

A P O L L O

Deutsche Bank Global Financial Services Conference
May 31, 2016

Information contained herein is as of March 31, 2016 unless otherwise noted. Not for distribution in whole or in part without the express consent of Apollo Global Management, LLC.
It should not be assumed that investments made in the future will be profitable or will equal the performance of the investments in this document.

This presentation is confidential and may not be distributed, transmitted or otherwise communicated to others, in whole or in part, without the express consent of Apollo Global Management, LLC or any of its affiliates ("Apollo"). Recipients of this presentation (and their representatives) may disclose to any and all persons, without limitation of any kind, (i) the tax treatment and tax structure of the private investment funds discussed herein (the "Funds") and (ii) any of their transactions, and all materials of any kind (including opinions and other tax analyses) relating to such tax treatment and tax structure. This presentation does not constitute an offer to sell, or the solicitation of an offer to buy, any security, product or service, including interests in the Funds. Offers for interests in the Funds can be made only by each Fund's Confidential Private Placement Memorandum (the "PPM"), which will contain additional information about the applicable Fund, and in compliance with applicable law. Accordingly, the terms and provisions with respect to the Funds in their final form may differ materially from the information set forth herein. Prospective investors must read the applicable final PPM which will contain additional information about an investment in the relevant Fund. Distribution may be restricted in certain jurisdictions.

Unless otherwise noted, information included herein is presented as of the dates indicated and may differ from the terms and provisions respecting an investment in the Funds which will be more fully set forth in the PPM and the applicable corresponding limited partnership agreements or such other applicable constituent governing documentation of the Funds. This presentation is not complete and the information contained herein may change at any time without notice. Apollo does not have any responsibility to update the presentation to account for such changes.

Apollo makes no representation or warranty, expressed or implied, with respect to the accuracy, reasonableness, or completeness of any of the information contained herein, including, but not limited to, information obtained from third parties.

Apollo does not act for you and is not responsible for providing you with protections afforded its clients. The information contained herein is not intended to provide, and should not be relied upon for, accounting, legal or tax advice or investment recommendations. Investors should make an independent investigation of the investment described herein, including consulting their tax, legal, accounting or other advisors, about the matters discussed herein.

Information contained herein may include information respecting prior investment performance of one or more Funds or investments including gross and/or net internal rates of return ("IRRs"). Information respecting prior performance, while a useful tool in evaluating each Fund's investment activities, is not necessarily indicative of actual results that may be achieved for unrealized investments. The realization of such performance is dependent upon many factors, many of which are beyond the control of Apollo. Further, there can be no assurance that the indicated valuations for unrealized investments accurately reflect the amounts for which the subject investments could be sold. Unless otherwise noted, all IRR amounts described herein are calculated as of the dates indicated. "Gross IRR" of each Fund represents the cumulative investment-related cash flows for all of the investors in the applicable Fund on the basis of the actual timing of investment inflows and outflows (for unrealized investment assuming disposition of the respective "as of" dates referenced) aggregated on a gross basis quarterly, and the return is annualized and compounded before management fees, carried interest and certain other Fund expenses (including interest incurred by the Fund itself) and measures the returns on each fund's investments as a whole without regard to whether all of the returns would, if distributed, be payable to each Fund's investors. "Net IRR" of the Fund means the Gross IRR applicable to all investors, including related parties which may not pay fees, net of management fees, organizational expenses, transaction costs, and certain other Fund expenses (including interest incurred by the Fund itself) and realized carried interest all offset to the extent of interest income, and measures returns based on amounts that, if distributed, would be paid to investors of the Fund; to the extent that an Apollo private equity Fund exceeds all requirements detailed within the applicable Fund agreement, the estimated unrealized value is adjusted such that a portion of the unrealized gain is allocated to the general partner, thereby reducing the balance attributable to Fund investors.

The multiple of invested capital ("MOIC") is derived from dividing the sum of the estimated remaining value and realized proceeds by the amount invested, except where otherwise specified. The MOIC is presented gross and does not reflect the effect of management fees, incentive compensation, certain expenses or taxes.

References to EBITDA in the attached presentation should not be construed as a substitute for income from operations, net income or cash flow from operating activities (as determined in accordance with GAAP) for the purpose of analyzing operating performance, financial position and cash flows. To the extent applicable, reference is made to the subject portfolio company's publicly available reports and filings with the Securities and Exchange Commission.

Investing in a Fund is speculative and involves a substantial degree of risk. Risks include, but are not limited to, the fact that each of the Funds has or may have: a limited or no operating history; volatile performance; leverage use; limited liquidity with no secondary market expected and restrictions on transferring interests; high fees and expenses; and a dependence on Apollo, which will have exclusive authority to select and manage a Fund's investments. Prospective investors should carefully consider all risks described in the applicable PPM in determining whether an investment in a Fund is suitable. There can be no assurance that the investment objectives described herein will be achieved. Nothing herein is intended to imply that a Fund's investment methodology may be considered "conservative", "safe", "risk free", or "risk averse". Economic, market and other conditions could also cause a Fund to alter its investment objectives, guidelines and restrictions. Investment losses may occur."

"Case studies" have been provided for discussion purposes only and are no guarantee of future results or that such investment opportunities will become available to the Fund(s).

Certain information contained herein may be "forward-looking" in nature. Due to various risks and uncertainties, actual events or results or the actual performance of the Fund may differ materially from those reflected or contemplated in such forward-looking information. As such, undue reliance should not be placed on such information. Forward-looking statements may be identified by the use of terminology including, but not limited to, "may", "will", "should", "expect", "anticipate", "target", "project", "estimate", "intend", "continue" or "believe" or the negatives thereof or other variations thereon or comparable terminology.

Employees of public sector entities may be prohibited or restricted in their ability to accept the gifts provided at this meeting under relevant state or local laws, policies, or rules regulating the acceptance of gifts and entertainment. Please do not accept the gifts provided at this meeting if you are prohibited from doing so under relevant legal and regulatory requirements. Please contact Apollo representatives if you have any questions about the cost of any of the gifts.

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

Certain information contained herein may be "forward-looking" in nature. Due to various risks and uncertainties, actual events or results or the actual performance of a Fund may differ materially from those reflected or contemplated in such forward-looking information. As such, undue reliance should not be placed on such information. Forward-looking statements may be identified by the use of terminology including, but not limited to, "may", "will", "should", "expect", "anticipate", "target", "project", "estimate", "intend", "continue" or "believe" or the negatives thereof or other variations thereon or comparable terminology.

Target IRR and returns are presented gross and does not reflect the effect of management fees, incentive compensation, certain expenses or taxes. The target IRR and returns presented are not a prediction, projection or guarantee of future performance. The target IRR and returns were calculated based on certain assumptions, which include recent performance data and current market conditions. Apollo gives no assurance that targeted returns will be achieved or that the methodology and assumptions used to estimate such returns are reasonable.

Index performance and yield data are shown for illustrative purposes only and have limitations when used for comparison or for other purposes due to, among other matters, volatility, credit or other factors (such as number and types of securities). It may not be possible to directly invest in one or more of these indices and the holdings of any Apollo fund may differ markedly from the holdings of any such index in terms of levels of diversification, types of securities or assets represented and other significant factors. Indices are unmanaged, do not charge any fees or expenses, assume reinvestment of income and do not employ special investment techniques such as leveraging or short selling. No such index is indicative of the future results of any Apollo Fund.

Additional information may be available upon request.

APOLLO

Firm Profile⁽¹⁾

Founded:	1990
AUM:	\$173bn
Employees:	928
Inv. Professionals:	354
Global Offices:	15

Business Segments

Private Equity

\$38bn AUM

- Opportunistic buyouts
- Distressed buyouts and debt investments
- Corporate carve-outs

Credit

\$124bn AUM

- Drawdown
- Liquid / Performing
- Permanent Capital Vehicles:
 - Athene / Athene Germany
 - MidCap
 - Apollo Investment Corporation
 - Closed-End Funds

Real Estate

\$11bn AUM

- Residential and commercial
- Global private equity and distressed debt investments
- Performing fixed income (CMBS, CRE Loans)

Investment Approach

Value-oriented

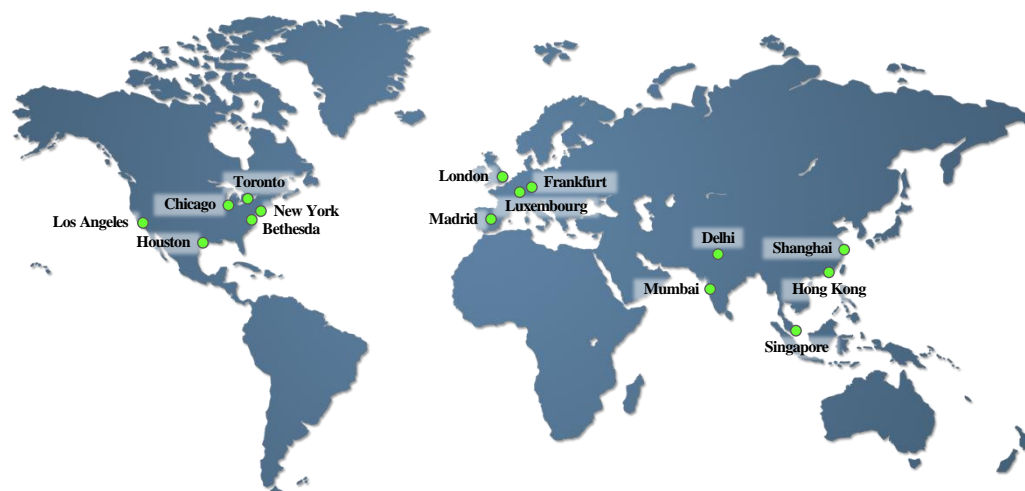
Contrarian

Integrated investment platform

Opportunistic across market cycles and capital structures

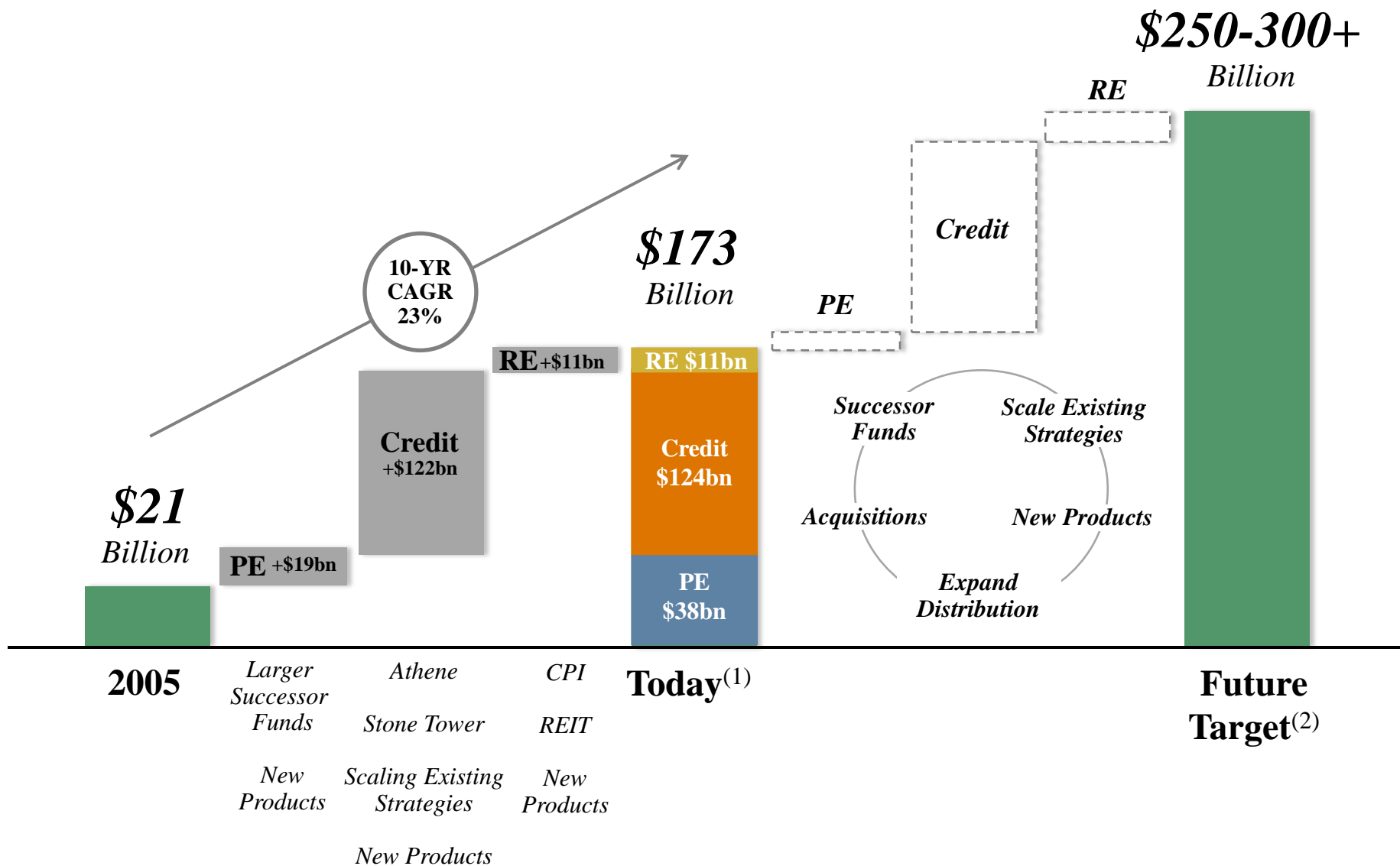
Focus on nine core industries

Global Footprint



APOLLO

Our stair step growth has been driven by Credit and we believe this trend is likely to continue



(1) "Today" AUM as of March 31, 2016. AUM components may not sum due to rounding.

