CARLYLE

Financial Overview & Guidance

CURT BUSER
CHIEF FINANCIAL OFFICER

FEBRUARY 23, 2021

IMPORTANT INFORMATION

This presentation has been prepared by The Carlyle Group Inc. (together with its affiliates, "Carlyle") and may only be used for informational purposes. All information contained herein is presented as of December 31, 2020, unless otherwise specifically noted. Unless otherwise expressly stated herein any analysis or outlook relating to the matters discussed herein express Carlyle's views only as of February 23, 2021. Carlyle undertakes no obligation to publicly update or review any forward-looking statements, whether as a result of new information, future developments or otherwise, except as required by applicable law. This presentation may not be referenced, quoted or linked by website, in whole or in part except as agreed to in writing by Carlyle.

FORWARD LOOKING STATEMENTS. Statements contained in this presentation that are not historical facts are based on current expectations, estimates, projections, opinions and/or beliefs of Carlyle. Such statements involve known and unknown risks, uncertainties and other factors, and undue reliance should not be placed thereon. Certain information contained in this presentation constitutes "forward-looking statements," which can be identified by the use of forward-looking terminology such as "may," "will," "should," "seek," "expect," "anticipate," "forecast," "project," "estimate," "intend," "continue," "target," or "believe" or the negatives thereof or other variations thereon or comparable terminology. **Statements related to projected Assets Under Management ("AUM"), Distributable Earnings ("DE"), Fee Related Earnings ("FRE"), fundraising, fee revenue for future periods could be impacted by the level of investment performance, our ability to fundraise and the fees we can charge on such commitments, the pace and scale of capital deployment which may not be consistent with historical levels, the pace and success of exit activity, changes in regulations and laws (including tax laws), our ability to scale existing businesses and wind-down underperforming businesses, our ability to manage expenses and retain key personnel, our ability to manage stock dilution and our ability to charge and retain transaction fees. Even if we were to achieve our goals, there is no guarantee that such fundraising will translate into increased earnings and margins. There can be no assurance that Carlyle's strategic goals will ultimately be realized or if realized, that they will have the effect of accelerating our growth or earnings. All projections assume benign market conditions**. These statements are subject to risks, uncertainties and assumptions, including those listed in this disclaimer and described under the section entitled "Risk Factors" in our Annual Report on Form 10-K for the year ended December 31, 2020 as filed with the SEC on February 11, 2021 (the "Annual Report"), as such factors may be updated from time to time in our periodic filings with the SEC, which are accessible on the SEC's website at www.sec.gov. These factors should not be construed as exhaustive and should be read in conjunction with the other cautionary statements that are included in this presentation and in our filings with the SEC.

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

PAST PERFORMNCE IS NOT INDICATIVE OF FUTURE RESULTS. In considering investment performance information contained in this presentation, prospective investors should bear in mind that past performance is not necessarily indicative of future results and there can be no assurance that Carlyle or any Fund will achieve comparable results. Actual realized value of currently unrealized investments will depend on, among other factors, future operating results, the value of the assets and market conditions at the time of disposition, any related transaction costs and the timing and manner of sale, all of which may differ from the assumptions and circumstances on which the current unrealized valuations are based. Accordingly, the actual realized values of unrealized investments may differ materially from the values indicated herein.

NOT A RECOMMENDATION OF ANY SECURITY. This presentation provides an overview of Carlyle and is not intended to be taken by, and should not be taken by, any individual recipient as investment advice, a recommendation to buy, hold or sell any security, or an offer to sell or a solicitation of offers to purchase any security. An offer or solicitation for an investment in any investment fund managed or sponsored by Carlyle or its affiliates ("Fund") will occur only through an offering memorandum and related purchase documentation, and subject to the terms and conditions contained in such documents and in such Fund's operative agreements. The offering memorandum relating to any Fund contains additional information about the investment objective, terms and conditions of such Fund, tax information and risk disclosure that should be reviewed prior to making an investment decision regarding a Fund. This presentation is qualified in its entirety by such offering memorandum, which should be read completely before making any investment. An investment in a Fund would be speculative and would involve significant risks. Nothing in this presentation is intended to be taken by, and should not be taken by, any individual recipient as investment advice, a recommendation to buy, hold or sell any security, or an offer to sell or a solicitation of offers to purchase any security.

RETURN CALCULATIONS. The fund return information reflected in this presentation is not indicative of the performance of The Carlyle Group Inc. and is also not necessarily indicative of the future performance of any particular fund. There can be no assurance that any of Carlyle's funds or its other existing and future funds will achieve similar returns. See "Risk Factors — Risks Related to Our Business Operations — The historical returns attributable to our funds, including those presented in this report, should not be considered as indicative of the future results of our funds or of our future results or of any returns expected on an investment in our common units" in the Annual Report. As used throughout this document, and unless otherwise indicated, "Gross IRR" represents the annualized internal rate of return for the period indicated on limited partner invested capital based on contributions, distributions and unrealized value before management fees, expenses and carried interest, which will reduce returns and, in the aggregate are substantial. "Net IRR" represents the annualized internal rate of return for the period indicated on limited partner invested capital based on contributions, distributions and unrealized value after management fees, expenses and carried interest (but not taxes borne by investors). "Gross MOIC" represents total fair value, before management fees, expenses and carried interest, divided by cumulative invested capital. An investment is considered realized when the investment fund has completely exited, and ceases to own an interest in, the investment. An investment is considered partially realized when the total proceeds received in respect of such investment, including dividends, interest or other distributions and/or return of capital represents at least 85% of invested capital and such investment is not yet fully realized. For Global Private Equity, since inception means since 1987, US Buyout since inception means since 1987, Asia Buyout since inception means since 1999 and Europe Buyout means since 1998 and since inception for US Opportunistic Real Estate means 1997.

IMPORTANT INFORMATION (continued)

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

NON-GAAP METRICS. This presentation includes certain Non-GAAP financial measures, Distributable Earnings ("DE"), Fee Related Earnings ("FRE"), FRE Margin, and Net Accrued Performance Revenues. These Non-GAAP financial measures should be considered only as supplemental to, and not as superior to, financial measures prepared in accordance with GAAP. Please refer to the Q4 2020 earnings release and the end of this presentation for a reconciliation of the Non-GAAP financial measures included in this presentation to the most directly comparable financial measured prepared in accordance with GAAP. Please see Carlyle's public filings for the definitions of "carry funds," "Assets under management" ("AUM"), and "Fee-earning assets under management" ("Fee-earning AUM" or "FEAUM"). A reconciliation of forward-looking Non-GAAP financial measures cannot be provided without unreasonable effort because of the inherent difficulty of accurately forecasting the occurrence and financial impact of the various adjusting items necessary for such reconciliation that have not yet occurred, are out of our control, or cannot be reasonably predicted. For the same reasons, Carlyle is unable to assess the probable significance of the unavailable information, which could have a material impact on its future GAAP financial results.

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

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

THIRD PARTY SOURCES. Although the information presented in this presentation has been obtained from sources that Carlyle believes to be reliable, Carlyle makes no representations as to its accuracy, validity, timeliness or completeness for any purpose. The information set forth herein does not purport to be complete and Carlyle is not responsible for errors and/or omissions with respect to the information contained herein.

DIVIDEND POLICY. Under our dividend policy for our common stock that we adopted in connection with the Conversion, we expect to pay our common stockholders an annualized dividend of $1.00 per share of common stock, equal to a quarterly dividend of $0.25 per share of common stock. The declaration and payment of any dividends to holders of our common stock are subject to the discretion of our Board of Directors, which may change our dividend policy at any time or from time to time, and the terms of our certificate of incorporation. There can be no assurance that dividends will be made as intended or at all or that any particular dividend policy will be maintained.

TERMS OF USE POLICY. By accessing or using the 2021 Carlyle Investor Day materials, you hereby accept and agree to comply with the Terms of Use Policy of the Carlyle Website (www.carlyle.com) as though incorporated and set forth fully herein. You acknowledge your understanding that the Terms of Use Policy constitute a binding agreement between you and Carlyle that governs your access and use of the 2021 Carlyle Investor Day materials, which includes any images, text, illustrations, designs, icons, photographs, programs, music clips, downloads, video clips, graphics, user interfaces, visual interfaces, information, data, tools, products, written materials, services and other content, including but not limited to the design, structure, selection, coordination, expression and arrangement of the content available on or through the Carlyle website and the 2021 Carlyle Investor Day materials.

Copies of this presentation are available upon request from Carlyle by contacting Daniel Harris, Head of Public Market Investor Relations, at daniel.harris@carlyle.com or +1 (212) 813-4527.

RISK FACTORS

Certain statements in this presentation are based on current management expectations; and involve inherent risks and uncertainties, including those identified in the Risk Factors section of our Annual Report and other SEC filings, including without limitation:

- *Our business could be negatively impacted in many ways by adverse economic and market conditions or changes in the debt financing markets, including by reducing the value or performance of investments made by our investment funds and reducing the ability of our funds to raise capital or obtain attractive financing or re-financing.*
- *The global outbreak of the novel coronavirus, or COVID-19, has caused severe disruptions in the U.S. and global economies and may continue to adversely impact, our performance and results of operations.*
- *Our use of leverage may expose us to substantial risks and our revenue, earnings and cash flow are variable, which makes it difficult for us to achieve steady earnings growth on a quarterly basis.*
- *We may not be successful in expanding into new investment strategies, markets and businesses, including business initiatives to increase the number and type of investment products we offer to retail investors*
- *We may reduce our AUM, restrain its growth, reduce our fees or otherwise alter the terms under which we do business when we deem it in the best interest of our investors, even when such actions may be contrary to the near term interests of stockholders*
- *Poor performance of our investment funds would cause a decline in our revenue, income and cash flow, may obligate us to repay carried interest previously paid to us, and could adversely affect our ability to raise capital. Our asset management business depends in large part on our ability to raise capital from third-party investors.*
- *Our investors may negotiate to pay us lower management fees and the economic terms of our future funds may be less favorable to us than those of our existing funds, which could adversely affect our revenues.*
- *Valuation methodologies for certain assets in our funds can involve subjective judgments, and the fair value of assets established pursuant to such methodologies may be incorrect, which could result in the misstatement of fund performance and accrued performance allocations. Historical returns attributable to our funds should not be considered as indicative of the future results.*
- *Dependence on significant leverage in investments by our funds could adversely affect our ability to achieve attractive rates of return on those investments.*
- *The alternative asset management business is intensely competitive and we often pursue investment opportunities that involve business, regulatory, legal or other complexities and relatively high-risk, illiquid assets.*
- *The investments of our Global Private Equity, Global Credit and Investment Solutions funds are subject to a number of inherent risks.*
- *We may need to pay "giveback" obligations if they are triggered under the governing agreements with our investors.*
- *Operational risks may disrupt our businesses, result in losses or limit our growth and failure to maintain the security of our information and technology networks, intellectual property and proprietary business information could have a material adverse effect on us.*
- *Extensive regulation in the United States and abroad, including financial regulatory changes (such as those regarding derivatives and commodity interest transactions), affects our activities, increases the cost of doing business and creates the potential for significant liabilities, penalties and additional burdens.*
- *Third-party investors in substantially all of our carry funds have rights that in certain circumstances could lead to a decrease in our revenues. In addition, third-party investors in our investment funds with commitment-based structures may not satisfy their contractual obligation to fund capital calls when requested by us, which could adversely affect a fund's performance.*
- *Our private equity funds' performance, and our performance, may be adversely affected by the financial performance, financial projections or contingent liabilities of our portfolio companies and the industries in which our funds invest, including securities of companies that are experiencing significant financial or business difficulties.*
- *Investments in the insurance industry (including our investment in Fortitude Holdings) could be adversely impacted by insurance regulations and potential regulatory reforms. Our relationship with Fortitude Holdings may not generate a meaningful contribution to our revenue and our ownership and control of Fortitude Holdings could give rise to real or apparent conflicts of interest.*
- *Ongoing trade negotiations and potential for further regulatory reform may create regulatory uncertainty for our portfolio companies and our investment strategies and adversely affect the profitability of our portfolio companies.*
- *We are subject to substantial litigation risks, including allegations of employee misconduct or fraud (including at our portfolio companies), and may face significant liabilities and damage to our professional reputation as a result of such allegations and negative publicity.*
- *Changes in U.S. and foreign tax regulations, including the comprehensive U.S. federal income tax reform that became effective in 2018, could adversely affect us and our ability to raise funds from certain foreign investors.*

