

Blackstone Alternative Multi-Strategy Fund (BXMIX)

As of September 30, 2015

Investment approach

Blackstone Alternative Multi-Strategy Fund's ("Fund") investment objective is to seek capital appreciation. The Fund seeks this objective by allocating its assets among a variety of nontraditional or "alternative" investment strategies. Blackstone will allocate the Fund's assets among investment sub-advisers with experience managing alternative investment strategies and among investment funds. It may also manage a portion of the Fund's assets directly.

Fund highlights

Fund assets ⁶	\$2,937 million
Inception date	June 16, 2014
Investment adviser	Blackstone Alternative Investment Advisors, LLC
Eligible investors	US taxable & tax-exempt
Liquidity	Daily
CUSIP	09257V201

Fund terms (Share Class I)

Minimum investment	\$1,000,000
Omnibus/Bank investment minimum	\$0*
Management fee	1.95%
Gross expense ratio	3.44%
Net expense ratio ⁷	2.40%

* The investment minimum is waived for clients of a financial intermediary, broker-dealer, financial institution, or registered investment advisor that invest in the Fund through an omnibus account.

Portfolio managers

Name	Experience
Stephen Sullens	25 years
Alberto Santulin	19 years
Rich Scarinci	12 years

Fund net performance^{1, 2, 3}

	As of 9/30/2015				ITD Statistics			
	1 Yr	ITD	YTD	Sep-15	St. Dev.	Beta ⁴	Alpha ⁵	Sharpe
BXMIX	2.99%	3.29%	3.49%	-0.67%	3.86%	-	-	0.85
HFRX Global	-4.74%	-3.70%	-3.05%	-2.07%	4.01%	0.71	5.97%	-0.93
Barclays Agg Bond	2.93%	2.72%	1.13%	0.68%	3.34%	-0.35	4.22%	0.81

1. Performance is presented through September 30, 2015. Net performance is net of the Gross Expense Ratio less waived expenses. Performance data quoted represents past performance and does not guarantee future results. All ITD statistics above are calculated using daily performance. The investment return and principal value of an investment will fluctuate so that an investor's shares, when redeemed, may be worth more or less than their original cost and current performance may be lower or higher than the performance data quoted. BXMIX launched on June 16, 2014 and has a limited performance record. Additional information and current performance data is available at www.blackstone.com/bxmix.

The firm

Blackstone is a large and diversified alternative asset manager, with

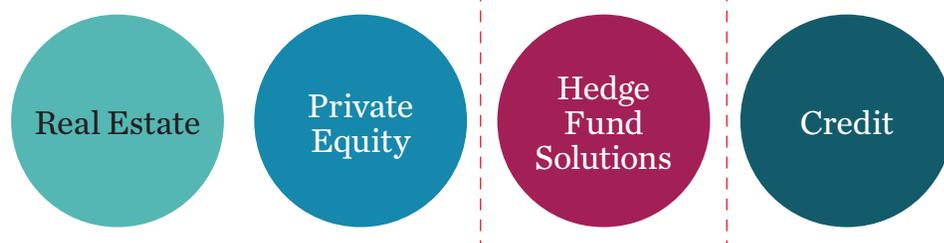
\$333B

in assets under management.^{8,9}

Blackstone is the largest discretionary allocator to hedge funds in the world, with over

\$68B

in assets under management.^{8,9}



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2. Indices are unmanaged and investors cannot invest in an index. Please see end of document for additional disclosures regarding indices presented.

3. Inception to Date (ITD) statistics are as of BXMIX's inception on June 16, 2014 through the most recent month end.

4. Measures beta of BXMIX to the respective index.

5. Measures alpha of BXMIX to the respective index.

6. As of September 30, 2015.

7. Net expense ratio consists of the total expense ratio, as reflected in the Fund's prospectus adjusted to reflect any fee waiver/expense reimbursement and excluding interest and dividends on securities sold short, acquired fund fees and expenses not subject to the expense cap. Through May 31, 2016, Blackstone Alternative Investment Advisors LLC has contractually agreed to waive its fees and/or reimburse expenses of the Fund so that certain of the Fund's expenses, together with the Fund's management fees, will not exceed 2.40% annualized for Class I shares.

