

**UNITED STATES**  
**SECURITIES AND EXCHANGE COMMISSION**  
WASHINGTON, D.C. 20549

**FORM 10-Q**

(Mark One)

- ☒ **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934 FOR THE QUARTERLY PERIOD ENDED JUNE 30, 2024**
- OR**
- ☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934 FOR THE TRANSITION PERIOD FROM                      TO**

Commission File Number: 001-33551



**Blackstone Inc.**

(Exact name of registrant as specified in its charter)

**Delaware**  
(State or other jurisdiction of  
incorporation or organization)

**20-8875684**  
(I.R.S. Employer  
Identification No.)

**345 Park Avenue**  
**New York, New York 10154**  
(Address of principal executive offices)(Zip Code)  
**(212) 583-5000**  
(Registrant's telephone number, including area code)

**Securities registered pursuant to Section 12(b) of the Act:**

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock	BX	New York Stock Exchange

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer ☒  
Non-accelerated filer ☐

Accelerated filer ☐  
Smaller reporting company ☐  
Emerging growth company ☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

As of July 26, 2024, there were 720,076,731 shares of common stock of the registrant outstanding.

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## Forward-Looking Statements

This report may contain forward-looking statements within the meaning of Section 27A of the U.S. Securities Act of 1933, as amended, and Section 21E of the U.S. Securities Exchange Act of 1934, as amended, which reflect our current views with respect to, among other things, our operations, taxes, earnings and financial performance, share repurchases and dividends. You can identify these forward-looking statements by the use of words such as “outlook,” “indicator,” “believes,” “expects,” “potential,” “continues,” “may,” “will,” “should,” “seeks,” “approximately,” “predicts,” “intends,” “plans,” “scheduled,” “estimates,” “anticipates,” “opportunity,” “leads,” “forecast” or the negative version of these words or other comparable words. Such forward-looking statements are subject to various risks and uncertainties. Accordingly, there are or will be important factors that could cause actual outcomes or results to differ materially from those indicated in these statements. We believe these factors include but are 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, 2023, as such factors may be updated from time to time in our periodic filings with the United States Securities and Exchange Commission (“SEC”), which are accessible on the SEC’s website at [www.sec.gov](http://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 report and in our other periodic filings. The forward-looking statements speak only as of the date of this report, and we undertake no obligation to publicly update or review any forward-looking statement, whether as a result of new information, future developments or otherwise.

## Website and Social Media Disclosure

We use our website ([www.blackstone.com](http://www.blackstone.com)), Facebook page ([www.facebook.com/blackstone](https://www.facebook.com/blackstone)), X (Twitter) ([www.x.com/blackstone](https://www.x.com/blackstone)), LinkedIn ([www.linkedin.com/company/blackstonegroup](https://www.linkedin.com/company/blackstonegroup)), Instagram ([www.instagram.com/blackstone](https://www.instagram.com/blackstone)), SoundCloud ([www.soundcloud.com/blackstone-300250613](https://www.soundcloud.com/blackstone-300250613)), PodBean ([www.blackstone.podbean.com](https://www.blackstone.podbean.com)), Spotify (<https://spoti.fi/2LJ1tHG>), YouTube ([www.youtube.com/user/blackstonegroup](https://www.youtube.com/user/blackstonegroup)) and Apple Podcast (<https://apple.co/31Pe1Gg>) accounts as channels of distribution of company information. The information we post through these channels may be deemed material. Accordingly, investors should monitor these channels, in addition to following our press releases, SEC filings and public conference calls and webcasts. In addition, you may automatically receive email alerts and other information about Blackstone when you enroll your email address by visiting the “Contact Us/Email Alerts” section of our website at <http://ir.blackstone.com>. The contents of our website, any alerts and social media channels are not, however, a part of this report.

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In this report, references to “Blackstone,” the “Company,” “we,” “us” or “our” refer to Blackstone Inc. and its consolidated subsidiaries.

“Series I Preferred Stockholder” refers to Blackstone Partners L.L.C., the holder of the sole outstanding share of our Series I preferred stock.

“Series II Preferred Stockholder” refers to Blackstone Group Management L.L.C., the holder of the sole outstanding share of our Series II preferred stock.

“Blackstone Funds,” “our funds” and “our investment funds” refer to the funds and other vehicles that are managed by Blackstone. “Our carry funds” refers to funds managed by Blackstone that have commitment-based multi-year drawdown structures that pay carry on the realization of an investment.

We refer to our real estate opportunistic funds as Blackstone Real Estate Partners (“BREP”) funds and our real estate debt investment funds as Blackstone Real Estate Debt Strategies (“BREDS”) funds. We refer to our real estate investment trusts as “REITs,” to Blackstone Mortgage Trust, Inc., our NYSE-listed REIT, as “BXMT” and to

Blackstone Real Estate Income Trust, Inc., our non-listed REIT, as “BREIT.” We refer to our real estate funds that target substantially stabilized assets in prime markets, as Blackstone Property Partners (“BPP”) funds and our income-generating European real estate funds as Blackstone European Property Income (“BEPIF”) funds. We refer to BREIT, BPP and BEPIF collectively as our Core+ real estate strategies.

We refer to our flagship Corporate Private Equity funds as Blackstone Capital Partners (“BCP”) funds, our energy-focused private equity funds as Blackstone Energy Transition Partners (“BETP”) funds, our core private equity funds as Blackstone Core Equity Partners (“BCEP”), our opportunistic investment platform that invests globally across asset classes, industries and geographies as Blackstone Tactical Opportunities (“Tactical Opportunities”), our secondary funds business, Strategic Partners Fund Solutions (“Strategic Partners”), and our business that targets minority investments in the general partners of private equity and other private market alternative asset management firms (“GP Stakes”) as “Secondaries”, our infrastructure-focused funds as Blackstone Infrastructure Partners (“BIP”), our life sciences investment platform as Blackstone Life Sciences (“Bxls”), our growth equity investment platform as Blackstone Growth (“BXG”), our investment platform offering eligible individual investors access to Blackstone’s private equity capabilities as the Blackstone Private Equity Strategies Fund Program (“BXPE Fund Program”), our multi-asset investment program for eligible high net worth investors offering exposure to certain of our key illiquid investment strategies through a single commitment as Blackstone Total Alternatives Solution (“BTAS”) and our capital markets services business as Blackstone Capital Markets (“BxCM”).

“Our hedge funds” refers to our funds of hedge funds, hedge funds, certain of our real estate debt investment funds and certain other credit-focused funds which are managed by Blackstone.

We refer to our business development companies as “BDCs,” to Blackstone Private Credit Fund as “BCRED” and to Blackstone Secured Lending Fund as “BxSL.”

We refer to our separately managed accounts as “SMAs.”

“Total Assets Under Management” refers to the assets we manage. Our Total Assets Under Management equals the sum of:

- (a) the fair value of the investments held by our carry funds and our side-by-side and co-investment entities managed by us plus the capital that we are entitled to call from investors in those funds and entities pursuant to the terms of their respective capital commitments, including capital commitments to funds that have yet to commence their investment periods,
- (b) the net asset value of (1) our hedge funds, real estate debt carry funds, BPP, certain co-investments managed by us, certain credit-focused funds, and our Multi-Asset Investing drawdown funds (plus, in each case, the capital that we are entitled to call from investors in those funds, including commitments yet to commence their investment periods), and (2) our funds of hedge funds, our Multi-Asset Investing registered investment companies, BREIT, and BEPIF,
- (c) the invested capital, fair value or net asset value of assets we manage pursuant to separately managed accounts,
- (d) the amount of debt and equity outstanding for our collateralized loan obligations (“CLO”) during the reinvestment period,
- (e) the aggregate par amount of collateral assets, including principal cash, for our CLOs after the reinvestment period,
- (f) the gross or net amount of assets (including leverage where applicable) for our credit-focused registered investment companies and BDCs,
- (g) the fair value of common stock, preferred stock, convertible debt, term loans or similar instruments issued by BXMT, and
- (h) borrowings under and any amounts available to be borrowed under certain credit facilities of our funds.

Our carry funds are commitment-based drawdown structured funds that do not permit investors to redeem their interests at their election. Our funds of hedge funds, hedge funds, funds structured like hedge funds and other open-ended funds in our Real Estate, Credit & Insurance and Multi-Asset Investing segments generally have structures that afford an investor the right to withdraw or redeem their interests on a periodic basis (for example, annually, quarterly or monthly), typically with 2 to 95 days' notice, depending on the fund and the liquidity profile of the underlying assets. In our Perpetual Capital vehicles where redemption rights exist, Blackstone has the ability to fulfill redemption requests only (a) in Blackstone's or the vehicles' board's discretion, as applicable, or (b) to the extent there is sufficient new capital. Investment advisory agreements related to certain separately managed accounts in our Credit & Insurance and Multi-Asset Investing segments, excluding separately managed accounts in our insurance platform, may generally be terminated by an investor on 30 to 95 days' notice. Separately managed accounts in our insurance platform can generally only be terminated for long-term underperformance, cause and certain other limited circumstances, in each case subject to Blackstone's right to cure.

"Fee-Earning Assets Under Management" refers to the assets we manage on which we derive management fees and/or performance revenues. Our Fee-Earning Assets Under Management equals the sum of:

- (a) for our Private Equity segment funds, Real Estate segment carry funds including certain BREDS funds, and certain Multi-Asset Investing funds, the amount of capital commitments, remaining invested capital, fair value, net asset value or par value of assets held, depending on the fee terms of the fund,
- (b) for our credit-focused carry funds, the amount of remaining invested capital (which may include leverage) or net asset value, depending on the fee terms of the fund,
- (c) the remaining invested capital or fair value of assets held in co-investment vehicles managed by us on which we receive fees,
- (d) the net asset value of our funds of hedge funds, hedge funds, BPP, certain co-investments managed by us, certain registered investment companies, BREIT, BEPIF, and certain of our Multi-Asset Investing drawdown funds,
- (e) the invested capital, fair value of assets or the net asset value we manage pursuant to separately managed accounts,
- (f) the net proceeds received from equity offerings and accumulated distributable earnings of BXMT, subject to certain adjustments,
- (g) the aggregate par amount of collateral assets, including principal cash, of our CLOs, and
- (h) the gross amount of assets (including leverage) or the net assets (plus leverage where applicable) for certain of our credit-focused registered investment companies and BDCs.

Each of our segments may include certain Fee-Earning Assets Under Management on which we earn performance revenues but not management fees.

Our calculations of Total Assets Under Management and Fee-Earning Assets Under Management may differ from the calculations of other asset managers, and as a result this measure may not be comparable to similar measures presented by other asset managers. In addition, our calculation of Total Assets Under Management includes commitments to, and the fair value of, invested capital in our funds from Blackstone and our personnel, regardless of whether such commitments or invested capital are subject to fees. Our definitions of Total Assets Under Management and Fee-Earning Assets Under Management are not based on any definition of Total Assets Under Management and Fee-Earning Assets Under Management that is set forth in the agreements governing the investment funds that we manage.

For our carry funds, Total Assets Under Management includes the fair value of the investments held and uncalled capital commitments, whereas Fee-Earning Assets Under Management may include the total amount of capital commitments or the remaining amount of invested capital at cost, depending on whether the investment period has expired or as specified by the fee terms of the fund. As such, in certain carry funds Fee-Earning Assets Under Management may be greater than Total Assets Under Management when the aggregate fair value of the remaining investments is less than the cost of those investments.

“Perpetual Capital” refers to the component of assets under management with an indefinite term, that is not in liquidation, and for which there is no requirement to return capital to investors through redemption requests in the ordinary course of business, except where funded by new capital inflows. Perpetual Capital includes co-investment capital with an investor right to convert into Perpetual Capital.

This report does not constitute an offer of any Blackstone Fund.

# Part I. Financial Information

## Item 1. Financial Statements

### Blackstone Inc. Condensed Consolidated Statements of Financial Condition (Unaudited) (Dollars in Thousands, Except Share Data)

	June 30, 2024	December 31, 2023
<b>Assets</b>		
Cash and Cash Equivalents	\$ 2,381,436	\$ 2,955,866
Cash Held by Blackstone Funds and Other	219,393	316,197
Investments	26,426,289	26,146,622
Accounts Receivable	247,538	193,365
Due from Affiliates	4,868,069	4,466,521
Intangible Assets, Net	183,246	201,208
Goodwill	1,890,202	1,890,202
Other Assets	1,083,400	944,848
Right-of-Use Assets	995,524	841,307
Deferred Tax Assets	2,289,932	2,331,394
<b>Total Assets</b>	<b>\$ 40,585,029</b>	<b>\$ 40,287,530</b>
<b>Liabilities and Equity</b>		
Loans Payable	\$ 10,688,193	\$ 11,304,059
Due to Affiliates	2,364,099	2,393,410
Accrued Compensation and Benefits	5,703,156	5,247,766
Operating Lease Liabilities	1,142,317	989,823
Accounts Payable, Accrued Expenses and Other Liabilities	2,012,969	2,277,258
<b>Total Liabilities</b>	<b>21,910,734</b>	<b>22,212,316</b>
<b>Commitments and Contingencies</b>		
<b>Redeemable Non-Controlling Interests in Consolidated Entities</b>	<b>888,868</b>	<b>1,179,073</b>
<b>Equity</b>		
Stockholders' Equity of Blackstone Inc.		
Common Stock, \$0.00001 par value, 90 billion shares authorized, (722,540,712 shares issued and outstanding as of June 30, 2024; 719,358,114 shares issued and outstanding as of December 31, 2023)	7	7
Series I Preferred Stock, \$0.00001 par value, 999,999,000 shares authorized, (1 share issued and outstanding as of June 30, 2024 and December 31, 2023)	—	—
Series II Preferred Stock, \$0.00001 par value, 1,000 shares authorized, (1 share issued and outstanding as of June 30, 2024 and December 31, 2023)	—	—
Additional Paid-in-Capital	6,260,619	6,175,190
Retained Earnings	607,564	660,734
Accumulated Other Comprehensive Loss	(34,617)	(19,133)
Total Stockholders' Equity of Blackstone Inc.	6,833,573	6,816,798
Non-Controlling Interests in Consolidated Entities	5,682,606	5,177,255
Non-Controlling Interests in Blackstone Holdings	5,269,248	4,902,088
<b>Total Equity</b>	<b>17,785,427</b>	<b>16,896,141</b>
<b>Total Liabilities and Equity</b>	<b>\$ 40,585,029</b>	<b>\$ 40,287,530</b>

continued...

See notes to condensed consolidated financial statements.

**Blackstone Inc.**  
**Condensed Consolidated Statements of Financial Condition (Unaudited)**  
**(Dollars in Thousands)**

The following presents the asset and liability portion of the consolidated balances presented in the Condensed Consolidated Statements of Financial Condition attributable to consolidated Blackstone Funds which are variable interest entities. The following assets may only be used to settle obligations of these consolidated Blackstone Funds and these liabilities are only the obligations of these consolidated Blackstone Funds and they do not have recourse to the general credit of Blackstone.

	June 30, 2024	December 31, 2023
<b>Assets</b>		
Cash Held by Blackstone Funds and Other	\$ 219,393	\$ 316,197
Investments	3,621,676	4,319,483
Accounts Receivable	4,762	6,995
Due from Affiliates	9,509	12,762
Other Assets	4,760	770
<b>Total Assets</b>	<u>\$ 3,860,100</u>	<u>\$ 4,656,207</u>
<b>Liabilities</b>		
Loans Payable	\$ 130,321	\$ 687,122
Due to Affiliates	152,900	123,909
Accounts Payable, Accrued Expenses and Other Liabilities	54,770	391,172
<b>Total Liabilities</b>	<u>\$ 337,991</u>	<u>\$ 1,202,203</u>

See notes to condensed consolidated financial statements.



**Blackstone Inc.**  
**Condensed Consolidated Statements of Operations (Unaudited)**  
(Dollars in Thousands, Except Share and Per Share Data)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2023	2024	2023
<b>Revenues</b>				
Management and Advisory Fees, Net	\$ 1,787,313	\$ 1,709,370	\$ 3,514,461	\$ 3,367,685
Incentive Fees	188,299	153,077	367,640	295,953
Investment Income (Loss)				
Performance Allocations				
Realized	531,641	502,084	1,184,158	1,148,978
Unrealized	122,229	114,395	568,172	(644,817)
Principal Investments				
Realized	74,045	54,835	152,642	162,893
Unrealized	(31,776)	164,089	429,847	(327,328)
Total Investment Income	696,139	835,403	2,334,819	339,726
Interest and Dividend Revenue	104,999	148,505	202,838	238,990
Other	19,631	(31,664)	64,451	(45,818)
<b>Total Revenues</b>	<b>2,796,381</b>	<b>2,814,691</b>	<b>6,484,209</b>	<b>4,196,536</b>
<b>Expenses</b>				
Compensation and Benefits				
Compensation	766,647	737,017	1,561,450	1,453,302
Incentive Fee Compensation	77,139	64,227	150,846	127,508
Performance Allocations Compensation				
Realized	260,736	205,196	519,630	501,990
Unrealized	101,680	54,155	282,580	(259,094)
Total Compensation and Benefits	1,206,202	1,060,595	2,514,506	1,823,706
General, Administrative and Other	311,928	275,034	681,878	548,428
Interest Expense	108,616	108,096	216,819	212,537
Fund Expenses	5,960	31,585	9,910	79,984
<b>Total Expenses</b>	<b>1,632,706</b>	<b>1,475,310</b>	<b>3,423,113</b>	<b>2,664,655</b>
<b>Other Income</b>				
Change in Tax Receivable Agreement Liability	—	7,095	—	1,887
Net Gains from Fund Investment Activities	44,934	80,500	27,167	151,564
<b>Total Other Income</b>	<b>44,934</b>	<b>87,595</b>	<b>27,167</b>	<b>153,451</b>
<b>Income Before Provision for Taxes</b>	<b>1,208,609</b>	<b>1,426,976</b>	<b>3,088,263</b>	<b>1,685,332</b>
<b>Provision for Taxes</b>	<b>260,246</b>	<b>223,269</b>	<b>543,917</b>	<b>270,944</b>
<b>Net Income</b>	<b>948,363</b>	<b>1,203,707</b>	<b>2,544,346</b>	<b>1,414,388</b>
<b>Net Income (Loss) Attributable to Redeemable Non-Controlling Interests in Consolidated Entities</b>	<b>258</b>	<b>17,688</b>	<b>(39,411)</b>	<b>10,988</b>
<b>Net Income Attributable to Non-Controlling Interests in Consolidated Entities</b>	<b>100,583</b>	<b>89,436</b>	<b>203,410</b>	<b>164,305</b>
<b>Net Income Attributable to Non-Controlling Interests in Blackstone Holdings</b>	<b>403,108</b>	<b>495,309</b>	<b>1,088,547</b>	<b>552,009</b>
<b>Net Income Attributable to Blackstone Inc.</b>	<b>\$ 444,414</b>	<b>\$ 601,274</b>	<b>\$ 1,291,800</b>	<b>\$ 687,086</b>
<b>Net Income Per Share of Common Stock</b>				
Basic	\$ 0.58	\$ 0.79	\$ 1.69	\$ 0.91
Diluted	\$ 0.58	\$ 0.79	\$ 1.69	\$ 0.91
<b>Weighted-Average Shares of Common Stock Outstanding</b>				
Basic	769,187,351	758,479,943	764,492,944	752,306,729
Diluted	769,234,677	758,548,248	764,746,162	752,630,385

See notes to condensed consolidated financial statements.

**Blackstone Inc.**  
**Condensed Consolidated Statements of Comprehensive Income (Unaudited)**  
**(Dollars in Thousands)**

	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2023	2024	2023
Net Income	\$ 948,363	\$ 1,203,707	\$ 2,544,346	\$ 1,414,388
Other Comprehensive Income (Loss) – Currency Translation Adjustment	(8,403)	16,892	(44,968)	46,292
Comprehensive Income	939,960	1,220,599	2,499,378	1,460,680
Less:				
Comprehensive Income (Loss) Attributable to Redeemable Non-Controlling Interests in Consolidated Entities	(2,757)	30,519	(59,242)	44,529
Comprehensive Income Attributable to Non-Controlling Interests in Consolidated Entities	100,583	89,436	203,410	164,305
Comprehensive Income Attributable to Non-Controlling Interests in Blackstone Holdings	401,055	494,242	1,078,894	554,490
Comprehensive Income Attributable to Non-Controlling Interests	498,881	614,197	1,223,062	763,324
Comprehensive Income Attributable to Blackstone Inc.	<u>\$ 441,079</u>	<u>\$ 606,402</u>	<u>\$ 1,276,316</u>	<u>\$ 697,356</u>

See notes to condensed consolidated financial statements.

**Blackstone Inc.**  
**Condensed Consolidated Statements of Changes in Equity (Unaudited)**  
**(Dollars in Thousands, Except Share Data)**

	Shares of Blackstone Inc. (a)	Blackstone Inc. (a)								
		Common Stock		Additional Paid-in- Capital	Retained Earnings (Deficit)	Accumulated Other Compre- hensive Income (Loss)	Total Stockholders' Equity	Non- Controlling Interests in Consolidated Entities	Non- Controlling Interests in Blackstone Holdings	Redeemable Non- Controlling Interests in Consolidated Entities
<b>Balance at March 31, 2024</b>	722,263,433	\$ 7	\$6,190,142	\$ 796,201	\$ (31,282)	\$ 6,955,068	\$ 5,381,678	\$5,205,683	\$17,542,429	\$ 935,005
Transfer In Due to Consolidation of Fund Entities	—	—	—	—	—	—	—	—	—	1,065
Net Income	—	—	—	444,414	—	444,414	100,583	403,108	948,105	258
Currency Translation Adjustment	—	—	—	—	(3,335)	(3,335)	—	(2,053)	(5,388)	(3,015)
Capital Contributions	—	—	—	—	—	—	346,416	2,465	348,881	7,732
Capital Distributions	—	—	—	(633,051)	—	(633,051)	(146,010)	(457,490)	(1,236,551)	(52,177)
Transfer and Repurchase of Non-Controlling Interests in Consolidated Entities	—	—	18	—	—	18	(61)	—	(43)	—
Deferred Tax Effects Resulting from Acquisition of Ownership Interests from Non-Controlling Interest Holders	—	—	60,975	—	—	60,975	—	—	60,975	—
Equity-Based Compensation	—	—	229,862	—	—	229,862	—	145,651	375,513	—
Net Delivery of Vested Blackstone Holdings Partnership Units and Shares of Common Stock	430,121	—	(4,206)	—	—	(4,206)	—	—	(4,206)	—
Repurchase of Shares of Common Stock and Blackstone Holdings Partnership Units	(2,000,000)	—	(244,288)	—	—	(244,288)	—	—	(244,288)	—
Change in Blackstone Inc.'s Ownership Interest	—	—	7,097	—	—	7,097	—	(7,097)	—	—
Conversion of Blackstone Holdings Partnership Units to Shares of Common Stock	1,847,158	—	21,019	—	—	21,019	—	(21,019)	—	—
<b>Balance at June 30, 2024</b>	<u>722,540,712</u>	<u>\$ 7</u>	<u>\$6,260,619</u>	<u>\$ 607,564</u>	<u>\$ (34,617)</u>	<u>\$ 6,833,573</u>	<u>\$ 5,682,606</u>	<u>\$5,269,248</u>	<u>\$17,785,427</u>	<u>\$ 888,868</u>

(a) During the period presented, Blackstone also had one share outstanding of each of Series I and Series II preferred stock, with par value of each less than one cent.

continued...

See notes to condensed consolidated financial statements.

**Blackstone Inc.**  
**Condensed Consolidated Statements of Changes in Equity (Unaudited)**  
**(Dollars in Thousands, Except Share Data)**

	Shares of Blackstone Inc. (a)	Blackstone Inc. (a)								
	Common Stock	Common Stock	Additional Paid-in- Capital	Retained Earnings (Deficit)	Accumulated Other Compre- hensive Income (Loss)	Total Stockholders' Equity	Non- Controlling Interests in Consolidated Entities	Non- Controlling Interests in Blackstone Holdings	Total Equity	Redeemable Non- Controlling Interests in Consolidated Entities
<b>Balance at March 31, 2023</b>	712,794,968	\$ 7	\$5,957,054	\$1,156,109	\$ (22,333)	\$ 7,090,837	\$ 5,058,090	\$4,920,201	\$17,069,128	\$ 1,644,697
Net Income	—	—	—	601,274	—	601,274	89,436	495,309	1,186,019	17,688
Currency Translation Adjustment	—	—	—	—	5,128	5,128	—	(1,067)	4,061	12,831
Capital Contributions	—	—	—	—	—	—	183,351	2,412	185,763	41,188
Capital Distributions	—	—	—	(597,105)	—	(597,105)	(155,466)	(458,048)	(1,210,619)	(90,055)
Transfer of Non-Controlling Interests in Consolidated Entities	—	—	—	—	—	—	(450)	—	(450)	—
Deferred Tax Effects Resulting from Acquisition of Ownership Interests from Non-Controlling Interest Holders	—	—	1,918	—	—	1,918	—	—	1,918	—
Equity-Based Compensation	—	—	193,545	—	—	193,545	—	125,896	319,441	—
Net Delivery of Vested Blackstone Holdings Partnership Units and Shares of Common Stock	529,948	—	(5,097)	—	—	(5,097)	—	—	(5,097)	—
Repurchase of Shares of Common Stock and Blackstone Holdings Partnership Units	(1,000,000)	—	(86,034)	—	—	(86,034)	—	—	(86,034)	—
Change in Blackstone Inc.'s Ownership Interest	—	—	1,918	—	—	1,918	—	(1,918)	—	—
Conversion of Blackstone Holdings Partnership Units to Shares of Common Stock	1,226,943	—	13,063	—	—	13,063	—	(13,063)	—	—
<b>Balance at June 30, 2023</b>	<u>713,551,859</u>	<u>\$ 7</u>	<u>\$6,076,367</u>	<u>\$1,160,278</u>	<u>\$ (17,205)</u>	<u>\$ 7,219,447</u>	<u>\$ 5,174,961</u>	<u>\$5,069,722</u>	<u>\$17,464,130</u>	<u>\$ 1,626,349</u>

(a) During the period presented, Blackstone also had one share outstanding of each of Series I and Series II preferred stock, with par value of each less than one cent.

continued...

See notes to condensed consolidated financial statements.

**Blackstone Inc.**  
**Condensed Consolidated Statements of Changes in Equity (Unaudited)**  
(Dollars in Thousands, Except Share Data)

	Shares of Blackstone Inc. (a)	Blackstone Inc. (a)								
					Accumulated Other Compre- hensive Income (Loss)	Total Stockholders' Equity	Non- Controlling Interests in Consolidated Entities	Non- Controlling Interests in Blackstone Holdings	Total Equity	Redeemable Non- Controlling Interests in Consolidated Entities
	Common Stock	Common Stock	Additional Paid-in- Capital	Retained Earnings (Deficit)						
Balance at December 31, 2023	719,358,114	\$ 7	\$6,175,190	\$ 660,734	\$ (19,133)	\$ 6,816,798	\$5,177,255	\$4,902,088	\$16,896,141	\$ 1,179,073
Transfer In Due to Consolidation of Fund Entities	—	—	—	—	—	—	—	—	—	1,065
Net Income (Loss)	—	—	—	1,291,800	—	1,291,800	203,410	1,088,547	2,583,757	(39,411)
Currency Translation Adjustment	—	—	—	—	(15,484)	(15,484)	—	(9,653)	(25,137)	(19,831)
Capital Contributions	—	—	—	—	—	—	514,185	4,942	519,127	12,233
Capital Distributions	—	—	—	(1,344,970)	—	(1,344,970)	(274,410)	(924,583)	(2,543,963)	(175,170)
Transfer and Repurchase of Non-Controlling Interests in Consolidated Entities	—	—	(134)	—	—	(134)	62,166	—	62,032	(69,091)
Deferred Tax Effects Resulting from Acquisition of Ownership Interests from Non-Controlling Interest Holders	—	—	68,544	—	—	68,544	—	—	68,544	—
Equity-Based Compensation	—	—	373,119	—	—	373,119	—	236,669	609,788	—
Net Delivery of Vested Blackstone Holdings Partnership Units and Shares of Common Stock	3,049,774	—	(52,169)	—	—	(52,169)	—	—	(52,169)	—
Repurchase of Shares of Common Stock and Blackstone Holdings Partnership Units	(2,700,000)	—	(332,693)	—	—	(332,693)	—	—	(332,693)	—
Change in Blackstone Inc.'s Ownership Interest	—	—	(2,794)	—	—	(2,794)	—	2,794	—	—
Conversion of Blackstone Holdings Partnership Units to Shares of Common Stock	2,832,824	—	31,556	—	—	31,556	—	(31,556)	—	—
Balance at June 30, 2024	722,540,712	\$ 7	\$6,260,619	\$ 607,564	\$ (34,617)	\$ 6,833,573	\$5,682,606	\$5,269,248	\$17,785,427	\$ 888,868

(a) During the period presented, Blackstone also had one share outstanding of each of Series I and Series II preferred stock, with par value of each less than one cent.

continued...

See notes to condensed consolidated financial statements.

**Blackstone Inc.**  
**Condensed Consolidated Statements of Changes in Equity (Unaudited)**  
**(Dollars in Thousands, Except Share Data)**

	Shares of Blackstone Inc. (a)	Blackstone Inc. (a)									Redeemable Non- Controlling Interests in Consolidated Entities
	Common Stock	Common Stock	Additional Paid-in- Capital	Retained Earnings (Deficit)	Accumulated Other Compre- hensive Income (Loss)	Total Stockholders' Equity	Non- Controlling Interests in Consolidated Entities	Non- Controlling Interests in Blackstone Holdings	Total Equity		
Balance at December 31, 2022	710,276,923	\$ 7	\$5,935,273	\$ 1,748,106	\$ (27,475)	\$ 7,655,911	\$ 5,056,480	\$5,253,670	\$17,966,061	\$ 1,715,006	
Transfer Out Due to Consolidation of Fund Entities	—	—	—	—	—	—	—	—	—	(53,713)	
Net Income	—	—	—	687,086	—	687,086	164,305	552,009	1,403,400	10,988	
Currency Translation Adjustment	—	—	—	—	10,270	10,270	—	2,481	12,751	33,541	
Capital Contributions	—	—	—	—	—	—	307,303	4,859	312,162	92,280	
Capital Distributions	—	—	—	(1,274,914)	—	(1,274,914)	(350,332)	(920,026)	(2,545,272)	(171,753)	
Transfer of Non-Controlling Interests in Consolidated Entities	—	—	—	—	—	—	(2,795)	—	(2,795)	—	
Deferred Tax Effects Resulting from Acquisition of Ownership Interests from Non-Controlling Interest Holders	—	—	3,919	—	—	3,919	—	—	3,919	—	
Equity-Based Compensation	—	—	310,772	—	—	310,772	—	202,364	513,136	—	
Net Delivery of Vested Blackstone Holdings Partnership Units and Shares of Common Stock	2,673,204	—	(23,101)	—	—	(23,101)	—	—	(23,101)	—	
Repurchase of Shares of Common Stock and Blackstone Holdings Partnership Units	(2,000,000)	—	(176,131)	—	—	(176,131)	—	—	(176,131)	—	
Change in Blackstone Inc.'s Ownership Interest	—	—	(3,009)	—	—	(3,009)	—	3,009	—	—	
Conversion of Blackstone Holdings Partnership Units to Shares of Common Stock	2,601,732	—	28,644	—	—	28,644	—	(28,644)	—	—	
Balance at June 30, 2023	713,551,859	\$ 7	\$6,076,367	\$ 1,160,278	\$ (17,205)	\$ 7,219,447	\$ 5,174,961	\$5,069,722	\$17,464,130	\$ 1,626,349	

(a) During the period presented, Blackstone also had one share outstanding of each of Series I and Series II preferred stock, with par value of each less than one cent.

See notes to condensed consolidated financial statements.

**Blackstone Inc.**  
**Condensed Consolidated Statements of Cash Flows (Unaudited)**  
**(Dollars in Thousands)**

	<b>Six Months Ended June 30,</b>	
	<b>2024</b>	<b>2023</b>
<b>Operating Activities</b>		
Net Income	\$ 2,544,346	\$ 1,414,388
Adjustments to Reconcile Net Income to Net Cash Provided by Operating Activities		
Blackstone Funds Related		
Net Realized Gains on Investments	(1,481,780)	(1,495,744)
Changes in Unrealized (Gains) Losses on Investments	(485,306)	286,350
Non-Cash Performance Allocations	(568,172)	644,827
Non-Cash Performance Allocations and Incentive Fee Compensation	948,128	370,185
Equity-Based Compensation Expense	621,681	537,781
Amortization of Intangibles	17,963	22,062
Other Non-Cash Amounts Included in Net Income	(193,577)	(429,942)
Cash Flows Due to Changes in Operating Assets and Liabilities		
Cash Acquired with Consolidation of Fund Entities	6,845	—
Cash Relinquished with Deconsolidation of Fund Entities	(113,224)	(113,588)
Accounts Receivable	(87,957)	(317,147)
Due from Affiliates	(183,990)	68,804
Other Assets	(143,741)	(21,998)
Accrued Compensation and Benefits	(515,761)	(544,006)
Accounts Payable, Accrued Expenses and Other Liabilities	132,969	(61,119)
Due to Affiliates	(113,830)	(17,375)
Investments Purchased	(957,895)	(1,598,446)
Cash Proceeds from Sale of Investments	2,671,708	3,333,272
Net Cash Provided by Operating Activities	2,098,407	2,078,304
<b>Investing Activities</b>		
Purchase of Furniture, Equipment and Leasehold Improvements	(30,136)	(130,236)
Net Cash Paid for Acquisitions, Net of Cash Acquired	—	(5,420)
Net Cash Used in Investing Activities	(30,136)	(135,656)
<b>Financing Activities</b>		
Distributions to Non-Controlling Interest Holders in Consolidated Entities	(454,107)	(449,225)
Contributions from Non-Controlling Interest Holders in Consolidated Entities	519,358	391,813
Payments Under Tax Receivable Agreement	(87,508)	(64,634)
Net Settlement of Vested Common Stock and Repurchase of Common Stock and Blackstone Holdings Partnership Units	(384,862)	(199,232)

continued...

See notes to condensed consolidated financial statements.

**Blackstone Inc.**  
**Condensed Consolidated Statements of Cash Flows (Unaudited)**  
(Dollars in Thousands)

	Six Months Ended June 30,	
	2024	2023
<b>Financing Activities (Continued)</b>		
Repayment and Repurchase of Loans Payable	\$ (60,791)	\$ (429,698)
Dividends/Distributions to Stockholders and Unitholders	(2,264,611)	(2,190,081)
Net Cash Used in Financing Activities	(2,732,521)	(2,941,057)
Effect of Exchange Rate Changes on Cash and Cash Equivalents and Cash Held by Blackstone Funds and Other	(6,984)	342
<b>Cash and Cash Equivalents and Cash Held by Blackstone Funds and Other</b>		
Net Decrease	(671,234)	(998,067)
Beginning of Period	3,272,063	4,493,715
<b>End of Period</b>	<u><u>\$ 2,600,829</u></u>	<u><u>\$ 3,495,648</u></u>
<b>Supplemental Disclosure of Cash Flows Information</b>		
Payments for Interest	<u>\$ 171,744</u>	<u>\$ 216,813</u>
Payments for Income Taxes	<u>\$ 413,957</u>	<u>\$ 330,654</u>
<b>Supplemental Disclosure of Non-Cash Investing and Financing Activities</b>		
Non-Cash Contributions from Non-Controlling Interest Holders	<u>\$ 4,942</u>	<u>\$ 11,241</u>
Non-Cash Distributions to Non-Controlling Interest Holders	<u>\$ (415)</u>	<u>\$ (72,861)</u>
Transfer of Interests to Non-Controlling Interest Holders	<u>\$ (6,925)</u>	<u>\$ (2,795)</u>
Change in Blackstone Inc.'s Ownership Interest	<u>\$ (2,794)</u>	<u>\$ (3,009)</u>
Net Settlement of Vested Common Stock	<u>\$ 358,981</u>	<u>\$ 267,519</u>
Conversion of Blackstone Holdings Units to Common Stock	<u>\$ 31,556</u>	<u>\$ 28,644</u>
Acquisition of Ownership Interests from Non-Controlling Interest Holders		
Deferred Tax Asset	<u>\$ (153,044)</u>	<u>\$ (58,780)</u>
Due to Affiliates	<u>\$ 84,500</u>	<u>\$ 54,861</u>
Equity	<u>\$ 68,544</u>	<u>\$ 3,919</u>

The following table provides a reconciliation of Cash and Cash Equivalents and Cash Held by Blackstone Funds and Other reported within the Condensed Consolidated Statements of Financial Condition:

	June 30, 2024	December 31, 2023
Cash and Cash Equivalents	\$ 2,381,436	\$ 2,955,866
Cash Held by Blackstone Funds and Other	219,393	316,197
	<u><u>\$ 2,600,829</u></u>	<u><u>\$ 3,272,063</u></u>

See notes to condensed consolidated financial statements.



**Blackstone Inc.**  
**Notes to Condensed Consolidated Financial Statements (Unaudited)**  
**(All Dollars are in Thousands, Except Share and Per Share Data, Except Where Noted)**

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## **1. Organization**

Blackstone Inc., together with its consolidated subsidiaries (“Blackstone” or the “Company”), is the world’s largest alternative asset manager. Blackstone’s asset management business includes global investment strategies focused on real estate, private equity, infrastructure, life sciences, growth equity, credit, real assets, secondaries and hedge funds. “Blackstone Funds” refers to the funds and other vehicles that are managed by Blackstone. Blackstone’s business is organized into four segments: Real Estate, Private Equity, Credit & Insurance and Multi-Asset Investing.

Blackstone Inc. was initially formed as The Blackstone Group L.P., a Delaware limited partnership, on March 12, 2007. Prior to its conversion on July 1, 2019 to a Delaware corporation, Blackstone Inc. was managed and operated by Blackstone Group Management L.L.C., which is wholly owned by Blackstone’s senior managing directors and controlled by one of Blackstone’s founders, Stephen A. Schwarzman (the “Founder”).

The activities of Blackstone are conducted through its holding partnerships: Blackstone Holdings I L.P., Blackstone Holdings AI L.P., Blackstone Holdings II L.P., Blackstone Holdings III L.P. and Blackstone Holdings IV L.P. (collectively, “Blackstone Holdings,” “Blackstone Holdings Partnerships” or the “Holding Partnerships”). Blackstone, through its wholly owned subsidiaries, is the sole general partner of each of the Holding Partnerships. Generally, holders of the limited partner interests in the Holding Partnerships may, four times each year, exchange their limited partnership interests (“Partnership Units”) for Blackstone common stock, on a one-to-one basis, exchanging one Partnership Unit from each of the Holding Partnerships for one share of Blackstone common stock.

## **2. Summary of Significant Accounting Policies**

### **Basis of Presentation**

The accompanying unaudited condensed consolidated financial statements of Blackstone have been prepared in accordance with accounting principles generally accepted in the United States of America (“GAAP”) for interim financial information and the instructions to Form 10-Q. The condensed consolidated financial statements, including these notes, are unaudited and exclude some of the disclosures required in audited financial statements. Management believes it has made all necessary adjustments (consisting of only normal recurring items) so that the condensed consolidated financial statements are presented fairly and that estimates made in preparing its condensed consolidated financial statements are reasonable and prudent. The operating results presented for interim periods are not necessarily indicative of the results that may be expected for any other interim period or for the entire year. These condensed consolidated financial statements should be read in conjunction with the audited consolidated financial statements included in Blackstone’s Annual Report on Form 10-K for the year ended December 31, 2023 filed with the Securities and Exchange Commission.

The condensed consolidated financial statements include the accounts of Blackstone, its wholly owned or majority-owned subsidiaries, the consolidated entities which are considered to be variable interest entities and for which Blackstone is considered the primary beneficiary, and certain partnerships or similar entities which are not considered variable interest entities but in which the general partner is determined to have control.

All intercompany balances and transactions have been eliminated in consolidation.

### **Consolidation**

Blackstone consolidates all entities that it controls through a majority voting interest or otherwise, including those Blackstone Funds in which the general partner has a controlling financial interest. Blackstone has a controlling financial interest in Blackstone Holdings because the limited partners do not have the right to dissolve the partnerships or have substantive kick-out rights or participating rights that would overcome the control held by Blackstone. Accordingly, Blackstone consolidates Blackstone Holdings and records non-controlling interests to reflect the economic interests of the limited partners of Blackstone Holdings.

**Blackstone Inc.**  
**Notes to Condensed Consolidated Financial Statements (Unaudited) - Continued**  
**(All Dollars are in Thousands, Except Share and Per Share Data, Except Where Noted)**

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In addition, Blackstone consolidates all variable interest entities (“VIE”) for which it is the primary beneficiary. An enterprise is determined to be the primary beneficiary if it holds a controlling financial interest. A controlling financial interest is defined as (a) the power to direct the activities of a VIE that most significantly impact the entity’s economic performance and (b) the obligation to absorb losses of the entity or the right to receive benefits from the entity that could potentially be significant to the VIE. The consolidation guidance requires an analysis to determine (a) whether an entity in which Blackstone holds a variable interest is a VIE and (b) whether Blackstone’s involvement, through holding interests directly or indirectly in the entity or contractually through other variable interests, would give it a controlling financial interest. Performance of that analysis requires the exercise of judgment.

Blackstone determines whether it is the primary beneficiary of a VIE at the time it becomes involved with a variable interest entity and continuously reconsiders that conclusion. In determining whether Blackstone is the primary beneficiary, Blackstone evaluates its control rights as well as economic interests in the entity held either directly or indirectly by Blackstone. The consolidation analysis can generally be performed qualitatively; however, if it is not readily apparent that Blackstone is not the primary beneficiary, a quantitative analysis may also be performed. Investments and redemptions (either by Blackstone, affiliates of Blackstone or third parties) or amendments to the governing documents of the respective Blackstone Funds could affect an entity’s status as a VIE or the determination of the primary beneficiary. At each reporting date, Blackstone assesses whether it is the primary beneficiary and will consolidate or deconsolidate accordingly.

Assets of consolidated VIEs that can only be used to settle obligations of the consolidated VIE and liabilities of a consolidated VIE for which creditors (or beneficial interest holders) do not have recourse to the general credit of Blackstone are presented in a separate section in the Condensed Consolidated Statements of Financial Condition.

Blackstone’s other disclosures regarding VIEs are discussed in Note 9. “Variable Interest Entities.”

## **Revenue Recognition**

Revenues primarily consist of management and advisory fees, incentive fees, investment income, interest and dividend revenue and other.

Management and advisory fees and incentive fees are accounted for as contracts with customers. Under the guidance for contracts with customers, an entity is required to (a) identify the contract(s) with a customer, (b) identify the performance obligations in the contract, (c) determine the transaction price, (d) allocate the transaction price to the performance obligations in the contract, and (e) recognize revenue when (or as) the entity satisfies a performance obligation. In determining the transaction price, an entity may include variable consideration only to the extent that it is probable that a significant reversal in the amount of cumulative revenue recognized would not occur when the uncertainty associated with the variable consideration is resolved. See Note 17. “Segment Reporting” for a disaggregated presentation of revenues from contracts with customers.

*Management and Advisory Fees, Net* — Management and Advisory Fees, Net are comprised of management fees, including base management fees, transaction, advisory and other fees net of management fee reductions and offsets.

Blackstone earns base management fees from its customers at a fixed percentage of a calculation base which is typically assets under management, net asset value, gross asset value, total assets, committed capital or invested capital. Blackstone identifies its customers on a fund by fund basis in accordance with the terms and circumstances of the individual fund. Generally the customer is identified as the investors in its managed funds and

**Blackstone Inc.**  
**Notes to Condensed Consolidated Financial Statements (Unaudited) - Continued**  
**(All Dollars are in Thousands, Except Share and Per Share Data, Except Where Noted)**

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investment vehicles, but for certain widely held funds or vehicles, the fund or vehicle itself may be identified as the customer. These customer contracts require Blackstone to provide investment management services, which represents a performance obligation that Blackstone satisfies over time. Management fees are a form of variable consideration because the fees Blackstone is entitled to vary based on fluctuations in the basis for the management fee. The amount recorded as revenue is generally determined at the end of the period because these management fees are payable on a regular basis (typically quarterly) and are not subject to clawback once paid.

Transaction, advisory and other fees are principally fees charged to the investors of funds indirectly through the managed funds and portfolio companies. The investment advisory agreements generally require that the investment adviser reduce the amount of management fees payable by the investors to Blackstone ("management fee reductions") by an amount equal to a portion of the transaction and other fees paid to Blackstone by the portfolio companies. The amount of the reduction varies by fund, the type of fee paid by the portfolio company and the previously incurred expenses of the fund. These fees and associated management fee reductions are a component of the transaction price for Blackstone's performance obligation to provide investment management services to the investors of funds and are recognized as changes to the transaction price in the period in which they are charged and the services are performed.

Management fee offsets are reductions to management fees payable by the investors of the Blackstone Funds, which are based on the amount such investors reimburse the Blackstone Funds or Blackstone primarily for placement fees. Providing investment management services requires Blackstone to arrange for services on behalf of its customers. In those situations where Blackstone is acting as an agent on behalf of the investors of funds, it presents the cost of services as net against management fee revenue. In all other situations, Blackstone is primarily responsible for fulfilling the services and is therefore acting as a principal for those arrangements. As a result, the cost of those services is presented as Compensation or General, Administrative and Other expense, as appropriate, with any reimbursement from the investors of the funds recorded as Management and Advisory Fees, Net. In cases where the investors of the funds are determined to be the customer in an arrangement, placement fees may be capitalized as a cost to acquire a customer contract. Capitalized placement fees are amortized over the life of the customer contract, are recorded within Other Assets in the Consolidated Statements of Financial Condition and amortization is recorded within General, Administrative and Other within the Consolidated Statements of Operations.

Accrued but unpaid Management and Advisory Fees, net of management fee reductions and management fee offsets, as of the reporting date are included in Due from Affiliates in the Condensed Consolidated Statements of Financial Condition.

*Incentive Fees* — Contractual fees earned based on the performance of Blackstone vehicles ("Incentive Fees") are a form of variable consideration in Blackstone's contracts with customers to provide investment management services. Incentive Fees are earned based on performance of the vehicle during the period, subject to the achievement of minimum return levels, or high water marks, in accordance with the respective terms set out in each vehicle's governing agreements. Incentive Fees will not be recognized as revenue until (a) it is probable that a significant reversal in the amount of cumulative revenue recognized will not occur, or (b) the uncertainty associated with the variable consideration is subsequently resolved. Incentive Fees are typically recognized as revenue when realized at the end of the measurement period. Once realized, such fees are not subject to clawback or reversal. Accrued but unpaid Incentive Fees charged directly to investors in Blackstone vehicles as of the reporting date are recorded within Due from Affiliates in the Condensed Consolidated Statements of Financial Condition.

*Investment Income (Loss)* — Investment Income (Loss) represents the unrealized and realized gains and losses on Blackstone's Performance Allocations and Principal Investments.

**Blackstone Inc.**  
**Notes to Condensed Consolidated Financial Statements (Unaudited) - Continued**  
**(All Dollars are in Thousands, Except Share and Per Share Data, Except Where Noted)**

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In carry fund structures and certain open-ended structures, Blackstone, through its subsidiaries, invests alongside its limited partners in a partnership and is entitled to its pro-rata share of the results of the fund vehicle (a “pro-rata allocation”). In addition to a pro-rata allocation, and assuming certain investment returns are achieved, Blackstone is entitled to a disproportionate allocation of the income otherwise allocable to the limited partners, commonly referred to as carried interest (“Performance Allocations”).

Performance Allocations in carry fund structures are made to the general partner based on cumulative fund performance to date, subject to a preferred return to limited partners. Performance Allocations in open-ended structures are based on vehicle performance over a period of time, subject to a high water mark and preferred return to investors. At the end of each reporting period, Blackstone calculates the balance of accrued Performance Allocations (“Accrued Performance Allocations”) that would be due to Blackstone for each fund, pursuant to the fund agreements, as if the fair value of the underlying investments were realized as of such date, irrespective of whether such amounts have been realized. As the fair value of underlying investments varies between reporting periods, it is necessary to make adjustments to amounts recorded as Accrued Performance Allocations to reflect either (a) positive performance resulting in an increase in the Accrued Performance Allocation to the general partner or (b) negative performance that would cause the amount due to Blackstone to be less than the amount previously recognized as revenue, resulting in a negative adjustment to the Accrued Performance Allocation to the general partner. In each scenario, it is necessary to calculate the Accrued Performance Allocation on cumulative results compared to the Accrued Performance Allocation recorded to date and make the required positive or negative adjustments. Blackstone ceases to record negative Performance Allocations once previously Accrued Performance Allocations for such fund have been fully reversed. Blackstone is not obligated to pay guaranteed returns or hurdles, and therefore, cannot have negative Performance Allocations over the life of a fund. Accrued Performance Allocations as of the reporting date are reflected in Investments in the Condensed Consolidated Statements of Financial Condition.

Performance Allocations in carry fund structures are realized when an underlying investment is profitably disposed of and the fund’s cumulative returns are in excess of the preferred return or, in limited instances, after certain thresholds for return of capital are met. Performance Allocations in carry fund structures are subject to clawback to the extent that the Performance Allocation received to date exceeds the amount due to Blackstone based on cumulative results. As such, the accrual for potential repayment of previously received Performance Allocations, which is a component of Due to Affiliates, represents all amounts previously distributed to Blackstone Holdings and non-controlling interest holders that would need to be repaid to the Blackstone carry funds if the Blackstone carry funds were to be liquidated based on the current fair value of the underlying funds’ investments as of the reporting date. The actual clawback liability, however, generally does not become realized until the end of a fund’s life except for certain funds, which may have an interim clawback liability. Performance Allocations in open-ended structures are realized based on the stated time period in the agreements and are generally not subject to clawback once paid.

Principal Investments include the unrealized and realized gains and losses on Blackstone’s principal investments, including its investments in Blackstone Funds that are not consolidated and receive pro-rata allocations, its equity method investments, and other principal investments. Income (Loss) on Principal Investments is realized when Blackstone redeems all or a portion of its investment or when Blackstone receives cash income, such as dividends or distributions. Unrealized Income (Loss) on Principal Investments results from changes in the fair value of the underlying investment as well as the reversal of unrealized gain (loss) at the time an investment is realized.

*Interest and Dividend Revenue* — Interest and Dividend Revenue comprises primarily interest and dividend income earned on principal investments not accounted for under the equity method held by Blackstone.

**Blackstone Inc.**  
**Notes to Condensed Consolidated Financial Statements (Unaudited) - Continued**  
**(All Dollars are in Thousands, Except Share and Per Share Data, Except Where Noted)**

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*Other Revenue* — Other Revenue consists of miscellaneous income and foreign exchange gains and losses arising on transactions denominated in currencies other than U.S. dollars.

**Fair Value of Financial Instruments**

GAAP establishes a hierarchical disclosure framework which prioritizes and ranks the level of market price observability used in measuring financial instruments at fair value. Market price observability is affected by a number of factors, including the type of financial instrument, the characteristics specific to the financial instrument and the state of the marketplace, including the existence and transparency of transactions between market participants. Financial instruments with readily available quoted prices in active markets generally will have a higher degree of market price observability and a lesser degree of judgment used in measuring fair value.