Carlyle Has Been Delivering for Shareholders…

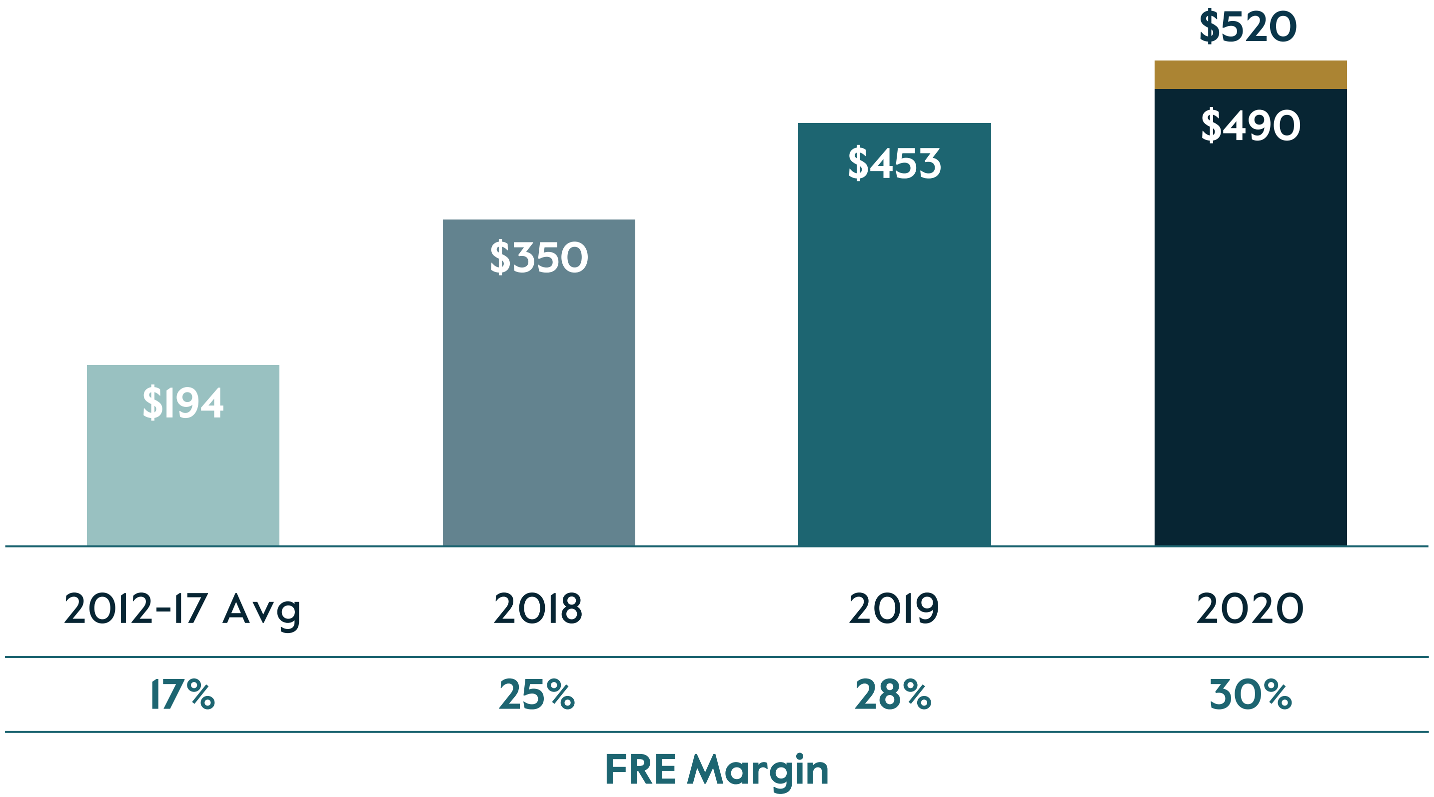
- Significant FRE Growth Since 2017
- Improving Earnings Mix
- Record Accrual Driven by Fund Performance
- Benefits of C-Corp Conversion

And Our Strategic Plan Positions Us for Accelerating Growth

- Continued Top-Line Expansion
- Poised to Execute on Growth Drivers
- Monetization of Performance Revenue
- Margin Expansion through Operating Excellence

Fee Related Earnings Have Ramped Significantly...

FEE RELATED EARNINGS ($MN)



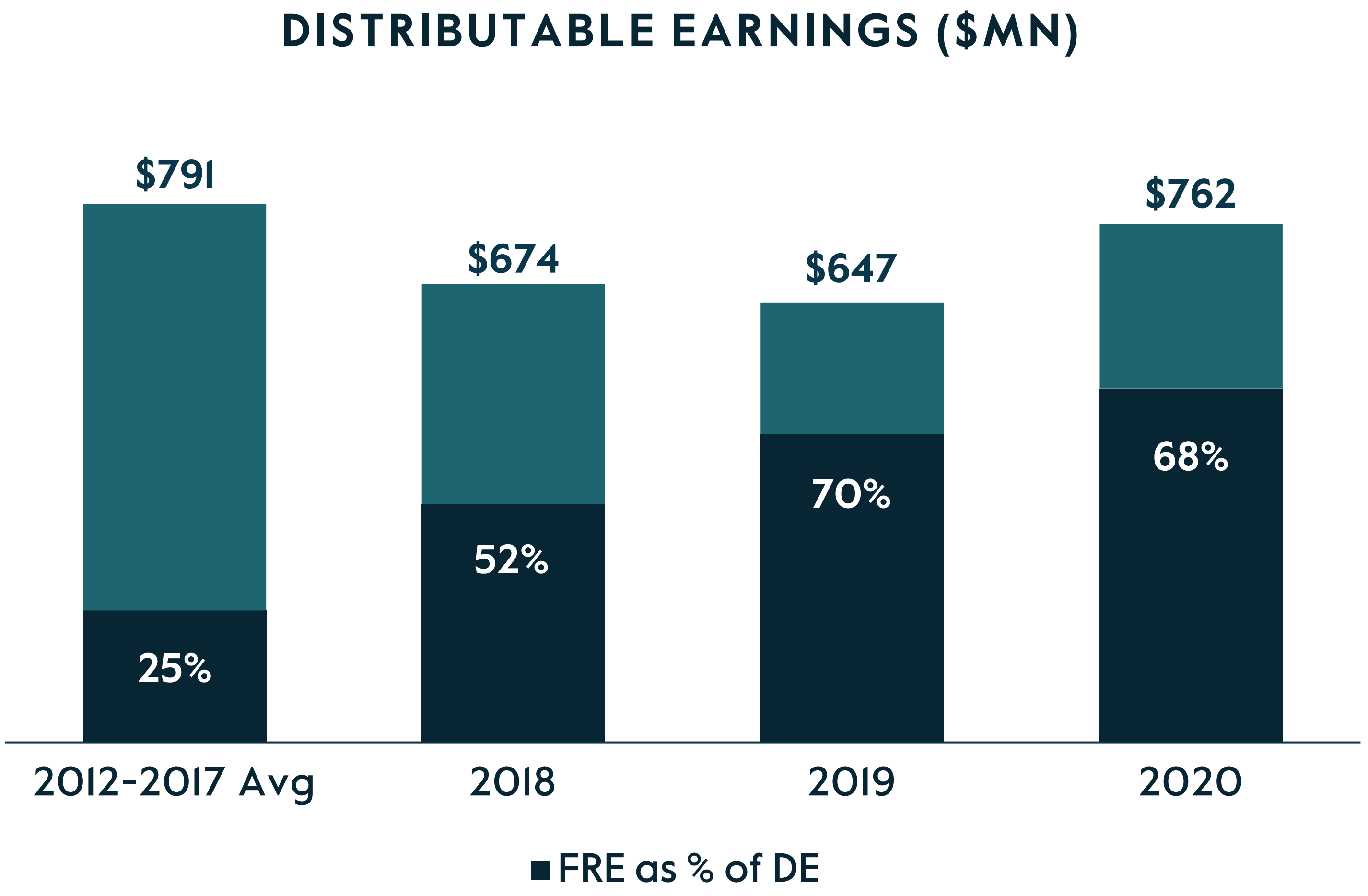
FEE RELATED EARNINGS HAVE MORE THAN DOUBLED FROM THE 2012-17 AVERAGE

FRE MARGIN HAS EXPANDED BY MORE THAN

1,000 bps

Note: 2020 Fee Related Earnings were $520 million, or $490 million excluding the impact of $30 million in one-time recoveries; 2020 FRE margin of 30% excludes the impact of recoveries.

…Resulting in an Improved Earnings Mix

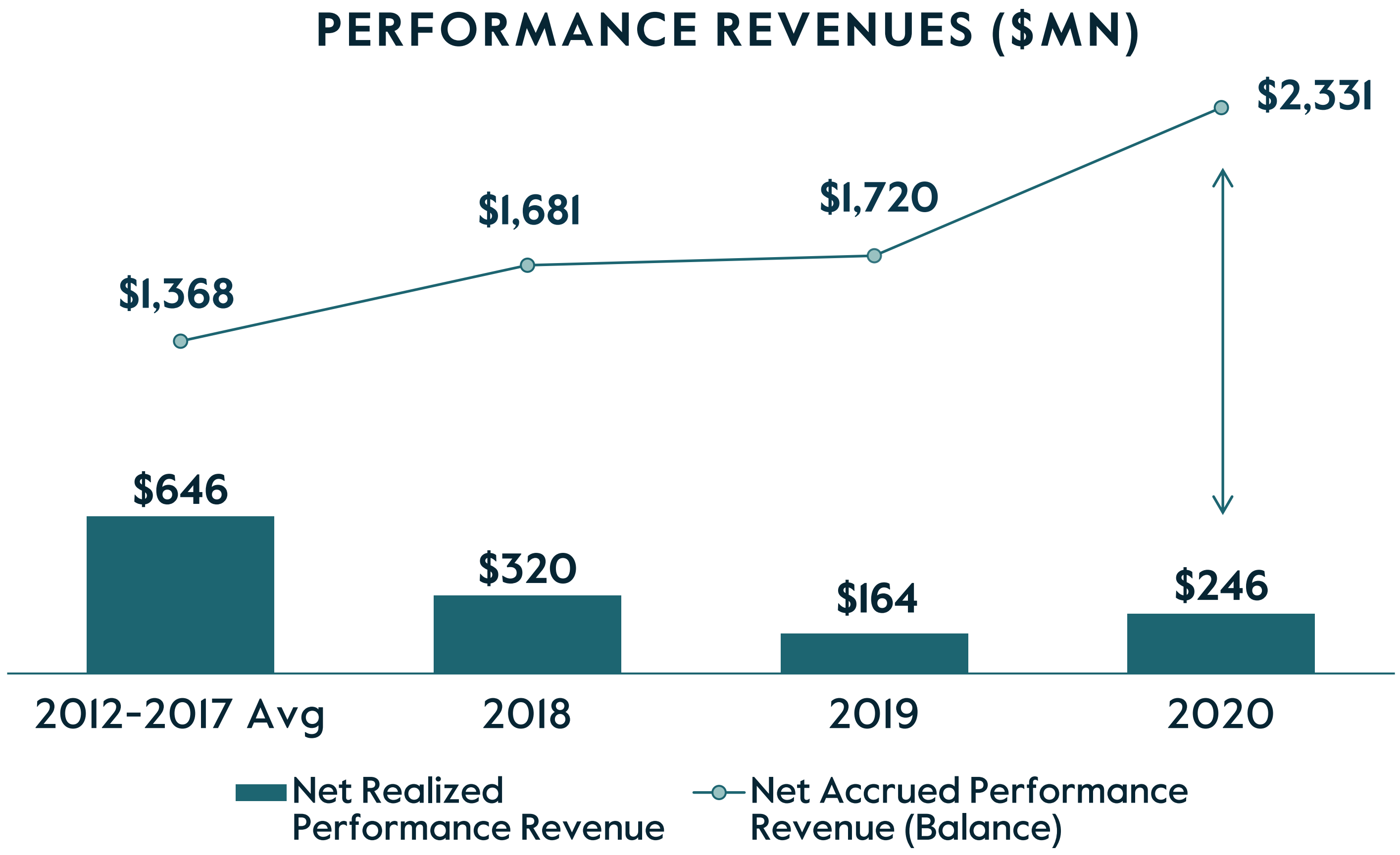


EARNINGS MIX WILL BE

MORE BALANCED

BETWEEN FRE & CARRY IN FUTURE PERIODS

Accrued Performance Revenue Is at Record Levels



$2.3 Billion

OF NET ACCRUED PERFORMANCE REVENUE POISED TO ACCELERATE DISTRIBUTABLE EARNINGS GROWTH

See Notes at end of document.

Our Strategic Plan Will Result in Accelerating Growth

1

ACCELERATE / SCALE / EXPAND

Drive higher management fees & operating leverage

2

CAPTURE ADJACENCIES

Generate incremental & diverse revenue streams

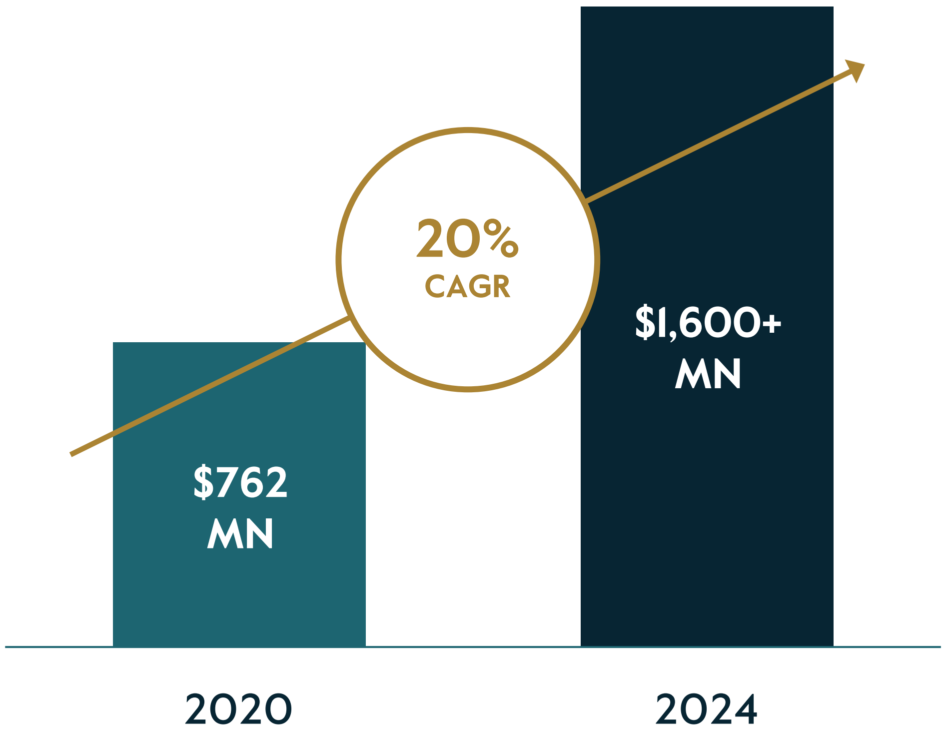
3

INSTITUTIONALIZE

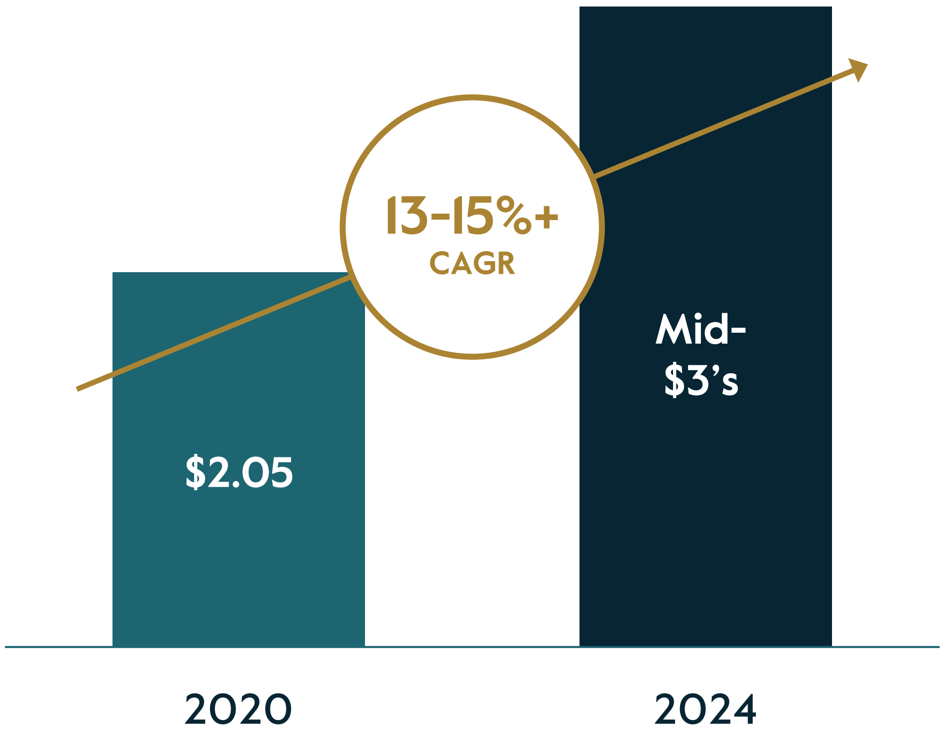
Control costs, align senior execs with performance, improve margins