(2) *The projected AUM target represents estimates from Apollo based on current market conditions and potential future conditions. There can be no assurance such events will ultimately occur.*

Apollo / Industry Outperformance Is Still Not Fairly Valued

APOLLO

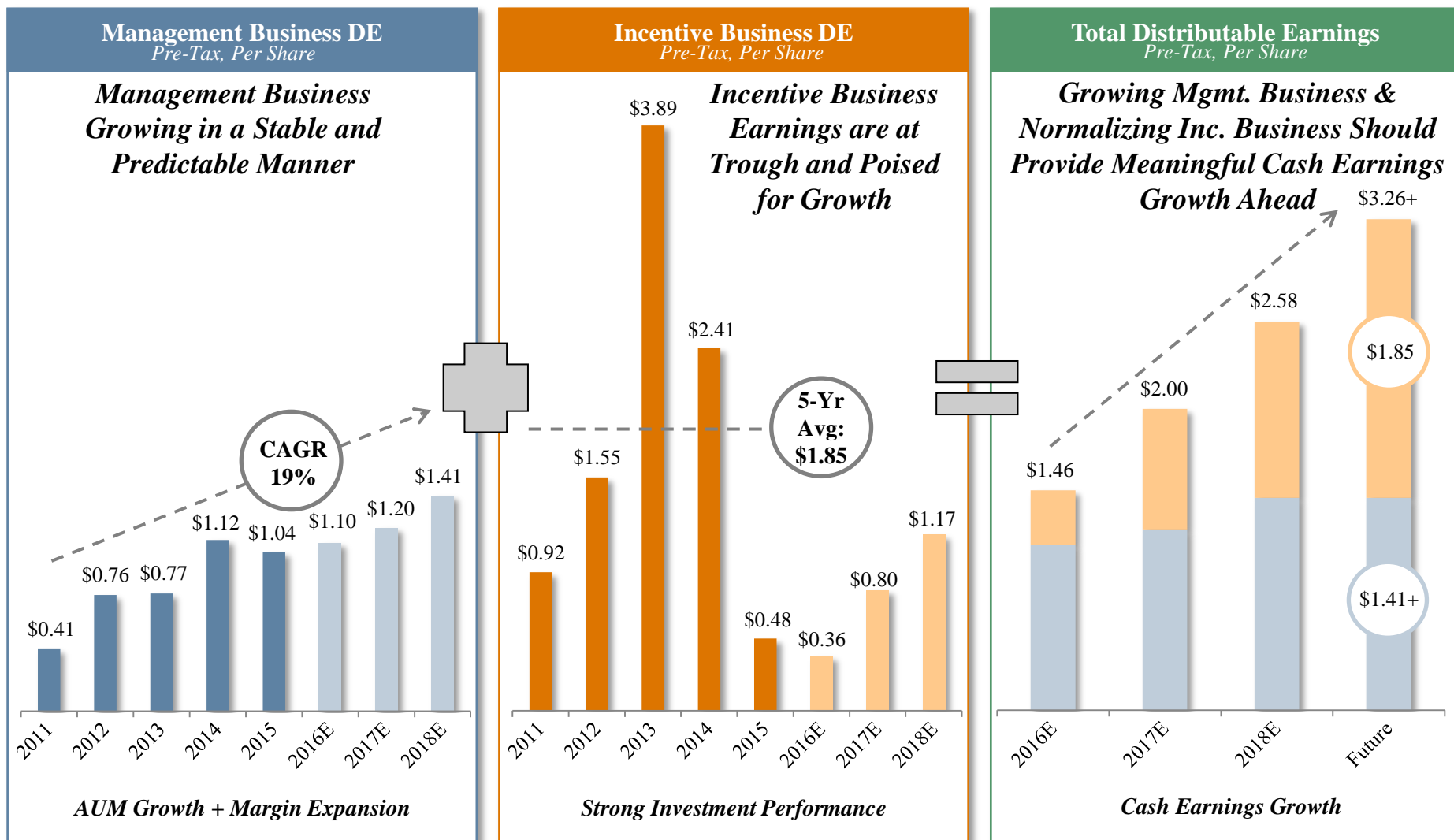
	S&P 500	Traditional Mgrs ⁽⁶⁾	Alt Asset Mgrs ⁽⁷⁾	APO
AUM CAGR ⁽¹⁾	-	5%	13%	20%
Mgmt. Revenue CAGR ⁽²⁾	3%	5%	13%	13%
Mgmt. Business / Operating Margin ⁽³⁾	12%	31%	22%	36%
Dividend Yield (2017E) ⁽⁴⁾	2%	4%	8%	10%
Cumulative Cash Returns ⁽⁵⁾	9%	18%	42%	62%
P/E Multiple (2017E) ⁽⁶⁾	16x	14x	9x	8x

(1) Represents growth of total assets under management from 3/31/11 to 3/31/16. (2) Represents growth of total management revenue and transaction/advisory fees for APO and alternative asset managers, and total revenue for S&P and traditional asset managers. Figures reflect CAGR from 2011 to 2015. (3) All margin data presented based on LTM financial performance for the period ended 3/31/16. For APO, margin represents Management Business Economic Income divided by Management Business Revenue and includes a one-time adjustment for a legal reserve in 4Q'15. For Alt Peers, Fee-Related Earnings has been adjusted to conform to Apollo's Management Business presentation methodology. As reported operating margins presented for traditional asset managers and the S&P 500. (4) Dividend Yield forecasts based on consensus dividend/distribution estimates for 2017 divided by price as of 5/25/16. (5) Cumulative cash return measured since Apollo IPO as a percent of March 30, 2011 share price. Alt Asset Manager average for this measure includes BX and KKR only, as available. S&P 500 as of 12/31/15. (6) P/E Multiple represents P/ENI multiple for APO and the Alt Asset Managers (except for OAK, which is based on ANI, as reported). P/E Multiple (2017E) measures consensus EPS estimate for 2017 divided by share price as of 5/25/16. (7) Traditional Managers include AMG, AB, BEN, BLK, CNS, EV, FII, IVZ, JNS, LM, OMAM, TROW, VRTS, WDR and WETF. (8) Alternative Asset Managers include ARES, BX, CG, KKR and OAK (APO disclosed separately). Source: Bloomberg, FactSet, company reports, and Apollo

Apollo's Cash Earnings Poised For Growth

APOLLO

*Cash Earnings Profile Underpinned by Growing Management Business
and Likely to Benefit from an Inflecting Incentive Business*



Note: Management Business and Incentive Business Distributable Earnings per share estimates for 2016-2018 represent current consensus estimates derived from sell-side research analyst forecasts (n=19, as available). "Future" Total Distributable Earnings per share projection reflects consensus 2018E Management Business DE plus the trailing 5-year average Incentive Business DE. Forward earnings projections are for illustrative purposes only. There can be no assurance of future financial performance.

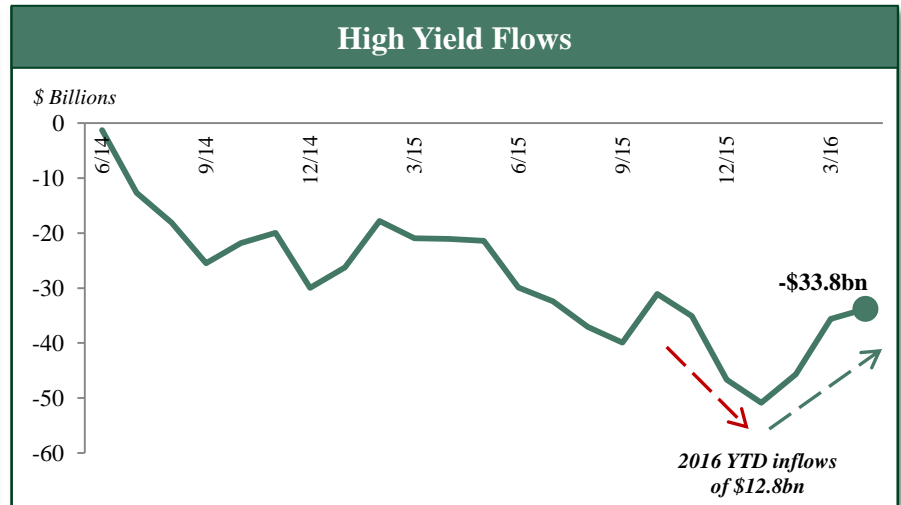
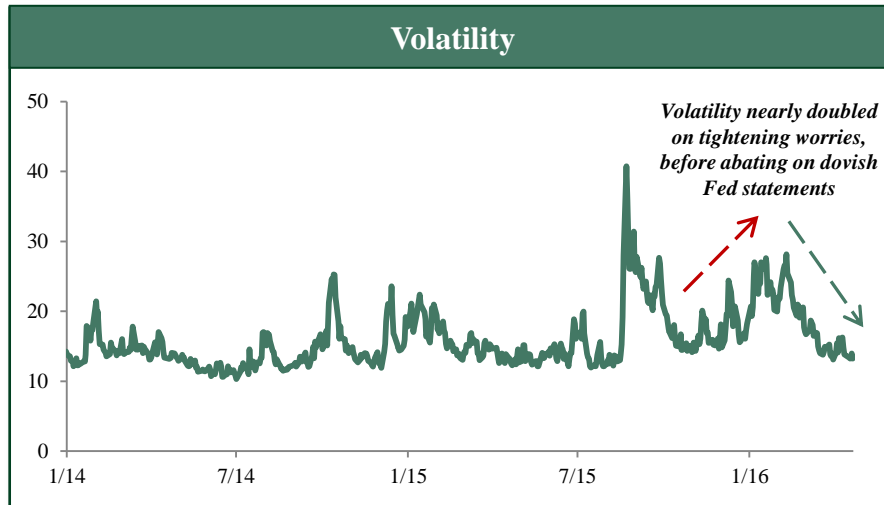
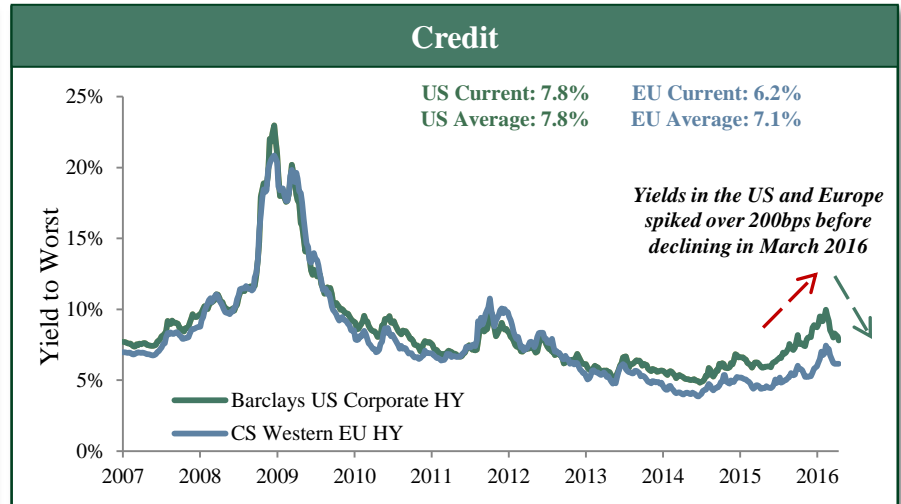
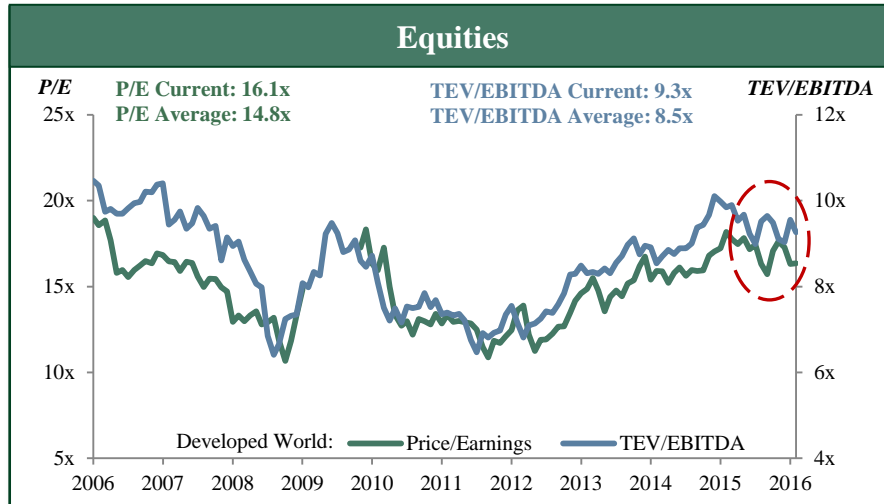
*Observations within the current
market environment*

