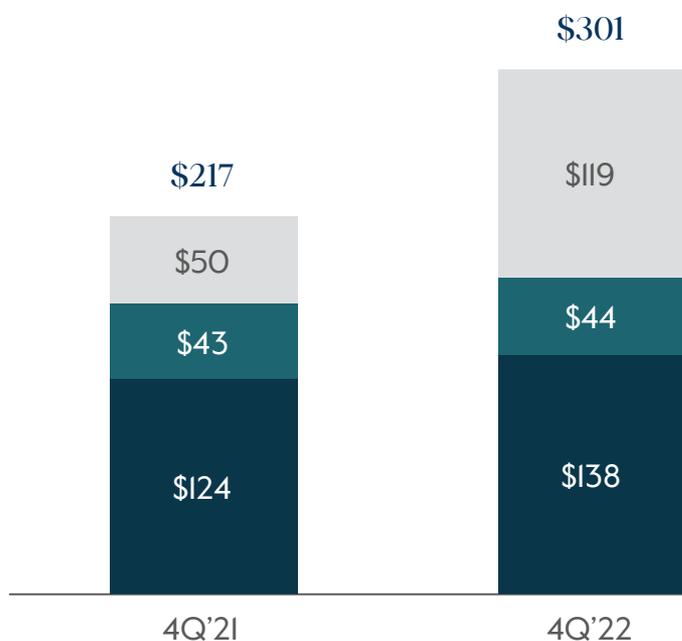
- Total Assets Under Management¹ of \$373 billion at December 31, 2022 increased 1% from the prior quarter and 24% from one year ago. The YTD increase was led by a 99% increase in Global Credit arising from the strategic advisory services agreement with Fortitude, the CBAM acquisition, and solid fundraising activity across the platform
- Available Capital² of \$72 billion decreased from \$84 billion one year ago as record capital deployment outpaced fundraising, particularly in our Global Private Equity funds



Fair Value of Investments

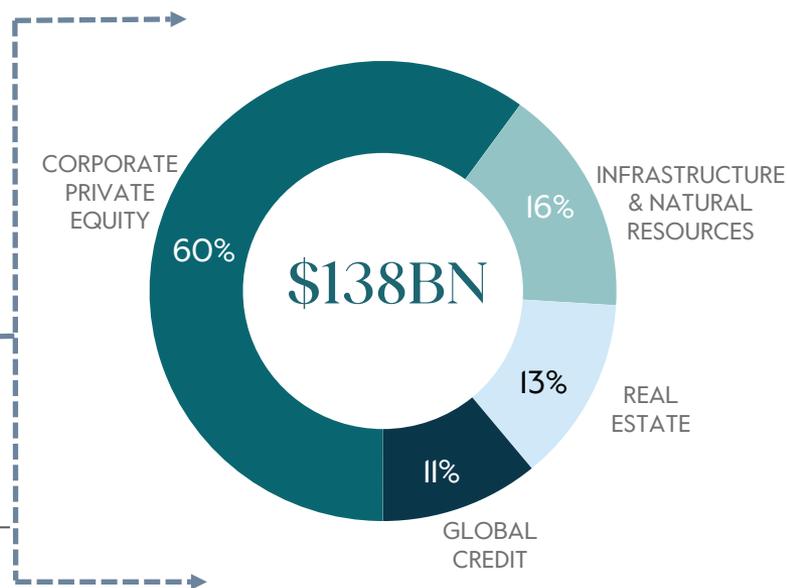
- Fair Value of Investments⁴ was \$301 billion at December 31, 2022, up 39% from one year ago, with the year-over-year increase largely attributable to the strategic advisory services agreement with Fortitude and the CBAM acquisition, record capital deployment, and appreciation across the portfolio
- Fair value in traditional carry funds of \$138 billion was up 12% from one year ago. The in-carry ratio of 73% decreased compared to the in-carry ratio of 75% one year ago due to deployment in funds not yet accruing carry, generally offset by funds moving into carry during the year, notably NGP energy funds
- The fair value of our public portfolio was 6% of the traditional carry fund fair value at December 31, 2022, down from 11% at the beginning of the year. This decline was largely the result of realizations across our public portfolio as well as public market depreciation

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



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

Traditional Carry Funds



In-Carry Ratio⁵

73%

Publicly Traded

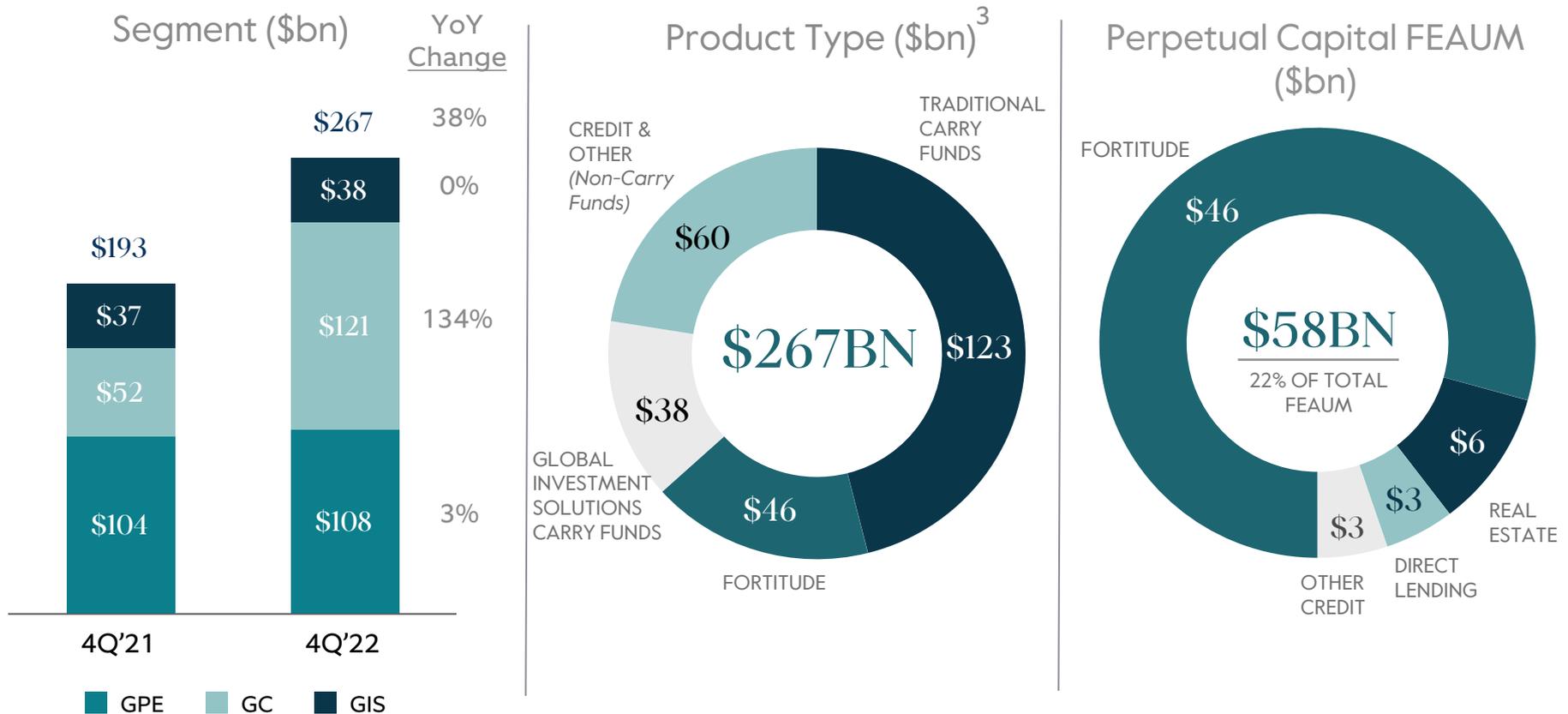
6%

Aged 4+ Years⁶

39%

Fee-earning Assets Under Management

- Fee-earning Assets Under Management⁷ of \$267 billion increased 38% compared to one year ago, led by a 134% increase in Global Credit arising from the strategic advisory services agreement with Fortitude, the CBAM acquisition, deployment across the platform in funds which charge fees based on invested capital, and fee-paying fundraising in our CLOs and Aviation products
- Perpetual Capital Fee-earning AUM⁹ of \$58 billion as of December 31, 2022 represents 22% of Fee-earning AUM, and increased from \$9 billion as of December 31, 2021 primarily as a result of the strategic advisory services agreement with Fortitude as well as growth in our Core Plus real estate fund (CPI), and credit interval fund (CTAC)
- Pending Fee-earning AUM⁸ of \$11 billion as of December 31, 2022 decreased 30% YTD. This is largely the result of deployment in funds which charge fees based on invested capital



Key Metrics Activity

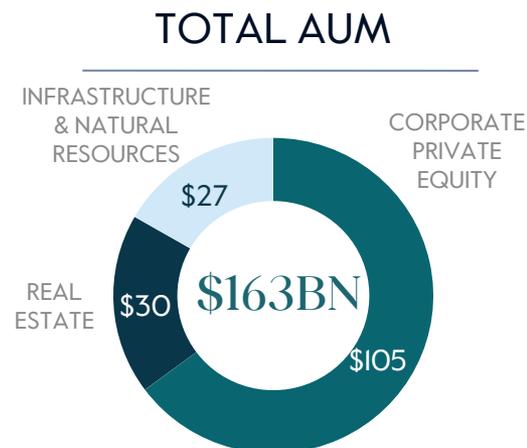
- Fundraising was \$4.9 billion in Q4 2022, driven by the first closing in our third Credit Opportunities fund and the origination of two new CLOs. Fundraising of \$29.9 billion for FY 2022 decreased 42% from a record level in FY 2021
- Invested Capital in carry funds was \$6.8 billion in Q4 2022, led by activity in our U.S. real estate, U.S. buyout, Asia buyout, Core Plus real estate, and AlpInvest funds. Invested Capital was a record \$34.8 billion for FY 2022 and increased 3% from FY 2021
- Realized Proceeds from carry funds totaled \$8.6 billion in Q4 2022, driven by realizations in our U.S. buyout, Europe technology, Asia buyout, and AlpInvest funds. Realized Proceeds of \$33.8 billion for FY 2022 decreased 24% from a record level in FY 2021

