

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended March 31, 2025
OR

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from _____ to _____
Commission File No. 001-36429



ARES MANAGEMENT CORPORATION

(Exact name of Registrant as specified in its charter)

Delaware
(State or other jurisdiction of
incorporation or organization)

80-0962035
(I.R.S. Employer
Identification Number)

1800 Avenue of the Stars, Suite 1400, Los Angeles, CA 90067
(Address of principal executive office) (Zip Code)

(310) 201-4100
(Registrant's telephone number, including area code)

N/A
(Former name, former address and former fiscal year, if changed since last report)

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Class A common stock, par value \$0.01 per share	ARES	New York Stock Exchange
6.75% Series B mandatory convertible preferred stock, par value \$0.01 per share	ARES.PRB	New York Stock Exchange

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days: Yes No

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company" and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large Accelerated Filer Accelerated Filer Non-Accelerated Filer Smaller Reporting Company Emerging Growth Company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes No

As of May 6, 2025 there were 214,973,552 of the registrant's shares of Class A common stock outstanding, 3,489,911 of the registrant's shares of non-voting common stock outstanding, 1,000 shares of the registrant's Class B common stock outstanding, 108,114,920 of the registrant's Class C common stock outstanding and 30,000,000 of the registrant's shares of Series B mandatory convertible preferred stock outstanding.

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Cautionary Note Regarding Forward-Looking Statements

This report contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended (the “Securities Act”), and Section 21E of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), which reflect our current views with respect to, among other things, future events, operations and financial performance. You can identify these forward-looking statements by the use of forward-looking words such as “outlook,” “believes,” “expects,” “potential,” “continues,” “may,” “will,” “should,” “seeks,” “predicts,” “intends,” “plans,” “estimates,” “anticipates,” “foresees” or negative versions of those words, other comparable words or other statements that do not relate to historical or factual matters. The forward-looking statements are based on our beliefs, assumptions and expectations of our future performance, taking into account all information currently available to us. Such forward-looking statements are subject to various risks and uncertainties and assumptions relating to our operations, financial results, financial condition, business prospects, growth strategy and liquidity. Some of these factors are described in this report and in our [Annual Report on Form 10-K](#) for the year ended December 31, 2024, under the headings “Item 7. Management’s Discussion and Analysis of Financial Condition and Results of Operations” and “Item 1A. Risk Factors.” These factors should not be construed as exhaustive and should be read in conjunction with the risk factors and other cautionary statements that are included in this report and in our other periodic filings. If one or more of these or other risks or uncertainties materialize, or if our underlying assumptions prove to be incorrect, our actual results may vary materially from those indicated in these forward-looking statements. New risks and uncertainties arise over time, and it is not possible for us to predict those events or how they may affect us. Therefore, you should not place undue reliance on these forward-looking statements. Any forward-looking statement speaks only as of the date on which it is made. We do not undertake any obligation to publicly update or review any forward-looking statement, whether as a result of new information, future developments or otherwise, except as required by law.

References in this Quarterly Report on Form 10-Q to the “Ares Operating Group” refer to Ares Holdings L.P. (“Ares Holdings”). References in this Quarterly Report on Form 10-Q to an “Ares Operating Group Unit” or an “AOG Unit” refers to a partnership unit in the Ares Operating Group entity.

The use of any defined term in this report to mean more than one entities, persons, securities or other items collectively is solely for convenience of reference and in no way implies that such entities, persons, securities or other items are one indistinguishable group. For example, notwithstanding the use of the defined terms “Ares,” “we” and “our” in this report to refer to Ares Management Corporation and its subsidiaries, each subsidiary of Ares Management Corporation is a standalone legal entity that is separate and distinct from Ares Management Corporation and any of its other subsidiaries.

Under generally accepted accounting principles in the United States (“U.S.”) (“GAAP”), we are required to consolidate (i) entities other than limited partnerships and entities similar to limited partnerships in which we hold a majority voting interest or have majority ownership and control over the operational, financial and investing decisions of that entity, including Ares-affiliates and affiliated funds and co-investment vehicles, for which we are presumed to have controlling financial interests, and (ii) entities that we concluded are variable interest entities (“VIEs”), including limited partnerships and collateralized loan obligations, for which we are deemed to be the primary beneficiary. When an entity is consolidated, we reflect the assets, liabilities, revenues, expenses and cash flows of the entity in our unaudited condensed consolidated financial statements on a gross basis, subject to eliminations from consolidation, including the elimination of the management fees, carried interest, incentive fees and other fees that we earn from the entity. However, the presentation of performance related compensation and other expenses associated with generating such revenues is not affected by the consolidation process. In addition, as a result of the consolidation process, the net income attributable to third-party investors in consolidated entities is presented as net income attributable to non-controlling interests in Consolidated Funds within Condensed Consolidated Statements of Operations. We also consolidate joint ventures that we have established with third-party investors for strategic distribution and expansion purposes. The results of these entities are reflected on a gross basis in the unaudited condensed consolidated financial statements, subject to eliminations from consolidation, and net income attributable to third-party investors in the consolidated joint ventures is presented within net income attributable to redeemable interest and non-controlling interests in Ares Operating Group entities or an “AOG Entity,” which refers to, collectively, Ares Holdings and any future entity designated by our board of directors in its sole discretion as an Ares Operating Group entity.

In this Quarterly Report on Form 10-Q, in addition to presenting our results on a consolidated basis in accordance with GAAP, we present revenues, expenses and other results on a: (i) “segment basis,” which deconsolidates the consolidated funds and removes the proportional results attributable to third-party investors in the consolidated joint ventures, and therefore shows the results of our operating segments without giving effect to the consolidation of these entities; and (ii) “unconsolidated reporting basis,” which shows the results of our operating segments on a combined segment basis together with the Operations Management Group (the “OMG”). In addition to our operating segments, the OMG consists of shared resource groups to support our operating segments by providing infrastructure and administrative support in the areas of accounting/finance, operations, information technology, legal, compliance, human resources, strategy and relationship management and

distribution, including Ares Wealth Management Solutions, LLC (“AWMS”). AWMS facilitates the product development, distribution, marketing and client management activities for investment offerings in the global wealth management channel. Additionally, the OMG provides services to certain of our managed funds and vehicles, which reimburse the OMG for expenses either equal to the costs of services provided or as a percentage of invested capital. The OMG’s revenues and expenses are not allocated to our operating segments but we consider the cost structure of the OMG when evaluating our financial performance. This information constitutes non-GAAP financial information within the meaning of Regulation G, as promulgated by the SEC. Our management uses this information to assess the performance of our operating segments and the OMG, and we believe that this information enhances the ability of shareholders to analyze our performance. For more information, see “Note 14. Segment Reporting,” within our unaudited condensed consolidated financial statements included in this Quarterly Report on Form 10-Q.

Glossary

When used in this report, unless the context otherwise requires:

- “American-style waterfall” generally refers to carried interest that the general partner is entitled to receive after a fund investment is realized and the investors in the fund have received distributions in excess of the capital contributed for that investment and all prior realized investments (including allocable expenses) plus a preferred return;
- “Ares”, the “Company”, “AMC”, “we”, “us” and “our” refer to Ares Management Corporation and its subsidiaries;
- “Ares Operating Group entities” or an “AOG Entity” refers to, collectively, Ares Holdings L.P. (“Ares Holdings”) and any future entity designated by our board of directors in its sole discretion as an Ares Operating Group entity;
- “Ares Operating Group Unit” or an “AOG Unit” refers to, collectively, a partnership unit in the Ares Operating Group entities including Ares Holdings and any future entity designated by our board of directors in its sole discretion as an Ares Operating Group entity;
- “assets under management” or “AUM” generally refers to the assets we manage. For our funds other than those noted below, our AUM represents the sum of the net asset value (“NAV”) of such funds, the drawn and undrawn debt (at the fund-level including amounts subject to restrictions) and uncalled committed capital (including commitments to funds that have yet to commence their investment periods). NAV generally refers to fair value of the assets of the fund less the liabilities of the fund but may represent carrying value of assets and liabilities of funds that are not reported at fair value. For the CLOs we manage, our AUM is equal to initial principal of collateral adjusted for paydowns. For Real Assets funds that we manage where management fees are based on gross asset value, net operating income or similar metrics including their equivalents (“GAV”), our AUM represents the sum of the GAV of such funds, undrawn debt (including any amounts subject to restrictions) and uncalled committed capital (including commitments to funds that have yet to commence their investment periods). GAV typically refers to the fair value of a fund’s total assets. AUM also includes the proceeds raised in the initial public offerings of special purpose acquisition companies (“SPACs”) sponsored by us, less any redemptions;
- “AUM not yet paying fees” (also referred to as “shadow AUM”) refers to AUM that is not currently paying fees and is eligible to earn management fees upon deployment;
- “available capital” (also referred to as “dry powder”) is comprised of uncalled committed capital and undrawn amounts under credit facilities and may include AUM that may be canceled or not otherwise available to invest;
- “catch-up fees” refers to management fees charged retroactively on limited partner commitments to a fund following the initial close date of that fund. These fees are charged to ensure that all limited partners’ share of the net assets of that fund are ratable with their commitment. Catch-up fees reflect the fees generated between the fund’s initial close date and the last day of the quarter prior to the new limited partner’s commitment;
- “CLOs” refers to “our funds” that are structured as collateralized loan obligations;
- “Consolidated Funds” refers collectively to certain Ares funds, co-investment vehicles, CLOs and SPACs that are required under GAAP to be consolidated in our consolidated financial statements;
- “Credit Facility” refers to the revolving credit facility of the Ares Operating Group;
- “effective management fee rate” represents annualized management fees divided by the average fee paying AUM for the period, excluding the impact of catch-up fees;

- “European-style waterfall” generally refers to carried interest that the general partner is entitled to receive after the investors in a fund have received distributions in an amount equal to all prior capital contributions plus a preferred return;
- “fee paying AUM” or “FPAUM” refers to the AUM from which we directly earn management fees. FPAUM is equal to the sum of all the individual fee bases of our funds that directly contribute to our management fees. For our funds other than CLOs, our FPAUM represents the amount of limited partner capital commitments for certain closed-end funds within the reinvestment period, the amount of limited partner invested capital for the aforementioned closed-end funds beyond the reinvestment period and the portfolio value, GAV or NAV. For the CLOs we manage, our FPAUM is equal to the gross amount of aggregate collateral balance, at par, adjusted for defaulted or discounted collateral;
- “fee related earnings” or “FRE”, a non-GAAP measure that is a component of Realized Income, is used to assess core operating performance by determining whether recurring revenue, primarily consisting of management fees and fee related performance revenues, is sufficient to cover operating expenses and to generate profits. FRE differs from income before taxes computed in accordance with GAAP as FRE excludes net performance income, investment income from our funds and adjusts for certain other items that we believe are not indicative of our core operating performance. Fee related performance revenues, together with fee related performance compensation, is presented within FRE because it represents incentive fees from perpetual capital vehicles that are measured and eligible to be received on a recurring basis and are not dependent on realization events from the underlying investments;
- “fee related performance revenues” refers to incentive fees from perpetual capital vehicles that are: (i) measured and eligible to be received on a recurring basis; and (ii) not dependent on realization events from the underlying investments. Certain vehicles are subject to hold back provisions that limit the amounts paid in a particular year. Such hold back amounts may be paid in subsequent years, subject to their extended performance conditions;
- “GAAP” refers to accounting principles generally accepted in the United States of America;
- “Holdco Members” refers to Michael Arougheti, David Kaplan, Antony Ressler, Bennett Rosenthal and R. Kipp deVeer;
- “incentive eligible AUM” or “IEAUM” generally refers to the AUM of our funds and other entities from which carried interest and incentive fees may be generated, regardless of whether or not they are currently generating carried interest and incentive fees. It generally represents the NAV plus uncalled equity or total assets plus uncalled debt, as applicable, of our funds for which we are entitled to receive carried interest and incentive fees, excluding capital committed by us and our professionals (from which we generally do not earn carried interest and incentive fees), as well as proceeds raised in the initial public offerings of SPACs sponsored by us, less any redemptions. With respect to Ares Capital Corporation (NASDAQ: ARCC) (“ARCC”), Ares Strategic Income Fund (“ASIF”), our open-ended European direct lending fund and our open-ended infrastructure fund AUM, only Part II Fees may be generated from IEAUM;
- “incentive generating AUM” or “IGAUM” refers to the AUM of our funds and other entities that are currently generating carried interest and incentive fees on a realized or unrealized basis. It generally represents the NAV or total assets of our funds, as applicable, for which we are entitled to receive carried interest and incentive fees, excluding capital committed by us and our professionals (from which we generally do not earn carried interest and incentive fees). ARCC, ASIF, our open-ended European direct lending fund and our open-ended infrastructure fund are only included in IGAUM when Part II Fees are being generated;
- “management fees” refers to fees we earn for advisory services provided to our funds, which are generally based on a defined percentage of fair value of assets, total commitments, invested capital, gross asset value, net asset value, net investment income, total assets or par value of the investment portfolios managed by us. Management fees include Part I Fees, a quarterly fee based on the net investment income of certain funds;

- “net performance income” refers to performance income net of related compensation that is typically payable to our professionals;
- “our funds” refers to the funds, alternative asset companies, trusts, co-investment vehicles and other entities and accounts that are managed or co-managed by the Ares Operating Group, and which are structured to pay fees. It also includes funds managed by Ivy Hill Asset Management, L.P., a wholly owned portfolio company of ARCC and an SEC-registered investment adviser;
- “Part I Fees” refers to a quarterly fee on the net investment income of ARCC, CION Ares Diversified Credit Fund (“CADC”), ASIF, our open-ended European direct lending fund and our open-ended infrastructure fund. Such fees are classified as management fees as they are predictable and recurring in nature, not subject to contingent repayment and generally cash-settled each quarter, unless subject to a payment deferral;
- “Part II Fees” refers to fees from ARCC, ASIF, our open-ended European direct lending fund and our open-ended infrastructure fund that are paid in arrears as of the end of each calendar year when the respective cumulative aggregate realized capital gains exceed the cumulative aggregate realized capital losses and aggregate unrealized capital depreciation, less the aggregate amount of respective Part II Fees paid in all prior years since inception;
- “performance income” refers to income we earn based on the performance of a fund that is generally based on certain specific hurdle rates as defined in the fund’s investment management or partnership agreements and may be either incentive fees earned from funds with stated investment periods or carried interest;
- “perpetual capital” refers to the AUM of: (i) our publicly-traded vehicles, including ARCC, Ares Commercial Real Estate Corporation (NYSE: ACRE) (“ACRE”), Ares Dynamic Credit Allocation Fund, Inc. (NYSE: ARDC) (“ARDC”) and GLP J-REIT (TSE: 3281) (“J-REIT”); (ii) our non-listed, perpetual wealth vehicles that are primarily distributed through financial intermediaries, including ASIF, CADC, our open-ended European direct lending fund, our open-ended infrastructure fund, our non-traded real estate investment trusts (“REITs”) and Ares Private Markets Fund (“APMF”); (iii) Aspida Holdings Ltd. (together with its subsidiaries, “Aspida”); and (iv) certain other commingled funds and managed accounts that have an indefinite term, are not in liquidation, and for which there is no immediate requirement to return invested capital to investors upon the realization of investments. Perpetual Capital - Managed Accounts refers to managed accounts for single investors primarily in illiquid strategies that meet the perpetual capital criteria. Perpetual Capital - Private Commingled Funds refers to commingled funds that meet the perpetual capital criteria, not including our publicly-traded or perpetual wealth vehicles. Perpetual capital may be withdrawn by investors under certain conditions, including through an election to redeem an investor’s fund investment or to terminate the investment management agreement, which in certain cases may be terminated on 30 days’ prior written notice. In addition, the investment management or advisory agreements of certain of our publicly-traded and perpetual wealth vehicles have one year terms, which are subject to annual renewal by such vehicles;
- “realized income” or “RI”, a non-GAAP measure, is an operating metric used by management to evaluate performance of the business based on operating performance and the contribution of each of the business segments to that performance, while removing the fluctuations of unrealized income and losses, which may or may not be eventually realized at the levels presented and whose realizations depend more on future outcomes than current business operations. RI differs from income before taxes by excluding: (i) operating results of our Consolidated Funds; (ii) depreciation and amortization expense; (iii) the effects of changes arising from corporate actions; and (iv) unrealized gains and losses related to carried interest, incentive fees and investment performance; and adjusting for certain other items that we believe are not indicative of our operating performance. Changes arising from corporate actions include equity-based compensation expenses, the amortization of intangible assets, transaction costs associated with mergers, acquisitions and capital activities, underwriting costs and expenses incurred in connection with corporate reorganization. Placement fee adjustment represents the net portion of either expense deferral or amortization of upfront fees to placement agents that is presented to match the timing of expense recognition with the period over which management fees are expected to be earned from the associated fund for segment purposes but have been expensed in advance in accordance with GAAP. For periods in which

the amortization of upfront fees for segment purposes is higher than the GAAP expense, the placement fee adjustment is presented as a reduction to RI;

- “SEC” refers to the Securities and Exchange Commission.

Many of the terms used in this report, including AUM, FPAUM, FRE and RI, may not be comparable to similarly titled measures used by other companies. In addition, our definitions of AUM and FPAUM are not based on any definition of AUM or FPAUM that is set forth in the agreements governing the funds that we manage and may differ from definitions of AUM or FPAUM set forth in other agreements to which we are a party or definitions used by the SEC or other regulatory bodies. Further, FRE and RI are not measures of performance calculated in accordance with GAAP. We use FRE and RI as measures of operating performance, not as measures of liquidity. FRE and RI should not be considered in isolation or as substitutes for operating income, net income, operating cash flows, or other income or cash flow statement data prepared in accordance with GAAP. The use of FRE and RI without consideration of related GAAP measures is not adequate due to the adjustments described above. Our management compensates for these limitations by using FRE and RI as supplemental measures to our GAAP results. We present these measures to provide a more complete understanding of our performance as our management measures it.

Amounts and percentages throughout this report may reflect rounding adjustments and consequently totals may not appear to sum.

PART I—FINANCIAL INFORMATION
Item 1. Financial Statements

Ares Management Corporation
Condensed Consolidated Statements of Financial Condition
(Amounts in Thousands, Except Share Data)

	As of	
	March 31, 2025 (unaudited)	December 31, 2024
Assets		
Cash and cash equivalents	\$ 618,536	\$ 1,507,976
Investments (includes accrued carried interest of \$3,557,277 and \$3,495,115 as of March 31, 2025 and December 31, 2024, respectively)	4,892,289	4,644,775
Due from affiliates	1,122,790	1,056,608
Other assets	863,339	774,654
Right-of-use operating lease assets	546,814	511,319
Intangible assets, net	2,276,847	975,828
Goodwill	3,499,341	1,162,636
<i>Assets of Consolidated Funds:</i>		
Cash and cash equivalents	1,184,275	1,227,489
Investments held in trust account	556,498	550,800
Investments, at fair value	11,419,808	12,187,044
Receivable for securities sold	142,902	202,782
Other assets	58,329	82,397
Total assets	\$ 27,181,768	\$ 24,884,308
Liabilities		
Accounts payable, accrued expenses and other liabilities	\$ 855,831	\$ 363,872
Accrued compensation	300,756	280,894
Due to affiliates	721,848	500,480
Performance related compensation payable	2,599,227	2,537,203
Debt obligations	3,544,527	2,558,914
Operating lease liabilities	686,038	641,864
<i>Liabilities of Consolidated Funds:</i>		
Accounts payable, accrued expenses and other liabilities	140,953	323,100
Payable for securities purchased	415,332	332,406
CLO loan obligations, at fair value	8,522,002	9,672,189
Fund borrowings	603,307	275,000
Total liabilities	18,389,821	17,485,922
Commitments and contingencies (Note 8)		
Redeemable interest in Consolidated Funds	556,398	550,700
Redeemable interest in Ares Operating Group entities	23,710	23,496
Non-controlling interests in Consolidated Funds	2,140,044	2,025,666
Non-controlling interests in Ares Operating Group entities	1,617,688	1,254,878
Stockholders' Equity		
Series B mandatory convertible preferred stock, \$0.01 par value, 1,000,000,000 shares authorized (30,000,000 shares issued and outstanding as of March 31, 2025)	1,459,918	1,458,771
Class A common stock, \$0.01 par value, 1,500,000,000 shares authorized (214,895,604 shares and 199,872,571 shares issued and outstanding as of March 31, 2025 and December 31, 2024, respectively)	2,149	1,999
Non-voting common stock, \$0.01 par value, 500,000,000 shares authorized (3,489,911 shares issued and outstanding as of March 31, 2025 and December 31, 2024)	35	35
Class B common stock, \$0.01 par value, 1,000 shares authorized (1,000 shares issued and outstanding as of March 31, 2025 and December 31, 2024)	—	—
Class C common stock, \$0.01 par value, 499,999,000 shares authorized (108,114,920 shares and 109,806,689 shares issued and outstanding as of March 31, 2025 and December 31, 2024, respectively)	1,081	1,098
Additional paid-in-capital	4,040,708	2,936,794
Accumulated deficit	(1,074,128)	(837,294)
Accumulated other comprehensive income (loss), net of tax	24,344	(17,757)
Total stockholders' equity	4,454,107	3,543,646
Total equity	8,211,839	6,824,190
Total liabilities, redeemable interest, non-controlling interests and equity	\$ 27,181,768	\$ 24,884,308

See accompanying notes to the unaudited condensed consolidated financial statements.

Ares Management Corporation
Condensed Consolidated Statements of Operations
(Amounts in Thousands, Except Share Data)
(unaudited)

	Three months ended March 31,	
	2025	2024
Revenues		
Management fees	\$ 816,987	\$ 687,692
Carried interest allocation	160,008	(32,478)
Incentive fees	32,048	8,667
Principal investment income	21,998	7,050
Administrative, transaction and other fees	57,764	36,432
Total revenues	1,088,805	707,363
Expenses		
Compensation and benefits	657,125	412,951
Performance related compensation	122,633	(50,532)
General, administrative and other expenses	227,914	170,928
Expenses of Consolidated Funds	6,656	5,146
Total expenses	1,014,328	538,493
Other income (expense)		
Net realized and unrealized gains on investments	268	10,516
Interest and dividend income	17,656	5,382
Interest expense	(36,387)	(37,824)
Other income (expense), net	(10,714)	270
Net realized and unrealized gains on investments of Consolidated Funds	88,406	34,424
Interest and other income of Consolidated Funds	160,072	257,276
Interest expense of Consolidated Funds	(152,740)	(207,866)
Total other income, net	66,561	62,178
Income before taxes	141,038	231,048
Income tax expense	17,537	27,233
Net income	123,501	203,815
Less: Net income attributable to non-controlling interests in Consolidated Funds	55,977	66,716
Net income attributable to Ares Operating Group entities	67,524	137,099
Less: Net income attributable to redeemable interest in Ares Operating Group entities	316	73
Less: Net income attributable to non-controlling interests in Ares Operating Group entities	20,038	63,999
Net income attributable to Ares Management Corporation	47,170	73,027
Less: Series B mandatory convertible preferred stock dividends declared	25,313	—
Net income attributable to Ares Management Corporation Class A and non-voting common stockholders	\$ 21,857	\$ 73,027
Net income per share of Class A and non-voting common stock:		
Basic	\$ 0.00	\$ 0.33
Diluted	\$ 0.00	\$ 0.33
Weighted-average shares of Class A and non-voting common stock:		
Basic	209,350,849	192,622,609
Diluted	209,350,849	192,622,609

Substantially all revenue is earned from affiliated funds of the Company.
See accompanying notes to the unaudited condensed consolidated financial statements.

Ares Management Corporation
Condensed Consolidated Statements of Comprehensive Income
(Amounts in Thousands)
(unaudited)

	Three months ended March 31,	
	2025	2024
Net income	\$ 123,501	\$ 203,815
Foreign currency translation adjustments, net of tax	70,571	(11,647)
Total comprehensive income	194,072	192,168
Less: Comprehensive income attributable to non-controlling interests in Consolidated Funds	62,315	63,108
Less: Comprehensive income (loss) attributable to redeemable interest in Ares Operating Group entities	514	(184)
Less: Comprehensive income attributable to non-controlling interests in Ares Operating Group entities	41,972	61,067
Comprehensive income attributable to Ares Management Corporation	\$ 89,271	\$ 68,177

See accompanying notes to the unaudited condensed consolidated financial statements.

Ares Management Corporation
Condensed Consolidated Statements of Changes in Equity
(Amounts in Thousands)
(unaudited)

	Series B Mandatory Convertible Preferred Stock	Class A Common Stock	Non-voting Common Stock	Class C Common Stock	Additional Paid- in-Capital	Accumulated Deficit	Accumulated Other Comprehensive Loss	Non-Controlling Interest in Ares Operating Group Entities	Non-Controlling Interest in Consolidated Funds	Total Equity
Balance as of December 31, 2024	\$ 1,458,771	\$ 1,999	\$ 35	\$ 1,098	\$ 2,936,794	\$ (837,294)	\$ (17,757)	\$ 1,254,878	\$ 2,025,666	\$ 6,824,190
Changes in ownership interests and related tax benefits	—	47	—	(20)	(707,255)	—	—	354,253	(34,832)	(387,807)
Adjustment to issuance costs of Series B mandatory convertible preferred stock	1,147	—	—	—	—	—	—	—	—	1,147
Issuances of common stock	—	103	—	—	1,642,214	—	—	—	—	1,642,317
Issuances of AOG Units	—	—	—	3	—	—	—	15,561	—	15,564
Capital contributions	—	—	—	—	—	—	—	120	405,068	405,188
Dividends/distributions	(25,313)	—	—	—	—	(258,691)	—	(138,003)	(318,173)	(740,180)
Net income	25,313	—	—	—	—	21,857	—	20,038	55,977	123,185
Currency translation adjustment, net of tax	—	—	—	—	—	—	42,101	21,934	6,338	70,373
Equity compensation	—	—	—	—	168,955	—	—	88,907	—	257,862
Balance as of March 31, 2025	\$ 1,459,918	\$ 2,149	\$ 35	\$ 1,081	\$ 4,040,708	\$ (1,074,128)	\$ 24,344	\$ 1,617,688	\$ 2,140,044	\$ 8,211,839

See accompanying notes to the unaudited condensed consolidated financial statements.

Ares Management Corporation
Condensed Consolidated Statements of Changes in Equity
(Amounts in Thousands)
(unaudited)

	Series B Mandatory Convertible Preferred Stock	Class A Common Stock	Non-voting Common Stock	Class C Common Stock	Additional Paid- in-Capital	Accumulated Deficit	Accumulated Other Comprehensive Loss	Non-Controlling Interest in Ares Operating Group Entities	Non-Controlling Interest in Consolidated Funds	Total Equity
Balance as of December 31, 2023	\$ —	\$ 1,871	\$ 35	\$ 1,170	\$ 2,391,036	\$ (495,083)	\$ (5,630)	\$ 1,322,469	\$ 1,258,445	\$ 4,474,313
Changes in ownership interests and related tax benefits	—	39	—	(20)	(62,709)	—	—	(103,599)	51,984	(114,305)
Issuances of common stock	—	—	—	1	—	—	—	7,723	—	7,724
Capital contributions	—	—	—	—	—	—	—	1,034	168,673	169,707
Dividends/distributions	—	—	—	—	—	(190,504)	—	(129,240)	(26,908)	(346,652)
Net income	—	—	—	—	—	73,027	—	63,999	66,716	203,742
Currency translation adjustment, net of tax	—	—	—	—	—	—	(4,850)	(2,932)	(3,608)	(11,390)
Equity compensation	—	—	—	—	57,600	—	—	34,822	—	92,422
Stock option exercises	—	1	—	—	1,510	—	—	—	—	1,511
Balance as of March 31, 2024	—	1,911	35	1,151	2,387,437	(612,560)	(10,480)	1,194,276	1,515,302	4,477,072
Changes in ownership interests and related tax benefits	—	19	—	(18)	(75,616)	—	—	103,129	(35,192)	(7,678)
Issuances of common stock	—	27	—	—	354,368	—	—	—	—	354,395
Capital contributions	—	—	—	—	—	—	—	269	342,937	343,206
Dividends/distributions	—	—	—	—	—	(195,234)	—	(116,980)	(20,696)	(332,910)
Net income	—	—	—	—	—	94,938	—	76,211	105,489	276,638
Currency translation adjustment, net of tax	—	—	—	—	—	—	(1)	55	(1,919)	(1,865)
Equity compensation	—	—	—	—	55,791	—	—	32,441	—	88,232
Balance as of June 30, 2024	—	1,957	35	1,133	2,721,980	(712,856)	(10,481)	1,289,401	1,905,921	5,197,090
Changes in ownership interests and related tax benefits	—	23	—	(21)	27,103	—	—	(3,663)	(31,559)	(8,117)
Issuances of common stock	—	3	—	—	52,838	—	—	—	—	52,841
Capital contributions	—	—	—	—	—	—	—	269	32,684	32,953
Dividends/distributions	—	—	—	—	—	(198,002)	—	(139,098)	(28,898)	(365,998)
Net income	—	—	—	—	—	118,460	—	96,633	64,241	279,334
Currency translation adjustment, net of tax	—	—	—	—	—	—	18,931	11,065	6,557	36,553
Equity compensation	—	—	—	—	54,972	—	—	30,641	—	85,613
Balance as of September 30, 2024	—	1,983	35	1,112	2,856,893	(792,398)	8,450	1,285,248	1,948,946	5,310,269
Changes in ownership interests and related tax benefits	—	15	—	(14)	23,944	—	—	(19,708)	(16,187)	(11,950)
Issuance of Series B mandatory convertible preferred stock	1,458,771	—	—	—	—	—	—	—	—	1,458,771
Issuances of common stock	—	1	—	—	(113)	—	—	1	—	(111)
Capital contributions	—	—	—	—	—	—	—	1,801	94,860	96,661
Dividends/distributions	(22,781)	—	—	—	—	(199,432)	—	(142,104)	(47,519)	(411,836)
Net income	22,781	—	—	—	—	154,536	—	114,275	59,326	350,918
Currency translation adjustment, net of tax	—	—	—	—	—	—	(26,207)	(15,149)	(13,760)	(55,116)
Equity compensation	—	—	—	—	56,070	—	—	30,514	—	86,584
Balance as of December 31, 2024	\$ 1,458,771	\$ 1,999	\$ 35	\$ 1,098	\$ 2,936,794	\$ (837,294)	\$ (17,757)	\$ 1,254,878	\$ 2,025,666	\$ 6,824,190

See accompanying notes to the unaudited condensed consolidated financial statements.

Ares Management Corporation
Condensed Consolidated Statements of Cash Flows
(Amounts in Thousands)
(unaudited)

	Three months ended March 31,	
	2025	2024
Cash flows from operating activities:		
Net income	\$ 123,501	\$ 203,815
Adjustments to reconcile net income to net cash provided by operating activities	310,333	222,996
Adjustments to reconcile net income to net cash provided by operating activities allocable to non-controlling interests in Consolidated Funds	968,969	244,182
Cash flows due to changes in operating assets and liabilities	227,706	103,981
Cash flows due to changes in operating assets and liabilities allocable to redeemable and non-controlling interest in Consolidated Funds	363,694	(64,929)
Net cash provided by operating activities	1,994,203	710,045
Cash flows from investing activities:		
Purchase of furniture, equipment and leasehold improvements, net of disposals	(21,975)	(26,071)
Acquisitions, net of cash acquired	(1,722,715)	(8,000)
Net cash used in investing activities	(1,744,690)	(34,071)
Cash flows from financing activities:		
Proceeds from Credit Facility	1,125,000	290,000
Repayments of Credit Facility	(140,000)	(210,000)
Dividends and distributions	(445,088)	(320,046)
Stock option exercises	—	1,511
Taxes paid related to net share settlement of equity awards	(396,722)	(186,731)
Other financing activities	457	1,034
Allocable to redeemable and non-controlling interests in Consolidated Funds:		
Contributions from redeemable and non-controlling interests in Consolidated Funds	89,080	168,673
Distributions to non-controlling interests in Consolidated Funds	(318,174)	(26,908)
Borrowings under loan obligations by Consolidated Funds	172,606	36,947
Repayments under loan obligations by Consolidated Funds	(1,264,886)	(421,112)
Net cash used in financing activities	(1,177,727)	(666,632)
Effect of exchange rate changes	38,774	(11,285)
Net change in cash and cash equivalents	(889,440)	(1,943)
Cash and cash equivalents, beginning of period	1,507,976	348,274
Cash and cash equivalents, end of period	\$ 618,536	\$ 346,331
Supplemental disclosure of non-cash financing activities:		
Equity issued in connection with acquisition-related activities	\$ 1,657,881	\$ 7,724

See accompanying notes to the unaudited condensed consolidated financial statements.

Ares Management Corporation
Notes to the Unaudited Condensed Consolidated Financial Statements
(Dollars in Thousands, Except Share Data and As Otherwise Noted)

1. ORGANIZATION

Ares Management Corporation (the “Company”), a Delaware corporation, together with its subsidiaries, is a leading global alternative investment manager operating integrated groups across Credit, Real Assets, Private Equity and Secondaries. Information about segments should be read together with “Note 14. Segment Reporting.” Subsidiaries of the Company serve as the general partners and/or investment managers to various funds and managed accounts within each investment group (the “Ares Funds”). These subsidiaries provide investment advisory services to the Ares Funds in exchange for management fees.

The accompanying unaudited financial statements include the condensed consolidated results of the Company and its subsidiaries. The Company is a holding company that operates and controls all of the businesses and affairs of and conducts all of its material business activities through Ares Holdings L.P. (“Ares Holdings”). Ares Holdings represents all the activities of the “Ares Operating Group” or “AOG” and may be referred to interchangeably. The Company, indirectly through its wholly owned subsidiary, Ares Holdco LLC, is the general partner of the Ares Operating Group entity.

The Company manages or controls certain entities that have been consolidated in the accompanying financial statements as described in “Note 2. Summary of Significant Accounting Policies.” These entities include Ares funds, co-investment vehicles, collateralized loan obligations or funds (collectively “CLOs”) and special purpose acquisition companies (“SPACs”) (collectively, the “Consolidated Funds”).

Including the results of the Consolidated Funds significantly increases the reported amounts of the assets, liabilities, revenues, expenses and cash flows within the accompanying unaudited condensed consolidated financial statements. However, the Consolidated Funds results included herein have no direct effect on the net income attributable to Ares Management Corporation or to its stockholders’ equity, except where accounting for a redemption or liquidation preference requires the reallocation of ownership based on specific terms of a profit sharing agreement. Instead, economic ownership interests of the investors in the Consolidated Funds are reflected as redeemable and non-controlling interests in Consolidated Funds. Further, cash flows allocable to redeemable and non-controlling interest in Consolidated Funds are specifically identifiable within the Condensed Consolidated Statements of Cash Flows.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

The accompanying unaudited condensed consolidated financial statements are prepared in accordance with the generally accepted accounting principles in the United States (“U.S.”) (“GAAP”) for interim financial information and instructions to the Quarterly Report on Form 10-Q. The unaudited condensed consolidated financial statements, including these notes, are unaudited and exclude some of the disclosures required in annual financial statements. Management believes it has made all necessary adjustments so that the unaudited condensed consolidated financial statements are presented fairly and that estimates made in preparing its unaudited condensed consolidated financial statements are reasonable and prudent, and that all such adjustments are of a normal recurring nature. The operating results presented for interim periods are not necessarily indicative of the results that may be expected for any other interim period or for the entire year. These unaudited condensed consolidated financial statements should be read in conjunction with the audited consolidated financial statements included in the Annual Report on Form 10-K for the year ended December 31, 2024 filed with the Securities and Exchange Commission (“SEC”).

The unaudited condensed consolidated financial statements include the accounts and activities of the Ares Operating Group entities (“AOG entities”), their consolidated subsidiaries and certain Consolidated Funds. All intercompany balances and transactions have been eliminated upon consolidation.

The Company has reclassified certain prior period amounts to conform to the current year presentation.

Recent Accounting Pronouncements

The Company considers the applicability and impact of all accounting standard updates (“ASU”) issued by the Financial Accounting Standards Board (“FASB”). ASUs not listed below were assessed and either determined to be not applicable or expected to have minimal impact on its unaudited condensed consolidated financial statements.

Ares Management Corporation
Notes to the Unaudited Condensed Consolidated Financial Statements (Continued)
(Dollars in Thousands, Except Share Data and As Otherwise Noted)

In December 2023, the FASB issued ASU 2023-09, *Income Taxes (Topic 740) Improvements to Income Tax Disclosures*. ASU 2023-09 requires disclosure of disaggregated income taxes paid in both U.S. and foreign jurisdictions, prescribes standard categories for the components of the effective tax rate reconciliation and modifies other income tax-related disclosures. ASU 2023-09 is effective for the Company's fiscal year ending December 31, 2025. Early adoption is permitted and the amendments in this update should be applied on a prospective basis, though retrospective adoption is permitted. The Company is currently evaluating the impact of this guidance.

In November 2024, the FASB issued ASU 2024-03, *Income Statement—Reporting Comprehensive Income—Expense Disaggregation Disclosures (Subtopic 220-40): Disaggregation of Income Statement Expenses*. ASU 2024-03 requires disaggregated disclosure of certain expenses in the notes to the consolidated financial statements, including purchases of inventory, employee compensation, depreciation and intangible asset amortization. The amendments in this update also require disclosure of: (i) the expense captions from the Condensed Consolidated Statements of Operations that include each of the relevant expense categories; (ii) a qualitative description of the amounts remaining in relevant expense captions that are not separately disaggregated quantitatively; and (iii) total selling expenses and a definition of such expenses. ASU 2024-03 is effective for the Company's fiscal year ending December 31, 2027. Early adoption is permitted and the amendments in this update may be applied on a prospective or retrospective basis. The Company is currently evaluating the impact of this guidance.

3. BUSINESS COMBINATIONS

Acquisition of GCP International

On March 1, 2025, the Company completed the acquisition of the international business of GLP Capital Partners Limited and certain of its affiliates, excluding its operations in Greater China ("GCP International"), and existing capital commitments to certain managed funds (such acquisition of GCP International and the capital commitments, the "GCP Acquisition"). The GCP Acquisition adds complementary real estate and digital infrastructure investment capabilities and expands the Company's geographic presence. The activities of GCP International are included within the Real Assets Group segment.

The acquisition date fair value of the consideration transferred totaled \$3.9 billion, which consisted of the following:

Cash	\$	1,794,641
Equity ⁽¹⁾		1,657,881
Contingent consideration ⁽²⁾		465,080
Total	\$	3,917,602

(1) 9.5 million shares of Class A common stock, excluding 0.1 million shares held in escrow for future issuance, and 0.1 million Ares Operating Group Units ("AOG Units") were issued in connection with the GCP Acquisition purchase consideration.

(2) See "Note 8. Commitments and Contingencies" for a further description of the contingent consideration from the GCP Acquisition.

Ares Management Corporation
Notes to the Unaudited Condensed Consolidated Financial Statements (Continued)
(Dollars in Thousands, Except Share Data and As Otherwise Noted)

The following is a summary of the fair values of assets acquired and liabilities assumed for the GCP Acquisition as of March 1, 2025, based upon third party valuations of certain intangible assets. The fair value of assets acquired and liabilities assumed are estimated to be:

Cash	\$ 66,682
Other tangible assets	456,224
Intangible assets:	
Management contracts	473,300
Client relationships	107,200
Finite-lived intangible assets	580,500
Indefinite-lived management contracts	749,600
Total intangible assets	1,330,100
Total identifiable assets acquired	1,853,006
Accounts payable, accrued expenses and other liabilities	233,015
Net identifiable assets acquired	1,619,991
Goodwill	2,297,611
Net assets acquired	\$ 3,917,602

Certain management contracts were determined to have indefinite useful lives at the time of the GCP Acquisition and are not subject to amortization. As of March 1, 2025, the remaining management contracts and client relationships had a weighted average amortization period of 5.8 years and 7.6 years, respectively.

As of March 1, 2025, the carrying value of goodwill associated with GCP Acquisition was \$2.3 billion, of which \$1.1 billion is deductible for tax purposes. The goodwill is entirely allocated to the Real Assets Group segment and is attributable primarily to expected synergies and the assembled workforce of GCP International.

In connection with the GCP Acquisition, various components of the agreed upon purchase price are required to be accounted for as compensation because the payments were made to certain individuals that became employees of the Company following the GCP Acquisition. Because they are required to be accounted for as compensation, these amounts have been excluded from purchase consideration. During the three months ended March 31, 2025, \$8.8 million of acquisition related compensation costs were expensed and recorded within compensation and benefits within the Condensed Consolidated Statements of Operations. Because the purchase price included components of cash and equity, the individuals that became employees of the Company also received a portion of their sales proceeds in the form of equity, which was recorded as equity compensation expense. During the three months ended March 31, 2025, \$108.8 million of equity compensation expense was recognized from the immediate vesting of 0.6 million restricted units, of which 0.2 million shares were withheld for taxes. As of March 1, 2025, there were 2.3 million unvested equity awards and 0.2 million unvested AOG Unit awards related to these arrangements (collectively, the "Unvested GCP Equity Purchase Price"). During the three months ended March 31, 2025, \$10.3 million of equity compensation expense was recognized in connection with the Unvested GCP Equity Purchase Price. The total compensation expense expected to be recognized in all future periods associated with the Unvested GCP Equity Purchase Price is approximately \$411.5 million as of March 31, 2025 and is expected to be recognized over the remaining weighted average period of 3.6 years.

The Company has incurred \$69.2 million of acquisition related costs, of which \$33.7 million was incurred during the three months ended March 31, 2025. These acquisition related costs were expensed and reported within general, administrative and other expenses.

GCP International's revenues and net income of \$38.8 million and \$7.6 million, respectively, are included in the Condensed Consolidated Statements of Operations before giving effect to corporate level taxes for the period from March 1, 2025 through March 31, 2025. The Company did not acquire all of the assets or assume all of the liabilities of the legacy business. GCP International represents an aggregation of various businesses and components of other businesses that operate in different jurisdictions, each that historically used a different basis of accounting. There are no historical financial statements that apply consistent management assumptions and use a consistent basis of accounting. Therefore, it is impracticable to provide pro forma information on revenues and earnings for the GCP Acquisition.

Ares Management Corporation
Notes to the Unaudited Condensed Consolidated Financial Statements (Continued)
(Dollars in Thousands, Except Share Data and As Otherwise Noted)

4. GOODWILL AND INTANGIBLE ASSETS

Intangible Assets, Net

The following table summarizes the carrying value, net of accumulated amortization, of the Company's intangible assets:

	Weighted Average Amortization Period (in years) as of March 31, 2025	As of March 31, 2025	As of December 31, 2024
Management contracts	5.2	\$ 1,034,593	\$ 590,675
Client relationships	7.5	317,920	210,720
Other	0.0	—	500
Finite-lived intangible assets		1,352,513	801,895
Foreign currency translation		7,737	(789)
Total finite-lived intangible assets		1,360,250	801,106
Less: accumulated amortization		(400,803)	(393,078)
Finite-lived intangible assets, net		959,447	408,028
Indefinite-lived management contracts		1,317,400	567,800
Intangible assets, net		\$ 2,276,847	\$ 975,828

Amortization expense associated with intangible assets was \$37.3 million, and \$29.2 million for the three months ended March 31, 2025 and 2024, respectively, and has been presented within general, administrative and other expenses within the Condensed Consolidated Statements of Operations. During the three months ended March 31, 2025, the Company removed \$29.9 million of fully-amortized management contracts.

Goodwill

The following table summarizes the carrying value of the Company's goodwill:

	Credit Group	Real Assets Group	Private Equity Group	Secondaries Group	Total
Balance as of December 31, 2024	\$ 312,032	\$ 311,569	\$ 121,408	\$ 417,627	\$ 1,162,636
Acquisitions	—	2,297,710	—	—	2,297,710
Reallocation	—	—	—	—	—
Foreign currency translation	194	38,796	—	5	38,995
Balance as of March 31, 2025	\$ 312,226	\$ 2,648,075	\$ 121,408	\$ 417,632	\$ 3,499,341

There was no impairment of goodwill recorded during the three months ended March 31, 2025 and 2024. The impact of foreign currency translation adjustments is reflected within the Condensed Consolidated Statements of Comprehensive Income.

Ares Management Corporation
Notes to the Unaudited Condensed Consolidated Financial Statements (Continued)
(Dollars in Thousands, Except Share Data and As Otherwise Noted)

5. INVESTMENTS

The following table summarizes the Company's investments:

	As of		Percentage of total investments as of	
	March 31, 2025	December 31, 2024	March 31, 2025	December 31, 2024
Equity method investments:				
Equity method - carried interest	\$ 3,557,277	\$ 3,495,115	72.7%	75.2%
Equity method private investment partnership interests - principal	604,691	536,912	12.4	11.6
Equity method private investment partnership interests and other (held at fair value)	426,613	411,417	8.7	8.9
Equity method private investment partnership interests and other	66,896	55,461	1.4	1.2
Total equity method investments	4,655,477	4,498,905	95.2	96.9
Collateralized loan obligations	18,492	19,040	0.4	0.4
Fixed income securities	170	22,793	—	0.5
Collateralized loan obligations and fixed income securities, at fair value	18,662	41,833	0.4	0.9
Common stock, at fair value	218,150	104,037	4.5	2.2
Total investments	\$ 4,892,289	\$ 4,644,775		

Equity Method Investments

The Company's equity method investments include investments that are not consolidated but over which the Company exerts significant influence. The Company evaluates each of its equity method investments to determine if any were significant as defined by guidance from the SEC. As of and for the three months ended March 31, 2025 and 2024, no individual equity method investment held by the Company met the significance criteria.

The following table presents the Company's share of other income, net from its equity method investments, which were included within principal investment income, net realized and unrealized gains on investments, and interest and dividend income within the Condensed Consolidated Statements of Operations:

	Three months ended March 31,	
	2025	2024
Total other income, net related to equity method investments	\$ 30,964	\$ 10,127

With respect to the Company's equity method investments, the material assets are expected to generate either long term capital appreciation and/or interest income, the material liabilities are debt instruments collateralized by, or related to, the financing of the assets and net income is materially comprised of the changes in fair value of these net assets.

Equity Method Investments Held at Fair Value

The following table summarizes the changes in fair value of the Company's equity method investments held at fair value, which are included within net realized and unrealized gains on investments within the Condensed Consolidated Statements of Operations:

	Three months ended March 31,	
	2025	2024
Equity method private investment partnership interests and other (held at fair value)	\$ 4,281	\$ 2,479

Ares Management Corporation
Notes to the Unaudited Condensed Consolidated Financial Statements (Continued)
(Dollars in Thousands, Except Share Data and As Otherwise Noted)

Investments of the Consolidated Funds

The following table summarizes investments held in the Consolidated Funds:

	Fair Value as of		Percentage of total investments as of	
	March 31, 2025	December 31, 2024	March 31, 2025	December 31, 2024
Fixed income investments:				
Loans and securitization vehicles	\$ 6,880,718	\$ 7,907,449	57.4%	62.1%
Money market funds and U.S. treasury securities	556,498	550,800	4.6	4.3
Bonds	344,140	418,069	2.9	3.3
Total fixed income investments	7,781,356	8,876,318	64.9	69.7
Partnership interests	2,318,557	2,000,380	19.4	15.7
Equity securities	1,876,393	1,861,146	15.7	14.6
Total investments, at fair value	\$ 11,976,306	\$ 12,737,844		

As of March 31, 2025 and December 31, 2024, no single issuer or investment, including derivative instruments and underlying portfolio investments of the Consolidated Funds, had a fair value that exceeded 5.0% of the Company's total assets.

Ares Management Corporation
Notes to the Unaudited Condensed Consolidated Financial Statements (Continued)
(Dollars in Thousands, Except Share Data and As Otherwise Noted)

6. FAIR VALUE
Fair Value of Financial Instruments Held by the Company and Consolidated Funds

The following tables summarize the financial assets and financial liabilities measured at fair value for the Company and the Consolidated Funds as of March 31, 2025:

Financial Instruments of the Company	Level I	Level II	Level III	Investments Measured at NAV	Total
Assets, at fair value					
Investments:					
Common stock and other equity securities	\$ 77,066	\$ 141,084	\$ 426,377	\$ —	\$ 644,527
Collateralized loan obligations and fixed income securities	—	—	18,662	—	18,662
Partnership interests	—	—	—	238	238
Total investments, at fair value	77,066	141,084	445,039	238	663,427
Derivatives-foreign currency forward contracts	—	1,496	—	—	1,496
Total assets, at fair value	\$ 77,066	\$ 142,580	\$ 445,039	\$ 238	\$ 664,923
Liabilities, at fair value					
Derivatives-foreign currency forward contracts	\$ —	\$ (902)	\$ —	\$ —	\$ (902)
Contingent consideration	—	—	(484,954)	—	(484,954)
Total liabilities, at fair value	\$ —	\$ (902)	\$ (484,954)	\$ —	\$ (485,856)

Financial Instruments of the Consolidated Funds	Level I	Level II	Level III	Investments Measured at NAV	Total
Assets, at fair value					
Investments:					
Fixed income investments:					
Loans and securitization vehicles	\$ —	\$ 6,302,334	\$ 578,384	\$ —	\$ 6,880,718
Money market funds	556,498	—	—	—	556,498
Bonds	—	341,532	2,608	—	344,140
Total fixed income investments	556,498	6,643,866	580,992	—	7,781,356
Partnership interests	—	—	—	2,318,557	2,318,557
Equity securities	29,484	2,002	1,844,907	—	1,876,393
Total investments, at fair value	585,982	6,645,868	2,425,899	2,318,557	11,976,306
Derivatives-foreign currency forward contracts	—	9,668	—	—	9,668
Total assets, at fair value	\$ 585,982	\$ 6,655,536	\$ 2,425,899	\$ 2,318,557	\$ 11,985,974
Liabilities, at fair value					
Loan obligations of CLOs	\$ —	\$ (8,522,002)	\$ —	\$ —	\$ (8,522,002)
Derivatives:					
Foreign currency forward contracts	—	(9,890)	—	—	(9,890)
Asset swaps	—	—	(749)	—	(749)
Total derivative liabilities, at fair value	—	(9,890)	(749)	—	(10,639)
Total liabilities, at fair value	\$ —	\$ (8,531,892)	\$ (749)	\$ —	\$ (8,532,641)

Ares Management Corporation
Notes to the Unaudited Condensed Consolidated Financial Statements (Continued)
(Dollars in Thousands, Except Share Data and As Otherwise Noted)

The following tables summarize the financial assets and financial liabilities measured at fair value for the Company and the Consolidated Funds as of December 31, 2024:

Financial Instruments of the Company	Level I	Level II	Level III	Investments Measured at NAV	Total
Assets, at fair value					
Cash equivalents:					
Money market funds	\$ 1,071,071	\$ —	\$ —	\$ —	\$ 1,071,071
Investments:					
Common stock and other equity securities	—	104,037	411,179	—	515,216
Collateralized loan obligations and fixed income securities	—	—	41,833	—	41,833
Partnership interests	—	—	—	238	238
Total investments, at fair value	—	104,037	453,012	238	557,287
Derivatives-foreign currency forward contracts	—	3,737	—	—	3,737
Total assets, at fair value	\$ 1,071,071	\$ 107,774	\$ 453,012	\$ 238	\$ 1,632,095
Liabilities, at fair value					
Derivatives-foreign currency forward contracts	\$ —	\$ (216)	\$ —	\$ —	\$ (216)
Contingent consideration	—	—	(17,550)	—	(17,550)
Total liabilities, at fair value	\$ —	\$ (216)	\$ (17,550)	\$ —	\$ (17,766)

Financial Instruments of the Consolidated Funds	Level I	Level II	Level III	Investments Measured at NAV	Total
Assets, at fair value					
Investments:					
Fixed income investments:					
Loans and securitization vehicles	\$ —	\$ 7,313,632	\$ 593,817	\$ —	\$ 7,907,449
U.S. treasury securities	550,800	—	—	—	550,800
Bonds	—	418,069	—	—	418,069
Total fixed income investments	550,800	7,731,701	593,817	—	8,876,318
Partnership interests	—	—	—	2,000,380	2,000,380
Equity securities	28,603	2,615	1,829,928	—	1,861,146
Total investments, at fair value	579,403	7,734,316	2,423,745	2,000,380	12,737,844
Derivatives-foreign currency forward contracts	—	2,995	—	—	2,995
Total assets, at fair value	\$ 579,403	\$ 7,737,311	\$ 2,423,745	\$ 2,000,380	\$ 12,740,839
Liabilities, at fair value					
Loan obligations of CLOs	\$ —	\$ (9,672,189)	\$ —	\$ —	\$ (9,672,189)
Derivatives:					
Foreign currency forward contracts	—	(2,888)	—	—	(2,888)
Asset swaps	—	—	(1,846)	—	(1,846)
Total derivative liabilities, at fair value	—	(2,888)	(1,846)	—	(4,734)
Total liabilities, at fair value	\$ —	\$ (9,675,077)	\$ (1,846)	\$ —	\$ (9,676,923)

Ares Management Corporation
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The following tables set forth a summary of changes in the fair value of the Level III measurements:

Level III Assets of the Company	Equity Securities	Fixed Income	Contingent Consideration	Total
Balance as of December 31, 2024	\$ 411,179	\$ 41,833	\$ (17,550)	\$ 435,462
Established in connection with acquisition (see Note 8)	—	—	(465,080)	(465,080)
Purchases ⁽¹⁾	10,546	1,530	—	12,076
Sales/settlements ⁽²⁾	—	(23,657)	—	(23,657)
Change in fair value	—	—	(2,324)	(2,324)
Realized and unrealized appreciation (depreciation), net	4,652	(1,044)	—	3,608
Balance as of March 31, 2025	\$ 426,377	\$ 18,662	\$ (484,954)	\$ (39,915)
Change in net unrealized appreciation/depreciation and fair value included in earnings related to financial assets and liabilities still held at the reporting date	\$ 4,652	\$ (372)	\$ (2,324)	\$ 1,956

Level III Net Assets of Consolidated Funds	Equity Securities	Fixed Income	Derivatives, Net	Total
Balance as of December 31, 2024	\$ 1,829,927	\$ 593,817	\$ (1,846)	\$ 2,421,898
Transfer in ⁽³⁾	1	82,478	—	82,479
Transfer out ⁽³⁾	—	(72,264)	—	(72,264)
Purchases ⁽¹⁾	285	247,859	124	248,268
Sales/settlements ⁽²⁾	(88)	(267,745)	—	(267,833)
Realized and unrealized appreciation (depreciation), net	14,782	(3,153)	973	12,602
Balance as of March 31, 2025	\$ 1,844,907	\$ 580,992	\$ (749)	\$ 2,425,150
Change in net unrealized appreciation/depreciation included in earnings related to financial assets and liabilities still held at the reporting date	\$ 15,102	\$ (2,824)	\$ 851	\$ 13,129

(1) Purchases include paid-in-kind interest and securities received in connection with restructurings.

(2) Sales/settlements include distributions, principal redemptions and securities disposed of in connection with restructurings.

(3) Transfers in and out include changes in the observability of inputs used in valuations and changes due to the consolidation and deconsolidation of funds.

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Level III Assets of the Company	Equity Securities	Fixed Income	Total
Balance as of December 31, 2023	\$ 412,491	\$ 126,294	\$ 538,785
Purchases ⁽¹⁾	30	2,266	2,296
Sales/settlements ⁽²⁾	(782)	(108,360)	(109,142)
Realized and unrealized appreciation, net	5,135	1,388	6,523
Balance as of March 31, 2024	\$ 416,874	\$ 21,588	\$ 438,462
Change in net unrealized appreciation included in earnings related to financial assets still held at the reporting date	\$ 5,135	\$ 1,388	\$ 6,523

Level III Net Assets of Consolidated Funds	Equity Securities	Fixed Income	Derivatives, Net	Total
Balance as of December 31, 2023	\$ 1,190,400	\$ 740,113	\$ (1,291)	\$ 1,929,222
Transfer in ⁽³⁾	—	91,729	—	91,729
Transfer out ⁽³⁾	—	(172,358)	—	(172,358)
Purchases ⁽¹⁾	154,475	263,706	46	418,227
Sales/settlements ⁽²⁾	—	(285,911)	—	(285,911)
Realized and unrealized appreciation (depreciation), net	21,589	2,039	(329)	23,299
Balance as of March 31, 2024	\$ 1,366,464	\$ 639,318	\$ (1,574)	\$ 2,004,208
Change in net unrealized appreciation/depreciation included in earnings related to financial assets and liabilities still held at the reporting date	\$ 22,225	\$ 1,420	\$ (380)	\$ 23,265

(1) Purchases include paid-in-kind interest and securities received in connection with restructurings.

(2) Sales/settlements include distributions, principal redemptions and securities disposed of in connection with restructurings.

(3) Transfers in and out include changes in the observability of inputs used in valuations and changes due to the consolidation and deconsolidation of funds.

Transfers out of Level III were generally attributable to certain investments that experienced a more significant level of market activity during the period and thus were valued using observable inputs either from independent pricing services or multiple brokers. Transfers into Level III were generally attributable to certain investments that experienced a less significant level of market activity during the period and thus were only able to obtain one or fewer quotes from a broker or independent pricing service.

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The following tables summarize the quantitative inputs and assumptions used for the Company's and the Consolidated Funds' Level III measurements as of March 31, 2025:

Level III Measurements of the Company	Fair Value	Valuation Technique(s)	Significant Unobservable Input(s)	Range	Weighted Average
Assets					
Equity securities					
	\$ 180,220	Transaction price ⁽¹⁾	N/A	N/A	N/A
	100,000	Market yield analysis	Market interest rate	8.0%	8.0%
	60,856	Market approach	Multiple of book value	1.3x - 1.5x	1.4x
	56,273	Market approach	Multiple of book value	0.7x - 0.9x	0.8x
		Discounted cash flow	Discount rate	11.0% - 15.0%	13.0%
	19,344	Option pricing model	Volatility	35.0%	35.0%
	9,684	Market approach	Earnings multiple	15.4x	15.4x
Fixed income investments					
	18,492	Broker quotes and/or 3rd party pricing services	N/A	N/A	N/A
	170	Other	N/A	N/A	N/A
Total assets	\$ 445,039				
Liabilities					
Contingent consideration	\$ (484,954)	Monte Carlo simulation	Discount rate	6.6% - 7.0%	7.0%
			Volatility	11.1% - 15.1%	14.9%
Total liabilities	\$ (484,954)				

Level III Measurements of the Consolidated Funds	Fair Value	Valuation Technique(s)	Significant Unobservable Input(s)	Range	Weighted Average
Assets					
Equity securities					
	\$ 968,124	Discounted cash flow	Discount rate	10.0% - 20.0%	12.0%
	869,412	Market approach	Multiple of book value	1.0x - 1.7x	1.3x
	6,584	Market approach	EBITDA multiple ⁽²⁾	5.3x - 35.0x	9.2x
	787	Market approach	Yield	6.4% - 23.7%	9.8%
Fixed income investments					
	291,675	Broker quotes and/or 3rd party pricing services	N/A	N/A	N/A
	287,874	Market approach	Yield	6.4% - 23.7%	9.9%
	1,443	Discounted cash flow	Discount rate	14.5% - 20.0%	12.8%
Total assets	\$ 2,425,899				
Liabilities					
Derivative instruments	\$ (749)	Broker quotes and/or 3rd party pricing services	N/A	N/A	N/A
Total liabilities	\$ (749)				

(1) Transaction price consists of securities purchased or restructured. The Company determined that there was no change to the valuation based on the underlying assumptions used at the closing of such transactions.

(2) "EBITDA" in the table above is a non-GAAP financial measure and refers to earnings before interest, tax, depreciation and amortization.

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The following tables summarize the quantitative inputs and assumptions used for the Company's and the Consolidated Funds' Level III measurements as of December 31, 2024:

Level III Measurements of the Company	Fair Value	Valuation Technique(s)	Significant Unobservable Input(s)	Range	Weighted Average
Assets					
Equity securities					
	\$ 168,387	Transaction price ⁽¹⁾	N/A	N/A	N/A
	100,000	Market approach	Yield	8.0%	8.0%
	57,659	Market approach	Multiple of book value	1.0x - 1.1x	1.0x
		Discounted cash flow	Discount rate	10.0% - 14.0%	12.0%
	56,918	Market approach	Multiple of book value	1.2x - 1.7x	1.4x
	19,205	Option pricing model	Volatility	35.0%	35.0%
	8,489	Market approach	Earnings multiple	15.4x	15.4x
	521	Discounted cash flow	Discount rate	18.5% - 21.5%	20.0%
Fixed income investments					
	22,283	Transaction price ⁽¹⁾	N/A	N/A	N/A
	19,040	Broker quotes and/or 3rd party pricing services	N/A	N/A	N/A
	510	Other	N/A	N/A	N/A
Total assets	\$ 453,012				
Liabilities					
Contingent consideration	\$ (17,550)	Monte Carlo simulation	Discount rate	6.6% - 6.9%	6.8%
			Volatility	11.1%	11.1%
Total liabilities	\$ (17,550)				

Level III Measurements of the Consolidated Funds	Fair Value	Valuation Technique(s)	Significant Unobservable Input(s)	Range	Weighted Average
Assets					
Equity securities					
	\$ 985,109	Discounted cash flow	Discount rate	10.0% - 20.0%	13.0%
	835,432	Market approach	Multiple of book value	1.0x - 1.7x	1.4x
	8,598	Market approach	EBITDA multiple ⁽²⁾	5.6x - 34.6x	10.7x
	789	Other	N/A	N/A	N/A
Fixed income investments					
	308,675	Broker quotes and/or 3rd party pricing services	N/A	N/A	N/A
	284,950	Market approach	Yield	7.4% - 28.6%	9.9%
	192	Other	N/A	N/A	N/A
Total assets	\$ 2,423,745				
Liabilities					
Derivative instruments	\$ (1,846)	Broker quotes and/or 3rd party pricing services	N/A	N/A	N/A
Total liabilities	\$ (1,846)				

(1) Transaction price consists of securities purchased or restructured. The Company determined that there has been no change to the valuation based on the underlying assumptions used at the closing of such transactions.