A P O L L O

Public Markets are Fully Valued in Light of Sluggish Growth; Volatility is Increasing

APOLLO

- Negative sentiment around China, oil prices and the Fed tightening drove market declines and volatility in 2H'15 and early 2016
- Dovish central bank policy led to market recovery in early 2016
- QE won this recent bout of volatility, but illiquidity remains a threat in periods of forced selling



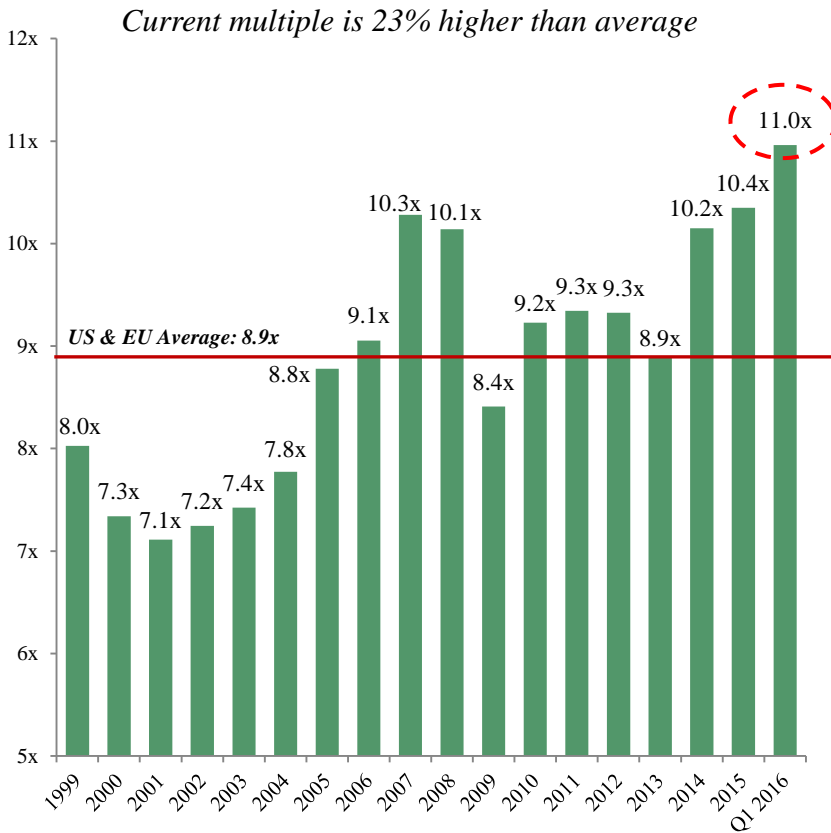
Source: Bloomberg, as of May 2016. Credit yields average calculations exclude outlier peak periods, shown for the past 10 years. Developed World represents an average of the US, European, and Asian equity markets. US Equity Market index represents the S&P 500. European Equity Market index represents the FTSE 100. Japanese Equity Market index represents the Nikkei 225. Volatility represents the VIX. High yield flows from Lipper FMI.

Private Equity Purchase Multiples Remain at All-Time Highs

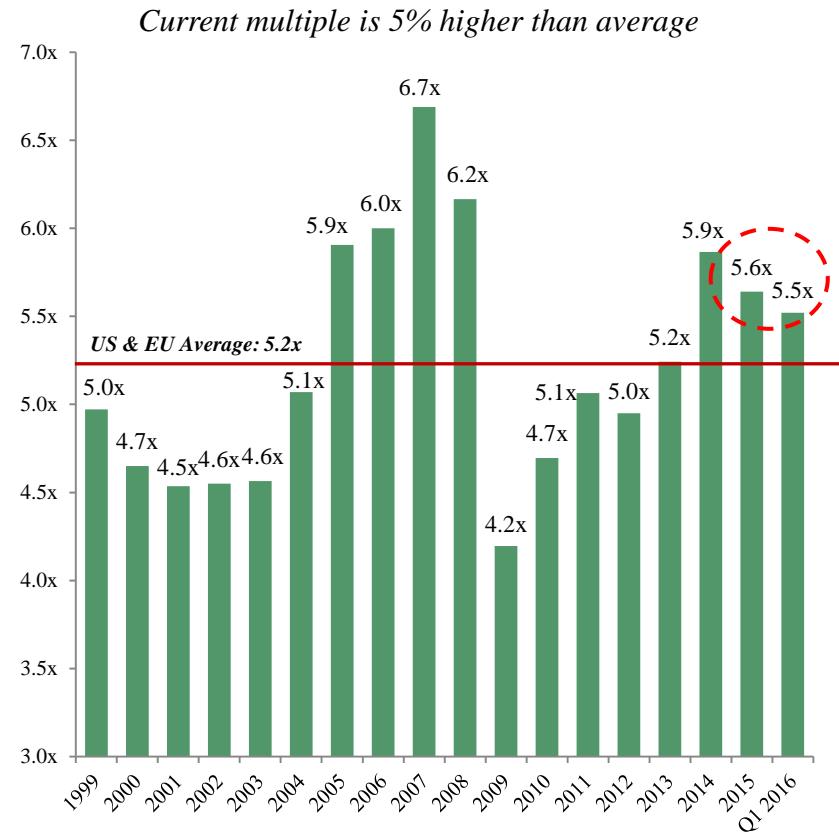
APOLLO

- Private Equity valuations have reached 2007/2008 levels, despite a pullback in leverage levels

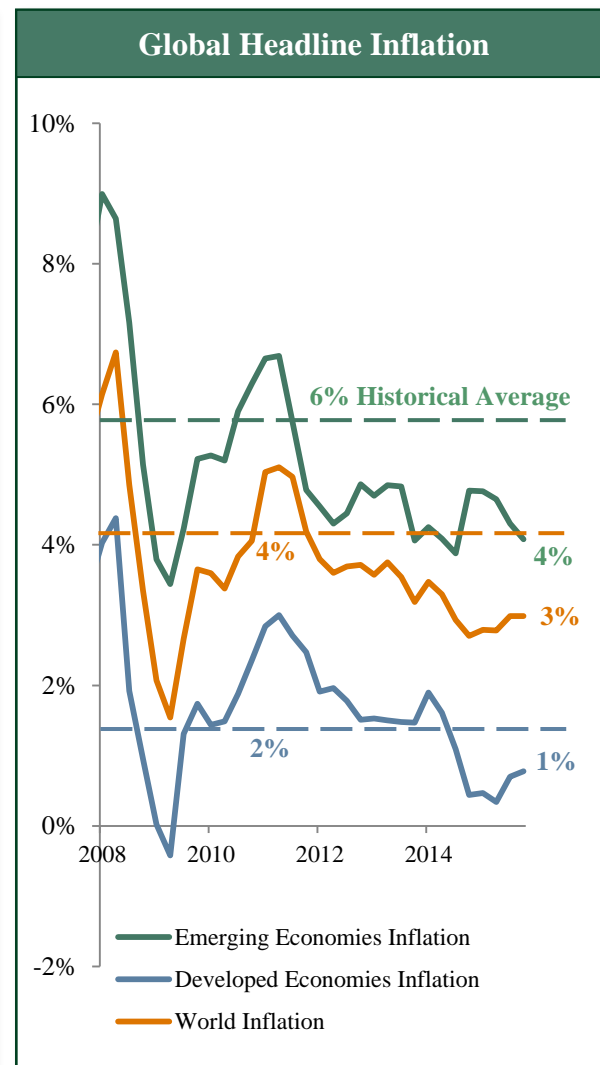
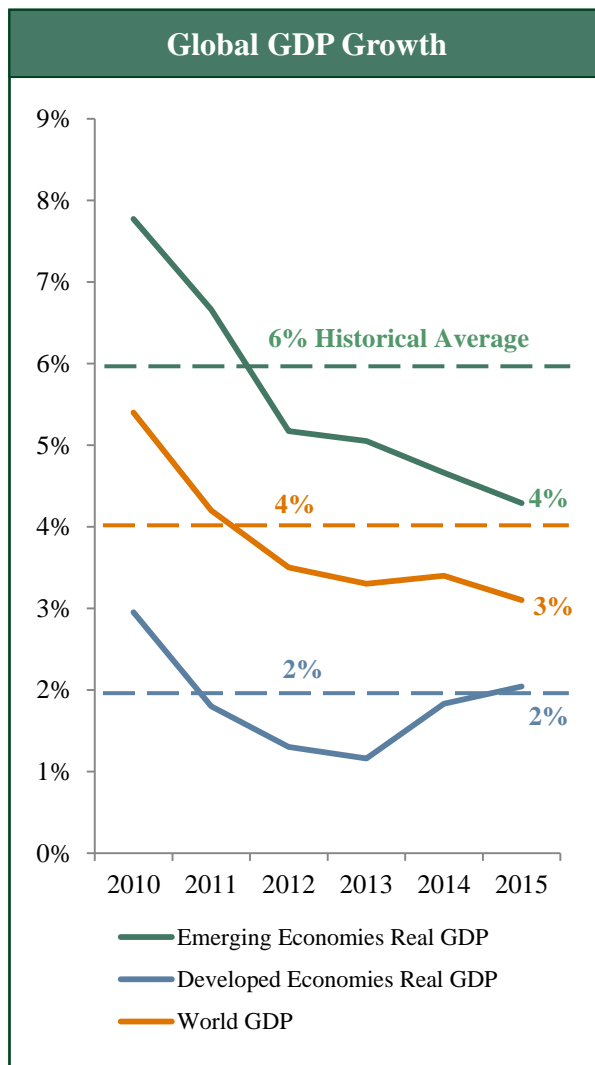
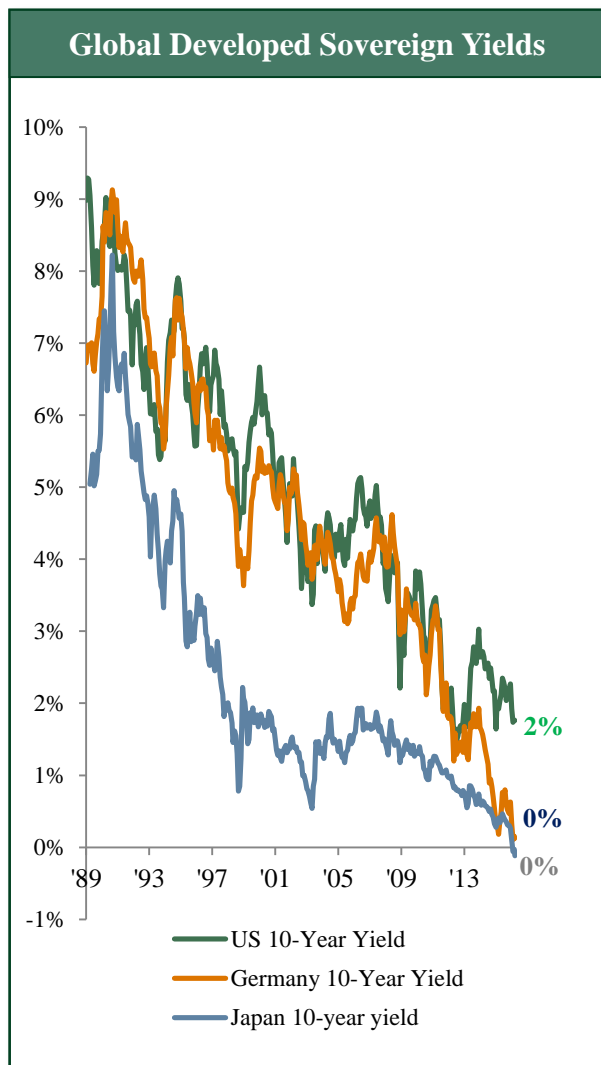
U.S. and European LBO Purchase Price Multiples



U.S. and European LBO Leverage Levels



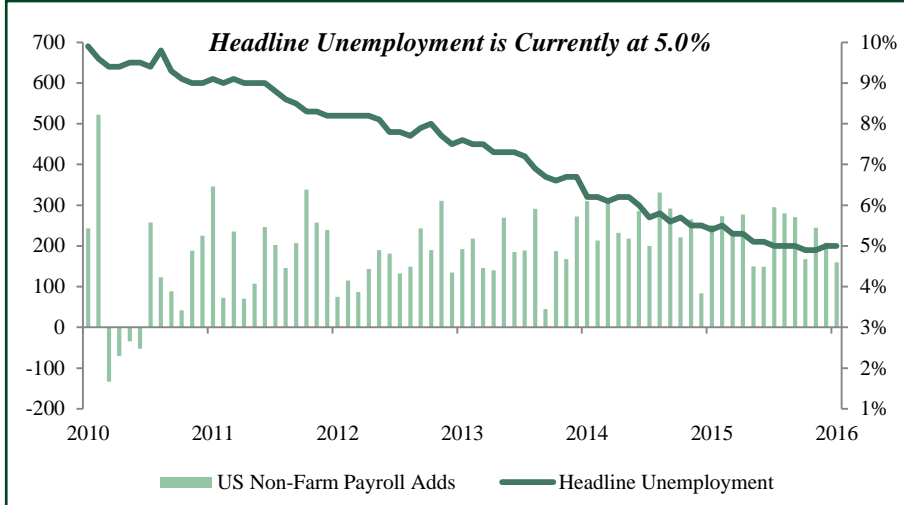
- Despite historically low rates, global growth and inflation remain below historical averages