(\$bn)	FUNDRAISING		INVESTED CAPITAL <i>Carry Funds</i>		REALIZED PROCEEDS <i>Carry Funds</i>	
	4Q'22	FY'22	4Q'22	FY'22	4Q'22	FY'22
Total	\$4.9	\$29.9	\$6.8	\$34.8	\$8.6	\$33.8
Global Private Equity ¹	\$1.0	\$10.6	\$4.1	\$19.9	\$5.7	\$22.5
Corporate Private Equity	\$0.6	\$8.3	\$2.4	\$12.8	\$3.6	\$15.9
Real Estate	\$0.1	\$0.8	\$1.2	\$5.0	\$0.6	\$2.2
Infrastructure & Natural Resources	\$0.3	\$1.6	\$0.5	\$2.1	\$1.4	\$4.3
Global Credit	\$3.4	\$15.3	\$1.6	\$8.4	\$1.3	\$4.2
Global Investment Solutions	\$0.5	\$4.0	\$1.1	\$6.6	\$1.7	\$7.2

Segment Highlights

Global Private Equity

- **Fee Related Earnings** of \$132 million in Q4 2022 were up 9% from \$121 million in Q4 2021, reflecting higher management fees driven by our latest vintage U.S. buyout, U.S. real estate and Europe Technology carry funds as well as higher fee related performance revenues, partially offset by an increase in general and administrative expenses and lower transaction and portfolio advisory fees. FY 2022 Fee Related Earnings of \$541 million were up 34% from \$402 million for FY 2021. Q4 2022 management fees included \$6 million in catch-up management fees compared to \$1 million in Q4 2021
- **Fee related performance revenues** of \$10 million in Q4 2022 and \$69 million YTD were driven by our Core Plus real estate strategy
- **Total AUM** of \$163 billion increased 1% from one year ago, as carry fund appreciation and fundraising activity during the year was generally offset by strong realization activity
- **Invested Capital** of \$4.1 billion in Q4 2022 and \$19.9 billion for FY 2022. Notable Q4 2022 investments included Client Network Services Inc. (CP VIII) and Uzabase Inc. (CJP IV / CAP Growth II)
- **Realized Proceeds** of \$5.7 billion in Q4 2022 and \$22.5 billion for FY 2022. Notable Q4 2022 realization activity included Euro Techno Com Group (CETP IV), Sequa Corporation (CP V), Hilcorp San Juan, L.P. (CGP), and iNova Pharmaceuticals (CAP IV)
- **Realized Net Performance Revenues** of \$192 million in Q4 2022 were largely driven by our fifth U.S. buyout fund, fourth Europe technology fund, our third and fourth Asia buyout funds, as well as our eighth U.S. real estate fund



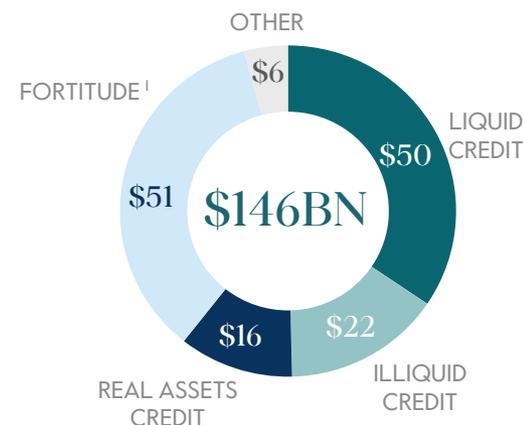
(Dollars in millions)

	4Q'21	4Q'22	FY'21	FY'22
Fund management fees	\$ 323.1	\$ 329.6	\$ 1,111.8	\$ 1,300.9
Transaction and portfolio advisory fees, net and other	10.2	8.2	34.3	29.5
Fee related performance revenues	—	10.4	—	69.4
Fee Revenues	\$ 333.3	\$ 348.2	\$ 1,146.1	\$ 1,399.8
Cash-based compensation and benefits	149.9	144.4	546.2	598.3
General, administration and other indirect expenses	56.3	65.2	172.5	235.3
Depreciation and amortization expense	5.8	6.7	25.1	25.6
Operating Expenses	\$ 212.0	\$ 216.3	\$ 743.8	\$ 859.2
(=) Fee Related Earnings	\$ 121.3	\$ 131.9	\$ 402.3	\$ 540.6
(+) Realized Performance Revenues	1,231.9	354.5	2,757.8	1,656.6
(-) Realized Performance Revenues Related Compensation	555.3	162.8	1,243.6	751.5
Realized Net Performance Revenues	676.6	191.7	1,514.2	905.1
(+) Realized Principal Investment Income (Loss)	58.5	14.3	167.8	108.7
(-) Net Interest	16.4	7.8	62.4	48.8
(=) Distributable Earnings	\$ 840.0	\$ 330.1	\$ 2,021.9	\$ 1,505.6

Global Credit

- **Fee Related Earnings** of \$56 million in Q4 2022 increased 71% from \$33 million in Q4 2021, reflecting the impact of the CBAM acquisition and the strategic advisory services agreement with Fortitude, partially offset by lower capital markets fees. Fee Related Earnings of \$225 million for FY 2022 more than doubled compared to FY 2021
- **Fee related performance revenues** included fees from our business development companies and credit interval fund (CTAC), and totaled \$19 million in Q4 2022 compared to \$12 million in Q4 2021
- **Realized Net Performance Revenues** in Q4 2022 and FY 2022 were driven by realization activity in our first credit opportunities fund and our structured credit fund
- **Total AUM** of \$146 billion increased 99% from one year ago, driven by the strategic advisory services agreement with Fortitude and the CBAM acquisition, as well as strong fundraising and modest carry fund appreciation, partially offset by carry fund realizations and other outflows
- **Invested Capital** in traditional carry funds was \$1.6 billion in Q4 2022 and \$8.4 billion for FY 2022. During FY 2022, Carlyle issued 9 new CLOs for \$3.9 billion and had record gross originations of \$3.9 billion in Direct Lending
- **Fundraising** totaled \$15.3 billion for FY 2022, driven by CLO origination activity, \$2 billion in third party capital raised for our strategic investment in Fortitude, fundraising in CTAC, our second revolving credit fund, and platform-wide separately managed accounts, as well as the first closing in our third opportunistic credit fund

TOTAL AUM



(Dollars in millions)

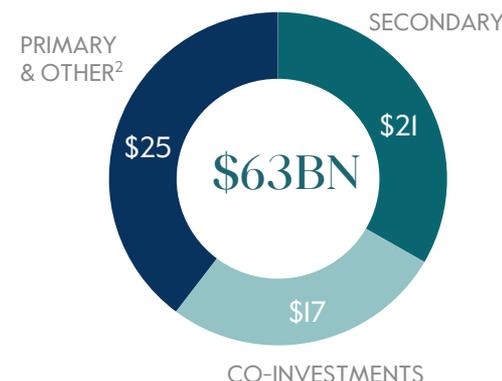
	4Q'21	4Q'22	FY'21	FY'22
Fund management fees	\$ 86.8	\$ 127.3	\$ 314.4	\$ 473.1
Transaction and portfolio advisory fees, net and other	28.1	9.5	62.2	81.6
Fee related performance revenues	12.2	18.7	43.2	59.9
Fee Revenues	\$ 127.1	\$ 155.5	\$ 419.8	\$ 614.6
Cash-based compensation and benefits	69.1	70.0	237.1	284.2
General, administration and other indirect expenses	23.6	27.5	63.1	97.7
Depreciation and amortization expense	1.8	2.2	8.0	8.2
Operating Expenses	\$ 94.5	\$ 99.7	\$ 308.2	\$ 390.1
(=) Fee Related Earnings	\$ 32.6	\$ 55.8	\$ 111.6	\$ 224.5
(+) Realized Performance Revenues	(8.2)	34.9	(6.0)	131.5
(-) Realized Performance Revenues Related Compensation	(3.7)	16.3	(2.7)	61.3
Realized Net Performance Revenues	(4.5)	18.6	(3.3)	70.2
(+) Realized Principal Investment Income (Loss)	8.8	9.9	31.9	38.1
(-) Net Interest	5.6	2.4	20.5	17.3
(=) Distributable Earnings	\$ 31.3	\$ 81.9	\$ 119.7	\$ 315.5

See Notes at end of document. Totals may not sum due to rounding.

