

**dakota**insights

# BLACKSTONE

## Q2 2025

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G L O B A L A S S E T  
M A N A G E R  
E A R N I N G S R E C A P



# BLACKSTONE 2Q25 RECAP

## » Overview

Blackstone reported one of its strongest quarters ever in Q2 2025, with Distributable Earnings (DE) up 25% YoY to \$1.6B, driven by broad-based fee growth, record fundraising, and improved investment performance across asset classes. The firm declared a dividend of \$1.03 per share and now manages a record \$1.2 trillion in AUM.

## » Key Takeaways

- **Earnings Power Accelerates Across The Platform:**

Performance accelerated across Blackstone's business segments, reflecting strong capital formation, investment activity, and strategy execution.

- **Perpetual Capital Reshapes Earnings Profile:**

Vehicles like BREIT, BCRED, and BXPE are boosting Fee-Related Earnings (FRE) and enhancing durability across market cycles.

- **Performance Recovery Broadens Beyond Core Sectors:**

Improved returns across private equity, infrastructure, and credit strategies marked a solid rebound.

- **Targeted Deployment:**

Focused on long-term secular growth themes, including digital and energy infrastructure, digital commerce, private credit, life sciences, and India, which have been among the strongest drivers of fund appreciation, with particularly robust demand in credit markets.

- **Improved Exit Environment:**

Resurgence in IPO and M&A activity, supported by the largest forward IPO pipeline since 2021, creating a clearer path for realizations and carry generation.

- **DC Retirement Channel Emerges as a Major Opportunity:**

Ongoing regulatory discussions may create new channels for access to the \$12 trillion defined contribution retirement market, expanding the role of private market strategies in retirement planning frameworks.



## » Assets Under Management

Blackstone's AUM reached new highs in Q2, driven by growth in private equity, credit & insurance, and sustained momentum in perpetual capital strategies. The firm's ability to scale its fee-earning base and diversify capital sources is positioning it for long-term durability across market cycles.

Segment (in \$B)	AUM	% of Total	YoY Change	Dry Powder
Total AUM	\$1,211	100%	13%	\$181
Real Estate	\$325	27%	-3%	\$55
Private Equity	\$389	32%	18%	\$74
Credit & Insurance	\$407	34%	23%	\$47
Multi-Asset Investing	\$90	7%	13%	\$5
Fee-Earning AUM	\$887	73%	10%	—
Perpetual Capital AUM	\$485	40%	16%	—

*\*Per Blackstone Second Quarter 2025 Results. Figures rounded to nearest billion Dry powder for fee-earning/perpetual capital AUM not broken out.*

- **Credit & Insurance:**

Now Blackstone's largest vertical, fueled by demand for private credit and insurer partnerships.

- **Private Equity:**

Growth was supported by fundraises, platform investments, and new flagship strategies in Asia and secondaries.

- **Real Estate:**

Remains a meaningful contributor to AUM. While valuation adjustments have tempered growth, activity and sentiment are beginning to improve—especially in data centers and logistics.

- **Multi-Asset Investing:**

Gaining traction, with consistent inflows and growing institutional interest in liquid alternatives.

- **Dry Powder:**

Reserves remain at historic highs, giving Blackstone the flexibility to move quickly in a dislocated or recovering market.



## » Investment Performance

Performance remained strong across Blackstone's platform, led by private equity, infrastructure, and credit strategies. While real estate returns were mixed, strength in data centers and logistics provided balance.

Segment	Sub-Category	2Q'25	2Q'25 LTM
Real Estate	Opportunistic	0.1%	(3.6)%
	Core+	(0.4)%	(0.5)%
Private Equity	Corporate Private Equity	5.1%	17.2%
	Tactical Opportunities	4.1%	14.3%
	Secondaries	6.6%	10.9%
	Infrastructure	2.9%	19.1%
	Private Credit	3.0%	13.3%
Credit & Insurance	Liquid Credit	2.4%	7.9%
	Absolute Return Composite	2.8%	11.8%

*\*Per Blackstone Second Quarter 2025 Results, Investment Performance is appreciation/gross returns*

- **Private Equity:**

Delivered strong returns across buyouts, tactical opportunities, and secondaries, driven by asset appreciation and active value creation.