Double Distributable Earnings by 2024

DISTRIBUTABLE EARNINGS (PRE-TAX)



DISTRIBUTABLE EARNINGS PER SHARE

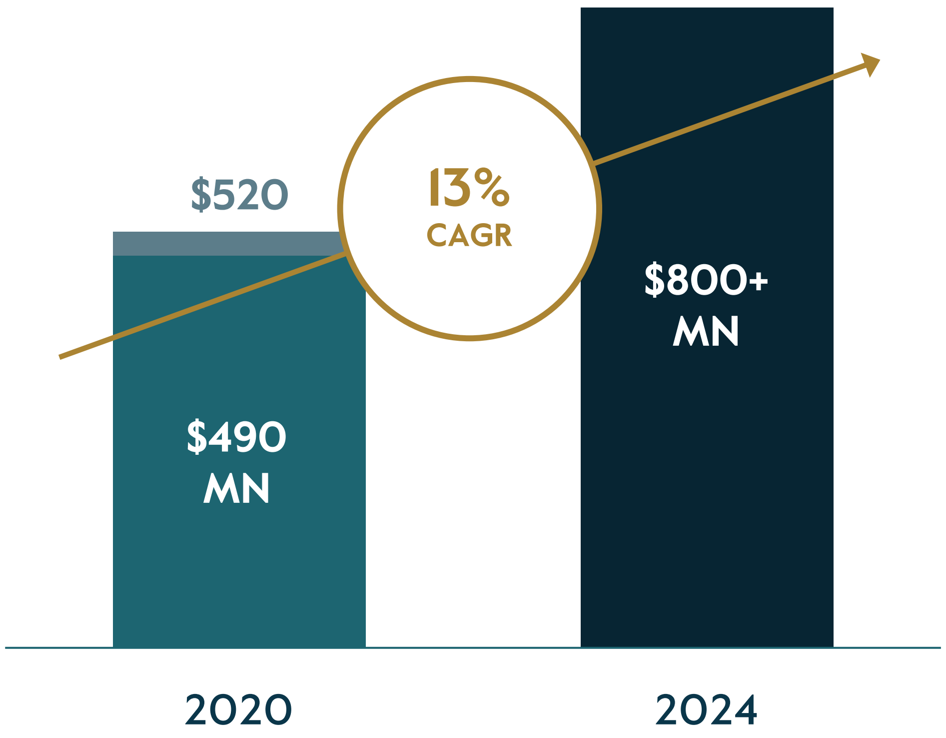


Effective DE Tax Rate	
5%	20-22%

Please see the "Important Information" slide for more information about the use of and reliance on projections.

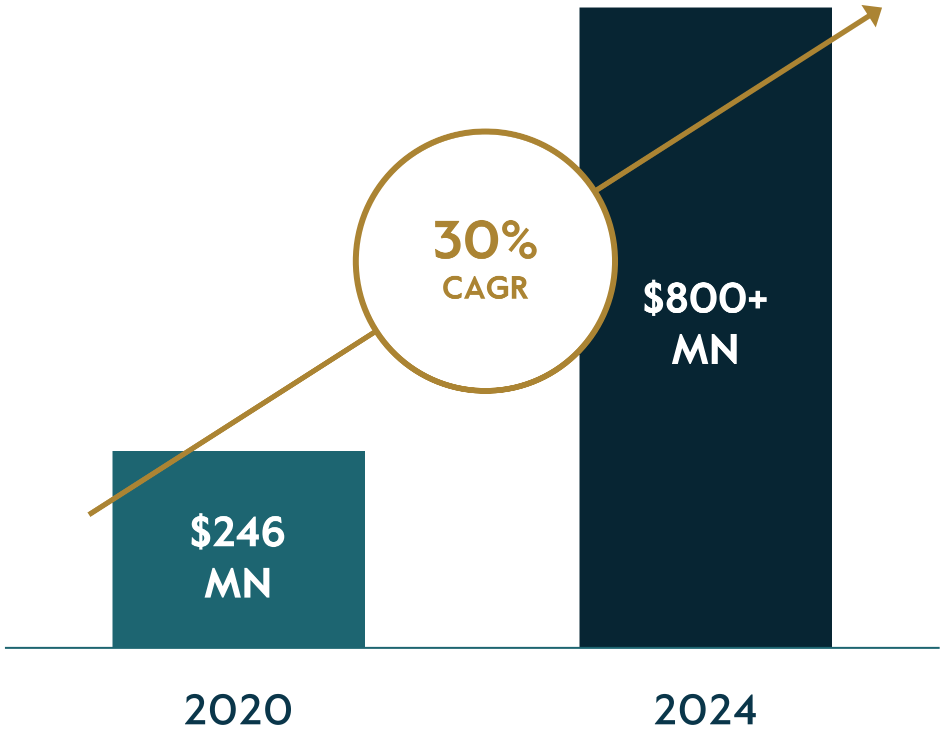
Grow Fee Related Earnings to $800 Million & Triple Realized Performance Revenues

FEE RELATED EARNINGS & FRE MARGIN



FRE Margin	
30%	40%

NET REALIZED PERFORMANCE REVENUES

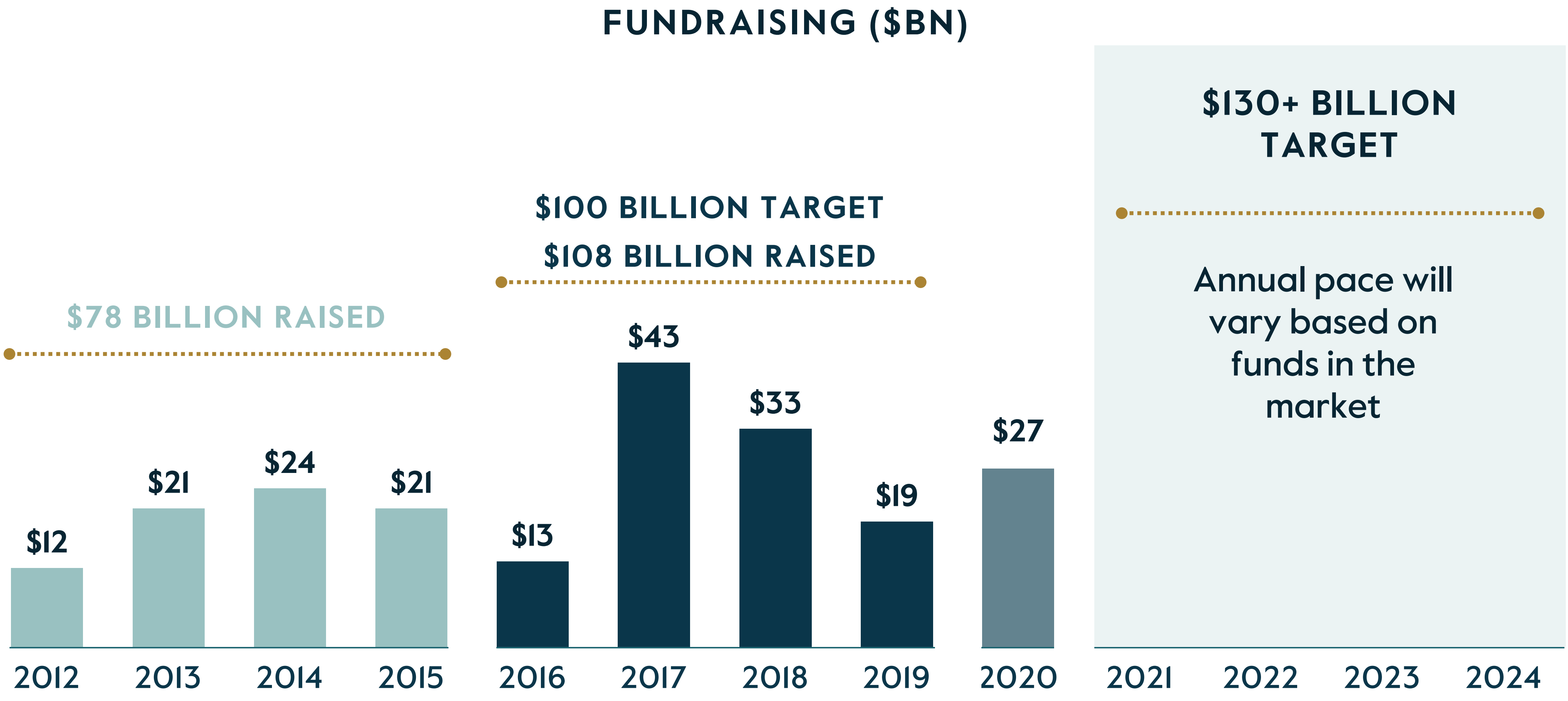


Note: 2020 Fee Related Earnings were $520 million, or $490 million excluding the impact of $30 million in one-time recoveries. Please see the "Important Information" slide for more information about the use of and reliance on projections.

Moving from Guidance to Execution

1 Scale & Diversify Fee Revenues

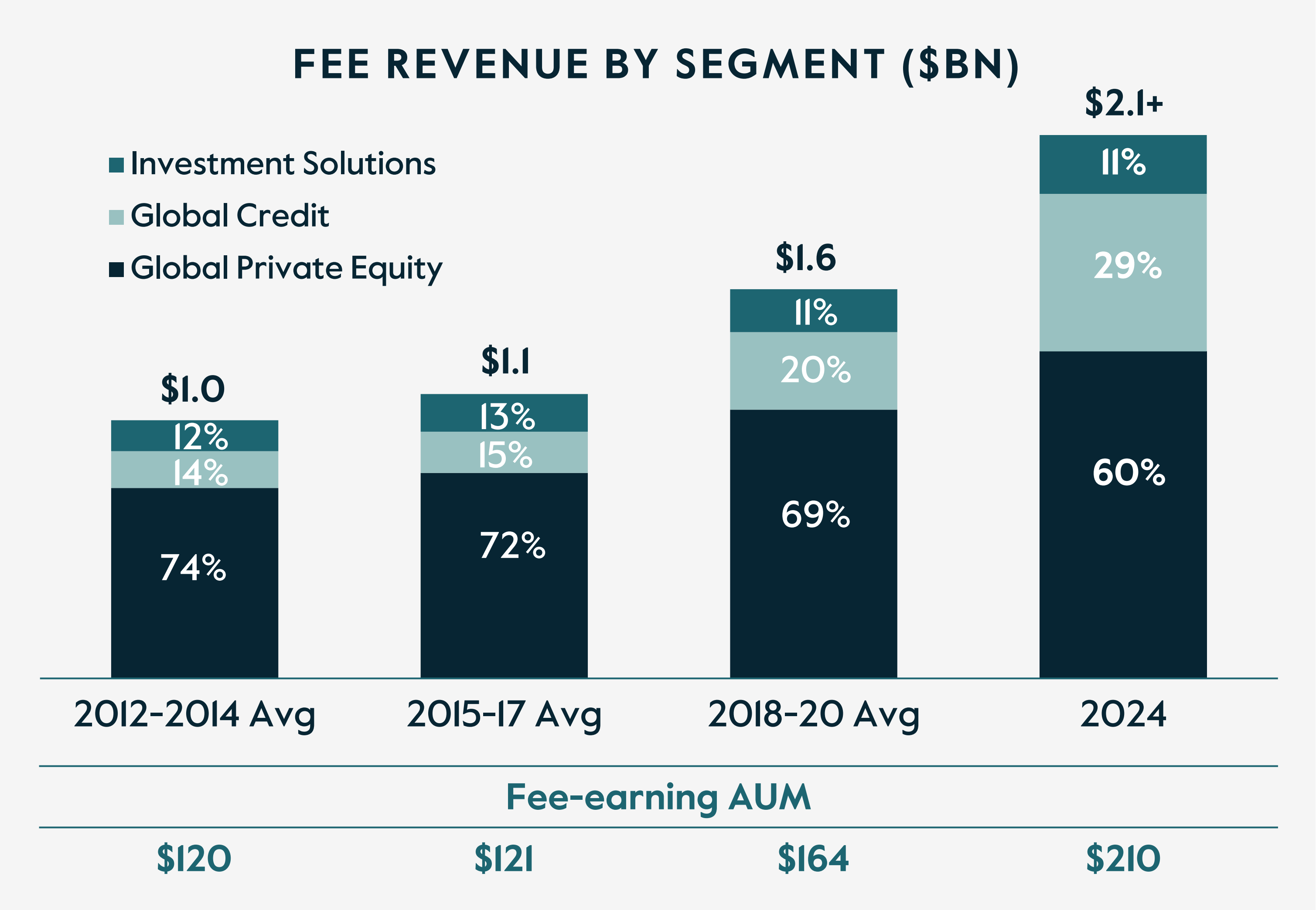
Fundraising Target of $130+ Billion through 2024



Note: Historical Gross Fundraising amounts exclude amounts related to our former hedge fund platform. Please see the "Important Information" slide for more information about the use of and reliance on projections.

