
THE CARLYLE GROUP

GLOBAL ALTERNATIVE ASSET MANAGEMENT

Citi Asset Managers, Broker Dealers and Exchanges Conference

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March 1, 2018

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

Detailed information about Carlyle's management fees and performance fees 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 management fee funds." This presentation includes comparisons to certain private equity returns to MSCI World Index and other indexes and such comparisons are provided for informational purposes only. The private equity returns do not represent the performance of any Fund or family of Funds. Recipients should not infer that any Fund is top quartile. 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 indexes.

For purposes of the non-financial operating and statistical data included in this presentation, including the aggregation of our non-U.S. dollar denominated investment funds, foreign currencies have been converted to U.S. dollars at the spot rate as of the last trading day of the reporting period when presenting period end balances, and the average rate for the period has been utilized when presenting activity during such period. With respect to capital commitments raised in foreign currencies, the conversion to U.S. dollars is based on the exchange rate as of the date of closing of such capital commitment. This presentation includes certain Non-GAAP financial measures, including Distributable Earnings ("DE") and EBITDA. These Non-GAAP financial measures should be considered only as supplemental to, and not as superior to, financial measures prepared in accordance with GAAP. Please refer to the Appendix of this presentation for a reconciliation of the non-GAAP financial measures included in this presentation to the most directly comparable financial measure prepared in accordance with GAAP. Please see Carlyle's public filings for the definition of "carry funds," "Fee-earning assets under management" or "Fee-earning AUM," (FEAUM), and "Assets under management" or "AUM."

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 and the average spot rate for the period has been utilized when presenting multiple periods. With respect to capital commitments raised in foreign currencies, the conversion to U.S. dollars is based on the exchange rate as of the date of closing of such capital commitment. This presentation includes certain Non-GAAP financial measures, including Economic Net Income (ENI) and Distributable Earnings (DE). These Non-GAAP financial measures should be considered only as supplemental to, and not as superior to, financial measures prepared in accordance with GAAP.

Carlyle Is A Leading Global Alternative Asset Manager

THE CARLYLE GROUP

Total AUM: \$195 bn ○ Fee-Earning AUM: \$125 bn ○ Available Capital: \$70 bn

2017 Results ○ \$3.47 ENI per common unit ○ \$1.41 distribution per common unit

Corporate Private Equity

\$73 bn AUM
**\$30 bn Available
Capital**

- Buyout
- Growth

27% Realized /
Partially Realized
Gross IRR

Real Assets¹

\$43 bn AUM
**\$16 bn Available
Capital**

- Real Estate
- Energy
- Power
- Infrastructure

16% Realized /
Partially Realized
Gross IRR

Global Credit

\$33 bn AUM
**\$7 bn Available
Capital**

- Structured Credit
- Direct Lending
- Energy Credit
- Distressed &
Special
Situations
- Opportunistic
Credit

Investment Solutions

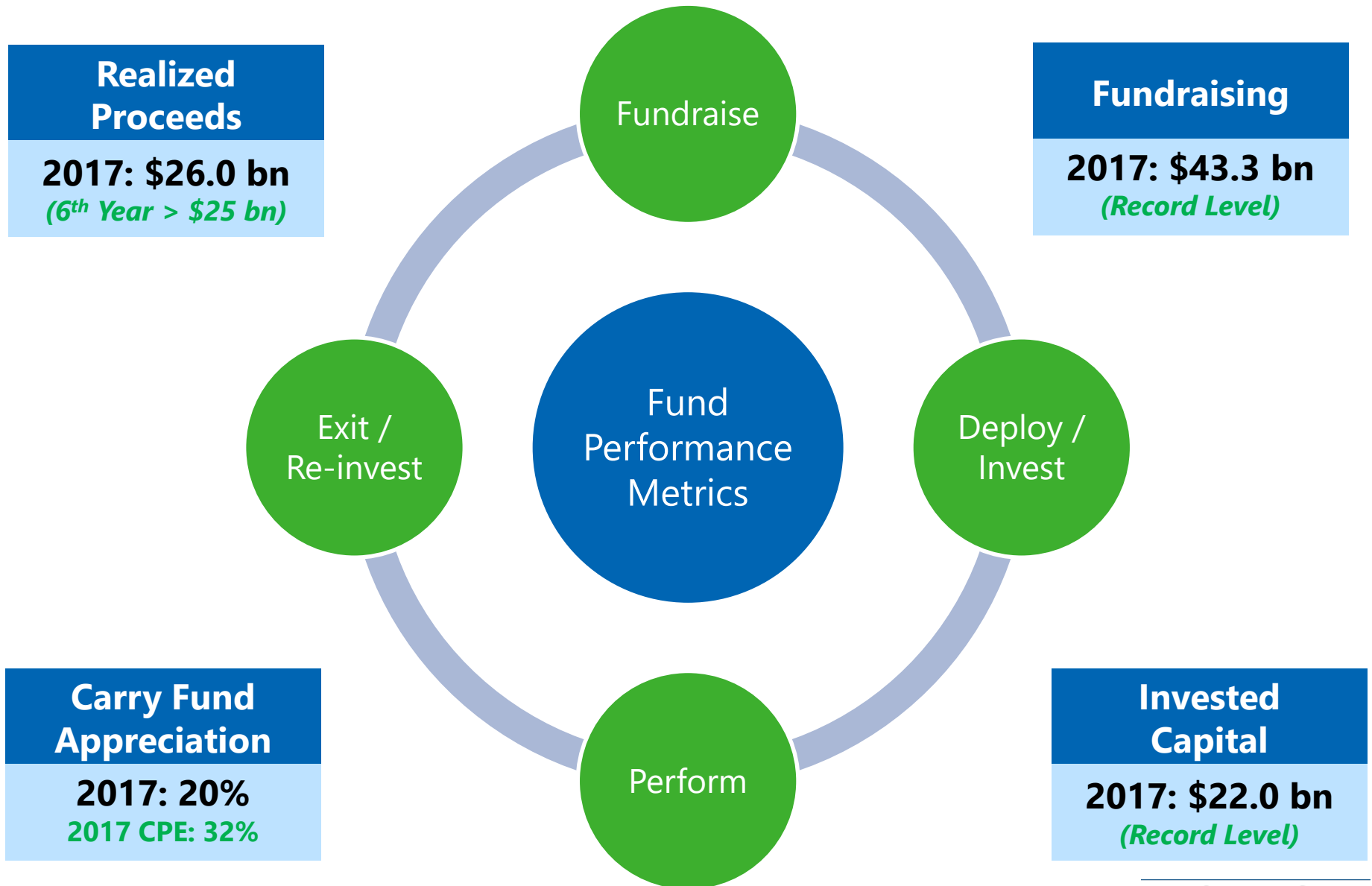
\$46 bn AUM
**\$16 bn Available
Capital**

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

Note: Data as of 12/31/2017. See The Carlyle Group L.P.'s filings with the U.S. Securities and Exchange Commission for more information on fund performance.

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

The Core Drivers of Our Performance Continue to Operate at High Levels



Note: Data as of 12/31/2017. Invested Capital, Carry Fund Appreciation and Realized Proceeds amounts represent carry fund activity only.

Five Topics Of Interest To The Investment Community

1

Strong Investment Performance Driving Higher Levels of Potential Revenue

2

Generational Performance Fee Transition Underway

3

Platform Scaling and Improved Deployment

4

Increase Orientation Around Fee Related Earnings

5

Develop a Premier Global Credit Business

Strong Investment Performance Is Driving Acceleration in Accrued Carry

2017 Carry Fund Appreciation

Corporate Private Equity **32%**

Real Assets **19%**

Global Credit **11%**

Investment Solutions **10%**

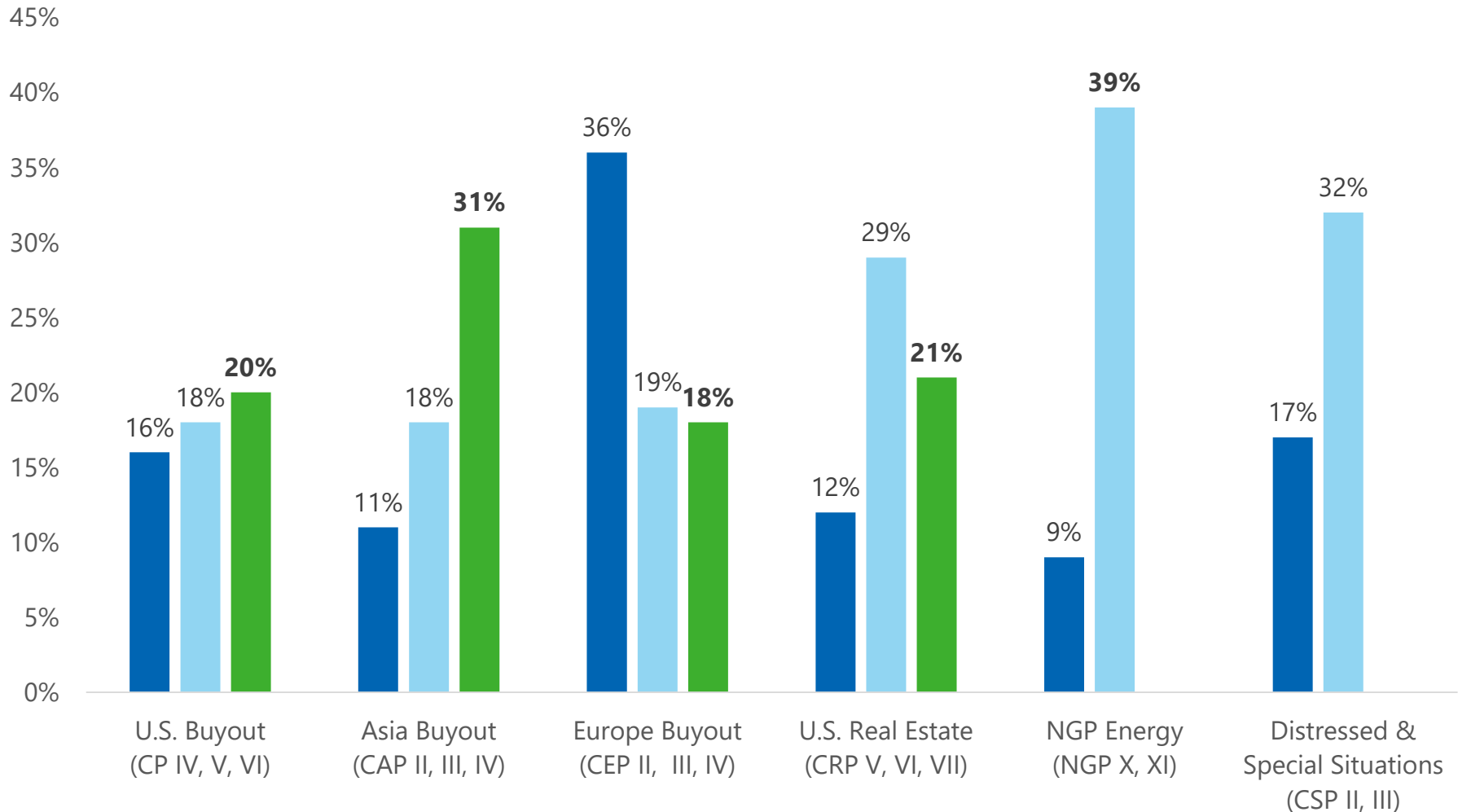
All Carry Funds **20%**

Net Accrued Performance Fees
Increased 60% in 2017



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

Gross IRRs (Total Fund)

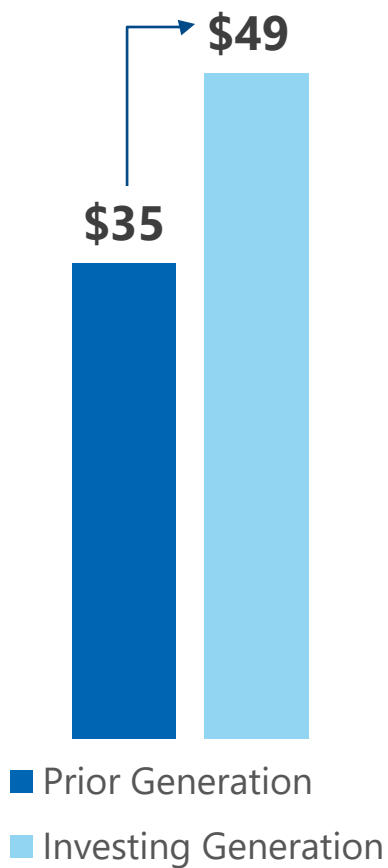


Note: Data as of 12/31/2017. Does not represent all Carlyle carry funds. For a full list of funds and important information, see information in our latest earnings release or SEC documents. Bold represents currently investing funds. Carlyle Realty Partners VII and NGP XI are fully committed, but were 77% and 69% invested as of Q4 2017.

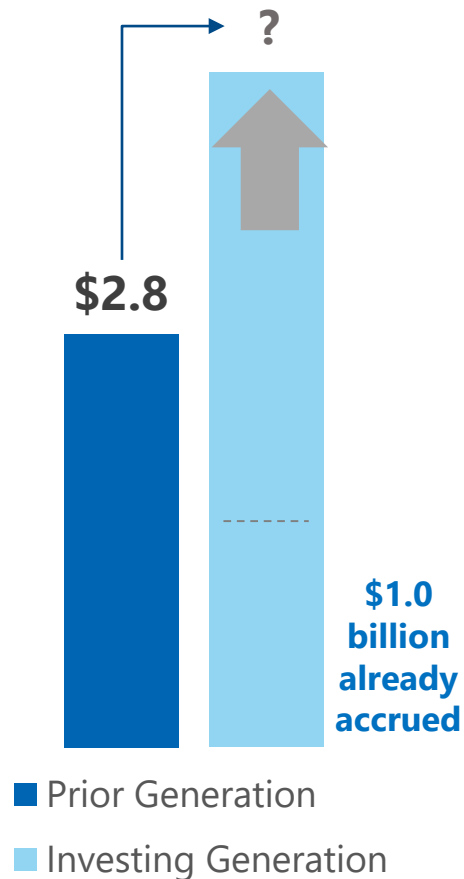
Generational Scaling Of Investment Funds Should Lead To Higher Performance Fees...