Global Investment Solutions

- **Fee Related Earnings** of \$14 million in Q4 2022 were down from \$21 million in Q4 2021 driven by lower fund management fees, due in part to the negative impact of foreign currency translation, and higher cash-based compensation and general & administrative expenses. FY 2022 Fee Related Earnings of \$69 million decreased 18% compared to \$84 million in FY 2021
- **Total AUM** of \$63 billion decreased 3% from one year ago as realizations and negative foreign exchange activity more than offset 6% appreciation and fundraising activity across the platform
- **Fundraising** of \$0.5 billion in Q4 2022 and \$4.0 billion for FY 2022
- **Invested Capital** of \$1.1 billion in Q4 2022 and \$6.6 billion for FY 2022
- **Realized Proceeds** of \$1.7 billion in Q4 2022 and \$7.2 billion for FY 2022
- **Realized Net Performance Revenues** of \$23 million for FY 2022 increased from \$19 million in FY 2021, as funds in which Carlyle has significant performance revenue ownership continue to mature
- **Net Accrued Performance Revenues** reached \$374 million as of Q4 2022, a 17% increase from \$319 million as of Q4 2021

TOTAL AUM



(Dollars in millions)

	4Q'21	4Q'22	FY'21	FY'22
Fund management fees	\$ 56.8	\$ 55.5	\$ 228.4	\$ 222.9
Transaction and portfolio advisory fees, net and other	0.2	—	0.5	—
Fee Revenues	\$ 57.0	\$ 55.5	\$ 228.9	\$ 222.9
Cash-based compensation and benefits	24.9	27.6	108.2	111.7
General, administration and other indirect expenses	10.5	12.1	32.0	36.8
Depreciation and amortization expense	1.0	1.4	4.5	5.1
Operating Expenses	\$ 36.4	\$ 41.1	\$ 144.7	\$ 153.6
(=) Fee Related Earnings	\$ 20.6	\$ 14.4	\$ 84.2	\$ 69.3
(+) Realized Performance Revenues	81.6	70.3	186.8	192.6
(-) Realized Performance Revenues Related Compensation	71.0	62.1	168.1	169.4
Realized Net Performance Revenues	10.6	8.2	18.7	23.2
(+) Realized Principal Investment Income (Loss)	3.1	(0.4)	9.8	3.8
(-) Net Interest	2.8	1.2	10.6	8.4
(=) Distributable Earnings	\$ 31.5	\$ 21.0	\$ 102.1	\$ 87.9

Supplemental Details

Carlyle Fourth Quarter and Full Year 2022 Total Segment Results

(Dollars in millions, except per share amounts)

	4Q'21	1Q'22	2Q'22	3Q'22	4Q'22	FY'21	FY'22
SEGMENT REVENUES							
Fund management fees	\$ 466.7	\$ 454.2	\$ 516.2	\$ 514.1	\$ 512.4	\$ 1,654.6	\$ 1,996.9
Transaction and portfolio advisory fees, net and other	38.5	16.2	42.2	35.0	17.7	97.0	111.1
Fee related performance revenues	12.2	44.5	35.1	20.6	29.1	43.2	129.3
Total segment fee revenues	517.4	514.9	593.5	569.7	559.2	1,794.8	2,237.3
Realized performance revenues	1,305.3	236.3	519.9	764.8	459.7	2,938.6	1,980.7
Realized principal investment income	70.4	26.3	43.8	56.7	23.8	209.5	150.6
Interest income	1.7	2.0	4.0	10.5	16.3	7.2	32.8
Total Segment Revenues	\$ 1,894.8	\$ 779.5	\$ 1,161.2	\$ 1,401.7	\$ 1,059.0	\$ 4,950.1	\$ 4,401.4
SEGMENT EXPENSES							
Compensation and benefits							
Cash-based compensation and benefits	\$ 243.9	\$ 245.8	\$ 259.7	\$ 246.7	\$ 242.0	\$ 891.5	\$ 994.2
Realized performance revenues related compensation	622.6	118.3	249.0	373.7	241.2	1,409.0	982.2
Total compensation and benefits ¹	866.5	364.1	508.7	620.4	483.2	2,300.5	1,976.4
General, administrative and other expenses	90.4	76.3	87.9	100.8	104.8	267.6	369.8
Depreciation and amortization expense	8.6	9.5	9.5	9.6	10.3	37.6	38.9
Interest expense	26.5	26.8	26.3	26.5	27.7	100.7	107.3
Total Segment Expenses	\$ 992.0	\$ 476.7	\$ 632.4	\$ 757.3	\$ 626.0	\$ 2,706.4	\$ 2,492.4
Total Segment Revenues	1,894.8	779.5	1,161.2	1,401.7	1,059.0	4,950.1	4,401.4
Total Segment Expenses	992.0	476.7	632.4	757.3	626.0	2,706.4	2,492.4
(=) Distributable Earnings	\$ 902.8	\$ 302.8	\$ 528.8	\$ 644.4	\$ 433.0	\$ 2,243.7	\$ 1,909.0
(-) Realized Net Performance Revenues	682.7	118.0	270.9	391.1	218.5	1,529.6	998.5
(-) Realized Principal Investment Income	70.4	26.3	43.8	56.7	23.8	209.5	150.6
(+) Net Interest	24.8	24.8	22.3	16.0	11.4	93.5	74.5
(=) Fee Related Earnings	\$ 174.5	\$ 183.3	\$ 236.4	\$ 212.6	\$ 202.1	\$ 598.1	\$ 834.4
After-tax Distributable Earnings, per common share	\$ 2.01	\$ 0.74	\$ 1.17	\$ 1.42	\$ 1.01	\$ 5.01	\$ 4.34
Distribution per common share	\$ 0.250	\$ 0.325	\$ 0.325	\$ 0.325	\$ 0.325	\$ 1.00	\$ 1.30

Note: Historical quarterly results by segment available in Q4 2022 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 expenses in our U.S. GAAP statement of operations, and excludes amounts related to shares issued in conjunction with a previous acquisition.

Equity-based compensation

\$ 43.4 \$ 40.7 \$ 48.3 \$ 56.0 \$ 16.9

\$ 172.9 \$ 161.9

Total Segment Balance Sheet Highlights

- Balance sheet assets attributable to Carlyle stockholders (including net cash and equivalents, net accrued performance revenues and investments) totaled \$5.9 billion at December 31, 2022, compared to \$6.6 billion one year prior
- Balance sheet cash totaled \$1.4 billion as of December 31, 2022, compared to \$2.5 billion as of December 31, 2021, with no balance drawn on our \$1.0 billion revolving line of credit

KEY BALANCE SHEET ITEMS ¹ (\$mn)	12/31/2022
Cash, cash equivalents and corporate treasury investments	\$1,380.7
Net accrued performance revenues ² (net of related accrued compensation and accrued giveback)	\$3,964.6
Investments attributable to Carlyle shareholders ³	\$2,363.8
Debt obligations ⁴	\$1,853.6
Drawn revolving credit line (\$1.0 billion available capacity)	\$0.0

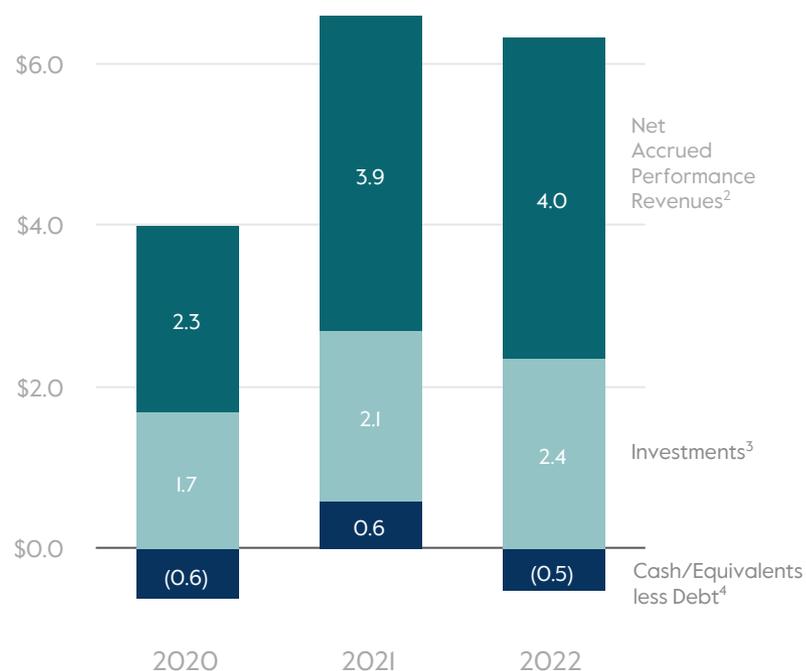
(1) Balance sheet amounts presented exclude the effect of U.S. GAAP consolidation eliminations on investments and accrued performance revenue, as well as cash and debt associated with Carlyle's consolidated funds.

(2) Net accrued performance revenues as of December 31, 2022 are net of \$41 million in accrued giveback obligations and \$3.6 billion in accrued performance allocations and incentive fee compensation. See page 34 for a reconciliation to U.S. GAAP.

(3) Investments exclude Carlyle's equity investments in NGP Energy Capital Management and the portion of CLO investments attributable to Carlyle stockholders that were financed with debt. Refer to page 34 for a reconciliation to U.S. GAAP.

