
THE CARLYLE GROUP

GLOBAL ALTERNATIVE ASSET MANAGEMENT

Morgan Stanley Financials Conference

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June 2019

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The fund return information reflected in this presentation is not indicative of the performance of The Carlyle Group L.P. and is also not necessarily indicative of the future performance of any particular fund. There can be no assurance that any of Carlyle's funds or its other existing and future funds will achieve similar returns. See "Risk Factors — Risks Related to Our Business Operations — The historical returns attributable to our funds, including those presented in this report, should not be considered as indicative of the future results of our funds or of our future results or of any returns expected on an investment in our common units" in the Annual Report. As used throughout this document, and unless otherwise indicated, "Gross IRR" represents the annualized internal rate of return for the period indicated on limited partner invested capital based on contributions, distributions and unrealized value before management fees, expenses and carried interest, which will reduce returns and, in the aggregate are substantial. "Net IRR" represents the annualized internal rate of return for the period indicated on limited partner invested capital based on contributions, distributions and unrealized value after management fees, expenses and carried interest (but not taxes borne by investors). "Gross MOIC" represents total fair value, before management fees, expenses and carried interest, divided by cumulative invested capital. An investment is considered realized when the investment fund has completely exited, and ceases to own an interest in, the investment. An investment is considered partially realized when the total proceeds received in respect of such investment, including dividends, interest or other distributions and/or return of capital represents at least 85% of invested capital and such investment is not yet fully realized. In considering investment performance information contained in this presentation, prospective investors should bear in mind that past performance is not necessarily indicative of future results and there can be no assurance that Carlyle or any Fund will achieve comparable results. Actual realized value of currently unrealized investments will depend on, among other factors, future operating results, the value of the assets and market conditions at the time of disposition, any related transaction costs and the timing and manner of sale, all of which may differ from the assumptions and circumstances on which the current unrealized valuations are based. Accordingly, the actual realized values of unrealized investments may differ materially from the values indicated herein. Unless otherwise specified, LTM, or last twelve months refers to the period of Q2 2018 through Q1 2019, and the prior rolling 12-month period refers to the period Q2 2017 to Q1 2018.

This presentation includes comparisons of certain private equity indices to various indexes including certain MSCI indexes (MSCI) and the S&P 500 and other indexes. The private equity indices do not represent the performance of any Fund or family of Funds. Recipients should not infer that any Fund is top quartile. There are significant differences between the types of securities and assets typically acquired by U.S. and global buyout funds, the investments covered by the MSCI, S&P 500 and other indexes. Specifically, U.S. and global buyout funds typically make investments in securities and other assets that have a greater degree of risk and volatility, and less liquidity, than those securities included in these indexes and companies included in the indexes are not subject to certain of the management fees, carried interest or expenses to which investors in U.S. and global buyout funds are typically subject. Comparisons between private equity funds, Carlyle sponsored funds, the MSCI, S&P 500 and other indexes are included for informational purposes only. The private equity returns do not represent the performance of any Fund or family of Funds. Recipients should not infer that any Fund is top quartile.

Detailed information about Carlyle's management fees and performance revenues is available in Carlyle's public filings. Please note that certain metrics and projections contained in this Presentation include the Legacy Energy Funds and funds advised by NGP Energy Capital Management. Please note that the Legacy Energy Funds (as defined in Carlyle's public filings), are managed with Riverstone Holdings LLC and its affiliates. Affiliates of both Carlyle and Riverstone act as investment advisers to each of the Legacy Energy Funds. Currently, Carlyle is only entitled to carried interest and management fees in certain funds advised by NGP Energy Capital Management. The NGP Energy Capital Management funds which solely earn management fees are referred to herein as "NGP predecessor funds."

For purposes of the non-financial operating and statistical data included in this presentation, including the aggregation of our non-U.S. dollar denominated investment funds, foreign currencies have been converted to U.S. dollars at the spot rate as of the last trading day of the reporting period when presenting period end balances, and the average rate for the period has been utilized when presenting activity during such period. With respect to capital commitments raised in foreign currencies, the conversion to U.S. dollars is based on the exchange rate as of the date of closing of such capital commitment.

This presentation includes certain Non-GAAP financial measures, Distributable Earnings ("DE") and Distributable EBITDA. These Non-GAAP financial measures should be considered only as supplemental to, and not as superior to, financial measures prepared in accordance with GAAP. Please refer to the Appendix of this presentation for a reconciliation of the non-GAAP financial measures included in this presentation to the most directly comparable financial measure prepared in accordance with GAAP. Please see Carlyle's public filings for the definition of "carry funds," "Fee-earning assets under management" or "Fee-earning AUM," (FEAUM), and "Assets under management" or "AUM."

Focused On Delivering Strong Results For All Of Carlyle's Stakeholders

1

Carlyle is a global leader in private capital investing with \$222 billion in total Assets Under Management

2

Secular tailwinds continue to drive growth and opportunity across the private capital investment market, benefitting Carlyle's strong fundraising and strategic moves in credit and insurance

3

Carlyle has delivered consistently strong results across a large investment platform to our fund investors

4

Well positioned to drive Distributable Earnings growth with growing Fee Related Earnings and strong foundation for Performance Revenue and Investment Income growth

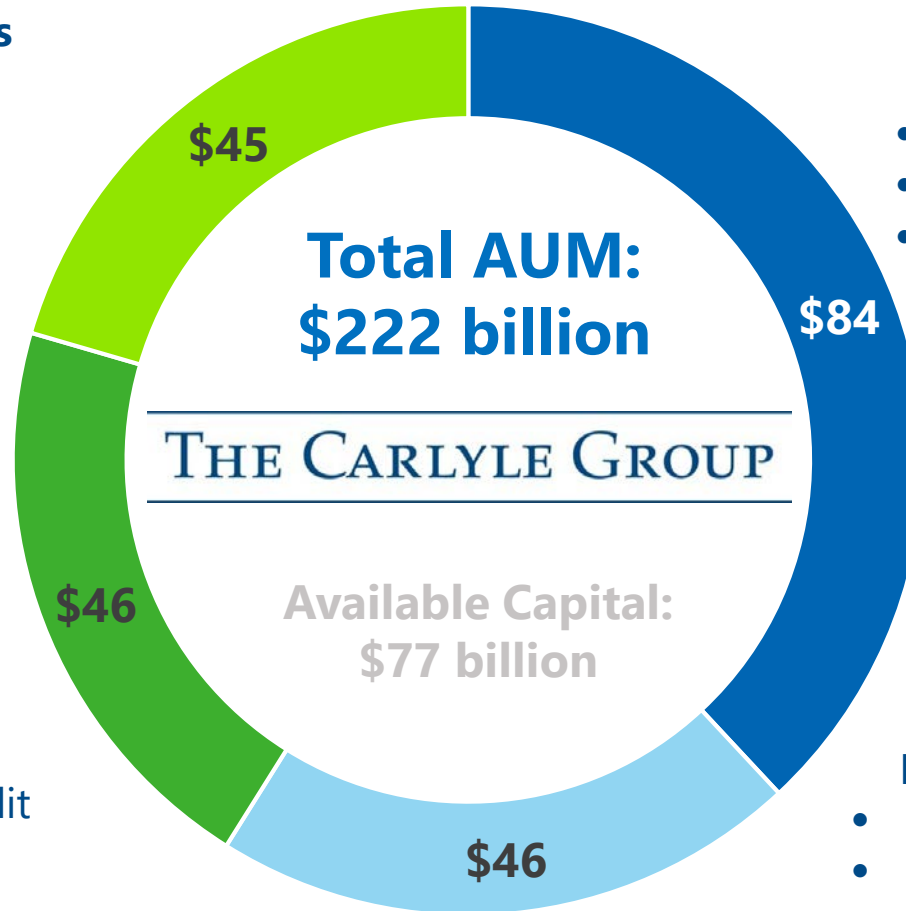
Carlyle Is A Global Leader In Private Capital Investing

Investment Solutions

- Private Equity and Real Estate
- ✓ Funds
- ✓ Secondaries
- ✓ Co-investments

Global Credit

- Structured Credit
- Direct Lending
- Energy Credit
- Distressed Credit
- Opportunistic Credit
- Carlyle Aviation Partners



Corporate Private Equity

- Buyout
- Long dated P/E
- Middle Market and Growth Capital

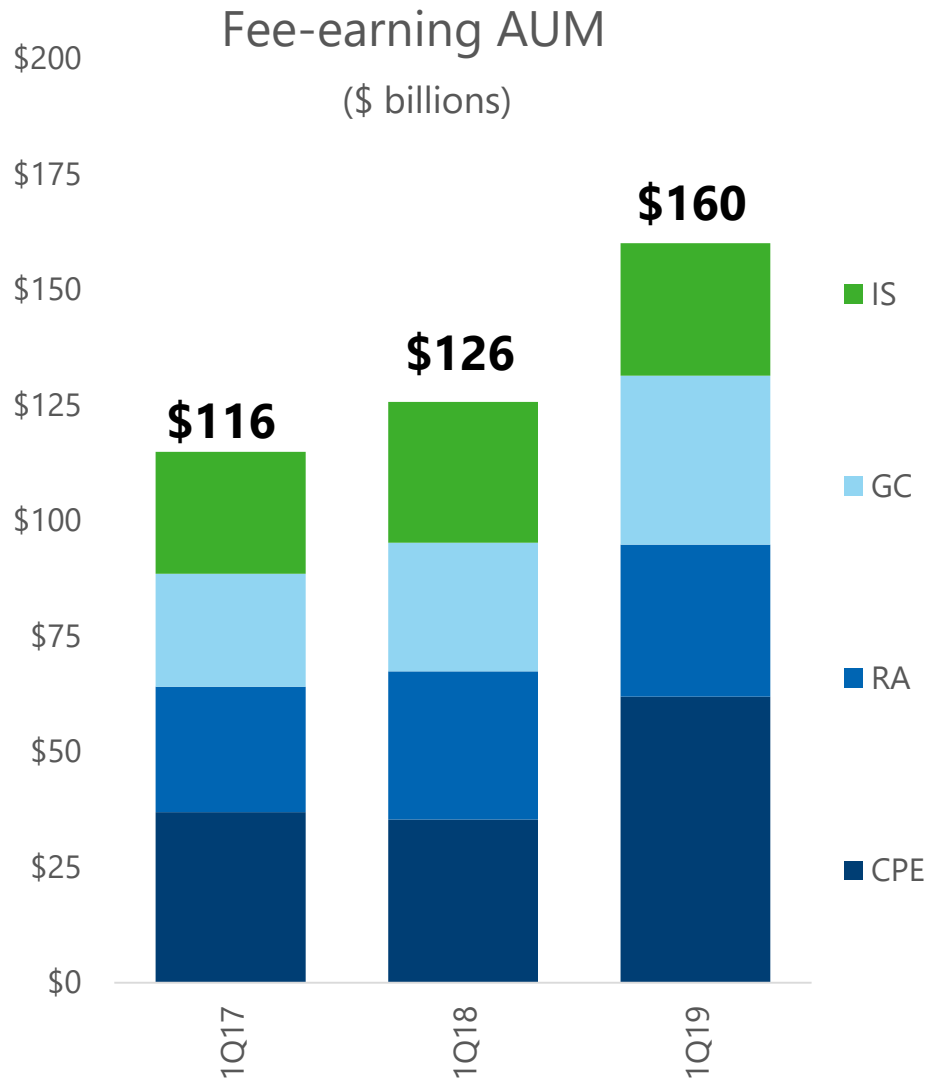
Real Assets¹

- Real Estate
- Energy
- Power
- Infrastructure

Note: Data as of 3/31/2019. See The Carlyle Group L.P.'s filings with the U.S. Securities and Exchange Commission for more information on fund performance.

1) Includes three Energy & Power and Renewable funds jointly advised with Riverstone Holdings, L.L.C. and seven funds advised by NGP Energy Capital Management.

Strong Fee-earning AUM Driven By Momentum Across Our Broad Investment Platform



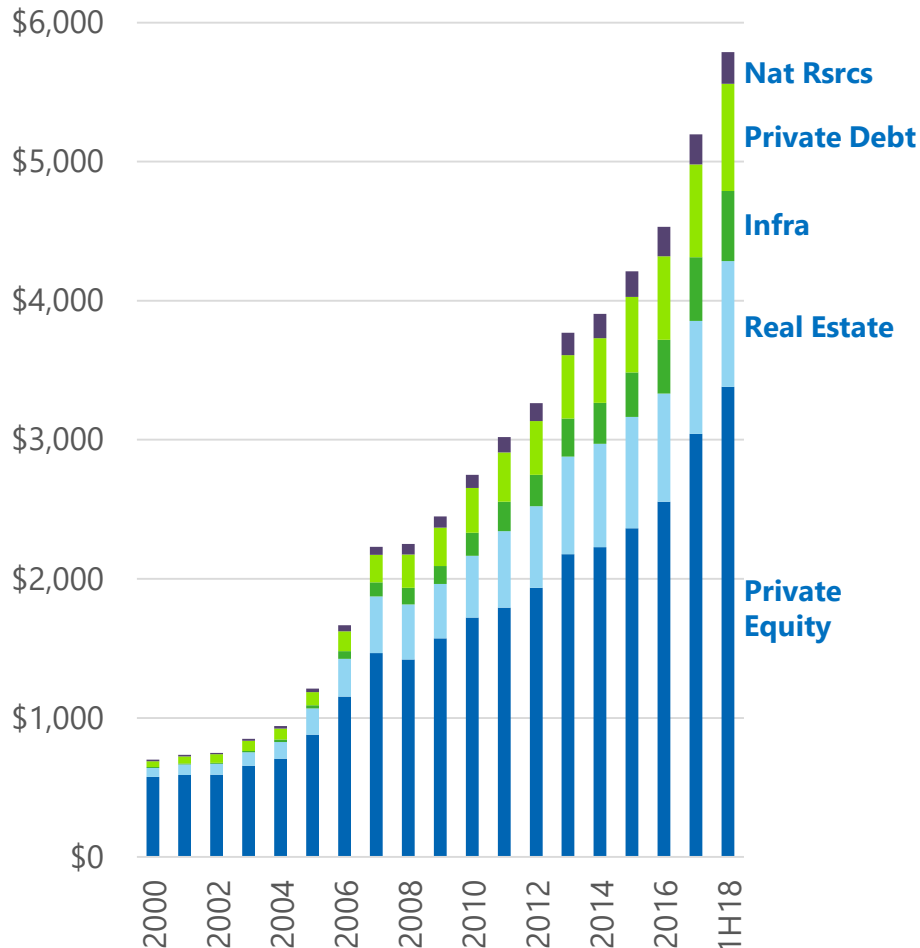
- Fee-earning AUM of **\$160 billion near record levels** in CPE, Real Assets & Global Credit
- Substantially all Fee-earning AUM in **locked up, long term fund structures** not subject to quarterly redemption
- **\$8.8 billion in Pending Fee-earning AUM** will activate fees upon fund initiation or capital deployment ¹

Note: Data as of 3/31/2019.