(2) "EBITDA" in the table above is a non-GAAP financial measure and refers to earnings before interest, tax, depreciation and amortization.

The Consolidated Funds have limited partnership interests in private equity funds managed by the Company that are valued using net asset value ("NAV") per share. The terms and conditions of these funds do not allow for redemptions without certain events or approvals that are outside the Company's control.

The following table summarizes the investments held at fair value and unfunded commitments of the Consolidated Funds interests valued using NAV per share:

	As of March 31, 2025	As of December 31, 2024
Investments (held at fair value)	\$ 2,318,557	\$ 2,000,380
Unfunded commitments	1,088,937	932,473

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Notes to the Unaudited Condensed Consolidated Financial Statements (Continued)
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7. DEBT

The following table summarizes the Company's and its subsidiaries' debt obligations:

	Debt Origination Date	Maturity	Original Borrowing Amount	As of March 31, 2025		As of December 31, 2024	
				Carrying Value	Interest Rate	Carrying Value	Interest Rate
Credit Facility ⁽¹⁾	Revolving	3/31/2029	N/A	\$ 985,000	5.37%	\$ —	—%
2028 Senior Notes ⁽²⁾	11/10/2023	11/10/2028	500,000	495,952	6.42	495,677	6.42
2030 Senior Notes ⁽³⁾	6/15/2020	6/15/2030	400,000	397,614	3.28	397,501	3.28
2052 Senior Notes ⁽⁴⁾	1/21/2022	2/1/2052	500,000	484,702	3.77	484,601	3.77
2054 Senior Notes ⁽⁵⁾	10/11/2024	10/11/2054	750,000	736,087	5.65	736,010	5.65
2051 Subordinated Notes ⁽⁶⁾	6/30/2021	6/30/2051	450,000	445,172	4.13	445,125	4.13
Total debt obligations				\$ 3,544,527		\$ 2,558,914	

- (1) As of March 31, 2025, the revolver commitments were \$1.400 billion, with an accordion feature of \$600.0 million. The Credit Facility has a variable interest rate based on Secured Overnight Financing Rate ("SOFR") or a base rate plus an applicable margin, which is subject to adjustment based on the achievement of certain targets, with an unused commitment fee paid quarterly, which is subject to change with the Company's underlying credit agency rating. As of March 31, 2025, base rate loans bear interest calculated based on the prime rate and the SOFR loans bear interest calculated based on SOFR plus 1.10%. The unused commitment fee is 0.10% per annum. There is a base rate and SOFR floor of zero. Due to the achievement of the certain targets, the Company's applicable margin and unused commitment fee have been reduced by 0.05% and 0.01%, respectively, from July 2023 through April 2025. In April 2025, the Company amended its Credit Facility to, among other things: (i) extend the maturity to April 22, 2030; (ii) increase commitments to \$1.840 billion, with an accordion feature of \$660.0 million; and (iii) provide a sub-limit for the issuance of swingline loans up to an aggregate amount of \$75.0 million (with the amount available for borrowing under the Credit Facility amendment being reduced by any swingline loans issued). As of May 12, 2025, base rate loans bear interest calculated based on the prime rate and the SOFR loans bear interest calculated based on SOFR plus 1.00%. The unused commitment fee is 0.09% per annum.
- (2) The 2028 Senior Notes were issued in November 2023 by the Company at 99.80% of the face amount with interest paid semi-annually. The Company may redeem the 2028 Senior Notes prior to maturity, subject to the terms of the indenture governing the 2028 Senior Notes.
- (3) The 2030 Senior Notes were issued in June 2020 by Ares Finance Co. II LLC, an indirect subsidiary of the Company, at 99.77% of the face amount with interest paid semi-annually. The Company may redeem the 2030 Senior Notes prior to maturity, subject to the terms of the indenture governing the 2030 Senior Notes.
- (4) The 2052 Senior Notes were issued in January 2022 by Ares Finance Co. IV LLC, an indirect subsidiary of the Company, at 97.78% of the face amount with interest paid semi-annually. The Company may redeem the 2052 Senior Notes prior to maturity, subject to the terms of the indenture governing the 2052 Senior Notes.
- (5) The 2054 Senior Notes were issued in October 2024 by the Company at 99.24% of the face amount with interest paid semi-annually. The Company may redeem the 2054 Senior Notes prior to maturity, subject to the terms of the indenture governing the 2054 Senior Notes.
- (6) The 2051 Subordinated Notes were issued in June 2021 by Ares Finance Co. III LLC, an indirect subsidiary of the Company with interest paid semi-annually at a fixed rate of 4.125%. Beginning June 30, 2026, the interest rate will reset on every fifth year based on the five-year U.S. Treasury Rate plus 3.237%. The Company may redeem the 2051 Subordinated Notes prior to maturity or defer interest payments up to five consecutive years, subject to the terms of the indenture governing the 2051 Subordinated Notes.

As of March 31, 2025, the Company and its subsidiaries were in compliance with all covenants under the debt obligations.

The Company typically incurs and pays debt issuance costs when entering into a new debt obligation or when amending an existing debt agreement. Debt issuance costs related to the various senior notes (the "Senior Notes") and the subordinated notes (the "Subordinated Notes") are recorded as a reduction of the corresponding debt obligation, and debt issuance costs related to the Credit Facility are included within other assets within the Condensed Consolidated Statements of Financial Condition. All debt issuance costs are amortized over the remaining term of the related obligation into interest expense within the Condensed Consolidated Statements of Operations.

The following table presents the activity of the Company's debt issuance costs:

	Credit Facility	Senior Notes	Subordinated Notes
Unamortized debt issuance costs as of December 31, 2024	\$ 4,858	\$ 18,725	\$ 4,875
Debt issuance costs incurred	—	11	—
Amortization of debt issuance costs	(286)	(436)	(46)
Unamortized debt issuance costs as of March 31, 2025	\$ 4,572	\$ 18,300	\$ 4,829

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Loan Obligations of the Consolidated CLOs

Loan obligations of the Consolidated Funds that are CLOs (“Consolidated CLOs”) represent amounts due to holders of debt securities issued by the Consolidated CLOs. The Company measures the loan obligations of the Consolidated CLOs using the fair value of the financial assets of its Consolidated CLOs.

The following loan obligations were outstanding and classified as liabilities of the Consolidated CLOs:

	As of March 31, 2025			As of December 31, 2024		
	Fair Value of Loan Obligations	Weighted Average Interest Rate	Weighted Average Remaining Maturity (in years)	Fair Value of Loan Obligations	Weighted Average Interest Rate	Weighted Average Remaining Maturity (in years)
Senior secured notes	\$ 7,806,027	5.77%	8.0	\$ 8,937,972	6.08%	8.0
Subordinated notes ⁽¹⁾	715,975	N/A	5.2	734,217	N/A	5.6
Total loan obligations of Consolidated CLOs	\$ 8,522,002			\$ 9,672,189		

(1) The notes do not have contractual interest rates; instead, holders of the notes receive a variable rate of interest amounting to the excess cash flows generated by each Consolidated CLO.

Loan obligations of the Consolidated CLOs are collateralized by the assets held by the Consolidated CLOs, consisting of cash and cash equivalents, corporate loans, corporate bonds and other securities. The assets of one Consolidated CLO may not be used to satisfy the liabilities of another Consolidated CLO. Loan obligations of the Consolidated CLOs include floating rate notes, deferrable floating rate notes, revolving lines of credit and subordinated notes. Amounts borrowed under the notes are repaid based on available cash flows subject to priority of payments under each Consolidated CLO’s governing documents. Based on the terms of these facilities, the creditors of the facilities have no recourse to the Company.

Credit Facilities of the Consolidated Funds

Certain Consolidated Funds maintain credit facilities to fund investments between capital drawdowns. These facilities generally are collateralized by the net assets of the Consolidated Funds or the unfunded capital commitments of the Consolidated Funds’ limited partners, bear an annual commitment fee based on unfunded commitments and contain various affirmative and negative covenants and reporting obligations, including restrictions on additional indebtedness, liens, margin stock, affiliate transactions, dividends and distributions, release of capital commitments and portfolio asset dispositions. The creditors of these facilities have no recourse to the Company and only have recourse to a subsidiary of the Company to the extent the debt is guaranteed by such subsidiary. As of March 31, 2025 and December 31, 2024, the Consolidated Funds were in compliance with all covenants under such credit facilities.

The Consolidated Funds had the following revolving bank credit facilities outstanding:

	Maturity Date	Total Capacity	As of March 31, 2025		As of December 31, 2024	
			Outstanding Loan ⁽¹⁾	Effective Rate	Outstanding Loan ⁽¹⁾	Effective Rate
Credit Facilities:	9/25/2025	\$ 150,000	\$ 121,000	8.00%	\$ 121,000	8.00%
	1/28/2026	100,000	81,300	6.51	N/A	N/A
	9/24/2026	150,000	—	N/A	—	N/A
	6/26/2027	200,000	200,000	7.15	154,000	7.15
	9/12/2027	54,000	—	N/A	—	N/A
	6/23/2032	201,007	201,007	7.23	N/A	N/A
Total borrowings of Consolidated Funds			\$ 603,307		\$ 275,000	

(1) The fair values of the borrowings approximate the carrying value as the interest rate on the borrowings is a floating rate.

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8. COMMITMENTS AND CONTINGENCIES

Indemnification Arrangements

Consistent with standard business practices in the normal course of business, the Company enters into contracts that contain indemnities for affiliates of the Company, persons acting on behalf of the Company or such affiliates and third parties. The terms of the indemnities vary from contract to contract and the Company's maximum exposure under these arrangements cannot be determined and has not been recorded within the Condensed Consolidated Statements of Financial Condition. As of March 31, 2025, the Company has not had prior claims or losses pursuant to these contracts and expects the risk of loss to be remote.

Commitments

As of March 31, 2025 and December 31, 2024, the Company had aggregate unfunded commitments to invest in funds it manages or to support certain strategic initiatives of \$1,554.3 million and \$1,451.4 million, respectively.

Guarantees

The guarantee agreements that the Company enters into with financial institutions are primarily to guarantee credit facilities held by certain funds. In the ordinary course of business, the guarantee of credit facilities held by funds may indicate control and result in consolidation of the fund. As of March 31, 2025 and December 31, 2024, the Company's maximum exposure to losses from guarantees was \$7.4 million and \$1.1 million, respectively.

Contingent Liabilities

GCP International

In connection with the GCP Acquisition during the first quarter of 2025, the Company established two arrangements with the sellers and with certain of its professionals that became employees of the Company, including (i) an earnout arrangement related to the data center business ("DC Earnout") based on the achievement of certain revenue targets associated with certain digital infrastructure funds; and (ii) an earnout arrangement related to the Japan business ("Japan Earnout") based on the achievement of fundraising targets of certain Japanese real estate equity funds. The DC Earnout and Japan Earnout represent contingent liabilities not to exceed \$1.0 billion and \$0.5 billion, respectively.

The portion of the DC Earnout and Japan Earnout attributable to the sellers represents a component of purchase consideration that will be accounted for as contingent consideration. As of March 1, 2025, the fair value of these contingent liabilities was \$465.1 million and was recorded within accounts payable, accrued expenses and other liabilities within the Condensed Consolidated Statements of Financial Condition. The contingent liabilities are subject to change over the measurement periods, which will end no later than June 30, 2028. Changes in fair value from the acquisition date will be recorded within other income (expense), net within the Condensed Consolidated Statements of Operations. The Company expects to settle the contingent liabilities at the Company's discretion with no less than 15.0% cash and the remaining balance in equity awards.

The portion of the DC Earnout and Japan Earnout attributable to the professionals that became employees of the Company requires continued service through the measurement periods. The Company expects to settle the contingent liabilities at the Company's discretion with no less than 15.0% cash and the remaining balance in equity awards. The DC Earnout and Japan Earnout are remeasured each period with incremental changes in fair value for the cash and equity components of these liabilities recognized within compensation and benefits expense within the Condensed Consolidated Statements of Operations. Following the measurement period end dates, the cash components will be paid and the equity awards will be granted at fair value for the balance of the liability. As of March 31, 2025, the fair value of the contingent liabilities was \$199.4 million. Compensation expense of \$4.3 million for the three months ended March 31, 2025 is presented within compensation and benefits within the Condensed Consolidated Statements of Operations with an equal offset presented within accrued compensation within the Condensed Consolidated Statements of Financial Condition. The unpaid liabilities at the respective measurement period end dates will be reclassified from liability to additional paid-in-capital. Any compensation expense associated with the DC Earnout and Japan Earnout that was not previously recorded through the final measurement period end date will be recognized as equity-based compensation expense over the remaining service periods ranging from three to six years, measured from the GCP Acquisition close date.

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Other Arrangements

The Company also entered into various other contingent arrangements in connection with acquisitions. The maximum exposure for these contingent arrangements was \$215.0 million and \$155.0 million as of March 31, 2025 and December 31, 2024, respectively.

Certain portions of these contingent arrangements require continued service through the measurement periods. As of March 31, 2025 and December 31, 2024, the fair value of these contingent liabilities was \$137.6 million and \$99.6 million, respectively, and the Company has recorded \$38.9 million and \$29.9 million, respectively, within accrued compensation within the Condensed Consolidated Statements of Financial Condition. Compensation expense of \$9.0 million and \$5.5 million for the three months ended March 31, 2025 and 2024, respectively, is presented within compensation and benefits within the Condensed Consolidated Statements of Operations.

The remaining portions of these contingent arrangements did not require continued service through the measurement periods and were classified as contingent consideration. As of March 31, 2025 and December 31, 2024, the fair value of these contingent liabilities was \$19.9 million and \$17.6 million, respectively, and recorded within accounts payable, accrued expenses and other liabilities within the Condensed Consolidated Statements of Financial Condition. Other expense of \$2.3 million for the three months ended March 31, 2025 is presented within other income (expense), net within the Condensed Consolidated Statements of Operations.

Carried Interest

Carried interest is affected by changes in the fair values of the underlying investments in the funds that are advised by the Company. Valuations, on an unrealized basis, can be significantly affected by a variety of external factors including, but not limited to, public equity market volatility, industry trading multiples and interest rates. Generally, if at the termination of a fund (and increasingly at interim points in the life of a fund), the fund has not achieved investment returns that exceed the preferred return threshold or the general partner has received net profits over the life of the fund in excess of its allocable share under the applicable partnership agreement, the Company will be obligated to repay carried interest that was received by the Company in excess of the amounts to which the Company is entitled. This contingent obligation is normally reduced by income taxes paid by the Company related to its carried interest.

Senior professionals of the Company who have received carried interest distributions are responsible for funding their proportionate share of any contingent repayment obligations. However, the governing agreements of certain of the Company's funds provide that if a current or former professional does not fund his or her respective share for such fund, then the Company may have to fund additional amounts beyond what was received in carried interest, although the Company will generally retain the right to pursue any remedies under such governing agreements against those carried interest recipients who fail to fund their obligations.

Additionally, at the end of the life of the funds there could be a payment due to a fund by the Company if the Company has recognized more carried interest than was ultimately earned. The general partner obligation amount, if any, will depend on final realized values of investments at the end of the life of the fund.

As of March 31, 2025 and December 31, 2024, if the Company assumed all existing investments were worthless, the amount of carried interest subject to potential repayment, net of tax distributions, which may differ from the recognition of revenue, would have been approximately \$70.8 million and \$59.6 million, respectively, of which approximately \$24.0 million and \$39.5 million, respectively, is reimbursable to the Company by certain professionals who are the recipients of such carried interest. Management believes the possibility of all of the investments becoming worthless is remote. As of March 31, 2025 and December 31, 2024, if the funds were liquidated at their fair values, there would be no contingent repayment obligation or liability.

Litigation

From time to time, the Company is named as a defendant in legal actions relating to transactions and other matters conducted in the ordinary course of business. Although there can be no assurance of the outcome of such legal actions, in the opinion of management, the Company does not have a potential liability related to any current legal proceeding or claim that would individually or in the aggregate materially affect its results of operations, financial condition or cash flows.

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Leases

The Company's leases primarily consists of operating leases for office space and certain office equipment. The Company's leases have remaining lease terms of one to 18 years. The tables below present certain supplemental quantitative disclosures regarding the Company's operating leases:

Maturity of operating lease liabilities	As of March 31, 2025	
2025	\$	49,208
2026		74,422
2027		68,277
2028		78,393
2029		72,411
Thereafter		713,478
Total future payments		1,056,189
Less: interest		370,151
Total operating lease liabilities	\$	686,038

Classification within general, administrative and other expenses	Three months ended March 31,	
	2025	2024
Operating lease expense	\$ 20,955	\$ 15,210

Supplemental information on the measurement of operating lease liabilities	Three months ended March 31,	
	2025	2024
Operating cash flows for operating leases	\$ 14,347	\$ 12,765
Leased assets obtained in exchange for new operating lease liabilities	44,118	705

Lease term and discount rate	As of March 31,	As of December 31,
	2025	2024
Weighted-average remaining lease terms (in years)	13.3	14.1
Weighted-average discount rate	5.8%	5.8%

Ares Management Corporation
Notes to the Unaudited Condensed Consolidated Financial Statements (Continued)
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9. RELATED PARTY TRANSACTIONS

Substantially all of the Company's revenue is earned from its affiliates. The related accounts receivable are included within due from affiliates within the Condensed Consolidated Statements of Financial Condition, except that accrued carried interest, which is predominantly due from affiliated funds, is presented separately within investments within the Condensed Consolidated Statements of Financial Condition.

The Company has investment management agreements with the Ares Funds that it manages. In accordance with these agreements, these Ares Funds may bear certain operating costs and expenses which are initially paid by the Company and subsequently reimbursed by the Ares Funds.

Employees and other related parties may be permitted to participate in co-investment vehicles that generally invest in Ares Funds alongside fund investors. Participation is limited by law to individuals who qualify under applicable securities laws. These co-investment vehicles generally do not require these individuals to pay management fees, carried interest or incentive fees.

Carried interest and incentive fees from the funds can be distributed to professionals or their related entities on a current basis, subject, in the case of carried interest programs, to repayment by the subsidiary of the Company that acts as general partner of the relevant fund in the event that certain specified return thresholds are not ultimately achieved. The professionals have personally guaranteed, subject to certain limitations, the obligations of these subsidiaries in respect of this general partner obligation. Such guarantees are several, and not joint, and are limited to distributions received by the relevant recipient.

The Company considers its professionals and non-consolidated funds to be affiliates. Amounts due from and to affiliates were composed of the following:

	As of March 31, 2025	As of December 31, 2024
Due from affiliates:		
Management fees receivable from non-consolidated funds	\$ 750,092	\$ 636,835
Incentive fee receivable from non-consolidated funds	16,094	172,235
Payments made on behalf of and amounts due from non-consolidated funds and employees	356,604	247,538
Due from affiliates—Company	\$ 1,122,790	\$ 1,056,608
Due to affiliates:		
Management fee received in advance and rebates payable to non-consolidated funds	\$ 4,038	\$ 5,767
Tax receivable agreement liability	475,121	402,359
Carried interest and incentive fees payable	221,792	78,692
Payments made by non-consolidated funds on behalf of and payable by the Company	20,897	13,662
Due to affiliates—Company	\$ 721,848	\$ 500,480

Due from and Due to Ares Funds and Portfolio Companies

In the normal course of business, the Company pays certain expenses on behalf of Consolidated Funds and non-consolidated funds for which it is reimbursed. Conversely, Consolidated Funds and non-consolidated funds may pay certain expenses that are reimbursed by the Company. Certain expenses initially paid by the Company, primarily professional services, travel and other costs associated with particular portfolio company holdings, are subject to reimbursement by the portfolio companies.

Ares Management Corporation
Notes to the Unaudited Condensed Consolidated Financial Statements (Continued)
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10. INCOME TAXES

The Company's income tax provision includes corporate income taxes and other entity level income taxes, as well as income taxes incurred by certain affiliated funds that are consolidated in these financial statements. The following table presents the income tax expense for the period:

	Three months ended March 31,	
	2025	2024
Income tax expense	\$ 17,537	\$ 27,233

The Company's effective income tax rate is dependent on many factors, including the estimated nature and amounts of income and expenses allocated to the non-controlling interests without being subject to federal, state and local income taxes at the corporate level. Additionally, the Company's effective tax rate is influenced by the amount of income tax provision recorded for any affiliated funds and co-investment vehicles that are consolidated in the Company's unaudited condensed consolidated financial statements. For the three months ended March 31, 2025 and 2024, the Company recorded its interim income tax provision utilizing the estimated annual effective tax rate.

The income tax effects of temporary differences give rise to significant portions of deferred tax assets and liabilities, which are presented on a net basis. As of March 31, 2025 and December 31, 2024, the Company recorded a net deferred tax asset of \$281.7 million and \$241.9 million, respectively, within other assets within the Condensed Consolidated Statements of Financial Condition. As of March 31, 2025 and December 31, 2024, a deferred tax liability of \$10.2 million and \$8.4 million, respectively, was recorded and presented as a liability for the Consolidated Funds within accounts payable, accrued expenses and other liabilities within the Condensed Consolidated Statements of Financial Condition.

The Company files its tax returns as prescribed by the tax laws of the jurisdictions in which it operates. In the normal course of business, the Company is subject to examination by U.S. federal, state, local and foreign tax authorities. With limited exceptions, the Company is generally no longer subject to corporate income tax audits by taxing authorities for any years prior to 2021. Although the outcome of tax audits is always uncertain, the Company does not believe the outcome of any future audit will have a material adverse effect on the Company's unaudited condensed consolidated financial statements.

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Notes to the Unaudited Condensed Consolidated Financial Statements (Continued)
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11. EARNINGS PER SHARE

The Company has Class A and non-voting common stock outstanding. The non-voting common stock has the same economic rights as the Class A common stock; therefore, earnings per share is presented on a combined basis. Income of the Company has been allocated on a proportionate basis to the two common stock classes.

Basic earnings per share of Class A and non-voting common stock is computed by using the two-class method. Diluted earnings per share of Class A and non-voting common stock is computed using the more dilutive method of either the two-class method or the treasury stock and if-converted methods.

For the three months ended March 31, 2025 and 2024, the two-class method was the more dilutive method.

The following table presents the computation of basic and diluted earnings per common share:

	Three months ended March 31,	
	2025	2024
Basic earnings per share of Class A and non-voting common stock:		
Net income attributable to Ares Management Corporation Class A and non-voting common stockholders	\$ 21,857	\$ 73,027
Dividends declared and paid on Class A and non-voting common stock	(244,588)	(180,929)
Distributions on unvested restricted units	(10,794)	(7,272)
Dividends in excess of earnings available to Class A and non-voting common stockholders	\$ (233,525)	\$ (115,174)
Basic weighted-average shares of Class A and non-voting common stock	209,350,849	192,622,609
Dividends in excess of earnings per share of Class A and non-voting common stock	\$ (1.12)	\$ (0.60)
Dividend declared and paid per Class A and non-voting common stock	1.12	0.93
Basic earnings per share of Class A and non-voting common stock	\$ 0.00	\$ 0.33
Diluted earnings per share of Class A and non-voting common stock:		
Net income attributable to Ares Management Corporation Class A and non-voting common stockholders	\$ 21,857	\$ 73,027
Distributions on unvested restricted units	(10,794)	(7,272)
Net income available to Class A and non-voting common stockholders	\$ 11,063	\$ 65,755
Diluted weighted-average shares of Class A and non-voting common stock	209,350,849	192,622,609
Diluted earnings per share of Class A and non-voting common stock	\$ 0.00	\$ 0.33

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12. EQUITY COMPENSATION

Equity-based compensation expense, net of forfeitures, recorded by the Company is presented in the following table:

	Three months ended March 31,	
	2025	2024
Unvested awards	\$ 256,902	\$ 92,422
AOG Unit awards	960	—
Total equity-based compensation expense	\$ 257,862	\$ 92,422

Equity Incentive Plan

Equity-based compensation is generally granted under the 2023 Ares Management Corporation Equity Incentive Plan (the “Equity Incentive Plan”). The total number of shares available to be issued under the Equity Incentive Plan resets based on a formula defined in the Equity Incentive Plan and may increase on January 1 of each year. On January 1, 2025, the total number of shares available for issuance under the Equity Incentive Plan reset to 51,846,506 shares and as of March 31, 2025, 44,401,224 shares remained available for issuance.

Generally, unvested awards are forfeited upon termination of employment in accordance with the Equity Incentive Plan. The Company recognizes forfeitures as a reversal of previously recognized compensation expense in the period the forfeiture occurs.

Unvested Awards

Each unvested award represents either a share of the Company’s Class A common stock that is subject to restriction or a restricted unit, representing an unfunded, unsecured right of the holder to receive a share of the Company’s Class A common stock on a specific date. The unvested awards vest and the restrictions lapse or are settled in shares of Class A common stock, as applicable, over service periods generally ranging from immediate vesting to five years from the grant date, in each case generally subject to the holder’s continued employment as of the applicable vesting date (subject to accelerated vesting upon certain qualifying terminations of employment or retirement eligibility provisions). Compensation expense associated with unvested awards is recognized on a straight-line basis over the requisite service period of the award.

Restricted units are delivered net of the holder’s payroll-related taxes upon vesting. For the three months ended March 31, 2025, 4.8 million restricted units vested and 2.7 million shares of Class A common stock were delivered to the holders. For the three months ended March 31, 2024, 3.5 million restricted units vested and 1.9 million shares of Class A common stock were delivered to the holders.

The holders of restricted units, other than awards that have not yet been issued, generally have the right to receive as current compensation an amount in cash equal to: (i) the amount of any dividend paid with respect to a share of Class A common stock multiplied by (ii) the number of restricted units held at the time such dividends are declared (“Dividend Equivalent”).

The following table summarizes the Company’s dividends declared and Dividend Equivalents paid during the three months ended March 31, 2025:

Record Date	Dividends Per Share		Dividend Equivalents Paid
March 17, 2025	\$	1.12	\$ 21,489

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The following table presents unvested awards' activity:

	Unvested Awards	Weighted Average Grant Date Fair Value Per Unvested Award
Balance as of December 31, 2024	17,968,940	\$ 79.11
Granted	7,072,634	186.23
Vested	(4,755,400)	79.14
Forfeited	(8,852)	111.79
Balance as of March 31, 2025	20,277,322	\$ 116.44

The total compensation expense expected to be recognized in all future periods associated with unvested awards is approximately \$1,968.5 million as of March 31, 2025 and is expected to be recognized over the remaining weighted average period of 3.9 years.

Other Equity-based Compensation

In connection with the GCP Acquisition, the Company granted 0.3 million AOG Unit awards to certain professionals. Of the total AOG Unit awards granted, 0.1 million units vested on the close date of the GCP Acquisition and the remaining 0.2 million units vest in three equal installments on each of the first three anniversaries of the GCP Acquisition close date, subject to the holder's continued employment as of the applicable vesting dates. The weighted average grant date fair value per unvested AOG Unit award was \$170.94. The total compensation expense expected to be recognized in all future periods associated with unvested AOG Unit awards is approximately \$35.4 million as of March 31, 2025 and is expected to be recognized over the remaining weighted average period of 2.9 years.

13. EQUITY AND REDEEMABLE INTEREST

Common Stock

The Company's common stock consists of Class A, Class B, Class C and non-voting common stock, each \$0.01 par value per share. The non-voting common stock has the same economic rights as the Class A common stock. The Class B common stock and Class C common stock are non-economic and holders are not entitled to dividends from the Company or to receive any assets of the Company in the event of any dissolution, liquidation or winding up of the Company. Ares Management GP LLC is the sole holder of the Class B common stock and Ares Voting LLC ("Ares Voting") is the sole holder of the Class C common stock.

In February 2025, the Company's board of directors authorized the renewal of the stock repurchase program that allows for the repurchase of up to \$750.0 million of shares of Class A common stock. Under the program, shares may be repurchased from time to time in open market purchases, privately negotiated transactions or otherwise, including in reliance on Rule 10b5-1 of the Securities Act. The program is scheduled to expire in March 2026. Repurchases under the program, if any, will depend on the prevailing market conditions and other factors. During the three months ended March 31, 2025 and 2024, the Company did not repurchase any shares as part of the stock repurchase program.

The following table presents the changes in each class of common stock:

	Class A Common Stock	Non-Voting Common Stock	Class B Common Stock	Class C Common Stock	Total
Balance as of December 31, 2024	199,872,571	3,489,911	1,000	109,806,689	313,170,171
Issuances of common stock	10,312,965	—	—	303,500	10,616,465
Exchanges of common stock	1,995,269	—	—	(1,995,269)	—
Vesting of restricted unit awards, net of shares withheld for tax	2,714,799	—	—	—	2,714,799
Balance as of March 31, 2025	214,895,604	3,489,911	1,000	108,114,920	326,501,435

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The following table presents each partner's AOG Units and corresponding ownership interest in each of the AOG entities, as well as its daily average ownership of AOG Units in each of the AOG entities:

	As of March 31, 2025		As of December 31, 2024		Daily Average Ownership	
	AOG Units	Direct Ownership Interest	AOG Units	Direct Ownership Interest	Three months ended March 31,	
					2025	2024
Ares Management Corporation	218,385,515	66.89 %	203,362,482	64.94 %	65.77 %	62.32 %
Ares Owners Holdings, L.P.	108,114,920	33.11	109,806,689	35.06	34.23	37.68
Total	326,500,435	100.00 %	313,169,171	100.00 %		

Preferred Stock

As of March 31, 2025 and December 31, 2024, the Company had 30,000,000 shares of Series B mandatory convertible preferred stock outstanding. When, as and if declared by the Company's board of directors, dividends on the Series B mandatory convertible preferred stock are payable quarterly at a rate per annum equal to 6.75%. Dividends on Series B mandatory convertible preferred stock are cumulative and the Series B mandatory convertible preferred stock, unless previously converted or redeemed, will automatically convert into the Company's Class A common stock on October 1, 2027. Unless converted earlier in accordance with its terms, each share of Series B mandatory convertible preferred stock will automatically convert on the mandatory conversion date into between 0.2717 and 0.3260 shares of the Company's Class A common stock, in each case, subject to customary anti-dilution adjustments. The conversion rate that will apply to mandatory conversions will be determined based on the average of the daily volume-weighted average prices over the 20 consecutive trading days beginning on, and including, the 21st scheduled trading day immediately before October 1, 2027.

Holders of shares of Series B mandatory convertible preferred stock have the option to convert all or any portion of their shares of Series B mandatory convertible preferred stock at any time. The conversion rate applicable to any early conversion may in certain circumstances be increased to compensate holders of the Series B mandatory convertible preferred stock for certain unpaid accumulated dividends.

Redeemable Interest

The following table summarizes the activities associated with the redeemable interest in AOG entities:

	Total
Balance as of December 31, 2023	\$ 24,098
Net income	73
Currency translation adjustment, net of tax	(257)
Distributions	(302)
Balance as of March 31, 2024	23,612
Net loss	(387)
Currency translation adjustment, net of tax	(47)
Balance as of June 30, 2024	23,178
Net income	1,319
Currency translation adjustment, net of tax	614
Balance as of September 30, 2024	25,111
Net loss	(902)
Currency translation adjustment, net of tax	(713)
Balance as of December 31, 2024	23,496
Net income	316
Currency translation adjustment, net of tax	198
Distributions	(300)
Balance as of March 31, 2025	\$ 23,710

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The following table summarizes the activities associated with the redeemable interest in Consolidated Funds:

	Total
Balance as of December 31, 2023	\$ 522,938
Change in redemption value	6,849
Balance as of March 31, 2024	529,787
Change in redemption value	6,959
Balance as of June 30, 2024	536,746
Change in redemption value	7,408
Balance as of September 30, 2024	544,154
Change in redemption value	6,546
Balance as of December 31, 2024	550,700
Change in redemption value	5,698
Balance as of March 31, 2025	\$ 556,398

As of March 31, 2025 and December 31, 2024, 50,000,000 of AAC II Class A ordinary shares are presented at the redemption amount within mezzanine equity within the Condensed Consolidated Statements of Financial Condition.

14. SEGMENT REPORTING

The Company operates through its distinct operating segments. The Company operating segments are summarized below:

Credit Group: The Credit Group manages credit strategies across the liquid and illiquid spectrum, including liquid credit, alternative credit, opportunistic credit, direct lending and Asia-Pacific (“APAC”) credit.

Real Assets Group: The Real Assets Group manages comprehensive equity and debt strategies across real estate and infrastructure investments.

Private Equity Group: The Private Equity Group broadly categorizes its investment strategies as corporate private equity and APAC private equity.

Secondaries Group: The Secondaries Group invests in secondary markets across a range of alternative asset class strategies, including private equity, real estate, infrastructure and credit.

Other: Other represents a compilation of operating segments and strategic investments that seek to expand the Company’s reach and its scale in new and existing global markets but individually do not meet reporting thresholds. These results include activities from: (i) Ares Insurance Solutions (“AIS”), the Company’s insurance platform that provides solutions to insurance clients including asset management, capital solutions and corporate development; (ii) the SPACs sponsored by the Company; and (iii) a venture capital business with fund strategies that are focused on applied artificial intelligence, among others.

The Operations Management Group (the “OMG”) consists of shared resource groups to support the Company’s operating segments by providing infrastructure and administrative support in the areas of accounting/finance, operations, information technology, legal, compliance, human resources, strategy, relationship management, and distribution, including Ares Wealth Management Solutions, LLC (“AWMS”). AWMS facilitates the product development, distribution, marketing and client management activities for investment offerings in the global wealth management channel. Additionally, the OMG provides services to certain of the Company’s managed funds and vehicles, which may reimburse the OMG for expenses either equal to the costs of services provided or as a percentage of invested capital. The OMG’s revenues and expenses are not allocated to the Company’s operating segments but the Company does consider the financial results of the OMG when evaluating its financial performance.

Segment Profit Measure: Realized income (“RI”), which includes fee related earnings (“FRE”) as a component, supplements and should be considered in addition to, and not in lieu of, the Condensed Consolidated Statements of Operations prepared in accordance with GAAP.

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RI, a non-GAAP measure, is an operating metric used by management to evaluate performance of the business based on operating performance and the contribution of each of the business segments to that performance, while removing the fluctuations of unrealized income and expenses, which may or may not be eventually realized at the levels presented and whose realizations depend more on future outcomes than current business operations. RI differs from income before taxes by excluding: (i) operating results of the Consolidated Funds; (ii) depreciation and amortization expense; (iii) the effects of changes arising from corporate actions; (iv) unrealized gains and losses related to carried interest, incentive fees and investment performance; and adjusts for certain other items that the Company believes are not indicative of operating performance. Changes arising from corporate actions include equity-based compensation expenses, the amortization of intangible assets, transaction costs associated with mergers, acquisitions and capital activities, underwriting costs and expenses incurred in connection with corporate reorganization. Placement fee adjustment represents the net portion of either expense deferral or amortization of upfront fees to placement agents that is presented to match the timing of expense recognition with the period over which management fees are expected to be earned from the associated fund for segment purposes but have been expensed in advance in accordance with GAAP. For periods in which the amortization of upfront fees for segment purposes is higher than the GAAP expense, the placement fee adjustment is presented as a reduction to RI. Management believes RI is a more appropriate metric to evaluate the Company's current business operations.

FRE, a non-GAAP measure that is a component of RI, is used to assess core operating performance by determining whether recurring revenue, primarily consisting of management fees and fee related performance revenues, is sufficient to cover operating expenses and to generate profits. FRE differs from income before taxes computed in accordance with GAAP as it excludes net performance income, investment income from Ares Funds and adjusts for certain other items that the Company believes are not indicative of its core operating performance. Fee related performance revenues, together with fee related performance compensation, is presented within FRE because it represents incentive fees from perpetual capital vehicles that is measured and eligible to be received on a recurring basis and not dependent on realization events from the underlying investments.

The Company's chief operating decision maker ("CODM") is its Chief Executive Officer. The CODM makes operating decisions and assesses the performance of each of the Company's business segments based on financial and operating metrics and other data that is presented before giving effect to the consolidation of any of the Consolidated Funds. Consequently, all segment data excludes the assets, liabilities and operating results related to the Consolidated Funds and non-consolidated funds. Total assets by segments is not disclosed because such information is not used by the Company's CODM in evaluating the segments.

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The following tables present the financial results for the Company's operating segments, as well as the OMG:

Three months ended March 31, 2025								
	Credit Group	Real Assets Group	Private Equity Group	Secondaries Group	Other	Total Segments	OMG	Total
Management fees	\$ 585,396	\$ 130,453	\$ 31,998	\$ 57,650	\$ 12,879	\$ 818,376	\$ —	\$ 818,376
Fee related performance revenues	18,395	—	—	9,656	—	28,051	—	28,051
Other fees	10,598	21,380	397	122	136	32,633	5,537	38,170
Compensation and benefits	(164,747)	(56,702)	(13,831)	(18,371)	(7,063)	(260,714)	(116,468)	(377,182)
General, administrative and other expenses	(41,048)	(20,852)	(4,257)	(8,473)	(1,483)	(76,113)	(64,026)	(140,139)
Fee related earnings	408,594	74,279	14,307	40,584	4,469	542,233	(174,957)	367,276
Performance income—realized	54,112	65,305	6,031	—	—	125,448	—	125,448
Performance related compensation—realized	(34,258)	(46,807)	(3,351)	—	—	(84,416)	—	(84,416)
Realized net performance income	19,854	18,498	2,680	—	—	41,032	—	41,032
Investment income (loss)—realized	5,379	7,919	(4,602)	138	2,530	11,364	331	11,695
Interest income	4,420	2,618	2,022	957	11,688	21,705	603	22,308
Interest expense ⁽¹⁾	(6,308)	(15,717)	(4,180)	(2,008)	(7,918)	(36,131)	(256)	(36,387)
Realized net investment income (loss)	3,491	(5,180)	(6,760)	(913)	6,300	(3,062)	678	(2,384)
Realized income	\$ 431,939	\$ 87,597	\$ 10,227	\$ 39,671	\$ 10,769	\$ 580,203	\$ (174,279)	\$ 405,924
Three months ended March 31, 2024								
	Credit Group	Real Assets Group	Private Equity Group	Secondaries Group	Other	Total Segments	OMG	Total
Management fees	\$ 510,966	\$ 93,814	\$ 34,933	\$ 44,421	\$ 9,231	\$ 693,365	\$ —	\$ 693,365
Fee related performance revenues	755	—	—	2,962	—	3,717	—	3,717
Other fees	9,911	5,075	439	4	114	15,543	4,333	19,876
Compensation and benefits	(134,849)	(37,918)	(14,785)	(12,714)	(5,592)	(205,858)	(94,157)	(300,015)
General, administrative and other expenses	(34,366)	(14,453)	(5,216)	(9,068)	(1,690)	(64,793)	(50,480)	(115,273)
Fee related earnings	352,417	46,518	15,371	25,605	2,063	441,974	(140,304)	301,670
Performance income—realized	16,766	3,677	2,738	—	—	23,181	—	23,181
Performance related compensation—realized	(8,734)	(2,228)	(2,194)	—	—	(13,156)	—	(13,156)
Realized net performance income	8,032	1,449	544	—	—	10,025	—	10,025
Investment income—realized	1,765	2,678	298	187	2,000	6,928	11	6,939
Interest income	2,767	700	6	23	4,409	7,905	441	8,346
Interest expense ⁽¹⁾	(8,753)	(7,406)	(4,662)	(8,229)	(8,734)	(37,784)	(40)	(37,824)
Realized net investment income (loss)	(4,221)	(4,028)	(4,358)	(8,019)	(2,325)	(22,951)	412	(22,539)
Realized income	\$ 356,228	\$ 43,939	\$ 11,557	\$ 17,586	\$ (262)	\$ 429,048	\$ (139,892)	\$ 289,156

- (1) Interest expense was historically allocated among our segments based only on the cost basis of the Company's balance sheet investments. Beginning in the first quarter of 2025, the Company changed its interest expense allocation methodology to consider the growing sources of financing requirements, including the cost of acquisitions in addition to the cost basis of its balance sheet investments. Prior period amounts have been reclassified to conform to the current period presentation.

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The following table presents the components of the Company's operating segments' revenue, expenses and realized net investment income (loss):

	Three months ended March 31,	
	2025	2024
Segment revenues		
Management fees	\$ 818,376	\$ 693,365
Fee related performance revenues	28,051	3,717
Other fees	32,633	15,543
Performance income—realized	125,448	23,181
Total segment revenues	\$ 1,004,508	\$ 735,806
Segment expenses		
Compensation and benefits	\$ 260,714	\$ 205,858
General, administrative and other expenses	76,113	64,793
Performance related compensation—realized	84,416	13,156
Total segment expenses	\$ 421,243	\$ 283,807
Segment realized net investment income (loss)		
Investment income—realized	\$ 11,364	\$ 6,928
Interest income	21,705	7,905
Interest expense	(36,131)	(37,784)
Total segment realized net investment loss	\$ (3,062)	\$ (22,951)

The following table reconciles the Company's consolidated revenues to segment revenue:

	Three months ended March 31,	
	2025	2024
Total consolidated revenue	\$ 1,088,805	\$ 707,363
Performance (income) loss—unrealized	(64,443)	45,476
Management fees of Consolidated Funds eliminated in consolidation	9,894	12,453
Performance income of Consolidated Funds eliminated in consolidation	5,128	5,925
Administrative, transaction and other fees of Consolidated Funds eliminated in consolidation	124	113
Administrative fees ⁽¹⁾	(19,728)	(16,407)
OMG revenue	(5,537)	(4,333)
Principal investment income, net of eliminations	(21,998)	(7,050)
Net (revenue) expense of non-controlling interests in consolidated subsidiaries	12,263	(7,734)
Total consolidation adjustments and reconciling items	(84,297)	28,443
Total segment revenue	\$ 1,004,508	\$ 735,806

- (1) Represents administrative fees from expense reimbursements that are presented within administrative, transaction and other fees within the Company's Condensed Consolidated Statements of Operations and are netted against the respective expenses for segment reporting.

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The following table reconciles the Company's consolidated expenses to segment expenses:

	Three months ended March 31,	
	2025	2024
Total consolidated expenses	\$ 1,014,328	\$ 538,493
Performance related compensation-unrealized	(40,550)	64,514
Expenses of Consolidated Funds added in consolidation	(16,684)	(17,708)
Expenses of Consolidated Funds eliminated in consolidation	10,028	12,995
Administrative fees ⁽¹⁾	(19,728)	(16,407)
OMG expenses	(180,494)	(144,637)
Acquisition and merger-related expense	(34,608)	(10,578)
Equity compensation expense	(257,862)	(92,422)
Acquisition-related compensation expense ⁽²⁾	(21,999)	(5,504)
Placement fee adjustment	6	(5,540)
Depreciation and amortization expense	(48,229)	(36,644)
Expense of non-controlling interests in consolidated subsidiaries	17,035	(2,755)
Total consolidation adjustments and reconciling items	(593,085)	(254,686)
Total segment expenses	\$ 421,243	\$ 283,807

- (1) Represents administrative fees from expense reimbursements that are presented within administrative, transaction and other fees within the Company's Condensed Consolidated Statements of Operations and are netted against the respective expenses for segment reporting.
- (2) Represents bonus payments, contingent liabilities ("earnouts") and other costs recorded in connection with various acquisitions that are recorded as compensation expense and are presented within compensation and benefits within the Company's Condensed Consolidated Statements of Operations. See "Note 8. Commitments and Contingencies" for a further description of the contingent liabilities related to the various acquisitions.

The following table reconciles the Company's consolidated other income to segment realized net investment loss:

	Three months ended March 31,	
	2025	2024
Total consolidated other income	\$ 66,561	\$ 62,178
Investment income—unrealized	(21,638)	(3,685)
Interest and other investment (income) loss—unrealized	3,774	(602)
Other income, net from Consolidated Funds added in consolidation	(86,422)	(79,977)
Other expense, net from Consolidated Funds eliminated in consolidation	1,800	902
OMG other (income) expense	4,197	(549)
Principal investment income (loss)	26,839	(2,666)
Other expense, net	2,526	131
Other (income) loss of non-controlling interests in consolidated subsidiaries	(699)	1,317
Total consolidation adjustments and reconciling items	(69,623)	(85,129)
Total segment realized net investment loss	\$ (3,062)	\$ (22,951)

Ares Management Corporation
Notes to the Unaudited Condensed Consolidated Financial Statements (Continued)
(Dollars in Thousands, Except Share Data and As Otherwise Noted)

The following table presents the reconciliation of income before taxes as reported in the Condensed Consolidated Statements of Operations to segment results of RI and FRE:

	Three months ended March 31,	
	2025	2024
Income before taxes	\$ 141,038	\$ 231,048
Adjustments:		
Depreciation and amortization expense	48,229	36,644
Equity compensation expense	257,862	92,421
Acquisition-related compensation expense ⁽¹⁾	21,999	5,504
Acquisition and merger-related expense	34,608	10,578
Placement fee adjustment	(6)	5,540
OMG expense, net	179,154	139,755
Other expense, net	2,526	131
Income before taxes of non-controlling interests in consolidated subsidiaries	(5,471)	(3,662)
Income before taxes of non-controlling interests in Consolidated Funds, net of eliminations	(57,979)	(65,586)
Total performance (income) loss—unrealized	(64,443)	45,476
Total performance related compensation—unrealized	40,550	(64,514)
Total net investment income—unrealized	(17,864)	(4,287)
Realized income	580,203	429,048
Total performance income—realized	(125,448)	(23,181)
Total performance related compensation—realized	84,416	13,156
Total net investment loss—realized	3,062	22,951
Fee related earnings	\$ 542,233	\$ 441,974

(1) Represents bonus payments, earnouts and other costs recorded in connection with various acquisitions that are recorded as compensation expense and are presented within compensation and benefits within the Company's Condensed Consolidated Statements of Operations. See "Note 8. Commitments and Contingencies" for a further description of the contingent liabilities related to the various acquisitions.

Ares Management Corporation
Notes to the Unaudited Condensed Consolidated Financial Statements (Continued)
(Dollars in Thousands, Except Share Data and As Otherwise Noted)

15. CONSOLIDATION***Investments in Consolidated Variable Interest Entities***

The Company consolidates entities in which the Company has a variable interest and as the general partner or investment manager, has both the power to direct the most significant activities and a potentially significant economic interest. Investments in the consolidated variable interest entities (“VIEs”) are reported at fair value and represent the Company’s maximum exposure to loss.

Investments in Non-Consolidated Variable Interest Entities

The Company holds interests in certain VIEs that are not consolidated as the Company is not the primary beneficiary. The Company’s interest in such entities generally is in the form of direct equity interests, fixed fee arrangements or both. The maximum exposure to loss represents the potential loss of assets by the Company relating to its direct investments in these non-consolidated entities. Investments in the non-consolidated VIEs are carried at fair value.

The Company’s interests in consolidated and non-consolidated VIEs, as presented within the Condensed Consolidated Statements of Financial Condition, its respective maximum exposure to loss relating to non-consolidated VIEs, and its net income attributable to non-controlling interests related to consolidated VIEs, as presented within the Condensed Consolidated Statements of Operations, are as follows:

	As of March 31,	As of December 31,
	2025	2024
Maximum exposure to loss attributable to the Company’s investment in non-consolidated VIEs	\$ 481,856	\$ 386,927
Maximum exposure to loss attributable to the Company’s investment in consolidated VIEs	831,767	791,133
Assets of consolidated VIEs	12,804,566	13,698,611
Liabilities of consolidated VIEs	9,805,049	10,879,735
	Three months ended March 31,	
	2025	2024
Net income attributable to non-controlling interests related to consolidated VIEs	\$ 52,976	\$ 58,356

Ares Management Corporation
Notes to the Unaudited Condensed Consolidated Financial Statements (Continued)
(Dollars in Thousands, Except Share Data and As Otherwise Noted)

Consolidating Schedules

The following supplemental financial information illustrates the consolidating effects of the Consolidated Funds on the Company's financial condition, results from operations and cash flows:

	As of March 31, 2025			
	Consolidated Company Entities	Consolidated Funds	Eliminations	Consolidated
Assets				
Cash and cash equivalents	\$ 618,536	\$ —	\$ —	\$ 618,536
Investments (includes \$3,557,277 of accrued carried interest)	5,786,946	—	(894,657)	4,892,289
Due from affiliates	1,146,479	—	(23,689)	1,122,790
Other assets	863,339	—	—	863,339
Right-of-use operating lease assets	546,814	—	—	546,814
Intangible assets, net	2,276,847	—	—	2,276,847
Goodwill	3,499,341	—	—	3,499,341
Assets of Consolidated Funds				
Cash and cash equivalents	—	1,184,275	—	1,184,275
Investments held in trust account	—	556,498	—	556,498
Investments, at fair value	—	11,419,808	—	11,419,808
Receivable for securities sold	—	142,902	—	142,902
Other assets	—	58,329	—	58,329
Total assets	\$ 14,738,302	\$ 13,361,812	\$ (918,346)	\$ 27,181,768
Liabilities				
Accounts payable, accrued expenses and other liabilities	\$ 856,109	\$ —	\$ (278)	\$ 855,831
Accrued compensation	300,756	—	—	300,756
Due to affiliates	721,848	—	—	721,848
Performance related compensation payable	2,599,227	—	—	2,599,227
Debt obligations	3,544,527	—	—	3,544,527
Operating lease liabilities	686,038	—	—	686,038
Liabilities of Consolidated Funds				
Accounts payable, accrued expenses and other liabilities	—	141,625	(672)	140,953
Due to affiliates	—	22,521	(22,521)	—
Payable for securities purchased	—	415,332	—	415,332
CLO loan obligations, at fair value	—	8,647,925	(125,923)	8,522,002
Fund borrowings	—	603,307	—	603,307
Total liabilities	8,708,505	9,830,710	(149,394)	18,389,821
Commitments and contingencies				
Redeemable interest in Consolidated Funds	—	556,398	—	556,398
Redeemable interest in Ares Operating Group entities	23,710	—	—	23,710
Non-controlling interest in Consolidated Funds	—	2,974,704	(834,660)	2,140,044
Non-controlling interest in Ares Operating Group entities	1,595,930	—	21,758	1,617,688
Stockholders' Equity				
Series B mandatory convertible preferred stock, \$0.01 par value, 1,000,000,000 shares authorized (30,000,000 shares issued and outstanding)	1,459,918	—	—	1,459,918
Class A common stock, \$0.01 par value, 1,500,000,000 shares authorized (214,895,604 shares issued and outstanding)	2,149	—	—	2,149
Non-voting common stock, \$0.01 par value, 500,000,000 shares authorized (3,489,911 shares issued and outstanding)	35	—	—	35
Class B common stock, \$0.01 par value, 1,000 shares authorized (1,000 shares issued and outstanding)	—	—	—	—
Class C common stock, \$0.01 par value, 499,999,000 shares authorized (108,114,920 shares issued and outstanding)	1,081	—	—	1,081
Additional paid-in-capital	3,996,758	—	43,950	4,040,708
Accumulated deficit	(1,074,128)	—	—	(1,074,128)
Accumulated other comprehensive loss, net of tax	24,344	—	—	24,344
Total stockholders' equity	4,410,157	—	43,950	4,454,107
Total equity	6,006,087	2,974,704	(768,952)	8,211,839
Total liabilities, redeemable interest, non-controlling interests and equity	\$ 14,738,302	\$ 13,361,812	\$ (918,346)	\$ 27,181,768

Ares Management Corporation
Notes to the Unaudited Condensed Consolidated Financial Statements (Continued)
(Dollars in Thousands, Except Share Data and As Otherwise Noted)

	As of December 31, 2024			
	Consolidated Company Entities	Consolidated Funds	Eliminations	Consolidated
Assets				
Cash and cash equivalents	\$ 1,507,976	\$ —	\$ —	\$ 1,507,976
Investments (includes \$3,495,115 of accrued carried interest)	5,485,012	—	(840,237)	4,644,775
Due from affiliates	1,236,450	—	(179,842)	1,056,608
Other assets	774,654	—	—	774,654
Right-of-use operating lease assets	511,319	—	—	511,319
Intangible assets, net	975,828	—	—	975,828
Goodwill	1,162,636	—	—	1,162,636
Assets of Consolidated Funds				
Cash and cash equivalents	—	1,227,489	—	1,227,489
Investments held in trust account	—	550,800	—	550,800
Investments, at fair value	—	12,187,044	—	12,187,044
Receivable for securities sold	—	202,782	—	202,782
Other assets	—	82,397	—	82,397
Total assets	\$ 11,653,875	\$ 14,250,512	\$ (1,020,079)	\$ 24,884,308
Liabilities				
Accounts payable, accrued expenses and other liabilities	\$ 364,152	\$ —	\$ (280)	\$ 363,872
Accrued compensation	280,894	—	—	280,894
Due to affiliates	500,480	—	—	500,480
Performance related compensation payable	2,537,203	—	—	2,537,203
Debt obligations	2,558,914	—	—	2,558,914
Operating lease liabilities	641,864	—	—	641,864
Liabilities of Consolidated Funds				
Accounts payable, accrued expenses and other liabilities	—	323,566	(466)	323,100
Due to affiliates	—	178,409	(178,409)	—
Payable for securities purchased	—	332,406	—	332,406
CLO loan obligations, at fair value	—	9,793,645	(121,456)	9,672,189
Fund borrowings	—	275,000	—	275,000
Total liabilities	6,883,507	10,903,026	(300,611)	17,485,922
Commitments and contingencies				
Redeemable interest in Consolidated Funds	—	550,700	—	550,700
Redeemable interest in Ares Operating Group entities	23,496	—	—	23,496
Non-controlling interest in Consolidated Funds	—	2,796,786	(771,120)	2,025,666
Non-controlling interest in Ares Operating Group entities	1,236,767	—	18,111	1,254,878
Stockholders' Equity				
Series B mandatory convertible preferred stock, \$0.01 par value, 1,000,000,000 shares authorized (30,000,000 shares issued and outstanding)	1,458,771	—	—	1,458,771
Class A common stock, \$0.01 par value, 1,500,000,000 shares authorized (199,872,571 shares issued and outstanding)	1,999	—	—	1,999
Non-voting common stock, \$0.01 par value, 500,000,000 shares authorized (3,489,911 shares issued and outstanding)	35	—	—	35
Class B common stock, \$0.01 par value, 1,000 shares authorized (\$1,000 shares issued and outstanding)	—	—	—	—
Class C common stock, \$0.01 par value, 499,999,000 shares authorized (109,806,689 shares issued and outstanding)	1,098	—	—	1,098
Additional paid-in-capital	2,903,253	—	33,541	2,936,794
Accumulated deficit	(837,294)	—	—	(837,294)
Accumulated other comprehensive loss, net of tax	(17,757)	—	—	(17,757)
Total stockholders' equity	3,510,105	—	33,541	3,543,646
Total equity	4,746,872	2,796,786	(719,468)	6,824,190
Total liabilities, redeemable interest, non-controlling interests and equity	\$ 11,653,875	\$ 14,250,512	\$ (1,020,079)	\$ 24,884,308

Ares Management Corporation
Notes to the Unaudited Condensed Consolidated Financial Statements (Continued)
(Dollars in Thousands, Except Share Data and As Otherwise Noted)

	Three months ended March 31, 2025			
	Consolidated Company Entities	Consolidated Funds	Eliminations	Consolidated
Revenues				
Management fees	\$ 826,881	\$ —	\$ (9,894)	\$ 816,987
Carried interest allocation	165,126	—	(5,118)	160,008
Incentive fees	32,058	—	(10)	32,048
Principal investment income	26,839	—	(4,841)	21,998
Administrative, transaction and other fees	57,888	—	(124)	57,764
Total revenues	1,108,792	—	(19,987)	1,088,805
Expenses				
Compensation and benefits	657,125	—	—	657,125
Performance related compensation	122,633	—	—	122,633
General, administrative and other expense	227,914	—	—	227,914
Expenses of the Consolidated Funds	—	16,684	(10,028)	6,656
Total expenses	1,007,672	16,684	(10,028)	1,014,328
Other income (expense)				
Net realized and unrealized gains on investments	10,631	—	(10,363)	268
Interest and dividend income	18,203	—	(547)	17,656
Interest expense	(36,387)	—	—	(36,387)
Other expense, net	(10,508)	—	(206)	(10,714)
Net realized and unrealized gains on investments of the Consolidated Funds	—	83,727	4,679	88,406
Interest and other income of the Consolidated Funds	—	160,072	—	160,072
Interest expense of the Consolidated Funds	—	(157,377)	4,637	(152,740)
Total other income (expense), net	(18,061)	86,422	(1,800)	66,561
Income before taxes	83,059	69,738	(11,759)	141,038
Income tax expense	15,535	2,002	—	17,537
Net income	67,524	67,736	(11,759)	123,501
Less: Net income attributable to non-controlling interests in Consolidated Funds	—	67,736	(11,759)	55,977
Net income attributable to Ares Operating Group entities	67,524	—	—	67,524
Less: Net income attributable to redeemable interest in Ares Operating Group entities	316	—	—	316
Less: Net income attributable to non-controlling interests in Ares Operating Group entities	20,038	—	—	20,038
Net income attributable to Ares Management Corporation	47,170	—	—	47,170
Less: Series B mandatory convertible preferred stock dividends declared	25,313	—	—	25,313
Net income attributable to Ares Management Corporation Class A and non-voting common stockholders	\$ 21,857	\$ —	\$ —	\$ 21,857

Ares Management Corporation
Notes to the Unaudited Condensed Consolidated Financial Statements (Continued)
(Dollars in Thousands, Except Share Data and As Otherwise Noted)

	Three months ended March 31, 2024			
	Consolidated Company Entities	Consolidated Funds	Eliminations	Consolidated
Revenues				
Management fees	\$ 700,145	\$ —	\$ (12,453)	\$ 687,692
Carried interest allocation	(26,550)	—	(5,928)	(32,478)
Incentive fees	8,664	—	3	8,667
Principal investment income (loss)	(2,665)	—	9,715	7,050
Administrative, transaction and other fees	36,545	—	(113)	36,432
Total revenues	716,139	—	(8,776)	707,363
Expenses				
Compensation and benefits	412,951	—	—	412,951
Performance related compensation	(50,532)	—	—	(50,532)
General, administrative and other expense	171,361	—	(433)	170,928
Expenses of the Consolidated Funds	—	17,708	(12,562)	5,146
Total expenses	533,780	17,708	(12,995)	538,493
Other income (expense)				
Net realized and unrealized gains on investments	12,357	—	(1,841)	10,516
Interest and dividend income	8,092	—	(2,710)	5,382
Interest expense	(37,824)	—	—	(37,824)
Other income, net	478	—	(208)	270
Net realized and unrealized gains on investments of the Consolidated Funds	—	32,352	2,072	34,424
Interest and other income of the Consolidated Funds	—	257,067	209	257,276
Interest expense of the Consolidated Funds	—	(209,442)	1,576	(207,866)
Total other income (expense), net	(16,897)	79,977	(902)	62,178
Income before taxes	165,462	62,269	3,317	231,048
Income tax expense (benefit)	28,363	(1,130)	—	27,233
Net income	137,099	63,399	3,317	203,815
Less: Net income attributable to non-controlling interests in Consolidated Funds	—	63,399	3,317	66,716
Net income attributable to Ares Operating Group entities	137,099	—	—	137,099
Less: Net income attributable to redeemable interest in Ares Operating Group entities	73	—	—	73
Less: Net income attributable to non-controlling interests in Ares Operating Group entities	63,999	—	—	63,999
Net income attributable to Ares Management Corporation Class A and non-voting common stockholders	\$ 73,027	\$ —	\$ —	\$ 73,027

Ares Management Corporation
Notes to the Unaudited Condensed Consolidated Financial Statements (Continued)
(Dollars in Thousands, Except Share Data and As Otherwise Noted)

	Three months ended March 31, 2025			
	Consolidated Company Entities	Consolidated Funds	Eliminations	Consolidated
Cash flows from operating activities:				
Net income	\$ 67,524	\$ 67,736	\$ (11,759)	\$ 123,501
Adjustments to reconcile net income to net cash provided by operating activities	267,697		42,636	310,333
Adjustments to reconcile net income to net cash provided by operating activities allocable to non-controlling interests in Consolidated Funds	—	980,313	(11,344)	968,969
Cash flows due to changes in operating assets and liabilities	372,073		(144,367)	227,706
Cash flows due to changes in operating assets and liabilities allocable to non-controlling interest in Consolidated Funds		164,586	199,108	363,694
Net cash provided by operating activities	707,294	1,212,635	74,274	1,994,203
Cash flows from investing activities:				
Purchase of furniture, equipment and leasehold improvements, net of disposals	(21,975)	—	—	(21,975)
Acquisitions, net of cash acquired	(1,722,715)	—	—	(1,722,715)
Net cash used in investing activities	(1,744,690)	—	—	(1,744,690)
Cash flows from financing activities:				
Net proceeds from issuance of Series B mandatory convertible preferred stock	—	—	—	—
Net proceeds from issuance of Class A common stock	—	—	—	—
Proceeds from Credit Facility	1,125,000	—	—	1,125,000
Repayments of Credit Facility	(140,000)	—	—	(140,000)
Dividends and distributions	(445,088)	—	—	(445,088)
Taxes paid related to net share settlement of equity awards	(396,722)	—	—	(396,722)
Other financing activities	457	—	—	457
Allocable to redeemable and non-controlling interests in Consolidated Funds:				
Contributions from redeemable and non-controlling interests in Consolidated Funds	—	123,707	(34,627)	89,080
Distributions to non-controlling interests in Consolidated Funds	—	(321,741)	3,567	(318,174)
Borrowings under loan obligations by Consolidated Funds	—	172,606	—	172,606
Repayments under loan obligations by Consolidated Funds	—	(1,264,886)	—	(1,264,886)
Net cash provided by (used in) financing activities	143,647	(1,290,314)	(31,060)	(1,177,727)
Effect of exchange rate changes	4,309	34,465	—	38,774
Net change in cash and cash equivalents	(889,440)	(43,214)	43,214	(889,440)
Cash and cash equivalents, beginning of period	1,507,976	1,227,489	(1,227,489)	1,507,976
Cash and cash equivalents, end of period	\$ 618,536	\$ 1,184,275	\$ (1,184,275)	\$ 618,536
Supplemental disclosure of non-cash financing activities:				
Equity issued in connection with acquisition-related activities	\$ 1,657,881	\$ —	\$ —	\$ 1,657,881

Ares Management Corporation
Notes to the Unaudited Condensed Consolidated Financial Statements (Continued)
(Dollars in Thousands, Except Share Data and As Otherwise Noted)

	Three months ended March 31, 2024			
	Consolidated Company Entities	Consolidated Funds	Eliminations	Consolidated
Cash flows from operating activities:				
Net income	\$ 137,099	\$ 63,399	\$ 3,317	\$ 203,815
Adjustments to reconcile net income to net cash provided by operating activities	224,720	—	(1,724)	222,996
Adjustments to reconcile net income to net cash provided by operating activities allocable to non-controlling interests in Consolidated Funds	—	246,254	(2,072)	244,182
Cash flows due to changes in operating assets and liabilities	96,544	—	7,437	103,981
Cash flows due to changes in operating assets and liabilities allocable to non-controlling interest in Consolidated Funds	—	(14,577)	(50,352)	(64,929)
Net cash provided by operating activities	458,363	295,076	(43,394)	710,045
Cash flows from investing activities:				
Purchase of furniture, equipment and leasehold improvements, net of disposals	(26,071)	—	—	(26,071)
Acquisitions, net of cash acquired	(8,000)	—	—	(8,000)
Net cash used in investing activities	(34,071)	—	—	(34,071)
Cash flows from financing activities:				
Proceeds from Credit Facility	290,000	—	—	290,000
Repayments of Credit Facility	(210,000)	—	—	(210,000)
Dividends and distributions	(320,046)	—	—	(320,046)
Stock option exercises	1,511	—	—	1,511
Taxes paid related to net share settlement of equity awards	(186,731)	—	—	(186,731)
Other financing activities	1,034	—	—	1,034
Allocable to non-controlling interests in Consolidated Funds:				
Contributions from non-controlling interests in Consolidated Funds	—	180,559	(11,886)	168,673
Distributions to non-controlling interests in Consolidated Funds	—	(32,323)	5,415	(26,908)
Borrowings under loan obligations by Consolidated Funds	—	36,947	—	36,947
Repayments under loan obligations by Consolidated Funds	—	(421,112)	—	(421,112)
Net cash used in financing activities	(424,232)	(235,929)	(6,471)	(666,632)
Effect of exchange rate changes	(2,003)	(9,282)	—	(11,285)
Net change in cash and cash equivalents	(1,943)	49,865	(49,865)	(1,943)
Cash and cash equivalents, beginning of period	348,274	1,149,511	(1,149,511)	348,274
Cash and cash equivalents, end of period	\$ 346,331	\$ 1,199,376	\$ (1,199,376)	\$ 346,331
Supplemental disclosure of non-cash financing activities:				
Equity issued in connection with acquisition-related activities	\$ 7,724	\$ —	\$ —	\$ 7,724

Ares Management Corporation
Notes to the Unaudited Condensed Consolidated Financial Statements (Continued)
(Dollars in Thousands, Except Share Data and As Otherwise Noted)

16. SUBSEQUENT EVENTS

The Company evaluated all events or transactions that occurred after March 31, 2025 through the date the unaudited condensed consolidated financial statements were issued. During this period, the Company had the following material subsequent events that require disclosure:

In April 2025, the Company's board of directors declared a quarterly dividend of \$1.12 per share of Class A and non-voting common stock payable on June 30, 2025 to common stockholders of record at the close of business on June 16, 2025.