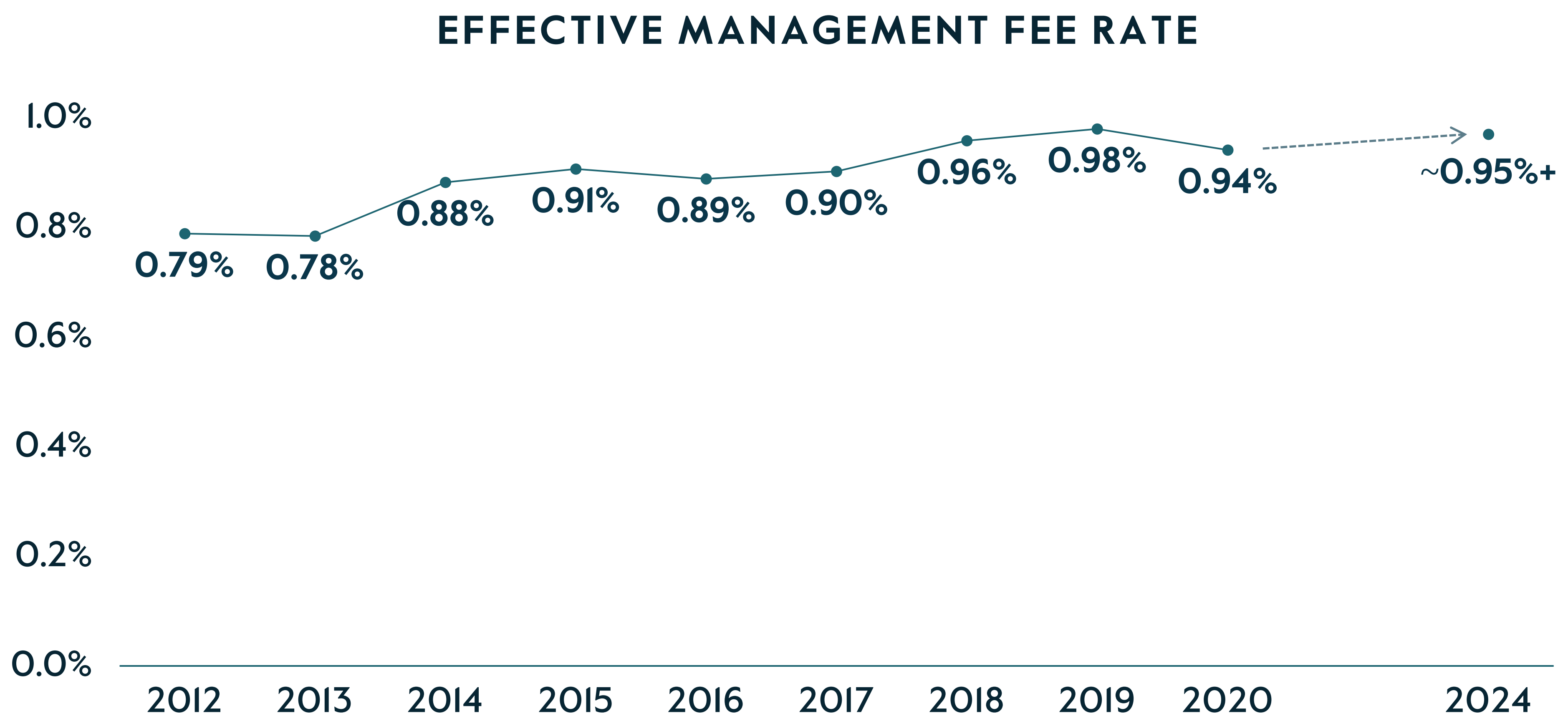
Total Fee Revenue Organically Grows & Diversifies through the Cycle

- Top-line growth accelerates with next major multi-year fundraising campaign
- Timing driven by fee initiation for largest funds
- In the short term, growth in Global Credit & Investment Solutions offsets realizations in Global Private Equity
- Expect modest overall management fee growth in 2021



Note: Excludes the impact of former hedge fund platform. Please see the "Important Information" slide for more information about the use of and reliance on projections.

Current & Future Stable Fee Rates



Note: Excludes the impact of former hedge fund platform. Effective Management Fee Rate reflects management fee revenue divided by average Fee-earning AUM for each year. Please see the "Important Information" slide for more information about the use of and reliance on projections.

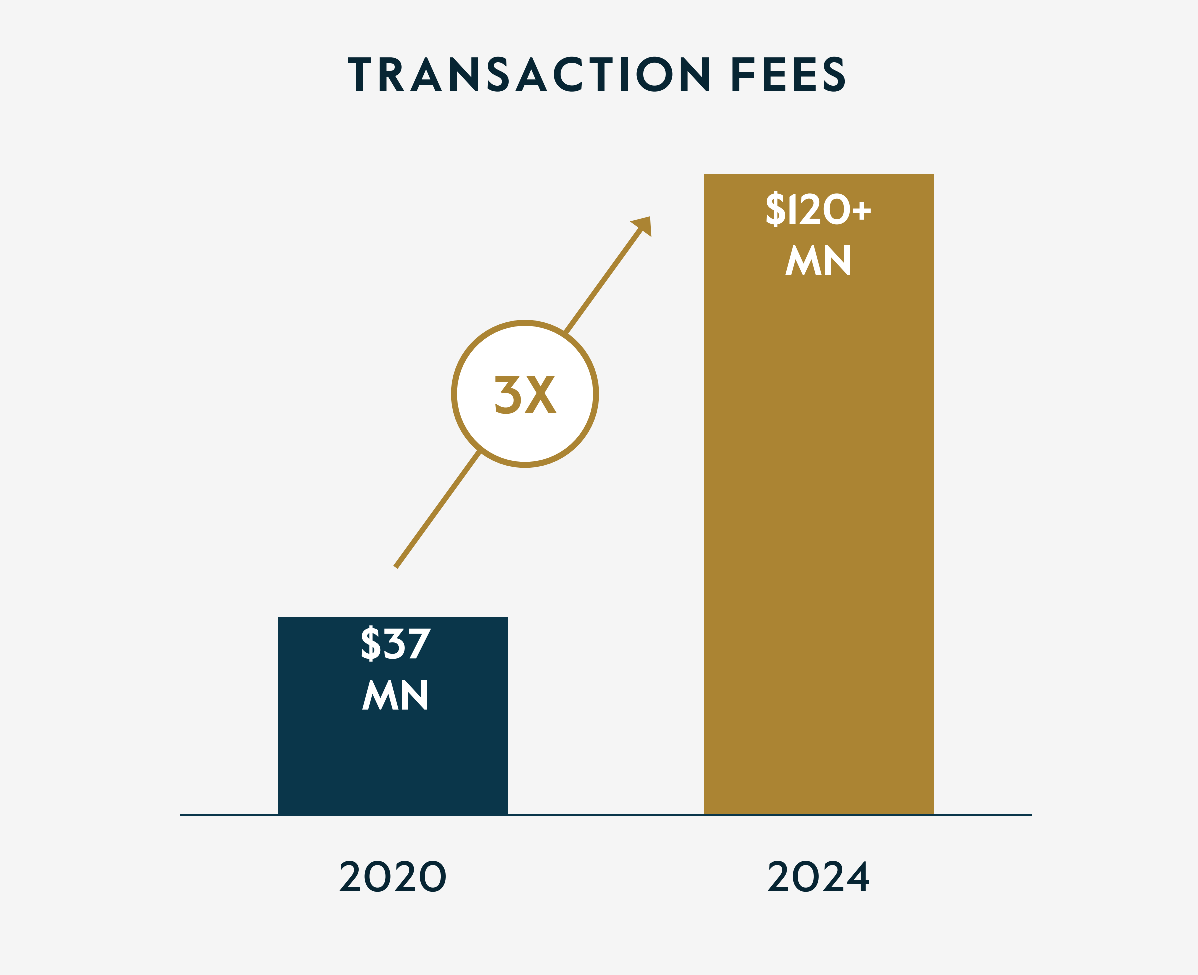
2 Capture Incremental Growth Through Adjacencies

Capture More Transaction Fees

DRIVE HIGHER LEVELS OF FEES FROM:

GROWING OUR GLOBAL CAPITAL MARKETS CAPABILITIES

GENERATING MORE TRANSACTION FEES FROM OUR INVESTMENT ACTIVITY



Note: Excludes portfolio advisory fees and other income. Transaction fees are net of rebates to limited partners. Please see the "Important Information" slide for more information about the use of and reliance on projections.

Insurance Strategy Drives Multiple Earnings Streams

BASE FEE ECONOMICS

RETURN ON BALANCE SHEET INVESTMENT

FEES ON ROTATED CAPITAL

STRATEGIC M&A

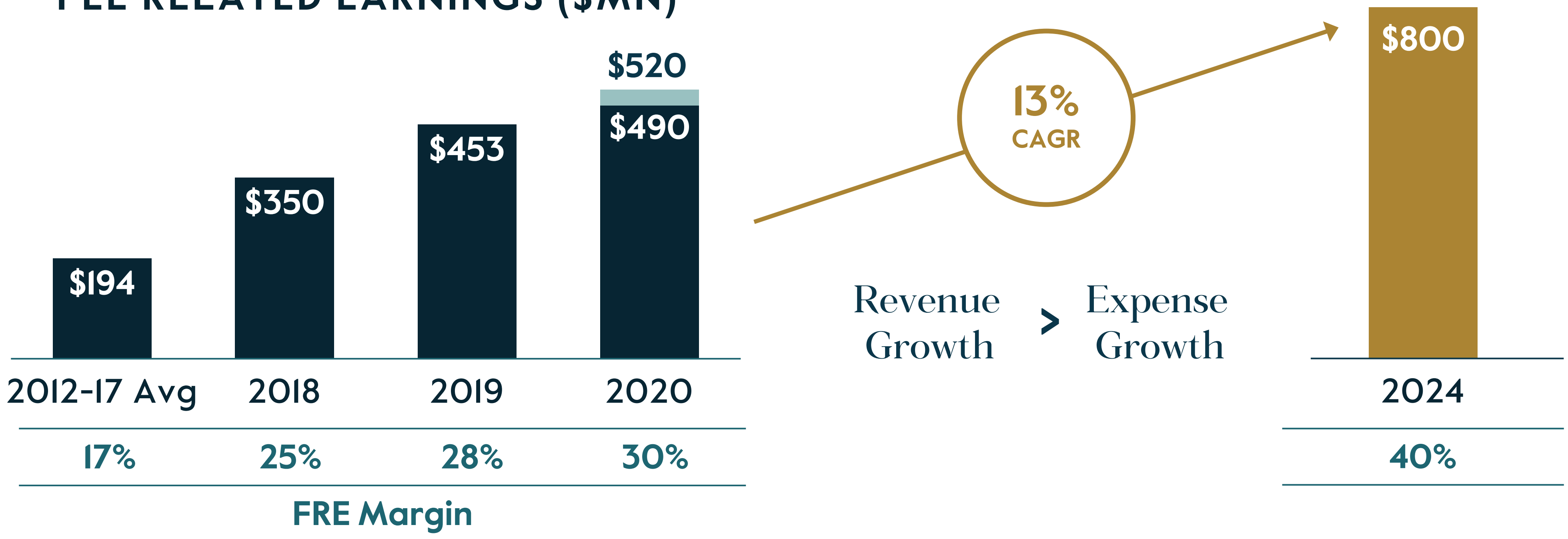
Insurance Solutions

CONTRIBUTION TO EARNINGS SHOULD INCREASE BOTH ORGANICALLY AND BY ACQUISITION

3 Drive Margin Expansion Through Institutionalization & Expense Management

Institutionalize & Align Our Business to Gain Scale & Operating Leverage

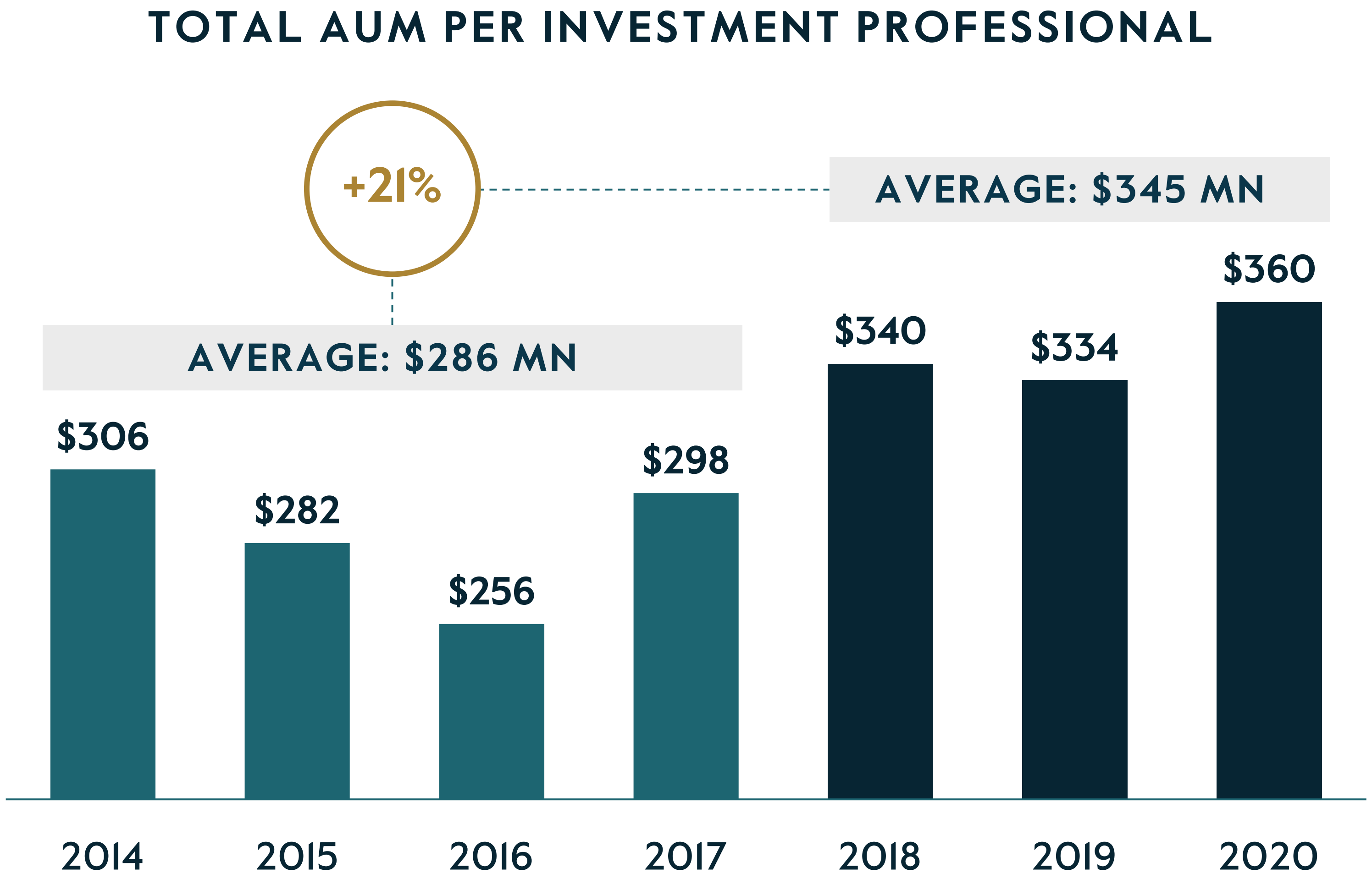
FEE RELATED EARNINGS ($MN)