1) Pending Fee-earning AUM of \$8.8 billion as of 3/31/2019 includes approximately \$2.7 billion in fund commitments that will activate as new funds turn on fees. The remaining amount will generally become fee-earning as the commitments are invested.

The Private Capital Industry Is Large and Growing Quickly

Private Capital AUM: \$5.8 Trillion (as of June 2018)



Private Capital AUM Has Been Growing At 10% Per Year For The Past Decade ¹

Asset Class	AUM (\$ tn)	10-Year CAGR
Private Equity	\$3.4	9%
Real Estate	\$0.9	9%
Infrastructure	\$0.5	16%
Private Debt	\$0.8	12%
Natural Resources	\$0.2	12%
Total	\$5.8	10%

Source: Preqin.
1. Data as of June 30, 2018.

Carlyle Has Delivered Exceptional Performance For Our Fund Investors: Last Five Years (2014-2018)

15%

Average annual **carry fund appreciation**¹ across Carlyle's broad spectrum of carry funds
(vs 5% annualized MSCI ACWI Total Return)

\$138
billion

Total **Realized Proceeds** back to carry fund investors
(average of \$28 billion/year)

\$91
billion

Total **Invested Capital** into new and follow on transactions in Carlyle carry funds
(average of \$18 billion/year)

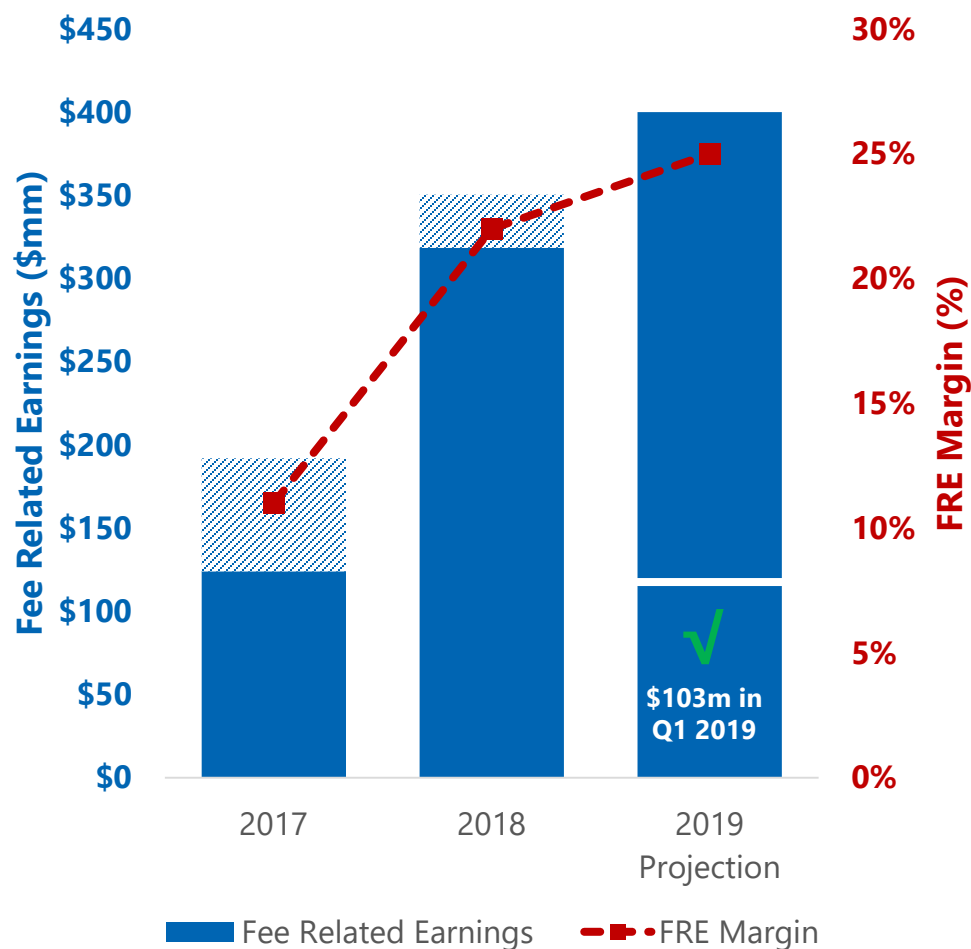
Fee Related Earnings and Margins Moving Higher And We Expect The Trend To Continue

Fee Related Earnings growth accelerated over the last few years

FRE of \$103 million in Q1-19 positions CG to generate at least **\$400 million** for FY 2019, and we expect continued growth from here

FRE margin was 26% in Q1 2019 and we expect to expand pre-tax margins to $\geq 30\%$ over the next several years

FRE & Margin Trends¹

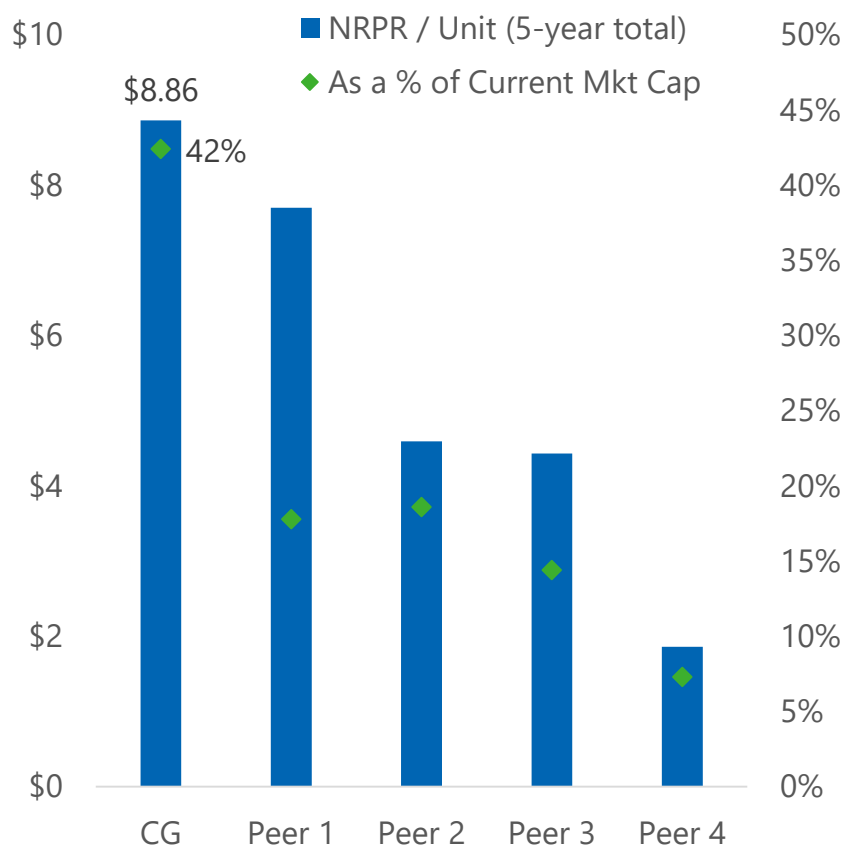


Note: There is no guarantee that these trends will continue. Reflects Management's views as of 6/11/2019. Please see "Important Information" slides for information about the use of and reliance on projections.

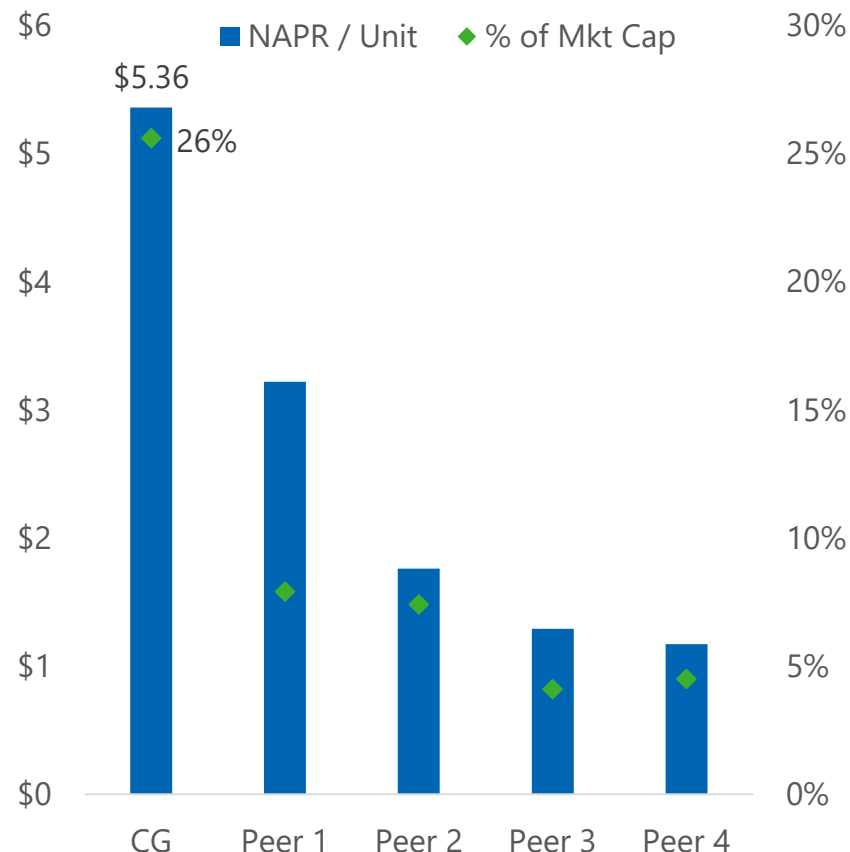
1) 2017 Fee Related Earnings were \$192 million, and \$124 million net of \$68 million in net insurance recoveries. 2018 Fee Related Earnings were \$350 million, and \$318 million net of \$32 million in insurance recoveries. FRE Margins are based on Fee Related Earnings excluding the impact of insurance recoveries.

Our Investment Platform Has Produced Industry Leading Performance Revenues and Positioned For Continued Outperformance

Net Realized Performance Revenue (per unit, 2014-2018 aggregate)

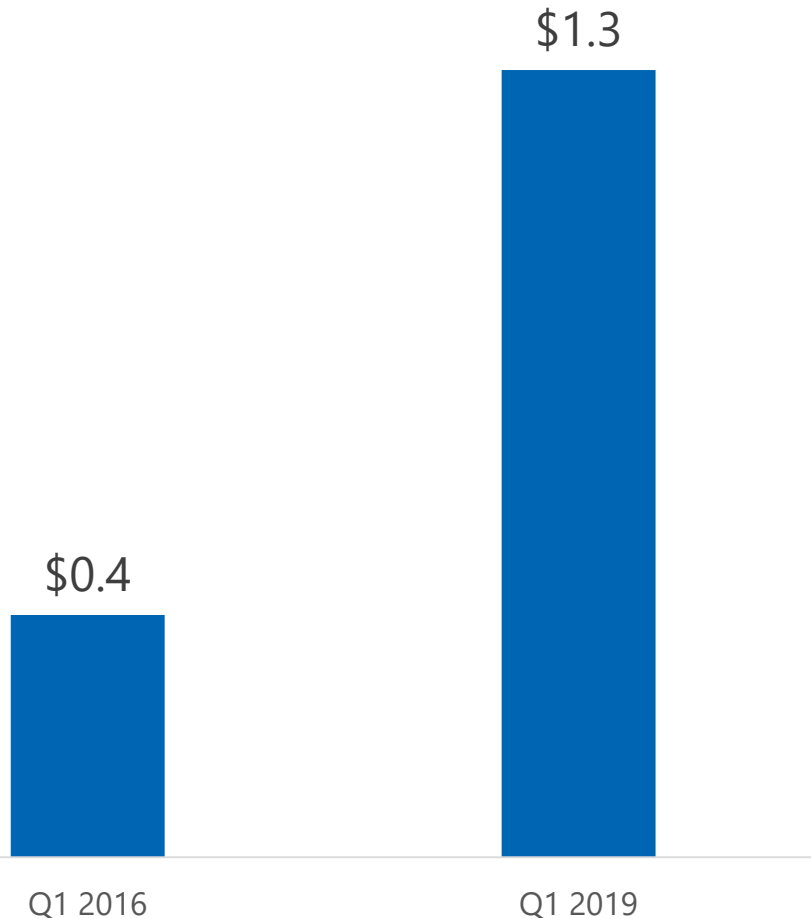


Net Accrued Performance Revenue (per unit, as of 1Q 2019)



Note: Data as of 3/31/2019, except market capitalization estimate which is based on share price as of 6/7/2019. Per unit calculations are derived based on units outstanding as of 3/31/2019, sourced from available public disclosures. Net realized performance revenue per unit reflects 2014-2018 aggregate net realized performance revenue divided by units outstanding as of 3/31/2019. Peers include Apollo, ARES, Blackstone and KKR.

Balance Sheet Investments¹ (\$ billions)



- We have **methodically invested** capital from our balance sheet into funds and investments since our IPO
- We expect balance sheet investments to **deliver similar returns** to our broad investment platform, over time
- **Net Balance Sheet Per Unit reached \$7.77 per unit** in Q1 2019, nearly double the level in Q1 2016

1. Investments include the \$446 million investment in Fortitude Re, excluding the impact of unrealized gains on embedded derivatives included in Fortitude Re's U.S. GAAP financial statements, and exclude the equity investments by Carlyle in NGP Energy Capital Management.