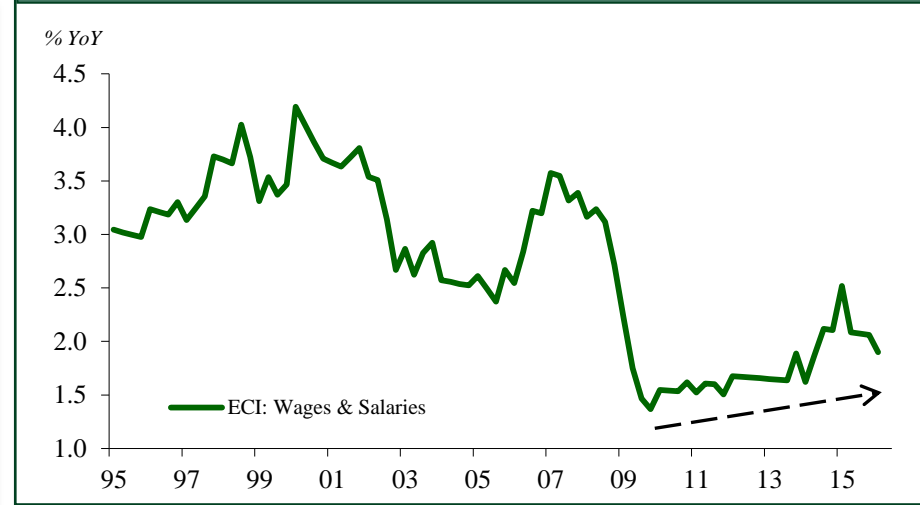
In the US, Stable Fundamentals Although Recovery is Increasingly Late Cycle

APOLLO

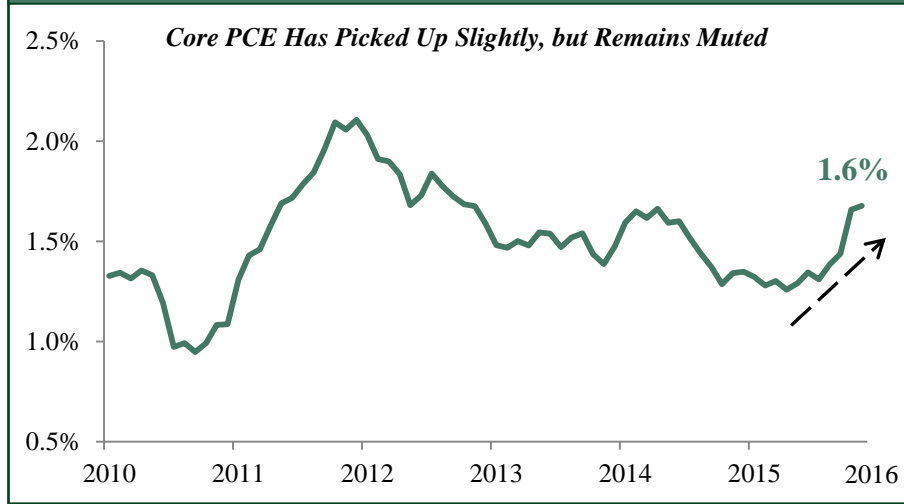
Strong Job Adds Continue to Drive Down Unemployment



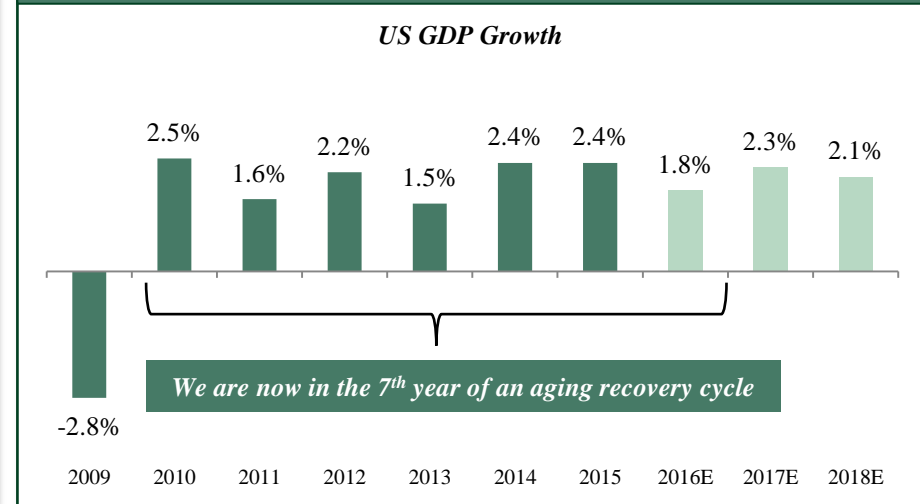
Continued Muted Wage Growth



Wage Growth Should Ultimately Drive Inflation



Economic Recovery in the US is Aging

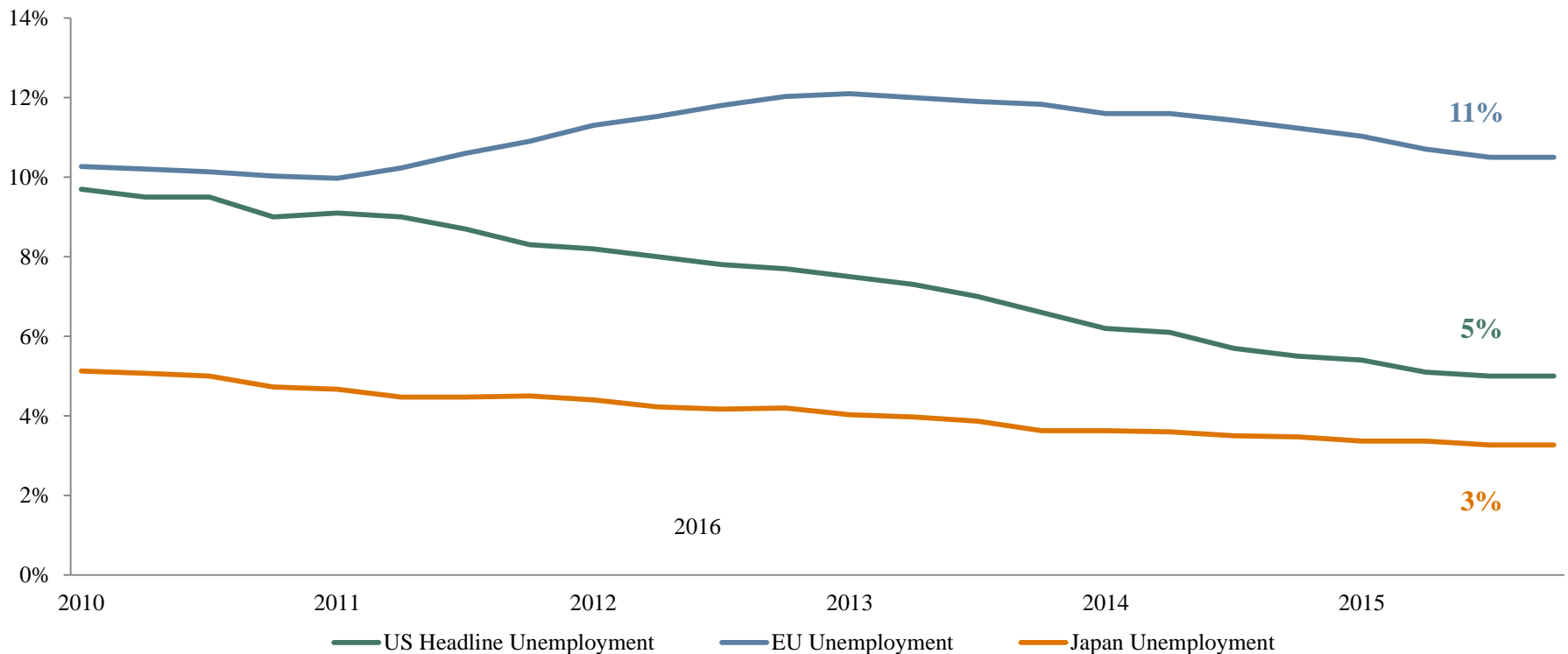


With the U.S. Further Along in Recovery, Monetary Policy Divergence is Likely

APOLLO

- Slowdown abroad may limit US monetary policy options, which are increasingly controlled by foreign issues

While the U.S. is Close to Full Employment, Europe Has a Long Way to Go and Japan Faces Structural Challenges



While to Date, the Fed Has Been Slow to Hike Rates Further, as Inflation Continues to Climb, the Pace of Hikes May Need to Accelerate

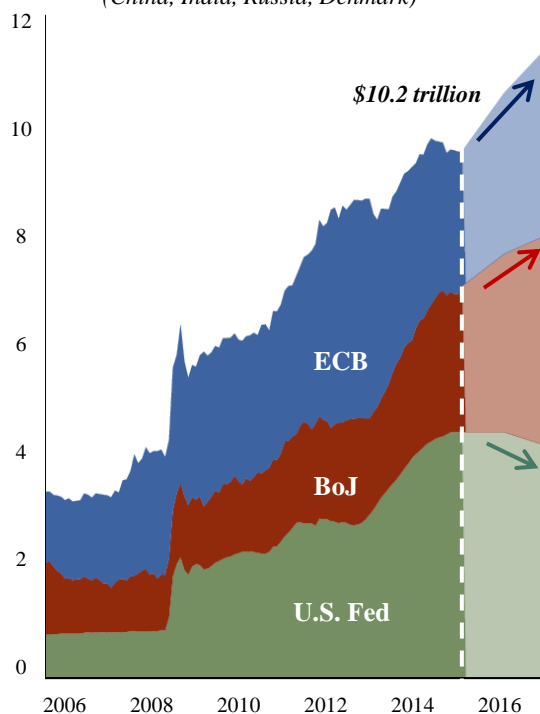
Divergence is Rare: As the U.S. Begins to Tighten, Other Countries Continue Easing

APOLLO

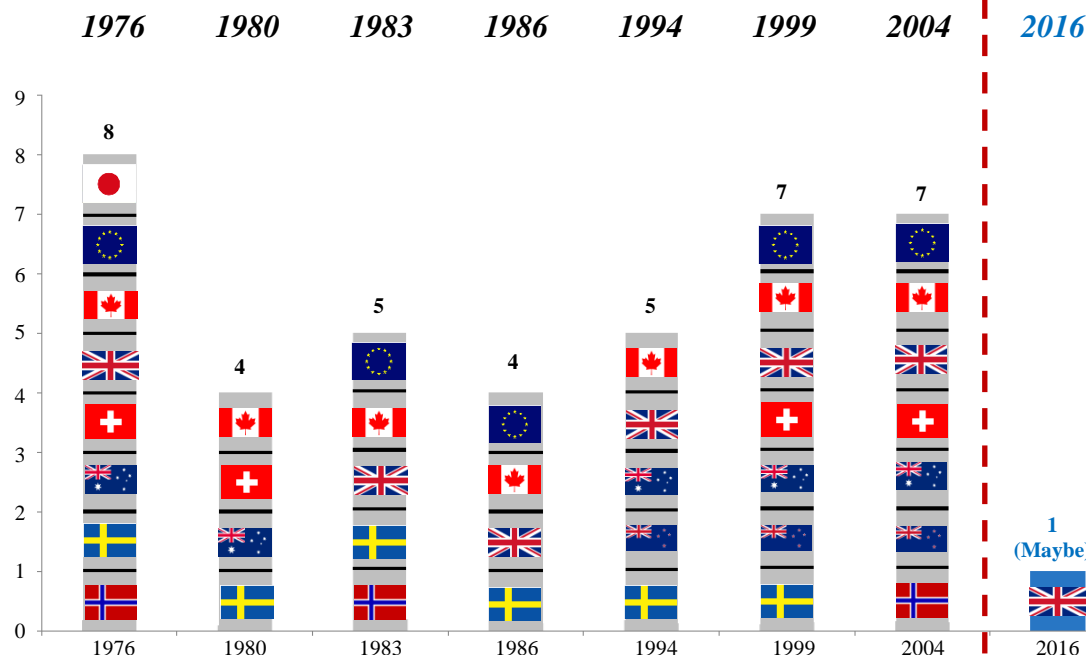
- As we enter a world of policy divergence, it is worthwhile to recognize the global nature of today's economy
 - In particular, credit yields remain highly correlated
- Historically, other G-10 countries tightened simultaneously with the U.S. Federal Reserve
- However, this cycle departs from historical experience, with very few (if any) other central banks tightening alongside the U.S. Fed, driven by tenuous economic prospects elsewhere in the world

Central Bank Balance Sheets

In aggregate, nearly 50 countries have cut rates in 2015, and several have made multiple cuts (China, India, Russia, Denmark)