(4) Excludes approximately \$418 million in carrying value of loans used to finance CLO investments and \$503 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 December 31, 2022			
	Global Private Equity	Global Credit	Global Investment Solutions ⁵	Total
Balance, Beginning of Period	\$ 164,381	\$ 141,429	\$ 62,952	\$ 368,762
Inflows ¹	1,115	3,282	457	4,854
Outflows (including realizations) ²	(5,420)	(1,810)	(1,858)	(9,088)
Market Activity & Other ³	752	2,432	(2,651)	533
Foreign Exchange ⁴	2,270	969	4,391	7,630
Balance, End of Period	\$ 163,098	\$ 146,302	\$ 63,291	\$ 372,691

Twelve Months Ended December 31, 2022				
Global Private Equity*	Global Credit*	Global Investment Solutions ^{5*}	Total	
\$ 162,117	\$ 73,384	\$ 65,456	\$	\$ 300,957
12,391	78,277	4,156		94,824
(22,086)	(5,741)	(7,838)		(35,665)
12,554	991	4,564		18,109
(1,878)	(609)	(3,047)		(5,534)
\$ 163,098	\$ 146,302	\$ 63,291	\$	\$ 372,691

Fee-earning AUM Roll Forward (Unaudited)

(\$mm)	Three Months Ended December 31, 2022			
	Global Private Equity	Global Credit	Global Investment Solutions	Total
Balance, Beginning of Period	\$ 106,476	\$ 117,318	\$ 36,420	\$ 260,214
Inflows ⁶	897	1,914	589	3,400
Outflows (including realizations) ⁷	(1,195)	(831)	(1,010)	(3,036)
Market Activity & Other ⁸	187	1,900	(574)	1,513
Foreign Exchange ⁹	1,436	928	2,122	4,486
Balance, End of Period**	\$ 107,801	\$ 121,229	\$ 37,547	\$ 266,577

Twelve Months Ended December 31, 2022				
Global Private Equity*	Global Credit*	Global Investment Solutions*	Total	
\$ 104,252	\$ 51,718	\$ 37,449	\$	\$ 193,419
12,983	78,057	4,494		95,534
(8,306)	(6,845)	(3,280)		(18,431)
61	(1,103)	537		(505)
(1,189)	(598)	(1,653)		(3,440)
\$ 107,801	\$ 121,229	\$ 37,547	\$	\$ 266,577

* FY 2022 Total AUM and Fee-earning AUM inflows for Global Private Equity include \$2 billion related to the Abingworth transaction. FY 2022 Total AUM and Fee-earning AUM inflows for Global Credit include \$15 billion and \$14 billion, respectively, associated with the March 2022 CBAM transaction, as well as \$48 billion related to the strategic advisory services agreement with Fortitude executed in April 2022.

**Fee-earning AUM balances as of December 31, 2022 exclude Pending Fee-earning AUM of \$11 billion.

Global Private Equity Fund Performance

(Reported in Local Currency, mn)

Fund (Fee Initiation Date / Stepdown Date)(29)	Committed Capital (30)	Cumulative Invested Capital (1)	Percent Invested	TOTAL INVESTMENTS As of December 31, 2022						REALIZED/PARTIALLY REALIZED INVESTMENTS ⁽⁵⁾ As of December 31, 2022			
				Realized Value (2)	Remaining Fair Value (3)	MOIC (4)	Gross IRR (6)(12)	Net IRR (7)(12)	Net Accrued Carry/ Giveback (8)	Total Fair Value (9)	MOIC (4)	Gross IRR (6)(12)	
CORPORATE PRIVATE EQUITY													
CP VIII (Oct 2021 / Oct 2027)	\$ 14,197	\$ 6,884	48%	\$ 1	\$ 7,256	1.1x	NM	NM	\$ —	n/a	n/a	n/a	
CP VII (May 2018 / Oct 2021)	\$ 18,510	\$ 17,507	95%	\$ 1,444	\$ 21,834	1.3x	14%	8%	\$ 381	\$ 1,563	1.2x	12%	
CP VI (May 2013 / May 2018)	\$ 13,000	\$ 13,140	101%	\$ 23,164	\$ 7,384	2.3x	20%	15%	\$ 498	\$ 26,926	2.6x	23%	
CP V (Jun 2007 / May 2013)	\$ 13,720	\$ 13,238	96%	\$ 27,893	\$ 1,027	2.2x	18%	14%	\$ 97	\$ 28,002	2.3x	20%	
CEP V (Oct 2018 / Sep 2024)	€ 6,416	€ 4,987	78%	€ 1,323	€ 5,521	1.4x	24%	13%	\$ 142	n/a	n/a	n/a	
CEP IV (Sep 2014 / Oct 2018)	€ 3,670	€ 3,797	103%	€ 5,447	€ 1,965	2.0x	18%	12%	\$ 178	€ 5,680	2.3x	23%	
CEP III (Jul 2007 / Dec 2012)	€ 5,295	€ 5,177	98%	€ 11,715	€ 72	2.3x	19%	14%	\$ 8	€ 11,647	2.3x	19%	
CAP V (Jun 2018 / Jun 2024)	\$ 6,554	\$ 5,654	86%	\$ 1,423	\$ 5,991	1.3x	25%	12%	\$ 113	\$ 904	1.8x	143%	
CAP IV (Jul 2013 / Jun 2018)	\$ 3,880	\$ 4,044	104%	\$ 6,161	\$ 2,047	2.0x	18%	13%	\$ 214	\$ 6,953	2.7x	26%	
CAP III (Jun 2008 / Jul 2013)	\$ 2,552	\$ 2,543	100%	\$ 5,123	\$ 16	2.0x	17%	12%	\$ 2	\$ 5,138	2.0x	17%	
CJP IV (Oct 2020 / Oct 2026)	¥ 258,000	¥ 165,478	64%	¥ —	¥ 214,638	1.3x	68%	30%	\$ 24	n/a	n/a	n/a	
CJP III (Sep 2013 / Aug 2020)	¥ 119,505	¥ 91,192	76%	¥ 189,426	¥ 49,548	2.6x	24%	17%	\$ 29	¥ 182,269	3.9x	33%	
CGFSP III (Dec 2017 / Dec 2023)	\$ 1,005	\$ 926	92%	\$ 375	\$ 1,715	2.3x	40%	30%	\$ 105	\$ 815	6.5x	58%	
CGFSP II (Jun 2013 / Dec 2017)	\$ 1,000	\$ 943	94%	\$ 1,959	\$ 500	2.6x	27%	20%	\$ 41	\$ 1,956	2.4x	28%	
CP Growth (Oct 2021 / Oct 2027)	\$ 1,149	\$ 333	29%	\$ —	\$ 348	1.0x	NM	NM	\$ —	n/a	n/a	n/a	
CEOF II (Nov 2015 / Mar 2020)	\$ 2,400	\$ 2,361	98%	\$ 2,271	\$ 2,284	1.9x	20%	15%	\$ 153	\$ 2,401	3.8x	54%	
CEOF I (Sep 2011 / Nov 2015)	\$ 1,119	\$ 1,175	105%	\$ 1,656	\$ 187	1.6x	12%	8%	\$ 43	\$ 1,604	1.6x	15%	
CETP V (Mar 2022 / Jun 2028)	€ 3,114	€ 211	7%	€ —	€ 208	1.0x	n/a	n/a	\$ —	n/a	n/a	n/a	
CETP IV (Jul 2019 / Jun 2022)	€ 1,350	€ 1,173	87%	€ 788	€ 1,804	2.2x	56%	41%	\$ 96	€ 788	9.3x	122%	
CETP III (Jul 2014 / Jul 2019)	€ 657	€ 602	92%	€ 1,239	€ 586	3.0x	42%	29%	\$ 44	€ 1,181	4.4x	51%	
CGP II (Dec 2020 / Jan 2025)	\$ 1,840	\$ 984	53%	\$ 5	\$ 1,046	1.1x	NM	NM	\$ —	n/a	n/a	n/a	
CGP (Jan 2015 / Mar 2021)	\$ 3,588	\$ 3,050	85%	\$ 1,383	\$ 2,951	1.4x	7%	5%	\$ 66	\$ 1,675	2.1x	17%	
CAGP IV (Aug 2008 / Dec 2014)	\$ 1,041	\$ 954	92%	\$ 1,123	\$ 90	1.3x	6%	1%	\$ —	\$ 1,122	1.3x	7%	
CSABF (Dec 2009 / Dec 2016)	\$ 776	\$ 736	95%	\$ 490	\$ 378	1.2x	3%	Neg	\$ —	\$ 650	1.3x	8%	
All Other Active Funds & Vehicles (10)		\$ 22,593	n/a	\$ 22,850	\$ 14,847	1.7x	22%	15%	\$ 77	\$ 23,237	2.2x	33%	
Fully Realized Funds & Vehicles (11)		\$ 24,210	n/a	\$ 60,525	\$ —	2.5x	28%	20%	\$ 3	\$ 60,525	2.5x	28%	
TOTAL CORPORATE PRIVATE EQUITY (13)		\$ 140,311	n/a	\$ 181,259	\$ 82,792	1.9x	26%	18%	\$ 2,314	\$ 185,528	2.4x	27%	

Global Private Equity Fund Performance, continued

(Reported in Local Currency, mn)

