

APOLLO GLOBAL MANAGEMENT, LLC (NYSE: APO)

Apollo Global Management Earnings Presentation Update

April 22, 2019

Forward Looking Statements

This presentation may contain forward-looking statements that are 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"). These statements include, but are not limited to, discussions related to Apollo Global Management, LLC's (NYSE: "APO") (together with its subsidiaries, "Apollo", "we", "us", "our" and the "Company") expectations regarding the performance of its business, liquidity and capital resources and the other non-historical statements. These forward looking statements are based on management's beliefs, as well as assumptions made by, and information currently available to, management. When used in this presentation, the words "believe," "anticipate," "estimate," "expect," "intend" or future or conditional verbs, such as "will," "should," "could," or "may," and variations of such words or similar expressions are intended to identify forward-looking statements. Although management believes that the expectations reflected in these forward-looking statements are reasonable, it can give no assurance that these expectations will prove to be correct. These statements are subject to certain risks, uncertainties and assumptions, including risks relating to our dependence on certain key personnel, our ability to raise new private equity, credit or real asset funds, market conditions generally, our ability to manage our growth, fund performance, changes in our regulatory environment and tax status, the variability of our revenues, net income and cash flow, our use of leverage to finance our businesses and investments by funds we manage ("Apollo funds") and litigation risks, among others. We believe these factors include but are not limited to those described under the section entitled "Risk Factors" in the Company's Annual Report on Form 10-K filed with the United States Securities and Exchange Commission ("SEC") on March 1, 2019; as such factors may be updated from time to time in our periodic filings with the SEC, which are accessible on the SEC's website at www.sec.gov. These factors should not be construed as exhaustive and should be read in conjunction with the other cautionary statements that are included in our filings with the SEC. We undertake no obligation to publicly update or review any forward-looking statements, whether as a result of new information, future developments or otherwise, except as required by applicable law.

This presentation contains information regarding Apollo's financial results that is calculated and presented on the basis of methodologies other than in accordance with accounting principles generally accepted in the United States ("non-GAAP measures"). The non-GAAP measures should be considered only as supplemental to, and not as superior to, financial measures in accordance with GAAP. The definitions of non-GAAP financial measures presented herein, as well as reconciliations of the applicable GAAP financial measures to non-GAAP financial measures, are set forth later in this presentation.

This presentation is for informational purposes only and does not constitute an offer to sell, or the solicitation of an offer to buy, any security, product, service of Apollo as well as of any Apollo fund, whether an existing or contemplated fund, for which an offer can be made only by such fund's confidential private placement memorandum and in compliance with applicable law.

Unless otherwise noted, information included herein is presented as of the dates indicated.

The information contained herein is not intended to provide, and should not be relied upon for, accounting, legal or tax advice or investment recommendations.

Past performance is not indicative nor a guarantee of future returns.

Overview

Change in Segment Key Performance Measures

Apollo's senior management has re-evaluated the manner in which it measures the financial operating performance of its segments. Apollo's chief operating decision makers have determined that Segment Distributable Earnings, together with its main components including Fee Related Earnings, is the key performance measure used by management in evaluating the performance of Apollo's credit, private equity and real assets segments. Accordingly, we will no longer report Economic Income or Economic Net Income per share. We believe these changes better reflect the manner in which Apollo makes key operating decisions pertaining to resource allocation, capital deployment, budgeting and forecasting, and are consistent with what shareholders consider to be most important in evaluating our performance.

Changes in Components of Existing Segments

As previously reported by Apollo, subsequent to December 31, 2018 Apollo determined to change the business segment in which it reports certain funds and accounts to align its segment reporting with the manner in which such funds and accounts were managed. Effective January 1, 2019, the European Principal Finance Fund series, which has been historically reported in the credit segment, moved to the real assets segment. Several funds and accounts that generally invest in illiquid opportunistic investments and the latest fund in the Credit Opportunity Fund series, which have been historically reported in the credit segment, moved to the private equity segment. Certain commercial real estate mortgage loan assets, previously reported in the credit segment, moved to the real assets segment. These changes affected the composition, but not the determination, of Apollo's reporting segments.

Change in Distributable Earnings Definition

Subsequent to December 31, 2018, Apollo changed its definition of "Distributable Earnings" to include depreciation and amortization expenses and renamed it "Segment Distributable Earnings." Historically, depreciation and amortization expenses were not reflected in our calculation of Segment Distributable Earnings. Apollo also renamed "Distributable Earnings after Taxes and Related Payables" to "Distributable Earnings". These changes have been made to all prior periods included in this presentation.

Segment Strategies

In order to better reflect the grouping of synergistic credit strategies across the funds, accounts and permanent capital vehicles managed within our **credit** segment, Apollo has re-aligned its credit segment around four main strategies: corporate credit, structured credit, direct origination and advisory and other. The underlying assets managed within, and strategies employed by, Apollo's credit segment have not changed as a result of this re-alignment. After this re-alignment and giving effect to the changes in the components of the segments discussed above, our AUM and Fee-Generating AUM within the credit segment totaled \$174.4 billion and \$144.1 billion, respectively, as of December 31, 2018.

Apollo has re-aligned its **private equity** segment around three strategies: traditional private equity, hybrid capital and natural resources. Hybrid capital includes our recently launched hybrid value strategy, other funds and accounts that generally invest in illiquid opportunistic investments and the latest fund in the Credit Opportunity Fund series. After this re-alignment and giving effect to the changes in the components of the segments discussed above, our AUM and Fee-Generating AUM within the private equity segment totaled \$75.1 billion and \$46.6 billion, respectively, as of December 31, 2018.

Apollo has re-aligned its **real assets** segment around three strategies: real estate, principal finance and infrastructure. Principal finance includes our European Principal Finance Fund series and real estate includes commercial real estate mortgage loan assets. After this re-alignment and giving effect to the changes in the components of the segments discussed above, our AUM and Fee-Generating AUM within the real assets segment totaled \$30.8 billion and \$23.7 billion, respectively, as of December 31, 2018.

Financial Information Presented

The following pages present:

- Fee Related Earnings and Segment Distributable Earnings for the quarterly and annual periods of 2016, 2017 and 2018, recast to conform to the new presentation;
- Reconciliation from Income (Loss) before Income Tax Provision (Benefit) (U.S. GAAP) to Distributable Earnings and Fee Related Earnings for each period;
- Updated definitions to reflect these changes; and
- Segment AUM by sub-strategy as of December 31, 2016, 2017 and 2018.

These changes will be effective for presentation of Apollo's segment financial information as of and for the three months ended March 31, 2019, with all prior periods recast to conform to the new presentation. The changes to Apollo's performance measures for segment reporting and to the composition of Apollo's reportable segments have no impact on our financial results presented in accordance with U.S. GAAP, or on the previous calculation of Fee Related Earnings.