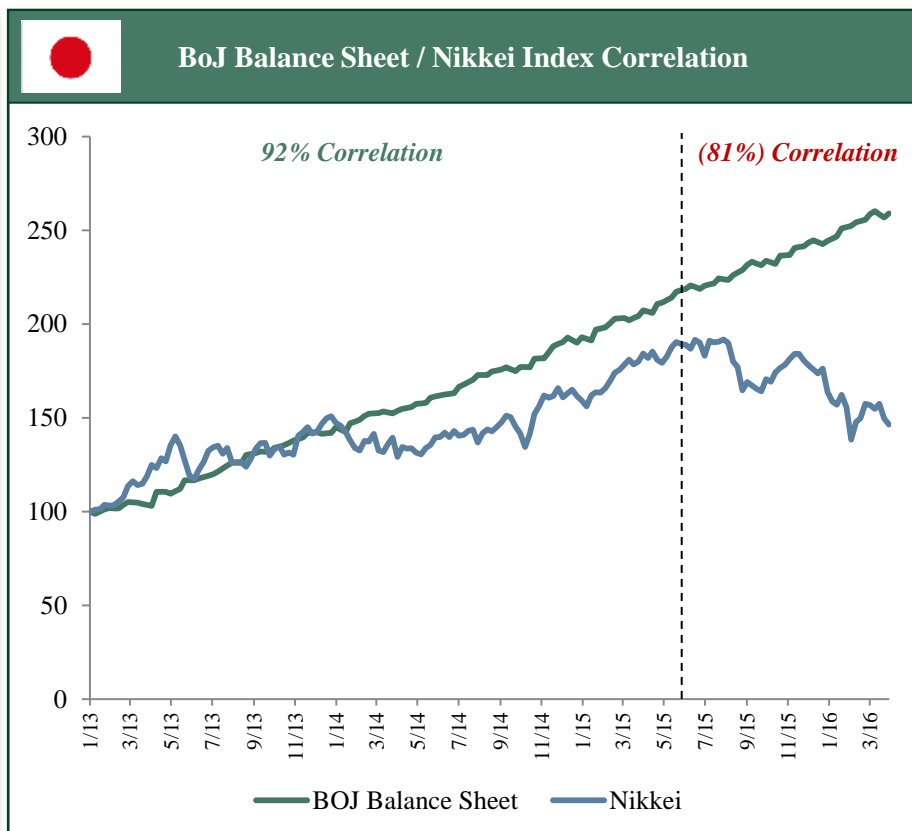
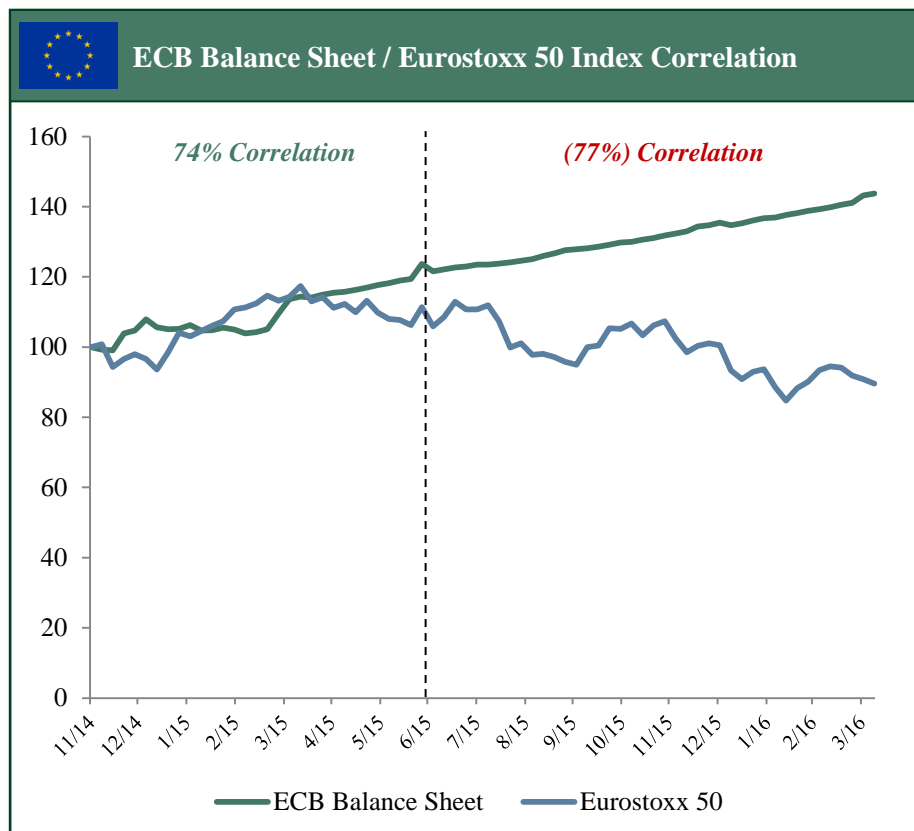
Divergence of Monetary Policy is Rare



Prospects for Continued Easing: The Efficacy of Quantitative Easing Has Declined

APOLLO

- QE had not been able to prop up asset prices in Europe and Japan, although it continues to suppress yields



Europe: 10-Year Government Yields (Germany)

<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>Current</u>
1.9%	0.5%	0.6%	0.1%

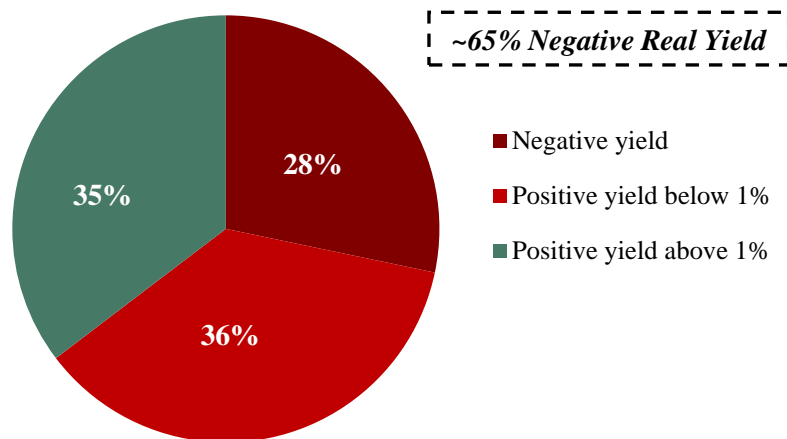
Japan: 10-Year Government Yields

<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>Current</u>
0.7%	0.3%	0.3%	(0.1%)

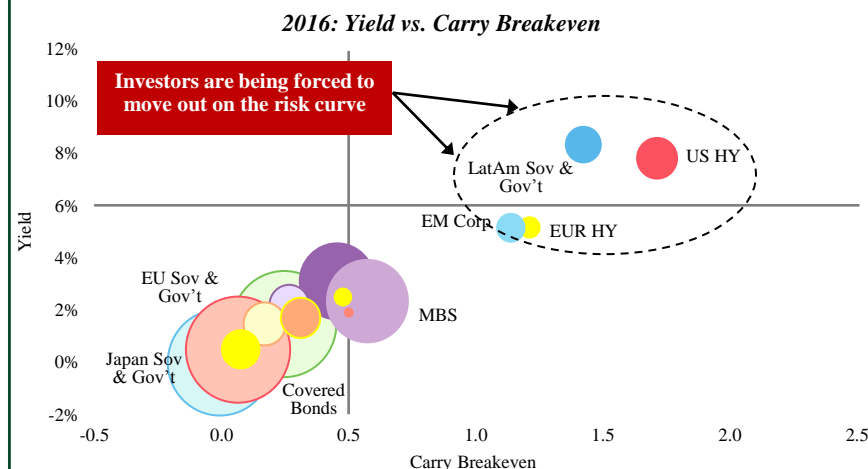
*As a Result, Central Banks Have Begun to Test Unconventional Tools Such as
Negative Interest Rates, the Impact of Which is Still Unknown*

Negative Global Real Yields...

Of the \$25 trillion in developed world government bonds, nearly two thirds have yields below the rate of inflation of ~1%



...Are Forcing Investors to Seek Yield Through Beta



Potential Implications

- **Negative interest rates** are the next step in unconventional policy tools as traditional policy options have become less effective
 - QE and negative interest rate policies have driven yields lower
- Capital shortfalls and non-performing assets remain prevalent in the European banking system, restricting new lending and meaningful growth

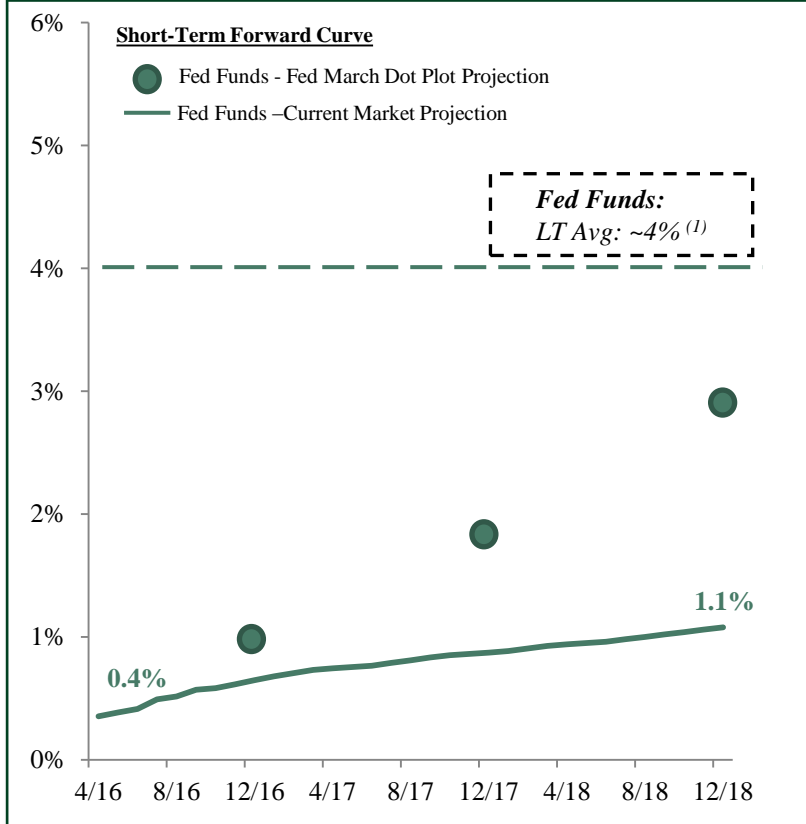
As Investors Continue to Experience Lower Returns, They Are Likely to Shift Towards Alternative Assets in a Search for Yield, Potentially Creating Asset Bubbles

Rates Will Likely Remain Low, but the Stronger Dollar May Replace High Long Term Rates in Cooling the U.S. Economy

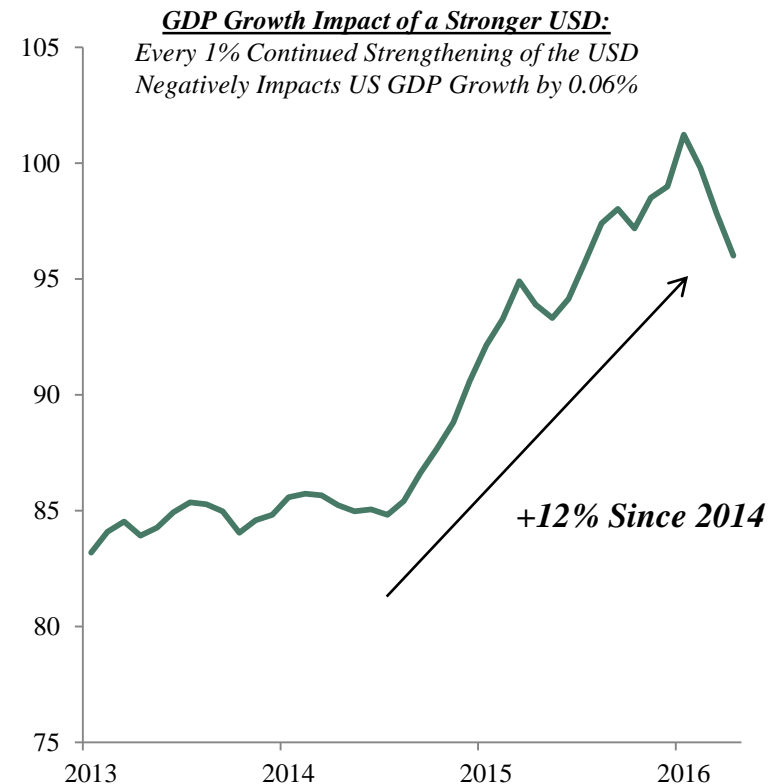
APOLLO

- The Federal Reserve raised its target range by 25 bps to 0.25% – 0.50% in December 2015
- The market expects rates to remain lower for longer, pricing in only one rate hike in 2016
 - Past 2016, there is a meaningful gap between the Fed's rate forecast and the market's projections
- Increases in rates are expected to be slower relative to prior cycles, with rates likely remaining lower for longer
- A strengthening USD may replace rate hikes as a mechanism to cool the economy