Committed Capital (\$ bn)

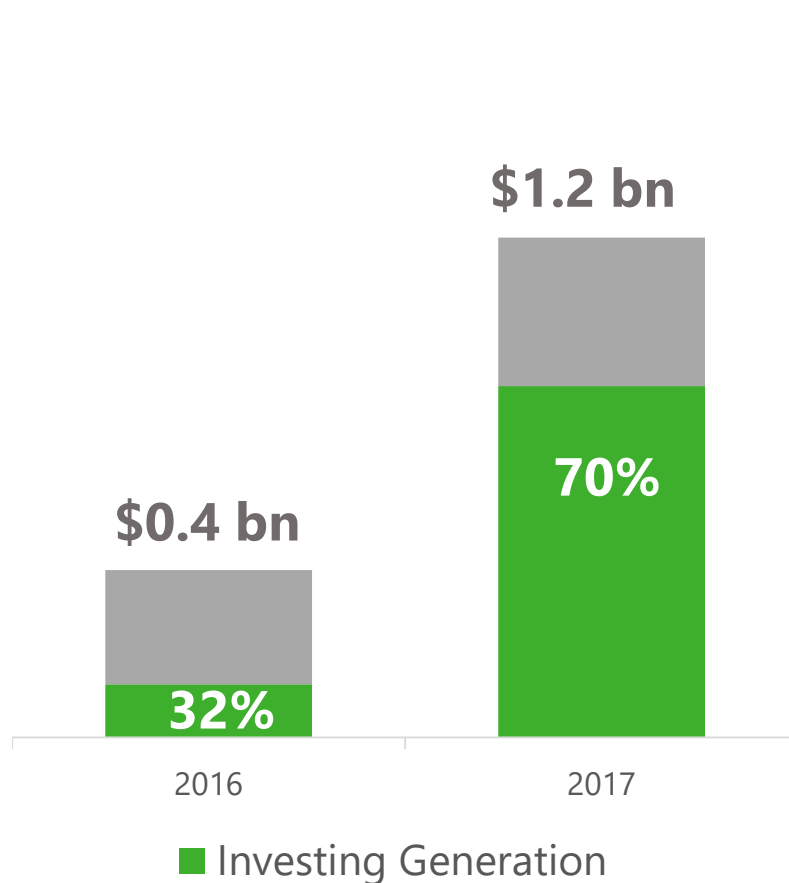
~40% larger



Total Net Performance Fees (\$ bn)



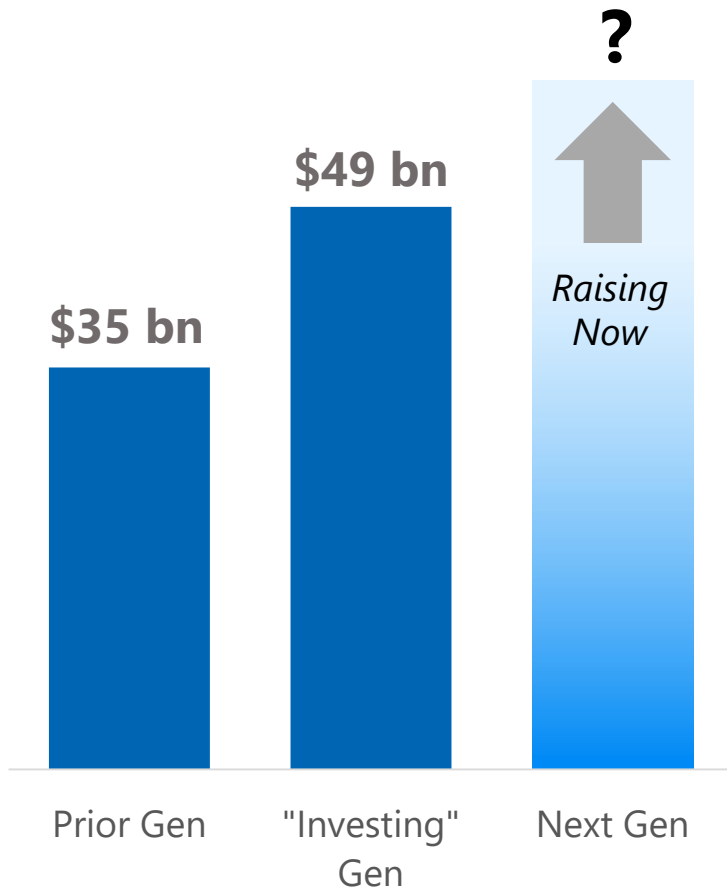
Annual Net Performance Fee Revenue



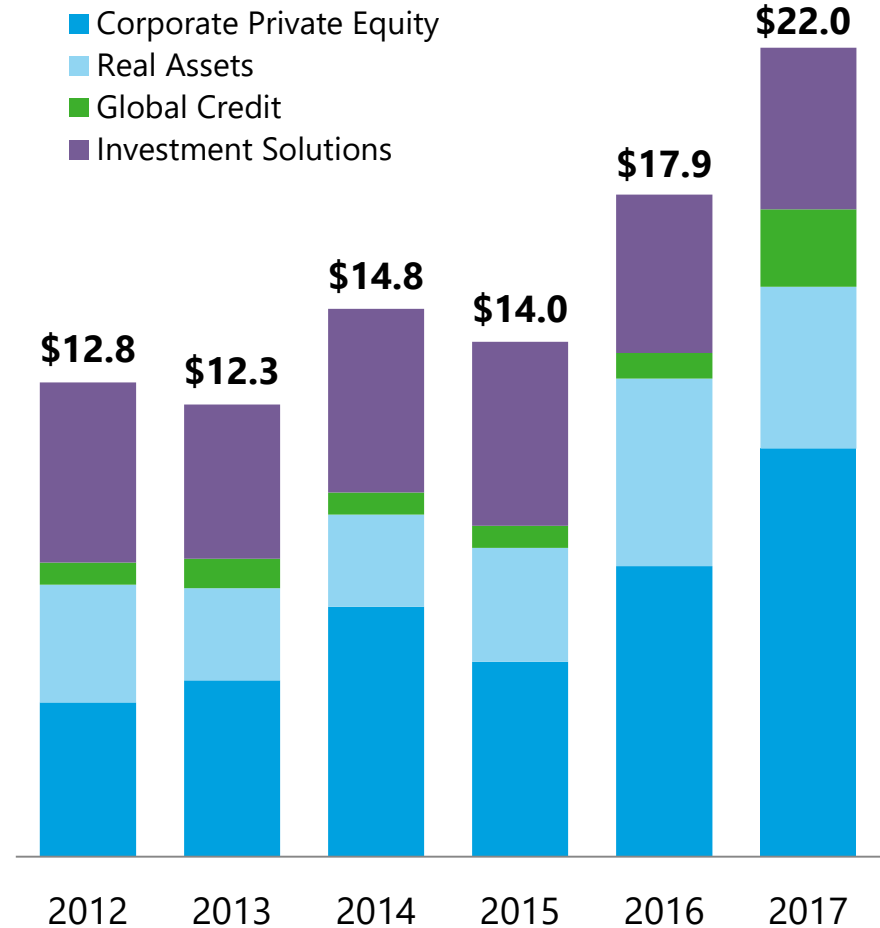
Note: Data as of 12/31/2017. Prior generation net performance fees assume no further appreciation beyond current levels. "Investing Generation" of funds includes: CP VI, CEP IV, CAP IV, CJP III, CGFSP II, CEOF II, CETP III, CGP, CRP VII, NGP XI, CIEP, CPP II, CSP IV, CEMOF II.

...And Our "Next Generation" Funds are Larger and Should Continue to Lead to Increasing Deployment

Fund Commitments for Major CPE/RA/GC Carry Funds



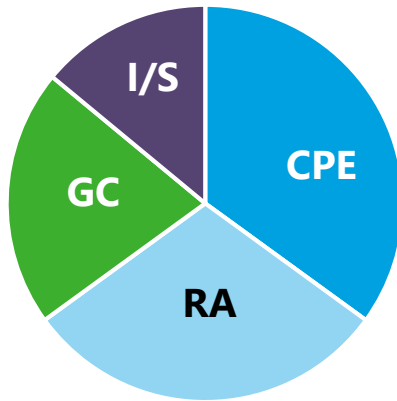
Invested Capital (\$ billions) All Carry Funds



Note: Data as of 12/31/2017. "Investing Generation" of funds includes: CP VI, CEP IV, CAP IV, CJP III, CGFSP II, CEOF II, CETP III, CGP, CRP VII, NGP XI, CIEP, CPP II, CSP IV, CEMOF II. There is no guarantee these trends will continue.

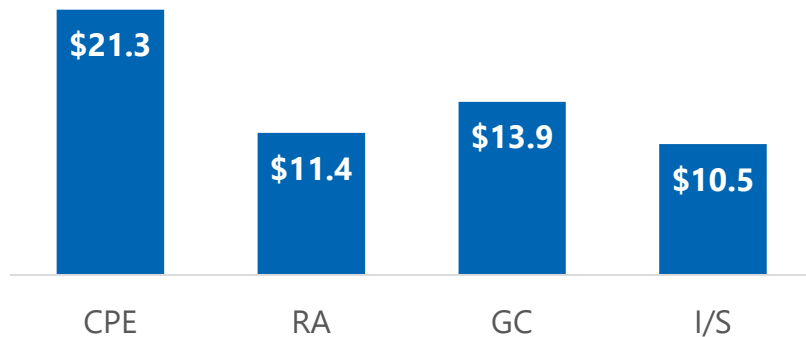
We Are On Track To Achieve Our Fundraising Target of \$100 Billion For the Coming Cycle...

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



Gross Fundraising Since Q1 2016

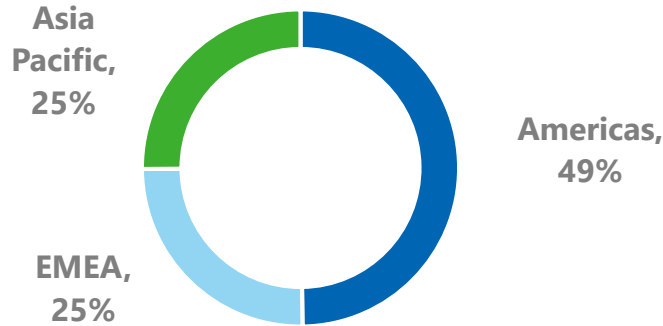
\$57 billion



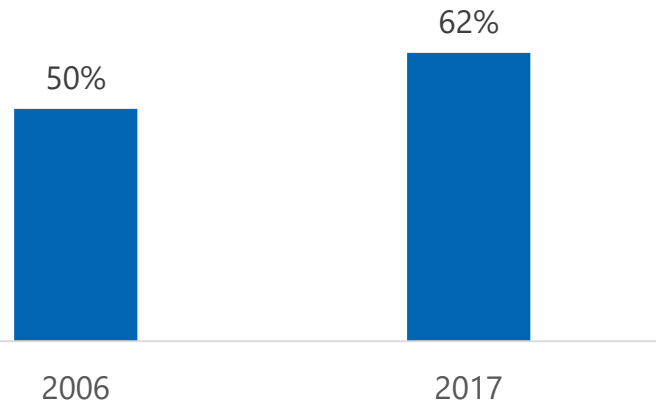
- ✓ Raised \$57 billion towards goal in 2016 and 2017
- ✓ Strong partnerships with over 1,750 global investors from 83 countries
- ✓ Record \$43 billion raised in 2017
- ✓ Expect to raise approximately \$25 billion in 2018

...And We Have More Than 1,750 Loyal Investors Across 83 Countries

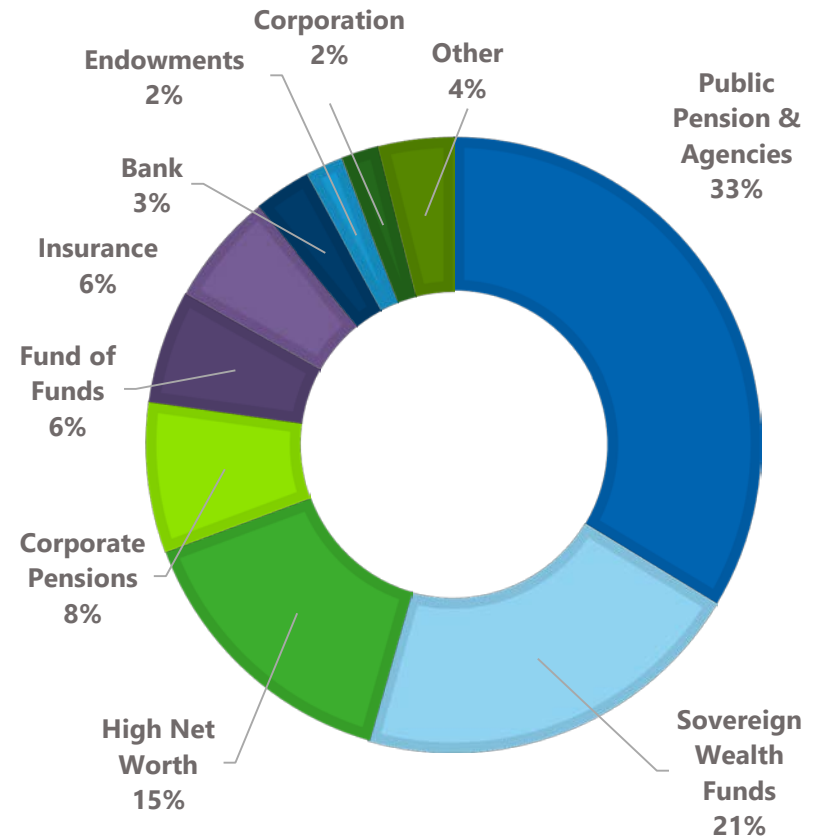
Source of Carry Fund Capital by Region
(LTM, by commitments)



% of Commitments (in \$)
Across >10 Carlyle Funds



SOURCE OF CARRY FUND CAPITAL
BY INVESTOR TYPE, LTM
(% OF COMMITMENTS)



Note: Data as of 12/31/2017.

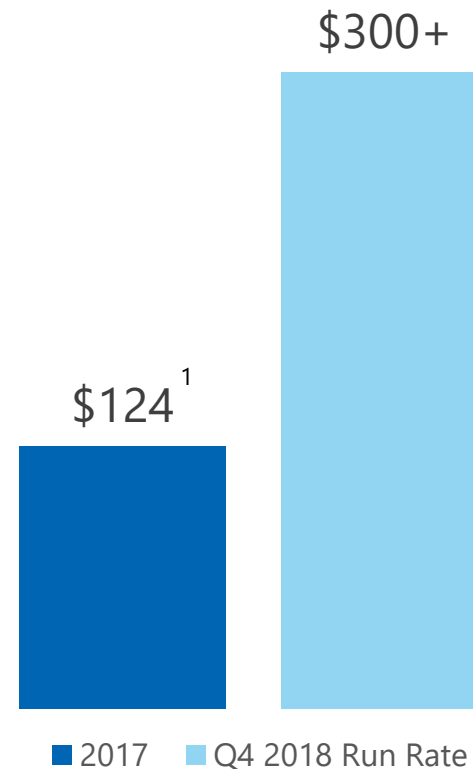
Number of fund investors for prior years is shown as of September 30th of each year.