- **Infrastructure:**

Continued to perform, benefiting from digital and energy investments.

- **Private Credit:**

Delivered solid returns, underpinned by disciplined underwriting and zero defaults during the quarter.

- **Multi-Asset Strategies:**

Extended their streak of positive returns, reinforcing investor confidence in BXMA.

- **Real Estate:**

Relatively stable, with certain subsectors like data centers offsetting broader headwinds.

- **Life Sciences:**

Delivered meaningful appreciation, reflecting strong activity in specialized sectors.



## Capital Activity

Blackstone maintained a strong pace of capital formation and deployment, reflecting investor demand across institutional and private wealth channels. The firm continues to move capital efficiently into long-term trend-aligned sectors.

Segment (in \$B)	Inflows (QTD)	Inflows (LTM)	Deployed (QTD)	Deployed (LTM)	Realized (QTD)	Realized (LTM)
Real Estate	\$7	\$27	\$6	\$22	\$5	\$22
Private Equity	\$15	\$59	\$12	\$52	\$7	\$30
Credit & Insurance	\$27	\$113	\$14	\$68	\$10	\$42
Multi-Asset Investing	\$3	\$13	\$1	\$3	\$0.8	\$3
<b>Total</b>	<b>\$52</b>	<b>\$212</b>	<b>\$33</b>	<b>\$145</b>	<b>\$23</b>	<b>\$97</b>

*\*Per Blackstone Second Quarter 2025 Results. Figures rounded to nearest billion.*

- Fundraising Momentum:**

Broad-based, with inflows from infrastructure, Asia-focused private equity, secondaries, and direct lending solutions.

- Deployment:**

Remained elevated across asset classes, with activity spanning commercial real estate loans (BREDS) and industrial assets in Texas (Core+), private equity investments in Safe Harbor Marinas, Citrin Cooperman, and AGS Airports, and credit strategies focused on U.S. direct lending, infrastructure credit, and asset-based financing.

- Real Estate:**

Pickup in activity through platforms like BREDS and logistics, with more stabilized capital flows into BREIT after several cautious quarters.

- Credit Business:**

Fundraising remained robust, supported by allocations from insurers and institutions seeking yield and diversification.

- Private Equity:**

New deployments and liquidity events continued amid a more constructive exit environment, particularly through M&A and IPO activity. Notable realizations during the quarter included HealthEdge, Vine Energy, and Liftoff.

- Institutional and Wealth Channels:**

Continue to scale in parallel, giving it a well-diversified capital base as it eyes the next wave of growth.



## » Outlook

Blackstone leadership outlined a constructive outlook for the remainder of 2025 and into 2026, citing internal momentum and improving market conditions.

- **Exit Market Rebound:**

IPO and M&A pipelines showed renewed activity, with deal flow improving relative to prior quarters.

- **Private Wealth Momentum:**

BREIT, BCRED, and BXPE continue to scale as demand from HNW and mass-affluent investors grows.

- **Private Credit Expansion:**

The \$20B initiative with Legal & General underscores Blackstone's positioning in investment-grade private credit.

- **Infrastructure Tailwinds:**

Digital and energy-related infrastructure themes remain a key area of engagement, drawing global allocator interest.

- **Defined Contribution Opportunity:**

Pending U.S. policy changes could enable access to a \$12T DC retirement market—transformative for the alternatives space.

- **Fee Growth Outlook:**

Base management fees are expected to rise, fueled by perpetual capital and strong fundraising pipelines.

- **Dry Powder Advantage:**

With \$181B in dry powder, Blackstone maintains investment flexibility across market cycles.

Blackstone reported one of its most active and impactful quarters in Q2 2025, supported by broad-based fundraising and performance across strategies.

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