Financial instruments measured and reported at fair value are classified and disclosed based on the observability of inputs used in the determination of fair values, as follows:

- Level I – Quoted prices are available in active markets for identical financial instruments as of the reporting date. The types of financial instruments in Level I include listed equities, listed derivatives and mutual funds with quoted prices. Blackstone does not adjust the quoted price for these investments, even in situations where Blackstone holds a large position and a sale could reasonably impact the quoted price.
- Level II – Pricing inputs are other than quoted prices in active markets, which are either directly or indirectly observable as of the reporting date, and fair value is determined through the use of models or other valuation methodologies. Financial instruments which are generally included in this category include corporate bonds and loans, including corporate bonds and loans held within consolidated collateralized loan obligations (“CLO”) vehicles, government and agency securities, less liquid and restricted equity securities, and certain over-the-counter derivatives where the fair value is based on observable inputs. Notes issued by consolidated CLO vehicles are classified within Level II of the fair value hierarchy.
- Level III – Pricing inputs are unobservable for the financial instruments and includes situations where there is little, if any, market activity for the financial instrument. The inputs into the determination of fair value require significant management judgment or estimation. Financial instruments that are included in this category generally include general and limited partnership interests in private equity, real estate funds and credit-focused funds, distressed debt and non-investment grade residual interests in securitizations, investments in non-consolidated CLOs and certain over-the-counter derivatives where the fair value is based on unobservable inputs.

In certain cases, the inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, the determination of which category within the fair value hierarchy is appropriate for any given financial instrument is based on the lowest level of input that is significant to the fair value measurement. Blackstone’s assessment of the significance of a particular input to the fair value measurement in its entirety requires judgment and considers factors specific to the financial instrument.

***Level II Valuation Techniques***

Financial instruments classified within Level II of the fair value hierarchy comprise debt instruments, debt securities sold, not yet purchased and certain equity securities and derivative instruments valued using observable inputs.

**Blackstone Inc.**  
**Notes to Condensed Consolidated Financial Statements (Unaudited) - Continued**  
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The valuation techniques used to value financial instruments classified within Level II of the fair value hierarchy are as follows:

- Debt Instruments and Equity Securities are valued on the basis of prices from an orderly transaction between market participants including those provided by reputable dealers or pricing services. In determining the value of a particular investment, pricing services may use certain information with respect to transactions in such investments, quotations from dealers, pricing matrices and market transactions in comparable investments and various relationships between investments. The valuation of certain equity securities is based on an observable price for an identical security adjusted for the effect of a restriction.
- Freestanding Derivatives are valued using contractual cash flows and observable inputs comprising yield curves, foreign currency rates and credit spreads.
- Notes issued by consolidated CLO vehicles are measured based on the more observable fair value of CLO assets less (a) the fair value of any beneficial interests held by Blackstone, and (b) the carrying value of any beneficial interests that represent compensation for services.

***Level III Valuation Techniques***

In the absence of observable market prices, Blackstone values its investments using valuation methodologies applied on a consistent basis. For some investments little market activity may exist; management's determination of fair value is then based on the best information available in the circumstances, and may incorporate management's own assumptions and involves a significant degree of judgment, taking into consideration a combination of internal and external factors, including the appropriate risk adjustments for non-performance and liquidity risks. Investments for which market prices are not observable include private investments in the equity of operating companies, real estate properties, investments in non-consolidated CLO vehicles, certain funds of hedge funds and credit-focused investments.

*Real Estate Investments* – The fair values of real estate investments are determined by considering projected operating cash flows, sales of comparable assets, if any, and replacement costs, among other measures and considerations. The methods used to estimate the fair value of real estate investments include the discounted cash flow method, where value is calculated by discounting the estimated cash flows and the estimated terminal value of the subject investment by the assumed buyer's weighted-average cost of capital. A terminal value is derived by reference to an exit multiple, such as for estimates of earnings before interest, taxes, depreciation and amortization ("EBITDA"), or a capitalization rate, such as for estimates of net operating income ("NOI"). Valuations may also be derived by the performance multiple or market approach, by reference to observable valuation measures for comparable companies or assets (for example, dividing NOI by a relevant capitalization rate observed for comparable companies or transactions), adjusted by management for differences between the investment and the referenced comparables.

*Private Equity Investments* – The fair values of private equity investments are determined by reference to projected net earnings, EBITDA, the discounted cash flow method, public market or private transactions, valuations for comparable companies and other measures which, in many cases, are based on unaudited information at the time received. Where a discounted cash flow method is used, a terminal value is derived by reference to EBITDA or price/earnings exit multiples. Valuations may also be derived by reference to observable valuation measures for comparable companies or transactions (for example, multiplying a key performance metric of the investee company, such as EBITDA, by a relevant valuation multiple observed in the range of comparable companies or transactions), adjusted by management for differences between the investment and the referenced comparables, and in some instances by reference to option pricing models or other similar methods.



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*Credit-Focused Investments* – The fair values of credit-focused investments are generally determined on the basis of prices between market participants provided by reputable dealers or pricing services. For credit-focused investments that are not publicly traded or whose market prices are not readily available, Blackstone may utilize other valuation techniques, including the discounted cash flow method or a market approach. The discounted cash flow method projects the expected cash flows of the debt instrument based on contractual terms, and discounts such cash flows back to the valuation date using a market-based yield. The market-based yield is generally estimated using yields of publicly traded debt instruments issued by companies operating in similar industries as the subject investment or based on changes in credit spreads of a broader benchmark index applicable to a subject investment.

The market approach is generally used to determine the enterprise value of the issuer of a credit investment, and considers valuation multiples of comparable companies or transactions. The resulting enterprise value will dictate whether or not such credit investment has adequate enterprise value coverage. In cases of distressed credit instruments, the market approach may be used to estimate a recovery value in the event of a restructuring.

**Investments, at Fair Value**

Generally, the Blackstone Funds are accounted for as investment companies under the American Institute of Certified Public Accountants Audit and Accounting Guide, *Investment Companies*, and in accordance with the GAAP guidance on investment companies and reflect their investments, including majority-owned and controlled investments (the “Portfolio Companies”), at fair value. Such consolidated funds’ investments are reflected in Investments on the Condensed Consolidated Statements of Financial Condition at fair value, with unrealized gains and losses resulting from changes in fair value reflected as a component of Net Gains (Losses) from Fund Investment Activities in the Condensed Consolidated Statements of Operations. Fair value is the amount that would be received to sell an asset or paid to transfer a liability, in an orderly transaction between market participants at the measurement date, at current market conditions (i.e., the exit price).

Blackstone’s principal investments are presented at fair value with unrealized appreciation or depreciation and realized gains and losses recognized in the Condensed Consolidated Statements of Operations within Investment Income (Loss).

For certain instruments, Blackstone has elected the fair value option. Such election is irrevocable and is applied on an investment by investment basis at initial recognition or other eligible election dates. Blackstone has applied the fair value option for certain loans and receivables, unfunded loan commitments and certain investments that otherwise would not have been carried at fair value with gains and losses recorded in net income. The methodology for measuring the fair value of such investments is consistent with the methodology applied to private equity, real estate, credit-focused and funds of hedge funds investments. Changes in the fair value of such instruments are recognized in Investment Income (Loss) in the Condensed Consolidated Statements of Operations. Interest income on interest bearing loans and receivables and debt securities on which the fair value option has been elected is based on stated coupon rates adjusted for the accretion of purchase discounts and the amortization of purchase premiums. This interest income is recorded within Interest and Dividend Revenue.

Blackstone has elected the fair value option for the assets of consolidated CLO vehicles. As permitted under GAAP, Blackstone measures notes issued by consolidated CLO vehicles as (a) the sum of the fair value of the consolidated CLO assets and the carrying value of any non-financial assets held temporarily, less (b) the sum of the fair value of any beneficial interests retained by Blackstone (other than those that represent compensation for services) and Blackstone’s carrying value of any beneficial interests that represent compensation for services. As a result of this measurement alternative, there is no attribution of amounts to Non-Controlling Interests for consolidated CLO vehicles. Assets of the consolidated CLOs are presented within Investments within the

**Blackstone Inc.**  
**Notes to Condensed Consolidated Financial Statements (Unaudited) - Continued**  
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Condensed Consolidated Statements of Financial Condition and notes payable within Loans Payable for the amounts due to unaffiliated third parties. Changes in the fair value of consolidated CLO assets and liabilities and related interest, dividend and other income are presented within Net Gains (Losses) from Fund Investment Activities. Expenses of consolidated CLO vehicles are presented in Fund Expenses.

Blackstone has elected the fair value option for certain proprietary investments that would otherwise have been accounted for using the equity method of accounting. The fair value of such investments is based on quoted prices in an active market, quoted prices that are published on a regular basis and are the basis for current transactions or using the discounted cash flow method. Changes in fair value are recognized in Investment Income (Loss) in the Condensed Consolidated Statements of Operations.

Further disclosure on instruments for which the fair value option has been elected is presented in Note 7. "Fair Value Option."

Blackstone may elect to measure certain proprietary investments in equity securities without readily determinable fair values under the measurement alternative, which reflects cost less impairment, with adjustments in value resulting from observable price changes arising from orderly transactions of the same or a similar security from the same issuer. If the measurement alternative election is not made, the equity security is measured at fair value. The measurement alternative election is made on an instrument by instrument basis. The election is reassessed each reporting period to determine whether investments under the measurement alternative have readily determinable fair values, in which case they would no longer be eligible for this election.

The investments of consolidated Blackstone Funds in funds of hedge funds ("Investee Funds") are valued at net asset value ("NAV") per share of the Investee Fund. In limited circumstances, Blackstone may determine, based on its own due diligence and investment procedures, that NAV per share does not represent fair value. In such circumstances, Blackstone will estimate the fair value in good faith and in a manner that it reasonably chooses, in accordance with the requirements of GAAP.

Certain investments of Blackstone and of the consolidated Blackstone funds of hedge funds and credit-focused funds measure their investments in underlying funds at fair value using NAV per share without adjustment. The terms of the investee's investment generally provide for minimum holding periods or lock-ups, the institution of gates on redemptions or the suspension of redemptions or an ability to side pocket investments, at the discretion of the investee's fund manager, and as a result, investments may not be redeemable at, or within three months of, the reporting date. A side-pocket is used by hedge funds and funds of hedge funds to separate investments that may lack a readily ascertainable value, are illiquid or are subject to liquidity restriction. Redemptions are generally not permitted until the investments within a side-pocket are liquidated or it is deemed that the conditions existing at the time that required the investment to be included in the side-pocket no longer exist. As the timing of either of these events is uncertain, the timing at which Blackstone may redeem an investment held in a side-pocket cannot be estimated. Further disclosure on instruments for which fair value is measured using NAV per share is presented in Note 5. "Net Asset Value as Fair Value."

Security and loan transactions are recorded on a trade date basis.

#### **Equity Method Investments**

Investments in which Blackstone is deemed to exert significant influence, but not control, are accounted for using the equity method of accounting except in cases where the fair value option has been elected. Blackstone has significant influence over all Blackstone Funds in which it invests but does not consolidate. Therefore, its investments in such Blackstone Funds, which generally include both a proportionate and disproportionate allocation of the profits and losses (as is the case with carry funds that include a Performance Allocation), are accounted for under the equity method. Under the equity method of accounting, Blackstone's share of earnings (losses) from equity method investments is included in Investment Income (Loss) in the Condensed Consolidated Statements of Operations.



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**Notes to Condensed Consolidated Financial Statements (Unaudited) - Continued**  
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In cases where Blackstone's equity method investments provide for a disproportionate allocation of the profits and losses (as is the case with funds that include a Performance Allocation), Blackstone's share of earnings (losses) from equity method investments is determined using a balance sheet approach referred to as the hypothetical liquidation at book value ("HLBV") method. Under the HLBV method, at the end of each reporting period, Blackstone calculates the Accrued Performance Allocations that would be due to Blackstone for each fund pursuant to the fund agreements as if the fair value of the underlying investments were realized as of such date, irrespective of whether such amounts have been realized. As the fair value of underlying investments varies between reporting periods, it is necessary to make adjustments to amounts recorded as Accrued Performance Allocations to reflect either (a) positive performance resulting in an increase in the Accrued Performance Allocation to the general partner, or (b) negative performance that would cause the amount due to Blackstone to be less than the amount previously recognized as revenue, resulting in a negative adjustment to the Accrued Performance Allocation to the general partner. In each scenario, it is necessary to calculate the Accrued Performance Allocation on cumulative results compared to the Accrued Performance Allocation recorded to date and make the required positive or negative adjustments. Blackstone ceases to record negative Performance Allocations once previously Accrued Performance Allocations for such fund have been fully reversed. Blackstone is not obligated to pay guaranteed returns or hurdles, and therefore, cannot have negative Performance Allocations over the life of a fund. The carrying amounts of equity method investments are reflected in Investments in the Condensed Consolidated Statements of Financial Condition.

Strategic Partners' results presented in Blackstone's condensed consolidated financial statements are reported on a three-month lag from Strategic Partners' fund financial statements, which report the performance of underlying investments generally on a same quarter basis, if available. Therefore, Strategic Partners' results presented herein do not reflect the impact of economic and market activity in the current quarter. Current quarter market activity of Strategic Partners' underlying investments is expected to affect Blackstone's reported results in upcoming periods.

#### **Compensation and Benefits**

*Compensation and Benefits — Compensation* — Compensation consists of (a) salary and bonus, and benefits paid and payable to employees and senior managing directors and (b) equity-based compensation associated with the grants of equity-based awards to employees and senior managing directors. Compensation cost relating to the issuance of equity-based awards to senior managing directors and employees is measured at fair value at the grant date, and expensed over the vesting period on a straight-line basis, taking into consideration expected forfeitures, except in the case of (a) equity-based awards that do not require future service, which are expensed immediately, and (b) certain awards to recipients that meet criteria making them eligible for retirement (allowing such recipient to keep a percentage of those awards upon departure from Blackstone after becoming eligible for retirement), for which the expense for the portion of the award that would be retained in the event of retirement is either expensed immediately or amortized to the retirement date. Cash settled equity-based awards and awards settled in a variable number of shares are classified as liabilities and are remeasured at the end of each reporting period.

*Compensation and Benefits — Incentive Fee Compensation* — Incentive Fee Compensation consists of compensation paid based on Incentive Fees.

*Compensation and Benefits — Performance Allocations Compensation* — Performance Allocation Compensation consists of compensation paid based on Performance Allocations (which may be distributed in cash or in-kind). Such compensation expense is subject to both positive and negative adjustments. Performance Allocations Compensation is generally based on the performance of individual investments held by a fund rather than on a fund by fund basis. These amounts may also include allocations of investment income from Blackstone's principal investments, to senior managing directors and employees participating in certain profit sharing initiatives.

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**Notes to Condensed Consolidated Financial Statements (Unaudited) - Continued**  
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**Non-Controlling Interests in Consolidated Entities**

Non-Controlling Interests in Consolidated Entities represent the component of Equity in general partner entities and consolidated Blackstone Funds held by third party investors and employees. The percentage interests in consolidated Blackstone Funds held by third parties and employees is adjusted for general partner allocations and by subscriptions and redemptions in funds of hedge funds and certain credit-focused funds which occur during the reporting period. Income (Loss) and other comprehensive income, if applicable, arising from the respective entities is allocated to non-controlling interests in consolidated entities based on the relative ownership interests of third party investors and employees after considering any contractual arrangements that govern the allocation of income (loss) such as fees allocable to Blackstone Inc.

**Redeemable Non-Controlling Interests in Consolidated Entities**

Investors in certain consolidated vehicles may be granted redemption rights that allow for quarterly or monthly redemption, as outlined in the relevant governing documents. Such redemption rights may be subject to certain limitations, including limits on the aggregate amount of interests that may be redeemed in a given period, may only allow for redemption following the expiration of a specified period of time, or may be withdrawn subject to a redemption fee during the period when capital may not be withdrawn. As a result, amounts relating to third party interests in such consolidated vehicles are presented as Redeemable Non-Controlling Interests in Consolidated Entities within the Condensed Consolidated Statements of Financial Condition. When redeemable amounts become legally payable to investors, they are classified as a liability and included in Accounts Payable, Accrued Expenses and Other Liabilities in the Condensed Consolidated Statements of Financial Condition. For all consolidated vehicles in which redemption rights have not been granted, non-controlling interests are presented within Equity in the Condensed Consolidated Statements of Financial Condition as Non-Controlling Interests in Consolidated Entities.

**Non-Controlling Interests in Blackstone Holdings**

Non-Controlling Interests in Blackstone Holdings represent the component of Equity in the consolidated Blackstone Holdings Partnerships held by Blackstone personnel and others who are limited partners of the Blackstone Holdings Partnerships.

Certain costs and expenses are borne directly by the Holdings Partnerships. Income (Loss), excluding those costs directly borne by and attributable to the Holdings Partnerships, is attributable to Non-Controlling Interests in Blackstone Holdings. This residual attribution is based on the year to date average percentage of Blackstone Holdings Partnership Units and unvested participating Holdings Partnership Units held by Blackstone personnel and others who are limited partners of the Blackstone Holdings Partnerships. Unvested participating Holdings Partnership Units are excluded from the attribution in periods of loss as they are not contractually obligated to share in losses of the Holdings Partnerships.

**Income Taxes**

***Provision for Income Taxes***

Income taxes are provided for using the asset and liability method under which deferred tax assets and liabilities are recognized for temporary differences between the financial reporting and tax bases of assets and liabilities, resulting in all pretax amounts being appropriately tax effected in the period, irrespective of which tax return year items will be reflected. Blackstone reports interest expense and tax penalties related to income tax matters in provision for income taxes.

**Blackstone Inc.**  
**Notes to Condensed Consolidated Financial Statements (Unaudited) - Continued**  
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***Deferred Income Taxes***

Deferred income taxes reflect the net tax effects of temporary differences between the financial reporting and tax bases of assets and liabilities. These temporary differences result in taxable or deductible amounts in future years and are measured using the tax rates and laws that will be in effect when such differences are expected to reverse. Valuation allowances are established to reduce the deferred tax assets to the amount that is more likely than not to be realized. Deferred tax assets are separately stated, and deferred tax liabilities are included in Accounts Payable, Accrued Expenses, and Other Liabilities in the condensed consolidated financial statements.

***Unrecognized Tax Benefits***

Blackstone recognizes tax positions in the condensed consolidated financial statements when it is more likely than not that the position will be sustained on examination by the relevant taxing authority based on the technical merits of the position. A position that meets this standard is measured at the largest amount of benefit that will more likely than not be realized on settlement. A liability is established for differences between positions taken in the return and amounts recognized in the condensed consolidated financial statements. Accrued interest and penalties related to unrecognized tax benefits are reported on the related liability line in the condensed consolidated financial statements.

***Net Income (Loss) Per Share of Common Stock***

Basic Income (Loss) Per Share of Common Stock is calculated by dividing Net Income (Loss) Attributable to Blackstone Inc. by the weighted-average shares of common stock, unvested participating shares of common stock outstanding for the period and vested deferred restricted shares of common stock that have been earned for which issuance of the related shares of common stock is deferred until future periods. Diluted Income (Loss) Per Share of Common Stock reflects the impact of all dilutive securities. Unvested participating shares of common stock are excluded from the computation in periods of loss as they are not contractually obligated to share in losses.

Blackstone applies the treasury stock method to determine the dilutive weighted-average common shares outstanding for certain equity-based compensation awards. Blackstone applies the “if-converted” method to the Blackstone Holdings Partnership Units to determine the dilutive impact, if any, of the exchange right included in the Blackstone Holdings Partnership Units. Blackstone applies the contingently issuable share model to contracts that may require the issuance of shares.

***Reverse Repurchase and Repurchase Agreements***

Securities purchased under agreements to resell (“reverse repurchase agreements”) and securities sold under agreements to repurchase (“repurchase agreements”), generally comprised of U.S. and non-U.S. government and agency securities, asset backed securities and corporate debt, represent collateralized financing transactions. Such transactions are recorded within Accounts Payable, Accrued Expenses and Other Liabilities in the Condensed Consolidated Statements of Financial Condition at their contractual amounts and include accrued interest. The carrying value of reverse repurchase and repurchase agreements approximates fair value.

Blackstone manages credit exposure arising from reverse repurchase agreements and repurchase agreements by, in appropriate circumstances, entering into master netting agreements and collateral arrangements with counterparties that provide Blackstone, in the event of a counterparty default, the right to liquidate collateral and the right to offset a counterparty’s rights and obligations.

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**Notes to Condensed Consolidated Financial Statements (Unaudited) - Continued**  
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Blackstone takes possession of securities purchased under reverse repurchase agreements and is permitted to repledge, deliver or otherwise use such securities. Blackstone also pledges its financial instruments to counterparties to collateralize repurchase agreements. Financial instruments pledged that can be repledged, delivered or otherwise used by the counterparty are recorded in Investments in the Condensed Consolidated Statements of Financial Condition.

Blackstone does not offset assets and liabilities relating to reverse repurchase agreements and repurchase agreements in its Condensed Consolidated Statements of Financial Condition. Additional disclosures relating to offsetting are discussed in Note 10. "Offsetting of Assets and Liabilities."

**Securities Sold, Not Yet Purchased**

Securities Sold, Not Yet Purchased consist of equity and debt securities that Blackstone has borrowed and sold. Blackstone is required to "cover" its short sale in the future by purchasing the security at prevailing market prices and delivering it to the counterparty from which it borrowed the security. Blackstone is exposed to loss in the event that the price at which a security may have to be purchased to cover a short sale exceeds the price at which the borrowed security was sold short.

Securities Sold, Not Yet Purchased are recorded at fair value within Accounts Payable, Accrued Expenses and Other Liabilities in the Condensed Consolidated Statements of Financial Condition.

**Derivative Instruments**

Blackstone recognizes all derivatives as assets or liabilities on its Condensed Consolidated Statements of Financial Condition at fair value. On the date Blackstone enters into a derivative contract, it designates and documents each derivative contract as one of the following: (a) a hedge of a recognized asset or liability ("fair value hedge"), (b) a hedge of a forecasted transaction or of the variability of cash flows to be received or paid related to a recognized asset or liability ("cash flow hedge"), (c) a hedge of a net investment in a foreign operation, or (d) a derivative instrument not designated as a hedging instrument ("freestanding derivative").

For freestanding derivative contracts, Blackstone presents changes in fair value in current period earnings. Changes in the fair value of derivative instruments held by consolidated Blackstone Funds are reflected in Net Gains (Losses) from Fund Investment Activities or, where derivative instruments are held by Blackstone, within Investment Income (Loss) in the Condensed Consolidated Statements of Operations. The fair value of freestanding derivative assets of the consolidated Blackstone Funds are recorded within Investments, the fair value of freestanding derivative assets that are not part of the consolidated Blackstone Funds are recorded within Other Assets and the fair value of freestanding derivative liabilities are recorded within Accounts Payable, Accrued Expenses and Other Liabilities in the Condensed Consolidated Statements of Financial Condition.

Blackstone has elected to not offset derivative assets and liabilities or financial assets in its Condensed Consolidated Statements of Financial Condition, including cash, that may be received or paid as part of collateral arrangements, even when an enforceable master netting agreement is in place that provides Blackstone, in the event of counterparty default, the right to liquidate collateral and the right to offset a counterparty's rights and obligations.

Blackstone's other disclosures regarding derivative financial instruments are discussed in Note 6. "Derivative Financial Instruments."

Blackstone's disclosures regarding offsetting are discussed in Note 10. "Offsetting of Assets and Liabilities."

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**Affiliates**

Blackstone considers its Founder, senior managing directors, employees, the Blackstone Funds and the Portfolio Companies to be affiliates.

**Dividends**

Dividends are reflected in the condensed consolidated financial statements when declared.

**3. Intangible Assets**

Intangible Assets, Net consists of the following:

	June 30, 2024	December 31, 2023
Finite-Lived Intangible Assets/Contractual Rights	\$ 1,769,372	\$ 1,769,372
Accumulated Amortization	(1,586,126)	(1,568,164)
Intangible Assets, Net	<u>\$ 183,246</u>	<u>\$ 201,208</u>

Amortization expense associated with Blackstone's intangible assets was \$9.0 million and \$18.0 million for the three and six months ended June 30, 2024, respectively, and \$9.1 million and \$22.1 million for the three and six months ended June 30, 2023, respectively.

Amortization of Intangible Assets held at June 30, 2024 is expected to be \$35.9 million, \$35.9 million, \$35.7 million, \$34.6 million, and \$17.8 million for each of the years ending December 31, 2024, 2025, 2026, 2027, and 2028, respectively. Blackstone's Intangible Assets as of June 30, 2024 are expected to amortize over a weighted-average period of 5.7 years.

**4. Investments**

Investments consist of the following:

	June 30, 2024	December 31, 2023
Investments of Consolidated Blackstone Funds	\$ 3,621,676	\$ 4,319,483
Equity Method Investments		
Partnership Investments	6,107,429	5,924,275
Accrued Performance Allocations	11,132,801	10,775,355
Corporate Treasury Investments	176,330	803,870
Other Investments	5,388,053	4,323,639
	<u>\$ 26,426,289</u>	<u>\$ 26,146,622</u>

Blackstone's share of Investments of Consolidated Blackstone Funds totaled \$404.7 million and \$1.0 billion at June 30, 2024 and December 31, 2023, respectively.

Where appropriate, the accounting for Blackstone's investments incorporates the changes in fair value of those investments as determined under GAAP. The significant inputs and assumptions required to determine the change in fair value of the investments of Consolidated Blackstone Funds, Corporate Treasury Investments and Other Investments are discussed in more detail in Note 8. "Fair Value Measurements of Financial Instruments."

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**Notes to Condensed Consolidated Financial Statements (Unaudited) - Continued**  
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**Investments of Consolidated Blackstone Funds**

The following table presents the Realized and Net Change in Unrealized Gains (Losses) on investments held by the consolidated Blackstone Funds and a reconciliation to Other Income (Loss) – Net Gains (Losses) from Fund Investment Activities in the Condensed Consolidated Statements of Operations:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2023	2024	2023
Realized Gains (Losses)	\$ 17,966	\$ 3,653	\$ (40,446)	\$ 20,808
Net Change in Unrealized Gains	20,393	58,104	55,518	40,950
Realized and Net Change in Unrealized Gains (Losses) from Consolidated Blackstone Funds	38,359	61,757	15,072	61,758
Interest and Dividend Revenue and Foreign Exchange Gains Attributable to Consolidated Blackstone Funds	6,575	18,743	12,095	89,806
Other Income – Net Gains from Fund Investment Activities	\$ 44,934	\$ 80,500	\$ 27,167	\$ 151,564

**Equity Method Investments**

Blackstone's equity method investments include Partnership Investments, which represent the pro-rata investments, and any associated Accrued Performance Allocations, in Blackstone Funds, excluding any equity method investments for which the fair value option has been elected. Blackstone evaluates each of its equity method investments, excluding Accrued Performance Allocations, to determine if any were significant as defined by guidance from the United States Securities and Exchange Commission. As of and for the six months ended June 30, 2024 and 2023, no individual equity method investment held by Blackstone met the significance criteria.

**Partnership Investments**

Blackstone recognized net gains (losses) related to its Partnership Investments accounted for under the equity method of \$141.1 million and \$91.4 million for the three months ended June 30, 2024 and 2023, respectively. Blackstone recognized net gains (losses) related to its equity method investments of \$297.1 million and \$160.5 million for the six months ended June 30, 2024 and 2023, respectively.

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**Notes to Condensed Consolidated Financial Statements (Unaudited) - Continued**  
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**Accrued Performance Allocations**

Accrued Performance Allocations to Blackstone were as follows:

	<b>Real Estate</b>	<b>Private Equity</b>	<b>Credit &amp; Insurance</b>	<b>Multi-Asset Investing</b>	<b>Total</b>
Accrued Performance Allocations, December 31, 2023	\$ 2,990,602	\$ 7,093,920	\$ 599,779	\$ 91,054	\$ 10,775,355
Performance Allocations as a Result of Changes in Fund Fair Values	38,242	1,403,303	260,900	108,571	1,811,016
Foreign Exchange Gain	1,321	—	—	—	1,321
Fund Distributions	(351,760)	(857,362)	(155,617)	(90,152)	(1,454,891)
Accrued Performance Allocations, June 30, 2024	<u>\$ 2,678,405</u>	<u>\$ 7,639,861</u>	<u>\$ 705,062</u>	<u>\$ 109,473</u>	<u>\$ 11,132,801</u>

**Corporate Treasury Investments**

The portion of corporate treasury investments included in Investments represents Blackstone's investments into primarily fixed income securities, mutual fund interests, and other fund interests. These strategies are managed by a combination of Blackstone personnel and third party advisors. The following table presents the Realized and Net Change in Unrealized Gains (Losses) on these investments:

	<b>Three Months Ended June 30,</b>		<b>Six Months Ended June 30,</b>	
	<b>2024</b>	<b>2023</b>	<b>2024</b>	<b>2023</b>
Realized Gains (Losses)	\$ (1,028)	\$ (2,297)	\$ (2,649)	\$ 77
Net Change in Unrealized Gains	4,036	791	2,776	8,586
	<u>\$ 3,008</u>	<u>\$ (1,506)</u>	<u>\$ 127</u>	<u>\$ 8,663</u>

**Other Investments**

Other Investments consist of equity method investments where Blackstone has elected the fair value option and other proprietary investment securities held by Blackstone, including equity securities carried at fair value, equity investments without readily determinable fair values, and senior secured and subordinated notes in non-consolidated CLO vehicles. Equity investments without a readily determinable fair value had a carrying value of \$348.7 million as of June 30, 2024. In the period of acquisition and upon remeasurement in connection with an observable transaction, such investments are reported at fair value. See Note 8. "Fair Value Measurements of Financial Instruments" for additional detail. The following table presents Blackstone's Realized and Net Change in Unrealized Gains (Losses) in Other Investments:

	<b>Three Months Ended June 30,</b>		<b>Six Months Ended June 30,</b>	
	<b>2024</b>	<b>2023</b>	<b>2024</b>	<b>2023</b>
Realized Gains (Losses)	\$ 2,349	\$ (18,109)	\$ 4,816	\$ (16,185)
Net Change in Unrealized Gains (Losses)	(8,432)	157,968	447,368	(155,185)
	<u>\$ (6,083)</u>	<u>\$ 139,859</u>	<u>\$ 452,184</u>	<u>\$ (171,370)</u>

**Blackstone Inc.**  
**Notes to Condensed Consolidated Financial Statements (Unaudited) - Continued**  
**(All Dollars are in Thousands, Except Share and Per Share Data, Except Where Noted)**

**5. Net Asset Value as Fair Value**

A summary of fair value by strategy type and ability to redeem such investments as of June 30, 2024 is presented below:

Strategy (a)	Fair Value	Redemption Frequency (if currently eligible)	Redemption Notice Period
Equity	\$ 351,071	(b)	(b)
Real Estate	111,920	(c)	(c)
Other	6,602	(d)	(d)
	<u>\$ 469,593</u>		

- (a) As of June 30, 2024, Blackstone had no unfunded commitments.
- (b) The Equity category includes investments in hedge funds that invest primarily in domestic and international equity securities. Investments representing 75% of the fair value of the investments in this category may not be redeemed at, or within three months of, the reporting date. Investments representing 25% of the fair value of the investments in this category are redeemable as of the reporting date.
- (c) The Real Estate category includes investments in funds that primarily invest in real estate assets. All investments in this category are redeemable as of the reporting date.
- (d) Other is composed of the Credit Driven category, the Commodities category and the Diversified Instruments category. The Credit Driven category includes investments in hedge funds that invest primarily in domestic and international bonds. The Commodities category includes investments in commodities-focused funds that primarily invest in futures and physical-based commodity driven strategies. The Diversified Instruments category includes investments in funds that invest across multiple strategies. All investments in these categories may not be redeemed at, or within three months of, the reporting date.

**6. Derivative Financial Instruments**

Blackstone and the consolidated Blackstone Funds enter into derivative contracts in the normal course of business to achieve certain risk management objectives and for general investment and business purposes. Blackstone may enter into derivative contracts in order to hedge its interest rate risk exposure against the effects of interest rate changes. Additionally, Blackstone may also enter into derivative contracts in order to hedge its foreign currency risk exposure against the effects of a portion of its non-U.S. dollar denominated currency net investments. As a result of the use of derivative contracts, Blackstone and the consolidated Blackstone Funds are exposed to the risk that counterparties will fail to fulfill their contractual obligations. To mitigate such counterparty risk, Blackstone and the consolidated Blackstone Funds enter into contracts with certain major financial institutions, all of which have investment grade ratings. Counterparty credit risk is evaluated in determining the fair value of derivative instruments.

**Freestanding Derivatives**

Freestanding derivatives are instruments that Blackstone and certain of the consolidated Blackstone Funds have entered into as part of their overall risk management and investment strategies. These derivative contracts are not designated as hedging instruments for accounting purposes. Such contracts may include interest rate swaps, foreign exchange contracts, equity swaps, options, futures and other derivative contracts.



**Blackstone Inc.**  
**Notes to Condensed Consolidated Financial Statements (Unaudited) - Continued**  
**(All Dollars are in Thousands, Except Share and Per Share Data, Except Where Noted)**

The table below summarizes the aggregate notional amount and fair value of the derivative financial instruments. The notional amount represents the absolute value amount of all outstanding derivative contracts.

	June 30, 2024				December 31, 2023			
	Assets		Liabilities		Assets		Liabilities	
	Notional	Fair Value	Notional	Fair Value	Notional	Fair Value	Notional	Fair Value
<b>Freestanding Derivatives</b>								
Blackstone								
Interest Rate Contracts	\$ 626,740	\$ 172,793	\$ 600,000	\$ 107,468	\$ 634,840	\$ 145,798	\$ 607,000	\$ 86,589
Foreign Currency Contracts	334,736	3,405	287,390	1,233	387,102	11,442	334,228	3,538
Credit Default Swaps	—	—	640	7	3,108	479	3,748	508
Total Return Swaps	45,878	12,848	—	—	63,158	13,171	—	—
Equity Options	—	—	1,137,377	751,513	—	—	1,110,490	563,986
	<u>1,007,354</u>	<u>189,046</u>	<u>2,025,407</u>	<u>860,221</u>	<u>1,088,208</u>	<u>170,890</u>	<u>2,055,466</u>	<u>654,621</u>
<b>Investments of Consolidated Blackstone Funds</b>								
Interest Rate Contracts	836,703	30,389	—	—	855,683	19,189	—	—
	<u>836,703</u>	<u>30,389</u>	<u>—</u>	<u>—</u>	<u>855,683</u>	<u>19,189</u>	<u>—</u>	<u>—</u>
	<u>\$ 1,844,057</u>	<u>\$ 219,435</u>	<u>\$ 2,025,407</u>	<u>\$ 860,221</u>	<u>\$ 1,943,891</u>	<u>\$ 190,079</u>	<u>\$ 2,055,466</u>	<u>\$ 654,621</u>

The table below summarizes the impact to the Condensed Consolidated Statements of Operations from derivative financial instruments:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2023	2024	2023
<b>Freestanding Derivatives</b>				
Realized Gains (Losses)				
Interest Rate Contracts	\$ —	\$ (189)	\$ (614)	\$ 147
Foreign Currency Contracts	(2,223)	4,433	3,302	10,023
Credit Default Swaps	—	(362)	75	(413)
Total Return Swaps	4,550	6,373	12,870	11,025
	<u>2,327</u>	<u>10,255</u>	<u>15,633</u>	<u>20,782</u>
Net Change in Unrealized Gains (Losses)				
Interest Rate Contracts	21,072	4,897	22,096	2,777
Foreign Currency Contracts	2,607	(4,655)	(5,615)	(7,838)
Credit Default Swaps	2	592	(52)	364
Total Return Swaps	2,181	(2,164)	(3,338)	(2,177)
Equity Options	(105,511)	(18,038)	(187,527)	(172,876)
	<u>(79,649)</u>	<u>(19,368)</u>	<u>(174,436)</u>	<u>(179,750)</u>
	<u>\$ (77,322)</u>	<u>\$ (9,113)</u>	<u>\$ (158,803)</u>	<u>\$ (158,968)</u>

As of June 30, 2024 and December 31, 2023, Blackstone had not designated any derivatives as fair value, cash flow or net investment hedges.

**Blackstone Inc.**  
**Notes to Condensed Consolidated Financial Statements (Unaudited) - Continued**  
**(All Dollars are in Thousands, Except Share and Per Share Data, Except Where Noted)**

**7. Fair Value Option**

The following table summarizes the financial instruments for which the fair value option has been elected:

	June 30, 2024	December 31, 2023
<b>Assets</b>		
Loans and Receivables	\$ 135,577	\$ 60,738
Equity and Preferred Securities	3,176,005	2,894,302
Debt Securities	61,365	63,486
<b>Assets of Consolidated CLO Vehicles</b>		
Corporate Loans	106,268	938,801
	<u>\$ 3,479,215</u>	<u>\$ 3,957,327</u>
<b>Liabilities</b>		
CLO Notes Payable	\$ 130,321	\$ 687,122
Corporate Treasury Commitments	1,486	1,264
	<u>\$ 131,807</u>	<u>\$ 688,386</u>

The following tables present the Realized and Net Change in Unrealized Gains (Losses) on financial instruments on which the fair value option was elected:

	Three Months Ended June 30,			
	2024		2023	
	Realized Gains (Losses)	Net Change in Unrealized Gains (Losses)	Realized Gains (Losses)	Net Change in Unrealized Gains (Losses)
<b>Assets</b>				
Loans and Receivables	\$ (1,418)	\$ 220	\$ (5,232)	\$ 4,227
Equity and Preferred Securities	2,907	(19,080)	(2,878)	26,812
Debt Securities	—	(1,392)	—	(876)
<b>Assets of Consolidated CLO Vehicles</b>				
Corporate Loans	242	(1,001)	(3,070)	4,150
	<u>\$ 1,731</u>	<u>\$ (21,253)</u>	<u>\$ (11,180)</u>	<u>\$ 34,313</u>
<b>Liabilities</b>				
CLO Notes Payable	\$ —	\$ 1,175	\$ —	\$ (1,541)
Corporate Treasury Commitments	—	(599)	—	2,147
	<u>\$ —</u>	<u>\$ 576</u>	<u>\$ —</u>	<u>\$ 606</u>

**Blackstone Inc.**  
**Notes to Condensed Consolidated Financial Statements (Unaudited) - Continued**  
**(All Dollars are in Thousands, Except Share and Per Share Data, Except Where Noted)**

	Six Months Ended June 30,			
	2024		2023	
	Realized Gains (Losses)	Net Change in Unrealized Gains (Losses)	Realized Gains (Losses)	Net Change in Unrealized Gains (Losses)
<b>Assets</b>				
Loans and Receivables	\$ (3,022)	\$ (188)	\$ (5,995)	\$ 3,924
Equity and Preferred Securities	5,188	(1,351)	(1,182)	(18,301)
Debt Securities	—	(2,121)	—	(2,707)
<b>Assets of Consolidated CLO Vehicles</b>				
Corporate Loans	(2,604)	1,455	(6,199)	4,632
	<u>\$ (438)</u>	<u>\$ (2,205)</u>	<u>\$ (13,376)</u>	<u>\$ (12,452)</u>
<b>Liabilities</b>				
CLO Notes Payable	\$ —	\$ 1,775	\$ —	\$ 923
Corporate Treasury Commitments	—	(222)	—	4,373
	<u>\$ —</u>	<u>\$ 1,553</u>	<u>\$ —</u>	<u>\$ 5,296</u>

The following table presents information for those financial instruments for which the fair value option was elected:

	June 30, 2024			December 31, 2023		
	For Financial Assets Past Due (a)			For Financial Assets Past Due (a)		
	Excess (Deficiency) of Fair Value Over Principal	Fair Value	Excess (Deficiency) of Fair Value Over Principal	Excess (Deficiency) of Fair Value Over Principal	Fair Value	Excess (Deficiency) of Fair Value Over Principal
Loans and Receivables	\$ 489	\$ —	\$ —	\$ 675	\$ —	\$ —
Debt Securities	(55,267)	—	—	(52,577)	—	—
<b>Assets of Consolidated CLO Vehicles</b>						
Corporate Loans	(4,198)	1,313	—	(8,751)	1,345	—
	<u>\$ (58,976)</u>	<u>\$ 1,313</u>	<u>\$ —</u>	<u>\$ (60,653)</u>	<u>\$ 1,345</u>	<u>\$ —</u>

(a) Assets are classified as past due if contractual payments are more than 90 days past due.

As of June 30, 2024 and December 31, 2023, no Loans and Receivables for which the fair value option was elected were past due or in non-accrual status and there were two Corporate Loans included within the Assets of Consolidated CLO Vehicles for which the fair value option was elected that were past due but was not in non-accrual status.

**Blackstone Inc.**  
**Notes to Condensed Consolidated Financial Statements (Unaudited) - Continued**  
**(All Dollars are in Thousands, Except Share and Per Share Data, Except Where Noted)**

**8. Fair Value Measurements of Financial Instruments**

The following tables summarize the valuation of Blackstone's financial assets and liabilities by the fair value hierarchy:

	June 30, 2024				
	Level I	Level II	Level III	NAV	Total
<b>Assets</b>					
Cash and Cash Equivalents	\$ 51,874	\$ —	\$ —	\$ —	\$ 51,874
<b>Investments</b>					
Investments of Consolidated Blackstone Funds					
Equity Securities, Partnerships and LLC Interests (a)	9,678	130,690	2,866,172	462,991	3,469,531
Debt Instruments	—	106,375	15,381	—	121,756
Freestanding Derivatives	—	30,389	—	—	30,389
Total Investments of Consolidated Blackstone Funds	9,678	267,454	2,881,553	462,991	3,621,676
Corporate Treasury Investments	69,053	103,278	3,999	—	176,330
Other Investments	2,017,359	2,828,209	198,096	6,602	5,050,266
Total Investments	2,096,090	3,198,941	3,083,648	469,593	8,848,272
Accounts Receivable - Loans and Receivables	—	—	135,577	—	135,577
Other Assets - Freestanding Derivatives	—	176,198	12,848	—	189,046
	<u>\$ 2,147,964</u>	<u>\$ 3,375,139</u>	<u>\$ 3,232,073</u>	<u>\$ 469,593</u>	<u>\$ 9,224,769</u>
<b>Liabilities</b>					
Loans Payable - CLO Notes Payable	\$ —	\$ 130,321	\$ —	\$ —	\$ 130,321
<b>Accounts Payable, Accrued Expenses and Other Liabilities</b>					
Freestanding Derivatives	—	108,708	751,513	—	860,221
Contingent Consideration	—	—	504	—	504
Corporate Treasury Commitments	—	—	1,486	—	1,486
Securities Sold, Not Yet Purchased	3,873	—	—	—	3,873
Total Accounts Payable, Accrued Expenses and Other Liabilities	3,873	108,708	753,503	—	866,084
	<u>\$ 3,873</u>	<u>\$ 239,029</u>	<u>\$ 753,503</u>	<u>\$ —</u>	<u>\$ 996,405</u>

**Blackstone Inc.**  
**Notes to Condensed Consolidated Financial Statements (Unaudited) - Continued**  
**(All Dollars are in Thousands, Except Share and Per Share Data, Except Where Noted)**

	December 31, 2023				
	Level I	Level II	Level III	NAV	Total
<b>Assets</b>					
Cash and Cash Equivalents	\$ 263,574	\$ —	\$ —	\$ —	\$ 263,574
<b>Investments</b>					
Investments of Consolidated Blackstone Funds					
Equity Securities, Partnerships and LLC Interests (a)	11,118	123,022	2,653,246	558,259	3,345,645
Debt Instruments	—	924,264	30,385	—	954,649
Freestanding Derivatives	—	19,189	—	—	19,189
Total Investments of Consolidated Blackstone Funds	11,118	1,066,475	2,683,631	558,259	4,319,483
Corporate Treasury Investments	72,071	435,430	296,369	—	803,870
Other Investments	1,564,112	2,355,423	223,441	7,275	4,150,251
Total Investments	1,647,301	3,857,328	3,203,441	565,534	9,273,604
Accounts Receivable - Loans and Receivables	—	—	60,738	—	60,738
Other Assets - Freestanding Derivatives	90	157,629	13,171	—	170,890
	<u>\$ 1,910,965</u>	<u>\$ 4,014,957</u>	<u>\$ 3,277,350</u>	<u>\$ 565,534</u>	<u>\$ 9,768,806</u>
<b>Liabilities</b>					
Loans Payable - CLO Notes Payable	\$ —	\$ 687,122	\$ —	\$ —	\$ 687,122
<b>Accounts Payable, Accrued Expenses and Other Liabilities</b>					
Freestanding Derivatives	436	90,199	563,986	—	654,621
Contingent Consideration	—	—	387	—	387
Corporate Treasury Commitments	—	—	1,264	—	1,264
Securities Sold, Not Yet Purchased	3,886	—	—	—	3,886
Total Accounts Payable, Accrued Expenses and Other Liabilities	4,322	90,199	565,637	—	660,158
	<u>\$ 4,322</u>	<u>\$ 777,321</u>	<u>\$ 565,637</u>	<u>\$ —</u>	<u>\$ 1,347,280</u>

LLC Limited Liability Company.

(a) Equity Securities, Partnership and LLC Interest includes investments in investment funds.

Within Investments of Consolidated Blackstone Funds and Other Investments, Blackstone held equity securities subject to sale restrictions with a fair value of \$1.4 billion as of June 30, 2024. The nature of such restrictions are contractual or legal in nature and deemed an attribute of the holder rather than the investment. Contractual restrictions include certain phased restrictions on sale or transfer, underwriter lock-ups and sale or transfer restrictions applicable to certain Investments of Consolidated Blackstone Funds pledged as collateral. Restrictions will generally lapse over time or after a predetermined date and the weighted-average remaining duration of such restrictions is 1.3 years. Level III equity securities included in Investments of Consolidated Blackstone Funds are illiquid and privately negotiated in nature and may also be subject to contractual sale or transfer restrictions including those pursuant to their respective governing or similar agreements. Investments within Other Investments subject to restrictions on sale or transfer as a result of pledge arrangements are discussed in Note 16. "Commitments and Contingencies — Contingencies — Strategic Ventures."

**Blackstone Inc.**  
**Notes to Condensed Consolidated Financial Statements (Unaudited) - Continued**  
**(All Dollars are in Thousands, Except Share and Per Share Data, Except Where Noted)**

The following table summarizes the quantitative inputs and assumptions used for items categorized in Level III of the fair value hierarchy as of June 30, 2024. Consistent with presentation in these Notes to Condensed Consolidated Financial Statements, this table presents the Level III Investments only of Consolidated Blackstone Funds and therefore does not reflect any other Blackstone Funds.

	Fair Value	Valuation Techniques	Unobservable Inputs	Ranges	Weighted-Average (a)	Impact to Valuation from an Increase in Input
<b>Financial Assets</b>						
Investments of Consolidated Blackstone Funds						
Equity Securities, Partnership and LLC Interests	\$ 2,866,172	Discounted Cash Flows	Discount Rate	3.4% - 38.8%	10.4%	Lower
			Exit Multiple - EBITDA	4.0x - 30.6x	15.5x	Higher
			Exit Capitalization Rate	3.1% - 13.7%	5.1%	Lower
Debt Instruments	15,381	Third Party Pricing	n/a			
Total Investments of Consolidated Blackstone Funds	2,881,553					
Corporate Treasury Investments	3,999	Third Party Pricing	n/a			
Loans and Receivables	135,577	Discounted Cash Flows	Discount Rate	8.5% - 13.2%	10.1%	Lower
Other Investments (b)	210,944	Discounted Cash Flows	Discount Rate	7.1% - 7.5%	7.3%	Lower
		Third Party Pricing	n/a			
	<u>\$ 3,232,073</u>					
<b>Financial Liabilities</b>						
Freestanding Derivatives (c)	\$ 751,513	Option Pricing Model	Volatility	6.1%	n/a	Higher
Other Liabilities (d)	1,990	Third Party Pricing	n/a			
		Other	n/a			
	<u>\$ 753,503</u>					

**Blackstone Inc.**  
**Notes to Condensed Consolidated Financial Statements (Unaudited) - Continued**  
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The following table summarizes the quantitative inputs and assumptions used for items categorized in Level III of the fair value hierarchy as of December 31, 2023:

	Fair Value	Valuation Techniques	Unobservable Inputs	Ranges	Weighted-Average (a)	Impact to Valuation from an Increase in Input
<b>Financial Assets</b>						
Investments of Consolidated Blackstone Funds						
Equity Securities, Partnership and LLC Interests	\$ 2,653,246	Discounted Cash Flows	Discount Rate	3.3% - 38.0%	9.7%	Lower
			Exit Multiple - EBITDA	4.0x - 30.6x	15.0x	Higher
			Exit Capitalization Rate	3.1% - 12.8%	5.1%	Lower
Debt Instruments	30,385	Third Party Pricing	n/a			
Total Investments of Consolidated Blackstone Funds	2,683,631					
Corporate Treasury Investments	296,369	Discounted Cash Flows	Discount Rate	11.2% - 22.4%	17.1%	Lower
		Transaction Price	n/a			
Loans and Receivables	60,738	Discounted Cash Flows	Discount Rate	8.8% - 14.9%	10.3%	Lower
Other Investments (b)	236,612	Third Party Pricing	n/a			
		Transaction Price	n/a			
	<u>\$ 3,277,350</u>					
<b>Financial Liabilities</b>						
Freestanding Derivatives (c)	\$ 563,986	Option Pricing Model	Volatility	6.3%	n/a	Higher
Other Liabilities (d)	1,651	Third Party Pricing	n/a			
		Other	n/a			
	<u>\$ 565,637</u>					

n/a	Not applicable.
EBITDA	Earnings before interest, taxes, depreciation and amortization.
Exit Multiple	Ranges include the last twelve months EBITDA and forward EBITDA multiples.
Third Party Pricing	Third Party Pricing is generally determined on the basis of unadjusted prices between market participants provided by reputable dealers or pricing services.
Transaction Price	Includes recent acquisitions or transactions.
(a)	Unobservable inputs were weighted based on the fair value of the investments included in the range.
(b)	As of June 30, 2024 and December 31, 2023, Other Investments includes Level III Freestanding Derivatives.
(c)	The volatility of the historical performance of the underlying reference entity is used to project the expected returns relevant for the fair value of the derivative.
(d)	As of June 30, 2024 and December 31, 2023, Other Liabilities includes Level III Contingent Consideration and Level III Corporate Treasury Commitments.

For the six months ended June 30, 2024, there have been no changes in valuation techniques within Level II and Level III that have had a material impact on the valuation of financial instruments.

**Blackstone Inc.**  
**Notes to Condensed Consolidated Financial Statements (Unaudited) - Continued**  
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The following tables summarize the changes in financial assets and liabilities measured at fair value for which Blackstone has used Level III inputs to determine fair value and does not include gains or losses that were reported in Level III in prior years or for instruments that were transferred out of Level III prior to the end of the respective reporting period. These tables also exclude financial assets and liabilities measured at fair value on a non-recurring basis. Total realized and unrealized gains and losses recorded for Level III investments are reported in either Investment Income (Loss) or Net Gains from Fund Investment Activities in the Condensed Consolidated Statements of Operations.