1) Percentage of capital committed by investors to active carry funds, segmented by the number of active carry funds in which the investors were committed as of 12/31/2006 and 12/31/2017.

Increasing Firm Orientation Around Fee Related Earnings

- ✓ Raise larger funds and scale existing funds
- ✓ Maintain net economic terms
- ✓ Leverage fixed expense base
- ✓ Grow Global Credit
- ✓ Additional new initiatives

Expect \$300 million in run-rate FRE by Q4 2018 (\$ millions)



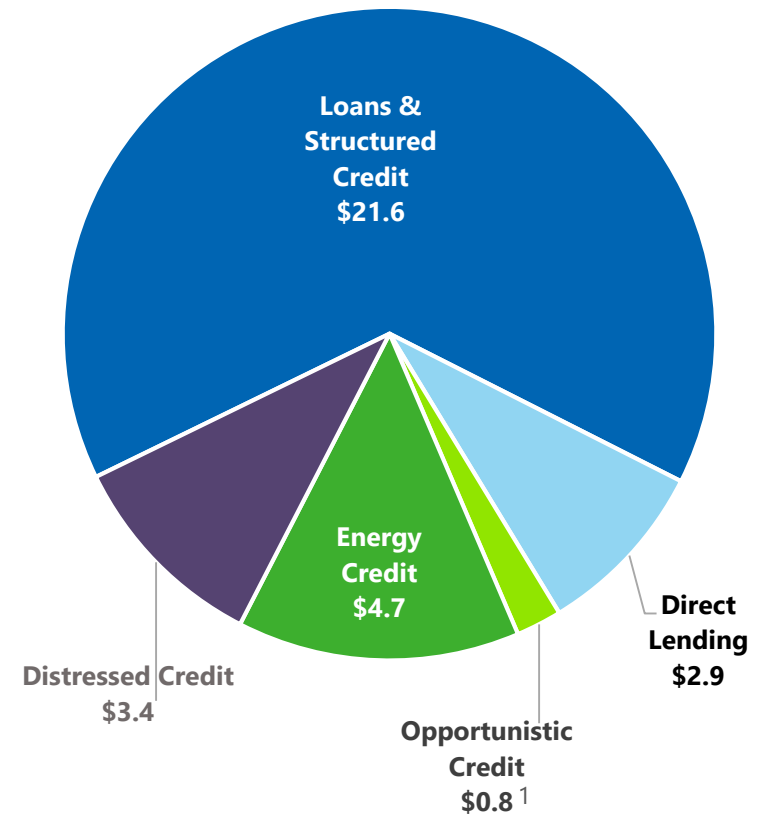
Note: Data as of 12/31/2017. Reflects Management's views as of 2/28/2018. Please see "Important Information" slides for information about the use of and reliance on projections.

1) 2017 Fee Related Earnings was \$192 million. Pro forma of \$124 million excludes net insurance recoveries in Global Credit. As of the Q4 2017 reporting period, the presentation of Fee Related Earnings was changed to exclude net interest expense.

Gaining Momentum and Scale in Global Credit

- Currently have \$33 billion in Global Credit AUM with \$200 million run-rate management fees
- Continue to build out capabilities to manage larger amounts of capital
- Launch and develop new funds & products
 - Opportunistic Credit
 - Secondary Structured Credit
 - New BDCs
 - Managed Accounts
- Leverage functional platform to scale broadening investment capabilities

Global Credit AUM: \$33 billion



Note: Data as of 12/31/2017.

1) First Opportunistic Credit fund is currently in fundraising.

Well Positioned to Continue to Deliver Solid Economic Results

\$1.3 billion in 2017 Economic Income and **\$3.47** post-tax per unit

\$670 million in 2017 Distributable Earnings resulting in **\$1.41** in unitholder distributions

Leading carry fund **Investment Performance**: Total 2017 carry fund appreciation of 20%; Corporate Private Equity 32% in 2017

\$1.7 billion in Net Accrued Performance Fees across all segments and funds, **up 60%** since year-end 2016

\$70 billion in Available Capital to deploy globally on an opportunistic basis

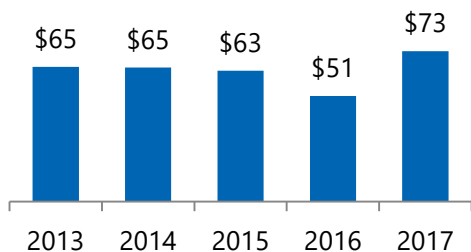
More than half way through a **\$100 billion fundraising effort**

Focused efforts gaining traction to **build a premier global credit business**

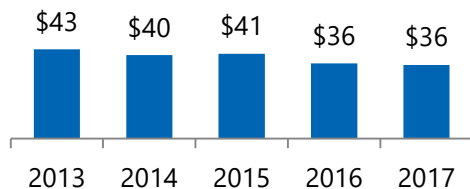
SEGMENT SUMMARIES

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

Total AUM (\$bn)



Fee-Earning AUM (\$bn)



Key Points

☐ Superior, diversified track record

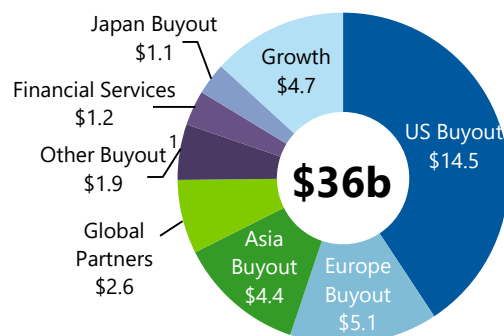
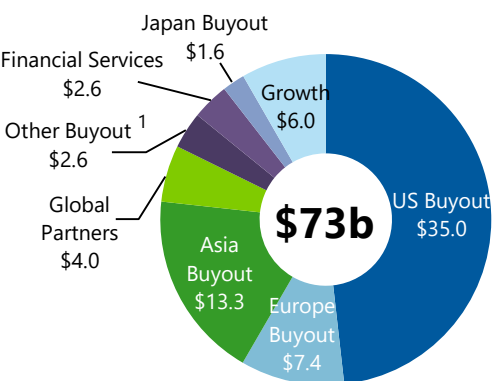
- 2.5X MOIC on realized and partially realized investments
- 13 significant fund families
- Experience across multiple deployment and exit cycles

☐ Successor funds continue to scale CPE platform

- Strong momentum in US/Asia Buyout fundraising as Q417 closings already surpass predecessor fund sizes
- \$29.9 bn of Available Capital (as of 4Q17)
- Record deployment of \$11.1 bn in 2017

☐ Positioned to deliver future performance fees

- \$43 bn Remaining Fair Value (as of 4Q17)
- 20% of RFV invested prior to 2014



Financial Metrics (\$mm)

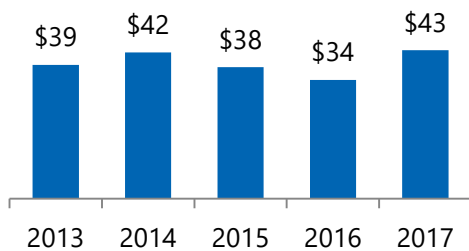
| | 2014 | 2015 | 2016 | 2017 |
|-------------------------------|-------|-------|-------|------|
| Fee Related Earnings | \$158 | \$135 | \$116 | \$26 |
| Net Realized Performance Fees | 644 | 669 | 588 | 459 |
| Distributable Earnings | 790 | 798 | 739 | 488 |
| Economic Income | 862 | 399 | 224 | 896 |

Note: Data as of 12/31/2017. As of the Q4 2017 reporting period, the presentation of Fee Related Earnings was changed to exclude net interest expense.

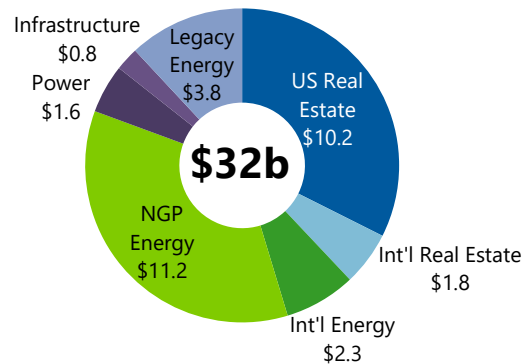
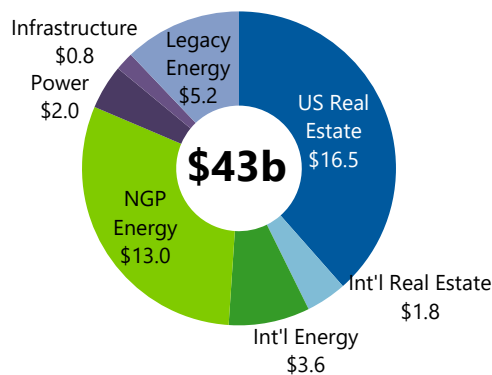
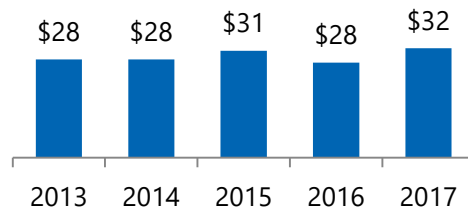
1) Comprised of South America Buyout, Sub-Saharan Africa Buyout, Peru Buyout and MENA Buyout.

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

Total AUM (\$bn)



Fee-Earning AUM (\$bn)



Financial Metrics (\$mm)

| | 2014 | 2015 | 2016 | 2017 |
|-------------------------------|------|-----------------|------|------|
| Fee Related Earnings | \$31 | \$82 | \$69 | \$52 |
| Net Realized Performance Fees | 58 | 95 | 16 | 50 |
| Distributable Earnings | 48 | 73 ¹ | 49 | 25 |
| Economic Income | (59) | 33 ¹ | 217 | 215 |

Key Points

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

- Natural Resources with ample Available Capital and active deployment**
 - \$7.2 bn in available capital across NGP, International Energy and Power ²
 - Int'l Energy fund deployed more than \$700m in 2017 and committed even more

- Global Infrastructure opportunity**
 - New global infrastructure fund actively fundraising

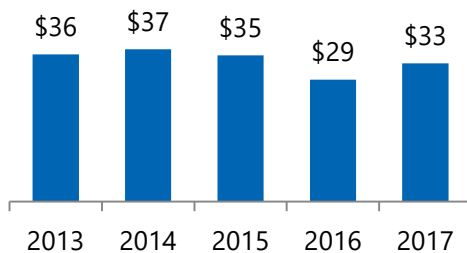
Note: Data as of 12/31/2017. As of the Q4 2017 reporting period, the presentation of Fee Related Earnings was changed to exclude net interest expense.

1) 2015 includes a negative impact of \$(80) million to Distributable Earnings and \$(34) million to Economic Net Income related to a French tax judgment. 17

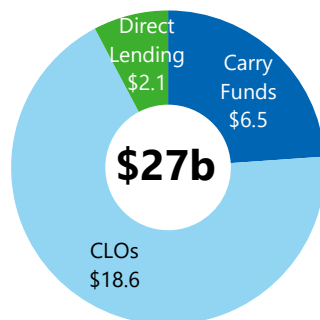
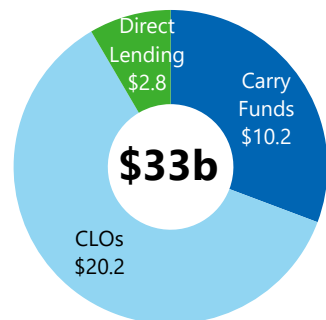
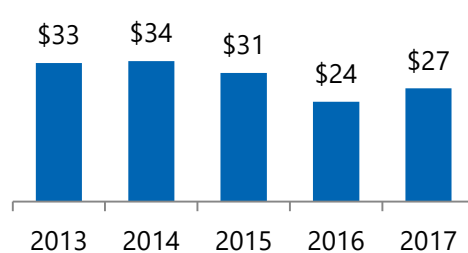
2) Does not include available capital of \$2.2 billion from the Energy Credit business in our Global Credit segment.

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

Total AUM (\$bn)



Fee-Earning AUM (\$bn)



Financial Metrics (\$mm)

| | 2014 | 2015 | 2016 | 2017 |
|-------------------------------------|------|------|---------|------|
| Fee Related Earnings ¹ | \$74 | \$20 | \$(175) | \$82 |
| Net Realized Performance Fees | 19 | 21 | 19 | 40 |
| Distributable Earnings ¹ | 91 | 39 | (157) | 127 |
| Economic Income ¹ | 115 | (40) | (159) | 107 |

Key Points

- ❑ **Focused on enhancing and scaling credit platform**
 - Private credit accelerating as an asset class as search for yield intensifies
 - New credit leadership and teams capable of managing higher AUM
 - Considerable white space to expand our credit mandate

- ❑ **Solid core platform entering 2018**
 - \$20 bn US/Europe CLO business with strong fee margins
 - IPO of first business development company in 2017
 - Latest vintage Energy Credit and Distressed Credit funds at least twice the size or predecessor funds

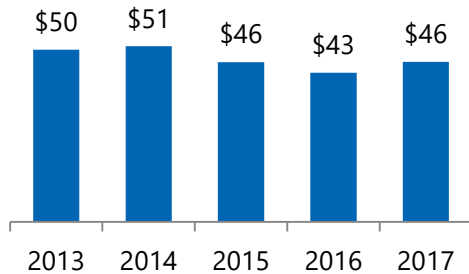
- ❑ **Successful launch of new products**
 - Opportunistic credit
 - Secondary structured credit

Note: Data as of 12/31/2017. As of the Q4 2017 reporting period, the presentation of Fee Related Earnings was changed to exclude net interest expense.