Segment Key Performance Measures

Total Segments

(\$ in thousands, except where noted)	1Q'16	2Q'16	3Q'16	4Q'16	1Q'17	2Q'17	3Q'17	4Q'17	1Q'18	2Q'18	3Q'18	4Q'18	FY'16	FY'17	FY'18
Management fees	\$230,933	\$241,633	\$258,485	\$246,598	\$252,053	\$266,908	\$282,434	\$280,920	\$272,203	\$325,864	\$339,905	\$344,716	\$977,649	\$1,082,315	\$1,282,688
Advisory and transaction fees, net	7,999	64,899	30,251	43,966	15,067	23,629	16,209	62,719	12,994	15,580	12,972	70,021	147,115	117,624	111,567
Performance fees ¹	8,917	6,292	2,307	5,425	726	5,737	6,173	5,030	5,275	5,766	7,064	10,285	22,941	17,666	28,390
Total Fee Related Revenues	247,849	312,824	291,043	295,989	267,846	296,274	304,816	348,669	290,472	347,210	359,941	425,022	1,147,705	1,217,605	1,422,645
Salary, bonus and benefits	(92,370)	(94,522)	(86,804)	(93,194)	(94,721)	(98,560)	(101,007)	(99,867)	(106,531)	(104,501)	(101,533)	(102,397)	(366,890)	(394,155)	(414,962)
General, administrative and other	(52,361)	(61,518)	(51,953)	(52,658)	(53,932)	(53,674)	(60,928)	(60,045)	(54,375)	(55,676)	(63,997)	(65,243)	(218,490)	(228,579)	(239,291)
Placement fees	(1,701)	(1,789)	(1,053)	(19,890)	(1,904)	(5,259)	(5,397)	(1,353)	(327)	(311)	(746)	(738)	(24,433)	(13,913)	(2,122)
Total Fee Related Expenses	(146,432)	(157,829)	(139,810)	(165,742)	(150,557)	(157,493)	(167,332)	(161,265)	(161,233)	(160,488)	(166,276)	(168,378)	(609,813)	(636,647)	(656,375)
Other income (loss), net of Non-Controlling Interest ²	(2,613)	(1,873)	(4,750)	1,218	17,186	1,683	24,705	(119)	3,660	(1,051)	3,393	(1,033)	(8,018)	43,455	4,969
Fee Related Earnings	\$98,804	\$153,122	\$146,483	\$131,465	\$134,475	\$140,464	\$162,189	\$187,285	\$132,899	\$185,671	\$197,058	\$255,611	\$529,874	\$624,413	\$771,239
Per Share ³	\$0.24	\$0.38	\$0.36	\$0.32	\$0.33	\$0.34	\$0.40	\$0.46	\$0.32	\$0.45	\$0.48	\$0.62	\$1.29	\$1.53	\$1.87
Realized performance fees	41,006	35,688	33,536	141,716	185,735	193,054	54,802	197,768	122,302	114,474	93,031	50,381	251,946	631,359	380,188
Realized profit sharing expense	(34,189)	(23,897)	(20,316)	(58,391)	(88,723)	(79,083)	(35,673)	(75,359)	(63,647)	(69,810)	(54,180)	(37,992)	(136,793)	(278,838)	(225,629)
Net Realized Performance Fees	6,817	11,791	13,220	83,325	97,012	113,971	19,129	122,409	58,655	44,664	38,851	12,389	115,153	352,521	154,559
Realized principal investment income	4,349	6,891	3,767	22,173	18,436	13,658	10,339	25,809	23,393	19,373	17,787	9,158	37,180	68,242	69,711
Net interest loss and other	(7,796)	(10,005)	(13,269)	(13,133)	(12,831)	(12,909)	(12,351)	(10,262)	(10,783)	(11,179)	(11,451)	(8,617)	(44,203)	(48,353)	(42,030)
Segment Distributable Earnings	\$102,174	\$161,799	\$150,201	\$223,830	\$237,092	\$255,184	\$179,306	\$325,241	\$204,164	\$238,529	\$242,245	\$268,541	\$638,004	\$996,823	\$953,479
Taxes and Related Payables ⁴	(2,273)	(2,968)	(4,105)	(289)	(6,348)	(6,724)	(7,272)	(5,993)	(11,198)	(13,838)	(9,734)	(9,445)	(9,635)	(26,337)	(44,215)
Preferred distributions	-	-	-	-	-	(4,772)	(4,383)	(4,383)	(4,383)	(8,952)	(9,164)	(9,163)	-	(13,538)	(31,662)
Distributable Earnings	\$99,901	\$158,831	\$146,096	\$223,541	\$230,744	\$243,688	\$167,651	\$314,865	\$188,583	\$215,739	\$223,347	\$249,933	\$628,369	\$956,948	\$877,602
Per Share ³	\$0.25	\$0.39	\$0.36	\$0.55	\$0.56	\$0.60	\$0.41	\$0.77	\$0.46	\$0.52	\$0.54	\$0.60	\$1.53	\$2.34	\$2.12
Net Distribution per Share ³	\$0.25	\$0.37	\$0.35	\$0.45	\$0.49	\$0.52	\$0.39	\$0.66	\$0.38	\$0.43	\$0.46	\$0.56	\$1.42	\$2.06	\$1.83
Payout Ratio	100%	95%	97%	82%	88%	87%	95%	86%	83%	83%	85%	93%	93%	88%	86%
AUM (\$ in millions)	172,513	186,266	188,636	191,688	197,466	231,840	241,565	248,928	247,416	269,452	270,180	280,259	191,688	248,928	280,259
Fee-Generating AUM (\$ in millions)	141,073	145,428	148,669	150,798	154,154	160,954	166,258	168,965	182,467	202,235	203,609	214,367	150,798	168,965	214,367

- Represents certain performance fees from business development companies and Redding Ridge Holdings.
- FY'17 other income (loss), net of Non-Controlling Interest includes \$19.0 million in proceeds received in connection with the Company's early termination of a lease and \$17.5 million in insurance proceeds received in connection with fees and expenses relating to a legal proceeding.
- Per share calculations are based on end of period Distributable Earnings Shares Outstanding, which consist of total Class A shares outstanding, Apollo Operating Group Units ("AOG Units") and restricted share units ("RSUs") that participate in distributions (collectively referred to as "common & equivalents").
- Represents the estimated current corporate, local and non-U.S. taxes as well as the payable under Apollo's tax receivable agreement. In 2018, the methodology in estimating DE taxes was changed to estimate the current year impact of the tax receivable agreement ("TRA") component of taxes when calculating DE, whereas previously the TRA component of DE taxes was estimated based on the tax asset used to reduce the prior years' tax liability. The impact of this change is not significant to DE as previously reported.