8. Source: InvestHedge Billion Dollar Club (as of December 2014) based on AUM.

9. As of July 1, 2015.

Sub-adviser allocations

MANAGER*	STRATEGY	SUB-STRATEGY	CURRENT ALLOCATION
Goldman Sachs HealthCor Rail-Splitter Wellington Blackstone Senfina Advisors Two Sigma Advisors	Equity Hedge Equity Hedge Equity Hedge Equity Hedge Equity Hedge Equity Hedge	Equity Long Short Equity Long Short Equity Long Short Equity Long Short Equity Market Neutral Equity Market Neutral	47%
Bayview Cerberus Good Hill Sorin Waterfall Chatham	Relative Value Relative Value Relative Value Relative Value Relative Value Relative Value	Fixed Income - Asset Backed Fixed Income - Corporate	28%
Boussard & Gavaudan Caspian Nephila	Event Driven Event Driven Event Driven	Multi-Strategy Distressed/Restructuring Reinsurance	10%
BTG Pactual Emso Verde AlphaParity IPM	Macro Macro Macro Macro Macro	Discretionary Thematic Discretionary Thematic Discretionary Thematic Systematic Diversified Systematic Diversified	15%

*Manager name may be a short form name of the legal name of each sub-adviser: The list of sub-advisers and target allocations above is subject to change. Please check the prospectus for the most up-to-date list of sub-advisers. Sub-strategy allocations exclude exposures to Fund level cash, hedging and expenses and are adjusted pro-rata to equal 100%.

Blackstone Senfina Advisors L.L.C. "Senfina" is an indirect wholly-owned subsidiary of The Blackstone Group L.P., a publicly traded master limited partnership that has units that trade on the New York Stock Exchange under the symbol "BX." Senfina is an affiliate of BAIA, the Fund's investment adviser, on the basis that it is under common control with BAIA. The investment by BXMIX with Senfina benefits Blackstone and a withdrawal from Senfina would be detrimental to Blackstone.

Monthly net performance¹

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
2014	—	—	—	—	—	0.50%	-0.40%	0.90%	0.30%	-0.59%	0.30%	-0.19%	0.80%
2015	0.70%	1.88%	0.97%	-0.39%	1.26%	-1.15%	1.93%	-1.04%	-0.67%				3.49%

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All investors should consider the investment objectives, risks, charges and expenses of BXMIX, Class I carefully before investing. The prospectus and, if available, the summary prospectus contain this and other information about BXMIX and are available on BXMIX's website at www.blackstone.com/bxmix. All investors are urged to carefully read the prospectus and, if available, the summary prospectus in its entirety before investing.

Beta: A measure of the volatility, or systemic risk, of a security or a portfolio in comparison to the market as a whole. **Volatility/Standard Deviation:** A measure of the dispersion of a set of data from its mean. The more spread apart the data, the higher the deviation. Standard deviation is calculated as the square root of variance. **Sharpe Ratio:** A ratio to measure risk-adjusted performance. The Sharpe ratio is calculated by subtracting the risk-free rate – such as that of the 10-year U.S. Treasury bond – from the rate of return for a portfolio and dividing the result by the standard deviation of the portfolio returns. The greater a portfolio's Sharpe ratio, the better its risk-adjusted performance has been. **Alpha:** A risk-adjusted performance measure that represents the average return on a portfolio over and above that predicted by the capital asset pricing model (CAPM), given the portfolio's beta and the average market return.