Fund (Fee Initiation Date / Stepdown Date)(29)	Committed Capital (30)	Cumulative Invested Capital (1)	Percent Invested	TOTAL INVESTMENTS As of December 31, 2022						REALIZED/PARTIALLY REALIZED INVESTMENTS ⁽⁵⁾ As of December 31, 2022			
				Realized Value (2)	Remaining Fair Value (3)	MOIC (4)	Gross IRR (6)(12)	Net IRR (7)(12)	Net Accrued Carry/ Giveback (8)	Total Fair Value (9)	MOIC (4)	Gross IRR (6)(12)	
REAL ESTATE													
CRP IX (Oct 2021 / Oct 2026)	\$ 7,987	\$ 1,688	21%	\$ —	\$ 1,706	1.0x	NM	NM	\$ —		n/a	n/a	n/a
CRP VIII (Aug 2017 / Oct 2021)	\$ 5,505	\$ 4,999	91%	\$ 3,944	\$ 4,610	1.7x	48%	30%	\$ 182		\$ 4,032	2.1x	55%
CRP VII (Jun 2014 / Dec 2017)	\$ 4,162	\$ 3,806	91%	\$ 4,900	\$ 1,539	1.7x	18%	12%	\$ 71		\$ 4,873	1.8x	22%
CRP VI (Mar 2011 / Jun 2014)	\$ 2,340	\$ 2,160	92%	\$ 3,785	\$ 142	1.8x	27%	18%	\$ 5		\$ 3,708	1.9x	29%
CPI (May 2016 / n/a)	\$ 7,991	\$ 6,748	21%	\$ 1,981	\$ 7,334	1.4x	20%	17%	n/a*		\$ 1,186	1.8x	9%
All Other Active Funds & Vehicles (14)		\$ 8,717	n/a	\$ 10,910	\$ 2,831	1.6x	10%	7%	\$ 18		\$ 10,559	1.6x	11%
Fully Realized Funds & Vehicles (15)		\$ 6,886	n/a	\$ 9,718	\$ 5	1.4x	11%	6%	\$ —		\$ 9,723	1.4x	11%
TOTAL REAL ESTATE⁽¹³⁾		\$ 35,004	n/a	\$ 35,238	\$ 18,168	1.5x	13%	9%	\$ 276		\$ 34,080	1.7x	13%
INFRASTRUCTURE & NATURAL RESOURCES													
CIEP II (Apr 2019 / Apr 2025)	\$ 2,286	\$ 1,008	44%	\$ 544	\$ 997	1.5x	41%	19%	\$ 32		\$ 596	2.5x	NM
CIEP I (Sep 2013 / Jun 2019)	\$ 2,500	\$ 2,374	95%	\$ 1,764	\$ 2,785	1.9x	19%	11%	\$ 174		\$ 2,780	2.7x	26%
CPP II (Sep 2014 / Apr 2021)	\$ 1,527	\$ 1,537	101%	\$ 809	\$ 1,942	1.8x	17%	11%	\$ 101		\$ 365	4.1x	76%
CGIOF (Dec 2018 / Sep 2023)	\$ 2,201	\$ 1,723	78%	\$ 291	\$ 1,985	1.3x	24%	10%	\$ 36		\$ 248	1.4x	15%
NGP XII (Jul 2017 / Jul 2022)	\$ 4,304	\$ 2,775	64%	\$ 1,365	\$ 3,952	1.9x	22%	16%	\$ 191		\$ 1,201	3.2x	39%
NGP XI (Oct 2014 / Jul 2017)	\$ 5,325	\$ 4,979	93%	\$ 4,102	\$ 5,331	1.9x	15%	11%	\$ 340		\$ 5,923	2.2x	30%
NGP X (Jan 2012 / Dec 2014)	\$ 3,586	\$ 3,351	93%	\$ 3,298	\$ 428	1.1x	3%	Neg	\$ —		\$ 3,142	1.2x	5%
All Other Active Funds & Vehicles (17)		\$ 4,561	n/a	\$ 2,458	\$ 4,300	1.5x	15%	13%	\$ 26		\$ 3,057	2.4x	27%
Fully Realized Funds & Vehicles (18)		\$ 1,190	n/a	\$ 1,435	\$ 1	1.2x	3%	1%	\$ —		\$ 1,436	1.2x	3%
TOTAL INFRASTRUCTURE & NATURAL RESOURCES (13)		\$ 23,498	n/a	\$ 16,066	\$ 21,719	1.6x	13%	9%	\$ 899		\$ 18,747	1.9x	15%
Legacy Energy Funds (16)		\$ 16,741	n/a	\$ 23,983	\$ 72	1.4x	12%	6%	\$ —		\$ 23,589	1.5x	14%

*Net accrued fee related performance revenues for CPI of \$53 million are excluded from net accrued performance revenues. These amounts will be reflected as fee related performance revenues when realized, and included in fund level fee revenues in our segment results.

Global Credit Fund Performance (Carry Funds Only)

(\$ mn)

Fund (Fee Initiation Date / Stepdown Date) (29)	Committed Capital (30)	Cumulative Invested Capital (19)	Percent Invested	TOTAL INVESTMENTS As of December 31, 2022						
				Realized Value (2)	Remaining Fair Value (3)	MOIC (4)	Gross IRR (6)(12)	Net IRR (7)(12)	Net Accrued Carry/(Giveback) (8)	
GLOBAL CREDIT CARRY FUNDS										
CSP IV (Apr 2016 / Dec 2020)	\$ 2,500	\$ 2,500	100%	\$ 843	\$ 2,351	1.3x	14%	7%	\$	—
CSP III (Dec 2011 / Aug 2015)	\$ 703	\$ 703	100%	\$ 929	\$ 57	1.4x	19%	9%	\$	—
CSP II (Dec 2007 / Jun 2011)	\$ 1,352	\$ 1,352	100%	\$ 2,431	\$ 66	1.8x	17%	11%	\$	7
CCOF II (Nov 2020 / Oct 2025)	\$ 4,425	\$ 4,408	100%	\$ 384	\$ 4,477	1.1x	15%	10%	\$	33
CCOF I (Nov 2017 / Sep 2022)	\$ 2,373	\$ 3,452	145%	\$ 2,427	\$ 2,120	1.3x	19%	13%	\$	44
CEMOF II (Dec 2015 / Jun 2019)	\$ 1,692	\$ 1,713	101%	\$ 1,789	\$ 376	1.3x	8%	3%	\$	—
SASOF III (Nov 2014 / n/a)	\$ 833	\$ 991	119%	\$ 1,192	\$ 101	1.3x	19%	11%	\$	12
All Other Active Funds & Vehicles (20)	\$	\$ 7,976	n/a	\$ 1,536	\$ 6,101	1.0x	NM	NM	\$	7
Fully Realized Funds & Vehicles (21)	\$	\$ 5,230	n/a	\$ 5,642	\$ 1	1.1x	3%	Neg	\$	—
TOTAL GLOBAL CREDIT CARRY FUNDS	\$	\$ 28,325	n/a	\$ 17,172	\$ 15,649	1.2x	10%	4%	\$	102

Global Investment Solutions Fund Performance

(Reported in Local Currency, mn)

		TOTAL INVESTMENTS As of December 31, 2022										
Global Investment Solutions (22)(23)(27)		Vintage Year	Fund Size	Cumulative Invested Capital 1)(24)	Realized Value(24)	Remaining Fair Value (24)	Total Fair Value (9)(24)	MOIC (4)	Gross IRR (12)(25)	Net IRR (12)(28)	Net Accrued Carry/ (Giveback)(8)*	
Secondary Investments	Main Fund VII	2020	\$ 8,649	\$ 4,376	\$ 906	\$ 4,806	\$ 5,712	1.3x	27%	20%	\$ 55	
	<i>AlpInvest Secondaries Fund VII</i>	2020	\$ 6,769	\$ 3,230	\$ 646	\$ 3,557	\$ 4,203	1.3x	26%	19%	\$ 39	
	Main Fund VI	2017	\$ 6,017	\$ 5,337	\$ 3,255	\$ 4,994	\$ 8,249	1.5x	17%	14%	\$ 81	
	<i>AlpInvest Secondaries Fund VI</i>	2017	\$ 3,333	\$ 2,996	\$ 1,780	\$ 2,833	\$ 4,613	1.5x	17%	13%	\$ 52	
	Main Fund V	2011	€ 4,273	€ 4,495	€ 7,303	€ 1,051	€ 8,354	1.9x	21%	20%	\$ 20	
	<i>AlpInvest Secondaries Fund V</i>	2012	\$ 756	\$ 648	\$ 949	\$ 217	\$ 1,165	1.8x	18%	15%	\$ 9	
	Main Fund IV	2010	€ 1,859	€ 2,039	€ 3,448	€ 77	€ 3,526	1.7x	19%	18%	\$ —	
Co-Investments	Main Fund VIII	2021	\$ 3,986	\$ 2,389	\$ 33	\$ 2,665	\$ 2,698	1.1x	14%	10%	\$ 8	
	<i>AlpInvest Co-Investment Fund VIII</i>	2021	\$ 3,614	\$ 2,144	\$ 31	\$ 2,406	\$ 2,437	1.1x	15%	10%	\$ 7	
	Main Fund VII	2017	\$ 2,842	\$ 2,649	\$ 1,039	\$ 3,681	\$ 4,719	1.8x	20%	17%	\$ 73	
	<i>AlpInvest Co-Investment Fund VII</i>	2017	\$ 1,688	\$ 1,605	\$ 658	\$ 2,248	\$ 2,905	1.8x	20%	17%	\$ 47	
	Main Fund VI	2014	€ 1,115	€ 997	€ 1,877	€ 682	€ 2,558	2.6x	26%	24%	\$ 6	
	Main Fund V	2012	€ 1,124	€ 1,090	€ 2,680	€ 487	€ 3,168	2.9x	28%	26%	\$ 4	
Primary Investments	Main Fund IV	2010	€ 1,475	€ 1,411	€ 3,582	€ 576	€ 4,159	2.9x	24%	22%	\$ —	
	Main Fund VI	2015	€ 1,106	€ 1,119	€ 1,191	€ 1,172	€ 2,364	2.1x	25%	24%	\$ 4	
	Main Fund V	2012	€ 5,080	€ 5,939	€ 7,697	€ 5,106	€ 12,802	2.2x	19%	19%	\$ 18	
	Main Fund IV	2009	€ 4,877	€ 5,790	€ 9,679	€ 2,711	€ 12,389	2.1x	18%	17%	\$ 1	
	Main Fund III	2005	€ 11,500	€ 13,696	€ 21,898	€ 1,722	€ 23,620	1.7x	10%	10%	\$ —	
	Main Fund II	2003	€ 4,545	€ 5,075	€ 7,988	€ 232	€ 8,220	1.6x	10%	9%	\$ —	
All Other Active Funds & Vehicles(26)		Various		\$ 12,428	\$ 7,070	\$ 10,719	\$ 17,789	1.4x	12%	11%	\$ 101	
Fully Realized Funds & Vehicles		Various		€ 14,196	€ 23,933	€ 84	€ 24,017	1.7x	14%	13%	\$ —	
TOTAL GLOBAL INVESTMENT SOLUTIONS (USD)(13)				\$ 86,992	\$ 110,060	\$ 41,753	\$ 151,813	1.7x	14%	13%	\$ 370	

*Net accrued carry excludes \$4 million of net accrued carry as of December 31, 2022, which was retained as part of the sale of Metropolitan Real Estate on April 1, 2021.