We Are Tracking Well And Positioned For Growth

We are **committed to deliver great results** for all of our stakeholders (fund investors, unitholders, employees)

Carlyle is a **global leader in private capital investing** which is a growth industry

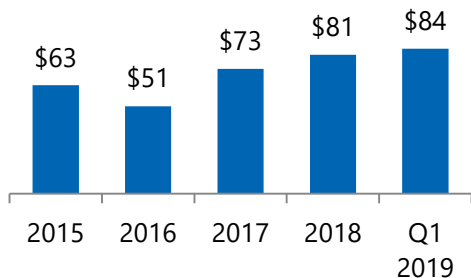
Our **investment performance** remains strong

We are **on track to improve firm wide financial performance** across all key metrics

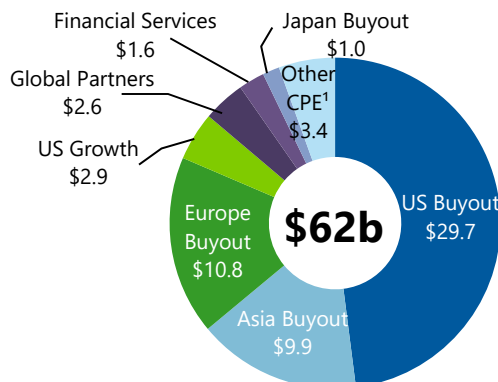
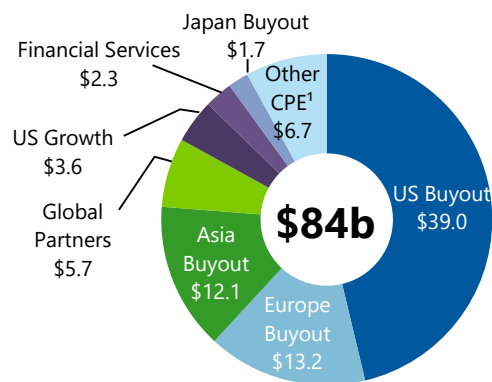
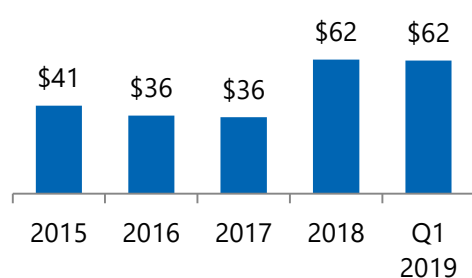
SEGMENT SUMMARIES

Corporate Private Equity: Platform Continues to Scale While Maintaining Superior Long Term Performance

Total AUM (\$bn)



Fee-earning AUM (\$bn)



Financial Metrics (\$mm)

	2016	2017	2018	LTM Q1 2019
Fee Related Earnings	\$116	\$26	\$124	\$195
Net Realized Performance Revenues	588	459	221	136
Distributable Earnings	739	488	350	326

Key Points

- ❑ **Superior, diversified track record**
 - 2.4X MOIC on realized and partially realized investments
 - Experience across multiple deployment and exit cycles

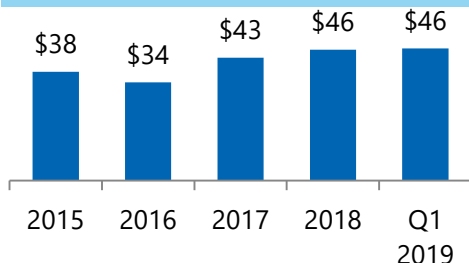
- ❑ **Successor funds continue to scale CPE platform**
 - US/Asia/Europe buyout fundraising scaled latest funds by more than 50%
 - \$36 bn of Available Capital
 - Deployment of \$11.7 bn LTM

- ❑ **Positioned to deliver future performance fees**
 - \$48 bn Remaining Fair Value
 - \$1.1 bn of Net Accrued Performance Revenue

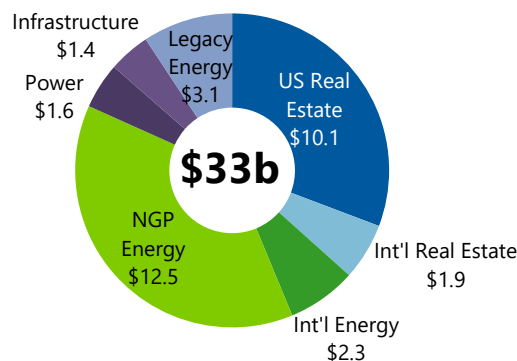
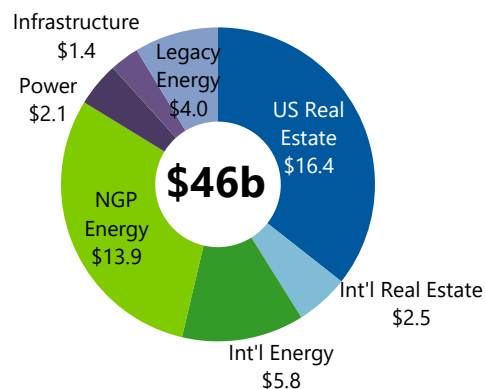
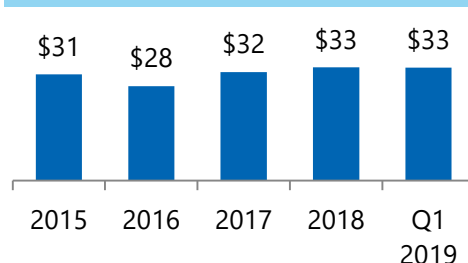
Note: Data as of 3/31/2019 unless otherwise noted. See The Carlyle Group L.P.'s filings with the U.S. Securities and Exchange Commission for more information on fund performance. 1) Comprised of South America Buyout, Europe Growth, Asia Growth, Sub-Saharan Africa Buyout, CPE Platform Accounts, Peru Buyout, Ireland Buyout and MENA Buyout.

Real Assets: Growing Real Estate Platform & Opportunities in Natural Resources, Power and Infrastructure

Total AUM (\$bn)



Fee-earning AUM (\$bn)



Financial Metrics (\$mm)

	2016	2017	2018	LTM Q1 2019
Fee Related Earnings	\$69	\$52	\$121	\$123
Net Realized Performance Revenues	16	50	84	73
Distributable Earnings	49	25	207	192

Key Points

- ❑ **US Real Estate business delivering strong performance**
 - Strong performance and substantial scaling in opportunistic funds
 - Core Plus market an attractive opportunity to leverage USRE expertise

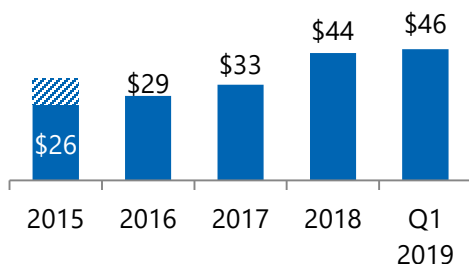
- ❑ **Natural Resources actively deploying capital and performing**
 - Invested Capital of \$2.0 bn over the LTM
 - Carry funds appreciated 3% in Q1 and 6% over the LTM

- ❑ **Global Infrastructure opportunity**
 - New global infrastructure fund has announced several significant transactions with a strong pipeline¹

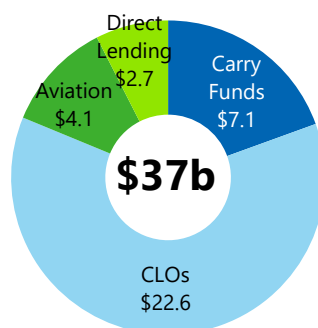
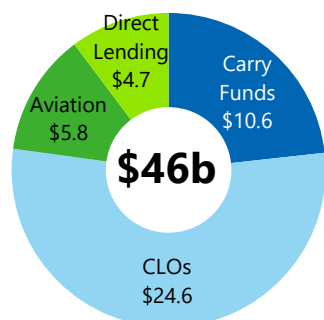
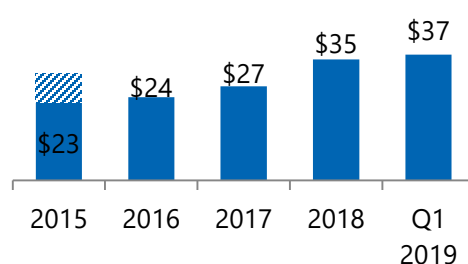
Note: Data as of 3/31/2019. 1) There is no guarantee the infrastructure fund will consummate any transaction in its pipeline on the anticipated terms or at all.

Global Credit: Significant Growth Potential as We Build a Larger Diversified Credit Platform

Total AUM¹ (\$bn)



Fee-earning AUM¹ (\$bn)



Financial Metrics (\$mm)

	2016	2017	2018	LTM Q1 2019
Fee Related Earnings ²	\$(175)	\$82	\$72	\$75
Net Realized Performance Revenues	19	40	5	5
Distributable Earnings ²	(157)	127	78	82

Key Points

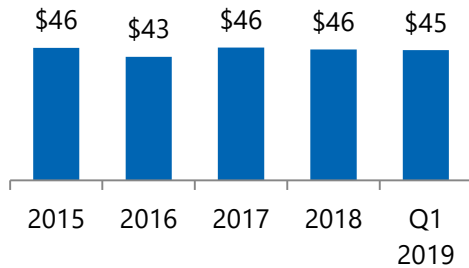
- Focused on enhancing and scaling Global Credit platform**
 - Private credit accelerating as an asset class
 - New credit teams capable of managing much higher AUM
 - Growth via organic/inorganic means to address significant white space

- Solid core platform**
 - \$25 bn US/Europe CLO business with strong fee margins
 - Direct Lending AUM of \$4.7 bn with nearly 80% of portfolio in a first lien position
 - Latest vintage Distressed Credit fund significantly larger than predecessor fund

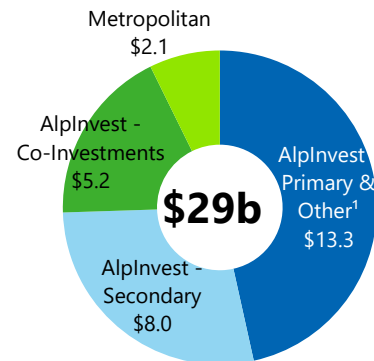
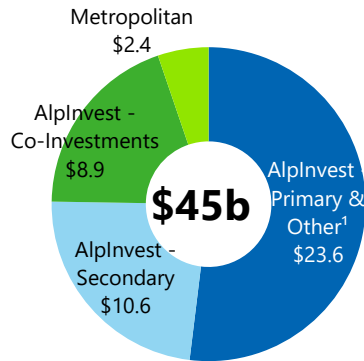
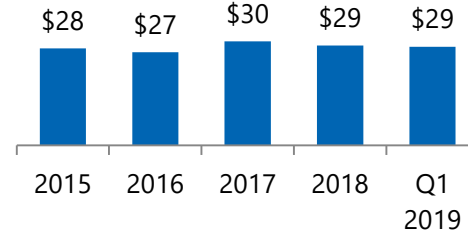
- Launch or acquire new capabilities**
 - Opportunistic credit
 - Secondary structured credit
 - Carlyle Aviation Partners

Investment Solutions: Successful Fundraising Efforts & Consistent Strong Performance Support Future Upside Potential

Total AUM (\$bn)



Fee-earning AUM (\$bn)



Financial Metrics (\$mm)

	2016	2017	2018	LTM Q1 2019
Fee Related Earnings ²	\$23	\$32	\$34	\$32
Net Realized Performance Revenues	2	3	10	10
Distributable Earnings ²	20	30	39	37

Key Points

AlpInvest has great investment performance with performance fee upside

- 12% net IRR & 1.6x MOIC with LTM appreciation of 18%²
- Performance revenues well positioned to improve as post acquisition European waterfall funds mature

Effective management fee rate should rise over time

- New commitments from third party investors have higher fee yield than prior AUM
- Expect older/low fee commitments to drive FEAM runoff over next few years

APPENDIX

Core Business Metrics Remain Robust & Diversified

Carry Fund Appreciation

(LTM)

9%

CPE	RA	GC	IS
5%	6%	9%	18%

Net Accrued Performance Revenue

(as of 3/31/2019)

\$1.8 billion

CPE	RA	GC	IS
\$1.1bn	\$548m	\$72m	\$84m

Invested Capital

(LTM)

\$21.8 billion

CPE	RA	GC	IS
\$11.7	\$4.1	\$1.1	\$4.9

Realized Proceeds

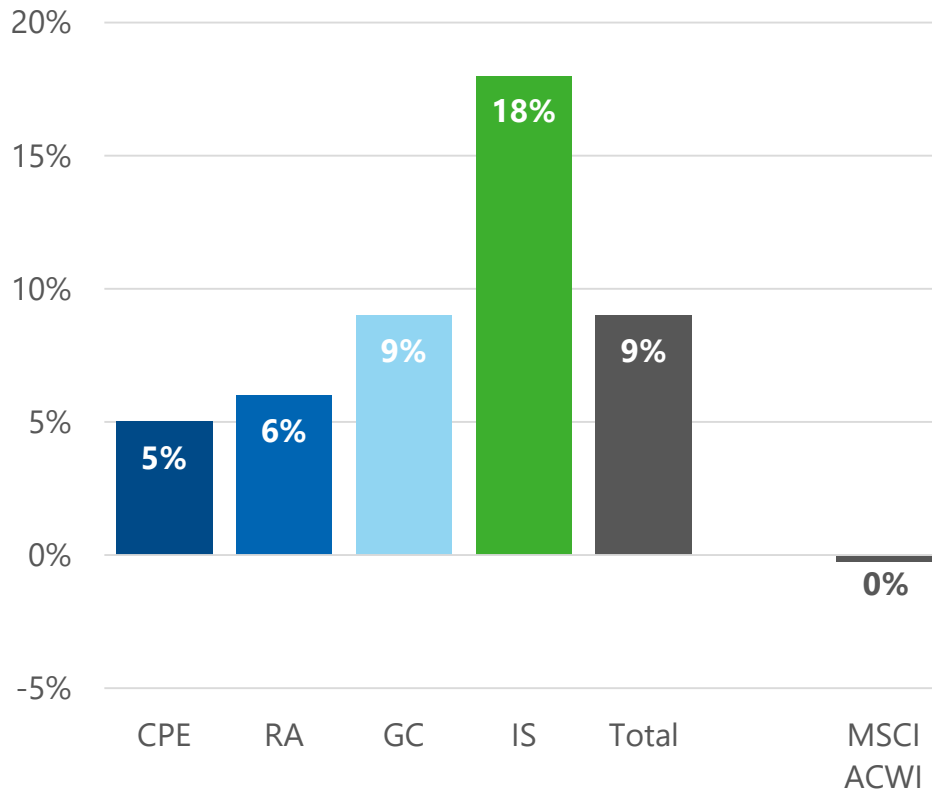
(LTM)

\$23.1 billion

CPE	RA	GC	IS
\$7.1	\$5.6	\$0.9	\$9.5

Exceptional Investment Performance Is Our Primary Goal

LTM Carry Fund Appreciation vs Major Equity Index Performance ¹



- Carry Fund Appreciation outpaced the MSCI ACWI by **~900 basis points** over the LTM
- Realized/Partially Realized CPE investments generated a **2.4x MOIC & 27% Gross IRR** since inception
- **64% of Remaining Fair Value** in CPE/RA/GC carry funds accruing performance revenue as of 3/31/19
- TCG BDC **dividend yield of 9.7% on NAV** ²
- **Exceptional CLO performance** with default rates of 0.7%/1.6% for US/EU CLOs ³

Note: Data as of 3/31/2019. See The Carlyle Group L.P.'s filings with the U.S. Securities and Exchange Commission for more information on fund performance. 1) Appreciation/(Depreciation) represents unrealized gain/(loss) for the period on a total return basis before fees and expenses. The percentage of return is calculated as: ending remaining investment fair market value plus net investment outflow (sales proceeds minus net purchases) minus beginning remaining investment fair market value divided by beginning remaining investment fair market value. Fund only, does not include co-investment. The MSCI ACWI – All Cap Index represents the performance of the MSCI All Country World Index across all market capitalization sizes of the global equity market. Please see the “Important Information” slide for more information related to comparisons with indices. 2) Reflects latest annualized dividend for BDC 1 divided by 1Q19 reported NAV. 3) Inception to date default rate for U.S. (since 1999) and Europe CLOs (since 2005).