Glossary of Indices

Market indices obtained through Bloomberg. Indices are unmanaged and investors cannot invest in an index. The volatility of the indices presented may be materially different from that of the performance of BXMIX. In addition, the indices employ different investment guidelines and criteria than BXMIX; as a result, the holdings in BXMIX may differ significantly from the securities that comprise the indices. The performance of the indices has not been selected to represent an appropriate benchmark to compare to the performance of BXMIX, but rather is disclosed to allow for comparison of BXMIX's performance to that of well-known and widely recognized indices. In the case of equity indices, performance of the indices reflects the reinvestment of dividends. **Barclays Aggregate Bond Index:** covers the USD-denominated, investment-grade, fixed-rate, taxable bond market of SEC-registered securities. The index includes government securities, mortgage-backed securities, asset-backed securities and corporate securities all with a maturity of greater than one year. **HFRX Global Hedge Fund Index:** designed to be representative of the overall composition of the hedge fund universe. It is comprised of all eligible hedge fund strategies, including but not limited to convertible arbitrage, distressed securities, equity hedge, equity market neutral, event driven, macro, merger arbitrage, and relative value arbitrage. The strategies are asset weighted based on the distribution of assets in the hedge fund industry.

Important Risks

An investment in BXMIX, Class I should be considered a speculative investment that entails substantial risks; you may lose part or all of your investment or your investment may not perform as well as other investments. BXMIX's investments involve special risks including, but not limited to, loss of all or a significant portion of the investment due to leveraging, short-selling, or other speculative practices, lack of liquidity and volatility of returns. The following is a summary description of certain additional principal

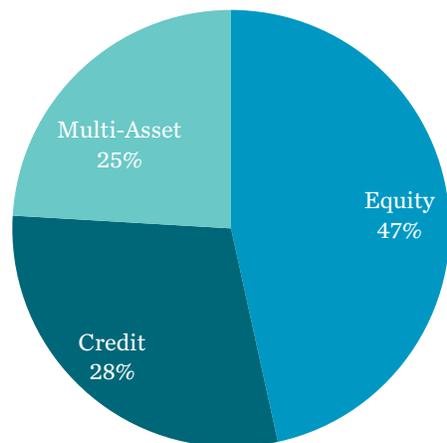
risks of investing in BXMIX: **Allocation Risk** – Blackstone's judgment about the attractiveness, value or market trends affecting a particular asset class, investment style, sub-adviser or security may be incorrect and this may have a negative impact upon performance. **Derivatives Risk** – the use of derivatives involves the risk that their value may not move as expected relative to the value of the relevant underlying assets, rates, or indices. Derivatives can be subject to counterparty credit risk and may entail investment exposure greater than their notional amount. **Distressed Securities Risk** – investments in securities of business enterprises involved in workouts, liquidations, reorganizations, bankruptcies and similar situations involve a high degree of risk of loss since there is typically substantial uncertainty concerning the outcome of such situations. **Event-Driven Trading Risk** – involves the risk that the specific event identified may not occur as anticipated and that this may have a negative impact upon the market price of the securities involved. **Foreign Investments/ Emerging Markets Risk** – involves special risks caused by foreign political, social and economic factors, including exposure to currency fluctuations, less liquidity, less developed and less efficient trading markets, political instability and less developed legal and auditing standards. **High Portfolio Turnover Risk** – active trading of securities can increase transaction costs (thus lowering performance) and taxable distributions. **Model and Technology Risk** – involves the risk that model-based strategies, data gathering systems, order execution and trade allocation systems and risk management systems may not be successful on an ongoing basis or could contain errors, omissions, imperfections or malfunctions. **Multi-Manager Risk** – managers may make investment decisions which conflict with each other and as a result, the Fund could incur transaction costs without accomplishing any net investment result.

Prepared by Blackstone Advisory Partners L.P., a member of FINRA and an affiliate of Blackstone Alternative Investment Advisors LLC, the investment adviser of the Fund.