Leadership team incentivized to deliver on FRE growth targets through performance-based equity compensation

Note: 2020 Fee Related Earnings were $520 million, or $490 million excluding the impact of $30 million in one-time recoveries. Please see the "Important Information" slide for more information about the use of and reliance on projections.

Scaling Our Platform Drives Increased Efficiency



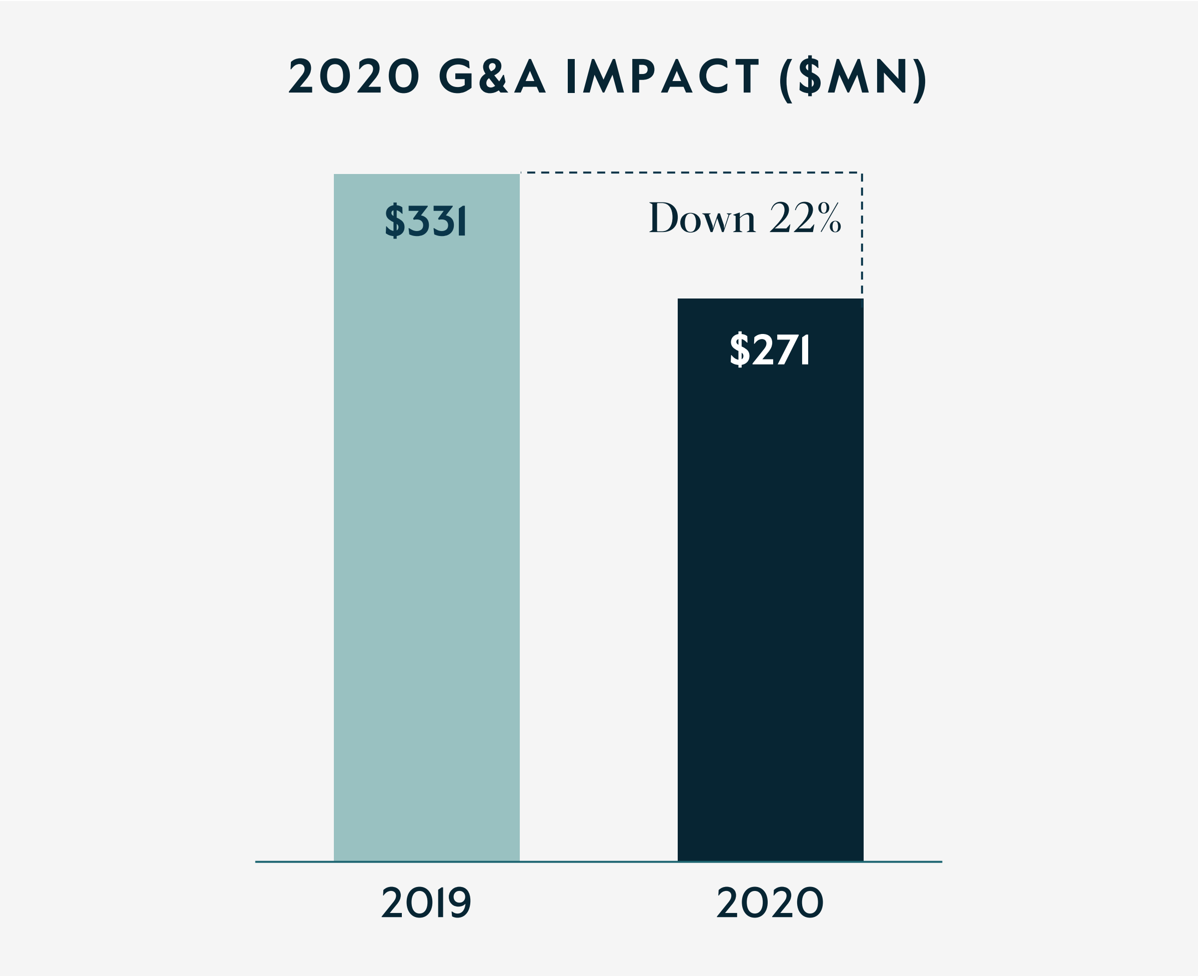
INCREASED EFFICIENCY DRIVES

Improved Margins

Note: Excludes the impact of former hedge fund platform.

Opportunity for Permanent Savings in General & Administrative Expenses

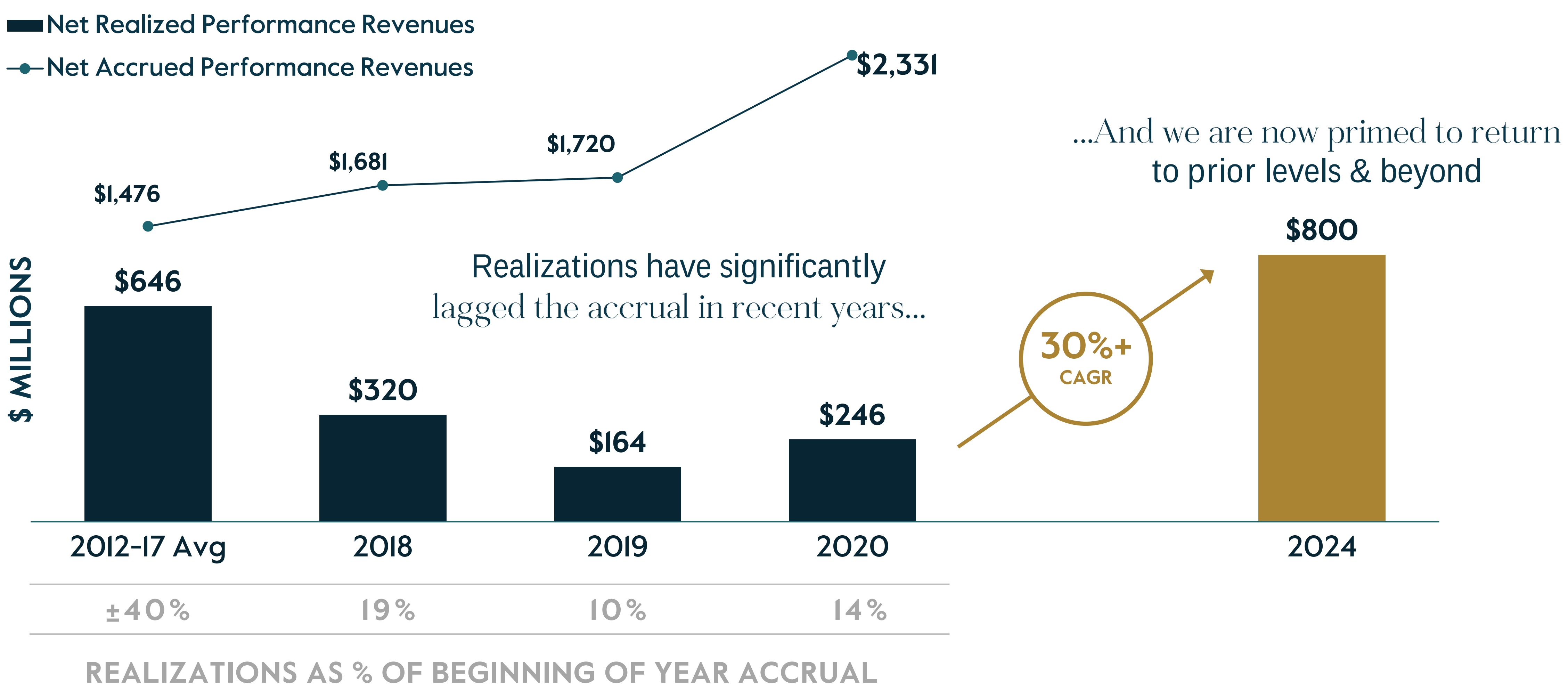
- Learnings from 2020 can generate more permanent savings in travel & conference costs
- Virtual & teaming technology can speed decisions, enable remote work & potentially save office-related costs
- Improved risk management & lower litigation costs can reduce spend on professional fees



Note: 2020 G&A expense of $271 million excludes the offsetting positive impact of $30 million in recoveries.

4 Monetize Performance

Record Net Accrued Performance Revenue Supports a Near-Term Realization Ramp



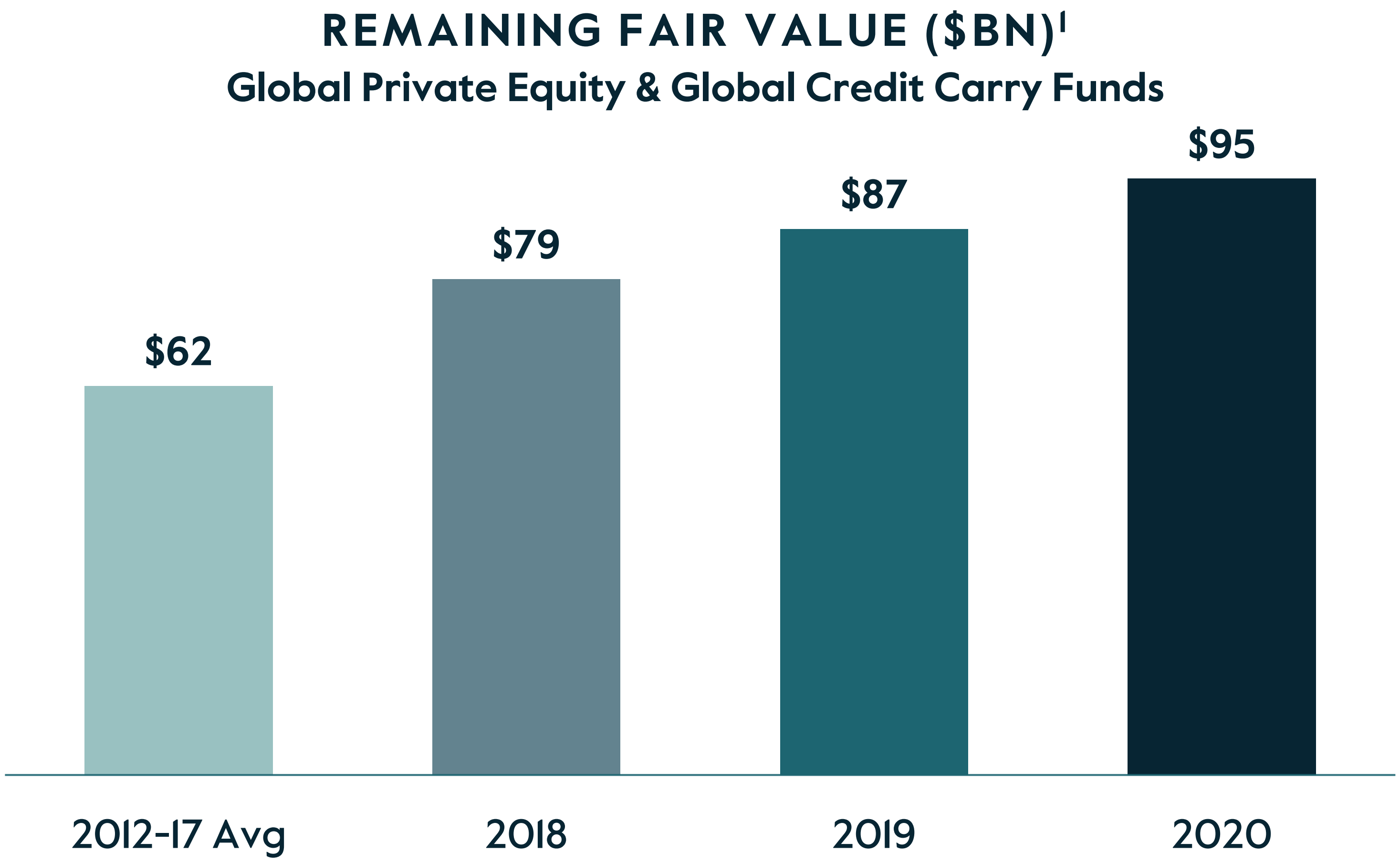
Please see the "Important Information" slide for more information about the use of and reliance on projections. See Notes at end of document.