Level III Financial Assets at Fair Value								
Three Months Ended June 30,								
	2024				2023			
	Investments of Consolidated Funds	Loans and Receivables	Other Investments (a)	Total	Investments of Consolidated Funds	Loans and Receivables	Other Investments (a)	Total
Balance, Beginning of Period	\$ 2,703,592	\$ 95,532	\$ 77,142	\$ 2,876,266	\$ 4,338,509	\$ 307,288	\$ 74,604	\$ 4,720,401
Transfer Into Level III (b)	2,726	—	109,347	112,073	124	—	—	124
Transfer Out of Level III (b)	(19,577)	—	(58)	(19,635)	(4,751)	—	—	(4,751)
Purchases	205,898	169,649	—	375,547	121,526	116,897	2,291	240,714
Sales	(27,503)	(118,391)	(5,038)	(150,932)	(53,152)	(349,787)	(1,523)	(404,462)
Issuances	—	7,519	—	7,519	—	6,319	—	6,319
Settlements (c)	—	(21,280)	306	(20,974)	—	(19,292)	(5,225)	(24,517)
Changes in Gains Included in Earnings	16,417	2,548	1,978	20,943	37,595	15,436	3,465	56,496
Balance, End of Period	<u>\$ 2,881,553</u>	<u>\$ 135,577</u>	<u>\$ 183,677</u>	<u>\$ 3,200,807</u>	<u>\$ 4,439,851</u>	<u>\$ 76,861</u>	<u>\$ 73,612</u>	<u>\$ 4,590,324</u>
Changes in Unrealized Gains (Losses) Included in Earnings Related to Financial Assets Still Held at the Reporting Date	<u>\$ 19,505</u>	<u>\$ (546)</u>	<u>\$ 1,875</u>	<u>\$ 20,834</u>	<u>\$ 70,082</u>	<u>\$ 19,577</u>	<u>\$ 1,181</u>	<u>\$ 90,840</u>

Level III Financial Assets at Fair Value								
Six Months Ended June 30,								
	2024				2023			
	Investments of Consolidated Funds	Loans and Receivables	Other Investments (a)	Total	Investments of Consolidated Funds	Loans and Receivables	Other Investments (a)	Total
Balance, Beginning of Period	\$ 2,683,631	\$ 60,738	\$ 373,024	\$ 3,117,393	\$ 4,249,832	\$ 315,039	\$ 30,971	\$ 4,595,842
Transfer Out Due to Deconsolidation	(14,237)	—	—	(14,237)	(3,837)	—	—	(3,837)
Transfer Into Level III (b)	6,160	—	109,347	115,507	13,997	—	898	14,895
Transfer Out of Level III (b)	(22,123)	—	(58)	(22,181)	(5,064)	—	(2,725)	(7,789)
Purchases	339,014	319,288	5,675	663,977	170,869	171,967	51,693	394,529
Sales	(61,818)	(229,557)	(295,030)	(586,405)	(121,707)	(436,512)	(1,703)	(559,922)
Issuances	—	17,080	—	17,080	—	57,008	—	57,008
Settlements (c)	—	(35,392)	(9,855)	(45,247)	—	(53,088)	(4,696)	(57,784)
Changes in Gains (Losses) Included in Earnings	(49,074)	3,420	574	(45,080)	135,761	22,447	(826)	157,382
Balance, End of Period	<u>\$ 2,881,553</u>	<u>\$ 135,577</u>	<u>\$ 183,677</u>	<u>\$ 3,200,807</u>	<u>\$ 4,439,851</u>	<u>\$ 76,861</u>	<u>\$ 73,612</u>	<u>\$ 4,590,324</u>
Changes in Unrealized Gains (Losses) Included in Earnings Related to Financial Assets Still Held at the Reporting Date	<u>\$ (19,789)</u>	<u>\$ (1,340)</u>	<u>\$ 3,088</u>	<u>\$ (18,041)</u>	<u>\$ 89,027</u>	<u>\$ 17,839</u>	<u>\$ 4,653</u>	<u>\$ 111,519</u>



**Blackstone Inc.**  
**Notes to Condensed Consolidated Financial Statements (Unaudited) - Continued**  
**(All Dollars are in Thousands, Except Share and Per Share Data, Except Where Noted)**

Level III Financial Liabilities at Fair Value						
Three Months Ended June 30,						
	2024			2023		
	Freestanding Derivatives	Other Liabilities	Total	Freestanding Derivatives	Other Liabilities	Total
Balance, Beginning of Period	\$ 646,002	\$ 1,391	\$ 647,393	\$ 203,419	\$ 8,218	\$ 211,637
Transfer In (Out) Due to Consolidation and Acquisition	—	—	—	—	(1,500)	(1,500)
Changes in Losses (Gains) Included in Earnings	105,511	599	106,110	18,038	(2,147)	15,891
Balance, End of Period	<u>\$ 751,513</u>	<u>\$ 1,990</u>	<u>\$ 753,503</u>	<u>\$ 221,457</u>	<u>\$ 4,571</u>	<u>\$ 226,028</u>
Changes in Unrealized Losses (Gains) Included in Earnings Related to Financial Liabilities Still Held at the Reporting Date	<u>\$ 105,511</u>	<u>\$ 599</u>	<u>\$ 106,110</u>	<u>\$ 18,038</u>	<u>\$ (2,147)</u>	<u>\$ 15,891</u>

Level III Financial Liabilities at Fair Value						
Six Months Ended June 30,						
	2024			2023		
	Freestanding Derivatives	Other Liabilities	Total	Freestanding Derivatives	Other Liabilities	Total
Balance, Beginning of Period	\$ 563,986	\$ 1,651	\$ 565,637	\$ 48,581	\$ 8,144	\$ 56,725
Transfer In (Out) Due to Consolidation and Acquisition	—	—	—	—	800	800
Changes in Losses (Gains) Included in Earnings	187,527	339	187,866	172,876	(4,373)	168,503
Balance, End of Period	<u>\$ 751,513</u>	<u>\$ 1,990</u>	<u>\$ 753,503</u>	<u>\$ 221,457</u>	<u>\$ 4,571</u>	<u>\$ 226,028</u>
Changes in Unrealized Losses (Gains) Included in Earnings Related to Financial Liabilities Still Held at the Reporting Date	<u>\$ 187,527</u>	<u>\$ 339</u>	<u>\$ 187,866</u>	<u>\$ 172,876</u>	<u>\$ (4,373)</u>	<u>\$ 168,503</u>

- (a) Represents freestanding derivatives, corporate treasury investments and Other Investments.
- (b) Transfers in and out of Level III financial assets and liabilities were due to changes in the observability of inputs used in the valuation of such assets and liabilities.
- (c) For Freestanding Derivatives included within Other Investments, Settlements includes all ongoing contractual cash payments made or received over the life of the instrument.

## 9. Variable Interest Entities

Pursuant to GAAP consolidation guidance, Blackstone consolidates certain VIEs for which it is the primary beneficiary either directly or indirectly, through a consolidated entity or affiliate. VIEs include certain private equity, real estate, credit-focused or funds of hedge funds entities and CLO vehicles. The purpose of such VIEs is to provide strategy specific investment opportunities for investors in exchange for management and performance-based fees. The investment strategies of the Blackstone Funds differ by product; however, the fundamental risks of the Blackstone Funds are similar, including loss of invested capital and loss of management fees and performance-based fees. In Blackstone's role as general partner, collateral manager or investment adviser, it generally considers itself the sponsor of the applicable Blackstone Fund. Blackstone does not provide performance guarantees and has no other financial obligation to provide funding to consolidated VIEs other than its own capital commitments.

The assets of consolidated variable interest entities may only be used to settle obligations of these entities. In addition, there is no recourse to Blackstone for the consolidated VIEs' liabilities.

**Blackstone Inc.**  
**Notes to Condensed Consolidated Financial Statements (Unaudited) - Continued**  
**(All Dollars are in Thousands, Except Share and Per Share Data, Except Where Noted)**

Blackstone holds variable interests in certain VIEs which are not consolidated as it is determined that Blackstone is not the primary beneficiary. Blackstone's involvement with such entities is in the form of direct and indirect equity interests and fee arrangements. The maximum exposure to loss represents the loss of assets recognized by Blackstone relating to non-consolidated VIEs and any clawback obligation relating to previously distributed Performance Allocations. Blackstone's maximum exposure to loss relating to non-consolidated VIEs were as follows:

	June 30, 2024	December 31, 2023
Investments	\$ 4,282,078	\$ 3,751,591
Due from Affiliates	262,347	203,187
Potential Clawback Obligation	83,537	72,119
Maximum Exposure to Loss	\$ 4,627,962	\$ 4,026,897
Amounts Due to Non-Consolidated VIEs	\$ 256	\$ 223

**10. Offsetting of Assets and Liabilities**

The following tables present the offsetting of assets and liabilities as of June 30, 2024 and December 31, 2023:

June 30, 2024				
	Gross and Net Amounts of Assets Presented in the Statement of Financial Condition	Gross Amounts Not Offset in the Statement of Financial Condition		
		Financial Instruments (a)	Cash Collateral Received	Net Amount
Assets				
Freestanding Derivatives	\$ 219,435	\$ 137,905	\$ 65,225	\$ 16,305
June 30, 2024				
	Gross and Net Amounts of Liabilities Presented in the Statement of Financial Condition	Gross Amounts Not Offset in the Statement of Financial Condition		
		Financial Instruments (a)	Cash Collateral Pledged	Net Amount
Liabilities				
Freestanding Derivatives	\$ 108,708	\$ 108,507	\$ 13	\$ 188
Repurchase Agreements	9,562	9,562	—	—
	\$ 118,270	\$ 118,069	\$ 13	\$ 188

**Blackstone Inc.**  
**Notes to Condensed Consolidated Financial Statements (Unaudited) - Continued**  
**(All Dollars are in Thousands, Except Share and Per Share Data, Except Where Noted)**

	December 31, 2023			
	Gross and Net Amounts of Assets Presented in the Statement of Financial Condition	Gross Amounts Not Offset in the Statement of Financial Condition		
		Financial Instruments (a)	Cash Collateral Received	Net Amount
Assets				
Freestanding Derivatives	\$ 190,079	\$ 107,330	\$ 49,532	\$ 33,217

	December 31, 2023			
	Gross and Net Amounts of Liabilities Presented in the Statement of Financial Condition	Gross Amounts Not Offset in the Statement of Financial Condition		
		Financial Instruments (a)	Cash Collateral Pledged	Net Amount
Liabilities				
Freestanding Derivatives	\$ 90,635	\$ 87,777	\$ 625	\$ 2,233

(a) Amounts presented are inclusive of both legally enforceable master netting agreements, and financial instruments received or pledged as collateral. Financial instruments received or pledged as collateral offset derivative counterparty risk exposure, but do not reduce net balance sheet exposure.

As of June 30, 2024, Blackstone pledged assets with a carrying value of \$9.6 million and a remaining contractual maturity greater than 90 days to collateralize its repurchase agreements. As of December 31, 2023, Blackstone had no repurchase agreements and hence no pledged securities or collateral outstanding.

Freestanding Derivative liabilities and repurchase agreements are included in Accounts Payable, Accrued Expenses and Other Liabilities in the Condensed Consolidated Statements of Financial Condition. Freestanding Derivative assets are included in Other Assets in the Condensed Consolidated Statements of Financial Condition. The following table presents the components of Other Assets:

	<b>June 30, 2024</b>	<b>December 31, 2023</b>
Furniture, Equipment and Leasehold Improvements	\$ 964,586	\$ 937,355
Less: Accumulated Depreciation	(442,651)	(394,602)
Furniture, Equipment and Leasehold Improvements, Net	521,935	542,753
Prepaid Expenses	343,534	207,886
Freestanding Derivatives	189,046	170,890
Other	28,885	23,319
	<u>\$ 1,083,400</u>	<u>\$ 944,848</u>

**Blackstone Inc.**  
**Notes to Condensed Consolidated Financial Statements (Unaudited) - Continued**  
**(All Dollars are in Thousands, Except Share and Per Share Data, Except Where Noted)**

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**Notional Pooling Arrangements**

Blackstone has notional cash pooling arrangements with financial institutions for cash management purposes. These arrangements allow for cash withdrawals based upon aggregate cash balances on deposit at the same financial institution. Cash withdrawals cannot exceed aggregate cash balances on deposit. The net balance of cash on deposit and overdrafts is used as a basis for calculating net interest expense or income. As of June 30, 2024, the aggregate cash balance on deposit relating to the cash pooling arrangements was \$1.1 billion, which was offset and reported net of the accompanying overdraft of \$1.1 billion.

**11. Borrowings**

The following table presents each of Blackstone's borrowings as of June 30, 2024 and December 31, 2023, as well as their carrying value and fair value. The borrowings are included in Loans Payable within the Condensed Consolidated Statements of Financial Condition. Each of the Senior Notes were issued at a discount through Blackstone's indirect subsidiary, Blackstone Holdings Finance Co. L.L.C. The Senior Notes accrue interest from the issue date thereof and pay interest in arrears on a semi-annual basis or annual basis. The Secured Borrowings were issued at par, accrue interest from the issue date thereof and pay interest in arrears on a quarterly basis. CLO Notes Payable pay interest in arrears on a quarterly basis.

**Blackstone Inc.**  
**Notes to Condensed Consolidated Financial Statements (Unaudited) - Continued**  
**(All Dollars are in Thousands, Except Share and Per Share Data, Except Where Noted)**

Description	June 30, 2024		December 31, 2023	
	Carrying Value	Fair Value	Carrying Value	Fair Value
<b>Blackstone Operating Borrowings</b>				
Senior Notes (a)				
2.000%, Due 5/19/2025	\$ 326,438	\$ 316,643	\$ 336,005	\$ 324,778
1.000%, Due 10/5/2026	645,084	606,778	664,085	620,864
3.150%, Due 10/2/2027	298,669	281,307	298,476	283,059
5.900%, Due 11/3/2027	595,950	612,414	595,411	625,158
1.625%, Due 8/5/2028	645,888	567,853	645,406	566,508
1.500%, Due 4/10/2029	647,358	589,423	666,655	601,272
2.500%, Due 1/10/2030	494,067	435,685	493,573	431,005
1.600%, Due 3/30/2031	496,678	394,050	496,447	391,955
2.000%, Due 1/30/2032	789,891	631,368	789,283	633,153
2.550%, Due 3/30/2032	495,907	414,395	495,670	410,755
6.200%, Due 4/22/2033	892,225	946,970	891,899	962,037
3.500%, Due 6/1/2034	506,384	527,546	521,549	536,319
6.250%, Due 8/15/2042	239,604	258,883	239,457	263,270
5.000%, Due 6/15/2044	490,116	459,190	489,975	464,560
4.450%, Due 7/15/2045	344,765	295,155	344,691	297,486
4.000%, Due 10/2/2047	291,260	231,543	291,149	233,685
3.500%, Due 9/10/2049	392,526	281,848	392,436	294,608
2.800%, Due 9/30/2050	394,177	239,220	394,103	252,008
2.850%, Due 8/5/2051	543,397	336,969	543,317	352,457
3.200%, Due 1/30/2052	987,539	660,130	987,401	696,740
	<u>10,517,923</u>	<u>9,087,370</u>	<u>10,576,988</u>	<u>9,241,677</u>
Other (b)				
Secured Borrowing, Due 10/27/2033	19,949	19,949	19,949	19,949
Secured Borrowing, Due 1/29/2035	20,000	20,000	20,000	20,000
	<u>10,557,872</u>	<u>9,127,319</u>	<u>10,616,937</u>	<u>9,281,626</u>
<b>Borrowings of Consolidated Blackstone Funds</b>				
CLO Notes Payable (c)	130,321	130,321	687,122	687,122
	<u>130,321</u>	<u>130,321</u>	<u>687,122</u>	<u>687,122</u>
	<u>\$10,688,193</u>	<u>\$9,257,640</u>	<u>\$11,304,059</u>	<u>\$9,968,748</u>

- (a) Fair value is determined by broker quote and these notes would be classified as Level II within the fair value hierarchy.
- (b) The Secured Borrowing, Due 10/27/2033 has an interest rate of 7.64% and the Secured Borrowing, Due 1/29/2035 has an interest rate of 7.64%. Principal on the Secured Borrowings will be paid over the term with repayment amounts dependent on the performance of the underlying assets securing each borrowing. Repayment amounts from the underlying assets are restricted to solely satisfy the Secured Borrowings obligations. As of June 30, 2024, the fair value of the assets securing both Secured Borrowings equaled \$48.5 million.
- (c) CLO Notes Payable have maturity dates ranging from June 2025 to January 2037 and have an effective interest rate of 8.67% as of June 30, 2024. A portion of the borrowing outstanding is comprised of subordinated notes which do not have contractual interest rates but instead pay distributions from the excess cash flows of the CLO vehicles.

**Blackstone Inc.**  
**Notes to Condensed Consolidated Financial Statements (Unaudited) - Continued**  
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Scheduled principal payments for borrowings as of June 30, 2024 were as follows:

	<b>Blackstone Operating Borrowings</b>	<b>Borrowings of Consolidated Blackstone Funds</b>	<b>Total Borrowings</b>
2024	\$ —	\$ —	\$ —
2025	329,614	—	329,614
2026	648,827	—	648,827
2027	911,589	—	911,589
2028	664,090	—	664,090
Thereafter	8,128,430	141,792	8,270,222
	<u>\$ 10,682,550</u>	<u>\$ 141,792</u>	<u>\$ 10,824,342</u>

## 12. Income Taxes

Blackstone's net deferred tax assets relate primarily to basis differences resulting from a step-up in tax basis of certain assets at the time of its conversion to a corporation, as well as ongoing exchanges of units for common shares by founders and partners. As of June 30, 2024, Blackstone had no material valuation allowance recorded against deferred tax assets.

Blackstone is subject to examination by the U.S. Internal Revenue Service and other taxing authorities where Blackstone has significant business operations such as the United Kingdom, and various state and local jurisdictions such as New York State and New York City. The tax years under examination vary by jurisdiction. Blackstone does not expect the completion of these audits to have a material impact on its financial condition, but it may be material to operating results for a particular period, depending on the operating results for that period. Blackstone believes the liability established for unrecognized tax benefits is adequate in relation to the potential for additional assessments. It is reasonably possible that changes in the balance of unrecognized tax benefits may occur within the next 12 months; however, it is not possible to reasonably estimate the expected change to the total amount of unrecognized tax benefits and the impact on Blackstone's effective tax rate over the next 12 months.

As of June 30, 2024, the following are the major filing jurisdictions and their respective earliest open tax period subject to examination:

<b>Jurisdiction</b>	<b>Year</b>
Federal	2020
New York City	2009
New York State	2016
United Kingdom	2011

**Blackstone Inc.**  
**Notes to Condensed Consolidated Financial Statements (Unaudited) - Continued**  
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**13. Earnings Per Share and Stockholders' Equity**

**Earnings Per Share**

Basic and diluted net income per share of common stock for the three and six months ended June 30, 2024 and 2023 was calculated as follows:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2023	2024	2023
<b>Net Income for Per Share of Common Stock Calculations</b>				
Net Income Attributable to Blackstone Inc., Basic and Diluted	\$ 444,414	\$ 601,274	\$ 1,291,800	\$ 687,086
<b>Shares/Units Outstanding</b>				
Weighted-Average Shares of Common Stock Outstanding, Basic	769,187,351	758,479,943	764,492,944	752,306,729
Weighted-Average Shares of Unvested Deferred Restricted Common Stock	47,326	68,305	253,218	323,656
Weighted-Average Shares of Common Stock Outstanding, Diluted	769,234,677	758,548,248	764,746,162	752,630,385
<b>Net Income Per Share of Common Stock</b>				
Basic	\$ 0.58	\$ 0.79	\$ 1.69	\$ 0.91
Diluted	\$ 0.58	\$ 0.79	\$ 1.69	\$ 0.91
<b>Dividends Declared Per Share of Common Stock (a)</b>	<b>\$ 0.83</b>	<b>\$ 0.82</b>	<b>\$ 1.77</b>	<b>\$ 1.73</b>

(a) Dividends declared reflects the calendar date of the declaration for each distribution.

In computing the dilutive effect that the exchange of Blackstone Holdings Partnership Units would have on Net Income Per Share of Common Stock, Blackstone considered that net income available to holders of shares of common stock would increase due to the elimination of non-controlling interests in Blackstone Holdings, inclusive of any tax impact. The hypothetical conversion may be dilutive to the extent there is activity at the Blackstone Inc. level that has not previously been attributed to the non-controlling interests or if there is a change in tax rate as a result of a hypothetical conversion.

The following table summarizes the anti-dilutive securities for the three and six months ended June 30, 2024 and 2023:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2023	2024	2023
Weighted-Average Blackstone Holdings Partnership Units	456,231,581	461,569,524	457,074,596	462,255,884

**Blackstone Inc.**  
**Notes to Condensed Consolidated Financial Statements (Unaudited) - Continued**  
**(All Dollars are in Thousands, Except Share and Per Share Data, Except Where Noted)**

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### Share Repurchase Program

During the three and six months ended June 30, 2024, Blackstone repurchased 2.0 million and 2.7 million shares of common stock at a total cost of \$244.3 million and \$332.7 million, respectively. During the three and six months ended June 30, 2023, Blackstone repurchased 1.0 million and 2.0 million shares of common stock at a total cost of \$86.0 million and \$176.1 million, respectively. As of June 30, 2024, prior to the July 16, 2024 authorization, the amount remaining available for repurchases under the program was \$424.1 million.

On July 16, 2024, Blackstone's board of directors authorized the repurchase of up to \$2.0 billion of common stock and Blackstone Holdings Partnership Units. This authorization replaced Blackstone's prior \$2.0 billion repurchase authorization. Under the repurchase program, repurchases may be made from time to time in open market transactions, in privately negotiated transactions or otherwise. The timing and the actual numbers repurchased will depend on a variety of factors, including legal requirements, price and economic and market conditions. The repurchase program may be changed, suspended or discontinued at any time and does not have a specified expiration date.

### Shares Eligible for Dividends and Distributions

As of June 30, 2024, the total shares of common stock and Blackstone Holdings Partnership Units entitled to participate in dividends and distributions were as follows:

	Shares/Units
Common Stock Outstanding	722,540,712
Unvested Participating Common Stock	45,683,693
Total Participating Common Stock	768,224,405
Participating Blackstone Holdings Partnership Units	455,642,926
	<u>1,223,867,331</u>

## 14. Equity-Based Compensation

Blackstone has granted equity-based compensation awards to Blackstone's senior managing directors, non-partner professionals, non-professionals and selected external advisers under Blackstone's Amended and Restated 2007 Equity Incentive Plan (the "Equity Plan"). The Equity Plan allows for the granting of options, share appreciation rights or other share-based awards (shares, restricted shares, restricted shares of common stock, deferred restricted shares of common stock, phantom restricted shares of common stock or other share-based awards based in whole or in part on the fair value of shares of common stock or Blackstone Holdings Partnership Units) which may contain certain service or performance requirements. As of January 1, 2024, Blackstone had the ability to grant 173,443,452 shares under the Equity Plan.

For the three and six months ended June 30, 2024, Blackstone recorded compensation expense of \$301.0 million and \$621.7 million, respectively, in relation to its equity-based awards with corresponding tax benefits of \$62.7 million and \$127.9 million, respectively. For the three and six months ended June 30, 2023, Blackstone recorded compensation expense of \$260.4 million and \$537.8 million, respectively, in relation to its equity-based awards with corresponding tax benefits of \$43.8 million and \$83.1 million, respectively.

As of June 30, 2024, there was \$2.6 billion of estimated unrecognized compensation expense related to unvested awards, including compensation with performance conditions where it is probable that the performance condition will be met. This cost is expected to be recognized over a weighted-average period of 3.4 years.



**Blackstone Inc.**  
**Notes to Condensed Consolidated Financial Statements (Unaudited) - Continued**  
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Total vested and unvested outstanding shares, including common stock, Blackstone Holdings Partnership Units and deferred restricted shares of common stock, were 1,223,810,180 as of June 30, 2024. Total outstanding phantom shares were 109,643 as of June 30, 2024.

A summary of the status of Blackstone's unvested equity-based awards as of June 30, 2024 and of changes during the period January 1, 2024 through June 30, 2024 is presented below:

Unvested Shares/Units	Blackstone Holdings		Blackstone Inc.			
	Partnership Units	Weighted- Average Grant Date Fair Value	Equity Settled Awards		Cash Settled Awards	
			Deferred Restricted Shares of Common Stock	Weighted- Average Grant Date Fair Value	Phantom Shares	Weighted- Average Grant Date Fair Value
Balance, December 31, 2023	4,585,893	\$ 38.94	36,456,644	\$ 86.05	85,447	\$ 114.50
Granted	—	—	11,274,360	130.88	38,819	121.94
Vested	(704,040)	35.07	(3,914,003)	91.72	(7,100)	128.09
Forfeited	(35,431)	46.58	(950,033)	93.35	(15,130)	128.09
Balance, June 30, 2024	<u>3,846,422</u>	<u>\$ 39.60</u>	<u>42,866,968</u>	<u>\$ 97.28</u>	<u>102,036</u>	<u>\$ 120.45</u>

**Shares/Units Expected to Vest**

The following unvested shares and units, after expected forfeitures, as of June 30, 2024, are expected to vest:

	Shares/Units	Weighted- Average Service Period in Years
Blackstone Holdings Partnership Units	4,089,151	0.2
Deferred Restricted Shares of Common Stock	38,587,380	2.9
Total Equity-Based Awards	<u>42,676,531</u>	<u>2.7</u>
Phantom Shares	<u>86,032</u>	<u>3.0</u>

**Blackstone Inc.**  
**Notes to Condensed Consolidated Financial Statements (Unaudited) - Continued**  
**(All Dollars are in Thousands, Except Share and Per Share Data, Except Where Noted)**

**15. Related Party Transactions**

**Affiliate Receivables and Payables**

Due from Affiliates and Due to Affiliates consisted of the following:

	June 30, 2024	December 31, 2023
<b>Due from Affiliates</b>		
Management Fees, Performance Revenues, Reimbursable Expenses and Other Receivables from Non-Consolidated Entities and Portfolio Companies	\$ 3,745,712	\$ 3,638,948
Due from Certain Non-Controlling Interest Holders and Blackstone Employees	1,003,299	720,743
Accrual for Potential Clawback of Previously Distributed Performance Allocations	119,058	106,830
	<u>\$ 4,868,069</u>	<u>\$ 4,466,521</u>
<b>Due to Affiliates</b>		
Due to Certain Non-Controlling Interest Holders in Connection with the Tax Receivable Agreements	\$ 1,679,102	\$ 1,681,516
Due to Non-Consolidated Entities	107,693	124,560
Due to Certain Non-Controlling Interest Holders and Blackstone Employees	208,256	305,816
Accrual for Potential Repayment of Previously Received Performance Allocations	369,048	281,518
	<u>\$ 2,364,099</u>	<u>\$ 2,393,410</u>

**Interests of the Founder, Senior Managing Directors, Employees and Other Related Parties**

The Founder, senior managing directors, employees and certain other related parties invest on a discretionary basis in the consolidated Blackstone Funds both directly and through consolidated entities. These investments generally are subject to preferential management fee and performance allocation or incentive fee arrangements. As of June 30, 2024 and December 31, 2023, such investments aggregated \$1.9 billion and \$1.7 billion, respectively. Their share of the Net Income Attributable to Redeemable Non-Controlling and Non-Controlling Interests in Consolidated Entities aggregated to \$41.1 million and \$32.2 million for the three months ended June 30, 2024 and 2023, respectively, and \$73.0 million and \$54.4 million for the six months ended June 30, 2024 and 2023, respectively.

**Contingent Repayment Guarantee**

Blackstone and its personnel who have received Performance Allocation distributions have guaranteed payment on a several basis (subject to a cap) to the carry funds of any clawback obligation with respect to the excess Performance Allocation allocated to the general partners of such funds and indirectly received thereby to the extent that either Blackstone or its personnel fails to fulfill its clawback obligation, if any. The Accrual for Potential Repayment of Previously Received Performance Allocations represents amounts previously paid to Blackstone Holdings and non-controlling interest holders that would need to be repaid to the Blackstone Funds if the carry funds were to be liquidated based on the fair value of their underlying investments as of June 30, 2024. See Note 16. "Commitments and Contingencies — Contingencies — Contingent Obligations (Clawback)."

**Blackstone Inc.**  
**Notes to Condensed Consolidated Financial Statements (Unaudited) - Continued**  
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**Tax Receivable Agreements**

Blackstone used a portion of the proceeds from the IPO and other sales of shares to purchase interests in the predecessor businesses from the predecessor owners. In addition, holders of Blackstone Holdings Partnership Units may exchange their Blackstone Holdings Partnership Units for shares of Blackstone common stock on a one-for-one basis. The purchase and subsequent exchanges are expected to result in increases in the tax basis of the tangible and intangible assets of Blackstone Holdings and therefore reduce the amount of tax that Blackstone would otherwise be required to pay in the future.

Blackstone has entered into tax receivable agreements with each of the predecessor owners and additional tax receivable agreements have been executed, and will continue to be executed, with senior managing directors and others who acquire Blackstone Holdings Partnership Units. The agreements provide for the payment by the corporate taxpayer to such owners of 85% of the amount of cash savings, if any, in U.S. federal, state and local income tax that the corporate taxpayers actually realize as a result of the aforementioned increases in tax basis and of certain other tax benefits related to entering into these tax receivable agreements. For purposes of the tax receivable agreements, cash savings in income tax will be computed by comparing the actual income tax liability of the corporate taxpayers to the amount of such taxes that the corporate taxpayers would have been required to pay had there been no increase to the tax basis of the tangible and intangible assets of Blackstone Holdings as a result of the exchanges and had the corporate taxpayers not entered into the tax receivable agreements.

Assuming no future material changes in the relevant tax law and that the corporate taxpayers earn sufficient taxable income to realize the full tax benefit of the increased amortization of the assets, the expected future payments under the tax receivable agreements (which are taxable to the recipients) will aggregate \$1.7 billion over the next 15 years. The after-tax net present value of these estimated payments totals \$517.6 million assuming a 15% discount rate and using Blackstone's most recent projections relating to the estimated timing of the benefit to be received. Future payments under the tax receivable agreements in respect of subsequent exchanges would be in addition to these amounts. The payments under the tax receivable agreements are not conditioned upon continued ownership of Blackstone equity interests by the pre-IPO owners and the others mentioned above.

Amounts related to the deferred tax asset resulting from the increase in tax basis from the exchange of Blackstone Holdings Partnership Units to shares of Blackstone common stock, the resulting remeasurement of net deferred tax assets at the Blackstone ownership percentage at the balance sheet date, the due to affiliates for the future payments resulting from the tax receivable agreements and resulting adjustment to partners' capital are included as Acquisition of Ownership Interests from Non-Controlling Interest Holders in the Supplemental Disclosure of Non-Cash Investing and Financing Activities in the Condensed Consolidated Statements of Cash Flows.

**Other**

Blackstone does business with and on behalf of some of its Portfolio Companies; all such arrangements are on a negotiated basis.

Additionally, please see Note 16. "Commitments and Contingencies — Contingencies — Guarantees" for information regarding guarantees provided to a lending institution for certain loans held by employees.

**Blackstone Inc.**  
**Notes to Condensed Consolidated Financial Statements (Unaudited) - Continued**  
**(All Dollars are in Thousands, Except Share and Per Share Data, Except Where Noted)**

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## **16. Commitments and Contingencies**

### **Commitments**

#### ***Investment Commitments***

Blackstone had \$4.9 billion of investment commitments as of June 30, 2024 representing general partner capital funding commitments to the Blackstone Funds, limited partner capital funding to other funds and Blackstone principal investment commitments, including loan commitments. The consolidated Blackstone Funds had signed investment commitments of \$359.6 million as of June 30, 2024, which includes \$151.5 million of signed investment commitments for portfolio company acquisitions in the process of closing.

### **Contingencies**

#### ***Guarantees***

Certain of Blackstone's consolidated real estate funds guarantee payments to third parties in connection with the ongoing business activities and/or acquisitions of their Portfolio Companies. There is no direct recourse to Blackstone to fulfill such obligations. To the extent that underlying funds are required to fulfill guarantee obligations, Blackstone's invested capital in such funds is at risk. Total investments at risk in respect of guarantees extended by consolidated real estate funds was \$27.8 million as of June 30, 2024.

The Blackstone Holdings Partnerships provided guarantees to a lending institution for certain loans held by employees either for investment in Blackstone Funds or for members' capital contributions to Blackstone Europe LLP. The amount guaranteed as of June 30, 2024 was \$80.2 million.

During the six months ended June 30, 2024, Blackstone entered into a short-term contingent guarantee arrangement with a third party bank, indirectly supporting certain short-term obligations that may be incurred by a non-consolidated private equity vehicle affiliated with Blackstone in connection with a prospective private financing transaction. The up to €260.0 million contingent guarantee may only be demanded upon by the third party bank in the event that the private equity vehicle fails to perform under the terms of its financing documentation and only after the third party bank has enforced against all other primary credit support for the financing, including guarantees provided by affiliates of the non-consolidated private equity vehicle that are party to the transaction. Blackstone views the likelihood of being required to perform under the terms of the guarantee as remote. If required to perform under the terms of the guarantee, Blackstone would be entitled to repayment from the non-consolidated private equity vehicle.

#### ***Strategic Ventures***

In December 2022 and January 2023, Blackstone entered into long-term strategic ventures ("UC strategic ventures") with the Regents of the University of California ("UC Investments"), an institutional investor that subscribed for \$4.5 billion of Blackstone Real Estate Income Trust, Inc. ("BREIT") Class I shares during the three months ended March 31, 2023. The UC strategic ventures provide a waterfall structure with UC Investments receiving an 11.25% target annualized net return on its \$4.5 billion investment in BREIT shares and upside from its investment. This target return, while not guaranteed, is supported by a pledge by Blackstone of \$1.1 billion of its holdings in BREIT as of the subscription dates, including any appreciation or dividends received by Blackstone in respect thereof. Pursuant to the UC strategic ventures, Blackstone is entitled to receive an incremental 5% cash payment from UC Investments on any returns received in excess of the target return. An asset or liability is recognized based on fair value with the maximum potential future obligation capped at the fair value of the assets pledged by Blackstone in connection with the above arrangements. As of June 30, 2024, the fair value of the assets pledged was \$1.1 billion and the total liability recognized was \$751.5 million.

**Blackstone Inc.**  
**Notes to Condensed Consolidated Financial Statements (Unaudited) - Continued**  
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***Litigation***

Blackstone may from time to time be involved in litigation and claims incidental to the conduct of its business. Blackstone's businesses are also subject to extensive regulation, which may result in regulatory proceedings against Blackstone.

Blackstone accrues a liability for legal proceedings only when those matters present loss contingencies that are both probable and reasonably estimable. In such cases, there may be an exposure to loss in excess of any amounts accrued. Although there can be no assurance of the outcome of such legal actions, based on information known by management, Blackstone does not have any unaccrued liability related to any current legal proceeding or claim that would individually or in the aggregate materially affect its results of operations, financial position or cash flows.

In December 2017, eight pension plan members of the Kentucky Retirement System ("KRS") filed a derivative lawsuit on behalf of KRS in the Franklin County Circuit Court of the Commonwealth of Kentucky (the "Mayberry Action"). Plaintiffs alleged various breaches of fiduciary duty and other violations of Kentucky state law in connection with KRS's investment in three hedge funds of funds, including a fund managed by Blackstone Alternative Asset Management L.P. ("BLP"). The suit named more than 30 defendants, including, among others, The Blackstone Group L.P. (now Blackstone Inc.); BLP; Stephen A. Schwarzman, as Chairman and CEO of Blackstone; and J. Tomilson Hill, as then-CEO of BLP (collectively, the "Blackstone Defendants"). In July 2020, the Kentucky Supreme Court directed the Circuit Court to dismiss the action due to the plaintiffs' lack of standing.

Over the objection of the Blackstone Defendants and others, in December 2020, the Circuit Court permitted the Attorney General of the Commonwealth of Kentucky (the "AG") to intervene in the Mayberry Action. In April 2023, the Kentucky Court of Appeals held that the Circuit Court exceeded its authority in permitting the AG's intervention in the Mayberry Action, and vacated all orders other than the order dismissing the original derivative complaint in the Mayberry Action.

Additionally, around the time the AG moved to intervene in 2020, the AG separately filed an additional back-up complaint asserting substantially identical claims against largely the same defendants as the Mayberry Action (the "July 2020 Action"). The AG filed amended complaints in August 2023 and November 2023. Defendants moved to dismiss. On April 8, 2024, while the motions to dismiss were pending, the AG amended its complaint for the third time, adding a breach of contract claim against the Blackstone Defendants. On May 1, 2024, the Court denied the Blackstone Defendants' motion to strike the third amended complaint and its motion to dismiss the prior amended complaint, along with most other defendants' motions to dismiss.

Also on April 8, 2024, as a technicality the AG instituted a technical action asserting substantively the same claims against the same defendants for the stated purpose of satisfying a limitations statute (the "April 2024 Action"). On May 1, 2024, the Court consolidated the July 2020 Action and the April 2024 Action upon the AG's motion. On June 17, 2024, the defendants moved to dismiss the consolidated actions.

In August 2022, KRS was ordered to disclose, and in September 2022, did disclose, a report prepared in 2021 by a law firm retained by KRS to conduct an investigation into the investment activities underlying the lawsuit. According to the report, the investigators "did not find any violations of fiduciary duty or illegal activity by [BLP]" related to KRS's due diligence and retention of BLP or KRS's continued investment with BLP. The report quotes contemporaneous communications by KRS staff during the period of the investment recognizing that BLP was exceeding KRS's returns benchmark, that BLP was providing KRS with "far fewer negative months than any liquid market comparable," and that BLP "[h]as killed it."

In January 2021, certain former plaintiffs in the Mayberry Action filed a separate action ("Taylor I") against the Blackstone Defendants and other defendants named in the Mayberry Action, asserting allegations substantially similar to those in the Mayberry Action, and in July 2021 they amended their complaint to add class action allegations. Defendants removed Taylor I to the U.S. District Court for the Eastern District of Kentucky, and in March 2022, the District Court stayed Taylor I pending the resolution of the AG's suit.

**Blackstone Inc.**  
**Notes to Condensed Consolidated Financial Statements (Unaudited) - Continued**  
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In August 2021, a group of KRS members—including those that filed Taylor I—filed a new action in Franklin County Circuit Court (“Taylor II”), against the Blackstone Defendants, other defendants named in the Mayberry Action, and other KRS officials. The filed complaint is substantially similar to that filed in Taylor I and the Mayberry Action. In July 2022, most defendants (including the Blackstone Defendants) moved to dismiss. On May 1, 2024, the Court denied the Blackstone Defendants’ motion to dismiss, as well as most other defendants’ motions to dismiss. On July 3, 2024, Blackstone Defendants and the other fund manager defendants filed a petition for a writ of prohibition. On July 9, 2024, the Court stayed the action pending resolution of the writ of prohibition.

In April 2021, the AG filed an action (the “Declaratory Judgment Action”) against BLP and the other fund manager defendants from the Mayberry Action in Franklin County Circuit Court. The action sought to have certain provisions in the subscription agreements between KRS and the fund managers declared to be in violation of the Kentucky Constitution. In March 2022, the Circuit Court granted summary judgment to the AG and the Court of Appeals affirmed in December 2023. On March 6, 2024, BLP filed a motion for discretionary review by the Kentucky Supreme Court, which is pending.

Blackstone continues to believe that the preceding lawsuits against Blackstone are totally without merit and intends to defend them vigorously.

In July 2021, BLP filed a breach of contract action against defendants affiliated with KRS alleging that the Mayberry Action and the Declaratory Judgment Action breach the parties’ subscription agreements governing KRS’s investment with BLP. The action seeks damages, including legal fees and expenses incurred in defending against the above actions. In April 2022, the Circuit Court dismissed BLP’s complaint without prejudice to refiling, on the grounds that the action was not yet ripe for adjudication. In May 2023, the Court of Appeals affirmed the Circuit Court’s dismissal, without prejudice, of BLP’s complaint on ripeness grounds. In August 2023, BLP filed a motion with the Kentucky Supreme Court for discretionary review, which was granted in February 2024. The appeal is fully briefed and pending.

In October 2022, as part of a sweep of private equity and other investment advisory firms, the SEC sent us a request for information relating to the retention of certain types of electronic business communications, including text messages, that may be required to be preserved under certain SEC rules. We are continuing to cooperate with the SEC and are discussing a potential resolution of this inquiry. Our financial results for the six months ended June 30, 2024 include an accrual for the estimated liability related to this matter.

#### ***Contingent Obligations (Clawback)***

Performance Allocations are subject to clawback to the extent that the Performance Allocations received to date with respect to a fund exceeds the amount due to Blackstone based on cumulative results of that fund. The actual clawback liability, however, generally does not become realized until the end of a fund’s life except for certain Blackstone funds, which may have an interim clawback liability. The lives of the carry funds, including available contemplated extensions, for which a liability for potential clawback obligations has been recorded for financial reporting purposes, are currently anticipated to expire at various points through 2032. Further extensions of such terms may be implemented under given circumstances.

For financial reporting purposes, when applicable, the general partners record a liability for potential clawback obligations to the limited partners of some of the carry funds due to changes in the unrealized value of a fund’s remaining investments and where the fund’s general partner has previously received Performance Allocation distributions with respect to such fund’s realized investments.

**Blackstone Inc.**  
**Notes to Condensed Consolidated Financial Statements (Unaudited) - Continued**  
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The following table presents the clawback obligations by segment:

Segment	June 30, 2024			December 31, 2023		
	Blackstone Holdings	Current and Former Personnel (a)	Total (b)	Blackstone Holdings	Current and Former Personnel (a)	Total (b)
Real Estate	\$ 221,220	\$ 96,721	\$ 317,941	\$ 145,435	\$ 90,337	\$ 235,772
Private Equity	32,689	17,933	50,622	29,046	16,231	45,277
Credit & Insurance	214	271	485	207	262	469
	<u>\$ 254,123</u>	<u>\$ 114,925</u>	<u>\$ 369,048</u>	<u>\$ 174,688</u>	<u>\$ 106,830</u>	<u>\$ 281,518</u>

- (a) The split of clawback between Blackstone Holdings and Current and Former Personnel is based on the performance of individual investments held by a fund rather than on a fund by fund basis.
- (b) Total is a component of Due to Affiliates. See Note 15. "Related Party Transactions — Affiliate Receivables and Payables — Due to Affiliates."

For Private Equity, Real Estate, and certain Credit & Insurance Funds, a portion of the Performance Allocations paid to current and former Blackstone personnel is held in segregated accounts in the event of a cash clawback obligation. These segregated accounts are not included in the Condensed Consolidated Financial Statements of Blackstone, except to the extent a portion of the assets held in the segregated accounts may be allocated to a consolidated Blackstone fund of hedge funds. At June 30, 2024, \$1.0 billion was held in segregated accounts for the purpose of meeting any clawback obligations of current and former personnel if such payments are required.

In the Credit & Insurance segment, payment of Performance Allocations to Blackstone by the majority of the stressed/distressed, mezzanine and credit alpha strategies funds are substantially deferred under the terms of the partnership agreements. This deferral mitigates the need to hold funds in segregated accounts in the event of a cash clawback obligation.

If, at June 30, 2024, all of the investments held by Blackstone's carry funds were deemed worthless, a possibility that management views as remote, the amount of Performance Allocations subject to potential clawback would be \$6.9 billion, on an after-tax basis where applicable, of which Blackstone Holdings is potentially liable for \$6.3 billion if current and former Blackstone personnel default on their share of the liability, a possibility that management also views as remote.

## 17. Segment Reporting

Blackstone conducts its alternative asset management businesses through four segments:

- Real Estate – Blackstone's Real Estate segment primarily comprises its management of opportunistic real estate funds, Core+ real estate funds, and real estate debt strategies.
- Private Equity – Blackstone's Private Equity segment includes its management of flagship Corporate Private Equity funds, sector and geographically-focused Corporate Private Equity funds, core private equity funds, an opportunistic investment platform, a secondary funds business and GP Stakes, infrastructure-focused funds, a life sciences investment platform, a growth equity investment platform, an investment platform offering eligible individual investors access to Blackstone's private equity capabilities, a multi-asset investment program for eligible high net worth investors and a capital markets services business.



**Blackstone Inc.**  
**Notes to Condensed Consolidated Financial Statements (Unaudited) - Continued**  
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- Credit & Insurance – Blackstone’s Credit & Insurance segment consists principally of Blackstone Credit & Insurance, which is organized into three overarching strategies: private corporate credit, liquid corporate credit and infrastructure and asset based credit. In addition, the segment includes an insurer-focused platform.
- Multi-Asset Investing – Multi-Asset Investing is organized into two primary platforms: Absolute Return and Multi-Strategy. In addition, the segment also includes a publicly traded energy infrastructure, renewables and master limited partnership investment platform.

These business segments are differentiated by their various investment strategies. Each of the segments primarily earns its income from management fees and investment returns on assets under management.

Segment Distributable Earnings is Blackstone’s segment profitability measure used to make operating decisions and assess performance across Blackstone’s four segments.

Segment Distributable Earnings represents the net realized earnings of Blackstone’s segments and is the sum of Fee Related Earnings and Net Realizations for each segment. Blackstone’s segments are presented on a basis that deconsolidates Blackstone Funds, eliminates non-controlling ownership interests in Blackstone’s consolidated operating partnerships, removes the amortization of intangible assets and removes Transaction-Related and Non-Recurring Items. Transaction-Related and Non-Recurring Items arise from corporate actions including acquisitions, divestitures, Blackstone’s initial public offering and non-recurring gains, losses, or other charges, if any. They consist primarily of equity-based compensation charges, gains and losses on contingent consideration arrangements, changes in the balance of the Tax Receivable Agreement resulting from a change in tax law or similar event, transaction costs, gains or losses associated with these corporate actions and non-recurring gains, losses or other charges that affect period-to-period comparability and are not reflective of Blackstone’s operational performance.

For segment reporting purposes, Segment Distributable Earnings is presented along with its major components, Fee Related Earnings and Net Realizations. Fee Related Earnings is used to assess Blackstone’s ability to generate profits from revenues that are measured and received on a recurring basis and not subject to future realization events. Net Realizations is the sum of Realized Principal Investment Income and Realized Performance Revenues less Realized Performance Compensation. Performance Allocations and Incentive Fees are presented together and referred to collectively as Performance Revenues or Performance Compensation.

Effective for the three months ended June 30, 2024, GP Stakes is included in Blackstone’s Private Equity segment and Harvest is included in Blackstone’s Multi-Asset Investing segment. Previously, GP Stakes and Harvest were included in Blackstone’s Multi-Asset Investing and Credit & Insurance segments, respectively. All prior periods have been recast to reflect this reclassification.