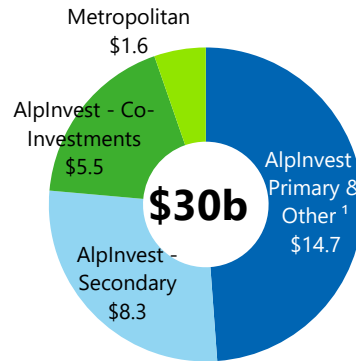
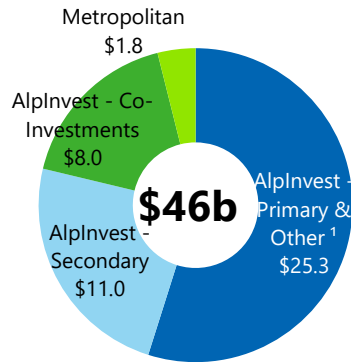
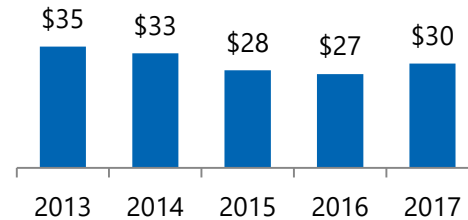
¹ 2016 and 2017 include net (charges)/recoveries of \$(175) million and \$68 million, respectively, associated with our commodities business.

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

Total AUM (\$bn)



Fee-Earning AUM (\$bn)



Financial Metrics (\$mm)

| | 2014 | 2015 | 2016 | 2017 |
|-------------------------------|------|------|------|------|
| Fee Related Earnings | \$38 | \$15 | \$23 | \$32 |
| Net Realized Performance Fees | 12 | 4 | 2 | 3 |
| Distributable Earnings | 44 | 13 | 20 | 30 |
| Economic Income | 45 | 4 | 24 | 51 |

Key Points

AlpInvest has great investment performance with performance fee upside

- 12% net IRR & 1.6x MOIC with LTM appreciation of 10%²
- Performance fees could improve as post acquisition funds mature

Next Generation & New Product Opportunity

- Finalized fundraising for latest AlpInvest Secondaries and Co-investment programs totaling more than \$9 billion

Effective management fee rate should rise over time

- New commitments should have higher fee yield
- Expect former owner commitments to drive continued FEaum runoff

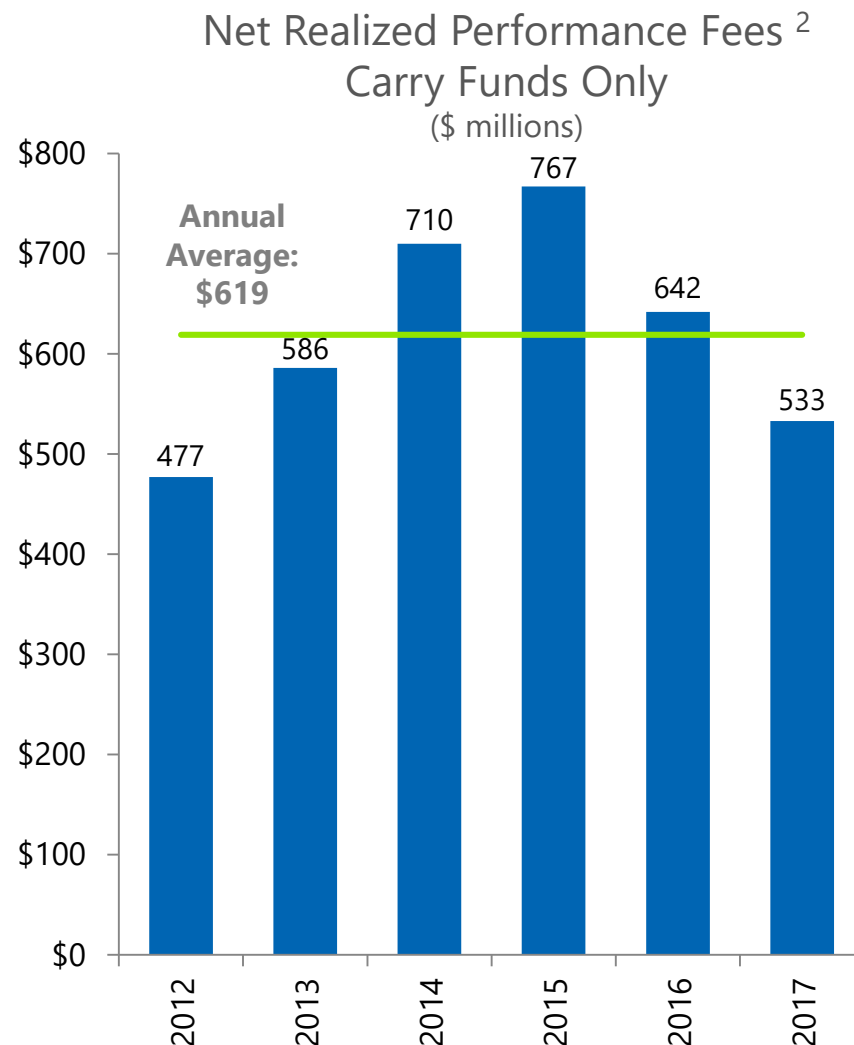
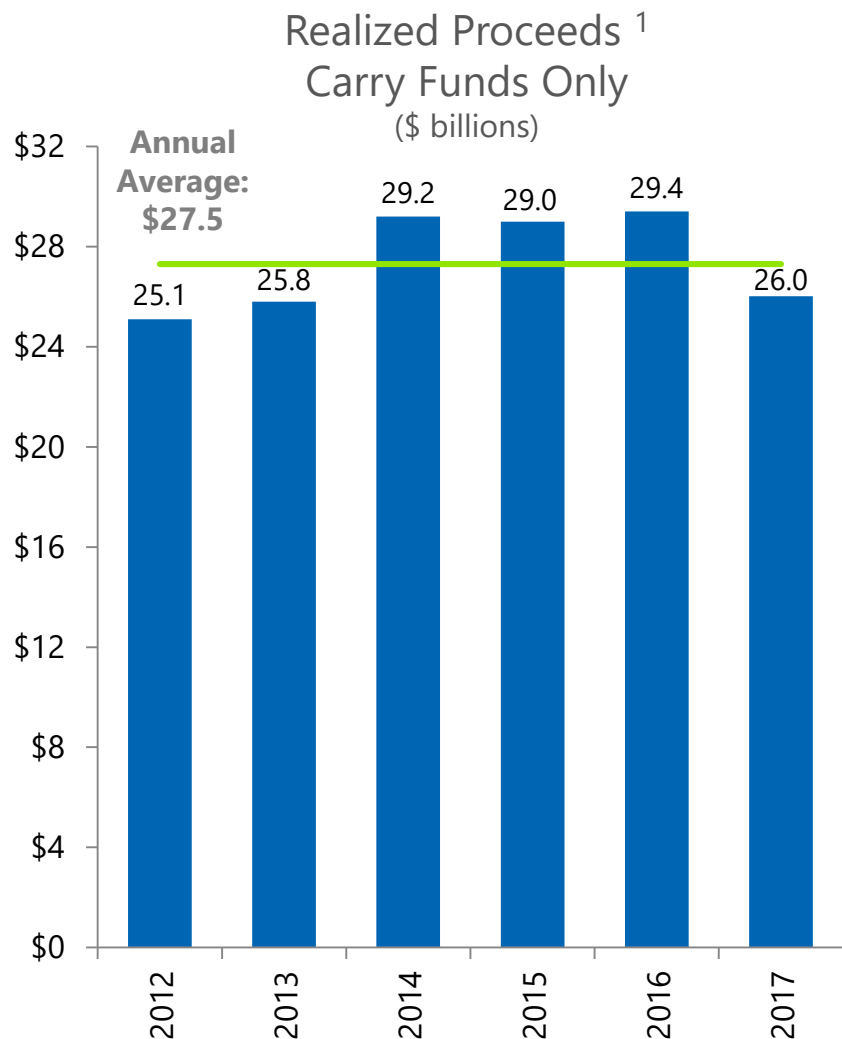
Note: Data as of 12/31/2017. As of the Q4 2017 reporting period, the presentation of Fee Related Earnings was changed to exclude net interest expense.

1) Includes Mezzanine funds.

2) Includes impact from foreign exchange gain/loss in underlying fund investments.

APPENDIX

Realized Proceeds Reached a Record of Nearly \$30 billion in 2016 & Net Realized Performance Fees Averaged \$626 million since 2012



Note: Data as of 12/31/2017. There is no guarantee these trends will continue.

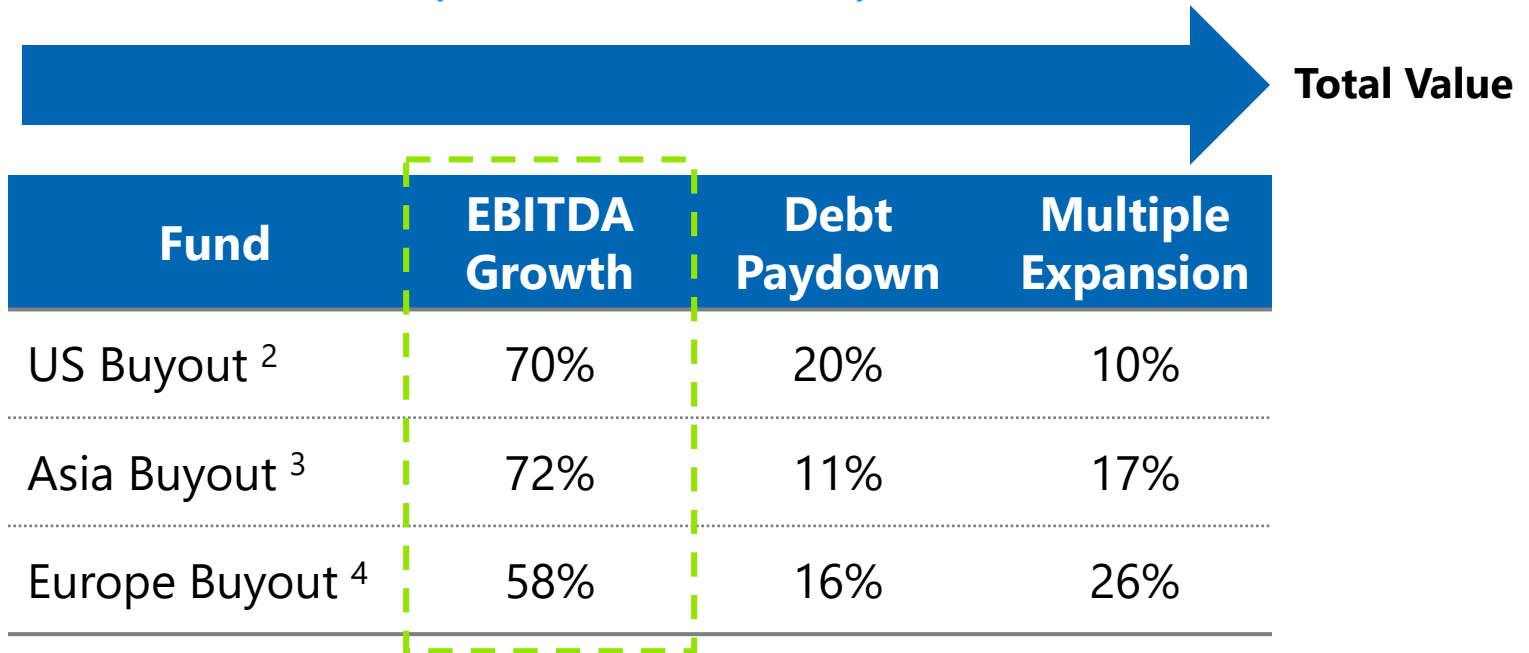
1) Realized Proceeds for carry funds only.

2) Net Realized Performance Fees are for carry funds only, and do not include realized performance fees from CLOs, hedge funds and BDC. 2016 excludes the impact of \$36 million in giveback relating to Legacy Energy funds realized in Q4 2016.

CPE Portfolio Company Earnings Growth Drives Value Creation

Drivers of Value Creation ¹ (% of Value Created)