Credit

(\$ in thousands, except where noted)	1Q'16	2Q'16	3Q'16	4Q'16	1Q'17	2Q'17	3Q'17	4Q'17	1Q'18	2Q'18	3Q'18	4Q'18	FY'16	FY'17	FY'18
Management fees	\$115,396	\$123,348	\$123,725	\$123,919	\$127,166	\$134,885	\$145,623	\$147,912	\$149,715	\$153,177	\$167,178	\$172,261	\$486,388	\$555,586	\$642,331
Advisory and transaction fees, net	4,218	2,810	2,250	2,324	2,445	3,600	4,092	20,188	2,195	2,100	2,189	2,388	11,602	30,325	8,872
Performance fees ¹	8,917	6,292	2,307	5,425	726	5,737	6,173	5,030	5,275	5,766	7,064	10,285	22,941	17,666	28,390
Fee Related Revenues	128,531	132,450	128,282	131,668	130,337	144,222	155,888	173,130	157,185	161,043	176,431	184,934	520,931	603,577	679,593
Salary, bonus and benefits	(37,231)	(40,713)	(30,369)	(41,650)	(39,370)	(45,335)	(44,851)	(42,596)	(46,821)	(42,729)	(44,642)	(46,256)	(149,963)	(172,152)	(180,448)
General, administrative and other	(24,653)	(28,764)	(23,396)	(24,060)	(25,417)	(24,805)	(26,668)	(30,727)	(26,368)	(27,843)	(31,392)	(33,847)	(100,873)	(107,617)	(119,450)
Placement fees	(321)	(308)	(376)	(324)	(319)	(220)	(260)	(274)	(276)	(279)	(295)	(280)	(1,329)	(1,073)	(1,130)
Fee Related Expenses	(62,205)	(69,785)	(54,141)	(66,034)	(65,106)	(70,360)	(71,779)	(73,597)	(73,465)	(70,851)	(76,329)	(80,383)	(252,165)	(280,842)	(301,028)
Other income (loss), net of Non-Controlling Interest	(2,311)	(2,271)	(4,760)	29	(720)	388	12,379	(762)	3,183	(1,188)	265	(1,156)	(9,313)	11,285	1,104
Fee Related Earnings	\$64,015	\$60,394	\$69,381	\$65,663	\$64,511	\$74,250	\$96,488	\$98,771	\$86,903	\$89,004	\$100,367	\$103,395	\$259,453	\$334,020	\$379,669
Realized performance fees	16,236	11,043	14,767	59,624	20,657	18,515	2,260	50,550	3,114	14,635	11,281	16,109	101,670	91,982	45,139
Realized profit sharing expense	(13,396)	(6,310)	(7,555)	(24,544)	(9,385)	(6,080)	(1,421)	(17,523)	(2,834)	(11,493)	(8,986)	(12,766)	(51,805)	(34,409)	(36,079)
Net Realized Performance Fees	2,840	4,733	7,212	35,080	11,272	12,435	839	33,027	280	3,142	2,295	3,343	49,865	57,573	9,060
Realized principal investment income	1,641	3,736	1,511	10,821	5,771	3,869	3,575	6,034	4,280	5,931	6,676	2,312	17,709	19,249	19,199
Net interest loss and other	(2,733)	(3,742)	(5,395)	(4,991)	(4,683)	(4,524)	(4,211)	(3,220)	(3,518)	(3,952)	(3,612)	(2,537)	(16,861)	(16,638)	(13,619)
Segment Distributable Earnings	\$65,763	\$65,121	\$72,709	\$106,573	\$76,871	\$86,030	\$96,691	\$134,612	\$87,945	\$94,125	\$105,726	\$106,513	\$310,166	\$394,204	\$394,309
AUM (\$ in millions)	107,680	117,190	118,977	117,472	121,861	131,250	137,738	144,807	146,636	163,222	163,047	174,378	117,472	144,807	174,378
Fee-Generating AUM (\$ in millions)	92,880	96,529	98,299	98,744	101,918	107,639	112,583	116,352	116,722	132,602	134,003	144,071	98,744	116,352	144,071

1. Represents certain performance fees from business development companies and Redding Ridge Holdings.

Private Equity

(\$ in thousands, except where noted)	1Q'16	2Q'16	3Q'16	4Q'16	1Q'17	2Q'17	3Q'17	4Q'17	1Q'18	2Q'18	3Q'18	4Q'18	FY'16	FY'17	FY'18
Management fees	\$86,844	\$88,830	\$103,996	\$91,028	\$89,912	\$90,166	\$88,456	\$87,674	\$82,280	\$132,417	\$131,578	\$130,910	\$370,698	\$356,208	\$477,185
Advisory and transaction fees, net	2,804	58,309	26,675	41,105	11,845	19,309	10,600	42,462	10,655	13,319	6,018	59,610	128,893	84,216	89,602
Fee Related Revenues	89,648	147,139	130,671	132,133	101,757	109,475	99,056	130,136	92,935	145,736	137,596	190,520	499,591	440,424	566,787
Salary, bonus and benefits	(38,389)	(36,829)	(38,852)	(35,017)	(37,759)	(35,363)	(36,457)	(34,812)	(40,725)	(41,879)	(38,700)	(39,208)	(149,087)	(144,391)	(160,512)
General, administrative and other	(19,043)	(24,202)	(21,130)	(20,089)	(20,600)	(19,605)	(22,992)	(17,861)	(17,983)	(18,333)	(22,694)	(20,440)	(84,464)	(81,058)	(79,450)
Placement fees	(1,380)	(1,460)	(677)	(123)	(224)	(1,421)	(2,515)	(78)	(51)	(32)	(51)	(451)	(3,640)	(4,238)	(585)
Fee Related Expenses	(58,812)	(62,491)	(60,659)	(55,229)	(58,583)	(56,389)	(61,964)	(52,751)	(58,759)	(60,244)	(61,445)	(60,099)	(237,191)	(229,687)	(240,547)
Other income (loss), net ¹	(203)	360	74	536	17,819	924	8,655	445	309	82	1,448	84	767	27,843	1,923
Fee Related Earnings	\$30,633	\$85,008	\$70,086	\$77,440	\$60,993	\$54,010	\$45,747	\$77,830	\$34,485	\$85,574	\$77,599	\$130,505	\$263,167	\$238,580	\$328,163
Realized performance fees	-	266	9,844	78,226	162,169	136,757	22,378	124,619	112,772	54,640	77,740	33,926	88,336	445,923	279,078
Realized profit sharing expense	-	(202)	(6,778)	(32,133)	(77,904)	(53,765)	(14,165)	(47,655)	(57,748)	(31,512)	(42,842)	(24,077)	(39,113)	(193,489)	(156,179)
Net Realized Performance Fees	-	64	3,066	46,093	84,265	82,992	8,213	76,964	55,024	23,128	34,898	9,849	49,223	252,434	122,899
Realized principal investment income	167	2,059	1,358	10,191	10,208	9,071	6,628	18,180	18,330	9,079	10,579	5,162	13,775	44,087	43,150
Net interest loss and other	(3,778)	(4,747)	(5,923)	(6,085)	(5,980)	(6,073)	(5,968)	(5,110)	(5,356)	(5,259)	(5,004)	(4,462)	(20,533)	(23,131)	(20,081)
Segment Distributable Earnings	\$27,022	\$82,384	\$68,587	\$127,639	\$149,486	\$140,000	\$54,620	\$167,864	\$102,483	\$112,522	\$118,072	\$141,054	\$305,632	\$511,970	\$474,131
AUM (\$ in millions)	45,885	49,571	50,403	52,361	53,168	76,491	79,173	80,694	76,852	78,867	79,025	75,086	52,361	80,694	75,086
Fee-Generating AUM (\$ in millions)	34,221	34,492	35,369	35,296	35,443	34,620	34,656	34,063	47,519	47,835	47,065	46,633	35,296	34,063	46,633

1. FY'17 includes \$17.5 million in insurance proceeds received in connection with fees and expenses relating to a legal proceeding.