In April 2025, the Company's board of directors declared a quarterly dividend of \$0.84375 per share of Series B mandatory convertible preferred stock payable on July 1, 2025 to preferred stockholders of record on June 15, 2025.

Item 2. Management’s Discussion and Analysis of Financial Condition and Results of Operations

Ares Management Corporation is a Delaware corporation. Unless the context otherwise requires, references to “Ares,” “we,” “us,” “our,” and the “Company” are intended to mean the business and operations of Ares Management Corporation and its consolidated subsidiaries. The following discussion analyzes the financial condition and results of operations of the Company. “Consolidated Funds” refers collectively to certain Ares funds, co-investment vehicles, CLOs and SPACs that are required under U.S. GAAP to be consolidated in our unaudited condensed consolidated financial statements included in this Quarterly Report on Form 10-Q. Additional terms used by the Company are defined in the Glossary and throughout the Management’s Discussion and Analysis in this Quarterly Report on Form 10-Q.

The following discussion and analysis should be read in conjunction with the unaudited condensed consolidated financial statements of Ares Management Corporation and the related notes included in this Quarterly Report on Form 10-Q and the audited financial statements and the related notes included in the 2024 [Annual Report on Form 10-K](#) of Ares Management Corporation. We have reclassified certain prior period amounts to conform to the current year presentation.

Amounts and percentages presented throughout our discussion and analysis of financial condition and results of operations may reflect rounded results in thousands (unless otherwise indicated) and consequently, totals may not appear to sum. In addition, illustrative charts may not be presented at scale.

The changes from current year compared to prior year may be deemed to be not meaningful and are designated as “NM” within the discussion and analysis of financial condition and results of operations.

Trends Affecting Our Business

We believe that our disciplined investment philosophy across our distinct but complementary investment groups contributes to the stability of our performance throughout market cycles. For the three months ended March 31, 2025, 92% of our management fees were derived from perpetual capital vehicles or long-dated funds. Our funds have a stable base of committed capital enabling us to invest in assets with a long-term focus over different points in a market cycle and to take advantage of market volatility. However, our results from operations, including the fair value of our AUM, are affected by a variety of factors. Conditions in the global financial markets and economic and political environments may impact our business, particularly in the U.S., Europe and Asia-Pacific (“APAC”).

The following table presents returns of selected market indices:

Type of Index	Name of Index	Region	Returns (%)
			Three months ended March 31, 2025
High yield bonds	ICE BAML High Yield Master II Index	U.S.	1.0
High yield bonds	ICE BAML European Currency High Yield Index	Europe	0.7
Leveraged loans	S&P UBS Leveraged Loan Index	U.S.	0.6
Leveraged loans	S&P UBS Western European Leveraged Loan Index	Europe	1.0
Equities	S&P 500 Index	U.S.	(4.3)
Equities	MSCI All Country World Ex-U.S. Index	Non-U.S.	5.2
Infrastructure equities	S&P Global Infrastructure Index	Global	4.6
Real estate equities	FTSE NAREIT All Equity REITs Index	U.S.	1.8
Real estate equities	FTSE EPRA/NAREIT Developed Europe Index	Europe	(1.9)
Real estate equities	Tokyo Stock Exchange REIT Index	APAC	2.3

During the first quarter of 2025, global equity and debt markets experienced volatility driven by elevated inflation, economic slowdown and potential implications of U.S. trade tariffs. The U.S. public equity markets declined amid investor concerns regarding the impact of the proposed tariffs while international markets outperformed. European markets showed positive performance due to potential increased defense spending. The APAC markets performed favorably, with macroeconomic conditions supporting consumption in Southeast Asia, India and Australia. The U.S. announced tariffs on all imports from China and plans for reciprocal tariffs on countries imposing duties on U.S. imports. Despite these challenges, APAC transaction volumes remained steady as optimism for heightened deal activity focusing on companies in Southeast Asia with market-leading positions.

The private equity industry navigated a dynamic landscape shaped by evolving macroeconomic conditions and policy shifts, particularly the impact that the macroeconomic and global trade environment may have on exit activity. This

environment has contributed to heightened focus on companies with strong organic growth and attractive strategic transaction opportunities. We believe that shifting towards value creation strategies emphasizing operational improvements, talent optimization and digital transformation is essential to ensure long-term competitiveness.

The commercial real estate markets experienced a slowdown in the current quarter due to heightened interest rates and the uncertainty around the recent trade policy shifts. Despite these headwinds, property values and capitalization rates remained steady. The European real estate markets are continuing to show slower signs of recovery, with the volatility in interest rates having a greater impact on performance during the quarter. While performance varies by sector and geography, we believe multifamily and industrial properties will continue to benefit from favorable long-term structural trends. In addition, renewable energy transaction volume remained strong, which has supported elevated renewable energy revenue contract prices. The convergence of digital infrastructure and artificial intelligence adoption, paired with surging power demand expectations continue to support infrastructure investment opportunities.

We believe our portfolios across all strategies are well positioned for a fluctuating interest rate environment. On a market value basis, approximately 85% of our debt assets and 52% of our total assets were floating rate instruments as of March 31, 2025.

Managing Business Performance

Operating Metrics

We measure our business performance using certain operating metrics that are common to the alternative investment management industry and are discussed below.

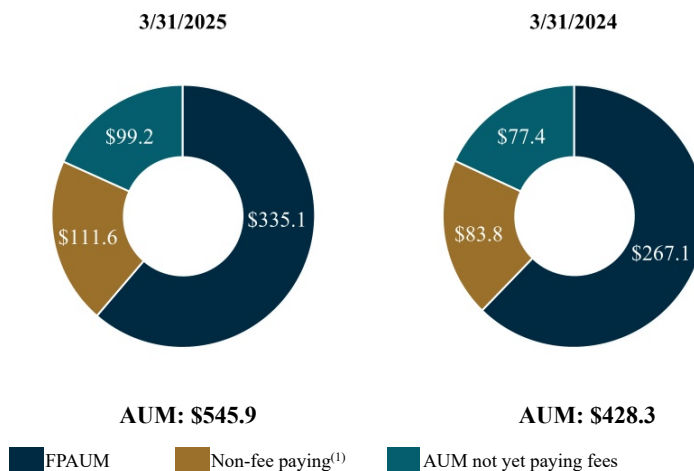
Assets Under Management

AUM refers to the assets we manage and is viewed as a metric to measure our investment and fundraising performance as it reflects assets generally at fair value plus available uncalled capital.

The tables below present rollforwards of our total AUM by segment (\$ in millions):

	Credit Group	Real Assets Group	Private Equity Group	Secondaries Group	Other Businesses	Total AUM
Balance at 12/31/2024	\$ 348,858	\$ 75,298	\$ 24,041	\$ 29,153	\$ 7,096	\$ 484,446
Acquisitions	—	45,281	—	—	—	45,281
Net new par/equity commitments	5,944	2,461	975	2,289	1,096	12,765
Net new debt commitments	4,820	2,614	—	—	—	7,434
Capital reductions	(3,414)	(768)	(36)	(58)	—	(4,276)
Distributions	(3,270)	(1,458)	(149)	(239)	(138)	(5,254)
Redemptions	(381)	(159)	—	(23)	—	(563)
Net allocations among investment strategies	1,309	—	—	—	(1,309)	—
Change in fund value	5,210	918	(104)	190	(174)	6,040
Balance at 3/31/2025	\$ 359,076	\$ 124,187	\$ 24,727	\$ 31,312	\$ 6,571	\$ 545,873
	Credit Group	Real Assets Group	Private Equity Group	Secondaries Group	Other Businesses	Total AUM
Balance at 12/31/2023	\$ 299,350	\$ 65,413	\$ 24,551	\$ 24,760	\$ 4,772	\$ 418,846
Acquisitions	—	—	—	—	71	71
Net new par/equity commitments	7,735	408	315	969	1,515	10,942
Net new debt commitments	6,112	—	—	—	—	6,112
Capital reductions	(1,485)	(128)	(2)	—	—	(1,615)
Distributions	(3,563)	(846)	(36)	(164)	(135)	(4,744)
Redemptions	(2,517)	(434)	(2)	—	—	(2,953)
Net allocations among investment strategies	715	—	(47)	—	(668)	—
Change in fund value	2,292	(309)	(303)	76	(76)	1,680
Balance at 3/31/2024	\$ 308,639	\$ 64,104	\$ 24,476	\$ 25,641	\$ 5,479	\$ 428,339

The components of our AUM are presented below (\$ in billions):



(1) Includes \$14.1 billion and \$14.7 billion of AUM of funds from which we indirectly earn management fees as of March 31, 2025 and 2024, respectively, and includes \$5.2 billion and \$4.1 billion of non-fee paying AUM from our general partner and employee commitments as of March 31, 2025 and 2024, respectively.

Please refer to “— Results of Operations by Segment” for a more detailed presentation of AUM by segment for each of the periods presented.

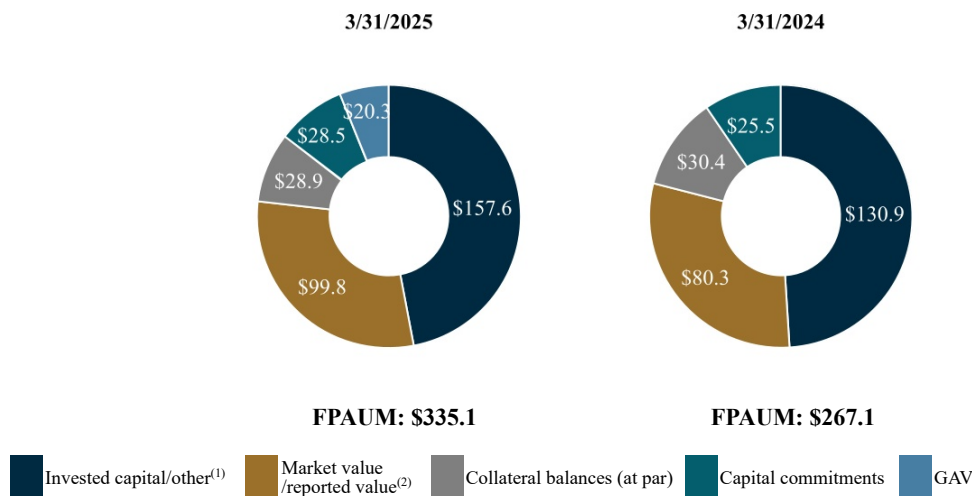
Fee Paying Assets Under Management

FPAUM refers to AUM from which we directly earn management fees and is equal to the sum of all the individual fee bases of our funds that directly contribute to our management fees.

The tables below present rollforwards of our total FPAUM by segment (\$ in millions):

	Credit Group	Real Assets Group	Private Equity Group	Secondaries Group	Other Businesses	Total
Balance at 12/31/2024	\$ 209,145	\$ 44,088	\$ 11,427	\$ 22,401	\$ 5,492	\$ 292,553
Acquisitions	—	30,467	—	—	—	30,467
Commitments	6,478	1,068	—	1,053	1,036	9,635
Deployment/subscriptions/increase in leverage	7,731	1,509	17	257	253	9,767
Capital reductions	(3,610)	(42)	—	—	—	(3,652)
Distributions	(3,294)	(1,403)	—	(59)	(138)	(4,894)
Redemptions	(448)	(159)	—	(23)	—	(630)
Net allocations among investment strategies	1,172	—	—	—	(1,172)	—
Change in fund value	1,420	280	(1)	(159)	119	1,659
Change in fee basis	(363)	617	(91)	—	—	163
Balance at 3/31/2025	\$ 218,231	\$ 76,425	\$ 11,352	\$ 23,470	\$ 5,590	\$ 335,068
Balance at 12/31/2023	\$ 185,280	\$ 41,338	\$ 13,124	\$ 19,040	\$ 3,575	\$ 262,357
Acquisitions	—	—	—	—	55	55
Commitments	3,778	296	—	900	1,321	6,295
Deployment/subscriptions/increase in leverage	7,221	862	—	61	—	8,144
Capital reductions	(2,764)	(12)	—	—	—	(2,776)
Distributions	(3,662)	(306)	—	(99)	(135)	(4,202)
Redemptions	(2,149)	(434)	(2)	—	—	(2,585)
Net allocations among investment strategies	886	—	—	—	(886)	—
Change in fund value	543	(404)	(19)	(2)	68	186
Change in fee basis	693	(504)	(538)	(9)	—	(358)
Balance at 3/31/2024	\$ 189,826	\$ 40,836	\$ 12,565	\$ 19,891	\$ 3,998	\$ 267,116

The charts below present FPAUM by its fee bases (\$ in billions):

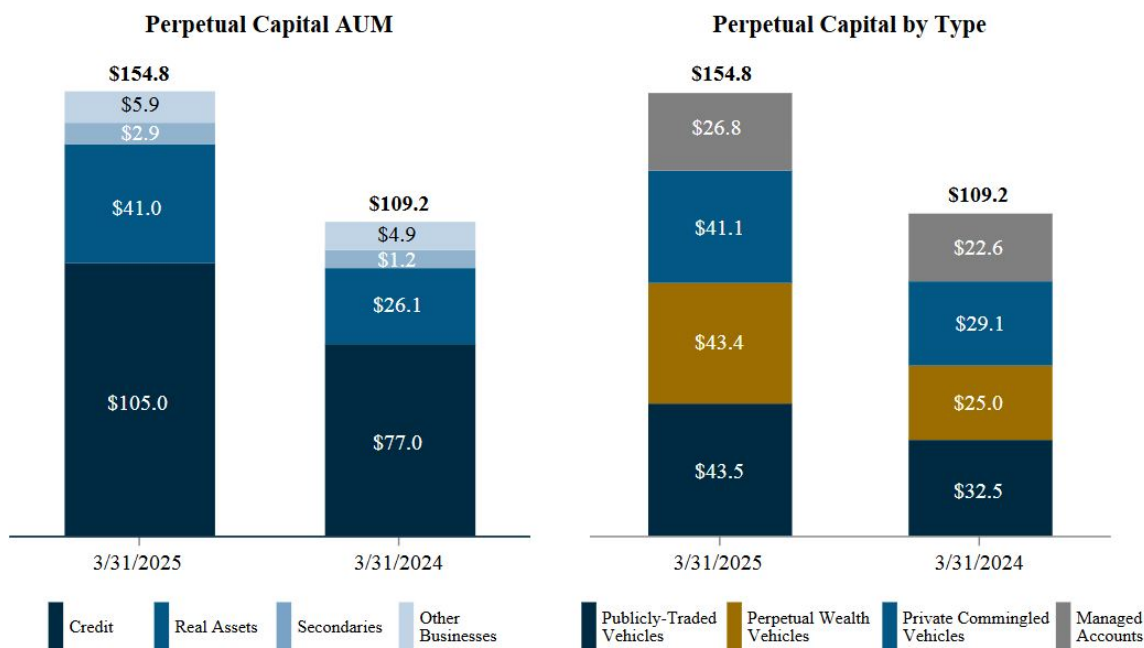


- (1) Other consists of ACRE’s FPAUM, which is based on ACRE’s stockholders’ equity.
- (2) Includes \$76.7 billion and \$60.3 billion from funds that primarily invest in illiquid strategies as of March 31, 2025 and 2024, respectively. The underlying investments held in these funds are generally subject to less market volatility than investments held in liquid strategies.

Please refer to “— Results of Operations by Segment” for detailed information by segment of the activity affecting total FPAUM for each of the periods presented.

Perpetual Capital Assets Under Management

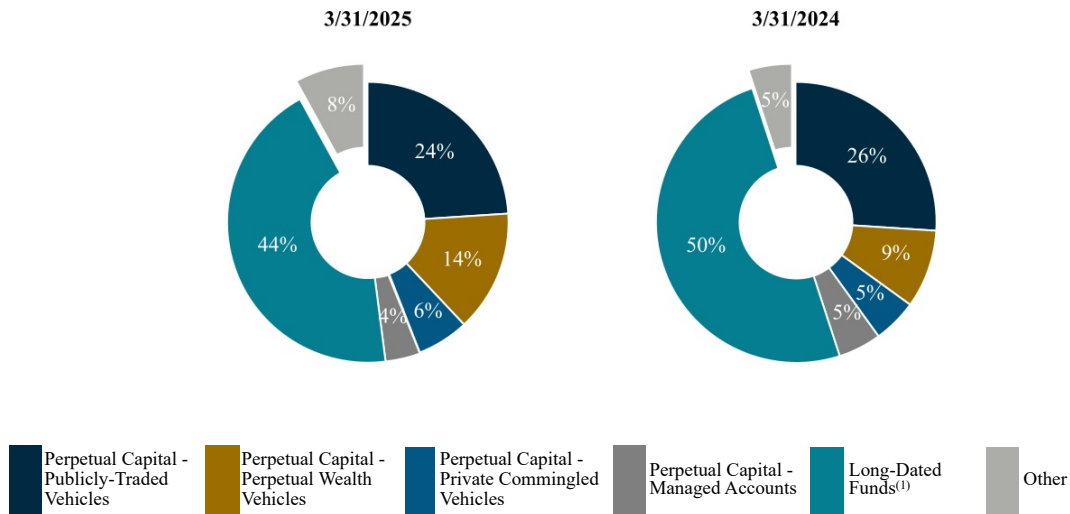
The chart below presents our perpetual capital AUM by segment and type (\$ in billions):



Management Fees By Type

We view the duration of funds we manage as a metric to measure the stability of our future management fees. For the three months ended March 31, 2025 and 2024, 92% and 95%, respectively, of management fees were earned from perpetual capital or long-dated funds.

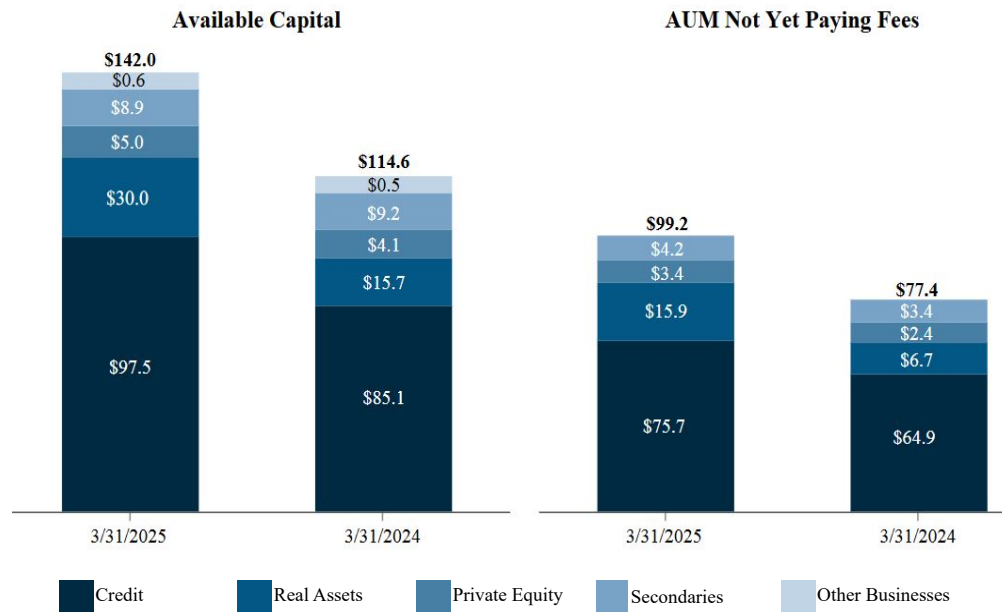
The charts below present the composition of our segment management fees by the initial fund duration:



(1) Long-dated funds generally have a contractual life of five years or more at inception.

Available Capital and Assets Under Management Not Yet Paying Fees

The charts below present our available capital and AUM not yet paying fees by segment (\$ in billions):

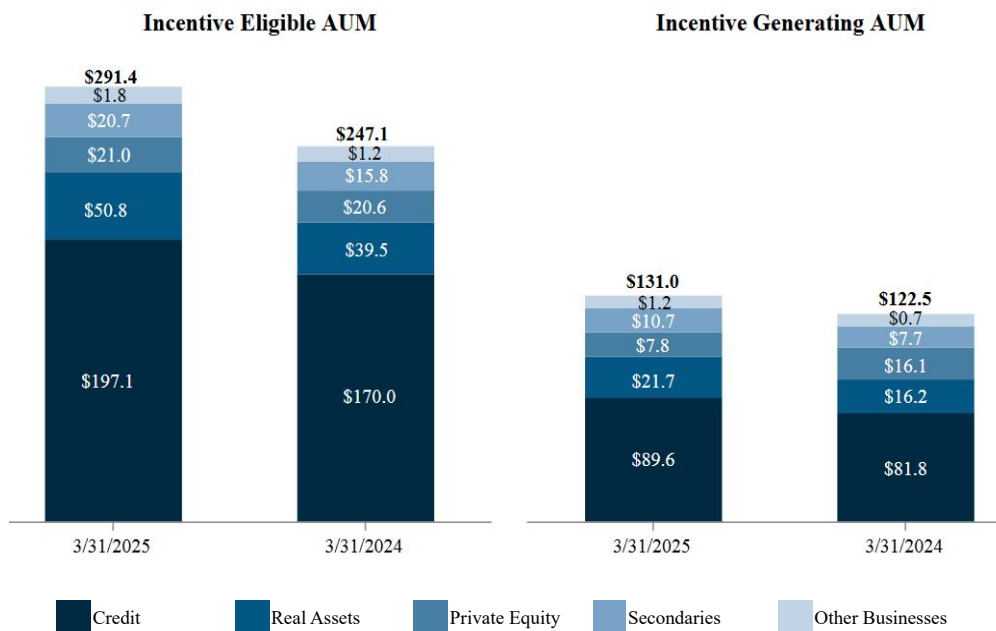


As of March 31, 2025, AUM Not Yet Paying Fees includes \$81.5 billion of AUM available for future deployment that could generate approximately \$764.4 million in potential incremental annual management fees, which represents 29% embedded gross base management fee growth upon deployment. As of March 31, 2024, AUM Not Yet Paying Fees included \$64.6 billion of AUM available for future deployment that could generate approximately \$621.5 million in potential incremental annual management fees. Development assets not yet stabilized represents fund assets that are in the development

stage. Upon completion of development, management fees generally increase with a change in fee base, in fee rate or both. As of March 31, 2025, development assets not yet stabilized could generate approximately \$22.7 million in potential incremental annual management fees.

Incentive Eligible Assets Under Management and Incentive Generating Assets Under Management

The charts below present our IEAUM and IGAUM by segment (\$ in billions):



Fee related performance revenues are not recognized by us until such fees are crystallized and no longer subject to reversal. As of March 31, 2025, perpetual capital IGAUM that could potentially result in crystallized fee related performance revenues totaled \$25.7 billion, composed of \$19.5 billion within the Credit Group, \$3.5 billion within the Real Assets Group and \$2.7 billion within the Secondaries Group. As of March 31, 2024, perpetual capital IGAUM that could potentially result in crystallized fee related performance revenues totaled \$19.2 billion, composed of \$18.2 billion within the Credit Group and \$1.0 billion within the Secondaries Group. As of March 31, 2025 and 2024, IGAUM included \$37.9 billion and \$37.6 billion, respectively, of AUM from funds generating incentive income that is not recognized by Ares until such fees are crystallized or no longer subject to reversal.

Fund Performance Metrics

Fund performance information for our funds considered to be “significant funds” is included throughout this discussion with analysis to facilitate an understanding of our results of operations for the periods presented. Our significant funds are commingled funds that either contributed at least 1% of our total management fees or comprised at least 1% of our total FPAUM for each of the last two consecutive quarters. In addition to management fees, each of our significant funds may generate carried interest or incentive fees upon the achievement of performance hurdles. The fund performance information reflected in this discussion and analysis is not indicative of our overall performance. An investment in Ares is not an investment in any of our funds. Past performance is not indicative of future results. As with any investment, there is always the potential for gains as well as the possibility of losses. There can be no assurance that any of these funds or our other existing and future funds will achieve similar returns.

Fund performance metrics for significant funds may be marked as “NM” as they may not be considered meaningful due to the limited time since the initial investment and/or early stage of capital deployment.

To further facilitate an understanding of the impact a significant fund may have on our results, we present our drawdown funds as either harvesting investments or deploying capital to indicate the fund’s stage in its life cycle. A fund harvesting investments is past its investment period and opportunistically seeking to monetize investments, while a fund deploying capital is generally seeking new investment opportunities.

Components of Consolidated Results of Operations

GCP Acquisition Overview

On March 1, 2025, we completed the acquisition of the international business of GLP Capital Partners Limited and certain of its affiliates, excluding its operations in Greater China (“GCP International”), and existing capital commitments to certain managed funds (such acquisition of GCP International and the capital commitments, the “GCP Acquisition”). The GCP Acquisition adds complementary real estate and digital infrastructure investment capabilities and expands the Company’s geographic presence. The activities of GCP International are included within the Real Assets Group segment.

The GCP Acquisition adds geographic exposure in Asia with a significant logistics platform in Japan, logistics platforms in emerging economies such as Brazil and Vietnam and an expanded presence in Europe and the U.S. The GCP Acquisition has broadened our vertically integrated operating and development capabilities across sectors and regions. We anticipate that the size and composition of fees earned, particularly our other fees, will be impacted by these expanded capabilities.

The activities of GCP International are reflected within our results of operations beginning on March 1, 2025. Therefore, our analysis compared to the prior year period will lack comparability, particularly in our Real Assets Group segment. Because the activities of GCP International represent one month of activity within the current quarter, we will separately discuss the significant impact of the GCP Acquisition within our discussion of our results of operations.

In addition, various components of the agreed upon purchase price for the GCP Acquisition are required to be accounted for as compensation because the payments were made to certain individuals that became Ares employees on March 1, 2025. Because they are required to be accounted for as compensation, these amounts have been excluded from purchase consideration and will have a varying impact on our results of operations in the current quarter as well as in future periods. Following the integration period, we expect to generate cost savings as we begin to execute on synergy opportunities.

In connection with the GCP Acquisition, we also entered into contingent compensation arrangements with the sellers and with certain of its professionals that became Ares employees. The portion of the arrangements that are attributable to the sellers represents a component of purchase consideration that will be accounted for as contingent consideration. The portion of the arrangements that are attributable to the professionals that became Ares employees requires continued service through the measurement periods and will be accounted for as compensation. These arrangements will have a varying impact on our results of operations in the current quarter as well as in future periods that is dependent on these classifications as well as the expected attainment of the measurement criteria.

For further discussion, see “Item 2. Management’s Discussion and Analysis of Financial Condition and Results of Operations—Consolidated Results of Operations of the Company” as well as “Note 3. Business Combinations” and “Note 8. Commitments and Contingencies” within our unaudited condensed consolidated financial statements.

Revenues

The following is an overview of our fee arrangements by strategy that were impacted as a result of the GCP Acquisition.

Management Fees. Details regarding our management fees from J-REIT are presented below:

Vehicle	Strategy	Annual Fee Rate and Fee Base
Real Assets Group		
J-REIT	Real Estate	<ul style="list-style-type: none"> • Comprised of multiple components, including: <ul style="list-style-type: none"> ◦ 0.18% on GAV (“J-REIT Fee I”) ◦ 3.50% on net operating income (“J-REIT Fee II”) ◦ Sum of J-REIT Fee I and J-REIT Fee II, multiplied by 0.033% on earnings per outstanding investment unit

Details regarding our management fees by strategy, excluding J-REIT described above, are presented below:

Strategy	Fee Rate	Fee Base	Average Remaining Contract Term ⁽¹⁾
Real Assets Group			
Real Estate ⁽²⁾	0.45% - 1.50%	Capital commitments, invested capital, GAV, NAV, aggregate cost basis of unrealized portfolio investments or a combination thereof	5.2 years
Infrastructure	1.00% - 1.50%	Capital commitments, invested capital, GAV or NAV	5.5 years

- (1) Represents the average remaining contract term pursuant to the funds’ governing documents within each strategy, excluding perpetual capital vehicles, as of March 31, 2025.
- (2) Following the expiration or termination of the investment period the basis on which management fees are earned for certain closed-end funds in this strategy changes from committed capital to invested capital with no change in the management fee rate. In addition, certain real estate funds pay a management fee of 7.50% of net operating income. For these funds, we present an effective fee rate as a percentage of GAV.

Incentive Fees. Details regarding our fee related performance revenues, excluding publicly-traded and perpetual wealth vehicles, are presented below:

Strategy	Fee Rate	Fee Base	Annual Hurdle Rate
Real Assets Group			
Real Estate	20.0%	Incentive eligible fund’s profits	6.0%

Carried Interest Allocation. Details regarding our carried interest, which is generally based on a fund’s eligible profits, are presented below:

Strategy	Fee Rate	Annual Hurdle Rate
Real Assets Group		
Infrastructure	15.0% - 20.0%	7.0% - 10.0%

Administrative, Transaction and Other Fees. Details regarding our other fees are presented below:

Other fees:	
Property-related fees represent fees earned within our real estate strategy and include the following:	
Acquisition fees	Based on a percentage of a property’s cost at the time of property acquisition
Development fees	Based on a percentage of costs to develop a property
Leasing fees	Based on a percentage of rental income at lease inception or lease renewal
Property management fees	Based on tenancy of properties over the time associated property management services are provided

See “Item 7. Management’s Discussion and Analysis of Financial Condition and Results of Operations—Components of Consolidated Results of Operations” in our Annual Report on Form 10-K for the year ended December 31, 2024 for a comprehensive overview of the components of our consolidated results of operations, including an overview of fee arrangements for other strategies that were not impacted as a result of the GCP Acquisition.

Consolidation and Deconsolidation of Ares Funds

Consolidated Funds represented approximately 3% of our AUM as of March 31, 2025 and 2% of total revenues for the three months ended March 31, 2025. As of March 31, 2025, we consolidated 27 CLOs, 11 private funds and one SPAC, and as of March 31, 2024, we consolidated 28 CLOs, 10 private funds and one SPAC.

The activity of the Consolidated Funds is reflected within the unaudited condensed consolidated financial statement line items indicated by reference thereto. The impact of consolidation also typically will decrease management fees, carried interest allocation and incentive fees reported under GAAP to the extent these amounts are eliminated upon consolidation.

The assets and liabilities of our Consolidated Funds are held within separate legal entities and, as a result, the liabilities of our Consolidated Funds are typically non-recourse to us. Generally, the consolidation of our Consolidated Funds has a significant gross-up effect on our assets, liabilities and cash flows but has no net effect on the net income attributable to us or our stockholders' equity, except where accounting for a redemption or liquidation preference requires the reallocation of ownership based on specific terms of a profit sharing agreement. The net economic ownership interests of our Consolidated Funds, to which we have no economic rights, are reflected as redeemable and non-controlling interests in the Consolidated Funds within our unaudited condensed consolidated financial statements. Redeemable interest in Consolidated Funds represent the shares issued by our SPACs that are redeemable for cash by the public shareholders in the event that the SPAC does not complete a business combination or tender offer associated with shareholder approval provisions.

We generally deconsolidate funds and CLOs when we are no longer deemed to have a controlling interest in the entity. During the three months ended March 31, 2025 and 2024, we did not deconsolidate any entities.

The performance of our Consolidated Funds is not necessarily consistent with, or representative of, the combined performance trends of all of our funds.

For the actual impact that consolidation had on our results and further discussion on consolidation and deconsolidation of funds, see "Note 15. Consolidation" within our unaudited condensed consolidated financial statements included herein.

Results of Operations

Consolidated Results of Operations

Although the consolidated results presented below include the results of our operations together with those of the Consolidated Funds and other joint ventures, we separate our analysis of those items primarily impacting the Company from those of the Consolidated Funds.

The following table presents our summarized consolidated results of operations (\$ in thousands):

	Three months ended March 31,		Favorable (Unfavorable)	
	2025	2024	\$ Change	% Change
Total revenues	\$ 1,088,805	\$ 707,363	\$ 381,442	54%
Total expenses	(1,014,328)	(538,493)	(475,835)	(88)
Total other income, net	66,561	62,178	4,383	7
Less: Income tax expense	17,537	27,233	9,696	36
Net income	123,501	203,815	(80,314)	(39)
Less: Net income attributable to non-controlling interests in Consolidated Funds	55,977	66,716	(10,739)	(16)
Net income attributable to Ares Operating Group entities	67,524	137,099	(69,575)	(51)
Less: Net income attributable to redeemable interest in Ares Operating Group entities	316	73	243	NM
Less: Net income attributable to non-controlling interests in Ares Operating Group entities	20,038	63,999	(43,961)	(69)
Net income attributable to Ares Management Corporation	47,170	73,027	(25,857)	(35)
Less: Series B mandatory convertible preferred stock dividends declared	25,313	—	25,313	NM
Net income attributable to Ares Management Corporation Class A and non-voting common stockholders	\$ 21,857	\$ 73,027	(51,170)	(70)

Three Months Ended March 31, 2025 Compared to Three Months Ended March 31, 2024

Consolidated Results of Operations of the Company

The following discussion sets forth information regarding our consolidated results of operations:

Revenues

Revenues	Three months ended March 31,		Favorable (Unfavorable)	
	2025	2024	\$ Change	% Change
Management fees	\$ 816,987	\$ 687,692	\$ 129,295	19%
Carried interest allocation	160,008	(32,478)	192,486	NM
Incentive fees	32,048	8,667	23,381	270
Principal investment income	21,998	7,050	14,948	212
Administrative, transaction and other fees	57,764	36,432	21,332	59
Total revenues	\$ 1,088,805	\$ 707,363	381,442	54

Management Fees. Within the Credit Group, capital raised by our publicly-traded and perpetual wealth vehicles contributed to an increase in management fees of \$41.6 million for the three months ended March 31, 2025 compared to the same period in 2024. Capital deployment in private funds within our direct lending and alternative credit strategies led to a rise in FPAUM, contributing to an increase in management fees of \$23.4 million for the three months ended March 31, 2025 compared to the same period in 2024. Part I Fees increased by \$15.1 million for the three months ended March 31, 2025 compared to the same period in 2024. The increase in Part I Fees was primarily due to the increase in pre-incentive fee net investment income generated by ASIF, CADC and our open-ended European direct lending fund, driven by an increase in the average size of their portfolios. Within the Real Assets Group, funds that we manage as a result of the GCP Acquisition and the acquisition of Walton Street Capital Mexico S. de R.L. de C.V. and certain of its affiliates (“WSM”) (“WSM Acquisition”), generated \$29.4 million in additional management fees for the three months ended March 31, 2025. For detail regarding the fluctuations of management fees within each of our segments, see “—Results of Operations by Segment.”

Carried Interest Allocation. The following table sets forth carried interest allocation by segment (\$ in millions):

	Three months ended March 31,	
	2025	2024
Credit funds	\$ 130.7	\$ 219.6
Real Assets funds	3.2	(6.9)
Private Equity funds	37.0	(236.4)
Secondaries funds	(10.9)	(8.8)
Carried interest allocation	\$ 160.0	\$ (32.5)

The activity was principally composed of the following:

Three months ended March 31, 2025	Three months ended March 31, 2024
Credit funds	Credit funds
<ul style="list-style-type: none"> Primarily from four direct lending funds, one opportunistic credit fund and two alternative credit funds with \$37.8 billion of IGAUM generating returns in excess of their hurdle rates: <ul style="list-style-type: none"> Within our direct lending funds, Ares Capital Europe V, L.P. (“ACE V”), Ares Private Credit Solutions II, L.P. (“PCS II”) and Ares Capital Europe VI, L.P. (“ACE VI”) generated carried interest allocation of \$46.3 million, \$13.0 million and \$26.6 million, respectively, driven by net investment income on an increasing invested capital base. Ares Capital Europe IV, L.P. (“ACE IV”) generated carried interest allocation of \$13.3 million driven by net investment income during the period Within our opportunistic credit funds, Ares Special Opportunities Fund II, L.P. (“ASOF II”) generated carried interest allocation of \$21.0 million, driven by improved operating performance metrics from portfolio companies that operate in the services and retail industries Within our alternative credit funds, Ares Pathfinder Fund, L.P. (“Pathfinder I”) and Ares Pathfinder Fund II, L.P. (“Pathfinder II”) generated carried interest allocation of \$10.1 million and \$21.6 million, respectively, driven by market appreciation of certain investments and net investment income during the period Reversal of unrealized carried interest allocation of \$27.0 million and \$24.7 million from Ares Special Situations Fund IV, L.P. (“SSF IV”) and Ares Special Opportunities Fund, L.P. (“ASOF I”), respectively, primarily due to the market depreciation of their investment in Savers Value Village, Inc. (“SVV”), driven by its lower stock price 	<ul style="list-style-type: none"> Primarily from four direct lending funds, one alternative credit fund and three opportunistic credit funds with \$35.8 billion of IGAUM generating returns in excess of their hurdle rates: <ul style="list-style-type: none"> Within our direct lending funds, PCS II, ACE V and ACE VI generated carried interest allocation of \$71.3 million, \$39.7 million and \$7.7 million, respectively, driven by net investment income on an increasing invested capital base. ACE IV generated carried interest allocation of \$15.7 million driven by net investment income during the period Within our opportunistic credit funds, ASOF II generated carried interest allocation of \$30.4 million, driven by improving operating performance of portfolio companies that operate in the retail and healthcare industries. SSF IV and ASOF I generated carried interest allocation of \$29.8 million and \$12.4 million, respectively, primarily due to market appreciation of their investment in SVV driven by its higher stock price Within our alternative credit funds, Pathfinder I generated carried interest allocation of \$7.7 million driven by market appreciation of certain investments and net investment income during the period
Real Assets funds	Real Assets funds
<ul style="list-style-type: none"> Ares Infrastructure Debt Fund V, L.P. (“IDF V”) generated carried interest allocation of \$10.3 million, driven by net investment income during the period Carried interest allocation of \$5.1 million and \$1.6 million generated from two U.S. real estate equity funds and Ares Energy Investors Fund V, L.P. (“EIF V”), respectively, primarily due to appreciation of certain investments Reversal of unrealized carried interest allocation of \$1.3 million from Ares Climate Infrastructure Partners, L.P. (“ACIP I”) was driven by the lower valuation of certain investments 	<ul style="list-style-type: none"> Reversal of unrealized carried interest of \$10.8 million from two European real estate equity funds, \$4.4 million from Ares European Real Estate Fund IV SCSp. (“EF IV”) and \$3.0 million from Ares Real Estate Opportunity Fund III, L.P. (“AREOF III”), driven by lower valuations of certain office, hotel, retail and industrial properties IDF V generated carried interest allocation of \$12.8 million, driven by net investment income during the period
Private Equity funds	Private Equity funds
<ul style="list-style-type: none"> Ares Corporate Opportunities Fund VI, L.P. (“ACOF VI”) and Ares Corporate Opportunities Fund IV, L.P. (“ACOF IV”) generated carried interest allocation of \$42.7 million and \$6.6 million, respectively, primarily driven by improved operating performance metrics from portfolio companies that primarily operate in the healthcare, services, industrial and retail industries Reversal of unrealized carried interest allocation of \$13.1 million from a private equity fund driven by lower operating performance from portfolio companies that primarily operate in the industrial and service industries 	<ul style="list-style-type: none"> Reversal of unrealized carried interest allocation of \$244.3 million from Ares Corporate Opportunities Fund V, L.P. (“ACOF V”) was driven by lower operating performance metrics of certain portfolio companies that primarily operate in the healthcare and energy industries ACOF VI generated carried interest allocation of \$28.0 million, driven by appreciation across its investments in several portfolio companies that primarily operate in the services and retail industries and had positive operating performance during the period
Secondaries funds	Secondaries funds
<ul style="list-style-type: none"> Reversal of unrealized carried interest of \$10.9 million from Landmark Real Estate Fund VIII, L.P. (“LREF VIII”), primarily driven by the lower valuation of certain investments Reversal of unrealized carried interest of \$9.3 million from Landmark Equity Partners XVI, L.P. (“LEP XVI”), due to the lower valuation of certain investments Landmark Equity Partners XVII, L.P. (“LEP XVII”) generated carried interest allocation of \$6.0 million, driven by improved operating performance and appreciation of certain investments 	<ul style="list-style-type: none"> Reversal of unrealized carried interest of \$4.7 million and \$0.4 million from LEP XVI and LEP XVII, respectively, driven by depreciation across several investments

Incentive Fees. The following table sets forth incentive fees by segment (\$ in millions):

	Three months ended March 31,	
	2025	2024
Credit funds	\$ 21.9	\$ 2.0
Real Assets funds	0.4	3.7
Secondaries funds	9.7	3.0
Incentive fees	\$ 32.0	\$ 8.7

We earned higher incentive fees for the three months ended March 31, 2025 compared to the three months ended March 31, 2024 primarily from a European direct lending fund and from APMF. For further detail regarding the incentive fees within each of our segments, see discussion of fee related performance revenues and realized net performance income within “—Results of Operations by Segment.”

Principal Investment Income. For equity method investments where we serve as general partner, we present the activity of net realized and unrealized gains on investments and realized investment income together with net capital activity. The following tables present the change in fair value of our equity method investments where we serve as general partner (\$ in millions):

As of December 31, 2024		Activity during the period				As of March 31, 2025	
Cost Basis	Fair Value	Net Capital Activity	Change in Unrealized	Realized	Other Adjustments	Cost Basis	Fair Value
\$ 451.4	\$ 536.9	\$ 45.7	\$ 8.2	\$ 14.0	\$ (0.1)	\$ 514.1	\$ 604.7

The activity for the three months ended March 31, 2025 was primarily attributable to:

- Principal investment income, primarily due to: (i) realized gains generated from various real estate debt and U.S. real estate equity funds; and (ii) interest income from newly admitted investors in an insurance fund, where capital account balances are reallocated from existing investors in exchange for interest to compensate for carrying costs
- Net capital activities driven by investments made in various real estate funds, partially offset by the return of capital associated with an investment in a European real estate debt fund

As of December 31, 2023		Activity during the period			As of March 31, 2024	
Cost Basis	Fair Value	Net Capital Activity	Change in Unrealized	Realized	Cost Basis	Fair Value
\$ 453.3	\$ 535.3	\$ 2.8	\$ 1.1	\$ 6.0	\$ 461.6	\$ 545.2

The activity for the three months ended March 31, 2024 was primarily attributable to:

- Principal investment income, primarily due to interest income from newly admitted investors in an insurance fund
- Net capital activities from investments in European direct lending, alternative credit and infrastructure debt funds, partially offset by transfers of capital investments within APAC credit funds to employee co-investment vehicles

Administrative, Transaction and Other Fees. The increase for the three months ended March 31, 2025 compared to the same period in 2024 was primarily driven by incremental fees following the completion of the GCP Acquisition. GCP International enhances our vertically integrated capabilities in real estate which enables us to generate additional leasing, development and property management fees. These fees contributed \$13.6 million for the three months ended March 31, 2025.

The increase in fees over the comparative period was also driven by higher administrative service fees of \$3.9 million primarily from private funds within our Credit Group that are based on invested capital and from our perpetual wealth vehicles.

Expenses

Expenses	Three months ended March 31,		Favorable (Unfavorable)	
	2025	2024	\$ Change	% Change
Compensation and benefits	\$ 657,125	\$ 412,951	\$ (244,174)	(59)%
Performance related compensation	122,633	(50,532)	(173,165)	NM
General, administrative and other expenses	227,914	170,928	(56,986)	(33)
Expenses of Consolidated Funds	6,656	5,146	(1,510)	(29)
Total expenses	\$ 1,014,328	\$ 538,493	(475,835)	(88)

Compensation and Benefits. In connection with the GCP Acquisition, various components of the agreed upon purchase price are required to be accounted for as compensation because the payments were made to certain individuals that became Ares employees following the GCP Acquisition. The GCP Acquisition contributed \$151.0 million in incremental compensation and benefits for the three months ended March 31, 2025. The current quarter included equity-based compensation expense of \$119.1 million from newly issued equity awards, including \$108.8 million from the immediately vested portion of these awards. The three months ended March 31, 2025 also included: (i) one month of employment related costs of \$17.9 million; (ii) other compensation costs of \$8.8 million that were settled in cash at the close of the GCP Acquisition; and (iii) compensation expense of \$5.2 million for certain contingent compensation arrangements established in connection with the GCP Acquisition. See “Note 8. Commitments and Contingencies” within our unaudited condensed consolidated financial statements for a further description of the contingent liabilities related to the GCP Acquisition arrangements.

Compensation and benefits, excluding the impact from the GCP Acquisition, increased by \$93.2 million or 23% for the three months ended March 31, 2025 compared to the same period in 2024. The increase in expenses reflects the continued growth in salary and benefits for increased staff levels. The most significant expense increases were equity-based compensation, salary expense and payroll-related taxes. Equity-based compensation expense increased by \$46.5 million from the prior year period as a result of newly issued unvested awards, magnified by our increased stock price. In addition, we accelerated expense for certain awards requiring no future service as retirement provisions have been achieved. These provisions increased expense by \$25.0 million and \$17.4 million for the three months ended March 31, 2025 and 2024, respectively.

The increase in compensation and benefits for the three months ended March 31, 2025 compared to the same period in 2024 was also driven by: (i) an increase in payroll-related taxes of \$17.2 million, primarily due to the higher stock price associated with equity awards that vested during the current quarter; and (ii) an increase in salary expense of \$12.7 million primarily attributable to headcount growth to support the expansion of our business.

Average headcount increased by 22% to 3,504 professionals for the year-to-date period in 2025 from 2,868 professionals in 2024. The acquisition of GCP International added 950 professionals to our period end headcount as of March 31, 2025, which represents an average of 316 professionals for the year-to-date period.

For detail regarding the fluctuations of compensation and benefits within each of our segments see “—Results of Operations by Segment.”

Performance Related Compensation. Changes in performance related compensation are directly associated with the changes in carried interest allocation and incentive fees described above and include associated payroll-related taxes as well as carried interest and incentive fees allocated to charitable organizations as part of our philanthropic initiatives. Performance related compensation generally represents 60% to 80% of carried interest allocation and incentive fees recognized before giving effect to payroll taxes and will vary based on the mix of funds generating carried interest allocation and incentive fees for that period.

General, Administrative and Other Expenses. The GCP Acquisition has contributed \$50.2 million in general, administrative and other expenses to the three months ended March 31, 2025. These expenses were driven by: (i) acquisition-related costs of \$33.7 million; (ii) amortization expense of \$8.8 million for the three months ended March 31, 2025 related to the intangible assets recorded in connection with the GCP Acquisition; and (iii) one month of operating costs of \$7.7 million, including temporary transition services agreement in connection with the GCP Acquisition of \$1.5 million. The impact from the GCP Acquisition has been excluded from the discussion below.

General, administrative and other expenses, excluding the impact from the GCP Acquisition, increased by \$6.8 million or 4% for the three months ended March 31, 2025 compared to the same period in 2024. The increase in expenses reflects the

continued growth to support staff levels and fundraising activities. The most significant expense increases were marketing costs, occupancy costs, information services costs and information technology costs.

Marketing costs include supplemental distribution fees and placement fees. Supplemental distribution fees increased by \$8.7 million for the three months ended March 31, 2025 compared to the same period in 2024 primarily due to ongoing development of our distribution relationships and expansion of our wealth product offerings, and also due to increases in sales volumes and net asset value of our wealth products. Conversely, placement fee expense decreased by \$5.0 million for the three months ended March 31, 2025 compared to the same period in 2024. The activity for the three months ended March 31, 2025 primarily included placement fee expense of \$5.6 million due to new commitments to our third opportunistic credit fund, while the three months ended March 31, 2024 primarily included placement fee expense of \$9.1 million due to new commitments to Ares Senior Direct Lending Fund III, L.P. (“SDL III”).

In addition, occupancy costs, information services and information technology costs collectively increased by \$7.9 million for the three months ended March 31, 2025 compared to the same period in 2024. The increases in these expenses were primarily to support our growing headcount and the expansion of our business, with occupancy costs also being impacted by the expansion of our New York office.

Other Income (Expense)

	Three months ended March 31,		Favorable (Unfavorable)	
	2025	2024	\$ Change	% Change
Other income (expense)				
Net realized and unrealized gains on investments	\$ 268	\$ 10,516	\$ (10,248)	(97)%
Interest and dividend income	17,656	5,382	12,274	228
Interest expense	(36,387)	(37,824)	1,437	4
Other income (expense), net	(10,714)	270	(10,984)	NM
Net realized and unrealized gains on investments of Consolidated Funds	88,406	34,424	53,982	157
Interest and other income of Consolidated Funds	160,072	257,276	(97,204)	(38)
Interest expense of Consolidated Funds	(152,740)	(207,866)	55,126	27
Total other income, net	\$ 66,561	\$ 62,178	4,383	7

Net Realized and Unrealized Gains on Investments; Interest and Dividend Income. For investments where we do not serve as general partner, we present the activity of net realized and unrealized gains on investments and interest and dividend income together with net capital activity. The following tables present the change in fair value of these investments (\$ in millions):

As of December 31, 2024			Activity during the period				As of March 31, 2025	
Cost Basis	Fair Value	Net Capital Activity	Net Realized and Unrealized Gains (Losses)	Interest and Dividend Income	Other Adjustments	Cost Basis	Fair Value	
\$ 514.3	\$ 616.3	\$ 96.3	\$ 0.3	\$ 17.6	\$ 0.4	\$ 629.6	\$ 730.9	

The activity for the three months ended March 31, 2025 was primarily attributable to:

- Interest and dividend income, primarily due to: (i) interest income generated from our investments in CLOs; and (ii) \$11.9 million of interest income earned from treasury-backed securities. Such treasury-backed securities were sold during the first quarter of 2025 and the proceeds from the sale were used to fund the GCP Acquisition. The interest income earned from treasury-backed securities will subside in future periods following the sale of these treasury-backed securities
- Net capital activities driven by investments made in various real estate funds and in our open-ended infrastructure fund, partially offset by the collection of principal associated with loans that we made within our real estate strategy

As of December 31, 2023			Activity during the period				As of March 31, 2024	
Cost Basis	Fair Value	Net Capital Activity	Net Realized and Unrealized Gains (Losses)	Interest and Dividend Income	Other Adjustments	Cost Basis	Fair Value	
\$ 591.1	\$ 675.1	\$ (112.1)	\$ 10.5	\$ 5.4	\$ (0.4)	\$ 481.7	\$ 578.5	

The activity for the three months ended March 31, 2024 was primarily attributable to:

- Unrealized gains from our strategic investments in a U.S. energy company, primarily as a result of the increase in value of our various common and preferred equity investments, as well as unrealized gains on our investments from: (i) APMF; (ii) certain strategic investments in a company that manages real estate owned properties; partially offset by (iii) unrealized losses from our strategic investment in a non-core insurance related investment and a company that manages portfolios of non-performing loans
- Interest and dividend income, primarily due to interest income generated from our investments in CLOs
- Net capital activity driven by the collection of principal associated with loans that we made within our real estate strategy

Interest Expense. Interest expense decreased for the three months ended March 31, 2025 compared to the same period in 2024 primarily because savings from the reduction in use of our Credit Facility exceeded the collective interest expense associated with our term debt obligations. The balance of our Credit Facility will vary with needs.

Other Income (Expense), Net. The activity for the three months ended March 31, 2025 and 2024 included transaction gains (losses) associated with currency fluctuations impacting the revaluation of assets and liabilities denominated in foreign currencies other than an entity's functional currency. Transaction losses for the three months ended March 31, 2025 were primarily attributable to the U.S. dollar weakening against the British Pound and Euro and the associated impact on entities with functional currencies other than the U.S. dollar.

The purchase agreement in connection with the WSM Acquisition contains contingent consideration that is dependent on the achievement of revenue targets from the fundraising of a real estate equity fund and certain revenue targets associated with growing revenue sources from new business ventures. Other income (expense), net includes \$2.3 million of expenses from the revaluation of these contingent liabilities for the three months ended March 31, 2025.

Income Tax Expense

	Three months ended March 31,		Favorable (Unfavorable)	
	2025	2024	\$ Change	% Change
Income before taxes	\$ 141,038	\$ 231,048	\$ (90,010)	(39)%
Less: Income tax expense	17,537	27,233	9,696	36
Net income	\$ 123,501	\$ 203,815	(80,314)	(39)

The decrease in income tax expense was attributable to lower pre-tax income allocable to AMC for the three months ended March 31, 2025 compared to the same period in 2024 as the income attributed to redeemable and non-controlling interests is generally passed through to partners and not subject to corporate income taxes. As income tax expense also includes any taxes accrued in foreign or local jurisdictions, the calculation of total income taxes is sensitive to any changes in income subject to tax at the entity level.

The calculation of income taxes is also sensitive to any changes in weighted average daily ownership. The following table summarizes weighted average daily ownership:

	Three months ended March 31,	
	2025	2024
AMC common stockholders	65.77 %	62.32 %
Non-controlling AOG unitholders	34.23	37.68

The change in ownership compared to the prior year period was primarily driven by the issuances of shares of Class A common stock in connection with exchanges of Ares Operating Group Units ("AOG Units"), the GCP Acquisition, the public offering that closed during the second quarter of 2024 (the "Offering") and vesting of restricted unit awards.

Redeemable and Non-Controlling Interests

	Three months ended March 31,		Favorable (Unfavorable)	
	2025	2024	\$ Change	% Change
Net income	\$ 123,501	\$ 203,815	\$ (80,314)	(39)%
Less: Net income attributable to non-controlling interests in Consolidated Funds	55,977	66,716	(10,739)	(16)
Net income attributable to Ares Operating Group entities	67,524	137,099	(69,575)	(51)
Less: Net income attributable to redeemable interest in Ares Operating Group entities	316	73	243	NM
Less: Net income attributable to non-controlling interests in Ares Operating Group entities	20,038	63,999	(43,961)	(69)
Net income attributable to Ares Management Corporation	47,170	73,027	(25,857)	(35)
Less: Series B mandatory convertible preferred stock dividends declared	25,313	—	(25,313)	NM
Net income attributable to Ares Management Corporation Class A and non-voting common stockholders	\$ 21,857	\$ 73,027	(51,170)	(70)

The change in net income attributable to non-controlling interests in AOG entities compared to the prior year was a result of the respective changes in income before taxes and weighted average daily ownership, as presented above.

Consolidated Results of Operations of the Consolidated Funds

The following table presents the results of operations of the Consolidated Funds (\$ in thousands):

	Three months ended March 31,		Favorable (Unfavorable)	
	2025	2024	\$ Change	% Change
Expenses of the Consolidated Funds	\$ (6,656)	\$ (5,146)	\$ (1,510)	(29)%
Net realized and unrealized gains on investments of Consolidated Funds	88,406	34,424	53,982	157
Interest and other income of Consolidated Funds	160,072	257,276	(97,204)	(38)
Interest expense of Consolidated Funds	(152,740)	(207,866)	55,126	27
Income before taxes	89,082	78,688	10,394	13
Less: Income tax expense (benefit) of Consolidated Funds	2,002	(1,130)	(3,132)	NM
Net income	87,080	79,818	7,262	9
Less: Revenues attributable to Ares Management Corporation eliminated upon consolidation	19,987	8,776	11,211	128
Other income, net attributable to Ares Management Corporation eliminated upon consolidation	(11,116)	(4,759)	6,357	134
General, administrative and other expense attributable to Ares Management Corporation eliminated upon consolidation	—	433	433	100
Net income attributable to non-controlling interests in Consolidated Funds	\$ 55,977	\$ 66,716	(10,739)	(16)

The results of operations of the Consolidated Funds primarily represent activities from certain funds that we are deemed to control. When a fund is consolidated, we reflect the revenues and expenses of the entity on a gross basis, subject to eliminations from consolidation. Substantially all of our results of operations related to the Consolidated Funds are attributable to ownership interests that third parties hold in those funds. The Consolidated Funds are not necessarily the same funds in each year presented due to changes in ownership, changes in limited partners' or investor rights, and the creation or termination of funds and entities. Accordingly, such amounts may not be comparable for the periods presented, and in any event have no material impact on net income attributable to Ares Management Corporation.

Segment Analysis

For segment reporting purposes, revenues and expenses are presented before giving effect to the results of our Consolidated Funds and the results attributable to non-controlling interests of joint ventures that we consolidate. As a result, segment revenues from management fees, fee related performance revenues, performance income and investment income are different than those presented on a consolidated basis in accordance with GAAP. Revenues recognized from Consolidated Funds are eliminated in consolidation and those attributable to the non-controlling interests of joint ventures have been excluded by us. Furthermore, expenses and the effects of other income (expense) are different than related amounts presented on a consolidated basis in accordance with GAAP due to the exclusion of the results of Consolidated Funds and the non-controlling interests of joint ventures.

Non-GAAP Financial Measures

We use Realized Income (“RI”) as a non-GAAP profit measure in making operating decisions, assessing performance and allocating resources. Fee Related Earnings (“FRE”) is a component of RI that excludes realized activities associated with investment income and performance income.