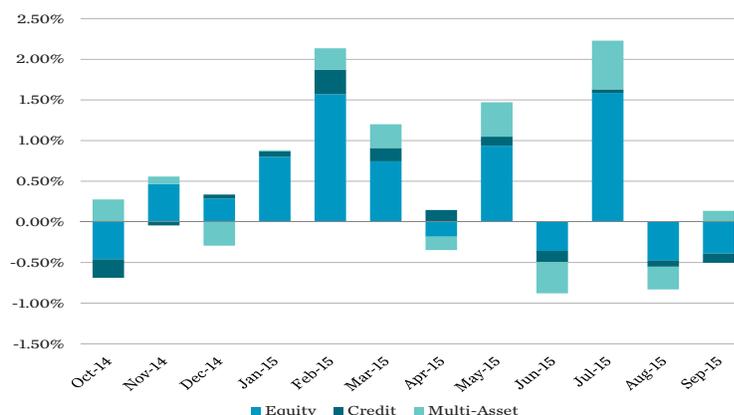
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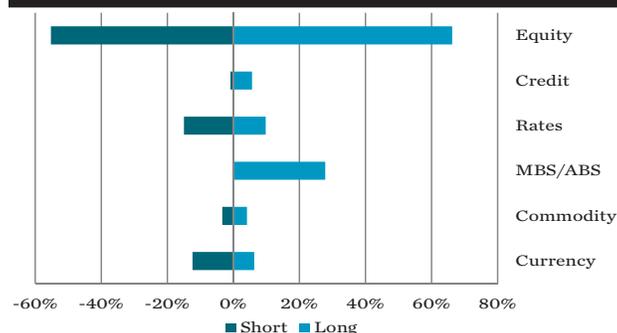
Sub-strategy summary



Trailing 12 month gross strategy attribution^{1,5}



Asset class exposure²



Average daily return for days when S&P500 total return index was positive/negative¹



Geographic exposure^{2,3}

	Long	Short	Net
US/Canada	72.82%	42.53%	30.29%
Core Europe	23.86%	25.55%	-1.69%
Peripheral Europe	5.45%	0.38%	5.07%
Lat. Am./Caribbean	9.49%	0.40%	9.09%
Middle East/Africa	1.28%	2.54%	-1.26%
Japan	3.83%	11.55%	-7.72%
Asia general	2.84%	2.88%	-0.04%
China/HK/Taiwan	1.19%	1.14%	0.06%
Total	120.76%	86.97%	33.79%

Equity exposure - sector breakdown³

	Long	Short	Net
Energy	1.30%	0.73%	0.57%
Materials	0.87%	0.74%	0.12%
Industrials	3.05%	1.62%	1.44%
Consumer Discretionary	6.40%	1.06%	5.34%
Consumer Staples	1.27%	1.60%	-0.33%
Healthcare	10.99%	2.77%	8.22%
Financials	9.34%	0.30%	9.04%
Technology	2.84%	1.28%	1.56%
Telecom	1.22%	0.27%	0.95%
Utilities	0.39%	0.00%	0.39%
Unclassified ⁴	12.61%	29.07%	-16.45%
Total	50.29%	39.43%	10.86%

1. Performance data quoted represents past performance and is no guarantee of future results. Investment returns and principal values may fluctuate so that an investor's shares, when redeemed, may be worth more or less than their original cost. Current performance may be lower or higher than the performance data quoted. Strategy attribution is presented on a gross basis as Blackstone fees are applied at the Fund level and not at the strategy level. Information about BXMIX, including current month-end performance, is available on BXMIX's website at www.blackstone.com/bxmix/ or by calling 855-890-7725. Index performance is shown for illustrative purposes only. You cannot invest directly in an index. Data is from June 17, 2014 to September 30, 2015.

2. Interest rate exposure information is represented by the 10 year equivalent

3. Compared to the overall NAV of the fund. Takes into consideration delta adjustments for options

4. Comprised of index futures, options on index futures, ETFs, and ETF options

5. Equity is comprised of Equity Long/Short; Credit is comprised of Fundamental Credit and Opportunistic Trading Credit; Multi-Asset/Quantitative is comprised of Quantitative and Global Macro/Multi-Strategy

The definitions and disclosures appearing at the end of this document are an integral part of this presentation and should be read in their entirety for a complete understanding of the information contained herein.

Additional information and current performance data is available at www.blackstone.com/bxmix/.

Performance commentary

The investment objective of Blackstone Alternative Multi-Strategy Fund (the “Fund”) is to seek capital appreciation. The Fund aims to achieve its objective by allocating assets among a variety of investment sub-advisers with experience managing non-traditional or “alternative” investment strategies. In September, the Fund’s Class I share class returned -0.67% net of fees and expenses versus -2.47% and -3.64% for the S&P 500 and MSCI World, respectively, and 0.68% for the Barclays U.S. Aggregate Bond Index.