Real Assets

(\$ in thousands, except where noted)	1Q'16	2Q'16	3Q'16	4Q'16	1Q'17	2Q'17	3Q'17	4Q'17	1Q'18	2Q'18	3Q'18	4Q'18	FY'16	FY'17	FY'18
Management fees	\$28,693	\$29,455	\$30,764	\$31,651	\$34,975	\$41,857	\$48,355	\$45,334	\$40,208	\$40,270	\$41,149	\$41,545	\$120,563	\$170,521	\$163,172
Advisory and transaction fees, net	977	3,780	1,326	537	777	720	1,517	69	144	161	4,765	8,023	6,620	3,083	13,093
Fee Related Revenues	29,670	33,235	32,090	32,188	35,752	42,577	49,872	45,403	40,352	40,431	45,914	49,568	127,183	173,604	176,265
Salary, bonus and benefits	(16,750)	(16,980)	(17,583)	(16,527)	(17,592)	(17,862)	(19,699)	(22,459)	(18,985)	(19,893)	(18,191)	(16,933)	(67,840)	(77,612)	(74,002)
General, administrative and other	(8,665)	(8,552)	(7,427)	(8,509)	(7,915)	(9,264)	(11,268)	(11,457)	(10,024)	(9,500)	(9,911)	(10,956)	(33,153)	(39,904)	(40,391)
Placement fees	-	(21)	-	(19,443)	(1,361)	(3,618)	(2,622)	(1,001)	-	-	(400)	(7)	(19,464)	(8,602)	(407)
Fee Related Expenses	(25,415)	(25,553)	(25,010)	(44,479)	(26,868)	(30,744)	(33,589)	(34,917)	(29,009)	(29,393)	(28,502)	(27,896)	(120,457)	(126,118)	(114,800)
Other income (loss), net	(99)	38	(64)	653	87	371	3,671	198	168	55	1,680	39	528	4,327	1,942
Fee Related Earnings	\$4,156	\$7,720	\$7,016	(\$11,638)	\$8,971	\$12,204	\$19,954	\$10,684	\$11,511	\$11,093	\$19,092	\$21,711	\$7,254	\$51,813	\$63,407
Realized performance fees	24,770	24,379	8,925	3,866	2,909	37,782	30,164	22,599	6,416	45,199	4,010	346	61,940	93,454	55,971
Realized profit sharing expense	(20,793)	(17,385)	(5,983)	(1,714)	(1,434)	(19,238)	(20,087)	(10,181)	(3,065)	(26,805)	(2,352)	(1,149)	(45,875)	(50,940)	(33,371)
Net Realized Performance Fees	3,977	6,994	2,942	2,152	1,475	18,544	10,077	12,418	3,351	18,394	1,658	(803)	16,065	42,514	22,600
Realized principal investment income	2,541	1,096	898	1,161	2,457	718	136	1,595	783	4,363	532	1,684	5,696	4,906	7,362
Net interest loss and other	(1,285)	(1,516)	(1,951)	(2,057)	(2,168)	(2,312)	(2,172)	(1,932)	(1,909)	(1,968)	(2,835)	(1,618)	(6,809)	(8,584)	(8,330)
Segment Distributable Earnings	\$9,389	\$14,294	\$8,905	(\$10,382)	\$10,735	\$29,154	\$27,995	\$22,765	\$13,736	\$31,882	\$18,447	\$20,974	\$22,206	\$90,649	\$85,039
AUM (\$ in millions)	18,948	19,505	19,256	21,855	22,437	24,099	24,654	23,427	23,928	27,363	28,108	30,795	21,855	23,427	30,795
Fee-Generating AUM (\$ in millions)	13,972	14,407	15,001	16,758	16,793	18,695	19,019	18,550	18,226	21,798	22,541	23,663	16,758	18,550	23,663

Total Segment Revenues, Expenses and Other Income (Loss)

Total Segment Revenues:

(\$ in thousands)	1Q'16	2Q'16	3Q'16	4Q'16	1Q'17	2Q'17	3Q'17	4Q'17	1Q'18	2Q'18	3Q'18	4Q'18	FY'16	FY'17	FY'18
Management fees	\$239,850	\$247,925	\$260,792	\$252,023	\$252,779	\$272,645	\$288,607	\$285,950	\$277,478	\$331,630	\$346,969	\$355,001	\$1,000,590	\$1,099,981	\$1,311,078
Advisory and transaction fees, net	7,999	64,899	30,251	43,966	15,067	23,629	16,209	62,719	12,994	15,580	12,972	70,021	147,115	117,624	111,567
Performance fees ¹	8,917	6,292	2,307	5,425	726	5,737	6,173	5,030	5,275	5,766	7,064	10,285	22,941	17,666	28,390
Total Fee Related Revenues	247,849	312,824	291,043	295,989	267,846	296,274	304,816	348,669	290,472	347,210	359,941	425,022	1,147,705	1,217,605	1,422,645
Realized performance fees	41,006	35,688	33,536	141,716	185,735	193,054	54,802	197,768	122,302	114,474	93,031	50,381	251,946	631,359	380,188
Realized principal investment income and other	3,507	6,048	2,925	21,331	17,593	12,816	9,497	24,967	22,551	18,530	16,945	8,316	33,811	64,873	66,342
Total Segment Revenues	\$292,362	\$354,560	\$327,504	\$459,036	\$471,174	\$502,144	\$369,115	\$571,404	\$435,325	\$480,214	\$469,917	\$483,719	\$1,433,462	\$1,913,837	\$1,869,175

Total Segment Expenses:

(\$ in thousands)	1Q'16	2Q'16	3Q'16	4Q'16	1Q'17	2Q'17	3Q'17	4Q'17	1Q'18	2Q'18	3Q'18	4Q'18	FY'16	FY'17	FY'18
Salary, bonus and benefits	\$92,370	\$94,522	\$86,804	\$93,194	\$94,721	\$98,560	\$101,007	\$99,867	\$106,531	\$104,501	\$101,533	\$102,397	\$366,890	\$394,155	\$414,962
General, administrative and other	52,361	61,518	51,953	52,658	53,932	53,674	60,928	60,045	54,375	55,676	63,997	65,243	218,490	228,579	239,291
Placement fees	1,701	1,789	1,053	19,890	1,904	5,259	5,397	1,353	327	311	746	738	24,433	13,913	2,122
Total Fee Related Expenses	146,432	157,829	139,810	165,742	150,557	157,493	167,332	161,265	161,233	160,488	166,276	168,378	609,813	636,647	656,375
Realized profit sharing expense	34,189	23,897	20,316	58,391	88,723	79,083	35,673	75,359	63,647	69,810	54,180	37,992	136,793	278,838	225,629
Total Segment Expenses	\$180,621	\$181,726	\$160,126	\$224,133	\$239,280	\$236,576	\$203,005	\$236,624	\$224,880	\$230,298	\$220,456	\$206,370	\$746,606	\$915,485	\$882,004

Total Segment Other Income (Loss):

(\$ in thousands)	1Q'16	2Q'16	3Q'16	4Q'16	1Q'17	2Q'17	3Q'17	4Q'17	1Q'18	2Q'18	3Q'18	4Q'18	FY'16	FY'17	FY'18
Other Income (Loss), net	(\$228)	\$302	(\$4,240)	\$3,612	\$18,120	\$2,242	\$26,456	\$1,016	\$4,875	\$313	\$4,580	\$209	(\$554)	\$47,834	\$9,977
Non-Controlling Interest	(2,385)	(2,175)	(510)	(2,394)	(934)	(559)	(1,751)	(1,135)	(1,215)	(1,364)	(1,187)	(1,242)	(7,464)	(4,379)	(5,008)
Other Income (Loss), net of Non-Controlling Interest²	(2,613)	(1,873)	(4,750)	1,218	17,186	1,683	24,705	(119)	3,660	(1,051)	3,393	(1,033)	(8,018)	43,455	4,969
Net interest loss and other	(6,954)	(9,162)	(12,427)	(12,291)	(11,988)	(12,067)	(11,509)	(9,420)	(9,941)	(10,336)	(10,609)	(7,775)	(40,834)	(44,984)	(38,661)
Total Segment Other Income (Loss)	(\$9,567)	(\$11,035)	(\$17,177)	(\$11,073)	\$5,198	(\$10,384)	\$13,196	(\$9,539)	(\$6,281)	(\$11,387)	(\$7,216)	(\$8,808)	(\$48,852)	(\$1,529)	(\$33,692)

1. Represents certain performance fees from business development companies and Redding Ridge Holdings.

2. FY'17 other income (loss), net of Non-Controlling Interest includes \$19.0 million in proceeds received in connection with the Company's early termination of a lease and \$17.5 million in insurance proceeds received in connection with fees and expenses relating to a legal proceeding.