FRE and RI should be considered in addition to and not in lieu of, the results of operations, which are discussed further under “—Components of Consolidated Results of Operations” and are prepared in accordance with GAAP. We operate through our distinct operating segments. In the first quarter of 2025, we combined the presentation of real estate strategies and infrastructure strategies within Real Assets. Real estate includes Americas real estate equity, European real estate equity, APAC real estate equity and real estate debt. Americas real estate equity, which we had recently renamed from North American real estate equity, now includes the activities of Brazil following the GCP Acquisition. APAC real estate equity is newly established following the GCP Acquisition and primarily represents the activities in Japan and Vietnam. Infrastructure includes digital infrastructure, infrastructure opportunities and infrastructure debt. Digital infrastructure is newly established following the GCP Acquisition. The change in presentation did not result in any change to the historical composition of our segments.

Interest expense was historically allocated among our segments based only on the cost basis of our balance sheet investments. Beginning in the first quarter of 2025, we changed our interest expense allocation methodology to consider the growing sources of financing requirements, including the cost of acquisitions in addition to the cost basis of our balance sheet investments. Prior period amounts have been reclassified to conform to the current period presentation.

The following table sets forth FRE and RI by reportable segment and the OMG (\$ in thousands):

	Three months ended March 31,		Favorable (Unfavorable)	
	2025	2024	\$ Change	% Change
Fee Related Earnings:				
Credit Group	\$ 408,594	\$ 352,417	\$ 56,177	16%
Real Assets Group	74,279	46,518	27,761	60
Private Equity Group	14,307	15,371	(1,064)	(7)
Secondaries Group	40,584	25,605	14,979	59
Other	4,469	2,063	2,406	117
Operations Management Group	(174,957)	(140,304)	(34,653)	(25)
Fee Related Earnings	\$ 367,276	\$ 301,670	65,606	22
Realized Income:				
Credit Group	\$ 431,939	\$ 356,228	\$ 75,711	21%
Real Assets Group	87,597	43,939	43,658	99
Private Equity Group	10,227	11,557	(1,330)	(12)
Secondaries Group	39,671	17,586	22,085	126
Other	10,769	(262)	11,031	NM
Operations Management Group	(174,279)	(139,892)	(34,387)	(25)
Realized Income	\$ 405,924	\$ 289,156	116,768	40

Income before provision for income taxes is the GAAP financial measure most comparable to RI. The following table presents the reconciliation of income before taxes as reported within the Condensed Consolidated Statements of Operations to RI and FRE of the reportable segments and the OMG (\$ in thousands):

	Three months ended March 31,	
	2025	2024
Income before taxes	\$ 141,038	\$ 231,048
Adjustments:		
Depreciation and amortization expense	48,229	36,644
Equity compensation expense	257,862	92,421
Acquisition-related compensation expense ⁽¹⁾	21,999	5,504
Acquisition and merger-related expense	34,608	10,578
Placement fee adjustment	(6)	5,540
Other expense, net	2,526	131
Income before taxes of non-controlling interests in consolidated subsidiaries	(5,471)	(3,662)
Income before taxes of non-controlling interests in Consolidated Funds, net of eliminations	(57,979)	(65,586)
Total performance (income) loss—unrealized	(64,443)	45,476
Total performance related compensation—unrealized	40,550	(64,514)
Total net investment income—unrealized	(12,989)	(4,424)
Realized Income	405,924	289,156
Total performance income—realized	(125,448)	(23,181)
Total performance related compensation—realized	84,416	13,156
Total net investment loss—realized	2,384	22,539
Fee Related Earnings	\$ 367,276	\$ 301,670

(1) Represents bonus payments, contingent liabilities (“earnouts”) and other costs in connection with various acquisitions that are recorded as compensation expense and are presented within compensation and benefits within our Condensed Consolidated Statements of Operations.

For the specific components and calculations of these non-GAAP measures, as well as additional reconciliations to the most comparable measures in accordance with GAAP, see “Note 14. Segment Reporting” within our unaudited condensed consolidated financial statements included in this Quarterly Report on Form 10-Q. Discussed below are our results of operations for our reportable segments and the OMG.

Results of Operations by Segment

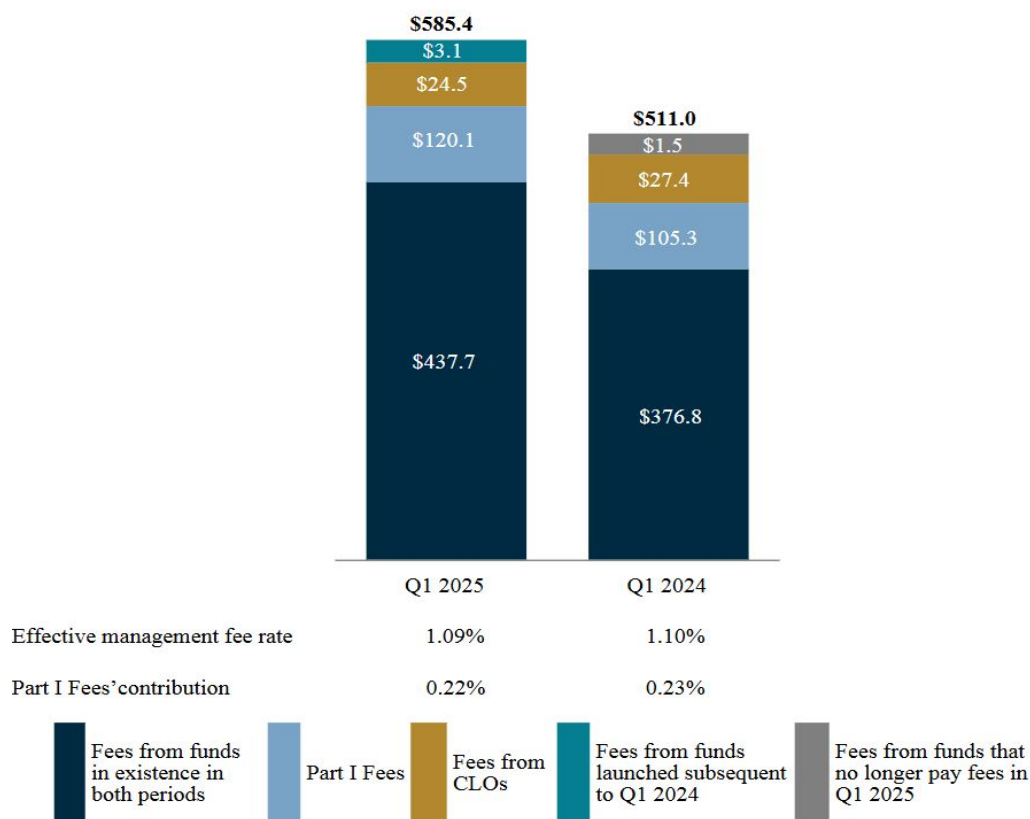
Credit Group—Three Months Ended March 31, 2025 Compared to Three Months Ended March 31, 2024

Fee Related Earnings

The following table presents the components of the Credit Group’s FRE (\$ in thousands):

	Three months ended March 31,		Favorable (Unfavorable)	
	2025	2024	\$ Change	% Change
Management fees	\$ 585,396	\$ 510,966	\$ 74,430	15%
Fee related performance revenues	18,395	755	17,640	NM
Other fees	10,598	9,911	687	7
Compensation and benefits	(164,747)	(134,849)	(29,898)	(22)
General, administrative and other expenses	(41,048)	(34,366)	(6,682)	(19)
Fee Related Earnings	\$ 408,594	\$ 352,417	56,177	16

Management Fees. The chart below presents Credit Group management fees and effective management fee rates (\$ in millions):



The following table presents the components of and causes for changes in the Credit Group's management fees for the three months ended March 31, 2025 compared to the prior year period (\$ in millions):

	Year-over-year Change
Perpetual capital vehicles:	
Fees from ARCC, ASIF and CADC, excluding Part I Fees, due to increases in the average portfolio size of their portfolios	\$ 34.9
Part I Fees from ASIF, CADC and our open-ended European direct lending fund driven by an increase in the average size of their portfolios	14.8
Fees from our open-ended European direct lending fund, excluding Part I Fees, due to the expiration of a fee waiver	5.2
Capital deployment in private funds:	
Fees from SDL III, ACE VI and Pathfinder II, Ares Senior Direct Lending Fund II, L.P. ("SDL II") and ASOF II	29.2
Distributions that reduced the fee base of ACE IV, ASOF I and Ares Senior Direct Lending Fund, L.P. ("SDL I") as the funds are past their investment periods	(11.3)
Cumulative effect of other changes	1.6
Total	\$ 74.4

The decrease in effective management fee rate for the three months ended March 31, 2025 compared to the three months ended March 31, 2024 was primarily attributable to deployment in certain funds within our U.S. direct lending and alternative credit strategies, which have effective management fee rates lower than the average effective management fee rate of funds within the Credit Group.

Fee Related Performance Revenues. The increase in fee related performance revenues for the three months ended March 31, 2025 compared to the three months ended March 31, 2024 was primarily attributable to higher incentive fees earned from a European direct lending fund that crystallized a deferred payment due to the restructuring of its hold back provisions during the first quarter of 2025.

Compensation and Benefits. The increase in compensation and benefits for the three months ended March 31, 2025 compared to the three months ended March 31, 2024 was primarily driven by (i) higher fee related performance compensation of \$12.8 million, corresponding to the increase in fee related performance revenues; (ii) an increase in payroll-related taxes of \$8.1 million, primarily due to the higher stock price associated with equity awards that vested during the current quarter; and (iii) higher Part I Fee compensation of \$6.4 million, corresponding to the increase in Part I Fees. For the three months ended March 31, 2025 and 2024, we reduced Part I Fee compensation by \$4.8 million and \$1.2 million, respectively, to reclaim a portion of the supplemental distribution fees that we paid to distribution partners.

Average headcount increased by 7% to 698 investment and investment support professionals for the year-to-date period in 2025 from 650 professionals in 2024 to support our growing direct lending and alternative credit platforms.

General, Administrative and Other Expenses. The increase in general, administrative and other expenses was primarily due to costs incurred to support distribution of shares in our perpetual wealth vehicles. Supplemental distribution fees were \$11.5 million for the three months ended March 31, 2025 and increased by \$6.5 million for the three months ended March 31, 2025 compared to the same period in 2024 as we continue to develop our distribution relationships and expand our wealth product offerings.

Additionally, certain expenses increased during the current period, including occupancy costs, information services and information technology costs. These expenses collectively increased by \$2.9 million for the three months ended March 31, 2025 compared to the same period in 2024 to support our growing headcount and the expansion of our business.

Realized Income

The following table presents the components of the Credit Group's RI (\$ in thousands):

	Three months ended March 31,		Favorable (Unfavorable)	
	2025	2024	\$ Change	% Change
Fee Related Earnings	\$ 408,594	\$ 352,417	\$ 56,177	16%
Performance income—realized	54,112	16,766	37,346	223
Performance related compensation—realized	(34,258)	(8,734)	(25,524)	(292)
Realized net performance income	19,854	8,032	11,822	147
Investment income—realized	5,379	1,765	3,614	205
Interest income	4,420	2,767	1,653	60
Interest expense	(6,308)	(8,753)	2,445	28
Realized net investment income (loss)	3,491	(4,221)	7,712	NM
Realized Income	\$ 431,939	\$ 356,228	75,711	21

The Credit Group's realized activities were principally composed of and caused by the following:

Three months ended March 31, 2025	Three months ended March 31, 2024
Realized net performance income	
Carried interest from:	Carried interest from:
<ul style="list-style-type: none"> Aggregate tax distributions of \$17.2 million primarily from ACE IV, ACE V and an alternative credit fund 	<ul style="list-style-type: none"> Aggregate tax distributions of \$4.3 million primarily from Ares Private Credit Solutions, L.P. ("PCS I") and an alternative credit fund
Incentive fees from:	Incentive fees from:
<ul style="list-style-type: none"> Incentive fees of \$1.0 million, primarily generated from a U.S. direct lending fund 	<ul style="list-style-type: none"> Incentive fees of \$1.6 million primarily from two U.S. direct lending funds and an alternative credit fund
Realized investment income and interest income	
<ul style="list-style-type: none"> Distributions of investment income of \$3.0 million generated from three liquid credit vehicles that are invested in the subordinated notes of CLOs and from our investment in SSF IV Interest income earned on treasury-backed securities of \$2.9 million Interest income generated from nine CLO investments of \$1.4 million 	<ul style="list-style-type: none"> Distributions of investment income of \$2.0 million generated from four liquid credit vehicles that are invested in the subordinated notes of CLOs Interest income generated from 14 CLO investments of \$1.5 million

The change in allocated interest expense for the Credit Group over the comparative period is consistent with the change in interest expense as presented within our consolidated results of operations. See "Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations—Consolidated Results of Operations of the Company" for further discussion of the changes in consolidated interest expense.

Credit Group—Performance Income

The following table presents the accrued carried interest, also referred to as accrued performance income, and related performance compensation for the Credit Group. Accrued net performance income excludes net performance income that has been realized but not yet received as of the reporting date (\$ in millions):

	As of March 31, 2025			As of December 31, 2024		
	2025			2024		
	Accrued Performance Income	Accrued Performance Compensation	Accrued Net Performance Income	Accrued Performance Income	Accrued Performance Compensation	Accrued Net Performance Income
Pathfinder I	\$ 198.2	\$ 168.5	\$ 29.7	\$ 191.4	\$ 165.7	\$ 25.7
ASOF I	293.7	205.8	87.9	318.4	223.2	95.2
ASOF II	279.2	196.4	82.8	258.2	181.4	76.8
PCS I	129.3	76.4	52.9	130.1	76.9	53.2
PCS II	184.6	109.4	75.2	171.4	101.5	69.9
ACE IV	172.5	112.0	60.5	168.8	109.6	59.2
ACE V	311.9	197.1	114.8	286.6	180.9	105.7
ACE VI	97.6	61.7	35.9	71.1	44.8	26.3
Other credit funds	324.6	207.4	117.2	332.0	207.0	125.0
Total Credit Group	\$ 1,991.6	\$ 1,334.7	\$ 656.9	\$ 1,928.0	\$ 1,291.0	\$ 637.0

The following table presents the change in accrued performance income for the Credit Group (\$ in millions):

	Waterfall Type	As of December 31, 2024	Activity during the period			As of March 31, 2025
		Accrued Performance Income	Change in Unrealized	Realized	Other Adjustments	Accrued Performance Income
Accrued Carried Interest						
Pathfinder I	European	\$ 191.4	\$ 10.1	\$ (3.3)	\$ —	\$ 198.2
ASOF I	European	318.4	(24.7)	—	—	293.7
ASOF II	European	258.2	21.0	—	—	279.2
PCS I	European	130.1	(0.8)	—	—	129.3
PCS II	European	171.4	13.0	—	0.2	184.6
ACE IV	European	168.8	13.3	(9.5)	(0.1)	172.5
ACE V	European	286.6	46.3	(20.8)	(0.2)	311.9
ACE VI	European	71.1	26.6	—	(0.1)	97.6
Other credit funds	European	292.6	14.3	(17.2)	(5.9)	283.8
Other credit funds	American	39.4	11.6	0.2	(10.4)	40.8
Total accrued carried interest		1,928.0	130.7	(50.6)	(16.5)	1,991.6
Other credit funds	Incentive	—	3.5	(3.5)	—	—
Total Credit Group		\$ 1,928.0	\$ 134.2	\$ (54.1)	\$ (16.5)	\$ 1,991.6

Credit Group—Assets Under Management

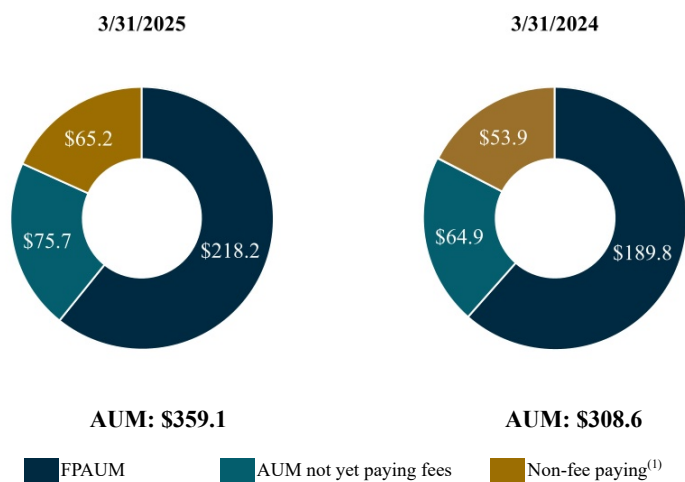
The tables below present rollforwards of AUM for the Credit Group (\$ in millions):

	Liquid Credit	Alternative Credit	Opportunistic Credit	U.S. Direct Lending	European Direct Lending	APAC Credit	Other ⁽¹⁾	Total Credit Group
Balance at 12/31/2024	\$ 46,895	\$ 41,565	\$ 14,964	\$ 159,129	\$ 74,560	\$ 11,470	\$ 275	\$ 348,858
Net new par/equity commitments	459	560	1,072	2,983	856	14	—	5,944
Net new debt commitments	1,005	—	—	3,815	—	—	—	4,820
Capital reductions	(1,920)	(277)	(175)	(943)	—	(99)	—	(3,414)
Distributions	(29)	(862)	(142)	(1,232)	(973)	(32)	—	(3,270)
Redemptions	(260)	—	—	(121)	—	—	—	(381)
Net allocations among investment strategies	—	1,309	—	—	—	—	—	1,309
Change in fund value	396	612	(71)	1,119	3,044	107	3	5,210
Balance at 3/31/2025	\$ 46,546	\$ 42,907	\$ 15,648	\$ 164,750	\$ 77,487	\$ 11,460	\$ 278	\$ 359,076

	Liquid Credit	Alternative Credit	Opportunistic Credit	U.S. Direct Lending	European Direct Lending	APAC Credit	Other ⁽¹⁾	Total Credit Group
Balance at 12/31/2023	\$ 47,299	\$ 33,886	\$ 14,554	\$ 123,073	\$ 68,264	\$ 11,920	\$ 354	\$ 299,350
Net new par/equity commitments	695	1,828	—	2,462	2,692	—	58	7,735
Net new debt commitments	994	—	—	4,836	662	(380)	—	6,112
Capital reductions	(1,134)	—	—	(553)	51	151	—	(1,485)
Distributions	(45)	(438)	(289)	(1,487)	(1,199)	(105)	—	(3,563)
Redemptions	(1,695)	—	—	(720)	(102)	—	—	(2,517)
Net allocations among investment strategies	—	668	—	—	150	—	(103)	715
Change in fund value	133	537	291	1,570	(317)	77	1	2,292
Balance at 3/31/2024	\$ 46,247	\$ 36,481	\$ 14,556	\$ 129,181	\$ 70,201	\$ 11,663	\$ 310	\$ 308,639

(1) Activity within Other represents equity commitments to the platform that either have not yet been allocated to an investment strategy or have been allocated in a subsequent period as commitments to an investment strategy.

The components of our AUM for the Credit Group are presented below (\$ in billions):



(1) Includes \$14.1 billion and \$14.7 billion of AUM of funds from which we indirectly earn management fees as of March 31, 2025 and 2024, respectively, and includes \$2.0 billion and \$1.7 billion of non-fee paying AUM from our general partner and employee commitments as of March 31, 2025 and 2024, respectively.

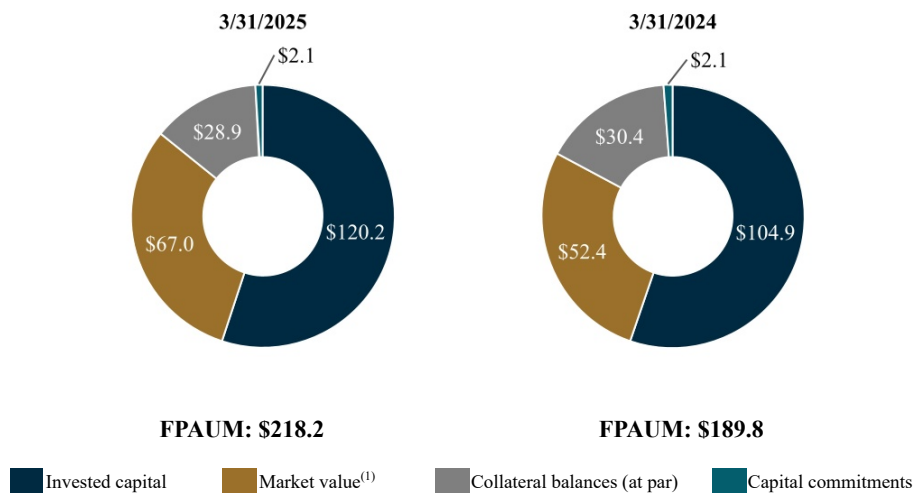
Credit Group—Fee Paying AUM

The tables below present rollforwards of fee paying AUM for the Credit Group (\$ in millions):

	Liquid Credit	Alternative Credit	Opportunistic Credit	U.S. Direct Lending	European Direct Lending	APAC Credit	Total Credit Group
Balance at 12/31/2024	\$ 44,629	\$ 29,384	\$ 7,899	\$ 86,415	\$ 35,786	\$ 5,032	\$ 209,145
Commitments	2,189	—	—	3,641	634	14	6,478
Deployment/subscriptions/increase in leverage	9	1,467	428	3,552	1,906	369	7,731
Capital reductions	(1,920)	—	—	(1,641)	(49)	—	(3,610)
Distributions	(34)	(539)	(22)	(1,897)	(531)	(271)	(3,294)
Redemptions	(247)	—	—	(121)	(80)	—	(448)
Net allocations among investment strategies	—	1,172	—	—	—	—	1,172
Change in fund value	(88)	(18)	—	440	1,085	1	1,420
Change in fee basis	—	—	—	—	(332)	(31)	(363)
Balance at 3/31/2025	\$ 44,538	\$ 31,466	\$ 8,305	\$ 90,389	\$ 38,419	\$ 5,114	\$ 218,231

	Liquid Credit	Alternative Credit	Opportunistic Credit	U.S. Direct Lending	European Direct Lending	APAC Credit	Total Credit Group
Balance at 12/31/2023	\$ 46,140	\$ 23,218	\$ 8,490	\$ 67,596	\$ 34,246	\$ 5,590	\$ 185,280
Commitments	1,223	—	—	2,549	6	—	3,778
Deployment/subscriptions/increase in leverage	—	1,233	340	3,474	1,875	299	7,221
Capital reductions	(967)	—	—	(1,324)	(455)	(18)	(2,764)
Distributions	(46)	(373)	(246)	(2,423)	(250)	(324)	(3,662)
Redemptions	(1,695)	—	—	(88)	(366)	—	(2,149)
Net allocations among investment strategies	—	886	—	—	—	—	886
Change in fund value	367	22	—	603	(478)	29	543
Change in fee basis	—	—	—	—	693	—	693
Balance at 3/31/2024	\$ 45,022	\$ 24,986	\$ 8,584	\$ 70,387	\$ 35,271	\$ 5,576	\$ 189,826

The charts below present FPAUM for the Credit Group by its fee bases (\$ in billions):



(1) Includes \$50.4 billion and \$36.8 billion from funds that primarily invest in illiquid strategies as of March 31, 2025 and 2024, respectively. The underlying investments held in these funds are generally subject to less market volatility than investments held in liquid strategies.

Credit Group—Fund Performance Metrics as of March 31, 2025

ARCC contributed approximately 32% of the Credit Group’s total management fees for the three months ended March 31, 2025. In addition, the Credit Group’s other significant funds, which are presented in the tables below, collectively contributed approximately 38% of the Credit Group’s management fees for the three months ended March 31, 2025.

The following table presents the performance data for our significant funds that are not drawdown funds in the Credit Group as of March 31, 2025 (\$ in millions):

Fund	Year of Inception	AUM	Returns(%)				Primary Investment Strategy
			Current Quarter		Since Inception ⁽¹⁾		
			Gross	Net	Gross	Net	
ARCC ⁽²⁾	2004	\$ 33,020	N/A	2.1	N/A	12.1	U.S. Direct Lending
CADC ⁽³⁾	2017	7,749	N/A	1.0	N/A	6.8	U.S. Direct Lending
Open-ended core alternative credit fund ⁽⁴⁾	2021	6,219	2.9	2.2	11.6	8.7	Alternative Credit
ASIF ⁽³⁾	2023	16,319	N/A	1.4	N/A	11.1	U.S. Direct Lending

- (1) Since inception returns are annualized.
- (2) Returns are time-weighted rates of return and include the reinvestment of income and other earnings from securities or other investments and reflect the deduction of all trading expenses. Net returns are calculated using the fund’s NAV and assume dividends are reinvested at the closest quarter-end NAV to the relevant quarterly ex-dividend dates. Additional information related to ARCC can be found in its filings with the SEC, which are not part of this report.
- (3) Returns are time-weighted rates of return and include the reinvestment of income and other earnings from securities or other investments and reflect the deduction of all trading expenses. Returns are shown for institutional share class. Shares of other classes may have lower returns due to higher selling commissions and fees. Net returns are calculated using the fund’s NAV and assume distributions are reinvested at the NAV on the date of distribution. Additional information related to CADC and ASIF can be found in its filings with the SEC, which are not part of this report.
- (4) Returns are time-weighted rates of return and include the reinvestment of income and other earnings from securities or other investments and reflect the deduction of all trading expenses. The fund is made up of a Main Class (“Class M”) and a Constrained Class (“Class C”). Class M includes investors electing to participate in all investments and Class C includes investors electing to be excluded from exposure to liquid investments. Returns presented in the table are for onshore Class M. The current quarter gross and net returns for Class M (offshore) are 3.0% and 2.1%, respectively. The since inception gross and net returns for Class M (offshore) are 11.6% and 8.2%, respectively. The current quarter gross and net returns for Class C (offshore) are 2.5% and 1.8%, respectively. The since inception gross and net returns for Class C (offshore) are 11.2% and 8.0%, respectively.

The following table presents the performance data of the Credit Group’s significant drawdown funds as of March 31, 2025 (\$ in millions):

Fund	Year of Inception	AUM	Original Capital Commitments	Capital Invested to Date	Realized Value ⁽¹⁾	Unrealized Value ⁽²⁾	Total Value	MoIC		IRR(%)		Primary Investment Strategy
								Gross ⁽³⁾	Net ⁽⁴⁾	Gross ⁽⁵⁾	Net ⁽⁶⁾	
Funds Harvesting Investments												
ACE IV Unlevered ⁽⁷⁾	2018	\$ 8,274	\$ 2,851	\$ 2,190	\$ 1,534	\$ 1,324	\$ 2,858	1.4x	1.3x	8.2	5.9	European Direct Lending
ACE IV Levered ⁽⁷⁾			4,819	3,728	2,564	2,721	5,285	1.6x	1.4x	11.2	8.0	
Pathfinder I	2020	4,066	3,683	3,177	775	3,340	4,115	1.4x	1.3x	14.7	10.6	Alternative Credit
SDL II Unlevered	2021	16,532	1,989	1,615	311	1,616	1,927	1.2x	1.2x	11.9	9.4	U.S. Direct Lending
SDL II Levered			6,047	4,531	1,366	4,514	5,880	1.4x	1.3x	18.7	14.2	
Funds Deploying Capital												
PCS II	2020	6,095	5,114	3,751	947	3,836	4,783	1.3x	1.2x	12.3	8.4	U.S. Direct Lending
ACE V Unlevered ⁽⁸⁾	2020	16,759	7,026	5,413	1,237	5,374	6,611	1.3x	1.2x	11.1	8.3	European Direct Lending
ACE V Levered ⁽⁸⁾			6,376	4,898	1,735	5,003	6,738	1.4x	1.3x	15.7	11.6	
ASOF II	2021	8,709	7,128	5,322	20	6,629	6,649	1.4x	1.3x	17.7	12.8	Opportunistic Credit
ACE VI Unlevered ⁽⁹⁾	2022	20,642	7,439	1,717	55	1,787	1,842	1.1x	1.1x	17.3	12.4	European Direct Lending
ACE VI Levered ⁽⁹⁾			9,667	3,522	192	3,736	3,928	1.2x	1.1x	20.4	14.5	
SDL III Unlevered	2023	24,442	3,311	932	23	956	979	1.1x	1.1x	NM	NM	U.S. Direct Lending
SDL III Levered			11,959	2,523	115	2,683	2,798	1.2x	1.1x	NM	NM	

- (1) For funds other than our opportunistic credit funds, realized value represent the sum of all cash distributions to all partners and if applicable, exclude tax and incentive distributions made to the general partner. For our opportunistic credit funds, realized value represent the sum of all cash distributions to the fee-paying limited partners and if applicable, exclude tax and incentive distributions made to the general partner.
- (2) Unrealized value represents the fund’s NAV reduced by the accrued incentive allocation, if applicable. There can be no assurance that unrealized values will be realized at the valuations indicated. For funds other than our opportunistic credit funds, the unrealized value is based on all partners. For our opportunistic credit funds, the unrealized value is based on the fee-paying limited partners.

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- (3) The gross multiple of invested capital (“MoIC”) is calculated at the fund-level and is based on the interests of the fee-paying limited partners and if applicable, excludes interests attributable to the non-fee paying limited partners and/or the general partner which does not pay management fees or carried interest. The gross MoIC is before giving effect to management fees, carried interest and other expenses, as applicable, but after giving effect to credit facility interest expenses, as applicable. The funds may utilize a credit facility during the investment period and for general cash management purposes. Early in the life of a fund, the gross fund-level MoICs would generally have been lower had such fund called capital from its limited partners instead of utilizing the credit facility.
- (4) The net MoIC is calculated at the fund-level and is based on the interests of the fee-paying limited partners and if applicable, excludes those interests attributable to the non-fee paying limited partners and/or the general partner which does not pay management fees or carried interest. The net MoIC is after giving effect to management fees and carried interest, other expenses and credit facility interest expenses, as applicable. The funds may utilize a credit facility during the investment period and for general cash management purposes. Early in the life of a fund, the net fund-level MoICs would generally have been lower had such fund called capital from its limited partners instead of utilizing the credit facility.
- (5) The gross IRR is an annualized since inception gross internal rate of return of cash flows to and from the fund and the fund’s residual value at the end of the measurement period. Gross IRR reflects returns to the fee-paying limited partners and, if applicable, excludes interests attributable to the non-fee paying limited partners and/or the general partner which does not pay management fees or carried interest. The cash flow dates used in the gross IRR calculation are based on the actual dates of the cash flows. The gross IRRs are calculated before giving effect to management fees, carried interest and other expenses, as applicable, but after giving effect to credit facility interest expenses, as applicable. The funds may utilize a credit facility during the investment period and for general cash management purposes. Gross fund-level IRRs would generally have been lower had such fund called capital from its limited partners instead of utilizing the credit facility.
- (6) The net IRR is an annualized since inception net internal rate of return of cash flows to and from the fund and the fund’s residual value at the end of the measurement period. Net IRRs reflect returns to the fee-paying limited partners and, if applicable, exclude interests attributable to the non-fee paying limited partners and/or the general partner which does not pay management fees or carried interest. The cash flow dates used in the net IRR calculations are based on the actual dates of the cash flows. The net IRRs are calculated after giving effect to management fees and carried interest, other expenses and credit facility interest expenses, as applicable. The funds may utilize a credit facility during the investment period and for general cash management purposes. Net fund-level IRRs would generally have been lower had such fund called capital from its limited partners instead of utilizing the credit facility.
- (7) ACE IV is made up of four parallel funds, two denominated in Euros and two denominated in pound sterling: ACE IV (E) Unlevered, ACE IV (G) Unlevered, ACE IV (E) Levered and ACE IV (G) Levered and one feeder fund: ACE IV (D) Levered. ACE IV (E) Levered includes the ACE IV (D) Levered feeder fund. The gross and net IRR and MoIC presented in the table are for ACE IV (E) Unlevered and ACE IV (E) Levered. Metrics for ACE IV (E) Levered exclude the U.S. dollar denominated feeder fund. The gross and net IRR for ACE IV (G) Unlevered are 9.7% and 7.1%, respectively. The gross and net MoIC for ACE IV (G) Unlevered are 1.5x and 1.4x, respectively. The gross and net IRR for ACE IV (G) Levered are 12.6% and 9.0%, respectively. The gross and net MoIC for ACE IV (G) Levered are 1.6x and 1.5x, respectively. The gross and net IRR for ACE IV (D) Levered are 12.7% and 9.3%, respectively. The gross and net MoIC for ACE IV (D) Levered are 1.7x and 1.5x, respectively. Original capital commitments are converted to U.S. dollars at the prevailing exchange rate at the time of the fund’s closing. All other values for ACE IV Unlevered and ACE IV Levered are for the combined levered and unlevered parallel funds and are converted to U.S. dollars at the prevailing quarter-end exchange rate.
- (8) ACE V is made up of four parallel funds, two denominated in Euros and two denominated in pound sterling: ACE V (E) Unlevered, ACE V (G) Unlevered, ACE V (E) Levered, and ACE V (G) Levered, and two feeder funds: ACE V (D) Levered and ACE V (Y) Unlevered. ACE V (E) Levered includes the ACE V (D) Levered feeder fund and ACE V (E) Unlevered includes the ACE V (Y) Unlevered feeder fund. The gross and net IRR and gross and net MoIC presented in the table are for ACE V (E) Unlevered and ACE V (E) Levered. Metrics for ACE V (E) Levered exclude the ACE V (D) Levered feeder fund and metrics for ACE V (E) Unlevered exclude the ACE V (Y) Unlevered feeder fund. The gross and net IRR for ACE V (G) Unlevered are 12.6% and 9.5%, respectively. The gross and net MoIC for ACE V (G) Unlevered are 1.4x and 1.3x, respectively. The gross and net IRR for ACE V (G) Levered are 16.7% and 12.2%, respectively. The gross and net MoIC for ACE V (G) Levered are 1.5x and 1.3x, respectively. The gross and net IRR for ACE V (D) Levered are 15.7% and 11.8%, respectively. The gross and net MoIC for ACE V (D) Levered are 1.5x and 1.3x, respectively. The gross and net IRR for ACE V (Y) Unlevered are 11.1% and 8.1%, respectively. The gross and net MoIC for ACE V (Y) Unlevered are 1.3x and 1.2x, respectively. Original capital commitments are converted to U.S. dollars at the prevailing exchange rate at the time of the fund’s closing. All other values for ACE V Unlevered and ACE V Levered are for the combined levered and unlevered parallel funds and are converted to U.S. dollars at the prevailing quarter-end exchange rate.
- (9) ACE VI is made up of six parallel funds, four denominated in Euros and two denominated in pound sterling: ACE VI (E) Unlevered, ACE VI (E) II Unlevered, ACE VI (G) Unlevered, ACE VI (E) Levered, ACE VI (E) II Levered, and ACE VI (G) Levered, and three feeder funds: ACE VI (D) Levered, ACE VI (Y) Unlevered and ACE VI (D) Rated Notes. ACE VI (E) II Levered includes ACE VI (D) Levered feeder fund and ACE VI (E) II Unlevered includes ACE VI (Y) Unlevered and ACE VI (D) Rated Notes feeder funds. The gross and net IRR and gross and net MoIC presented in the table are for ACE VI (E) Unlevered and ACE VI (E) Levered. Metrics for ACE VI (E) II Levered exclude the ACE VI (D) Levered feeder fund and metrics for ACE VI (E) II Unlevered exclude ACE VI (Y) Unlevered and ACE VI (D) Rated Notes feeder funds. The gross and net IRR for ACE VI (G) Unlevered are 12.7% and 8.5%, respectively. The gross and net MoIC for ACE VI (G) Unlevered are 1.1x and 1.1x, respectively. The gross and net IRR for ACE VI (G) Levered are 29.4% and 17.0%, respectively. The gross and net MoIC for ACE VI (G) Levered are 1.2x and 1.1x, respectively. The gross and net IRR for ACE VI (E) II Unlevered are 20.4% and 15.8%, respectively. The gross and net MoIC for ACE VI (E) II Unlevered are 1.1x and 1.1x, respectively. The gross and net IRR for ACE VI (E) II Levered are 24.6% and 17.5%, respectively. The gross and net MoIC for ACE VI (E) II Levered are 1.2x and 1.1x, respectively. The gross and net IRR for ACE VI (D) Levered are 23.5% and 17.6%, respectively. The gross and net MoIC for ACE VI (D) Levered are 1.2x and 1.1x, respectively. The gross and net IRR for ACE VI (Y) Unlevered are 10.7% and 6.9%, respectively. The gross and net MoIC for ACE VI (Y) Unlevered are 1.1x and 1.1x, respectively. The gross and net IRR for ACE VI (D) Rated Notes are 20.4% and 11.9%, respectively. The gross and net MoIC for ACE VI (D) Rated Notes are 1.2x and 1.1x, respectively. Original capital commitments are converted to U.S. dollars at the prevailing exchange rate at the time of the fund’s closing. All other values for ACE VI Unlevered and ACE VI Levered are for the combined levered and unlevered parallel funds and are converted to U.S. dollars at the prevailing quarter-end exchange rate.

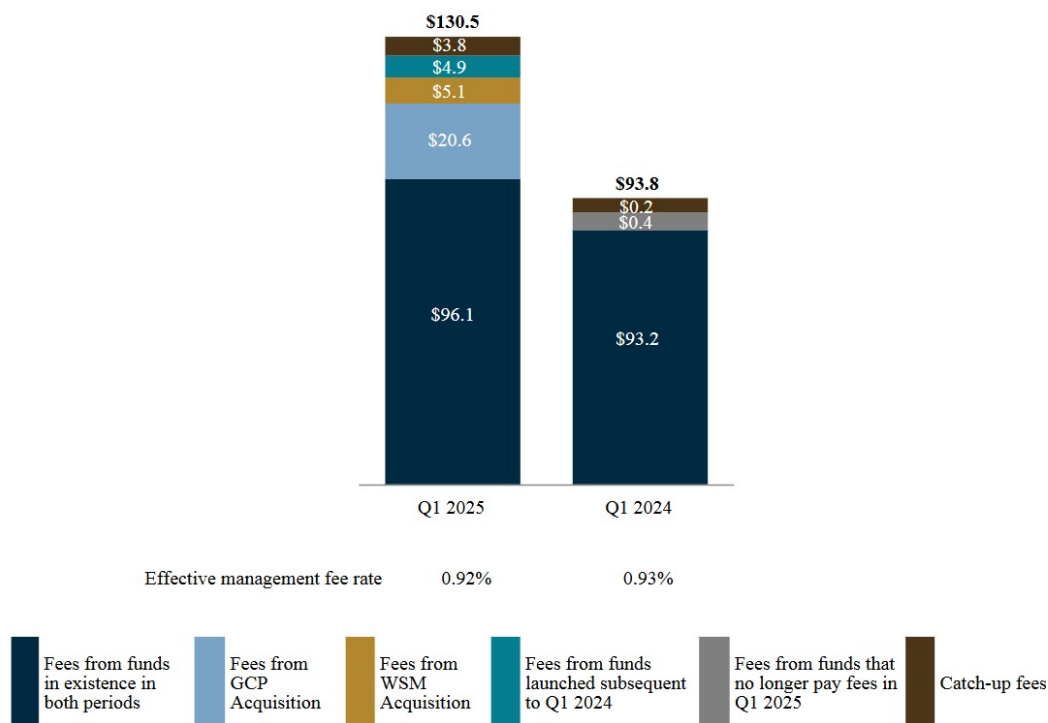
Real Assets Group—Three Months Ended March 31, 2025 Compared to Three Months Ended March 31, 2024

Fee Related Earnings

The following table presents the components of the Real Assets Group’s FRE (\$ in thousands):

	Three months ended March 31,		Favorable (Unfavorable)	
	2025	2024	\$ Change	% Change
Management fees	\$ 130,453	\$ 93,814	\$ 36,639	39%
Other fees	21,380	5,075	16,305	NM
Compensation and benefits	(56,702)	(37,918)	(18,784)	(50)
General, administrative and other expenses	(20,852)	(14,453)	(6,399)	(44)
Fee Related Earnings	\$ 74,279	\$ 46,518	27,761	60

Management Fees. The chart below presents Real Assets Group management fees and effective management fee rates (\$ in millions):



The following table presents the components of and causes for changes in the Real Assets Group’s management fees for the three months ended March 31, 2025 compared to the prior year period (\$ in millions):

	Year-over-year Change
Fees from the GCP Acquisition effective March 1, 2025, including catch-up fees of \$3.7 million from U.S. Logistics Partners V, L.P.	\$ 24.3
Fees from the WSM Acquisition effective December 1, 2024	5.1
Capital commitments:	
Fees from Ares U.S. Real Estate Opportunity Fund IV, L.P. (“AREOF IV”) and our second climate infrastructure fund	2.7
Fees from our fourth European value-add real estate equity fund and 11th U.S. real estate equity fund, which launched subsequent to the first quarter of 2024	2.6
Fees from our diversified non-traded REIT, driven by additional capital raised	1.4
Cumulative effect of other changes	0.5
Total	\$ 36.6

The decrease in effective management fee rate for the three months ended March 31, 2025 compared to the same period in 2024 was primarily driven by lower effective management fee rates from funds that we manage as a result of the GCP Acquisition. Certain of these funds pay management fees based on net operating income and we present the associated effective management fee rates as a percentage of fund assets, which could result in greater variability in the Real Assets Group's effective management fee rate. In addition, due to the vertically integrated capabilities of the acquired platform, we expect the size and composition of other fees earned from these funds will increase relative to management fees.

Other Fees. The increase in other fees for the three months ended March 31, 2025 compared to the same period in 2024 was driven by incremental fees following the completion of the GCP Acquisition. The GCP Acquisition enhances our vertically integrated capabilities, which enables us to generate additional property-related fees. In March 2025, we earned \$13.6 million of property-related fees from funds that we now manage following the GCP Acquisition. Excluding the impact of the GCP Acquisition, other fees increased by \$1.9 million, or 37%, primarily due to higher development fees from increased activity within certain U.S. real estate equity funds.

Compensation and Benefits. The three months ended March 31, 2025 included one month of activity following the completion of the GCP Acquisition. Headcount growth attributable to the GCP Acquisition contributed \$13.5 million in employment related costs to the three months ended March 31, 2025. The impact from the GCP Acquisition has been excluded from the discussion below.

The increase in compensation and benefits for the three months ended March 31, 2025 compared to the three months ended March 31, 2024 was also driven by (i) an increase in payroll-related taxes of \$3.0 million, primarily due to the higher stock price associated with equity awards that vested during the current quarter; and (ii) an increase in salary expenses of \$2.0 million, primarily attributable to headcount growth to support the expansion of our business.

Average headcount increased by 71% to 645 investment and investment support professionals for the year-to-date period in 2025 from 378 professionals for the same period in 2024. The acquisition of GCP International added 683 professionals to our period end headcount as of March 31, 2025, which represents an average of 227 professionals for the year-to-date period.

General, Administrative and Other Expenses. The GCP Acquisition has contributed \$3.5 million in general, administrative and other expenses to the three months ended March 31, 2025. These expenses were driven by travel and marketing expenses and occupancy costs. These expenses collectively contributed \$1.9 million to the three months ended March 31, 2025. The impact from the GCP Acquisition has been excluded from the discussion below.

The increase in general, administrative and other expenses for the three months ended March 31, 2025 compared to the three months ended March 31, 2024 was also driven by marketing and fundraising activities, including supplemental distribution fees charged in connection with an amended servicing arrangement that became effective subsequent to the first quarter of 2024. Supplemental distribution fees increased by \$1.3 million for the three months ended March 31, 2025 compared to the same period in 2024. Marketing expenses for the comparative period also increased by \$1.3 million driven by investor events held during the current quarter and non-reimbursable fund formation costs for certain real estate debt funds.

Realized Income

The following table presents the components of the Real Assets Group's RI (\$ in thousands):

	Three months ended March 31,		Favorable (Unfavorable)	
	2025	2024	\$ Change	% Change
Fee Related Earnings	\$ 74,279	\$ 46,518	\$ 27,761	60%
Performance income—realized	65,305	3,677	61,628	NM
Performance related compensation—realized	(46,807)	(2,228)	(44,579)	NM
Realized net performance income	18,498	1,449	17,049	NM
Investment income—realized	7,919	2,678	5,241	196
Interest income	2,618	700	1,918	274
Interest expense	(15,717)	(7,406)	(8,311)	(112)
Realized net investment loss	(5,180)	(4,028)	(1,152)	(29)
Realized Income	\$ 87,597	\$ 43,939	43,658	99

The Real Assets Group's realized activities were principally composed of and caused by the following:

Three months ended March 31, 2025	Three months ended March 31, 2024
Realized net performance income	
Carried interest from: <ul style="list-style-type: none"> Tax distributions of \$12.6 million from EIF V Distributions of \$2.8 million from U.S. Real Estate Fund VIII, L.P. ("US VIII") and a U.S. real estate equity fund, which are both European-style waterfall funds that are past their investment periods and monetizing investments Realized gains of \$2.1 million from the sale of an ACIP I co-investment vehicle's investment in a renewable energy company 	Incentive fees from: <ul style="list-style-type: none"> Incentive fees of \$1.4 million generated from a U.S. open-ended industrial real estate fund that varies based upon a three-year measurement period calculated for each fund investor
Realized investment income and interest income	
<ul style="list-style-type: none"> Distributions of investment income of \$5.6 million, primarily from our real estate debt funds Interest income earned on treasury-backed securities of \$2.1 million 	<ul style="list-style-type: none"> Distributions of investment income of \$3.1 million, primarily from a European real estate debt fund

Interest expense increased over the comparative period primarily due to financing costs incurred in connection with the GCP Acquisition. Interest expense is allocated among our segments primarily based on the cost basis of our balance sheet investments and the cost of acquisitions. The financing costs to complete the GCP Acquisition resulted in a greater allocation of interest expense to the Real Assets Group in the current quarter. We expect that interest expense allocated to the Real Assets Group will remain elevated in the current year periods as the expense attributable to the GCP Acquisition will remain fully allocated to the Real Assets Group.

Real Assets Group—Performance Income

The following table presents the accrued carried interest, also referred to as accrued performance income, and related performance compensation for the Real Assets Group. Accrued net performance income excludes net performance income that has been realized but not yet received as of the reporting date (\$ in millions):

	As of March 31, 2025			As of December 31, 2024		
	Accrued Performance Income	Accrued Performance Compensation	Accrued Net Performance Income	Accrued Performance Income	Accrued Performance Compensation	Accrued Net Performance Income
US IX	101.9	63.2	38.7	99.8	61.9	37.9
EIF V	73.1	54.6	18.5	121.3	90.7	30.6
IDF V	129.4	79.1	50.3	113.7	69.3	44.4
ACIPI	91.1	62.7	28.4	97.7	66.8	30.9
Other real assets funds	135.5	85.4	50.1	135.8	85.7	50.1
Total Real Assets Group	\$ 531.0	\$ 345.0	\$ 186.0	\$ 568.3	\$ 374.4	\$ 193.9

The following table presents the change in accrued performance income for the Real Assets Group (\$ in millions):

	Waterfall Type	As of December 31, 2024	Activity during the period			As of March 31, 2025
		Accrued Performance Income	Change in Unrealized	Realized	Other Adjustments	Accrued Performance Income
Accrued Carried Interest						
US IX	European	99.8	2.1	—	—	101.9
EIF V	European	121.3	1.6	(49.8)	—	73.1
IDF V	European	113.7	10.3	—	5.4	129.4
ACIPI	European	97.7	(1.3)	(5.3)	—	91.1
Other real assets funds	European	97.2	5.8	(9.8)	0.2	93.4
Other real assets funds	American	38.6	3.5	—	—	42.1
Total accrued carried interest		568.3	22.0	(64.9)	5.6	531.0
Other real assets funds	Incentive	—	0.4	(0.4)	—	—
Total Real Assets Group		\$ 568.3	\$ 22.4	\$ (65.3)	\$ 5.6	\$ 531.0

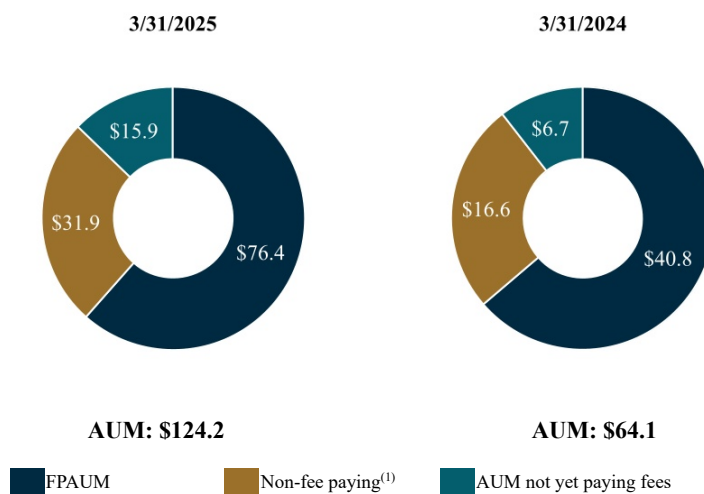
Real Assets Group—Assets Under Management

The tables below present rollforwards of AUM for the Real Assets Group (\$ in millions):

	Real Estate ⁽¹⁾	Infrastructure ⁽²⁾	Total Real Assets Group
Balance at 12/31/2024	\$ 58,246	\$ 17,052	\$ 75,298
Acquisitions	43,273	2,008	45,281
Net new par/equity commitments	1,403	1,058	2,461
Net new debt commitments	2,447	167	2,614
Capital reductions	(768)	—	(768)
Distributions	(791)	(667)	(1,458)
Redemptions	(159)	—	(159)
Net allocations among investment strategies	(27)	27	—
Change in fund value	816	102	918
Balance at 3/31/2025	\$ 104,440	\$ 19,747	\$ 124,187
	Real Estate ⁽¹⁾	Infrastructure ⁽²⁾	Total Real Assets Group
Balance at 12/31/2023	\$ 49,715	\$ 15,698	\$ 65,413
Net new par/equity commitments	309	99	408
Capital reductions	(128)	—	(128)
Distributions	(273)	(573)	(846)
Redemptions	(434)	—	(434)
Change in fund value	(436)	127	(309)
Balance at 3/31/2024	\$ 48,753	\$ 15,351	\$ 64,104

- (1) In the first quarter of 2025, we combined the presentation of real estate strategies within Real Assets. Real estate includes Americas real estate equity, European real estate equity, APAC real estate equity and real estate debt.
- (2) In first quarter of 2025, we combined the presentation of infrastructure strategies within Real Assets. Infrastructure includes digital infrastructure, infrastructure opportunities and infrastructure debt.

The components of our AUM for the Real Assets Group are presented below (\$ in billions):



(1) Includes \$1.5 billion and \$0.6 billion of non-fee paying AUM from our general partner and employee commitments as of March 31, 2025 and 2024, respectively.

Real Assets Group—Fee Paying AUM

The tables below present rollforwards of fee paying AUM for the Real Assets Group (\$ in millions):

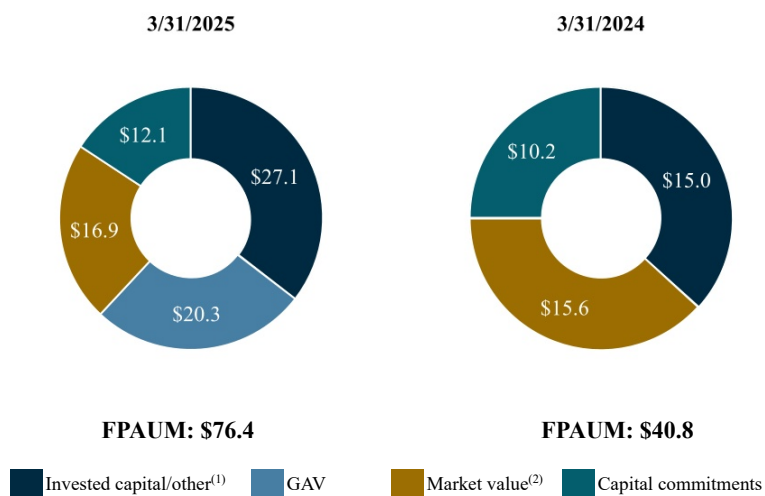
	Real Estate ⁽¹⁾	Infrastructure ⁽²⁾	Total Real Assets Group
Balance at 12/31/2024	\$ 32,896	\$ 11,192	\$ 44,088
Acquisitions	30,178	289	30,467
Commitments	890	178	1,068
Deployment/subscriptions/increase in leverage	717	792	1,509
Capital reductions	(42)	—	(42)
Distributions	(551)	(852)	(1,403)
Redemptions	(159)	—	(159)
Net allocations among investment strategies	(27)	27	—
Change in fund value	596	(316)	280
Change in fee basis	258	359	617
Balance at 3/31/2025	\$ 64,756	\$ 11,669	\$ 76,425

	Real Estate ⁽¹⁾	Infrastructure ⁽²⁾	Total Real Assets Group
Balance at 12/31/2023	\$ 30,310	\$ 11,028	\$ 41,338
Commitments	296	—	296
Deployment/subscriptions/increase in leverage	467	395	862
Capital reductions	(12)	—	(12)
Distributions	(229)	(77)	(306)
Redemptions	(434)	—	(434)
Change in fund value	(402)	(2)	(404)
Change in fee basis	(504)	—	(504)
Balance at 3/31/2024	\$ 29,492	\$ 11,344	\$ 40,836

(1) In the first quarter of 2025, we combined the presentation of real estate strategies within Real Assets. Real estate includes Americas real estate equity, European real estate equity, APAC real estate equity and real estate debt.

(2) In first quarter of 2025, we combined the presentation of infrastructure strategies within Real Assets. Infrastructure includes digital infrastructure, infrastructure opportunities and infrastructure debt.

The charts below present FPAUM for the Real Assets Group by its fee bases (\$ in billions):



(1) Other consists of ACRE's FPAUM, which is based on ACRE's stockholders' equity.

(2) Amounts represent FPAUM from funds that primarily invest in illiquid strategies. The underlying investments held in these funds are generally subject to less market volatility than investments held in liquid strategies.

Real Assets Group—Fund Performance Metrics as of March 31, 2025

The significant funds presented in the tables below collectively contributed approximately 37% of the Real Assets Group’s management fees for the three months ended March 31, 2025.

The following table presents the performance data for our significant funds that are not drawdown funds in the Real Assets Group as of March 31, 2025 (\$ in millions):

Fund	Year of Inception	AUM	Returns(%)				Primary Investment Strategy
			Current Quarter		Since Inception ⁽¹⁾		
			Gross	Net	Gross	Net	
Diversified non-traded REIT ⁽²⁾	2012	\$ 5,949	N/A	2.4	N/A	6.2	Real Estate
J-REIT ⁽³⁾	2012	7,900	N/A	N/A	N/A	13.6	Real Estate
Industrial non-traded REIT ⁽⁴⁾	2017	7,458	N/A	2.4	N/A	8.6	Real Estate
U.S. open-ended industrial real estate fund ⁽⁵⁾	2017	5,226	1.7	1.4	17.2	14.0	Real Estate
Japanese open-ended industrial real estate fund	2020	3,748	2.4	2.2	14.0	12.1	Real Estate

- (1) Since inception returns are annualized.
- (2) Performance is measured by total return, which includes income and appreciation and reinvestment of all distributions for the respective time period. Returns are shown for institutional share class. Shares of other classes may have lower returns due to higher selling commissions and fees. Actual individual stockholder returns will vary. Net returns are calculated using the fund’s NAV and assume distributions are reinvested at the NAV on the date of distribution. The inception date used in the calculation of the since inception return is the date in which the first shares of common stock were sold after converting to a NAV-based REIT.
- (3) Performance is measured by total return, which includes income and appreciation and reinvestment of all distributions for the respective time period. Actual individual stockholder returns will vary. Net returns are calculated using the fund’s NAV and assume distributions are reinvested at NAV on the semi-annual period-end date. NAVs are calculated semi-annually in February and August, and therefore, only the since inception return is presented. The inception date used in the calculation of the since inception return is the date in which the fund’s investment units began to be listed on the Tokyo Stock Exchange. The since inception return is calculated based on the most recent NAV date. Additional information related to J-REIT can be found in its materials posted to its website, which are not part of this report.
- (4) Performance is measured by total return, which includes income and appreciation and reinvestment of all distributions for the respective time period. Returns are shown for institutional share class. Shares of other classes may have lower returns due to higher selling commissions and fees. Actual individual stockholder returns will vary. Net returns are calculated using the fund’s NAV and assume distributions are reinvested at the NAV on the date of distribution.
- (5) Returns are time-weighted rates of return and include the reinvestment of income and other earnings from securities or other investments and reflect the deduction of all trading expenses. Gross returns do not reflect the deduction of management fees, incentive fees, as applicable, or other expenses. Net returns are calculated by subtracting the applicable management fees, incentive fees, as applicable and other expenses from the gross returns on a quarterly basis.

The following table presents the performance data of the Real Assets Group's significant drawdown funds as of March 31, 2025 (\$ in millions):

Fund	Year of Inception	AUM	Original Capital Commitments	Capital Invested to Date	Realized Value ⁽¹⁾	Unrealized Value ⁽²⁾	Total Value	MoIC		IRR(%)		Primary Investment Strategy
								Gross ⁽³⁾	Net ⁽⁴⁾	Gross ⁽⁵⁾	Net ⁽⁶⁾	
Fund Harvesting Investments												
EIP II ⁽⁷⁾	2020	\$ 3,695	\$ 1,839	\$ 1,645	\$ 184	\$ 1,623	\$ 1,807	1.2x	1.1x	3.0	2.6	Real Estate
Fund Deploying Capital												
IDF V ⁽⁸⁾	2020	4,993	4,585	3,859	922	3,668	4,590	1.3x	1.2x	12.9	10.1	Infrastructure

- (1) Realized proceeds include distributions of operating income, sales and financing proceeds received to the limited partners.
- (2) Unrealized value represents the fund's NAV reduced by the accrued incentive allocation, if applicable. There can be no assurance that unrealized values will be realized at the valuations indicated.
- (3) The gross MoIC is calculated at the fund-level and is based on the interests of the fee-paying limited partners and if applicable, excludes interests attributable to the non-fee paying limited partners and/or the general partner which does not pay management fees or carried interest. The gross MoIC is before giving effect to management fees, carried interest, as applicable, and other expenses, but after giving effect to credit facility interest expenses, as applicable. The funds may utilize a credit facility during the investment period and for general cash management purposes. Early in the life of a fund, the gross fund-level MoICs would generally have been lower had such fund called capital from its limited partners instead of utilizing the credit facility.
- (4) The net MoIC is calculated at the fund-level and is based on the interests of the fee-paying limited partners and, if applicable, excludes interests attributable to the non fee-paying limited partners and/or the general partner which does not pay management fees or carried interest. The net MoIC is after giving effect to management fees, carried interest, as applicable, credit facility interest expense, as applicable, and other expenses. The funds may utilize a credit facility during the investment period and for general cash management purposes. Early in the life of a fund, the net fund-level MoICs would generally have been lower had such fund called capital from its limited partners instead of utilizing the credit facility.
- (5) The gross IRR is an annualized since inception gross internal rate of return of cash flows to and from the fund and the fund's residual value at the end of the measurement period. Gross IRR reflects returns to the fee-paying limited partners and, if applicable, excludes interests attributable to the non-fee paying limited partners and/or the general partner which does not pay management fees or carried interest. The cash flow dates used in the gross IRR calculation are based on the actual dates of the cash flows. The gross IRRs are calculated before giving effect to management fees, carried interest and other expenses, but after giving effect to credit facility interest expenses, as applicable. The funds may utilize a credit facility during the investment period and for general cash management purposes. Gross fund-level IRRs would generally have been lower had such fund called capital from its limited partners instead of utilizing the credit facility.
- (6) The net IRR is an annualized since inception net internal rate of return of cash flows to and from the fund and the fund's residual value at the end of the measurement period. Net IRRs reflect returns to the fee-paying limited partners and, if applicable, exclude interests attributable to the non-fee paying limited partners and/or the general partner which does not pay management fees or carried interest. The cash flow dates used in the net IRR calculations are based on the actual dates of the cash flows. The net IRRs are calculated after giving effect to management fees and carried interest, other expenses and credit facility interest expenses, as applicable. The funds may utilize a credit facility during the investment period and for general cash management purposes. Net fund-level IRRs would generally have been lower had such fund called capital from its limited partners instead of utilizing the credit facility.
- (7) EIP II is a Euro-denominated fund. Original capital commitments are converted to U.S. Dollars at the prevailing exchange rate at the time of fund's closing. All other values for EIP II are converted to U.S. Dollars at the prevailing quarter-end exchange rate.
- (8) IDF V is made up of U.S. Dollar hedged, Euro unhedged, GBP hedged, Yen hedged, and single investor parallel funds. The gross and net IRR and MoIC presented in the table are for the U.S. Dollar hedged parallel fund. The gross and net IRR for the single investor U.S. Dollar parallel fund are 10.8% and 8.4%, respectively. The gross and net MoIC for the single investor U.S. Dollar parallel fund are 1.2x and 1.2x, respectively. The gross and net IRR for the Euro unhedged parallel fund are 12.7% and 9.8%, respectively. The gross and net MoIC for the Euro unhedged parallel fund are 1.3x and 1.2x, respectively. The gross and net IRR for the GBP hedged parallel fund are 12.4% and 9.4%, respectively. The gross and net MoIC for the GBP hedged parallel fund are 1.2x and 1.2x, respectively. The gross and net IRR for the Yen hedged parallel fund are 8.7% and 6.1%, respectively. The gross and net MoIC for the Yen hedged parallel fund are 1.1x and 1.1x, respectively. Original capital commitments are converted to U.S. Dollars at the prevailing exchange rate at the time of fund's closing. All other values for IDF V are for the combined fund and are converted to U.S. Dollars at the prevailing quarter-end exchange rate.