**Blackstone Inc.**  
**Notes to Condensed Consolidated Financial Statements (Unaudited) - Continued**  
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**Segment Presentation**

The following tables present the financial data for Blackstone's four segments for the three months ended June 30, 2024 and 2023:

	Three Months Ended June 30, 2024				
	Real Estate	Private Equity	Credit & Insurance	Multi-Asset Investing	Total Segments
Management and Advisory Fees, Net					
Base Management Fees	\$ 685,784	\$ 468,237	\$ 380,943	\$ 116,602	\$ 1,651,566
Transaction, Advisory and Other Fees, Net	75,140	46,238	10,250	908	132,536
Management Fee Offsets	(3,467)	376	(993)	(80)	(4,164)
<b>Total Management and Advisory Fees, Net</b>	<b>757,457</b>	<b>514,851</b>	<b>390,200</b>	<b>117,430</b>	<b>1,779,938</b>
Fee Related Performance Revenues	606	8,703	167,758	—	177,067
Fee Related Compensation	(184,404)	(158,068)	(172,551)	(37,890)	(552,913)
Other Operating Expenses	(92,378)	(87,436)	(88,348)	(24,960)	(293,122)
<b>Fee Related Earnings</b>	<b>481,281</b>	<b>278,050</b>	<b>297,059</b>	<b>54,580</b>	<b>1,110,970</b>
Realized Performance Revenues	53,472	381,797	91,247	16,373	542,889
Realized Performance Compensation	(25,295)	(179,761)	(37,738)	(8,263)	(251,057)
Realized Principal Investment Income	7,053	5,725	3,511	283	16,572
<b>Total Net Realizations</b>	<b>35,230</b>	<b>207,761</b>	<b>57,020</b>	<b>8,393</b>	<b>308,404</b>
<b>Total Segment Distributable Earnings</b>	<b>\$ 516,511</b>	<b>\$ 485,811</b>	<b>\$ 354,079</b>	<b>\$ 62,973</b>	<b>\$ 1,419,374</b>

**Blackstone Inc.**  
**Notes to Condensed Consolidated Financial Statements (Unaudited) - Continued**  
**(All Dollars are in Thousands, Except Share and Per Share Data, Except Where Noted)**

	Three Months Ended June 30, 2023				
	Real Estate	Private Equity	Credit & Insurance	Multi-Asset Investing	Total Segments
Management and Advisory Fees, Net					
Base Management Fees	\$ 709,977	\$ 466,761	\$ 326,066	\$ 117,805	\$ 1,620,609
Transaction, Advisory and Other Fees, Net	27,066	49,722	14,995	952	92,735
Management Fee Offsets	(8,307)	(794)	(1,056)	(1)	(10,158)
Total Management and Advisory Fees, Net	728,736	515,689	340,005	118,756	1,703,186
Fee Related Performance Revenues	131,299	—	135,439	—	266,738
Fee Related Compensation	(199,006)	(162,379)	(165,147)	(42,276)	(568,808)
Other Operating Expenses	(71,949)	(77,423)	(80,443)	(27,551)	(257,366)
<b>Fee Related Earnings</b>	<b>589,080</b>	<b>275,887</b>	<b>229,854</b>	<b>48,929</b>	<b>1,143,750</b>
Realized Performance Revenues	119,721	220,886	42,344	5,472	388,423
Realized Performance Compensation	(69,593)	(90,162)	(17,572)	(1,043)	(178,370)
Realized Principal Investment Income (Loss)	(70)	11,708	(19,394)	295	(7,461)
<b>Total Net Realizations</b>	<b>50,058</b>	<b>142,432</b>	<b>5,378</b>	<b>4,724</b>	<b>202,592</b>
<b>Total Segment Distributable Earnings</b>	<b>\$ 639,138</b>	<b>\$ 418,319</b>	<b>\$ 235,232</b>	<b>\$ 53,653</b>	<b>\$ 1,346,342</b>

**Blackstone Inc.**  
**Notes to Condensed Consolidated Financial Statements (Unaudited) - Continued**  
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The following tables present the financial data for Blackstone's four segments as of June 30, 2024 and for the six months ended June 30, 2024 and 2023:

	June 30, 2024 and the Six Months Then Ended				
	Real Estate	Private Equity	Credit & Insurance	Multi-Asset Investing	Total Segments
Management and Advisory Fees, Net					
Base Management Fees	\$ 1,379,963	\$ 942,828	\$ 741,864	\$ 231,641	\$ 3,296,296
Transaction, Advisory and Other Fees, Net	104,330	73,129	20,036	1,979	199,474
Management Fee Offsets	(6,397)	101	(1,885)	(80)	(8,261)
Total Management and Advisory Fees, Net	1,477,896	1,016,058	760,015	233,540	3,487,509
Fee Related Performance Revenues	130,564	8,703	333,301	—	472,568
Fee Related Compensation	(358,973)	(320,627)	(351,072)	(76,318)	(1,106,990)
Other Operating Expenses	(182,140)	(177,471)	(172,924)	(49,565)	(582,100)
<b>Fee Related Earnings</b>	<b>1,067,347</b>	<b>526,663</b>	<b>569,320</b>	<b>107,657</b>	<b>2,270,987</b>
Realized Performance Revenues	103,439	831,671	106,367	37,805	1,079,282
Realized Performance Compensation	(47,158)	(400,242)	(43,059)	(13,622)	(504,081)
Realized Principal Investment Income (Loss)	9,246	28,154	7,072	(17,962)	26,510
<b>Total Net Realizations</b>	<b>65,527</b>	<b>459,583</b>	<b>70,380</b>	<b>6,221</b>	<b>601,711</b>
<b>Total Segment Distributable Earnings</b>	<b>\$ 1,132,874</b>	<b>\$ 986,246</b>	<b>\$ 639,700</b>	<b>\$ 113,878</b>	<b>\$ 2,872,698</b>
<b>Segment Assets</b>	<b>\$ 12,927,964</b>	<b>\$ 15,173,309</b>	<b>\$ 7,763,104</b>	<b>\$ 1,746,140</b>	<b>\$ 37,610,517</b>

**Blackstone Inc.**  
**Notes to Condensed Consolidated Financial Statements (Unaudited) - Continued**  
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	Six Months Ended June 30, 2023				
	Real Estate	Private Equity	Credit & Insurance	Multi-Asset Investing	Total Segments
Management and Advisory Fees, Net					
Base Management Fees	\$ 1,415,364	\$ 942,246	\$ 643,319	\$ 239,227	\$ 3,240,156
Transaction, Advisory and Other Fees, Net	47,627	65,319	23,443	2,056	138,445
Management Fee Offsets	(18,764)	(2,104)	(2,157)	(3)	(23,028)
Total Management and Advisory Fees, Net	1,444,227	1,005,461	664,605	241,280	3,355,573
Fee Related Performance Revenues	152,047	—	262,935	—	414,982
Fee Related Compensation	(336,616)	(330,105)	(326,234)	(84,824)	(1,077,779)
Other Operating Expenses	(146,130)	(157,174)	(154,008)	(51,702)	(509,014)
<b>Fee Related Earnings</b>	<b>1,113,528</b>	<b>518,182</b>	<b>447,298</b>	<b>104,754</b>	<b>2,183,762</b>
Realized Performance Revenues	130,817	721,893	167,525	9,714	1,029,949
Realized Performance Compensation	(72,758)	(323,759)	(74,063)	(3,814)	(474,394)
Realized Principal Investment Income (Loss)	2,154	45,876	(13,428)	1,628	36,230
<b>Total Net Realizations</b>	<b>60,213</b>	<b>444,010</b>	<b>80,034</b>	<b>7,528</b>	<b>591,785</b>
<b>Total Segment Distributable Earnings</b>	<b>\$ 1,173,741</b>	<b>\$ 962,192</b>	<b>\$ 527,332</b>	<b>\$ 112,282</b>	<b>\$ 2,775,547</b>

**Reconciliations of Total Segment Amounts**

The following tables reconcile the Total Segment Revenues, Expenses and Distributable Earnings to their equivalent GAAP measure for the three and six months ended June 30, 2024 and 2023 along with Total Assets as of June 30, 2024:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2023	2024	2023
<b>Revenues</b>				
<b>Total GAAP Revenues</b>	\$ 2,796,381	\$ 2,814,691	\$ 6,484,209	\$ 4,196,536
Less: Unrealized Performance Revenues (a)	(122,239)	(114,379)	(568,175)	644,937
Less: Unrealized Principal Investment (Income) Loss (b)	38,125	(160,702)	(404,851)	318,418
Less: Interest and Dividend Revenue (c)	(104,999)	(153,240)	(202,838)	(248,341)
Less: Other Revenue (d)	(19,541)	31,718	(64,288)	45,898
Impact of Consolidation (e)	(71,159)	(60,408)	(178,033)	(119,395)
Transaction-Related and Non-Recurring Items (f)	(377)	(7,461)	(826)	(2,673)
Intersegment Eliminations	275	667	671	1,354
<b>Total Segment Revenue (g)</b>	<b>\$ 2,516,466</b>	<b>\$ 2,350,886</b>	<b>\$ 5,065,869</b>	<b>\$ 4,836,734</b>

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**Notes to Condensed Consolidated Financial Statements (Unaudited) - Continued**  
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	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2023	2024	2023
<b>Expenses</b>				
<b>Total GAAP Expenses</b>	\$ 1,632,706	\$ 1,475,310	\$ 3,423,113	\$ 2,664,655
Less: Unrealized Performance Allocations Compensation (h)	(101,680)	(54,155)	(282,580)	259,094
Less: Equity-Based Compensation (i)	(295,396)	(249,755)	(613,175)	(517,889)
Less: Interest Expense (j)	(108,424)	(107,130)	(216,064)	(211,339)
Impact of Consolidation (e)	(15,252)	(40,879)	(41,201)	(97,553)
Amortization of Intangibles (k)	(7,333)	(7,412)	(14,666)	(18,753)
Transaction-Related and Non-Recurring Items (f)	(5,339)	(9,689)	(57,985)	(13,522)
Administrative Fee Adjustment (l)	(2,465)	(2,413)	(4,942)	(4,860)
Intersegment Eliminations	275	667	671	1,354
<b>Total Segment Expenses (m)</b>	<u>\$ 1,097,092</u>	<u>\$ 1,004,544</u>	<u>\$ 2,193,171</u>	<u>\$ 2,061,187</u>
	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2023	2024	2023
<b>Other Income</b>				
<b>Total GAAP Other Income (Loss)</b>	\$ 44,934	\$ 87,595	\$ 27,167	\$ 153,451
Impact of Consolidation (e)	(44,934)	(87,595)	(27,167)	(153,451)
<b>Total Segment Other Income</b>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>

**Blackstone Inc.**  
**Notes to Condensed Consolidated Financial Statements (Unaudited) - Continued**  
**(All Dollars are in Thousands, Except Share and Per Share Data, Except Where Noted)**

	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2023	2024	2023
<b>Income Before Provision for Taxes</b>				
<b>Total GAAP Income Before Provision for Taxes</b>	\$ 1,208,609	\$ 1,426,976	\$ 3,088,263	\$ 1,685,332
Less: Unrealized Performance Revenues (a)	(122,239)	(114,379)	(568,175)	644,937
Less: Unrealized Principal Investment (Income) Loss (b)	38,125	(160,702)	(404,851)	318,418
Less: Interest and Dividend Revenue (c)	(104,999)	(153,240)	(202,838)	(248,341)
Less: Other Revenue (d)	(19,541)	31,718	(64,288)	45,898
Plus: Unrealized Performance Allocations Compensation (h)	101,680	54,155	282,580	(259,094)
Plus: Equity-Based Compensation (i)	295,396	249,755	613,175	517,889
Plus: Interest Expense (j)	108,424	107,130	216,064	211,339
Impact of Consolidation (e)	(100,841)	(107,124)	(163,999)	(175,293)
Amortization of Intangibles (k)	7,333	7,412	14,666	18,753
Transaction-Related and Non-Recurring Items (f)	4,962	2,228	57,159	10,849
Administrative Fee Adjustment (l)	2,465	2,413	4,942	4,860
<b>Total Segment Distributable Earnings</b>	<u>\$ 1,419,374</u>	<u>\$ 1,346,342</u>	<u>\$ 2,872,698</u>	<u>\$ 2,775,547</u>
				<b>As of June 30, 2024</b>
<b>Total Assets</b>				
<b>Total GAAP Assets</b>	\$ 40,585,029			
Impact of Consolidation (e)	(2,974,512)			
<b>Total Segment Assets</b>	<u>\$ 37,610,517</u>			

Segment basis presents revenues and expenses on a basis that deconsolidates the investment funds Blackstone manages and excludes the amortization of intangibles and Transaction-Related and Non-Recurring Items.

- (a) This adjustment removes Unrealized Performance Revenues on a segment basis.
- (b) This adjustment removes Unrealized Principal Investment Income (Loss) on a segment basis.
- (c) This adjustment removes Interest and Dividend Revenue on a segment basis.
- (d) This adjustment removes Other Revenue on a segment basis. For the three months ended June 30, 2024 and 2023, Other Revenue on a GAAP basis was \$19.6 million and \$(31.7) million, and included \$19.5 million and \$(32.0) million of foreign exchange gains (losses), respectively. For the six months ended June 30, 2024 and 2023, Other Revenue on a GAAP basis was \$64.5 million and \$(45.8) million, and included \$64.1 million and \$(46.7) million of foreign exchange gains (losses), respectively.
- (e) This adjustment reverses the effect of consolidating Blackstone Funds, which are excluded from Blackstone's segment presentation. This adjustment includes the elimination of Blackstone's interest in these funds, the removal of revenue from the reimbursement of certain expenses by the Blackstone Funds, which are presented gross under GAAP but netted against Management and Advisory Fees, Net in the Total Segment measures, and the removal of amounts associated with the ownership of Blackstone consolidated operating partnerships held by non-controlling interests.

**Blackstone Inc.**  
**Notes to Condensed Consolidated Financial Statements (Unaudited) - Continued**  
**(All Dollars are in Thousands, Except Share and Per Share Data, Except Where Noted)**

- (f) This adjustment removes Transaction-Related and Non-Recurring Items, which are excluded from Blackstone's segment presentation. Transaction-Related and Non-Recurring Items arise from corporate actions including acquisitions, divestitures, Blackstone's initial public offering and non-recurring gains, losses, or other charges, if any. They consist primarily of equity-based compensation charges, gains or losses on contingent consideration arrangements, changes in the balance of the Tax Receivable Agreement resulting from a change in tax law or similar event, transaction costs, gains or losses associated with these corporate actions and non-recurring gains, losses or other charges that affect period-to-period comparability and are not reflective of Blackstone's operational performance. For the six months ended June 30, 2024, this adjustment includes removal of an accrual for an estimated liability for a legal matter.
- (g) Total Segment Revenues is comprised of the following:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2023	2024	2023
Total Segment Management and Advisory Fees, Net	\$ 1,779,938	\$ 1,703,186	\$ 3,487,509	\$ 3,355,573
Total Segment Fee Related Performance Revenues	177,067	266,738	472,568	414,982
Total Segment Realized Performance Revenues	542,889	388,423	1,079,282	1,029,949
Total Segment Realized Principal Investment Income (Loss)	16,572	(7,461)	26,510	36,230
<b>Total Segment Revenues</b>	<b>\$ 2,516,466</b>	<b>\$ 2,350,886</b>	<b>\$ 5,065,869</b>	<b>\$ 4,836,734</b>

- (h) This adjustment removes Unrealized Performance Allocations Compensation.
- (i) This adjustment removes Equity-Based Compensation on a segment basis.
- (j) This adjustment adds back Interest Expense on a segment basis, excluding interest expense related to the Tax Receivable Agreement.
- (k) This adjustment removes the amortization of transaction-related intangibles, which are excluded from Blackstone's segment presentation.
- (l) This adjustment adds an amount equal to an administrative fee collected on a quarterly basis from certain holders of Blackstone Holdings Partnership Units. The administrative fee is accounted for as a capital contribution under GAAP, but is reflected as a reduction of Other Operating Expenses in Blackstone's segment presentation.

**Blackstone Inc.**  
**Notes to Condensed Consolidated Financial Statements (Unaudited) - Continued**  
**(All Dollars are in Thousands, Except Share and Per Share Data, Except Where Noted)**

(m) Total Segment Expenses is comprised of the following:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2023	2024	2023
Total Segment Fee Related Compensation	\$ 552,913	\$ 568,808	\$ 1,106,990	\$ 1,077,779
Total Segment Realized Performance Compensation	251,057	178,370	504,081	474,394
Total Segment Other Operating Expenses	293,122	257,366	582,100	509,014
<b>Total Segment Expenses</b>	<b>\$ 1,097,092</b>	<b>\$ 1,004,544</b>	<b>\$ 2,193,171</b>	<b>\$ 2,061,187</b>

**Reconciliations of Total Segment Components**

The following tables reconcile the components of Total Segments to their equivalent GAAP measures, reported on the Condensed Consolidated Statements of Operations for the three and six months ended June 30, 2024 and 2023:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2023	2024	2023
<b>Management and Advisory Fees, Net</b>				
GAAP	\$ 1,787,313	\$ 1,709,370	\$ 3,514,461	\$ 3,367,685
Segment Adjustment (a)	(7,375)	(6,184)	(26,952)	(12,112)
<b>Total Segment</b>	<b>\$ 1,779,938</b>	<b>\$ 1,703,186</b>	<b>\$ 3,487,509</b>	<b>\$ 3,355,573</b>

	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2023	2024	2023
<b>GAAP Realized Performance Revenues to Total Segment Fee Related Performance Revenues</b>				
GAAP				
Incentive Fees	\$ 188,299	\$ 153,077	\$ 367,640	\$ 295,953
Investment Income - Realized Performance Allocations	531,641	502,084	1,184,158	1,148,978
<b>GAAP</b>	<b>719,940</b>	<b>655,161</b>	<b>1,551,798</b>	<b>1,444,931</b>
Total Segment				
Less: Realized Performance Revenues	(542,889)	(388,423)	(1,079,282)	(1,029,949)
Segment Adjustment (b)	16	—	52	—
<b>Total Segment</b>	<b>\$ 177,067</b>	<b>\$ 266,738</b>	<b>\$ 472,568</b>	<b>\$ 414,982</b>



**Blackstone Inc.**  
**Notes to Condensed Consolidated Financial Statements (Unaudited) - Continued**  
**(All Dollars are in Thousands, Except Share and Per Share Data, Except Where Noted)**

	Three Months Ended		Six Months Ended	
	June 30,		June 30,	
	2024	2023	2024	2023
<b>GAAP Compensation to Total Segment Fee Related Compensation</b>				
GAAP				
Compensation	\$ 766,647	\$ 737,017	\$ 1,561,450	\$ 1,453,302
Incentive Fee Compensation	77,139	64,227	150,846	127,508
Realized Performance Allocations Compensation	260,736	205,196	519,630	501,990
<b>GAAP</b>	<b>1,104,522</b>	<b>1,006,440</b>	<b>2,231,926</b>	<b>2,082,800</b>
Total Segment				
Less: Realized Performance Compensation	(251,057)	(178,370)	(504,081)	(474,394)
Less: Equity-Based Compensation - Fee Related Compensation	(291,540)	(246,445)	(604,940)	(511,599)
Less: Equity-Based Compensation - Performance Compensation	(3,856)	(3,310)	(8,235)	(6,290)
Segment Adjustment (c)	(5,156)	(9,507)	(7,680)	(12,738)
<b>Total Segment</b>	<b>\$ 552,913</b>	<b>\$ 568,808</b>	<b>\$ 1,106,990</b>	<b>\$ 1,077,779</b>
	Three Months Ended		Six Months Ended	
	June 30,		June 30,	
	2024	2023	2024	2023
<b>GAAP General, Administrative and Other to Total Segment Other Operating Expenses</b>				
GAAP	\$ 311,928	\$ 275,034	\$ 681,878	\$ 548,428
Segment Adjustment (d)	(18,806)	(17,668)	(99,778)	(39,414)
<b>Total Segment</b>	<b>\$ 293,122</b>	<b>\$ 257,366</b>	<b>\$ 582,100</b>	<b>\$ 509,014</b>
	Three Months Ended		Six Months Ended	
	June 30,		June 30,	
	2024	2023	2024	2023
<b>Realized Performance Revenues</b>				
GAAP				
Incentive Fees	\$ 188,299	\$ 153,077	\$ 367,640	\$ 295,953
Investment Income - Realized Performance Allocations	531,641	502,084	1,184,158	1,148,978
<b>GAAP</b>	<b>719,940</b>	<b>655,161</b>	<b>1,551,798</b>	<b>1,444,931</b>
Total Segment				
Less: Fee Related Performance Revenues	(177,067)	(266,738)	(472,568)	(414,982)
Segment Adjustment (b)	16	—	52	—
<b>Total Segment</b>	<b>\$ 542,889</b>	<b>\$ 388,423</b>	<b>\$ 1,079,282</b>	<b>\$ 1,029,949</b>

**Blackstone Inc.**  
**Notes to Condensed Consolidated Financial Statements (Unaudited) - Continued**  
**(All Dollars are in Thousands, Except Share and Per Share Data, Except Where Noted)**

	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2023	2024	2023
<b>Realized Performance Compensation</b>				
GAAP				
Incentive Fee Compensation	\$ 77,139	\$ 64,227	\$ 150,846	\$ 127,508
Realized Performance Allocation Compensation	260,736	205,196	519,630	501,990
<b>GAAP</b>	<b>337,875</b>	<b>269,423</b>	<b>670,476</b>	<b>629,498</b>
Total Segment				
Less: Fee Related Performance Compensation (e)	(82,962)	(87,743)	(158,160)	(148,814)
Less: Equity-Based Compensation - Performance Compensation	(3,856)	(3,310)	(8,235)	(6,290)
<b>Total Segment</b>	<b>\$ 251,057</b>	<b>\$ 178,370</b>	<b>\$ 504,081</b>	<b>\$ 474,394</b>

	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2023	2024	2023
<b>Realized Principal Investment Income</b>				
GAAP	\$ 74,045	\$ 54,835	\$ 152,642	\$ 162,893
Segment Adjustment (f)	(57,473)	(62,296)	(126,132)	(126,663)
<b>Total Segment</b>	<b>\$ 16,572</b>	<b>\$ (7,461)</b>	<b>\$ 26,510</b>	<b>\$ 36,230</b>

Segment basis presents revenues and expenses on a basis that deconsolidates the investment funds Blackstone manages and excludes the amortization of intangibles, the expense of equity-based awards and Transaction-Related and Non-Recurring Items.

- (a) Represents (1) the add back of net management fees earned from consolidated Blackstone Funds which have been eliminated in consolidation, and (2) the removal of revenue from the reimbursement of certain expenses by the Blackstone Funds, which are presented gross under GAAP but netted against Management and Advisory Fees, Net in the Total Segment measures.
- (b) Represents the add back of Performance Revenues earned from consolidated Blackstone Funds which have been eliminated in consolidation.
- (c) Represents the removal of Transaction-Related and Non-Recurring Items that are not recorded in the Total Segment measures.
- (d) Represents the (1) removal of Transaction-Related and Non-Recurring Items that are not recorded in the Total Segment measures, (2) removal of certain expenses reimbursed by the Blackstone Funds, which are presented gross under GAAP but netted against Management and Advisory Fees, Net in the Total Segment measures, and (3) a reduction equal to an administrative fee collected on a quarterly basis from certain holders of Blackstone Holdings Partnership Units which is accounted for as a capital contribution under GAAP, but is reflected as a reduction of Other Operating Expenses in Blackstone's segment presentation. For the six months ended June 30, 2024, this adjustment includes removal of an accrual for an estimated liability for a legal matter.
- (e) Fee related performance compensation may include equity-based compensation based on fee related performance revenues.
- (f) Represents (1) the add back of Principal Investment Income, including general partner income, earned from consolidated Blackstone Funds which have been eliminated in consolidation, and (2) the removal of amounts associated with the ownership of Blackstone consolidated operating partnerships held by non-controlling interests.

**Blackstone Inc.**  
**Notes to Condensed Consolidated Financial Statements (Unaudited) - Continued**  
**(All Dollars are in Thousands, Except Share and Per Share Data, Except Where Noted)**

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**18. Subsequent Events**

There have been no events since June 30, 2024 that require recognition or disclosure in the Condensed Consolidated Financial Statements.

Item 1A. Unaudited Supplemental Presentation of Statements of Financial Condition

**Blackstone Inc.**  
**Unaudited Consolidating Statements of Financial Condition**  
(Dollars in Thousands)

	June 30, 2024			
	Consolidated Operating Partnerships	Consolidated Blackstone Funds (a)	Reclasses and Eliminations	Consolidated
<b>Assets</b>				
Cash and Cash Equivalents	\$ 2,381,436	\$ —	\$ —	\$ 2,381,436
Cash Held by Blackstone Funds and Other	—	219,393	—	219,393
Investments	23,640,561	3,621,676	(835,948)	26,426,289
Accounts Receivable	242,776	4,762	—	247,538
Due from Affiliates	4,908,200	10,629	(50,760)	4,868,069
Intangible Assets, Net	183,246	—	—	183,246
Goodwill	1,890,202	—	—	1,890,202
Other Assets	1,078,640	4,760	—	1,083,400
Right-of-Use Assets	995,524	—	—	995,524
Deferred Tax Assets	2,289,932	—	—	2,289,932
<b>Total Assets</b>	<b>\$ 37,610,517</b>	<b>\$ 3,861,220</b>	<b>\$ (886,708)</b>	<b>\$ 40,585,029</b>
<b>Liabilities and Equity</b>				
Loans Payable	\$ 10,557,872	\$ 130,321	\$ —	\$ 10,688,193
Due to Affiliates	2,214,705	202,335	(52,941)	2,364,099
Accrued Compensation and Benefits	5,703,156	—	—	5,703,156
Operating Lease Liabilities	1,142,317	—	—	1,142,317
Accounts Payable, Accrued Expenses and Other Liabilities	1,958,199	54,770	—	2,012,969
<b>Total Liabilities</b>	<b>21,576,249</b>	<b>387,426</b>	<b>(52,941)</b>	<b>21,910,734</b>
<b>Redeemable Non-Controlling Interests in Consolidated Entities</b>	<b>9</b>	<b>888,859</b>	<b>—</b>	<b>888,868</b>
<b>Equity</b>				
Common Stock	7	—	—	7
Series I Preferred Stock	—	—	—	—
Series II Preferred Stock	—	—	—	—
Additional Paid-in-Capital	6,260,619	824,526	(824,526)	6,260,619
Retained Earnings	607,564	9,241	(9,241)	607,564
Accumulated Other Comprehensive Income (Loss)	(36,151)	1,534	—	(34,617)
Non-Controlling Interests in Consolidated Entities	3,932,972	1,749,634	—	5,682,606
Non-Controlling Interests in Blackstone Holdings	5,269,248	—	—	5,269,248
<b>Total Equity</b>	<b>16,034,259</b>	<b>2,584,935</b>	<b>(833,767)</b>	<b>17,785,427</b>
<b>Total Liabilities and Equity</b>	<b>\$ 37,610,517</b>	<b>\$ 3,861,220</b>	<b>\$ (886,708)</b>	<b>\$ 40,585,029</b>

**Blackstone Inc.**  
**Unaudited Consolidating Statements of Financial Condition - Continued**  
**(Dollars in Thousands)**

	December 31, 2023			
	Consolidated Operating Partnerships	Consolidated Blackstone Funds (a)	Reclasses and Eliminations	Consolidated
<b>Assets</b>				
Cash and Cash Equivalents	\$ 2,955,866	\$ —	\$ —	\$ 2,955,866
Cash Held by Blackstone Funds and Other	—	316,197	—	316,197
Investments	22,595,236	4,319,483	(768,097)	26,146,622
Accounts Receivable	186,370	6,995	—	193,365
Due from Affiliates	4,498,250	13,901	(45,630)	4,466,521
Intangible Assets, Net	201,208	—	—	201,208
Goodwill	1,890,202	—	—	1,890,202
Other Assets	944,078	770	—	944,848
Right-of-Use Assets	841,307	—	—	841,307
Deferred Tax Assets	2,331,394	—	—	2,331,394
<b>Total Assets</b>	<b>\$ 36,443,911</b>	<b>\$ 4,657,346</b>	<b>\$ (813,727)</b>	<b>\$ 40,287,530</b>
<b>Liabilities and Equity</b>				
Loans Payable	\$ 10,616,937	\$ 687,122	\$ —	\$ 11,304,059
Due to Affiliates	2,273,008	220,758	(100,356)	2,393,410
Accrued Compensation and Benefits	5,247,766	—	—	5,247,766
Operating Lease Liabilities	989,823	—	—	989,823
Accounts Payable, Accrued Expenses and Other Liabilities	1,886,086	391,172	—	2,277,258
<b>Total Liabilities</b>	<b>21,013,620</b>	<b>1,299,052</b>	<b>(100,356)</b>	<b>22,212,316</b>
<b>Redeemable Non-Controlling Interests in Consolidated Entities</b>				
	9	1,179,064	—	1,179,073
<b>Equity</b>				
Common Stock	7	—	—	7
Series I Preferred Stock	—	—	—	—
Series II Preferred Stock	—	—	—	—
Additional Paid-in-Capital	6,175,190	701,792	(701,792)	6,175,190
Retained Earnings	660,734	11,579	(11,579)	660,734
Accumulated Other Comprehensive Income (Loss)	(36,175)	17,042	—	(19,133)
Non-Controlling Interests in Consolidated Entities	3,728,438	1,448,817	—	5,177,255
Non-Controlling Interests in Blackstone Holdings	4,902,088	—	—	4,902,088
<b>Total Equity</b>	<b>15,430,282</b>	<b>2,179,230</b>	<b>(713,371)</b>	<b>16,896,141</b>
<b>Total Liabilities and Equity</b>	<b>\$ 36,443,911</b>	<b>\$ 4,657,346</b>	<b>\$ (813,727)</b>	<b>\$ 40,287,530</b>

- (a) The Consolidated Blackstone Funds consisted of the following:  
Blackstone Annex Onshore Fund L.P.  
Blackstone Horizon Fund L.P.

BTD CP Holdings LP  
 Blackstone Dislocation Fund L.P.  
 Blackstone European Property Income Fund (Master) FCP\*  
 Blackstone European Property Income Fund SICAV\*  
 BEPIF (Aggregator) SCSp  
 BX Shipston SCSp  
 Blackstone Private Equity Strategies Fund L.P.\*\*  
 Blackstone Private Equity Strategies Fund SICAV\*\*  
 Blackstone Private Equity Strategies Fund (Master) FCP\*\*  
 Clover Credit Partners CLO III, Ltd.  
 Bayswater Park CLO, LTD.\*\*  
 Peebles Park CLO, LTD.\*\*  
 Private equity side-by-side investment vehicles  
 Real estate side-by-side investment vehicles  
 Multi-Asset Investing side-by-side investment vehicles.

\* Consolidated as of June 30, 2024 only

\*\*Consolidated as of December 31, 2023 only

## Item 2. Management’s Discussion and Analysis of Financial Condition and Results of Operations

*The following discussion and analysis should be read in conjunction with Blackstone Inc.’s condensed consolidated financial statements and the related notes included within this Quarterly Report on Form 10-Q.*

In this report, references to “Blackstone,” the “Company,” “we,” “us” or “our” refer to Blackstone Inc. and its consolidated subsidiaries.

### Our Business

Blackstone is the world’s largest alternative asset manager. We generate revenue from fees earned pursuant to contractual arrangements with funds, fund investors and fund portfolio companies (including management, transaction and monitoring fees), and from capital markets services. We also invest in the funds we manage and we are entitled to a pro-rata share of the income of the fund (a “pro-rata allocation”). In addition to a pro-rata allocation, and assuming certain investment returns are achieved, we are entitled to a disproportionate allocation of the income otherwise allocable to the limited partners, commonly referred to as carried interest (“Performance Allocations”). In certain structures, we receive a contractual incentive fee from an investment fund based on achieving certain investment returns (an “Incentive Fee,” and together with Performance Allocations, “Performance Revenues”). The composition of our revenues will vary based on market conditions and the cyclical nature of the different businesses in which we operate. Net investment gains and investment income generated by the Blackstone Funds are driven by the performance of the underlying investments as well as overall market conditions. Fair values are affected by changes in the fundamentals of our portfolio companies and other investments, the industries in which they operate, the overall economy and other market conditions.

Our business is organized into four segments:

### **Real Estate**

Our Real Estate business is a global leader in real estate investing. Our Real Estate segment operates as one globally integrated business, with investments across the globe, including in the Americas, Europe and Asia. Our real estate investment teams seek to utilize our global expertise and presence to generate attractive risk-adjusted returns for our investors.

Our Blackstone Real Estate Partners (“BREP”) business is geographically diversified and targets a broad range of opportunistic real estate and real estate-related investments. The BREP platform includes global funds as well as funds focused specifically on Europe or Asia investments. BREP seeks to invest thematically in high-quality assets, focusing where we see outsized growth potential driven by global economic and demographic trends. BREP has made significant investments in logistics, data centers, rental housing, hospitality, office and retail properties around the world, as well as in a variety of real estate operating companies.

Our Core+ real estate strategy invests in substantially stabilized real estate globally primarily through perpetual capital vehicles. Our Core+ real estate strategy includes our (a) Blackstone Property Partners (“BPP”) funds, which focus on high-quality assets in the Americas, Europe and Asia and (b) our non-listed REIT, Blackstone Real Estate Income Trust, Inc. (“BREIT”) and our Blackstone European Property Income (“BEPIF”) vehicles, which provide income-focused individual investors access to institutional quality real estate primarily in the Americas and Europe, respectively.

Our Blackstone Real Estate Debt Strategies (“BREDS”) platform primarily targets real estate-related debt investment opportunities. BREDS invests in both public and private markets, primarily in the U.S. and Europe. BREDS’ scale and investment mandates enable it to provide a variety of lending options for our borrowers and investment options for our investors, including commercial real estate and mezzanine loans, residential mortgage loan pools and liquid real estate-related debt securities. The BREDS platform includes high-yield real estate debt funds, liquid real estate debt funds, capital managed on behalf of our Credit & Insurance segment’s insurance platform and Blackstone Mortgage Trust, Inc. (“BXMT”), a NYSE-listed real estate investment trust (“REIT”).

### ***Private Equity***

Our Private Equity segment includes our Corporate Private Equity business, which consists of: (a) our global private equity funds, Blackstone Capital Partners (“BCP”), (b) our sector-focused funds, including our energy- and energy transition-focused funds, Blackstone Energy Transition Partners (“BETP”), (c) our Asia-focused private equity funds, Blackstone Capital Partners Asia and (d) our core private equity funds, Blackstone Core Equity Partners (“BCEP”). Our Private Equity segment also includes (a) our opportunistic investment platform that invests flexibly across asset classes, industries and geographies, Blackstone Tactical Opportunities (“Tactical Opportunities”), (b) our secondary funds business, Strategic Partners Fund Solutions (“Strategic Partners”), and our business that targets minority investments in the general partners of private equity and other private market alternative asset management firms (“GP Stakes”) as “Secondaries”, (c) our infrastructure-focused funds, Blackstone Infrastructure Partners (“BIP”), (d) our life sciences investment platform, Blackstone Life Sciences (“BXL”), (e) our growth equity investment platform, Blackstone Growth (“BXG”), (f) our investment platform offering eligible individual investors access to Blackstone’s private equity capabilities, the Blackstone Private Equity Strategies Fund Program (“BXPE Fund Program”), (g) our multi-asset investment program for eligible high net worth investors offering exposure to certain of Blackstone’s key illiquid investment strategies through a single commitment, Blackstone Total Alternatives Solution (“BTAS”) and (h) our capital markets services business, Blackstone Capital Markets (“BXCM”).

We are a global leader in private equity investing. Our Corporate Private Equity business pursues transactions across industries on a global basis. It strives to create value by investing in great businesses where our capital, strategic insight, global relationships and operational support can drive transformation. Corporate Private Equity’s investment strategies and core themes continually evolve in anticipation of, or in response to, changes in the global economy, local markets, regulation, capital flows and geopolitical trends. We seek to construct a differentiated portfolio of investments with a well-defined, post-acquisition value creation strategy. Similarly, we seek investments that can generate strong unlevered returns regardless of entry or exit cycle timing.

BCEP pursues control-oriented investments in high-quality companies with durable businesses and seeks to offer a lower level of risk and a longer hold period than traditional private equity.

Tactical Opportunities pursues a thematically driven, opportunistic investment strategy. Our flexible, global mandate enables us to find differentiated opportunities across asset classes, industries and geographies and invest behind them with the frequent use of structure to generate attractive risk-adjusted returns. Tactical Opportunities' ability to dynamically shift focus to the most compelling opportunities in any market environment, combined with the business' expertise in structuring complex transactions, enables Tactical Opportunities to invest in attractive market areas, often with securities that provide downside protection and maintain upside return.

Secondaries is comprised of our Strategic Partners and GP Stakes businesses. Strategic Partners is a total fund solutions provider. As a secondary investor, it acquires interests in high-quality private funds from original holders seeking liquidity. Strategic Partners focuses on a range of opportunities in underlying funds such as private equity, real estate, infrastructure, venture and growth capital, credit and other types of funds, as well as general partner-led transactions and primary investments and co-investments with financial sponsors. Strategic Partners also provides investment advisory services to separately managed account clients investing in primary and secondary investments in private funds and co-investments. Effective the second quarter of 2024, our GP Stakes business moved from our Multi-Asset Investment segment to our Private Equity segment. GP Stakes targets minority investments in the general partners of private equity and other private market alternative asset management firms globally, with a focus on delivering a combination of recurring annual cash flow yield and long-term capital appreciation.

BIP targets a diversified mix of core+, core and public-private partnership investments across all infrastructure sectors, including energy infrastructure, transportation, digital infrastructure and water and waste, with a primary focus in the U.S. BIP applies a disciplined, operationally intensive investment approach to investments, seeking to apply a long-term buy-and-hold strategy to large-scale infrastructure assets with a focus on delivering stable, long-term capital appreciation together with a predictable annual cash flow yield.

BXLS invests across the life cycle of companies and products within the life sciences sector. BXLS primarily focuses on investments in life sciences products in late-stage clinical development within the pharmaceutical, biotechnology and medical technology sectors.

BXG seeks to deliver attractive risk-adjusted returns by investing in dynamic, growth-stage businesses, with a focus on the consumer, consumer technology, enterprise solutions, financial services and healthcare sectors.

The BXPE Fund Program invests primarily in privately negotiated, equity-oriented investments, leveraging the talent and investment capabilities of Blackstone's private equity platform to create an attractive portfolio of alternative investments diversified across geographies and sectors for eligible individual investors.

### ***Credit & Insurance***

Effective January 1, 2024, our corporate credit (formerly Blackstone Credit or BXC), asset based finance and insurance ("insurance platform" and formerly Blackstone Insurance Solutions or BIS) groups were integrated into a single new unit, Blackstone Credit & Insurance ("BXCI"). BXCI offers its clients and borrowers a comprehensive solution across corporate and asset based, as well as investment grade and non-investment grade, private credit. BXCI is one of the largest credit-oriented managers and CLO managers in the world. The investment portfolios of the funds BXCI's credit platform manages or sub-advises consist primarily of loans and securities of non-investment and investment grade companies spread across the capital structure including senior debt, subordinated debt, preferred stock and common equity.

BXCI is organized into three overarching credit investing strategies: private corporate credit, liquid corporate credit and infrastructure and asset based credit. The private corporate credit strategies include mezzanine and direct lending funds and stressed/distressed strategies. The direct lending funds include Blackstone Private Credit Fund ("BCRED") and Blackstone Secured Lending Fund ("BXSL"), both of which are business development companies ("BDCs"). The liquid corporate credit strategies consist of CLOs, closed-ended funds, open-ended funds,



systematic strategies and separately managed accounts. The infrastructure and asset based credit strategies include our private placement strategies, energy strategies (including the sustainable resources platform) and asset based finance strategies focused on privately originated, income-oriented credit assets secured by physical or financial collateral.

Our insurance platform focuses on providing full investment management services for insurers' general accounts, seeking to deliver customized and diversified portfolios that include allocations to Blackstone managed products and strategies across asset classes and Blackstone's private credit origination capabilities. Through this platform, we provide our clients tailored portfolio construction and strategic asset allocation, seeking to generate risk-managed, capital-efficient returns, diversification and capital preservation that meets clients' objectives. We also provide similar services to clients through separately managed accounts or by sub-managing assets for certain insurance-dedicated funds and special purpose vehicles. Through the insurance platform, we currently manage assets for clients that include Corebridge Financial Inc., Everlake Life Insurance Company, Fidelity & Guaranty Life Insurance Company and Resolution Life Group, among others.

### ***Multi-Asset Investing***

Effective the first quarter of 2024, our Hedge Fund Solutions segment was renamed "Multi-Asset Investing." Our Multi-Asset Investing segment seeks to grow investors' assets through investment strategies designed to deliver, primarily through the public markets, compelling risk-adjusted returns. Blackstone Multi-Asset Investing ("BXMA") is the world's largest discretionary allocator to hedge funds. BXMA is organized into two primary platforms: Absolute Return and Multi-Strategy. Absolute Return is designed to pursue consistent, efficient and diversifying returns across multiple market environments. Absolute Return manages a broad range of commingled and customized fund solutions, a seeding business and registered funds that provide alternative asset solutions through daily liquidity products. Multi-Strategy aims to generate strong risk-adjusted returns through opportunistic, asset-class agnostic investing, including structured risk transfer and equity capital markets strategies. Effective the second quarter of 2024, our Multi-Asset Investing segment also includes a platform managed by Harvest Fund Advisors LLC ("Harvest"), which was previously part of the Credit & Insurance segment. Harvest primarily invests in publicly traded energy infrastructure, renewables and master limited partnerships holding midstream energy assets in North America.

### **Business Environment**

Blackstone's businesses are materially affected by conditions in the financial markets and economic conditions in the U.S., Europe, Asia and, to a lesser extent, elsewhere in the world.

In the second quarter of 2024, most major equity markets appreciated. The total return of the S&P 500 index was 4.3%, led by the information technology and telecom sectors, which increased 13.8% and 9.4%, respectively. The materials and industrials sectors underperformed, down 4.5% and 2.9%, respectively. Equity market volatility declined, with the CBOE Volatility Index down 4%. Credit markets appreciated as well, with the S&P leveraged loan index up 1.9% and the Credit Suisse high yield bond index up 1%. High yield spreads widened 16 basis points sequentially from the first quarter, while issuance increased 47% compared to the second quarter of 2023.

In the U.S., inflation continued to show signs of moderating in the second quarter, with the June CPI down sharply from a prior peak of 9.1% in June 2022 and from 3.5% in March 2024. Despite some economists encouraging a reduction in rates, the Federal Reserve held the federal funds target range steady in July 2024. However, the Federal Reserve also indicated that, subject to various economic factors, a reduction in rates could be possible as soon as September 2024. The ten-year U.S. Treasury yield increased 20 basis points to 4.40%, but subsequently fell post-quarter end to below 4.00% on August 1, 2024. Meanwhile, short-term yields remained stable, as the three-month SOFR increased just 2 basis points to 5.32% and declined slightly post-quarter end to 5.25% as of July 29, 2024.

Despite showing signs of slowing early in 2024, the U.S. economy demonstrated overall resilience in the second quarter, with the advance estimate of annualized GDP growth accelerating to 2.8%. The unemployment rate, however, reached 4.1% in June, and on a weaker than expected July jobs report, increased further to 4.3%, its highest level in nearly three years. Wages increased 3.9% year-over-year in June but down from 4.1% growth at the end of the first quarter. In manufacturing, the ISM Manufacturing PMI decreased from 50.3 to 48.5 quarter-over-quarter, signaling a modest contraction in the U.S. manufacturing sector. Retail sales of \$704.3 billion were flat quarter-over-quarter.

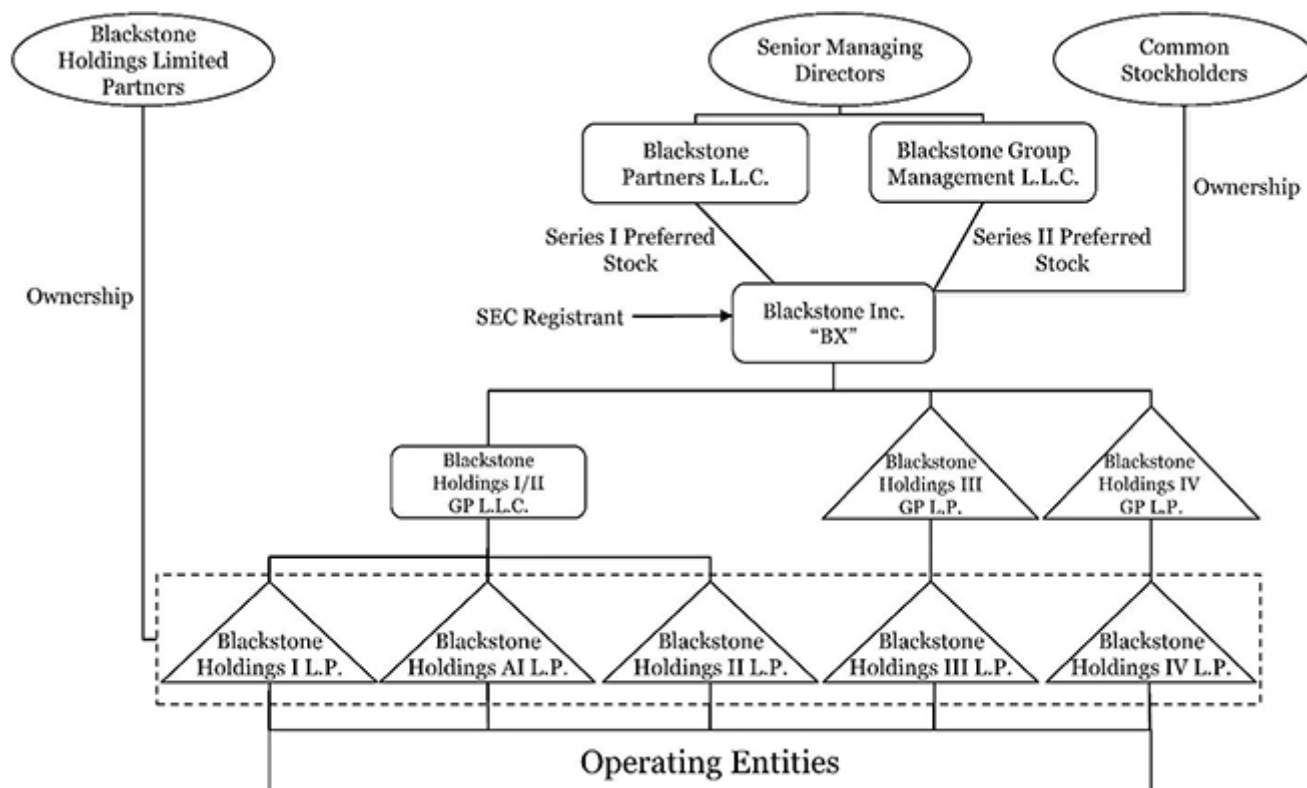
With respect to U.S. capital market and mergers and acquisition activity levels in the second quarter, initial public offering volumes rose 62% year-over-year from muted levels in the second quarter of 2023, while announced merger and acquisition deal volumes were down 1% over the same period.

Outside of the U.S., the European Central Bank began to ease monetary policy, lowering its deposit facility rate by 25 basis points in the second quarter to 3.75%. Eurozone inflation slowed to 2.5% year-over-year in June, compared to a peak of 10.6% in October of 2022 and 2.9% in December of 2023. Similarly, The People's Bank of China cut its lending rate for one-year medium term policy loans by 20 basis points to 2.3%, its largest reduction since the COVID-19 pandemic, to bolster its slowing economy, among other rate reductions. By contrast, the Bank of Japan is expected to continue increasing interest rates in the second half of 2024, following the first increase in 17 years in March 2024, in order to combat inflation.

Economic consensus forecasts suggest a continued deceleration in global economic growth over time, which could lead to a further easing of financial conditions. Geopolitical turbulence, including wars in the Middle East and Ukraine, as well as elections across the globe, add further uncertainty to the environment.

## Organizational Structure

The simplified diagram below depicts our current organizational structure. The diagram does not depict all of our subsidiaries, including intermediate holding companies through which certain of the subsidiaries depicted are held.



## Key Financial Measures and Indicators

We manage our business using certain financial measures and key operating metrics since we believe these metrics measure the productivity of our investment activities. We prepare our Consolidated Financial Statements in accordance with accounting principles generally accepted in the United States of America ("GAAP"). See "—Item 1. Financial Statements — Notes to Condensed Consolidated Financial Statements — Note 2. Summary of Significant Accounting Policies" and "—Critical Accounting Policies." Our key non-GAAP financial measures and operating indicators and metrics are discussed below.

### *Distributable Earnings*

Distributable Earnings is derived from Blackstone's segment reported results. Distributable Earnings is used to assess performance and amounts available for dividends to Blackstone stockholders, including Blackstone personnel and others who are limited partners of the Blackstone Holdings Partnerships. Distributable Earnings is the sum of Segment Distributable Earnings plus Net Interest and Dividend Income (Loss) less Taxes and Related Payables. Distributable Earnings excludes unrealized activity and is derived from and reconciled to, but not equivalent to, its most directly comparable GAAP measure of Income (Loss) Before Provision (Benefit) for Taxes. See "—Non-GAAP Financial Measures" for our reconciliation of Distributable Earnings.

Net Interest and Dividend Income (Loss) is presented on a segment basis and is equal to Interest and Dividend Revenue less Interest Expense, adjusted for the impact of consolidation of Blackstone Funds, and interest expense associated with the Tax Receivable Agreement.

Taxes and Related Payables represent the total GAAP tax provision adjusted to include only the current tax provision (benefit) calculated on Income (Loss) Before Provision (Benefit) for Taxes and including the Payable under the Tax Receivable Agreement. Further, the current tax provision utilized when calculating Taxes and Related Payables and Distributable Earnings reflects the benefit of deductions available to the company on certain expense items that are excluded from the underlying calculation of Segment Distributable Earnings and Total Segment Distributable Earnings, such as equity-based compensation charges and certain Transaction-Related and Non-Recurring Items where there is a current tax provision or benefit. The economic assumptions and methodologies that impact the implied income tax provision are the same as those methodologies and assumptions used in calculating the current income tax provision for Blackstone's Consolidated Statements of Operations under GAAP, excluding the impact of divestitures and accrued tax contingencies and refunds which are reflected when paid or received. Management believes that including the amount payable under the Tax Receivable Agreement and utilizing the current income tax provision adjusted as described above when calculating Distributable Earnings is meaningful as it increases comparability between periods and more accurately reflects earnings that are available for distribution to stockholders.

### ***Segment Distributable Earnings***

Segment Distributable Earnings is Blackstone's segment profitability measure used to make operating decisions and assess performance across Blackstone's four segments. Blackstone believes it is useful to stockholders to review the measure that management uses in assessing segment performance. Segment Distributable Earnings represents the net realized earnings of Blackstone's segments and is the sum of Fee Related Earnings and Net Realizations for each segment. Blackstone's segments are presented on a basis that deconsolidates Blackstone Funds, eliminates non-controlling ownership interests in Blackstone's consolidated operating partnerships, removes the amortization of intangible assets and removes Transaction-Related and Non-Recurring Items. Transaction-Related and Non-Recurring Items arise from corporate actions including acquisitions, divestitures, Blackstone's initial public offering and non-recurring gains, losses, or other charges, if any. They consist primarily of equity-based compensation charges, gains and losses on contingent consideration arrangements, changes in the balance of the Tax Receivable Agreement resulting from a change in tax law or similar event, transaction costs, gains or losses associated with these corporate actions and non-recurring gains, losses or other charges that affect period-to-period comparability and are not reflective of Blackstone's operational performance. Segment Distributable Earnings excludes unrealized activity and is derived from and reconciled to, but not equivalent to, its most directly comparable GAAP measure of Income (Loss) Before Provision (Benefit) for Taxes. See "—Non-GAAP Financial Measures" for our reconciliation of Segment Distributable Earnings.

Net Realizations is presented on a segment basis and is the sum of Realized Principal Investment Income and Realized Performance Revenues (which refers to Realized Performance Revenues excluding Fee Related Performance Revenues), less Realized Performance Compensation (which refers to Realized Performance Compensation excluding Fee Related Performance Compensation and Equity-Based Performance Compensation).

Realized Performance Compensation reflects an increase in the aggregate Realized Performance Compensation paid to certain of our professionals above the amounts allocable to them based upon the percentage participation in the relevant performance plans previously awarded to them. The expectation is that for the full year 2024, Fee Related Compensation will be decreased by the total amount of additional Performance Compensation awarded for the year. During the three and six months ended June 30, 2024, Realized Performance Compensation increased by \$31.0 million and \$56.0 million, respectively, and Fee Related Compensation decreased by \$26.3 million and \$42.5 million, respectively. These changes to Realized Performance Compensation and Fee Related Compensation reduced Net Realizations, increased Fee Related Earnings and had a negative

impact to Income Before Provision for Taxes and Distributable Earnings in the three and six months ended June 30, 2024. These changes are not expected to impact Income Before Provision for Taxes and Distributable Earnings for the year ending December 31, 2024. Changes to Realized Performance Compensation and Fee Related Compensation had an impact on individual quarters in 2023 but did not impact Income Before Provision for Taxes and Distributable Earnings for the year ended December 31, 2023.

Effective for the three months ended June 30, 2024, GP Stakes is included in our Private Equity segment and Harvest is included in our Multi-Asset Investing segment. Previously, GP Stakes and Harvest were included in our Multi-Asset Investing and Credit & Insurance segments, respectively. All prior periods have been recast to reflect this reclassification.

### ***Fee Related Earnings***

Fee Related Earnings is a performance measure used to assess Blackstone's ability to generate profits from revenues that are measured and received on a recurring basis and not subject to future realization events. Blackstone believes Fee Related Earnings is useful to stockholders as it provides insight into the profitability of the portion of Blackstone's business that is not dependent on realization activity. Fee Related Earnings equals management and advisory fees (net of management fee reductions and offsets) plus Fee Related Performance Revenues, less (a) Fee Related Compensation on a segment basis and (b) Other Operating Expenses. Fee Related Earnings is derived from and reconciled to, but not equivalent to, its most directly comparable GAAP measure of Income (Loss) Before Provision (Benefit) for Taxes. See "—Non-GAAP Financial Measures" for our reconciliation of Fee Related Earnings.

Fee Related Compensation is presented on a segment basis and refers to the compensation expense, excluding Equity-Based Compensation, directly related to (a) Management and Advisory Fees, Net and (b) Fee Related Performance Revenues, referred to as Fee Related Performance Compensation.

Fee Related Performance Revenues refers to the realized portion of Performance Revenues from Perpetual Capital that are (a) measured and received on a recurring basis and (b) not dependent on realization events from the underlying investments.

Other Operating Expenses is presented on a segment basis and is equal to General, Administrative and Other Expenses, adjusted to (a) remove transaction-related and non-recurring items that arise from corporate actions including acquisitions, divestitures, Blackstone's initial public offering, and non-recurring gains, losses, or other charges, if any, (b) remove certain expenses reimbursed by the Blackstone Funds which are netted against Management and Advisory Fees, Net in Blackstone's segment presentation and (c) give effect to an administrative fee collected on a quarterly basis from certain holders of Blackstone Holdings Partnership Units. The administrative fee is accounted for as a capital contribution under GAAP, but is reflected as a reduction of Other Operating Expenses in Blackstone's segment presentation.

### ***Adjusted Earnings Before Interest, Taxes and Depreciation and Amortization***

Adjusted Earnings Before Interest, Taxes and Depreciation and Amortization ("Adjusted EBITDA"), is a supplemental measure used to assess performance derived from Blackstone's segment results and may be used to assess its ability to service its borrowings. Adjusted EBITDA represents Distributable Earnings plus the addition of (a) Interest Expense on a segment basis, (b) Taxes and Related Payables and (c) Depreciation and Amortization. Adjusted EBITDA is derived from and reconciled to, but not equivalent to, its most directly comparable GAAP measure of Income (Loss) Before Provision (Benefit) for Taxes. See "—Non-GAAP Financial Measures" for our reconciliation of Adjusted EBITDA.

### ***Net Accrued Performance Revenues***

Net Accrued Performance Revenues is a non-GAAP financial measure Blackstone believes is useful to stockholders as an indicator of potential future realized performance revenues based on the current investment portfolio of the funds and vehicles we manage. Net Accrued Performance Revenues represents the accrued performance revenues receivable by Blackstone, net of the related accrued performance compensation payable by Blackstone, excluding performance revenues that have been realized but not yet distributed as of the reporting date and clawback amounts, if any. Net Accrued Performance Revenues is derived from and reconciled to, but not equivalent to, its most directly comparable GAAP measure of Investments. See “—Non-GAAP Financial Measures” for our reconciliation of Net Accrued Performance Revenues and Note 2. “Summary of Significant Accounting Policies — Equity Method Investments” in the “Notes to Condensed Consolidated Financial Statements” in “—Item 1. Financial Statements” for additional information on the calculation of Investments — Accrued Performance Allocations.

### ***Operating Metrics***

The alternative asset management business is primarily based on managing third party capital and does not require substantial capital investment to support rapid growth. Since our inception, we have developed and used various key operating metrics to assess and monitor the operating performance of our various alternative asset management businesses in order to monitor the effectiveness of our value creating strategies.