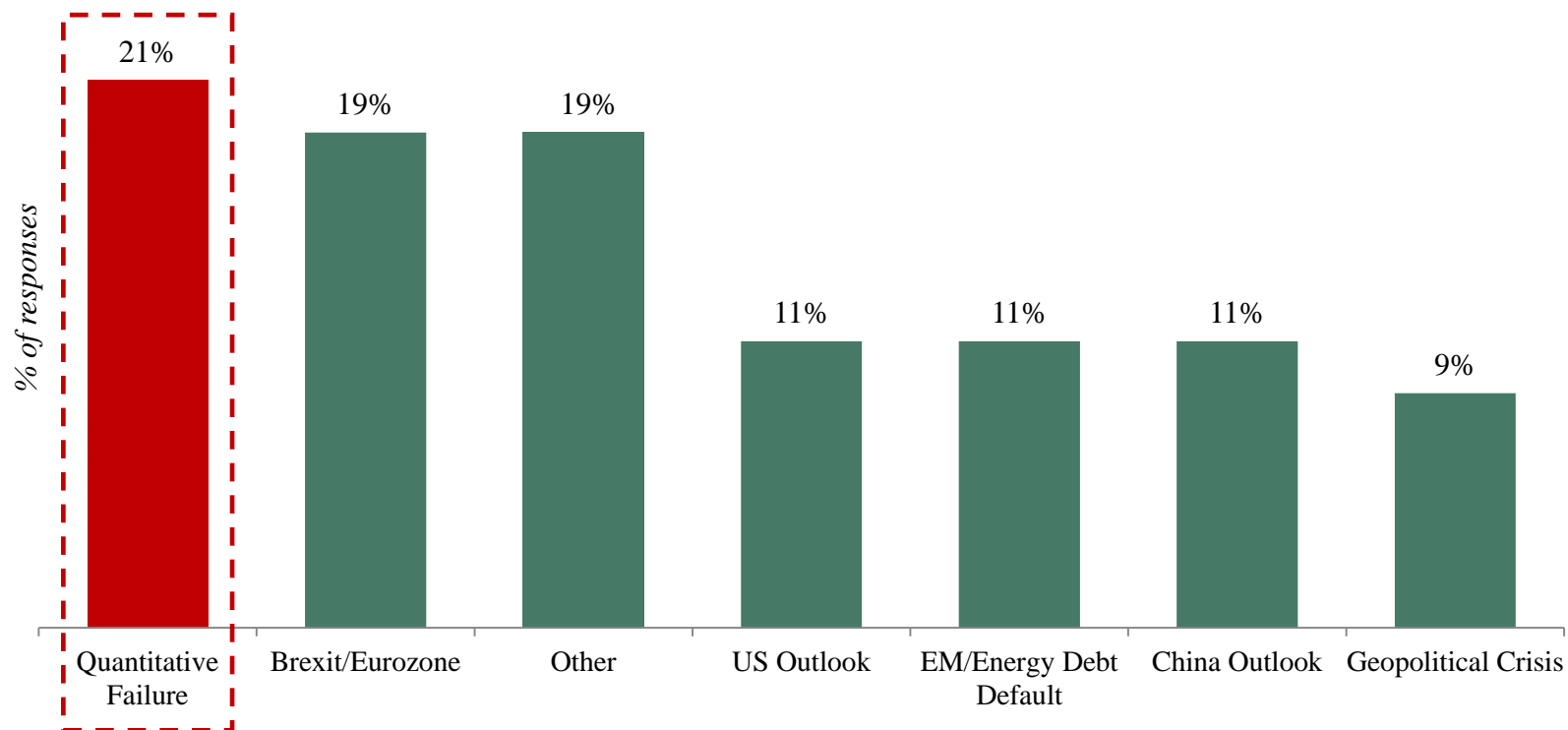
Market vs. Fed: Short Term Rate Projections



A Stronger Dollar May Replace QE as the Cooling Mechanism for the US Economy



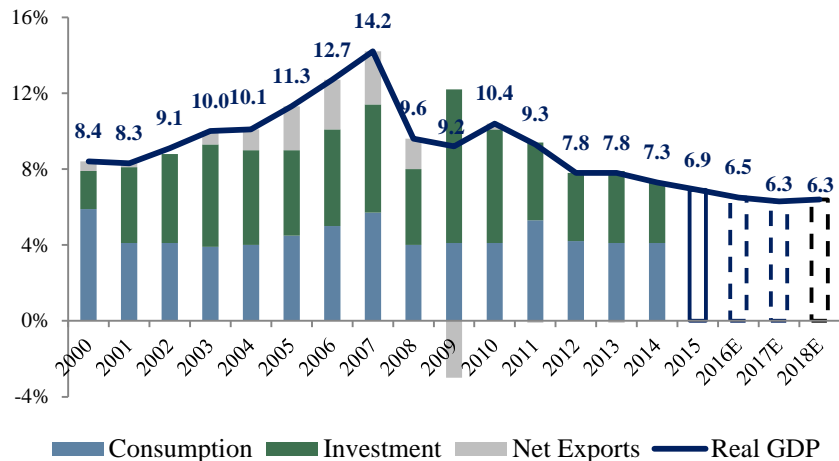
Fund Managers View QE Failure as Their Biggest Tail Risk



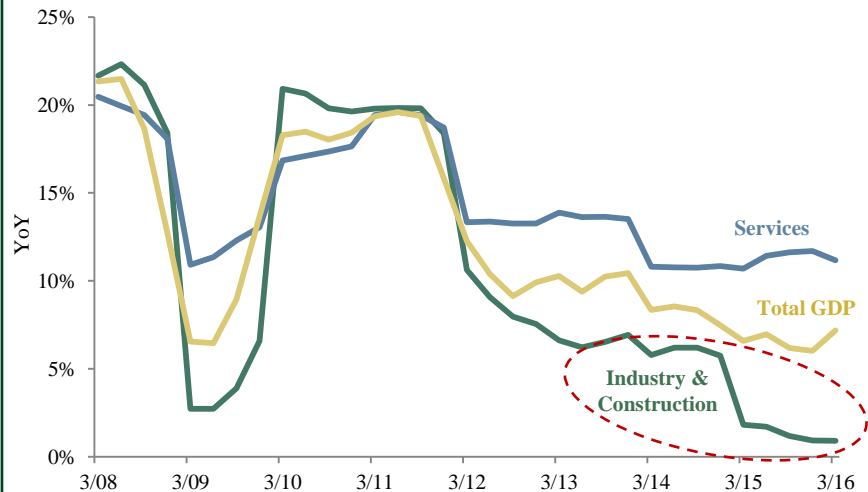
China is Slowing, Leading to Declining Commodity Prices

APOLLO

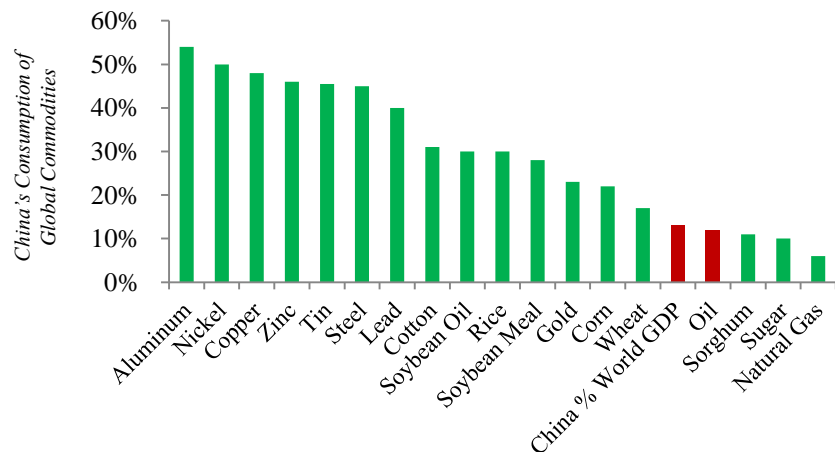
China's GDP Growth is Projected to Decelerate...



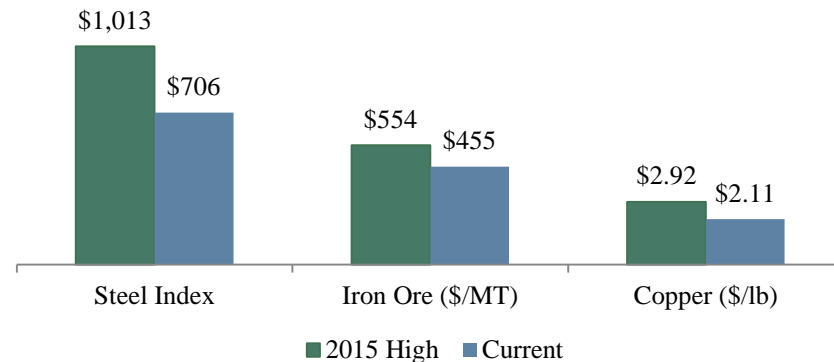
...Driven by Slowing Fixed Asset Investment Growth



China is the World's Largest Consumer of Most Commodities...



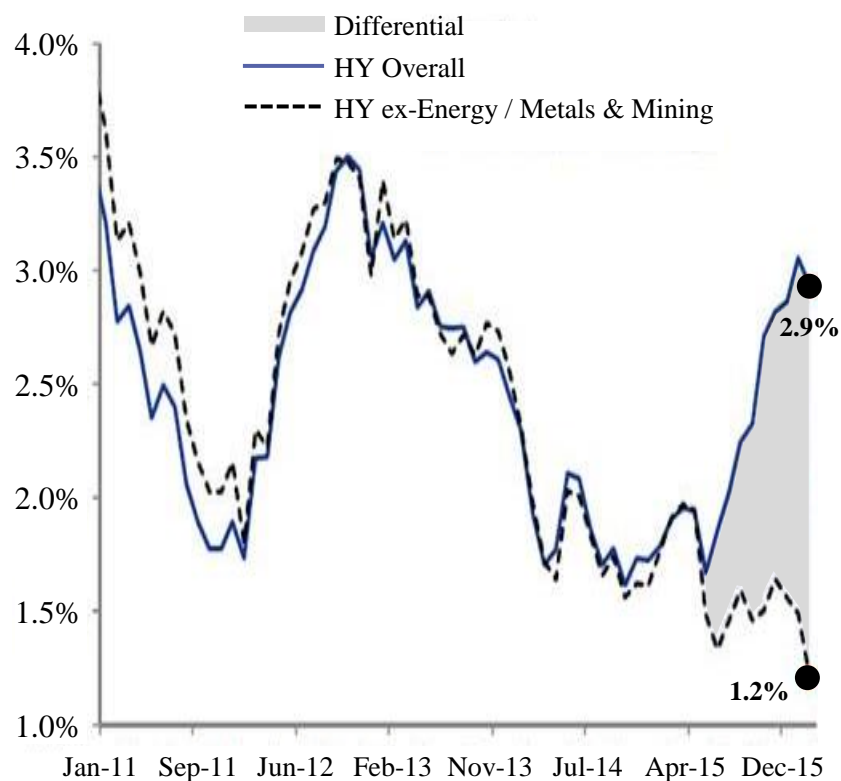
...Impacting Recent Movements in Commodity Prices



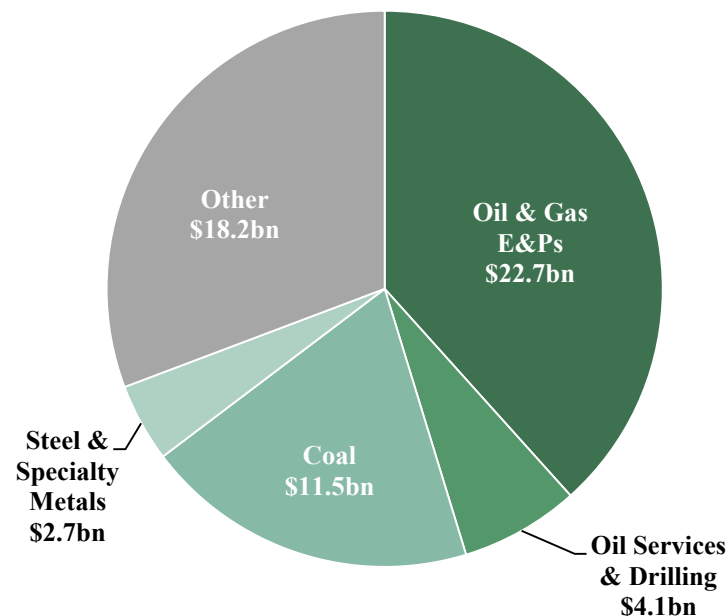
China's Share of Global Oil Consumption Approximates its Share of World GDP, While Its Share of Global Metals Consumption is Much Greater, at 30% – 50%

- Excluding Energy and Metals & Mining, high yield defaults are at post-crisis lows
- Energy and Metals & Mining represent ~70% of defaulted debt over the last 12 months

