



Figure 42: BX Real Estate Segment Income Statement Forecasts

INCOME STATEMENT	2012	1Q13	2Q13	3Q13	4Q13E	2013E	1Q14E	2Q14E	3Q14E	4Q14E	2014E	2015E	2016E
<i>Revenue:</i>													
Management and Advisory Fees, Net													
Base Management Fees	551.3	138.3	137.0	136.7	136.3	548.4	149.6	153.5	156.7	159.2	618.9	656.0	661.4
Advisory Fees	0.0	0.0	0.0	0.0	0.0	0.0	0.0	1.0	2.0	3.0	6.0	3.0	3.0
Transaction and Other Fees, Net	85.7	9.1	19.0	19.2	20.7	68.1	17.4	17.4	15.2	13.0	63.0	20.5	22.4
Management Fee Offsets	-28.6	-7.3	-6.3	-2.4	-5.2	-21.2	-3.5	-3.5	-3.0	-2.6	-12.6	-4.1	-4.5
Total Management and Advisory Fees, Net	608.4	140.2	149.7	153.5	151.9	595.3	163.5	166.4	170.9	172.6	675.3	675.4	682.3
<i>Performance Fees:</i>													
Realized Carried Interest	165.1	66.8	143.5	93.9	115.0	421.1	161.0	166.0	211.0	362.7	920.7	1,575.9	1,253.3
Realized Incentive Fees	25.7	3.1	31.1	3.7	13.6	51.7	1.8	1.9	1.9	12.0	17.7	3.9	10.7
Unrealized Carried Interest	683.8	280.1	280.0	340.4	257.6	1,138.0	135.1	122.0	108.9	292.6	658.6	85.5	-119.4
Unrealized Incentive Fees	-0.1	2.4	-32.3	2.5	-8.3	-35.7	5.5	5.6	5.8	-4.0	12.9	15.8	2.7
Total Performance Fees	874.4	354.3	402.3	440.5	378.1	1,575.2	303.4	315.6	327.7	663.3	1,609.9	1,661.2	1,147.4
<i>Investment Income (Loss):</i>													
Realized	45.3	9.5	16.6	0.9	37.7	66.7	19.3	15.1	12.4	14.3	61.1	43.7	59.1
Unrealized	90.9	60.3	30.6	57.7	37.7	186.3	39.2	45.3	49.8	57.1	191.4	174.6	177.3
Total Investment Income (Loss)	136.2	69.8	49.2	58.6	75.4	253.0	58.6	60.4	62.2	71.3	252.5	218.5	236.4
<i>Interest Income & Dividend Revenue</i>													
Other	14.4	4.3	4.4	6.1	6.4	21.1	5.4	5.5	5.6	5.7	22.3	24.1	26.0
Other	0.9	-0.1	-0.3	2.1	2.1	3.8	1.6	1.6	1.6	1.6	6.5	6.8	7.0
Total Revenue	1,634.3	568.5	605.3	660.8	613.9	2,448.5	532.5	551.4	568.0	914.6	2,566.6	2,606.0	2,099.1
<i>Expenses:</i>													
<i>Compensation:</i>													
Compensation	271.1	69.5	73.8	75.3	75.9	294.5	80.1	80.8	80.3	82.9	324.1	337.7	341.2
<i>Performance Fee Compensation:</i>													
Realized Carried Interest	62.4	25.9	55.0	36.9	46.0	165.8	64.4	74.4	84.4	145.1	398.3	630.4	501.3
Realized Incentive Fees	13.1	1.7	15.7	1.9	5.5	24.9	0.7	0.8	0.6	4.8	7.1	1.6	4.3
Unrealized Carried Interest	165.5	89.1	78.6	99.3	103.0	370.0	54.1	48.8	43.6	117.0	263.5	34.2	-47.6
Unrealized Incentive Fees	-0.6	1.0	-16.3	0.6	-3.3	-18.0	2.2	2.3	2.3	-1.6	5.2	6.3	1.1
Total Performance Fee Compensation	240.4	117.7	133.0	140.8	151.2	542.7	121.4	126.2	131.1	265.3	644.0	672.5	459.0
Total Compensation & Benefits	511.5	187.1	206.8	216.1	227.2	837.3	201.5	207.0	211.4	348.2	968.1	1,010.2	800.1
Other Operating Expenses	123.7	28.5	27.6	30.6	36.7	123.4	33.1	31.4	32.2	40.2	136.9	147.9	156.7
Total Expenses	635.2	215.6	234.4	246.8	263.9	960.7	234.5	238.5	243.6	388.4	1,105.0	1,158.0	956.9
Economic Income	999.1	352.9	370.9	414.0	349.9	1,487.8	298.0	313.0	324.4	526.2	1,461.6	1,447.9	1,142.3

Source: Company reports and Deutsche Bank