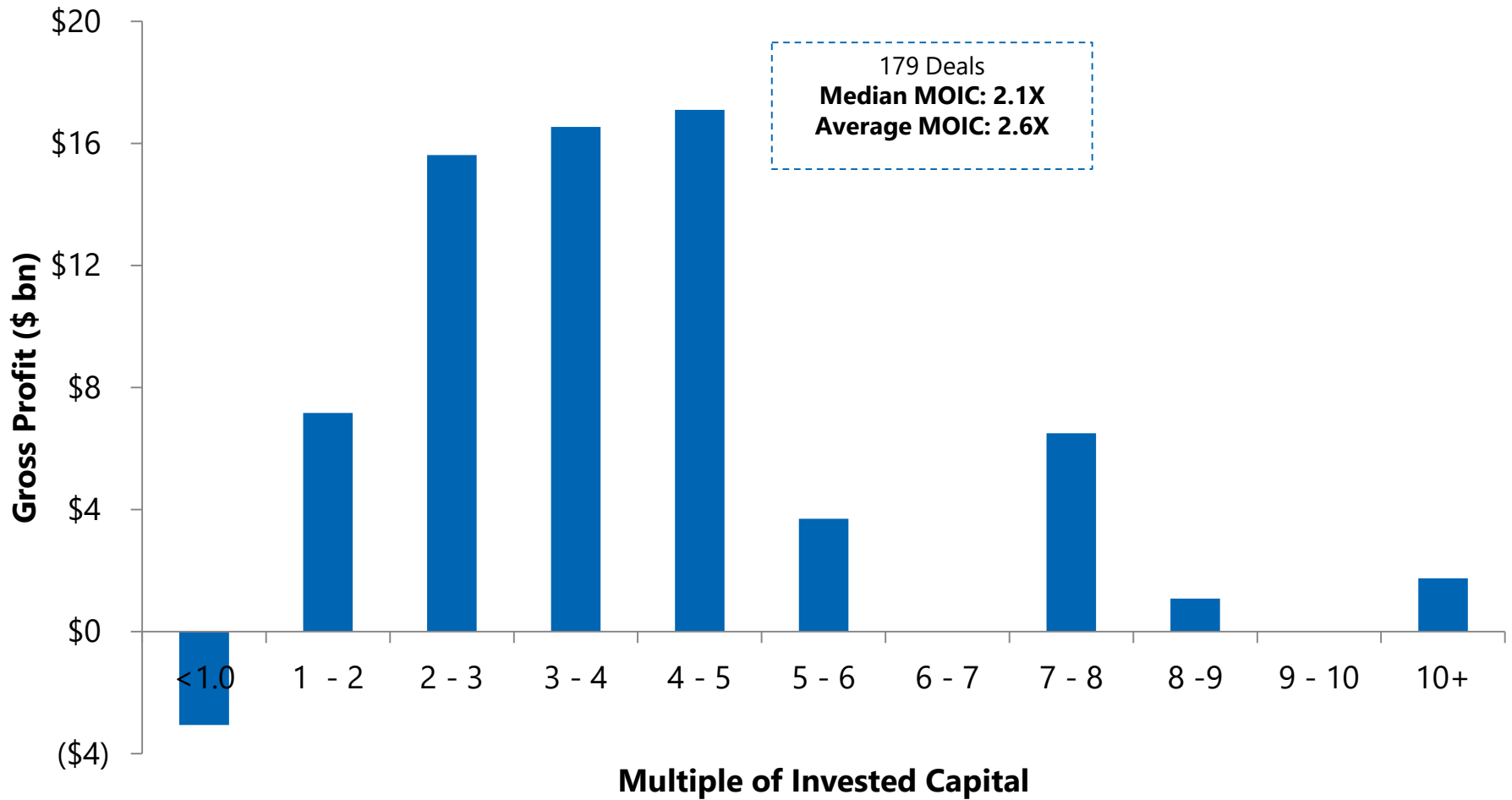
Equity Invested



Total Value

- 1) Includes both realized & unrealized deals for US Buyout, & includes only realized & partially realized deals for Europe Buyout. Asia buyout only reflects realized & partially realized investments, but includes the unrealized portion of partially realized investments. On the unrealized portion of partially realized investments, actual realized values may differ from the estimated values on which this slide is based. Past performance is not indicative of future results & there is no guarantee these trends will continue. See "Important Information" at the beginning of this presentation.
- 2) As of 6/30/2017 or most recent data available. Illustrates the source of value creation on all deals currently valued at greater than 1.0x in CP IV, CP V & CP VI. Excludes coinvestment in deals acquired by CP IV, CP V & CP VI.
- 3) As of 6/30/2017 or most recent data available. Excludes co-investment.
- 4) As of 9/30/2017 or most recent data available. Includes all fully realized & partially realized CEP transactions since inception with the exception of Bredbandsbolaget AB (venture led deal which is not representative of CEP strategy). The losses from realized transactions that have returned < 0.5x cost have been allocated to EBITDA growth, deleveraging, & multiple expansion on a pro-rata basis. Excludes co-investment.

CPE's Proven, Disciplined Investment Process Drives Consistent Returns



Note: Data as of 12/31/2017. Represents realized and partially realized deals in Carlyle Partners, Carlyle Europe Partners and Carlyle Asia Partners since inception. Includes fund and external coinvestment.

Past performance is not indicative of future results and there is no guarantee these trends will continue.

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

| Carlyle Fund Family | Inception Year | Committed Capital (bn) | Gross IRR | Net IRR | Total MOIC |
|---|----------------|------------------------|------------|------------|-------------|
| Carlyle Partners IV (U.S.) | 2004 | \$7.9 | 16% | 13% | 2.4x |
| Carlyle Partners V (U.S.) | 2007 | \$13.7 | 18% | 14% | 2.1x |
| Carlyle Partners VI (U.S.) | 2012 | \$13.0 | 20% | 13% | 1.4x |
| Carlyle Asia Partners II | 2006 | \$1.8 | 11% | 8% | 1.9x |
| Carlyle Asia Partners III | 2008 | \$2.6 | 18% | 12% | 1.9x |
| Carlyle Asia Partners IV | 2012 | \$3.9 | 31% | 20% | 1.6x |
| Carlyle Europe Partners II | 2003 | €1.8 | 36% | 20% | 2.0x |
| Carlyle Europe Partners III | 2006 | €5.3 | 19% | 14% | 2.3x |
| Carlyle Europe Partners IV | 2013 | €3.7 | 18% | 7% | 1.2x |
| Carlyle Realty Partners V (U.S.) | 2006 | \$3.0 | 12% | 9% | 1.7x |
| Carlyle Realty Partners VI (U.S.) | 2010 | \$2.3 | 29% | 20% | 1.8x |
| Carlyle Realty Partners VII (U.S.) | 2014 | \$4.2 | 21% | 12% | 1.3x |
| Natural Gas Partners X | 2012 | \$3.6 | 9% | 6% | 1.3x |
| Natural Gas Partners XI | 2014 | \$5.3 | 39% | 27% | 1.4x |
| Carlyle Strategic Partners II | 2007 | \$1.3 | 17% | 11% | 1.8x |
| Carlyle Strategic Partners III | 2011 | \$0.7 | 32% | 20% | 1.7x |
| Carlyle Strategic Partners IV | 2016 | \$2.5 | NM | NM | 1.2x |

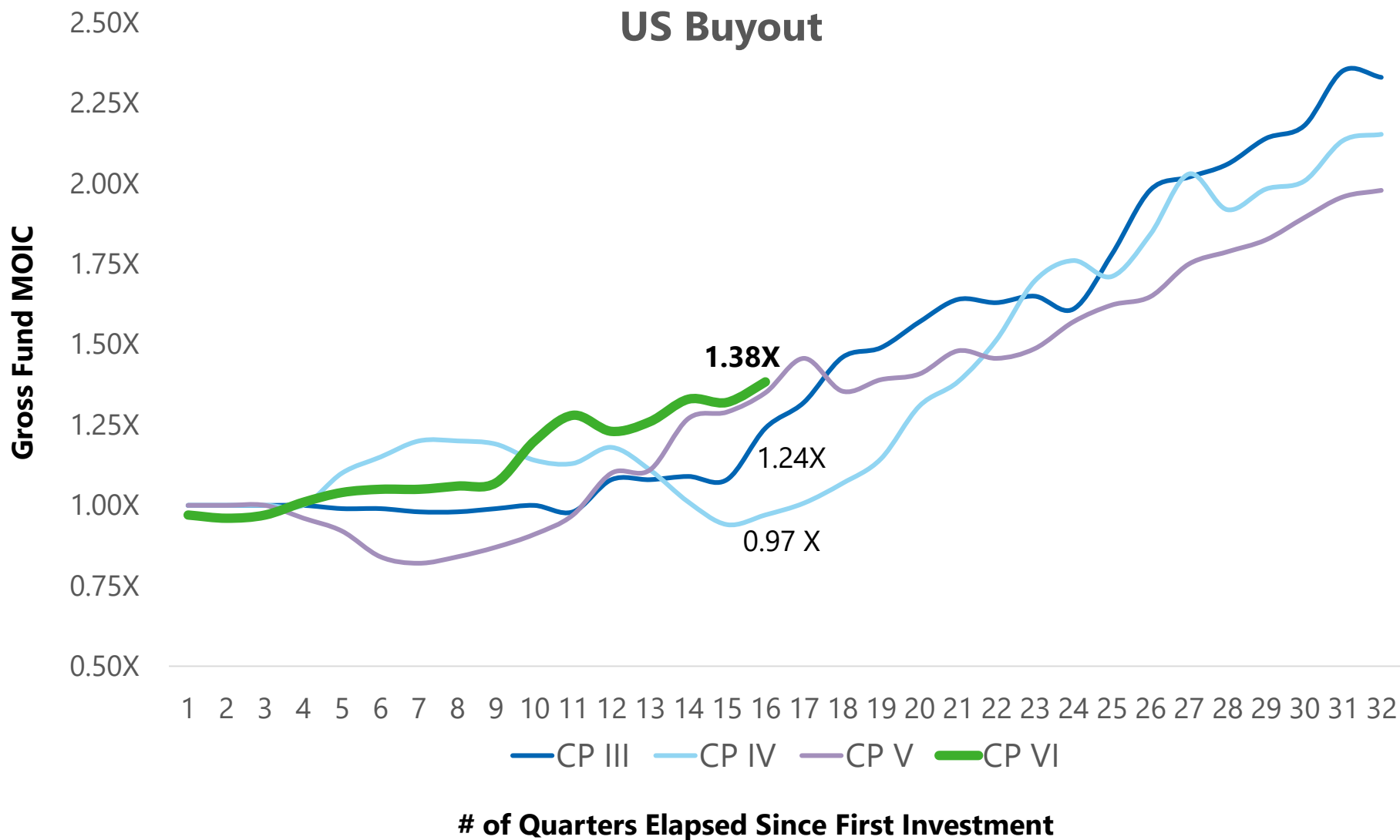
Note: Data as of 12/31/2017. Does not represent all Carlyle carry funds. For a full list of funds and important information, see information in our latest earnings release or SEC documents. Bold represents currently investing funds. Carlyle Realty Partners VII and NGP XI are fully committed, but were 77% and 69% invested as of Q4 2017.

Carlyle's Private Equity Funds Have Historically Performed Well During Various Investment Cycles

| Fund | Investing Period | Total Investments | | Realized/Partially Realized | |
|-----------------------------|------------------|-------------------|-----------|-----------------------------|-----------|
| | | MOIC | Gross IRR | MOIC | Gross IRR |
| Carlyle Partners IV | 2004 – 2007 | 2.4X | 16% | 2.4X | 16% |
| Carlyle Partners V | 2007 – 2012 | 2.1X | 18% | 2.7X | 26% |
| Carlyle Europe Partners II | 2003 – 2006 | 2.0X | 36% | 2.2X | 43% |
| Carlyle Europe Partners III | 2007 – 2013 | 2.3X | 19% | 2.4X | 20% |
| Carlyle Asia Partners II | 2006 – 2008 | 1.9X | 11% | 1.9X | 11% |
| Carlyle Asia Partners III | 2008 – 2012 | 1.9X | 18% | 2.1X | 20% |

Note: Data as of 12/31/2017. Past performance is not indicative of future results and there is no guarantee these trends will continue. Investment period begins at fund inception date. Total Investments represents both realized as well as unrealized fund investments, while Realized/Partially Realized only represents fully realized investments or investments when total proceeds received represent at least 85% of invested capital and such investment is not fully realized. MOIC is multiple of invested capital. See "Important Information" for more information on the calculation of gross IRRs, gross MOIC, and realized and partially realized investments. See The Carlyle Group L.P.'s filings with the U.S. Securities and Exchange Commission for more information on the performance of the firm's significant funds.

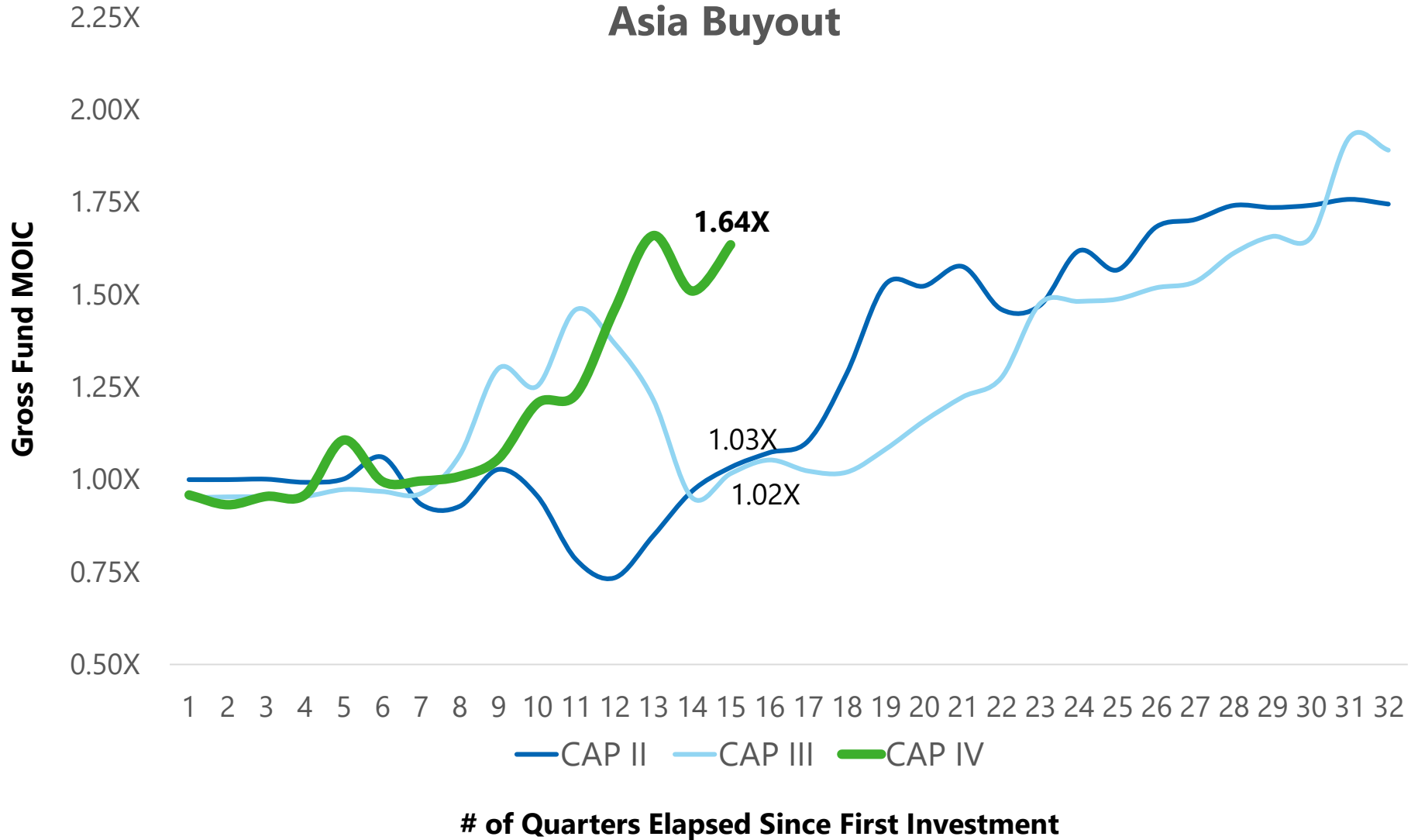
Several Current Funds Tracking Better Than Predecessors (I) US Buyout



Note: Data as of 12/31/2017. Gross Fund MOICs begin upon consummation of first fund investment. Presented for illustrative purposes only. There is no guarantee this level of performance will continue.