### ***Total and Fee-Earning Assets Under Management***

Total Assets Under Management refers to the assets we manage. We believe this measure is useful to stockholders as it represents the total capital for which we provide investment management services. Our Total Assets Under Management equals the sum of:

- (a) the fair value of the investments held by our carry funds and our side-by-side and co-investment entities managed by us plus the capital that we are entitled to call from investors in those funds and entities pursuant to the terms of their respective capital commitments, including capital commitments to funds that have yet to commence their investment periods,
- (b) the net asset value of (1) our hedge funds, real estate debt carry funds, BPP, certain co-investments managed by us, certain credit-focused funds and our Multi-Asset Investing drawdown funds (plus, in each case, the capital that we are entitled to call from investors in those funds, including commitments yet to commence their investment periods) and (2) our funds of hedge funds, our Multi-Asset Investing registered investment companies, BREIT and BEPIF,
- (c) the invested capital, fair value or net asset value of assets we manage pursuant to separately managed accounts,
- (d) the amount of debt and equity outstanding for our CLOs during the reinvestment period,
- (e) the aggregate par amount of collateral assets, including principal cash, for our CLOs after the reinvestment period,
- (f) the gross or net amount of assets (including leverage where applicable) for our credit-focused registered investment companies and BDCs,
- (g) the fair value of common stock, preferred stock, convertible debt, term loans or similar instruments issued by BXMT and
- (h) borrowings under and any amounts available to be borrowed under certain credit facilities of our funds.

Our carry funds are commitment-based drawdown structured funds that do not permit investors to redeem their interests at their election. Our funds of hedge funds, hedge funds, funds structured like hedge funds and other open-ended funds in our Real Estate, Credit & Insurance and Multi-Asset Investing segments generally have structures that afford an investor the right to withdraw or redeem their interests on a periodic basis (for example, annually, quarterly or monthly), typically with 2 to 95 days' notice, depending on the fund and the liquidity profile of the underlying assets. In our Perpetual Capital vehicles where redemption rights exist, Blackstone has the ability to fulfill redemption requests only (a) in Blackstone's or the vehicles' board's discretion, as applicable, or (b) to the extent there is sufficient new capital. Investment advisory agreements related to certain separately managed accounts in our Credit & Insurance and Multi-Asset Investing segments, excluding separately managed accounts in our insurance platform, may generally be terminated by an investor on 30 to 95 days' notice. Separately managed accounts in our insurance platform can generally only be terminated for long-term underperformance, cause and certain other limited circumstances, in each case subject to Blackstone's right to cure.

Fee-Earning Assets Under Management refers to the assets we manage on which we derive management fees and/or performance revenues. We believe this measure is useful to stockholders as it provides insight into the capital base upon which we can earn management fees and/or performance revenues. Our Fee-Earning Assets Under Management equals the sum of:

- (a) for our Private Equity segment funds, Real Estate segment carry funds including certain BREDS funds and certain Multi-Asset Investing funds, the amount of capital commitments, remaining invested capital, fair value, net asset value or par value of assets held, depending on the fee terms of the fund,
- (b) for our credit-focused carry funds, the amount of remaining invested capital (which may include leverage) or net asset value, depending on the fee terms of the fund,
- (c) the remaining invested capital or fair value of assets held in co-investment vehicles managed by us on which we receive fees,
- (d) the net asset value of our funds of hedge funds, hedge funds, BPP, certain co-investments managed by us, certain registered investment companies, BREIT, BEPIF and certain of our Multi-Asset Investing drawdown funds,
- (e) the invested capital, fair value of assets or the net asset value we manage pursuant to separately managed accounts,
- (f) the net proceeds received from equity offerings and accumulated distributable earnings of BXMT, subject to certain adjustments,
- (g) the aggregate par amount of collateral assets, including principal cash, of our CLOs and
- (h) the gross amount of assets (including leverage) or the net assets (plus leverage where applicable) for certain of our credit-focused registered investment companies and BDCs.

Each of our segments may include certain Fee-Earning Assets Under Management on which we earn performance revenues but not management fees.

Our calculations of Total Assets Under Management and Fee-Earning Assets Under Management may differ from the calculations of other asset managers, and as a result this measure may not be comparable to similar measures presented by other asset managers. In addition, our calculation of Total Assets Under Management includes commitments to, and the fair value of, invested capital in our funds from Blackstone and our personnel, regardless of whether such commitments or invested capital are subject to fees. Our definitions of Total Assets Under Management and Fee-Earning Assets Under Management are not based on any definition of Total Assets Under Management and Fee-Earning Assets Under Management that is set forth in the agreements governing the investment funds that we manage.

For our carry funds, Total Assets Under Management includes the fair value of the investments held and uncalled capital commitments, whereas Fee-Earning Assets Under Management may include the total amount of capital commitments or the remaining amount of invested capital at cost depending on whether the investment period has expired or as specified by the fee terms of the fund. As such, in certain carry funds Fee-Earning Assets Under Management may be greater than Total Assets Under Management when the aggregate fair value of the remaining investments is less than the cost of those investments.



### *Perpetual Capital*

Perpetual Capital refers to the component of assets under management with an indefinite term, that is not in liquidation, and for which there is no requirement to return capital to investors through redemption requests in the ordinary course of business, except where funded by new capital inflows. Perpetual Capital includes co-investment capital with an investor right to convert into Perpetual Capital. We believe this measure is useful to stockholders as it represents capital we manage that has a longer duration and the ability to generate recurring revenues in a different manner than traditional fund structures.

### *Dry Powder*

Dry Powder represents the amount of capital available for investment or reinvestment, including general partner and employee capital, and is an indicator of the capital we have available for future investments. We believe this measure is useful to stockholders as it provides insight into the extent to which capital is available for Blackstone to deploy capital into investment opportunities as they arise.

### *Invested Performance Eligible Assets Under Management*

Invested Performance Eligible Assets Under Management represents invested capital at fair value, including capital closed for funds whose investment period has not yet commenced, on which performance revenues could be earned if certain hurdles are met. We believe Invested Performance Eligible Assets Under Management is useful to stockholders as it provides insight into the capital deployed that has the potential to generate performance revenues.

## **Consolidated Results of Operations**

Following is a discussion of our consolidated results of operations. For a more detailed discussion of the factors that affected the results of our four business segments (which are presented on a basis that deconsolidates the investment funds, eliminates non-controlling ownership interests in Blackstone's consolidated operating partnerships and removes the amortization of intangibles assets and Transaction-Related and Non-Recurring Items) in these periods, see "— Segment Analysis" below.



The following table sets forth information regarding our consolidated results of operations and certain key operating metrics for the three and six months ended June 30, 2024 and 2023:

	Three Months Ended		2024 vs. 2023		Six Months Ended		2024 vs. 2023	
	June 30,				June 30,			
	2024	2023	\$	%	2024	2023	\$	%
(Dollars in Thousands)								
<b>Revenues</b>								
Management and Advisory Fees, Net	\$ 1,787,313	\$ 1,709,370	\$ 77,943	5%	\$ 3,514,461	\$ 3,367,685	\$ 146,776	4%
Incentive Fees	188,299	153,077	35,222	23%	367,640	295,953	71,687	24%
Investment Income (Loss)								
Performance Allocations								
Realized	531,641	502,084	29,557	6%	1,184,158	1,148,978	35,180	3%
Unrealized	122,229	114,395	7,834	7%	568,172	(644,817)	1,212,989	n/m
Principal Investments								
Realized	74,045	54,835	19,210	35%	152,642	162,893	(10,251)	-6%
Unrealized	(31,776)	164,089	(195,865)	n/m	429,847	(327,328)	757,175	n/m
Total Investment Income (Loss)	696,139	835,403	(139,264)	-17%	2,334,819	339,726	1,995,093	587%
Interest and Dividend Revenue	104,999	148,505	(43,506)	-29%	202,838	238,990	(36,152)	-15%
Other	19,631	(31,664)	51,295	n/m	64,451	(45,818)	110,269	n/m
<b>Total Revenues</b>	<b>2,796,381</b>	<b>2,814,691</b>	<b>(18,310)</b>	<b>-1%</b>	<b>6,484,209</b>	<b>4,196,536</b>	<b>2,287,673</b>	<b>55%</b>
<b>Expenses</b>								
Compensation and Benefits								
Compensation	766,647	737,017	29,630	4%	1,561,450	1,453,302	108,148	7%
Incentive Fee Compensation	77,139	64,227	12,912	20%	150,846	127,508	23,338	18%
Performance Allocations Compensation								
Realized	260,736	205,196	55,540	27%	519,630	501,990	17,640	4%
Unrealized	101,680	54,155	47,525	88%	282,580	(259,094)	541,674	n/m
Total Compensation and Benefits	1,206,202	1,060,595	145,607	14%	2,514,506	1,823,706	690,800	38%
General, Administrative and Other	311,928	275,034	36,894	13%	681,878	548,428	133,450	24%
Interest Expense	108,616	108,096	520	—	216,819	212,537	4,282	2%
Fund Expenses	5,960	31,585	(25,625)	-81%	9,910	79,984	(70,074)	-88%
<b>Total Expenses</b>	<b>1,632,706</b>	<b>1,475,310</b>	<b>157,396</b>	<b>11%</b>	<b>3,423,113</b>	<b>2,664,655</b>	<b>758,458</b>	<b>28%</b>
<b>Other Income</b>								
Change in Tax Receivable Agreement Liability	—	7,095	(7,095)	-100%	—	1,887	(1,887)	-100%
Net Gains from Fund Investment Activities	44,934	80,500	(35,566)	-44%	27,167	151,564	(124,397)	-82%
<b>Total Other Income</b>	<b>44,934</b>	<b>87,595</b>	<b>(42,661)</b>	<b>-49%</b>	<b>27,167</b>	<b>153,451</b>	<b>(126,284)</b>	<b>-82%</b>
<b>Income Before Provision for Taxes</b>	<b>1,208,609</b>	<b>1,426,976</b>	<b>(218,367)</b>	<b>-15%</b>	<b>3,088,263</b>	<b>1,685,332</b>	<b>1,402,931</b>	<b>83%</b>
<b>Provision for Taxes</b>	<b>260,246</b>	<b>223,269</b>	<b>36,977</b>	<b>17%</b>	<b>543,917</b>	<b>270,944</b>	<b>272,973</b>	<b>101%</b>
<b>Net Income</b>	<b>948,363</b>	<b>1,203,707</b>	<b>(255,344)</b>	<b>-21%</b>	<b>2,544,346</b>	<b>1,414,388</b>	<b>1,129,958</b>	<b>80%</b>
<b>Net Income (Loss) Attributable to Redeemable</b>								
Non-Controlling Interests in Consolidated Entities	258	17,688	(17,430)	-99%	(39,411)	10,988	(50,399)	n/m
<b>Net Income Attributable to Non-Controlling Interests in Consolidated Entities</b>	<b>100,583</b>	<b>89,436</b>	<b>11,147</b>	<b>12%</b>	<b>203,410</b>	<b>164,305</b>	<b>39,105</b>	<b>24%</b>
<b>Net Income Attributable to Non-Controlling Interests in Blackstone Holdings</b>								
	403,108	495,309	(92,201)	-19%	1,088,547	552,009	536,538	97%
<b>Net Income Attributable to Blackstone Inc.</b>	<b>\$ 444,414</b>	<b>\$ 601,274</b>	<b>\$ (156,860)</b>	<b>-26%</b>	<b>\$ 1,291,800</b>	<b>\$ 687,086</b>	<b>\$ 604,714</b>	<b>88%</b>

n/m Not meaningful.

### ***Three Months Ended June 30, 2024, Compared to Three Months Ended June 30, 2023***

#### ***Revenues***

Revenues were \$2.8 billion for the three months ended June 30, 2024, a decrease of \$18.3 million, compared to \$2.8 billion for the three months ended June 30, 2023. The decrease in Revenues was primarily attributable to a decrease of \$139.3 million in Investment Income (Loss), which was composed of a decrease of \$188.0 million in Unrealized Investment Income (Loss) and an increase of \$48.8 million in Realized Investment Income (Loss), partially offset by increases of \$77.9 million in Management and Advisory Fees, Net and \$51.3 million in Other Revenue.

The \$188.0 million decrease in Unrealized Investment Income (Loss) was primarily attributable to lower unrealized appreciation of investments in the three months ended June 30, 2024 compared to the three months ended June 30, 2023. Principal drivers were:

- A decrease of \$167.3 million in our Real Estate segment, primarily attributable to unrealized depreciation of Blackstone's investment in Core+ real estate in the three months ended June 30, 2024, compared to the three months ended June 30, 2023.
- A decrease of \$40.5 million in our Private Equity segment, primarily attributable to lower unrealized appreciation of Blackstone's investment in Corporate Private Equity in the three months ended June 30, 2024, compared to the three months ended June 30, 2023. Corporate Private Equity funds appreciated 2.0% in the three months ended June 30, 2024, compared to 3.5% appreciation in the three months ended June 30, 2023.

The \$48.8 million increase in Realized Investment Income (Loss) was primarily attributable to higher realized gains in our Private Equity and Credit & Insurance segments, partially offset by lower realized gains in our Real Estate segment.

The \$77.9 million increase in Management and Advisory Fees, Net was primarily due to an increase in our Credit & Insurance segment of \$50.2 million. The increase in our Credit & Insurance segment was primarily due to increased growth in BCRED.

The \$51.3 million increase in Other Revenue was primarily due to foreign exchange gains on our cross-currency swaps and our euro-denominated bonds.

#### ***Expenses***

Expenses were \$1.6 billion for the three months ended June 30, 2024, an increase of \$157.4 million, compared to \$1.5 billion for the three months ended June 30, 2023. The increase was primarily attributable to an increase of \$145.6 million in Total Compensation and Benefits, of which \$103.1 million was an increase in Performance Allocations Compensation. The increase in Performance Allocations Compensation was primarily due to the mix of unrealized compensation accruals and the increase in Performance Allocations Income.

#### ***Other Income***

Other Income was \$44.9 million for the three months ended June 30, 2024, a decrease of \$42.7 million, compared to \$87.6 million for the three months ended June 30, 2023. The decrease in Other Income was principally due to a decrease of \$35.6 million in Net Gains from Fund Investment Activities.

The decrease in Net Gains from Fund Investment Activities was principally driven by decreases of \$27.5 million and \$14.8 million in our Private Equity and Real Estate segments, respectively. The decrease in our Private Equity segment was primarily due to the deconsolidation of a fund. The decrease in our Real Estate segment was primarily driven by unrealized depreciation of investments in our consolidated fund.

## ***Six Months Ended June 30, 2024, Compared to Six Months Ended June 30, 2023***

### ***Revenues***

Revenues were \$6.5 billion for the six months ended June 30, 2024, an increase of \$2.3 billion, compared to \$4.2 billion for the six months ended June 30, 2023. The increase in Revenues was primarily attributable to an increase of \$2.0 billion in Investment Income (Loss), which was primarily composed of an increase of \$2.0 billion in Unrealized Investment Income (Loss).

The \$2.0 billion increase in Unrealized Investment Income (Loss) was primarily attributable to net unrealized appreciation of investments in the six months ended June 30, 2024 compared to net unrealized depreciation of investments in the six months ended June 30, 2023. Principal drivers were:

- An increase of \$924.3 million in our Credit & Insurance segment, primarily attributable to unrealized appreciation on the ownership of Corebridge common stock for the six months ended June 30, 2024, compared to unrealized depreciation of Corebridge common stock for the six months ended June 30, 2023.
- An increase of \$564.0 million in our Private Equity segment, primarily attributable to unrealized appreciation in BIP in the six months ended June 30, 2024, compared to the six months ended June 30, 2023. BIP funds appreciated 11.1% in the six months ended June 30, 2024, compared to less than 0.1% appreciation in the six months ended June 30, 2023.
- An increase of \$371.4 million in our Real Estate segment, primarily attributable to lower unrealized depreciation of Blackstone's investment in certain BREP and Core+ real estate funds in the six months ended June 30, 2024, compared to the six months ended June 30, 2023.

### ***Expenses***

Expenses were \$3.4 billion for the six months ended June 30, 2024, an increase of \$758.5 million, compared to \$2.7 billion for the six months ended June 30, 2023. The increase was primarily attributable to an increase of \$690.8 million in Total Compensation and Benefits, of which \$559.3 million was an increase in Performance Allocations Compensation. The increase in Performance Allocations Compensation was primarily due to the increase in Investment Income (Loss), on which a portion of compensation is based.

### ***Other Income***

Other Income was \$27.2 million for the six months ended June 30, 2024, a decrease of \$126.3 million, compared to \$153.5 million for the six months ended June 30, 2023. The decrease in Other Income was principally due to a decrease of \$124.4 million in Net Gains from Fund Investment Activities.

The decrease in Net Gains from Fund Investment Activities was driven by a decrease of \$70.3 million in our Private Equity segment primarily due to the deconsolidation of a fund and a decrease of \$54.2 million in our Real Estate segment primarily due to unrealized depreciation of investments in our consolidated funds.

### ***Provision for Taxes***

#### ***Three Months Ended June 30, 2024 Compared to Three Months Ended June 30, 2023***

Blackstone's Provision for Taxes for the three months ended June 30, 2024 was \$260.2 million, an increase of \$37.0 million, compared to \$223.3 million for the three months ended June 30, 2023. This resulted in an effective tax rate of 21.5% and 15.6%, based on our Income Before Provision for Taxes of \$1.2 billion and \$1.4 billion for the three months ended June 30, 2024 and 2023, respectively.

The increase in Blackstone's effective tax rate for the three months ended June 30, 2024, compared to the three months ended June 30, 2023, relates primarily to the deferred tax impact of Blackstone's investment in its operating partnerships.

*Six Months Ended June 30, 2024 Compared to Six Months Ended June 30, 2023*

Blackstone's Provision for Taxes for the six months ended June 30, 2024 was \$543.9 million, an increase of \$273.0 million, compared to \$270.9 million for the six months ended June 30, 2023. This resulted in an effective tax rate of 17.6% and 16.1%, based on our Income Before Provision for Taxes of \$3.1 billion and \$1.7 billion for the six months ended June 30, 2024 and 2023, respectively.

The increase in Blackstone's effective tax rate for the six months ended June 30, 2024, compared to the six months ended June 30, 2023, relates primarily to the impact of Non-Controlling Interests in Consolidated Entities and the deferred tax impact of Blackstone's investment in its operating partnerships.

Blackstone had a corporate alternative minimum tax ("CAMT") liability for the six months ended June 30, 2024 as calculated pursuant to the Inflation Reduction Act. Blackstone will continue to assess the overall impact to its Provision for Taxes upon the issuance of applicable additional guidance by the U.S. Treasury Department related to interpretations of CAMT. For the six months ended June 30, 2024, there is no meaningful CAMT impact reflected in the Provision for Taxes given current year tax payments made under CAMT are permitted to be carried forward and used as credits in future years resulting in a deferred tax benefit.

Additional information regarding our income taxes can be found in Note 12. "Income Taxes" in the "Notes to Condensed Consolidated Financial Statements" in "Part I. Item 1. Financial Statements" of this filing.

***Non-Controlling Interests in Consolidated Entities***

The Net Income (Loss) Attributable to Redeemable Non-Controlling Interests in Consolidated Entities and Net Income Attributable to Non-Controlling Interests in Consolidated Entities is attributable to the consolidated Blackstone Funds. The amounts of these items vary directly with the performance of the consolidated Blackstone Funds and largely eliminate the amount of Other Income – Net Gains from Fund Investment Activities from the Net Income Attributable to Blackstone Inc.

Net Income Attributable to Non-Controlling Interests in Blackstone Holdings is derived from the Income Before Provision for Taxes at the Blackstone Holdings level, excluding the Net Gains from Fund Investment Activities and the percentage allocation of the income between Blackstone personnel and others who are limited partners of Blackstone Holdings and Blackstone after considering any contractual arrangements that govern the allocation of income such as fees allocable to Blackstone.

For the three months ended June 30, 2024 and 2023, the Net Income Before Taxes allocated to Blackstone personnel and other limited partners of Blackstone Holdings was 38.7% and 39.3%, respectively. For the six months ended June 30, 2024 and 2023, the Net Income Before Taxes allocated to Blackstone personnel and others who are limited partners of Blackstone Holdings was 38.8% and 39.4%, respectively. The respective decreases of 0.6% and 0.6% were primarily due to the conversion of Blackstone Holdings Partnership Units to shares of common stock and the vesting of shares of common stock.

The Other Income — Change in Tax Receivable Agreement Liability was entirely allocated to Blackstone Inc.

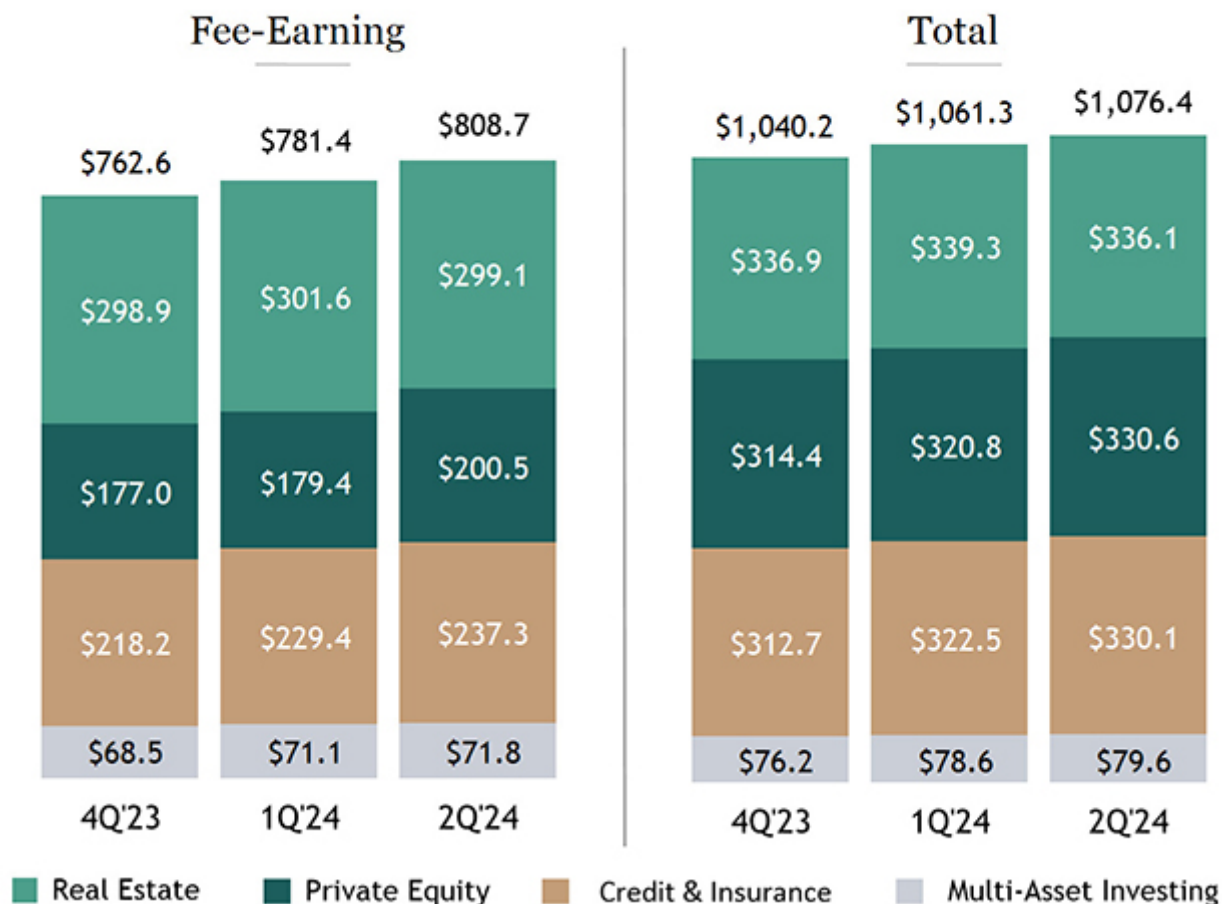
## Operating Metrics

### Total and Fee-Earning Assets Under Management

The following graphs and tables summarize the Fee-Earning Assets Under Management by Segment and Total Assets Under Management by Segment, followed by a rollforward of activity for the three and six months ended June 30, 2024 and 2023. For a description of how Assets Under Management and Fee-Earning Assets Under Management are determined, please see “—Key Financial Measures and Indicators — Operating Metrics — Total and Fee-Earning Assets Under Management.”

## Assets Under Management

(Dollars in Billions)



Note: Totals may not add due to rounding.

Three Months Ended										
June 30, 2024					June 30, 2023					
Real Estate	Private Equity	Credit & Insurance	Multi-Asset Investing	Total	Real Estate	Private Equity	Credit & Insurance	Multi-Asset Investing	Total	
(Dollars in Thousands)										
Fee-Earning Assets Under Management										
Balance, Beginning of Period	\$301,583,557	\$179,353,534	\$229,350,998	\$71,109,466	\$781,397,555	\$287,497,306	\$174,370,064	\$201,021,682	\$69,084,357	\$ 731,973,409
Inflows (a)	6,743,781	26,997,642	16,888,845	2,412,452	53,042,720	7,114,584	1,389,341	8,269,360	1,216,662	17,989,947
Outflows (b)	(3,636,256)	(4,111,831)	(2,431,726)	(2,500,080)	(12,679,893)	(3,832,186)	(121,344)	(4,045,462)	(3,004,752)	(11,003,744)
Net Inflows (Outflows)	3,107,525	22,885,811	14,457,119	(87,628)	40,362,827	3,282,398	1,267,997	4,223,898	(1,788,090)	6,986,203
Realizations (c)	(5,500,752)	(2,619,517)	(7,725,121)	(629,639)	(16,475,029)	(5,458,381)	(2,525,613)	(3,442,775)	(938,798)	(12,365,567)
Market Activity (d)(g)	(124,078)	866,912	1,202,550	1,426,064	3,371,448	2,234,918	624,193	991,885	700,024	4,551,020
Balance, End of Period (e)	<u>\$299,066,252</u>	<u>\$200,486,740</u>	<u>\$237,285,546</u>	<u>\$71,818,263</u>	<u>\$808,656,801</u>	<u>\$287,556,241</u>	<u>\$173,736,641</u>	<u>\$202,794,690</u>	<u>\$67,057,493</u>	<u>\$ 731,145,065</u>
Increase (Decrease)	\$ (2,517,305)	\$ 21,133,206	\$ 7,934,548	\$ 708,797	\$ 27,259,246	\$ 58,935	\$ (633,423)	\$ 1,773,008	\$ (2,026,864)	\$ (828,344)
Increase (Decrease)	-1%	12%	3%	1%	3%	—	—	1%	-3%	—
Six Months Ended										
June 30, 2024					June 30, 2023					
Real Estate	Private Equity	Credit & Insurance	Multi-Asset Investing	Total	Real Estate	Private Equity	Credit & Insurance	Multi-Asset Investing	Total	
(Dollars in Thousands)										
Fee-Earning Assets Under Management										
Balance, Beginning of Period	\$298,889,475	\$176,997,265	\$218,188,936	\$68,532,226	\$762,607,902	\$281,967,153	\$175,990,967	\$192,535,693	\$67,893,075	\$718,386,888
Inflows (a)	15,769,963	29,346,774	33,114,121	3,857,998	82,088,856	22,830,301	3,242,782	20,555,980	3,328,232	49,957,295
Outflows (b)	(6,810,844)	(4,329,360)	(4,421,275)	(3,918,290)	(19,479,769)	(7,573,910)	(265,978)	(7,585,006)	(4,706,240)	(20,131,134)
Net Inflows (Outflows)	8,959,119	25,017,414	28,692,846	(60,292)	62,609,087	15,256,391	2,976,804	12,970,974	(1,378,008)	29,826,161
Realizations (c)	(9,604,276)	(4,135,653)	(11,708,041)	(1,009,436)	(26,457,406)	(9,952,326)	(5,521,660)	(6,627,064)	(1,258,573)	(23,359,623)
Market Activity (d)(h)	821,934	2,607,714	2,111,805	4,355,765	9,897,218	285,023	290,530	3,915,087	1,800,999	6,291,639
Balance, End of Period (e)	<u>\$299,066,252</u>	<u>\$200,486,740</u>	<u>\$237,285,546</u>	<u>\$71,818,263</u>	<u>\$808,656,801</u>	<u>\$287,556,241</u>	<u>\$173,736,641</u>	<u>\$202,794,690</u>	<u>\$67,057,493</u>	<u>\$731,145,065</u>
Increase (Decrease)	\$ 176,777	\$ 23,489,475	\$ 19,096,610	\$ 3,286,037	\$ 46,048,899	\$ 5,589,088	\$ (2,254,326)	\$ 10,258,997	\$ (835,582)	\$ 12,758,177
Increase (Decrease)	—	13%	9%	5%	6%	2%	-1%	5%	-1%	2%
Annualized Base Management Fee Rate (f)	0.92%	1.02%	0.65%	0.66%	0.84%	0.99%	1.08%	0.65%	0.70%	0.89%

	Three Months Ended									
	June 30, 2024					June 30, 2023				
	Real Estate	Private Equity	Credit & Insurance	Multi-Asset Investing	Total	Real Estate	Private Equity	Credit & Insurance	Multi-Asset Investing	Total
	(Dollars in Thousands)									
Total Assets Under Management										
Balance, Beginning of Period	\$339,332,420	\$320,809,532	\$322,525,630	\$78,595,166	\$1,061,262,748	\$331,797,338	\$298,100,332	\$285,120,725	\$76,275,201	\$ 991,293,596
Inflows (a)	5,922,807	12,102,058	18,647,797	2,704,128	39,376,790	7,890,788	8,637,945	12,168,752	1,417,717	30,115,202
Outflows (b)	(3,637,266)	(889,467)	(4,724,607)	(2,606,805)	(11,858,145)	(3,897,907)	(524,954)	(5,420,327)	(3,052,056)	(12,895,244)
Net Inflows (Outflows)	2,285,541	11,212,591	13,923,190	97,323	27,518,645	3,992,881	8,112,991	6,748,425	(1,634,339)	17,219,958
Realizations (c)	(5,454,439)	(7,822,794)	(9,518,399)	(664,469)	(23,460,101)	(5,542,607)	(5,123,538)	(5,533,339)	(978,691)	(17,178,175)
Market Activity (d)(i)	(63,251)	6,390,257	3,186,783	1,536,730	11,050,519	2,993,902	4,187,945	2,074,806	763,927	10,020,580
Balance, End of Period (e)	<u>\$336,100,271</u>	<u>\$330,589,586</u>	<u>\$330,117,204</u>	<u>\$79,564,750</u>	<u>\$1,076,371,811</u>	<u>\$333,241,514</u>	<u>\$305,277,730</u>	<u>\$288,410,617</u>	<u>\$74,426,098</u>	<u>\$1,001,355,959</u>
Increase (Decrease)	\$ (3,232,149)	\$ 9,780,054	\$ 7,591,574	\$ 969,584	\$ 15,109,063	\$ 1,444,176	\$ 7,177,398	\$ 3,289,892	\$ (1,849,103)	\$ 10,062,363
Increase (Decrease)	-1%	3%	2%	1%	1%	—	2%	1%	-2%	1%

	Six Months Ended									
	June 30, 2024					June 30, 2023				
	Real Estate	Private Equity	Credit & Insurance	Multi-Asset Investing	Total	Real Estate	Private Equity	Credit & Insurance	Multi-Asset Investing	Total
	(Dollars in Thousands)									
Total Assets Under Management										
Balance, Beginning of Period	\$336,940,096	\$314,391,397	\$312,674,037	\$76,186,917	\$1,040,192,447	\$326,146,904	\$299,850,659	\$273,746,559	\$74,928,955	\$ 974,673,077
Inflows (a)	14,012,025	19,466,407	35,629,310	4,310,561	73,418,303	24,936,717	13,214,108	28,608,971	3,715,100	70,474,896
Outflows (b)	(6,870,466)	(2,694,809)	(8,928,097)	(4,446,832)	(22,940,204)	(7,926,454)	(1,157,422)	(9,852,441)	(4,773,702)	(23,710,019)
Net Inflows (Outflows)	7,141,559	16,771,598	26,701,213	(136,271)	50,478,099	17,010,263	12,056,686	18,756,530	(1,058,602)	46,764,877
Realizations (c)	(9,301,630)	(13,109,405)	(14,989,215)	(1,104,963)	(38,505,213)	(9,966,288)	(13,801,736)	(10,039,137)	(1,322,850)	(35,130,011)
Market Activity (d)(j)	1,320,246	12,535,996	5,731,169	4,619,067	24,206,478	50,635	7,172,121	5,946,665	1,878,595	15,048,016
Balance, End of Period (e)	<u>\$336,100,271</u>	<u>\$330,589,586</u>	<u>\$330,117,204</u>	<u>\$79,564,750</u>	<u>\$1,076,371,811</u>	<u>\$333,241,514</u>	<u>\$305,277,730</u>	<u>\$288,410,617</u>	<u>\$74,426,098</u>	<u>\$1,001,355,959</u>
Increase (Decrease)	\$ (839,825)	\$ 16,198,189	\$ 17,443,167	\$ 3,377,833	\$ 36,179,364	\$ 7,094,610	\$ 5,427,071	\$ 14,664,058	\$ (502,857)	\$ 26,682,882
Increase (Decrease)	—	5%	6%	4%	3%	2%	2%	5%	-1%	3%

- 
- (a) Inflows include contributions, capital raised, other increases in available capital (recallable capital and increased side-by-side commitments), purchases, inter-segment allocations and acquisitions.
  - (b) Outflows represent redemptions, client withdrawals and decreases in available capital (expired capital, expense drawdowns and decreased side-by-side commitments).
  - (c) Realizations represent realization proceeds from the disposition or other monetization of assets, current income or capital returned to investors from CLOs.
  - (d) Market Activity includes realized and unrealized gains (losses) on portfolio investments and the impact of foreign exchange rate fluctuations.
  - (e) Total and Fee-Earning Assets Under Management are reported in the segment where the assets are managed.
  - (f) Annualized Base Management Fee Rate represents annualized year to date Base Management Fee divided by the average of the beginning of year and each quarter end's Fee-Earning Assets Under Management in the reporting period.
  - (g) For the three months ended June 30, 2024, the impact to Fee-Earning Assets Under Management due to foreign exchange rate fluctuations was \$(315.3) million, \$(45.4) million, \$(84.6) million, \$(13.8) million and \$(459.0) million for the Real Estate, Private Equity, Credit & Insurance, Multi-Asset Investing and Total segments, respectively. For the three months ended June 30, 2023, the impact to Fee-Earning Assets Under Management due to foreign exchange rate fluctuations was \$366.2 million, \$29.0 million, \$414.7 million, \$(127.6) million and \$682.2 million for the Real Estate, Private Equity, Credit & Insurance, Multi-Asset Investing and Total segments, respectively.
  - (h) For the six months ended June 30, 2024, the impact to Fee-Earning Assets Under Management due to foreign exchange rate fluctuations was \$(1.5) billion, \$(136.7) million, \$(459.5) million, \$(302.1) million and \$(2.4) billion for the Real Estate, Private Equity, Credit & Insurance, Multi-Asset Investing and Total segments, respectively. For the six months ended June 30, 2023, the impact to Fee-Earning Assets Under Management due to foreign exchange rate fluctuations was \$1.0 billion, \$55.2 million, \$729.3 million, \$(238.6) million and \$1.6 billion for the Real Estate, Private Equity, Credit & Insurance, Multi-Asset Investing and Total segments, respectively.
  - (i) For the three months ended June 30, 2024, the impact to Total Assets Under Management due to foreign exchange rate fluctuations was \$(404.5) million, \$(119.9) million, \$(41.8) million, \$(14.5) million and \$(580.7) million for the Real Estate, Private Equity, Credit & Insurance, Multi-Asset Investing and Total segments, respectively. For the three months ended June 30, 2023, the impact to Total Assets Under Management due to foreign exchange rate fluctuations was \$444.2 million, \$155.3 million, \$437.9 million, \$(127.6) million and \$909.9 million for the Real Estate, Private Equity, Credit & Insurance, Multi-Asset Investing and Total segments, respectively.
  - (j) For the six months ended June 30, 2024, the impact to Total Assets Under Management due to foreign exchange rate fluctuations was \$(2.3) billion, \$(844.0) million, \$(434.2) million, \$(301.6) million and \$(3.9) billion for the Real Estate, Private Equity, Credit & Insurance, Multi-Asset Investing and Total segments, respectively. For the six months ended June 30, 2023, the impact to Total Assets Under Management due to foreign exchange rate fluctuations was \$1.3 billion, \$848.8 million, \$824.2 million, \$(230.8) million and \$2.7 billion for the Real Estate, Private Equity, Credit & Insurance, Multi-Asset Investing and Total segments, respectively.



## *Fee-Earning Assets Under Management*

Fee-Earning Assets Under Management were \$808.7 billion at June 30, 2024, an increase of \$27.3 billion compared to \$781.4 billion at March 31, 2024. The net increase was due to:

- In our Real Estate segment, a decrease of \$2.5 billion from \$301.6 billion at March 31, 2024 to \$299.1 billion at June 30, 2024. The net decrease was due to realizations of \$5.5 billion, outflows of \$3.6 billion and market depreciation of \$124.1 million, offset by inflows of \$6.7 billion.
  - o Realizations were driven by \$2.7 billion from BREDS, \$1.4 billion from BREIT and \$1.0 billion from BPP and co-investment.
  - o Outflows were driven by \$3.3 billion from BREIT.
  - o Market depreciation was driven by depreciation of \$390.5 million from BPP and co-investment (which reflected \$212.5 million of foreign exchange depreciation) and \$82.3 million from BREP and co-investment (which reflected \$99.3 million of foreign exchange depreciation), partially offset by appreciation of \$238.6 million from BREIT (which reflected \$4.0 million of foreign exchange depreciation) and \$113.1 million from BREDS (which reflected \$1.6 million of foreign exchange appreciation).
  - o Inflows were driven by \$2.6 billion from BREDS, \$1.9 billion from BREIT and \$1.3 billion from BREP and co-investment.
- In our Private Equity segment, an increase of \$21.1 billion from \$179.4 billion at March 31, 2024 to \$200.5 billion at June 30, 2024. The net increase was due to inflows of \$27.0 billion and market appreciation of \$866.9 million, offset by outflows of \$4.1 billion and realizations of \$2.6 billion.
  - o Inflows were driven by \$23.3 billion from Corporate Private Equity.
  - o Market appreciation was driven by appreciation of \$1.7 billion from BIP (which reflected \$45.2 million of foreign exchange depreciation), partially offset by depreciation of \$876.2 million from Secondaries.
  - o Outflows were driven by \$3.4 billion from Corporate Private Equity.
  - o Realizations were driven by \$1.0 billion from Corporate Private Equity and \$1.0 billion from Secondaries.
- In our Credit & Insurance segment, an increase of \$7.9 billion from \$229.4 billion at March 31, 2024 to \$237.3 billion at June 30, 2024. The net increase was due to inflows of \$16.9 billion and market appreciation of \$1.2 billion, offset by realizations of \$7.7 billion and outflows of \$2.4 billion.
  - o Inflows were driven by \$7.1 billion from direct lending, \$5.5 billion from liquid corporate credit and \$2.5 billion from infrastructure and asset based credit strategies.
  - o Market appreciation was driven by appreciation of \$1.1 billion from direct lending (which reflected \$20.5 million of foreign exchange depreciation).
  - o Realizations were driven by \$3.5 billion from liquid corporate credit and \$2.2 billion from direct lending.
  - o Outflows were driven by \$1.7 billion from liquid corporate credit.
- In our Multi-Asset Investing segment, an increase of \$708.8 million from \$71.1 billion at March 31, 2024 to \$71.8 billion at June 30, 2024. The net increase was due to inflows of \$2.4 billion and market appreciation of \$1.4 billion, offset by outflows of \$2.5 billion and realizations of \$629.6 million.
  - o Inflows were driven by \$1.7 billion from Absolute Return and \$716.3 million from Multi-Strategy.
  - o Market appreciation was driven by appreciation of \$855.6 million from Absolute Return (which reflected \$2.5 million of foreign exchange depreciation), \$403.4 million from Harvest (which reflected \$0.1 million of foreign exchange depreciation) and \$167.1 million from Multi-Strategy (which reflected \$11.2 million of foreign exchange depreciation).

- o Outflows were driven by \$2.2 billion from Absolute Return, \$195.3 million from Multi Strategy and \$146.1 million from Harvest.
- o Realizations were driven by \$340.4 million from Multi-Strategy, \$214.4 million from Absolute Return and \$74.9 million from Harvest.

Fee-Earning Assets Under Management were \$808.7 billion at June 30, 2024, an increase of \$46.0 billion compared to \$762.6 billion at December 31, 2023. The net increase was due to:

- In our Real Estate segment, an increase of \$176.8 million from \$298.9 billion at December 31, 2023 to \$299.1 billion at June 30, 2024. The net increase was due to inflows of \$15.8 billion and market appreciation of \$821.9 million, offset by realizations of \$9.6 billion and outflows of \$6.8 billion.
  - o Inflows were driven by \$6.1 billion from BREDS, \$3.8 billion from BREIT and \$3.8 billion from BREP and co-investment.
  - o Market appreciation was driven by appreciation of \$1.3 billion from BREIT (which reflected \$57.3 million of foreign exchange depreciation), partially offset by depreciation of \$721.6 million from BPP and co-investment (which reflected \$1.1 billion of foreign exchange depreciation).
  - o Realizations were driven by \$4.4 billion from BREDS, \$2.9 billion from BREIT and \$1.7 billion from BPP and co-investment.
  - o Outflows were driven by \$6.2 billion from BREIT.
- In our Private Equity segment, an increase of \$23.5 billion from \$177.0 billion at December 31, 2023 to \$200.5 billion at June 30, 2024. The net increase was due to inflows of \$29.3 billion and market appreciation of \$2.6 billion, offset by outflows of \$4.3 billion and realizations of \$4.1 billion.
  - o Inflows were driven by \$23.6 billion from Corporate Private Equity.
  - o Market appreciation was driven by appreciation of \$2.8 billion from BIP (which reflected \$141.1 million of foreign exchange depreciation), partially offset by depreciation of \$270.7 million from Secondaries.
  - o Outflows were driven by \$3.4 billion from Corporate Private Equity.
  - o Realizations were driven by \$1.5 billion from Corporate Private Equity, \$1.4 billion from Secondaries and \$1.0 billion from Tactical Opportunities.
- In our Credit & Insurance segment, an increase of \$19.1 billion from \$218.2 billion at December 31, 2023 to \$237.3 billion at June 30, 2024. The net increase was due to inflows of \$33.1 billion and market appreciation of \$2.1 billion, offset by realizations of \$11.7 billion and outflows of \$4.4 billion.
  - o Inflows were driven by \$12.6 billion from direct lending, \$10.6 billion from liquid corporate credit and \$7.9 billion from infrastructure and asset based credit strategies.
  - o Market appreciation was driven by appreciation of \$2.1 billion from direct lending (which reflected \$143.7 million of foreign exchange depreciation), partially offset by depreciation of \$62.6 million from liquid corporate credit (which reflected \$315.8 million of foreign exchange depreciation).
  - o Realizations were driven by \$5.2 billion from liquid corporate credit and \$3.5 billion from direct lending.
  - o Outflows were driven by \$2.3 billion from liquid corporate credit and \$1.5 billion from direct lending.

- In our Multi-Asset Investing segment, an increase of \$3.3 billion from \$68.5 billion at December 31, 2023 to \$71.8 billion at June 30, 2024. The net increase was due to market appreciation of \$4.4 billion and inflows of \$3.9 billion, offset by outflows of \$3.9 billion and realizations of \$1.0 billion.
  - o Market appreciation was driven by appreciation of \$2.7 billion from Absolute Return (which reflected \$307.1 million of foreign exchange depreciation), \$1.2 billion from Harvest (which reflected \$0.2 million of foreign exchange depreciation) and \$427.0 million from Multi-Strategy (which reflected \$5.2 million of foreign exchange appreciation).
  - o Inflows were driven by \$2.9 billion from Absolute Return, \$758.6 million from Multi-Strategy and \$229.9 million from Harvest.
  - o Outflows were driven by \$3.3 billion from Absolute Return, \$316.5 million from Multi-Strategy and \$277.0 million from Harvest.
  - o Realizations were driven by \$601.1 million from Multi-Strategy, \$277.8 million from Absolute Return and \$130.5 million from Harvest.

#### *Total Assets Under Management*

Total Assets Under Management were \$1,076.4 billion at June 30, 2024, an increase of \$15.1 billion compared to \$1,061.3 billion at March 31, 2024. The net increase was due to:

- In our Real Estate segment, a decrease of \$3.2 billion from \$339.3 billion at March 31, 2024 to \$336.1 billion at June 30, 2024. The net decrease was due to realizations of \$5.5 billion, outflows of \$3.6 billion and market depreciation of \$63.3 million, offset by inflows of \$5.9 billion.
  - o Realizations were driven by \$2.4 billion from BREDS, \$1.4 billion from BREIT and \$1.0 billion from BPP and co-investment.
  - o Outflows were driven by \$3.3 billion from BREIT.
  - o Market depreciation was driven by depreciation of \$476.6 million from BPP and co-investment (which reflected \$204.8 million of foreign exchange depreciation), partially offset by appreciation of \$238.6 million from BREIT (which reflected \$4.0 million of foreign exchange depreciation) and \$177.7 million from BREDS (which reflected \$16.7 million of foreign exchange appreciation).
  - o Inflows were driven by \$2.6 billion from BREDS, \$1.9 billion from BREIT and \$670.8 million from BPP and co-investment.
- In our Private Equity segment, an increase of \$9.8 billion from \$320.8 billion at March 31, 2024 to \$330.6 billion at June 30, 2024. The net increase was due to inflows of \$12.1 billion and market appreciation of \$6.4 billion, offset by realizations of \$7.8 billion and outflows of \$889.5 million.
  - o Inflows were driven by \$4.9 billion from Corporate Private Equity, \$2.9 billion from BIP and \$2.3 billion from Secondaries.
  - o Market appreciation was driven by appreciation of \$2.1 billion from BIP (which reflected \$65.9 million of foreign exchange depreciation), \$1.9 billion from Corporate Private Equity (which reflected \$3.6 million of foreign exchange depreciation) and \$1.4 billion from Secondaries (which reflected \$7.6 million of foreign exchange appreciation).
  - o Realizations were driven by \$4.2 billion from Corporate Private Equity and \$2.5 billion from Secondaries.
  - o Outflows were driven by \$261.0 million from Secondaries, \$253.3 million from Tactical Opportunities and \$158.2 million from BIP.

- In our Credit & Insurance segment, an increase of \$7.6 billion from \$322.5 billion at March 31, 2024 to \$330.1 billion at June 30, 2024. The net increase was due to inflows of \$18.6 billion and market appreciation of \$3.2 billion, offset by realizations of \$9.5 billion and outflows of \$4.7 billion.
  - o Inflows were driven by \$8.3 billion from direct lending, \$5.2 billion from liquid corporate credit and \$2.5 billion from infrastructure and asset based credit strategies.
  - o Market appreciation was driven by appreciation of \$1.6 billion from direct lending (which reflected \$15.4 million of foreign exchange depreciation), \$624.3 million from the insurance platform and \$553.0 million from mezzanine funds.
  - o Realizations were driven by \$3.5 billion from direct lending, \$3.5 billion from liquid corporate credit and \$1.0 billion from infrastructure and asset based credit strategies.
  - o Outflows were driven by \$2.8 billion from direct lending and \$1.8 billion from liquid corporate credit.
- In our Multi-Asset Investing segment, an increase of \$969.6 million from \$78.6 billion at March 31, 2024 to \$79.6 billion at June 30, 2024. The net increase was due to inflows of \$2.7 billion and market appreciation of \$1.5 billion, offset by outflows of \$2.6 billion and realizations of \$664.5 million.
  - o Inflows were driven by \$1.9 billion from Absolute Return and \$816.8 million from Multi-Strategy.
  - o Market appreciation was driven by appreciation of \$953.4 million from Absolute Return (which reflected \$2.5 million of foreign exchange depreciation), \$431.8 million from Harvest (which reflected \$0.1 million of foreign exchange depreciation) and \$151.6 million from Multi-Strategy (which reflected \$11.9 million of foreign exchange depreciation).
  - o Outflows were driven by \$2.2 billion from Absolute Return, \$204.0 million from Multi-Strategy and \$159.1 million from Harvest.
  - o Realizations were driven by \$349.9 million from Multi-Strategy, \$218.1 million from Absolute Return and \$96.5 million from Harvest.

Total Assets Under Management were \$1,076.4 billion at June 30, 2024, an increase of \$36.2 billion compared to \$1,040.2 billion at December 31, 2023. The net increase was due to:

- In our Real Estate segment, a decrease of \$839.8 million from \$336.9 billion at December 31, 2023 to \$336.1 billion at June 30, 2024. The net decrease was due to realizations of \$9.3 billion and outflows of \$6.9 billion, offset by inflows of \$14.0 billion and market appreciation of \$1.3 billion.
  - o Realizations were driven by \$3.6 billion from BREDS, \$2.9 billion from BREIT and \$1.7 billion from BPP and co-investment.
  - o Outflows were driven by \$6.2 billion from BREIT.
  - o Inflows were driven by \$6.1 billion from BREDS, \$3.8 billion from BREIT and \$3.0 billion from BREP and co-investment.
  - o Market appreciation was primarily driven by appreciation of \$1.3 billion from BREIT (which reflected \$57.3 million of foreign exchange depreciation) and \$1.2 billion from BREDS (which reflected \$3.4 million of foreign exchange depreciation), partially offset by depreciation of \$854.8 million from BPP and co-investment (which reflected \$1.1 billion of foreign exchange depreciation).

- In our Private Equity segment, an increase of \$16.2 billion from \$314.4 billion at December 31, 2023 to \$330.6 billion at June 30, 2024. The net increase was due to inflows of \$19.5 billion and market appreciation of \$12.5 billion, offset by realizations of \$13.1 billion and outflows of \$2.7 billion.
  - o Inflows were driven by \$8.2 billion from Corporate Private Equity, \$4.6 billion from BIP and \$3.4 billion from Secondaries.
  - o Market appreciation was driven by appreciation of \$4.7 billion from Corporate Private Equity (which reflected \$609.4 million of foreign exchange depreciation), \$3.5 billion from BIP (which reflected \$137.4 million of foreign exchange depreciation) and \$2.8 billion from Secondaries (which reflected \$24.4 million of foreign exchange appreciation).
  - o Realizations were driven by \$6.7 billion from Corporate Private Equity and \$3.7 billion from Secondaries.
  - o Outflows were driven by \$1.1 billion from Secondaries, \$874.7 million from Tactical Opportunities and \$281.6 million from Corporate Private Equity.
- In our Credit & Insurance segment, an increase of \$17.4 billion from \$312.7 billion at December 31, 2023 to \$330.1 billion at June 30, 2024. The net increase was due to inflows of \$35.6 billion and market appreciation of \$5.7 billion, offset by realizations of \$15.0 billion and outflows of \$8.9 billion.
  - o Inflows were driven by \$15.6 billion from direct lending, \$9.5 billion from liquid corporate credit and \$7.8 billion from infrastructure and asset based credit strategies.
  - o Market appreciation was driven by appreciation of \$2.9 billion from direct lending (which reflected \$155.1 million of foreign exchange depreciation), \$1.2 billion from the insurance platform and \$942.6 million from mezzanine funds (which reflected \$6.6 million of foreign exchange appreciation).
  - o Realizations were driven by \$5.7 billion from direct lending, \$5.3 billion from liquid corporate credit and \$1.7 billion from infrastructure and asset based credit strategies.
  - o Outflows were driven by \$4.7 billion from direct lending and \$2.5 billion from liquid corporate credit.
- In our Multi-Asset Investing segment, an increase of \$3.4 billion from \$76.2 billion at December 31, 2023 to \$79.6 billion at June 30, 2024. The net increase was due to market appreciation of \$4.6 billion and inflows of \$4.3 billion, offset by outflows of \$4.4 billion and realizations of \$1.1 billion.
  - o Market appreciation was driven by appreciation of \$2.9 billion from Absolute Return (which reflected \$307.2 million of foreign exchange depreciation), \$1.3 billion from Harvest and \$424.4 million from Multi-Strategy (which reflected \$5.9 million of foreign exchange appreciation).
  - o Inflows were driven by \$3.1 billion from Absolute Return, \$1.0 billion from Multi-Strategy and \$241.3 million from Harvest.
  - o Outflows were driven by \$3.4 billion from Absolute Return, \$692.0 million from Multi-Strategy and \$305.3 million from Harvest.
  - o Realizations were driven by \$653.6 million from Multi-Strategy, \$282.3 million from Absolute Return and \$169.1 million from Harvest.