Global markets remained tumultuous in September, driven by renewed fears over an economic slowdown in China, uncertainty around how a Chinese slowdown could impact global growth, and a sell-off in healthcare stocks. While views were split on whether the Federal Reserve would hike rates in September, the S&P 500 rose 1.6% from September 1st to September 16th as investors displayed confidence in the US stock market. On September 17th, Federal Reserve Chair Janet Yellen announced that the Fed would keep the benchmark federal funds rate near zero, citing concerns about recent global economic and financial developments that could put further downward pressure on inflation. Despite improving fundamentals in the United States and a continued drop in the unemployment rate (5.1% in August from 5.6% at the start of the year), the Fed’s cautious tone caused the S&P 500 to reverse course as investors struggled to interpret the information. Although Yellen indicated that the economy would likely be strong enough to support the start of the Fed rate hikes by the end of this year, markets interpreted her decision as pessimism on the U.S. and global economic outlook, and the S&P 500 fell 3.7% from its September 16th high. Additional events impacting markets included Hillary Clinton’s tweet that she had a plan to stop price gouging by pharmaceutical companies and the debacle surrounding the discovery that automaker Volkswagen purposely equipped 11 million of its diesel cars with software designed to cheat on emission tests.

Equity:

The Fund’s Equity strategies ended the month down despite positive performance from the Equity Market Neutral category, which benefitted from fundamental stock picking, particularly in their single-name short books. These gains were offset, however, by the Fund’s Equity Long/Short strategies, which suffered losses partially driven by healthcare and biotech exposures that ended a strong streak of outperformance amid concern that political pressure could bring down the price of prescription drugs. Exposure to financials and the cable/satellite industry also detracted from performance. Although several short positions in healthcare, machinery, and communications companies contributed to performance, they did not offset the losses from the Equity Long/Short strategies.

Credit:

Credit strategies detracted from the Fund’s overall performance. While certain mortgage exposures generated gains as the value of their underlying collateral increased, Credit strategies as a whole were hurt by widening spreads and mark-to-market moves across asset-backed securities. Several idiosyncratic positions also experienced positive returns, but overall the Credit category suffered as many positions sold off in line with broader high yield markets.

Multi-Asset:

The Fund’s Multi-Asset strategies posted gains in September, driven by strong performance from Macro strategies. Despite ongoing emerging market headwinds, the Fund’s exposure to both sovereign and corporate debt in Greece and Russia performed well. Overall, there is a sentiment that Greece is not facing another impending fiscal crisis (at least in the short term), and investors are optimistic that the ceasefire in Ukraine could lead to the lifting of some sanctions if it continues. Additionally, exposure to commodities and several special situations investments generated positive returns. These gains were partially offset by the sell-off in Argentina, stemming from election and reserve-related turmoil, as well as losses driven by equity and currency positions.

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For a summary of Fund performance of other share classes, please refer to the Fund’s website: <http://www.blackstone.com/bxmix>

Performance commentary

3rd Quarter Review:

In a quarter with material negative moves in worldwide equity indices, the Fund's Class I share class I was able to protect capital, generating 0.19%, versus -6.44% for the S&P 500 and -8.33% for the MSCI World. The Barclays U.S. Aggregate Bond Index returned 1.23% over this period.

The third quarter of 2015 was one of the most volatile quarters since 2011 and was dominated by stock market turmoil and investor uncertainty. Starting in July with the Greek debt crisis, the rest of the summer was characterized by continued bad news from around the world. The overarching theme is one of investor uncertainty - uncertainty surrounding China, uncertainty around timing of a rate hike, and uncertainty about how to interpret mixed global economic data. In this macroeconomic context, the value of a diversified, low beta portfolio becomes increasingly important.