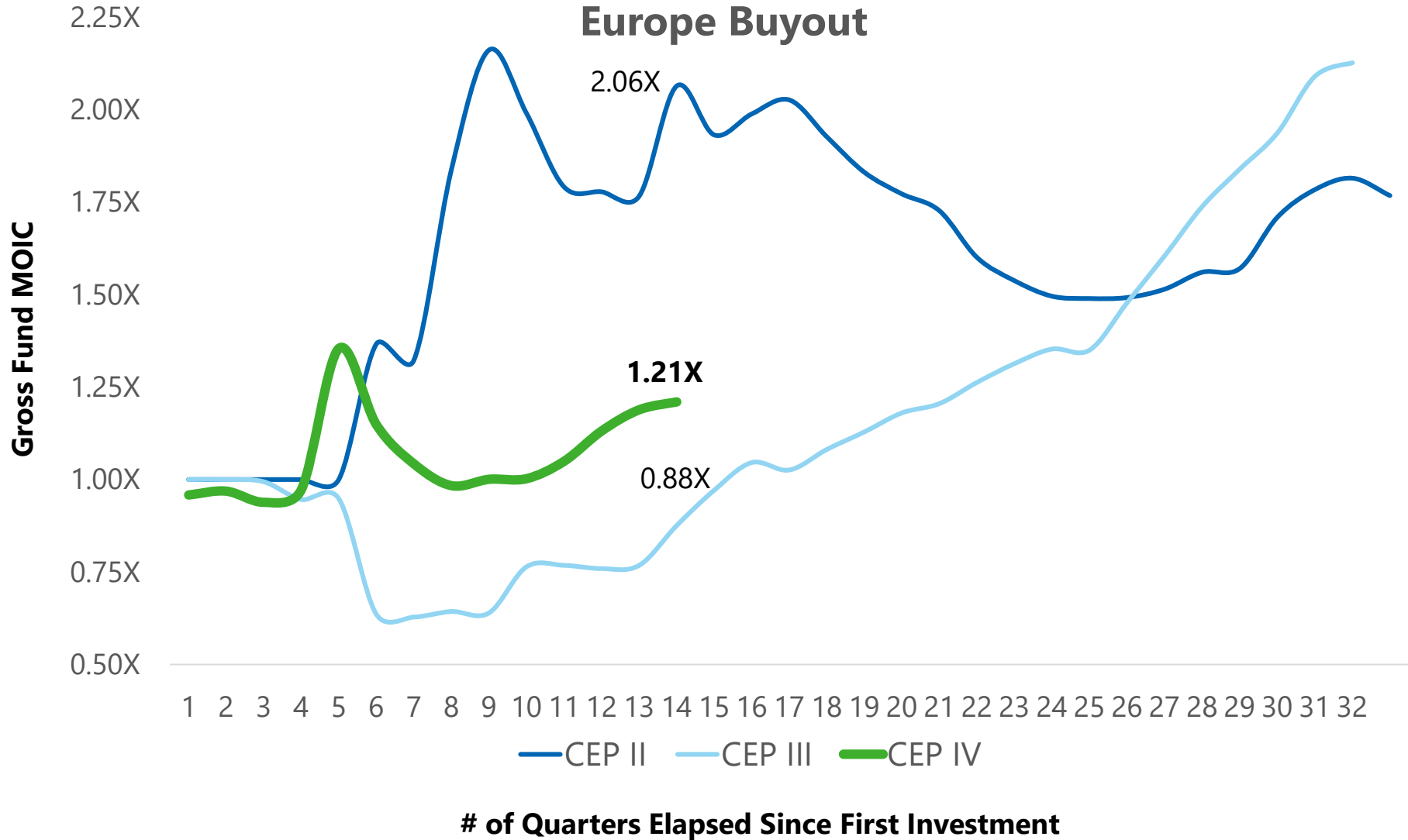
Several Current Funds Tracking Better Than Predecessors (II)

Asia Buyout



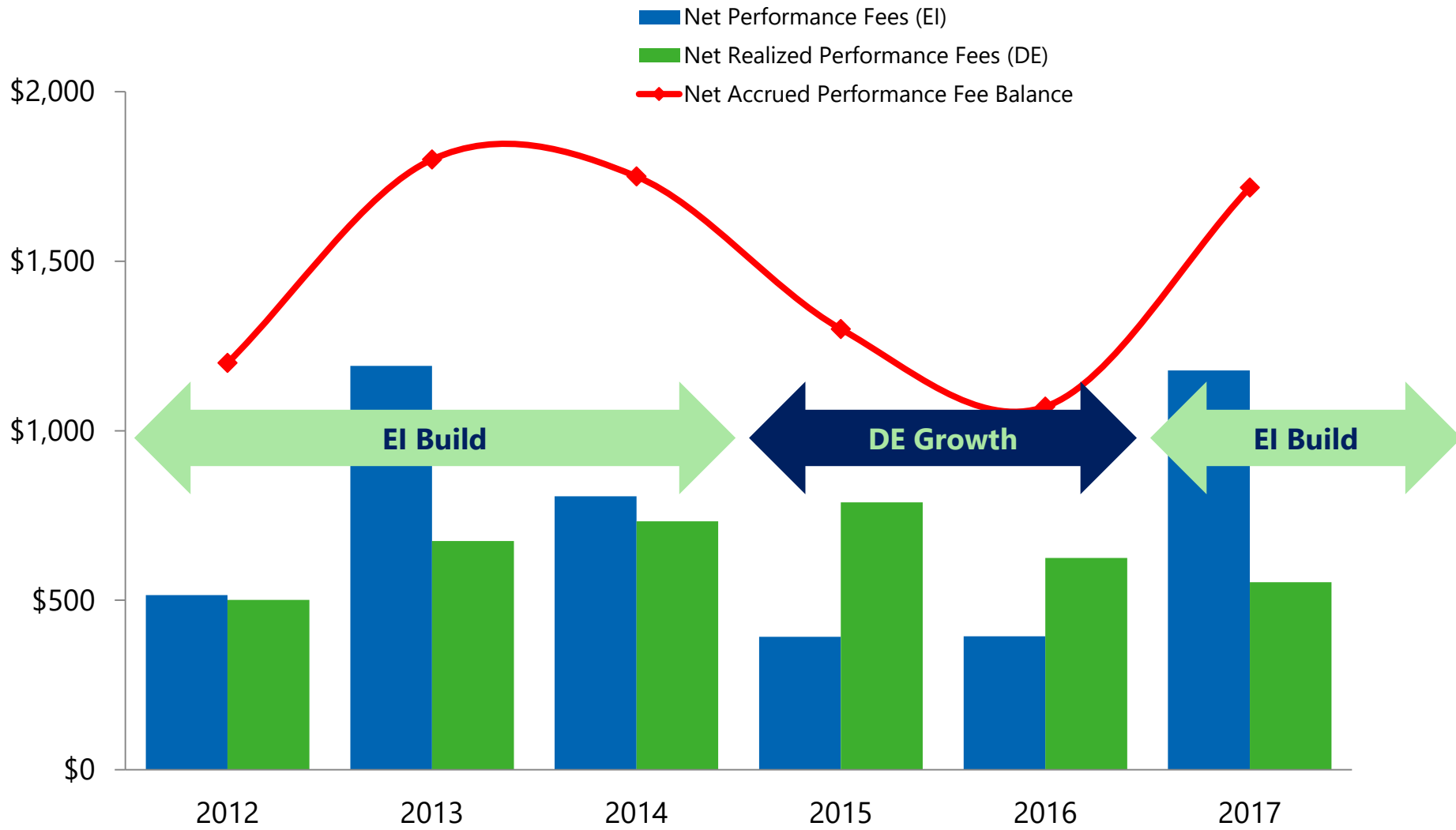
Note: Data as of 12/31/2017. Gross Fund MOICs begin upon consummation of first fund investment. Presented for illustrative purposes only. There is no guarantee this level of performance will continue.

Several Current Funds Tracking Better Than Predecessors (III) Europe Buyout



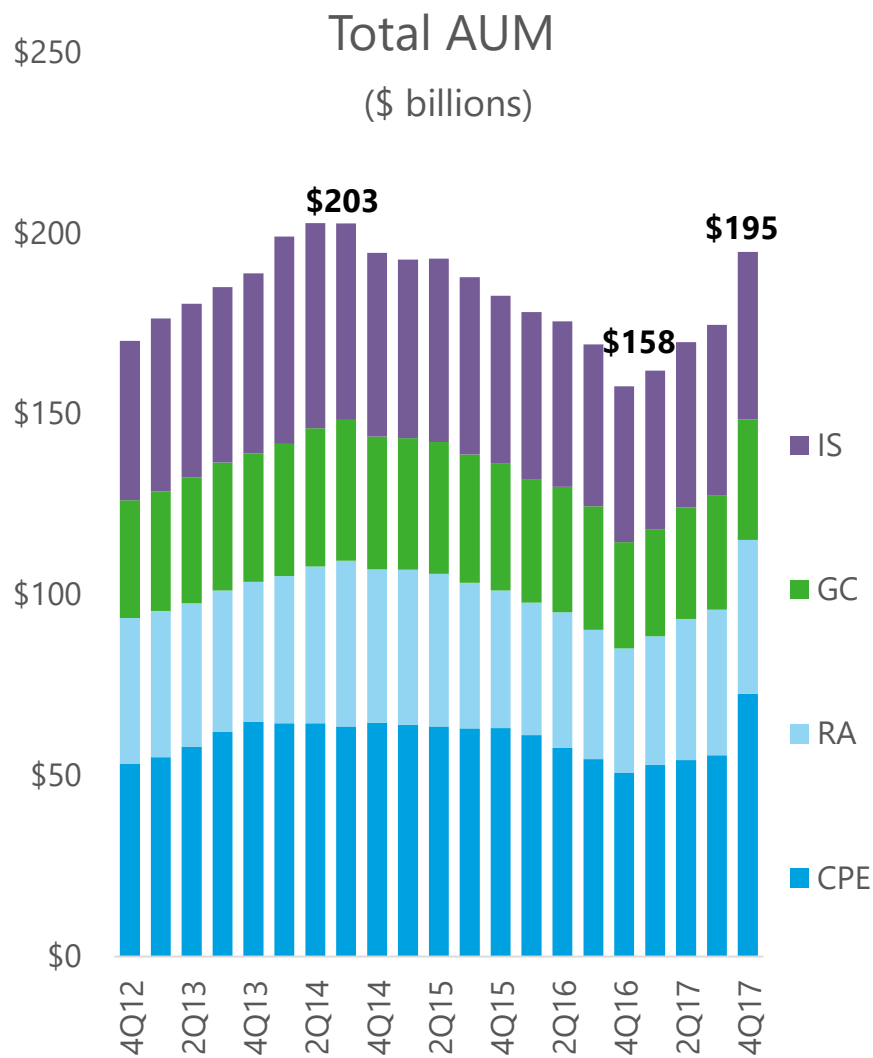
Note: Data as of 12/31/2017. Gross Fund MOICs begin upon consummation of first fund investment. Presented for illustrative purposes only. There is no guarantee this level of performance will continue.

Performance Fee Accrual Likely to Exceed Near Term Realizations as Investing Generation of Funds Continue to Accrue Carry



Note: Data as of 12/31/2017. Past performance is not indicative of future results and there is no guarantee any Carlyle fund will be able to replicate these results.

Fundraising and Strong Fund Performance Support Growth In Assets Under Management And Net Accrued Carry



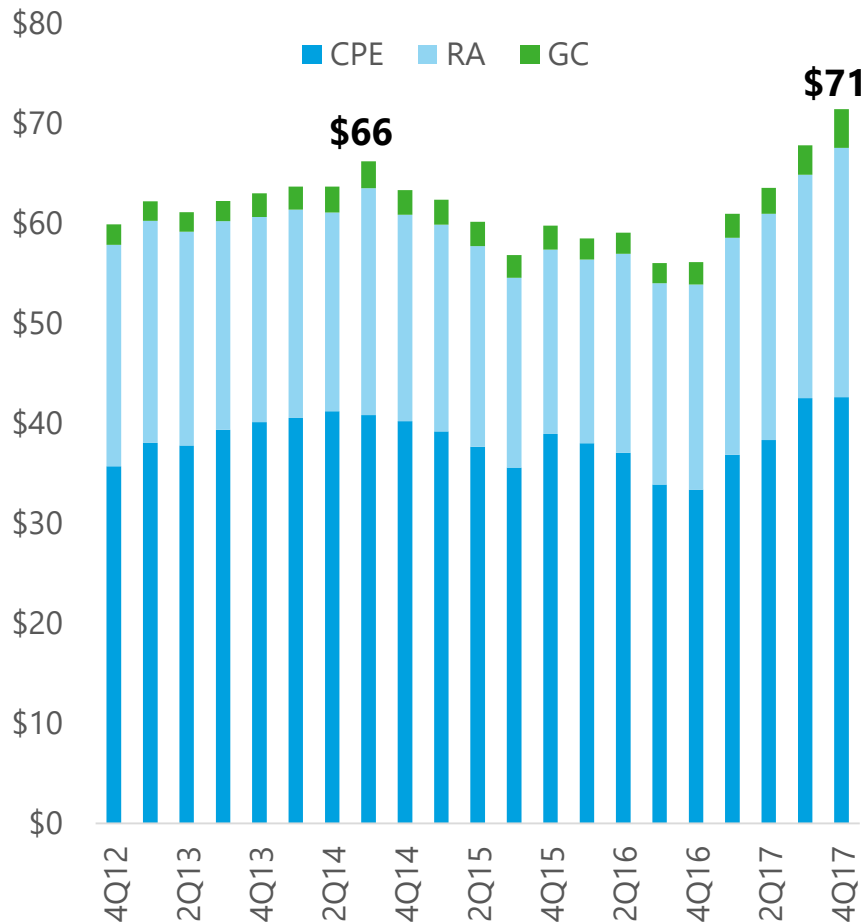
Note: Data as of 12/31/2017. There is no guarantee these trends will continue.