Fee-Earning Assets Under Management inflows in Corporate Private Equity exceed Total Assets Under Management inflows primarily due to the commencement of the investment period of BCP IX and BETP IV in the six months ended June 30, 2024. Fee-Earning Assets Under Management inflows are reported when a fund's investment period commences or fee-earning co-investment capital is raised, whereas Total Assets Under Management activity is reported at each fund closing or when co-investment capital is raised.

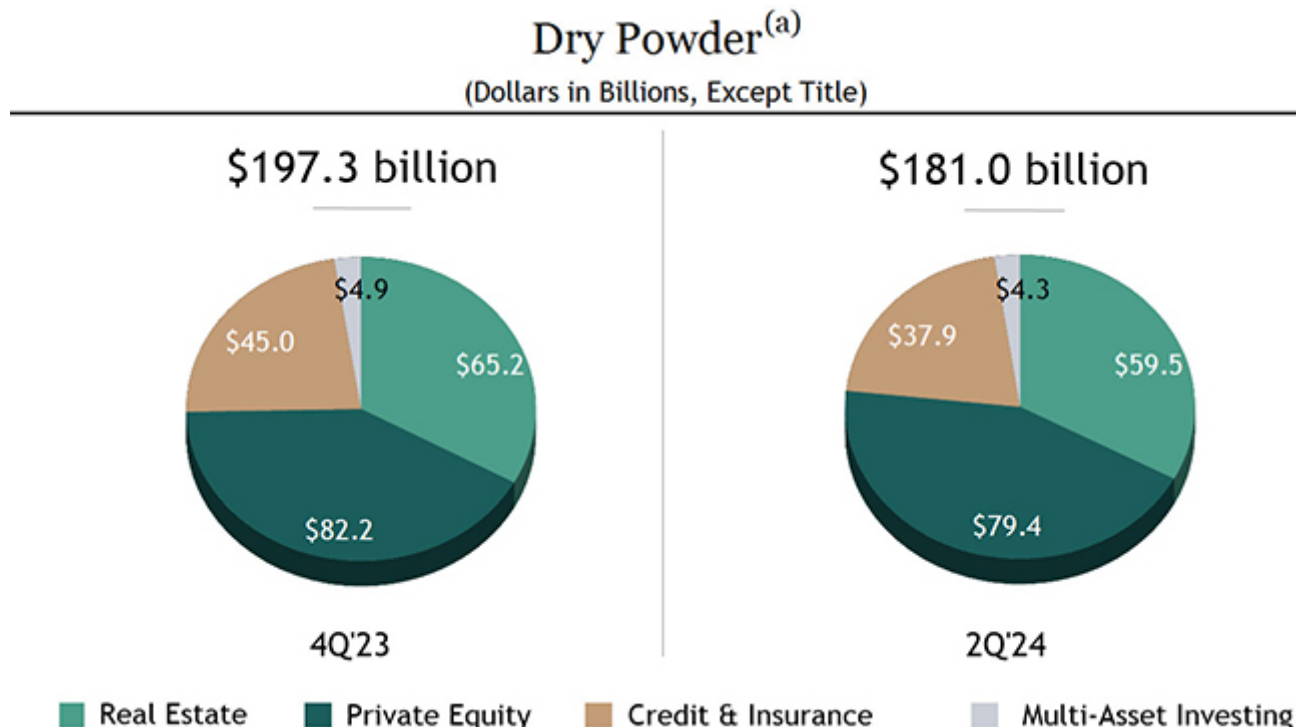
Total Assets Under Management realizations in our Private Equity segment generally represents the total proceeds and typically exceeds the Fee-Earning Assets Under Management realizations. Fee-Earning Assets Under Management generally represents only the invested capital.

Fee-Earning Assets Under Management in Corporate Private Equity is reported based on committed or remaining invested capital, whereas Total Assets Under Management is reported based on fair value and remaining available capital. Total Assets Under Management market activity therefore exceeds Fee-Earning Assets Under Management market activity.

Total Assets Under Management inflows in our Credit & Insurance segment direct lending funds exceed the Fee-Earning Assets Under Management inflows because Total Assets Under Management inflows are reported at their gross value while, for certain funds, Fee-Earning Assets Under Management are reported as net assets, which is the basis on which fees are charged.

## Dry Powder

The following presents our Dry Powder as of quarter end of each period:



Note: Totals may not add due to rounding.

(a) Represents illiquid drawdown funds, a component of Perpetual Capital and fee-paying co-investments; includes fee-paying third party capital as well as general partner and employee capital that does not earn fees. Amounts are reduced by outstanding capital commitments, for which capital has not yet been invested.

## Net Accrued Performance Revenues

The following table presents the Accrued Performance Revenues, net of performance compensation, of the Blackstone Funds as of June 30, 2024 and 2023. Net Accrued Performance Revenues presented do not include clawback amounts, if any, which are disclosed in Note 16. "Commitments and Contingencies — Contingencies — Contingent Obligations (Clawback)" in the "Notes to Condensed Consolidated Financial Statements" in "Part I. Item 1. Financial Statements" of this filing. See "—Non-GAAP Financial Measures" for our reconciliation of Net Accrued Performance Revenues.

	June 30,	
	2024	2023
	(Dollars in Millions)	
<b>Real Estate</b>		
BREP IV	\$ 4	\$ 6
BREP V	4	4
BREP VI	2	17
BREP VII	—	60
BREP VIII	575	707
BREP IX	708	987
BREP Europe IV	—	36
BREP Europe V	—	19
BREP Europe VI	107	90
BREP Europe VII	9	—
BREP Asia I	97	89
BPP	73	512
BREDS	16	12
BTAS	—	17
Total Real Estate (a)	1,595	2,556
<b>Private Equity</b>		
BCP IV	—	6
BCP V	16	41
BCP VI	305	411
BCP VII	813	900
BCP VIII	374	297
BCP Asia I	127	94
BCP Asia II	63	—
BEP I	25	29
BEP II	152	73
BEP III	240	202
BCEP I	243	205
Tactical Opportunities	159	236
Secondaries	813	752
BIP	478	189
BXLS	125	24
BTAS/BXPE/Other	217	181
Total Private Equity (a)	4,150	3,639
Credit & Insurance	391	247
Multi-Asset Investing	78	27
<b>Total Blackstone Net Accrued Performance Revenues</b>	<b>\$ 6,214</b>	<b>\$ 6,469</b>

Note: Totals may not add due to rounding.

(a) Real Estate and Private Equity include co-investments, as applicable.

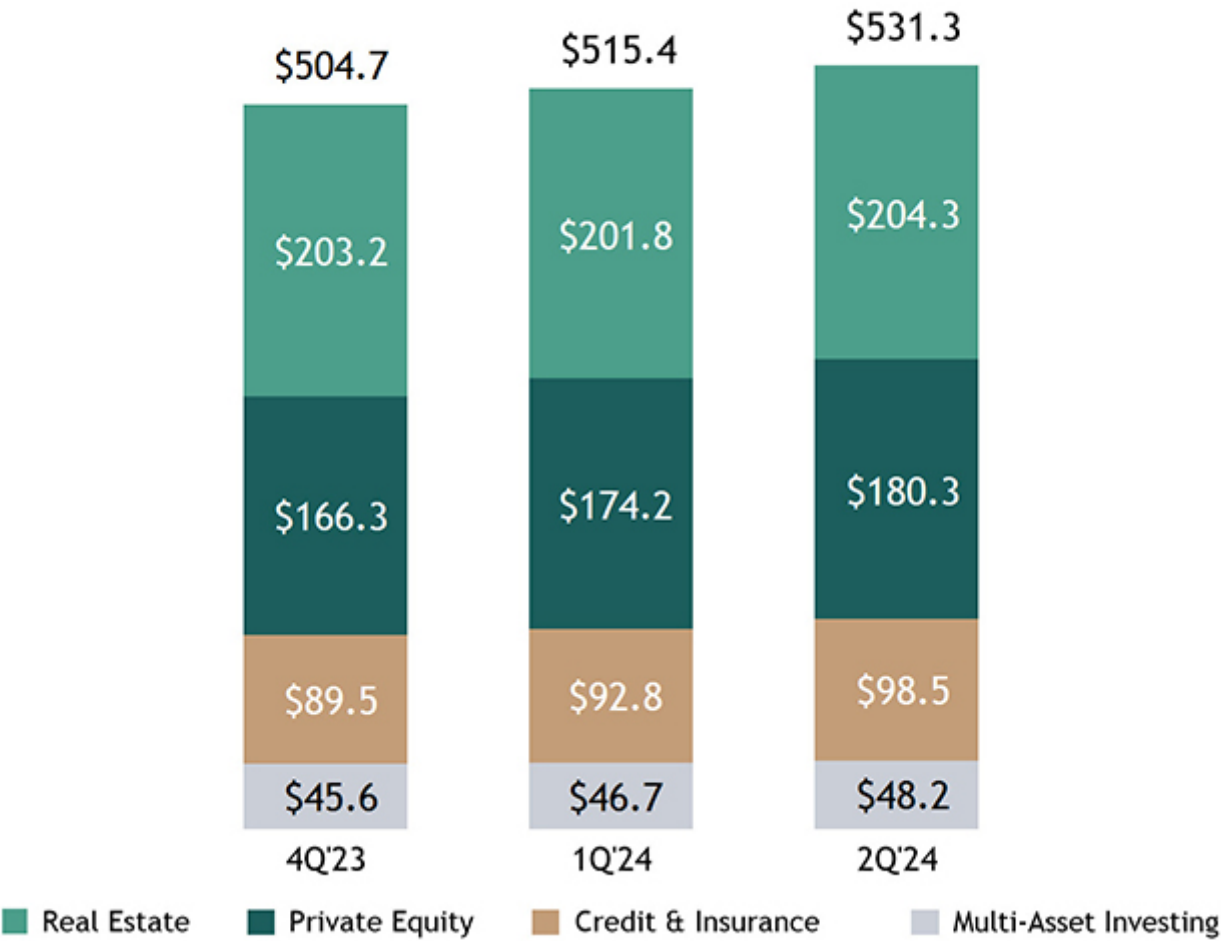
For the twelve months ended June 30, 2024, Net Accrued Performance Revenues receivable decreased due to net realized distributions of \$1.8 billion, partially offset by Net Performance Revenues of \$1.6 billion.



*Invested Performance Eligible Assets Under Management*

The following presents our Invested Performance Eligible Assets Under Management as of quarter end for each period:

**Invested Performance Eligible Assets Under Management**  
(Dollars in Billions)



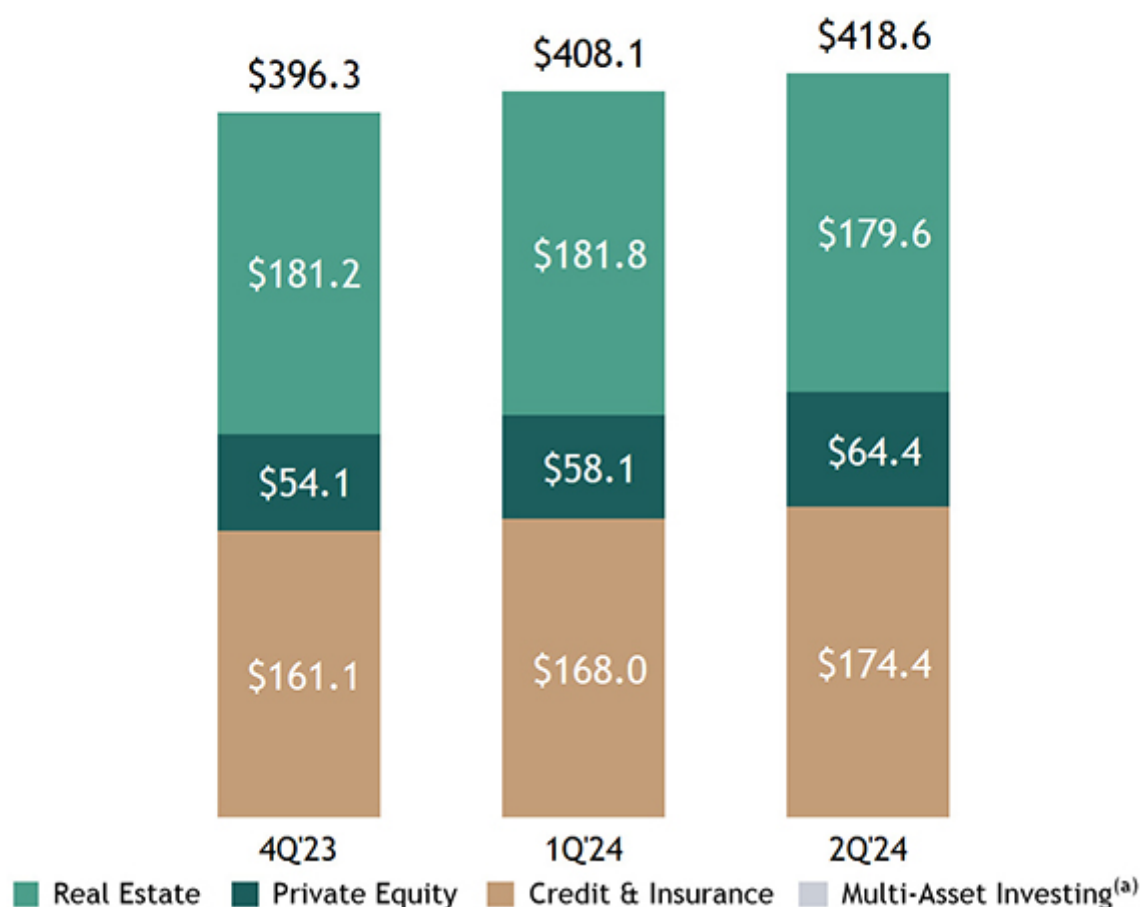
Note: Totals may not add due to rounding.

## Perpetual Capital

The following presents our Perpetual Capital Total Assets Under Management as of quarter end for each period:

### Perpetual Capital Total Assets Under Management

(Dollars in Billions)



Note: Totals may not add due to rounding.

(a) Perpetual Capital Total Assets Under Management for Multi-Asset Investing segment was zero, \$128.5 million and \$200.4 million as of December 31, 2023, March 31, 2024 and June 30, 2024, respectively.

Perpetual Capital Total Assets Under Management were \$418.6 billion as of June 30, 2024, an increase of \$10.4 billion, compared to \$408.1 billion as of March 31, 2024. Perpetual Capital Total Assets Under Management in our Credit & Insurance and Private Equity segments increased \$6.4 billion and \$6.2 billion, respectively. Principal drivers of these increases were:

- In our Credit & Insurance segment, growth in insurance capital managed in the Credit & Insurance segment and BCRED resulted in increases of \$3.4 billion and \$1.5 billion, respectively.
- In our Private Equity segment, growth in BIP resulted in an increase of \$4.6 billion.

Perpetual Capital Total Assets Under Management were \$418.6 billion as of June 30, 2024, an increase of \$22.2 billion, compared to \$396.3 billion as of December 31, 2023. Perpetual Capital Total Assets Under Management in our Credit & Insurance and Private Equity segments increased \$13.4 billion and \$10.3 billion, respectively. Principal drivers of these increases were:

- In our Credit & Insurance segment, growth in insurance capital managed in the Credit & Insurance segment and BCRED resulted in increases of \$6.0 billion and \$3.4 billion, respectively.
- In our Private Equity segment, growth in BIP resulted in an increase of \$7.7 billion.

### ***Investment Records***

Fund returns information for our significant funds is included throughout this discussion and analysis to facilitate an understanding of our results of operations for the periods presented. The fund returns information reflected in this discussion and analysis is not indicative of the financial performance of Blackstone and is also not necessarily indicative of the future performance of any particular fund. An investment in Blackstone is not an investment in any of our funds. There can be no assurance that any of our funds or our other existing and future funds will achieve similar returns.

The following tables present the investment record of our significant carry/drawdown funds and selected perpetual capital strategies from inception through June 30, 2024:

Carry/Drawdown Funds

Fund (Investment Period Beginning Date / Ending Date) (a)	Committed Capital	Available Capital (b)	Unrealized Investments			Realized Investments		Total Investments		Net IRRs (d)		
			Value	MOIC (c)	%	Public	Value	MOIC (c)	Value	MOIC (c)	Realized	Total
(Dollars/Euros in Thousands, Except Where Noted)												
Real Estate												
Pre-BREP	\$ 140,714	\$ —	\$ —	n/a	—	\$ 345,190	2.5x	\$ 345,190	2.5x	33%	33%	
BREP I (Sep 1994 / Oct 1996)	380,708	—	—	n/a	—	1,327,708	2.8x	1,327,708	2.8x	40%	40%	
BREP II (Oct 1996 / Mar 1999)	1,198,339	—	—	n/a	—	2,531,614	2.1x	2,531,614	2.1x	19%	19%	
BREP III (Apr 1999 / Apr 2003)	1,522,708	—	—	n/a	—	3,330,406	2.4x	3,330,406	2.4x	21%	21%	
BREP IV (Apr 2003 / Dec 2005)	2,198,694	—	3,825	n/a	—	4,666,129	1.7x	4,669,954	1.7x	12%	12%	
BREP V (Dec 2005 / Feb 2007)	5,539,418	—	6,226	n/a	—	13,463,448	2.3x	13,469,674	2.3x	11%	11%	
BREP VI (Feb 2007 / Aug 2011)	11,060,122	—	7,392	n/a	—	27,758,817	2.5x	27,766,209	2.5x	13%	13%	
BREP VII (Aug 2011 / Apr 2015)	13,505,655	1,017,292	2,078,698	0.6x	—	28,429,380	2.3x	30,508,078	1.9x	20%	14%	
BREP VIII (Apr 2015 / Jun 2019)	16,607,865	2,009,039	12,355,770	1.5x	1%	22,291,311	2.3x	34,647,081	1.9x	24%	14%	
BREP IX (Jun 2019 / Aug 2022)	21,346,428	3,385,159	24,730,496	1.4x	1%	8,688,793	2.2x	33,419,289	1.5x	58%	14%	
*BREP X (Aug 2022 / Feb 2028)	30,639,330	22,661,720	8,511,549	1.1x	9%	—	n/a	8,511,549	1.1x	n/a	n/m	
Total Global BREP	\$ 104,139,981	\$ 29,073,210	\$ 47,693,956	1.3x	2%	\$ 112,832,796	2.3x	\$ 160,526,752	1.9x	17%	15%	
BREP Int'l (Jan 2001 / Sep 2005)	€ 824,172	€ —	€ —	n/a	—	€ 1,373,170	2.1x	€ 1,373,170	2.1x	23%	23%	
BREP Int'l II (Sep 2005 / Jun 2008) (e)	1,629,748	—	—	n/a	—	2,583,032	1.8x	2,583,032	1.8x	8%	8%	
BREP Europe III (Jun 2008 / Sep 2013)	3,205,420	396,691	156,196	0.3x	—	5,856,192	2.4x	6,012,388	2.0x	18%	13%	
BREP Europe IV (Sep 2013 / Dec 2016)	6,676,577	1,104,861	1,073,412	0.8x	—	10,133,370	1.9x	11,206,782	1.7x	18%	12%	
BREP Europe V (Dec 2016 / Oct 2019)	7,992,703	904,320	4,630,379	0.8x	—	6,758,899	3.8x	11,389,278	1.6x	41%	8%	
BREP Europe VI (Oct 2019 / Sep 2023)	9,923,250	3,326,999	8,095,867	1.2x	—	3,439,595	2.6x	11,535,462	1.4x	72%	13%	
*BREP Europe VII (Sep 2023 / Mar 2029)	7,681,989	6,508,115	1,332,487	1.1x	—	—	n/a	1,332,487	1.1x	n/a	n/m	
Total BREP Europe	€ 37,933,859	€ 12,240,986	€ 15,288,341	1.0x	—	€ 30,144,258	2.3x	€ 45,432,599	1.6x	17%	11%	

continued...

Fund (Investment Period Beginning Date / Ending Date) (a)	Committed Capital	Available Capital (b)	Unrealized Investments			Realized Investments		Total Investments		Net IRRs (d)		
			Value	MOIC (c)	%	Value	MOIC (c)	Value	MOIC (c)	Realized	Total	
(Dollars/Euros in Thousands, Except Where Noted)												
Real Estate (continued)												
BREP Asia I (Jun 2013 / Dec 2017)	\$ 4,262,075	\$ 898,228	\$ 1,672,278	1.7x	25%	\$ 7,032,407	1.9x	\$ 8,704,685	1.9x	16%	12%	
BREP Asia II (Dec 2017 / Mar 2022)	7,354,811	1,310,706	6,641,542	1.2x	7%	1,801,330	1.9x	8,442,872	1.3x	30%	5%	
*BREP Asia III (Mar 2022 / Sep 2027)	8,210,352	6,834,894	1,294,586	1.0x	—	—	n/a	1,294,586	1.0x	n/a	-17%	
Total BREP Asia	19,827,238	9,043,828	9,608,406	1.2x	9%	8,833,737	1.9x	18,442,143	1.5x	17%	8%	
BREP Co-Investment (f)	7,396,015	100,106	959,827	2.0x	—	15,227,390	2.2x	16,187,217	2.2x	16%	16%	
Total BREP	\$ 175,761,986	\$ 51,455,343	\$ 75,415,550	1.2x	3%	\$ 173,745,405	2.3x	\$ 249,160,955	1.8x	17%	14%	
*BREDS High-Yield (Various) (g)	\$ 25,008,694	\$ 8,738,933	\$ 5,522,621	1.0x	—	\$ 20,244,034	1.4x	\$ 25,766,655	1.3x	10%	9%	
Private Equity												
Corporate Private Equity												
BCP I (Oct 1987 / Oct 1993)	\$ 859,081	\$ —	\$ —	n/a	—	\$ 1,741,738	2.6x	\$ 1,741,738	2.6x	19%	19%	
BCP II (Oct 1993 / Aug 1997)	1,361,100	—	—	n/a	—	3,268,627	2.5x	3,268,627	2.5x	32%	32%	
BCP III (Aug 1997 / Nov 2002)	3,967,422	—	—	n/a	—	9,228,707	2.3x	9,228,707	2.3x	14%	14%	
BCOM (Jun 2000 / Jun 2006)	2,137,330	24,575	200	n/a	—	2,995,106	1.4x	2,995,306	1.4x	6%	6%	
BCP IV (Nov 2002 / Dec 2005)	6,773,182	195,824	382	n/a	—	21,720,334	2.9x	21,720,716	2.9x	36%	36%	
BCP V (Dec 2005 / Jan 2011)	21,009,112	1,035,259	66,016	n/a	100%	38,806,330	1.9x	38,872,346	1.9x	8%	8%	
BCP VI (Jan 2011 / May 2016)	15,195,243	1,341,026	4,196,056	2.0x	19%	28,611,427	2.2x	32,807,483	2.2x	14%	12%	
BCP VII (May 2016 / Feb 2020)	18,858,738	1,695,536	17,800,433	1.6x	23%	18,003,374	2.5x	35,803,807	2.0x	25%	13%	
BCP VIII (Feb 2020 / Apr 2024)	25,919,222	8,631,985	23,282,787	1.3x	4%	2,295,428	2.4x	25,578,215	1.4x	n/m	10%	
*BCP IX (Apr 2024 / Apr 2029)	20,063,265	20,063,265	—	n/a	—	—	n/a	—	n/a	n/a	n/a	
Energy I (Aug 2011 / Feb 2015)	2,441,558	174,492	496,646	1.5x	56%	4,189,846	2.0x	4,686,492	2.0x	14%	11%	
Energy II (Feb 2015 / Feb 2020)	4,918,278	864,914	3,974,634	1.8x	70%	4,290,605	1.8x	8,265,239	1.8x	11%	8%	
Energy III (Feb 2020 / Jun 2024)	4,373,418	1,563,746	5,220,402	1.9x	15%	1,348,610	2.4x	6,569,012	2.0x	55%	30%	
*Energy Transition IV (Jun 2024 / Jun 2029)	3,623,326	3,593,259	—	n/a	—	—	n/a	—	n/a	n/a	n/a	
BCP Asia I (Dec 2017 / Sep 2021)	2,437,080	417,510	2,708,957	1.9x	65%	2,611,544	3.5x	5,320,501	2.4x	51%	26%	
*BCP Asia II (Sep 2021 / Sep 2027)	6,778,892	4,712,552	2,550,881	1.7x	8%	91,510	2.2x	2,642,391	1.7x	n/m	26%	
Core Private Equity I (Jan 2017 / Mar 2021) (h)	4,760,284	1,171,242	7,339,096	1.9x	—	2,836,291	5.1x	10,175,387	2.3x	58%	17%	
*Core Private Equity II (Mar 2021 / Mar 2026) (h)	8,450,958	5,871,750	3,697,866	1.5x	—	126,586	n/a	3,824,452	1.6x	n/a	15%	
Total Corporate Private Equity	\$ 153,927,489	\$ 51,356,935	\$ 71,334,356	1.6x	16%	\$ 142,166,063	2.2x	\$ 213,500,419	2.0x	16%	15%	

continued...

Fund (Investment Period Beginning Date / Ending Date) (a)	Committed Capital	Available Capital (b)	Unrealized Investments			Realized Investments		Total Investments		Net IRRs (d)		
			Value	MOIC (c)	%	Value	MOIC (c)	Value	MOIC (c)	Realized	Total	
(Dollars/Euros in Thousands, Except Where Noted)												
Private Equity (continued)												
Tactical Opportunities												
*Tactical Opportunities (Various)	\$ 30,825,007	\$ 13,863,428	\$ 13,966,075	1.2x	4%	\$ 23,918,093	1.8x	\$ 37,884,168	1.5x	16%	10%	
*Tactical Opportunities Co-Investment and Other (Various)	11,515,985	2,399,371	4,013,024	1.3x	3%	10,513,622	1.8x	14,526,646	1.6x	21%	16%	
Total Tactical Opportunities	\$ 42,340,992	\$ 16,262,799	\$ 17,979,099	1.2x	4%	\$ 34,431,715	1.8x	\$ 52,410,814	1.6x	17%	12%	
Growth												
*BXG I (Jul 2020 / Jul 2025)	\$ 5,027,239	\$ 1,258,902	\$ 3,539,488	1.0x	2%	\$ 513,533	2.6x	\$ 4,053,021	1.1x	n/m	-2%	
BXG II (TBD)	4,190,970	4,190,970	—	n/a	—	—	n/a	—	n/a	n/a	n/a	
Total Growth	\$ 9,218,209	\$ 5,449,872	\$ 3,539,488	1.0x	2%	\$ 513,533	2.6x	\$ 4,053,021	1.1x	n/m	-2%	
Strategic Partners (Secondaries)												
Strategic Partners I-V (Various) (i)	\$ 11,035,527	\$ 139,208	\$ 7,855	n/a	—	\$ 16,782,783	n/a	\$ 16,790,638	1.7x	n/a	13%	
Strategic Partners VI (Apr 2014 / Apr 2016) (i)	4,362,772	609,297	688,507	n/a	—	4,372,764	n/a	5,061,271	1.7x	n/a	15%	
Strategic Partners VII (May 2016 / Mar 2019) (i)	7,489,970	1,695,032	3,825,070	n/a	—	6,868,023	n/a	10,693,093	1.9x	n/a	16%	
Strategic Partners Real Assets II (May 2017 / Jun 2020) (i)	1,749,807	470,410	1,303,340	n/a	—	1,142,630	n/a	2,445,970	1.7x	n/a	16%	
Strategic Partners VIII (Mar 2019 / Oct 2021) (i)	10,763,600	3,980,391	7,879,843	n/a	—	6,658,138	n/a	14,537,981	1.8x	n/a	26%	
*Strategic Partners Real Estate, SMA and Other (Various) (i)	7,380,591	2,630,643	2,167,287	n/a	—	2,382,277	n/a	4,549,564	1.5x	n/a	13%	
Strategic Partners Infrastructure III (Jun 2020 / Jun 2024) (i)	3,250,100	536,477	2,199,124	n/a	—	274,616	n/a	2,473,740	1.4x	n/a	24%	
*Strategic Partners IX (Oct 2021 / Jan 2027) (i)	19,542,126	9,141,715	7,920,318	n/a	—	782,344	n/a	8,702,662	1.4x	n/a	21%	
*Strategic Partners GP Solutions (Jun 2021 / Dec 2026) (i)	2,095,211	776,665	850,642	n/a	—	3,947	n/a	854,589	1.0x	n/a	-3%	
Total Strategic Partners (Secondaries)	\$ 67,669,704	\$ 19,979,838	\$ 26,841,986	n/a	—	\$ 39,267,522	n/a	\$ 66,109,508	1.6x	n/a	14%	
Life Sciences												
Clarus IV (Jan 2018 / Jan 2020)	\$ 910,000	\$ 66,094	\$ 691,265	2.0x	—	\$ 559,294	1.4x	\$ 1,250,559	1.7x	6%	10%	
*BXL V (Jan 2020 / Jan 2025)	5,005,924	2,846,428	3,230,911	1.8x	2%	386,905	1.1x	3,617,816	1.7x	n/m	15%	

continued...

Fund (Investment Period Beginning Date / Ending Date) (a)	Committed Capital	Available Capital (b)	Unrealized Investments			Realized Investments		Total Investments		Net IRRs (d)		
			Value	MOIC (c)	Public	Value	MOIC (c)	Value	MOIC (c)	Realized	Total	
												%
(Dollars/Euros in Thousands, Except Where Noted)												
Credit												
Mezzanine / Opportunistic I (Jul 2007 / Oct 2011)	\$ 2,000,000	\$ 97,114	\$ —	n/a	—	\$ 4,809,113	1.6x	\$ 4,809,113	1.6x	n/a	17%	
Mezzanine / Opportunistic II (Nov 2011 / Nov 2016)	4,120,000	993,260	114,707	0.2x	—	6,660,546	1.6x	6,775,253	1.4x	n/a	10%	
Mezzanine / Opportunistic III (Sep 2016 / Jan 2021)	6,639,133	1,121,775	1,951,404	1.2x	31%	8,406,785	1.5x	10,358,189	1.4x	n/a	11%	
*Mezzanine / Opportunistic IV (Jan 2021 / Jan 2026)	5,016,771	1,624,659	4,245,889	1.1x	—	1,051,679	1.9x	5,297,568	1.2x	n/a	14%	
Stressed / Distressed I (Sep 2009 / May 2013)	3,253,143	—	—	n/a	—	5,777,098	1.3x	5,777,098	1.3x	n/a	9%	
Stressed / Distressed II (Jun 2013 / Jun 2018)	5,125,000	547,430	138,149	0.2x	—	5,469,163	1.2x	5,607,312	1.1x	n/a	1%	
Stressed / Distressed III (Dec 2017 / Dec 2022)	7,356,380	1,103,825	2,543,762	1.0x	—	4,094,164	1.4x	6,637,926	1.3x	n/a	10%	
Energy I (Nov 2015 / Nov 2018)	2,856,867	1,154,826	280,195	0.8x	—	3,284,780	1.6x	3,564,975	1.5x	n/a	10%	
Energy II (Feb 2019 / Jun 2023)	3,616,081	1,497,763	1,449,978	1.1x	—	2,246,376	1.5x	3,696,354	1.3x	n/a	16%	
*Green Energy III (May 2023 / May 2028)	6,477,000	4,802,346	1,706,793	1.0x	—	42,108	n/a	1,748,901	1.0x	n/a	n/m	
European Senior Debt I (Feb 2015 / Feb 2019)	€ 1,964,689	€ 143,679	€ 219,575	0.4x	—	€ 2,978,763	1.3x	€ 3,198,338	1.2x	n/a	2%	
European Senior Debt II (Jun 2019 / Jun 2023) (j)	€ 4,088,344	€ 937,955	€ 4,210,101	1.0x	—	€ 2,486,964	2.3x	€ 6,697,065	1.2x	n/a	10%	
Total Credit Drawdown Funds (k)	\$ 53,366,033	\$ 14,102,240	\$ 17,178,381	1.0x	4%	\$ 48,097,318	1.5x	\$ 65,275,699	1.3x	n/a	10%	

Selected Perpetual Capital Strategies (I)

Strategy (Inception Year) (a)	Investment Strategy	Total Assets Under Management	Total Net Return (m)
(Dollars in Thousands, Except Where Noted)			
<b>Real Estate</b>			
BPP—Blackstone Property Partners Platform (2013) (n)	Core+ Real Estate	\$ 63,975,258	6%
BREIT—Blackstone Real Estate Income Trust (2017) (o)	Core+ Real Estate	56,656,343	10%
BREIT—Class I (p)	Core+ Real Estate		10%
BXMT—Blackstone Mortgage Trust (2013) (q)	Real Estate Debt	5,659,353	5%
<b>Private Equity</b>			
BSCH—Blackstone Strategic Capital Holdings (2014) (r)	Secondaries—GP Stakes	9,880,187	12%
BIP—Blackstone Infrastructure Partners (2019) (s)	Infrastructure	38,182,874	16%
BXPE—Blackstone Private Equity Strategies Fund Program (2024) (t)	Private Equity	4,428,646	n/m
<b>Credit</b>			
BXSL—Blackstone Secured Lending Fund (2018) (u)	U.S. Direct Lending	12,031,034	11%
BCRED—Blackstone Private Credit Fund (2021) (v)	U.S. Direct Lending	67,895,865	10%
BCRED—Class I (w)	U.S. Direct Lending		10%

The returns presented herein represent those of the applicable Blackstone Funds and not those of Blackstone.

- n/m Not meaningful generally due to the limited time since initial investment.
- n/a Not applicable.
- SMA Separately managed account.
- \* Represents funds that are in their investment period as of June 30, 2024.
- (a) Excludes investment vehicles where Blackstone does not earn fees.
- (b) Available Capital represents total investable capital commitments, including side-by-side, adjusted for certain expenses and expired or callable capital and may include leverage, less invested capital. This amount is not reduced by outstanding commitments to investments.
- (c) Multiple of Invested Capital (“MOIC”) represents carrying value, before management fees, expenses and Performance Revenues, divided by invested capital.
- (d) Unless otherwise indicated, Net Internal Rate of Return (“IRR”) represents the annualized inception to June 30, 2024 IRR on total invested capital based on realized proceeds and unrealized value, as applicable, after management fees, expenses and Performance Revenues. IRRs are calculated using actual timing of limited partner cash flows. Initial inception date of cash flows may differ from the Investment Period Beginning Date.
- (e) The 8% Realized Net IRR and 8% Total Net IRR exclude investors that opted out of the Hilton investment opportunity. Overall BREP International II performance reflects a 7% Realized Net IRR and a 7% Total Net IRR.
- (f) BREP Co-Investment represents co-investment capital raised for various BREP investments. The Net IRR reflected is calculated by aggregating each co-investment’s realized proceeds and unrealized value, as applicable, after management fees, expenses and Performance Revenues.
- (g) BREDS High-Yield represents the flagship real estate debt drawdown funds only.
- (h) Blackstone Core Equity Partners is a core private equity strategy which invests with a more modest risk profile and longer hold period than traditional private equity.
- (i) Strategic Partners’ Unrealized Investment Value, Realized Investment Value, Total Investment Value, Total MOIC and Total Net IRRs are reported on a three-month lag and therefore do not include the impact of economic and market activities in the current quarter. Realizations are treated as returns of capital until fully recovered and therefore Unrealized and Realized MOICs and Realized Net IRRs are not applicable. Committed Capital and Available Capital are presented as of the current quarter.



- (j) European Senior Debt II Levered has a net return of 16%, European Senior Debt II Unlevered has a net return of 8%.
- (k) Funds presented represent the flagship credit drawdown funds only. The Total Credit Net IRR is the combined IRR of the credit drawdown funds presented.
- (l) Represents the performance for select Perpetual Capital Strategies; strategies excluded consist primarily of (1) investment strategies that have been investing for less than one year, (2) perpetual capital assets managed for certain insurance clients, and (3) investment vehicles where Blackstone does not earn fees.
- (m) Unless otherwise indicated, Total Net Return represents the annualized inception to June 30, 2024 IRR on total invested capital based on realized proceeds and unrealized value, as applicable, after management fees, expenses and Performance Revenues. IRRs are calculated using actual timing of investor cash flows. Initial inception date of cash flows occurred during the Inception Year.
- (n) BPP represents the aggregate Total Assets Under Management and Total Net Return of the BPP Platform, which comprises over 30 funds, co-investment and separately managed account vehicles. It includes certain vehicles managed as part of the BPP Platform but not classified as Perpetual Capital. As of June 30, 2024, these vehicles represented \$2.2 billion of Total Assets Under Management.
- (o) The BREIT Total Net Return reflects a per share blended return, assuming BREIT had a single share class, reinvestment of all dividends received during the period, and no upfront selling commission, net of all fees and expenses incurred by BREIT. This return is not representative of the return experienced by any particular investor or share class. Total Net Return is presented on an annualized basis and is from January 1, 2017.
- (p) Represents the Total Net Return for BREIT's Class I shares, its largest share class. Performance varies by share class. Class I Total Net Return assumes reinvestment of all dividends received during the period, and no upfront selling commission, net of all fees and expenses incurred by BREIT. Class I Total Net Return is presented on an annualized basis and is from January 1, 2017.
- (q) The BXMT Total Net Return reflects annualized market return of a shareholder invested in BXMT since inception, May 22, 2013, assuming reinvestment of all dividends received during the period.
- (r) BSCH represents the aggregate Total Assets Under Management and Total Net Return of BSCH I and BSCH II funds that invest as part of the Secondaries – GP Stakes strategy, which targets minority investments in the general partners of private equity and other private-market alternative asset management firms globally. Including co-investment vehicles that do not pay fees, BSCH Total Assets Under Management is \$10.9 billion.
- (s) Including co-investment vehicles, BIP Total Assets Under Management is \$48.6 billion.
- (t) BXPE Fund Program's Total Assets Under Management reflects net asset value as of May 31, 2024, plus net subscriptions as of June 1, 2024. For purposes of segment Assets Under Management reporting, BXPE's Assets Under Management is reported by the business managing the assets.
- (u) The BXSL Total Assets Under Management and Total Net Return are presented as of March 31, 2024. Refer to BXSL public filings for current quarter results. BXSL Total Net Return reflects the change in Net Asset Value ("NAV") per share, plus distributions per share (assuming dividends and distributions are reinvested in accordance with BXSL's dividend reinvestment plan) divided by the beginning NAV per share. Total Net Returns are presented on an annualized basis and are from November 20, 2018.
- (v) The BCRED Total Net Return reflects a per share blended return, assuming BCRED had a single share class, reinvestment of all dividends received during the period, and no upfront selling commission, net of all fees and expenses incurred by BCRED. This return is not representative of the return experienced by any particular investor or share class. Total Net Return is presented on an annualized basis and is from January 7, 2021. Total Assets Under Management reflects gross asset value plus amounts borrowed or available to be borrowed under certain credit facilities. BCRED net asset value as of June 30, 2024 was \$34.1 billion.
- (w) Represents the Total Net Return for BCRED's Class I shares, its largest share class. Performance varies by share class. Class I Total Net Return assumes reinvestment of all dividends received during the period, and no upfront selling commission, net of all fees and expenses incurred by BCRED. Class I Total Net Return is presented on an annualized basis and is from January 7, 2021.

## Segment Analysis

Discussed below is our Segment Distributable Earnings for each of our segments. This information is reflected in the manner utilized by our senior management to make operating decisions, assess performance and allocate resources. References to “our” sectors or investments may also refer to portfolio companies and investments of the underlying funds that we manage.

### Real Estate

The following table presents the results of operations for our Real Estate segment:

	Three Months Ended				Six Months Ended			
	June 30,		2024 vs. 2023		June 30,		2024 vs. 2023	
	2024	2023	\$	%	2024	2023	\$	%
(Dollars in Thousands)								
<b>Management Fees, Net</b>								
Base Management Fees	\$ 685,784	\$ 709,977	\$ (24,193)	-3%	\$ 1,379,963	\$ 1,415,364	\$ (35,401)	-3%
Transaction and Other Fees, Net	75,140	27,066	48,074	178%	104,330	47,627	56,703	119%
Management Fee Offsets	(3,467)	(8,307)	4,840	-58%	(6,397)	(18,764)	12,367	-66%
<b>Total Management Fees, Net</b>	<b>757,457</b>	<b>728,736</b>	<b>28,721</b>	<b>4%</b>	<b>1,477,896</b>	<b>1,444,227</b>	<b>33,669</b>	<b>2%</b>
Fee Related Performance Revenues	606	131,299	(130,693)	-100%	130,564	152,047	(21,483)	-14%
Fee Related Compensation	(184,404)	(199,006)	14,602	-7%	(358,973)	(336,616)	(22,357)	7%
Other Operating Expenses	(92,378)	(71,949)	(20,429)	28%	(182,140)	(146,130)	(36,010)	25%
<b>Fee Related Earnings</b>	<b>481,281</b>	<b>589,080</b>	<b>(107,799)</b>	<b>-18%</b>	<b>1,067,347</b>	<b>1,113,528</b>	<b>(46,181)</b>	<b>-4%</b>
Realized Performance Revenues	53,472	119,721	(66,249)	-55%	103,439	130,817	(27,378)	-21%
Realized Performance Compensation	(25,295)	(69,593)	44,298	-64%	(47,158)	(72,758)	25,600	-35%
Realized Principal Investment Income (Loss)	7,053	(70)	7,123	n/m	9,246	2,154	7,092	329%
<b>Net Realizations</b>	<b>35,230</b>	<b>50,058</b>	<b>(14,828)</b>	<b>-30%</b>	<b>65,527</b>	<b>60,213</b>	<b>5,314</b>	<b>9%</b>
<b>Segment Distributable Earnings</b>	<b>\$ 516,511</b>	<b>\$ 639,138</b>	<b>\$ (122,627)</b>	<b>-19%</b>	<b>\$ 1,132,874</b>	<b>\$ 1,173,741</b>	<b>\$ (40,867)</b>	<b>-3%</b>

n/m Not meaningful.

#### Three Months Ended June 30, 2024 Compared to Three Months Ended June 30, 2023

Segment Distributable Earnings were \$516.5 million for the three months ended June 30, 2024, a decrease of \$122.6 million, compared to \$639.1 million for the three months ended June 30, 2023. The decrease in Segment Distributable Earnings was attributable to decreases of \$107.8 million in Fee Related Earnings and \$14.8 million in Net Realizations.

Our global opportunistic and Core+ real estate portfolios are concentrated in high-conviction sectors with favorable long-term fundamentals. These sectors, including digital infrastructure, logistics and rental housing, have continued to support performance in our Real Estate segment. In particular, our data center platform was the single largest driver of appreciation in our Real Estate business and the firm in the second quarter of 2024. More broadly, we believe our Real Estate segment is well positioned to benefit from the expected increase in demand for digital infrastructure over time. Growth in certain markets and sectors with elevated near-term supply, including U.S. multifamily and life sciences office, has slowed and may moderate further. This has negatively

impacted valuations of such assets. Weak fundamentals have also persisted in the office market, particularly in the U.S., and more troubled assets are likely to emerge. Traditional U.S. office, however, represents less than 2% of the aggregate net asset value of our global opportunistic and Core+ real estate portfolios. While our NYSE-listed REIT, Blackstone Mortgage Trust (“BXMT”), is mostly focused in sectors with strong long-term fundamentals, its office exposure is higher than in our real estate equity business. Although this has posed challenges for the vehicle, its focus on senior loans has been an important factor in mitigating the adverse impact of the sector’s dislocation.

In recent months, there has been a meaningful decline in the cost of capital and a substantial increase in the availability of debt capital. New construction in certain sectors, including logistics and rental housing, has also fallen. This will contribute to further constraints in future supply. We believe these factors should be supportive of real estate valuations over time. An improving market environment should also support a reacceleration of realizations over time, although we expect a near-term lag between improving markets and such reacceleration. We are also beginning to see positive momentum in deployment. Our Real Estate funds deployed \$14.6 billion in the first six months of 2024, approximately two-and-a-half times the same period in 2023. This positive sign in deployment is matched by encouraging signs in BREIT, with inflows reaching their highest level in over a year in the second quarter of 2024. Concurrently, repurchase requests were down 85% in June 2024 from their peak in January 2023. While a deterioration of the current market environment, including a slower-than-anticipated decrease in interest rates, could adversely affect net inflows in perpetual capital strategies, we believe that strong investment performance and investor under-allocation to such strategies should drive flows over the long-term.

#### *Fee Related Earnings*

Fee Related Earnings were \$481.3 million for the three months ended June 30, 2024, a decrease of \$107.8 million, compared to \$589.1 million for the three months ended June 30, 2023. The decrease in Fee Related Earnings was primarily attributable to a decrease of \$130.7 million in Fee Related Performance Revenues and an increase of \$20.4 million in Other Operating Expenses, partially offset by an increase of \$28.7 million in Management Fees, Net.

Fee Related Performance Revenues were \$0.6 million for the three months ended June 30, 2024, a decrease of \$130.7 million, compared to \$131.3 million for the three months ended June 30, 2023. The decrease was primarily due to lower Fee Related Performance Revenues in BPP and co-investment.

Other Operating Expenses were \$92.4 million for the three months ended June 30, 2024, an increase of \$20.4 million, compared to \$71.9 million for the three months ended June 30, 2023. The increase was primarily due to higher professional fees and sub-servicing fees.

Management Fees, Net were \$757.5 million for the three months ended June 30, 2024, an increase of \$28.7 million, compared to \$728.7 million for the three months ended June 30, 2023, primarily driven by an increase in Transaction and Other Fees, Net, partially offset by a decrease in Base Management Fees. Transaction and Other Fees, Net increased \$48.1 million primarily due to an increase in acquisition fees paid to the advisor of our BREP funds. Base Management Fees decreased \$24.2 million primarily due to a decrease in Fee-Earning Assets Under Management in BREIT and BPP co-investment.

#### *Net Realizations*

Net Realizations were \$35.2 million for the three months ended June 30, 2024, a decrease of \$14.8 million, compared to \$50.1 million for the three months ended June 30, 2023. The decrease in Net Realizations was primarily attributable to a decrease of \$66.2 million in Realized Performance Revenues, partially offset by a decrease of \$44.3 million in Realized Performance Compensation.

Realized Performance Revenues were \$53.5 million for the three months ended June 30, 2024, a decrease of \$66.2 million, compared to \$119.7 million for the three months ended June 30, 2023. The decrease was primarily due to lower Realized Performance Revenues in BREP.

Realized Performance Compensation was \$25.3 million for the three months ended June 30, 2024, a decrease of \$44.3 million, compared to \$69.6 million for the three months ended June 30, 2023. The decrease was primarily due to the decrease in Realized Performance Revenues.

#### *Six Months Ended June 30, 2024 Compared to Six Months Ended June 30, 2023*

Segment Distributable Earnings were \$1.1 billion for the six months ended June 30, 2024, a decrease of \$40.9 million, compared to \$1.2 billion for the six months ended June 30, 2023. The decrease in Segment Distributable Earnings was attributable to a decrease of \$46.2 million in Fee Related Earnings, partially offset by an increase of \$5.3 million in Net Realizations.

##### *Fee Related Earnings*

Fee Related Earnings were \$1.1 billion for the six months ended June 30, 2024, a decrease of \$46.2 million, compared to the six months ended June 30, 2023. The decrease in Fee Related Earnings was attributable to increases of \$36.0 million in Other Operating Expenses and \$22.4 million in Fee Related Compensation, and a decrease of \$21.5 million in Fee Related Performance Revenues, partially offset by an increase of \$33.7 million in Management Fees, Net.

Other Operating Expenses were \$182.1 million for the six months ended June 30, 2024, an increase of \$36.0 million, compared to \$146.1 million for the six months ended June 30, 2023. The increase was primarily due to higher occupancy costs, professional fees and sub-servicing fees.

Fee Related Compensation was \$359.0 million for the six months ended June 30, 2024, an increase of \$22.4 million, compared to \$336.6 million for the six months ended June 30, 2023. The increase was primarily due to an increase in Management Fees, Net, partially offset by a decrease in Fee Related Performance Revenues, both of which impact Fee Related Compensation.

Fee Related Performance Revenues were \$130.6 million for the six months ended June 30, 2024, a decrease of \$21.5 million, compared to \$152.0 million for the six months ended June 30, 2023. The decrease was primarily due to lower Fee Related Performance Revenues in BREDS and BPP co-investment.

Management Fees, Net were \$1.5 billion for the six months ended June 30, 2024, an increase of \$33.7 million, compared to \$1.4 billion for the six months ended June 30, 2023, primarily driven by an increase in Transaction and Other Fees, Net, partially offset by a decrease in Base Management Fees. Transaction and Other Fees, Net increased \$56.7 million primarily due to an increase in acquisition fees paid to the advisor of our BREP funds. Base Management Fees decreased \$35.4 million primarily due to a decrease in Fee-Earning Assets Under Management in BREIT and BPP co-investment.

##### *Net Realizations*

Net Realizations were \$65.5 million for the six months ended June 30, 2024, an increase of \$5.3 million, compared to \$60.2 million for the six months ended June 30, 2023. The increase in Net Realizations was primarily attributable to a decrease of \$25.6 million in Realized Performance Compensation and an increase of \$7.1 million in Realized Principal Investment Income (Loss), partially offset by a decrease of \$27.4 million in Realized Performance Revenues.

Realized Performance Compensation was \$47.2 million for the six months ended June 30, 2024, a decrease of \$25.6 million, compared to \$72.8 million for the six months ended June 30, 2023. The decrease was primarily due to the decrease in Realized Performance Revenues.

Realized Principal Investment Income (Loss) was \$9.2 million for the six months ended June 30, 2024, an increase of \$7.1 million, compared to \$2.2 million for the six months ended June 30, 2023. The increase was primarily due to interest earned on cash held in BREP.

Realized Performance Revenues were \$103.4 million for the six months ended June 30, 2024, a decrease of \$27.4 million, compared to \$130.8 million for the six months ended June 30, 2023. The decrease was primarily due to lower Realized Performance Revenues in BREP.

#### *Fund Returns*

Fund return information for our significant funds is included throughout this discussion and analysis to facilitate an understanding of our results of operations for the periods presented. The fund returns information reflected in this discussion and analysis is not indicative of the financial performance of Blackstone and is also not necessarily indicative of the future performance of any particular fund. An investment in Blackstone is not an investment in any of our funds. There can be no assurance that any of our funds or our other existing and future funds will achieve similar returns.