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

Reconciliations & Disclosures

Reconciliation for Distributable Earnings Per Share (Unaudited)

- Our estimated DE effective tax rate was 17.4% for FY 2022, reflecting the positive impact of foreign tax credits, the recovery of tax basis step-ups, and tax deductions resulting from the vesting of restricted stock units

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

	4Q'21	1Q'22	2Q'22	3Q'22	4Q'22	FY'22	QoQ	YoY	Annual*
FEE RELATED EARNINGS	\$ 174.5	\$ 183.3	\$ 236.4	\$ 212.6	\$ 202.1	\$ 834.4	(5)%	16%	40%
DISTRIBUTABLE EARNINGS	\$ 902.8	\$ 302.8	\$ 528.8	\$ 644.4	\$ 433.0	\$ 1,909.0	(33)%	(52)%	(15)%
DISTRIBUTABLE EARNINGS, TAX AND PER SHARE INFORMATION									
Distributable Earnings	\$ 902.8	\$ 302.8	\$ 528.8	\$ 644.4	\$ 433.0	\$ 1,909.0			
Less: Estimated current corporate, foreign, state and local taxes ¹	182.4	35.2	103.3	128.2	66.1	332.8			
DISTRIBUTABLE EARNINGS, NET attributable to common stockholders	\$ 720.4	\$ 267.6	\$ 425.5	\$ 516.2	\$ 366.9	\$ 1,576.2			
Estimated DE effective tax rate ²	20.2 %	11.6 %	19.5 %	19.9 %	15.3 %	17.4 %			
DISTRIBUTABLE EARNINGS, NET per common share outstanding	\$ 2.01	\$ 0.74	\$ 1.17	\$ 1.42	\$ 1.01	\$ 4.34			
Dividend per common share*	\$ 0.250	\$ 0.325	\$ 0.325	\$ 0.325	\$ 0.325	\$ 1.30			
TOTAL OUTSTANDING SHARES (in millions)	355.4	361.7	361.2	363.4	362.3	362.3			
Shares eligible for dividend (in millions)**	358.0	361.8	363.4	363.6	364.2	364.2			

* Our dividend policy as a Corporation is to pay quarterly dividends of \$0.325 per share of common stock, or \$1.30 annually. Prior to the 1Q'22 dividend paid in May 2022, our policy was to pay quarterly dividends of \$0.25 per share of common stock, or \$1.00 annually. See Notes at the end of the document for our Dividend Policy. In February 2023, the Board of Directors approved an increase in the common dividend to an annual rate of \$1.40, which is anticipated to commence for the first quarter 2023 dividend expected to be paid in May 2023.

** Shares eligible for dividend include 1.9 million net common shares that will be issued in February 2023 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 December 31, 2022 because they will participate in the dividend paid on common shares in March 2023.

Reconciliation of GAAP to Total Segment Information

(Dollars in millions)

	4Q'21	1Q'22	2Q'22	3Q'22	4Q'22	FY'20	FY'21	FY'22
INCOME (LOSS) BEFORE PROVISION FOR INCOME TAXES	\$ 909.2	\$ 742.7	\$ 299.7	\$ 358.6	\$ 171.5	\$ 580.0	\$ 4,027.5	\$ 1,572.5
Adjustments:								
Net unrealized performance revenues	39.4	(466.6)	(70.8)	152.2	201.5	(598.7)	(1,606.2)	(183.7)
Unrealized principal investment (income) loss ¹	(71.3)	(23.7)	27.1	29.9	5.0	556.2	(351.8)	38.3
Principal investment loss from dilution of indirect investment in Fortitude ²	—	—	176.9	—	—	—	—	176.9
Adjusted unrealized principal investment (income) loss from direct investment in Fortitude	—	—	—	—	—	104.4	—	—
Equity-based compensation ³	43.4	40.7	48.3	56.0	16.9	116.6	172.9	161.9
Acquisition or disposition related charges, including amortization of intangibles and impairment	(17.0)	29.1	53.4	42.4	62.5	38.1	37.7	187.4
Tax (expense) benefit associated with certain foreign performance revenues	(5.3)	(0.8)	—	3.8	—	(7.9)	(17.1)	3.0
Net (income) loss attributable to non-controlling interests in consolidated entities	(12.8)	(23.2)	(3.5)	(1.6)	(31.4)	(34.6)	(70.5)	(59.7)
Debt extinguishment costs	10.2	—	—	—	—	—	10.2	—
Right-of-use asset impairment	—	—	—	—	—	—	26.8	—
Other adjustments, including severance and Conversion costs in 2020	7.0	4.6	(2.3)	3.1	7.0	8.0	14.2	12.4
DISTRIBUTABLE EARNINGS	\$ 902.8	\$ 302.8	\$ 528.8	\$ 644.4	\$ 433.0	\$ 762.1	\$ 2,243.7	\$ 1,909.0
Realized net performance revenues	682.7	118.0	270.9	391.1	218.5	246.3	1,529.6	998.5
Realized principal investment income	70.4	26.3	43.8	56.7	23.8	73.0	209.5	150.6
Net interest	24.8	24.8	22.3	16.0	11.4	76.9	93.5	74.5
FEE RELATED EARNINGS	174.5	183.3	236.4	212.6	202.1	\$ 519.7	\$ 598.1	\$ 834.4

(1) The U.S. GAAP results for FY 2020 include a loss in principal investment income (loss) of \$(621) million related to the closing of the transaction in which a Carlyle-affiliated investment fund purchased additional interests in Fortitude from AIG. The loss was driven by the contribution of our existing 19.9% investment in Fortitude into the fund, and the subsequent accounting for our investment which is based on the net asset value of our limited partnership interest in the fund rather than a direct investment in Fortitude.

(2) In connection with the initial drawdown of the March 2022 capital raise from Fortitude, the Company's indirect ownership of Fortitude decreased from 19.9% to 13.5%. As a result of the dilution, the Company recorded a reduction in the carrying value of its equity method investment and corresponding loss of \$177 million. At the time the remaining capital is called by Fortitude, the Company's indirect ownership will further decrease to 10.5% and the Company expects to record an additional reduction in carrying value and related loss. These amounts are excluded from the total segment results.

(3) Equity-based compensation includes amounts reflected in principal investment income and general, administrative and other expense in our U.S. GAAP statement of operations.

Reconciliation of GAAP to Total Segment Information, continued

(Dollars in millions)

	Total Reportable Segments	Consolidated Funds	Reconciling Items	Carlyle Consolidated ¹
Three Months Ended December 31, 2021				
Revenues	\$ 1,894.8	\$ 67.9	\$ 36.4	\$ 1,999.1 ²
Expenses	\$ 992.0	\$ 55.2	\$ 35.6	\$ 1,082.8 ²
Other income (loss)	\$ —	\$ (7.1)	\$ —	\$ (7.1) ³
Distributable Earnings	\$ 902.8	\$ 5.6	\$ 0.8	\$ 909.2 ⁴
Three Months Ended March 31, 2022				
Revenues	\$ 779.5	\$ 61.7	\$ 740.6	\$ 1,581.8 ²
Expenses	\$ 476.7	\$ 52.9	\$ 312.3	\$ 841.9 ²
Other income (loss)	\$ —	\$ 2.8	\$ —	\$ 2.8 ³
Distributable Earnings	\$ 302.8	\$ 11.6	\$ 428.3	\$ 742.7 ⁴
Three Months Ended June 30, 2022				
Revenues	\$ 1,161.2	\$ 63.2	\$ (175.4)	\$ 1,049.0 ²
Expenses	\$ 632.4	\$ 51.1	\$ 42.3	\$ 725.8 ²
Other income (loss)	\$ —	\$ (23.5)	\$ —	\$ (23.5) ³
Distributable Earnings	\$ 528.8	\$ (11.4)	\$ (217.7)	\$ 299.7 ⁴
Three Months Ended September 30, 2022				
Revenues	\$ 1,401.7	\$ 79.7	\$ (392.9)	\$ 1,088.5 ²
Expenses	\$ 757.3	\$ 62.0	\$ (119.7)	\$ 699.6 ²
Other income (loss)	\$ —	\$ (30.3)	\$ —	\$ (30.3) ³
Distributable Earnings	\$ 644.4	\$ (12.6)	\$ (273.2)	\$ 358.6 ⁴
Three Months Ended December 31, 2022				
Revenues	\$ 1,059.0	\$ 106.4	\$ (446.0)	\$ 719.4 ²
Expenses	\$ 626.0	\$ 89.3	\$ (157.9)	\$ 557.4 ²
Other income (loss)	\$ —	\$ 9.5	\$ —	\$ 9.5 ³
Distributable Earnings	\$ 433.0	\$ 26.6	\$ (288.1)	\$ 171.5 ⁴