Exceptional Fund Performance Is Our Top Priority, and Many Of Our Largest Fund Families Have Consistently Delivered

Carlyle Fund Family	Inception Year	Committed Capital (bn)	Gross IRR	Net IRR	Total MOIC
Carlyle Partners IV (U.S.)	2004	\$7.9	16%	13%	2.4x
Carlyle Partners V (U.S.)	2007	\$13.7	18%	14%	2.1x
Carlyle Partners VI (U.S.)	2012	\$13.0	16%	11%	1.5x
Carlyle Partners VII (U.S.)	2018	\$18.5	NM	NM	1.0x
Carlyle Asia Partners II	2006	\$1.8	11%	8%	1.9x
Carlyle Asia Partners III	2008	\$2.6	17%	11%	1.9x
Carlyle Asia Partners IV	2012	\$3.9	13%	8%	1.3x
Carlyle Asia Partners V	2018	\$6.6	NM	NM	1.1x
Carlyle Europe Partners II	2003	€1.8	36%	20%	2.0x
Carlyle Europe Partners III	2006	€5.3	19%	14%	2.3x
Carlyle Europe Partners IV	2013	€3.7	17%	9%	1.3x
Carlyle Europe Partners V	2018	€6.2	NM	NM	1.0x
Carlyle Realty Partners V (U.S.)	2006	\$3.0	12%	9%	1.7x
Carlyle Realty Partners VI (U.S.)	2010	\$2.3	28%	19%	1.8x
Carlyle Realty Partners VII (U.S.)	2014	\$4.2	21%	13%	1.5x
Carlyle Realty Partners VIII (U.S.)	2017	\$5.5	NM	NM	1.0x
Natural Gas Partners X	2012	\$3.6	7%	4%	1.2x
Natural Gas Partners XI	2014	\$5.3	19%	13%	1.4x
Natural Gas Partners XII ¹	2017	\$4.1	NM	NM	1.1x
Carlyle International Energy Partners I	2013	\$2.5	30%	16%	1.6x
Carlyle International Energy Partners II ¹	2019	\$1.5	N/A	N/A	N/A
Carlyle Strategic Partners II	2007	\$1.4	17%	11%	1.8x
Carlyle Strategic Partners III	2011	\$0.7	28%	18%	1.7x
Carlyle Strategic Partners IV	2016	\$2.5	NM	NM	1.3x

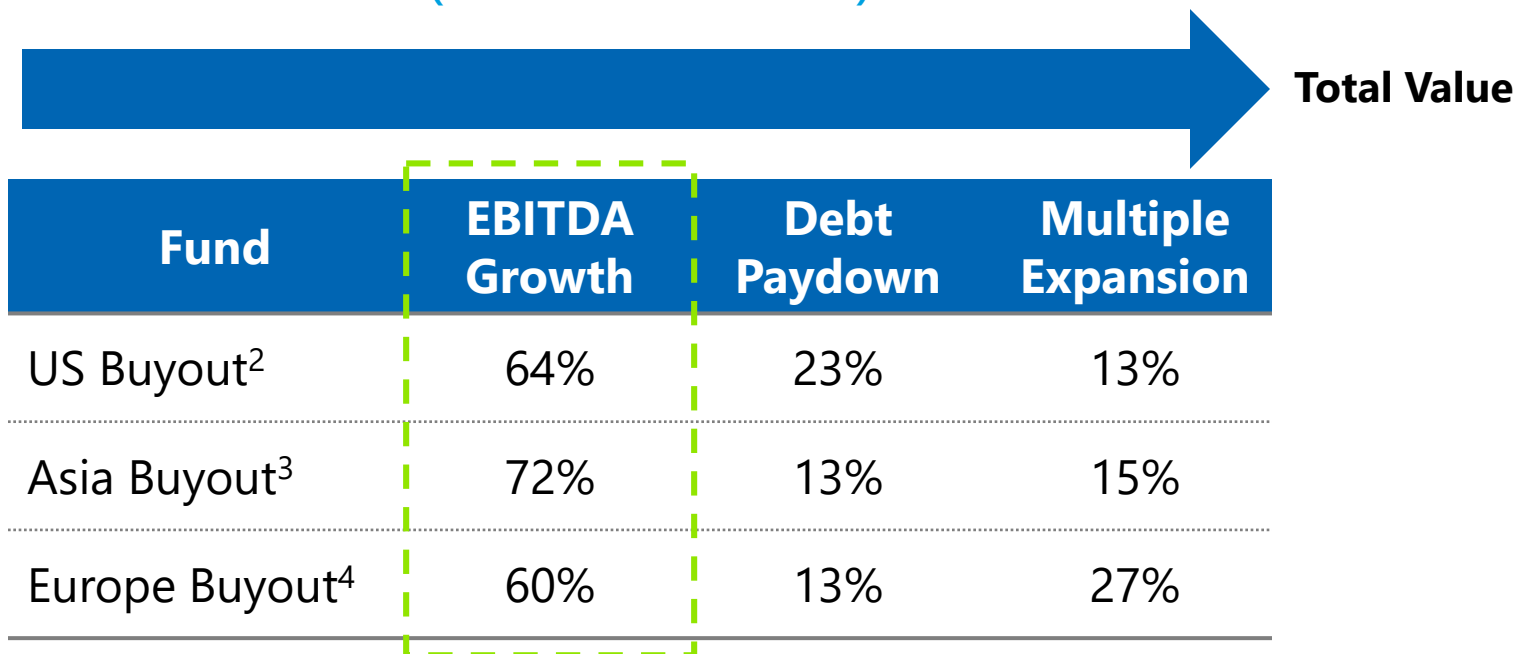
Note: Data as of 3/31/2019. Past performance is not indicative of future results. Does not represent all Carlyle carry funds. For a full list of the firm's significant funds and information about their performance, see information in our latest earnings release or quarterly or annual reports filed with the U.S. Securities and Exchange Commission. Bold represents funds currently in the investment period.

1) NGP XII and CIEP II are currently in fundraising; Committed Capital reflects fundraising to date.

CPE Portfolio Company Earnings Growth Drives Value Creation

Drivers of Value Creation¹ (% of Value Created)

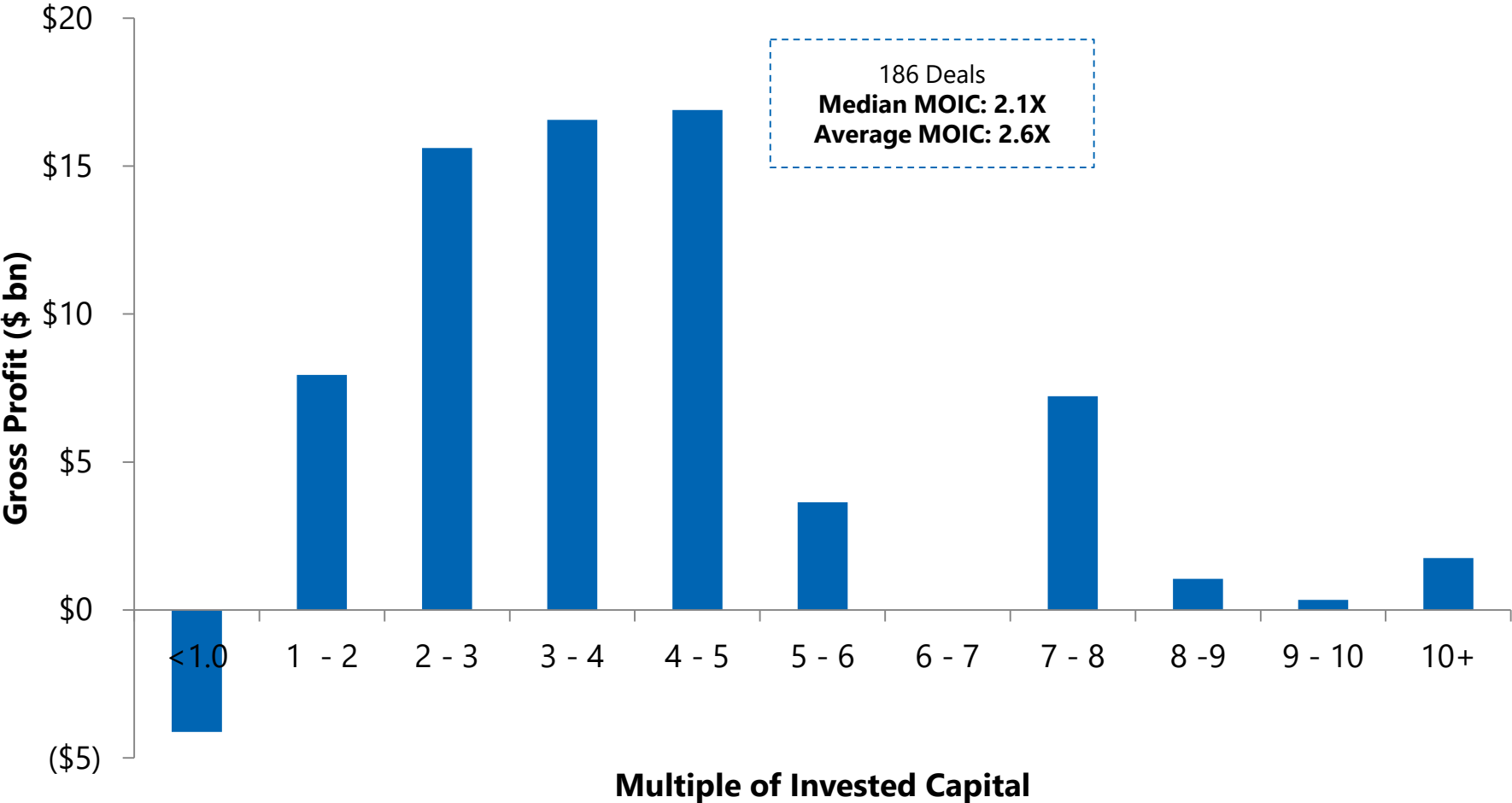
**Equity
Invested**



Total Value

- 1) Includes both realized & unrealized deals for US Buyout, & includes only realized & partially realized deals for Europe Buyout. Asia buyout only reflects realized & partially realized investments, but includes the unrealized portion of partially realized investments. On the unrealized portion of partially realized investments, actual realized values may differ from the estimated values on which this slide is based. Past performance is not indicative of future results & there is no guarantee these trends will continue. See "Important Information" at the beginning of this presentation.
- 2) As of 6/30/2018 or most recent data available. Illustrates the source of value creation on all deals currently valued at greater than 1.0x in CP IV, CP V & CP VI. Excludes coinvestment in deals acquired by CP IV, CP V & CP VI.
- 3) As of 9/30/2018 or most recent data available. Excludes co-investment.
- 4) Portfolio company level data as of 6/30/2018 and Fund level data as of 9/30/2018. Includes all fully realized & partially realized investments from the CEP funds & related co-investments since inception.