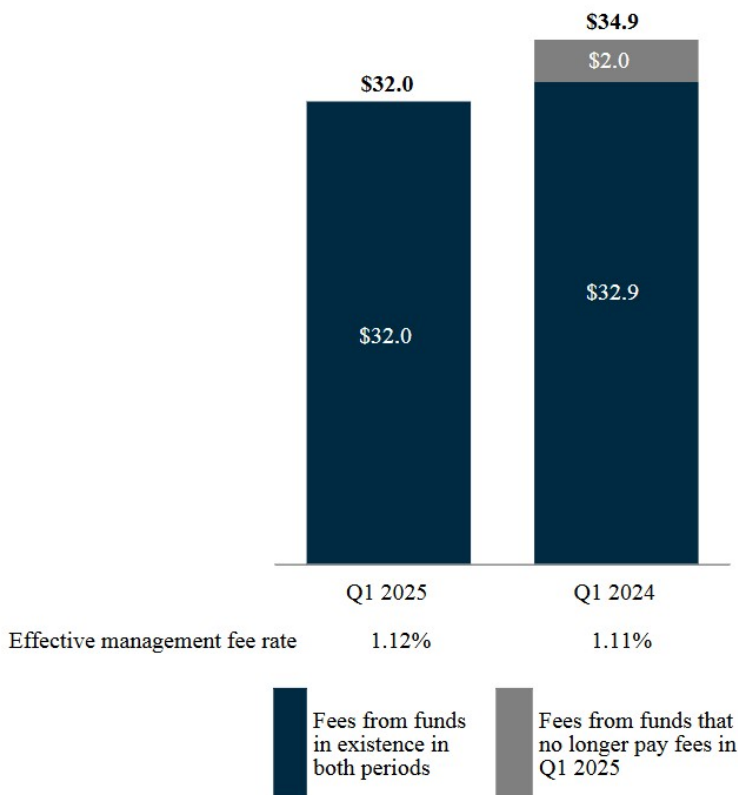
Private Equity Group—Three Months Ended March 31, 2025 Compared to Three Months Ended March 31, 2024

Fee Related Earnings

The following table presents the components of the Private Equity Group’s FRE (\$ in thousands):

	Three months ended March 31,		Favorable (Unfavorable)	
	2025	2024	\$ Change	% Change
Management fees	\$ 31,998	\$ 34,933	\$ (2,935)	(8)%
Other fees	397	439	(42)	(10)
Compensation and benefits	(13,831)	(14,785)	954	6
General, administrative and other expenses	(4,257)	(5,216)	959	18
Fee Related Earnings	\$ 14,307	\$ 15,371	(1,064)	(7)

Management Fees. The chart below presents Private Equity Group management fees and effective management fee rates (\$ in millions):



The following table presents the components of and causes for changes in the Private Equity Group’s management fees for the three months ended March 31, 2025 compared to the prior year period (\$ in millions):

	Year-over-year Change
Corporate private equity extended value fund that stopped paying fees at the end of the fourth quarter of 2024	(1.7)
Cumulative effect of other changes	(1.2)
Total	\$ (2.9)

The increase in effective management fee rate for the three months ended March 31, 2025 compared to the three months ended March 31, 2024 was primarily driven by a corporate private equity extended fund that stopped paying fees at the end of the fourth quarter of 2024 and had a lower effective management fee rate than the average effective management fee rate of funds within the Private Equity Group.

Compensation and Benefits. The change in compensation and benefits largely reflects the decrease in salary expense and incentive-based compensation, partially offset by an increase in payroll-related taxes of \$0.6 million, primarily due to the higher stock price associated with equity awards that vested during the first quarter of 2025. Average headcount decreased by 2% to 104 investment and investment support professionals for the year-to-date period in 2025 from 106 professionals in 2024.

General, Administrative and Other Expenses. The decrease in general, administrative and other expenses for the three months ended March 31, 2025 compared to the same period in 2024 was primarily attributable to lower professional service fees incurred during the current quarter.

Realized Income

The following table presents the components of the Private Equity Group's RI (\$ in thousands):

	Three months ended March 31,		Favorable (Unfavorable)	
	2025	2024	\$ Change	% Change
Fee Related Earnings	\$ 14,307	\$ 15,371	\$ (1,064)	(7)%
Performance income—realized	6,031	2,738	3,293	120
Performance related compensation—realized	(3,351)	(2,194)	(1,157)	(53)
Realized net performance income	2,680	544	2,136	NM
Investment income (loss)—realized	(4,602)	298	(4,900)	NM
Interest income	2,022	6	2,016	NM
Interest expense	(4,180)	(4,662)	482	10
Realized net investment loss	(6,760)	(4,358)	(2,402)	(55)
Realized Income	\$ 10,227	\$ 11,557	(1,330)	(12)

The Private Equity Group's realized activities were principally composed of and caused by the following:

Three months ended March 31, 2025	Three months ended March 31, 2024
Realized net performance income	
Carried interest from:	Carried interest from:
<ul style="list-style-type: none"> Realized gains from Ares Corporate Opportunities Fund IV, L.P. ("ACOF IV")'s investment in an energy company 	<ul style="list-style-type: none"> Realized gains from ACOF IV's investment in an energy company
Realized investment income (loss) and interest income	
<ul style="list-style-type: none"> Realized investment loss from Ares Corporate Opportunities Fund III, L.P. as the fund continues to liquidate its remaining assets Interest income earned on treasury-backed securities 	<ul style="list-style-type: none"> Nothing noteworthy

The change in allocated interest expense for the Private Equity Group over the comparative period is consistent with the change in interest expense as presented within our consolidated results of operations. See "Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations—Consolidated Results of Operations of the Company" for further discussion of the changes in consolidated interest expense.

Private Equity Group—Performance Income

The following table presents the accrued carried interest, also referred to as accrued performance income, and related performance compensation for the Private Equity Group (\$ in millions):

	As of March 31, 2025			As of December 31, 2024		
	Accrued Performance Income	Accrued Performance Compensation	Accrued Net Performance Income	Accrued Performance Income	Accrued Performance Compensation	Accrued Net Performance Income
ACOF IV	\$ 167.4	\$ 134.1	\$ 33.3	\$ 166.8	\$ 133.6	\$ 33.2
ACOF VI	565.8	479.5	86.3	523.1	442.8	80.3
Other funds	8.6	7.5	1.1	20.9	14.8	6.1
Total Private Equity Group	\$ 741.8	\$ 621.1	\$ 120.7	\$ 710.8	\$ 591.2	\$ 119.6

The following table presents the change in accrued carried interest for the Private Equity Group (\$ in millions):

	Waterfall Type	As of December 31, 2024	Activity during the period		As of March 31, 2025
		Accrued Carried Interest	Change in Unrealized	Realized	Accrued Carried Interest
ACOF IV	American	\$ 166.8	\$ 6.6	\$ (6.0)	\$ 167.4
ACOF VI	American	523.1	42.7	—	565.8
Other funds	European	13.1	(12.5)	—	0.6
Other funds	American	7.8	0.2	—	8.0
Total Private Equity Group		\$ 710.8	\$ 37.0	\$ (6.0)	\$ 741.8

Private Equity Group—Assets Under Management

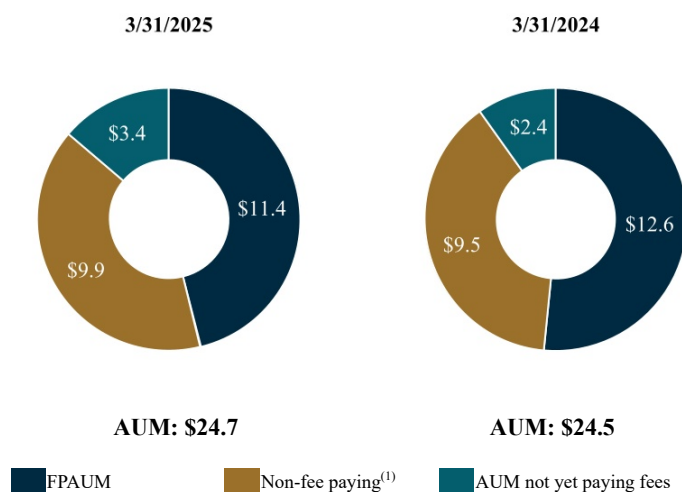
The tables below present rollforwards of AUM for the Private Equity Group (\$ in millions):

	Corporate Private Equity	APAC Private Equity	Other ⁽¹⁾	Total Private Equity Group
Balance at 12/31/2024	\$ 21,064	\$ 2,977	\$ —	\$ 24,041
Net new par/equity commitments	959	16	—	975
Capital reductions	(36)	—	—	(36)
Distributions	(149)	—	—	(149)
Change in fund value	64	(168)	—	(104)
Balance at 3/31/2025	\$ 21,902	\$ 2,825	\$ —	\$ 24,727

	Corporate Private Equity	APAC Private Equity	Other ⁽¹⁾	Total Private Equity Group
Balance at 12/31/2023	\$ 20,998	\$ 3,414	\$ 139	\$ 24,551
Net new par/equity commitments	254	3	58	315
Capital reductions	(2)	—	—	(2)
Distributions	(25)	(11)	—	(36)
Redemptions	—	(2)	—	(2)
Net allocations among investment strategies	150	—	(197)	(47)
Change in fund value	(145)	(158)	—	(303)
Balance at 3/31/2024	\$ 21,230	\$ 3,246	\$ —	\$ 24,476

(1) Activity within Other represents equity commitments to the platform that either have not yet been allocated to an investment strategy or have been allocated in a subsequent period as commitments to an investment strategy.

The components of our AUM for the Private Equity Group are presented below (\$ in billions):



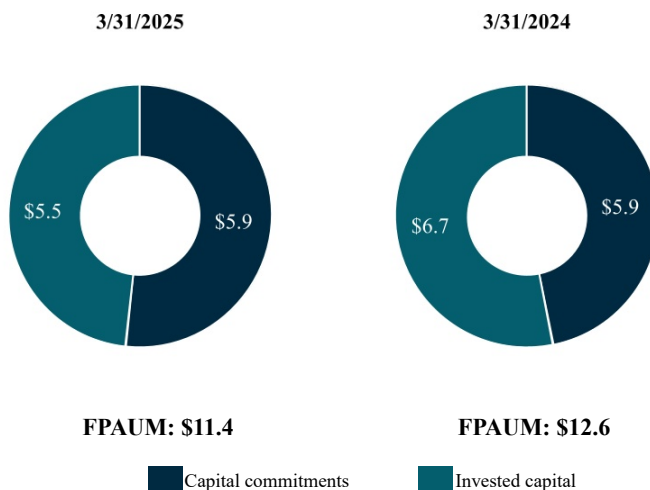
(1) Includes \$1.2 billion and \$1.3 billion of non-fee paying AUM from our general partner and employee commitments as of March 31, 2025 and 2024, respectively.

Private Equity Group—Fee Paying AUM

The tables below present rollforwards of fee paying AUM for the Private Equity Group (\$ in millions):

	Corporate Private Equity	APAC Private Equity	Total Private Equity Group
Balance at 12/31/2024	\$ 9,860	\$ 1,567	\$ 11,427
Deployment/subscriptions/increase in leverage	10	7	17
Change in fund value	(1)	—	(1)
Change in fee basis	(44)	(47)	(91)
Balance at 3/31/2025	\$ 9,825	\$ 1,527	\$ 11,352
	Corporate Private Equity	APAC Private Equity	Total Private Equity Group
Balance at 12/31/2023	\$ 11,459	\$ 1,665	\$ 13,124
Redemptions	—	(2)	(2)
Change in fund value	(19)	—	(19)
Change in fee basis	(536)	(2)	(538)
Balance at 3/31/2024	\$ 10,904	\$ 1,661	\$ 12,565

The charts below present FPAUM for the Private Equity Group by its fee bases (\$ in billions):



Private Equity Group—Fund Performance Metrics as of March 31, 2025

The significant funds presented in the table below collectively contributed approximately 77% of the Private Equity Group’s management fees for the three months ended March 31, 2025.

The following table presents the performance data of the Private Equity Group’s significant drawdown funds as of March 31, 2025 (\$ in millions):

Fund	Year of Inception	AUM	Original Capital Commitments	Capital Invested to Date	Realized Value ⁽¹⁾	Unrealized Value ⁽²⁾	Total Value	MoIC		IRR(%)		Primary Investment Strategy
								Gross ⁽³⁾	Net ⁽⁴⁾	Gross ⁽⁵⁾	Net ⁽⁶⁾	
Fund Harvesting Investments												
ACOF V	2017	\$ 7,612	\$ 7,850	\$ 7,611	\$ 3,509	\$ 7,146	\$ 10,655	1.4x	1.3x	7.4	5.5	Corporate Private Equity
Fund Deploying Capital												
ACOF VI	2020	8,375	5,743	5,260	1,898	7,079	8,977	1.6x	1.5x	22.4	16.6	Corporate Private Equity

- (1) Realized value represents the sum of all cash dividends, interest income, other fees and cash proceeds from realizations of interests in portfolio investments. Realized value excludes any proceeds related to bridge financings.
- (2) Unrealized value represents the fair market value of remaining investments. Unrealized value does not take into account any bridge financings. There can be no assurance that unrealized investments will be realized at the valuations indicated.
- (3) The gross MoIC is calculated at the fund-level and is based on the interests of the fee-paying limited partners and if applicable, excludes interests attributable to the non-fee paying limited partners and/or the general partner which does not pay management fees or carried interest. The gross MoIC is before giving effect to management fees, carried interest, as applicable, and other expenses, but after giving effect to credit facility interest expenses, as applicable. The gross MoICs are also calculated before giving effect to any bridge financings. The funds may utilize a credit facility during the investment period and for general cash management purposes. Early in the life of a fund, the gross fund-level MoICs would generally have been lower had such fund called capital from its limited partners instead of utilizing the credit facility.
- (4) The net MoIC is calculated at the fund-level. The net MoIC is based on the interests of the fee-paying limited partners and if applicable, excludes interests attributable to the non-fee paying limited partners and/or the general partner which does not pay management fees or performance fees. The net MoIC is after giving effect to management fees, carried interest, as applicable, and other expenses. The net MoICs are also calculated before giving effect to any bridge financings. Inclusive of bridge financings, the net MoIC would be 1.3x for ACOF V and 1.4x for ACOF VI. The funds may utilize a credit facility during the investment period and for general cash management purposes. Early in the life of a fund, the net fund-level MoICs would generally have been lower had such fund called capital from its limited partners instead of utilizing the credit facility.
- (5) The gross IRR is an annualized since inception gross internal rate of return of cash flows to and from the fund and the fund’s residual value at the end of the measurement period. Gross IRRs reflect returns to the fee-paying limited partners and, if applicable, excludes interests attributable to the non-fee paying limited partners and/or the general partner which does not pay management fees or carried interest. The cash flow dates used in the gross IRR calculation are based on the actual dates of the cash flows. The gross IRRs are calculated before giving effect to management fees, carried interest, as applicable, and other expenses, but after giving effect to credit facility interest expenses, as applicable. The gross IRRs are also calculated before giving effect to any bridge financings. The funds may utilize a credit facility during the investment period and for general cash management purposes. Gross fund-level IRRs would generally have been lower had such fund called capital from its limited partners instead of utilizing the credit facility.
- (6) The net IRR is an annualized since inception net internal rate of return of cash flows to and from the fund and the fund’s residual value at the end of the measurement period. Net IRRs reflect returns to the fee-paying limited partners and if applicable, exclude interests attributable to the non-fee paying limited partners and/or the general partner which does not pay management fees or carried interest. The cash flow dates used in the net IRR calculation are based on the actual dates of the cash flows. The net IRRs are calculated after giving effect to management fees, carried interest as applicable, and other expenses and exclude commitments by the general partner and Schedule I investors who do not pay either management fees or carried interest. The funds may utilize a credit facility during the investment period and for general cash management purposes. Net fund-level IRRs would generally have been lower had such fund called capital from its limited partners instead of utilizing the credit facility. The net IRRs are also calculated before giving effect to any bridge financings. Inclusive of bridge financings, the net IRRs would be 5.6% for ACOF V and 15.9% for ACOF VI.

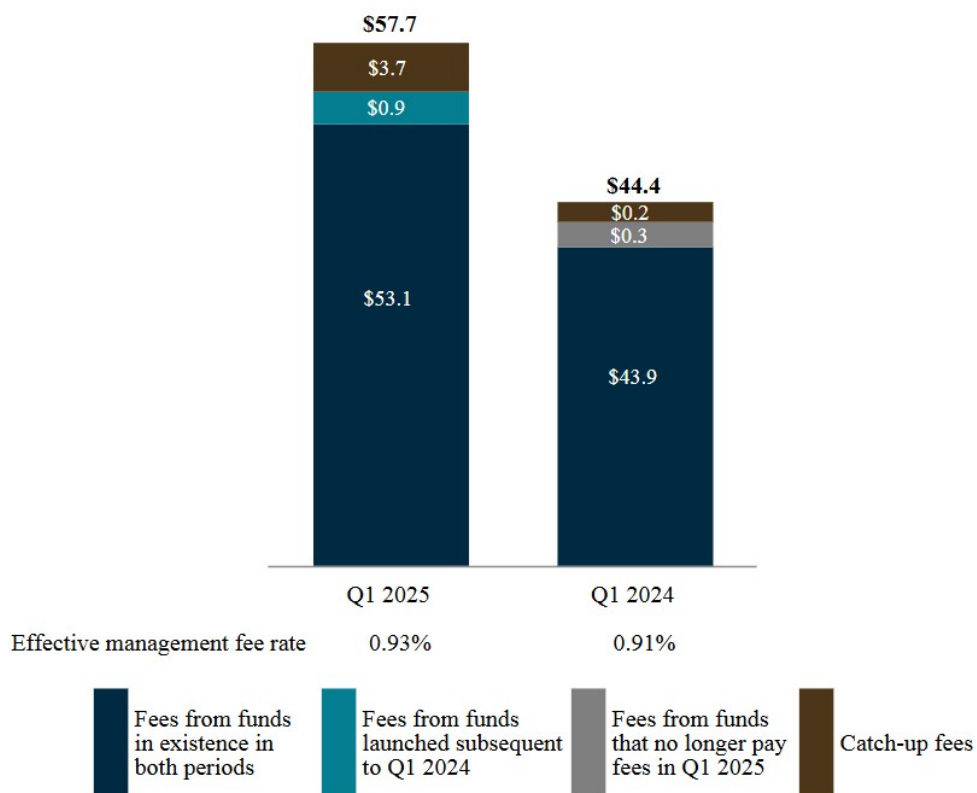
Secondaries Group—Three Months Ended March 31, 2025 Compared to Three Months Ended March 31, 2024

Fee Related Earnings

The following table presents the components of the Secondaries Group’s FRE (\$ in thousands):

	Three months ended March 31,		Favorable (Unfavorable)	
	2025	2024	\$ Change	% Change
Management fees	\$ 57,650	\$ 44,421	\$ 13,229	30%
Fee related performance revenues	9,656	2,962	6,694	226
Other fees	122	4	118	NM
Compensation and benefits	(18,371)	(12,714)	(5,657)	(44)
General, administrative and other expenses	(8,473)	(9,068)	595	7
Fee Related Earnings	\$ 40,584	\$ 25,605	14,979	59

Management Fees. The chart below presents Secondaries Group management fees and effective management fee rates (\$ in millions):



The following table presents the components of and causes for changes in the Secondaries Group's management fees for the three months ended March 31, 2025 compared to the prior year period (\$ in millions):

	Year-over-year Change
Fees from APMF, driven by additional capital raised	\$ 6.2
Catch-up fees generated from our third infrastructure secondaries fund	3.5
Fees from our third infrastructure secondaries fund, which launched during the fourth quarter of 2023 (excluding catch-up fees)	2.1
Cumulative effect of other changes	1.4
Total	\$ 13.2

The increase in effective management fee rate for the three months ended March 31, 2025 compared to the three months ended March 31, 2024 was primarily due to additional capital raised by APMF that has a fee rate of 1.40%.

Fee Related Performance Revenues. The increase in fee related performance revenues for the three months ended March 31, 2025 compared to the three months ended March 31, 2024 was attributable to higher incentive fees earned from APMF as a result of increased transactions.

Compensation and Benefits. The increase in compensation and benefits for the three months ended March 31, 2025 compared to the three months ended March 31, 2024 was driven by higher fee related performance compensation of \$4.0 million, corresponding to the increase in fee related performance revenues. For the three months ended March 31, 2025 and 2024, we reduced fee related performance compensation by \$2.7 million and \$1.7 million, respectively, to reclaim a portion of the supplemental distribution fees paid to distribution partners.

Average headcount increased slightly to 112 investment and investment support professionals for the year-to-date period in 2025 from 111 professionals in 2024.

General, Administrative and Other Expenses. The decrease in general, administrative and other expenses for the three months ended March 31, 2025 compared to the three months ended March 31, 2024 was driven by the decrease in travel related expenses of \$0.5 million.

Realized Income

The following table presents the components of the Secondaries Group's RI (\$ in thousands):

	Three months ended March 31,		Favorable (Unfavorable)	
	2025	2024	\$ Change	% Change
Fee Related Earnings	\$ 40,584	\$ 25,605	\$ 14,979	59%
Investment income—realized	138	187	(49)	(26)
Interest income	957	23	934	NM
Interest expense	(2,008)	(8,229)	6,221	76
Realized net investment loss	(913)	(8,019)	7,106	89
Realized Income	\$ 39,671	\$ 17,586	22,085	126

Realized net investment loss for the three months ended March 31, 2025 and 2024 largely represents interest expense exceeding investment income during these periods.

Interest expense is allocated among our segments primarily based on the cost basis of our balance sheet investments and the cost of acquisitions. While interest expense in prior periods associated with the acquisition of Landmark Partners, LLC was largely allocated to the Secondaries Group, recent acquisitions warrant larger allocations in the current year.

Interest income for the three months ended March 31, 2025 primarily reflects income earned on treasury-backed securities.

Secondaries Group—Performance Income

The following table presents the accrued carried interest, also referred to as accrued performance income, and related performance compensation for the Secondaries Group. Accrued net performance income excludes net performance income that has been realized but not yet received as of the reporting date (\$ in millions):

	As of March 31, 2025			As of December 31, 2024		
	Accrued Performance Income	Accrued Performance Compensation	Accrued Net Performance Income	Accrued Performance Income	Accrued Performance Compensation	Accrued Net Performance Income
LEP XVI	\$ 98.6	\$ 84.4	\$ 14.2	\$ 107.9	\$ 92.3	\$ 15.6
LREF VIII	70.4	59.6	10.8	81.3	68.9	12.4
Other secondaries funds	88.5	70.6	17.9	74.6	59.8	14.8
Total Secondaries Group	\$ 257.5	\$ 214.6	\$ 42.9	\$ 263.8	\$ 221.0	\$ 42.8

The following table presents the change in accrued performance income for the Secondaries Group (\$ in millions):

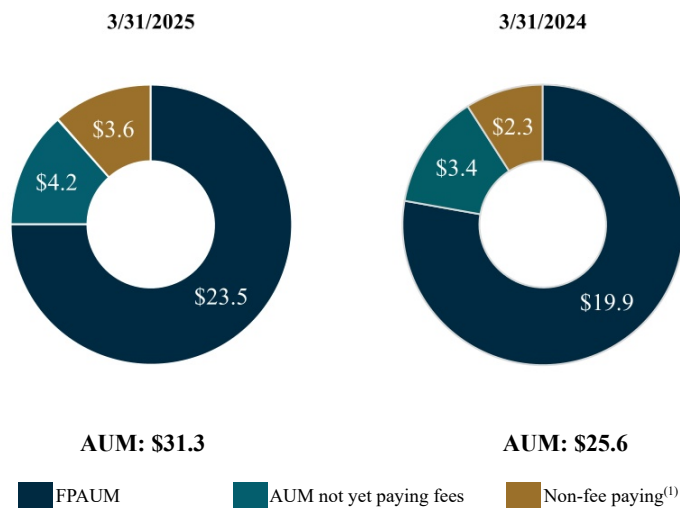
	Waterfall Type	As of December 31, 2024	Activity during the period	As of March 31, 2025
		Accrued Carried Interest	Change in Unrealized	Accrued Carried Interest
Accrued Carried Interest				
LEP XVI	European	\$ 107.9	\$ (9.3)	\$ 98.6
LREF VIII	European	81.3	(10.9)	70.4
Other secondaries funds	European	74.6	13.9	88.5
Total Secondaries Group		\$ 263.8	\$ (6.3)	\$ 257.5

Secondaries Group—Assets Under Management

The table below presents the rollforwards of AUM for the Secondaries Group (\$ in millions):

	Private Equity Secondaries	Real Estate Secondaries	Infrastructure Secondaries	Credit Secondaries	Total Secondaries Group
Balance at 12/31/2024	\$ 15,805	\$ 7,779	\$ 3,691	\$ 1,878	\$ 29,153
Net new par/equity commitments	1,249	228	337	475	2,289
Capital reductions	—	(58)	—	—	(58)
Distributions	(178)	(39)	(18)	(4)	(239)
Redemptions	(23)	—	—	—	(23)
Change in fund value	126	35	20	9	190
Balance at 3/31/2025	\$ 16,979	\$ 7,945	\$ 4,030	\$ 2,358	\$ 31,312
Balance at 12/31/2023	\$ 13,174	\$ 7,826	\$ 2,380	\$ 1,380	\$ 24,760
Net new par/equity commitments	536	150	215	68	969
Distributions	(140)	(23)	—	(1)	(164)
Change in fund value	10	22	29	15	76
Balance at 3/31/2024	\$ 13,580	\$ 7,975	\$ 2,624	\$ 1,462	\$ 25,641

The components of our AUM for the Secondaries Group are presented below (\$ in billions):



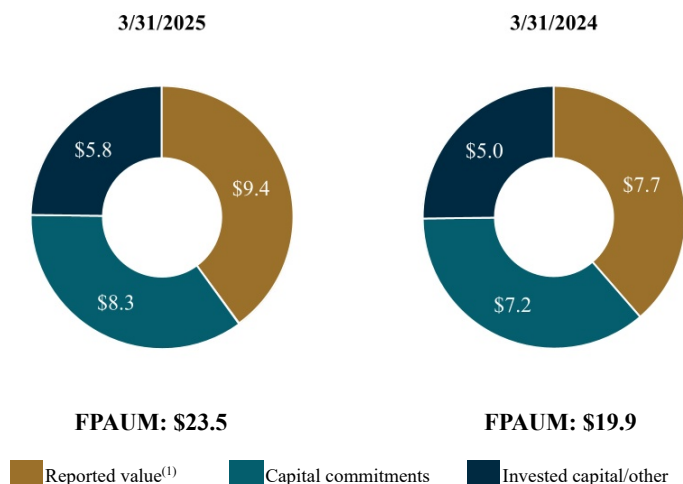
(1) Includes \$0.5 billion of non-fee paying AUM from our general partner and employee commitments as of March 31, 2025 and 2024.

Secondaries Group—Fee Paying AUM

The table below presents the rollforwards of fee paying AUM for the Secondaries Group (\$ in millions):

	Private Equity Secondaries	Real Estate Secondaries	Infrastructure Secondaries	Credit Secondaries	Total Secondaries Group
Balance at 12/31/2024	\$ 12,788	\$ 6,441	\$ 2,582	\$ 590	\$ 22,401
Commitments	549	170	334	—	1,053
Deployment/subscriptions/increase in leverage	85	32	13	127	257
Distributions	(9)	(33)	(17)	—	(59)
Redemptions	(23)	—	—	—	(23)
Change in fund value	(21)	(80)	15	(73)	(159)
Balance at 3/31/2025	\$ 13,369	\$ 6,530	\$ 2,927	\$ 644	\$ 23,470
	Private Equity Secondaries	Real Estate Secondaries	Infrastructure Secondaries	Credit Secondaries	Total Secondaries Group
Balance at 12/31/2023	\$ 11,204	\$ 5,978	\$ 1,763	\$ 95	\$ 19,040
Commitments	536	150	214	—	900
Deployment/subscriptions/increase in leverage	—	60	1	—	61
Distributions	(65)	(16)	—	(18)	(99)
Change in fund value	(35)	39	(6)	—	(2)
Change in fee basis	1	(8)	—	(2)	(9)
Balance at 3/31/2024	\$ 11,641	\$ 6,203	\$ 1,972	\$ 75	\$ 19,891

The chart below presents FPAUM for the Secondaries Group by its fee bases (\$ in billions):



(1) Amounts represent FPAUM from funds that primarily invest in illiquid strategies. The underlying investments held in these funds are generally subject to less market volatility than investments held in liquid strategies.

Secondaries Group—Fund Performance Metrics as of March 31, 2025

LEP XVI contributed approximately 20% of the Secondaries Group’s management fees for the three months ended March 31, 2025.

The following table presents the performance data of the Secondaries Group’s significant drawdown fund as of March 31, 2025 (\$ in millions):

Fund	Year of Inception	AUM	Original Capital Commitments	Capital Invested to Date	Realized Value ⁽¹⁾	Unrealized Value ⁽²⁾	Total Value	MoIC		IRR(%)		Primary Investment Strategy
								Gross ⁽³⁾	Net ⁽⁴⁾	Gross ⁽⁵⁾	Net ⁽⁶⁾	
Fund Harvesting Investments												
LEP XVI ⁽⁷⁾	2016	\$ 4,180	\$ 4,896	\$ 4,174	\$ 2,079	\$ 3,066	\$ 5,145	1.4x	1.2x	16.2 %	9.8 %	Private Equity Secondaries

For the funds in the Secondaries Group, returns are calculated from results of the underlying portfolio that are generally reported on a three month lag and may not include the impact of economic and market activities occurring in the current reporting period.

- (1) Realized value represents the sum of all cash distributions to all limited partners and if applicable, exclude tax and incentive distributions made to the general partner.
- (2) Unrealized value represents the limited partners’ share of fund’s NAV reduced by the accrued incentive allocation, if applicable. There can be no assurance that unrealized values will be realized at the valuations indicated.
- (3) The gross MoIC is calculated at the fund-level and is based on the interests of all partners. If applicable, limiting the gross MoIC to exclude interests attributable to the non-fee paying limited partners and/or the general partner who does not pay management fees or carried interest would have no material impact on the result. The gross MoIC is before giving effect to management fees, carried interest, as applicable, and other expenses, but after giving effect to credit facility interest expenses, as applicable. The funds may utilize a short-term credit facility for general cash management purposes, as well as a long-term credit facility as permitted by the respective fund’s governing documentation. The gross fund-level MoIC would have generally been lower had such fund called capital from its partners instead of utilizing the credit facility.
- (4) The net MoIC is calculated at the fund-level and is based on the interests of the fee-paying limited partners and if applicable, excludes those interests attributable to the non-fee paying limited partners and/or the general partner which does not pay management fees or carried interest. The net MoIC is after giving effect to management fees and other expenses, carried interest and credit facility interest expense, as applicable. The funds may utilize a short-term credit facility for general cash management purposes, as well as a long-term credit facility as permitted by the respective fund’s governing documentation. The net fund-level MoICs would generally have been lower had such fund called capital from its limited partners instead of utilizing the credit facility.
- (5) The gross IRR is an annualized since inception gross internal rate of return of cash flows to and from the fund and the fund’s residual value at the end of the measurement period. Gross IRR reflects returns to all partners. If applicable, limiting the gross IRR to exclude interests attributable to the non-fee paying limited partners and/or the general partner who does not pay management fees or carried interest would have no material impact on the result. The cash flow dates used in the gross IRR calculation are based on the actual dates of the cash flows. The gross IRRs are calculated before giving effect to management fees, carried interest, as applicable, and other expenses, but after giving effect to credit facility interest expenses, as applicable. The funds may utilize a short-term credit facility for general cash management purposes, as well as a long-term credit facility as permitted by the respective fund’s governing documents. The gross fund-level IRR would generally have been lower had such fund called capital from its partners instead of utilizing the credit facility.
- (6) The net IRR is an annualized since inception net internal rate of return of cash flows to and from the fund and the fund’s residual value at the end of the measurement period. Net IRRs reflect returns to the fee-paying limited partners and, if applicable, exclude interests attributable to the non-fee paying limited partners and/or the general partner who does not pay management fees or carried interest. The cash flow dates used in the net IRR calculations are based on the actual dates of the cash flows. The net IRRs are calculated after giving effect to management fees and other expenses, carried interest and credit facility interest expenses, as applicable. The funds may utilize a short-term credit facility for general cash management purposes, as well as a long-term credit facility as permitted by the respective fund’s governing documents. Net fund-level IRRs would generally have been lower had such fund called capital from its limited partners instead of utilizing the credit facility.
- (7) The results of the fund are presented on a combined basis with the affiliated parallel funds or accounts, given that the investments are substantially the same.

Operations Management Group—Three Months Ended March 31, 2025 Compared to Three Months Ended March 31, 2024
Fee Related Earnings

The following table presents the components of the Operations Management Group's FRE (\$ in thousands):

	Three months ended March 31,		Favorable (Unfavorable)	
	2025	2024	\$ Change	% Change
Other fees	\$ 5,537	\$ 4,333	\$ 1,204	28%
Compensation and benefits	(116,468)	(94,157)	(22,311)	(24)
General, administrative and other expenses	(64,026)	(50,480)	(13,546)	(27)
Fee Related Earnings	\$ (174,957)	\$ (140,304)	(34,653)	(25)

Other Fees. The increase in other fees for the three months ended March 31, 2025 compared to the three months ended March 31, 2024 was primarily driven by an increase in facilitation fees from the 1031 exchange program associated with our non-traded REITs.

Compensation and Benefits. Headcount growth attributable to the GCP Acquisition contributed \$3.9 million in recurring employment related costs to the three months ended March 31, 2025. The impact from the GCP Acquisition has been excluded from the discussion below.

The increase in compensation and benefits for the three months ended March 31, 2025 compared to the three months ended March 31, 2024 was also driven by (i) the expansion of our business operations teams to support the growth of our business and other strategic initiatives; (ii) an increase in payroll-related taxes of \$4.8 million primarily due to the higher stock price associated with equity awards that vested during the current quarter; (iii) higher incentive-based compensation, which is dependent on our operating performance and is expected to fluctuate during the year; and (iv) higher sales-based bonuses which increased by \$2.8 million over the comparative period, primarily driven by the increase in the sale of ASIF shares.

Average headcount increased by 20% to 1,910 professionals for the year-to-date period in 2025 from 1,593 professionals in 2024. The acquisition of GCP International added 267 professionals to our period end headcount as of March 31, 2025, which represents an average of 89 professionals for the year-to-date period.

General, Administrative and Other Expenses. The GCP Acquisition has contributed \$3.6 million in general, administrative and other expenses to the three months ended March 31, 2025. These expenses were primarily driven by professional service fees of \$2.1 million, of which \$1.4 million related to temporary transition services. The impact from the GCP Acquisition has been excluded from the discussion below.

The increase in general, administrative and other expenses for the three months ended March 31, 2025 compared to the three months ended March 31, 2024 was also driven by occupancy costs and information technology costs, which collectively increased by \$4.5 million. The increases in these expenses were primarily to support our growing headcount and the expansion of our business, with occupancy costs also being impacted by the expansion of our New York office. In addition, the increase in general, administrative and other expenses was attributable to higher professional service fees of \$2.9 million, primarily from legal fees.

Realized Income

The following table presents the components of the OMG's RI (\$ in thousands):

	Three months ended March 31,		Favorable (Unfavorable)	
	2025	2024	\$ Change	% Change
Fee Related Earnings	\$ (174,957)	\$ (140,304)	\$ (34,653)	(25)%
Investment income—realized	331	11	320	NM
Interest income	603	441	162	37
Interest expense	(256)	(40)	(216)	NM
Realized net investment income	678	412	266	65
Realized Income	\$ (174,279)	\$ (139,892)	(34,387)	(25)

Liquidity and Capital Resources

Management assesses liquidity in terms of our ability to generate cash to fund operating, investing and financing activities. Management believes that we are well-positioned and our liquidity will continue to be sufficient for our foreseeable working capital needs, contractual obligations, dividend payments, pending acquisitions and strategic initiatives.

Sources and Uses of Liquidity

Our sources of liquidity are: (i) cash on hand; (ii) net working capital; (iii) cash from operations, including management fees, which are collected monthly, quarterly or semi-annually, and fee related performance revenues, which are typically measured and collected annually, as well as net realized performance income, which may be unpredictable as to amount and timing; (iv) fund distributions related to our investments that are unpredictable as to amount and timing; and (v) net borrowings from the Credit Facility. As of March 31, 2025, our cash and cash equivalents were \$618.5 million and we have \$415.0 million available under our Credit Facility. Our ability to draw from the Credit Facility is subject to leverage and other covenants. We remain in compliance with all covenants as of March 31, 2025. We believe that these sources of liquidity will be sufficient to fund our working capital requirements and to meet our commitments in the ordinary course of business and under the current market conditions for the foreseeable future. Cash flows from management fees may be impacted by a slowdown in deployment, declines in valuations or negatively impacted fundraising. In addition, management fees may be subject to deferral and fee related performance revenues may be subject to hold backs. Declines or delays in transaction activity may impact our fund distributions and net realized performance income, which could adversely impact our cash flows and liquidity. Market conditions may make it difficult to extend the maturity or refinance our existing indebtedness or obtain new indebtedness with similar terms.

We expect that our primary liquidity needs will continue to be to: (i) provide capital to facilitate the growth of our existing investment management businesses; (ii) fund our investment commitments; (iii) provide capital to facilitate our expansion into businesses that are complementary to our existing investment management businesses as well as other strategic growth initiatives; (iv) pay operating expenses, including cash compensation to our employees and tax payments for net settlement of equity awards; (v) fund capital expenditures; (vi) service our debt; (vii) pay income taxes and make payments under the tax receivable agreement (“TRA”); (viii) make dividend payments to our Class A and non-voting common stockholders and our Series B mandatory convertible preferred stockholders in accordance with our dividend policies; and (ix) pay distributions to AOG unitholders.

In the normal course of business, we expect to pay dividends to our Class A and non-voting common stockholders that are aligned with our expected FRE after an allocation of current taxes paid. For the purposes of determining this amount, we allocate the current taxes paid to FRE and to realized performance and investment income in a manner that may be disproportionate to earnings generated by these metrics, and the actual taxes paid on these metrics should they be considered separately. Additionally, our methodology uses the tax benefits from certain expenses that are not included in these non-GAAP metrics, such as equity-based compensation from the vesting of equity awards and from the amortization of intangible assets, among others. We allocate the taxes by multiplying the statutory tax rate currently in effect by our net realized performance and net investment income and removing this amount from total current taxes. The remaining current tax paid is the amount that we allocate to FRE. We use this method to allocate the current provision for income taxes to approximate the amount of cash that is available to pay dividends to our stockholders. If cash flows from operations were insufficient to fund dividends over a sustained period of time, we expect that we would suspend or reduce paying such dividends. In addition, there is no assurance that dividends would continue at the current levels or at all. Unless quarterly dividends have been declared and paid (or declared and set apart for payment) on the Series B mandatory convertible preferred stock, we may not declare or pay or set apart payment for dividends on any shares of our Class A common stock during the period. Declared dividends on the Series B mandatory convertible preferred stock will be payable, at our election, in cash, shares of our Class A common stock or a combination of cash and shares of our Class A common stock. Dividends on Series B mandatory convertible preferred stock are cumulative and the Series B mandatory convertible preferred stock, unless previously converted or redeemed, will automatically convert into our Class A common stock on October 1, 2027. Although any income allocated to Series B mandatory convertible preferred stock dividends may be subject to taxes, dividends to our Series B mandatory convertible preferred stockholders will not be reduced on account of any income taxes owed by us. As a result, taxes associated with any income allocated to Series B mandatory convertible preferred stock dividends will be borne by Class A and non-voting common stockholders.

Our ability to obtain debt financing and complete stock offerings provides us with additional sources of liquidity. For further discussion of financing transactions occurring in the current period, see “Cash Flows” within this section and “Note 7. Debt” and “Note 13. Equity and Redeemable Interest” within our unaudited condensed consolidated financial statements included in this Quarterly Report on Form 10-Q.

Our unaudited condensed consolidated financial statements reflect the cash flows of our operating businesses as well as those of our Consolidated Funds. The assets of our Consolidated Funds, on a gross basis, are significantly larger than the assets of our operating businesses and therefore have a substantial effect on the amounts reported within our condensed consolidated statements of cash flows. The primary cash flow activities of our Consolidated Funds include: (i) raising capital from third-party investors, which is reflected as non-controlling interests of our Consolidated Funds; (ii) financing certain investments by issuing debt; (iii) purchasing and selling investment securities; (iv) generating cash through the realization of certain investments; (v) collecting interest and dividend income; and (vi) distributing cash to investors. Our Consolidated Funds are generally accounted for as investment companies under GAAP; therefore, the character and classification of all Consolidated Fund transactions are presented as cash flows from operations. Liquidity available at our Consolidated Funds is not available for corporate liquidity needs, and debt of the Consolidated Funds is non-recourse to us except to the extent of our investment in the fund.

Cash Flows

The following tables summarize our condensed consolidated statements of cash flows by activities attributable to the Company and Consolidated Funds. For more details on the activity of the Company and Consolidated Funds, refer to “Note 15. Consolidation” within our unaudited condensed consolidated financial statements included in this Quarterly Report on Form 10-Q.

	Three months ended March 31,	
	2025	2024
Net cash provided by operating activities	\$ 707,294	\$ 458,363
Net cash provided by the Consolidated Funds’ operating activities, net of eliminations	1,286,909	251,682
Net cash provided by operating activities	1,994,203	710,045
Net cash used in the Company’s investing activities	(1,744,690)	(34,071)
Net cash provided by (used in) the Company’s financing activities	143,647	(424,232)
Net cash used in the Consolidated Funds’ financing activities, net of eliminations	(1,321,374)	(242,400)
Net cash used in financing activities	(1,177,727)	(666,632)
Effect of exchange rate changes	38,774	(11,285)
Net change in cash and cash equivalents	\$ (889,440)	\$ (1,943)

The Consolidated Funds had no effect on cash flows attributable to the Company for the periods presented and are excluded from the discussion below. The following discussion focuses on cash flow by activities attributable to the Company.

Operating Activities

In the table below, cash flows from operations are summarized to present: (i) cash generated from our core operating activities, primarily consisting of profits generated principally from management fees and fee related performance revenues after covering for operating expenses and fee related performance compensation; (ii) net realized performance income; and (iii) net cash from investment related activities including purchases, sales, realized net investment income and interest expense. We generated meaningful cash flow from operations in each period presented.

	Three months ended March 31,		Favorable (Unfavorable)	
	2025	2024	\$ Change	% Change
Core operating activities	\$ 577,520	\$ 335,306	\$ 242,214	72%
Net realized performance income	148,842	50,733	98,109	193
Net cash provided by (used in) investment related activities	(19,068)	72,324	(91,392)	(126)
Net cash provided by operating activities	\$ 707,294	\$ 458,363	248,931	54

Cash from our core operating activities increased as a result of growing fee revenues and sustained profitability and timing of cash collection of our receivables.

Net realized performance income includes: (i) carried interest distributions that may represent tax distributions or other distributions of income; and (ii) incentive fees that are realized annually at the end of the measurement period, which is typically at the end of the calendar year. Cash received from carried interest distributions and the subsequent payments to employees may not necessarily occur in the same quarter. Cash from incentive fees is generally received in the period subsequent to the measurement period. The increase in net realized performance income over the comparative periods was primarily due to timing of tax distributions that were received in the first quarter of 2025 but not yet paid to employees, while minimal tax distributions were received and paid in the first quarter of 2024.

Net cash provided by (used in) investment related activities for the three months ended March 31, 2025 and 2024 primarily represents: (i) distributions received from our capital investments and the collection of principal and interest from loans that we have made; (ii) sales of certain capital investments to employees; and (iii) the rebalancing of and associated return of our capital commitments upon admitting new limited partners; offset by (iv) purchases associated with funding capital commitments and strategic investments in our investment portfolio; and (v) interest payments on our debt obligations. Net cash provided by (used in) investment related activities for the three months ended March 31, 2025 also included interest income from treasury-backed securities. As we are committed to invest alongside the investors in our funds, our capital commitments will increase with our growing assets under management and our investment related activities may fluctuate depending on timing of capital investments and distributions of each fund from year to year. For further discussion of our capital commitments, see “Note 8. Commitments and Contingencies” within our unaudited condensed consolidated financial statements included in this Quarterly Report on Form 10-Q.

Our working capital needs are generally rising to support the growth of our business, while the capital requirements needed to support fund-related activities vary based upon the specific investment activities being conducted during such period.

Investing Activities

	Three months ended March 31,	
	2025	2024
Purchase of furniture, equipment and leasehold improvements, net of disposals	\$ (21,975)	\$ (26,071)
Acquisitions, net of cash acquired	(1,722,715)	(8,000)
Net cash used in investing activities	\$ (1,744,690)	\$ (34,071)

Net cash used in investing activities for the current quarter was predominately cash used to complete the GCP Acquisition. Net cash used in investing activities for both periods also included cash to purchase furniture, fixtures, equipment and leasehold improvements primarily for the build out of our new corporate headquarters that we occupied beginning in the third quarter of 2024 and to support the growth in our staffing levels.

Financing Activities

	Three months ended March 31,	
	2025	2024
Net borrowings of Credit Facility	985,000	80,000
Class A and non-voting common stock dividends	(258,691)	(190,504)
AOG unitholder distributions	(138,303)	(129,542)
Series B mandatory convertible preferred stock dividends	(48,094)	—
Stock option exercises	—	1,511
Taxes paid related to net share settlement of equity awards	(396,722)	(186,731)
Other financing activities	457	1,034
Net cash provided by (used in) the Company’s financing activities	\$ 143,647	\$ (424,232)

Net cash provided by the Company’s financing activities for the three months ended March 31, 2025 included net borrowings from the Credit Facility. These proceeds were used primarily to fund the GCP Acquisition.

As a result of generating higher fee related earnings, we increased the level of dividends paid to a growing shareholder base of Class A and non-voting common stockholders and distributions paid to AOG unitholders, resulting in net cash used in the Company’s financing activities for the three months ended March 31, 2025 and 2024.

In addition, we issued 30,000,000 shares of Series B mandatory convertible preferred stock in October 2024. Net cash used in the Company’s financing activities included dividend payments made during the three months ended March 31, 2025 to preferred stockholders.

In connection with the vesting of equity awards that are granted to our employees under the Equity Incentive Plan, we withhold shares equal to the fair value of our employees’ tax withholding liabilities and pay the taxes on their behalf in cash and thus issue fewer net shares. Cash used in connection with these awards increased during the current quarter primarily as a result of our higher stock price, which resulted in employees recognizing additional compensation. For the three months ended March 31, 2025, we net settled and did not issue 2.0 million shares, which includes 0.2 million shares that were withheld from

restricted units that vested on the GCP Acquisition close date. For the three months ended March 31, 2024, we net settled and did not issue 1.6 million shares.

Capital Resources

We intend to use a portion of our available liquidity to pay cash dividends to our Series B mandatory convertible preferred stockholders and Class A and non-voting common stockholders on a quarterly basis in accordance with our dividend policies. Our ability to make cash dividends is dependent on a myriad of factors, including: (i) general economic and business conditions; (ii) our strategic plans and prospects; (iii) our business and investment opportunities; (iv) timing of capital calls by our funds in support of our commitments; (v) our financial condition and operating results; (vi) working capital requirements and other anticipated cash needs; (vii) contractual restrictions and obligations; (viii) legal, tax and regulatory restrictions; (ix) restrictions on the payment of distributions by our subsidiaries to us; and (x) other relevant factors.

We are required to maintain minimum net capital balances for regulatory purposes for our broker-dealer entities. These net capital requirements are met in part by retaining cash, cash equivalents and investment securities. Additionally, certain of our subsidiaries operating outside the U.S. are also subject to capital adequacy requirements in each of the applicable jurisdictions. As a result, we may be restricted in our ability to transfer cash between different operating entities and jurisdictions. As of March 31, 2025, we were required to maintain approximately \$85.7 million in net assets within these subsidiaries to meet regulatory net capital and capital adequacy requirements. We remain in compliance with these regulatory requirements.

Holders of AOG Units, subject to the terms of the exchange agreement, may exchange their AOG Units for shares of our Class A common stock on a one-for-one basis. These exchanges are expected to result in increases in the tax basis of the tangible and intangible assets of AMC that otherwise would not have been available. These increases in tax basis may increase depreciation and amortization for U.S. income tax purposes and thereby reduce the amount of tax that we would otherwise be required to pay in the future. We entered into the TRA that provides payment to the TRA recipients of 85% of the amount of actual cash savings (“Cash Tax Savings”), if any, in U.S. federal, state, local and foreign income tax or franchise tax that we actually realize as a result of these increases in tax basis and of certain other tax benefits related to entering into the TRA, including tax benefits attributable to payments under the TRA and interest accrued thereon (“Tax Benefit Payment”). Effective as of May 1, 2023, pursuant to an amendment to the TRA, to the extent Ares Owners Holdings L.P. would have been a recipient of certain Tax Benefit Payments under the TRA for taxable exchanges on or after May 1, 2023, Ares Owners Holdings L.P. will no longer be entitled to any Tax Benefit Payment for such exchanges and 100% of any Cash Tax Savings will inure to us. Future payments under the TRA in respect of subsequent exchanges are expected to be substantial. The TRA liability balance was \$475.1 million and \$402.4 million as of March 31, 2025 and December 31, 2024, respectively. For the three months ended March 31, 2025 and 2024, payments under the TRA were \$8.1 million and \$6.1 million, respectively.

For a discussion of our debt obligations, including the debt obligations of our consolidated funds, see “Note 7. Debt” within our unaudited condensed consolidated financial statements included in this Quarterly Report on Form 10-Q.

For a discussion of our equity, see “Note 13. Equity and Redeemable Interest” within our unaudited condensed consolidated financial statements included in this Quarterly Report on Form 10-Q.

Critical Accounting Estimates

We prepare our unaudited condensed consolidated financial statements in accordance with GAAP. In applying many of these accounting principles, we need to make assumptions, estimates or judgments that affect the reported amounts of assets, liabilities, revenues and expenses in our unaudited condensed consolidated financial statements. We base our estimates and judgments on historical experience and other assumptions that we believe are reasonable under the circumstances. These assumptions, estimates or judgments, however, are both subjective and subject to change, and actual results may differ from our assumptions and estimates. If actual amounts are ultimately different from our estimates, the revisions are included in our results of operations for the period in which the actual amounts become known. For a summary of our significant accounting policies, see “Note 2. Summary of Significant Accounting Policies,” to our unaudited condensed consolidated financial statements included in this Quarterly Report on Form 10-Q and in our Annual Report on Form 10-K for the year ended December 31, 2024. For a summary of our critical accounting estimates, please see “Management’s Discussion and Analysis of Financial Condition and Results of Operations—Critical Accounting Estimates” in our Annual Report on Form 10-K.

Recent Accounting Pronouncements

Information regarding recent accounting pronouncements and their impact on Ares can be found in “Note 2. Summary of Significant Accounting Policies,” within our unaudited condensed consolidated financial statements included in this Quarterly Report on Form 10-Q.

Commitments and Contingencies

In the normal course of business, we enter into contractual obligations that may require future cash payments. We may also engage in off-balance sheet arrangements, including transactions in derivatives, guarantees, capital commitments to funds, indemnifications and potential contingent payment obligations. For further discussion of these arrangements, see “Note 8. Commitments and Contingencies” to our unaudited condensed consolidated financial statements included in this Quarterly Report on Form 10-Q.

Item 3. Quantitative and Qualitative Disclosures About Market Risk

Our primary exposure to market risk is related to our role as general partner or investment adviser to our funds and the sensitivity to movements in the fair value of their investments, including the effect on management fees, performance income and investment income.

There have been no material changes in our market risks for the three months ended March 31, 2025. For additional information on our market risks, refer to our Annual Report on Form 10-K for the year ended December 31, 2024, which is accessible on the SEC’s website at www.sec.gov.

Item 4. Controls and Procedures

Evaluation of Disclosure Controls and Procedures

We maintain disclosure controls and procedures (as that term is defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act) that are designed to ensure that information required to be disclosed in our reports under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the SEC’s rules and forms, and that such information is accumulated and communicated to our management, including our principal executive officer and principal financial officer, as appropriate, to allow timely decisions regarding required disclosures. Any controls and procedures, no matter how well designed and operated, can provide only reasonable assurance of achieving the desired control objectives. Our management, with the participation of our principal executive officer and principal financial officer, has evaluated the effectiveness of the design and operation of our disclosure controls and procedures as of March 31, 2025. Based upon that evaluation and subject to the foregoing, our principal executive officer and principal financial officer concluded that, as of March 31, 2025, the design and operation of our disclosure controls and procedures were effective to accomplish their objectives at the reasonable assurance level.

Changes in Internal Control over Financial Reporting

There have been no changes in our internal control over financial reporting (as defined in Rule 13a-15(f) and 15d-15(f) under the Exchange Act) during the quarter ended March 31, 2025 that have materially affected, or that are reasonably likely to materially affect, our internal control over financial reporting.

PART II.

Item 1. Legal Proceedings

From time to time, we, our executive officers, directors and our funds and their investment advisers, and their respective affiliates and/or any of their respective principals and employees are subject to legal proceedings, including those arising from our management of such funds. Additionally, we and our funds and their investment advisers are also subject to extensive regulation, which, from time to time, results in requests for information from us or our funds and their investment advisers or legal or regulatory proceedings or investigations against us or our funds and their investment advisers, respectively. We incur significant costs and expenses in connection with any such proceedings, information requests and investigations.

Item 1A. Risk Factors

In addition to the other information set forth in this report, you should carefully consider the risk factors described in Part I, “Item 1A. Risk Factors” in our Annual Report on Form 10-K for the year ended December 31, 2024, which is accessible on the SEC’s website at www.sec.gov. The risks described in our Annual Report on Form 10-K for the year ended December 31, 2024 are not the only risks facing us. These risks and additional risks and uncertainties not currently known to us or that we currently deem to be immaterial also may materially and adversely affect our business, financial condition and/or operating results.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds

We did not sell any equity securities during the period covered in this report that were not registered under the Securities Act.

All unregistered purchases of equity securities during the period covered by this Quarterly Report were previously disclosed in our current reports on Form 8-K or quarterly reports on Form 10-Q.

As permitted by our policies and procedures governing transactions in our securities by our directors, executive officers and other employees, from time to time some of these persons may establish plans or arrangements complying with Rule 10b5-1 under the Exchange Act, and similar plans and arrangements relating to our Class A common stock.

Item 3. Defaults Upon Senior Securities

None.

Item 4. Mine Safety Disclosures

Not applicable.

Item 5. Other Information

Rule 10b5-1 Trading Plans

During the three months ended March 31, 2025, certain executive officers and directors of the Company or a vehicle controlled by them (each, a “Plan Participant”) entered into Rule 10b5-1 trading plan (a “Rule 10b5-1 Trading Plan”) to sell shares of the Company’s Class A common stock, in each case, subject to any applicable volume limitations.

The table below provides certain information regarding each Plan Participant’s Rule 10b5-1 Trading Plan.

Name and Title	Plan Date	Maximum Shares That May Be Sold Under the Plan	Plan Expiration Date
Bennett Rosenthal, Director, Co-Founder and Chairman of Private Equity Group	February 13, 2025	125,000	November 14, 2025
David Kaplan, Director and Co-Founder	February 13, 2025	125,000	November 14, 2025

A Rule 10b5-1 Trading Plan is a written document that pre-establishes the amounts, prices and dates (or formulas for determining the amounts, prices and dates) of future purchases or sales of the Company’s common stock, including, if applicable, shares issued upon exercise of stock options or vesting of unvested awards.

Each Plan Participant’s Rule 10b5-1 Trading Plan was adopted during an authorized trading period and when such Plan Participant was not in possession of material non-public information and is intended to satisfy the affirmative defense of Rule 10b5-1(c) under the Exchange Act.

Item 6. Exhibits, Financial Statement Schedules

(a) Exhibits.

The following is a list of all exhibits filed or furnished as part of this report.

Exhibit No.	Description
3.1	Second Amended and Restated Certificate of Incorporation of Ares Management Corporation (incorporated by reference to Exhibit 3.1 to the Registrant's Quarterly Report on Form 10-Q (File No. 001-36429) filed with the SEC on May 6, 2021).
3.2	Bylaws of Ares Management Incorporation (incorporated by reference to Exhibit 99.4 to the Registrant's Current Report on Form 8-K (File No. 001-36429) filed with the SEC on November 15, 2018).
3.3	Certificate of Designations of 6.75% Series B Mandatory Convertible Preferred Stock (incorporated by reference to Exhibit 3.1 to the Registrant's Current Report on Form 8-K (File No. 001-36429) filed with the SEC on October 10, 2024).
10.1	Amendment No. 13, dated as of April 22, 2025, to the Sixth Amended and Restated Credit Agreement, dated as of April 21, 2014, by and among Ares Holdings L.P., the Guarantors party thereto, the Lenders party thereto and JPMorgan Chase Bank, N.A. (incorporated by reference to Exhibit 10.1 to the Registrant's Current Report on Form 8-K (File No. 001-36429) filed with the SEC on April 25, 2025).
10.2*	Sixth Amended and Restated Exchange Agreement, dated May 8, 2025.
10.3*	Sixth Amended and Restated Limited Partnership Agreement of Ares Holdings L.P., dated May 8, 2025.
31.1*	Certification of the Chief Executive Officer pursuant to Rule 13a-14(a).
31.2*	Certification of the Chief Financial Officer pursuant to Rule 13a-14(a).
32.1**	Certification of the Chief Executive Officer and Chief Financial Officer pursuant to 18 U.S.C. Section 1350.
101.INS	XBRL Instance Document - the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document.
101.SCH	Inline XBRL Taxonomy Extension Schema Document.
101.CAL	Inline XBRL Taxonomy Extension Calculation Linkbase Document.
101.DEF	Inline XBRL Taxonomy Extension Definition Linkbase Document.
101.LAB	Inline XBRL Taxonomy Extension Label Linkbase Document.
101.PRE	Inline XBRL Taxonomy Extension Presentation Linkbase Document.
104	Cover Page Interactive Data File - the cover page interactive data file does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document.

* Filed herewith.

** These certifications are not deemed filed by the SEC and are not to be incorporated by reference in any filing we make under the Securities Act of 1933 or the Securities Exchange Act of 1934, irrespective of any general incorporation language in any filings.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

ARES MANAGEMENT CORPORATION

Dated: May 12, 2025

By: /s/ Michael J Arougheti
Name: Michael J Arougheti
Title: Co-Founder & Chief Executive Officer
(Principal Executive Officer)

Dated: May 12, 2025

By: /s/ Jarrod Phillips
Name: Jarrod Phillips
Title: Chief Financial Officer
(Principal Financial & Accounting Officer)

SIXTH AMENDED AND RESTATED EXCHANGE AGREEMENT

SIXTH AMENDED AND RESTATED EXCHANGE AGREEMENT (this “Agreement”), dated as of May 8, 2025 (the “Effective Date”), by and among Ares Management Corporation, a Delaware Corporation (the “Issuer”), each Ares Operating Group Entity (as defined below), and each Ares Operating Group Limited Partner (as defined below) from time to time party to this Agreement.

WHEREAS, the Fifth Amended and Restated Exchange Agreement was executed on April 1, 2021, by and among the Issuer, each Ares Operating Group Entity and the other parties thereto (the “A&R Agreement”), on the terms and subject to the conditions set forth therein;

WHEREAS, the right to exchange Ares Operating Group Units set forth in Section 2.1, once exercised, represents a several, and not a joint and several, obligation of the Ares Operating Group Entities (on a *pro rata* basis), and no Ares Operating Group Entity shall have any obligation or right to acquire Ares Operating Group Units issued by another Ares Operating Group Entity; and

WHEREAS, the parties now desire to amend and restate the A&R Agreement as hereinafter set forth.

NOW, THEREFORE, the parties agree as follows:

**ARTICLE I
DEFINITIONS**

1.1 Definitions. The following definitions shall be for all purposes, unless otherwise clearly indicated to the contrary, applied to the terms used in this Agreement.

“A&R Agreement” has the meaning set forth in the recitals.

“Affiliate” means with respect to any Person, any other Person that directly or indirectly, through one or more intermediaries, Controls, is Controlled by, or is under common Control with, such first Person.

“Agreement” has the meaning set forth in the preamble of this Agreement.

“AOG IntermediateCo Entity” means each of Ares Holdings IntermediateCo and any future entity designated by the Issuer in its discretion as an AOG IntermediateCo Entity for purposes of this Agreement.

“Ares Entity Parties” means, collectively, the Issuer, Ares Holdings IntermediateCo and each of the Ares Operating Group Entities.

“Ares Holdings” means Ares Holdings L.P., a Delaware limited partnership.

“Ares Holdings IntermediateCo” means Ares Holdco LLC, a Delaware limited liability company and the general partner of Ares Holdings, or any successor general partner thereof.

“Ares Holdings LP Agreement” means the limited partnership agreement of Ares Holdings.