	Total Reportable Segments	Consolidated Funds	Reconciling Items	Carlyle Consolidated ¹
Year Ended December 31, 2020				
Revenues	\$ 2,289.5	\$ 226.8	\$ 418.3	\$ 2,934.6 ²
Expenses	\$ 1,527.4	\$ 206.2	\$ 599.7	\$ 2,333.3 ²
Other income (loss)	\$ —	\$ (21.3)	\$ —	\$ (21.3) ³
Distributable Earnings	\$ 762.1	\$ (0.7)	\$ (181.4)	\$ 580.0 ⁴
Year Ended December 31, 2021				
Revenues	\$ 4,950.1	\$ 253.2	\$ 3,578.8	\$ 8,782.1 ²
Expenses	\$ 2,706.4	\$ 217.8	\$ 1,832.9	\$ 4,757.1 ²
Other income (loss)	\$ —	\$ 2.5	\$ —	\$ 2.5 ³
Distributable Earnings	\$ 2,243.7	\$ 37.9	\$ 1,745.9	\$ 4,027.5 ⁴
Year Ended December 31, 2022				
Revenues	\$ 4,401.4	\$ 311.0	\$ (273.7)	\$ 4,438.7 ²
Expenses	\$ 2,492.4	\$ 255.3	\$ 77.0	\$ 2,824.7 ²
Other income (loss)	\$ —	\$ (41.5)	\$ —	\$ (41.5) ³
Distributable Earnings	\$ 1,909.0	\$ 14.2	\$ (350.7)	\$ 1,572.5 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)

	4Q'21	1Q'22	2Q'22	3Q'22	4Q'22	FY'20	FY'21	FY'22
REVENUE RECONCILING ITEMS								
Unrealized performance revenues	\$ (57.1)	\$ 698.8	\$ 12.2	\$ (376.2)	\$ (477.3)	\$ 1,031.0	\$ 3,155.6	\$ (142.5)
Unrealized principal investment income (loss)	71.3	23.7	(27.1)	(29.9)	(5.0)	(556.2)	351.8	(38.3)
Principal investment loss from dilution of indirect investment in Fortitude	—	—	(176.9)	—	—	—	—	(176.9)
Adjusted unrealized principal investment income (loss) from direct investment in Fortitude	—	—	—	—	—	(104.4)	—	—
Adjustments related to expenses associated with NGP Management and its affiliates	(3.5)	(3.1)	(3.0)	(3.8)	(3.0)	(15.3)	(13.7)	(12.9)
Tax expense (benefit) associated with certain foreign performance revenues	(0.1)	(0.1)	—	0.1	0.1	0.5	0.2	0.1
Non-controlling interests and other adjustments to present certain costs on a net basis	40.0	17.9	13.7	28.4	59.0	96.6	159.6	119.0
Elimination of revenues of Consolidated Funds	(14.2)	3.4	5.7	(11.5)	(19.8)	(33.9)	(74.7)	(22.2)
Total Revenue Reconciling Items	\$ 36.4	\$ 740.6	\$ (175.4)	\$ (392.9)	\$ (446.0)	\$ 418.3	\$ 3,578.8	\$ (273.7)
EXPENSE RECONCILING ITEMS								
Unrealized performance revenues related compensation	\$ (17.7)	\$ 232.2	\$ (58.6)	\$ (224.0)	\$ (275.8)	\$ 432.3	\$ 1,549.4	\$ (326.2)
Equity-based compensation	43.4	40.7	48.3	56.0	16.9	116.6	172.9	161.9
Acquisition or disposition related charges (credits), including amortization of intangibles and impairment	(17.0)	29.1	53.4	42.4	62.5	38.1	37.7	187.4
Tax (expense) benefit associated with certain foreign performance revenues related compensation	(5.2)	(0.7)	—	3.7	(0.1)	(8.4)	(17.3)	2.9
Non-controlling interests and other adjustments to present certain costs on a net basis	25.3	16.5	11.8	7.5	46.9	55.8	78.5	82.7
Debt extinguishment costs	10.2	—	—	—	—	—	10.2	—
Right-of-use asset impairment	—	—	—	—	—	—	26.8	—
Other adjustments, including severance and Conversion costs in 2020	7.0	4.6	(2.3)	3.1	7.0	8.0	14.2	12.4
Elimination of expenses of Consolidated Funds	(10.4)	(10.1)	(10.3)	(8.4)	(15.3)	(42.7)	(39.5)	(44.1)
Total Expense Reconciling Items	\$ 35.6	\$ 312.3	\$ 42.3	\$ (119.7)	\$ (157.9)	\$ 599.7	\$ 1,832.9	\$ 77.0

Reconciliation for Total Segment Information, continued

RECONCILIATION OF TOTAL INVESTMENTS ATTRIBUTABLE TO THE CARLYLE GROUP INC.

(Dollars in millions)

	12/31/22
INVESTMENTS, EXCLUDING PERFORMANCE ALLOCATIONS	\$ 3,644.8
Less: Amounts attributable to non-controlling interests in Consolidated Funds	(167.8)
Plus: Investments in Consolidated Funds, eliminated in consolidation	222.0
Less: Strategic equity method investments in NGP Management ¹	(369.7)
Less: Investment in NGP general partners - accrued performance allocations ¹	(564.5)
TOTAL INVESTMENTS ATTRIBUTABLE TO THE CARLYLE GROUP INC.	2,764.8
Less: CLO loans and other borrowings attributable to The Carlyle Group Inc. ²	(401.0)
TOTAL INVESTMENTS ATTRIBUTABLE TO THE CARLYLE GROUP INC., NET OF CLO LOANS AND OTHER BORROWINGS	\$ 2,363.8

RECONCILIATION OF ACCRUED PERFORMANCE ALLOCATIONS

(Dollars in millions)

	12/31/22
ACCRUED PERFORMANCE ALLOCATIONS, NET OF ACCRUED GIVEBACK OBLIGATIONS	\$ 7,076.8
Plus: Accrued performance allocations from NGP Carry Funds ³	564.6
Less: Net accrued performance allocations presented as fee related performance revenues	(53.2)
Less: Accrued performance allocation-related expense	(3,625.3)
Plus: Receivable for giveback obligation from current and former employees	10.1
Less: Deferred taxes on certain foreign accrued performance allocations	(31.6)
Plus/Less: Net accrued performance allocations/giveback obligations attributable to non-controlling interests in consolidated entities	1.1
Plus: Net accrued allocations attributable to Consolidated Funds, eliminated in consolidation	5.4
NET ACCRUED PERFORMANCE REVENUES BEFORE TIMING DIFFERENCES	3,947.9
Plus/Less: Timing differences between the period when accrued performance allocations are realized and the period they are collected/distributed	16.7
NET ACCRUED PERFORMANCE REVENUES ATTRIBUTABLE TO THE CARLYLE GROUP INC.	\$ 3,964.6

(1) The Company has equity interests in NGP Management Company, L.L.C. ("NGP Management"), the general partners of certain carry funds advised by NGP, and principal investments in certain NGP funds. These equity interests are accounted for as investments under the equity method of accounting. Total investments attributable to The Carlyle Group Inc. excludes the strategic equity method investment in NGP Management and investments in the general partners of certain NGP carry funds. The Company does not control or advise the NGP funds.

(2) Of the \$421.7 million in CLO borrowings as of December 31, 2022, \$401.0 million are collateralized by investments attributable to The Carlyle Group Inc. The remaining \$20.7 million in CLO borrowings 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.

GAAP Statement of Operations (Unaudited)

(Dollars in millions, except per share amounts)

	4Q'21	1Q'22	2Q'22	3Q'22	4Q'22	FY'20	FY'21	FY'22
REVENUES								
Fund management fees	\$ 484.6	\$ 450.5	\$ 546.5	\$ 535.9	\$ 497.2	\$ 1,486.0	\$ 1,667.5	\$ 2,030.1
Incentive fees	15.8	14.0	13.5	15.1	21.1	37.0	48.8	63.7
Investment income								
Performance allocations	1,243.3	710.2	337.9	298.1	(18.7)	1,635.9	6,084.6	1,327.5
Principal investment income (loss)	160.1	319.6	56.7	124.2	70.0	(540.7)	637.3	570.5
Total investment income (loss)	1,403.4	1,029.8	394.6	422.3	51.3	1,095.2	6,721.9	1,898.0
Interest and other income	27.4	25.8	31.2	35.5	43.4	89.6	90.7	135.9
Interest and other income of Consolidated Funds	67.9	61.7	63.2	79.7	106.4	226.8	253.2	311.0
Total Revenues	1,999.1	1,581.8	1,049.0	1,088.5	719.4	2,934.6	8,782.1	4,438.7
EXPENSES								
Compensation and benefits								
Cash-based compensation and benefits	222.8	254.3	274.0	251.4	272.3	849.6	908.0	1,052.0
Equity-based compensation	41.1	39.7	45.4	54.2	14.7	105.0	163.1	154.0
Performance allocations and incentive fee related compensation	605.2	370.7	207.0	163.5	(21.3)	779.1	2,961.0	719.9
Total compensation and benefits	869.1	664.7	526.4	469.1	265.7	1,733.7	4,032.1	1,925.9
General, administrative and other expenses	131.3	106.3	131.7	149.2	188.6	349.3	431.7	575.8
Interest	36.9	27.8	26.9	27.3	28.4	94.0	113.3	110.4
Interest and other expenses of Consolidated Funds	45.0	42.8	40.6	53.7	74.5	163.5	178.5	211.6
Other non-operating expenses (income)	0.5	0.3	0.2	0.3	0.2	(7.2)	1.5	1.0
Total Expenses	1,082.8	841.9	725.8	699.6	557.4	2,333.3	4,757.1	2,824.7
Net investment gains (losses) of consolidated funds	(7.1)	2.8	(23.5)	(30.3)	9.5	(21.3)	2.5	(41.5)
Income (loss) before provision for income taxes	909.2	742.7	299.7	358.6	171.5	580.0	4,027.5	1,572.5
Provision (benefit) for income taxes	248.8	147.9	50.8	76.2	12.9	197.2	982.3	287.8
Net income (loss)	660.4	594.8	248.9	282.4	158.6	382.8	3,045.2	1,284.7
Net income (loss) attributable to non-controlling interests in consolidated entities	12.8	23.2	3.5	1.6	31.4	34.6	70.5	59.7
Net income (loss) attributable to The Carlyle Group Inc.	\$ 647.6	\$ 571.6	\$ 245.4	\$ 280.8	\$ 127.2	\$ 348.2	\$ 2,974.7	\$ 1,225.0
Net income (loss) attributable to The Carlyle Group Inc. per common share								
Basic	\$ 1.82	\$ 1.60	\$ 0.68	\$ 0.77	\$ 0.35	\$ 0.99	\$ 8.37	\$ 3.39
Diluted	\$ 1.77	\$ 1.57	\$ 0.67	\$ 0.77	\$ 0.35	\$ 0.97	\$ 8.20	\$ 3.35
Weighted-average common shares (in millions)								
Basic	356.2	357.6	361.4	362.9	363.1	350.5	355.2	361.3
Diluted	365.0	363.0	366.3	366.8	366.6	358.4	362.6	365.7
Income before provision for income taxes margin	45.5 %	47.0 %	28.6 %	32.9 %	23.8 %	19.8 %	45.9 %	35.4 %