12-Month Trailing High Yield Default Rate



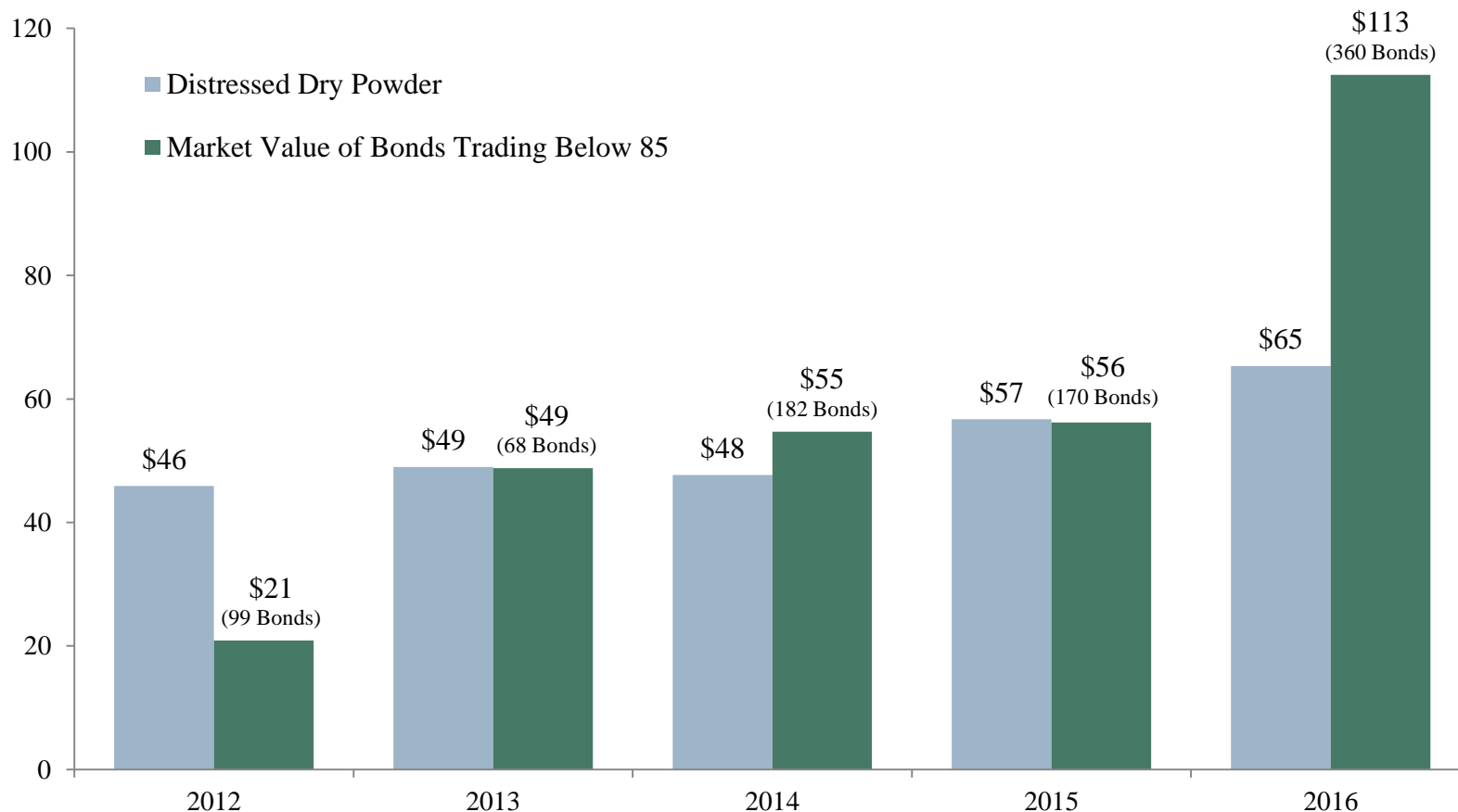
12-Month Defaulted Debt Breakdown by Sector



Market Value of Bonds Trading Below 85 Has Outpaced Distressed Dry Powder

*We are actively evaluating credits across our **nine core sectors**, and have begun to build positions in distressed credits, particularly in **Natural Resources***

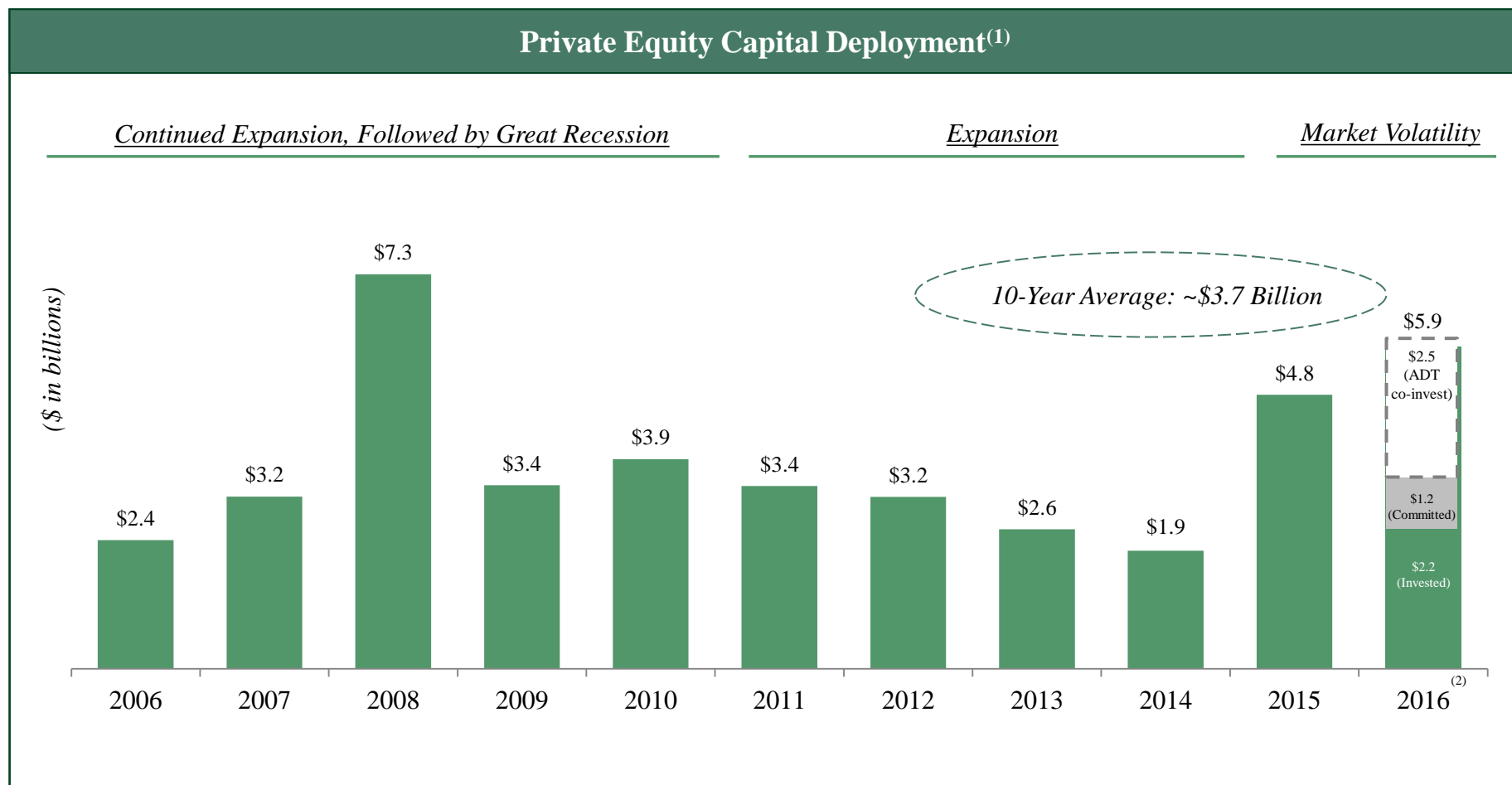
\$ billions



*So how is Apollo positioned within
this backdrop?*




























APOLLO

- YTD 2016, Fund VIII and co-investors have invested or committed to invest approximately \$6bn



(1) Represents deployed capital for 2006-2015. Please refer to endnotes and definitions at the end of this presentation. (2) 2016 invested capital reflects YTD activity and includes a number of transactions which have closed since 3/31/16. The \$1.2 billion represents capital which has been committed to investments by Apollo's private equity funds which have not yet closed and may be subject to a variety of closing conditions or other contractual provisions which could result in the capital not ultimately being invested.

- As contrarian, value-oriented investors we are focusing our investment activity on less obvious, often more complicated, paths towards value in the face of current market uncertainty
- Opportunities generally fall into two distinct buckets. One driven by *Market Dislocation* and one driven by our ability to uncover value amidst *Complexity*

Market Dislocation			Complexity	
Natural Resources	European FIG	Distressed	Carve-Outs	Build-Ups/ Opportunistic
    	   	 <div>5-10 Credits</div>	       	               

Note: Fund VIII's commitment to invest in Apollo Education Group and Maxim Crane/AmQuip is subject to customary closing conditions.

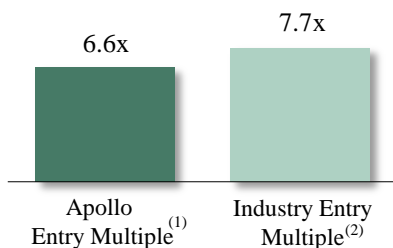
Fund VIII is Continuing Apollo's Value-Oriented Approach

APOLLO

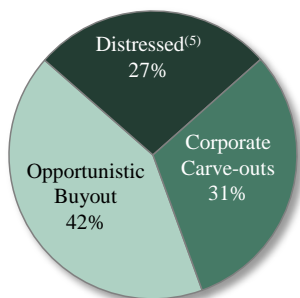
Fund V

Vintage: 2001
Total Commitments: \$3.7bn
Total Invested: \$5.2bn

Creation Multiple



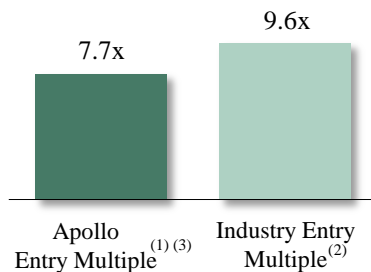
Composition⁽⁴⁾



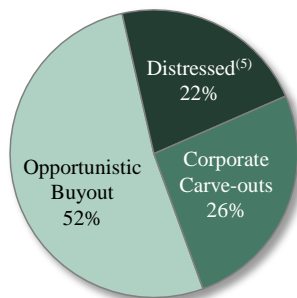
Fund VI

Vintage: 2006
Total Commitments: \$10.1bn
Total Invested: \$12.5bn

Creation Multiple



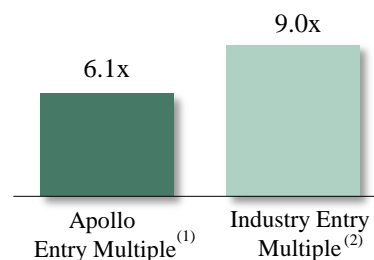
Composition⁽⁴⁾



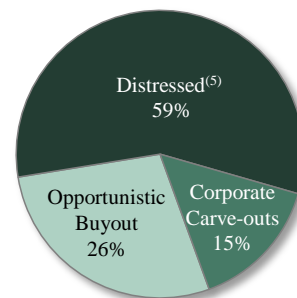
Fund VII

Vintage: 2008
Total Commitments: \$14.7bn
Total Invested: \$15.9bn

Creation Multiple



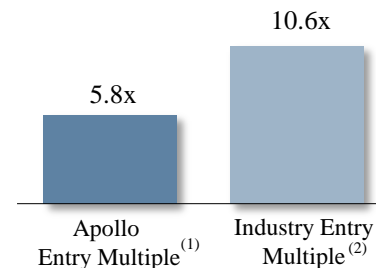
Composition⁽⁴⁾



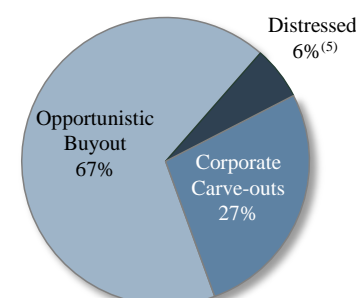
Fund VIII

Vintage: 2013
Total Commitments: \$18.4bn
Invested/Committed⁽⁶⁾: \$9.1bn

Creation Multiple



Composition⁽⁴⁾



Please refer to endnotes and definitions at the end of this presentation

(1) As of March 31, 2016. The average creation multiple is the average of the total enterprise value over an applicable EBITDA. Average creation multiples may incorporate pro forma or other adjustments based on investment team's estimates and/or calculations. (2) S&P LCD database as of March 31, 2016. (3) Where Fund VI invested in the equity and debt of a portfolio company, a capital weighted average creation multiple was used. As of March 31, 2016. (4) As of March 31, 2016. Composition of pie charts is based on total invested capital as per the fund's initial investment strategy at time of acquisition, except for Fund VIII which is based on committed capital. (5) Distressed investments include credit and distressed buyouts. (6) Fund VIII includes both invested and committed capital.