Record Amount of Remaining Fair Value and Increasing AUM in Carry Highlight Opportunity For Growing Performance Fees

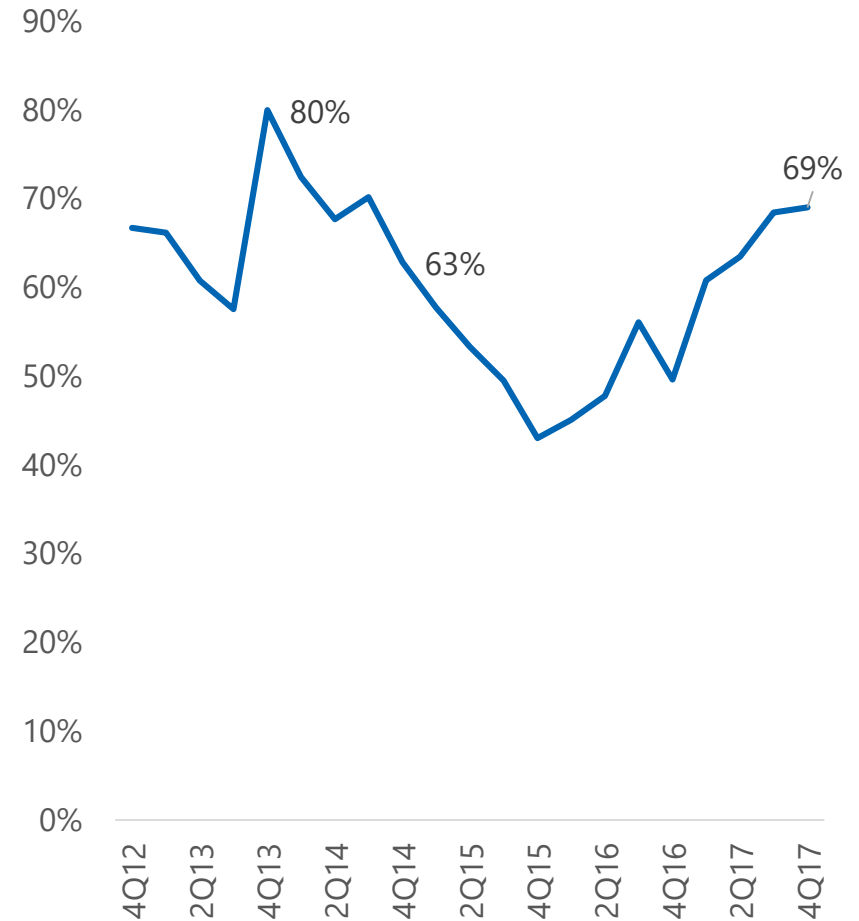
Remaining Fair Value

CPE/RA/GC Carry Funds
(\$ billions)

■ CPE ■ RA ■ GC



AUM In Carry ¹



Note: Data as of 12/31/2017. There is no guarantee these trends will continue.

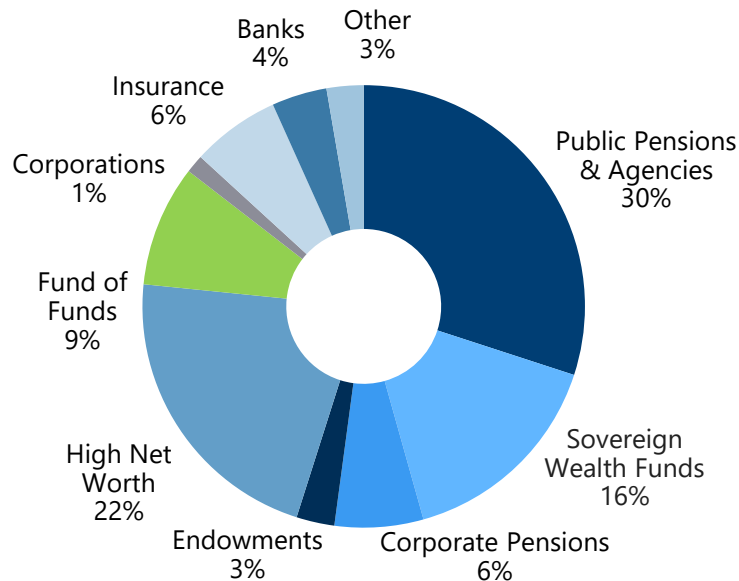
1) AUM In Carry reflects percentage of remaining fair value attributable to funds or vehicles in an accrued carry position.

Breadth of Fundraising Resources and Capabilities Drive New Investor Relationships

- More than 1,750 fund investors from 83 countries
- More than 325 new fund investors over past 3 years have committed \$7.0 billion
- 62% of fund investor capital is invested across six or more carry funds, up from 50% in 2006

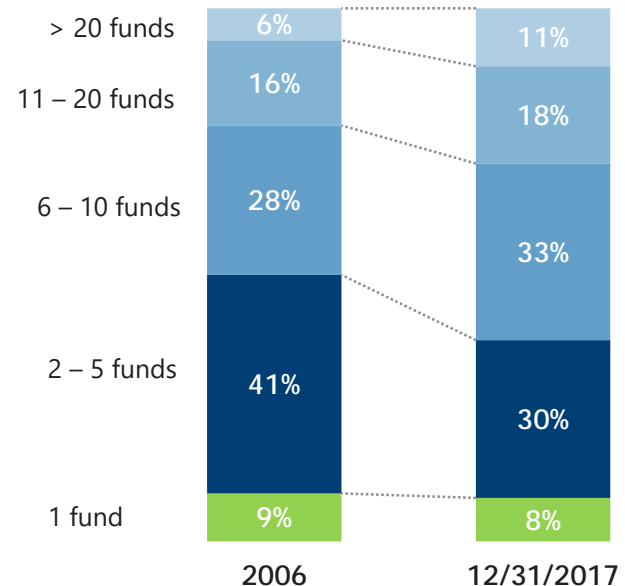


Diverse Source of Capital Commitments



Cross Selling Across Funds¹

% of \$ Commitments Across Multiple Funds



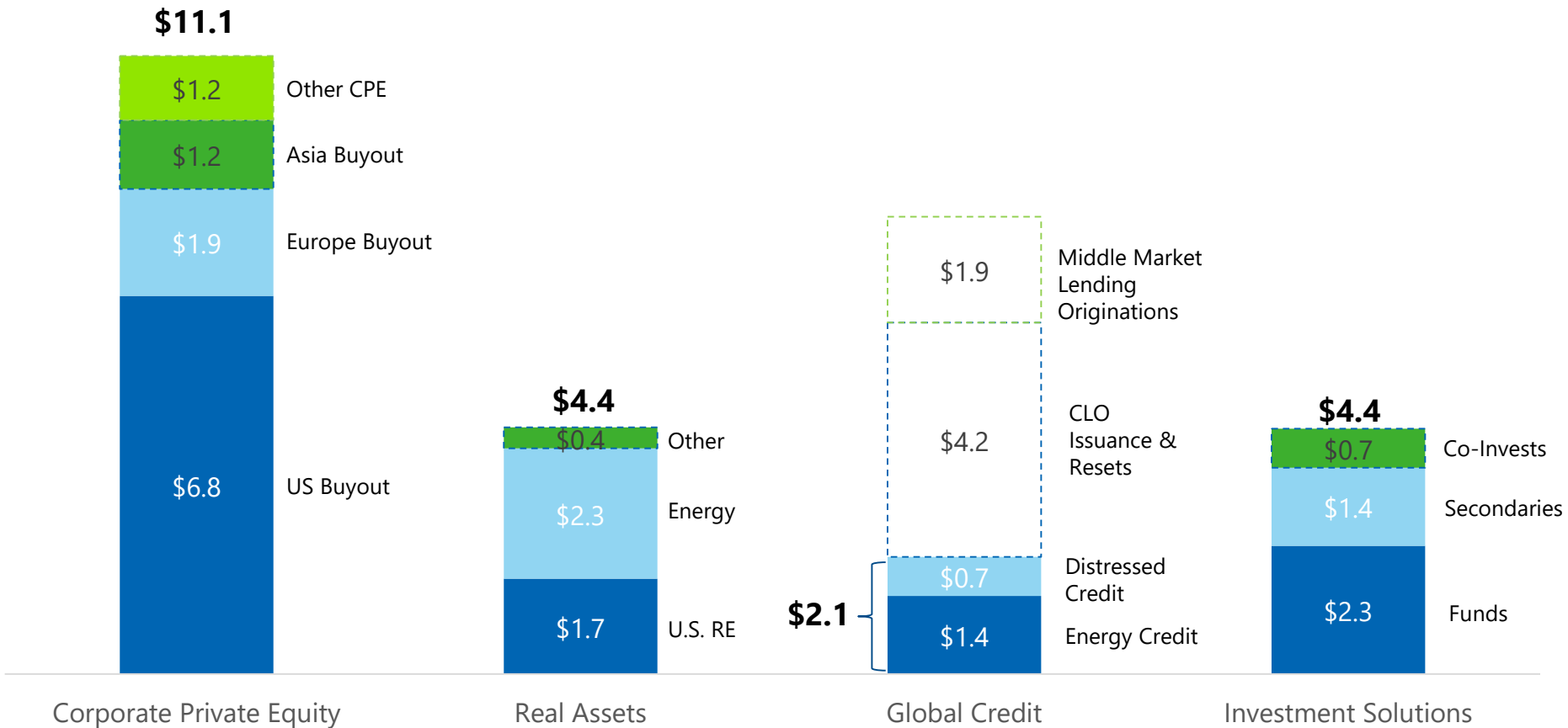
Note: Data as of 12/31/2017.

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

1) Percentage of capital committed by investors to active carry funds, segmented by the number of active carry funds in which the investors were committed as of 12/31/2006 and 12/31/2017.

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

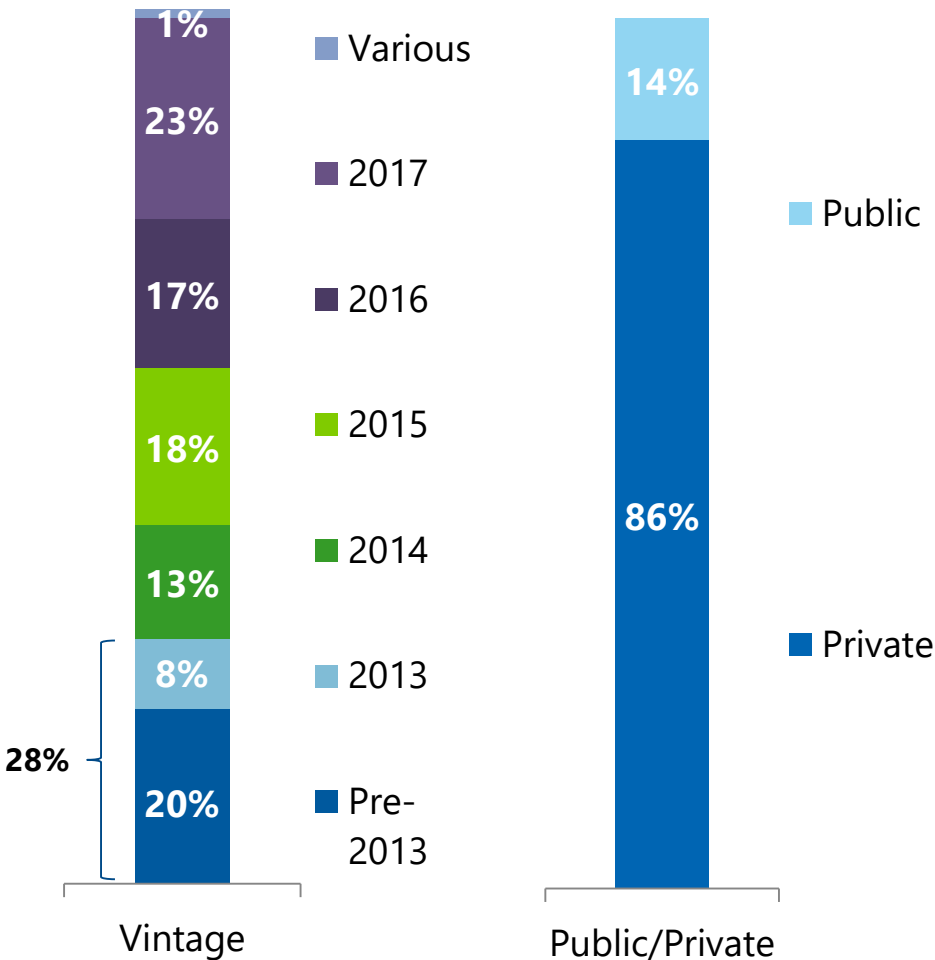
2017 Total Investment Activity (\$ billions)
 Carry Fund Deployment: \$22.0
 Credit Investment Activity (Non-Carry Fund): \$6.1



Note: Data as of 12/31/2017.

Investments Remain Diversified Across Age and Tilted Towards Private Assets

Remaining Fair Value of CPE/RA/GC Carry Fund Portfolio¹ - \$71 billion



“Aging” of investments remains diversified across years with 28% of Remaining Fair Value invested in 2013 or earlier

Note: Data as of 12/31/2017.

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

Summary Financial Results

| Pre-tax Segment Measures (\$ millions) | | | | | | | | |
|--|--------------|------------|------------|------------|--------------|--------------|--------------|--------------|
| | 1Q17 | 2Q17 | 3Q17 | 4Q17 | 2014 | 2015 | 2016 | 2017 |
| Revenue | | | | | | | | |
| Management & Transaction Fees | 267 | 263 | 289 | 305 | 1,303 | 1,223 | 1,134 | 1,125 |
| Performance Fees | 715 | 559 | 285 | 616 | 1,708 | 910 | 752 | 2,175 |
| Investment Income (Loss) | 11 | 31 | (35) | 41 | (11) | (22) | 50 | 47 |
| Interest Income | 3 | 2 | 5 | 6 | 2 | 5 | 10 | 17 |
| Other Income | 5 | 3 | 3 | 4 | 20 | 17 | 13 | 15 |
| Total Revenue | 1,001 | 859 | 548 | 971 | 3,022 | 2,132 | 1,959 | 3,379 |
| Direct & Indirect Base Compensation | 147 | 153 | 177 | 180 | 683 | 650 | 601 | 658 |
| Equity Based Compensation | 30 | 37 | 30 | 27 | 80 | 122 | 120 | 124 |
| Performance Fee Compensation | 321 | 260 | 138 | 278 | 901 | 518 | 358 | 997 |
| General, Administrative, and Other Indirect Expenses | 81 | 85 | (27) | 94 | 318 | 363 | 484 | 234 |
| Depreciation & Amortization | 8 | 8 | 8 | 8 | 22 | 26 | 29 | 31 |
| Interest Expense | 15 | 16 | 17 | 17 | 56 | 58 | 61 | 66 |
| Total Expenses | 601 | 559 | 345 | 605 | 2,060 | 1,736 | 1,653 | 2,110 |
| Economic Income | 400 | 300 | 203 | 366 | 962 | 397 | 306 | 1,269 |
| (-) Net Performance Fees | 394 | 299 | 147 | 337 | 807 | 392 | 394 | 1,178 |
| (-) Investment Income (Loss) | 11 | 31 | (35) | 41 | (11) | (22) | 50 | 47 |
| (+) Equity Based Compensation | 30 | 37 | 30 | 27 | 80 | 122 | 120 | 124 |
| (+) Net Interest | 12 | 14 | 12 | 12 | 54 | 53 | 51 | 49 |
| (+) Reserve for Litigation and Contingencies | - | - | (25) | - | - | 50 | - | (25) |
| Fee Related Earnings | 37 | 20 | 108 | 27 | 300 | 252 | 33 | 192 |
| (+) Realized Net Performance Fees | 35 | 182 | 217 | 118 | 733 | 789 | 625 | 553 |
| (+) Realized Investment Income (Loss) | (5) | 11 | (53) | 22 | (6) | (65) | 45 | (26) |
| (+) Net Interest | (12) | (14) | (12) | (12) | (54) | (53) | (51) | (49) |
| Distributable Earnings | 55 | 199 | 260 | 156 | 973 | 923 | 652 | 670 |
| Per Unit Measures | | | | | | | | |
| Economic Net Income Per Unit (after-tax) | \$1.09 | \$0.81 | \$0.56 | \$1.01 | \$2.68 | \$1.15 | \$0.76 | \$3.47 |
| Distributable Earnings Per Common Unit (after-tax) | \$0.13 | \$0.56 | \$0.75 | \$0.44 | \$2.78 | \$2.73 | \$1.85 | \$1.88 |
| Distribution per Common Unit | \$0.10 | \$0.42 | \$0.56 | \$0.33 | \$2.09 | \$2.07 | \$1.55 | \$1.41 |

Note: Data as of 12/31/2017.