CPE's Proven, Disciplined Investment Process Drives Consistent Returns

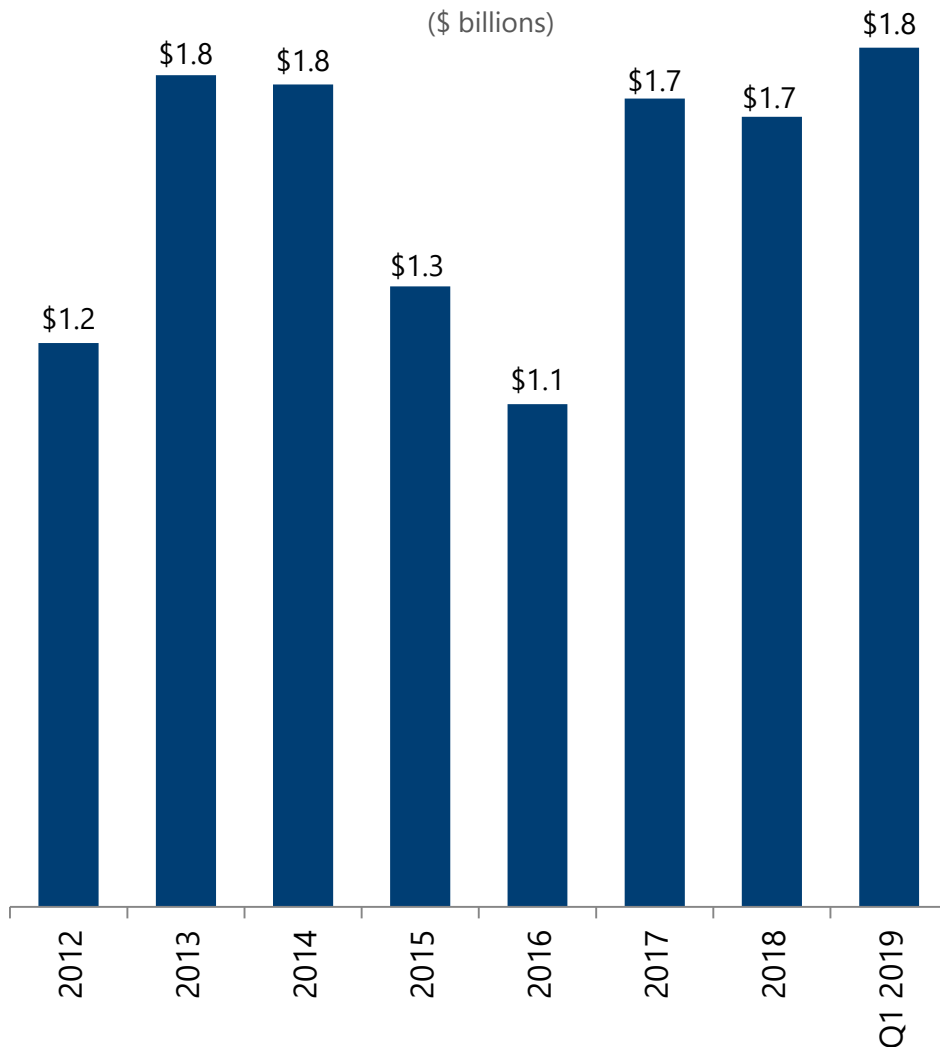


Note: Data as of 3/31/2019. Represents realized and partially realized deals in Carlyle Partners, Carlyle Europe Partners and Carlyle Asia Partners since inception. Includes fund and external coinvestment. Past performance is not indicative of future results and there is no guarantee these trends will continue.

Accrued Performance Revenues Remain at Healthy Levels

Net Accrued Performance Revenue Balance

(\$ billions)

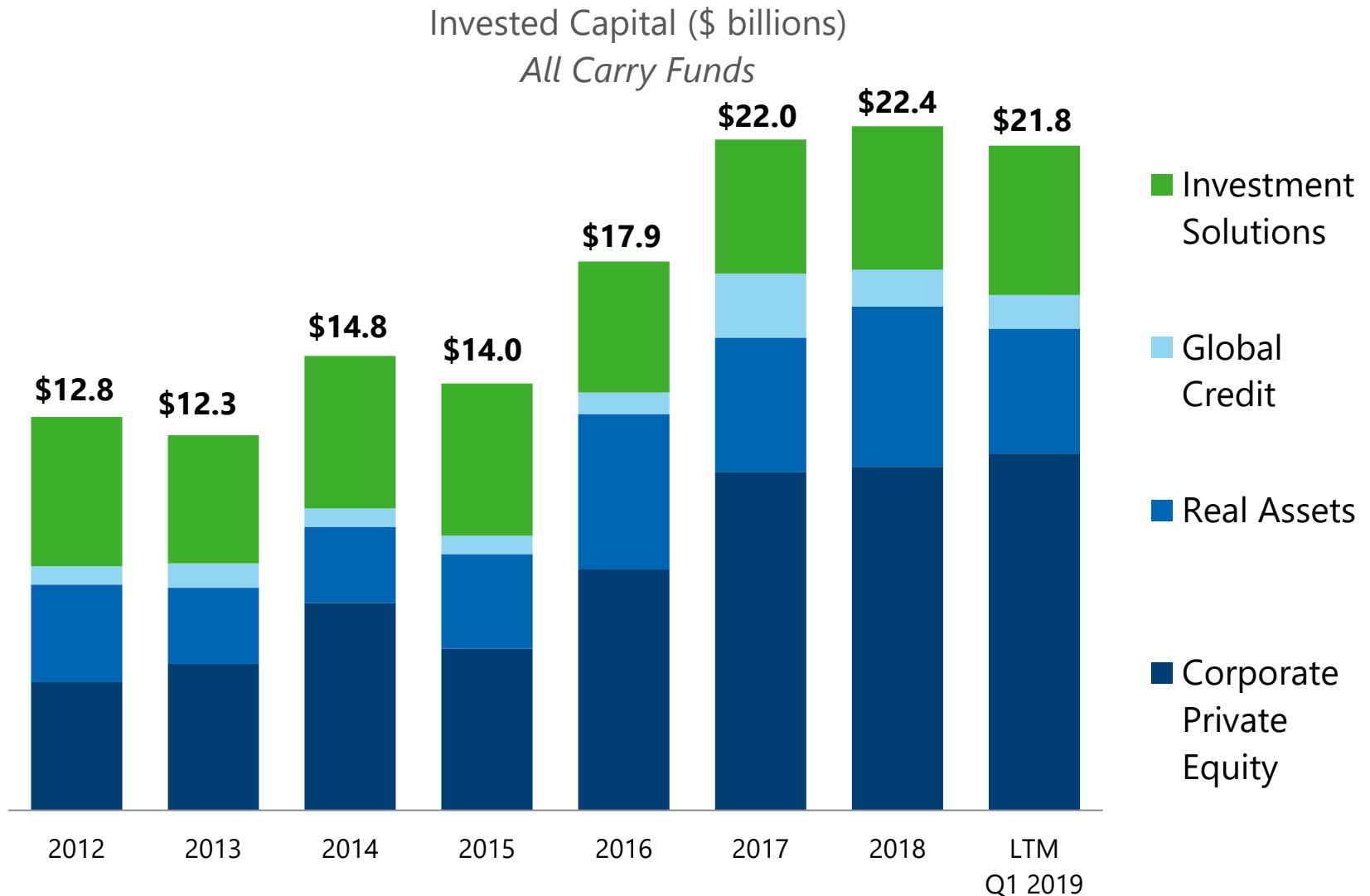


2013-16 vintage funds¹ account for **more than 60%** of the \$1.8 billion Net Accrued Performance Revenue Balance as of March 31, 2019

Note: Data as of 3/31/2019. There is no guarantee these trends will continue.

1) Current Generation of funds includes: CP VI, CEP IV, CAP IV, CJP III, CGFSP II, CEOF II, CETP III, CGP, CRP VII, NGP XI, CIEP, CPP II, CSP IV, CEMOF II.

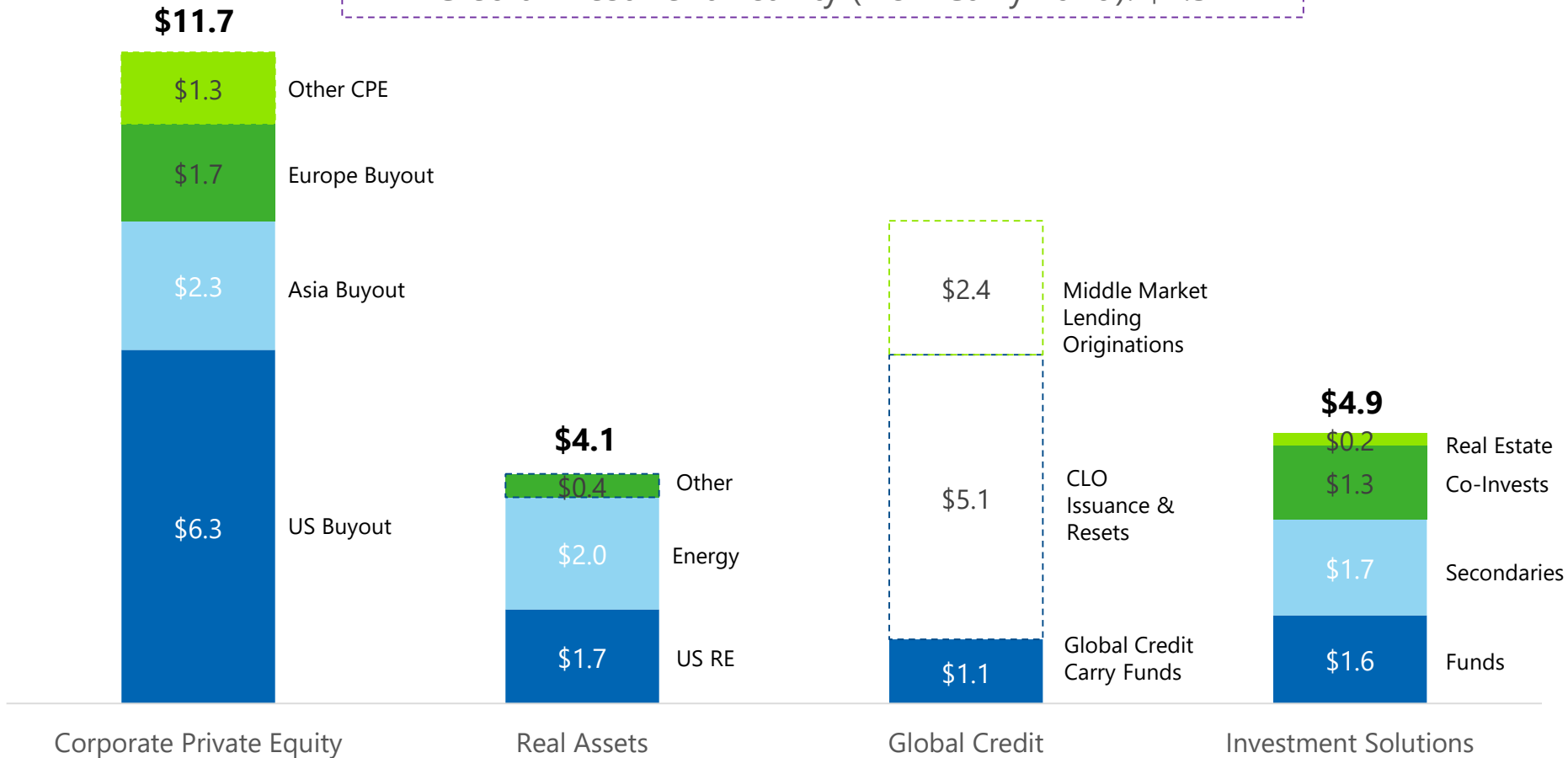
Deployment Has Increased As Our Investment Platform Has Grown



Note: Data as of 3/31/2019. There is no guarantee these trends will continue.

Diverse Investment Activity Across Carry Funds And Credit Despite Competitive Global Markets

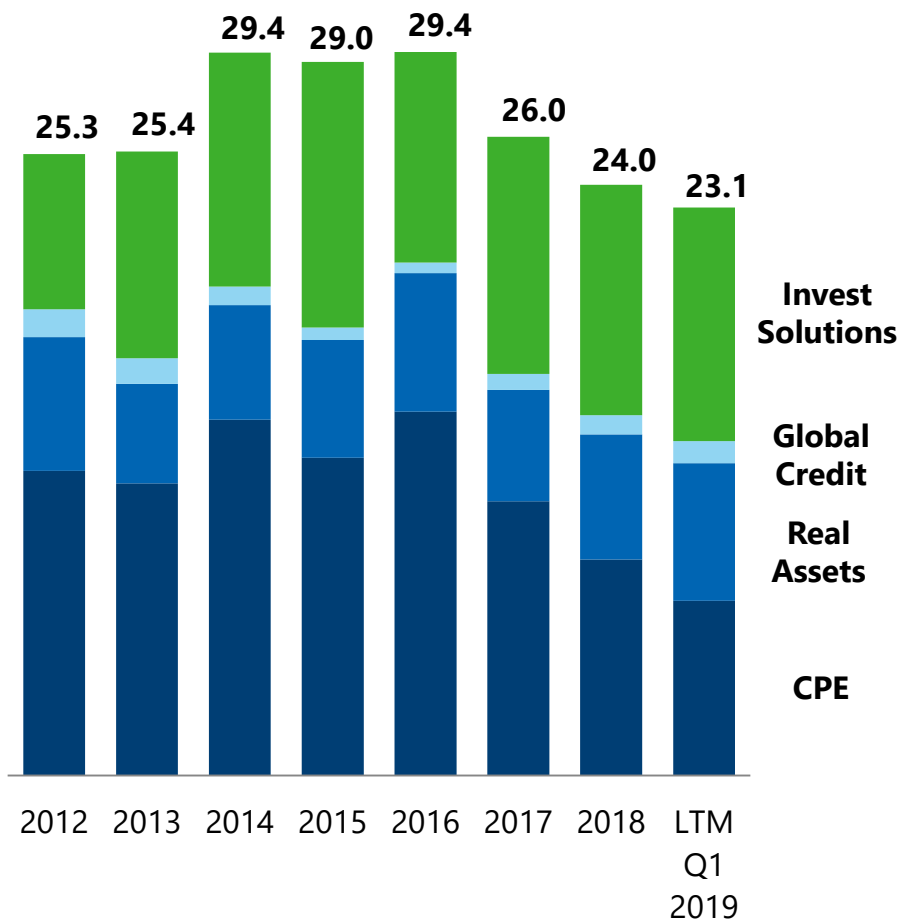
LTM Total Investment Activity (\$ billions)
 Carry Fund Deployment: \$21.8
 Credit Investment Activity (Non-Carry Fund): \$7.5



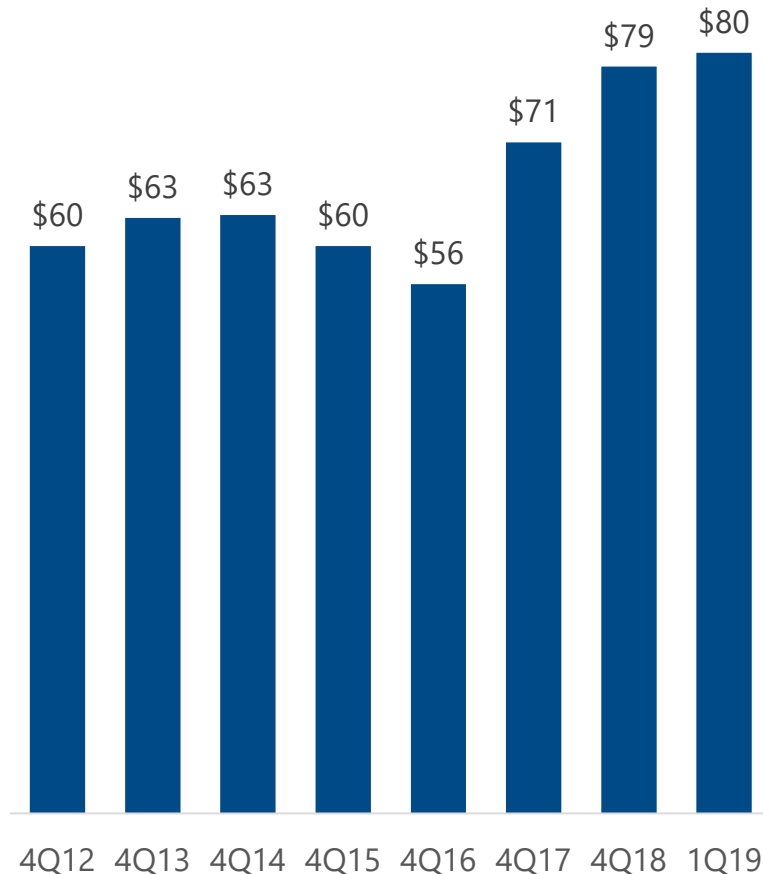
Note: Data as of 3/31/2019.