“Ares Holdings Units” means the “Class A Units” of Ares Holdings issued under the Ares Holdings LP Agreement.

“Ares Operating Group Entities” means, collectively, Ares Holdings and any future entity designated by the Issuer in its discretion as an Ares Operating Group Entity for purposes of this Agreement.

“Ares Operating Group Limited Partner” means Ares Owners and each other Person that becomes a limited partner of the Ares Operating Group Entities, including through a Redemption and Exchange Transaction.

“Ares Operating Group Partnership Agreements” means the Ares Holdings LP Agreement and the limited partnership agreement of any future Ares Operating Group Entity.

“Ares Operating Group Unit” means one Ares Holdings Unit and one “Class A Unit” of any future Ares Operating Group Entity.

“Ares Owners” means Ares Owners Holdings L.P., a Delaware limited partnership.

“Ares Owners Partnership Agreement” means the Agreement of Limited Partnership of Ares Owners.

“Block Exchange” has the meaning set forth in Section 2.1(b).

“Block Exchange Date” means any date of a Block Exchange.

“Block Exchange Notice” has the meaning set forth in Section 2.1(b).

“Business Day” means each day that is not a Saturday, Sunday or other day on which banking institutions in New York, New York are authorized or required by law to close.

“Change of Control” means during any period of two consecutive years following the Effective Date, Continuing Directors cease for any reason to constitute a majority of the directors serving on the Issuer’s board of directors. For purposes of this definition, “Continuing Director” means any director of the Issuer (i) serving on the Issuer’s board of directors at the beginning of the relevant period of two consecutive years referred to in the immediately preceding sentence, or (ii) whose appointment or election to the Issuer’s board of directors by such board, or nomination for election to the Issuer’s board of directors by the stockholders of the Issuer, was approved by a majority of the directors of the Issuer then still serving at the time of such approval who were so serving at the beginning of the relevant period of two consecutive years referred to in the immediately preceding sentence or whose appointment or election or nomination for election was so approved.

“Class A Common Stock” means Class A Common Stock of the Issuer.

“Class A Shares” means shares of Class A Common Stock.

“Co-Founder” means each of Michael J Arougheti, David B. Kaplan, John H. Kissick, Antony P. Ressler and Bennett Rosenthal.

“Code” means the Internal Revenue Code of 1986.

“Control” means the possession, direct or indirect, of the power to direct or cause the direction of the management and policies of a Person, whether through ownership of voting securities, by contract or otherwise.

“Current Market Price” has the meaning set forth in the Issuer Certificate of Incorporation; *provided* that, with respect to each Ares Operating Group Limited Partner, if, in connection with any Exchange, an Ares Entity Party adopts procedures relating to the sales of Class A Shares acquired by Ares Operating Group Limited Partners (including by engaging or directing an agent or broker to effect sales on behalf of such Persons), “Current Market Price” shall mean the average price per Class A Share received by such exchanging Ares Operating Group Limited Partners, as reasonably determined by the Issuer.

“Effective Date” has the meaning set forth in the preamble.

“Exchange” means the exchange by an Ares Operating Group Entities Limited Partner of one or more Ares Operating Group Units held by such Ares Operating Group Entities Limited Partner at the Exchange Rate in accordance with this Agreement. Any references to an Exchange in this Agreement, the Issuer Certificate of Incorporation, any Ares Operating Group Partnership Agreement, or any other agreement or document that references an “Exchange” as defined in the Exchange Agreement shall, unless specifically provided otherwise herein or therein, include an Exchange or a Block Exchange where appropriate. “Exchange”, “Exchanged”, “Exchanging” and any other use of the term “Exchange” as a verb shall have correlative meanings.

“Exchange Counterparty” means the Ares Operating Group Entities, collectively.

“Exchange Rate” means the number of Class A Shares for which an Ares Operating Group Unit is entitled to be exchanged. On the Effective Date, the Exchange Rate shall be 1 for 1, which Exchange Rate shall be subject to modification only as provided in Section 2.4.

“Issuer” has the meaning set forth in the preamble.

“Issuer Certificate of Incorporation” means the Certificate of Incorporation of the Issuer, effective as of May 1 2020.

“JAMS” has the meaning set forth in Section 3.9(a) of this Agreement.

“Liens” means any and all liens, charges, security interests, options, claims, mortgages, pledges, proxies, voting trusts or agreements, obligations, understandings or arrangements or other restrictions on title or transfer of any nature whatsoever.

“Non-Foreign Person Certificate” has the meaning set forth in Section 3.13 of this Agreement.

“Other Exchange Date” means any date, other than a Quarterly Exchange Date or a Block Exchange Date, on which any Person is entitled to request that such Person’s Ares Operating Group Units (including Ares Operating Group Units held, directly or indirectly, through another entity) be redeemed by an Ares Entity Party or any Affiliate thereof in a Redemption and Exchange Transaction pursuant to an agreement with such Ares Entity Party or any Affiliate thereof.

“Permitted Transferee” has the meaning set forth in Section 3.1 of this Agreement.

“Person” means an individual or a corporation, limited liability company, partnership, joint venture, trust, estate, unincorporated organization, association (including any group, organization, co-tenancy, plan, board, council or committee), government (including a country, state, county, or any other governmental or political subdivision, agency or instrumentality thereof) or other entity (or series thereof).

“Quarter” means, unless the context requires otherwise, a fiscal quarter of the Issuer.

“Quarterly Exchange Date” means, for each Quarter, unless the Issuer cancels such Quarterly Exchange Date pursuant to Section 2.6, the date that is the latest to occur of: (i) the second Business Day after the date on which the Issuer makes a public news release of its quarterly earnings for the prior Quarter, (ii) the first day of such Quarter on which directors and executive officers of the Issuer are permitted to trade under the applicable policies of the Issuer relating to trading by directors and executive officers or (iii) such other date as the Issuer shall determine in its sole discretion; *provided* that with respect to clause (iii), the Issuer shall provide the Ares Operating Group Limited Partners with reasonable notice of such date. At least 75 days prior to each Quarterly Exchange Date, the Issuer will provide notice thereof to each Ares Operating Group Limited Partner eligible to Exchange Ares Operating Group Units for Class A Shares on such Quarterly Exchange Date.

“Redemption and Exchange Transaction” means (a) any “Redemption and Exchange Transaction” as defined in the Ares Owners Partnership Agreement and (b) any other similar transaction as defined in any agreement with any Ares Entity Party or Affiliate thereof.

“Sale Transaction” has the meaning set forth in Section 2.6.

“Securities Act” has the meaning set forth in Section 2.3(a).

“Transfer Agent” means such bank, trust company or other Person as shall be appointed from time to time by the Issuer to act as registrar and transfer agent for the Class A Common Stock.

1.2 Interpretation.

(a) Unless a clear contrary intention appears: (i) the defined terms in this Agreement shall apply equally to both the singular and plural forms of such terms; (ii) reference to any Person includes such Person’s successors and assigns but, if applicable, only if such successors and assigns are not prohibited by this Agreement, and reference to a Person in a particular capacity excludes such Person in any other capacity or individually; (iii) any pronoun shall include the corresponding masculine, feminine and neuter forms; (iv) reference to any agreement, document or instrument means such agreement, document or instrument as amended or modified and in effect from time to time in accordance with the terms thereof; (v) reference to any law, rule or regulation means such law, rule or regulation as amended, modified, codified, replaced or reenacted, in whole or in part, and in effect from time to time, including rules and regulations promulgated thereunder, and reference to any section or other provision of any law, rule or regulation means that provision of such law, rule or regulation from time to time in effect and constituting the substantive amendment, modification, codification, replacement or reenactment of such section or other provision; (vi) “hereunder,” “hereof,” “hereto,” and words of similar import shall be deemed references to this Agreement as a whole and not to any particular article, section or other provision hereof; (vii) numbered or lettered articles, sections and subsections herein contained refer to articles, sections and subsections of this Agreement; (viii) “including” (and with correlative meaning “include”) means including without limiting the generality of any description preceding such term; (ix) “or” is used in the inclusive sense of “and/or”; (x) references to documents, instruments or agreements shall be deemed to refer as well to all addenda, exhibits, schedules or amendments thereto; and (xi) reference to dollars or \$ shall be deemed to refer to U.S. dollars.

(b) All headings herein are inserted only for convenience and ease of reference and are not to be considered in the construction or interpretation of any provision of this Agreement.

ARTICLE II EXCHANGE OF ARES OPERATING GROUP UNITS

2.1 Exchange of Ares Operating Group Units.

(a) Subject to adjustment as provided in this Article II and to the provisions of the Ares Operating Group Partnership Agreements, the Issuer Certificate of Incorporation and the Ares Owners Partnership Agreement, each Ares Operating Group Limited Partner shall be entitled, on any Quarterly Exchange Date or Other Exchange Date, to surrender Ares Operating Group Units to the Ares Operating Group Entities in exchange for the delivery by such Ares Operating Group Entities of a number of Class A Shares, in the aggregate, equal to the product of such number of Ares Operating Group Units surrendered multiplied by the Exchange Rate.

Notwithstanding anything to the contrary in this Agreement, in lieu of delivering Class A Shares with respect to any Ares Operating Group Units subject to an Exchange, the Exchange Counterparty may, in its sole discretion,

elect to deliver cash equal to the Current Market Price of the Class A Shares that would otherwise be delivered in such Exchange.

(b) Without limiting Section 2.1(a), on the terms and subject to the provisions of this Agreement and the provisions of the Ares Operating Group Partnership Agreements, the Issuer Certificate of Incorporation and the Ares Owners Partnership Agreement, subject to the prior written approval of Ares Holdings IntermediateCo in its sole discretion, each Ares Operating Group Limited Partner may be entitled, at any time and from time to time, to surrender Ares Operating Group Units to the Ares Operating Group Entities in exchange for the delivery by such Ares Operating Group Entities of a number of Class A Shares, in the aggregate, equal to the product of such number of Ares Operating Group Units surrendered multiplied by the Exchange Rate, so long as the number of Ares Operating Group Units surrendered by such Ares Operating Group Limited Partner and any related persons (within the meaning of Code Sections 267(b) or 707(b)(i)) pursuant to this sentence during any 30 calendar day-period represents, in the aggregate, greater than 2% of total interests in the partnership capital or profits in the Ares Operating Group Entities (determined by Ares Holdings IntermediateCo reasonably in good faith, and in a manner consistent with the requirements for a “block transfer” within the meaning of Treasury Regulations Section 1.7704-1(e)(2)). An Exchange consummated pursuant to this Section 2.1(b) is referred to in this Agreement as a “Block Exchange”. A Block Exchange shall not be subject to the notice and other requirements of Section 2.2(a), below, but instead the Ares Operating Group Limited Partner shall exercise its right to effect a Block Exchange by delivering to Ares Holdings IntermediateCo a written notice substantially in the form of Exhibit A hereto (the “Block Exchange Notice”) specifying a Block Exchange Date. Notwithstanding the foregoing, such notice may be contingent (including as to the timing and date of such Block Exchange) upon the purchase or commitment to purchase by another Person of the Class A Shares for which the Ares Operating Group Units are exchangeable or the effectiveness of a registration statement under the Securities Act. The Block Exchange Notice must be delivered at least three Business Days before the Block Exchange Date or such lesser period as agreed to by Ares Holdings IntermediateCo. In the event any contingency set out in such Block Exchange Notice remains unsatisfied on the 90th day after the delivery of the Block Exchange Notice, such Block Exchange Notice shall be deemed to have been withdrawn by the Ares Operating Group Limited Partner. The exchanging Ares Operating Group Limited Partner may amend the Block Exchange Notice at any time prior to the Block Exchange Date by delivery of a written notice of amendment to Ares Holdings IntermediateCo. Notwithstanding the foregoing, such amendment notice must be delivered at least three Business Days before the Block Exchange Date or such lesser period as agreed to by Ares Holdings IntermediateCo. Such amendment notice may not change, as the case may be, the future date or the period for satisfaction of the contingency referred to in this Section 2.1(b) beyond 90 days of the date of the initial Block Exchange Notice. An Ares Operating Group Limited Partner may withdraw a Block Exchange Notice at any time prior to the Block Exchange Date by delivery of a written notice to Ares Holdings IntermediateCo, in which event such Block Exchange Notice shall be null and void. Ares Holdings IntermediateCo may cancel a Block Exchange in its sole discretion at any time prior to the Block Exchange Date by delivery of written notice to the exchanging Ares Operating Group Limited Partner.

(c) Notwithstanding anything to the contrary herein, upon the occurrence of a Dissolution Event (as defined in the Ares Operating Group Partnership Agreements) with respect to any Ares Operating Group Entity, each Ares Operating Group Limited Partner shall be entitled, upon the terms and subject to the conditions hereof, to elect to Exchange Ares Operating Group Units for Class A Shares; *provided*, that any such Exchange pursuant to this sentence shall be effective immediately prior to the effectiveness of the applicable dissolution of such Ares Operating Group Entity (and, for the avoidance of doubt, shall not be effective if such dissolution is not effective).

(d) Upon surrender of Ares Operating Group Units for Exchange, all rights of the exchanging Ares Operating Group Limited Partner as holder of such Ares Operating Group Units shall cease, and, unless the Exchange Counterparty elects to deliver cash to such exchanging Ares Operating Group Limited

Partner in lieu of consummating an Exchange, such exchanging Ares Operating Group Limited Partner shall be treated for all purposes as having become the Record Holder (as defined in the Issuer Certificate of Incorporation) of such Class A Shares. If the Exchange Counterparty elects to deliver cash to such exchanging Ares Operating Group Limited Partner in lieu of consummating an Exchange, such Ares Operating Group Limited Partner shall continue to own all Ares Operating Group Units subject to the Exchange, and shall still be treated as an Ares Operating Group Limited Partner with respect to such Ares Operating Group Units for all purposes under the relevant Ares Operating Group Partnership Agreements, until the Exchange Counterparty delivers such amount of cash to such Ares Operating Group Limited Partner.

(e) Where an Ares Operating Group Limited Partner has exercised its right to effect an Exchange, the AOG IntermediateCo Entities, or, in each case, their respective designees, shall have a superseding right to acquire interests in their respective Ares Operating Group Entities for (i) an amount of Class A Shares equal to the amount of Class A Shares that would be received pursuant to such Exchange or (ii) an amount of cash equal to the Current Market Price of the Class A Shares that would otherwise be delivered in such Exchange.

(f) The number of Class A Shares (or the amount of cash in lieu thereof) delivered to each exchanging Ares Operating Group Limited Partner in an Exchange by each of the Ares Operating Group Entities or pursuant to Section 2.1(e) shall be determined based on the relative fair market values of each of the Ares Operating Group Entities.

2.2 Exchange Procedures.

(a) An Ares Operating Group Limited Partner may exercise the right to exchange Ares Operating Group Units by providing a written notice of exchange at least 60 days prior to the applicable Quarterly Exchange Date or Other Exchange Date (or if such Ares Operating Group Limited Partner or a partner in Ares Owners may deliver notice of a Redemption and Exchange Transaction no later than five Business Days prior to such Redemption and Exchange Transaction (including pursuant to Section 10.3(c)(iii) of the Ares Owners Partnership Agreement), at least three days prior to the applicable Quarterly Exchange Date or Other Exchange Date) to the Exchanging Counterparty substantially in the form of Exhibit A hereto, duly executed by such holder or such holder's duly authorized attorney in respect of the Ares Operating Group Units to be exchanged, in each case, delivered during normal business hours at the principal executive offices of the Exchange Counterparty; *provided* that Ares Owners may exercise any such right, and deliver any such written notice, with respect to Ares Operating Group Units to be transferred to one or more partners of Ares Owners.

(b) As promptly as practicable following the surrender for exchange of the Ares Operating Group Units in the manner provided in this Article II, unless the Exchange Counterparty elects to deliver cash to such exchanging Ares Operating Group Limited Partner in lieu of consummating an Exchange, the Exchange Counterparty shall deliver or cause to be delivered at the offices of the then-acting Transfer Agent or, if there is no then-acting Transfer Agent, at the principal executive offices of the Issuer, the number of Class A Shares issuable upon such Exchange, registered in the name of such exchanging Ares Operating Group Limited Partner, or its nominee. If the Class A Shares are settled through the facilities of The Depository Trust Company, the Exchange Counterparty will, subject to Section 2.2(c), upon the written instruction of the exchanging Ares Operating Group Limited Partner deliver the Class A Shares deliverable to such exchanging Ares Operating Group Limited Partner, through the facilities of The Depository Trust Company, to the account of the participant of The Depository Trust Company designated by such exchanging Ares Operating Group Limited Partner. The Issuer shall take such actions as may be required to ensure the performance by the Ares Operating Group Entities of their respective obligations under this Article II, including causing the issuance and sale of Class A Shares to or for the account of the Ares Operating Group Entities in exchange for the delivery to the Issuer of a number of Ares Operating

Group Units that is equal to the number of Ares Operating Group Units surrendered by an exchanging Ares Operating Group Limited Partner.

(c) The Ares Operating Group Entities, on the one hand, and each exchanging Ares Operating Group Limited Partner, on the other hand, shall bear their own expenses in connection with the consummation of any Exchange, whether or not any such Exchange is ultimately consummated, except that the Ares Operating Group Entities shall bear any transfer taxes, stamp taxes or duties, or other similar taxes in connection with, or arising by reason of, any such Exchange; *provided* that if any Class A Shares are to be delivered in a name other than that of the exchanging Ares Operating Group Limited Partner that requested such Exchange (other than in the name of The Depository Trust Company or its nominee), then such Ares Operating Group Limited Partner or the Person in whose name such Class A Shares are to be delivered shall pay to the Ares Operating Group Entities the amount of any transfer taxes, stamp taxes or duties, or other similar taxes in connection with, or arising by reason of, such Exchange or shall establish to the reasonable satisfaction of the Ares Operating Group Entities that such tax has been paid or is not payable.

(d) The Ares Operating Group Entities may adopt reasonable procedures for the implementation of the exchange, sale or redemption provisions set forth in this Article II, including procedures for the giving of notice of an election for exchange. An Ares Operating Group Limited Partner may not revoke a notice of exchange delivered pursuant to Section 2.2(a) without the consent of the Exchange Counterparty which consent may be provided or withheld, or made subject to such conditions, limitations or restrictions, as determined by the Exchange Counterparty in its sole discretion. Nothing in this Agreement shall obligate the Exchange Counterparty to treat any Ares Operating Group Limited Partners alike, whether or not such Ares Operating Group Limited Partners are similarly situated, and the exercise of any power or discretion by the Exchange Counterparty in the case of any Ares Operating Group Limited Partner shall not create any obligation on the part of the Issuer to take any similar action in the case of any other Ares Operating Group Limited Partner, it being understood that any power or discretion conferred upon the Exchange Counterparty shall be treated as having been so conferred as to each Ares Operating Group Limited Partner separately.

2.3 Limitations on Exchanges. Notwithstanding anything to the contrary, an Ares Operating Group Limited Partner shall not be entitled to Exchange Ares Operating Group Units and the Exchange Counterparty shall have the right to refuse to honor any request for Exchange of Ares Operating Group Units, at any time or during any period if the Exchange Counterparty shall reasonably and in good faith determine that such Exchange:

(a) would be prohibited by law or regulation (including the unavailability of any requisite registration statement filed under the Securities Act of 1933 (the "Securities Act") or any exemption from the registration requirements thereunder),

(b) would cause the Issuer to violate Section 7.06 of the Issuer Certificate of Incorporation, or

(c) would otherwise not be permitted under any other agreements with the Issuer, any of its subsidiaries or Ares Owners to which such exchanging Ares Operating Group Limited Partner may be party (including the Ares Operating Group Partnership Agreements, the Ares Owners Partnership Agreement and any applicable registration rights agreements) or any written policies of the Issuer related to unlawful or inappropriate trading applicable to its directors, board observers, officers or other personnel.

2.4 Splits, Distributions and Reclassifications. The Exchange Rate shall be adjusted accordingly if there is: (a) any subdivision (by any unit split, unit distribution, reclassification, reorganization, recapitalization or otherwise) or combination (by reverse unit split, reclassification, reorganization, recapitalization or otherwise) of the Ares Operating Group Units that is not accompanied by an identical subdivision or combination of the Class A Common Stock; or (b) any subdivision (by any share split, share distribution, reclassification, reorganization,

recapitalization or otherwise) or combination (by reverse share split, reclassification, reorganization, recapitalization or otherwise) of the Class A Common Stock that is not accompanied by an identical subdivision or combination of the Ares Operating Group Units. If there is any reclassification, reorganization, recapitalization or other similar transaction in which the Class A Common Stock is converted or changed into another security, securities or other property, then upon any Exchange, an exchanging Ares Operating Group Limited Partner shall be entitled to receive the amount of such security, securities or other property that such exchanging Ares Operating Group Limited Partner would have received if such Exchange had occurred immediately prior to the effective date of such reclassification, reorganization, recapitalization or other similar transaction, taking into account any adjustment as a result of any subdivision (by any split, distribution or dividend, reclassification, reorganization, recapitalization or otherwise) or combination (by reverse split, reclassification, recapitalization or otherwise) of such security, securities or other property that occurs after the effective time of such reclassification, reorganization, recapitalization or other similar transaction. Except as may be required in the immediately preceding sentence, no adjustments in respect of distributions shall be made upon the Exchange of any Ares Operating Group Unit.

2.5 Class A Common Stock to be Issued.

(a) The Issuer and the Ares Operating Group Entities covenant that all Class A Shares issued upon an Exchange will be validly issued and shall be transferred free and clear of any Liens, other than restrictions provided in the Issuer Certificate of Incorporation or pursuant to the Securities Act or any applicable state securities laws. Nothing contained in this Agreement shall be construed to preclude the Issuer or Ares Operating Group Entities from satisfying their obligations in respect of the exchange of the Ares Operating Group Units by delivery of Class A Shares which are held in the treasury of the Issuer or the Ares Operating Group Entities or any of their respective subsidiaries.

(b) The Issuer and the Ares Operating Group Entities covenant and agree that, if a registration statement under the Securities Act is effective and available for Class A Shares to be delivered with respect to any Exchange, Class A Shares that have been registered under the Securities Act shall be delivered in respect of such Exchange. If any Exchange in accordance with this Agreement is to be effected at a time when any required registration has not become effective or otherwise is unavailable, upon the request and with the reasonable cooperation of the exchanging Ares Operating Group Limited Partners requesting such Exchange, the Issuer and the Ares Operating Group Entities shall use commercially reasonable efforts to promptly facilitate such Exchange pursuant to any reasonably available exemption from such registration requirements. The Issuer shall use commercially reasonable efforts to list the Class A Shares required to be delivered upon Exchange prior to such delivery upon each national securities exchange or inter-dealer quotation system upon which the outstanding Class A Shares may be listed or traded at the time of such delivery.

(c) Class A Shares issued upon an Exchange may contain such legends regarding restrictions under the Securities Act or any applicable state securities laws as the Issuer in good faith determines to be necessary or advisable in order to ensure compliance with such laws.

2.6 Subsequent Offerings. The Issuer may from time to time cancel any Quarterly Exchange Date in a fiscal year and in lieu thereof, and in connection with one or more offerings of Class A Common Stock, provide the opportunity for Ares Operating Group Limited Partners to sell their Ares Operating Group Units to the Issuer, the Ares Operating Group Entities or any of their respective subsidiaries in the same fiscal year (a “Sale Transaction”) for a cash amount per Ares Operating Group Unit equal to the net cash proceeds per Class A Share, as reasonably determined by the Issuer, received pursuant to any such offerings of Class A Common Stock. An Ares Operating Group Limited Partner selling Ares Operating Group Units in connection with a Sale Transaction must provide notice to the Issuer at least 30 days prior to the cash settlement of such Sale Transaction in respect of the Ares Operating Group Units to be sold, in each case delivered during normal business hours at the principal

executive offices of the Issuer. For the avoidance of doubt, the total aggregate number of Quarterly Exchange Dates and Sale Transactions occurring during any fiscal year of the Issuer shall not exceed four.

2.7 Waiting Period. The consummation of any Exchange pursuant to this Agreement shall be subject to the expiration or termination of the applicable waiting period, if any, under the Hart-Scott-Rodino Antitrust Improvements Act of 1976.

2.8 Representations and Warranties. In connection with any Block Exchange, Ares Holdings IntermediateCo shall also be entitled to obtain reasonable and customary representations and warranties from the exchanging Ares Operating Group Limited Partner to ensure compliance with Treasury Regulations Section 1.7704-1(e)(2).

ARTICLE III GENERAL PROVISIONS

3.1 Additional Ares Operating Group Limited Partners. If an Ares Operating Group Limited Partner validly transfers any or all of such holder's Ares Operating Group Units to another Person in a transaction in accordance with, and not in contravention of, the Ares Operating Group Partnership Agreements or any other agreement or agreements with the Issuer or any of its subsidiaries to which a transferring Ares Operating Group Limited Partner may be party, then such transferee (each, a "Permitted Transferee") shall have the right to execute and deliver a joinder to this Agreement, substantially in the form of Exhibit B hereto, whereupon such Permitted Transferee shall become an Ares Operating Group Limited Partner hereunder. If the Ares Operating Group Entities issue Ares Operating Group Units in the future, the Ares Operating Group Entities shall be entitled, in their sole discretion, to make any holder of such Ares Operating Group Units an Ares Operating Group Limited Partner hereunder through such holder's execution and delivery of a joinder to this Agreement, substantially in the form of Exhibit B hereto.

3.2 Amendment.

(a) The provisions of this Agreement may be amended by the affirmative vote or written consent of the Ares Operating Group Entities and the Issuer and, after a Change of Control, the holders of at least a majority of the Percentage Interests (as such term is defined in the Ares Operating Group Partnership Agreements) of the Ares Operating Group Units (excluding Ares Operating Group Units held by the Issuer or any direct or indirect wholly owned subsidiary thereof); *provided* that any amendment of this Agreement that is materially adverse to Ares Owners or any Co-Founder (or its affiliates) shall not be effective with respect to Ares Owners or such Co-Founder (or its affiliates), as the case may be, unless the prior written consent of Ares Owners or such Co-Founder (or its affiliates), as the case may be, has been obtained.

(b) Each Ares Operating Group Limited Partner hereby expressly consents and agrees that, whenever in this Agreement it is specified that an action may be taken upon the affirmative vote or written consent of less than all of the Ares Operating Group Limited Partners, such action may be so taken upon the concurrence of less than all of the Ares Operating Group Limited Partners and each Ares Operating Group Limited Partner shall be bound by the results of such action.

3.3 Addresses and Notices. All notices, requests, claims, demands and other communications hereunder shall be in writing and shall be given (and shall be deemed to have been duly given upon receipt) by delivery in person, by courier service, by electronic mail or by registered or certified mail (postage prepaid, return receipt requested) to the respective parties at the following addresses (or at such other address for a party as shall be as specified in a notice given in accordance with this Section 3.3):

(a) If to any Ares Entity Party, to:

1800 Avenue of the Stars, Suite 1400, Los Angeles, CA 90067
Attention: General Counsel
Electronic Mail: generalcounsel@aresmgmt.com, with a copy to quarterlyexchanges@aresmgmt.com

(b) If to any Ares Operating Group Limited Partner, to:

1800 Avenue of the Stars, Suite 1400, Los Angeles, CA 90067
Attention: General Counsel
Electronic Mail: generalcounsel@aresmgmt.com, with a copy to quarterlyexchanges@aresmgmt.com

The Issuer shall forward any such communication to the applicable Ares Operating Group Limited Partner's address, email address or facsimile number as shown in the books and records of the Ares Operating Group Entities.

3.4 Further Action. The parties shall execute and deliver all documents (including tax forms), provide all information and take or refrain from taking action as may be necessary or appropriate to achieve the purposes of this Agreement, in each case, as may be requested by the Issuer or any Ares Operating Group Entity, including executing such sale, purchase or redemption agreements as may be reasonably requested by an Ares Entity Party to effect the transactions contemplated herein.

3.5 Successors and Assigns. This Agreement shall be binding upon and shall inure to the benefit of the parties hereto, their respective heirs and personal representatives, and any estate, trust, partnership or limited liability company or other similar entity of which any such Person is a trustee, partner, member or similar party which is or becomes a party hereto.

3.6 Governing Law; Separability. This Agreement shall be governed by and construed in accordance with the laws of the State of Delaware, without regard to its conflict-of-law principles. If, nevertheless, it shall be determined by a court of competent jurisdiction that any provision or wording of this Agreement shall be invalid or unenforceable under applicable law, such invalidity or unenforceability shall not invalidate the entire Agreement. In that case, this Agreement shall be construed so as to limit any term or provision so as to make it enforceable or valid within the requirements of any applicable law, and, in the event such term or provision cannot be so limited, this Agreement shall be construed to omit such invalid or unenforceable provisions.

3.7 Entire Agreement. This Agreement embodies the entire agreement and understanding of the parties hereto in respect of the subject matter contained herein and supersedes all prior agreements and understandings between the parties with respect to such subject matter. There are no restrictions, promises, representations, warranties, covenants or undertakings, other than those expressly set forth or referred to herein. Each party hereto agrees, represents, and warrants that (a) each such party hereto and such party's independent counsel have reviewed this Agreement; and (b) any rule of construction to the effect that ambiguities are to be resolved against the drafting party shall not apply in the interpretation of this Agreement.

3.8 Waiver. Any provision of this Agreement may be waived if, and only if, such waiver is in writing and signed by the party or parties against whom the waiver is to be effective. No failure by any party to insist upon the strict performance of any covenant, duty, agreement or condition of this Agreement or to exercise any right or remedy consequent upon a breach thereof shall constitute waiver of any such breach of any other covenant, duty, agreement or condition. Nothing in this Agreement shall obligate the Issuer or any Ares Operating Group Entity to treat any Ares Operating Group Limited Partners alike, whether or not such Ares Operating Group Limited Partners are similarly situated, and the exercise of any power or discretion by the Issuer or any Ares Operating Group Entity in the case of any one Ares Operating Group Limited Partner shall not create any obligation on the part of the Issuer or any Ares Operating Group Entity to take any similar action in the case of any other Ares

Operating Group Limited Partner, it being understood that any power or discretion conferred upon the Issuer or any Ares Operating Group Entity shall be treated as having been so conferred as to each Ares Operating Group Limited Partner separately.

3.9 Dispute Resolution.

(a) The exclusive remedy for determining any and all disputes, claims or causes of action, in law or equity, arising out of or related to this Agreement, or the breach, termination, enforcement, interpretation or validity thereof, including the determination of the scope or applicability of this agreement to arbitrate, will, to the fullest extent permitted by law, be determined by final, binding and confidential arbitration in Los Angeles, California, before one arbitrator, conducted by the Judicial Arbitration and Mediation Services/Endispute, Inc. (“JAMS”), or its successor. Disputes shall be resolved in accordance with the Federal Arbitration Act, 9 U.S.C. §§1–16, and JAMS’ Comprehensive Arbitration Rules and Procedures then in effect. The arbitrator will have the same, but no greater, remedial authority than would a court of law and shall issue a written decision including the arbitrator’s essential findings and conclusions and a statement of the award. Judgment upon the award rendered by the arbitrator may be entered by any court having jurisdiction thereof. The prevailing party in any such arbitration proceeding, as determined by the arbitrator, or in any proceeding to enforce the arbitration award, will be entitled, to the extent permitted by law, to reimbursement from the other party for all of the prevailing party’s costs (including but not limited to the arbitrator’s compensation), expenses and attorneys’ fees. If no party entirely prevails in such arbitration or proceeding, the arbitrator or court shall apportion an award of such fees based on the relative success of each party. In the event of a conflict between this provision and any provision in the applicable rules of JAMS, the provisions of this Agreement will prevail.

(b) The parties agree that (i) irreparable damage may occur if any provision of this Agreement were not performed in accordance with the terms hereof, (ii) the provisions of Section 3.9(a) shall not preclude any party from obtaining provisional relief, including injunctive relief, from a court of appropriate jurisdiction to protect its rights under this Agreement, and (iii) the parties shall be entitled to seek an injunction to prevent breaches of this Agreement or to enforce specifically the performance of the terms and provisions thereof in accordance with the provisions of this Section 3.9(b), in addition to any other remedy to which they are entitled at law or in equity. No party seeking relief under this Section 3.9(b) shall be required to post a bond or prove special damages. Each party agrees and consents to personal jurisdiction, service of process and venue in any federal or state court within the State of California, County of Los Angeles, in connection with any action brought in connection with a request for any such provisional or injunctive relief, and in connection with any action to enforce this arbitration clause or an award in arbitration and agrees not to assert, by way of motion, as a defense or otherwise, that any action brought in any such court should be dismissed on grounds of forum non conveniens. Each party to this Agreement consents to mailing of process or other papers in connection with any such arbitration or action by certified mail.

3.10 Counterparts. This Agreement may be executed and delivered in any number of counterparts (including by facsimile or electronic transmission), each of which shall be an original and all of which together shall constitute a single instrument.

3.11 Tax Treatment. If this Agreement imposes obligations upon a particular Ares Operating Group Entity, this Agreement shall be treated as part of the relevant Ares Operating Group Partnership Agreement as described in Section 761(c) of the Code and Sections 1.704-1(b)(2)(ii)(h) and 1.761-1(c) of the Treasury Regulations. The parties shall report for U.S. federal and applicable state income tax purposes any Exchange consummated hereunder as a taxable sale of Ares Operating Group Units in such Ares Operating Group Entities by an Ares Operating Group Limited Partner to the Issuer. No party shall take a contrary position with respect to the tax treatment described in this Section 3.11 on any income tax return, amendment thereof or communication with a taxing authority.

3.12 Independent Nature of Holdings Unitholders' Rights and Obligations. The obligations of each Ares Operating Group Limited Partner hereunder are several and not joint with the obligations of any other Ares Operating Group Limited Partner, and no Ares Operating Group Limited Partner shall be responsible in any way for the performance of the obligations of any other Ares Operating Group Limited Partner hereunder. The decision of each Ares Operating Group Limited Partner to enter into to this Agreement has been made by such Ares Operating Group Limited Partner independently of any other Ares Operating Group Limited Partner. Nothing contained herein, and no action taken by any Ares Operating Group Limited Partner pursuant hereto, shall be deemed to constitute the Ares Operating Group Limited Partners as a partnership, an association, a joint venture or any other kind of entity, or create a presumption that the Ares Operating Group Limited Partners are in any way acting in concert or as a group with respect to such obligations or the transactions contemplated hereby and the Issuer acknowledges that the Ares Operating Group Limited Partners are not acting in concert or as a group, and the Issuer will not assert any such claim, with respect to such obligations or the transactions contemplated hereby.

3.13 Tax Certificates. In connection with any Exchange, the Ares Operating Group Limited Partner shall, to the extent it is legally entitled to deliver such form, deliver to Ares Holdings IntermediateCo or Issuer (as applicable) a certificate, dated on the applicable Quarterly Exchange Date, Block Exchange Date, or Other Exchange Date, in a form reasonably acceptable to Ares Holdings IntermediateCo or Issuer (as applicable), certifying as to such Ares Operating Group Limited Partner's taxpayer identification number and that such Ares Operating Group Limited Partner is a not a foreign person for purposes of Section 1445 and Section 1446(f) of the Code (which certificate may be an Internal Revenue Service Form W-9 if then sufficient for such purposes under applicable law) (such certificate a "Non-Foreign Person Certificate"). If an Ares Operating Group Limited Partner is unable to provide a Non-Foreign Person Certificate in connection with an Exchange, then (i) such Ares Operating Group Limited Partner shall provide a certificate substantially in the form described in Treasury Regulations Section 1.1446(f)-2(c)(2)(ii)(B) or (ii) the Ares Operating Group Entities, as applicable, shall deliver a certificate substantially in the form described in Treasury Regulations Section 1.1446(f)-2(c)(2)(ii)(C), in each case setting forth the liabilities of the Ares Operating Group Entities, as applicable, allocated to the Ares Operating Group Units subject to the Exchange under Section 752 of the Code, and the Ares Operating Group Entities, Issuer, or Ares Holdings IntermediateCo, as applicable, shall be permitted to withhold 10% of the amount realized by such Ares Operating Group Limited Partner in respect of such Exchange as provided in Section 1446(f) of the Code and any Treasury Regulations promulgated thereunder (including Proposed Treasury Regulations) and consistent with the certificate provided pursuant to clause (i) or (ii) of this sentence, as applicable. Without limiting the foregoing, the Ares Operating Group Entities shall reasonably cooperate upon the reasonable request and at the expense of the Ares Operating Group Limited Partner to provide such certifications or other information that the Ares Operating Group Entities are legally permitted to provide to the extent necessary to reduce or eliminate any withholding with respect to an Exchange (including the certificate described in Treasury Regulations Section 1.1445-11T(d)(2)).

[Remainder of Page Intentionally Left Blank]

IN WITNESS WHEREOF, the undersigned have caused this Agreement to be executed and delivered as of the date first set forth above.

ARES HOLDCO LLC

By: Ares Management Corporation,
its Sole Member

By: /s/ Anton Feingold
Name: Anton Feingold
Title: Authorized Signatory

ARES HOLDINGS L.P.

By: Ares Holdco LLC,
its General Partner

By: Ares Management Corporation,
its Sole Member

By: /s/ Anton Feingold
Name: Anton Feingold
Title: Authorized Signatory

ARES MANAGEMENT CORPORATION

By: /s/ Anton Feingold
Name: Anton Feingold
Title: Authorized Signatory

ARES OWNERS HOLDINGS L.P.

By: Ares Partners Holdco LLC,
its General Partner

By: /s/ Anton Feingold
Name: Anton Feingold
Title: Authorized Signatory

EXHIBIT A

[FORM OF]
NOTICE OF EXCHANGE

Ares Management Corporation
Ares Holdings L.P.

1800 Avenue of the Stars
Suite 1400
Los Angeles, CA 90067

Attention: General Counsel

Electronic Mail: generalcounsel@aresmgmt.com, with a copy to quarterlyexchanges@aresmgmt.com

Reference is hereby made to the Sixth Amended and Restated Exchange Agreement, dated as of [●], 2025 (the “Exchange Agreement”), among Ares Holdco LLC, Ares Holdings L.P., Ares Management Corporation and each Ares Operating Group Limited Partner (as defined in the Exchange Agreement) from time to time party to the Exchange Agreement, as amended from time to time. Capitalized terms used but not defined herein shall have the meanings given to them in the Exchange Agreement.

The undersigned Ares Operating Group Limited Partner desires to exchange the number of Ares Operating Group Units set forth below in the form of an Exchange to be issued in its name as set forth below.

Legal Name of Ares Operating Group Limited Partner: _____

Address: _____

Number of Ares Operating Group Units to be exchanged: _____

The undersigned hereby represents and warrants that (i) the undersigned has full legal capacity to execute and deliver this Notice of Exchange and to perform the undersigned’s obligations hereunder; (ii) this Notice of Exchange has been duly executed and delivered by the undersigned; (iii) the Ares Operating Group Units subject to this Notice of Exchange will be transferred to the Ares Operating Group Entities free and clear of any Liens, other than restrictions provided in the Ares Operating Group Partnership Agreement or pursuant to the Securities Act or any applicable state securities laws; [and] (iv) no consent, approval, authorization, order, registration or qualification of any third party or with any court or governmental agency or body having jurisdiction over the undersigned or the Ares Operating Group Units subject to this Notice of Exchange is required to be obtained by the undersigned for the transfer of such Ares Operating Group Units to the Ares Operating Group Entities; (v) the undersigned is exchanging Ares Operating Group Units representing greater than 2% of total interests in partnership capital or profits of the Ares Operating Group Entities (with such 2% calculated by excluding the total interest in the Ares Operating Group Entities owned by the Issuer and in a manner consistent with the requirements for a “block transfer” within the meaning of Treasury Regulation 1.7704-1(e)(2) (a “Block Transfer”)) and otherwise meeting the requirements for a Block Transfer; and (vi) to the undersigned’s knowledge, the undersigned has not taken any action (nor permitted any action to be taken), and the undersigned is not aware of any fact or circumstance that would reasonably be expected to prevent, impair or impede the treatment described in the foregoing clause (v)]¹.

The undersigned hereby irrevocably constitutes and appoints any officer of each Ares Entity Party as the attorney of the undersigned, with full power of substitution and resubstitution in the premises, to do any and all things and to take any and all actions that may be necessary to exchange the Ares Operating Group Units

¹ To include in connection with a Block Exchange.

subject to this Notice of Exchange on the books of the Ares Operating Group Entities for Class A Shares on the books of the Issuer.

[Remainder of Page Intentionally Left Blank]

IN WITNESS WHEREOF, the undersigned has caused this Notice of Exchange to be executed and delivered by the undersigned or by its duly authorized attorney as of

_____.

Name: _____

EXHIBIT B

[FORM OF]

JOINDER AGREEMENT

This Joinder Agreement (“Joinder Agreement”) is a joinder to the Sixth Amended and Restated Exchange Agreement, dated as of [●], 2025 (the “Agreement”), among Ares Holdco LLC, Ares Holdings L.P., Ares Management Corporation and each Ares Operating Group Limited Partner (as defined in the Agreement) from time to time party to the Agreement, as amended from time to time. Capitalized terms used but not defined herein shall have the meanings given to them in the Agreement. This Joinder Agreement shall be governed by, and construed in accordance with, the law of the State of Delaware, without regard to its conflict-of-law principles. If there is a conflict between this Joinder Agreement and the Agreement, the terms of this Joinder Agreement shall control.

The undersigned hereby joins and enters into the Agreement having acquired Ares Operating Group Units in the Ares Operating Group Entities. By signing and returning this Joinder Agreement to the Issuer and the Ares Operating Group Entities, the undersigned accepts and agrees to be bound by and subject to all of the terms and conditions of and agreements of an Ares Operating Group Limited Partner contained in the Agreement, with all attendant rights, duties and obligations of an Ares Operating Group Limited Partner thereunder. The parties to the Agreement shall treat the execution and delivery hereof by the undersigned as the execution and delivery of the Agreement by the undersigned and, upon receipt of this Joinder Agreement by the Issuer and by the Ares Operating Group Entities, the signature of the undersigned set forth below shall constitute a counterpart signature to the signature page of the Agreement.

Name: _____

Address for Notices:

Attention: _____

[Remainder of Page Intentionally Left Blank]

IN WITNESS WHEREOF, the undersigned has caused this Joinder Agreement to be executed as of _____.

Name: _____

SIXTH AMENDED AND RESTATED LIMITED PARTNERSHIP AGREEMENT

OF

ARES HOLDINGS L.P.

Dated as of May 8, 2025

THE PARTNERSHIP UNITS OF ARES HOLDINGS L.P. HAVE NOT BEEN REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, THE SECURITIES LAWS OF ANY STATE, PROVINCE OR ANY OTHER APPLICABLE SECURITIES LAWS AND ARE BEING SOLD IN RELIANCE UPON EXEMPTIONS FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT AND SUCH LAWS. SUCH UNITS MUST BE ACQUIRED FOR INVESTMENT ONLY AND MAY NOT BE OFFERED FOR SALE, PLEDGED, HYPOTHECATED, SOLD, ASSIGNED OR TRANSFERRED AT ANY TIME EXCEPT IN COMPLIANCE WITH (I) THE SECURITIES ACT, ANY APPLICABLE SECURITIES LAWS OF ANY STATE OR PROVINCE, AND ANY OTHER APPLICABLE SECURITIES LAWS; (II) THE TERMS AND CONDITIONS OF THIS SIXTH AMENDED AND RESTATED LIMITED PARTNERSHIP AGREEMENT; AND (III) ANY OTHER TERMS AND CONDITIONS AGREED TO IN WRITING BETWEEN THE GENERAL PARTNER AND THE APPLICABLE LIMITED PARTNER. THE UNITS MAY NOT BE TRANSFERRED OF RECORD EXCEPT IN COMPLIANCE WITH SUCH LAWS, THIS SIXTH AMENDED AND RESTATED LIMITED PARTNERSHIP AGREEMENT, AND ANY OTHER TERMS AND CONDITIONS AGREED TO IN WRITING BY THE GENERAL PARTNER AND THE APPLICABLE LIMITED PARTNER. THEREFORE, PURCHASERS AND OTHER TRANSFEREES OF SUCH UNITS WILL BE REQUIRED TO BEAR THE RISK OF THEIR INVESTMENT OR ACQUISITION FOR AN INDEFINITE PERIOD OF TIME.

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**SIXTH AMENDED AND RESTATED LIMITED PARTNERSHIP AGREEMENT
OF
ARES HOLDINGS L.P.**

SIXTH AMENDED AND RESTATED LIMITED PARTNERSHIP AGREEMENT (this “Agreement”) of Ares Holdings L.P., dated as of May 8, 2025 (the “Effective Date”), among Ares Holdco LLC, a Delaware limited liability company, as general partner, and the Limited Partners (as defined herein) of the Partnership.

WHEREAS, Ares Holdings LLC (“AH LLC”) was formed as a Delaware limited liability company on May 24, 2007;

WHEREAS, on or prior to June 8, 2016, all necessary action was taken to authorize AH LLC’s conversion to Ares Holdings L.P., a Delaware limited partnership (the “Partnership”), under the 2013 Amended and Restated Limited Liability Company Agreement of AH LLC, dated as of July 31, 2013 (the “LLC Agreement”), and the Delaware Limited Liability Company Act (6 Del. C. § 18-101, et seq.) (the “LLC Act”), including the approval by AH LLC’s manager of the conversion of AH LLC from a limited liability company to a limited partnership pursuant to an action by written consent dated on or about June 8, 2016;

WHEREAS, on June 8, 2016, AH LLC was converted to a limited partnership (the “Conversion”) pursuant to Section 17-217 of the Delaware Revised Uniform Limited Partnership Act (6 Del. C. § 17-101, et seq.) (the “Act”) and Section 18-216 of the LLC Act by causing the filing in the office of the Secretary of State of the State of Delaware of a Certificate of Conversion to Limited Partnership of AH LLC and a Certificate of Limited Partnership of the Partnership (the “Certificate”);

WHEREAS, the parties hereto entered into the Second Amended and Restated Limited Partnership Agreement of the Partnership, effective as of March 1, 2018 (the “A&R Partnership Agreement”);

WHEREAS, effective as of November 26, 2018, Ares Management, L.P., a Delaware limited partnership, has filed with the Secretary of State of the State of Delaware a Certificate of Conversion to convert to Ares Management Corporation, a Delaware corporation, in accordance with the Delaware General Corporation Law (8 Del. C. § 101, et seq.) and the Act (the “Issuer Conversion”);

WHEREAS, in connection with the Issuer Conversion, the parties hereto entered into the Third Amended and Restated Limited Partnership Agreement of the Partnership, effective as of November 26, 2018 (the “Third A&R Partnership Agreement”);

WHEREAS, on April 1, 2021, certain indirect subsidiaries of the Issuer entered into a series of transactions, pursuant to which, among other items, Ares Investments L.P. and Ares Offshore Holdings L.P. merged with and into the Partnership, with the Partnership continuing as the surviving entity (the “Internal Restructuring”);

WHEREAS, in connection with the Internal Restructuring, the parties hereto entered into the Fourth Amended and Restated Limited Partnership Agreement of the Partnership, effective as of April 1, 2021 (the “Fourth A&R Partnership Agreement”);

WHEREAS, on October 10, 2024, the Issuer issued 30,000,000 shares of its new class of 6.75% Series B Mandatory Convertible Preferred Stock, par value \$0.01 per share (the “Mandatory Convertible Preferred Stock”);

WHEREAS, in connection with the issuance of the Mandatory Convertible Preferred Stock, the parties hereto entered into the Fifth Amended and Restated Limited Partnership Agreement of the Partnership, effective as of October 10, 2024 (the “Fifth A&R Partnership Agreement”);

WHEREAS, on February 28, 2025, the General Partner entered into that certain First Amendment to the Fifth Amended and Restated Limited Partnership Agreement of the Partnership, dated February 28, 2025 (the “Amendment”), pursuant to which the Earn-out Units were authorized and created;

WHEREAS, in connection with the Amendment, and subsequent issuance of Earn-out Units on March 1, 2025, the parties hereto now desire to amend and restate the Fifth A&R Partnership Agreement as hereinafter set forth.

NOW, THEREFORE, the parties hereto agree as follows:

ARTICLE I DEFINITIONS

Section 1.1 Definitions. Unless the context otherwise requires, the following terms shall have the following meanings for purposes of this Agreement:

“A&R Partnership Agreement” has the meaning set forth in the recitals.

“Act” has the meaning set forth in the recitals.

“Additional Credit Amount” has the meaning set forth in Section 4.1(b)(ii).

“Adjusted Capital Account Balance” means, with respect to each Partner, the balance in such Partner’s Capital Account adjusted (i) by taking into account the adjustments, allocations and distributions described in Treasury Regulations Sections 1.704-1(b)(2)(ii)(d)(4), (5) and (6); and (ii) by adding to such balance such Partner’s share of Partnership Minimum Gain and Partner Nonrecourse Debt Minimum Gain, determined pursuant to Treasury Regulations Sections 1.704-2(g) and 1.704-2(i)(5), any amounts such Partner is obligated to restore pursuant to any provision of this Agreement or by applicable Law. The foregoing definition of Adjusted Capital Account Balance is intended to comply with the provisions of Treasury Regulations Section 1.704-1(b)(2)(ii)(d) and shall be interpreted consistently therewith.

“Affiliate” means, with respect to any Person, any other Person that directly or indirectly through one or more intermediaries controls, is controlled by or is under common control with, the Person in question. As used herein, the term “control” means the possession, direct or indirect, of the power to direct or cause the direction of the management and policies of a Person, whether through ownership of voting securities, by contract or otherwise; and the terms “controlling” and “controlled” have meanings correlative to the foregoing.

“Agreement” has the meaning set forth in the preamble of this Agreement.

“AH LLC” has the meaning set forth in the recitals.

“Amended Tax Amount” has the meaning set forth in Section 4.1(b)(ii).

“Amendment” has the meaning set forth in the recitals.

“Ares Company” means any of (i) the Issuer, (ii) Ares Management GP LLC, a Delaware limited liability company, (iii) Ares Voting LLC, a Delaware limited liability company, (iv) any entity that is or becomes part of the Ares Operating Group and (v) any entity in which any the foregoing directly or indirectly owns a majority interest or which any of the foregoing controls, or through which any of the foregoing directly or indirectly manages, directs or invests in a Fund, but excluding any Fund.

“Ares Operating Group” means, collectively, the Partnership and any future entity designated by the Issuer in its discretion as an Ares Operating Group entity for purposes of this Agreement.

“Ares Owners LP” means Ares Owners Holdings L.P., a Delaware limited partnership.

“Ares Owners LP Agreement” means the limited partnership agreement of Ares Owners LP.

“Ares Owners Mirror Units” means Class Mirror Units (as defined in the Ares Owners LP Agreement).

“Assignee” has the meaning set forth in Section 8.7.

“Assumed Tax Rate” means the highest effective marginal combined U.S. federal, state and local income tax rate for a Fiscal Year prescribed for an individual or corporate resident in Los Angeles, California or New York, New York, whichever is higher (taking into account (a) the nondeductibility of expenses subject to the limitation described in Section 67(a) of the Code (if applicable) and (b) the character (e.g., long-term or short-term capital gain or ordinary or exempt income) of the applicable income, but not taking into account the deductibility of state and local income taxes for U.S. federal income tax purposes). For the avoidance of doubt, the Assumed Tax Rate will be the same for all Partners.

“Available Cash” means, with respect to any fiscal period, the amount of cash on hand which the General Partner, in its sole discretion, deems available for distribution to the Partners, taking into account all debts, liabilities and obligations of the Partnership then due and amounts which the General Partner, in its sole discretion, deems necessary to expend or retain for working capital or otherwise or to place into reserves.

“Capital Account” means the separate capital account maintained for each Partner in accordance with Section 5.3 hereof.

“Capital Contribution” means, with respect to any Partner, the aggregate amount of money contributed to the Partnership and the Carrying Value of any property (other than money), net of any liabilities assumed by the Partnership upon contribution or to which such property is subject, contributed to the Partnership pursuant to Article V.

“Carrying Value” means, with respect to any Partnership asset, the asset’s adjusted basis for U.S. federal income tax purposes, except that the initial carrying value of assets contributed to the Partnership shall be their respective gross fair market values on the date of contribution as determined by the General Partner, and the Carrying Values of all Partnership assets shall be adjusted to equal their respective fair market values, in accordance with the rules set forth in Treasury Regulations Section 1.704-1(b)(2)(iv)(f), except as otherwise provided herein, as of: (a) the date of the acquisition of any additional Partnership interest by any new or existing Partner in exchange for more than a de minimis Capital Contribution; (b) the date of the distribution of more than a de minimis amount of Partnership assets to a Partner; (c) the date a Partnership interest is relinquished to the Partnership; (d) the acquisition of an interest in the Partnership by any new or existing Partner upon the exercise of a noncompensatory option in accordance

with Treasury Regulation Section 1.704-1(b)(2)(iv)(s); (e) upon the conversion of any Unvested Earn-out Units into Class A Units in connection with a Vesting Event in accordance with principles similar to those set forth in Treasury Regulations Section 1.704-1(b)(2)(iv)(s) or (f) any other date specified in the Treasury Regulations; provided that adjustments pursuant to clauses (a), (b), (c) and (f) above shall be made only if such adjustments are deemed necessary or appropriate by the General Partner to reflect the relative economic interests of the Partners. The Carrying Value of any Partnership asset distributed to any Partner shall be adjusted immediately before such distribution to equal its fair market value. In the case of any asset that has a Carrying Value that differs from its adjusted tax basis, Carrying Value shall be adjusted by the amount of depreciation calculated for purposes of the definition of “Profits (Losses)” rather than the amount of depreciation determined for U.S. federal income tax purposes, and depreciation shall be calculated by reference to Carrying Value rather than tax basis once Carrying Value differs from tax basis. If any noncompensatory options or Unvested Earn-out Units are outstanding upon the occurrence of an event described in clauses (a) through (f) above, the Partnership shall adjust the Carrying Values of its properties in accordance with Treasury Regulation Sections 1.704-1(b)(2)(iv)(f)(1) and 1.704-1(b)(2)(iv)(h)(2).

“Certificate” has the meaning set forth in the recitals.

“Class” means the classes of Units into which the interests in the Partnership may be classified or divided from time to time by the General Partner in its sole discretion pursuant to the provisions of this Agreement. As of the Effective Date, the only Classes of Units are Class A Units, Earn-out Units and Series B Mandatory Convertible Preferred Mirror Units. Subclasses within a Class shall not be separate Classes for purposes of this Agreement. For all purposes hereunder and under the Act, only such Classes expressly established under this Agreement, including by the General Partner in accordance with this Agreement, shall be deemed to be a class of interests in the Partnership. For the avoidance of doubt, to the extent that the General Partner holds interests of any Class, the General Partner shall not be deemed to hold a separate Class of such interests from any other Partner because it is the General Partner.

“Class A Units” means the Units of partnership interest in the Partnership designated as the “Class A Units” herein and having the rights pertaining thereto as are set forth in this Agreement.

“Code” means the Internal Revenue Code of 1986.

“Collateral Agreement” means any security agreement, pledge agreement or similar agreement relating to any Credit Agreement.

“Common Shares” means shares of Class A Common Stock of the Issuer.

“Consenting Party” has the meaning set forth in Section 11.1(a).

“Contingencies” has the meaning set forth in Section 9.3(a).

“Conversion” has the meaning set forth in the recitals.

“Corresponding Rate” means the number of Class A Units that would be forfeited or cancelled upon the forfeiture or cancellation of Ares Owners Mirror Units or Common Shares pursuant to any agreements governing such Ares Owners Mirror Units or Common Shares, as applicable. As of the Effective Date, the Corresponding Rate shall be 1 for 1. The Corresponding Rate shall be adjusted accordingly by the General Partner in its sole discretion upon: (a) any subdivision (by any share or unit split, share or unit distribution, reclassification, reorganization, recapitalization or otherwise) or

combination (by reverse share or unit split, reclassification, reorganization, recapitalization or otherwise) of the Class A Units that is not accompanied by an identical subdivision or combination of the Ares Owners Mirror Units, as applicable, or Common Shares, as applicable; or (b) any subdivision (by any unit split, unit distribution, reclassification, reorganization, recapitalization or otherwise) or combination (by reverse unit split, reclassification, reorganization, recapitalization or otherwise) of the Ares Owners Mirror Units, as applicable, or Common Shares, as applicable, that is not accompanied by an identical subdivision or combination of the Class A Units.

“Credit Agreement” means any facility for borrowed money of Ares Management LLC or an affiliate of Ares Management LLC.

“Credit Amount” has the meaning set forth in Section 4.1(b)(ii).

“Creditable Non-U.S. Tax” means a non-U.S. tax paid or accrued for U.S. federal income tax purposes by the Partnership, in either case to the extent that such tax is eligible for credit under Section 901(a) of the Code. A non-U.S. tax is a Creditable Non-U.S. Tax for these purposes without regard to whether a partner receiving an allocation of such non-U.S. tax elects to claim a credit for such amount. This definition is intended to be consistent with the term “creditable foreign tax” in Treasury Regulations Section 1.704-1(b)(4)(viii), and shall be interpreted consistently therewith.

“Disabling Event” means the General Partner ceasing to be the general partner of the Partnership pursuant to Section 17-402 of the Act.

“Dissolution Event” has the meaning set forth in Section 9.2.

“Earn-out Units” means a Unit designated as a “Earn-out Unit” and having the rights and obligations specified with respect to the Earn-out Units in this Agreement.

“Effective Date” has the meaning set forth in the preamble.

“Encumbrance” means any mortgage, hypothecation, claim, lien, encumbrance, conditional sales or other title retention agreement, right of first refusal, preemptive right, pledge, option, charge, security interest or other similar interest, easement, judgment or imperfection of title of any nature whatsoever.

“ERISA” means The Employee Retirement Income Security Act of 1974.

“Exchange Act” means the U.S. Securities Exchange Act of 1934.

“Exchange Agreement” means the Sixth Amended and Restated Exchange Agreement, dated as of May 8, 2025, among the Issuer, the Ares Operating Group entities and the limited partners of the Ares Operating Group entities (or their designees or Affiliates) party thereto, as may be amended and supplemented from time to time.

“Exchange Transaction” means an exchange of Class A Units for Common Shares pursuant to, and in accordance with, the Exchange Agreement or, if the Issuer and the exchanging Limited Partner shall mutually agree, a Transfer of Class A Units to the Issuer, the Partnership or any of their subsidiaries for other consideration.

“Family Member” means, with respect to any Limited Partner who is a natural person, such Limited Partner’s spouse, parents, siblings and children and any other natural person who occupies the

same principal residence as such Limited Partner, and the spouses, descendants and ancestors of each of the foregoing.

“Final Tax Amount” has the meaning set forth in Section 4.1(b)(ii).

“Fiscal Year” means the period commencing on January 1 and ending on December 31 of each year, except (a) for the short taxable years in the years of the Partnership’s formation (i.e., the year in which AH LLC was formed) and termination and (b) as otherwise elected by the General Partner in its sole discretion or required by the Code.

“Fund” means any fund, investment vehicle or account whose investments are managed or advised by an Ares Company.

“GAAP” means accounting principles generally accepted in the United States of America as in effect from time to time.

“General Partner” means Ares Holdco LLC, a Delaware limited liability company, or any successor general partner admitted to the Partnership in accordance with the terms of this Agreement.

“Gross Ordinary Income” has the meaning assigned to such term in Section 5.5(d).

“Incapacity” means, with respect to any Person, the bankruptcy, dissolution, termination, entry of an order of incompetence, or the insanity, permanent disability or death of such Person.

“Indemnitee” means (a) the General Partner, (b) any Person who is or was a “tax matters partner” (as defined in the Code prior to amendment by P.L 114-74) or “partnership representative” (as defined in Section 6223 of the Code after amendment by P.L. 114-74), officer or director of the General Partner, (c) any officer or director of the General Partner who is or was serving at the request of the General Partner as a director, officer, employee, trustee, fiduciary, partner, tax matters partner, partnership representative, member, representative, agent or advisor of another Person; provided that a Person shall not be an Indemnitee by reason of providing, on a fee-for-services basis or similar arm’s-length compensatory basis, agency, advisory, consulting, trustee, fiduciary or custodial services, (d) any Person the General Partner in its sole discretion designates as an “Indemnitee” for purposes of this Agreement and (e) any heir, executor or administrator with respect to Persons named in clauses (a) through (d).

“Internal Restructuring” has the meaning set forth in the recitals.

“Issuer” means Ares Management Corporation, a Delaware corporation.

“Issuer Certificate of Incorporation” means the Certificate of Incorporation of the Issuer, dated on or about the Effective Date.

“Issuer Conversion” has the meaning set forth in the recitals.

“Law” means any statute, law, ordinance, regulation, rule, code, executive order, injunction, judgment, decree or other order issued or promulgated by any national, supranational, state, federal, provincial, local or municipal government or any administrative or regulatory body with authority therefrom with jurisdiction over the Partnership or any Partner, as the case may be.

“Limited Partner” means each of the Persons from time to time listed as a limited partner in the books and records of the Partnership, and, for purposes of Sections 8.1, 8.2, 8.3, 8.4, 8.5 and 8.6, any Permitted Transferee of such Limited Partner.

“Liquidation Agent” has the meaning set forth in Section 9.3.

“LLC Act” has the meaning set forth in the recitals.

“LLC Agreement” has the meaning set forth in the recitals.