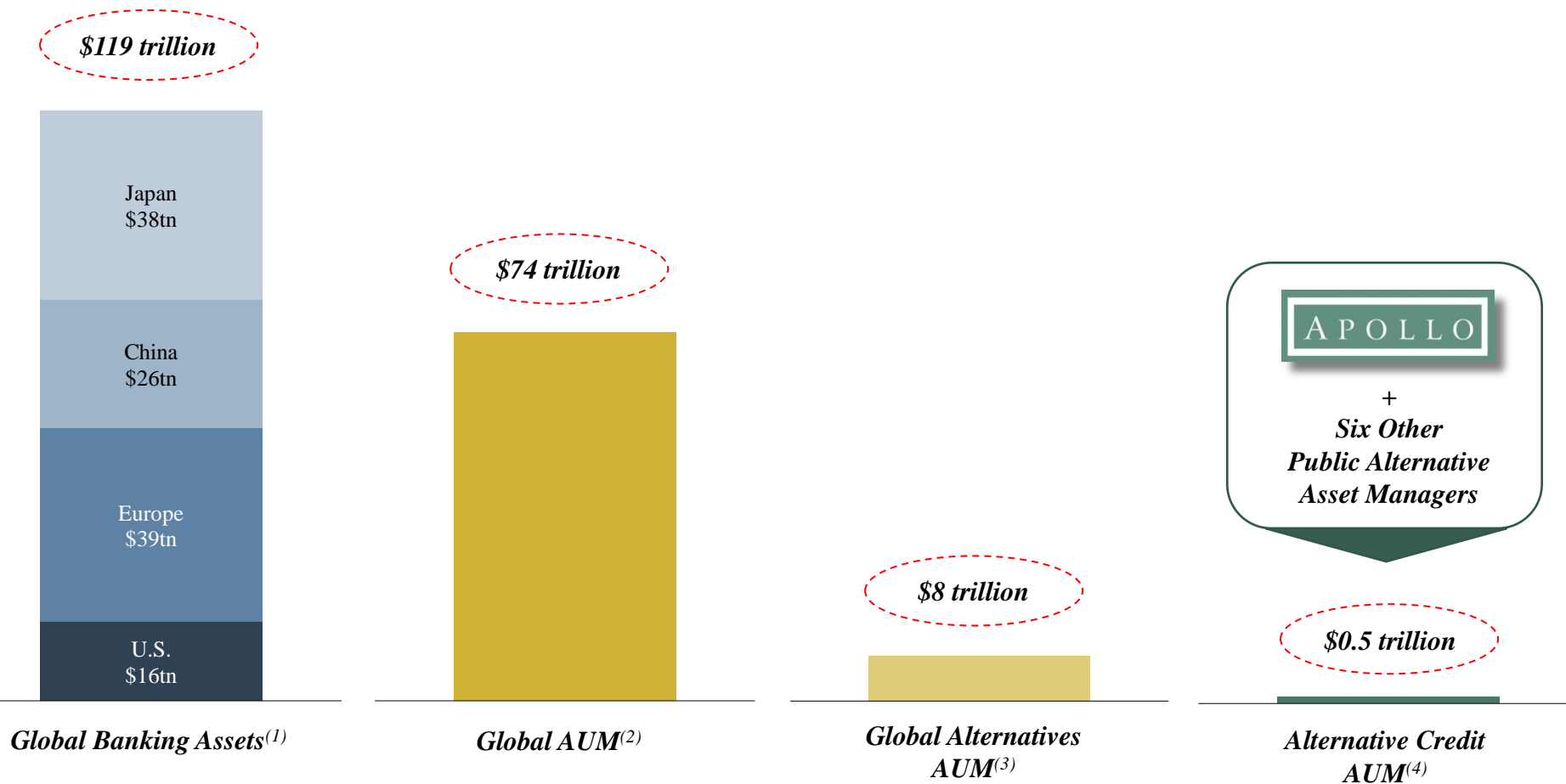
Current Market Trends

- 1 *De-leveraging of financial institutions*
- 2 *Re-regulation of financial institutions*
- 3 *Insatiable search for yield*

More Relevant Than Ever in 2016

- 1 *Filling the role of the banks to a broad set of borrowers*
- 2 *Dynamic reshaping of traditional banking activities*
- 3 *Human capital exodus continues*

Shrinking Bank Balance Sheets Coupled with Broad Base of Investable Assets Searching for Yield Poised to Drive Growth for Alternative Credit Managers



(1) Source: Federal Reserve (April 2016), ECB (Feb. 2015), China Banking Regulatory Commission (March 2014), Bank of Japan (April 2016).

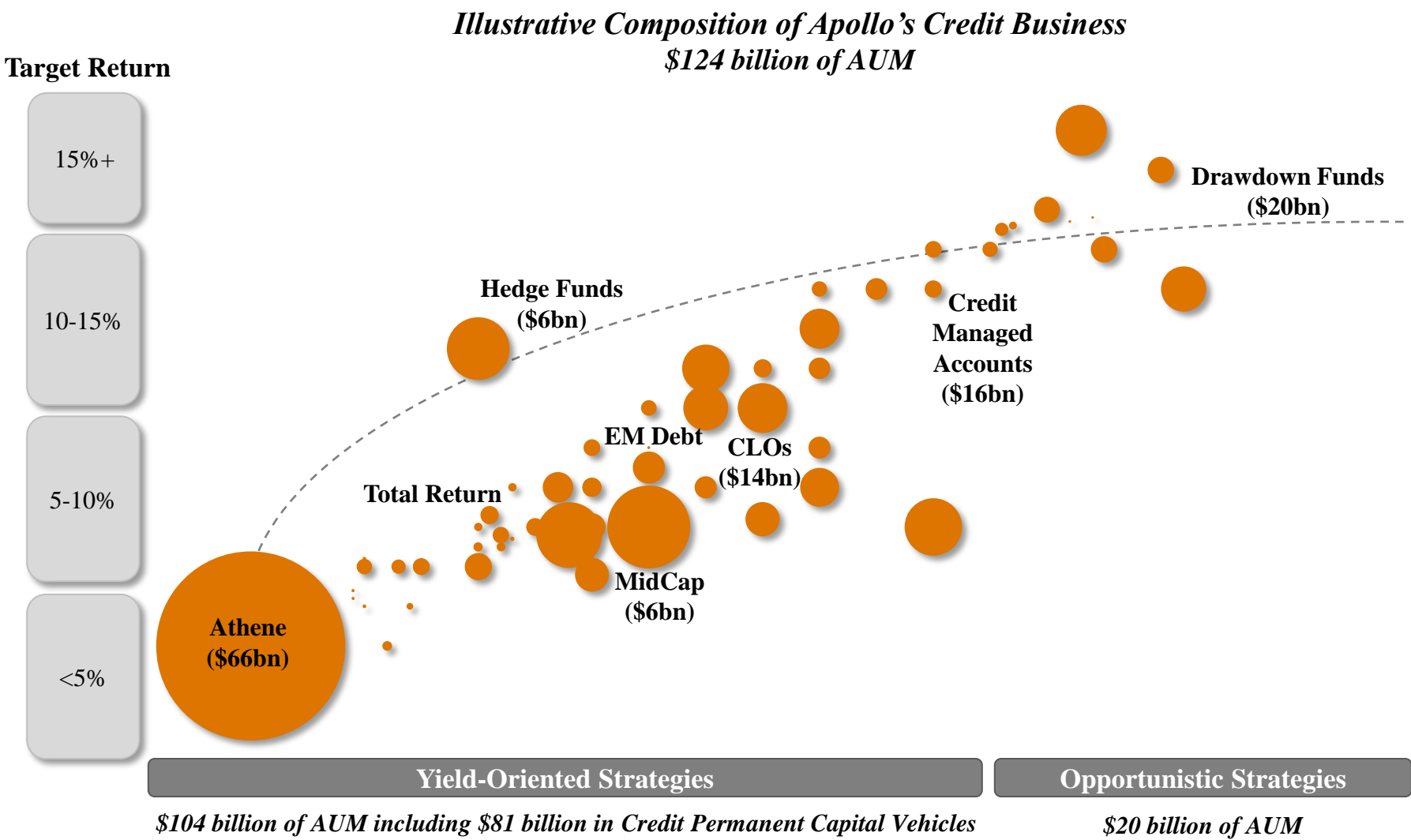
(2) Source: BCG, as of 2014, "Global Asset Management 2015: Sparking Growth with Go-To-Market Excellence."

(3) Source: BCG, as of 2014, "Global Asset Management 2015: Sparking Growth with Go-To-Market Excellence."

(4) Source: Company reports for APO, ARES, BX, CG, FIG, KKR and OAK. Data as of March 31, 2016.

We Have a Range of Solutions Across the Credit Spectrum

Apollo manages more than 100 discrete funds or accounts across a broad set of investment strategies



Note: Please refer to endnotes and definitions at the end of this presentation. Diagram is illustrative in nature with bubbles banded by approximate return targets and size of bubbles representing magnitude of AUM. Identified pockets of AUM may not sum due to double counting of Athene sub-advised assets.

A

Differentiated investment strategy with strong historical performance

P

Increasing diversification and growth in earnings, AUM and permanent capital

O

Growing level of recurring cash flow with compelling valuation

L

Healthy operating margins with further scale potential

L

Proven ability to innovate amid shifting landscapes

O

Deep bench of talent driving continued institutionalization

A P O L L O

A P O L L O

Risk Factors – please refer to 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 February 26, 2015; 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.

Assets Under Management (“AUM”) Definition – refers to the assets we manage for the funds, partnerships and accounts to which we provide investment management 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 plus the capital that such funds, partnerships and accounts are entitled to 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 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 estate funds, partnerships and accounts we manage, and the structured portfolio company investments of the funds, partnerships and accounts we manage, 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; and
- (v) the fair value of any other assets that we manage for the funds, partnerships and accounts to which we provide investment management services, plus unused credit facilities, including capital commitments to such funds, partnerships and accounts for investments that may require pre-qualification 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 no or nominal 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.

“Distributable Earnings,” or “DE,” as well as **“DE After Taxes and Related Payables”** are derived from Apollo’s segment reported results, and are supplemental measures to assess performance and amounts available for distribution to Class A shareholders, holders of RSUs that participate in distributions and holders of AOG Units. DE represents the amount of net realized earnings without the effects of the consolidation of any of the affiliated funds. DE, which is a component of EI, is the sum across all segments of (i) total management fees and advisory and transaction fees, excluding monitoring fees received from Athene based on its capital and surplus (as defined in Apollo’s transaction advisory services agreement with Athene), (ii) other income (loss), excluding the gains (losses) arising from the reversal of a portion of the tax receivable agreement liability, (iii) realized carried interest income, and (iv) realized investment income, less (i) compensation expense, excluding the expense related to equity-based awards, (ii) realized profit sharing expense, and (iii) non-compensation expenses, excluding depreciation and amortization expense. DE After Taxes and Related Payables represents DE less estimated current corporate, local and non-U.S. taxes as well as the payable under Apollo’s tax receivable agreement.

“Capital deployed” or “Deployment” is the aggregate amount of capital that has been invested during a given period (which may, in certain cases, include leverage) by (i) our drawdown funds (ii) SIAs that have a defined maturity date and (iii) funds and SIAs in our real estate debt strategy.

“Permanent Capital Vehicles” (a) assets that are managed by Athene Asset Management and another affiliate of Apollo that provides advisory services to Athene Deutschland and its subsidiaries (“Athene Germany”), (b) assets that are owned by or related to MidCap FinCo Limited (“MidCap”) and managed by Apollo Capital Management, L.P., (c) assets of publicly traded vehicles managed by Apollo such as AP Alternative Assets, L.P. (“AAA”), Apollo Investment Corporation (“AINV”), Apollo Commercial Real Estate Finance, Inc. (“ARI”), Apollo Residential Mortgage, Inc. (“AMTG”), Apollo Tactical Income Fund Inc. (“AIF”), and Apollo Senior Floating Rate Fund Inc. (“AFT”), in each case that do not have redemption provisions or a requirement to return capital to investors upon exiting the investments made with such capital, except as required by applicable law and (d) a non-traded business development company sub-advised by Apollo. The investment management arrangements of AINV, AIF and AFT have one year terms, are reviewed annually and remain in effect only if approved by the boards of directors of such companies or by the affirmative vote of the holders of a majority of the outstanding voting shares of such companies, including in either case, approval by a majority of the directors who are not “interested persons” as defined in the Investment Company Act of 1940. In addition, the investment management arrangements of AINV, AIF and AFT may be terminated in certain circumstances upon 60 days’ written notice. The investment management arrangements of ARI and AMTG have one year terms and are reviewed annually by each company’s board of directors and may be terminated under certain circumstances by an affirmative vote of at least two-thirds of such company’s independent directors. The investment management arrangements between MidCap and Apollo Capital Management, L.P. and Athene and Athene Asset Management, may also be terminated under certain circumstances.

Index Definitions

S&P 500: is a free floating capitalization-weighted index of the prices of 500 large-cap common stocks actively traded in the U.S. **Barclays Capital U.S. Corporate High-Yield Bond Index:** The U.S. Corporate High-Yield Index the covers the USD-denominated, non-investment grade, fixed-rate, taxable corporate bond market. Securities are classified as high-yield if the middle rating of Moody’s, Fitch, and S&P is Ba1/BB+/BB+ or below. The index excludes Emerging Markets debt.

Important Notes Regarding the Use of Index Comparisons

There are significant differences between the Funds and the indices described above. For instance, the Funds may use leverage and invest in securities or financial instruments that have a greater degree of risk and volatility, as well as less liquidity than those securities or financial instruments contained in the indices. It should not be assumed the Funds will invest in any specific securities that comprise an index nor should it be understood to mean there is a correlation between the Funds’ returns and any indices’ performance.