Annual Realized Proceeds Slowed In the Short Term, But Record Level Of Remaining Fair Value Highlights Positive Momentum

Realized Proceeds
(\$ billions, all carry funds)



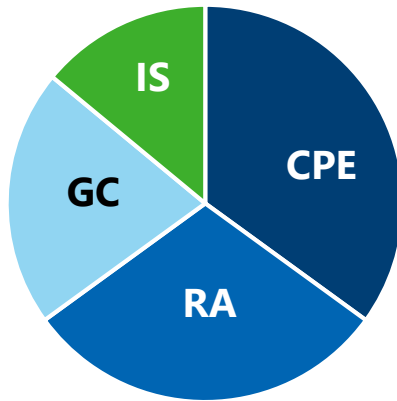
Remaining Fair Value of Capital
(\$ billions, all CPE/RA/GC carry funds)



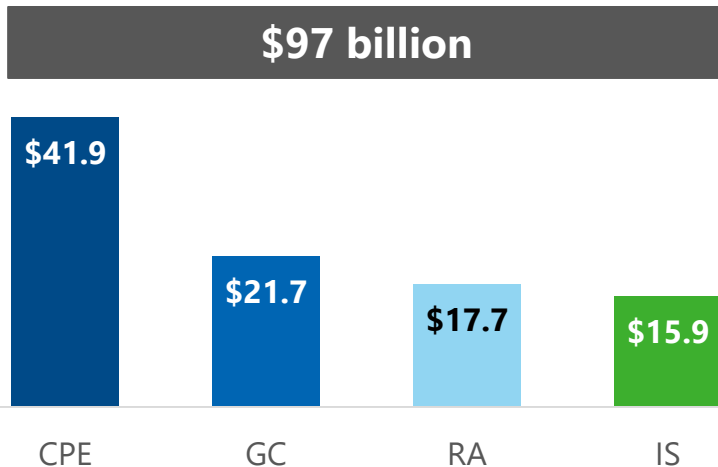
Note: Data as of 3/31/2019. There is no guarantee these trends will continue.

On Track To Exceed Our Fundraising Target of \$100 Billion By YE 2019

2016-19 Gross Fundraising Target:
~\$100 billion



Gross Fundraising Since Q1 2016



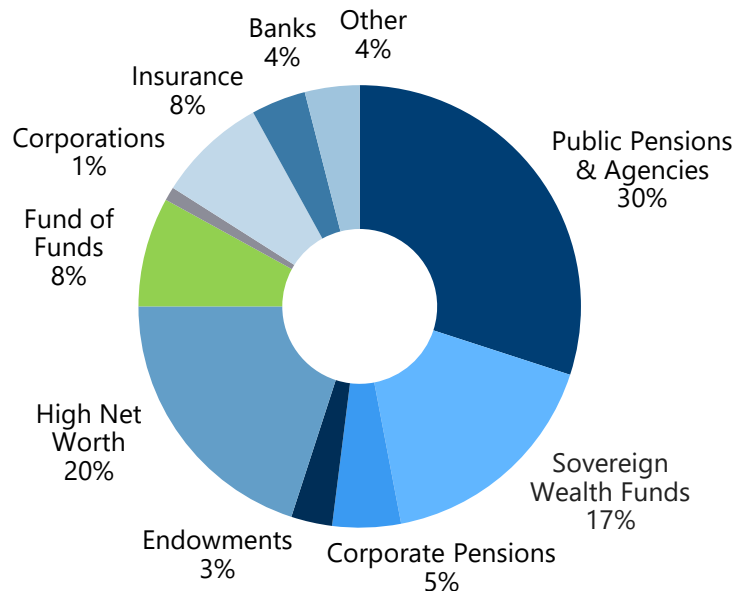
- ✓ Raised 97% of \$100 billion target with room for upside over the remainder of 2019
- ✓ Strong partnerships with more than 1,975 global investors from 90 countries
- ✓ Raised \$33 billion in 2018
- ✓ Raised \$6.9 billion in Q1 2019, and expect to raise at least \$20 billion for the full year

Breadth of Fundraising Resources and Capabilities Drive New Investor Relationships

- More than 1,975 fund investors from 90 countries
- More than 350 new fund investors over the past 3 years have committed \$7.8 billion
- 67% of fund investor capital is invested across six or more carry funds, up from 50% in 2006

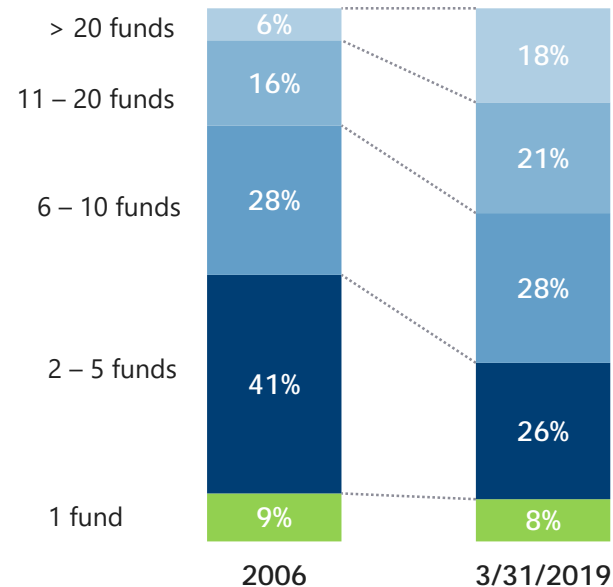


Diverse Source of Capital Commitments



Cross Selling Across Funds¹

% of \$ Commitments Across Multiple Funds



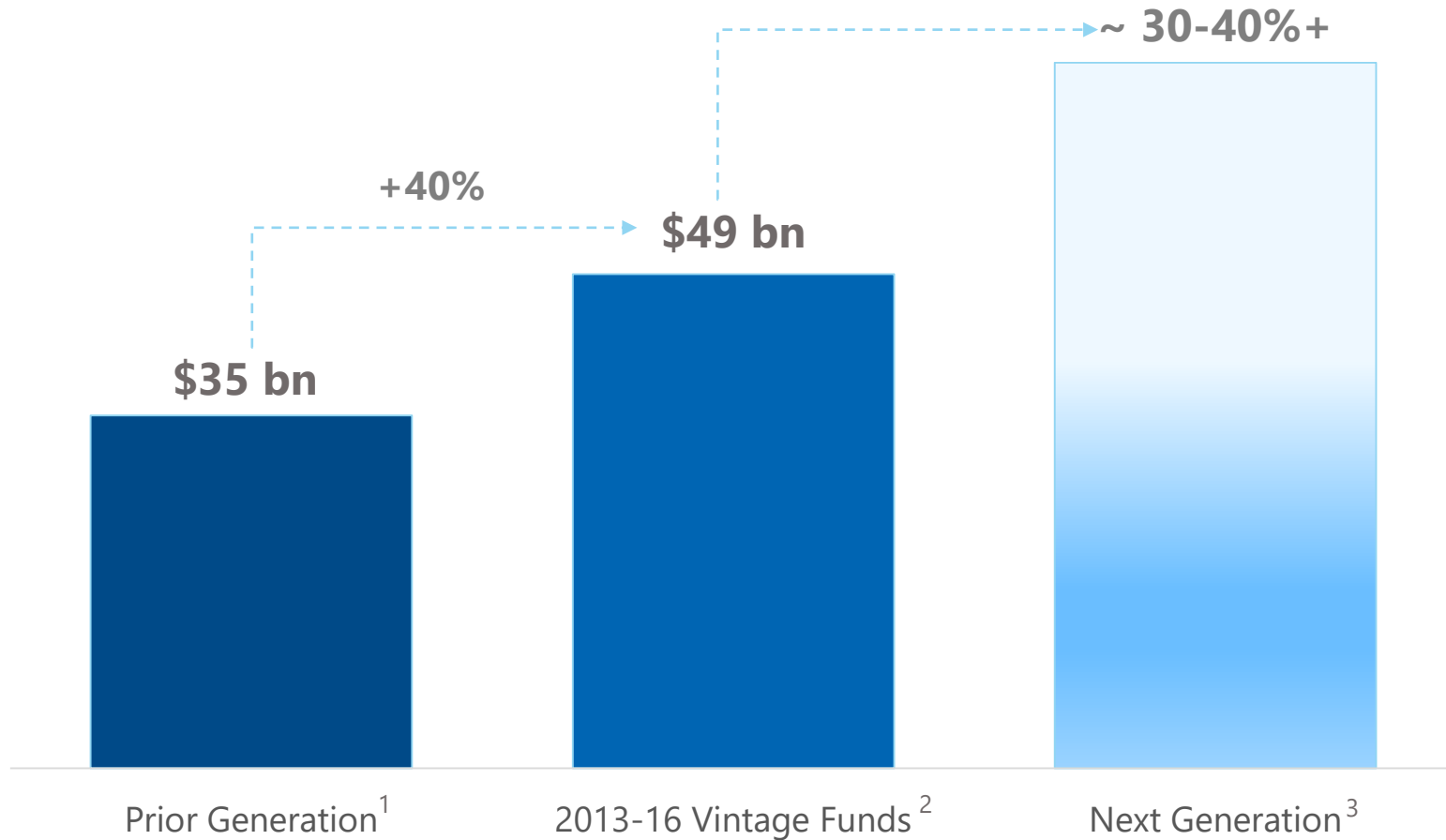
Note: Data as of 3/31/2019.

Number of fund investors for prior years is shown as of September 30th of each year.

1) Percentage of capital committed by investors to active carry funds, segmented by the number of active carry funds in which the investors were committed as of 12/31/2006 and 3/31/2019.

FRE Growth Supported By A Growing Carry Fund Investment Platform

Fund Commitments for Major CPE/RA/GC Carry Funds



Note: Data as of 3/31/2019. Reflects Management's views as of 5/1/2019. Please see "Important Information" slides for information about the use of and reliance on projections. There is no guarantee these trends will continue.

1) Prior Generation of funds includes direct predecessors to Current Generation where applicable.

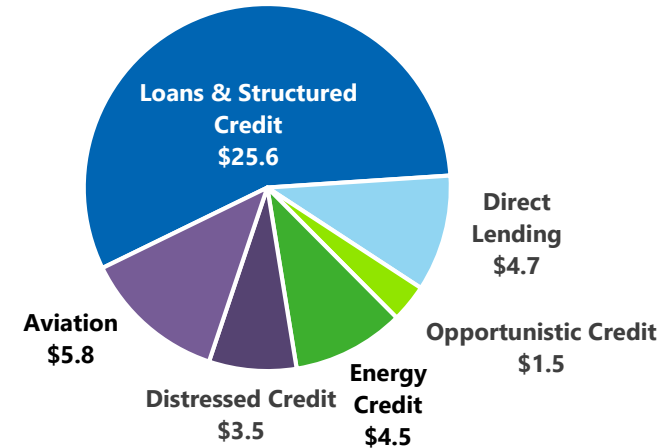
2) Current Generation of funds includes: CP VI, CEP IV, CAP IV, CJP III, CGFSP II, CEOF II, CETP III, CGP, CRP VII, NGP XI, CIEP, CPP II, CSP IV, CEMOF II.

3) Next Generation of funds includes follow on funds for Current Generation as well as new fund families and new product initiatives. There is no assurance these trends will continue or that we will be able to raise the capital required to achieve these targets.

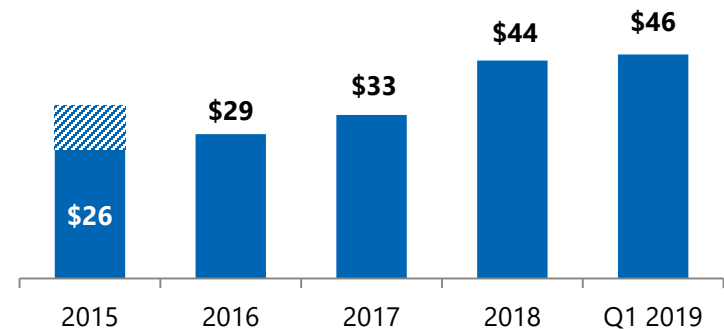
Scaling and Broadening Global Credit Will Support FRE Growth

- Global Credit now generates nearly \$300 million in annual run-rate management fees, up 27% YoY
- Continue to build out capabilities to manage larger amounts of capital
 - Fortitude relationship is expected to help Global Credit develop incremental scale
- Launch/acquire new funds & products
 - Opportunistic Credit
 - New Direct Lending funds and vehicles
 - Managed Accounts
 - Carlyle Aviation Partners (closed in 4Q18)
- Leverage functional platform to scale broadening investment capabilities

AUM: \$46 billion



Global Credit AUM²

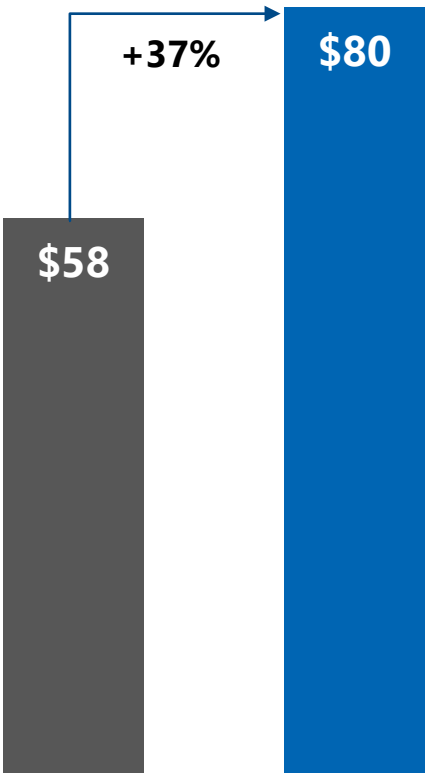


Note: Data as of 3/31/2019.