Our Current Performance Revenue Accrual Is Well Seasoned for Near-Term Realization

	TAKING CARRY	NOT YET TAKING CARRY	NOT YET MATURE
Net Accrued Performance Revenue	**$1.7 BN**	**$0.5 BN**	**$0.1 BN**
Key Fund Contributors	CP VI $1.1 BN FIRST CARRY REALIZATION EVENT: Q3 2020	CAP IV $250 MN NOW @ 11% NET IRR	CAP V $43 MN CRP VIII $33 MN CCOF $30 MN EACH IN INVESTMENT PERIOD
	Total $2.3 Billion		

See Notes at end of document.

Scaling of Portfolio Reflects Higher Long-Term Performance Revenue Capacity



THE PORTFOLIO OF INVESTMENTS IN OUR TRADITIONAL CARRY FUNDS IS NOW MORE THAN

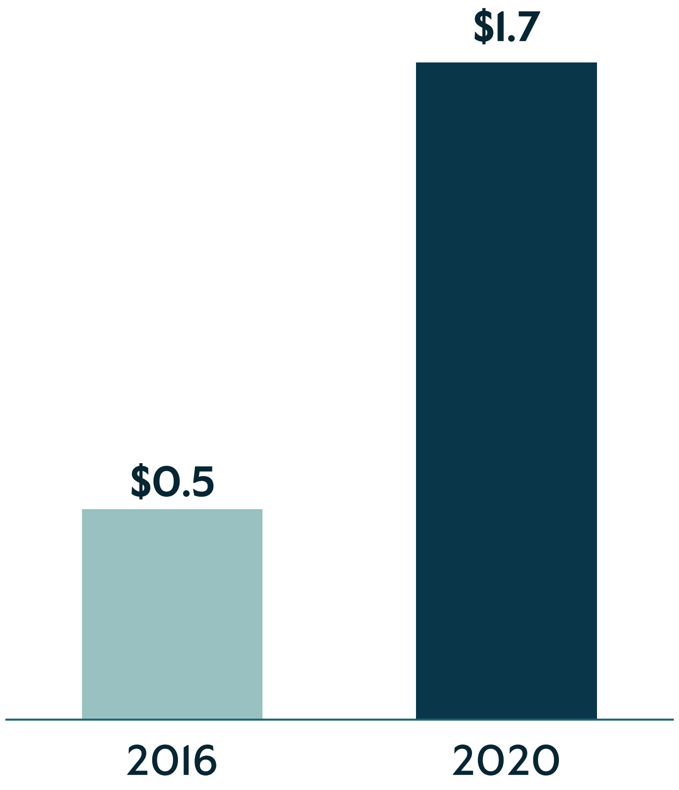
50%

LARGER COMPARED TO THE 2012-17 AVERAGE

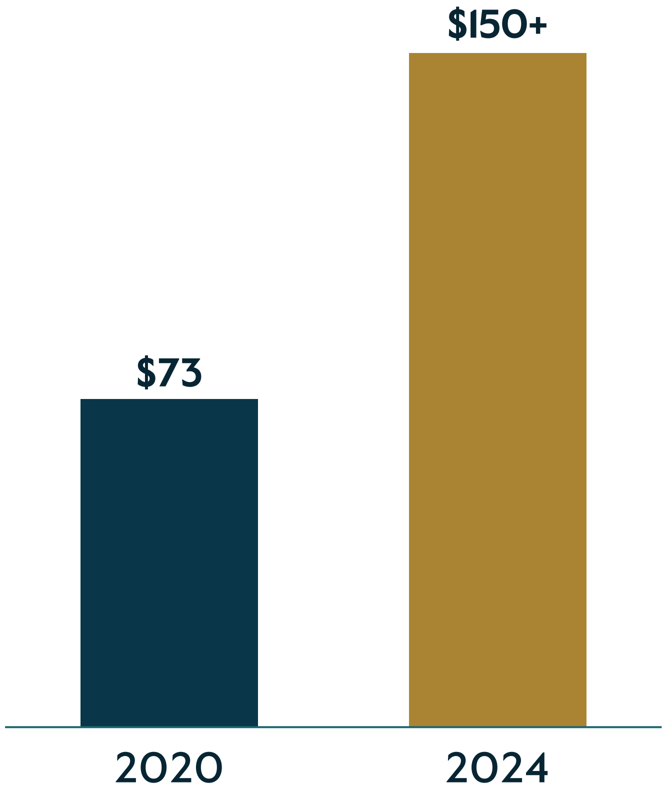
See Notes at end of document.

Realized Investment Income Will More Than Double over the Next Few Years

BALANCE SHEET INVESTMENTS ($BN)[1]



REALIZED INVESTMENT INCOME ($MN)

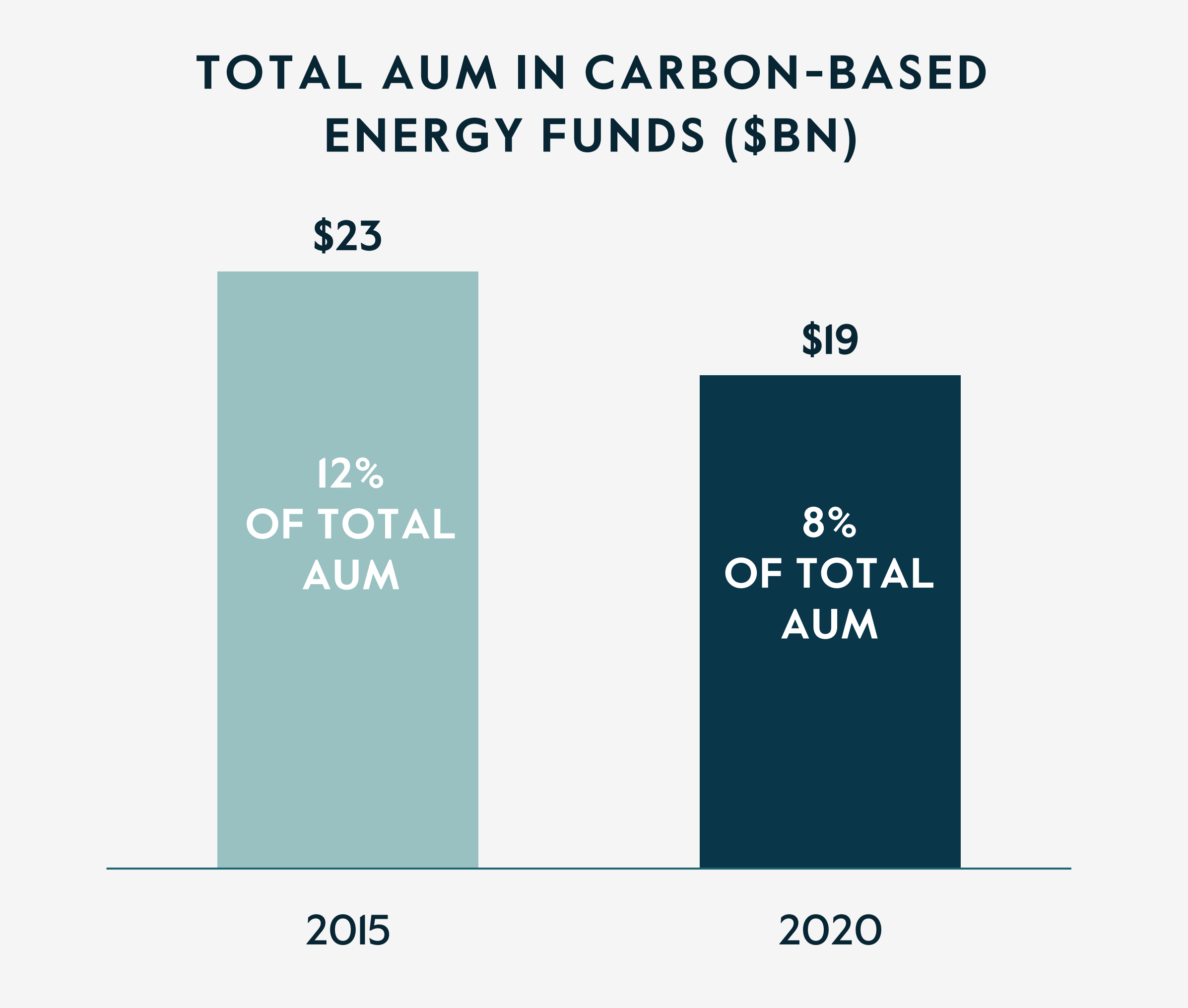


Please see the "Important Information" slide for more information about the use of and reliance on projections.

5 Manage Headwinds Effectively

Actively Manage Headwinds

- Carbon-based energy continues to present attractive investment opportunities, but with fundraising challenges
- Our long-term carry fund capital will **continue to earn management fees with upside** from performance revenue
- Carbon energy investments are generally in dedicated funds
- We are well-positioned to capitalize on the transition to renewable energy through our **integrated infrastructure platform**



Putting It All Together

Capital Allocation Aligns with Our Strategic Plan

- MAINTAIN & GROW OUR FIXED DIVIDEND
- DIRECT INVESTMENT INTO OUR FUNDS
- NEW STRATEGIES & CAPITAL MARKETS
- STRATEGIC M&A
- DILUTION MANAGEMENT

Our priority for excess capital is to accelerate platform and earnings growth

Putting It All Together:
Growing DE / Share from $2 to Mid $3s by 2024

$2.05
PER SHARE
(2020)

$762 MN
PRE-TAX DE

DOUBLE DISTRIBUTABLE EARNINGS (PRE-TAX)

HIGHER TAXES (20-22%) & 1% DILUTION

13-15%
CAGR

Mid $3s
PER SHARE
(2024)

$1.6 BN+
PRE-TAX DE

Please see the "Important Information" slide for more information about the use of and reliance on projections.

Reconciliations

U.S. GAAP Statement of Operations[1]

REVENUES	2012	2013	2014	2015	2016	2017	2018	2019	2020
(Dollars in millions, except share and per share amounts)									
Fund management fees	$ 977.6	$ 984.6	$ 1,166.3	$ 1,085.2	$ 1,076.1	$ 1,026.9	$ 1,272.0	$ 1,476.2	$ 1,486.0
Incentive fees	40.0	145.7	4.1	22.7	36.4	35.3	30.2	35.9	37.0
Investment income									
Performance allocations	1,001.1	2,229.6	1,670.3	802.2	715.4	2,058.6	622.9	799.1	1,635.9
Principal investment income (loss)	36.4	18.8	(7.2)	15.2	160.5	232.0	186.3	769.3	(540.7)
TOTAL INVESTMENT INCOME (LOSS)	**1,037.5**	**2,248.4**	**1,663.1**	**817.4**	**875.9**	**2,290.6**	**809.2**	**1,568.4**	**1,095.2**
Interest and other income	14.5	11.9	20.6	18.6	23.9	36.7	101.3	97.3	89.6
Interest and other income of Consolidated Funds	903.5	1,043.1	956.0	975.5	166.9	177.7	214.5	199.2	226.8
Revenue of a real estate VIE	-	7.5	70.2	86.8	95.1	109.0	-	-	-
TOTAL REVENUES	**2,973.1**	**4,441.2**	**3,880.3**	**3,006.2**	**2,274.3**	**3,676.2**	**2,427.2**	**3,377.0**	**2,934.6**
EXPENSES									
Compensation and benefits									
Cash-based compensation and benefits	624.5	738.0	789.0	632.2	647.1	652.7	746.7	833.4	849.6
Equity-based compensation	201.7	322.4	344.0	378.0	334.6	320.3	239.9	140.0	105.0
Performance allocations and incentive fee related compensation	317.7	1,183.7	872.9	510.9	353.1	988.3	376.3	436.7	779.1
TOTAL COMPENSATION AND BENEFITS	**1,143.9**	**2,244.1**	**2,005.9**	**1,521.1**	**1,334.8**	**1,961.3**	**1,362.9**	**1,410.1**	**1,733.7**
General, administrative and other expenses	357.5	496.4	526.8	712.8	521.1	276.8	460.7	494.4	349.3
Interest	24.6	45.5	55.7	58.0	61.3	65.5	82.2	82.1	94.0
Interest and other expenses of Consolidated Funds	758.1	890.6	1,042.0	1,039.3	128.5	197.6	164.6	131.8	163.5
Interest and other expenses of a real estate VIE and loss on deconsolidation	-	33.8	175.3	144.6	207.6	202.5	-	-	-
Other non-operating expenses (income)	7.1	(16.5)	(30.3)	(7.4)	(11.2)	(71.4)	1.1	1.3	(7.2)
TOTAL EXPENSES	**2,291.2**	**3,693.9**	**3,775.4**	**3,468.4**	**2,242.1**	**2,632.3**	**2,071.5**	**2,119.7**	**2,333.3**
Net investment gains (losses) of consolidated funds	1,758.0	696.7	887.0	864.4	13.1	88.4	4.5	(23.9)	(21.3)
INCOME (LOSS) BEFORE PROVISION FOR INCOME TAXES[2]	**2,439.9**	**1,444.0**	**991.9**	**402.2**	**45.3**	**1,132.3**	**360.2**	**1,233.4**	**580.0**
Provision (benefit) for income taxes	40.4	96.2	76.8	2.1	30.0	124.9	31.3	49.0	197.2
NET INCOME (LOSS)	**2,399.5**	**1,347.8**	**915.1**	**400.1**	**15.3**	**1,007.4**	**328.9**	**1,184.4**	**382.8**
Net income (loss) attributable to non-controlling interests in consolidated entities	1,756.7	676.0	485.5	537.9	41.0	72.5	33.9	36.6	34.6
NET INCOME (LOSS) ATTRIBUTABLE TO CARLYLE HOLDINGS	**642.8**	**671.8**	**429.6**	**(137.8)**	**(25.7)**	**934.9**	**295.0**	**1,147.8**	**348.2**
Net income (loss) attributable to non-controlling interests in Carlyle Holdings	622.5	567.7	343.8	(119.4)	(32.1)	690.8	178.5	766.9	-
NET INCOME (LOSS) ATTRIBUTABLE TO THE CARLYLE GROUP INC.	**20.3**	**104.1**	**85.8**	**(18.4)**	**6.4**	**244.1**	**116.5**	**380.9**	**348.2**
Net income attributable to Series A Preferred Shareholders	-	-	-	-	-	6.0	23.6	19.1	-
Series A Preferred Shares redemption premium	-	-	-	-	-	-	-	16.5	-
NET INCOME (LOSS) ATTRIBUTABLE TO THE CARLYLE GROUP INC. COMMON STOCKHOLDERS	**$ 20.3**	**$ 104.1**	**$ 85.8**	**$ (18.4)**	**$ 6.4**	**$ 238.1**	**$ 92.9**	**$ 345.3**	**$ 348.2**
NET INCOME (LOSS) ATTRIBUTABLE TO THE CARLYLE GROUP INC. PER COMMON SHARE									
Basic	$ 0.48	$ 2.24	$ 1.35	$ (0.24)	$ 0.08	$ 2.58	$ 0.89	$ 3.05	$ 0.99
Diluted	$ 0.41	$ 2.05	$ 1.23	$ (0.30)	$ (0.08)	$ 2.38	$ 0.82	$ 2.82	$ 0.97
Weighted-average common shares									
Basic	42,562,928	46,135,229	62,788,634	74,523,935	82,714,178	92,136,959	104,198,089	113,082,733	350,464,315
Diluted	259,698,987	278,250,489	68,461,157	298,739,382	308,522,990	100,082,548	113,389,443	122,632,889	358,393,802
Income before provision for income taxes margin[3]	82.1%	32.5%	25.6%	13.4%	2.0%	30.8%	14.8%	36.5%	19.8%