See "Selected Financial Data" in Carlyle's periodic and annual reports filed with the U.S. Securities and Exchange Commission. Performance fee revenue net of related compensation expense.

Strong Balance Sheet

| Key Balance Sheet Items¹ (\$ million) | 12/31/2017 |
|--|-------------------|
| Cash and Cash Equivalents and Corporate Treasury Investments² | \$1,376 |
| Net accrued performance fees (net of giveback and accrued performance fee compensation) | \$1,717 |
| Investments attributable to Carlyle unitholders³ | \$933 |
| Loans Payable and Senior Notes | \$1,574 |
| Drawn revolving credit line (\$750 million capacity) | \$0 |

1) Balance sheet amounts are shown without the impact of certain Carlyle funds that are required to be consolidated on its financial statements.

2) Corporate treasury investments represent investments in U.S. Treasury and government agency obligations, commercial paper, certificates of deposit, other investment grade securities and other investments with original maturities of greater than three months when purchased.

3) Included in our on-balance sheet investments is approximately \$275 million of loans used to finance our investments in CLOs. Excludes the equity method accounting of our investment by Carlyle in NGP Energy Capital Management.

Key Metrics for “The Carlyle Engine”

Quarterly Data

| | 1Q16 | 2Q16 | 3Q16 | 4Q16 | 1Q17 | 2Q17 | 3Q17 | 4Q17 |
|-------------------------------------|-------|-------|-------|-------|-------|-------|-------|-------|
| Total AUM(1) (\$ bn) | 178.1 | 175.6 | 169.1 | 157.6 | 161.9 | 169.8 | 174.4 | 195.1 |
| Corporate Private Equity | 61.1 | 57.6 | 54.6 | 50.9 | 53.0 | 54.3 | 55.7 | 72.6 |
| Real Assets | 36.7 | 37.5 | 35.7 | 34.3 | 35.6 | 38.9 | 39.8 | 42.9 |
| Global Credit | 34.0 | 34.7 | 34.1 | 29.4 | 29.4 | 30.9 | 31.9 | 33.3 |
| Investment Solutions | 46.3 | 45.7 | 44.7 | 43.1 | 44.0 | 45.7 | 47.0 | 46.3 |
| Fee-Earning AUM(1) (\$ bn) | 130.3 | 125.3 | 123.8 | 115.0 | 114.9 | 116.1 | 121.8 | 124.6 |
| Corporate Private Equity | 40.9 | 38.9 | 37.8 | 36.3 | 36.9 | 36.2 | 35.6 | 35.6 |
| Real Assets | 30.7 | 30.4 | 28.9 | 27.5 | 27.2 | 26.2 | 29.8 | 31.6 |
| Global Credit | 28.6 | 28.7 | 29.0 | 24.1 | 24.4 | 25.2 | 26.0 | 27.3 |
| Investment Solutions | 30.2 | 27.2 | 28.1 | 27.1 | 26.4 | 28.5 | 30.3 | 30.2 |
| Fundraising(2)(3) (\$ bn) | 0.1 | 3.6 | 1.8 | 2.7 | 3.0 | 8.4 | 7.2 | 24.7 |
| Corporate Private Equity | 0.1 | 0.3 | 0.4 | 0.0 | 0.2 | 0.3 | 0.9 | 19.1 |
| Real Assets | 0.2 | 0.5 | 0.2 | 0.3 | 1.0 | 3.7 | 2.4 | 3.2 |
| Global Credit | (0.5) | 1.6 | 1.1 | 1.3 | 0.4 | 2.7 | 1.8 | 1.7 |
| Investment Solutions | 0.3 | 1.2 | 0.1 | 1.1 | 1.4 | 1.7 | 2.1 | 0.7 |
| Invested Capital(4) (\$ bn) | 5.3 | 3.7 | 2.9 | 6.1 | 4.4 | 3.4 | 6.9 | 7.2 |
| Corporate Private Equity | 3.3 | 1.4 | 0.6 | 2.6 | 2.5 | 1.4 | 3.6 | 3.6 |
| Real Assets | 0.6 | 1.4 | 1.0 | 2.2 | 0.7 | 0.8 | 1.3 | 1.6 |
| Global Credit | 0.1 | 0.1 | 0.1 | 0.4 | 0.3 | 0.2 | 0.7 | 0.8 |
| Investment Solutions | 1.3 | 0.8 | 1.2 | 0.9 | 0.9 | 1.0 | 1.3 | 1.2 |
| Realized Proceeds(4) (\$ bn) | 4.5 | 7.6 | 8.8 | 8.5 | 3.6 | 5.9 | 8.4 | 8.0 |
| Corporate Private Equity | 2.3 | 4.0 | 4.8 | 3.6 | 1.1 | 2.6 | 4.0 | 3.4 |
| Real Assets | 0.8 | 1.1 | 1.7 | 2.0 | 0.6 | 0.9 | 1.7 | 1.4 |
| Global Credit | 0.0 | 0.2 | 0.2 | 0.1 | 0.1 | 0.1 | 0.2 | 0.3 |
| Investment Solutions | 1.3 | 2.3 | 2.2 | 2.8 | 1.9 | 2.3 | 2.5 | 2.9 |
| Fund Appreciation(6) | 0% | 4% | 3% | 5% | 6% | 5% | 3% | 5% |
| Corporate Private Equity | 1% | 4% | 3% | 4% | 9% | 8% | 4% | 8% |
| Real Assets | 1% | 7% | 4% | 4% | 5% | 6% | 2% | 4% |
| Global Credit | (12%) | (2%) | (0%) | 2% | 7% | 0% | 0% | 1% |
| Investment Solutions | (0%) | 3% | 2% | 7% | 3% | 1% | 3% | 3% |

Annual Data

| | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 |
|--|-------|-------|-------|-------|-------|-------|
| Total AUM(1) (\$ bn) | 170.2 | 188.8 | 194.5 | 182.6 | 157.6 | 195.1 |
| Corporate Private Equity | 53.3 | 64.9 | 64.7 | 63.1 | 50.9 | 72.6 |
| Real Assets | 40.2 | 38.7 | 42.3 | 38.0 | 34.3 | 42.9 |
| Global Credit | 32.5 | 35.5 | 36.7 | 35.3 | 29.4 | 33.3 |
| Investment Solutions | 44.1 | 49.8 | 50.8 | 46.2 | 43.1 | 46.3 |
| Fee-Earning AUM(1) (\$ bn) | 123.1 | 139.9 | 135.6 | 131.0 | 115.0 | 124.6 |
| Corporate Private Equity | 33.8 | 43.0 | 40.2 | 40.9 | 36.3 | 35.6 |
| Real Assets | 29.3 | 28.4 | 28.4 | 30.9 | 27.5 | 31.6 |
| Global Credit | 31.0 | 33.4 | 33.9 | 31.0 | 24.1 | 27.3 |
| Investment Solutions | 28.9 | 35.1 | 33.1 | 28.2 | 27.1 | 30.2 |
| Fundraising(2)(3) (\$ bn) | 14.0 | 22.0 | 24.3 | 16.4 | 8.2 | 43.3 |
| Corporate Private Equity | 7.8 | 11.8 | 7.6 | 8.0 | 0.8 | 20.5 |
| Real Assets | 0.3 | 2.0 | 9.2 | 3.9 | 1.2 | 10.2 |
| Global Credit | 5.2 | 5.7 | 6.9 | 2.9 | 3.5 | 6.6 |
| Investment Solutions | 0.6 | 2.5 | 0.5 | 1.6 | 2.8 | 5.9 |
| Invested Capital(4) (\$ bn) | 12.8 | 12.3 | 14.8 | 14.0 | 17.9 | 22.0 |
| Corporate Private Equity | 4 | 4.8 | 6.8 | 5.3 | 7.9 | 11.1 |
| Real Assets | 3.2 | 2.5 | 2.5 | 3.1 | 5.1 | 4.4 |
| Global Credit | 0.6 | 0.8 | 0.6 | 0.6 | 0.7 | 2.1 |
| Investment Solutions | 4.9 | 4.2 | 5.0 | 5.0 | 4.3 | 4.4 |
| Realized Proceeds(4)(5) (\$ bn) | 25.1 | 25.8 | 29.4 | 29.0 | 29.4 | 26.0 |
| Corporate Private Equity | 12.1 | 12.2 | 14.5 | 12.9 | 14.8 | 11.2 |
| Real Assets | 5.5 | 4.1 | 4.7 | 4.8 | 5.6 | 4.6 |
| Global Credit | 1.1 | 1.0 | 0.7 | 0.5 | 0.4 | 0.6 |
| Investment Solutions | 6.3 | 8.4 | 9.5 | 10.8 | 8.6 | 9.6 |
| Fund Appreciation(6) | 15% | 18% | 19% | 12% | 12% | 20% |
| Corporate Private Equity | 16% | 30% | 23% | 13% | 11% | 32% |
| Real Assets | 9% | 1% | (2%) | (3%) | 18% | 19% |
| Global Credit | 23% | 28% | 20% | (8%) | (11%) | 11% |
| Investment Solutions | 17% | 15% | 26% | 23% | 12% | 10% |

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

1) For purposes of aggregation, funds denominated in a currency other than U.S. Dollars have been converted at the spot rate as of the end of each period presented.

2) For purposes of aggregation, commitments denominated in a currency other than U.S. Dollars have been converted at the spot rate as of the date of closing of such commitment.

3) Excludes acquisitions.

4) Amounts represent Carry Fund transactions only (including related coinvestments). Does not include hedge funds, mutual funds, structured credit funds, and NGP management fee funds.

For purposes of aggregation, transactions denominated in a currency other than U.S. Dollars have been converted at the average rate for the period presented.

5) Years before 2011 are presented using Distributions to fund investors, 2011 to present are Realized Proceeds.

6) Appreciation / (Depreciation) represents unrealized gain / (losses) for the period on a total return basis before fees and expenses. The percentage of return is calculated as: Ending Remaining Investment FMV plus net investment outflow (sales proceeds minus net purchases) minus Beginning Remaining Investment FMV divided by Beginning Remaining Investment FMV. Excludes external coinvestment.

Reconciliation of GAAP to Non-GAAP Financials

| (\$ millions) | | | | | | Annual | | |
|---|-----------------|---------------|---------------|---------------|---------------|---------------|---------------|-----------------|
| | 4Q16 | 1Q17 | 2Q17 | 3Q17 | 4Q17 | 2015 | 2016 | 2017 |
| Income (loss) before provision for income taxes | \$ 12 | \$ 328 | \$ 244 | \$ 166 | \$ 395 | \$ 402 | \$ 45 | \$ 1,132 |
| Adjustments: | | | | | | | | |
| Equity-based compensation issued in conjunction with IPO, acquisitions and strategic investments(1) | 48 | 67 | 59 | 58 | 57 | 260 | 223 | 241 |
| Acquisition related charges and amortization of intangibles | 27 | 9 | 9 | 7 | 11 | 289 | 94 | 36 |
| Other non-operating (income) / expenses | (12) | - | 0 | - | (72) | (7) | (11) | (71) |
| Tax expense associated with performance fee compensation | 1 | (3) | (2) | (2) | (2) | (15) | (15) | (9) |
| Net income attributable to non-controlling interests in Consolidated entities | (71) | (3) | (17) | (28) | (25) | (538) | (41) | (73) |
| Provision for income taxes attributable to non-controlling interests in Consolidated entities | (0) | - | - | - | - | (1) | (0) | - |
| Severance and lease terminations | 3 | 4 | 8 | 1 | 2 | 7 | 15 | 14 |
| Other adjustments | (3) | (1) | - | (0) | - | (0) | (4) | (1) |
| Economic Income | \$ 6 | \$ 400 | \$ 300 | \$ 203 | \$ 366 | \$ 397 | \$ 306 | \$ 1,269 |
| (-) Net Performance Fees | 61 | 394 | 299 | 147 | 337 | 392 | 394 | 1,178 |
| (-) Investment Income (Loss) | 15 | 11 | 31 | (35) | 41 | (22) | 50 | 47 |
| (+) Equity-Based Compensation | 24 | 30 | 37 | 30 | 27 | 122 | 120 | 124 |
| (+) Net Interest | 13 | 12 | 14 | 12 | 12 | 53 | 51 | 49 |
| (+) Reserve for litigation and contingencies | (100) | - | - | (25) | - | 50 | - | (25) |
| Fee Related Earnings | \$ (132) | \$ 37 | \$ 20 | \$ 108 | \$ 27 | \$ 252 | \$ 33 | \$ 192 |
| (+) Realized Net Performance Fees | 136 | 35 | 182 | 217 | 118 | 789 | 625 | 553 |
| (+) Realized Investment Income (Loss) | 17 | (5) | 11 | (53) | 22 | (65) | 45 | (26) |
| (+) Net Interest | (13) | (12) | (14) | (12) | (12) | (53) | (51) | (49) |
| Distributable Earnings | \$ 7 | \$ 55 | \$ 199 | \$ 260 | \$ 156 | \$ 923 | \$ 652 | \$ 670 |

Note: Data as of 12/31/2017.