The following table presents the internal rates of return, except where noted, of our significant real estate funds:

Fund (a)	Three Months Ended June 30,				Six Months Ended June 30,				June 30, 2024 Inception to Date			
	2024		2023		2024		2023		Realized		Total	
	Gross	Net	Gross	Net	Gross	Net	Gross	Net	Gross	Net	Gross	Net
BREP VII	-3%	-3%	-8%	-6%	-8%	-8%	-15%	-12%	27%	20%	20%	14%
BREP VIII	-	-1%	-	-1%	1%	-	-2%	-2%	31%	24%	20%	14%
BREP IX	-	-1%	1%	-	-	-1%	1%	-	85%	58%	21%	14%
BREP Europe IV (b)	-6%	-5%	-3%	-3%	-5%	-5%	-6%	-6%	26%	18%	18%	12%
BREP Europe V (b)	-3%	-3%	-1%	-1%	-3%	-3%	-3%	-3%	50%	41%	13%	8%
BREP Europe VI (b)	-	-	4%	2%	1%	-	8%	5%	97%	72%	22%	13%
BREP Asia I	4%	3%	-1%	-	3%	2%	-1%	-1%	23%	16%	18%	12%
BREP Asia II	2%	1%	-1%	-1%	-	-1%	-2%	-	44%	30%	9%	5%
BREP Asia III	4%	-	-	-4%	2%	-5%	3%	-7%	n/a	n/a	-2%	-17%
BREP Co-Investment (c)	4%	3%	2%	2%	2%	-	3%	2%	18%	16%	18%	16%
BPP (d)	-	-	1%	1%	-	-	-2%	-2%	n/a	n/a	7%	6%
BREIT (e)	n/a	-	n/a	2%	n/a	2%	n/a	1%	n/a	n/a	n/a	10%
BREIT - Class I (f)	n/a	1%	n/a	2%	n/a	2%	n/a	1%	n/a	n/a	n/a	10%
BREDS High-Yield (g)	3%	2%	3%	2%	8%	6%	4%	3%	14%	10%	14%	9%
BXMT (h)	n/a	-9%	n/a	20%	n/a	-13%	n/a	5%	n/a	n/a	n/a	5%

**The returns presented herein represent those of the applicable Blackstone Funds and not those of Blackstone.**

n/m Not meaningful generally due to the limited time since initial investment.

n/a Not applicable.

(a) Net returns are based on the change in carrying value (realized and unrealized) after management fees, expenses and Performance Revenues. Excludes investment vehicles where Blackstone does not earn fees.

- (b) Euro-based internal rates of return.
- (c) BREP Co-Investment represents co-investment capital raised for various BREP investments. The Net IRR reflected is calculated by aggregating each co-investment's realized proceeds and unrealized value, as applicable, after management fees, expenses and Performance Revenues.
- (d) The BPP platform, which comprises over 30 funds, co-investment and separately managed account vehicles, represents the Core+ real estate funds which invest with a more modest risk profile and lower leverage.
- (e) Reflects a per share blended return for each respective period, assuming BREIT had a single share class, reinvestment of all dividends received during the period, and no upfront selling commission, net of all fees and expenses incurred by BREIT. These returns are not representative of the returns experienced by any particular investor or share class. Inception to date returns are presented on an annualized basis and are from January 1, 2017.
- (f) Represents the Total Net Return for BREIT's Class I shares, its largest share class. Performance varies by share class. Class I Total Net Return assumes reinvestment of all dividends received during the period, and no upfront selling commission, net of all fees and expenses incurred by BREIT. Inception to date return is from January 1, 2017.
- (g) BREDS High-Yield represents the flagship real estate debt drawdown funds only. Inception to date returns are from July 1, 2009.
- (h) Reflects annualized return of a shareholder invested in BXMT as of the beginning of each period presented, assuming reinvestment of all dividends received during the period, and net of all fees and expenses incurred by BXMT. Return incorporates the closing NYSE stock price as of each period end. Inception to date returns are from May 22, 2013.

*Funds With Closed Investment Periods as of June 30, 2024*

The Real Estate segment has fourteen funds with closed investment periods as of June 30, 2024: BREP IX, BREP VIII, BREP VII, BREP VI, BREP V, BREP IV, BREP Europe VI, BREP Europe V, BREP Europe IV, BREP Europe III, BREP Asia II, BREP Asia I, BREDS IV and BREDS III. As of June 30, 2024, BREP VII, BREP VI, BREP V, BREP IV, BREP Europe IV, BREP Europe III and BREP Asia I were above their carried interest thresholds (i.e., the preferred return payable to its limited partners before the general partner is eligible to receive carried interest) and would have been above their carried interest thresholds even if all remaining investments were valued at zero. BREP IX, BREP VIII, BREP Europe VI, BREP Europe V, BREDS IV and BREDS III were above their carried interest thresholds as of June 30, 2024, and BREP Asia II was below its carried interest threshold. Funds are considered above their carried interest thresholds based on the aggregate fund position, although individual limited partners may be below their respective carried interest thresholds in certain funds.

## Private Equity

The following table presents the results of operations for our Private Equity segment:

	Three Months Ended				Six Months Ended			
	June 30,		2024 vs. 2023		June 30,		2024 vs. 2023	
	2024	2023	\$	%	2024	2023	\$	%
(Dollars in Thousands)								
<b>Management and Advisory Fees, Net</b>								
Base Management Fees	\$ 468,237	\$ 466,761	\$ 1,476	-	\$ 942,828	\$ 942,246	\$ 582	-
Transaction, Advisory and Other Fees, Net	46,238	49,722	(3,484)	-7%	73,129	65,319	7,810	12%
Management Fee Offsets	376	(794)	1,170	n/m	101	(2,104)	2,205	n/m
<b>Total Management and Advisory Fees, Net</b>	<b>514,851</b>	<b>515,689</b>	<b>(838)</b>	<b>-</b>	<b>1,016,058</b>	<b>1,005,461</b>	<b>10,597</b>	<b>1%</b>
Fee Related Performance Revenues	8,703	-	8,703	n/m	8,703	-	8,703	n/m
Fee Related Compensation	(158,068)	(162,379)	4,311	-3%	(320,627)	(330,105)	9,478	-3%
Other Operating Expenses	(87,436)	(77,423)	(10,013)	13%	(177,471)	(157,174)	(20,297)	13%
<b>Fee Related Earnings</b>	<b>278,050</b>	<b>275,887</b>	<b>2,163</b>	<b>1%</b>	<b>526,663</b>	<b>518,182</b>	<b>8,481</b>	<b>2%</b>
Realized Performance Revenues	381,797	220,886	160,911	73%	831,671	721,893	109,778	15%
Realized Performance Compensation	(179,761)	(90,162)	(89,599)	99%	(400,242)	(323,759)	(76,483)	24%
Realized Principal Investment Income	5,725	11,708	(5,983)	-51%	28,154	45,876	(17,722)	-39%
<b>Net Realizations</b>	<b>207,761</b>	<b>142,432</b>	<b>65,329</b>	<b>46%</b>	<b>459,583</b>	<b>444,010</b>	<b>15,573</b>	<b>4%</b>
<b>Segment Distributable Earnings</b>	<b>\$ 485,811</b>	<b>\$ 418,319</b>	<b>\$ 67,492</b>	<b>16%</b>	<b>\$ 986,246</b>	<b>\$ 962,192</b>	<b>\$ 24,054</b>	<b>2%</b>

n/m Not meaningful.

### Three Months Ended June 30, 2024 Compared to Three Months Ended June 30, 2023

Segment Distributable Earnings were \$485.8 million for the three months ended June 30, 2024, an increase of \$67.5 million, compared to \$418.3 million for the three months ended June 30, 2023. The increase in Segment Distributable Earnings was attributable to increases of \$2.2 million in Fee Related Earnings and \$65.3 million in Net Realizations.

Our Private Equity segment's performance in the second quarter of 2024 was driven by particular strength in our Infrastructure and Life Sciences strategies. Specifically, our data center platform was the single largest driver of appreciation in our Infrastructure business and the firm in the second quarter of 2024. We believe our Infrastructure business is well positioned to benefit from the expected increase in demand for digital infrastructure over time. In Corporate Private Equity, our operating companies saw modestly decelerating revenue growth and resilient margin growth overall in the quarter. Recent months have shown signs of an improving market environment, which should support a reacceleration of realizations over time. However, we expect a near-term lag between improving markets and such reacceleration. The market expectation of moderating interest rates and improved investor sentiment have created positive momentum in deployment and fundraising, including in our perpetual capital strategies.



### *Fee Related Earnings*

Fee Related Earnings were \$278.1 million for the three months ended June 30, 2024, an increase of \$2.2 million, compared to \$275.9 million for the three months ended June 30, 2023. The increase in Fee Related Earnings was primarily attributable to an increase of \$8.7 million in Fee Related Performance Revenues and a decrease of \$4.3 million in Fee Related Compensation, partially offset by an increase of \$10.0 million in Other Operating Expenses.

Fee Related Performance Revenues were \$8.7 million for the three months ended June 30, 2024, an increase of \$8.7 million compared to the three months ended June 30, 2023. The increase was primarily due to crystallization of performance revenues in BIP.

Fee Related Compensation was \$158.1 million for the three months ended June 30, 2024, a decrease of \$4.3 million, compared to \$162.4 million for the three months ended June 30, 2023. The decrease was primarily due to lower compensation accruals.

Other Operating Expenses were \$87.4 million for the three months ended June 30, 2024, an increase of \$10.0 million, compared to \$77.4 million for the three months ended June 30, 2023. The increase was primarily due to higher occupancy costs and professional fees, including placement fees.

### *Net Realizations*

Net Realizations were \$207.8 million for the three months ended June 30, 2024, an increase of \$65.3 million, compared to \$142.4 million for the three months ended June 30, 2023. The increase in Net Realizations was primarily attributable to an increase of \$160.9 million in Realized Performance Revenues, partially offset by an increase of \$89.6 million in Realized Performance Compensation.

Realized Performance Revenues were \$381.8 million for the three months ended June 30, 2024, an increase of \$160.9 million, compared to \$220.9 million for the three months ended June 30, 2023. The increase was primarily due to increases in Realized Performance Revenues in Corporate Private Equity and Tactical Opportunities.

Realized Performance Compensation was \$179.8 million for the three months ended June 30, 2024, an increase of \$89.6 million, compared to \$90.2 million for the three months ended June 30, 2023. The increase was primarily due to increases in Realized Performance Compensation in Corporate Private Equity and Tactical Opportunities.

### *Six Months Ended June 30, 2024 Compared to Six Months Ended June 30, 2023*

Segment Distributable Earnings were \$986.2 million for the six months ended June 30, 2024, an increase of \$24.1 million, compared to \$962.2 million for the six months ended June 30, 2023. The increase in Segment Distributable Earnings was attributable to increases of \$8.5 million in Fee Related Earnings and \$15.6 million in Net Realizations.

### *Fee Related Earnings*

Fee Related Earnings were \$526.7 million for the six months ended June 30, 2024, an increase of \$8.5 million, compared to \$518.2 million for the six months ended June 30, 2023. The increase in Fee Related Earnings was attributable to increases of \$10.6 million in Management and Advisory Fees, Net, \$8.7 million in Fee Related Performance Revenues and a decrease of \$9.5 million in Fee Related Compensation, partially offset by an increase of \$20.3 million in Other Operating Expenses.

Management and Advisory Fees, Net were \$1.0 billion for the six months ended June 30, 2024, an increase of \$10.6 million compared to the six months ended June 30, 2023, primarily driven by an increase in Transaction, Advisory and Other Fees, Net. Transaction, Advisory and Other Fees, Net increased \$7.8 million primarily due to deal activity in BXCM.



Fee Related Performance Revenues was \$8.7 million for the six months ended June 30, 2024, an increase of \$8.7 million compared to the six months ended June 30, 2023. The increase was primarily due to crystallization of performance revenues in BIP.

Fee Related Compensation was \$320.6 million for the six months ended June 30, 2024, a decrease of \$9.5 million, compared to \$330.1 million for the six months ended June 30, 2023. The decrease was primarily due to lower compensation accruals.

Other Operating Expenses were \$177.5 million for the six months ended June 30, 2024, an increase of \$20.3 million, compared to \$157.2 million for the six months ended June 30, 2023. The increase was primarily due to higher occupancy costs and professional fees, including placement fees.

#### *Net Realizations*

Net Realizations were \$459.6 million for the six months ended June 30, 2024, an increase of \$15.6 million, compared to \$444.0 million for the six months ended June 30, 2023. The increase in Net Realizations was attributable to an increase of \$109.8 million in Realized Performance Revenues, partially offset by an increase of \$76.5 million in Realized Performance Compensation and a decrease of \$17.7 million in Realized Principal Investment Income.

Realized Performance Revenues were \$831.7 million for the six months ended June 30, 2024, an increase of \$109.8 million, compared to \$721.9 million for the six months ended June 30, 2023. The increase was primarily due to increases in Realized Performance Revenues in Corporate Private Equity and Tactical Opportunities.

Realized Performance Compensation was \$400.2 million for the six months ended June 30, 2024, an increase of \$76.5 million, compared to \$323.8 million for the six months ended June 30, 2023. The increase was primarily due to increases in Realized Performance Compensation in Corporate Private Equity and Tactical Opportunities.

Realized Principal Investment Income was \$28.2 million for the six months ended June 30, 2024, a decrease of \$17.7 million, compared to \$45.9 million for the six months ended June 30, 2023. The decrease was primarily due to decreases in Realized Principal Investment Income in Corporate Private Equity and GP Stakes.

#### *Fund Returns*

Fund returns information for our significant funds is included throughout this discussion and analysis to facilitate an understanding of our results of operations for the periods presented. The fund returns information reflected in this discussion and analysis is not indicative of the financial performance of Blackstone and is also not necessarily indicative of the future performance of any particular fund. An investment in Blackstone is not an investment in any of our funds. There can be no assurance that any of our funds or our other existing and future funds will achieve similar returns.

The following table presents the internal rates of return of our significant private equity funds:

Fund (a)	Three Months Ended June 30,				Six Months Ended June 30,				June 30, 2024 Inception to Date			
	2024		2023		2024		2023		Realized		Total	
	Gross	Net	Gross	Net	Gross	Net	Gross	Net	Gross	Net	Gross	Net
BCP VI	-5%	-4%	3%	3%	-	-	5%	4%	19%	14%	17%	12%
BCP VII	2%	1%	4%	4%	5%	4%	9%	8%	34%	25%	18%	13%
BCP VIII	1%	-	2%	1%	4%	2%	5%	2%	n/m	n/m	18%	10%
BEP I	-4%	-3%	7%	6%	7%	6%	-9%	-8%	18%	14%	15%	11%
BEP II	2%	1%	6%	2%	14%	6%	6%	4%	15%	11%	13%	8%
BEP III	3%	2%	13%	10%	8%	6%	23%	18%	77%	55%	46%	30%
BCP Asia I	9%	8%	-	-	7%	5%	-3%	-3%	71%	51%	38%	26%
BCP Asia II	14%	12%	n/m	n/m	20%	15%	n/m	n/m	n/m	n/m	57%	26%
BCEP I (b)	1%	1%	-2%	-2%	4%	3%	-1%	-1%	64%	58%	20%	17%
BCEP II (b)	6%	5%	2%	1%	8%	6%	7%	5%	n/a	n/a	21%	15%
Tactical Opportunities	1%	1%	2%	-	4%	2%	4%	1%	19%	16%	15%	10%
Tactical Opportunities Co-Investment and Other	3%	3%	1%	1%	4%	5%	3%	4%	22%	21%	19%	16%
BXG I	2%	1%	-2%	-2%	1%	-	-2%	-3%	n/m	n/m	2%	-2%
Strategic Partners VI (c)	-	-	1%	1%	-	-	-1%	-1%	n/a	n/a	18%	15%
Strategic Partners VII (c)	-4%	-4%	-	-1%	-1%	-2%	1%	-	n/a	n/a	21%	16%
Strategic Partners Real Assets II (c)	1%	1%	17%	15%	9%	8%	18%	15%	n/a	n/a	19%	16%
Strategic Partners VIII (c)	1%	-	-	-	1%	-	2%	1%	n/a	n/a	33%	26%
Strategic Partners Real Estate, SMA and Other (c)	-2%	-4%	1%	-	-3%	-6%	-1%	-1%	n/a	n/a	14%	13%
Strategic Partners Infrastructure III (c)	4%	3%	3%	2%	5%	3%	5%	2%	n/a	n/a	35%	24%
Strategic Partners IX (c)	10%	8%	13%	10%	17%	13%	15%	10%	n/a	n/a	33%	21%
Strategic Partners GP Solutions (c)	-1%	-2%	-7%	-7%	-	-1%	-7%	-7%	n/a	n/a	2%	-3%
BIP	6%	5%	3%	2%	12%	9%	-	-	n/a	n/a	21%	16%
Clarus IV	12%	10%	-5%	-5%	13%	11%	2%	1%	11%	6%	16%	10%
BXLS V	14%	11%	-	-2%	16%	12%	6%	2%	n/m	n/m	28%	15%

The returns presented herein represent those of the applicable Blackstone Funds and not those of Blackstone.

n/m Not meaningful generally due to the limited time since initial investment.

n/a Not applicable.

SMA Separately managed account.

(a) Net returns are based on the change in carrying value (realized and unrealized) after management fees, expenses and Performance Revenues. Excludes investment vehicles where Blackstone does not earn fees.

(b) BCEP is a core private equity strategy which invests with a more modest risk profile and longer hold period than traditional private equity.

(c) Gross and net returns are reported on a three-month lag, reflect Strategic Partners' fund financial performance as of the prior quarter and therefore do not include the impact of economic and market activities in the current quarter. Realizations are treated as returns of capital until fully recovered and therefore inception to date realized returns are not applicable.

#### *Funds With Closed Investment Periods as of June 30, 2024*

The Corporate Private Equity funds have eleven funds with closed investment periods: BCP IV, BCP V, BCP VI, BCP VII, BCP VIII, BCOM, BEP I, BEP II, BEP III, BCEP I and BCP Asia I. As of June 30, 2024, BCP IV was above its carried interest threshold (i.e., the preferred return payable to its limited partners before the general partner is eligible to receive carried interest) and would still be above its carried interest threshold even if all remaining investments were valued at zero. BCP V is comprised of two fund classes, the BCP V “main fund” and BCP V-AC fund. Within these fund classes, the general partner is subject to equalization such that (a) the general partner accrues carried interest when the respective carried interest for either fund class is positive and (b) the general partner realizes carried interest so long as clawback obligations, if any, for either of the respective fund classes are fully satisfied. BCP V, BCP VI, BCP VII, BCOM, BEP I, BEP II, BCEP I and BCP Asia I were above their respective carried interest thresholds. Funds are considered above their carried interest thresholds based on the aggregate fund position, although individual limited partners may be below their respective carried interest thresholds in certain funds.

Tactical Opportunities funds have various funds with closed investment periods, including but not limited to: BTOF-POOL, BTOF-POOL II, and BTOF-POOL III, which are each above their carried interest thresholds based on aggregate fund position. Blackstone Growth funds have no funds with closed investment periods. Secondaries funds have various funds with closed investment periods, including but not limited to: Strategic Partners Infrastructure III, Strategic Partners VIII, Strategic Partners Real Estate VII and BSCH I which are above their respective carried interest thresholds based on aggregate fund position. Certain Strategic Partners funds with closed investment periods do not generate carried interest for Blackstone as agreed to at the time the Strategic Partners business was acquired. Blackstone Life Sciences funds has one fund with a closed investment period: Clarus IV, which was above its carried interest threshold.

## Credit & Insurance

The following table presents the results of operations for our Credit & Insurance segment:

	Three Months Ended				Six Months Ended			
	June 30,		2024 vs. 2023		June 30,		2024 vs. 2023	
	2024	2023	\$	%	2024	2023	\$	%
(Dollars in Thousands)								
Management Fees, Net								
Base Management Fees	\$ 380,943	\$ 326,066	\$ 54,877	17%	\$ 741,864	\$ 643,319	\$ 98,545	15%
Transaction and Other Fees, Net	10,250	14,995	(4,745)	-32%	20,036	23,443	(3,407)	-15%
Management Fee Offsets	(993)	(1,056)	63	-6%	(1,885)	(2,157)	272	-13%
Total Management Fees, Net	390,200	340,005	50,195	15%	760,015	664,605	95,410	14%
Fee Related Performance Revenues	167,758	135,439	32,319	24%	333,301	262,935	70,366	27%
Fee Related Compensation	(172,551)	(165,147)	(7,404)	4%	(351,072)	(326,234)	(24,838)	8%
Other Operating Expenses	(88,348)	(80,443)	(7,905)	10%	(172,924)	(154,008)	(18,916)	12%
<b>Fee Related Earnings</b>	<b>297,059</b>	<b>229,854</b>	<b>67,205</b>	<b>29%</b>	<b>569,320</b>	<b>447,298</b>	<b>122,022</b>	<b>27%</b>
Realized Performance Revenues	91,247	42,344	48,903	115%	106,367	167,525	(61,158)	-37%
Realized Performance Compensation	(37,738)	(17,572)	(20,166)	115%	(43,059)	(74,063)	31,004	-42%
Realized Principal Investment Income (Loss)	3,511	(19,394)	22,905	n/m	7,072	(13,428)	20,500	n/m
<b>Net Realizations</b>	<b>57,020</b>	<b>5,378</b>	<b>51,642</b>	<b>960%</b>	<b>70,380</b>	<b>80,034</b>	<b>(9,654)</b>	<b>-12%</b>
<b>Segment Distributable Earnings</b>	<b>\$ 354,079</b>	<b>\$ 235,232</b>	<b>\$ 118,847</b>	<b>51%</b>	<b>\$ 639,700</b>	<b>\$ 527,332</b>	<b>\$ 112,368</b>	<b>21%</b>

n/m Not meaningful.

### Three Months Ended June 30, 2024 Compared to Three Months Ended June 30, 2023

Segment Distributable Earnings were \$354.1 million for the three months ended June 30, 2024, an increase of \$118.8 million, compared to \$235.2 million for the three months ended June 30, 2023. The increase in Segment Distributable Earnings was attributable to increases of \$67.2 million in Fee Related Earnings and \$51.6 million in Net Realizations.

Our Credit & Insurance segment continued to demonstrate strong performance in the second quarter of 2024. Longer-term structural shifts in the lending market have contributed to attractive and sizeable deployment opportunities in the segment, which invested or committed \$20.6 billion in the second quarter of 2024. We expect strong demand for both investment grade and non-investment grade strategies to be supportive of continued capital deployment. Credit & Insurance has also benefited from an environment of high interest rates. Despite this environment, default rates across corporate issuers in our credit funds' portfolios remained low in the second quarter of 2024. A steep decline in interest rates and/or widening of credit spreads would, however, make it more difficult for our credit funds to replicate their recent strong performance.

Fundraising in our Credit & Insurance segment, including in our perpetual capital strategies, continued to be positively impacted by the long-term structural shifts in the lending market. We continue to see strong interest in non-investment grade strategies such as opportunistic and direct lending as well as significant demand for investment grade private credit. Similarly, we see robust momentum in our perpetual capital strategies, with \$3.4 billion of subscriptions in BCRED in the second quarter of 2024, its highest in two years. We believe the long-term growth trajectory is positive and that strong investment performance and investor under-allocation to such private wealth strategies should continue to drive flows over the long-term.

### *Fee Related Earnings*

Fee Related Earnings were \$297.1 million for the three months ended June 30, 2024, an increase of \$67.2 million, compared to \$229.9 million for the three months ended June 30, 2023. The increase in Fee Related Earnings was attributable to increases of \$50.2 million in Management Fees, Net and \$32.3 million in Fee Related Performance Revenues, partially offset by an increase of \$7.9 million in Other Operating Expenses.

Management Fees, Net were \$390.2 million for the three months ended June 30, 2024, an increase of \$50.2 million, compared to \$340.0 million for the three months ended June 30, 2023, primarily driven by an increase in Base Management Fees. Base Management Fees increased \$54.9 million primarily due to an increase in Fee-Earning Assets Under Management in direct lending.

Fee Related Performance Revenues were \$167.8 million for the three months ended June 30, 2024, an increase of \$32.3 million, compared to \$135.4 million for the three months ended June 30, 2023. The increase was primarily due to higher net investment income and Fee-Earning Assets Under Management in BCRED.

Other Operating Expenses were \$88.3 million for the three months ended June 30, 2024, an increase of \$7.9 million, compared to \$80.4 million for the three months ended June 30, 2023. The increase was primarily due to higher technology-related expenses and professional fees.

### *Net Realizations*

Net Realizations were \$57.0 million for the three months ended June 30, 2024, an increase of \$51.6 million, compared to \$5.4 million for the three months ended June 30, 2023. The increase in Net Realizations was attributable to increases of \$48.9 million in Realized Performance Revenues and \$22.9 million in Realized Principal Investment Income (Loss), partially offset by an increase in \$20.2 million in Realized Performance Compensation.

Realized Performance Revenues were \$91.2 million for the three months ended June 30, 2024, an increase of \$48.9 million, compared to \$42.3 million for the three months ended June 30, 2023. The increase was primarily due to higher Realized Performance Revenues in our infrastructure and asset based credit strategies.

Realized Principal Investment Income (Loss) was \$3.5 million for the three months ended June 30, 2024, an increase of \$22.9 million, compared to \$(19.4) million for the three months ended June 30, 2023. The increase was primarily due to a lower realized loss related to the insurance platform.

Realized Performance Compensation was \$37.7 million for the three months ended June 30, 2024, an increase of \$20.2 million, compared to \$17.6 million for the three months ended June 30, 2023. The increase was primarily due to the increase in Realized Performance Revenues.

### *Six Months Ended June 30, 2024 Compared to Six Months Ended June 30, 2023*

Segment Distributable Earnings were \$639.7 million for the six months ended June 30, 2024, an increase of \$112.4 million, compared to \$527.3 million for the six months ended June 30, 2023. The increase in Segment Distributable Earnings was attributable to an increase of \$122.0 million in Fee Related Earnings, partially offset by a decrease of \$9.7 million in Net Realizations.

### *Fee Related Earnings*

Fee Related Earnings were \$569.3 million for the six months ended June 30, 2024, an increase of \$122.0 million, compared to \$447.3 million for the six months ended June 30, 2023. The increase in Fee Related Earnings was attributable to increases of \$95.4 million in Management Fees, Net and \$70.4 million in Fee Related Performance Revenues, partially offset by an increase of \$24.8 million in Fee Related Compensation.

Management Fees, Net were \$760.0 million for the six months ended June 30, 2024, an increase of \$95.4 million, compared to \$664.6 million for the six months ended June 30, 2023, primarily driven by an increase in Base Management Fees. Base Management Fees increased \$98.5 million primarily due to inflows from Fee-Earning Assets Under Management in direct lending.

Fee Related Performance Revenues were \$333.3 million for the six months ended June 30, 2024, an increase of \$70.4 million, compared to \$262.9 million for the six months ended June 30, 2023. The increase was primarily due to higher net investment income and Fee-Earning Assets Under Management in BCRED.

Fee Related Compensation was \$351.1 million for the six months ended June 30, 2024, an increase of \$24.8 million, compared to \$326.2 million for the six months ended June 30, 2023. The increase was primarily due to increases in Management Fees, Net and Fee Related Performance Revenues, both of which impact Fee Related Compensation.

#### *Net Realizations*

Net Realizations were \$70.4 million for the six months ended June 30, 2024, a decrease of \$9.7 million, compared to \$80.0 million for the six months ended June 30, 2023. The decrease in Net Realizations was attributable to a decrease of \$61.2 million in Realized Performance Revenues, partially offset by a decrease of \$31.0 million in Realized Performance Compensation and an increase of \$20.5 million in Realized Principal Investment Income (Loss).

Realized Performance Revenues were \$106.4 million for the six months ended June 30, 2024, a decrease of \$61.2 million, compared to \$167.5 million for the six months ended June 30, 2023. The decrease was primarily due to lower Realized Performance Revenues in mezzanine funds.

Realized Performance Compensation was \$43.1 million for the six months ended June 30, 2024, a decrease of \$31.0 million, compared to \$74.1 million for the six months ended June 30, 2023. The decrease was primarily due to the decrease in Realized Performance Revenues.

Realized Principal Investment Income (Loss) was \$7.1 million for the six months ended June 30, 2024, an increase of \$20.5 million, compared to \$(13.4) million for the six months ended June 30, 2023. The increase was primarily due to a lower realized loss related to the insurance platform.

#### *Composite Returns*

Composite returns information is included throughout this discussion and analysis to facilitate an understanding of our results of operations for the periods presented. The composite returns information reflected in this discussion and analysis is not indicative of the financial performance of Blackstone and is also not necessarily indicative of the future results of any particular fund or composite. An investment in Blackstone is not an investment in any of our funds or composites. There can be no assurance that any of our funds or composites or our other existing and future funds or composites will achieve similar returns.

The following table presents the return information for the Private Credit and Liquid Credit composites:

	Three Months Ended				Six Months Ended				June 30, 2024	
	June 30,				June 30,				Inception to Date	
	2024		2023		2024		2023		Gross	Net
Composite (a)	Gross	Net	Gross	Net	Gross	Net	Gross	Net	Gross	Net
Private Credit (b)	4%	3%	3%	3%	8%	6%	7%	5%	12%	8%
Liquid Credit (b)	2%	2%	3%	3%	4%	4%	6%	6%	5%	5%

**The returns presented herein represent those of the applicable Blackstone Funds and not those of Blackstone.**

- (a) Net returns are based on the change in carrying value (realized and unrealized) after management fees, expenses and Performance Allocations, net of tax advances.
- (b) Private Credit returns include mezzanine lending funds and middle market direct lending funds (including BXSL and BCRED), stressed/distressed strategies (including stressed/distressed funds and credit alpha strategies) and energy strategies. Liquid Credit returns include CLOs, closed-ended funds, open-ended funds and separately managed accounts. Only fee-earning funds exceeding \$100 million of fair value at the beginning of each respective quarter-end are included. Funds in liquidation, funds investing primarily in investment grade corporate credit and asset based finance funds are excluded. Blackstone Funds that were contributed to BXC as part of Blackstone's acquisition of BXC in March 2008 and the pre-acquisition date performance for funds and vehicles acquired by BXC subsequent to March 2008, are also excluded. Private Credit and Liquid Credit's inception to date returns are from December 31, 2005.

### *Operating Metrics*

The following table presents information regarding our Invested Performance Eligible Assets Under Management:

	Invested Performance Eligible Assets Under Management		Estimated % Above High Water Mark/ Hurdle (a)	
	As of June 30,		As of June 30,	
	2024	2023	2024	2023
	(Dollars in Thousands)			
Credit & Insurance (b)	\$ 98,471,521	\$ 84,442,287	96%	93%

- (a) Estimated % Above High Water Mark/Hurdle represents the percentage of Invested Performance Eligible Assets Under Management that as of the dates presented would earn performance fees when the applicable Credit & Insurance managed fund has positive investment performance relative to a hurdle, where applicable. Incremental positive performance in the applicable Blackstone Funds may cause additional assets to reach their respective High Water Mark or clear a hurdle return, thereby resulting in an increase in Estimated % Above High Water Mark/Hurdle.
- (b) For the Credit & Insurance managed funds, at June 30, 2024, the incremental appreciation needed for the 4% of Invested Performance Eligible Assets Under Management below their respective High Water Marks/Hurdles to reach their respective High Water Marks/Hurdles was \$915.6 million, a decrease of \$(1.3) billion, compared to \$2.2 billion at June 30, 2023. Of the Invested Performance Eligible Assets Under Management below their respective High Water Marks/Hurdles as of June 30, 2024, 6% were within 5% of reaching their respective High Water Mark.

## Multi-Asset Investing

The following table presents the results of operations for our Multi-Asset Investing segment:

	Three Months Ended				Six Months Ended			
	June 30,		2024 vs. 2023		June 30,		2024 vs. 2023	
	2024	2023	\$	%	2024	2023	\$	%
(Dollars in Thousands)								
Management Fees, Net								
Base Management Fees	\$ 116,602	\$ 117,805	\$ (1,203)	-1%	\$ 231,641	\$ 239,227	\$ (7,586)	-3%
Transaction and Other Fees, Net	908	952	(44)	-5%	1,979	2,056	(77)	-4%
Management Fee Offsets	(80)	(1)	(79)	n/m	(80)	(3)	(77)	n/m
Total Management Fees, Net	117,430	118,756	(1,326)	-1%	233,540	241,280	(7,740)	-3%
Fee Related Compensation	(37,890)	(42,276)	4,386	-10%	(76,318)	(84,824)	8,506	-10%
Other Operating Expenses	(24,960)	(27,551)	2,591	-9%	(49,565)	(51,702)	2,137	-4%
Fee Related Earnings	54,580	48,929	5,651	12%	107,657	104,754	2,903	3%
Realized Performance Revenues	16,373	5,472	10,901	199%	37,805	9,714	28,091	289%
Realized Performance Compensation	(8,263)	(1,043)	(7,220)	692%	(13,622)	(3,814)	(9,808)	257%
Realized Principal Investment Income (Loss)	283	295	(12)	-4%	(17,962)	1,628	(19,590)	n/m
Net Realizations	8,393	4,724	3,669	78%	6,221	7,528	(1,307)	-17%
Segment Distributable Earnings	\$ 62,973	\$ 53,653	\$ 9,320	17%	\$ 113,878	\$ 112,282	\$ 1,596	1%

n/m Not meaningful.

### Three Months Ended June 30, 2024 Compared to Three Months Ended June 30, 2023

Segment Distributable Earnings were \$63.0 million for the three months ended June 30, 2024, an increase of \$9.3 million, compared to \$53.7 million for the three months ended June 30, 2023. The increase in Segment Distributable Earnings was attributable to increases of \$5.7 million in Fee Related Earnings and \$3.7 million in Net Realizations.

Nearly all strategies across our Multi-Asset Investing segment exhibited positive performance in the second quarter of 2024, with significantly less volatility than the broader markets. The Absolute Return Composite had its seventeenth consecutive quarter of positive performance, benefiting from performance across strategies, including equities, credit and quantitative. Segment Distributable Earnings in the Multi-Asset Investing segment would likely be negatively impacted, however, by a significant or sustained weak market environment or decline in asset prices, including as a result of concerns over macroeconomic factors. In addition, certain of our strategies are designed to benefit from a high interest rate environment. A steep decline in interest rates may make it more difficult for these Multi-Asset Investing strategies to replicate their positive performance. Conversely, if interest rates remain at sustained high levels for an extended period, certain investors may seek to reallocate capital away from traditional Multi-Asset Investing strategies in favor of fixed income investments. Outperformance by our Multi-Asset Investing segment strategies in a weak market environment has in some cases resulted in such strategies representing an increasing portion of the value of certain investors' portfolios, which may limit such investors' ability to allocate additional capital to certain funds in the segment, or result in such investors seeking to withdraw capital from such funds.



### *Fee Related Earnings*

Fee Related Earnings were \$54.6 million for the three months ended June 30, 2024, an increase of \$5.7 million, compared to \$48.9 million for the three months ended June 30, 2023. The increase in Fee Related Earnings was primarily attributable to a decrease of \$4.4 million in Fee Related Compensation.

Fee Related Compensation was \$37.9 million for the three months ended June 30, 2024, a decrease of \$4.4 million, compared to \$42.3 million for the three months ended June 30, 2023. The decrease was primarily due to a decrease in Management Fees, Net, on which a portion of Fee Related Compensation is based.

### *Net Realizations*

Net Realizations were \$8.4 million for the three months ended June 30, 2024, an increase of \$3.7 million, compared to \$4.7 million for the three months ended June 30, 2023. The increase in Net Realizations was primarily attributable to an increase of \$10.9 million in Realized Performance Revenues, partially offset by an increase of \$7.2 million in Realized Performance Compensation.

Realized Performance Revenues were \$16.4 million for the three months ended June 30, 2024, an increase of \$10.9 million, compared to \$5.5 million for the three months ended June 30, 2023. The increase was primarily due to higher Realized Performance Revenues in Absolute Return.

Realized Performance Compensation was \$8.3 million for the three months ended June 30, 2024, an increase of \$7.2 million, compared to \$1.0 million for the three months ended June 30, 2023. The increase was primarily due to the increase in Realized Performance Revenues.

### *Six Months Ended June 30, 2024 Compared to Six Months Ended June 30, 2023*

Segment Distributable Earnings were \$113.9 million for the six months ended June 30, 2024, an increase of \$1.6 million, compared to \$112.3 million for the six months ended June 30, 2023. The increase in Segment Distributable Earnings was attributable to an increase of \$2.9 million in Fee Related Earnings, partially offset by a decrease of \$1.3 million in Net Realizations.

### *Fee Related Earnings*

Fee Related Earnings were \$107.7 million for the six months ended June 30, 2024, an increase of \$2.9 million, compared to \$104.8 million for the six months ended June 30, 2023. The increase in Fee Related Earnings was primarily attributable to a decrease of \$8.5 million in Fee Related Compensation, partially offset by a decrease of \$7.7 million in Management Fees, Net.

Fee Related Compensation was \$76.3 million for the six months ended June 30, 2024, a decrease of \$8.5 million, compared to \$84.8 million for the six months ended June 30, 2023. The decrease was primarily due to a decrease in Management Fees, Net, on which a portion of Fee Related Compensation is based.

Management Fees, Net were \$233.5 million for the six months ended June 30, 2024, a decrease of \$7.7 million, compared to \$241.3 million for the six months ended June 30, 2023, primarily due to a decrease in Base Management Fees. Base Management Fees decreased \$7.6 million, primarily driven by a decrease in Fee-Earning Assets Under Management in Absolute Return.

### *Net Realizations*

Net Realizations were \$6.2 million for the six months ended June 30, 2024, a decrease of \$1.3 million, compared to \$7.5 million for the six months ended June 30, 2023. The decrease in Net Realizations was attributable to a decrease of \$19.6 million in Realized Principal Investment Income (Loss) and an increase of \$9.8 million in Realized Performance Compensation, partially offset by an increase of \$28.1 million in Realized Performance Revenues.

Realized Principal Investment Income (Loss) was \$(18.0) million for the six months ended June 30, 2024, a decrease of \$19.6 million, compared to \$1.6 million for the six months ended June 30, 2023. The decrease was primarily due to higher realized losses in Multi Strategy.

Realized Performance Compensation was \$13.6 million for the six months ended June 30, 2024, an increase of \$9.8 million, compared to \$3.8 million for the six months ended June 30, 2023. The increase was primarily due to the increase in Realized Performance Revenues.

Realized Performance Revenues were \$37.8 million for the six months ended June 30, 2024, an increase of \$28.1 million, compared to \$9.7 million for the six months ended June 30, 2023. The increase was primarily due to higher Realized Performance Revenues in Absolute Return and Multi-Strategy.

### Composite Returns

Composite returns information is included throughout this discussion and analysis to facilitate an understanding of our results of operations for the periods presented. The composite returns information reflected in this discussion and analysis is not indicative of the financial performance of Blackstone and is also not necessarily indicative of the future results of any particular fund or composite. An investment in Blackstone is not an investment in any of our funds or composites. There can be no assurance that any of our funds or composites or our other existing and future funds or composites will achieve similar returns.

The following table presents the return information of the Absolute Return Composite:

Composite	Three Months Ended June 30,				Six Months Ended June 30,				Average Annual Returns (a) Periods Ended June 30, 2024							
	2024		2023		2024		2023		One Year		Three Year		Five Year		Historical	
	Gross	Net	Gross	Net	Gross	Net	Gross	Net	Gross	Net	Gross	Net	Gross	Net	Gross	Net
Absolute Return Composite (b)	2%	2%	2%	2%	7%	6%	3%	2%	12%	11%	7%	6%	7%	6%	7%	6%

**The returns presented herein represent those of the applicable Blackstone Funds and not those of Blackstone.**

- (a) Composite returns present a summarized asset-weighted return measure to evaluate the overall performance of the applicable class of Blackstone Funds.
- (b) Absolute Return Composite covers the period from January 2000 to present, although BXMA's inception date is September 1990. The Absolute Return Composite includes only BXMA-managed commingled and customized multi-manager funds and accounts and does not include BXMA's liquid solutions, seeding, Multi-Strategy, Harvest and advisory (non-discretionary) platforms, except for investments by Absolute Return funds directly into those platforms. BXMA-managed funds in liquidation and, in the case of net returns, non-fee-paying assets are also excluded. The funds/accounts that comprise the Absolute Return Composite are not managed within a single fund or account and are managed with different mandates. There is no guarantee that BXMA would have made the same mix of investments in a stand-alone fund/account. The Absolute Return Composite is not an investible product and, as such, the performance of the Absolute Return Composite does not represent the performance of an actual fund or account. The historical return is from January 1, 2000.

## Operating Metrics

The following table presents information regarding our Invested Performance Eligible Assets Under Management:

	Invested Performance Eligible Assets Under Management		Estimated % Above High Water Mark/ Benchmark (a)	
	As of June 30,		As of June 30,	
	2024	2023	2024	2023
	(Dollars in Thousands)			
Multi-Asset Investing Managed Funds (b)	\$ 48,232,338	\$ 43,726,897	98%	85%

- (a) Estimated % Above High Water Mark/Benchmark represents the percentage of Invested Performance Eligible Assets Under Management that as of the dates presented would earn performance fees when the applicable Multi-Asset Investing managed fund has positive investment performance relative to a benchmark, where applicable. Incremental positive performance in the applicable Blackstone Funds may cause additional assets to reach their respective High Water Mark or clear a benchmark return, thereby resulting in an increase in Estimated % Above High Water Mark/Benchmark.
- (b) For the Multi-Asset Investing managed funds, at June 30, 2024, the incremental appreciation needed for the 2% of Invested Performance Eligible Assets Under Management below their respective High Water Marks/Benchmarks to reach their respective High Water Marks/Benchmarks was \$161.4 million, a decrease of \$(381.1) million, compared to \$542.5 million at June 30, 2023. Of the Invested Performance Eligible Assets Under Management below their respective High Water Marks/Benchmarks as of June 30, 2024, 21% were within 5% of reaching their respective High Water Mark.

## Non-GAAP Financial Measures

These non-GAAP financial measures are presented without the consolidation of any Blackstone Funds that are consolidated into the condensed consolidated financial statements. Consequently, all non-GAAP financial measures exclude the assets, liabilities and operating results related to the Blackstone Funds. See “—Key Financial Measures and Indicators” for our definitions of Distributable Earnings, Segment Distributable Earnings, Fee Related Earnings and Adjusted EBITDA.

The following table is a reconciliation of Net Income (Loss) Attributable to Blackstone Inc. to Distributable Earnings, Total Segment Distributable Earnings, Fee Related Earnings and Adjusted EBITDA:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2023	2024	2023
(Dollars in Thousands)				
<b>Net Income Attributable to Blackstone Inc.</b>	\$ 444,414	\$ 601,274	\$ 1,291,800	\$ 687,086
Net Income Attributable to Non-Controlling Interests in Blackstone Holdings	403,108	495,309	1,088,547	552,009
Net Income Attributable to Non-Controlling Interests in Consolidated Entities	100,583	89,436	203,410	164,305
Net Income (Loss) Attributable to Redeemable Non-Controlling Interests in Consolidated Entities	258	17,688	(39,411)	10,988
<b>Net Income</b>	948,363	1,203,707	2,544,346	1,414,388
Provision for Taxes	260,246	223,269	543,917	270,944
<b>Net Income Before Provision for Taxes</b>	1,208,609	1,426,976	3,088,263	1,685,332
Transaction-Related and Non-Recurring Items (a)	4,962	2,228	57,159	10,849
Amortization of Intangibles (b)	7,333	7,412	14,666	18,753
Impact of Consolidation (c)	(100,841)	(107,124)	(163,999)	(175,293)
Unrealized Performance Revenues (d)	(122,239)	(114,379)	(568,175)	644,937
Unrealized Performance Allocations Compensation (e)	101,680	54,155	282,580	(259,094)
Unrealized Principal Investment (Income) Loss (f)	38,125	(160,702)	(404,851)	318,418
Other Revenues (g)	(19,541)	31,718	(64,288)	45,898
Equity-Based Compensation (h)	295,396	249,755	613,175	517,889
Administrative Fee Adjustment (i)	2,465	2,413	4,942	4,860
Taxes and Related Payables (j)	(163,728)	(180,380)	(340,873)	(351,385)
<b>Distributable Earnings</b>	1,252,221	1,212,072	2,518,599	2,461,164
Taxes and Related Payables (j)	163,728	180,380	340,873	351,385
Net Interest and Dividend (Income) Loss (k)	3,425	(46,110)	13,226	(37,002)
<b>Total Segment Distributable Earnings</b>	1,419,374	1,346,342	2,872,698	2,775,547
Realized Performance Revenues (l)	(542,889)	(388,423)	(1,079,282)	(1,029,949)
Realized Performance Compensation (m)	251,057	178,370	504,081	474,394
Realized Principal Investment Income (n)	(16,572)	7,461	(26,510)	(36,230)
<b>Fee Related Earnings</b>	\$ 1,110,970	\$ 1,143,750	\$ 2,270,987	\$ 2,183,762
<b>Adjusted EBITDA Reconciliation</b>				
<b>Distributable Earnings</b>	\$ 1,252,221	\$ 1,212,072	\$ 2,518,599	\$ 2,461,164
Interest Expense (o)	108,424	107,130	216,064	211,339
Taxes and Related Payables (j)	163,728	180,380	340,873	351,385
Depreciation and Amortization (p)	25,336	24,100	51,389	47,275
<b>Adjusted EBITDA</b>	\$ 1,549,709	\$ 1,523,682	\$ 3,126,925	\$ 3,071,163

- (a) This adjustment removes Transaction-Related and Non-Recurring Items, which are excluded from Blackstone's segment presentation. Transaction-Related and Non-Recurring Items arise from corporate actions including acquisitions, divestitures, Blackstone's initial public offering and non-recurring gains, losses, or other charges, if any. They consist primarily of equity-based compensation charges, gains and losses on contingent consideration arrangements, changes in the balance of the Tax Receivable Agreement resulting from a change in tax law or similar event, transaction costs, gains or losses associated with these corporate actions and non-recurring gains, losses or other charges that affect period-to-period comparability and are not reflective of Blackstone's operational performance. For the six months ended June 30, 2024, this adjustment includes removal of an accrual for an estimated liability for a legal matter.
- (b) This adjustment removes the amortization of transaction-related intangibles, which are excluded from Blackstone's segment presentation.
- (c) This adjustment reverses the effect of consolidating Blackstone Funds, which are excluded from Blackstone's segment presentation. This adjustment includes the elimination of Blackstone's interest in these funds and the removal of amounts associated with the ownership of Blackstone consolidated operating partnerships held by non-controlling interests.
- (d) This adjustment removes Unrealized Performance Revenues on a segment basis. The Segment Adjustment represents the add back of performance revenues earned from consolidated Blackstone Funds which have been eliminated in consolidation.

	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2023	2024	2023
(Dollars in Thousands)				
GAAP Unrealized Performance Allocations	\$ 122,229	\$ 114,395	\$ 568,172	\$ (644,817)
Segment Adjustment	10	(16)	3	(120)
Unrealized Performance Revenues	<u>\$ 122,239</u>	<u>\$ 114,379</u>	<u>\$ 568,175</u>	<u>\$ (644,937)</u>

- (e) This adjustment removes Unrealized Performance Allocations Compensation.
- (f) This adjustment removes Unrealized Principal Investment Income (Loss) on a segment basis. The Segment Adjustment represents (1) the add back of Principal Investment Income, including general partner income, earned from consolidated Blackstone Funds which have been eliminated in consolidation, and (2) the removal of amounts associated with the ownership of Blackstone consolidated operating partnerships held by non-controlling interests.

	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2023	2024	2023
(Dollars in Thousands)				
GAAP Unrealized Principal Investment Income (Loss)	\$ (31,776)	\$ 164,089	\$ 429,847	\$ (327,328)
Segment Adjustment	(6,349)	(3,387)	(24,996)	8,910
Unrealized Principal Investment Income (Loss)	<u>\$ (38,125)</u>	<u>\$ 160,702</u>	<u>\$ 404,851</u>	<u>\$ (318,418)</u>

- (g) This adjustment removes Other Revenues on a segment basis. The Segment Adjustment represents (1) the add back of Other Revenues earned from consolidated Blackstone Funds which have been eliminated in consolidation, and (2) the removal of certain Transaction-Related and Non-Recurring Items.

	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2023	2024	2023
	(Dollars in Thousands)			
GAAP Other Revenue	\$ 19,631	\$ (31,664)	\$ 64,451	\$ (45,818)
Segment Adjustment	(90)	(54)	(163)	(80)
Other Revenues	<u>\$ 19,541</u>	<u>\$ (31,718)</u>	<u>\$ 64,288</u>	<u>\$ (45,898)</u>

- (h) This adjustment removes Equity-Based Compensation on a segment basis.
- (i) This adjustment adds an amount equal to an administrative fee collected on a quarterly basis from certain holders of Blackstone Holdings Partnership Units. The administrative fee is accounted for as a capital contribution under GAAP, but is reflected as a reduction of Other Operating Expenses in Blackstone's segment presentation.
- (j) Taxes represent the total GAAP tax provision adjusted to include only the current tax provision (benefit) calculated on Income (Loss) Before Provision (Benefit) for Taxes and adjusted to exclude the tax impact of any divestitures. For interim periods, taxes are calculated using the preferred annualized effective tax rate approach. Related Payables represent tax-related payables including the amount payable under the Tax Receivable Agreement. See "—Key Financial Measures and Indicators — Distributable Earnings" for the full definition of Taxes and Related Payables.

	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2023	2024	2023
	(Dollars in Thousands)			
Taxes	\$ 141,656	\$ 156,956	\$ 297,529	\$ 307,958
Related Payables	22,072	23,424	43,344	43,427
Taxes and Related Payables	<u>\$ 163,728</u>	<u>\$ 180,380</u>	<u>\$ 340,873</u>	<u>\$ 351,385</u>

- (k) This adjustment removes Interest and Dividend Revenue less Interest Expense on a segment basis. The Segment Adjustment represents (1) the add back of Interest and Dividend Revenue earned from consolidated Blackstone Funds which have been eliminated in consolidation, and (2) the removal of interest expense associated with the Tax Receivable Agreement.

	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2023	2024	2023
	(Dollars in Thousands)			
GAAP Interest and Dividend Revenue	\$ 104,999	\$ 148,505	\$ 202,838	\$ 238,990
Segment Adjustment	—	4,735	—	9,351
Interest and Dividend Revenue	104,999	153,240	202,838	248,341
GAAP Interest Expense	108,616	108,096	216,819	212,537
Segment Adjustment	(192)	(966)	(755)	(1,198)
Interest Expense	108,424	107,130	216,064	211,339
Net Interest and Dividend Income (Loss)	\$ (3,425)	\$ 46,110	\$ (13,226)	\$ 37,002

- (l) This adjustment removes the total segment amount of Realized Performance Revenues.  
(m) This adjustment removes the total segment amount of Realized Performance Compensation.  
(n) This adjustment removes the total segment amount of Realized Principal Investment Income.  
(o) This adjustment adds back Interest Expense on a segment basis, excluding interest expense related to the Tax Receivable Agreement.  
(p) This adjustment adds back Depreciation and Amortization on a segment basis.

The following tables are a reconciliation of Total GAAP Investments to Net Accrued Performance Revenues. Total GAAP Investments and Net Accrued Performance Revenues consist of the following:

	June 30,	
	2024	2023
	(Dollars in Thousands)	
Investments of Consolidated Blackstone Funds	\$ 3,621,676	\$ 5,490,773
Equity Method Investments		
Partnership Investments	6,107,429	5,585,603
Accrued Performance Allocations	11,132,801	11,496,244
Corporate Treasury Investments	176,330	707,079
Other Investments	5,388,053	3,768,922
Total GAAP Investments	\$ 26,426,289	\$ 27,048,621
Accrued Performance Allocations - GAAP	\$ 11,132,801	\$ 11,496,244
Due from Affiliates - GAAP (a)	235,767	197,998
Less: Net Realized Performance Revenues (b)	(146,832)	(283,131)
Less: Accrued Performance Compensation - GAAP (c)	(5,007,547)	(4,941,915)
Net Accrued Performance Revenues	\$ 6,214,189	\$ 6,469,196

- (a) Represents GAAP accrued performance revenue recorded within Due from Affiliates.  
(b) Represents Performance Revenues realized but not yet distributed as of the reporting date and are included in Distributable Earnings in the period they are realized.  
(c) Represents GAAP accrued performance compensation associated with Accrued Performance Allocations and is recorded within Accrued Compensation and Benefits and Due to Affiliates.