GAAP Consolidated Statements of Operations

(\$ in thousands, except share data)	1Q'16	2Q'16	3Q'16	4Q'16	1Q'17	2Q'17	3Q'17	4Q'17	1Q'18	2Q'18	3Q'18	4Q'18	FY'16	FY'17	FY'18
Revenues:															
Management fees	\$233,795	\$267,063	\$274,313	\$268,342	\$269,543	\$281,305	\$301,443	\$302,634	\$286,726	\$341,626	\$358,750	\$358,150	\$1,043,513	\$1,154,925	\$1,345,252
Advisory and transaction fees, net	7,999	64,899	29,801	43,966	15,067	23,629	16,209	62,719	13,551	15,440	13,154	70,133	146,665	117,624	112,278
Investment income (loss):															
Performance allocations	(141,955)	317,577	176,887	360,356	352,593	120,393	336,910	496,297	(124,165)	129,085	124,856	(530,081)	712,865	1,306,193	(400,305)
Principal investment income (loss)	(3,817)	44,960	23,213	38,822	38,553	16,836	47,488	58,753	(12,994)	22,175	16,153	(20,212)	103,178	161,630	5,122
Total investment income (loss)	(145,772)	362,537	200,100	399,178	391,146	137,229	384,398	555,050	(137,159)	151,260	141,009	(550,293)	816,043	1,467,823	(395,183)
Incentive fees	20,987	10,908	22,730	12,716	6,348	7,545	9,670	7,868	3,785	14,990	4,818	7,125	67,341	31,431	30,718
Total Revenues	117,009	705,407	526,944	724,202	682,104	449,708	711,720	928,271	166,903	523,316	517,731	(114,885)	2,073,562	2,771,803	1,093,065
Expenses:															
Compensation and benefits:															
Salary, bonus and benefits	97,234	100,188	92,591	99,117	101,613	105,545	108,853	112,871	115,826	115,075	112,722	115,981	389,130	428,882	459,604
Equity-based compensation	14,002	34,038	26,163	28,780	23,107	22,740	24,485	21,118	35,525	37,784	50,334	49,585	102,983	91,450	173,228
Profit sharing expense	(37,605)	127,220	90,152	177,307	144,324	58,059	137,296	175,394	(12,277)	70,545	63,059	(179,160)	357,074	515,073	(57,833)
Total Compensation and Benefits	73,631	261,446	208,906	305,204	269,044	186,344	270,634	309,383	139,074	223,404	226,115	(13,594)	849,187	1,035,405	574,999
Interest expense	7,873	9,800	12,832	12,977	12,999	13,195	13,303	13,376	13,797	15,162	15,209	15,206	43,482	52,873	59,374
General, administrative and other	58,631	70,088	58,566	59,715	62,040	59,729	68,149	67,940	61,677	62,517	70,657	71,593	247,000	257,858	266,444
Placement fees	1,764	2,064	1,953	20,468	1,905	5,258	5,397	1,353	327	311	746	738	26,249	13,913	2,122
Total Expenses	141,899	343,398	282,257	398,364	345,988	264,526	357,483	392,052	214,875	301,394	312,727	73,943	1,165,918	1,360,049	902,939
Other Income (Loss):															
Net gains (losses) from investment activities	(56,469)	89,010	17,746	89,434	34,517	(513)	68,932	(7,832)	(67,133)	(67,505)	155,283	(207,094)	139,721	95,104	(186,449)
Net gains (losses) from investment activities of consolidated variable interest entities	1,319	698	800	2,198	4,108	6,132	845	(420)	6,532	9,213	13,001	16,366	5,015	10,665	45,112
Interest income	585	1,296	1,192	999	803	622	1,504	3,492	3,559	4,547	5,411	7,137	4,072	6,421	20,654
Other income (loss), net	(253)	778	(40)	4,077	18,647	742	25,387	200,864	4,246	(5,443)	3,085	33,941	4,562	245,640	35,829
Total Other Income (Loss)	(54,818)	91,782	19,698	96,708	58,075	6,983	96,668	196,104	(52,796)	(59,188)	176,780	(149,650)	153,370	357,830	(84,854)
Income (loss) before income tax provision	(79,708)	453,791	264,385	422,546	394,191	192,165	450,905	732,323	(100,768)	162,734	381,784	(338,478)	1,061,014	1,769,584	105,272
Income tax (provision) benefit	5,147	(37,988)	(29,667)	(28,199)	(39,161)	777	(16,542)	(271,019)	(8,580)	(18,924)	(19,092)	(39,425)	(90,707)	(325,945)	(86,021)
Net Income (Loss)	(74,561)	415,803	234,718	394,347	355,030	192,942	434,363	461,304	(109,348)	143,810	362,692	(377,903)	970,307	1,443,639	19,251
Net (income) loss attributable to Non-Controlling Interests	41,733	(241,711)	(140,099)	(227,380)	(209,834)	(101,262)	(231,411)	(272,028)	51,086	(80,200)	(191,171)	190,658	(567,457)	(814,535)	(29,627)
Net Income (Loss) Attributable to Apollo Global Management, LLC	(32,828)	174,092	94,619	166,967	145,196	91,680	202,952	189,276	(58,262)	63,610	171,521	(187,245)	402,850	629,104	(10,376)
Net income attributable to Series A Preferred Shareholders	-	-	-	-	-	(4,772)	(4,383)	(4,383)	(4,383)	(4,383)	(4,383)	(4,382)	-	(13,538)	(17,531)
Net income attributable to Series B Preferred Shareholders	-	-	-	-	-	-	-	-	-	(4,569)	(4,781)	(4,781)	-	-	(14,131)
Net Income (Loss) Attributable to Apollo Global Management, LLC Class A Shareholders	(\$32,828)	\$174,092	\$94,619	\$166,967	\$145,196	\$86,908	\$198,569	\$184,893	(\$62,645)	\$54,658	\$162,357	(\$196,408)	\$402,850	\$615,566	(\$42,038)
Distributions Declared and Paid per Class A Share	\$0.28	\$0.25	\$0.37	\$0.35	\$0.45	\$0.49	\$0.52	\$0.39	\$0.66	\$0.38	\$0.43	\$0.46	\$1.25	\$1.85	\$1.93
Net Income (Loss) Per Class A Share:															
Net Income (Loss) Available to Class A Share – Basic	(\$0.19)	\$0.91	\$0.50	\$0.87	\$0.75	\$0.44	\$1.00	\$0.92	(\$0.34)	\$0.25	\$0.77	(\$1.00)	\$2.11	\$3.12	(\$0.30)
Net Income (Loss) Available to Class A Share – Diluted	(\$0.19)	\$0.91	\$0.50	\$0.87	\$0.75	\$0.44	\$1.00	\$0.92	(\$0.34)	\$0.25	\$0.77	(\$1.00)	\$2.11	\$3.10	(\$0.30)
Weighted Average Number of Class A Shares Outstanding – Basic	182,665,330	183,695,920	184,438,515	185,146,949	186,537,367	190,591,756	192,882,082	193,609,614	198,432,603	200,711,475	200,347,996	200,269,856	183,998,080	190,931,743	199,946,632
Weighted Average Number of Class A Shares Outstanding – Diluted	182,665,330	183,695,920	184,438,515	185,146,949	186,537,367	190,591,756	192,882,082	193,609,614	198,432,603	200,711,475	200,347,996	200,269,856	183,998,080	192,581,693	199,946,632

