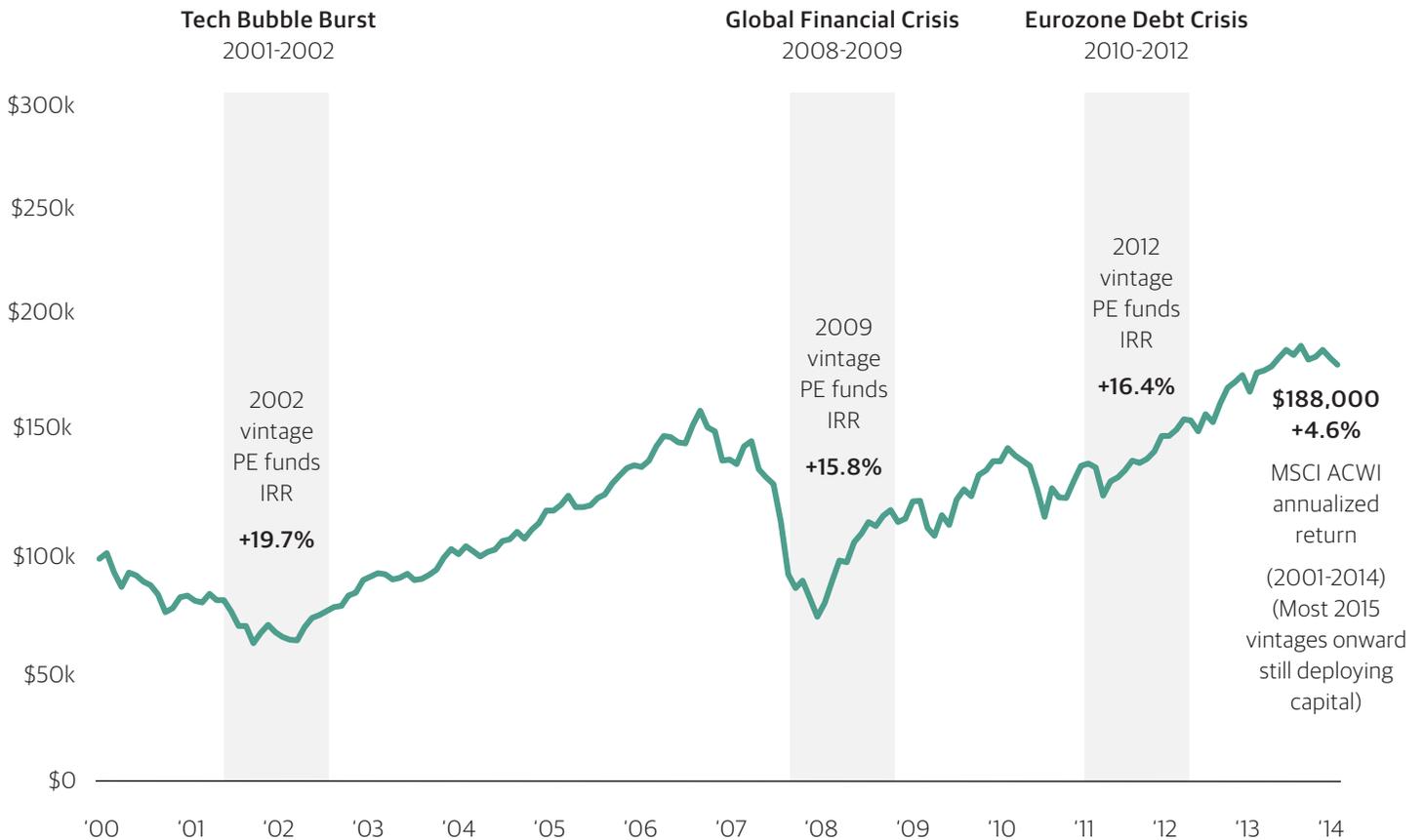


PRIVATE WEALTH SOLUTIONS

Private Equity: Well-positioned through downturns

Risks to the economic expansion are rising, and many investors are thinking through their portfolios in the event of recession. In this context, it is worth noting that, historically, downturn-era PE vintages have delivered attractive returns, as managers seek to capitalize on dislocations in the market.

Figure 1: Past Downturns Have Provided Attractive Entry Points



Note: The Y-axis of the chart above is formatted as a logarithmic scale with a base of 100. Public Equities are represented by the MSCI ACWI index and Private Equity IRR's are calculated using the Cambridge Private Equity Index, comprised of global buyout funds, secondary funds, and growth equity funds. The Cambridge Private Equity Index is not representative of all BXPE's underlying strategies, some of which may have different return and volatility profiles historically than those presented above. Growth of \$100,000 based on cumulative returns over the 14-year period ending December 31, 2014. Represents Blackstone's view of the market environment as of the date appearing in this material only. There can be no assurance of return or that any expected returns will be met or that returns will be commensurate with the risks of investing in the type of transactions described here. There can be no assurance that any Blackstone fund or investment will achieve its objectives or avoid significant losses. There can be no assurance that historical trends will continue.

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Russian Invasion of Ukraine. On February 24, 2022, Russian troops began a full-scale invasion of Ukraine and, as of the date of this Material, the countries remain in active armed conflict. Around the same time, the United States, the United Kingdom, the European Union, and several other nations announced a broad array of new or expanded sanctions, export controls, and other measures against Russia, Russia-backed separatist regions in Ukraine, and certain banks, companies, government officials, and other individuals in Russia and Belarus as well as a number of Russian individuals. The ongoing conflict and the rapidly evolving measures in response could be expected to have a negative impact on the economy and business activity globally (including in the countries in which the Fund invests), and therefore could adversely affect the performance of the Fund's investments. The severity and duration of the conflict and its impact on global economic and market conditions are impossible to predict, and as a result, could present material uncertainty and risk with respect to the Fund and the performance of its investments and operations, and the ability of the Fund to achieve its investment objectives. Similar risks will exist to the extent that any portfolio entities, service providers, vendors or certain other parties have material operations or assets in Russia, Ukraine, Belarus, or the immediate surrounding areas.

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