## Liquidity and Capital Resources

### General

Blackstone's business model derives revenue primarily from third party Assets Under Management. Blackstone is not a capital or balance sheet intensive business and targets operating expense levels such that total management and advisory fees exceed total operating expenses each period. As a result, we require limited capital resources to support the working capital or operating needs of our businesses. We draw primarily on the long-term committed or invested capital of investors in our investment vehicles to fund the investment requirements of the Blackstone Funds and use our own realizations and cash flows to invest in growth initiatives, make commitments to our own funds, where our minimum general partner commitments are generally less than 5% of the limited partner commitments of a fund, and pay dividends to stockholders and distributions to holders of Holdings Units.

Fluctuations in our statement of financial condition result primarily from activities of the Blackstone Funds that are consolidated as well as business transactions, such as the issuance of senior notes. The majority economic ownership interests of such consolidated Blackstone Funds are reflected as Redeemable Non-Controlling Interests in Consolidated Entities, and Non-Controlling Interests in Consolidated Entities in the Consolidated Financial Statements. The consolidation of these Blackstone Funds has no net effect on Blackstone's Net Income or Equity. Additionally, fluctuations in our statement of financial condition also include appreciation or depreciation in Blackstone investments in the non-consolidated Blackstone Funds, additional investments and redemptions of such interests in the non-consolidated Blackstone Funds and the collection of receivables related to management and advisory fees.

Total Assets were \$40.6 billion as of June 30, 2024, an increase of \$297.5 million from December 31, 2023. The increase in Total Assets was principally due to an increase of \$1.2 billion in total assets attributable to consolidated operating partnerships, partially offset by a decrease of \$796.1 million in total assets attributable to consolidated Blackstone Funds.

- The increase in total assets attributable to consolidated operating partnerships was primarily due to increases of \$1.0 billion in Investments and \$410.0 million in Due from Affiliates, partially offset by a decrease of \$574.4 million in Cash and Cash Equivalents.
  - o The increase in Investments was primarily due to appreciation in our Private Equity segment, partially offset by net sales in our Private Equity segment.
  - o The increase in Due from Affiliates was primarily due to an increase in amounts due from certain non-controlling interest holders and Blackstone employees.
  - o The decrease in Cash and Cash Equivalents was primarily due to ongoing operating activities.
- The decrease in total assets attributable to consolidated Blackstone Funds was primarily due to decreases of \$697.8 million in Investments and \$96.8 million in Cash Held by Blackstone Funds and Other, which were primarily due to the deconsolidation of two CLOs during the six months ended June 30, 2024.

Total Liabilities were \$21.9 billion as of June 30, 2024, a decrease of \$301.6 million from December 31, 2023. The decrease in Total Liabilities was principally due to a decrease of \$911.6 million in total liabilities attributable to consolidated Blackstone Funds, partially offset by an increase of \$562.6 million in total liabilities attributable to consolidated operating partnerships.



- The decrease in total liabilities attributable to consolidated Blackstone Funds was primarily due to decreases of \$556.8 million in Loans Payable and \$336.4 million in Accounts Payable, Accrued Expenses and Other Liabilities, which were primarily due to the deconsolidation of two CLOs during the six months ended June 30, 2024.
- The increase in total liabilities attributable to consolidated operating partnerships was primarily due to an increase of \$455.4 million in Accrued Compensation and Benefits, which was primarily due to an increase in compensation-related accruals.

### ***Sources and Uses of Liquidity***

We have multiple sources of liquidity to meet our capital needs, including annual cash flows, accumulated earnings in our businesses, the proceeds from our issuances of senior notes, liquid investments we hold on our balance sheet and access to our \$4.325 billion committed revolving credit facility. As of June 30, 2024, Blackstone had \$2.4 billion in Cash and Cash Equivalents, \$176.3 million invested in Corporate Treasury Investments and \$5.4 billion in Other Investments (which included \$4.9 billion of liquid investments), against \$10.6 billion in borrowings from our bond issuances, and no borrowings outstanding under our revolving credit facility.

In addition to the cash we receive from our notes offerings and availability under our revolving credit facility, we expect to receive (a) cash generated from operating activities, (b) Performance Revenue realizations, and (c) realizations on the fund investments that we make. The amounts received from these three sources in particular may vary substantially from year to year and quarter to quarter depending on the frequency and size of realization events or net returns experienced by our investment funds. Our available capital could be adversely affected if there are prolonged periods of few substantial realizations from our investment funds accompanied by substantial capital calls for new investments from those investment funds. Therefore, Blackstone's commitments to our funds are taken into consideration when managing our overall liquidity and cash position.

We expect that our primary liquidity needs will be cash to (a) provide capital to facilitate the growth of our existing businesses, which principally includes funding our general partner and co-investment commitments to our funds, (b) provide capital for business expansion, (c) pay operating expenses, including cash compensation to our employees and other obligations as they arise, (d) fund modest capital expenditures, (e) repay borrowings and related interest costs, (f) pay income taxes, (g) repurchase shares of our common stock and Blackstone Holdings Partnership Units pursuant to our repurchase program and (h) pay dividends to our stockholders and distributions to the holders of Blackstone Holdings Partnership Units. For a tabular presentation of Blackstone's contractual obligations and the expected timing of such see "—Contractual Obligations."

## Capital Commitments

Our own capital commitments to our funds, the funds we invest in and our investment strategies as of June 30, 2024 consisted of the following:

Fund	Blackstone and General Partner (a)		Senior Managing Directors and Certain Other Professionals (b)	
	Original Commitment	Remaining Commitment	Original Commitment	Remaining Commitment
(Dollars in Thousands)				
<b>Real Estate</b>				
BREP VII	\$ 300,000	\$ 22,671	\$ 100,000	\$ 7,557
BREP VIII	300,000	37,620	100,000	12,540
BREP IX	300,000	47,371	100,000	15,790
BREP X	300,000	224,623	100,000	74,874
BREP Europe III	100,000	11,257	35,000	3,752
BREP Europe IV	130,000	19,109	43,333	6,370
BREP Europe V	150,000	17,917	43,333	5,176
BREP Europe VI	130,000	44,383	43,333	14,794
BREP Europe VII	130,000	110,243	43,333	36,748
BREP Asia I	50,392	10,342	16,797	3,447
BREP Asia II	70,707	12,877	23,569	4,292
BREP Asia III	81,078	66,552	27,026	22,184
BREDS III	50,000	12,392	16,667	4,131
BREDS IV	50,000	15,751	49,113	15,471
BREDS V	50,000	50,000	48,070	48,070
BPP	319,671	16,335	—	—
Other (c)	35,492	15,565	—	—
Total Real Estate	2,547,340	735,008	789,574	275,196

continued...

Fund	Blackstone and General Partner (a)		Senior Managing Directors and Certain Other Professionals (b)	
	Original Commitment	Remaining Commitment	Original Commitment	Remaining Commitment
	(Dollars in Thousands)			
Private Equity				
BCP V	\$ 629,356	\$ 30,642	\$ —	\$ —
BCP VI	719,718	81,400	250,000	28,275
BCP VII	500,000	36,635	225,000	16,486
BCP VIII	500,000	151,622	225,000	68,230
BCP IX	500,000	500,000	225,000	225,000
BEP I	50,000	4,728	—	—
BEP II	80,000	12,018	26,667	4,006
BEP III	80,000	27,907	26,667	9,302
BETP IV	70,102	70,102	23,367	23,367
BCEP I	117,747	27,016	18,992	4,358
BCEP II	160,000	112,965	32,640	23,045
BCP Asia I	40,000	5,869	13,333	1,956
BCP Asia II	100,000	74,993	33,333	24,998
Tactical Opportunities	491,747	212,575	163,916	70,858
Secondaries	1,488,269	729,767	1,165,505	617,825
BIP	388,701	91,850	—	—
BXLS	142,057	77,165	37,353	23,968
BXG	166,154	110,584	54,607	36,240
Other (c)	290,208	20,457	—	—
Total Private Equity	6,514,059	2,378,295	2,521,380	1,177,914
Credit & Insurance				
Mezzanine / Opportunistic II	120,000	29,059	110,101	26,662
Mezzanine / Opportunistic III	130,783	34,664	98,118	26,006
Mezzanine / Opportunistic IV	122,000	56,859	115,908	54,019
Mezzanine / Opportunistic V	4,765	4,765	1,588	1,588
European Senior Debt I	63,000	5,084	56,882	4,590
European Senior Debt II	92,451	34,465	89,599	33,425
European Senior Debt III	22,704	16,379	7,568	5,460
Stressed / Distressed II	125,000	51,612	119,878	49,497
Stressed / Distressed III	151,000	94,089	146,432	91,242
Energy I	80,000	36,701	75,445	34,611
Energy II	150,000	103,971	148,577	102,985
Energy III	127,000	111,760	118,292	104,097
Credit Alpha Fund	52,102	19,752	50,670	19,209
Credit Alpha Fund II	25,500	12,550	24,385	12,001
Insurance Platform	501,600	129,053	1,600	412
Other (c)	196,936	94,808	51,611	15,221
Total Credit & Insurance	1,964,841	835,571	1,216,654	581,025

continued...

Fund	Blackstone and General Partner (a)		Senior Managing Directors and Certain Other Professionals (b)	
	Original Commitment	Remaining Commitment	Original Commitment	Remaining Commitment
(Dollars in Thousands)				
<b>Multi-Asset Investing</b>				
Strategic Alliance II	\$ 50,000	\$ 1,482	\$ —	\$ —
Strategic Alliance III	22,000	17,651	—	—
Strategic Alliance IV	15,000	13,411	—	—
Dislocation	20,000	12,274	—	—
Other (c)	6,454	1,995	—	—
Total Multi-Asset Investing	113,454	46,813	—	—
<b>Other</b>				
Treasury (d)	1,007,315	862,925	—	—
	<u>\$ 12,147,009</u>	<u>\$ 4,858,612</u>	<u>\$ 4,527,608</u>	<u>\$ 2,034,135</u>

- (a) We expect our commitments to be drawn down over time and to be funded by available cash and cash generated from operations and realizations. Taking into account prevailing market conditions and both the liquidity and cash or liquid investment balances, we believe that the sources of liquidity described above will be more than sufficient to fund our working capital requirements. Additionally, for some of the general partner commitments shown in the table above, we require our senior managing directors and certain other professionals to fund a portion of the commitment even though the ultimate obligation to fund the aggregate commitment is ours pursuant to the governing agreements of the respective funds. The amounts of the aggregate applicable general partner original and remaining commitment are shown in the table above.
- (b) Includes the full portion of our commitments (i) required to be funded by senior managing directors and certain other professionals and (ii) that are elected by such individuals to be funded for the life of a fund, where such fund permits such election. Excludes amounts that are elected by such individuals to be funded on an annual basis and certain de minimis commitments funded by such individuals in certain carry funds.
- (c) Represents capital commitments to a number of other funds in each respective segment.
- (d) Represents loan origination commitments, revolver commitments and capital market commitments.

For a tabular presentation of the timing of Blackstone's remaining capital commitments to our funds, the funds we invest in and our investment strategies see "—Contractual Obligations".

## Borrowings

As of June 30, 2024, Blackstone Holdings Finance Co. L.L.C. (the “Issuer”), an indirect subsidiary of Blackstone, had issued and outstanding the following senior notes (collectively the “Notes”):

Senior Notes (a)	Aggregate Principal Amount (Dollars/Euros in Thousands)
2.000%, Due 5/19/2025	€ 300,000
1.000%, Due 10/5/2026	€ 600,000
3.150%, Due 10/2/2027	\$ 300,000
5.900%, Due 11/3/2027	\$ 600,000
1.625%, Due 8/5/2028	\$ 650,000
1.500%, Due 4/10/2029	€ 600,000
2.500%, Due 1/10/2030	\$ 500,000
1.600%, Due 3/30/2031	\$ 500,000
2.000%, Due 1/30/2032	\$ 800,000
2.550%, Due 3/30/2032	\$ 500,000
6.200%, Due 4/22/2033	\$ 900,000
3.500%, Due 6/1/2034	€ 500,000
6.250%, Due 8/15/2042	\$ 250,000
5.000%, Due 6/15/2044	\$ 500,000
4.450%, Due 7/15/2045	\$ 350,000
4.000%, Due 10/2/2047	\$ 300,000
3.500%, Due 9/10/2049	\$ 400,000
2.800%, Due 9/30/2050	\$ 400,000
2.850%, Due 8/5/2051	\$ 550,000
3.200%, Due 1/30/2052	\$ 1,000,000
	<u>\$ 10,642,600</u>

- (a) The Notes are unsecured and unsubordinated obligations of the Issuer and are fully and unconditionally guaranteed, jointly and severally, by Blackstone Inc. and each of the Blackstone Holdings Partnerships. The Notes contain customary covenants and financial restrictions that, among other things, limit the Issuer and the guarantors’ ability, subject to certain exceptions, to incur indebtedness secured by liens on voting stock or profit participating equity interests of their subsidiaries or merge, consolidate or sell, transfer or lease assets. The Notes also contain customary events of default. All or a portion of the Notes may be redeemed at our option, in whole or in part, at any time and from time to time, prior to their stated maturity, at the make-whole redemption price set forth in the Notes. If a change of control repurchase event occurs, the Notes are subject to repurchase at the repurchase price as set forth in the Notes.

Blackstone, through the Issuer, has a \$4.325 billion unsecured revolving credit facility (the “Credit Facility”) with Citibank, N.A., as administrative agent with a maturity date of December 15, 2028. Borrowings may also be made in U.K. sterling, euros, Swiss francs, Japanese yen or Canadian dollars, in each case subject to certain sub-limits. The Credit Facility contains customary representations, covenants and events of default. Financial covenants consist of a maximum net leverage ratio and a requirement to keep a minimum amount of fee-earning assets under management, each tested quarterly.

For a tabular presentation of the payment timing of principal and interest due on Blackstone’s issued notes and the Credit Facility see “—Contractual Obligations”.

### Contractual Obligations

The following table sets forth information relating to our contractual obligations as of June 30, 2024 on a consolidated basis and on a basis deconsolidating the Blackstone Funds:

Contractual Obligations	July 1, 2024 to					Total
	December 31, 2024	2025-2026	2027-2028	Thereafter		
(Dollars in Thousands)						
Operating Lease Obligations (a)	\$ 84,739	\$ 353,659	\$ 416,607	\$ 1,237,384	\$ 2,092,389	
Purchase Obligations	93,497	132,801	36,744	4,058	267,100	
Blackstone Operating Borrowings (b)	-	978,441	1,575,679	8,128,430	10,682,550	
Interest on Blackstone Operating Borrowings (c)	280,297	689,183	622,761	3,264,553	4,856,794	
Borrowings of Consolidated Blackstone Funds	-	-	-	141,792	141,792	
Interest on Borrowings of Consolidated Blackstone Funds	5,729	22,917	22,917	20,531	72,094	
Blackstone Funds Capital Commitments to Investee Funds (d)	359,563	-	-	-	359,563	
Due to Certain Non-Controlling Interest Holders in Connection with Tax Receivable Agreements (e)	-	197,062	267,833	1,214,277	1,679,172	
Unrecognized Tax Benefits, Including Interest and Penalties (f)	-	-	-	-	-	
Blackstone Operating Entities Capital Commitments to Blackstone Funds and Other (g)	4,858,612	-	-	-	4,858,612	
Consolidated Contractual Obligations	5,682,437	2,374,063	2,942,541	14,011,025	25,010,066	
Borrowings of Consolidated Blackstone Funds	-	-	-	(141,792)	(141,792)	
Interest on Borrowings of Consolidated Blackstone Funds	(5,729)	(22,917)	(22,917)	(20,531)	(72,094)	
Blackstone Funds Capital Commitments to Investee Funds (d)	(359,563)	-	-	-	(359,563)	
Blackstone Operating Entities Contractual Obligations	\$ 5,317,145	\$ 2,351,146	\$ 2,919,624	\$ 13,848,702	\$ 24,436,617	

(a) We lease our primary office space and certain office equipment under agreements that expire through 2043. Occupancy lease agreements, in addition to contractual rent payments, generally include additional payments for certain costs incurred by the landlord, such as building expenses and utilities. To the extent these are fixed or determinable they are included in the table above. The table above includes operating leases that are recognized as Operating Lease Liabilities, short-term leases that are not recorded as Operating Lease Liabilities and leases that have been signed but not yet commenced which are not recorded as Operating Lease Liabilities. The amounts in this table are presented net of contractual sublease commitments.

- (b) Represents the principal amounts due on our senior notes and secured borrowings. For our senior notes, we assume no pre-payments and the borrowings are held until their final maturity. For our secured borrowings we project pre-payments based on the performance of the underlying assets and principal may be paid down in full prior to their stated maturity. As of June 30, 2024, we had no borrowings outstanding under our revolver.
- (c) Represents interest to be paid over the maturity of our senior notes and secured borrowings. For our senior notes, we assume no pre-payments and the borrowings are held until their final maturity. For our secured borrowings, we project pre-payments based on the performance of the underlying assets with interest payments based on the estimated principal outstanding, inclusive of projected pre-payments. These amounts include commitment fees for unutilized borrowings under our revolver.
- (d) These obligations represent commitments of the consolidated Blackstone Funds to make capital contributions to investee funds and portfolio companies. These amounts are generally due on demand and are therefore presented in the less than one year category.
- (e) Represents obligations by Blackstone's corporate subsidiary to make payments under the Tax Receivable Agreements to certain non-controlling interest holders for the tax savings realized from the taxable purchases of their interests in connection with the reorganization at the time of Blackstone's initial public offering ("IPO") in 2007 and subsequent purchases. The obligation represents the amount of the payments currently expected to be made, which are dependent on the tax savings actually realized as determined annually without discounting for the timing of the payments. As required by GAAP, the amount of the obligation included in the condensed consolidated financial statements and shown in Note 15. "Related Party Transactions" (see "Part I. Item 1. Financial Statements") differs to reflect the net present value of the payments due to certain non-controlling interest holders.
- (f) Blackstone is not able to make a reasonably reliable estimate of the timing of payments in individual years in connection with gross unrecognized benefits of \$240.3 million and interest of \$78.3 million as of June 30, 2024; therefore, such amounts are not included in the above contractual obligations table.
- (g) These obligations represent commitments by us to provide general partner capital funding to the Blackstone Funds, limited partner capital funding to other funds and Blackstone principal investment commitments. These amounts are generally due on demand and are therefore presented in the less than one year category; however, a substantial amount of the capital commitments are expected to be called over the next three years. We expect to continue to make these general partner capital commitments as we raise additional amounts for our investment funds over time.

#### *Guarantees*

Blackstone and certain of its consolidated funds provide financial guarantees. The amounts and nature of these guarantees are described in Note 16. "Commitments and Contingencies — Contingencies — Guarantees" in the "Notes to Condensed Consolidated Financial Statements" in "Part I. Item 1. Financial Statements" of this filing.

#### *Indemnifications*

In many of its service contracts, Blackstone agrees to indemnify the third party service provider under certain circumstances. The terms of the indemnities vary from contract to contract and the amount of indemnification liability, if any, cannot be determined and has not been included in the above contractual obligations table or recorded in our condensed consolidated financial statements as of June 30, 2024.

#### *Clawback Obligations*

Performance Allocations are subject to clawback to the extent that the Performance Allocations received to date with respect to a fund exceed the amount due to Blackstone based on cumulative results of that fund. The amounts and nature of Blackstone's clawback obligations are described in Note 16. "Commitments and Contingencies — Contingencies — Contingent Obligations (Clawback)" in the "Notes to Condensed Consolidated Financial Statements" in "Part I. Item 1. Financial Statements" of this filing.

### *Share Repurchase Program*

During the three and six months ended June 30, 2024, Blackstone repurchased 2.0 million and 2.7 million shares of common stock at a total cost of \$244.3 million and \$332.7 million, respectively. As of June 30, 2024, prior to the July 16, 2024 authorization, the amount remaining available for repurchases under the program was \$424.1 million.

On July 16, 2024, Blackstone's board of directors authorized the repurchase of up to \$2.0 billion of common stock and Blackstone Holdings Partnership Units. This authorization replaced Blackstone's prior \$2.0 billion repurchase authorization. Under the repurchase program, repurchases may be made from time to time in open market transactions, in privately negotiated transactions or otherwise. The timing and the actual number repurchased will depend on a variety of factors, including legal requirements, price and economic and market conditions. The repurchase program may be changed, suspended or discontinued at any time and does not have a specified expiration date.

### *Dividends*

Our intention is to pay to holders of common stock a quarterly dividend representing approximately 85% of Blackstone Inc.'s share of Distributable Earnings, subject to adjustment by amounts determined by our board of directors to be necessary or appropriate to provide for the conduct of our business, to make appropriate investments in our business and funds, to comply with applicable law, any of our debt instruments or other agreements, or to provide for future cash requirements such as tax-related payments, clawback obligations and dividends to stockholders for any ensuing quarter. The dividend amount could also be adjusted upward in any one quarter.

For Blackstone's definition of Distributable Earnings, see "—Key Financial Measures and Indicators."

All of the foregoing is subject to the qualification that the declaration and payment of any dividends are at the sole discretion of our board of directors and our board of directors may change our dividend policy at any time, including, without limitation, to reduce such quarterly dividends or even to eliminate such dividends entirely.

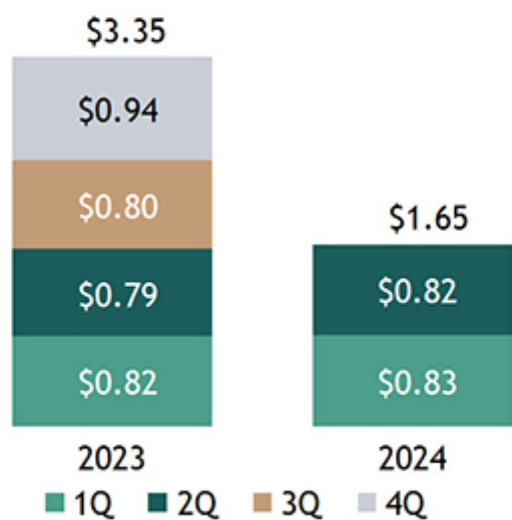
Because the publicly traded entity and/or its wholly owned subsidiaries must pay taxes and make payments under the tax receivable agreements, the amounts ultimately paid as dividends by Blackstone to common stockholders in respect of each fiscal year are generally expected to be less, on a per share or per unit basis, than the amounts distributed by the Blackstone Holdings Partnerships to the Blackstone personnel and others who are limited partners of the Blackstone Holdings Partnerships in respect of their Blackstone Holdings Partnership Units. Following Blackstone's conversion from a limited partnership to a corporation, we expect to pay more corporate income taxes than we would have as a limited partnership, which will increase this difference between the per share dividend and per unit distribution amounts.

Dividends are treated as qualified dividends to the extent of Blackstone's current and accumulated earnings and profits, with any excess dividends treated as a return of capital to the extent of the stockholder's basis.



The following graph shows fiscal quarterly and annual per common stockholder dividends for 2024 and 2023. Dividends are declared and paid in the quarter subsequent to the quarter in which they are earned.

Common Stockholder  
Dividends by Fiscal Year  
(Dollars Per Share of Common Stock)



With respect to the second quarter of fiscal year 2024, we declared to stockholders of our common stock a dividend of \$0.82 per share, aggregating to \$1.65 per share of common stock in respect of the two fiscal quarters ended June 30, 2024. With respect to fiscal year 2023, we paid stockholders aggregate dividends of \$3.35 per share.

**Leverage**

We may under certain circumstances use leverage opportunistically and over time to create the most efficient capital structure for Blackstone and our stockholders. In addition to the borrowings from our note issuances and our revolving credit facility, we may use reverse repurchase agreements, repurchase agreements and securities sold, not yet purchased. Reverse repurchase agreements are entered into primarily to take advantage of opportunistic yields otherwise absent in the overnight markets and also to use the collateral received to cover securities sold, not yet purchased. Repurchase agreements are entered into primarily to opportunistically yield higher spreads on purchased securities. The balances held in these financial instruments fluctuate based on Blackstone’s liquidity needs, market conditions and investment risk profiles.

The following table presents information regarding financial instruments which are included in Accounts Payable, Accrued Expenses and Other Liabilities in our Condensed Consolidated Statements of Financial Condition:

	<b>Repurchase Agreements</b>	<b>Securities Sold, Not Yet Purchased</b>
	<b>(Dollars in Millions)</b>	
Balance, June 30, 2024	\$ 9.6	\$ 3.9
Balance, December 31, 2023	\$ —	\$ 3.9
Six Months Ended June 30, 2024		
Average Daily Balance	\$ 0.2	\$ 3.9
Maximum Daily Balance	\$ 9.6	\$ 3.9

### **Critical Accounting Policies**

We prepare our condensed consolidated financial statements in accordance with GAAP. In applying many of these accounting principles, we need to make assumptions, estimates and/or judgments that affect the reported amounts of assets, liabilities, revenues and expenses in our condensed consolidated financial statements. We base our estimates and judgments on historical experience and other assumptions that we believe are reasonable under the circumstances. These assumptions, estimates and/or judgments, however, are often subjective. Actual results may be affected negatively based on changing circumstances. If actual amounts are ultimately different from our estimates, the revisions are included in our results of operations for the period in which the actual amounts become known. We believe the following critical accounting policies could potentially produce materially different results if we were to change underlying assumptions, estimates and/or judgments. For a description of our accounting policies, see Note 2. “Summary of Significant Accounting Policies” in the “Notes to Condensed Consolidated Financial Statements” in “Part I. Item 1. Financial Statements” of this filing.

### **Principles of Consolidation**

For a description of our accounting policy on consolidation, see Note 2. “Summary of Significant Accounting Policies — Consolidation” and Note 9. “Variable Interest Entities” in the “Notes to Condensed Consolidated Financial Statements” in “Part I. Item 1. Financial Statements” for detailed information on Blackstone’s involvement with VIEs. The following discussion is intended to provide supplemental information about how the application of consolidation principles impact our financial results, and management’s process for implementing those principles including areas of significant judgment.

The determination that Blackstone holds a controlling financial interest in a Blackstone Fund or investment vehicle significantly changes the presentation of our condensed consolidated financial statements. In our Condensed Consolidated Statements of Financial Position included in this filing, we present 100% of the assets and liabilities of consolidated VIEs along with a non-controlling interest which represents the portion of the consolidated vehicle’s interests held by third parties. However, assets of our consolidated VIEs can only be used to settle obligations of the consolidated VIE and are not available for general use by Blackstone. Further, the liabilities of our consolidated VIEs do not have recourse to the general credit of Blackstone. In the Condensed Consolidated Statements of Operations, we eliminate any management fees, Incentive Fees, or Performance Allocations received or accrued from consolidated VIEs as they are considered intercompany transactions. We recognize 100% of the consolidated VIE’s investment income (loss) and allocate the portion of that income (loss) attributable to third party ownership to non-controlling interests in arriving at Net Income Attributable to Blackstone Inc.

The assessment of whether we consolidate a Blackstone Fund or investment vehicle we manage requires the application of significant judgment. These judgments are applied both at the time we become involved with the VIE and on an ongoing basis and include, but are not limited to:

- Determining whether our management fees, Incentive Fees or Performance Allocations represent variable interests – We make judgments as to whether the fees we earn are commensurate with the level of effort required for those fees and at market rates. In making this judgment, we consider, among other things, the extent of third party investment in the entity and the terms of any other interests we hold in the VIE.
- Determining whether kick-out rights are substantive – We make judgments as to whether the third party investors in a partnership entity have the ability to remove the general partner, the investment manager or its equivalent, or to dissolve (liquidate) the partnership entity, through a simple majority vote. This includes an evaluation of whether barriers to exercise these rights exist.
- Concluding whether Blackstone has an obligation to absorb losses or the right to receive benefits that could potentially be significant to the VIE – As there is no explicit threshold in GAAP to define “potentially significant,” management must apply judgment and evaluate both quantitative and qualitative factors to conclude whether this threshold is met.

### ***Revenue Recognition***

For a description of our accounting policy on revenue recognition, see Note 2. “Summary of Significant Accounting Policies — Revenue Recognition” in the “Notes to Condensed Consolidated Financial Statements” in “Part I. Item 1. Financial Statements.” For an additional description of the nature of our revenue arrangements, including how management fees, Incentive Fees, and Performance Allocations are generated, please refer to “Part I. Item 1. Business — Fee Structure/Incentive Arrangements” in our Annual Report on Form 10-K for the year ended December 31, 2023. The following discussion is intended to provide supplemental information about how the application of revenue recognition principles impact our financial results, and management’s process for implementing those principles including areas of significant judgment.

*Management and Advisory Fees, Net* — Blackstone earns base management fees from its customers at a fixed percentage of a calculation base which is typically assets under management, net asset value, gross asset value, total assets, committed capital or invested capital. The range of management fee rates and the calculation base from which they are earned, generally, are as follows:

On private equity, real estate, and certain of our multi-asset investing and credit-focused funds:

- 0.25% to 1.75% of committed capital or invested capital during the investment period,
- 0.25% to 1.50% of invested capital, committed capital or investment fair value subsequent to the investment period for private equity and real estate funds, and
- 1.00% to 1.50% of invested capital or net asset value subsequent to the investment period for certain of our multi-asset investing and credit-focused funds.

On real estate and credit-focused funds structured like hedge funds:

- 0.50% to 1.00% of net asset value.

On credit separately managed accounts:

- 0.20% to 1.35% of net asset value or total assets.

On real estate separately managed accounts:

- 0.35% to 2.00% of invested capital, net operating income or net asset value.

On insurance separately managed accounts and investment vehicles:

- 0.25% to 1.00% of net asset value.

On funds of hedge funds, certain hedge funds and separately managed accounts invested in hedge funds:

- 0.20% to 1.50% of net asset value.

On CLO vehicles:

- 0.20% to 0.50% of the aggregate par amount of collateral assets, including principal cash.

On credit-focused registered and non-registered investment companies:

- 0.25% to 1.25% of total assets or net asset value.

On certain real estate and private equity-focused registered funds or companies:

- 1.25% of net asset value.

The investment adviser of BXMT receives annual management fees based on 1.50% of BXMT's net proceeds received from equity offerings and accumulated "distributable earnings" (which is generally equal to its GAAP net income excluding certain non-cash and other items), subject to certain adjustments.

Management fee calculations based on committed capital or invested capital are mechanical in nature and therefore do not require the use of significant estimates or judgments. Management fee calculations based on net asset value, total assets, or investment fair value depend on the fair value of the underlying investments within the funds. Estimates and assumptions are made when determining the fair value of the underlying investments within the funds and could vary depending on the valuation methodology that is used as well as economic conditions. See "—Fair Value" below for further discussion of the judgment required for determining the fair value of the underlying investments.

*Investment Income (Loss)* — Performance Allocations are made to the general partner based on cumulative fund performance to date, subject to a preferred return to limited partners. Blackstone has concluded that investments made alongside its limited partners in a partnership which entitle Blackstone to a Performance Allocation represent equity method investments that are not in the scope of the GAAP guidance on accounting for revenues from contracts with customers. Blackstone accounts for these arrangements under the equity method of accounting. Under the equity method, Blackstone's share of earnings (losses) from equity method investments is determined using a balance sheet approach referred to as the hypothetical liquidation at book value ("HLBV") method. Under the HLBV method, at the end of each reporting period Blackstone calculates the accrued Performance Allocations that would be due to Blackstone for each fund pursuant to the fund agreements as if the fair value of the underlying investments were realized as of such date, irrespective of whether such amounts have been realized. Performance Allocations are subject to clawback to the extent that the Performance Allocation received to date exceeds the amount due to Blackstone based on cumulative results.

The change in the fair value of the investments held by certain Blackstone Funds is a significant input into the accrued Performance Allocation calculation and accrual for potential repayment of previously received Performance Allocations. Estimates and assumptions are made when determining the fair value of the underlying investments within the funds. See "—Fair Value" below for further discussion related to significant estimates and assumptions used for determining fair value of the underlying investments.

## ***Fair Value***

Blackstone uses fair value throughout the reporting process. For a description of our accounting policies related to valuation, see Note 2. “Summary of Significant Accounting Policies — Fair Value of Financial Instruments” and “Summary of Significant Accounting Policies — Investments, at Fair Value” in the “Notes to Condensed Consolidated Financial Statements” in “Part I. Item 1. Financial Statements” of this filing. The following discussion is intended to provide supplemental information about how the application of fair value principles impact our financial results, and management’s process for implementing those principles including areas of significant judgment.

The fair value of the investments held by Blackstone Funds is the primary input to the calculation of certain of our management fees, Incentive Fees, Performance Allocations and the related Compensation we recognize. Generally, Blackstone Funds are accounted for as investment companies under the American Institute of Certified Public Accountants Audit and Accounting Guide, *Investment Companies*, and in accordance with the GAAP guidance on investment companies and reflect their investments, including majority-owned and controlled investments (the “Portfolio Companies”), at fair value. In the absence of observable market prices, we utilize valuation methodologies applied on a consistent basis and assumptions that we believe market participants would use to determine the fair value of the investments. For investments where little market activity exists management’s determination of fair value is based on the best information available in the circumstances, which may incorporate management’s own assumptions and involves a significant degree of judgment, and the consideration of a combination of internal and external factors, including the appropriate risk adjustments for non-performance and liquidity risks.

Blackstone has also elected the fair value option for certain instruments it owns directly, including loans and receivables, investments in private debt securities and other proprietary investments. Blackstone is required to measure certain financial instruments at fair value, including debt instruments, equity securities and freestanding derivatives.

### ***Fair Value of Investments or Instruments that are Publicly Traded***

Securities that are publicly traded and for which a quoted market exists will be valued at the closing price of such securities in the principal market in which the security trades, or in the absence of a principal market, in the most advantageous market on the valuation date. When a quoted price in an active market exists, no block discounts or control premiums are permitted regardless of the size of the public security held. In some cases, securities will include legal and contractual restrictions limiting their purchase and sale for a period of time. A discount to publicly traded price may be appropriate in instances where a legal restriction is a characteristic of the security, such as may be required under SEC Rule 144. The amount of the discount, if taken, shall be determined based on the time period that must pass before the restricted security becomes unrestricted or otherwise available for sale.

### ***Fair Value of Investments or Instruments that are not Publicly Traded***

Investments for which market prices are not observable include private investments in the equity or debt of operating companies or real estate properties. Our primary methodology for determining the fair values of such investments is generally the income approach which provides an indication of fair value based on the present value of cash flows that a business, security, or property is expected to generate in the future. The most widely used methodology under the income approach is the discounted cash flow method which includes significant assumptions about the underlying investment’s projected net earnings or cash flows, discount rate, capitalization rate and exit multiple. Our secondary methodology, generally used to corroborate the results of the income

approach, is typically the market approach. The most widely used methodology under the market approach relies upon valuations for comparable public companies, transactions, or assets, and includes making judgments about which companies, transactions, or assets are comparable. Depending on the facts and circumstances associated with the investment, different primary and secondary methodologies may be used including option value, contingent claims or scenario analysis, yield analysis, projected cash flow through maturity or expiration, discount to sale, probability weighted methods or recent round of financing.

In certain cases debt and equity securities are valued on the basis of prices from an orderly transaction between market participants provided by reputable dealers or pricing services. In determining the value of a particular investment, pricing services may use certain information with respect to transactions in such investments, quotations from dealers, pricing matrices and market transactions in comparable investments and various relationships between investments.

#### *Management Process on Fair Value*

Due to the importance of fair value throughout the condensed consolidated financial statements and the significant judgment required to be applied in arriving at those fair values, we have developed a process around valuation that incorporates several levels of approval and review from both internal and external sources. Investments held by Blackstone Funds and investment vehicles are valued on at least a quarterly basis by our internal valuation or asset management teams, which are independent from our investment teams. For investments held by vehicles managed by more than one business unit, Blackstone has developed a process designed to facilitate coordination and alignment, as appropriate, of the fair value of in-scope investments across business units.

For investments valued utilizing the income method and where Blackstone has information rights, we generally have a direct line of communication with each of the Portfolio Companies' and underlying assets' finance teams and collect financial data used to support projections used in a discounted cash flow analysis. The valuation team then analyzes the data received and updates the valuation models reflecting any changes in the underlying cash flow projections, weighted-average cost of capital, exit multiple or capitalization rate, and any other valuation input relevant to economic conditions.

The results of all valuations of investments held by Blackstone Funds and investment vehicles are reviewed by the relevant business unit's valuation sub-committee, which is comprised of key personnel from the business unit, typically the chief investment officer, chief operating officer, chief financial officer, chief compliance officer (or their respective equivalents where applicable) and other senior managing directors in the business. To further corroborate results, each business unit also generally obtains either a positive assurance opinion or a range of value from an independent valuation party, at least annually for internally prepared valuations for investments that have been held by Blackstone Funds and investment vehicles for greater than a year and quarterly for certain investments. Our firmwide valuation committee, chaired by our Chief Financial Officer and comprised of senior members of our businesses and representatives from corporate functions, including legal and finance, reviews the valuation process for investments held by us and our investment vehicles, including the application of appropriate valuation standards on a consistent basis. Each quarter, the valuation process is also reviewed by the audit committee of our board of directors, which is comprised of our non-employee directors.

#### *Income Tax*

For a description of our accounting policy on taxes and additional information on taxes see Note 2. "Summary of Significant Accounting Policies" and Note 12. "Income Taxes" in the "Notes to Condensed Consolidated Financial Statements" in "Part I. Item 1. Financial Statements" of this filing.

Our provision for income taxes is composed of current and deferred taxes. Current income taxes approximate taxes to be paid or refunded for the current period. Deferred income taxes reflect the net tax effects of temporary differences between the financial reporting and tax bases of assets and liabilities and are measured using the applicable enacted tax rates and laws that will be in effect when such differences are expected to reverse.

Additionally, significant judgment is required in estimating the provision for (benefit from) income taxes, current and deferred tax balances (including valuation allowance), accrued interest or penalties and uncertain tax positions. In evaluating these judgments, we consider, among other items, projections of taxable income (including the character of such income), beginning with historic results and incorporating assumptions of the amount of future pretax operating income. These assumptions about future taxable income require significant judgment and are consistent with the plans and estimates that Blackstone uses to manage its business. To the extent any portion of the deferred tax assets are not considered to be more likely than not to be realized, a valuation allowance is recorded.

Revisions in estimates and/or actual costs of a tax assessment may ultimately be materially different from the recorded accruals and unrecognized tax benefits, if any.

### **Recent Accounting Developments**

Information regarding recent accounting developments and their impact on Blackstone, if any, can be found in Note 2. “Summary of Significant Accounting Policies” in the “Notes to Condensed Consolidated Financial Statements” in “Part I. Item 1. Financial Statements” of this filing.

### **Item 3. Quantitative and Qualitative Disclosures About Market Risk**

Our predominant exposure to market risk is related to our role as general partner or investment adviser to the Blackstone Funds and the sensitivities to movements in the fair value of their investments, including the effect on management fees, performance revenues and investment income. There were no material changes in our market risks as of June 30, 2024 as compared to December 31, 2023. For additional information, refer to our Annual Report on Form 10-K for the year ended December 31, 2023.

### **Item 4. Controls and Procedures**

#### **Evaluation of Disclosure Controls and Procedures**

We maintain “disclosure controls and procedures,” as such term is defined in Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934, as amended (the “Exchange Act”), that are designed to ensure that information required to be disclosed by us in reports that we file or submit under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in Securities and Exchange Commission rules and forms, and that such information is accumulated and communicated to our management, including our Chief Executive Officer and Chief Financial Officer, as appropriate, to allow timely decisions regarding required disclosure. In designing disclosure controls and procedures, our management necessarily was required to apply its judgment in evaluating the cost-benefit relationship of possible disclosure controls and procedures. The design of any disclosure controls and procedures also is based in part upon certain assumptions about the likelihood of future events, and there can be no assurance that any design will succeed in achieving its stated goals under all potential future conditions. Any controls and procedures, no matter how well designed and operated, can provide only reasonable assurance of achieving the desired objectives.

Our management, including our Chief Executive Officer and Chief Financial Officer, evaluated the effectiveness of our disclosure controls and procedures pursuant to Rule 13a-15 under the Exchange Act as of the end of the period covered by this report. Based on that evaluation, our Chief Executive Officer and Chief Financial Officer have concluded that, as of the end of the period covered by this report, our disclosure controls and procedures (as defined in Rule 13a-15(e) under the Exchange Act) are effective at the reasonable assurance level to accomplish their objectives of ensuring that information we are required to disclose in reports that we file or submit under the

Exchange Act is recorded, processed, summarized and reported within the time periods specified in Securities and Exchange Commission rules and forms, and that such information is accumulated and communicated to our management, including our Chief Executive Officer and Chief Financial Officer, as appropriate, to allow timely decisions regarding required disclosure.

### **Changes in Internal Control over Financial Reporting**

No change in our internal control over financial reporting (as such term is defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act) occurred during our most recent quarter, that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

## **Part II. Other Information**

### **Item 1. Legal Proceedings**

We may from time to time be involved in litigation and claims incidental to the conduct of our business. Our businesses are also subject to extensive regulation, which may result in regulatory proceedings against us. See “Part I. Item 1A. Risk Factors” in our Annual Report on Form 10-K for the year ended December 31, 2023. We are not currently subject to any pending legal (including judicial, regulatory, administrative or arbitration) proceedings that we expect to have a material impact on our condensed consolidated financial statements. However, given the inherent unpredictability of these types of proceedings and the potentially large and/or indeterminate amounts that could be sought, an adverse outcome in certain matters could have a material effect on Blackstone’s financial results in any particular period. See “Part I. Item 1. Financial Statements — Notes to Condensed Consolidated Financial Statements — Note 16. Commitments and Contingencies — Contingencies — Litigation.”

### **Item 1A. Risk Factors**

For a discussion of our potential risks and uncertainties, see the information under the heading “Risk Factors” in our Annual Report on Form 10-K for the year ended December 31, 2023 and in our subsequently filed periodic reports as such factors may be updated from time to time, all of which are accessible on the Securities and Exchange Commission’s website at [www.sec.gov](http://www.sec.gov).

See “Part I. Item 2. Management’s Discussion and Analysis of Financial Condition and Results of Operations — Business Environment” in this report for a discussion of the conditions in the financial markets and economic conditions affecting our businesses. This discussion updates, and should be read together with, the risk factor entitled “Difficult market and geopolitical conditions can adversely affect our business in many ways, each of which could materially reduce our revenue, earnings and cash flow and adversely affect our financial prospects and condition.” in our Annual Report on Form 10-K for the year ended December 31, 2023.

The risks described in our Annual Report on Form 10-K and in our subsequently filed periodic reports are not the only risks facing us. Additional risks and uncertainties not currently known to us or that we currently deem to be immaterial also may materially adversely affect our business, financial condition and/or operating results.



## Item 2. Unregistered Sales of Equity Securities and Use of Proceeds

The following table sets forth information regarding repurchases of shares of our common stock during the three months ended June 30, 2024:

Period	Total Number of Shares Purchased	Average Price Paid per Share	Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs (a)	Approximate Dollar Value of Shares that May Yet Be Purchased Under the Program (Dollars in Thousands) (a)
Apr. 1 - Apr. 30, 2024	—	\$ —	—	\$ 668,363
May 1 - May 31, 2024	567,567	\$ 122.98	567,567	\$ 598,562
Jun. 1 - Jun. 30, 2024	1,432,433	\$ 121.81	1,432,433	\$ 424,075
	<u>2,000,000</u>		<u>2,000,000</u>	

(a) On July 16, 2024, Blackstone’s board of directors authorized the repurchase of up to \$2.0 billion of common stock and Blackstone Holdings Partnership Units. This authorization replaced Blackstone’s prior \$2.0 billion repurchase authorization. Under the repurchase program, repurchases may be made from time to time in open market transactions, in privately negotiated transactions or otherwise. The timing and the actual numbers repurchased will depend on a variety of factors, including legal requirements, price and economic and market conditions. The repurchase program may be changed, suspended or discontinued at any time and does not have a specified expiration date. See “Part I. Item 1. Financial Statements — Notes to Condensed Consolidated Financial Statements — Note 13. Earnings Per Share and Stockholders’ Equity — Share Repurchase Program” and “Part I. Item 2. Management’s Discussion and Analysis of Financial Condition and Results of Operations — Liquidity and Capital Resources — Share Repurchase Program” for further information regarding this repurchase program.

As permitted by our policies and procedures governing transactions in our securities by our directors, executive officers and other employees, from time to time some of these persons may establish plans or arrangements complying with Rule 10b5-1 under the Exchange Act, and similar plans and arrangements relating to our common stock and Blackstone Holdings Partnership Units.

## Item 3. Defaults Upon Senior Securities

Not applicable.

## Item 4. Mine Safety Disclosures

Not applicable.

## Item 5. Other Information

### Election of Directors

On July 31, 2024, Blackstone Group Management L.L.C., by a written consent as the sole holder of our Series II preferred stock, elected Stephen A. Schwarzman, Jonathan D. Gray, Joseph P. Baratta, William G. Parrett, Kelly A. Ayotte, James W. Breyer, Reginald J. Brown, Rochelle B. Lazarus, and Ruth Porat as directors of Blackstone Inc. Each director was serving as a director of Blackstone Inc. at the time of election.

## Annual Meeting of Stockholders

We will hold our 2024 annual meeting of stockholders (the “Annual Meeting”) at 9:00 a.m., Eastern Time, on September 17, 2024. The Annual Meeting will be held in a virtual meeting format only. Stockholders of record at the close of business on August 12, 2024 (the “Record Date”) can attend the meeting at [https://event.webcasts.com/starthere.jsp?ei=1678314&tp\\_key=f6003bfcabc](https://event.webcasts.com/starthere.jsp?ei=1678314&tp_key=f6003bfcabc). In order to access the Annual Meeting, please be prepared to confirm your ownership of common stock as of the Record Date. Please note that there will not be any matter for stockholders to vote on at the Annual Meeting, and, as such, no action is expected to be taken at the Annual Meeting. Please note that we are not planning on providing any update on our business during the Annual Meeting.

## Section 13(r) Disclosure

Pursuant to Section 219 of the Iran Threat Reduction and Syria Human Rights Act of 2012, which added Section 13(r) of the Exchange Act, Blackstone hereby incorporates by reference herein Exhibit 99.1 of this report, which includes disclosures provided to us by Mundys S.p.A.

## Item 6. Exhibits

<b>Exhibit Number</b>	<b>Exhibit Description</b>
31.1*	<a href="#">Certification of the Chief Executive Officer pursuant to Rule 13a-14(a).</a>
31.2*	<a href="#">Certification of the Chief Financial Officer pursuant to Rule 13a-14(a).</a>
32.1**	<a href="#">Certification of the Chief Executive Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.</a>
32.2**	<a href="#">Certification of the Chief Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.</a>
99.1*	<a href="#">Section 13(r) Disclosure.</a>
101.INS*	Inline XBRL Instance Document – the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document.
101.SCH*	Inline XBRL Taxonomy Extension Schema Document.
101.CAL*	Inline XBRL Taxonomy Extension Calculation Linkbase Document.
101.DEF*	Inline XBRL Taxonomy Extension Definition Linkbase Document.
101.LAB*	Inline XBRL Taxonomy Extension Label Linkbase Document.
101.PRE*	Inline XBRL Taxonomy Extension Presentation Linkbase Document.
104*	Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101).

\* Filed herewith.

\*\* Furnished herewith.

The agreements and other documents filed as exhibits to this report are not intended to provide factual information or other disclosure other than with respect to the terms of the agreements or other documents themselves, and you should not rely on them for that purpose. In particular, any representations and warranties made by us in these agreements or other documents were made solely within the specific context of the relevant agreement or document and may not describe the actual state of affairs as of the date they were made or at any other time.

## Signatures

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

Date: August 2, 2024

Blackstone Inc.

/s/ Michael S. Chae

Name: Michael S. Chae

Title: Chief Financial Officer  
(Principal Financial Officer and  
Authorized Signatory)

**Chief Executive Officer Certification**

I, Stephen A. Schwarzman, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q for the quarter ended June 30, 2024 of Blackstone Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
  - a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
  - b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
  - c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
  - d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
  - a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
  - b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: August 2, 2024

/s/ Stephen A. Schwarzman

Stephen A. Schwarzman

Chief Executive Officer

**Chief Financial Officer Certification**

I, Michael S. Chae, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q for the quarter ended June 30, 2024 of Blackstone Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
  - a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
  - b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
  - c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
  - d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
  - a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
  - b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: August 2, 2024

/s/ Michael S. Chae

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Michael S. Chae  
Chief Financial Officer

**Certification of the Chief Executive Officer  
Pursuant to 18 U.S.C. Section 1350,  
As Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002**

In connection with the Quarterly Report of Blackstone Inc. (the "Company") on Form 10-Q for the quarter ended June 30, 2024 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Stephen A. Schwarzman, Chief Executive Officer of the Company, certify, pursuant to 18 U.S.C. Section § 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, to my knowledge:

- (1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: August 2, 2024

/s/ Stephen A. Schwarzman

Stephen A. Schwarzman  
Chief Executive Officer

\* The foregoing certification is being furnished solely pursuant to 18 U.S.C. Section 1350 and is not being filed as part of the Report or as a separate disclosure document.

**Certification of the Chief Financial Officer**  
**Pursuant to 18 U.S.C. Section 1350,**  
**As Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002**

In connection with the Quarterly Report of Blackstone Inc. (the “Company”) on Form 10-Q for the quarter ended June 30, 2024 as filed with the Securities and Exchange Commission on the date hereof (the “Report”), I, Michael S. Chae, Chief Financial Officer of the Company, certify, pursuant to 18 U.S.C. Section § 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, to my knowledge:

- (1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: August 2, 2024

/s/ Michael S. Chae

Michael S. Chae  
Chief Financial Officer

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\* The foregoing certification is being furnished solely pursuant to 18 U.S.C. Section 1350 and is not being filed as part of the Report or as a separate disclosure document.



**Section 13(r) Disclosure**

Mundys S.p.A. (formerly “Atlantia S.p.A.”) provided the disclosure reproduced below in connection with activities during the quarter ended June 30, 2024. We have not independently verified or participated in the preparation of this disclosure.

“Disclosure pursuant to Section 13(r) of the Securities Exchange Act of 1934. Funds affiliated with Blackstone first invested in Mundys S.p.A. on November 18, 2022 in connection with the voluntary public tender offer by Schema Alfa S.p.A. for all of the shares of Mundys S.p.A., pursuant to which such funds obtained a minority non-controlling interest in Mundys S.p.A. Mundys S.p.A. owns and controls Aeroporti di Roma S.p.A. (“ADR”), an operator of airports in Italy including Leonardo da Vinci-Fiumicino Airport. Iran Air has historically operated periodic flights to and from Leonardo da Vinci-Fiumicino Airport as authorized, from time to time, by an aviation-related bilateral agreement between Italy and Iran, scheduled in compliance with European Regulation 95/93, and approved by the Italian Civil Aviation Authority. ADR, as airport operator, is under a mandatory obligation to provide airport services to all air carriers (including Iran Air) authorized by the applicable Italian authority. The relevant turnover attributable to these activities (whose consideration is calculated on the basis of general tariffs determined by such independent Italian authority) in the quarter ended June 30, 2024 was less than €50,000. Mundys S.p.A. does not track profits specifically attributable to these activities.”