- 1) First Opportunistic Credit fund is currently in fundraising.
- 2) 2015 Total AUM reflect breakout of the former hedge fund platform

Scaling of Funds & Platform Expands Potential Performance Fee Capacity

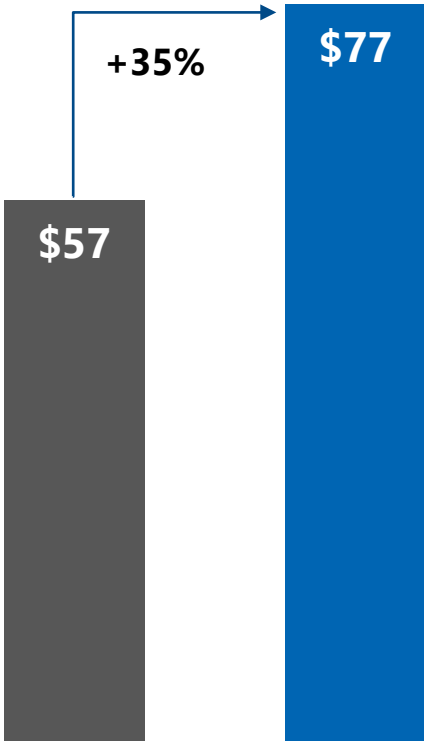
Remaining Fair Value
(\$billions)
CPE/RA/GC Carry Funds



Q1 2016

Q1 2019

Available Capital
(\$billions)
All Carry Funds



Q1 2016

Q1 2019

Total AUM
(\$billions)
All Funds



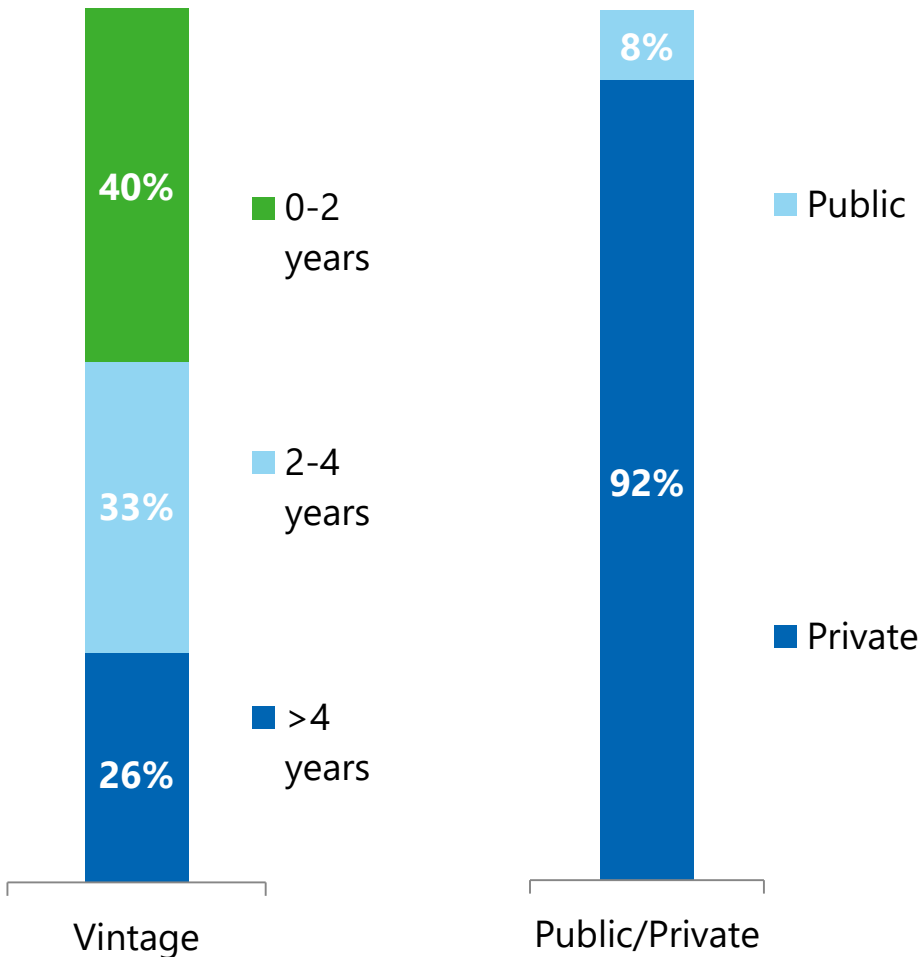
Q1 2016

Q1 2019

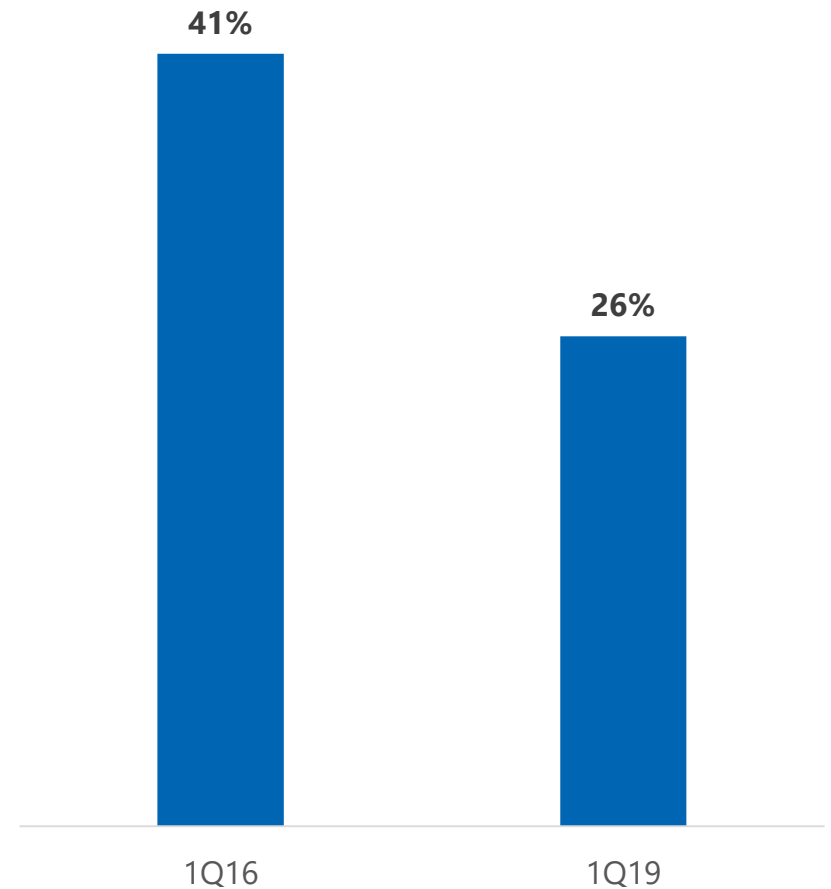
Note: Data as of 3/31/2019. There is no guarantee these trends will continue.

Portfolio Age Trending Younger With Majority of Investments Held Privately

Remaining Fair Value of CPE/RA/GC Carry Fund Portfolio¹ - \$80 billion



RMFV Aged 4 or More Years Has Declined, Leading to a Younger Portfolio



Note: Data as of 3/31/2019.

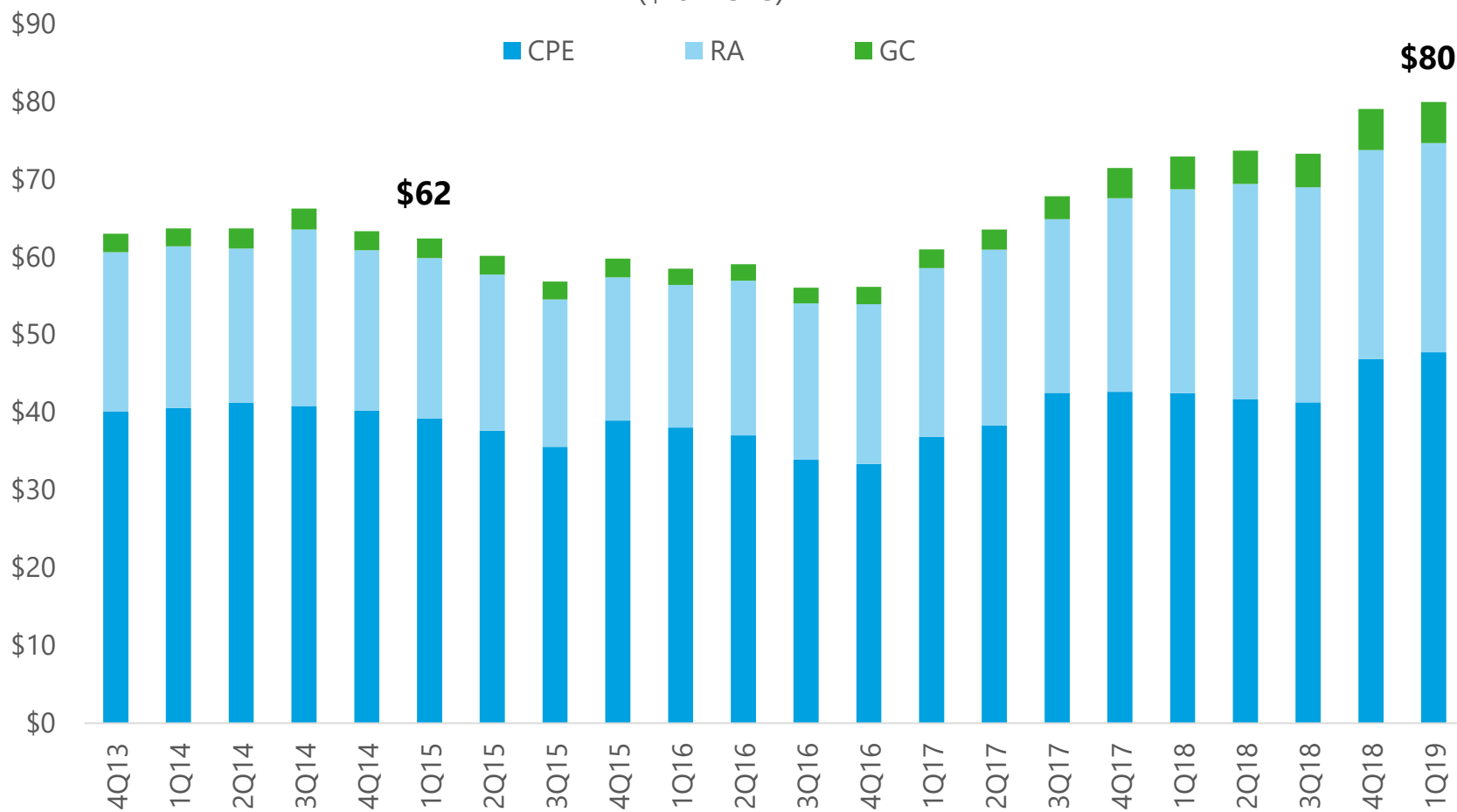
1) Remaining Fair Value reflects the unrealized carrying value of investments for all carry funds and related vehicles, the aggregate collateral balance of our CLOs and the gross asset value of our business development companies. Totals may not sum due to rounding.

Record Amount of Remaining Fair Value Supports Further Growth In Performance Revenue

Remaining Fair Value

CPE/RA/GC Carry Funds

(\$ billions)



Note: Data as of 3/31/2019. There is no guarantee these trends will continue.

Carlyle Is Delivering Attractive Financial Performance

(\$mm or \$per unit)	2016	2017	2018	1Q19
Management Fee Revenue	\$1,086	\$1,081	\$1,362	\$382
Fee Related Earnings ¹	\$33	\$192	\$350	\$103
Distributable Earnings ¹	\$652	\$670	\$674	\$101
Distribution Per Common Unit	\$1.55	\$1.41	\$1.34	\$0.19

Note: Data as of 3/31/2019.

1) Fee Related Earnings and Distributable Earnings for 2016, 2017 and 2018 include the impact of net (charges)/recoveries of \$(175) million, \$68 million and \$32 million, respectively, in Global Credit.