“Mandatory Convertible Preferred Stock” has the meaning set forth in the recitals.

“Net Taxable Income” has the meaning set forth in Section 4.1(b)(i).

“Nonrecourse Deductions” has the meaning set forth in Treasury Regulations Section 1.704-2(b). The amount of Nonrecourse Deductions of the Partnership for a fiscal year equals the net increase, if any, in the amount of Partnership Minimum Gain of the Partnership during that fiscal year, determined according to the provisions of Treasury Regulations Section 1.704-2(c).

“Officer” means each Person designated as an officer of the Partnership by the General Partner pursuant to and in accordance with the provisions of Section 3.4, subject to any resolutions of the General Partner appointing such Person as an officer of the Partnership or relating to such appointment.

“Original Agreement” means the Limited Partnership Agreement of Ares Management, L.P., dated as of May 1, 2014.

“Partially Unvested Partner” means any Partner with Unvested Units.

“Partner Nonrecourse Debt Minimum Gain” means an amount with respect to each partner nonrecourse debt (as defined in Treasury Regulations Section 1.704-2(b)(4)) equal to the Partnership Minimum Gain that would result if such partner nonrecourse debt were treated as a nonrecourse liability (as defined in Treasury Regulations Section 1.752-1(a)(2)) determined in accordance with Treasury Regulations Section 1.704-2(i)(3).

“Partner Nonrecourse Deductions” has the meaning ascribed to the term “partner nonrecourse deductions” set forth in Treasury Regulations Section 1.704-2(i)(2).

“Partners” means, at any time, each Person listed as a Partner (including the General Partner) on the books and records of the Partnership, in each case for so long as he, she or it remains a partner of the Partnership as provided hereunder.

“Partnership” has the meaning set forth in the recitals.

“Partnership Minimum Gain” has the meaning set forth in Treasury Regulations Sections 1.704-2(b)(2) and 1.704-2(d).

“Permitted Transferee” means, with respect to a Limited Partner, (a) its Principal, if any, (b) any trust for the primary benefit of the Family Members of such Limited Partner or the Family Members of such Limited Partner’s Principal; provided that, in each case, either (i) such Limited Partner or its Principal, if any or (ii) a bona fide third party trustee continues to hold, directly or indirectly, 100% of the voting interests of such trust until the death or legal incapacity of such Limited Partner or its Principal, if

any; or (c) any entity of which such Limited Partner and any Permitted Transferees or Family Members of such Limited Partner collectively are beneficial owners of 100% of the equity interests; provided that either such (i) Limited Partner or its Principal, if any, or (ii) a bona fide third party trustee continues to hold, directly or indirectly, 100% of the voting interests of such entity until the death or legal incapacity of such Limited Partner or its Principal, if any.

“Person” means an individual or a corporation, limited liability company, partnership, joint venture, trust, unincorporated organization, association (including any group, organization, co-tenancy, plan, board, council or committee), government (including a country, state, county, or any other governmental or political subdivision, agency or instrumentality thereof) or other entity (or series thereof).

“Per Unit Capital Amount” means, as of any date of determination, the Capital Account, stated on a per Unit basis, underlying any class of Units held by a Partner.

“Preferred Units” means a Class of Units, in one or more series, designated as “Preferred Units,” which entitles the holder thereof to a preference with respect to the payment of distributions over the Class A Units and any other Junior Units then outstanding as set forth herein.

“Primary Indemnification” has the meaning set forth in Section 10.2(a).

“Principal,” with respect to any Limited Partner, has the meaning set forth in a Supplemental Agreement applicable to such Limited Partner.

“Prior General Partner” means Ares Holdings Inc., a Delaware corporation.

“Profits” and “Losses” means, for each Fiscal Year or other period, the taxable income or loss of the Partnership, or particular items thereof, determined in accordance with the accounting method used by the Partnership for U.S. federal income tax purposes with the following adjustments: (a) all items of income, gain, loss or deduction allocated pursuant to Section 5.5 shall not be taken into account in computing such taxable income or loss; (b) any income of the Partnership that is exempt from U.S. federal income taxation and not otherwise taken into account in computing Profits and Losses shall be added to such taxable income or loss; (c) if the Carrying Value of any asset differs from its adjusted tax basis for U.S. federal income tax purposes, any gain or loss resulting from a disposition of such asset shall be calculated with reference to such Carrying Value; (d) upon an adjustment to the Carrying Value (other than an adjustment in respect of depreciation) of any asset, pursuant to the definition of Carrying Value, the amount of the adjustment shall be included as gain or loss in computing such taxable income or loss; (e) if the Carrying Value of any asset differs from its adjusted tax basis for U.S. federal income tax purposes, the amount of depreciation, amortization or cost recovery deductions with respect to such asset for purposes of determining Profits and Losses, if any, shall be an amount which bears the same ratio to such Carrying Value as the U.S. federal income tax depreciation, amortization or other cost recovery deductions bears to such adjusted tax basis (provided that if the U.S. federal income tax depreciation, amortization or other cost recovery deduction is zero, the General Partner may use any reasonable method for purposes of determining depreciation, amortization or other cost recovery deductions in calculating Profits and Losses); and (f) except for items in (a) above, any expenditures of the Partnership not deductible in computing taxable income or loss, not properly capitalizable and not otherwise taken into account in computing Profits and Losses pursuant to this definition shall be treated as deductible items. “Relevant Entity” means any Ares Company and any entity in which any Ares Company, directly or indirectly, owns any interest, and any Fund to which any Ares Company provides services.

“Securities Act” means the U.S. Securities Act of 1933.

“Series B Mandatory Convertible Preferred Mirror Units” means the Class of Preferred Units designated as “6.75% Series B Mandatory Convertible Preferred Mirror Units” pursuant to Section 12.1.

“Service Provider” means any Limited Partner (in his, her or its individual capacity) or other Person, who at the time in question, is employed by or providing services to any Ares Company.

“Similar Law” means any law or regulation that could cause the underlying assets of the Partnership to be treated as assets of a Partner by virtue of its partner interest in the Partnership and thereby subject the Partnership and the General Partner (or other persons responsible for the investment and operation of the Partnership’s assets) to laws or regulations that are similar to the fiduciary responsibility or prohibited transaction provisions contained in Title I of ERISA or Section 4975 of the Code.

“Supplemental Agreement” means, with respect to any Limited Partner, any unitization letter, fair competition agreement or other supplemental agreement with such Limited Partner or its Principal containing terms modifying, supplementing or otherwise affecting the rights or obligations of such Limited Partner hereunder.

“Tax Advances” has the meaning set forth in Section 5.7.

“Tax Amount” has the meaning set forth in Section 4.1(b)(i).

“Tax Distributions” has the meaning set forth in Section 4.1(b)(i).

“Third A&R Partnership Agreement” has the meaning set forth in the recitals.

“Total Percentage Interest” means, with respect to any Partner, the quotient obtained by dividing the number of Class A Units (vested and unvested) then owned by such Partner by the number of Class A Units (vested and unvested) then owned by all Partners.

“Transfer” means, in respect of any Unit, property or other asset, any sale, assignment, transfer, distribution, exchange, mortgage, pledge, hypothecation or other disposition thereof, whether voluntarily or by operation of Law, directly or indirectly, in whole or in part, including the exchange of any Unit for any other security. “Transferee”, “Transferor”, “Transferring”, “Transferred” and similar terms have meanings correlative to the foregoing.

“Treasury Regulations” means the income tax regulations, including temporary regulations, promulgated under the Code.

“Units” means the Class A Units, the Earn-out Units, the Preferred Units and any other Class of Units that is established in accordance with this Agreement, which shall constitute interests in the Partnership as provided in this Agreement and under the Act, entitling the holders thereof to the relative rights, title and interests in the profits, losses, deductions and credits of the Partnership at any particular time as set forth in this Agreement, and any and all other benefits to which a holder thereof may be entitled as a Partner as provided in this Agreement, together with the obligations of such Partner to comply with all terms and provisions of this Agreement.

“Unrealized Gain” attributable to any item of Partnership property means, as of any date of determination, the excess, if any, of (a) the gross fair market value of such property as of such date over (b) the Carrying Value of such property as of such date (prior to any adjustment to be made pursuant to the of definition Carrying Value as of such date).

“Unrealized Loss” attributable to any item of Partnership property means, as of any date of determination, the excess, if any, of (a) the Carrying Value of such property as of such date (prior to any adjustment to be made pursuant to the definition of Carrying Value as of such date) over (b) the gross fair market value of such property as of such date.

“Unvested Earn-out Units” means any Earn-out Unit issued by the Partnership pursuant to a contribution agreement, transaction agreement or other Supplemental Agreement that has not vested as of the date of determination pursuant to the terms of the Supplemental Agreement pursuant to which such Earn-out Unit was issued.

“Unvested Units” means those Units from time to time listed as unvested Units in the books and records of the Partnership.

“Vesting Event” means any the achievement of the vesting conditions applicable to each Earn-out Unit as set forth in such Earn-out Unit’s Supplemental Agreement.

“Vested Units” means those Units listed as vested Units in the books and records of the Partnership, as the same may be amended from time to time in accordance with this Agreement.

Section 1.2 Interpretation.

(a) Unless a clear contrary intention appears: (i) the defined terms herein shall apply equally to both the singular and plural forms of such terms; (ii) reference to any Person includes such Person’s successors and assigns but, if applicable, only if such successors and assigns are not prohibited by this Agreement, and reference to a Person in a particular capacity excludes such Person in any other capacity or individually; (iii) any pronoun shall include the corresponding masculine, feminine and neuter forms; (iv) reference to any agreement, document or instrument means such agreement, document or instrument as amended or modified and in effect from time to time in accordance with the terms thereof; (v) reference to any law, rule or regulation means such law, rule or regulation as amended, modified, codified, replaced or reenacted, in whole or in part, and in effect from time to time, including rules and regulations promulgated thereunder, and reference to any section or other provision of any law, rule or regulation means that provision of such law, rule or regulation from time to time in effect and constituting the substantive amendment, modification, codification, replacement or reenactment of such section or other provision; (vi) “hereunder,” “hereof,” “hereto,” and words of similar import shall be deemed references to this Agreement as a whole and not to any particular article, section or other provision hereof; (vii) numbered or lettered articles, sections and subsections herein contained refer to articles, sections and subsections of this Agreement; (viii) “including” (and with correlative meaning “include”) means including without limiting the generality of any description preceding such term; (ix) “or” is used in the inclusive sense of “and/or”; (x) references to documents, instruments or agreements shall be deemed to refer as well to all addenda, exhibits, schedules or amendments thereto; and (xi) reference to dollars or \$ shall be deemed to refer to U.S. dollars.

(b) All headings herein are inserted only for convenience and ease of reference and are not to be considered in the construction or interpretation of any provision of this Agreement.

ARTICLE II FORMATION, TERM, PURPOSE AND POWERS

Section 2.1 Conversion; Name; Foreign Jurisdictions.

(a) Effective as of the time of the Conversion, (i) the LLC Agreement and certificate of formation were replaced and superseded in their entirety by the Original Agreement and the Certificate, (ii) all of the limited liability company interests in AH LLC issued and outstanding immediately prior to the Conversion were converted into Class A Units, (iii) each of those Persons who executed a counterpart to this Agreement as a Limited Partner on May 1, 2014 was admitted to the Partnership as a Limited Partner, and (iv) the Prior General Partner was admitted to the Partnership as the general partner. On or about August 4, 2015, the Prior General Partner withdrew as the general partner of the Partnership and the General Partner was admitted and substituted as the general partner of the Partnership.

(b) The name of the Partnership is “Ares Holdings L.P.” or such other name as the General Partner may from time to time hereafter designate. If requested by the General Partner, the Limited Partners shall promptly execute all certificates and other documents consistent with the terms of this Agreement necessary for the General Partner to accomplish all filing, recording, publishing and other acts as may be appropriate to comply with all requirements for (i) the formation and operation of a limited partnership under the laws of the State of Delaware, (ii) if the General Partner deems it advisable, the operation of the Partnership as a limited partnership, or partnership in which the Limited Partners have limited liability, in all jurisdictions where the Partnership proposes to operate and (iii) all other filings required to be made by the Partnership. The rights, powers, duties, obligations and liabilities of the Partners shall be determined pursuant to the Act and this Agreement. To the extent that the rights, powers, duties, obligations and liabilities of any Partner are different by reason of any provision of this Agreement than they would be in the absence of such provision, this Agreement shall, to the extent permitted by the Act, control. The execution and filing of the Certificate and each amendment thereto and the Conversion is hereby ratified, approved and confirmed by the Partners.

(c) The General Partner may take all action which may be necessary or appropriate (i) for the continuation of the Partnership’s valid existence as a limited partnership under the laws of the State of Delaware (and of each other jurisdiction in which such existence is necessary to enable the Partnership to conduct the business in which it is engaged) and (ii) for the maintenance, preservation and operation of the business of the Partnership in accordance with the provisions of this Agreement and applicable laws and regulations. The General Partner may file or cause to be filed for recordation in the proper office or offices in each other jurisdiction in which the Partnership is formed or qualified, such certificates (including certificates of limited partnership and fictitious name certificates) and other documents as are required by the applicable statutes, rules or regulations of any such jurisdiction or as are required to reflect the identity of the Partners. The General Partner may cause the Partnership to comply, to the extent procedures are available and those matters are reasonably within the control of the Officers, with all requirements necessary to qualify the Partnership to do business in any jurisdiction other than the State of Delaware.

Section 2.2 Business Purpose. The Partnership was formed for the object and purpose of, and the nature and character of the business to be conducted by the Partnership is, engaging in any lawful act or activity for which limited partnerships may be formed under the Act.

Section 2.3 Term. The term of the Partnership shall continue until the Partnership is dissolved and its affairs are wound up in accordance with this Agreement.

Section 2.4 Registered Office; Registered Agent. The address of the registered office of the Partnership in the State of Delaware is c/o United Agent Group Inc., 1521 CONCORD PIKE SUITE 201, Wilmington, DE, New Castle County 19803. The name of the registered agent of the Partnership at such address is Corporation Service Company. The General Partner may from time to time change the registered agent or registered office of the Partnership in the State of Delaware by an amendment to the

Certificate, and upon the filing of such an amendment, this Agreement shall be deemed amended accordingly.

Section 2.5 Principal Office. The principal office address of the Partnership shall be at such place or places as the General Partner may determine from time to time.

Section 2.6 Powers of the Partnership. Subject to the limitations set forth in this Agreement, the Partnership (i) will possess and may exercise all of the powers and privileges granted to it by the Act including the ownership and operation of the assets and other property contributed to the Partnership by the Partners, by any other Law or this Agreement, together with all powers incidental thereto, and (ii) may execute, deliver and perform all contracts, agreements and other undertakings and engage in all activities and transactions, in each case, so far as such powers, activities or transactions are necessary, desirable, convenient or incidental to, or in furtherance of, the conduct, promotion or attainment of the purpose of the Partnership set forth in Section 2.2.

Section 2.7 Partners; Admission of New Partners. Each of the Persons listed in the books and records of the Partnership, as the same may be amended from time to time in accordance with this Agreement, by virtue of the execution of this Agreement (or the Original Agreement), are admitted as Partners of the Partnership. The rights, duties and liabilities of the Partners shall be as provided in the Act, except as is otherwise expressly provided herein, and the Partners consent to the variation of such rights, duties and liabilities as provided herein. Subject to Section 8.9 with respect to substitute Limited Partners, a Person may be admitted from time to time as a new Limited Partner with the written consent of the General Partner in its sole discretion. Each new Limited Partner shall execute and deliver to the General Partner an appropriate supplement to this Agreement pursuant to which the new Limited Partner agrees to be bound by the terms and conditions of this Agreement, as it may be amended from time to time. A new General Partner or substitute General Partner may be admitted to the Partnership solely in accordance with Section 8.8 or Section 9.2(e) hereof.

Section 2.8 Withdrawal. No Partner may withdraw from the Partnership, provided that (a) a Limited Partner may withdraw from the Partnership following the Transfer of all Units owned by such Limited Partner in accordance with Article VIII and (b) subject to Section 8.8, the General Partner may withdraw without the consent of any other Partner.

ARTICLE III MANAGEMENT

Section 3.1 General Partner.

(a) The business, property and affairs of the Partnership shall be managed under the sole, absolute and exclusive direction of the General Partner, which may from time to time delegate authority to Officers or to others to act on behalf of the Partnership.

(b) Without limiting the foregoing provisions of this Section 3.1, the General Partner shall have the general power to manage or cause the management of the Partnership (which may be delegated to Officers of the Partnership), including the following powers:

(i) to develop and prepare a business plan each year;

(ii) to execute and deliver or to authorize the execution and delivery of contracts, deeds, leases, licenses, instruments of transfer and other documents on behalf of the Partnership;

(iii) the making of any expenditures, the lending or borrowing of money, the assumption or guarantee of, or other contracting for, indebtedness and other liabilities, the issuance of evidences of indebtedness and the incurring of any other obligations;

(iv) the making of tax, regulatory and other filings, or rendering of periodic or other reports to governmental or other agencies having jurisdiction over the business or assets of the Partnership;

(v) to select and dismiss employees (including employees having such titles as the General Partner may determine in its sole discretion) and agents, representatives, outside attorneys, accountants, consultants and contractors and to determine their compensation and other terms of employment or hiring;

(vi) to establish and enforce limits of authority and internal controls with respect to all personnel and functions;

(vii) to develop or cause to be developed accounting procedures for the maintenance of the Partnership's books of account;

(viii) the control of any matters affecting the rights and obligations of the Partnership, including the bringing and defending of actions at law or in equity and otherwise engaging in the conduct of litigation, arbitration or mediation and the incurring of legal expense and the settlement of claims and litigation;

(ix) the indemnification of any Person against liabilities and contingencies to the extent permitted by law;

(x) the purchase, sale or other acquisition or disposition of Units; and

(xi) to do all such other acts as shall be authorized in this Agreement or by the Partners in writing from time to time.

(c) In exercising its authority under this Agreement, the General Partner may, but shall be under no obligation or duty to, take into account the tax consequences to any Partner (including the General Partner) of any action taken (or not taken) by it. The General Partner and the Partnership shall not have any liability to a Limited Partner for monetary damages, equitable relief or otherwise for losses sustained, liabilities incurred or benefits not derived by such Limited Partner in connection with such decisions.

Section 3.2 Compensation. The General Partner shall not be entitled to any compensation for services rendered to the Partnership in its capacity as General Partner.

Section 3.3 Expenses. The Partnership shall pay, or cause to be paid, all costs, fees, operating expenses and other expenses of the Partnership (including the costs, fees and expenses of attorneys, accountants or other professionals) incurred in pursuing and conducting, or otherwise related to, the activities of the Partnership. The Partnership shall also, in the sole discretion of the General Partner, bear or reimburse the General Partner for (i) any costs, fees or expenses incurred by the General Partner (or any

direct or indirect equityholders of the General Partner) in connection with serving as the General Partner, (ii) all other expenses allocable to the Partnership or otherwise incurred by the General Partner (or any direct or indirect equityholders of the General Partner) in connection with operating the Partnership's business (including expenses allocated to the General Partner (or any direct or indirect equityholders of the General Partner) by its Affiliates) and (iii) all costs, fees or expenses owed directly or indirectly by the Partnership or the General Partner to the Issuer (or any direct or indirect equityholders of the Issuer) pursuant to their reimbursement obligations under, or which are otherwise allocated to the General Partner (or any direct or indirect equityholders of the General Partner) pursuant to, the Issuer Certificate of Incorporation. If the General Partner determines in its sole discretion that such expenses are related to the business and affairs of the General Partner that are conducted through the Partnership or its subsidiaries (including expenses that relate to the business and affairs of the Partnership or its subsidiaries and that also relate to other activities of the General Partner), the General Partner may cause the Partnership to pay or bear all expenses of the General Partner (or any direct or indirect equityholders of the General Partner), including compensation and meeting costs of any board of directors or similar body of the General Partner, any salary, bonus, incentive compensation and other amounts paid to any Person including Affiliates of the General Partner to perform services for the Partnership, litigation costs and damages arising from litigation, accounting and legal costs and franchise taxes. Reimbursements pursuant to this Section 3.3 shall be in addition to any reimbursement to the General Partner as a result of indemnification pursuant to Section 10.2.

Section 3.4 Officers. Subject to the direction and oversight of the General Partner, the day-to-day administration of the business of the Partnership may be carried out by persons who may be designated as officers by the General Partner, with titles including but not limited to "assistant secretary," "assistant treasurer," "chief executive officer," "chief financial officer," "chief legal officer," "chief operating officer," "chief compliance officer," "general counsel," "managing director," "president," "executive vice president," "senior vice president," "vice president," "principal accounting officer," "secretary," or "treasurer," and as and to the extent authorized by the General Partner. The officers of the Partnership shall have such titles and powers and perform such duties as shall be determined from time to time by the General Partner and otherwise as shall customarily pertain to such offices. Any number of offices may be held by the same person. In its sole discretion, the General Partner may choose not to fill any office for any period as it may deem advisable. All officers and other persons providing services to or for the benefit of the Partnership shall be subject to the supervision and direction of the General Partner and may be removed, with or without cause, from such office by the General Partner and the authority, duties or responsibilities of any employee, agent or officer of the Partnership may be suspended by the General Partner from time to time, in each case in the sole discretion of the General Partner. The General Partner shall not cease to be a general partner of the Partnership as a result of the delegation of any duties hereunder. No officer of the Partnership, in its capacity as such, shall be considered a general partner of the Partnership by agreement, as a result of the performance of its duties hereunder or otherwise.

Section 3.5 Authority of Partners. No Limited Partner, in its capacity as such, shall participate in or have any control over the business of the Partnership. Except as expressly provided herein, the Units do not confer any rights upon the Limited Partners to participate in the affairs of the Partnership described in this Agreement. Except as expressly provided herein, no Limited Partner shall have any right to vote on any matter involving the Partnership, including with respect to any merger, consolidation, combination or conversion of the Partnership, or any other matter that a limited partner might otherwise have the ability to vote on or consent with respect to under the Act, at law, in equity or otherwise. The conduct, control and management of the Partnership shall be vested exclusively in the General Partner. In all matters relating to or arising out of the conduct of the operation of the Partnership, the decision of the General Partner shall be the decision of the Partnership. Except as required or permitted by Law, or expressly provided in the

ultimate sentence of this Section 3.5 or by separate agreement with the Partnership, no Partner who is not also a General Partner (and acting in such capacity) shall take any part in the management or control of the operation or business of the Partnership in its capacity as a Partner, nor shall any Partner who is not also a General Partner (and acting in such capacity) have any right, authority or power to act for or on behalf of or bind the Partnership in his or its capacity as a Partner in any respect or assume any obligation or responsibility of the Partnership or of any other Partner. Notwithstanding the foregoing, the Partnership may from time to time appoint one or more Partners as officers or employ one or more Partners as employees, and such Partners, in their capacity as officers or employees of the Partnership (and not, for clarity, in their capacity as Limited Partners of the Partnership), may take part in the control and management of the business of the Partnership to the extent such authority and power to act for or on behalf of the Partnership has been delegated to them by the General Partner.

Section 3.6 Action by Written Consent or Ratification. Any action required or permitted to be taken by the Partners pursuant to this Agreement shall be taken if all Partners whose consent or ratification is required consent thereto or provide a consent or ratification in writing.

ARTICLE IV DISTRIBUTIONS

Section 4.1 Distributions.

(a) The General Partner, in its sole discretion, may authorize distributions by the Partnership to the Partners. Distributions shall be made in accordance with Section 12.3 and this Article IV. Distributions (other than distributions made with respect to the Series B Mandatory Convertible Preferred Mirror Units pursuant to Section 12.3) shall be made pro rata in accordance with the Partners' respective Total Percentage Interests.

(b)

(i) In addition to the foregoing, if the General Partner reasonably determines that the taxable income of the Partnership for a Fiscal Year will give rise to taxable income for the Partners that hold Class A Units or Series B Mandatory Convertible Preferred Mirror Units ("Net Taxable Income"), the General Partner shall cause the Partnership to distribute Available Cash in respect of income tax liabilities (the "Tax Distributions") to the extent that other cash distributions made by the Partnership for such year (other than cash distributions made with respect to the Series B Mandatory Convertible Preferred Mirror Units pursuant to Section 4.1(a) or Section 12.3) were otherwise insufficient to cover such tax liabilities. The Tax Distributions payable with respect to any Fiscal Year shall be computed based upon the General Partner's estimate of the allocable Net Taxable Income in accordance with Article V (and in respect of "Gross Ordinary Income", pursuant to Section 5.5(d)), multiplied by the Assumed Tax Rate (the "Tax Amount"). For purposes of computing the Tax Amount, the effect of any benefit under Section 743(b) of the Code will be ignored. Any Tax Distributions with respect to the Class A Units shall be made pro rata in accordance with the Partners' Total Percentage Interests.

(ii) Tax Distributions shall be calculated and paid no later than one day prior to each quarterly due date for the payment by corporations on a calendar year of estimated taxes under the Code in the following manner (A) for the first quarterly period, 25% of the Tax Amount, (B) for the second quarterly period, 50% of the Tax Amount, less the prior Tax Distributions for the Fiscal Year, (C) for the third quarterly period, 75% of the Tax

Amount, less the prior Tax Distributions for the Fiscal Year and (D) for the fourth quarterly period, 100% of the Tax Amount, less the prior Tax Distributions for the Fiscal Year. Following each Fiscal Year, and no later than one day prior to the due date for the payment by corporations of income taxes for such Fiscal Year, the General Partner shall make an amended calculation of the Tax Amount for such Fiscal Year (the “Amended Tax Amount”), and shall cause the Partnership to distribute a Tax Distribution, out of Available Cash, to the extent that the Amended Tax Amount so calculated exceeds the cumulative Tax Distributions previously made by the Partnership in respect of such Fiscal Year. If the Amended Tax Amount is less than the cumulative Tax Distributions previously made by the Partnership in respect of the relevant Fiscal Year, then the difference (the “Credit Amount”) shall be applied against, and shall reduce, the amount of Tax Distributions made for subsequent Fiscal Years. Within 30 days following the date on which the Partnership files a tax return on Form 1065, the General Partner shall make a final calculation of the Tax Amount of such Fiscal Year (the “Final Tax Amount”) and shall cause the Partnership to distribute a Tax Distribution, out of Available Cash, to the extent that the Final Tax Amount so calculated exceeds the Amended Tax Amount. If the Final Tax Amount is less than the Amended Tax Amount in respect of the relevant Fiscal Year, then the difference (“Additional Credit Amount”) shall be applied against, and shall reduce, the amount of Tax Distributions made for subsequent Fiscal Years. Any Credit Amount and Additional Credit Amount applied against future Tax Distributions shall be treated as an amount actually distributed pursuant to this Section 4.1(b) for purposes of the computations herein.

Section 4.2 Liquidation Distribution. Distributions made upon dissolution of the Partnership shall be made as provided in Section 9.3.

Section 4.3 Limitations on Distribution. Notwithstanding any provision to the contrary contained in this Agreement, the General Partner shall not make a Partnership distribution to any Partner if such distribution would violate Section 17-607 of the Act or other applicable Law.

ARTICLE V CAPITAL CONTRIBUTIONS; CAPITAL ACCOUNTS; TAX ALLOCATIONS; TAX MATTERS

Section 5.1 Initial Capital Contributions. The Partners have made, on or prior to the Effective Date, Capital Contributions, if any, and, in exchange, the Partnership has issued to the Partners the number of Class A Units and Series B Mandatory Convertible Preferred Mirror Units as specified in the books and records of the Partnership.

Section 5.2 No Additional Capital Contributions. Except as otherwise provided in this Article V, no Partner shall be required to make additional Capital Contributions to the Partnership without the consent of such Partner or permitted to make additional capital contributions to the Partnership without the consent of the General Partner.

Section 5.3 Capital Accounts. A Capital Account shall be established and maintained for each Partner in accordance with the provisions of Treasury Regulations Section 1.704-1 (b)(2)(iv). The Capital Account of each Partner shall be credited with such Partner’s Capital Contributions, if any, all Profits allocated to such Partner pursuant to Section 5.4 and any items of income or gain which are specially allocated pursuant to Section 5.5; and shall be debited with all Losses allocated to such Partner pursuant to Section 5.4, any items of loss or deduction of the Partnership specially allocated to such Partner pursuant to Section 5.5, and all cash and the Carrying Value of any property (net of liabilities assumed by such

Partner and the liabilities to which such property is subject) distributed by the Partnership to such Partner. Any references in any section of this Agreement to the Capital Account of a Partner shall be deemed to refer to such Capital Account as the same may be credited or debited from time to time as set forth above. In the event of any Transfer of any interest in the Partnership in accordance with the terms of this Agreement, the Transferee shall succeed to the Capital Account of the Transferor to the extent it relates to the Transferred interest. For the avoidance of doubt, the Capital Account balance for each Series B Mandatory Convertible Preferred Mirror Unit shall initially equal the Liquidation Preference per Series B Mandatory Convertible Preferred Mirror Unit as of the date such Series B Mandatory Convertible Preferred Mirror Unit is initially issued and shall be increased as set forth in Section 5.5(d). Notwithstanding the foregoing, if the General Partner is advised by the Partnership's tax advisors that another allocation approach more appropriately reflects the Partners' relative interest in items of Partnership income, gain, loss, expense or deduction (and such alternative approach is otherwise consistent with U.S. Department of Treasury Regulations), then one or more of such items may be allocated in accordance with such alternative approach.

Section 5.4 Allocations of Profits and Losses. Subject to Section 5.5(d), except as otherwise provided in this Agreement, Profits and Losses (and, to the extent necessary, individual items of income, gain or loss or deduction of the Partnership) shall be allocated in a manner such that the Capital Account of each Partner after giving effect to the Special Allocations set forth in Section 5.5 is, as nearly as possible, equal (proportionately) to (i) the distributions that would be made pursuant to Article IV if the Partnership were dissolved, its affairs wound up and its assets sold for cash equal to their Carrying Value, all Partnership liabilities were satisfied (limited with respect to each non-recourse liability to the Carrying Value of the assets securing such liability) and the net assets of the Partnership were distributed to the Partners pursuant to this Agreement, minus (ii) such Partner's share of Partnership Minimum Gain and Partner Nonrecourse Debt Minimum Gain, computed immediately prior to the hypothetical sale of assets. For purposes of this Article V, each Unvested Unit may be treated as a Vested Unit. Notwithstanding the foregoing, the General Partner shall make such adjustments to Capital Accounts as it determines in its sole discretion to be appropriate to ensure allocations are made in accordance with a Partner's interest in the Partnership.

Section 5.5 Special Allocations. Notwithstanding any other provision in this Article V:

(a) Minimum Gain Chargeback. If there is a net decrease in Partnership Minimum Gain or Partner Nonrecourse Debt Minimum Gain (determined in accordance with the principles of Treasury Regulations Sections 1.704-2(d) and 1.704-2(i)) during any Partnership taxable year, the Partners shall be specially allocated items of Partnership income and gain for such year (and, if necessary, subsequent years) in an amount equal to their respective shares of such net decrease during such year, determined pursuant to Treasury Regulations Sections 1.704-2(g) and 1.704-2(i)(5). The items to be so allocated shall be determined in accordance with Treasury Regulations Section 1.704-2(f). This Section 5.5(a) is intended to comply with the minimum gain chargeback requirements in such Treasury Regulations Sections and shall be interpreted consistently therewith; including that no chargeback shall be required to the extent of the exceptions provided in Treasury Regulations Sections 1.704-2(f) and 1.704-2(i)(4).

(b) Qualified Income Offset. If any Partner unexpectedly receives any adjustments, allocations, or distributions described in Treasury Regulations Section 1.704-1(b)(2)(ii)(d)(4), (5) or (6), items of Partnership income and gain shall be specially allocated to such Partner in an amount and manner sufficient to eliminate the deficit balance in such Partner's Adjusted Capital Account Balance created by such adjustments, allocations or distributions as promptly as possible; provided that an allocation pursuant to this Section 5.5(b) shall be made only to the extent that a Partner would have a deficit Adjusted Capital

Account Balance in excess of such sum after all other allocations provided for in this Article V have been tentatively made as if this Section 5.5(b) were not in this Agreement. This Section 5.5(b) is intended to comply with the “qualified income offset” requirement of the Code and shall be interpreted consistently therewith.

(c) **Gross Income Allocation.** If any Partner has a deficit Capital Account at the end of any Fiscal Year which is in excess of the sum of (i) the amount such Partner is obligated to restore, if any, pursuant to any provision of this Agreement, and (ii) the amount such Partner is deemed to be obligated to restore pursuant to the penultimate sentences of Treasury Regulations Section 1.704-2(g)(1) and 1.704-2(i)(5), each such Partner shall be specially allocated items of Partnership income and gain in the amount of such excess as quickly as possible; provided that an allocation pursuant to this Section 5.5(c) shall be made only if and to the extent that a Partner would have a deficit Capital Account in excess of such sum after all other allocations provided for in this Article V have been tentatively made as if Section 5.5(b) and this Section 5.5(c) were not in this Agreement.

(d) **Gross Ordinary Income.** Before giving effect to the allocations set forth in Section 5.4, Gross Ordinary Income for the Fiscal Year shall be specially allocated pro rata to the holders of Series B Mandatory Convertible Preferred Mirror Units in an amount equal to the sum of (i) the amount of cash and Class A Units distributed to the holders of Series B Mandatory Convertible Preferred Mirror Units pursuant to Section 12.3 during such Fiscal Year and (ii) the excess, if any, of the amount of cash and Class A Units distributed to the holders of Series B Mandatory Convertible Preferred Mirror Units pursuant to Section 12.3 in all prior Fiscal Years over the amount of Gross Ordinary Income allocated to the holders of Series B Mandatory Convertible Preferred Mirror Units pursuant to this Section 5.5(d) in all prior Fiscal Years. For purposes of this Section 5.5(d) “Gross Ordinary Income” means the Partnership’s gross income excluding any gross income attributable to the sale or exchange of “capital assets” as defined in Section 1221 of the Code. Allocations to holders of Series B Mandatory Convertible Preferred Mirror Units of Gross Ordinary Income shall consist of a proportionate share of each Partnership item of Gross Ordinary Income for such Fiscal Year in accordance with each holder’s pro rata percentage of the Series B Mandatory Convertible Preferred Mirror Units.

(e) **Nonrecourse Deductions.** Nonrecourse Deductions shall be allocated to the Partners in accordance with their respective Total Percentage Interests.

(f) **Partner Nonrecourse Deductions.** Partner Nonrecourse Deductions for any taxable period shall be allocated to the Partner who bears the economic risk of loss with respect to the liability to which such Partner Nonrecourse Deductions are attributable in accordance with Treasury Regulations Section 1.704-2(j).

(g) **Creditable Non-U.S. Taxes.** Creditable Non-U.S. Taxes for any taxable period attributable to the Partnership, or an entity owned directly or indirectly by the Partnership, shall be allocated to the Partners in proportion to the Partners’ distributive shares of income (including income allocated pursuant to Section 704(c) of the Code) to which the Creditable Non-U.S. Tax relates (under principles of Treasury Regulations Section 1.904-6). The provisions of this Section 5.5(g) are intended to comply with the provisions of Treasury Regulations Section 1.704-1(b)(4)(viii), and shall be interpreted consistently therewith.

(h) **Ameliorative Allocations.** Any special allocations of income or gain pursuant to Sections 5.5(b) or 5.5(c) hereof shall be taken into account in computing subsequent allocations pursuant to Section 5.4 and this Section 5.5(h), so that the net amount of any items so allocated and all other items

allocated to each Partner shall, to the extent possible, be equal to the net amount that would have been allocated to each Partner if such allocations pursuant to Sections 5.5(b) or 5.5(c) had not occurred.

(i) Notwithstanding anything to the contrary contained in this Agreement, (i) no allocations of Profits or Losses shall be made in respect of any Unvested Earn-out Units in determining Capital Accounts unless and until such Unvested Earn-out Units are converted into Class A Units upon the occurrence of a Vesting Event; and (ii) in the event the Carrying Value of any Company asset is adjusted pursuant to the definition of Carrying Value upon the conversion of any Unvested Earn-out Units into Class A Units, any Unrealized Gain or Unrealized Loss resulting from such adjustment shall, in the manner reasonably determined by the General Partner and consistent with the definition of Carrying Value, be allocated first to the Class A Units into which previously Unvested Earn-out Units that Vested were converted, then among the Partners such that the Per Unit Capital Amount relating to each Class A Units (including the Class A Units into which previously Unvested Earn-out Units that Vested were converted) is equal in amount immediately after making such allocation in accordance with principles similar to those set forth in Treasury Regulations Section 1.704-1(b)(2)(iv)(s); provided, that if the foregoing allocations pursuant to clause (ii) are insufficient to cause the Per Unit Capital Amount relating to each Class A Unit to be so equal in amount, then the General Partner, in its reasonable discretion, may cause a Capital Account reallocation in accordance with principles similar to those set forth in Treasury Regulations Section 1.704-1(b)(2)(iv)(s)(3) to cause the Per Unit Capital Amount relating to each Class A Unit be so equal in amount.

Section 5.6 Tax Allocations(a) . For income tax purposes, each item of income, gain, loss and deduction of the Partnership shall be allocated among the Partners in the same manner as the corresponding items of Profits and Losses and specially allocated items are allocated for Capital Account purposes; provided that in the case of any asset the Carrying Value of which differs from its adjusted tax basis for U.S. federal income tax purposes, income, gain, loss and deduction with respect to such asset shall be allocated solely for income tax purposes in accordance with the principles of Sections 704(b) and (c) of the Code (in any manner determined by the General Partner and permitted by the Code and Treasury Regulations) so as to take account of the difference between Carrying Value and adjusted basis of such asset. Notwithstanding the foregoing, the General Partner shall make such allocations for tax purposes as it determines in its sole discretion to be appropriate to ensure allocations are made in accordance with a partner's interest in the Partnership. If, as a result of an exercise of a noncompensatory option to acquire an interest in the Partnership, a Capital Account reallocation is required under Treasury Regulations Section 1.704-1(b)(2)(iv)(s)(3), the Partnership shall make corrective allocations pursuant to Treasury Regulations Section 1.704-1(b)(4)(x).

Section 5.7 Tax Advances. If the General Partner reasonably believes that the Partnership is required by law to withhold or to make tax payments on behalf of or with respect to any Partner or the Partnership is subjected to tax itself by reason of the status of any Partner ("Tax Advances"), the General Partner may withhold such amounts and make such tax payments as so required. All Tax Advances made on behalf of a Partner shall be repaid by reducing the amount of the current or next succeeding distribution or distributions which would otherwise have been made to such Partner or, if such distributions are not sufficient for that purpose, by so reducing the proceeds of liquidation otherwise payable to such Partner; provided that, all Tax Advances made on behalf of a Partner who is an officer or director of the Issuer must repay such Tax Advance as soon the Partnership withholds or makes tax payments on behalf of such Partner. For all purposes of this Agreement such Partner shall be treated as having received the amount of the distribution that is equal to the Tax Advance. Each Partner hereby agrees to indemnify and hold

harmless the Partnership and the other Partners from and against any liability (including any liability for taxes, penalties, additions to tax or interest other than any penalties, additions to tax or interest imposed as a result of the Partnership's failure to withhold or make a tax payment on behalf of such Partner which withholding or payment is required pursuant to applicable Law but only to the extent amounts sufficient to pay such taxes were not timely distributed to the Partner pursuant to Section 4.1(b)) with respect to income attributable to or distributions or other payments to such Partner.

Section 5.8 Tax Matters. The General Partner shall be the "tax matters partner" of the Partnership for purposes of Section 6231(a)(7) of the Code (prior to amendment by P.L. 114-74) and the "partnership representative" of the Partnership for purposes of Section 6223 of the Code (after amendment by P.L. 114-74). The Partnership shall file as a partnership for federal, state, provincial and local income tax purposes, except where otherwise required by Law. All elections required or permitted to be made by the Partnership, and all other tax decisions and determinations relating to federal, state, provincial or local tax matters of the Partnership, shall be made by the tax matters partner or partnership representative, as applicable. Tax audits, controversies and litigations shall be conducted under the direction of the tax matters partner or partnership representative, as applicable. The General Partner shall cause all required federal, state or local tax returns and reports of the Partnership to be prepared and filed, and shall be responsible for all other tax matters of the Partnership. All costs and expenses incurred by the General Partner related to any tax matters provided for in this Section 5.8, including, without limitation, all fees and expenses of any accounting firm engaged by the General Partner with respect to the Partnership and any costs and expenses related to any audit, declaration of any tax deficiency or any administrative proceeding or litigation involving any Partnership tax matter, shall be Partnership expenses. Each Partner agrees to cooperate with the General Partner and to do or refrain from doing any or all things reasonably required by the General Partner in connection with the conduct of all such proceedings. The tax matters partner or partnership representative, as applicable, shall keep the other Partners reasonably informed as to any tax actions, examinations or proceedings relating to the Partnership and shall submit to the other Partners, for their review and comment, any settlement or compromise offer with respect to any disputed item of income, gain, loss, deduction or credit of the Partnership. As soon as reasonably practicable after the end of each Fiscal Year, the Partnership shall send to each Partner a copy of U.S. Internal Revenue Service Schedule K-1, and any comparable statements required by applicable U.S. state or local income tax Law as a result of the Partnership's activities or investments, with respect to such Fiscal Year. The Partnership also shall provide the Partners with such other information as may be reasonably requested for purposes of allowing the Partners to prepare and file their own tax returns.

Section 5.9 Other Allocation Provisions. Certain of the foregoing provisions and the other provisions of this Agreement relating to the maintenance of Capital Accounts are intended to comply with Treasury Regulations Section 1.704-1(b) and shall be interpreted and applied in a manner consistent with such regulations. In addition to amendments effected in accordance with Section 11.6 or otherwise in accordance with this Agreement, Sections 5.3, 5.4 and 5.5 may also, so long as any such amendment does not materially change the relative economic interests of the Partners, be amended at any time by the General Partner if necessary or desirable, as determined by the General Partner in its discretion, to comply with such regulations or any applicable Law.

Section 5.10 Earn-out Units. The parties to this Agreement intend that, for U.S. federal income tax purposes, unless otherwise required by the Code or Treasury Regulations, (a) unless a contrary treatment is set forth in the applicable Supplemental Agreement, the Unvested Earn-out Units received by any Partner shall not be treated as being received in connection with the performance of services, (b) the receipt of Class A Units on conversion of any Unvested Earn-out Units upon a Vesting Event shall be treated in accordance with principles similar to those set forth in Treasury Regulation Section 1.721-2(a),

and (c) the Partners shall not be treated as having taxable income or gain as a result of the receipt of such Unvested Earn-out Units or the receipt of any Class A Units in connection with any Vesting Event (other than as a result of corrective allocations made pursuant to the last sentence of Section 5.6 . The Partnership shall prepare and file all applicable tax returns consistent therewith unless otherwise required by a “determination” within the meaning of Section 1313 of the Code or a change in applicable Law.

ARTICLE VI BOOKS AND RECORDS; REPORTS

Section 6.1 Books and Records.

(a) At all times during the continuance of the Partnership, the Partnership shall prepare and maintain separate books of account for the Partnership in accordance with GAAP.

(b) Except as limited by Section 6.1(c), each Limited Partner shall have the right to receive, for a purpose reasonably related to such Limited Partner’s interest as a Limited Partner in the Partnership, upon reasonable written demand stating the purpose of such demand and at such Limited Partner’s own expense:

(i) a copy of the Certificate and this Agreement and all amendments thereto, together with a copy of the executed copies of all powers of attorney pursuant to which the Certificate and this Agreement and all amendments thereto have been executed; and

(ii) promptly after their becoming available, copies of the Partnership’s federal income tax returns for the three most recent years.

(c) The General Partner may keep confidential from the Limited Partners, for such period of time as the General Partner determines in its sole discretion, (i) any information that the General Partner reasonably believes to be in the nature of trade secrets or (ii) other information the disclosure of which the General Partner believes is not in the best interests of the Partnership, could damage the Partnership or its business or that the Partnership is required by law or by agreement with any third party to keep confidential.

ARTICLE VII PARTNERSHIP UNITS

Section 7.1 Units. Interests in the Partnership shall be represented by Units. The Units are comprised of one Class of common units, the Class A Units, and one Class of Preferred Units, the Series B Mandatory Convertible Preferred Mirror Units. The General Partner in its sole discretion may establish and issue, from time to time in accordance with such procedures as the General Partner shall determine from time to time, additional Units, in one or more Classes or series of Units, or other Partnership securities, at such price, and with such designations, preferences and relative, participating, optional or other special rights, powers and duties (which may be senior to existing Units, Classes and series of Units or other Partnership securities), as shall be determined by the General Partner without the approval of any Partner or any other Person who may acquire an interest in any of the Units, including (i) the right of such Units to share in Profits and Losses or items thereof; (ii) the right of such Units to share in Partnership distributions; (iii) the rights of such Units upon dissolution and liquidation of the Partnership; (iv) whether, and the terms and conditions upon which, the Partnership may or shall be required to redeem such Units (including sinking fund provisions); (v) whether such Units are issued with the privilege of conversion or exchange and, if so, the terms and conditions of such conversion or exchange; (vi) the terms and conditions upon which such Units will be issued, evidenced by certificates and assigned or

Transferred; (vii) the method for determining the Total Percentage Interest, if any, as to such Units; (viii) the terms and conditions of the issuance of such Units (including the amount and form of consideration, if any, to be received by the Partnership in respect thereof, the General Partner being expressly authorized, in its sole discretion, to cause the Partnership to issue such Units for less than fair market value); and (ix) the right, if any, of the holder of such Units to vote on Partnership matters, including matters relating to the relative designations, preferences, rights, powers and duties of such Units. The General Partner in its sole discretion, without the approval of any Partner or any other Person, is authorized (i) to issue Units or other Partnership securities of any newly established Class or any existing Class to Partners or other Persons who may acquire an interest in the Partnership and (ii) to amend this Agreement to reflect the creation of any such new Class, the issuance of Units or other Partnership securities of such Class, and the admission of any Person as a Partner which has received Units or other Partnership securities. Except as expressly provided in this Agreement to the contrary, any reference to “Units” shall include the Class A Units, the Preferred Units and Units of any other Class or series that may be established in accordance with this Agreement. All Units of a particular Class shall have identical rights in all respects as all other Units of such Class, except in each case as otherwise specified in this Agreement.

Section 7.2 Register. The register of the Partnership shall be the definitive record of ownership of each Unit and all relevant information with respect to each Partner. Unless the General Partner shall determine otherwise, Units shall be uncertificated and recorded in the books and records of the Partnership.

Section 7.3 Registered Partners. The Partnership shall be entitled to recognize the exclusive right of a Person registered on its records as the owner of Units for all purposes and shall not be bound to recognize any equitable or other claim to or interest in Units on the part of any other Person, whether or not it shall have express or other notice thereof, except as otherwise provided by the Act or other applicable Law.

ARTICLE VIII VESTING; FORFEITURE OF INTERESTS; TRANSFER RESTRICTIONS

Section 8.1 Vesting of Unvested Units.

(a) (a) A Partner’s Unvested Units shall vest and shall thereafter be Vested Units for all purposes of this Agreement as set forth in any applicable Supplemental Agreement and reflected in the books and records of the Partnership.

(b) The General Partner in its sole discretion may authorize the earlier vesting of all or a portion of Unvested Units owned by any one or more Partners at any time and from time to time, and in such event, such Unvested Units shall vest and thereafter be Vested Units for all purposes of this Agreement. Any such determination in the General Partner’s discretion in respect of Unvested Units shall be final and binding. Nothing in this Agreement shall obligate the General Partner or the Partnership to treat any Partially Unvested Partners alike, whether or not such Partners are similarly situated, and the exercise of any power or discretion by the General Partner or the Partnership in the case of any Partially Unvested Partner shall not create any obligation on the part of the General Partner or the Partnership to take any similar action in the case of any other Partially Unvested Partner, it being understood that any power or discretion conferred upon the General Partner shall be treated as having been so conferred as to each Partially Unvested Partner separately.

(c) Upon the vesting of any Unvested Units in accordance with this Section 8.1, the General Partner shall modify the books and records of the Partnership to reflect such vesting.

(d) Each Unvested Earn-out Unit will be held in accordance with this Agreement unless and until an applicable Vesting Event occurs with respect to such Unvested Earnout Unit. Upon the occurrence of a Vesting Event, those Unvested Earn-out Units to which such Vesting Event relates will be immediately converted into the number of Class A Units set forth in the applicable Supplemental Agreement, with all rights and privileges of a Class A Unit under this Agreement thereafter.

Section 8.2 Forfeiture of Units.

(a) Units owned by a Partner are subject to forfeiture or cancellation as set forth in any Supplemental Agreement or schedule or exhibit to this Agreement applicable to such Partner.

(b) If any Ares Owners Mirror Units are forfeited or cancelled for no consideration, a number of Class A Units held by Ares Owners LP equal to the product of the number of Ares Owners Mirror Units, as applicable, so forfeited or cancelled multiplied by the Corresponding Rate shall be automatically forfeited or cancelled, as the case may be.

(c) If any Common Shares owned by Ares Owners LP or a Service Provider (or a Person who is a Permitted Transferee of a Service Provider) are forfeited or cancelled for no consideration, a number of Class A Units held by the Issuer (or if the Issuer does not hold any Class A Units, by the General Partner) equal to the product of the number of Common Shares so forfeited or cancelled multiplied by the Corresponding Rate shall be automatically forfeited or cancelled, as the case may be.

(d) Notwithstanding anything otherwise to the contrary herein, including Section 9.6 and Section 10.1, if any Person who is or was at any time a Service Provider shall fail to perform when due any “giveback,” “true-up” or “clawback” obligation owed by such Person to the Partnership or any of its Affiliates or to any Fund managed by an Ares Company, the General Partner may in its sole discretion and without the consent of any other Person, cause to be forfeited a number of Units held by such Person (or any Permitted Transferee of such Person), or in which such Person (or any Permitted Transferee of such Person) has an indirect interest, as set forth in the books and records of the Partnership, equivalent in value to the obligation which was not performed, as determined by the General Partner in its sole discretion. Any such determination shall be final and binding. Nothing in this Agreement shall obligate the General Partner or the Partnership to treat any Persons alike, whether or not such Persons are similarly situated, and the exercise of any power or discretion by the General Partner or the Partnership in the case of any Person shall not create any obligation on the part of the General Partner or the Partnership to take any similar action in the case of any other Person, it being understood that any power or discretion conferred upon the General Partner shall be treated as having been so conferred as to each Person separately.

(e) Upon the forfeiture of any Units in accordance with this Section 8.2, such Units shall be cancelled, the Partnership shall have no obligations with respect to such Units and the General Partner shall modify the books and records of the Partnership to reflect such forfeiture and cancellation.

Section 8.3 Limited Partner Transfers.

(a) Except as otherwise agreed to in writing between the General Partner and the applicable Limited Partner and reflected in the books and records of the Partnership, no Limited Partner or Assignee thereof may Transfer (including pursuant to an Exchange Transaction) all or any portion of its Units or other interest in the Partnership (or beneficial interest therein) without the prior consent of the General Partner, which consent may be given or withheld, or made subject to such conditions (including

the receipt of such legal opinions and other documents that the General Partner may require) as are determined by the General Partner, in each case in the General Partner's sole discretion, and which consent may be in the form of a plan or program entered into or approved by the General Partner, in its sole discretion. Any such determination in the General Partner's discretion in respect of Units shall be final and binding. Nothing in this Agreement shall obligate the General Partner or the Partnership to treat any Limited Partners alike, whether or not such Limited Partners are similarly situated, and the exercise of any power or discretion by the General Partner or the Partnership in the case of any Limited Partner shall not create any obligation on the part of the General Partner or the Partnership to take any similar action in the case of any other Limited Partner, it being understood that any power or discretion conferred upon the General Partner shall be treated as having been so conferred as to each Limited Partner separately. Any purported Transfer of Units that is not in accordance with, or subsequently violates, this Agreement shall be, to the fullest extent permitted by law, null and void.

(b) Notwithstanding clause (a) above, subject to Section 8.6, each Limited Partner may Transfer Units in Exchange Transactions pursuant to, and in accordance with, the Exchange Agreement; provided that such Exchange Transactions shall be effected in compliance with policies that the General Partner (or any other Ares Company) may adopt or promulgate from time to time (including policies requiring the use of designated administrators or brokers).

(c) Notwithstanding anything otherwise to the contrary in this Section 8.3, a Limited Partner may Transfer Units to any of its Permitted Transferees.

(d) Notwithstanding anything otherwise to the contrary in this Section 8.3, upon the enforcement of the remedies available upon the occurrence and during the continuance of an event of default under any Credit Agreement or any Collateral Agreement, in each case in accordance with such agreements (including any limitations set forth therein), to the extent that the interests pledged under such agreements constitute collateral (or any similar term) under such Credit Agreement or Collateral Agreement, the administrative agent, collateral agent, trustee or other person acting in a similar capacity under such Credit Agreement or Collateral Agreement or any transferee or assignee who forecloses upon an interest in such collateral in connection with such permitted enforcement of remedies upon the occurrence and during the continuance of an event of default under such Credit Agreement or Collateral Agreement (to the extent not prohibited pursuant to the terms of such Credit Agreement or any applicable Collateral Agreement) shall be automatically admitted as a Limited Partner and shall have all of the rights and powers of the Limited Partner that previously owned such interest without any further consent of any Partner.

Section 8.4 Mandatory Exchanges. The General Partner may in its sole discretion at any time and from time to time, without the consent of any Limited Partner or other Person, cause to be Transferred in an Exchange Transaction any and all Units. Nothing in this Agreement shall obligate the General Partner or the Partnership to treat any Limited Partners alike, whether or not such Limited Partners are similarly situated, and the exercise of any power or discretion by the General Partner or the Partnership in the case of any Limited Partner shall not create any obligation on the part of the General Partner or the Partnership to take any similar action in the case of any other Limited Partner, it being understood that any power or discretion conferred upon the General Partner shall be treated as having been so conferred as to each Limited Partner separately.

Section 8.5 Encumbrances. No Partner or Assignee may create an Encumbrance with respect to all or any portion of its Units (or any beneficial interest therein) other than Encumbrances that run in favor of the Partner unless the General Partner consents in writing thereto, which consent may be given or withheld, or made subject to such conditions as are determined by the General Partner, in the General

Partner's sole discretion. Consent of the General Partner shall be withheld until the holder of the Encumbrance acknowledges the terms and conditions of this Agreement. Any purported Encumbrance that is not in accordance with this Agreement shall be, to the fullest extent permitted by law, null and void.

Section 8.6 Further Restrictions.

(a) Notwithstanding any contrary provision in this Agreement, the General Partner may impose such vesting requirements, forfeiture provisions, Transfer restrictions, minimum retained ownership requirements or other similar provisions with respect to any Units that are outstanding as of the Effective Date or are created thereafter, with the written consent of the holder of such Units. Nothing in this Agreement shall obligate the General Partner or the Partnership to treat any Partners alike, whether or not such Partners are similarly situated, and such requirements, provisions and restrictions may be waived or released by the General Partner in its sole discretion with respect to all or a portion of the Units owned by any one or more Partners. The exercise of any power or discretion by the General Partner or the Partnership in the case of any Partner shall not create any obligation on the part of the General Partner or the Partnership to take any similar action in the case of any other Partner, it being understood that any power or discretion conferred upon the General Partner shall be treated as having been so conferred as to each Partner separately.

(b) Notwithstanding any contrary provision in this Agreement, in no event may any Transfer of a Unit be made by any Limited Partner or Assignee if:

(i) such Transfer is made to any Person who lacks the legal right, power or capacity to own such Unit;

(ii) such Transfer would require the registration of such Transferred Unit or of any Class of Units pursuant to any applicable U.S. federal or state securities Laws (including the Securities Act or the Exchange Act) or other non-U.S. securities Laws (including Canadian provincial or territorial securities laws) or would constitute a non-exempt distribution pursuant to applicable provincial or state securities Laws;

(iii) such Transfer would cause (A) all or any portion of the assets of the Partnership to (1) constitute "plan assets" (under ERISA, the Code or any applicable Similar Law) of any existing or contemplated Limited Partner, or (2) be subject to the provisions of ERISA, Section 4975 of the Code or any applicable Similar Law, or (B) the General Partner to become a fiduciary with respect to any existing or contemplated Limited Partner, pursuant to ERISA, any applicable Similar Law, or otherwise;

(iv) to the extent requested by the General Partner, the Partnership does not receive such legal or tax opinions and written instruments (including copies of any instruments of Transfer and such Assignee's consent to be bound by this Agreement as an Assignee) that are in a form satisfactory to the General Partner, as determined in the General Partner's discretion;

(v) such Transfer would violate, or cause any Relevant Entity, to violate, any applicable Law of any jurisdiction; or

(vi) the General Partner shall determine in its sole discretion that such Transfer would pose a material risk that the Partnership would be a “publicly traded partnership” as defined in Section 7704 of the Code.

In addition, notwithstanding any contrary provision in this Agreement, to the extent the General Partner shall determine that interests in the Partnership do not meet the requirements of Treasury Regulations section 1.7704-1(h), the General Partner may impose such restrictions on the Transfer of Units or other interests in the Partnership as the General Partner may determine in its sole discretion to be necessary or advisable so that the Partnership is not treated as a publicly traded partnership taxable as a corporation under Section 7704 of the Code.

(c) Any Transfer in violation of this Article VIII shall be deemed null and void ab initio and of no effect.

Section 8.7 Rights of Assignees. Subject to Section 8.6(b), the Transferee of any permitted Transfer pursuant to this Article VIII will be an assignee only (“Assignee”), and only will receive, to the extent Transferred, the distributions and allocations of income, gain, loss, deduction, credit or similar item to which the Partner which Transferred its Units would be entitled, and such Assignee will not be entitled or enabled to exercise any other rights or powers of a Partner, such other rights, and all obligations relating to, or in connection with, such interest remaining with the Transferring Partner. The Transferring Partner will remain a Partner even if it has Transferred all of its Units to one or more Assignees until such time as the Assignee(s) is admitted to the Partnership as a Partner pursuant to Section 8.9.

Section 8.8 Admissions, Withdrawals and Removals.

(a) No Person may be admitted to the Partnership as an additional or substitute General Partner without the prior written consent of each incumbent General Partner, which consent may be given or withheld, or made subject to such conditions as are determined by each incumbent General Partner, in each case in the sole discretion of each incumbent General Partner. A General Partner will not be entitled to withdraw from being a General Partner of the Partnership unless another General Partner shall have been admitted hereunder (and not have previously been removed or withdrawn).

(b) No Limited Partner will be removed or entitled to withdraw from being a Partner of the Partnership except in accordance with Section 8.10 hereof. Any additional General Partner or substitute General Partner admitted as a general partner of the Partnership pursuant to this Section 8.8 is hereby authorized to, and shall, continue the Partnership without dissolution.

(c) Except as otherwise provided in Article IX or the Act, no admission, substitution, withdrawal or removal of a Partner will cause the dissolution of the Partnership. To the fullest extent permitted by Law, any purported admission, withdrawal or removal that is not in accordance with this Agreement shall be null and void.

Section 8.9 Admission of Assignees as Substitute Limited Partners. An Assignee will become a substitute Limited Partner only if and when each of the following conditions is satisfied:

(a) the General Partner consents in writing to such admission, which consent may be given or withheld, or made subject to such conditions as are determined by the General Partner, in each case in the General Partner’s sole discretion;

(b) if required by the General Partner, the General Partner receives written instruments (including copies of any instruments of Transfer and such Assignee’s consent to be bound by this

Agreement as a substitute Limited Partner) that are in a form satisfactory to the General Partner (as determined in its sole discretion);

(c) if required by the General Partner, the General Partner receives an opinion of counsel satisfactory to the General Partner to the effect that such Transfer is in compliance with this Agreement and all applicable Law; and

(d) if required by the General Partner, the parties to the Transfer, or any one of them, pays all of the Partnership's reasonable expenses connected with such Transfer (including the reasonable legal and accounting fees of the Partnership).

Section 8.10 Withdrawal and Removal of Limited Partners. Subject to Section 8.7, if a Limited Partner ceases to hold any Units, including as a result of a forfeiture of Units pursuant to Section 8.2, then such Limited Partner shall cease to be a Limited Partner and to have the power to exercise any rights or powers of a Limited Partner, and shall be deemed to have been withdrawn from the Partnership.

ARTICLE IX DISSOLUTION, LIQUIDATION AND TERMINATION

Section 9.1 No Dissolution. Except as required by the Act, the Partnership shall not be dissolved by the admission of additional Partners or withdrawal of Partners in accordance with the terms of this Agreement. The Partnership may be dissolved, liquidated, wound up and terminated only pursuant to the provisions of this Article IX, and the Partners hereby irrevocably waive any and all other rights they may have to cause a dissolution of the Partnership or a sale or partition of any or all of the Partnership assets.