Reconciliation of GAAP to Non-GAAP Measures

(\$ in thousands)	1Q'16	2Q'16	3Q'16	4Q'16	1Q'17	2Q'17	3Q'17	4Q'17	1Q'18	2Q'18	3Q'18	4Q'18	FY'16	FY'17	FY'18
Net Income (Loss) Attributable to AGM Class A Shareholders	(\$32,828)	\$174,092	\$94,619	\$166,967	\$145,196	\$86,908	\$198,569	\$184,893	(\$62,645)	\$54,658	\$162,357	(\$196,408)	\$402,850	\$615,566	(\$42,038)
Preferred distributions	-	-	-	-	-	4,772	4,383	4,383	4,383	8,952	9,164	9,163	-	13,538	31,662
Net income (loss) attributable to Non-Controlling Interests in consolidated entities	2,035	2,078	(222)	1,898	3,384	4,535	1,048	(76)	5,979	8,716	11,340	5,613	5,789	8,891	31,648
Net income (loss) attributable to Non-Controlling Interests in the Apollo Operating Group	(43,768)	239,633	140,321	225,482	206,450	96,727	230,363	272,104	(57,065)	71,484	179,831	(196,271)	561,668	805,644	(2,021)
GAAP Net Income (Loss)	(\$74,561)	\$415,803	\$234,718	\$394,347	\$355,030	\$192,942	\$434,363	\$461,304	(\$109,348)	\$143,810	\$362,692	(\$377,903)	\$970,307	\$1,443,639	\$19,251
Income tax provision (benefit)	(5,147)	37,988	29,667	28,199	39,161	(777)	16,542	271,019	8,580	18,924	19,092	39,425	90,707	325,945	86,021
GAAP Income (Loss) Before Income Tax Provision (Benefit)	(\$79,708)	\$453,791	\$264,385	\$422,546	\$394,191	\$192,165	\$450,905	\$732,323	(\$100,768)	\$162,734	\$381,784	(\$338,478)	\$1,061,014	\$1,769,584	\$105,272
Transaction related charges ¹	(264)	7,304	16,570	31,692	(812)	3,087	8,514	6,707	1,852	(6,905)	1,253	(1,831)	55,302	17,496	(5,631)
Gain from remeasurement of tax receivable agreement liability	-	-	-	-	-	-	-	(200,240)	-	-	-	(35,405)	-	(200,240)	(35,405)
Net (income) loss attributable to Non-Controlling Interests in consolidated entities	(2,035)	(2,078)	222	(1,898)	(3,384)	(4,535)	(1,048)	76	(5,979)	(8,716)	(11,340)	(5,613)	(5,789)	(8,891)	(31,648)
Unrealized performance fees ²	170,891	(286,505)	(167,484)	(227,901)	(172,545)	70,525	(285,599)	(300,946)	250,541	(20,619)	(26,447)	579,413	(510,999)	(688,565)	782,888
Unrealized profit sharing expense ²	(67,682)	100,836	56,475	90,228	59,265	(22,126)	94,446	94,734	(76,388)	9,125	8,903	(216,452)	179,857	226,319	(274,812)
Equity-based profit sharing expense and other ³	214	204	1,549	1,160	1,136	1,578	2,475	1,791	14,564	17,850	26,085	32,552	3,127	6,980	91,051
Equity-based compensation	16,623	15,635	16,076	14,747	15,896	17,032	15,909	16,117	17,435	16,028	17,668	17,098	63,081	64,954	68,229
Unrealized principal investment (income) loss	8,208	(37,815)	(19,152)	(16,642)	(20,778)	(3,561)	(37,675)	(32,695)	35,997	(3,419)	49	29,470	(65,401)	(94,709)	62,097
Unrealized net (gains) losses from investment activities and other	55,927	(89,573)	(18,440)	(90,102)	(35,877)	1,019	(68,621)	7,374	66,910	72,451	(155,710)	207,787	(142,188)	(96,105)	191,438
Segment Distributable Earnings	\$102,174	\$161,799	\$150,201	\$223,830	\$237,092	\$255,184	\$179,306	\$325,241	\$204,164	\$238,529	\$242,245	\$268,541	\$638,004	\$996,823	\$953,479
Taxes and related payables	(2,273)	(2,968)	(4,105)	(289)	(6,348)	(6,724)	(7,272)	(5,993)	(11,198)	(13,838)	(9,734)	(9,445)	(9,635)	(26,337)	(44,215)
Preferred distributions	-	-	-	-	-	(4,772)	(4,383)	(4,383)	(4,383)	(8,952)	(9,164)	(9,163)	-	(13,538)	(31,662)
Distributable Earnings	\$99,901	\$158,831	\$146,096	\$223,541	\$230,744	\$243,688	\$167,651	\$314,865	\$188,583	\$215,739	\$223,347	\$249,933	\$628,369	\$956,948	\$877,602
Preferred distributions	-	-	-	-	-	4,772	4,383	4,383	4,383	8,952	9,164	9,163	-	13,538	31,662
Taxes and related payables	2,273	2,968	4,105	289	6,348	6,724	7,272	5,993	11,198	13,838	9,734	9,445	9,635	26,337	44,215
Realized performance fees	(41,006)	(35,688)	(33,536)	(141,716)	(185,735)	(193,054)	(54,802)	(197,768)	(122,302)	(114,474)	(93,031)	(50,381)	(251,946)	(631,359)	(380,188)
Realized profit sharing expense	34,189	23,897	20,316	58,391	88,723	79,083	35,673	75,359	63,647	69,810	54,180	37,992	136,793	278,838	225,629
Realized principal investment income	(4,349)	(6,891)	(3,767)	(22,173)	(18,436)	(13,658)	(10,339)	(25,809)	(23,393)	(19,373)	(17,787)	(9,158)	(37,180)	(68,242)	(69,711)
Net interest loss and other	7,796	10,005	13,269	13,133	12,831	12,909	12,351	10,262	10,783	11,179	11,451	8,617	44,203	48,353	42,030
Fee Related Earnings	\$98,804	\$153,122	\$146,483	\$131,465	\$134,475	\$140,464	\$162,189	\$187,285	\$132,899	\$185,671	\$197,058	\$255,611	\$529,874	\$624,413	\$771,239

1. Transaction-related charges include equity-based compensation charges, the amortization of intangible assets, contingent consideration and certain other charges associated with acquisitions.
2. 1Q'18 and FY'18 includes realized performance fees and realized profit sharing expense settled in the form of shares of Athene Holding.
3. Equity-based profit sharing expense and other includes certain profit sharing arrangements in which a portion of performance fees distributed to the general partner are allocated by issuance of equity-based awards, rather than cash, to employees of Apollo. Equity-based profit sharing expense and other also includes non-cash expenses related to equity awards granted by unconsolidated related parties to employees of Apollo.