Equity strategies contributed the majority of positive performance, followed by Multi-Asset strategies. The Equity category benefitted from Blackstone's top-down call to decrease beta by overweighting Equity Market Neutral strategies, which performed well over the quarter. Gains from the Multi-Asset category were led by exposure to emerging market corporate and sovereign debt. While overall Equity Strategies experienced gains, performance was negatively impacted by the Equity Long/Short strategies with higher market directionality, particularly ones with higher exposure to pharmaceuticals and biotech. Credit strategies also detracted during the quarter. On the corporate credit side, spreads have moved wider due to dislocations in energy and commodity markets, resulting in mark to market losses. Meanwhile, structured credit assets have generally been more insulated from the broader market volatility and have been buoyed by their yields.

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Disclosure information

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Important Disclosures Regarding Exposure

Exposure data presented herein does not consider the impact of delta on option positions (unless noted otherwise). Instead, exposures represent the market value of each underlying instrument. Positions of unknown type (if any) are excluded from exposure data.

There is no attempt in this report to differentiate between or adjust for shorter versus longer duration rates trades. Instead, they are shown only by market value of exposure. Given that exposure data is based on fund holdings, it excludes unsettled trades. Position level data is obtained from State Street Bank and Trust Company, the administrator for BXMIX. Blackstone does not guarantee the accuracy of such data.

Glossary of Terms:

Gross Exposure: Reflects the aggregate of long and short investment positions in relation to the net asset value. For example, if BXMIX has 60% long exposure and 50% short exposure to a particular asset class, then BXMIX has 110% gross exposure to that asset class. The gross exposure is one indication of the level of leverage in a portfolio. **Net Exposure:** This is the difference between long and short investment positions in relation to the net asset value. For example, if BXMIX has 60% long exposure and 50% short exposure to a particular asset class, then BXMIX is 10% net exposure to that asset class. **Long:** A long position occurs when an individual owns securities. **Short:** Short selling a security not actually owned at the time of sale. Short positions can also generate returns when the price of a security declines. **VaR:** A statistical technique used to measure and quantify the level of financial risk within a firm or investment portfolio over a specific time frame. **Value at risk** is used by risk managers in order to measure and control the level of risk which the firm undertakes. The risk manager's job is to ensure that risks are not taken beyond the level at which the firm can absorb the losses of a probable worst outcome. **DV01:** A bond valuation calculation showing the dollar value of a one basis point change in interest rates or yield. **Alpha:** A risk-adjusted performance measure that represents the average return on a portfolio over and above that predicted by the capital asset pricing model (CAPM), given the portfolio's beta and the average market return.

Glossary of Indices

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S&P 500 Total Return Index: market capitalization-weighted index that includes 500 stocks representing all major industries. Returns are denominated in U.S. dollars and include dividends. The index is a proxy of the performance of the broad U.S. economy through changes in aggregate market value.

MSCI World Index: A market capitalization weighted index designed to provide a broad measure of equity-market performance throughout the world. The MSCI World is maintained by Morgan Stanley Capital International, and is comprised of stocks from all the developed markets in the world.

Barclays Aggregate Bond Index: covers the USD-denominated, investment-grade, fixed-rate, taxable bond market of SEC-registered securities. The index includes government securities, mortgage-backed securities, asset-backed securities and corporate securities all with a maturity of greater than one year.

JPMorgan Domestic High Yield Index: is designed to mirror the investable universe of the U.S. dollar domestic high yield corporate debt market.

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following is a summary description of certain additional principal risks of investing in BXMIX:

Allocation Risk – Blackstone's judgment about the attractiveness, value or market trends affecting a particular asset class, investment style, subadviser or security may be incorrect and this may have a negative impact upon performance.

Derivatives Risk – the use of derivatives involves the risk that their value may not move as expected relative to the value of the relevant underlying assets, rates, or indices. Derivatives can be subject to counterparty credit risk and may entail investment exposure greater than their notional amount.

Distressed Securities Risk – investments in securities of business enterprises involved in workouts, liquidations, reorganizations, bankruptcies and similar situations involve a high degree of risk of loss since there is typically substantial uncertainty concerning the outcome of such situations.

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Multi-Manager Risk – managers may make investment decisions which conflict with each other and as a result, the Fund could incur transaction costs without accomplishing any net investment result.

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