Section 9.2 Events Causing Dissolution. The Partnership shall be dissolved and its affairs shall be wound up upon the occurrence of any of the following events (each, a "Dissolution Event"):

(a) the entry of a decree of judicial dissolution of the Partnership under Section 17-802 of the Act upon the finding by a court of competent jurisdiction that it is not reasonably practicable to carry on the business of the Partnership in conformity with this Agreement;

(b) any event which makes it unlawful for the business of the Partnership to be carried on by the Partners;

(c) the written consent of all Partners;

(d) at any time there are no limited partners, unless the Partnership is continued in accordance with the Act;

(e) the Incapacity or removal of the General Partner or the occurrence of a Disabling Event with respect to the General Partner; provided that the Partnership will not be dissolved or required to be wound up in connection with any of the events specified in this Section 9.2(e) if: (i) at the time of the occurrence of such event there is at least one other general partner of the Partnership who is hereby authorized to, and elects to, carry on the business of the Partnership; or (ii) all remaining Limited Partners consent to or ratify the continuation of the business of the Partnership and the appointment of another general partner of the Partnership, effective as of the event that caused the General Partner to cease to be a general partner of the Partnership, within 120 days following the occurrence of any such event, which consent shall be deemed (and if requested each Limited Partner shall provide a written consent or

ratification) to have been given for all Limited Partners if the holders of more than 50% of the Vested Units then outstanding agree in writing to so continue the business of the Partnership; or

(f) the determination of the General Partner in its sole discretion; provided that in the event of a dissolution pursuant to this clause (f), the relative economic rights of each Class of Units immediately prior to such dissolution shall be preserved to the greatest extent practicable with respect to distributions made to Partners pursuant to Section 9.3 below in connection with the winding up of the Partnership, taking into consideration tax and other legal constraints that may adversely affect one or more parties hereto and subject to compliance with applicable Laws, unless, and to the extent that, with respect to any Class of Units, holders of not less than 90% of the Units of such Class consent in writing to a treatment other than as described above.

Section 9.3 Distribution upon Dissolution. Upon dissolution, the Partnership shall not be terminated and shall continue until the winding up of the affairs of the Partnership is completed. Upon the winding up of the Partnership, the General Partner, or any other Person designated by the General Partner (the "Liquidation Agent"), shall take full account of the assets and liabilities of the Partnership and shall, unless the General Partner determines otherwise, liquidate the assets of the Partnership as promptly as is consistent with obtaining the fair value thereof. The proceeds of any liquidation shall be applied and distributed in the following order:

(a) First, to the satisfaction of debts and liabilities of the Partnership (including satisfaction of all indebtedness to Partners or their Affiliates to the extent otherwise permitted by Law) including the expenses of liquidation, and including the establishment of any reserve which the Liquidation Agent shall deem reasonably necessary for any contingent, conditional or unmatured contractual liabilities or obligations of the Partnership ("Contingencies"). Any such reserve may be paid over by the Liquidation Agent to any attorney- at-law, or acceptable party, as escrow agent, to be held for disbursement in payment of any Contingencies and, at the expiration of such period as shall be deemed advisable by the Liquidation Agent for distribution of the balance in the manner hereinafter provided in this Section 9.3; and

(a) Subject to Article XII, the balance, if any, to the holders of Class A Units; pro rata to each of the holders of Class A Units in accordance with their Total Percentage Interests.

Section 9.4 Time for Liquidation. A reasonable amount of time shall be allowed for the orderly liquidation of the assets of the Partnership and the discharge of liabilities to creditors so as to enable the Liquidation Agent to minimize the losses attendant upon such liquidation.

Section 9.5 Termination. The Partnership shall terminate when all of the assets of the Partnership, after payment of or due provision for all debts, liabilities and obligations of the Partnership, shall have been distributed to the holders of Units in the manner provided for in this Article IX, and the Certificate shall have been cancelled in the manner required by the Act.

Section 9.6 Claims of the Partners. The Partners shall look solely to the Partnership's assets for the return of their Capital Contributions, and if the assets of the Partnership remaining after payment of or due provision for all debts, liabilities and obligations of the Partnership are insufficient to return such Capital Contributions, the Partners shall have no recourse against the Partnership or any other Partner or any other Person. No Partner with a negative balance in such Partner's Capital Account shall have any obligation to the Partnership or to the other Partners or to any creditor or other Person to restore such negative balance during the existence of the Partnership, upon dissolution or termination of the Partnership or otherwise, except to the extent required by the Act.

Section 9.7 Survival of Certain Provisions. Notwithstanding anything to the contrary in this Agreement, the provisions of Sections 10.2, 11.1 and 11.10 shall survive the termination of the Partnership.

ARTICLE X LIABILITY AND INDEMNIFICATION

Section 10.1 Duties; Liabilities; Exculpation.

(a) This Agreement is not intended to, and does not, create or impose any fiduciary duty on any Partner (including the General Partner) or on its Affiliates. Notwithstanding any other provision of this Agreement or any duty otherwise existing at law or in equity, the Partners (including the General Partner) and their respective Affiliates shall, to the maximum extent permitted by Law, including Section 17-1101(d) of the Act, owe only such duties and obligations as are expressly set forth in this Agreement, and no other duties (including fiduciary duties), to the Partnership, the Limited Partners, the General Partner, the Officers or any other Person otherwise bound by this Agreement.

(b) To the extent that, at law or in equity, any Partner (including the General Partner) or its Affiliates has duties (including fiduciary duties) and liabilities relating thereto to the Partnership, the Limited Partners, the General Partner, the Officers or any other Person who is party to or is otherwise bound by this Agreement, any such Person acting under this Agreement shall not be liable to the Partnership, the Limited Partners, the General Partner, the Officers or any other Person who is party to or is otherwise bound by this Agreement for its good faith reliance on the provisions of this Agreement. The provisions of this Agreement, to the extent that such provisions restrict or eliminate the duties and liabilities relating thereto of any Partner (including the General Partner) or its Affiliates otherwise existing at law or in equity, are agreed by the Partners to replace to that extent such other duties and liabilities relating thereto of such Person.

(c) Notwithstanding any other provision of this Agreement, whether express or implied, to the fullest extent permitted by Law, no Indemnitee shall be liable to the Partnership or any Partner for any losses, claims, demands, damages, liabilities (joint or several), expenses (including legal fees and expenses), judgments, fines, penalties, interest, settlements or other amounts arising as a result of any act or omission (in relation to the Partnership, this Agreement, any related document or any transaction or investment contemplated hereby or thereby) of a Indemnitee, or for any breach of contract (including breach of this Agreement) or any breach of duties (including breach of fiduciary duties) whether arising hereunder, at law, in equity or otherwise, unless there has been a final and non-appealable judgment entered by a court of competent jurisdiction determining that, in respect of the matter in question, the Indemnitee acted in bad faith or with criminal intent.

(d) Each Indemnitee shall be entitled to rely in good faith on the advice of legal counsel to the Partnership, accountants, other experts and financial or professional advisors, and acting or omitting to act on behalf of the Partnership or in furtherance of the interests of the Partnership, in each case, in good faith reliance upon and in accordance with such advice will be full justification for any such act or omission, and each Indemnitee will be fully protected in so acting or omitting to act so long as such counsel, accountants, other experts and financial or professional advisors were selected with reasonable care.

(e) Notwithstanding any other provision of this Agreement or otherwise applicable provision of law or in equity, whenever in this Agreement or any other agreement contemplated hereby the General Partner is permitted to or required to make or take (or omit to make or take) a determination,

evaluation, election, decision, approval, authorization, consent or other action (howsoever described herein, each, a “Determination”) (i) in its “discretion” or “sole discretion” or under a grant of similar authority or latitude, or (ii) pursuant to any provision not subject to an express standard of “good faith” (regardless of whether there is a reference to “discretion”, “sole discretion” or any other standard), then the General Partner (or any of its Affiliates causing it to do so), in making such Determination, shall not be subject to any fiduciary duty and shall be entitled to consider only such interests and factors as it desires, including its own interests, and shall have no duty or obligation (fiduciary or otherwise) to give any consideration to any interest of or factors affecting the Partnership, the Partners, or any other Person (including any creditor of the Partnership), and shall not be subject to any other or different standards imposed by this Agreement or otherwise existing at law, in equity or otherwise. Notwithstanding the immediately preceding sentence, if a Determination under this Agreement is to be made or taken by the General Partner in “good faith”, the General Partner shall act under that express standard and shall not be subject to any other or different standard under this Agreement or otherwise existing at law, in equity or otherwise.

(f) For all purposes of this Agreement and notwithstanding any applicable provision of law or in equity, a Determination or failure to act by the General Partner conclusively will be deemed to be made, taken or omitted to be made or taken in “good faith”, and shall not be a breach of this Agreement, unless the General Partner subjectively believed such Determination or failure to act was opposed to the best interests of the Partnership. In any proceeding brought by the Partnership, any Limited Partner, any Person who acquires an interest in a Unit or any other Person who is bound by this Agreement challenging such Determination or failure to act, notwithstanding any provision of law or equity to the contrary, the Person bringing or prosecuting such proceeding shall have the burden of proving that such Determination or failure to act was not in good faith. Any Determination taken or made by the General Partner or any other Indemnitee which is not in breach of this Agreement shall be deemed taken or determined in compliance with this Agreement, the Act and any other applicable fiduciary requirements.

(g) The Limited Partners expressly acknowledge that the General Partner is under no obligation to consider the separate interests of the Limited Partners (including the tax consequences to Limited Partners) in deciding whether to cause the Partnership to take (or decline to take) any Determinations, and that the General Partner shall not be liable to the Limited Partners for monetary damages or equitable relief for losses sustained, liabilities incurred or benefits not derived by Limited Partners in connection with such Determinations.

(h) Notwithstanding any other provision of this Agreement, to the extent that any provision of this Agreement, including the provisions of this Section 10.1, purports (i) to restrict or otherwise modify or eliminate the duties (including fiduciary duties), obligations and liabilities of the General Partner or any other Indemnitee otherwise existing at law or in equity or (ii) to constitute a waiver or consent by the Partnership, the Limited Partners or any other Person who acquires an interest in a Unit to any such restriction, modification or elimination, such provision shall be deemed to have been approved by the Partnership, all of the Partners, and each other Person who has acquired an interest in a Unit.

Section 10.2 Indemnification.

(a) Indemnification. To the fullest extent permitted by law, as the same exists or hereafter be amended (but in the case of any such amendment, only to the extent that such amendment permits the Partnership to provide broader indemnification rights than such law permitted the Partnership to provide prior to such amendment), the Partnership shall indemnify any Indemnitee who was or is made or is threatened to be made a party to or is otherwise involved in any threatened, pending or completed

action, suit or proceeding (brought in the right of the Partnership or otherwise), whether civil, criminal, administrative, arbitrative or investigative, and whether formal or informal, including appeals, by reason of his or her or its status as an Indemnitee or by reason of any action alleged to have been taken or omitted to be taken by Indemnitee in such capacity, for and against all loss and liability suffered and expenses (including attorneys' fees), judgments, fines and amounts paid in settlement reasonably incurred by such Indemnitee in connection with such action, suit or proceeding, including appeals; provided that such Indemnitee shall not be entitled to indemnification hereunder if, but only to the extent that, such Indemnitee acted in bad faith or with criminal intent. Notwithstanding the preceding sentence, except as otherwise provided in Section 10.2(c), the Partnership shall be required to indemnify an Indemnitee in connection with any action, suit or proceeding (or part thereof) (i) commenced by such Indemnitee only if the commencement of such action, suit or proceeding (or part thereof) by such Indemnitee was authorized by the General Partner and (ii) by or in the right of the Partnership only if the General Partner has provided its prior written consent. The indemnification of an Indemnitee of the type identified in clause (d) of the definition of Indemnitee shall be secondary to any and all indemnification to which such Indemnitee is entitled from (x) the relevant other Person (including any payment made to such Indemnitee under any insurance policy issued to or for the benefit of such Person or Indemnitee), and (y) the relevant Fund (if applicable) (including any payment made to such Indemnitee under any insurance policy issued to or for the benefit of such Fund or the Indemnitee) (clauses (x) and (y) together, the "Primary Indemnification"), and will only be paid to the extent the Primary Indemnification is not paid and/or does not provide coverage (e.g., a self-insured retention amount under an insurance policy). No such Person or Fund shall be entitled to contribution or indemnification from or subrogation against the Partnership. The indemnification of any other Indemnitee shall, to the extent not in conflict with such policy, be secondary to any and all payment to which such Indemnitee is entitled from any relevant insurance policy issued to or for the benefit of the Partnership or any Indemnitee.

(b) **Advancement of Expenses.** To the fullest extent permitted by law, the Partnership shall promptly pay expenses (including attorneys' fees) incurred by any Indemnitee in appearing at, participating in or defending any action, suit or proceeding in advance of the final disposition of such action, suit or proceeding, including appeals, upon presentation of an undertaking on behalf of such Indemnitee to repay such amount if it shall ultimately be determined that such Indemnitee is not entitled to be indemnified under this Section 10.2 or otherwise. Notwithstanding the preceding sentence, except as otherwise provided in Section 10.2(c), the Partnership shall be required to pay expenses of an Indemnitee in connection with any action, suit or proceeding (or part thereof) (i) commenced by such Indemnitee only if the commencement of such action, suit or proceeding (or part thereof) by such Indemnitee was authorized by the General Partner and (ii) by or in the right of the Partnership only if the General Partner has provided its prior written consent.

(c) **Unpaid Claims.** If a claim for indemnification (following the final disposition of such action, suit or proceeding) or advancement of expenses under this Section 10.2 is not paid in full within 30 days after a written claim therefor by any Indemnitee has been received by the Partnership, such Indemnitee may file proceedings to recover the unpaid amount of such claim and, if successful in whole or in part, shall be entitled to be paid the expense of prosecuting such claim. In any such action the Partnership shall have the burden of proving that such Indemnitee is not entitled to the requested indemnification or advancement of expenses under applicable Law.

(d) **Insurance.**

(i) To the fullest extent permitted by law, the Partnership may purchase and maintain insurance on behalf of any person described in Section 10.2(a) against any

liability asserted against such person, whether or not the Partnership would have the power to indemnify such person against such liability under the provisions of this Section 10.2 or otherwise.

(ii) In the event of any payment by the Partnership under this Section 10.2, the Partnership shall be subrogated to the extent of such payment to all of the rights of recovery of the Indemnitee from any relevant other Person or under any insurance policy issued to or for the benefit of the Partnership, such relevant other Person, or any Indemnitee. Each Indemnitee agrees to execute all papers required and take all action necessary to secure such rights, including the execution of such documents as are necessary to enable the Partnership to bring suit to enforce any such rights in accordance with the terms of such insurance policy or other relevant document. The Partnership shall pay or reimburse all expenses actually and reasonably incurred by the Indemnitee in connection with such subrogation.

(iii) The Partnership shall not be liable under this Section 10.2 to make any payment of amounts otherwise indemnifiable hereunder (including, but not limited to, judgments, fines and amounts paid in settlement, and excise taxes with respect to an employee benefit plan or penalties) if and to the extent that the applicable Indemnitee has otherwise actually received such payment under this Section 10.2 or any insurance policy, contract, agreement or otherwise.

(e) **Non-Exclusivity of Rights.** The provisions of this Section 10.2 shall be applicable to all actions, claims, suits or proceedings made or commenced after the date of this Agreement, whether arising from acts or omissions to act occurring before or after its adoption. The provisions of this Section 10.2 shall be deemed to be a contract between the Partnership and each person entitled to indemnification under this Section 10.2 (or legal representative thereof) who serves in such capacity at any time while this Section 10.2 and the relevant provisions of applicable Law, if any, are in effect, and any amendment, modification or repeal hereof shall not affect any rights or obligations then existing with respect to any state of facts or any action, suit or proceeding then or theretofore existing, or any action, suit or proceeding thereafter brought or threatened based in whole or in part on any such state of facts. If any provision of this Section 10.2 shall be found to be invalid or limited in application by reason of any law or regulation, it shall not affect the validity of the remaining provisions hereof. The rights of indemnification provided in this Section 10.2 shall neither be exclusive of, nor be deemed in limitation of, any rights to which any person may otherwise be or become entitled or permitted by contract, this Agreement or as a matter of law, both as to actions in such person's official capacity and actions in any other capacity, it being the policy of the Partnership that indemnification of any person whom the Partnership is obligated to indemnify pursuant to Section 10.2(a) shall be made to the fullest extent permitted by law.

For purposes of this Section 10.2, references to "other enterprises" shall include employee benefit plans; references to "fines" shall include any excise taxes assessed on a person with respect to an employee benefit plan; and references to "serving at the request of the Partnership" shall include any service as a director, officer, employee or agent of the Partnership which imposes duties on, or involves services by, such director, officer, employee, or agent with respect to an employee benefit plan, its participants, or beneficiaries.

This Section 10.2 shall not limit the right of the Partnership, to the extent and in the manner permitted by law, to indemnify and to advance expenses to, and purchase and maintain insurance on behalf of, persons other than persons described in Section 10.2(a).

**ARTICLE XI
MISCELLANEOUS**

Section 11.1 Dispute Resolution.

(a) The Partnership and each Partner, each other Person who acquires a Unit or other interest in the Partnership and each other Person who is bound by this Agreement (collectively, the “Consenting Parties” and each a “Consenting Party”) agrees that any dispute, claim or controversy of whatever nature directly or indirectly relating to or arising out of this Agreement, the termination or validity thereof, or any alleged breach thereof, including the determination of the scope or applicability of this agreement to arbitrate, shall be determined by arbitration in Los Angeles, California before a panel of three arbitrators. The arbitration shall be administered by JAMS/ENDISPUTE pursuant to its Comprehensive Arbitration Rules and Procedures. The language of the arbitration shall be English. Each party to such dispute shall be entitled to choose one arbitrator, and the chosen arbitrators shall choose the third arbitrator. All arbitrators shall be chosen from the JAMS arbitration panel. The arbitrators shall, in their award, allocate all of the costs of the arbitration (and the mediation, if applicable), including the fees of the arbitrators and the reasonable attorneys’ fees of the prevailing party, against the party who did not prevail. The award in the arbitration shall be final and binding. The arbitration shall be governed by the federal arbitration act, 9 U.S.C. §§1-16, and judgment upon the award rendered by the arbitrators may be entered by any court having jurisdiction thereof. This arbitration clause shall not preclude any party from obtaining provisional relief or interim measures of protection, including injunctive relief, from a court of appropriate jurisdiction to protect its rights under this Agreement. Each party agrees and consents to personal jurisdiction, service of process and exclusive venue in any federal or state court within the State of California, County of Los Angeles, in connection with any action brought pursuant to clause (b) below or in connection with a request for any such provisional relief or interim measures of protection, and in connection with any action to enforce this arbitration clause or an award in arbitration and agrees not to assert, by way of motion, as a defense or otherwise, that any action brought in any such court should be dismissed on grounds of forum non conveniens. Each party to this Agreement consents to mailing of process or other papers in connection with any such arbitration or action by certified mail in the manner and to the addresses provided in Section 11.11.

(b) The parties hereto agree that irreparable damage may occur if any provision of this Agreement were not performed in accordance with the terms hereof or thereof and that the parties shall be entitled to seek an injunction to prevent breaches of this Agreement or to enforce specifically the performance of the terms and provisions hereof or thereof in accordance with the provisions of this Section 11.1(b), in addition to any other remedy to which they are entitled at law or in equity. No party seeking relief under this Section 11.1(b) shall be required to post a bond or prove special damages.

Section 11.2 Severability. If any term or other provision of this Agreement is held to be invalid, illegal or incapable of being enforced by any rule of Law, or public policy, all other conditions and provisions of this Agreement shall nevertheless remain in full force and effect so long as the economic or legal substance of the transactions is not affected in any manner materially adverse to any party. Upon a determination that any term or other provision is invalid, illegal or incapable of being enforced, the parties hereto shall negotiate in good faith to modify this Agreement so as to effect the original intent of the parties as closely as possible in a mutually acceptable manner in order that the transactions contemplated hereby be consummated as originally contemplated to the fullest extent possible.

Section 11.3 Binding Effect. This Agreement shall be binding upon and inure to the benefit of all of the parties and, to the extent permitted by this Agreement, their successors, executors, administrators, heirs, legal representatives and assigns.

Section 11.4 Further Assurances. Each Limited Partner shall perform all other acts and execute and deliver all other documents as may be necessary or appropriate to carry out the purposes and intent of this Agreement.

Section 11.5 Expenses. Except as otherwise specified in this Agreement, the Partnership shall be responsible for all costs and expenses, including fees and disbursements of counsel, financial advisors and accountants, incurred in connection with its operation.

Section 11.6 Amendments and Waivers.

(a) This Agreement (including the Annexes hereto) may be amended, supplemented, waived or modified by the General Partner in its sole discretion without the approval of any Limited Partner or other Person; provided that no amendment may materially and adversely affect the rights of a holder of Units, as such, other than on a pro rata basis with other holders of Units of the same Class without the consent of such holder (or, if there is more than one such holder that is so affected, without the consent of a majority in interest of such affected holders in accordance with their holdings of such Class of Units); provided further, however, that notwithstanding the foregoing, the General Partner may, without the written consent of any Limited Partner or any other Person, amend, supplement, waive or modify any provision of this Agreement and execute, swear to, acknowledge, deliver, file and record whatever documents may be required in connection therewith, to reflect: (i) any amendment, supplement, waiver or modification that the General Partner determines to be necessary, appropriate, proper, advisable or incidental in connection with, or in furtherance of, the creation, authorization or issuance of Units or any Class or series of equity interest in the Partnership or options, rights, warrants or appreciation rights relating to equity interest in the Partnership pursuant to Section 7.1 hereof; (ii) the admission, substitution, withdrawal or removal of Partners in accordance with this Agreement, including pursuant to Section 7.1 hereof; (iii) a change in the name of the Partnership, the location of the principal place of business of the Partnership, the registered agent of the Partnership or the registered office of the Partnership; (iv) any amendment, supplement, waiver or modification that the General Partner determines in its sole discretion to be necessary, appropriate, proper, advisable or incidental to, or in furtherance of, addressing changes in U.S. federal, state or local income tax regulations, legislation or interpretation; (v) a change in the Fiscal Year or taxable year of the Partnership and any other changes that the General Partner determines to be necessary or appropriate as a result of a change in the Fiscal Year or taxable year of the Partnership including a change in the dates on which distributions are to be made by the Partnership; (vi) a change that the General Partner determines in its sole discretion is necessary, appropriate, proper, advisable or incidental to, or in furtherance of, qualifying or continuing the qualification of the Partnership as a limited partnership or a partnership in which the Limited Partners have limited liability under the laws of any state or other jurisdiction; (vii) an amendment that the General Partner determines is necessary or appropriate, based on the advice of counsel, to prevent the Partnership, or the General Partner or its Indemnitees, from having a material risk of being in any manner subjected to registration under the provisions of the U.S. Investment Company Act of 1940 or the U.S. Investment Advisers Act of 1940, or “plan asset” regulations adopted under the U.S. Employee Retirement Income Security Act of 1974, regardless of whether such are substantially similar to plan asset regulations currently applied or proposed by the United States Department of Labor; (viii) any amendment expressly permitted in this Agreement to be made by the General Partner acting alone; (ix) an amendment that the General Partner determines in its sole discretion to be necessary, appropriate, proper, advisable or incidental to, or in furtherance of, reflecting and accounting for the formation by the Partnership of, or investment by the Partnership in, any corporation, partnership, joint venture, limited liability company or other entity; (x) any amendment to Section 11.1 that the General Partner determines in good faith; (xi) any amendment that the General Partner determines to be necessary, appropriate, proper, advisable or incidental to, or in furtherance of,

curing any ambiguity, omission, mistake, defect or inconsistency; or (xii) any other amendments that the General Partner determines to be substantially similar to the foregoing. If an amendment has been approved in accordance with this Agreement, such amendment shall be adopted and effective with respect to all Partners. Upon obtaining such approvals as may be required by this Agreement, and without further action or execution on the part of any other Partner or other Person, any amendment to this Agreement may be implemented and reflected in a writing executed solely by the General Partner and the Limited Partners shall be deemed a party to and bound by such amendment.

(b) No failure or delay by any party in exercising any right, power or privilege hereunder (other than a failure or delay beyond a period of time specified herein) shall operate as a waiver thereof nor shall any single or partial exercise thereof preclude any other or further exercise thereof or the exercise of any other right, power or privilege. The rights and remedies herein provided shall be cumulative and not exclusive of any rights or remedies provided by Law.

(c) The General Partner may, in its sole discretion, unilaterally amend this Agreement on or before the effective date of the final regulations to provide for (i) the election of a safe harbor under Proposed Treasury Regulations Section 1.83-3(l) (or any similar provision) under which the fair market value of a partnership interest (or interest in an entity treated as a partnership for U.S. federal income tax purposes) that is Transferred is treated as being equal to the liquidation value of that interest, (ii) an agreement by the Partnership and each of its Partners to comply with all of the requirements set forth in such regulations and Notice 2005-43 (and any other guidance provided by the Internal Revenue Service with respect to such election) with respect to all partnership interests (or interest in an entity treated as a partnership for U.S. federal income tax purposes) Transferred in connection with the performance of services while the election remains effective, (iii) the allocation of items of income, gains, deductions and losses required by the final regulations similar to Proposed Treasury Regulations Section 1.704-1(b)(4)(xii)(b) and (c), and (iv) any other related amendments.

(d) Except as may be otherwise required by Law in connection with the winding-up, liquidation, or dissolution of the Partnership, each Partner hereby irrevocably waives any and all rights that it may have to maintain an action for judicial accounting or for partition of any of the Partnership's property.

Section 11.7 No Third Party Beneficiaries. This Agreement shall be binding upon and inure solely to the benefit of the parties hereto and their permitted assigns and successors and nothing herein, express or implied, is intended to or shall confer upon any other Person or entity, any legal or equitable right, benefit or remedy of any nature whatsoever under or by reason of this Agreement (other than pursuant to Section 10.2 hereof); provided that each employee, officer, director or agent of any Consenting Party or its Affiliates and each Indemnitee is an intended third party beneficiary of Section 11.1(a) and shall be entitled to enforce its rights thereunder.

Section 11.8 Power of Attorney. Each Limited Partner, by its execution hereof, hereby makes, constitutes and appoints the General Partner as its true and lawful agent and attorney in fact, with full power of substitution and full power and authority in its name, place and stead, to make, execute, sign, acknowledge, swear to, record and file (a) this Agreement and any amendment to this Agreement that has been adopted as herein provided; (b) the original certificate of limited partnership of the Partnership and all amendments thereto required or permitted by law or the provisions of this Agreement; (c) all certificates and other instruments (including consents and ratifications which the Limited Partners have agreed to provide upon a matter receiving the agreed support of Limited Partners) deemed advisable by the General Partner to carry out the provisions of this Agreement (including the provisions of Section 8.5) and Law or to permit the Partnership to become or to continue as a limited partnership or partnership

wherein the Limited Partners have limited liability in each jurisdiction where the Partnership may be doing business; (d) all instruments that the General Partner deems appropriate to reflect a change or modification of this Agreement or the Partnership in accordance with this Agreement, including the admission of additional Limited Partners or substituted Limited Partners pursuant to the provisions of this Agreement; (e) all conveyances and other instruments or papers deemed advisable by the General Partner to effect the liquidation and termination of the Partnership; and (f) all fictitious or assumed name certificates required or permitted (in light of the Partnership's activities) to be filed on behalf of the Partnership.

Section 11.9 Letter Agreements; Schedules. The General Partner may, or may cause the Partnership to, without the approval of any other Person, enter into separate letter agreements with individual Limited Partners with respect to Total Percentage Interests, Capital Contributions or any other matter, which have the effect of establishing rights under, or supplementing, the terms of, this Agreement. The Partnership may from time to time execute and deliver to the Limited Partners schedules which set forth the then current Capital Contributions and Total Percentage Interests of the Limited Partners and any other matters deemed appropriate by the General Partner. Such schedules shall be for information purposes only and shall not be deemed to be part of this Agreement for any purpose whatsoever.

Section 11.10 Governing Law; Separability. This Agreement shall be governed by and construed in accordance with the laws of the State of Delaware. In particular, it shall be construed to the maximum extent possible to comply with all of the terms and conditions of the Act. If, nevertheless, it shall be determined by a court of competent jurisdiction that any provision or wording of this Agreement shall be invalid or unenforceable under such Act or other applicable Law, such invalidity or unenforceability shall not invalidate the entire Agreement. In that case, this Agreement shall be construed so as to limit any term or provision so as to make it enforceable or valid within the requirements of any applicable Law, and, in the event such term or provision cannot be so limited, this Agreement shall be construed to omit such invalid or unenforceable provisions.

Section 11.11 Notices. All notices, requests, claims, demands and other communications hereunder shall be in writing and shall be given (and shall be deemed to have been duly given upon receipt) by delivery in person, by courier service, by fax, by electronic mail, by registered or certified mail (postage prepaid) or by any communication permitted by the Act to the respective parties if addressed to a Person at such Person's address as set forth on the signature pages hereto or at such other address for a party as shall be specified in any notice given in accordance with this Section 11.11.

Section 11.12 Counterparts. This Agreement may be executed and delivered in any number of counterparts (including by facsimile or electronic transmission), each of which shall be an original and all of which together shall constitute a single instrument.

Section 11.13 Cumulative Remedies

. Rights and remedies under this Agreement are cumulative and do not preclude use of other rights and remedies available under applicable Law.

Section 11.14 Entire Agreement. This Agreement, the Supplemental Agreements and the Certificate embody the entire agreement and understanding of the parties hereto in respect of the subject matter contained herein and supersede all prior agreements and understandings between the parties with respect to such subject matter. There are no restrictions, promises, representations, warranties, covenants or undertakings, other than those expressly set forth or referred to herein or therein. Each party hereto acknowledges, represents, and warrants that (a) each such party hereto and such party's independent

counsel have reviewed this Agreement; and (b) any rule of construction to the effect that ambiguities are to be resolved against the drafting party shall not apply in the interpretation of this Agreement.

Section 11.15 Partnership Status. For U.S. federal income tax purposes, the parties intend to treat the Partnership as a partnership, and the Partnership shall be deemed to be the same entity as AH LLC.

Section 11.16 Limited Partner Representations.

(a) Each Partner understands and agrees that:

(i) The Units evidenced by this Agreement have not been registered under the Securities Act of 1933, 15 U.S.C. § 15b et seq., the Delaware Securities Act, the California Corporate Securities Law of 1968 or any other state securities Laws (collectively, the “Securities Acts”) because the Partnership is issuing interests in reliance upon the exemptions from the registration requirements of the Securities Acts providing for issuance of securities not involving a public offering;

(ii) The Partnership has relied upon the representation made by each Limited Partner that such Limited Partner’s interest is to be held by such Limited Partner for investment;

(iii) The Partnership is under no obligation to, and has no intention to, register the interests or to assist the Limited Partners in complying with any exemption from registration under the Securities Acts if such Limited Partner should at a later date wish to dispose of such Limited Partner’s interest;

(iv) The Partnership has not requested a tax ruling from the Internal Revenue Service or any other tax authority nor an opinion of counsel with respect to the tax status of the Partnership or as to the treatment of its formation, issuance of interests, or other transactions of the Partnership, and no assurances have been made that the treatment which the Partnership intends to or does take with respect to such items will be accepted by the Internal Revenue Service upon examination and audit; and

(v) Such Limited Partner has been advised to obtain independent counsel to advise such Limited Partner individually in connection with the drafting, preparation and negotiation of this Agreement. The attorneys, accountants and other experts who perform services for any Limited Partner may also perform services for the Partnership. To the extent that any of the foregoing representation constitutes a conflict of interest, the Partnership and each Limited Partner hereby expressly waive any such conflict of interest.

(b) Each Limited Partner represents and warrants as follows:

(i) Such Limited Partner is acquiring the interests for such Limited Partner’s own account, for investment purposes only, and not with a view to or for the resale, distribution or fractionalization thereof, in whole or in part, and no other Person has a direct or indirect beneficial interest therein;

(ii) Such Limited Partner is an “accredited investor” as defined in Rule 501(a) of Regulation D promulgated by the Securities Acts; and

(iii) The execution, delivery and performance of this Agreement have been duly authorized by such Limited Partner.

ARTICLE XII
TERMS, PREFERENCES, RIGHTS, POWERS AND DUTIES OF THE SERIES B
MANDATORY CONVERTIBLE PREFERRED MIRROR UNITS

Section 12.1 Designation. The Series B Mandatory Convertible Preferred Mirror Units are constituted, designated and created as a series of Preferred Units under this Agreement. Each Series B Mandatory Convertible Preferred Mirror Unit shall be identical in all respects to every other Series B Mandatory Convertible Preferred Mirror Unit. As of the date of the Effective Date, concurrently with the execution of this Agreement, 30,000,000 Series B Mandatory Convertible Preferred Mirror Units have been constituted, designated, created and issued to the General Partner. From time to time, the General Partner may update the number of Series B Mandatory Convertible Preferred Mirror Units in the books and records of the Partnership accordance with Section 7.1. It is the intention of the General Partner that at all times the number of outstanding shares of Mandatory Convertible Preferred Stock issued by the Issuer equal the aggregate number of GP Mirror Units issued by the Ares Operating Group entities.

Section 12.2 Definitions.

The following definitions shall be for all purposes, unless otherwise clearly indicated to the contrary, applied to the terms used in this Article XII.

“Certificate of Designations” shall mean the Certificate of Designations of the Mandatory Convertible Preferred Stock, dated as of October 10, 2024, as may be amended or supplemented from time to time.

“Distribution Junior Units” means any class or series of the Partnership’s Units and any other equity securities of the Partnership whose terms do not expressly provide that such class or series will rank senior to, or equally with, the Series B Mandatory Convertible Preferred Mirror Units with respect to the payment of distributions (without regard to whether or not distributions accumulate cumulatively). Distributions Junior Units include the Class A Units. For the avoidance of doubt, Distribution Junior Unit will not include any securities of the Partnership’s subsidiaries.

“Distribution Parity Unit” means any class or series of the Partnership’s Units and any other equity securities of the Partnership (other than the Series B Mandatory Convertible Preferred Mirror Units) whose terms expressly provide that such class or series will rank equally with the Series B Mandatory Convertible Preferred Mirror Units with respect to the payment of distributions (without regard to whether or not distributions accumulate cumulatively). For the avoidance of doubt, Distribution Parity Unit will not include any securities of the Partnership’s subsidiaries.

“Distribution Payment Date” means, with respect to any unit of Series B Mandatory Convertible Preferred Mirror Units, each January 1, April 1, July 1 and October 1 of each year, beginning on January 1, 2025 (or beginning on such other date specified in the certificate representing such share) and ending on, and including, October 1, 2027.

“Distribution Period” means each period from, and including, a Distribution Payment Date (or, in the case of the first Distribution Period, from, and including, the Initial Issue Date (as defined in the Certificate of Designations)) to, but excluding, the next Distribution Payment Date.

“Distribution Senior Unit” means any class or series of the Partnership’s Units and any other equity securities of the Partnership whose terms expressly provide that such class or series will rank senior to the Series B Mandatory Convertible Preferred Mirror Units with respect to the payment of distributions (without regard to whether or not distributions accumulate cumulatively). For the avoidance of doubt, Distribution Senior Unit will not include any securities of the Partnership’s subsidiaries.

“GP Mirror Units” means, collectively, the Series B Mandatory Convertible Preferred Mirror Units and any preferred equity securities of a future Ares Operating Group entity with economic terms consistent with the Series B Mandatory Convertible Preferred Mirror Units.

“Junior Units” means any Distribution Junior Units or Liquidation Junior Units.

“Liquidation Junior Unit” means any class or series of the Partnership’s Units and any other equity securities of the Partnership whose terms do not expressly provide that such class or series will rank senior to, or equally with, the Series B Mandatory Convertible Preferred Mirror Units with respect to the distribution of assets upon the Partnership’s liquidation, dissolution or winding up. Liquidation Junior Units include the Class A Units. For the avoidance of doubt, Liquidation Junior Unit will not include any securities of the Partnership’s subsidiaries.

“Liquidation Parity Unit” means any class or series of the Partnership’s Units and any other equity securities of the Partnership (other than the Series B Mandatory Convertible Preferred Mirror Units) whose terms expressly provide that such class or series will rank equally with the Series B Mandatory Convertible Preferred Mirror Units with respect to the distribution of assets upon the Partnership’s liquidation, dissolution or winding up. For the avoidance of doubt, Liquidation Parity Unit will not include any securities of the Partnership’s subsidiaries.

“Liquidation Senior Unit” means any class or series of the Partnership’s Units and any other equity securities that the Partnership whose terms expressly provide that such class or series will rank senior to the Series B Mandatory Convertible Preferred Mirror Units with respect to the distribution of assets upon the Partnership’s liquidation, dissolution or winding up. For the avoidance of doubt, Liquidation Senior Unit will not include any securities of the Partnership’s subsidiaries.

“Number of Incremental Diluted Units” means the increase in the number of diluted units or shares of the applicable class or series of Junior Units (determined in accordance with generally accepted accounting principles in the United States, as the same is in effect on the Initial Issue Date, and assuming net income is positive) that would result from the grant, vesting or exercise of equity-based compensation to directors, employees, contractors and agents (subject to proportionate adjustment for stock dividends, stock splits or stock combinations with respect to such class or series of Junior Units).

“Permitted Jurisdiction” means the United States or any state thereof, Belgium, Bermuda, Canada, Cayman Islands, France, Germany, Gibraltar, Ireland, Italy, Luxembourg, the Netherlands, Switzerland, the United Kingdom or British Crown Dependencies, any other member country of the Organisation for Economic Co-operation and Development, or any political subdivision of any of the foregoing.

“Permitted Reorganization” means (i) the voluntary or involuntary liquidation, dissolution or winding up of any of the Partnership’s subsidiaries or upon any reorganization of the Partnership into another limited liability entity pursuant to provisions of this Agreement that allows the Partnership to convert, merge or convey our assets to another limited liability entity with or without limited partner approval (including a merger or conversion of our partnership into a corporation if the General Partner

determines in its sole discretion that it is no longer in the interests of the Partnership to continue as a partnership for U.S. federal income tax purposes) or (ii) the Partnership engages in a reorganization, merger or other transaction in which a successor to the Partnership issues equity securities to the Series B Holders that have rights, powers and preferences that are substantially similar to the rights, powers and preferences of the Series B Mandatory Convertible Preferred Mirror Units pursuant to provisions of this Agreement that allow the Partnership to do so without limited partner approval.

“Permitted Transfer” means the sale, conveyance, exchange or transfer, for cash, units of capital stock, securities or other consideration, of all or substantially all of the Partnership’s property or assets or the consolidation, merger or amalgamation of the Partnership with or into any other entity or the consolidation, merger or amalgamation of any other entity with or into the Partnership.

“Series B Holder” means a holder of Series B Mandatory Convertible Preferred Mirror Units.

“Series B Liquidation Preference” means \$50.00 per Series B Mandatory Convertible Preferred Mirror Unit. The Series B Liquidation Preference shall be the “Liquidation Preference” with respect to the Series B Mandatory Convertible Preferred Mirror Units.

“Series B Liquidation Value” means the sum of the Series B Liquidation Preference and declared and unpaid distributions, if any, to, but excluding, the date of the Dissolution Event on the Series B Mandatory Convertible Preferred Mirror Units.

“Series B Record Date” means (a) December 15, in the case of a Distribution Payment Date occurring on January 1; (b) March 15, in the case of a Distribution Payment Date occurring on April 1; (c) June 15, in the case of a Distribution Payment Date occurring on July 1; and (d) September 15, in the case of a Distribution Payment Date occurring on October 1.

“Stated Distribution Rate” means a rate per annum equal to 6.75%.

“Substantially All Merger” means a merger or consolidation of one or more of the Ares Operating Group entities with or into another Person that would, in one or a series of related transactions, result in the transfer or other disposition, directly or indirectly, of all or substantially all of the combined assets of the Ares Operating Group taken as a whole to a Person that is not an Ares Operating Group entity immediately prior to such transaction.

“Substantially All Sale” means a sale, assignment, transfer, lease or conveyance, in one or a series of related transactions, directly or indirectly, of all or substantially all of the assets of the Ares Operating Group taken as a whole to a Person that is not an Ares Operating Group entity immediately prior to such transaction.

Section 12.3 Distributions.

(a) Generally.

(i) *Accumulation and Payment of Distributions.* The Series B Mandatory Convertible Preferred Mirror Units will accumulate cumulative distributions at a rate per annum equal to the Stated Distribution Rate on the Liquidation Preference thereof (subject to Section 12.6 of this Agreement), regardless of whether or not declared or funds are legally available for their payment. Subject to the other provisions of this Section 12, such distributions will be payable when, as and if declared by the General Partner, out of funds

legally available for their payment to the extent paid in cash (subject to Section 12.3(b)(i)), quarterly in arrears on each Distribution Payment Date, to the Series B Holders as of the Close of Business (as defined in the Certificate of Designations) on the immediately preceding Series B Record Date. Distributions on the Series B Mandatory Convertible Preferred Mirror Units will accumulate from, and including, the last date to which distributions have been paid (or, if no distributions have been paid, from, and including, the Initial Issue Date) to, but excluding, the next Distribution Payment Date, and distributions will cease to accumulate from and after October 1, 2027. No interest, distribution or other amount will accrue or accumulate on any distribution on the Series B Mandatory Convertible Preferred Mirror Units that is not declared or paid on the applicable Distribution Payment Date.

(ii) *Computation of Accumulated Distributions.* Accumulated distributions will be computed on the basis of a 360-day year consisting of twelve 30-day months.

(iii) *Priority of the Application of Distribution Payments to Arrearages.* Each payment of declared distributions on the Series B Mandatory Convertible Preferred Mirror Units will be applied to the earliest Distribution Period for which distributions have not yet been paid.

(b) Method of Payment.

(i) *Generally.* Each declared distribution on the Series B Mandatory Convertible Preferred Mirror Units will be paid in cash unless all or a portion of the dividend due on the Mandatory Convertible Preferred Stock on the corresponding Dividend Payment Date shall be paid in Common Shares of the Issuer. In such case, the General Partner shall cause the Partnership to pay the corresponding portion of such distribution in units of Class A Units. For each Distribution Payment Date, if a holder of Mandatory Convertible Preferred Stock receives a mix of cash and Common Shares, the Series B Holders shall receive the same mix of cash and units of Class A Units such that if one share of Mandatory Convertible Preferred Stock is entitled to a dividend of \$1 and 1 Common Share on a given Dividend Payment Date, one Series B Mandatory Convertible Preferred Mirror Unit shall be entitled to a distribution of \$1 and one Class A Unit on the corresponding Distribution Payment Date.

(ii) *Construction.* References in this Agreement to distributions “paid” on the Series B Mandatory Convertible Preferred Mirror Units, and any other similar language, will be deemed to include distributions paid thereon in units of Class A Units in accordance with this Section 12.

(c) *Treatment of Distributions Upon Redemption or Conversion.* If the effective date of any redemption or conversion of any Series B Mandatory Convertible Preferred Mirror Unit is after a Series B Record Date for a declared distribution on the Series B Mandatory Convertible Preferred Mirror Units and on or before the next Distribution Payment Date, then the Series B Holder of such unit at the Close of Business on such Series B Record Date will be entitled, notwithstanding such redemption or conversion, as applicable, to receive, on or, at the General Partner’s election, before such Distribution Payment Date, such declared distribution on such unit.

Except as provided in the preceding paragraph or otherwise in this Agreement, distributions on any unit of Series B Mandatory Convertible Preferred Mirror Units will cease to accumulate from and after the applicable redemption or conversion date of such Series B Mandatory Convertible Preferred Mirror Unit.

(d) Priority of Distributions; Limitation on Junior Payments; No Participation Rights.

(i) *Generally.* Except as provided in **Sections 12.3(d)(iii)** and **12.3(d)(iv)**, this Agreement will not prohibit or restrict the General Partner from declaring or paying any distribution (whether in cash, securities or other property, or any combination of the foregoing) on any class or series of the Partnership's units, and, unless such distribution or distribution is also declared on the Series B Mandatory Convertible Preferred Mirror Units, the Series B Mandatory Convertible Preferred Mirror Units will not be entitled to participate in such distribution or distribution.

(ii) *Construction.* For purposes of **Sections 12.3(d)(iii)** and **12.3(d)(iv)**, a distribution on the Series B Mandatory Convertible Preferred Mirror Units will be deemed to have been paid if such distribution is declared and consideration in kind and amount that is sufficient, in accordance with this Agreement, to pay such distribution is set aside for the benefit of the Series B Holders entitled thereto.

(iii) Limitation on Distributions on Parity Units. If:

(A) less than all accumulated and unpaid distributions on the outstanding Series B Mandatory Convertible Preferred Mirror Units have been declared and paid as of any Distribution Payment Date; or

(B) the General Partner declares a distribution on the Series B Mandatory Convertible Preferred Mirror Units that is less than the total amount of unpaid distributions on the outstanding Series B Mandatory Convertible Preferred Mirror Units that would accumulate to, but excluding, the Distribution Payment Date following such declaration,

then, until and unless all accumulated and unpaid distributions on the outstanding Series B Mandatory Convertible Preferred Mirror Units have been paid, no distributions may be declared or paid on any class or series of Distribution Parity Units unless distributions are simultaneously declared on the Series B Mandatory Convertible Preferred Mirror Units on a pro rata basis, such that (A) the ratio of (x) the dollar amount of distributions so declared per share of Series B Mandatory Convertible Preferred Mirror Units to (y) the dollar amount of the total accumulated and unpaid distributions per unit of Series B Mandatory Convertible Preferred Mirror Units immediately before the payment of such distribution is no less than (B) the ratio of (x) the dollar amount of distributions so declared or paid per share of such class or series of Distribution Parity Units to (y) the dollar amount of the total accumulated and unpaid distributions per unit of such class or series of Distribution Parity Units immediately before the payment of such distribution (which dollar amount in this clause (y) will, if distributions on such class or series of Distribution Parity Units are not cumulative, be the full amount of distributions per unit thereof in respect of the most recent distribution period thereof).

(iv) *Limitation on Junior Payments.* Subject to the next sentence, if any Series B Mandatory Convertible Preferred Mirror Units are outstanding, then no distributions (whether in cash, securities or other property, or any combination of the foregoing) will be

declared or paid on any Junior Units, and neither the Partnership nor any of its subsidiaries will purchase, redeem or otherwise acquire for value (whether in cash, securities or other property, or any combination of the foregoing) any Junior Unit, in each case unless all accumulated distributions on the Series B Mandatory Convertible Preferred Mirror Units then outstanding for all prior completed Distribution Periods, if any, have been paid in full. Notwithstanding anything to the contrary in the preceding sentence, the restrictions set forth in the preceding sentence will not apply to the following:

(A) distributions on Junior Units that are payable solely in shares of Junior Units, together with cash in lieu of any fractional share;

(B) purchases, redemptions or other acquisitions of Junior Units with the proceeds of a substantially concurrent sale of other Junior Units;

(C) purchases, redemptions or other acquisitions of Junior Units in connection with the administration of any equity award or benefit or other incentive plan of the Issuer or the Partnership (including any employment contract) in the ordinary course of business, including (x) the forfeiture of unvested shares of restricted units or stock, or any withholdings (including withholdings effected by a repurchase or similar transaction), or other surrender, of shares that would otherwise be deliverable upon exercise, delivery or vesting of equity awards under any such plan or contract, in each case whether for payment of applicable taxes or the exercise price, or otherwise; (y) cash paid in connection therewith in lieu of issuing any fractional share or unit; and (z) purchases of Junior Units pursuant to a publicly announced repurchase plan to offset the dilution resulting from issuances pursuant to any such plan or contract; *provided, however*, that repurchases pursuant to this clause (z) will be permitted pursuant to this Section 12.3(d)(iv)(C) only to the extent the number of units of Junior Units so repurchased does not exceed the related Number of Incremental Diluted Units;

(D) purchases, or other payments in lieu of the issuance, of any fractional share of Junior Units in connection with the conversion, exercise or exchange of such Junior Units or of any securities convertible into, or exercisable or exchangeable for, Junior Units;

(E) (x) distributions of Junior Units, or rights to acquire Junior Units, pursuant to a stockholder or unitholder rights plan; and (y) the redemption or repurchase of such rights pursuant to such stockholder or unitholder rights plan;

(F) purchases of Junior Units pursuant to a binding contract (including a stock or unit repurchase plan) to make such purchases, if such contract was in effect before the Initial Issue Date;

(G) the settlement of any convertible note hedge transactions or capped call transactions entered into in connection with the issuance, by the Partnership or any of its subsidiaries, of any debt securities that are convertible into, or exchangeable for, Common Shares (or into or for any combination of cash and Common Shares based on the value of the Common Shares), *provided* such convertible note hedge transactions or capped call transactions, as applicable, are on

customary terms and were entered into either (x) before the Initial Issue Date or (y) in compliance with the first sentence of this **Section 12.3(d)(iv)**;

(H) the acquisition, by the Partnership or any of its subsidiaries, of record ownership of any Junior Units solely on behalf of Persons (other than the Partnership or any of its subsidiaries) that are the beneficial owners thereof, including as trustee or custodian;

(I) the exchange, conversion or reclassification of Junior Units solely for or into other Junior Units, together with the payment, in connection therewith, of cash in lieu of any fractional share; and

(J) repurchases, redemptions or other acquisitions of Junior Units for Common Shares pursuant to the Exchange Agreement or otherwise.

For the avoidance of doubt, this **Section 12.3(d)(iv)** will not prohibit or restrict the payment or other acquisition for value of any debt securities that are convertible into, or exchangeable for, any Junior Units.

(e) The Partners intend that no portion of the distributions paid to a Series B Holder pursuant to this Section 12.3 shall be treated as a “guaranteed payment” within the meaning of Section 707(c) of the Code, and no Partner shall take any position inconsistent with such intention, except if there is a change in applicable law or final determination by the Internal Revenue Service that is inconsistent with such intention.

(f) Series B Holders shall not be entitled to distributions to the extent that such distributions would be expected to cause the Capital Accounts of such Series B Holders to be less than \$0, taking into account reasonably expected allocations of Gross Ordinary Income for the taxable year of such distribution.

Section 12.4 Rank. The Series B Mandatory Convertible Preferred Mirror Unit will rank (a) senior to (i) Distribution Junior Units with respect to the payment of distributions; and (ii) Liquidation Junior Units with respect to the distribution of assets upon a Dissolution Event; (b) equally with (i) Distribution Parity Units with respect to the payment of distributions; and (ii) Liquidation Parity Units with respect to the distribution of assets upon a Dissolution Event; and (c) junior to (i) Distribution Senior Units with respect to the payment of distributions; and (ii) Liquidation Senior Units with respect to the distribution of assets upon a Dissolution Event.

Section 12.5 Redemption. If the Issuer redeems the Mandatory Convertible Preferred Stock, then the Partnership shall redeem the Series B Mandatory Convertible Preferred Mirror Units at a per-unit redemption price equal to per share Redemption Price (as defined in the Certificate of Designations) paid by the Issuer in connection with the redemption of the Mandatory Convertible Preferred Stock. If all or a portion of the Redemption Price paid by the Issuer in connection with the redemption of the Mandatory Convertible Preferred Stock is paid in Common Shares of the Issuer, the General Partner shall cause the Partnership to pay the corresponding portion of the redemption price for the Series B Mandatory Convertible Preferred Mirror Units in units of Class A Units.

(a) So long as (i) funds sufficient to pay the cash redemption price for all of the Series B Mandatory Convertible Preferred Mirror Units have been set aside for payment and (ii) any units of Class A Units to be issued in respect of the Series B Mandatory Convertible Preferred Mirror Units being

redeemed have been issued, from and after the redemption date, such Series B Mandatory Convertible Preferred Mirror Units shall no longer be deemed outstanding, and all rights of the Series B Holders thereof shall cease other than the right to receive the redemption price, without interest.

Section 12.6 Distribution Rate. If the dividend rate per annum on the Mandatory Convertible Preferred Stock shall increase pursuant to the terms of the Certificate of Designations, then the Stated Distribution Rate shall increase by the same amount beginning on the same date as may be provided in the Certificate of Designations.

Section 12.7 Voting. Notwithstanding any other provision of this Agreement or the Act, the Series B Mandatory Convertible Preferred Mirror Units shall not have any relative, participating, optional or other voting, consent or approval rights or powers, and the vote, consent or approval of the Series B Holders shall not be required for the taking of any Partnership action. The Partnership may, from time to time, issue additional Series B Mandatory Convertible Preferred Mirror Units.

Section 12.8 Liquidation Rights.

(a) Upon any Dissolution Event, after payment or provision for the liabilities of the Partnership (including the expenses of such Dissolution Event) and the satisfaction of all claims ranking senior to the Series B Mandatory Convertible Preferred Mirror Units in accordance with Article IX of this Agreement, the Series B Holders shall be entitled to receive out of the assets of the Partnership or proceeds thereof available for distribution to Partners, before any payment or distribution of assets is made in respect of Liquidation Junior Units, distributions equal to the lesser of (x) the Series B Liquidation Value and (y) the positive balance in their Capital Accounts (to the extent such positive balance is attributable to ownership of the Series B Mandatory Convertible Preferred Mirror Units and after taking into account allocations of Gross Ordinary Income to the Series B Holders pursuant to Section 5.5(d) of this Agreement for the taxable year in which the Dissolution Event occurs). Upon a Dissolution Event, or in the event that any Ares Operating Group entity liquidates, dissolves or winds up, no Ares Operating Group entity may declare or pay or set apart payment on its Junior Units unless the outstanding liquidation preference on all outstanding GP Mirror Units of each Ares Operating Group entity have been repaid via redemption or otherwise.

(b) Upon a Dissolution Event, after each Series B Holder receives a payment equal to the positive balance in its Capital Account (to the extent such positive balance is attributable to ownership of the Series B Mandatory Convertible Preferred Mirror Units and after taking into account allocations of Gross Ordinary Income to the Series B Holders pursuant to Section 5.5(d) of this Agreement for the taxable year in which the Dissolution Event occurs), such Series B Holder shall not be entitled to any further participation in any distribution of assets by the Partnership.

(c) For the purposes of this Section 12.8, a Dissolution Event shall not be deemed to have occurred in connection with (i) a Substantially All Merger or a Substantially All Sale whereby an Ares Operating Group entity is the surviving Person or the Person formed by such transaction is organized under the laws of a Permitted Jurisdiction and has expressly assumed all of the obligations under the GP Mirror Units, (ii) the sale or disposition of an Ares Operating Group entity (whether by merger, consolidation or the sale of all or substantially all of its assets) if such sale or disposition is not a Substantially All Merger or Substantially All Sale, (iii) the sale or disposition of an Ares Operating Group entity should such Ares Operating Group entity not constitute a “significant subsidiary” of the Issuer under Rule 1-02(w) of Regulation S-X promulgated by the Securities and Exchange Commission, (iv) an event where the Series B Mandatory Convertible Preferred Mirror Units have been fully redeemed pursuant to the terms of this Agreement or if proper notice of redemption of the Series B Mandatory

Convertible Preferred Mirror Units has been given and funds sufficient to pay the redemption price for all of the Series B Mandatory Convertible Preferred Mirror Units called for redemption have been set aside for payment pursuant this Agreement, (v) transactions where the assets of the Ares Operating Group entity being liquidated, dissolved or wound up are immediately contributed to another Ares Operating Group entity or a subsidiary thereof, and (vi) with respect to an Ares Operating Group entity, a Permitted Transfer or a Permitted Reorganization.

(d) A Permitted Transfer will not be deemed to be a voluntary or involuntary liquidation, dissolution or winding up of the Partnership, notwithstanding that for other purposes, such as for tax purposes, such an event may constitute a liquidation, dissolution or winding up.

Section 12.9 Amendments and Waivers. The provisions of this Article XII may be amended, supplemented, waived or modified in accordance with the provisions of Section 11.6 of this Agreement; provided that any amendment, supplement, waiver or modification of this Article XII that relates to the economic terms of the Series B Mandatory Convertible Preferred Mirror Units and is not consistent with a corresponding amendment, supplement, waiver or modification of Article XX of the Issuer Certificate of Incorporation shall require the consent of the Limited Partners that own a majority of the Class A Units then outstanding.

Section 12.10 Conversion. If, in accordance with the Certificate of Designations, any or all of the shares of Mandatory Convertible Preferred Stock are converted into Common Shares or any Reference Property Units (as defined in the Certificate of Designations), whether pursuant to a Mandatory Conversion (as defined in the Certificate of Designations) or an Early Conversion (as defined in the Certificate of Designations), a corresponding number of Series B Mandatory Convertible Preferred Mirror Units will automatically, and without the need for any action on the part of the Series B Holders, be converted into (A) if the Mandatory Convertible Preferred Stock is converted into Common Shares, (i) a number of Class A Units equal to the number of Common Shares into which such Mandatory Convertible Preferred Stock was so converted; and (ii) a right to receive an amount of cash equal to the amount of cash, if any, due to the holder of such converted Mandatory Convertible Preferred Stock, or (B) if such Mandatory Convertible Preferred Stock is converted into Reference Property Units, a combination of securities (which may include Class A Units or other securities), cash or other property having an aggregate value equal to the value of the Reference Property Units received in respect of such converted Mandatory Convertible Preferred Stock, as determined by the General Partner in its sole discretion. Any cash due upon such conversion of Series B Mandatory Convertible Preferred Mirror Units will be delivered to the holder of such Series B Mandatory Convertible Preferred Mirror Units as of the day and time such funds would be due to the holder of Mandatory Convertible Preferred Stock being converted. Notwithstanding the foregoing, if at any time there are GP Mirror Units other than the Series B Mandatory Convertible Preferred Mirror Units outstanding, the conversion set forth in this Section 12.10 shall only apply to a number of Series B Mandatory Convertible Preferred Mirror Units equal to the percentage of total outstanding GP Mirror Units that are Series B Mandatory Convertible Preferred Mirror Units.

Section 12.11 Reservation of Class A Units

(a) The Partnership shall at all times reserve and keep available out of its authorized and unissued Class A Units, solely for issuance upon the conversion of Series B Mandatory Convertible Preferred Mirror Units pursuant to this Agreement, free from any preemptive or other similar rights, a number of Class A Units equal to the maximum number of Class A Units deliverable upon conversion of all of the Series B Mandatory Convertible Preferred Mirror Units (which shall initially equal 30,000,000 Class A Units).

(b) Notwithstanding the foregoing, the Partnership shall be entitled to deliver upon conversion of the Series B Mandatory Convertible Preferred Mirror Units or as payment of any distributions on such Series B Mandatory Convertible Preferred Mirror Units, as provided in this Agreement, Class A Units reacquired and held in the treasury of the Partnership (in lieu of the issuance of authorized and unissued Class A Units), so long as any such treasury units are free and clear of all liens, charges, security interests or encumbrances (other than liens, charges, security interests and other encumbrances created by the Series B Holders).

(c) All Class A Units delivered upon conversion or redemption of, or as payment of a distribution on, the Series B Mandatory Convertible Preferred Mirror Units shall be duly authorized, validly issued, fully paid and non-assessable, free and clear of all liens, claims, security interests and other encumbrances (other than liens, charges, security interests and other encumbrances created by the Series B Holders) and free of preemptive rights.

Section 12.12 No Third Party Beneficiaries. The provisions of Section 11.7 of this Agreement shall apply to this Article XII without limitation.

[Remainder of Page Intentionally Left Blank]

IN WITNESS WHEREOF, the parties hereto have entered into this Agreement or have caused this Agreement to be duly executed by their respective authorized officers, in each case as of the date first above stated.

GENERAL PARTNER:

ARES HOLDCO LLC

By: Ares Management Corporation,
its Sole Member

By: /s/ Anton Feingold
Name: Anton Feingold
Title: Authorized Signatory

Address: 1800 Avenue of the Stars, Suite 1400
Los Angeles, California 90067

LIMITED PARTNERS:

ARES OWNERS HOLDINGS L.P,

By: Ares Partners Holdco LLC
its General Partner

By: /s/ Anton Feingold
Name: Anton Feingold
Title: Authorized Signatory

Address: 1800 Avenue of the Stars, Suite 1400
Los Angeles, California 90067

**Certification of Chief Executive Officer
of Periodic Report Pursuant to Rule 13a-14(a) and Rule 15d- 14(a)**

I, Michael J Arougheti, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Ares Management Corporation;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation;
 - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 12, 2025

Name: /s/ Michael J Arougheti
Michael J Arougheti
Title: *Co-Founder & Chief Executive Officer (Principal Executive Officer)*

**Certification of Chief Financial Officer
of Periodic Report Pursuant to Rule 13a-14(a) and Rule 15d-14(a)**

I, Jarrod Phillips, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Ares Management Corporation;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation;
 - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 12, 2025

/s/ Jarrod Phillips

Name:

Jarrod Phillips

Title:

Chief Financial Officer (Principal Financial & Accounting Officer)

**Certification of Chief Executive Officer and Chief Financial Officer
Pursuant to
18 U.S.C. Section 1350**

In connection with the Quarterly Report on Form 10-Q of Ares Management Corporation (the “Company”) for the quarter ended March 31, 2025 as filed with the Securities and Exchange Commission on the date hereof (the “Report”), Michael J Arougheti, as Chief Executive Officer of the Company, and Jarrod Phillips, as Chief Financial Officer of the Company, each hereby certifies, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, to the best of my knowledge:

1. The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: May 12, 2025

/s/ Michael J Arougheti

Name: Michael J Arougheti
Title: *Co-Founder & Chief Executive Officer (Principal Executive Officer)*

/s/ Jarrod Phillips

Name: Jarrod Phillips
Title: *Chief Financial Officer (Principal Financial & Accounting Officer)*

A signed original of this written statement required by Section 906, or other document authenticating, acknowledging, or otherwise adopting the signature that appears in typed form within the electronic version of this written statement required by Section 906, has been provided to Ares Management Corporation and will be retained by Ares Management Corporation and furnished to the Securities and Exchange Commission or its staff upon request.