Distributable Earnings and Fee Related Earnings

SEGMENT REVENUES	2012	2013	2014	2015	2016	2017	2018	2019	2020
(Dollars in millions, except per share data)									
Fund management fees	$ 943.2	$ 1,054.7	$ 1,229.3	$ 1,197.9	$ 1,085.8	$ 1,081.0	$ 1,361.8	$ 1,570.9	$ 1,559.2
Transaction and portfolio advisory fees, net and other	58.5	61.7	93.7	42.4	60.6	59.0	63.2	53.5	56.9
TOTAL SEGMENT FEE REVENUES	**1,001.7**	**1,116.4**	**1,323.0**	**1,240.3**	**1,146.4**	**1,140.0**	**1,425.0**	**1,624.4**	**1,616.1**
Realized performance revenues	869.1	1,128.6	1,323.7	1,434.8	1,215.8	1,085.3	682.4	374.3	586.1
Realized principal investment income (loss)	16.3	10.6	(6.1)	(64.8)	44.9	(25.8)	48.1	87.0	73.0
Interest income	4.7	1.8	2.2	4.8	10.2	16.7	30.4	24.4	14.3
TOTAL SEGMENT REVENUES	**$ 1,891.8**	**$ 2,257.4**	**$ 2,642.8**	**$ 2,615.1**	**$ 2,417.3**	**$ 2,216.2**	**$ 2,185.9**	**$ 2,110.1**	**$ 2,289.5**

SEGMENT EXPENSES	2012	2013	2014	2015	2016	2017	2018	2019	2020
Compensation and benefits									
Cash-based compensation and benefits	$ 561.9	$ 588.8	$ 682.5	$ 649.8	$ 601.3	$ 658.0	$ 740.7	$ 792.1	$ 821.5
Realized performance revenues related compensation	368.2	454.1	590.9	646.3	590.5	532.7	362.7	210.2	339.8
TOTAL COMPENSATION AND BENEFITS	**930.1**	**1,042.9**	**1,273.4**	**1,296.1**	**1,191.8**	**1,190.7**	**1,103.4**	**1,002.3**	**1,161.3**
General, administrative and other expenses	227.2	309.4	318.1	312.8	483.5	258.9	298.8	331.3	241.4
Depreciation and amortization expense	21.5	24.3	22.4	25.6	29.0	31.1	35.1	48.2	33.5
Interest expense	24.5	43.6	55.7	58.1	61.3	65.5	74.7	81.7	91.2
TOTAL SEGMENT EXPENSES	**$ 1,203.3**	**$ 1,420.2**	**$ 1,669.6**	**$ 1,692.6**	**$ 1,765.6**	**$ 1,546.2**	**$ 1,512.0**	**$ 1,463.5**	**$ 1,527.4**
Total Segment Revenues	$ 1,891.8	$ 2,257.4	$ 2,642.8	$ 2,615.1	$ 2,417.3	$ 2,216.2	$ 2,185.9	$ 2,110.1	$ 2,289.5
Total Segment Expenses	1,203.3	1,420.2	1,669.6	1,692.6	1,765.6	1,546.2	1,512.0	1,463.5	1,527.4
(=) DISTRIBUTABLE EARNINGS	**$ 688.5**	**$ 837.2**	**$ 973.2**	**$ 922.5**	**$ 651.7**	**$ 670.0**	**$ 673.9**	**$ 646.6**	**$ 762.1**
(-) Realized Net Performance Revenues	500.9	674.5	732.8	788.5	625.3	552.6	319.7	164.1	246.3
(-) Realized Principal Investment Income (Loss)	16.3	10.6	(6.1)	(64.8)	44.9	(25.8)	48.1	87.0	73.0
(+) Net Interest	19.8	41.8	53.5	53.3	51.1	48.8	44.3	57.3	76.9
(=) FEE RELATED EARNINGS	**$ 191.1**	**$ 193.9**	**$ 300.0**	**$ 252.1**	**$ 32.6**	**$ 192.0**	**$ 350.4**	**$ 452.8**	**$ 519.7**
FRE Margin [1]	19.1%	17.4%	22.7%	20.3%	2.8%	16.8%	24.6%	27.9%	32.2%
After-tax Distributable Earnings, per common share [2]	$ 1.39	$ 2.50	$ 2.78	$ 2.73	$ 1.85	$ 1.88	$ 1.78	$ 1.70	$ 2.05
Dividend per common share [3]	$ 1.12	$ 1.88	$ 2.09	$ 2.07	$ 1.55	$ 1.41	$ 1.34	$ 1.18	$ 1.00

Reconciliation for Distributable Earnings Per Share

	2012	2013	2014	2015	2016	2017	2018	2019	2020
(Dollars in millions, except per share data and where noted)									
Fee Related Earnings	$ 191.1	$ 193.9	$ 300.0	$ 252.1	$ 32.6	$ 192.0	$ 350.4	$ 452.8	$ 519.7
Distributable Earnings	$ 688.5	$ 837.2	$ 973.2	$ 922.5	$ 651.7	$ 670.0	$ 673.9	$ 646.6	$ 762.1
DISTRIBUTABLE EARNINGS, TAX AND PER SHARE INFORMATION [1]									
Distributable Earnings	$ 688.5	$ 837.2	$ 973.2	$ 922.5	$ 651.7	$ 670.0	$ 673.9	$ 646.6	$ 762.1
Less: Estimated current corporate, foreign, state and local taxes [2]	35.5	55.5	67.9	29.1	31.2	27.0	34.3	30.8	39.8
Less: Preferred share distributions	-	-	-	-	-	6.0	23.6	19.1	-
DISTRIBUTABLE EARNINGS, NET *attributable to common stockholders*	**$ 653.0**	**$ 781.7**	**$ 905.3**	**$ 893.4**	**$ 620.5**	**$ 637.0**	**$ 616.0**	**$ 596.7**	**$ 722.3**
DISTRIBUTABLE EARNINGS, NET *per common share outstanding*	$ 1.39	$ 2.50	$ 2.78	$ 2.73	$ 1.85	$ 1.88	$ 1.78	$ 1.70	$ 2.05
Dividend per common share	$ 1.12	$ 1.88	$ 2.09	$ 2.07	$ 1.55	$ 1.41	$ 1.34	$ 1.18	$ 1.00
TOTAL OUTSTANDING SHARES	**306.1**	**311.5**	**319.0**	**324.0**	**326.5**	**334.9**	**338.7**	**347.2**	**353.5**
Shares eligible for dividend (in millions)[3]	306.1	312.5	320.1	325.0	327.5	335.3	341.5	349.4	354.8

Reconciliation of GAAP to Total Segment Information

	2012	2013	2014	2015	2016	2017	2018	2019	2020
(Dollars in millions)									
INCOME BEFORE PROVISION FOR INCOME TAXES	**$ 2,439.9**	**$ 1,444.0**	**$ 991.9**	**$ 402.2**	**$ 45.3**	**$ 1,132.3**	**$ 360.2**	**$ 1,233.4**	**$ 580.0**
Adjustments:									
Partner compensation [1]	(265.4)	-	-	-	-	-	-	-	-
Net unrealized performance revenues	(14.2)	(516.9)	(74.6)	396.8	231.6	(625.2)	50.2	(42.3)	(598.7)
Unrealized principal investment (income) loss [2]	(25.2)	53.2	5.0	(42.4)	(5.4)	(73.0)	(48.8)	(590.9)	556.2
Adjusted unrealized principal investment (income) loss from investment in Fortitude Re [3]	-	-	-	-	-	-	(11.7)	(140.9)	104.4
Equity-based compensation [4]	201.9	330.1	349.6	381.3	343.0	365.1	252.2	151.5	116.6
Acquisition related charges and amortization of intangibles	128.3	260.4	242.5	288.8	94.2	35.7	22.3	52.0	38.1
Other non-operating (income) expense	7.1	(16.5)	(30.3)	(7.4)	(11.2)	(71.4)	1.1	1.3	(7.2)
Tax expense associated with performance revenues	(9.5)	(34.9)	(25.3)	(14.9)	(15.1)	(9.2)	(1.5)	(14.3)	(7.9)
Net income attributable to non-controlling interests in Consolidated entities	(1,756.7)	(676.0)	(485.5)	(537.9)	(41.0)	(72.5)	(33.9)	(36.6)	(34.6)
Reserve for litigation and contingencies	-	-	-	50.0	-	(25.0)	-	-	-
Lease assignment and termination costs	-	-	-	-	-	-	66.9	-	-
Debt extinguishment costs	-	-	-	-	-	-	7.8	0.1	-
Severance and other adjustments	(17.7)	(6.2)	(0.1)	6.0	10.3	13.2	9.1	33.3	15.2
DISTRIBUTABLE EARNINGS	**$ 688.5**	**$ 837.2**	**$ 973.2**	**$ 922.5**	**$ 651.7**	**$ 670.0**	**$ 673.9**	**$ 646.6**	**$ 762.1**
Realized net performance revenues [5]	500.9	674.5	732.8	788.5	625.3	552.6	319.7	164.1	246.3
Realized principal investment income (loss) [5]	16.3	10.6	(6.1)	(64.8)	44.9	(25.8)	48.1	87.0	73.0
Net interest	19.8	41.8	53.5	53.3	51.1	48.8	44.3	57.3	76.9
FEE RELATED EARNINGS	**$ 191.1**	**$ 193.9**	**$ 300.0**	**$ 252.1**	**$ 32.6**	**$ 192.0**	**$ 350.4**	**$ 452.8**	**$ 519.7**

Reconciliation of GAAP to Total Segment Information

(Dollars in millions)

	TOTAL REPORTABLE SEGMENTS	CONSOLIDATED FUNDS	RECONCILING ITEMS	CARLYLE CONSOLIDATED [1]	
FOR THE YEAR ENDED DECEMBER 31, 2012					
Revenues	$ 1,891.8	$ 903.5	$ 177.8	$ 2,973.1	2
Expenses	$ 1,203.3	$ 923.9	$ 164.0	$ 2,291.2	2
Other income	$ -	$ 1,755.5	$ 2.5	$ 1,758.0	3
Distributable earnings	$ 688.5	$ 1,735.1	$ 16.3	$ 2,439.9	4
FOR THE YEAR ENDED DECEMBER 31, 2013					
Revenues	$ 2,257.4	$ 1,043.1	$ 1,140.7	$ 4,441.2	2
Expenses	$ 1,420.2	$ 1,169.4	$ 1,104.3	$ 3,693.9	2
Other income	$ -	$ 701.3	$ (4.6)	$ 696.7	3
Distributable earnings	$ 837.2	$ 575.0	$ 31.8	$ 1,444.0	4
FOR THE YEAR ENDED DECEMBER 31, 2014					
Revenues	$ 2,642.8	$ 956.0	$ 281.5	$ 3,880.3	2
Expenses	$ 1,669.6	$ 1,286.5	$ 819.3	$ 3,775.4	2
Other income	$ -	$ 898.4	$ (11.4)	$ 887.0	3
Distributable earnings	$ 973.2	$ 567.9	$ (549.2)	$ 991.9	4
FOR THE YEAR ENDED DECEMBER 31, 2015					
Revenues	$ 2,615.1	$ 975.5	$ (584.4)	$ 3,006.2	2
Expenses	$ 1,692.6	$ 1,258.8	$ 517.0	$ 3,468.4	2
Other income	$ -	$ 886.9	$ (22.5)	$ 864.4	3
Distributable earnings	$ 922.5	$ 603.6	$ (1,123.9)	$ 402.2	4
FOR THE YEAR ENDED DECEMBER 31, 2016					
Revenues	$ 2,417.3	$ 166.9	$ (309.9)	$ 2,274.3	2
Expenses	$ 1,765.6	$ 153.1	$ 323.4	$ 2,242.1	2
Other income	$ -	$ 13.1	$ -	$ 13.1	3
Distributable earnings	$ 651.7	$ 26.9	$ (633.3)	$ 45.3	4