Reconciliation of GAAP Net Income Per Class A Share to Non-GAAP Per Share Measures

(\$ in thousands, except share data)	1Q'16	2Q'16	3Q'16	4Q'16	1Q'17	2Q'17	3Q'17	4Q'17	1Q'18	2Q'18	3Q'18	4Q'18	FY'16	FY'17	FY'18
Net Income (Loss) Attributable to AGM Class A Shareholders	(\$32,828)	\$174,092	\$94,619	\$166,967	\$145,196	\$86,908	\$198,569	\$184,893	(\$62,645)	\$54,658	\$162,357	(\$196,408)	\$402,850	\$615,566	(\$42,038)
Distributions declared and paid on Class A shares	(51,432)	(46,014)	(68,356)	(64,911)	(84,215)	(94,451)	(100,641)	(75,571)	(133,023)	(76,602)	(86,468)	(92,651)	(230,713)	(354,878)	(388,744)
Distribution on participating securities	(2,123)	(1,766)	(2,404)	(2,103)	(2,859)	(3,295)	(3,265)	(2,403)	(5,384)	(4,153)	(4,150)	(4,432)	(8,396)	(11,822)	(18,119)
Earnings allocable to participating securities	-	(4,959)	(849)	(3,337)	(2,264)	-	(3,218)	(3,599)	-	-	(3,633)	-	(6,430)	(8,828)	-
Undistributed income (loss) attributable to Class A shareholders: Basic	(86,383)	121,353	23,010	96,616	55,858	(10,838)	91,445	103,320	(201,052)	(26,097)	68,106	(293,491)	157,311	240,038	(448,901)
GAAP weighted average number of Class A shares outstanding: Basic	182,665,330	183,695,920	184,438,515	185,146,949	186,537,367	190,591,756	192,882,082	193,609,614	198,432,603	200,711,475	200,347,996	200,269,856	183,998,080	190,931,743	199,946,632
GAAP Net Income (Loss) per Class A Share under the Two-Class Method: Basic	(\$0.19)	\$0.91	\$0.50	\$0.87	\$0.75	\$0.44	\$1.00	\$0.92	(\$0.34)	\$0.25	\$0.77	(\$1.00)	\$2.11	\$3.12	(\$0.30)
Distributed Income	\$0.28	\$0.25	\$0.37	\$0.35	\$0.45	\$0.49	\$0.52	\$0.39	\$0.66	\$0.38	\$0.43	\$0.46	\$1.25	\$1.85	\$1.93
Undistributed Income (Loss)	(\$0.47)	\$0.66	\$0.13	\$0.52	\$0.30	(\$0.05)	\$0.48	\$0.53	(\$1.00)	(\$0.13)	\$0.34	(\$1.46)	\$0.86	\$1.27	(\$2.23)
Net Income (Loss) Attributable to AGM Class A Shareholders	(\$32,828)	\$174,092	\$94,619	\$166,967	\$145,196	\$86,908	\$198,569	\$184,893	(\$62,645)	\$54,658	\$162,357	(\$196,408)	\$402,850	\$615,566	(\$42,038)
Net Income (Loss) Attributable to AGM Class A Shareholders to Income (Loss) Before Income Tax (Provision) Benefit Differences ¹	(46,880)	279,699	169,766	255,579	248,995	105,257	252,336	547,430	(38,123)	108,076	219,427	(142,070)	658,164	1,154,018	147,310
Income (Loss) Before Income Tax (Provision) Benefit	(\$79,708)	\$453,791	\$264,385	\$422,546	\$394,191	\$192,165	\$450,905	\$732,323	(\$100,768)	\$162,734	\$381,784	(\$338,478)	\$1,061,014	\$1,769,584	\$105,272
Income (Loss) Before Income Tax (Provision) Benefit to Segment Distributable Earnings Differences ¹	181,882	(291,992)	(114,184)	(198,716)	(157,099)	63,019	(271,599)	(407,082)	304,932	75,795	(139,539)	607,019	(423,010)	(772,761)	848,207
Segment Distributable Earnings	\$102,174	\$161,799	\$150,201	\$223,830	\$237,092	\$255,184	\$179,306	\$325,241	\$204,164	\$238,529	\$242,245	\$268,541	\$638,004	\$996,823	\$953,479
Taxes and Related Payables	(2,273)	(2,968)	(4,105)	(289)	(6,348)	(6,724)	(7,272)	(5,993)	(11,198)	(13,838)	(9,734)	(9,445)	(9,635)	(26,337)	(44,215)
Preferred distributions	-	-	-	-	-	(4,772)	(4,383)	(4,383)	(4,383)	(8,952)	(9,164)	(9,163)	-	(13,538)	(31,662)
Distributable Earnings	\$99,901	\$158,831	\$146,096	\$223,541	\$230,744	\$243,688	\$167,651	\$314,865	\$188,583	\$215,739	\$223,347	\$249,933	\$628,369	\$956,948	\$877,602
Distributable Earnings Shares Outstanding	407,447,658	407,343,429	407,212,090	409,974,049	409,150,111	409,441,046	409,232,208	409,373,371	412,456,787	413,498,890	413,514,496	413,509,322	409,974,049	409,373,371	413,509,322
Distributable Earnings per Share	\$0.25	\$0.39	\$0.36	\$0.55	\$0.56	\$0.60	\$0.41	\$0.77	\$0.46	\$0.52	\$0.54	\$0.60	\$1.53	\$2.34	\$2.12
Distributable Earnings to Fee Related Earnings Differences ¹	(1,097)	(5,709)	387	(92,076)	(96,269)	(103,224)	(5,462)	(127,580)	(55,684)	(30,068)	(26,289)	5,678	(98,495)	(332,535)	(106,363)
Fee Related Earnings	\$98,804	\$153,122	\$146,483	\$131,465	\$134,475	\$140,464	\$162,189	\$187,285	\$132,899	\$185,671	\$197,058	\$255,611	\$529,874	\$624,413	\$771,239
Distributable Earnings Shares Outstanding	407,447,658	407,343,429	407,212,090	409,974,049	409,150,111	409,441,046	409,232,208	409,373,371	412,456,787	413,498,890	413,514,496	413,509,322	409,974,049	409,373,371	413,509,322
Fee Related Earnings per Share	\$0.24	\$0.38	\$0.36	\$0.32	\$0.33	\$0.34	\$0.40	\$0.46	\$0.32	\$0.45	\$0.48	\$0.62	\$1.29	\$1.53	\$1.87

1. See page 11 for reconciliation of Net Income (Loss) Attributable to Apollo Global Management, LLC Class A Shareholders, Income (Loss) Before Income Tax (Provision) Benefit, Distributable Earnings and Fee Related Earnings.

Definitions

- **“Segment Distributable Earnings”, or “Segment DE”,** is the key performance measure used by management in evaluating the performance of Apollo’s credit, private equity and real assets segments. Management uses Segment DE to make key operating decisions such as the following:
 - Decisions related to the allocation of resources such as staffing decisions including hiring and locations for deployment of the new hires;
 - Decisions related to capital deployment such as providing capital to facilitate growth for the business and/or to facilitate expansion into new businesses;
 - Decisions related to expenses, such as determining annual discretionary bonuses and equity-based compensation awards to its employees. With respect to compensation, management seeks to align the interests of certain professionals and selected other individuals with those of the investors in the funds and those of Apollo’s shareholders by providing such individuals a profit sharing interest in the performance fees earned in relation to the funds. To achieve that objective, a certain amount of compensation is based on Apollo’s performance and growth for the year; and
 - Decisions related to the amount of earnings available for distribution to Class A shareholders, holders of RSUs that participate in distributions and holders of AOG Units.

Segment DE is the sum of (i) total management fees and advisory and transaction fees, (ii) other income (loss), (iii) realized performance fees, excluding realizations received in the form of shares and (iv) realized investment income, less (x) compensation expense, excluding the expense related to equity-based awards, (y) realized profit sharing expense, and (z) non-compensation expenses. Segment DE represents the amount of Apollo’s net realized earnings, excluding the effects of the consolidation of any of the related funds, Taxes and Related Payables, transaction-related charges and any acquisitions. Transaction-related charges includes equity-based compensation charges, the amortization of intangible assets, contingent consideration and certain other charges associated with acquisitions. In addition, Segment DE excludes non-cash revenue and expense related to equity awards granted by unconsolidated related parties to employees of the Company, compensation and administrative related expense reimbursements, as well as the assets, liabilities and operating results of the funds and variable interest entities (“VIEs”) that are included in the consolidated financial statements.