GAAP Balance Sheet (Unaudited)

(Dollars in millions)

ASSETS

Cash and cash equivalents
Cash and cash equivalents of Consolidated Funds
Restricted cash
Restricted cash and securities of Consolidated Funds
Corporate treasury investments
Investments, including performance allocations of \$7,117.7 million
Investments of Consolidated Funds
Due from affiliates and other receivables, net
Due from affiliates and other receivables of Consolidated Funds, net
Fixed assets, net
Lease right-of-use assets, net
Deposits and other
Intangible assets, net
Deferred tax assets
Total assets

LIABILITIES & EQUITY

Debt obligations
Loans payable of Consolidated Funds
Accounts payable, accrued expenses and other liabilities
Accrued compensation and benefits
Due to affiliates
Deferred revenue
Deferred tax liabilities
Other liabilities of Consolidated Funds
Lease liabilities
Accrued giveback obligations
Total liabilities
Total equity
Total liabilities and equity

As of December 31, 2022			
Consolidated Operating Entities	Consolidated Funds	Eliminations	Consolidated
\$ 1,360.7	\$ —	\$ —	\$ 1,360.7
—	209.0	—	209.0
0.8	—	—	0.8
—	—	—	—
20.0	—	—	20.0
10,989.9	—	(222.0)	10,767.9
—	6,894.4	—	6,894.4
960.5	—	(381.1)	579.4
—	101.9	—	101.9
139.9	—	—	139.9
337.0	—	—	337.0
70.4	8.0	—	78.4
897.8	—	—	897.8
15.8	—	—	15.8
\$ 14,792.8	\$ 7,213.3	\$ (603.1)	\$ 21,403.0
\$ 2,271.7	\$ —	\$ —	\$ 2,271.7
—	6,279.7	(374.5)	5,905.2
369.2	—	—	369.2
4,320.9	—	—	4,320.9
346.1	16.5	(0.1)	362.5
126.4	—	—	126.4
402.7	—	—	402.7
—	279.7	(0.4)	279.3
502.9	—	—	502.9
40.9	—	—	40.9
8,380.8	6,575.9	(375.0)	14,581.7
6,412.0	637.4	(228.1)	6,821.3
\$ 14,792.8	\$ 7,213.3	\$ (603.1)	\$ 21,403.0

Notes

Dividend Policy

In February 2022, our Board of Directors approved an increase in the anticipated common stock dividend to an annual rate of \$1.30 per share (\$0.325 per common share on a quarterly basis), commencing with the first quarter 2022 dividend paid in May 2022. In February 2023, our Board of Directors approved an increase in the anticipated common stock dividend to an annual rate of \$1.40 per share (\$0.35 per common share on a quarterly basis), anticipated to commence for the first quarter 2023 dividend expected to be paid in May 2023. 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) In connection with the initial drawdown of the Fortitude capital raise in Q2 2022, our indirect ownership was diluted from 19.9% to 13.5%, resulting in a \$177 million investment loss in our GAAP results, which is excluded from our Total Segment results. At the time the remaining capital is called by Fortitude, our indirect ownership will further decrease to 10.5% and we expect to record an additional reduction in carrying value and related loss.
- (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 30.
- (3) Income (loss) before provision for taxes margin is equal to Income (loss) before provision for taxes, divided by Total revenues.
- (4) Net performance revenues are equal to Performance revenues less Performance revenues related compensation expense.

Note on Fee Related Earnings (Page 9)

- (1) Fee related performance revenues represent the realized portion of performance revenues that are measured and received on a recurring basis, are not dependent on realization events, and which have no risk of giveback.
- (2) FRE Margin is calculated as Fee Related Earnings, divided by Total Segment Fee Revenues.

Notes on Performance Revenues (Page 11)

- (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 realized net performance revenues is included on page 32.
- (3) Total for Global Private Equity includes Legacy Energy funds. The impact of these funds is no longer significant to our results of operations.

Notes on Assets Under Management (Pages 12-14)

- (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. We also include the NGP funds, which are advised by NGP.
- (2) Available Capital refers to the amount of capital commitments available to be called for investments, which may be reduced for equity invested that is funded via fund credit facility and expected to be called from investors at a later date, plus any additional assets/liabilities at the fund level other than active investments. Amounts previously called may be added back to available capital following certain distributions.
- (3) Credit (Non-Carry Funds) includes our CLOs, business development companies and related managed accounts, the Carlyle Tactical Private Credit Fund, as well as securitization vehicles and various managed accounts in our Carlyle Aviation business. "Other" includes the NGP Predecessor funds and certain managed account vehicles. Total AUM for Fortitude includes \$6 billion related to the investment in Fortitude by Carlyle FRL and a third-party strategic investor. Amounts invested in Carlyle products under the strategic advisory services agreement are included in Fortitude AUM as well as in the AUM of the strategy in which they are invested.
- (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.

Notes, continued

Notes on Assets Under Management (Pages 12-14) (continued)

(5) The In-Carry Ratio represents the percentage of Fair Value in our Traditional Carry Funds (Global Private Equity and Global Credit), which is accruing performance revenue as of the quarter-end reporting date. This metric does not address the realization of performance revenue.

(6) Reflects the percentage of Fair Value in our traditional carry funds attributable to investments originated in Q4 2017 or prior. Investments that include follow-on tranches are fully recognized based on the date of the initial investment activity.

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

(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.

(9) Perpetual Capital refers to the assets we manage or advise which have an indefinite term and for which there is no immediate requirement to return capital to investors upon the realization of investments made with such capital, except as required by applicable law. Perpetual Capital may be materially reduced or terminated under certain conditions, including reductions from changes in valuations and payments to investors, including through elections by investors to redeem their investments, dividend payments, and other payment obligations, as well as the termination of or failure to renew the respective investment advisory agreements. Perpetual Capital includes: (a) assets managed under the strategic advisory services agreement with Fortitude, (b) our Core Plus real estate fund, (c) our business development companies and certain other direct lending products, and (d) our Interval Fund.

Note on Key Metric Activity (Page 15)

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

Note on Segment Highlights (Page 17-19)

(1) Fortitude includes \$6 billion related to the investment in Fortitude by Carlyle FRL and a third-party strategic investor. Amounts invested in Carlyle products under the strategic advisory services agreement are included in Fortitude AUM as well as in the AUM of the strategy in which they are invested.

(2) 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. New CLO warehouse assets are recognized as an inflow to AUM, while corresponding fundraising will not be recognized until CLO issuance.

(2) Outflows includes distributions net of recallable or recyclable amounts in our carry funds, related co-investment vehicles, and separately managed accounts, 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 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 Global Investment Solutions carry funds are based on the latest available valuations of the underlying limited partnership interests (in most cases as of September 30, 2022) as provided by their general partners, plus the net cash flows since the latest valuation, up to December 31, 2022.

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.

Notes, continued

Notes on Fund Performance Tables (Pages 24-27)

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

Notes, continued

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

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

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

(22) Includes private equity and mezzanine primary fund investments, secondary fund investments and co-investments originated by the Alplinvest team. Excluded from the performance information shown are a) investments that were not originated by Alplinvest, b) Direct Investments, which was spun off from Alplinvest in 2005, and c) LP co-investment vehicles advised by Alplinvest. As of December 31, 2022, these excluded investments represent \$3.3 billion of AUM at Alplinvest.

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

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

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

(26) The performance information of all 'Other Funds' includes Primary Investments Main Funds VII-XIII, Mezzanine Investments Main Funds III-V, all 'clean technology' private equity investments, all strategic co-investment mandates that invest in co-investment opportunities arising out of an investor's own separate private equity relationships and invitations, all strategic portfolio finance mandates, any state-focused investment mandates, and all other investors whose investments are not reflected in a Main Fund.

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

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

(29) The fund stepdown date represents the contractual stepdown date under the respective fund agreements for funds on which the fee basis stepdown has not yet occurred. Funds without a listed Fee Initiation Date and Stepdown Date have not yet initiated fees.

(30) All amounts shown represent total capital commitments as of December 31, 2022. Certain of our recent vintage funds are currently in fundraising and total capital commitments are subject to change. Capital Committed for CEMOF II reflects original committed capital of \$2.8 billion, less \$1.1 billion in commitments which were extinguished following a Key Person Event.

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

(1) Estimated current corporate, foreign, state and local taxes represents the total U.S. 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, amortization of acquired intangible assets, and other 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.

(2) Estimated DE effective tax rate is calculated as the estimated current corporate, foreign, state and local taxes divided by Distributable Earnings.

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 fee related performance revenues, which are included in fund level fee revenues 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, the exclusion of charges associated with the investment in NGP Management and its affiliates that are excluded from the segment results and the exclusion of the principal investment loss from the dilution of the indirect investment in Fortitude.