	TOTAL REPORTABLE SEGMENTS	CONSOLIDATED FUNDS	RECONCILING ITEMS	CARLYLE CONSOLIDATED [1]	
FOR THE YEAR ENDED DECEMBER 31, 2017					
Revenues	$ 2,216.2	$ 177.7	$ 1,282.3	$ 3,676.2	2
Expenses	$ 1,546.2	$ 240.4	$ 845.7	$ 2,632.3	2
Other income	$ -	$ 123.5	$ (35.1)	$ 88.4	3
Distributable earnings	$ 670.0	$ 60.8	$ 401.5	$ 1,132.3	4
FOR THE YEAR ENDED DECEMBER 31, 2018					
Revenues	$ 2,185.9	$ 214.5	$ 26.8	$ 2,427.2	2
Expenses	$ 1,512.0	$ 213.3	$ 346.2	$ 2,071.5	2
Other income	$ -	$ 4.5	$ -	$ 4.5	3
Distributable earnings	$ 673.9	$ 5.7	$ (319.4)	$ 360.2	4
FOR THE YEAR ENDED DECEMBER 31, 2019					
Revenues	$ 2,110.1	$ 199.2	$ 1,067.7	$ 3,377.0	2
Expenses	$ 1,463.5	$ 165.6	$ 490.6	$ 2,119.7	2
Other income	$ -	$ (23.9)	$ -	$ (23.9)	3
Distributable earnings	$ 646.6	$ 9.7	$ 577.1	$ 1,233.4	4
FOR THE YEAR ENDED DECEMBER 31, 2020					
Revenues	$ 2,289.5	$ 226.8	$ 418.3	$ 2,934.6	2
Expenses	$ 1,527.4	$ 206.2	$ 599.7	$ 2,333.3	2
Other income	$ -	$ (21.3)	$ -	$ (21.3)	3
Distributable earnings	$ 762.1	$ (0.7)	$ (181.4)	$ 580.0	4

Reconciliation of GAAP to Total Segment Information

(Dollars in millions)

	CARLYLE CONSOLIDATED	RECONCILING ITEMS [1]	TOTAL REPORTABLE SEGMENTS
FOR THE YEAR ENDED DECEMBER 31, 2012			
Performance revenues	$ 1,001.1	$ (132.0)	$ 869.1
Performance revenues related compensation expense	317.7	50.5	368.2
Net performance revenues	$ 723.4	$ (222.5)	$ 500.9
Principal investment income (loss)	$ 36.4	$ (20.1)	$ 16.3
FOR THE YEAR ENDED DECEMBER 31, 2013			
Performance revenues	$ 2,229.6	$ (1,101.0)	$ 1,128.6
Performance revenues related compensation expense	1,183.7	(729.6)	454.1
Net performance revenues	$ 1,191.6	$ (517.1)	$ 674.5
Principal investment income (loss)	$ 18.8	$ (8.2)	$ 10.6
FOR THE YEAR ENDED DECEMBER 31, 2014			
Performance revenues	$ 1,670.3	$ (346.6)	$ 1,323.7
Performance revenues related compensation expense	872.9	(282.0)	590.9
Net performance revenues	$ 801.5	$ (68.7)	$ 732.8
Principal investment income (loss)	$ (7.2)	$ 1.1	$ (6.1)
FOR THE YEAR ENDED DECEMBER 31, 2015			
Performance revenues	$ 802.2	$ 632.6	$ 1,434.8
Performance revenues related compensation expense	510.9	135.4	646.3
Net performance revenues	$ 314.0	$ 474.5	$ 788.5
Principal investment income (loss)	$ 15.2	$ (80.0)	$ (64.8)
FOR THE YEAR ENDED DECEMBER 31, 2016			
Performance revenues	$ 715.4	$ 500.4	$ 1,215.8
Performance revenues related compensation expense	353.1	237.4	590.5
Net performance revenues	$ 362.3	$ 263.0	$ 625.3
Principal investment income (loss)	$ 160.5	$ (115.6)	$ 44.9

	CARLYLE CONSOLIDATED	RECONCILING ITEMS [1]	TOTAL REPORTABLE SEGMENTS
FOR THE YEAR ENDED DECEMBER 31, 2017			
Performance revenues	$ 2,058.6	$ (973.3)	$ 1,085.3
Performance revenues related compensation expense	988.3	(455.6)	532.7
Net performance revenues	$ 1,070.3	$ (517.7)	$ 552.6
Principal investment income (loss)	$ 232.0	$ (257.8)	$ (25.8)
FOR THE YEAR ENDED DECEMBER 31, 2018			
Performance revenues	$ 622.9	$ 59.5	$ 682.4
Performance revenues related compensation expense	376.3	(13.6)	362.7
Net performance revenues	$ 246.6	$ 73.1	$ 319.7
Principal investment income (loss)	$ 186.3	$ (138.2)	$ 48.1
FOR THE YEAR ENDED DECEMBER 31, 2019			
Performance revenues	$ 799.1	$ (424.8)	$ 374.3
Performance revenues related compensation expense	436.7	(226.5)	210.2
Net performance revenues	$ 362.4	$ (198.3)	$ 164.1
Principal investment income (loss)	$ 769.3	$ (682.3)	$ 87.0
FOR THE YEAR ENDED DECEMBER 31, 2020			
Performance revenues	$ 1,635.9	$ (1,049.8)	$ 586.1
Performance revenues related compensation expense	779.1	(439.3)	339.8
Net performance revenues	$ 856.8	$ (610.5)	$ 246.3
Principal investment income (loss)	$ (540.7)	$ 613.7	$ 73.0

Reconciliation of GAAP to Total Segment Information

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

Reconciliation of Accrued Performance Allocations

(Dollars in millions)	2012	2013	2014	2015	2016	2017	2018	2019	2020
ACCRUED PERFORMANCE ALLOCATIONS, NET	**$ 2,125.9**	**$ 3,674.8**	**$ 3,695.5**	**$ 2,760.2**	**$ 2,320.3**	**$ 3,603.8**	**$ 3,416.8**	**$ 3,833.4**	**$ 4,949.9**
Plus: Accrued performance allocations from NGP Carry Funds	-	-	18.5	-	44.7	143.2	151.0	-	-
Less: Accrued performance allocation-related compensation	(912.0)	(1,661.8)	(1,815.4)	(1,504.9)	(1,307.4)	(1,894.8)	(1,843.6)	(2,038.2)	(2,534.4)
Less: Provision for taxes on certain foreign performance allocations*	-	-	(85.6)	(81.8)	(68.4)	(67.6)	(59.6)	(66.2)	(56.0)
Plus: Unbilled receivable for giveback obligations from current and former employees	32.8	17.6	27.7	23.8	5.6	5.0	1.4	1.4	-
Less: Net accrued performance allocations attributable to non-controlling interests in consolidated entities	(46.5)	(25.8)	34.0	127.3	79.4	(0.8)	18.3	(4.3)	(11.7)
Net accrued performance revenues before timing differences	1,200.2	2,004.8	1,874.7	1,324.6	1,074.2	1,788.8	1,684.3	1,726.1	2,347.8
Less: Timing differences between the period when accrued performance allocations are realized and the period they are collected/distributed	(26.9)	(181.5)	(122.4)	(9.8)	(3.8)	(71.6)	(3.6)	(6.0)	(16.5)
NET ACCRUED PERFORMANCE REVENUES ATTRIBUTABLE TO THE CARLYLE GROUP INC.	**$ 1,173.3**	**$ 1,823.3**	**$ 1,752.3**	**$ 1,314.8**	**$ 1,070.4**	**$ 1,717.2**	**$ 1,680.7**	**$ 1,720.1**	**$ 2,331.3**

**Net accrued performance allocations prior to 2014 were not adjusted for the provision for taxes on certain foreign performan ce allocations. 2012 and 2013 have cannot be recast without unreasonable effort.*

Definitions

DISTRIBUTABLE EARNINGS ("DE")

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

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

FEE RELATED EARNINGS ("FRE")

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

Notes

Notes on Accrued Performance Revenue (Pages 8, 25, 26)

Net accrued performance revenues as of December 31, 2020 are net of $19 million in accrued giveback obligations and $2.5 billion in accrued performance allocations and incentive fee compensation related to non-controlling interests.

We generally earn performance revenues (or carried interest) from our carry funds representing a 20% allocation of profits generated on third-party capital, and on which the general partner receives a special residual allocation of income from limited partners, which we refer to as carried interest, in the event that specified investment returns are achieved by the fund. Disclosures referring to carry funds also include the impact of certain commitments that do not earn carried interest but are either part of, or associated with, our carry funds. The rate of carried interest, as well as the share of carried interest allocated to Carlyle, may vary across the carry fund platform.

Note on Remaining Fair Value (Page 27)

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

Note on Balance Sheet Investments (Page 28)

(1) Investments exclude the equity investments by Carlyle in NGP Energy Capital Management and the portion of CLO and CCS investments attributable to Carlyle stockholders that were financed with debt.

Endnotes

PAGE 35: U.S. GAAP STATEMENT OF OPERATIONS

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

(2) Income (loss) before provision for income taxes is the GAAP measure that is most directly comparable to Distributable Earnings, which management uses to measure the performance of the business. A full reconciliation is included starting on page 38.

(3) Income (loss) before provision for taxes margin is equal to Income (loss) before provision for taxes, divided by Total revenues.

PAGE 36: DISTRIBUTABLE EARNINGS AND FEE RELATED EARNINGS

(1) FRE Margin is calculated as Fee Related Earnings, divided by Total Segment Fee Revenues.

(2) Refer to the reconciliation of DE per Share on page 37.

(3) Under our dividend policy for our common stock that we adopted in connection with the Conversion, we expect to pay our common stockholders an annualized dividend of $1.00 per share of common stock, equal to a quarterly dividend of $0.25 per share of common stock. The declaration and payment of any dividends to holders of our common stock are subject to the discretion of our Board of Directors, which may change our dividend policy at any time or from time to time, and the terms of our certificate of incorporation. There can be no assurance that dividends will be made as intended or at all or that any particular dividend policy will be maintained.

PAGE 37: RECONCILIATION OF DISTRIBUTABLE EARNINGS PER SHARE

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

(2) Estimated current corporate, foreign, state and local taxes represents the total U.S. GAAP Provision (benefit) for income taxes adjusted to include only the current tax provision (benefit) applied to Net income (loss) attributable to The Carlyle Group Inc. This adjustment, used to calculate Distributable Earnings, Net attributable to common stockholders, reflects the benefit of deductions available to the Company on certain expense items that are excluded from the underlying calculation of Distributable Earnings, such as equity-based compensation expense and charges (credits) related to corporate actions and non-recurring items. Management believes that using the estimated current tax provision (benefit) in this manner more accurately reflects earnings that are available to be distributed to common stockholders.

(3) Shares eligible for dividend include common shares that were issued subsequent to the reporting date in connection with the vesting of restricted stock units. For purposes of this calculation, these common shares have been added to the common shares outstanding as of the reporting date because they participated in the dividend paid on common shares in February of the subsequent year.

Endnotes

PAGE 38: RECONCILIATION OF TOTAL SEGMENTS TO INCOME BEFORE PROVISION FOR INCOME TAXES

(1) Adjustments for partner compensation due to senior Carlyle professionals for compensation and performance fees allocated to them, which amount were classified as distributions from partners' capital in the consolidated financial statements for periods prior to the reorganization and initial public offering in May 2012.

(2) Adjustments to unrealized principal investment income for the year ended December 31, 2020 are inclusive of $211.8 million of unrealized gains resulting from changes in the fair value of embedded derivatives related to certain reinsurance contracts included in Fortitude Re's U.S. GAAP financial statements prior to the contribution of our investment in Fortitude Holdings to Carlyle FRL, L.P. on June 2, 2020 (see Note 5 to the consolidated financial statements in our Annual Report on Form 10-K for the year ended December 31, 2020). At the time of our contribution of our investment to Carlyle FRL, L.P. we began accounting for our investment under the equity method based on our net asset value in the fund, which is an investment company that accounts for its investment in Fortitude Holdings at fair value. This resulted in an unrealized loss in principal investment income (loss) of $(620.7) million during the year ended December 31, 2020. Adjustments to unrealized principal investment income during the years ended December 31, 2019 and 2018 are inclusive of $582.0 million and $46.2 million of unrealized gains, respectively, on embedded derivatives.

(3) Adjusted unrealized principal investment income (loss) from the investment in Fortitude Re represents 19.9% of Fortitude Holdings' estimated net income (loss) for the respective periods through June 2, 2020, excluding the unrealized gains (losses) related to embedded derivatives.

(4) Equity-based compensation includes amounts presented in principal investment income and general, administrative and other expenses in our U.S. GAAP consolidated statements of operations.

(5) See reconciliations to the most directly comparable U.S. GAAP measure on page 40.

PAGE 39: RECONCILIATION OF TOTAL SEGMENTS TO INCOME BEFORE PROVISION FOR INCOME TAXES

(1) The Distributable Earnings in the Carlyle Consolidated column is income before provision for income taxes, which is the U.S. GAAP measure that is most directly comparable to Distributable Earnings.

(2) See detailed breakdown of revenue and expense adjustments on page 41.

(3) The Other Income (Loss) adjustment results from the Consolidated Funds which were eliminated in consolidation to arrive at Carlyle's total Other Income (Loss).

(4) See the reconciliation for Distributable Earnings and Fee Related Earnings on page 38.

PAGE 40: ADJUSTMENTS TO PERFORMANCE REVENUES AND PRINCIPAL INVESTMENT INCOME

(1) Adjustments to performance revenues and principal investment income (loss) relate to (i) unrealized performance allocations net of related compensation expense and unrealized principal investment income, which are excluded from the segment results, (ii) amounts earned from the Consolidated Funds, which were eliminated in the U.S. GAAP consolidation but were included in the segment results, (iii) amounts attributable to non-controlling interests in consolidated entities, which were excluded from the segment results, (iv) the reclassification of NGP performance revenues, which are included in principal investment income in the U.S. GAAP financial statements, (v) the reclassification of certain incentive fees from business development companies, which are included in fund management fees in the segment results, and (vi) the reclassification of tax expenses associated with certain foreign performance revenues. Adjustments to principal investment income (loss) also include the reclassification of earnings for the investments in NGP Management and its affiliates to the appropriate operating captions for the segment results, and the exclusion of charges associated with the investment in NGP Management and its affiliates that are excluded from the segment results, and adjustments to reflect the Company's share of UrbPlan net losses, until UrbPlan was deconsolidated during 2017, as investment losses for the Non-GAAP results. See Note 15 to the consolidated financial statements in our Annual Report on Form 10-K for the year ended December 31, 2017 for further information regarding UrbPlan, and Note 5 to the consolidated financial statements in our Annual Report on Form 10-K for the year ended December 31, 2020 for further information regarding NGP.