- **“Distributable Earnings” or “DE”** represents Segment DE less estimated current corporate, local and non-U.S. taxes as well as the current payable under Apollo’s tax receivable agreement. DE is net of preferred distributions, if any, to Series A and Series B Preferred shareholders. DE excludes the impacts of the remeasurement of the tax receivable agreement resulting from changes in the associated deferred tax balance, including the impacts related to the Tax Cuts & Jobs Act enacted on December 22, 2017 (the “TCJA”) and changes in estimated future tax rates. Management believes that excluding the remeasurement of the tax receivable agreement and deferred taxes from Segment DE and DE, respectively, is meaningful as it increases comparability between periods. Remeasurement of the tax receivable agreement and deferred taxes are estimates and may change due to changes in interpretations and assumptions of tax legislation.
- **“Fee Related Earnings”, or “FRE”,** is derived from our segment reported results and refers to a component of DE that is used as a supplemental performance measure to assess whether revenues that we believe are generally more stable and predictable in nature, primarily consisting of management fees, are sufficient to cover associated operating expenses and generate profits. FRE is the sum across all segments of (i) management fees, (ii) advisory and transaction fees, (iii) performance fees earned from business development companies and Redding Ridge Holdings and (iv) other income, net, less (x) salary, bonus and benefits, excluding equity-based compensation (y) other associated operating expenses and (z) non-controlling interests in the management companies of certain funds the Company manages.

Presentation of AUM

AUM by Segment

(\$ in millions)	As of December 31, 2016				As of December 31, 2017				As of December 31, 2018			
	AUM	FG AUM	PFE AUM	PFG AUM	AUM	FG AUM	PFE AUM	PFG AUM	AUM	FG AUM	PFE AUM	PFG AUM
Total Credit	\$117,472	\$98,744	\$37,685	\$29,078	\$144,807	\$116,352	\$41,888	\$22,366	\$174,378	\$144,071	\$49,914	\$23,574
Total Private Equity	52,361	35,296	42,908	22,636	80,694	34,063	67,148	27,958	75,086	46,633	62,573	22,974
Total Real Assets	21,855	16,758	8,312	3,889	23,427	18,550	9,021	2,959	30,795	23,663	9,340	2,019
Total	\$191,688	\$150,798	\$88,905	\$55,603	\$248,928	\$168,965	\$118,057	\$53,283	\$280,259	\$214,367	\$121,827	\$48,567

AUM by Strategy

Credit

(\$ in millions)	As of December 31,		
Category	2016	2017	2018
Corporate Credit	\$61,023	\$74,310	\$98,188
Structured Credit	28,200	35,397	42,693
Direct Origination	11,645	13,297	16,715
Advisory and Other	16,604	21,803	16,782
Total Credit	\$117,472	\$144,807	\$174,378

Private Equity

(\$ in millions)	As of December 31,		
Category	2016	2017	2018
Traditional Private Equity	\$37,997	\$67,567	\$60,680
Hybrid Capital	8,409	7,916	8,886
Natural Resources	5,955	5,211	5,520
Total Private Equity	\$52,361	\$80,694	\$75,086

Real Assets

(\$ in millions)	As of December 31,		
Category	2016	2017	2018
Real Estate	\$14,739	\$14,804	\$21,971
Principal Finance	7,116	8,157	7,050
Infrastructure	-	466	1,774
Total Real Assets	\$21,855	\$23,427	\$30,795

Please refer to the definitions of Assets Under Management on page 16 of this presentation.

Assets Under Management Definitions

- **“Assets Under Management”, or “AUM”,** refers to the assets of the funds, partnerships and accounts to which we provide investment management, advisory, or certain other investment-related services, including, without limitation, capital that such funds, partnerships and accounts have the right to call from investors pursuant to capital commitments. Our AUM equals the sum of:
 - i. the fair value of the investments of the private equity funds, partnerships and accounts we manage or advise plus the capital that such funds, partnerships and accounts are entitled call from investors pursuant to capital commitments;
 - ii. the net asset value, or “NAV,” of the credit funds, partnerships and accounts for which we provide investment management or advisory services, other than certain collateralized loan obligations (“CLOs”) and collateralized debt obligations (“CDOs”), which have a fee-generating basis other than the mark-to-market value of the underlying assets, plus used or available leverage and/or capital commitments;
 - iii. the gross asset value or net asset value of the real assets funds, partnerships and accounts we manage, and the structured portfolio company investments of the funds, partnerships and accounts we manage or advise, which includes the leverage used by such structured portfolio company investments;
 - iv. the incremental value associated with the reinsurance investments of the portfolio company assets we manage or advise; and
 - v. the fair value of any other assets that we manage or advise for the funds, partnerships and accounts to which we provide investment management, advisory, or certain other investment-related services, plus unused credit facilities, including capital commitments to such funds, partnerships and accounts for investments that may require pre-qualification or other conditions before investment plus any other capital commitments to such funds, partnerships and accounts available for investment that are not otherwise included in the clauses above.
- Our AUM measure includes Assets Under Management for which we charge either nominal or zero fees. Our AUM measure also includes assets for which we do not have investment discretion, including certain assets for which we earn only investment-related service fees, rather than management or advisory fees. Our definition of AUM is not based on any definition of Assets Under Management contained in our operating agreement or in any of our Apollo fund management agreements. We consider multiple factors for determining what should be included in our definition of AUM. Such factors include but are not limited to (1) our ability to influence the investment decisions for existing and available assets; (2) our ability to generate income from the underlying assets in our funds; and (3) the AUM measures that we use internally or believe are used by other investment managers. Given the differences in the investment strategies and structures among other alternative investment managers, our calculation of AUM may differ from the calculations employed by other investment managers and, as a result, this measure may not be directly comparable to similar measures presented by other investment managers. Our calculation also differs from the manner in which our affiliates registered with the SEC report “Regulatory Assets Under Management” on Form ADV and Form PF in various ways.
- We use AUM, Capital Deployed and Dry Powder as performance measurements of our investment activities, as well as to monitor fund size in relation to professional resource and infrastructure needs.
- **“Fee-Generating AUM”, or “FG AUM”** consists of assets of the funds, partnerships and accounts to which we provide investment management, advisory, or certain other investment-related services and on which we earn management fees, monitoring fees or other investment-related fees pursuant to management or other fee agreements on a basis that varies among the Apollo funds, partnerships and accounts. Management fees are normally based on “net asset value,” “gross assets,” “adjusted par asset value,” “adjusted cost of all unrealized portfolio investments,” “capital commitments,” “adjusted assets,” “stockholders’ equity,” “invested capital” or “capital contributions,” each as defined in the applicable management agreement. Monitoring fees, also referred to as advisory fees, with respect to the structured portfolio company investments of the funds, partnerships and accounts we manage or advise, are generally based on the total value of such structured portfolio company investments, which normally includes leverage, less any portion of such total value that is already considered in Fee-Generating AUM.
- **“Performance Fee-Eligible AUM”, or “PFE AUM”** refers to the AUM that may eventually produce performance fees. All funds for which we are entitled to receive a performance fee allocation or incentive fee are included in Performance Fee-Eligible AUM.
- **“Performance Fee-Generating AUM”, or “PFG AUM”,** which refers to invested capital of the funds, partnerships and accounts we manage, advise, or to which we provide certain other investment-related services, that is currently above its hurdle rate or preferred return, and profit of such funds, partnerships and accounts is being allocated to, or earned by, the general partner in accordance with the applicable limited partnership agreements or other governing agreements.