Strong Balance Sheet With Growing Value Per Unit

Key Balance Sheet Items¹ (\$ billions)

3/31/2019

Cash, Cash Equivalents and Corporate Treasury Investments² \$0.8

Net accrued performance revenues (net of giveback and accrued performance fee compensation) \$1.8

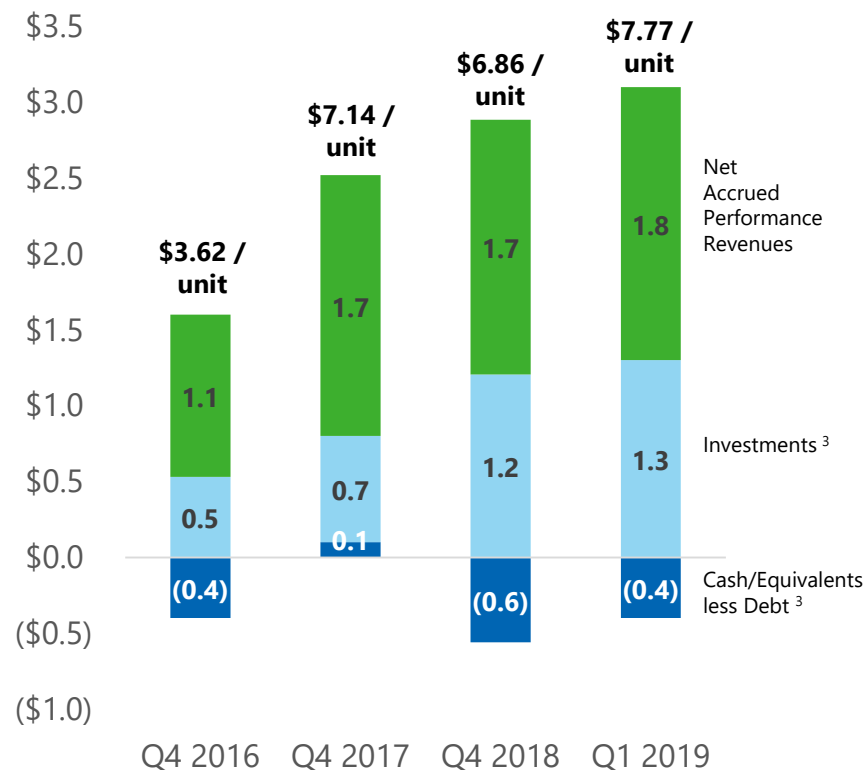
Investments attributable to Carlyle unitholders^{3, 4} \$1.3

Loans Payable and Senior Notes³ \$1.2

Drawn revolving credit line (\$750 million capacity) \$0

Key Balance Sheet Items

(\$ in billions, except per adjusted unit amounts)



- Balance sheet amounts are shown without the impact of certain Carlyle funds that are required to be consolidated on Carlyle's financial statements.
- Corporate treasury investments represent investments in U.S. Treasury and government agency obligations, commercial paper, certificates of deposit, other investment grade securities and other investments with original maturities of greater than three months when purchased.
- Excludes the impact of approximately \$328 million of loans used to finance investments in CLOs and also excludes lease liabilities of \$321 million.
- Investments include the \$446 million investment in Fortitude Re, excluding the impact of unrealized gains on embedded derivatives included in Fortitude Re's U.S. GAAP financial statements, and exclude the equity investments by Carlyle in NGP Energy Capital Management.

Summary Financial Results

Pre-tax Segment Measures (\$ millions)	Quarterly				Annual				
	2Q18	3Q18	4Q18	1Q19	2015	2016	2017	2018	YTD 2019
Segment Revenues									
Fund Management Fees	328	355	391	382	1,198	1,086	1,081	1,362	382
Portfolio Advisory Fees, net and Other	6	10	6	6	33	29	32	31	6
Transaction Fees, net	4	-	25	5	10	31	27	32	5
Total Segment Fee Revenues	338	365	422	392	1,240	1,146	1,140	1,425	392
Realized Performance Revenues	100	260	112	49	1,435	1,216	1,085	682	49
Realized Principal Investment Income (Loss)	18	7	5	4	(65)	45	(26)	48	4
Interest Income	8	9	7	6	5	10	17	30	6
Total Segment Revenues	463	641	545	451	2,615	2,417	2,216	2,186	451
Segment Expenses									
Cash-based Compensation and Benefits	172	186	193	202	650	601	658	741	202
Realized Performance Revenues Related Compensation	50	136	69	42	646	591	533	363	42
Total Compensation and Benefits	222	323	262	245	1,296	1,192	1,191	1,103	245
General, Administrative, and Other Indirect Expenses	99	81	44	76	313	484	259	299	76
Depreciation & Amortization Expense	9	9	10	10	26	29	31	35	10
Interest Expense	19	19	19	20	58	61	66	75	20
Total Segment Expenses	348	431	335	350	1,693	1,766	1,546	1,512	350
Distributable Earnings	\$ 115	\$ 210	\$ 211	\$ 101	\$ 923	\$ 652	\$ 670	\$ 674	\$ 101
(-) Realized Net Performance Revenues	50	124	43	7	789	625	553	320	7
(-) Realized Principal Investment Income (Loss)	18	7	5	4	(65)	45	(26)	48	4
(+) Net Interest	11	10	13	14	53	51	49	44	14
Fee Related Earnings	\$ 58	\$ 89	\$ 175	\$ 103	\$ 252	\$ 33	\$ 192	\$ 350	\$ 103
Per Unit Measures									
Distributable Earnings Per Common Unit (after-tax)	\$0.29	\$0.56	\$0.57	\$0.25	\$2.73	\$1.85	\$1.88	\$1.78	\$0.25
Distribution per Common Unit	\$0.22	\$0.42	\$0.43	\$0.19	\$2.07	\$1.55	\$1.41	\$1.34	\$0.19

Note: Data as of 3/31/2019.

See "Selected Financial Data" in Carlyle's periodic and annual reports filed with the U.S. Securities and Exchange Commission.

Key Metrics for “The Carlyle Engine”

Quarterly Data

	2Q17	3Q17	4Q17	1Q18	2Q18	3Q18	4Q18	1Q19
Total AUM(1) (\$ bn)	169.8	174.4	195.1	201.5	209.7	212.3	216.5	221.5
Corporate Private Equity	54.3	55.7	72.6	75.0	81.2	81.6	80.8	84.3
Real Assets	38.9	39.8	42.9	44.0	45.4	46.0	45.6	46.2
Global Credit	30.9	31.9	33.3	33.8	35.5	37.4	44.4	45.6
Investment Solutions	45.7	47.0	46.3	48.7	47.6	47.3	45.7	45.4
Fee-Earning AUM(1) (\$ bn)	116.1	121.8	124.6	125.8	146.5	147.4	159.6	160.0
Corporate Private Equity	36.2	35.6	35.6	35.3	56.3	56.3	62.4	61.9
Real Assets	26.2	29.8	31.6	32.1	31.5	31.6	33.0	32.9
Global Credit	25.2	26.0	27.3	27.8	28.8	30.1	35.2	36.5
Investment Solutions	28.5	30.3	30.2	30.5	29.8	29.5	29.1	28.7
Fundraising(2)(3) (\$ bn)	8.4	7.2	24.7	7.7	12.3	6.0	7.1	6.9
Corporate Private Equity	0.3	0.9	19.1	3.9	8.8	1.8	2.4	3.6
Real Assets	3.6	2.4	3.2	1.3	0.7	1.1	2.6	0.6
Global Credit	2.7	1.8	1.7	0.8	2.0	2.0	1.4	1.5
Investment Solutions	1.7	2.1	0.7	1.7	0.7	1.2	0.6	1.2
Invested Capital(4) (\$ bn)	3.4	6.9	7.2	4.0	3.5	3.3	11.5	3.4
Corporate Private Equity	1.4	3.6	3.6	0.7	1.6	1.1	7.8	1.1
Real Assets	0.8	1.3	1.6	1.9	0.9	0.8	1.7	0.8
Global Credit	0.2	0.7	0.8	0.4	0.2	0.1	0.4	0.4
Investment Solutions	1.0	1.3	1.2	1.0	0.8	1.3	1.6	1.1
Realized Proceeds(4) (\$ bn)	5.9	8.4	8.0	5.6	7.0	6.4	4.9	4.7
Corporate Private Equity	2.6	4.0	3.4	2.7	2.9	1.5	1.7	0.9
Real Assets	0.9	1.7	1.3	1.1	1.4	1.7	0.9	1.6
Global Credit	0.1	0.2	0.3	0.2	0.3	0.1	0.2	0.4
Investment Solutions	2.3	2.5	2.9	1.7	2.4	3.1	2.2	1.8
Fund Appreciation(5)	5%	3%	5%	3%	5%	3%	(2)%	3%
Corporate Private Equity	8%	4%	8%	4%	3%	1%	(2)%	3%
Real Assets	6%	2%	4%	2%	7%	3%	(7)%	3%
Global Credit	0%	0%	1%	2%	3%	1%	(2)%	5%
Investment Solutions	1%	3%	3%	4%	8%	5%	2%	3%

Annual Data

	2014	2015	2016	2017	2018	YTD 2019
Total AUM(1) (\$ bn)	194.5	182.6	157.6	195.1	216.5	221.5
Corporate Private Equity	64.7	63.1	50.9	72.6	80.8	84.3
Real Assets	42.3	38.0	34.3	42.9	45.6	46.2
Global Credit	36.7	35.3	29.4	33.3	44.4	45.6
Investment Solutions	50.8	46.2	43.1	46.3	45.7	45.4
Fee-Earning AUM(1) (\$ bn)	135.6	131.0	115.0	124.6	159.6	160.0
Corporate Private Equity	40.2	40.9	36.3	35.6	62.4	61.9
Real Assets	28.4	30.9	27.5	31.6	33.0	32.9
Global Credit	33.9	31.0	24.1	27.3	35.2	36.5
Investment Solutions	33.1	28.2	27.1	30.2	29.1	28.7
Fundraising(2)(3) (\$ bn)	24.3	16.4	8.2	43.3	33.1	6.9
Corporate Private Equity	7.6	8.0	0.8	20.5	17.0	3.6
Real Assets	9.2	3.9	1.2	10.2	5.7	0.6
Global Credit	6.9	2.9	3.5	6.6	6.3	1.5
Investment Solutions	0.5	1.6	2.8	5.9	4.2	1.2
Invested Capital(4) (\$ bn)	14.8	14.0	17.9	22.0	22.4	3.4
Corporate Private Equity	6.8	5.3	7.9	11.1	11.3	1.1
Real Assets	2.5	3.1	5.1	4.4	5.2	0.8
Global Credit	0.6	0.6	0.7	2.1	1.2	0.4
Investment Solutions	5.0	5.0	4.3	4.4	4.7	1.1
Realized Proceeds(4) (\$ bn)	29.4	29.0	29.4	26.0	24.0	4.7
Corporate Private Equity	14.5	12.9	14.8	11.2	8.8	0.9
Real Assets	4.7	4.8	5.6	4.5	5.1	1.6
Global Credit	0.7	0.5	0.4	0.6	0.8	0.4
Investment Solutions	9.5	10.8	8.6	9.6	9.4	1.8
Fund Appreciation(5)	19%	12%	12%	20%	9%	3%
Corporate Private Equity	23%	13%	11%	32%	5%	3%
Real Assets	(2)%	(3)%	18%	19%	5%	3%
Global Credit	20%	(8)%	(11)%	11%	5%	5%
Investment Solutions	26%	23%	12%	10%	19%	3%

Note: segments may not add to total due to rounding; for definitions of the operating metrics above, please see The Carlyle Group LP's filings with the Securities and Exchange Commission. In early 2018, our Global Market Strategies business was renamed to Global Credit.

- 1) For purposes of aggregation, funds denominated in a currency other than U.S. Dollars have been converted at the spot rate as of the end of each period presented.
- 2) For purposes of aggregation, commitments denominated in a currency other than U.S. Dollars have been converted at the spot rate as of the date of closing of such commitment.
- 3) Excludes acquisitions.
- 4) Amounts represent Carry Fund transactions only (including related coinvestments and separately managed accounts). Does not include hedge funds, mutual funds, structured credit funds, and NGP Predecessor funds. For purposes of aggregation, transactions denominated in a currency other than U.S. Dollars have been converted at the average rate for the period presented.
- 5) Appreciation / (Depreciation) represents unrealized gain / (losses) for the period on a total return basis before fees and expenses. The percentage of return is calculated as: Ending Remaining Investment FMV plus net investment outflow (sales proceeds minus net purchases) minus Beginning Remaining Investment FMV divided by Beginning Remaining Investment FMV. Excludes external coinvestment.

Reconciliation of GAAP to Non-GAAP Financials

(\$ millions)	Quarterly					Annual				
	1Q18	2Q18	3Q18	4Q18	1Q19	2015	2016	2017	2018	YTD 2019
Income (loss) before provision for income taxes	\$ 126	\$ 253	\$ 61	\$ (79)	\$ 470	\$ 402	\$ 45	\$ 1,132	\$ 360	\$ 470
Adjustments:										
Net unrealized performance revenues	(57)	(200)	55	253	(156)	397	232	(625)	50	(156)
Unrealized principal investment income ⁽¹⁾	(11)	(8)	(7)	(23)	(239)	(42)	(5)	(73)	(49)	(239)
Adjusted unrealized principal investment income from investment in Fortitude Re	-	-	-	(12)	(27)	-	-	-	(12)	(27)
Equity-based compensation ⁽²⁾	88	68	52	44	39	381	343	365	252	39
Acquisition related charges, including amortization of intangibles and impairment	5	9	2	6	12	289	94	36	22	12
Other non-operating expense (income)	0	0	0	0	0	(7)	(11)	(71)	1	0
Tax (expense)/benefit associated with performance revenues	(2)	4	(13)	10	(6)	(15)	(15)	(9)	(2)	(6)
Net income (loss) attributable to non-controlling interests in Consolidated entities	(11)	(17)	(15)	8	5	(538)	(41)	(73)	(34)	5
Reserve for litigation and contingencies	-	-	-	-	-	50	-	(25)	-	-
Lease assignment and termination costs	-	3	64	-	-	-	-	-	67	-
Debt extinguishment costs	-	-	8	-	0	-	-	-	8	0
Severance and other adjustments	2	1	3	4	2	6	10	13	9	2
Distributable Earnings	\$ 139	\$ 115	\$ 210	211	101	\$ 923	\$ 652	\$ 670	\$ 674	\$ 101
(-) Realized Net Performance Revenues	103	50	124	43	7	789	625	553	320	7
(-) Realized Principal Investment Income (Loss)	19	18	7	5	4	(65)	45	(26)	48	4
(+) Net Interest	11	11	10	13	14	53	51	49	44	14
Fee Related Earnings	\$ 28	\$ 58	\$ 89	\$ 175	\$ 103	\$ 252	\$ 33	\$ 192	\$ 350	\$ 103

Note: Data as of 3/31/2019.

- (1) The three months ended March 31, 2019 and December 31, 2018 include \$229 million and \$46 million, respectively, in gains from changes in the fair value of embedded derivatives at Fortitude Re as a result of accounting principles related to derivatives and hedging.
- (2) Equity-based compensation for the three months ended March 31, 2019 includes \$4.0 million which is included in principal investment income and general, administrative and other expenses in our U.S. GAAP statement of operations. Equity-based compensation for the three months ended March 31, 2019 also includes \$0.2 million related to units issued in conjunction with a previous acquisition.